



Digital Democracy Survey

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

Tenth edition

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#TMTtrends

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Preface

For nearly a decade, Deloitte's Technology, Media & Telecommunications practice has been comparing and contrasting generational habits among US consumers to better understand attitudes and behaviors related to the adoption of entertainment devices, advertising, media consumption, social media, and the Internet.

The 10th edition of the Digital Democracy Survey, which illustrates user habits and behaviors from 2015, reveals a drastically different media landscape from year one, when DVD players and televisions reigned supreme as the most popular household entertainment devices.

Many of the developing trends from our 9th edition were amplified or accelerated in the 10th edition. In the pages that follow, we will explore highlights from this year's survey release. We will cover:

- Product and device ownership and value
- Trends in mobile app usage
- The acceleration of streaming
- The multitasking culture
- A binge-watching nation
- Advertising insights
- Social media

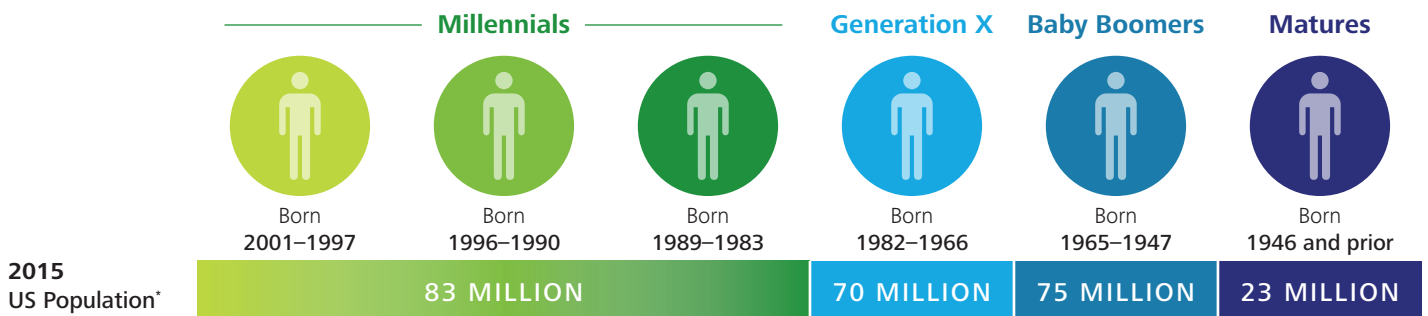
This is just a sample of the data included in the Digital Democracy Survey, 10th Edition. If you are interested in additional insights, please email us at tmtrends@deloitte.com or continue the conversation with us on Twitter [@DeloitteTMT](https://twitter.com/DeloitteTMT).

ABOUT DELOITTE'S DIGITAL DEMOCRACY SURVEY

The survey was fielded by an independent research firm from November 5, 2015 to November 19, 2015, and employed an online methodology among 2,205 US consumers. All data is weighted back to the most recent US census to give a representative view of what 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 six age groups:



2015
US Population*








*2010 US Census Bureau — Population Division
US Interim Projections 2000–2050

Product and device ownership and value



PRODUCT OWNERSHIP BY US HOUSEHOLD

Ownership of household devices remains largely consistent year over year with one exception; fitness bands are continuing to grow driven largely by adoption among Millennials aged 26-32 and Xers.

	 Total					 14-18	 19-25	 26-32	 33-49	 50-68	 69+
Among Total US Consumers (%)	2011	2012	2013	2014	2015	Millennials		Generation X	Baby Boomers	Matures	
Flat panel television	-	-	76	82	84	80	72	81	88	87	85
Laptop computer	75	75	81	82	82	90	88	84	84	80	62
Smartphone	42	55	65	71	74	89	84	87	78	63	53
Desktop computer	81	77	71	66	66	76	57	59	68	65	77
Tablet	13	36	48	54	56	69	62	69	59	46	44
Gaming console	58	59	58	56	54	80	73	72	66	32	11
Digital video recorder (DVR)	44	51	49	50	50	51	36	49	57	49	50
Streaming media box or over-the-top box/Portable streaming drive	-	-	19	23	24	31	28	38	27	15	10
Fitness band	-	-	-	9	15	17	14	27	19	8	7
Over-the-air digital TV antenna	-	-	-	-	14	13	11	14	14	15	19
Smart watch	-	-	-	3	7	7	8	15	9	3	1
Virtual reality headset	-	-	-	-	4	5	6	10	4	1	-
Drone	-	-	-	-	3	2	5	7	3	2	-

Question: Which of the following media or home entertainment equipment does your household own?

TOP THREE MOST VALUED PRODUCTS AMONG OWNER

Across generations, smartphones remain the most valued device, followed closely by laptop computers. Flat panel televisions, while still valued highly by the overall population, have dropped 13% for Millennials aged 19-25 and 12% for ages 26-32.

Nearly a quarter of the US population owns a streaming media/over-the-top (OTT) device, with adoption heavily driven by Millennials. Value of these devices has nearly doubled among owners.

Top 3 Ranking Among Owners (%)	Total					14-18	19-25	26-32	33-49	50-68	69+
	2011	2012	2013	2014	2015	Millennials			Generation X	Baby Boomers	Matures
Smartphone	54	69	72	76	76	77	77	75	71	80	80
Laptop computer	64	65	67	71	69	63	72	63	73	71	62
Desktop computer	57	57	55	55	57	42	47	44	51	68	83
Flat panel television	-	-	62	62	54	35	33	44	54	67	65
Gaming console	25	26	31	27	32	48	47	39	27	14	^
Tablet	26	32	36	31	29	29	24	29	27	34	26
Streaming media box or over-the-top box/Portable streaming drive	-	-	18	14	27	17	26	31	25	33	20

Question: Of the products you indicated you own, which 3 do you value the most?

EARLY ADOPTERS VALUE NEW TECHNOLOGY AMONG THEIR TOP 3 MOST VALUED PRODUCTS

Penetration of new technologies are largely being driven by Millennials, and those that do own these devices tend to value them highly. As an example, for those who owned a virtual reality headset (4% of respondents), 20% value them among their top three devices.

