

TV AT THE CENTRE OF CONNECTED HOMES: Q1 2013 MULTI-SCREEN REPORT

- **27% of Australian homes have four screens, up from 16% a year ago**
- **Broadcast TV viewing remains high: 3+ hours/day; 92+ hours/month; 93% Live**
- **Overall television use is strong, simultaneous screen use rises**

27 June, 2013

The latest **Australian Multi-Screen Report** reveals an increasingly connected Australian home, with 27% now having access to four screens: television, computer, smartphone and tablet (16% a year ago).

The report, which covers the first quarter of calendar 2013, shows media consumption patterns are evolving as households add new technologies.

Overall television use is strong

Amid the proliferation of new technologies, overall use of the main household TV set has been constant over the past three years, demonstrating people's voracious appetite for television and other video content.

Television is in 99% of homes, and Australians continue to spend the majority of their screen time with the in-home TV set.

People watched an average 92 hours and 39 minutes (92:39) of TV per month in the quarter¹. 93% of viewing is Live, with Playback viewing within seven days of broadcast accounting for 6:48. Playback viewing and Other Screen Usage (which includes using the TV for gaming, online activities, and Playback *beyond* seven days after broadcast) continue to rise.

TARP - TOTAL INDIVIDUALS



Source: OzTAM and Regional TAM databases with overlap homes de-duplicated.

Strong overall use of the TV screen also reflects the take-up of internet connected TVs, now in 21% of homes (15% in Q1 2012) and increasing variety of devices attached to the main TV set, such as games consoles, 'over-the-top' television services, and PVRs – now in 53% of homes, with 13% having two or more PVRs.

¹ All people. 2am-2am. Includes television watched on TV sets only and **does not include viewing that may be going to tablets**. TV viewing is seasonal: time spent rises in winter months and dips in summer.

New in-home technologies and evolving viewing habits

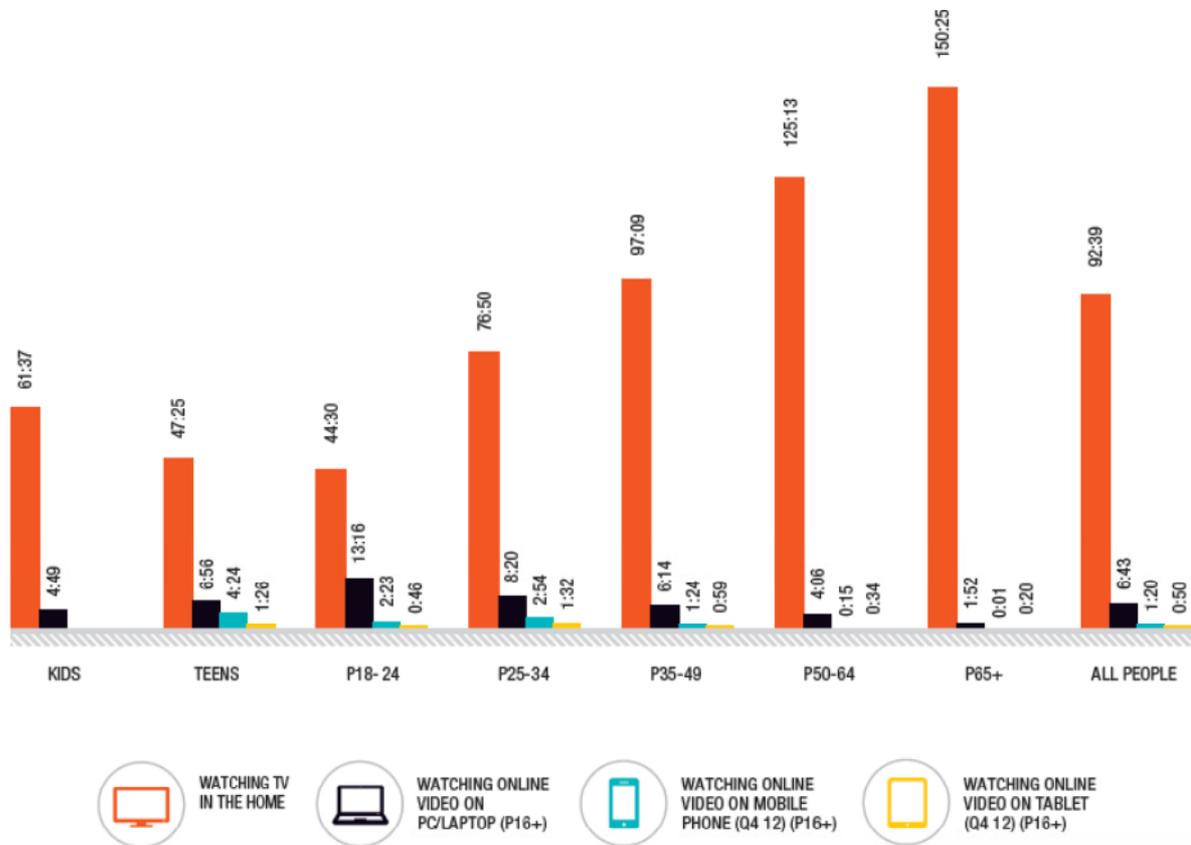
As they embrace new screen technologies, people use them to complement their TV viewing. While the TV set is used mostly to watch Live TV, new devices are used for many purposes.

