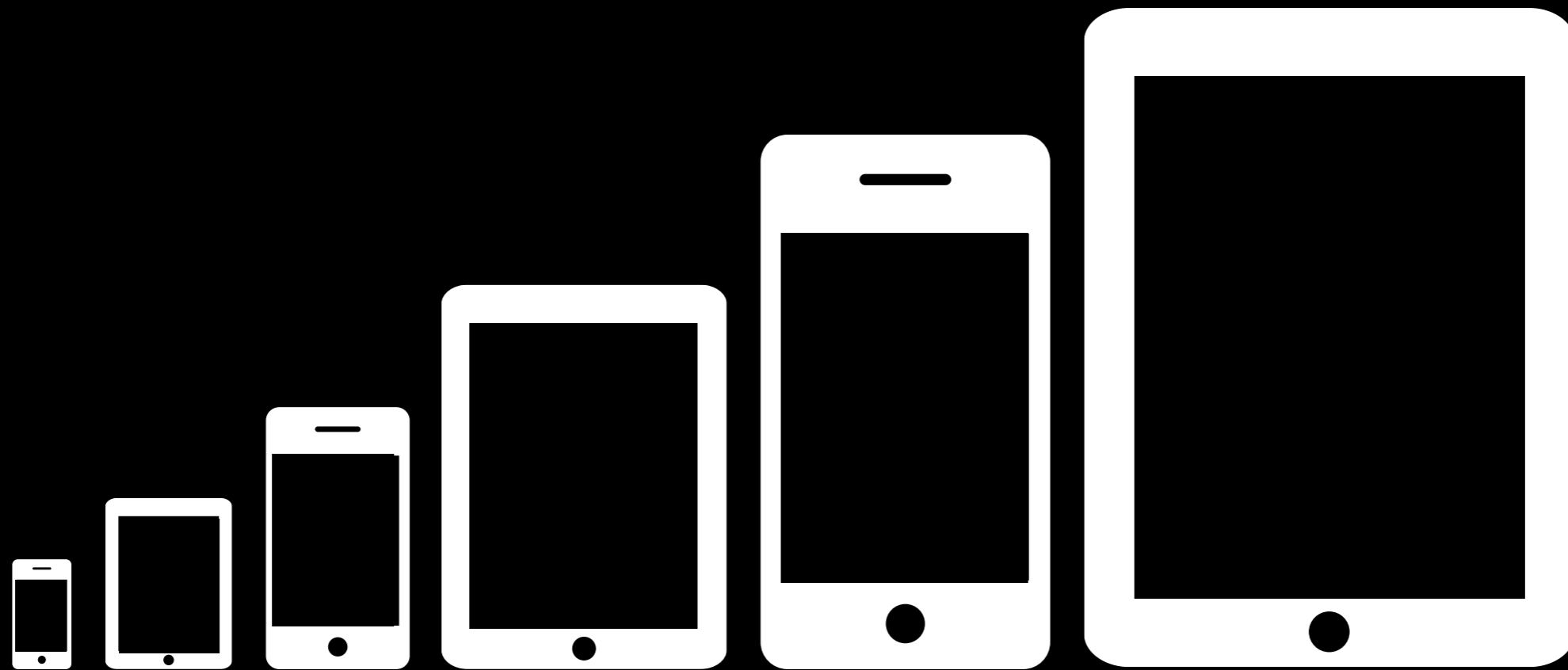


CNN NEWSOURCE[®]

News in a Mobile World



About This Series

The business of news continues to change at an astonishingly rapid pace. Like our local news partners, CNN must stay ahead of evolving consumer preferences, new delivery channels and shifts in business models and technology.

The following series, *News in a Mobile World*, is designed to provide our local news partners with thought-starters, ideas and perspectives on the mobile news landscape. Some news organizations are mobile ninjas; others have just begun to dip their toes in the water. Regardless, our hope is that this series proves useful in providing thought-provoking questions and best practices to help raise all of our games in the mobile news world.

This document, *Why Mobile Matters*, is the first in the four part series, providing an overview of mobile news consumption, trends, habits and devices.



Pt.1
Why
Mobile
Matters

1

Mobile Usage Trends

“

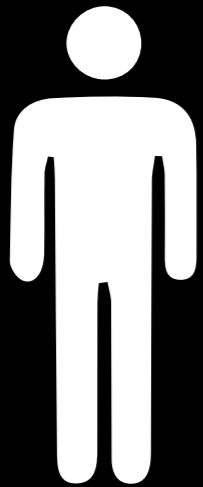
**Mobile is at the center
of CNN's future.**

”

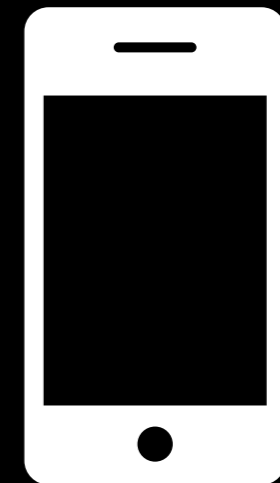
KC Estenson
SVP & GM, CNN Digital

More Phones than People

The number of cell phone subscribers in the US is now greater than the entire US population.



Population
316 million



of cell phones
326.4 million

Source: International Telecommunications Union, United Nations; CTIA

Did You Know...

 **94%**

of consumers look for local information on their smartphone.

 **86%**

of mobile internet users are using their devices while watching TV.

 **44%**

of email is now opened on a mobile device.

 **2 billion**

apps are downloaded per week.

 **24%**

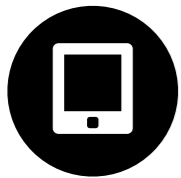
of total website traffic comes from mobile devices.

 **75%**

of Americans bring their phones to the bathroom.

Source: [Business2Community](#), July 2013; [MobileFuture.org](#), March 2013; [Google/Ipsos](#), 2012; [Email Analytics](#), June 2013; [Walker Sands](#), June 2013

How We Spend Our Day



On any digital device

5hr:16m



Watching TV

4hr:31m



Using mobile devices

2hr:21m



On desktop computers

2hr:19m



Listening to the radio

1hr:26m



Eating or drinking

1hr:25m



Doing housework

1hr:04m



Social networking

40m



Reading print media

32m



Exercising

23m

Sources: Average time spent per day on select activities by US Adults, [Bureau of Labor Statistics](#), December 2012; [eMarketer](#); July 2013

Exclusively Mobile

Top sites have double digit mobile-only audience.

% users who visit exclusively through mobile

Pandora.com	61%	CBS Interactive	17%
The Weather Channel	30%	Wikimedia	17%
Apple Inc.	23%	AOL	16%
Wal-mart	21%	Ask Network	15%
Amazon	20%	Glam Media	14%
Facebook.com	19%	Google Sites	13%
eBay	19%	Viacom Digital	11%
Turner Digital	18%	Yahoo! Sites	10%

Source: [comScore](#), March 2013

What are we doing on Mobile?



Email

23%



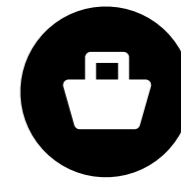
**Social
networking**

14.9%



Entertainment

13%



Shopping

10.8%



**Travel
reservations**

9.3%



Finance

8.2%



Lifestyle

13%



**News and
Media**

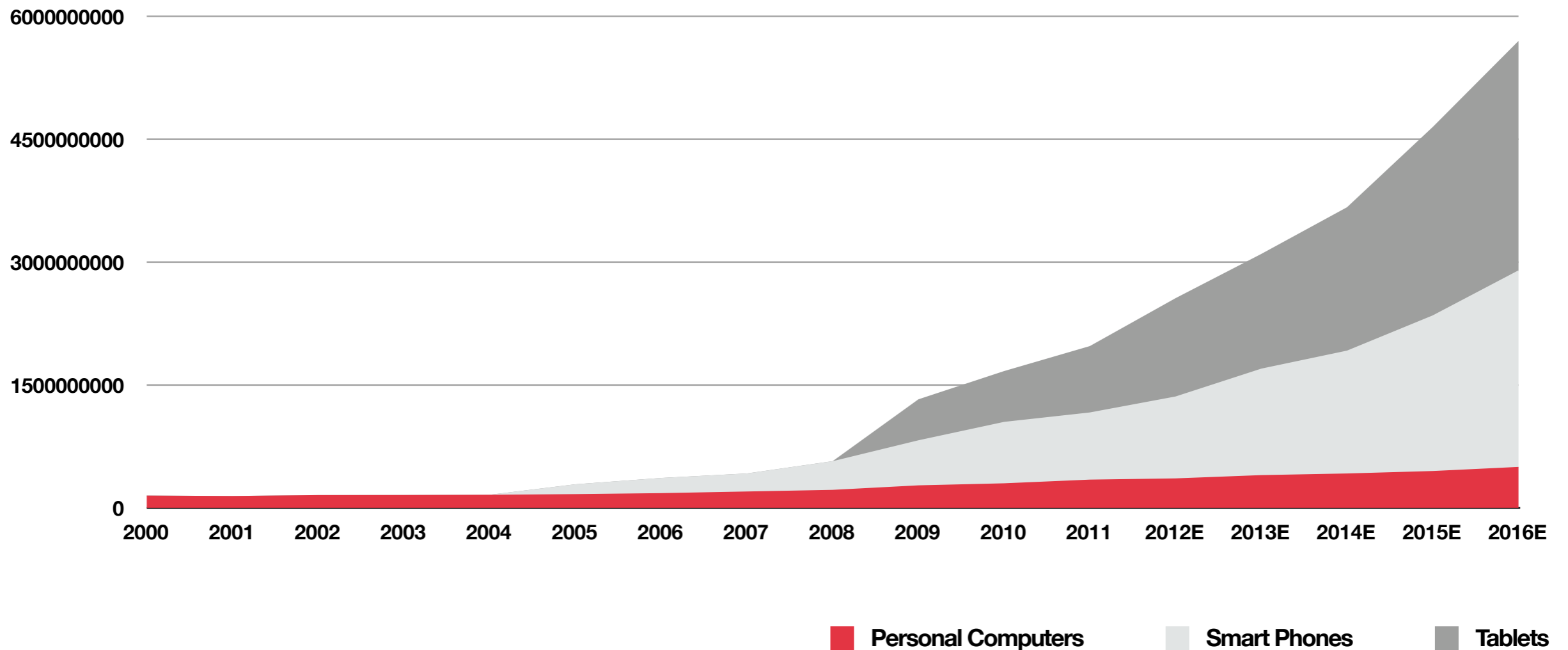
5%

Source: eMarketer; Time Spent on Mobile Internet by US Mobile Internet Users, by Activity, Q1, July 2013

Mobile Sales Outpacing PC

Tablet and smart phone sales have overtaken PC sales and are projected to continue at a steep incline.

