DIGITAL vs TRADITIONAL MEDIA CONSUMPTION

SUMMARY

Analyzing time devoted to online and traditional forms of media at a global level, as well as by age and across countries

GWI INSIGHT REPORT

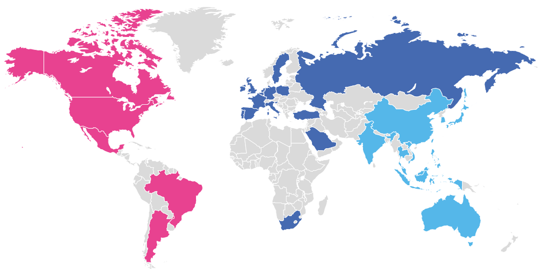
Q3 2015

Introduction

The shift from traditional to digital media is much discussed but rarely quantified. In the full version of this report, GlobalWebIndex offers a unique perspective on day-to-day media consumption behaviors – analyzing how much time people are spending online, tracking the types of media they are consuming and assessing the share of time spent on digital vs traditional forms of television, radio and print press. In this summary version, we present some of the key headlines and figures.

Notes on Methodology

Each year, GWI interviews **200,000 internet users across 34 markets** – making it the largest on-going study into the digital consumer instigated to date.



AMERICAS: Argentina ▪ Brazil ▪ Canada ▪ Mexico ▪ USA

EMEA: Belgium ▪ France ▪ Germany ▪ Ireland ▪ Italy ▪ Netherlands ▪ Poland ▪ Portugal ▪ Russia ▪ Saudi Arabia ▪ South Africa ▪ Spain ▪ Sweden ▪ Turkey ▪ UAE ▪ UK

APAC: Australia ▪ China ▪ Hong Kong ▪ India ▪ Indonesia ▪ Japan ▪ Malaysia ▪ Philippines ▪ Singapore ▪ South Korea ▪ Taiwan ▪ Thailand ▪ Vietnam

Research is conducted in quarterly waves, each of which has a global sample size of 45,000 – 50,000 internet users. Typically, **we interview between 3,000 and 8,000 people per year per market, with larger sample sizes in key countries such as the UK and the US** (30,000 each). Data is collected in the last six weeks of every quarter, ensuring it is as up-to-date as possible.

Respondents complete an **online questionnaire** that uses stratified sampling techniques to ensure that they are **representative of the internet population aged 16 to 64** in each country (with correct proportions in terms of gender, age and educational attainment).

In this report, we draw on our **cross-media consumption questions** which ask internet users to estimate how much daily time they typically devote to the following activities:

INTERNET USAGE
Via PC/laptop/tablet
Via Mobile

TELEVISION
Linear
Online

RADIO
Traditional/Broadcast
Online

PRESS
Traditional Print Press/News
Online Press/News

GAMING VIA CONSOLES

SOCIAL NETWORKING

We use this data to create average amounts of time spent on each activity per day in 2012, 2013, 2014 and 2015. To do this, we assign a number of minutes to each period of time (as shown below), multiply this by the relevant number of respondents and then calculate the average. This generates easily comparable data which enables us to estimate total time spent across markets or consumer segments.

Less than 30 minutes	>>	0.25 hours
30 mins to 1 hour	>>	0.75 hours
1 to 2 hours	>>	1.5 hours
2 to 3 hours	>>	2.5 hours
3 to 4 hours	>>	3.5 hours
4 to 6 hours	>>	5 hours
6 to 10 hours	>>	8 hours
More than 10 hours	>>	10 hours
Do not use	>>	0 hours

Internet Penetration Rates

In some of the mature markets surveyed by GlobalWebIndex, internet penetration rates are nearing the 100% mark. In contrast, the equivalent figure in many fast-growth countries is yet to hit 60%; in some cases, it's still to reach even 20%.

These trends have a profound impact on the demographics of internet users, their reasons for getting online and how engaged they are with the internet. They also carry major implications for whether or not a country's internet users are representative of its total population. **Typically, low internet penetration rates mean that online populations are much more likely to be young, affluent and urban – and hence, highly engaged with digital media.** This is a crucial factor when comparing trends across countries – while it can sometimes seem counter-intuitive that internet users in an emerging internet nation are ahead of their counterparts in a more established digital market like the US, the two groups of users can have very different profiles.

