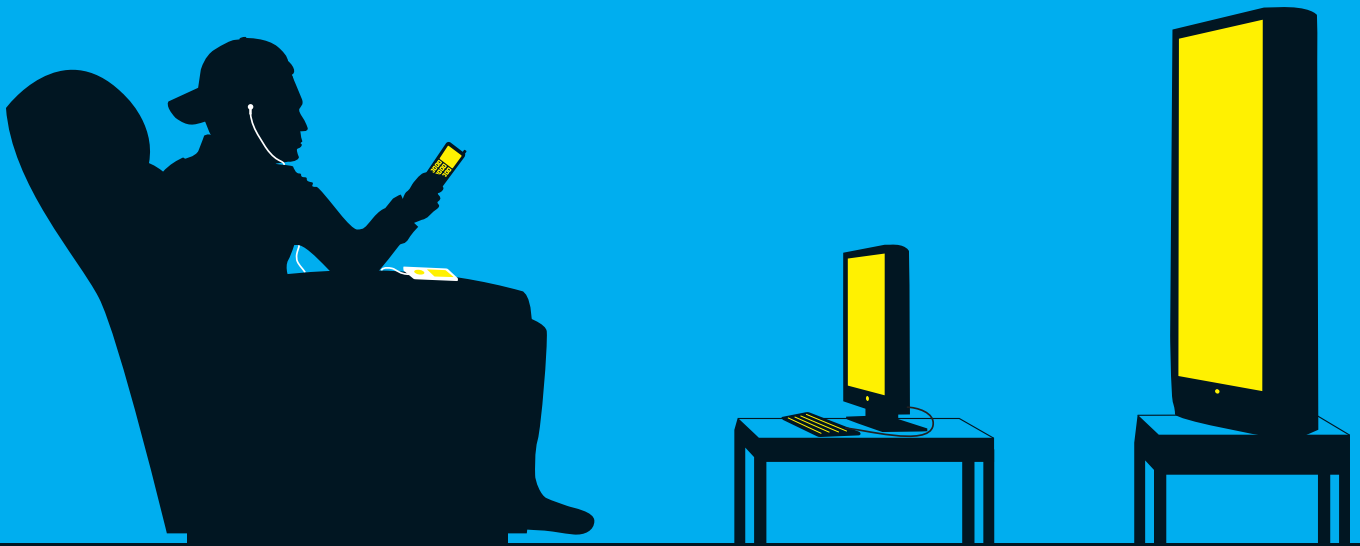


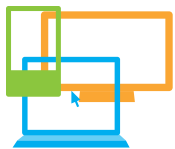
Television,
Internet and
Mobile Usage
in the U.S.



Three Screen Report

VOLUME 7 • 4th Quarter 2009

nielsen
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What Consumers Watch: Americans Spend More Time with Video Than Ever

Consumers devote 3.5 hours a month to using TV and the Internet simultaneously

The typical American continues to increase his/her media time, watching each week almost 35 hrs of TV, 2 hrs of timeshifted TV, 22 minutes of online video and 4 minutes of mobile video, while also spending 4 hours on the Internet (Table 1). In addition, Americans now spend 35% more time using the Internet and TV simultaneously than they were a year ago – now spending up to 3.5 hours each month surfing the Internet and watching TV at the same time (Table 2).

Nielsen's fourth quarter Three Screen Report – a regular analysis from Nielsen's Anytime Anywhere Media Measurement™ initiative, which analyzes video and related consumer behavior – reveals that Americans continue to view video at a record pace. In 4Q09, traditional television use per month is up 1%, timeshifted TV is up 25%, online video usage is up 16%, and mobile video usage remains flat when compared to the same time period last year (Table 4).

The TV and Internet estimates 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 estimates are collected by Nielsen via a quarterly survey and give a firsthand look at how early adopters self-report their usage of mobile video.

The 4Q09 Highlights:

- Consumers are adding video platforms to their weekly schedule, rather than replacing them.
- Each week the typical American consumes almost 35 hrs of TV, 2 hrs of timeshifted TV, 4 hrs of internet, 22 minutes of online video and 4 minutes of mobile video.
- Cross-media usage creeps up with 59% of Americans now using TV and internet simultaneously at least one time per month, spending 3.5 simultaneous hours each month on both.
- Americans continue to increase their video use to new levels – TV +1%, timeshifting +25%, online video +16%.
- The heaviest timeshifters (DVR users) are Adults 25-34 and the lightest are A65+.

