Market Data / Supplier Selection / Event Presentations / User Experience Benchmarking / Best Practice / Template Files / Trends & Innovation

The Multi-Screen Marketer

conducted on behalf of the Interactive Advertising Bureau (IAB)

The Multi-Screen Marketer

Interactive Advertising Bureau (IAB)

Published **May 2012**

Econsultancy London
4th Floor, Farringdon Point
29-35 Farringdon Road
London EC1M 3JF
United Kingdom

Telephone:
+44 (0)20 7269 1450

http://econsultancy.com
help@econsultancy.com

Econsultancy New York
350 Seventh Avenue, Suite 307
New York, NY 10001
United States

Telephone:
+1 212 971 0630

Contents

1. Executive Summary and Highlights

The digital era has meant near constant change for marketers trying to build their brands across media. Fragmentation has eroded many channels as others have gained audience. Questions around the optimal media mix still swirl around Internet marketing, even as time spent online grows inexorably every quarter.

Now, as if advertisers and publishers didn't have enough to deal with, our media and devices are competing with one another like never before. The multi-screen phenomenon started years ago when the computer became a household staple, picked up speed with the laptop and will hit nitro when the smartphone achieves critical mass among affluent consumers. With the arrival of the tablet, consumers have a tool that combines aspects of the computer and smartphone that can augment and even replace the traditional television experience.

Today, it's more likely than not that as someone is watching a television program, they've got another device in use or at the ready, waiting for a commercial break or simply a break in the action.

Scott Macklin www.mcdm.uw.edu

An audience that's increasingly scattered and distracted may seem like a nightmare scenario for advertisers, but is it? This study – ***The Multi-Screen Marketer***, set out to explore modern viewing habits with an emphasis on the true multi-device user. The goal was to discover the kinds of obstacles and opportunities that marketers are facing from this fundamental shift in how we watch and interact with media.

The findings confirm that the media world is changing again...fast. It's a world where there's always a deficit of attention, but it's also one where brands have the opportunity to go beyond passive viewing and have a meaningful interaction with consumers. The challenge will be keeping up with evolving habits while catering to eternal needs.

Multi-tasking across devices has arrived. Unlike some other digital phenomena, it's not the sole territory of early adopters. Even among those respondents with just a television and computer

(2SCRNs), 52% report that it's somewhat or very likely that they're using another device while watching television. With each screen added to the mix, that percentage rises, with 60% of smartphone users (3SCRNs) and 65% of tablet owners (4SCRNs) saying that multi-device use is the norm while watching TV.

- Not surprisingly, multi-screen behavior correlates with age. 77% of tablet owners between 18-44 years old say they are likely to be multi-tasking.
- Multi-screen behaviors can be a positive for publishers and advertisers. Those with tablets are significantly more likely (47%) to take an action (voting, purchasing, etc.) in response to what they're watching than their peers with three screens (37%). That number rises to 56% of younger tablet owners (18-44 years old).
- Consumers are often dissatisfied with the mobile sites and apps they download from media and from businesses. 72% say that it's *common or very common* that apps from businesses aren't worth downloading and the same percentage says it's *common or very common* that business websites don't work well on mobile devices. The percentages for media-related apps are only somewhat better, 61% and 54% respectively.
- But, consumers are still accessing those mobile sites and apps. 47% of tablet owners have used a mobile device to respond to something on the screen and 28% have downloaded an application that's related to a show they watch.
- It's still relatively early in the multi-screen era; smartphones still only make up a bit more than half of the US mobile phone market, and tablets are in roughly 20% of households.[1] As those numbers grow, so will multi-screen use.
- Other barriers are falling as well. Devices are getting cheaper and easier to use and will meet the retiring baby boomers with large print and voice activation. Meanwhile, cultural resistance to using mobile devices in social settings is diminishing.

The tablet isn't going to replace the television or even the laptop in most homes, at least not for some time. When we add devices, some activities move from one to another, but it's rare that any disappear entirely. People don't want to jog with an iPhone strapped to their arm any more than they want to labor through typing a document on a tablet. Devices are cheap (even premium mobile devices are relatively mass market) and when coupled with Wi-Fi, they fit into a household ecosystem that can easily absorb and even benefit from redundancy.

It's an additive process, where we head for the best available device, but happily use the most available device when we have to. For viewing television content, the TV is still the dominant device, especially if we have a choice in the matter. Even for the young, early adopting 4SCRNs (under 44 years old) the television accounts for two-thirds of their viewing of TV content and films. And that's the average, skewed by heavy tablet and smartphone users. The tablet is a complementary device more than a replacement, as are the laptop and smartphone.

- Television ownership doesn't drop significantly for tablet owners – it's right in line with similarly affluent non-tablet owners.
- Although the television dominates, its viewing drops with the number of devices available on which to view TV content, from 87% for 2SCRN respondents down to 69% among all tablet owners.
- Smartphones are used as TV screens when it's necessary, but aren't a preferred device by many. When they are used, it's often for downloaded TV content and for streaming sports programming.
- Even for early adopting households, the laptop is often the primary alternative to the television, which may relate to the limitations on available content in some tablet ecosystems.

[1] *http://pewinternet.org/Commentary/2012/February/Pew-Internet-Mobile.aspx*

- As televisions become more sophisticated, what people want first is control; their top choice among features of "television of the future" is the ability to watch whatever wherever and whenever (77% describe this as having a *high impact* on them).
- They also want devices that support each other and viewing on multiple-screens – to be able to watch on any device (56% *high impact*) and move programming from one device to another (50%).
- Between Google's Voice Search and Apple's Siri, consumers have started to believe that voice is a viable way to interact with technology. Sixty-one percent say it will have a high impact on them to be able to talk to their devices, hoping to finally have a VCR that can program itself on command.
- Although social media use goes up with each device owned, it's not a high priority among television features (25% say it would have a *high impact* on them). The communal experience of watching television may not lend itself to typical social network interaction.

  People don't necessarily want to sit with family or friends as their wall posts scroll down the television screen. However, other types of content that play off viewers' networks may do well – product and content discovery driven by the aggregate opinions of friend networks and group "appointment viewing" could be commonplace once connected TVs become standard.

Television programs aren't equally friendly for multi-tasking. We asked people to describe their multi-screen behaviors in light of the types of TV programs they watch, and a number of differences emerged.

- 4SCRN respondents are more likely to socialize, shop online and look for information related to what they're watching than their 2SCRN or 3SCRN peers. For example, 81% of 4SCRN respondents say they are likely or very likely to go online to surf and email while watching reality TV (examples given in the survey were *Jersey Shore, Survivor* and *The Hills*).
- Respondents are aware of products on television, even if they're distracted by their devices. An average of roughly 35% of 3SCRN respondents and over 55% of 4SCRN respondents said it was likely or very likely that they'd search or shop for viewed products while watching.
- Recorded reality is, in general, tops for non-commerce related multi-screen activities like social networking on a mobile device. For commerce related multi-screen behaviors, independent dramas (*MadMen, Breaking Bad, etc.*) win out by a hair.
- Procedural dramas (*CSI, NCIS, etc.)* score low for all activities and groups, but it should be noted that no distinction was made between original and repeat broadcasts. Our eyes may not stay glued to the screen the second time a murderer is revealed.
- Not surprisingly, the Internet plays a larger role in how 3SCRN and 4SCRN consumers discover and research products, as well as being their preferred method for ongoing communications. While 75% of 2SCRN respondents list offline sources as their primary way of discovering new products, that percentage drops to 63% for 4SCRNs.
- Digital dominates product research; 72% of 4SCRN respondents' sources are online.

It's easy to assume that multi-screen behavior reduces the quality and depth of the experience that a viewer has during a commercial message. If you're texting a friend or trying to find a place for the seven of clubs, you can't be paying much attention to the ads, or at least that's the assumption. But at least in terms of brand recall, that's not what was observed.

- When asked to associate up to three advertisers with favorite programs, 4SCRN respondents were actually somewhat more likely to be able to do so (53% vs. the average of 46%).
- "Live" feeling reality television seemed to have the best brand association, with 65% of respondents who cited a show of this type being able to recall at least one advertiser.

1.1. Methodology

The survey was designed by Econsultancy on behalf of the IAB. It was fielded online on April 19th 2012 to a Survey Sampling panel comprised of US consumers ages 18 and up. The survey was only available in English. Tablet owners were over-sampled to ensure sufficient data for that audience.

The survey closed on April 25th with 1,851 qualified responses. Consumers reporting that they did not watch television at home on any device were exited from the survey. The margin of error for the larger data set of non-tablet owners is +/- 2.67% (n= 1,254) while for tablet owners the error is +/- 4.18% (n=597).

