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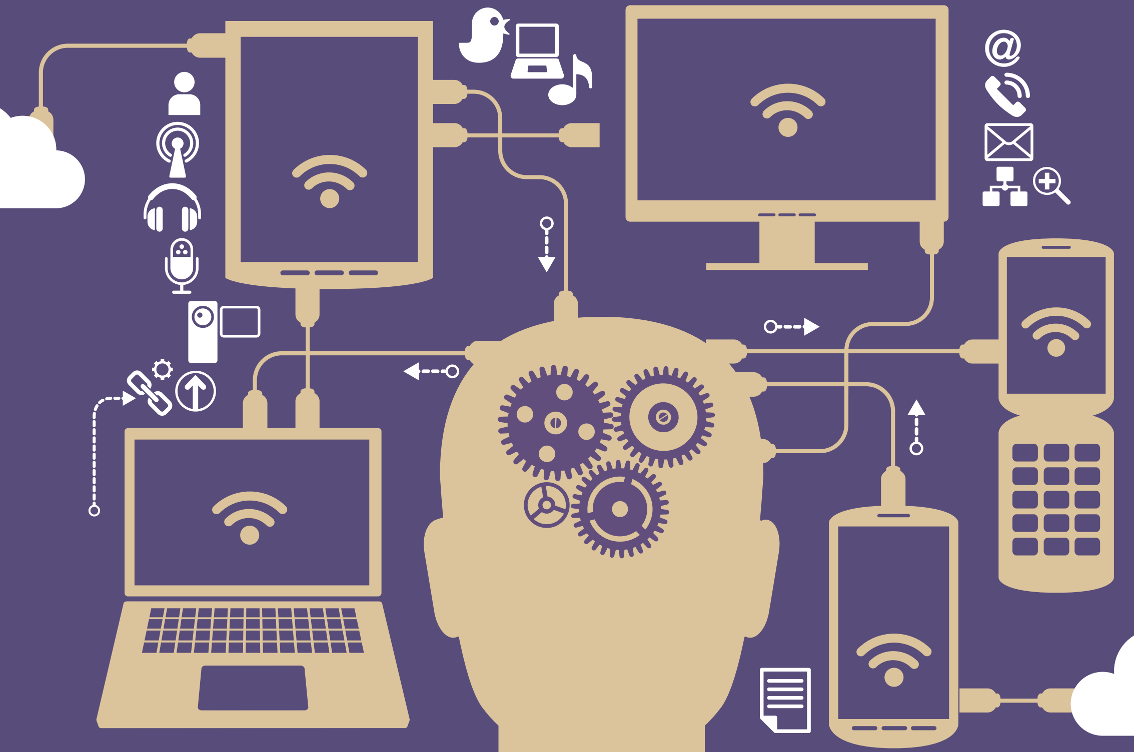
The Media, Content and Technology Research Specialists



THE CONNECTED CONSUMER

Different Screen Behaviour

Bite Sized Thought Piece **2014**

Household and personal ownership of technology is changing rapidly, which in turn significantly alters our routines and habits. Consumers are connected to one another and their favourite content using a variety of devices; including the PC/laptop, smartphone, tablet, connected TVs and games consoles. Some devices are shared and some are more personal but they each have a role at a specific location at the right time.

At Ipsos MediaCT we have been investigating the "connected consumer" in more detail via our Global Trends Study, in which we undertook two waves of more than 16,000 online interviews across 20 markets. Following this study we have segmented connected consumers, from those who are only connecting via a PC, to those who are connected using a mobile, tablet and potentially via the TV too. Over a third of online consumers across Brazil, Russia, India and China (BRIC) are in the 'least connected group', whereas in Great Britain (GB) this is below 1 in 4. Smartphone and tablet connectivity is higher in Western Europe, compared to BRIC markets where, interestingly, there is a higher adoption of connected TVs, currently only 16% in North America and 19% in GB. In the same way that more affluent 'online consumers' in BRIC countries have skipped PC internet to mobile internet, so they have also skipped digital TV, moving straight to a connected TV.

Whilst monitoring ownership is important, our exploration of the connected consumer

takes us beyond levels of adoption to enable crucial understanding of how devices are used. Smartphone usage is personal and closely linked to social networking, emailing, messaging and web browsing, whereas a connected TV is a shared screen and thus used for 'collective viewing' of broadcast events, movies, music and multi-player games. The tablet, however, is somewhere in-between, a hybrid of personal and shared activity. It is increasingly the norm for people to do lots of things across multiple devices, and in this thought-piece we will explore how this differs across markets in more detail, and the impact it has in terms of how brands can ensure they are best-placed to take advantage of these changes.

