Digital Democracy Survey

A multi-generational view of consumer technology, media and telecom trends

Eighth Edition Headlines
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About Deloitte's Digital Democracy Survey

- This is the eighth edition of research commissioned by Deloitte's Technology, Media and Telecommunications (TMT) practice.
- Focusing on four generations and five distinct age groups, the survey provides insight into how consumers aged 14 and above are interacting with media, products and services, mobile technologies, the Internet, attitudes and behaviors toward advertising and social networks—and what their preferences might be in the future.
- Fielded by an independent research firm from 11/22/2013 to 12/5/2013, the survey employed an online methodology among 2,075 U.S. consumers.
- All data is weighted back to the most recent census to give a representative view of what U.S. consumers are doing.
- For meaningful changes, we look for differences in year-over-year tracking and generations of at least five percentage points.

Talking About the Generations

The survey focuses on four generations, and five distinct age groups:

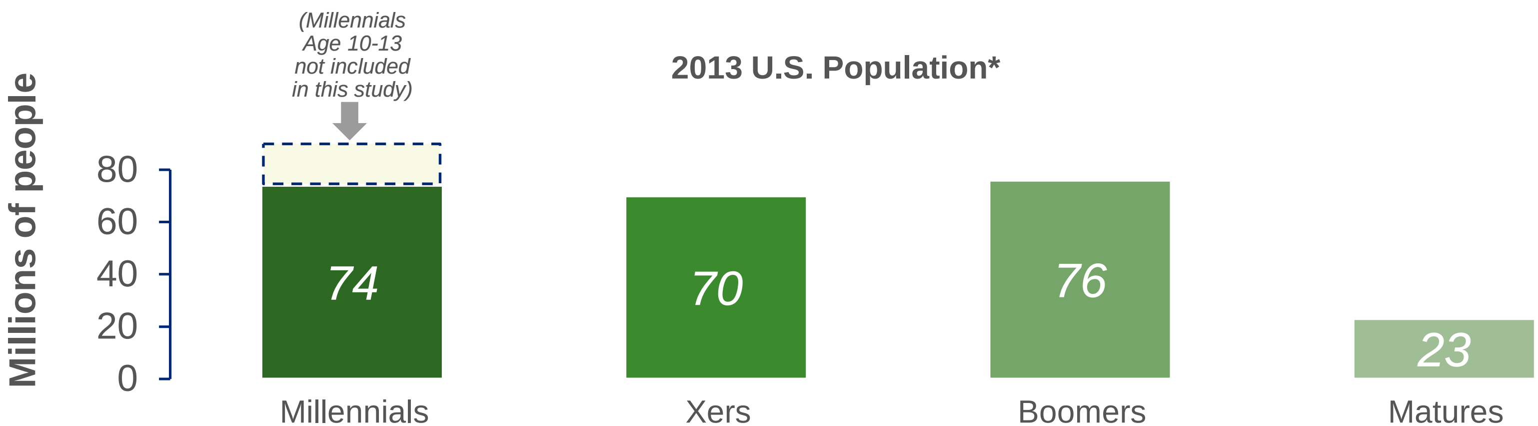
Trailing Millennials
Ages: 14-24
Birth Years:
1999 -1989

