

LOCAL MEDIA APP TRENDS

SUMMER 2013

Survey of Local Media App Users

EXECUTIVE SUMMARY

Mobile moves incredibly fast. Keeping pace with both the technology and consumer expectations presents unique challenges and opportunities. Data on mobile usage is helpful, but is by its very nature looking backwards instead of ahead to the future. This survey aspires to answer the qualitative questions that quantitative data simply cannot.

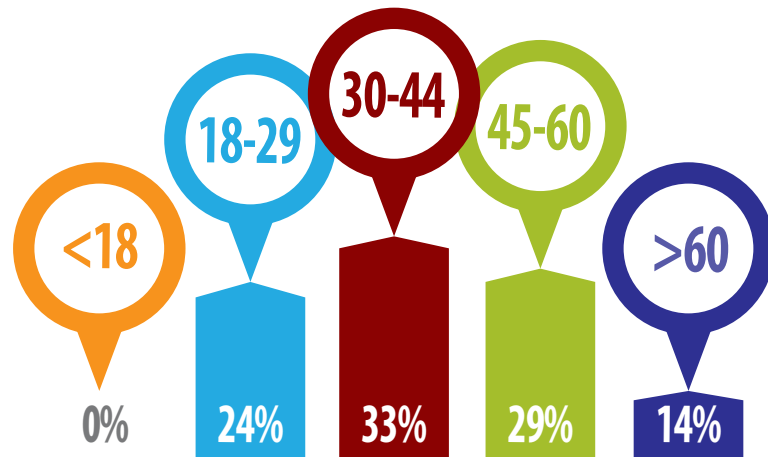
Here are a few key findings from our first study:

- 1 in 4 smartphone owners have a local news app installed.
- The TV Broadcast is still the primary choice for receiving local news content, as voiced by 47% of the survey population.
- On-air promotion is the single most important driver of app awareness and downloads, receiving 41% of responses.
- Apps trump websites for the second choice for local news content.
- Consumers prefer apps for breaking news, and tablets for reading content.
- For a paywall to succeed, a local media company must deliver very unique content.
- Social media is becoming an important source of local news for younger demographics.
- The 60+ demographic uses local news apps more often than any other age range.

METHODOLOGY

- 4,258 people completed the survey, of which 1,165 had a local news app installed on a smartphone, tablet, or connected TV.
- The survey data only samples the 1,165 qualified responses.
- The targeted audience consisted of smartphone owners who must be 18 years or older and reside in the United States.
- The survey was open to all local news app users, and was not exclusive to StepLeader customers.
- The survey consisted of 21 questions and took an average of 5m 24s to complete.
- Prior to completing our survey, respondents completed a demographic questionnaire through our survey partner. This demographic data was appended to our results after the completion of the StepLeader survey.

