



The Connected Consumer – Australia and New Zealand



May 2008

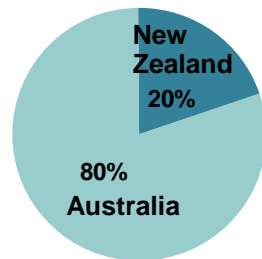
Research Methodology

Methodology

- **Data Collection:**
 - October 15 – 23, 2007
- **Web-based survey distributed among a Australia/ New Zealand-based online consumer panel**
 - Panel representation was ensured by balancing sample against gender and age within broadband penetration (see table below).

Respondent Profile

- **1,083 broadband consumers who influence the purchase of Internet services and multimedia consumer electronics**
- **Representative of national gender and age distributions**
 - Age distribution based on current broadband penetration within each country*
 - Gender was distributed evenly across each of the age groups outlined below within each country



Age	Australia	New Zealand
18-24 yrs.	17%	16%
25-29 yrs.	10%	15%
30-39 yrs.	23%	24%
40-49 yrs.	24%	20%
50-59 yrs.	17%	16%
60-65 yrs.	4%	5%
Over 65	4%	4%

Base size: Total = 1,083, Australia = 864, New Zealand = 219

*Current broadband penetration based on Household Use of Information and Communication Technology Surveys conducted by the Australian and New Zealand Bureaus of Statistics

What is a 'connected' consumer ?



They Own Lots of Gadgets

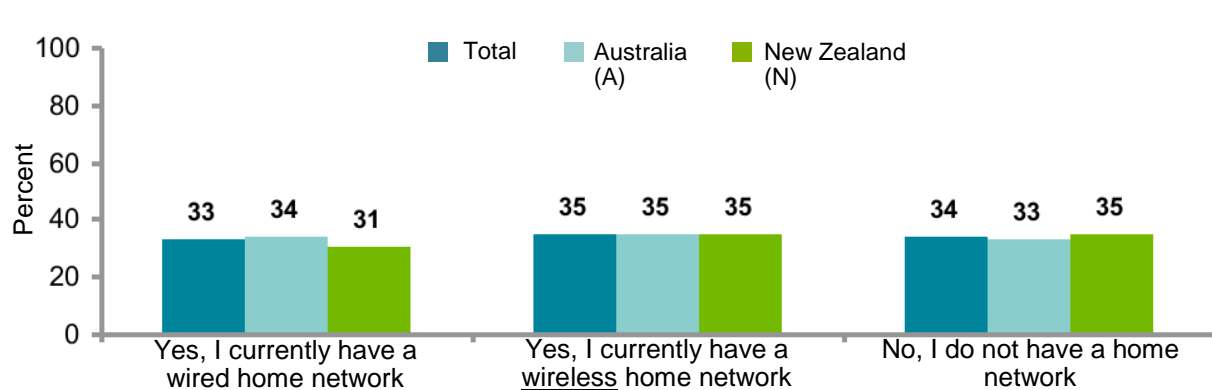
Q. Which of the following technologies do you or others in your household own?

	Australia	New Zealand	Europe	United States
<i>Base</i>	864	219	1,500	1,085
A mobile phone	96%	99%	96%	87%
Desktop PC	89%	85%	90%	92%
Digital camera	85%	87%	90%	74%
MP3 Player	61%	64%	73%	40%
Laptop / Notebook PC	57%	71%	60%	51%
Game console	54%	55%	50%	45%
External storage device	41%	49%	50%	27%
Home theatre system	39%	39%	29%	30%
Digital video recorder	34%	39%	27%	29%
Flat panel / projector television	32%	32%	33%	20%
Portable DVD / video player	31%	26%	47%	34%
High definition television (HDTV)	28%	23%	16%	24%
Portable gaming	25%	20%	28%	26%

Shading indicates the countries or regions with the highest percentage of household ownership for each technology.

They Have a Wired or Wireless Home

Q. Do you currently have a home network?



	AUS	NZ	EU	US
Base	864	219	1,500	1,085
Wired	34%	31%	32%	30%
Wireless	35%	35%	42%	35%

Base size: Total= 1,083, Australia= 864, New Zealand= 219

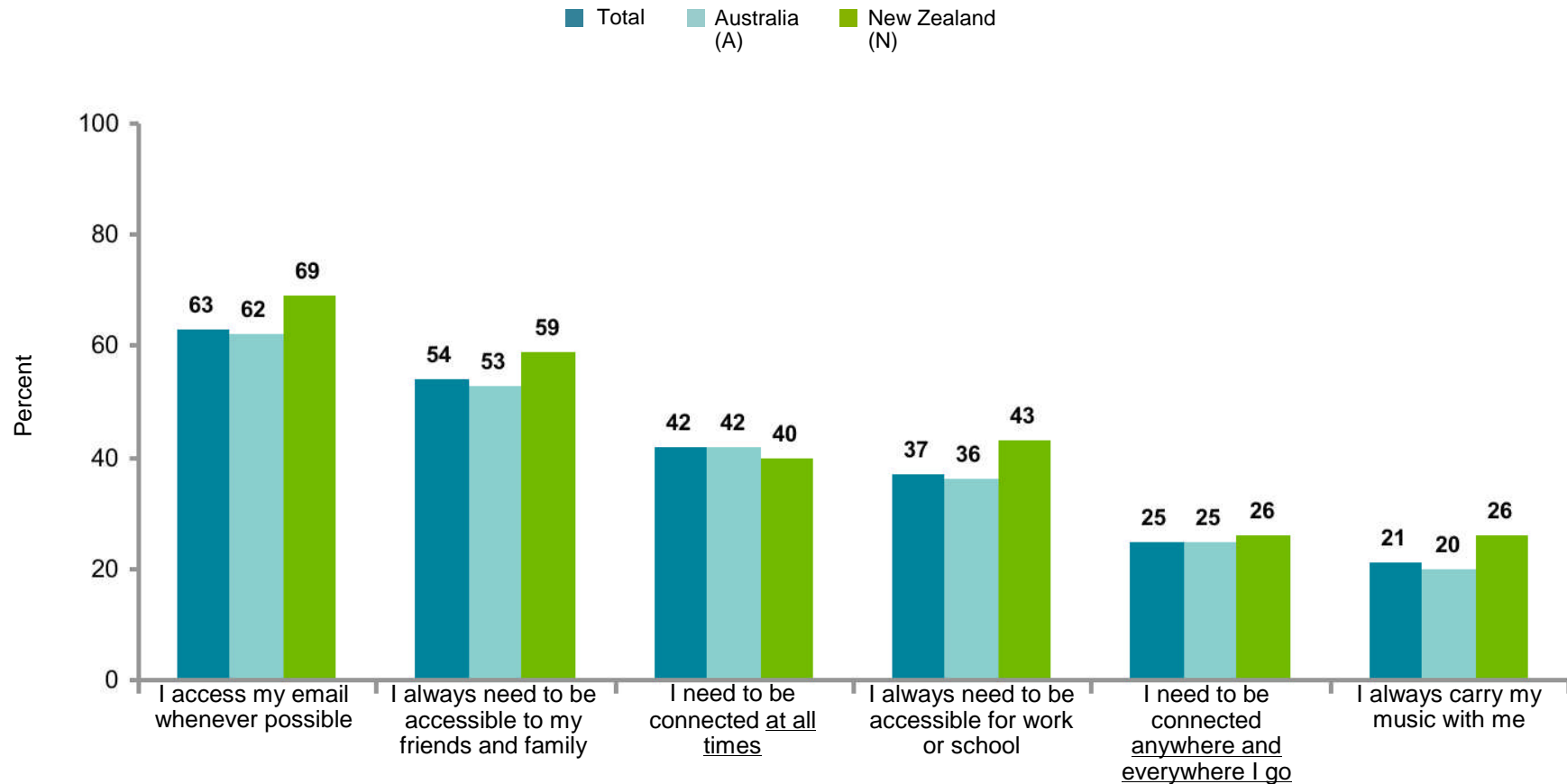
Q. Which of the following describes the way your household uses your home network? (Asked of those with a home network)