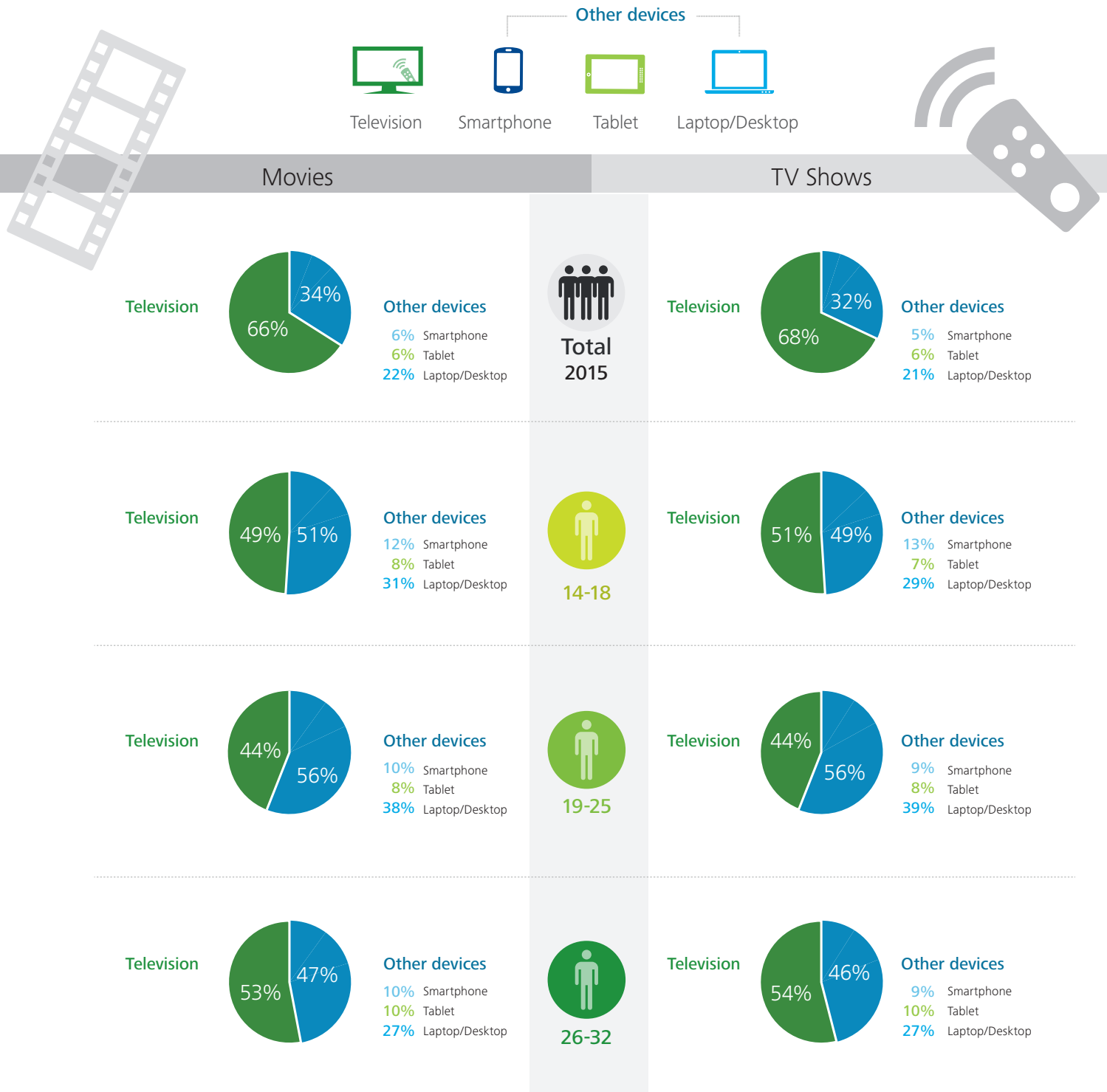
Top 3 Ranking Among Owners (%)	Total				
	2011	2012	2013	2014	2015
Smart watch	-	-	-	18	22
Virtual reality headset	-	-	-	-	20
Over-the-air digital TV antenna	-	-	-	-	18
Fitness band	-	-	-	14	16
Drone	-	-	-	-	15

Question: Of the products you indicated you own, which 3 do you value the most?



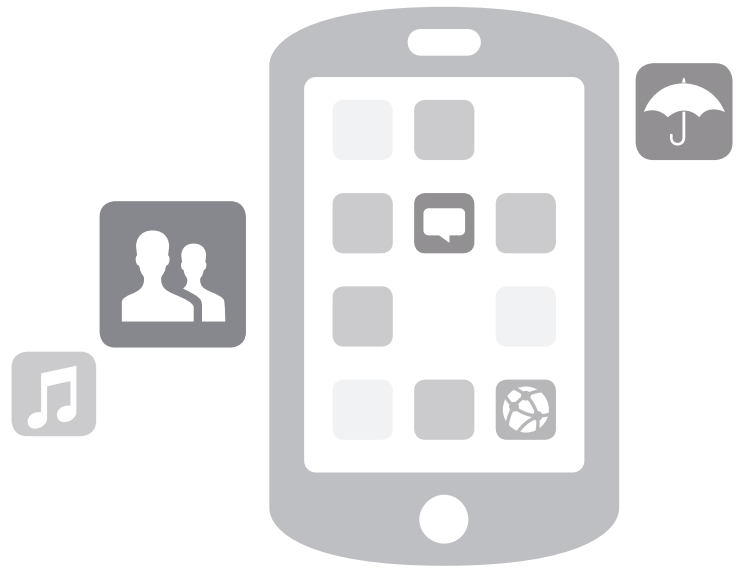
PRODUCTS AND DEVICES

Millennials spend nearly 50% of their time watching movies and TV shows on devices other than a TV, primarily laptops/desktops, followed by smartphones and tablets. The TV and movie percentages are so close that we no longer see a device distinction for how consumers prefer to watch long-form and short-form content, as both are increasingly watched on mobile devices. Nearly 20% of Millennials' TV/movie viewing time is now on mobile devices (smartphones and tablets).



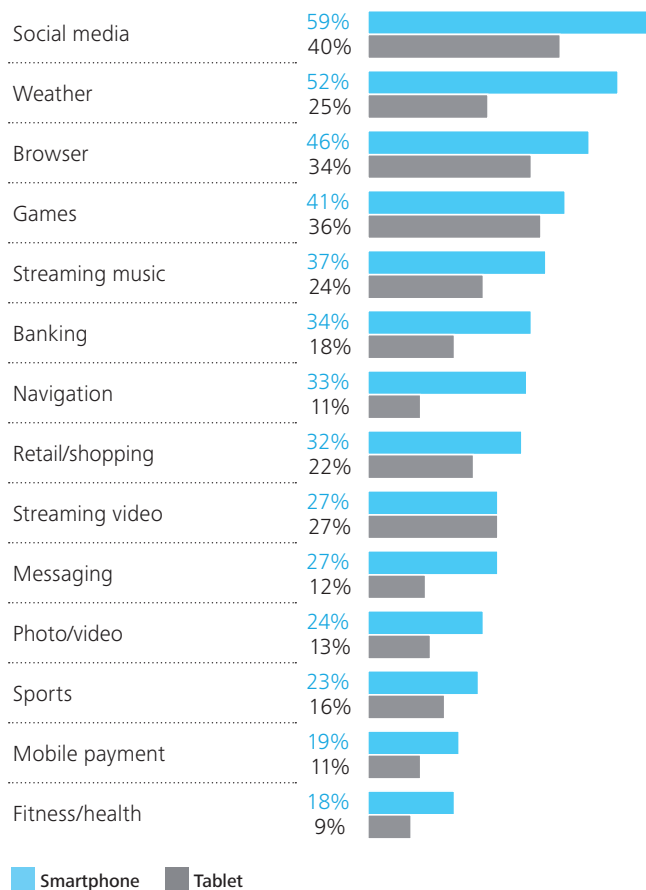
Question: Of the time you spend watching movies/TV shows, what percentage of time do you watch on the following devices?

