

IT'S A FAMILY AFFAIR

The Media Evolution of the Global Family in a Digital Age

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“We all have the same mobile plan, so we will send each other text messages throughout the day just to see how it’s going or if someone can pick up the milk or something like that.”

- Dad, Boomerang Family, Sydney

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PREFACE

MACROTRENDS SHAPING A GENERATION

MACROTREND

FAMILY AS DEMOCRACY

The global family has evolved not only demographically (family type, ethnic composition, multiple generations), but also democratically. Families are closer than they have been in generations, and all family members have a voice when it comes to media, entertainment, and to a certain degree, purchasing.

EVERYONE'S WIRED

Families are enamored with media and technology, not because they love gadgets, but because they help them do what they want to do. Families multitask to keep up with all their activities, communication, and entertainment.

BACK TO BASICS

Today's families struggle with creating the perfect equilibrium between traditional family values and the modern world. They make it a point to often focus on health and low-tech activities to counterbalance the demands of being "always on."

REGIONAL VARIATIONS

Globally, children influence 50% of all purchases. In Latin America, this number is 33%. In the U.S., it's 67%.

Media usage time is lowest in South Korea and France, highest in the U.S.. The nation with the fewest number of technological devices per household is India. The nations with the most are the U.S., U.K., Australia, and China.

In the U.S., 33% of parents believe their children don't spend enough time outdoors or playing sports. In Taiwan, Hong Kong, and India, it's 41%. In China, it's 63%.

INTRODUCTION

“My daughters tell me what is the best thing to buy for computers or cell phones or similar devices... They know more than I do about these things and I trust their opinion, so once they tell me what to buy, I will buy it.”

- Dad, Nuclear Family, Mexico City, Mexico

“The main thing is that the family is just the center, it’s the most important thing. I was always taught that you have friends, you have acquaintances, whatever, but you always have your family and no matter what, you can always rely on your family.”

- Dad, Same-Sex Family, New York, U.S.

The last decade has been characterized by enormous changes in demography, geopolitics and advances in technology. As the world around them has changed, families around the globe have evolved and adapted to thrive in the new millennium. Increased access to media and technology combined with these external shifts have changed the way families communicate, shop, and entertain themselves.

METHODOLOGY

This project was a two-phased market research study that included in-home ethnographies and scrapbooks as well as a quantitative online survey. The in-home interviews and scrapbooks were conducted in New York, Wichita, San Diego, Toronto, Montreal, Mexico City, Sydney, Paris, London, and Mumbai. Participants represented some common and emerging family types typical in those cities.

The online survey was conducted with a total of 4,783 respondents aged 18+ in 16 countries in Asia, Europe, Australia and the Americas. Survey responses were collected during July and August 2006 via an online panel. Respondents are representative of Internet users in these areas, and may not reflect the overall population. Internet penetration in the countries surveyed ranges from 70% in Hong Kong (highest penetration in this study) and 68% in the U.S., to 5% in India (source: CIA World Fact Book, 2006). The survey contained questions regarding media and technology ownership, usage, and attitudes as well as in-depth questions about the family profile and values. Quantitative research was conducted in 16 countries total: Australia, Canada, France, India, Mexico, U.K., U.S.A., Argentina, Chile, China, Hong Kong, Italy, Philippines, Russia, South Korea, and Taiwan.

In the analyses that follow, it was impractical to show all 16 countries in every table and chart. So, we typically chose to show data from seven to nine countries representative of their region. In a few instances, the point to be illustrated was a global one, so we charted it that way. And in two charts, we focused on just two countries whose contrasting data make the major point.

ABOUT HEADLIGHTVISION

Henley Centre HeadlightVision (www.hchlv.com) is an international strategic futures, qualitative research and marketing consultancy. Our mission is to deliver better futures for our clients. With a knowledge base of global trends and futures insights we work with clients to connect them to the future, model their strategic options, shape their strategy, and identify and create platforms for growth.

ABOUT OMD

OMD (www.ond.com) is the largest and most innovative media communications specialist in the world, with more than 140 offices in 80 countries. Named 2005 Global Media Agency of the Year by Adweek and 2005 Media Agency of the Year in the U.S. by Advertising Age, OMD also had the distinction of winning the most EFFIES in 2006 and more Media Lions than any other media agency at the 2005 Cannes International Advertising Festival. The agency network is a unit of Omnicom Group Inc.

GLOBAL BACKDROP

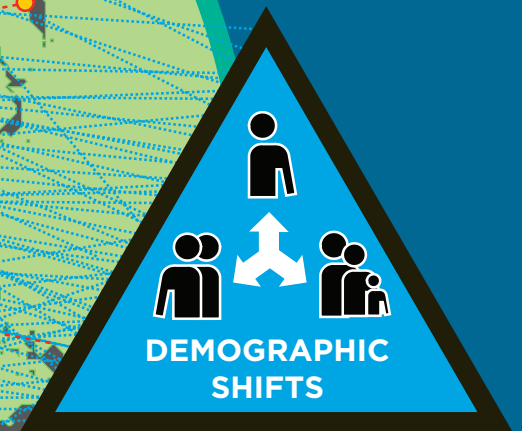
Three related societal shifts have had a profound impact on redefining today's families globally – demographic shifts, geopolitical changes, and information overload.

DEMOGRAPHIC SHIFTS: There is an increase in one-parent families globally, and more people are delaying marriage until after age 30. Hispanics have outpaced African Americans to become the largest minority in the United States. The cost of rentals in Hong Kong, Seoul, and New York has sent many post-college students back to their parents' homes (the boomerang generation). As life expectancy has grown in the U.S., an estimated 20 million households provide at least some level of care for their parents, from informal to more structured (source: Administration on Aging, 2003). Between 1970 and 2000, the number of U.S. kids living in interracial families rose nearly fourfold – from 900,000 to more than three million (source: U.S. Newswire, September 2005). More than 25% of U.S. kids live in single-parent homes (source: Courier-Journal.com, June 2005). Similar shifts are happening in various degrees globally. The era of two parents, 2.5 kids as the prototypical family is over in many Western countries.

GEOPOLITICAL CHANGES: The past few decades have seen an increase in international travel, global trade, and worldwide exchange of information. The entire world is only a mouse click away. In the U.S. more jobs are being outsourced to Asia and developing countries have increased purchasing power. This global landscape has had a deep impact on families because of the exponential growth of and rapid access to information.

INFORMATION OVERLOAD: Globally, there are more than 718 million Internet users (source: Media Metrix, July 2006) accessing 1.9 trillion monthly pageviews of information. We can now send email or text messages from cell phones and read headline news while riding in elevators. Although parents can contact their children at any time, they're competing with technology for their kids' attention.