1.2. Table of Figures

1.3. About the IAB

The Interactive Advertising Bureau (IAB) is comprised of more than 500 leading media and technology companies that are responsible for selling 86% of online advertising in the United States. On behalf of its members, the IAB is dedicated to the growth of the interactive advertising marketplace, of interactive's share of total marketing spend, and of its members' share of total marketing spend.

The IAB educates marketers, agencies, media companies and the wider business community about the value of interactive advertising. Working with its member companies, the IAB evaluates and recommends standards and practices and fields critical research on interactive advertising. Founded in 1996, the IAB is headquartered in New York City with a Public Policy office in Washington, D.C. For more information, please visit www.iab.net.

For additional information about this study, or to learn more about the IAB, please contact Michael Theodore, VP, Member Services, at michael@iab.net or (212) 380-4725.

1.4. About Econsultancy

Econsultancy is a global independent community-based publisher, focused on best practice digital marketing and ecommerce, and used by over 400,000 internet professionals every month.

Our hub has 120,000+ members worldwide from clients, agencies and suppliers alike with a member retention rate over 90%. We help our members build their internal capabilities via a combination of research reports and how-to guides, training and development, consultancy, face-to-face conferences, forums and professional networking.

For the last ten years, our resources have helped members learn, make better decisions, build business cases, find the best suppliers, accelerate their careers and lead the way in best practice and innovation.

Econsultancy has offices in London, New York and Dubai and we are a leading provider of digital marketing training and consultancy. We are providing consultancy and custom training in the Middle East, and extensively across Europe and Asia. We trained over 3,000 marketers and ran over 200 public training courses in 2010.

Join Econsultancy today to learn what's happening in digital marketing – and what works.

Call us to find out more on +44 (0)20 7269 1450 (London) or +1 212 699 3626 (New York). You can also contact us online.

2. I Like to Watch…and Eat…and Play…and Shop…

Multi-tasking while we watch is as old as television. It's always been a time to eat, talk and engage in hobbies. But the Internet brings the outside world into the den. For marketers this offers the possibility of meaningful interactions with consumers in conjunction with high reach brand advertisers.

As devices get smaller and more powerful, the culture shifts toward instant communication, immediate information gratification and multi-tasking. Whether it's with a computer, a smartphone or a tablet, people go online while watching, if to somewhat different degrees.

The cloud below shows the open text responses of over 900 Americans across age groups and income brackets who were asked to name up to three of the things they do most often while watching television at home.

For two-screened respondents (*people who own a TV and computer, but not a tablet or smartphone*), multi-tasking while watching television still looks a bit like it did in 1960. The dominant activities are timeless.

But times are changing, even for these households. Going online, playing video games, sending email and social interactions are common, and becoming more so. Online activities increase as two screen consumers move to three screens or more.

Smartphones now make up slightly more than half of all mobile subscriptions, accounting for over 100 million Americans. Tablet adoption has been among the most rapid for any digital innovation. Various estimates place overall penetration at between 20% and 25%, and twice that for households with annual incomes over $75,000.

Figure 1: Cloud – Television Watchers Favorite Activities (2 Screens)

Responses: 906

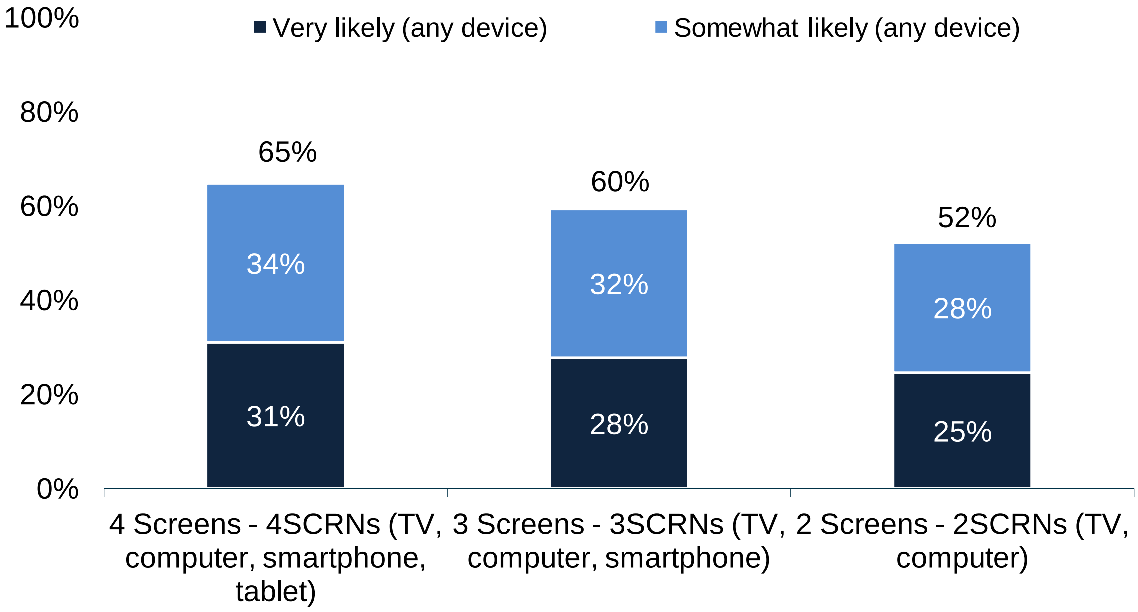
For those with three or four screens (TV, computer, smartphone plus tablet) the future is already here. Digital activities are baked into the experience of watching television, just as they into every other facet of daily life. As the cloud below suggests, this group is “always on.”

Figure 2: Cloud – Television Watchers Favorite Activities (3 + 4 Screens)

Responses: 945

We’re all multi-taskers. Almost all consumers with an Internet enabled device report having gone online while watching TV at least occasionally. Figure 3 asks how likely it is on a day to day basis. With every additional screen we own, the likelihood of going online when we watch television increases. For respondents with four devices, there’s a 2 in 3 chance that they’re using another device. That drops somewhat for those with just a smartphone, and drops again for those with only a computer.

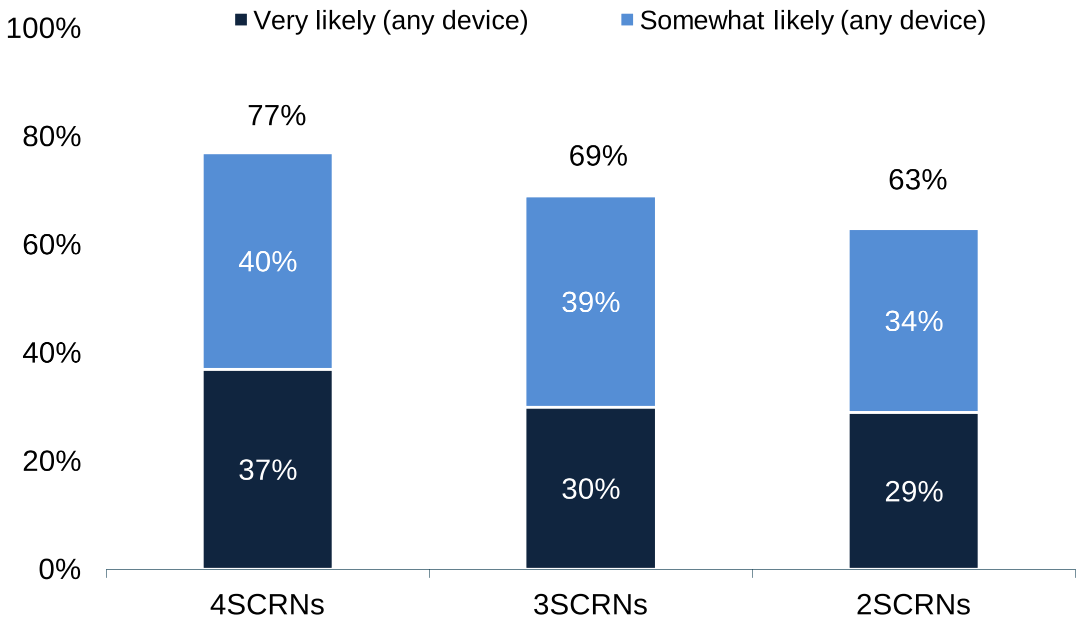
Figure 3: Using Another Device While Watching Television



Responses: 1,851

Even for the 2SCRNs, it's more likely that that they have an internet enabled device at the ready than not. When examined through the filter of age, the behavior is only more pronounced; respondents 18 – 44 are significantly more likely to be online while they watch.

Figure 4: Using Second Device While Watching Television, 18-44 Year Olds



Responses: 910

Moving forward, multiple factors are going to contribute to an increase in multi-screen behavior across demographic groups;

- Devices are constantly getting easier to use. As the Baby Boomers retire, hardware and software manufacturers will adapt, accelerating smartphone and tablet adoption for older Americans.