Trends in mobile app usage



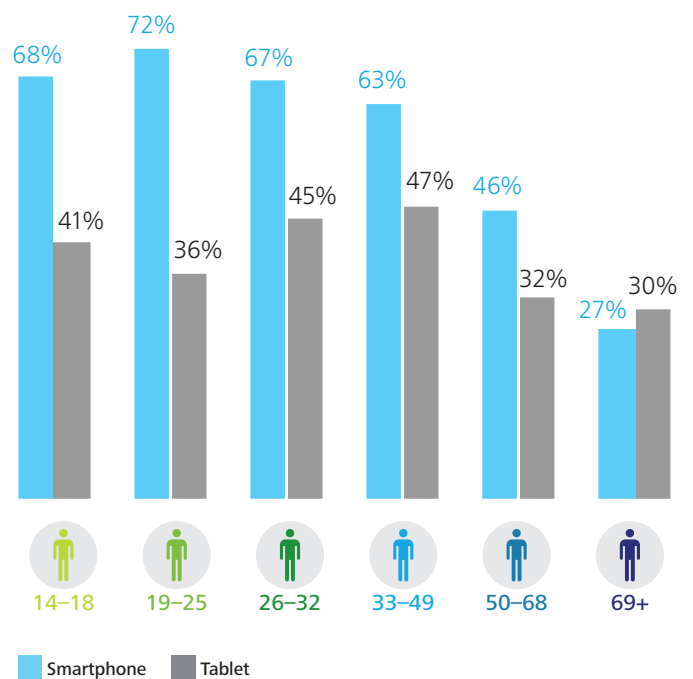
MOBILE APPS MOST FREQUENTLY USED BY CONSUMERS DAILY/WEEKLY

Overall, consumers are using apps less frequently on their tablets than on smartphones. Social media remains the top mobile app.



DAILY/WEEKLY USAGE OF SOCIAL MEDIA APPS

Social Media remains the top smartphone and tablet app for both Millennials and Xers.

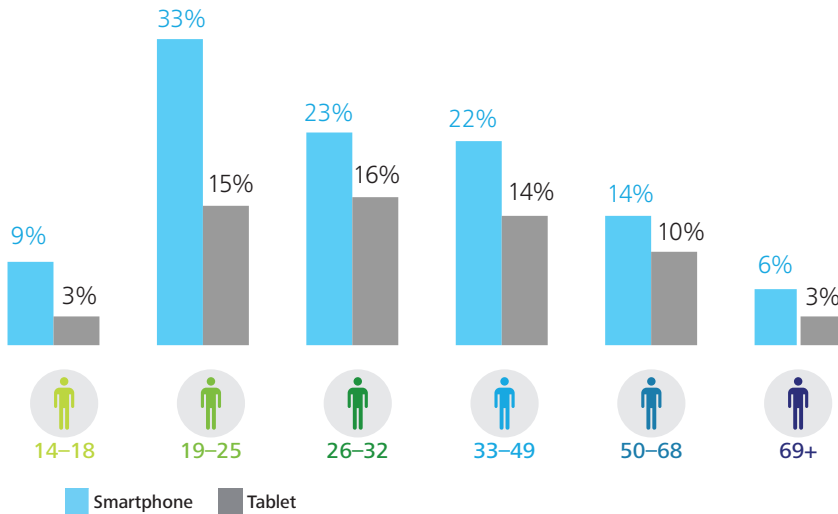


Question: What types of apps do you use frequently (everyday/weekly) on your smartphone?

Question: What types of apps do you use frequently (everyday/weekly) on your tablet?

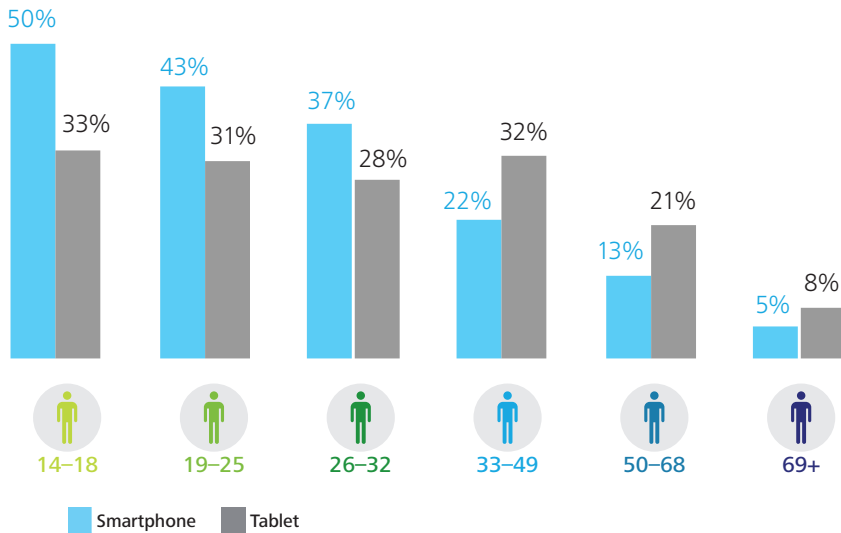
DAILY/WEEKLY USAGE OF MOBILE PAYMENT APPS

Consumer interest in using mobile payment apps on their smartphones is growing. 33% of 19-25 year olds and nearly a quarter of Xers and Millennials aged 26-32 are using mobile payment apps daily/weekly.



DAILY/WEEKLY USAGE OF STREAMING VIDEO APPS

Millennials are more likely to stream video on their smartphones than on tablets.

