whitepaper

MEDIA PREFERENCES OF DIGITAL CONSUMERS

A SURVEY OF THE VNU DIGITAL CONSUMER WEBPANEL

vnu global media

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In Brief:

Media Preferences of Digital Consumers

This whitepaper is intended for executives and managers working in the global media environment. It provides a summary of online interviews containing 31 questions by ACNielsen among nearly 7,000 Digital Consumers in seven European countries during Summer 2004.

For additional information or research on the use of surveys, or to request additional free copies of the document, visit us at www.vnuglobalmedia.com, write or call VNU Global Media, 201 California Street, San Francisco, CA 94111, 1·415·249·1620.

Overview

The Internet is ubiquitous. It's accessible in the office and at home, on your phone and PDA, on trains and on planes, in cafes and restaurants, in hotels and virtually everywhere you go. This Web ubiquity is having repercussions we never imagined.

At VNU Business Media, we wondered how much of an impact the Internet has had across Europe in the overall media usage habits of Digital Consumers —one of our key target audiences—customers we deliver when you advertise in our consumer IT publications.

As publishers in Europe, we know that each country has its preferences and its particular cultural quirks that mean a one-size-fits-all approach could be doomed to fail.

The questions we asked ourselves included:

- Does the overriding presence of the Web as an information source mean that digital consumers are no longer interested in getting their product information from the print media?
- Have their information sources and media preferences changed?

Has the web radically changed how IT people in companies obtain their information about products ?

Have they dropped the print medium ?

Do they rely more on the web than any other source ?

Do they have the same information needs as before ?

In sum, how have their information sources and media preferences changed with the advent of the web ?

Methodology: Online Interviews:

Who Were They? Where Did They Live?

How did the consumers in different countries actually differ? Online interviews among IT & digital product consumers of the **VNU Global Media Digital Consumer Webpanel** included:

- 6,971 members in seven countries
- All participated (first survey of this panel)
- Fieldwork was done in June + July 2004 by ACNielsen
- Samples were chosen among VNU "Digital Consumer" publications and websites.

Sampling: Who was surveyed and what were the sources?

In each of the seven territories, the aim was to recruit:

- 500 panelists per country from among the *PC monthly* reader
- 500 panelists per country from among the vnunet visitors and newsletter recipient
- A few non-readers and non-web visitors for comparison purposes.

In countries where we had a *Computer@ct!ve* title:

- We aimed for 500 interviews per publication
- The countries included Holland, UK, Spain, and Italy.

1-PC Monthlies :

UK:	PCW, PC Magazine
France:	SVM, PCDirect, SVM Mac
Italy:	PC Magazine, CRN (to fill in the gaps since PCM was insufficient)
Holland:	PC Magazine
Spain:	PC Actual
Belgium:	Computer Magazine newsletter subscribers
Germany:	Newsletter subscribers (all 3 mags)

2-CActive or C. Idee titles:
All 4 countries provided lists of magazine subscribers

3-Web Visitors:
All 7 countries provided lists of newsletter subscribers or vnunet visitors

4-Others (non-readers):
The UK provided a list of Easy PC subscribers, in all countries some web visitors turned out to be both non-readers and non-web visitors (too low web use)

What were the sources for the emails used?

Our objective was to obtain minimal sub-samples of the various categories of Digital Consumers in which we were interested. While this overall sample was not representative in the pure statistical sense, it did, however, take into account the diversity of today's Digital Consumers across the major European countries.

Sample: Structured for Reader Type

Surprisingly, despite obtaining large lists of Web site visitors, the biggest sub-sample we utilized was PC monthlies readers. In fact, almost all of these were also PC website visitors. There were relatively few (only 22% of the entire sample) non-PC monthlies readers among the PC website visitors.

