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# From Early Adoption To Common Practice: A Primer On Online Video Viewing

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*Conducted in partnership with*

**FRANK N. MAGID ASSOCIATES, INC.**

RESEARCH • COUNSEL

# Online Publishers Association

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The Online Publishers Association (OPA) is a not for profit industry trade organization dedicated to representing high-quality online content providers before the advertising community, the press, the government and the public.

# Table Of Contents

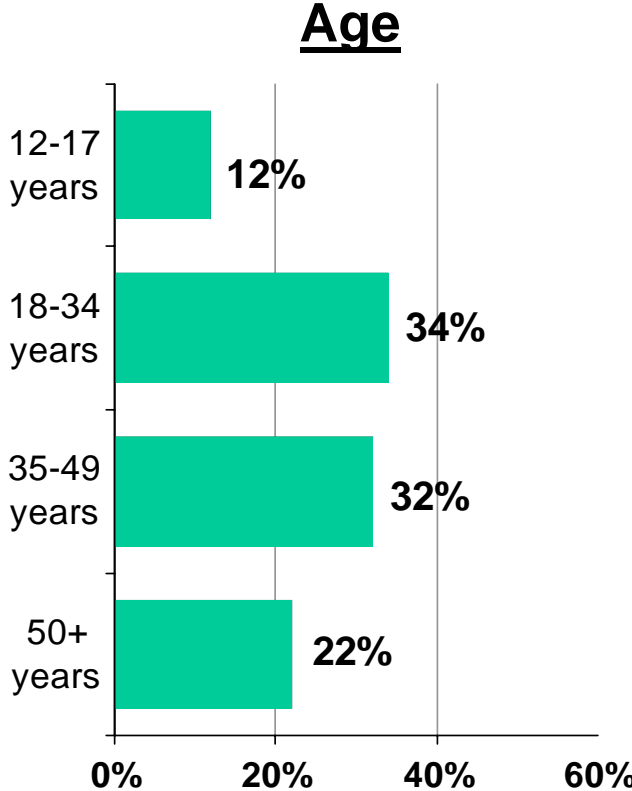
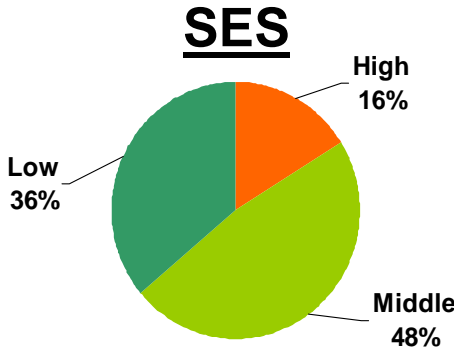
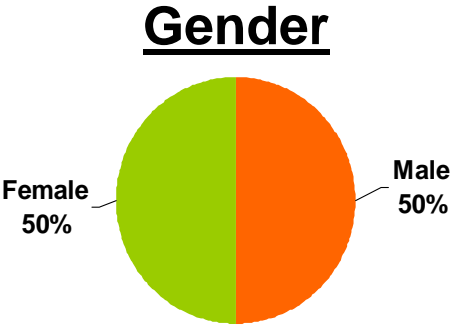
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- Methodology & Sample Demographics 4
- Headlines 6
- Online Video Viewing Behavior 7
- Online Video Advertising & Paying 20
- Summary & Conclusions 27

# Methodology

- Survey developed, implemented, and analyzed by Frank N. Magid Associates, a leading media, communications, and entertainment research and strategy firm
- Online survey of 1,241 Internet users age 12 to 64
  - Sample representative of U.S. online population
  - Note: Video research excludes adult content
- Field dates: February 1-9, 2006
- Recruitment method: Purchased national list
  - Survey hosted at Frank N. Magid Associates' online division [surveysonline.com](http://surveysonline.com)

# Sample Demographics – Recruited To Represent The U.S. Online Population



Q. C : What is your gender? -- Q. D: What is your age? – SES = Socio-Economic Status (based on income, education, occupation)

# Headlines

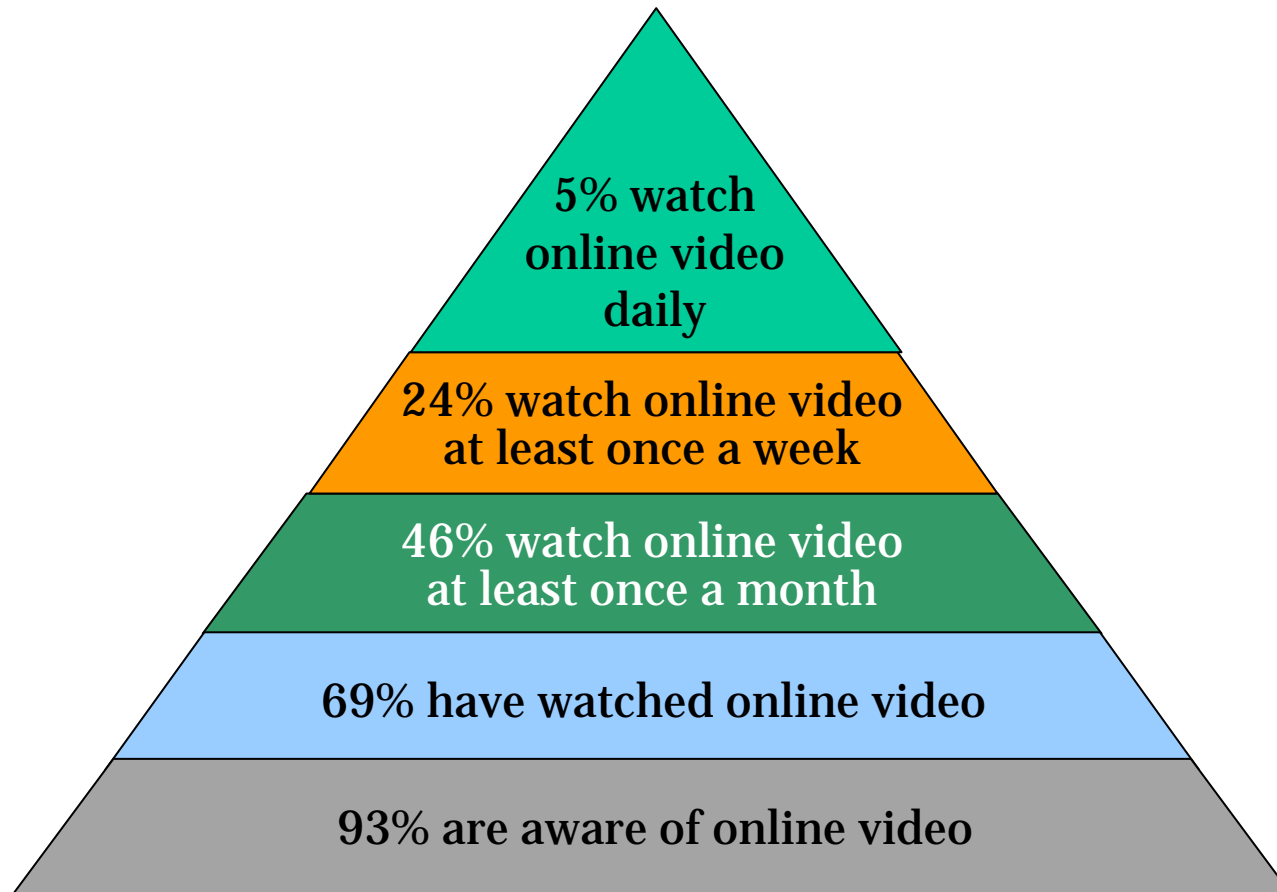
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- Watching video online is becoming routine, with one in four viewing at least weekly
- News and entertainment videos are among the most frequently watched online
- Viewers go to multiple destinations for video – *and then surf for more*
- Online video viewers have attractive demographics
- Online video viewers are cross-media consumers
- Viewers are receptive to video ads and driven to act
- Consumers are willing to pay for online videos to get freedom of access

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# Online Video Viewing Behavior

# One In Four Watch Online Videos At Least On A Weekly Basis



*Numbers based on Q.1 and Q.1.1. BASE: Total sample (N=1,241).*



# Frequent Consumers Of Online Video Are More Likely To Be Young, Male And Affluent

Heavy = weekly+ Mod = monthly but less than weekly Light = less than monthly		Heavy Viewers	Moderate Viewers	Light Viewers	Non-viewers – but will this year	Non-viewers – and won't this year
Gender	Male	65%	54%	44%	41%	40%
	Female	35	46	56	59	60
Age	Mean	33 years	37 years	37 years	38 years	39 years
Marital Status	Married	40%	54%	46%	61%	50%
	Single	41	23	25	14	18
	Committed	11	11	13	11	10
	Divorced	6	9	13	11	17
Household income	\$100K+	11%	7%	7%	4%	7%
SES*	High	17%	17%	20%	8%	11%
	Middle	50	52	44	45	49
	Low	33	32	36	47	39
High-speed Internet access	At home	85%	79%	72%	59%	61%
	At work	86	83	81	73	71

\* Socio-Economic Status: Combined measure based on income, education, and occupation.