Leading Millennials
Ages: 25-30
Birth Years:
1988 -1983

Generation X (Xers)
Ages: 31-47
Birth Years:
1982 -1966

Boomers
Ages: 48-66
Birth Years:
1965 -1947

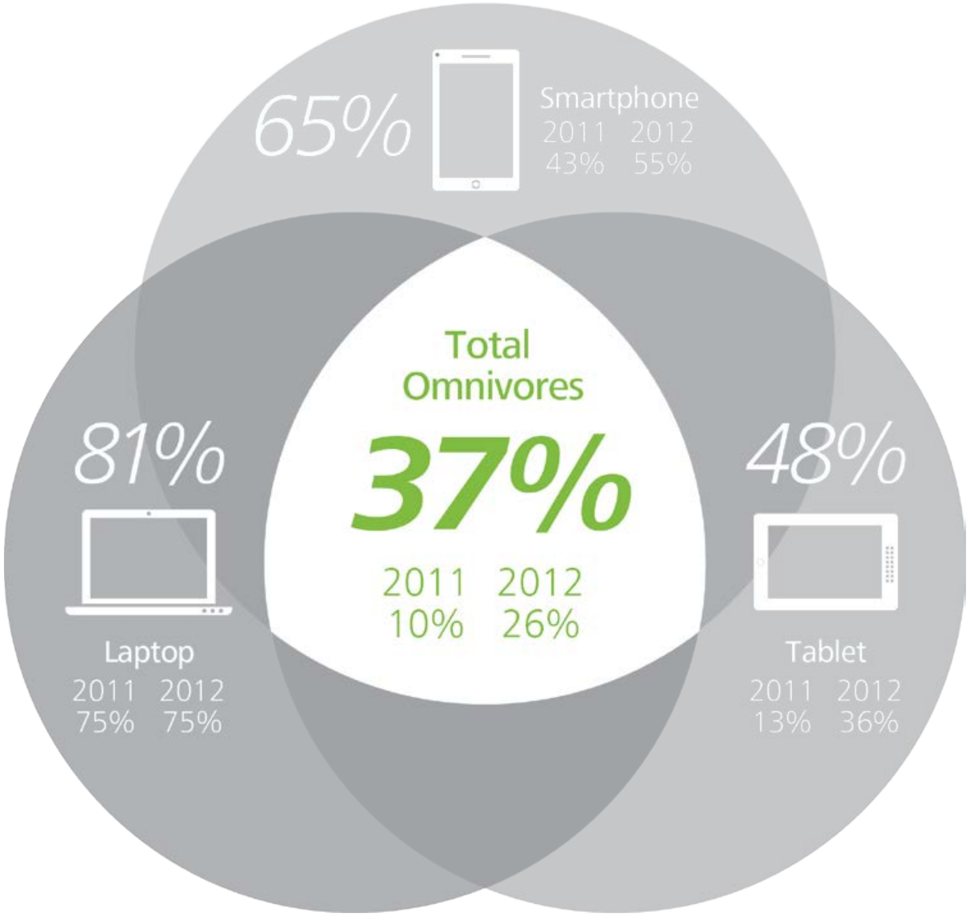
Matures
Ages: 67+
Birth Years:
1946 and prior



*2010 U.S. Census Bureau – Population Division
U.S. Interim Projections 2000-2050

The Digital Omnivore

Over one-third of U.S. consumers are Digital Omnivores, consumers who own a trio of tablets, smartphones and laptops



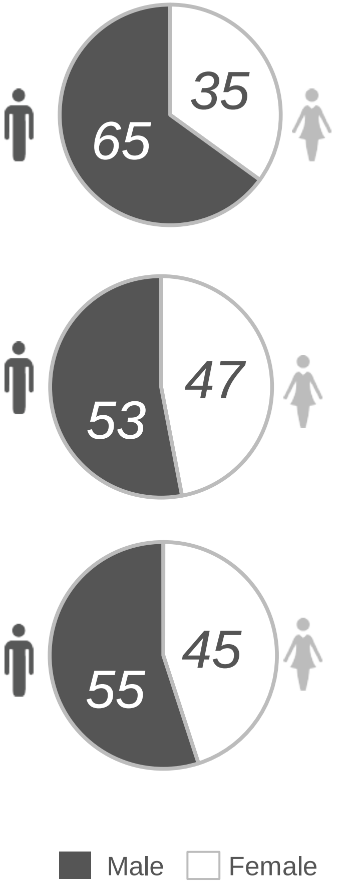
Women, who made up just over one-third of Digital Omnivores two years ago, now account for 45% of this group

Digital Omnivores (% gender)

2011
Total Digital Omnivores
10%

2012
Total Digital Omnivores
26%

2013
Total Digital Omnivores
37%



Evolving Consumption Models

Renting is preferred to owning 3:1; Interest in streaming has almost doubled in the last year

Q. Thinking about how you rent/purchase video entertainment, such as movies and television programming, how frequently will you do each of the following in the next 12 months?

