



YouGov and the Digital Television Group

September 2014

Agenda

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- YouGov and The Digital Television Group
- Introduction to the seminar
- How are consumers changing the way they are accessing content?
- Are consumers willing to pay for content and what does this mean to content creators?
- How will consumers consume content in the future in light of technological advances?

YouGov Products and Customised Solutions

Daily Brand Tracking

The authoritative measure of brand perception across thousands of brands in the UK and across the world

YouGovBrandIndex

Opinion poll the nation

Within 24/48 hours see what the country thinks of your key issue

YouGovOmnibus

Market Intelligence

Delivering insights into the latest market trends and conditions to help understand the broader market environment

YouGovReports



Customised Research Solutions

Our sector experts draw upon our existing data and combine with quantitative and qualitative bespoke research to provide tailored insights

Multi-Channel Audience Segmentation

Our media and planning product for agencies and brands powered by data collected in the YouGov Cube – which holds over 120,000 data points from 190,000 UK YouGov panellists

YouGovProfiles

Online Consumer Behaviour

Capturing real time in-depth actual online consumer behaviour across smartphones, tablets and PC's

YouGovPulse

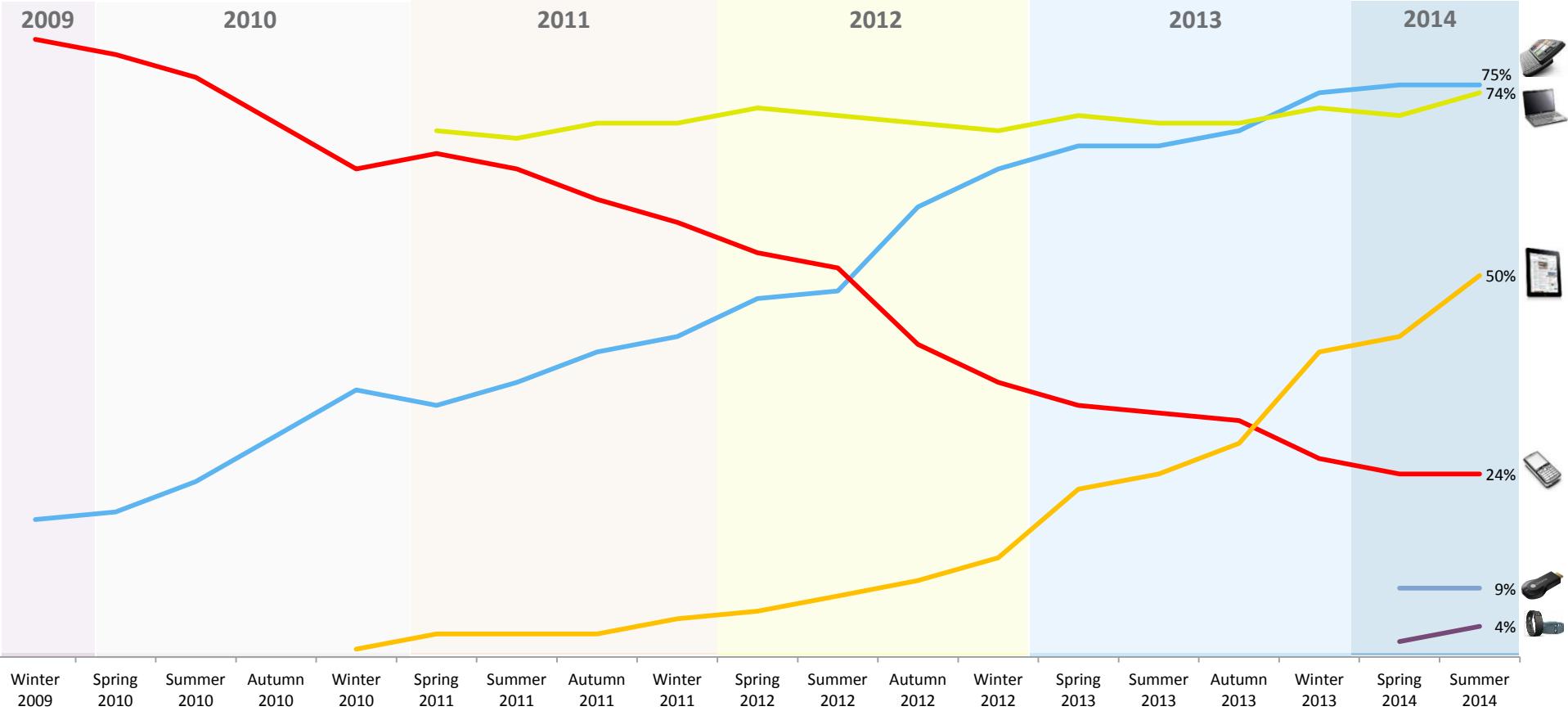
Social Media

Identifying and profiling exactly who social media audiences are across Facebook and Twitter and tracking the reach of brands and campaigns amongst target segments

YouGovSoMA

Penetration of devices over time

Smartphone Feature phone Tablet Laptop Wearables Digital media players



Source: YouGov SMIX report (December 2013 – 4,200 UK Nat rep mobile phone users) and YouGov Tablet Tracker (Winter 2013)
Base: All Nat Rep (2,172)
P10q1: Which if any of the following devices do you currently own? Please tick all that apply.

