

Frank N. Magid Associates, Inc.



## Magid Media Futures™ 2010: Online Video

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## Frank N. Magid Associates, Inc.

- Frank N. Magid Associates has been a leading research-based strategic consulting firm in the media, entertainment and communications industries for over 50 years. We interviewed over 1 million consumers by phone, online, and in-person in 2009. Conducted thousands of B2B executive and professional interviews.
- At the core of our work is our intense study of consumer behaviors and attitudes towards all aspects of communication and entertainment. Our staff has deep operational experience in all media platforms. These insights and experience form the nucleus of our operational and strategic consulting services.
- Magid has been instrumental in the success of hundreds of TV stations, networks, cable operators, game companies, wireless entities, newspapers, web sites and other media assets.
- Magid Advisors, the strategy and investment consulting group, has worked with public and private media companies in overhauling corporate strategies, advising investment firms on prospective investments, and conducted major due diligence efforts. We have worked on over \$7B in due diligence and investment engagements.



Magid is regularly featured in the press, including in these publications in 2009 & 2010.

## Magid Media Futures™ Practice

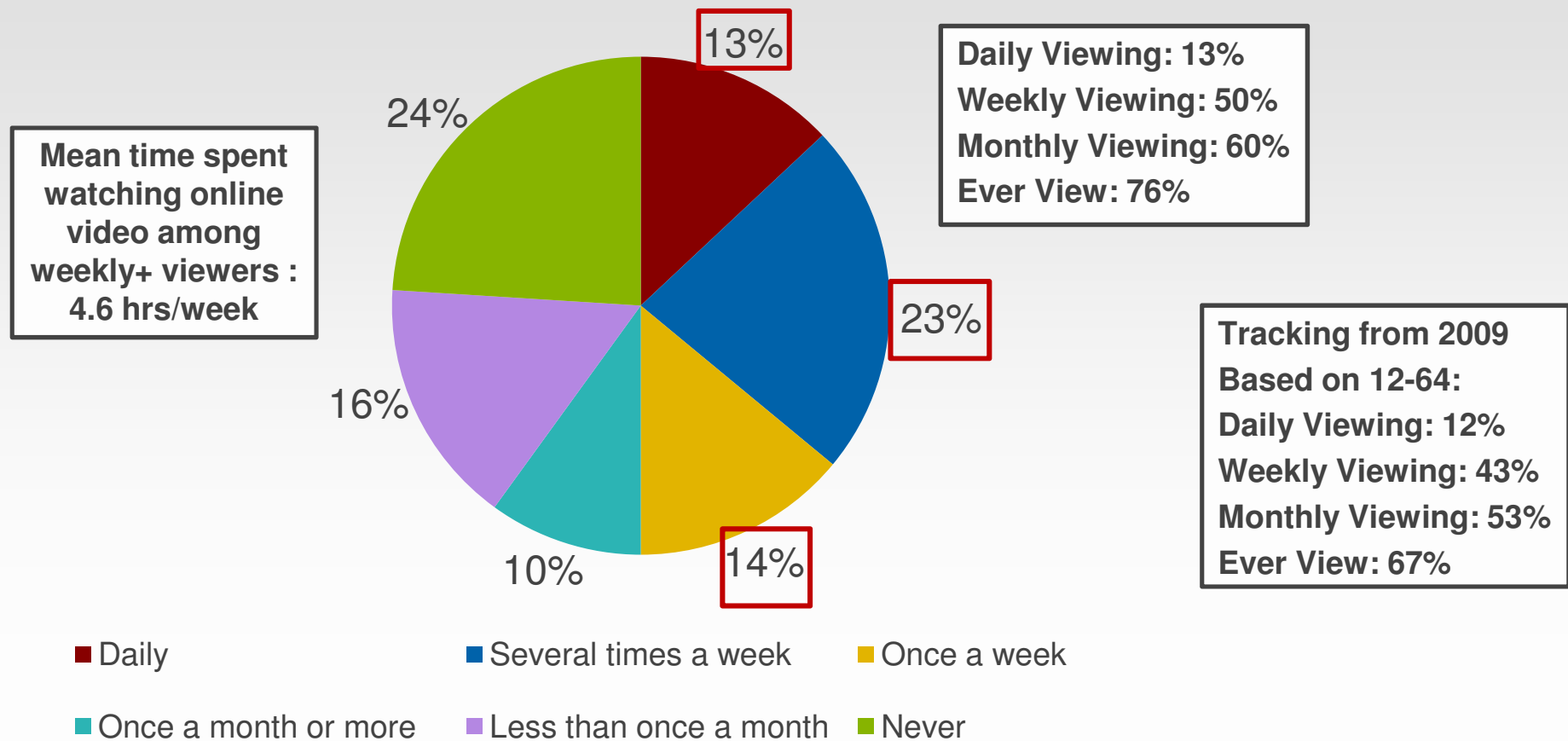
- Consulting service for Magid clients to help analyze, determine, and implement product and marketing strategies
- Nationally representative online survey of 2,412 people, of whom 1,955 were between the ages of 18 and 64 and 457 were between the ages of 8 and 17. The study evaluates attitudes and behaviors of media and entertainment consumers.
- Data were collected from May 7 through May 12, 2010.
- A high quality online research panel and data collection firm was use for recruitment and data collection.

## Overview of Key Findings

- 50% of Internet users now watch online video weekly or more
  - Up from 43% in 2009
  - Youth is driving viewing – 85% of Males 18-24 watch online video weekly or more and 67% of the 18-34 demo
- Continued growth is expected in time spent watching online video with a net of 5%+ more viewing in the next 12 months
- Short form rules online video consumption, holding eight of the top ten video genres
- 76% of online video consumers watch professionally produced clips regularly
- Of consumers who believe online video is just as entertaining as TV shows, 28% think they are *more* entertaining than TV shows
- Younger viewers find online video ads more acceptable than older viewers
- Interest in connecting a computer to a TV to watch online video is significant with 38% saying they are interested or very interested in this
- Online video appears to have a minimal perceptual effect on live TV viewing

