ALWAYS ON: Trends In Digital Media Use

By Lisa Finn
Editor, Research Alert

epm
A Division of BVR

Single-User License Agreement

By opening or accessing this PDF file, you are entering into the following legally binding license agreement (or, if you obtained this file directly through our website, the following reiterates the terms of the license agreement to which you already have agreed): In return for the license fee you pay, you are entitled to download one copy of the PDF to your personal computer workstation, and to maintain a backup copy for storage. You may also print out one copy of the document, and you may route this paper copy within your company. In addition, you may incorporate reasonable portions of the content into your or your company's PowerPoint presentations, reports or the like.

Except as noted below, the PDF may NOT be re-distributed, forwarded, uploaded to the Internet, posted to an intranet or in any other way shared without prior written permission of the publisher. If you would like to share the PDF with multiple parties within your company simultaneously, please contact Randy Cochran at rcochran@epmcom.com or 212-941-1633, ext. 18, for information about a site license. If you wish to route the PDF among those in your company, as you would printed copyrighted material, you may forward it to one individual, at which time you must erase all copies from your own computer's memory and destroy your printed copy (unless you are routing the single printout you made initially). Each subsequent person on the routing list for the PDF must do the same—forward only to a single individual within the company, and then delete all copies of the file from his/her computer. If you do not wish to be bound by these terms, you must return this PDF without accessing, opening or copying it, as described in our return policy.

Always On:

Trends In Digital Media Use

By Lisa Finn

Editor, RESEARCH ALERT

© 2013, Business Valuation Resources, LLC

ISBN: 978-1-935521-30-3

All rights reserved. Contents may not be reproduced or reprinted by any means without prior consent of the publisher.

Ira Mayer, *President, EPM*
Naomi Berger, *Associate Publisher of Data Publications, EPM*

Lucretia Lyons, *President, BVR*
David Foster, *Chair and CEO, BVR*
Retta Dodge, *Customer Service*

A Division of BVR

EPM – A Division of Business Valuation Resouces, LLC
1000 SW Broadway, Suite 1200; Portland, Oregon 97205-3035
Phone: 212-941-0099; Fax: 503-291-7955
info@epmcom.com; www.epmcom.com

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

TABLE OF CONTENTS

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

INTRODUCTION

The degree to which online and mobile technologies have changed Americans' daily lives is just beginning to be understood. As the U.S. population moves toward universal adoption of Internet and mobile, our connections to other people, to information, and to companies and products are transforming.

Our use of media has shifted to a near-constant state of multitasking: we layer media in a variety of patterns, depending on which ones we're using, where we are at the time, and what needs or wants we're fulfilling.

Having continuous access to product information, consumer reviews, and competitive pricing at both on- and offline retail locations has changed the balance of power in the retail landscape. On a more personal level, continuous interaction via talk, text, email, and social media makes us feel connected in an ongoing and seamless way to people both close to us and farther away both geographically and emotionally.

Each of these elements is informed by and affects the others, and none of it quite captures the depth of the overall effects on our perceptions of time, our sense of empowerment and entrapment, and our relationships and expectations of people and companies.

As digital and mobile technologies continue to evolve, and consumers' media habits, communication styles, and expectations to change along with them, we expect to see these themes reflected in consumers' relationship to technology:

- **Control** > user controls where, when, how to engage with media
- **Mobility** > user is connected to information and people while on-the-go
- **Access** > constant access to information and communication
- **Participation** > user-generated media, social media have changed expectations about the importance of "ordinary" people's opinions and ideas
- **Condensing time and distance** > new expectations for response time/access

As you read through this report, it's important to remember that some of these studies are looking at consumer behavior from a comparative perspective, indicating the directions in which consumers' habits are shifting, but not yet representing large numbers of consumers. For example, while showrooming is a significant trend, and we expect mobile to play a major role in purchases as well as in-store research, currently only 25% of showroomers are purchasing via smartphone and 10% are purchasing via tablet.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

PART I: CONTROL AND PARTICIPATION

Who Is Online? Almost Everybody

More than eight in 10 U.S. adults age 18 and older have Internet access (85% of men and 84% of women), according to Pew Research Center data (June 2013). Internet penetration is even higher among those under age 50. More than half of cell phone owners (56%) have Internet access on their phones.

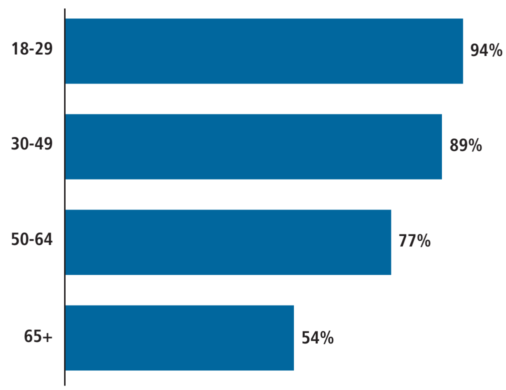
Blacks and Hispanics are still slightly less likely than non-Hispanic Whites to be traditional Internet users, but they're more active users of mobile web.

More than two-thirds of U.S. households (67%) have Wi-Fi Internet access at home, up from 53% in 2011, according to Arbitron and Edison Research. Almost a quarter of Americans (24%) have five devices or more connected to their Wi-Fi at home, and an equal proportion have three working computers or more at home (24%).

The nature of Internet access is also changing, moving from something we do in a static location to a resource we check in with frequently and fluidly, wherever we are. On a typical day, a U.S. Internet user will spend 43 minutes online via connected TV, 39 minutes online via computer, 30 minutes online via tablet, and 17 minutes online via smartphone, according to Google.

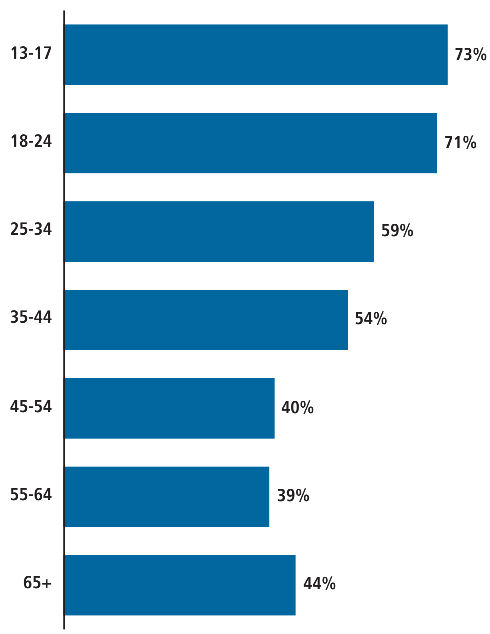
Heavy usage of one medium (e.g., 5+ hours/day of TV, Internet, or radio) does not necessarily decrease usage of other media, according to Arbitron and Edison Research. Heavy users of TV spend just as much time listening to the radio as the average American (two hours and 12 minutes versus two hours and four minutes). Similarly, heavy Internet users (4+ hours/day) spend three hours and 35 minutes watching TV each day, compared to three hours and 33 minutes for the average American.

INTERNET ACCESS AMONG U.S. ADULTS, BY AGE, JUNE 2013



SOURCE: Pew Research Center

AMERICANS WHO FEEL THEY'RE ADDICTED TO THE INTERNET, BY AGE



SOURCE: Sodahead

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

More than six in 10 Internet users (61%) describe themselves as "addicted" to the Internet, according to polling site Sodahead. These numbers are even higher among teens and adults under 25. At the same time, consumers are wearying of some of the details of online living. For example, 84% of online adults dislike having to register with new websites. The majority say it's because they don't want to have to remember another password — 58% have at least five discrete passwords.

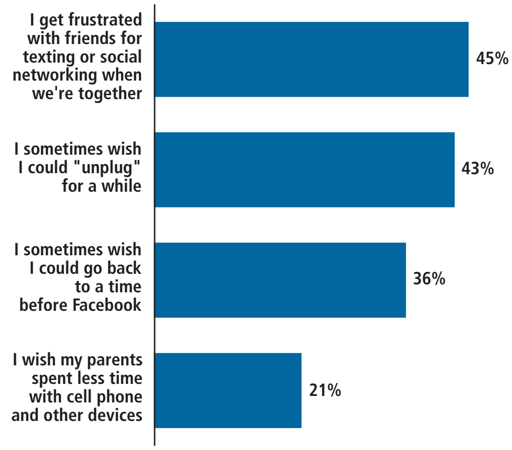
Tech Anxiety

The increasing saturation of our lives with digital and mobile technologies is making some people anxious about its long-term effects on their lifestyles, while at the same time appreciate its benefits. Although about half of adults worldwide (47%) believe technology will ultimately improve our lives, 44% believe it's too soon to tell, and 10% think it will make life worse, according to Euro RSCG Worldwide.

Nearly seven in 10 adults worldwide (69%) worry that humans have become too disconnected from the natural world.

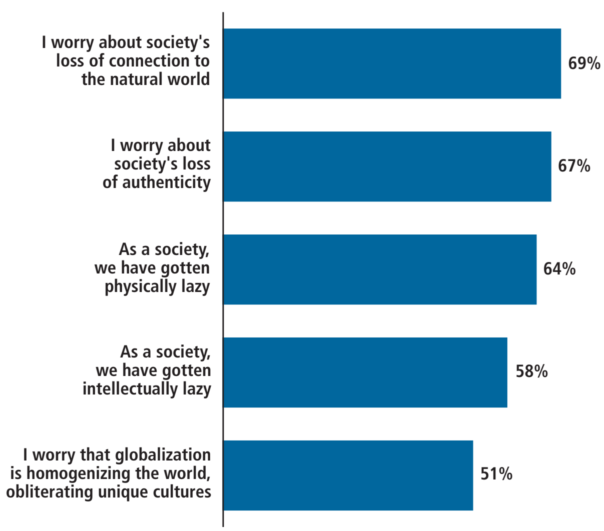
Majorities feel that society has gotten physically and intellectually lazy, and that there's an increasing lack of authenticity in modern life. Almost half (49%) are concerned that digital technology and multitasking are impairing people's ability to think deeply and focus on a single task. More than half of adults worldwide feel that society has become too shallow, focusing on things that don't really matter. Younger adults are more likely than those over 55 to worry that they're wasting their lives.

TEENS' FEELINGS ABOUT THE DOWNSIDES OF TECHNOLOGY



SOURCE: Common Sense Media

ASPECTS OF MODERN LIFE OF CONCERN TO ADULTS WORLDWIDE
(% who agree)



SOURCE: RSCG Worldwide

Despite their ambivalence about technology's ultimate effects on quality of life, four in 10 people (42%) find it hard to be away from their mobile phones or devices. On the other hand, half (51%) enjoy deliberately taking breaks from their mobile phones/devices.

At the same time, nearly half of respondents (46%) say being online distracts them too often, and 35% say being online interferes with their family life. Nearly half of adults (47%) complain that they spend too much time working and rushing around and not enough time enjoying life.

People 55 and older are more likely than those 18-34 to feel that the opportunity to share thoughts and feelings on the Internet is eroding personal boundaries.

Seven in 10 adults age 55 and older (71%) believe people share too much about their personal thoughts and experiences online, compared to 57% of 18-34-year-olds who think so.

Nearly eight in 10 adults 55 and older (79%) agree with the statement, "Young people today have no sense of personal privacy; they're willing to post anything and everything about their lives online." Nearly

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

Key Themes: Control And Participation

- More than two-thirds (67%) of U.S. households have Wi-Fi.
- The nature of Internet access is changing, moving from something we do in a static location to a resource we check in with frequently and fluidly.
- VOD, DVR, streaming and downloading allow us to control where and when we consume entertainment.
- Americans are even more likely to watch user-generated content than to watch professionally produced online videos or TV content online.
- Video games have become part of mainstream family entertainment; gaming is an inherently participatory form of entertainment. Online gaming and multiplayer games are also interactive.

three-quarters of 35-54-year-olds (74%) and 66% of 18-34-year-olds agree.

People under 35 are more likely than those 35 and older to worry that friends or family members will share personal information about them online that they don't want shared. They're also more likely than adults 35 and older to say they've posted personal information about a friend or family member online and regretted doing so.

Even among teens, there is a sense of tech overload at times. Four in 10 13-17-year-olds (41%) who own cell phones feel they're addicted to them, according to Common Sense Media. Almost a third of teen iPad owners (32%) feel addicted to these devices, and 20% of social network users say they're addicted to the sites.

Nearly half of teens find it frustrating when their friends spend time texting or checking their social networking pages instead of paying attention to them when they're spending time together in person. More than four in 10 teens who use social media (44%) admit that social networking often distracts them from interacting with the people they're with.

On the whole, however, teens feel that social media have had positive effects on their lives. The majority of teen social network users (52%) feel that using social media has mainly helped their relationships with friends, while only 4% say it's mainly hurt these relationships. More than eight in 10 teens who use social networks (88%) say doing so has helped them keep in touch with friends they can't see regularly.

Social networking isn't just helpful for bridging geographic distance; it can also bring together local people who wouldn't otherwise connect. More than two-thirds of teen social networkers (69%) say it's helped them get to know other students at their school better, and 57% say it helps them connect with others who share common interests.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

PART II: OUR GADGETS, OURSELVES

Digital Devices: Who Owns What And What We Do With Them

More than half (53%) of Americans age 12 and older have smartphones, up from 44% in 2012, according to April 2013 data from Arbitron and Edison Research. Three-quarters of those ages 18-34 own them.

More than half of smartphone owners have watched video on their phones, but calling, texting, and taking photos are still the most common activities performed on these devices. More than six in 10 (61%) use their phones to browse the Internet at least once a day. More than eight in 10 cell phone owners say they keep their phones within reach all (52%) or most (30%) of the time. Three in 10 Americans age 12 and older (30%) use their cell phones as alarm clocks, but 59% of 18-to-34-year-olds do so.

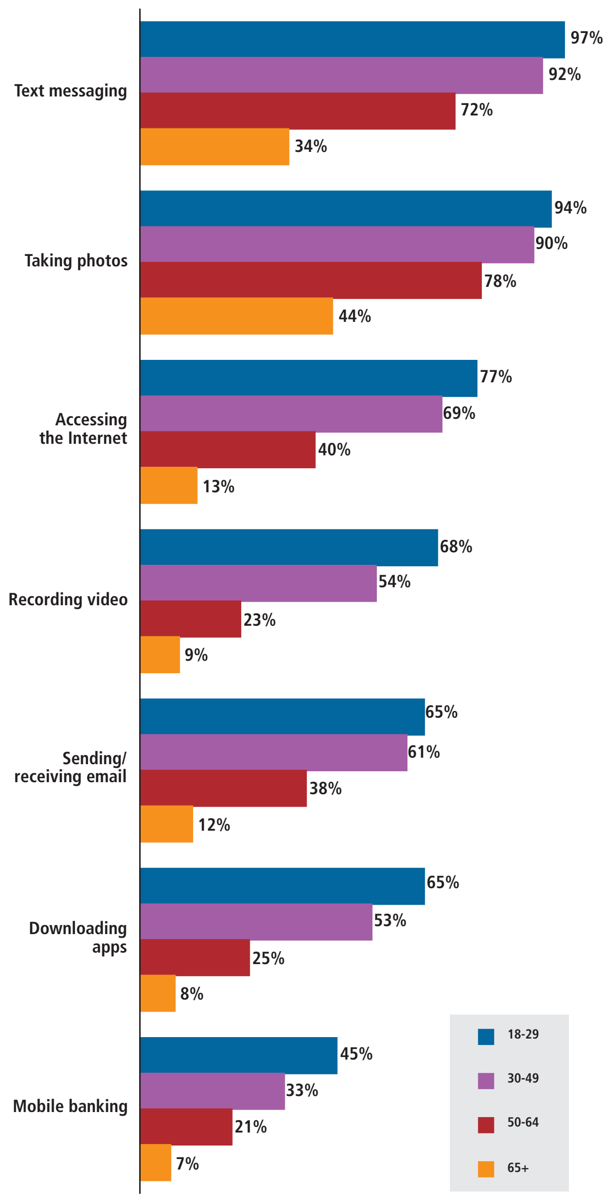
As of June 2013, 56% of U.S. adults own smartphones, and 91% own cell phones of some kind according to Pew Research Center. Three in 10 (34%) own tablets. More than a quarter own eReaders (26%), and 43% owned gaming consoles, as of January 2013. About six in 10 Americans had laptop (61%) and/or desktop (58%) computers at home, as of April 2012.

Almost two-thirds of Blacks (64%) and 60% of Hispanics owned smartphones as of June 2013, compared to 53% of non-Hispanic Whites. Two-thirds of Hispanics (66%) have Internet access on their mobile phones, compared to 60% of Blacks and 52% of non-Hispanic Whites, as of November 2012.

More than a third of Hispanics (35%) and Blacks (34%) use their phones for mobile banking, compared to 26% of non-Hispanic Whites.

Apart from voice usage, taking photos and sending or receiving text messages are the

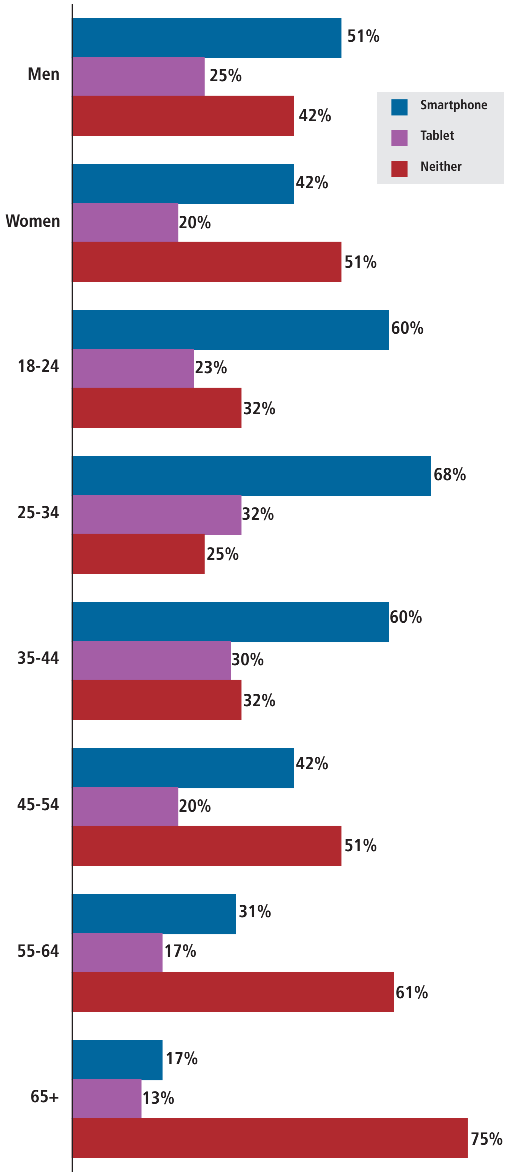
ACTIVITIES FOR WHICH CELL PHONE OWNERS USE THEIR PHONES, BY AGE



SOURCE: Pew Research Center

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

OWNERSHIP OF SMARTPHONES AND TABLETS, BY GENDER AND AGE



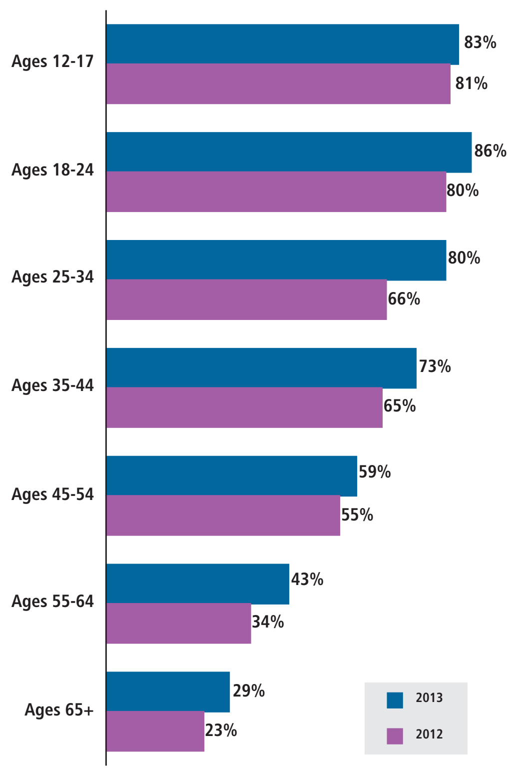
SOURCE: BIGinsight

As adoption of mobile devices broadens, the devices themselves are taking on more specialized roles in our lives. Where once consumers might have lumped smartphones and tablets together under the general heading of mobile devices (read: non-laptops), smartphones and tablets have diverged into two distinct styles of usage.

For smartphone owners, the devices are the most personal of electronics — partly because their portable nature encourages us to bring them everywhere (literally — 75% of Americans have used their mobile phones in the bathroom). Their physical format lends itself to customization and personalization, and owning the latest, sleekest smartphone can be a status symbol.