Smartphone OS and smartphone type



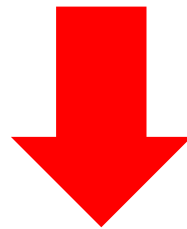
9%
in Dec 2009
41%
in June 2014



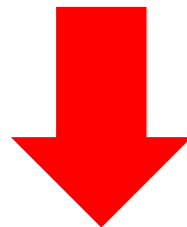
20%
in Dec 2009
32%
in June 2014



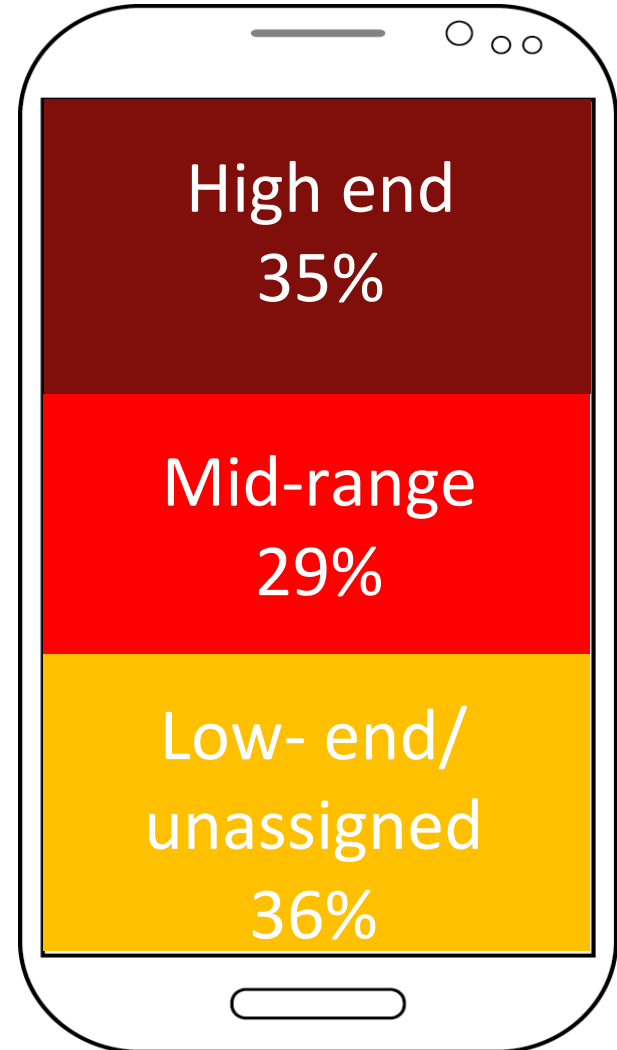
19%
in Dec 2009
8%
in June 2014



11%
in Dec 2009
3%
in June 2014



Smartphone type



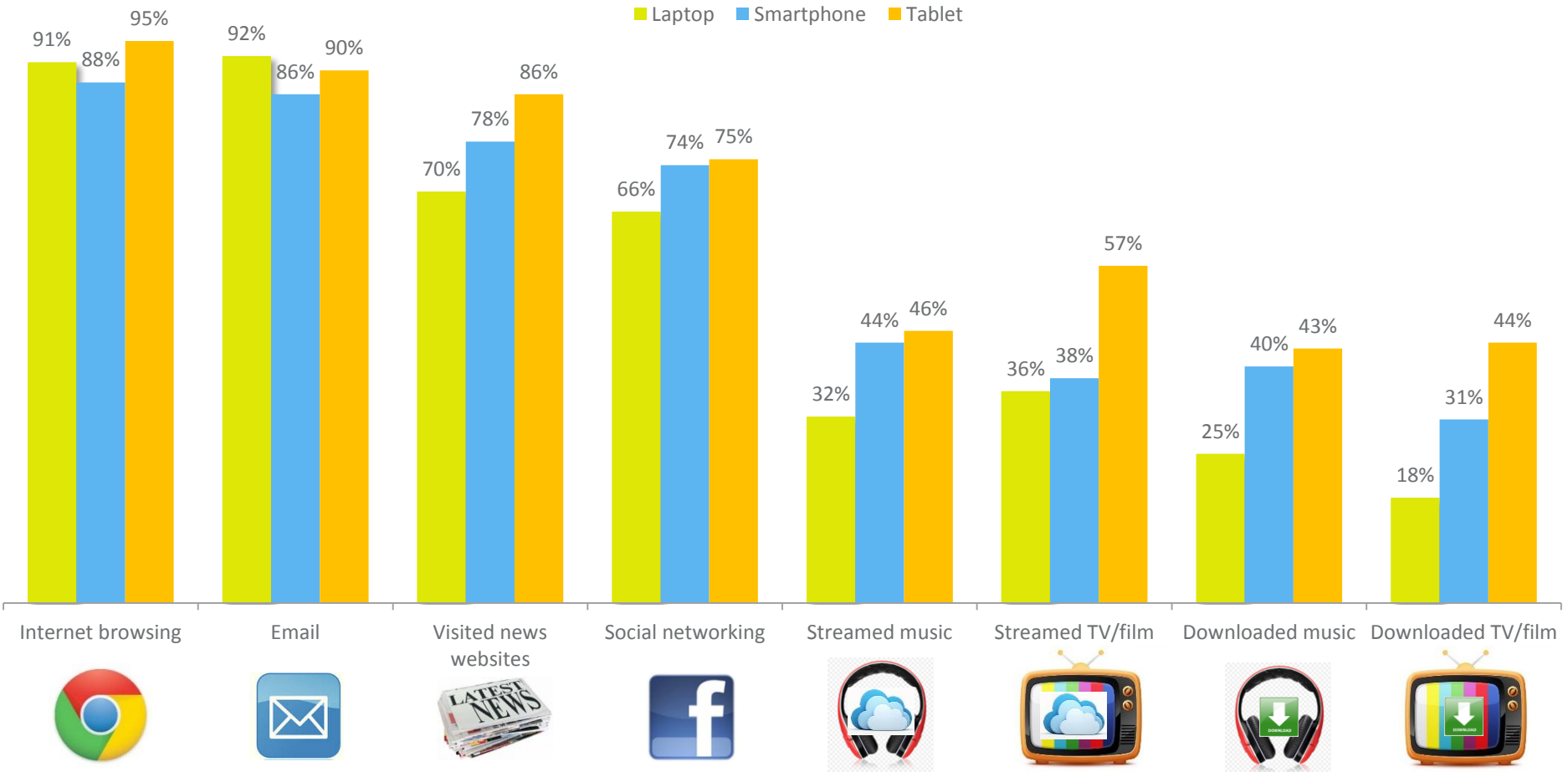
How are consumers changing the way they are accessing content?



