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The Impact of Income on Device Ownership and Media Usage

Dr. John Morse of Byron Media reviewed the Q3 2015 Nielsen audience analysis and outlines the major elements of the report:



Key Facts:

- Higher-income households own more different kinds of media devices and subscribe to more services. This is particularly evident with newer devices and services such as smart TVs, multimedia devices, tablets and SVOD.
- Users in lower-income households spend more time with all their devices than high-income households. This is true not just of traditional devices, but of newer ones as well. Lower-income adults spend more time watching TV than higher-income adults. The same fact applies regarding radio listening, use of DVDs, game consoles and multimedia devices.
- Lower-income users of PCs, smartphones and tablets also spend more time with these devices than high-income users.
- TV with almost total penetration accounts for a greater percentage of media usage among lower-income adults because they spend more time watching at every hour of the day. At the other end of the spectrum, digital devices (PCs, smartphones, tablets) make up a greater percentage of media usage for higher-income adults who simply own more of these devices.
- There is less variation among income levels regarding the of usage of radio and to TV-connected devices. Radio shows the least difference between high-income and low-income users throughout the day. In the case of TV-connected devices, higher penetration among high-income adults is balanced by higher usage among low-income adults.

Behind the Trends—Selected Categories

OVERVIEW:

Distribution of household income among adults reveals that the highest income group is growing while the sector earning between \$25,000-\$75,000 is shrinking. Earnings among the lowest income earners show little change. Adults in higher income homes have greater device penetration and there are bigger differences in this regard among newer services and technologies. On a monthly basis, adult users in lower income households have greater usage of every platform among both traditional and emerging media.

VIEWING HABITS:

WEEKDAY (M-F) TV-CONNECTED DEVICE USAGE: P18+

- High and mid-income adults show the greatest TV-connected device use in prime-time. Lower income adults show the greatest use outside of prime time.
- Middle income adults have the greatest usage during peak hours 8a-9p. Lowest income adults show the least usage until 5P and then have the greatest usage in the evening hours.

NOTE: Radio exhibits the least difference between high-income and low-income users throughout the day.

Total Media Usage among Adults:

- TV has the greater proportion of usage among lower income adults and penetration is not a factor. Virtually all adults have access. Usage is the main driver. Lower income adults watch more throughout the day. Radio has about the same proportion of use for all income groups. Penetration is not a factor as virtually all adults have access. Radio shows the smallest difference between high and low income users.
- TV-connected devices have about the same proportion of use for all income groups. In these cases penetration favors high income adults who are more likely to own these devices. Usage offsets ownership. The largest amount of usage occurs among lower-income adults.
- Digital devices have a greater proportion of usage among higher-income adults with penetration being the main factor. The greater usage among low income adults does not offset their lower ownership.

Total Media Usage among Adults by Race and Ethnicity

- Income makes a bigger difference than race and ethnicity for ownership. Adults in each income group have similar ownership patterns.
- Across race and ethnicity categories adult users in lower income households spend more time with every platform as compared to those in higher income households.
- The proportion of overall media usage shows a similar pattern for race and ethnicity. TV has a greater proportion of usage among lower income adults and digital devices have a greater proportion of usage among higher income adults.

The Total Audience Report, Nielsen Company, 2015

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.

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