

# The Pandemic Impact on Video Preferences Today

Insights from Magid's Video Entertainment Pulse Study – March and October 2020

# Video Entertainment Study 2020 » Methodology



## Nationally representative online survey of N=2,400 Online Users

- Ages 13+
- Sample matched to the US Census for age, gender, and race
- Study focus: media attitudes and behaviors of consumers on a broad range of topics
- Data collected September 21 – October 1, 2020
- Average survey length 35 minutes
- Respondent recruitment completed by a high-quality online research panel and data collection firm
  
- Groups for Analysis:
  - Age 18+ N=2,244
  - Tracking from March 2020
    - Ages 13+ N=2,400; Ages 18+ N=2,232
    - Data collected February 29 – March 4, 2020
  - Tracking from May 2019
    - Ages 18+ N=2,000
    - Data collected May 16 – May 19, 2019

# How much has really changed?

- 1 Streaming moves into top spot for platform most used across demos
- 2 Stay at Home orders drive high levels of streaming and sampling, but does not accelerate cord cutting
- 3 Disney+ catapults to top tier of SVODs, but other new SVODs have single digit share having launched during global pandemic
- 4 FAST Momentum continues

# Video viewing has increased greatly in the last 6 months

## CHANGE IN ACTIVITIES SINCE THE CORONAVIRUS PANDEMIC



### NET POSITIVE

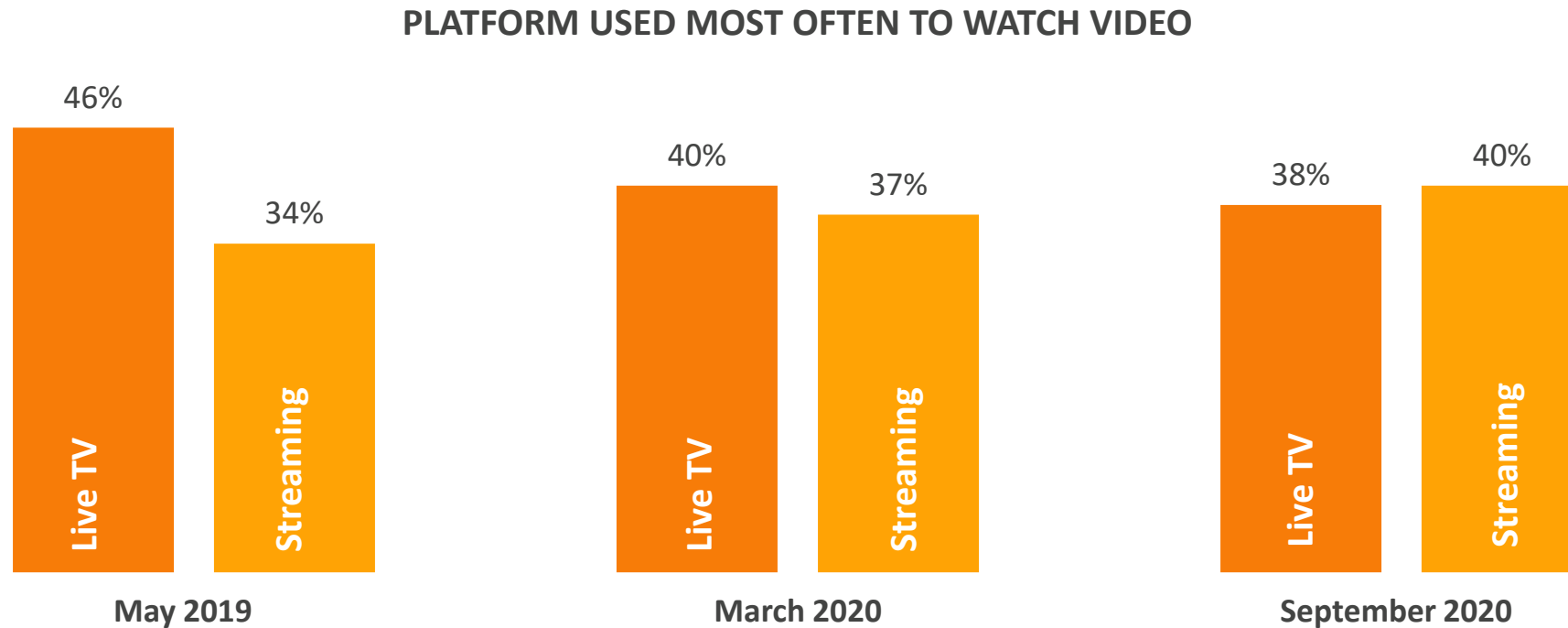
Watch streaming services	+33%
Watch movies	+31%
“Binge watching” TV shows	+27%
Use YouTube	+25%
Watch live broadcast, cable or satellite TV channels	+22%
Watch shorter forms of video	+17%



