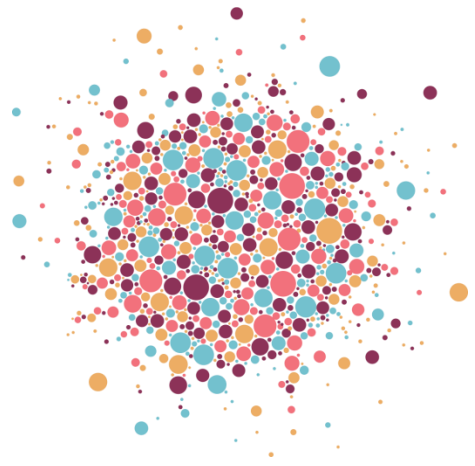


MTV NETWORKS

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MTVN'S "LOVE 'EM OR LEAVE 'EM: ADOPTION, ABANDONMENT AND THE APP-ADDLED CONSUMER"

In its definitive study of mobile application usage, MTV Networks found that apps are changing the lives of users by acting as a digital extension of users' physical selves. But not all apps are created equal. To breakdown the process of how apps are ultimately devoured or discarded, MTVN found four stages in the life cycle of an app.

The findings:

Apps provide more pleasure, more free time and more new worlds to discover

- Of those surveyed, 91% said apps expose them to new things, while 70% said apps make the rest of life better.
- 87% said apps let them have fun no matter where they are or what they're doing.
- According to 77% of survey participants, apps act as a personal assistant.
 - Three in four (75%) said apps give them time to relax.
 - 73% reported having more time to connect with family and friends because of apps.

There are four stages in the life cycle of an app: Discovery; Adoption; Trial; and Abandonment or Long-Term Usage

- Discovery is driven largely by the recommendation culture.
 - 53% said that personal recommendations are important in deciding which apps to download, while 52% relied on user reviews and 42% said seeing a friend use a particular app was a critical component.
 - Additionally, 47% discovered apps via app stores from Apple and Android.
- Adoption (downloading an app) is also heavily influenced by recommendations, but users look for a higher degree of certainty when they buy an app, as opposed to downloading one for free.
 - For free apps, a high number of positive ratings drives 50% of consumers to download. The second most-important factor (43%) is a personal recommendation.
 - For a paid app, however, price (63%), followed by whether there is a free or lite preview version of the app (49%) are the biggest factors in whether or not to download.
- Trial periods often depend on the type of app in use.
 - TV apps can have a shelf life of just a few weeks (38% are deleted in the first three weeks after download), but they do offer multiple chances to engage consumers, as two-thirds of them (66%) are checked at least once a day.
 - Two-thirds (66%) of users check their favorite TV app at least once a day, with nearly half (44%) checking it several times a day. When in use, 45% spend more than 10 minutes with their favorite TV app.
 - For gaming apps, the grace period is a little longer. Fewer than 20% of gaming apps are deleted in the first three weeks of ownership. Nearly half (49%) of gaming app users check their apps several times a day.
- Abandonment or Long-Term Usage is largely dependent on fun and function.
 - Three-fourths (75%) of consumers said it's very important that an app is "entertaining or fun to use," while 62% said it's very important that an app "feels good" in terms of its touch screen feel.
 - Half of the survey participants said it's very important that an app "constantly has new things for me to see, read or do," while 83% said they are "often surprised at how useful an app can become even if I don't initially think this is something I need."

The implications:

- Gamers and TV fans aren't always looking for the same things in apps.
 - For TV apps, ease of use (79%) and new content (55%) are the biggest reasons consumers will use an app for the long term. Whereas better alternatives (55%) and lack of new content (42%) will drive a consumer to delete an app.
 - Gamers look for apps that are challenging (75%) and easy to use (73%). With gaming apps, more than three-fourths (77%) of consumers say they'll delete an app simply after they lose interest.
- The importance of personal recommendations can be limited to the early stages of an app's life cycle.
 - Only 37% of entertainment apps and 39% of gaming apps continue to be used because friends use the same apps.

