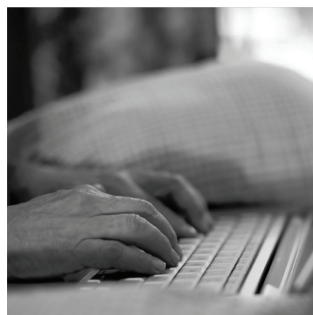


AUSTRALIAN MULTI-SCREEN REPORT

QUARTER 2, 2012



TRENDS IN VIDEO VIEWERSHIP BEYOND CONVENTIONAL TELEVISION SETS

VIDEO CONTENT ACROSS MULTIPLE SCREENS

Australians watched more than 104 hours of video per month across multiple screens in the second calendar quarter of 2012.

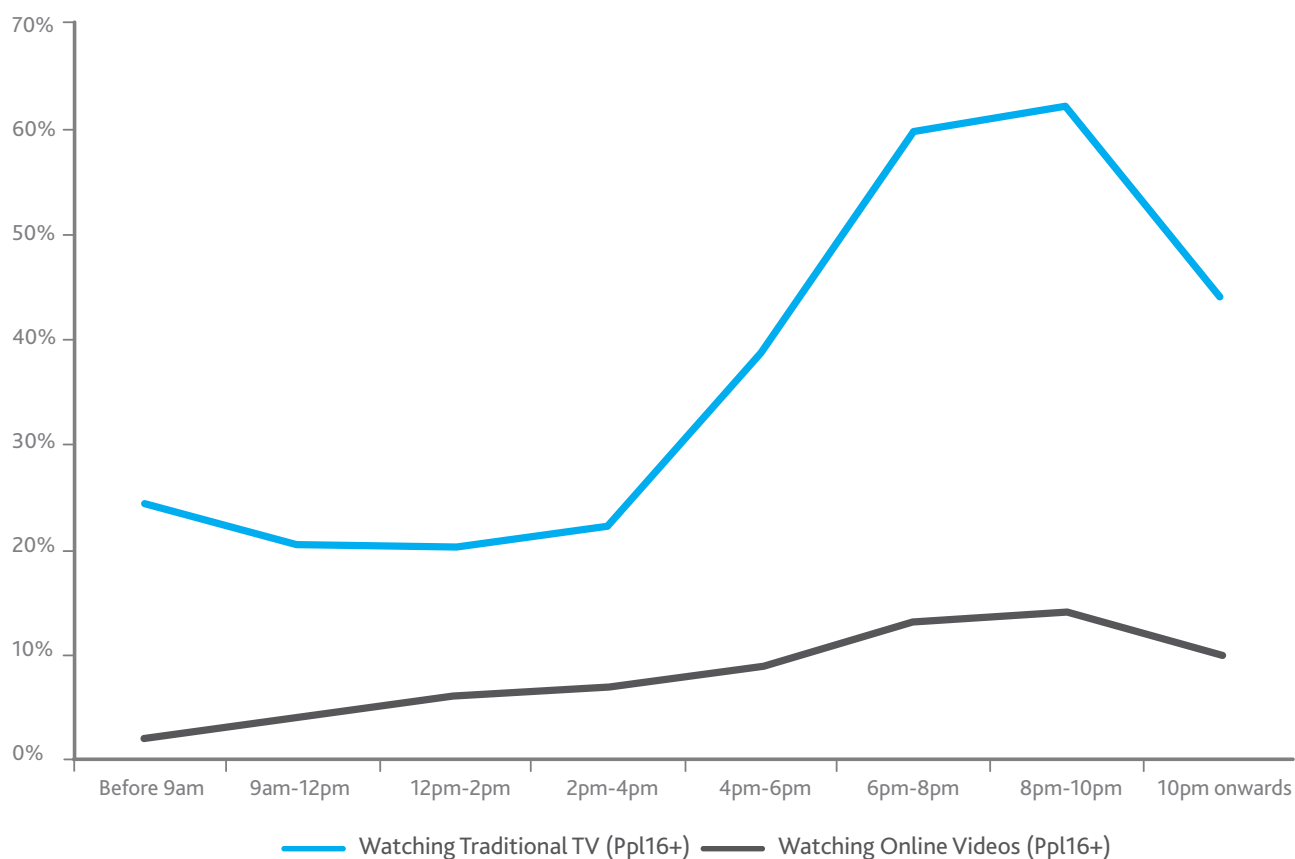
While 95% of viewing is on the traditional television set, people continue to take up new technologies that provide increased flexibility in viewing video.