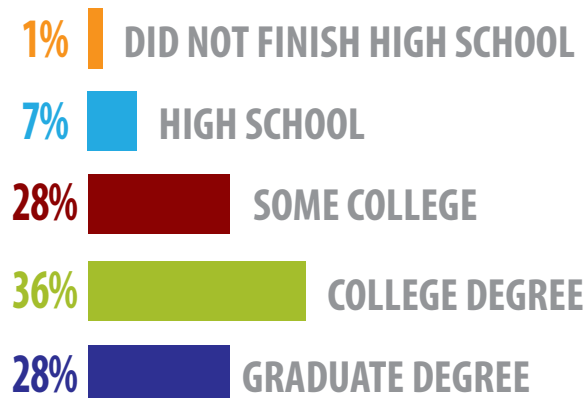
AGE



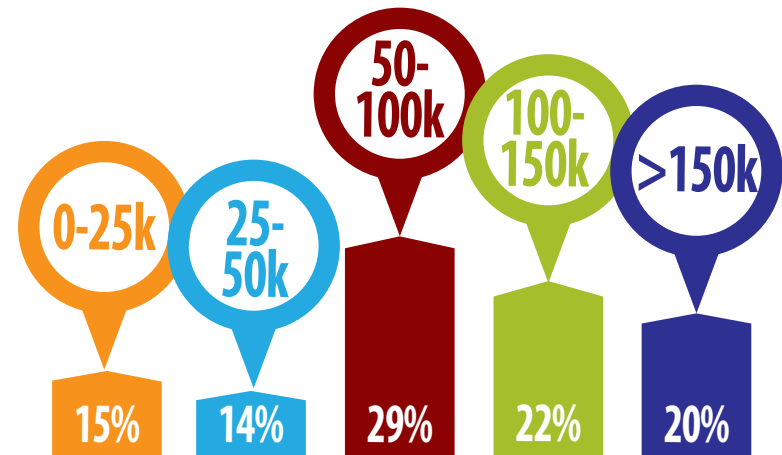
GENDER



EDUCATION



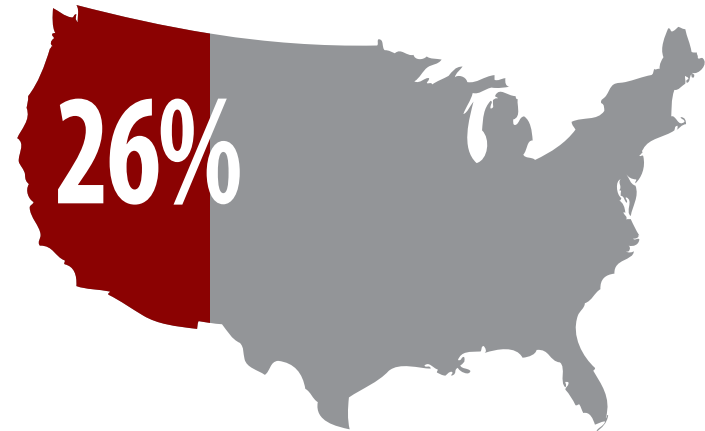
INCOME



DEVICE COVERAGE



NEWS APP REACH



One in 4 Smartphone Owners Use a Local News App

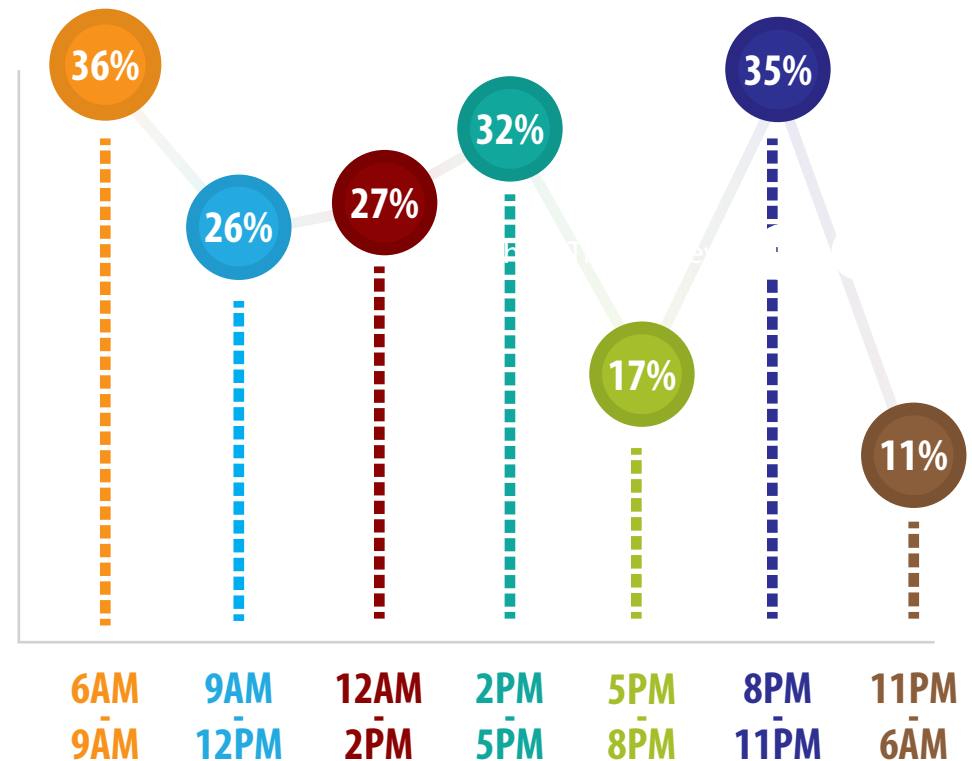
DEMOGRAPHIC FINDINGS

- Local news app users are typically well-educated and affluent with 71% earning more than \$50K per year and 92% having college experience.
- Smartphone is the primary driver of local news app usage.
- 62% are between the ages of 30 - 60.
- 1 in 4 smartphone owners in the United States uses a local news app.

WHY DOWNLOAD ONE LOCAL NEWS APP VS. THE OTHER?