GLOBAL LANDSCAPE

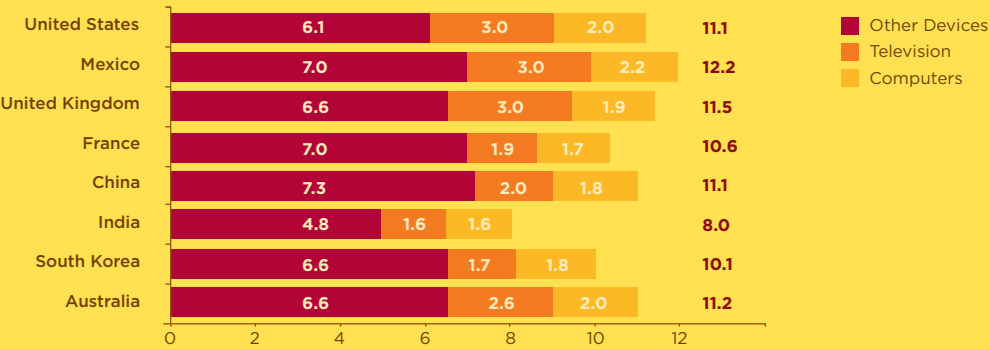


INFORMATION OVERLOAD

Globally, the average Internet household has 2.4 TVs, two computers and 6.3 other technological devices.



MEAN NUMBER OF TECHNOLOGICAL DEVICES OWNED PER FAMILY



Mean Number of Technological Devices Owned by Families (possible list of 17 devices including DVR, digital camera, HDTV, GPS etc.).

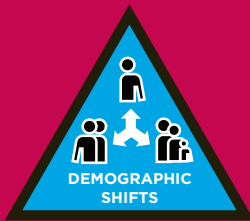


DEVICES OWNED GLOBALLY

	HDTV	DVR	MP3 PLAYER	DIGITAL CAMERA	MOBILE PHONE	SATELLITE/CABLE
United States	25%	29%	38%	75%	83%	89%
Mexico	30%	42%	46%	70%	93%	70%
United Kingdom	19%	42%	51%	85%	92%	59%
France	16%	18%	50%	80%	88%	19%
China	34%	36%	72%	64%	88%	62%
South Korea	36%	38%	73%	77%	92%	38%
India	17%	24%	36%	52%	87%	92%
Australia	29%	38%	48%	81%	92%	28%

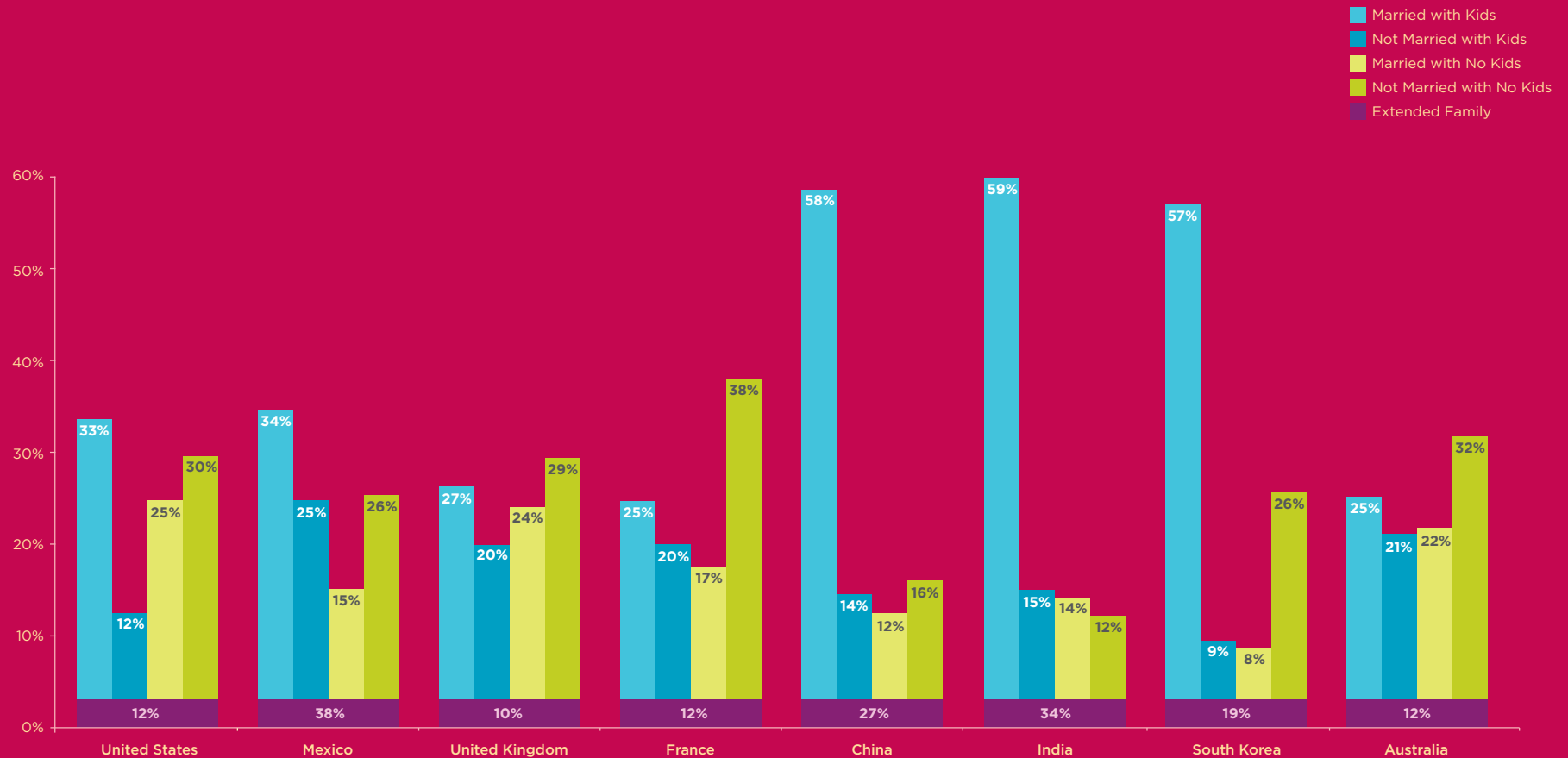
The mobile phone is ubiquitous (though the U.S. lags in ownership), while other technology varies by country. Mexico and the U.K. have the highest DVR adoption, and Asia leads in MP3 player adoption.

