What's Appening!

A Look at the Evolving Smartphone Usage and Mobile Apps Landscape

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MMA FORUM INDIA 2018

#SHAPETHEFUTURE

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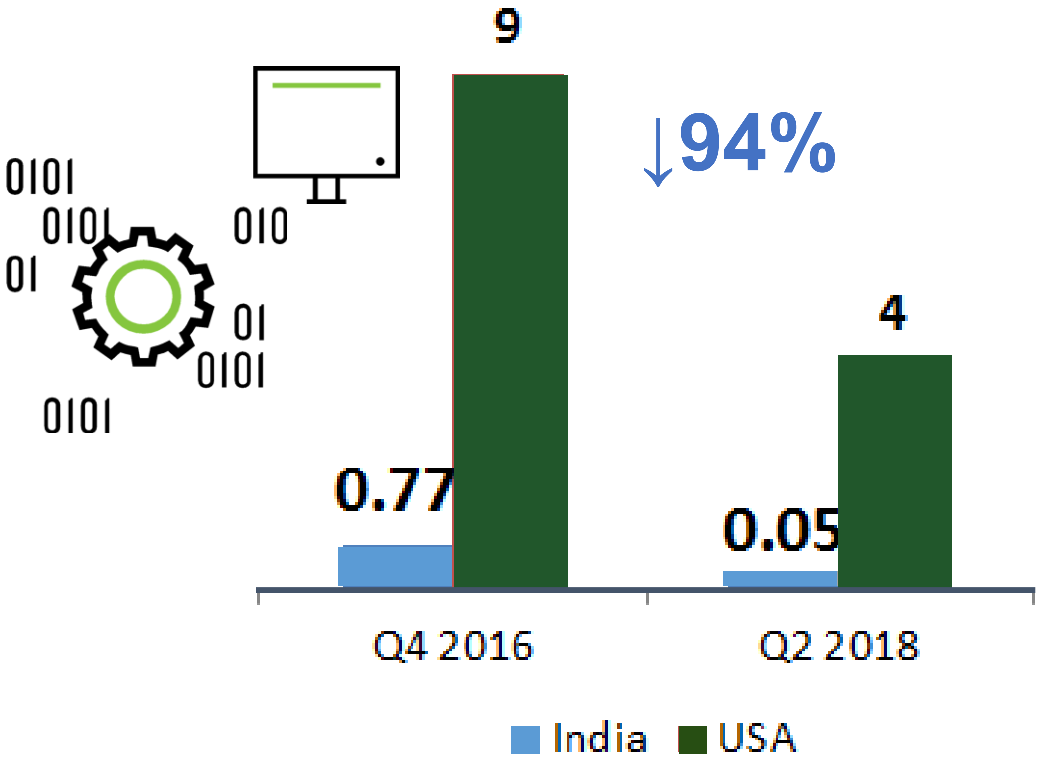
Redefining Lives!

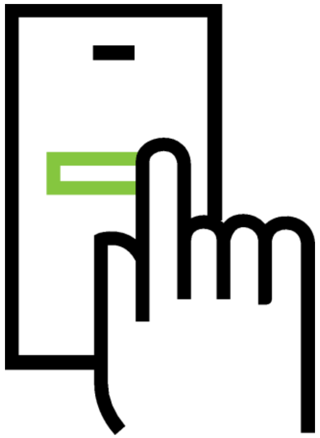
Cheap Data & Affordable Handsets herald a Revolution

The mobile is the primary device to go online

1GB of cellular data ($)



Price of a Smartphone



$ 30*

↕

$ 1115

* Android Lollipop, 4” screen, Front and Rear cameras, 32GB exp storage

Source: Plans from Cellular operators’ sites, Ecomm Sites

Resulting in strong growth in Mobile Phone ownership in lower SEC and older age group

Mobile Phone Penetration

Urban **65%**
2017

Rural **47%**
2017

Growth '17 vs '14	All India U+R	12-19 yrs	20-49 yrs	50+ yrs
NCCS A	44%	28%	43%	54%
NCCS B	76%	53%	78%	80%
NCCS C	72%	51%	75%	75%
NCCS D/E	17%	0%	18% (124 mill)	28%

Above Growth % on Weighted Counts

Source: IRS 2014 and 2017, MRUC

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Leading to a transformation of the Media landscape

