

THE MOBILE STORY

NIELSEN MOBILE RATINGS

**IAB AUSTRALIA AND NIELSEN, SMARTPHONE
AND TABLET AUDIENCE MEASUREMENT**

AUSTRALIA, AUGUST PREVIEW DATA 2015

nielsen + **iab.**
..... australia

A FIRST LOOK

IAB Australia and Nielsen are delighted to share with you the second Mobile Story Report, drawing insights from the official release of industry-supported smartphone and tablet ratings preview data (Nielsen Mobile Ratings) for the Australian market. This report is an important milestone in this particularly complex area of measurement and it marks yet another significant step forward in measuring the digital media landscape in Australia.

With over 15 million Australians now owning a smartphone and some 12 million owning a tablet device, it's critical that the industry has access to audience measurement data which quantifies the importance of mobile media audiences and helps to inform marketing investments.

Over the past 18 months, there has been a significant amount of work and investment by Nielsen, the IAB Australia and the digital industry to build a quality panel to measure smartphone and tablet users. The panel provides data on a monthly basis that can be used by media buyers and sellers to better understand the mobile consumer and assess the opportunities available in what is now a significant media channel. This report provides a look at these results based on the mobile panel which consists of 2,000 smartphone users and 500 tablet users aged 18+.

The release of Nielsen Mobile Ratings is the first phase of a major upgrade to the digital measurement system in Australia which includes the following key dates:

- Mobile Story Report (September data) – November 2015
- Digital Ratings (Monthly) – early 2016
- Digital Content Ratings (Daily) – mid 2016

These future developments will also bring methodological enhancements to help provide additional granularity and detail in the dataset. This will include data on in-app activity to help the market understand the range of content being consumed within applications that aggregate content from a range of publishers.

We anticipate that publishers and agencies alike will gain considerable insights from this report and we look forward to continuing to work closely with the industry to ensure Australia remains at the forefront of digital audience measurement globally.

KEY TAKEOUTS

The mobile universe – insights into mobile sessions

- In August 2015, 12.5 million Australians 18+ accessed the internet on their smartphones and 7 million accessed via a tablet.
- Australians 18+ spend just under 35 hours per person per month on smartphones, and just over 25 hours per person per month on tablet devices.
- Smartphone users average 206 sessions per month which is more than 4 times than that of people using PCs.
- Australians spend close to 33 hours on smartphone apps and just over 4 hours on their smartphone browsers each month.
- Although the growth in smartphone and tablet device ownership has plateaued in the past 3 months, time being spent on smartphones is increasing month-on-month.

Entertain, educate or excite me – getting consumer attention on mobile

- Government, banking and classifieds & auctions sub-categories in Australia have a stronger active reach (%) compared to the U.S. market.
- Entertainment, search and social categories are the largest in the Australian market which rivals the U.S. market in terms of active reach (%).
- Social, video/movies, gaming, messaging, music, travel, finance and news & information categories all have larger audiences on smartphone than on desktop.
- Social, entertainment and gaming drive the most time spent on smartphone and tablet.
- Australians now consume more news & information content on their smartphone than tablet or PC.

Keeping consumers engaged

- Australians 18+ are spending 11 hours per month on average engaging with entertainment content on their smartphone and close to 12 hours on tablet.
- The video streaming category is dominated by YouTube, with Netflix leading from a SVOD perspective and Yahoo7 TV (PLUS7) and ABC iView leading catch-up services on smartphone and tablet respectively.
- For the month of August 2015, 4.9m Australians 18+ used sports services on their smartphone and 2.3m on their tablets.
- In August 2015, 8.2m Australians 18+ listened to music or viewed music-related content on their smartphone and 3.7m on tablet.

Mobile mirrors PC – understanding advertising categories

- The three leading classifieds categories for PC – automotive, careers and real estate – continue to deliver strong audiences on mobile with, Carsales, Seek and realestate.com.au leading their fields.



ABOUT NIELSEN MOBILE RATINGS

In 2014, Nielsen, with funding from IAB Australia and leading digital publishers, built the first metered mobile panel in Australia consisting of 2,000 iOS and Android smartphones and 500 iOS and Android tablets. This panel is nationally representative of Australian smartphone and tablet internet users, has individual privacy agreements in place with all panellists and passively measures the online behaviour of panellists on their mobile device through an on-device meter (Android) or proxy solution (iOS). This panel is a vital first step in providing the Australian market with key insights into mobile audiences by directly measuring the actual behaviour of Australian people 18+ on their smartphones and tablets.

Giving a complete and independent view of mobile media consumption, Nielsen Mobile Ratings enables you to:

- Understand ACTUAL audience behaviour on mobile media.
- Track performance of mobile apps and sites against competitors.
- Identify the best apps and sites to reach a sizeable audience.

On its own, the Nielsen Mobile Ratings data is not designed to provide the market with the final mobile trading currency. It will, however, be a vital first step in understanding mobile audiences and a fundamental input into our more comprehensive digital content and advertising measurement solutions:

1. Nielsen will use the smartphone and tablet panel data as a fusion input along with our home/work PC panel data and tagged website data to create a new service named **Digital Ratings Monthly**, launching early 2016. This service will provide total audience measurement for a website or app, as well as separate audiences split out by PC, smartphone or tablet devices.
2. Nielsen uses the smartphone and panel data in conjunction with a large scale panel provider to underpin **Mobile Digital Ad Ratings**, which launched on October 1, 2015. This service provides total audience measurement for a digital campaign as well as separate audiences split out by PC, and mobile devices.

It is important that the industry appreciates that Nielsen Mobile Ratings preview data will not report on in-app content consumption. It is designed to report on audiences visiting and using an app. Any content consumed in-app is credited to the app being used and not the publisher or owner of the content. This issue is difficult to resolve when using a panel-only methodology, however daily **Digital Content Ratings**, launching in 2016, and the corresponding introduction of our Software Development Kit (SDK) will solve for this issue.

Recommendations on how to use Nielsen Mobile Ratings data:

- Unique Audience is the lead metric to be used for rankings and understanding relativity.
- Understand the size of the total smartphone or tablet market, including Unique Audience by device (smartphone/tablet).
- For category analysis, including:
 - Overall category/subcategory audience by device (smartphone/tablet)
 - Browsing vs app audience by device
- To determine Unique Audience rankings, including:
 - Identification of the range of content consumed & number of sites/apps with significant audience size.
 - Top Parents/Brands/Apps by Unique Audience.

