THE TOTAL AUDIENCE REPORT

DECEMBER 2014

WELCOME

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TIME FOR "TOTAL AUDIENCE"

The question of audience delivery is one that weighs heavily on the minds of media industry executives who on a daily basis evaluate the challenges of content distribution, ad delivery and audience measurement. At Nielsen, we are faced with these same challenges and have been asking the same question for a long time. Now is the time to progress the conversation.

Last month Nielsen did just that with the announcement of our total audience measurement proposal. Now is the time for a fundamental industry change. Our goal is to deliver comprehensive measurement of all audience and all advertising by following the consumer. Our TOTAL AUDIENCE REPORT (previously the Cross Platform Report) continues to be part of our ongoing efforts to provide more insights into the consumer's media consumption and experience as they navigate through their content.

The reality of a finite 24 hour day means we will not always see growth in time spent watching video. While we are not seeing a departure from media content consumption, we do see a shift in consumer behavior and today we see a resounding growth in consumption on digital platforms.

NEVER BEFORE HAS THE VIEWER HAD MORE CONTROL AND MORE SKILL AT NAVIGATING THIS EVOLVING ECOSYSTEM OF DEVICES AND PLATFORMS FOR CONTENT DISCOVERY.

Declines in traditional TV viewing have us all searching for the audience, trying to explain the shift away from viewing and away from content. Increased opportunities for content discovery on digital platforms, through over the top services, or through media companies' providing their content online, accessible across an array of devices, all provide a vast media playground for the consumer who is now in control of what they watch and when they watch it.

The growing penetration of new devices and the popularity of subscription-based streaming services, time-shifted and over-the-top viewing — as well as cord-cutting and cord shaving — are fundamentally changing the TV industry.

I would add that consumer demand is not changing the appetite for quality, professionally produced content. Hits drive viewership and consumers live comfortably in this new media world. Sure, who hasn't been frustrated when trying to find that one episode of one show, or frustrated when a perfectly good session with a favorite program is cut short when the connection gets lost? And yet, when that happens, the opportunity to turn to another source or gadget for that viewing pleasure can be seamless and dare I say...fairly easy.

In reality, media companies, digital players and measurement are at a crossroad. Content remains king and consumers are steering their own content discovery experience. Length and access are not top of mind for the viewer looking for that quality content; they look for what they want, when they want. Distribution and discovery need to move hand in hand and be met with that total audience measurement of both programs and commercials.

When it comes to reflecting this in the ratings, our goal is to create a total measurement of all content and all ads — regardless of how they are accessed and the ad model that they're supporting. Nielsen's vision is to create an environment where all video content can be consistently measured with ratings for both the content and the advertising.

This report continues to provide context to these conversations and ongoing insights into an evolving media industry.

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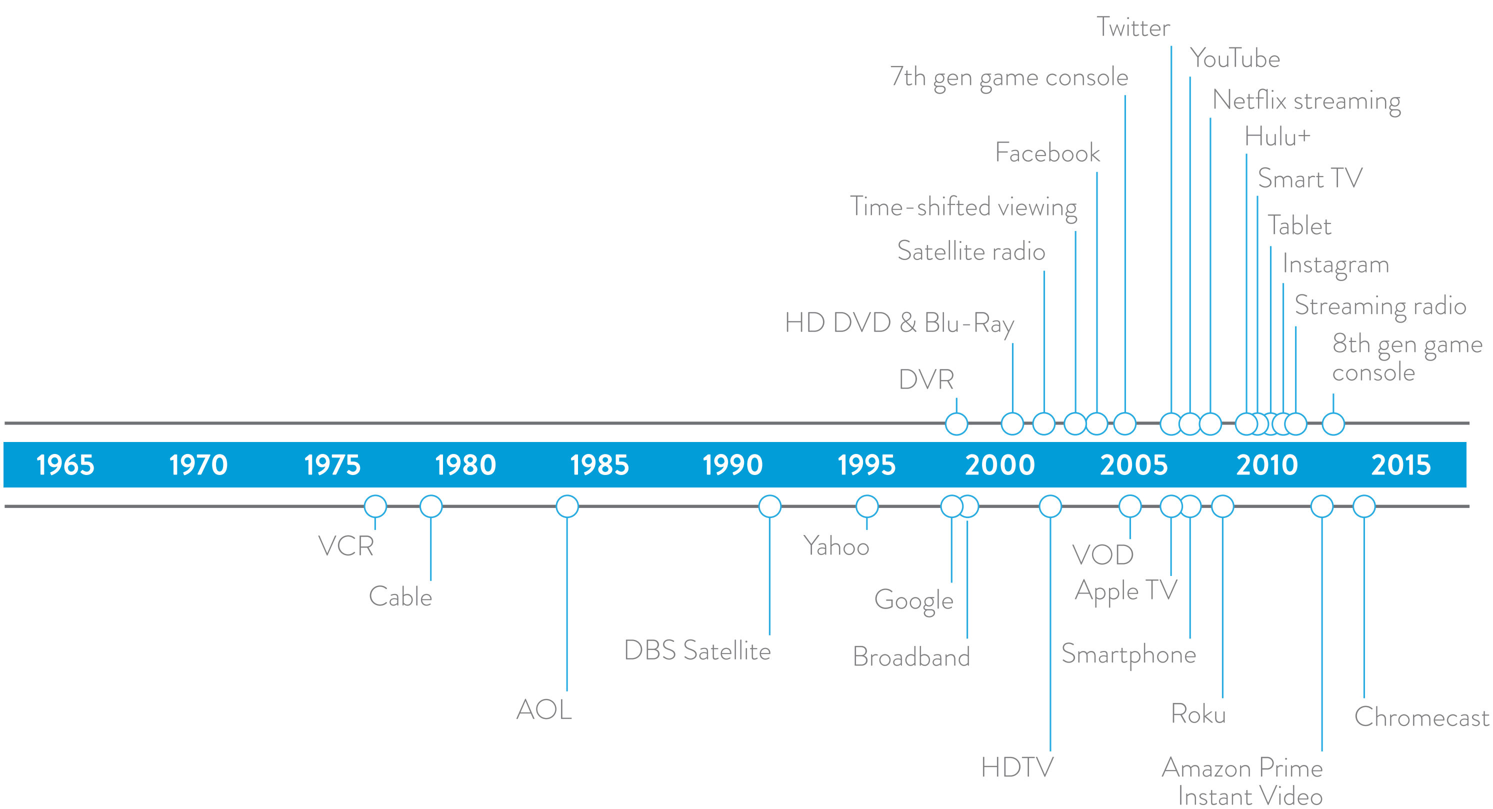
HOW THE VIEWING LANDSCAPE IS EVOLVING