Global Internet Device Sales



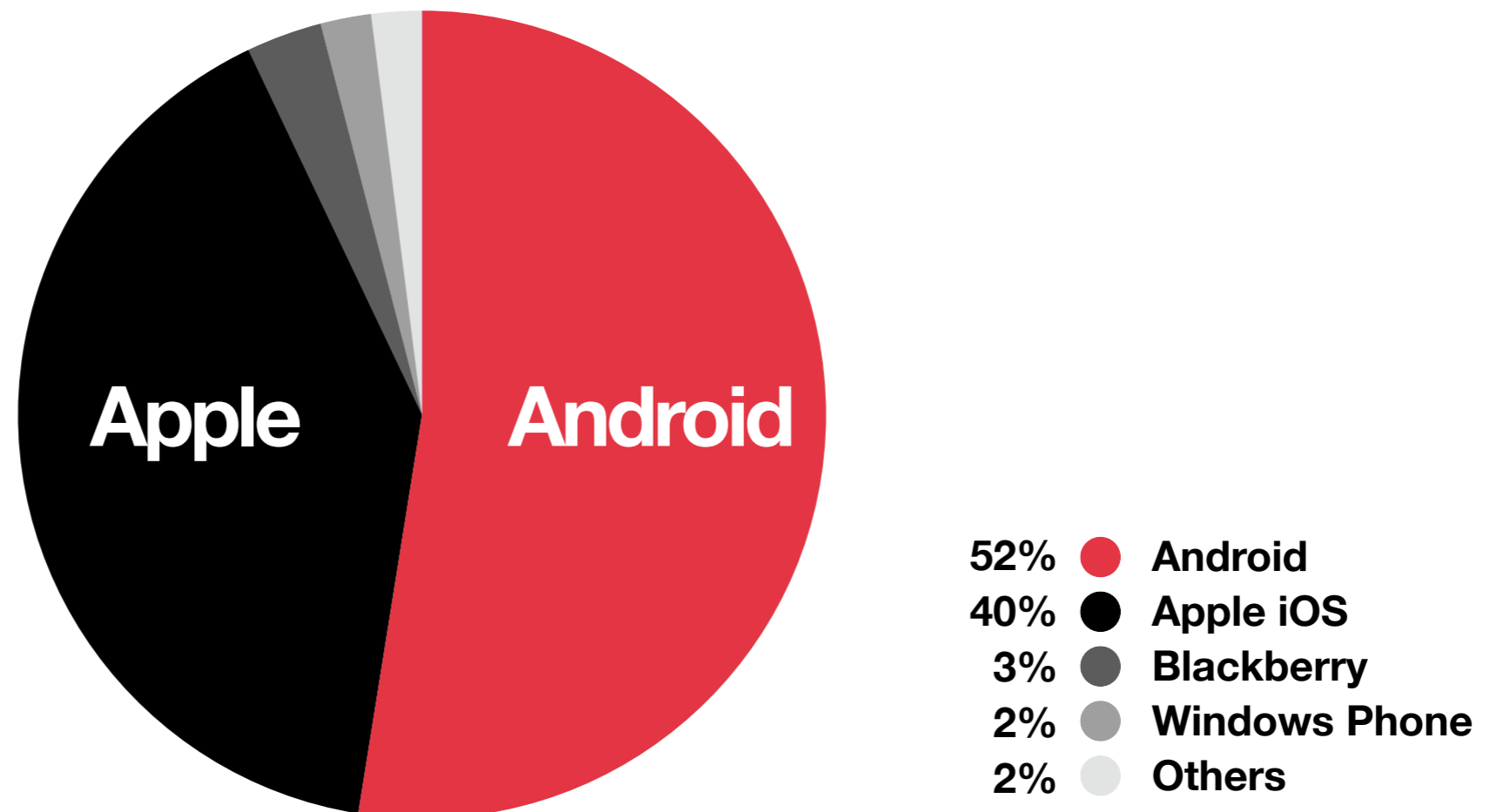
Source: Gartner, IDC, Strategy Analytics, Company filings, BI Intelligence estimates

Smartphones

Smartphone Penetration

According to Nielsen, **62%** of mobile subscribers in the U.S. owned a smartphone as of May 2013.