Nationally, 45% of Australians watch some video online every month and more than 50% of Australians aged 16+ own a smartphone.

For the latest quarter, the Australian Multi-Screen Report focuses on traditional television screens and online computer screens, comparing viewing across the day and demographic profiles, as well as updating quarterly estimates for the technology within Australian homes and overall video viewing trends.

TRADITIONAL TELEVISION AND COMPUTERS ONLINE

VIDEO VIEWING ACROSS THE DAY



The reach for both traditional television and online video peak during the traditional 'prime time' of the evening. Online video viewing reach however builds steadily across the day until the late evening, compared to television's more familiar rapid rise in reach leading into prime time peak. Television reaches 62% of people aged 16+ between 8pm and 10pm each day compared to online video viewing that reaches 14% of people aged 16+ during that time.

MULTI-TASKING

The most recent Nielsen Australian Online Consumer Report reveals that 60% of online Australians (16+) multi-task their TV screens and computer screens, using the internet and watching TV together. Of these multi-taskers, 36% are doing so on a daily basis.

SCREEN USE BY AGE AND GENDER

(REF TABLES 4 AND 5)

The television screen remains the dominant means of viewing video. By age, the monthly time spent watching television increases notably for people in older age groups.

Viewing television in playback is increasing for people of all ages, although compared to the same time last year people aged 25-34 have shown the smallest increase in playback viewing. When it comes to the PC screen however 25-34 year-olds spend the most time per month online using the internet as well as the highest proportion of their time doing this (61 hours) compared to viewing traditional TV (85 hours).

When it comes to high overall use of technology and screen types to view video, people aged 18-24 stand out: they spend the most time per month (over 6 hours) of any age group watching video on a PC; they have the highest proportion of TV viewing done as playback (9.6%); and, they watch double the overall average amount of video on mobile phones (nearly 3 hours per month in Q4 2011, the latest quarter for which data is available).

The demographic profile of video viewing on the internet via a PC is dominated by people aged 18-49, who make up 70% of the internet video audience (whereas they are about 45% of the total general population). In Q2 2011 this age group made up 62% of the internet video audience. Within this broad age range, 35-49 year olds remain the largest internet video audience age group, but 18-24 year olds have increased their share of the internet video viewing pie by 9 percentage points year-on-year.

It is interesting that people aged 50-64 actually spend more time per month on the internet via a PC (over 54 hours) than people aged under 25 years.

By gender, women make up a little over half of the television audience (53%), whereas men dominate the video viewing audience on the internet (61%) and on mobile phones (62%).



