



Online Publishers  
Association

Three large, overlapping orange circles are positioned on the left side of the page. The top circle is partially cut off by the edge of the frame. The middle and bottom circles overlap each other and the top circle, creating a Venn diagram-like effect. The circles are a vibrant orange color.

# *A Portrait of Today's Smartphone User*

**August 2012**

*Conducted in partnership with*

**Frank N. Magid Associates, Inc.**



# Frank N. Magid Associates, Inc.

## Frank N. Magid Associates, Inc.

- **Who We Are:** Frank N. Magid Associates, Inc. is a leading research-based consulting firm with expertise in media, communications and entertainment.
- **Fifty Years and Counting:** Since our first engagement with a local television station 50 years ago, we have been at the forefront of innovation in the media, entertainment and communications industries.
- **Coverage of Multiple Media Platforms:** We boast robust practices across all media platforms including print, broadcast and cable television, the Web, gaming and wireless.
- **Exceptionally Qualified Team:** Our team possesses PhDs and Master's degrees in statistics, marketing, media, engineering, journalism, anthropology, sociology, strategic communications and business, including analysts with advanced capabilities in qualitative and quantitative research methodologies.
- **Experienced Strategic Consultants:** Our strategic consultants include past operators in the print, television, Web, gaming and mobile industries.
- **Global Coverage:** Our team of 150 professionals operates out of offices in Minneapolis, Mumbai, New York, Los Angeles, San Francisco, Chicago, Atlanta, Dallas and Cedar Rapids. Magid's global network of partners extends across 44 countries to support our portfolio of international clients.



# Background: Methodology

- OPA collaborated with Frank N. Magid Associates, Inc. for data analysis and insight. The *Magid Media Futures* study evaluates attitudes and behaviors of media and entertainment consumers.
- Data comes from a nationally representative online survey of 2,540 internet users between the ages of 8 and 64. The sample is matched to the U.S. Census with regard to age and gender<sup>1</sup>.
- Data was collected from March 19 through March 26, 2012.
- A high-quality, third-party online research panel and data collection firm was used for recruitment and data collection.
- U.S. internet population estimates are derived from U.S. Census Bureau and eMarketer data<sup>2</sup>.

## Notes:

[1]: Margin of error on the entire sample was  $\pm 1.94\%$ ;

[2]: Estimated audience size references the portion of U.S. internet population reflected in the sample (ages 8-64) as 236.2 million people in 2011, 243.2 million in 2012 and 249.7 million in 2013. (Source: U.S. Census Bureau, eMarketer).



# Background: Study Objectives

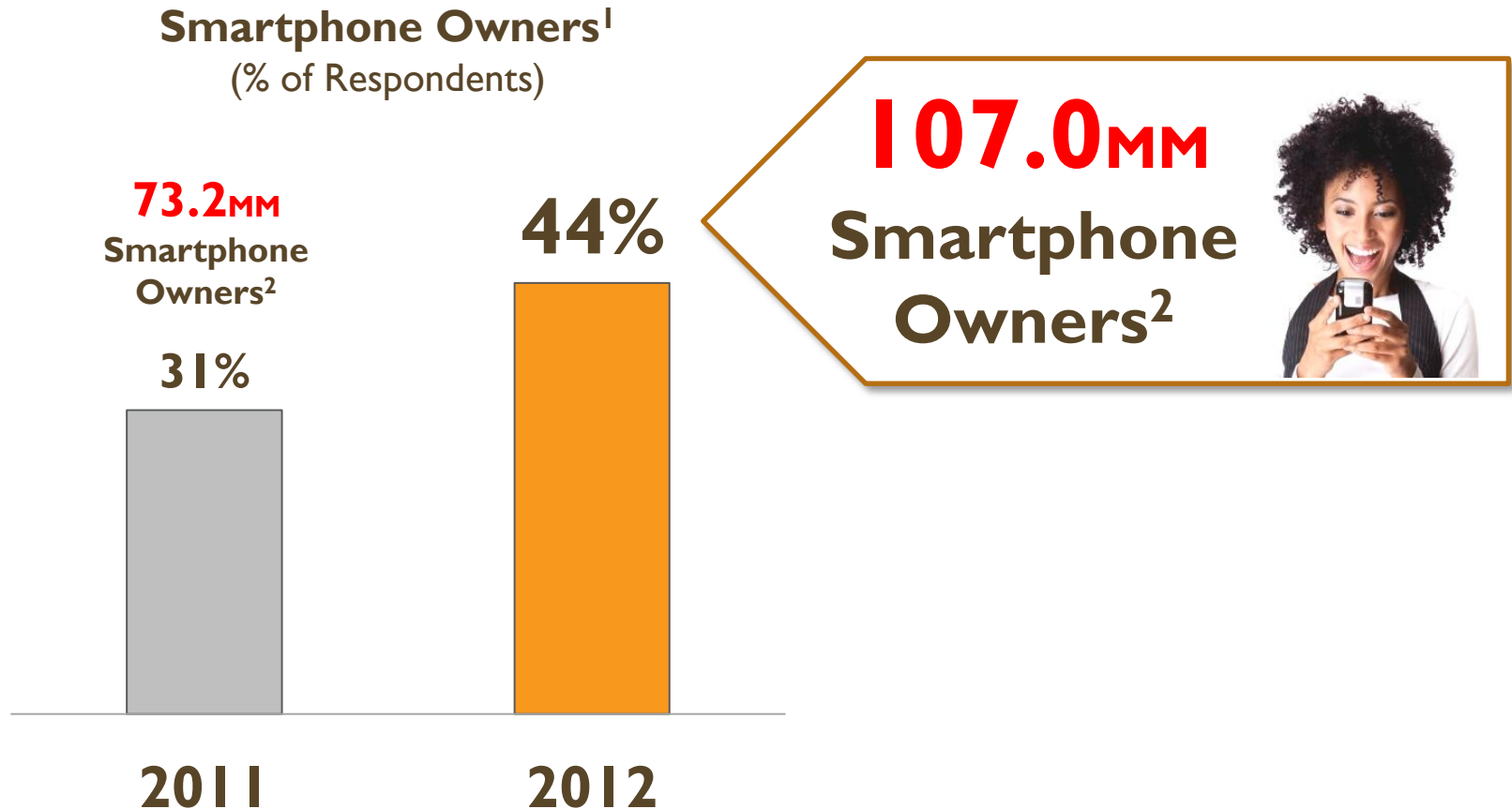
- To gain insight into the **key dynamics** of the smartphone user:
  - Who are smartphone users?
  - How are they using smartphones?
  - How has smartphone usage changed over the past year?
- To understand trends around smartphone **advertising** and **content buying**:
  - What are consumers' attitudes towards smartphone advertising?
  - What types of content are they paying for?

# The Smartphone Audience

- **How Many Consumers Are Using Smartphones?**
- **Which Smartphones Are They Using?**
- **Who Are Smartphone Users?**
- **Who Intends to Buy Smartphones?**



# Smartphone Adoption Has Risen to 44%, Up From 31% in 2011, Representing 107MM Users



[1]: For all intents and purposes, smartphone “owners” will be used interchangeably with smartphone “users,” assuming that smartphone “owners” use their phones at least once a month.

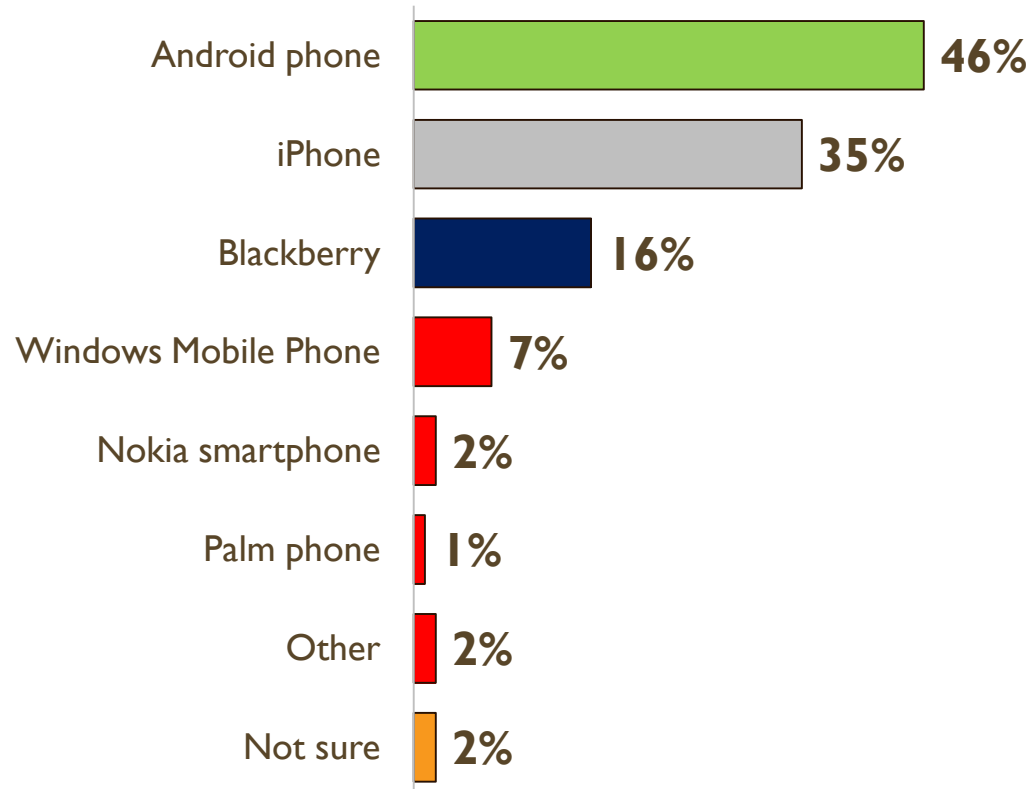
[2]: Based on estimated U.S. internet population data (ages 8-64) from the U.S. Census Bureau and eMarketer.

Base: Total sample, N (2012)=2,540, N(2011)=2,482. SCR.I and SCR.J: Q.166 Which of the following smartphones do you currently own?

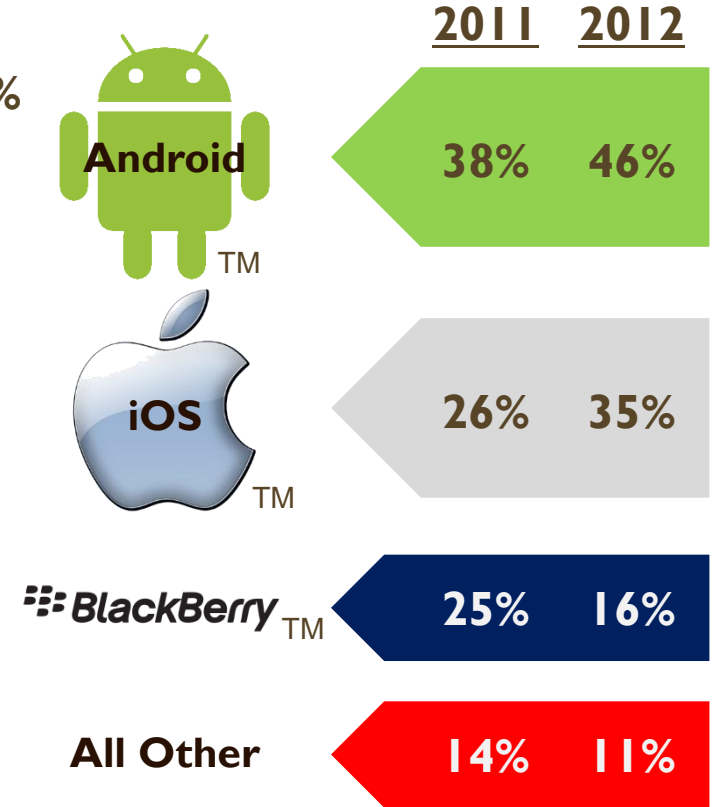


# Android Leads the Market With iPhone Close Behind; All Others Have Declined Rapidly

**Types of Smartphones Owned, by Platform\***  
(% of Smartphone Owners)



**Adoption by Operating System\***



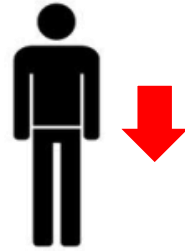
\* Note: Percentages do not add up to 100% because some smartphone users own more than one type of smartphone. Values are de-duplicated for adoption by operating system.

Base: Smartphone owners, N(2012)=1,107, N(2011)=758. Q.167: What kind of smartphone device do you own?