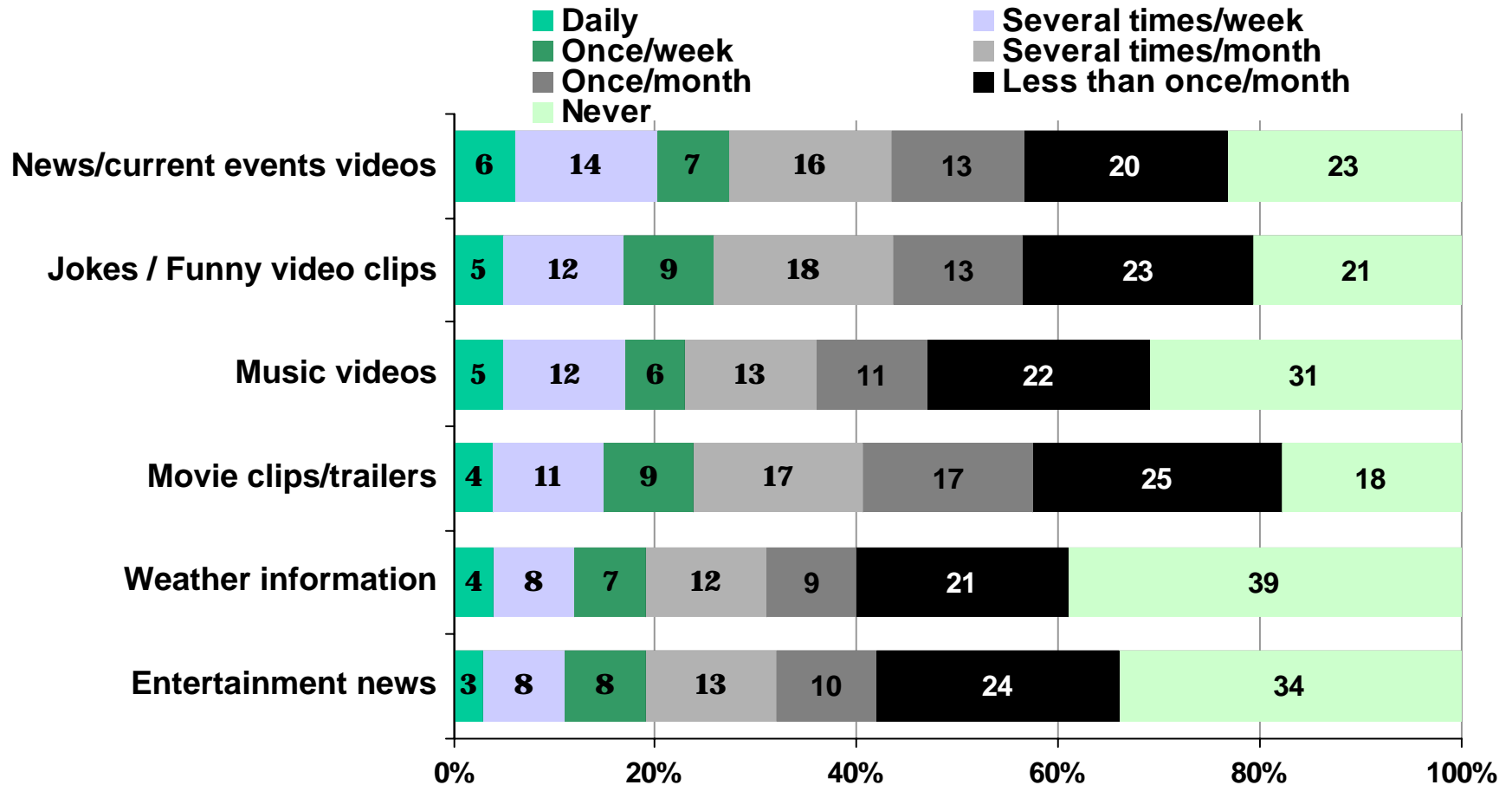
# Online Video Viewers Have Favorite Destinations - Most Focus On 2-5 Sites For Their “Video Fix”

Even most light online video viewers spread their viewing over several Web sites

Number of Web sites used for viewing online videos	Total viewers (N=859)	Heavy viewers (N=299)	Moderate viewers (N=269)	Light viewers (N=291)
I always use the same Web site for viewing online videos	29%	20%	23%	42%
I use 2-5 different Web sites to view online videos	58	63	63	49
I use 6-10 different Web sites to view online videos	7	10	7	3
I use more than 10 different Web sites to view online videos	6	6	7	6

Q.8: Which of the following best describes the number of Web sites you use for viewing online videos? (Select one). BASE: Online video viewers (N=859).

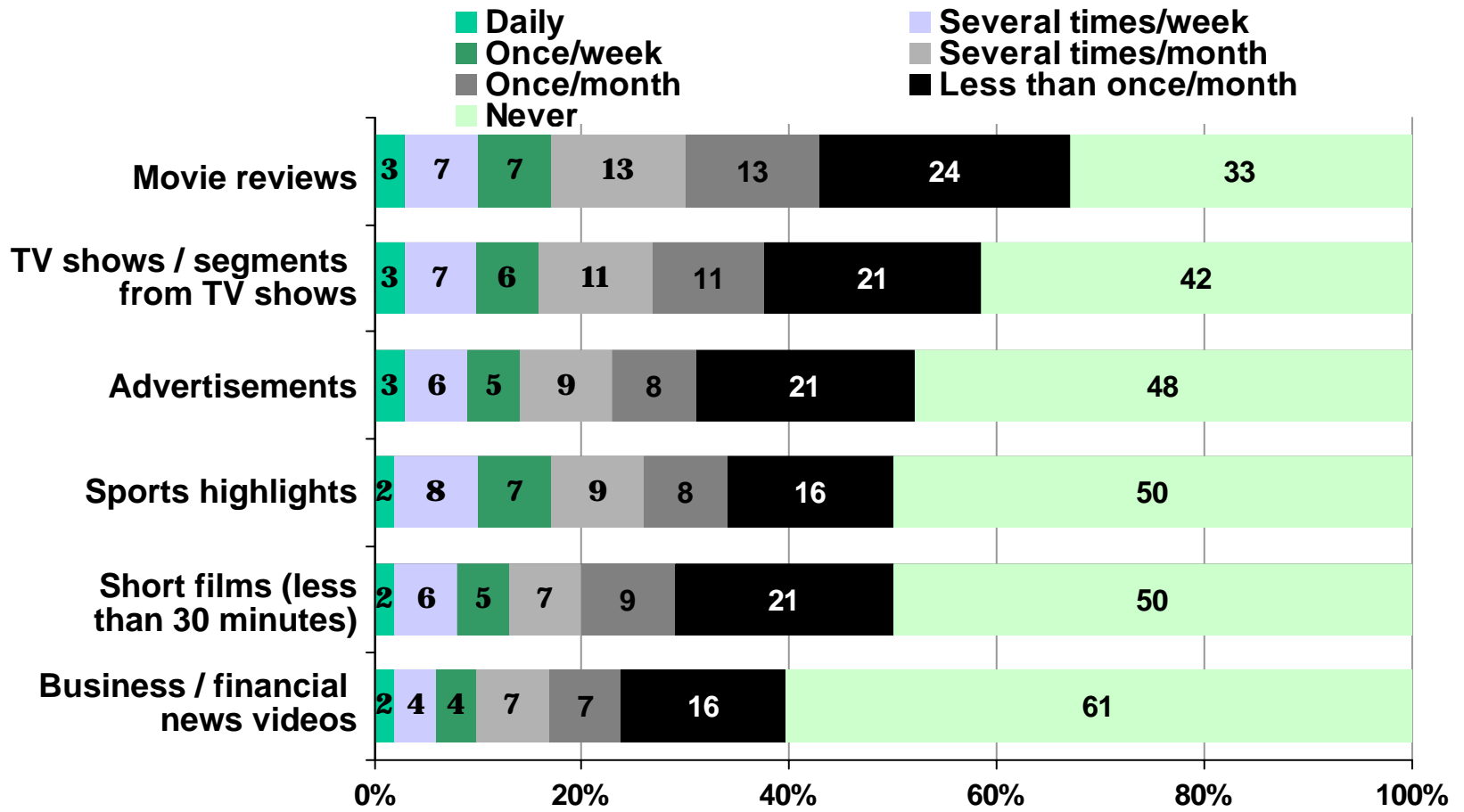
# News & General Entertainment Are Watched Most Frequently, With Over ¼ Of Viewers Accessing News At Least Weekly



