CAB
CABLETELEVISION ADVERTISING BUREAU
830 Third Avenue
New York, New York 10022
T) 212.508.1200
F) 212.832.3268
www.onetvworld.org

NEWS RELEASE

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CAB RELEASES FINDINGS OF '*WHICH SCREEN II*' CONSUMER RESEARCH STUDY

-- Rate of Alternate Video Screen Adoption More Moderate --

-- Web Video Shows Gains Year-Over-Year --

New York, NY – November 14, 2006 – The Cabletelevision Advertising Bureau (CAB) recently completed a second version of their '*Which Screen'* consumer research study. The newest data released one year after the initial study found that widespread adoption and usage of video on multiple platforms by consumers has grown but has not surged to the degree previously thought within the industry and the media. Entitled '*Which Screen II'*, the latest research conducted by Frank N. Magid Associates attempted to provide year-over-year benchmarks for the critical questions surrounding consumer's video watching habits and their tolerance for advertising.

This second survey was conducted after discussions with the leaders of major national advertising agencies who suggested "a lot had changed" in the periods between 2006 and 2007. As with the first *Which Screen* findings, the survey attempted to answer four critical questions:

- Are video screens interchangeable?
- How, where and when are video devices used?
- Where does today's television fit in a multi-video device home?
- Will viewers tolerate advertising on different platforms?

Additionally, *Which Screen II* was the first survey designed to differentiate the category of Internet video between viewers of user-generated video and viewers of full-feature television programs, as only the second is likely to be an advertiser supported medium.

Findings One Year Later

Despite the widespread media coverage of new video enabled technology and the proliferation of primetime shows next-day availability on the Internet, adoption of alternate video screens has yet to fully materialize nationally. While ownership of an alternate screen has shown moderate growth, (51% reported owning at least one device besides a TV or computer versus 46% in 2006) usage of these devices did not change as dramatically as was believed year-over-year.

Among the most likely users of alternate screens (Men 18-24) almost four in ten (38%) reported having never viewed video of any kind on a cell phone or other mobile video device. Approximately 20% reported having tried these features in the past week. Another 20% claimed viewing video on an alternate screen recently (1-4 weeks) while another 22% claimed having viewed video on these types of devices more than one month ago.

An emerging benchmark from *Which Screen I* to *Which Screen II* across all demographics was the computer as the primary information device and the television as the primary entertainment medium. Respondents said the computer was the device used most for information and communication needs which remained consistent year-over-year; while the television was their most watched video screen largely for entertainment purposes.

User-Generated Video Versus TV Programming on Internet

What has changed? As the Internet has evolved, the overall acceptance of watching video on the computer has grown year-over-year. The highest usage of streaming web video came from men 18-24 with over 70% responding that they had viewed some form of video on the web in the last seven days and only three percent responding that they had never watched web-video.

Additionally, the rise in user-generated web video content was clear in the latest survey. Across all demographics, 46% of respondents reported watching this type of video content more than once per month. However, about 40% of respondents claimed that they do not view either user-generated content or television programs on the web at all demonstrating a slower pace of growth in this area amongst the national audience.

Another new finding showed 37% of respondents reporting that they had viewed a full-feature television program on the web in the past month likely due to the increased availability of television programming on the Internet. The most prominent reason provided for their viewing was the inability to have access or time to watch it on a television. This was not previously measured in the original *Which Screen* survey.

Acceptance of Advertising; Benchmarks Beginning To Emerge

As with the first data from *Which Screen I*, viewers again demonstrated their agreement with the '*Invisible Contract'* with 61% of respondents reporting "they understand ads on television are necessary to pay for programs I watch". In terms of advertising threshold on each screen – some benchmarks are beginning to emerge. Below is the time in seconds respondents reported they'd be willing to spend watching an advertisement on each device.

Device	2007 Which Screen II	2006 Which Screen I
Television	:41	:42
Internet Video*	:26	:21
Video Phone	:15	:13
Mobile Video Device	:12	:09

* All respondents polled were using some form of a broadband connection at levels higher than national average

History/Methodology

The CAB commissioned Frank N. Magid Associates to conduct the survey after discussions with media agencies. The study used three approaches in gathering consumer insight. First, 'media clinics' were conducted to uncover how people talked about different devices in order to identify any pre-dispositions. Next, an online landscape survey queried 2101 people ages 12-54 about their attitudes and usage of various screens. All participants polled owned at least one television. The final method assigned respondents the task of viewing specific content from a pre-selected device to assess their experience, the content and the advertising effect. This select in-home group was chosen at random from the initial 2100 landscape survey participants. Margin of error for the landscape survey was +/- 2%.

About the CAB

Founded in 1980, the Cabletelevision Advertising Bureau (www.onetvworld.org) is a television advertising advocacy group dedicated to providing advertisers and their agencies with the most current, complete and actionable media insights at the national, DMA and local levels.

About Frank N. Magid Associates

Frank N. Magid Associates (www.magid.com) is a leading media, entertainment and communication research and strategy firm, founded in 1957. Magid conducts strategic consumer research for leaders in the broadcast, cable, Internet wireless and gaming industries.

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CAB Media Contact

Chris Jones

212-508-1219 office

914-469-8994 mobile

christopherj@cabletvadbureau.com