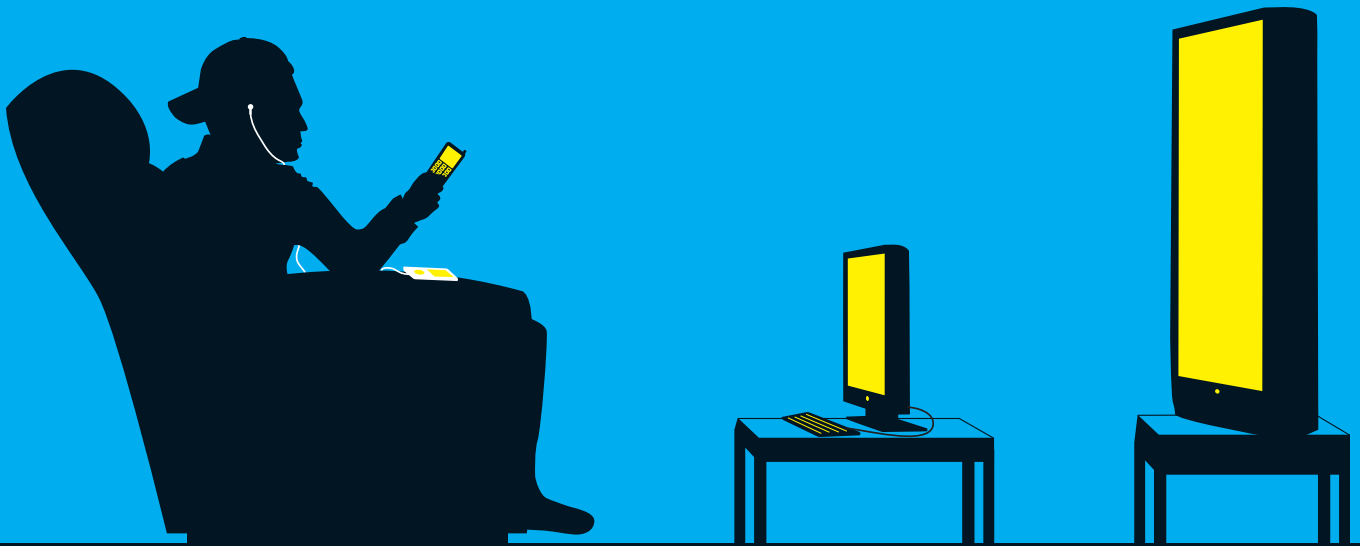


Television,  
Internet and  
Mobile Usage  
in the U.S.



# A2/M2 Three Screen Report

4th Quarter 2008

nielsen  
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Americans continue to consume video at a record pace. Consumers are watching more video than ever on the three screens of television, Internet and mobile phones. Nielsen data show that the average television viewer watches more than 151 hours of TV per month – an all-time high. Meanwhile Americans who watch video over the Internet consume another 3 hours of monthly online video and those who use mobile video watch nearly 4 hours per month on mobile phones and other devices.

Viewers appear to be choosing the "best screen available" for their video consumption, weighing a variety of factors, including the quality of the screen experience, convenience, availability of the video, and the ability to watch according to the consumers' schedule. In the majority of cases, consumers choose to view video through the traditional means – live viewing of television in the home.

The TV and Internet figures in this report 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+ (in 000's) – Monthly Reach				
	4Q08	3Q08	4Q07	% Diff Yr to Yr
Watching TV in the home <sup>o</sup>	285,313	282,289	281,376	1.4%
Watching Timeshifted TV <sup>o</sup>	73,934	67,656	53,914	37.1%
Using the Internet <sup>**</sup>	161,525	160,070	156,323	3.3%
Watching Video on Internet <sup>**</sup>	123,195	120,362	n/a	n/a
Using a Mobile Phone <sup>^</sup>	228,920	224,495	n/a	n/a
Mobile Subscribers Watching Video on a Mobile Phone <sup>^</sup>	11,198	10,260	n/a	n/a

Source: The Nielsen Company

Table 2

Monthly Time Spent in Hours:Minutes Per User 2+					
	4Q08	3Q08	4Q07	% Diff Yr to Yr (4Q08 to 4Q07)	Absolute Diff Yr to Yr (4Q08 to 4Q07)
Watching TV in the home <sup>*</sup>	151:03	140:48	145:49	3.6%	5:13
Watching Timeshifted TV <sup>*</sup>	7:11	6:27	5:24	33.0%	1:47
Using the Internet <sup>**</sup>	27:04	27:18	26:08	3.6%	0:56
Watching Video on Internet <sup>**</sup>	2:53	2:31	n/a	n/a	n/a
Mobile Subscribers Watching Video on a Mobile Phone <sup>^</sup>	3:42	3:37	n/a	n/a	n/a