Due to a reliance on panel-only measurement for Mobile Ratings, time metrics have not been included at the entity level due to high likelihood of understatement. Category level time metrics have however been included as sample size is sufficiently robust.

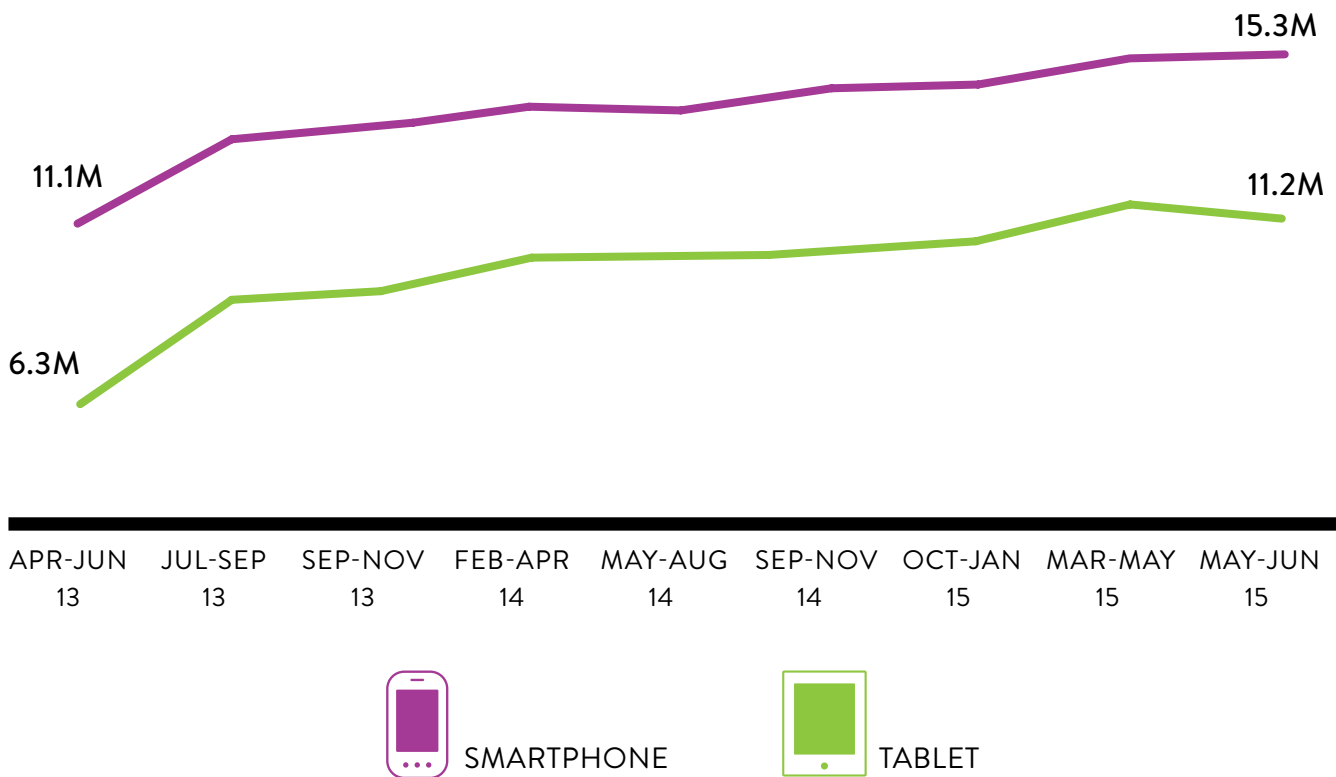
Audience metrics by device in Nielsen Mobile Ratings Pilot data are not summable as we are not yet accounting for cross-device duplication. This means that adding the smartphone audience to the tablet audience will not give you total mobile audience. Additionally, adding smartphone or tablet audience to PC audience (from Nielsen Online Ratings) will not give you a total cross-device audience. The capability to de-duplicate audiences across devices, as well as Operating System (iOS/Android) level data, will come with the launch of Digital Ratings Monthly in early 2016.

Finally, entities with small or insufficient sample size are noted throughout the report by an asterisk (*). These entities do not meet minimum sample size standards and may exhibit significant variability month-to-month.

GROWTH IN SMARTPHONE & TABLET DEVICE OWNERSHIP STABILISING

Over the past two years, there has been a 38% increase in people aged 14+ owning smartphones and an increase of 78% for tablet ownership. There is now a plateauing as penetration of smartphone sits at 15.3 million while in the three months ending July 2015, there was a slight decline in tablet ownership to 11.2 million.

SMARTPHONES AND TABLET OWNERSHIP



Source: IAB Australia/Nielsen Online Ratings Establishment Survey people aged 14+

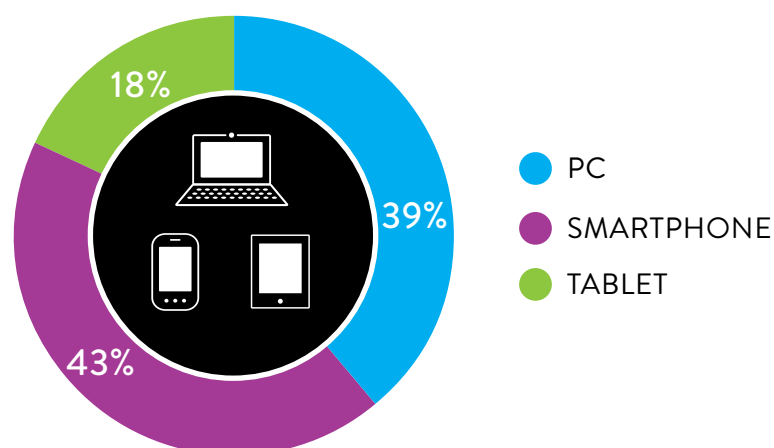
AUSTRALIANS SPEND MORE TIME ON SMARTPHONES THAN OTHER DIGITAL DEVICES

Average time per person among the active internet population spent either browsing or on applications is highest on smartphones, followed by PCs and then tablets.

| | TIME PER PERSON PER MONTH (AUGUST, 2015) |
|------------|--|
| SMARTPHONE | 34 hrs 55 mins |
| PC | 27 hrs 20 mins |
| TABLET | 25 hrs 01 mins |

