The Advertising Research Foundation

Measuring the impact of IoT

Alison Robart

Director, Client Services

comScore

Looking Ahead to the Voice Era

July 2017

Alison Robart

Director Client Insights

comScore, Inc.

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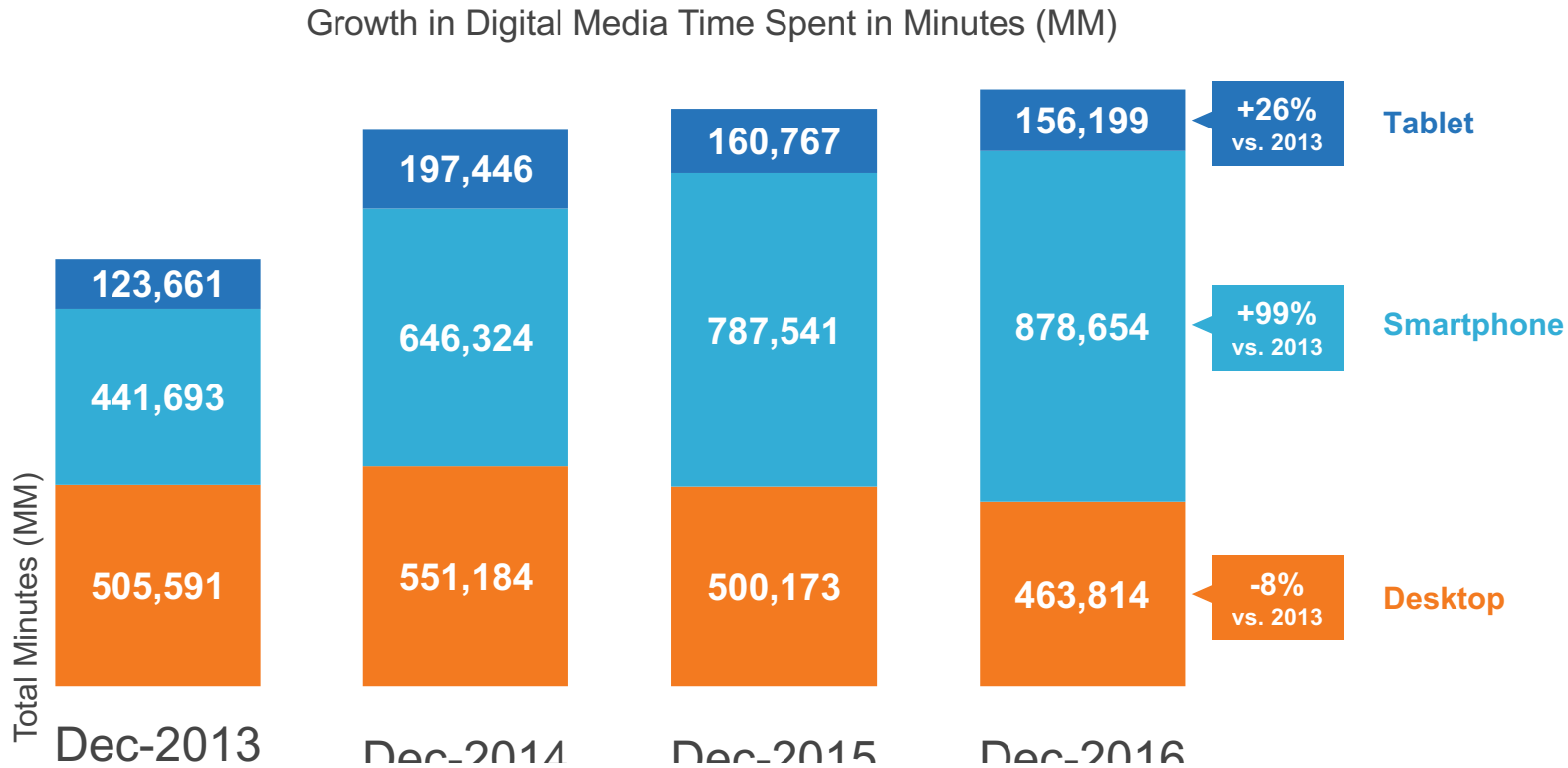
The Mobile Revolution