My household uses our home network to	Total	Australia (A)	New Zealand (N)
Base	718	575	143
...enable multiple computers (or other devices) to access the Internet at the same time	70%	70%	72%
...wirelessly connect to the Internet	45%	43%	50%
...enable multiple computers to print from a shared printer	36%	37%	34%
...share and view digital photos on different devices connected through my home network	33%	34%	30%
...share and play music and audio on different devices connected through my home network	31%	31%	29%
...share and play video on different devices connected through my home network	24%	24%	22%

Letters denote statistically significant comparisons at a 95% confidence level (with the higher score noted).

They Need to Be Connected

Q. How well do the following statements describe you? (Top 2 box score reported – respondents rating ‘mostly describe me’ and ‘completely describes me’)

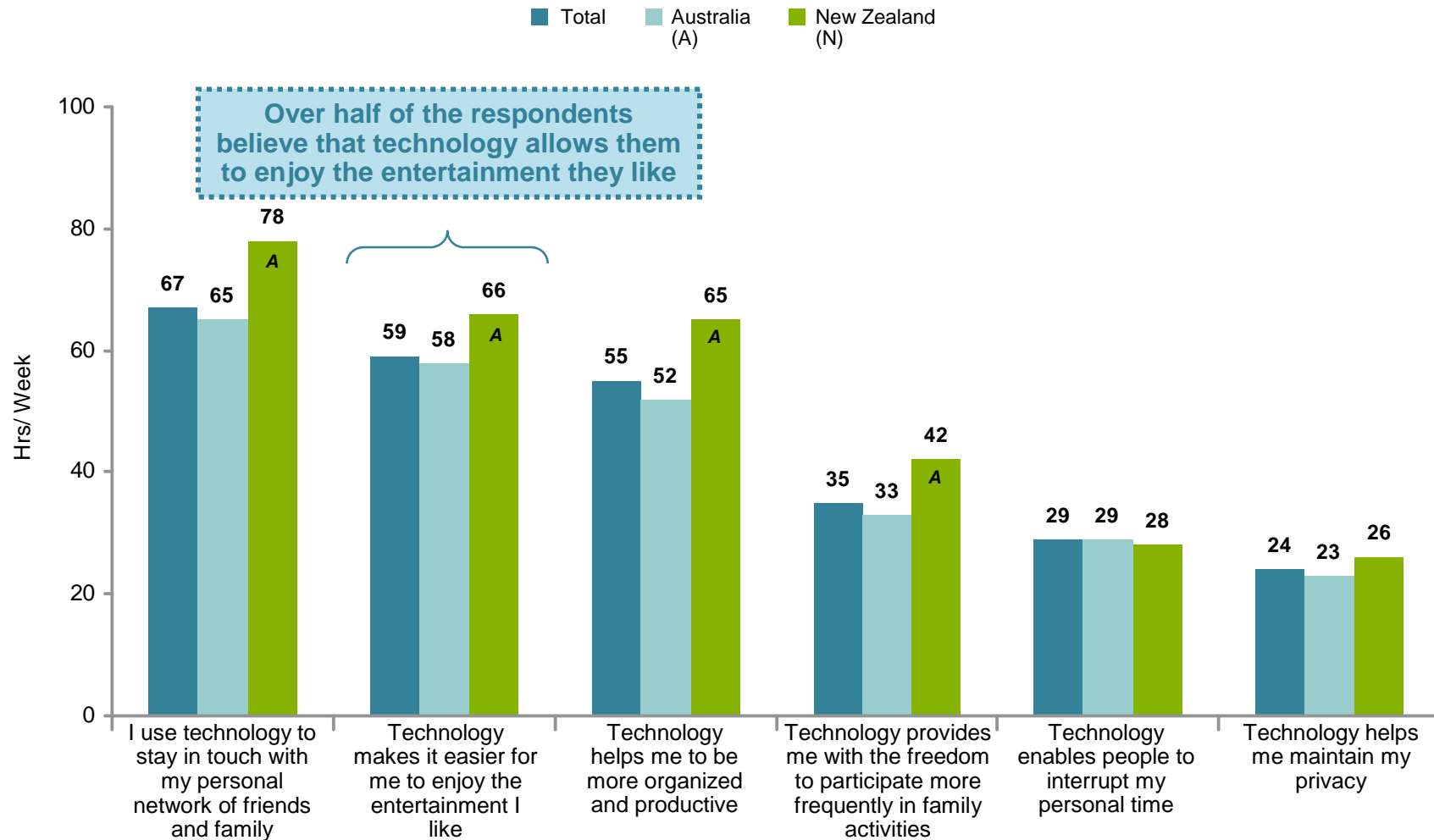


Base size: Total= 1,083, Australia= 864, New Zealand= 219

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Technology Enables Entertainment for Them

Q. Please evaluate how strongly you agree or disagree with each of the following statements. (Top 2 box score reported – respondents rating ‘moderately agree’ and ‘completely agree’.)



