The Communications Market 2015

Internet and online content

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5.1 Key market developments in internet and online content

5.1.1 Introduction

Figure 5.1   UK internet and online content market: key statistics

UK internet and web-based content market	2009	2010	2011	2012	2013	2014	2015
[1]Internet take-up (%)	73	75	77	79	80	82	85
[1]Internet on mobile-phone take-up (%)	20	21	32	39	49	57	61
[2]Monthly active audience on laptop/desktop computers	38.6m	43.1m	42.2m	43.6m	44.6m	45.1m	n/a
[2]Time spent web browsing per laptop/desktop internet user per month (hours)	29.4	30.9	31.5	34.7	34.2	29.8	n/a
[3]Digital advertising expenditure (£)	3.6bn	4.1bn	4.8bn	5.4bn	6.3bn	7.2bn	n/a
[3]Mobile advertising revenue (£)	38m	83m	203m	529m	1021m	1625m	n/a

Note: With the exception of internet, and internet on mobile phone, take-up data, all data relate to the calendar year, meaning that 2015 data are currently unavailable. Source: [1]Ofcom consumer research, Q1 (2009-2013), then wave 1 (2014&2015) [2]comScore MMX, UK, annual average from reported monthly values; [3]IAB/PwC Digital Adspend Study 2009-2014
Note: Caution is advised in comparing values before and after February 2011 because of a change in comScore methodology.

In this chapter of the *Communications Market Report* we examine developments in internet and online content. Reflecting the reality of convergence, aspects of some of these developments are also discussed in other sections of this document, in particular those relating to audio-visual content and audio content. We also refer the reader to the relevant sections in the *Market in Context* chapter (Section 1) which this year looks at social networking, use of smartphones and changes in the way citizens and consumers consume audio-visual content.

Convergence can have a range of meanings and manifestations. One type of convergence is the blurring of boundaries between different services. For example, clearly defining the boundaries between messaging, social media and online video may become increasingly challenging as services continue to emerge which include functionality historically seen in discrete websites and apps.

Much of the impact to date of the internet for individuals and businesses has been on how they communicate, and the content they consume, as well as how they purchase goods and services remotely, and the focus of our chapter is on these topics. However, the widespread availability and use of smartphones is also starting to broaden the reach of the internet to other everyday physical activities; for example, navigating unfamiliar cities, or paying for purchases in physical stores using a mobile handset rather than cash or a debit/credit card.

This chapter is split into three sections:

In the first section, **key market developments**, we examine digital preservation and online storage. As the amount of content that citizens and consumers create and acquire increases over time, and becomes increasingly important to everyday life, key questions arise as to how this content is best stored and preserved to allow it to be accessed over periods of years and even decades. This is a particular challenge, given the rapid pace of technical change and the potential obsolescence of devices, platforms and file formats.

The second section (Section 5.2) looks at the **internet** and the **devices** used to access it. We explore internet access in detail, including delivery platforms and the devices they use. We examine how access has changed over time, how it differs between different groups in society, and why some groups do not use the internet at all.

Finally, the third section (Section 5.3) provides an overview of **consumption of online content,** in which we examine the most popular online services, websites, apps and internet advertising (a key source of funding for online content). We look at consumer behaviour unique to the internet, such as social networking, online video, online video gaming, online retail, mobile payments and online news.

5.1.2 Digital storage and digital preservation

Introduction

In this this section, we examine how citizens and consumers use a range of physical media and online storage services to store content they have created or acquired, in particular in the context of long-term storage and use. We examine consumer attitudes to and awareness of, issues they may face in ensuring that the content they create and acquire remains accessible to them in the future.

We draw primarily from recent research conducted by YouGov, as well as Ofcom's media literacy research and comScore. We also refer to other relevant parts of the Communications Market Report, for example, section 1.9, 'Digital music and photograph collections.'

This section covers four key areas:

- A summary of the digital preservation challenge

- Take-up of physical media

- Take-up and attitudes towards online storage

- Attitudes towards, and awareness of, digital preservation issues

Digital preservation: the steps consumers can take to access digital content now and in the future

Consumers use connected digital devices to consume and create digital content. Digital preservation is about their ability to continue to access and use this content. This includes accessing their historic content now, and continuing to access their current and historic content in the future[94].

Creation of digital content by consumers is not new, and many consumers will have historic as well as current content. Ofcom's 2005 *Media Literacy Audit* found that 13% UK adults had their own website/ blog and/or edited photos on the computer[95]. Many people have therefore been producing digital content for at least ten years, and possibly longer.

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[94] Throughout this section we refer to 'digital content' which includes publications, documents and correspondence, software and games, music, photos and videos which are in digital formats.
[95] Source: Ofcom *Media Literacy Audit*, 2006
http://stakeholders.ofcom.org.uk/binaries/research/media-literacy/media-lit-2010/medialit_audit.pdf

There are risks as well as advantages associated with storing content in digital formats. As increasing amounts of digital content are created, including content with sentimental or historic value that people may wish to access many years into the future, the digital longevity of their content becomes increasingly important. There have been a number of media reports highlighting the loss of such content, for example the BBC's crowdsourced Domesday project of the 1980s, or the loss of NASA's data from some of its 1970s missions[96]. Reasons why content may become inaccessible over time include:

- physical damage or degradation of the media on which the content is stored[97];

- closure or loss of an account at an online cloud-based storage service (or closure of the entire service);

- lack of compatible hardware on which to read media; and

- lack of logical compatibility, where either an application or a file format cannot be read by current systems.

The exact nature of these risks depends on the content being preserved, its file format or the software platform on which it runs, the physical medium on which it is stored, and the device or hardware on which it is accessed. For example, from the mid-1980s to the mid-1990s 3.5" floppy disks were commonly used to distribute software and store digital content created by users. However, these disk drives are uncommon in computers sold in the past decade, and the magnetic coating on the disks that store the data can degrade over time, making them unreadable. Even if these disks are in good condition, the software necessary to read them may not be available. Games consoles can even be more problematic, as they may use proprietary physical media and software formats that are not compatible with newer models.

As an alternative to local storage, consumers can use online (cloud-based) storage services[98], and so do not need to maintain local copies on their own physical media. Large cloud-based storage providers may be better placed to keep multiple back-ups of content (which may guard against risks such as fire damaging disks or servers), and this may be more convenient for individuals and small businesses. Being cloud based, they can provide access to stored content via multiple devices. However, the use of these types of services may introduce other risks, such as the closure of online services[99], or security breaches.

Digital preservation risks extend beyond physical storage media to platforms and software. The rapid pace of change in mobile platforms may mean that older apps may not be

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[96] The BBC worked with schools around the UK to produce a crowd-sourced study of life in the UK to celebrate 900 years of the Domesday Book. This was made available on a laserdisc (a type of optical disc able to store video and data) and accessed by BBC Master computers. These became obsolete as new formats and computers were introduced, making it difficult for the content to be accessed. http://www.bbc.co.uk/news/technology-13367398. An earlier example concerns the loss of data from NASA's 1970s missions to Mars. See: http://www.bloomberg.com/bw/stories/1998-04-19/data-storage-from-digits-to-dust

[97] The surface of magnetic-based media as well recordable/rewritable CD/ DVDs may degrade over time. Drive with moving components e.g. hard disks may suffer from mechanical failure, and flash memory-based storage has a limited number of read-write cycles.

[98] As well as dedicated cloud-based storage services, consumers also upload content, web email, and social media services as a form of cloud-based storage

[99] Some attempts have been made to capture publicly-accessible content originally stored on now-defunct services. The Internet Archive www.archive.org aims to collect and preserve digital content and printed books, including content from now-closed online services and websites such as GeoCities.

compatible with newer handsets or operating systems, and newer versions of devices such as consoles may not be compatible with older versions.[100] Likewise, software may not be updated to run on newer operating systems and platforms.

These digital preservation challenges potentially affect all creators and users of digital content, including archives, libraries, businesses, community organisations and individual consumers.
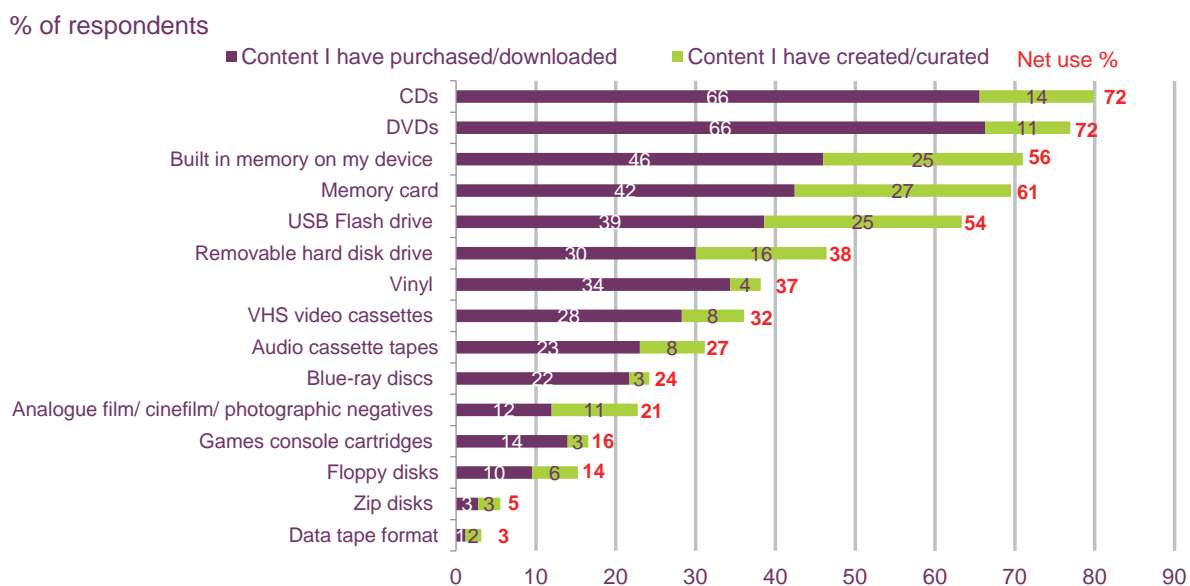
5.1.3 Physical media

The most common physical storage media used at home include DVDs, CDs, memory cards, USB drives and storage built into devices

Research among online consumers has found that the most common physical storage media overall are DVDs and CDs, with 72% of online adults saying that they have each of these types of storage media at home (the net use figure in Figure 5.2). These are most likely to be used to store content that has been purchased or downloaded (66% of online adults say that they use each storage medium for this purpose), with fewer people saying that they use them to store content they have created or curated (14% for CDs and 11% for DVDs). The physical storage media that people are most likely to use for content they have created or curated themselves are memory cards; 27% of online adults saying they use these, followed by the built-in memory on their device and USB flash drives, both cited by 25% of online adults.[101]

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[100] For example, Sony PlayStation 4 consoles are incompatible with games software designed for its predecessor, the PlayStation 3 – see http://www.eurogamer.net/articles/2015-06-19-dont-hold-your-breath-for-ps4-backwards-compatibility Microsoft's Xbox One also lacked backwards compatibility with its predecessor Xbox360, although in June 2014 Microsoft announced that some backwards compatibility functionality would be added to allow Xbox One consoles to play Xbox 360 games http://www.xbox.com/en-GB/xbox-one/backward-compatibility

[101] It is important to note that these figures relate to the use of physical media for generic digital content storage in the home, rather than the use of physical media for particular content such as music. For further details on the use of CDs in music collections, please see section 1.1.

Figure 5.2   Physical storage formats used in the home

% of respondents

■ Content I have purchased/downloaded   ■ Content I have created/curated   Net use %

Format	Purchased/downloaded	Created/curated	Net use %
CDs	66	14	**72**
DVDs	66	11	**72**
Built in memory on my device	46	25	**56**
Memory card	42	27	**61**
USB Flash drive	39	25	**54**
Removable hard disk drive	30	16	**38**
Vinyl	34	4	**37**
VHS video cassettes	28	8	**32**
Audio cassette tapes	23	8	**27**
Blue-ray discs	22	3	**24**
Analogue film/ cinefilm/ photographic negatives	12	11	**21**
Games console cartridges	14	3	**16**
Floppy disks	10	6	**14**
Zip disks	3	3	**5**
Data tape format	2	2	**3**

Source: YouGov, Attitudes Towards Technology 2015, April 2015
Base: Online UK adults 16+ (2147)
Q31. Which of the following do you have at home? Please choose all that apply.
Note: 'Net use' refers to use for purchased/ downloaded content and/or created/ curated content. The sum of the people who use a particular physical media for content they have purchased, and the proportion who use it for content they have created/curated, double-counts the proportion who do both, and hence the net-use figure reported above is lower.

5.1.4 Take-up and attitudes towards online storage

Online storage services are used by more than a third of online adults

Over a third (36%) of adult internet users say that they use an online data storage service such as Dropbox, iCloud or Google Drive for their personal use (Figure 5.3).The 16-24 and 25-39 age groups are more likely to say they use one of these services (42% and 44%) compared to those aged 40-54, and 55+ (32% and 30% respectively).

Figure 5.3   Use of online storage service

% of respondents who answered 'yes' when asked if use online data storage services
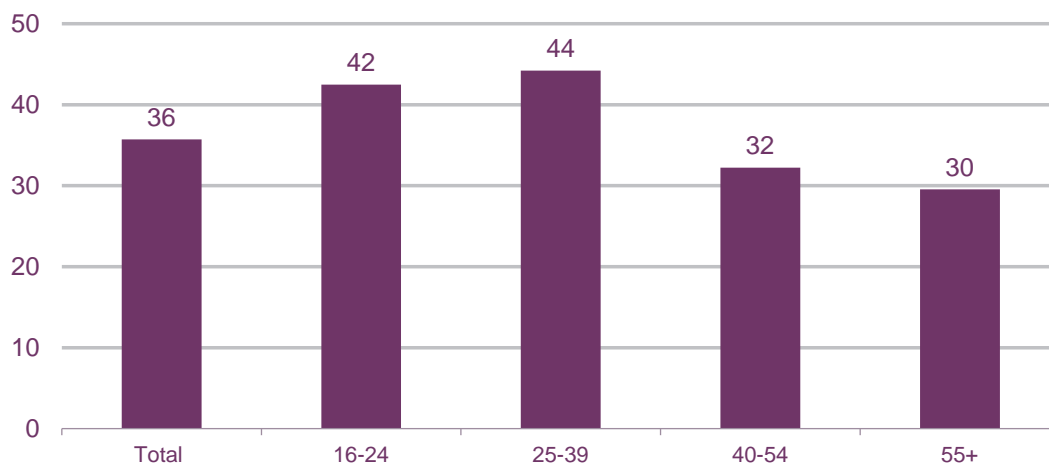
	Total	16-24	25-39	40-54	55+
%	36	42	44	32	30

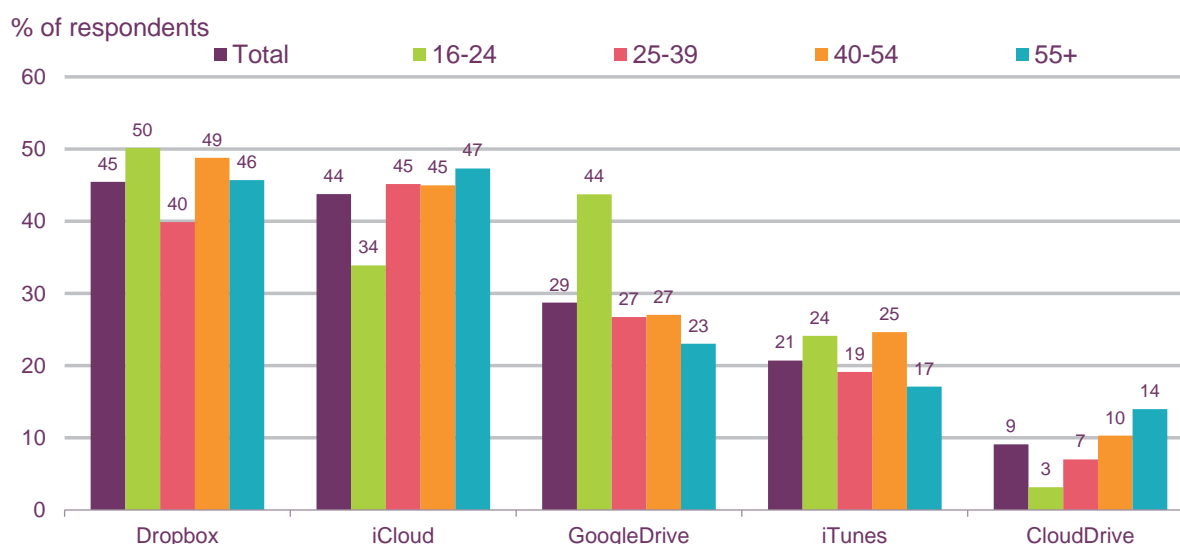*Source: YouGov, Attitudes Towards Technology 2015, April 2015*
Base: Online UK adults 16+ (2147), 16 – 24 (279), 25 – 39 (384), 40 – 54 (554), 55+ (930)
Q.26 Do you use online data storage services, such as Dropbox, iCloud or Google Drive for your personal needs?

Dropbox and iCloud are the most commonly used online storage services

When prompted, respondents most commonly said they used the following online data storage services: Dropbox (45% of those who used a service), iCloud (44%) and Google Drive (29%). People aged 16-24 were less likely than internet users as a whole to say they use iCloud (34% vs. 44%), but more likely to say they used Google Drive (44% vs. 29%).

Figure 5.4   Claimed use of selected online storage services

% of respondents

Source: YouGov, Attitudes Towards Technology 2015
Base: Online UK adults 16+ who use online data storage services (773), 16 – 24 (126), 25 – 39 (175), 40 – 54 (189), 55+ (283)
Q.29 Which of the following online storage services, if any, do you use for your personal needs?

The Dropbox app is used by 6 million people each month on desktop and laptop computers

Data from comScore on the numbers of desktop and laptop users visiting selected online storage services and applications found that the Dropbox desktop/laptop app remained consistently ahead of other cloud-based storage services in terms of the number of unique users each month, being used by 6 million unique visitors in March 2015.[102] Microsoft's OneDrive service had 1.8 million visitors and iCloud 0.8 million in the same period.

Dropbox, Google Drive and iCloud, in line with similar services, offer several tiers of service, including a free basic account, and a paid subscription service offering enhanced functionality (such as more storage space).[103]   Focusing on very long-term data storage for corporate customers, Amazon offers its Amazon Glacier dedicated 'off-line' storage service,

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[102] The unique audience is the number of unique visitors (persons) who accessed the service in the month via a laptop or desktop.

[103] For example, Dropbox's free basic plan offers 2GB cloud storage, while a £7.99/month subscription allows up to 1TB storage and the ability to remotely wipe data, and a £11 month option for businesses provides unlimited storage. Apple iCloud offers 5GB free storage. Upgrades are priced from £0.79/month for 20GB of storage to £14.99 for 1TB. Prices and options correct at 14/07/15. See https://www.dropbox.com/plans and https://support.apple.com/en-gb/HT201238

for businesses which need to keep large volumes of records for long periods of time (for example, to meet legal requirements) but which do not need instant access to the data.[104]

Figure 5.5   Use of selected online storage services on desktop and laptop computers

Unique audience (millions)
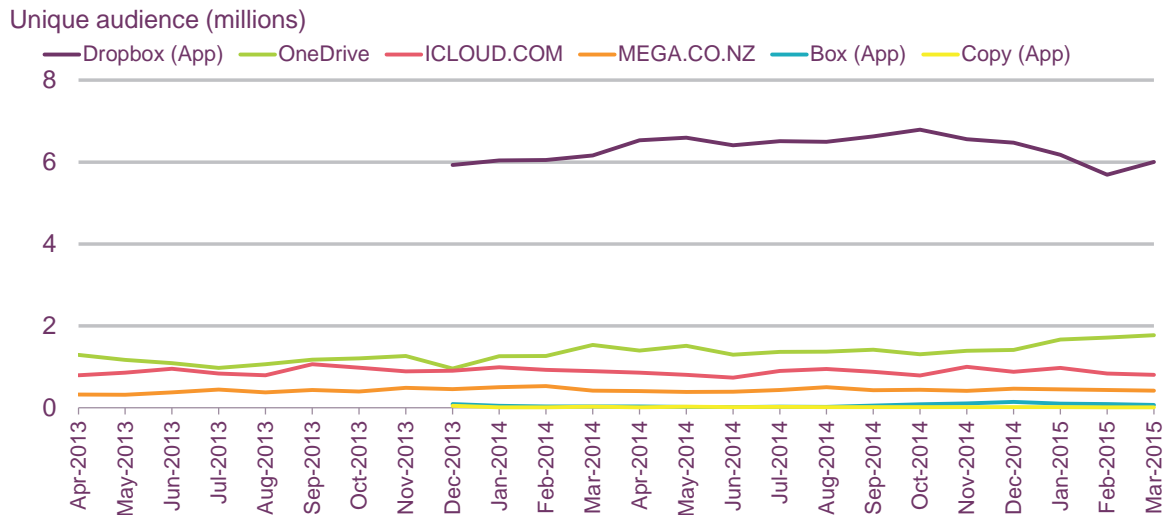
Source: comScore MMX, UK, home and work panel, April 2013- March 2015. NB: Google Drive not separately identified in comScore MMX. Entities reported in MMX: Dropbox (App) [M], OneDrive [C], ICLOUD.COM [P], MEGA.CO.NZ [P], Box (App) [M], Copy (App) [M]. Note: Services may include other websites and apps e.g. for mobile uploads, apart from those identified above.
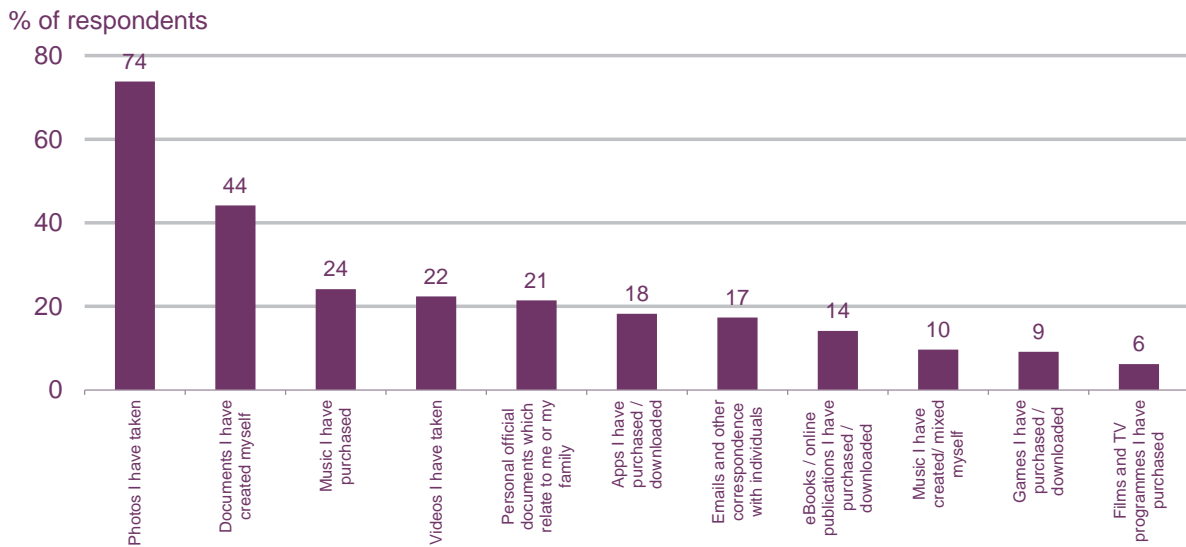
Three-quarters of users of online storage services use them to store their photos

When asked about what kind of content they were storing on online storage services, three-quarters (74%) of users said they stored photos they had taken. Just under half (44%) said they used the services to store documents they had created themselves. Around a quarter (24%) said they used the services to store music they had purchased, and 6% said they stored films and TV programmes they had purchased. More details on consumers' use of, and attitudes towards, digital music and photos can be found in section 1.9 of this report.

