

# Internet and Multimedia 2006

## *The Wonder Years: Media Trends Among Teenagers*



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# How *Internet and Multimedia 2006* Was Conducted

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## **1,925 telephone interviews were conducted in January 2006**

- National random sample
- Fall 2005 Arbitron diarykeepers age 12+
- Supplemental Random Digit Dial sample covers certain geographies where diaries were not available
- *Teen sample: 210 respondents age 12-17*

# The On-Demand Media Consumer



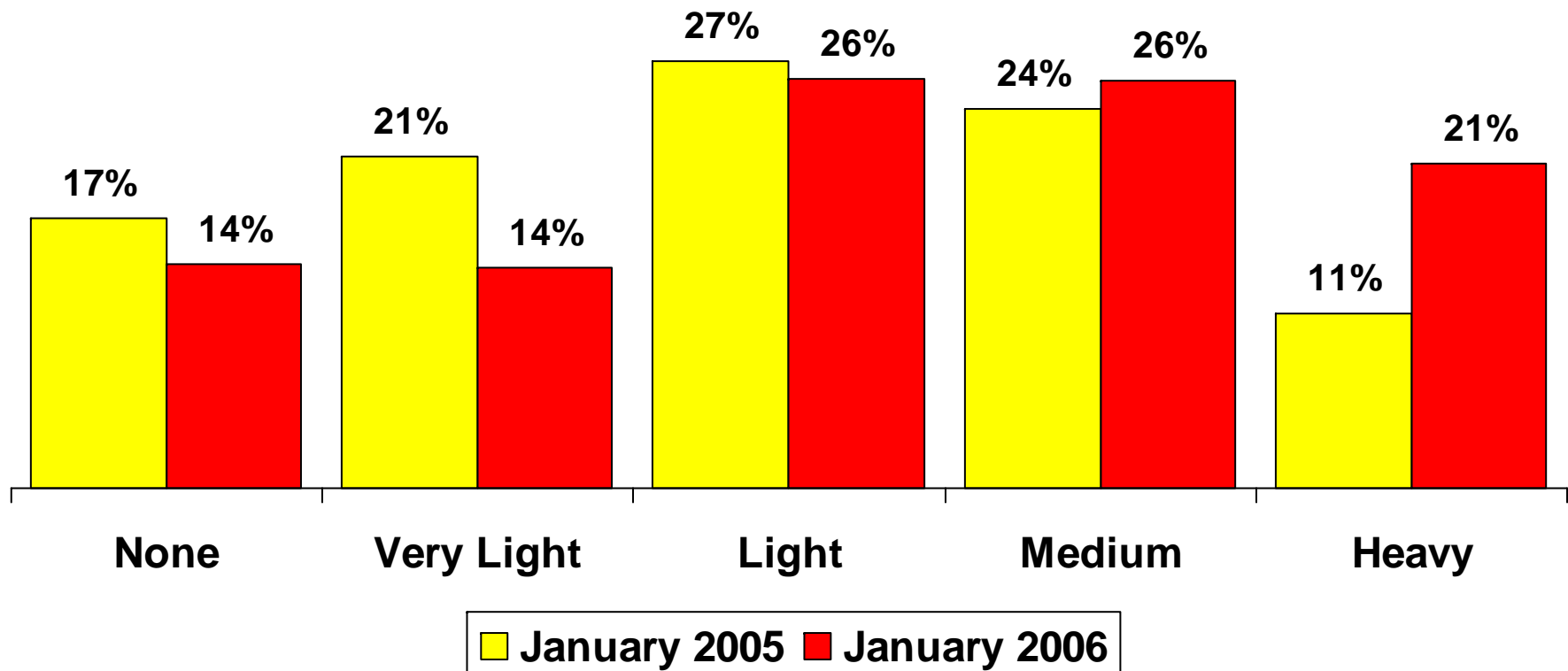
# On-Demand Media/Device Consumer Scale

## *Devices/Behaviors Used to Categorize Consumers of Media*

Watched Video On Demand in past month	Own 20 or more DVDs
Own/Use Digital Video Recorder such as TiVo	Prefer to record TV to watch at later time
Own portable DVD player	Listened to online radio in past month
Own portable MP3 player such as an iPod	Watched online video in past month
Own portable media player (plays digital video/audio)	Try new products or services before most
Ever watched TV clips on cell phone	Own a handheld wireless Internet device such as BlackBerry
First to try new products or services	Spend 7+ hours on Internet per week
Subscribe to online DVD rental service	Have made a purchase online

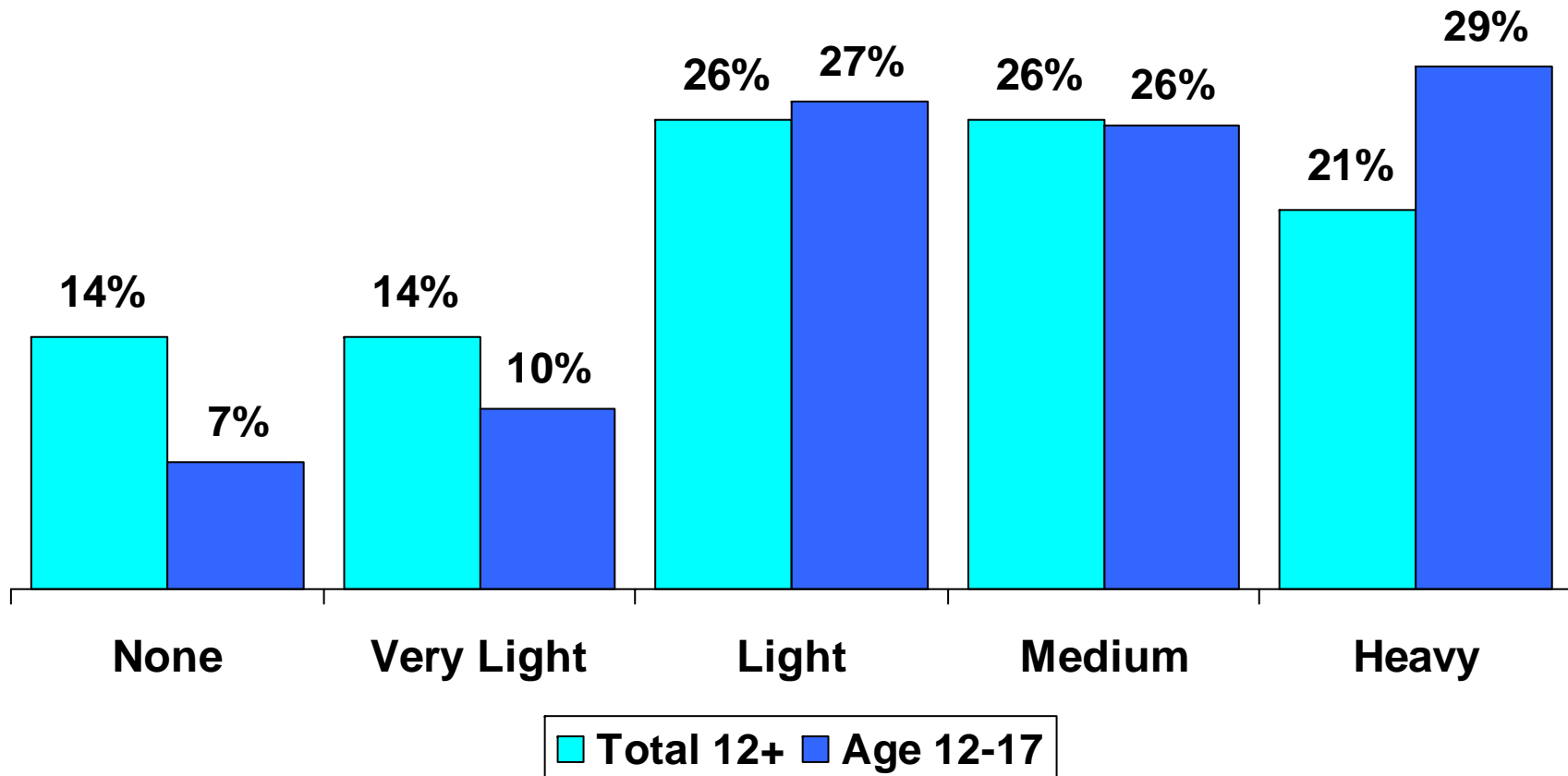
# Heavy On-Demand Media Consumers Nearly Doubled In Last Year

% of Americans 12+ Who Fall into Each On-Demand Category



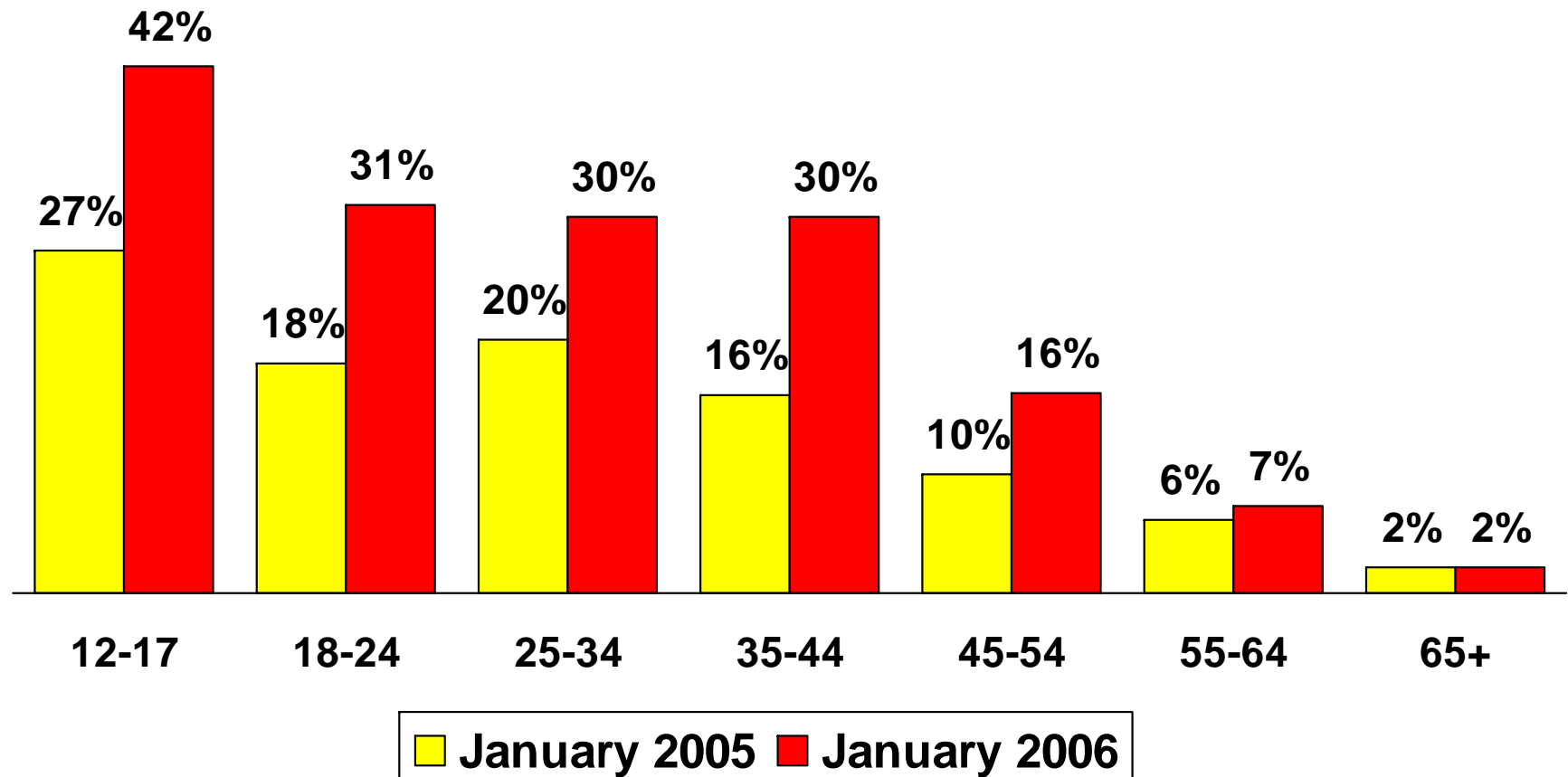
# Teens are Heavy On-Demand Media Consumers

% Who Fall into Each On-Demand Category



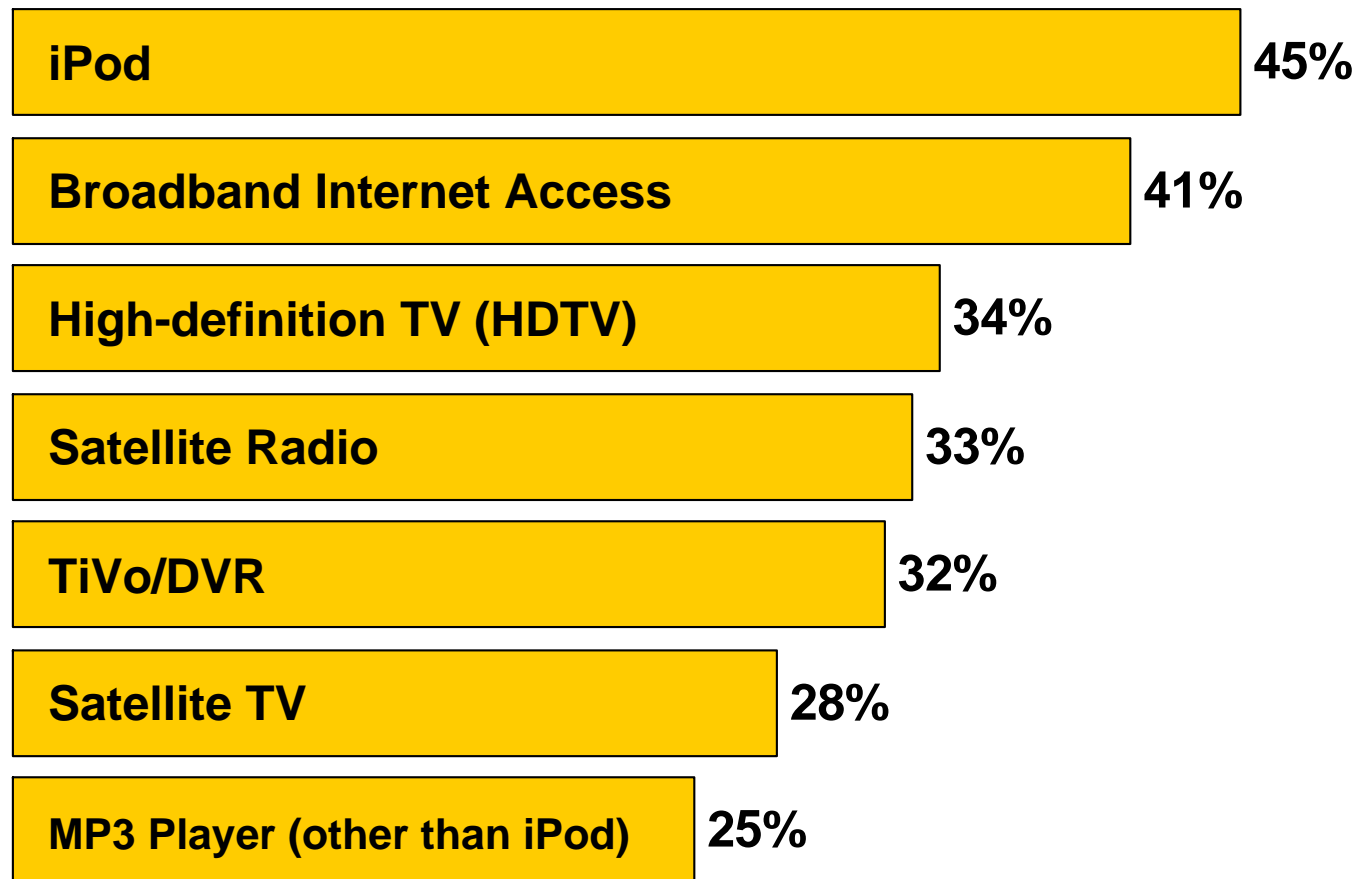
# More Than Four in Ten Teens Own An iPod®/Portable MP3 Player

% of Each Age Group Owning an iPod/Portable MP3 Player



# The iPod Has Highest Enthusiasm Among its Users...

% of Owners/Users Who “Love” Using...