The Average Millennial Spends

3+ hours

Per Day on their Smartphone

Smartphone usage has doubled in the past three years, and since 2014 it's driven all of the growth in digital media time spent



Source: comScore Media Metrix Multi-Platform & Mobile Metrix, U.S., Dec 2013 - Dec 2016

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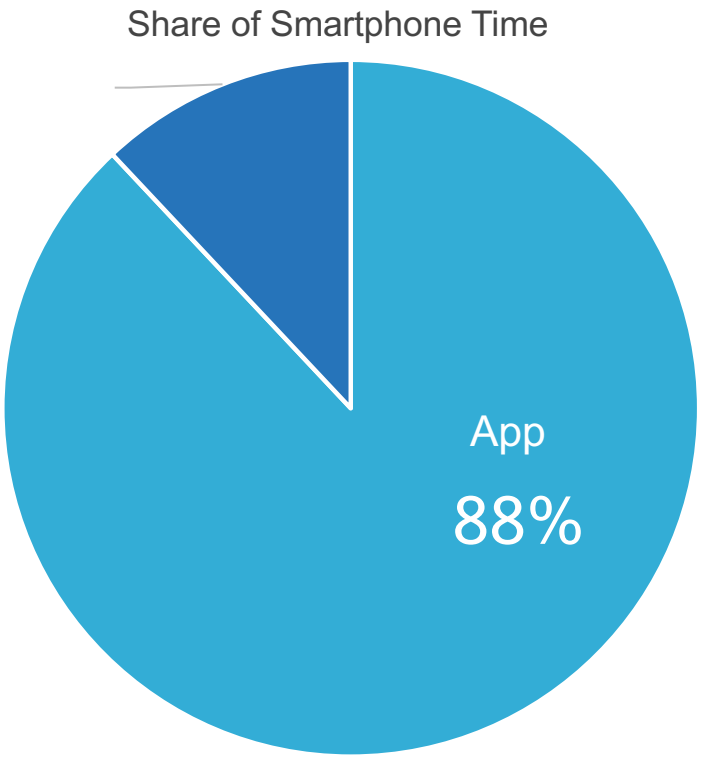
Apps dominate usage time over mobile web on smartphones, accounting for **7 out of every 8 minutes**



Source: comScore Media Metrix Multi-Platform & Mobile Metrix, U.S., Dec 2016

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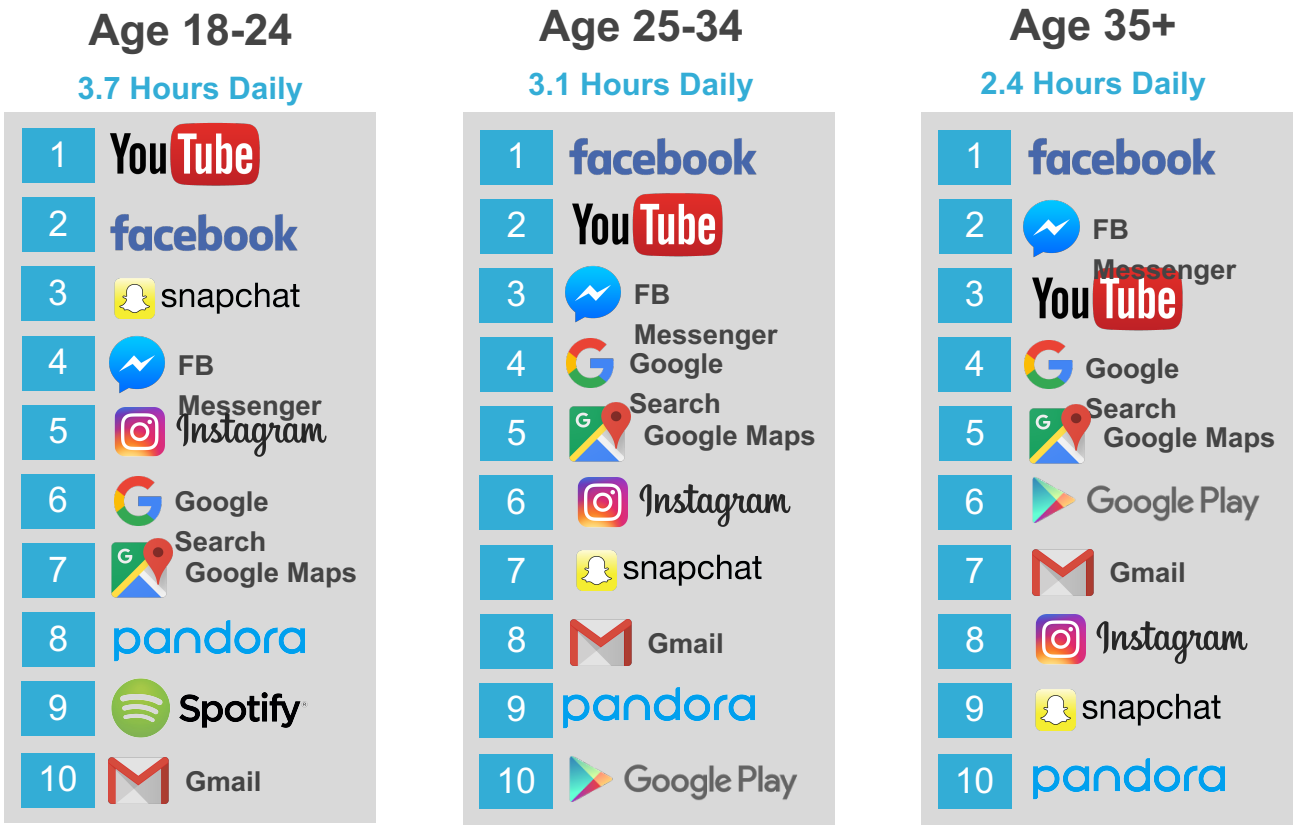
The top apps vary by age group, with **Snapchat, Instagram** and **Spotify** falling much higher on the list among younger Millennials