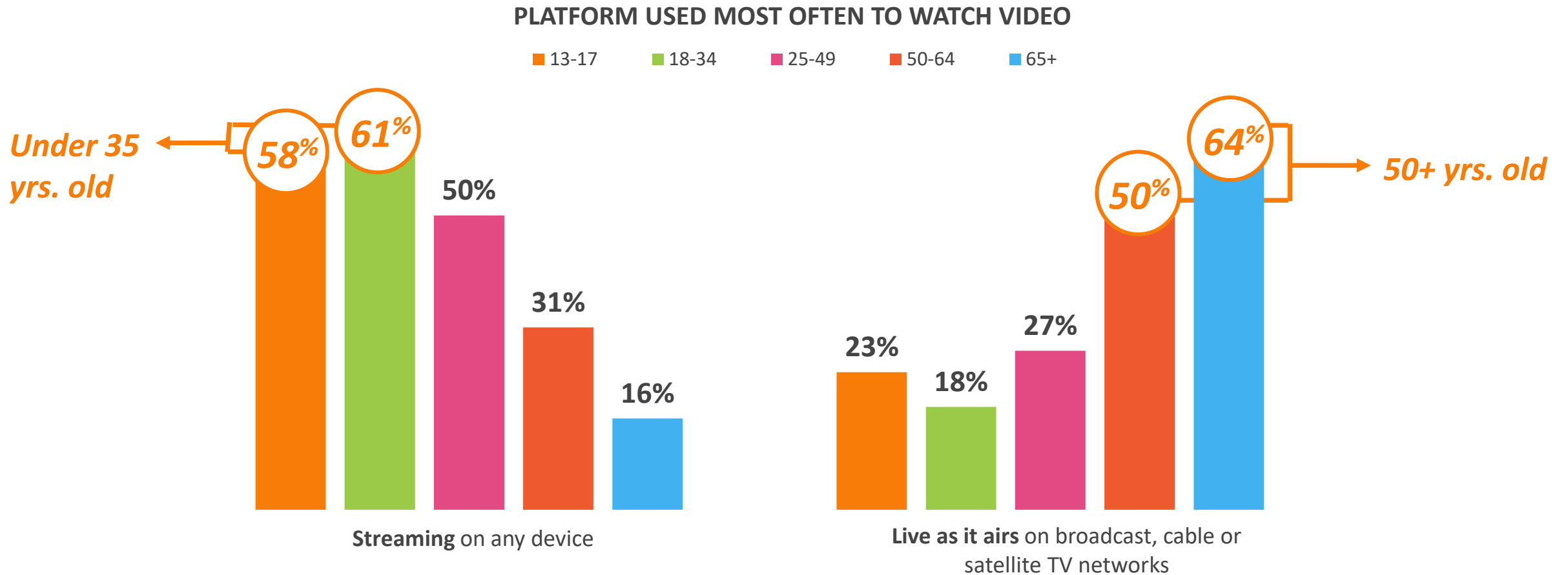
### NET NEGATIVE

Purchasing digital movies or TV shows to own	-5%
Renting digital movies for a short period of time	-5%
Watch content with friends and family together in the same location	-12%

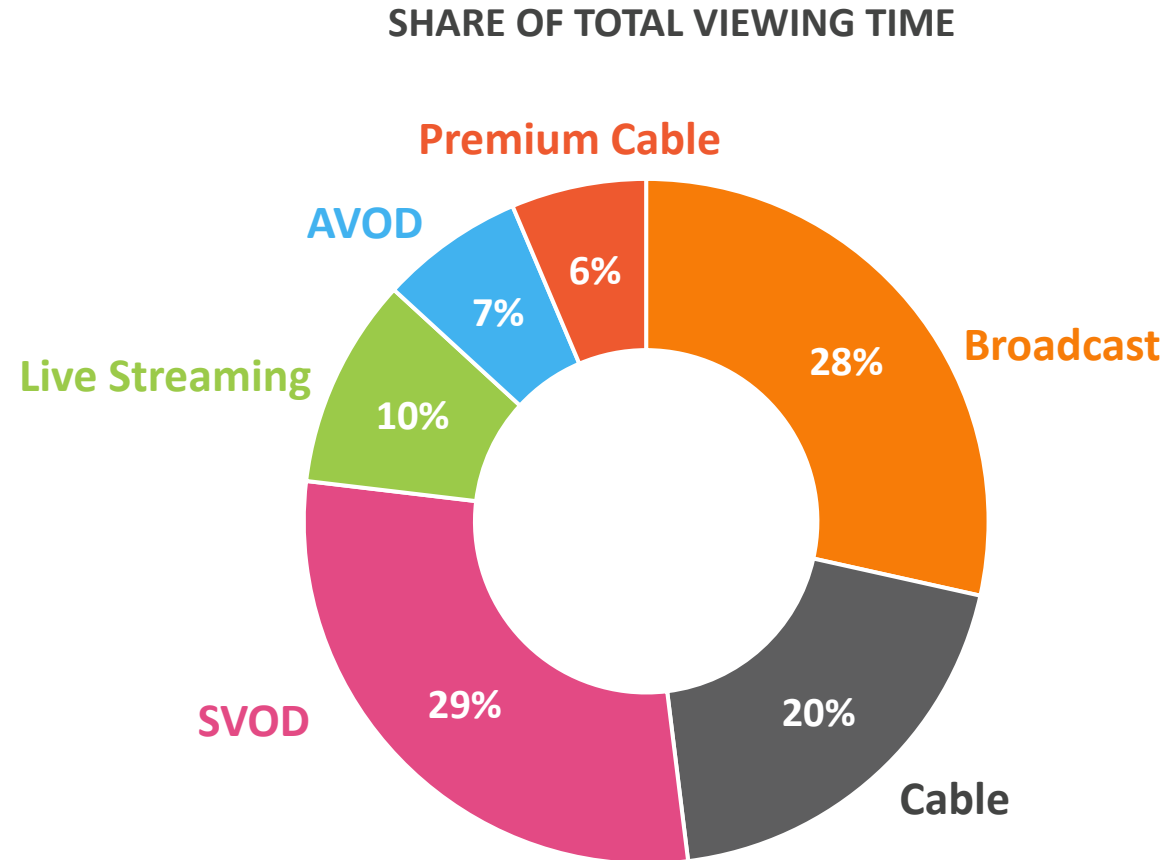
# Streaming surpasses live TV as the most often used platform to watch video for the first time among consumers 18+