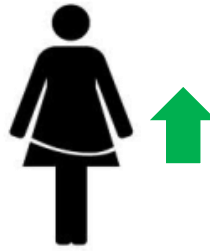


# Smartphone User Base is Trending Older and to a More Balanced Male/Female Split

**2012  
VS. 2011**



**Male**



**Female**



**Age Breakout**

**Smtph Users  
N=1,107**

**52%**

**48%**

**YOY Change  
vs. 2011**

**↓ -2%**

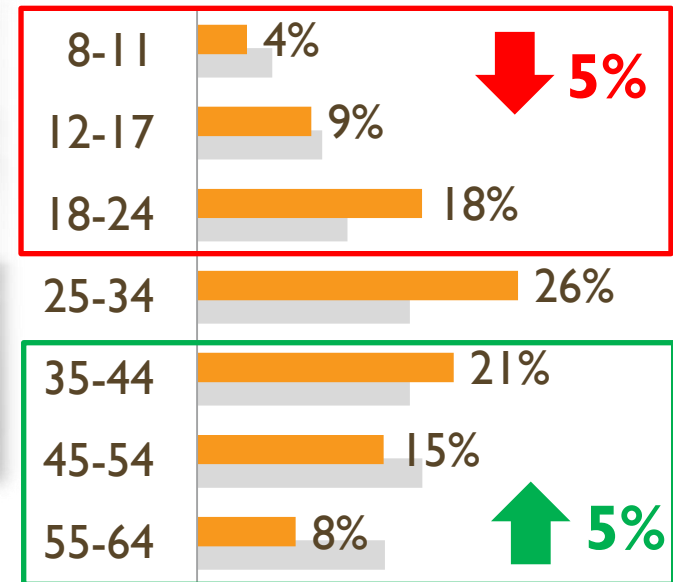
**↑ +2%**

**Total Sample  
N=2,540**

**49%**

**51%**

■ Smartph. Users ■ Total Sample



\* Note: Percentages do not add up to 100% due to rounding.

Base: Total sample, N(2012)=2,540. N(2011)=2,482; Smartphone owners, N=1,107.

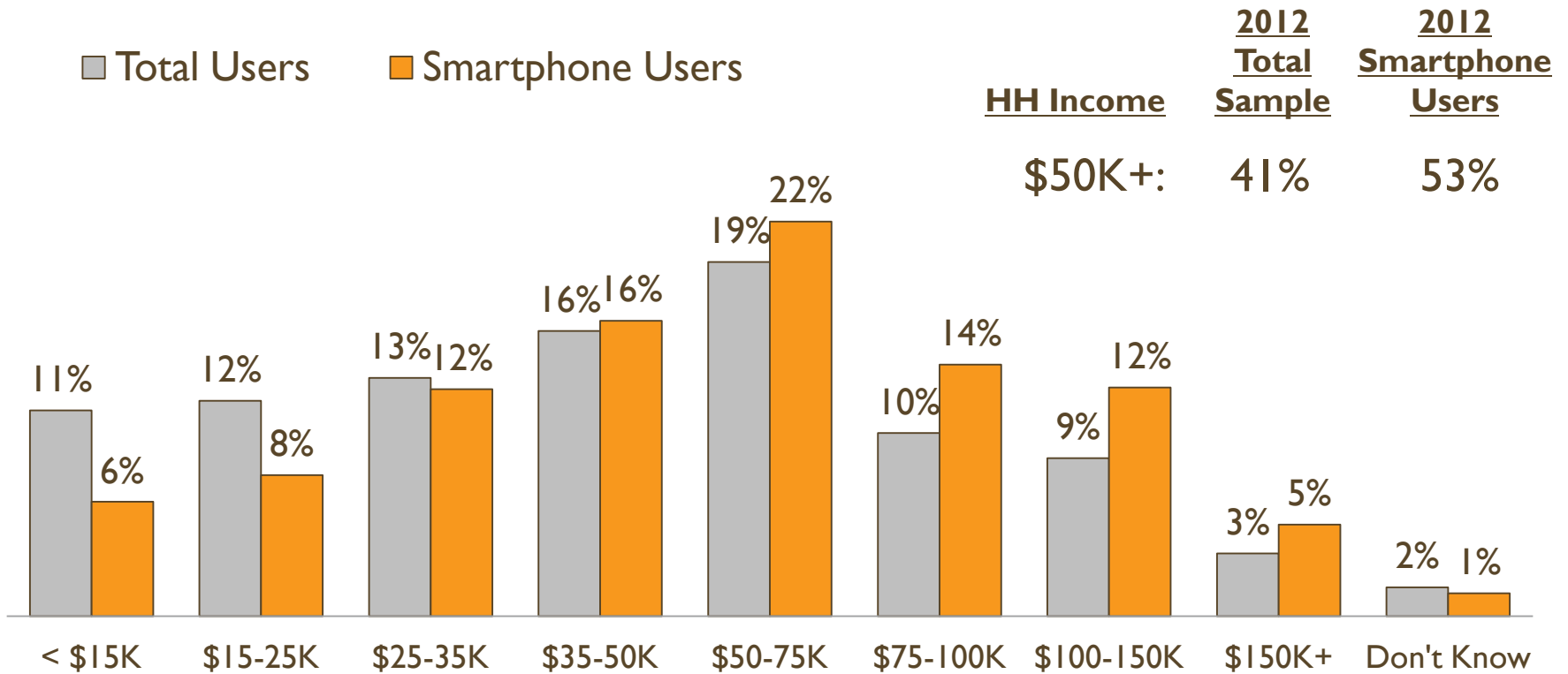
SCR.B: What is your gender?; SCR.C: How old are you?





# Smartphone Users Tend to Come from Higher Income Households

**Household Income for Total Sample vs. Smartphone Users**  
 (% of Respondents, % of Smartphone Users)

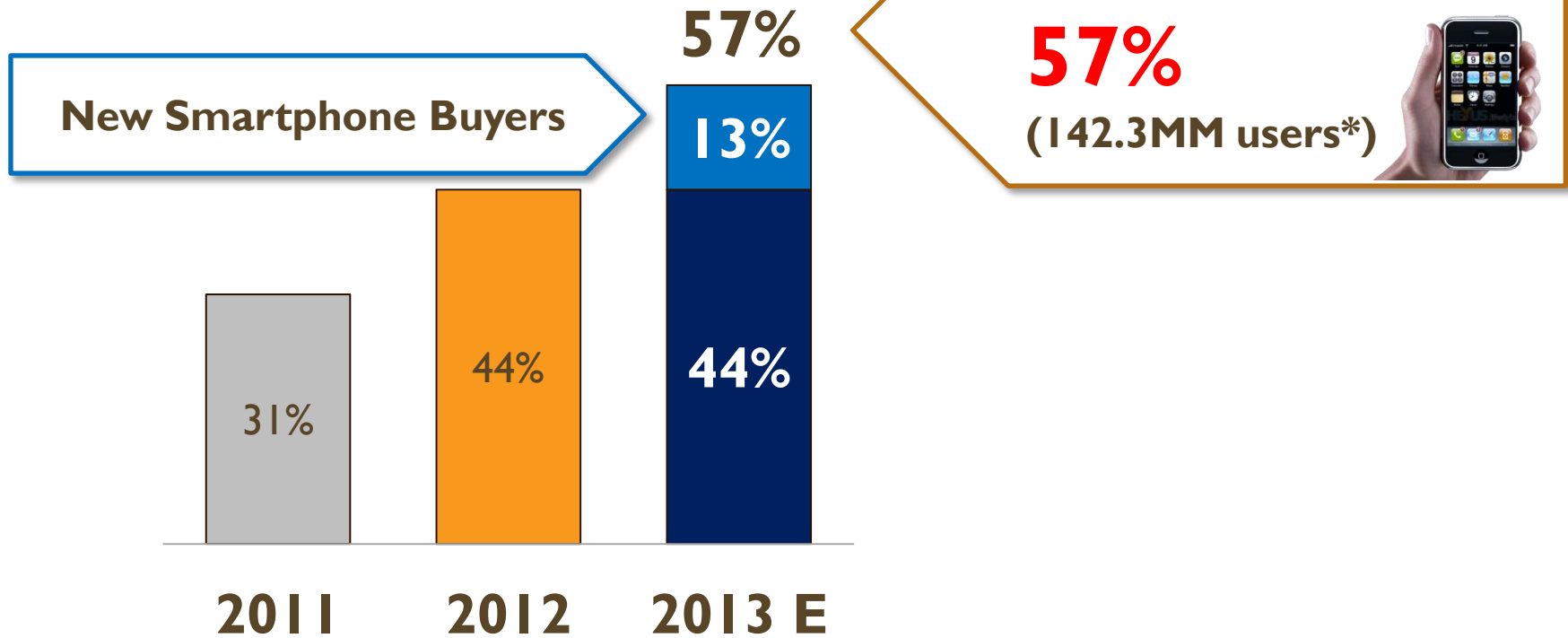


Base: Total sample, N=2,540; smartphone owners, N=1,107. CLASS.E: What is your approximate annual household income before taxes? This includes the combined salary of all household members who work, income from pension, Social Security, etc.



# Smartphone Adoption Growing Rapidly; Penetration Expected to Reach 57% by 2013

Current and Projected Smartphone Owners  
(% of Respondents)



\* Note: Based on estimated U.S. internet population data (ages 8-64) from the U.S. Census Bureau and eMarketer.  
Base: Total sample, N=2,540. SCR.K: Even if already owned, which of the following devices will you purchase within the next 12 months?  
Select all that apply. Q.166: Which of the following do you currently own?

# New Smartphone Buyers Skew Male and Much Older

**2012  
AHEAD**



**Male**



**Female**



**Age Breakout**

**New Buyers  
N= 337**

**58%**

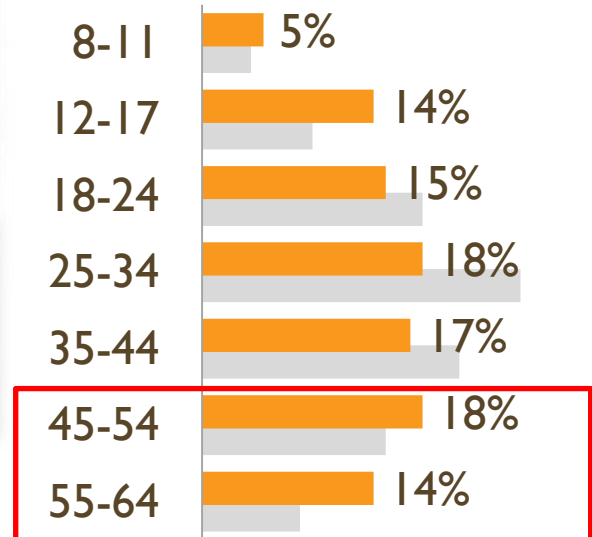
**42%**

**Smtph Users  
N=1,107**

**52%**

**48%**

■ New Buyers ■ Smartph. User



\* Note: Percentages do not add up to 100% due to rounding.

Base: Respondents who plan to purchase a smartphone in the next 12 months but do not currently own one, N=337.

SCR.K: Even if already owned, which of the following devices will you purchase within the next 12 months? Select all that apply.



# The Smartphone Audience: Who Are Smartphone Users?

- An estimated **44% of the U.S. internet population, ages 8-64, owns a smartphone** (estimated 107.0 million consumers\*), up from 31% (73.2 million consumers\*) in 2011.
- **Android users continue to lead iOS** users, with both platforms growing in share since last year; Blackberry and all other platform share declined rapidly over the same period.
- Smartphone users are **trending older and more balanced between males and females, and are more affluent**—the majority of smartphone users come from **households earning \$50K or more**.
- **57% of the U.S. internet population, ages 8-64, are expected to own a smartphone by early 2013** (estimated 142.3 million consumers\*).

\*Note: Based on estimated U.S. internet population data (ages 8-64) from the U.S. Census Bureau and eMarketer.

# Primary Activities

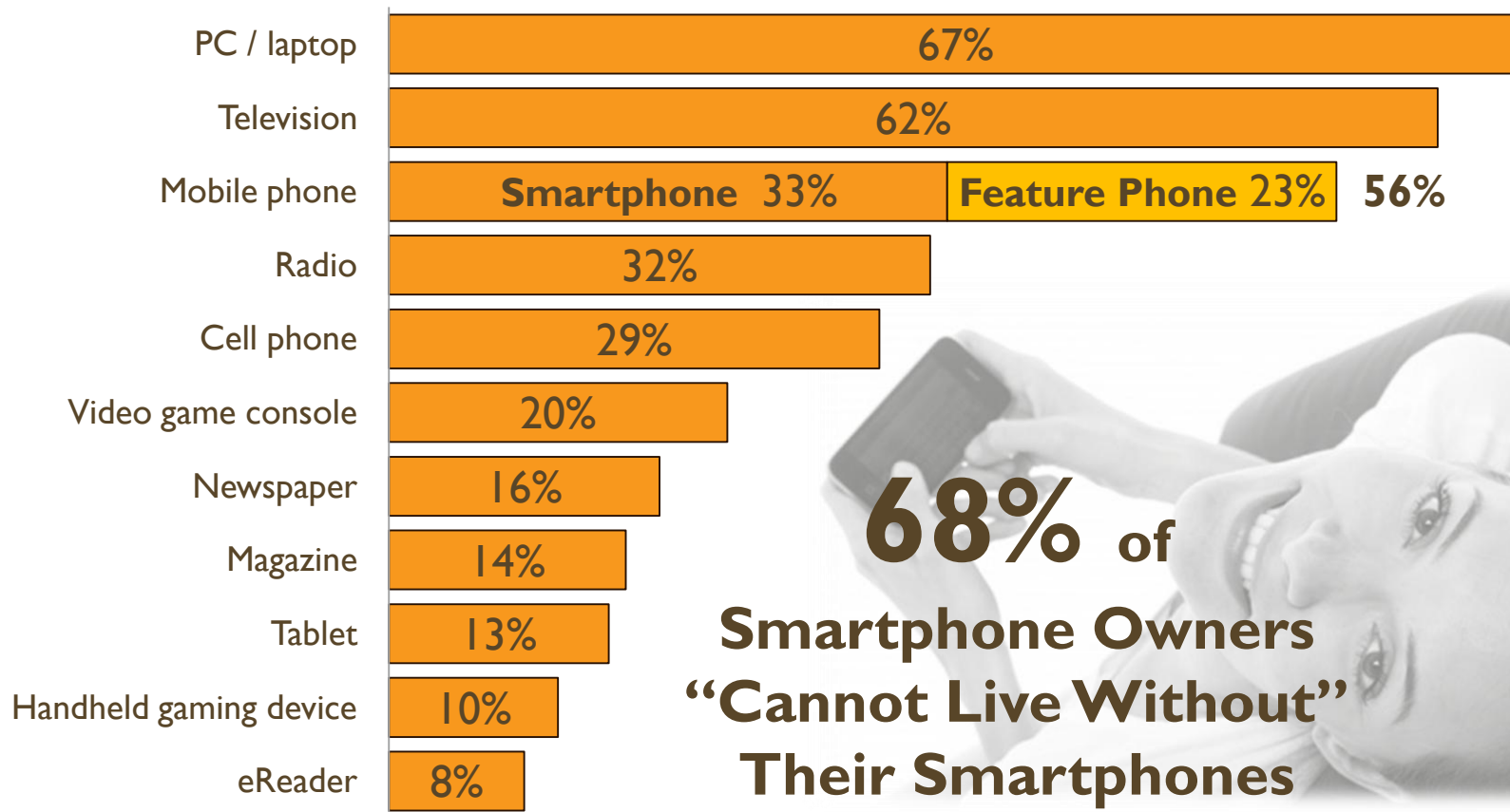
- **How Many Consumers Prefer Using Their Smartphones Over Other Devices?**
- **What Types of Content Are Smartphone Users Accessing?**
- **How Are Smartphone Users Multitasking with Other Devices?**