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+); Nielsen Online Ratings (Ppl 2+)

TOTAL TIME - MONTHLY - AUGUST 2015



Source: Nielsen Mobile Ratings Preview Data (Ppl 18+); Nielsen Online Ratings (Ppl 2+)

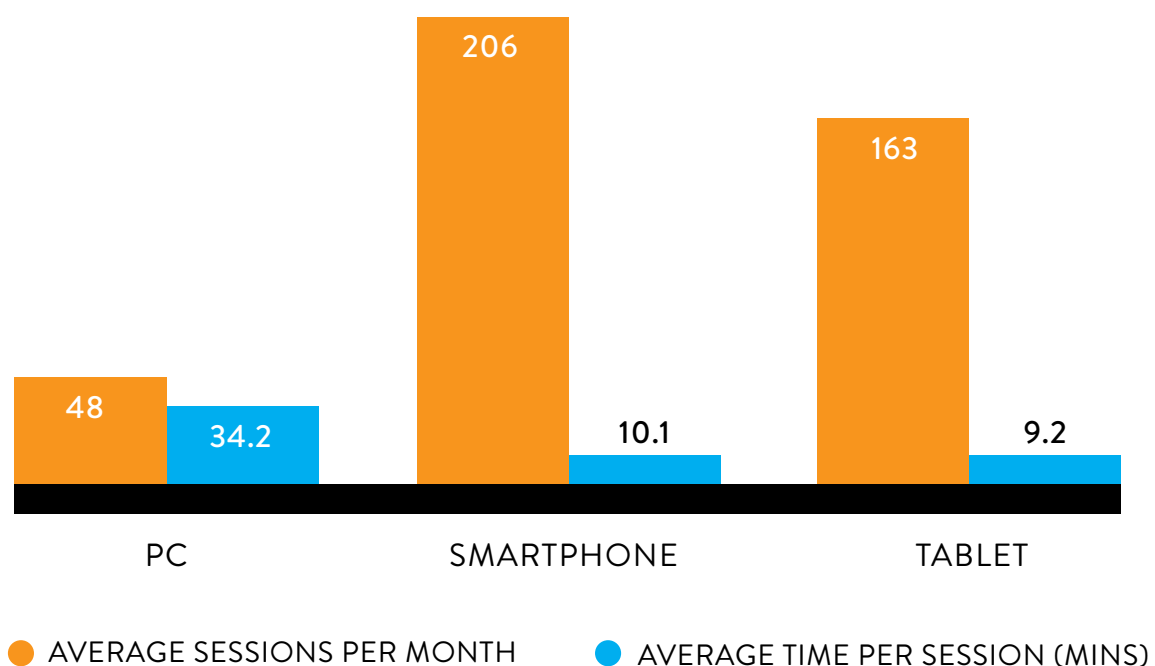
The overall digital time pool has PC and smartphone total minutes almost on par, with tablets contributing 18% of digital time.

MOBILE DEVICES DRIVE SHORTER AND MORE FREQUENT SESSIONS

People are using mobile devices in shorter and more frequent sessions than their PC. Interestingly, even though tablet content consumption differs from smartphones, the overall frequency and length of sessions is quite similar. Smartphone sessions are less than one third the length of PC sessions but more than three times as frequent.

Although smartphone and tablet sessions are considerably shorter than PC sessions – at around nine to ten minutes per session – it is a significant amount of time, often across a range of activities, especially when considering the high frequency of sessions. It is expected that this frequency will continue to increase.



MONTHLY SESSION FREQUENCY & DURATION



Source: Nielsen Mobile Ratings Preview Data (Ppl 18+); Nielsen Online Ratings (Ppl 2+)

AUSTRALIAN SMARTPHONE ENGAGEMENT STILL HAS ROOM TO GROW

As we have seen in previous Nielsen research released in this market, Australia is seeing impressive growth in smartphone usage, although it continues to trail other leading markets in relation to time spent browsing the web or using applications. U.S. application time is ten hours more per month than in Australia. Time per person increased notably from July to August for both Australia and the U.S. with just under 33 hours spent on apps in Australia versus just under 43 hours for the U.S. Conversely, browsing time per person dropped off slightly in both markets, to around 4 hours in Australia and over 7 hours in the U.S.

| | | TIME PER PERSON (HH:MM:SS) |
|--|---------|----------------------------|
|  AUSTRALIA | APP | 32:58:44 |
| | BROWSER | 4:14:17 |
|  U.S. | APP | 42:54:32 |
| | BROWSER | 7:07:26 |

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+) (AU); Nielsen Mobile Ratings (Ppl 18+) (US)

CONTENT CATEGORY USAGE—U.S. VS AUSTRALIA

U.S. consumers are using a broader range of content and utilities, however there are a few categories where Australia saw higher reach and usage than the U.S. in August 2015:

- **GOVERNMENT** – Government services on smartphones in Australia are not currently as strong as desktop however it is higher than in the U.S. Monthly reach of smartphone users for government sites is only 30% in the U.S. vs 39% in Australia. Most visited government properties for Australians include Department of Human Services, Bureau of Meteorology, ATO and a range of state-based transport services.
- **BANKING** – Australians are using banking services on their smartphones much more than Americans with an active reach of 64% vs 44% in the U.S. Applications on smartphones are the key driver of the reach difference, with apps like Commonwealth Bank's NetBank and ANZ goMoney most used in Australia.
- **CLASSIFIEDS & AUCTIONS** – Australia is the leading market for this sub-category with an active reach of 44% vs 39% in the U.S. Currently eBay and Gumtree are leading the market locally.

There are a number of categories that are ripe for an increase in usage in Australia as consumers use their devices more, connect to better quality internet and data plans evolve. The following categories have considerably higher smartphone usage in the U.S. compared to Australia:

- **COMMERCE & SHOPPING** – There is more than a 10% reach difference in commerce and shopping services with the U.S. having an active reach of 85% vs 72% in Australia, with Americans spending an hour longer per month on commerce sites and applications.