A CONSUMER'S JOURNEY TO CONTENT DISCOVERY



MORE CHOICES BEING DRIVEN BY TECHNOLOGY

DVD PLAYER
81% | -2%

PC WITH INTERNET
81% | +1%

BROADBAND INTERNET
78% | +1%

SMARTPHONE
75% | +15%

DVR
49% | +1%

TABLET
46% | +59%

GAME CONSOLE
46% | +1%

SUBSCRIPTION VIDEO ON-DEMAND
40% | +19%

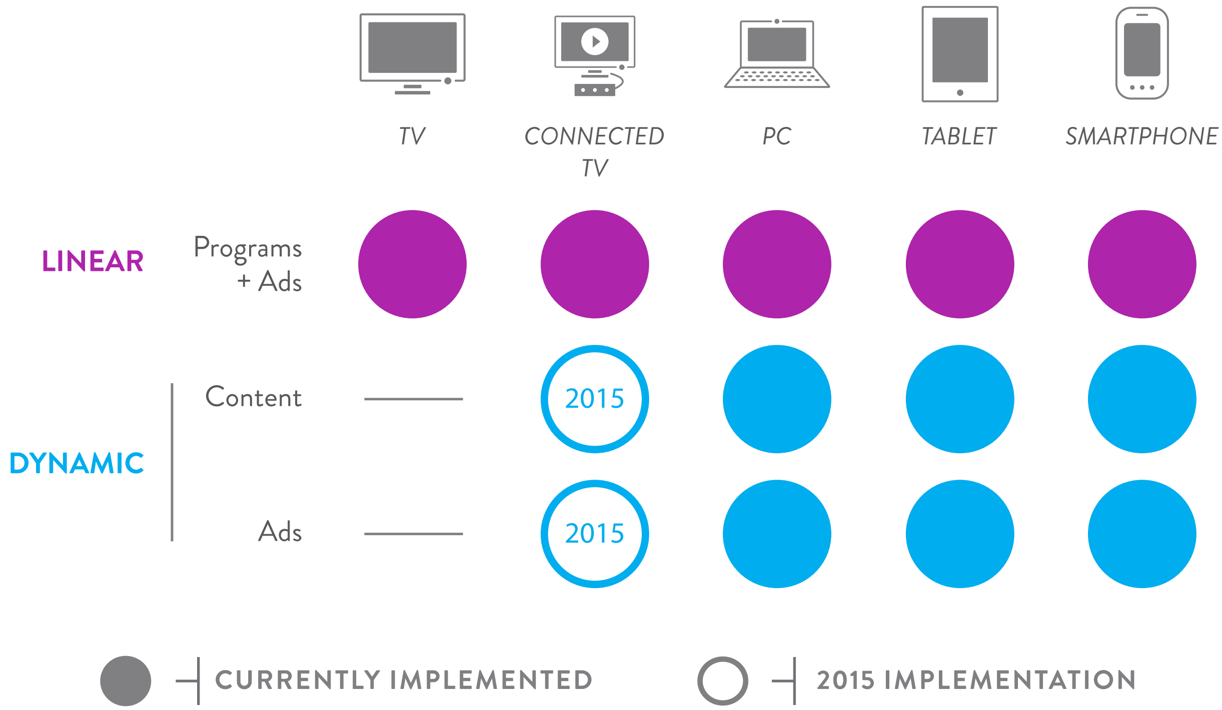
ENABLED SMART TV
13% | +78%

MULTIMEDIA DEVICE
13% | n/a

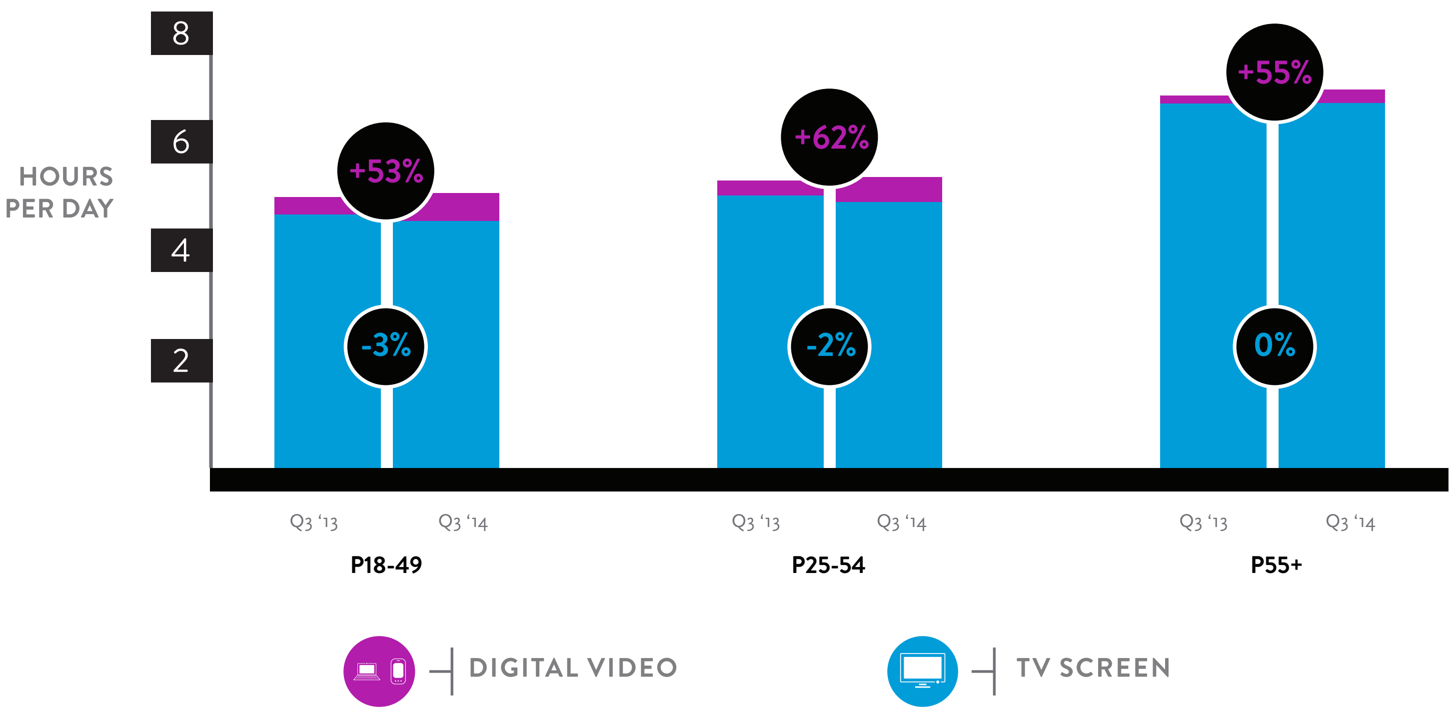
BROADBAND ONLY HOUSEHOLDS
3% | +112%

Source: Device Penetration; yr/yr growth

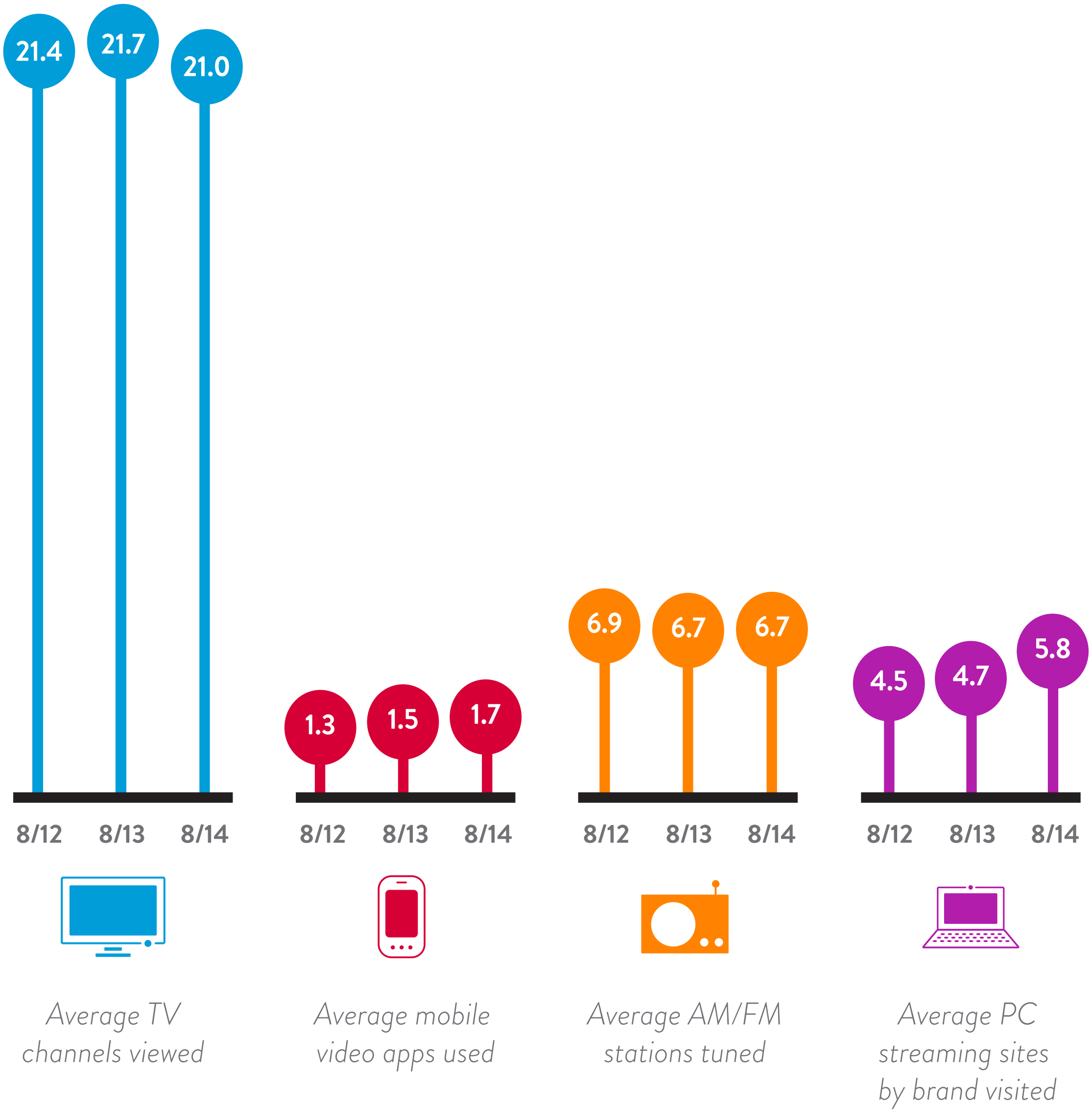
JOURNEY TO TOTAL AUDIENCE MEASUREMENT



DIGITAL CONTINUES STRONG GROWTH