# A Third of Respondents Cannot Live Without Smartphones

## Medium that One Cannot Live Without (% of Respondents)

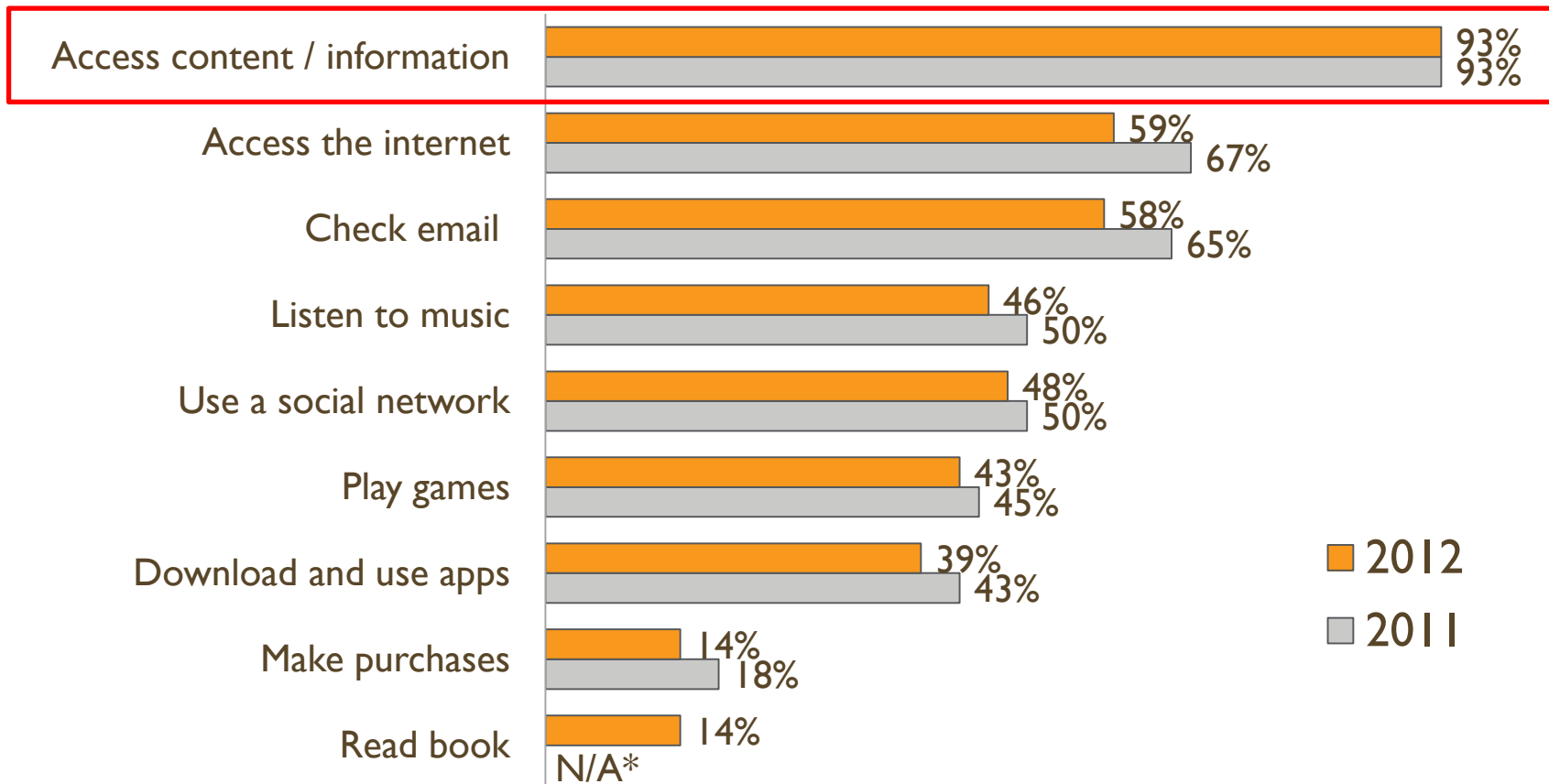


**68% of Smartphone Owners "Cannot Live Without" Their Smartphones**

Base: Total mention sample N=2,540. Q5.I Which of the following media would you **not** be able to live without? Select all that apply.

# Aside from Phone Calls, Accessing Content & Info. is the Primary Smartphone Activity

**Regular (Weekly) Smartphone Activities**  
(% of Smartphone Users)



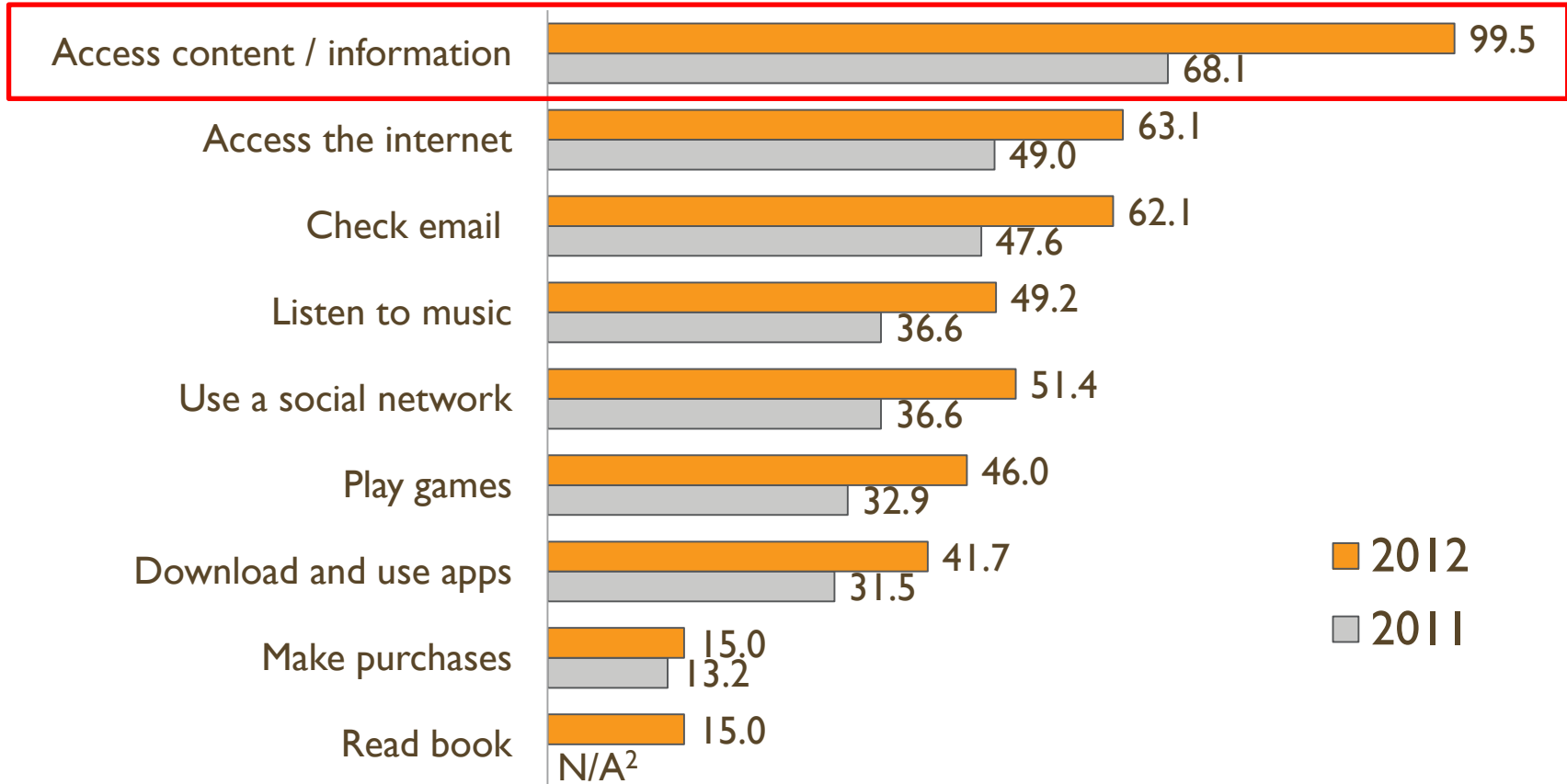
\* Note: "Read book" was added as an answer choice in the 2012 survey.

Base: Smartphone owners: N(2012)= 1,107. N(2011)=758 Q. 169: Which of the following things do you do regularly (at least once a week) on your mobile phone?



# Increasing Smartphone Penetration Has Created a Much Larger Market for Content

**Regular (Weekly) Smartphone Activities**  
(Millions of Smartphone Users<sup>1</sup>)



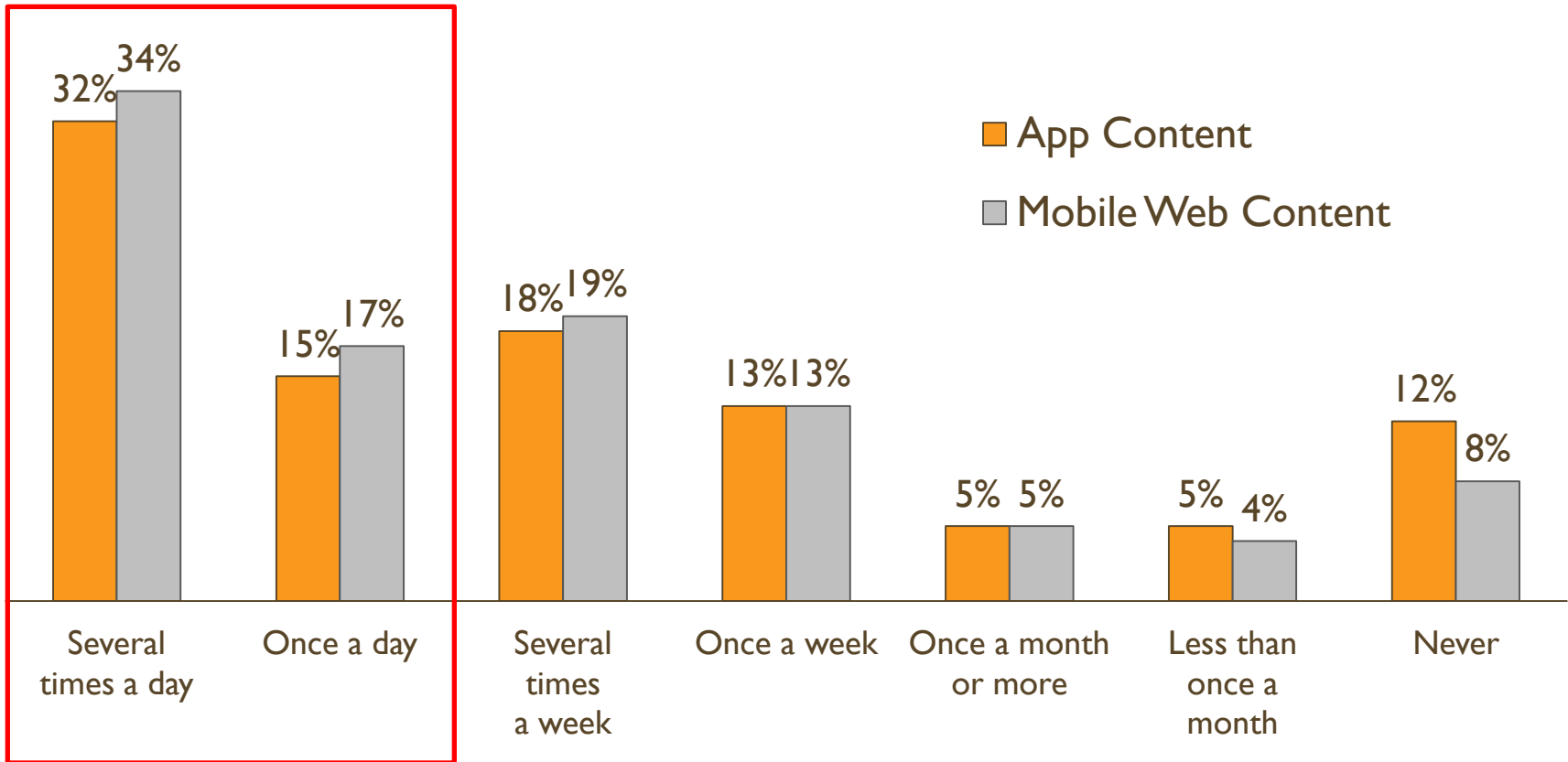
[1]: Source: U.S. Census Bureau and eMarketer. [2]: Note: "Read book" was added as an answer choice in the 2012 survey.  
Base: Smartphone owners: N(2012)= 1,107. N(2011)=758 Q. 169: Which of the following things do you do regularly (at least once a week) on your mobile phone?





