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# The Four Truths About Digital Video Recorder (DVR) Usage

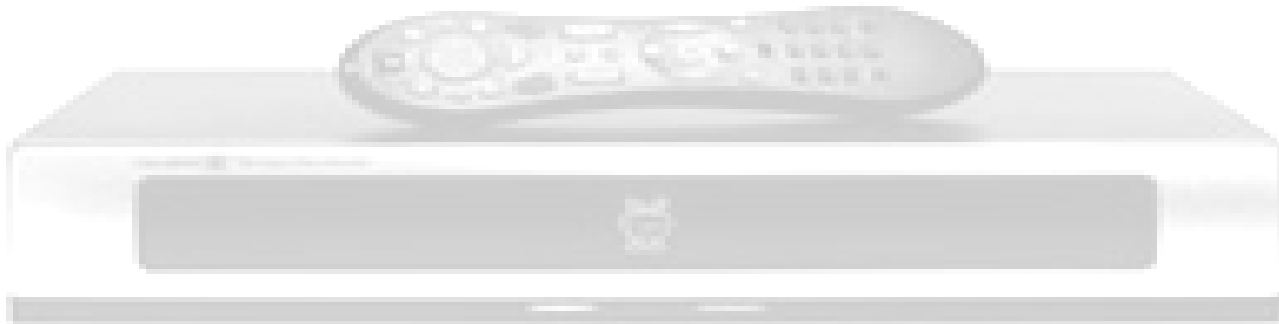
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# The Four Truths About DVR Usage

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#1) Majority of homes don't own a DVR



Currently, 70% of US TV Homes Do Not Own a DVR

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Over 80 Million  
TV Households  
Can Not  
Skip Through  
Commercials

## Homes That Own a DVR, Only Have One

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The average Household has  
two or more TV's



...However, 70% of  
homes only have one  
DVR



**Therefore most DVR owners can only time-shift when  
watching their primary TV set**

# DVR Homes are not Main Stream Homes; They Tend to Be Early Technology Adopters

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93% own a PC  
(121 Index)



50% own a video game console  
(122 Index)



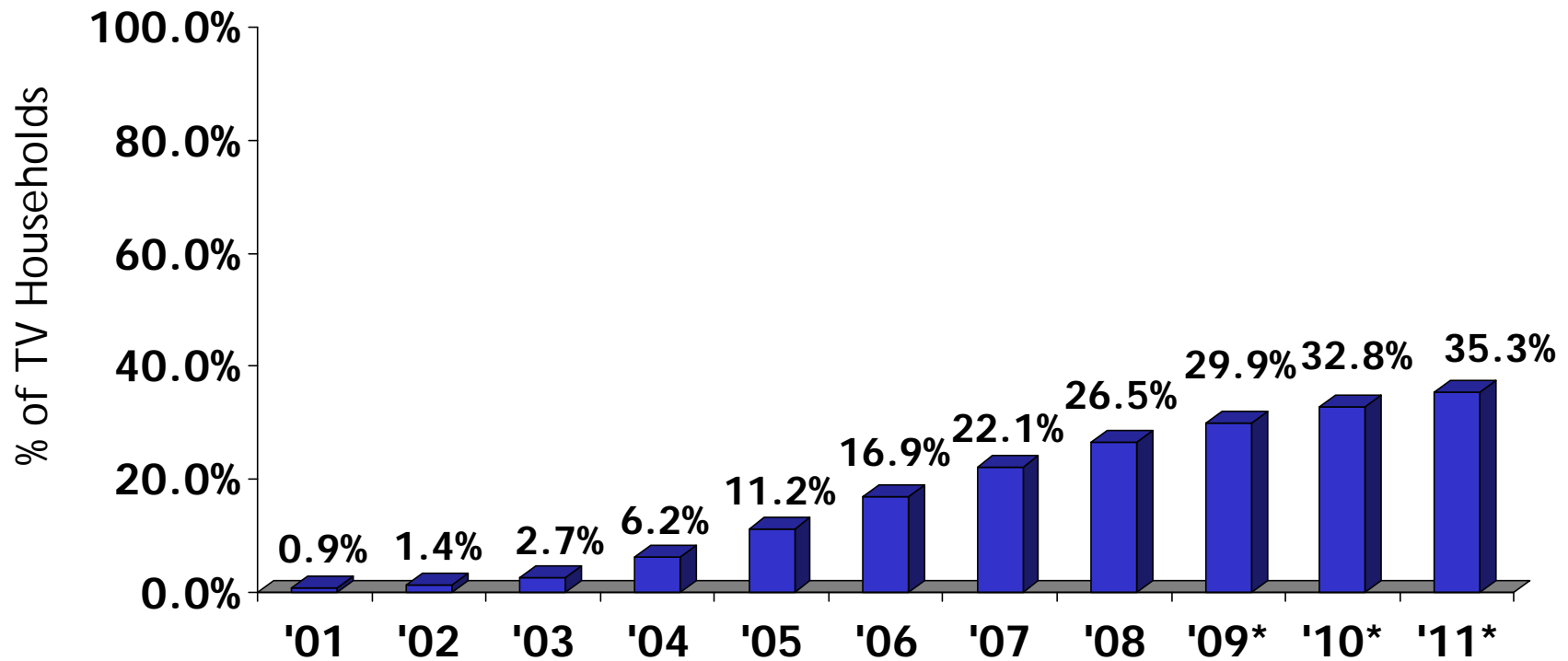
87% own 2+ TV Sets  
(112 Index)



