Making sense of a digital world

UK Media Consumption
Digital saturation drives change

Digital Research Academy

The growth of internet access has greater implications than just an additional channel in the communications mix. As people explore the new platforms, they reappraise their use of the old ones, and as audiences swell the market becomes large enough to attract investment in content, entertainment and commerce. This virtuous circle has been fuelling the Digital Networked Society (DNS) and from this research snapshot for the UK market at the end of 2007, it's clear that Europe's leading digital economy has entered a new phase is the dynamics of use.

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Understanding the changes in media

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Data compiled from the consumer panels run by LightSpeed research in the UK.

Contents

- Access
  - The connection points to the new network are everywhere

- Breaking news
  - The internet – both traditional PC devices and mobile – becomes the platform of choice for news

- Attention is divided
  - Media consumers are using multiple channels simultaneously, with a new culture of media snacking and multi-tasking

- Demographics
  - The generational shift is clear; the step change in behaviour of the under 30s reveals a continuing massive reorientation to the internet for media, entertainment and communications

- Trends
  - Implications and trends: more activity, more often, more platforms

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Access

The connection points to the new network are everywhere

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Digital Britain

- 84% Digital TV penetration (OFCOM)
- 63% Internet penetration (Internet World Stats)
  - 75% of UK internet connections are broadband (ONS)
- 110% Mobile phone penetration (Informa Telecoms and Media
  - 54% of mobile subscribers surfing the net through their mobile phone (OPA)

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Consumer attitudes to traditional media channels are changing rapidly……..

"I think I will move more towards internet and mobile phone access and away from the more traditional forms".

"I'm growing less fond of TV, and using the internet a lot more, so I would say that 12 months from now, I will probably be just using the internet for these purposes."

"I think I will spend more time on the net and listening to the radio, the television will not be used anywhere as much."

"The less time I have for leisure the easier it is to access the internet for news immediately rather than wait for it on radio or TV."

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Takeouts

- Transformation to a digitally saturated market is well past its tipping point

- The 'anytime, any place, anywhere' culture of access to the network is already a lifestyle large numbers of people are living

- The mindset has changed: consumers see screens as being the gateway to the network, and those with regular exposure to the web have that expectation ingrained

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Breaking news

The internet – both traditional PC devices and mobile – becomes the platform of choice for news

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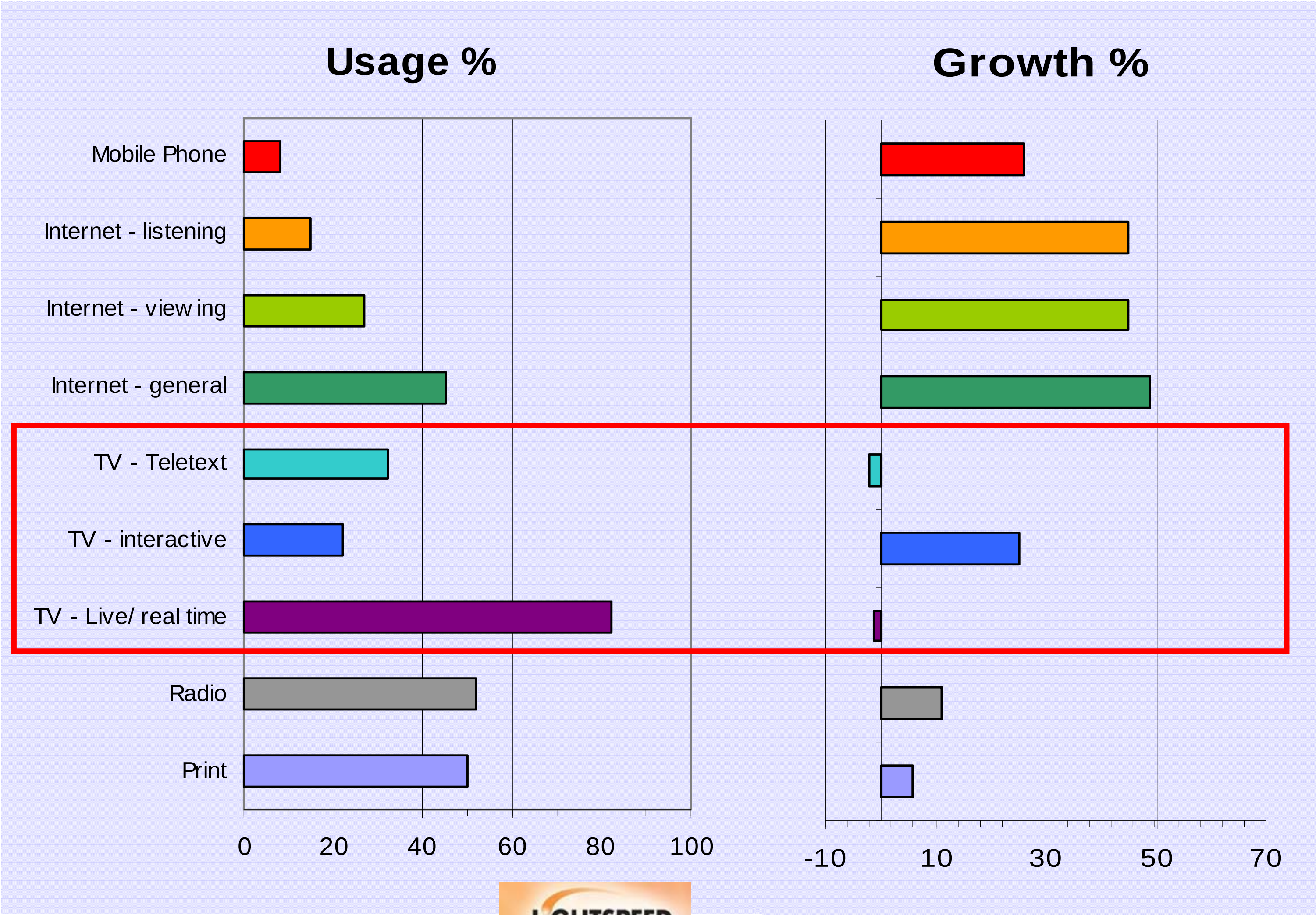
Breaking news…….?

