NIGERIA MEDIA CONSUMER SURVEY REPORT
HOW NIGERIANS ARE INTERACTING WITH MEDIA, INTERNET AND TECHNOLOGY

FIRST EDITION
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BusinessDay Research & Intelligence Unit (BRIU) is a Strategic Business Unit (SBU) within the BusinessDay Group, publishers of Nigeria’s leading business & financial newspaper. BRIU operates as an independent department within the organisation. The Unit’s products and services comprise:

- Cutting-edge business intelligence and market research studies
- Industry analysis & reports
- Feasibility studies & business plans
- Client-specific research projects and strategic planning
- Polling and surveys covering industries and business segments

Our areas of focus include market and industry research, data mining, and economic and financial analysis. BRIU seeks to provide you with rare insights from our robust economic forecasting models and analytics.

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Our team of research analysts is committed to providing you with the latest insights and perceptions on current trends and developments in your sector, and providing you with intelligence on the Nigerian and global economies.
BusinessDay Research & Intelligence Unit (BRIU) is delighted to present the results of our quarterly Digital Media Consumer Survey which reflects the views of 925 consumers on their usage and preferences of the digital media space in Nigeria.

The world is in the digital age. As a result, information is disseminated and distributed more rapidly than ever before, particularly via social media platforms and search engines. Nigeria’s venture into the digital age is driven by deepened mobile penetration and the country’s growing and digitally savvy youth demography.

According to the Nigerian Communications Commission (NCC), total number of mobile subscribers in Nigeria as at December 2017 is 145.1 million with teledensity at 103.2 percent. Internet subscription as at the same period accounts for 68 percent of the total mobile data with 98.4 million subscribers. Q2 2017 data by the NCC shows that the telecoms industry contributed 9.5 percent to the national GDP.

Nigeria’s internet penetration is hinged entirely on mobile telephony services. Hence, excluding mobile telephony, internet penetration in Nigeria is still relatively low at 21 percent.

In today’s world as digital transformation fully takes hold, access to the internet and broadband have become the foundation for transformation to a knowledge-based economy.

Research by the World Bank has established a link between broadband access and Gross Domestic Product. It is said that every 10 percent increase in broadband penetration in developing countries results in a commensurate increase of 1.3 percent in GDP.

Irrespective of what stage of the digital age, countries of the world are at, the bottom-line is that the internet and technology are transforming the way businesses, civil societies, governments and humans operate.

It has therefore become necessary for stakeholders in Nigeria to understand the current consumer trends and preferences in terms of how consumers are interacting with media, entertainment and technology. This survey attempts to provide a lens to this understanding.
BusinessDay Research & Intelligence Unit (BRIU) conducted a nationwide survey to assess consumers’ digital media activities, social media preferences, as well as level of usage. Focusing on six distinct age groups, the survey provides a snapshot of how consumers are interacting with media, entertainment and technology and considers their preferences in the future. The survey was concluded in January 2018. 925 consumers completed the online survey. Respondents within the age group of 21 to 25 years old accounted for half of the total sample size.

Consumers who responded to the survey were mostly males constituting 78 percent of the participants.

The survey shows that the top three preferred entertainment activities by consumers are using the internet for social or personal interests; watching television (on any device) and listening to music on any device.

The most watched videos in order of preference are TV show episodes/clips, Entire movies (downloaded versions), Funny clips and videos constituted 46 percent and music videos. There has been a surge in appeal for foreign TV shows in Nigeria, especially Latin America and US exports. Funny videos and clips is also fast becoming a popular trend among Nigerians with new media comedians emerging in the media & entertainment space and successfully challenging the traditional stand-up comedy scene in the country.

Popular new media comedians such as Emanuel-la (Mark Angel), Frank Donga, Lasisi Elenu, among others, already attract significant followership on their respective social media handles including Instagram and YouTube. Their videos are also more likely to be
shared multiple times on WhatsApp and other online platforms.

Subsequently, companies have begun to exploit their brand equity through product and event endorsements. For instance, in December 2017, Emmanuella Samuel, was officially signed as the Brand Ambassador of FreshYo yoghurt manufactured by Olam Nigeria, while Lasisi Elenu promoted the Access Bank Lagos City Marathon.

Watching downloaded programming content was the most popular activity of respondents, while watching live programming was the second most popular method of viewing television content. The third most popular programming method was On-demand programming or pay-per-view.