INCREASED CHOICE OF ONLINE STREAMING AND MOBILE VIDEO APPS



Source: P18+ avg monthly use

A MULTICULTURAL AMERICA WITH DIFFERING HABITS

BLACK

TRADITIONAL TV

201:43

TIME-SHIFTED TV

13:25

VIDEO ON INTERNET

13:18

HISPANIC

AM/FM RADIO

58:10

APP/WEB ON SMARTPHONE

52:14

GAME CONSOLE

9:05

ASIAN AMERICAN

INTERNET ON A COMPUTER

42:13

MULTIMEDIA DEVICE

5:47

VIDEO ON SMARTPHONE

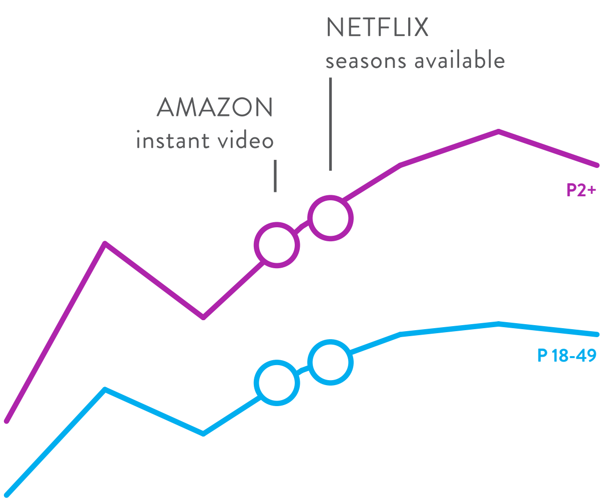
2:17

Source: Table 3, Monthly time spent User 2+ in HRS:MIN

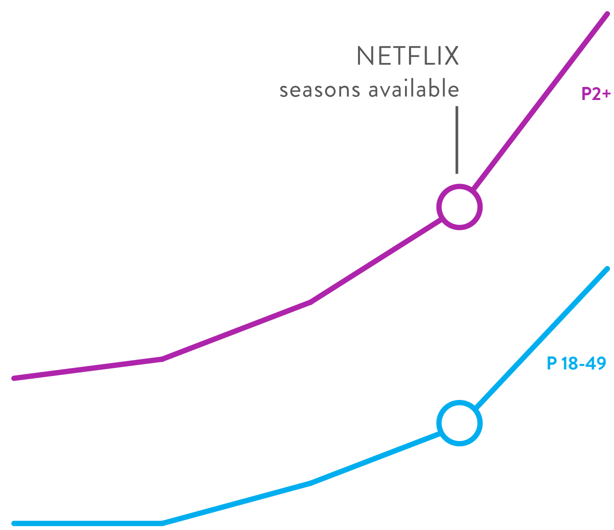
ADVANCING THE CONVERSATION

SVOD, DRIVING HITS OR CREATING MISSES?