Beyond that, however, the smartphone is an always-on means of checking in with social media and documenting our daily adventures, ideas, opinions, and mental flotsam for the members of our increasingly global social sphere. Through the smartphone we interact with others, we find out where we are and how to get where we'd like

AMERICANS WHO OWN SMARTPHONES, BY AGE, 2013 VS. 2012



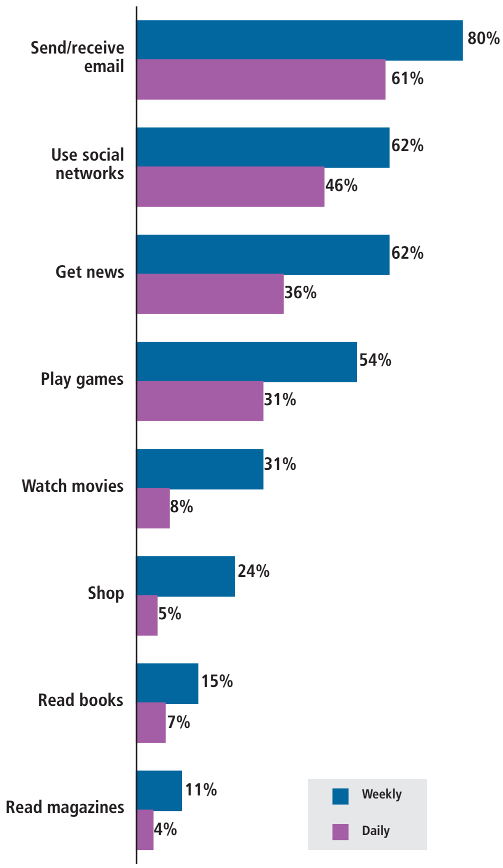
SOURCE: Arbitron and Edison Research

most widely practiced cell phone activities. There are significant variations by age. For example, nearly all 18-29-year-olds use their phones for text messaging, compared with just over a third of those age 65 and older.

Usage of cell phones for online functions such as accessing the Internet or checking email increases with education and household income, though the majority of cell phone owners (52%) with annual incomes below $30,000 have Internet access on their phones.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

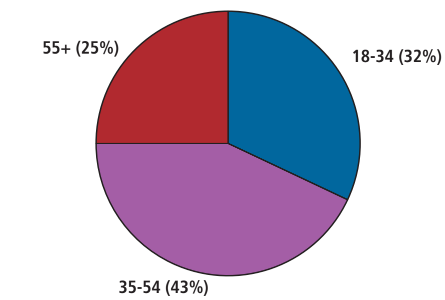
ACTIVITIES FOR WHICH SMARTPHONE OWNERS USE THEIR DEVICES



SOURCE: Pew Research Center

- People who own both smartphones and tablets tend to choose devices with the same operating systems.
- Moms are more likely than Americans overall to own a variety of digital devices, including smartphones, tablets, laptops, and gaming consoles.

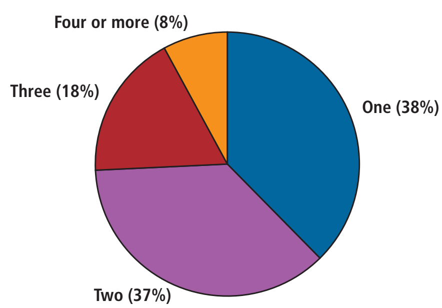
OWNERS OF TABLETS OR E-READERS, BY AGE



SOURCE: GfK MRI

NUMBER OF TABLETS OR E-READERS PER HOUSEHOLD

(Among households that own at least one of these devices)



SOURCE: GfK MRI

to go, and we display to the world who we are — or at least who we'd like to be seen as.

When asked which digital devices or platforms have had the most significant impact on their lives, Americans' top choices are smartphones — specifically the Apple iPhone (53% rate its impact 5 on a scale of 1-5) and Android smartphone (50%), according to Arbitron and Edison Research.

Almost seven in 10 smartphone owners say they never leave home without these devices, and more than a third say it's the first thing they reach for when they wake up in the morning, according to ABI Research. Six in 10 smartphone owners (60%) always keep their phones within arm's length, according to Arbitron and Edison Research.

More than nine in 10 smartphone owners (93%) have used their devices to go online every day in the past week, according to Google and Ipsos OTX MediaCT. Nearly all (95%) use search engines on their smartphones, and 82% use them at least once a week.

Americans have an average of 26 apps installed on their smartphones and use 11 in a typical month. About three-quarters of apps on smartphone users' phones are free apps.

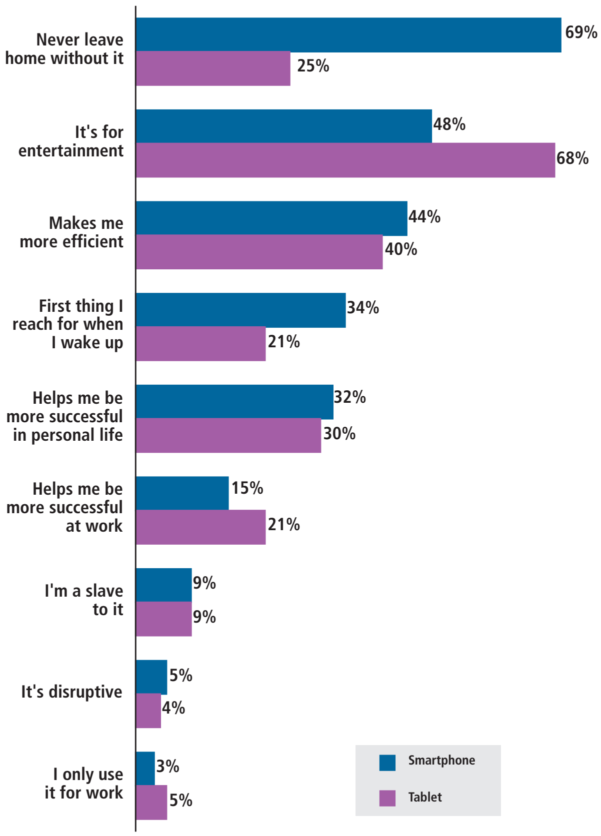
Nine in 10 U.S. smartphone owners (92%) use their devices to find local information; 89% of these have taken action after looking up such information. More than half of smartphone owners (54%) use social media daily.

Just over a third (34%) of American smartphone owners have made purchases using

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

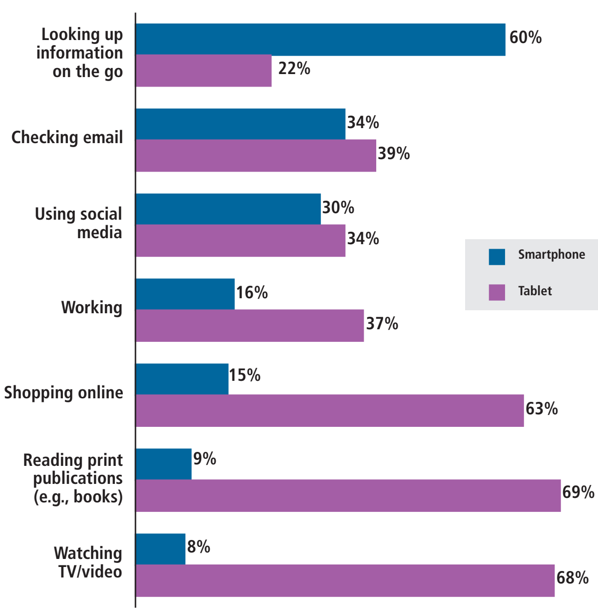
SMARTPHONE AND TABLET OWNERS' ATTITUDES ABOUT THEIR DEVICES

(Among those who own the devices)



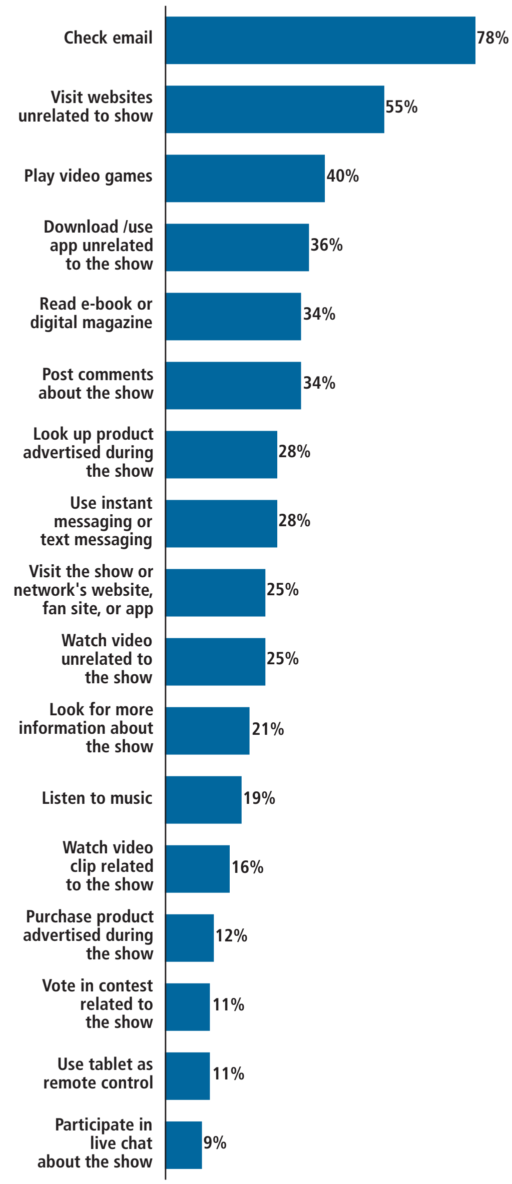
SOURCE: ABI Research

WHICH MOBILE DEVICES USERS PREFER FOR SPECIFIC ACTIVITIES



SOURCE: ABI Research

ACTIVITIES PERFORMED ON TABLET WHILE WATCHING TV IN THE PAST WEEK



SOURCE: GfK MRI

their phones. Among these, 63% make at least one purchase via mobile per month; 20% make purchases daily.

Tablets, on the other hand, are viewed as entertainment and shopping portals, as well as tools for work. While their sleek form may confer social and/or professional status, they're not viewed as extensions of their owners' personalities in the same way smartphones are. Tablets are less likely than smartphones to be carried everywhere their owners go, and many are used as family

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

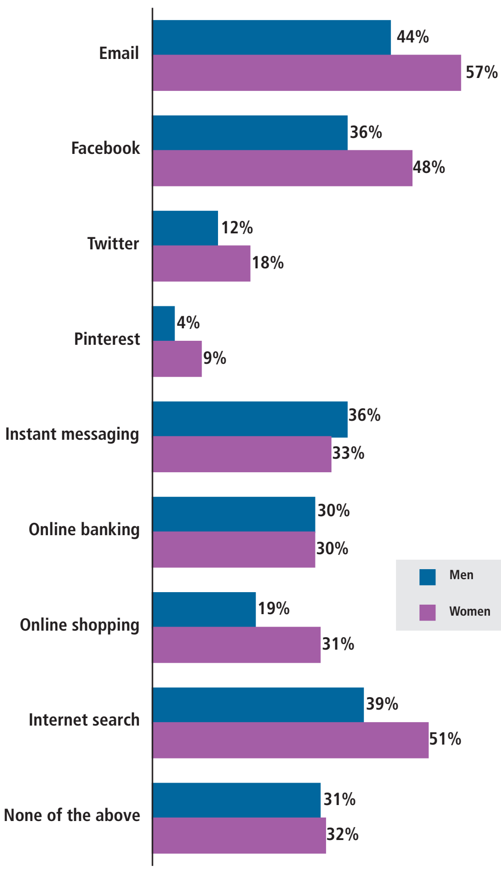
entertainment devices — especially in households with young children, most of whom seem to have been born proficient in the technology.

More than two-thirds of tablet owners (68%) are age 35 or older, according to GfK MRI. The majority of households that own tablets or eReaders have more than one of these devices (suggesting, perhaps, that people are buying one tablet for the kids and another for the adults).

Men make up the majority of tablet owners (53%), but women and men are equally likely to own smartphones, according to Nielsen.

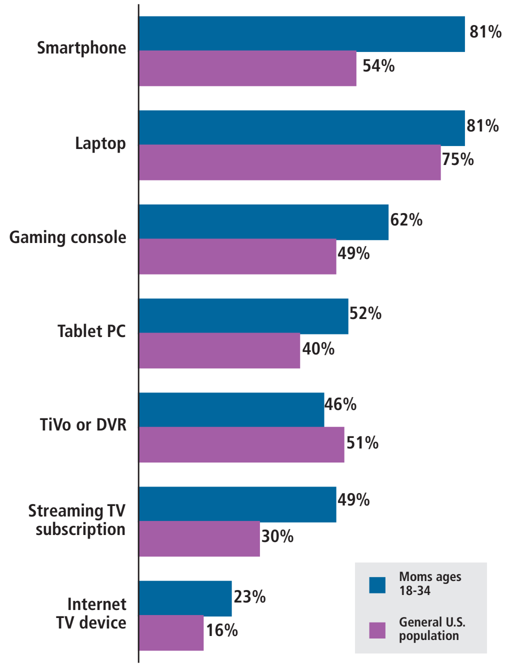
Tablet owners spend nearly two hours per day (1:49) using their devices, according to the Pew Research Center's Project for Excellence in Journalism. More than two-thirds (68%) use their tablets every day. iPad owners use their devices more frequently than owners of other devices; 54% use them several times a day, compared with 40% of Kindle Fire owners and 33% of Android tablet owners.

ACTIVITIES SMARTPHONE OR TABLET USERS DO ONLY ON THESE DEVICES, BY GENDER



SOURCE: Prosper Mobile Insights

OWNERSHIP OF DIGITAL DEVICES/SERVICES, MOMS AGES 18-34 VS. GENERAL U.S. POPULATION



SOURCE: BabyCenter

More than two-thirds of tablet owners (68%) acquired their devices within the past year, including 32% who got them in 2012. Just over a quarter of tablet owners (26%) have data plans for these devices.

Android tablets are gaining market share; 48% of tablet owners have Android-based devices (including 21% who own Kindle Fire tablets), up from 15% in 2011. Among the 44% of Americans who own smartphones, 46% have Android phones.

People who own both smartphones and tablets tend to choose devices with the same operating systems. Two-thirds of Android tablet owners (66%) who have smartphones have Android-based phones, and 57% of iPad owners with smartphones have iPhones.

Men who own tablets are more likely than women who own them to use the devices for reading or watching news (89% vs. 79%). More than four in 10 men (43%) who get news on their tablets do so daily, compared with 32% of women.

Both types of devices are used for shopping, but in different ways. Almost six in 10

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

smartphone owners (58%) use their devices for shopping-related activities in-store, while only 28% of tablet owners use these devices in-store, according to ABI Research. More than six in 10 dual device owners (63%) prefer tablets to smartphones for online shopping; no doubt the larger screen plays a role.

Women are arguably more attached to their mobile devices than men are. Women are more likely than men to say they do certain activities only on smartphones or tablets, including email, using social media (including Facebook, Twitter, and Pinterest), and doing Internet searches, according to Prosper Mobile Insights.

Moms are more likely than Americans overall to own a variety of digital devices, including smartphones, tablets, laptops, and gaming consoles, according to BabyCenter.

Multiple Screens

Most of the time Americans spend using TV, tablets, smartphones, or computers, they're using two or more of these devices simultaneously, according to Google. More than eight in 10 smartphone users (81%) use them while watching TV every day. Nearly half of all TV viewing (49%) and 45% of all computer use occurs in combination with smartphone use. Use while watching TV accounts for 44% of all tablet use.

Six in 10 U.S. adults (62%) use other devices while watching TV, but only 7% of all adults use them to interact with the content they're watching on TV, according to Leichtman Research Group.

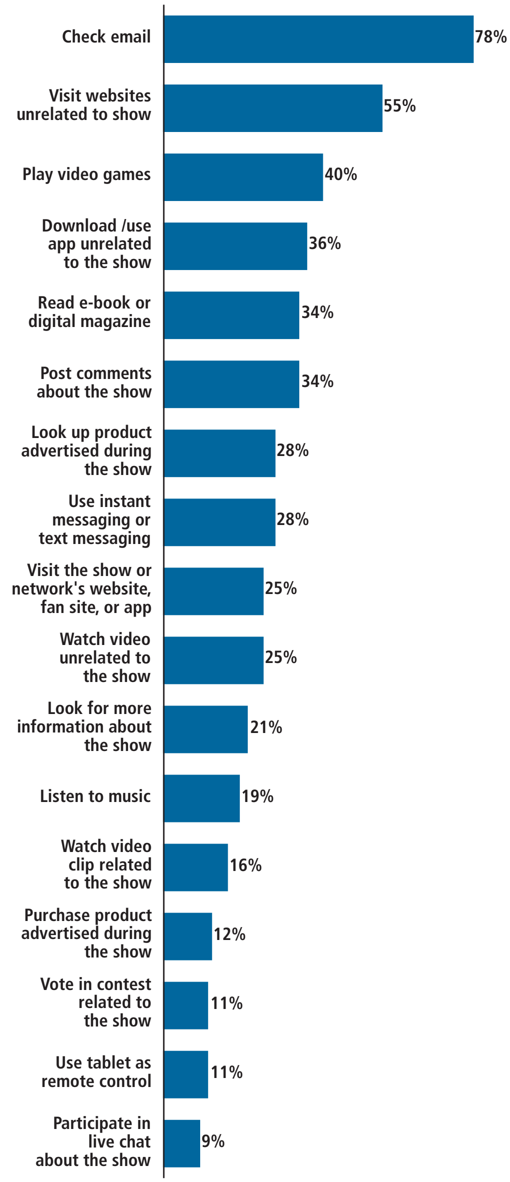
Multiscreen use takes two forms: (a) simultaneous use of more than one device for either related or unrelated activities and (b) sequential use — beginning an activity on one device and continuing it on another. Nine in 10 consumers (90%) who own multiple connected devices use them sequentially at least sometimes, according to Google.

Sequential activities are most likely to begin on smartphones, such as beginning product research on smartphone and later purchasing via computer. More than two-thirds of online shoppers who use multiple devices (67%) have started a shopping session on one device and completed the transaction on another.

Most simultaneous usage of connected devices (78%) involves performing two or more unrelated tasks. Email is the activity most commonly performed during simultaneous usage. Smartphone and/or tablet owners who use these devices to check email while watching TV are about equally likely to do so during commercials (59%) and during program content (57%), according to Nielsen.

When looking for information online, 34% of consumers simply use whichever connected device is closest to hand, according to Google and Ipsos.

ACTIVITIES PERFORMED ON TABLET WHILE WATCHING TV IN THE PAST WEEK



SOURCE: GfK MRI

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

A study of habitual multiscreen users by Microsoft Advertising identifies four primary ways in which consumers use multiple screens.

Content Grazing (71% of U.S. multiscreen users do so): Using two or more devices simultaneously to access separate, unrelated content. Usually done out of habit or to alleviate boredom with a brief distraction. Morning and evening are the prime times for this form of multiscreen behavior.

Investigative Spider-Webbing (57%): Using multiple devices to view related content simultaneously. Often done to research or dive more deeply into a subject, such as reading about a movie on IMDB while watching it on TV. Most commonly done in the evening and later at night.

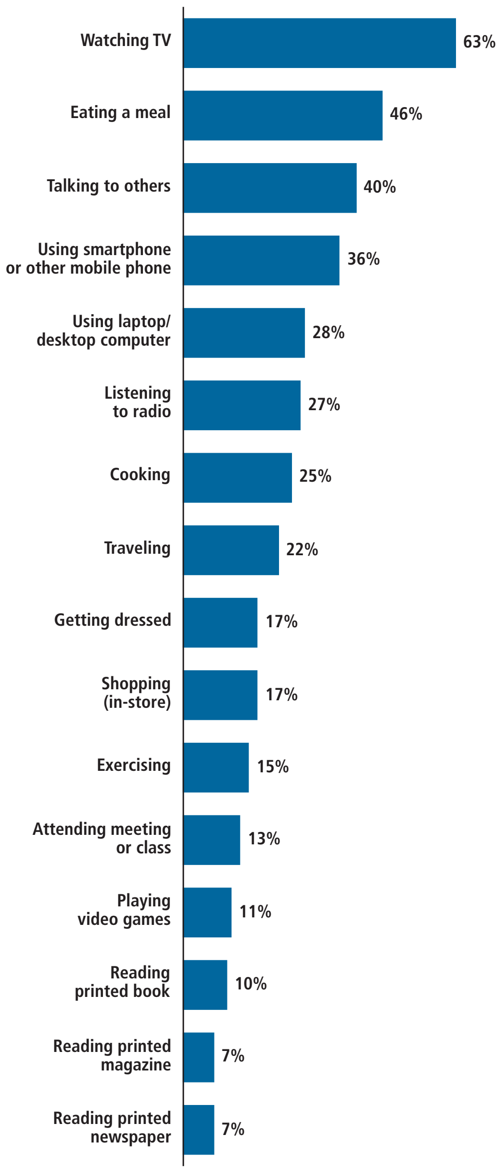
Quantum (41%): Starting an activity on one device and continuing it on another. Used to complete practical tasks efficiently. Prime times are morning, afternoon, and evening.

Social Spider-Webbing (38%): Using a device to engage with others while participating in an activity on another device. Done in the morning, at noon, and in the evening.

Although consumers have embraced a multiscreen lifestyle and believe these technologies enhance their lives, almost half (48%) admit to yearning for a time when they could just focus on one task at a time.