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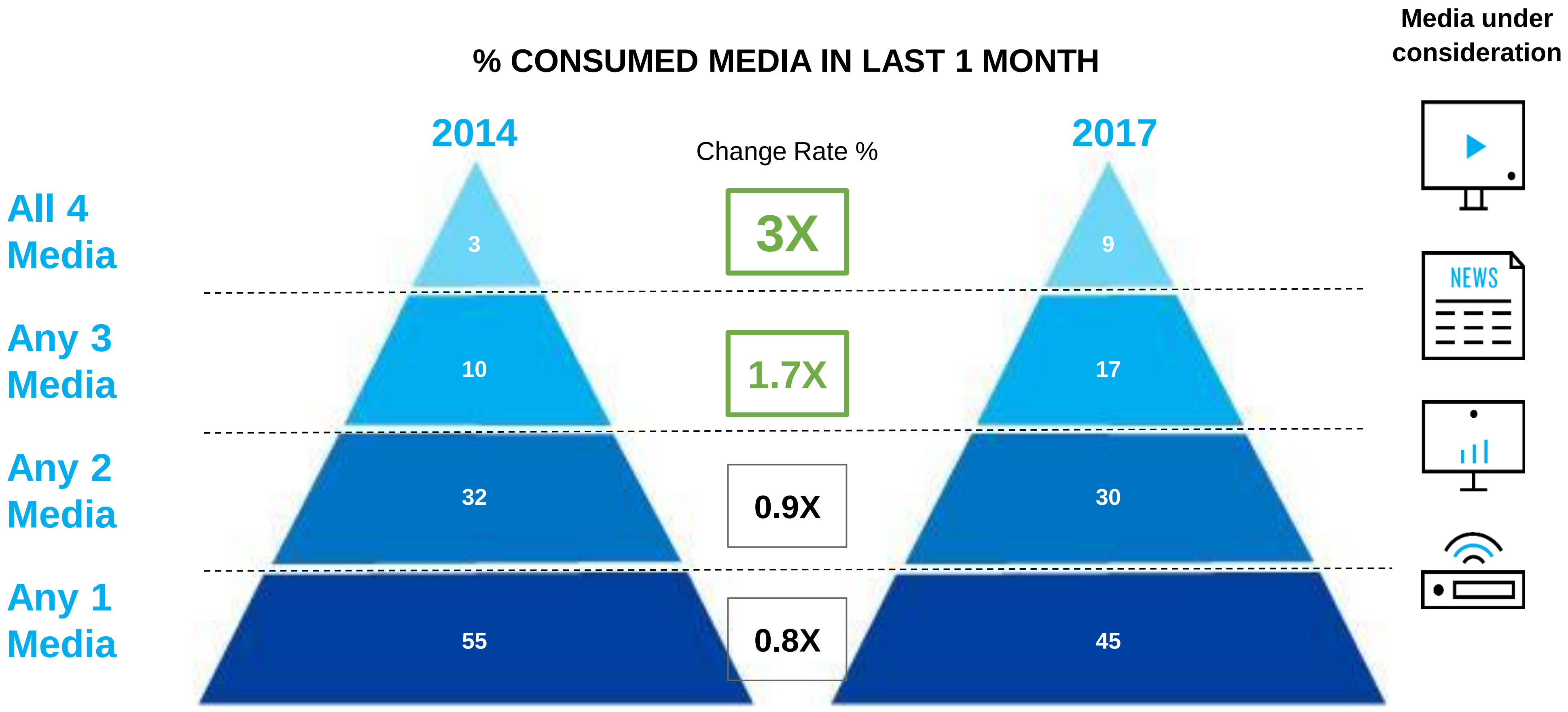
Consumers with 3+ Media Touch Points doubled!



All India (U+R), at least one media consumers

Media Considered: Print (Newspaper + Maz), TV, Radio and Digital

Source: IRS 2014 vs 2017, MRUC

Base : Consumers of at least 1 Media in a month

2014- 70% vs 2017- 80%

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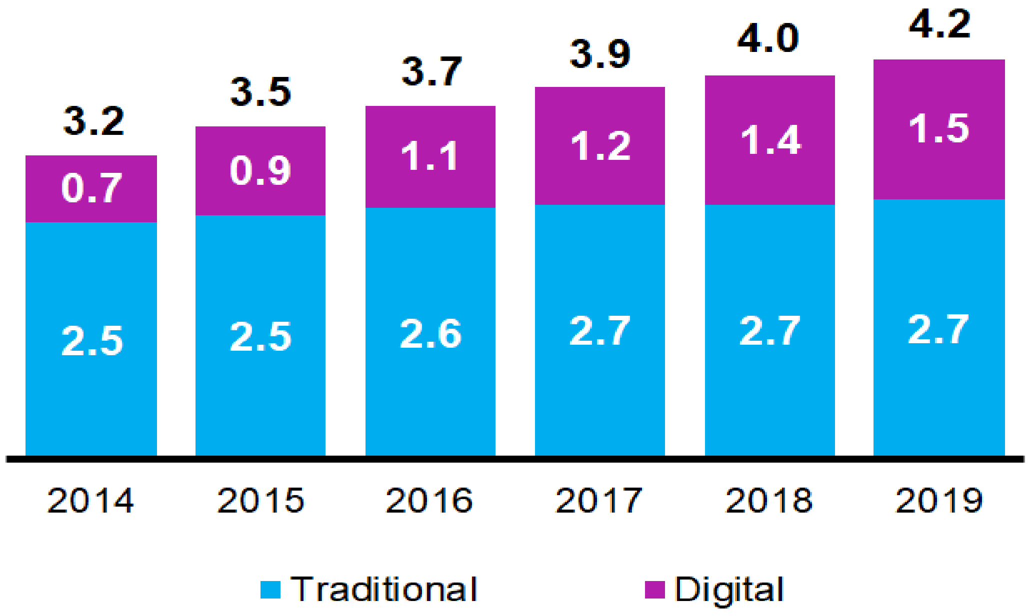
Digital Media in India is not cannibalizing Traditional Media, it's complementing it !

