



20/20 Vision for Mobile Video

Outlook for a new era of mobile-first experiences



National
Research
Group

A STAGWELL COMPANY

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2020 Changed the Way We Video.

Mobile video is at an inflection point characterized by a surge in premium video content, driving both meaningful connection and self-expression among Gen Zs and Millennials.

The Premium Mobile Video Category Delivers Social Currency and Enlightenment

With so many people accessing video through mobile phones, global mobile video viewership is growing 6% annually, outpacing growth on other video platforms.¹ The rise of mobile video is fueled not only by the 9 in 10 Gen Z and Millennial consumers who watch user-generated content every day,² but also by the substantial contingent of young consumers who tune into high-quality premium mobile content daily. They are drawn to premium, immersive and made-for-mobile experiences: content that communicates compelling stories in less time, and is shot in vertical display.

Premium mobile video is about social currency and self-education, with 96% of Gen Z and Millennial consumers turning to premium mobile video to stay up-to-date with what people are talking about, to feel informed, to learn something new, and to participate in the conversation.³ The most effective mobile experiences not only help Gen Z and Millennial consumers connect to each other, but also allow them to express themselves, expand their horizons, and elevate them to be contributors to the global, cultural conversation.

2010

Smartphones
are ubiquitous



Early 2010s

User-generated
content explodes



2020+

Rise of Premium
Mobile Video



Saudi Arabia: where mobile dominates.

97% of Saudi Arabians own a smartphone,⁴ and time spent with the ubiquitous device is climbing.

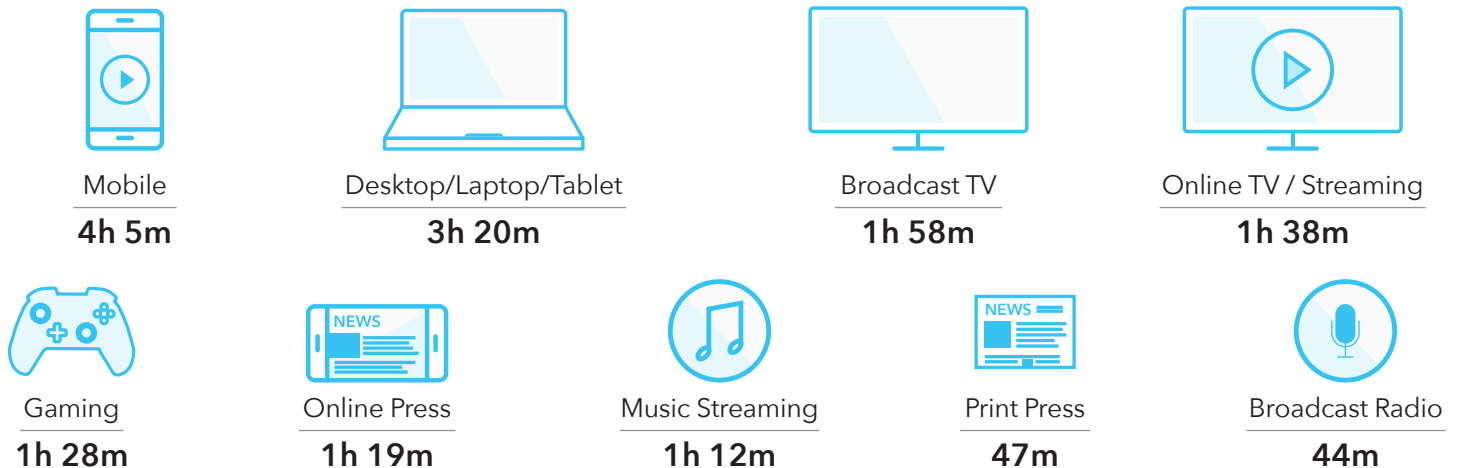
Saudi Arabia's Monumental Mobile Usage Continues to Increase⁵

Outpacing other device ownership by at least 80%, mobile usage in Saudi Arabia is essentially universal among the country's population and daily time spent with the device is both significant and rising: in 2019, consumers spent 4 hours and 5 minutes with their mobile phones, a 30 minute boost over the previous year.



Mobile Media Time: Beats Desktop, Twice as Much as TV⁶

Consumers spend more time with mobile media than any other medium in Saudi Arabia. They spend double the amount of time with mobile as they do with TV, and 45 minutes more than on desktops, laptops or tablets.