# At Least Half of Smartphone Users Access Content Daily, via App and/or Mobile Web

## Frequency of Content Access (% of Smartphone Users)



Base: Smartphone owners, N=1,107

Q.187.1A: About how often do you access content on your mobile phone?

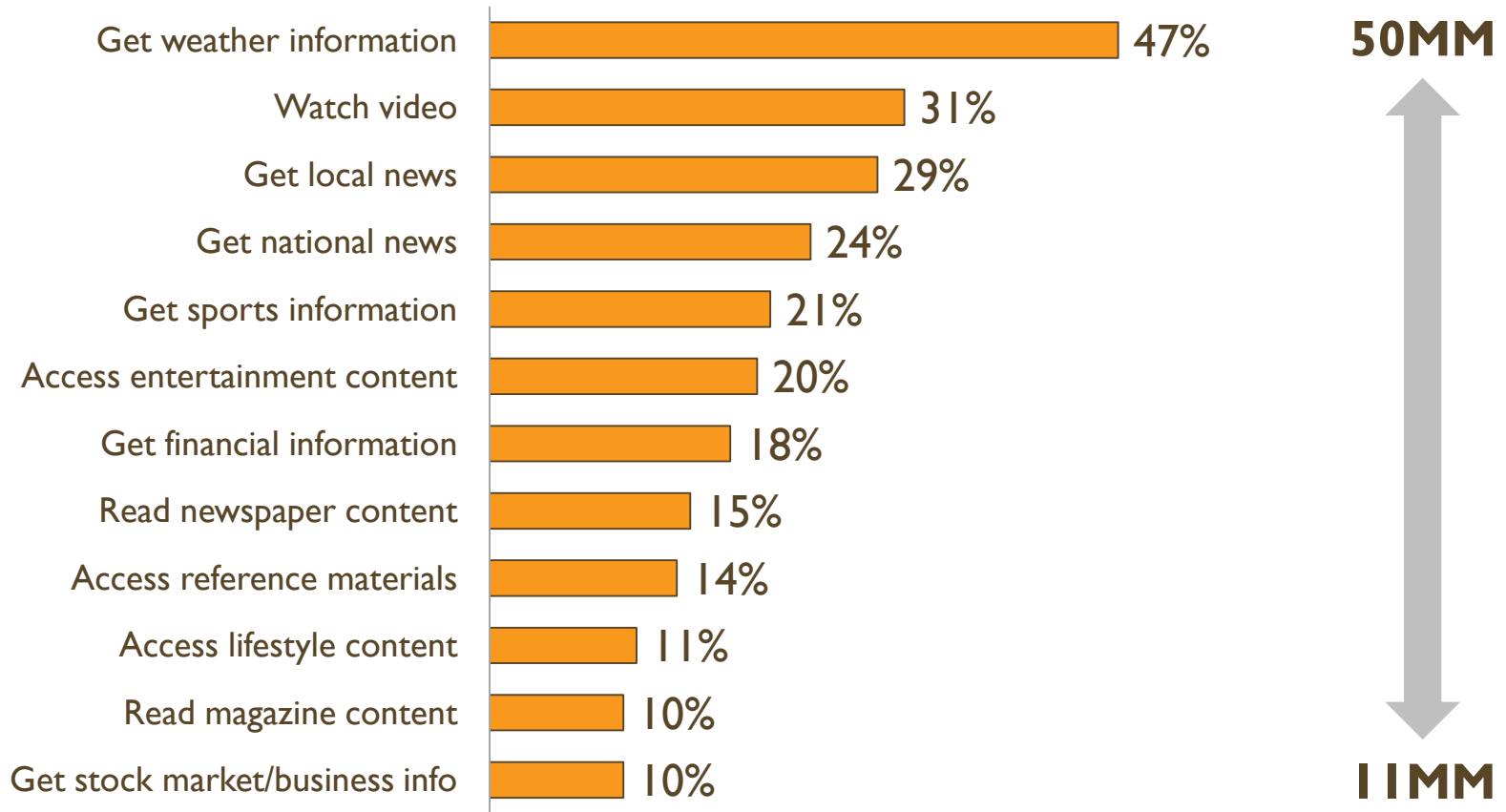




# Users Access a Variety of Content; Top Are Weather, News, Sports & Entertainment

## Regular (Weekly) Smartphone Activities (% of Smartphone Users)

**Est. Market Size\***  
(# of Smartphone Users)



\*Source: U.S. Census Bureau and eMarketer. Base: Smartphone owners: N=1,107.  
Q.169: Which of the following things do you do regularly (at least once per week) on your mobile phone?

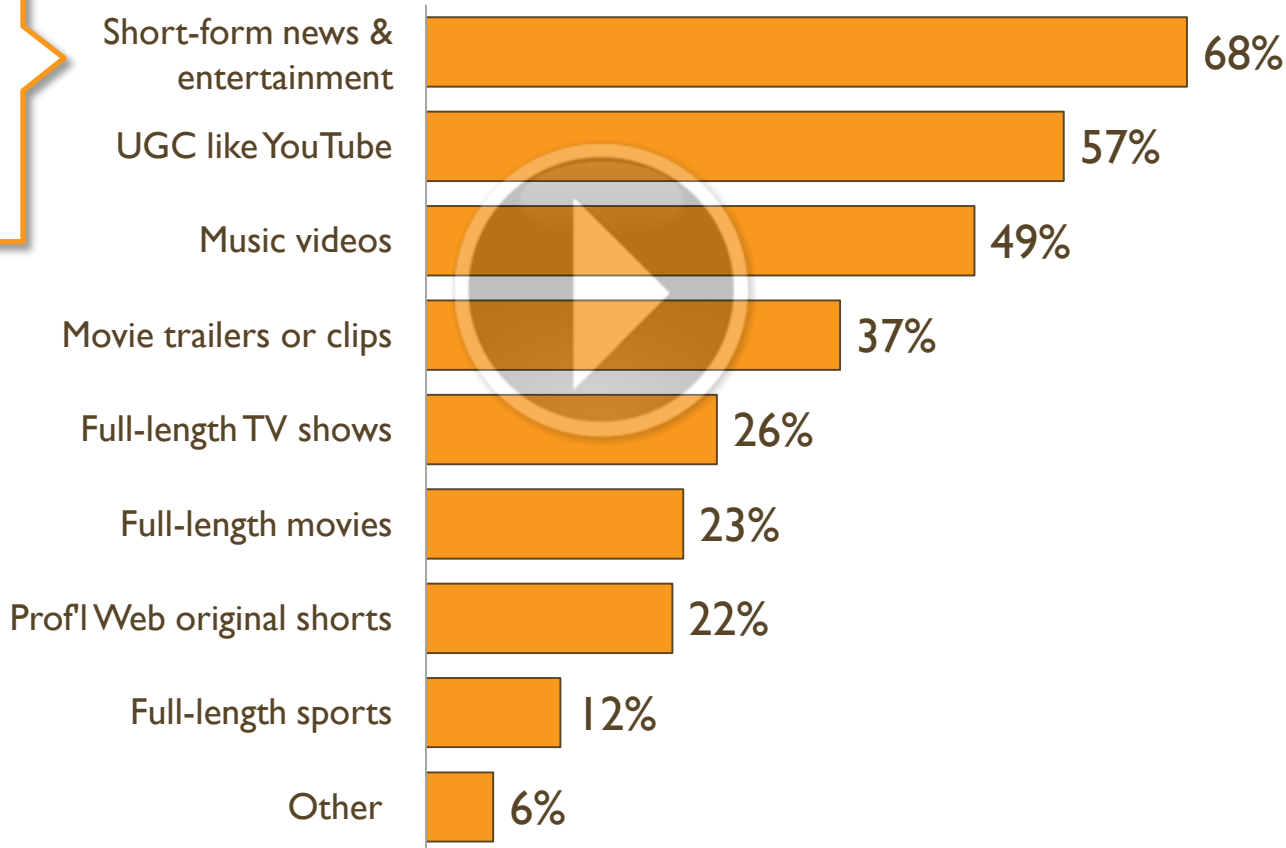


# Short-Form News & Entertainment Videos Are Most Popular on Smartphones

## Types of Video Regularly Watched on Smartphones (% of Smartphone Users Who Watch Video on Smartphones)

**Includes:**

- News clips
- Sports clips
- TV show clips
- Weather forecasts



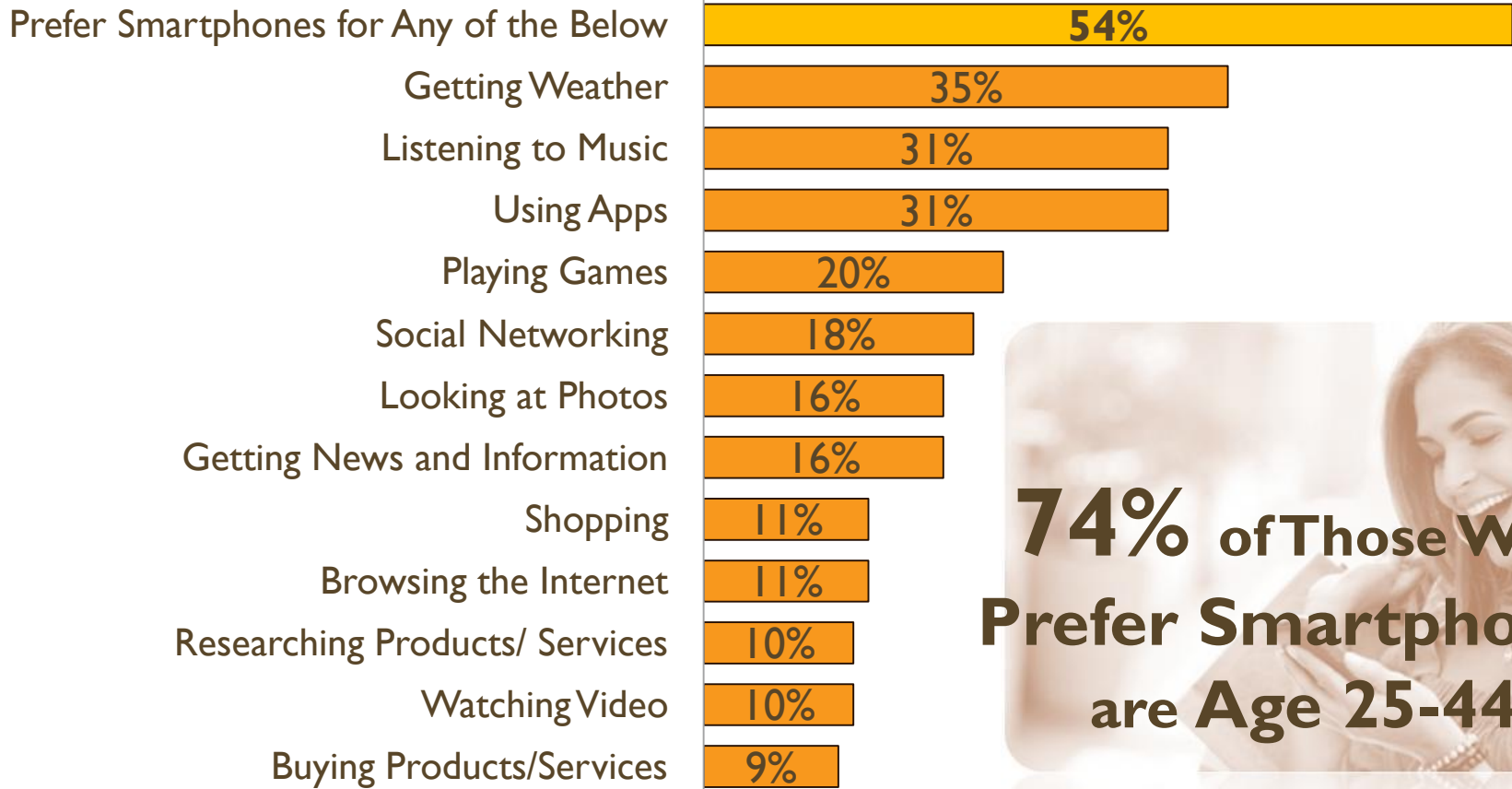
Base: Respondents who watch video on their Smartphone, N=338.