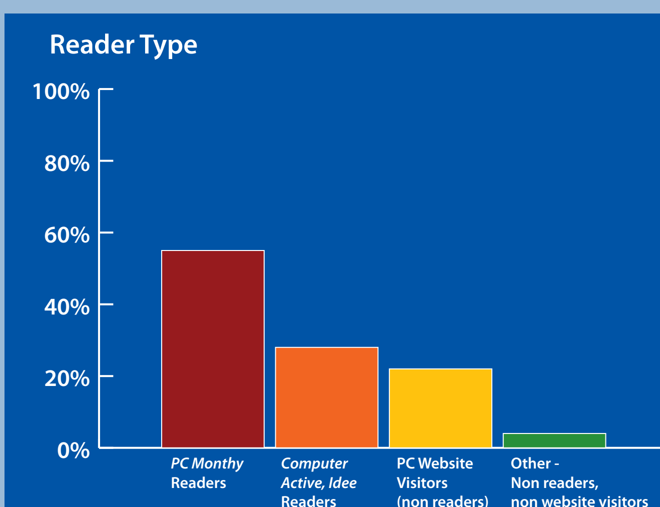
Sample: Country and Age Groups

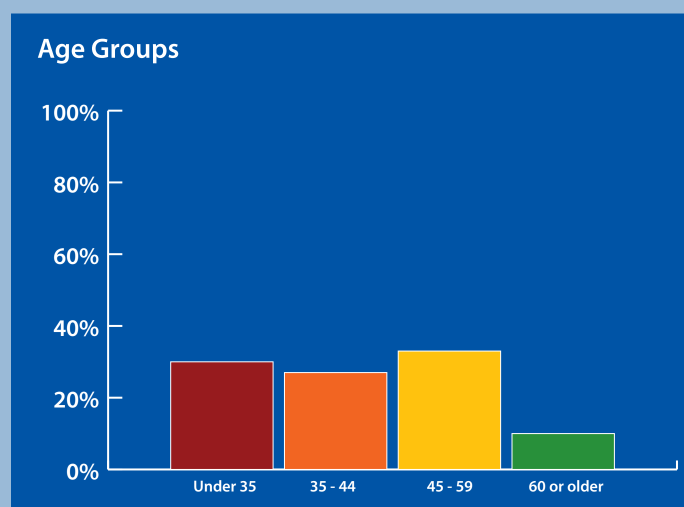
When reviewing the samples per country, no sub-sample was smaller than 700, which was an adequate sub-sample for looking at specific questions per territory.

With this sub-sample of 700, the reliability of any result was +/-3% (with a probability factor of 90%).

In terms of age, the overall sample was well-balanced in the main age categories of the working population.

UK	1377
Belgium	1189
Germany	1145
Netherlands	1049
Italy	781
France	728
Spain	702
Total	6971





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Profile: European Digital Consumers

The majority of the Digital Consumers were heavy PC users. Most of them considered using a PC an important part of their job and half say that the PC was very important for leisure activities as well.

The work focus of the PC use was more important than its leisure focus. This will undoubtedly change as more of these consumers leave the work-force and concentrate on leisure activities.

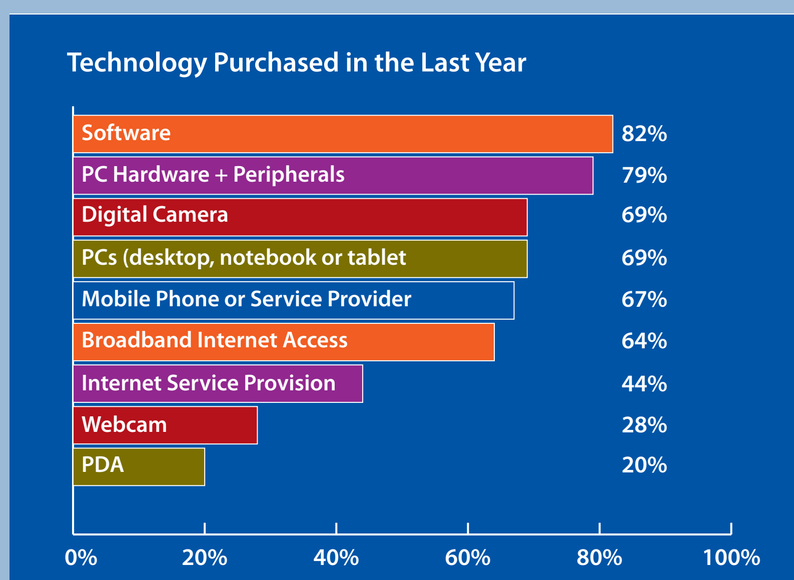
A significant proportion rated themselves as experts in using the PC, with a third having an IT-related profession. Almost none considered themselves novices. The vast majority were male.