The Effect of COVID-19: More of Everything, but Especially More Mobile Video⁷

With the implementation of social distancing in Saudi Arabia, mobile and fixed data usage increased in the Kingdom by 33% compared to the previous year.⁸ While more consumers are watching various types of video during this unprecedented time, Gen Zs and Millennials are still prioritizing mobile video.



⁴Deloitte Global Mobile Consumer Survey, Middle East Edition 2019
⁵eMarketer, The Global Media Intelligence Report 2019

⁷2020 NRG KSA Study commissioned by Snap Inc.
⁸<https://www.arabnews.com/node/1647396/saudi-arabia>

Mobile video is more than entertainment: it gives Gen Zs and Millennials tools to thrive.

In 2020, mobile video has become a viable way for many consumers to cope with newfound anxieties and stay connected to one another.

Smartphones are consumers' most intimate devices: they're a portal for connecting with loved ones and the outside world, and where consumers keep many of their most important photos, memories and reminders.

The social currency and information mobile video provides is further reinforced during the COVID-19 pandemic. Short-form mobile video is an accessible lifeline for consumers to connect and stay informed in a moment of need.



94%

of Gen Zs and Millennials in Saudi Arabia say mobile video has helped them cope during the current crisis.⁹

USING MOBILE VIDEO TO COPE DURING THE PANDEMIC¹⁰



89%

Entertainment

For escape, laughter and distraction



86%

Personal Growth & Wellness

Keeping the mind or body healthy with fitness, skill building, and emotional wellness



80%

Connection

To loved ones, the world around you, and people who are being real and authentic



72%

Information

To stay informed about news and pop culture

“Provide the tools for people to succeed and thrive. Let them find it and shape it.”

- Galit Ariel, Futurist, Ted Speaker & Author



Galit suggests that “amid COVID-19 and the global economic and social unrest, Maslow’s pyramid has crumbled. People are shifting away from a ‘me’-centric culture as they begin to evaluate their needs, ambitions and behaviors through more critical cultural and societal perspectives. Our mindsets don’t adhere with the hierarchical model Maslow’s pyramid suggests anymore. We got to a point where we realize that the relationship between individual, social, psychological and basic needs are organic and intertwined—the layers are melded. We started to comprehend that we need to actualize ALL the layers (at least on some level) to thrive.”

Storytelling matters more than ever.

A rising quality standard is paving the way for short-form premium mobile video's ascent.

Short-Form Does Not Mean Cutting Corners on Quality¹¹

Despite a trend towards shorter video content among elusive young consumers, there is still strong demand for immersion and escape at a click.

65% of Gen Zs and Millennials say they spend more time with video on their phones than on any other devices. The top three reasons they are watching more short-form premium video are: accessibility, quality and storytelling.

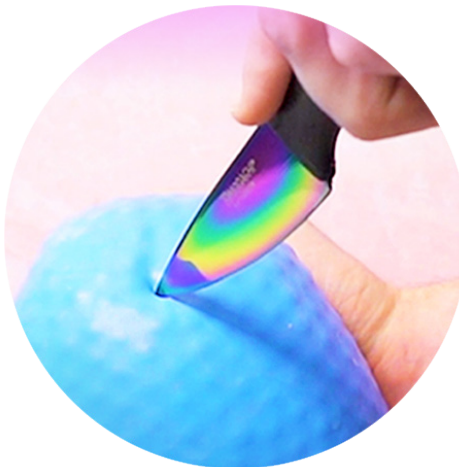


Accessibility

*Mobile provides always-on,
always available access*

88%

say it is very important to have easy access to the most popular videos and an always growing collection of videos¹²



Quality

*Amount of quality
video is growing*

77%

say it is very important for mobile video to feel professionally created, i.e., tell a story in less time and professionally shot in vertical display¹³



Storytelling

*Stories are becoming
more interesting*

84%

say short-form premium video is pulling them into characters, personalities and storylines very well¹⁴

Nearly all consumers tune into some form of video on their phones daily.

TIME SPENT IS UP YEAR OVER YEAR¹⁵

Although daily mobile video consumption was already significant in 2019, noticeable increases emerged in 2020.