# 50+ still favor live TV, however streaming leads for younger consumers

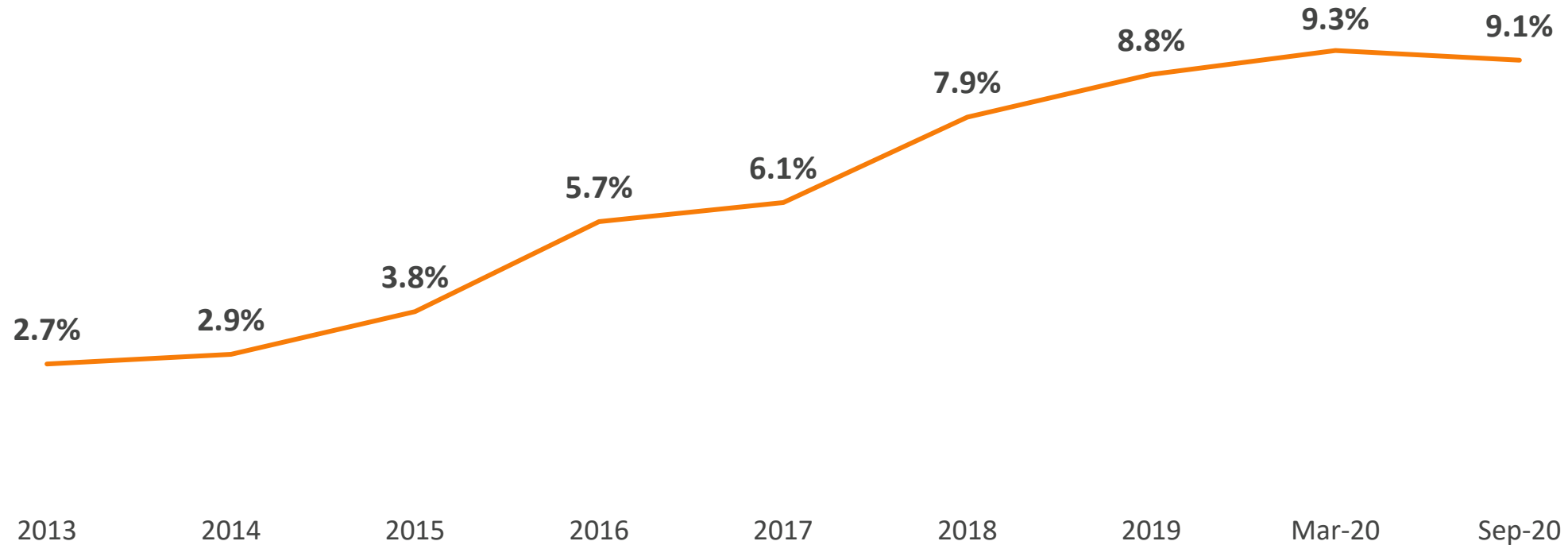


# About two-thirds of viewing time is on ad-supported platforms



# Cord cutting intentionality has stabilized in the past year

**INTENDED CORD CUTTERS WITHIN THE NEXT 12 MONTHS**  
% OF PAY TV SUBSCRIBERS EXTREMELY LIKELY TO CANCEL PAY TV SERVICE IN NEXT 12 MONTHS, AND WILL NOT SWITCH TO ANOTHER PAY TV SERVICE  
*(among 18-64 Pay TV Subscribers)*



2020 Video Entertainment Pulse Study – Pay TV Subscribers (cable, satellite, telco, and skinny bundle) 18-64. Q1C How likely are you to cancel your pay TV service in the next 12 months? This is not referring to subscription services like Netflix or Hulu, and solely refers to the television service provided to you by your cable, satellite, or telco company. Q1D If you cancel your current pay TV service in the next 12 months, which of the following are you most likely to do?