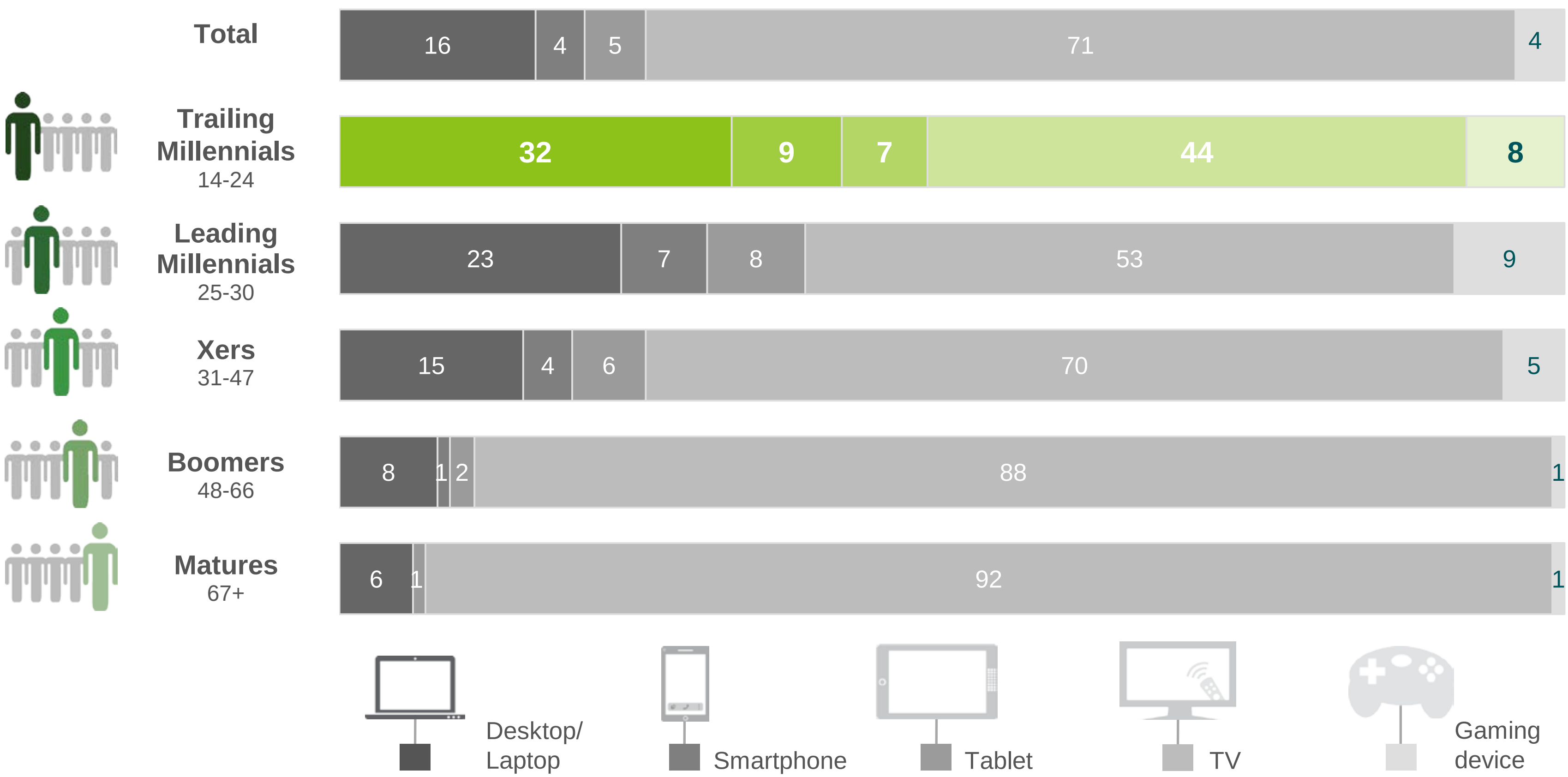
Among Total U.S. Consumers (%) Summary of Frequently (Everyday/Weekly)	2012	2013	2013 Trailing Millennials 14-24	2013 Leading Millennials 25-30	2013 Xers 31-47	2013 Boomers 48-66	2013 Matures 67+
Rent (OVERALL)	**28**	**42**	**58**	**65**	**50**	**26**	**15**
*Watch digital video entertainment via an online subscription streaming service	17	32	49	58	36	17	9
Rent dvd/blu-ray via mail service	13	11	14	20	11	7	7
Rent dvd/blu-ray via rental machine or kiosk	10	10	11	16	15	5	1
*Rent digital video entertainment where digital file is downloaded to your device	6	6	8	20	7	2	0
Rent dvd/blu-ray at a physical rental store	6	6	9	11	9	3	2
Purchase (OVERALL)	**12**	**13**	**19**	**32**	**14**	**6**	**3**
*Purchase digital video entertainment via online service	8	8	12	23	8	2	2
Purchase dvd/blu-ray at a brick and mortar retail store	6	6	9	12	7	2	0
Purchase a physical dvd/blu-ray from an online retailer	6	6	9	15	7	2	1