2020

87%

watch more video on their smartphone vs. a year ago



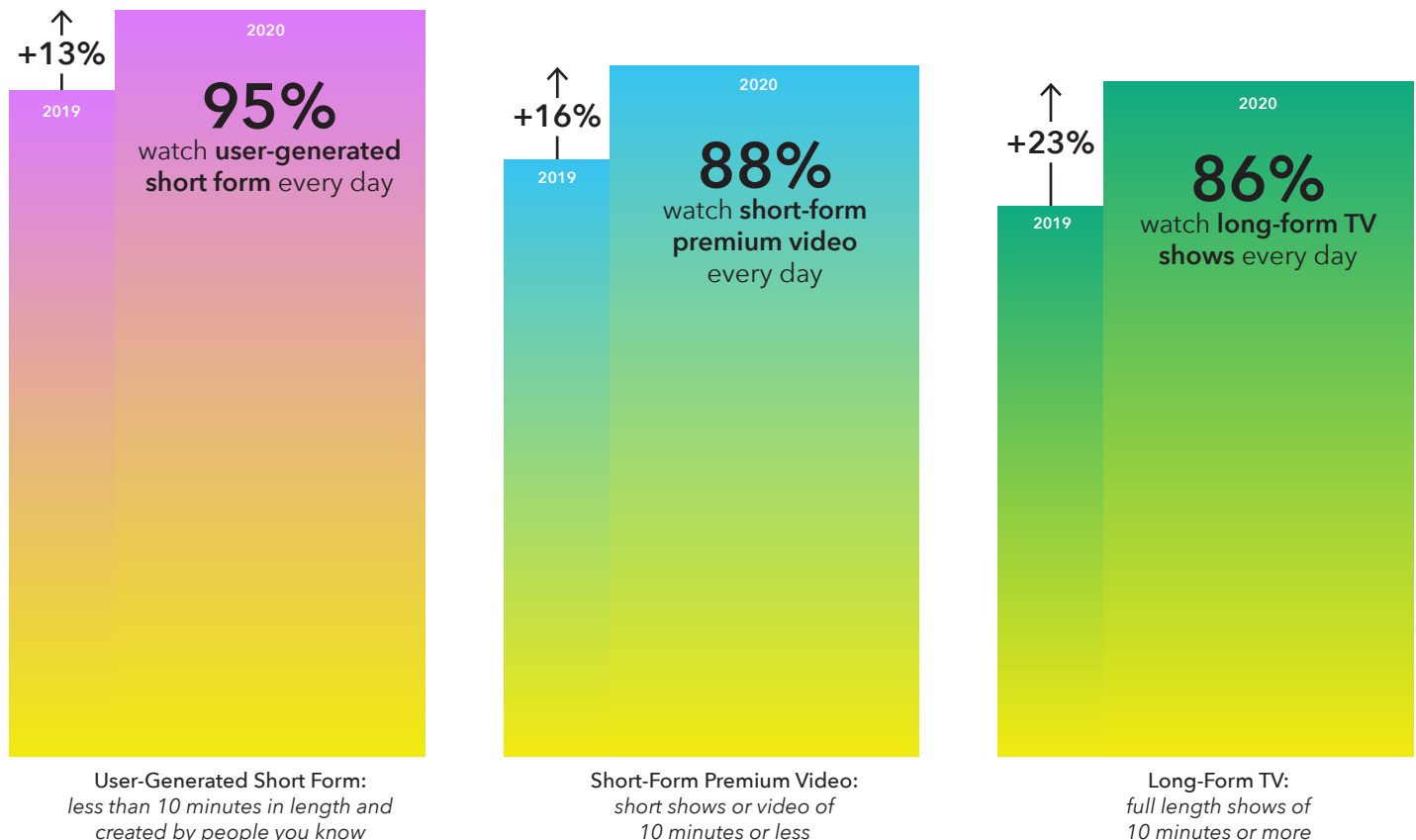
2019

74%

watch more video on their smartphone vs. a year ago

PERCENT OF GEN Zs AND MILLENNIALS WHO WATCH MOBILE VIDEO DAILY¹⁶

There is growth across the three mobile video formats. Daily viewership of premium mobile video is closing the gap with user-generated content. Growth in long-form viewership daily on their phones is strong, bringing it to parity with short-form premium mobile video content viewership.



Three pillars characterize the magic of mobile: Personal; Connected; Relatable.

The mobile video content Gen Zs and Millennials crave gives them connection to real life, each other and the world.

The most effective mobile experiences not only help consumers connect with each other, but also allow them to express themselves, and elevate them to be contributors to the cultural conversation.

When mobile video is personal, relatable and connected it creates the perfect intersection of connection and self-expression that solidifies mobile video's role in Gen Z and Millennial consumers' lives.