[Visit www.nielsenwire.com to find previous Three Screen Reports](http://www.nielsenwire.com)



Table 1

A Week in the Life Weekly Time Spent in Hours:Minutes – By Age Demographic 4Q 2009								
	K2-11	T12-17	A18-24	A25-34	A35-49	A50-64	A65+	P2+
On Traditional TV*	25:17	23:24	26:14	31:58	35:40	42:38	47:21	34:37
Watching Timeshifted TV*	1:33	1:15	1:28	2:58	2:44	2:22	1:10	2:04
Using the Internet**	0:24	1:21	3:45	5:20	6:35	4:53	2:17	3:56
Watching Video on Internet**	0:04	0:15	0:39	0:35	0:33	0:17	0:06	0:22
Mobile Subscribers Watching Video on a Mobile Phone [^]	n/a ^{^^}	0:21 ^{^^}	0:08	0:06	0:01	<0:01	n/a ^{oo}	0:04

Source: The Nielsen Company. Based on Total Population in the U.S.

How to Read Table 1:

This chart is based on the total population in the U.S. -- all 294 million Americans -- whether or not they have the technology. As of 4Q09 the average American spends the following time weekly: 34 hours, 37 minutes watching television; approximately 2 hours timeshifting; 3 hours, 56 minutes using the Internet; 22 minutes watching online video; and 4 minutes watching mobile video.

Table 2

Persons 2+ Watching TV and Using the Internet Simultaneously At Least Once Per Month at Home ^{ooo}				
	Dec 2009	June 2009	Dec 2008	% Diff Yr to Yr
% of Persons Using TV/Internet Simultaneously	59.0%	56.9%	57.5%	2.7%
Estimated Number of Persons Using TV/Internet Simultaneously (000)	134,056	128,047	128,167	4.6%
Time Spent Simultaneously Using TV / Internet Per Person in Hours:Minutes	3:30	2:39	2:36	34.5%
Average % of TV time Panelists spent also using the Internet	3.1%	2.7%	2.4%	29.7%
Average % of Internet time Panelists spent also using TV	34.0%	27.9%	29.9%	13.9%

Source: The Nielsen Company

Table 3

Overall Usage Number of Users 2+ (in 000's) – Monthly Reach				
	4Q09	3Q09	4Q08	% Diff Yr to Yr
Watching TV in the home ^o	286,945	283,539	285,394	+ 0.5%
Watching Timeshifted TV ^o	90,768	85,857	74,196	+ 22.3%
Using the Internet**	190,885	190,481	161,525	+ 18.2%
Watching Video on Internet**	138,135	138,162	123,195	+ 12.1%
Using a Mobile Phone [^]	241,626	237,411	228,921	+ 5.5%
Mobile Subscribers Watching Video on a Mobile Phone [^]	17,583	15,743	11,198	+ 57.0%

Source: The Nielsen Company





Table 4

Monthly Time Spent in Hours:Minutes Per User 2+						How to Read Table 4: As of 4Q09 the 292 million people in the U.S. with TVs spend on average 153 hours, 47 minutes each month tuning into television. 4Q09 data shows that the 138 million people watching video on the Internet spent on average 3 hours, 22 minutes during the month doing so. As of 4Q09 the 17.6 million people who watch mobile video in the U.S. spend on average 3 hrs, 37 minutes each month watching video on a mobile phone.
	4Q09	3Q09	4Q08	% Diff Yr to Yr	Hrs:Min Diff Yr to Yr	
Watching TV in the home*	153:47	143:49	152:38	+ 0.8%	+ 1:09	
Watching Timeshifted TV*	9:13	8:05	7:23	+ 24.9%	+ 1:50	
Using the Internet**	26:32	27:32	27:04	- 2.0%	- 0:32	
Watching Video on Internet**	3:22	3:24	2:53	+ 16.4%	+ 0:29	
Mobile Subscribers Watching Video on a Mobile Phone [^]	3:37	3:15	3:37	FLAT	FLAT	

Source: The Nielsen Company. Based on Total Users of each Media.
Editor's Note for Table 4: TV viewing patterns in the U.S. tend to be seasonal, with TV usage higher in the winter months and lower in the summer months, sometimes leading to a decline in quarter to quarter usage..

Table 5

Monthly Time Spent in Hours:Minutes – Age Demographic 4Q 2009								
	K2-11	T12-17	A18-24	A25-34	A35-49	A50-64	A65+	P2+
On Traditional TV*	112:16	103:40	120:36	142:31	157:49	187:40	209:23	153:47
Watching Timeshifted TV*	6:53	5:35	6:46	13:14	12:05	10:26	5:09	9:13
Using the Internet**	4:48	9:38	27:05	34:57	33:21	27:56	21:59	26:32
Watching Video on Internet**	1:27	2:31	6:35	4:58	3:40	2:14	1:25	3:22
Mobile Subscribers Watching Video on a Mobile Phone [^]	n/a ^{^^}	7:39 ^{^^}	5:03	2:53	2:53	2:10	n/a ^{oo}	3:37

Source: The Nielsen Company. Based on Total Users of each Media.