DEMOGRAPHIC SHIFTS

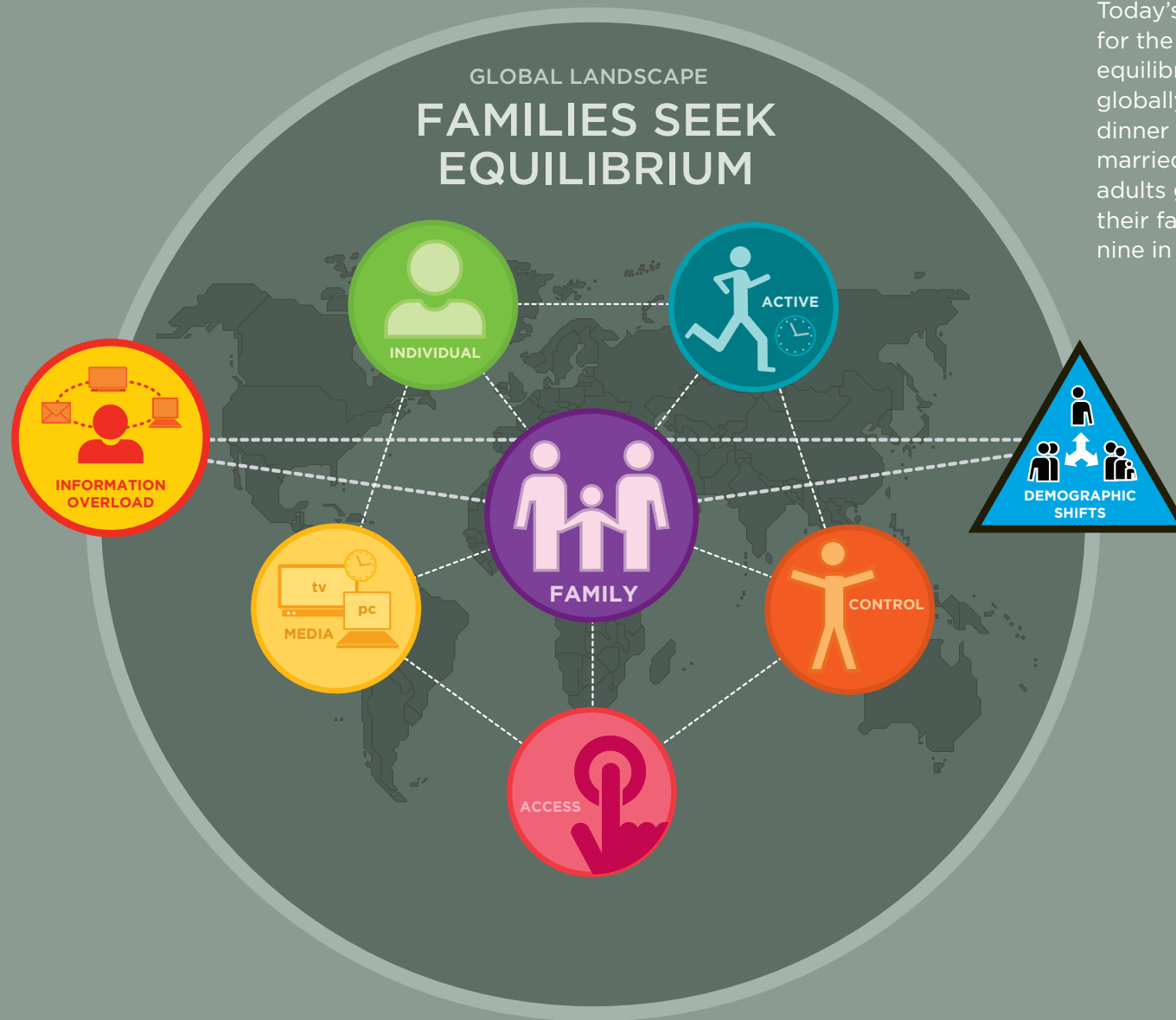


Among online users in Western countries and Australia, less than one-third are married with kids. In some countries, one in five parents are not married (including divorced, widowed or domestic partners). Eastern Asia tends towards more traditional family types. Worldwide, over half of our sample were married with kids. Extended family (grandparents, cousins, or other

relatives) in the same household is a global phenomenon. One in ten households in the U.S., U.K., France, and Australia includes an extended family member while in Mexico and India, that number exceeds one in three households.



IMPACT OF GLOBAL BACKDROP



Today's families focus on traditional values for the new millennium to achieve their own equilibrium. For instance, 63% of families globally think that it is important to eat dinner as a family each night (73% of those married with kids agree). Eight in ten online adults globally "enjoy spending time with their family," and this number increases to nine in ten among those married with kids.

FAMILY 2.0: A DEFINITION

Family 2.0

fam•i•ly [fam-uh-lee, fam-lee] n. pl.

Two or more individuals who share a connection of the heart, mind and spirit.

FAMILY 2.0 STRIVES FOR EQUILIBRIUM

COMPETING INTERESTS

The composition of families has evolved over the past few decades. Media and technology have become inextricably intertwined with family life. However, at the heart of it, Family 2.0 still strives to maintain traditional values.

The search for equilibrium in today's families takes several forms. Parents recognize the importance of all family members developing their own interests and focusing on personal growth. This need is balanced with the need for family cohesiveness and collective growth. To compensate for extended "screen time," family time includes active time outside with sports or playing favorite board games. Finally, the always-on Internet and television educate, inform, and entertain family members. Globally, families recognize the risks of too much technology (for adults or kids).



INDIVIDUAL/FAMILY MEMBER



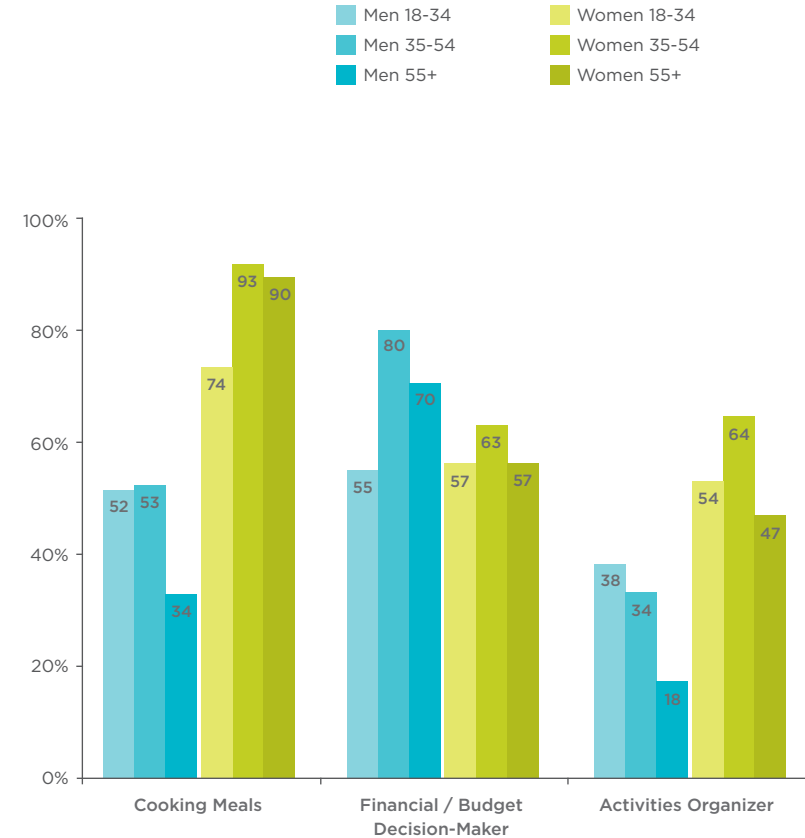
SHIFTING AGE AND GENDER ROLES

With more women working outside the home and single-parent households, the traditional role of mother as shopper, caregiver and housekeeper is morphing. In India and China these shifts are currently less pronounced than elsewhere. The younger generation of men are more likely to cook, clean, or plan travel than their fathers. In the U.S., women 18-34 are as likely to manage household finances as men in the same age group.