Time Spent on Media (Hrs)

26% increase overall with a 7% increase for Traditional



Note: Traditional Media here includes Print as well as Radio/TV

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Source: eMarketeer 2017

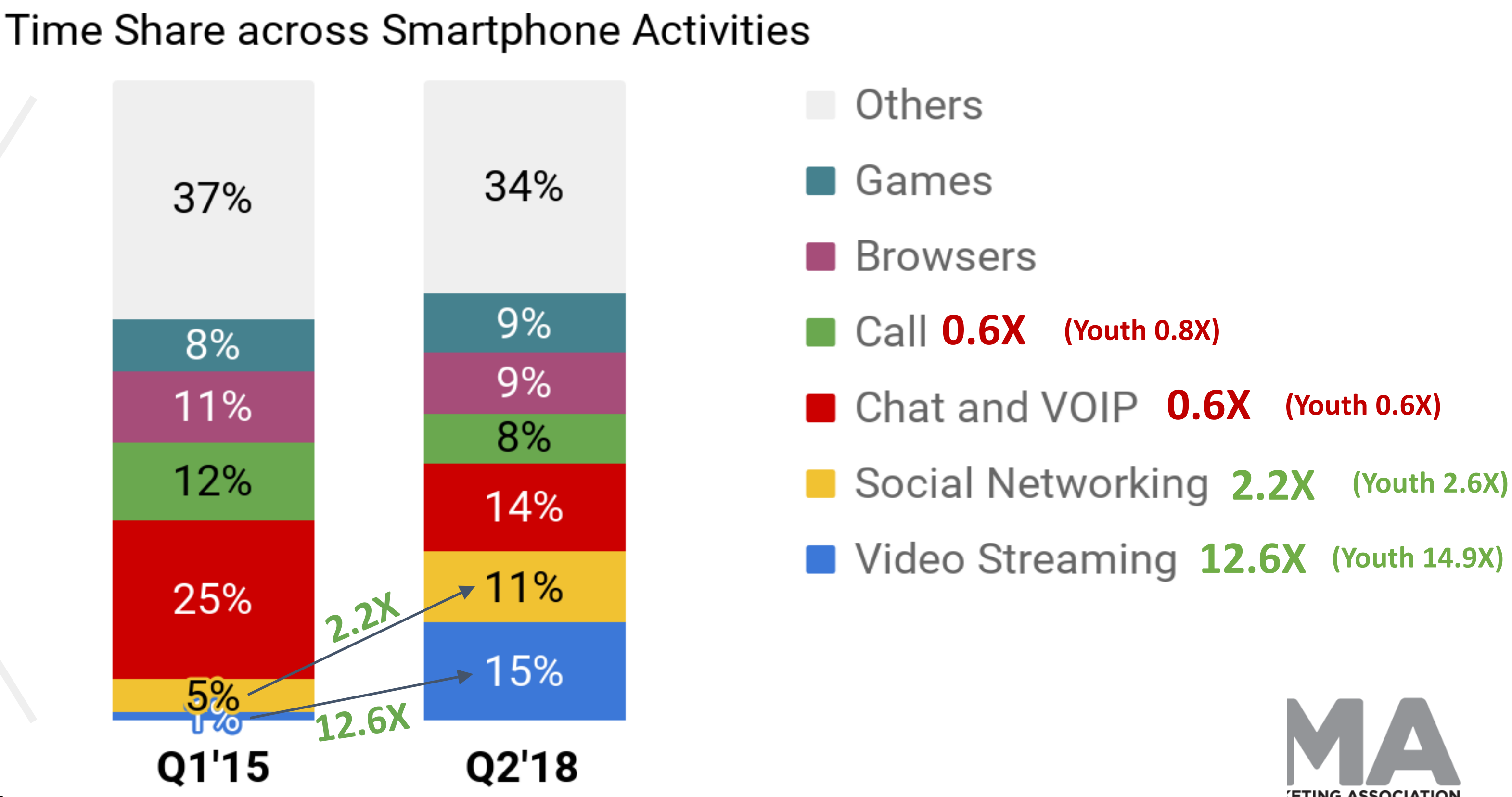
The Emerging Behavioural Paradigm

Consumers spending more time (17%) on smartphone

More Video, Less Communication - Changing from **Social Interaction** to **Personal / Individualistic Consumption**?