The methodology:

Conducted in partnership with research consultancy firm, Latitude, "Love 'Em or Leave 'Em: Adoption, Abandonment and the App-Addled Consumer" drew on a quantitative survey of more than 1,300 self-reported daily mobile app users between the ages of 13 and 64. The study also included a round of qualitative interviews and a deprivation phase (app users were asked to go app-free for 3 days).

MILLENNIALS, DECODED: INSIDE MILLENNIAL DIGITAL CULTURE

With more than 100 texts sent daily, approximately 20 hours spent online daily, and over 100 online videos watched per month, there is no "offline" for Millennials. Their lives are a convergence of digital and real life, coined "DigiLife" by MTV. In "Millennials, Decoded," MTV's goal was to understand the emerging, Millennial-driven "DigiLife" and culture through the eyes of the generation. They uncovered four insights into this new culture.

The Findings:

There are four themes of "DigiLife": Curated Me; Publicly Intimate; Like-A-Holism; and Digi etiquette

- Curated Me: Millennials work through identity online through thoughtful curation.
 - Having grown up with reality TV and a 24/7 news cycle, Millennials know the power of good branding and publicity. They play the roles of digital publicists, curating and monitoring the "me" brand to ensure their digital self looks its best.
 - 90% say, "It's important how others view me and my reputation on Facebook"
 - 1/3 say they always edit photos before posting them online
- Publicly Intimate: Having grown up fully exposed, Millennials have optimized digital communication and can skillfully manipulate communication mediums.
 - Millennials have mastered the art of hiding in plain sight.
 - While email, text and phone calls are considered "private," Facebook and Twitter are considered "public" spheres.
 - Text messaging has become the primary way for teens to reach their friends - 94% agree that texts are private.
 - 93% have posted something only their friends would understand (a quotes, song lyrics, etc.) to express themselves on Facebook.
- Like-A-Holism: Millennials are addicted to instant feedback.
 - With very present and supportive parents and coaches throughout childhood, Millennials are accustomed to constant feedback and this is amplified in the digital space. Over 1/3 (38%) can't go more than 10 minutes without checking their digital devices.
 - 79% expect instant feedback, 58% feel more confident when others respond and 55% are always aware of how people respond to them.
 - How quickly they want instant responses depends on the platform: 68% expect instant feedback over chat; 62% over text message; and 33% over cell voicemail.
 - When they don't get feedback, 33% say they feel disappointed and 23% say they feel alone. This is strong proof of the convergence of their digital and "real" lives to DigiLife.
- Digi etiquette: Millennials' rules for communicating in the digital world.
 - Learn the rules: Acting as digital anthropologists, Millennials learn by observing their peers' successes and mistakes.

- After joining a digital community, 48% observe others' communication before they start to participate.
- They take note of mistakes - 78% know someone who has gotten in trouble with parents, school or work for something they've posted online.
- Pace Yourself: access to 24/7 connectivity means they are conscious of responding too quickly, with 48% saying that responding too quickly is embarrassing.
- Avoid Controversy: Millennials don't want to start unnecessary conflicts with peers and potential acquaintances, employers, etc.
 - 54% prefer to keep potentially controversial jokes, stories and comments private.
- Guard your Future: 75% try not to make mistakes in the digital space, as they are aware it can't be taken back.

The implications:

- To effectively market to Millennials, it is crucial for brands to choose the right communication platform for their message.
- As digital natives, Millennials have disproportionate power in how the rules of behavior in this space are shaping up. Marketers should follow the rules of digital etiquette or risk losing this generation's attention.
- Brands must provide a powerful feedback loop to engage Millennials.

The methodology:

"Millennials, Decoded" drew upon a 4-day blography, in-home ethnography, expert interviews, quantitative study, secondary research and M-edge (MTV's 3-phased study on the edgier side to growing up as a Millennial). The four day blography drew 23 bloggers (male and female) between the ages of 15 and 24.