**“Overall, how much do you enjoy... ?**  
(“Love It”, “Like It”, “Think It’s Okay”, “Dislike It”, “Hate It”)

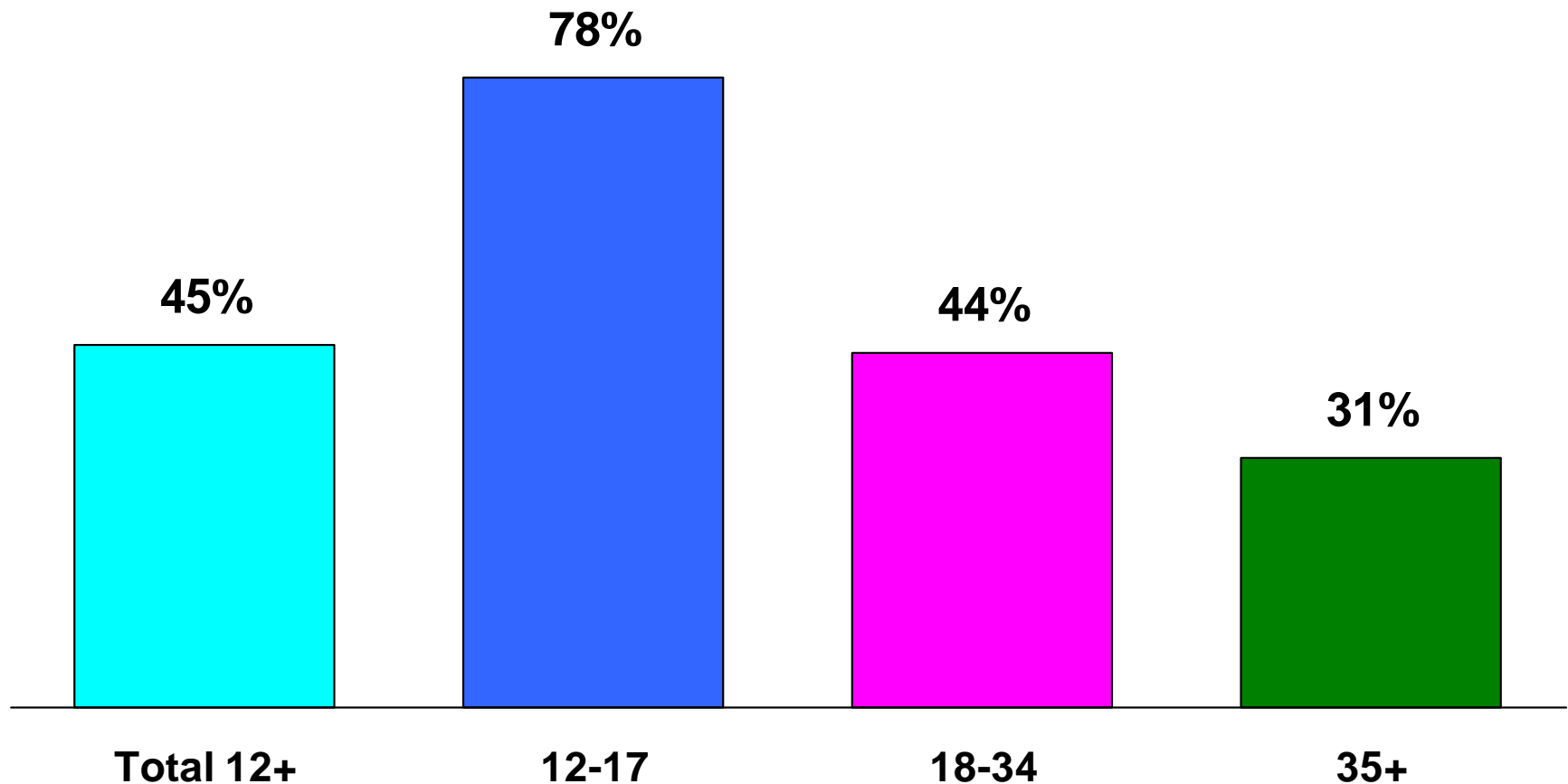


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# ...But Apple's Brand is Strongest with Teens

% of Owners/Users Who "Love" Using the iPod



**"Overall, how much do you enjoy the iPod?"**  
(*"Love It", "Like It", "Think It's Okay", "Dislike It", "Hate It"*)

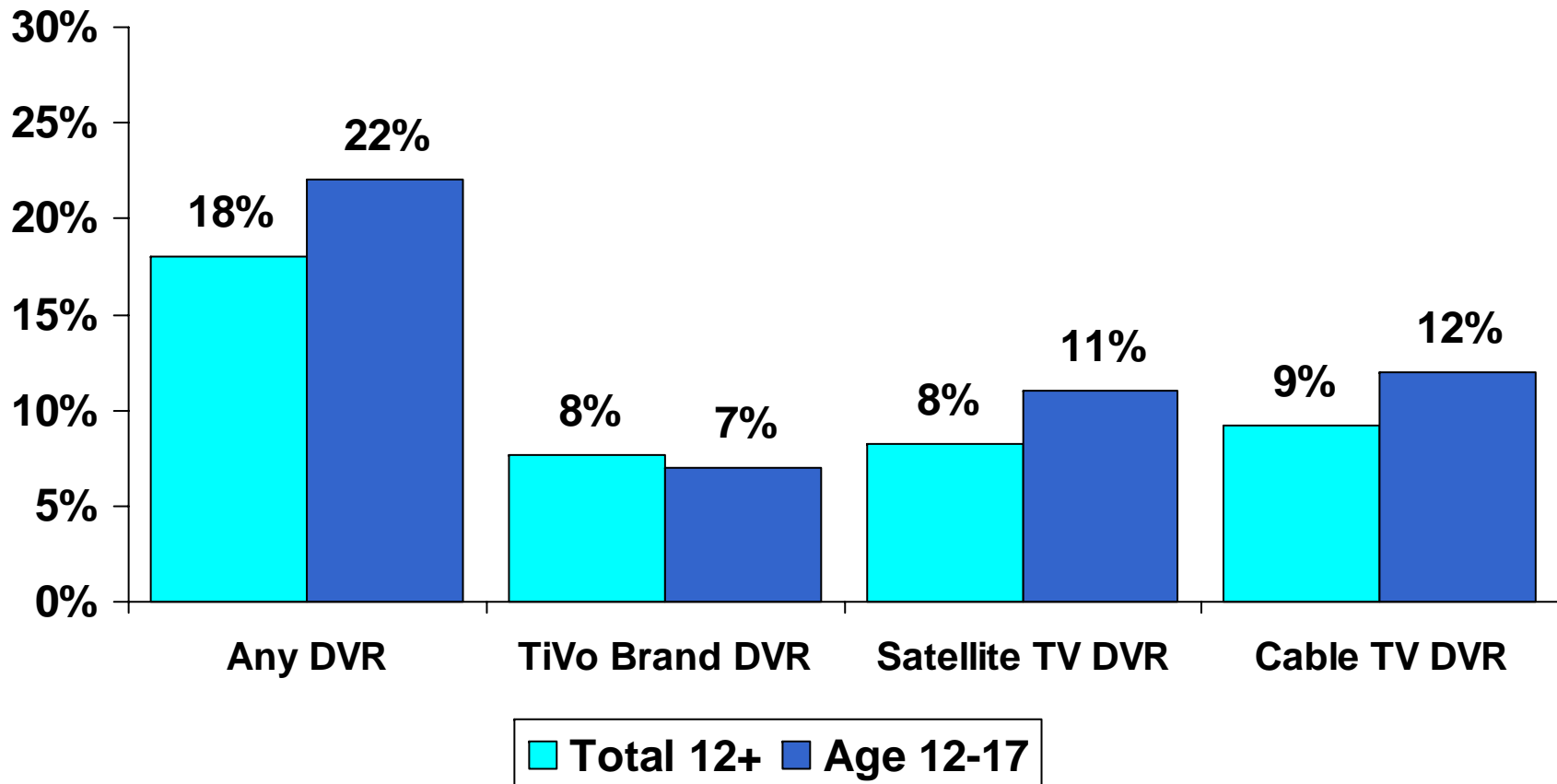


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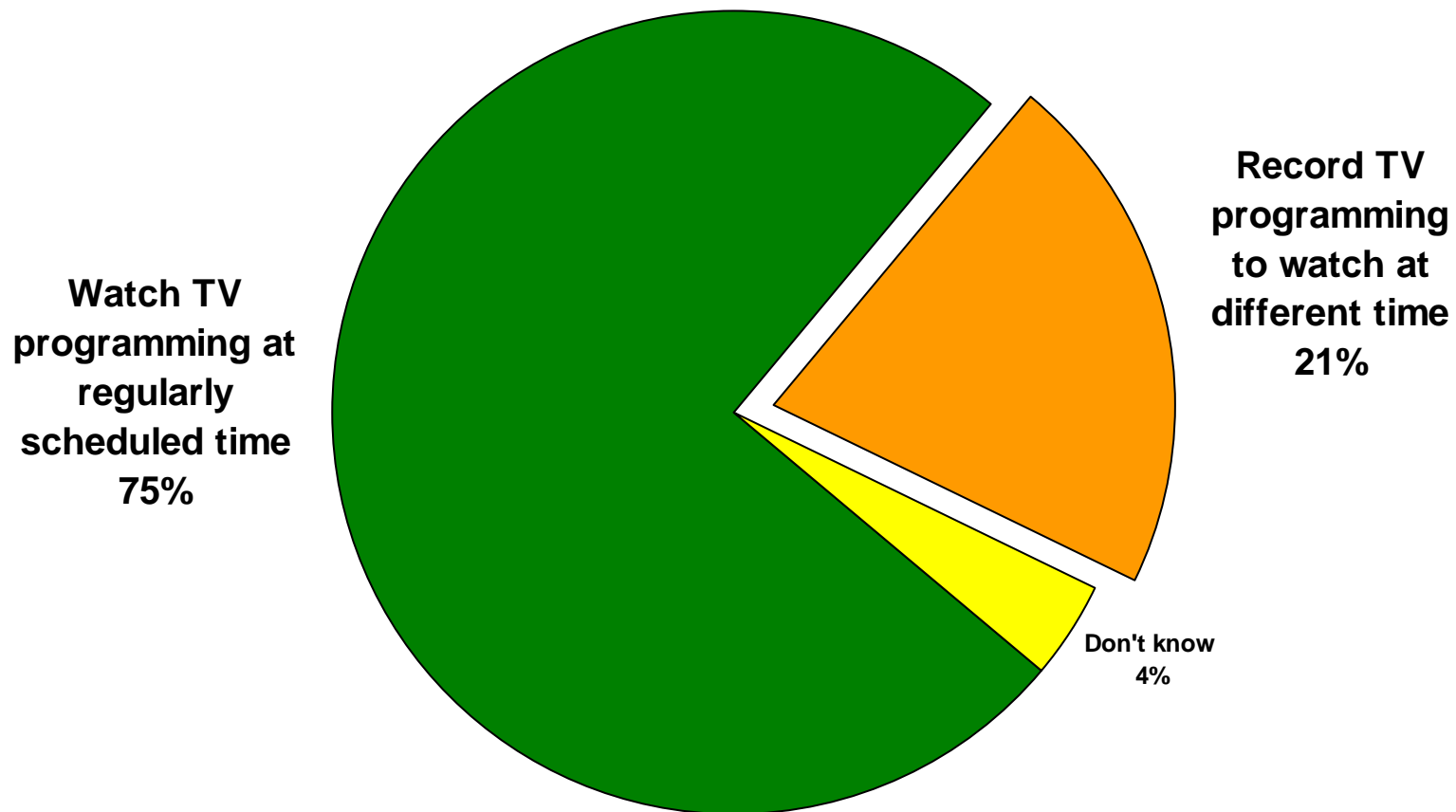
# Teens Slightly More Likely to Own/Use a Digital Video Recorder

% Who Own/Use...