THREE PILLARS OF AN ENGAGING PREMIUM MOBILE VIDEO EXPERIENCE

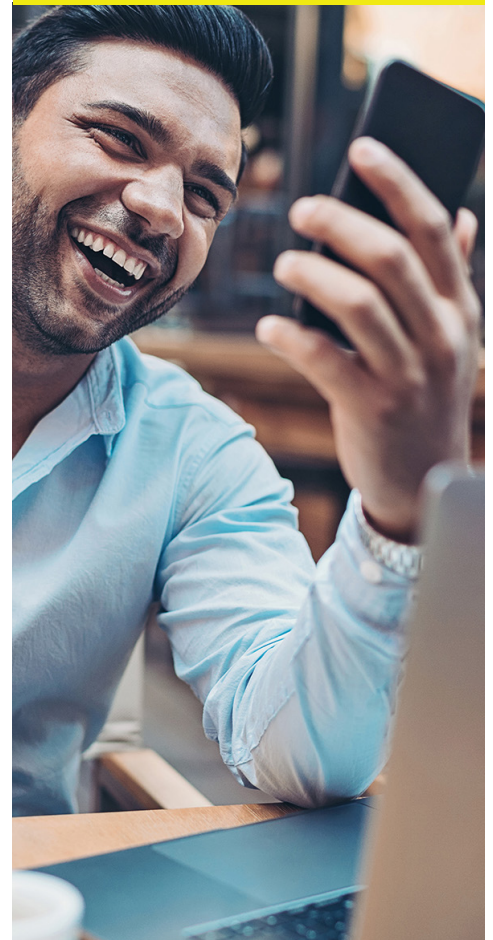
Personal



Connected



Relatable



Personal

Premium mobile video creates a just-for-me storytelling experience, in a convenient format that offers flexibility.



*Vertical Video Creates
an Intimate Experience*

More than 9 in 10
Gen Zs and Millennials say that
when video fills the screen vertically
it feels so much more personal
(95%) and immersive (93%).¹⁷

96% of Snapchatters say it's more *personal*
vs. 86% among non-Snapchatters¹⁸

93% of Snapchatters say it's more *immersive*
vs. 89% among non-Snapchatters¹⁹

Vanessa Guthrie, Director, Snap Originals, Snap Inc., explains how made for mobile storytelling enhances the personal user experience:

"The stories that you tell must lean into the intimacy factor of the phone. Beyond the fact that it's a totally different medium, it's so much more personal—and so the types of stories, and the way you tell them, have to be truly made for mobile."



Discerning digital natives crave compelling narratives, in a convenient format.

Mobile short-form video is about watching on consumers' own terms, fitting their schedule and time commitments.

Gen Zs and Millennials Crave Immersion *and* Convenience

Consumers still want an immersive experience, but in a format that is convenient for their moment-to-moment lives.



93%

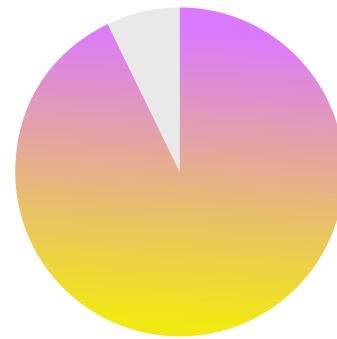
Gen Zs and Millennials say short-form premium content fits well into their day or schedule.²⁰

Gen Zs and Millennials value the flexibility mobile provides²¹



9 in 10

say they would rather engage with a lot of shorter videos than get completely immersed in a longer video.



93%

say full-length TV or video series are too much of a time commitment.

Short-form content is 2x as likely to keep them watching compared to long-form; it's 3x as likely to keep the youngest Gen Zs (teens) watching:²²



67%
of teens



59%
of Gen Zs

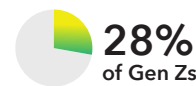


56%
of Millennials

say **short-form** keeps them watching



23%
of teens



28%
of Gen Zs



31%
of Millennials

say **long-form** keeps them watching

Connected

Uniquely enriching Gen Zs and Millennials with social cred, knowledge and relevance, short-form premium mobile video puts consumers at the center of the conversation.



*Content Leans
Into Self-Expression*

93%
of Gen Zs and 96% of Millennials
say technology allows them to
express themselves.²³

95% among Snapchatters
vs. 82% among non-Snapchatters²⁴



Njoud Al Shammari,
Gen Z Beauty and Lifestyle Influencer

"Snap gave us the opportunity to discover different cultures from different countries, and introduced us to many new things. It's great to learn about a variety of cultures and ways to live through Snap, in a way that is quick, fun and spontaneous."