“I like to cook very much. In the morning, of course, I go to the shop and get fresh bread. When I come back, I make the breakfast for the family and I pack lunches for school. I also cook dinner every night.”

- Dad, Nuclear Family, London, England

PERCENTAGE WHO FULFILL THE ROLE IN THEIR HOUSEHOLDS (U.S. ONLY)

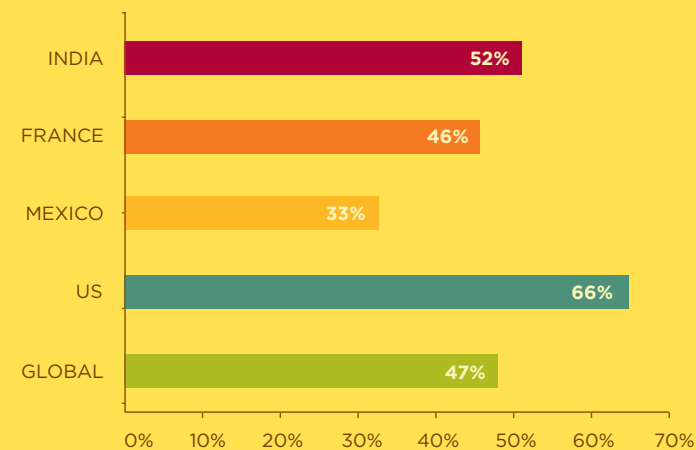


In addition to shifting age and gender roles, other changes are happening in families. The entire family is more likely to influence purchases. Globally, all family members have an influence on half of all purchase decisions (but only one-third of purchases in Latin America).

“If we were going to buy a new car then daddy would do it. We would have a say in it, but daddy would probably make the final decision...but if we wanted a blue car, daddy would say, ‘Well, who wants a blue car?’ and then take a vote or something, like that.”

- 9-year-old son, Nuclear Family, New York, U.S.

PERCENTAGE OF HOUSEHOLDS WHERE ENTIRE FAMILY INFLUENCES PURCHASES





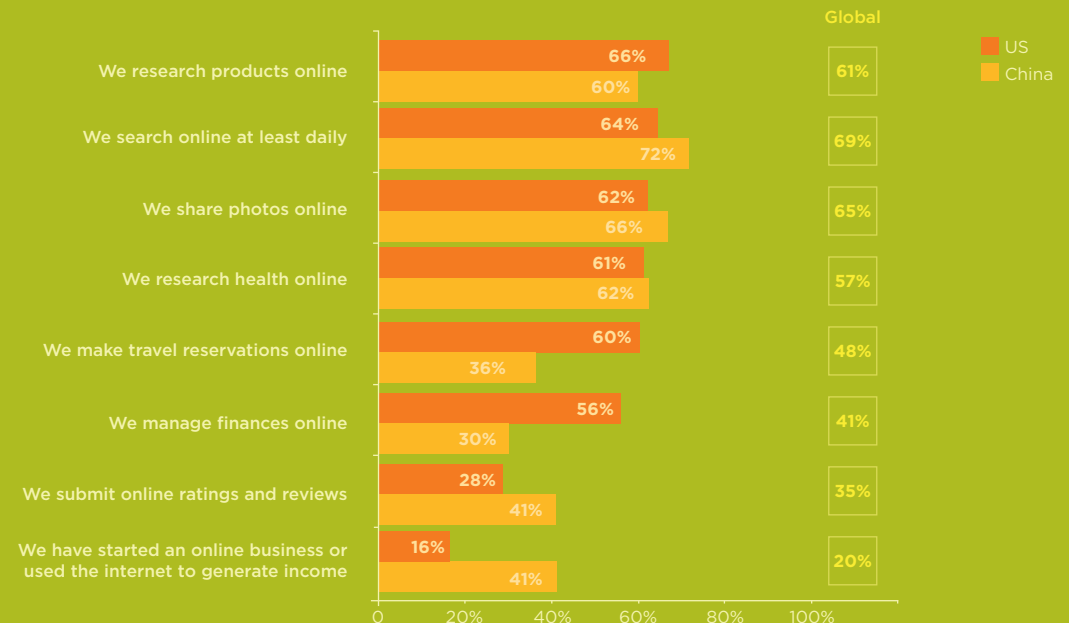
INTERNET IS USED FOR PERSONAL PRODUCTIVITY

With more families allocating responsibilities according to affinity or interest (as opposed to age or gender) the responsible party in the family decides how best to “get stuff done.” Family members often use the online channel to complete household tasks, whether it’s managing finances, planning a trip, or sharing photos.

The Internet is now a ubiquitous shopping channel globally. While the majority of purchases are made offline, over half of online users globally made an online purchase in the past year. In more developed markets like South Korea and the U.K., more than two in three online users have made an online purchase in the past month.

Two in ten online users globally have started an online business or used the Internet to generate income!

PERSONAL PRODUCTIVITY (PERCENTAGE AGREEING WITH STATEMENT)





NEW MEANS OF COMMUNICATION

	MOBILE PHONE	SMS	EMAIL	INSTANT MESSENGER	BLOGS
United States	83%	39%	96%	51%	44%
Mexico	93%	90%	99%	72%	74%
United Kingdom	92%	79%	97%	53%	40%
France	88%	66%	93%	63%	45%
China	88%	76%	96%	83%	81%
South Korea	92%	86%	84%	66%	74%
India	87%	79%	98%	67%	73%
Australia	92%	70%	99%	43%	48%

Digital technologies have transformed how consumers communicate. Mobile phones and email are ubiquitous globally. While SMS or text messaging is used by only four in ten U.S. online users, three in four global users use text messaging.

“I like to text my daughter when she is on her way to school...just a quick text to say hi or I love you is a good thing.”