93% own a DVD player  
(108 Index)

# By 2011 - 10 Years After Widespread Availability- DVRs Will Be in Only 35% of TV Homes

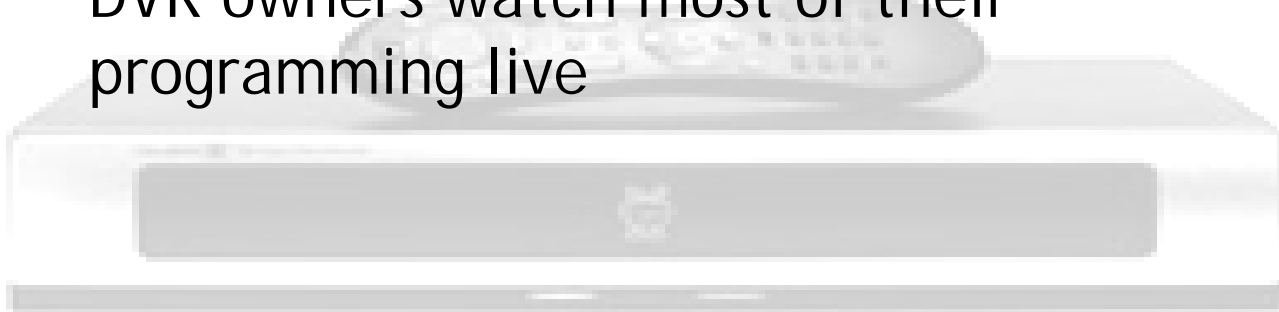
Total DVR Subscribers as % of TV Households



# The Four Truths About DVR Usage

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- #1) Majority of homes don't own a DVR
- #2) DVR owners watch most of their programming live



# DVR Playback is Dwarfed by Live TV Viewing

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	Watch TV In Home <u>(HH:MM)</u>	DVR Playback <u>(HH:MM)</u>
<b><i>Monthly Viewing:</i></b>	<b>141:03</b>	<b>7:16</b>