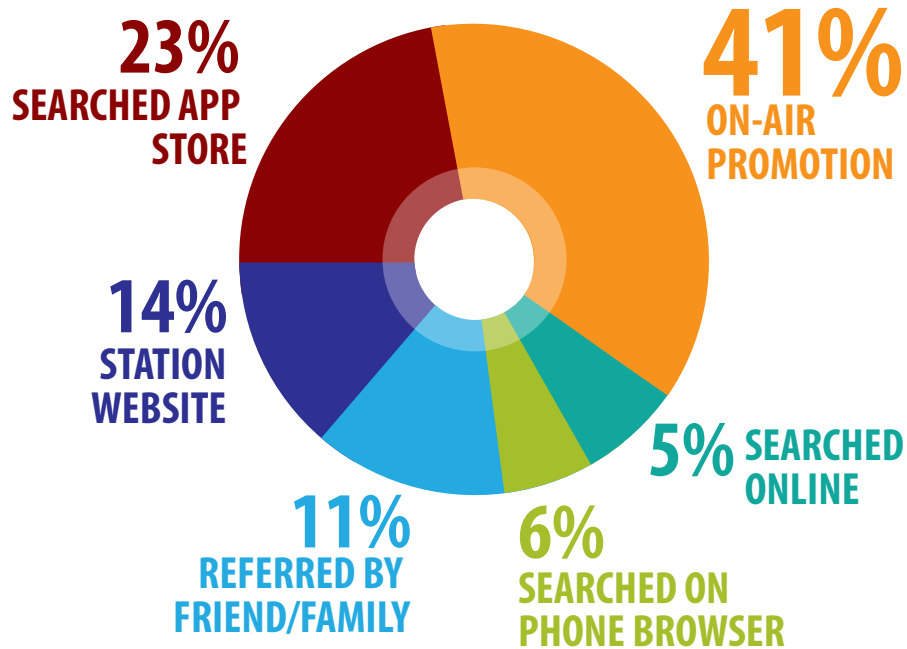
WHEN DO YOU USE YOUR LOCAL NEWS APP?

TOP ANSWERS

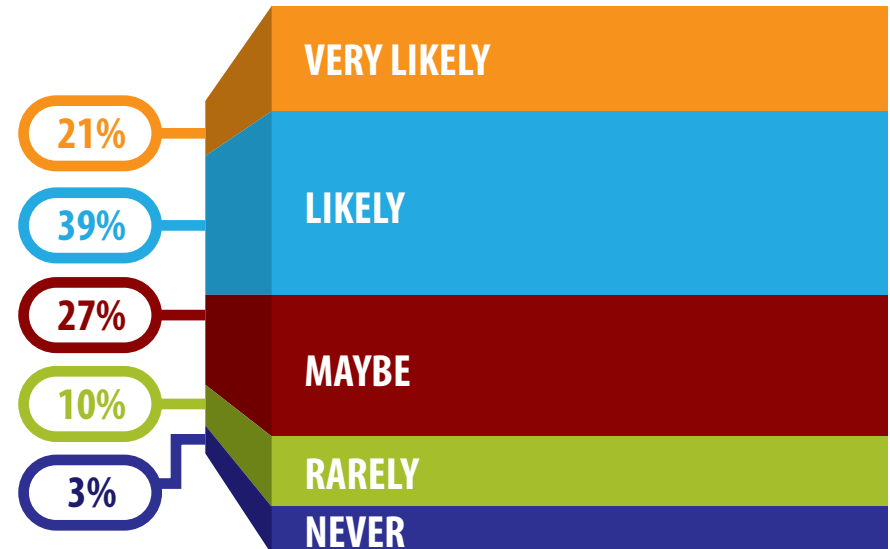


NEWS CONSUMED CONSISTENTLY DURING THE DAY

HOW DID YOU HEAR ABOUT THE APP?



HOW LIKELY ARE YOU TO RECOMMEND THE APP TO A FRIEND?



APP DISCOVERY FINDINGS

- On-air promotion is the single-most powerful promotional tool a local media company has to expand their digital presence.
- Station website promotion plus on-air accounts for 55% of app discovery.
- Consumers know to go directly to the app store to search for local apps. Ensuring smart keyword targeting will help increase an app's discoverability.
- Quality news and weather content is the primary reason for app downloads.
- Local media companies do a great job of delivering valuable content. 60% of consumers are Likely or Very Likely to refer the app to a friend or family member.
- App traffic peaks in the morning and evenings, but is consumed consistently throughout the day.

MY PRIMARY CHOICE FOR GETTING LOCAL NEWS IS...