# Pay TV cancellers are likely to move to SVOD

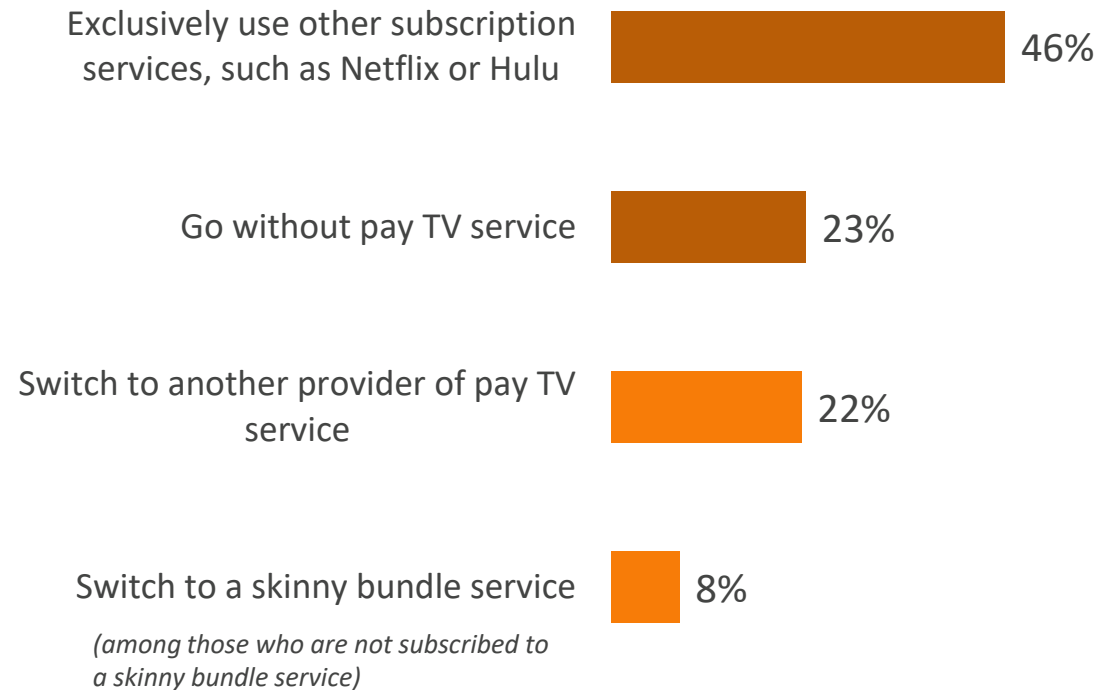
69% of likely cancellers would go without live TV

**11%**

Of Pay TV Subscribers are  
Very Likely to Cancel Pay TV  
Service in the Next Year

