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## Morse on Evolution of New Media

Nielsen recently held its quarterly meeting in Manhattan. Here are some of the insights that Dr. John Morse of Byron Media provided to his clients along with some other observations on the digital marketplace.

Dr. Morse notes that each month U.S. consumers are engaging with media across a spectrum of devices. In the 4thQ of 2014, traditional TV reached an average of 285 million viewers with more than 181 million watching time-shifted TV. In terms of mobile and computer users:

- 122 million viewers watched video on a smartphone,
- 146 million watched video on the Internet and
- 164 million people used an app/web on a smartphone.
- Radio is also a vibrant means of engaging with content, reaching 258 million listeners per month.

American adults spent nearly a week (149 hours 14 minutes) on average watching traditional television each month in the fourth-quarter of last year. In addition, content was accessed by several alternate means. U.S. adults spent well over 15 hours each month watching time-shifted content, close to 30 hours using the Internet on a computer, and over 43 hours using any app/web on a smartphone! Consumers also listened to radio for a resounding 58 hours and 36 minutes.

Certainly it is no surprise that social media has a large role in the overall equation. 133 million people are connecting via computer, 142 million are using an app or smartphone, and 124 million are accessing social media via the web on a smartphone.

### Additional Take-aways from Dr. Morse:

- SVOD Households watch less TV . . . they are younger with above average incomes.
- SVOD Households have significant churn comparable to premium pay services.
- OTT viewers watch for shorter amounts of time than traditional TV viewers because so many ads have been stripped out of the programs. Therefore, the same program viewed on OTT has a shorter duration than when viewed on traditional TV. We're still waiting to see some real ratings for OTT shows. They should be coming from Netflix in the near future. **NOTE:** Over-the-Top content (OTT) refers to delivery of audio, video, and other media over the Internet without the involvement of a cable operator.
- While the 50+ population has lagged significantly in new tech adoption, especially OTT, there was a sea change the last couple months among the 50-64 population...a huge increase in OTT adoption. I suspect there might have been new devices given as holiday gifts? The change occurred in the months of January and February.



- Sony Crackle users spend twice the amount of time watching video on OTT compared to desktop while over 8 million videos are watched on OTT per month—16% of all Crackle streams across all of its platforms.
- In September 2015, Nielsen will almost double the national sample for measuring national TV . . . from 20,500 to 36,000 homes . . . a big help to low-rated networks that occasionally get zero audience numbers in lower viewed dayparts. The impact on ratings for the fall and Upfront will be closely watched.
- Mobile digital video will be measured and “beta test reported” by Nielsen in the second half of 2015 with a goal of public reporting for currency usage by the end of this year.
- Nielsen is planning to give Rentrak’s VOD service some real competition “by the end of 2015.” They will be measuring VOD and SVOD, reporting by episode.

*If you are attending NCTA/INTX in Chicago the week of May 3rd, Dr. Morse would be pleased to meet with you and discuss digital media research strategies.*

### Some Internet Facts and Figures from comScore

Dr. Morse notes that “comScore continues to provide metrics for online measurement that are the ‘currency’ for the buying/selling of advertising on the Internet. Like most other audience measurement vendors, the company has expanded its offerings through fusion with other data sources. Their video viewing syndicated service is highly regarded in the industry and provides a wealth of information.”

Live viewership for broadcast networks has dropped nearly 30% since the 2008-2009 season as 87% of the total us Internet population watches online video. In fact, as on-line audiences continue to grow, content owners are not getting credit for the larger number of viewers.

- Over 40% of all time spent on TV properties is on mobile: 57% desktop, 31% smartphone and 12% tablet.
- A majority of millennials watch TV/video on smartphones: 60% watch on smartphones in a given month compared to 43% for ages 35-54 and 24% for ages 55+.
- 15% of millennials watch on smartphones everyday compared to 6% (35-54) and less than two percent for 55+.
- Video viewing is getting bigger on small screens. Sony Crackle users watch on average 15 videos per month on mobile—three times the engagement on desktop.
- Scripps Networks Interactive reaches over 1.1 million viewers on mobile each month
- Defy Media viewers watch over 100 minutes of videos on iphones and iPads per month compared to 25 minutes on desktop
- Tablet and OTT engagement is greater than on desktop or smartphone in emerging cases.
- PBS viewers spend over four hours watching video per month on a tablet which is five times more than PBS’s average desktop viewer and twice its average smartphone viewer

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Whether it's audience measurement, distribution or ad sales, marketing/promotion, multi-platform, or program content and scheduling, Byron Media has made the bottom-line difference for companies like yours. For further information please contact [John@ByronMedia.com](mailto:John@ByronMedia.com) or call 212-726-1093