INTERNET PENETRATION IN 2015

Netherlands	98%	South Korea	85%	Portugal	67%	China	47%
UAE	95%	USA	84%	Malaysia	67%	Vietnam	44%
Sweden	94%	France	83%	Russia	66%	Mexico	43%
Australia	93%	Belgium	82%	Spain	65%	Philippines	37%
Germany	91%	Taiwan	82%	Argentina	62%	Thailand	29%
UK	91%	Poland	78%	Saudi Arabia	60%	Indonesia	17%
Japan	89%	Hong Kong	76%	Turkey	53%	India	16%
Canada	89%	Italy	75%	Brazil	52%		
Ireland	86%	Singapore	74%	South Africa	49%		

Age breakdowns of internet users is a particularly key metric here: broadly speaking, the lower the internet penetration rate, the more likely it is that a country's internet population will show a skew towards younger users. The relationship is not perfect, but it's certainly telling that India leads the pack with 37% of its adult internet users being in the 16-24 age group. Fast-growth nations in fact fill the entire top 10, whereas it's the more mature nations that account for most of the lowest 10. In Australia, for example, just 10% of online adults come from the youngest age group.

Global Trends in Media Consumption

▪ On a typical day, **internet users now spend over 6 hours online.** Smartphones are becoming ever more prominent within this; since 2012, **daily time using the mobile web has jumped from 1.24 to 2.01 hours,** with the share of internet time captured by smartphones rising from 22% to 33%.

▪ Over the same period, **PCs and laptops have seen small declines** but it's clear that growth in mobile web usage is not always coming at the direct expense of these more traditional devices. In many cases, smartphones are simply encouraging consumers to go online for even longer periods of time each day.

▪ **Linear TV is holding steady** at about 2.5 hours per day, but online TV is seeing small and consistent increases to capture 0.74 hours in 2015.

▪ **Time devoted to social networking continues to increase,** having risen from an average of 1.61 hours in 2012 to 1.77 hours in 2015. It's by far the most popular online activity and accounts for close to 30% of online time. **Almost 1 in 3 minutes spent online is thus on a social network.**

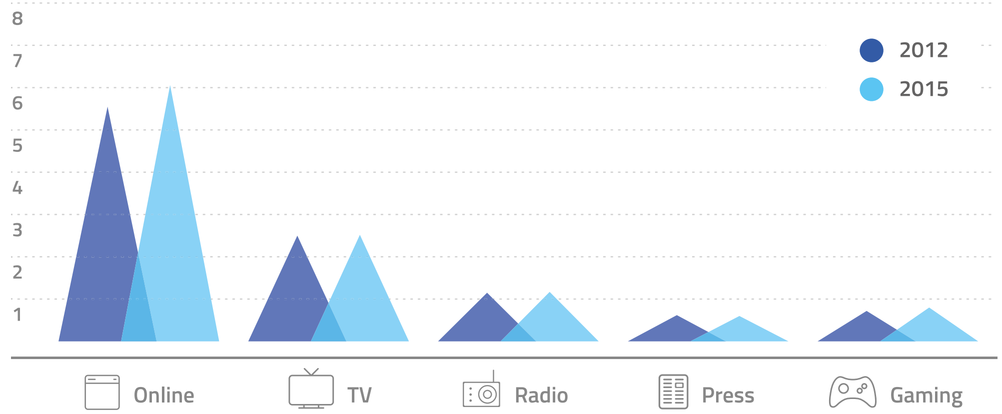
▪ **Second-screening is prolific;** four fifths of online adults say they use additional devices as they watch television, making multi-media consumption the norm. **Mobiles are the most popular device for this activity** – 55% use them, giving them a 14 point lead over laptops – but laptops do retain the lead in a handful of mature markets as well as among those aged 45+.