*2012: Rent digital video entertainment via online streaming service (i.e., not a hardcopy); Rent digital video entertainment where digital file is downloaded to your local system; Purchase video entertainment via online streaming service

Trailing Millennials are spending more time watching TV shows and movies on nontraditional devices than on TVs

Q. Of the hours you spend watching movies and/or TV shows per week, what percentage of time is spent watching on the following devices?

Percentage of time spent watching movies and/or TV shows on each device



U.S. consumers indicate they are largely content with their current Pay TV services

Q. Which of the following statements best describes you and/or your household with regard to pay television service?

Among Total U.S. Consumers (%)	2012	2013	2013: Trailing Millennials 14-24	2013: Leading Millennials 25-30	2013: Xers 31-47	2013: Boomers 48-66	2013: Matures 67+
I have paid television service and have no plans to cancel or change my paid television service within the next 12 months	69	67	65	63	62	70	80
I have paid television service and am considering changing to another paid television paid television service provider within the next 12 months (NOT cancelling altogether)	12	14	13	16	16	14	6
I have paid television service and am considering canceling my service within the next 12 months (I am considering cancelling my service altogether)	5	6	7	6	8	5	2
I have cancelled my paid service in the last 12 months (I no longer have any paid television service at my home)	3	3	4	5	4	2	1
I do not have paid television service and have not had paid television service within the last 12 months	12	10	11	10	10	9	11

Interest in purchasing TV channel a la carte packages is equal to consumer interest in bundled cable packages, with both at 47 percent

Q. In terms of how you purchase paid television, what would be your preference of the choices listed below?

Among Total U.S. Consumers (%)	2012	2013	2013				
			Trailing Millennials 14-24	Leading Millennials 25-30	Xers 31-47	Boomers 48-66	Matures 67+
Subscribe to a package of channels even if I do not regularly watch them all	50	47	49	52	47	44	47
Subscribe only to the channels I watch regularly	42	47	46	43	46	49	48
Purchase only those individual shows and events I want to watch	8	6	5	5	7	7	5

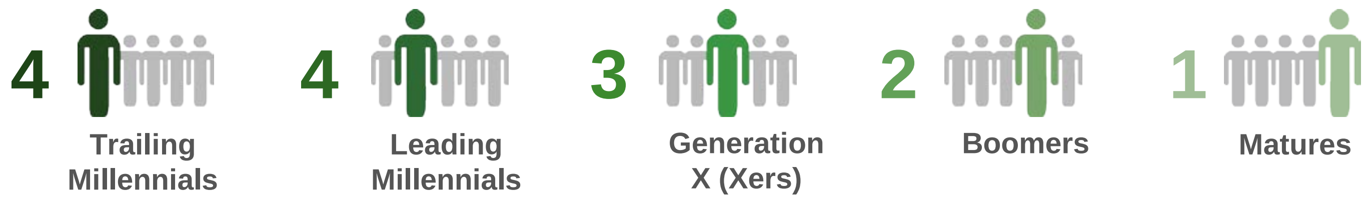
Multitasking on the Rise

Up from 72% two years earlier, 86% of all U.S. consumers say they are multitasking while watching television