Base size: Total = 1,083, Australia = 864, New Zealand = 219

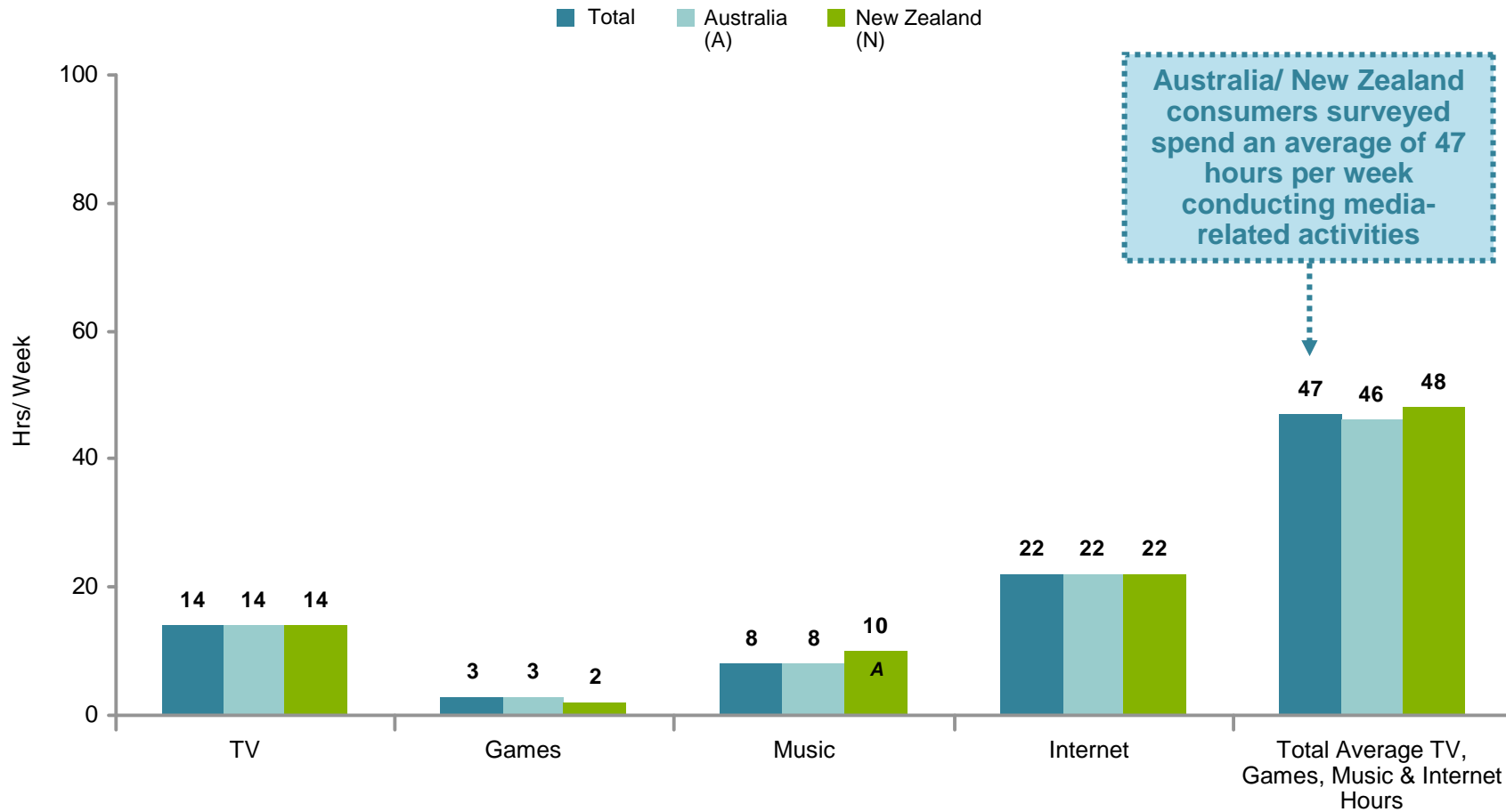
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Connected Consumers... Consume Digital Content



They Spend A Lot Of Time With Content

Q. How many hours do you spend in an average week...? (Average weekly hours reported for each medium)



Base size: Total = 1,083, Australia = 864, New Zealand = 219

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Hours of Media Consumption per Week

Q13. How many hours do you spend in an average week...? (Average weekly hours reported for each medium)

	Australia	New Zealand	UK	France	Germany	Italy	Spain	US
Base	864	219	300	300	300	300	300	1,085
Total	46 hrs	48 hrs	47 hrs	40 hrs	44 hrs	44 hrs	41 hrs	47 hrs
Internet	22 hrs	22 hrs	22 hrs	18 hrs	21 hrs	23 hrs	19 hrs	21 hrs
TV/ Movies	14 hrs	14 hrs	14 hrs	12 hrs	11 hrs	10 hrs	10 hrs	15 hrs
Music	8 hrs	10 hrs	9 hrs	8 hrs	10 hrs	8 hrs	8 hrs	8 hrs
Games	3 hrs	2 hrs	3 hrs	3 hrs	2 hrs	3 hrs	3 hrs	3 hrs

Shading indicates the countries or regions with the highest number of hours for entertainment medium.
Responses may not sum to total due to rounding

