Ten things you didn’t know about Media and Consumers

Minal Modha

December 2019
Topics of Conversation
Smartphones have only just overtaken PCs in terms of video viewing
PCs have fallen behind smartphones for video viewing for the first time

Source: Ampere Consumer
…but both are still well behind viewing on the main TV set

Average daily viewing per device

Source: Ampere Consumer
Google reigns supreme for OTT streaming boxes in Western Europe, but Amazon is quickly closing the gap
Amazon has been chipping away at Google’s dominance and overtaken Apple in the process

Growth of OTT Box ownership in Western Europe by brand

- Google Chromecast
- Apple TV
- Amazon Fire TV

Q3 2016: 8% (Google), 4% (Apple), 11% (Amazon)
Q1 2017: 10% (Google), 5% (Apple), 15% (Amazon)
Q3 2017: 9% (Google), 5% (Apple), 16% (Amazon)
Q1 2018: 9% (Google), 6% (Apple), 17% (Amazon)
Q3 2018: 6% (Google), 6% (Apple), 21% (Amazon)
Q1 2019: 10% (Google), 10% (Apple), 22% (Amazon)
Q3 2019: 9% (Google), 9% (Apple), 21% (Amazon)
Everyone forgets about it, but the retail / rental model is not dead and gone just yet
A large proportion of consumers are still spending money on buying films / TV boxsets

Source: Ampere Consumer
Netflix is still top dog, but two of the top three subscription online video services are Chinese
Tencent, IQIYI and Youku have more subscribers than Amazon Prime and Netflix combined.

Source: Ampere Markets
Last year, not one of the top ten spenders on original video content were SVoD players.
SVoD players do not currently feature in the top 10 original content spenders

Top 10 spenders on original content $bn (2018)

Source: Ampere Content Markets.

Notes: Data taken from 27 territories worldwide, representing 80% of content spend. Spend includes Originals only
But there are now ‘5 viewing years’ worth of original content in production from the top OTT players
Netflix alone has over 300 new shows in production

New shows in production (# titles, by commissioner parent group – November 2019)

OTT  Broadcast

Nearly 1000 new shows are in production across the leading streaming groups worldwide

Source: Ampere Commissioning

Notes: Data only for new commissions only, does not includes re-commissions
Luckily, consumers show an insatiable appetite for accessing subscription OTT services which bodes well for the new entrants
Luckily consumers are continuing to stack services to curate their viewing.

**SVoD services subscribed to (% of internet users)**

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<td>71%</td>
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<td>Q1 2016</td>
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<td>Q3 2016</td>
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<td>Q1 2017</td>
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<td>Q3 2017</td>
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Source: Ampere Consumer
As consumers are given even more choice, SVoD platforms in the US will face more competition than they ever have before.
HBO Max and Peacock will be in more direct competition with Netflix, Hulu and Amazon.

Number of Titles by US SVoD service (Sept 2019)

Source: Ampere Analytics (excludes Amazon Other content)
It’s not just SVoD – the UK is actually the top market for mixing OTT products
Platforms such as BBC iPlayer and ITV Hub are driving the UK’s use of multiple services

Services used in the last month to watch VoD (% of internet users)
VoD is not a young person’s game anymore – the bulk of the growth in developed markets is now from older consumers
This is particularly the case in mature markets like the UK.

UK: % of internet users using VoD services in the last month

Source: Ampere Consumer
Summary

1. Smartphones have only just overtaken PCs in terms of video viewing
2. Google reigns supreme for OTT boxes in Western Europe
3. Everyone forgets, but the retail / rental model isn’t dead and gone yet
4. Netflix is still top dog, but China has two of the three biggest platforms globally
5. In 2018, not one of the top ten spenders on original content were SVoD players
6. But there are ‘5 viewing years’ worth of original content from the top OTT players
7. Despite this, consumers are still stacking services which is good news for the new entrants
8. The US SVoD market is about to get even more competitive
9. It’s not just about SVoD – VoD is strong, particularly in the UK
10. VoD growth is being driven by older consumers