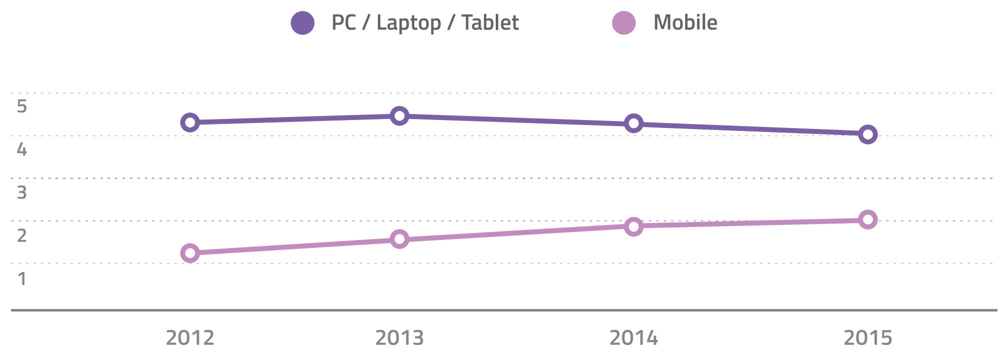
Question: *Roughly how many hours do you spend on/doing the following each day?* ▪ *Source:* *GlobalWebIndex 2012 - 2015 (averages across all waves of research conducted in each year)* ▪ *Base:* *Internet Users aged 16-64*

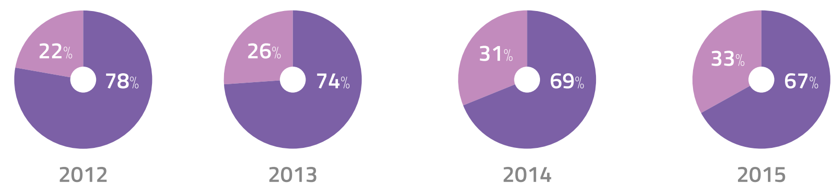
Want to explore this data in PRO Platform?
CLICK HERE: Media Consumption > Cross Media Consumption > Time Spent...

MEDIA CONSUMPTION BEHAVIORS: 2012 vs 2015

Time typically devoted to the following each day (hours)







Media Consumption by Age

- By some distance, **16-24s are the heaviest daily users of the mobile web, clocking up 3.25 hours.** That compares to a much more modest 0.58 hours among 55-64s – the only age group where time spent on PCs and laptops is holding steady.

- **Mobiles now represent 43% of all online time for the youngest group,** whereas they capture just 14% for the oldest bracket.

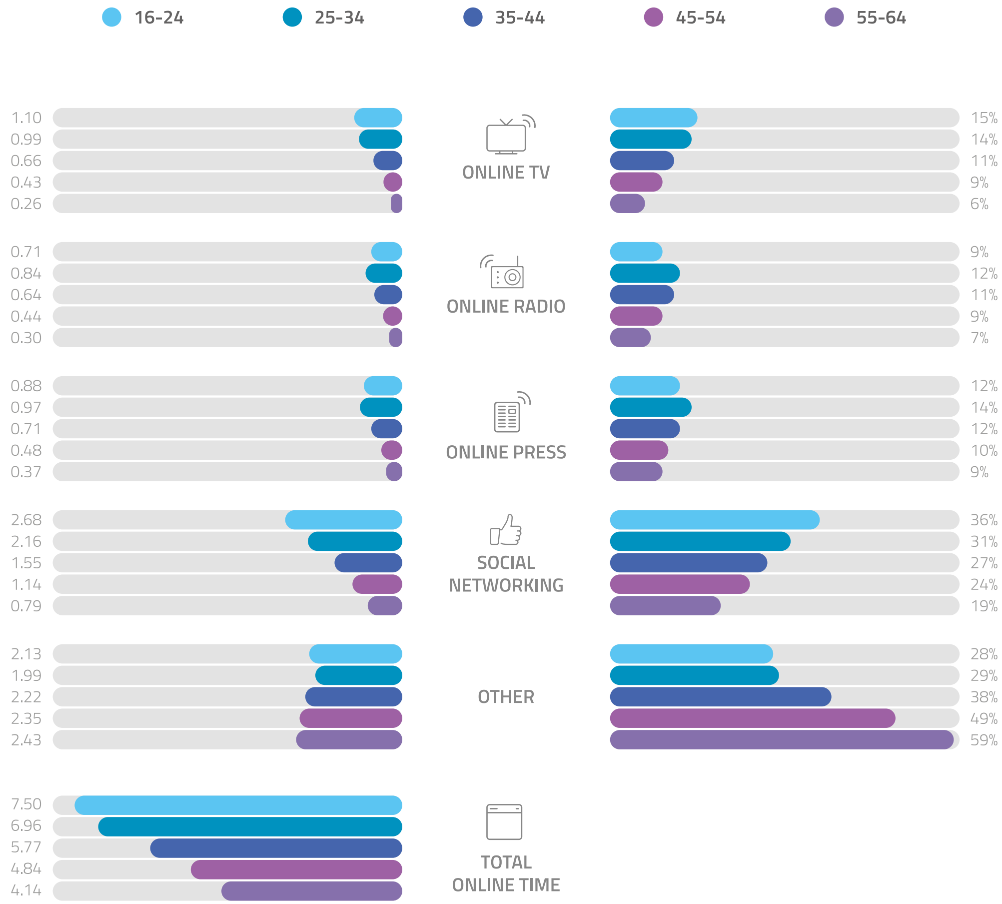
- In total, **16-24s spend an average of 7.50 hours per day online,** compared to just over 4 hours for 55-64s.

