



The Streaming Decade

WHEN WILL ALL TV BE STREAMED?



One thing is clear: post pandemic, TV streaming is here to stay.

This annual report provides insights into consumer TV streaming behaviours and preferences. This survey was conducted by NRG on behalf of Roku.



A S T A G W E L L C O M P A N Y

ABOUT NRG

National Research Group (NRG) is a leading global insights and strategy firm at the intersection of entertainment and technology. The world's biggest marketers turn to us for insights into growth and strategy for any content, anywhere, on any device.

ROKU®

ABOUT ROKU, INC.

Roku pioneered streaming to the TV. We connect users to the streaming content they love, enable content publishers to build and monetise large audiences, and provide advertisers with unique capabilities to engage consumers. Roku streaming players and TV-related audio devices are available in the U.S. and in select countries through direct retail sales and licensing arrangements with service operators. Roku TV™ models are available in the U.S. and in select countries through licensing arrangements with TV OEM brands. Roku is headquartered in San Jose, Calif. U.S.A.

Roku is a registered trademark and Roku TV is a trademark of Roku, Inc. in the U.S. and in other countries.



METHODOLOGY

Between July 24 and July 30, 2021, on behalf of Roku, Inc. NRG surveyed online n=934 18-70 year olds in the U.K. who watch at least 5 hours of TV per week via traditional pay TV (i.e. cable, satellite, or telco service) or a streaming service.

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TV streaming has passed a tipping point.

Over the last year, TV streaming was accelerated by the pandemic and the shift of more content, including live programming and new movie releases, from traditional pay TV to TV streaming. Now, TV streaming is here to stay: even the older generation finds it easy, it has the best content, and it offers the best value. As a growing number of cord-nevers rise to adult age and streaming has replaced the social currency primetime TV watching used to provide, streaming will continue to gain audience share.



Almost
9 in 10
consumers are
TV streamers

versus 7 in 10 who pay for traditional TV

More than half of consumers

say they're going to watch as much TV as they did during the pandemic even as restrictions loosen.

Of those who say they will watch as much or more, **40%** say it's because **they love TV.**

TV streaming is what people are talking about.

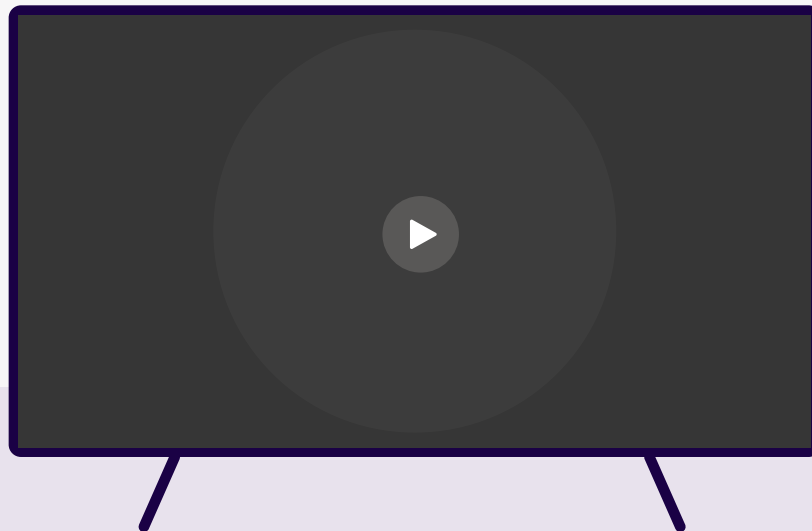
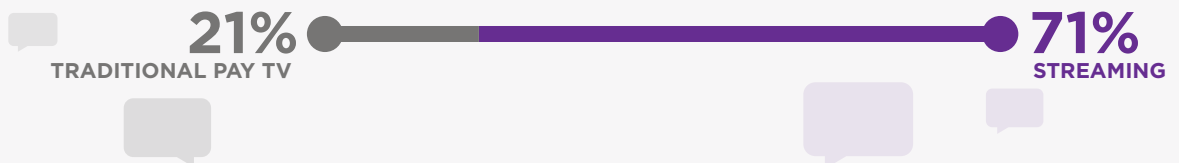
Audiences are three times more likely to choose streaming over traditional pay TV when they want to *be in on the conversation and watch something everyone is talking about*.

“When I want to watch something *everyone is talking about*, I choose...”



TV streaming is more engaging too. Audiences are almost three and a half times more likely to choose streaming over traditional pay TV when they want to get lost in a story.

“When I want to *get lost in a story*, I choose...”



Who streams?

18-24 year olds

93%

25-40 year olds

94%

41-56 year olds

90%

57-70 year olds

77%

The oldest streamers are just as likely to have 3-5 streaming subscriptions as the younger generations.

55% on average vs. 56% for 57-70 year olds.

Streaming for all ages.

TV streaming is nearly universal among younger generations, but it's not just young people—the majority of 57-70 year olds are streaming too, and getting even more involved.

31% of streaming 57-70 year olds **added more** streaming services in the past year.