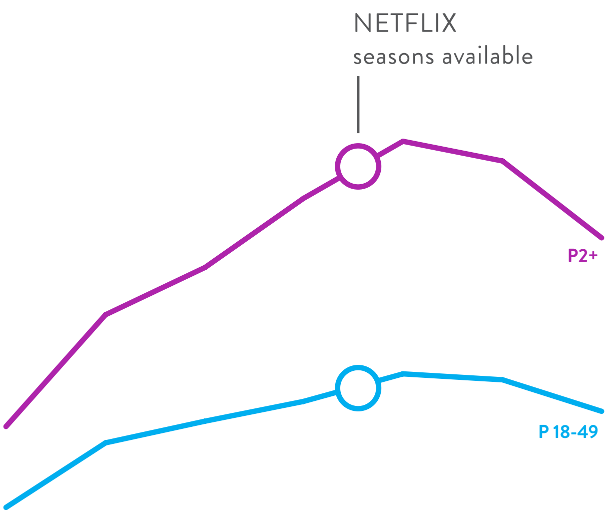
SHOW 1



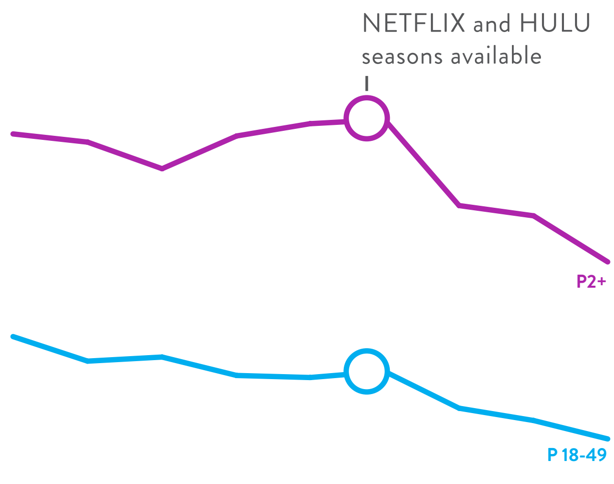
SHOW 2



SHOW 3



SHOW 4



Source: Nielsen custom & proprietary study

A CLOSER LOOK AT THE DATA

EXHIBIT 1 - AVERAGE TIME SPENT PER ADULT 18+ PER DAY

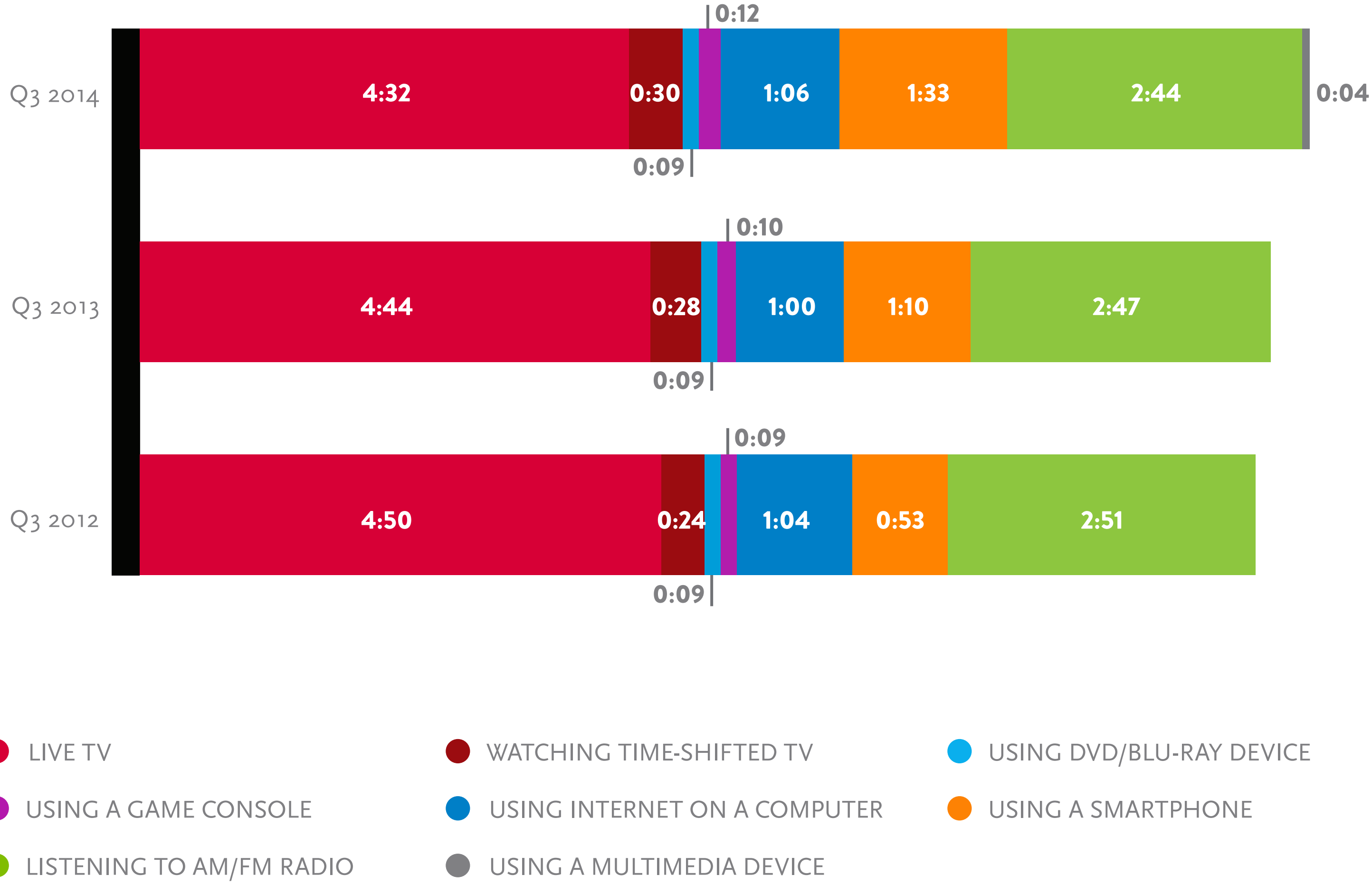


TABLE 1 – A WEEK IN THE LIFE; BASED OFF THE TOTAL US POPULATION

WEEKLY TIME SPENT IN HOURS : MINUTES –BY AGE DEMOGRAPHIC

	K 2-11	T 12-17	A 18-24	A 25-34	A 35-49	A 50-64	A 65+	P 2+	A 18+	BLACK 2+	HISP. 2+	ASIAN AM. 2+
On Traditional TV	22:41	19:12	17:34	23:09	29:41	39:23	47:13	30:17	32:45	43:54	25:50	16:24
Watching Time-Shifted TV	2:33	1:54	1:43	3:03	3:40	3:49	3:19	3:04	3:17	2:55	2:11	1:47
Using a DVD/ Blu-Ray Device	1:53	1:08	0:46	1:20	1:08	1:02	0:37	1:08	1:00	1:14	1:08	0:50
Using a Game Console	3:00	4:19	3:35	2:36	1:03	0:20	0:07	1:46	1:17	1:57	1:59	1:07
Using a Multimedia Device	0:35	0:22	0:38	0:44	0:30	0:17	0:13	0:28	0:27	0:18	0:18	1:09
Using the Internet on a Computer	0:19	0:46	4:54	5:59	7:22	5:39	2:48	4:26	5:31	4:27	3:08	3:52
Watching Video on Internet	0:18	0:26	1:46	1:56	1:48	1:10	0:26	1:10	1:24	1:21	0:59	1:06
Using any App/ Web on a Smartphone	n/a	n/a	9:40	10:32	9:39	6:22	1:16	n/a	7:27	10:47	10:06	9:09
Watching Video on a Smartphone	n/a	n/a	0:29	0:19	0:14	0:07	-	n/a	0:12	0:24	0:21	0:20
Listening to AM/FM Radio	n/a	7:23	10:30	11:35	13:48	14:57	12:06	12:26	12:58	12:52	12:32	n/a

TABLE 2 – OVERALL USAGE BY MEDIUM

NUMBER OF USERS 2+ (IN 000'S) – MONTHLY REACH

	COMPOSITE		BLACK		HISPANIC		ASIAN AMERICAN	
	Q3 14	Q3 13	Q3 14	Q3 13	Q3 14	Q3 13	Q3 14	Q3 13
On Traditional TV	282,665	283,682	37,553	36,729	48,211	47,619	15,056	15,606
Watching Time-shifted TV	173,305	167,142	22,281	19,726	25,183	23,591	8,112	8,285
Using a DVD/Blu-Ray Device	139,273	141,648	16,109	16,897	22,581	23,134	7,044	7,054
Using a Game Console	95,315	94,939	11,802	11,741	17,871	18,138	5,702	5,320
Using a Multimedia Device	26,872	n/a	2,050	n/a	3,222	n/a	3,501	n/a
Using the Internet on a Computer	194,527	200,013	23,572	23,980	26,000	26,655	6,922	7,210
Watching Video on Internet	144,141	147,678	17,524	17,708	18,693	19,554	5,476	5,669
Using any App/Web on a Smartphone	162,798	139,136	20,811	17,904	29,581	25,480	9,494	8,270
Watching Video on a Smartphone	125,686	100,588	17,325	14,471	24,620	20,394	7,416	6,177
Listening to AM/FM Radio	258,734	257,420	32,981	32,715	42,490	41,931	n/a	n/a

TABLE 3 – MONTHLY TIME SPENT BY MEDIUM

USERS 2+ IN HOURS: MINUTES

	COMPOSITE		BLACK		HISPANIC		ASIAN AMERICAN	
	Q3 14	Q3 13	Q3 14	Q3 13	Q3 14	Q3 13	Q3 14	Q3 13
On Traditional TV	141:19	147:01	201:43	207:04	117:48	123:08	82:18	87:10
Watching Time-shifted TV	14:20	13:12	13:25	10:16	9:56	9:15	8:57	9:04
Using a DVD/Blu-Ray Device	5:16	5:24	5:39	6:46	5:08	5:24	4:10	4:23
Using a Game Console	8:14	7:07	8:57	8:41	9:05	7:52	5:38	4:55
Using a Multimedia Device	2:09	n/a	1:22	n/a	1:20	n/a	5:47	n/a
Using the Internet on a Computer	30:06	27:02	32:27	29:16	26:25	21:56	42:13	33:28
Watching Video on Internet	10:42	6:41	13:18	9:13	11:31	8:21	15:04	12:29
Using any App/Web on a Smartphone	47:35	35:44	55:43	46:15	52:14	40:15	47:15	33:15
Watching Video on a Smartphone	1:46	1:25	2:32	2:13	2:16	2:03	2:17	1:45
Listening to AM/FM Radio	58:53	60:42	61:03	62:51	58:10	60:07	n/a	n/a