- **VIDEO/MOVIES** – 78% of Americans smartphone users accessed a video site or application in August 2015 compared to 69% of Australians, with Americans spending nearly double the amount of time per person as Australians.
- **CURRENT EVENTS & GLOBAL NEWS** – One of the most popular genres on PCs in Australia and this is translating well to smartphones but when reviewing habits in America there is still considerable upside for this category in the Australian market with only 43% reach versus 54% in the U.S.
- **MASS MERCHANDISER** – 66% of U.S. smartphone users are actively using online mass merchandiser websites and apps compared to only 46% of Australian smartphone users for the same. Amazon is the leading entity driving this sub-category in both markets with Coles and Woolworths as runners up in Australia.



AUSTRALIAN MOBILE RANKINGS

While there is substantial fragmentation in usage across all digital devices, ratings data shows there are a considerable number of brands and apps on mobile devices with large audiences that are part of an individual's content repertoire.

| | PC | SMARTPHONE | TABLET |
|---|-----|------------|--------|
| BRANDS OVER 500,000 MONTHLY UNIQUE AUDIENCE | 269 | 121 | 61 |
| BRANDS OVER 1 MILLION MONTHLY UNIQUE AUDIENCE | 121 | 57 | 23 |
| APPS OVER 500,000 MONTHLY UNIQUE AUDIENCE | N/A | 74 | 28 |
| APPS OVER 1 MILLION MONTHLY UNIQUE AUDIENCE | N/A | 40 | 14 |

RANKINGS – PARENTS

At a parent (or organisation) level - Google and Facebook continue to dominate on smartphone and tablet devices in Australia. eBay's ranking rose to fourth position on smartphones and remains strong in fifth position for tablet devices. Local entities such as Telstra, Fairfax Media and News Australia remain in the top 15 rankings on both smartphone and tablet devices.

| SMARTPHONE - TOP 25 - PARENTS (WEB & APP) | |
|---|-----------------------|
| | UNIQUE AUDIENCE (000) |
| Google | 11,787 |
| Facebook | 11,068 |
| eBay | 6,200 |
| Apple Computer | 6,122 |
| Telstra Corporation | 5,496 |
| Yahoo7 | 5,113 |
| Microsoft | 5,065 |
| Fairfax Media | 4,237 |
| Wikimedia Foundation | 4,051 |
| Australian Federal Government | 3,798 |
| News Australia | 3,642 |
| Twitter | 3,491 |
| Commonwealth Bank | 3,434 |
| Weather Channel Interactive | 3,121 |
| Amazon | 3,038 |
| Coles Group | 2,659 |
| LinkedIn | 2,655 |
| Rakuten | 2,595 |
| Woolworths | 2,420 |
| Pinterest.com | 2,416 |
| Samsung Group | 2,235 |
| Nine Entertainment Co | 2,093 |
| WhatsApp | 2,051 |
| Snapchat | 1,939 |
| SingTel Optusi | 1,876 |

| TABLET - TOP 25 - PARENTS (WEB & APP) | |
|---------------------------------------|-----------------------|
| | UNIQUE AUDIENCE (000) |
| Google | 6,496 |
| Facebook | 6,013 |
| Apple Computer | 3,502 |
| Microsoft | 3,324 |
| eBay | 3,323 |
| Telstra Corporation | 2,407 |
| News Australia | 2,357 |
| Twitter | 2,208 |
| Fairfax Media | 2,113 |
| Yahoo7 | 2,103 |
| Wikimedia Foundation | 2,084 |
| Amazon | 1,943 |
| Pinterest.com | 1,941 |
| Australian Federal Government | 1,927 |
| Nine Entertainment Co | 1,722 |
| LinkedIn | 1,701 |
| Coles Group | 1,695 |
| Australian Broadcasting Corporation | 1,435 |
| Woolworths | 1,262 |
| InterActiveCorp | 1,172 |
| Commonwealth Bank | 1,129 |
| Dropbox | 1,088 |
| Adobe | 1,036 |
| Electronic Arts | 1,014 |
| Loyalty Pacific | 1,004 |

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

RANKINGS – BRANDS

| SMARTPHONE - TOP 25 - BRANDS (WEB & APP) | |
|--|-----------------------|
| | UNIQUE AUDIENCE (000) |
| Google | 11,680 |
| Facebook | 10,933 |
| YouTube | 7,734 |
| Apple | 6,122 |
| Yahoo7 | 4,611 |
| eBay | 4,504 |
| Wikipedia | 3,695 |
| Instagram | 3,575 |
| Twitter.com | 3,368 |
| Telstra Corporate Websites | 3,302 |
| PayPal | 3,225 |
| Weather Channel Network | 3,121 |
| Commonwealth Bank | 3,066 |
| MSN/WindowsLive/Bing | 2,860 |
| Telstra Media | 2,667 |
| LinkedIn | 2,655 |
| Viber | 2,466 |
| Gumtree | 2,456 |
| Pinterest | 2,416 |
| Samsung | 2,229 |
| Department of Human Services | 2,213 |
| WhatsApp | 2,051 |
| Amazon | 1,981 |
| Snapchat | 1,939 |
| Wikimedia Foundation | 1,925 |

| TABLET - TOP 25 - BRANDS (WEB & APP) | |
|--------------------------------------|-----------------------|
| | UNIQUE AUDIENCE (000) |
| Google | 6,471 |
| Facebook | 5,951 |
| YouTube | 4,743 |
| Apple | 3,502 |
| eBay | 2,351 |
| Twitter.com | 2,119 |
| PayPal | 1,990 |
| Pinterest | 1,941 |
| Wikipedia | 1,863 |
| Yahoo7 | 1,796 |
| LinkedIn | 1,701 |
| MSN/WindowsLive/Bing | 1,681 |
| Microsoft | 1,610 |
| Amazon | 1,568 |
| ABC Online Network | 1,435 |
| Instagram | 1,425 |
| Telstra Corporate Websites | 1,367 |
| Telstra Media | 1,363 |
| Skype | 1,340 |
| Wikimedia Foundation | 1,318 |
| Dropbox | 1,068 |
| Adobe | 1,033 |
| FlyBuys | 1,004 |
| EA - Electronic Arts Online | 995 |
| WordPress.com | 980 |

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

RANKINGS – APPLICATIONS

Nine out of the top ten applications on both smartphones and tablets are owned by Facebook, Google and Apple, with eBay taking the tenth spot on smartphone rankings and Skype (owned by Microsoft) taking the tenth spot for tablet rankings.