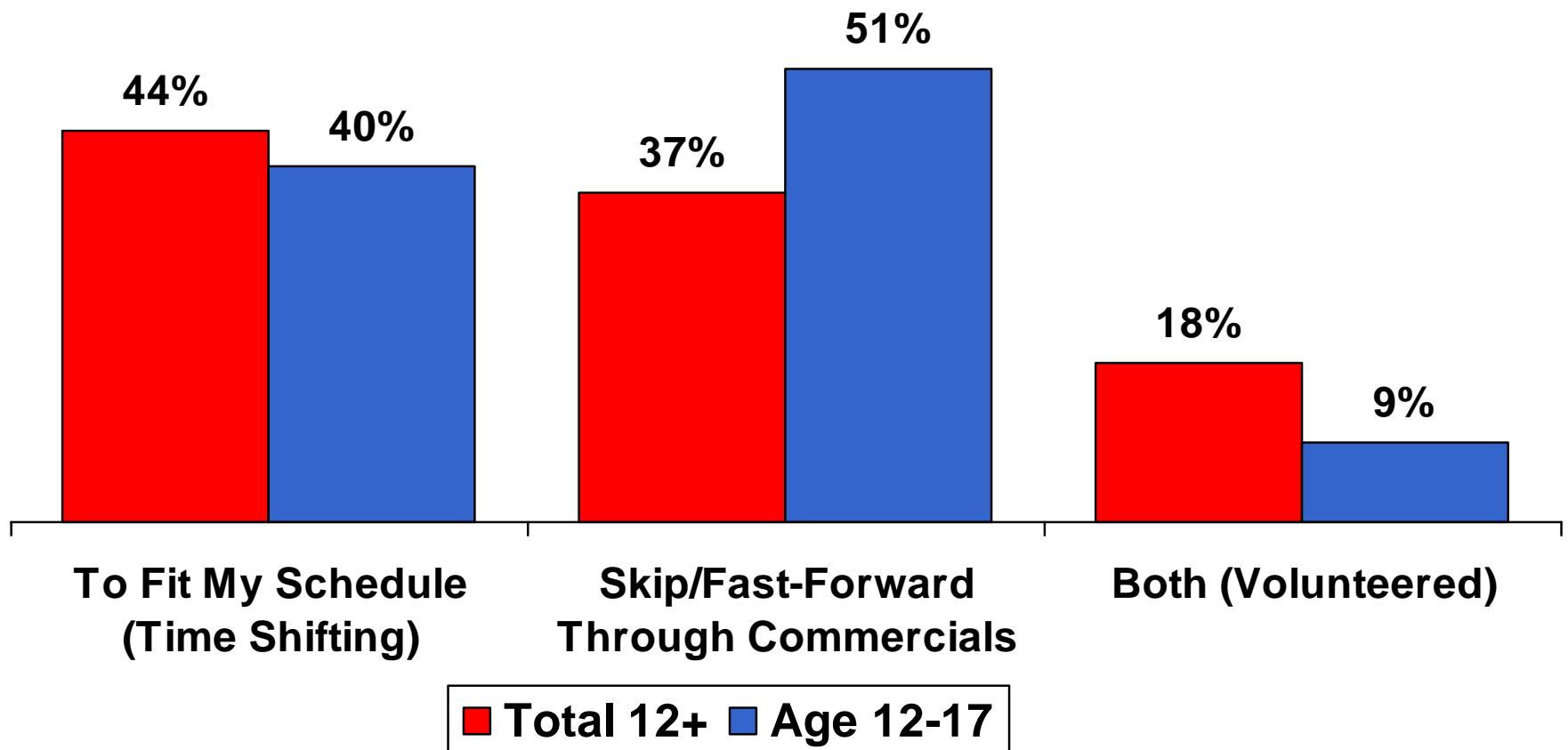
# More than One in Five Teens Record TV to Watch at a Different Time

*“Which ONE way of watching TV do you prefer?”*



# Skipping Commercials More Important Than Time-Shifting to Teens

*“Which ONE reason is more important to you in choosing to RECORD television programming?”*



Base: Record TV to Watch at a Different Time

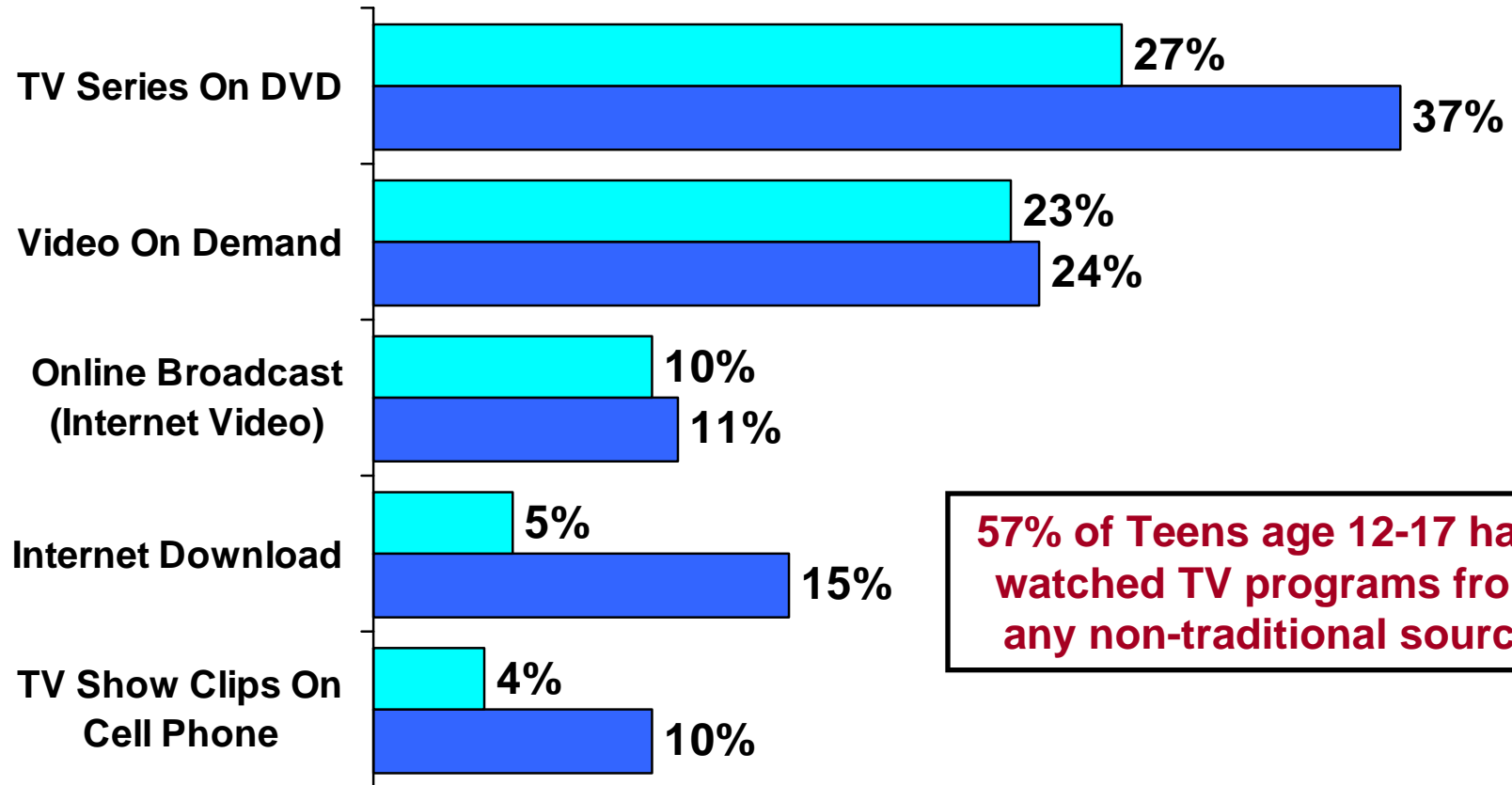


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# TV Series on DVD and VOD Lead Non-traditional Ways of Watching TV Programs

% Who Have Ever Watched TV Programs From...



**57% of Teens age 12-17 have watched TV programs from any non-traditional source**

■ Age 12+  
■ Age 12-17

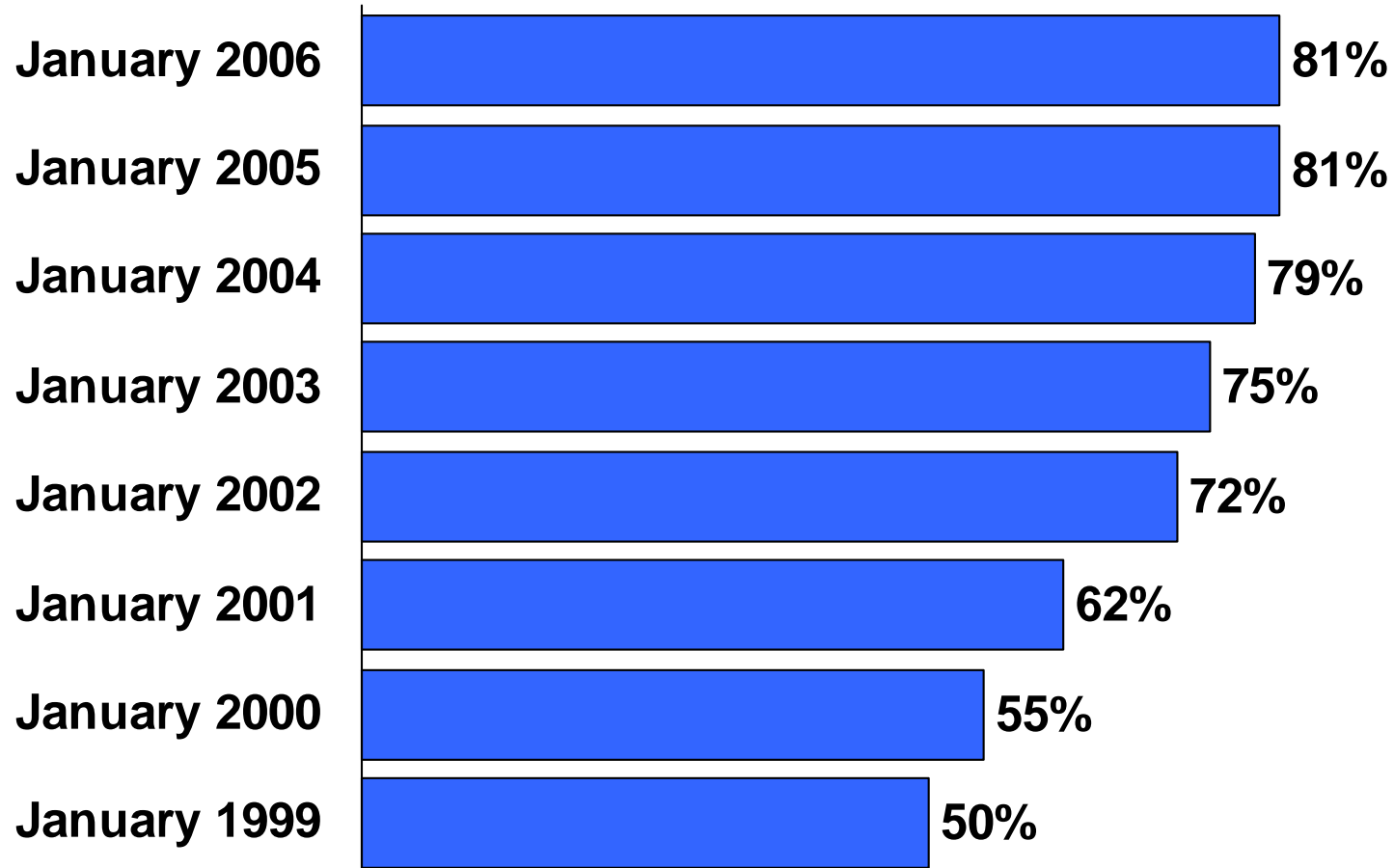


# Internet Usage Trends



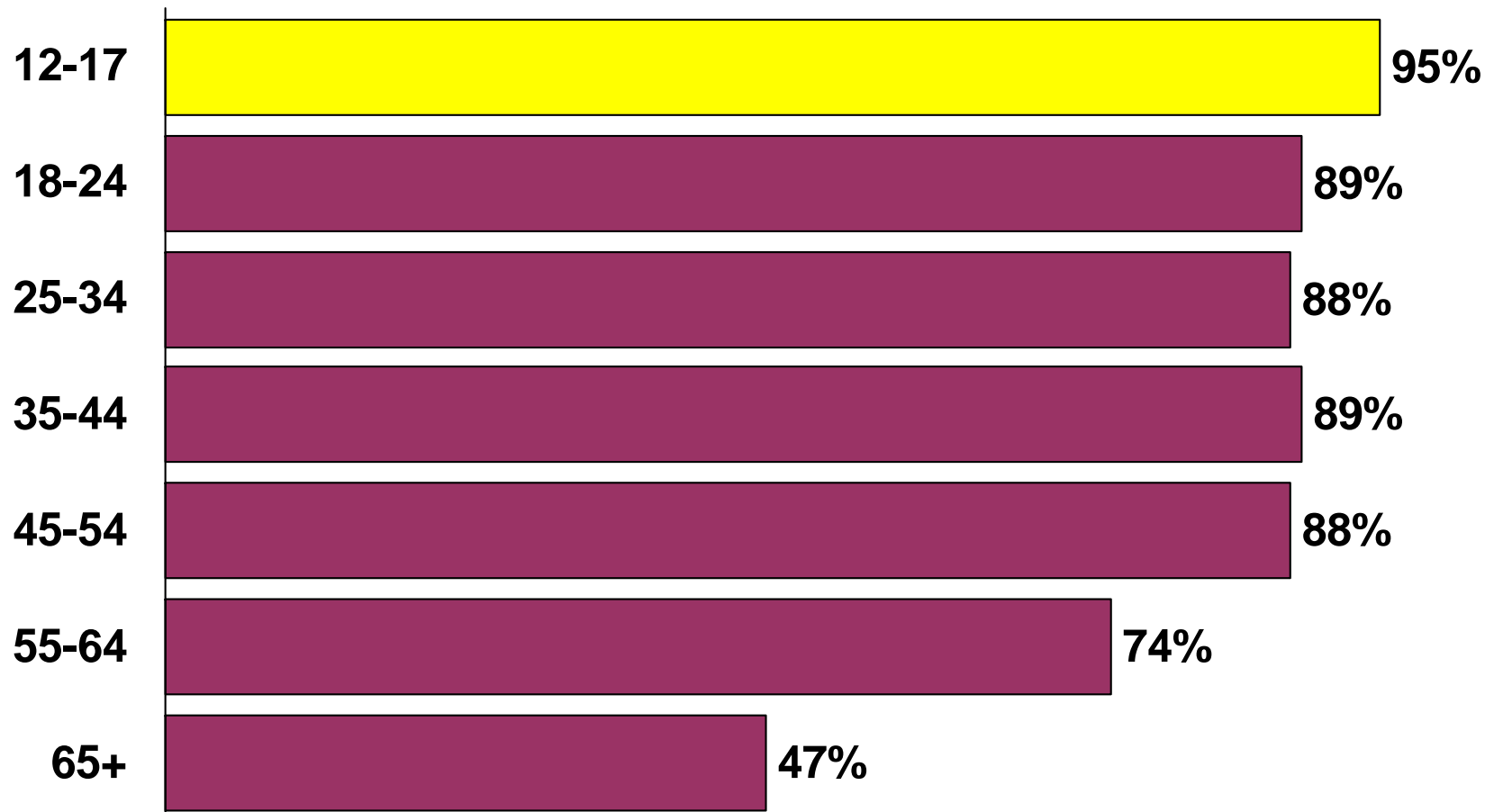
# More Than Eight in Ten Americans Online from Any Location