TABLE 4 – MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES
AMONG COMPOSITE

	K 2-11	T 12-17	A 18-24	A 25-34	A 35-49	A 50-64	A 65+	P 2+
On Traditional TV	106:27	89:13	91:32	112:33	136:32	177:14	211:31	141:19
Watching Time-shifted TV	11:56	8:51	8:56	14:52	16:50	17:12	14:53	14:20
Using a DVD/Blu-Ray Device	8:52	5:17	4:01	6:29	5:13	4:39	2:44	5:16
Using a Game Console	14:05	20:05	18:41	12:38	4:49	1:28	0:32	8:14
Using a Multimedia Device	2:44	1:43	3:17	3:34	2:17	1:17	1:00	2:09
Using the Internet on a Computer	4:19	7:27	32:58	34:34	38:33	33:20	22:18	30:06
Watching Video on Internet	6:22	6:17	16:05	14:59	12:14	9:00	4:34	10:42
Using any App/Web on a Smartphone	n/a	n/a	52:09	55:27	51:52	39:08	26:12	47:35
Watching Video on a Smartphone	n/a	n/a	3:06	2:02	1:36	1:03	0:24	1:46
Listening to AM/FM Radio	n/a	35:56	50:31	53:59	63:22	69:08	61:21	58:53

TABLE 4A – MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES
AMONG BLACKS

	K 2-11	T 12-17	A 18-24	A 25-34	A 35-49	A 50-64	A 65+	P 2+
On Traditional TV	151:36	154:51	139:08	167:11	206:16	266:35	308:00	201:43
Watching Time-shifted TV	11:54	9:59	10:28	15:03	17:08	14:13	11:11	13:25
Using a DVD/Blu-Ray Device	6:56	3:59	3:24	7:31	5:12	7:32	2:43	5:39
Using a Game Console	12:27	21:53	15:28	11:35	5:34	1:31	0:53	8:57
Using a Multimedia Device	1:13	1:15	1:41	2:12	1:58	0:40	0:16	1:22
Using the Internet on a Computer	5:36	7:39	40:05	38:19	39:56	33:17	20:37	32:27
Watching Video on Internet	7:03	6:01	19:36	20:16	14:07	9:41	4:38	13:18
Using any App/Web on a Smartphone	n/a	n/a	57:16	69:28	61:11	46:56	-	55:43
Watching Video on a Smartphone	n/a	n/a	4:19	3:04	2:11	1:44	-	2:32
Listening to AM/FM Radio	n/a	39:50	50:01	55:12	65:36	74:46	68:29	61:03

TABLE 4B – MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES
AMONG HISPANICS

	K 2-11	T 12-17	A 18-24	A 25-34	A 35-49	A 50-64	A 65+	P 2+
On Traditional TV	108:42	84:35	83:46	100:32	116:32	154:22	230:26	117:48
Watching Time-shifted TV	9:57	7:15	7:39	9:34	10:39	11:21	13:58	9:56
Using a DVD/Blu-Ray Device	8:13	5:46	3:47	5:04	4:31	3:30	3:10	5:08
Using a Game Console	11:48	20:14	16:57	9:47	3:35	1:20	0:51	9:05
Using a Multimedia Device	1:40	1:05	1:42	1:57	1:14	0:25	0:44	1:20
Using the Internet on a Computer	4:07	7:51	31:54	30:44	33:36	31:59	18:47	26:25
Watching Video on Internet	6:43	6:48	16:43	14:57	10:34	11:16	4:23	11:31
Using any App/Web on a Smartphone	n/a	n/a	53:28	58:00	55:07	39:04	-	52:14
Watching Video on a Smartphone	n/a	n/a	3:36	2:20	1:48	0:54	-	2:16
Listening to AM/FM Radio	n/a	36:53	51:23	57:22	65:53	68:12	63:56	58:10

TABLE 4C – MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES
AMONG ASIAN AMERICANS

	K 2-11	T 12-17	A 18-24	A 25-34	A 35-49	A 50-64	A 65+	P 2+
On Traditional TV	57:53	57:42	52:28	72:56	71:26	99:02	159:32	82:18
Watching Time-shifted TV	7:39	7:47	6:26	9:25	10:04	9:28	9:13	8:57
Using a DVD/Blu-Ray Device	7:37	3:53	2:21	3:22	3:58	3:58	3:10	4:10
Using a Game Console	9:49	10:39	9:58	7:44	3:37	2:34	0:22	5:38
Using a Multimedia Device	5:04	3:48	5:24	7:07	5:31	4:43	8:48	5:47
Using the Internet on a Computer	6:14	11:14	56:58	42:42	60:37	27:30	19:25	42:13
Watching Video on Internet	6:00	8:41	27:29	17:19	16:22	7:16	4:56	15:04
Using any App/Web on a Smartphone	n/a	n/a	48:07	53:51	45:08	31:49	-	47:15
Watching Video on a Smartphone	n/a	n/a	3:05	2:06	2:16	1:13	-	2:17

TABLE 5A – CROSS-PLATFORM HOMES RANKED BY IN-HOME STREAMING BEHAVIOR

STREAMING QUINTILE	COMPOSITE				BLACK			
	# OF PERSONS (000)	STREAM	INTERNET	TV	# OF PERSONS (000)	STREAM	INTERNET	TV
		(AVERAGE DAILY MINUTES)				(AVERAGE DAILY MINUTES)		
Stream 1	24,552	23.8	62.2	251.0	2,496	26.2	65.1	395.9
Stream 2	24,552	2.7	30.3	237.9	2,494	3.3	27.1	369.2
Stream 3	24,543	0.7	17.9	243.0	2,497	0.9	15.8	356.7
Stream 4	24,532	0.2	12.7	243.1	2,491	0.2	13.8	307.8
Stream 5	24,558	0.0	7.2	245.5	2,497	0.0	5.7	317.5
Non Streamers	123,240	0.0	1.0	223.1	14,705	0.0	0.7	308.1
All	245,977	2.8	13.6	233.7	27,181	2.9	12.3	327.4

STREAMING QUINTILE	HISPANIC				ASIAN AMERICAN			
	# OF PERSONS (000)	STREAM	INTERNET	TV	# OF PERSONS (000)	STREAM	INTERNET	TV
		(AVERAGE DAILY MINUTES)				(AVERAGE DAILY MINUTES)		
Stream 1	3,146	19.8	42.7	209.3	1,440	24.2	52.6	72.8
Stream 2	3,137	2.8	19.0	183.2	1,441	3.3	25.4	111.4
Stream 3	3,147	0.9	9.3	197.9	1,445	0.7	19.7	134.0
Stream 4	3,141	0.2	7.5	195.7	1,427	0.2	23.8	158.6
Stream 5	3,147	0.0	7.7	204.4	1,445	0.0	6.3	143.4
Non Streamers	20,017	0.0	0.5	191.7	8,185	0.0	1.0	146.2
All	35,733	2.1	7.9	194.6	15,383	2.7	12.5	135.7

TABLE 5B – CROSS-PLATFORM HOMES RANKED BY IN-HOME INTERNET BEHAVIOR

	COMPOSITE				BLACK			
INTERNET QUINTILE	# OF PERSONS (000)	STREAM	INTERNET	TV	# OF PERSONS (000)	STREAM	INTERNET	TV
		(AVERAGE DAILY MINUTES)				(AVERAGE DAILY MINUTES)		
Internet 1	33,645	13.8	73.9	289.9	3,428	16.1	72.2	411.8
Internet 2	33,659	3.6	16.7	247.6	3,448	4.0	16.6	364.5
Internet 3	33,615	2.0	5.5	222.1	3,416	1.5	5.2	328.1
Internet 4	33,651	0.5	1.5	224.3	3,423	0.6	1.4	297.4
Internet 5	33,648	0.1	0.2	210.0	3,440	0.1	0.2	302.0
Non Internet Users	77,759	0.0	0.0	222.0	10,027	0.0	0.0	303.3
All	245,977	2.8	13.6	233.7	27,181	2.9	12.3	327.4