| SMARTPHONE - TOP 25 - APPS | |
|--|-----------------------|
| | UNIQUE AUDIENCE (000) |
| Facebook | 9,064 |
| Facebook Messenger | 7,936 |
| YouTube | 5,576 |
| Google Maps | 5,161 |
| Apple Music | 5,160 |
| Google Play | 4,662 |
| Google Search# | 4,650 |
| Maps (Apple) | 3,759 |
| Gmail - email from Google | 3,556 |
| eBay Mobile | 3,177 |
| Instagram | 3,038 |
| Weather | 3,035 |
| CommBank | 2,636 |
| Viber | 2,466 |
| WhatsApp Messenger | 2,046 |
| Google Drive | 1,940 |
| Snapchat | 1,932 |
| Skype | 1,822 |
| Google+ | 1,817 |
| PayPal | 1,786 |
| Twitter | 1,724 |
| Telstra 24x7 | 1,661 |
| Dropbox | 1,630 |
| Gumtree Australia - Free Local Classifieds Ads | 1,424 |
| ANZ goMoney Australia | 1,403 |

| TABLET - TOP 25 - APPS | |
|---------------------------|-----------------------|
| | UNIQUE AUDIENCE (000) |
| Facebook | 4,449 |
| Facebook Messenger | 3,408 |
| YouTube | 2,975 |
| Apple Music | 2,681 |
| Google Search# | 1,968 |
| Google Play | 1,579 |
| Gmail - email from Google | 1,421 |
| Google Maps | 1,325 |
| Skype | 1,316 |
| iBooks | 1,184 |
| eBay Mobile | 1,155 |
| Maps (Apple) | 1,086 |
| Pinterest | 1,009 |
| Instagram | 959 |
| Dropbox | 878 |
| Chrome#* | 798 |
| PayPal | 679 |
| Twitter | 674 |
| Adobe Acrobat Reader | 609 |
| Google Drive | 597 |
| Telstra 24x7 | 574 |
| ABC iview | 567 |
| Google+ | 559 |
| CommBank | 551 |
| Podcasts* | 517 |
| Kindle | 517 |

#Google Search App and Chrome App audience is understated due to an iOS measurement limitation, which is currently being addressed.

Note: Entities marked with an asterisk (*) do not meet minimum sample size standards and may exhibit significant variability month-to-month.

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

ENTERTAINMENT, SEARCH AND SOCIAL CONTENT LEADS ON MOBILE DEVICES

Although there are differences in category usage across different devices, there are very strong monthly audiences and reach across a large range of categories. As we have seen from U.S. data, this is likely to increase.




| MONTHLY AUDIENCE (M) | DESKTOP | SMARTPHONE | TABLET |
|--------------------------|---------|------------|--------|
| Entertainment | 11.4 | 11.6 | 6.7 |
| Search | 11.3 | 11.3 | 6.3 |
| Portals | 10.9 | 8.8 | 5.0 |
| Telcom/Internet Services | 10.3 | 7.0 | 4.4 |
| News & Information | 9.5 | 10.0 | 4.8 |
| Computers & Electronics | 9.4 | 5.5 | 3.7 |
| Social | 9.4 | 11.7 | 6.3 |
| Commerce & Shopping | 9.3 | 9.0 | 4.9 |
| Finance | 9.0 | 9.5 | 4.5 |
| Govt & Non profit | 8.1 | 5.2 | 2.7 |
| Videos/Movies | 7.9 | 8.6 | 5.2 |
| Home & fashion | 7.9 | 6.9 | 3.9 |
| Family & Lifestyles | 7.7 | 7.5 | 4.0 |
| Travel | 7.5 | 9.6 | 4.2 |
| Corporate Information | 6.7 | 5.4 | 3.3 |
| Education & Careers | 6.2 | 4.8 | 2.4 |
| Sport | 5.3 | 4.9 | 2.3 |
| Gaming | 3.8 | 8.0 | 4.7 |
| Automotive | 3.5 | 2.0 | 1.4 |
| Music | 2.7 | 8.2 | 3.7 |
| Messaging | 2.1 | 8.0 | 3.8 |

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+); Nielsen Online Ratings (Ppl 2+)

CERTAIN CATEGORIES DRIVE STRONGER REACH ON MOBILE VERSUS PC, AND VICE VERSA

Most of the categories in the “larger reach” column are unsurprising, though the News & Information category continues to see growth on mobile devices. Australians now prefer to consume their news and information content on their smartphones on top of any other digital device in the market.

The “similar reach” column highlights categories that already have similar monthly reach numbers to desktop. The “smaller reach” column is likely to change over the next 12 months – sport in particular will increase as video viewing grows. Note that mobile in the below table refers to an average across smartphone and tablet devices.

|  LARGER REACH ON MOBILE |  SIMILAR REACH ACROSS PLATFORMS |  SMALLER REACH ON MOBILE |
|--|--|---|
| SOCIAL | ENTERTAINMENT | GOVERNMENT |
| VIDEO/MOVIES | SEARCH | CORPORATE |
| GAMING | LIFESTYLE | SPORT |
| MESSAGING | | EDUCATION |
| MUSIC | | COMPUTERS/ELECTRONICS |
| TRAVEL | | HOME/FASHION |
| FINANCE | | COMMERCE & SHOPPING |
| NEWS & INFO | | AUTOMOTIVE |

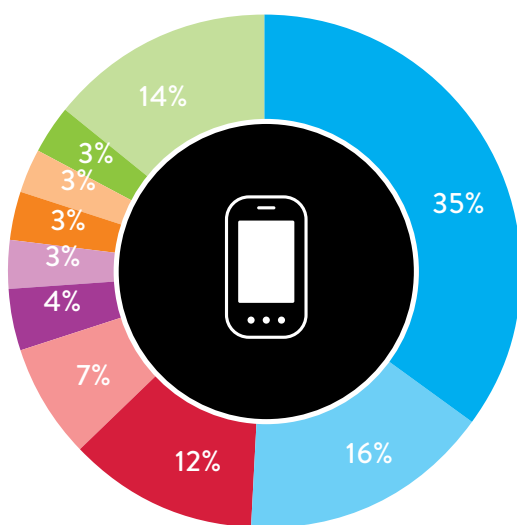
DISTRIBUTION OF TIME ACROSS CATEGORIES IS SIMILAR ON SMARTPHONE & TABLET

Similar to research previously released by Nielsen, Nielsen Mobile Ratings is showing just over one third of smartphone time is spent on social and just under 30% of tablet time is on social. Entertainment and gaming follow on from social in relation to time consumption, with the fast growing area of messaging behind these categories.