Online activities



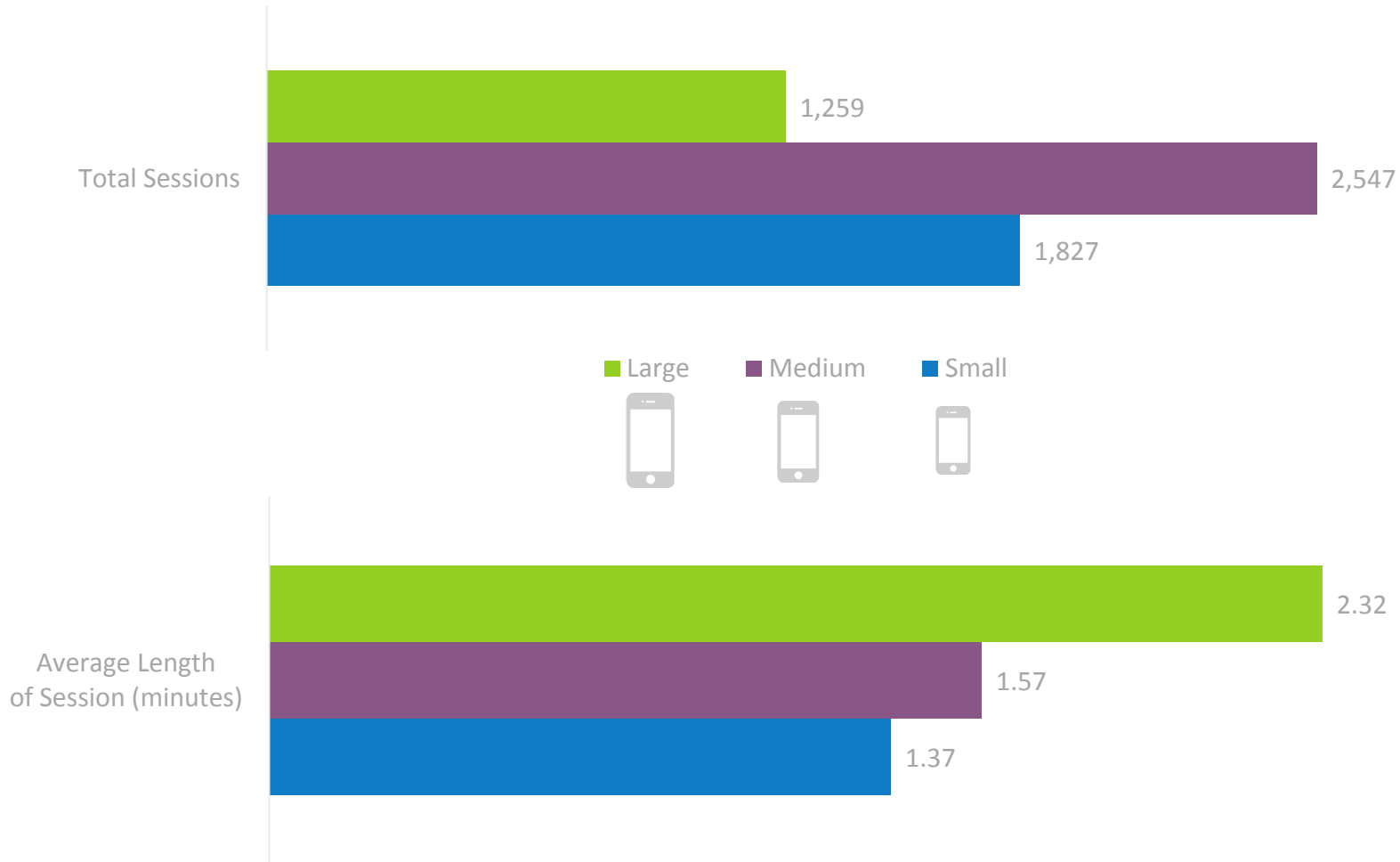
Online activities participated in



Base: All online nationally representative (2,002) All computer owners (1764) All smartphone owners (1471) All tablet owners (1134)
 Q3: In the last 3 months which of the following activities have you done on your computer?
 Q9: Thinking about using the internet on your smartphone, which type of internet connection would you use for each of the following activities?
 Q15: Thinking about using the internet on your tablet, which type of internet connection would you use for each of the following activities?