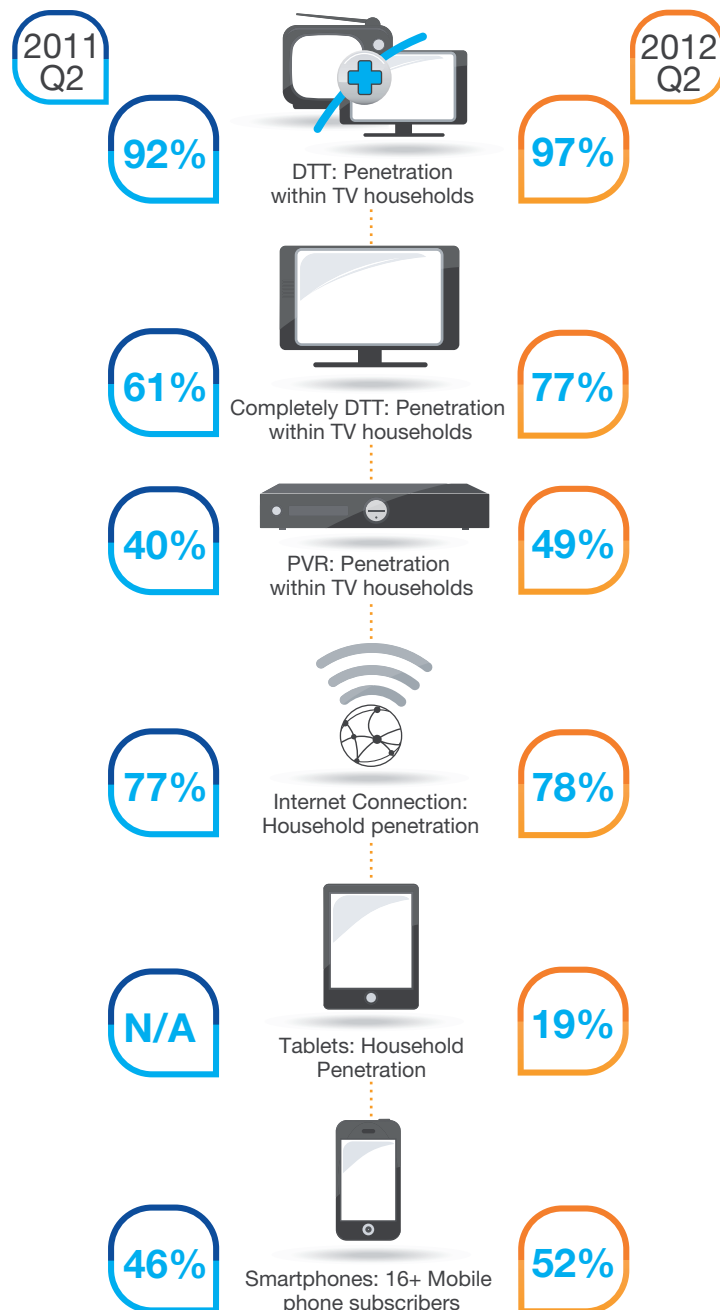
TECHNOLOGY IN THE HOME

Increasing numbers of Australians have access to more technologies within the home to view video.

Over three quarters (77%) of Australian homes have completely converted all their TV sets to receive digital free-to-air broadcasts (DTT): 16 percentage points more than Q2 2011. This, along with roughly half of households (49%) having access to a PVR, is giving viewers greater choice in both the content and timing of their television consumption.

While household internet PC penetration is relatively stable, 19% of homes nationally now have a tablet device, up 4 percentage points on the previous quarter. Viewing video on tablets, while still in its infancy, is also on the rise, growing from just 2% of the total online population at the end of 2010 to 5% at the end of 2011 (Nielsen Australian Online Consumer Report).

A similar notable rise in smartphone uptake (now at 52% of people 16+: up 4 percentage points on Q1 2012) increasingly puts the ability to view video content literally in the palm of people's hands.



KEY OBSERVATIONS

TABLE 1: TECHNOLOGY PENETRATION

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Digital terrestrial television (DTT): Penetration within TV households ¹	90%	92%	94%	95%	96%	97%
Completely DTT: Penetration within TV households (Homes capable of receiving DTT on each working TV within the home)	55%	61%	65%	70%	74%	77%
Personal video recorder (PVR): Penetration within TV households	37%	40%	42%	44%	47%	49%
Internet Connection: Household penetration ²	77%	77%	76%	77%	78%	78%
Tablets: Household penetration	N/A	N/A	N/A	N/A	15%	19%
Smartphones: People 16+ ³	35%	46%	46%	45%	48%	52%

TABLE 2: MONTHLY TIME SPENT (HH:MM)

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ⁴	96:03	100:29	101:01	94:24	97:15	99:09
Watching Playback TV	4:57	5:36	6:09	5:58	6:33	7:13
Using Internet on a PC ⁵	43:33	42:29	42:27	43:54	44:06	47:24
Watch video on PC/Laptop	2:07	2:39	3:03	3:27	3:15	3:58
Watching video on a mobile phone ⁶	0:35	N/A	N/A	1:20	N/A	N/A

TABLE 3: OVERALL USAGE (000S), MONTHLY REACH

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ⁷	21,364	21,436	21,408	21,433	21,682	21,683
Watching Playback TV	8,068	8,466	8,714	9,021	9,357	9,631
Using Internet on a PC ⁸	13,623	13,821	14,263	13,692	13,480	13,116
Watch video on PC/Laptop	9,437	9,944	10,508	9,892	10,015	9,897
Owning/using a mobile phone ⁹	17,215	17,384	17,375	17,431	17,351	17,442
Streaming video on mobile phone ¹⁰	N/A	N/A	N/A	1,991	N/A	N/A

¹ Source: DTT, PVR estimates are based on install levels from the Combined OzTAM Metro and Regional TAM panels as at last date of each period.

² Source: Estimates for Internet connection and Tablet household penetration from combined OzTAM Metro and Regional TAM quarterly Establishment Surveys (ES).