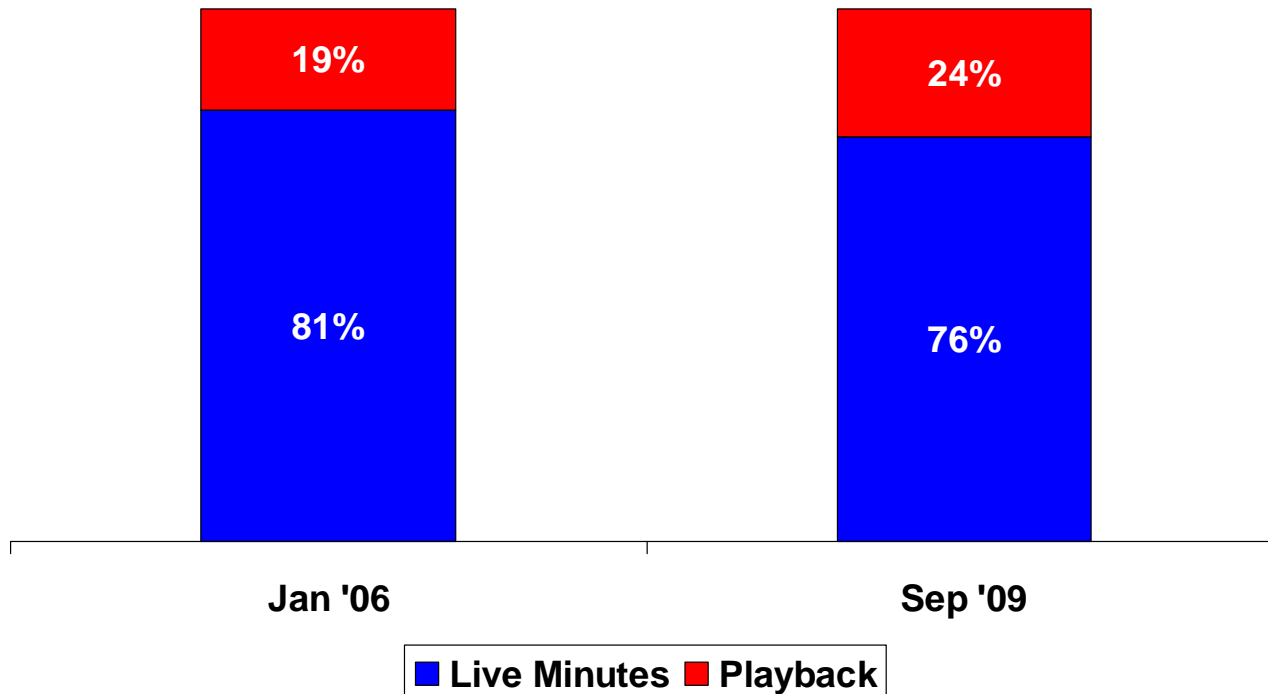
Source: Nielsen Three Screen Report 2Q 2009

	Watch TV in Home (Live) <u>(HH:MM)</u>	DVR Playback <u>(HH:MM)</u>
<b><i>Daily Viewing:</i></b>	<b>5:15</b>	<b>0:15</b>