% with Internet Access from Any Location



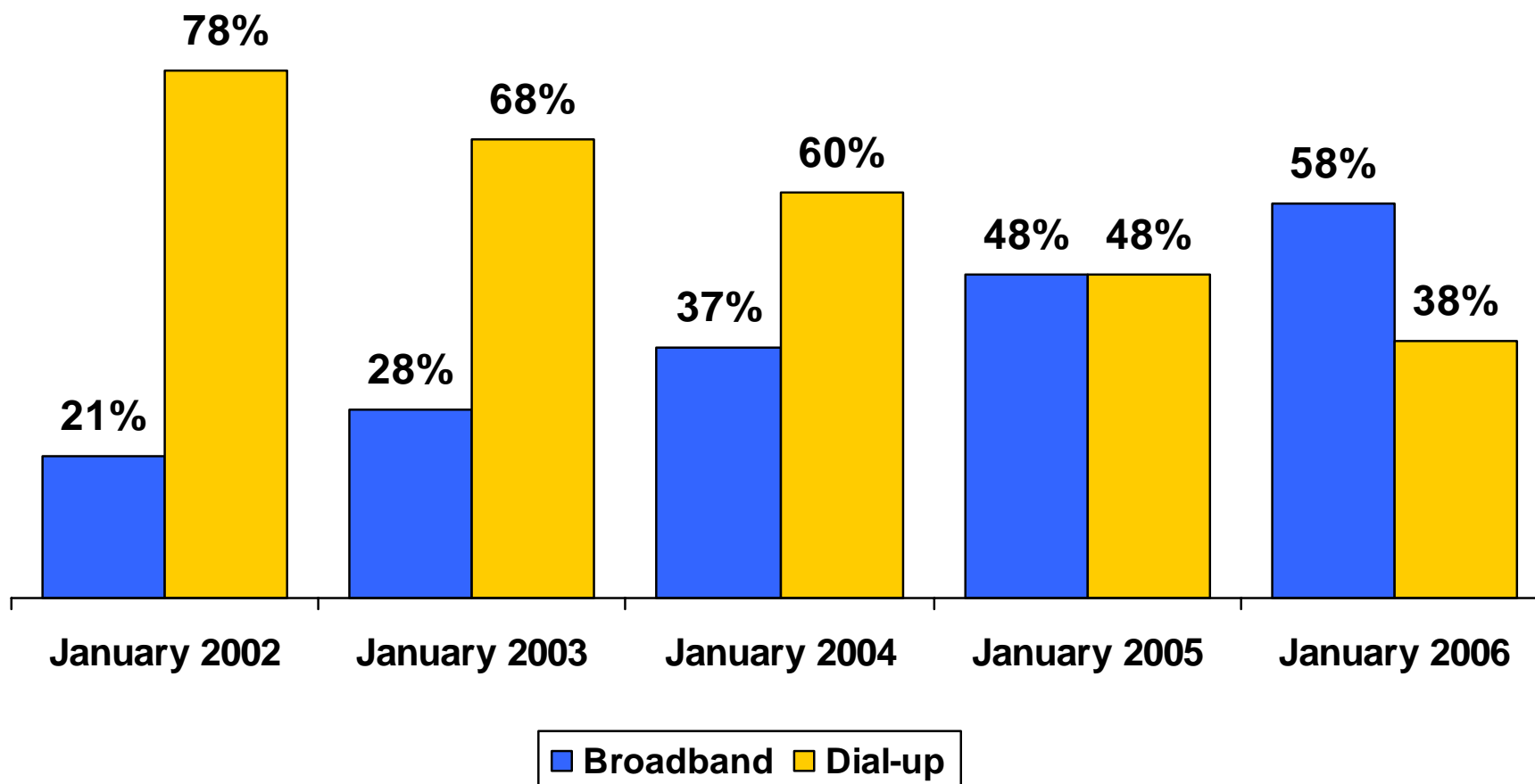
# Teens More Likely to Have Internet Access than Any Other Demographic

% of Each Age Group with Internet Access from Any Location



# Residential Broadband Now Far Surpasses Dial-Up Internet Access

% Who Have Broadband/Dial-up Internet Access at Home



Base: Access the Internet from Home



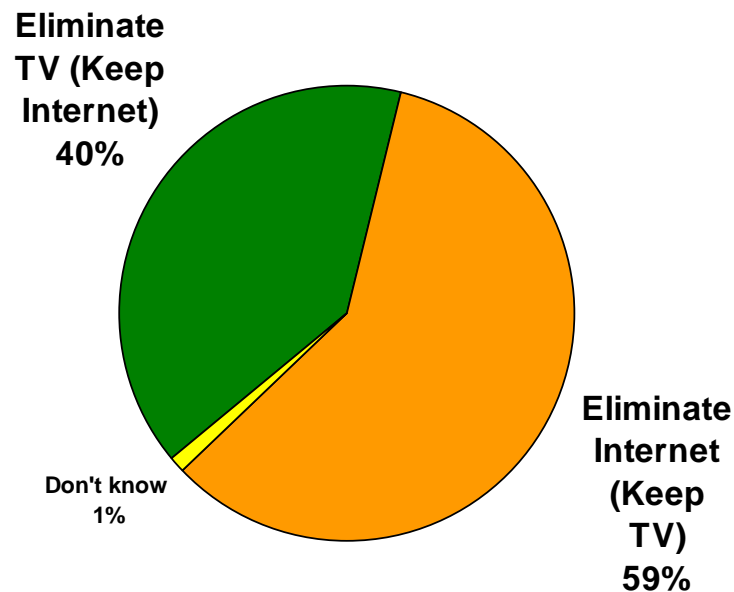
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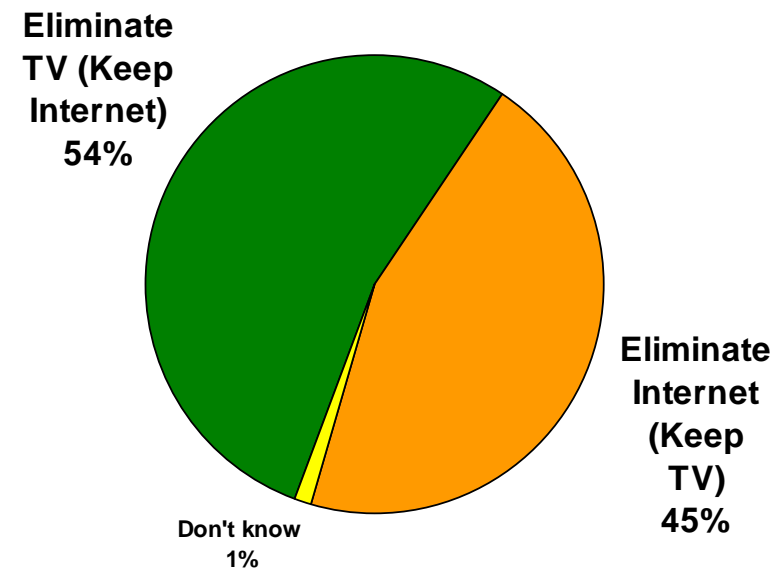
# Internet More Important to Teens' Lives Relative to TV

*“Suppose from this moment on you were given the following two choices... either you could never watch television again OR you could never access the Internet again. Which would you be more willing to eliminate from your life?”*