Q. Which are things you typically do while watching your home TV?

Among Total U.S. Consumers (%) Summary of Always/Almost Always	Total 2012	Total 2013	2013				
			Trailing Millennials 14-24	Leading Millennials 25-30	Xers 31-47	Boomers 48-66	Matures 67+
Browse and surf the web	27	35	52	51	35	26	10
Read email	26	30	35	39	29	30	16
Text message	23	26	51	41	25	13	3
Use a social network	23	26	48	48	26	14	5
Write email	19	22	25	33	22	19	12
Browse for products and services online	17	21	32	36	21	15	5
Play video games	16	18	25	26	20	13	8
Talk on the phone	17	18	21	27	22	14	6
Purchase products and services online	11	16	23	23	18	10	4
Microblogging	9	14	35	28	12	2	1
Read for pleasure	14	14	16	25	15	9	8
Read for work and/or school	12	13	24	27	14	3	1
Nothing else - just watch TV	19	14	7	9	12	16	27

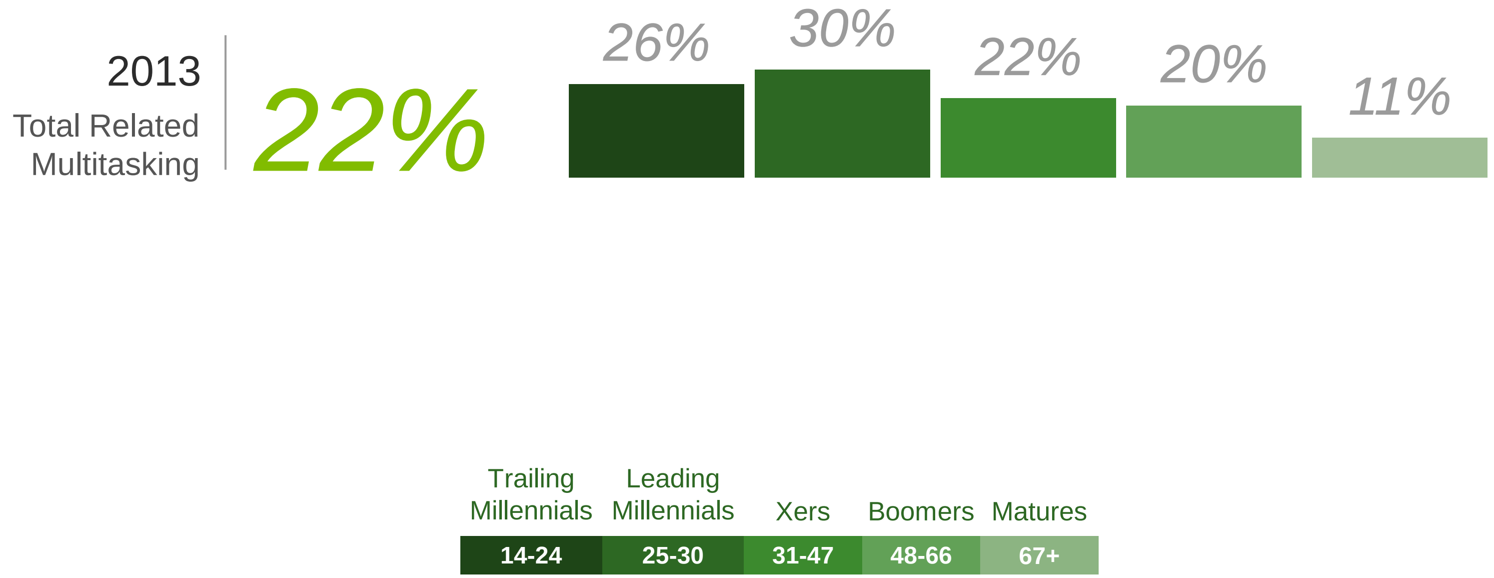
Average number of additional activities while watching TV