Source: CRE Video Consumer Mapping Study Spring/Fall 2008

# 76% Of All Viewing Still Occurs “Live” During Primetime

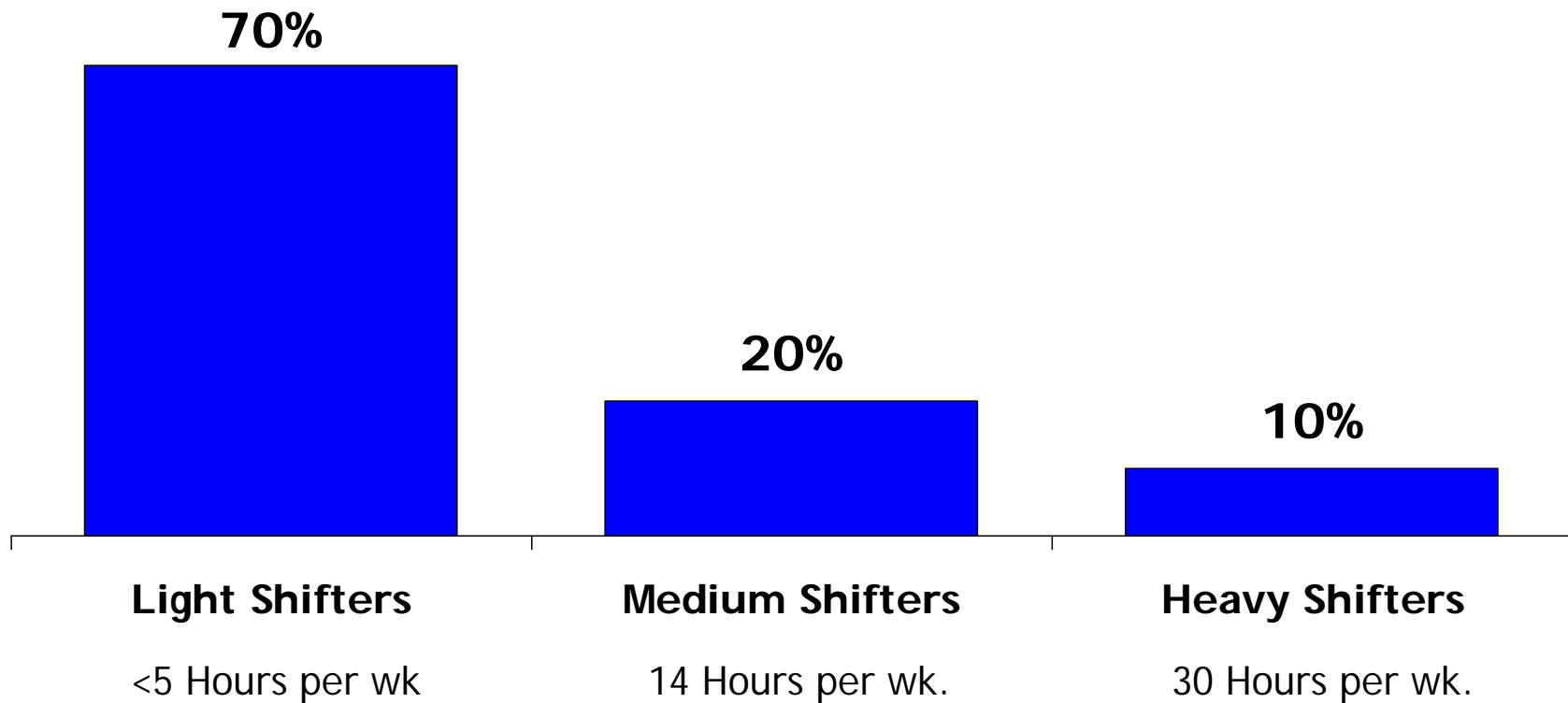
P18-49 Playback In Primetime among DVR Households



# 7 out of 10 DVR Users are “Light” Time Shifters

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Profile of DVR User  
% of Time Shifters