Those on larger handsets spend a greater amount of time on apps than those with a smaller screen

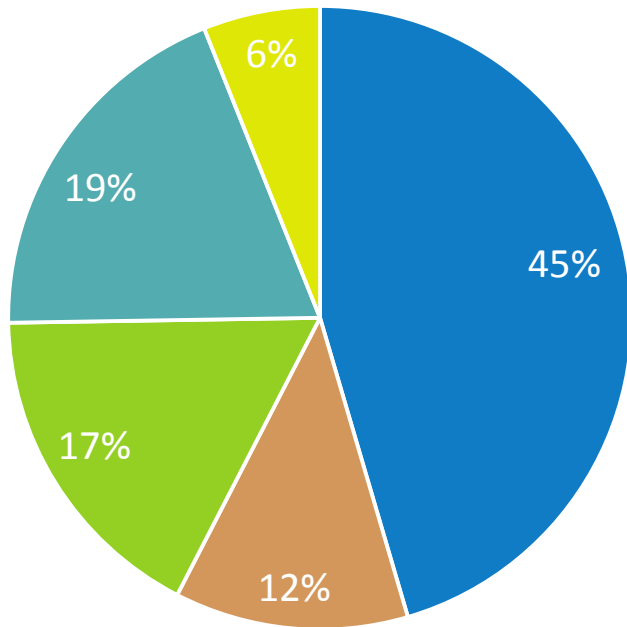
Entertainment Apps



Source: YouGov Pulse (online passive behavioural tracking)

Physical formats still preferred overall

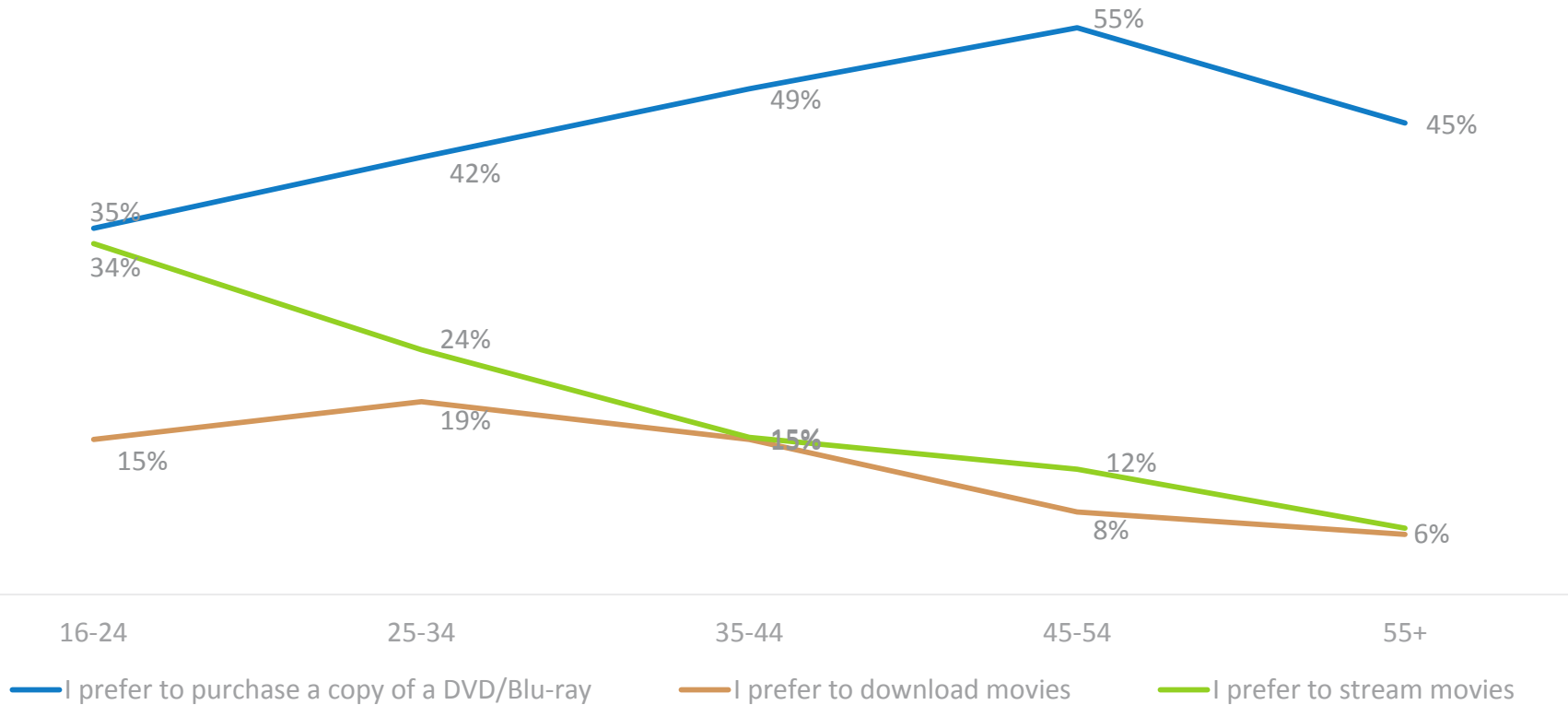
Thinking about the way you buy/watch movies, which of the following statements fits best with your current view?