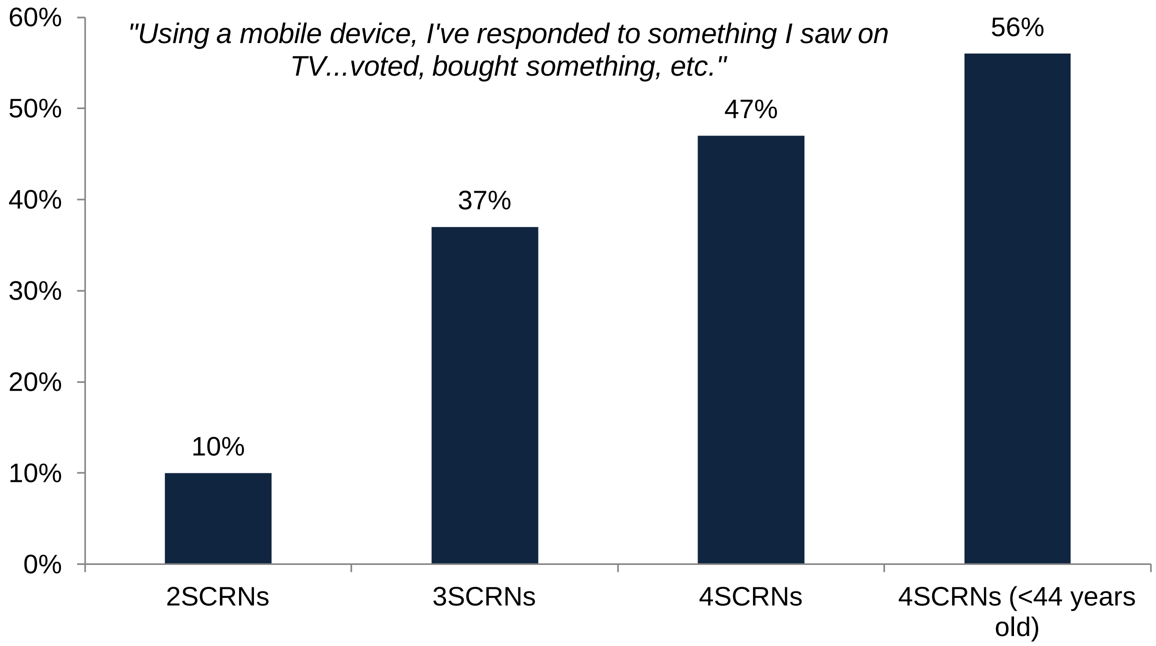
  This group lags somewhat in device adoption, but more decidedly so in how they use them; those over 54 were far less likely to use their tablets as alternate viewing devices and generally look to the computer as their primary tool for interactive online services such as email, online shopping, etc.
- Multi-tasking is acculturating from early-adopting demographic groups into the mainstream. Divided attention is the norm and behaviors related to mobile devices that would have been considered rude a few years ago go increasingly unnoticed.
- The Internet isn't new. The US population has had 18 years to get used to going online (that's when the Netscape browser premiered). 80% of Americans now use the Internet regularly, according to the Pew Research Center's most recent evaluation, and that figure approaches 100% when considering affluent households.
- As publishers and advertisers come to grips with the implications of online/offline simultaneity, they will create more linked content to address multi-tasking and multi-screen behavior, driving increases in both.

2.1. Tablet Owners Are More Likely to Act

Multi-screen watching isn't just a "tablet thing" but tablets change the game, because they bring the app ecosystem together with the best usability aspects of the smartphone and computer. Sure, you can do just about anything online from your phone, but it's not always easy. 65% of smartphone users in the sample say it's very common that sites don't work well for their device.

Tablet owners of all stripes are significantly more likely to use their mobile devices to take an action sparked by something they're watching. In Figure 5, actions included any type of direct response, including show-related voting and shopping for something highlighted on a program or commercial. We explore the relationship between television programming and types of response in Section 6.

Figure 5: Chance of Using a Mobile Device to Take Action from Television Prompt[2]



Responses: 1,624

[2] *The response from 2SCRN respondents includes use of mobile phones that aren't "smartphones" and from shared use of someone else's mobile device.*

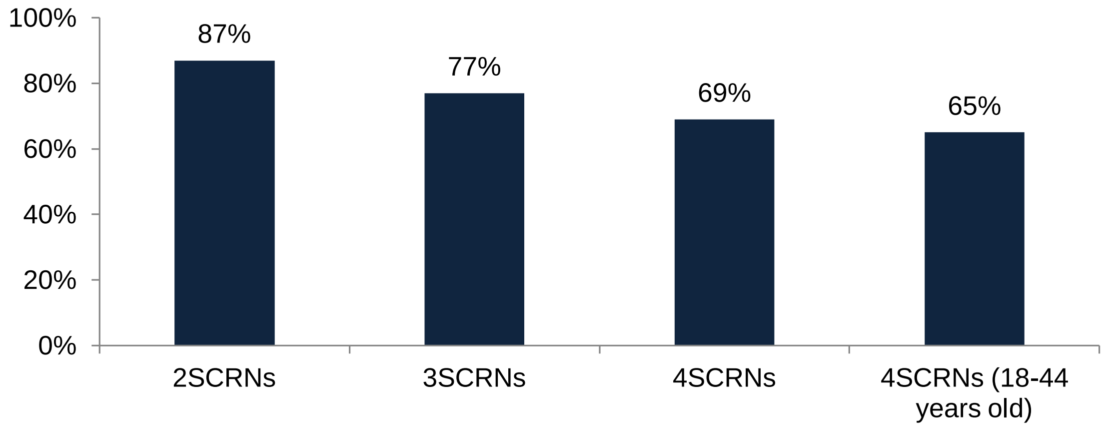
3. Device Creep and Creepy Devices

Adding devices to our lives means some migration from one device to another, but an equally important trend is simply toward more of everything. More media at more times, with digital content displacing some activities and filling the previously unused spaces in consumers' lives...phones in bank lines, iPads at bedtime, etc.

For most people the television set, powered by cable or satellite feeds, is still the primary and preferred way to watch TV programming. Figure 6 breaks down the percentage of TV content that people view on the TV itself.

Note: Percentages in charts 6 – 10 are an aggregation of respondents' individual estimates, which tend toward round numbers. It may be that devices with smaller shares benefit from these mental rounding errors.

Figure 6: Percentage of Television Viewing on TV Set by Number of Devices Owned



Responses: 1,445

When it comes to watching television, even the early adopting multi-screener is likely to prefer a TV to their tablet. But preference is in the moment and relates to the situation. For example, one of the key variables in how much media someone consumes on their tablet, smartphone or laptop is whether there are multiple people with access to the primary television; the more people who share that TV, the more likely people are to look for alternatives.

Several factors suggest that in the medium term, the television as we know it will remain primary for watching broadcast content;

- The tablet doesn't mean the end of televisions (or other devices) in most households. In our sample, television ownership in tablet households is in line (88%) with similarly affluent group of non-tablet households (89%).
- The pricing of bundled services discourages eliminating one in favor of another. Even for those with alternative media sources (Apple TV, Roku, etc.) there's a high likelihood that they also pay for cable or satellite services.
- Televisions themselves have evolved. They are thinner, bigger and significantly better with the advent of high definition. They're also getting steadily cheaper. Today, a 32-inch LCD HD television from a respected brand costs roughly $300. That compares pretty well to the $1,840 adjusted dollars one would have spent on a 25 inch Sylvania in 1977.[3]

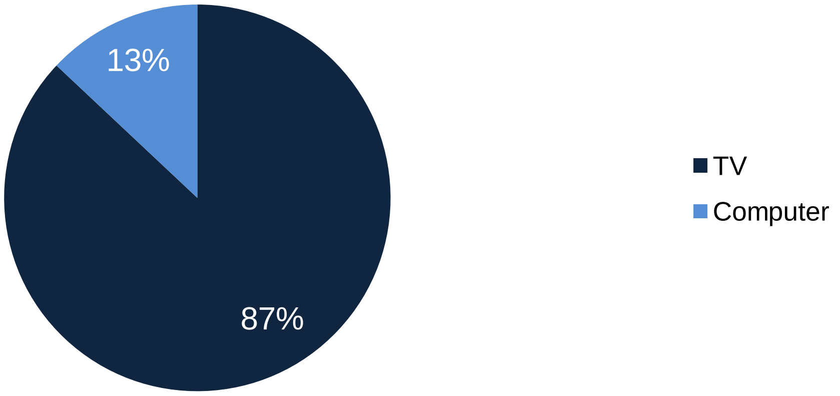
[3] *How Much Do Televisions Cost Today, The Awl, 2011*

- Access to television content is limited on most tablet devices. Depending on the platform, many television programs are unavailable or limited to current cable/satellite subscribers. Premium content is a significant factor for many consumers, and despite some consumer demand, it's unlikely that premium channels will un-tether their offerings from cable subscriptions.[4]

3.1. Share of TV Viewing Across Devices

Charts 7 - 10 show how television viewing breaks down for consumers based on what devices they own. 2SCRN households tend to be a bit older and less affluent than those with additional devices, and their media habits lag behind earlier adopters of other technologies. In fact, the most common answer for these respondents (the mode) is that they watch 100% of their TV content on their television.