They Download and Subscribe to Content

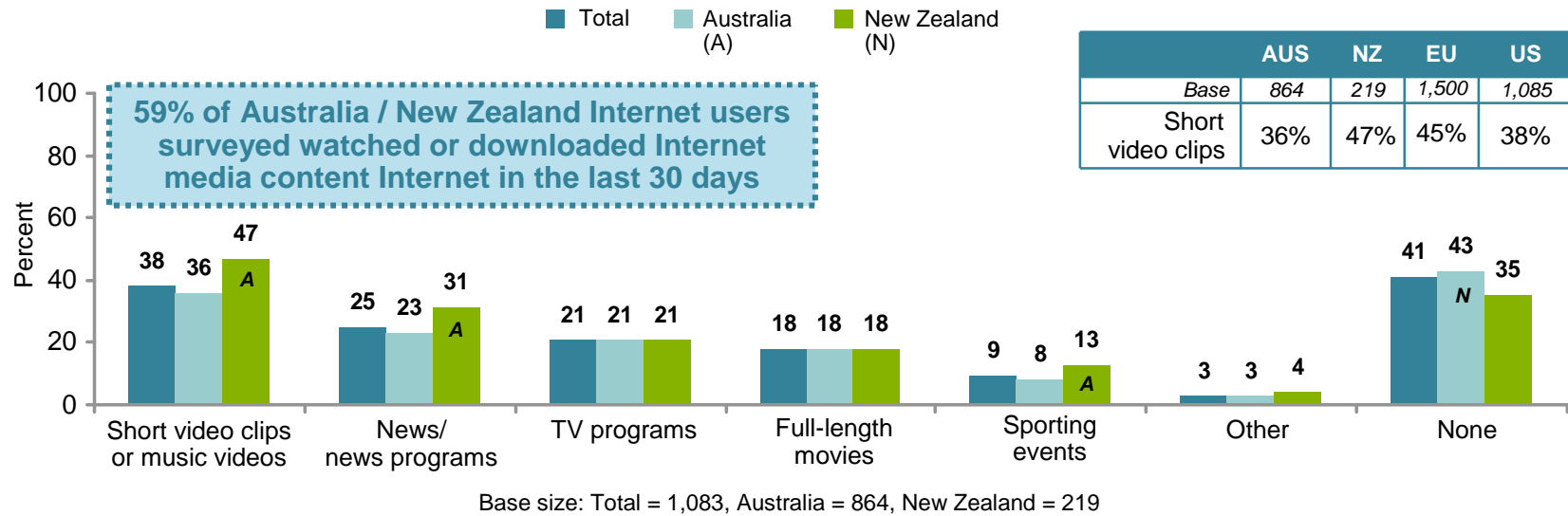
Q. Which of the services or activities do you or anyone in your household currently subscribe to or do?

Many Australia/
New Zealand
consumers are
watching videos
online

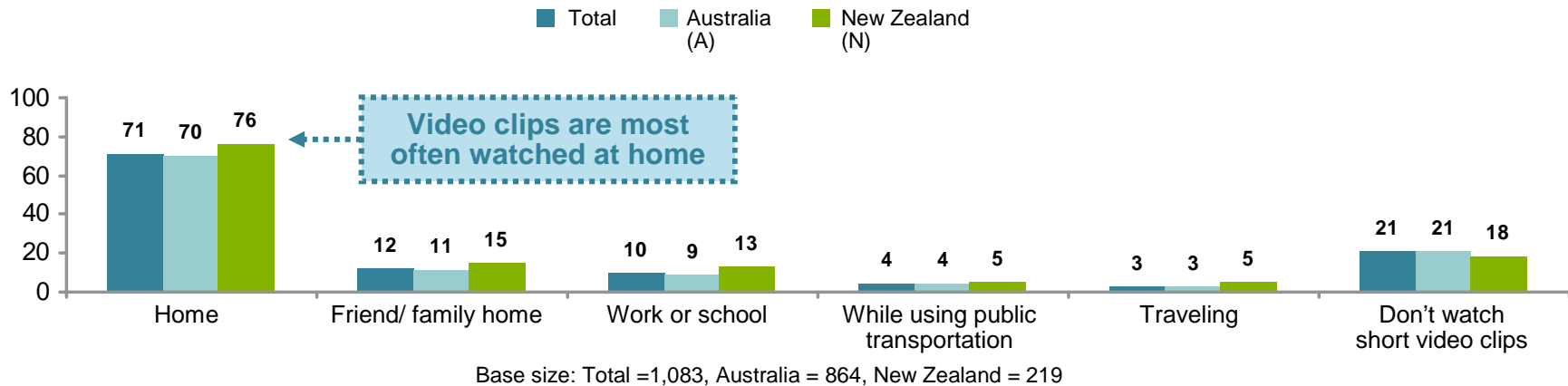
	Australia	New Zealand	Europe	United States
<i>Base</i>	864	219	1,500	1,085
Use a website to watch videos	46%	61%	47%	34%
Use a website to download music	45%	47%	36%	33%
DVD rental service	32%	41%	22%	28%
Share pictures or videos from your mobile phone	32%	41%	32%	22%
Use a website to share photos	31%	42%	29%	26%
Use a website to listen to music	24%	31%	41%	27%
Access the Internet from your mobile phone	23%	27%	27%	17%
Use a website to download videos	21%	27%	23%	11%
Satellite dish television	19%	30%	28%	22%
Digital cable television	15%	16%	21%	37%
Standard cable television	14%	17%	25%	39%
Pay-per-view movies	11%	13%	14%	19%
Video-on-demand	5%	9%	9%	16%
None of these	13%	12%	9%	7%
Average number of subscriptions/ services in household	3	4	5	4

Which Content and Where?

Q. In the last 30 days, have you watched or downloaded any of the following types of content using the Internet?



Q. Where are you most likely to watch short video clips? (Top five locations reported)



Letters denote statistically significant comparisons at a 95% confidence level (with the higher score noted).

Why Internet or Online Content?