Of the five most commonly-cited content types stored on online storage services, four relate to content created by, or personal to the individual user, rather than purchased content, the exception being purchased music.

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[104] See: http://aws.amazon.com/glacier/

Figure 5.6   Types of content stored on online storage services

% of respondents

Bar chart values (left to right):
- Photos I have taken: 74
- Documents I have created myself: 44
- Music I have purchased: 24
- Videos I have taken: 22
- Personal official documents which relate to me or my family: 21
- Apps I have purchased / downloaded: 18
- Emails and other correspondence with individuals: 17
- eBooks / online publications I have purchased / downloaded: 14
- Music I have created/ mixed myself: 10
- Games I have purchased / downloaded: 9
- Films and TV programmes I have purchased: 6

Accessing content from any computer or device is as important as avoiding data loss as a reason for using online storage

Almost half (46%) of those who used online data storage said they used it because they did not want to lose any data. The ability to access content from any computer or device was also important; 45% of users said that this was a reason for their use of the service. Around four in ten (39%) claimed to use the services as an additional back-up to their PC/laptop's hard disk drive. Those aged 25-39 were more likely than the over-55s to say that one of their reasons for using online storage was because they had a lot of data to store.

Figure 5.7   Reasons for using online data storage

% of respondents

Legend: Total, 16-24, 25-39, 40-54, 55+

Bar chart values:
- Do not want to lose any data: 46, 45, 53, 41, 45
- Can access my content from any computer/device: 45, 49, 46, 39, 48
- Additional back up to PC's/laptop's hard drive: 39, 41, 30, 43, 45
- More easily share photos, music and video clips: 32, 29, 34, 30, 33
- External/PC hard drives can be destroyed, damaged or lost: 25, 27, 25, 27, 24
- Viruses could damage the data and I could lose information: 23, 22, 18, 25, 29
- There's not enough memory in my computer/devices: 22, 23, 24, 22, 21
- The storage sites are very reliable: 19, 19, 17, 18, 20
- I have a lot to store: 18, 22, 24, 15, 11
- My data is very safe: 17, 20, 15, 16, 19
- The storage sites are affordable: 15, 15, 12, 17, 17

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Around four in ten users of online storage say they would not use these services to store confidential data

Issues around security were prominent when users of online storage services were asked about their concerns relating to these services. Forty-four per cent of users said that they ensured that they used strong passwords for their accounts. Around four in ten (37%) said they would not put confidential information or content into online storage, and around three in ten (28%) said that they were worried about their data being hacked. However, fewer respondents said they had cut back on online storage use (6%) or had considered changing their online storage provider due to hacking or privacy fears (3%). Only 1% said that the closure or bankruptcy of an online storage service had prevented them from accessing their content.

Not all users of online storage services appear to be concerned by, or have considered, these issues. Fifteen per cent of respondents said that none of the cited issues applied to them, while 11% said they did not know.

Figure 5.8   Concerns about online storage
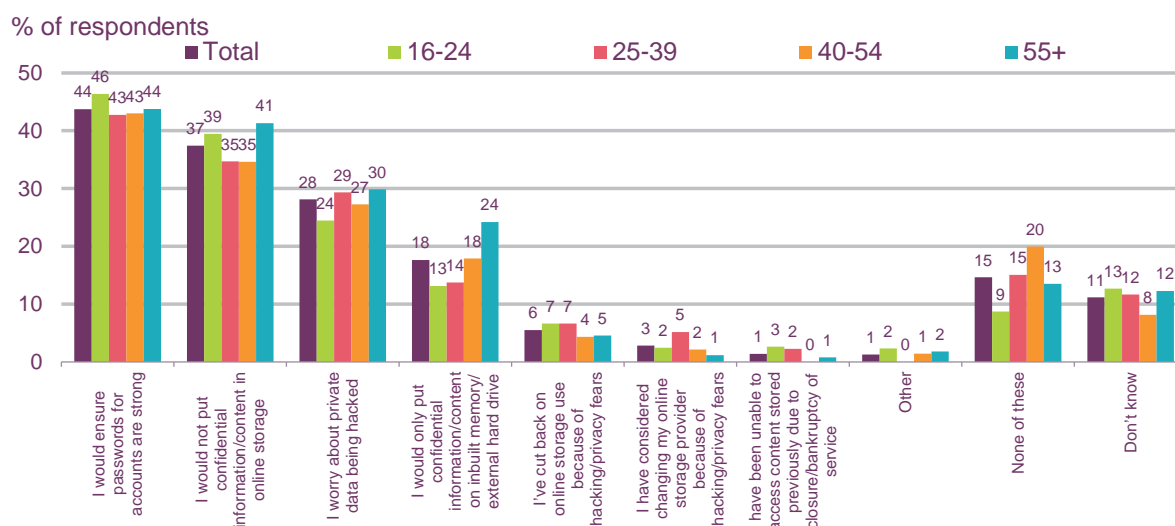
Source: YouGov, Attitudes Towards Technology 2015, April 2015
Base: Online UK adults 16+ who use online data storage services (773), 16-24 (126), 25-39 (175), 40-54 (189), 55+ (283)
q36. Now thinking about levels of trust of online storage, which of the following statements, if any, apply to you?

5.1.5 Attitudes and awareness of digital preservation issues

It is particularly important to people to keep photos they have taken

When users of online storage services were asked to rank types of content by importance of keeping them, over seven in ten (72%) ranked photos they had taken as the first, second or third most important content type. Forty-three per cent assigned the same level of importance to documents they had created themselves, and 35% in relation to personal / official documents that related to themselves or their family. With the exception of 'music I have created', the type of content least likely to be ranked highly was purchased content. This might be because this content is easier to replace. Around one in ten (11%) internet users stated that they did not know how to rank their content in order of importance of its preservation.

Figure 5.9   Importance of keeping content

% of respondents ranking content type as 1st, 2nd or 3rd most important out of 12
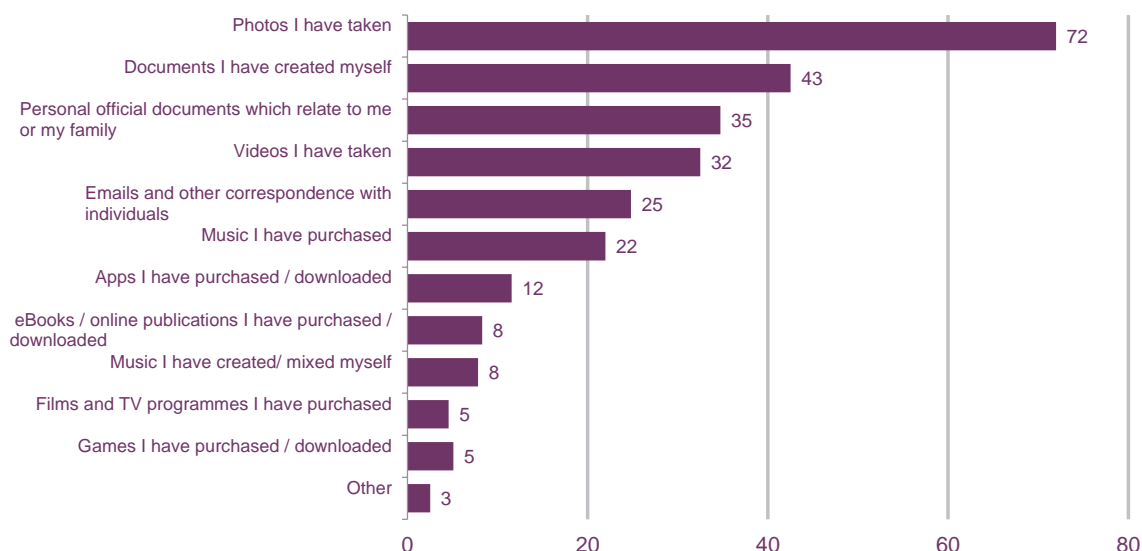
Source: YouGov, Attitudes Towards Technology 2015, April 2015
Base: Online UK adults 16+ who use online data storage services (773), 16-24 (126), 25-39 (175), 40-54 (189), 55+ (283)
q28_6. Thinking about the types of media that you would like to save or keep, which of the following are the most important to you? Please rank them in order, with the most important first,1 being most important and 10 being least important.

Just under a fifth of online adults say they have been unable to access their content due to physical media failure or lack of compatible software or hardware

Consumers were asked whether or not they had lost access to content due to physical media failure or lack of compatible software or hardware. Overall, just under a fifth (18%) had been unable to access digital content for these reasons. One in ten online adults said they had been unable to access content when they had wanted to, due to lack of compatible software or apps (10%), lack of a device to read the physical format (7%) or due to disc read errors (9%). Those aged 16-24 were more likely than all internet users to say that they had been unable to access digital content due to a lack of compatible software (16%) or because they did not have a compatible drive/card reader (12%).

Consumers were also asked about activities that may help to prevent them losing access to their digital content in the future. Thirteen per cent of online adults said that they had used software or hardware tools to convert digital content from one format to another. However, only 8% of online adults said that they considered the longevity of their digital content when deciding how to save and store their content.

When asked which of the statements applied to them, over half (52%) of internet users answered that none applied, and a fifth (21%) said that they did not know.

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Figure 5.10 Digital preservation challenges and awareness

% of respondents

■ Total ■ 16-24 ■ 25-39 ■ 40-54 ■ 55+
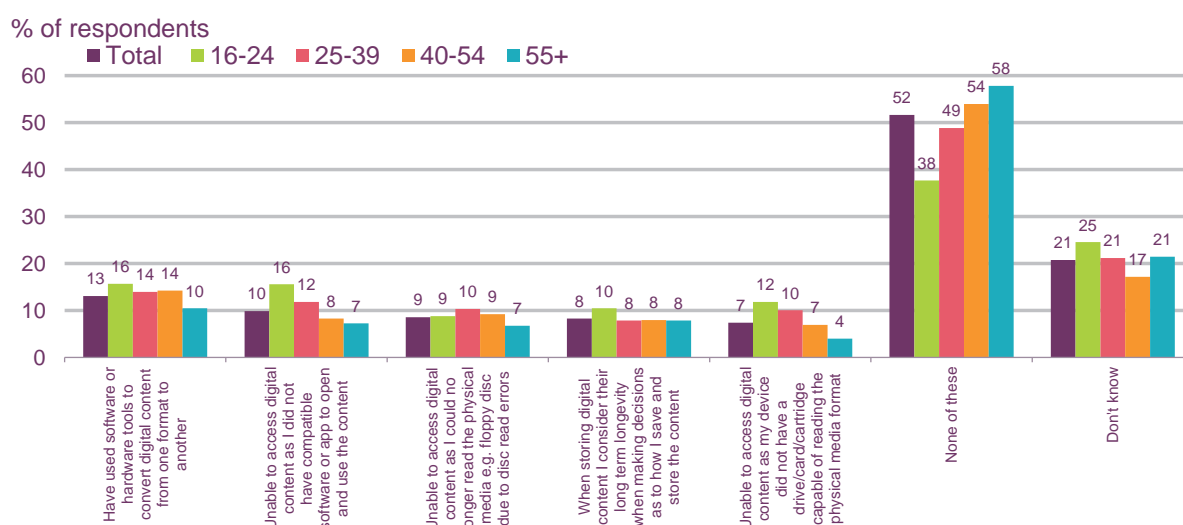
Source: YouGov, Attitudes Towards Technology 2015, April 2015
Base: Online UK adults 16+
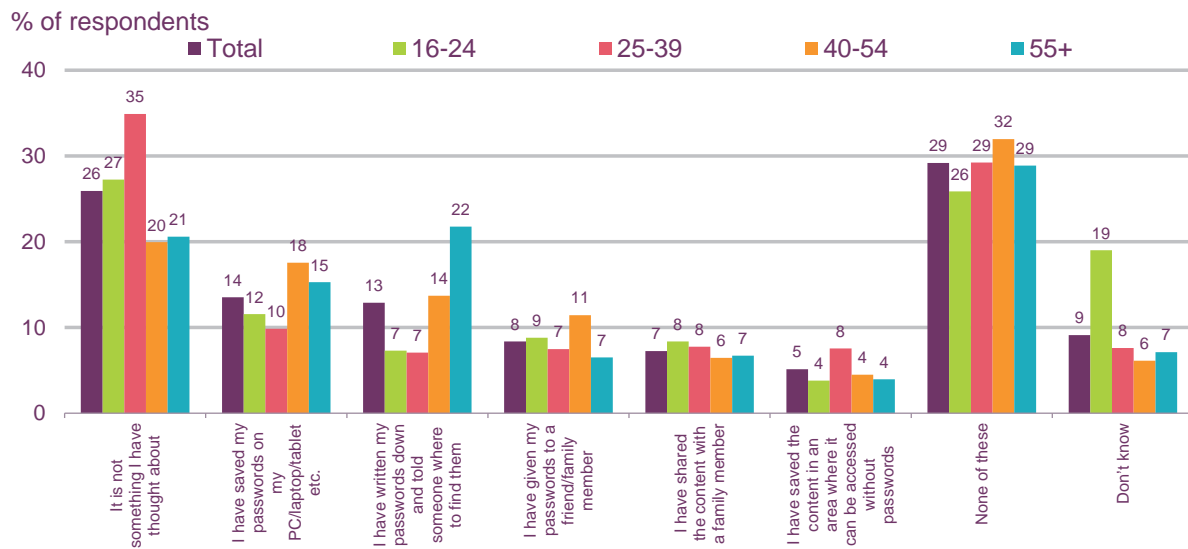*q40. Which of the following statements applies to you?*

One in four online data storage users say they have not thought about how to safeguard access to their content

We also asked consumers about steps they might have taken to ensure continuous access to their content in the future. These steps are especially relevant in the event that the consumer is incapacitated in some way and is therefore unable to access the content.

Overall, 14% of users have saved passwords onto a device they use, such as a computer or tablet, while 13% have written their passwords down where someone could find them. This is more common among the 55+ demographic (22%) than the 16-24 and 25-34s (both at 7%). People also share their passwords (8%) or the content with friends or family (7%). Five per cent said they had saved content in an area where it could be accessed without passwords.

However, one in four (26%) users of online data storage had not thought about taking steps to safeguard access to their content, and three in ten (29%) said that they had taken none of the listed steps. Around one in ten (9%) said they did not know whether they had taken any of these actions; this response was significantly higher among the 16-24 age group, at one in five (19%).

Figure 5.11   Actions taken to safeguard continued access to content

% of respondents

Legend: ■ Total   ■ 16-24   ■ 25-39   ■ 40-54   ■ 55+

Category	Total	16-24	25-39	40-54	55+
It is not something I have thought about	26	27	35	20	21
I have saved my passwords on my PC/laptop/tablet etc.	14	12	10	18	15
I have written my passwords down and told someone where to find them	13	7	7	14	22
I have given my passwords to a friend/family member	8	9	7	11	7
I have shared the content with a family member	7	8	8	6	7
I have saved the content in an area where it can be accessed without passwords	5	4	8	4	4
None of these	29	26	29	32	29
Don't know	9	19	8	6	7

As we have seen throughout this consumer research, the numbers of consumers who said that the options asked about did not apply to them, or who answered 'don't know', are relatively high. The numbers who say they have not considered the issues around digital storage, or who have not taken any action are also quite high. This suggests that retaining access to digital content is not an issue that is at the forefront of consumers' minds. This may be for a number of reasons, including the relatively small numbers who have been unable to access data, a lack of knowledge about how content may become inaccessible, or that too much time and effort is required to ensure long-term access to content.

5.2 Internet and devices

5.2.1 Introduction

As the internet has developed and progressed over the past decade, take-up of internet connections and internet-enabled devices has increased. Internet-enabled devices and the type of internet connection shape how consumers access the range of content, communications and services available on the internet. In this section we consider internet access as a whole, and then examine the popularity of internet-enabled devices.

- Section 5.2.2 considers the **platforms consumers use to access the internet**, both fixed and mobile.

- Section 5.2.3 examines **take-up and use of internet-enabled devices** and how this varies by age and social-economic group.

- Section 5.2.4 **examines the UK internet audience and the length of time spent online,** across devices, by UK internet users.

- Section 5.2.5 considers those consumers who are not online, and looks at factors affecting **digital inclusion**.

Key findings

- **Almost eight in ten households now have fixed broadband access at home.** Home internet access continues to grow, with 85% of adults having access in Q1 2015, a rise of three percentage points since Q1 2014. In particular, fixed broadband has increased by five percentage points, standing at 78% in Q1 2015.

- **Smartphones have become the most widely owned internet-enabled devices, alongside laptops.** In Q1 2015 smartphones were present in two-thirds of households (66%), on a par with laptops at 65%.

- **Tablet ownership has increased by ten percentage points since 2014, the largest increase of all internet-enabled devices, with over half (54%) of households owning at least one tablet.** This increases to almost two-thirds (64%) of 35-54s. Although over-55s are the least likely to own a tablet, take-up among this age group has increased nine-fold over the past three years (37% vs. 4%).

- **The average amount of time spent online per user on smartphones exceeds that spent browsing on desktops and laptops**. In March 2015 users spent an average of 58 hours 39 minutes browsing or using apps on smartphones, compared to 31 hours 19 minutes browsing on laptops and desktop computers.

- **More than three-quarters of offline homes do not intend to take up the internet.** Fifteen per cent of adults did not have household access to the internet in Q1 2015. The majority of these said they did not intend to get access (12%); a further 1% of respondents were not sure if they were likely to get access, and 2% said they were likely to get access in the next 12 months

5.2.2 Internet take-up, by platform

Almost eight in ten households now have fixed broadband access at home

Home internet access continues to grow; 85% of adults had access in Q1 2015, a rise of three percentage points since Q1 2014. In particular, fixed broadband has increased by five percentage points, standing at 78% in Q1 2015, while mobile broadband (via a dongle or built-in cellular connection) dropped two percentage points to 6% of UK adults. Overall, total home broadband access rose from 77% to 80% year on year.

The rate of growth of internet access on a mobile phone, although still an upward trend, has slowed in the past year, gaining just four percentage points (61% of UK adults in Q1 2015 vs. 57% in Q1 2014).