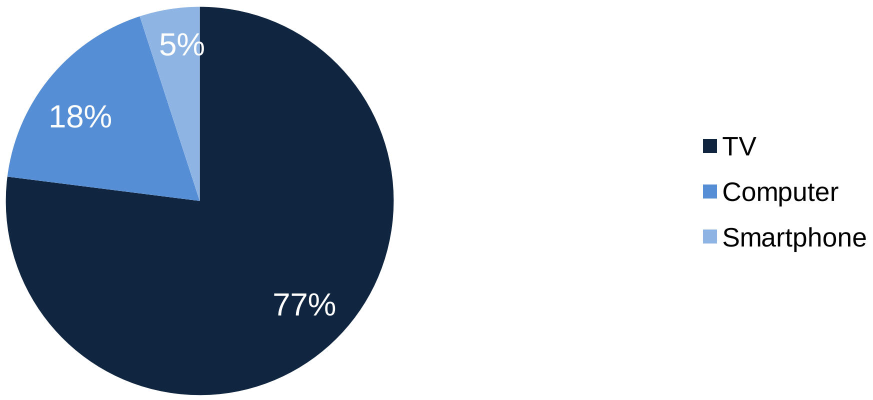
Figure 7: Share of Television Viewing by Device – 2SCRNs



Responses: 619

Consumers with smartphones do watch some television content on them, but they are in the minority, and it's rare for the phone to account for more than 10% except for most avid users. The smartphone is far more likely to be a companion to the television or computer than the medium of choice for TV programming.

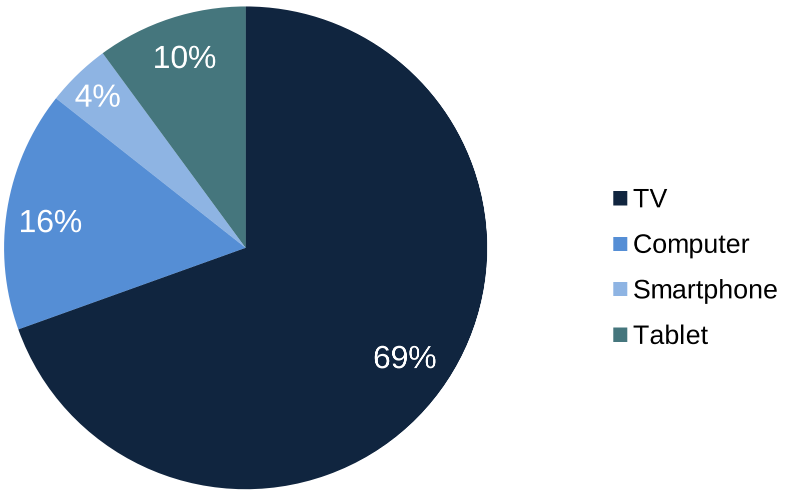
Figure 8: Share of Television Viewing by Device – 3SCRNs



Responses: 378

[4] http://videonuze.com/article/video-interview-hbo-co-president-eric-kessler-at-videoschmooze

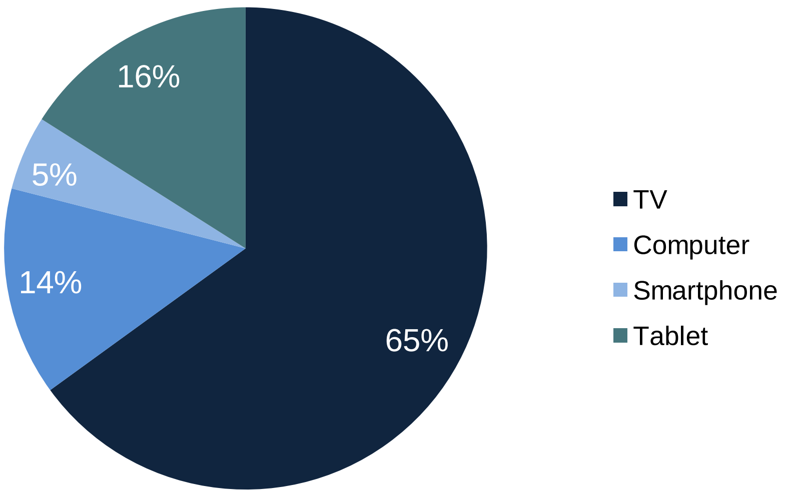
Figure 9: Share of Television Viewing by Device – 4SCRNs



Responses: 448

Despite the limitations in available television programming, the tablet has quickly become a viable alternative or at least an additional screen. For those between 18 – 44 with tablets, the devices have moved past the computer and are now a distant second to the television itself.

Figure 10: Share of Television Viewing by Device – 4SCRNs (18-44 years old)



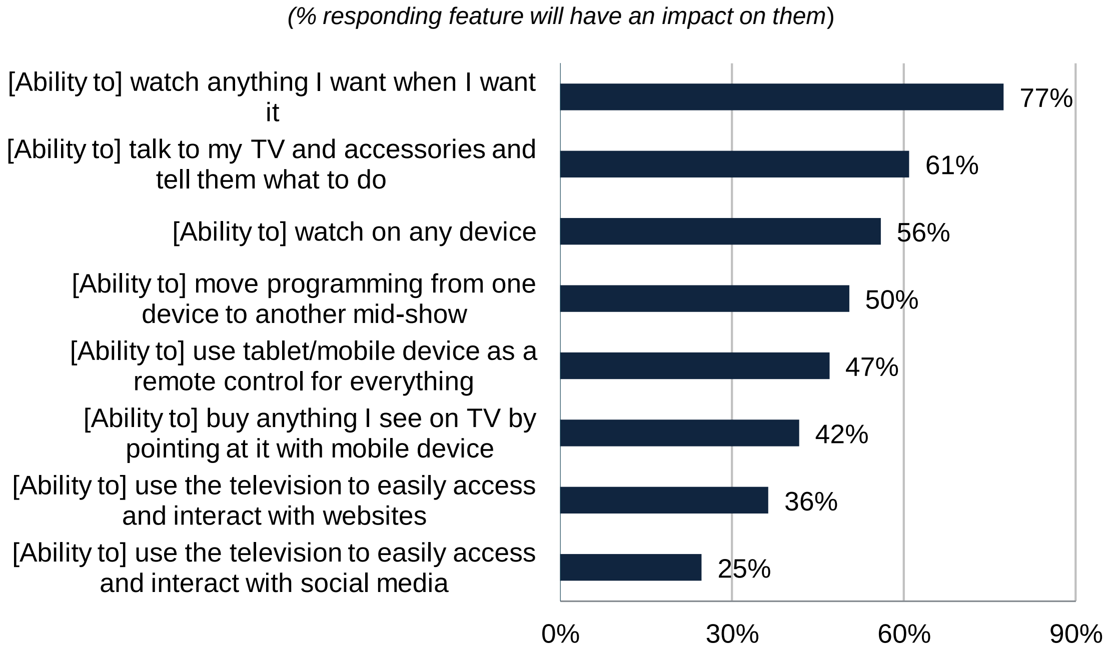
Responses: 348

3.2. What Consumers Expect When They're Connected

As consumers diversify how they watch, what we mean by "television" is getting harder to pin down. There's the television, which could be directly connected through a cable provider, or the Internet, or might simply be a large monitor that's a slave to an iPad or laptop. There's also television programming that might be watched in its complete form when broadcast, or be time shifted with commercials curtailed or accessed via a service such as iTunes, with no advertising.

The television set of tomorrow is already here, but we're barely using its potential. As with many new offerings, customers aren't using the features of so-called "Connected TV." Over time, that will change, and we asked consumers about their vision for how television will operate.

Figure 11: Impact of Features Expected in Future Televisions



Responses: 955

- The top preference is for a change in how media providers do business; consumers naturally want to be able to watch anything at any time.
- Once that's accomplished, it's time to revamp the remote; effective voice recognition is expected to have a significant impact. Complexity is a major factor in the slow adoption of connected televisions, and what's keeping them from being used to their potential. The ability to use voice and motion controls to access the more powerful functions of connected TVs may well unlock their use for the mass market.
- The multi-screen experience is also important to consumers. Among the top three most impactful features is the ability "to watch on any device" and that is followed by the ability to "move programming from one device to another."
- They also see a world where devices talk to one another – where tablets act as remotes *("Siri, I'm in the mood for some Bill Murray, before he went meta...")* and where they can identify products of interest using a mobile device to point at them.