³ Sources: Nielsen Australian Online Consumer (AOC) Report of online consumers aged 16+ (Q1 2011), The Nielsen Telstra Smartphone Index Report of mobile users aged 16+ Q2 2011 & Q3 2011 and Nielsen Consumer & Media View national population aged 16+ (Q4 2011 onwards)

⁴ Source: Combined OzTAM Metro and Regional TAM databases with overlap homes de-duplicated. Average time spent viewing (ATV 0200-2600). 'Watching TV' and 'Watching Playback TV' are both based on Consolidated data. Please note television viewing is seasonal, with people watching more television in the winter months and with the end of daylight saving time

⁵ Source: Nielsen NetView (Q1-Q3 2011) and Nielsen Online Ratings (Q4 2011 onwards). Using Internet on PC excludes adult content and applications. Estimate is the average of the 3 months within the calendar quarter. Figures are National and for people 2+. Home and Work panel only. Due to a change in methodology comparisons prior to Q4 2011 cannot be made.

⁶ Smartphone usage source: Nielsen Australian Online Consumer (AOC) Report for respondents aged 16 years and over. Estimate based on reported weekly time spent by average number of weeks in a month (4.3). National figure only produced annually. Q1 figure from 2010-2011 AOC Report (February 2011 edition). Q4 figure from 2011-2012 AOC Report (February 2012 edition).

⁷ Source: Combined OzTAM Metro and Regional TAM databases with overlap homes de-duplicated. 'Watching TV' and 'Watching Playback TV' are both based on consolidated data (0200-2600).

⁸ Source: Nielsen NetView (Q1-Q3'11) and Nielsen Online Ratings (Q4'11 onwards) – Internet activity (using and watching) excludes adult content and application. National figures for people 2+.

⁹ Mobile phone ownership and usage sourced from Nielsen Consumer & Media View (people aged 14+).

¹⁰ Nielsen Australian Online Consumer (AOC) Report – audience profile is based users aged 16+ in Australia. National figures only produced annually. Figure from 2010-11 AOC Report (February 2012 edition). National population estimate for people aged 16+ is 18,336,000. National estimate of the online active audience aged 16+ from Nielsen Online Ratings (December 2011) is 14,223,000.

TABLE 4: A MONTH IN THE LIFE – Q2 2012

	KIDS ¹¹	TEENS ¹²	P18-24	P25-34	P35-49	P50-64	P65+	ALL PEOPLE ¹³
Watching TV in the home ¹⁴	68:30	55:53	50:53	84:34	106:00	131:36	153:05	99:09
Q2 2011	69:40	55:21	52:18	88:24	107:48	131:34	154:26	100:29
Watching Playback TV	3:55	4:25	4:53	7:29	9:15	9:24	7:51	7:13
Q2 2011	3:06	3:16	3:45	6:58	7:03	6:43	5:48	5:36
Using the Internet on a PC ¹⁵	7:34	13:57	35:45	60:47	57:34	54:34	32:40	47:24
Watch video on PC/Laptop	2:10	3:19	6:25	5:08	3:59	3:19	1:33	3:58
Q1 2011	1:33	3:16	3:39	3:10	2:55	2:10	1:23	2:39
Watching video on a mobile phone ¹⁶ (Q4 2011)	N/A	1:29	2:54	2:55	0:57	0:18	0:00	1:20

TABLE 4A: A MONTH IN THE LIFE – Q2 2012

KIDS	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ¹⁴	62:54	69:40	71:35	65:58	64:54	68:30
Watching Playback TV	2:46	3:06	3:28	3:20	3:29	3:55
Using the Internet on a PC ¹⁵	8:03	8:25	7:12	7:47	7:30	7:34
Watch video on internet	1:15	1:33	1:32	1:39	1:53	2:10
Watching video on a mobile phone ¹⁶ (Q4 2011)	N/A	N/A	N/A	N/A	N/A	N/A

TEENS	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ¹⁴	51:40	55:21	58:38	53:02	51:59	55:53
Watching Playback TV	3:18	3:16	3:58	3:59	3:56	4:25
Using the Internet on a PC ¹⁵	15:29	16:10	14:31	14:31	13:39	13:57
Watch video on internet	2:48	3:16	2:41	2:53	2:29	3:19
Watching video on a mobile phone ¹⁶ (Q4 2011)	0:13	0:13	0:13	1:29	1:29	1:29

P18-24	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ¹⁴	47:40	52:18	51:06	49:05	51:54	50:53
Watching Playback TV ¹	3:13	3:45	3:53	4:34	5:04	4:53
Using the Internet on a PC ¹⁵	28:37	30:19	30:42	28:54	29:02	35:45
Watch video on internet	2:41	3:39	4:22	5:00	3:57	6:25
Watching video on a mobile phone ¹⁶ (Q4 2011)	0:58	0:58	0:58	2:54	2:54	2:54

¹¹ Combined Metro OzTAM and Regional TAM data defines 'Kids' aged 0-12 and Nielsen Netview aged 2-11.