**Total 12+**

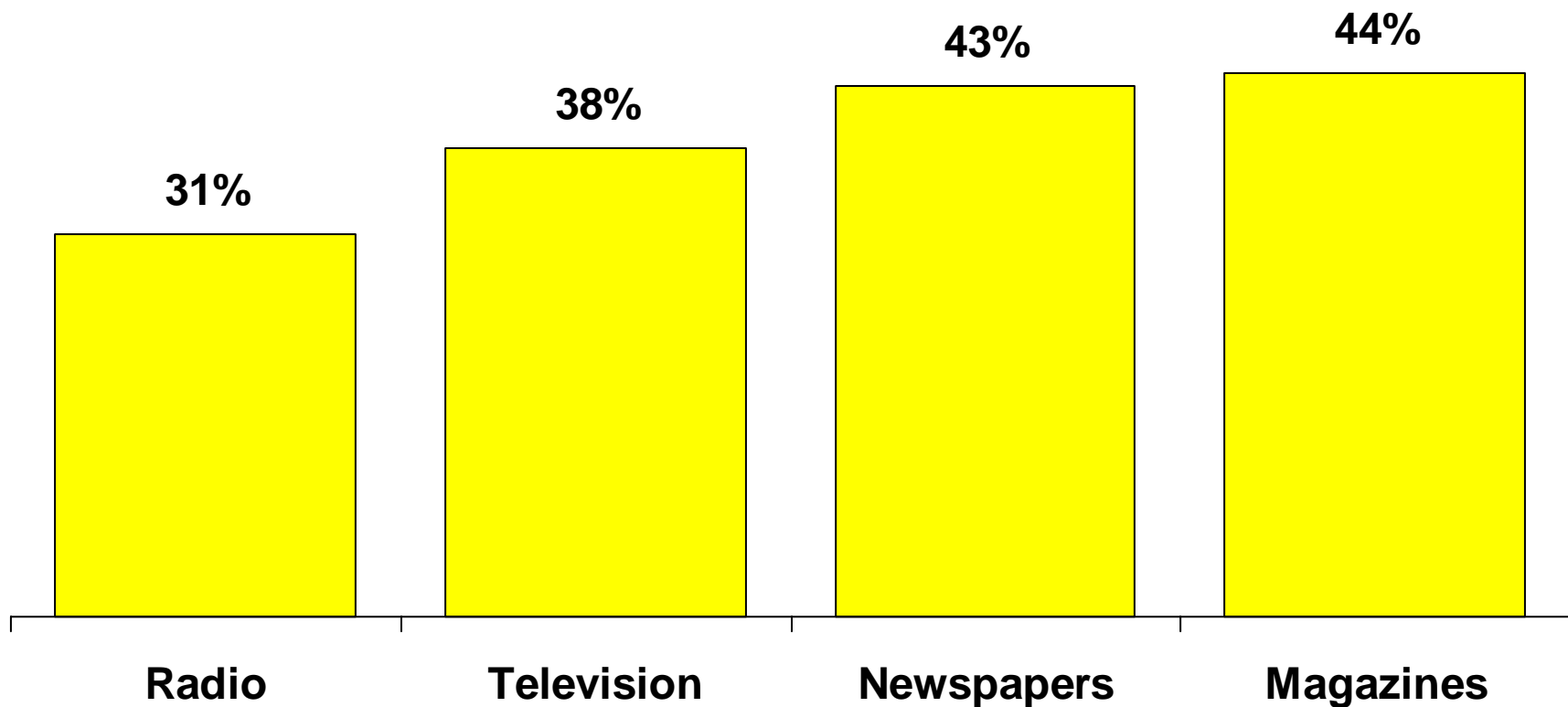


**Age 12-17**



# Teens Perceive They Are Spending Less Time with Traditional Media Due to the Internet

**% Spending Less Time With Medium Due to Time Spent Online**



*Base: Persons 12-17 Who Access the Internet from Any Location*

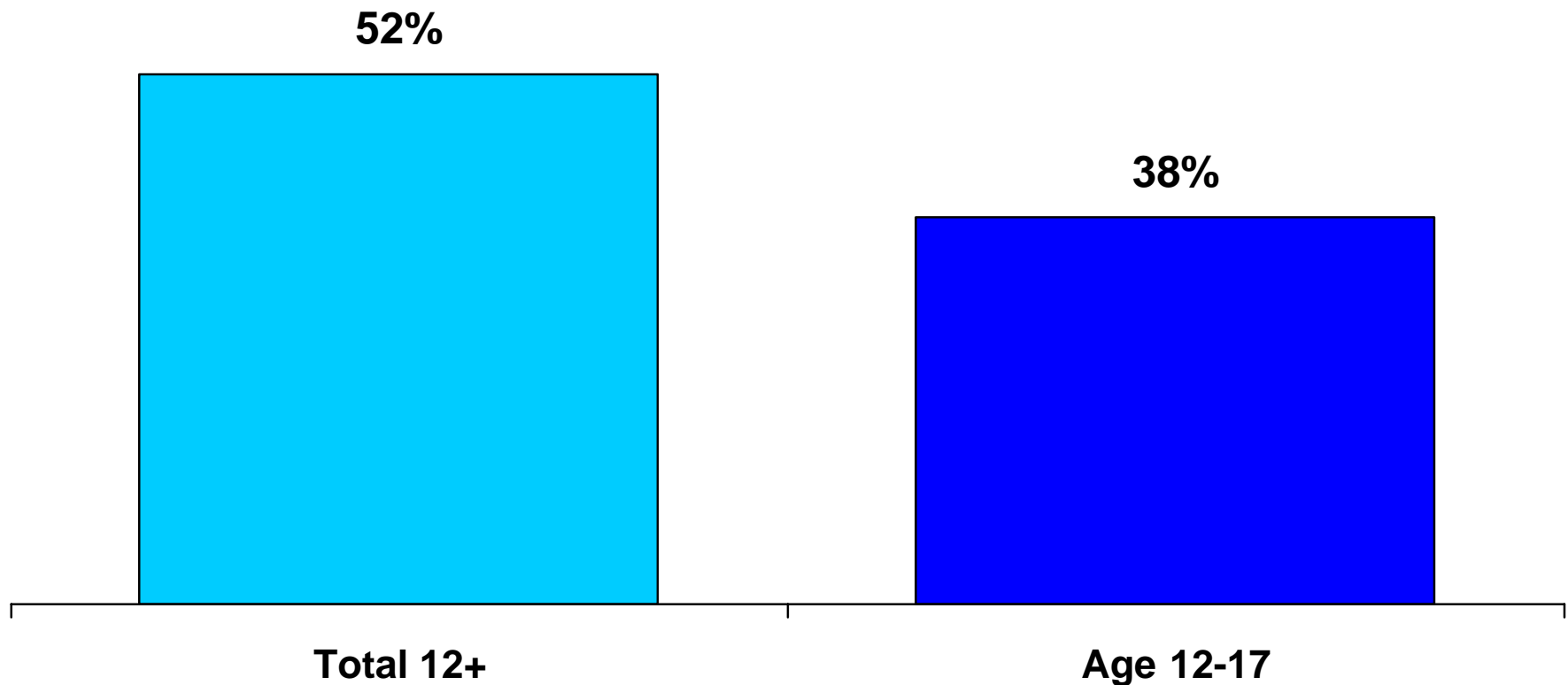


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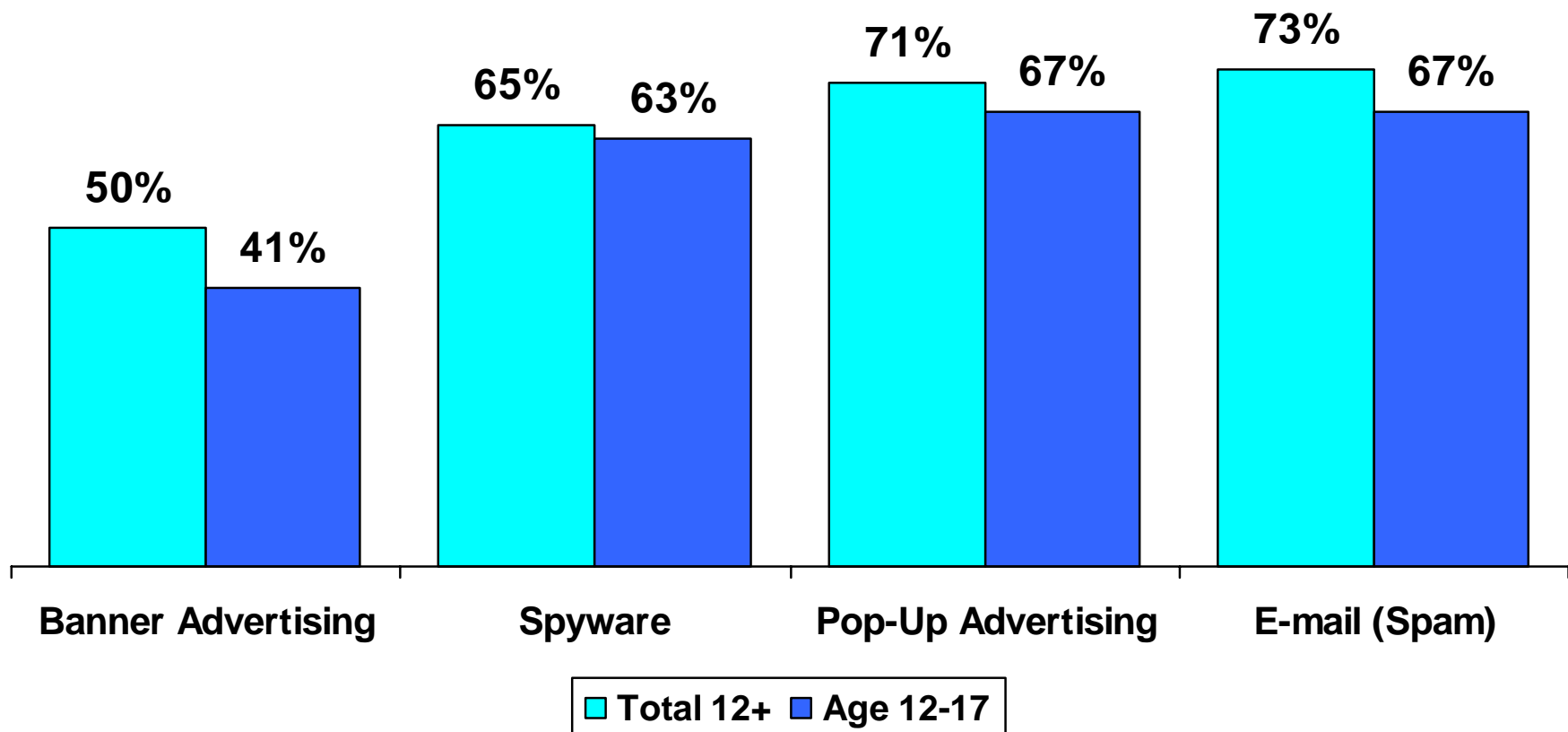
# Nearly Two in Five Teens Have Made a Purchase over the Internet

**% Having Ever Made a Purchase Online**



# Majority of Teens Accessing Internet From Home Block Pop-ups, Spam

*“Do you currently use a program on your home computer to block...?”*



Base: Access the Internet from Home



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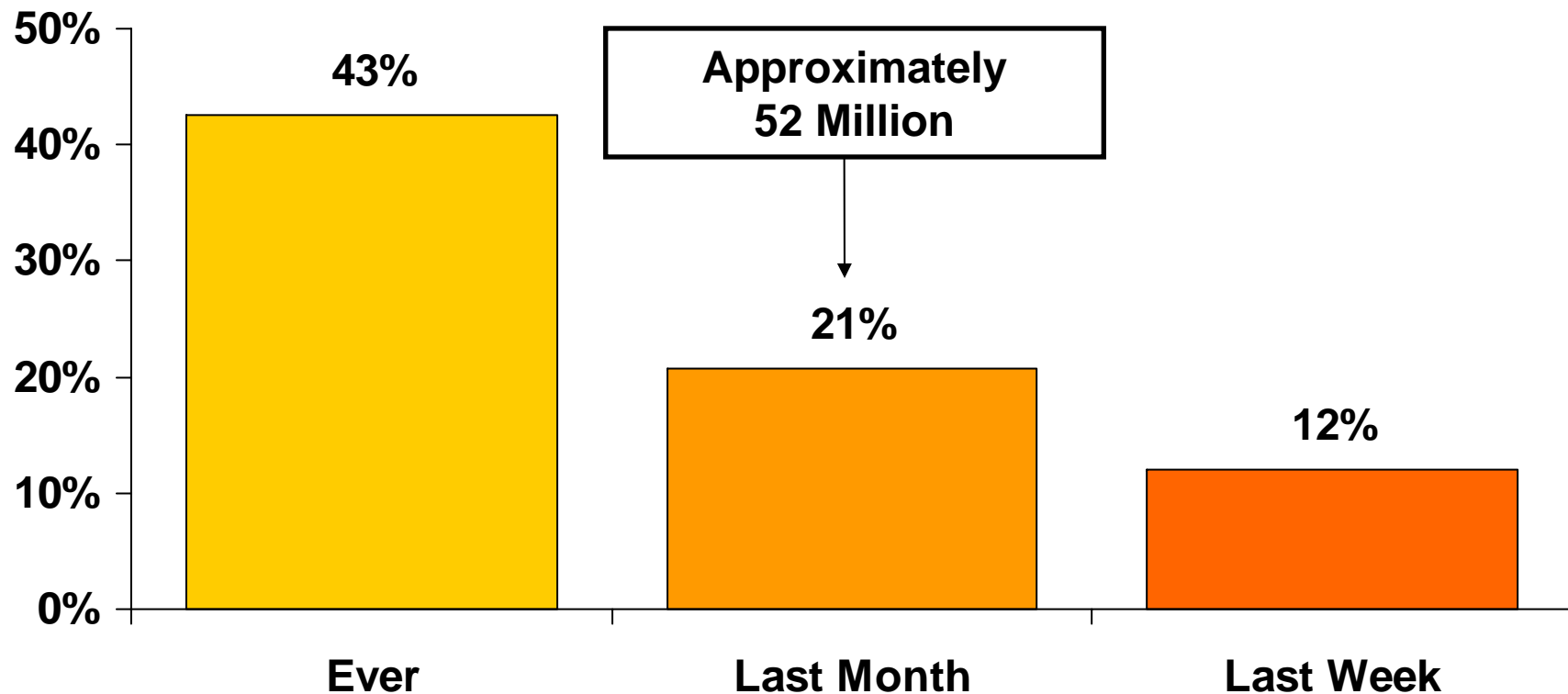
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# Digital Radio



# An Estimated 52 Million Americans Listened to Internet Radio in the Last Month

**% Who Have Listened to Internet Radio...**



Base: Total Population 12+

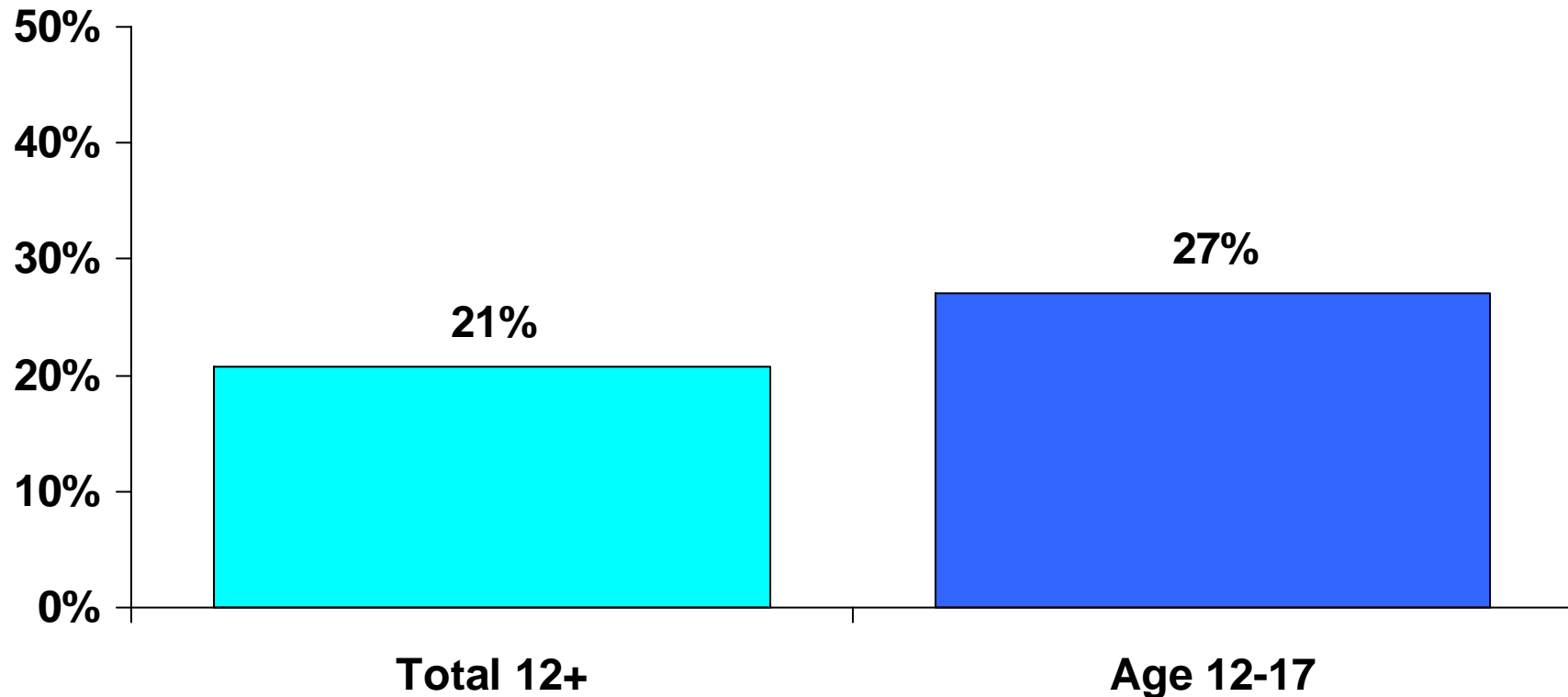


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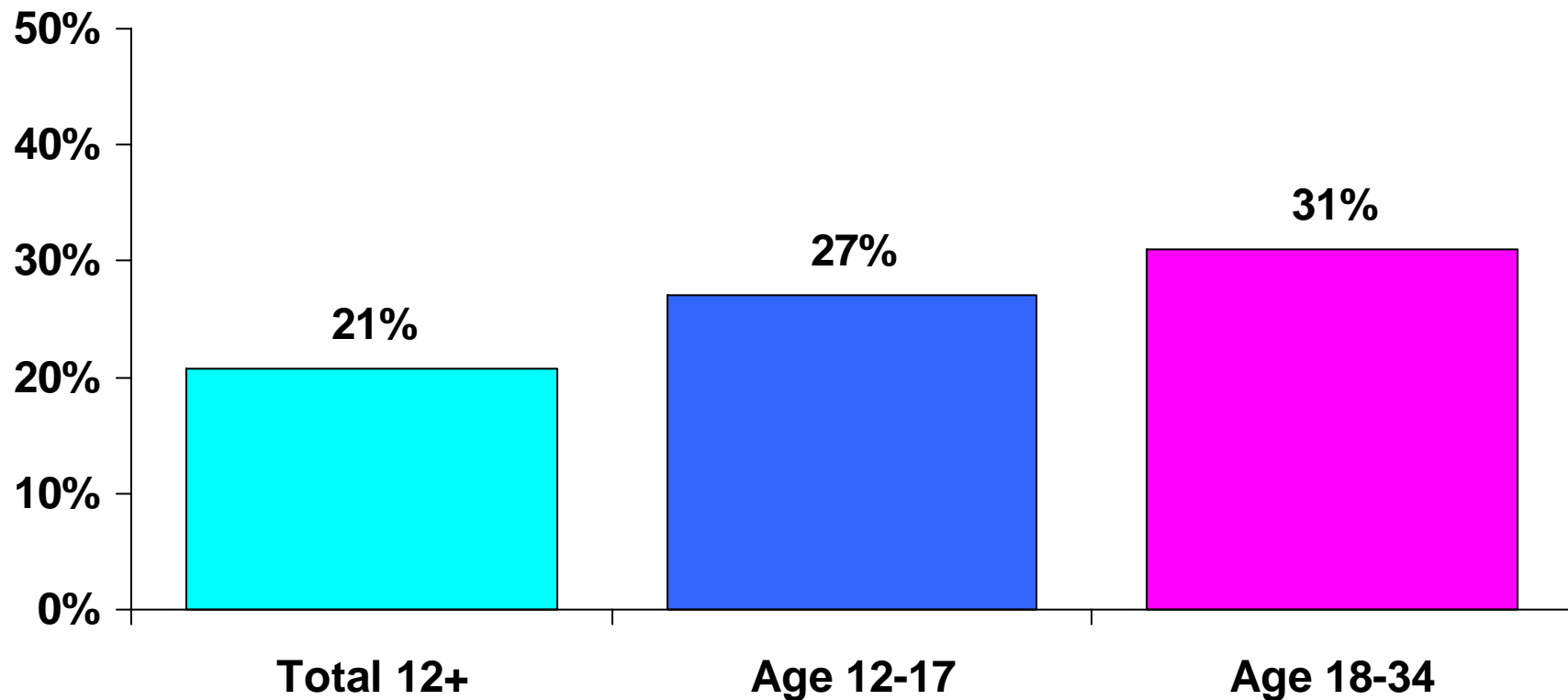
# Teens Are Sampling Online Audio...