Q.5(A-Q): How frequently do you watch the following types of online videos? BASE: Online video viewers (N=859).

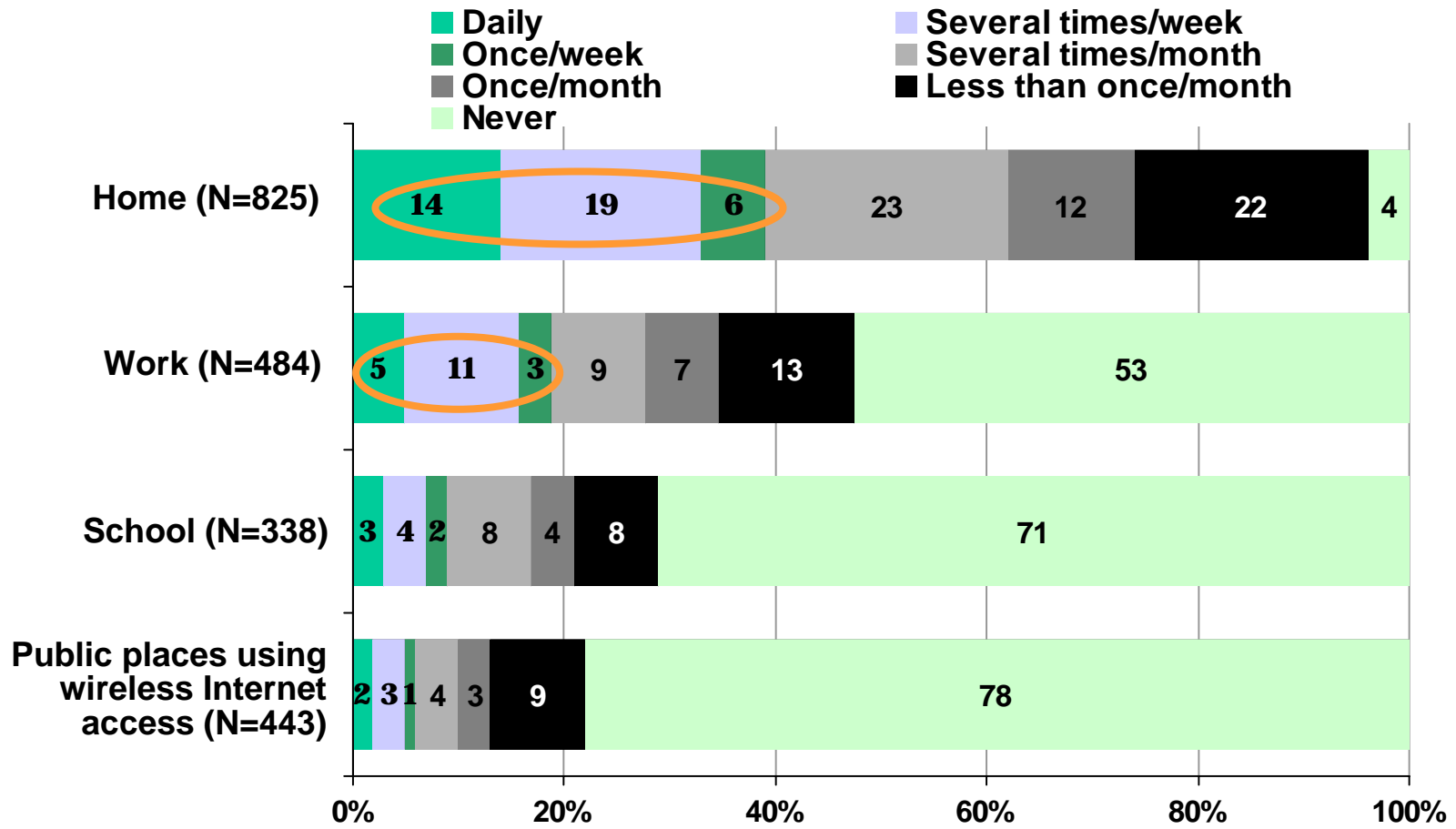
NOTE: These categories represent the top 6 out of a total of 17 types of online video asked about.

# Additional Types of Video Watched



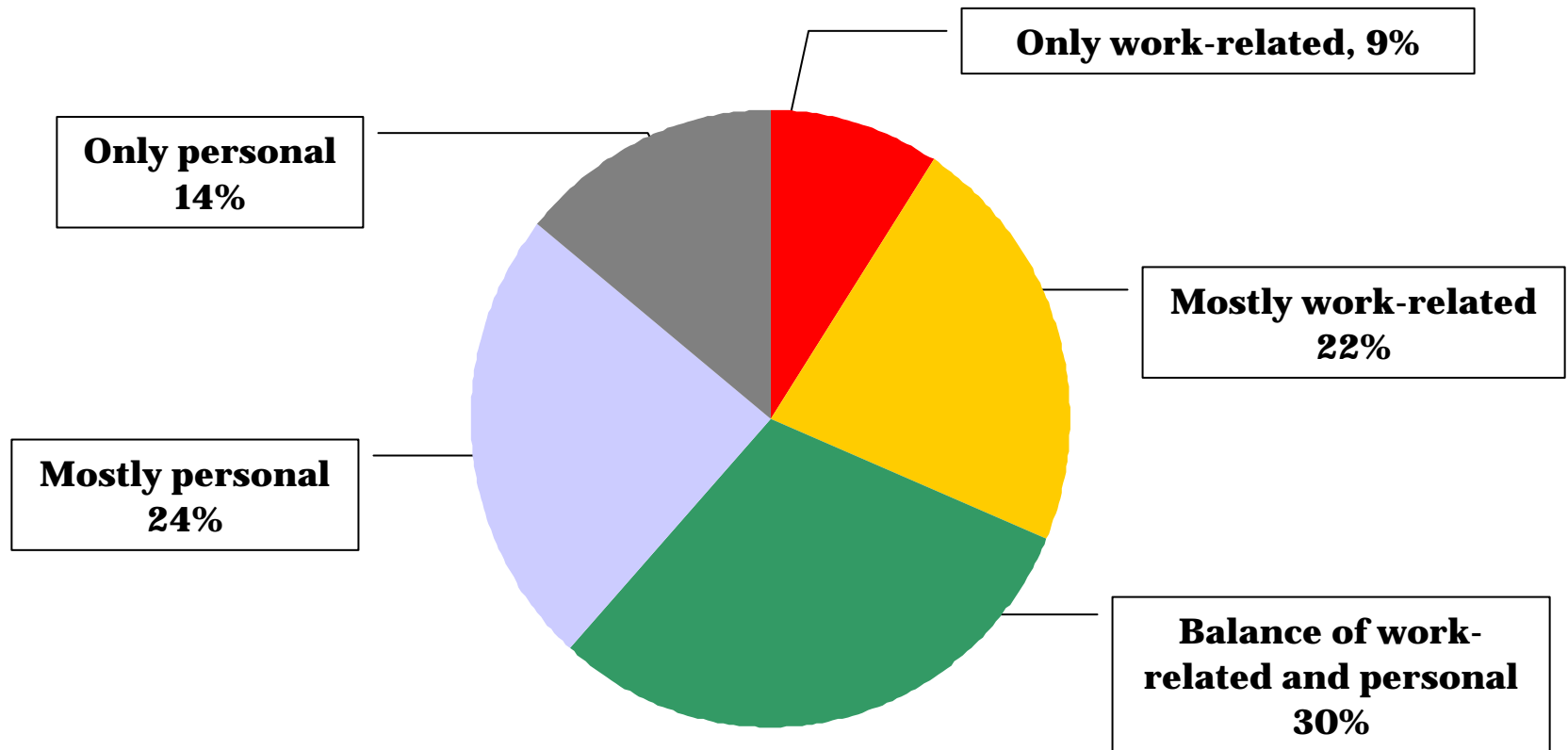
Q.5(A-Q): How frequently do you watch the following types of online videos? BASE: Online video viewers (N=859).