- 16-24s are currently the only age group watching more than an hour of online TV per day (with **16-24s in Ireland and China now watching more daily television online than they do via linear channels).** They are also the heaviest social networkers, clocking 2.68 hours daily.

- Younger consumers are **3x as likely as 55-64s** to second-screen on a mobile.

MEDIA CONSUMPTION BEHAVIORS

Time typically devoted to the following each day (hours)



Question: *Roughly how many hours do you spend on/doing the following each day?* ▪ *Source:* *GlobalWebIndex Q1-Q2 2015* ▪ *Base:* *Internet Users aged 16-64*

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National Differences in Media Consumption

▪ **Daily time spent on the mobile internet is much higher in fast-growth markets** (where online populations tend to have younger age profiles). In a place like Saudi Arabia, mobiles now account for 48% of time spent online; in contrast, smartphones grab 20% or less of daily internet time in Belgium, France and Japan.

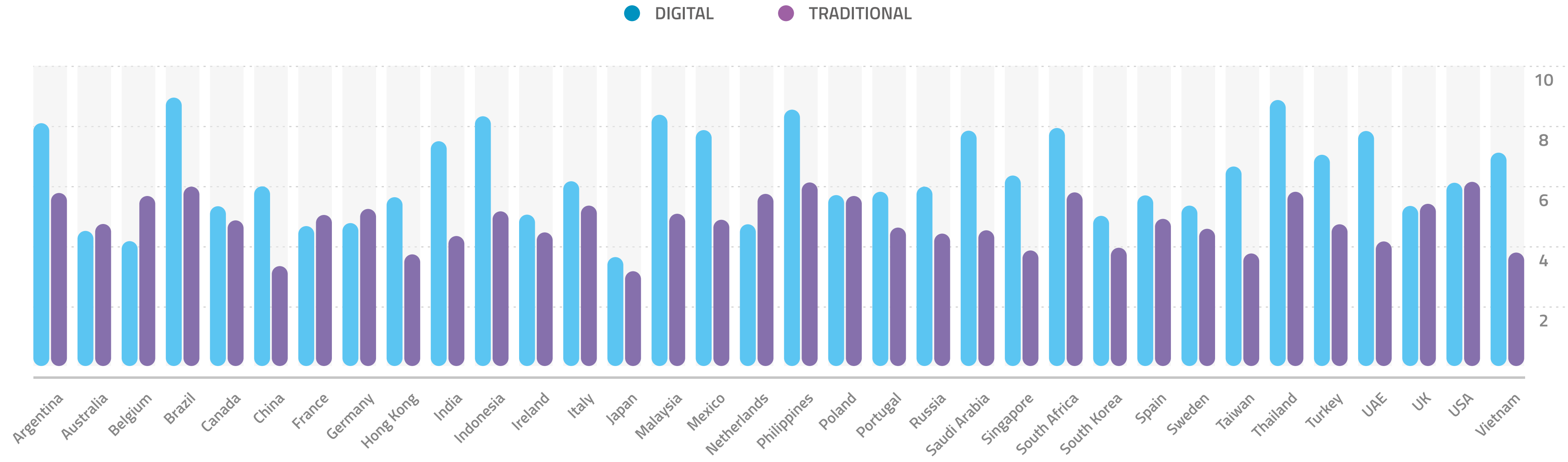
▪ **Traditional media remains ahead of digital in just 7 of GWI's 34 markets.** Of those countries that buck the trend, the enduring popularity of linear TV is the reason in the UK, US and Australia (overall, American consumers in fact watch more television than their counterparts in any other market). Elsewhere, the relative lack of enthusiasm for social networking is a major contributor in France, the Netherlands, Belgium and Germany.