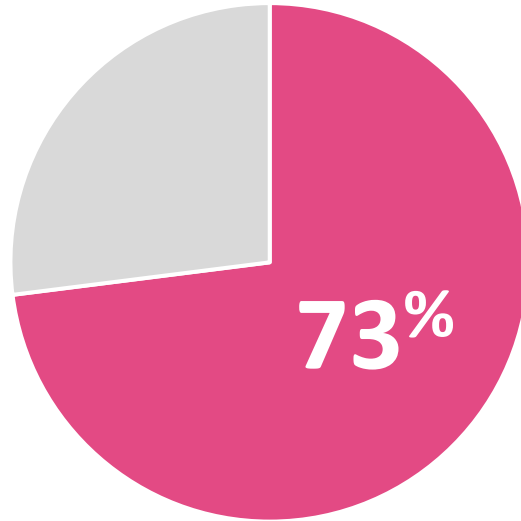
## LIKELY RESULT OF CANCELLING SERVICE

*(among those who are (top box) very likely to cancel their pay TV service)*

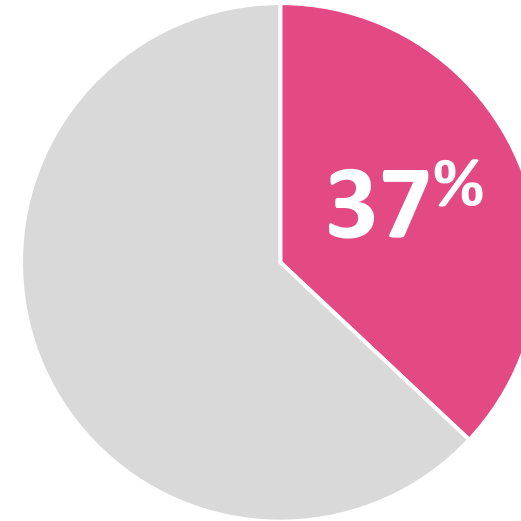


# SVOD category continues to uptick as consumers add subscriptions

## PAID SVOD SUBSCRIPTIONS

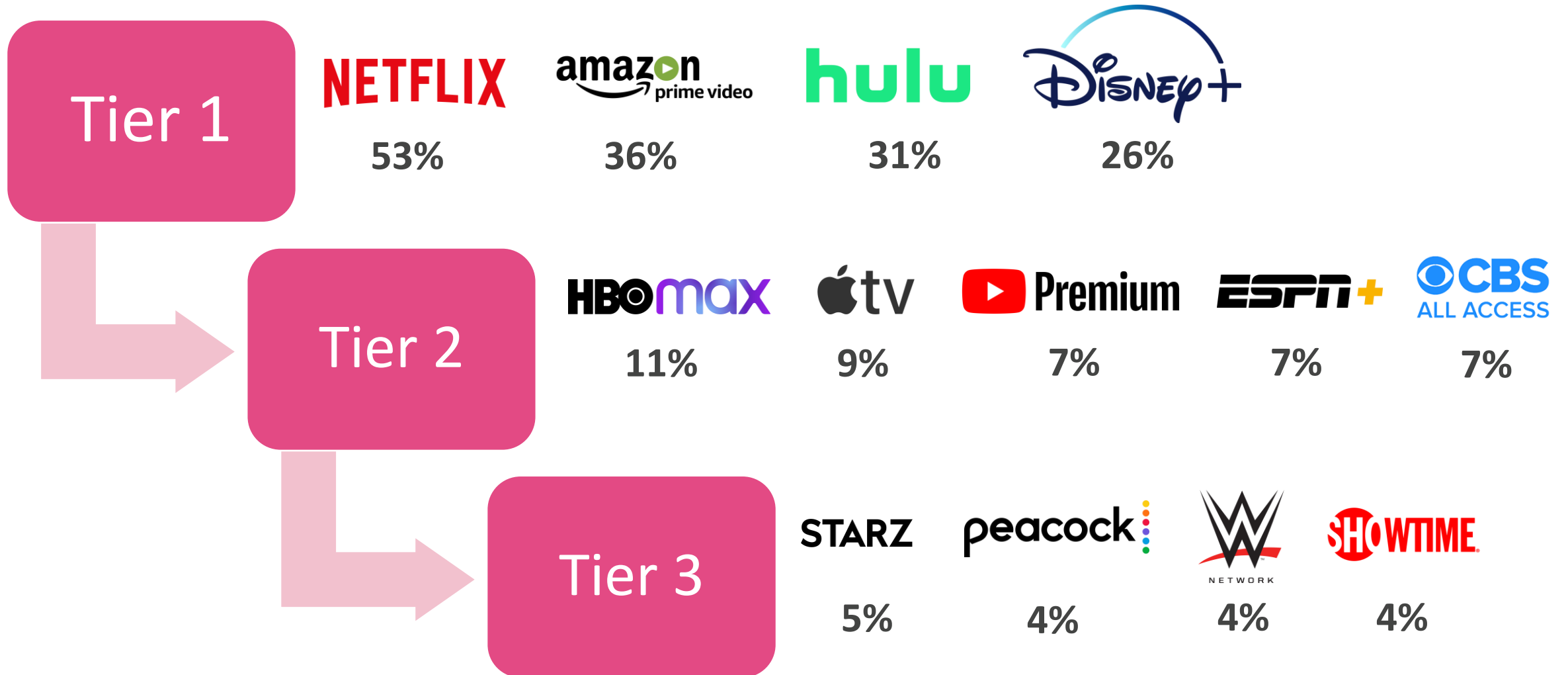


*Household subscribes to at least one SVOD*



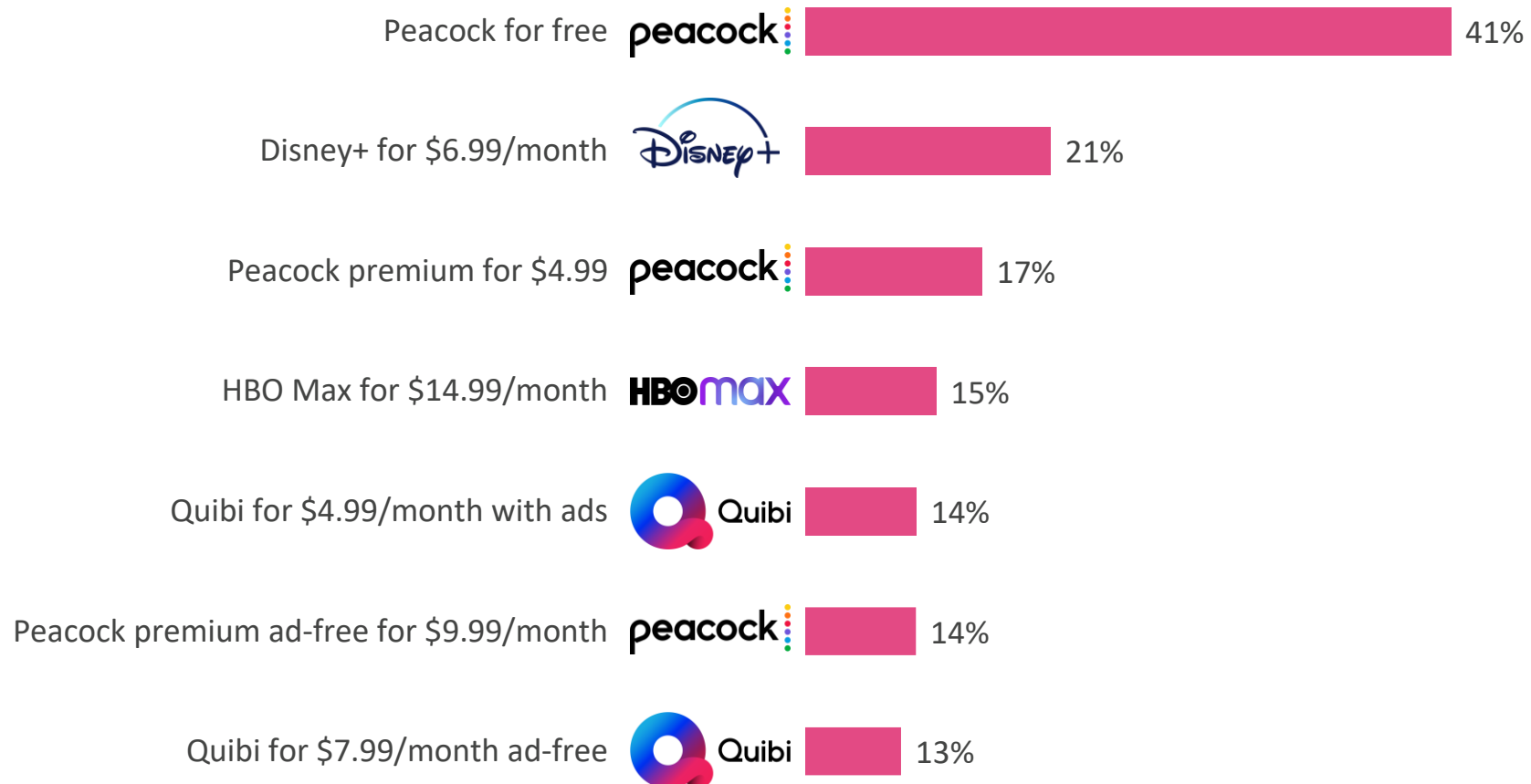
*Subscribe to 3+ SVODs*

# SVOD subscription ecosystem



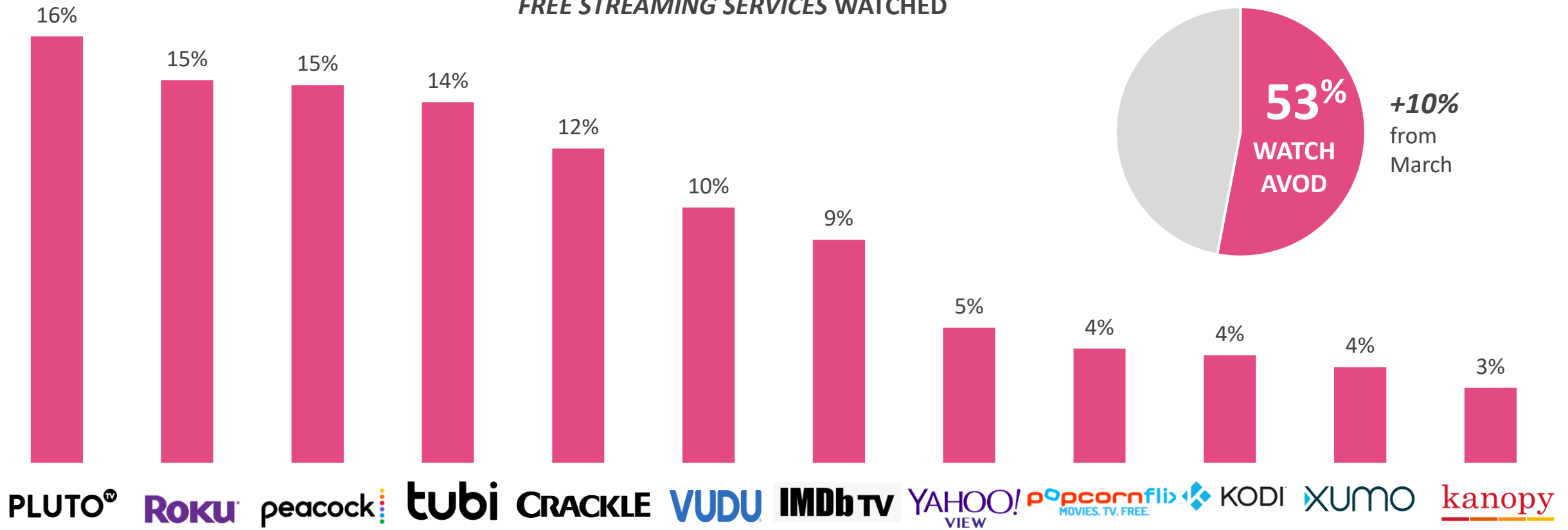
# Highest interest in free Peacock tier

## LIKELIHOOD TO SUBSCRIBE TO NEW STREAMING SERVICE



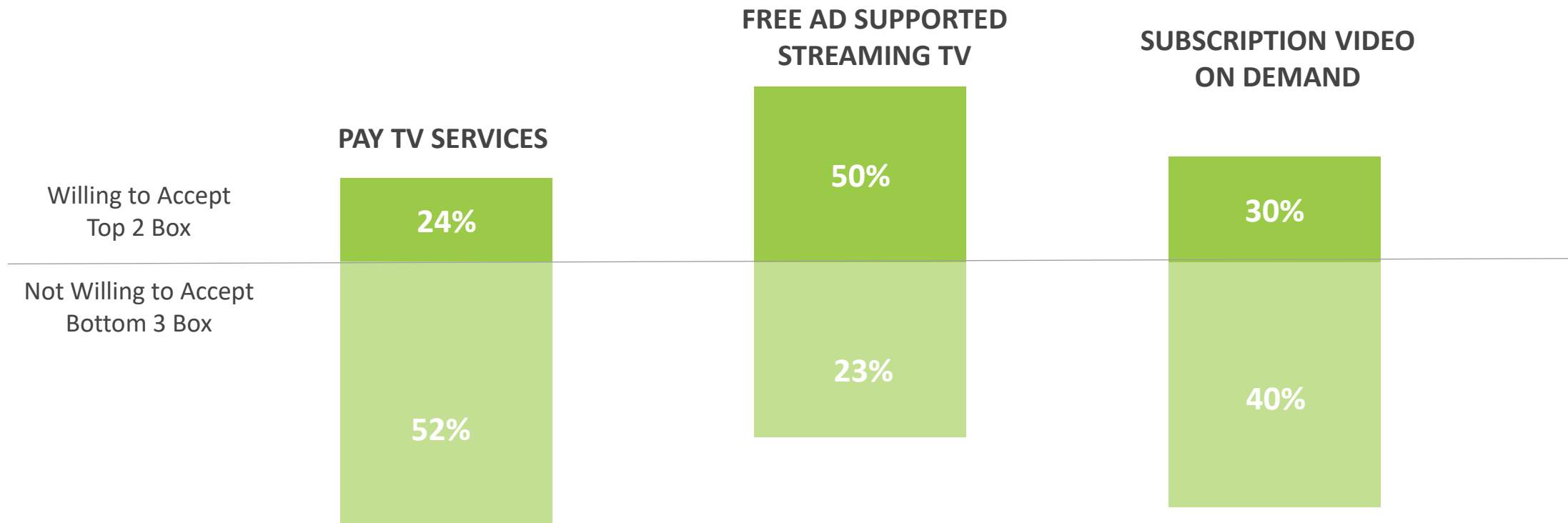