47% LOCAL TV BROADCAST

17% LOCAL TV APP

12% LOCAL TV WEBSITE

7% LOCAL NEWSPAPER WEBSITE

6% LOCAL NEWSPAPER PRINT COPY

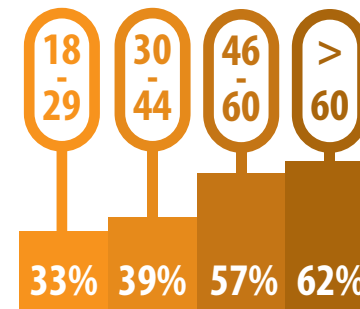
5% SOCIAL MEDIA

4% WORD-OF-MOUTH

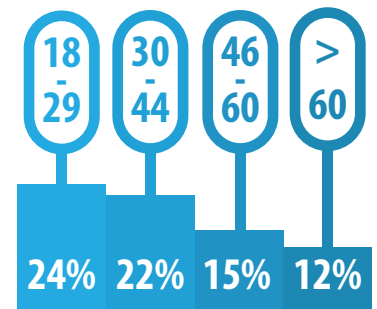
1% RADIO

PRIMARY CHOICE FOR LOCAL NEWS BY AGE

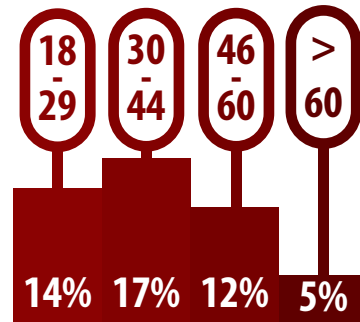
LOCAL TV BROADCAST