Figure 5.12   Household internet access: 2005-2015
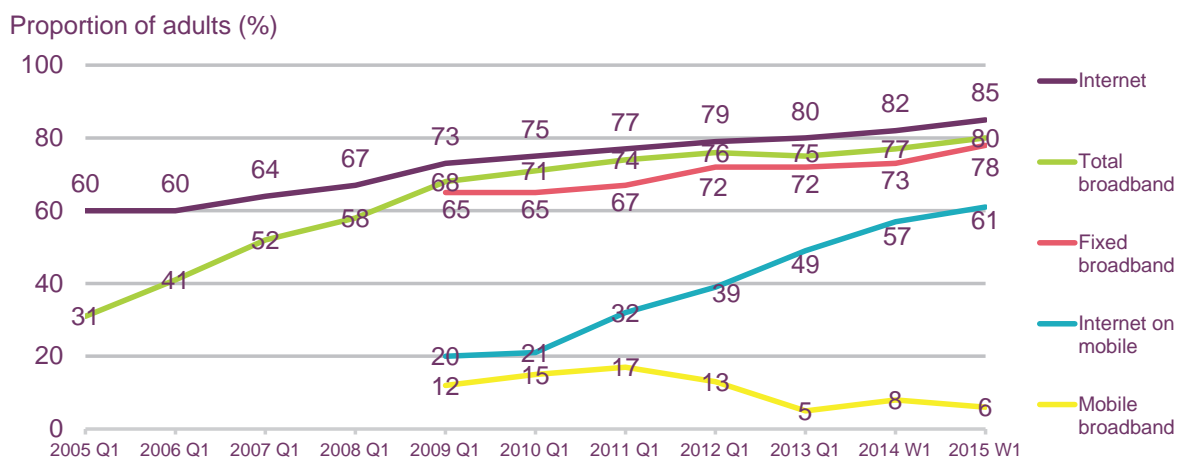
Source: Ofcom Technology Tracker. Data from Q1 of each year 2005-2013, then wave 1 2014-2015. Base: All adults aged 16+ (n=3756).
Note 1: 'Internet on mobile' is the % of adults who use a mobile phone for any of the following activities: Instant messaging, downloading apps or programs, email, internet access, downloading video, video streaming, visiting social networking sites.
*Note 2: From Q1 2009 the 'internet' figure includes those who access the internet on mobile phones. QE2: Do you or does anyone in your household have access to the internet/ World Wide Web at home (via any device, e.g. PC, mobile phone etc)? QE9: Which of these methods does your household use to connect to the internet at home?*
Note 3: Mobile broadband is connecting a device using a USB stick or dongle, or built-in connectivity in a laptop or netbook or tablet computer with a SIM card

Ninety-five per cent of households with broadband say they use a wireless router

In Q1 2015, 95% of households with a broadband connection used a wireless router. A wireless router, or WiFi router, enables a household to share its internet connection over a wireless local area network with devices that have a WiFi adapter or an embedded wireless module. An alternative to the use of a WiFi router is a wired router or modem (which plugs into a computer).

Figure 5.13   Wireless router take up in broadband homes: 2007-2015

Use within broadband households (%)
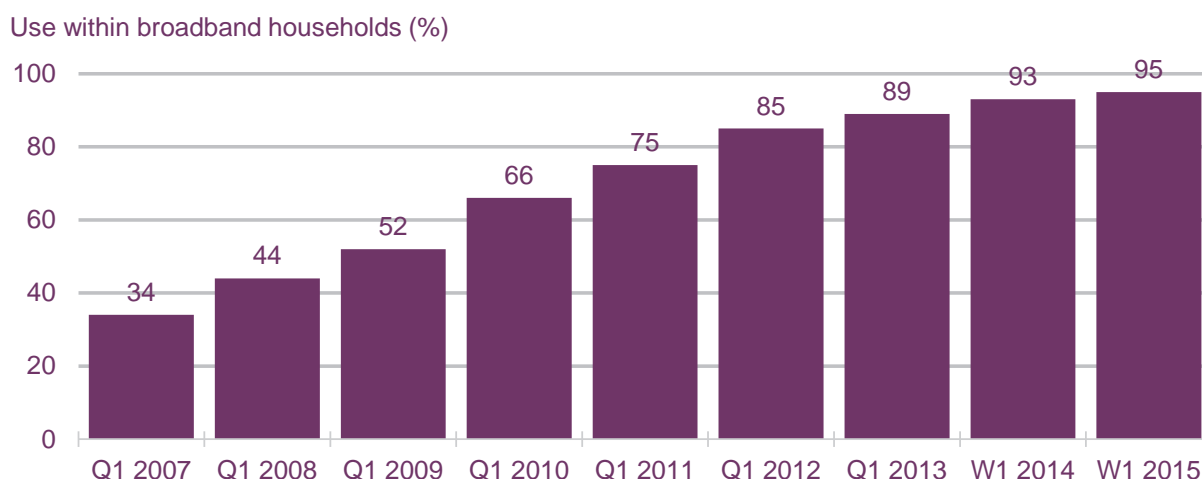
Source: Ofcom Technology Tracker. Data from Q1 2007-2013, wave 1 2014-2015
Base: Wireless router take-up - adults aged 16+ with a broadband connection at home. From 2009 this is based on fixed broadband connections only.
QE28 (QE35): Do you or anyone in your household use a fixed wireless internet connection at home (Wi-Fi)?

5.2.3 Take-up and use of internet-enabled devices

As seen in Figure 5.14, there are now many different ways in which people access the internet, depending on availability and device, and users' awareness that they are online can vary depending on the device or service being used. For example, going online to browse the internet requires the user to physically click into a website or browser, but downloading a book from the internet using an e-reader is done in a less overt way: the user may not be aware that they are online.
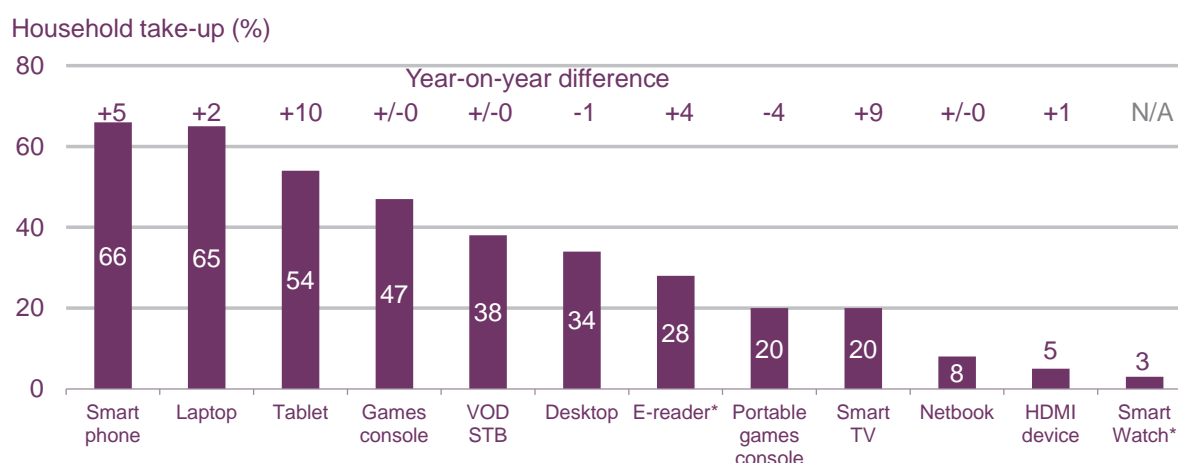
The largest increase in internet-enabled device ownership is for tablet computers

Smartphones have become one of the most widely owned internet-enabled devices by Q1 2015, and are present in two-thirds of households (66%), on a par with laptops at 65%. However, the largest increase was seen in the ownership of tablet devices with over half (54%) of households now owning at least one tablet computer, a year-on-year increase of ten percentage points.

Ownership of smart TVs has also increased; a fifth of households (20%) now claiming ownership, an increase of nine percentage points since Q1 2014.

Smartwatches are included for the first time in our monitoring. Currently, 3% of households claim to own a smartwatch. The consumer research was carried out before the Apple Watch went sale in April 2015, and this may help drive increases in the future. Other watches on the UK market include those from manufacturers including LG, Motorola and Samsung, which use a version of Android, and Pebble watches, which launched in 2013 and which use PebbleOS.

Figure 5.14 Ownership of internet-enabled devices

Household take-up (%)

	Smart phone	Laptop	Tablet	Games console	VOD STB	Desktop	E-reader*	Portable games console	Smart TV	Netbook	HDMI device	Smart Watch*
Year-on-year difference	+5	+2	+10	+/-0	+/-0	-1	+4	-4	+9	+/-0	+1	N/A
Value	66	65	54	47	38	34	28	20	20	8	5	3

Source: Ofcom Technology Tracker, W1 2015
Base: Adults aged 16+ n = 3756
Note: IP-enabled devices include laptop, games console (Xbox 360, PS3, Wii/Wii U), desktop PC, smartphone, portable games console (Nintendo DS range, PlayStation Portable/Vita), VOD STB (all Virgin TV customers, Sky+ HD, BT TV, TalkTalk TV and YouView), e-reader, tablet, netbook, smart TV, and HDMI device (Roku, Chromecast, Now TV).
*E-reader and smartwatch take-up stated here is per household while elsewhere in the report we state figures by individual take-up. Smartwatches were not included in the survey prior to 2015.

Internet connectivity is being added to cars and to home control systems, examples of what is known as 'the internet of things'. In the car industry, manufacturers are developing connected car products. These either use smartphones for connectivity (for instance Google's Android Auto105 and Apple's CarPlay106), or built-in 4G connections, like Vauxhall's OnStar 4G service, which launched in mid-2015107. There have also been developments in adding internet connectivity to energy, lighting and security systems. However, take-up of these 'smart home' products, which allow home systems and appliances to be monitored and controlled remotely via a browser or app, remains low.[108]

People living in a DE household are more likely to own a games console than a tablet

There are differences in take-up of internet-enabled devices by socio-economic group. Figure 5.15 shows that those in DE households are more likely to own an internet-enabled games console than a tablet device (43% and 37% respectively). Two-thirds (66%) of those in AB households claim to own a tablet, compared to just under four in ten (37%) of those in DE households.

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[105] https://www.android.com/auto/
[106] https://www.apple.com/uk/ios/carplay/
[107] http://www.vauxhall.co.uk/onstar/index.html
[108] In December 2014 – January 2015, 4% of online adults said that their family had a 'smart meter (e.g. independently controlled central heating)' while 3% said that their family had 'Any smart appliance (e.g. independently controlled fridge, oven, etc.)' (q1g_2 YouGov Device Connectivity 2015)

**Figure 5.15   Take-up of internet-enabled devices, by socio-economic group**

Proportion of adults (%)
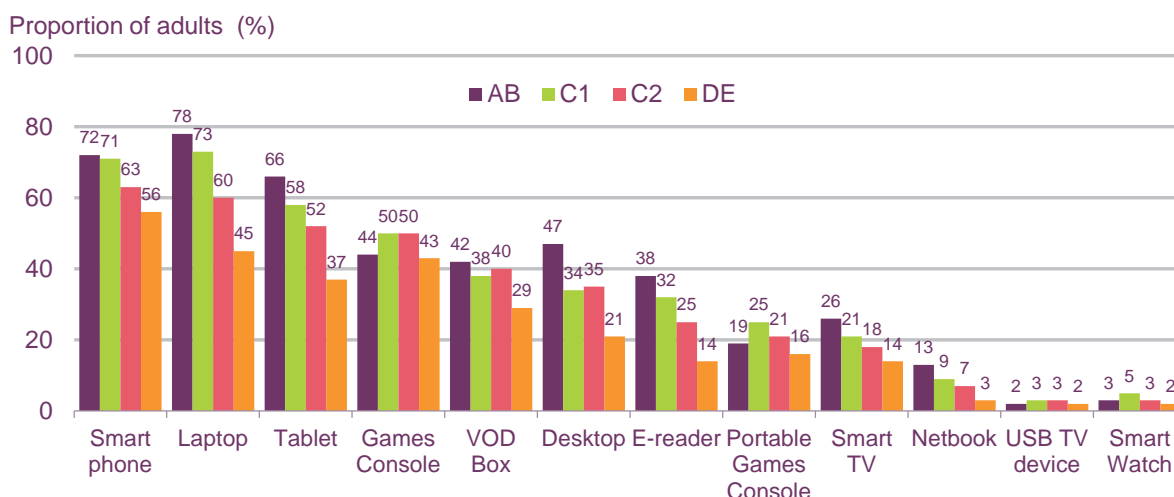
Source: Ofcom Technology Tracker, W1 2015
Base: Adults aged 16+, AB n = 828, C1 n = 1120, C2 n = 781, DE n = 1026
Note: Ranked by overall household ownership

Smartphones are the most commonly owned internet-enabled device among those aged under 55

Smartphones are the most commonly owned internet-enabled device among all age groups up to the 55+ group. Almost three times as many young people aged 16-24 own a smartphone compared to the over-55s (90% vs. 32%). The difference in ownership of games consoles is even more dramatic; 16-24 year olds are more than four times as likely to own this type of connected device compared to those aged 55+ (75% vs. 17%). Although overall tablets are the third most popular internet-enabled device, for those aged 55+ they are the second most popular after laptops (48% own a laptop, 37% own a tablet).

**Figure 5.16   Take-up of internet-enabled devices, by age**

Proportion of adults (%)
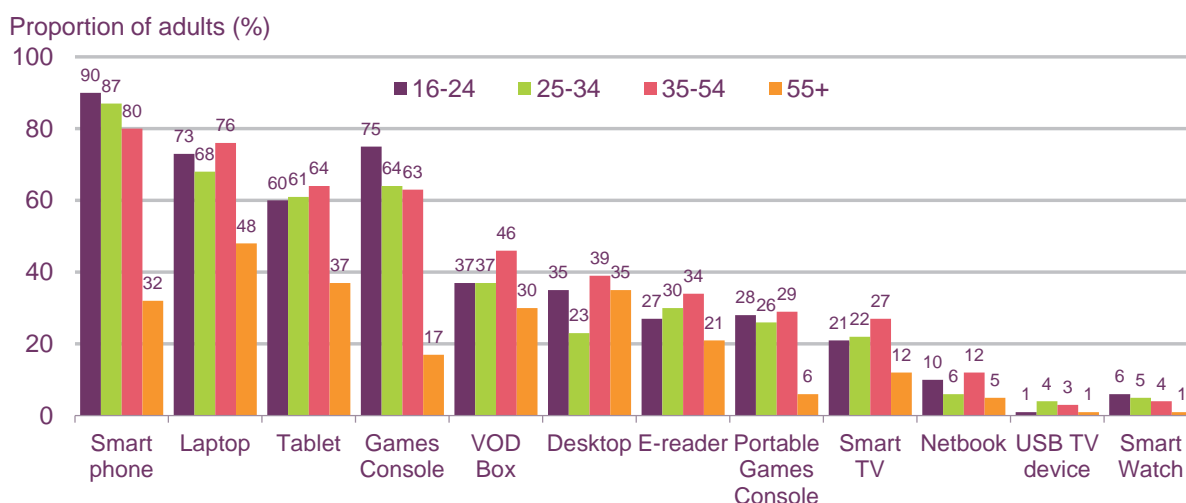
Source: Ofcom Technology Tracker, W1 2015
Base: 16-24 = 514, 25-34 = 606, 35-54 = 1189, 55+ = 1447
Note: Ranked by overall household ownership

Almost two-thirds of those aged 35-54 own a tablet computer

Just over half (54%) of adults claimed to own a tablet device in Q1 2015. However, this increases to almost two-thirds (64%) of 35-54s. Although over-55s are the age group least likely to own a tablet, ownership here has increased more than nine-fold in the three years to Q1 2015 (from 4% to 37%). Tablets are less likely to be owned in C2DE households than in ABC1 households (44% and 62% respectively) but ownership among C2DEs has increased faster than among ABC1s since Q1 2012 (growing from 6% to 44% vs. 15% to 62).

Figure 5.17   Tablet ownership, by age and socio-economic group: 2012-2015

Household take-up (%)
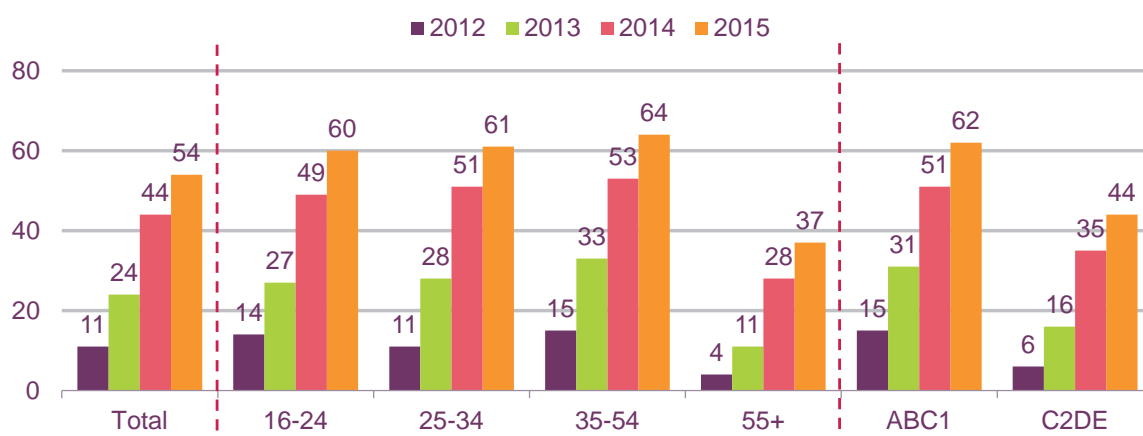
Source: Ofcom Technology Tracker. Data from Q1 of each year 2012-2013, then wave 1 2014-2015
*Base: All adults aged 16+, 2012=3772, 2013=3750, 2014=3740, 2015=3756*
QE1: Does your household have a PC, laptop, netbook or tablet computer?

The average UK household owns four different types of internet-enabled device

On average, households in the UK own four different types of internet-enabled device[109], with 89% of households having at least one internet-enabled device in their household. Almost seven in ten (69%) UK households have three or more internet-enabled devices.

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[109] The sum of unique types of device (10238) divided by the sum of respondents (2673) equates to 3.8 different internet-enabled devices per household. This increases to 4.2 if we exclude respondents without any connected devices (net figure 2411)

Figure 5.18   Number of different internet-enabled devices per household, Q1 2015

Proportion of households(%)
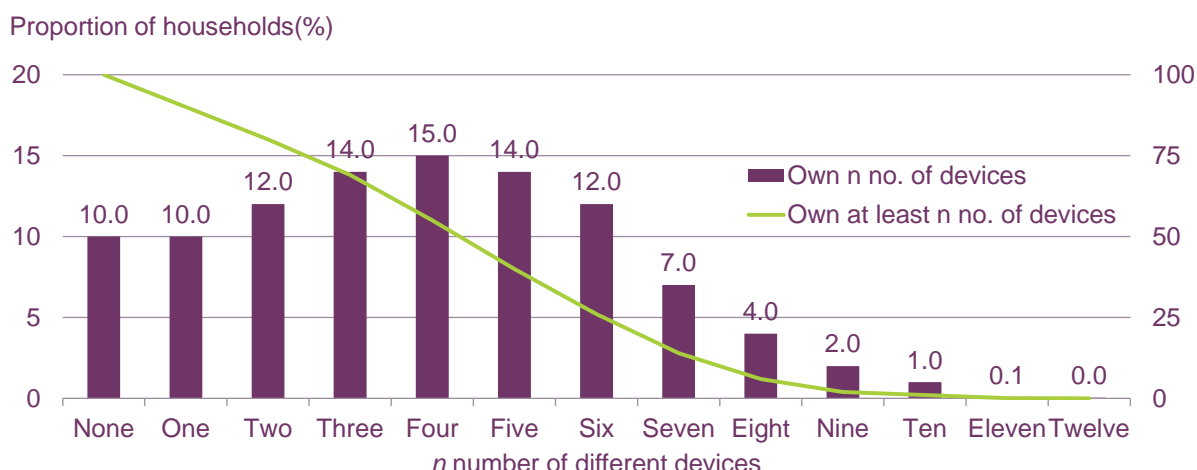
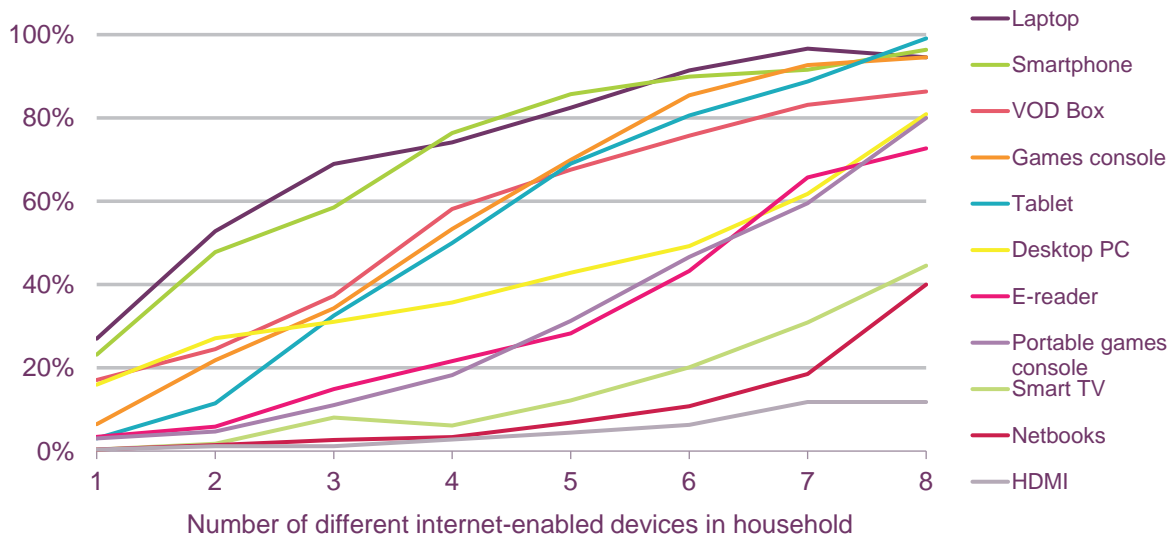*Source: Ofcom research, Q1 2015, Base: Adults aged 16+ n = 2673*
Note: IP-enabled devices include laptop, games console (Xbox 360, PS3, Wii/Wii U), desktop PC, smartphone, smartwatch, portable games console (Nintendo DS range, PlayStation Portable/Vita), VOD Box (all Virgin TV customers, Sky+ HD, BT Vision, TalkTalk TV and YouView), e-reader, tablet, netbook, smart TV and HDMI device.

The average UK household is most likely to own a laptop, smartphone, games console and VoD set-top box

Of the 89% of homes that currently own at least one internet-enabled device, Figure 5.19 shows the likelihood of device ownership as the number of internet-enabled devices increases in a household. For example, 53% of homes with two different types of internet-enabled device own a laptop, while 31% of homes with seven different internet-enabled devices own a smart TV.