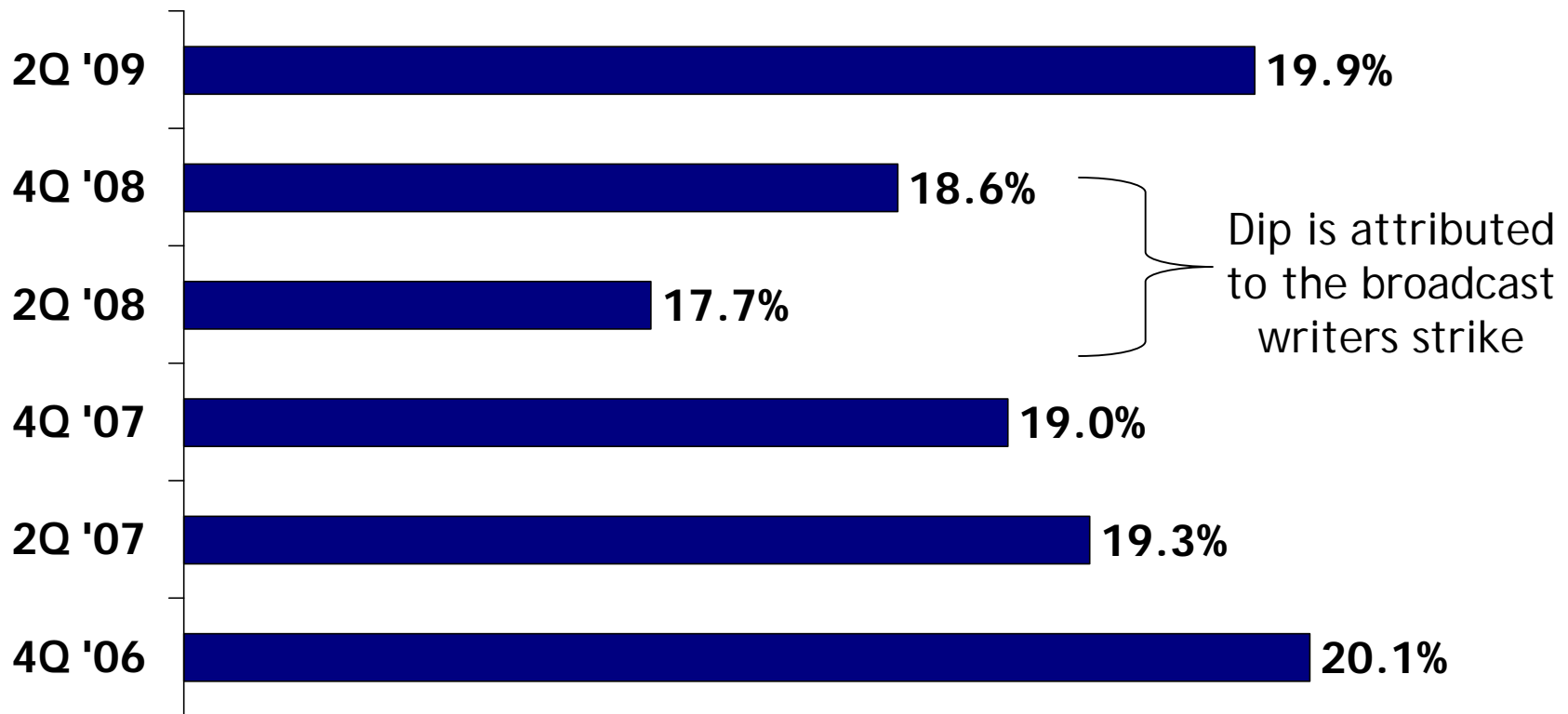
# Time Shift Viewers Do Not Skip All Commercials

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	<u>% of Commercial Retention</u>	
Light Shifters	45%	<b><i>Even in playback mode, over 40% of commercials are still watched</i></b>
Medium Shifters	43%	
Heavy Shifters	44%	

# The Amount of Time Shifted Viewing Remains On Par with Three Years Ago

Percentage of Minutes of Television Viewed on Time-Shifted Basis  
(Reflects Primetime, Adults 18-49 with DVRs)



# The Four Truths About DVR Usage

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#1) Majority of homes don't own a DVR

#2) DVR owners watch most of their programming live

#3) Overall TV consumption remains relatively **unchanged** in DVR homes

# TV Usage Does Not Fall When a DVR is Acquired

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**No DVR in Home**  
(A18-49 PUT Live)

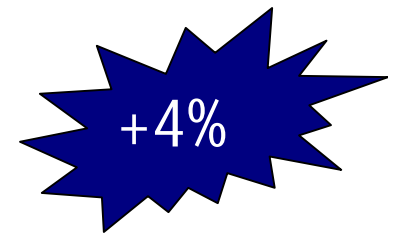


**Acquired DVR**  
(A18-49 PUT Live+7)

**Primetime Viewing:**

**34.7%**

**36.0%**



# In Fact, Time Spent Watching TV Typically Rises

## # of Hours Watched TV per Week (Primetime)



**No DVR in Home**

(Hrs. per week)



**DVR Home**

(Hrs. per week)