Table 6

Video Audience Composition – 4Q 2009									
	By Age Demographic							By Gender	
	K2-11	T12-17	A18-24	A25-34	A35-49	A50-64	A65+	F2+	M2+
On TV*	10%	6%	7%	13%	22%	24%	18%	53%	47%
On the Internet**	6%	8%	9%	15%	30%	23%	9%	54%	46%
On Mobile Phones [^]	n/a ^{^^}	18% ^{^^}	13%	32%	27%	9%	1%	43%	57%

Source: The Nielsen Company. Based on Total Users of each Media.



Key Conclusions:

- TV viewing keeps increasing, partly because of a better viewing environment that includes more convenience (DVR), a higher-quality experience (High Definition programming and flat screen TVs) and the ubiquity of digital delivery, which delivers more TV channels to the home.
- DVRs are now in 35% of American homes, with usage up 25% from a year ago.
- The heaviest timeshifters are A25-34 (2hrs:58min per week) and the lightest are A65+ (1hr:10min per week).
- Online video consumption is up 16% from last year – with approximately 44% of online video consumed at the workplace.
- The number of active mobile video users grew 57% from Q408 to Q409, from 11.2 million to 17.6 million users.

Trends to Watch:

- Most traditional TV viewing continues to happen in the evening hours (M-Sun 8-11 pm), while “primetime” for online video viewing lasts from noon to 6:00 pm, peaking at 4:00 pm.
- DVR users watch about 47% of primetime commercials in programs played back after 3 days.
- According to a recent study conducted by Nielsen, Americans watch network TV programs online to catch up with programming or if the TV itself is unavailable. It is not typically as a replacement for TV viewing.
- Streaming via the mobile internet is the most prevalent way that Americans watch mobile video. 67% of mobile video viewers access mobile video in this way.
- Smartphone users make up 59% of mobile video users in Q409, this is up from 47% in Q408. The growth of smartphones in the marketplace accounts for the large base line growth in mobile video users.

This is a quarterly report published by The Nielsen Company.
For more information, please contact your Nielsen account representative.

FOOTNOTES FOR CHARTS ABOVE:

- ° TV in the home includes those viewing at least one minute (reach) within the measurement period. This includes Live viewing plus any playback within the measurement period; Timeshifted TV is playback primarily on a DVR but includes playback from VOD, DVD recorders and services like Start Over.
- * TV in the home includes Live usage plus any playback viewing within the measurement period. Timeshifted TV is playback primarily on a DVR but includes playback from VOD, DVD recorders and services like Start Over
- ** 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. Due to enhancements to Nielsen NetView and Nielsen VideoCensus in June 2009, trending of previously-reported data with current results may show percentage differences attributable to these product enhancements and should only be compared directionally.
- ^ The average monthly unique users of mobile phones and mobile video in 4Q 2008, 3Q 2008 and 4Q 2009, projected based on Nielsen telecom flowshare, surveys and historical CTIA projections 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 include mobile phone users who access mobile video through any means (including mobile Web, subscription-based, downloads and applications). Projection of all subscribers is based on persons 2+. Projection of mobile video viewers, and all other mobile video estimates, based on subscribers 13+.
- ^^ Nielsen's mobile survey reports mobile video usage for those users 13 and older. Thus, 12-17 is T13-17 for all mobile data.
- oo A65+ base size too small to report mobile video hours:minutes.
- ooo December 2009 figures are from Nielsen's single source electronic measurement of TV and internet in the Convergence Research Panel and the National People Meter panel. Figures prior to December 2009 are from the Convergence Research Panel only. PCs owned by the home are measured, including laptops. PCs owned by an employer are NOT included. This measurement currently is not projectable to the total U.S. population. NOTE: Simultaneous users are those that simultaneously used the TV and the internet for at least one minute during the month. TV in the Home includes those viewing at least one minute (reach) within the measurement period. This includes Live viewing plus any playback within the measurement period. Simultaneous Users are weighted to the sum of weights of internet homes in Nielsen's National TV sample. Weighting has not been applied to the other statistics. Dec 2008 is 12/01/08 - 12/28/08, June 2009 is 6/1/09 - 6/28/09, Dec 2009 is 11/30/09 - 12/27/09