Figure 5.19 provides an indication of the most likely order in which consumers adopt different internet-enabled devices. As the number of different internet-enabled devices increases, four tiers of device adoption emerge. Laptop computers and smartphones are the most likely devices to be adopted in an average household of four devices, while smart TVs are the least likely to be adopted. VOD set-top boxes, games consoles and tablets are the second tier, with approximately equal likelihood of being adopted (50-60%), while e-readers and portable games consoles are the third tier most likely to be adopted (18-21%).

Figure 5.19   Device ownership, by number of different internet-enabled devices in the household

Source: Ofcom research, Q1 2015, Base: Adults aged 16+with at least one IP-enabled device n = 2411

Note: IP-enabled devices include laptop, games console (Xbox 360, PS3, Wii/Wii U), desktop PC, smartphone, smartwatch, portable games console (Nintendo DS range, PlayStation Portable/Vita), VOD Box (all Virgin TV customers, Sky+ HD, BT Vision, TalkTalk TV and YouView), e-reader, tablet, netbook, smart TV and HDMI device.
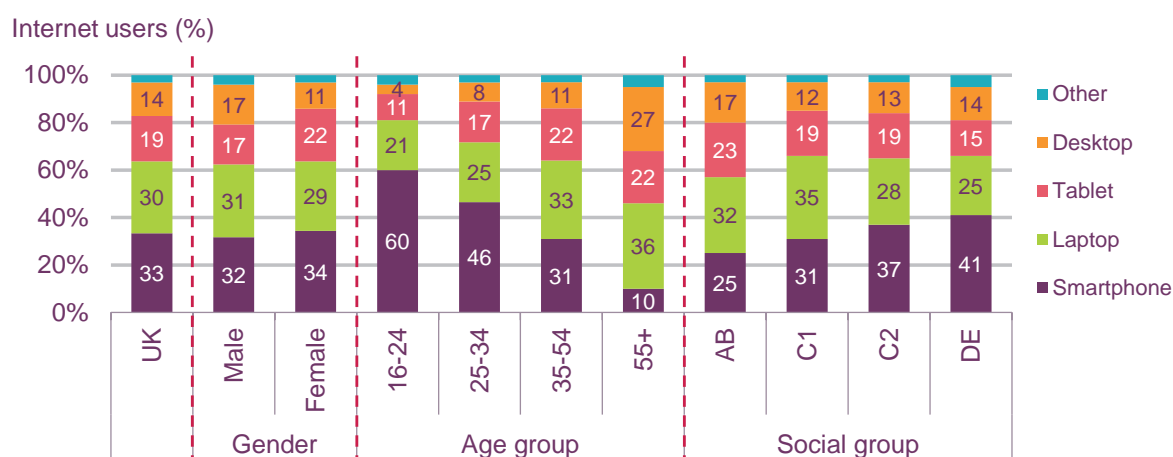
Smartphones are now the most important device for internet access

Smartphones are considered the most important device for accessing the internet (33% of internet users in Q1 2015), closely followed by laptops (30%). This is in contrast to figures from the same period in 2014, when laptops were considered the most important (40% of internet users) and smartphones by just 22% of internet users.

The most important device varies across age groups; 16-24 year olds and 25-34 year olds are more likely to claim that their smartphones are most important (60% and 46% respectively), while laptops (36%) are the most popular choice among over-55s, followed by desktops (27%) and tablet devices (22%).

There are some differences by other demographics: women are significantly more likely than men to claim the tablet computer as most important (22% vs. 17%); and those in DE households are more likely to claim the smartphone as most important, compared to AB households in particular (41% vs. 25%).

Figure 5.20   Most important device for internet access

Internet users (%)

	Smartphone	Laptop	Tablet	Desktop	Other
UK	33	30	19	14	
Male	32	31	17	17	
Female	34	29	22	11	
16-24	60	21	11	4	
25-34	46	25	17	8	
35-54	31	33	22	11	
55+	10	36	22	27	
AB	25	32	23	17	
C1	31	35	19	12	
C2	37	28	19	13	
DE	41	25	15	14	

Source: Ofcom Technology Tracker, W1 2015
Base: All adults aged 16+ who use the internet at home or elsewhere (n = 3095 UK).
QE11(QE40): Which is the most important device you use to connect to the internet, at home or elsewhere? 'Other' responses include: 'netbook', 'games console', 'other device', 'none' and 'don't know'.

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comScore

The UK Online Measurement Company (UKOM) was formed in 2009 with a mandate from the advertising industry to establish measurement standards for digital media. In 2011, comScore was appointed the sole data supplier for UKOM on a three-year contract from January 2013.

This chapter predominantly draws on three comScore sources:

1. For analysis of laptop and desktop computer internet activity only, we use comScore Media Metrix (MMX) which employs comScore's Unified Digital Measurement (UDM) methodology, explained below.

2. For analysis of mobile internet and app activity only, on Android and iOS smartphones, iPads and Android tablets, we use comScore Mobile Metrix (MoMX) which also employs comScore's Unified Digital Methodology for Android and iOS smartphones and iPads. Android tablet use is captured on tagged entities.

3. For analysis of internet activity across platforms, we use comScore MMX MultiPlatform (MMX-MP) which provides unduplicated metrics across laptop and desktop computers, mobile devices and video.

Finally, mobile phone user behaviours are supplemented by consumer research from comScore MobiLens (this is not part of the data suite endorsed by UKOM).

Methodology

comScore's UDM methodology combines panel and census measurement techniques to obtain digital audience measurement statistics. UDM uses comScore's global measurement panel to determine audience reach and demographics. Census-level activity is captured from publishers' digital content, such as on websites, videos, and computer and mobile applications. comScore combines census-level data with those captured from the panel to help provide a more accurate view of audiences and their consumption habits. This approach allows comScore to capture more accurate consumption activity from publishers,

and attribute this to audience demographics in a way that is not affected by cookie deletion, blocking, and rejection.

<u>Metrics</u>

Throughout this report we make reference to a number of metrics as defined below:

Unique audience – the total number of unique persons who visited a website or used an application at least once in a given month. Persons visiting the same website more than once in the month are therefore counted only once in this measure.

Active audience – the total number of people who visited any website or used any application at least once in a given month; i.e. the number of people online and using any specific platform in a given month, no matter which website or app they used.

Digital audience – the active audience across all digital platforms (laptop/desktop computers, Android and iOS smartphones, iPads and, for those sites who have tagged in comScore's census network, Android tablets).

Active reach – the proportion of the active audience made up by the unique audience of a website.

Time spent per month – the average time spent browsing a website per unique visitor per month (excludes time spent watching online video and listening to streamed music, and for mobile audiences excludes any traffic over a home or public WiFi connection).

<u>Dictionary</u>

Each of the entities reported by comScore is attributed to a level in comScore's *Client Focused Dictionary*. Several entities (including apps) can exist within one service (e.g. BBC Sport and BBC iPlayer) and comScore's dictionary defines how these entities are structured and related to each other. It is client-focused because comScore's clients define how their websites appear in reports according to this dictionary. All comScore reports use the same six-tiered dictionary structure, as explained below:

Property [P] - The highest level of reporting within the dictionary. Properties represent all full domains (i.e. felmont.com), pages (i.e. sports.felmont.com/tennis), applications or online services under common ownership or majority ownership for a single legal entity. A property may also contain any digital media content that is not majority-owned but has been legally signed over for reporting purposes by the majority owner.

Media Title [M] - A Media Title is an editorially and brand-consistent collection of content in the digital landscape that provides the marketplace with a view of online user behaviour. This may represent a domain, a group of domains, online service or application.

Channel [C], SubChannel [S], Group [G] and SubGroup [SG] - Within a Media Title there may be grouped URLs of editorially consistent content that make up a Channel. For some of the largest Media Titles, Channels themselves may be broad, and Subchannels, Groups and Subgroups within the larger Channels may prove useful for categorisation within the comScore Dictionary.[110]

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[110] "Glossary – Key Terms for comScore Dictionary", comScore.

Changes in measurement of cross-platform and mobile audiences

In this report we use comScore MMX Multi-Platform (MMX-MP) to analyse website and app use across laptop and desktop computers, mobiles and tablets, as well as video use. The digital audience is an unduplicated unique audience across each of these.

Until December 2014, comScore MMX Multi-Platform drew from the comScore GSMA MMM product, which was unique to the UK. This product relied on network and server data provided to comScore by the mobile operators. Demographic splits of these data were modelled and informed by the output of comScore's MobiLens survey of mobile users in the UK.

Since January 2015, comScore has replaced the GSMA MMM product for UKOM mobile measurement with Mobile Metrix (MoMX), a product used in comScore's other markets around the world. In contrast to data from the GSMA MMM product which captured network traffic across all smartphones and feature phones, Mobile Metrix employs comScore's Unified Digital Measurement approach, which draws on both panel data, and data from tagged online entities. Currently the panel includes users of Android smartphones, Apple iPhones and iPads, while use of Android tablets is captured on entities through tagging.

The changes in methodology between GSMA MMM and MoMX have several implications. First, the use of feature phones (i.e. phones that can go online but which are not smartphones) and non-Android/iOS or smartphone and tablet use, are currently outside the measurement scope of MoMX. Second, MoMX captures both WiFi and cellular traffic and offers measurement of both browser and app use. MoMX also captures encrypted web traffic (i.e. sites that begin 'https://',used by many sites, such as Twitter to enhance security). Due to the way that GSMA MMM data are collected, traffic to sites that use encryption may be under-reported in the GSMA MMM numbers.

The differences in methodology between GSMA MMM and MoMX mean that comScore advises that direct comparisons should not be made between mobile and multi-platform data between 2014 and 2015, as both the total base, and what is measured, differ. For this reason, in this year's report we do not reproduce certain charts from previous years which rely on mobile or multi-platform audience measurement data. We expect that time series data will be available in future years. Except where explicitly stated, in the figures below using MoMX, 'mobile' relates to both smartphones and tablets and includes iPhones and iPads (running iOS) and also Android tablets for tagged entities.

For further details on the change in methodology, please see:
http://www.ukom.uk.net/news/from-gsma-mmm-to-mobile-metrix-the-evolution-of-uk-mobile-media-measurement

Despite these caveats, we consider that a multi-platform assessment of the web entities in this chapter best reflects consumers' web and app consumption across devices. We use single-platform measures where time-trend analysis or specific platform analysis is appropriate, and for time series data relating to mobile phone use, we draw from MobiLens data.

## 5.2.4 The internet audience and time spent online

The UK's total digital audience stood at 47.5 million people in March 2015

The total UK digital audience i.e. the online population active on laptops, desktops or mobile devices, stood at 47.5 million in March 2015; the total active mobile audience (on mobile devices) was 36.4 million.

There was little movement in the active audience (the total number of people who visited any website or used any application at least once in a given month) on a desktop or laptop between March 2014 (45.3 million) and March 2015 (45.1 million).

Due to the change in comScore's methodology for measuring mobile audiences, year-on-year comparisons for active mobile and digital audiences are not available.

Figure 5.21   Active internet audience: March 2015
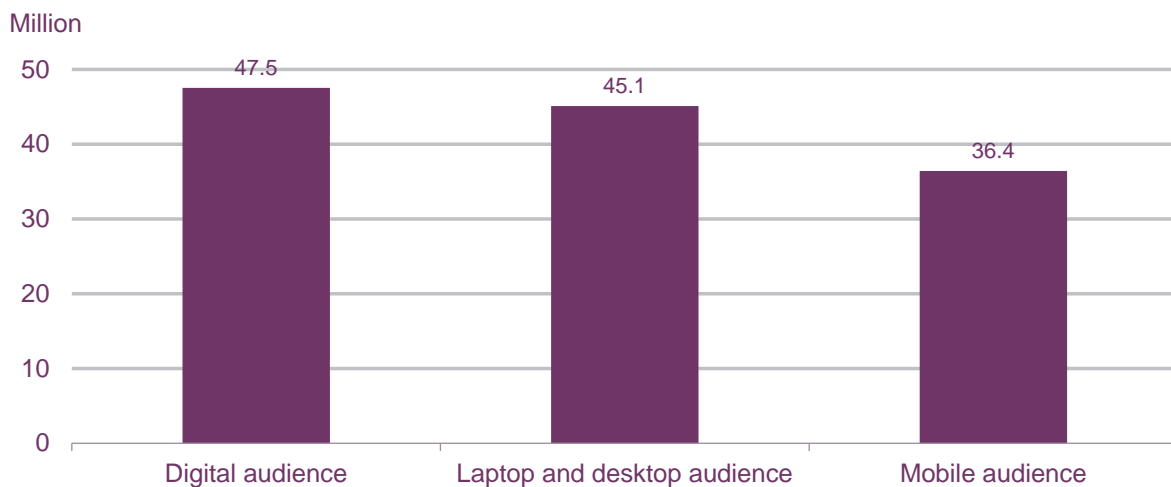
Source: comScore MMX,UK, home and work panel, March 2015; comScore MMX-MP, March 2015; comScore MoMX UK, March 2015.
Note: 'Digital audience' is the unique audience across desktop/laptops and mobile. 'Mobile audience' includes Android smartphones and iOS smartphones and tablets. Only those entities that have been tagged as part of the census network report Android tablet usage data.

**Men spend more time online than women on laptops and desktops**

Across all age groups, men spent more time online than women on a laptop or desktop computer in March 2015. Male users in the 35-44 age group spent the greatest amount of time online at work and home, at 42 hours 9 minutes (42.2 hours). Among female users, those aged 45-54 spent the most time online on a laptop or desktop computer, at 37 hours 10 minutes (37.2 hours).

The average amount of time spent online by users on smartphones in March 2015 exceeded that spent browsing on desktops and laptops

On average, the UK digital audience spent 88 hours 54 minutes (88.9 hours) online in March 2015, across desktop and laptop computers as well as smartphones and tablets. The mobile audience averaged a total of 58 hours 39 minutes (58.6 hours) online on their smartphones via a browser or app. The average time spent browsing on laptops and desktops in March

350

2015 was 31 hours 19 minutes (31.3 hours), in line with the figure of 31 hours 24 minutes in March 2014, representing a fall of 0.3% year on year[111].

**Figure 5.22   Average time spent online: March 2015**

Hours
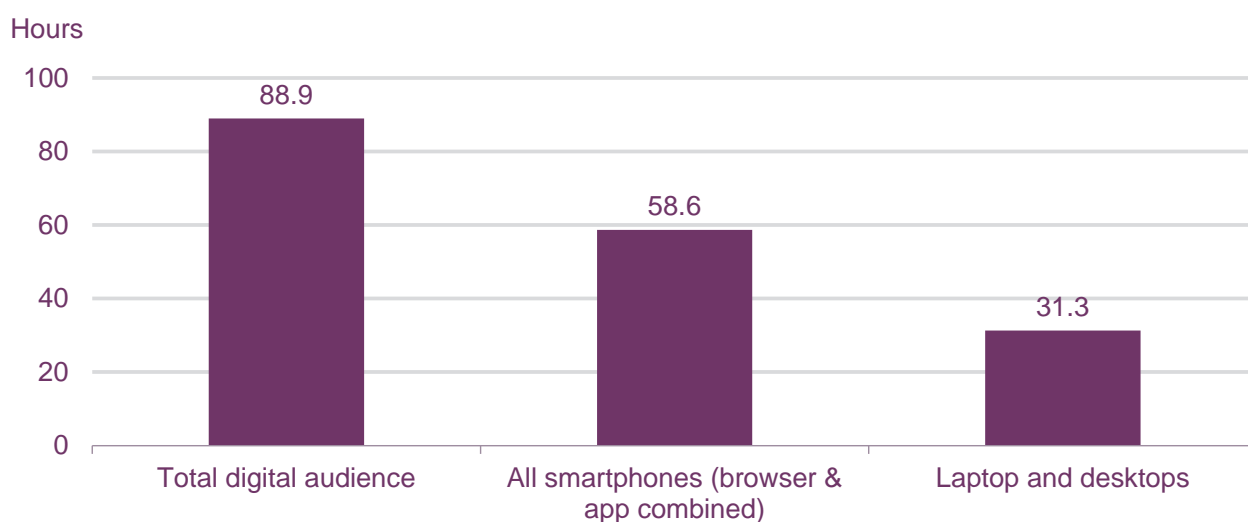
Source total digital audience: comScore MMX-MP, UK, March 2015, (bases include ages 6+ for desktops/laptops, 18+ for mobile devices;
Source all smartphones: comScore MoMX, UK, 18+, March 2015.
Source laptops and desktops: comScore MMX, home and work panel, UK, 6+, March 2015;
Note: All smartphones, includes iPhones and Android handsets, browser and application use.

Figure 5.23   Average time online on a laptop/desktop, by age and gender: March 2015

Hours
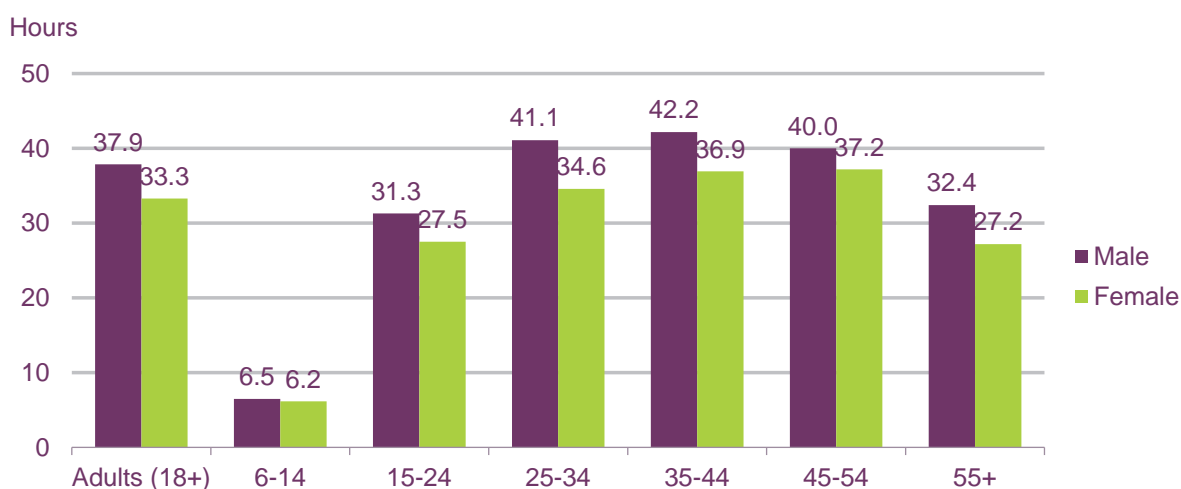
Source: comScore MMX, home and work panel, UK, March 2015
Note: Time spent online is a measure of time spent browsing web pages on laptop and desktop computers only. It excludes time spent accessing other media such as audio or video content

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[111] The time spent browsing on smartphones is for smartphone users aged 18 and over. The time spent on laptops and desktops includes all users aged 6 and over. The average amount of time spent online through a desktop or laptop by adults aged 18 and over was 35.6 hours.

Women spend more time than men going online using smartphones

With the exception of the 45-54 age group, women spent more time online on their smartphones in March 2015. Adult men spent on average 55 hours 40 minutes (55.7 hours) online on smartphones, compared to 61 hours 35 minutes (61.6 hours) for women. For both men and women, the 18-24 age group spent most time online, at 69 hours 56 minutes for men (69.9 hours), and 76 hours 51 minutes (76.8 hours) for women, while the 55+ age group spent least time.

Figure 5.24   Average time online on a smartphone, by age and gender: March 2015
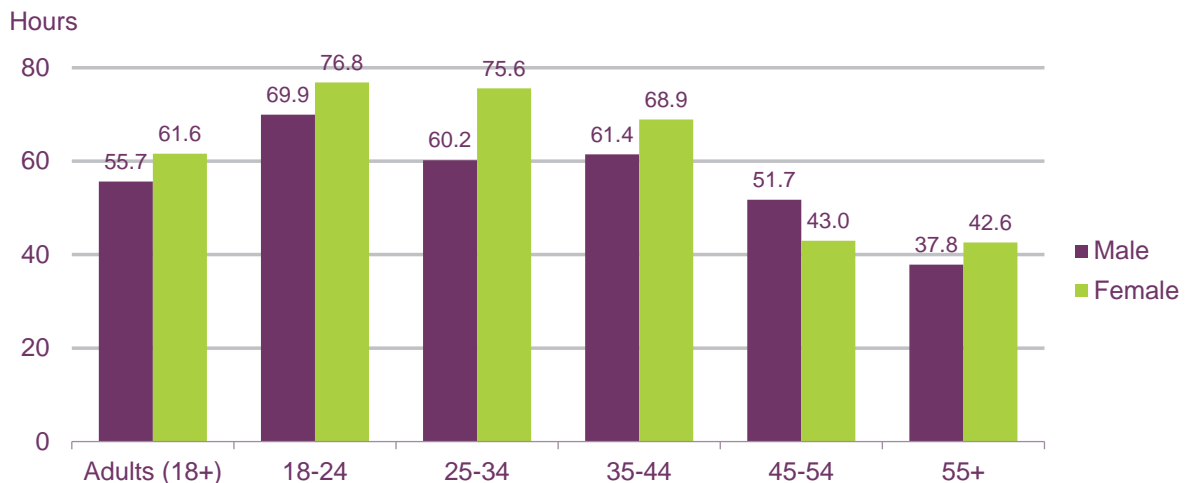
Source: comScore MoMX, UK, March 2015. Browser and application access combined. Note: Includes Android and iOS smartphones

5.2.5 Digital inclusion

Four in five offline homes do not intend to take up the internet

Fifteen per cent of adults (15%) did not have household access to the internet in Q1 2015. The majority of these claimed that they did not intend to get access (12%); 1% of respondents were not sure if they were likely to get access, and 2% said they were likely to get access in the next twelve months.