	HISPANIC				ASIAN AMERICAN			
INTERNET QUINTILE	# OF PERSONS (000)	STREAM	INTERNET	TV	# OF PERSONS (000)	STREAM	INTERNET	TV
		(AVERAGE DAILY MINUTES)				(AVERAGE DAILY MINUTES)		
Internet 1	4,314	12.5	50.3	232.8	2,001	12.7	73.8	122.6
Internet 2	4,328	3.1	10.0	192.8	1,983	4.5	15.9	113.6
Internet 3	4,300	1.3	3.2	186.4	1,987	2.4	4.7	113.0
Internet 4	4,314	0.4	0.9	184.4	2,019	0.7	1.2	141.7
Internet 5	4,311	0.1	0.2	184.1	1,983	0.2	0.1	148.8
Non Internet Users	14,167	0.0	0.0	191.9	5,409	0.1	0.0	150.2
All	35,733	2.1	7.9	194.6	15,383	2.7	12.5	135.7

TABLE 5C – CROSS-PLATFORM HOMES RANKED BY IN-HOME TELEVISION VIEWING BEHAVIOR

	COMPOSITE				BLACK			
TELEVISION QUINTILE	# OF PERSONS (000)	STREAM (AVERAGE DAILY MINUTES)	INTERNET (AVERAGE DAILY MINUTES)	TV (AVERAGE DAILY MINUTES)	# OF PERSONS (000)	STREAM (AVERAGE DAILY MINUTES)	INTERNET (AVERAGE DAILY MINUTES)	TV (AVERAGE DAILY MINUTES)
Television 1	48,284	3.5	21.4	613.1	5,346	4.4	19.1	799.6
Television 2	48,275	2.4	13.3	294.0	5,342	3.4	15.2	420.0
Television 3	48,281	2.0	11.8	174.3	5,332	2.3	10.8	252.9
Television 4	48,269	2.2	10.2	86.6	5,346	2.7	10.6	144.0
Television 5	48,291	3.4	10.6	18.1	5,335	1.7	6.4	37.0
Non Television Viewers	4,576	6.5	17.8	0.0	479	1.2	3.7	0.0
All	245,977	2.8	13.6	233.7	27,181	2.9	12.3	327.4

	HISPANIC				ASIAN AMERICAN			
TELEVISION QUINTILE	# OF PERSONS (000)	STREAM (AVERAGE DAILY MINUTES)	INTERNET (AVERAGE DAILY MINUTES)	TV (AVERAGE DAILY MINUTES)	# OF PERSONS (000)	STREAM (AVERAGE DAILY MINUTES)	INTERNET (AVERAGE DAILY MINUTES)	TV (AVERAGE DAILY MINUTES)
Television 1	7,070	2.2	11.1	471.2	2,996	1.3	9.2	421.3
Television 2	7,077	1.9	8.5	247.6	2,993	1.9	9.9	160.6
Television 3	7,064	2.1	7.2	157.1	2,988	1.8	12.4	83.3
Television 4	7,076	2.0	7.3	81.1	2,997	4.5	12.9	29.4
Television 5	7,071	2.2	5.2	19.8	2,996	3.7	16.4	4.3
Non Television Viewers	375	5.4	13.1	0.0	412	4.6	25.4	0.0
All	35,733	2.1	7.9	194.6	15,383	2.7	12.5	135.7

TABLE 6 – SMARTPHONE VIDEO VIEWING QUINTILES
BASED ON ADULTS 18+ USAGE OF VIDEO ON APPS/WEB

	Q3 2014		Q3 2013	
SMARTPHONE QUINTILES	# OF PERSONS (000)	TPP (HH:MM:SS)	# OF PERSONS (000)	TPP (HH:MM:SS)
Smartphone 1	25,121	7:03:11	20,098	5:45:49
Smartphone 2	25,140	1:14:32	20,120	0:54:52
Smartphone 3	25,135	0:26:17	20,114	0:19:47
Smartphone 4	25,140	0:08:23	20,129	0:06:14
Smartphone 5	25,148	0:01:09	20,125	0:00:52
All	125,684	1:46:40	100,586	1:25:27

TABLE 7 - TELEVISION DISTRIBUTION SOURCES
NUMBER OF HOUSEHOLDS (IN 000'S)

	COMPOSITE		BLACK		HISPANIC		ASIAN AMERICAN	
	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013
Broadcast Only	12,167	11,183	2,017	1,899	2,920	2,592	643	606
Wired Cable (No Telco)	52,986	56,123	7,309	7,691	5,674	6,344	2,007	2,153
Telco	12,887	11,581	1,722	1,455	1,467	1,284	650	632
Satellite	34,723	35,110	3,759	3,662	5,373	5,533	750	904
Broadband Only	2,572	n/a	181	n/a	244	n/a	246	n/a

TABLE 8 – CABLE/SATELLITE HOMES WITH INTERNET STATUS

NUMBER OF HOUSEHOLDS (IN 000'S)

	COMPOSITE		BLACK		HISPANIC		ASIAN AMERICAN	
	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013
Broadcast Only and Broadband Access	6,358	5,422	614	521	1,030	793	455	434
Broadcast Only and No Internet/ Narrowband Access	6,257	6,200	1,336	1,316	1,743	1,648	167	134
Cable Plus and Broadband Access	80,661	78,819	8,445	8,081	8,926	8,913	3,389	3,366
Cable Plus and No Internet/ Narrowband Access	20,009	21,345	4,108	4,304	3,347	3,668	231	264