Digital Consumer Profile

- **90%** use a PC every single day
- **57%** spend at least 5 hrs per day on a PC
- **97%** personally buy PC products for leisure
- **88%** are male
- **70%** are employed full-time, 11% are retired
- **71%** say that PC is very important in their job
- **48%** say that PC is very important for leisure activities
- **34%** work in IT
- **39%** rate themselves PC “experts”, 55% “enthusiasts” and only 5% “novices”

Panel's Profile:
Recent Technology Products and Services Purchased

Within the past two years, almost all of these Digital Consumers bought at least one type of product. Software was the most popular, followed by peripherals, digital cameras and PCs. Mobile phones and broadband access were also high on their lists.



Information Needs:

IT Information Consumers Seek

We provided a list of types of information ranging from the macro—general trends about technology and companies—down to the micro, including very personal questions about how to use their hardware, recruitment information, and more. We are very familiar the types of information Digital Consumers seek, because we are information providers.

We included IT solutions and case studies which are approximately halfway between company trend information and product information concerned with applying the technology.

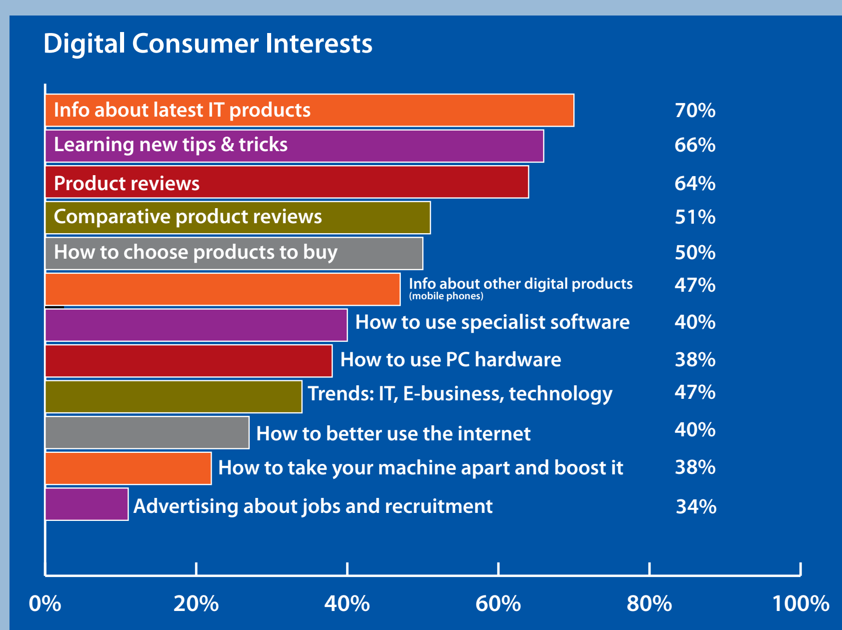
Findings

There was a huge disparity between the first item and the last: almost ¾ of all Digital Consumers stated they were looking for information about the latest digital technology products, while only 11% cared for information about recruitment.

Regarding the general type of information they needed: Product information was high on their lists, since at least half mention all of the different product information proposed, including comparative product reviews (½) and separate product reviews. Information about the very newest IT products was the highest rated item—they didn't want to miss any new product development.

More surprisingly, "how to" product information was low on their lists, with the exception of "learning new tips and tricks."

In addition, the two main technologies they wanted information about were broadband (85%) and wireless connectivity (75%), while online gaming (21%) and tablet PCs (41%) were low.



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Information Sources:

What's most important? What's changed most lately? What will change in the future?

The key questions here were:

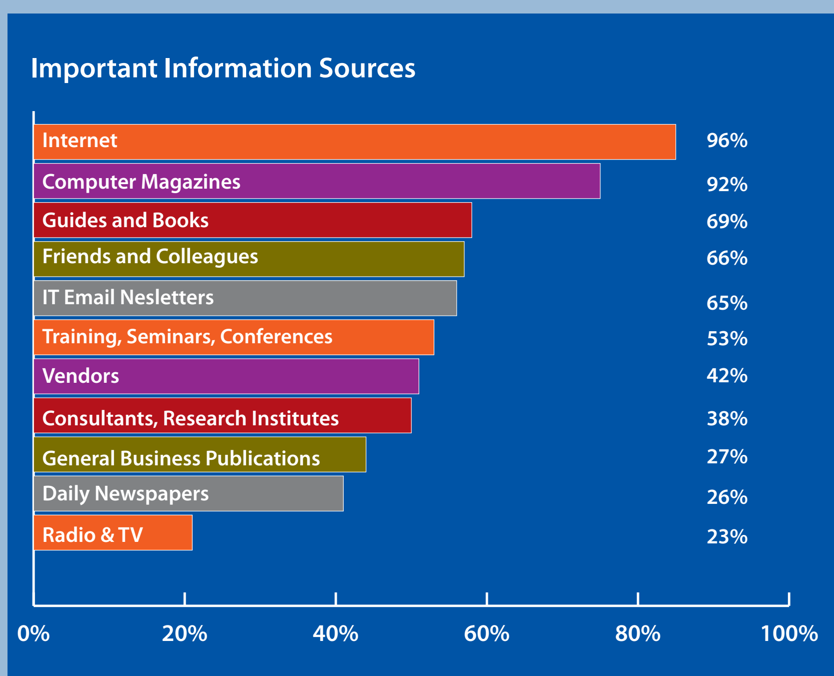
- What sources are the most important for them?
- What has changed in the past five years (which sources were more/ less important)?
- What will change in the next 3 years… and will they drop certain sources?

We provided them with a list of types of information sources in four areas. These ranged from the very specific in digital technology: computer magazines, email newsletters about digital technology, IT trade shows, to the most general sources: daily newspapers, general economic magazines, radio and TV.

We also included human expertise: friends and colleagues, consultants and vendors, as well as other media that can focus on particular subjects: Internet training sessions, seminars, conferences, guides and books.

Without a doubt, the respondents had two main information sources regarding IT: the Internet and computer magazines, which are both mentioned as important or very important by over 9 out of 10 Digital Consumers.

The least important sources were: radio & TV, which are considered more for leisure and entertainment, while daily newspapers and general business publications were used more for keeping up-to-date with economic, social and political developments, than for information about IT.



Online Information Sources

Regarding sources on the Internet, what are your most important online sources for the information you need regarding IT?

The Internet was noted as a very important information source for a majority of Digital Consumers. However, the Internet is one massive domain.

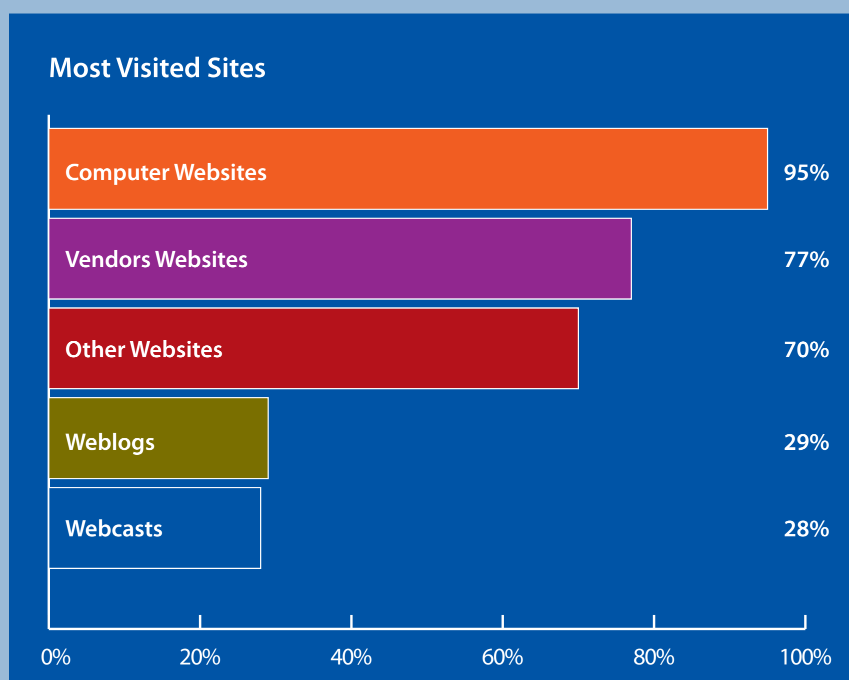
What were they looking at on the Internet?

What were their most important online sources? What were they using on the Internet? Which websites were most useful? We had them rate the importance of computer websites, suppliers' websites, webcasts, weblogs and other websites.