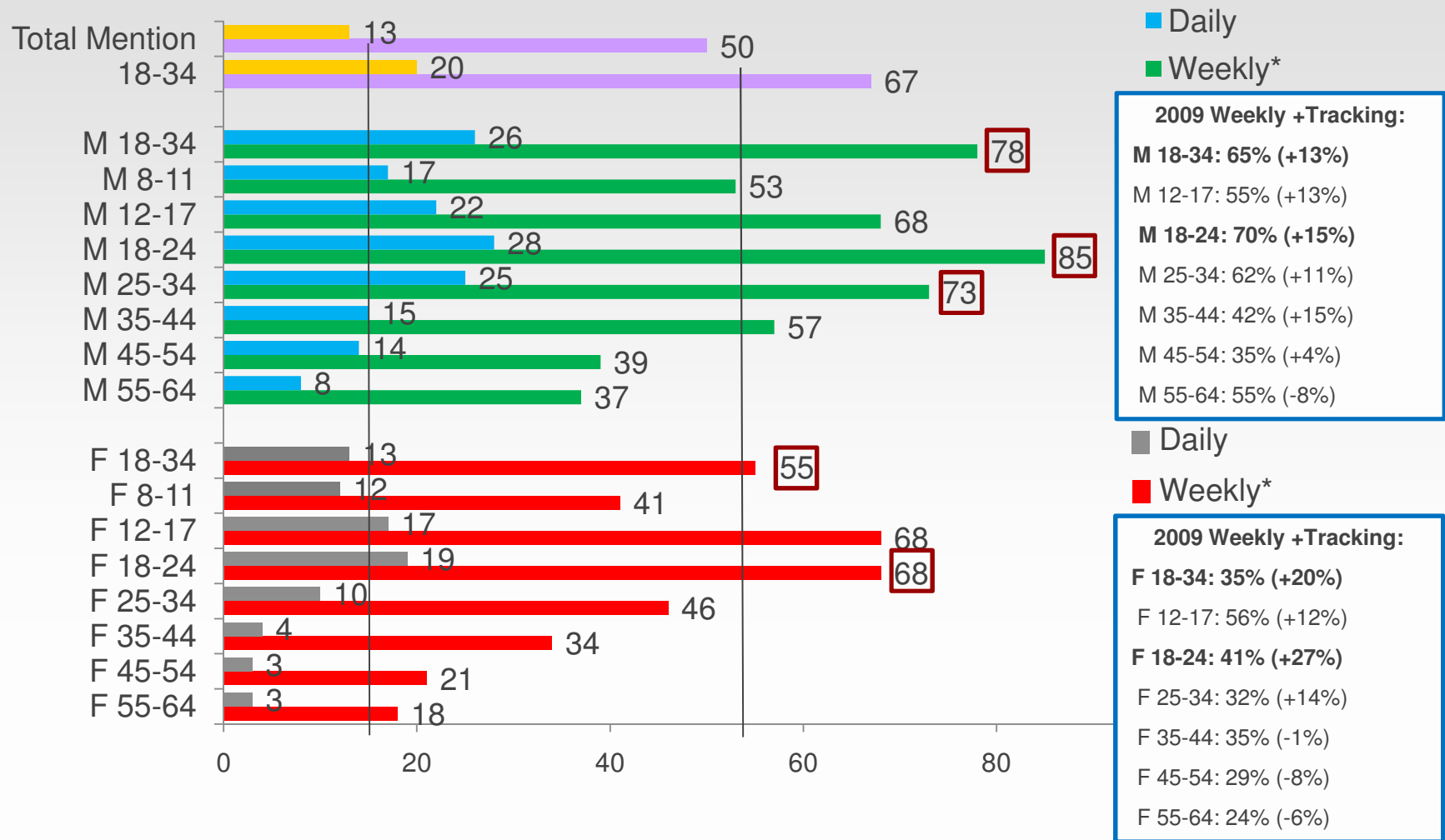
## ONLINE VIDEO

## Majority Of Consumers Watch Online Video Regularly – 50% Of Internet Users Watch Online Videos Weekly Or More



Base: Total respondents, 8-64. N=2402  
Q. 86 About how often would you say you watch **any type of video content online** on a computer?

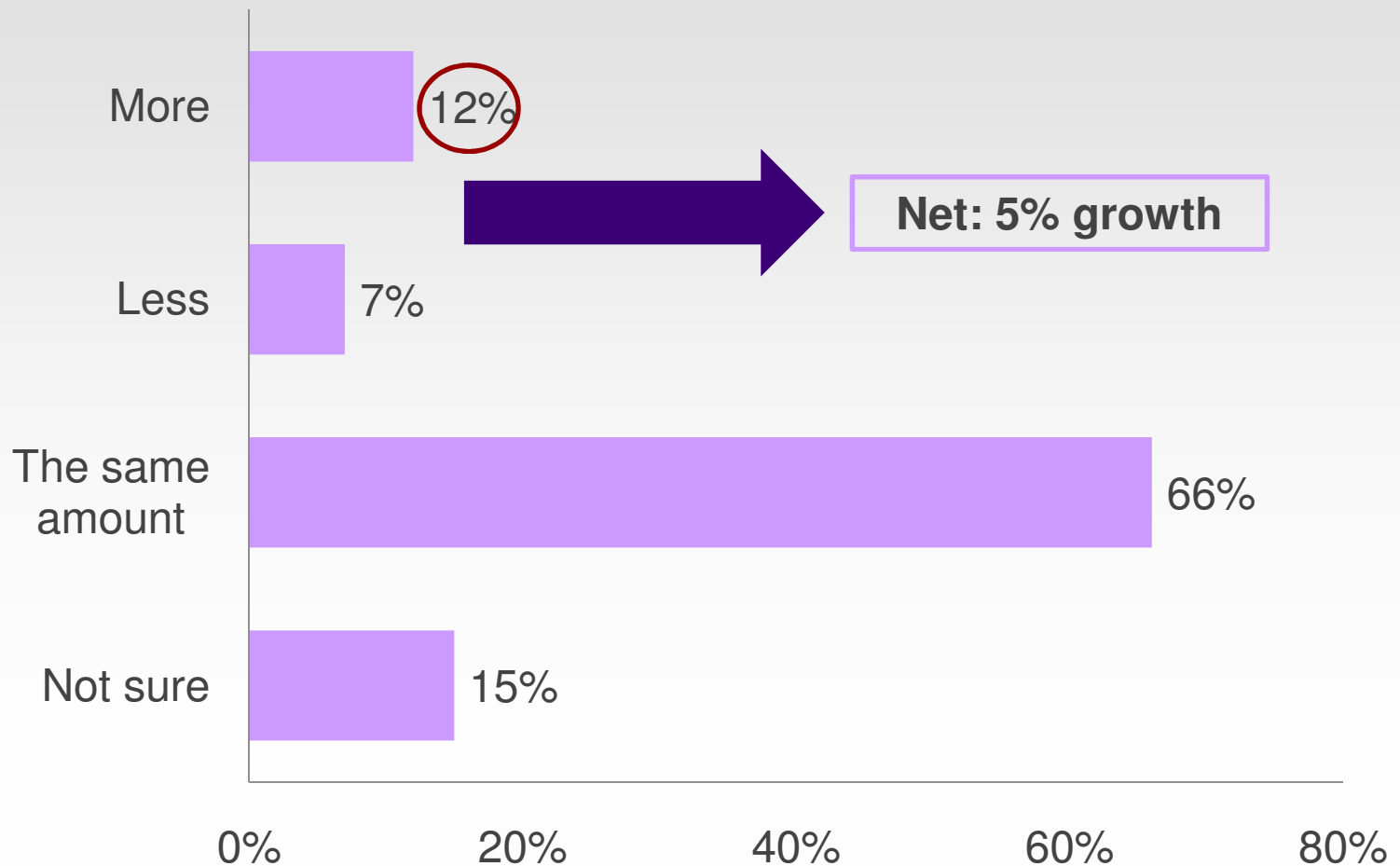
## Youth Drives Viewing: 85% of Males 18-24 View Online Video Weekly, And 68% of Females 18-24 Watch Weekly