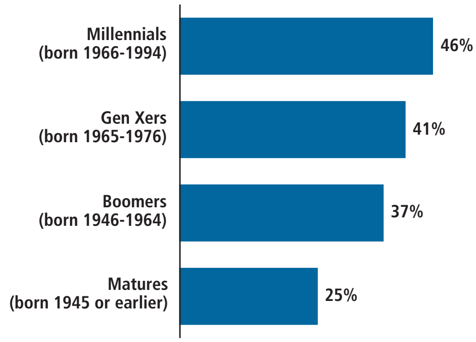
Multitasking accounts for 40% of all time spent using tablets, according to GfK

ACTIVITIES PERFORMED WHILE ALSO USING TABLETS IN THE PAST WEEK



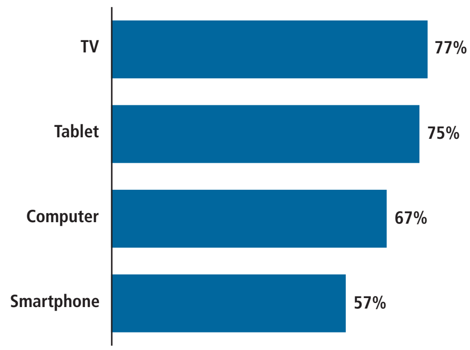
SOURCE: GfK MRI

PROPORTION OF TOTAL TV VIEWING TIME THAT INCLUDES SIMULTANEOUS USE WITH TABLET, BY GENERATION



SOURCE: GfK MRI

PROPORTION OF TOTAL DEVICE USAGE THAT IS SIMULTANEOUS



SOURCE: Google

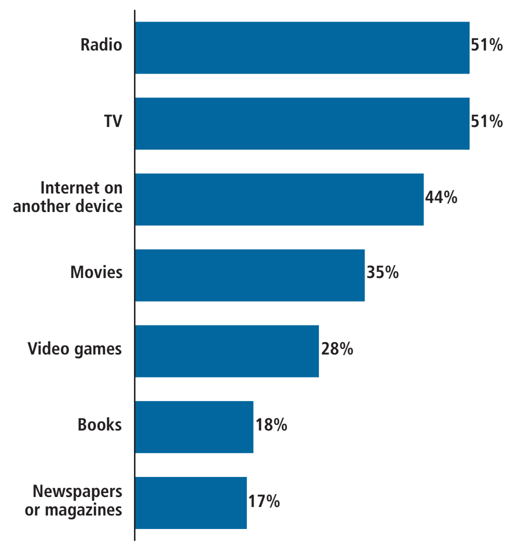
© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

MRI. Nine in 10 tablet owners (90%) have used their tablets while doing other activities at least once in the past week. Nearly three-quarters (74%) say they multitask more than they did before they had tablets.

Almost nine in 10 tablet owners (89%) who use their devices for multitasking do so when at home. Fewer than a quarter multitask with their tablets at work (19%) or while commuting (18%). Evenings are prime time for using tablets simultaneously with other media or activities.

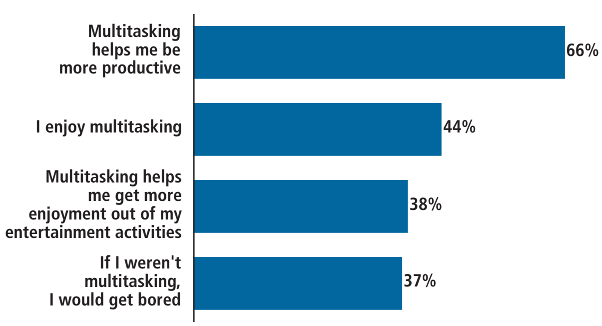
Watching TV is the top activity performed simultaneously with tablets. Although tablets perform some of the functions of smartphones and computers, significant proportions of tablet owners use their devices at the same time as smartphones or computers.

MEDIA AMERICANS USE CONCURRENTLY WITH SMARTPHONE



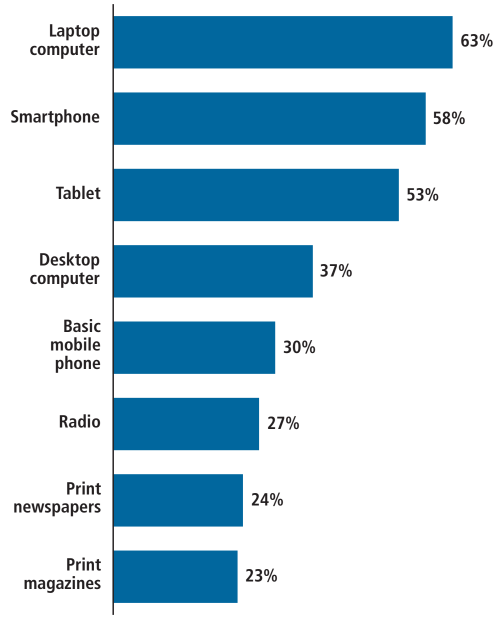
SOURCE: Google and Ipsos OTX MediaCT

AFFLUENT AMERICANS' ATTITUDES TOWARD MULTITASKING



SOURCE: Ipsos MediaCT

MEDIA OR DEVICES AFFLUENT CONSUMERS USE REGULARLY OR CONSTANTLY WHILE WATCHING TV



SOURCE: Ipsos MediaCT

Among those who use tablets while watching TV, 36% pay more attention to the tablet than to the TV, 36% pay equal attention to both, and 28% pay more attention to the TV than to the tablet.

Women are more likely than men to focus on their tablets, while men are more likely to focus on the TV. Tablet-owning households have an average of 1.98 tablets or eReaders in the house. Women make up 58% of owners of tablets or eReaders, but ownership of iPads is evenly split.

Seven in 10 tablet owners (72%) say they consume more media because they have tablets, and 47% use their tablets to access media they cannot access on any other devices.

More than a quarter of affluent Americans (with annual household incomes of $100,000 or higher) say they multitask almost constantly (27%), and another 37% do so regularly, according to Ipsos MediaCT. Affluents tend to view multitasking in a positive light, either saying it's enjoyable for its own sake or that it helps them be more productive.

More than half of affluents (51%) have used social media while watching TV to access or engage with content specifically related to the show they were watching.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

Three in 10 do so on a regular basis (19%) or almost constantly (11%).

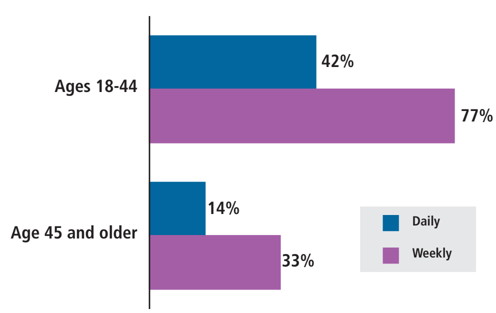
Consumer-Controlled Entertainment

One of the most important changes in our media consumption habits in the past decade has been the increasing level of control we have over when, where, and how we consume media. Devices such as DVRs (and before them, VCRs) and services such as streaming video and VOD have made it easy for consumers to choose when and where they watch TV programs, movies, and other videos.

Nearly half of Americans age 12 and older have DVRs at home (45%), up from 28% in 2008, according to Arbitron and Edison Research. About a fifth have watched TV shows via streaming or downloading on their TV sets (21%) or computers (19%) in the past month. Among those ages 12-24, 30% have watched streamed or downloaded shows via computer and 28% have watched on TV sets, while 12% each have watched on tablets and cell phones.

Nearly a third of TV content (29%) viewed by consumers worldwide is recorded (e.g., on DVR), though 36% of recorded material (41% in the U.S.) never gets viewed, according to Motorola. The most common reasons for recording TV content are to be able to watch two programs that are airing simultaneously (77% of viewers worldwide), to record a whole series for viewing at leisure (72%), and to be able to skip advertisements

AMERICANS WHO WATCH VIDEO ON DEVICES OTHER THAN TVS, BY AGE, 2013

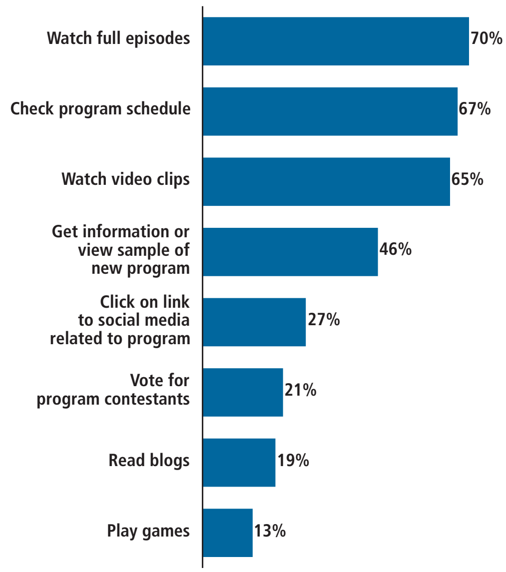


NOTE: Devices include computers, mobile phones/smartphones, tablets, and eReaders.

SOURCE: Leichtman Research Group

FEATURES USED ON NETWORK TV WEBSITES, Q4 2012

(% of visitors who used feature)



SOURCE: GfK MRI

when viewing (68% globally; 74% in the U.S.).

Online video has become mainstream; nearly half of Americans age 12 and older have watched in the past month (49%), and 43% have watched in the past week, according to Arbitron and Edison Research. The average online video viewer watches four hours per week, while the average online radio listener spends nearly 12 hours per week listening to online radio.

More than half of U.S. adults (53%) watch video on devices other than TVs each week in 2013, up from 37% who did so in 2011, according to Leichtman Research Group. More than a quarter (27%) watch daily, up from 14% who did so in 2011. Americans under age 45 are more likely than those 45 and older to watch video on computers, mobile phones, tablets, or eReaders regularly.

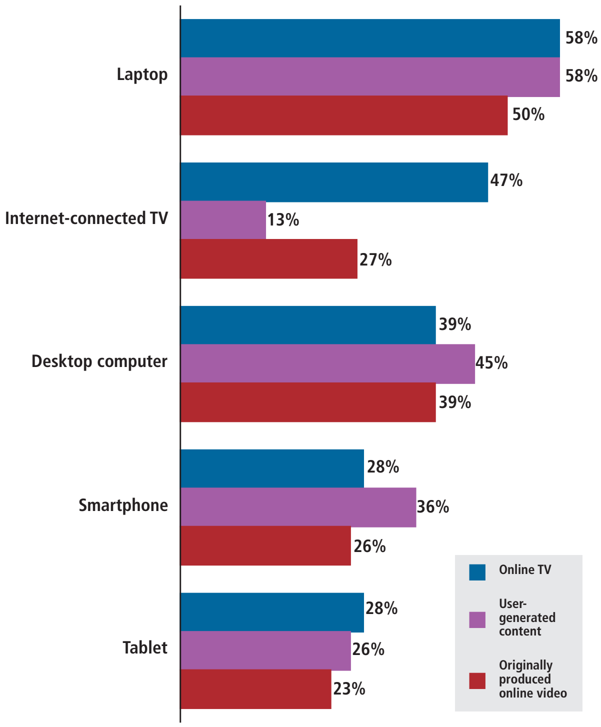
More than four in 10 households (44%) have at least one TV connected to the Internet, via built-in connectivity, Blu-ray player, video game console, or set-top box such as Roku, according to Leichtman Research Group.

More than half of U.S. households (52%) with multichannel subscription service have DVRs at home. This includes 71% of those who have subscription TV service through a

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

DEVICES USED TO STREAM VIDEO AT LEAST ONCE A MONTH, BY VIDEO TYPE

(Among those who watch this type of video at least monthly)



SOURCE: IAB

telecommunications company, 63% of those who have it via DBS (satellite) service, and 42% of those who have cable. Seven in 10 digital cable subscribers (70%) have used VOD services. Almost two-thirds of telecom TV subscribers (64%) and 59% of digital cable subscribers have used VOD in the past month. Three in 10 U.S. households (30%) have at least one TV set connected to the Internet.

The majority of households that subscribe to Netflix use its Watch Instantly streaming video service at least once a week (59%). A quarter (26%) use it every day.

More than a third of Internet users ages 13-54 (34%) and 30% of all Americans ages 13-54 watched streaming TV content (produced by TV networks, but streamed either via the networks' websites or apps, or from non-network sources such as Hulu) in the fourth quarter of 2012, according to GfK.

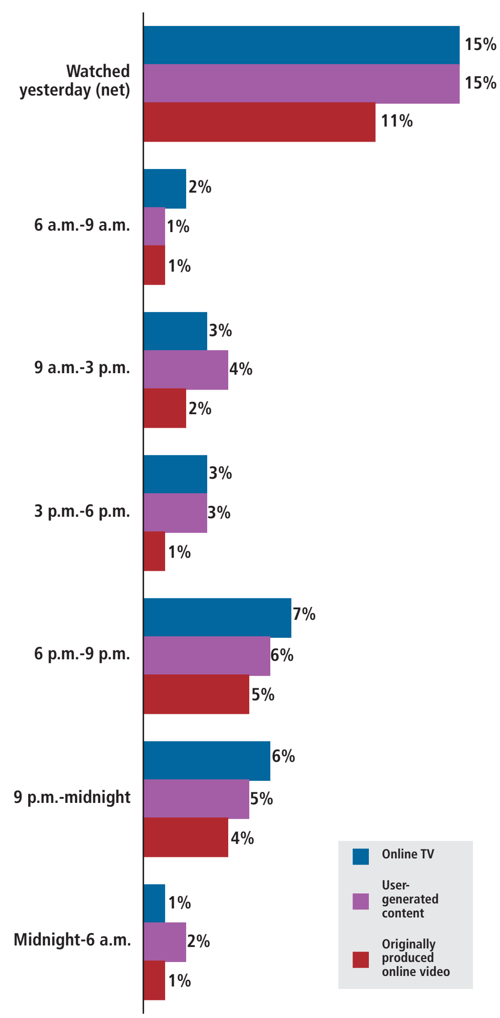
The majority (52%) watched using the network's own website or app, while another 34% watched using other sites or apps such as Hulu. Three in 10 (30%) visited network TV websites, and 17% visited the sites of individual TV programs during this period.

Almost nine in 10 visitors to network websites accessed them from home (89%), and about the same proportion (88%) visited via computer. Nearly a third (32%) visited network websites via smartphone or tablet during this period, up from 23% who did so in the same timeframe in 2011.

Among those who download and/or stream network TV content from the Internet, nearly a quarter (22%) say they watch shows they'd never have watched if they weren't available online, according to Knowledge Networks.

More than one in 10 U.S. adults stream video on a typical day, according to the Inter-

U.S. ADULTS WHO WATCHED STREAMING VIDEO "YESTERDAY," BY TYPE OF VIDEO AND TIME OF DAY



SOURCE: IAB

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

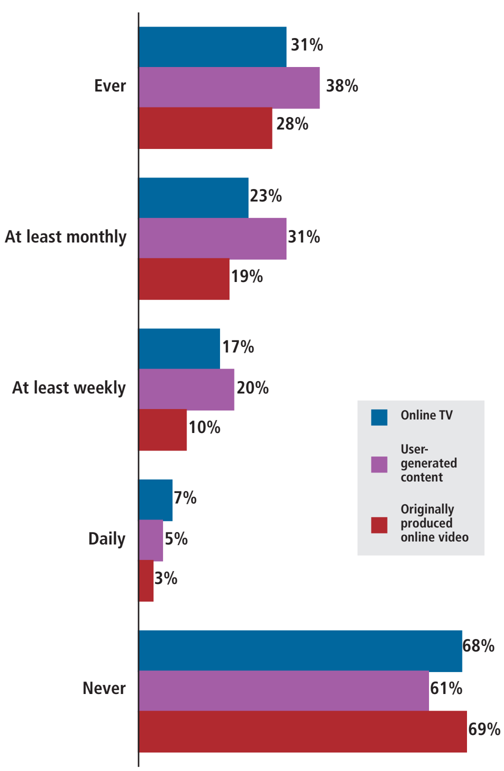
active Advertising Bureau (IAB). The most active time for watching streamed content is in the evening during traditional TV prime-time. Almost nine in 10 U.S. women (87%) watch online video; one in five moms say it's replaced going to the movie theater for them, according to Total Beauty Media Group. One in 10 moms (10%) subscribe to 16 or more channels on YouTube.

Laptops are the most commonly used devices for watching streaming video, according to IAB. Viewers of streaming video are more likely to use Internet-connected TVs for watching online TV programs than for watching user-created video content or professionally produced online videos.

Seven in 10 online video viewers watch only at home. Three-quarters of those watching online TV episodes (76%) are watching solely at home, as are 72% of those watching originally produced online video and 64% of those watching user-generated content. The workplace is the next most common location for watching online video; 18% of those watching user-generated content watch at work, as do 13% of those watching originally produced online video and 11% of those watching TV episodes online.

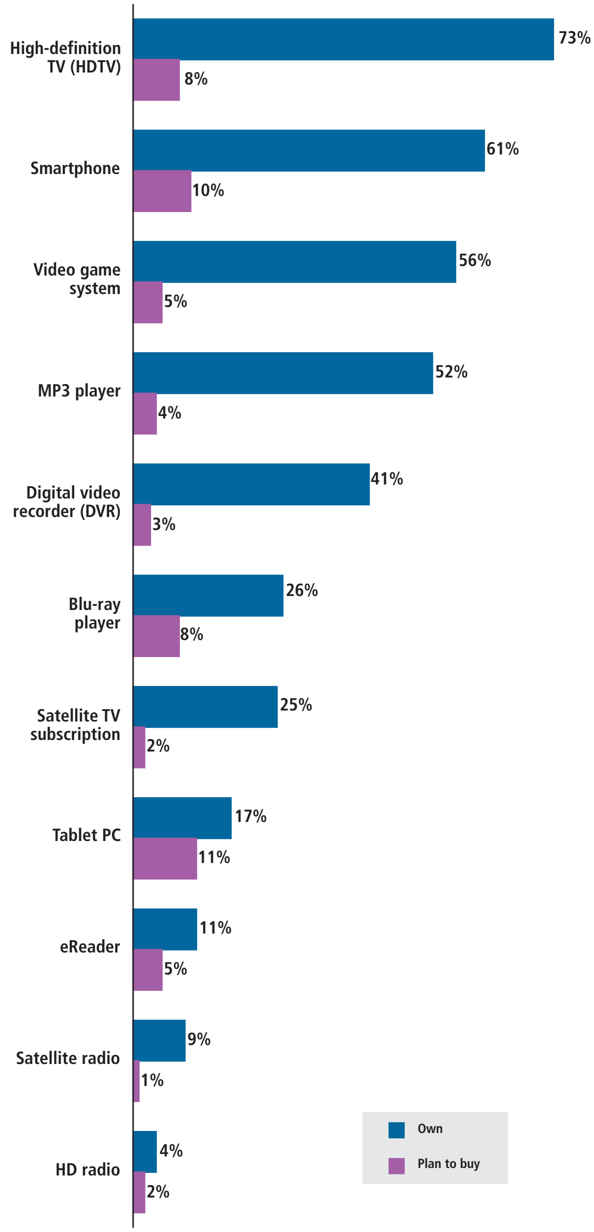
People are more likely to plan their online TV viewing ahead than they are to plan to watch other types of online video. Almost a third of online TV viewing is planned (31%), vs. 13% of viewing of originally produced online video and 4% of user-generated content.

HOW OFTEN AMERICANS AGES 18 AND OLDER WATCH STREAMING VIDEO, BY TYPE OF VIDEO VIEWED



SOURCE: IAB

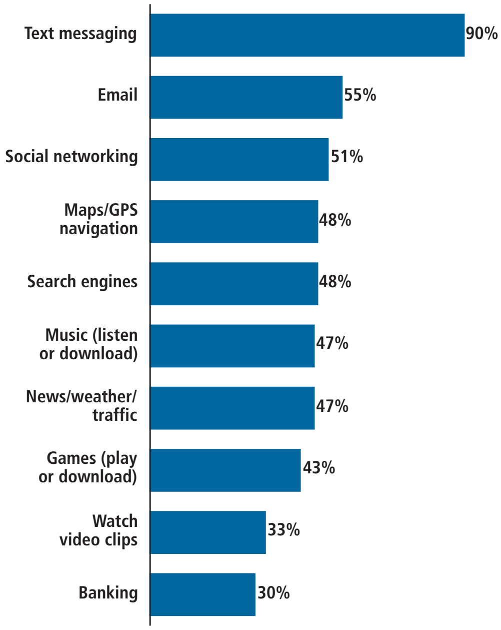
TECHNOLOGICAL DEVICES MILLENNIALS OWN/PLAN TO BUY



SOURCE: Scarborough Research

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

ACTIVITIES FOR WHICH MILLENIALS USE THEIR SMARTPHONES



SOURCE: Scarborough Research

Half of those who watch TV programs online via streaming (50%) say they do so to catch up on episodes they missed during the regular airtime (58% of women say this). The next most common reason for watching online is preferring to watch on their own schedule (44%).

The top reason for watching streamed user-generated content is for the humor (67%). Viewers of originally produced online video are about equally likely to watch via streaming because they prefer to watch on their own schedule (27%), because they like to see content related to their hobbies or interests (23%), and to be able to access content not available on TV or in user-generated videos (21%).

Streamed viewing is starting to cut into the time Americans spend watching TV in the traditional way. As recently as 2008, viewers were more likely to say their use of streaming was increasing the time they spent watching traditional TV than to say it was cannibalizing their traditional viewing (25% said it was increasing their viewing; 20% said it was cannibalizing), according to GfK. By fourth-quarter 2012, however, 33% of streaming TV viewers said they were watching less traditional TV because of their use of streaming, while 24% said they were watching more regular TV because of streaming.