Not surprisingly, the major source was computer websites, which generally link to the computer magazines… roughly the equivalent of print magazines about computers, but online.

Almost all mentioned computer websites as an importance source, followed by vendors ' websites… such as HP for example.

For over ¼ of the respondents, webcasts and weblogs were starting to become important information sources.



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Online Information Sources:

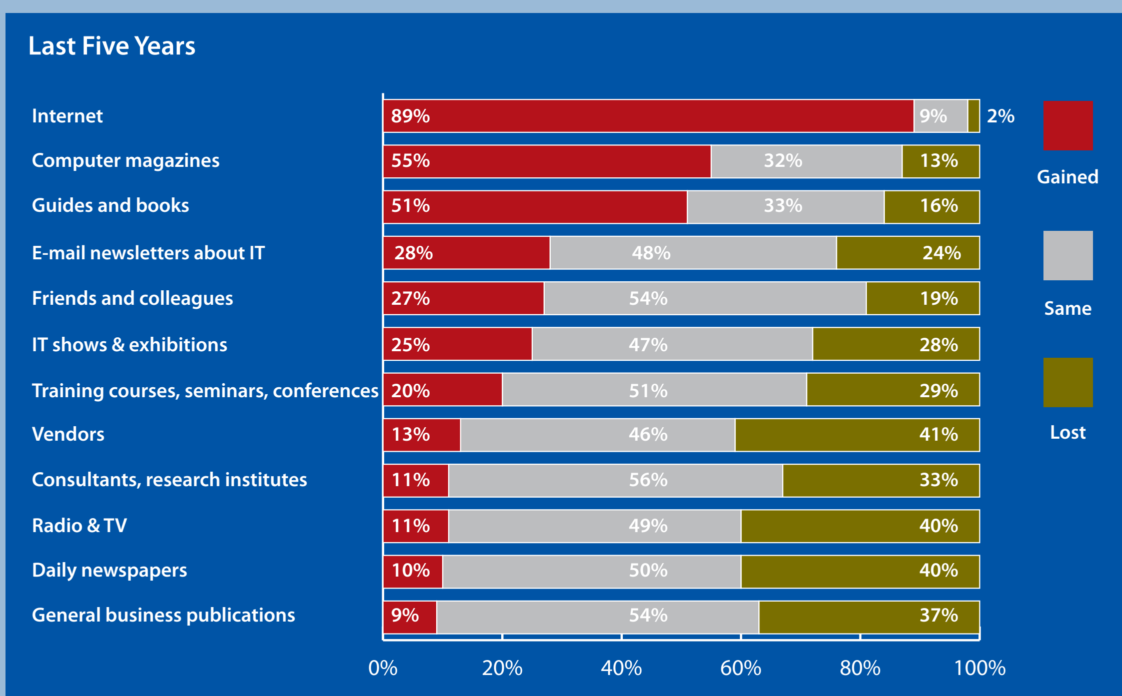
Which information resources have changed recently in importance?

This chart shows the percentage of Digital Consumers who stated which source had become *more* important, which has become *less* important and which have not changed.

Not surprisingly, the Internet and email newsletters have *gained* in importance for over half of the Digital Consumers

But more surprisingly, computer magazines have also gained in importance for almost *half* of them, although they're not a new phenomenon. Why? It appears as though the increased importance of the Internet had pushed the importance of PC magazines to balance and objectivise the information obtained on the Internet, which—as everyone knows—is not always very reliable.

This implies that computer magazines are being used more as a control of the objectivity of the other information sources. Concurrently, some sources have *lost* importance.