# Home Viewing Dominates, But Nearly 20% Of Video Viewers Watch At Work At Least Weekly



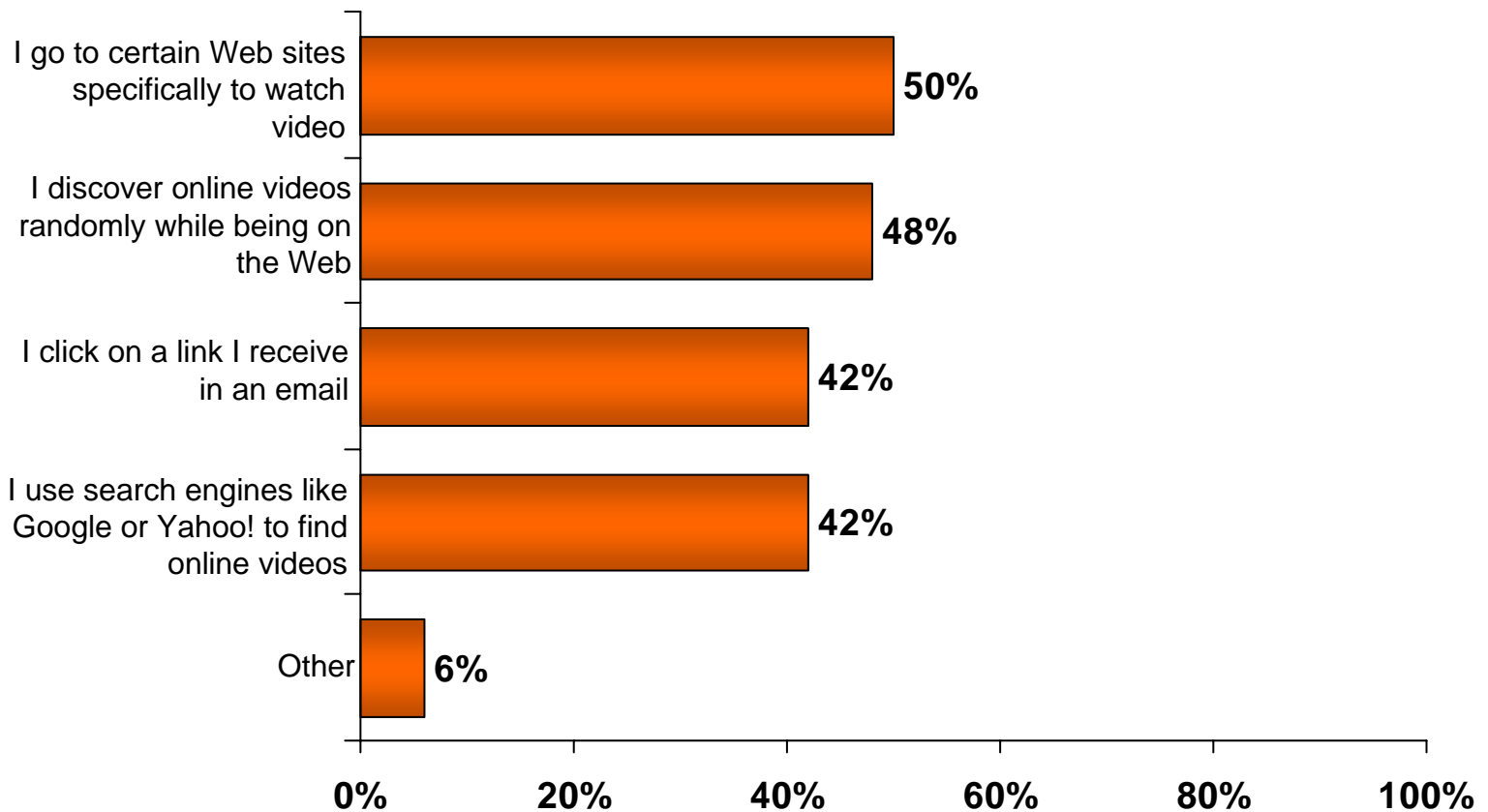
Q.6(A-D): How often do you watch online videos at the following locations? BASE: Online video viewers who have access at these locations.

# At Work, Slightly More Viewing Of Personal Than Work-Related Videos



Q.55: Which of the following best describes the online videos you watch at work? (Select one) BASE: Adults who watch online videos at work (N=229)

# Viewers Access Videos On Specific Web Sites And Also Randomly Surf To Consume Even More Video Content



Q.7: In which of the following ways do you search for and find online videos? BASE: Online video viewers (N=859).

# Online Videos Drive More Action And Content Consumption

**40% of video viewers have clicked on an accompanying link or visited a Web site mentioned in the video; heavy viewers are more likely to act**

<b>Actions taken from viewing an online video</b>	<b>Total viewers (N=859)</b>	<b>Heavy (N=299)</b>	<b>Moderate (N=269)</b>	<b>Light (N=291)</b>
Clicked on one of the “related links” surrounding the video	40%	43%	45%	34%
Visited a Web site mentioned in the video	40	50	40	30
Used a search engine such as Google or Yahoo! to get more information related to the video content I saw	33	45	35	18
Clicked on a pop-up or text link that the video asked me to click on	17	20	14	15
None of the above	31	20	29	44

Q.10: Which of the following have you ever done as a result of watching an online video? (Check all that apply). BASE: Online video viewers (N=859).