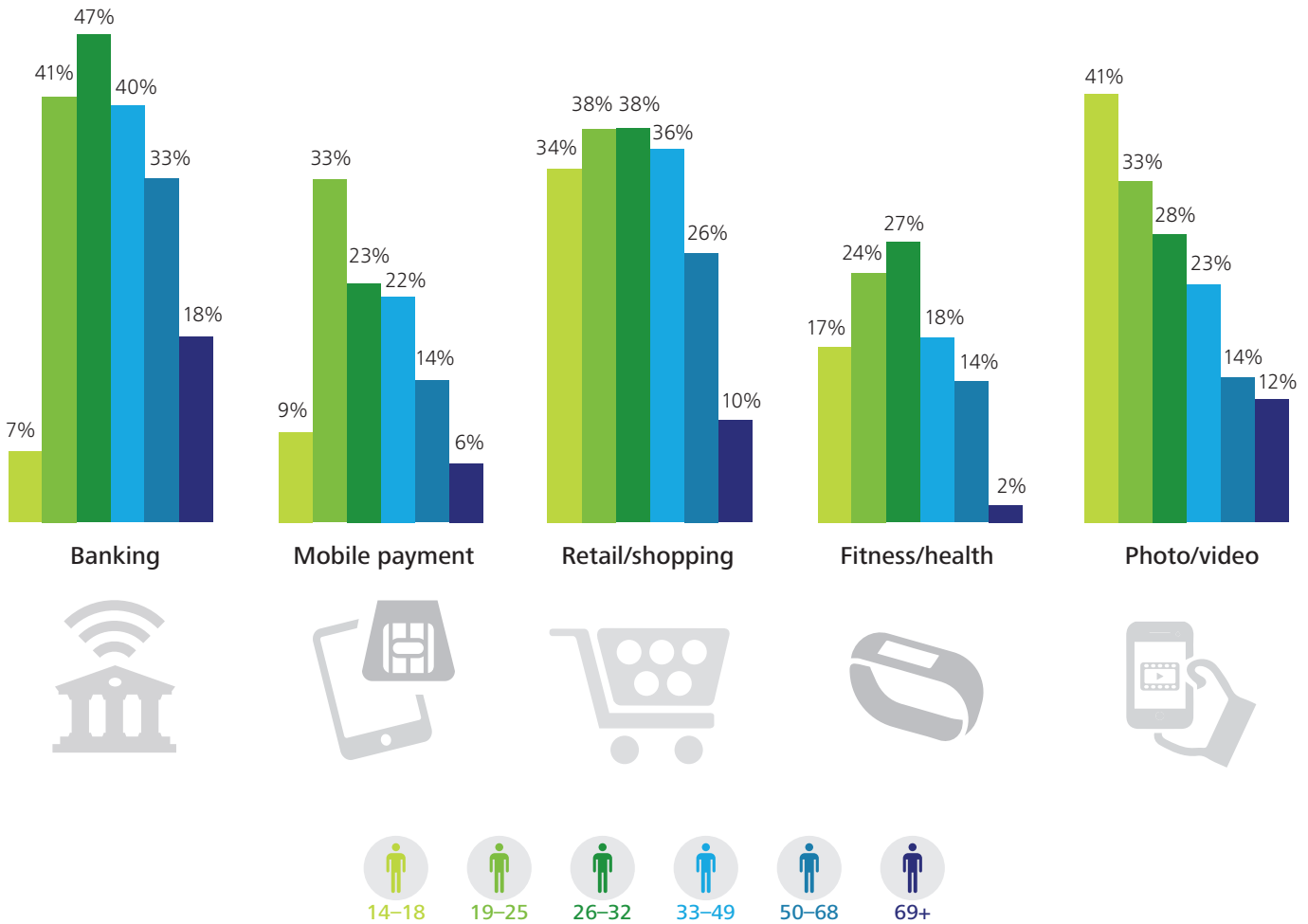


Question: What types of apps do you use frequently (everyday/weekly) on your smartphone?

Question: What types of apps do you use frequently (everyday/weekly) on your tablet?

A VARIETY OF SMARTPHONE APPS ARE BECOMING MORE POPULAR AMONG THE GENERATIONS

33% of Millennials age 19-25 are using mobile payment apps daily/weekly, just as frequently as photo/video apps, and far more than fitness/health apps. All generations, except the youngest Millennials, are using banking apps more than retail/shopping, fitness/health, and photo/video apps.



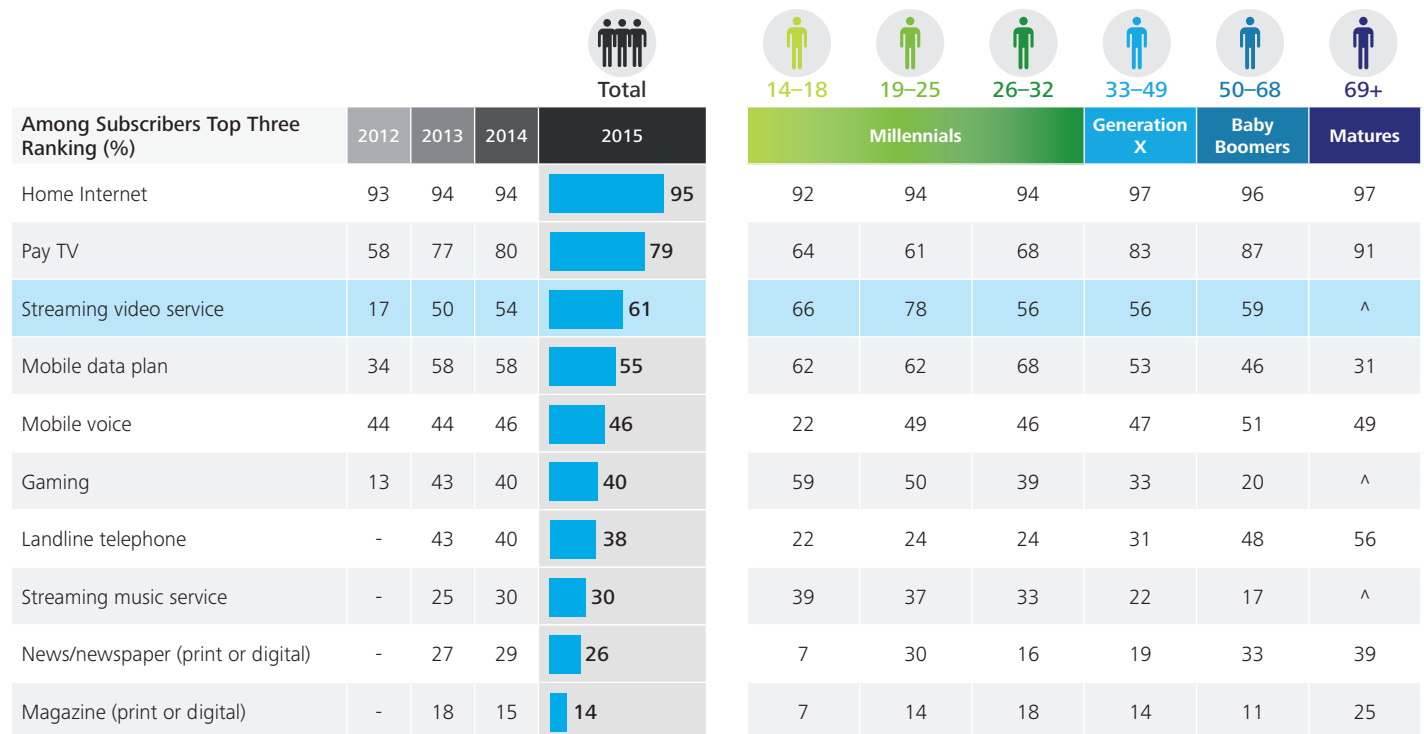
Question: What types of apps do you use frequently (everyday/weekly) on your smartphone?

The acceleration of streaming



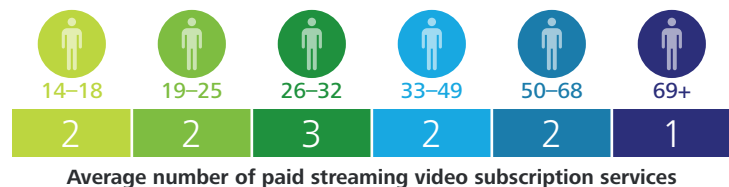
THE ACCELERATION OF STREAMING

Nearly half of US consumers now subscribe to a streaming video service. Of those subscribers, 61% of consumers value their streaming video service among their top three subscription services. Millennials age 14-25 value their streaming video service subscriptions more than pay TV.