However, fewer than one-quarter of multitasking activities are directly related to the programs that consumers are watching

Q. What percentage of your multitasking activities are directly related to the program you are watching?

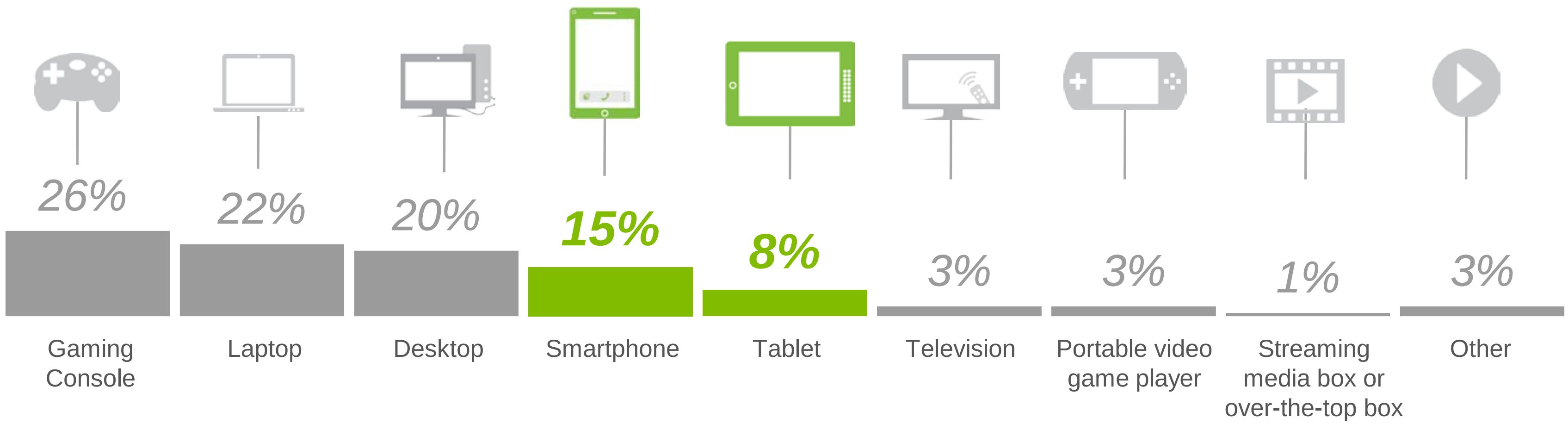
Percentage of Multitasking Directly Related to Program



Gaming Beyond the Console

Consumers are spending nearly a quarter of their gaming time on smartphones and tablets

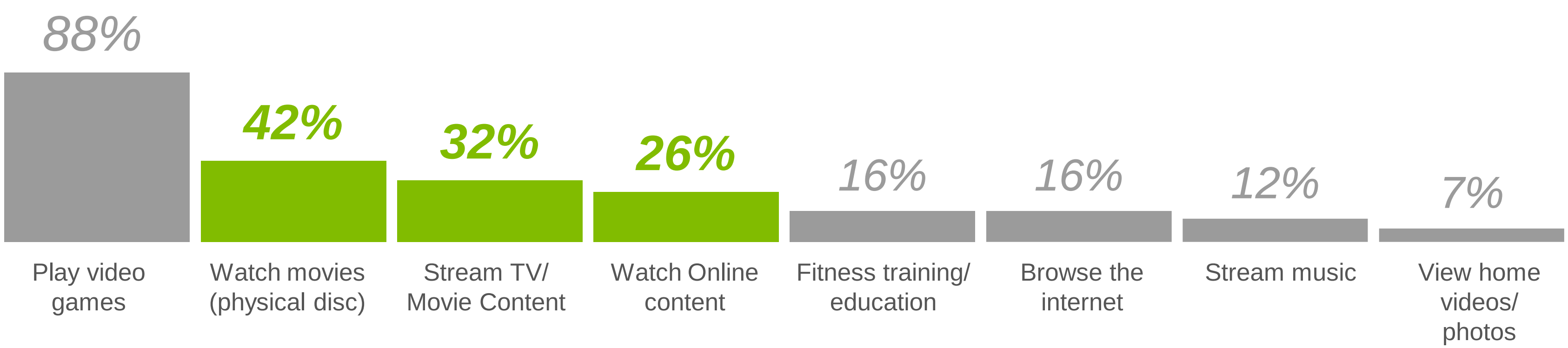
Q. Of the time you spend playing games (all types of games), what percentage of time do you play games on the following devices?