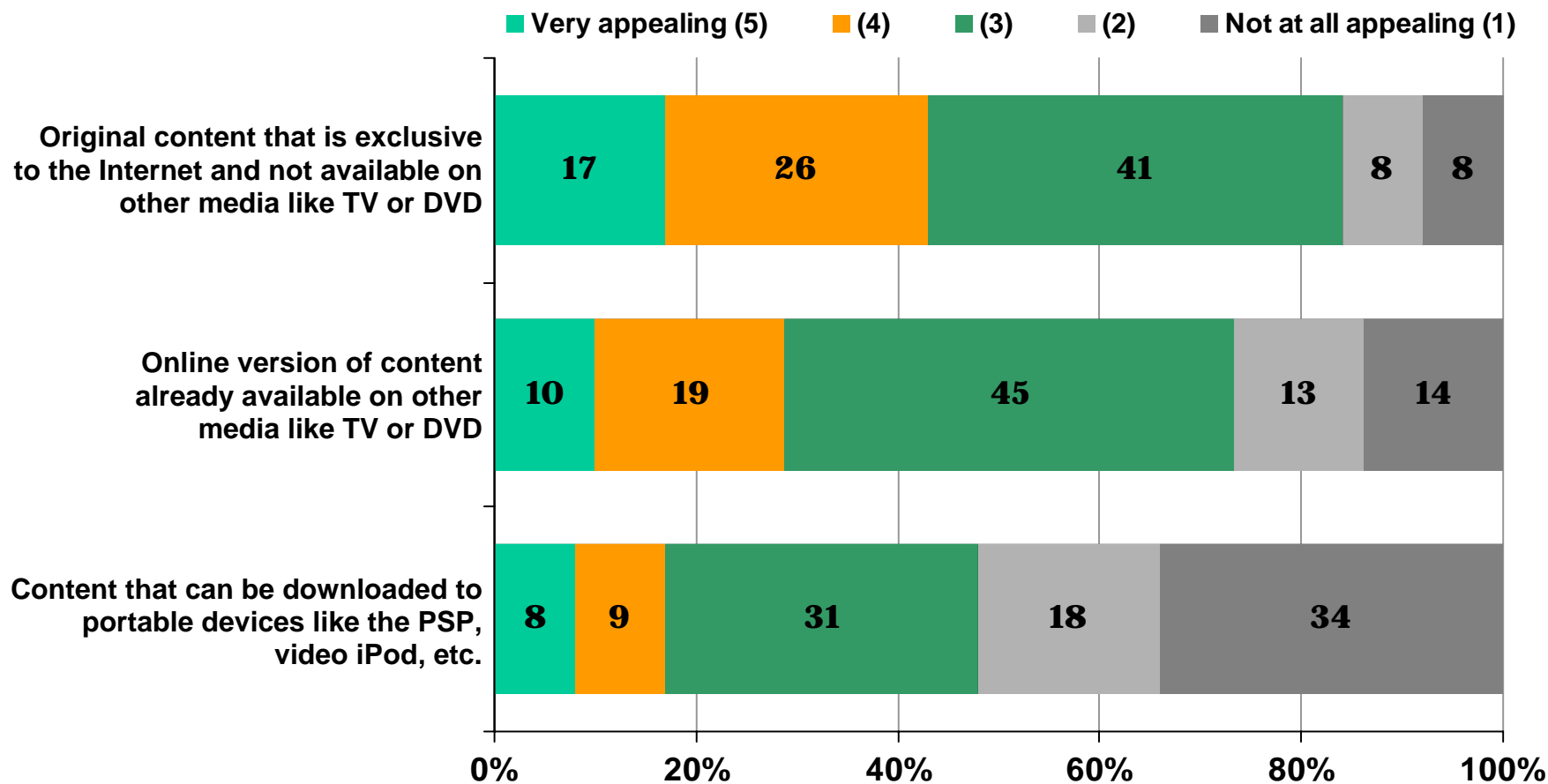
# Online Video Viewers Are Frequent Consumers Of Multiple Media

**Heavy and moderate online video viewers are far more likely to watch videos/DVDs, read magazines and play video games than non-viewers**

<b>Weekly+ Users</b>	<b>Total Sample (N=1,241)</b>	<b>Heavy viewers (N=299)</b>	<b>Moderate viewers (N=269)</b>	<b>Light viewers (N=291)</b>	<b>Non-viewers – but will this year (N=110)</b>	<b>Non-viewers – and won't this year (N=272)</b>
Use the Internet for e-mail, IM or chat	91%	91%	93%	89%	92%	89%
Use the Internet for purposes other than e-mail, IM or chat	84	91	90	81	82	77
Read newspapers	59	61	62	55	63	56
Watch videos/DVDs	48	69	51	40	46	30
Read magazines	46	56	49	39	43	39
Play video/PC games	43	59	46	33	34	35

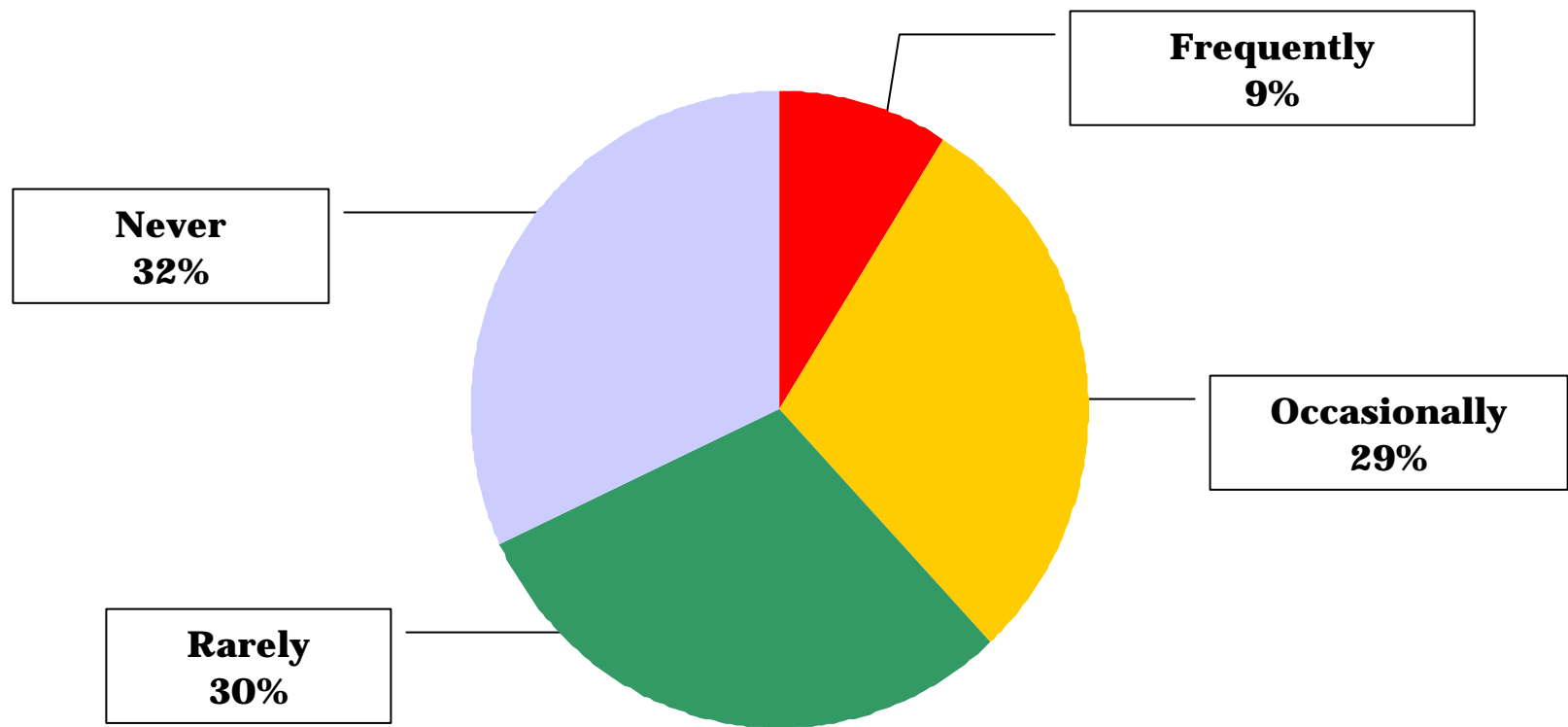
Q.64: During an average week, how often do you do each of the following? BASE: Total sample.