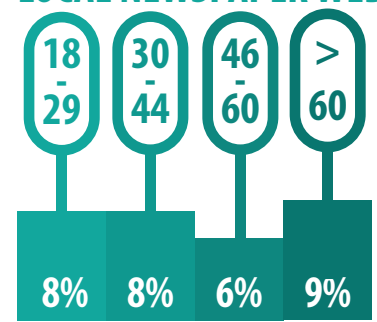
LOCAL TV APP



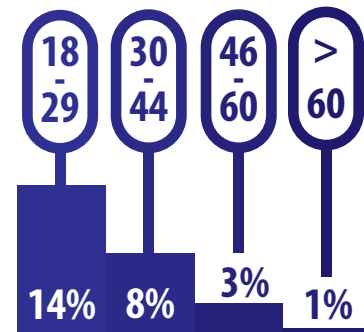
LOCAL TV WEBSITE



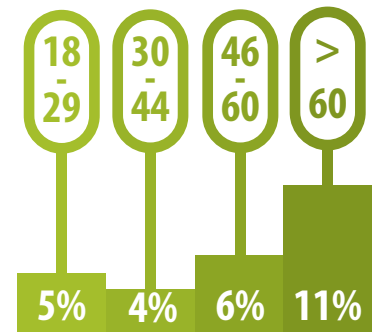
LOCAL NEWSPAPER WEBSITE



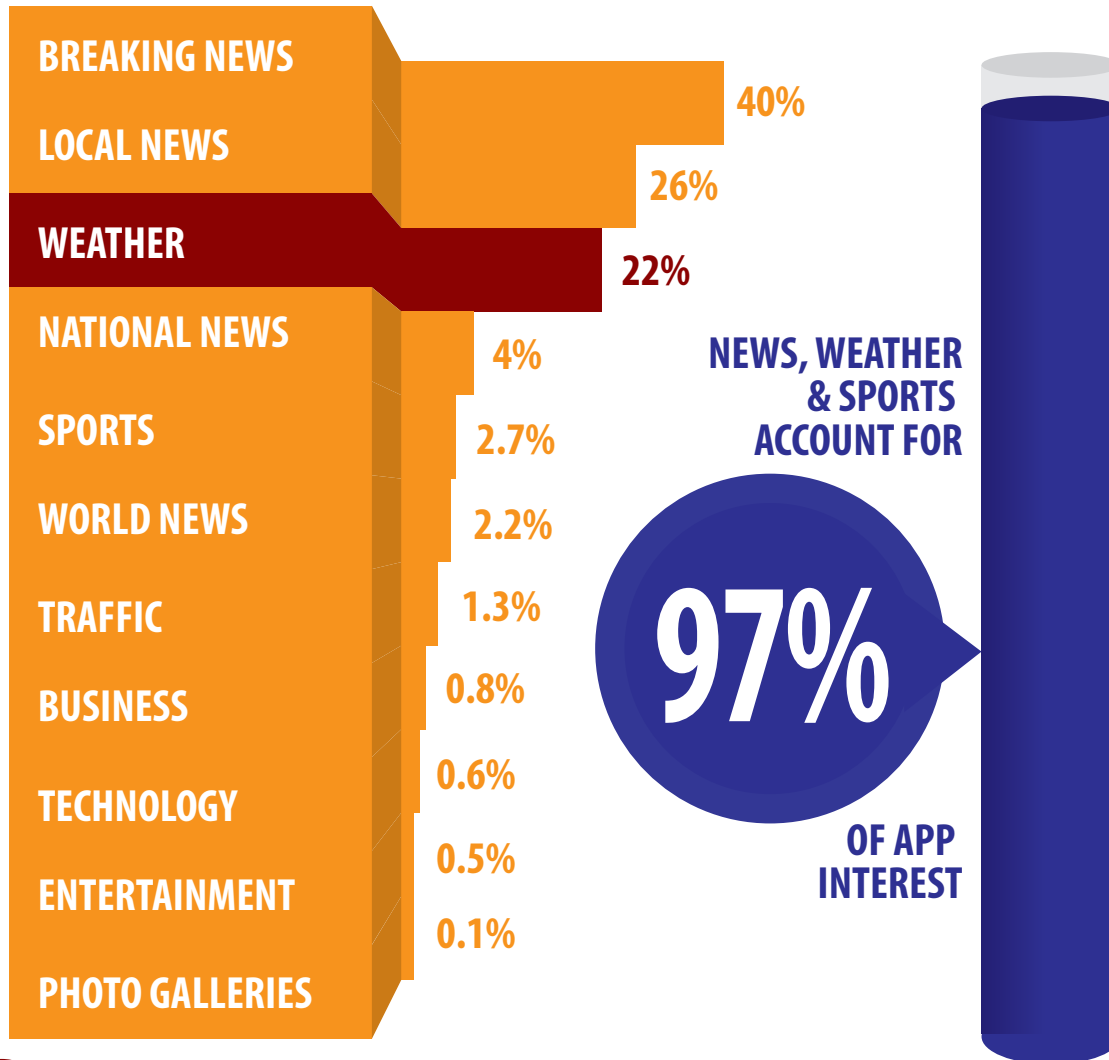
SOCIAL MEDIA



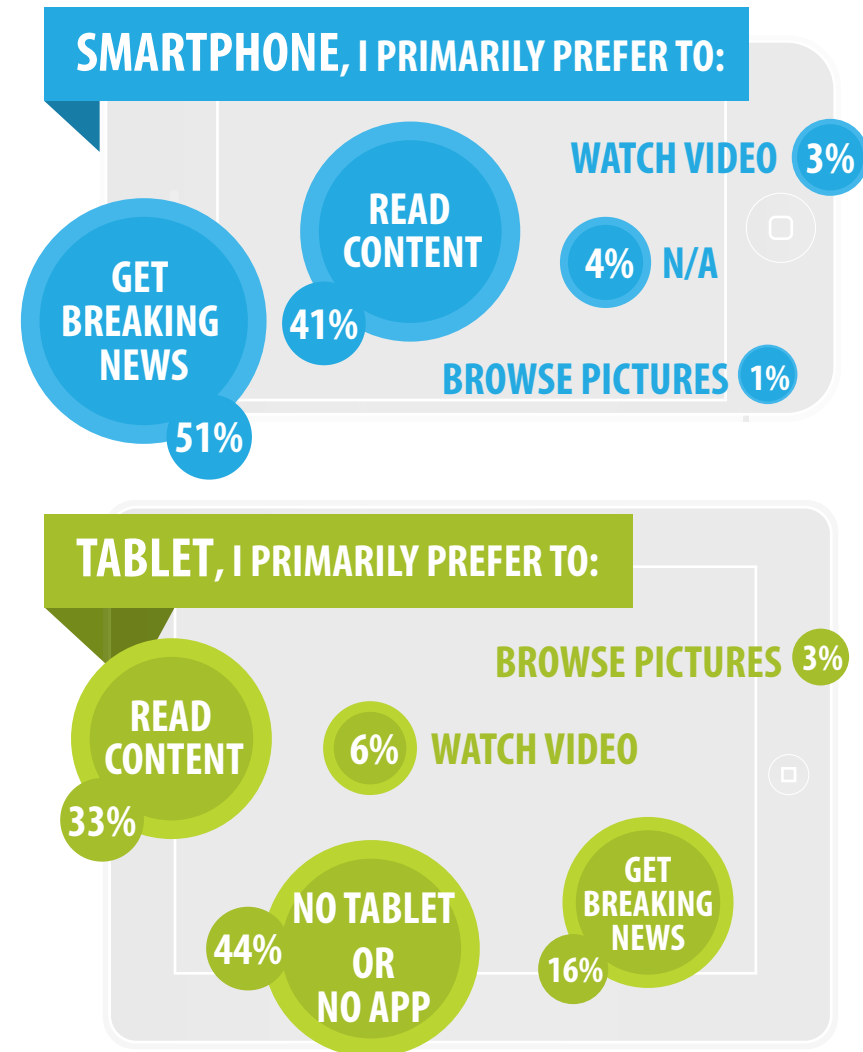
LOCAL NEWS PRINT



THE MOST IMPORTANT CATEGORY OF NEWS ON MY LOCAL NEWS APP IS...

