

TechnoFILE “a series dedicated to new and emerging technology trends”

# Q308 Streaming Trends and Drivers



Industry Briefs

# Streaming + Downloading Report

## Introduction

Nielsen's quarterly Home Technology Report takes a pulse on usage and behavior surrounding technology consumption for Americans. The survey covers penetration rates for both technology devices and services/subscriptions. In addition, the survey includes questions on future purchases and current usage habits.

TechnoFILE is a series dedicated to trends in new and emerging technology. This installment includes a number of new questions added since last year, discussing the major growth trends in downloading and streaming activity and some of the drivers underlying the growth of these services. It covers streams and downloads on the computer as well as mobile devices.

### **This report will cover:**

- Streaming and downloading penetration rates (Page 3)
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## The Methodology

The Home Technology Survey has been conducted quarterly for the last decade. This brief discusses the Q3 2008 streaming results.

Penetration rates for devices are defined as % of the survey population saying yes to someone in their household owning/renting the particular device.

# Streaming + Downloading Report

## Streaming and Downloading Penetration Rates

The chart below shows the penetration of streaming and downloading services in all households surveyed for Q3 2008.

	% saying yes to having service
AN MP3 MUSIC DOWNLOADING SERVICE (Ex: ITUNES)	22.0
A DATA PLAN FOR YOUR CELLULAR PHONE THAT ALLOWS YOU TO ACCESS THE WEB	19.3
MOVIE DOWNLOADING SERVICE (Ex: MOVIELINK)	3.8
A SHORT VIDEO CLIP STREAMING/DOWNLOADING SERVICE FOR YOUR CELLULAR PHONE (Ex: MOBISODES)	1.8







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## Streaming + Downloading Demographics

The survey data is broken out by demographics as well. The chart below gives a snapshot of a few of the available demographics. This chart indicates the Index of a particular demographic against the overall household level.

Technology Incidence	Index - Presence of Children <12	Index - Presence of Teens 12-17	Index - \$60K+	Index - \$80K+	Index- African American HH	Index - Hispanic HH
A WEB-BASED SHORT VIDEO CLIP STREAMING/DOWNLOADING SERVICE (Ex: YOUTUBE)	176	230	130	143	139	152
AN MP3 MUSIC DOWNLOADING SERVICE (Ex: ITUNES)	177	193	149	166	108	154
A DATA PLAN FOR YOUR CELLULAR PHONE THAT ALLOWS YOU TO ACCESS THE WEB	140	155	141	158	150	149
MOVIE DOWNLOADING SERVICE (Ex: MOVIELINK)	147	124	150	161	55	232
A SHORT VIDEO CLIP STREAMING/DOWNLOADING SERVICE FOR YOUR CELLULAR PHONE (Ex: MOBISODES)	156	144	150	172	61	206

### Legend

	>50% higher than average consumer
	20-50% higher than average consumer
	Within range of average consumer
	20-50% lower than average consumer

### Demographic findings:

- Households with children and teens have high incidence of streaming and downloading - especially when it comes to video clips and music.
- Households with incomes of \$60,000 show a much higher incidence of streaming and downloading content. The incidence of streaming and downloading continues to climb higher as household income increases.
- Hispanic households are more than twice as likely as the average household to download movies using a service like Movielink. African American households highly under index on this service - they are actually half as likely as the average household to use a movie downloading service.