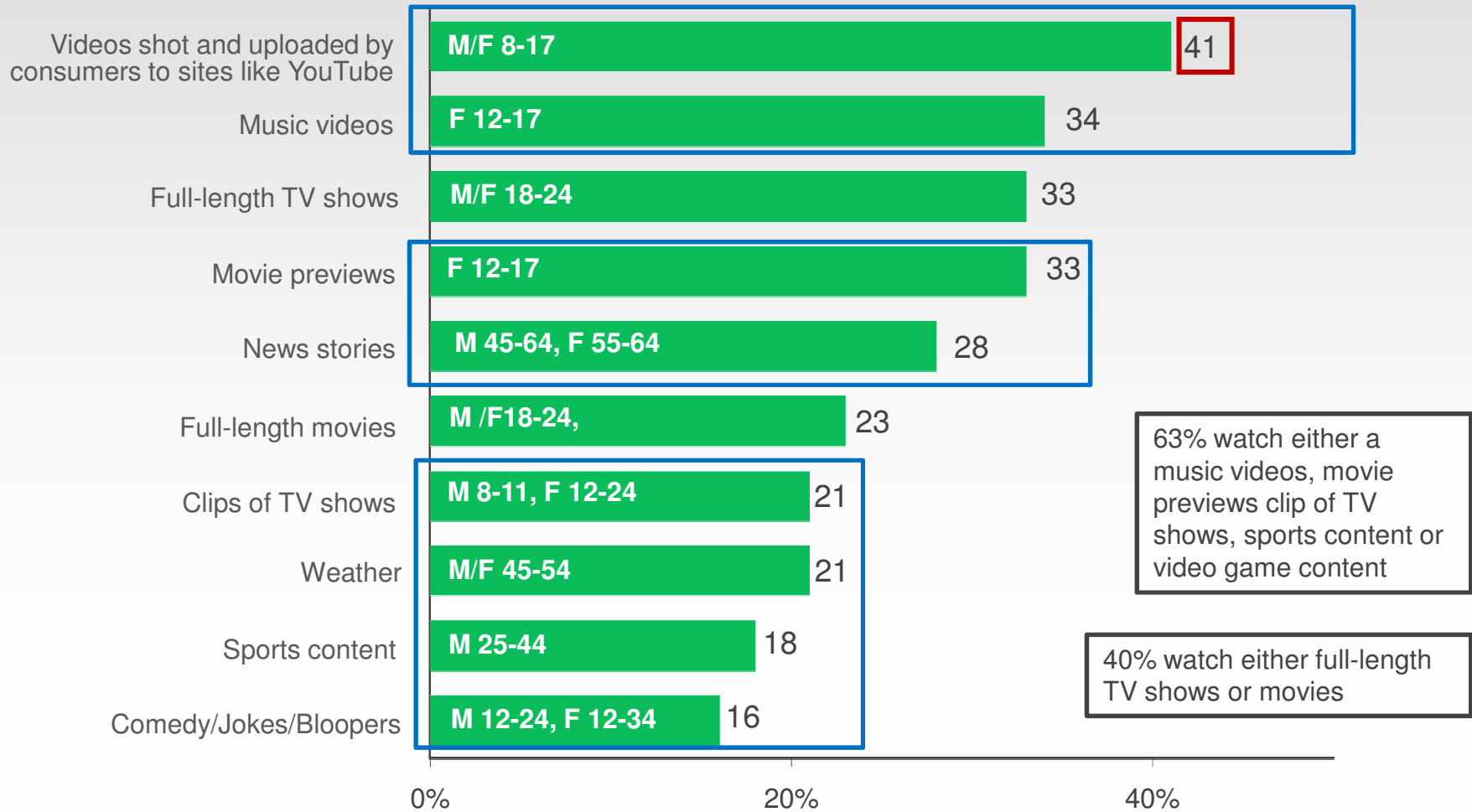
Base: Total respondents, N=2402  
 Q. 86 About how often would you say you watch any type of video content online on a computer?