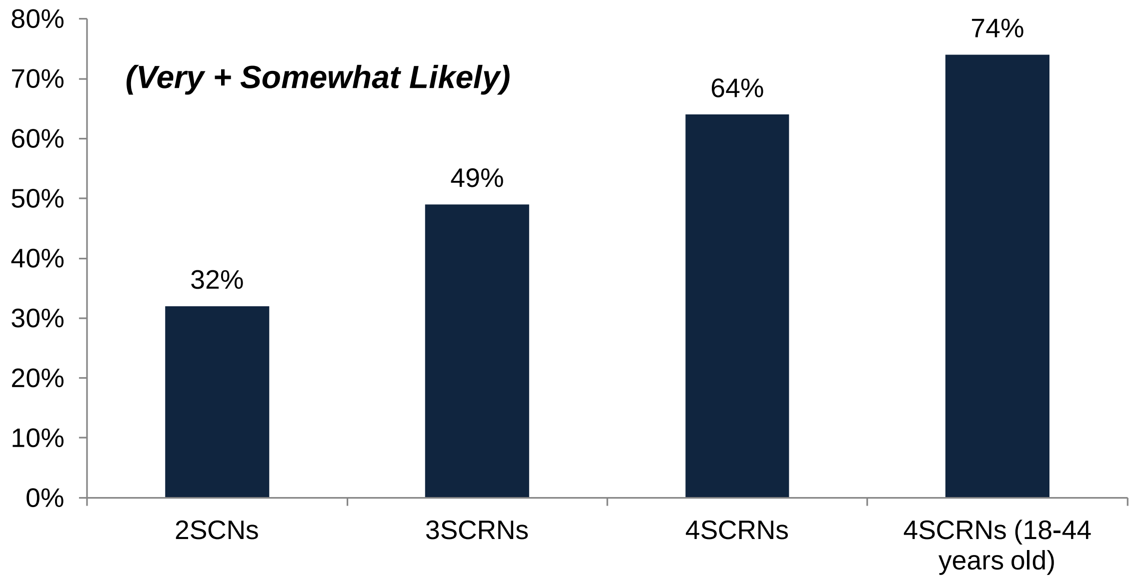
The implication is that consumers expect to use multiple, complementary devices, even if they're not doing so now. Smartphones are headed to ubiquity and tablets are rapidly moving beyond young, early adopter to becoming a household staple, so the market for this movable feast of content will only expand.

4. Social Media is Solitary

Despite intense scrutiny, advertisers, their agencies and the media that serve them are only starting to understand what social media means to marketing and publishing. Leading organizations are mapping some of the paths between social interactions and revenue, but they're the exception. Most are still in an experimental mode, and reasonably investing time and money into figuring out how best to respond to the social revolution.

The multi-screen experience is a natural place for social activity. As we see in Figure 12, social is common for every group, but second nature to young multi-screened consumers. A study of British consumers found that over a quarter of them had actively "chatterboxed" – discussed what they were watching on a social channel with a secondary device. That figure rises to 46% of those under 25 years old.[5]

Figure 12: Likelihood of Using Social Media While Watching Television



Responses: 1,245

People aren't necessarily looking to the televisions of the near future for the ability to interact with their social networks. As they predict how television will work in the years to come and rate how those changes will affect them, social media ranks last...only 25% of respondents feel that having direct social access via their television screens would have a significant impact on them, the lowest percentage for any feature of "future TV" (see Section Four).

Television is often a communal experience as a family or couple watch together. Many social media interactions are personal and specific, neither appropriate nor interesting for anyone but the people having the conversation.

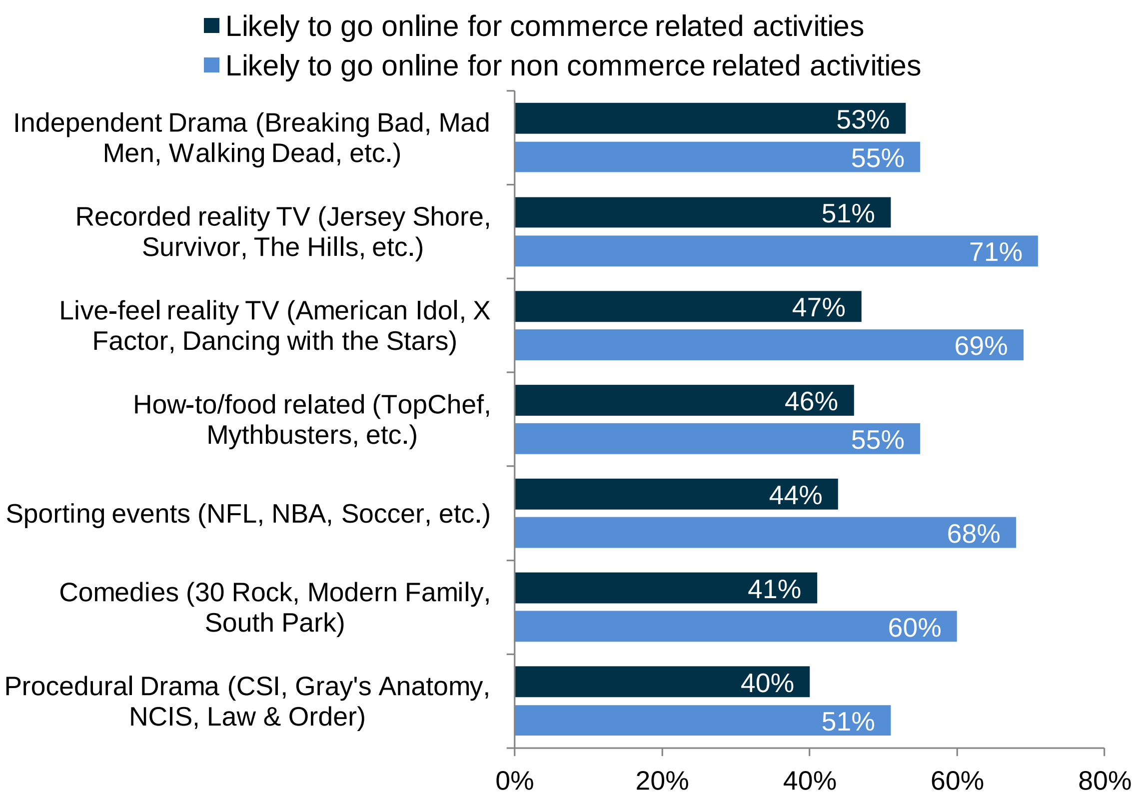
But, it's too broad to say that social won't have an important role in how we consume broadcast media or that it doesn't have a place on the screen. The question for publishers is which screen, and what kinds of activity. Consumers may be very interested in content discovery based on their network's experience, for example, or in group discussions during specific types of show (see Section 6). But they might prefer one to be built into the TV experience, while keeping the other on a mobile device.

[5] *The 5 C's of Connected TV, Econsultancy, 2012*

5. The Reality (Show) of Multi-Tasking

Multi-screen activities while watching TV are very common, but content is not created equal when it comes to our digital distractions. We were curious about how activities aligned (or didn't) with certain types of television programming. Figure 13 aggregates respondents' opinions from five separate questions about the likelihood of their using the second screen to engage in different behaviors.

Figure 13: Multi-screen Behaviors by Type of TV Program



Responses: 1,385

Non-commerce related activities = average of *Likely* and *Very Likely* to engage in social activity, searching for information about programming, or general activity (email, surfing, etc.)

Commerce related activities = average of *Likely* and *Very Likely* to engage in shopping online and product searches related to programming while watching

4SCRN respondents are more likely to socialize, shop online and look for information related to what they're watching than their 2SCRN or 3SCRN peers. For example, 81% of 4SCRN respondents say they are likely or very likely to go online to surf and email while watching reality TV (examples given in the survey were Jersey Shore, Survivor and The Hills).

Respondents were aware of products. An average of roughly 35% of 3SCRN respondents and over 55% of 4SCRN respondents said it was likely or very likely that they'd search or shop for viewed products while watching.

Recorded reality is, in general, tops for non-commerce related multi-screen activities like social networking on a mobile device. For commerce related multi-screen behaviors, independent dramas win out by a hair.

5.1. Non Commerce-Related Activities by Type of Program

Figure 14: Ranking of Program Types – Go Online (email, surf, etc.)