# Viewers Find Original Online Video Content Most Appealing



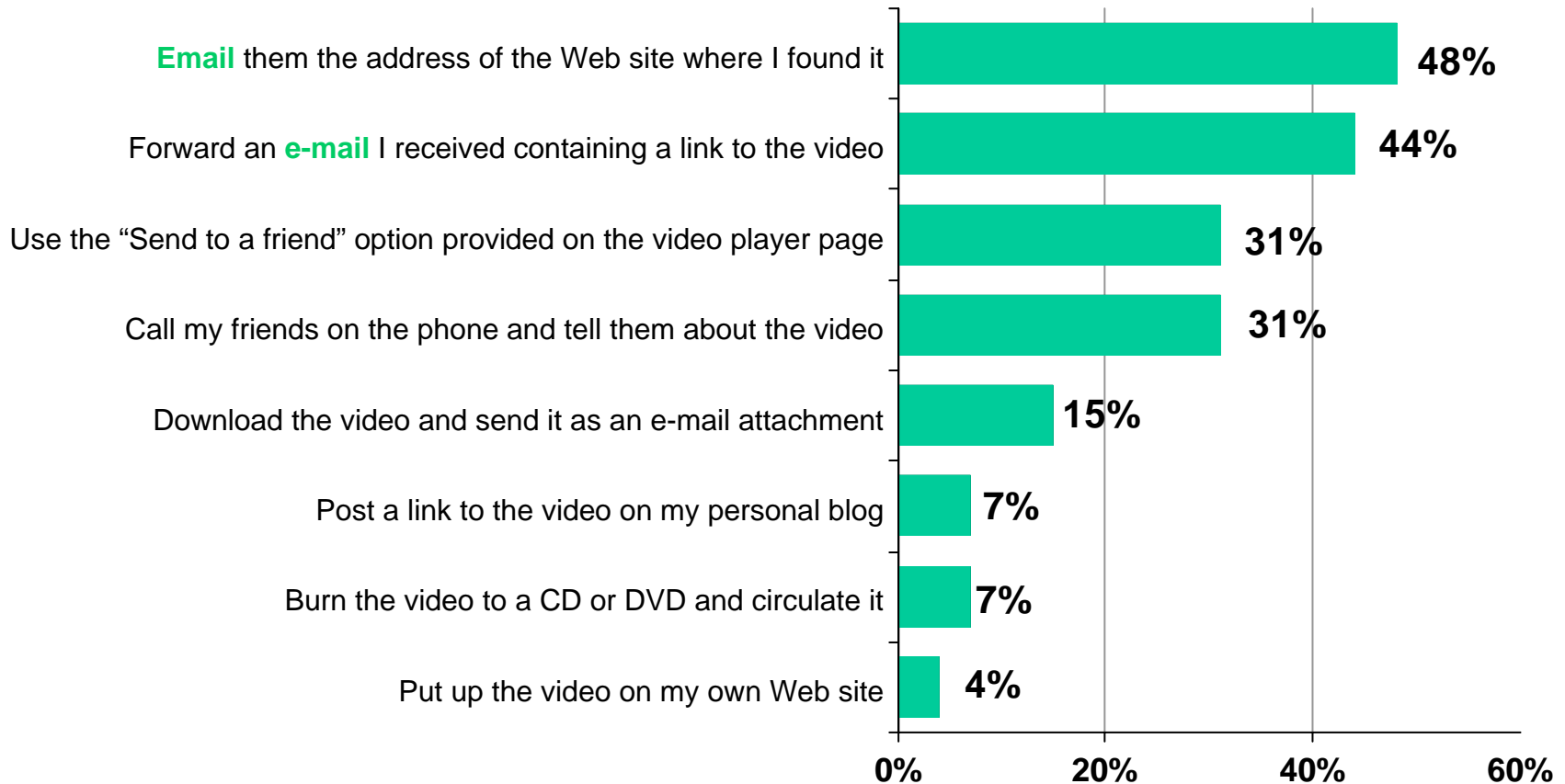
Q.14: How appealing are the following types of online video content to you? BASE: Online video viewers (N=859).

# Letting Others Know About Online Video Is Common



Q.50 How often do you let others know about online videos that you have watched or heard about? BASE: Online video viewers (N=859).

# E-mail Is The Most Widely Used Method For Sharing Online Videos



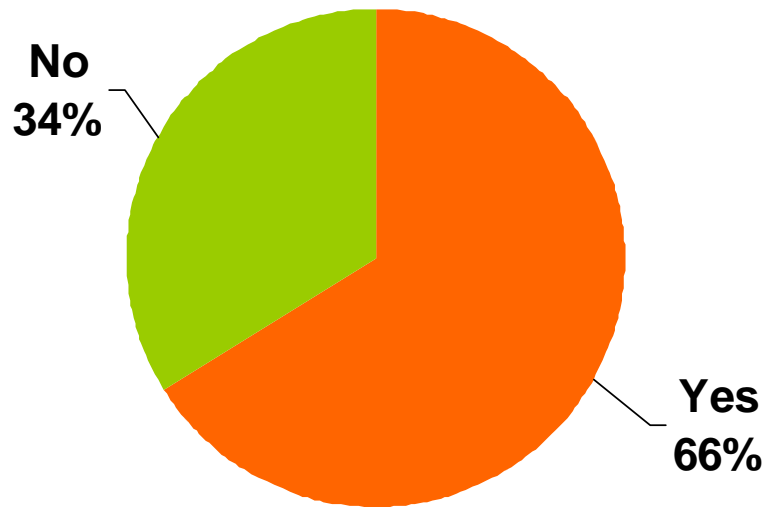
Q.51: How do you tell others about online videos? (Check all that apply) BASE: Those who let others know about videos they have watched/heard about (N=582)

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# Online Video Advertising & Paying

# Majority Of Internet Users Have Seen Online Video Ads

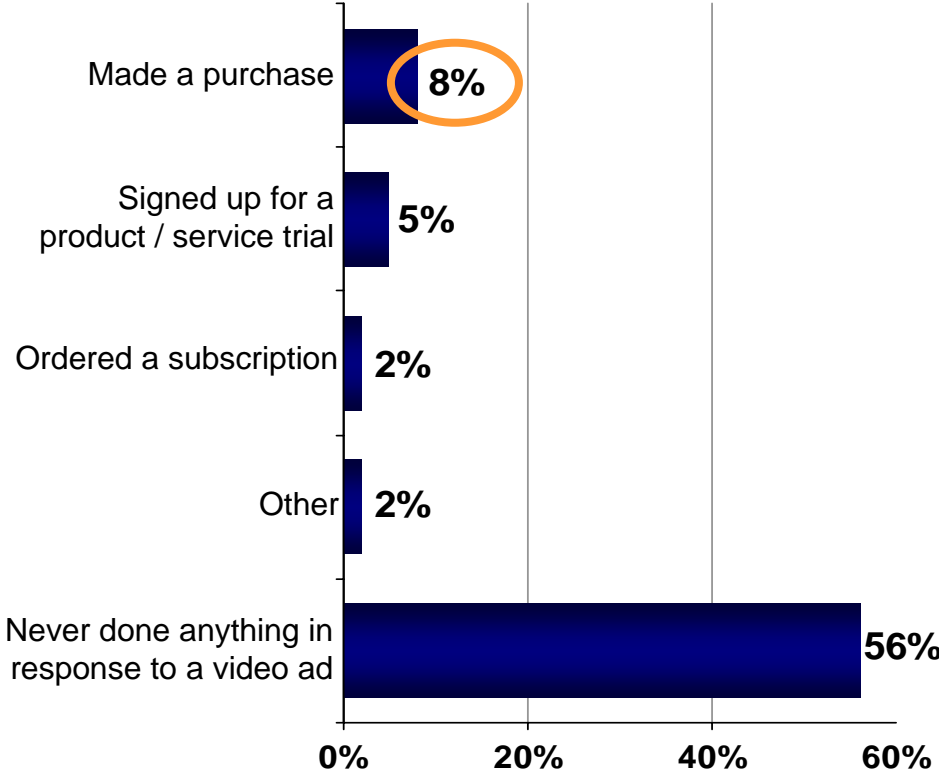
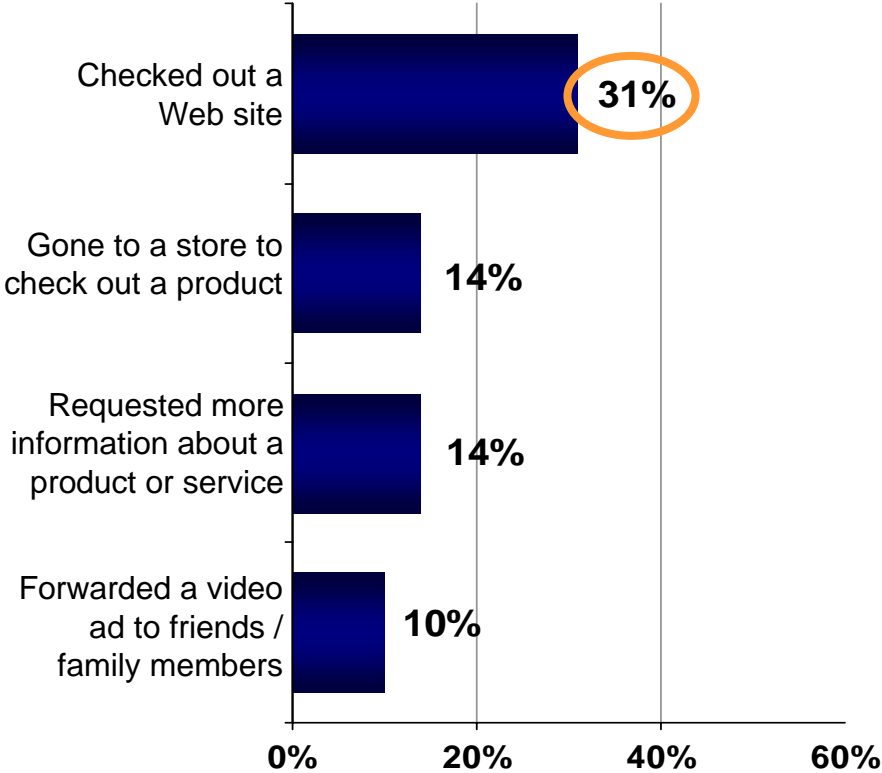
Ever Seen Online Video Ad