TABLE 9 – DEVICES IN TV HOUSEHOLDS

PERCENTAGE OF HOUSEHOLDS

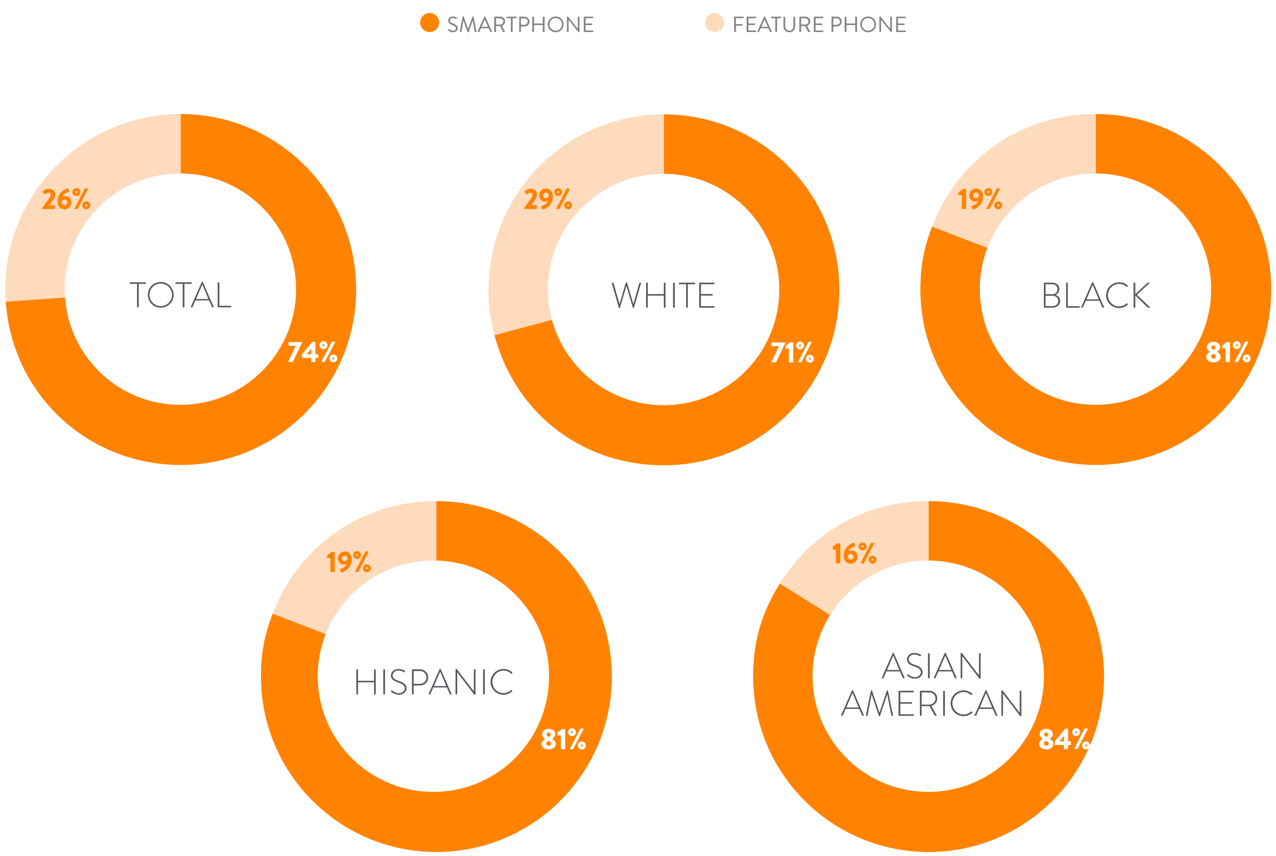
	COMPOSITE		BLACK		HISPANIC		ASIAN AMERICAN	
	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013
DVD/Blu-Ray Player	81%	83%	77%	79%	78%	80%	73%	76%
DVR	49%	49%	44%	41%	41%	40%	41%	45%
High Definition TV	86%	83%	84%	78%	89%	84%	86%	91%
Video Game Console	46%	46%	47%	46%	54%	55%	52%	53%
Tablet	44%	28%	37%	22%	43%	25%	62%	45%
Enabled Smart TV	12%	7%	9%	5%	15%	7%	23%	15%
Subscription Video on Demand	40%	35%	31%	28%	39%	34%	54%	47%

TABLE 10 - TELEVISION DISTRIBUTION SOURCES BY ETHNICITY

PERCENTAGE OF HOUSEHOLDS

MARKET BREAK	COMPOSITE	WHITE	BLACK	HISPANIC	ASIAN AMERICAN
Broadcast Only	10%	10%	12%	17%	14%
Wired Cable (No Telco)	46%	46%	49%	37%	47%
Telco	12%	11%	12%	10%	16%
Satellite	30%	31%	26%	35%	17%
Broadband Only	2%	2%	1%	2%	6%

EXHIBIT 2 – MOBILE DEVICE PENETRATION BY ETHNICITY



SOURCING & METHODOLOGIES

GLOSSARY

AM/FM RADIO: Listening to programming from AM/FM radio stations or network programming.

BROADBAND ACCESS: Paid, high-speed Internet access delivered via DSL, Cable Internet through cable provider, Fiber-Optic Service, U-Verse, Satellite Internet, Data Card (aircard that connects to a cellular phone network) or PC tethered to cell phone (cellular phone network).

BROADBAND ONLY: A household with at least one operable TV/monitor that receives video exclusively through a broadband internet connection instead of traditional means (over the air, wired cable, telco, satellite).

BROADCAST ONLY: A mode of television content delivery that does not involve satellite transmission or cables (i.e.—a paid service). Also commonly referred to as "over-the-air."

CONNECTED TV: A TV that is either directly connected to a broadband connection or has a broadband capability through a device connected to it.

MULTIMEDIA DEVICE: Viewing on an Apple TV, Boxee, Roku, Google Chromecast, or other internet connected device through the television. This does not include DVD / Blu-Ray Devices, Game Consoles, or Computers.

NARROWBAND ACCESS: A household that accesses the Internet via a telephone line (often referred to as dial-up).

SATELLITE: A paid TV subscription where the signal is distributed to an orbiting satellite. The amplified signal is then re-transmitted to the home and received via a dish. (Sometimes also referred to as "dish.")

SMART TV: A household with at least one television set that is capable and enabled to access the internet.

SUBSCRIPTION VIDEO ON DEMAND (SVOD): a household with access to a subscription video on demand service, such as Netflix, Amazon Prime and Hulu Plus.

TELCO: A paid TV subscription delivered fiber-optically via a traditional telephone provider.

TRADITIONAL TV: Watching live or time-shifted content on a television set.

TV HOUSEHOLD: A home with at least one operable TV/monitor with the ability to deliver video via traditional means of antennae, cable STB or Satellite receiver and/or with a broadband connection.

WIRED CABLE: Traditional cable delivered through wires to your home.

TELEVISION METHODOLOGY

"On Traditional TV" includes Live usage plus any playback viewing within the measurement period. Time-shifted TV is playback primarily on a DVR but includes playback from video on demand, DVD recorders, server based DVR's and services like Start Over.
"On Traditional TV" reach includes those viewing at least one minute within the measurement period. This includes Live viewing plus any playback within the measurement period. Third Quarter 2014 Television data is based on the following measurement interval: 06/30/14-09/28/14. As of February 2011, "DVR Playback" has been incorporated into the Persons Using Television (PUT) statistic.

Metrics for "Using a DVD/Blu-Ray Device" and "Using a Game Console" are based on when these devices are in use for any purpose, not just for accessing media content. For example, "Using a Game Console" will also include time when the game console is being used to play video games.

Data used in this report is inclusive of multicultural audiences. Hispanic consumer audiences are comprised of both English and Spanish speaking representative populations.

ONLINE METHODOLOGY

In July 2011, an improved hybrid methodology was introduced in Nielsen's NetView and VideoCensus product. This methodology combines a census level accounting of page views and video streams where Nielsen measurement tags have been deployed in order to project audience and behavior to the full universe of all Internet users. For VideoCensus, the portion of the total video streams calibrated by census data, previously allocated to Home/Work computers, are now allocated to other devices and locations such as smartphones and viewing outside of home and work. This change affects both "Watching Video on the Internet" and "Using the Internet" figures. Beginning in Q1 2012, Cross-Platform metrics are derived from the new hybrid panel. Year-over-year trends are available beginning in Q3 2012. Data should not be trended to previous quarters' published editions.

Hours:minutes for Internet and video use are based on the universe of persons who used the Internet/watched online video. All Internet figures are weekly or monthly averages over the course of the quarter. All "Using the Internet on a Computer" metrics are derived from Nielsen NetView, while all "Watching Video on the Internet" metrics are derived from Nielsen VideoCensus. "Watching Video on the Internet" is a subset of "Using the Internet on a Computer."

Due to the release of the Google Chrome browser v.19 in May 2012, some Nielsen NetView data for a small number of sites that have extensive use of HTTPS is under reported for May and June 2012. A solution has been implemented for July 2012 reporting. This affects "Using the Internet on a Computer" during this time.

YouTube Partner reporting became available through Nielsen VideoCensus featuring May 2012 data. YouTube Partner data is reported as individual channels under the YouTube brand in Nielsen VideoCensus. Data for each YouTube partner is aggregated across two entity levels, the broadest as Nielsen VideoCensus channel entity and the more granular being Nielsen VideoCensus client-defined entity. This affects "Watching Video on Internet" during this time.

Due to a processing error, YouTube brand-level stream and duration metrics were inflated from May 2012 – May 2013 which impacted "Watching Video on Internet." The current report contains the corrected metrics for the prior year data in the year-over-year comparisons. However, because of an additional processing issue that occurred in Q2 2012 (above note), the Q2 2012 data could not be restated and is based on the originally released data points.