Q. 173: Which of the following types of video do you like to watch regularly on your mobile phone? Select all that apply.



# Users With Multiple Mobile Devices Prefer Smartphones for Certain Uses / Content Types

## Smartphone Preference Over Both PC/Laptop AND Tablet (% of Multiple Mobile Device [Smartphone & Tablet] Owners)



**74%** of Those Who Prefer Smartphones are Age 25-44

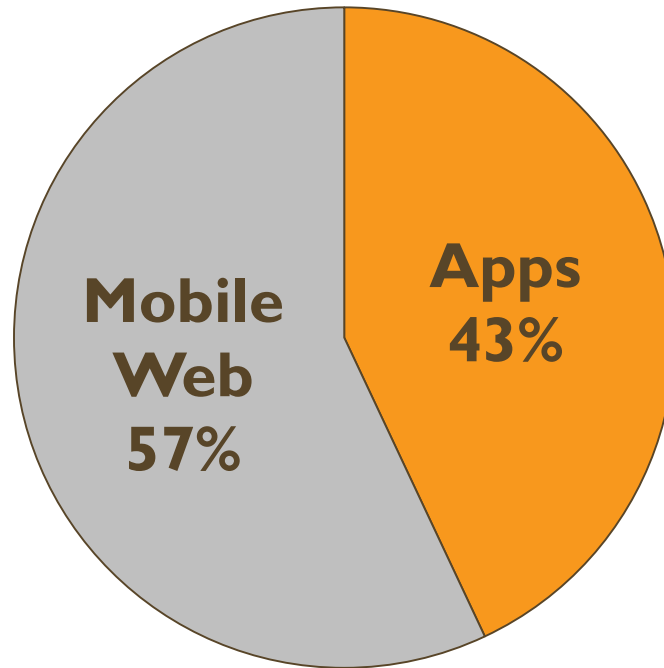
Base: Multiple Mobile Device [Smartphone & Tablet] Owners, N=499.  
Q. 168.1: When doing the following activities, which type of device do you most prefer to use?





# Overall More Time Spent Accessing Content On Mobile Web Than Apps

**Time Accessing Content via Mobile Web vs. Apps**  
(% of Time Spent Using Smartphone)



Base: Smartphone content consumers, N=1,045.

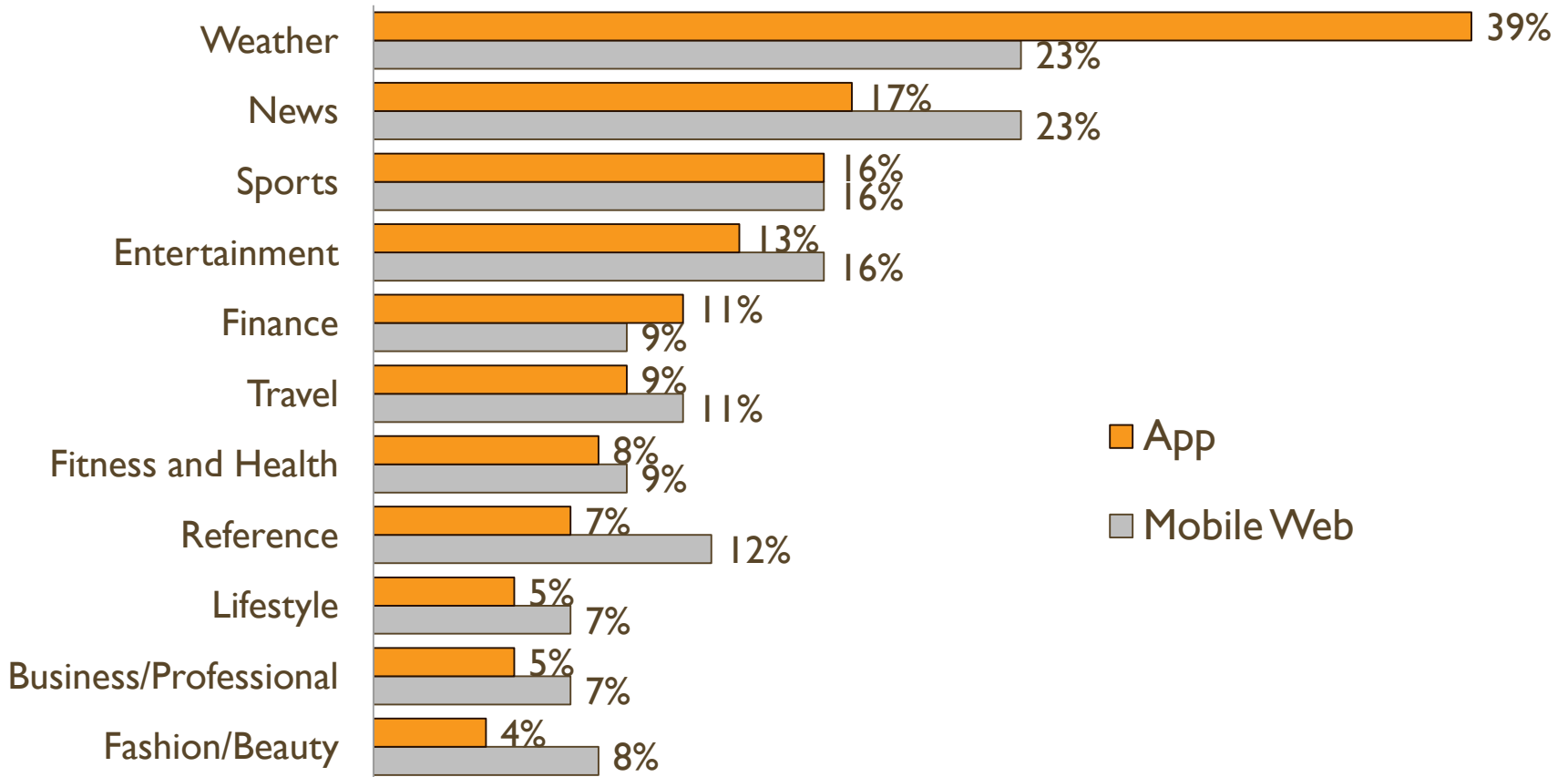
Q.189.1: What percentage of time you spend accessing content on your mobile phone are you using the mobile web vs. mobile app?

Percentages must add up to 100%.



# However, App vs. Mobile Web Access Varies by Content Categories

## Regular (Weekly) Smartphone Activities (% of Smartphone Content Consumers)



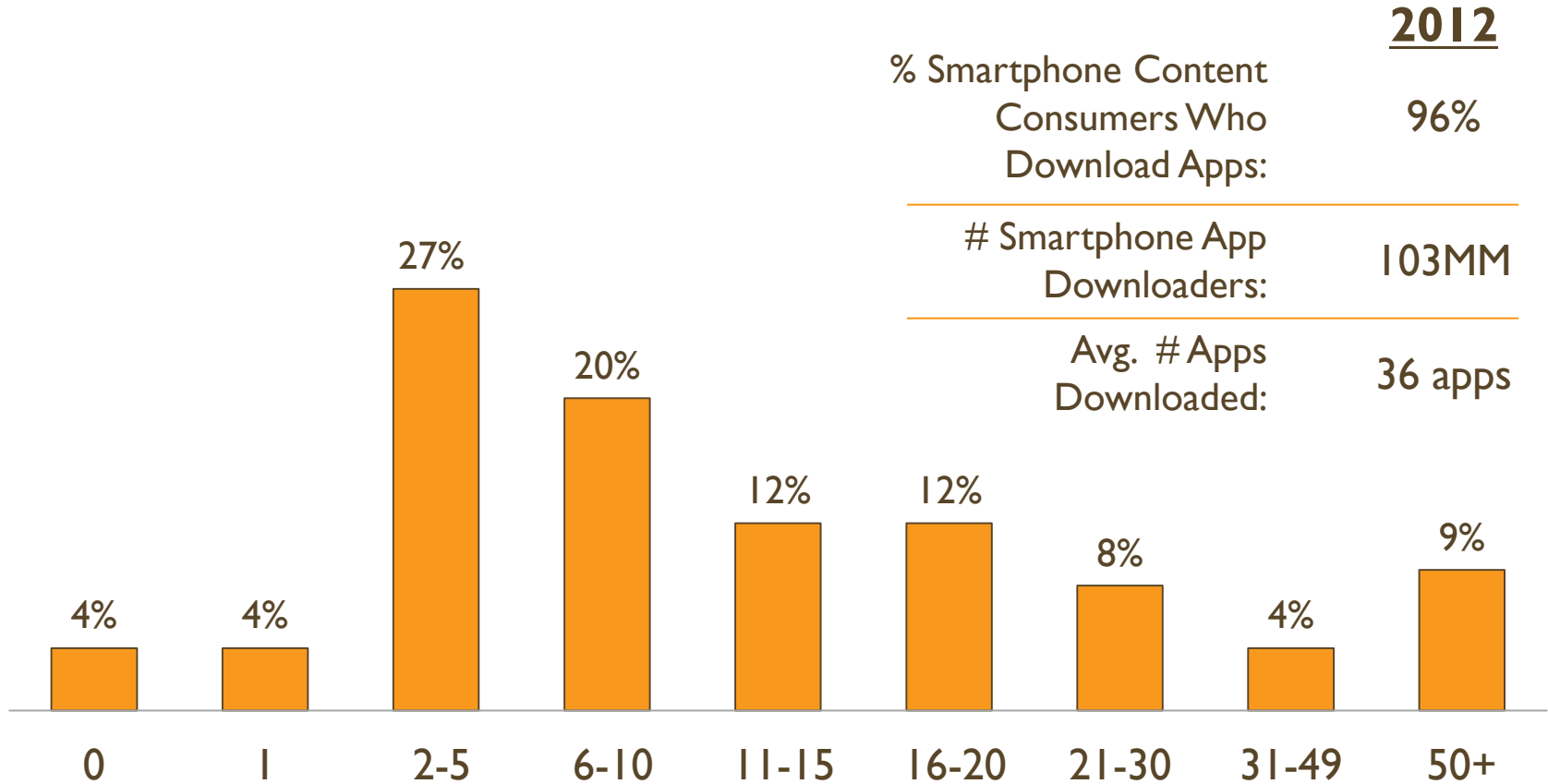
Base: Smartphone content consumers, N=1,045.

Q. 188.4: What types of content do you access regularly on your mobile phone?



# Nearly All Smartphone Users Download Apps, Averaging 36 Apps Per User In Past Year

**Number of Smartphone Apps Downloaded in Last 12 Months**  
 (% of Smartphone Content Consumers)



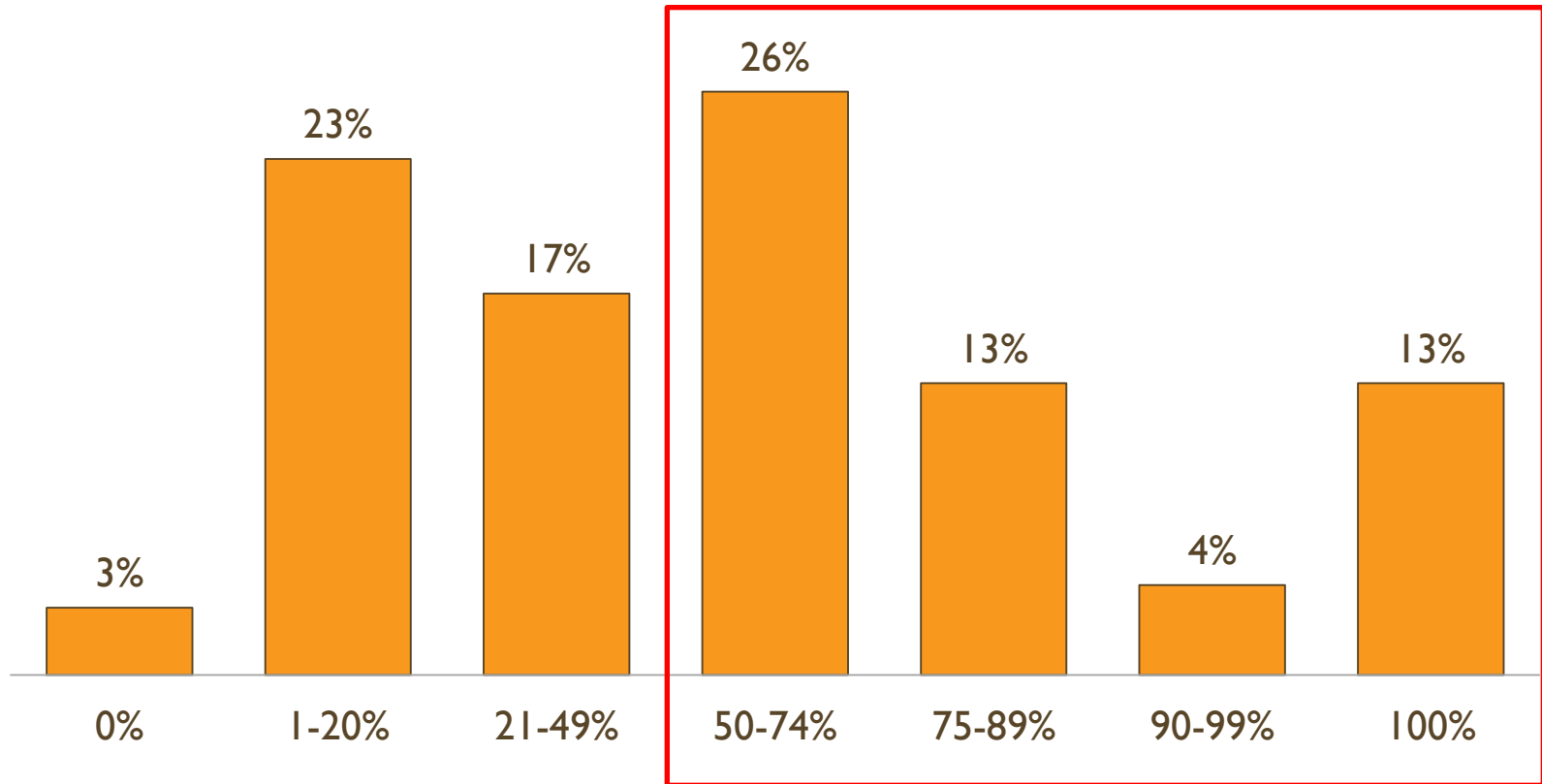
Base: Smartphone content consumers, N=1,045.