Top U.S. Smartphone Operating Systems by Market Share



Source: [The Nielsen Company](#), Q2 2013

Who Owns a Smartphone

Men

55%

Women

52%

Age 16-24

66%

Age 25-34

73%

Age 35-44

64%

Age 45-64

45%

White

58%

African American

71%

Hispanic

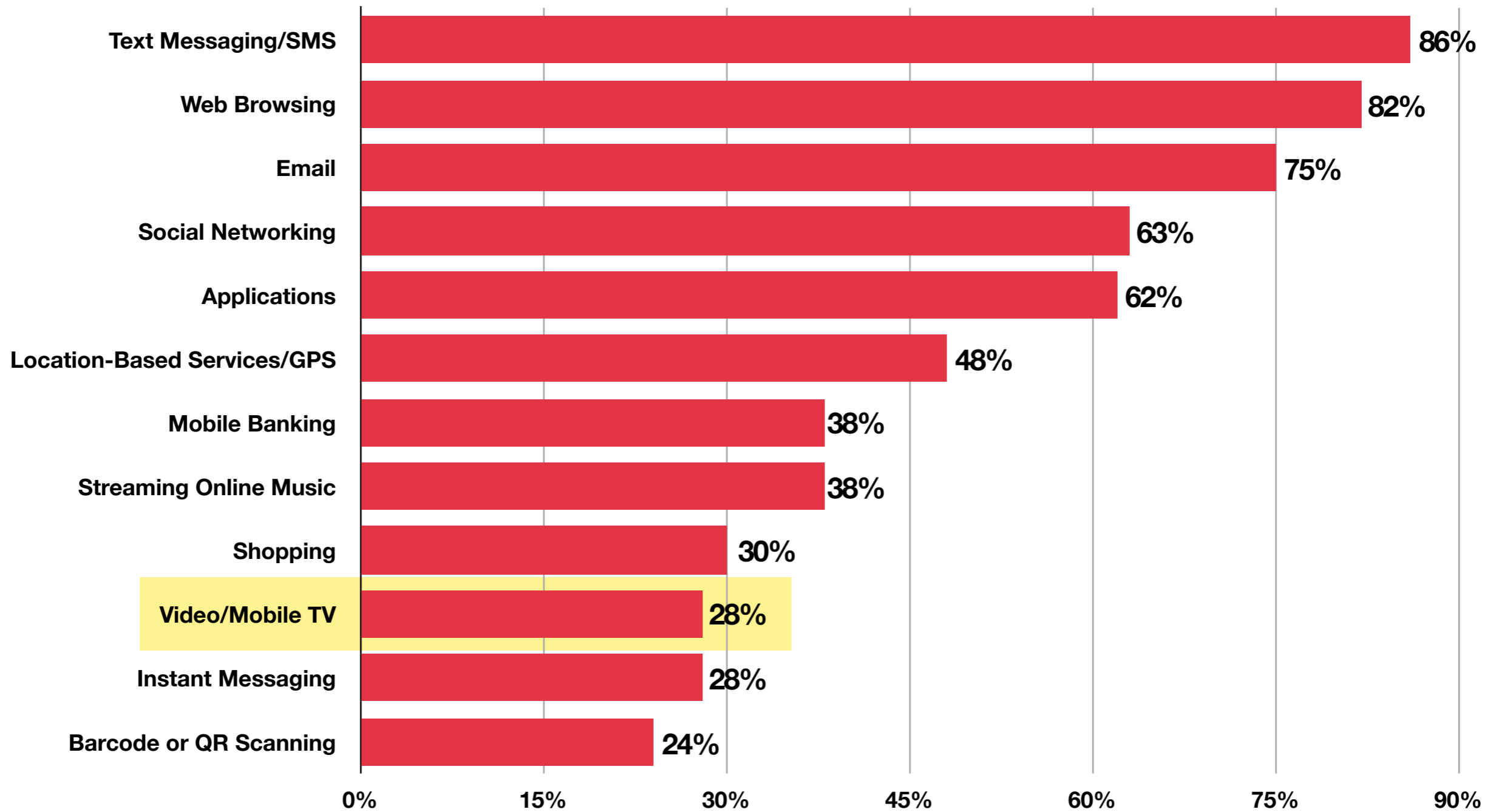
72%

Asian American

76%

Source: The Nielsen Company, Q2 2013

How We Use Them

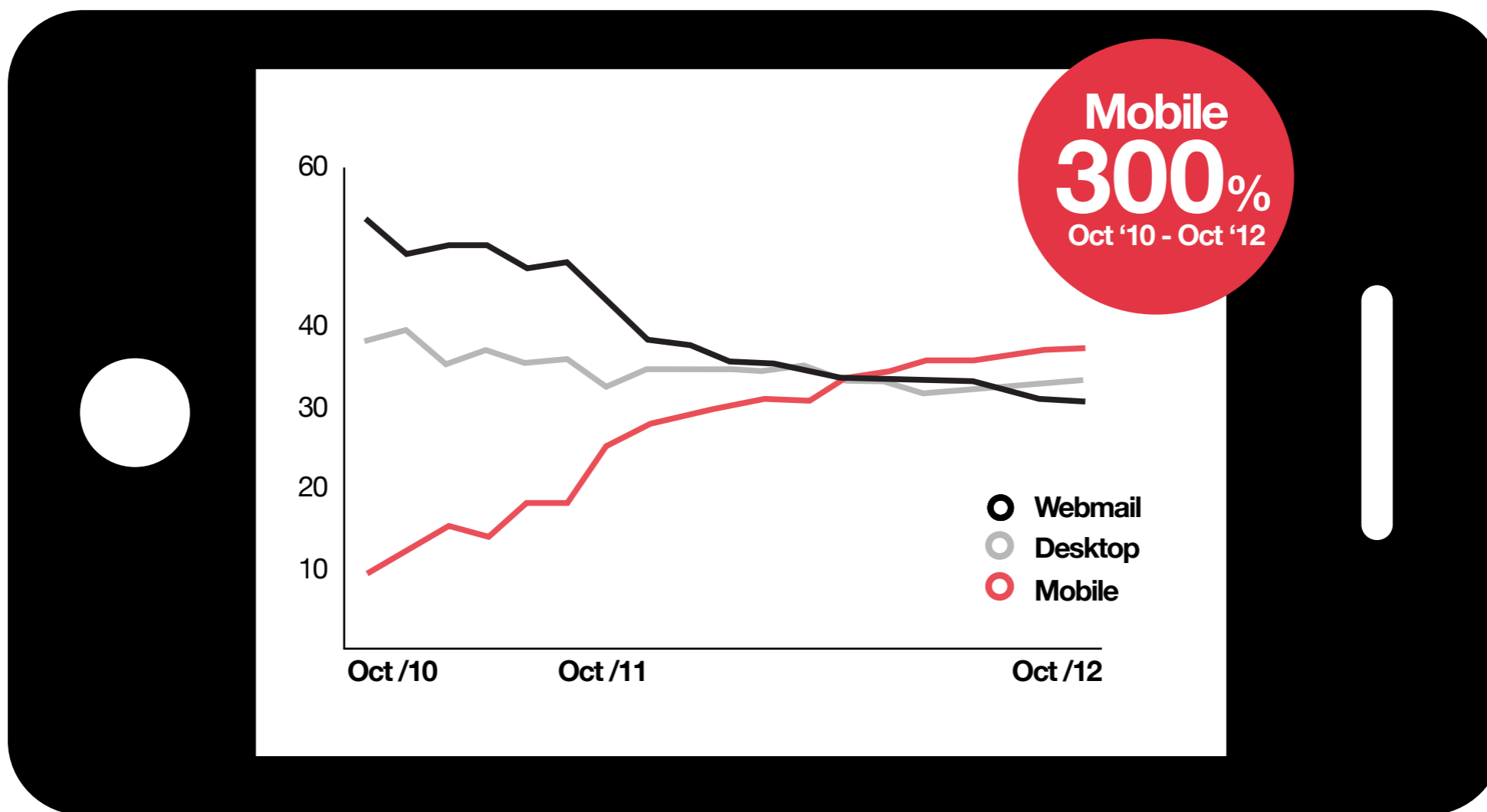


Source: Nielsen, March 2013

Email Mostly Mobile

Email is now read on mobile more than any other platform.

Open Rates by Platform

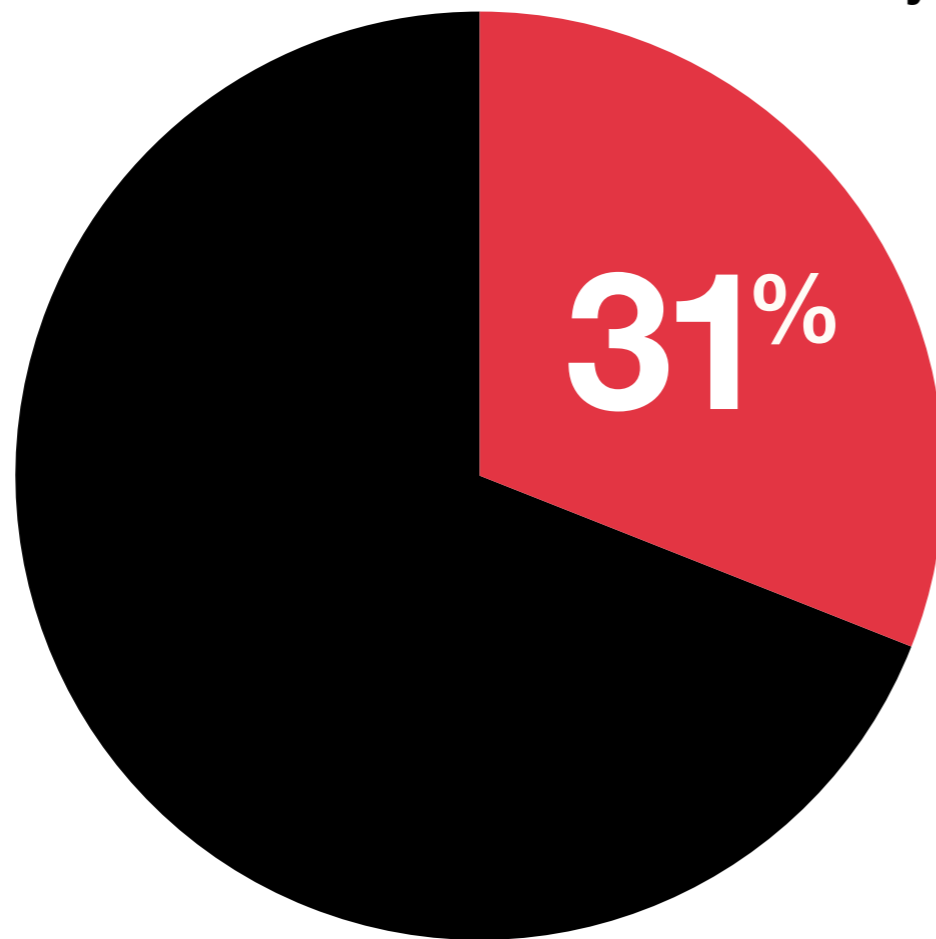


Source: [Return Path](#), December 2012

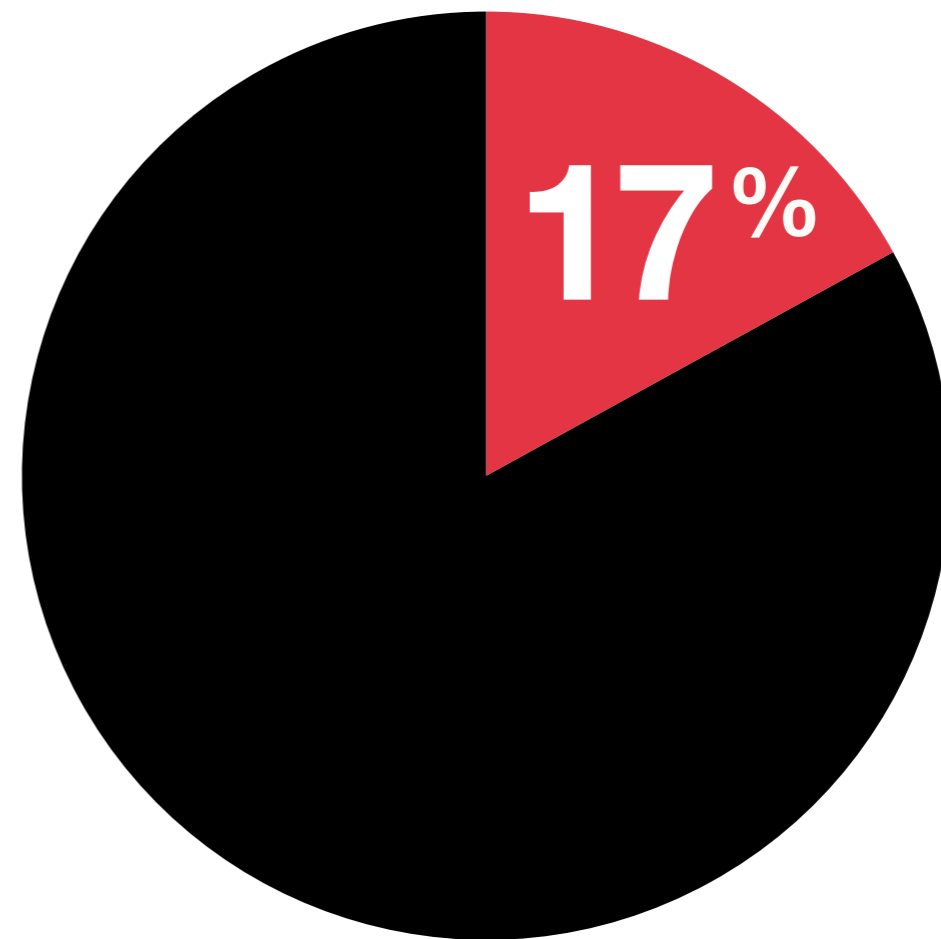
The “Mobile-Mostly” Crowd

31% of cell phone users who access the internet use their phone as their primary means of going online.