**% Change**

A18-49	7:38	7:55	+2%
A25-54	8:32	8:26	-1%
W18-49	7:50	8:06	+7%
M18-49	7:27	7:44	+2%
A18-34	6:45	7:19	+11%

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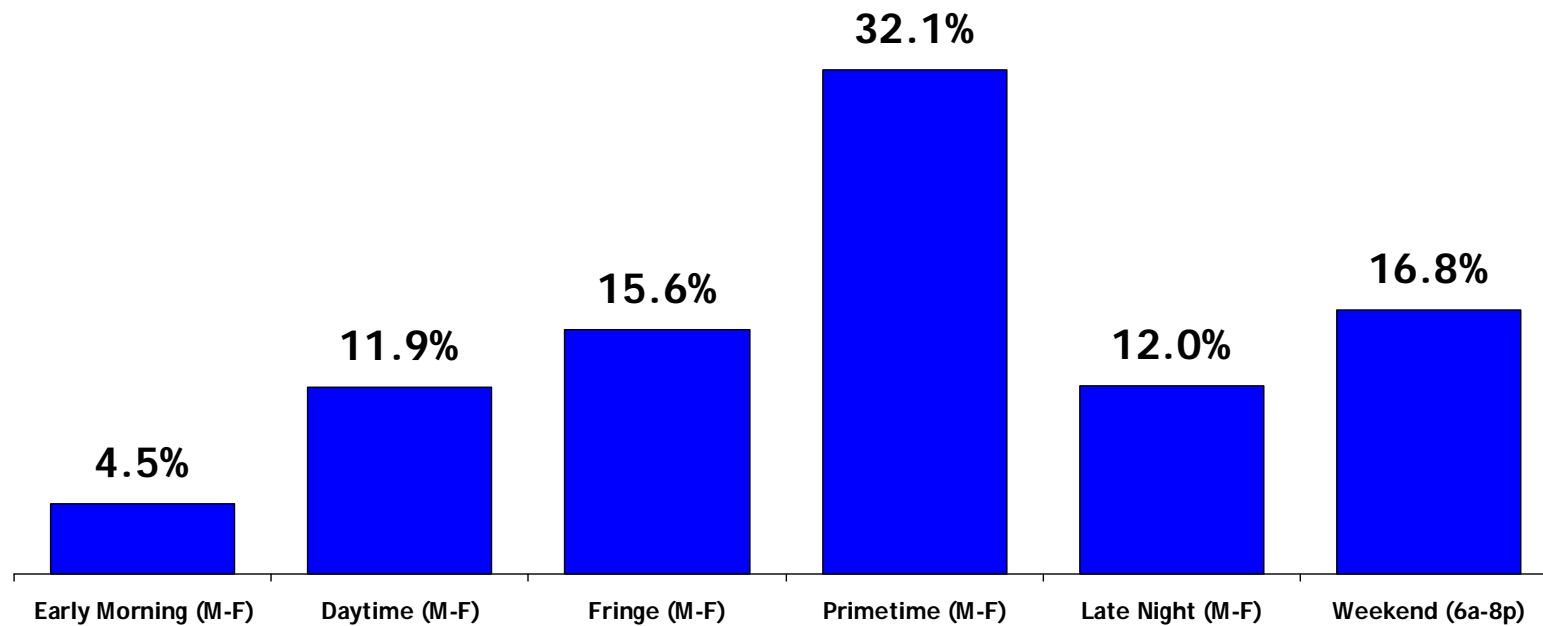
#3) Overall TV consumption remains relatively unchanged in DVR homes

