Media consumption trends

WIVE WP2 QUARTERLY REPORT
PERIOD APRIL – JUNE 2017
Anna-Greta Nyström & Johanna Lindström
Introduction to Q2 2017
Multitasking and understanding the media context

Research results and industry reports from the second quarter of 2017 continue to highlight the multitasking nature of media consumers. Some studies conclude that there are more hours available for media consumption when multitasking is accounted for, reaching a number of 12 hours of online content consumption per day. If an average person sleeps 8 hours and works 8 hours, there is not enough time left for such activities. However, firms and especially marketers should take into consideration that they rarely have the consumer’s full attention in the ambivalent media landscape, as we start to understand better the multitasking nature of consumers.

Industry reports and findings focus on explaining the changing media consumption patterns by highlighting what consumers value and in which direction they are taking media content. Academic researchers are following suit and starting to explore further, for instance, virtual reality in marketing, collaborative consumption and user generated content and how mobility affects news consumption. The University of Oxford (Reuters Institute) has published its 2017 Digital News Report, which concludes that news are increasingly being consumed using handheld mobile devices.

The topics of the second quarterly report on media consumption trends thus features mobile and digital news consumption, identified media trends, VR, AI and IoT.

Turku, 17th July 2017
The academics’ stage

Highlights from the European Marketing Association Conference EMAC 2017

The EMAC conference is specialized on marketing theory and research. The majority of research presented at EMAC focuses on consumer behavior.

# Shaping the future of virtual reality marketing

Virtual reality (VR) takes people away from reality and into a fantasy. Researchers are increasingly focusing on the dynamics between real and virtual worlds, and exploring VR in marketing activities was one of the main topics at the conference. Immersive VR is developing fast especially in the area of fast moving consumer goods (FMCG). For instance, the consumer may enter a store, walk around and see the products in the shelves, pick them up, turn then around and add them to their shopping basket, having a feeling of immersion.

Source: EMAC special session on virtual reality

# A theoretical model to explain the Internet of Things adoption

The authors study consumer well-being in relation to Internet of Things (IoT), and develop a model explaining the variables influencing IoT technology adoption, especially concerning what affects the intention to do word-of-mouth (tell their peers about their experiences). The study is based on a survey (N=229), showing that word-of-mouth intentions and IoT adoption are directly positively influenced by perceived usefulness, which is influenced by perceived satisfaction and trust. However, health risk and privacy concern negatively influence trust.

Source: E. Attié & L. Meyer-Waarden (2017), access to paper restricted to conference participants

# Other major topics: consumer generated content, collaborative consumption, paths to purchase, and customer engagement
# Mobile use is increasing

Mobile as the main access mode to news continues to increase. For instance, mobile has grown by 8% in the US during the last year, 7% in South Korea and 4% in Australia. Mobile is becoming an important route to content also outside of the progressive Nordic countries.

# The smartphone is used inside and outside

The smartphone has commonly been used while commuting and on-the-go. The report shows that more smartphone users now access news in bed than use the device while commuting.

# News are accessed via messaging apps

23% of the respondents find, share, or discuss news using one or more messaging applications (e.g., WhatsApp, WeChat, Line, Kakao Talk, Viber).

# News aggregation eco-systems are forming

News services that hook their customers into established eco-systems are growing and increasing in amount, e.g., Apple News, Snapchat Discover and Google News. The consumer may find it convenient and compelling to access mobile news using one service provider (one-stop-shop).

# Video consumption has settled down globally

The report suggests that video consumption appears to have settled down, after the hyped auto-play videos in 2015 and the live-social videos in 2016. The report summarizes the following:

(a) Most video being consumed is short.

(b) On every platform, half of consumers do not consume any online news videos in a given week.

(c) Only a minority of news videos are being consumed on the news websites, and this is especially true for the younger generations, for which social media play a big role in the media mix.