Size of U.S. Adult Population that Goes Online Mostly on Cell Phone



of cell internet users



of all cell owners

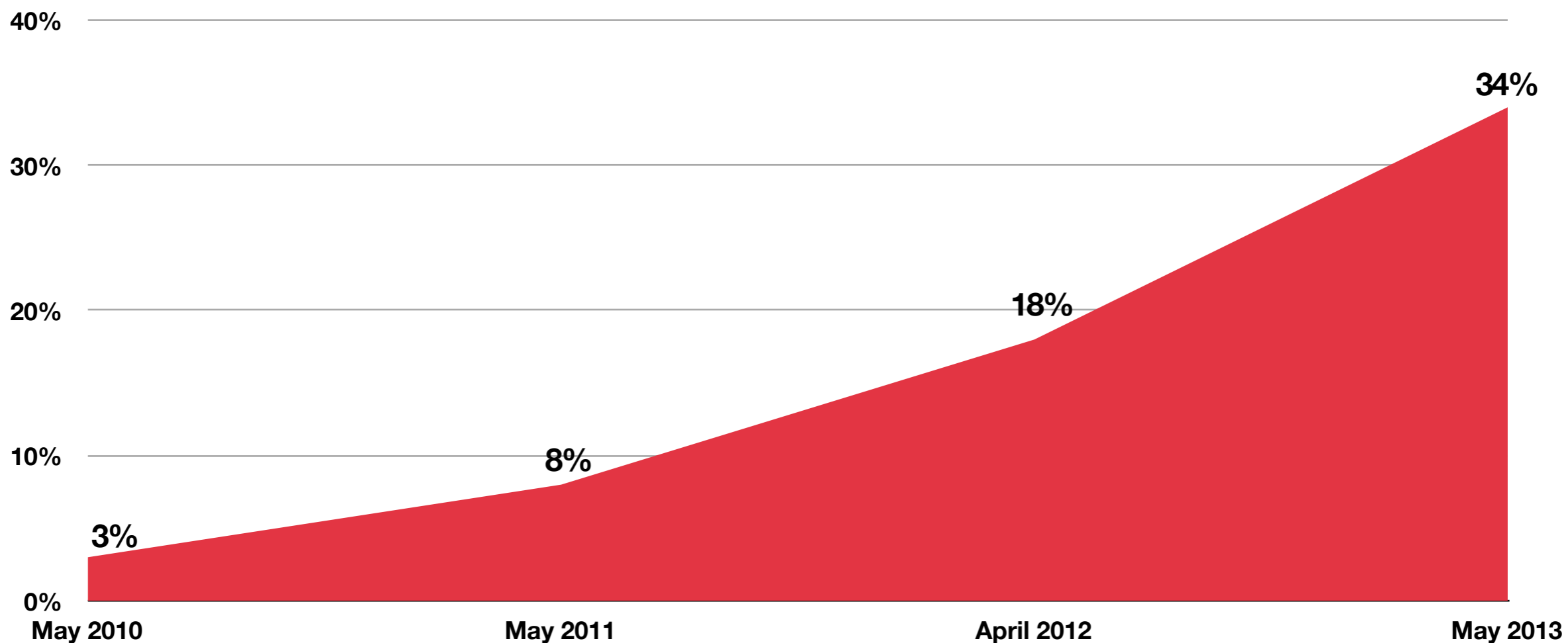
Source: Pew Research Center's Internet & American Life Project, April 2012

Tablets

Tablet Ownership Grows

Tablet ownership has been on a steep incline since 2012.

Percentage of Americans Who Own A Tablet

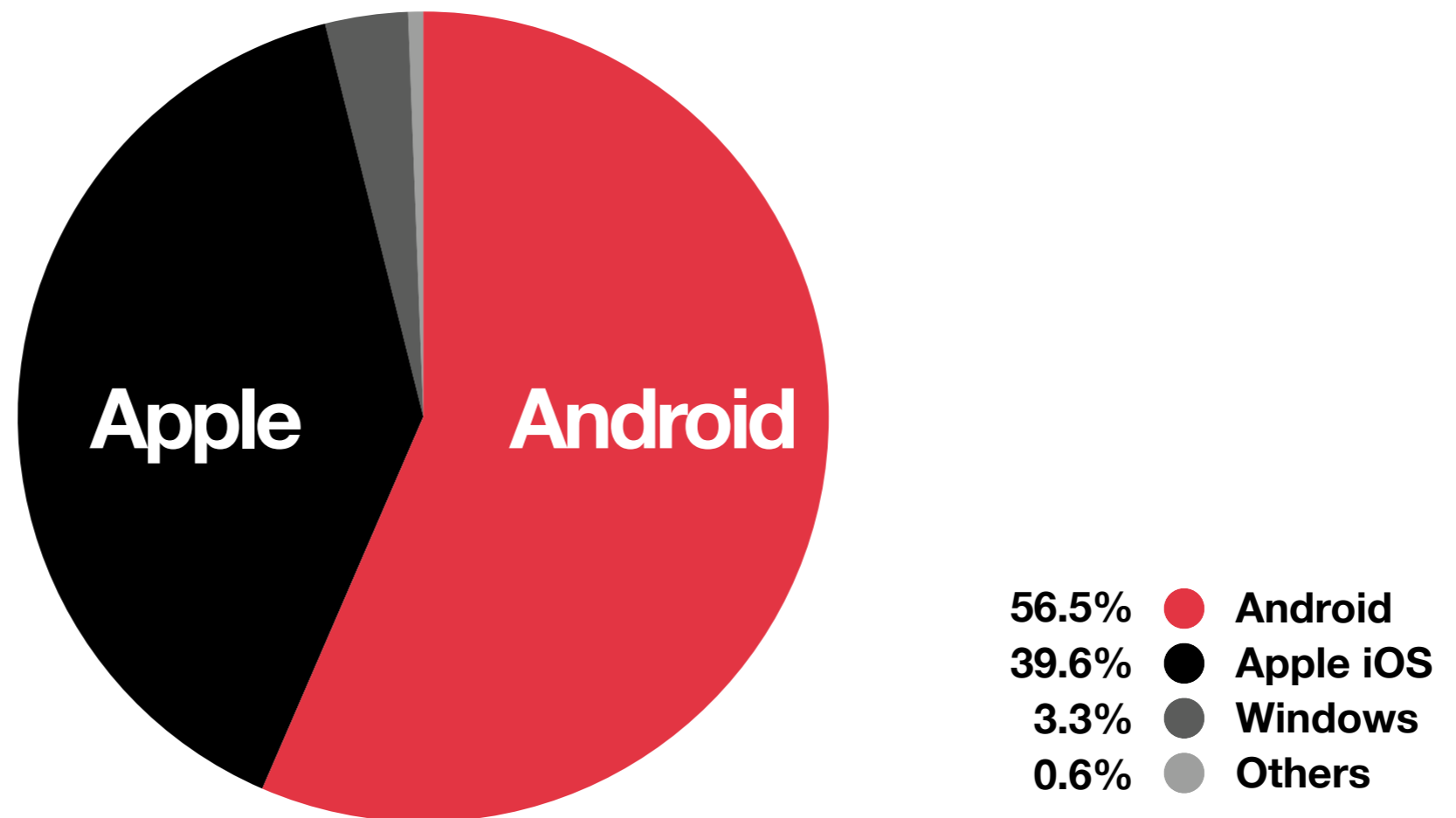


Source: Pew Internet & American Life Project, May 2013

Market Share

Android and Apple also dominate the tablet marketplace.

Top Tablet Operating Systems Worldwide by Market Share, 2013 Q1



Source: [IDC Worldwide Tablet Tracker](#), May 2013

Who Owns a Tablet

Men

32%

Women

35%

Age 18-24

33%

Age 25-34

37%

Age 35-44

49%

Age 45-54

38%

Age 55-64

28%

White

33%

African American

32%

Hispanic

34%

Source: Pew Internet & American Life Project, May 2013

How We Use Tablets

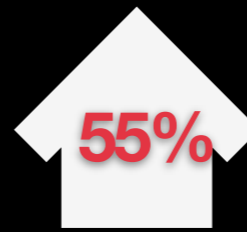


1 in 4

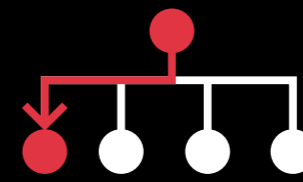
viewers pay to watch video



read books on their tablet



of tablet owners have a high household income (\$75K+)



1 in 4

smartphone owners use a tablet



2 in 3

access social networks



1 in 3

access social networks almost daily



purchase physical goods on their tablet



Top purchase categories:

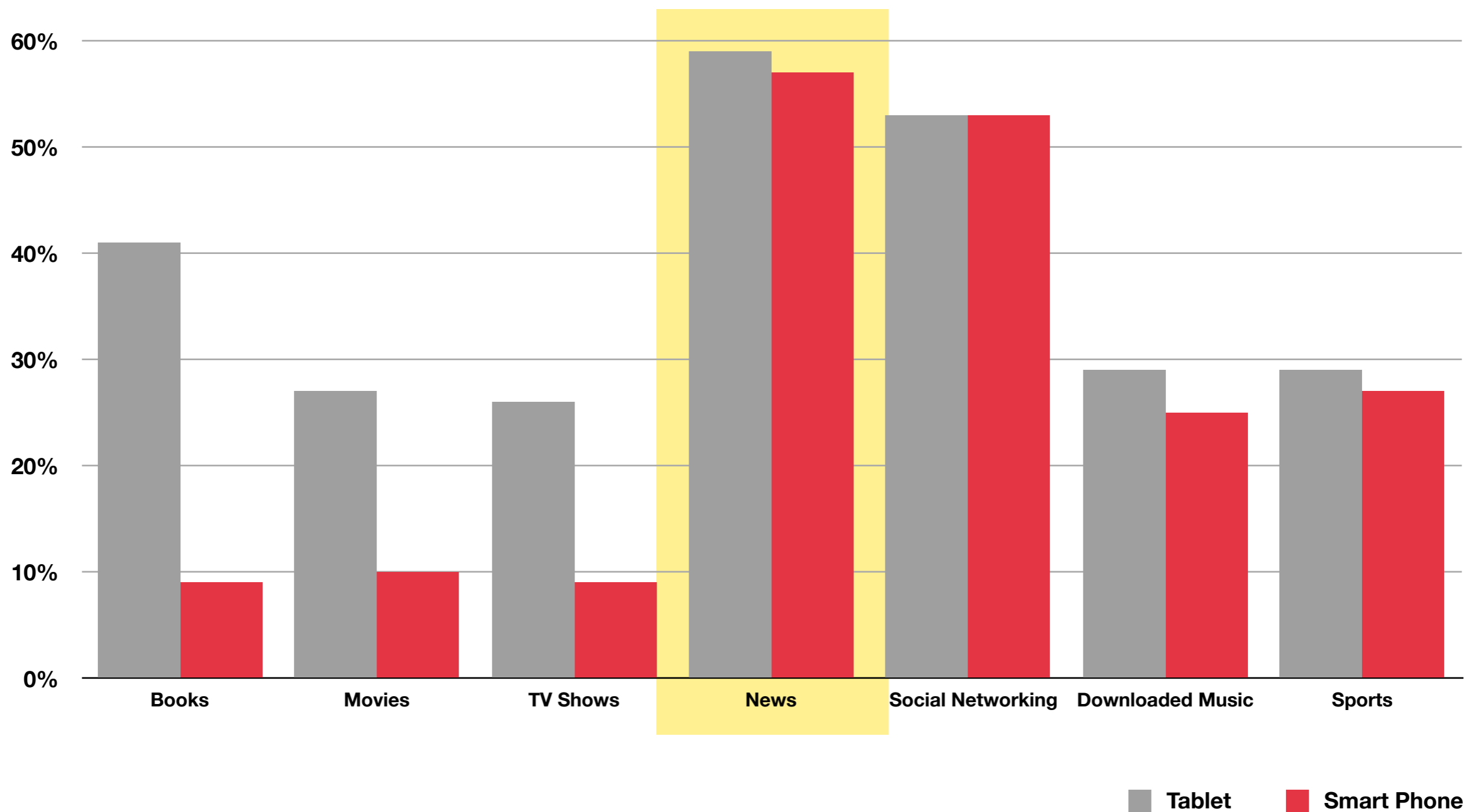
1. clothing/accessories
2. books
3. tickets

Source: comScore, June 2012

News Consumption

Bright Spot for News

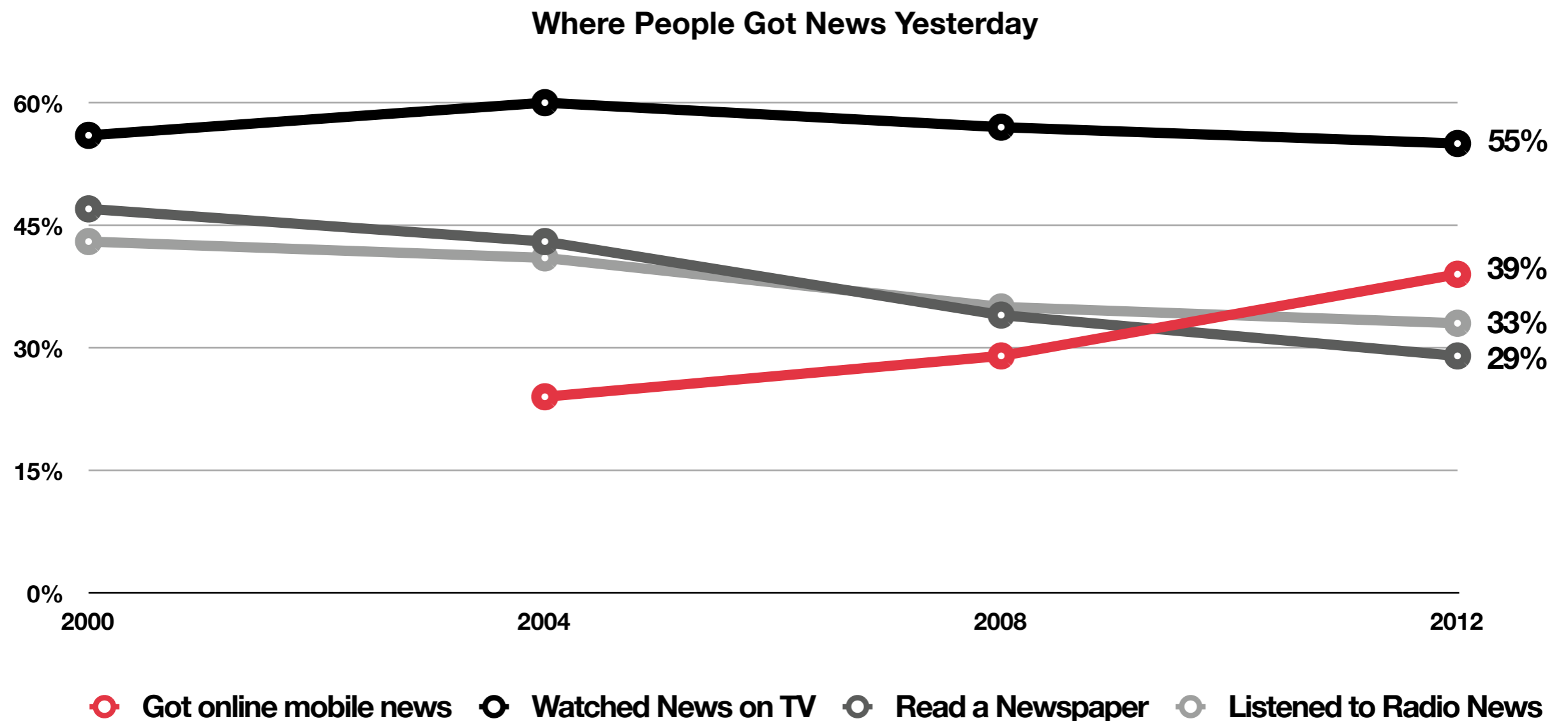
Content Accessed Through Mobile Devices



Source: Nielsen Connected Device Report, 2012

Where People Get News

Online/mobile news has risen sharply at the expense of TV, radio and newspapers.



Source: [Pew Research Center's Project for Excellence in Journalism](#) in collaboration with [The Economist Group](#), Oct. 2012

News Snacking

Readers on mobile like to check the news more often and more quickly.