Source: comScore Media Metrix Multi-Platform, Unique Visitor Rank, U.S., March 2017

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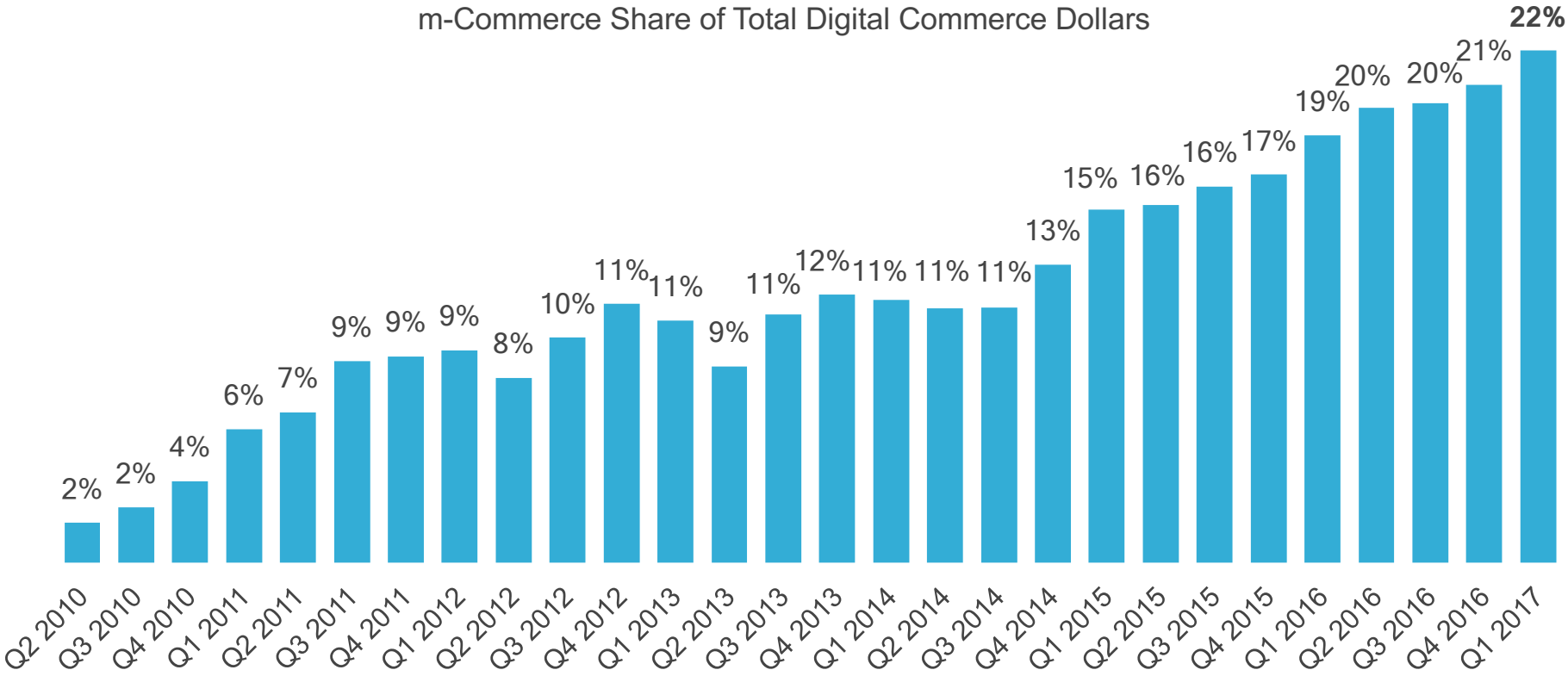
m-Commerce has attained a much more meaningful share of Total Digital Commerce dollars, with its Q1 2017 share **reaching 22%**