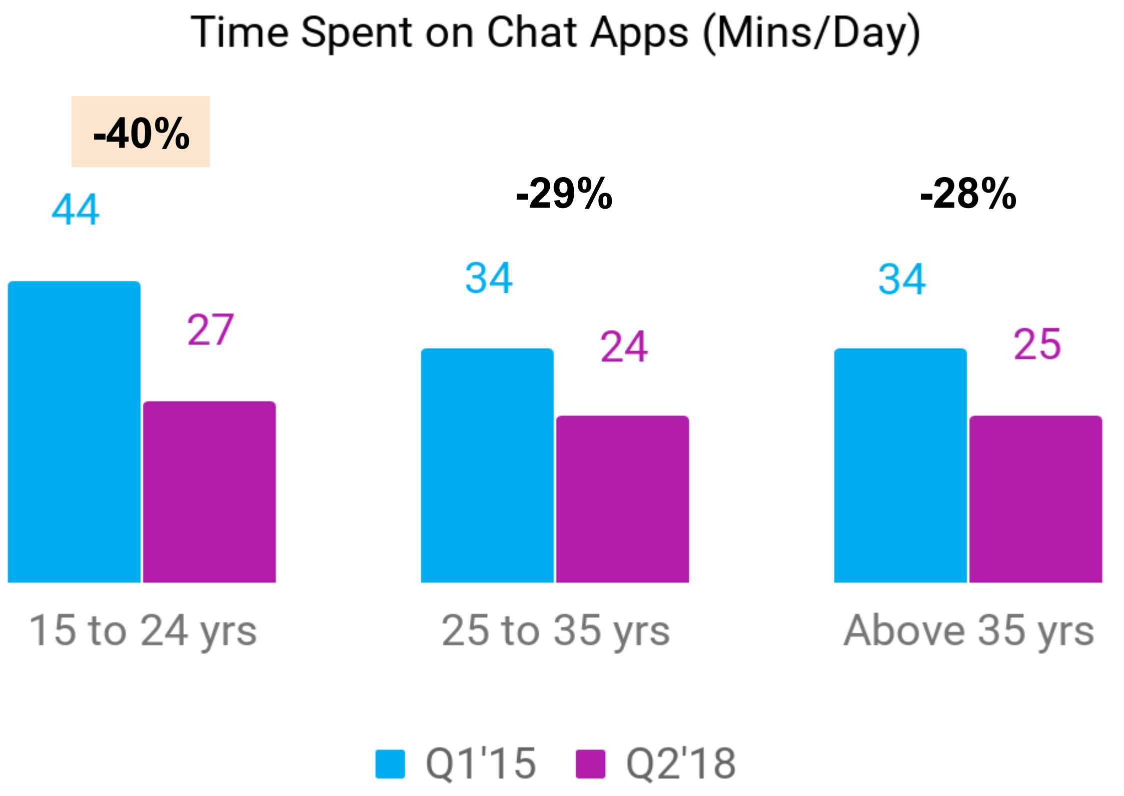
Time Spent on the Smartphone

Q1'15		Q2'18
2.6 Hrs/Day	→	3.1 Hrs/Day



Source: Nielsen's Urban Android Smartphone Panel, Q2'18

Chatting drops across, but most among Youth



Engagement on Chat now on par across age groups

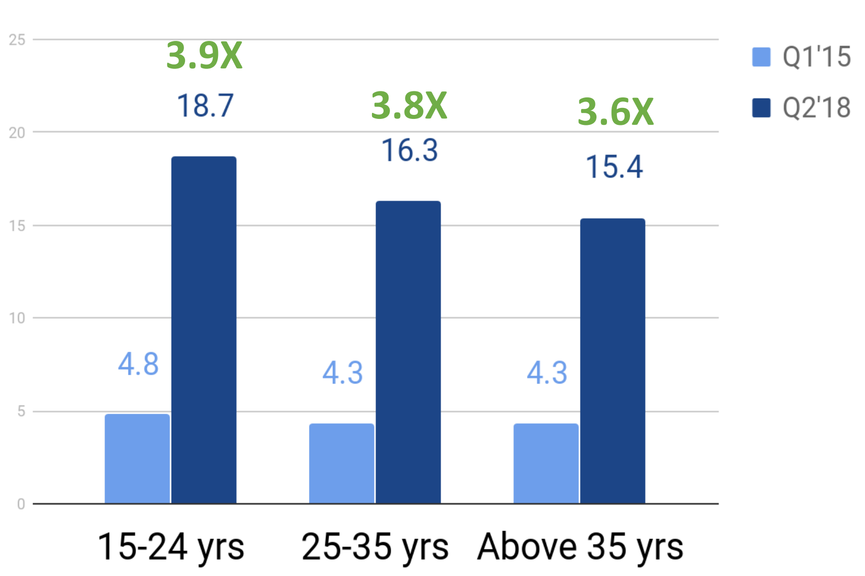
Source: Nielsen's Urban Android Smartphone Panel

Content surge is seen across age groups, *Youth Topping the lot on engagement*

Video Streaming

Days Used in a Month

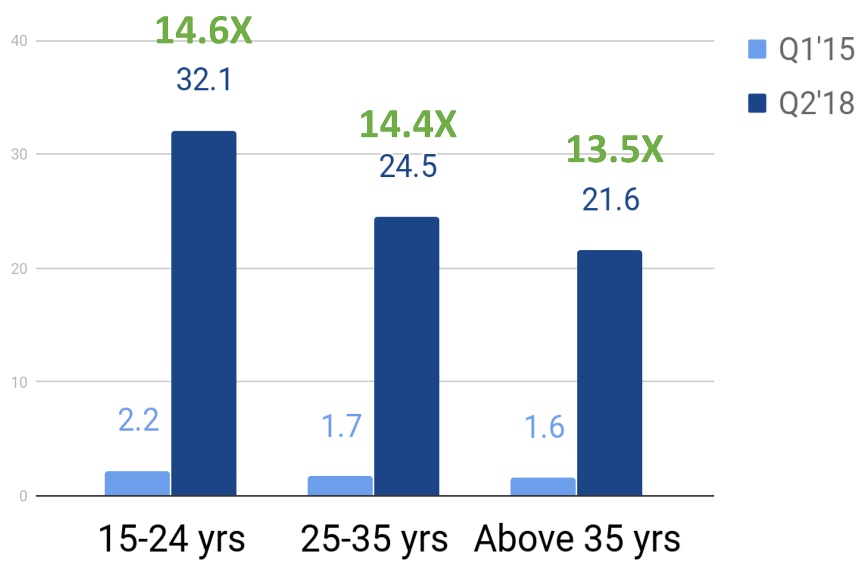
4.5 Q1'15 → **3.8X** → **17.2** Q2'18



Video Streaming

Engagement (Mins/Day)