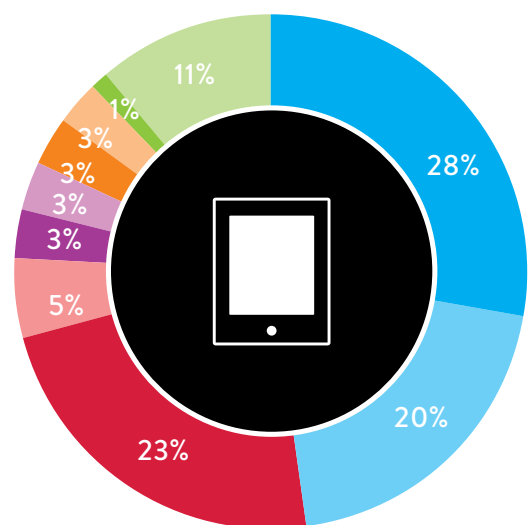
Note: Any in-app activity that may differ in purpose from the primary application is not split out currently. Please see the 'About Nielsen Online Ratings' section for more information.

DISTRIBUTION OF TIME SPENT

DISTRIBUTION OF TIME SPENT - SMARTPHONE



DISTRIBUTION OF TIME SPENT - TABLET



- SOCIAL
- ENTERTAINMENT (EX GAMING)
- GAMING
- MESSAGING
- PRODUCTIVITY
- NEWS & INFO
- COMMERCE
- SEARCH
- HEALTH
- OTHER

CURRENT EVENTS & GLOBAL NEWS CATEGORY

Both the smartphone and tablet rankings are dominated by the same brands that have historically been strong in PC ratings. For the month of August smh.com.au topped the news rankings on smartphone and tablet. BBC ranked favourably on both smartphones and tablets and is the only non-local publisher to make the top 10.

SMARTPHONE - TOP 10 - CURRENT EVENTS & GLOBAL NEWS ENTITIES (INCL APPS)

| | UNIQUE AUDIENCE (000) |
|-----------------------|-----------------------|
| smh.com.au | 1,257 |
| news.com.au | 1,113 |
| ABC News Websites | 935 |
| Daily Mail Australia | 879 |
| Yahoo7 News Websites | 691 |
| ninemsn News Websites | 686 |
| BBC | 636 |
| The Guardian | 627 |
| The Age | 544 |
| The Daily Telegraph | 534 |

TABLET - TOP 10 - CURRENT EVENTS & GLOBAL NEWS ENTITIES (INCL APPS)

| | UNIQUE AUDIENCE (000) |
|-----------------------|-----------------------|
| smh.com.au | 746 |
| news.com.au | 717 |
| ninemsn News Websites | 522 |
| Daily Mail Australia | 515 |
| ABC News Websites | 391 |
| Herald Sun* | 360 |
| The Guardian* | 355 |
| Yahoo7 News Websites* | 340 |
| BBC* | 334 |
| The Age* | 332 |

Note: Entities marked with an asterisk (*) do not meet minimum sample size standards and may exhibit significant variability month-to-month.

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

ENTERTAINMENT CATEGORY

The entertainment category includes a wide range of content, much of which drives very high duration. In August, people spent almost 11 hours with entertainment-related content on smartphones and close to 12 hours on tablets.

Compared to PC, the entertainment category has a significantly stronger active reach on smartphones – 94% vs 82%. Three sub-categories on smartphone (and tablet) are the key drivers of both time and reach for entertainment content – Video / Movies, Music and Gaming.

| SMARTPHONE - ENTERTAINMENT - TOP SUB CATEGORIES | | |
|---|--------------------------|-------------------------------|
| | UNIQUE AUDIENCE (000) | TIME PER PERSON (HH:MM:SS) |
| Entertainment - Total | 11,603 | 10:58:53 |
| Video/Movies | 8,592 | 1:12:03 |
| Music | 8,209 | 5:03:43 |
| Gaming | 7,766 | 7:01:10 |
| Multi-category Entertainment | 5,964 | 0:35:37 |
| Sports | 4,902 | 1:43:05 |
| Broadcast Media | 3,426 | 0:22:43 |
| Books/Magazines/Comics | 3,313 | 0:54:29 |

| TABLET - ENTERTAINMENT - TOP SUB CATEGORIES | | |
|---|--------------------------|-------------------------------|
| | UNIQUE AUDIENCE (000) | TIME PER PERSON (HH:MM:SS) |
| Entertainment - Total | 6,702 | 11:40:38 |
| Video/Movies | 5,162 | 1:50:05 |
| Gaming | 4,672 | 8:53:54 |
| Music | 3,738 | 3:32:27 |
| Multi-category Entertainment | 3,194 | 0:49:13 |
| Broadcast Media | 2,857 | 0:37:23 |
| Books/Magazines/Comics | 2,530 | 1:29:39 |
| Sports | 2,259 | 1:31:51 |

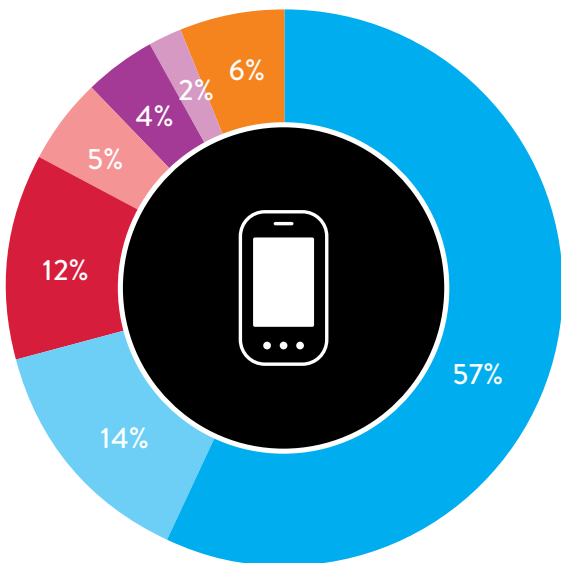
Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)