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Source: comScore m-Commerce Measurement

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For those using voice technology on their smartphone, **it has become a regularly occurring behavior**

1 in 2

Use Voice Technology on Smartphone

34% **Using it Daily**

49% **Using it Weekly**

Source: comScore Custom Survey, Q2 2017

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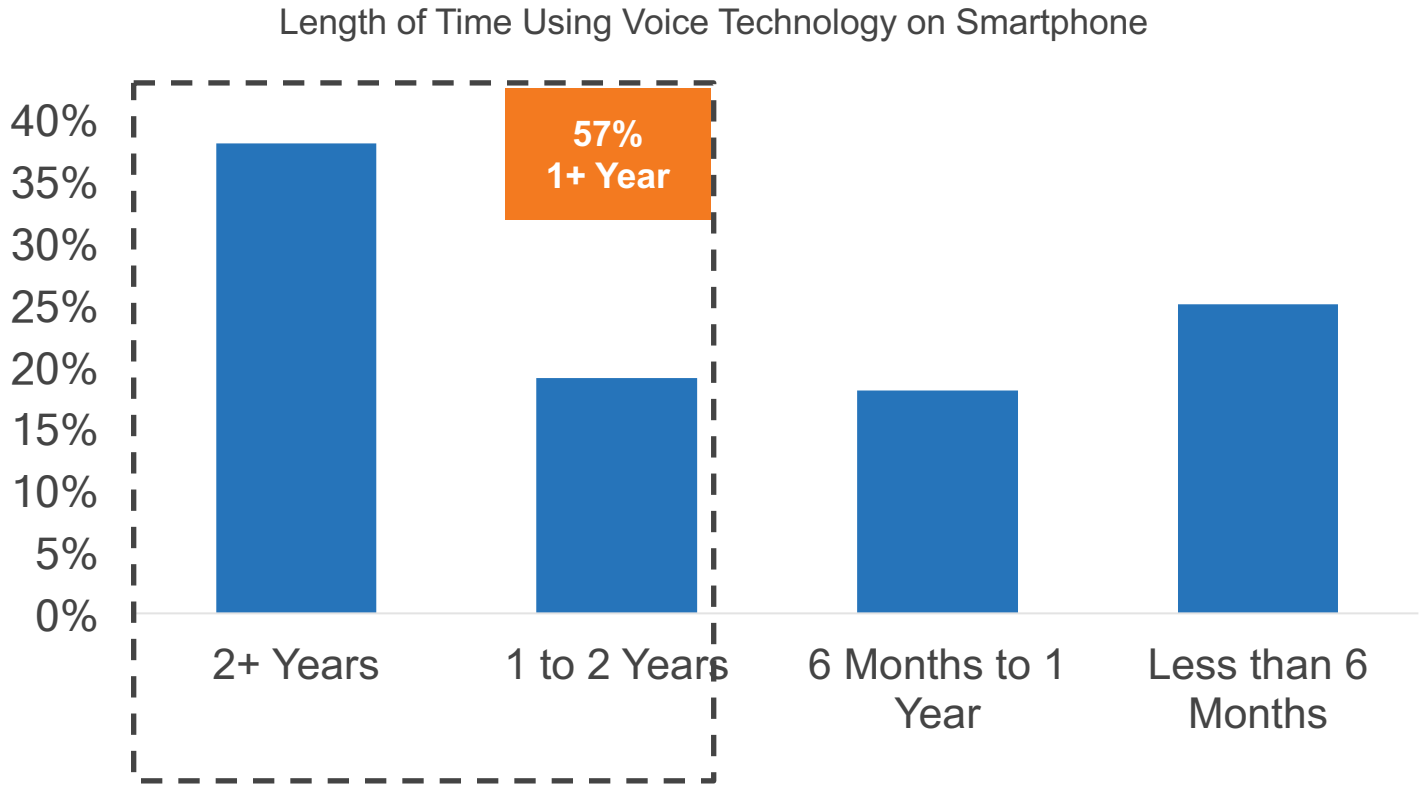
Adoption of voice technology on smartphones has been steady while **many users have been relying on the technology for years**