As technologies that expand users' ability to access and control entertainment media become more widely adopted, there is a growing sense of entitlement as well. The proportion of Americans who expect to be able to watch their favorite shows on any device they choose, any time they choose has grown almost 80%, from 19% in 2006, to 34% in 2013, according to GfK.

Millennials (ages 21-34) are especially likely to favor methods of media access that give them control over when and how they watch and listen. They're 96% more likely than U.S. adults overall to watch TV programs online, either by downloading or streaming, according to Scarborough Research.

They're also 25% more likely than average to watch TV shows via video-on-demand (VOD), 86% more likely to listen to Internet radio, and twice as likely to download music from the Internet.

Millennial smartphone owners are twice as likely as smartphone owners overall to watch video clips on their devices. They're also 94% more likely than average to download and/or listen to music on their mobile phones, 91% more likely to use mobile banking, and 90% more likely to access social networks via mobile.

Video Gaming And Consoles As Entertainment Hubs

Several aspects of video gaming have shifted in recent years. Gaming has become a more mainstream phenomenon, and in many cases a form of family entertainment. Video games are now played on many platforms, including consoles, handheld gaming devices, mobile phones/smartphones, tablets, PCs, online, and social networks. They can be solitary entertainment or highly interactive. They can be solely limited to virtual worlds, or they can include a physical component, such as Wii sports and music games.

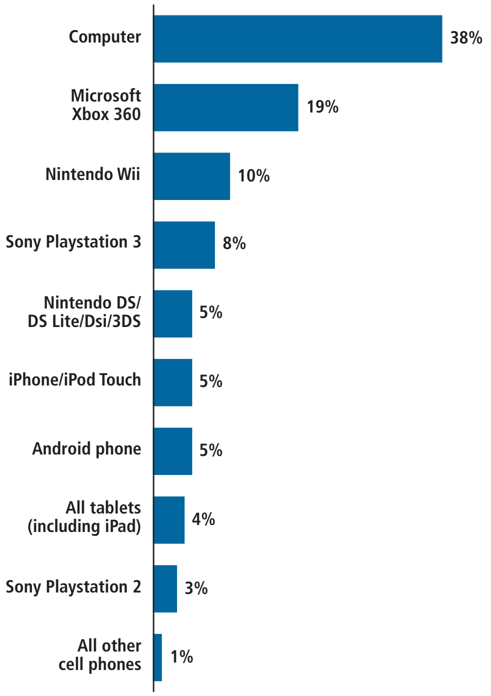
At the same time, the video gaming console has become a multifaceted entertainment device, one that's used for Internet access and video viewing as well as playing both on- and offline games.

The amount of time gamers age 13 and

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

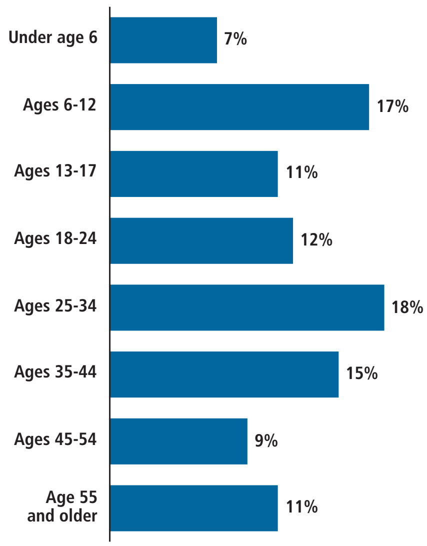
older spent playing video games each week rose 10% between 2011 and 2012, according to Nielsen. Computers continue to account for the largest share of time spent playing video games, though the share of time spent playing on tablets increased 58% between 2011 and 2012.

HOW AMERICANS AGE 13 AND OLDER PLAYED VIDEO GAMES, 4TH QUARTER 2012
(Share of total weekly gaming time, by device)



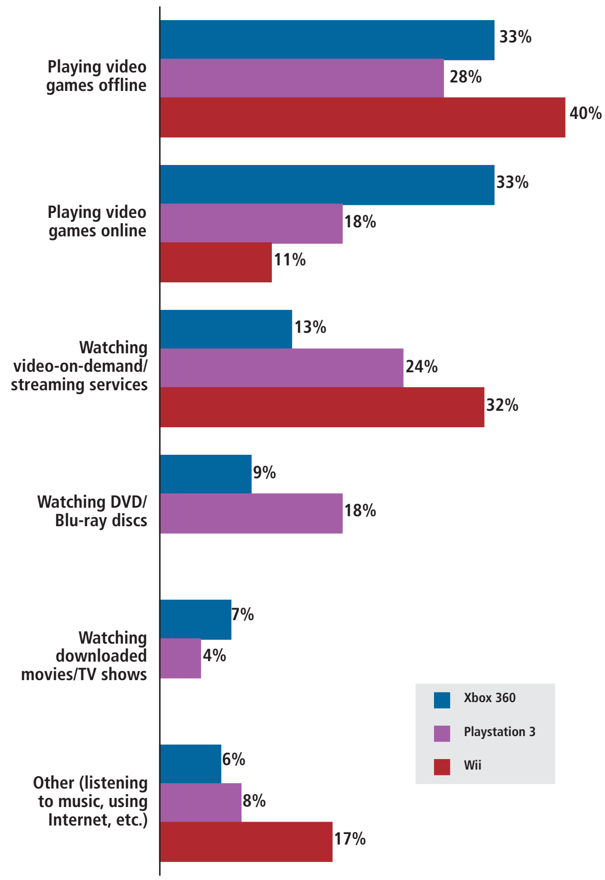
SOURCE: Nielsen

AMERICANS WHO PLAYED VIDEO GAMES, BY AGE, 4TH QUARTER 2012



SOURCE: Nielsen

HOW VIDEO GAME CONSOLE OWNERS AGE 13 AND OLDER USED THEIR CONSOLES, 4TH QUARTER 2012



SOURCE: Nielsen

In addition to playing video games on an increasing array of devices, Americans are using video game consoles for a growing variety of entertainment activities. Streaming video and video-on-demand viewing accounted for 22% of total time spent on gaming consoles in 2012, up from 19% in 2011 and 13% in 2010.

Video gaming isn't just for kids; adults age 35 and older and children under 18 make up equal shares of the gaming population (35% each). More than four in 10 gamers (43%) are female, up from 39% in 2010.

In keeping with their expanded role as family entertainment devices, nearly two-thirds of gaming consoles are located in the living room or family room. Wii consoles are most likely to be positioned in the living room (75%), while 56% each of Playstation 3

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

and Xbox 360 devices are located there.

Two-thirds of moms (67%) play online games, compared to 57% of women without children, according to the Total Beauty Media Group. Almost three in 10 moms (29%) play online games with their children.

Some 211 million Americans play mobile and/or social games, according to mobile ad platform SponsorPay. More than half of social gamers (54%) and mobile gamers (53%) are female. Mobile gaming peaks among 25- to 34-year-olds, while social gaming skews slightly older. Mobile web users spend more time with mobile than they do watching TV on an average day: 117 minutes versus 98 minutes.

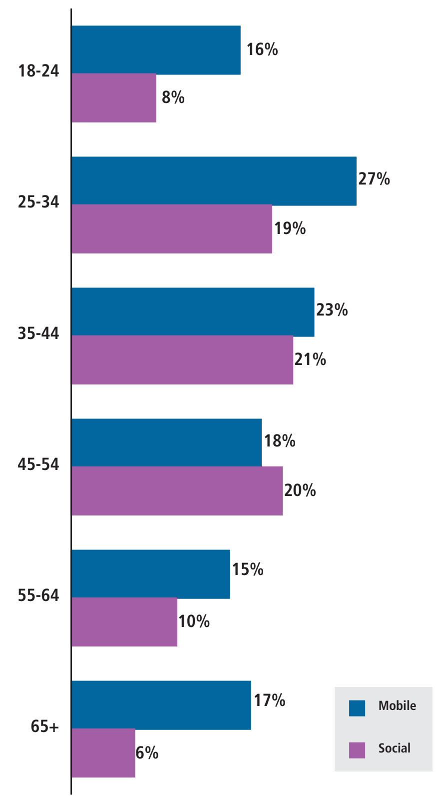
Mobile games are twice as likely to be played in bed as they are to be played in any other location. Mobile phones (33%) and PCs (32%) are equally popular platforms for gaming. Games account for 45% of all app use on smartphones. More than half of mobile gamers (54%) play for more than an hour each day.

Participation in social gaming nearly doubled between 2011 and 2012, according to PopCap Games. More than four in 10 U.S. Internet users (42%) played social games in the last quarter of 2011, up from 28% in 2010. Seven in 10 social gamers (70%) play daily or more often. Almost three-quarters of U.S. social gamers (74%) have been playing for a year or longer. A third (33%) have been playing for more than three years.

More than nine in 10 social gamers (96%) play on laptop or desktop computers; more than a quarter (28%) play on smartphones. While the majority (63%) of social gamers play on only one device, more than one in 10 (12%) play on three or more, up from 5% who did so in 2010. Avid social gamers (those who play six hours or more each week) are more likely than overall gamers to use smartphones, game consoles, and/or tablets for gaming.

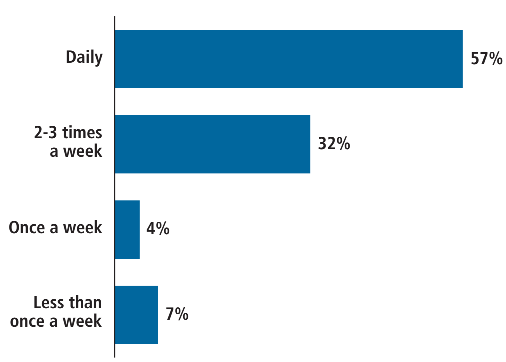
Social gamers play because they find the games fun, because they enjoy the competition, or as a form of stress relief. Facebook is the top site for social gaming; 89% of U.S.

MOBILE AND SOCIAL GAMERS, BY AGE



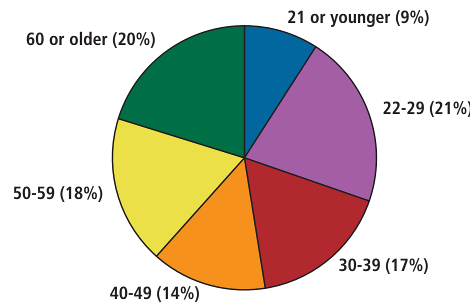
SOURCE: SponsorPay

HOW OFTEN MOBILE GAMERS PLAY



SOURCE: SponsorPay

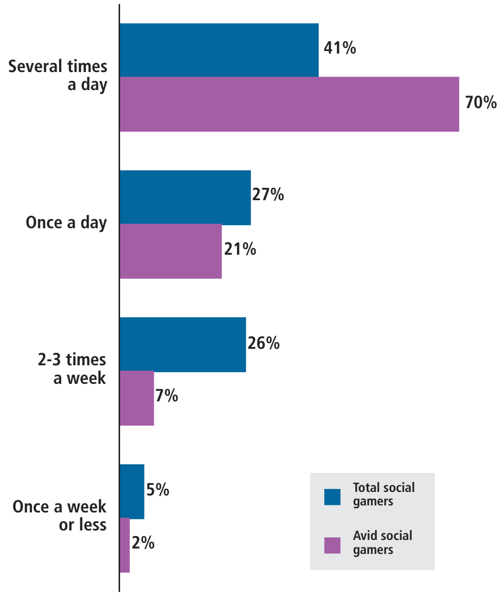
U.S. SOCIAL GAMERS, BY AGE



SOURCE: PopCap Games

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

HOW OFTEN U.S. SOCIAL GAMERS PLAY



NOTE: Avid gamers are those who play at least six hours per week.

SOURCE: PopCap Games

gamers play there. Nearly a fifth (18%) play on Google+, and 16% play on MySpace. U.S social gamers say that more than half of the time they log into social networks (51%), it's specifically to play games (social or single-player).

Social gamers play primarily with real-world friends (64%) and online friends (57%), though 40% play with strangers. Social gaming is also a family activity: 15% play with spouses, 12% with adult children, 11% with children under 18, and 28% with other relatives.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

PART III: INTERPERSONAL ALWAYS ON: TRENDS IN DIGITAL MEDIA USE

Communication And Social Networking

One of the most significant ways in which digital and mobile technologies have altered our daily lives is the ability to connect instantly with anyone we know (and many whom we've never met), at any moment, anywhere in the world. In the same way that mobile Internet gives us always-on access to information, mobile social networking, email, text messaging, video chat, and — of course — voice calling give us the ability to interact with others in a variety of ways at any time, and in any place.

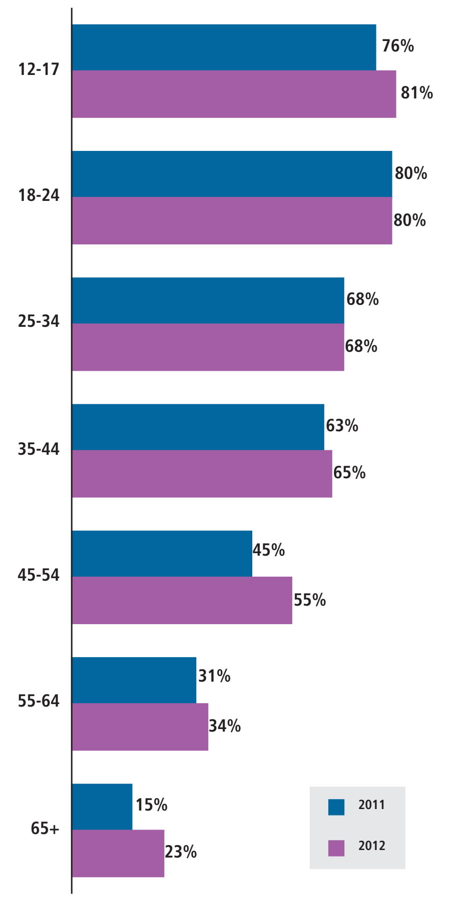
This sense of being constantly connected affects us in a number of ways. Firstly, all shopping is (or can be, if desired) social; all decisions can be joint. While shopping in a store, we can check online reviews, send pics and video to friends for an opinion, and read up on technical specs from a manufacturer's website.

More than eight in 10 Americans ages 12-24 have social networking profiles, and social media use is growing fastest among Americans over 45, according to Arbitron and Edison Research. More than half of Americans age 12 and older (56%) have at least one social networking profile; 54% of Americans belong to Facebook. Social networks account for one of every six minutes spent online, with Facebook making up the majority of that time, according to comScore. Women make up the majority (54%) of social network and blog visitors, according to Nielsen.

Facebook users have an average of 262 friends on the site, but those ages 18-24 have nearly twice that many, according to Arbitron and Edison Research.

Three-quarters of teens ages 13-17 have social networking profiles, according to Common Sense Media.

AMERICANS WITH PERSONAL PROFILES ON AT LEAST ONE SOCIAL NETWORK, BY AGE, 2011-2012

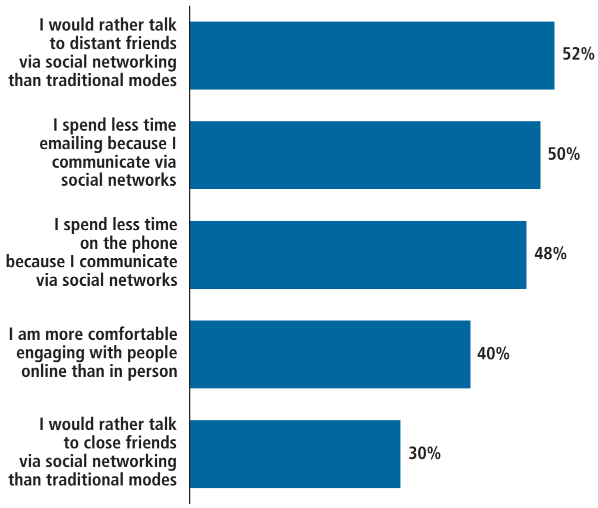


SOURCES: Arbitron and Edison Research

Another way in which the combination of digital media and mobile devices has affected our lives is that the sense of having constant access to people all over the world has changed our expectations about interaction. More than half of daily social network users (52%) cite social media as their preferred

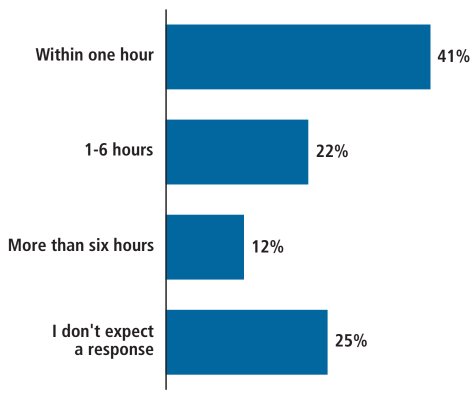
© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

HOW SOCIAL NETWORK USERS PREFER TO COMMUNICATE WITH FRIENDS



SOURCES: Performics and ROI Research

HOW SOON SOCIAL NETWORK USERS EXPECT THEIR FRIENDS/FOLLOWERS TO RESPOND TO A POST



SOURCES: Performics and ROI Research

means of communicating with geographically distant friends, according to Performics and ROI Research.

Three in 10 (30%) prefer social networking over other forms of communication for interacting with close friends. Four in 10 (40%) are more comfortable interacting with others online than in person. Women are more likely than men (24% vs. 13%) to say they spend more time socializing online than in person, according to Ipsos.

When people post photos or comments on social media sites, four in 10 expect to receive responses from others within an hour, according to Performics and ROI Research. Almost half feel annoyed when they don't get responses to their posts in the timeframe they expect, and almost four in 10 feel sad.

Social media have also affected how users view themselves in public life. More than four in 10 adults worldwide (41%) say being online is one of the few ways they can express themselves freely, and 37% feel that being online improves their social lives, according to EuroRSCG Worldwide.

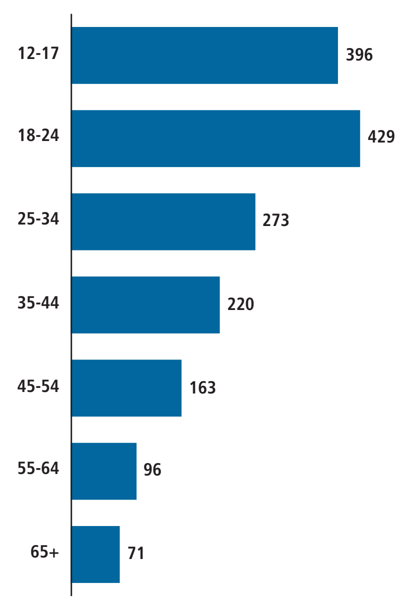
Photos are a key part of interaction via social media. Social network users say the most enjoyable posts made by their friends are those containing photos; they're also most likely to respond to brands' posts when they include photos, according to Performics and ROI Research.

The phrase "pics or it didn't happen" reflects how ubiquitous the documenting of personal experience in the public forum of social media has become. For many users, there is a sense of nearly constant performance of displaying one's activities and appearance and eagerly awaiting a response from a virtual Greek chorus.

That can feed into a heightened concern about self-image, especially among women, who are already faced with a disproportionate emphasis on appearance in traditional media.

Six in 10 women ages 18-40 believe it's

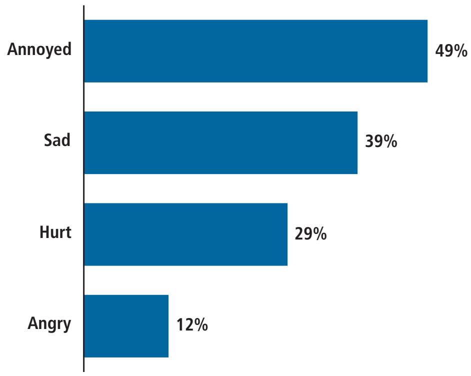
AVERAGE NUMBER OF FACEBOOK FRIENDS AMONG FACEBOOK USERS AGES 12 AND OLDER, BY AGE, 2012



SOURCES: Arbitron and Edison Research

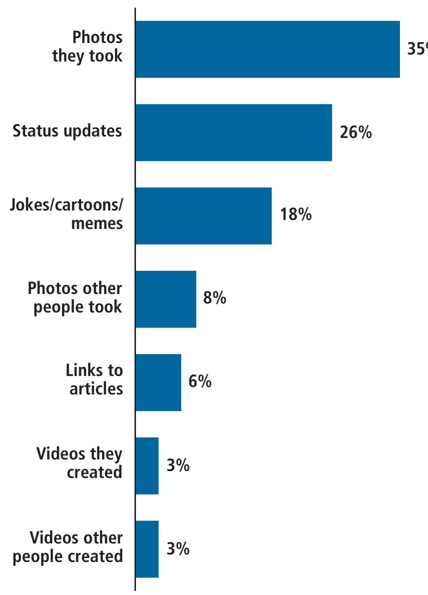
© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

HOW SOCIAL MEDIA USERS FEEL WHEN OTHERS DON'T RESPOND TO THEIR POSTS IN THE TIMEFRAME THEY EXPECT



SOURCES: Performics and ROI Research

MOST ENJOYABLE TYPES OF POSTS MADE BY FRIENDS



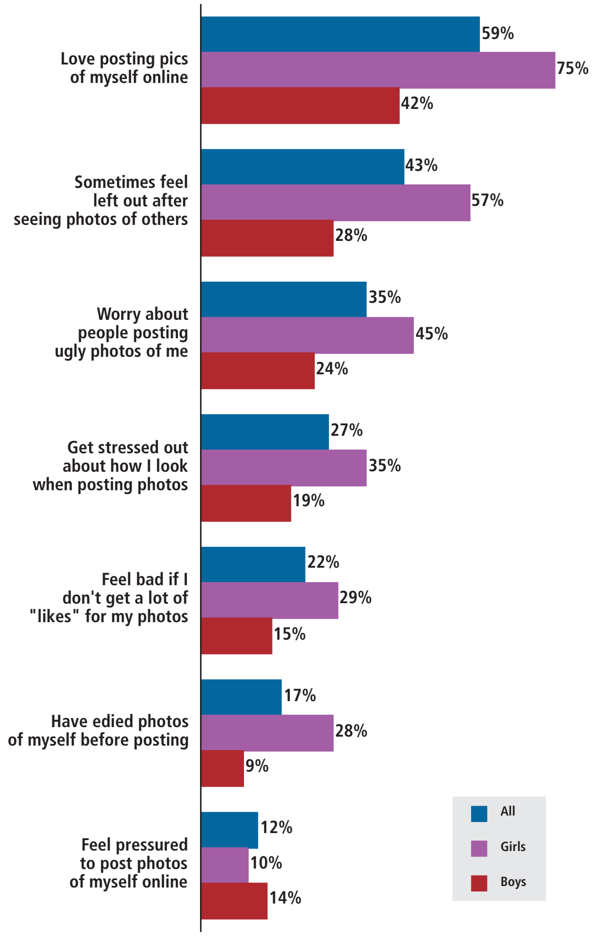
SOURCES: Performics and ROI Research

okay for people to "photoshop" pictures of themselves before posting them online, according to Glamour magazine. The practice is especially common among women ages 18-24 (41% alter their photos before posting). Almost a quarter of women ages 25-29 (23%) and one in five women ages 30-34 (20%) alter their photos, as well.