## Consumers Intend To Spend More Time Watching In The Next 12 Months



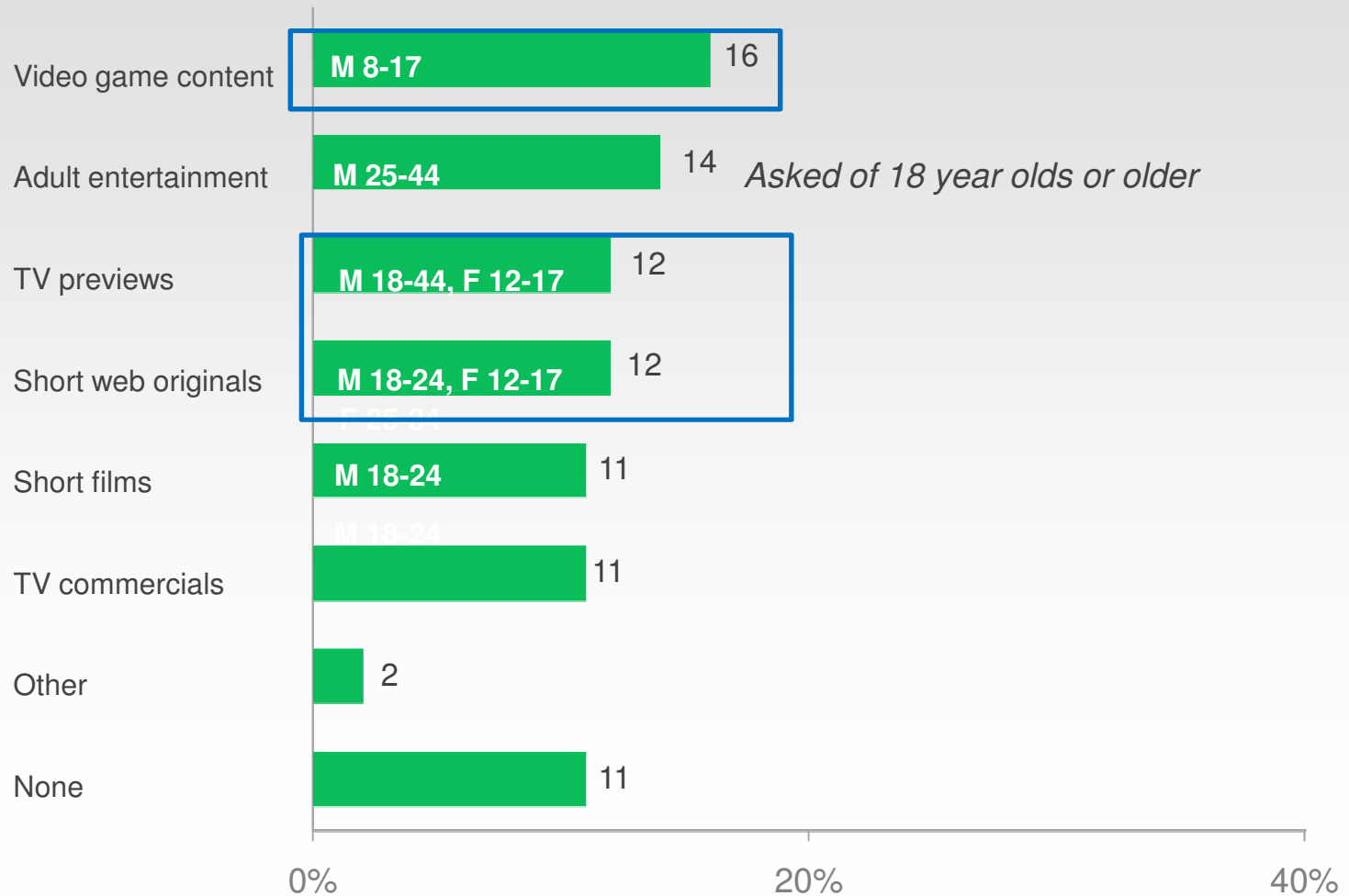
## Short-Form Videos Are The Most Popular In 8 Of Top 10 Genres



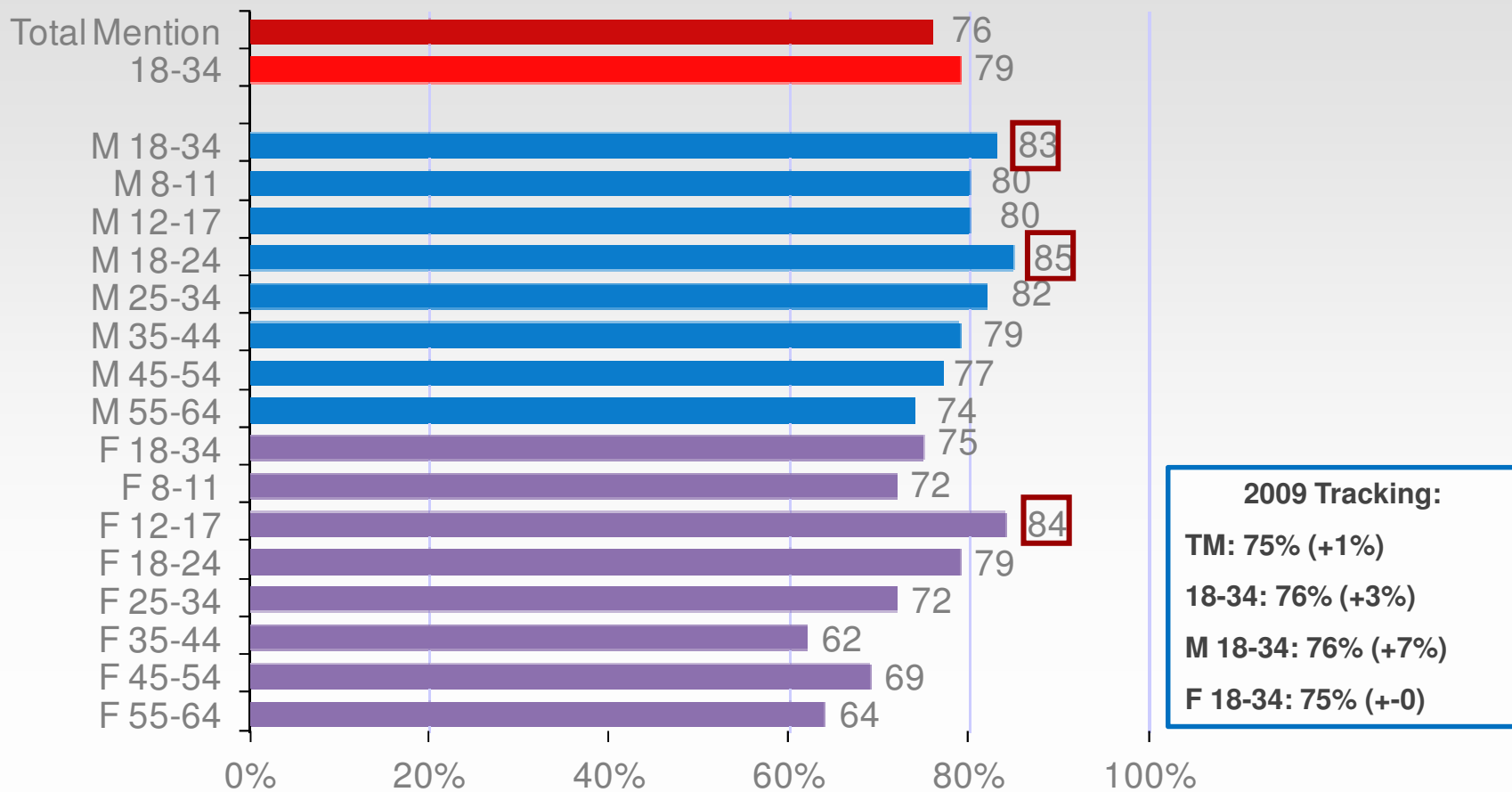
Base: Those who ever watch online video content, N=1827

