

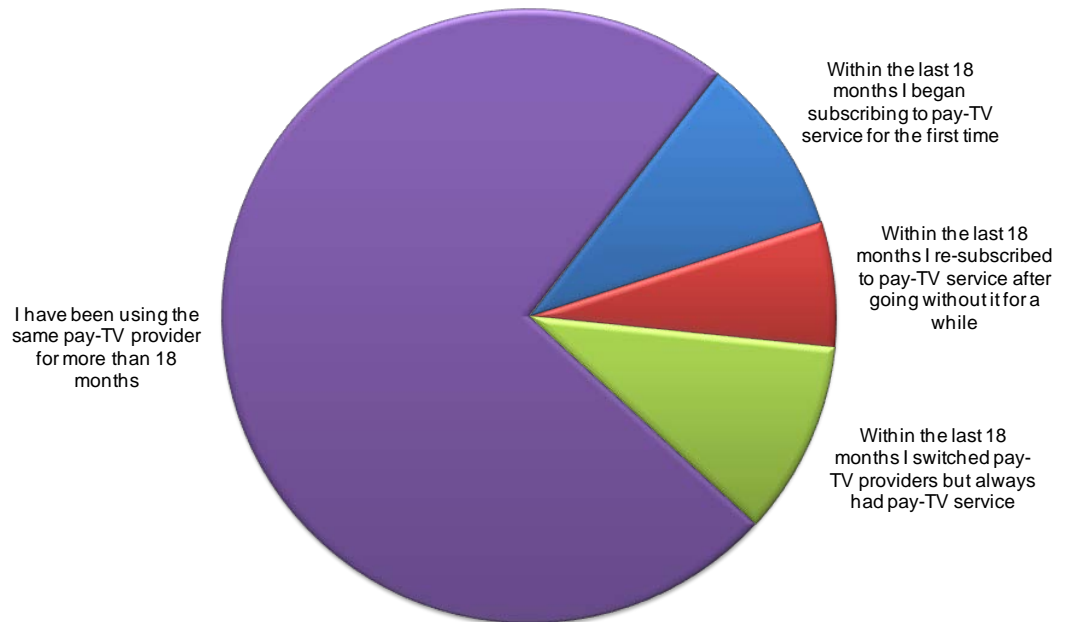
By **John Barrett**, *Director, Consumer Analytics*, and **Yilan Jiang**, *Manager of Consumer Research, Parks Associates*

SYNOPSIS

This Market Focus analyzes two consumer segments: those who recently re-subscribed to pay-TV service after a brief hiatus and those who canceled their subscription to the Netflix Watch Instantly service.

It identifies the key factors influencing their decisions and the implications these trends have for the pay-TV industry.

Usage and Changes in Pay-TV Services



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ANALYST INSIGHT

“Economic factors rather than content considerations are pushing consumers back towards traditional pay-TV services. Consumers treat over-the-top video as both a backup and complementing source of content while traditional pay-TV service plays the dominant role in home video consumption. Traditional tactics (discounts, promotions, etc.) will therefore be effective in fighting over-the-top video, but pay-TV providers will be vulnerable to encroachment until they offer lower-cost options to budget-strapped consumers.”

— **John Barrett**, *Director, Consumer Analytics*, **Parks Associates**

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