¹² Combined Metro OzTAM and Regional TAM data defines 'Teens' aged 13-17, Nielsen Netview aged 12-17 and Nielsen AOC aged 16-17.

¹³ Mobile phone population based on people aged 16+.

¹⁴ Source: Combined OzTAM Metro and Regional TAM databases with overlap homes de-duplicated. 'Watching TV' and 'Watching Playback TV' are both based on consolidated data (0200-2600).

¹⁵ Source: Nielsen NetView (Q1-Q3 2011) and Nielsen Online Ratings (Q4 2011 onwards). Using Internet on PC excludes adult content and applications. Estimate is the average of the 3 months within the calendar quarter. Figures are National and for people 2+. Home and Work panel only. Due to a change in methodology comparisons prior to Q4 2011 cannot be made.

¹⁶ Nielsen Australian Online Consumer (AOC) Report – audience profile is based on all mobile phone users aged 16+ in Australia. National figures only produced annually. Q1-Q3 2011 figures from 2010-2011 AOC Report (February 2011 edition). Q4 2011 figures onwards from 2011-2012 AOC Report (February 2012 edition).

P25-34	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ¹⁴	85:15	88:24	88:30	79:28	81:49	84:34
Watching Playback TV	6:25	6:58	7:14	5:53	6:28	7:29
Using the Internet on a PC ¹⁵	64:00	63:04	60:06	62:39	61:00	60:47
Watch video on internet	2:04	3:10	3:58	5:12	4:48	5:08
Watching video on a mobile phone ¹⁶ (Q4 2011)	1:12	1:12	1:12	2:55	2:55	2:55

P35-49	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ¹⁴	101:22	107:48	108:04	99:23	102:28	106:00
Watching Playback TV	6:07	7:03	7:44	7:28	8:21	9:15
Using the Internet on a PC ¹⁵	56:24	53:15	52:17	54:25	55:00	57:34
Watch video on internet	2:30	2:55	3:22	3:23	3:31	3:59
Watching video on a mobile phone ¹⁶ (Q4 2011)	0:46	0:46	0:46	0:57	0:57	0:57

P50-64	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ¹⁴	128:07	131:34	132:08	124:54	129:32	131:36
Watching Playback TV	5:48	6:43	7:35	7:46	8:37	9:24
Using the Internet on a PC ¹⁵	47:52	46:02	48:14	50:53	53:22	54:34
Watch video on internet	1:58	2:10	2:33	3:07	3:00	3:19
Watching video on a mobile phone ¹⁶ (Q4 2011)	0:07	0:07	0:07	0:18	0:18	0:18

P65+	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ¹⁴	153:23	154:26	154:10	149:23	155:41	153:05
Watching Playback TV	5:07	5:48	6:33	6:29	7:11	7:51
Using the Internet on a PC ¹⁵	26:46	27:13	28:41	31:36	32:04	32:40
Watch video on internet	1:00	1:23	1:48	1:51	1:25	1:33
Watching video on a mobile phone ¹⁶ (Q4 2011)	0:01	0:01	0:01	0:00	0:00	0:00

ALL PEOPLE	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Watching TV in the home ¹⁴	96:03	100:29	101:01	94:24	97:15	99:09
Watching Playback TV	4:57	5:36	6:09	5:58	6:33	7:13
Using the Internet on a PC ¹⁵	43:33	42:29	42:30	43:54	44:06	47:24
Watch video on internet	2:07	2:39	3:04	3:27	3:15	3:58
Watching video on a mobile phone ¹⁶ (Q4 2011)	0:35	0:35	0:35	1:20	1:20	1:20

TABLE 5: VIDEO AUDIENCE COMPOSITION (BY AGE AND GENDER) – Q2 2012

	KIDS	TEENS	P18-24	P25-34	P35-49	P50-64	P65+	Fe- males	Males
On Traditional TV ¹⁷	11%	4%	5%	13%	22%	24%	21%	53%	47%
Q1 2011	11%	4%	5%	13%	23%	24%	21%	53%	47%
On Internet ¹⁸	2%	8%	23%	22%	25%	14%	5%	39%	61%
Q1 2011	4%	13%	14%	18%	30%	16%	6%	39%	61%
On Mobile Phones ¹⁹ (Q4 2011)	N/A	2%	33%	37%	23%	5%	0%	38%	62%