Q. 87 Which of the following types of **online video content** do you watch **regularly**? Select all that apply.

## Other Types of Online Video Watched Regularly



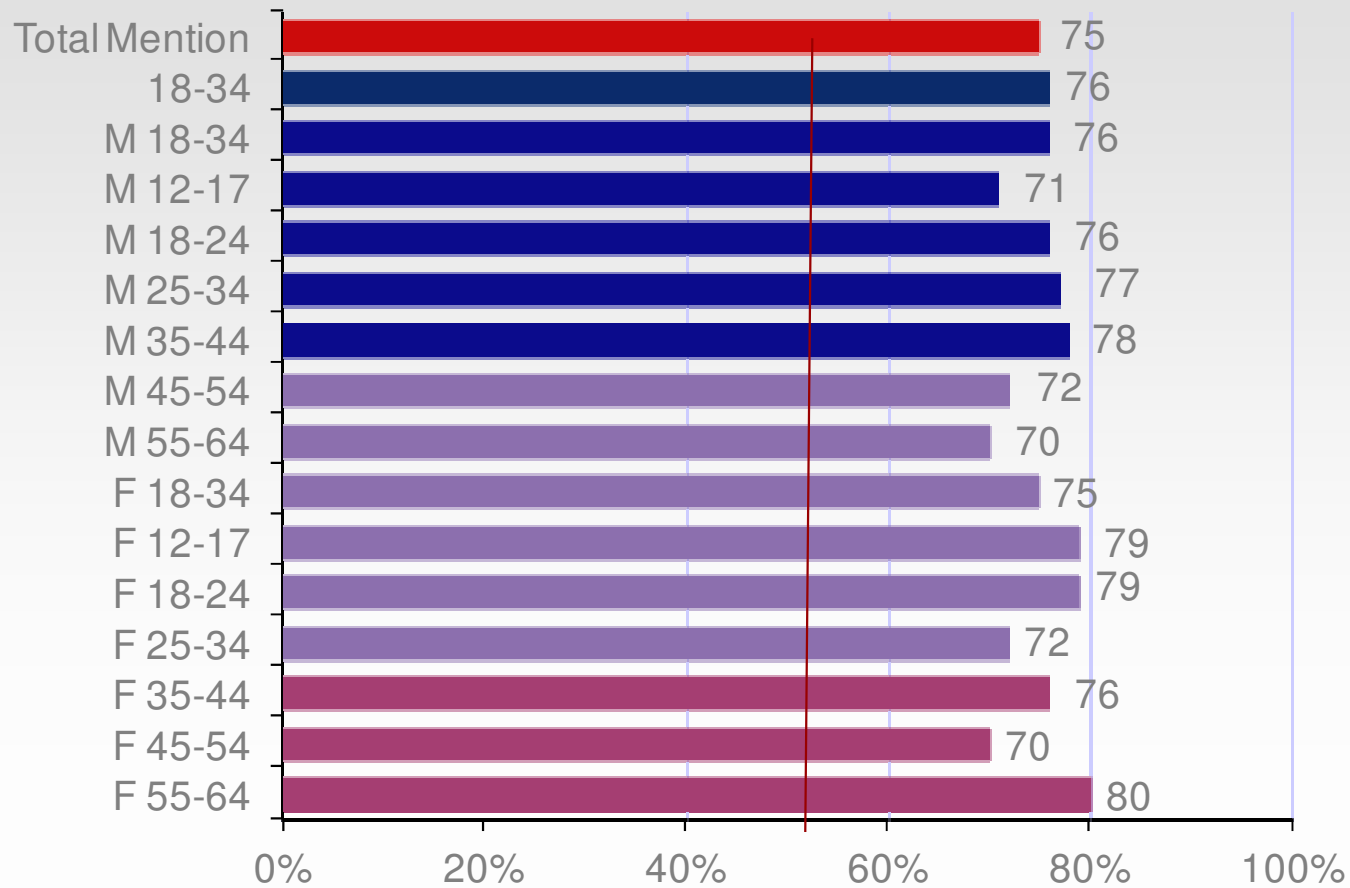
## 3 Out Of 4 Online Video Consumers Watch Some Type Of Professionally Produced Clips Regularly