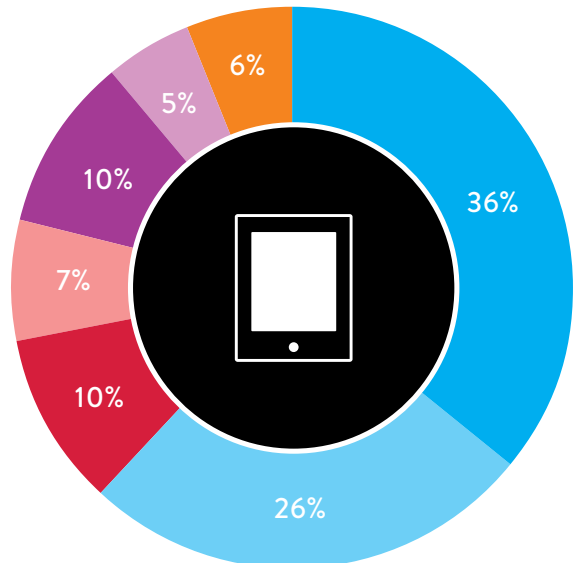
The charts below depict the distribution of time within the entertainment category (excluding gaming) which shows the dominance of streaming-heavy categories, both video and audio. The music category continued to grow since July data, again due to continued interest in the new Apple Music service. Tablet in particular is strong for video content – almost double the amount of time is spent viewing video or video-related content compared to smartphone.

DISTRIBUTION OF TIME - ENTERTAINMENT CATEGORY (EXCL GAMING)

SMARTPHONE



TABLET



- MUSIC ● VIDEO/MOVIES ● SPORTS ● MULTI-CATEGORY ENTERTAINMENT
- BOOKS/MAGAZINES/COMICS ● BROADCAST MEDIA ● OTHER

ENTERTAINMENT -VIDEO STREAMING

Video streaming services are spread across two entertainment subcategories – video/movies and broadcast media. The tables below show metrics for these categories.

Specific entities generating healthy audiences and reach include Google-owned YouTube, the overall leader for video, driven by their user generated short-form content. VOD content is led by Netflix, a relatively new entrant into the Australian market and catch up services are led by TenPlay on smartphone and ABC iView on tablet.

| SMARTPHONE – TOP ENTITIES – VIDEO/ MOVIES & BROADCAST MEDIA (INCL APPS) | |
|---|------------------------|
| | UNIQUE AUDIENCE 000 |
| YouTube | 7,734 |
| Vimeo Websites | 648 |
| Netflix | 647 |
| Yahoo7 TV | 534 |
| TenPlay | 368 |

| TABLET – TOP ENTITIES – VIDEO/ MOVIES & BROADCAST MEDIA (INCL APPS) | |
|---|------------------------|
| | UNIQUE AUDIENCE 000 |
| YouTube | 4,743 |
| Vimeo Websites* | 671 |
| Netflix | 592 |
| ABC iView | 567 |
| TenPlay | 510 |

Note: Entities marked with an asterisk (*) do not meet minimum sample size standards and may exhibit significant variability month-to-month.
Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

ENTERTAINMENT – MUSIC

Music is the second largest driver of active reach and unique audience within the entertainment category (after Video/Movies). In August, 8.2 million Australians listened to music or viewed music-related content on their smartphone and 3.7 million did the same on tablets. Apple Music, Shazam and Spotify are the leaders on both smartphones and tablets. The tablet rankings are very competitive, with only 10,000 unique audience separating positions 3 -5, with Pandora rounding out the top entities.

| SMARTPHONE – TOP ENTITIES – MUSIC (INCL APPS) | |
|--|------------------------|
| | UNIQUE AUDIENCE 000 |
| Apple Music | 5,160 |
| Shazam | 1,413 |
| Spotify | 977 |
| Google Play Music | 919 |
| SoundCloud | 500 |

| TABLET – TOP ENTITIES – MUSIC (INCL APPS) | |
|--|------------------------|
| | UNIQUE AUDIENCE 000 |
| Apple Music | 2,719 |
| Spotify* | 475 |
| Shazam* | 209 |
| SoundCloud* | 200 |
| Pandora.com* | 199 |

Note: Entities marked with an asterisk (*) do not meet minimum sample size standards and may exhibit significant variability month-to-month.

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

ENTERTAINMENT -SPORT

Telstra Media AFL continues to lead the sports category on both smartphone and tablet devices in Australia. For the month of August, 4.9m Australians viewed sport content on their smartphone spending 1 hour and 43 minutes on average and 2.3m used tablet devices spending 1 hour and 32 minutes.

| SMARTPHONE - TOP ENTITIES – SPORT (INCL APPS) | |
|--|--------------------------|
| | UNIQUE AUDIENCE (000) |
| Telstra Media AFL | 1,536 |
| ESPN Digital Network | 933 |
| Telstra Media NRL | 886 |
| FOX SPORTS | 581 |
| news.com.au - sport | 326 |

| TABLET - TOP ENTITIES – SPORT (INCL APPS) | |
|--|--------------------------|
| | UNIQUE AUDIENCE (000) |
| Telstra Media AFL | 780 |
| ESPN Digital Network* | 413 |
| FOX SPORTS* | 387 |
| Telstra Media NRL* | 246 |
| news.com.au – sport* | 189 |

Note: Entities marked with an asterisk (*) do not meet minimum sample size standards and may exhibit significant variability month-to-month.

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

COMMERCE & SHOPPING

Nine million Australians are using commerce and shopping sites or apps each month on their smartphone and five million are doing so on their tablet. There is a broad range of activity including auctions, retail purchases, browsing and loyalty programs. eBay and Amazon continue to lead the category. In the supermarkets, Coles is the preferred choice (just) on both smartphones and tablets.

| SMARTPHONE - TOP 10 - COMMERCE & SHOPPING ENTITIES (INCL APPS) | |
|--|-----------------------|
| | UNIQUE AUDIENCE (000) |
| eBay | 4,504 |
| Gumtree | 2,456 |
| Amazon | 1,981 |
| FlyBuys | 1,769 |
| Coles | 1,527 |
| Woolworths | 1,512 |
| Groupon | 663 |
| JB Hi-Fi | 648 |
| Kogan | 623 |
| Catch of the Day | 614 |

| TABLET - TOP 10 - COMMERCE & SHOPPING ENTITIES (INCL APPS) | |
|--|-----------------------|
| | UNIQUE AUDIENCE (000) |
| eBay | 2,351 |
| Amazon | 1,568 |
| FlyBuys | 1,004 |
| Gumtree | 956 |
| Coles | 860 |
| Woolworths | 754 |
| JB Hi-Fi | 542 |
| Catch of the Day* | 507 |
| Shopping.com Network* | 495 |
| Kogan* | 469 |

Note: Entities marked with an asterisk (*) have a do not meet minimum sample size standards and may exhibit significant variability month-to-month.

