Digital Democracy Survey

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

Eighth Edition
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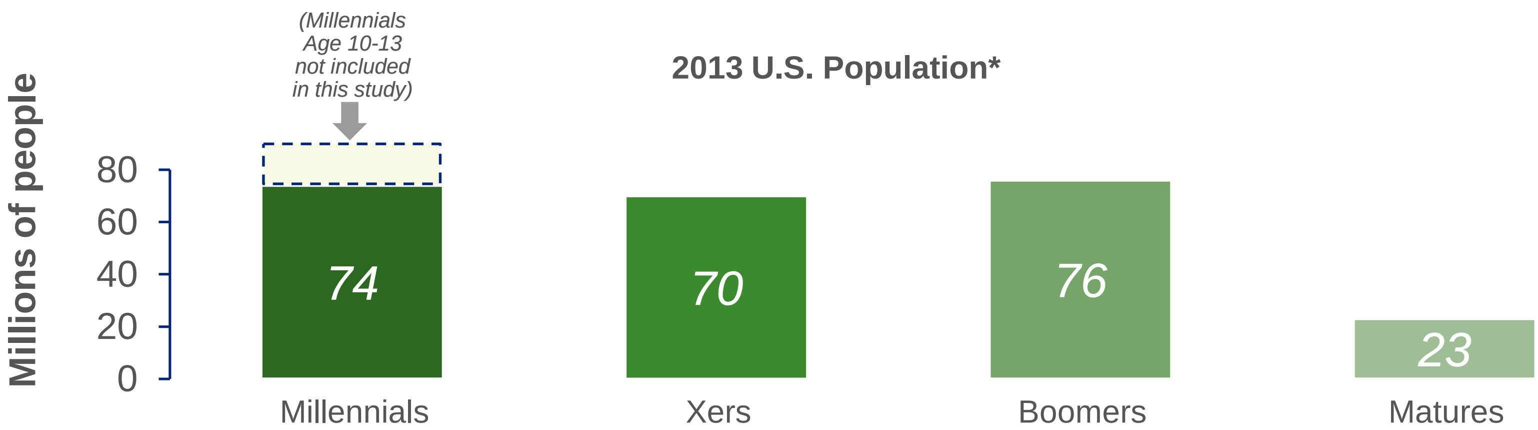
About Deloitte's Digital Democracy Survey

- This is the eighth edition of research commissioned by Deloitte's Technology, Media and Telecommunications (TMT) practice.
- Focusing on four generations and five distinct age groups, the survey provides insight into how consumers ages 14 and above are interacting with media, products and services, mobile technologies, the Internet, attitudes and behaviors toward advertising and social networks—and what their preferences might be in the future.
- Fielded by an independent research firm from 11/22/2013 to 12/5/2013, the survey employed an online methodology among 2,075 U.S. consumers.
- All data is weighted back to the most recent census data to give a representative view of what U.S. consumers are doing.
- For meaningful changes, we look for differences in year-over-year tracking and generations of at least five percentage points.

Talking About the Generations

The survey focuses on four generations, and five distinct age groups:

Trailing Millennials	Leading Millennials	Generation X (Xers)	Boomers	Matures
Ages: 14-24	Ages: 25-30	Ages: 31-47	Ages: 48-66	Ages: 67+
Birth Years: 1999 -1989	Birth Years: 1988 -1983	Birth Years: 1982 -1966	Birth Years: 1965 -1947	Birth Years: 1946 and prior



*2010 U.S. Census Bureau – Population Division
U.S. Interim Projections 2000-2050

Rent vs. Buy

Renting is preferred to owning 3:1; Interest in streaming has almost doubled in the last year