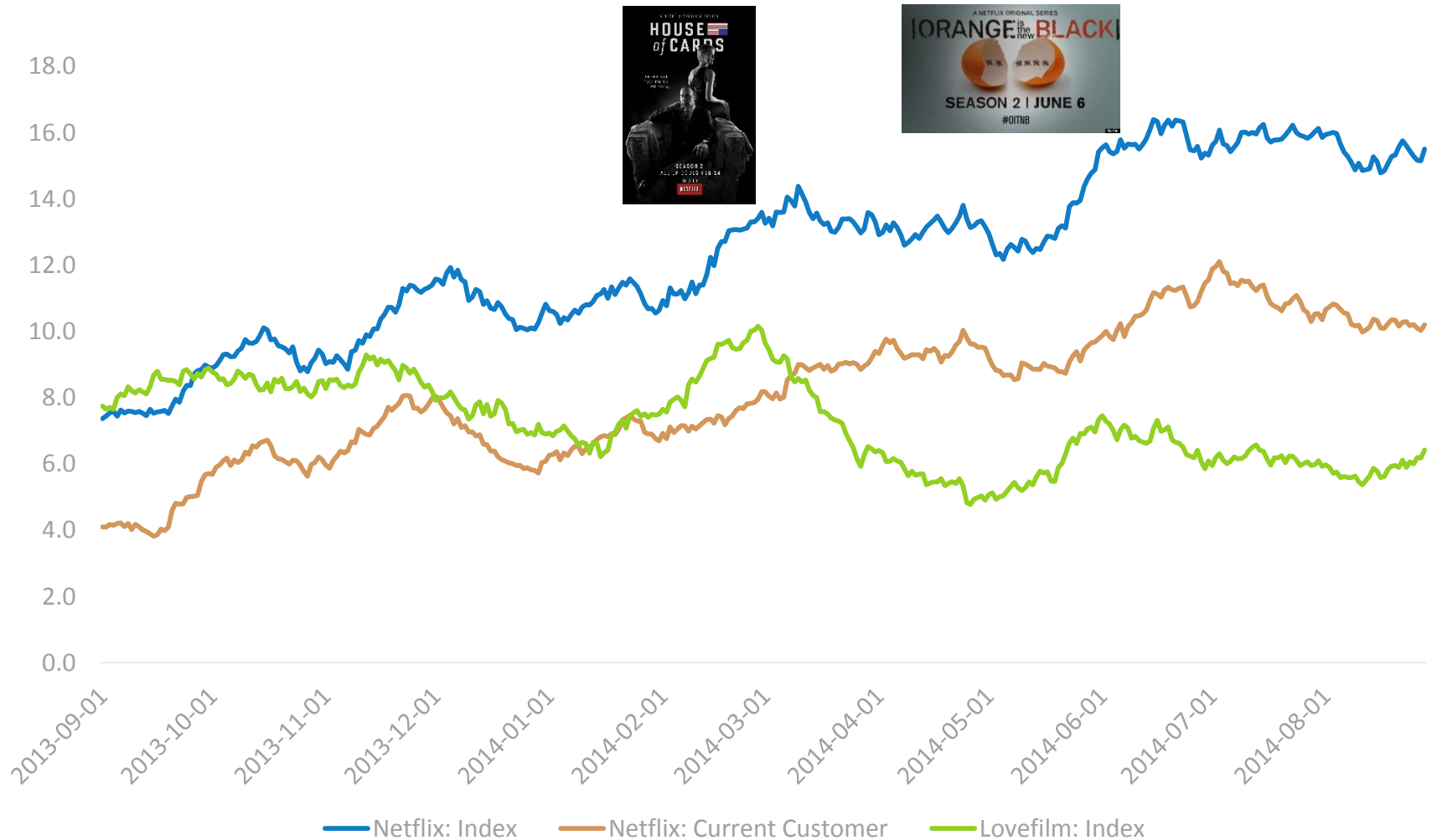
- I prefer to purchase a copy of a DVD/Blu-ray
- I prefer to download movies
- I prefer to stream movies
- Not applicable
- Don't know

However streaming popular among 16-24 year olds

Thinking about the way you buy/watch movies, which of the following statements fits best with your current view?



