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Leichtman Research Group

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ONLINE VIDEO COMPLEMENTING BUT NOT REPLACING TV

Young Men are Primary Users of Online Video

Durham, NH – February 7, 2007 – New consumer research from Leichtman Research Group, Inc. (LRG) found that 4% of all adults over age 18 in the United States watch video online at home daily and an additional 14% at least once a week. Comparatively, 93% of adults spend at least one hour a day, on average, watching TV.

While total online video usage has increased in the past year, the percentage of adults watching online video remains relatively unchanged. A previous LRG survey conducted nine months earlier found that 4% of adults viewed online video at least daily and an additional 11% at least weekly.

These findings are based on a survey of 1,250 households nationwide, and are part of a new LRG study, *Emerging Video Services*.

Other key findings include:

- Men aged 18-34 account for 41% of those who view video online on a daily basis, while comprising just 14% of the online subscribers sample
- Men aged 18-34 account for over two-thirds of adults who view YouTube and other user-generated content daily
- Just 8% of those who watch video online strongly agree that they now watch TV less often

"As with most forms of media and entertainment, online video is following the traditional 'heavy hand' model of a minority of users driving the majority of the usage," said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. "Rather than

replacing TV, in the near-term, emerging video services like online video are best viewed as opportunities to complement and augment traditional TV viewing options.”

About Leichtman Research Group, Inc.

Leichtman Research Group, Inc. (LRG) specializes in research and analysis on broadband, media and entertainment industries. LRG combines on-going surveys and analysis with years of hands-on industry experience to provide companies with a richer understanding of the potential impact and adoption of new products and services. For more information about LRG, please call (603) 397-5400 or visit www.LeichtmanResearch.com.

Emerging Video Services is based on a telephone survey of 1,250 adults age 18+ from throughout the continental US in households that have a TV set. The survey was conducted in December 2006. The random sample of respondents was distributed to best reflect the demographic and geographic make-up of the US. The overall sample has a statistical margin of error of +/- 2.8%. An additional survey of cell phone-only households was also conducted as part of the study.

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