# Streaming + Downloading Report

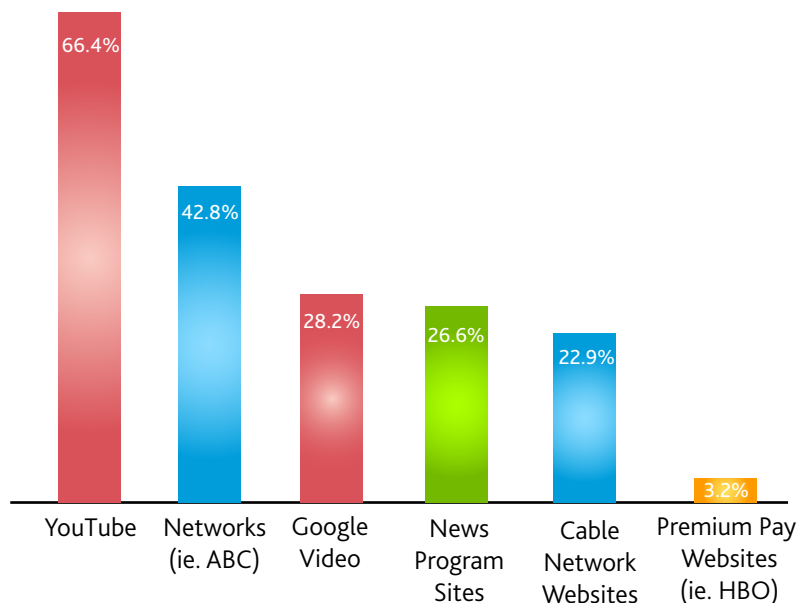
## Streaming Video Basics

In this survey, over 75% of households had access to the Internet at home. Of the respondents who did have on-line access at home, almost 50% had used their home computer to download or stream and watch videos, movies, or video clips.

Question	Base	%
HOUSEHOLD ACCESS TO THE INTERNET	TOTAL	75.7
HAVE YOU USED HOME COMPUTER TO DOWNLOAD OR STREAM AND WATCH VIDEOS OR VIDEO CLIPS?	ON-LINE/INTERNET ACCESS AT HOME	47.6

Two thirds of those respondents who streamed/downloaded from a home computer in the past week used YouTube. Over 40% of those respondents streamed from one of the major Networks (ABC, Fox, NBC, CBS).

### Websites Used to Stream Video\*



\*According to respondents who used their home computer to stream video in the past week.

# Streaming + Downloading Report

## Streaming Television Shows

With a strong number of respondents saying they go to broadcast network websites to stream content, it is important to examine behavior and attitudes towards streaming television programs.

First, when examining why respondents stream television content online, almost 50% who streamed video in the past week used the Internet as a way to catch up on a missed episode. Another 26.2% used the Internet to re-watch an episode. Over a quarter of respondents used streaming as their main way to watch an episode.

Reason For Streaming a Television Show\*



\*According to respondents who used home computer to stream video in the past week.

In terms of frequency, more than half the respondents who used a home computer for online television viewing watched less than once a week. However, about a fifth of respondents watched once a week while another fifth watched a few times a week.

Frequency Streaming Television Shows	%
LESS THAN ONCE A WEEK	53.2
ONCE A WEEK	21.0
A FEW TIMES A WEEK	20.1
ONCE A DAY	4.1

Want to understand how broadcast streaming and movie streaming are related?  
Click here to view our prior webinar.

# Streaming + Downloading Report

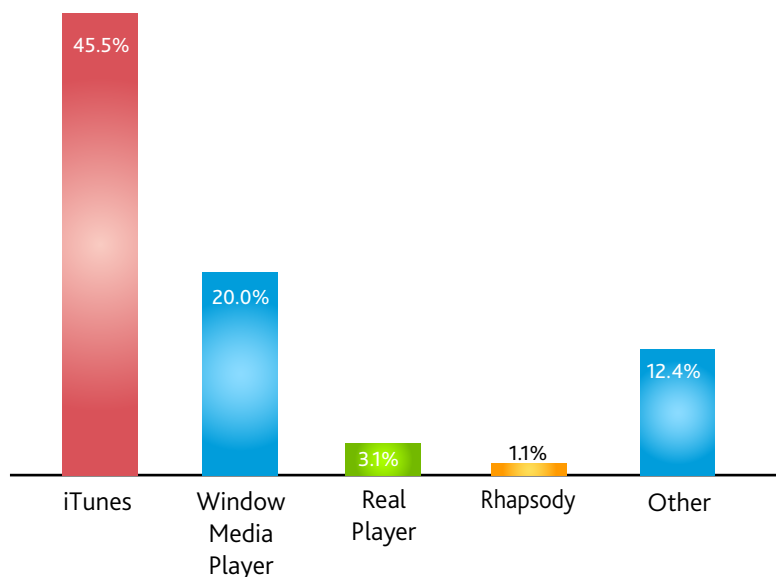
## Streaming Music Basics

In this survey, over 75% of households had access to the Internet at home. Of the respondents who had on-line access at home, almost 40% used their home computer to save and play music from the Internet. In addition, almost 30% had streamed music from the Internet.