# Free streaming services are growing – AVOD viewership is up +10% from March

FREE STREAMING SERVICES WATCHED



# Video consumers are more willing to accept commercials on streaming services

## WILLINGNESS TO ACCEPT COMMERCIALS/ADS



# 8 in 10 sign up for subscription streaming services for reasons other than a series, movie or library

## MOTIVATIONS TO SIGN UP FOR A PAID SUBSCRIPTION STREAMING SERVICES

**CONTENT REASONS 63%**

- Wanting to watch a specific/exclusive video
- Other streaming services don't have the content I want
- Access to older video

**NON-CONTENT REASONS 83%**

- Finding a good deal
- Being able to afford it again
- Being able to watch TV on multiple devices
- Being able to download video to watch when not connected to WiFi
- Because my friends have the service and we want to watch the same shows

# About 1/5 of those who sign up for an SVOD to watch a specific show intend to cancel after watching

*This can be a problem – points to need for release schedule, desirable content*

# 22%

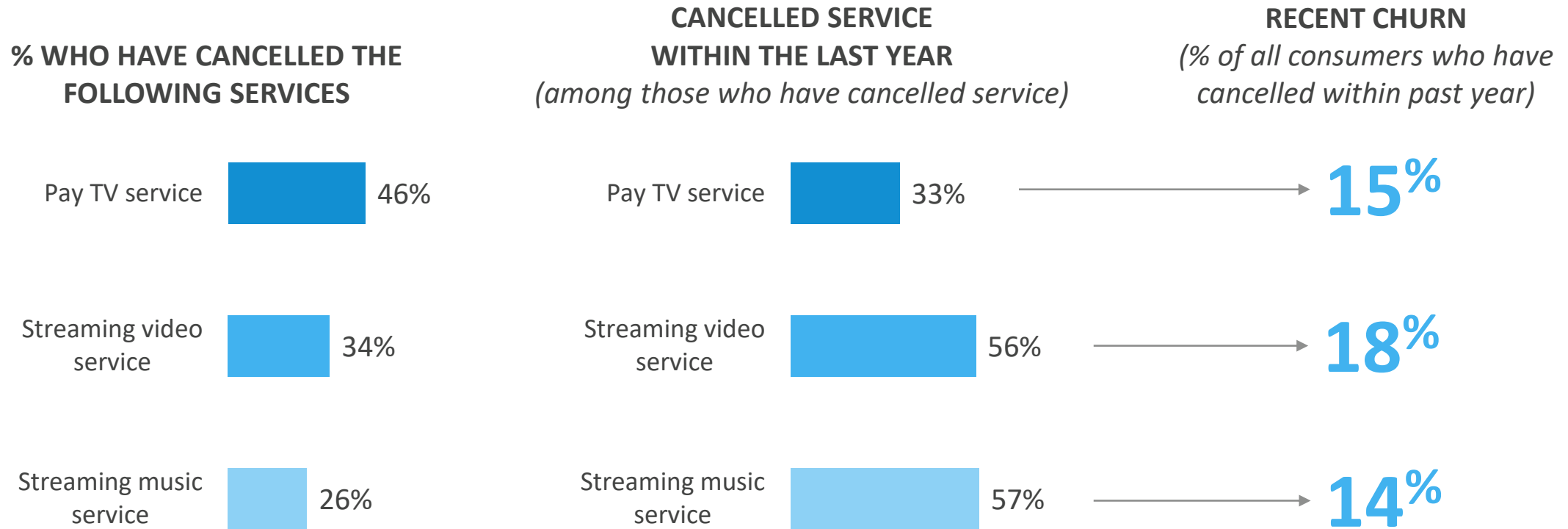
**Intend to cancel SVOD service after watching the specific show they signed up to watch**