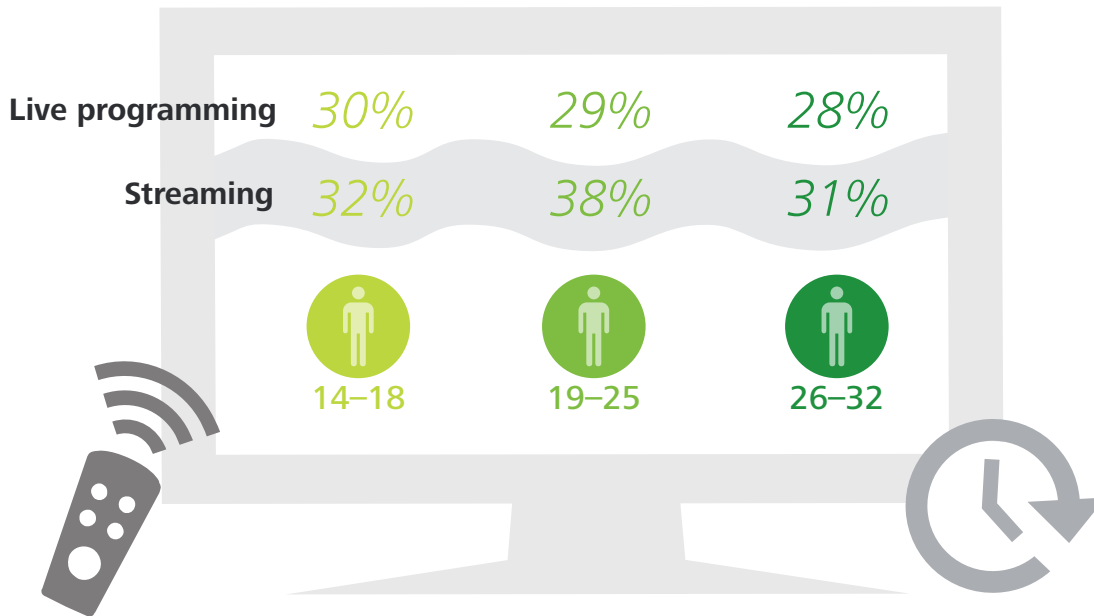
Question: Of the services you indicated your household purchases, which three do you value the most?

46% of US consumers subscribe to a streaming video service



PERCENT OF TIME SPENT WATCHING TELEVISION CONTENT

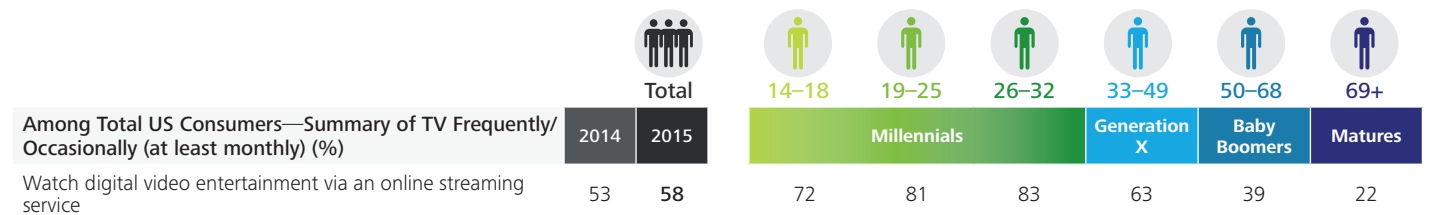
Millennials now spend more time streaming video content than watching live TV.



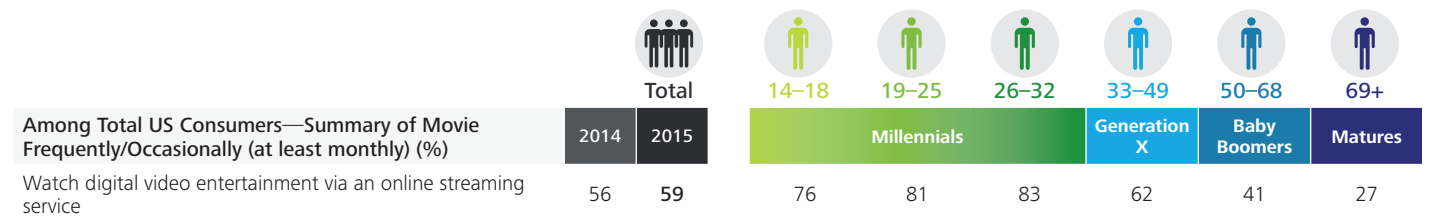
Question: When watching television content, what percent of time are you watching the following methods of programming?

FREQUENCY OF STREAMING TV SHOWS AND MOVIES

More than half of all consumers, and three quarters of Millennials, are now watching movies and TV shows via streaming on at least a monthly basis.



Question: Thinking about how you watch television programming, how frequently do you do each of the following?



Question: Thinking about how you watch movies, how frequently do you do each of the following?

CONSUMER PERCEPTIONS OF THEIR STREAMING SERVICES

Consumers like their streaming services for the ability to watch whenever, wherever, and on whatever device they choose. New content discovery and the availability of extensive libraries, including recent content, increased significantly in importance in 2015.



Total

Among Consumers with a Streaming Subscription Service—Summary of Agree Strongly (%)	2013	2014	2015
It allows me to watch content when I want to	64	74	71
I value that it allows me to watch content without commercials	-	71	66
It allows me to watch content wherever I want	55	66	61
It allows me to watch content on multiple devices	53	56	57
I value the ease at which I can discover new content	43	40	54
The quality (visual/audio) is on par with the quality (visual/audio) of the content delivered through my pay TV service (cable/satellite)	45	49	53
I value its extensive library of movies	42	36	50
I value its extensive library of TV shows	43	40	50
I value the availability of recent TV show releases	36	33	44
I value the availability of recent movie releases	35	32	42

Question: Please indicate how much you agree or disagree with the following statements about your streaming video service.

A binge-watching nation



PERCENTAGE OF US CONSUMERS WHO BINGE WATCH TV SHOWS

70% of consumers, and more than 80% of Millennials, binge watch TV content. Among those, nearly a third of consumers are binge watching shows weekly.

Among US Consumers (%)	Total		14-18	19-25	26-32	33-49	50-68	69+
	2014	2015	Millennials			Generation X	Baby Boomers	Matures
Ever binge	68	70	86	85	82	76	58	33

Question: Do you ever binge watch television shows, meaning watching three or more episodes of a TV series in one sitting?