Question	Base	%
HOUSEHOLD ACCESS TO THE INTERNET	TOTAL	75.7
HAVE YOU EVER USED YOUR HOME COMPUTER TO SAVE AND PLAY MUSIC FROM THE INTERNET?	ON-LINE/INTERNET ACCESS AT HOME	38.7
HAVE YOU EVER USED YOUR HOME COMPUTER TO STREAM MUSIC FROM THE INTERNET?	ON-LINE/INTERNET ACCESS AT HOME	29.9

Almost 50% of respondents who store and play music on their home computer used iTunes. The second most popular program was Windows Media player.

### Program Used to Store and Play Music Collection\*



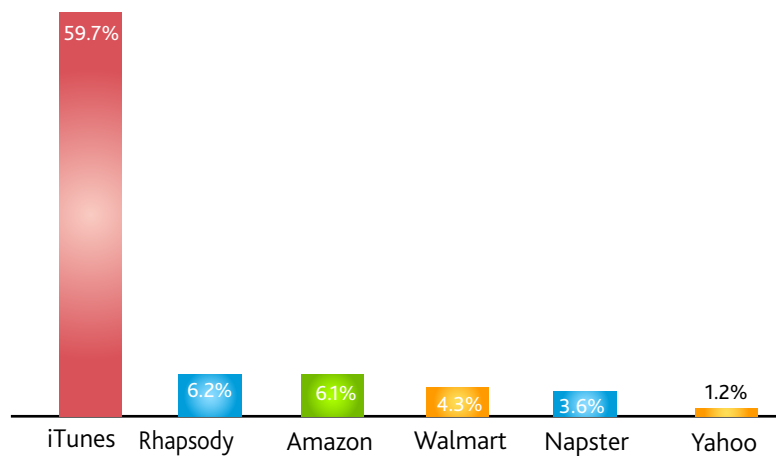
\*According to respondents who have music on their home computer.

# Streaming + Downloading Report

## Downloading Music

iTunes was the most commonly used program for storing and playing music from the Internet. As it turns out, it is also the most common service used to purchase and download music. Almost 60% of respondents, who play music on their home computer, used iTunes to purchase and download music. All the other services were fragmented with none getting over 6.2% share.

Service Used to Purchase and Download Music Online\*



\*According to respondents who play music on their home computer.

In terms of frequency, roughly a fifth of respondents who play music on their home computer had purchased music online in the past month. And one in seven respondents had purchased music online in the past week.

When was the last time you purchased music online?	%
TODAY OR YESTERDAY	2.6
IN THE PAST WEEK	14.1
IN THE PAST MONTH	18.8
IN THE PAST THREE MONTHS	14.9
OVER THREE MONTHS AGO	33.1
NEVER	16.2

# Streaming + Downloading Report

## Mobile Devices and Downloading/Streaming Behavior

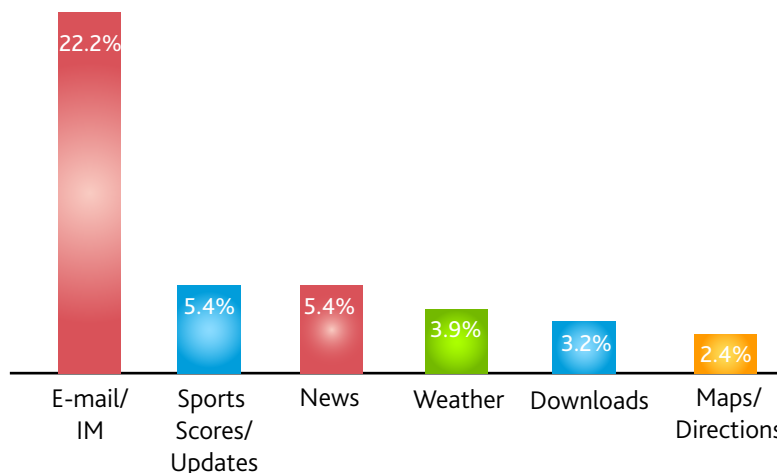
The survey also asked about streaming and downloading with a mobile device. The below chart shows what percentage of cell phone owners have streaming and downloading capabilities.