How consumers receive the latest headlines



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…so consumers are beginning to make choices on platform AND content format…….

"Will use more and more interactive TV and Internet tools to source the info."

"With Sky TV, it is getting better and better. I think this is where I will spend more time discovering more information about the above topics. I will also listen to radio programmes through Sky TV."

"Possibility of watching TV programmes on the internet at a time that suits the viewer."

"No. I still believe I will use the internet to read from websites and view information live via satellite TV."

"I will probably end up streaming most television directly from the internet. I already get most of my news online and I imagine that this will increase."

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Takeouts

- The internet has established itself as the radio and video channel of choice for many people
- Expectations of media content and availability are changing radically, and will continue to change further
- The extension of internet behaviour onto mobile phones is significant
- Analysing people’s preferences around “Breaking News” is a good indicator for the future of other content segments (breaking news is an early adopter category for web media because of the natural fit)

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Attention is divided

Media consumers are using multiple channels simultaneously, with a new culture of media snacking and multi-tasking

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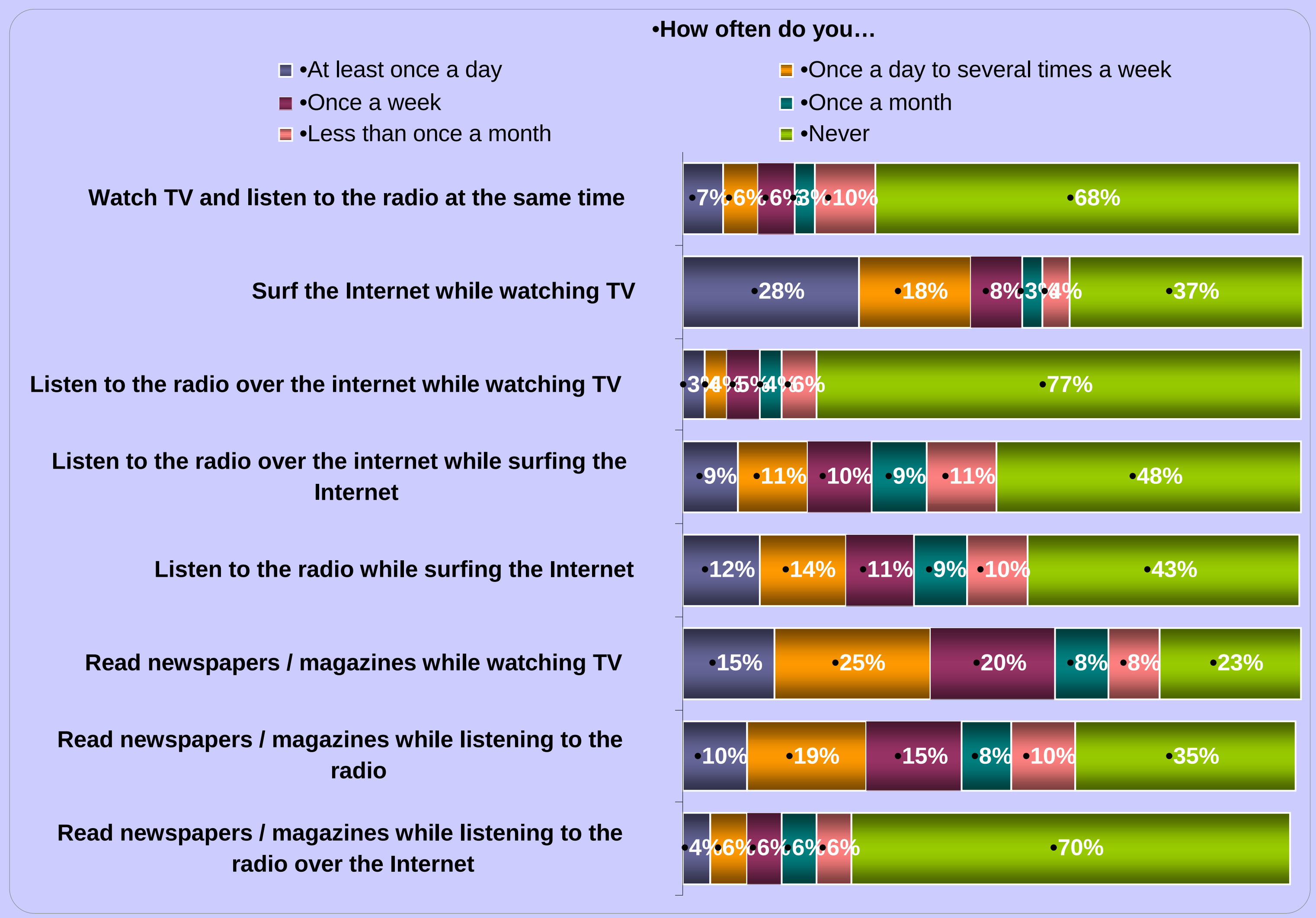
Your audiences' (un)divided attention?



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Takeouts

- **Multi-tasking**
  Today's media consumers are comfortable with simultaneously being exposed to several media channels, dividing attention and interaction between them in complex ways that represent a step-change on the more focussed previous generation

- **Channel replacement**
  The internet is becoming a strong delivery channel for radio, video, and certain aspects of television (initially news)