Premium mobile short-form's unique DNA is made of social currency, engaging stories and expanding horizons.

Top attributes of short-form premium mobile video revolve around establishing social currency and picking up new information—staying in-the-know, participating in and often leading the conversation. But the format also allows consumers to engage emotionally through relatable characters, a characteristic that has historically been reserved for bigger screens.

TOP ATTRIBUTES OF SHORT-FORM PREMIUM MOBILE VIDEO²⁵

Makes me feel informed (e.g., keeping up with the news, learning a new skill)

Teaches me something new

Keeps me up to date on what everyone is talking about

Allows me to see relatable/relevant characters and people

Allows me to bond with my friends and/or family

Stimulates my mind or makes me think

Gives me something to talk about with others online

Gives me something to talk about with my family and friends in person

Allows me to be a trendsetter/introduce family and friends to new content

Makes me feel emotionally connected to a character, person or story



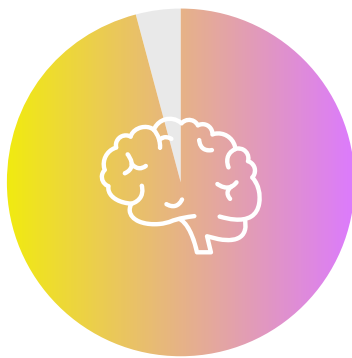
at least 9 in 10

Gen Zs and Millennials agree that each of these describes short-form premium mobile video

Knowledge is power.

Gen Z and Millennial consumers use mobile video to stay informed.

In Saudi Arabia, where two-thirds of the population is under 30²⁶ and 77% of consumers²⁷ use mobile video to get their news on a daily basis, the power of mobile video to provide information to younger generations in the Kingdom is striking.



96%

of Gen Zs and Millennials use mobile video to learn something new, keep up with the news and stimulate their minds²⁸



4 in 10

use short-form premium mobile video throughout the day to catch up on what's happened and stay informed²⁹

7 in 10

watch news-related shows on their phones regularly³⁰



Relatable

Short-form premium mobile video is a conduit to relevant real-life content and experiences—just what they need, right when they need it.



*Relatable Interactions
Deepen Trust & Connection*

92%
of Gen Zs and Millennials say short-form premium mobile video makes them feel like they are a part of a community of people like them.³¹

92% among Snapchatters
vs. 85% among non-Snapchatters³²



Fattori Fraser,
Design Strategy Lead, Quantum

"We've been witnessing the re-appropriation of digital platforms and technologies by Gen Z throughout the recent crisis. Gen Z are actively seeking community connection through digital spaces—in contrast to the earlier proliferation of individualist content creation in this realm. To do this in a significant way, Gen Z have harnessed existing platforms and their innate and intuitive usability, to showcase and support a broader range of content and communities than their developers initially imagined."



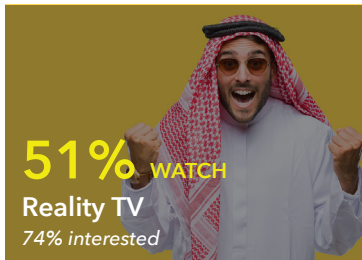
Hyper-relevance creates hyper-connection.

Mobile video content preferences are a personal reflection of Gen Zs and Millennials' individual needs and tastes in any given moment. Unlike more communal, lean-back entertainment experiences like TV, mobile video content choices are more purposeful.

Mobile is portable, so the top genres Gen Zs and Millennials engage with on mobile video deliver on a wide variety of needs that evolve as they navigate every aspect of their day-to-day. Whether reading up on a breaking story, watching a tutorial to address an in-the-moment challenge or laughing at a quirky video when they need a pick-me-up, each mobile video choice serves a specific need in that very moment.

