



Percentage Who Have Downloaded TV Shows Doubles, Yet Downloading TV Remains Early Adopter Activity

Ipsos: An estimated 10 million Americans have downloaded a TV show from the Internet

Recent findings from the *MOTION* digital video study reveal non-traditional video consumption poised for growth

September 7, 2006, New York, NY — Amid growing interest in user-generated video clips and increased experimentation with online movie distribution by the motion picture industry, a new study by global market research firm Ipsos indicates that an estimated 10 million Americans aged 12 and over have downloaded television shows from the Internet; seven million in the past 30 days.

New findings for *MOTION*—the company's biannual study of digital video behaviors—reveal that younger Americans are driving growth in many digital video activities, including TV show downloading. Ten percent of young adults aged 18 to 34 (14% of 18- to 24-year-olds and 7% of 25- to 34-year-olds) have downloaded television programs from the Internet and seven percent have done so in the past month—nearly double the rate of television downloading overall.

This marks a significant increase in video downloads over the summer of 2005, when only two percent of Americans overall and five percent of 18- to 34-year-olds had ever downloaded video. Despite these gains, however, downloading larger video files such as full-length TV shows and movies remain firmly entrenched as an early adopter behavior online; it is less commonplace among the mainstream consumer traditional video channels currently serve.

Recent *MOTION* research also revealed some interesting diagnostic digital video behavior trends:

- Eighteen percent of Americans aged 12 and older have watched music videos streamed online (~41 million) and as many as 32 million have downloaded video games to their PCs (14%).
- Despite growing experimentation on behalf of the motion picture industry in distributing movies online, downloading full-length motion pictures is still a niche activity (just 3% of Americans have ever done this).
- Males continue to lead females in most digital video technology ownership and related behaviors, including downloading television.
- Overall, 27% of portable MP3 players have the ability to play video, a number that has been steadily increasing over the past year; 5% of MP3 player owners have paid to download television programs from the Internet versus only 1% of those who do not own MP3 players.
- Other activities are becoming more popular as well: one in ten Americans aged 12 and older has downloaded music videos (10%) and a similar proportion has downloaded movie trailers (9%).

"These findings underscore what many of us have guessed to be the case; namely, that the distribution of digital entertainment content—not just digital music—is a growing channel of entertainment consumption with exciting possibilities," said Todd Board, Senior Vice President of the Ipsos Insight Technology & Communications practice and author of the study. "As we have witnessed with music, no single consumption method will necessarily dominate, while traditional media will continue to prosper for the foreseeable future. However, digital entertainment usage will continue to evolve based on shifting consumer choices and an increasing number of options."

"Today, many consumers utilize the digital channel to access more 'disposable' video: content that is brief in nature and takes up little bandwidth, so it's very easily consumed," added Board. "This emerging genre of video is being driven by its growing availability on sites such as YouTube and MySpace, but also perpetuated by the 'two-foot' user interface of the PC, which is less than ideal for the larger, more involved genres such as the full-length movies dominant on the 'ten-foot' interface in consumers' living rooms."

Concluded Board, "Savvy product developers and marketers will need to cultivate a forward-looking view of the segments likely to emerge around unmet and under-met needs for video consumption. For digital music, the primary catalyst was the music enthusiast seeking individual song downloads that offered portability and ownership. For digital



video, there are inherently more potential catalysts, including music videos, movie trailers, and increasingly, TV shows with intense audience involvement. Because of this variety in the drivers of digital video appeal, it's critical to understand where digital entertainment aficionados have similar usage expectations for video as they currently have for music, and where they don't."

Methodology

Data on music downloading behaviors was gathered from *MOTION*, a new biannual shared-cost program by Ipsos Insight tracking trends and shifts in traditional video entertainment viewing attitudes and behaviors among Americans aged 12 and older.

Data for general population statistics included with this release were collected between June 23 and July 4, 2006, via a nationally representative U.S. sample of 1,143 respondents aged 12 and over. With a total sample size of 1,143, one can say with 95% certainty that the results are accurate to within +/- 2.90%.

To learn more about the methodology of *MOTION*, please visit:

<http://www.ipsosinsight.com/industryfocus/techandcomm/motion.aspx>

For more information on *MOTION*, please contact:

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