Q. Think about the reasons you watch video content (TV shows, movies, news, sports, video clips, etc.) from the Internet – pick the three statements that are most important to you. *(Asked of those who spend at least 1 hour downloading or watching TV programming or video content from the Internet)*

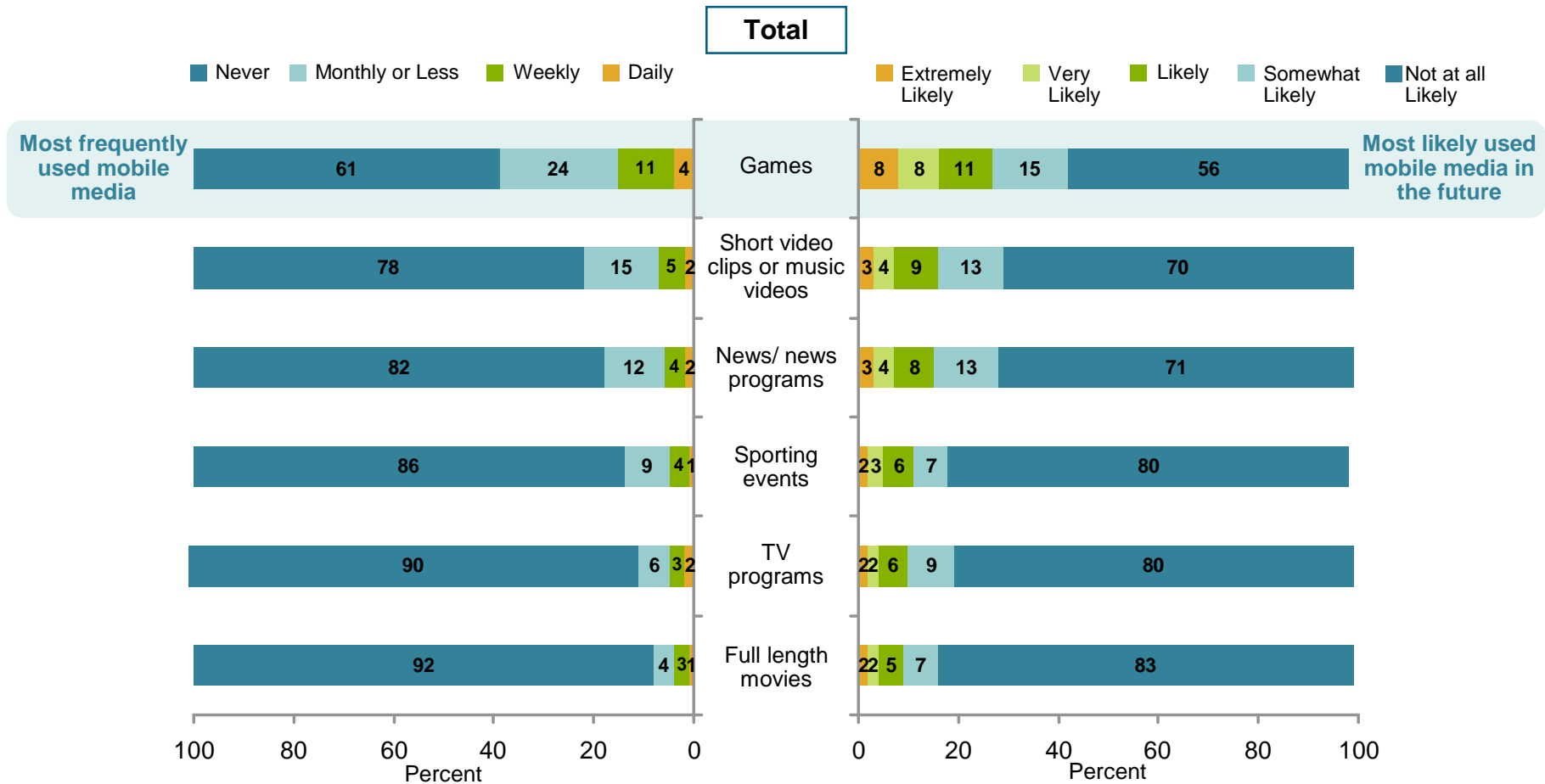
The driving factors behind watching content online are that it is free & can be watched at convenient times

The Internet allows me to watch content...	Australia	New Zealand	Europe	United States
Base	487	145	1,057	593
...that is free	51%	52%	50%	46%
...at a more convenient time	37%	39%	35%	36%
...that I missed when originally aired	32%	30%	27%	32%
...without advertising	25%	26%	30%	22%
...that is not available via traditional media	23%	19%	22%	21%
...that I discover spontaneously	21%	21%	20%	22%
...that is recommended by others	18%	21%	20%	18%
...that is customized for my tastes	12%	17%	27%	10%
...that is viewable in short time periods	12%	15%	13%	19%
...that is unique	12%	10%	8%	16%
...at a more convenient location	8%	12%	9%	8%
...on a more convenient device	7%	5%	5%	5%

Mobile Media Consumption Still Low

Q. How frequently do you use your mobile phone to view (or play) each of the following?

Q. In the next year, how likely are you to use your mobile phone to view (or play) each of the following?



Base size: Total= 1,083

Interest in a Centralized Media Storage Service



Interest in 'Centralized Storage' Service Concept

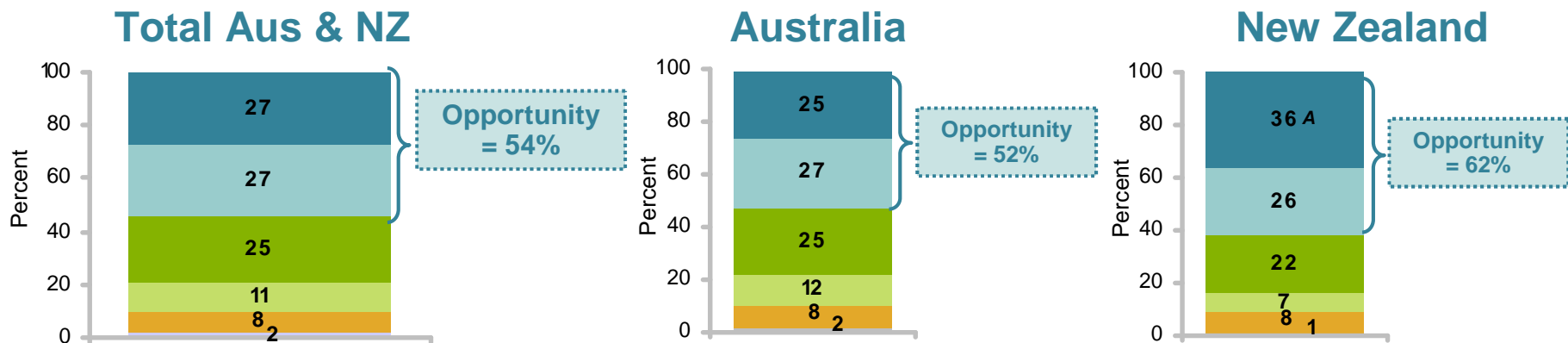
Now imagine a service solution that enables you to easily store and manage and listen to, view, play or use all of your household's digital media or content on any device you choose, at anytime, from anywhere. You could easily view your stored movie content on any TV in any room in the home, or you could access your home movies from your portable laptop or mobile phone while you were traveling, or you could access your entire home music library from work or even on your commute. Your households' digital media and content could include any of the following:

- Pre-recorded TV programs
- Full-length movies
- Short video clips or music videos
- Home videos
- Digital photos
- Digital music
- Your household calendar
- Your household address book

	AUS	NZ	UK	FR	DE	IT	SP	US
<i>Base</i>	864	219	300	300	300	300	300	1,085
Opportunity (Respondents 'very' and 'extremely' interested in this service for no additional fee)	52%	62%	56%	61%	47%	59%	60%	41%

Q22. For no additional fee, subscription or hardware required, how interested are you in this type of service?

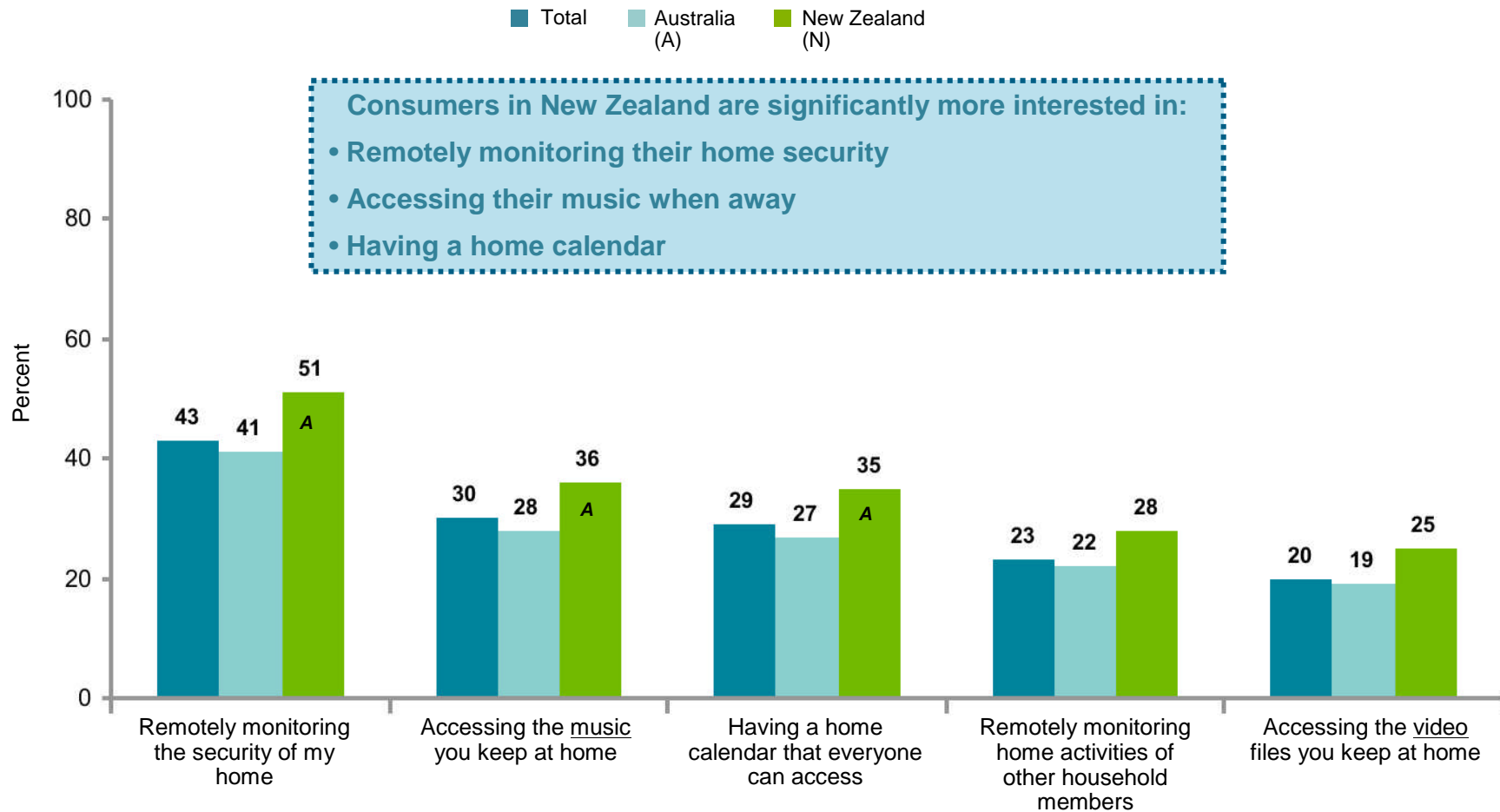
Extremely Very Somewhat Slightly Not at all



Base size: Total = 1,083, Australia = 864, New Zealand = 219

Uses for Concept

Q. Thinking about the time you spend away from home, how interested would you be in each of the following? (Top 2 box score reported for Total – respondents rating ‘very interested’ and ‘extremely interested’)