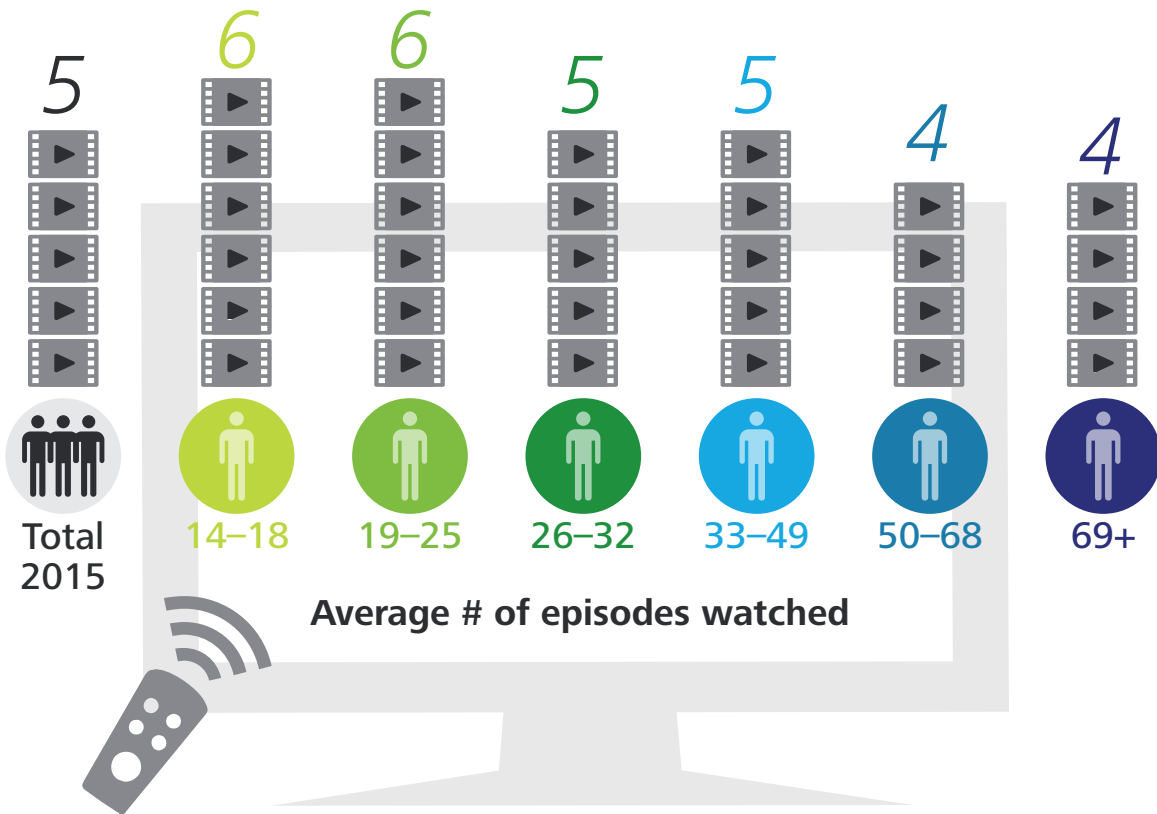
FREQUENCY OF BINGE WATCHING

Among Binge Watchers (%)	Total		14-18	19-25	26-32	33-49	50-68	69+
	2014	2015	Millennials			Generation X	Baby Boomers	Matures
At least once a week	31	31	35	36	35	25	35	15
At least once a month	34	40	40	38	44	48	28	27
At least every six months	27	24	18	22	19	23	28	50
At least once a year	8	5	7	4	2	4	9	8

Question: How frequently do you binge watch television shows?

NUMBER OF EPISODES BINGED PER SITTING

Consumers are watching an average of five episodes in a single sitting, with the youngest Millennials averaging six. TV dramas remain the most popular content to binge watch.



Question: When you binge watch, what is the average number of episodes you watch in a single sitting?

MOST BINGED GENRE

Among Binge Watchers (%)	Total		14-18	19-25	26-32	33-49	50-68	69+
	2014	2015	Millennials			Generation X	Baby Boomers	Matures
TV drama	54	53	51	49	52	55	56	44
TV comedy	20	19	22	23	20	20	14	10
Reality TV show	7	7	4	7	6	8	6	3
Do it yourself (DIY)/cooking shows	4	4	1	4	3	4	6	8

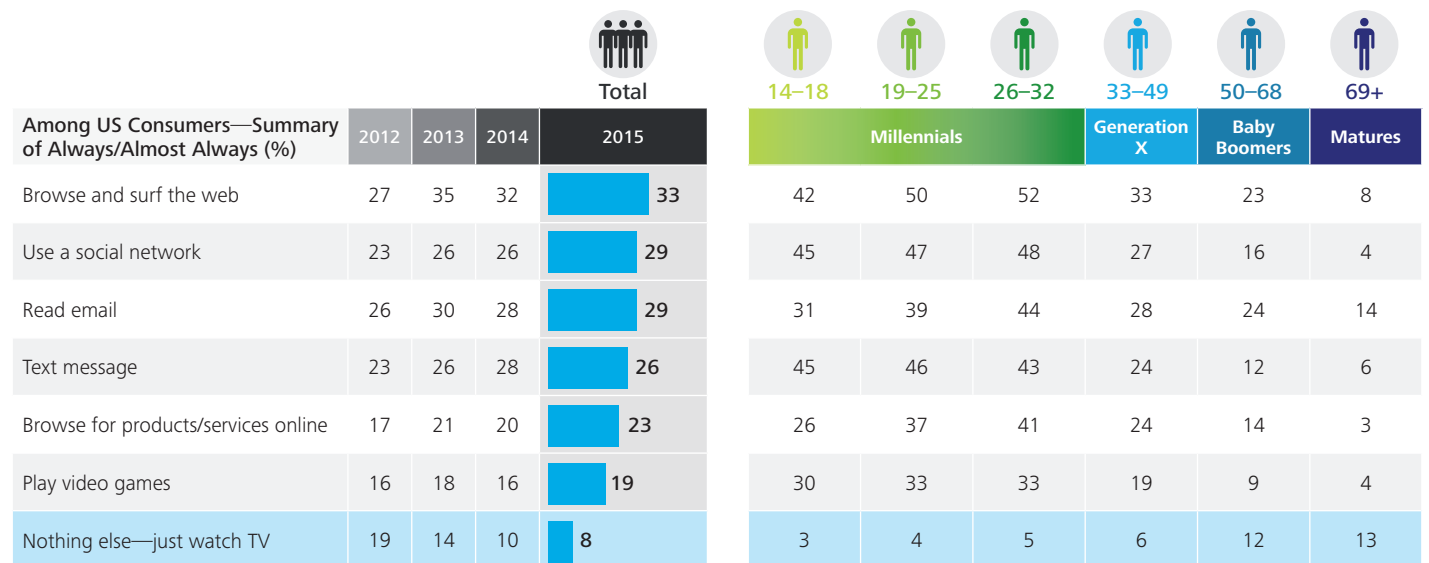
Question: When you binge watch, what kind of show are you most often watching?

The multitasking culture



PERCENTAGE OF US CONSUMERS WHO MULTITASK WHILE WATCHING TV

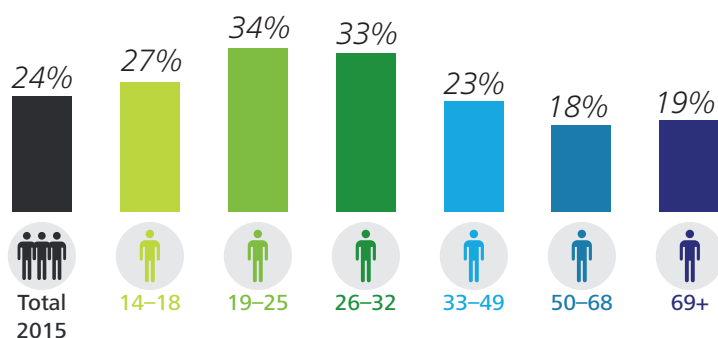
92% of consumers are multitasking while watching TV. Millennials are typically, on average, doing four additional activities while watching TV.