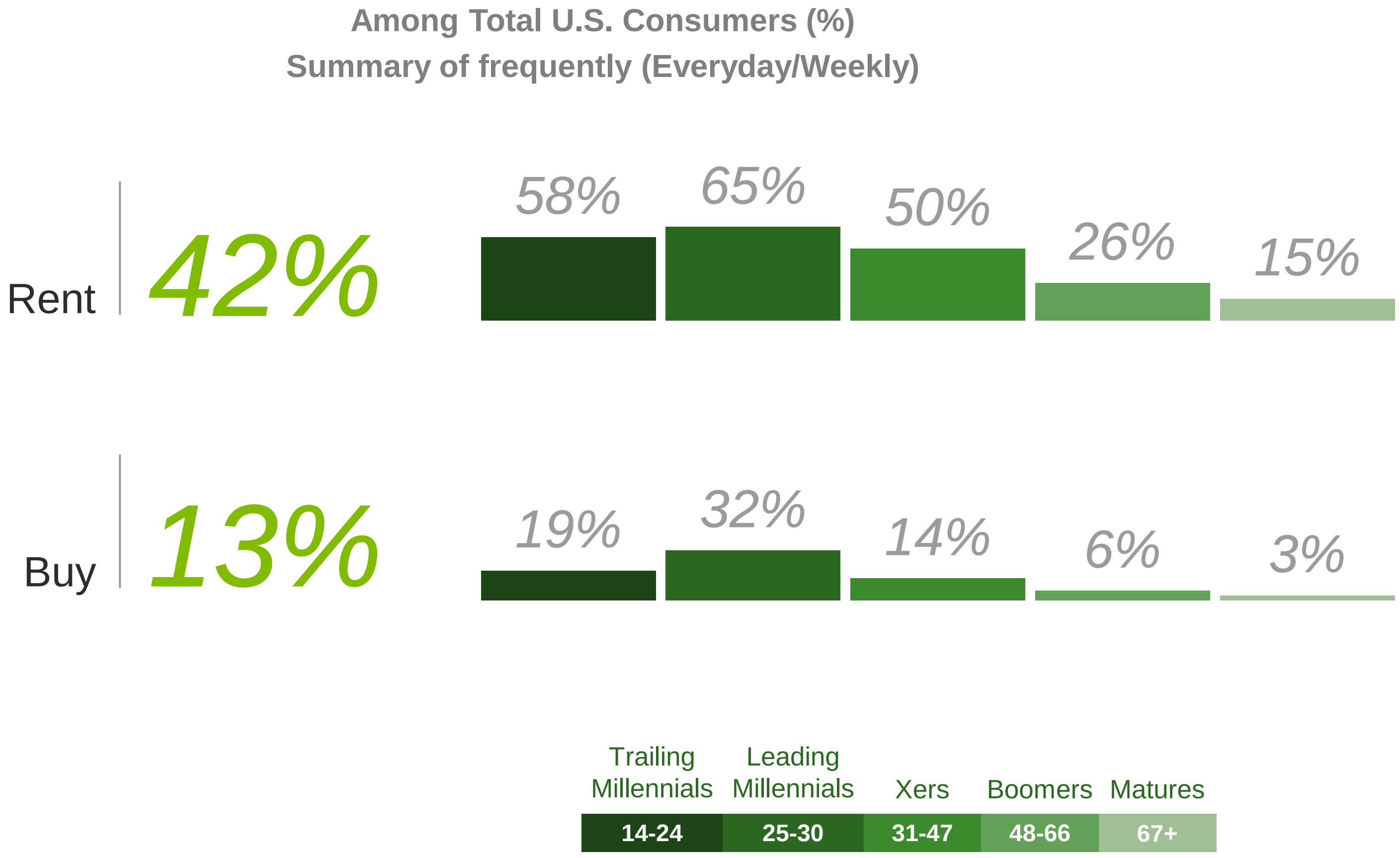
Q. Thinking about how you rent/purchase video entertainment, such as movies and television programming, how frequently will you do each of the following in the next 12 months?

Among Total U.S. Consumers (%) Summary of frequently (Everyday/Weekly)	2012	2013	2013				
			Trailing Millennials 14-24	Leading Millennials 25-30	Xers 31-47	Boomers 48-66	Matures 67+
Rent (OVERALL)	**28**	**42**	**58**	**65**	**50**	**26**	**15**
*Watch digital video entertainment via an online subscription streaming service	17	32	49	58	36	17	9
Rent dvd/blu-ray via mail service	13	11	14	20	11	7	7
Rent dvd/blu-ray via rental machine or kiosk	10	10	11	16	15	5	1
*Rent digital video entertainment where digital file is downloaded to your device	6	6	8	20	7	2	0
Rent dvd/blu-ray at a physical rental store	6	6	9	11	9	3	2
Purchase (OVERALL)	**12**	**13**	**19**	**32**	**14**	**6**	**3**
*Purchase digital video entertainment via online service	8	8	12	23	8	2	2
Purchase dvd/blu-ray at a brick and mortar retail store	6	6	9	12	7	2	0
Purchase a physical dvd/blu-ray from an online retailer	6	6	9	15	7	2	1

*2012: Rent digital video entertainment via online streaming service (i.e., not a hardcopy); Rent digital video entertainment where digital file is downloaded to your local system; Purchase video entertainment via online streaming service

Renting is preferred to owning 3:1

Q. Thinking about how you rent/purchase video entertainment, such as movies and television programming, how frequently will you do each of the following in the next 12 months?



The top reasons consumers say they purchase TV shows or movies are to easily access content at their leisure and to build a personal library

Q. What are your most important reasons for purchasing (not renting or watching via a streaming subscription) a television show or movie?