Most teens who belong to social networks love posting photos of themselves (59% of social network users ages 13-17), but they also feel a certain amount of stress and insecurity about it, according to Common Sense

HOW TEENS FEEL ABOUT POSTING PHOTOS OF THEMSELVES ONLINE

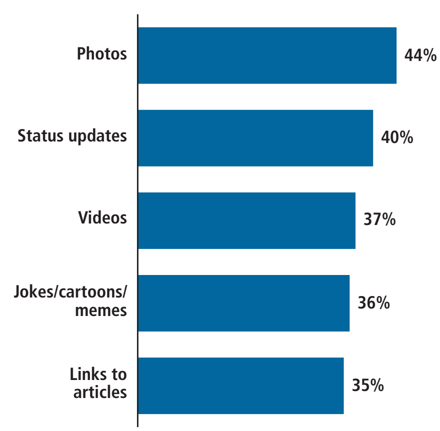
(Among 13-17-year-olds with social networking profiles)



SOURCE: Common Sense Media

BRAND POSTS SOCIAL MEDIA FOLLOWERS ARE MOST LIKELY TO INTERACT WITH

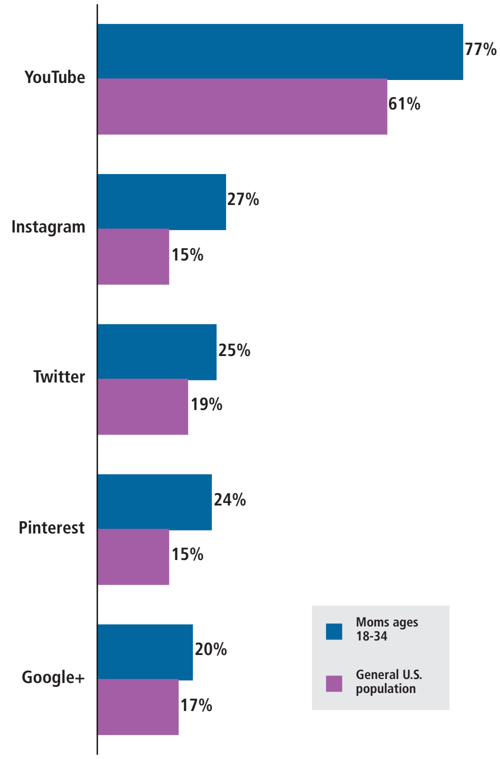
(4 or 5 on a 5-point scale)



SOURCES: Performics and ROI Research

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

USE OF SOCIAL MEDIA PLATFORMS, MOMS AGES 18-34 VS. GENERAL U.S. POPULATION



SOURCE: BabyCenter

Media. Almost three in 10 teen girls edit their photos before posting, and more than a third say they feel stress about how they look in the pictures.

Moms are more active in social media than members of the general population, according to BabyCenter. More than eight in 10 moms ages 18-34 (84%) are on Facebook, compared with 73% of overall adults. Moms spend 7.3 hours per month on the site, compared with 5.9 hours among overall adults.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

PART IV: CHARACTERISTICS OF ONLINE & MOBILE SHOPPING BEHAVIOR

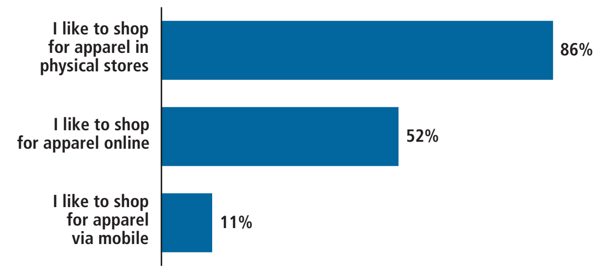
How Shopping Fits Into Our Digital Lives

Much has been written (including by the Editors of RESEARCH ALERT — see *How Mobile Devices Are Changing The Way Americans Shop*) about the impact of mobile devices and digital media on consumers' shopping habits and attitudes, and the expectations of retailers. Although the advent of showrooming has not cannibalized in-store sales as completely as retailers may have feared, the new reality is that all shopping is cross-channel shopping. Retailers who facilitate easy transitions between online, mobile, and in-store, and who take advantage of the opportunities for targeting and personalization offered by multimedia shopping, will flourish in this environment. In many cases, however, retailers are not yet up to speed with shoppers' expectations for fluent cross-channel shopping.

Almost half of U.S. consumers (49%) cite integrating physical stores, online retail, and mobile as the area in which retailers most need to improve the shopping experience, according to Accenture. More than eight in 10 shoppers (82%) cite being able to check on which products are currently available as the feature they'd most like to have before shopping in-store, but only 21% of retailers currently offer access to this information. Three in 10 shoppers (30%) would like retailers to offer a "crowd indicator" showing how busy the store is at the time they're planning to shop.

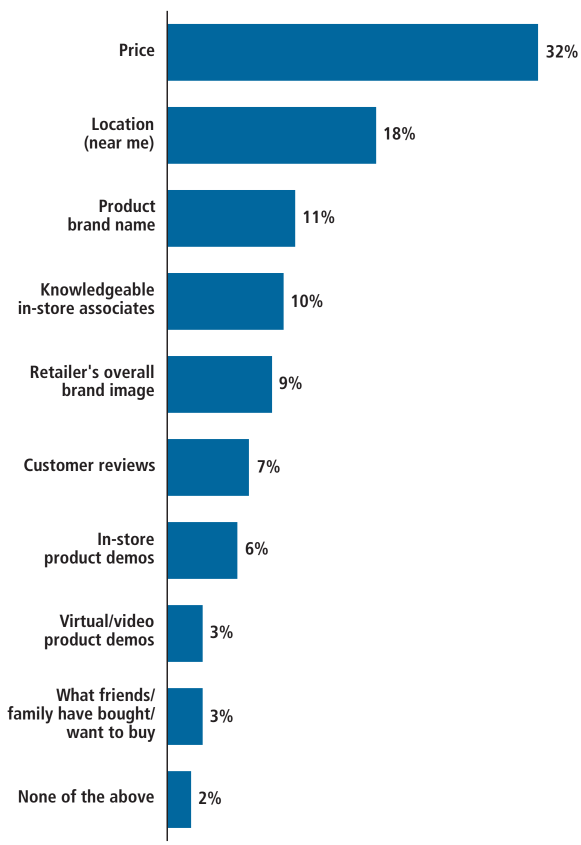
While 73% of consumers expect retailers' pricing to be the same in-store as it is online, only 16% of retailers offer the same prices in-store and on their websites. More than four in 10 consumers (43%) expect to find the same product assortment in-store as online, but only 19% of retailers offer the same products in both channels.

WHERE U.S. CONSUMERS ENJOY SHOPPING FOR APPAREL



SOURCE: Accenture

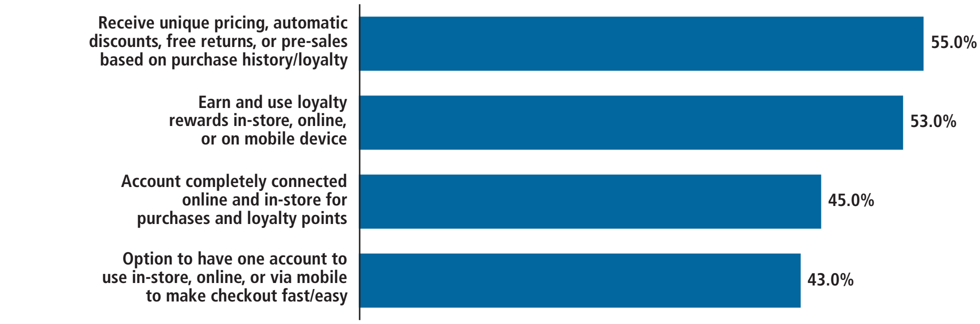
STRONGEST INFLUENCES ON WHERE AND HOW CONSUMERS WORLDWIDE SHOP



SOURCE: Accenture

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

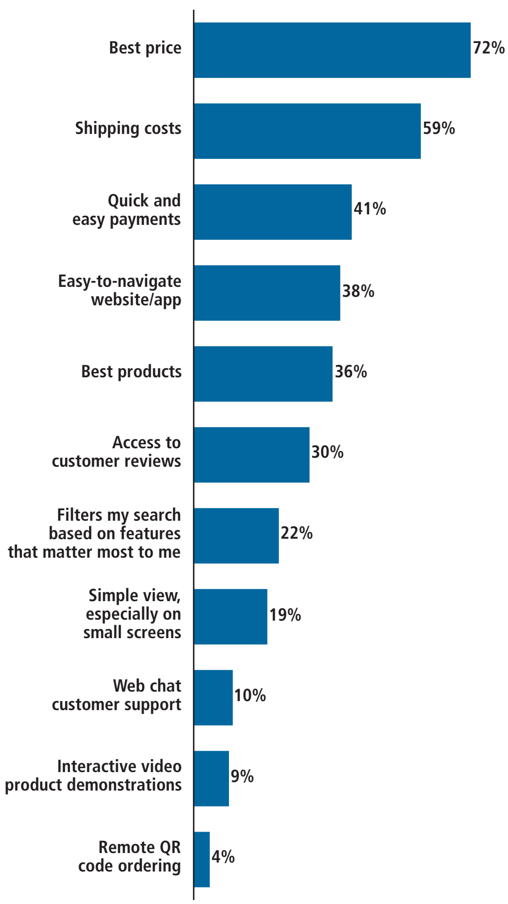
MOST DESIRABLE FORMS OF PERSONALIZATION



SOURCE: Accenture

Cross-channel cannibalization works both ways. More than seven in 10 U.S. consumers (73%) have participated in showrooming (checking out a product in-store, then purchasing it online or via mobile) in the past six months, but 88% have participated in "webrooming" — checking out a product online, then purchasing it in-store.

INFLUENCES ON ONLINE AND/OR MOBILE PURCHASES AMONG CONSUMERS WORLDWIDE
(Multiple responses allowed)



SOURCE: Accenture

Millennials are more likely than older consumers to say their purchases are influenced by social media, and to say they expect to make more purchases via mobile in the future, but many cross-channel shopping habits and attitudes are consistent across generations. For example, 93% each of Millennials and Gen Xers would use a feature offering real-time product availability across channels, as would 90% of Boomers (among consumers worldwide).

Four in 10 Millennials (41%), Gen Xers (41%), and Boomers (40%) say they'll shop online or via mobile if they want to purchase a product outside the normal business hours of their preferred retailer. About four in 10 Millennials (38%), Gen Xers (44%), and Boomers (39%) are showrooming more often than they did a year ago.

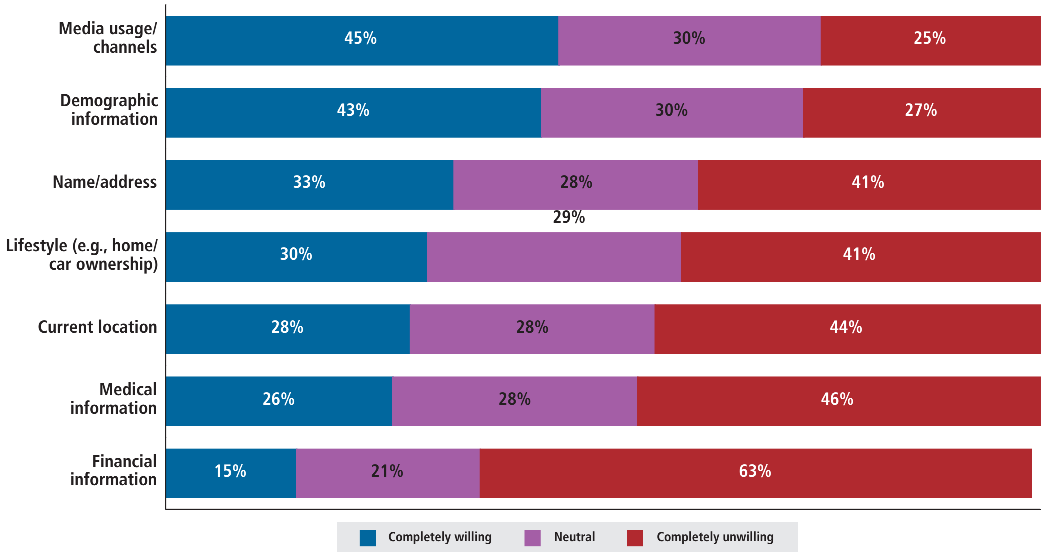
Price is the most important factor in purchase decisions, regardless of where consumers are shopping.

Consumers are receptive to many forms of personalization and other shopping features that facilitate seamless transactions across channels. More than eight in 10 consumers worldwide (81%) consider it important or very important to have the flexibility to pay for any purchase using cash, credit, or other forms of payment such as mobile wallet apps. A similar proportion (80%) feel it's important or very important to be able to pick up or arrange for delivery of purchases, regardless of how they were transacted.

Nearly three-quarters (73%) of digital shoppers (those who use any kind of digital device

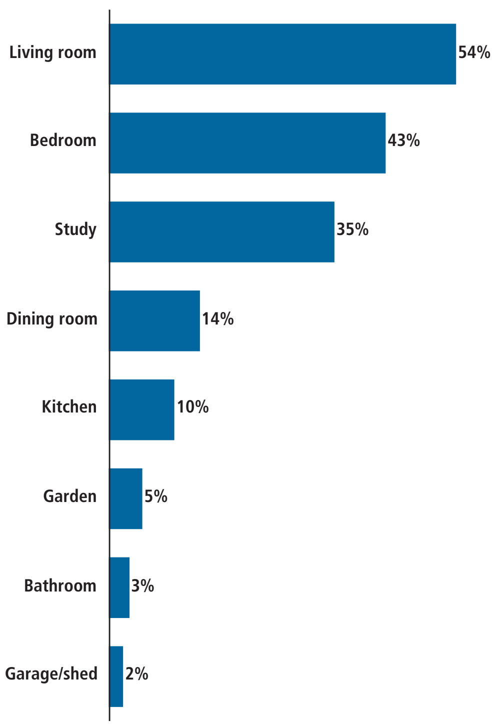
© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

TYPES OF INFORMATION CONSUMERS WORLDWIDE ARE WILLING TO SHARE IN EXCHANGE FOR A RELEVANT, NON-MONETARY BENEFIT



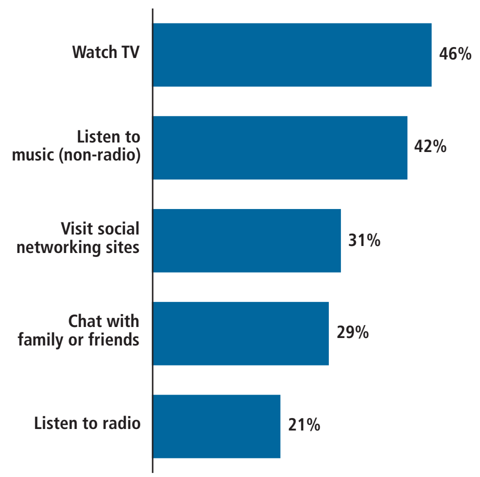
SOURCE: IBM

WHERE ONLINE SHOPPERS WORLDWIDE USUALLY ARE WHEN SHOPPING ONLINE AT HOME



SOURCE: WorldPay

OTHER TASKS CONSUMERS WORLDWIDE DO WHILE SHOPPING ONLINE



SOURCE: WorldPay

— computer, smartphone, etc. — at any stage of the shopping process) expect online prices to be lower than those in retail stores, according to a global study by Capgemini.

Consumers use the digital tools available to them during each phase of the shopping process — awareness, choosing, transaction, delivery, and aftersales care. U.S. consumers still consider traditional Internet the most important digital shopping tool.

Consumers worldwide are most interested in utilizing in-store technology such as kiosks and mobile bar code scanners when they're conducting transactions, while use of social media is highest in the awareness phase. Email is valued most as a tool for aftersales

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

care, while smartphone apps are used for aftersales and delivery tracking.

More than half of digital shoppers worldwide find the idea of receiving personalized offers and recommendations through digital media appealing or extremely appealing. A similar number would like to receive location-based offers or messages.

Shoppers like personalization when shopping online but fewer than half want to be identified via their mobile devices while shopping in physical stores.

Women are more interested than men in receiving personalized recommendations and offers, learning about new products through blogs, receiving location-based offers, and using digital devices inside stores to order products not available in-store.

Seven in 10 consumers (73%) say the retailers they patronize don't communicate with them often enough, according to IBM Global Business Services. Multichannel shopping is the norm, but consumers typically use digital tools as complements to in-store shopping, rather than replacements for it.

Six in 10 mobile device owners worldwide (60%) are interested in using these devices for in-store checkout or customer service. Eight in 10 (85%) believe social networking can be a shopping time-saver by linking them to recommendations from people whose opinions they value.

Consumers are open to sharing data on their media usage and demographics in exchange for non-monetary benefits; they're less comfortable sharing personal financial or medical details, or information about their location.

Online shoppers are multitaskers, engaging in a number of other activities while they're shopping online, according to a study commissioned by global payment processing firm WorldPay. The majority of consumers worldwide shop online from their living rooms. Prime time for online shopping is at 8:40 p.m., but among U.S. consumers it peaks much earlier in the day — at 10 a.m.

Nearly three in 10 online shoppers worldwide (29%) admit to buying items online while they're at work. Some 7% buy online while at restaurants, bars, or cafés.

When asked what brings them back to online retailers to shop again, consumers are most impressed by good security, whereas retailers expect them to be swayed by a well-designed website. Among U.S. online shoppers, 18% have experienced online fraud and 59% have concerns about security.

Consumers say the top reason they abandon their carts at checkout is being presented with unexpected costs (56%), while retailers assume it's because the shoppers were really just browsing (45%). More than a third of retailers (36%) think shoppers abandon their carts because a payment was declined, but only 11% of consumers cite that as a reason.

U.S. online shoppers are less likely than the global average to own smartphones (41% vs. 51%) and intend to shop via mobile in the next 12 months (27% vs. 40%). Among online Americans who don't plan to shop via mobile, the top reasons are "no need to use mobile" and security concerns.

Showrooming

Smartphones used in-store influence 5% of all retail store sales, which translated to an impact of $159 billion in 2012, according to Deloitte. This is in addition to the $12 billion in purchases that were projected to be made through mobile transactions in 2012.

By 2016, smartphones are expected to play a role in about one fifth (17%-21%) of all in-store sales, affecting up to $750 billion in sales at physical stores. Smartphone use for in-store shopping varies by product category. Just under two in 10 smartphone owners have used their phones to shop at convenience stores or gas stations, but almost half have used them to shop at electronics stores or department stores.

Although showrooming is a growing concern, consumers who use smartphones to shop in-store are 14% more likely than those who don't shop with smartphones to convert from browsing to buying. Retailers can encourage smartphone shoppers to make in-store purchases by providing high-quality apps and/or mobile websites. Among shoppers who used a retailer's mobile app or website while shopping in-store, 85% made purchases during that shopping trip, compared to 64% of shoppers who weren't using the retailer's app or website while in-store.