	2 SCRNs	3 SCRNs	4 SCRNs
Recorded reality TV (Jersey Shore, Survivor, The Hills, etc.)	47%	69%	81%
Live-feel reality TV (American Idol, X Factor, Dancing with the Stars)	54%	65%	75%
How-to/food (TopChef, Mythbusters, etc.)	50%	53%	74%
Sporting events (NFL, NBA, Soccer, etc.)	50%	70%	73%
Comedies (Modern Family, South Park)	48%	60%	73%
Independent Drama (Breaking Bad, Mad Men, Walking Dead, etc.)	46%	45%	71%
Procedural Drama (CSI, Gray's Anatomy, NCIS, Law & Order)	48%	49%	64%

Responses: 457

Figure 15: Ranking of Program Types – Social Networking Activity

	2 SCRNs	3 SCRNs	4 SCRNs
Recorded reality TV (Jersey Shore, Survivor, The Hills, etc.)	40%	60%	75%
Live-feel reality TV (American Idol, X Factor, Dancing with the Stars)	40%	63%	74%
Sporting events (NFL, NBA, Soccer, etc.)	47%	59%	72%
Independent Drama (Breaking Bad, Mad Men, Walking Dead, etc.)	33%	56%	67%
How-to/food (TopChef, Mythbusters, etc.)	35%	53%	61%
Comedies (Modern Family, South Park)	37%	47%	58%
Procedural Drama (CSI, Gray's Anatomy, NCIS, Law & Order)	34%	36%	54%

Responses: 453

Figure 16: Ranking of Program Types – Show Related Searches

	2 SCRNs	3 SCRNs	4 SCRNs
Independent Drama (Breaking Bad, Mad Men, Walking Dead, etc.)	47%	62%	69%
Sporting events (NFL, NBA, Soccer, etc.)	47%	58%	67%
How-to/food (TopChef, Mythbusters, etc.)	46%	59%	66%
Live-feel reality TV (American Idol, X Factor, Dancing with the Stars)	54%	65%	60%
Recorded reality TV (Jersey Shore, Survivor, The Hills, etc.)	52%	60%	58%
Procedural Drama (CSI, Gray's Anatomy, NCIS, Law & Order)	38%	47%	51%
Comedies (30 Rock, Modern Family, etc.)	30%	47%	50%

Responses: 451

5.2. Commerce-Related Activities by Type of Program

Figure 17: Ranking of Program Types – Search/Shop for Products Viewed on Television While Watching

	2 SCRNs	3 SCRNs	4 SCRNs
Independent Drama (Breaking Bad, Mad Men, Walking Dead, etc.)	29%	36%	63%
Sporting events (NFL, NBA, Soccer, etc.)	32%	39%	60%
Recorded reality TV (Jersey Shore, Survivor, The Hills, etc.)	36%	42%	59%
Live-feel reality TV (American Idol, X Factor, Dancing with the Stars)	27%	43%	57%
How-to/food related (TopChef, Mythbusters, etc.)	41%	48%	54%
Comedies (30 Rock, Modern Family, South Park)	28%	40%	44%
Procedural Drama (CSI, Gray's Anatomy, NCIS, Law & Order)	22%	34%	39%

Responses: 462

Figure 18: Ranking of Program Types – Search/Shop for Products Viewed on Television After Watching

	2 SCRNs	3 SCRNs	4 SCRNs
Independent Drama (Breaking Bad, Mad Men, Walking Dead, etc.)	20%	31%	71%
How-to/food related (TopChef, Mythbusters, etc.)	20%	41%	67%
Live-feel reality TV (American Idol, X Factor, Dancing with the Stars)	23%	27%	62%
Recorded reality TV (Jersey Shore, Survivor, The Hills, etc.)	19%	35%	58%
Sporting events (NFL, NBA, Soccer, etc.)	24%	36%	56%
Comedies (30 Rock, Modern Family, South Park)	18%	29%	55%
Procedural Drama (CSI, Gray's Anatomy, NCIS, Law & Order)	18%	26%	52%

Responses: 443

6. The Multi-Screen Shopper

Multi-tasking is a mixed blessing for brands. Many of the things that consumers do while watching television have nothing to do with the product or services that pay for programming and many of them may distract consumers from marketing. Additional screens compete for attention and offer innumerable content options during commercial breaks.

But, there are significant opportunities for marketers as well. Shopping is one of the primary activities of multi-screeners, topping out with 69% of 4SCRNs under 44 years old, who say that they're likely or very likely to search/shop for products they've viewed while watching TV.

For anyone who focuses on the evolution of digital media, it's easy to forget that most people hear about new products from friends (in person, not on Facebook), that they like shopping in stores, and that they're perfectly happy not to get follow-up email from companies, even after they purchase a product.

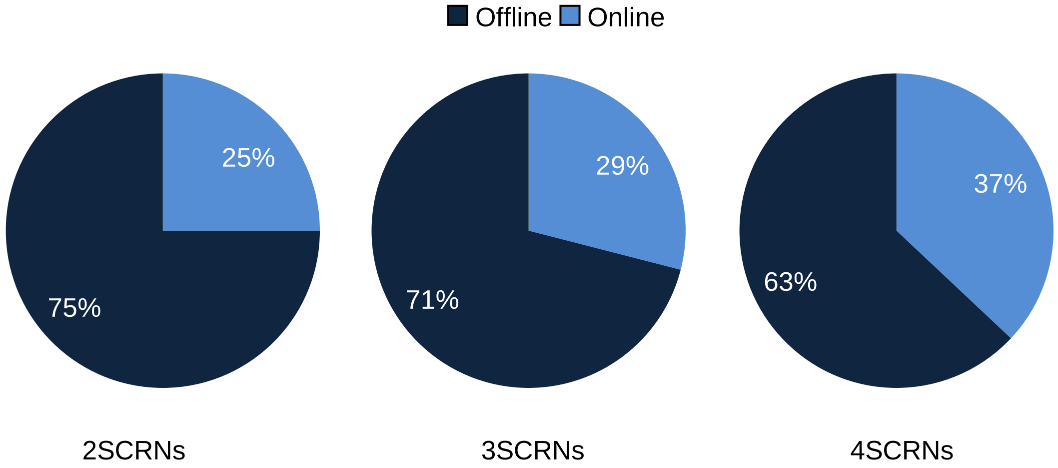
On the flip side, long time brand advertisers have a difficult time grasping how profoundly the Internet has changed commerce, from start to finish. Television is still the best way to let millions know about a new product, but it's not the only way, and it shouldn't stand alone. If it does, there's the risk of missing out not just on the digital-only cord cutter (a small, if affluent minority), but on the masses.

The second screen is an optimal shopping companion and we're only starting to understand and make use of its potential. Television may be the most direct path to awareness, but the Internet in general and the second screen specifically provides the mechanism for doing something.

6.1. Awareness, Research and Relationship – Multi-Screen Consumers Notice and (Sometimes) Prefer Digital

In an attempt to explore how the multi-screen affects shopping, if at all, respondents were asked to list their top three sources for becoming aware of new products, researching products and finally, for being kept in touch with by brands. Their choices were coded online or offline, and make up the basis for charts 19 – 21.

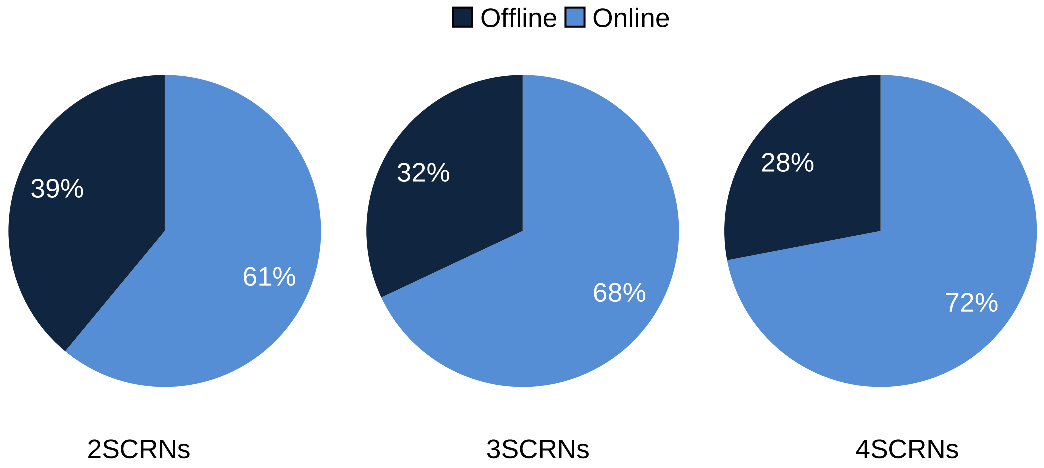
Figure 19: How Consumers Become Aware of New Products and Services



Responses: 438

How we become aware of products is usually more of an impression than a tangible memory. When was the first time someone saw or heard about the car they drive, or the television they watch? As far as survey respondents recall, their new product discovery largely happens offline, no matter how many Internet-friendly devices they own. Still, a significant percentage of 4SCRNs (37%) cited digital sources of new product awareness. General and niche websites were most frequently mentioned, but social sources were also quite common.