Among Total U.S. Consumers (%) Summary of Agree Strongly/Somewhat	Total 2013	2013 Trailing Millennials 14-24	Leading Millennials 25-30	Xers 31-47	Boomers 48-66	Matures 67+
Having access to a physical disc or digital copy means I can access content at my leisure	41	48	44	40	42	25
I like to collect content and keep it in a personal library	36	38	47	40	32	22
To give as a gift	33	38	38	35	30	20
Seeing a film in the theater made me want to own a copy	26	38	23	30	21	9
I like the extra features (e.g., behind-the-scenes content) contained in the DVD/Blu-ray version	24	34	31	28	16	8
I like getting a physical and digital copy for the same price when available	22	27	33	26	16	9
Catching up on titles I have not seen before	21	26	26	21	17	12
Content is not available for streaming or rental at the time I want to watch	17	29	28	17	11	5
None of the above	20	9	9	14	27	48

Interest in digital formats continues to outpace demand for physical media

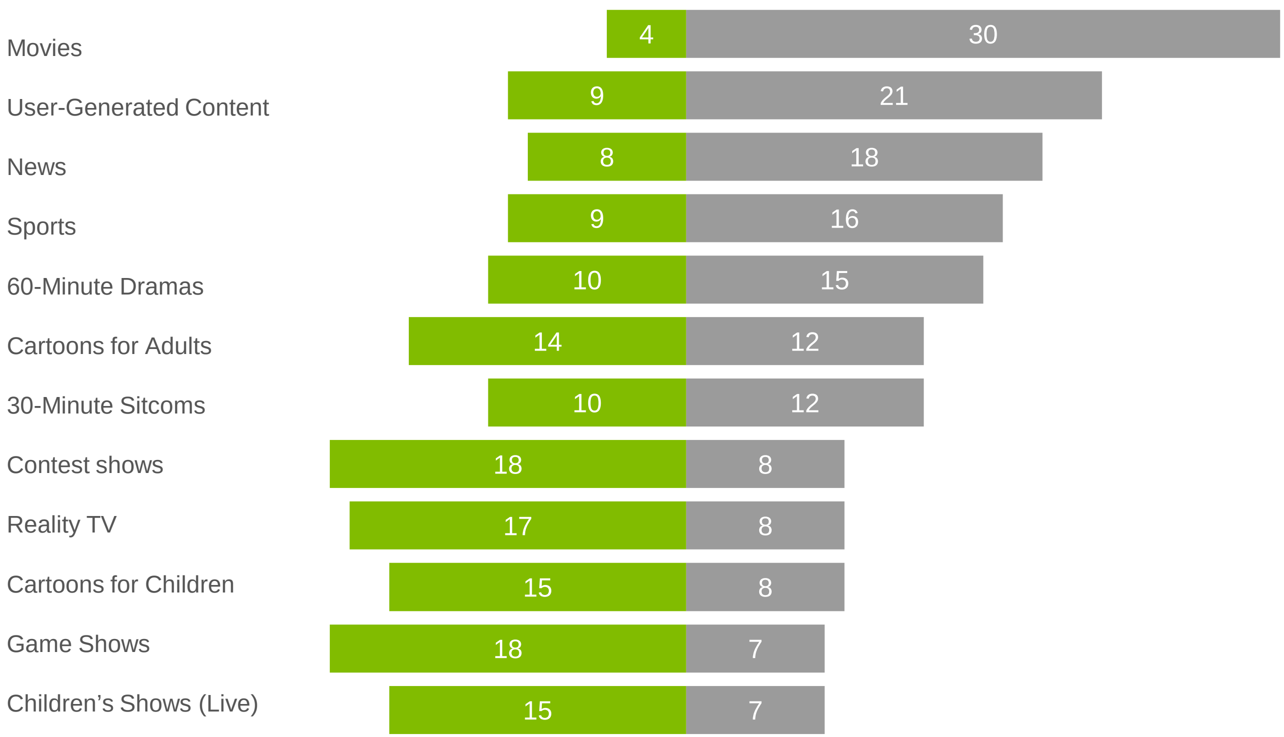
Q. Thinking about how you will watch entertainment content (e.g. recently released and rental movies, packaged seasons of television series, and other such video) in the next 12 months, which of the following best describes what you will most likely do?

Among Total U.S. Consumers (%)	CAGR (2009-2013)	2009	2010	2011	2012	2013	2013: Trailing Millennials 14-24	2013: Leading Millennials 25-30	2013: Xers 31-47	2013: Boomers 48-66	2013: Matures 67+
I will most likely watch and use physical media (e.g., DVDs and Blu-ray discs) nearly all or all of the time (more than 70% of my viewings will be from physical media)	-11%	65	64	55	43	40	22	25	37	53	56
I will watch a mix of both physical media and downloaded or streamed movies, television, and video content from online digital sources (i.e., over the Internet)	+12%	23	26	30	37	36	37	39	37	33	34
I will most likely watch most if not all of this content from online digital sources (via download or streamed over the Internet) (more than 70% of my viewings will be from online sources)	+19%	12	10	15	21	24	40	35	26	13	10

Movies will continue to outpace all other video genres in the next 12 months; UGC experienced the largest growth

Q. Thinking about your consumption of video content and programming, do you think you will watch more, about the same, or less of each of the following types of video content in the next 12 months?

2013 Total U.S. Consumers Intending to Watch Less/More (%)



Total U.S Consumers	
2012 Net	**2013 Net**
+25	+26
+6	+12
+10	+10
+5	+7
+3	+5
-1	-2
-2	-2
-9	-10
-8	-9
-10	-7
-14	-11
-12	-8

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