Figure 5.25   Internet take-up and intentions: 2008-2015

Adults (%)

	2008	2009	2010	2011	2012	2013	2014	2015
Don't intend to get	21	22	17	17	15	14	14	12
Don't know if will get	8	3	4	3	2	2	2	1
Likely to get in next 12 months	6	5	5	4	4	3	2	2
Internet connection at home	65	70	73	76	79	80	82	85
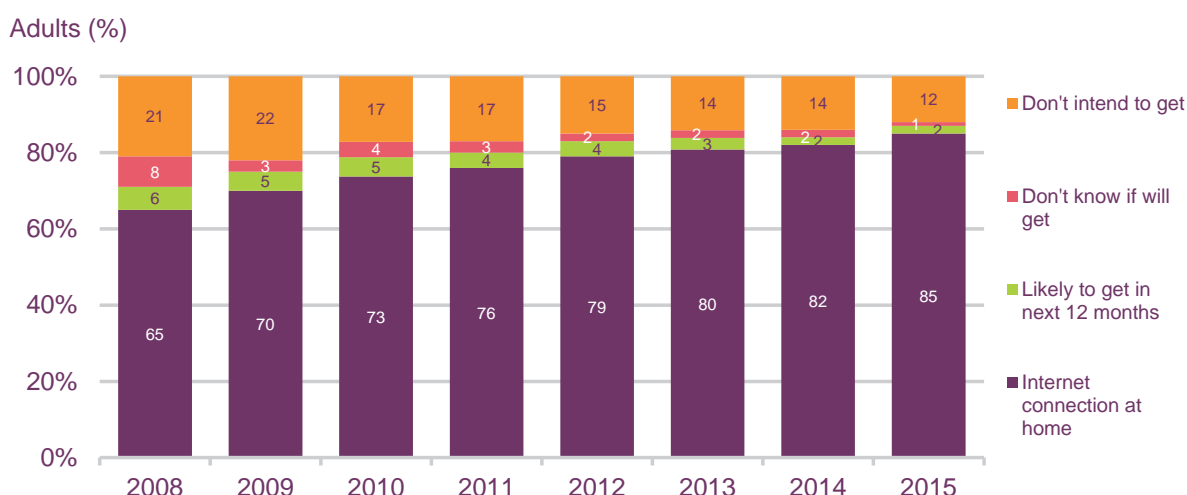
Source: Ofcom Technology Tracker. Data from Q1 of each year 2008-2013, then wave 1 2014-2015
Base: All adults aged 16+ (5812 in 2008, 6090 in 2009, 9013 in 2010, 3474 in 2011, 3772 in 2012, 3750 in 2013, 3740 in 2014, 3756 in 2015).
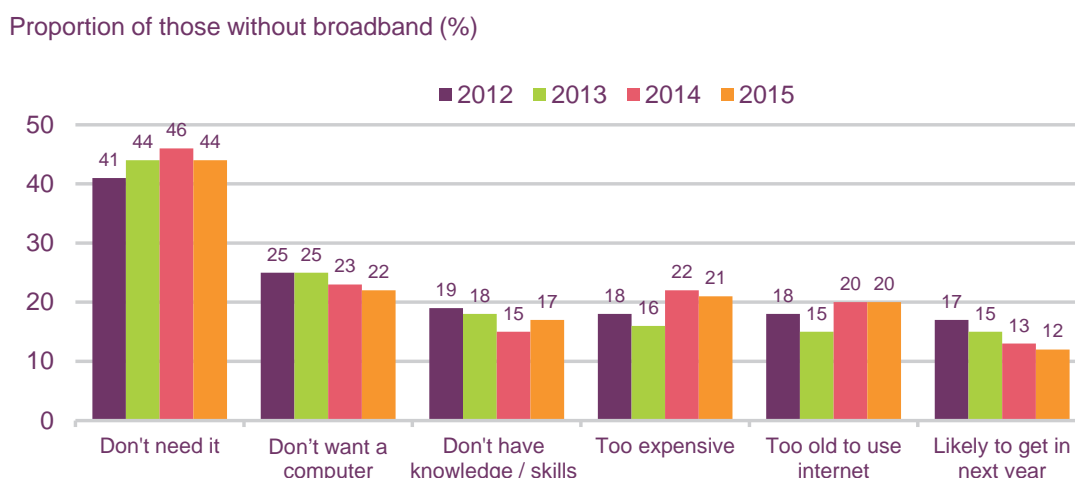*QE2/ QE24 – Do you or does anyone in your household have access to the internet / World Wide Web at home (via any device)? / How likely are you to get internet access at home in the next 12 months?*

Almost half of the adults without home broadband did not think they needed it

Ofcom research shows that 44% of adults who did not have a home broadband connection in Q1 2015 did not think they needed one (Figure 5.26). This was the most frequently-cited reason given for not having home broadband.

The second most frequently-cited reason for not having home broadband connection was that the respondent did not want to own a computer (22%), while 21% believed that home broadband was too expensive, 20% said that they were too old to use the internet, and 17% did not believe that they had the knowledge or skills to use it. Twelve per cent said they were likely to get a home broadband connection in the next year. There were no significant differences for any of these answers when compared with last year.

Figure 5.26   Main reasons for not having a home broadband connection

Proportion of those without broadband (%)

	Don't need it	Don't want a computer	Don't have knowledge / skills	Too expensive	Too old to use internet	Likely to get in next year
2012	41	25	19	18	18	17
2013	44	25	18	16	15	15
2014	46	23	15	22	20	13
2015	44	22	17	21	20	12

Source: Ofcom Technology Tracker. Data from Q1 2012-2013, wave 1 2014-2015
Base: All adults without the internet aged 16+ (n=681)
QE31(QE25A): Why are you unlikely to get internet access at home in the next 12 months?

Over half of non-users do not think there any advantages to their being online

According to Ofcom's latest *Adult Media Use and Attitudes Report,*[112] 14% of UK adults are not online (for any reason) and are more likely to be aged over 65, and in DE households.

Non-internet users were prompted with seven possible benefits of being online and were asked to say which of these, if any, would be the main advantages to them. Although just over half (52%) did not think there were any advantages to them being online, just over a third (34%) agreed that there would be some benefits, especially in being able to find information quickly (22%).

Figure 5.27   Perceived advantages of being online, among internet non-users

Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in October to November 2014
Base: Adult aged 16+ who do not go online at home or elsewhere (281)
IN12 Which, if any, of the following do you think would be the main advantages to you of being online? Can you think of any other advantages for you personally in being online? (prompted responses, multi-coded)

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[112] http://stakeholders.ofcom.org.uk/binaries/research/media-literacy/media-lit-10years/2015_Adults_media_use_and_attitudes_report.pdf

5.3 Online content

5.3.1 Introduction

This section explores the content and services that people access online

- Section 5.3.2 gives an overview of the activities UK consumers use the internet for, and the most popular websites, by unique audience and time spent.

- Section 5.3.3 looks at the most popular mobile app downloads in March 2015.

- Section 5.3.4 focuses on search engines and their popularity over time and across platforms.

- Following on from our research in section 1.8, Section 5.3.5 provides further details on the take-up and use of social networking.

- Section 5.3.6 looks at the reach and audience over time of video sharing websites such as YouTube and Vimeo, across different platforms.

- Section 5.3.7 looks at video games, including take-up of game distribution and streaming services.

- Section 5.3.8 looks at online and mobile retail and mobile payments in the UK.

- Section 5.3.9 looks at online news consumption, and concludes by looking at the use of online video for hyper-local news and information.

- Section 5.3.10 examines trends in digital advertising.

The key findings from this section of the report are:

- **Google-owned services (including YouTube) remained the most-visited across laptop/desktop and mobile devices, with 46 million visitors in March 2015**. Facebook's sites and apps had the second highest total audience, followed by those of the BBC.

- **The digital audience of YouTube was 41.5 million visitors in March 2015. More people visited YouTube on an Android or iOS smartphone/tablet (27.1 million) than on a desktop or laptop (24.9 million).** The numbers of people accessing YouTube on a desktop or laptop computer have fallen for the second consecutive year.

- **Facebook's digital audience was 40.7 million users across laptops/desktops, and smartphones and tablets in April 2015, giving it an active reach of 86% of the digital population.** Other social networking services with an active reach of over 40% include Twitter (21.6 million unique visitors and 46% reach), LinkedIn (20.7 million and 44% reach) and Google+ (20.2 million and 43% reach)**.**

- **In March 2015 the digital audience spent more time on Facebook-owned website and apps (51 billion minutes) than on any other.** In total, people spent 34 billion minutes on Google's websites and apps, and around 10 billion minutes on those of the BBC.

- **Overall, use of mobile phones to make a purchase was around one in four (26%) mobile internet users in March 2015,** consistent with use in 2014, although only 6% had used their handset to make a payment at the physical point of sale**.**

- **While TV remained the most popular way for people to get their news (85% of UK adults) in Q1 2015, four in ten adults (39%) said they got news from a website or app.**

- **One in four (26%) internet users said they had used an app or website from a local newspaper, TV channel or local radio station to access news or content about where they live or work**. A similar proportion (24%) said they had used any other website or app dedicated to a local area. Eighteen per cent said they had watched hyper-local video content on via a social networking service such as Facebook or Twitter.

- **UK digital advertising rose by 15% to £7.2bn in 2014 and accounted for 39% of estimated UK advertising expenditure.** Drivers of this growth included increases in mobile advertising, broadcaster VoD advertising, and national and regional digital print advertising.

- **Mobile display advertising almost doubled on a like-for-like basis between 2013 and 2014,** growing by 96%. Overall reported expenditure grew from £424m in 2013 to £769m in 2014.
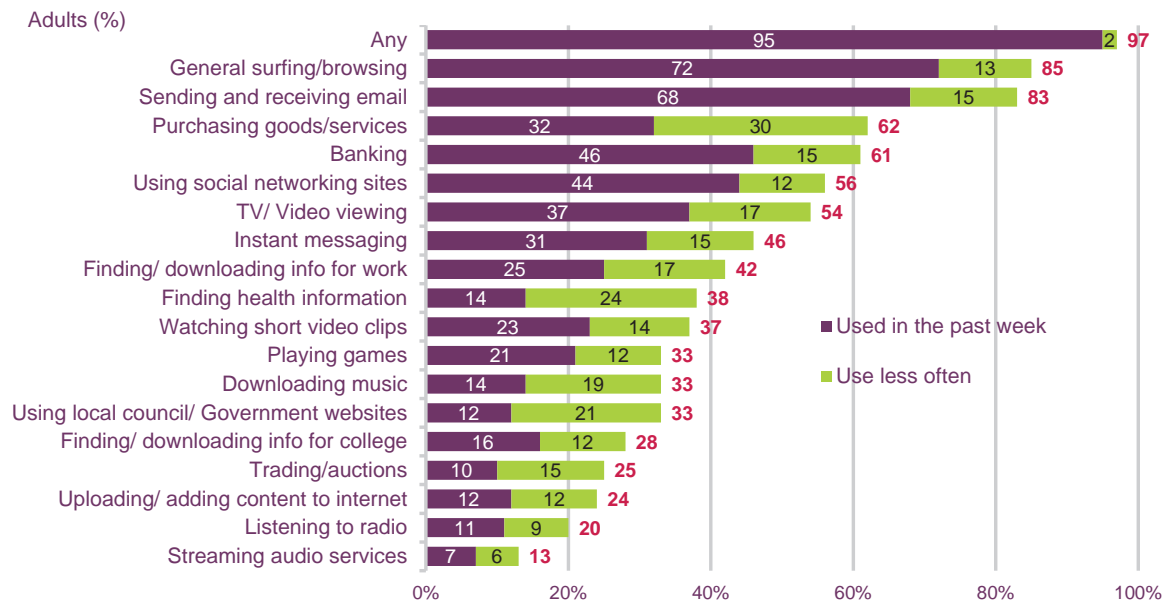
5.3.2 Overview

Sending and receiving email remains the most common internet activity, after general browsing

In 2015 claimed use of the internet, for any of the activities asked about, was in line with the 2014 figure. In Q1 2015 general browsing was the most popular internet activity (at 85%), carried out by 75% of adults in the past week. Sending and receiving email was the second most popular activity, with almost seven in ten adults (68%) doing this in the past week and over eight in ten doing it 'ever' (83%).

More than half of online UK adults (56%) claimed to use the internet for social networking sites, and 44% did so on a weekly basis. Almost half of internet users (46%) had used internet banking in the past week (61% total), and 32% had purchased goods or services online (62% total). Over half of UK adults (54%) claimed they had watched TV or video online in Q1 2015, with 37% having done so in the past week, while 37% had watched short video clips, 23% in the past week.

Figure 5.28   Claimed use of the internet for selected activities

Adults (%)

Activity	Used in the past week	Use less often	Total
Any	95	2	**97**
General surfing/browsing	72	13	**85**
Sending and receiving email	68	15	**83**
Purchasing goods/services	32	30	**62**
Banking	46	15	**61**
Using social networking sites	44	12	**56**
TV/ Video viewing	37	17	**54**
Instant messaging	31	15	**46**
Finding/ downloading info for work	25	17	**42**
Finding health information	14	24	**38**
Watching short video clips	23	14	**37**
Playing games	21	12	**33**
Downloading music	14	19	**33**
Using local council/ Government websites	12	21	**33**
Finding/ downloading info for college	16	12	**28**
Trading/auctions	10	15	**25**
Uploading/ adding content to internet	12	12	**24**
Listening to radio	11	9	**20**
Streaming audio services	7	6	**13**

■ Used in the past week
■ Use less often

Source: Ofcom Technology Tracker, W1 2015
Base: All adults aged 16+ who use the internet at home or elsewhere (n = 3095 UK)
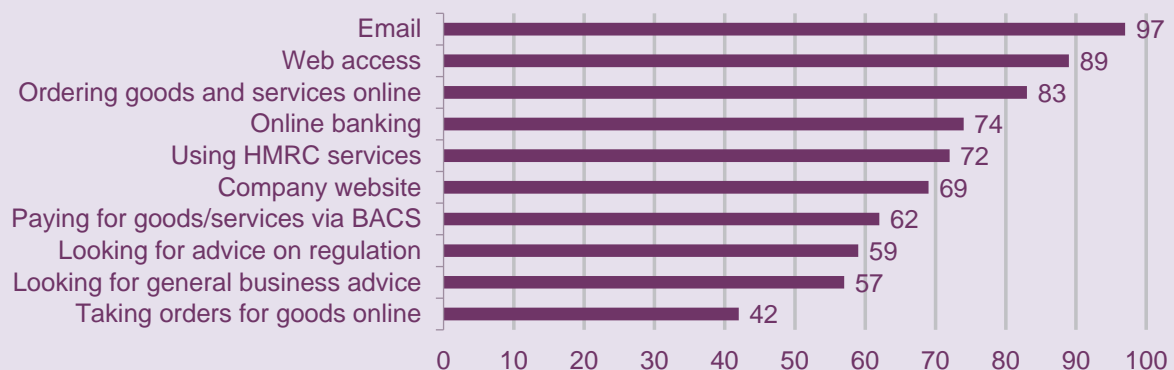*QE5. Which, if any, of these do you use the internet for?*

Use of the internet by SMEs

While the focus of this section is on internet use as a whole, we note that businesses, in particular small and medium-sized enterprises (those with up to 250 employees) use the internet in a range of ways, which may differ from the way residential consumers may use it.

In October 2014 we published some consumer research on how SMEs in the UK use the internet. Our research found that almost all SMEs (with fixed internet) said that they used email (97%), used the internet for web access (89%), and ordered goods and services online (83%).

Top ten internet applications for SMEs

SMEs with fixed internet (%)

Application	%
Email	97
Web access	89
Ordering goods and services online	83
Online banking	74
Using HMRC services	72
Company website	69
Paying for goods/services via BACS	62
Looking for advice on regulation	59
Looking for general business advice	57
Taking orders for goods online	42

Source: Ofcom research. Fieldwork April – June 2014QA10a: Which if any of the following internet applications does your organisation use for business purposes?
Base: All with fixed internet (Total n=1267, 1-4 n=471, 1-9 n=737, 10-49 n=301, 50-249 n=229).

Just below the ten most commonly cited reasons for using the internet, four in ten (39%) SMEs said they also used the internet for marketing purposes; over half (52%) of larger SMES (50-249 employees) said they did this. Among online marketing users, 85% said they used Facebook, 45% Twitter and 42% LinkedIn.

Overall, 23% of SMEs using a fixed internet service said they were using cloud services, although this was higher among larger SMEs (35% of businesses with 50-249 employees).

For more details of Ofcom's work on the provision of broadband services to SMEs, including more details of the research, please see http://stakeholders.ofcom.org.uk/market-data-research/other/telecoms-research/smes-research-jun15/

Google's services remain the most-visited websites and apps across laptop and desktop, mobile and tablet devices, with 46 million UK visitors in March 2015

To identify those organisations with the largest total online audiences across all of their services we report against an organisation's comScore property (the sites and apps owned by the organisation).

In March 2015, Google's services were visited by 46 million users in the UK, with Facebook, and the BBC, in second and third places with 41 and 40 million unique visitors respectively. Three of the ten most popular comScore internet properties in the UK were organisations based in the UK, i.e. the BBC, Mail Online/Daily Mail and Sky sites.

The unique audience of the Google Sites comScore Property reflects the significant audiences for the services that are captured within this, including Google Search and YouTube, which we look at in more detail in the following sections.

Figure 5.29   Top ten most popular comScore Properties among the digital audience: March 2015

Unique audience (millions)
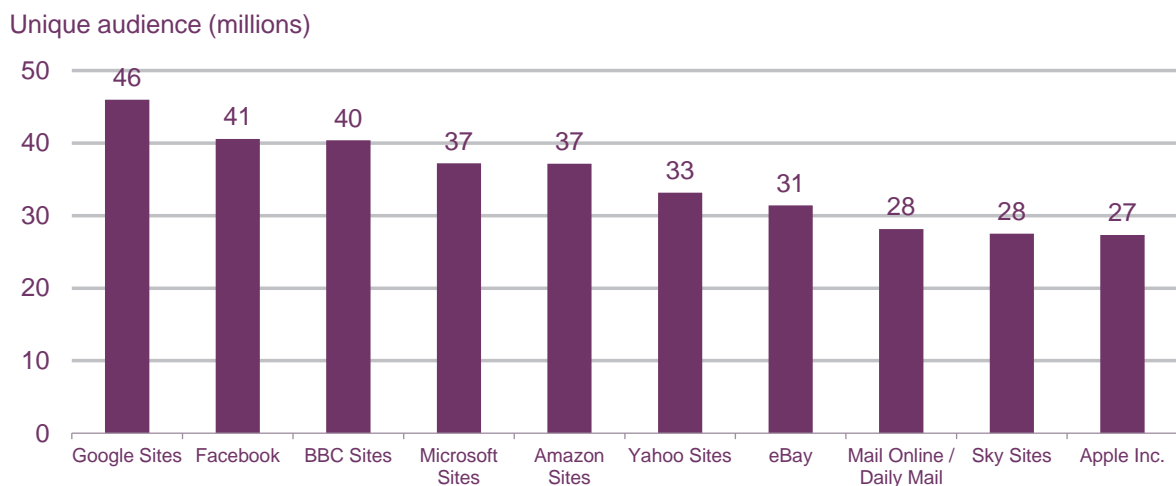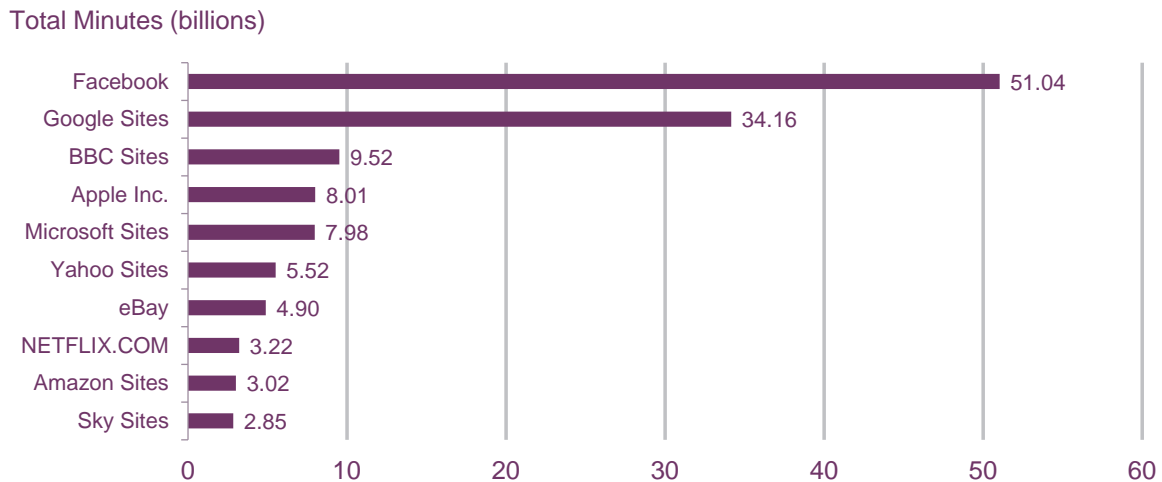

Source: comScore MMX-MP, UK, March 2015
Notes: All sites listed are at the Property level [P]. Please note MMX Multi-Platform includes laptop/desktop browsing, laptop/desktop video streams and mobile use. Mobile use includes Android smartphones and iOS smartphones and tablets. Only those entities that have been tagged as part of the census network report Android tablet usage data. Google Sites included YouTube.

People spend most time with websites and apps owned by Facebook

In March 2015, UK visitors to Facebook's services spent 51 billion minutes on them across desktop, laptop and mobile devices. In contrast, the multiplatform audience spent 34 billion minutes on Google's properties.