Source: comScore Custom Survey, Q2 2017

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Americans using voice technology do not see an end in sight, **nearly half believe their usage will increase in the coming months**

How Do You Expect Your Usage of Voice Technology to Change?

Source: comScore Custom Survey, Q2 2017

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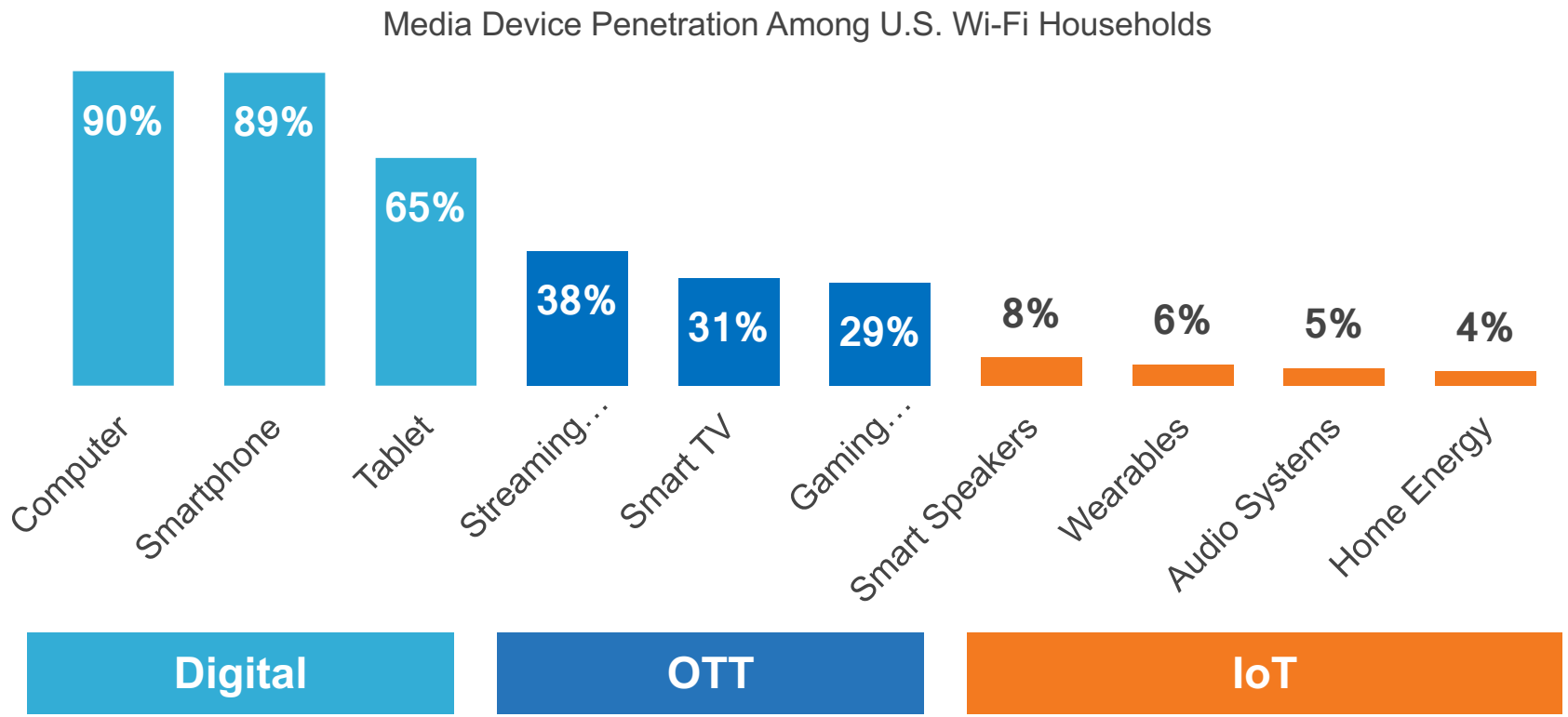
The Average U.S.
Connected Home Has
8.5
Internet-Connected Devices