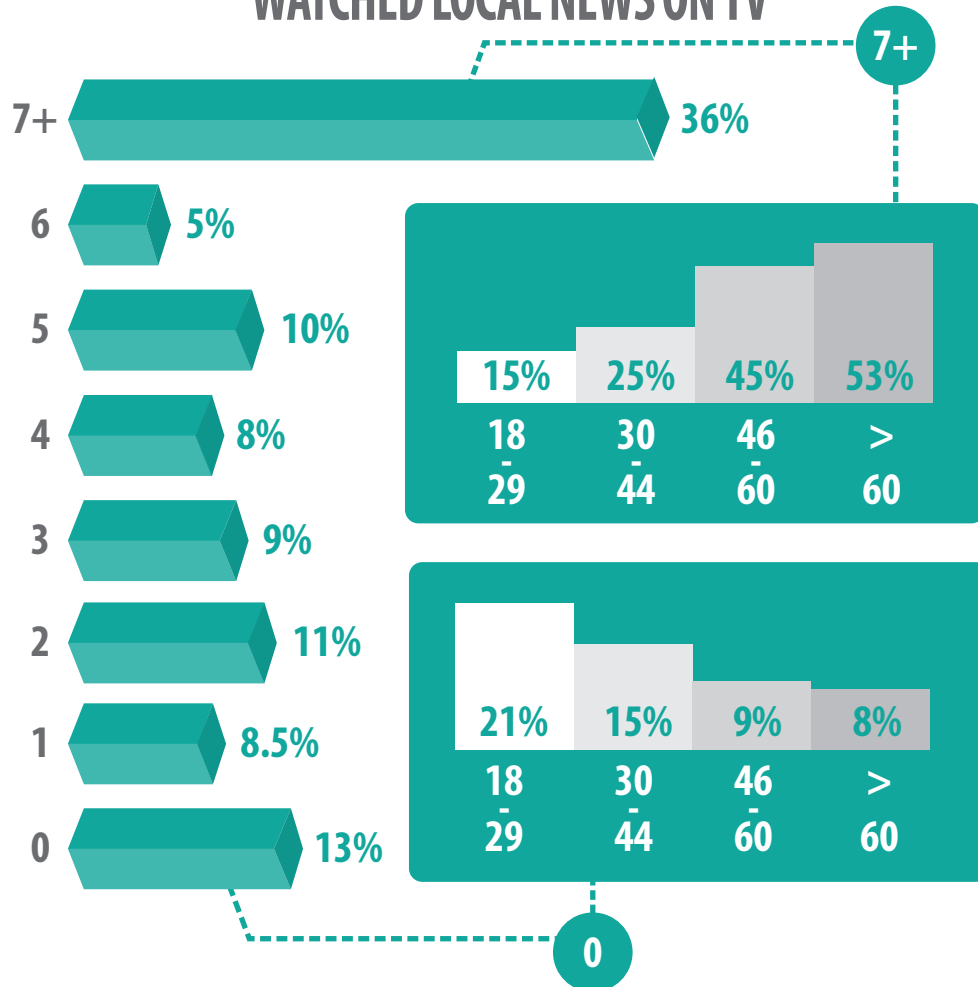


WHEN USING THE LOCAL NEWS APP ON MY...

