SYNOPSIS

This study provides a comprehensive view of the U.S. marketplace pay-TV services, including changes in adoption, services taken, churn, and spending among key consumer segments, including upgraders, downgraders, new subscribing households, cord cutters, cord shavers, and OTT subscribers. It assesses demand for entertainment service features and compares perception, demand, and use among leading U.S. operators.

ANALYST INSIGHT

“For pay-TV service providers, traditional or online, to be successful, they must fully understand consumer activity, values and motivation related to adoption and use of their services. The objective of this study is to identify key trends and quantify important benchmarks in pay-TV services. Analysis of adoption, churn and spending will outline the shift in subscribership and revenues, revealing positioning for leading providers.”

— Brett Sappington, Senior Research Analyst, Parks Associates
ENTERTAINMENT SERVICES IN THE U.S.

1Q 2019

CONTENTS

Consumer Analytics: Access and Entertainment Track
• Key Questions Answered

Executive Summary
• Industry Insight
• Key Findings and Market Impact

Pay TV: Adoption
• Pay-TV Service Subscriptions (2011 - 2018)
• Traditional Pay-TV vs. Online Pay TV Services (Q3/18)
• Types of TV Services / Use Cases (Q3/18)
• Pay-TV Service Subscriptions by Regions (2014 - 2018)
• Demographic Breakdown of Pay-TV Subscribers (2014 - 2018)
• U.S. Traditional Pay-TV Market Share (2016 - 2018)
• Overall vMVPD Service Adoption (2017 - 2018)
• vMVPD Service Subscription (2016 - 2018)
• Likelihood of Subscribing to Online Pay-TV Service (2018)
• Reasons for Subscribing to vMVPD Service (Q3/18)

Pay-TV: Changes To Service
• Recent Change to Pay-TV Services (2015 - 2018)
• Recent change to Pay-TV Services by Residence Area (Q3/18)
• Changes Made to Pay-TV Service Over Past 12 Months Pay-TV Service Subscribers (Q3/18)
• Recent Changes to Pay-TV Service by Telco Providers (2015 - 2018)
• Changes to Pay-TV Service by Cable Providers (2015 - 2018)
• Recent Changes to Pay-TV Service by Satellite Providers (2015 - 2018)
• Uptake of OTT Services by Pay-TV Subscription Groups (Q3/18)

Pay TV: Bundling and Spending
• Trends in ARPU of Home Bundled Package with TV Services (2012 - 2018)
• Trends in Home Service Subscription (2012 - 2018)
• Distribution of TV Bundled Services & ARPU of TV Services (Q3/18)
• Pay TV Service ARPU (2010 - 2018)
• ARPU for Standalone Pay-TV Services by TV Segments (Q3/18)
• Average Household Expenditure on Home Video Entertainment by Video Sources (2012 - 2018)
• Average Monthly Expenditure on Individual Home Video Entertainment (2012 - 2018)

Pay-TV: Perceptions
• Net Promoter Score: Video Services (Q3/18)
• Net Promoter Score: vMVPD (Q3/18)
• Change in Value of Pay-TV Service by Changes Made to Service
• Changes in Video Service Value by Pay-TV Operators (Q3/18)

Pay-TV: Features
• Top 15 Pay-TV Service Features (Q3/18)
• Pay-TV Service Features, Cont’d. (Q3/18)
• Premium Pay TV Features (2013 - 2018)
• Advanced Pay-TV Service Features (2017-2018)
• Appeal of Pay-TV Service Features Not Currently Received (Q3/18)
Entertainment Services in the U.S.

• Appeal of Pay-TV Service Features Not Currently Received, Cont’d. (Q3/18)

Pay-TV: Content Demand
• Difficulty in Giving Up Network/Channels (Q3/18)
• Difficulty in Giving Up Network/Channels by Pay-TV Services (Q3/18)

Pay-TV: Non-Subscribers
• Households Without Pay-TV Service Subscriptions (2011 - 2018)
• Length of Duration Since Last Subscribing to Pay-TV Service (Q3/18)
• Reasons for Not Subscribing to Pay-TV Service (Q3/18)
• Previous Pay-TV Service Period (2010 - 2018)
• High Intention of Subscribing to a Pay-TV Service (2015 - 2018)

Adoption and Use of TV Antennas
• TV Service Breakdown: Pay-TV & Antenna Segments (Q3/18)
• Antenna - Only TV Service (2013 - 2018)
• Pay TV & Antenna Segments by OTT Service Subscription (Q3/18)
• Pay TV & Antenna Segments by Age (Q3/18)
• Pay TV & Antenna Segments by Household Income (Q3/18)
• Internet Connected CE Device Ownership by Pay TV & Antenna Segments (Q3/18)
• Smart Speaker Ownership by Pay-TV & Antenna Segments (Q3/18)

General Video Device Ownership
• Computer and Communication Device Ownership (2009 - 2018)
• Home Video Device Ownership (2010 - 2018)
• Entertainment Device Internet - Connection Rate Among Owning Households (2012 - 2018)
• Smart TV Adoption and Internet - Connection Rate (2010 - 2018)
• Total Average Number of CE/Computing/Mobile/Smart Speaker Devices Owned Per BB HH (2010 - 2018)

Device Specific Factors
• Tablet Operator System (2015 - 2018)
• Gaming Console Ownership (Q3/18)
• TV Screen Size (Q3/18)
• Primary Television Screen Size by TV Type (Q3/18)
• TV Features (Q3/18)
• Penetration of TV Features by TV Type (Q3/18)
• Devices Connected to Primary TV (Q3/18)
• Digital Video Activities on Connected Entertainment Devices by Traditional Pay-TV HHs (Q3/18)
• Use of Devices for Video of Any Kind (2010 - 2018)
• Frequency of Use of TV for Video (2010 - 2018)
• Total Average Video Consumption On a TV Set (2010 - 2018)
• Watch Internet Videos by Platforms (2015 - 2018)

Appendix