# Ad-blocking remains small on mobile (7%)

# There are generational splits in accessing news

Across all countries, the young generations are more likely to use social media and digital media as their main source of news, while older generations stick to established media consumption routines (TV, radio, print). However, 33% of 18-24-year-olds use social media as their main source of news.


Source (overview and key findings): http://www.digitalnewsreport.org/survey/2017/overview-key-findings-2017/
Trend 1: Relevance of content

The consumer is experiencing a ‘media diet’, meaning that media content is consumed only when it is experienced as relevant to the consumer. Relevant content co-creates the consumer’s identity, as the consumer shares the content also with peers.

Trend 2: Human to human interaction

An increasingly popular and natural part of consuming media is interacting with others using text, video or voice, engaging in conversations and reading other people’s comments to, e.g., a news article.

Trend 3: Authenticity

Consumers are seeking authenticity and honesty, which affects their choice of media content. The consumer seeks identification in the content consumed.

Trend 4: The feeling

Consumers seek to experience feelings that the content aids in creating.

Trend 5: Quality

Consumers orientate towards high quality content in order to deal with the amount of available content.

Trend 6: Mobility

Consuming media wherever and whenever.

Trend 7: An easier life

Content helps and aids in making life easier

Trend 8: Media 360+

Media content has become ubiquitous, always around.

Source: https://media.sanoma.fi/mediatrendit
Industry reports
An overview of recent findings on media consumption

**eMarketers: US time spent with media**
Date: 1 May 2017

**Main findings & contributions**

# US adults average daily time spent with media will exceed 12 hours this year.

# The number of hours is due to media multitasking (e.g., watching TV for an hour while simultaneously surfing the web on the mobile phone accounts for two hours of media consumption).

# The report recognizes the importance of mobile apps, as they are increasing in amount each year and outgrowing the mobile web in content consumption patterns.

Source: https://www.emarketer.com/Article/US-Adults-Now-Spend-12-Hours-7-Minutes-Day-Consuming-Media/1015775?ecid=NL1001

**Pew Research Center: Seven major themes on the future of IoT**
Date: 2 June 2017

**Main findings & contributions**

# Generation X (ages 35-49) spend the most time on social media: close to 7 hours per week.

# Women spend 25% of their time online on social media (compared to 19% among men). There are no cultural or country differences according to the Nielsen study.

# Millennials spend just over 6 hours per week on social media.

# Companies should target females of generation X as brand advocates.

# The new normal is using multiple devices at once (multitasking and second screening).

Source: http://assets.pewresearch.org/wp-content/uploads/sites/14/2017/06/06115754/PI_2017.06.06_Future-of-Connectivity_FINAL.pdf

Industry reports
An overview of recent findings on media consumption

Verto Analytics: Rise of the Machines - How AI-Driven Personal Assistant Apps Are Shaping Digital Consumer Habits

Date: June 2017

Main findings & contributions

# AI-driven personal assistant apps are still in their early days, but early adopters are paving the way and showing possible outcomes and future scenarios of AI.

# AI-driven personal Assistant Apps are used mostly for entertainment and navigation.

# The AI personal assistant app "superuser" is a 52-year-old woman who spends 1.5 hours per month with personal assistant apps.

# Personal assistant apps show distinct spikes in usage during the morning, lunch, and evening commute hours.

Source: http://research.veroanalytics.com/how-ai-driven-personal-assistant-apps-are-shaping-digital-habits

Newsletter from NORDICOM: Media Trends in the Nordic Countries

Date: April 2017

Main findings & contributions

# The report compares TV viewing in the Nordic countries (2016) and finds linear TV viewing time highest in Finland, and lowest on Iceland.

# Among the young, linear TV viewing is steadily declining.

# The use of traditional media on digital platforms continues to increase (e.g., half of Swedish population uses digital platforms for accessing media content).

Media consumption trends Q2 2017

Contact
anna-greta.nystrom@abo.fi
@AGNystrom

Åbo Akademi University
School of Business & Economics
Vänrikinkatu 3B
20500 Turku, Finland