Q. 41 Have you ever seen a video ad on the Internet, meaning a product or service advertisement that incorporates a video clip? Base: Total sample (N=1,241)

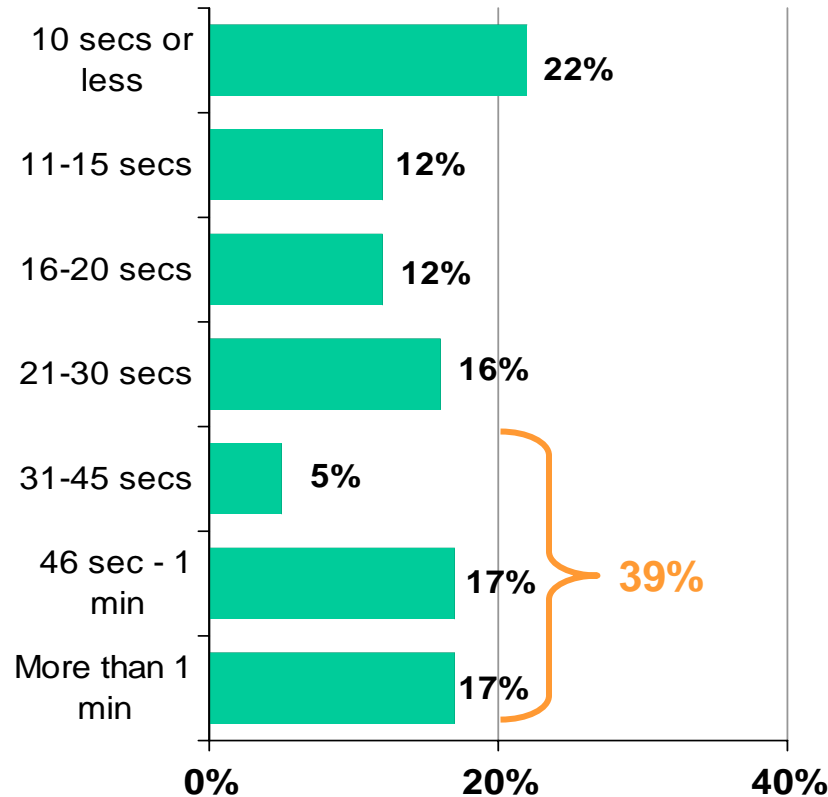
# Online Video Ads Mainly Drive Web Site Visits; Some Actual Purchases

44% Have Taken Some Take Action After Viewing a Video Ad



Q.42 Which of the following have you ever done as a result of watching an online video ad? BASE: Those who have seen an online video ad (N=823).

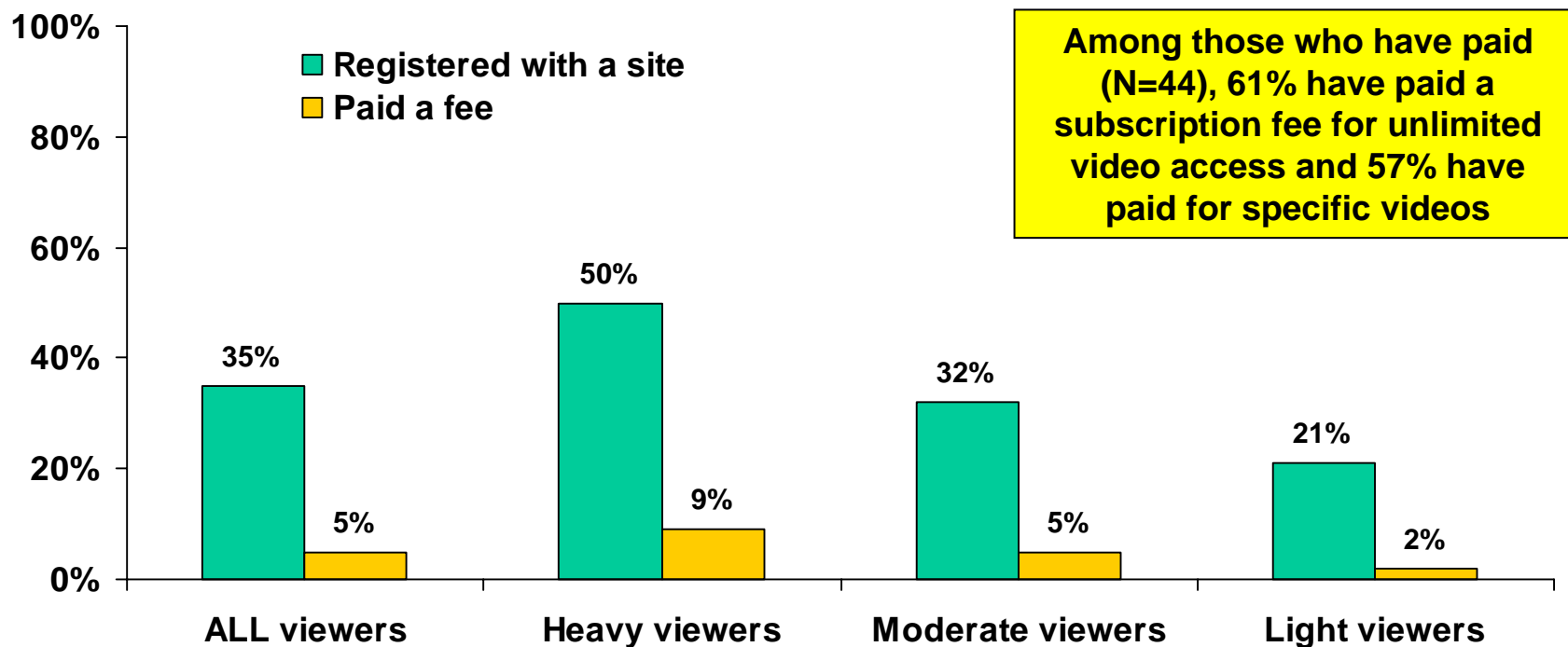
# Video Ads: The Shorter The Better, But Many Viewers Accept Long Ads



Q. 43 What is the maximum length of an online video ad that you would be willing to view? Base: Total sample (N=1,241)



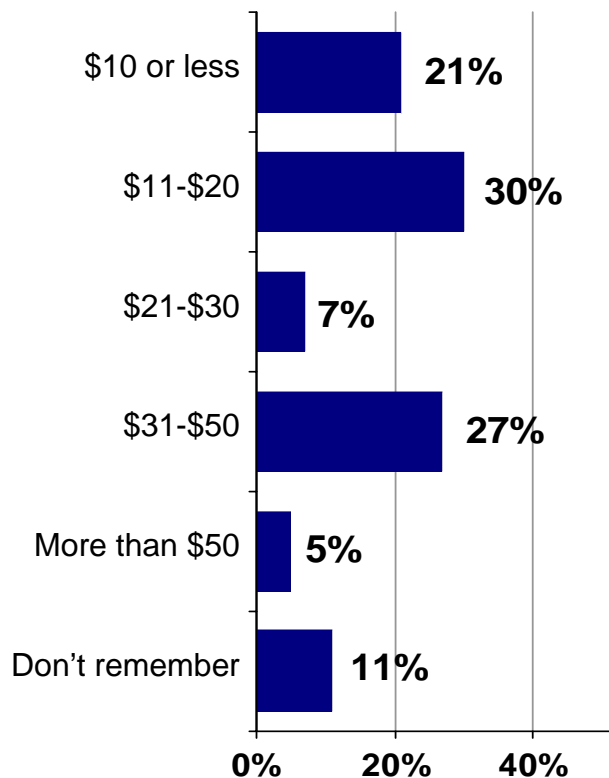
# A Third Have Registered With A Site And 5% Paid To Get Online Videos