More than **ONCE A DAY**
with a mobile device



Smartphone
owners

75%



Tablet
owners

70%

+10%

increase in tablet
usage in one year

More than **ONCE A WEEK** on
other devices



TV
74%



Radio
55%



Newspapers
38%

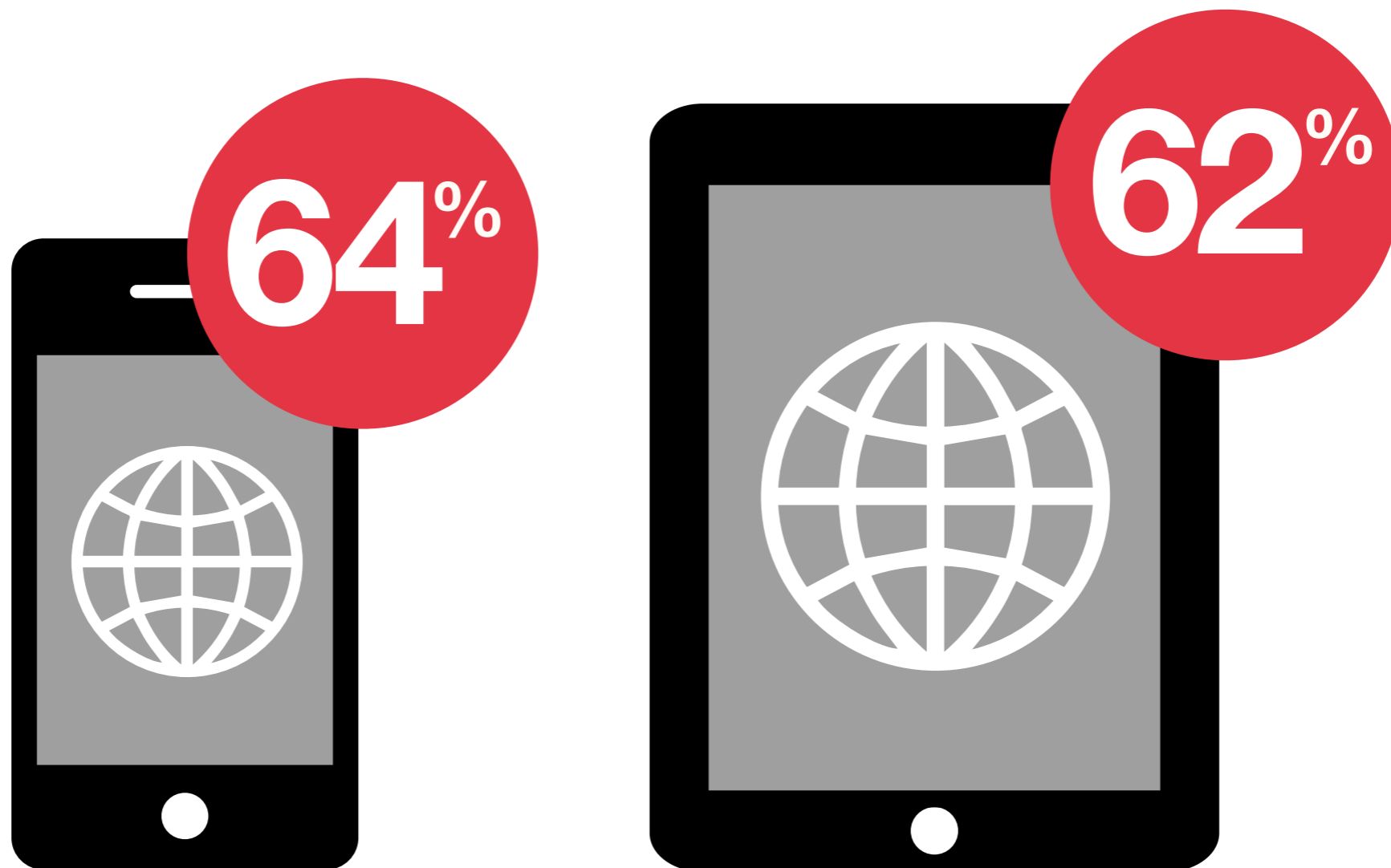


Paper
Magazines
18%

Source: [Mobiles Republic](#), June 2013

Mobile News Usage

Getting the news is a leading activity on mobile devices.



**...of smartphone owners
get news on their device.**

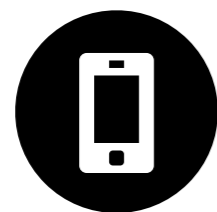
**...of tablet owners get
news on their device.**

Source: [Pew Research Center's Project for Excellence in Journalism](#) in collaboration with [The Economist Group](#), Oct. 2012

Mobile at Home

Many “mobile” news consumers are actually using their devices while at home.

Where mobile news users tend to get news during the week



Smartphone

At home

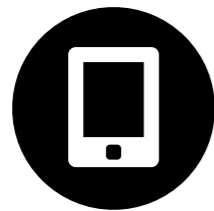
58%

At work

29%

Commuting
or in transit

9%



Tablet

85%

11%

3%

Source: [Pew Research Center's Project for Excellence in Journalism](#) in collaboration with [The Economist Group](#), Oct. 2012

Tablets = More News

Almost 1/3 of people who acquire tablets find themselves reading more news from more sources.

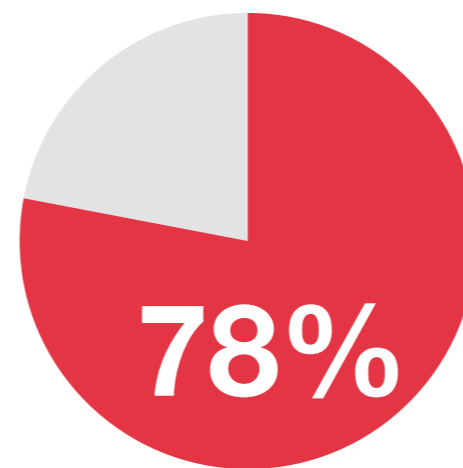
Since getting their tablet, news users say they...

31%  Spend more time with news

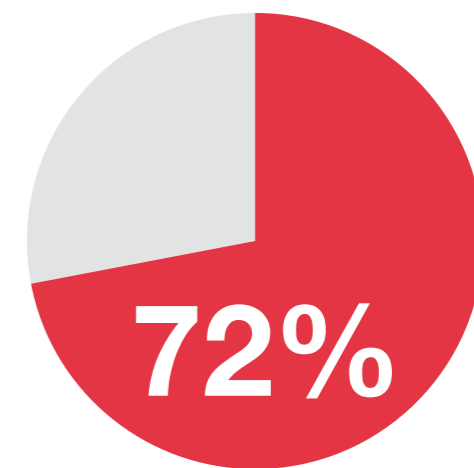
31%  Turn to new sources for news

43%  Are adding to the news they consume

Among tablet news users who read longer articles...



Read more than one in-depth article during a sitting

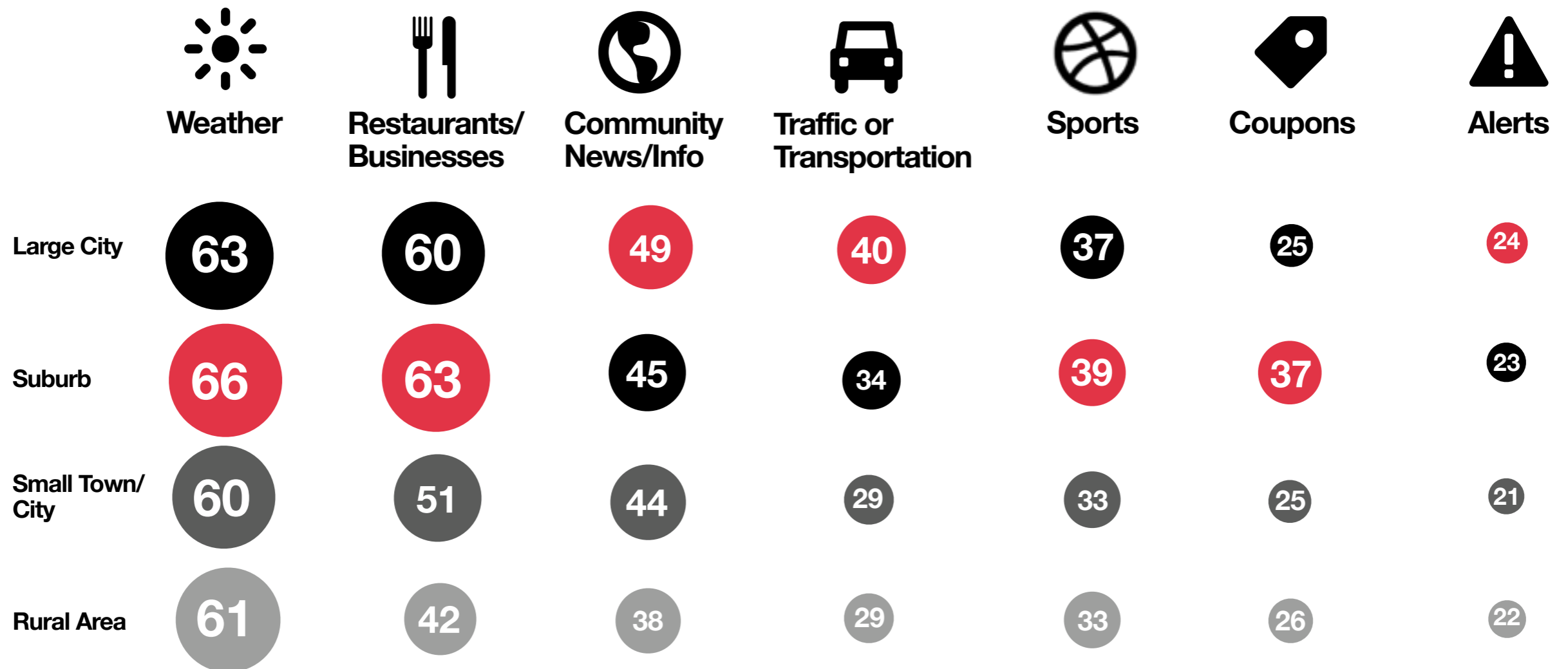


Read in-depth articles they were not initially looking for

Source: [Pew Research Center's Project for Excellence in Journalism](#) in collaboration with [The Economist Group](#), Oct. 2012

Local News on Mobile

Weather, news, traffic and sports show the highest interest.



Source: Pew Research Center's Internet & American Life Project, 2011 (most recent data available)