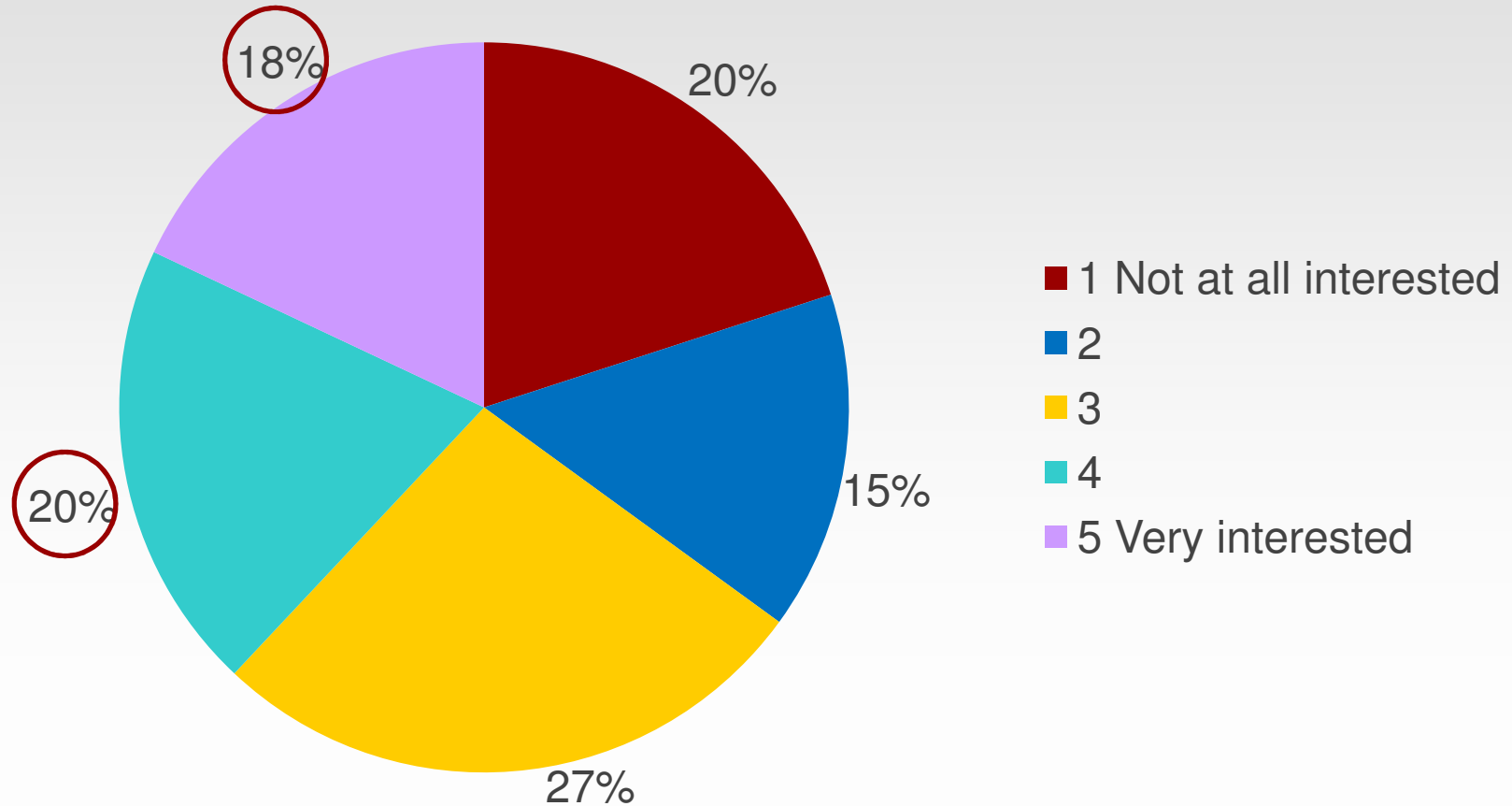
Base: Those who ever watch online video content, N=1827

Q. 87 Which of the following types of **online video content** do you watch **regularly**? Select all that apply. Those who answered: Music videos, news stories, movie previews/trailers/clips, short films, TV show clips, TV previews, weather, video game content, TV commercials

## 2009: Professional Short Form Online Video Is Viewed In Large Numbers By All Age Groups



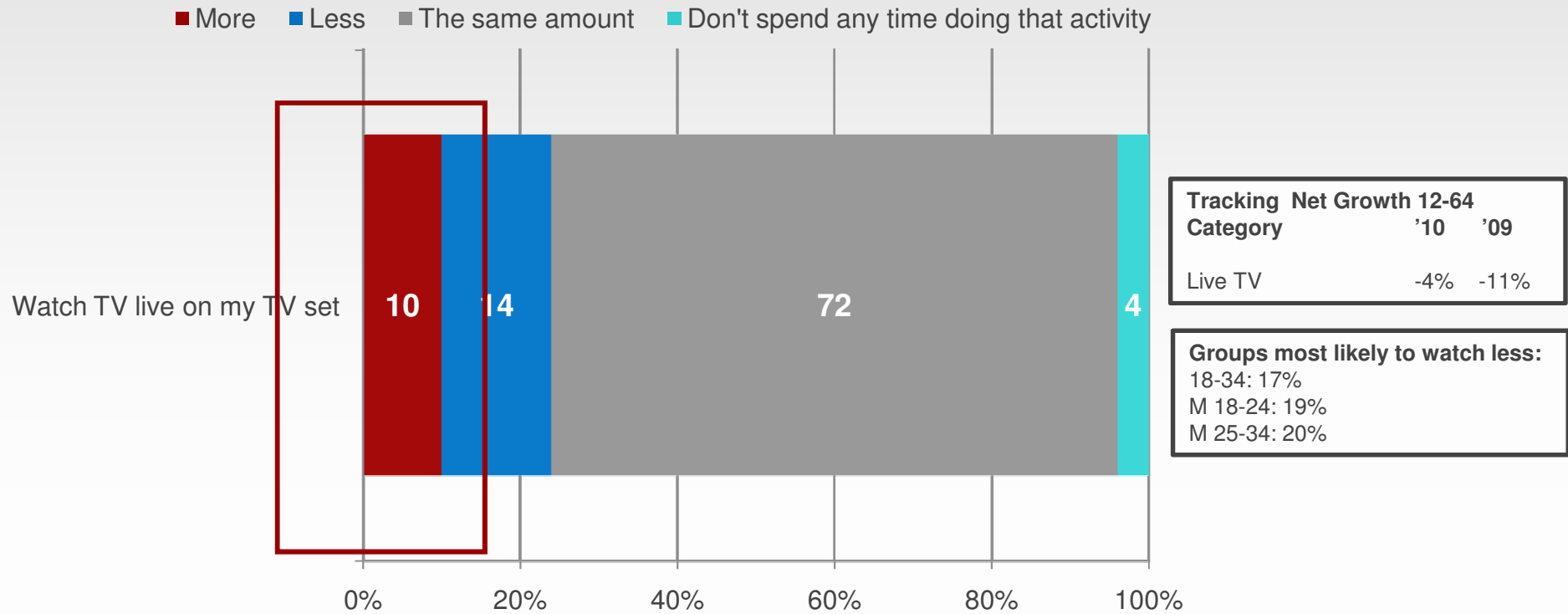
## 38% Are Interested In The Prospect Of Connecting Computer To TV To Watch Online Video



