

nielsen



Television,
Internet
and Mobile
Usage in the U.S.



Nielsen's Three Screen Report

May 2008

Television, Internet and Mobile Usage in the U.S.

This is the first in a series of reports from The Nielsen Company summarizing the amount of activity, including video viewing, which occurs on a monthly basis by the average user over television, Internet and mobile phones.

The TV and Internet figures below are calculated using Nielsen's National TV and Internet panels which are measured electronically and reported on a regular basis. The Mobile Phone figures are collected by Nielsen via a quarterly survey, and give a firsthand look at how early adopters report their usage of mobile video.

Table 1

Overall Usage Number of Users 2+, Per Month (in 000's)			
	May '08	May '07	% Diff
Watching TV in the home*	282,348	278,400	1.4%
Watching Timeshifted TV*	63,265	46,632	35.7%
Using the Internet**	161,690	154,134	5%
Watching Video on Internet**	118,673	n/a	n/a
Using a Mobile Phone^	217,076	n/a	n/a
Mobile Video Subscribers Watching Video on a Mobile Phone^	4,400	n/a	n/a

Table 2

Time Spent in Hours:Minutes Per User 2+, Per Month			
	May '08	May '07	% Diff
Watching TV in the home*	127:15	121:48	4%
Watching Timeshifted TV*	5:50	3:44	56%
Using the Internet**	26:26	24:16	9%
Watching Video on Internet**	2:19	n/a	n/a
Mobile Video Subscribers Watching Video on a Mobile Phone^	3:15	n/a	n/a

Table 3

Time Spent in Hours: Minutes per Month - May 2008								
	K2-11	T12-17	A18-24	A25-34	A35-44	A45-54	A55-64	A65+
On Traditional TV*	87:00	89:09	103:27	118:59	124:01	145:03	159:59	177:50
Watching Timeshifted TV*	4:16	3:36	3:55	9:28	8:13	6:46	5:49	2:57
Using the Internet**	4:58	12:01	12:18	29:00	38:47	33:52	34:44	26:01
Watching Video on Internet**	1:30	1:45	3:41	3:22	2:48	2:03	1:33	1:12
Mobile Video Subscribers Watching Video on a Mobile Phone^	n/a^^	05:25^^	3:02	3:36	2:53	2:53	2:10	n/a°

Table 4

Percent Composition of the Video Watching Audience - May 2008								
	K2-11	T12-17	A18-24	A25-34	A35-44	A45-54	A55-64	A65+
On TV*	10%	6%	8%	13%	14%	17%	14%	18%
On the Internet**	8%	9%	7%	15%	18%	20%	15%	7%
On Mobile Devices^	n/a^^	23%^^	12%	27%	18%	13%	6%	1%

Table 5

Percent Composition Video Watching Audience – May 2008		
	F2+	M2+
On TV*	54%	46%
On the Internet**	55%	45%
On Mobile Devices^^	46%	54%

FOOTNOTES FOR CHARTS ABOVE:

* TV includes live viewing plus any playback viewing; Timeshifted TV is playback primarily on a DVR but including playback on services like Start Over as well as playback from a DVD recorder.

** Internet figures are from home and work. Hours:minutes are based on the universe of persons who watch online video.

^ Survey results reported in April 2008, this is a Q1 2008 estimate of only those mobile subscribers that subscribe to and use video on their mobile phone, over the past 30 days.

^^ Nielsen Mobile's survey reports mobile video usage for those users 13 and older. Thus, 12-17 is T13-17 for all mobile data.

° A65+ base size too small to report mobile video hours:minutes

Highlights of Television Viewing:

- Americans are watching more traditional television than ever. The television figures cited here include all TV viewing in the home provided through a number of distribution sources. TV viewing included is distributed through over the air, cable, satellite or telephone company. Use of the TV for video games, DVD play or home recorded videos is not included.
- The U.S. television landscape is also growing increasingly more complex and digital. As of May 2008, more than 65% of U.S. homes receive digital cable and satellite combined. These digital TV homes receive nearly 160 channels.
- In addition, 25% and 35% of U.S. homes have DVR and Video on Demand respectively. As the number of homes with the ability to time shift increases, we should expect that people will have more choice of television programming available to them and more choice in when to watch.
- The DVR has changed TV viewing in the U.S. and playback represents about 5% of total viewing. As of May 2008, 14% of all TV tuning in primetime in DVR households was playback. Among DVR households, about half of the commercial content was viewed when programming was played back within 3 days.

Highlights of Internet and Online Video Usage:

- Two hundred twenty million Americans have Internet access at home and/or work and 73%, or 162 million went online in May.
- Watching video on the Internet is no longer a novelty; nearly 119 million unique viewers viewed 7.5 billion video streams in May 2008. The average viewer spent 2 hours and 19 minutes in May streaming video online.
- While time spent watching online video represents less than 10% of overall Internet usage, 73% of the active Internet population viewed video online during May. The availability of diverse content – including TV, consumer-generated and news – has fueled the growth of online video.

- Women have a higher tendency to view video content on TV-affiliated sites, while men index higher in their use of video on consumer-generated media sites, including YouTube and MySpace.
- Online Video usage will likely grow as broadband becomes ubiquitous and consumers upgrade their hardware.

Highlights of Mobile Usage:

- As of Q1 2008, 91 million (36% of all mobile phone subscribers in the U.S.) owned a video-capable phone. As more subscribers upgrade to phones capable of receiving mobile video, subscription cost, promotion and network speeds will be the primary challenges to the growth of mobile video consumption.
- As of Q1 2008, there were already 13.9 million persons (6% of U.S. mobile subscribers) paying for a mobile video plan, up from 8.4 million (4% of all mobile subscribers) in Q1 2007.
- 4.4 million persons (2% of U.S. mobile subscribers or 31% of those who subscribe to mobile video) report that they watched mobile video with a mobile video subscription.
- In addition, 95 million persons (37% of U.S. mobile subscribers) subscribed to mobile Internet as part of their mobile data plan in Q1 2008, a significant platform for mobile video consumption.

In Summary

This is the first look at how Americans of all ages use the three screens of television, Internet and mobile phones. The screen time of the average American continues to increase. Americans are watching more traditional TV than ever, and we also see an increasing amount of time spent on the Internet and watching online video. At the same time a small but growing number of consumers are utilizing their cell phones for video access. The Nielsen Company will publish this report quarterly and include integrated metrics as they become available.

For more information, please contact your Nielsen account representative.