Although not in the top ten properties by reach in the digital audience, Netflix.com's position as eighth in total minutes reflects the fact that users spent on average 7.5 hours each (3.22 billion minutes in total) in March 2015 on the service.

Figure 5.30   Top ten comScore Properties among the digital audience, by time spent

Total Minutes (billions)

Source: comScore MMX Multi-Platform, UK, March 2015
Note: All sites listed are at the Property level [P]. Time spent online is a measure of time spent on laptop/desktop webpage browsing and on-network and WiFi mobile browsing and application data. It excludes time spent accessing audio content.

5.3.3 Mobile apps

Facebook published the three most downloaded apps in March 2015

The most downloaded app across the iOS App Store and Google Play in March 2015 was WhatsApp Messenger, followed by the Facebook app and the Facebook Messenger app, all of which are published by Facebook. Of the top ten most downloaded apps downloaded in March 2015, two were games (Crossy Road and Candy Crush Saga), another two were video and/or music (YouTube and Spotify), with the remainder relating to messaging and social networking.

Figure 5.31   Most popular app downloads: March 2015

App ranking by number of downloads in UK - iOS and Google Play Combined

|	App	Company
1	WhatsApp Messenger	Facebook
2	Facebook	Facebook
3	Facebook Messenger	Facebook
4	YouTube	Google
5	Crossy Road	HIPSTER WHALE
6	Instagram	Facebook
7	Skype	Microsoft
8	Snapchat	Snapchat
9	Spotify	Spotify
10	Candy Crush Soda Saga	King

Source: App Annie Index https://www.appannie.com/indexes/all-stores/rank/overall/?month=2015-03-01&country=GB

5.3.4 Search

Google remains the most popular search engine

Google Search had a digital audience of 39.6 million across all platforms in March 2014 (83% active reach), followed by Microsoft's Bing search engine (17.3 million; 36% active reach) and Yahoo Search (14.0 million; 29% active reach). The same ranking is seen for desktop and laptop audiences and access on mobile devices.

Figure 5.32   Audience of search engines: March 2015

Unique audience (millions)
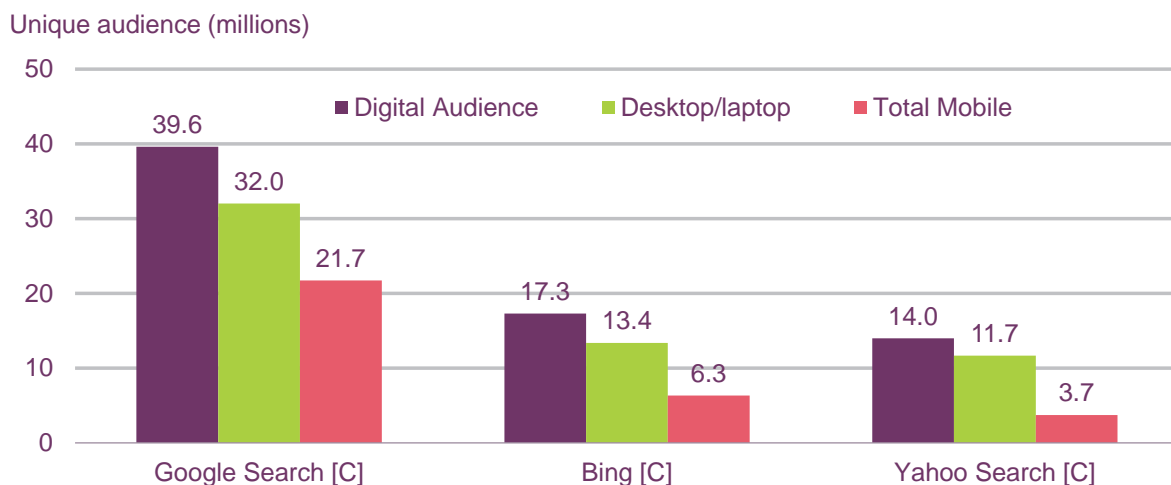
Source: comScore MMX-MP, comScore MMX, comScore MoMX, UK, March 2015
 MMX Multi-Platform includes laptop/desktop browsing, laptop/desktop video streams and mobile use. 'Total mobile' includes Android smartphones and iOS smartphones and tablets. Only those entities that have been tagged as part of the census network report Android tablet usage data.

5.3.5 Social networking

More than seven in ten online adults have a social networking profile

As discussed in section 1.8.2, more than seven in ten adults in the UK who go online (72%) have a social media profile, an increase from 66% in 2013. This is more likely among younger adults, with a majority of internet users aged 16-24 (93%), 25-34 (90%), 35-44 (80%) and 45-54 (68%) having a social media profile, compared to half of 55-64s (49%) and three in ten aged 65+ (28%).

Facebook's digital audience is almost twice that of Twitter, LinkedIn and Google Plus

Section 1.8 also provides details on the social networking sites and apps that consumers are most likely to say they use, from Ofcom's *Adults' Media Use and Attitudes* research. In this section we look in more detail at the total number of measured unique users for different social networking services in April 2015.

Facebook continues to be the largest social networking service by number of unique visitors. In April 2015, Facebook had a digital audience of 40.7 million unique visitors in the UK (86% of the total digital population), almost twice as many as that of Twitter (21.6 million equating to a 46% active reach), LinkedIn (20.7 million; 44% active reach) and Google+ (20.2 million; 43% active reach). Instagram, owned by Facebook, was visited by three in ten (30%) of the UK's digital population in April 2015, while 20% visited Pinterest and 13% visited MySpace. UK-based Friends Reunited had 0.2 million unique visitors in April 2015.

As we noted in the introduction, defining social networks and social media has become increasingly complex as services add new features. While arguably less focused on forming individual online connections, services such as Pinterest focus more on the sharing of content around communities of interest, but can also be seen as social networks. In section 5.3.6 we discuss online video sharing services such as YouTube. As our consumer research in section 1.8 shows, some people use social media features, including personal profiles, on video-centric services like these[113].

We explore the use of social media for communications further in sections 1.7 and 1.8 of this report.

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[113] Some group VoIP and messaging services, such as WhatsApp and Snapchat, are also now being used in a similar way to more established social media services. While not included in the analysis below, these are discussed in more detail in section 1.8, and in section 4.1.3 of the 'Telecoms and networks chapter.

Figure 5.33   Digital audience of social networking services: April 2015

Unique audience (millions) and reach as % total digital audience
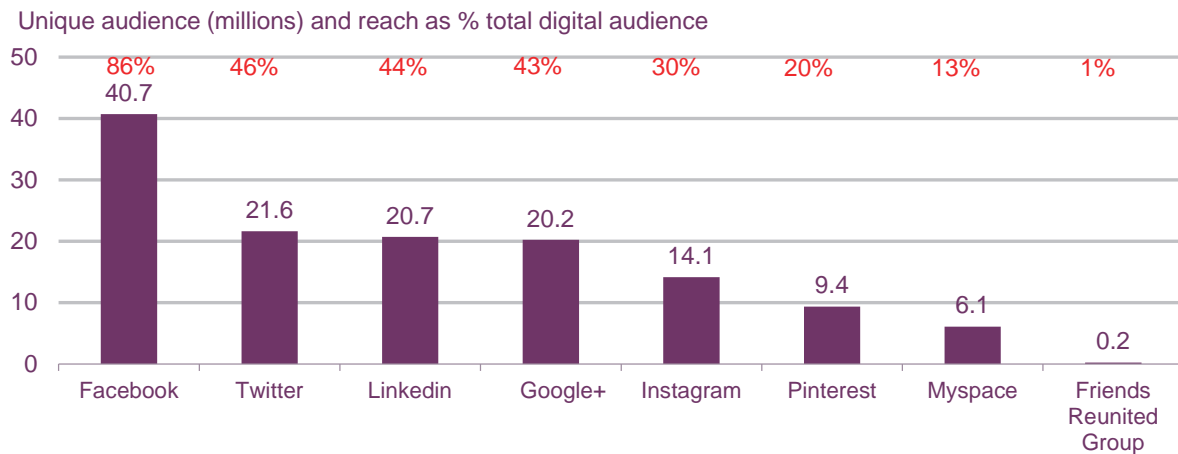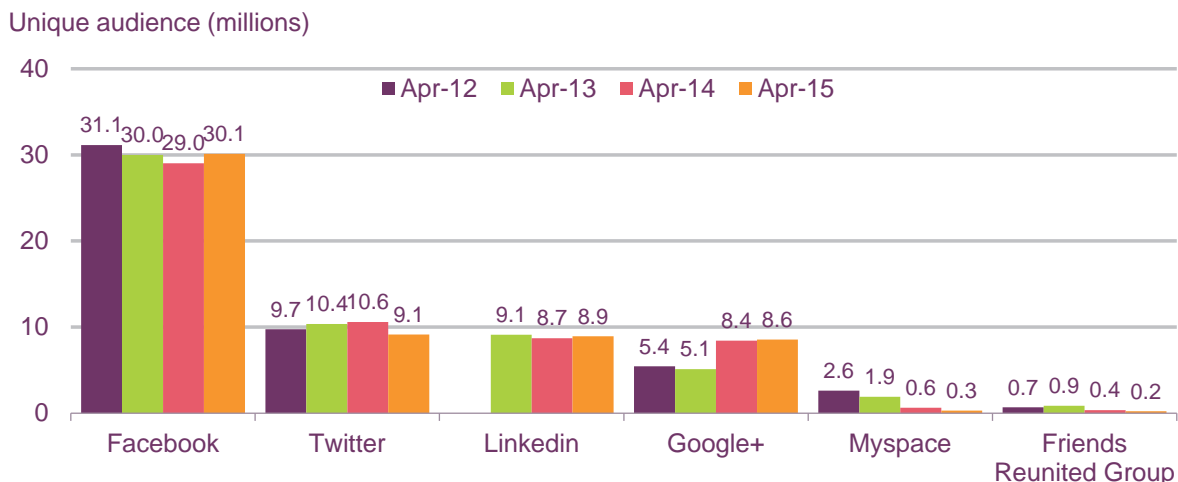

Source: comScore MMX-MP, UK, April 2015
Note: Entities cited from comScore MMX Multi-Platform: FACEBOOK.COM [M], TWITTER.COM [P], LinkedIn [P], Google Plus [C], INSTAGRAM.COM [M], PINTEREST.COM [P], MySpace [P], Friends Reunited Group [P]. MMX Multi-Platform includes laptop/desktop browsing, laptop/desktop video streams and mobile use. Mobile use includes Android smartphones and iOS smartphones and tablets. Only those entities that have been tagged as part of the census network report Android tablet usage data.

Facebook's audience on desktop and laptop computers was 1.1 million higher in April 2015 than in the previous year

Facebook remains the largest social network by audience on desktop and laptop computers in the UK. In April 2015, its unique audience of 30.1 million (up by 1.1 million) reversed a trend of declining audiences seen since April 2013. In contrast, Twitter's unique audience on desktop and laptop computers fell by 1.5 million, reversing audience increases seen each April since 2012. LinkedIn's desktop and laptop audience was stable at 8.9 million, gaining 0.2 million unique visitors in the year to April 2015. Desktop and laptop audiences for MySpace and Friends Reunited continued to decline, to 0.3 million and 0.2 million respectively.

Figure 5.34   Unique audience of selected social networking websites on desktop and laptop computers: April 2012 to April 2015

Unique audience (millions)

Source: comScore MMX, UK, home and work panel, April 2012 to April 2015.
Note: Entities cited from comScore MMX: FACEBOOK.COM [M], TWITTER.COM [P], LinkedIn [P], Google Plus (2012-2014), Google + [C] (2015), MySpace [P], Friends Reunited Group [P]

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More people accessed Twitter, Instagram and Pinterest on mobile devices than on desktop and laptops in March 2015

Among the social networking services below, in all cases, the majority of unique visitors accessed the service via a mobile device (i.e. an Android or iOS smartphone or tablet) in April 2015. In the case of Twitter, Instagram and Pinterest, the absolute numbers of unique visitors on mobile devices was higher; 9.1 million desktop and laptop unique visitors on Twitter, compared to 16.2 million unique visitors on a mobile device). For Instagram and Pinterest the respective figures were 3.7 million vs. 11.1 million, and 4.7 million vs. 5.9 million.

Overall, the total number of people who accessed Facebook via a desktop or laptop computer was similar to the numbers who accessed it via a mobile device (smartphone or tablet). Looking specifically at smartphone use, 22 million people accessed Facebook via an app on an Android or iOS smartphone, 2.3 million more than those who accessed it via the browser on these platforms. App rather than browser access was greater for Twitter, Google+ and Instagram. In contrast, 1.2 million people accessed LinkedIn via an app on a smartphone, compared to 9.1 million who accessed it via a browser on a smartphone.

Looking at reach of services across devices, nine in ten (89%) active users of Android or iOS smartphones accessed Facebook on their handsets in April 2015, compared to two-thirds (67%) of desktop and laptop users. Among users of smartphones, slightly more accessed Facebook via the app (76% smartphone users) than the browser (75% smartphone users). Twitter's active reach on mobile devices (44%) was more than twice that on laptops and desktops (20%).

Figure 5.35   Unique audience of selected social networking services, across devices: April 2015
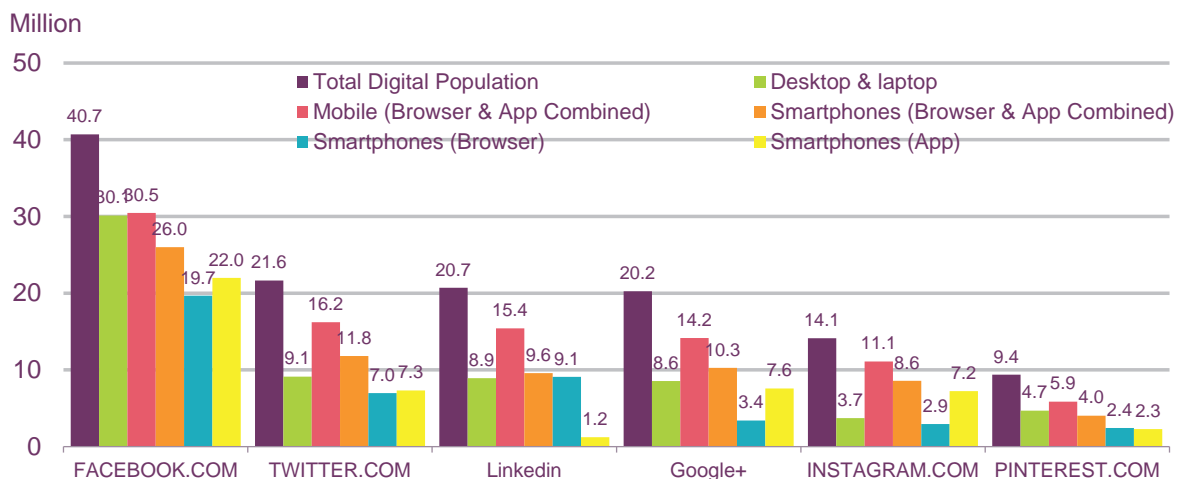
Source: comScore MMX home and work panel, MMX-MP, MoMX UK, April 2015.
Note: Mobile devices include iOS and Android smartphones, iPads. Android tablets included for tagged entities. Entities cited include FACEBOOK.COM [M], TWITTER.COM [P], Linkedin [P], Google+ [C], INSTAGRAM.COM [M], PINTEREST.COM [P]. 'Mobile' includes Android smartphones and iOS smartphones and tablets and Android tablets. Only those entities that have been tagged as part of the census network report Android tablet usage data. 'Smartphones' includes iOS and Android smartphones.

5.3.6 Online video-sharing services

YouTube's audience and reach on smartphones and tablets is higher than that on desktop and laptop computers

In this section we examine take-up and use of online 'video sharing' services. These services, such as YouTube and Vimeo, generally offer a high proportion of user-generated content, and videos which are generally shorter than traditional films and television programmes, and include features to share and comment on the videos. We discuss VoD services which primarily offer long-form TV programmes and films (both broadcaster catch-up and library VoD including subscription services such as Netflix) in more detail in section 1.5 in the 'Market in context' chapter.

YouTube remains the UK's most popular online video sharing service, with a total digital audience of 41.5 million in March 2015, giving it an active reach of 87% across the total digital population. YouTube's total mobile audience (which includes tablets) of 27.1 million exceeds the number of people accessing YouTube on desktop and laptop computers by 2.2 million; its active reach across mobile audiences (74%) is 19 percentage points higher than its audience on desktops and laptops. One reason for this may be that the YouTube app is generally included on Android handsets as part of the suite of pre-installed applications.

Other video services with large audiences on mobile devices in March 2015 included Vimeo, whose digital audience (12.2 million compared to its reported desktop/laptop and mobile audience figures of 2.5 million and 2.7 million respectively), reflects the fact that the digital audience figure includes the consumption of embedded videos on desktop and laptop computers. Twitch.TV is a service that allows users to stream and watch video game-play footage from console and computer games. It had had a total digital audience of 2.1 million in March 2015, giving it an active reach of 4% among the population as a whole, although among the male digital audience aged 15-24 its active reach was 18%. We look at the link between gaming and short-form content in more detail below.

Figure 5.36   Unique audience for selected online video sharing services: March 2015

Unique audience (millions) and active reach %
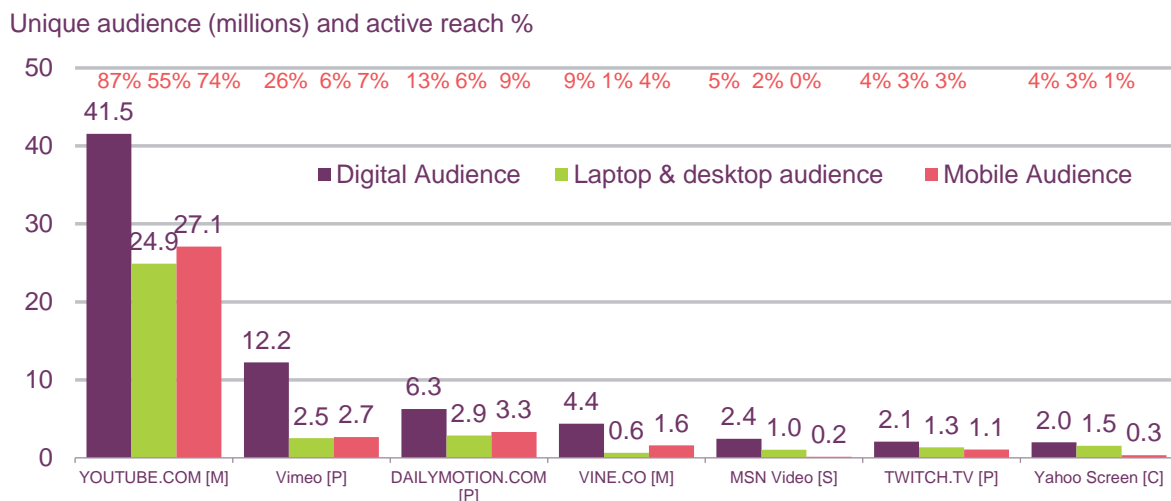
Source: comScore MMX, UK, home and work panel, comScore MMX-MP, UK and comScore MoMX, UK. All March 2015.
*Note: MMX Multi-Platform includes laptop/desktop browsing, laptop/desktop video streams and mobile use. Mobile audience includes Android smartphones and iOS smartphones and tablets. Only those entities that have been tagged as part of the census network report Android tablet usage data.*

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Despite not being a dedicated video-sharing service, claimed use of Facebook for video on mobile exceeds that of all other video sharing sites except YouTube

Between April 2014 and March 2015, YouTube had consistently the highest reported claimed use for mobile video, giving rise to average monthly audience of 11.7 million people aged 13 and above. Facebook is also a key source of online video consumption. Overall, based on survey data between April 2014 and March 2015, an average of 9 million people used Facebook on their mobile to watch videos.

Facebook has stated publicly that mobile video is one of its major areas of growth; it reported that its global video views grew from 1 billion per day in September 2014 to 4 billion per day by April 2015, of which 75% were on mobiles.[114] It should be noted that videos on Facebook and on other platforms may be set to play automatically, and may therefore not be actively watched by the user, or they may be used as background music.