Q.187.3: About how many apps for your mobile phone have you downloaded in the last 12 months?



# Over Half of Those Reporting Indicate Using 50% of Their Smartphone Apps Downloaded

**Percent of Apps Ever Downloaded That Are Used Regularly**  
(% of Smartphone Content Consumers)



\* Note: Percentages do not add up to 100% due to rounding.

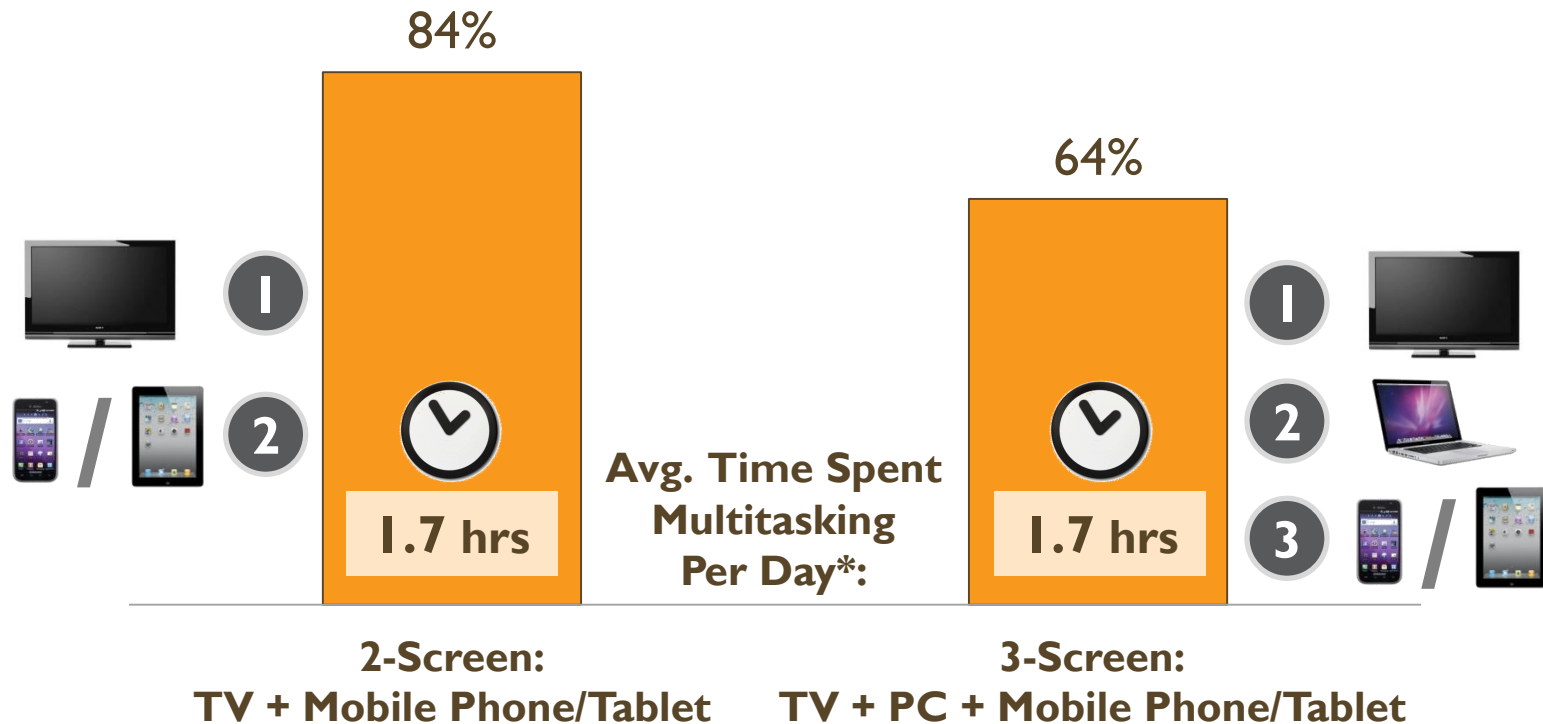
Base: Smartphone users who have downloaded apps in the past 12 months, N=668, Note: Does not include smartphone content consumers who did not complete this question.

Q.187.5: What percent of the total amount of apps that you have ever downloaded on your mobile phone do you keep and use on a weekly basis?



# Smartphone Users Show Strong Cross-Platform Tendencies; 64% on 3 Screens 1.7 Hrs/Day

## Multitasking During TV Consumption (% of Smartphone Users, Time Spent Multitasking)



\* Note: Time spent is calculated by combining percent of time spent multitasking with time spent watching TV, which equals 4.8 hours per day for 2-screen users, and 5.1 hours per day for 3-screen users. (Q.9)

Base: Smartphone owners, N=1,107. Indicates percent of Smartphone users who responded to any of the following questions:

What percent of the time that you're watching TV on a TV set... Q.55: ... are you also online on your computer at the same time? Q.56: ...are you using your mobile phone or tablet at the same time? Q.57: ...are you online on your computer and using your mobile phone and/or tablet all at the same time?



# Primary Activities: What Are Smartphone Users Doing With Their Smartphones?

- **Over two-thirds** of smartphone users “**cannot live without**” their smartphone.
- **Accessing content and information** remains the **dominant smartphone activity**, with weather, news and sports being the most popular content; **over half access content on a daily basis**.
- The appetite for app downloading remains strong. In the past year, **nearly all smartphone users downloaded apps**, averaging **36 apps each**.
- **Over half of smartphone users reporting regularly use at least 50% of smartphone apps** they have ever downloaded.
- Smartphone users have strong cross-platform tendencies, as **84% identify themselves as two-screen multitaskers** (TV + mobile phone/tablet) and **64% identify themselves as three-screen multitaskers** (TV + PC + mobile phone/tablet).

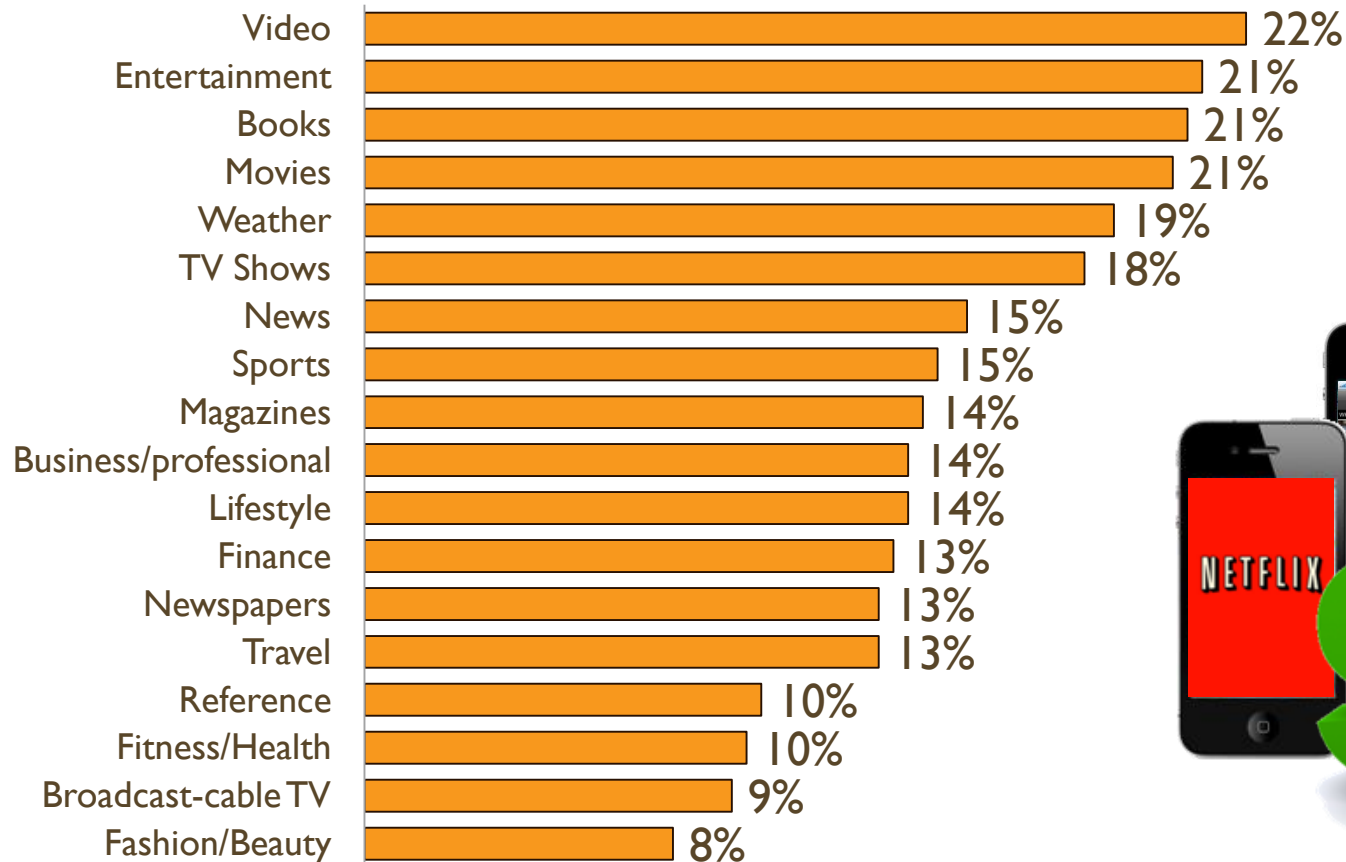
# Monetization

- **What Types of Content are Smartphone Users Buying?**
- **What Are Their Attitudes Towards Smartphone Advertising?**
- **How Likely Are They to Take Action After Seeing Smartphone Ads?**



# 24% of Smartphone Users Are Content Buyers\*, Purchasing Apps and Web Content

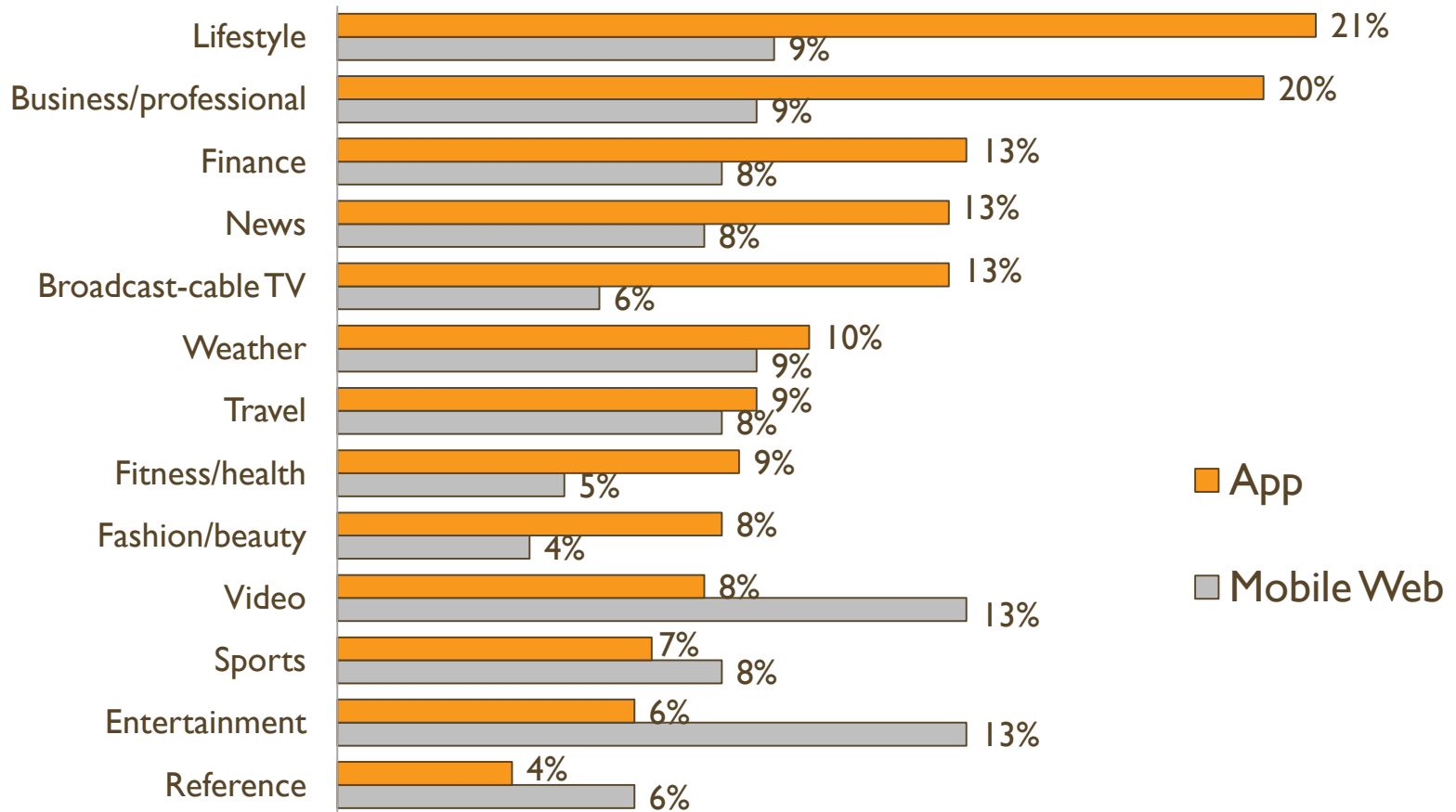
**Types of Content Paid For, App or Mobile Web Content**  
(% Smartphone Content Buyers)



\* Note: "Content buyers" represent those who have purchased any of the types of content in this chart.  
Base: Smartphone content buyers. N=268. Q188.5: What types of mobile content have you paid for? Select all that apply.