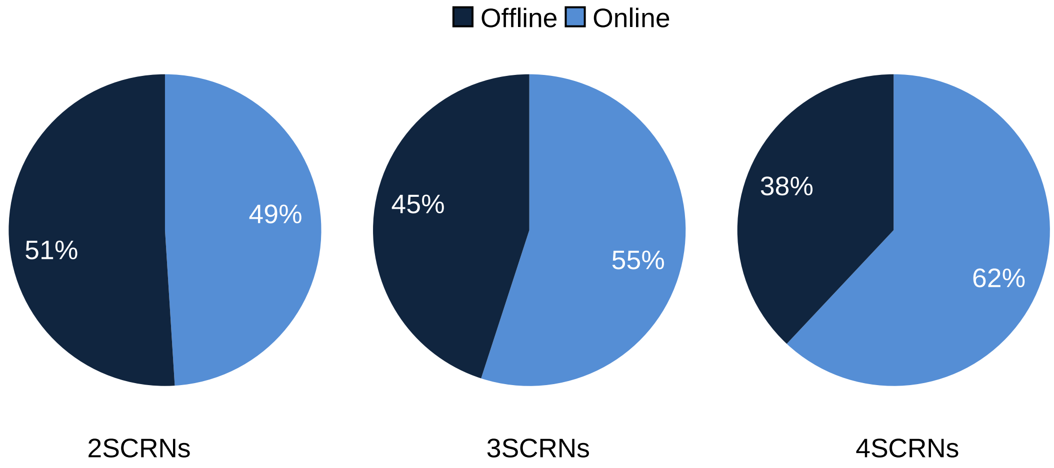
Figure 20: How Consumers Prefer to Research New Products and Services



Responses: 449

How we conduct research is a matter of preference, and all groups prefer online sources of information by a significant margin responses. Even for 2SCRN respondents, 61% of cited sources were digital, rising to 72% for those with tablets. Among offline sources, the most common was the personal advice of friends and family, which also manifest digitally; social networks were mentioned frequently, second only to searching directly for product information.

Figure 21: How Consumers Prefer for Companies to Keep in Touch with Them



Responses: 438

The ways in which companies keep consumers informed after a purchase are limited. Catalogs and direct mail are the most often cited of offline channels, and by a slight margin, 2SCRNs prefer these methods. But for most three and four screen respondents, digital is more convenient. Email is the by far the top choice among online channels, followed by connecting with the brand through social networks.

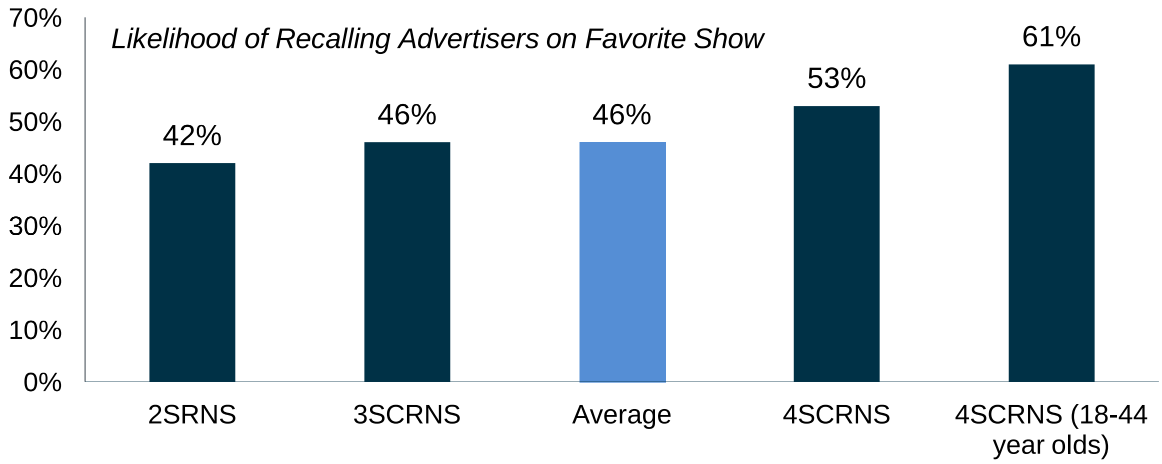
7. Multi-Tasking Multi-Screeners Are Too Distracted to Recall My Brand, Right?

As part of the *How We Watch Survey*, we asked respondents to name their favorite television show, and once they had done that, to name up to three advertisers if any came to mind. Our assumption was that multi-screen activities would reduce brand associations due to distraction, but that's not what was observed.

Being a 3SCRN or 4SCRN consumer did not reduce someone's likelihood of naming specific brands. In fact, it was somewhat more likely that they would name advertisers on their favorite shows than 2 SCRN peers. It may be that because people have their second devices during commercial breaks, they're less likely to channel surf or skip the commercial block and are aware, at some level, of the brands on the screen.

Overall, 46% of respondents could name at least one advertiser. 2SCRNs had a 42% chance, compared to 46% of 3SCRNs, 53% of 4SCRNs and 61% of 4SCRNs between 18-44 years old.

Figure 22: Recall of Brands Associated With "Favorite" Program



Responses: 934

The type of programming has a relationship with whether people can cite one or more advertisers;

- People seemed to be especially aware of the primary advertisers on reality shows with a "live feel" such as American Idol, Survivor, The Voice – 65% could recall at least one sponsor.
- Independent dramas also scored well in sponsor recall, with 49% remembering an advertiser from programs like Mad Men, Breaking Bad, Justified and The Walking Dead.
- Comedies like The Big Bang Theory, Modern Family and Family Guy didn't score with the average – only 32% of respondents citing a comedy could associate a sponsor with it.
- Police procedurals came closer to the overall average, as 38% recorded a sponsor for shows like NCIS, The Mentalist and the CSI/ Law & Order franchises.
- Note – because the question asked for a specific program on commercial television, sports programming was not cited in significant numbers – it is included in **Section 6 – The Reality (Show) of Tomorrow**.

8. Lessons of the Multi-Screen Consumer

8.1. For Publishers

Multi-screen TV watchers aren't the future, they're the present. A majority of people are watching TV with another device in their hands, and their numbers are growing. They're ready to shift their attention to the second screen when they're pushed by boredom or pulled by a new text or email or sports' update. Even during live events their attentions are split between watching and talking about what they're watching.

For publishers, there's the possibility of creating experiences that are compelling and useful for consumers, and powerful branding tools for advertisers. That means developing strategies that reflect how people want to get content and the devices they're using to get it.

Content will increasingly be expected to have the qualities of being *optimized*, *complementary* and *transferable*.

8.1.1. Optimized Phone | PC | Tablet | TV

User experience is a key differentiator among brands and media experiences on the Internet. Our tolerance for slow or poorly functioning websites is nil. Now consider the mobile device, where one second is one second too long, and our first assumption is that a site isn't working properly. The user experience goes from being important to paramount.

Acknowledging the importance of the UX has to be the foundation of any hyper-media strategy, where the consumers' attention to a single content theme moves from one device and format to another. This flies in the face of attempts to create multi-use content; for example, what works as television commercial is often too long to be a commercial online, though many have tried.

Publishers will have to test their assumptions about what people are doing and where, but a place to start is to consider that when given a choice, consumers look for the best device available for a given task;

Televisions are about the big experience. As we saw in Sections 4 and 5, consumers want control more than anything else. They're voracious about their social media, but they generally prefer that it stay on a more personal device than the TV screen. Of course, they'll always be open to something useful or fun, but content creators will have to prove it's worth it, and make it easy to access before people will use their televisions for something other than pure viewing pleasure. That's where the second screen can be extremely useful, in showing content that makes what's on the primary screen better.

The **tablet** and **laptop** are multi-use devices that are capable of easy and complex interactions, like going through a registration or purchase process. They can also show a website or download an app. Content can be both interactive and visually compelling. But it's worth remembering that even for the early adopters, television is still what people want to watch most of the time (Section 4.1) and the second screen is about information and communication.

The best content for **smartphones** is slim, fast and useful. It doesn't require a lot of typing, and makes assumptions about what you want based on few cues. If it makes sense, there should be use of location, and when you know that the location is "home" – the mobile site or app should reflect the proximity of other devices, offering to transfer content or compliment it.

8.1.2. Complementary Phone + PC + Tablet + TV

Creating powerful branding gets harder as the screen gets smaller. At least that's the maxim, but it may not be accurate for the multi-screen viewer. If publishers are able to create experiences that logically flow to and from one device to another, they can take advantage of the capabilities of each, while satisfying the consumer's desire to get what they want, when they want it, wherever they are.