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

AUTOMOTIVE INFORMATION, CAREER DEVELOPMENT & REAL ESTATE

In August, 2 million Australians used their smartphone to seek automotive information online. 1 million did the same on tablets. Carsales.com.au leads the category on both smartphones and tablets. This is followed by Gumtree Automotive Websites on smartphone and carsGuide.com.au on tablets.

Australia has historically been a global leader both in advertising revenue and PC usage for the three leading classifieds categories – automotive, careers and real estate – with strong local players leading the market. This tradition continues on smartphones with Australia leading the U.S. in terms of reach for all three categories.

| SMARTPHONE - TOP 5 - AUTOMOTIVE INFORMATION ENTITIES | |
|--|-----------------------|
| | UNIQUE AUDIENCE (000) |
| carsales.com.au | 647 |
| Carsalesnetwork.com.au* | 182 |
| Gumtree Automotive Websites* | 180 |
| Drive.com.au* | 149 |
| CarAdvice* | 137 |

| TABLET - TOP 5 - AUTOMOTIVE INFORMATION ENTITIES | |
|--|-----------------------|
| | UNIQUE AUDIENCE (000) |
| carsales.com.au* | 256 |
| carsGuide.com.au* | 160 |
| Gumtree Automotive Websites* | 97 |
| Drive.com.au* | 67 |
| Carsalesnetwork.com.au* | 61 |

Note: Entities marked with an asterisk (*) do not meet minimum sample size standards and may exhibit significant variability month-to-month.

Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

Seek continues to lead the Career category on smartphone and tablet, followed by Indeed and careerone.com.au on each device respectively.

| SMARTPHONE - TOP 5 - CAREER ENTITIES | |
|--------------------------------------|-----------------------|
| | UNIQUE AUDIENCE (000) |
| Seek | 1,420 |
| Seek Jobs | 948 |
| Indeed | 713 |
| careerone.com.au | 489 |
| careerone - Jobs | 296 |

| TABLET - TOP 5 - CAREER ENTITIES | |
|----------------------------------|-----------------------|
| | UNIQUE AUDIENCE (000) |
| Seek | 549 |
| Seek Jobs | 419 |
| careerone.com.au* | 260 |
| Indeed* | 247 |
| careerone – Jobs* | 169 |

The Real Estate/Apartments category is dominated by two entities. Realestate.com.au is the category leader, followed by Domain. Historically these entities have been strong in mobile devices as well as on PC ratings. OnTheHouse.com.au has been ranked as the third most preferred entity on smartphones, while LJ Hooker is the third ranked among tablet users.

| SMARTPHONE - TOP 5 - REAL ESTATE/APARTMENTS ENTITIES | |
|--|-----------------------|
| | UNIQUE AUDIENCE (000) |
| realestate.com.au | 1,633 |
| Domain | 894 |
| OnTheHouse.com.au* | 118 |
| Gumtree Realestate Websites* | 114 |
| allhomes.com.au* | 75 |

| TABLET - TOP 5 - REAL ESTATE/APARTMENTS ENTITIES | |
|--|-----------------------|
| | UNIQUE AUDIENCE (000) |
| realestate.com.au | 712 |
| Domain | 492 |
| LJ Hooker* | 75 |
| OnTheHouse.com.au* | 60 |
| property.com.au* | 58 |

Note: Entities marked with an asterisk (*) do not meet minimum sample size standards and may exhibit significant variability month-to-month. Source: Nielsen Mobile Ratings Preview Data (Ppl 18+)

ABOUT IAB AUSTRALIA

The Interactive Advertising Bureau (IAB) Limited is the peak trade association for online advertising in Australia and was incorporated in July 2010. As one of over 40 IAB offices globally, and with a rapidly growing membership, IAB Australia's principal objective is to support and enable the media and marketing industry to ensure that they thrive in the digital economy.

The role of the IAB is to work with its members and the broader advertising and marketing industry to assist marketers to identify how best to employ online as part of their marketing strategy, to better target and engage their customers and build their brands.

By addressing the core pillars of growth of the online advertising industry - simplified and standard online audience measurement, research, and online operational standards and guidelines, and regulatory affairs, IAB Australia leverages the skills, experience and commitment of its members to advocate the benefits of online advertising by acting as an authoritative and objective source for all online advertising issues whilst promoting industry-wide best practice.

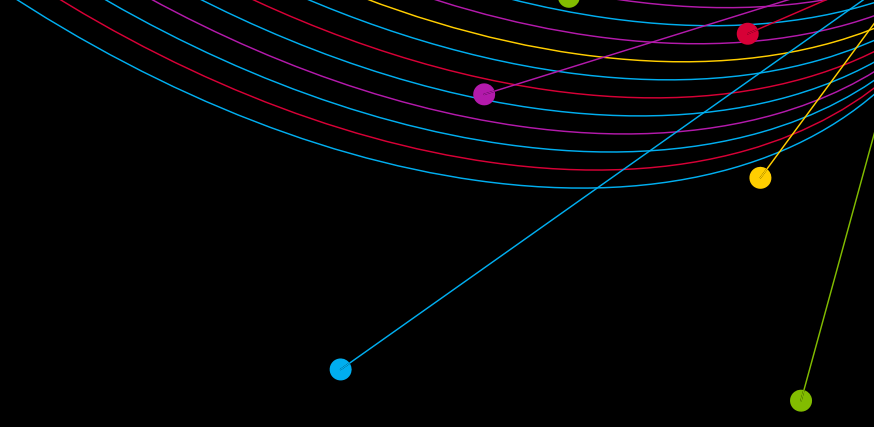
IAB Australia is a registered not-for-profit organisation; membership fees and revenue generated is invested back into the IAB's membership benefits such as resources, events, reporting, and industry representation.

ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers watch and buy. Nielsen's Watch segment provides media and advertising clients with Total Audience measurement services for all devices on which content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen also provides its clients with analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries, covering more than 90% of the world's population.

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