The rise of Netflix: A continuation of a long term trend



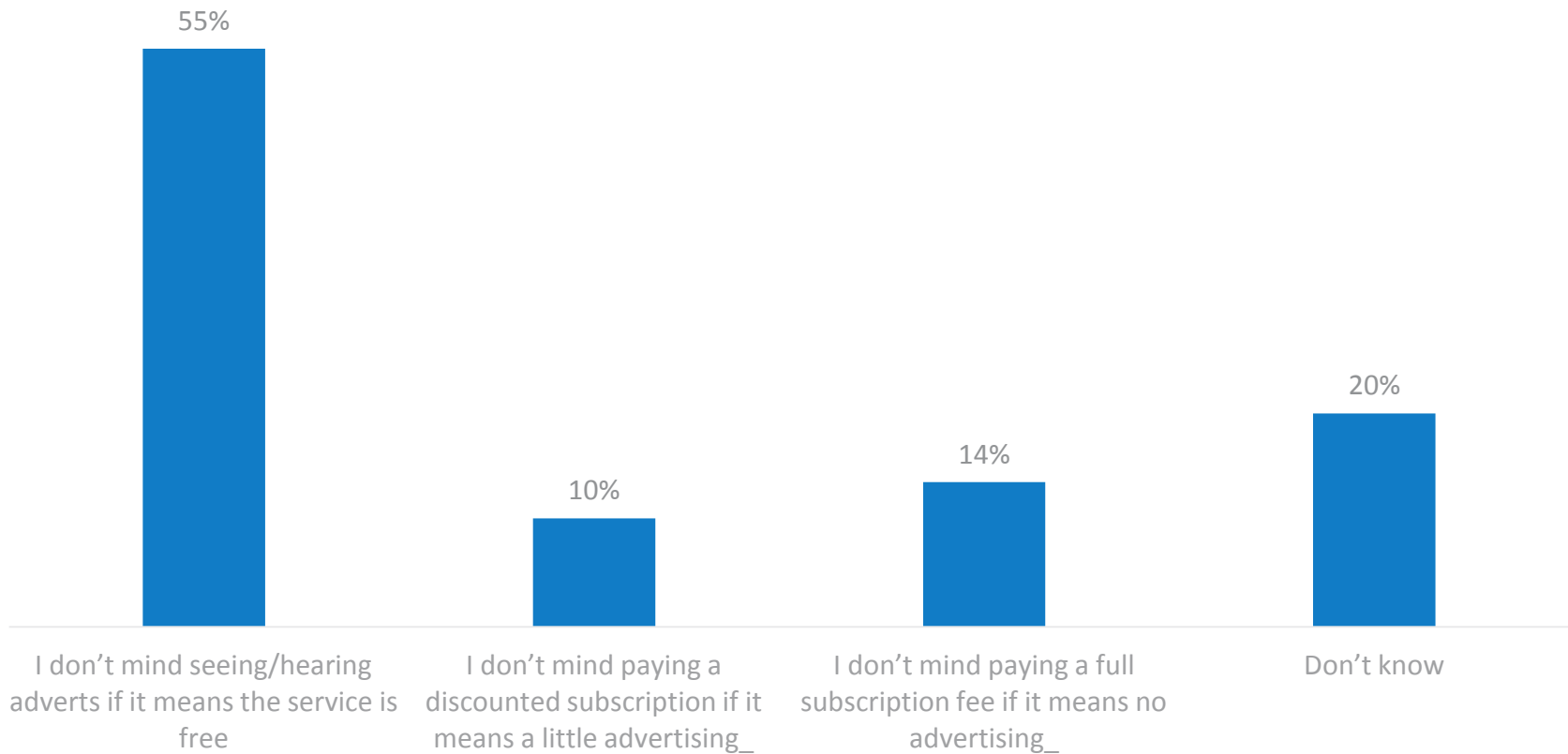
Source: YouGov BrandIndex (daily brand tracking)

Are consumers willing to pay for content and what does this mean to content creators?



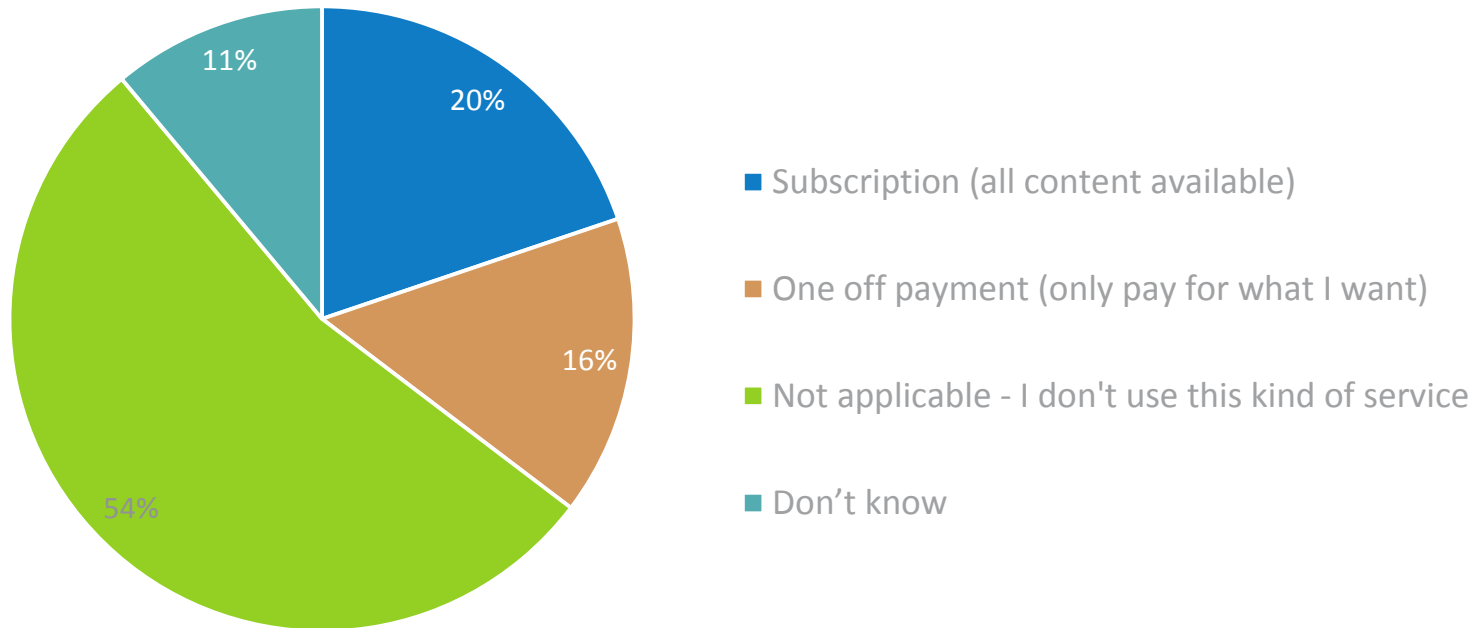
Unsurprisingly then, the vast majority prefer to access content for free with adverts

Which of the following statements, if any, best describes how you feel about advertising found on online TV, film or music streaming services?

