Contents

• Methodology and Sample

• Mobile Phone Consumers and Mobile Video

• Day in the life of a Mobile Video User

• Mobile Video and Advertising
Methodology and Sample
Methodology

Using our US panel, we contacted 200 respondents, who opted in to take part in a 3 stage diary project, lasting a total of 2 weeks.

All respondents recruited owned either a Smartphone or Feature phone. The focus of the report was on mobile phone based video usage, excluding tablet based video usage.

Stage 1: Respondents were pre screened on demographics and mobile video behaviour to ensure the sample gathered was relevant and responsive.

Stage 2: The successful 200 pre screened respondents were tasked using their mobile to check in, over a period of 1 week, whenever they used mobile video.

Stage 3: All respondents then completed a follow up survey, which covered a range of topics from factors behind mobile video usage, attitudes towards mobile video advertising and how they would like mobile video progress in the future.

Each respondent earned $10 for taking part
The Mechanic is Simple

1. Mobile owners click a web link (looks like an app icon), or bookmark once they encounter/use mobile video.
2. They then simply select which type of video genre they have just encountered/used, and tell us the reasons behind this.

<table>
<thead>
<tr>
<th>What Video?</th>
<th>Why watched?</th>
<th>Time spent, how watch?</th>
<th>Where were you?</th>
<th>Using other media?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select Tutorial or how-to video</td>
<td>And why did you watch it?</td>
<td>How much time did you spend watching the video?</td>
<td>Where were you?</td>
<td>Were you using/looking at any other media at the same time?</td>
</tr>
<tr>
<td>Select A self made video made by a friend/family member</td>
<td>And liked the atmosphere/personality/star in the video</td>
<td>Yes</td>
<td>At someone else's home</td>
<td>Magazines</td>
</tr>
<tr>
<td>Select Movie trailer</td>
<td>A mobile ad</td>
<td>Travelling (short trip - less than 1 hour)</td>
<td>In store promotion</td>
<td></td>
</tr>
<tr>
<td>Select Music video</td>
<td>Boredom/time filling</td>
<td>Travelling (long trip - more than 1 hour)</td>
<td>Poster/Billboard</td>
<td></td>
</tr>
<tr>
<td>Select News</td>
<td>An ad (not mobile)</td>
<td>At school/college/university</td>
<td>Desktop / Laptop</td>
<td></td>
</tr>
<tr>
<td>Select Weather</td>
<td></td>
<td>At home (please specify which room)</td>
<td>Newspapers</td>
<td></td>
</tr>
<tr>
<td>Select School</td>
<td></td>
<td></td>
<td>Radio</td>
<td></td>
</tr>
</tbody>
</table>
Top 5 Mobile Phone Video Take Homes

#1 Viral video! - 92% of mobile phone consumers share mobile video with others

#2 It’s an everyday event! – mobile phone consumers use mobile video throughout the entire day, the whole week

#3 63% of usage occurs at home, and for some, occurs with the presence of a 2nd screen – TV

#4 Relevance is key to drive engagement with advertising within the video format.

#5 Better download speeds, free and better quality video content are the challenges from consumers.
Mobile Phone Consumers and Mobile Video
“The viral power of video!”

Mobile video offers mobile phone consumers the chance to truly engage as social creatures.

Of mobile phone video users 66% spend 1 hour plus per week watching video.

For this sub group they are more likely to watch video 1 hour plus per week than they are to use email for this long!

Music, Movie trailers and Tutorials are the most frequently used video formats.

92% share mobile video with others, with social networks and sharing via showing on device the most popular methods.
66% of mobile phone video users, use mobile video for an hour plus each week

Q9 Pre: In the past week, approximately how much time did you spend on your mobile doing the following

Conducting the following activities for 1 hour plus each week.....

- Playing Games: 73%
- Social Media (e.g. facebook, twitter, etc.): 68%
- Watch videos: 66%
- Send and receive email: 60%
- Search for general Information (news, sports, finance, etc.): 57%
- Search for local information or deals: 37%
- Shopping (e.g. travel, mobile purchases, etc.): 26%
- Bill payments or mobile banking: 22%

Country: US Date: November 2012
Base: Total sample (200)

Significantly higher/lower. Tested at 95% confidence interval.
Music, movie trailers and tutorials are the most frequently encountered mobile phone video genres

Q1 Diary: What type of video did you just watch/see?

Country: US  Date: November  2012  
Base: Total interactions (987)

Significantly higher/lower. Tested at 95% confidence interval.
Mobile phone consumers favor short sub 10 minute clips

Q1 Post: Thinking about the types of mobile videos you watch, how long are the video clips you watch on average?