Consumers revealed that using a social media network and surfing the web are the things they typically do while watching television at home. Other information contained in the Report include the highest number of media entertainment devices in the household; the average amount of time spent watching TV shows on various entertainment and media devices; the top reasons for using various social media platforms; the most frequently used mechanism to get news, among others.
Globally, media usage is progressively being consumed via digital formats. The growing adoption of this format can be attributed to the growing number of devices embedded with digital capability in addition to increasing access to the internet, which has granted the average individual a plethora of choices in accessing media content in any form: information, entertainment or social activity any place of the world at all times.

According to Statista, revenue in the world’s digital media market is estimated to be about US$119.2 billion in 2018. The market’s largest segment is the video games with a market value projected to reach US$67.4 million in 2018. Most of the revenue is expected to be generated in the United States (US$41.9 billion in 2018) accounting for 35 percent of global proceeds.

Media development in the United States has witnessed tremendous transformational growth from traditional media to new (digital) media. The rise of digital media players such as Netflix, Hulu, Amazon, Apple TV, among others are challenging the incumbent dominance of the television as the main entertainment hub.

YouTube is the largest video-sharing website in the world. As at February 2017, there were more than 400 hours of content uploaded to YouTube each minute with one billion hours of content watched on YouTube every day. As of August 2017, the website is ranked as the second-most popular site in the world by Alexa Internet, a web traffic analysis company. It is also the second-most used search engine after Google.

In Nigeria, there has been tremendous investments by the banks in the digital media sector with the emergence of Ndani TV (GTBank), Red TV (UBA) and
Accelerate TV (Access Bank) on the YouTube platform. The most notable player on the digital media scene is iROKOtv, a web platform that provides paid-for Nigerian films on-demand. It is one of Africa’s first mainstream online movie streaming websites, giving instant access to over 5,000 Nollywood film titles. Dubbed the ‘Netflix’ of Africa, iROKOtv is the world’s largest legal digital distributor of African movies. Iflix, a subscription video-on-demand service focused on emerging markets and headquartered in Kuala Lumpur, Malaysia, is the latest kid on the block.

Online media consumption has shown tremendous growth over the past few years. Among the digital devices, mobile devices have taken over as the preferred medium of consuming online media. The smartphone market has seen an unprecedented growth in the last 5 years. Smartphone devices across the globe grew at a CAGR of 17 percent as compared to 9.5 percent growth in all mobile devices. Smartphones crossed the 2 billion mark in 2014 and are expected to reach 4.6 billion by 2019. This increase in the number of mobile devices is making it easier for consumers to access music and video content on the go.

The West African region accounts for nearly 50 percent of total smart phones in Sub-Saharan Africa as a whole, driven almost wholly by Nigeria with smartphone penetration estimated at 30 percent. Accordingly, smartphone adoption in ECOWAS will exceed 50 percent of total connections by 2020, according to a report on the mobile economy in Sub-Saharan Africa by GSMA Intelligence.

According to PwC’s global entertainment and media outlook report (2017 – 2021), Nigeria will be the world’s fastest-growing Entertainment & Media market over the next five years strongly influenced by surging spending on mobile Internet access.
The Survey

BusinessDay Research & Intelligence Unit (BRIU) conducted a nationwide survey to assess consumers’ digital media activities, social media preferences, as well as level of usage. The chart below shows the States from which respondents were drawn. Lagos State with 35 percent accounted for the bulk of responses, which is unsurprising considering the level of broadband coverage, mobile penetration and internet activities within the State. According to data released by the National Bureau of Statistics (NBS) in Q3 2016 on the telecommunications sector, Lagos ranked the highest with 12,957,617 internet users.
Focusing on six distinct age groups, the survey provides a snapshot of how consumers are interacting with media, entertainment and technology and considers their preferences in the future. The report was concluded in January 2018. 925 consumers completed the online survey. Respondents within the age group of 21 to 25 years old accounted for half of the total sample size.

The survey sought to gauge respondents’ consumption and preferences for the various channels and medium of entertainment including television, computers and laptops, mobile devices, as well as the content they mostly view through these distribution channels.
Consumers who responded to the survey were mostly males constituting 78 percent of the total sample size.
Entertainment Activities

Respondents were asked to rank their top three (3) preferred entertainment activities: Using the internet for social or personal interests accounted for the top activity with 78 percent; the second was watching television (on any device) with 58 percent, closely followed by listening to music on any device (57 percent).
Other ranked activities included: Reading books (any format) – 42 percent; Playing video games on any device (34 percent); Listening to the radio (any format and/or device) – 33 percent and Reading newspapers (either print or online) – 32 percent.