# Purchase For App Versus Web Also Varies By Content Category

**Types of App / Mobile Web Content Paid For**  
 (% Smartphone Content Buyers)



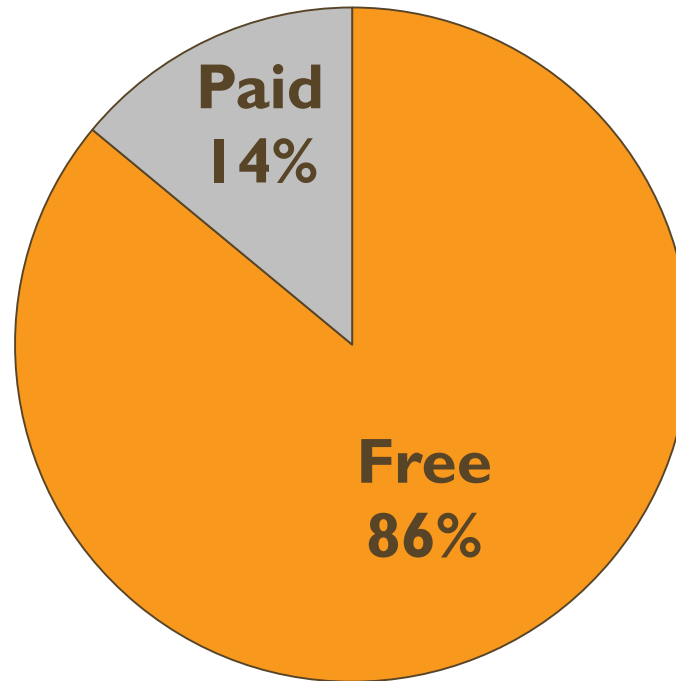
Base: Smartphone content buyers. N=268.

Q188.5: What types of mobile content have you paid for? Select all that apply.



# For Those Reporting, 14% of Smartphone Apps Downloaded in Last Year Are Paid

**Paid vs. Free Smartphone Apps**  
(% of Apps Downloaded in Last 12 Months)



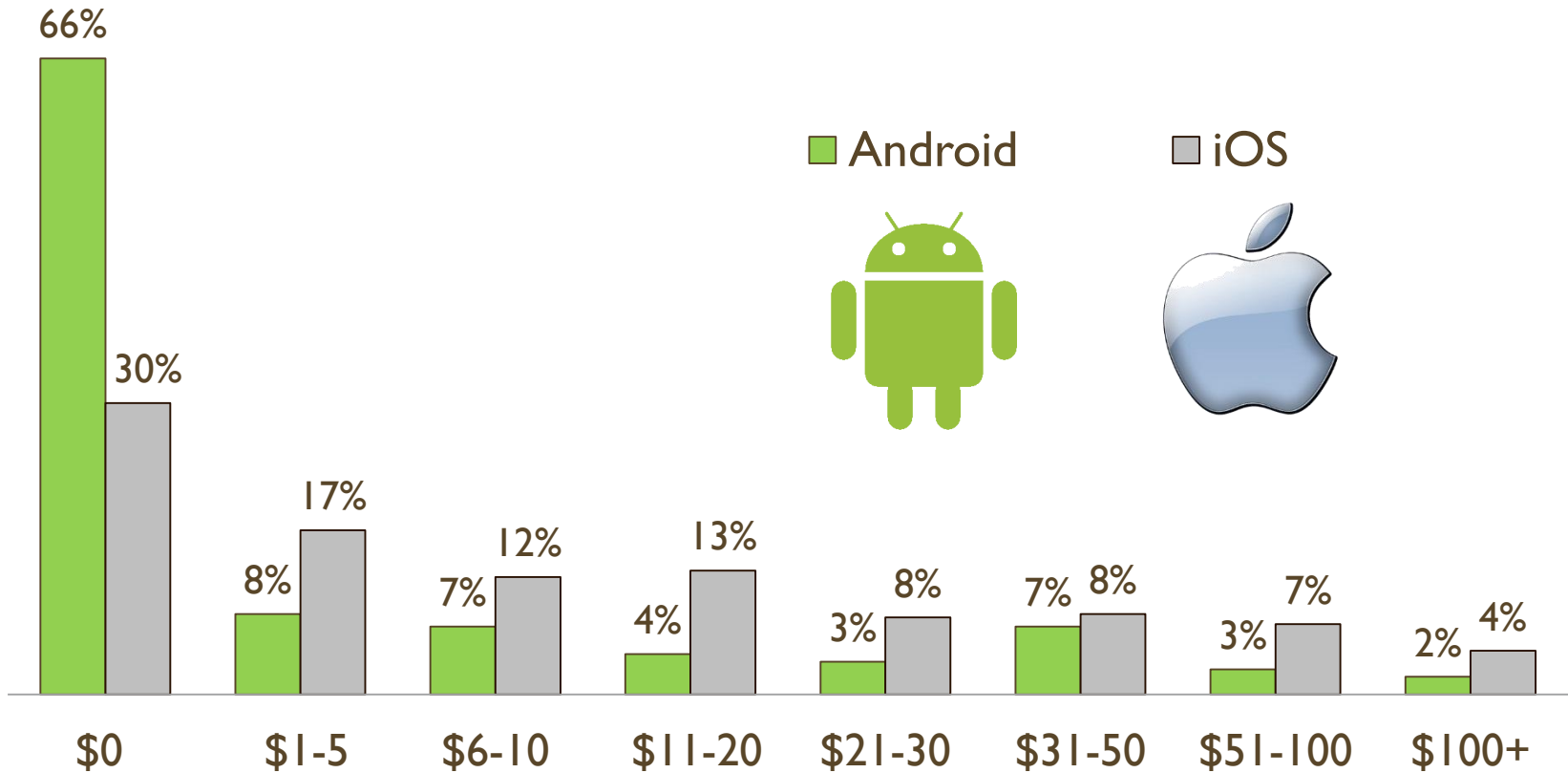
Base: Smartphone users who have downloaded apps in the past 12 months, N=668. Note: Does not include smartphone content consumers who did not complete this question.

Q. 187.4: What percentage of apps that you downloaded on your mobile phone in the last 12 months were free apps versus paid apps? Must add up to 100%.



# 70% of iPhone Content Consumers Buy Apps, vs. 34% of Android Content Consumers

## Amount of Money Spent on Smartphone Apps in the Last Year (% of Smartphone Content Consumers)



\* Note: Percentages do not add up to 100% due to rounding.

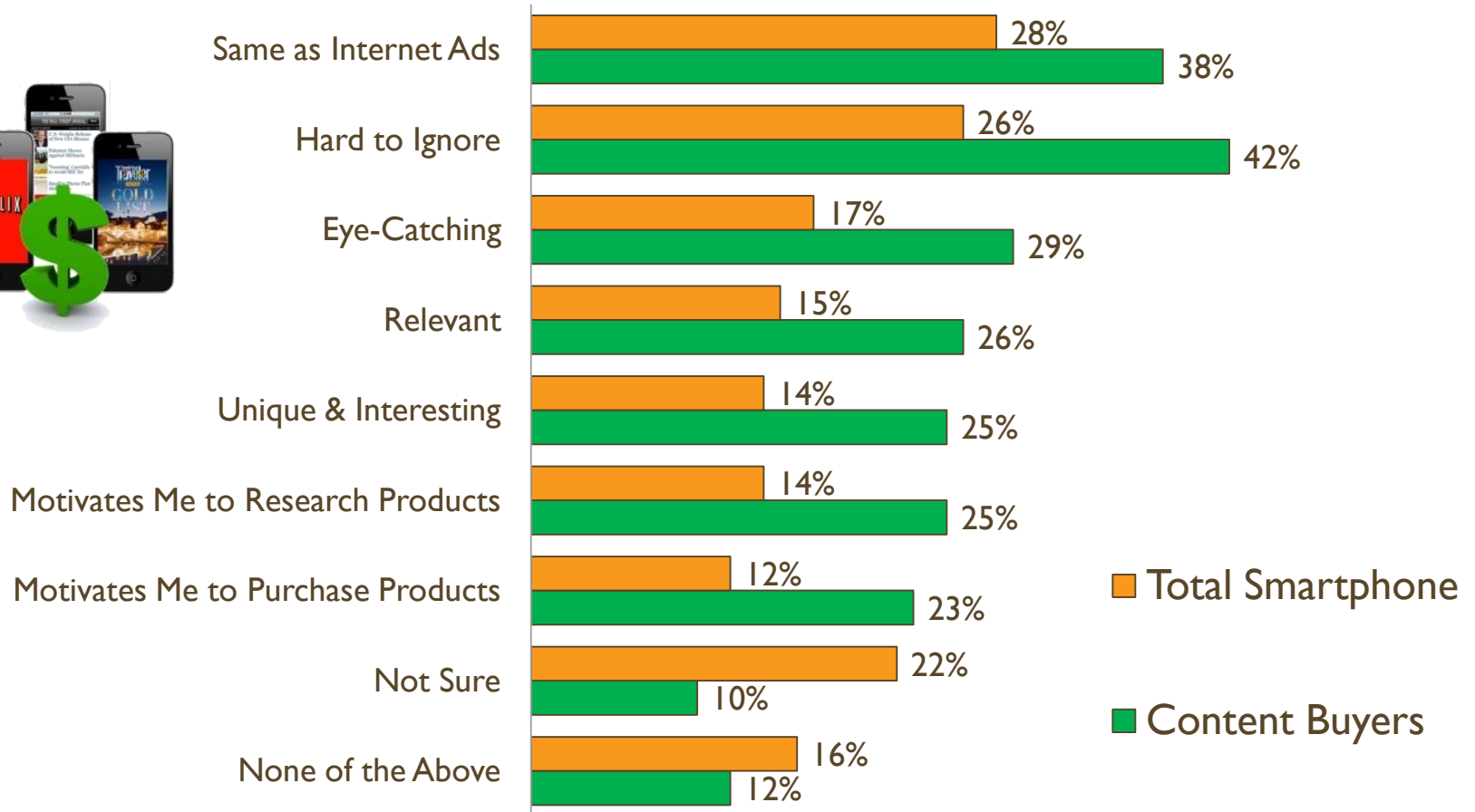
Base: Smartphone content consumers, N=1,045; Android owners, N=509; iPhone owners, N=387.

Q. 188.2: About how much did you spend in total for apps on your mobile phone in the last 12 months?



# Smartphone Content Buyers Are Much More Favorable to Smartphone Ads

## Opinion of Smartphone Advertising (% of Smartphone Content Consumers)



Base: Smartphone content consumers, N=1,045; Smartphone content buyers, N=268.