**AMOUNT OF TIME AFTER WATCHING SPECIFIC SHOW AND CANCELLING THE SERVICE AS INTENDED**  
(among those who intend to cancel SVOD service after watching the specific show they signed up to watch)



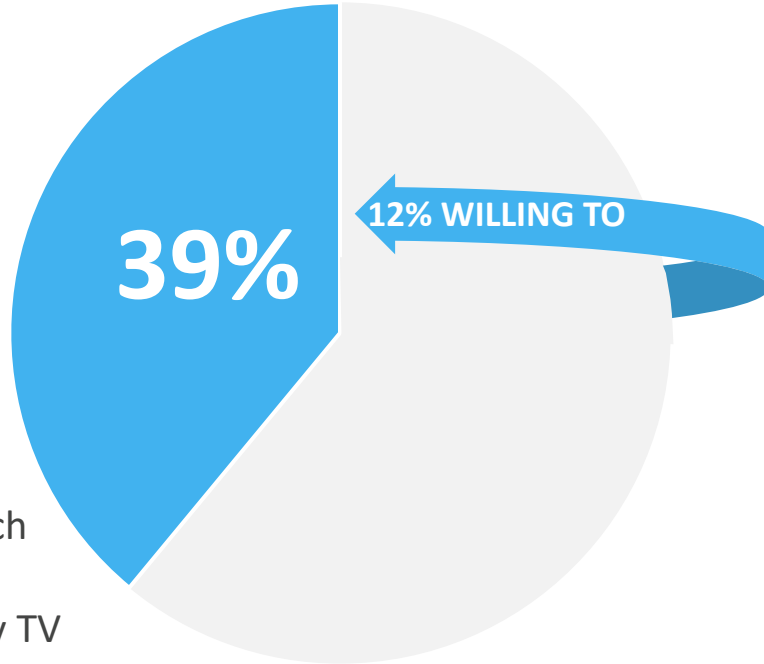


# Nearly 1/5 of consumers have cancelled a video service in the last year



# Most consumers who have cancelled an SVOD subscription have returned or are willing to

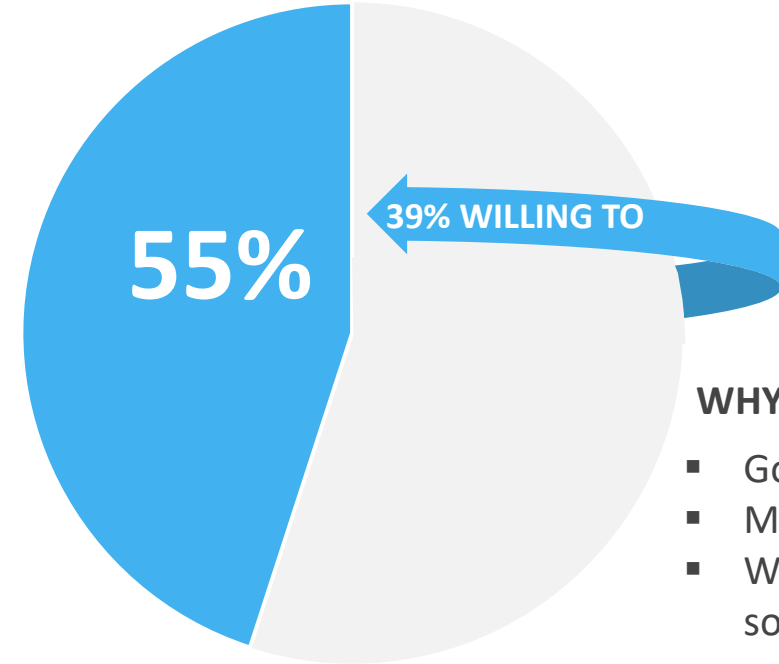
**% OF PAY TV CANCELLERS THAT RE-SIGNED UP AFTER CANCELLING**



**WHY RE-SIGNED?**

- Got a deal
- Wanted to watch something only available on Pay TV

**% OF SVOD CANCELLERS THAT RE-SIGNED UP AFTER CANCELLING**



**WHY RE-SIGNED?**

- Got a deal
- Missed it
- Wanted to watch something new



**QUESTIONS?**

[www.Magid.com](http://www.Magid.com)

[LetsTalk@magid.com](mailto:LetsTalk@magid.com)



**JILL ROSENGARD HILL**  
**Executive Vice President**

[jrosengardhill@magid.com](mailto:jrosengardhill@magid.com)

805-455-2279