- Mom, Single Parent, Paris

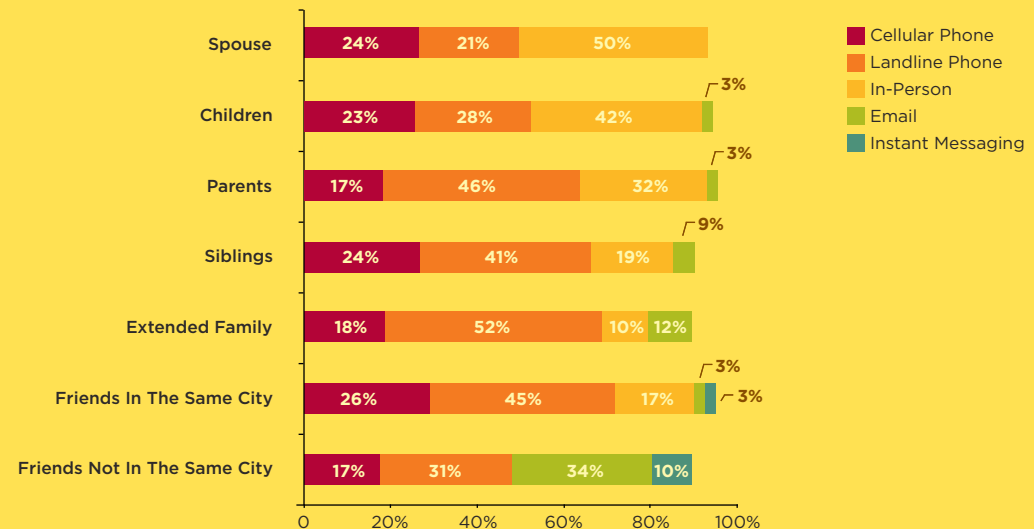
“I think technology helps keep the families together. Anywhere you are, you’re calling on the cell phone constantly. You can send email to anyone, anywhere...I remember as a kid writing the letters and waiting forever to get a response from a cousin on the other side of the world, but now it’s instantaneous.”

- Mom, Nuclear Family, New York



When it comes to immediate family, in-person communication, landlines, and cell phones are the primary means of communication. Email and instant messaging are the primary means of communication with friends in different cities. As a secondary mode of communication, globally, one in four persons communicate with their spouse via SMS; 19% communicate with siblings via IM. VOIP is used by 16% of our respondents to speak with their parents.

PRIMARY MODES OF COMMUNICATION | GLOBAL

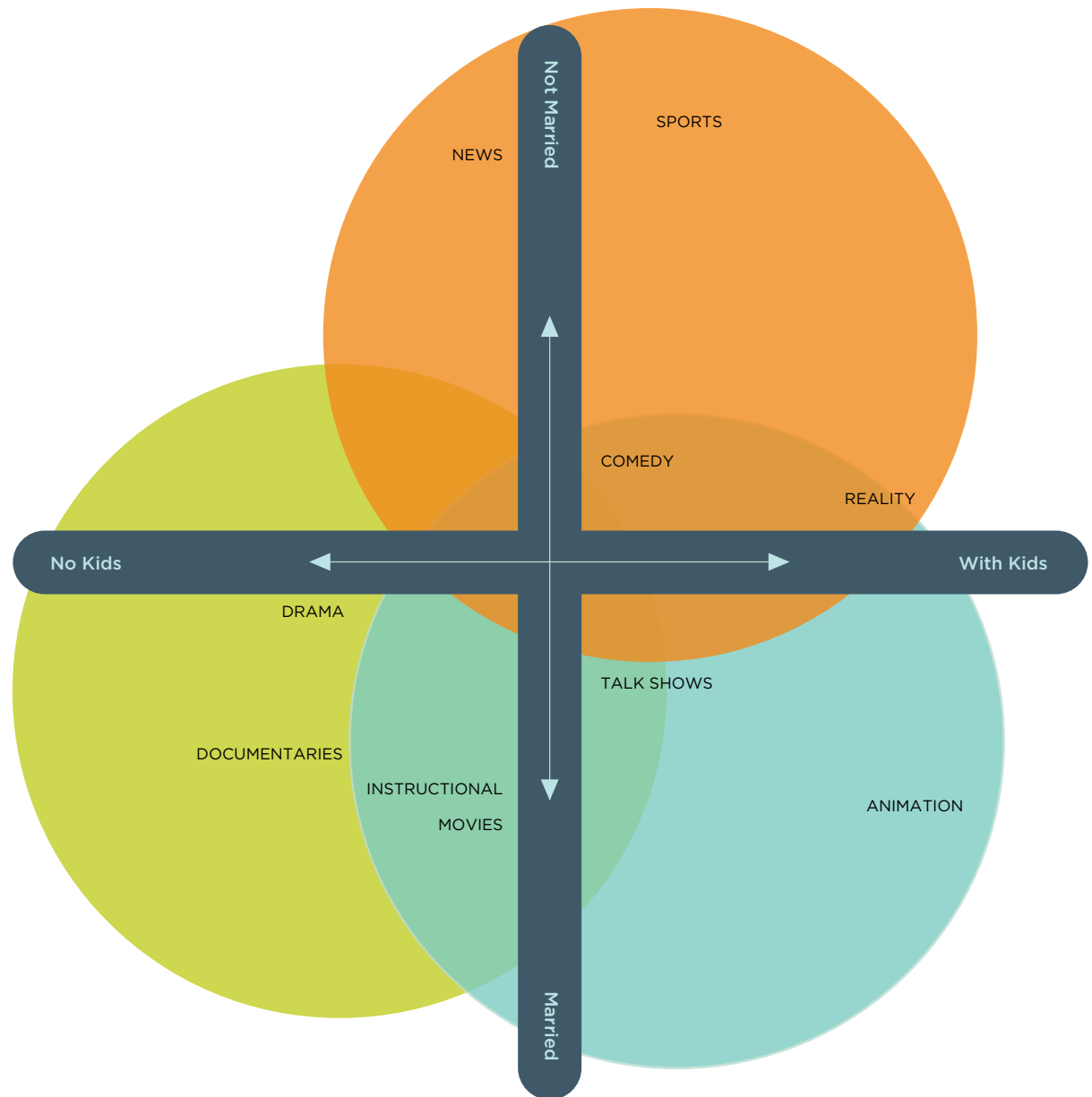


FAMILY TYPE DRIVES WHICH TV GENRES ARE WATCHED TOGETHER

Family Viewing: While TV is clearly a family activity, the Internet brings a significant segment of families together for screen-time as well. Movies and comedies top the types of TV programs viewed as a family, globally. News, dramas, and documentaries are also popular family viewing options, globally.

Family types also drive which TV genres are watched as a family unit (see chart). Animation is most likely to be watched together by those married with kids, while documentaries are more prevalent among those married without kids. Sports and news programming are more popular family viewing choices among those who are not married.

Online activities pursued as a family may include sharing photos, listening to music, playing games, instant messaging with common friends or relatives, or watching video. Of our Chinese respondents, 59% watch streaming video online (vs. 25% globally), and 39% compete in online games (vs. 18% globally).