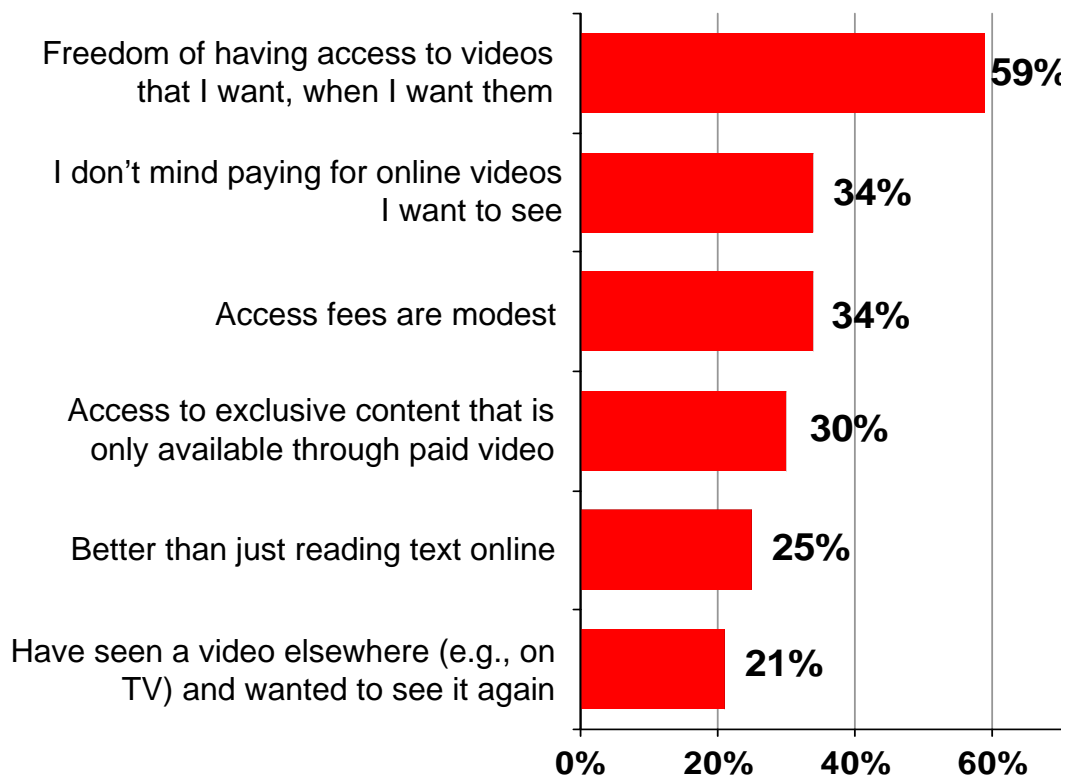
Q.15: Which of the following have you ever done to access online videos (not including adult content)? BASE: Online video viewers (N=859).

# Among Those Who Paid For Online Video, 85% Spent Up To \$50; Freedom Of Access The Main Reason

**Spending on Online Videos in past 12 months**



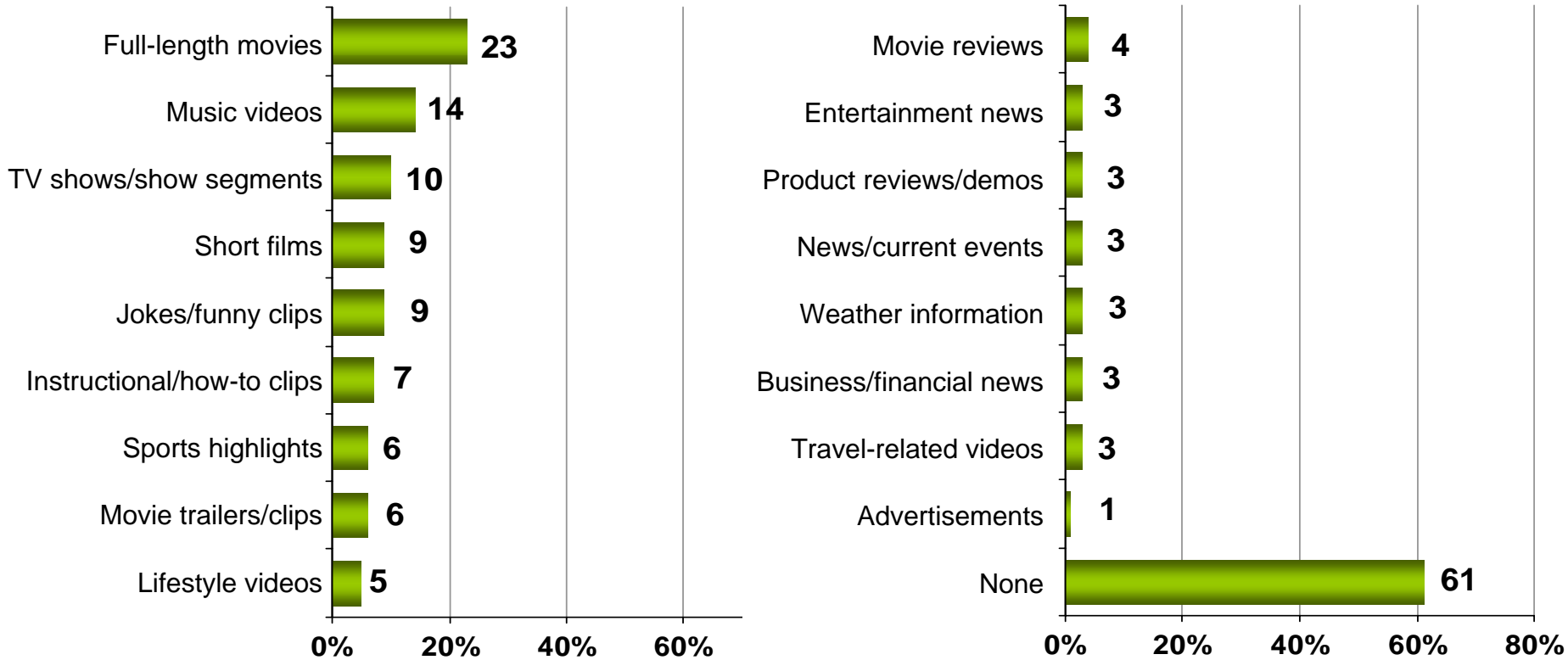
**Reasons for paying for Online Video content**



Q.17 Over the past 12 months, how much did you pay for accessing online videos (not including adult content)? BASE: Those who paid (N=44).

Q.19 Which of the following are reasons that you have paid for online video content? (multiple mentions allowed) BASE: Those who paid (N=44).

# Viewers Are Most Likely To Pay For Full-Length Movies & Music Videos



Q.23 Which of the following types of online videos would you be willing to pay for in the next 12 months? BASE: Online video viewers (N=859).

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# Summary & Conclusions

# Summary & Conclusions

- **Common Activity:** Online video viewing has become a routine practice for many Internet users and a daily addiction for some
  - 5% daily viewers = millions of desirable consumers
  - Heavy viewers – the usual early adopters: Males, young adults, singles, broadband users, high SES
- **Specific Destinations Are Popular:** Visiting specific Web sites is a very popular way for consumers to get online video; general surfing is nearly as common

# Summary & Conclusions – cont'd

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- Opportunity for online video content providers to **take more advantage of viral aspects** since sharing online videos is common among viewers and can drive traffic
- **Acceptance of online video ads:** Consumers are viewing video ads and are taking action, including checking out related links & Web sites as well as purchasing

# For More Information, Contact:

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