The modern living room experience features a multitude of connected devices, including significant innovation and adoption in the **OTT** and **IoT** landscape



Source: comScore Connected Home, U.S., March 2017

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Measuring the Internet of Things

We define IoT as Wi-Fi connected devices in the home that are not primarily used for media consumption

Audio

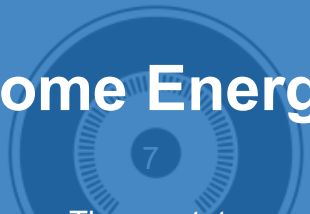
Home Audio Systems
Portable Speakers
Smart Speakers

Home Security

Alarm Systems
Security Cameras

Health & Wearables

Smartwatches
Pedometers
Scales



Home Energy

Thermostats
Light Systems
Solar Panels

Home Office

Network Storage
Printers

Appliances & Household

Washers
Refrigerators
Cars

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IoT households are gaining traction in the U.S.

1 of 5

U.S. connected homes has an IoT device

IoT devices are ACTIVE

18 days

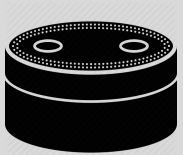
per month on average

The average IoT home has

1.5

IoT Devices

Smart Speakers



Are the most prevalent IoT device category

Source: comScore Connected Home, U.S., March 2017

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Intent to purchase a smart speaker **higher among users of voice technology on smartphone**

42% of voice tech smartphone users intend to purchase a smart speaker

while only…

15% of non voice tech smartphone users intend to purchase a smart speaker

comScore

Source: comScore Custom Survey, Q2 2017

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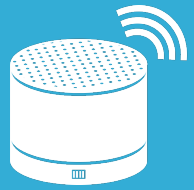

8% of U.S. homes
use a smart speaker

9 out of 10 speakers
are Amazon

23 active usage days
per month, on average

12.8 Connected Devices
in a smart speaker home, on average

comScore

Source: comScore Connected Home, U.S., March 2017

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Google Knocks $30 Off Google Home Just In Time For Prime Day

Apple Will Market the Siri Home Pod as a Less-Creepy Alternative

Alibaba Is Challenging Google and Amazon With a New Echo-Like Device

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< 1%

Of U.S. Households
Purchased a Product
via a Smart Speaker

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Source: comScore Custom Survey, Q1 2017, U.S. Households