1.9 Q1'15 → **14.7X** → **28** Q2'18



Source: Nielsen's Urban Android Smartphone Panel

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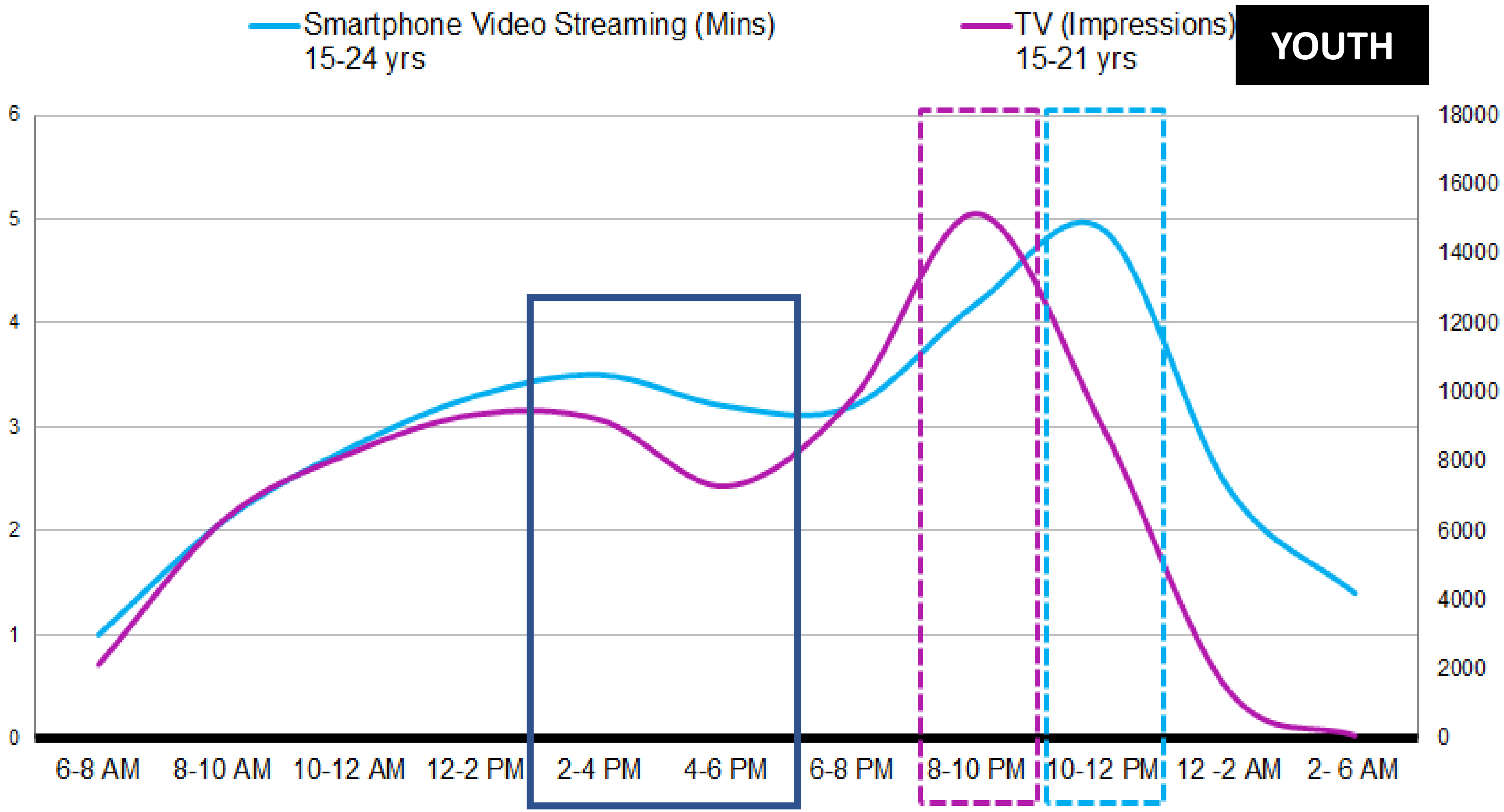
Smartphone engagement peaks post the TV prime time, and borrows from TV in the afternoon

Engagement on Video Streaming and TV across the day



Source: BARC TV (Urban Q2’18), Nielsen’s Urban Android Smartphone Panel (Q2’18)

An average of 2 Apps are used by Youth during Prime Time

YOUTH

2 Avg Count of Video Apps viewed during Prime Time

The First App Viewed

App	Total Share of Reach	Reach - First App Opened
YouTube	67%	81%
JioTV	12%	5%
Hotstar	11%	5%
Sony LIV	4%	2%
Others	7%	8%

PRIME TIME 8-11PM

4 Total Times a Video App was switched to another during Prime Time

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Source: Nielsen's Urban Android Smartphone Panel, Aug'18

Apps are our Lives !