GLOBAL DAILY HOURS SPENT ON VARIOUS ACTIVITIES

GLOBAL AVERAGE: 43 HOURS

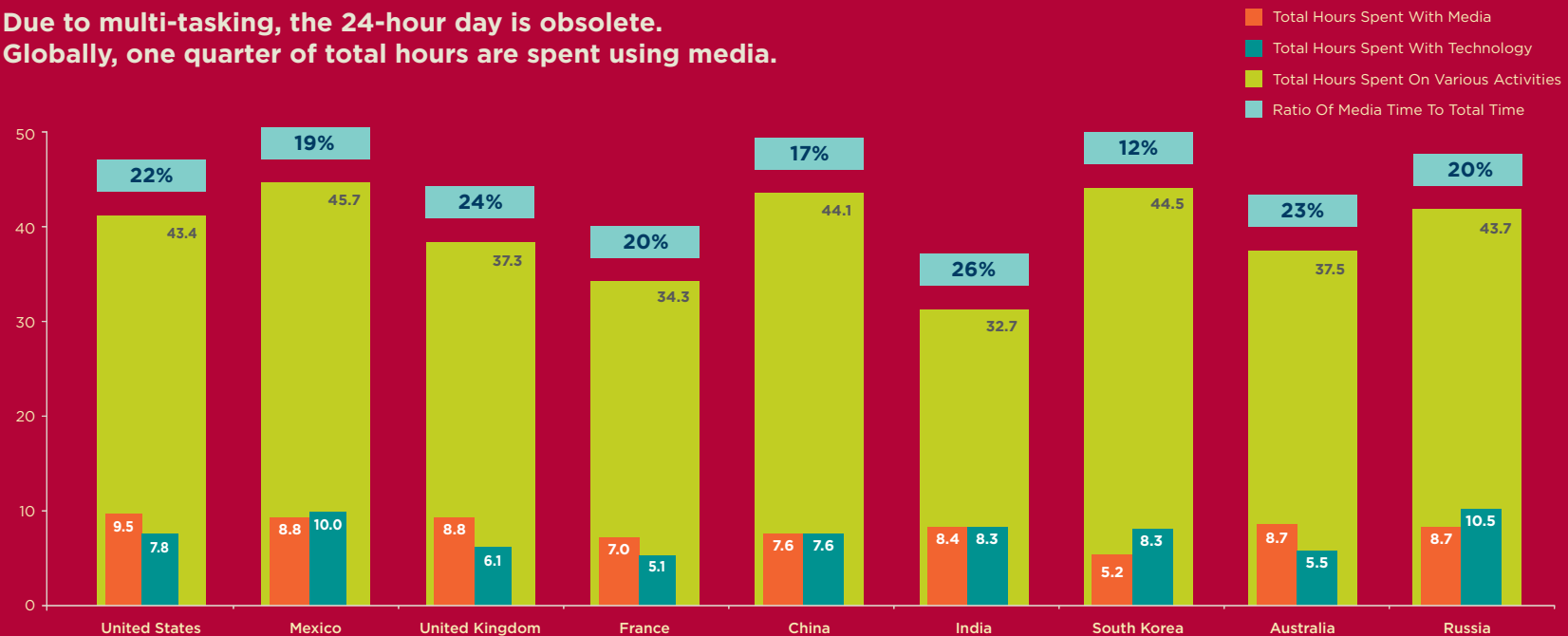
GENERAL	
SLEEP	7.1
WORKING	6.4
SPENDING TIME WITH FAMILY	4.5
GOING TO SCHOOL	2.7
SPENDING TIME WITH FRIENDS	1.5
HOUSEHOLD CHORES / ERRANDS	1.5
COOKING / CLEANING	1.4
COMMUTING TO WORK	1.2
TOTAL	26.3

TECHNOLOGY	
LISTENING TO MUSIC (NOT RADIO)	1.3
EMAILING	1.2
USING INSTANT MESSENGER	1.0
TALKING ON A LANDLINE TELEPHONE	0.7
TALKING ON MOBILE PHONE	0.6
TEXT MESSAGING	0.6
READING ONLINE JOURNALS /BLOGS	0.6
USING AN MP3 PLAYER	0.5
PLAYING ONLINE VIDEO GAMES	0.5
GOING TO THE MOVIES	0.4
PLAYING VIDEO GAMES (CONSOLE)	0.3
USING A PDA	0.2
TOTAL	7.9

MEDIA	
USING THE INTERNET	3.6
WATCHING TV	2.5
LISTENING TO THE RADIO	1.3
READING NEWSPAPERS	0.7
READING MAGAZINES	0.6
TOTAL	8.7

TOTAL TIME WITH MEDIA & TECHNOLOGY: 16.6

Due to multi-tasking, the 24-hour day is obsolete.
Globally, one quarter of total hours are spent using media.





“On Sundays we go to church and on Saturdays we go to a shopping center or we might get together with friends. Also my mother might take my daughter bowling on the weekends. We also play volleyball and basketball together...we like to play a lot.”

- Mom, Extended Family, Mexico City

“I don’t let the kids stay on the computer all day...I make sure that we all do something outside whenever the weather is good. We’ll go to the park, the playground, go for a walk... anything to get out of the apartment.”

- Dad, Nuclear Family, Mumbai

How do families cope with their busy lives and increased screen time? Playing sports, exercising, pursuing low-tech interests (like knitting and scrapbooking) as well as “back to basics” games like Scrabble and Monopoly allow families to unwind. Parents talk about trying to find both physical and mental activities for their children to provide equilibrium to their wired days.

FAMILY 2.0 STRIVES FOR EQUILIBRIUM



“Access to information certainly has its benefits. Terry had surgery and the car needed an oil change so my 12-year old son Michael changed the oil. (Using the Internet) he figured out how and he changed the oil, changed the plugs, put the new filters on, and put the car back together again.”

– Dad, Toronto, Canada

Family 2.0 can't imagine not having real-time access to news, communication, shopping, and entertainment. Parents see the benefits not only in their lives but also in the lives of their children. Globally, 56% of parents agree that the Internet has helped their children with schoolwork, and 61% agree that “the Internet has exposed my children to a broad range of cultures.” More than 40% of parents are concerned about their children being exposed to Internet predators, and one in three have installed software to limit their children's access online.

Having so many devices in our households isn't always a benefit. 16% of U.S. respondents agree that technology has complicated their lives, while 43% of online users in South Korea agree.

MEDIA ROLES AND PREFERENCES

Each medium serves a unique role for families, globally. The Internet is appreciated for diversity of content and has become the established source for information related to travel, jobs, finance, and autos.

Globally, television is seen as the best source for news and comedy, and is viewed comparably with the Internet as a source for information on movies and sports.