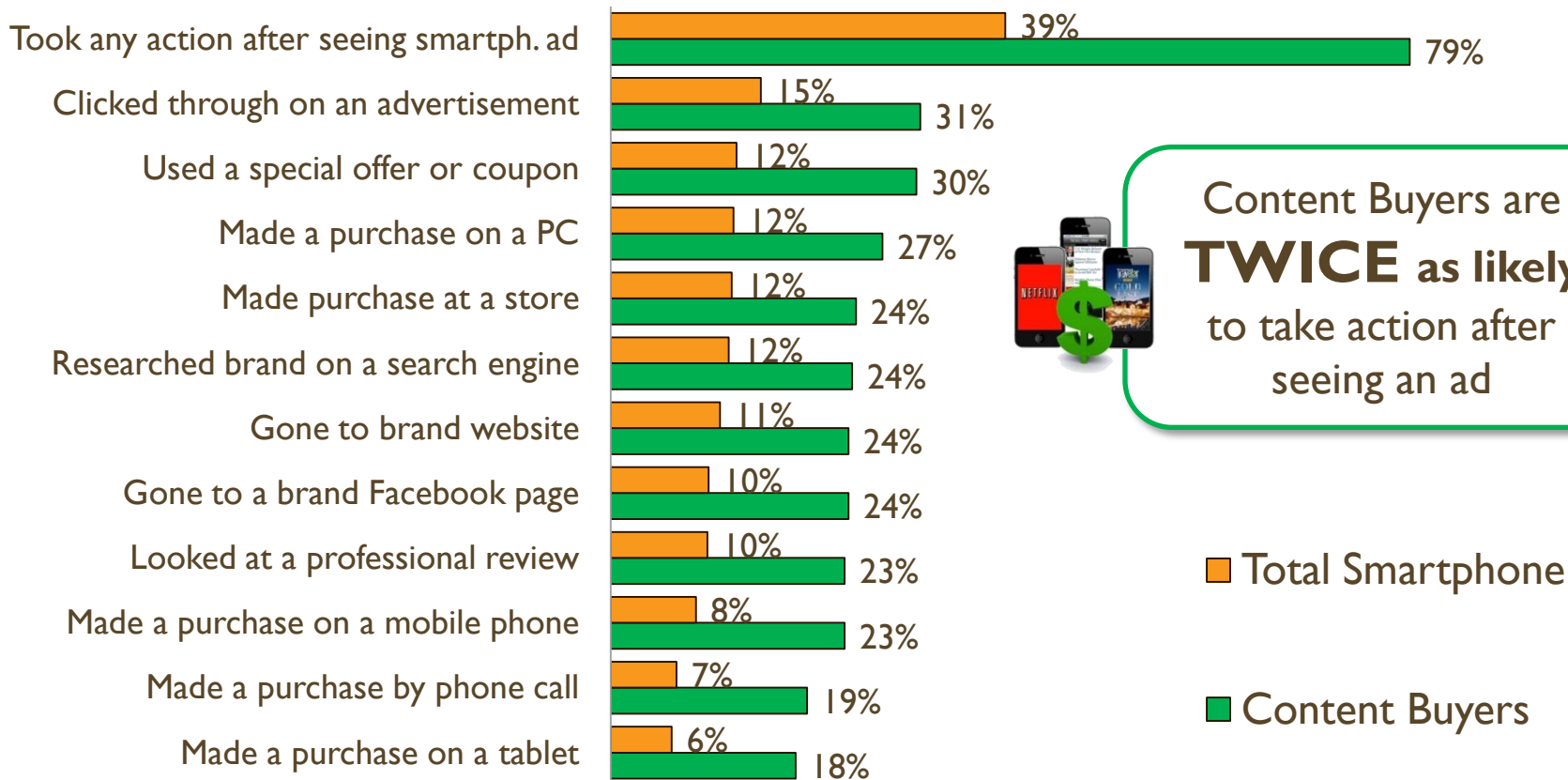
Q.189: In your experience, which of the following describes advertising on a mobile phone? Select all that apply.



# Content Buyers Are Much More Likely to Take Action After Seeing Ad

## Action Taken After Seeing Advertisement on a Mobile Smartphone in Last Six Months

(% of Smartphone Content Consumers)

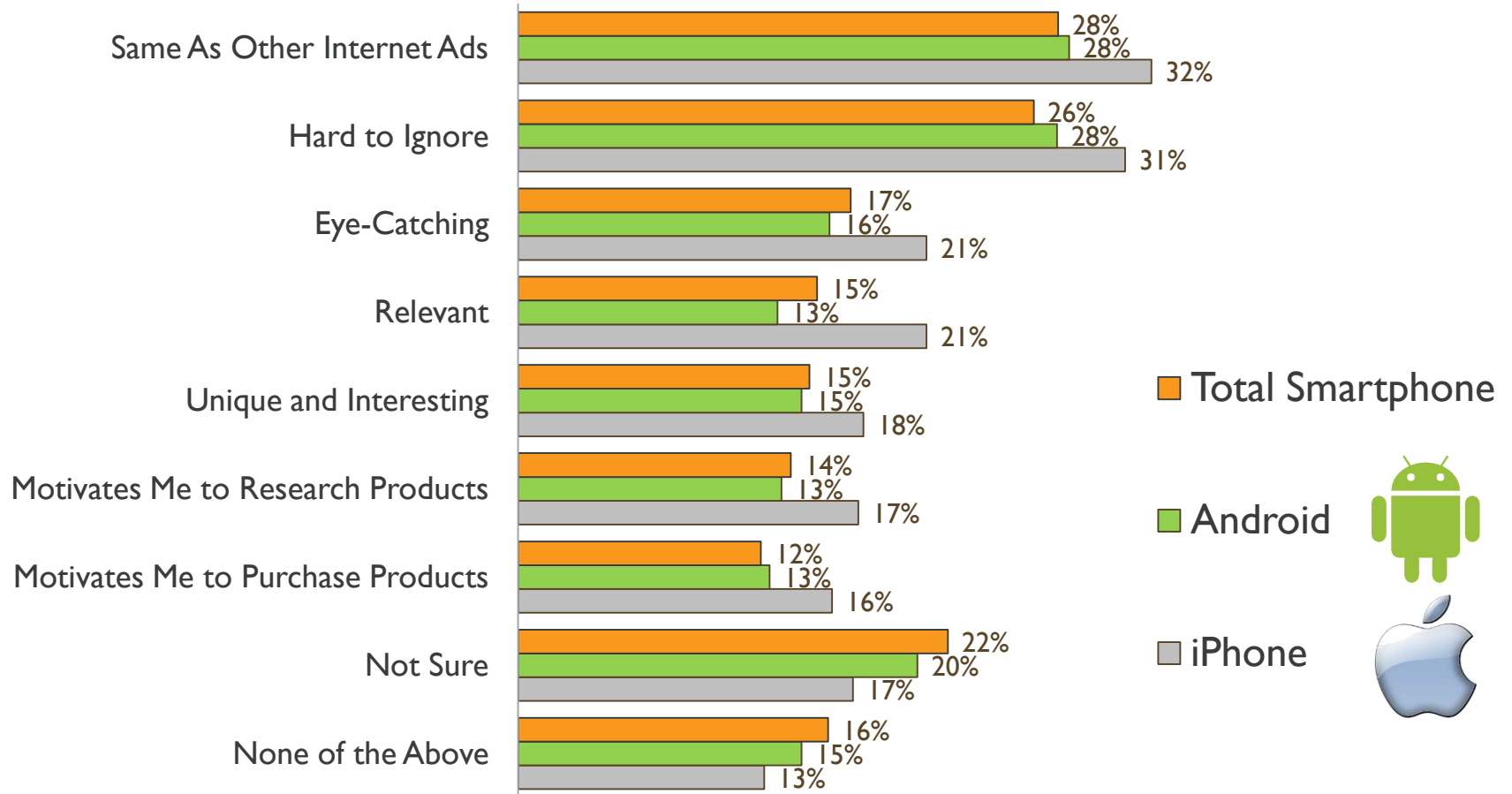


Base: Smartphone content consumers, N=1,045; Smartphone content buyers, N=268.

Q.189A: What have you done in the last 6 months as a result of seeing an advertisement on a mobile phone? Select all that apply.

# iPhone Users Are More Positive About Smartphone Advertising

**Opinion of Smartphone Advertising**  
(% of Smartphone Content Consumers)



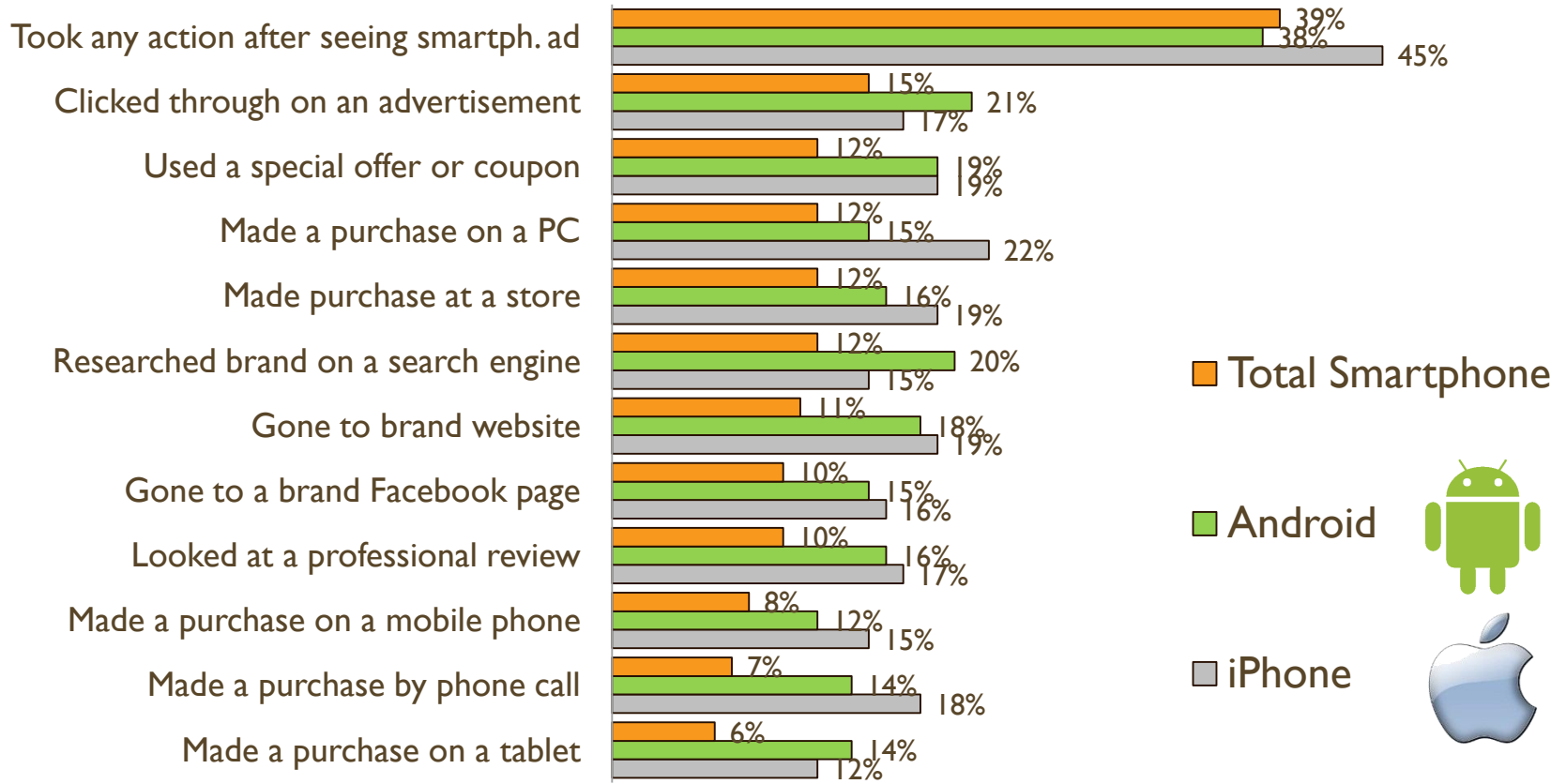
Base: Smartphone content consumers, N=1,045; Android owners, N=509; iPhone owners, N=387.  
Q.189: In your experience, which of the following describes advertising on a mobile phone? Select all that apply.





# iPhone Users Are Also More Likely to Take Action After Seeing Ad


**Action Taken After Seeing Advertisement on a Mobile Smartphone in Last Six Months**  
(% of Smartphone Content Consumers)



Base: Smartphone content consumers, N=1,045; Android owners, N=509; iPhone owners, N=387.

Q.189A: What have you done in the last 6 months as a result of seeing an advertisement on a mobile phone? Select all that apply.





# Monetization: Preferences for Smartphone Advertising and Purchasing Content

- **24%** of smartphone users **have purchased any sort of content.**
- **14%** of smartphone apps downloaded by those reporting last year were **paid apps.**
- **70%** of iPhone content consumers have bought apps in the past year, compared to **34%** of those on **Android**; **iPhone content consumers** also **spend more on apps** than those using Android.
- **Content buyers perceive smartphone advertising more favorably** than smartphone content consumers as a whole and are **more likely to take action** after seeing smartphone ads.
- **iPhone content consumers perceive smartphone advertising more favorably than those on Android** and are **more likely to take action** after seeing smartphone ads.



# Summary Findings: Five Key Takeaways

- 1. Smartphone usage is rising rapidly; 44% of the U.S. internet population, ages 8-64, owns a smartphone, up from 31% in 2011 and projected to rise to 57% by early 2013.**
- 2. Over two-thirds of smartphone users “cannot live without” their smartphone.**
- 3. Content consumption continues to dominate smartphone usage; 93% of smartphone users access content & information regularly, and half access content at least daily.**
- 4. Smartphone users are paying for content; 24% have purchased any smartphone content in the past year.**
- 5. Smartphone content buyers are more positive about smartphone ads and are more likely to take action after seeing a smartphone advertisement.**



# Contacts

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