◆ % Who Have Listened to Internet Radio in the Past Month



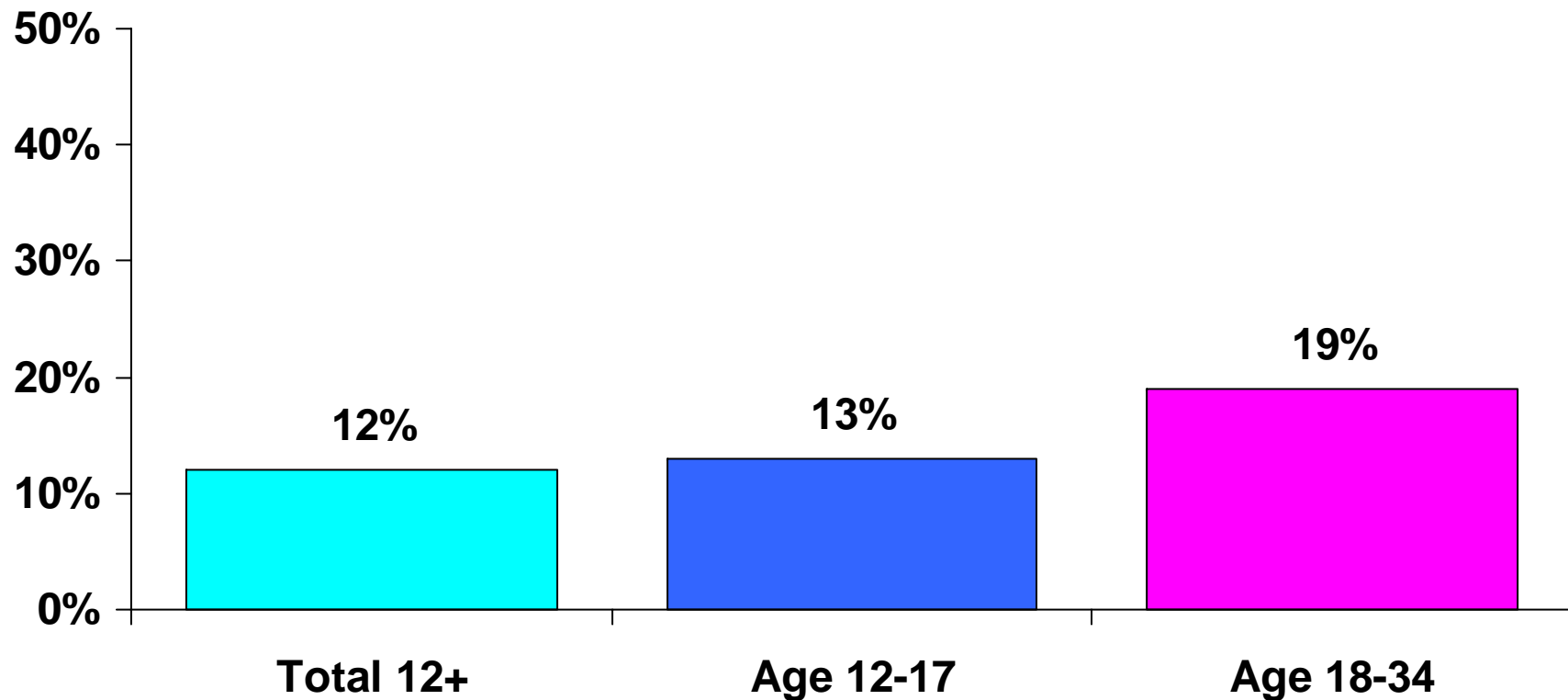
# ...But Lag 18-34s in Monthly Online Radio Listening...

**% Who Have Listened to Internet Radio in the Past Month**

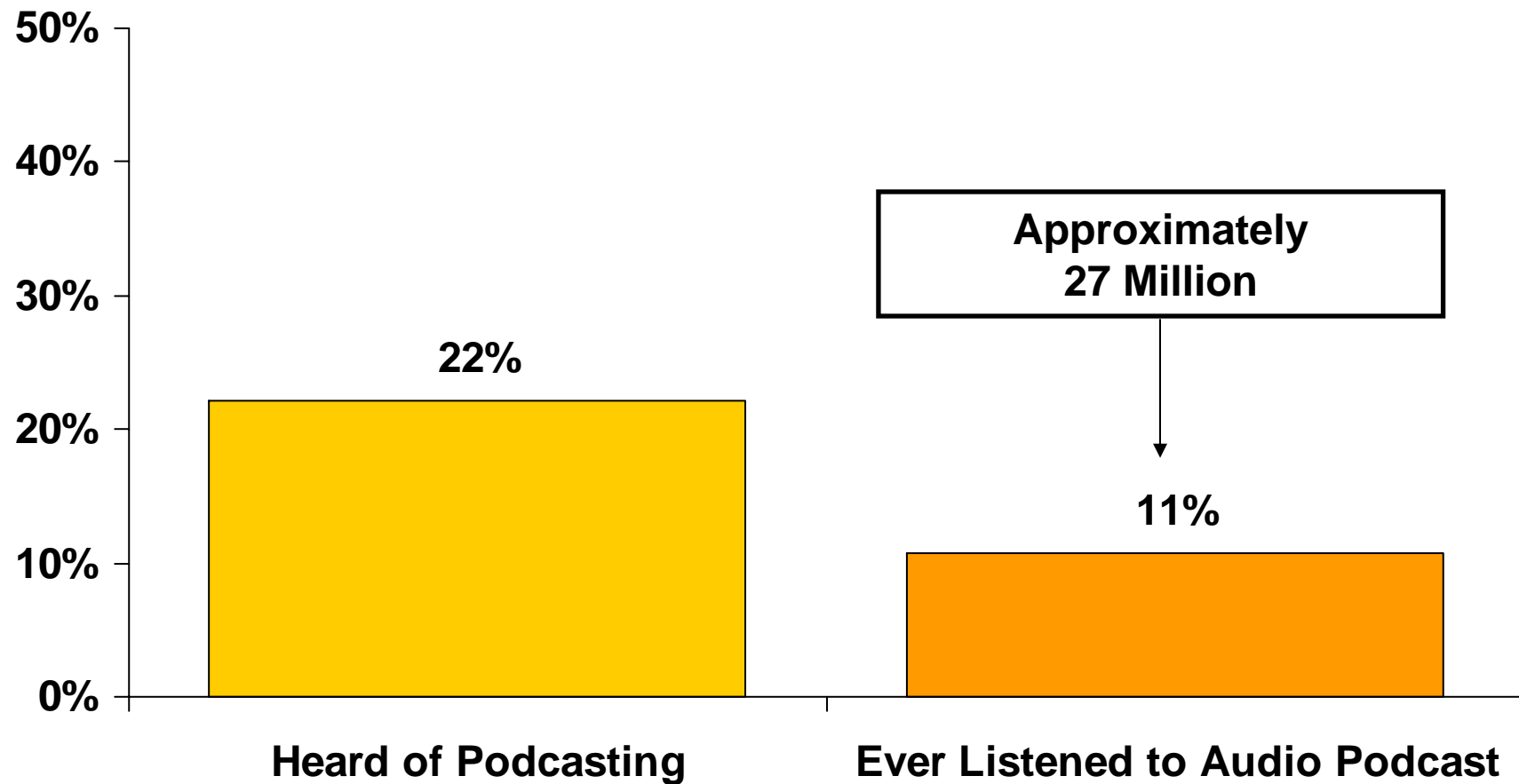


# ...and Lag 18-34s in Weekly Online Radio Listening Too

**% Who Have Listened to Internet Radio in the Past Week**

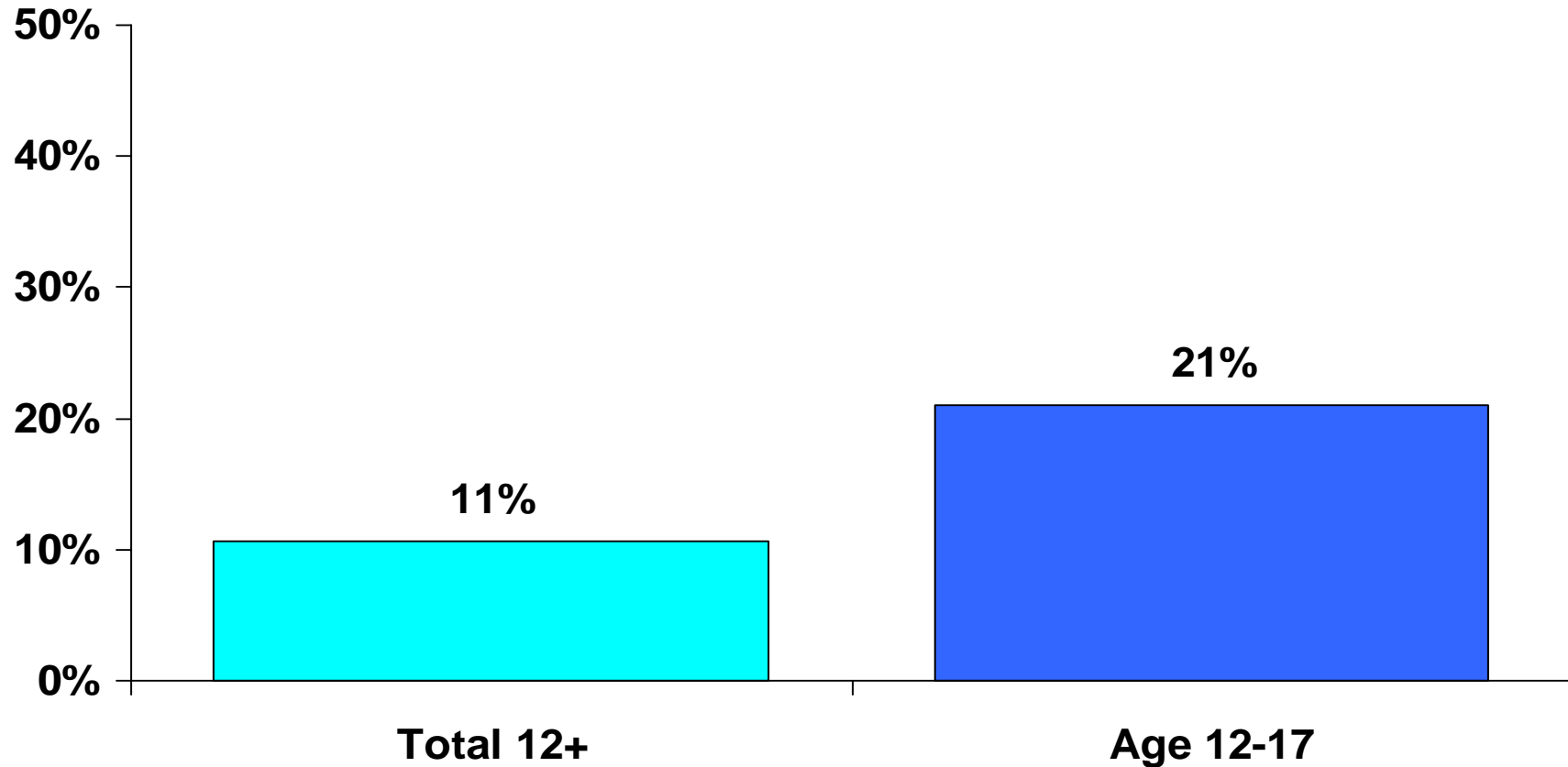


# More Than One in Ten Have Listened to an Audio Podcast



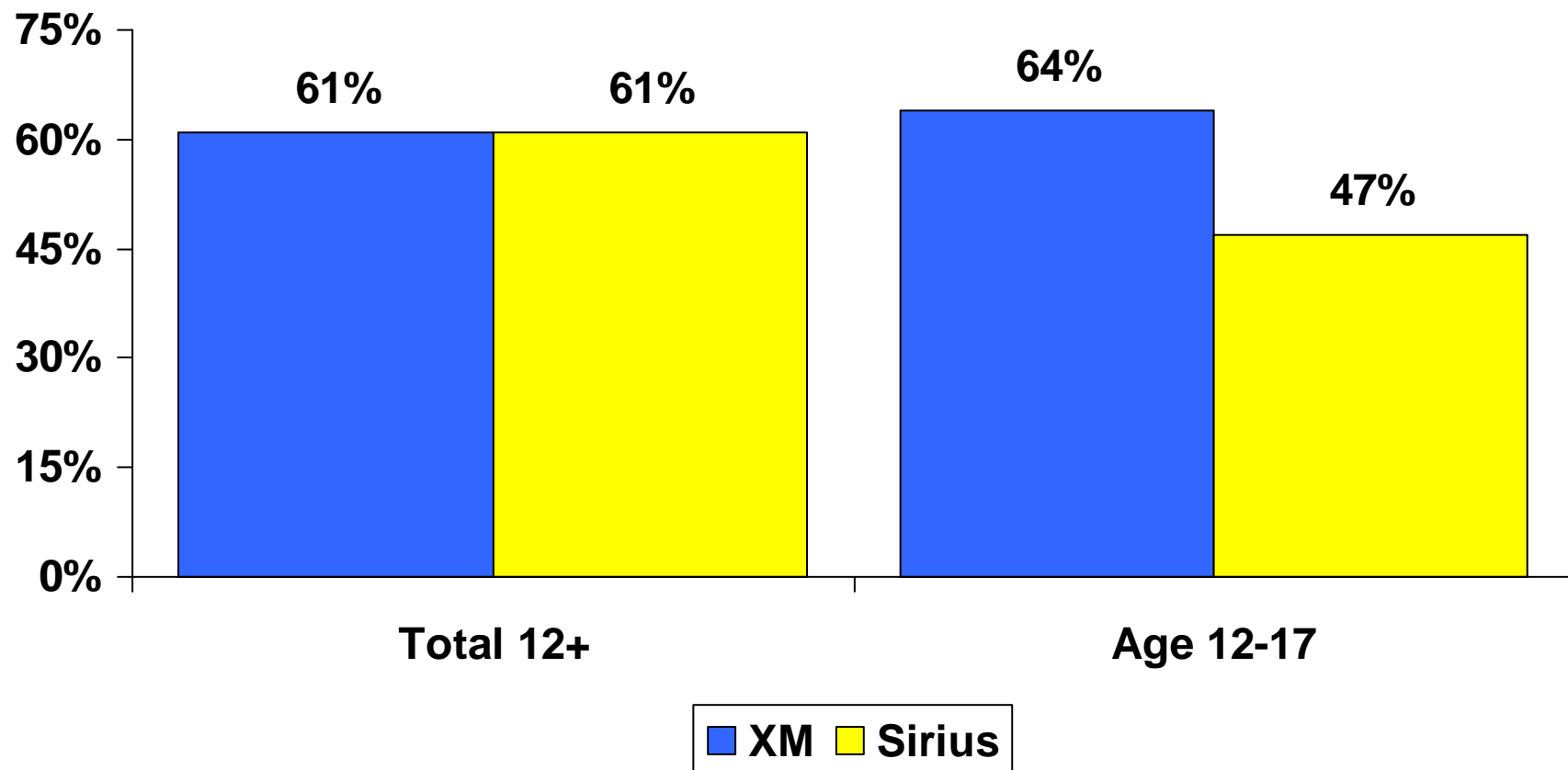
# More Than One in Five Teens Have Ever Listened to an Audio Podcast