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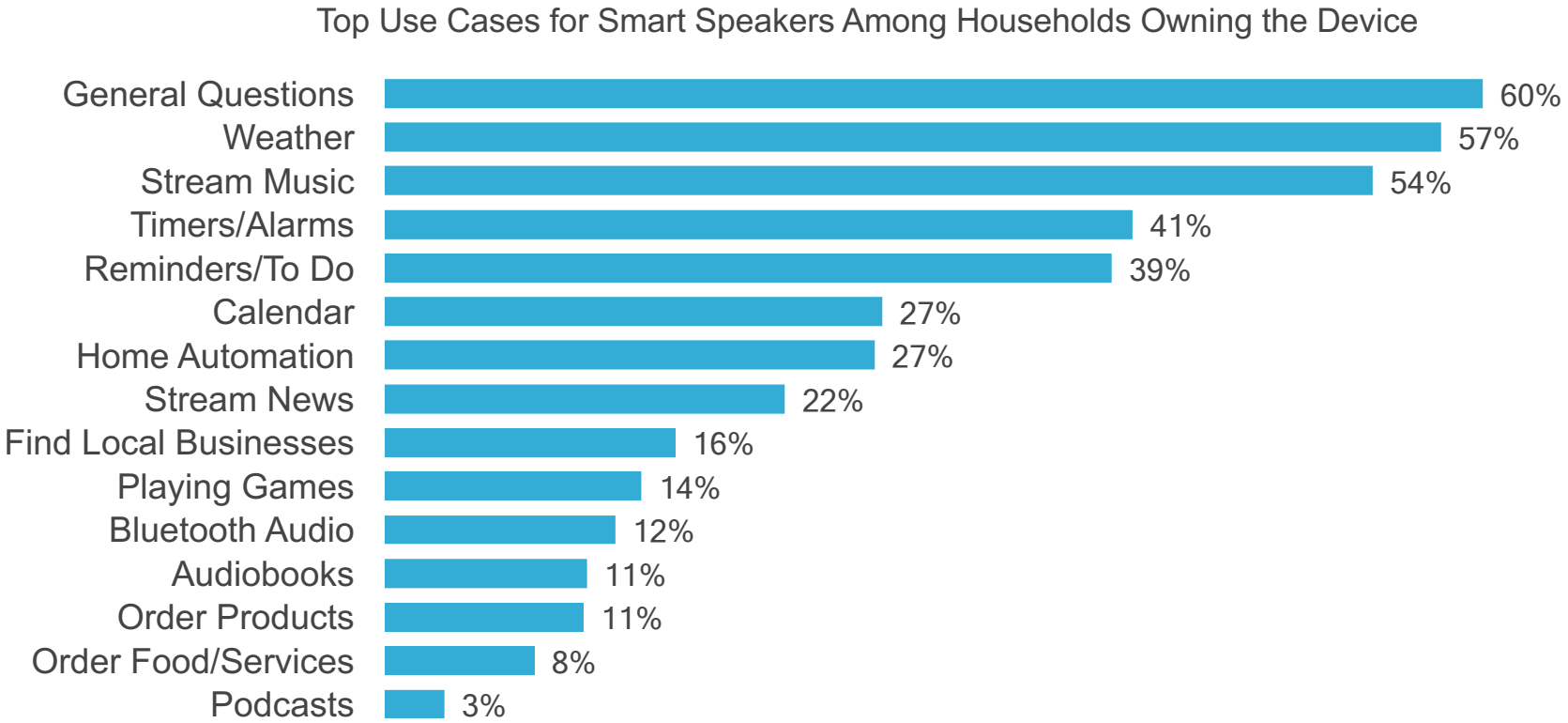
Americans are **using smart speakers for a range of daily behaviors** with a small portion of these households using them to buy things