Rising Aspirations - The Vital Role of Smartphones

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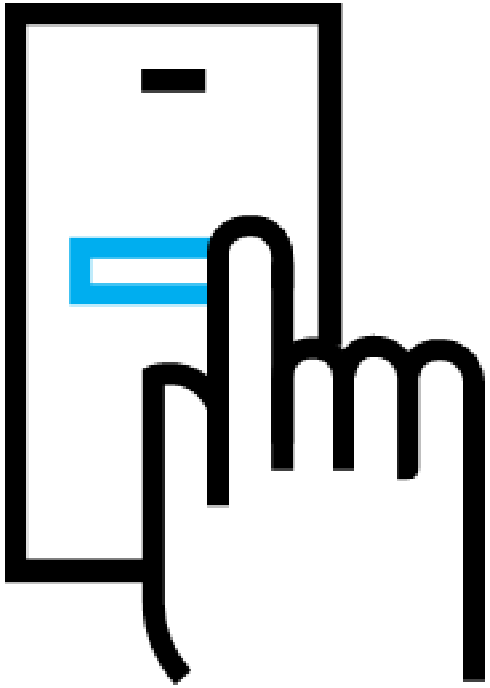
Apps competing with each other for limited face time

Users both install & uninstall ~6 Apps a month keeping the average stable !



	OVERALL	YOUTH (15-24 YRS)
Used per Month	31 Apps	33 Apps
Used per Week	21 Apps	22 Apps

Source: Nielsen's Urban Android Smartphone Panel, Q2'18

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Some Apps are universal and used by nearly everyone

Accessed by over 80%

WhatsApp

Chrome

YouTube

Play Store

Accessed by over 70%

Gmail

Search

With an average of 21 Apps used a week…

Which Others compete for this space?

Source: Nielsen's Urban Android Smartphone Panel, Q2'18

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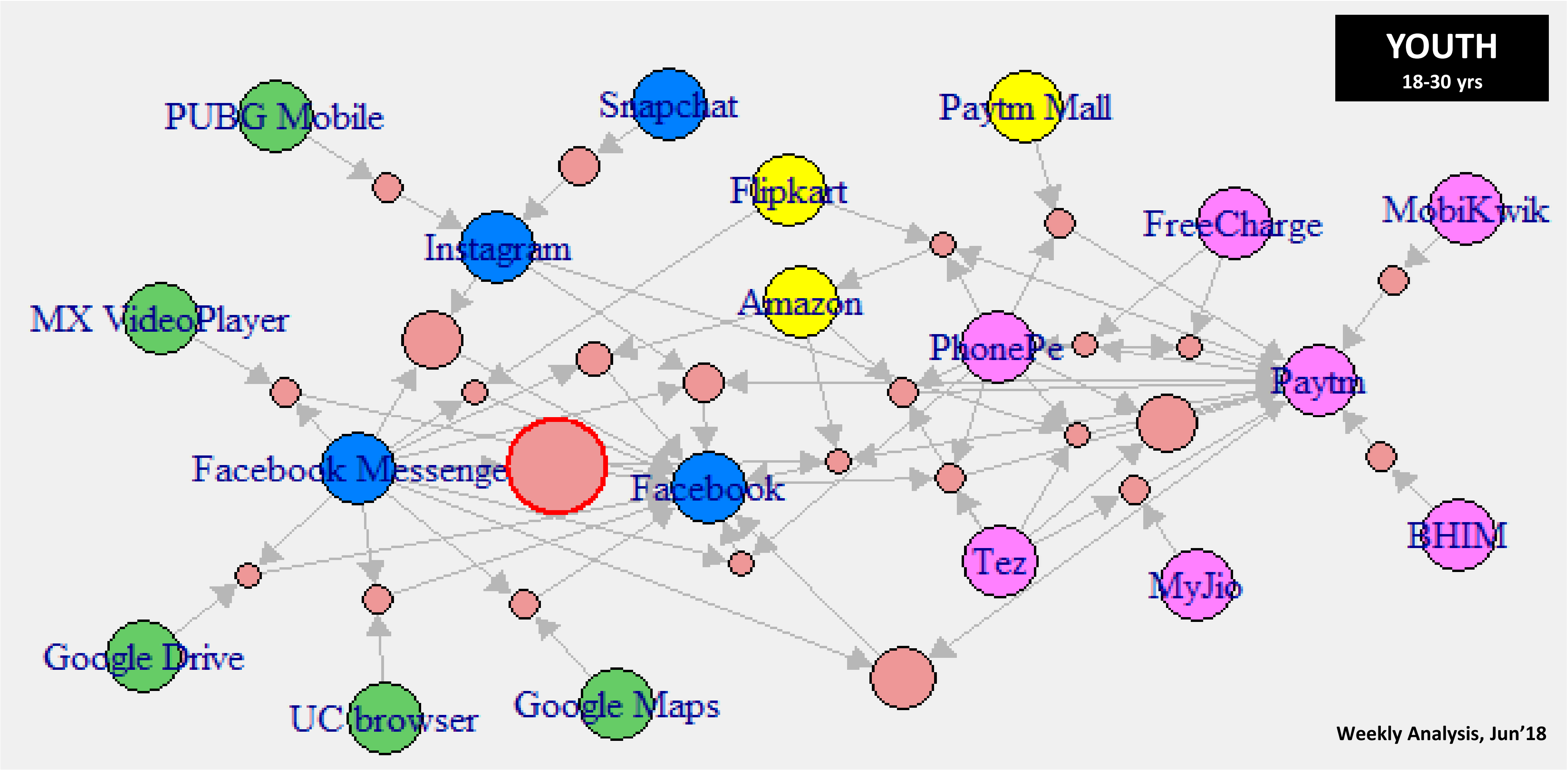
The Basket Analysis: Identifying Associations between Apps