**% Who Have Ever Listened to an Audio Podcast**



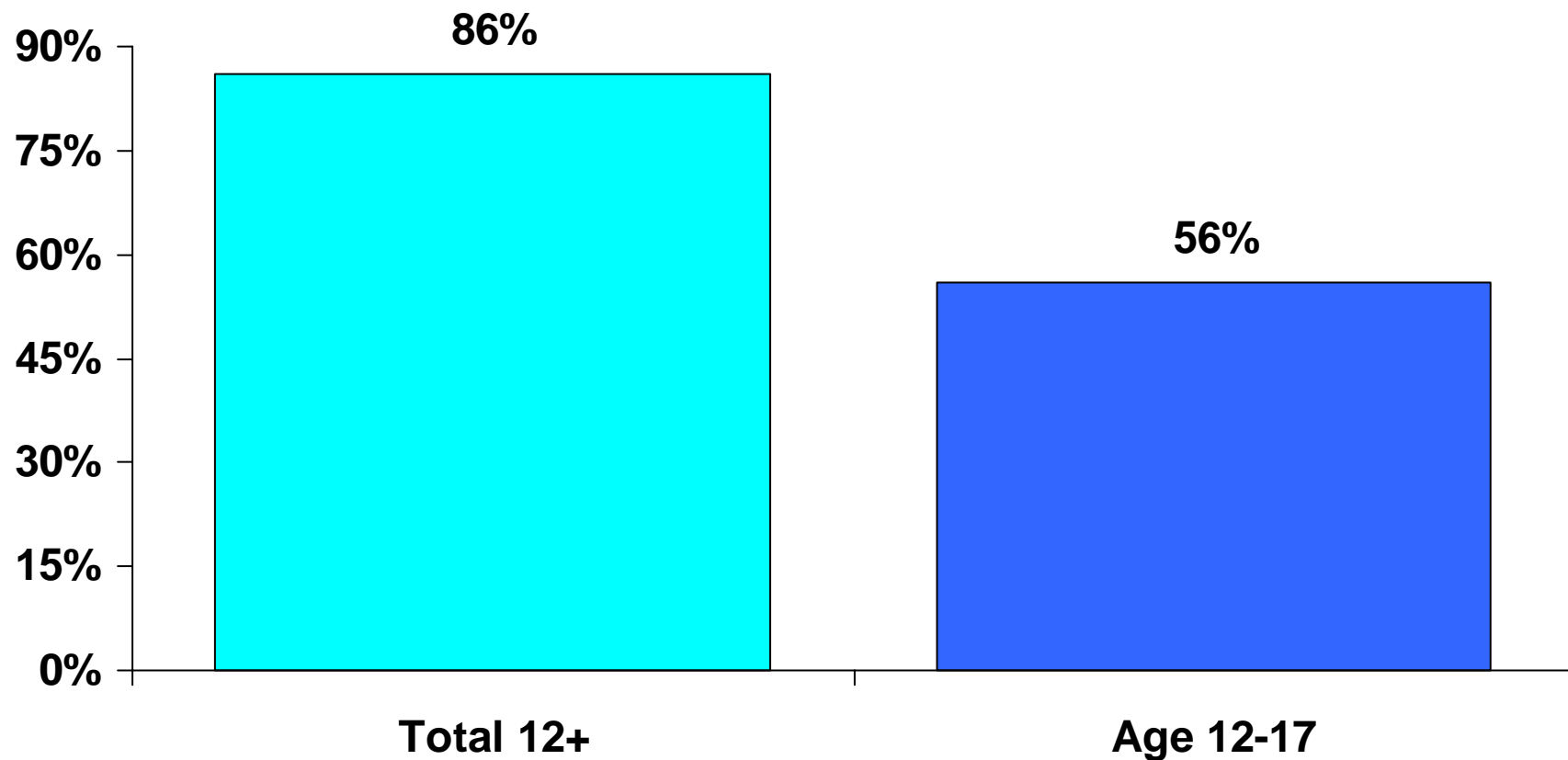
# Teens are More Familiar with XM than Sirius...

*“Have you ever heard of a satellite radio service called...?”*



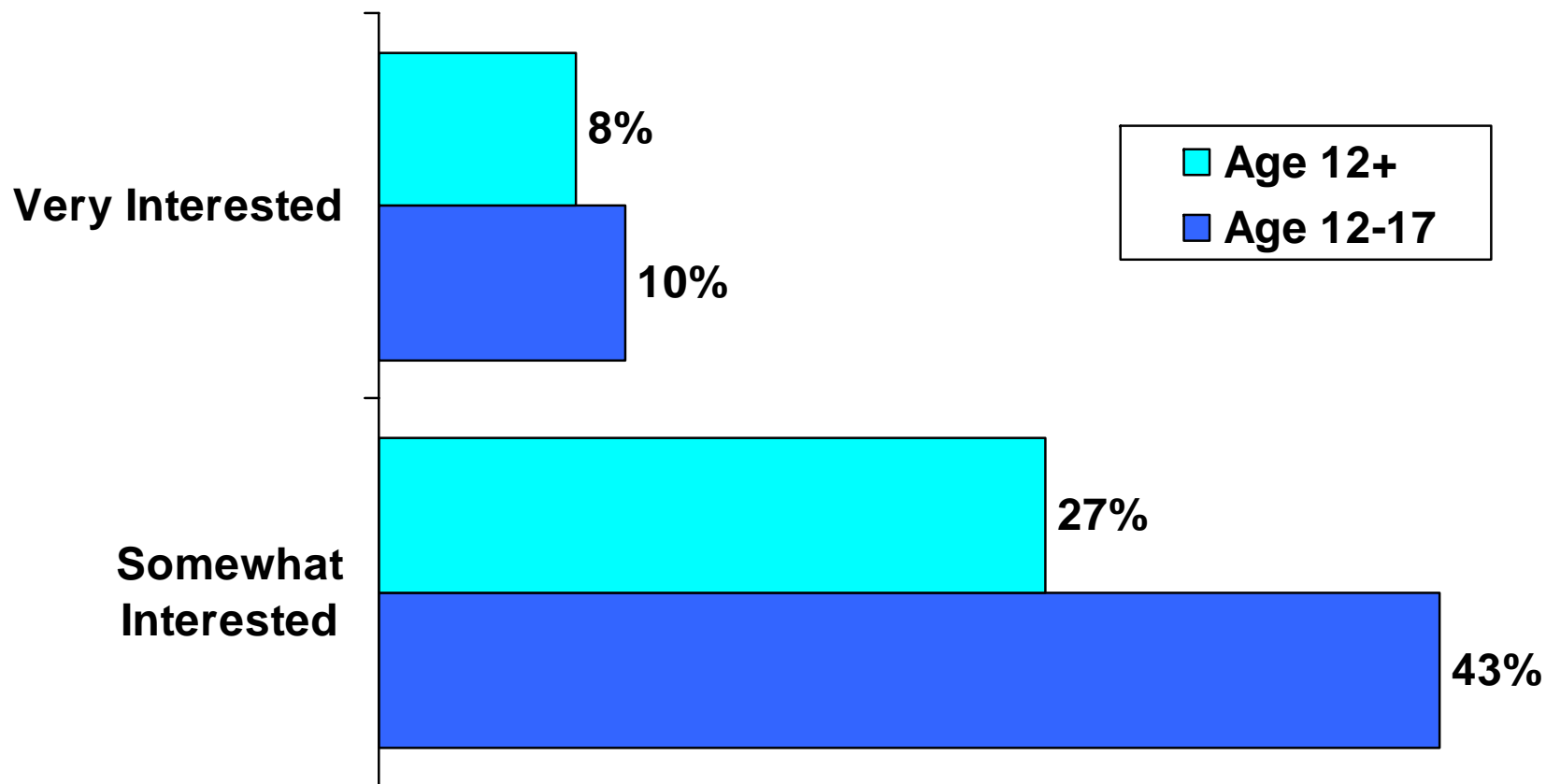
# ...Which May be Related to Their Familiarity with Howard Stern

*“Are you familiar with the Radio Personality Howard Stern?”*



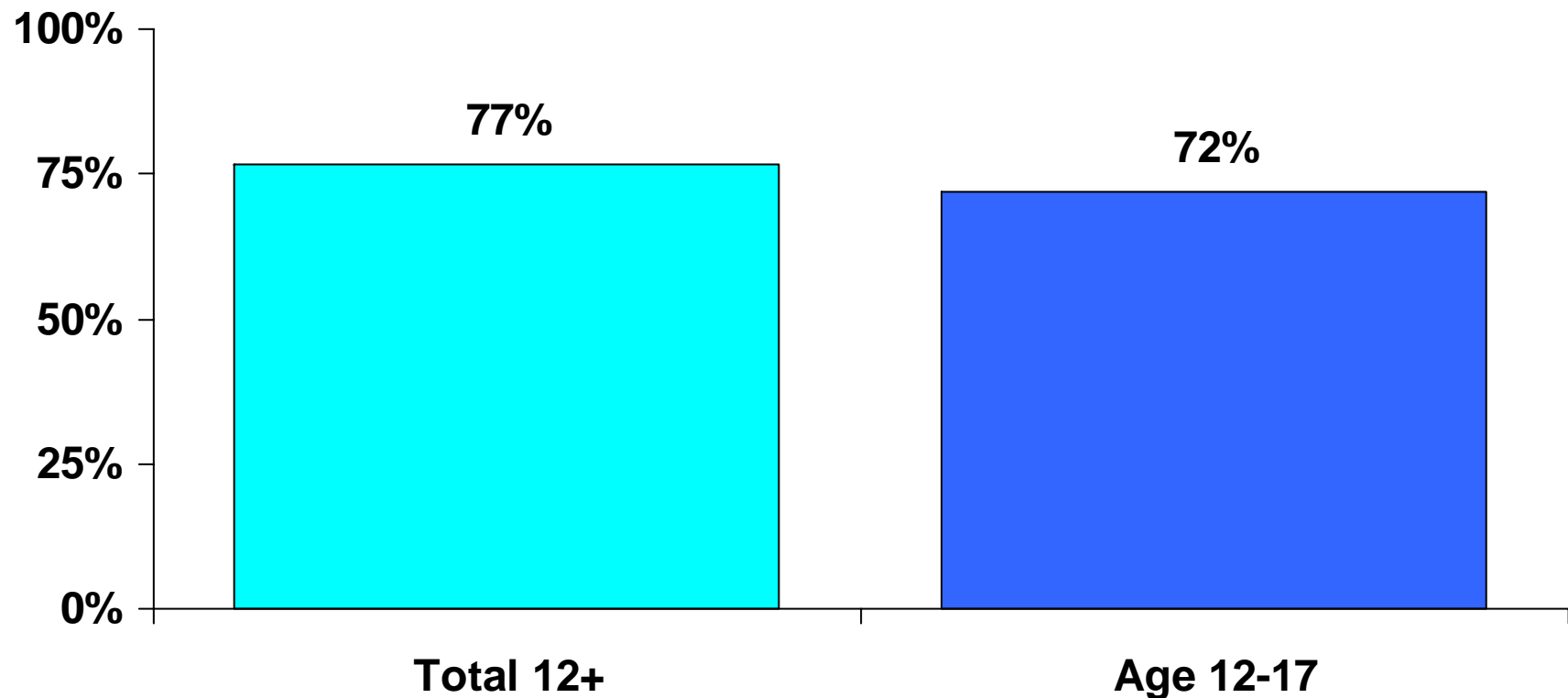
# Over Half of Teens Show Interest in HD Radio™

## Interest in HD Radio Based on Description



# Majority of Teens Expect to Listen Same Amount to AM/FM Radio in Future

**% Agreeing: "In the future, you will continue to listen to AM/FM radio as much as you do now despite increasing advancements in technology."**

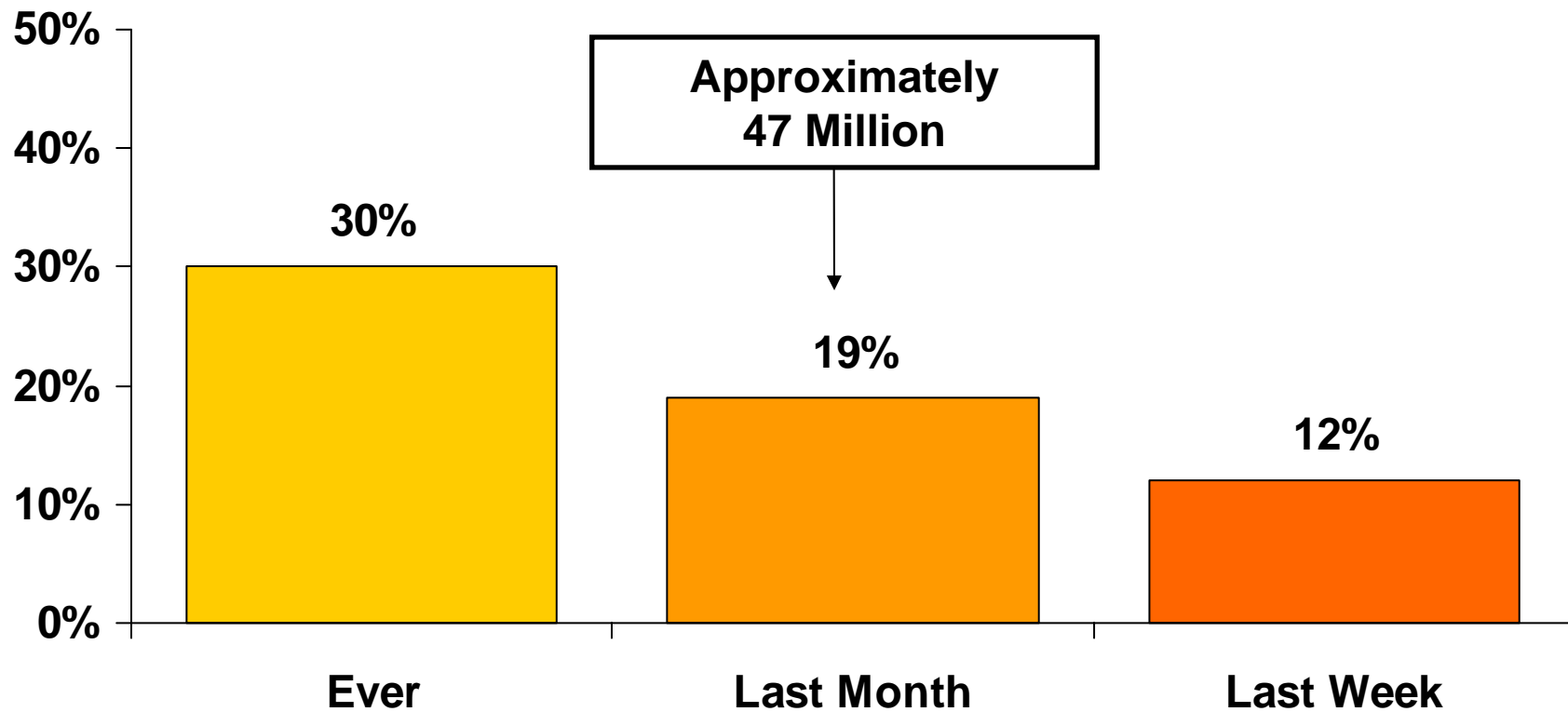


# Internet Video



# An Estimated 47 Million Viewed Internet Video In the Last Month

% Who Have Viewed Internet Video...



