

Marketing to Teens - US - November 2012

Scope and Themes



“The seven years of YouTube’s history have made evident that there is a startlingly large demand for videos showcasing cats engaging with Roombas, amateur performers taking a spill off or on stage, and babies dancing to Beyoncé. While interest in homegrown entertainment may continue indefinitely, both ad sellers and ad buyers have an incentive to move consumers away from amateur content to professionally created content that brands can put their name behind.”

– Billy Hulkower, Senior Technology Analyst

In this report we answer the key questions:

- **Is viewership growing?**
- **Have ad sales matured?**
- **How can monetization be improved?**
- **Is the move to the living room beneficial for marketers?**

From 2007-11, online video ad sales increased more than fivefold, to \$1.8 billion in ad sales in 2011, and an 18% increase projected for 2012 will propel the market to \$2.1 billion. While ad sales growth is decelerating, findings from this report suggest multiple reasons why ad buyers and ad sellers should be reigniting this relatively young media format. Mintel’s research finds that online content viewers are accepting the exchange of watching ads in order to access videos they want to watch, possibly at levels that would create more revenue for distributors than transactional and subscription video-on-demand, the revenue streams typically applied to premium video content.

Due to an audience of nearly 190 million unique viewers

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This report is part of a series of reports, produced to provide you with a more holistic view of this market.

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Scope and Themes

per month, marketers can increasingly see online video as an essential element in brand awareness. This report assesses how consumers find online video to watch, which viewers are more likely to share links with family and friends, and how attitudes to online video ads differ across age groups. Other instrumental elements of research include analyses of the attitudes and behaviors of the heaviest users of online video, including the demographics that spend the most time with online video, the types of video they view, and the websites they favor for content.

For the purposes of this report, online video is defined as any video content delivered through the internet, including ad-supported online video and subscription-supported online video (sVOD). The focus of the report, however, is ad-supported streaming video content available at no charge (aside from internet service) to the viewer. This definition includes usage on any hardware platform, including televisions, mobile phones, tablets, and PCs. Mintel covers paid purchases of video content in Mintel's *Digital Movie Sales and Rental—U.S., August 2012*.

Ad Sales

Digital video ad sales are presented from 2007-12 by the Internet Advertising Bureau (IAB), which acquires sales figures directly from companies selling ads and defines digital video ad sales as: "TV-like advertisements that may appear as in-page video commercials or before, during, and/or after a variety of content in a player environment including, but not limited to, streaming video, animation, gaming, and music video content. This definition includes digital video commercials that appear in live, archived, and downloadable streaming content." The report also presents the number of ads served specifically before, during, or after online video content, as collected by comScore.

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Marketing to Teens - US - November 2012

Contents

SCOPE AND THEMES

What you need to know

Definition

Data sources

Ad sales

Consumer data

Abbreviations and terms

Abbreviations

Terms

EXECUTIVE SUMMARY

The market

Deceleration in ad sales growth

Figure 1: Online video ad sales, at current prices, 2007-12

Tiny share of ad sales indicates room for growth

Figure 2: U.S. advertising expenditures, by media format, 2011

Future of banner likely video

YouTube's reach nearly complete

Figure 3: Websites used to watch online video, all vs. 18-24 year olds, August 2012

Market factors

Viewers accept barter of ads for content

Figure 4: Number of online video ads viewed in the U.S., Q3 2010-Q2 2012

Content driven by traditional fare

Figure 5: Types of online video content viewed in past month, August 2012

Changing profile of hardware ownership to impact usage

Television usage for online video ramping up

The consumer

Young lead in every category of content

Figure 6: Time spent watching online video in past week, by age, August 2012

Younger adults, heavy viewers, key to viral sensations

Figure 7: Sharing and posting online video, by video usage groups*, August 2012

Buying spots preferable to creating content

Younger viewers, heavy viewers, more engaged with ads

Figure 8: Recall and result of ads played during online video content, by age, August 2012

Figure 9: Recall and result of ads played during online video content, by video usage groups*, August 2012

Asians, English-language Hispanics merit special treatment

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Marketing to Teens - US - November 2012

Contents

Figure 10: Use of websites with streaming video in past 30 days, by race and Hispanic origin, August 2011-March 2012

Available content overwhelming

Figure 11: Attitudes to finding online video content, by age, August 2012

What we think

ISSUES IN THE MARKET

Is viewership growing?

Have ad sales matured?

How can monetization be improved?

Is the move to the living room beneficial for marketers?

TREND APPLICATION

Make it Mine

Figure 12: Attitudes to finding online video content, by age, August 2012

Carnivore, Herbivore... Locavore

2015 trends

Old Gold

INSIGHTS AND OPPORTUNITIES

Ads as content

Adding ad inventory via internal promotions

Ad-supported feature films

Watch ads, receive free ride on data

Cross-category recommendations

Growing the next generation of auteurs and critics

Originating content created by Asian-Americans

AD SALES

Key points

Growth slowing

Figure 13: Sales of video ads online, at current prices, 2007-12

Figure 14: Sales of video ads online, at inflation-adjusted prices, 2007-12

Volume of ads doubles in 2012

Figure 15: Number of online video ads viewed in the U.S., Q3 2010 - Q2 2012

COMPETITIVE CONTEXT

Key points

Room for growth in ad spend

Figure 16: U.S. advertising expenditures, by media format, 2010-11

Immediacy of calls for action competitive advantage

Figure 17: Impact of internet on lifestyle, by age, August 2011-March 2012

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Marketing to Teens - US - November 2012