Under 10 minutes: 85%

Country: US  Date: November 2012  Base: Total sample (200)

Significantly higher/lower. Tested at 95% confidence interval.
55% of videos are watched via apps, 41% via the mobile web

Q4 Diary: Were you using a mobile app, or the mobile web when you watched the video?

- Mobile web: 41%
- Mobile app: 55%
- Not sure: 4%
92% of mobile phone consumers share mobile video content with others, with social networks and showing others the most preferred methods.

Q6 Post: And how do you share video content you watch on your mobile/smartphone with others?

- Post on Facebook or other social media: 56%
- Show others on my own device: 44%
- Text: 37%
- Email: 33%
- Via YouTube: 30%
- Tweet: 12%

Country: US  Date: November  2012  Base: Total sample (200)

Significantly higher/lower. Tested at 95% confidence interval.
With 49% of mobile phone consumers sharing video content weekly with others

Q7 Post: And how often do you share video content with others?

- 16% Daily
- 33% Weekly
- 16% Monthly
- 26% Less frequently
- 10% I don't share

49% share videos weekly/daily
Humorous short clips and music videos are the most likely genres to be shared.

Q8 Post: And what type of videos do you share with others?

<table>
<thead>
<tr>
<th>Type of Video</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funny short video / &quot;viral video&quot;</td>
<td>66%</td>
</tr>
<tr>
<td>Music video</td>
<td>52%</td>
</tr>
<tr>
<td>Movie trailer</td>
<td>35%</td>
</tr>
<tr>
<td>Self made/made by friend/family member</td>
<td>31%</td>
</tr>
<tr>
<td>News</td>
<td>23%</td>
</tr>
<tr>
<td>Tutorial or how-to video</td>
<td>22%</td>
</tr>
<tr>
<td>Sports</td>
<td>19%</td>
</tr>
<tr>
<td>Full length movies</td>
<td>17%</td>
</tr>
<tr>
<td>Catch up TV (full episode)</td>
<td>13%</td>
</tr>
<tr>
<td>Other</td>
<td>13%</td>
</tr>
</tbody>
</table>

Country: US  Date: November 2012  
Base: Total sample (200)

Significantly higher/lower. Tested at 95% confidence interval.
Day in the life of a Mobile Phone Video User
“Video watching all day!”

Mobile video usage builds throughout the entire day. Starting in the early morning and growing throughout the day until its peak in the late evening.

Currently, mobile video is viewed more during the week than at weekends.

Mobile video viewing not only a gap filler, but something consumers planned to do, and a reaction to others suggestions.

63% of usage occurs at home, with the front room/lounge and bedroom the most popular rooms.

22% of those using other media while watching mobile video were watching TV.
Mobile Phone Video usage grows throughout the day, peaking in the evening.

Q1 Diary: Mobile Video Usage

Country: US  Date: November 2012  
Base: Total interactions (987)

Significantly higher/lower. Tested at 95% confidence interval.
Planned to watch, boredom and ‘A topic I like’ are the key motivations behind watching mobile videos.

Q2 Diary: And why did you watch it?

<table>
<thead>
<tr>
<th>Other Motivations</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result of a mobile search</td>
<td>8%</td>
</tr>
<tr>
<td>Something I downloaded to my phone to watch later</td>
<td>5%</td>
</tr>
<tr>
<td>No other video screen (e.g., TV, PC) available at the moment</td>
<td>3%</td>
</tr>
<tr>
<td>An ad (not mobile)</td>
<td>1%</td>
</tr>
<tr>
<td>Liked actor/personality/star in the video</td>
<td>14%</td>
</tr>
<tr>
<td>I wanted to find out about a product/brand/story</td>
<td>14%</td>
</tr>
<tr>
<td>Recommendation/link from a friend/family</td>
<td>13%</td>
</tr>
<tr>
<td>A mobile ad</td>
<td>9%</td>
</tr>
</tbody>
</table>

Country: US  Date: November  2012  
Base: Total interactions (987)
Usage of mobile video occurs more during on weekdays. Music and funny short clips are viewed throughout the week.

**Q1 Diary: Mobile Video Usage**

<table>
<thead>
<tr>
<th>Video Type</th>
<th>Mon</th>
<th>Tues</th>
<th>Weds</th>
<th>Thurs</th>
<th>Fri</th>
<th>Sat</th>
<th>Sun</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any Mobile Video</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tutorial or how-to video</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Movie trailer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Music video</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catch up TV (full episode)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A funny short video clip/&quot;viral video&quot;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Video Usage by Weekday**

- **Weekends**
  - Any Mobile Video: 41%
  - Tutorial or how-to video: 41%
  - Movie trailer: 41%
  - Music video: 59%
  - Catch up TV (full episode): 59%
  - A funny short video clip/"viral video": 59%

**Check ins over a fortnight**

The average number of check ins over a fortnight is 4.93.