A Basket Analysis used to identify the **best possible combinations of Apps which are used together by customers**

Done to check whether the usage of one app increases the likelihood of usage of the other app

Multiple Apps are used together within Categories



Source: Nielsen's Urban Android Smartphone Panel, Weekly Analysis for Jun'18, Base: 4800 Users

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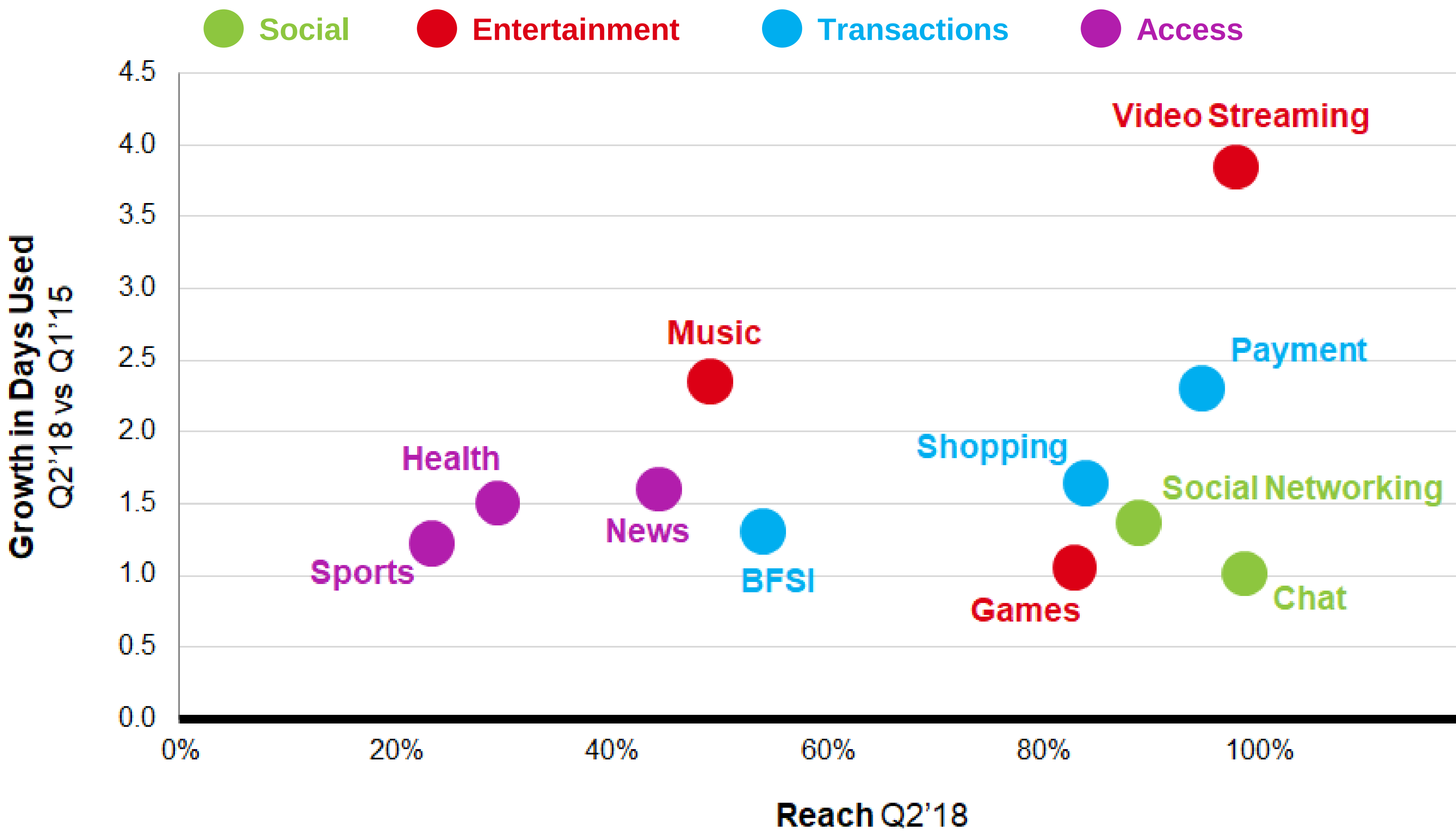
How are the Apps Enabling Us?

Video Streaming tops the list, Next Rank?



Source: Nielsen's Urban Android Smartphone Panel

A growing comfort with digital transactions

	App Reach			Apps Used in a Month			Days Used in a Month		
Shopping	57% Q1'15	1.5X →	84% Q2'18	3 Q1'15	1.3X →	4 Q2'18	7 Q1'15	1.6X →	11 Q2'18
Mobile Payment	54% Q1'15	1.8X →	95% Q2'18	2 Q1'15	2X →	4 Q2'18	6 Q1'15	2.3X →	14 Q2'18
Banking & Finance	25% Q1'15	2.2X →	54% Q2'18	2 Q1'15	1X →	2 Q2'18	6 Q1'15	1.3X →	8 Q2'18

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Source: Nielsen's Urban Android Smartphone Panel