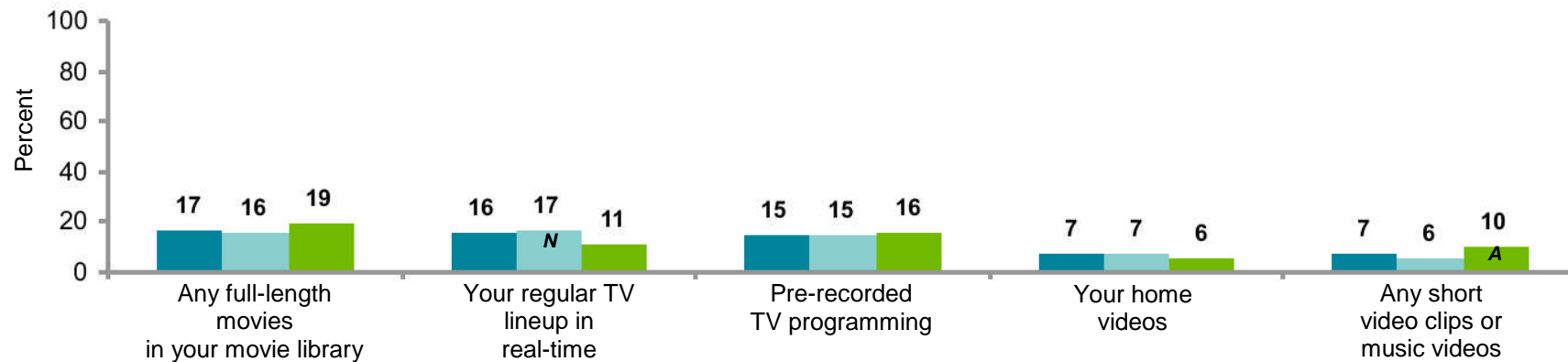
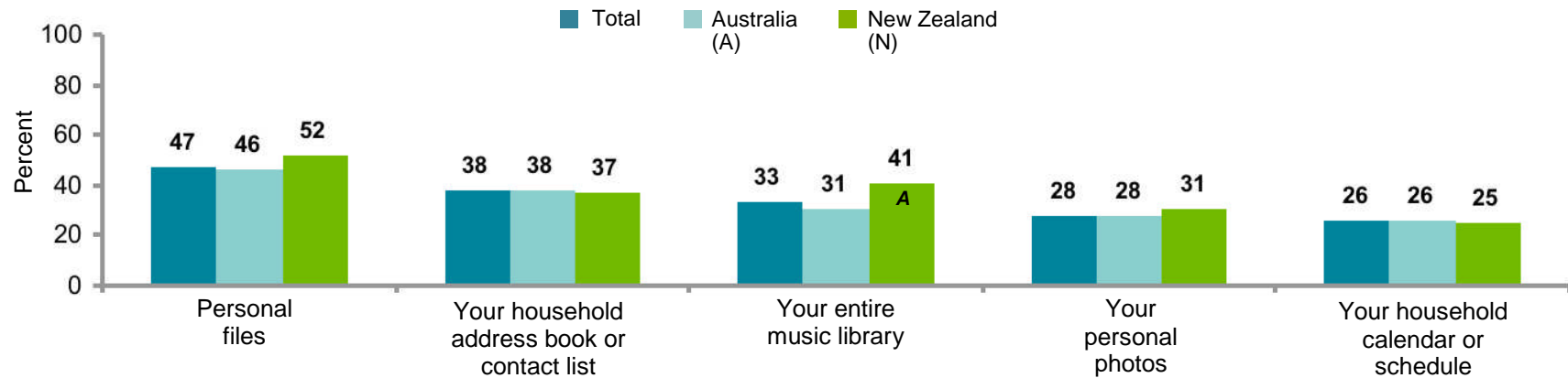


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Desired Content to Access Away From Home

Q. Which of the following types of media and content would you most want to be able to access and use while you are away from home



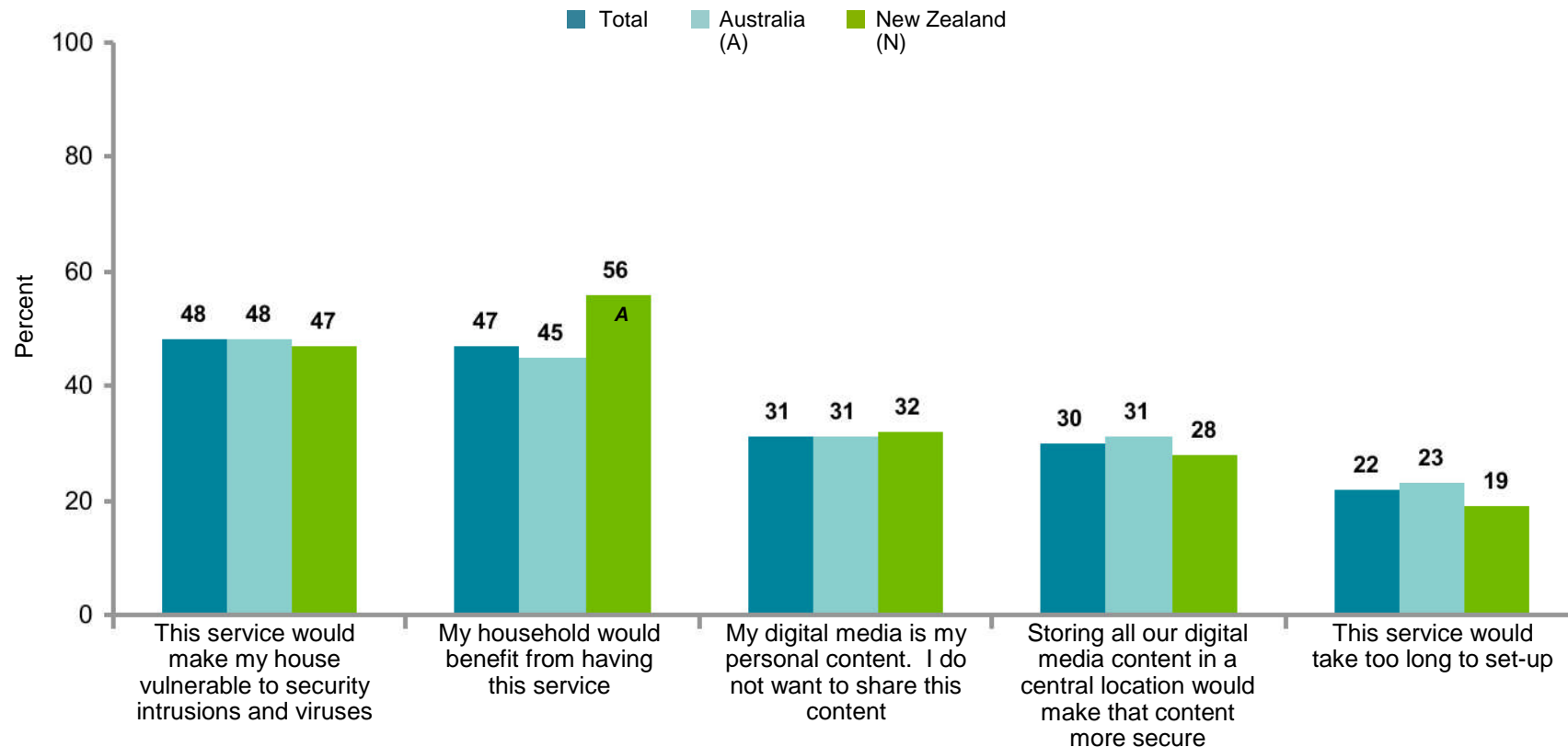
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'Centralized Storage' Concept Perceptions