**Notes**

- Country: US
- Date: November 2012
- Base: Total interactions (987)

Significantly higher/lower. Tested at 95% confidence interval.
Mobile phone consumers appear to both plan their video usage throughout the day, as well as react to recommendation of others.

Q1/Q2 Diary: What type of video did you just watch/see /And why did you watch it?  By Time of day

1am-3am night time
- Recommendation, No other screen
- No other screen, mobile ad

4am - 6 am early morning
- Self made video (friend/family member), Weather

7am - 9am morning
- Movie trailer, News, Catch up TV

10am noon late morning
- Tutorial, Music, Funny short clip

1pm - 3om early afternoon
- Sports, Funny short clip, Tutorial

4pm - 6pm afternoon
- Full length movie

7pm - 9pm early evening
- Mobile ad, recommendation

10pm - midnight late evening
- Topic I like, mobile search

Boredom, Find out about product/brand, Mobile search, liked actors

Find out about product/brand, No other screen, Liked actors, Downloaded to watch later

Significantly higher/lower. Tested at 95% confidence interval.

Country: US Date: November  2012
Base: Total interactions (987), motivations mobile ad (92), planned topic (176), No other screen 33)
63% of mobile phone video usage occurs at home

Q6 Diary: Where were you?

At Home: 63%
Travelling/Out & about/Commuting: 11%
At Work: 10%
At someone else’s house: 10%

Significantly higher/lower. Tested at 95% confidence interval.
The bedroom and front room/lounge are the most popular rooms in which mobile phone video is consumed.

Q6 Diary: Where were you?

<table>
<thead>
<tr>
<th>In which room?</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bedroom</td>
<td>43%</td>
</tr>
<tr>
<td>Front room/Lounge</td>
<td>35%</td>
</tr>
<tr>
<td>Kitchen</td>
<td>4%</td>
</tr>
<tr>
<td>Bathroom</td>
<td>4%</td>
</tr>
<tr>
<td>Dining room</td>
<td>2%</td>
</tr>
<tr>
<td>Garden/patio etc</td>
<td>2%</td>
</tr>
</tbody>
</table>

At Home: 63%

Country: US  Date: November 2012
Base: Total interactions (987)

Significantly higher/lower. Tested at 95% confidence interval.
22% of mobile phone video encounters occur with the presence of a 2nd screen – TV.

Q6 Diary: Were you using/looking at any other media at the same time?

- **TV**: 22%
- **Phone (talking)**: 6%
- **Desk/Laptop**: 10%
- **Radio**: 5%
- **Tablet**: 6%
- **Magazine**: 2%

Country: US  Date: November 2012
Base: Total interactions (987)

Significantly higher/lower. Tested at 95% confidence interval.
The profile of a Heavy Mobile Phone Video User

Q1/Q2/Q3 Diary

Has an Unlimited Data package

Watches on average 13.25 Mobile Video's a fortnight

25 to 44's Years old

Mainly Streams video

But also Downloads

Country: US Date: November 2012
Base: Total interactions (987)

Significantly higher/lower. Tested at 95% confidence interval.
Mobile Phone Video and Advertising
“Mobile phone video advertising is recalled – but being relevant is key to engagement”

44% recall seeing an ad while watching mobile video, with short clips the most recalled format.

While 53% are warm towards advertising, 46% dislike advertising interrupting their viewing.

Short ad formats are the most favored.

Relating advertising to the actual clips being watched could help build greater engagement.

Download speed is the area most want to see improved, quality and ability to watch video’s for free are also requested by mobile phone consumers.
44% of mobile video encounters included a mobile ad

Q5 Diary: And did you see any advertising when watching the video?

- Yes: 56%
- No: 44%

Country: US  Date: November 2012
Base: Total interactions (987)

Significantly higher/lower. Tested at 95% confidence interval.
Short 10 to 15 sec pre-roll ads the most encountered ad format

Q11 Post: And what types/forms of ads have you seen when watching video on your mobile phone?

Very short 10 to 15 sec before the video starts: 63%
TV commercials: 44%
Sponsorships: 35%
Pop up ads that occur while watching the video: 34%
Very short 10 to 15 sec at the end of the video: 28%
Ads that I can interact with if I want more information: 27%
Overlays: 20%
Other: 5%
None: 5%

Country: US  Date: November  2012
Base: Total sample (200)

Significantly higher/lower. Tested at 95% confidence interval.
While 53% are receptive towards advertising, 46% dislike interruption/invasion of ads into their viewing pleasure.