- **Media snacking**
  Today's media consumers are developing a snacking culture of taking small packets of content rather than the complete package of a previous generation

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Demographics

The generational shift is clear; the step change in behaviour of the under 30s reveals a continuing massive reorientation to the internet for media, entertainment and communications

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….and there are big differences by demographic in platform usage

	16-24	25-34	35-44	45-54	55+
TV – Live/ real time	***85%***	***85%***	***82%***	***82%***	***80%***
Radio	***57%***	***57%***	***55%***	***51%***	***48%***
Print	***59%***	***51%***	***51%***	***43%***	***49%***
Internet general	***59%***	***54%***	***50%***	***39%***	***35%***
TV – Teletext	***36%***	***31%***	***31%***	***34%***	***32%***
Internet - viewing	***40%***	***40%***	***30%***	***21%***	***16%***
TV - Interactive (e.g. The Red Button)	***26%***	***34%***	***28%***	***19%***	***12%***
Internet – listening	***27%***	***25%***	***19%***	***10%***	***7%***
Mobile Phone	***17%***	***17%***	***7%***	***3%***	***2%***
None of the above	***5%***	***3%***	***3%***	***4%***	***3%***

Trends

Implications and trends: more activity, more often, more platforms

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Key trends

- Platform availability driving behavioural change
- Consumers' growing expectations of 'content on demand'
- Currency, richness and timeliness of information the determinant of platform choices
- Mobile content – early days but will increase with bandwidth and handset functionality
- Platform usage varies widely by demography today but will balance out over the medium term

Methodology

- **2000 participants**
- **June 2007**
- **Large-scale online survey**
- **For more information contact the team at Lightspeed - 020 7896 1900**

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Key takeouts

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Recap

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