Going to the movies; Reading magazines (either print or online) and attending live performances accounted for the least preferred entertainment activities among respondents.
Video
When queried on the kind of videos respondents watched on their laptops, tablets and mobile phones, TV show episodes/clips accounted for 58 percent of videos viewed on any of the abovementioned devices. Entire movies (downloaded versions) accounted for 51 percent of video consumption. Funny clips and videos constituted 46 percent closely followed by music videos with 43 percent of coverage.
Documentaries and Movie previews/promos accounted for 33 percent of videos consumed respectively, while news clips, entire movies (streamed version) and spiritual videos brought up the rear.
Television
Television

Methods of Programming Content

Respondents were gauged on how they watched television content. Downloaded programming was the most popular method of watching content with 39 percent respondents admitting to the use of this method. Internet access granting users the ability to download and watch content including television shows and movie, coupled with the increasing adoption of media consumption via smartphones and laptops, could account for the adoption of downloaded programming. Another plausible reason is the onset of Smart TVs, as some Smart TVs come with inbuilt USB ports that allow users to connect USB or flash drives to view content. This could explain the growing trend in the use of downloaded programming content.
Live programming viewership accounted for the second most popular method of viewing television content with 28 percent of respondents. Live programming of sporting events particularly football and perhaps boxing, appears to drive viewing content among the male demographic in Nigeria. It appears to drive consumption and demand for DStv and GoTV in the country. One of the biggest assets of DStv in Africa is sports because the brand owns the rights to most European league broadcast agreements in sub-Saharan Africa, including Nigeria.

DStv is a tested brand in pay TV and commands the lion share
of the market, controlling close to 50 per cent of the 23 million subscribers in the sector. DSTV’s subscriber base grew by 8 per cent year-on-year from 10.2 million to 11 million as at 2017. Nigeria accounts for an estimated 40 percent of DStv’s market share in Africa.

The third most popular method was On-demand programming or pay-per-view (with 16 percent of respondents). Pay-per-view (PPV) is a type of pay television service by which a subscriber of a television service provider can purchase events to view via private telecast. With the emergence of the internet, the term internet pay-per-view (iPPV) has been used to describe pay-per-view services accessed online. PPV is most commonly used to distribute combat sports events, such as boxing, mixed martial arts, and sports entertainment such as professional wrestling.

Kwesé announced the launch of its entertainment and sports television network Kwese TV in Lagos, Nigeria on October 19, 2017. The network offers ‘pay-as-you-watch’ subscription packages for premium programming, which enables consumers to purchase from any of three-day, seven-day, and 30-day subscription options.

Streamed programming was the programming method adopted by 10 percent of respondents. Again, the internet, in addition to the use of mobile phones and laptops could be accountable for this followed by Smart TVs.

Smart TV is a lot like a computer. It enables you to browse the web, watch YouTube videos, and catch up on social networking. Some of the TVs currently support Flash as well, which means a better web browsing experience. The price of Smart TVs range from as low as N60,000 to as high as N8 Million depending on the features and functionality.

Programming recorded on digital video recorder (DVR) brought up the rear with 7 percent of survey responses. An instance of this is the DSTV Explora decoder, which offers full Personal Video Recorder (PVR) functionality. PVR enables you to record TV shows for later viewing. Multichoice asserts that their DSTV Explora can record up to 220 hours of content.

Paid Television Purchase Preference

When consumers were engaged on their preferred choice for purchasing paid television, 47 percent of respondents wished to subscribe only to channels they regularly watched as against a prepaid bouquet of channels offered. On the other hand, 43 percent preferred to subscribe to a package of channels. The remaining 10 percent expressed the wish to purchase only individual shows and events.
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Associated activities while watching TV

Respondents were asked what things they typically did while watching their TV at home. 34 percent of consumers revealed using a social media network and 33 percent said they browsed and surfed the web.
Household Ownership of Media or Home Entertainment Equipment

Smartphones, used by 84 percent of the respondents, accounted for the highest number of media entertainment devices in the household. This was followed by laptops with 76 percent of respondents revealing their households possessed this device. Flat panel televisions in the household were identified by 65 percent of consumers. Tablets and desktop computers brought up the rear as a household media or home entertainment equipment by 38 percent and 26 percent of respondents respectively.
From the chart above, it is evident that the average respondent spends between 0 to 6 hours a day watching TV shows on any device. 46 percent spend 0 to 3 hours a day watching television shows; 29 percent spend 4 to 6 hours; 13 percent spend 7 to 9 hours; while 8 percent spend 10 to 12 hours a day.

Overall, respondents spent the most hours watching TV shows via the television.
Social media
Social Media

Facebook

When asked about the top 3 reasons for using Facebook, respondents cited keeping up with friends and family as the top reason for using the social media account. Keeping up-to-date on breaking news and entertainment activities together accounted for the second reason for social media account usage. Connecting with colleagues was the third reason.
Twitter

Keeping up to date on breaking news is the number one reason consumers use Twitter with 55 percent of the responses. Entertainment value accounts for the second reason why the social media account is used followed by keeping up with friends and family.