Figure 5.37   Claimed use of video on mobile phones
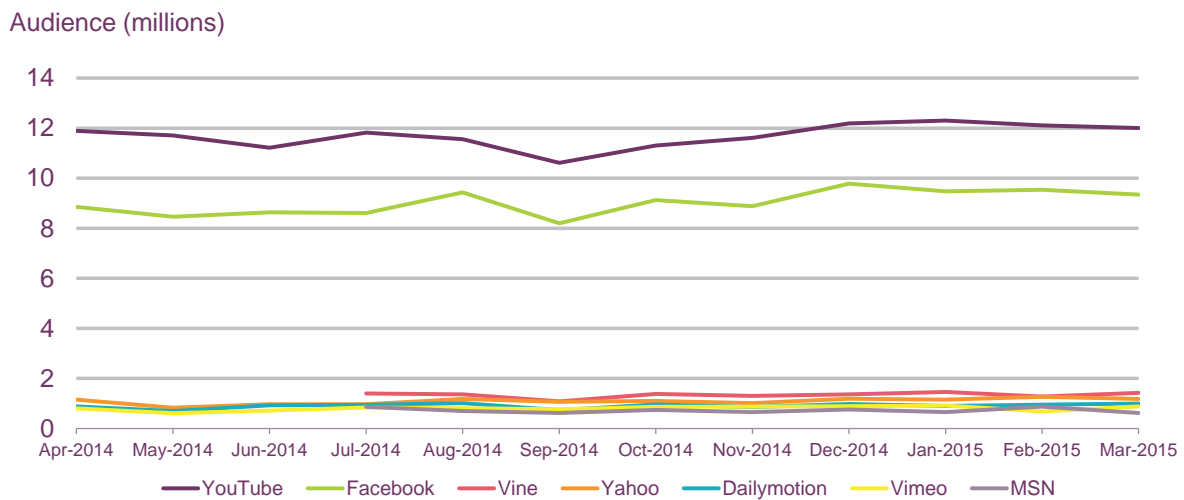
Source: comScore MobiLens. All users 13+ Note: MobiLens figures recalled use of a service on an individual's main handset, this figure may differ from measured audience figures and includes consumption on devices other than Android and iPhone mobile handsets.
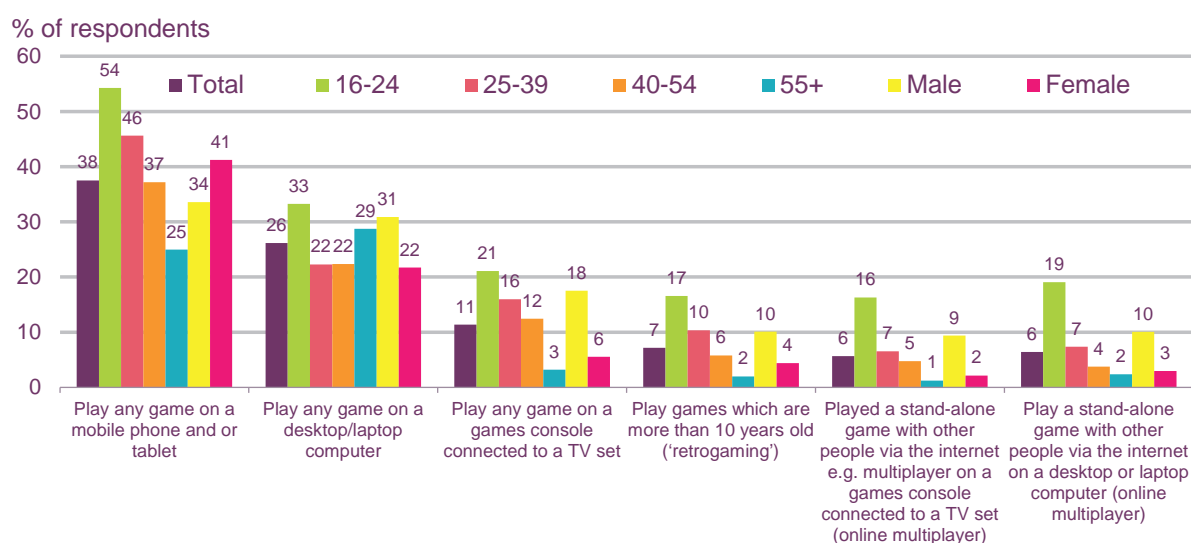
5.3.7 Video games

Around four in ten online adults had played a game on their mobile or tablet in the past week

Four in ten online adults (38%) claimed to have played any type of game on a mobile and/or tablet in the past week, rising to 54% of those aged 16-24. While use of the internet to play stand-alone online multiplayer games on a desktop and laptop computer (6%) or games console (6%) is relatively low among online adults in general, around a fifth (19%) of 16-24s had played an online multiplayer game in the previous week via a computer, and 16% had done so via a games console.

Women were more likely than men to say that they had played a game on a mobile or tablet in the previous week (41% and 34% respectively). In contrast, men were more likely than women to say they had done any of the other activities listed in Figure 5.38.

---

[114] See: http://recode.net/2015/04/22/facebook-users-are-notching-four-billion-video-views-every-day/

Figure 5.38   Gaming activities carried out in the past week

% of respondents

Source: YouGov, Attitudes Towards Technology 2015, April 2015
Base: Online UK adults 16+ (2147), 16 – 24 (279), 25 – 39 (384), 40 – 54 (554), 55+ (930), Male (1018), Female (1129)
q4. Have you done any of the following in the past week?

Over two in ten 16-24s had watched footage of other people playing games in the previous week
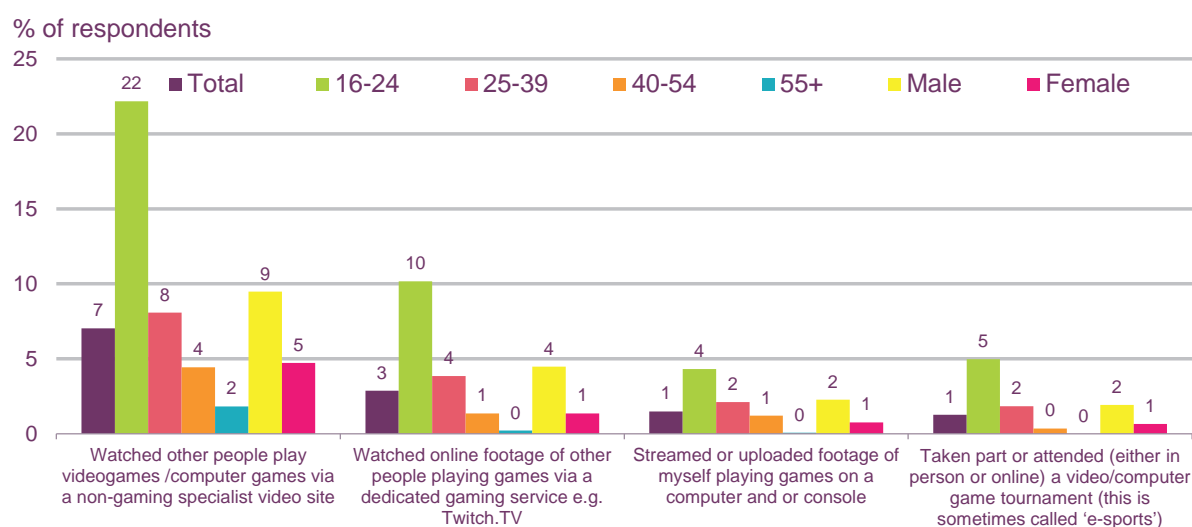
The development of services such as Twitch.TV, and the growth of several of the largest YouTube channels which focus on video-game footage, reflect a broad interest, for some people, in watching others play video games[115]. In June 2015, YouTube announced that it would launch a website and app dedicated to gaming, called YouTube Gaming,[116] which integrates existing YouTube gaming channels with live streaming and social features.

Overall, across all of the activities below, users aged 16-24 were more likely than the population as a whole to watch or stream footage of games. Males were more likely than females to have watched other people play games via a non-gaming specialist video site (9% and 5%) and to have watched online footage of other people playing games via a dedicated gaming service (4% and 1%). The proportion of online adults who had taken part in an e-sport tournament in the previous week was low (1%) but, but 5% of 16-24s said that they had done this.

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[115] For example, the YouTube channel with the largest number of subscribers is the video game channel PewDiePie with 38 million subscribers and 9.5 billion views as at 16 July 2015 Source: https://www.youtube.com/user/PewDiePie/about
[116] http://youtube-global.blogspot.co.uk/2015/06/a-youtube-built-for-gamers.html

Figure 5.39   Watching and streaming games footage in the past week

% of respondents

Source: YouGov, Attitudes Towards Technology 2015, April 2015
Base: Online UK adults 16+ (2147), 16 – 24 (279), 25 – 39 (384), 40 – 54 (554), 55+ (930), Male (1018), Female (1129)
q4. Have you done any of the following in the past week?

Platforms such as Steam and Origin enable digital distribution of video game content, online multiplayer management, and provide social networking facilities

The largest dedicated games platform by for PCs is Valve's Steam, whose app for desktop and laptop computers had 3.9 million unique visitors in March 2015, giving 9% active reach (among males aged 15-24, Steam's active reach was 28%)[117]. Publishers use Steam to distribute games; however, the platform also facilitates online multiplayer functions, social networking and digital rights management for games. Another games platform used by UK consumers is Electronic Arts' Origin platform, whose audience had grown from 0.8 million unique visitors in March 2013 to 2.0 million by March 2015. Smaller games distribution platforms also exist, such as GOG, which focuses on back catalogue and classic/retro games, and had 62 thousand unique visitors on laptop and desktop computers in March 2015.

While platforms such as Steam use the internet for facilitating digital rights management (DRM), online multiplayer and software distribution, they rely on the game software being stored and run on the user's local device. As an alternative, cloud-based gaming services allow gamers to play games via a range of connected devices. The internet is used to stream the game's graphics to the user, in a similar way that video content is streamed. This approach has been adopted by Sony for its PlayStation Now service.[118] Other providers of cloud-based gaming services include NVidia, whose Grid service allows gamers to stream games to its Shield tablets and PCs.

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[117] comScore MMX, UK home and work panel, Steam (App) [M]
[118] This service, in beta in the UK at the time of writing allows users to stream PS3 games to PS4 consoles and other supported devices. https://www.playstation.com/en-gb/explore/playstation-now/

Figure 5.40   Unique visitors to selected games platforms on desktop and laptop computers

Unique audience (millions)
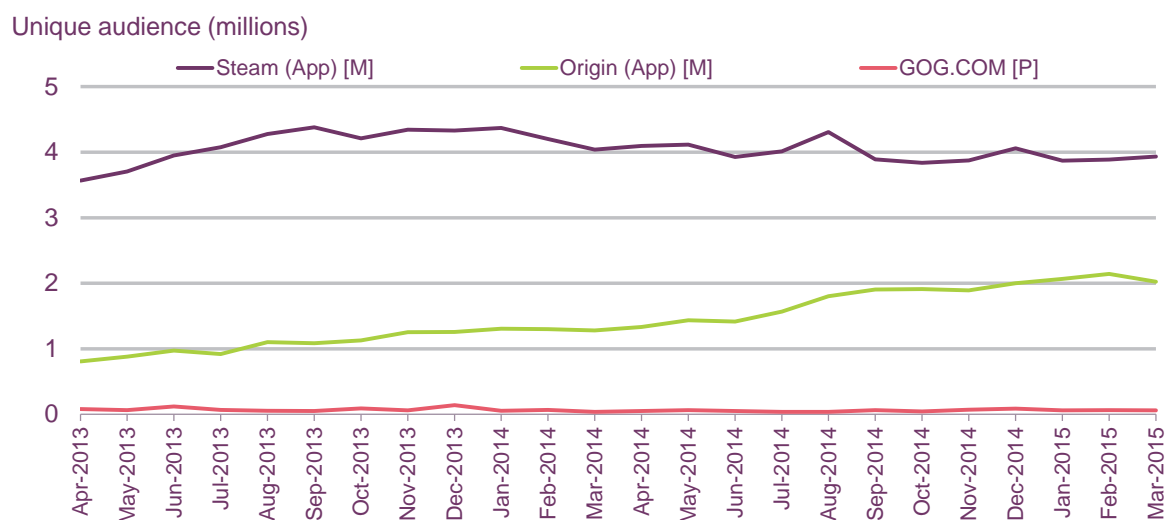
Source: comScore MMX, UK, home and work panel, April 2013 to March 2015

## 5.3.8 Online retail and mobile payments

Two-thirds of the UK's digital audience visited Amazon in March 2015

In March 2015, 32.1 million people visited Amazon on a desktop / laptop or mobile device, equivalent to two-thirds (68%) of the digital population. This was the largest digital audience among our comparator online retail services. eBay was visited by six in ten of the digital population (59% or 28.2 million), the second highest total digital audience, followed by Argos with 14.1 million (an active reach of 30%) in March 2015. Tesco, the UK's largest supermarket,[119] was visited by 12.7 million people i.e. 27% of the active digital audience.

The number of people accessing our comparator retailers via desktop and laptops was generally higher than those accessing these on mobile devices, although in March 2015 more people accessed Argos, Tesco and Asda on mobile devices than on desktops and laptops.

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[119] http://www.bbc.co.uk/news/business-32218170

Figure 5.41   Digital audience of selected online retail services: March 2015

Unique audience (millions)
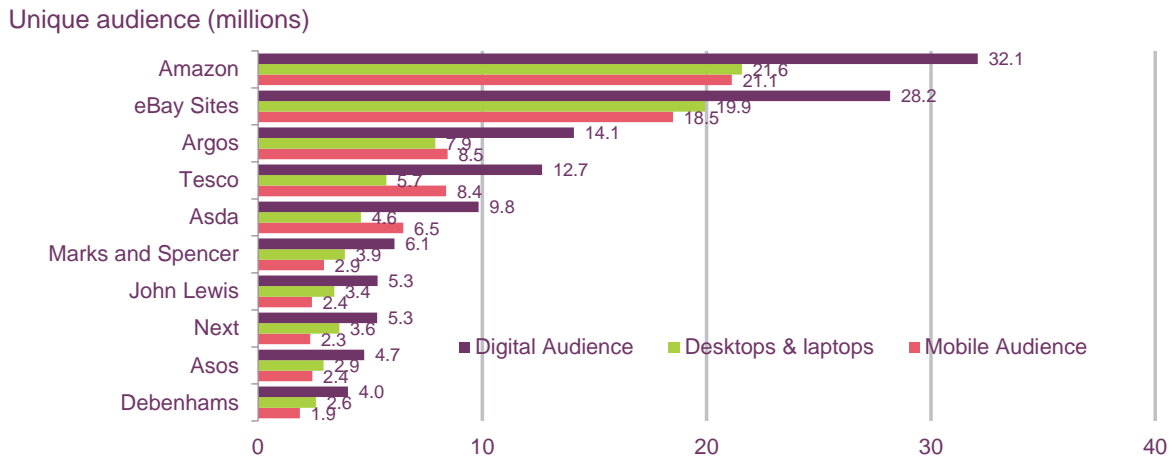
Source: comScore MMX Multi-Platform, comScore MMX, comScore MoMX UK, March 2015.
Note: MMX Multi-Platform includes laptop/desktop browsing, laptop/desktop video streams and mobile use. Mobile use includes Android smartphones and iOS smartphones and tablets. Only those entities that have been tagged as part of the census network report Android tablet usage data. comScore dictionary entities used were Amazon [M], eBay Sites [M], Argos [M], TESCO.COM* [M], Asda [M], MARKSANDSPENCER.COM [M], NEXT.CO.UK [M], ASOS.COM [M], DEBENHAMS.COM [M], John Lewis [M]   * Indicates that the entity has assigned traffic to certain pages in the domain to other entities

Around a quarter of mobile internet users make a purchase on their phone or use it to find a store location

Overall, use of mobile phones for retail activities was relatively stable between 2014 and 2015; around one in four mobile internet users (26%) said they used their mobile phone to purchase goods or services in the month, the same proportion who said that they had used their mobile phone to find the location of a store.

Figure 5.42   Mobile retail activities conducted by mobile internet users: March 2014 and March 2015
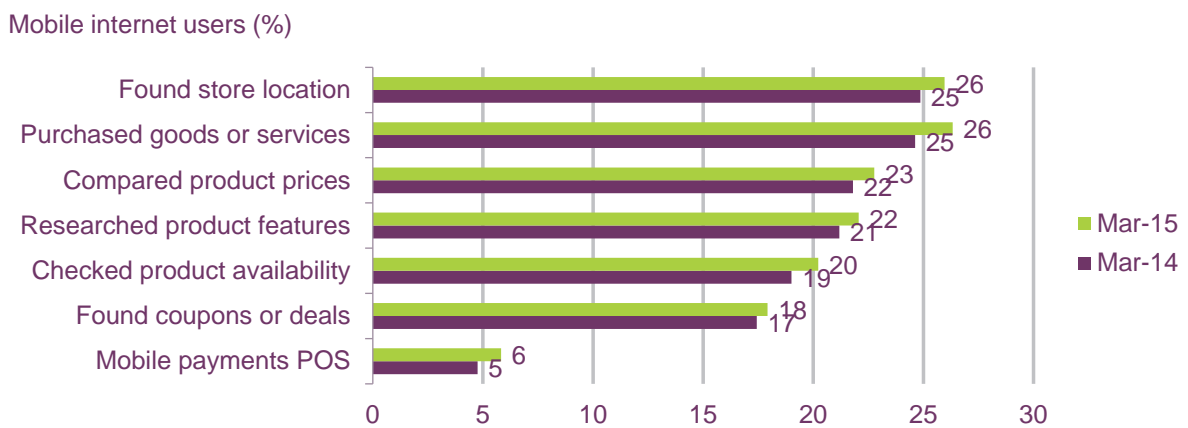
Mobile internet users (%)

Source: comScore MobiLens, UK, 3 month averages ending March 2014 and March 2015
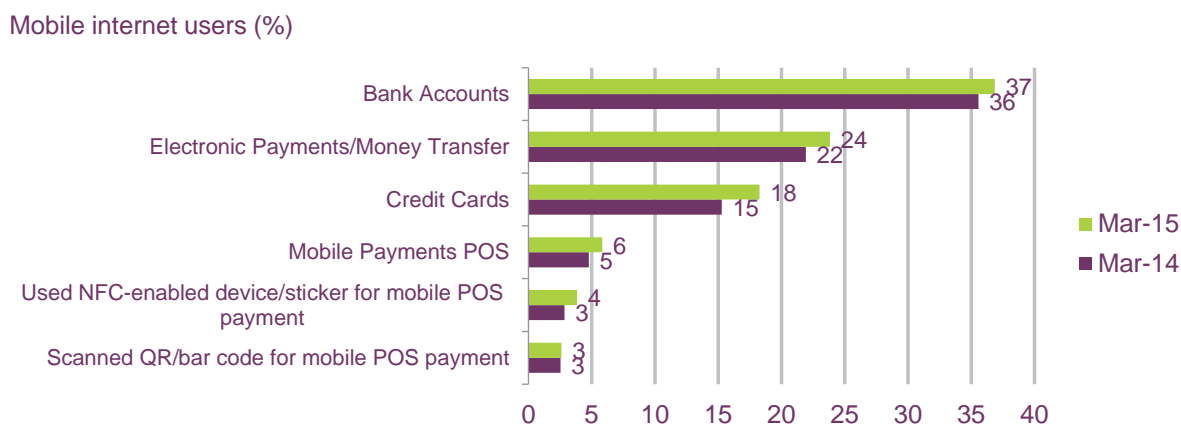*Base: mobile internet users 13+*

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One in four mobile internet users make an electronic payment or money transfer on a monthly basis

While one in four mobile internet users make mobile payments, far fewer (6%) actually used their mobile phone to make an in-person payment at a physical point of sale in the month. Four per cent of mobile internet users made a near-field-communications (NFC) payment. NFC technology allows users to make a payment by holding their NFC-equipped phone against a reader that can also be used to read contactless payments cards and tickets. Making an NFC payment requires the phone to have NFC functionality.

Apple's Apple Pay mobile payments service, launched in the UK in July 2015, uses NFC, and allows users of iPhone 6s and Apple Watches to make contactless payments in selected retailers, as well as allowing the phone to function as a ticket on public transport in London. Samsung is also understood to be planning to deploy an alternative mobile payments system in Europe.[120] Mobile operators EE and Vodafone also offer contactless payment services to their subscribers with compatible handsets. QR codes (a type of two-dimensional barcode) can be used as an alternative to NFC for mobile payments at the point of sale. In March 2015, 3% of mobile internet users said they had done this in the month.

In contrast, mobile banking is relatively prevalent; almost four in ten (37%) mobile internet users accessed their bank account via their mobile phone at least once a month (three-month average to March 2015), in line with the proportion doing this in 2014 (36%). One in four (24%) mobile internet users reported making an electronic payment or money transfer with their mobile phone. These services, such as Barclays Pingit and PayPal, allow users to use their mobiles to send money or make payments to other individuals or to businesses.

Figure 5.43   Selected mobile payments and financial services activities conducted by mobile internet users: March 2014 and March 2015

Mobile internet users (%)

Source: comScore MobiLens, UK, 3 month averages ending March 2014 and March 2015
Base: Mobile internet users 13+

5.3.9 Online news

In this section we look at the take-up and use of online news. The past 12 months have seen a range of developments, reflecting the increasingly diverse ways in which people can consume news on connected devices. While stand-alone apps from news organisations and websites retain significant audiences, social media such as Twitter is a source of news for many (section 1.8.4). While, historically, news organisations may have used social media to

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[120] http://www.samsung.com/uk/news/local/samsung-announces-samsung-pay-a-groundbreaking-mobile-payment-service

host links to content on their websites, social media firms are increasingly seeking to become destinations in their own right for news. For example, video messaging app developer Snapchat has launched Discover, a service which integrates editorial content from third parties including news providers[121] and has recruited a Head of News.[122]

In May 2015, Facebook announced that publishers who sign up to Facebook 'Instant Articles' will be able to upload their content directly to Facebook's servers in return for a share of advertising revenues.[123] This allows users to access news content more quickly than if the content is kept on the news organisation's servers, and keeps audiences within the Facebook platform, reducing audience loss. At the time of writing, in June 2015, Apple had also announced a news app, which allows publishers to put their content onto a single news app that enables users to access news content from multiple providers in one place.[124] Googles Play's 'Newsstand' app is another example of an app which allows users to read content from multiple publishers in one place.

One in four adults in the UK says they use online news 'nowadays'

Although TV remained the most popular way for people to get their news (85% of UK adults) in Q1 2015, four in ten adults (39%) said that they got news from a website or app. Use of online sources for news was higher among 16-24s than among the population as a whole, and only about one in four (23%) of over-55s said they did this.

Just under one in three (30%) people said they got news from the internet or apps on a desktop or laptop computer. Overall, 16-24s are as likely to do this as the population as a whole (29%), but only around a fifth (21%) of over-55s say they do this.