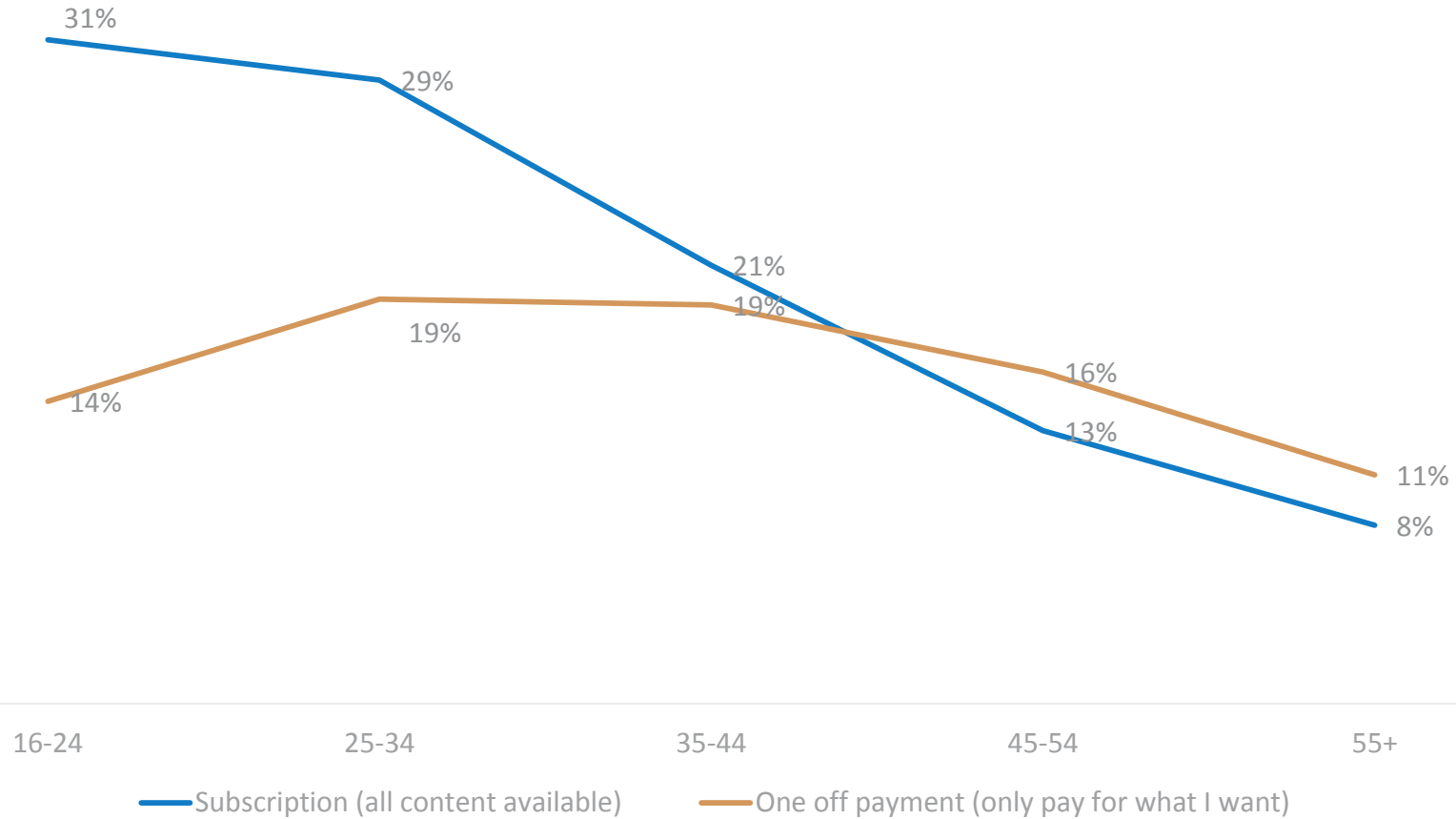


Consumers have a split preference over Subscriptions and PPV

Which of the following methods of payment do you prefer to use to access media online? Please select a method of payment for each type of media (TV, film, music). - Film











Younger consumers prefer subscriptions whilst older consumers prefer PPV



And when split by OS... we see interesting differences for paid for content on tablets

Money spent on type of content

				Fire OS
	30%	14%	16%	31%
	28%	16%	23%	56%
	31%	9%	10%	50%
	13%	8%	7%	24%
	10%	3%	4%	9%
None	41%	69%	59%	23%

How will consumers consume content in the future in light of technological advances?