Among Gamers (%) Gaming time on each device	Total	Trailing Millennials 14-24	Leading Millennials 25-30	Xers 31-47	Boomers 48-66	Matures 67+	Male	Female
Gaming console	26	32	35	29	16	4	32	19
Laptop	22	18	16	19	27	34	18	25
Desktop	20	12	12	16	30	48	21	19
Smartphone	15	20	19	16	8	5	12	17
Tablet	8	6	7	10	10	7	8	9
Television	3	3	3	3	4	1	3	3
Portable video game player	3	5	3	3	1	1	3	3
Streaming media box or over-the-top box	1	1	1	1	0	0	1	1
Other	3	3	3	3	5	1	2	4

The gaming console is increasingly being used as a content consumption device

Q. What top three activities are you doing on your gaming console?



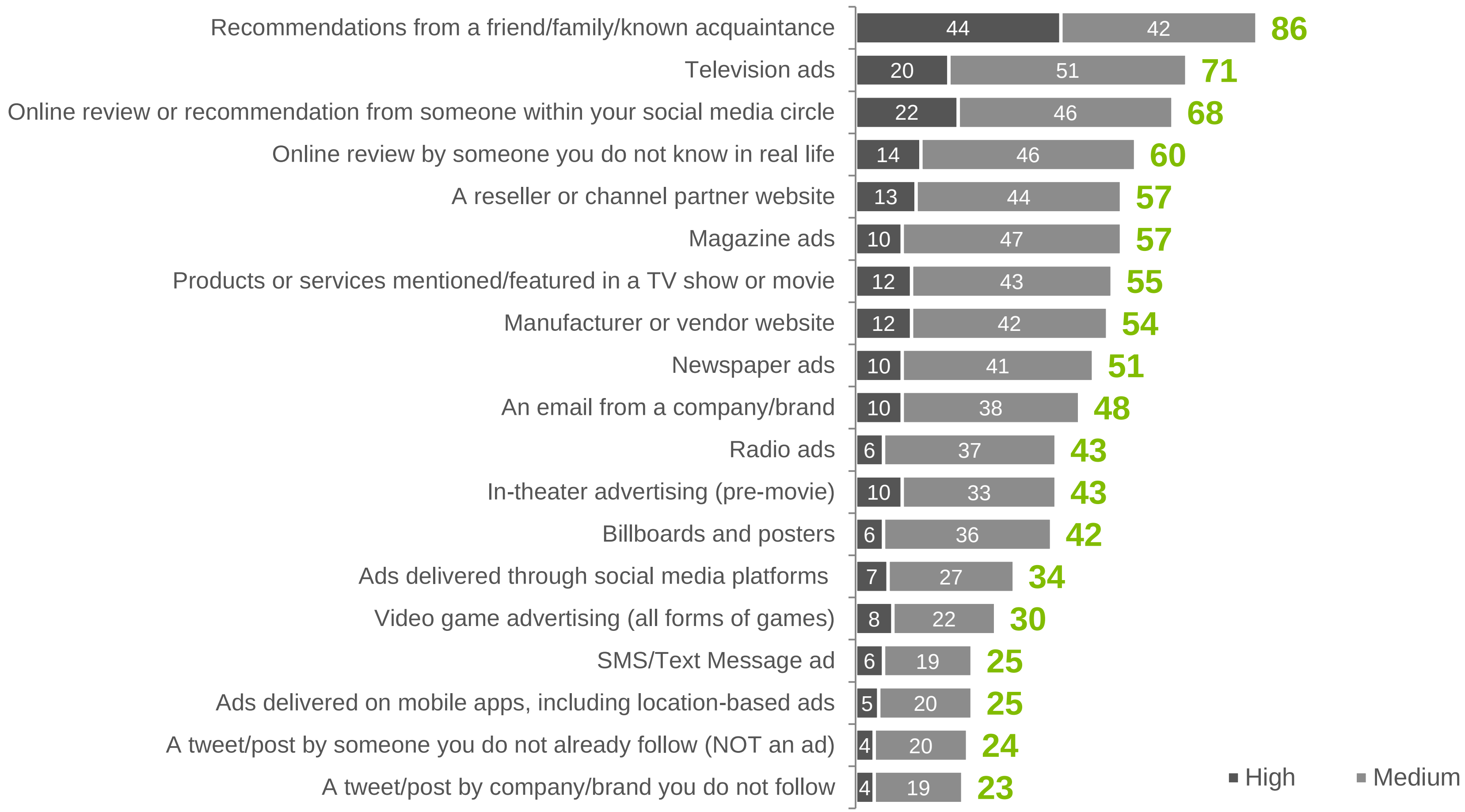
Among Console Owners (%) Top three activities	Total	Trailing Millennials 14-24	Leading Millennials 25-30	Xers 31-47	Boomers 48-66	Matures 67+	Male	Female
Play video games	88	90	91	89	82	91	92	85
Watch movies (physical disc)	42	41	49	46	31	11	42	41
Stream TV/Movie content	32	39	38	32	21	9	34	30
Watch online content	26	43	20	20	18	6	28	23
Fitness training/education	16	14	18	14	21	17	10	22
Browse the Internet	16	18	12	13	22	26	16	16
Stream music	12	16	16	11	8	8	12	13
View home videos/photos	7	3	6	8	9	12	6	7