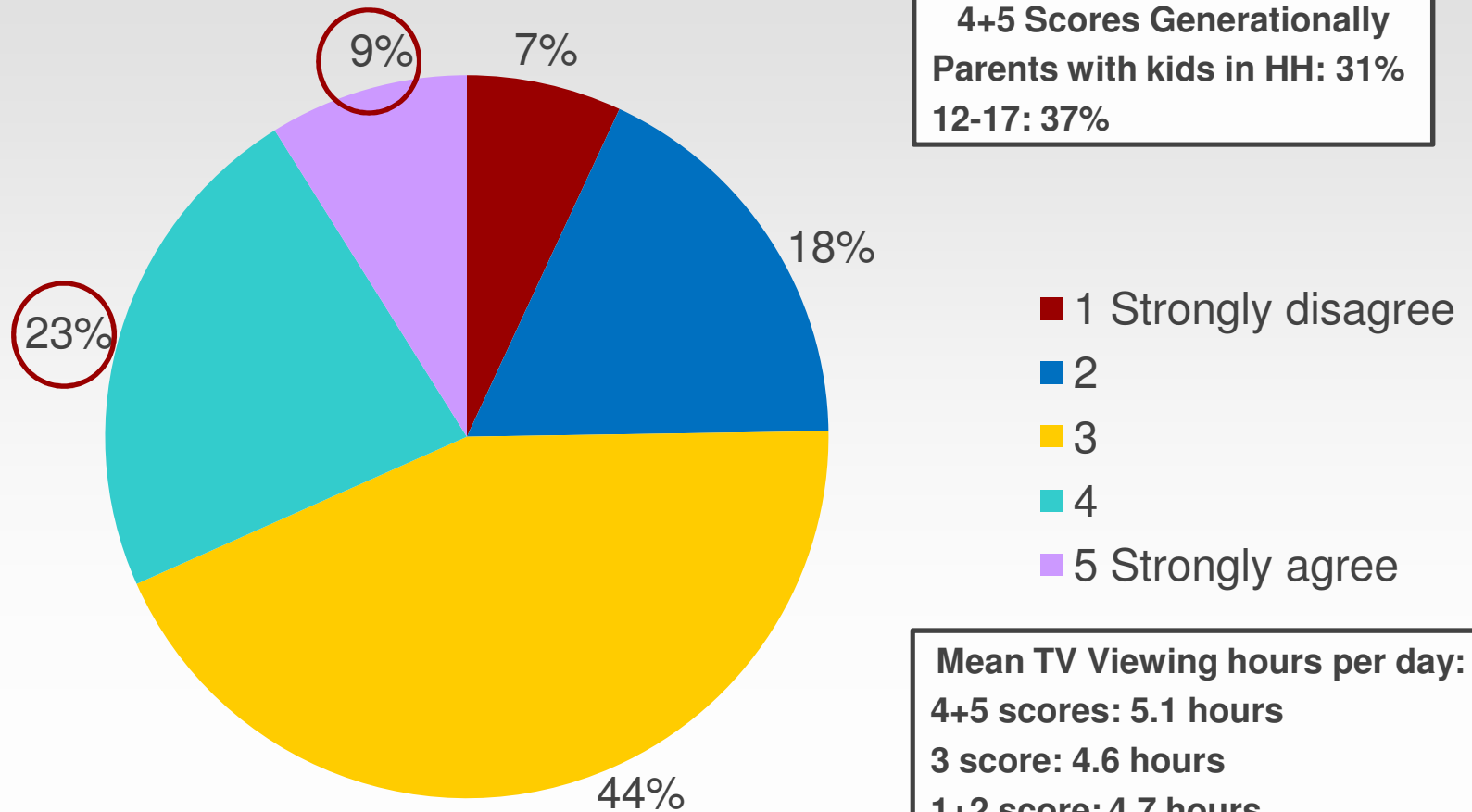
## Demographic Breaks – Interest In Connecting Computer With TV Set To Watch Online Video

	% Interest in connecting computer to TV to watch online video (Very interested/interested)
<i>N-Size</i>	1827
TM	38%
18-34	44%
M 8-11	41%
M 12-17	44
M 18-24	56
M 25-34	49
M 35-44	41
M 45-54	34
M 55-64	20
F 8-11	48%
F 12-17	40
F 18-24	34
F 25-34	36
F 35-44	33
F 45-54	27
F 55-64	18

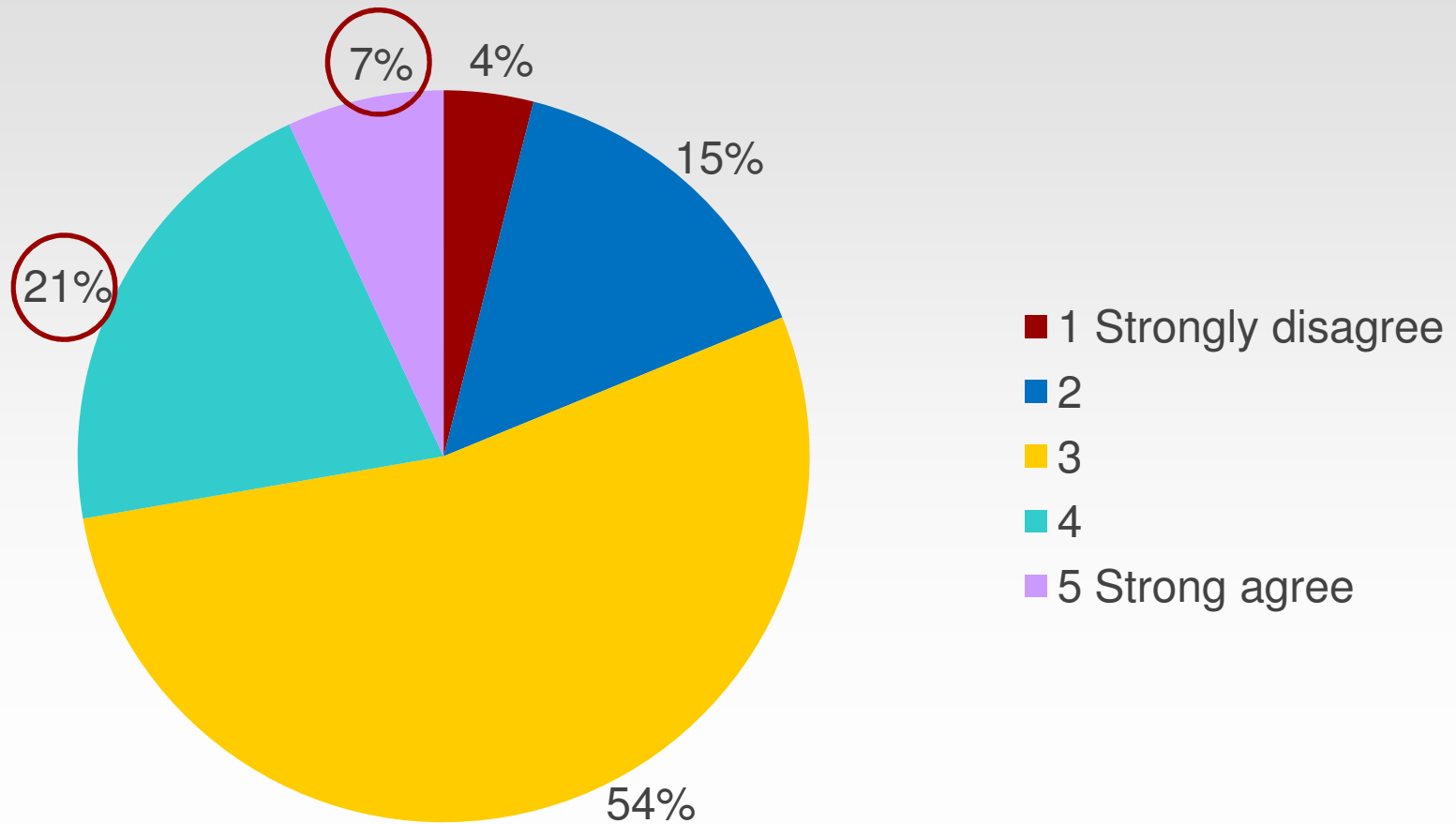
## Online Video Viewing Appears To Have Minimal Negative Effect On Watching TV Live On A TV Set