2

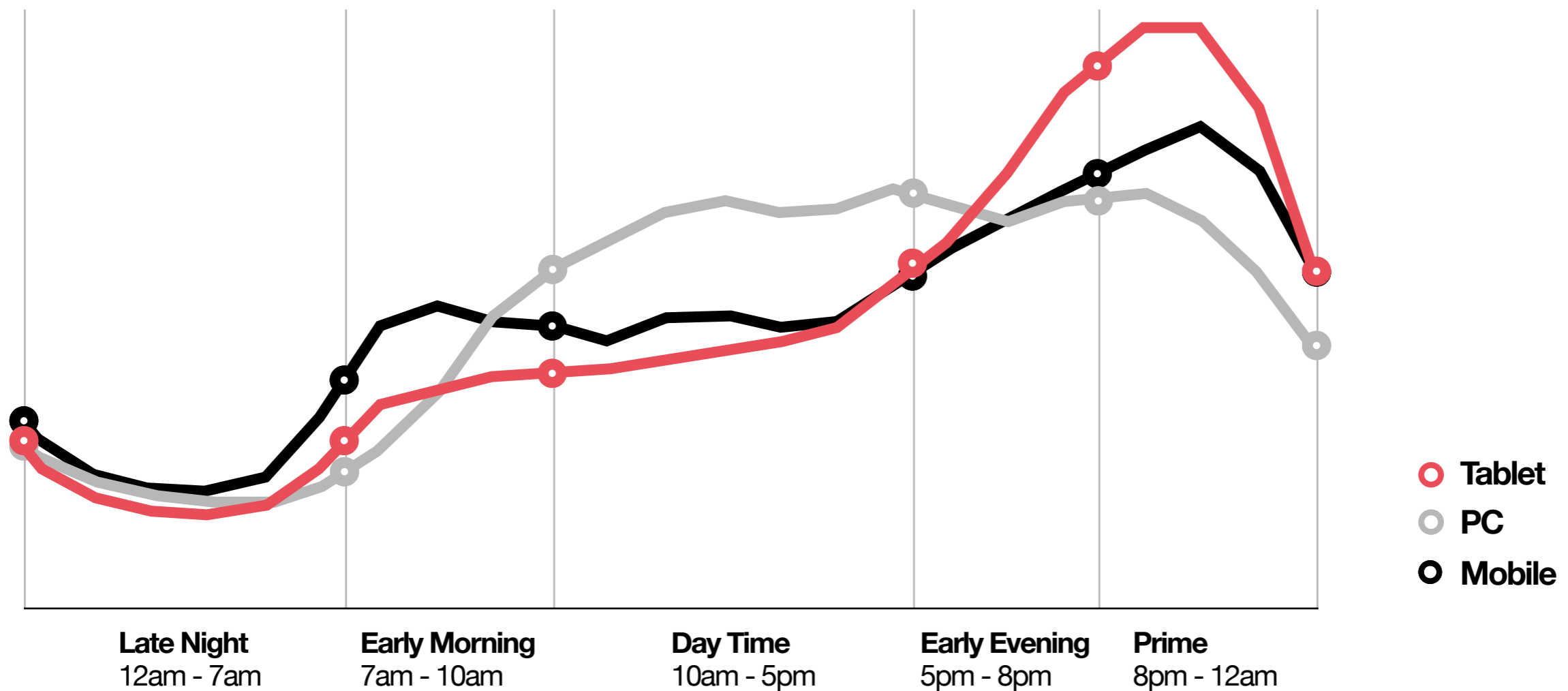
Multi-
Screening

When We Use Our Devices

Device preferences throughout the day

Most weekend tablet usage occurs between 8pm and 9pm

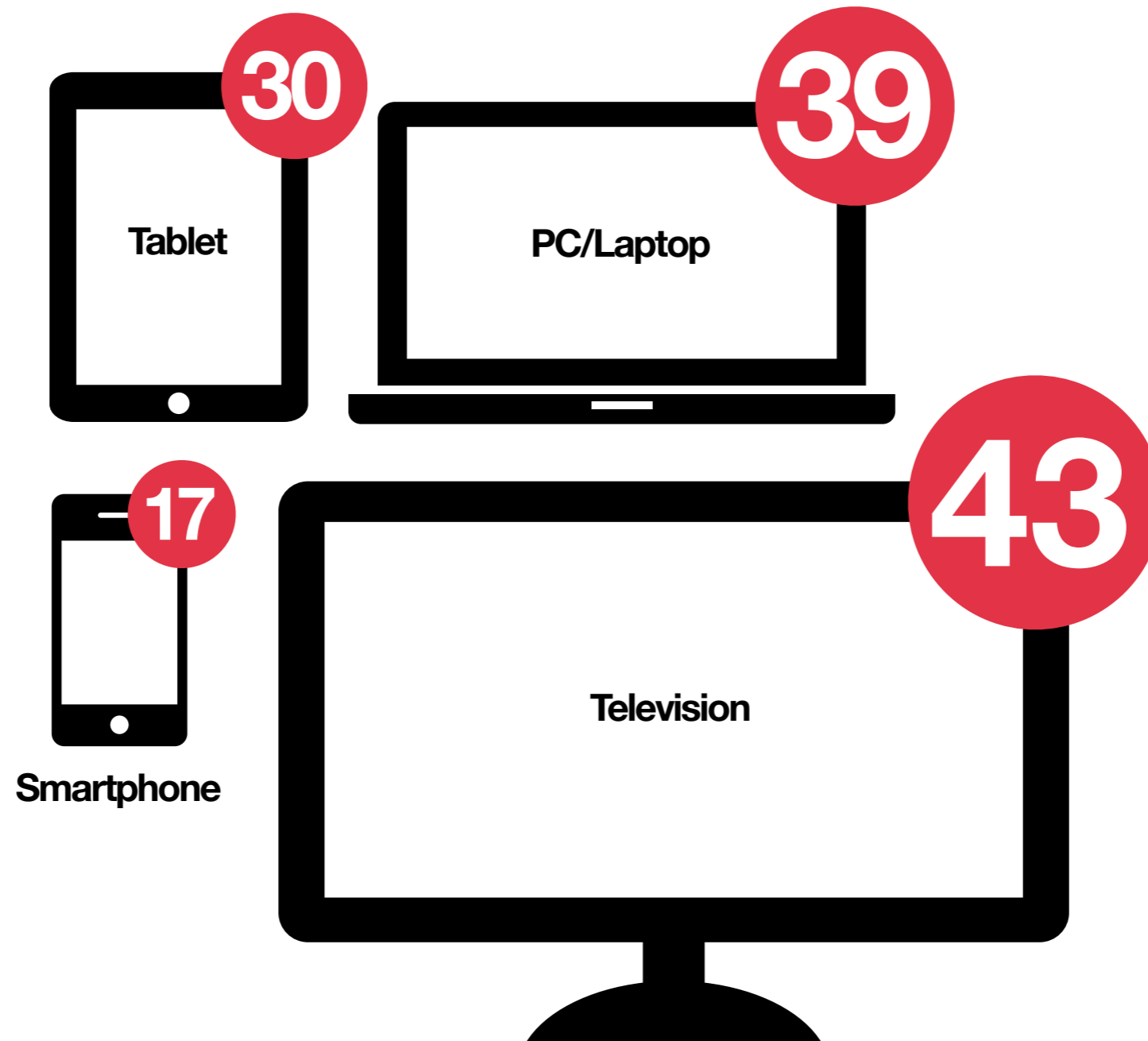
Share of device page traffic on a typical workday



Sources: comScore, January 2013, UK

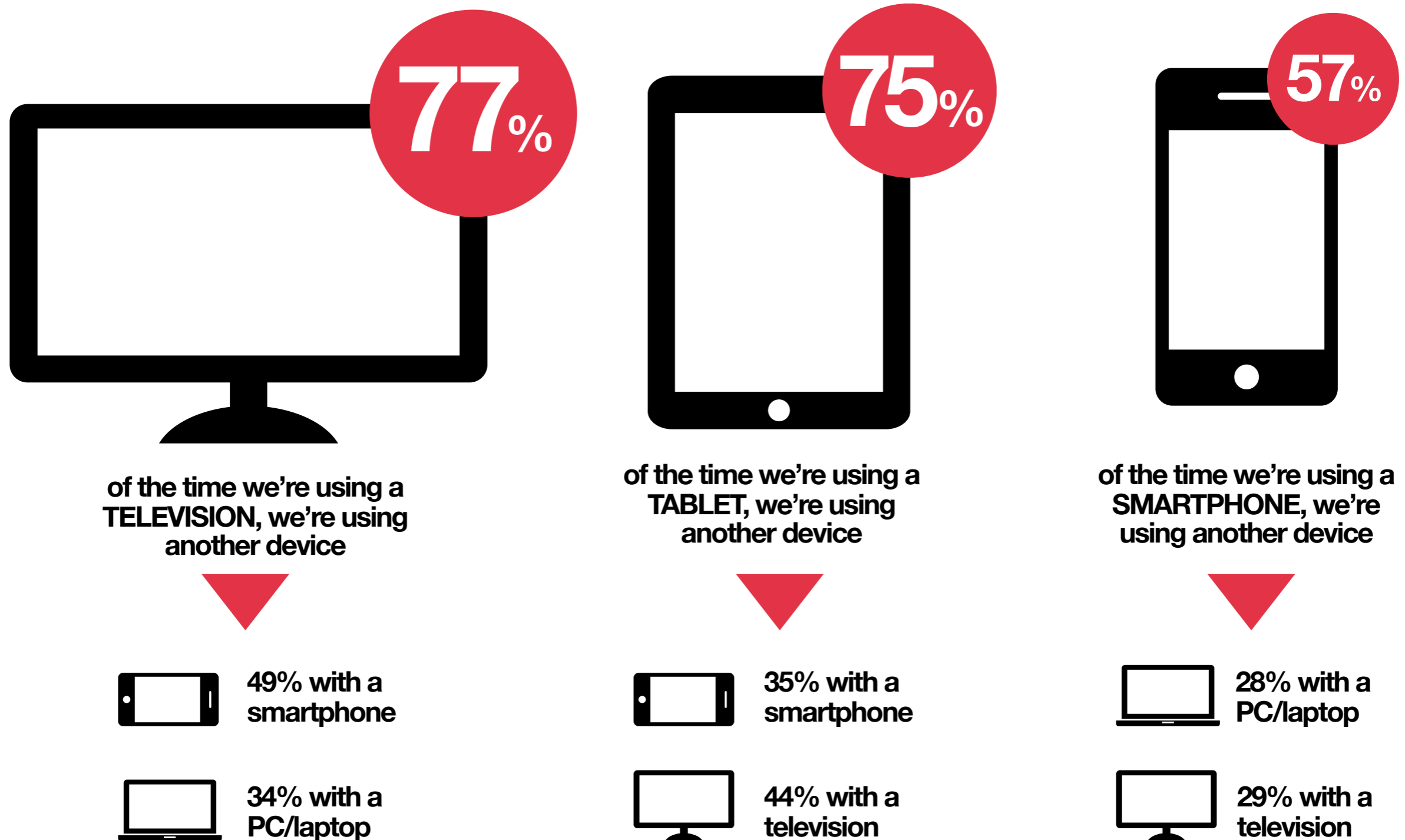
How We Spend Our Time

Average time spent per interaction (minutes)



Sources: Sterling Brands, Ipsos, August 2012

Multiscreening is Common



Sources: Sterling Brands, Ipsos, August 2012

What Motivates Us

Each device fulfills a different need.