COMMUNICATION

Over recent years we have seen significant fragmentation of communication with the emergence of messaging apps such as BBM, Facebook, Whatsapp, MessageMe and newer variants such as Snapchat and Vine. That said, traditional SMS messaging is still widely used with 83% of GB consumers doing so, which is more than the 78% claiming to make traditional voice calls via their smartphone. By contrast, in Asia only 43% use SMS messaging, driven largely by Japan where there is a much higher prevalence of mobile based e-mail for this type of communication. With increased familiarity of using images and video in messages, it is perhaps unsurprising to see around a third of consumers are picture messaging via a smartphone in Asia and BRIC countries, but GB lags behind, presumably due to historical 'bill shock'. Picture/video messaging via a tablet is actually much lower in GB (only 16%) than in BRIC countries (38%), suggesting much more 'family-based' use of messaging services.

Use of VoIP via a smartphone has really taken off in BRIC markets (17%), most noticeably in China with 26% of the online population claiming to be users of these services (versus 10% in GB). Interestingly, use of VoIP on a tablet is actually higher in GB (18%) and higher still in BRIC countries (35%) driven by almost half of tablet owners in Russia using VoIP. The first tablets on the market tended not to have built-in cameras, and if they did, they were of poor quality, so video calling was less popular. With the expansion of the tablet market with various screen sizes at affordable prices, there has been a rise in the availability of VoIP apps for tablets across all operating systems (OS).

Online brands have created a huge degree of fragmentation in terms of the preferred app and platform we use to communicate. The brands that enable us to pick up conversations seamlessly on another platform will be the most successful in the future.

35%*
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in BRIC countries

** driven by almost half of tablet owners in Russia using VoIP*

WATCHING TV

Not only are developing BRIC countries using their connected TV sets in a more sophisticated way, but they are also viewing an increasing amount of content on other devices away from the television. With the advent of 4G services in GB we might have expected a higher uptake of TV viewing on a mobile device but our data suggests otherwise - with only 11% of smartphone owners in GB claiming to use their mobile to watch TV. This is not too dissimilar to other regions, with the exception of BRIC countries with 19% incidence. Perhaps unsurprisingly, use of a larger tablet screen is far more popular for this activity with 47% of tablet owners doing so in GB, ahead of the rest of Western Europe, North America and Asia, but this is still way behind BRIC countries with 60% TV consumption via a tablet device. These marked differences are due to historical patterns of BRIC markets having skipped fixed broadband and moved straight to mobile connection. Media planners need to be mindful of these market differences as this may present significant opportunities for brands to capture a consumer's attention and click through to optimised content for that device.

MUSIC AND GAMING

Mobile has always had a strong affinity with music and this is still very much the case with 36% of GB smartphone owners and 33% of tablet owners using this device to listen to music. Due to a

younger demographic population we see a much higher incidence of all the BRIC countries with 55% using their smartphone and 41% using their tablet. Gaming is high across the board with more than 1 in 3 doing so on their smartphone in GB, still lower than the other regions we surveyed. India stands out with almost 1 in 2 (47%) using their smartphone for this purpose, in a market where mobile gaming is dominated by 'free to play' or 'advertising models' and currently very limited in-app purchase. However, gaming on a tablet is highest overall in North America (58%) and GB (57%), and with global sales of tablets projected to outperform PCs in 2015, mobile gaming is seen as a growing trend in expanding markets like Asia and particularly Japan. It will be critical for entertainment brands to understand the social element of music and gaming behaviour in order to attract users, and create content that entices them to come back and find out more.

The challenge for brands trying to reach the 'always on connected consumer' is to consider the complex way in which they are using multiple devices for different purposes, and the fact this differs greatly by market and segment. It is also clear that this dynamic is also changing over time as devices and content are introduced making consumers' lives easier and choices greater. We know from other research conducted in this area that consumers with multiple devices tend to spend longer online, as sessions on a new device tend to be 'additive' rather than 'cannibalising'. So brands that can target offers and services at owners of multiple devices are more likely to enhance average revenue per user and reduce churn by increased 'stickiness'.

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