Mobile Capabilities	%
IS YOUR CELLULAR PHONE CAPABLE OF ACCESSING THE INTERNET?	48.7
HAVE YOU USED YOUR CELLULAR PHONE TO CONNECT WITH THE INTERNET WITHIN THE PAST 30 DAYS? *	22.8
IS YOUR CELLULAR PHONE CURRENTLY ENABLED TO VIEW TV OR OTHER VIDEO CLIPS?	9.5

\*This only applies to cellular phone owners who are capable of connecting to the Internet.

According to cell phone owners who have connected to the Internet in the past 30 days, only 3.2% stated their primary reason was to download content.

### Primary Reason for Using Cell Phone to Connect to the Internet\*



\*According to respondents who connected to the Internet using their cell phone in the past 30 days.

# Streaming + Downloading Report

## Trend Summary

Though downloading and streaming of content, particularly music, is well established, many new habits are being created, including the streaming of network content online. Streaming on mobile devices also appears to be in its nascent stages, and will be intriguing to track.

## Demographics

- Households with higher incomes or with the presence of children/teens are more likely to engage in downloading/streaming behavior than the average household. For example, households with teens are almost twice as likely as the average household to use an MP3 music downloading service like iTunes.
- Hispanic households, likely bolstered in part due to the younger demographic overall, also over index on many forms of downloading.

## Streaming Video

When it comes to streaming video, almost half of all households that have Internet access at home have used their computer to stream or download videos or video clips. YouTube is the preferred service with almost two thirds of at-home streamers having used that service.

## Streaming Broadcast TV Shows

The majority of broadcast network streamers use the Internet as a way to catch up on missed episodes. However, a quarter of these users come to the Internet to watch an episode for the first time.

## Streaming Music

When it comes to streaming music, almost 40% of all households that have Internet access at home have used their computer to download and store music from the Internet. iTunes is the preferred service with almost half of this group preferring to use iTunes for storing and listening to their downloaded music. iTunes was also the preferred service for downloading music.

## Mobile Devices


Downloading and streaming from Mobile devices is still a growing phenomenon. According to cell phone owners who have connected to the Internet in the past 30 days, only 3.2% have used their phone primarily to download content.

# Q308 Technology Trends

## Appendix - HTR Streaming Toolkit Contents

The toolkit contains data for all the technologies and subscriptions mentioned in this report broken out by the following demographics and segments:

TOTAL  
CABLE HH  
DIGITAL CABLE HH  
IN-HOME VIDEO GAME HH  
DVD PLAYER HH  
COMPUTER HH  
CELL PHONE HH  
SATELLITE DISH HH  
HIGH SPEED INTERNET  
ACCESS INTERNET AT HOME  
DIGITAL VIDEO RECORDER HH  
PDA OR SMARTPHONE HH  
PERSONAL VIDEO DEVICE  
VIDEO ENABLED MP3  
HIGH DEFINITION (HD) HH  
PRESENCE OF CHILDREN <12  
PRESENCE OF TEENS 12-17  
INCOME <\$60K  
INCOME \$60K+  
INCOME \$80K+  
BLACK HH  
HISPANIC HH  
PERSONS 12+  
MEN 18+  
MEN 18-34  
MEN 35-54  
MEN 55+  
WOMEN 18+  
WOMEN 18-34  
WOMEN 35-54  
WOMEN 55+  
TEENS 12-17  
COLLEGE 4+ YEARS  
PROFESSIONAL OR MANAGER  
PORTABLE VIDEO DEVICE (PVD) USER  
VIDEO ON DEMAND (VOD) USER  
STREAMING VIDEO USER



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