PC/Laptop



Context:

- Office or home use
- Productive, task-oriented
- Requires lots of time & focus
- Serious, research intensive, attitude

Motivation



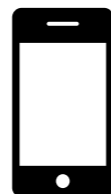
40%

Finding information

29%

Keep up to date

Smartphone



Context:

- On-the-go as well as at home
- Communicate and connect
- Short bursts of time
- Need info quickly and immediately

Motivation



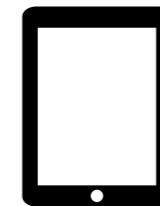
54%

Communication

33%

Entertainment

Tablet



Context:

- Primarily used at home
- Entertainment and browsing
- Unbound sense of time
- Relaxed and leisurely approach

Motivation



63%

Entertainment

32%

Communication

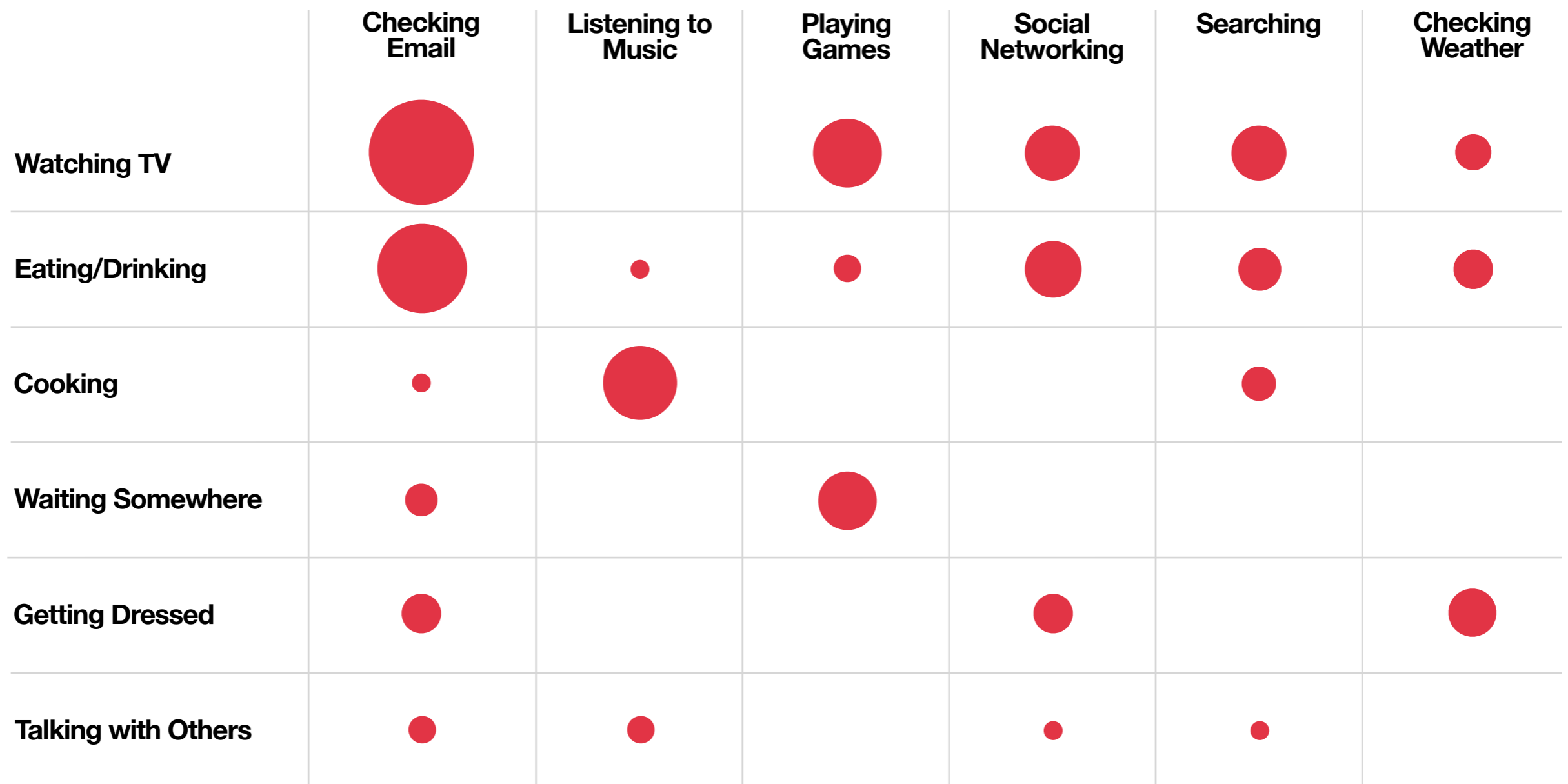
Sources: Sterling Brands, Ipsos, August 2012

Always Multi-tasking

While watching TV, we're using our tablets to check email, play games, social network and search.

While we are...

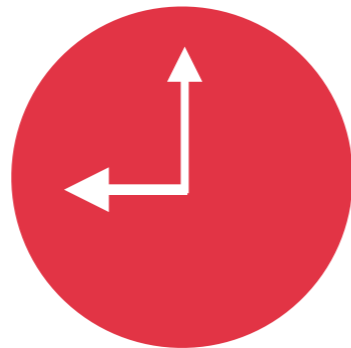
On our tablets, we are also...



Source: Google, January 2012

At CNN Digital

Spikes vary by time of day.



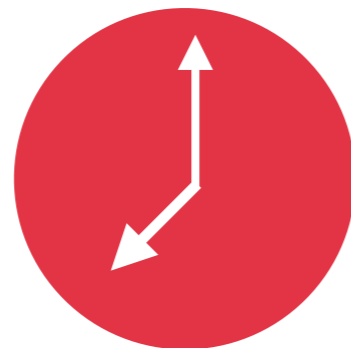
Morning

Mobile Phones. Users wake up and check in.



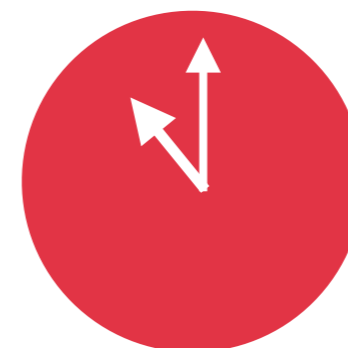
Lunch

Mobile phones. Users take a break from work and check social media.



Evenings

Tablets. Users are in entertainment mode with tablet as primary or secondary device.

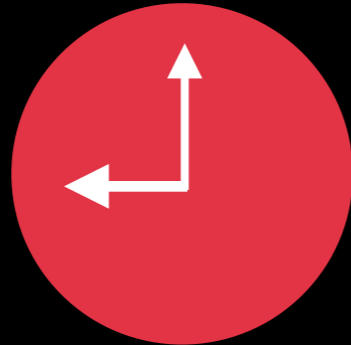


Late Night

Mobile Phones. Users check one last time before bed.

Recommendation

Tailor Your Content to Daypart Behavior.



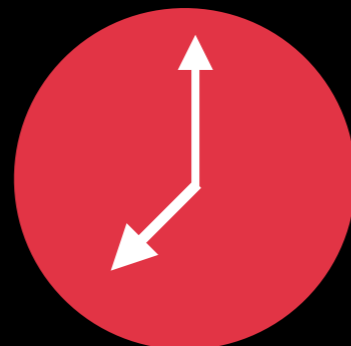
Morning

Give quick facts, short updates, harder news.



Lunch

Focus on bite-sized news, lifestyle, entertainment and tech.



Evenings

Increase the amount of video and long-form content you offer.



Late Night

Summarize events of the day. Preview what's ahead tomorrow.

3/

Summary

A Few Takeaways

- We spend a **significant amount of our day on mobile** - certainly more than we exercise or do housework!
- Local content on mobile is a huge opportunity, with 94% of users **seeking local information** on their smartphones.
- **News is one of the largest categories** of content accessed on mobile, but this growth is at the expense of traditional TV, radio and newspaper viewership.
- With mobile, **multi-screening and multi-tasking** is common, but each device fulfills a different need, so news providers must program accordingly.

A Few Takeaways

- News consumption is changing:
 - The “**mobile-mostly**” crowd is growing, and will likely be key to growth in future news viewership
 - Many “mobile” users actually **use their devices at home**
 - “**News snacking**” means users check for news more often and more quickly
 - **More tablets = more news**
- Each of these trends will have **editorial implications** for mobile.
- These editorial considerations will be discussed in more depth in Part 3 of this series.

What's Next?

Part 2 of the *News in the Mobile World* series will focus the business decisions that a mobile news provider must make. Topics include whether to build a mobile web versus a native app experience, best practices in responsive design, and other key challenges and takeaways in running a mobile news business.

Part 3 of the *News in the Mobile World* series will address the editorial considerations when programming news for mobile consumption. Topics include video trends and best practices, social media and local news programming and other keys to success when designing content for mobile experiences.

Part 4 of the *News in the Mobile World* series will discuss monetizing mobile. Most executives recognize the potential of mobile, but many still struggle with making money from it. In this part of the series, advertising trends and best practices, as well as paid content strategies, will be addressed.

Thank You
CNN Newsource