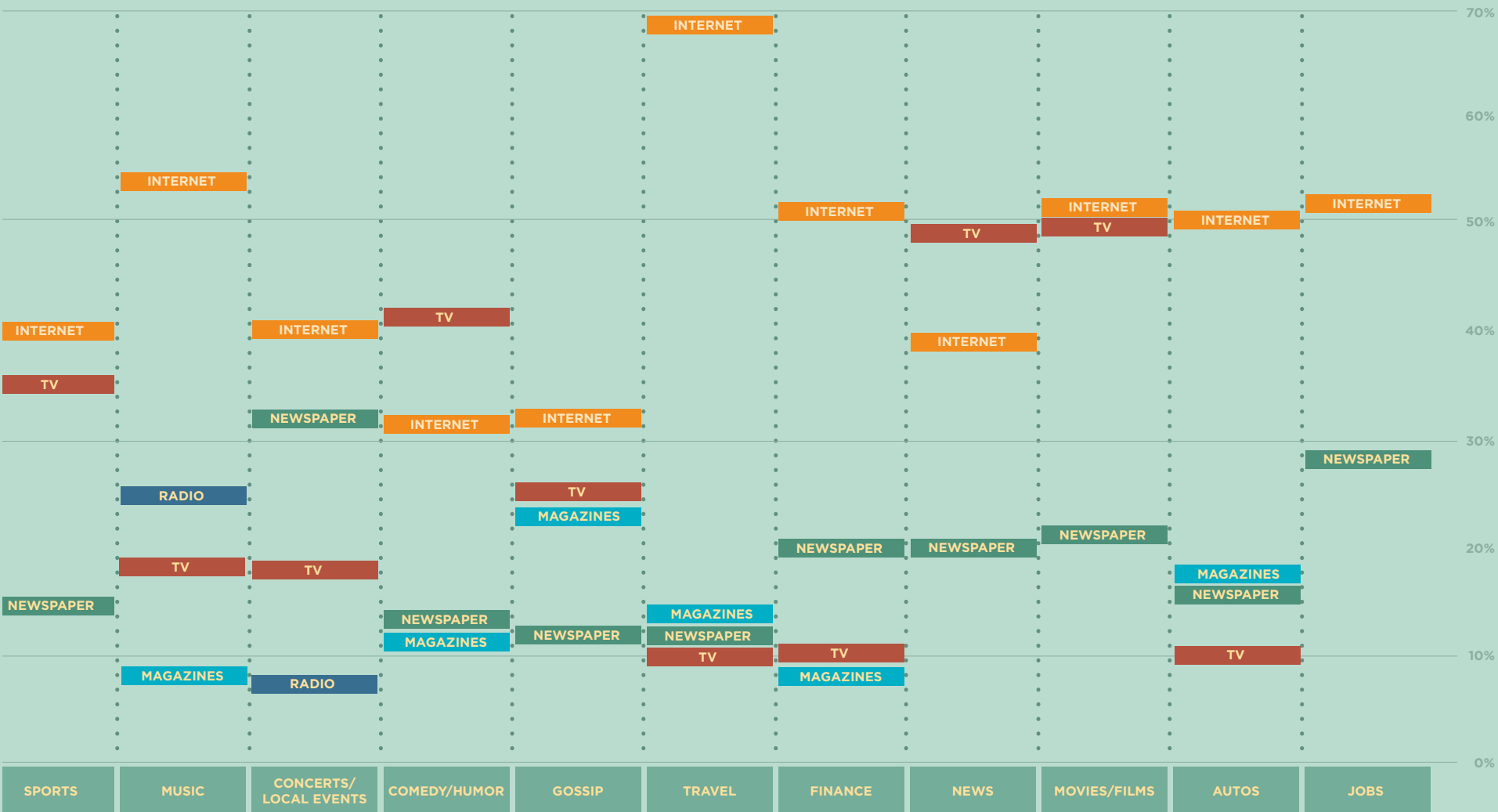
Magazines are a source for celebrity gossip as well as niche content regarding finance, autos, travel, or humor. Newspaper is viewed as a strong secondary source for all information with a local flavor, including jobs, concerts and events, and sports.

Radio still plays a role for information related to music (although it has been surpassed by the Internet).

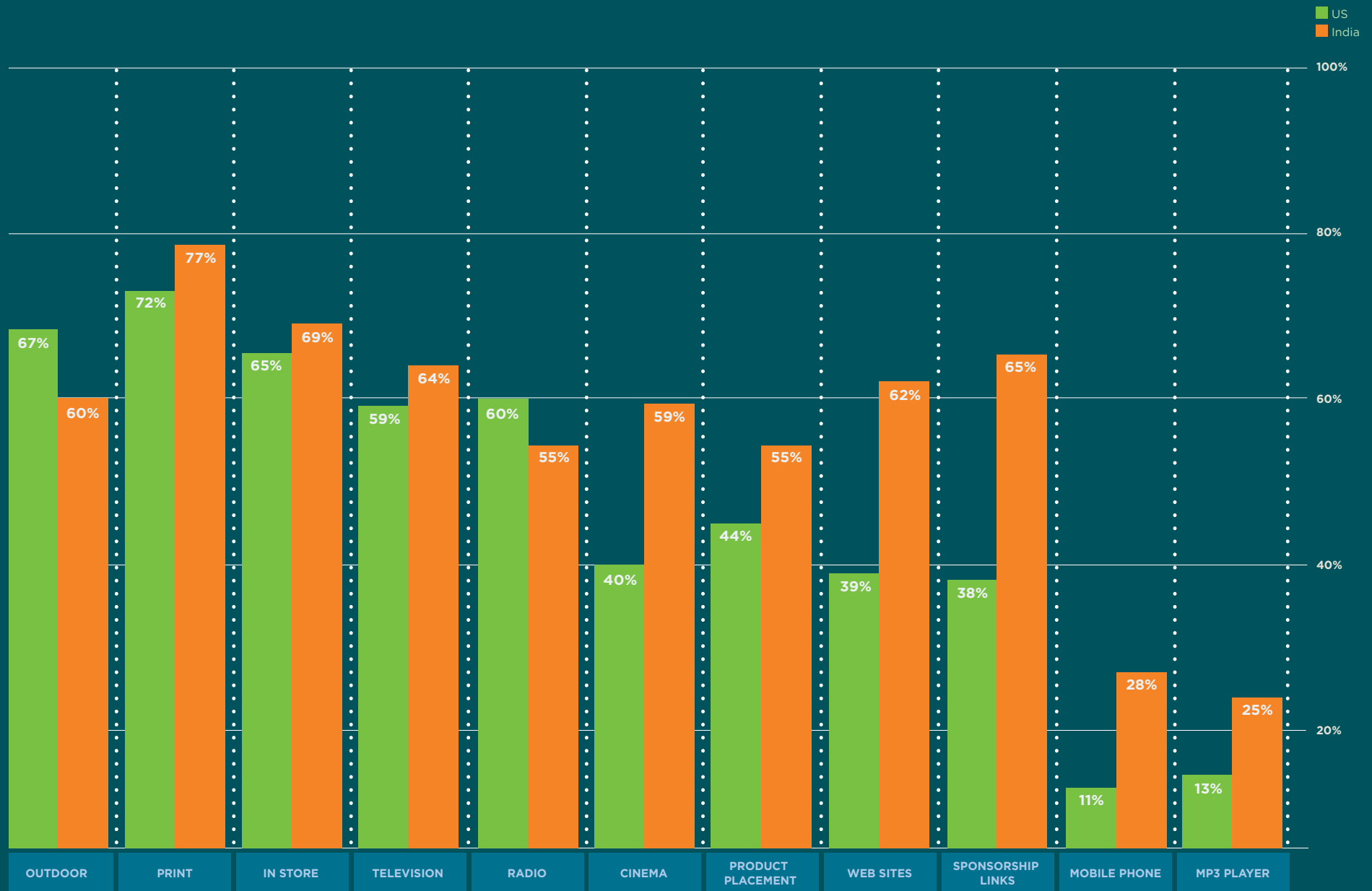
Our global online citizens clearly rely on information in all aspects of their lives. However, when it comes to receptivity to advertising, U.S. users are less open to seeing ads online or on their cell phones or MP3 players than in print or on TV (this percentage has actually increased over the last year).