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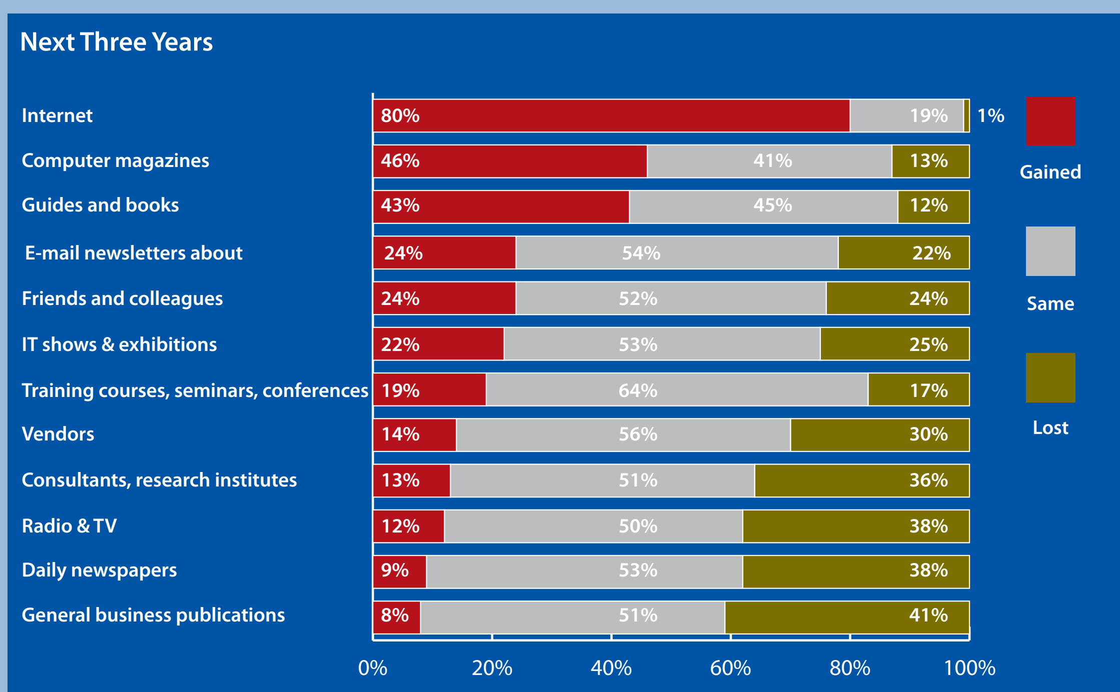
Online Information Sources

What will probably change over the next three years?

We were rather shocked at the results for this question: *Three years from now, do you think that each of these will have changed in importance for you? For each, indicate whether you think it will become more important, less, or not change in importance.*

The results are similar to the ones regarding recent changes. These digital consumers predict that the Internet will become *even more* important, along with *email newsletters* and *computer magazines*.

Conversely, they also believe that the *generalist* media—radio, TV, dailies and business publications—will become even less important for them as information sources.



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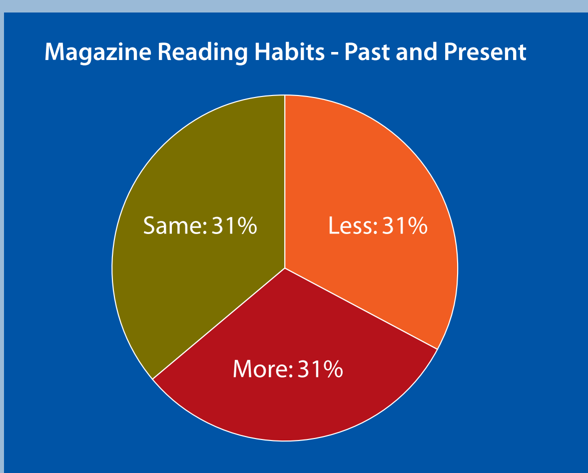
Online Information Sources:

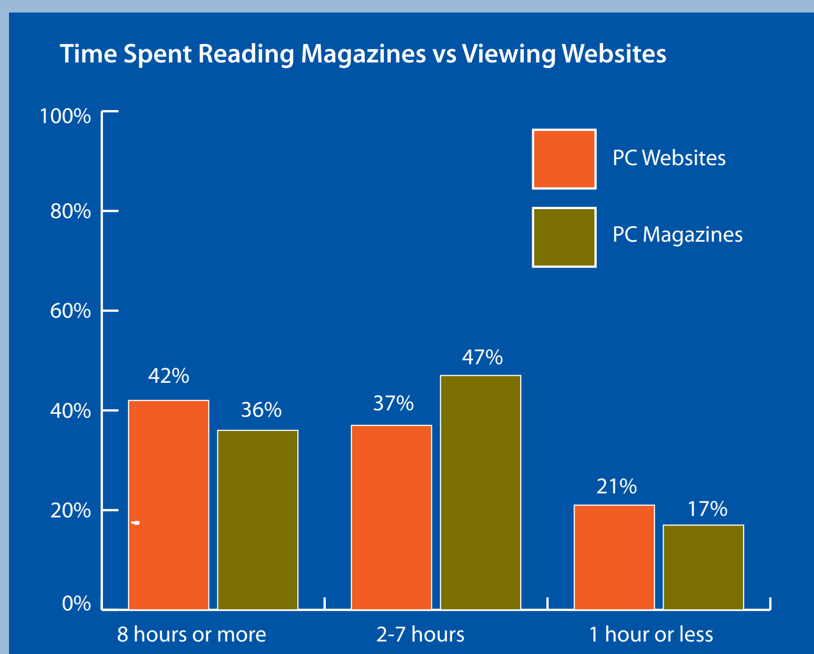
How is PC Magazine readership evolving?