Base: Total Population 12+

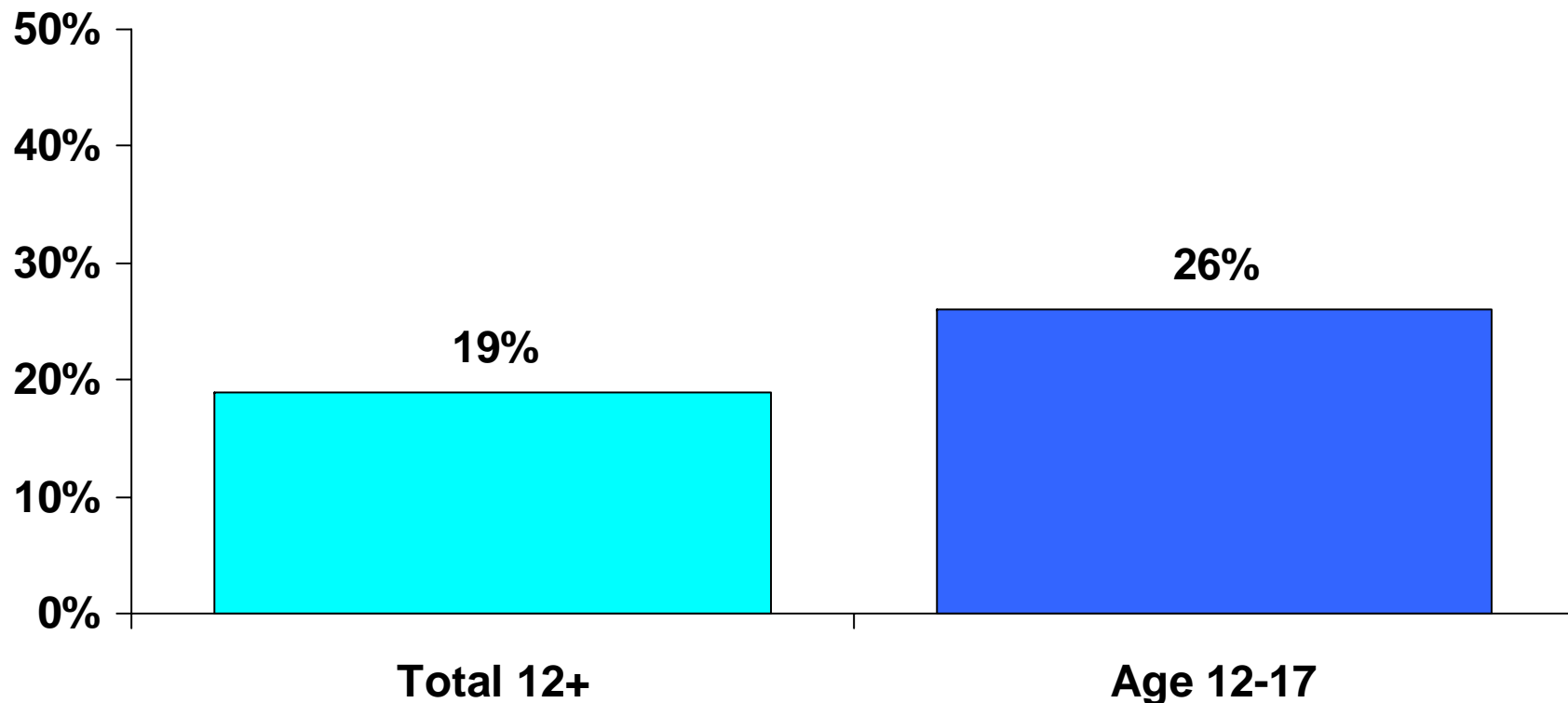


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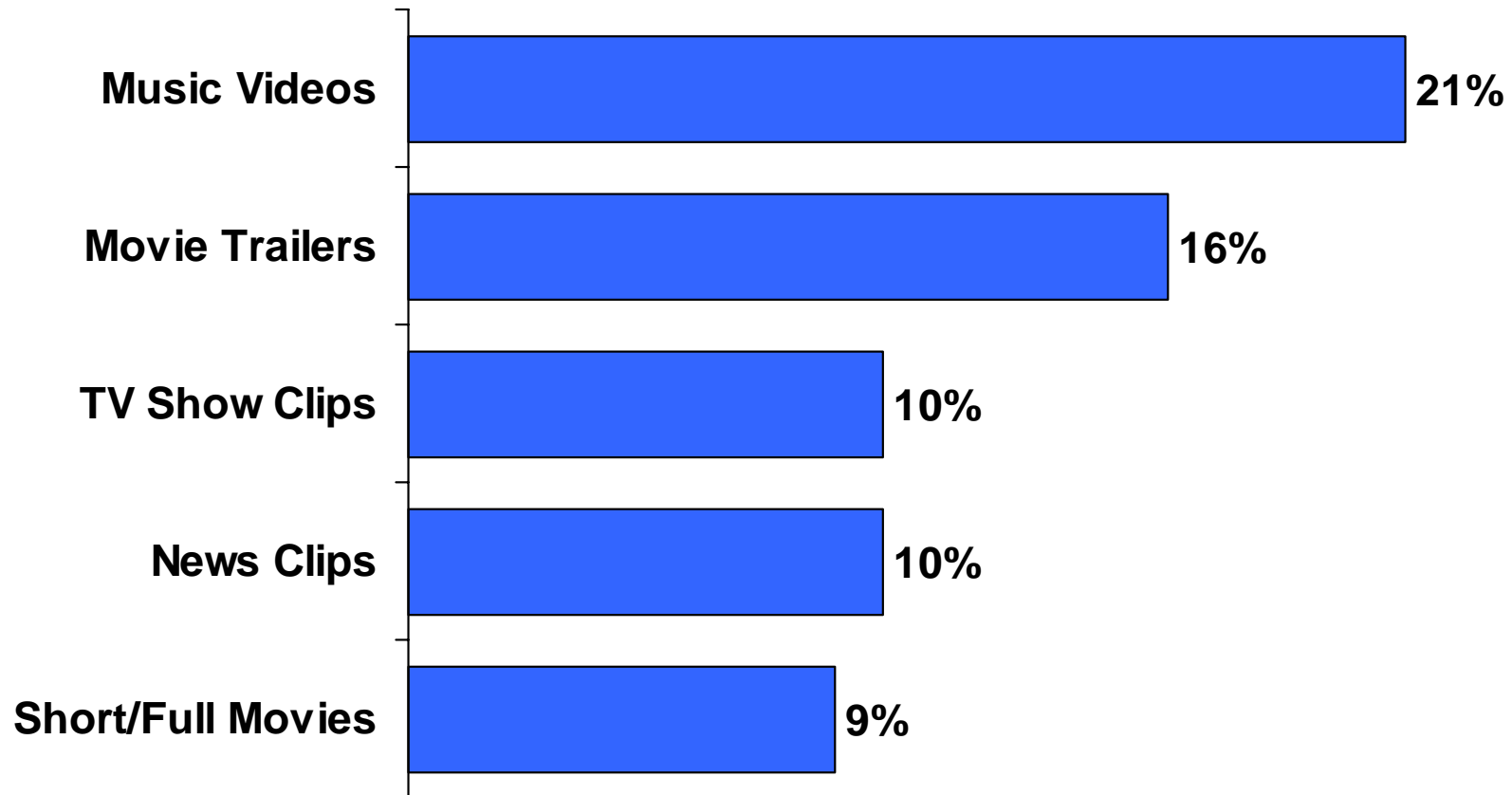
# ...Including More Than One in Four Teens

**% Who Have Viewed Internet Video in the Past Month**



# Teens Watch Internet Video for Music, Movies

% Who Have Viewed (item) Online in Last Month



Base: Persons 12-17 Who Currently  
Access the Internet

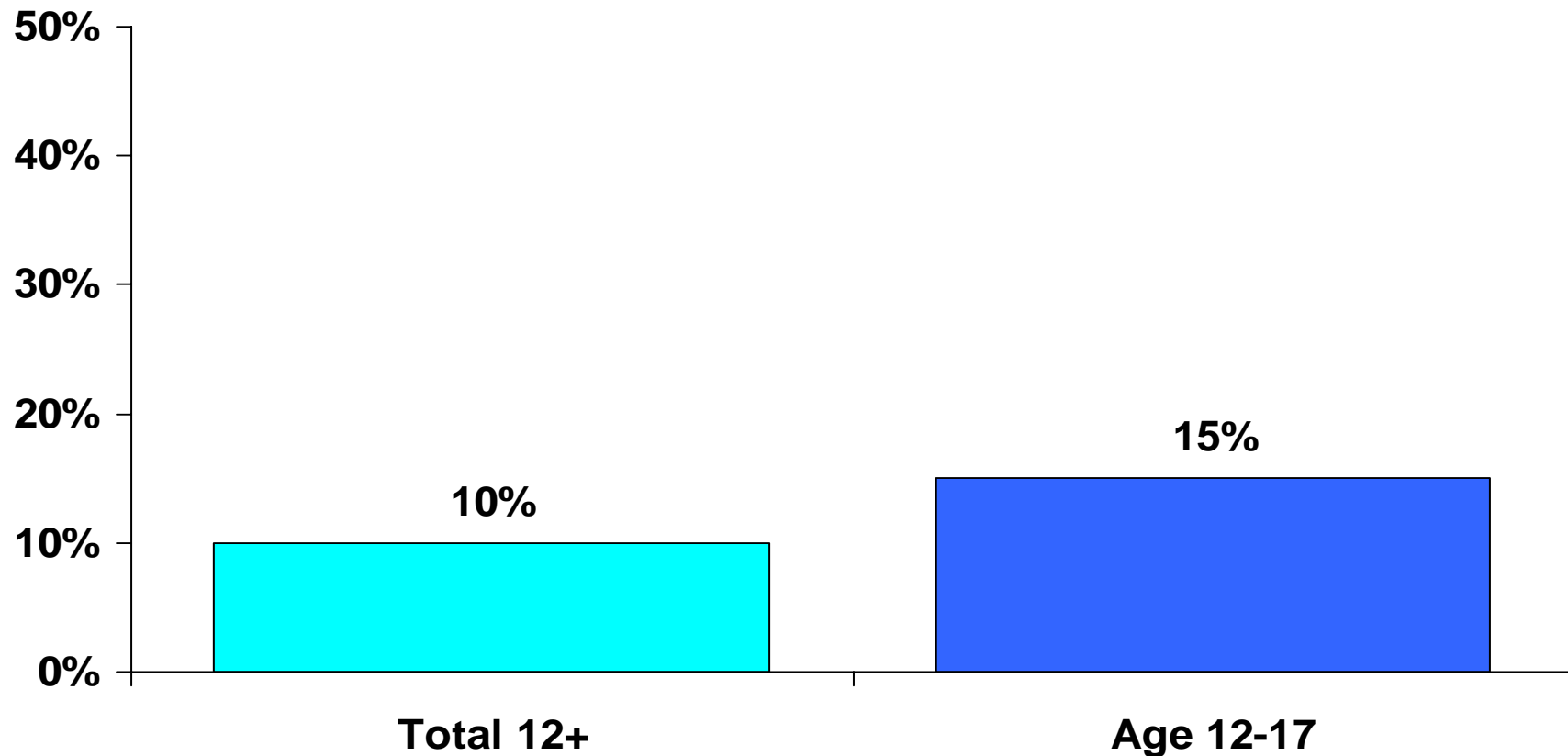


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# Teens are Also More Likely to Sample Video Podcasts

**% Who Have Ever Viewed a Video Podcast**



# Implications



# Implications

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- 1. Content producers and advertisers will need to track the “Heavy” On-Demand media consumer more closely.**

The growth of “On-Demand Media Consumers” has shown that new broadcasting platforms and time-shifting programming is not a just a techie fad.

Advertisers must continue to support experiments in tandem with the content providers to learn how to reach consumers who are adopting this new media consumption style.

# Implications

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## 2. **Media becomes ever more portable and flexible, requiring new approaches.**

The proliferation of iPods (now with video), DVRs, Video On Demand and audio and video podcasting necessitate that content and advertising reflect the unique nature of each distribution platform to ensure maximum impact.

Shorter spots, more engaging creative and new incentives to view and listen to ads will need to be tested.

# Implications

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## **3. Audience measurement will have to include time-shifting.**

The time that content first debuts and the time of its consumption increasingly are disconnected.

As a result, audience measurement systems will have to account for exposure over time.

# Implications

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## 4. Advertising will continue to be integrated into the content of programming.

With much of on-demand media consumption is driven by the ability to avoid or eliminate commercials, advertisers will have to continue their experiments with advertising and promotion within programming.

Look for any number of partnerships and creative solutions to reduce dependence on traditional “spots” and instead to interweave programming with advertising.

# Implications

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## **5. Increased demand for accountability and standardized audience measurement.**

Online radio and XM Satellite Radio are now measured and accountable.

Each of the new media platforms need to develop reliable and standardized measurement tools to justify investment from advertisers and agencies.

# Implications

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## **6. New marketing opportunities exist for Radio's "Infinite Dial"**

Radio's digital platforms (Online Radio, HD Radio, Satellite Radio, Podcasting) provide myriad opportunities to get the client's message out to consumers who are young, upscale, and technologically savvy.

# Free Copies of All Arbitron/ Edison Media Research Studies

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