The amount of time spent watching TV content and other video on connected devices depends on both device penetration levels and characteristics, with people of all age groups generally preferring to watch video on the largest available screen.

An estimated 31% of homes now have tablets – more than double the 15% estimated in Q1 2012. Across the online population aged 16 and over, people claim to spend an average 50 minutes per month² using tablets to watch any online video, which can include both broadcast TV and non-broadcast content.

While penetration of devices affects the overall incidence of viewing across screens in the broader population, audiences seem to prefer certain screens over others. For example, of people using each device, tablet users spend more time watching online video than smartphone users do. As tablet penetration increases, this suggests overall viewing on these screens will surpass viewing on smartphones.

MONTH IN A LIFE - TV / PC / TABLET / PHONE



² Q4 2012. Nielsen Online Connected Consumers Report 2012.

Simultaneous screen use rises

The percentage of homes with tablets has more than doubled in the past year, from 15% in Q1 2012 to 31% now. 61% of Australians aged 16+ have smartphones (48% a year ago).

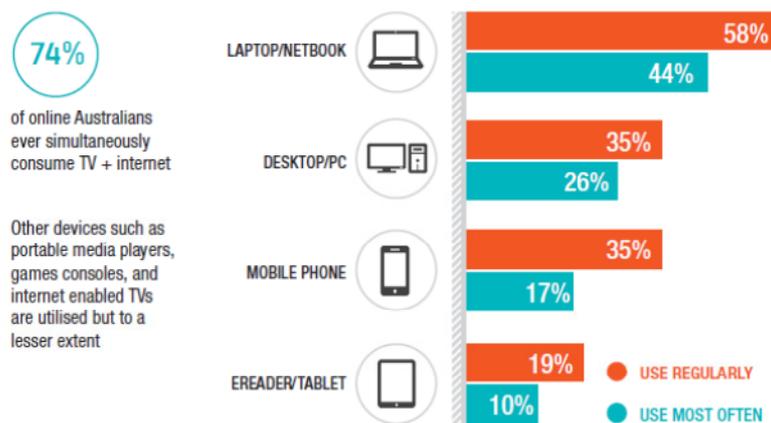
The steady take-up of connected devices, and the fact people keep them close by most of the time, has seen an increase in media 'multi-tasking' – that is, using more than one screen at the same time – among Australians aged 16 and over.

74% of online Australians aged 16+ say they ever multi-task – up from about 60% in 2011. 79% of that group say they do so at least once a week; 32% say they do so at least once daily; and 54% claim to do so almost every day³.

While online Australians under 35 years of age are more likely to simultaneously use TV and the internet, those aged 25 years and above are more likely to do so very frequently (on a daily basis) than online Australians aged 16-24 years. Women also use multiple screens simultaneously more frequently than men⁴.

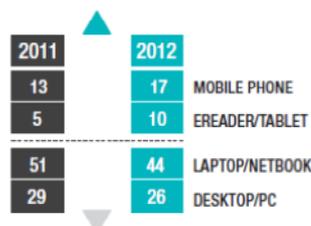
Laptops and desktop computers, which have the highest household ownership rates compared to other devices, are the primary devices used for multi-tasking, although people's preference to use them for this purpose has declined year-on-year. Meanwhile, as their take-up continues to rise, smartphones and tablets are increasingly the primary devices people use for multi-tasking.

MOBILE DEVICES ARE POPULAR FOR MEDIA MULTI-TASKING TV + INTERNET



USE MOST OFTEN

Laptops and desktops are still dominant but mobile devices are growing in popularity



Source: Nielsen Australian Connected Consumers Report

³ Nielsen Online Connected Consumers Report 2012.

