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Morse on Trends in U. S. Video Audiences

Dr. John Morse of Byron Media frequently addresses industry groups regarding research data. Here are some highlights from his recent analysis of critical changes in viewers' habits regarding various program sources:



Broadcast Network Primetime Ratings Have Declined While Cable Nets Have Increased

Source	HH AA% HH (000)		HH AA% HH (000)		HH AA% HH (000)	
	2nd Q 2013		2nd Q 2008		% Change	
Broadcast Nets	22.7	25883	25.4	28676	-11%	-10%
Ad-Supported Cable	37.1	42441	34.7	39097	7%	9%
Independents	1.8	1999	1.0	1184	80%	69%
PBS	1.2	1553	1.2	1323	0%	17%
Premium Pay *	2.7	3070	2.5	2852	8%	8%
All Other Tuning **	3.3	3792	3.7	4126	-11%	-8%

* Includes HBO networks.

** Viewing sources not measured by Nielsen

Audience "Loyalty" Has Declined In The Past 5 Years Leading To Lower Frequency And Length of Tuning

- o "Loyalty" or "Engagement" is highest among Hispanics, Kids, and Broadcast Networks.
- o These networks have a combination of high length of tuning and high frequency.
- o Loyalty has declined sharply . . . consumers watch TV for shorter periods, switch channels more often, and don't return to viewing as much.
- o The cable networks with the highest loyalty are Nickelodeon and USA Net.
- o History and History2 have the strongest loyalty among the fact-based networks

Increasingly, Video Consumption Is Moving Online To Computers And Mobile Devices. Most Viewing Is still Linear Live TV; Time Shifting Has Become a Major Factor:

- o Monthly Time Spent by Device Available to Receive TV Programs:
 - o TV: 93% of all time spent viewing per month
 - o PCs: 4% of all time spent viewing
 - o Mobile: 3% of all time spent
- o US Household DVR penetration is now at 44%
- o Viewers 25-54 now time shift 14% of all their primetime TV usage
- o Most playback is within 24 hours; almost all in 3 days
- o Time Shifting using Video on Demand is included above.
- o Sports is the program genre most viewed on a live basis, followed by news
- o Film represents the content most time shifted beyond 3 days; significant amount beyond 7 days.

Video Engagement Three Times More Likely on Mobile Than Desktop

According to new data from *Unruly*, video engagement rates on mobile devices have soared over the last 12 months. Online video viewers are almost three times more likely to click through to a brand's website from their smartphone or tablet than their laptop or desktop computer.

Data collected from 3,000+ social video platform's branded campaigns found that mobile interaction rates have more than doubled over the same time period. Engagement rates on desktops also increased during the year, but not at the same rate as mobile.

The key findings include:

- The average CTR (click through rate) for mobile campaigns (13.64%) is almost three times that of desktop (5.45%)
- The average click-through-rate of mobile video campaigns has increased by 265.7% over the last four quarters, rising from 3.73% in Q4 2012 to 13.64% in Q3 2013
- Interaction rates for mobile have more than doubled in the last year (up 105.63%), to 22.64% in Q3 2013
- In the last two quarters, click-through-rates on mobile are more than double what has been recorded on desktop (average rates of 11.18% and 4.25% respectively - an uplift of 163.05%)
- Desktop CTR (up 151.15% to 5.45%), and interaction rates (170.74% uplift to 15.08%), have also increased over the last 12 months
- Month-on-month mobile replay rates fluctuated throughout 2013, but year-to-date figures have still been one-and-a-half times higher than desktop rates

The report notes that, according to the IAB's Internet Advertising Revenue Report, advertising revenue in the US from digital video reached \$1.3B in the first half of this year - a 24% increase from last year. The report, compiled by Price Waterhouse Cooper (PwC), also found mobile ad revenues jumped 145% to more than \$3 billion in the first half of the year from the same period a year ago.

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Dr. Morse is available to make a presentation on the fast-changing face of media research to your company or ad sales group. And, for 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 or call 212-726-1093