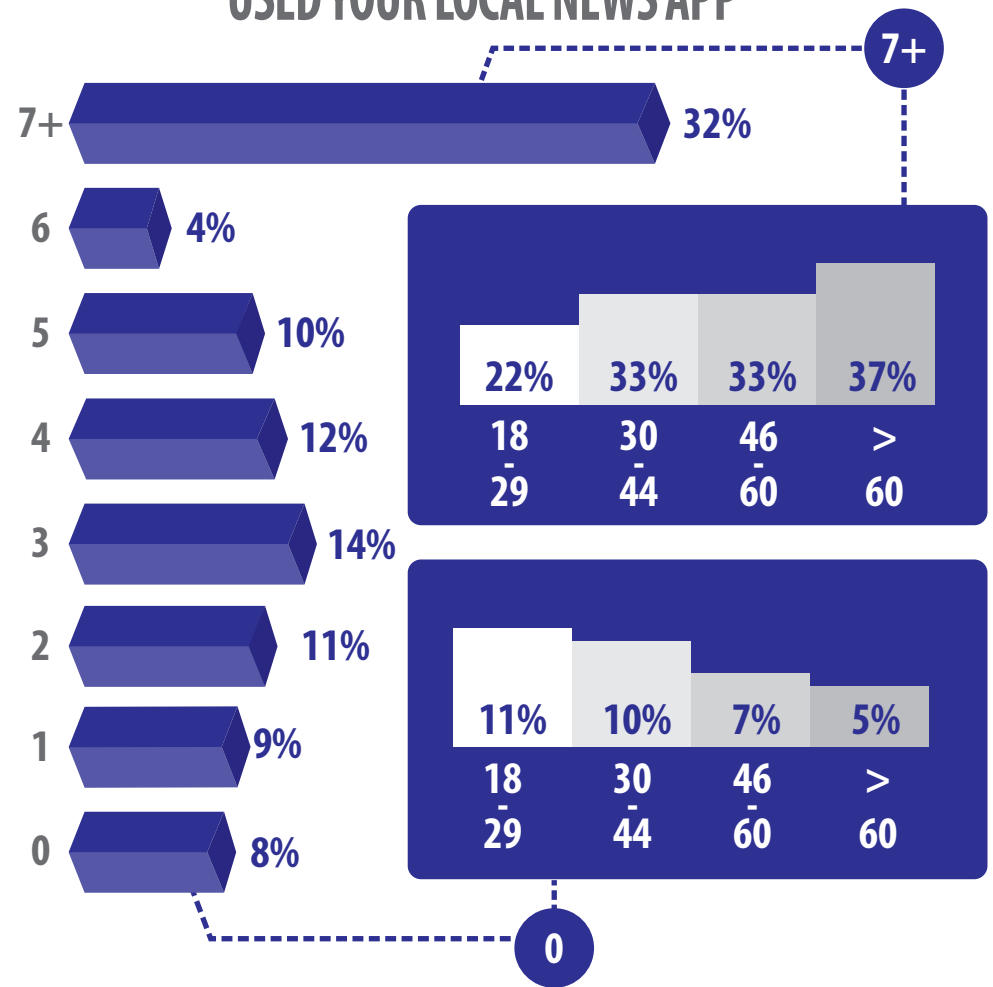


HOW MANY TIMES IN THE LAST 7 DAYS HAVE YOU...

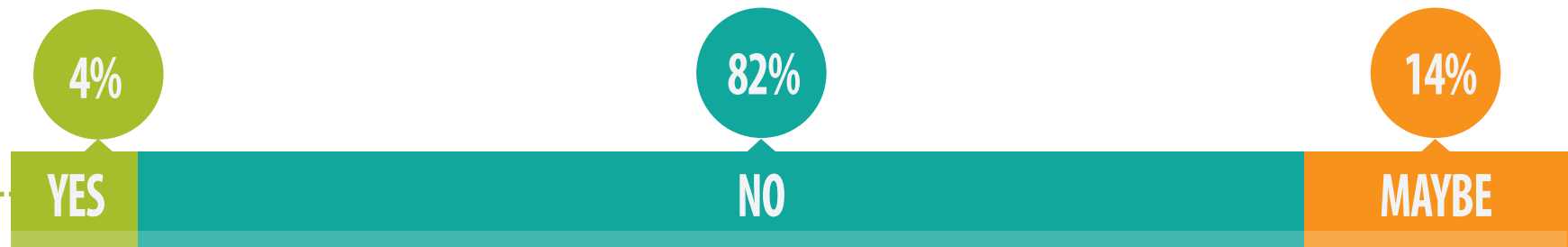
WATCHED LOCAL NEWS ON TV



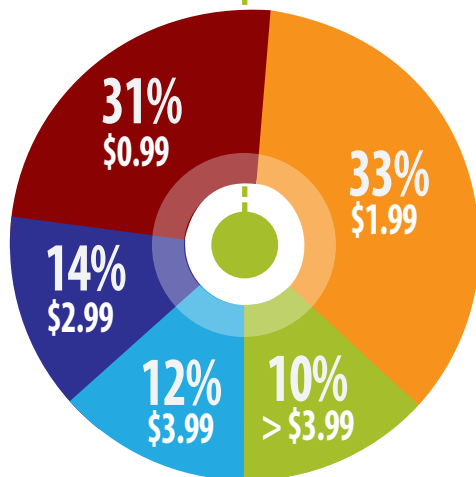
USED YOUR LOCAL NEWS APP



WOULD YOU BE WILLING TO PAY FOR A LOCAL NEWS APP?



IF YES, HOW MUCH WOULD YOU BE WILLING TO PAY?