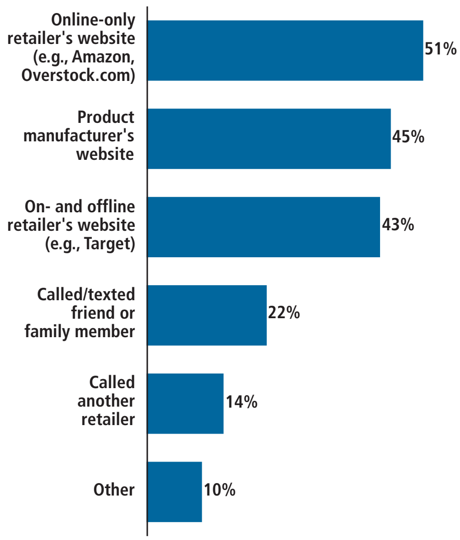
More than half of smartphone owners (55%) use their phones to compare prices

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

while shopping in-store, while 9% write reviews of the retailer while they're shopping, according to Empathica. Half of consumers have tried a new brand because of a recom-

HOW SHOPPERS RESEARCH PRODUCTS IN-STORE VIA MOBILE

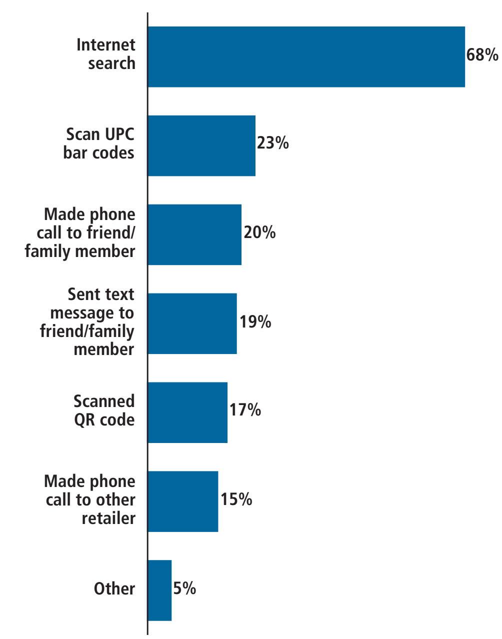
(Among shoppers who research products via mobile while shopping in-store)



SOURCE: ClickIQ

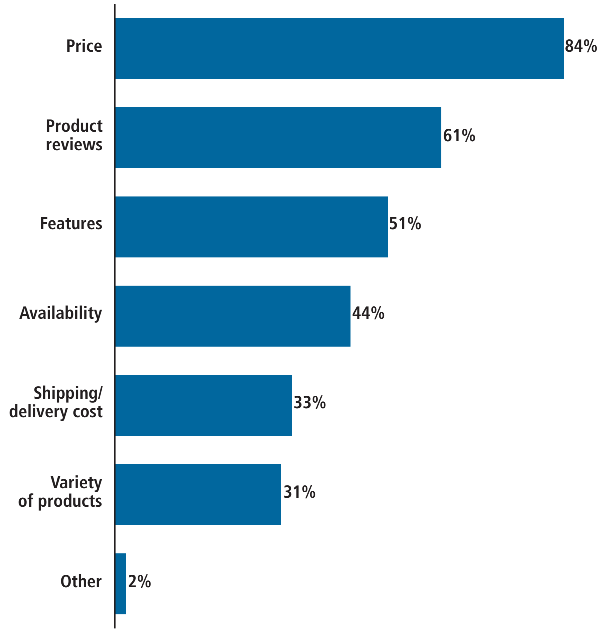
IN-STORE PRODUCT RESEARCH ACTIVITIES CONDUCTED VIA MOBILE

(Among shoppers who research products via mobile while shopping in-store)



SOURCE: ClickIQ

TYPES OF INFORMATION GATHERED WHILE RESEARCHING PRODUCTS VIA MOBILE IN-STORE



SOURCE: ClickIQ

mendation they received via social media.

Consumers who research products on mobile devices while shopping in retail stores ("showroomers") are most likely to look for information on online-only retailer websites, such as Amazon, or on manufacturers' websites, according to ClickIQ. The most common method of looking for product information in-store via mobile is an Internet search using a browser. Shoppers are more than twice as likely to research products by online search as they are to do so by scanning UPC codes (the next most common method).

Smartphones are the devices of choice for in-store product research (91% of showroomers use them). A quarter (25%) use tablets (multiple responses allowed), and 15% use either a feature phone or basic cell phone.

Showroomers are most likely to access the Internet for product research in-store through their wireless providers' networks (77%). They're equally likely to connect through a nearby retailer's Wi-Fi network or the network of the store they're shopping in (68% each; multiple responses allowed). Two-thirds (66%) say the product information they needed was already on their device before they entered the store.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

Price comparisons and product reviews are the types of information most commonly researched via mobile while shopping in-store. More than six in 10 showroomers (64%) say sales tax has at least some influence on their purchase decisions; 22% say it has a great deal of influence.

When asked what they would do if, while researching a product they were considering buying in-store, they found it at a lower price online, 55% say they would ask the store to match the price, while 40% would buy it online. Among those who'd buy online, 60% say they would do so because it's too big of a hassle to ask the store to price-match, 56% say it's easier to buy online because the item gets shipped directly to them, and 46% say the online price would still be better because they don't have to pay sales tax.

Showroomers who buy online are most likely to make these purchases via laptop (34%) or desktop (28%) computer, though 25% buy directly from their smartphones and 10% from their tablets.

Parents Shop Via Mobile

Adults with children at home are more likely than those without kids to engage in a number of mobile and online shopping activities, according to The Integer Group and M/A/R/C Research. Although adults with and without kids are equally likely to have made online purchases using their mobile phones in the past three months, those with kids are more likely to have used their mobiles to make shopping lists (19% vs. 13%) and scan bar codes in stores (16% vs. 9%).

People with children at home are also more receptive to interacting with retailers or brands via mobile; 58% of parents are willing to interact, vs. 46% of adults without children.

Adults with children are twice as likely as those without to be receptive to receiving text messages from brands or retailers (40% vs. 20%). Three in 10 adults with kids at home are open to interacting with brands or retailers via mobile apps, compared to two in 10 adults without children.

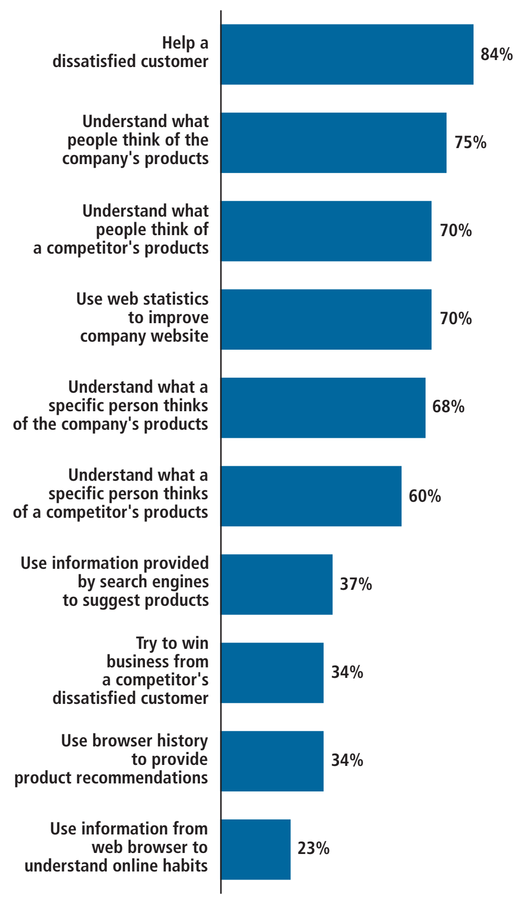
Blacks are more receptive than Hispanics or Non-Hispanic Whites to receiving text messages from brands or retailers. Non-Hispanic Whites are less willing than Hispanics and Blacks to interact with brands and retailers via mobile.

All mobile shoppers cite accessibility/convenience as the chief benefit of shopping via mobile, but Hispanics feel most strongly about it: Six in 10 consider it very important (9-10 on a 10-point scale), compared to half of Blacks and a third of Non-Hispanic Whites. Blacks are more likely than others to rate having exclusive access to content and/or promotions as an important aspect of mobile shopping.

Digital Customer Service

When contacting a company's customer service department, consumers prefer email over social media, according to TNS. Fewer than one in 10 prefer to interact with custom-

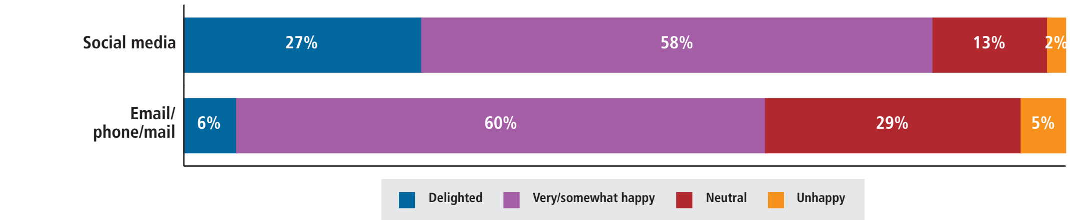
CONSUMERS' VIEWS OF HOW BUSINESSES USE CONSUMER FEEDBACK AND OTHER INFORMATION POSTED ONLINE
(% who view favorably)



SOURCE: Maritz Research

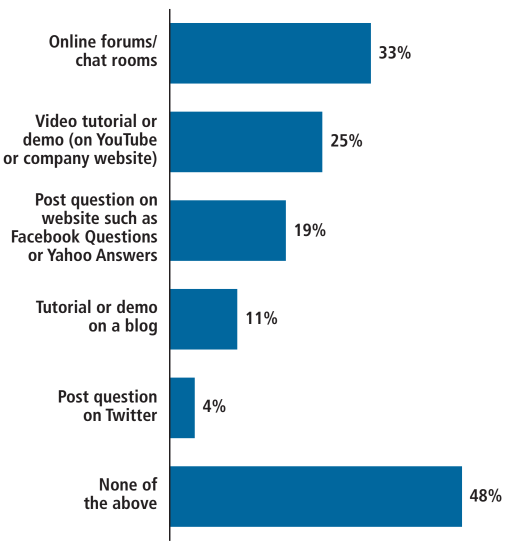
© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

CONSUMERS' FEELINGS ABOUT RECEIVING A RESPONSE TO CUSTOMER FEEDBACK POSTED ON SOCIAL MEDIA VS. VIA PHONE, EMAIL, OR POSTAL MAIL



SOURCE: Maritz Research

RESOURCES CONSUMERS HAVE USED TO GET HELP WITH A PRODUCT THEY'VE PURCHASED



SOURCE: TNS

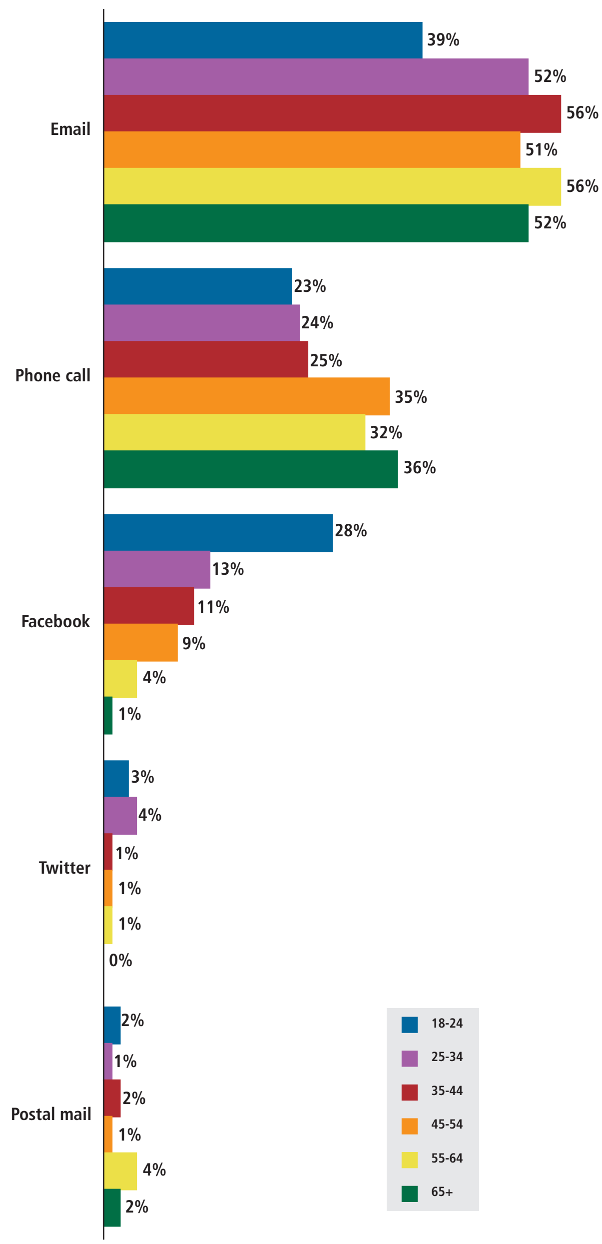
er service assistance via social media (6%), while 67% prefer phone and 56% prefer email (multiple responses allowed). One in six (16%) prefer to use chat or instant messaging.

Consumers are receptive to using online product tutorial videos; 35% cite posting more tutorial or demo videos as something companies can do to improve their customer service. One in 10 (11%) cite responding quickly to customer questions posted on Twitter.

More women than men (73% vs. 64%) want companies to make their customer service phone numbers easier to find, while more men than women (38% vs. 33%) want companies to post more online instructional videos.

When contacting companies for customer assistance or to give feedback, the majority of consumers prefer to use email (52%) or phone (31%), according to Maritz Research.

HOW U.S. CONSUMERS PREFER TO CONTACT COMPANIES, BY AGE



SOURCE: Maritz Research

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

- Consumers are receptive to using online product tutorial videos.

Almost three in 10 (29%) have used Facebook to give feedback or contact a company, although only 8% cite Facebook as their preferred method of contact.

Young adults ages 18-24 are more than twice as likely as those 25 and older to prefer contacting brands via Facebook.

More than nine in 10 consumers who have contacted businesses directly via phone or email (95%) have received responses from the companies, as have 58% of those who have contacted companies via public forums such as Facebook.

Although consumers don't consider social media the best way to contact companies, those who have received responses from companies after posting feedback on social media feel very good about getting a response.

Consumers aren't aware of all the ways companies use information consumers post on social media and other online public forums, but when asked how they feel about various ways that companies might use this information, they view many of them in a positive light.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

PART V: ONLINE ADVERTISING & MARKETING: WHAT CONSUMERS EXPECT & WANT

Receptivity To Advertising And Marketing

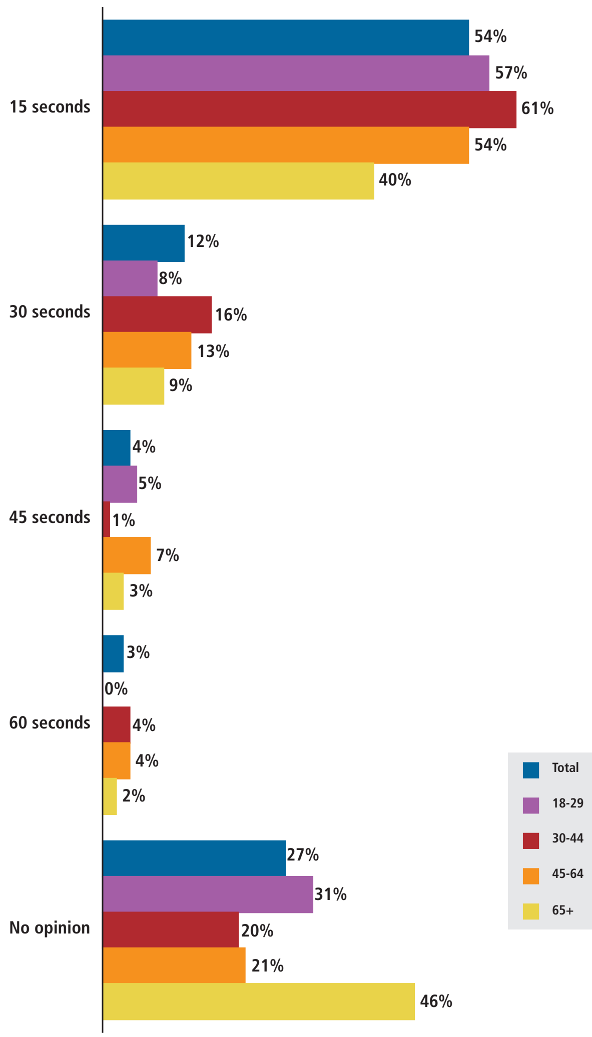
Consumers are most receptive to advertising on TV, computer, and tablet and least receptive on gaming console and mobile phone, according to a Microsoft Advertising survey of multiscreen-using consumers in Australia, Brazil, Canada, the U.K., and the U.S. Almost nine in 10 multiscreen users (87%) appreciate being able to get information on products or brands at any time and place, thanks to online and mobile technologies. Nearly three-quarters (74%) feel that advertising can be helpful in telling them about new products.

At the same time, however, consumers' patience for online ads is limited. Americans consider 15 seconds the most acceptable amount of time for watching an online ad before viewing free content, according to Poll Position. Fewer than a fifth (19%) are willing to sit through an ad that's 30 seconds or longer.

Most mobile users are wary of sharing the information stored on their phones with marketers, according to the University of California at Berkeley. Nearly three-quarters of mobile phone owners (74%) say retail stores should not be permitted to call them for marketing purposes after they've provided their numbers to a cashier during the checkout process.

Fewer than one in 10 would allow their cell phone providers to use knowledge of their current location to send them tailored ads. Nearly half (46%) believe mobile service providers should not be allowed to keep records of their subscribers' locations (obtained through phone GPS systems) at all, and another 28% believe they should be able to keep it for less than a year.

HOW LONG AMERICANS ARE WILLING TO WATCH AN ONLINE AD BEFORE VIEWING FREE CONTENT, BY AGE

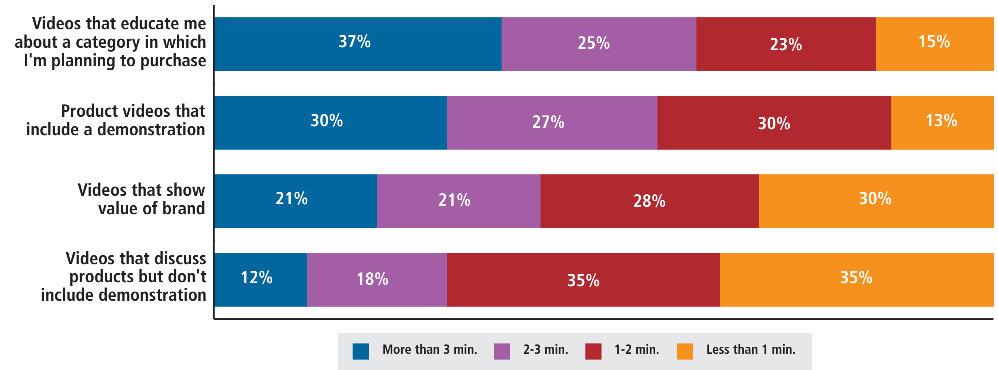


SOURCE: Poll Position

▸ Consumers are willing to spend the most time watching product videos that provide education.

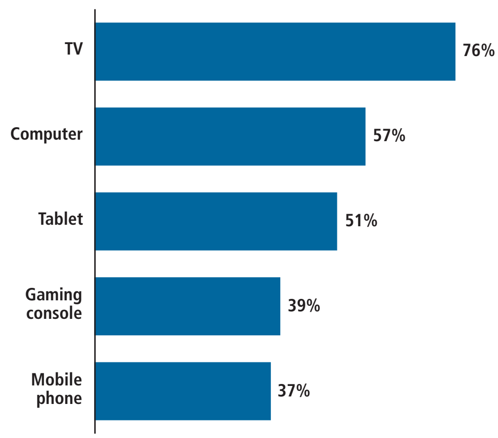
© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

HOW MUCH TIME CONSUMERS WILL SPEND WATCHING SELECTED TYPES OF ONLINE VIDEOS ON RETAILER/BRAND WEBSITES



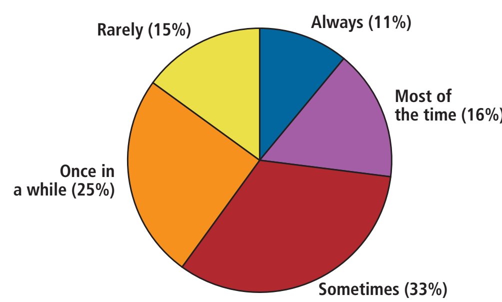
SOURCES: The E-tailing Group and Invodo

RECEPTIVITY TO ADVERTISING, BY DEVICE



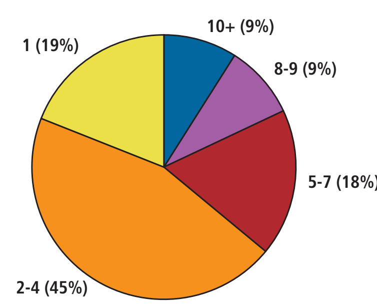
SOURCE: Maritz Research

HOW OFTEN ONLINE CONSUMERS WATCH THE VIDEOS THEY SEE ON RETAIL OR BRAND WEBSITES



SOURCES: The E-tailing Group and Invodo

HOW MANY PRODUCT VIDEOS CONSUMERS HAVE WATCHED ON RETAIL OR BRAND WEBSITES IN THE PAST THREE MONTHS



SOURCES: The E-tailing Group and Invodo

Although adults under age 45 are more likely than those 45 and older to use mobile features such as social networking, web browsing, and online gaming, they're not more comfortable with mobile marketing and use of their personal information. In fact, those under 25 are the most likely age group to consider the data on their phones to be more private than that on their computers (30% feel this way).

Six in 10 online consumers watch product videos on brand or retail websites at least some of the time that they encounter them, according to The E-tailing Group for Invodo.