Connecting with colleagues and building professional networks account for the fourth and fifth reasons respectively.
Snapchat

The foremost reasons for Snapchat users of the social media service is for entertainment value followed by keeping up with friends and family and sharing photos and videos as the second and third reasons consecutively.
LinkedIn

LinkedIn users made use of the social account for building professional networks followed by connecting with colleagues while posting resumes and looking for jobs accounted for the third reason.

- Post resume and look for jobs: 45%
- Connecting with colleagues: 52%
- Build professionals network: 56%
- Share Photos and videos: 14%
- Keep up to date on breaking news: 23%
- As a distraction from my daily routine when bored or have time to kill: 17%
- Entertainment value: 28%
- Keep up with friends and family: 37%
Instagram

Top three reasons for consumers of Instagram include: Entertainment value (65 percent); Sharing photos and videos (57 percent) and keeping up with friends and family (55 percent).
Overall, when taking into consideration the average usage of consumers on social media, respondents access their social media accounts to keep up with family and friends (53 percent); followed by entertainment value (49 percent); connecting with colleagues (35 percent); share photos and videos (34 percent); keep up to date on breaking news (32 percent); build professional network (30 percent); as a distraction from daily routine when bored (27 percent) and to post resumes and look for jobs (17 percent).
As a distraction from daily routine when bored

- Facebook: 28%
- Twitter: 28%
- Snapchat: 34%
- LinkedIn: 17%
- Instagram: 30%
Most frequently used mechanism to get news for respondents is via social media sites (36 percent) followed by online newspapers (26 percent) and television news stations (15 percent) as a distant third.
Most likely reason to pay for online news content

Respondents were also asked to supply the most likely reason they would pay for online news content in cases where they were willing to pay and 31 percent confided that they would do so if the content is unique and they couldn’t find it from free news sources. Another 31 percent of consumers revealed that where they could find in-depth news analysis then they would pay for it. If they trusted and associated with the brand, 27 percent of respondents disclosed that they would financially subscribe to its content. Those who would do so if the point of view of the news source aligned closely with their values brought up the rear with 11 percent of consumers surveyed.
When asked which of the following channels mostly influences their buying decisions, 38 percent of respondents revealed that recommendations from a friend/family/known acquaintance was the highest factor for making purchases of products or services. Online review or recommendations from someone within their social media circle was the second most influential reason for buying decisions with 30 percent of respondents.
For online adverts, respondents were asked which of the following mediums had the greatest influence on their buying decision and more than half of consumers (53 percent) stated clearly that advertising delivered through social media platforms was the most effective. Sponsored search engine result advertising was a distant second by 15 percent of respondents.
CONCLUSION
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Results of the survey show that consumer tastes and preferences are shifting, especially when it comes to Country’s teeming youth population. More and more Nigerians are browsing the internet and also viewing media and entertainment content through devices such as smartphones and laptops, as well as Smart televisions, which enables consumers to connect to the internet to view programming content, especially in downloaded formats.

Mobile broadband penetration in Nigeria, in addition to subscription via internet service providers (ISPs) by the working population in major cities such as Lagos, has revolutionised the way people consume media and entertainment services utilising devices other than the traditional television sets.

Furthermore, when it comes to the influence of on-line channels in making purchasing decisions, more than half of our survey participants stated clearly that advertising delivered through social media platforms was the most effective followed by sponsored search engine result advertising.

Social media engagement is key for organisations who wish to successfully market their products and services to the millennial generation. The survey shows that respondents are using various social media accounts for distinct reasons; and Companies or individuals who wish to market strategically should target the social media platform that aligns with their brand values and objectives. Overall, when taking into consideration the average usage of consumers on social media, respondents are using their social media accounts to keep up with family and friends; followed by for entertainment activities.
Results of the survey also show that more and more people are viewing news content via social media sites and online. Plus, television shows are the most watched video content followed by Movies (downloaded) and funny videos.

The world is in the digital age. As a result, information is disseminated and distributed more rapidly than ever before, particularly via social media platforms and search engines. Nigeria’s venture into the digital age is driven by deepened mobile penetration and the country’s growing and digitally savvy youth demography.
MAKE YOUR AUDIENCE AN ARMY

LET OUR JAMMERS DRIVE YOUR BUSINESS INSIGHT

Leverage over 70 million mobile phones in Nigeria to make business decisions in real time