## 31% Of Consumers Who Watch Short Professional Clips Online Find These Videos Equally Or More Entertaining Than Full-Length TV Shows On A TV Set

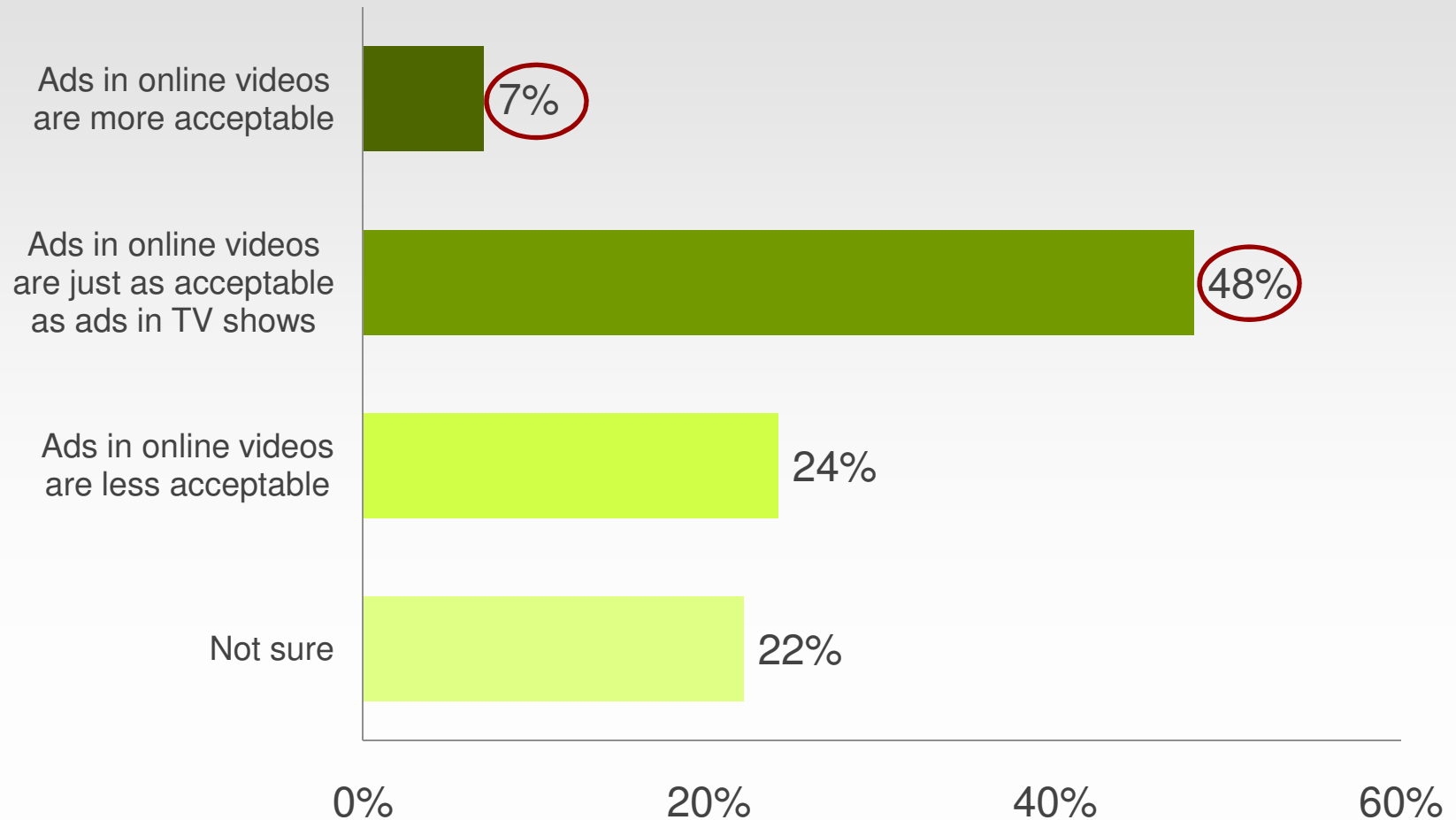


## Of Consumers Who Find Short Online Videos As Entertaining As TV, 28% Believe They Are *More* Entertaining Than TV Shows



## ONLINE VIDEO ADVERTISEMENTS

## 55% Of Online Video Viewers Find Online Video Ads Just As Or More Acceptable Than TV Ads



## Younger Viewers Find Online Video Ads More Acceptable Than Older Viewers

	Online video ads same as TV ads	Online video ads less acceptable	Online video ads more acceptable
TM	48%	24%	7%
18-34	50%	21%	11%
M 8-11	49	28	5
M 12-17	50	25	7
M 18-24	49	23	18
M 25-34	54	19	11
M 35-44	46	25	9
M 45-54	50	29	4
M 55-64	44	34	2
F 8-11	44	25	5
F 12-17	46	23	5
F 18-24	47	25	10
F 25-34	50	20	5
F 35-44	40	24	6
F 45-54	49	19	1
F 55-64	50	14	3

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