Consumers are willing to spend the most time watching product videos that provide education about a category in which they're planning to make a purchase or videos that include a product demonstration. For categories or products that require education or include a lot of new information, two-thirds of consumers (66%) will watch each video at least twice to be sure they grasp the essentials.

More than half of consumers (51%) say they have more confidence in their purchases after watching product videos on manufacturer or retailer websites, and 52% feel they're less likely to return a product they buy online if they've seen a video before buying.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

Two-thirds of consumers (66%) feel that seeing a product demonstrated in a video makes it much easier to understand how the product works, compared with reading about the product or seeing photos of it. More than four in 10 (45%) say they're much more likely to buy a complex product after seeing it used in context within a video.

Including videos on a website can hold visitors' attention and attract repeat visits. More than four in 10 consumers (45%) say they're willing to stay on a retailer's or brand's website longer if the site includes product videos, and 41% say they're more likely to return to retail sites that include video.

More than a third (37%) say they tend to purchase more products on websites that allow them to learn about products through video than those without product videos.

Despite the limitations of viewing video on a small screen, almost half of smartphone owners (49%) and 61% of tablet owners have watched product videos on their devices in the past three months.

Digital Coupons and Deals

One of the chief benefits of online and mobile shopping for consumers is the ability to find good deals easily, including on-the-go. Digital media offer abundant opportunities for retailers and manufacturers to keep in contact with existing customers and bring in new business, such as online and mobile coupons, text message alerts for sales, daily deals, email newsletters, and special deals for social network fans/followers. Consumers of all income levels and lifestyles have embraced online and digital coupons, and the majority of online shoppers subscribe to daily deal sites.

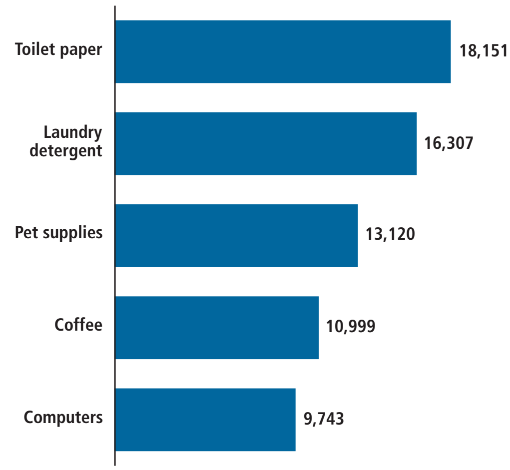
Digital coupon users have 20% higher average household incomes than the overall U.S. population. Almost four in 10 users of digital coupons (38%) have college degrees or more education, compared to 30% of newspaper coupon users and 27% of the general population, according to Coupons.com.

Users of digital coupons make 69 shopping trips per year, 22% more than the national average, according to a GfK Knowledge Networks study commissioned by Coupons.com, which compared the habits of digital coupon users to those of all U.S. shoppers. Digital coupon users' average expenditure per shopping trip is $55.05, compared to $44.87 for shoppers overall. In a year, that adds up to spending of $3,803 among digital coupon users, compared to $2,545 among overall shoppers.

Digital coupon users make large stock-up trips (spending $75 or more) more frequently than overall shoppers, and they use an average of 3.6 coupons on these trips. More than six in 10 digital coupon users (62%) planned to go grocery shopping within two days of being surveyed.

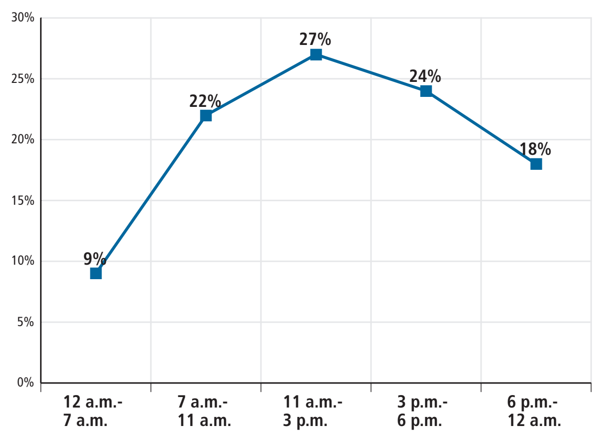
Consumers looking for online coupons are more likely to search by store (62%) or prod-

TOP PRODUCTS IN ONLINE COUPON SEARCHES
(Number of searches performed on ShopAtHome.com in one month)



SOURCE: ShopAtHome.com

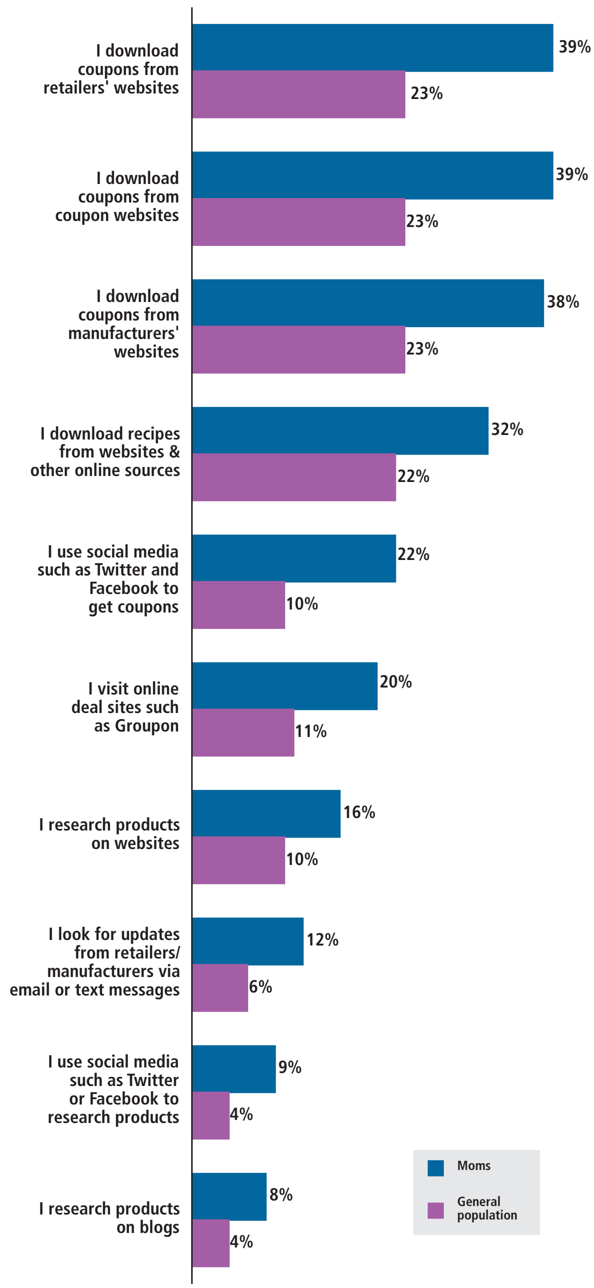
WHAT TIME OF DAY CONSUMERS LOOK FOR ONLINE COUPONS



SOURCE: ShopAtHome.com

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

USE OF DIGITAL COUPONS AND SOCIAL MEDIA, MOMS VS. U.S. POPULATION OVERALL



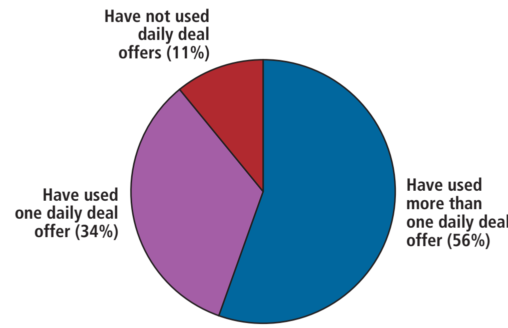
SOURCE: Symphony IRI

uct (24%) than by brand (14%), according to coupons and rewards site ShopAtHome.com.

Afternoon is the prime time for online coupon searches; more than half of online coupon seekers look between 11 a.m. and 6 p.m.

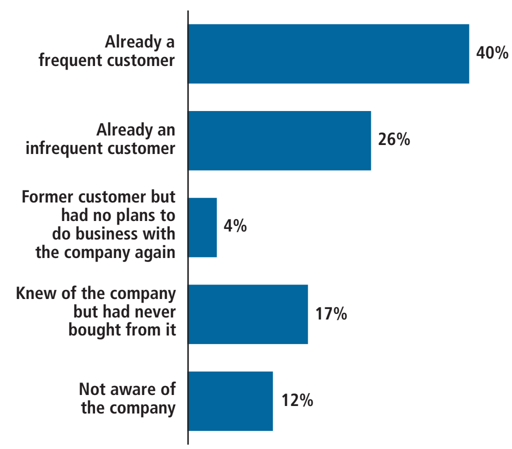
Moms are more likely than members of the overall U.S. population to download coupons from websites, including retailer,

OFFERS USED BY DAILY DEAL BUYERS WITHIN PAST 90 DAYS



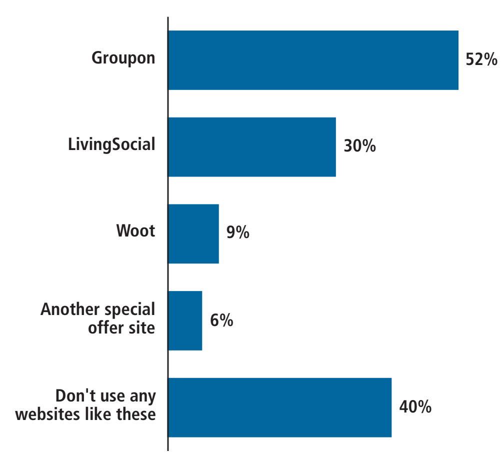
SOURCE: ForeSee Results

DAILY DEAL BUYERS' PREVIOUS RELATIONSHIPS WITH COMPANIES OFFERING THE DEALS THEY BOUGHT



SOURCE: ForeSee Results

ONLINE SHOPPERS WHO SUBSCRIBE TO DAILY DEAL SITES



NOTE: Multiple responses allowed

SOURCE: ForeSee Results

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

manufacturer, and coupon sites, according to Symphony IRI.

Half of moms say they'll visit multiple stores to get the lowest prices, compared to 43% of consumers overall.

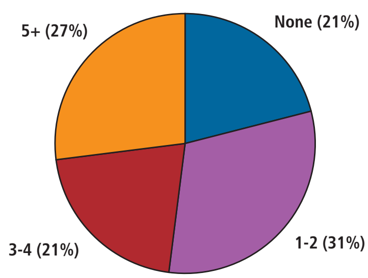
Moms are 24% more likely than consumers overall to use coupons to help make their shopping lists, and 50% more likely to consult retailer websites when making their lists.

Six in 10 online shoppers (60%) subscribe to daily deal sites, according to ForeSee Results. More than six in 10 subscribers (63%) have purchased daily deals within the past 90 days. Most daily deal buyers (89%) redeem offers they buy.

Two-thirds of those who redeemed daily deals in the past 90 days were already customers of the companies that offered the deals. More than four in 10 daily deal buyers (44%) made further purchases from the companies after redeeming the offers. Another 47% say they haven't yet but plan to in the future.

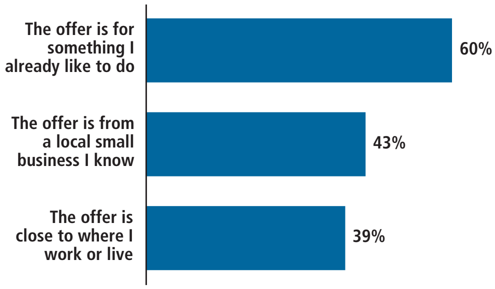
Nearly eight in 10 subscribers to daily deal websites (79%) have bought at least one deal in the past six months, according to Chadwick Martin Bailey and Constant Contact.

NUMBER OF DAILY DEALS SUBSCRIBERS HAVE PURCHASED IN PAST SIX MONTHS



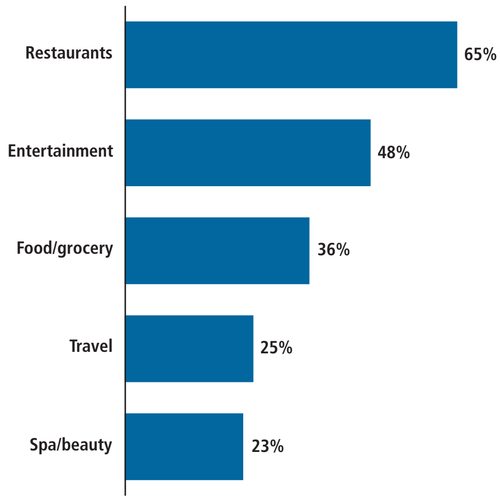
SOURCES: Chadwick Martin Bailey and Constant Contact

WHY CONSUMERS BUY DAILY DEALS



SOURCES: Chadwick Martin Bailey and Constant Contact

DAILY DEALS MOST LIKELY TO BE SENT TO OTHERS
(Among those who have shared a daily deal in past six months)



SOURCES: Chadwick Martin Bailey and Constant Contact

When considering purchasing a daily deal offer from a local business with which they're not familiar, consumers are most likely to be persuaded by recommendations from friends or family members. Women are more likely than men to be influenced in their daily deal purchases by recommendations from people they know.

Daily deals and other online promotions lend themselves to sharing with friends, and many marketers are designing their programs to encourage this behavior. More than half of daily deal subscribers who tell others about deals do so simply because they think it's a great deal. Six in 10 women (60%) do so, compared with 46% of men.

Those who pass along daily deals to others do so primarily via email (55%) or Facebook (27%). Daily deal offers from restaurants are the most likely to be passed on to others.

Although six in 10 daily deal users (60%) think daily deals are an effective way for businesses to attract new customers, only 42% say that if they're pleased with a daily deal experience, they'll become a loyal customer of the business.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

CONCLUSION

As mobile devices become mainstream and consumer-controlled entertainment becomes the norm, our relationships with and expectations of technology are evolving. The ability to connect with people in virtually any geographic location at any time — through social media, video chat, email, text, instant messaging, et al — has changed our communication styles and even our perceptions of what friendship means. Many of us have friends whom we've never met in person.

As these technologies continue to develop and to be more widely adopted, how we integrate them into our lives, and how that integration changes our lives, will also continue to shift. For marketers, it's not only important to keep abreast of these changing patterns of behavior and attitudes, but also to understand how these processes are affecting our communication styles and our receptivity to interacting with brands in various media. Mobile and social media may provide an increased array of avenues for connecting with consumers, but they are also creating "spaces" that are (at least at times) considered private.

Several current trends whose effects we expect to see continuing and expanding in the next few years:

- **All shopping is cross-channel shopping.** Consumers already expect far more seamless transitions between online, mobile, and in-store shopping than retailers are currently providing. This will only increase in importance as mobile becomes a more and more integral part of the shopping process.
- **Mobile devices are deal-finding machines.** From the consumer's perspective, a smartphone or tablet (but especially a smartphone) is a valuable ally in finding the best price and in obtaining coupons or other discounts. From the marketer's perspective, it's an ideal line of communication for promotions that offer value, including those that are tailored to the shopper's location and/or past purchase behavior.
- **All entertainment is on-demand — well, perhaps not all, but most of it soon will be.** Live events (including movies viewed in theaters) will always have a special appeal, but TV shows, movies, and music are increasingly subject to expectations of "where I want it, when I want it."
- **Shopping and entertainment are participatory.** A lasting effect of the Internet, and of its mobile offspring, is the amplification of the individual voice. User-generated videos are shared and viewed globally; consumer reviews have greater impact than profes-

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

sional ones; video games are cinematic in scope, but allow the user to participate in the action. An outgrowth of this phenomenon is a shift in consumers' expectations of brands. They're not only willing to share their opinions — they expect to be consulted in matters ranging from product development to marketing. Consumers who post product comments or customer service complaints on social media expect a response — and quickly.

Keeping pace with the changes wrought by mobile and other digital technologies on consumer lifestyles will continue to be challenging, and potentially highly rewarding for the marketers who "get it." The details of mobile and online technology use are likely to change more quickly than the deeper shifts in our sense of time and distance, our relationships with ourselves and others, and our expectations of control and freedom. An understanding of both the details and the underlying shifts will help marketers approach consumers with the right messages in the right places at the right times.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

SOURCES

"*Mobile's Role in A Consumer's Media Day: Smartphones and Tablets Enable Seamless Digital Lives*," July 2012, ABI Research, PO Box 452, 249 South St., Oyster Bay, NY 11771; 516-624-2500; www.abiresearch.com.

"*Seamless Retail Global Customer Survey*," April 2013, Accenture, Chris Donnelly, Global Retail Industry Managing Director, 161 N. Clark St., Chicago, IL 60601; 312-693-0161; christopher.donnelly@accenture.com or seamlessretail@accenture.com; www.accenture.com/retail.

"*The Infinite Dial 2013: Navigating Digital Platforms*," Arbitron and Edison Research, April 2013. Arbitron, Carol Hanley, EVP, Chief Sales & Marketing Officer, 9705 Patuxent Woods Dr., Columbia, MD 21046; 410-312-8000; carol.hanley@arbitron.com; www.arbitron.com.

"*BabyCenter 21st Century Insights Series: 2013 Social Mom Report*," April 2013, BabyCenter, Mike Fogarty, SVP and Global Publisher, 711 Third Ave., New York, NY 10017; 646-487-6380; solutions@babycenter.com; www.babycentersolutions.com.

"*Monthly Consumer Survey, October 2012*," BIGinsight, Kim Rayburn, SVP, 400 W. Wilson Bridge, #200, Worthington, OH 43085; 614-846-0146; kim@biginsight.com; www.biginsight.com.

"*Digital Shopper Relevancy: Profiting From Your Customers' Desired All-Channel Experience*," Capgemini, Jill Wilmot, Capgemini Consulting, 25925 Telegraph Road, #350, Southfield, MI 48034; 734-624-0519; jill.wilmot@capgemini.com; www.capgemini.com/digitalshopperrelevancy.

"*10 Quick Facts About How And Why Consumers Use Daily Deals*," Chadwick Martin Bailey and Constant Contact. Chadwick Martin Bailey, Megan McManaman, Content Marketing Manager, 179 South St., 3rd Fl., Boston, MA 02111; 617-350-8922; mmcmanaman@cmbinfo.com; www.cmbinfo.com.

"*IQ Insights: Showrooming 2013*," February 2013, ClickIQ, Robert Boese, VP Sales & Operations, 2001 Killebrew Dr., #114, Bloomington, MN 55425; 952-224-0811; robertb@clickiqinc.com; www.clickiqinc.com. This report is available exclusively through EPM Communications, a division of BVR. For more information or to purchase, call 212-941-0099; or go to www.epmcom.com.

"*U.S. Digital Future in Focus: 2012*," February 2013, "Mobile Future in Focus," February 2013, comScore, Linda Abraham, CMO and EVP of Global Product Development, 11950 Democracy Dr., #600, Reston, VA 20190; 703-438-2000; www.comscore.com.

"*Social Media, Social Life: How Teens View Their Digital Lives*," Summer 2012, Common Sense Media, 650 Townsend St., #435, San Francisco, CA 94103; 415-863-0600; www.commonsensemedia.org/research

Constant Contact, Rick Jensen, SVP, Chief Sales and Marketing Officer, Reservoir Place, 1601 Trapelo Rd., Waltham, MA 02451; 781-472-8120; www.constantcontact.com.

"*The Digital Coupon User: Insights Into Shopping Behavior and Demographics*," March 2012, Coupons.com, Shachar Torem, VP Sales, 400 Logue Ave., Mountain View, CA 94043; 650-605-4600; www.coupons.com.

Deloitte Consulting, Alison Paul, Vice Chairman and U.S. Retail and Distribution Leader,111 S. Wacker Dr., Chicago IL 60606; 312-486-4457; alpaul@deloitte.com; www.deloitte.com.

"*Empathica Consumer Insights Panel, Wave 1 2012*," Empathica, Dr. Gary Edwards, Chief Customer Officer, 28632 Roadside Dr., #235, Agoura Hills, CA 91301; 888-633-1633, x263; info@empathica.com; www.empathica.com.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

"*This Digital Life: Prosumer Report, Vol. 13, 2012*," Euro RSCG Worldwide, Naomi Troni, Global CMO, 350 Hudson St., New York, NY 10014; 646-229-2579; naomi.troni@eurorscg.com; www.prosumer-report.com.

"*Delivering Superior Shopping Experiences Via Video: Consumer Insights and Retail Execution*," The E-tailing Group, Lauren Freedman, President, 1444 W. Altgeld St., Chicago, IL 60614; 773-975-7280; LF@e-tailing.com; www.e-tailing.com.

"*Daily Deal Websites and Emails Bring in New and Existing Customers for Retailers*," March 2012, ForeSee Results, Geoff Pollak, U.S. Sales, 2500 Green Rd., #400, Ann Arbor, MI 48105; 734-205-2612; geoff.pollak@foresee.com; www.foreseeresults.com.

"*TV's Digital Connections 2013*," April 2013, GfK Custom Research, David Tice, SVP Media and Entertainment, 75 Ninth Ave., New York, NY 10011; 908-497-8075; david.tice@gfk.com; www.gfk.com.

"*Tablets And Multitasking*," Fall 2012, GfK MRI, Anne Marie Kelly, EVP Marketing and Strategic Planning, 75 Ninth Ave., 5th Fl., New York, NY 10011; 212-884-9204; annemarie.kelly@gfkmri.com; www.gfkmri.com.