#4) DVR usage is primarily a **Broadcast Primetime** issue

# Non-Primetime Dayparts are Barely Effected by Time-Shifting

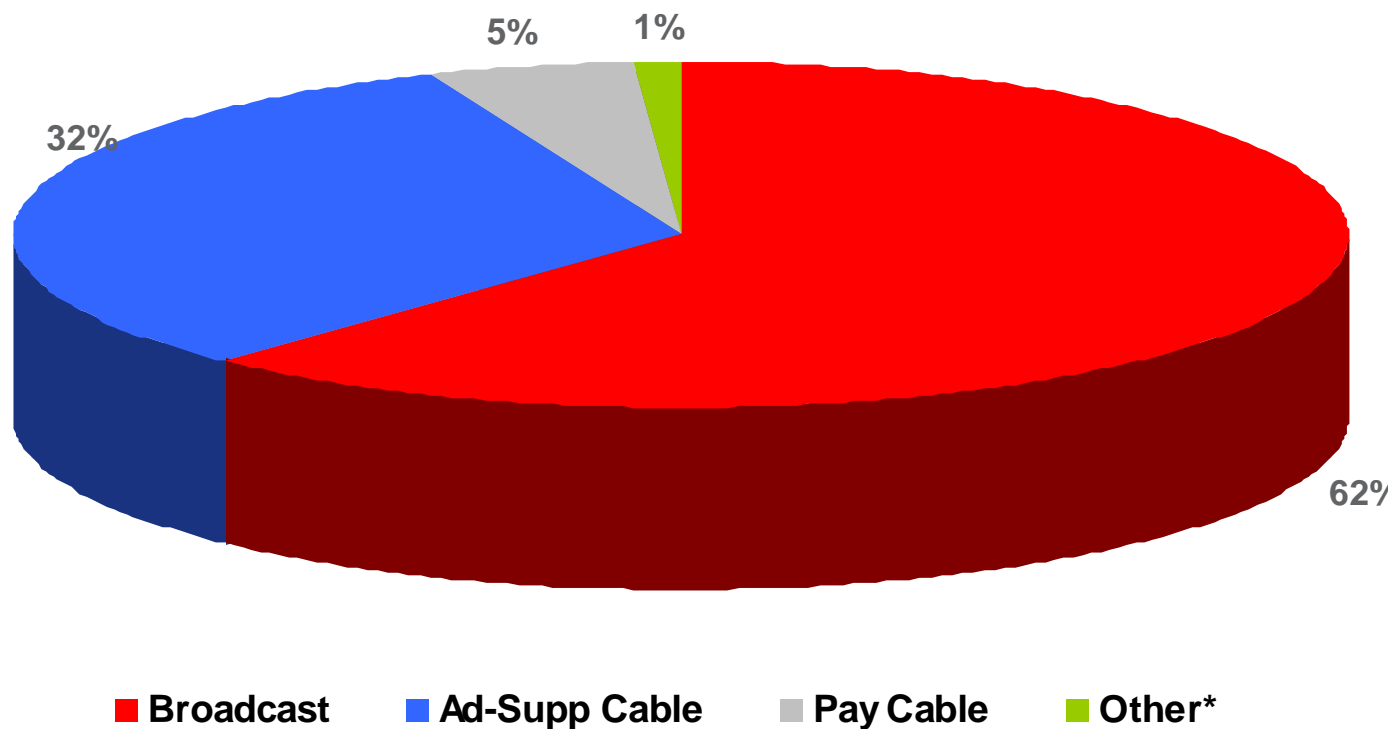
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DVR Playback Distribution By Hour  
All DVR HHs



# Broadcast TV Accounts For Majority Of Playback Minutes

Distribution of 7-Day Playback During Primetime



\*Other includes PBS, Independents, All Other Cable Origination, and Other (AOT)

# Approximately 20% of Broadcast's Primetime Audience Watches in DVR Playback Mode

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## Primetime Live+7 vs. Live % Ratings Change

	<u>Broadcast 7</u>	<u>Ad-Supported Cable</u>
A18-49	+19%	+8%
A25-54	+17%	+8%
A18-34	+22%	+9%

In contrast, the majority of ad-supported cable programming is watched live

# Broadcasts' Highest Rated Programming Tends To Be The Most Time-Shifted

Top 10 Time-Shifted Programming Among A18-49  
 Primetime: May 2009  
 Base: DVR HH

Rank	Net	Program Name	Live+7 DVR A18-49 AA%	A18-49 Rank (Total U.S)
1	ABC	GREY'S ANATOMY	7.13	3
2	FOX	AMERICAN IDOL-TUES	6.97	2
3	FOX	HOUSE	6.52	11
4	ABC	LOST	6.11	15
5	FOX	AMERICAN IDOL - WED	6.04	1
6	FOX	FRINGE	4.13	16
7	FOX	24	3.94	37
8	CBS	SURVIVOR: TOCANTINS	3.81	25
9	CBS	HOW I MET YOUR MOTHER	3.61	23
10	CBS	BIG BANG THEORY	3.48	27

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