As of January 2014, two factors led to an increase in "Watching Video on the Internet." Secure or https streaming of videos was added into reporting for entities such as Facebook. Additionally, YouTube mobile streams became included within the hybrid reporting.

As a result of a Google Chrome update in late August, some panelists using Google Chrome had their Nielsen meter extension disabled resulting in the underreporting of passively measured https, or secure content in the September 2014 Netview and VideoCensus data.

Separately, a brief interruption in YouTube video tags occurred on September 9 through September 11, 2014. As a result of this issue, combined with the Google Chrome issue, aggregate monthly VideoCensus data for YouTube brand and channels, as well as Total line metrics, were underreported for stream metrics.

AM/FM RADIO METHODLOGY

Audience estimates for 48 large markets are based on a panel of people who carry a portable device called a Personal People Meter (PPM) that passively detects exposure to content that contains inaudible codes embedded within the program content. Audience estimates from the balance of markets and counties in the U.S. are based on surveys of people who record their listening in a written diary for a week.

The estimates in this report are based on RADAR and the National Regional Database. RADAR reports national network radio ratings covering the U.S. using both PPM and Diary measurement and it is based on a rolling one-year average of nearly 400,000 respondents aged 12+ per year.

Monthly Radio Estimates: Nielsen's Measurement Science group used statistical modeling techniques to estimate the total cume audience to radio in a four week period, as compared to the total cume audience to radio in an average week. The methodology utilized PPM panel data, and essentially measured how many people who were not exposed to radio in a single week might typically be exposed to radio over a consecutive four week period. A radio cume growth factor was then determined and applied to radio listening on a national basis.

Listening to HD radio broadcasts, Internet streams of AM/FM radio stations and Satellite Radio is included the Persons Using Radio estimates in this report where the tuning meets our reporting and crediting requirements.

MOBILE METHODOLOGY

Nielsen's Electronic Mobile Measurement (EMM) is an observational, user-centric approach that uses passive metering technology on smartphones to track device and application usage on an opt-in convenience panel. Results are then reported out through Nielsen Mobile NetView 3.0. There are approximately 5,000 panelists in the U.S. across both iOS and Android smartphone devices. This method provides a holistic view of all activity on a smartphone as the behavior is being tracked without interruption.

A number of steps are taken after the data collection process to ensure the reported data is representative of the mobile population. Weighting controls are applied across five characteristics (gender, age, income, race and ethnicity) while independent enumeration studies are carried out on a continuous basis to provide the most current estimates of the mobile population (aka Universe Estimation). This mobile population is drawn from a combination of Mobile Insights, as well as surveying the National People Meter (NPM) panel that is the industry standard for TV Ratings.

Figures reported in Nielsen's Mobile NetView 3.0 include those individuals who are P18+ who have used an iOS or Android smartphone device in the U.S. during Q3 of 2014. In particular:

"Using any App/Web on a Smartphone" refers to consuming mobile media content through a web browser or via a mobile app. It does not include other types of activity such as making/receiving phone calls, sending SMS/MMS messages etc, which has been excluded for this report.

"Watching Video on a Smartphone" is a subset of "Using any App/Web on a Smartphone" and refers to those individuals who visit a website or use a mobile app specifically designed to watch video content.

Due to this methodology change from survey based data to EMM as of the Q4 2013 Cross Platform Report report, data should not be trended to previous quarters' published editions. The current report contains the revised metrics for the prior year data in the year-over-year comparisons.

SOURCING

TABLES 1, 2, 3, 4 - A WEEK IN THE LIFE, OVERALL USAGE BY MEDIUM, MONTHLY TIME SPENT BY MEDIUM IN HOURS:MINUTES USERS 2+, MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES

Source: Traditional TV, Time-shifted TV, DVD, Game Consoles, Multimedia Devices 06/30/14-09/28/14 via Nielsen NPOWER/NPM Panel, Online 07/01/14-09/30/14 via Nielsen Netview and Nielsen VideoCensus, Mobile 07/01/14-09/30/14 via Nielsen Electronic Mobile Measurement, Radio 06/20/13-06/18/14 via RADAR 122.

Table 1 is based on the total U.S. population whether or not they have the technology.

Tables 2-4 are based on users of each medium.

Electronic Mobile Measurement is based on P18+. Radio RADAR 122 data is based on P12+. Therefore, P2+ would be based on P18+ for Smartphone and P12+ for Radio.

TABLE 5 – CROSS-PLATFORM HOMES RANKED BY IN-HOME BEHAVIOR

Source: 07/01/14-09/30/14 via Nielsen NPOWER/Cross-Platform Homes Panel for P2+. Internet and Streaming based on home PC only.

TABLE 6 – SMARTPHONE VIDEO VIEWING QUINTILE

Source: 07/01/14-09/30/14 via Electronic Mobile Measurement for P18+. Smartphone video viewing quintiles are grouped based on users' time per person per month watching video on a Smartphone. It refers to those individuals who visit a website or use a mobile app specifically designed to watch video content.

TABLE 7, 8–TELEVISION DISTRIBUTION SOURCES, CABLE/SATELLITE HOMES WITH INTERNET STATUS

Source: Based on the Universe Estimates for the 15th of each month within the quarter via Nielsen NPOWER/NPM Panel.

TABLE 9, 10 - DEVICES IN TV HOUSEHOLDS, TELEVISION DISTRIBUTION SOURCES - PERCENTAGE OF HOUSEHOLDS

Source: Based on the scaled installed counts for the 15th of each month within the quarter via Nielsen NPOWER/NPM Panel.

Within Table 9, prior year based on Q1 2014 for Subscription Video on Demand. High Definition TV break is now based on High Definition Capable/Receivable Homes.

EXHIBIT 1 – AVERAGE TIME SPENT PER ADULT 18+ PER DAY

Source: Live TV, Time-shifted TV, DVD, Game Consoles, Multimedia Devices 06/30/14-09/28/14 via Nielsen NPOWER/NPM Panel, Online 07/01/14-09/30/14 via Nielsen Netview, Mobile 07/01/14-09/30/14 via Electronic Mobile Measurement, Radio 06/20/13-06/18/14 via RADAR 122.

Exhibit 1 is based on users of each medium.

EXHIBIT 2 – MOBILE DEVICE PENETRATION BY ETHNICITY

Source: Mobile 07/01/14-09/30/14 via Nielsen Mobile Insights.

Note: - represents insufficient sample size while n/a represents data unavailability.

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Source: Smartphone P13+ September 2014 via Nielsen Mobile Insights, Smart TV and Multimedia Devices HHLD September 2014 via Nielsen Custom data, Other devices HHLD September 2014 based on the scaled installed counts via Nielsen NPOWER/NPM Panel. Prior year based on January 2014 for Subscription Video on Demand and October 2013 for Broadband Only Households.

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Digital Video: Video content viewed on a computer or mobile device. Includes "Watching Video on the Internet" and "Watching Video on a Smartphone."

TV Screen: Viewing on a TV screen originating from the television or any device connected to the television. This would include when these devices are in use for any purpose, not just for accessing media content. Includes "On Traditional TV," "Using a DVD / Blu-Ray Device," "Using a Game Console," and "Using a Multimedia Device."

DAILY TIME SPENT –

Source: Traditional TV, DVD, Game Consoles, Multimedia Devices 06/30/14-09/28/14 via Nielsen NPOWER/NPM Panel; Online 07/01/14-09/30/14 via Nielsen VideoCensus; Mobile 07/01/14-09/30/14 via Nielsen Electronic Mobile Measurement

Based on users of each medium.

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Nielsen Custom Data, P18+ based on average monthly usage

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Nielsen Proprietary custom analysis. P2+ and P18-49 ratings trends over multiple seasons of each show (show 1, 2, 3, 4). Measurement period and SVOD date availability varies by show.

ABOUT NIELSEN

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