Some Ecomm Apps more integrated with our lives

Calling a Cab

14% → **35%**
Q1'15 Q2'18
Reach

3 → **4**
Q1'15 Q2'18
Days used in a month

Ordering a Meal

4% → **28%**
Q1'15 Q2'18
Reach

2 → **4**
Q1'15 Q2'18
Days used in a month

Shopping for Groceries

0% → **9%**
Q1'15 Q2'18
Reach

2 → **4**
Q1'15 Q2'18
Days used in a month

Traditionally offline behaviours now **carried out via Apps**

Huge growth seen for such categories

Primarily **Metro focused** but will only continue to grow

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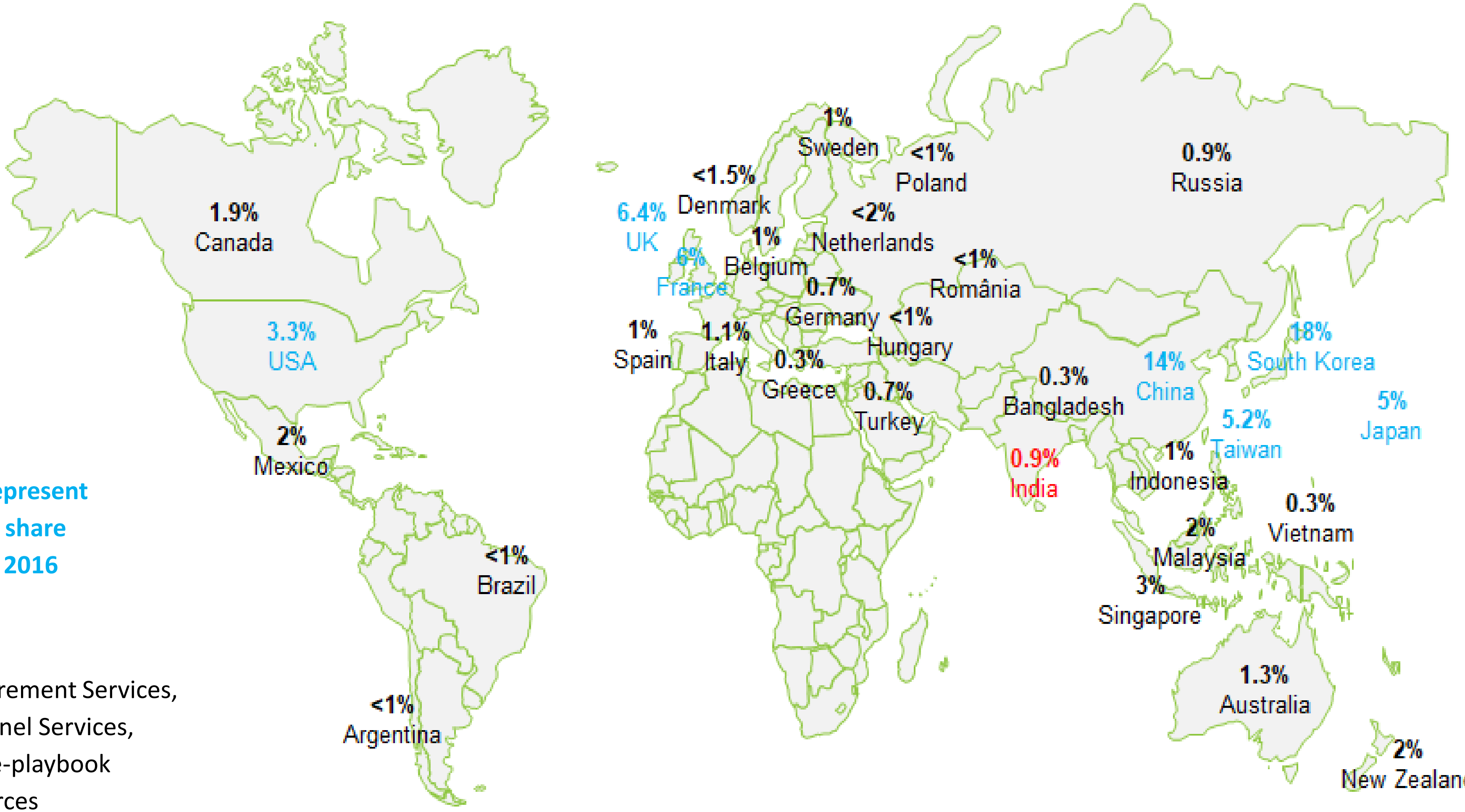
Source: Nielsen's Urban Android Smartphone Panel

ECommerce contributes 4-5% to Global FMCG Sales

Eastern Markets stand out. Which way is India headed?



These percentages represent the estimated online share of all FMCG spend in 2016

Data Sources:
Nielsen Retail Measurement Services,
Nielsen Consumer Panel Services,
Nielsen online sales e-playbook
Leading Industry Sources

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Key Learnings

Key Take Outs

Digital complementing Traditional Media

Mobiles spurring a Digital revolution which has complemented rather than cannibalized Traditional Media

Social to Personal

Decline in engagement on Chat and a huge increase for Video. Are we seeing a shift from social to personal?

Comfort with Digital Transactions

Shopping and Payments are now established app categories. Riding on this, new App services are redefining our day-to-day lives

ECommerce set to grow for FMCG

EComm set to contribute double digit shares to the retail market by 2030

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THANK YOU

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