Contents

MARKET DRIVERS

Key points

Hardware ownership

Figure 18: Ownership of phones, PCs, tablets, and IPTV boxes, by age, August 2011-March 2012

Figure 19: Devices used to access the internet, by age, August 2011-March 2012

Figure 20: Ownership of phones, PCs, tablets, and IPTV boxes, by household income, August 2011-March 2012

Figure 21: Devices used to access the internet, by household income, August 2011-March 2012

Rapid gains for Wi-Fi access

Figure 22: Internet and Wi-Fi access, July 2008-March 2012

Figure 23: Internet access at home and at work, by age, August 2011-March 2012

Figure 24: Internet access at home and at work, by household income, August 2011-March 2012

INNOVATION AND INNOVATORS

Shopping via interactive video

Amazon crowd-sources content

Viewdini crosses walled gardens

Social video via Showyou

Gleep: original comedy, professional values

Anyclip raising ratio of ads to content

ONLINE AND STREAMING VIDEO USAGE

Key points

Traditional video makes its way to the top of online video

Figure 25: Types of online video content viewed in past month, August 2012

Figure 26: Types of online video content viewed in past month, by age, August 2012

Figure 27: Types of online video viewed in past month, by gender, August 2012

Men, 18-34s more likely to be heavy viewers

Figure 28: Time spent watching online video in past week, by gender, August 2012

Figure 29: Time spent watching online video in past week, by age, August 2012

Video usage via cell phone limited

Figure 30: Video usage on cell phones, by age, August 2011-March 2012

Figure 31: Video usage on cell phones, by household income, August 2011-March 2012

YouTube dominant, Hulu attractive

Figure 32: Use of YouTube and Hulu in past 30 days, by age, August 2011-March 2012

Figure 33: Websites used to watch online video, by age, August 2012

FINDING CONTENT

Key points

Catch-22 in building audiences favors ad buys

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Marketing to Teens - US - November 2012

Contents

Figure 34: How viewers find internet video, crossed by use of specific channels, social networks, or popular video lists to find videos, August 2012

Figure 35: How viewers find internet video, by age, August 2012

Free content appeals to lower-income viewers

Figure 36: How viewers find internet video, by household income, August 2012

VIRAL VIDEO—SHARING AND POSTING

Key points

Young adults, women, and heavy viewers more likely to share links

Figure 37: Sharing and posting online video, by age, August 2012

Figure 38: Sharing and posting online video, by gender, August 2012

Heavy and mainstream users as viral marketers

Figure 39: Sharing and posting online video, by video usage groups, August 2012

RESPONSE TO VIDEO ADS

Key points

Video and banner ads carry similar results

Figure 40: Types of internet ads resulting in a purchase, by age, August 2011-March 2012

Video ads gaining mainstream acceptance

Figure 41: Attitudes to ads played during online video content, August 2012

Recall and awareness higher among younger adults

Figure 42: Attitudes to ads played during online video content, by age, August 2012

Heavy viewers more ad-friendly

Figure 43: Attitudes to ads played during online video content, by video usage groups, August 2012

THE TRANSITION TO THE TELEVISION SCREEN

Key points

Television second screen for online content, ahead of phones

Figure 44: Types of screens used to watch online video, by age, August 2012

Figure 45: Types of screens most commonly used to watch online video, by age, August 2012

Streaming to the television

More than half already able to do so

Figure 46: Ownership of and intent to buy hardware that streams content to televisions, August 2012

Figure 47: Intent to purchase hardware that streams content to televisions, by age, August 2012

IMPACT OF RACE AND HISPANIC ORIGIN

Key points

Spotlight on Asian viewers, Asian creators

Figure 48: Ownership of phones, PCs, tablets, and IPTV boxes, by race and Hispanic origin, August 2011-March 2012

Figure 49: Use of YouTube and Hulu in past 30 days, by race and Hispanic origin, August

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Marketing to Teens - US - November 2012

Contents

2011-March 2012

Whites lag in ads leading to purchase

Figure 50: Types of internet ads resulting in a purchase, by race and Hispanic origin, August 2011-March 2012

Wide differences in internet access among Hispanics by language spoken

Figure 51: Internet access at home and at work, by language spoken, August 2011-March 2012

Figure 52: Use of YouTube and Hulu in past 30 days, by language spoken, August 2011-March 2012

ADDITIONAL USEFUL CONSUMER TABLES

Usage

Figure 53: Types of online video content viewed in past month, by race/Hispanic origin, August 2012

Figure 54: Types of online video content viewed in past month, by video usage groups, August 2012

Figure 55: Use of cell phones for streaming video, by language spoken at home, August 2011-March 2012

Attitudes to ads played during online content

Figure 56: Attitudes to ads played during online video content, by presence of children in household, August 2012

Finding online video content

Figure 57: Attitudes to finding online video content, by presence of children in household, August 2012

Figure 58: How viewers find internet video, by gender, August 2012

Websites used to watch online video

Figure 59: Websites used to watch online video, by gender, August 2012

Figure 60: Types of screens used to watch online video, by video usage groups, August 2012

Hardware ownership, intent to purchase and usage

Figure 61: Intent to purchase hardware that streams content to televisions, by video usage groups, August 2012

Figure 62: Types of screens used to watch online video, by presence of children in household, August 2012

Figure 63: Devices used to access the internet, by household size, August 2011-March 2012

APPENDIX—TRADE ASSOCIATIONS

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