GfK Knowledge Networks, Neal Heffernan, SVP/GM Behavioral Insights, 10300 Alliance Rd., #425, Cincinnati, OH 45242; 513-751-8877; info@knowledgenetworks.com; www.knowledgenetworks.com.

Glamour magazine, Rachel Swanson, Marketing Director, 4 Times Sq., New York, NY 10036; 212-286-2860; rachel_swanson@condenast.com; www.glamour.com.

"*Our Mobile Planet: Global Smartphone Users*," February 2012, Google and Ipsos OTX MediaCT, and "*The New Multiscreen World: Understanding Cross-Platform Consumer Behavior*," August 2012, Google. Google, Nikesh Arora, SVP/Chief Business Officer, 1600 Amphitheatre Pkwy., Mountain View, CA 94043; 650-253-0000; www.thinkwithgoogle.com/insights/ and www.ourmobileplanet.com.

"*Different Priorities in Smartphone vs. Computer Use, But Some Common Ground: Harris Poll #1*," January 2013, "*Videogames: Harris Poll #10*," February 2013, Harris Interactive, Larry Shannon-Missal, Harris Poll Research Manager, 60 Corporate Woods, Rochester, NY 14623; 585-272-8400; info@harrisinteractive.com; www.harrisinteractive.com.

"*Winning Over the Empowered Consumer: Why Trust Matters*," 2012, IBM Institute for Business Value, IBM Global Business Services, Melissa Schaefer, Research Leader, Retail, 1 New Orchard Rd., Armonk, NY 10504; 914-499-1900; iibv@us.ibm.com; www.ibm.com.

"*Always Connected: How Smartphones and Social Keep Us Engaged*," 2013, International Data Corporation (IDC), Danielle Levitas, Group VP, Consumer, Broadband & Digital Marketplace, 155 Bovet Rd., #800, San Mateo, CA 94402; 650-350-6487; dlevitas@idc.com; www.idc.com.

"*The Checkout: Inside the In-Store Experience — Mobile Shoppers*," Issue 3, 2012, The Integer Group, Craig Elston, SVP Insight & Strategy, 7245 W. Alaska Dr., Lakewood, CO 80226; 303-393-3000; celston@integer.com; www.integer.com; www.shopperculture.com.

M/A/R/C Research, Randy Wahl, EVP Advanced Analytics, 1660 N. Westridge Cir., Irving, TX 75038; 972-983-0400; randy.wahl@MARCresearch.com; www.MARCresearch.com

"*45 Million Reasons and Counting to Check Out the Newfronts*," April 2013, Interactive Advertising Bureau (IAB), Kristina Sruoginis, Research Director, 116 E. 27th St., 7th Fl., New York, NY 10016; 212-380-4700; kristina@iab.net; www.iab.net.

Invodo, Russ Somers, Director of Marketing, 211 E. Seventh St., 10th Fl., #1020, Austin, TX 78701; 512-279-4800; support@invodo.com; www.invodo.com.

Ipsos OTX MediaCT, Ken Colen, SVP, 275 Seventh Ave., #2001, New York, NY 10001; 212-524-8200; info@ipsos-na.com.

"*Emerging Video Services VII*," May 2013, "*On-Demand TV 2012: A Nationwide Study on VOD and DVRs*," November 2012, Leichtman Research Group, Bruce Leichtman, President and Principal Analyst, 567 Bay Rd., Durham, NH 03824; 603-397-5400; bruce@leichtmanresearch.com; www.leichtmanresearch.com.

"*Consumer Preferences Study: Understanding the Voice of the Consumer*," Maritz Research, Jim Stone, Ph.D., EVP Innovation and Marketing Science, 1355 N. Highway Dr., Fenton, MO 63099; 636-827-4000; www.maritzresearch.com.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

"*The Pulse of the Affluent Market*," February 2013, Mendelsohn Affluent Barometer, Ipsos MediaCT, Stephen Kraus, SVP, Chief Insights Officer, 415-293-9711; steve.kraus@ipsos.com; www.ipsos-na.com.

"*Cross-Screen Engagement: Multiscreen Pathways Reveal New Opportunities for Marketers to Reach and Engage Consumers*," March 2013, Microsoft Advertising, Natasha Hritzuk, Senior Director of Consumer Insights, 1290 Ave. of the Americas, 6th Fl., New York, NY 10104; 212-245-2100; natashah@microsoft.com; www.advertising.microsoft.com.

"*State of the Media: U.S. Digital Consumer Report, Q3-Q4 2011*," "*Free to Move Between Screens: The Cross-Platform Report*," March 2013, "*U.S. Gaming: A 360° View*," March 2013, Nielsen, Elizabeth Luke, Communications Analyst, Mobile, 770 Broadway, New York, NY 10003; 646-654-50000; elizabeth.luke@nielsen.com; www.nielsen.com.

"*Life on Demand: Participant Behavior and Social Engagement*," Performics and ROI Research. Performics, Matt Miller, SVP Strategy & Analytics, 111 E. Wacker, #1500, Chicago, IL 60601; 312-739-0222; marketing@performics.com; www.performics.com.

"*The Future of Mobile News*," October 2012, Pew Research Center's Project for Excellence in Journalism, Tom Rosenstiel, Director, 1615 L St., NW, #700, Washington, DC 20036; 202-419-3650; mail@journalism.org; www.journalism.org.

"*Demographics of Internet Users*," June 2013, "*Smartphone Ownership*," June 2013, "*Tablet Ownership*," June 2013, "*Nearly Half of American Adults Are Smartphone Owners*," March 1, 2012, Pew Research Center's Internet & American Life Project, Lee Rainie, Director, 1615 L St., NW, #700, Washington, DC 20036; 202-419-4500; info@pewinternet.org; www.pewinternet.org.

Poll Position survey of registered voters, January 15, 2012, Poll Position, Eason Jordan, CEO, 3525 Piedmont Rd., 7 Piedmont Center, #300, Atlanta, GA 30305; 845-232-0908; EJ@pollposition.com; www.pollposition.com.

"*PopCap Games Social Gaming Research*," by Information Solutions Group for PopCap Games. Information Solutions Group, Carll Frye, 227 Bellevue Way, NE, #300, Bellevue, WA 98004; 425-373-1111; carll@infosolutionsgroup.com; www.infosolutionsgroup.com. Price: Available online at no charge. PopCap Games, Garth Chouteau, 600 The Embarcadero, San Francisco, CA 94107; 415-602-8147; garth@popcap.com; www.popcap.com.

"*Mobile Survey*," June 2012, Prosper Mobile Insights, Chrissy Wissinger, Senior Manager, Communications, 400 W. Wilson Bridge, #200, Worthington, OH 43085; 614-846-0146; chrissy@biginsight.com; www.prospermobile.com.

ROI Research, Christine Kurtz, Director of Analytics, 48-50 W. Chestnut St., #300, Lancaster, PA 17603; 717-435-1850; information@roiresearch.com; www.roiresearch.com.

"*OMG! Is Your Medium Reaching Millennials?*" Scarborough Research, Brad Sherer, Manager of Stat Shop Services, 770 Broadway, New York, NY 10003; 646-654-8400; brad.sherer@scarborough.com; www.scarborough.com.

"*Hispanic In-Store Mobile Experience: Social Shopping*," April 2012, Sensis and White Horse Productions. Sensis, Jose Villa, President, 811 Wilshire Blvd., #2050, Los Angeles, CA 90017; 213-341-0171; info@sensisagency.com; www.sensisagency.com; www.hispanicmobilereport.com

ShopAtHome.com; Marc Braunstein, Cofounder/CEO, 7100 E. Belleview Ave., #208, Greenwood Village, CO 80111; 303-741-1971; www.shopathome.com.

Sodahead, February 2012, Bill Kantar, VP Sales, 15821 Ventura Blvd., #590, Encino, CA 91436; 818-981-7738; sales@sodahead.com; www.sodahead.com.

SponsorPay, Projjol Banerjea, VP Marketing & Talent, Ackerstrasse 14/15, Berlin 10015, Germany; 011-49-3020-2156-622; info@sponsorpay.com; www.sponsorpay.com.

"*Valuable Assets: Today's Moms Represent Savvy, Smart Shoppers*," April 2012, Susan Viamri, Editor of Times & Trends, Symphony IRI, 150 N. Clinton St., Chicago, IL 60661; 312-726-1221; www.symphonyiri.com.

"*PRBus Social Media Customer Service Survey*," TNS, 11 Madison Ave., 12th Fl., New York, NY 10010; 212-991-6000; info-us@tns-global.com; www.tnsglobal.com.

"*The Lives of Digital Power Moms*," Total Beauty Media Group, Ann Marie MacDougall, EVP Brand Strategy & Development, 3420 Ocean Park Blvd., #3050, Santa Monica, CA 90405; 310-399-7400; amacdougall@totalbeauty.com; www.totalbeautymedia.com.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

"*Mobile Phones and Privacy*," Berkeley Center for Law & Technology, University of California, Berkeley School of Law, Jennifer Urban, Assistant Clinical Professor of Law, 215 Boalt Hall, Berkeley, CA 94720; 510-642-7338; jurban@law.berkeley.edu; www.law.berkeley.edu.

White Horse Productions, Jen Modarelli, Principal, 3747 NE Sandy Blvd., Portland, OR 97232; 503-471-4200; www.whitehorse.com

"*Are You Giving Your Customers What They Really, Really Want?*" WorldPay, Charlotte Speller, VP Global Marketing, Units 270-289, The Science Park, Milton Rd., Cambridge CB4 0WE, England; (U.S.) 800-200-5965 or (UK) (011) 44-845-301-6251; mrc2012@worldpay.com; www.worldpay.com.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

ABOUT EPM

EPM – A Division of Business Valuation Resources, LLC (BVR), provides research on consumer behavior, marketing trends and licensing to many of the world's leading brand marketers, advertising and promotion agencies, entertainment and media companies, retailers, and the licensing community.

Through an array of subscription publications, research reports and directories, EPM clients also receive complete contact information for every source reported on, giving them instant access to new business leads and further detail on all research.

The quality of EPM's marketing information services is reflected in the high level of the executives who rely on the company's research and reporting: 74% are director or higher.

EPM paid subscription newsletters include Research Alert, Youth Markets Alert, Marketing To Women, The Licensing Letter, and Content Licensing. The company also produces a number of free e-letters available at www.epmcom.com.

EPM's syndicated research studies include:

- How Mobile Devices Are Changing The Way Americans Shop
- How Americans Use Social Media
- What Moms Think And Do
- Media Use Across Platforms
- Books & Readers, eBooks & eReaders

and others.

BVR delivers authoritative market data, continuing professional education, and expert opinion to business appraisers, merger and acquisition professionals, private equity and venture capitalists, business brokers, CPAs, lawyers and judges, owners, CFOs, and others. BVR's Pratt's Stats database is the leading source of information about mergers and acquisitions for private companies.

For further information visit www.epmcom.com or call 212-941-0099.

© Copyright 2013, Business Valuation Resources, LLC. May not be reproduced without written consent of publisher.

epm ORDER FORM

NAME ____________________ PHONE ____________________

ORDER ONLINE AT WWW.EPMCOM.COM OR CALL 212-941-0099 OR FAX 503-291-7955

EPM Member Price applies to current paid newsletter subscribers

CONSUMER PRODUCTS LICENSING

	PRICE	EPM MEMBER PRICE
The Licensing Letter		
1 Year Subscription (22 issues)	❑ $467.00	❑ $467.00
Licensing Letter Sourcebook		
Single-User Database on USB Flash Drive	❑ $449.00	❑ $399.00
Print Edition	❑ $449.00	❑ $399.00
Single-User Print Edition & USB Flash Drive	❑ $544.00	❑ $494.00
Royalty Trends Report		
Single-User PDF & JPG Files	❑ $359.00	❑ $259.00
Print Edition & JPG Files	❑ $359.00	❑ $259.00
Print Edition, PDF & JPG Files	❑ $454.00	❑ $354.00
The Licensing Business Handbook		
Print Edition	❑ $69.95	❑ $63.95
International Licensing: A Status Report		
Single-User PDF	❑ $3095.00	❑ $2795.00
Print Edition	❑ $3095.00	❑ $2795.00
Print Edition & Single-User PDF	❑ $3395.00	❑ $3095.00
Licensing Business Databook		
Single-User PDF & JPG Files	❑ $795.00	❑ $695.00
Print Edition & JPG Files	❑ $795.00	❑ $695.00
The Global Market For Licensed Preschool Properties		
Single-User PDF	❑ $487.00	❑ $437.00
Print Edition	❑ $487.00	❑ $437.00
Print Edition & Single-User PDF	❑ $582.00	❑ $532.00
Sports Licensing Report		
Single-User PDF	❑ $429.00	❑ $329.00
Print Edition	❑ $429.00	❑ $329.00
Print Edition & Single-User PDF	❑ $524.00	❑ $424.00
Licensing Metrics: How To Measure The Success Of Consumer Products Licensing Programs		
Single-User PDF	❑ $249.00	❑ $199.00
Print Edition	❑ $249.00	❑ $199.00
Print Edition & Single-User PDF	❑ $299.00	❑ $249.00
The Licensing Letter Food/Beverage Licensing Report		
Single-User PDF	❑ $795.00	❑ $695.00
Print Edition	❑ $795.00	❑ $695.00
Print Edition & Single-User PDF	❑ $890.00	❑ $790.00

Site licenses are available for those who wish to share EPM publications with their colleagues. Please contact Randy Cochran, VP Business Development, at rcochran@epmcom.com or 212-941-1633, ext. 18, for details.

CONTENT LICENSING

	PRICE	EPM MEMBER PRICE
Content Licensing Network		
1 Year Individual Charter Membership, including 24 issues of Content Licensing plus two bonus reports: Media Use Across Platforms and Books & Readers, eBooks & eReaders	❑ $500.00	❑ $500.00
Media Use Across Platforms		
Single-User PDF	❑ $95.00	❑ $75.00
Books & Readers, eBooks & eReaders		
Single-User PDF	❑ $95.00	❑ $75.00
The Market For Apps & E-properties		
Single-User PDF	❑ $447.00	❑ $247.00
Print Edition	❑ $447.00	❑ $247.00
Print Edition & Single-User PDF	❑ $497.00	❑ $297.00

CONSUMER SPENDING & RESEARCH

	PRICE	EPM MEMBER PRICE
Research Alert Pro		
1 Year Subscription (24 issues)	❑ $489.00	❑ $489.00
Research Alert Yearbook		
Single-User PDF	❑ $349.00	❑ $249.00
Print Edition	❑ $349.00	❑ $249.00
Print Edition & Single-User PDF	❑ $444.00	❑ $344.00
Grocery Cross-Shopper Behavior		
Single-User PDF	❑ $995.00	❑ $995.00
What Dads Think And Do		
Single-User PDF	❑ $199.00	❑ $149.00
Print Edition	❑ $199.00	❑ $149.00
Print Edition & Single-User PDF	❑ $239.00	❑ $189.00
Always On: Trends In Digital Media Use		
Single-User PDF	❑ $379.00	❑ $329.00
Print Edition	❑ $379.00	❑ $329.00
Print Edition & Single-User PDF	❑ $474.00	❑ $424.00
How Mobile Devices Are Changing The Way Americans Shop		
Single-User PDF	❑ $750.00	❑ $650.00
Print Edition	❑ $750.00	❑ $650.00
Print Edition & Single-User PDF	❑ $845.00	❑ $745.00
How Americans Use Social Media		
Single-User PDF	❑ $299.00	❑ $199.00
Print Edition	❑ $299.00	❑ $199.00
Print Edition & Single-User PDF	❑ $349.00	❑ $249.00

PAGE 1 SUBTOTAL ____________________

ORDER FORM

NAME	PHONE

ORDER ONLINE AT WWW.EPMCOM.COM OR CALL 212-941-0099 OR FAX 503-291-7955

EPM Member Price applies to current paid newsletter subscribers

	PRICE	EPM MEMBER PRICE
Consumer Behavior		
Print Edition	❑ $385.00	❑ $335.00
Single-User PDF	❑ $385.00	❑ $335.00
Print Edition & Single-User PDF	❑ $485.00	❑ $435.00
Retail Business Market Research Handbook		
Print Edition	❑ $385.00	❑ $335.00
Single-User PDF	❑ $385.00	❑ $335.00
Print Edition & Single-User PDF	❑ $485.00	❑ $435.00
Restaurant Food & Beverage Market Research Handbook		
Print Edition	❑ $385.00	❑ $335.00
Single-User PDF	❑ $385.00	❑ $335.00
Print Edition & Single-User PDF	❑ $485.00	❑ $435.00
Leisure Market Research Handbook		
Print Edition	❑ $385.00	❑ $335.00
Single-User PDF	❑ $385.00	❑ $335.00
Print Edition & Single-User PDF	❑ $485.00	❑ $435.00
Travel & Tourism Market Research Handbook		
Print Edition	❑ $385.00	❑ $335.00
Single-User PDF	❑ $385.00	❑ $335.00
Print Edition & Single-User PDF	❑ $485.00	❑ $435.00
Sports Marketing		
Print Edition	❑ $385.00	❑ $335.00
Single-User PDF	❑ $385.00	❑ $335.00
Print Edition & Single-User PDF	❑ $485.00	❑ $435.00
Entertainment, Media & Advertising Market Research Handbook		
Print Edition	❑ $385.00	❑ $335.00
Single-User PDF	❑ $385.00	❑ $335.00
Print Edition & Single-User PDF	❑ $485.00	❑ $435.00
Healthcare Business Market Research Handbook		
Print Edition	❑ $485.00	❑ $435.00
Single-User PDF	❑ $485.00	❑ $435.00
Print Edition & Single-User PDF	❑ $585.00	❑ $535.00
Hispanic Marketing: Addressing Acculturation		
Single-User PDF	❑ $179.00	❑ $149.00
Print Edition	❑ $179.00	❑ $149.00
Print Edition & Single-User PDF	❑ $219.00	❑ $189.00
The EPM Fad Study: An Analysis Of 100 Fads In The 20th Century		
Single-User PDF	❑ $95.00	❑ $95.00

	PRICE	EPM MEMBER PRICE
WOMEN'S MARKET		
Marketing to Women		
1 Year Subscription (12 issues)	❑ $357.00	❑ $357.00
All About Women Consumers		
Single-User PDF	❑ $299.00	❑ $239.00
Print Edition	❑ $299.00	❑ $239.00
Print Edition & Single-User PDF	❑ $349.00	❑ $289.00
What Moms Think And Do		
Single-User PDF	❑ $349.00	❑ $249.00
Print Edition	❑ $349.00	❑ $249.00
Print Edition & Single-User PDF	❑ $444.00	❑ $344.00
YOUTH MARKET		
Marketing To Tweens & Teens		
Single-User PDF	❑ $349.00	❑ $249.00
Print Edition	❑ $349.00	❑ $249.00
Print Edition & Single-User PDF	❑ $444.00	❑ $344.00
Teen Spending & Behavior		
Single-User PDF	❑ $299.00	❑ $199.00
Print Edition	❑ $299.00	❑ $199.00
Print Edition & Single-User PDF	❑ $349.00	❑ $249.00
Tween Sensibility, Spending And Influence		
Single-User PDF	❑ $299.00	❑ $199.00
Print Edition	❑ $299.00	❑ $199.00
Print Edition & Single User PDF	❑ $349.00	❑ $249.00
How Tweens & Teens Use Social Media		
Single-User PDF	❑ $299.00	❑ $199.00
Print Edition	❑ $299.00	❑ $199.00
Print Edition & Single User PDF	❑ $349.00	❑ $249.00

PAGE 2 SUBTOTAL ____________

Site licenses are available for those who wish to share EPM publications with their colleagues. Please contact Randy Cochran, VP Business Development, at rcochran@epmcom.com or 212-941-1633, ext. 18, for details.

epm

ORDER FORM

Use this form to order EPM products or services.

ORDER ONLINE AT WWW.EPMCOM.COM OR CALL 212-941-0099 OR FAX 503-291-7955

order online at www.epmcom.com

SHIPPING INFORMATION

NAME

TITLE

COMPANY

ADDRESS

CITY

STATE

ZIP

PHONE

FAX

EMAIL

Free standard shipping to the U.S. and Canada; for delivery to other countries, please add $40 per book. To have books shipped overnight via FEDEX, write your FEDEX # here::

SIGNATURE (REQUIRED FOR BILLING)

PAYMENT INFORMATION Federal Tax ID# 76-0801940

❑ **Check enclosed** (payable to Business Valuation Resources)

❑ **Charge my:** ❍ Visa ❍ MasterCard ❍ American Express

CARD #

EXP. DATE

SECURITY CODE

SIGNATURE (REQUIRED FOR CREDIT CARD ORDERS)

❑ **Bill me/my company** (Books will be shipped upon receipt of payment.)

PO # (OPTIONAL)

Return Policy: Print editions can be returned in good condition within 30 days of receipt. PDF and Digital products are non-refundable.

Please complete entire form and mail or fax to:
Business Valuation Resources, LLC
1000 SW Broadway, Ste. 1200
Portland, Oregon 97205-3035
Fax to 503-291-7955

PAGE 1 SUBTOTAL	
PAGE 2 SUBTOTAL	
SHIPPING	
TOTAL AMOUNT DUE	

Sample issues and tables of contents for all reports, studies and directories are available at: www.epmcom.com
To use the Articles Archive go to www.epmcom.com/archive