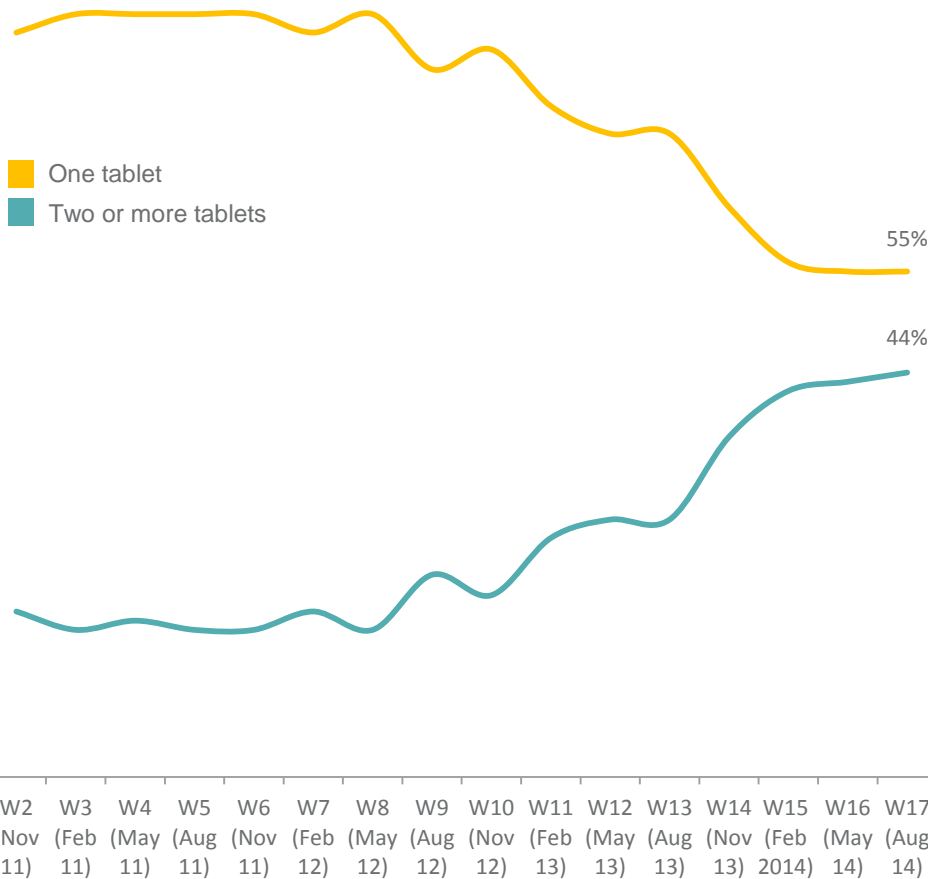
The story in 5 years time...

Thinking about the way you will be buying/watching movies in the next 5 years, which of these statements fits best with your current view?

	Current preference	Behaviour in 5 years time
Physical	45%	↓ 28%
Stream	17%	↑ 21%
Download	12%	↑ 17%

44% have 2 or more tablets in their household...

Number of devices in household
(All tablet owners)

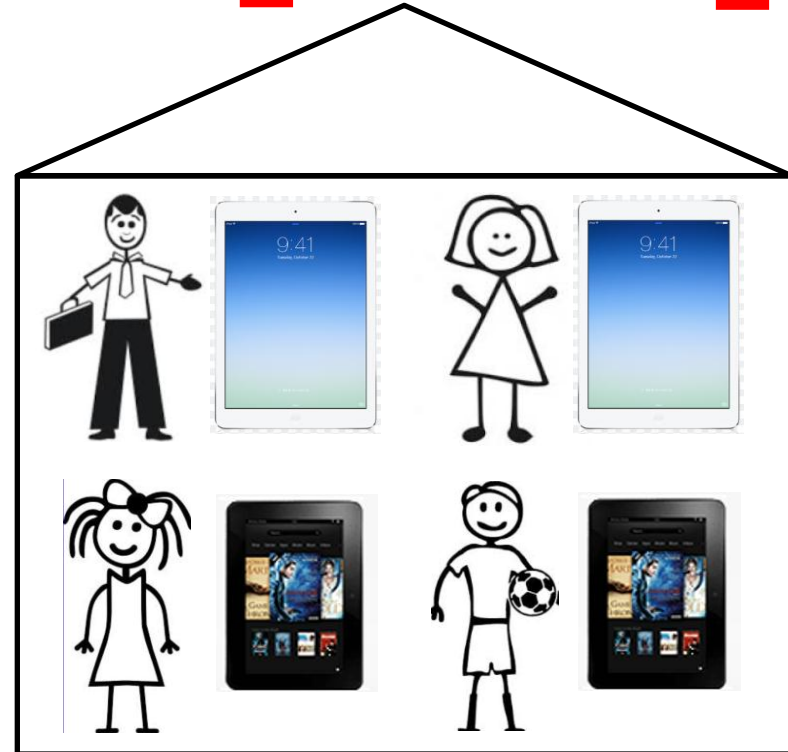


Number of devices in household
(By main tablet)

Current tablet penetration is 50% And 13% of current owners expect to get another



With 22% of non owners intending to get one. And a third (32%) of these by the end of 2014.



What could happen?

Portable devices



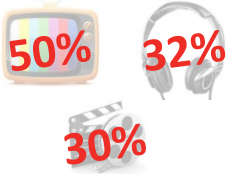
More and more tablets



VOIP usage



Streaming and downloading entertainment



The internet of things



Digital media players and Smart TV



Just a fifth of smartphone owners have security software on their device



22% of smartphone owners have security software installed on their device *(up 4% points in the last three months)*



25% of tablet owners have security software installed on their device *(up 3% points in the last three months)*

Key findings

- Penetration of tablets at the end of this year could increase up to 60-65%, the tablet is one of the ideal ways of accessing personal content
- Linear TV still dominant form of video content, however indications that changes may be afoot
- Looking at online video; free ad-supported video currently contributes largest amount of revenue
- However, biggest growth coming subscriptions and PPV (albeit from a small base)
- Netflix are the dominant online video subscription provider
- Millennials are driving adoption to online streaming services and are paying for them
- TV and connected devices will become more converged, with devices like Chromecast leading the way.
- 4G penetration is going to increase with 5G set to be in the mix by 2020, ISPs are currently meeting internet needs, however will this still be the case in the future?
- We believe that, those services who have an MNO and ISP will be best placed to meet the demands of the future
- In the future, with the internet of things, such as wearables and smart meters and the like, will people be comfortable with giving away their private information?

Questions?

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