

PayPal Digital Goods Survey Reveals 78% of U.S. Consumers Use Smartphones for Gaming and 68% Read eBooks on Tablets

New research from PayPal and SuperData showcases spending and consumption trends across digital gaming and eBook industries

SAN JOSE, Calif.--PayPal today released the results of its [Digital Goods Economy Survey](#), which looks at the attitudes, habits and behaviors of the digital media consumer across the digital gaming (including gaming video content) and eBook industries. The 10-market, 10,000 consumer research study was commissioned with SuperData Research in France, Germany, Italy, Japan, Poland, Russia, Spain, United Arab Emirates, UK and the U.S.

“Our research insights help merchants of all sizes better understand how consumers are spending their time and money with digital goods, enabling them to cater to this growing audience,” said Melissa O’Malley, Director, Global Initiatives at PayPal. “As a digital payments leader, PayPal is committed to enabling consumers to pay quickly from almost any device with fewer screens and fewer clicks at PayPal merchants so they can start enjoying their digital content immediately.”

The survey results focused on purchase intent in key verticals; consumption and spending patterns; role of piracy in the digital goods economy; and the demographic nuances of age, gender and region. This research builds on PayPal’s [cross-border trade consumer insights program](#) and reveals new data on the consumption and purchases of digital goods or intangible items.

Key findings from the U.S. research include:

Smartphones are the new gaming console of the masses

U.S. respondents use smartphones (78 percent) when asked which devices they used play digital games, versus a tablet (59 percent) or laptop (47 percent). This trend is worth noting for merchants as according to SuperData [Research](#), the 2016E mobile games market will be worth \$37.6 billion, accounting for just under half (49%) of the total 2016E \$77.3 billion worldwide games market.

Ease of use and convenience drive payment method selection

An overwhelming majority of U.S. respondents cited “ease of use” for why they preferred their most-used payment method across eBooks (80 percent) and mobile gaming (82 percent). Processing payments quickly was also noted as a strong consideration for eBook and online gaming purchases. PayPal was cited as the payment method used the most in the last three months by U.S. respondents to purchase digital video game downloads or in-game content for their PC/Mac or laptop.

Americans prefer multi-use devices versus eReaders

Sixty percent of U.S. respondents read eBooks on their tablets, and 66 percent cited they purchase eBooks because they are cheaper than buying a hard copy and they can read it right away. With 42 percent citing that they buy/download an eBook immediately after becoming interested in it for the first time, there is a captive audience of impulse eBook buyers that merchants can cater to with a simple and secure checkout process so their customers can instantly dive into the book.

Console gaming is the greatest time commitment across digital gaming and eBooks

Forty percent of respondents play their console video games one to two hours for each session, with 34 percent playing for two to four hours. This was greater than the time cited spent on PC/Mac or laptop games, mobile video games and eBooks. The 30 minute to one-hour range was the highest for both eBooks (38 percent) and mobile games (31 percent).

Console gaming session length highlights an opportunity for relevant in-game ads/branded content as the audience is making a longer time commitment per session and thus third-party content is less disruptive. Additionally, for mobile games and eBooks, creating shorter marketing content to fill the desired time window will resonate with consumers looking to spend less time consuming content.

Want to deter piracy? Focus on how it affects the creators.

When asked how they view piracy, respondents pointed to not wanting to hurt the artists (game developers and authors) as a key consideration. For eBooks, 33 percent stated that piracy hurts authors and publishers, compared to only 11 percent who stated that piracy was acceptable if an eBook is too expensive. An even starker contrast was seen in console games, where 31 percent stated that piracy hurts game developers and only seven percent stated that piracy was acceptable if a video game is too expensive. For digital goods merchants, messaging on how piracy hurts the individual creating the content versus the company selling it can be a strong deterrent to preventing piracy.

To view full U.S. results from the survey research, please [click here](#).

About PayPal

At PayPal (Nasdaq:PYPL), we put people at the center of everything we do. Founded in 1998, we continue to be at the forefront of the digital payments revolution. PayPal gives people better ways to manage and move their money, offering them choice and flexibility in how they are able to send money, pay or get paid. We operate an open, secure and technology agnostic payments platform that businesses use to securely transact with their customers online, in stores and increasingly on mobile devices.

In 2015, 28% of the 4.9 billion payments we processed were made on a mobile device. With our 192 million active customer accounts, PayPal is a truly global payments platform that is available to people in more than 202 countries, allowing customers to get paid in more than 100 currencies, withdraw funds to their bank accounts in 56 currencies and hold balances in their PayPal accounts in 25 currencies.

About SuperData Research

Founded by veteran games industry researchers, SuperData is the leading provider of market intelligence and insights covering games, VR, AR, eSports, and playable media. Using digital point-of-sale data received from publishers, developers and payment service providers, SuperData's analyses are based on the spending of 78 million paying online gamers worldwide, in combination with qualitative consumer insight. SuperData helps its customers understand what people play, connect to and spend on.

<https://newsroom.paypal-corp.com/2016-11-01-PayPal-Digital-Goods-Survey-Reveals-78-of-U-S-Consumers-Use-Smartphones-for-Gaming-and-68-Read-eBooks-on-Tablets>