Interestingly, in emerging markets like India, receptivity to online advertising is on par with acceptance of advertising on radio or in magazines. Indian respondents are also more open to receiving ads on their cell phone or MP3 players. More than 30% of respondents in Hong Kong and Taiwan are open to seeing these messages.

FAMILIES USE DIFFERENT MEDIA FOR DIFFERENT PURPOSES: INTERNET, TV, AND PRINT PLAY KEY ROLES



INTERNET PLAYS KEY ROLE AS INFORMATION SOURCE

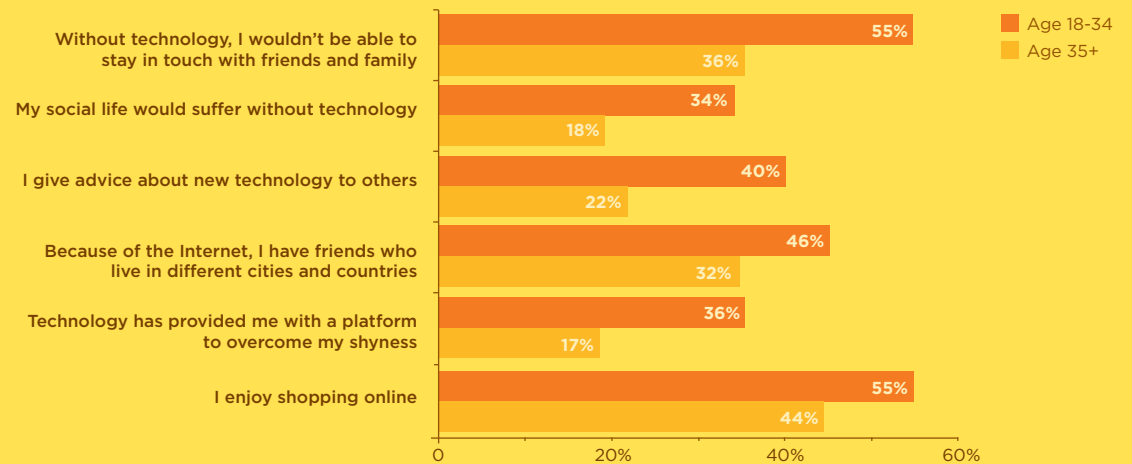


Percentage that agree "It's Okay to Find Advertising in Each Place" (Top2Box)

THE FUTURE

We have seen enormous shifts in the way families function (shop, entertain themselves, and communicate) globally as a result of media and technology. As the younger generation which has been raised with technology matures, we expect these shifts to become even more dramatic. Globally, 18- to 34-year-olds are more likely to rely on technology not only to communicate and shop, but also to enhance their social lives. One-third agree that their social lives would suffer without technology, and that technology has helped them to overcome their shyness. Media will have a larger impact in the coming decades than ever before.

PERCENTAGE AGREE | UNITED STATES



MARKETING OPPORTUNITIES

Family 2.0: Families have evolved globally, and no longer represent two parents, 2.5 kids. Marketers need to be sensitive to representing alternate family scenarios in their creative executions and learn how to best reach and engage with different family types (including families with adult children or grandparents living at home). With these demographic shifts also come evolving roles and responsibilities. Today, household influence and decision making is more likely based on affinity and household composition than on straight demographics. Marketers need to better understand household decision making and where appropriate employ behavioral targeting to reach key constituents.

Family Decision-Making: One critical element of Family 2.0 is the “openness” of parents to input from their children and desire to have open communication within their family. In most of the world, at least half of the input for buying decisions comes from family members other than parents. Employing a joint messaging and targeting strategy can be valuable for product categories where children have greater interest (food, travel, electronics, and entertainment). Marketers can reach and influence multiple viewers simultaneously by exploiting TV genres which families enjoy together (such as movies and comedies). Online family activities include gaming, watching videos and photo sharing. For the categories where most decision-making is made by an individual, new personal technologies such as wireless mobile and MP3 should be considered to complement traditional targeting strategies.

40 Hour Day: Globally, online users are busier than ever. They are spending nine hours with media (internet, television, radio and print), and additional seven hours with other technologies (including mobile phone, MP3 players and instant messaging). Marketers need to engage with consumers in a way which adds value to their busy lives, but also breaks through the activities which are happening concurrently. As more “screen time” occurs on newer

MARKETING OPPORTUNITIES

devices like MP3 players, cell phones and PDAs, marketers should experiment with engaging with consumers on these devices. In Asia, online users are already much more open to receiving advertising on their personal devices. Global marketers should learn best practices from these markets and adapt regionally.

Evolution of Communication: One of the reasons that more people are feeling closer to their families is their increased ability to stay in touch. Cell phones, email, text messaging, instant messaging and Skype make the world smaller than ever and allow parents to be in hourly communication with their children. Marketers can leverage these touchpoints with instant messaging environments or by using text message shortcuts as part of their creative.

Active Time: Today's families experience tension between their eager use of technology and their desire for a healthy and balanced lifestyle. Images of healthy or "unplugged" living should resonate with Family 2.0. Similarly, marketers should offer products which help improve personal efficiency or focus on relaxation to tap in to the global desire for equilibrium.

Media and technology will continue to evolve how families entertain themselves, shop, communicate and manage their lives. There are clear attitudinal and behavioral differences among those who were raised with technology versus previous generations. As marketers we need to continue to evolve our media and marketing strategies accordingly. Finally, penetration and usage of technology differs widely by region and country. These findings apply to global families in general. When it comes to any specific product or service, marketers should remember: **Think global. Act local.**

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