Creating complementary content is a small technical hurdle and a significant creative one. On the technical side, if content is augmenting a television show, it needs to be timed to the second with the original broadcast and have the capability of being synched with a time-shifted or repeat program. For example, if a sports fan is using a tablet while watching a game on their TV, they'll want the super slo-mo replay option to be available instantly, so they can yell at the screen(s) in real time.

Creatively, the multi-screen may be a bonanza or a curse, depending on execution. Like the pioneer rush to Facebook, some publishers and brands will create ecosystems that thrive in the glow of the primary screen, while others simply don't gain a foothold.

It's clear that people are willing to have a second-screen experience, and that some of the time they want it to relate to what they're watching. But advertisers and publishers are going to have to create fun and useful experiences that are good enough to compete with the rest of the digital world and learn how to cross-promote between platforms. Most importantly, they'll have to create these second spaces (and the ad/sponsorship packages that include them) in such a way as to enhance the advertiser's brand impact, not distract from it.

The way that complementary content works and gets delivered may be new, but the themes aren't. Here are a few of the ways that publishers are already bringing a second screen experience to TV;

More information – simple and effective, if you've got content with strong engagement, people are going to want more information about the cast, the story, etc. IMDb sees traffic spike at commercial breaks and so will your mobile site and/or app. When trying to encourage multi-screen behavior, let viewers know that there's something waiting for them, right now, that they can't get elsewhere – a separate ending, interviews with the cast, clues to an upcoming episode.

Interaction – engagement is a challenge to define, but any advertiser would prefer that someone take an action of any kind over them sitting passively. That action might be commercial (a registration or even purchase) but it might also be simply brand related. Take a virtual test drive of the hero's car or enter to win a sponsored trip to the set.

Influence outcomes – reality TV has trained us that we can be part of the show. Voting, user-generated storylines and submitted content are powerful mechanisms for viewer loyalty and viral reach.

Product discovery – consumers may shy away from some advertising, but they (hopefully) embrace the products and services being pitched. The second screen is a natural shopping companion to the television.

Education and Self improvement – the growth of how-to, food and personal growth programming should remind us that the television is where many people get the inspiration and motivation for growth. The television is the perfect place to discover a new exercise program, but a mobile device is the place to make it real, to get a walk-through of the specifics, chart progress and to interact with others who have made it, not to mention purchase related products.

8.1.3. Transferable Phone <> PC <> Tablet <> TV

For the creators of television programs, web series and video games there is going to be an increasing expectation that content can be easily moved from one device to another. Streaming media companies have already begun including a time stamp in viewed content that allows the system to recognize where a viewer left off or a gamer stopped gaming.

This trend may work against experiences that require downloads and installations to operate – especially if they're on devices that people don't associate with the experience. Some connected televisions can accept apps for example, but the consumer hasn't been convinced of their use nor learned how to best access and use them.

8.2. For Advertisers

This study and many others have worked to frame the emerging television environment in its multi-screen, multi-tasking complexity. The second screen adds a new wrinkle in the evolution of brands from simply selling to customers to interacting with them through content.

- For brands that advertise on television, the multi-screen experience will be a shared responsibility with networks, publishers and agencies. Ultimately, however, the brand's relationship with the customer is at the center of their experience. The advertiser needs to be the representative of their customer and be dogged in protecting their interests.
- Change happens when brands require it. Advertisers haven't always paid close attention to the digital components of cross-media buys, because the real money and reach was centered on the television. The growth of the multi-screen consumer is one of the trends that suggest that a television-dominant approach may be too narrow.

  Brands need to help publishers achieve online what they've already accomplished on the television – powerful, emotional experiences. New video ad formats, shorter commercials designed for the online viewer and sponsored premium content are just some of the ways in which the impact for viewer and advertiser can be increased.
- Media buys need to reflect the reality of the second screen – that people are searching and shopping during commercial breaks (and sometimes not even waiting that long.) Content on show-related sites needs to be timed with the breaks, and so do ad buys on mobile sites and networks. Paid search should also reflect the simultaneity of multi-tasking.
- The multi-screen shift offers the opportunity for active engagement. It's fortunate that so far we don't see a drop in basic brand recall due to multi-screen behavior (Section 6), but what do people remember? Do they recall messaging on one screen while playing on another? Viewers should be given good reasons to spend their multi-screen time with branded experiences that offer fun, information or utility.

Do Advertisers Need a Hyper-media Strategy?

Hyper-media is a fancy way of saying "linked," and it's the way that consumers are expecting televised and other content be connected. The multi-screen viewer is rapidly moving between media and device and they're either going to do so independently or with an advertiser's help.

Clearly, we're headed toward a world where media is more fragmented, not less, and where people use multiple devices separately and together to consume content. Every indicator in this report is toward more...more clicking, more content, more devices and more distraction.

Having content that's a good compliment to the primary screen is the place to start, but it's not the finish line. Experiences have to be easy to access, compelling and timely. Brands that move to rapidly embrace this reality will have a clear advantage. They'll have an edge in understanding how to introduce their messaging to multi-screen consumers regardless of the evolution of their devices, behaviors and interests.

9. Recommended Reading

1. 17% of British TV viewers use social media to find new shows, Diffusion PR and YouGov, March 2012
2. As Gadgets Become Smaller, Cheaper and More Powerful, Media Remains the Killer App, Ad Age, January 2011
3. Channel 4 reveals motivation behind social engagement, Econsultancy, February 2012
4. Connected TV: journey to the centre of the living room, Econsultancy, January 2012
5. Consumers Disconnected with their Connected TVs, Kantar Media, May 2012
6. Disruptions: TV Makers Ignore Apps at Their Own Peril, New York Times Bits Blog, March 2012
7. Echo to Share Real-time Engagement Strategies at Social TV Summit, Echo, March 2012
8. Exposure 2011, Orange, December 2011
9. Global Advertising: Consumers Trust Real Friends and Virtual Strangers the Most, Nielsen Wire, July 2009
10. Global ICT trends, International Telecommunication Union, January 2011
11. Google TV struggling with less than 1m devices in use: report, Econsultancy, February 2012
12. How can marketers use TV ads to drive people online?, Econsultancy, July 2011
13. How Tablets Are Like Vampires, Ad Age, September 2011
14. IAB study reveals 44% of those surveyed use mobile to respond to TV ads, Econsultancy, January 2012
15. In the U.S., Tablets are TV Buddies while eReaders Make Great Bedfellows, Nielsen Wire, May 2011
16. iPad drives four times more iPlayer traffic than connected TVs, BBC iPlayer general manager Daniel Danker speaking at the Digital Television Group summit. March 2012
17. iPads, Mobiles, & Social Media: The Perfect TV Companions, Never.No, September 2011
18. In Europe, Tablets Replace TV Viewing But Smartphones Complement It, Ad Age, December 2011
19. KIT digital takes fresh approach to second screen, Broadband TV News, March 2012
20. Managing Events-driven Campaigns, Efrontier, January 2012
21. Mobile TV Applications, Devices & Opportunities 2012-2016, Juniper Research, March 2012
22. MTV Introduces On-Demand TV App in Europe, Ad Age, February 2012
23. Nearly 75% of Consumers Remember an Ad When Viewed Across Media Platforms, Nielsen, September 2011
24. Only 7% of British adults have used a connected TV to go online, Econsultancy, May 2012
25. Pampers to livestream web TV show within Facebook, Econsultancy, February 2012
26. State of the Media Democracy Survey 2012, Deloitte, 2012
27. State of the Media Spring 2012, Nielsen, Spring 2012
28. SXSW: Using transmedia to change TV, Econsultancy, March 2012
29. Tapad Brings Retargeting to Phones, Tablets, But Marketers Aren't Talking Ad Age, March 2012
30. The 5 C's of Connected TV, Econsultancy, April 2012

31. The big tip for 2012: convergence is here, Econsultancy, January 2012
32. The Magic of Doing One Thing at a Time, Harvard Business Review, March 2012
33. The Tablet-TV Connection, Forrester Blogs, April 2012
34. Time Inc. Study Reveals That "Digital Natives" Switch Between Devices and Platforms Every Two Minutes, Use Media to Regulate Their Mood, Time Inc, April 2012
35. Time Warner Cable, Comcast and the End of TV as We Know It, Ad Age, April 2011
36. Toluna C&M Social Media Marketing Best Practice Guide, Constant Motion / Toluna, February 2012
37. TV and search: associative marketing in a two-screen world, Econsultancy, November 2011
38. TV's Digital Age Will (Truly) Arrive In 2017, Ad Age, January 2012
39. Video Perceptions Survey, Discovery Research, January 2012
40. Welcome to the Digital Living Room, [Infographic] High Table, January 2012
41. What is social TV? Not Google TV or YouTube says NBC rep, Econsultancy, February 2012
42. What you need to know about interactive TV, Ad Age, February 2012