Question: Which are things you typically do while watching your home TV?

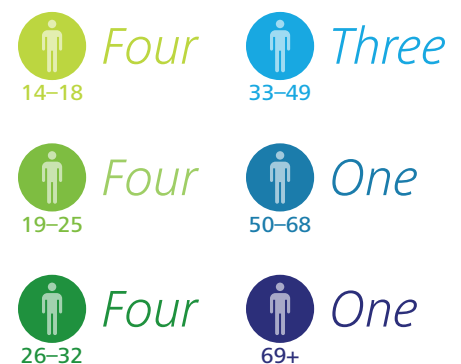
PERCENTAGE OF MULTITASKING DIRECTLY RELATED TO THE PROGRAM

Second screen activities, however, have not yet caught on as fewer than one-quarter of multitasking activities are directly related to the programs that consumers are watching.



Question: What percentage of your multitasking activities are directly related to the program you are watching?

AVERAGE NUMBER OF ADDITIONAL ACTIVITIES WHILE WATCHING TV



Advertising insights



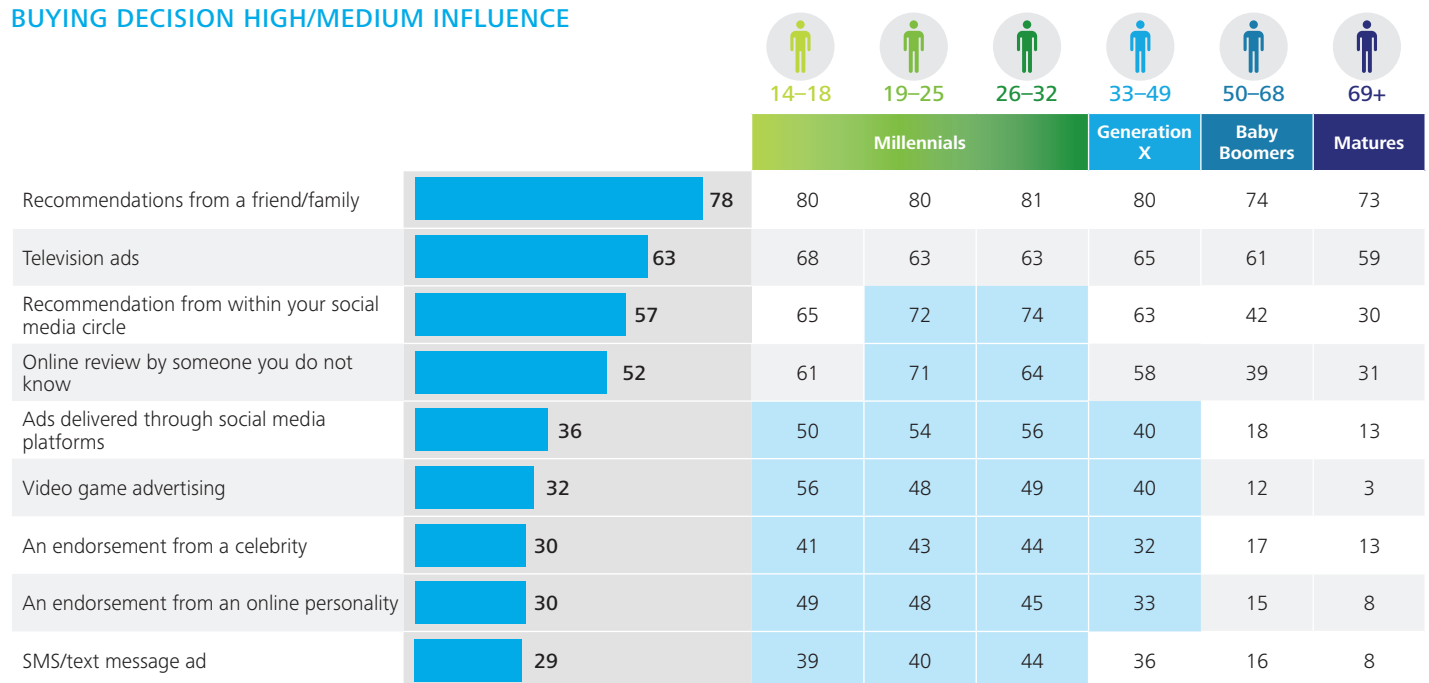
THE EVOLUTION OF ADVERTISING

For Millennials aged 19-32, recommendations from their social media circle and online reviews have now surpassed the influence of TV advertising.

Millennials and Xers are also significantly influenced by social media ads, video game ads, and celebrity/online personality endorsements. More than 50% of Millennials now rank social media ads as having a high/medium influence over their buying decisions.

The influence of SMS/text message advertisements had a big increase among Millennials this year, rising more than 10% across the age groups.

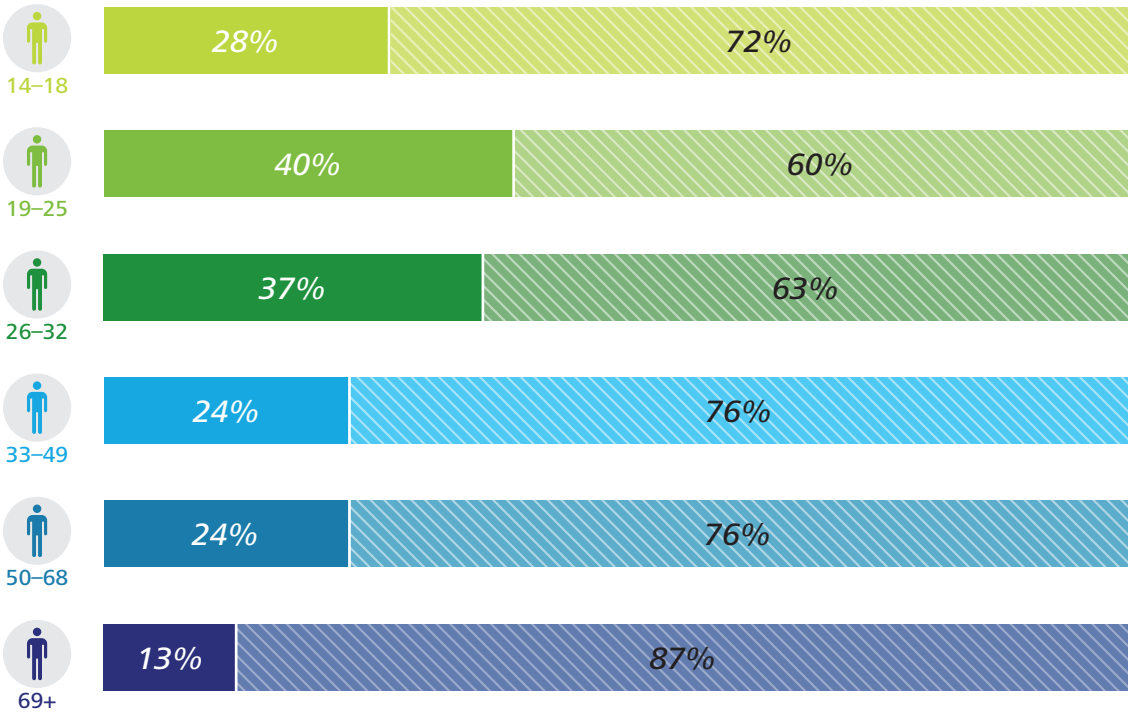
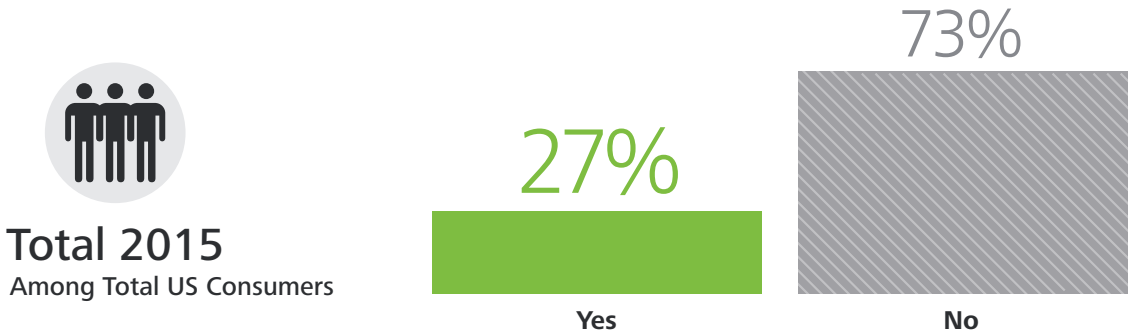
BUYING DECISION HIGH/MEDIUM INFLUENCE