Q. Please indicate how strongly you agree or disagree with each of the following statements. (Top 3 box score reported – respondents rating 'slightly agree,' 'moderately agree' and 'completely agree')

Consumers' biggest concern in subscribing to a centralized storage service relates to the security of the household and viruses.

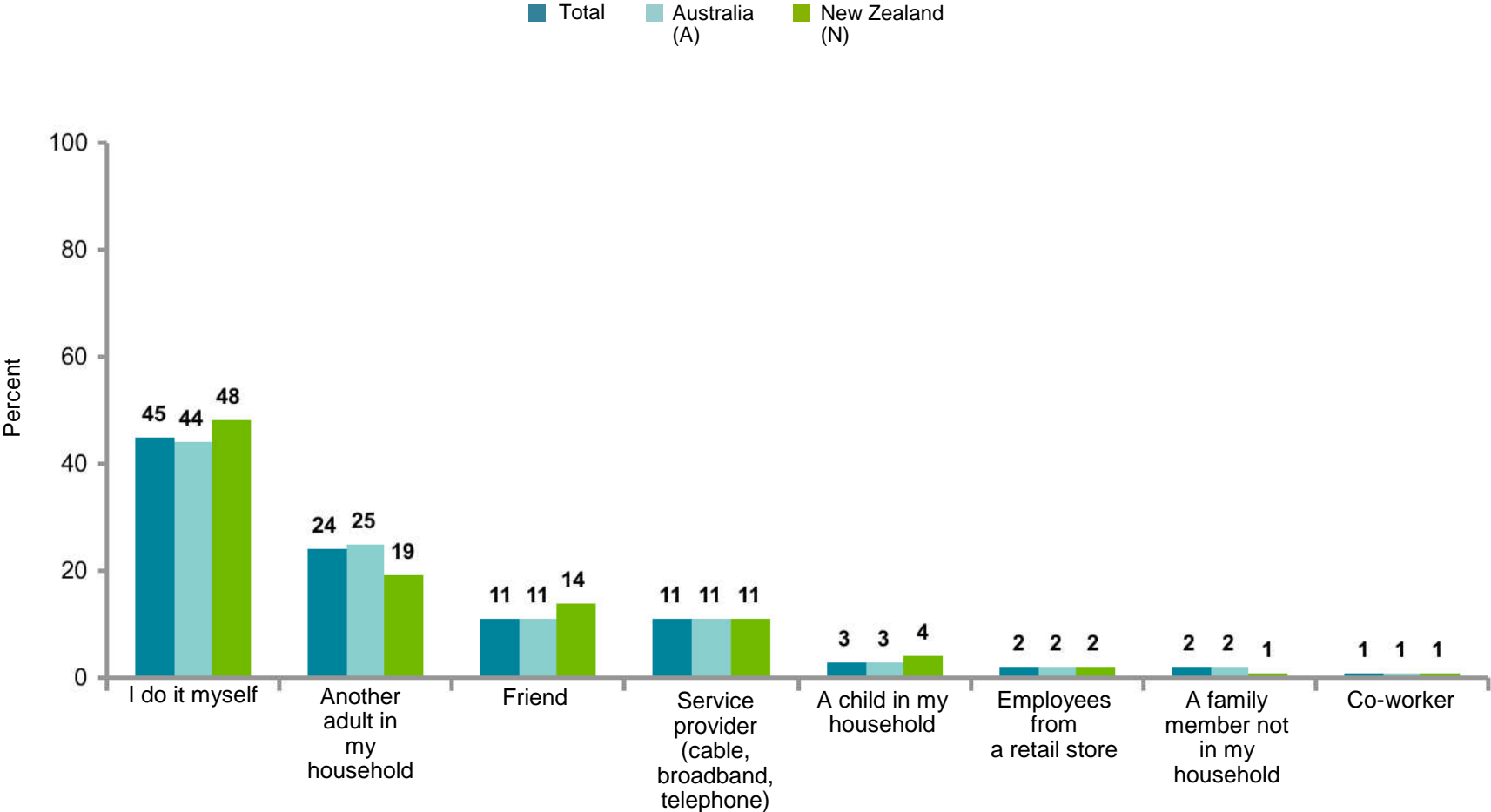


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Setting Up New Technologies

Q. Who do you typically rely on to assist you in setting up new technologies?



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Preferred Provider

Q. Assuming a single provider or company could provide you with multiple services (outlined below) which company/companies would you consider? *(Multiple response option)*

- TV, cable, or satellite service
- Mobile or wireless phone service
- High-speed Internet access
- Video and/or music content

Telstra/ Telstra BigPond is the most preferred AUS provider (55%)

Australia	
Preferred Provider for <u>Multiple Svcs</u>	
<i>Base</i>	864
Telstra BigPond	31%
Telstra	24%
Google	20%
OptusZoo	20%
Foxtel	18%
Vodafone	14%
ninemsn	13%
Yahoo7	11%
The ABC	11%
Sony	11%
Apple	8%
E-Bay	8%
Amazon	3%
Don't know	16%

New Zealand	
Preferred Provider for <u>Multiple Svcs</u>	
<i>Base</i>	219
Vodafone	49%
Telecom	48%
Google	38%
TradeMe	25%
Yahoo	21%
MSN	18%
Sony	17%
Apple	10%
AllBlacks.com	5%
Telstra	4%
Amazon	4%
E-Bay	4%
Don't know	10%

Providers with >3% reported

Significance comparison not appropriate as companies vary per country