TOP 10 MOBILE VIDEO GENRES FOR GENZs AND MILLENNIALS³³

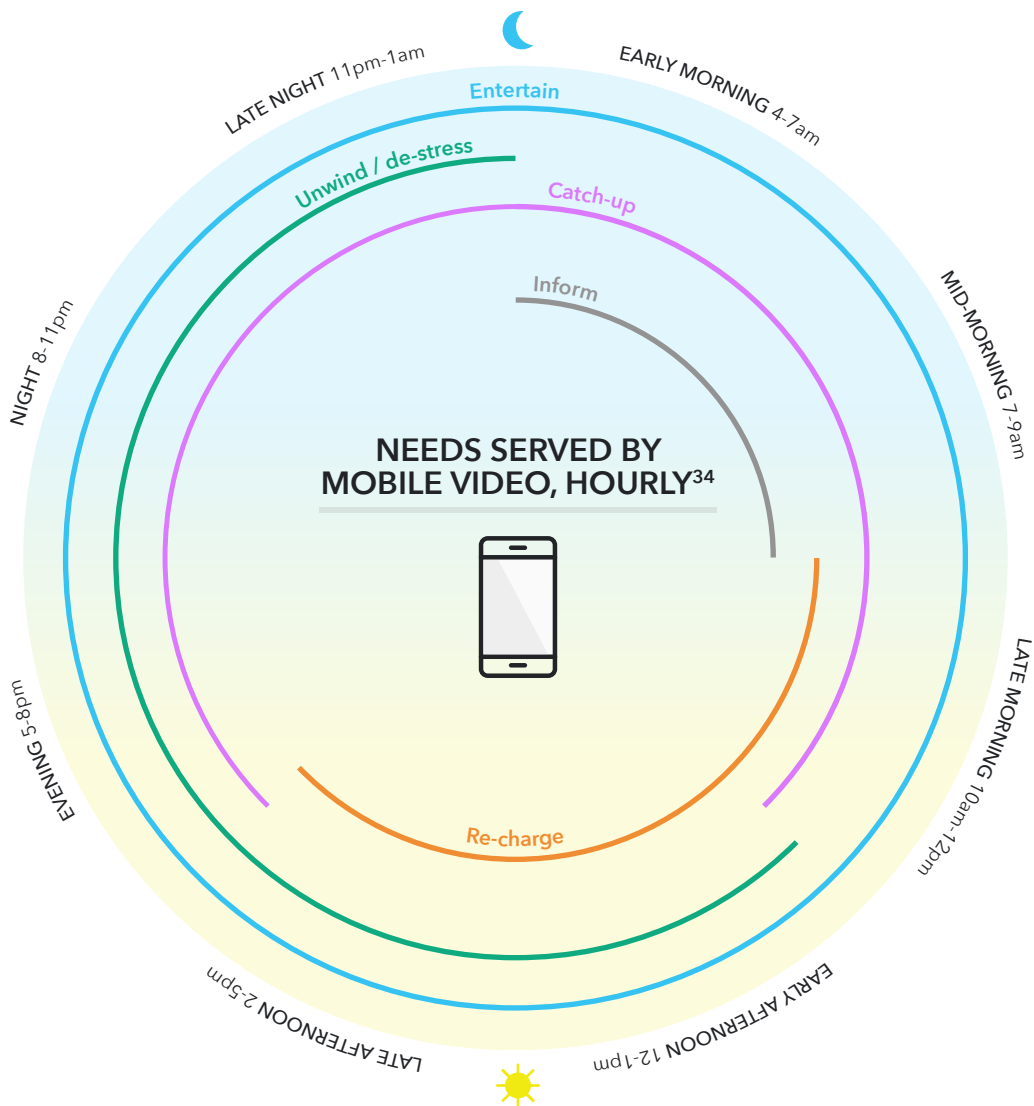
serving everyday needs of entertainment, information and connection



Relevance matters in every moment, with mobile video serving a range of needs across each day.

Mobile video: often the last thing they go to sleep with, and the first thing they wake up to.

Gen Zs and Millennials are very purposeful in their mobile video consumption, and it's important to understand how need states shift throughout the day to determine how best to engage them. While entertainment is top-of-mind from morning to night, younger generations want to make sure they're staying in the know all day by using mobile video to catch up on what's going on.



Next-generation experiences will build even more meaningful connections.

Interactivity will make social currency even stronger for mobile video.