⁴ As above.

Deborah Wright, Regional TAM chairperson, said: “The latest Multi-Screen Report shows TV at the centre of an increasingly connected Australian household.

“While people watch around three hours of television a day on the traditional TV set, they are also embracing other devices to suit the occasion and enhance their viewing experience.

“This creates rich opportunities for media owners, content producers and marketers to engage audiences across multiple platforms and keep viewers close to the content.

“Regional TAM, OzTAM and Nielsen will continue to monitor evolving audience behaviour to give the industry better insight into how consumers are using new devices.”

Key findings as of Q1 (Jan-Mar) 2013:

- More than 91% of *all* viewing⁵ is to the traditional television set, on average 92 hours and 39 minutes (92:39) per month⁶.
- 93% of all TV viewing is live, with playback accounting for 7% (6:48 per month).
- 53% of homes have PVRs, and 13% of homes have two or more PVRs.
- Internet-connected TVs are in 21% of homes (15% in Q1 2012).
- 31% of homes have tablets (15% in Q1 2012). Across the online population aged 16+, people spend an average 50 minutes per month⁷ using tablets to watch any online video, which can include both broadcast TV and non-broadcast content.
- 61% of Australians aged 16+ own a smartphone (48% in Q1 2012) and spend on average 1:20 per month⁸ viewing any video on these devices (1:20 a year ago).
- 98% of homes have converted to digital terrestrial television (DTT), with 84% having converted every working set in the home to DTT.
- 11.4 million Australians watch some video (both television broadcast and non-broadcast content) online via a PC or laptop each month: an average of 6:43 per month. Such viewing is highest among people aged 18-24 (13:16)⁹.
- Household internet penetration is stable at 80%.
- Australians spend on average 51:47 per month using the internet on a PC.
- 74% of online Australians aged 16+ say they ever multi-task (simultaneously watch TV and use the internet). Of that group, 79% claim to at least once a week (60% in 2011). 32% do so at least once daily, and 54% say they do so almost every day¹⁰.

⁵ Viewing via the conventional TV includes broadcast content only; video viewing on PC, tablets and smartphones can include both broadcast and non-broadcast video content.

⁶ All people figures. 2am-2am.

⁷ Q4 2012.

⁸ Q4 2012.

⁹ Nielsen VideoCensus.

¹⁰ Nielsen Online Connected Consumers Report 2012.

- Viewing of any video via extended screens (PC, smartphone and tablet) accounts for 9% of the video consumption on traditional TV sets:
 - 6:43 per month on PCs (All People)
 - 1:20 per month on smartphones (People 16+)
 - 0:50 per month on tablets (People 16+)
 - 92:39 per month on traditional TV set (All People)

-ends-

Sources: Nielsen, OzTAM, Regional TAM

Further detail is provided in the report, available upon request. Please contact:

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About The Australian Multi-Screen Report

The Australian Multi-Screen Report, released quarterly, is the first and only national research into trends in video viewing in Australian homes across television, computers and mobile devices. It combines data from the three best available research sources: the OzTAM and Regional TAM television ratings panels and Nielsen's national NetView panel and Consumer & Media View database.

About Nielsen

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and related properties. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands. For more information, please visit www.nielsen.com

About OzTAM

OzTAM is Australia's official source of television audience measurement (TAM) covering the five metropolitan markets (Sydney, Melbourne, Brisbane, Adelaide and Perth) and nationally for subscription television. OzTAM ratings are the accepted metric by which Australian television is evaluated. The media industry uses OzTAM data to assist in program development, advertising planning and to gauge the performance of television programs, networks and advertising campaigns. More at: www.oztam.com.au

About Regional TAM

Regional TAM Pty Limited is a joint venture comprising the five free-to-air (FTA) regional commercial networks – NBN Limited, Prime Television Pty Ltd, Seven Queensland, Southern Cross Austereo, and WIN Corporation Pty Ltd. Collected and marketed by Nielsen Television Audience Measurement, Regional TAM data is the official television audience measurement (TAM) of FTA and Subscription Television viewing in the five east coast aggregated regional markets, including its 19 component sub-markets, and the Regional Western Australian market. Regional TAM television ratings information is designed to be an independent, reliable and transparent audience measurement system that provides the currency by which television is bought, sold and evaluated. The audience data is used by a range of parties such as television networks, advertisers, media buyers and program suppliers to aid them to understand viewer behaviour, and in assessing program or network performance. More at <http://www.regionaltam.com.au>