How is their time spent reading vs. online?

Respondents were asked: *Would you say that on average, per month: you read less, more or exactly the same number of computer magazines as in the past?*

We then asked them to compare the time they spent reading PC magazines vs visiting tech websites.





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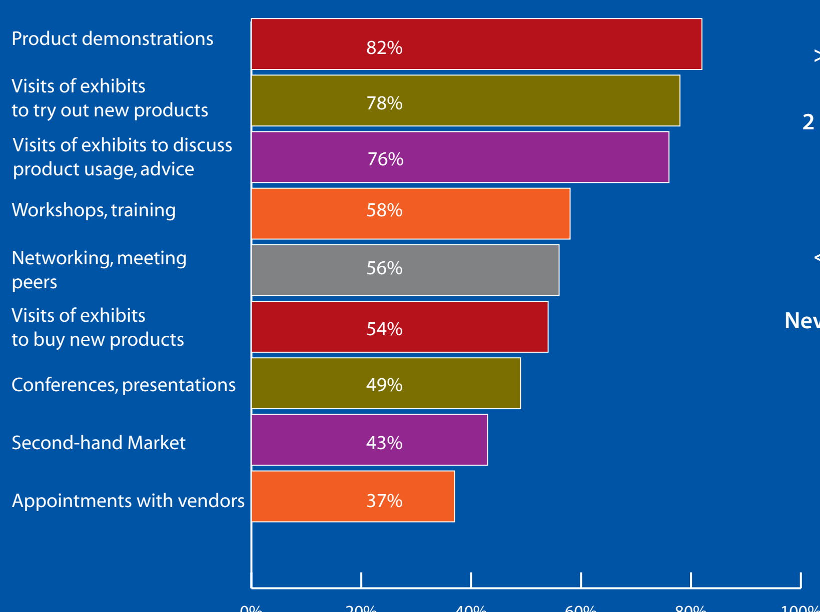
IT Exhibitions & Trade Shows

How many PC or digital product shows do they attend per year? What do they like to see?

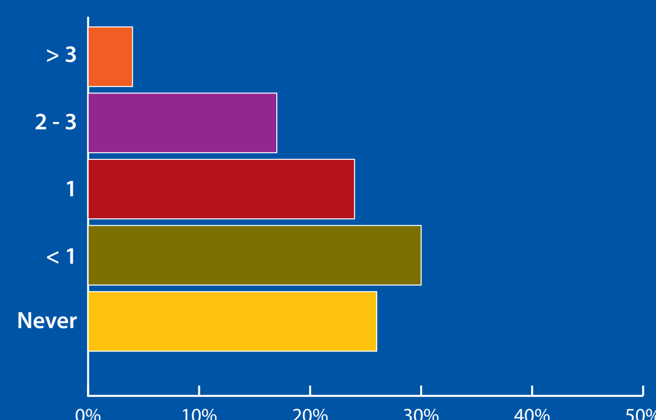
We discovered that there was no substitute for human interaction at IT exhibitions and trade shows, as these were important events for consumers of digital products to attend. Also, half the respondents said they stayed for one day (50%), while many devoted just a few hours (41%). Only a handful (7%) spent two days or more (2%).

We next asked them to indicate the importance different components in PC/digital products exhibitions and shows.