Question: To what degree do the following influence your buying decisions?

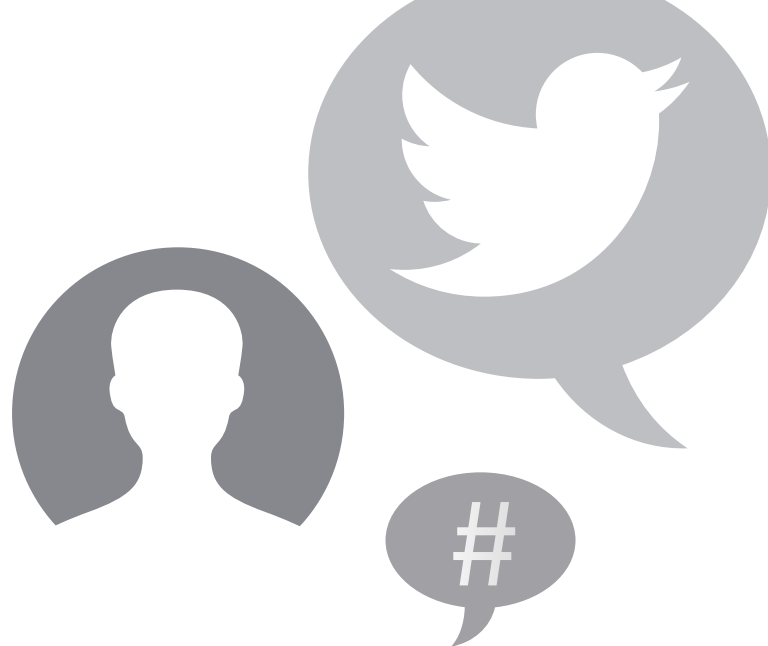
USE OF AD BLOCKING SOFTWARE

Over one quarter of US consumers currently use ad blocking software which, if it continues to grow, could have a meaningful impact on digital advertising delivery and revenue.



Question: Do you currently use ad blocking software to view content without advertisements?

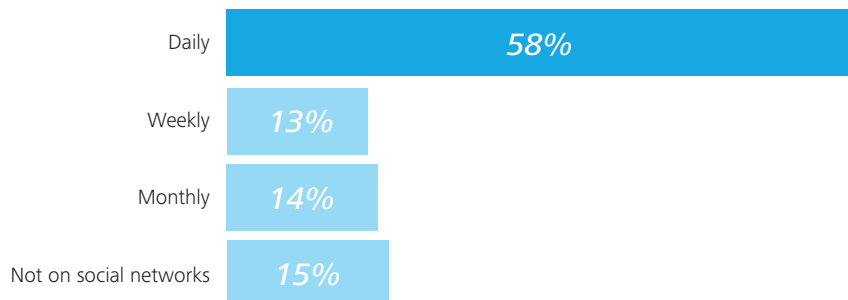
Social media



FREQUENCY OF CHECKING SOCIAL NETWORKS

Checking social networks is a daily habit for more than half of US consumers.

Among Total US Consumers (%)



Question: How often do you update/check your profile/social network?

66%

of Millennials aged 19-32 value their time interacting with friends on social media sites as much as their time spent with friends in person



MOST POPULAR NEWS PLATFORMS

Social media sites have surpassed television as the most popular source of news for Millennials.

Among Total US Consumers (%)	Total				Millennials			Generation X	Baby Boomers	Matures
	2012	2013	2014	2015	14-18	19-25	26-32	33-49	50-68	69+
Television	57	49	48	42	27	16	21	44	60	59
Social media sites	4	9	11	17	34	37	29	17	4	-
Online news sites not associated with a newspaper	17	19	12	11	11	12	14	13	9	9
Online version of newspapers	9	10	10	7	3	8	8	7	8	8
Radio	3	4	5	5	2	4	5	5	7	4
Print newspapers	6	6	7	5	2	1	6	3	7	15
News aggregators	-	-	2	3	2	2	6	4	2	-
Variety/talk shows	-	-	2	1	2	6	1	2	-	-
Magazine	-	-	-	1	-	1	3	2	1	-
I do not follow the news	3	4	4	6	17	14	6	3	3	5

Question: Which of the following is your most frequently used mechanism to get news?

CONSUMER VIEWS OF COMPANY/BRAND ENGAGEMENT ON SOCIAL NETWORKS

Led by Millennials and Xers, more than 50% of consumers say that company/brand engagement helps them feel more informed, connected to, and have positive perceptions of the company/brand.

Among Total US Consumers (%)—Summary of Agree Strongly/Somewhat	Total		Millennials			Generation X	Baby Boomers	Matures
	2014	2015	14-18	19-25	26-32	33-49	50-68	69+
It enables me to learn more about a company/brand/product/service than the information I can get on a company's website	56	61	69	80	77	68	46	35
It has improved my perception of the company/brand	49	56	67	76	74	63	39	31
I am able to more effectively raise/resolve customer service issues than via the company's website or calling the company	48	54	54	76	72	60	41	20
I feel more connected to the company/brand if their leadership engages on social networks	46	54	65	77	74	61	35	25

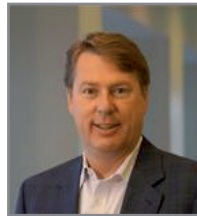
Question: How much do you agree or disagree with each of the following statements related to companies' use of social networking sites?

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