▪ There are **four markets where people watch an average of more than 1 hour of online TV per day** (China, Saudi Arabia, Thailand and Vietnam). There are also four countries where social networking captures more than 3 hours (Brazil, Argentina, Mexico and Philippines).

▪ **Indonesian internet users are most likely to be second-screening** (95% do). The lowest figure is seen in Australia, but even here it's still 62% who use additional devices as they watch TV.

DIGITAL VS TRADITIONAL MEDIA , BY MARKET

Time typically devoted to the following each day (hours)



__Question:__ Roughly how many hours do you spend on/doing the following each day? ▪ ***Source:** GlobalWebIndex Q1-Q2 2015* ▪ ***Base:** Internet Users aged 16-64*

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Traditional vs Digital: TV, Radio and Press

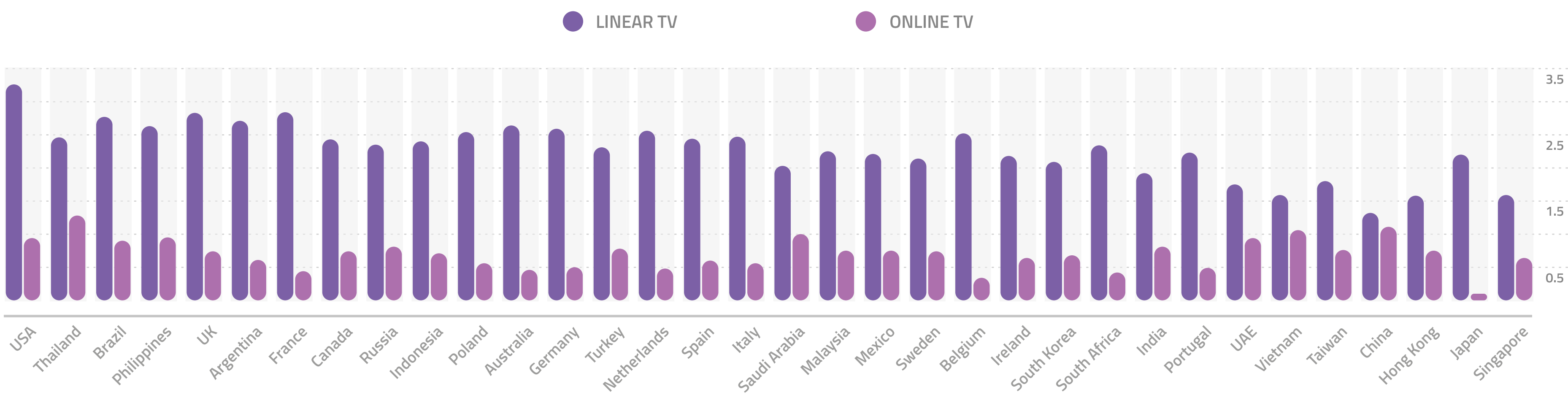
▪ Across 31 markets where trended data from 2012 onwards is available, **daily time spent on linear TV has declined in 26 of them, broadcast radio is down in 23 countries and physical print press has dipped in 10 of them.** Meanwhile, online TV has recorded increases in 28 of 31 countries, online radio is up in 20 markets and online press has risen in 26 places.

▪ Among the specific online media activities, **online TV has seen the biggest jump** – from 0.58 to 0.74 hours. In mature countries, services like Netflix and Amazon Prime Video are driving greater engagement with online TV; in contrast, figures are climbing in many fast-growth markets because many consumers are turning to VPNs in order to access better entertainment content. As many as a fifth in places like Indonesia and Thailand are viewing content in this way.

▪ **Traditional forms of media are not being abandoned.** Overall, linear TV still remains ahead of online TV in all 34 markets and represents the single biggest daily media activity. Similarly, traditional radio remains ahead in 30 of the 34 countries. The situation is rather different for press, however: in this category, online is ahead of physical print editions in 31 of 34 markets. The behaviors of 16-24s are interesting here, though; while they are the clear leaders when it comes to adopting online TV, the patterns are much less clear-cut for radio and press – areas where music-streaming services and the integration of news inside social networks will both be having an impact.

TV: LINEAR vs ONLINE IN 2015

Time typically devoted to the following each day (hours)



Question: *Roughly how many hours do you spend on/doing the following each day?* ▪ ***Source:*** *GlobalWebIndex Q1-Q2 2015* ▪ ***Base:*** *Internet Users aged 16-64*

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