Social Media Influences All

Personal recommendations, including those from within social media circles, continue to play a major role in buying decisions

Q. To what degree do the following influence your buying decisions?

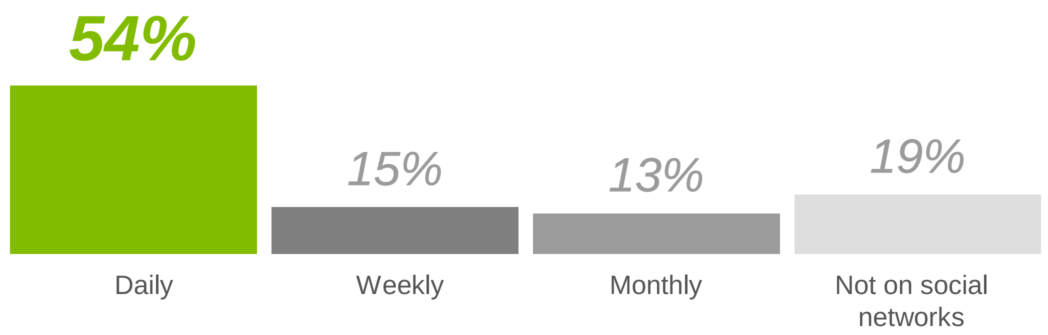
Total U.S. Consumers 2013 (%)



Checking social networks is a daily habit for 54% of U.S. consumers

Q. How often do you update/check your profile/social network?

Among Total U.S. Consumers



Among Total U.S. Consumers (%)	2013	2013: Trailing Millennials 14-24	Leading Millennials 25-30	Xers 31-47	Boomers 48-66	Matures 67+	Male	Female
1-3 times/day	33	37	37	39	27	21	31	34
4-10 times/day	12	21	20	13	5	2	11	12
10-20 times/day	6	13	9	4	3	0	5	6
More than 20 times/day	3	9	7	2	1	1	3	4
Weekly	15	8	14	18	16	14	17	12
Monthly	13	5	7	11	20	23	13	13
Not on social networks	19	8	6	14	28	39	20	18

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