Overall, one in five (20%) said they got news from the internet or apps on a mobile phone, although this was higher among 16-24s (29%). In contrast, only 6% of those over-55s said they did this. Differences in online news consumption by age group are likely to reflect lower smartphone penetration among older demographics (see Figure 5.44) as well as news consumption preferences.
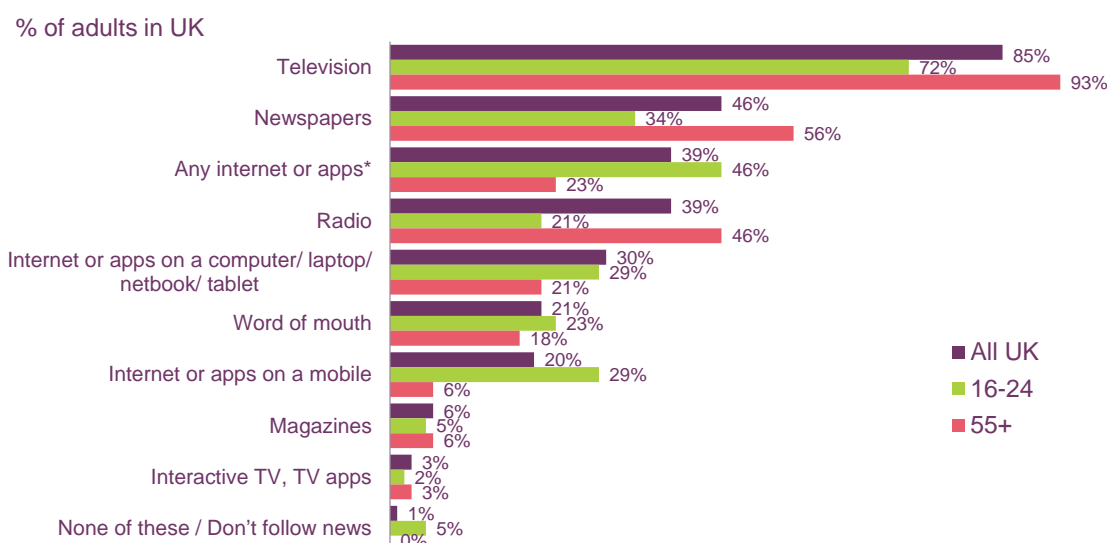
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[121] http://blog.snapchat.com/
[122] http://www.politico.com/blogs/media/2015/04/peter-hamby-leaving-cnn-for-snapchat-206178.html
[123] http://newsroom.fb.com/news/2015/05/instant-articles-a-faster-reading-experience-on-facebook/
[124] https://www.apple.com/pr/library/2015/06/08Apple-Announces-News-App-for-iPhone-iPad.html

Figure 5.44   News consumption, by platform and age: 2015

% of adults in UK

Platform	All UK	16-24	55+
Television	85%	72%	93%
Newspapers	46%	34%	56%
Any internet or apps*	39%	46%	23%
Radio	39%	21%	46%
Internet or apps on a computer/ laptop/ netbook/ tablet	30%	29%	21%
Word of mouth	21%	23%	18%
Internet or apps on a mobile	20%	29%	6%
Magazines	6%	5%	6%
Interactive TV, TV apps	3%	2%	3%
None of these / Don't follow news	1%	5%	0%

Source: Ofcom Technology Tracker, W1 2015
Base: All adults aged 16+ (3756).
*QN1: Which of the following do you use for news nowadays? *Any internet or apps; aggregate of all internet devices*

The BBC, the Daily Mail and the Guardian had the largest unique audiences for online news in March 2015

Differences in business models mean that the metrics used internally by news organisations are likely to differ. While reach is often used as a measure of performance, audience engagement metrics may also be used to understand the depth of user engagement with content. This may be particularly useful for subscription services, given the desire to manage and reduce churn.[125] In this section we draw on comScore figures to look at the audience size and reach of some selected news providers.
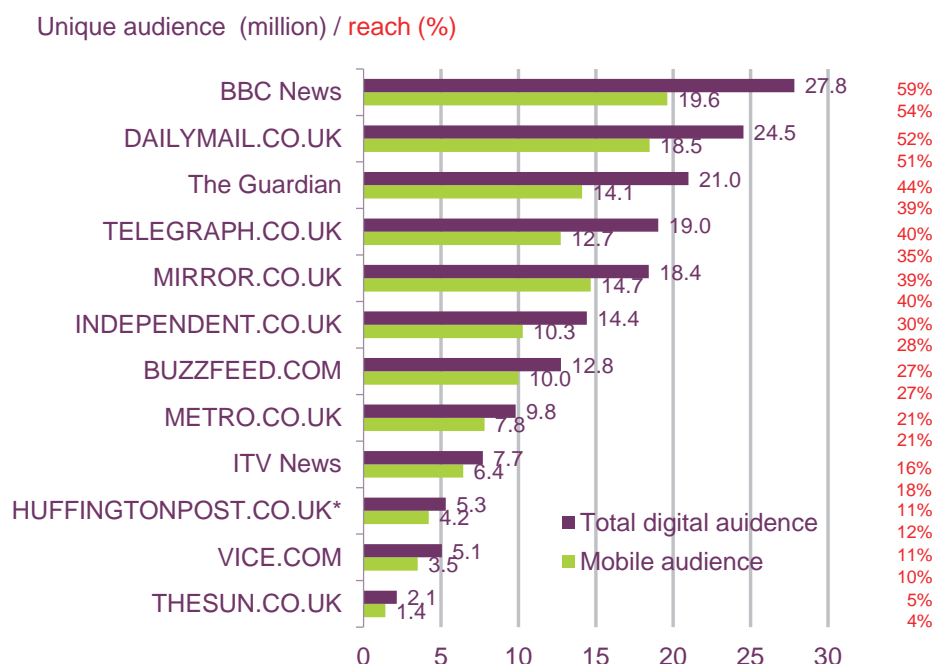
BBC News had a total digital audience of 27.8 million unique visitors in March 2015, accounting for a reach of 59% across the overall digital population, compared to the Daily Mail's 24.5 million total digital audience (which gives it a 52% digital population reach). This gives a 1.1 million difference between the BBC News mobile audience (19.6 million) and that of the Daily Mail (18.5 million). With the exception of BBC News, all of the services listed in Figure 5.45 carry advertising, although the Telegraph and the Sun also operate paywalls on their websites, while the Guardian charges for content on its app (although not on its website). The Telegraph's metered paywall allows users to access a limited number of articles on its website each month without charge. In contrast, the Sun has operated a 'hard' paywall, requiring payment to access content on the website or via the app, although in June 2015 it was announced that it would make more content available free of charge[126].

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[125] For further details on the range of approaches to the measurement of online news consumption and supply please refer to an Ofcom report published in November 2014 looking at the ways in which industry and academics measure the consumption and supply of news online: http://stakeholders.ofcom.org.uk/binaries/internet/Measuring-online-news.pdf
[126] See http://www.pressgazette.co.uk/two-years-after-paywall-move-sun-make-strategy-change-towards-free-online-content

Figure 5.45   Unique audience and reach of selected news services: March 2015

Unique audience (million) / reach (%)

News service	Total digital audience	Mobile audience	Total reach %	Mobile reach %
BBC News	27.8	19.6	59%	54%
DAILYMAIL.CO.UK	24.5	18.5	52%	51%
The Guardian	21.0	14.1	44%	39%
TELEGRAPH.CO.UK	19.0	12.7	40%	35%
MIRROR.CO.UK	18.4	14.7	39%	40%
INDEPENDENT.CO.UK	14.4	10.3	30%	28%
BUZZFEED.COM	12.8	10.0	27%	27%
METRO.CO.UK	9.8	7.8	21%	21%
ITV News	7.7	6.4	16%	18%
HUFFINGTONPOST.CO.UK*	5.3	4.2	11%	12%
VICE.COM	5.1	3.5	11%	10%
THESUN.CO.UK	2.1	1.4	5%	4%

Source: comScore MMX-MP and MoMX, UK, March 2015.
MMX Multi-Platform includes laptop/desktop browsing, laptop/desktop video streams and mobile use.
Mobile includes Android smartphones and iOS smartphones and tablets. Only those entities that have been tagged as part of the census network report Android tablet usage data. Entities Note: comScore dictionary entities used were BBC News [C], DAILYMAIL.CO.UK [M], The Guardian [P], TELEGRAPH.CO.UK [M], MIRROR.CO.UK [C], INDEPENDENT.CO.UK [P], BUZZFEED.COM [P], METRO.CO.UK [M], ITV News [M] HUFFINGTONPOST.CO.UK [C], VICE.COM [M], THESUN.CO.UK [C].*
* Indicates that the entity has assigned traffic to certain pages in the domain to other entities

One in four internet users say they have used a website or an app related to their local area
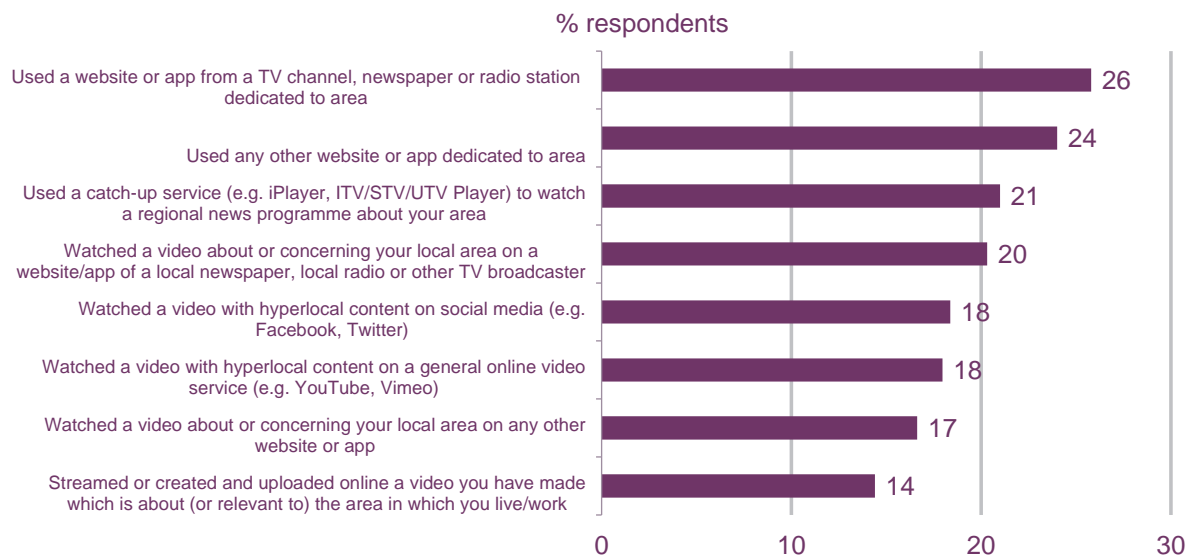
In this section we look at apps, websites and videos, containing news or content services related to a town, village, postcode or other small geographically-defined community.[127] These services (sometimes called hyperlocal media) are run by a range of organisations from established broadcasters, local and regional newspapers and radio stations or 'digital-native' providers. Some of these services are run on a non-commercial basis. Around one in four internet users said they had ever used either a website or app from a TV channel, newspaper or radio station dedicated to the local area in which they live or work (26%) or any other website or app dedicated to their local area (24%).

Around one in five internet users have consumed some form of online video related to or about their local area. Around one in five said they had watched a regional news programme on a catch-up service (21%). Eighteen per cent of respondents said they had watched a video with hyperlocal content on social media, the same proportion who said they had done this on an online video service such as YouTube or Vimeo. Fourteen per cent of internet users said they had streamed or uploaded a video they had created which was about or

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[127] We note that news and information may also be available on national and globally-focused platforms and services, including social media platforms, 'vertical' websites, and apps such as weather services or listings.

relevant to the area in which they lived or worked. Overall, 37% of respondents said that they had done at least one of these things.

Figure 5.46   Use of online media relating to local area

% respondents

Category	%
Used a website or app from a TV channel, newspaper or radio station dedicated to area	26
Used any other website or app dedicated to area	24
Used a catch-up service (e.g. iPlayer, ITV/STV/UTV Player) to watch a regional news programme about your area	21
Watched a video about or concerning your local area on a website/app of a local newspaper, local radio or other TV broadcaster	20
Watched a video with hyperlocal content on social media (e.g. Facebook, Twitter)	18
Watched a video with hyperlocal content on a general online video service (e.g. YouTube, Vimeo)	18
Watched a video about or concerning your local area on any other website or app	17
Streamed or created and uploaded online a video you have made which is about (or relevant to) the area in which you live/work	14

Source: YouGov, audiovisual consumption survey 2015, May 2015
Base: Online UK adults 16+ (2114),
q39_rc. We'd now like to ask about 'hyper-local' content. This means news or content services pertaining to a town, village, single postcode or other small, geographically defined community. In relation to the area where you currently either live or work (or have done in the past) have you…

5.3.10   Internet advertising

Total UK internet advertising rose by 15% in 2014

Total estimated internet advertising spend rose by 15% in 2014 to £7.2bn, the single largest type of advertising by expenditure, accounting for 39% of total estimated UK advertising spend in 2014. By way of context, total TV advertising expenditure was £4.9bn (which includes a digital component) followed by press brands (newspapers and magazines) which accounted for £3.6bn in total (including digital advertising). One source of growth in internet advertising expenditure was broadcaster VoD, where expenditure rose by 15% to £145m, as well as growth in 'press brands' digital advertising, which stood at £655m in 2014, exceeding total radio advertising (£575m).

Within the 'press brands' category, digital advertising expenditure on national news brands rose by 25% to £174m, and regional news brand expenditure also rose 25% to £174m. Magazine digital advertising grew by 6% to £267m.

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Figure 5.47   UK advertising: 2014

Expenditure (£ millions)
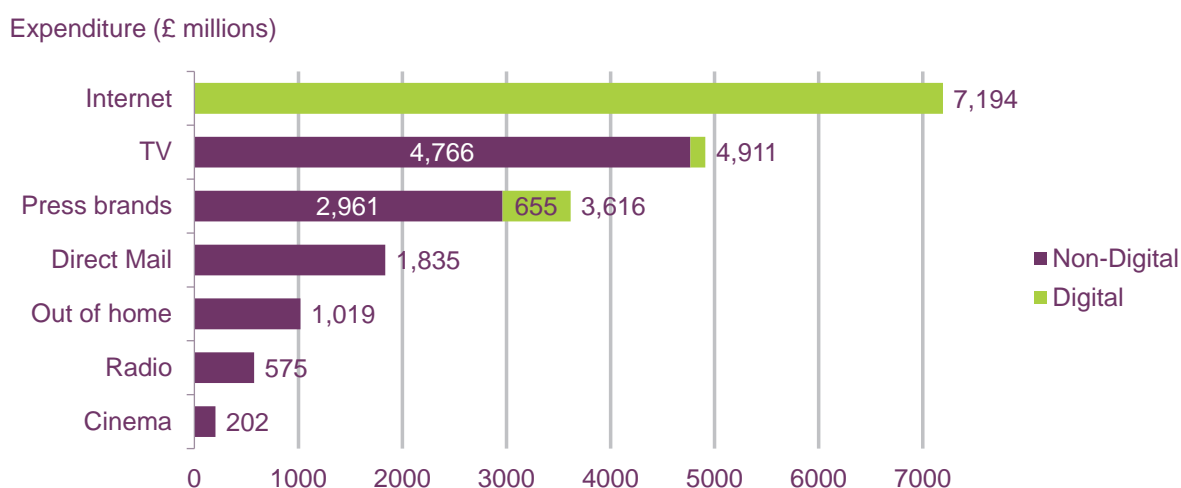
Source: AA/Warc Expenditure Report, April 2015
Note: 'Press brands' is a consolidation of magazine brands and national and regional news brands.
Total digital advertising spend is double-counted in digital TV spend (broadcaster VOD revenue), and in 'press brands' digital spend.

**Display increased its share of digital advertising in 2014**

In the following sections we use data from the IAB/PwC *Digital Adspend Study 2014* which draws on data reported by industry to IAB/PwC. Following the conventions of this study, we are highlighting the published like-for-like comparisons, which include figures from companies which submitted figures in both 2013 and 2014.

Paid-for search advertising (£3.8bn in 2014) continued to account for the majority (52%) of digital advertising spend[128], although despite like-for-like growth of 9%, its proportion of total digital fell from 55% in 2013 to 52% in 2014.

In contrast, display expenditure grew by 26% on a like-for-like basis, reaching £2.3bn, increasing its share of digital advertising from 29% to 32% in 2014. Banner adverts remained the single largest type of display (42% display expenditure), while at £509m, content and native advertising accounted for around a fifth (22%) of display expenditure. Content advertising includes websites, articles or content areas which are sponsored (for example on services such as BuzzFeed or news sites such as the Guardian) or are advertisement features. 'Native' advertising includes discovery tools with third-party links involving revenue shares. Examples of this are the Outbrain system, used by several newspaper groups on their websites, which adds sponsored links to web pages. The definition also includes in-feed and in-stream promoted posts, for example on social network feeds.

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[128] Digital advertising includes desktop/laptop, mobile and tablet advertising

Figure 5.48   Digital advertising expenditure, by type: 2008-2014

£ millions
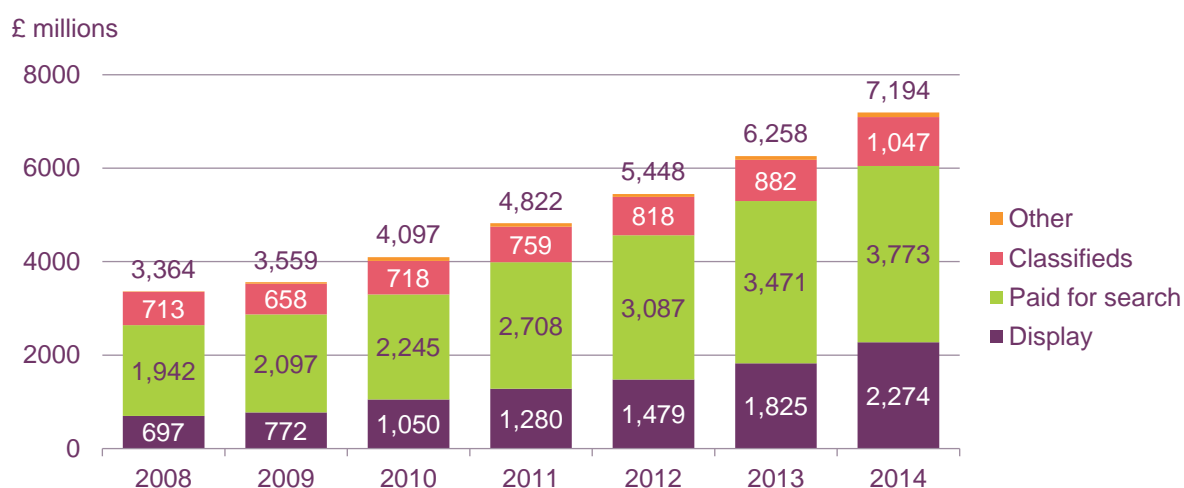
Source: IAB / PwC Digital Adspend Study 2008-2014
Note: 'Content and native advertising' was included as a new format for 2014; before this the revenue would have sat elsewhere within display (e.g. sponsorships).

Digital display video advertising revenue grew by £132m in 2014

Digital video advertising expenditure continued to grow and reached £442m in 2014, of which £410m (93%) related to pre-and post-roll adverts. These are the video adverts which are shown before, during and after a user plays a video on a website or app. Social video advertising grew by £5m to reach £21m in 2014. This includes 'viral' video content as well as videos served in a social environment such as Facebook or Twitter.

Figure 5.49   Digital display video advertising revenue

£ millions
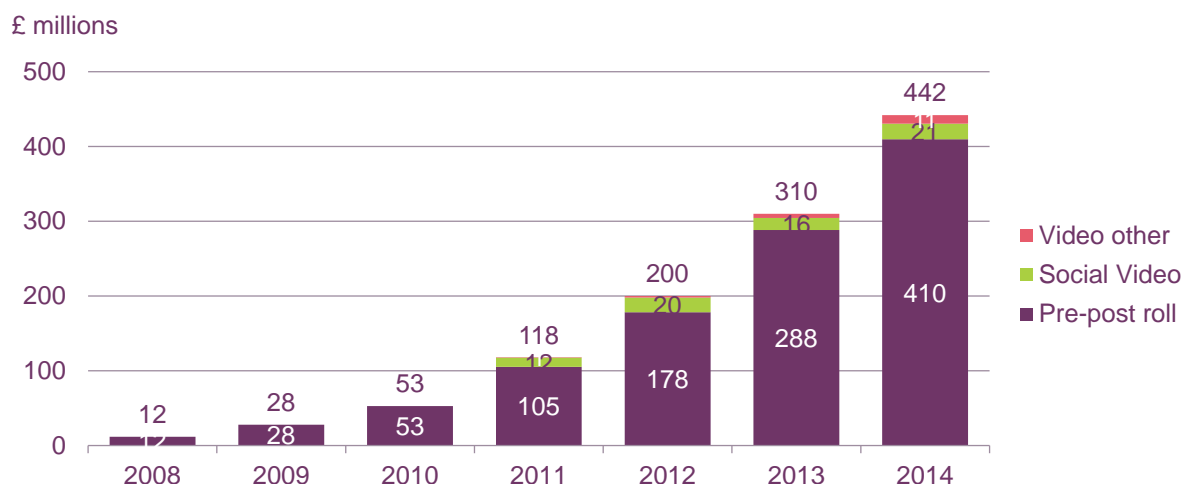
Source: IAB / PwC Digital Adspend Study 2008-2014

Mobile display advertising almost doubled on a like-for-like basis between 2013 and 2014

Reported total mobile display advertising rose from £424m in 2013 to £769m in 2014, and on a like-for-like basis, mobile display advertising expenditure grew by 96% between 2013 and 2014. Content and native advertising (including in-feed) accounted for around half (46%) of mobile display advertising in 2014.

Search advertising remained the largest component of total mobile advertising (at 52%), although the proportion is five percentage points lower than it was in 2013 (57%).

Figure 5.50   Mobile advertising expenditure: 2011-2014

£ millions

Source: IAB / PwC Digital Adspend Study 2011-2014