Source: The Nielsen Company

Table 3

Monthly Time Spent in Hours:Minutes 4Q 2008								
	K2-11	T12-17	A18-24	A25-34	A35-44	A45-54	A55-64	A65+
On Traditional TV*	106:37	103:48	118:28	142:29	147:21	173:00	190:40	207:29
Watching Timeshifted TV*	5:11	4:24	5:01	10:50	9:44	8:31	7:54	3:58
Using the Internet**	5:19	11:27	13:00	28:15	38:40	37:06	33:39	26:29
Watching Video on Internet**	1:49	2:49	5:03	4:14	3:20	2:34	1:34	1:08
Mobile Subscribers Watching Video on a Mobile Phone <sup>^</sup>	n/a <sup>^^</sup>	6:38 <sup>^^</sup>	2:53	3:42	3:37	2:53	2:10	n/a <sup>oo</sup>

Source: The Nielsen Company

Table 4

Video Audience Composition – Age 4Q 2008								
	K2-11	T12-17	A18-24	A25-34	A35-44	A45-54	A55-64	A65+
On TV*	10%	6%	8%	13%	14%	17%	15%	18%
On the Internet**	7%	8%	8%	16%	19%	20%	15%	7%
On Mobile Phones <sup>^</sup>	n/a <sup>^^</sup>	19% <sup>^^</sup>	11%	34%	20%	11%	5%	1%

Source: The Nielsen Company

Table 5

Video Audience Composition – Gender 4Q 2008		
	F2+	M2+
On TV*	53%	47%
On the Internet**	54%	46%
On Mobile Phones <sup>^^</sup>	37%	63%

Source: The Nielsen Company

## FOOTNOTES FOR CHARTS ABOVE:

<sup>o</sup> TV in the Home includes those viewing at least one minute within the measurement period. This includes Live viewing plus any playback within 7 day; Timeshifted TV is playback primarily on a DVR but including playback on services like Start Over as well as playback from a DVD recorder. Measurement period is based on a 3 month quarter.

\* TV in the Home includes Live viewing plus any playback viewing within 7 days. Timeshifted TV is playback primarily on a DVR but including playback services like Start Over as well as playback from a DVD recorder. Measurement period is based on a 3 month quarter.

\*\* Internet figures are from home and work. Hours:minutes for Internet and video use are based on the universe of persons who used the Internet/watched online video. All Internet figures are monthly averages over the course of the quarter. Online Video duration metrics are not comparable to previous measurement periods as a result of methodology change

<sup>^</sup> The average monthly unique users of mobile phones and mobile video in 4Q 2008 and 3Q 2008, based on Nielsen Mobile surveys and CTIA projection of U.S. wireless subscriptions. Video user projection, time spent and composition data based on survey analysis of past 30 day use during the period. The mobile video audience figures in this report for 4Q 2008 and 3Q 2008 now include mobile phone users who access mobile video through any means (including mobile Web), and are no longer limited to subscription-based mobile video. Projection of all subscribers is based on persons 2+. Projection of mobile video viewers, and all other mobile video estimates, based on subscribers 13+.

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

<sup>oo</sup> A65+ base size too small to report mobile video hours:minutes

## Key Facts

- 31 percent of Internet activity occurs when consumers are also watching television.
- At 7 hours, 11 minutes per month, timeshifted TV is watched at double the pace as video online. But young viewers (18-24) watch video on the Internet and on a DVR at the same rate: about 5 hours per month.
- Men continue to watch video on mobile phones more than women, and women continue to watch video on the Internet and television more than men.
- During the fourth quarter, growth of online video was driven by events such as election coverage and the SNL/Sarah Palin clips.
- Weekdays outpaced weekends for online video viewing in October with 65% of online video viewers streaming content between 9am–5pm Monday through Friday, versus 51% of online video viewers logging on between 6am–8pm on weekends.

## Trends to Watch

- Despite the bad economy, the number of homes with DVRs continues to grow – more than 29% of U.S. homes are able to timeshift television, up from 27% in 3Q08.
- Online video audiences will continue to grow as more content becomes available.
- Nielsen 4Q08 data shows that mobile video has grown, up to 11 million Americans, an increase of 9% versus the previous quarter. Much of this growth can be attributed to increased mobile content and the rise of the mobile web as a viewing option. In addition, the average monthly time spent viewing mobile video among reported mobile video users increased 2%, from 3:37 to 3:42 between 3Q 2008 and 4Q 2008.

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