The Future of Premium Mobile Short-Form Is Interactive

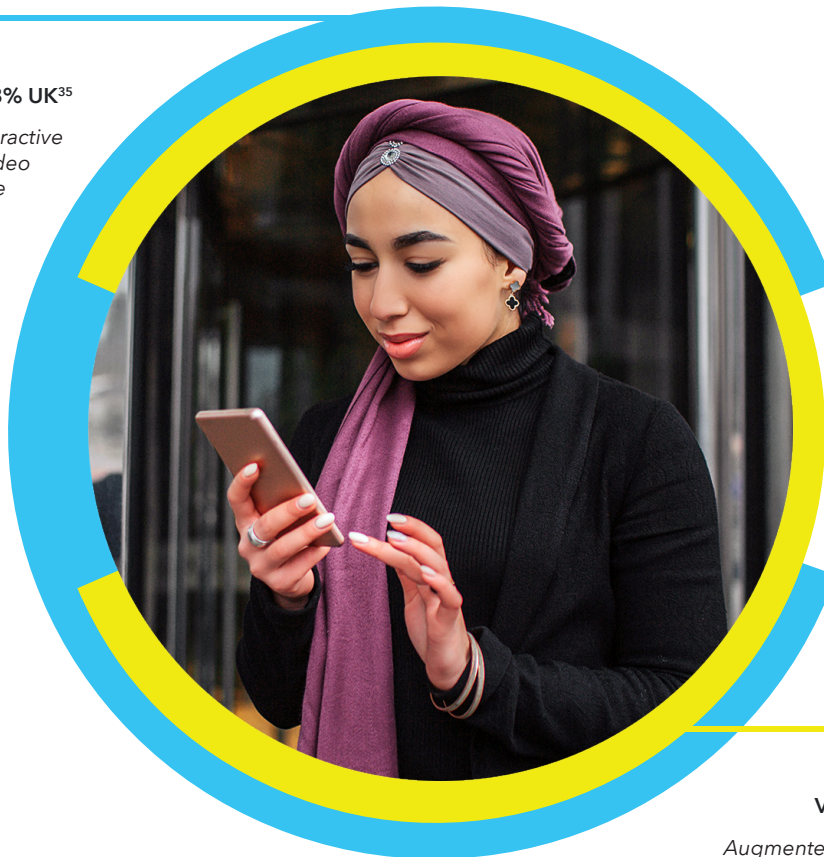
When we look to Saudi Arabia, we see Gen Zs' and Millennials' interest in interactive social content experiences on mobile in the Kingdom is ahead of the global curve. The connection and self-expression they seek in mobile video experiences will become even more central in the future.

Social Participation

89%

Very Important, vs. 63% US, 58% UK³⁵

Sharing your thoughts with interactive polling or questions within a video or show; lenses that bring to life your favorite video characters or themes



AR Content

87%

Very Important, vs. 50% US, 43% UK³⁶

Augmented Reality (AR) experiences that let you step inside scenes of your favorite shows or videos; AR experiences that let you experience video from all angles and get up close and personal with your favorite personalities or characters

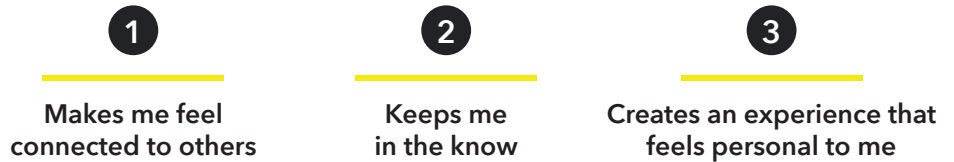


Snapchat is the go-to destination for a personal experience, connection and information.

Connection and Information Are Snapchat's Key Points of Differentiation Among Gen Zs and Millennials