Q9 Post: And how do you feel about ads that feature while watching videos on your mobile/smartphone?

Like a lot/little/neither like nor dislike: 53%

- I like them a lot: 12%
- I like them a little: 11%
- Neither like nor dislike: 30%
- Somewhat dislike them: 23%
- Dislike it a lot: 23%
- Can't remember ever seeing an ad: 2%

Dislike somewhat/a lot: 46%

Country: US Date: November 2012
Base: Total sample (200), unlimited data package (116), 25 to 34’s (89)
To successfully integrate advertising into the mobile video format, short ads at the beginning or end of the clip should be used.

Q10 Post: If ads are to appear when you are watching a video on your mobile/smartphone, what type/format of ads should they be?

Country: US  Date: November 2012  Base: Total sample (200)

- Very short 10 to 15 sec at the end of the video: 42%
- Very short 10 to 15 sec before the video starts: 40%
- Ads that I can interact with if I want more information: 24%
- Sponsorships: 21%
- TV commercials: 12%
- Pop up ads that occur while watching the video: 9%
- Overlays: 6%
- None of these: 8%

Significantly higher/lower. Tested at 95% confidence interval.
Relating advertising to the video clips being watched could help to build greater engagement with the ad.

Q12 Post: And how should the ads that appear in mobile videos be tailored so they are of interest to you?, should they be...

Related to.....

- The video being watched: 43%
- Location (city or neighbourhood): 29%
- Recent video viewing history: 28%
- Sites you’ve visited online: 27%
- Age/gender, whether you have kids, or other demographic information: 26%
- Favorite brands: 25%
When selecting video content, mobile phone consumers' decisions are influenced by speed and trust.

Q2/Q3 Post: Thinking about when you use your mobile/smartphone to watch videos, which of the following are important to you? And which ONE is the most important to you?

<table>
<thead>
<tr>
<th>Important Factors</th>
<th>Most Important Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Video buffering/streaming speed is fast</td>
<td>Video buffering/streaming speed is fast</td>
</tr>
<tr>
<td>Good picture quality</td>
<td>Video comes from a trusted source</td>
</tr>
<tr>
<td>Video content that is free</td>
<td>Good picture quality</td>
</tr>
<tr>
<td>Good sound quality</td>
<td>Video content that is free</td>
</tr>
<tr>
<td>Video comes from a trusted source</td>
<td>Video is in HD</td>
</tr>
<tr>
<td>Connected via wifi, not 3G or 4G</td>
<td>Connected via wifi, not 3G or 4G</td>
</tr>
<tr>
<td>Ability to share the video with others</td>
<td>Ability to share the video with others</td>
</tr>
<tr>
<td>Video is in HD</td>
<td>Good sound quality</td>
</tr>
</tbody>
</table>

| Country: US Date: November 2012 Base: Total sample (200) |

Significantly higher/lower. Tested at 95% confidence interval.
Better downloading speeds are the primary development mobile phone consumers want, free and better quality video’s are also cited significantly higher/lower. Tested at 95% confidence interval.

Q13 Post: Thinking about the future of mobile video how would you like this to progress?

- Better downloading/streaming speeds: 51%
- Watch video for free: 45%
- Better quality videos: 42%
- Play multiple video formats: 30%
- Lock touchscreen so as not to stop the video playing: 29%

Country: US Date: November 2012
Base: Total sample (200)

Significantly higher/lower. Tested at 95% confidence interval.
Secondary to this, mobile phone consumers also want developments in device technology and also mobile video loyalty schemes.

**Q13 Post**: Thinking about the future of mobile video how would you like this to progress?

<table>
<thead>
<tr>
<th>Other Category Progressions</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better video creation technology in mobile/smartphones e.g. camera/video camera</td>
<td>26%</td>
</tr>
<tr>
<td>Mobile video loyalty scheme - get megabytes back for watching more video</td>
<td>26%</td>
</tr>
<tr>
<td>Voice commends to play, rewind, pause etc</td>
<td>25%</td>
</tr>
<tr>
<td>Devices with larger/better screen quality</td>
<td>22%</td>
</tr>
<tr>
<td>Being able to adjust the video screen to play on different devices</td>
<td>19%</td>
</tr>
<tr>
<td>More interactive experience e.g augmented reality</td>
<td>14%</td>
</tr>
<tr>
<td>More location based videos</td>
<td>12%</td>
</tr>
<tr>
<td>Better content protection e.g. age restrictions, content warnings etc</td>
<td>10%</td>
</tr>
</tbody>
</table>

Country: US Date: November 2012  
Base: Total sample (200)  

Significantly higher/lower. Tested at 95% confidence interval.
On Device Research
jamie@ondeviceresearch.com