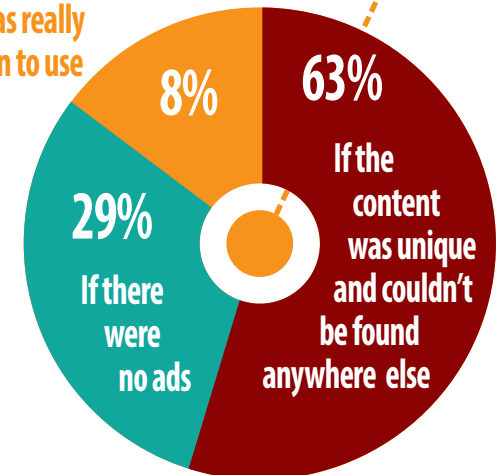


IF NO, WHY NOT?

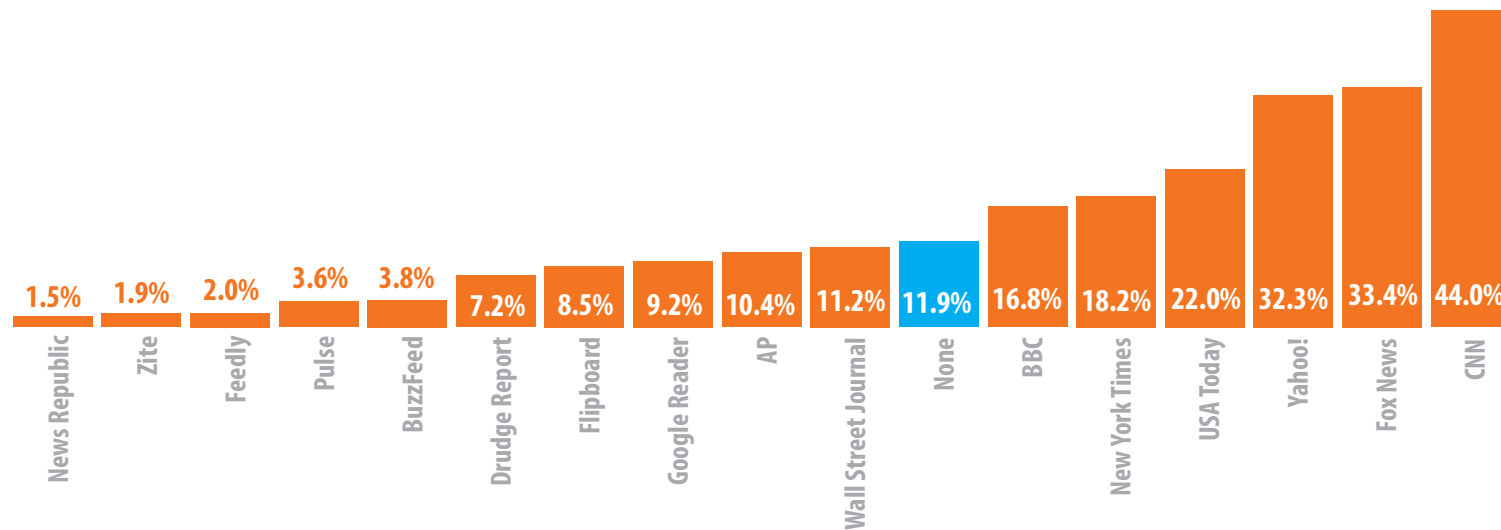


WHAT WOULD MAKE YOUR "MAYBE" A "YES"?

If the app was really fun to use



WHAT OTHER NEWS APPS DO YOU USE?



APP USAGE FINDINGS

- The TV Broadcast remains the king of local content distribution.
- Across every age range, when someone has an app installed, they prefer using it over the website.
- Younger demographics show a higher preference towards digital, but still prefer the TV broadcast as the primary source for local news.
- People in the 18-29 age range consume local news directly from social media at the same percentage as the local media website.
- Quality, unique news & weather content is crucial to an app's long-term success.
- Consumers prefer smartphones for breaking news, and tablets for content.
- Interest in video is double that of photos on a local news app.
- 87% of the population watches a local TV broadcast at least once a week, while 92% use a local news app once per week.
- The 60+ age range uses a local news app with higher frequency than all other age groups.
- Consumer receptiveness to paywall hinges upon local content that is unique, but faces a difficult road with 82% opposed to paying for a local news app.
- 11.9% of the population exclusively relies upon a local news app instead of a national news app.

WHO WE ARE

Located in downtown Raleigh, NC, the heart of North Carolina's innovation hub, we've been innovating and building mobile products since 2004. Today, we help our partners deliver and monetize their timely and critical local content across mobile apps, mobile websites, and smart TV apps.



MISSION

Provide trusted content producers with the ability to earn revenue through engaging mobile technology, effective ad sales, and great customer service.

VALUES

- Act like an owner
- Think like a customer
- Work as a team
- Take intelligent risks
- Be a positive influence