Importance of Tradeshow Components



Number of Tradeshows Per Year



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Analysis of Reader Segments:

The Digital Consumers recruiting process

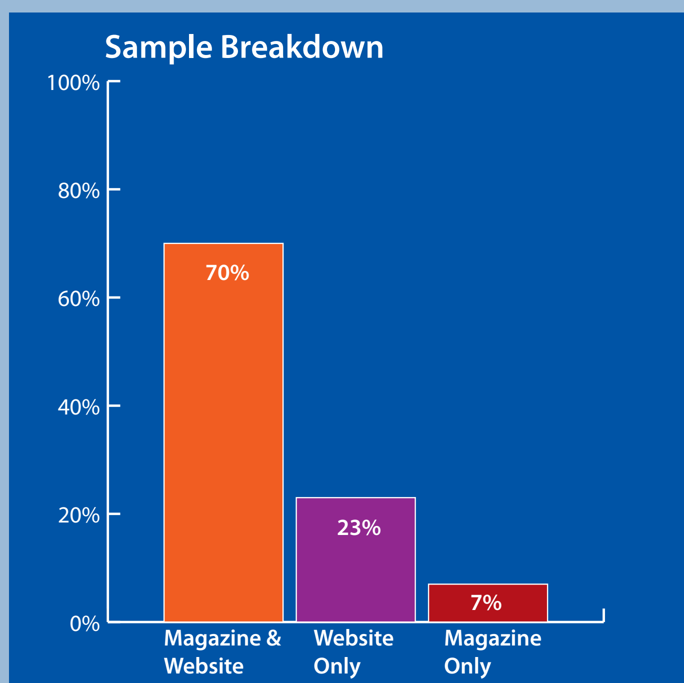
The key aim of the sample was to obtain independent samples of the *PC monthlies* and *Computer@t!ve* readers as well as web visitors. Roughly half were readers of the *PC monthlies* and *Computer@t!ve* readers, while half were web visitors to vnunet and subscribers to our newsletters.

Excluding the non-readers and non-visitors, the final European sample was comprised of:

- 70% who were *both* website visitors and *PC monthlies/ Computer@t!ve* readers
- 23% were *only* computer website visitors
- 7% were *only PC magazine/ Computer@t!ve* readers

Difficult to obtain independent samples

- PC website users and *PC monthlies'* readers are for the most part the same people!
- They need information about computers and tend to get it from *both* sources, not just one or the other.
- During the analysis phase, we strived to obtain a better understanding of thee three groups, despite the "double" group being by far the biggest in size.



Analysis of Reader Segments:

How are these readers/PC Website visitors different?

A key finding was that so-called "pure" PC website visitors (readers of non-*PC monthlies* and *Computer@t!ve*) have a very similar profile to readers of PC monthlies.

	Under 35	35 - 44	45+
PC Magazine Readers	33	28	39
PC Website Visitors	32	30	38
Actual/Idee	22	25	54
Others	30	24	46

Meanwhile, the "pure" Website visitors realized the importance of computing for work and leisure

	Very Important for Job	Very Important for Leisure
PC Magazine Readers	75	23
PC Website Visitors	75	23
Actual/Idee/Others	57	39

Conclusions

As our survey reveals, Digital Consumers have vastly changed how they received their information on a daily basis.

Information Sources

- For Digital Consumers, **the Internet has become the primary information source.**
  - Computer websites were the sites they visit the most.
  - New Internet offers like weblogs and webcasts/seminars were used by over ¼ of the panel.
- **80% of the panel expected that the Internet will become more important.**
- **Computer magazines were the second most important source on IT,** almost as important as the Internet.
  - 45% thought this will not change.
  - 43% expected they will become more important.

Exhibitions

- Trade shows were number 6 out of 12 proposed information sources on digital products.
  - 44% visited at least one show a year.
  - 21% visited two shows or more per year.
- **Digital Product Show components were especially motivating.** Product demonstrations as the most important, offering the possibility to try out new products and obtain advice on usage.

To find out more about VNU Global Media, please contact:

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About VNU Global Media

Through Global Insight, Agile Execution and Precise Measurement, our aim is to empower our technology and business clients to make the most of their marketing and media investments.

VNU Global Media offers:

- A global-leading media and information company with an unequalled best-of-breed media portfolio, thought leadership, program measurement, campaign integration and VNU's heralded research—all with a single point of contact.
- An experienced, San Francisco-based VNU Global Media Team that is the exclusive North American media representative for over 159 market-leading print, online and face-to-face media brands in 47 countries, including VNU Business Media Europe, the international editions of Ziff Davis Media, plus other leading worldwide IT and business media owners.
- The worldwide strength of VNU, Inc, our parent company, employing more than 38,000 people in over 100 countries.

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