Source: comScore Custom Survey, Q1 2017, U.S. Households

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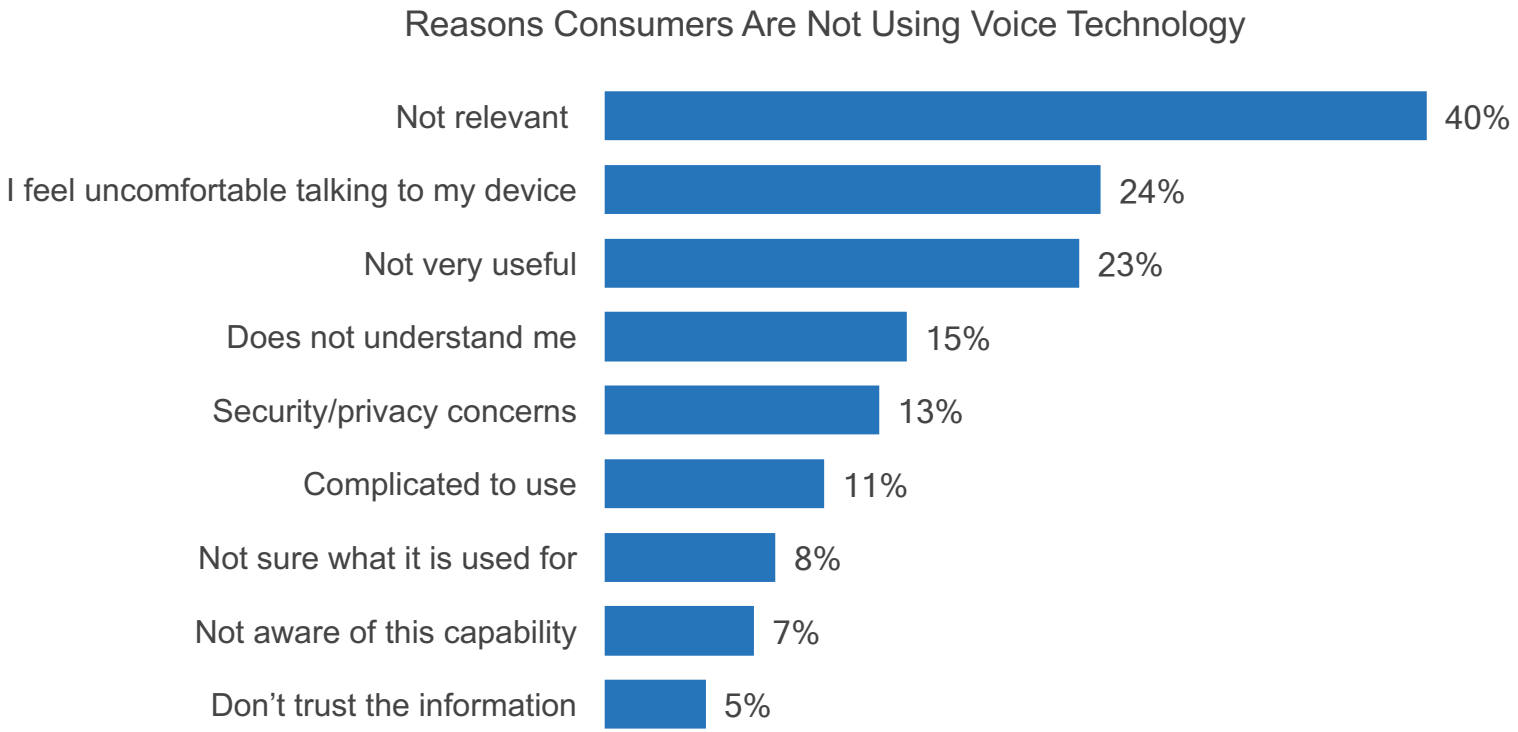
Understanding the barriers to voice technology provide an opportunity for marketers to drive further adoption



Source: comScore Custom Survey, Q2 2017

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KEY TAKEAWAYS

1 Massive growth in smartphone usage is paving the way for the voice era

- Smartphone usage has doubled in the past three years
- Smartphone usage heavily skews towards apps – specifically of the media & entertainment variety
- Users are engaging in more sophisticated behaviors, like mobile commerce

2 Using voice technology on smartphones is predictive of adopting smart speakers

- 1 in 2 smartphone users now use voice technology every week; 1 in 3 use it every day
- Half of all users expect to use voice tech more in the coming month vs. just 2% who say less
- Users of voice tech are 3x more likely to intend to purchase a smart speaker for their home

3 Smart speakers are already the #1 IoT category in the home, w/ more growth coming

- Smart speakers are currently in 8% of U.S. connected homes
- People use for a variety of daily tasks; not heavily for buying yet
- Amazon Echo Devices make up the vast majority of devices today
- But, Google Home is a strong product and Apple Homepod is on the way

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Thank you

Alison Robart
Director Client Insights

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For info about the proprietary technology used in comScore products, refer to http://comscore.com/About_comScore/Patents

The Total Home Panel comprehensively measures the connected home, including OTT and Internet of Things devices

12,500+
homes

150,000+
devices every month

Nationally-distributed
Sample

Mobile
Phone, Tablet
(All ages)

Network-connected Set-top Boxes

Streaming/OTT
Roku, Apple TV, Chromecast, Fire TV

IoT & Other Devices
Thermostats, Security, Smart Speakers

PC
Laptops, Desktops

Home Theater:
Blu-ray Disc Player, Smart TV

Game Consoles
Xbox, PlayStation, Nintendo 3DS

Wearables
Apple Watch, Samsung Gear

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