TABLE 5A: VIDEO AUDIENCE COMPOSITION (BY AGE AND GENDER) – Q2 2012

KIDS	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	11%	11%	12%	11%	11%	11%
On Internet	4%	4%	4%	4%	5%	2%
On Mobile Phones (Q4 2011)	N/A	N/A	N/A	N/A	N/A	N/A

TEENS	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	4%	4%	4%	4%	3%	4%
On Internet	16%	13%	10%	10%	11%	8%
On Mobile Phones (Q4 2011)	5%	5%	5%	2%	2%	2%

P18-24	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	5%	5%	5%	5%	5%	5%
On Internet	10%	14%	13%	12%	13%	23%
On Mobile Phones (Q4 2011)	28%	28%	28%	33%	33%	33%

P25-34	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	13%	13%	13%	12%	12%	13%
On Internet	16%	18%	24%	24%	24%	22%
On Mobile Phones (Q4 2011)	35%	35%	35%	37%	37%	37%

17 Source: Combined OzTAM Metro and Regional TAM databases with overlap homes de-duplicated. 'Watching TV' and 'Watching Playback TV' are both based on consolidated data (0200-2600).

18 Source: Nielsen NetView (Q1-Q3 2011) and Nielsen Online Ratings (Q4 2011 onwards). Figures are National and for people 2+. Home and Work panel only. Video defined as a video stream with audio and excludes adult content, advertising and downloaded content.

19 Nielsen Australian Online Consumer (AOC) Report – audience profile is based on all mobile phone users aged 16+ in Australia. National figures only produced annually. Q1-Q3 2011 figures from 2010-2011 AOC Report (February 2011 edition). Q4 2011 figures onwards from 2011-2012 AOC Report (February 2012 edition).

P35-49	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	23%	23%	23%	22%	22%	22%
On Internet	30%	30%	29%	27%	27%	25%
On Mobile Phones (Q4 2011)	24%	24%	24%	23%	23%	23%

P50-64	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	24%	24%	24%	24%	24%	24%
On Internet	18%	16%	15%	16%	14%	14%
On Mobile Phones (Q4 2011)	8%	8%	8%	5%	5%	5%

P65+	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	22%	21%	21%	21%	22%	21%
On Internet	6%	6%	6%	6%	6%	5%
On Mobile Phones (Q4 2011)	1%	1%	1%	0%	0%	0%

FEMALES	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	54%	53%	53%	53%	53%	53%
On Internet	37%	39%	37%	38%	38%	39%
On Mobile Phones (Q4 2011)	34%	34%	34%	38%	38%	38%

MALES	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
On Traditional TV	46%	47%	47%	47%	47%	47%
On Internet	63%	61%	63%	62%	62%	61%
On Mobile Phones (Q4 2011)	66%	66%	66%	62%	62%	62%



EXPLANATORY NOTES

- Panel install incidence rates for DTT and PVR are based on combined OzTAM Metro and Regional TAM panels as at last date of each period (Q1=end of P4, Q2=end of P7, Q3=end of P10, Q4=end of P13).
- Quarterly Establishment Survey waves are conducted within standard calendar quarters.
- National Establishment Survey (ES) estimates are based on combined OzTAM Metro and Regional TAM quarterly waves. Quarterly ES waves are conducted within standard calendar quarters.
- Average time spent viewing (ATV) is calculated as the daily average time (0200-2600) within the universe across all days in the calendar quarter multiplied by the factor of numbers of days in the quarter divided by three (3).
- Monthly reach for TV is based on the average of the calendar month cumulative reach audience (0200-2600) within the quarter.
- Video content is defined as a stream where both audio and video are detected. Video viewership excludes adult and advertising content, as well as downloaded content.
- Wherever possible, geographic and demographic data have been matched for like comparisons.
- Nielsen Australian Online Consumer (AOC) report based on online national population aged 16+ and Nielsen Telstra Smartphone Index report based on mobile national population aged 16+.
- Mobile phone ownership and usage sourced from Nielsen Consumer & Media View (people 14+)
- TAM data defines 'Kids' as panel members aged 0-12, 'Teens' aged 13-17 and 'Male' / 'Female' as total individuals aged 0+
- Nielsen Netview defines 'Kids' as panel members aged 2-11, 'Teens' aged 12-17 and 'Male' / 'Female' as individuals aged 2+
- Nielsen Australian Online Consumer report defines 'Teens' as respondents aged 16-17 and 'Male' / 'Female' respondents aged 16+

FOR MORE INFORMATION

Should you require more information about any content in this report, please refer to the list below.



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