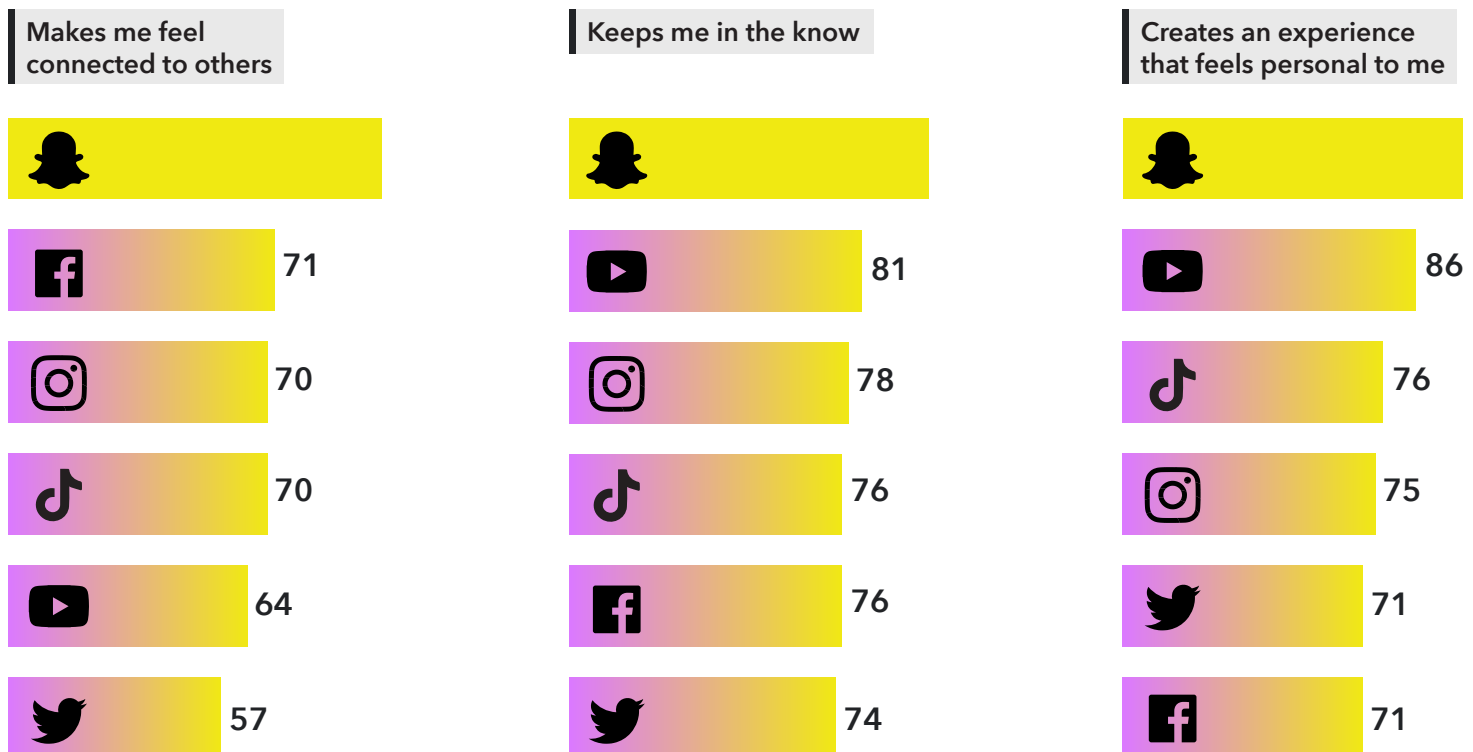
As the fifth largest market for Snapchat in the world,³⁷ Saudi Arabian consumers turn to the app for an experience curated for them as individuals, and an experience that keeps them connected and informed.

TOP RATED ATTRIBUTES OF SNAPCHAT'S VIDEO EXPERIENCE³⁸



Connection Is Snapchat's Key Point of Differentiation³⁹

Snapchat delivers a more personal, informative and connected video experience better than any other social video platform. Snapchat has a unique ability to make users feel connected to others, keep them in the know and create an experience that feels personal to them, outperforming all other social video platforms.



Indexed against Snapchat



³⁷<https://www.statista.com/statistics/315405/snapchat-user-region-distribution/>
³⁸⁻³⁹ 2020 NRG KSA Study commissioned by Snap Inc.

A shift in preferences among Gen Zs and Millennials towards high-quality and immersive bite-sized experiences will continue to propel premium mobile video consumption to new heights. Mobile video is becoming a fundamental part of how young consumers connect, and stay in the know about what's culturally relevant. With mobile video increasingly taking center stage in their media diets, the 1.83 billion worldwide mobile video viewers will become even mightier, growing to 2.72 billion people in 2023.⁴⁰

“Young people today have inherited a very complicated, fast-paced world. At Snap, we are always thinking about how we can elevate these voices for change.”

Jim Shepherd, Head of Talent Partnerships, Snap Inc.,
on a more collaborative and more connected future.



ABOUT THIS REPORT

National Research Group conducted a second annual online quantitative study on behalf of Snap Inc., collecting responses among KSA smartphone owners ages 13-35 who had watched video on their mobile phones in the past week. Gen Zs are defined as 13-23 year olds and Millennials are defined as 24-35 year olds. N=800 responses were collected between May 15-June 8, 2020.

ABOUT SNAP

Snap Inc. is a camera company.

We believe that reinventing the camera represents our greatest opportunity to improve the way people live and communicate.

We contribute to human progress by empowering people to express themselves, live in the moment, learn about the world, and have fun together.

ABOUT NRG

National Research Group is a leading global insights and strategy firm at the intersection of entertainment and technology. The world's biggest marketers turn to us for insights into growth and strategy for any content, anywhere, on any device.