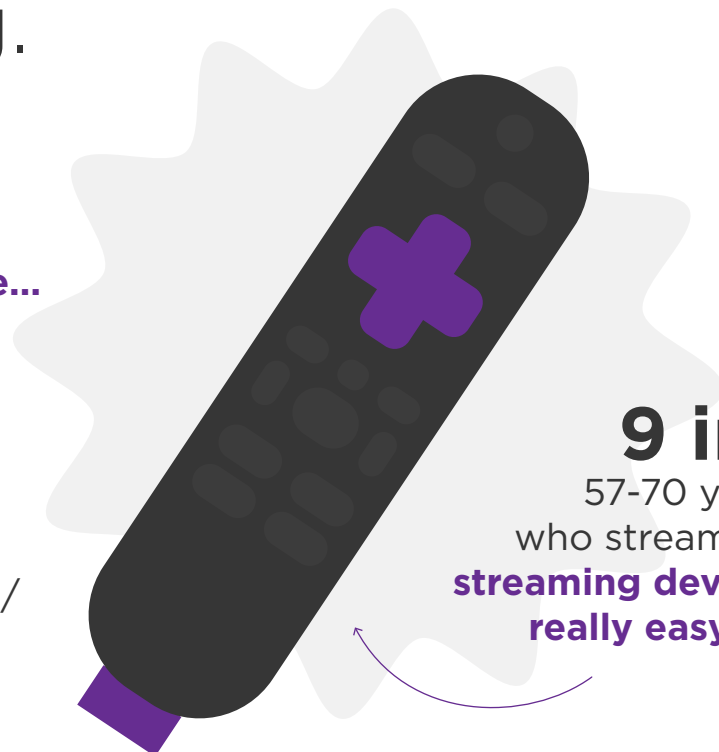
Older viewers love streaming.

Nearly **2 in 3** streaming 57-70 year olds agree...

Streaming is a **better value** than traditional TV

Streaming is **more convenient** than traditional TV

The **variety** I get from streaming is impossible for a cable/satellite/telco TV service to match



9 in 10 57-70 year olds who stream say **TV streaming devices are really easy to use.**

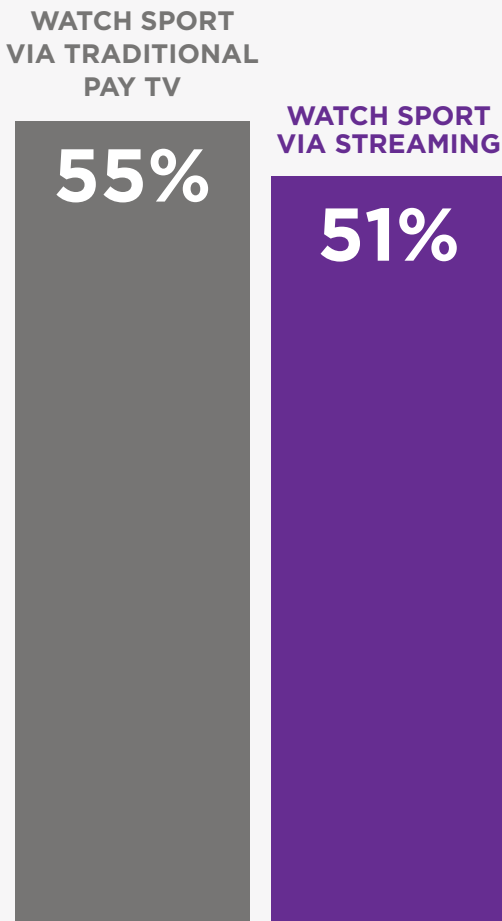
Yes, content is king—and it's all on streaming.

Now that live sport is increasingly accessible via streaming services, watching sport via TV streaming is catching up with traditional pay TV. Both types of viewers are very satisfied with their experiences, and people say they're going to keep watching more on TV streaming—providing access to content like this via streaming makes a difference. And no surprise here: people like convenience and cost savings, and watching movies at home delivers both.



Sport viewing via TV streaming reaches new heights.

The sport viewing audience via TV streaming is catching up to the traditional pay TV audience.



Plus, they are almost just as likely to continue watching sport through their preferred format (72% for TV streaming and 79% for traditional pay TV).



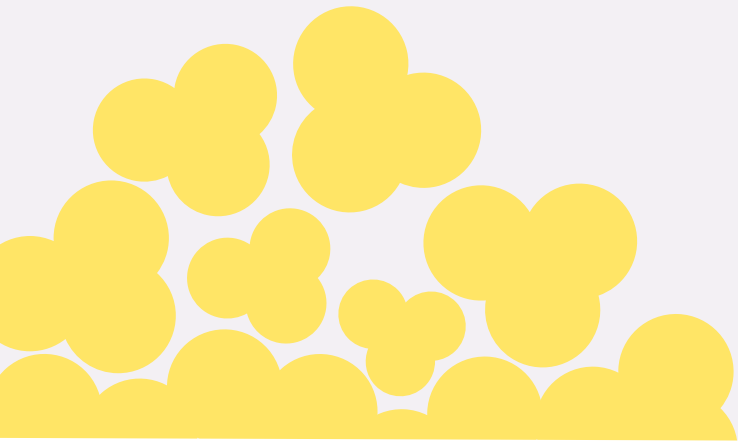
Sport viewers are almost as satisfied with the experience of streaming sport as they are watching on traditional pay TV.

STREAMING SPORT
66%



74%
SPORT VIA TRADITIONAL PAY TV

Movie releases: Convenience and cost savings on streaming.



68%



of consumers say ***having access to a new movie release*** is a key reason they would try a new streaming service.

While 3 in 5 consumers plan to go to a cinema in the next year,

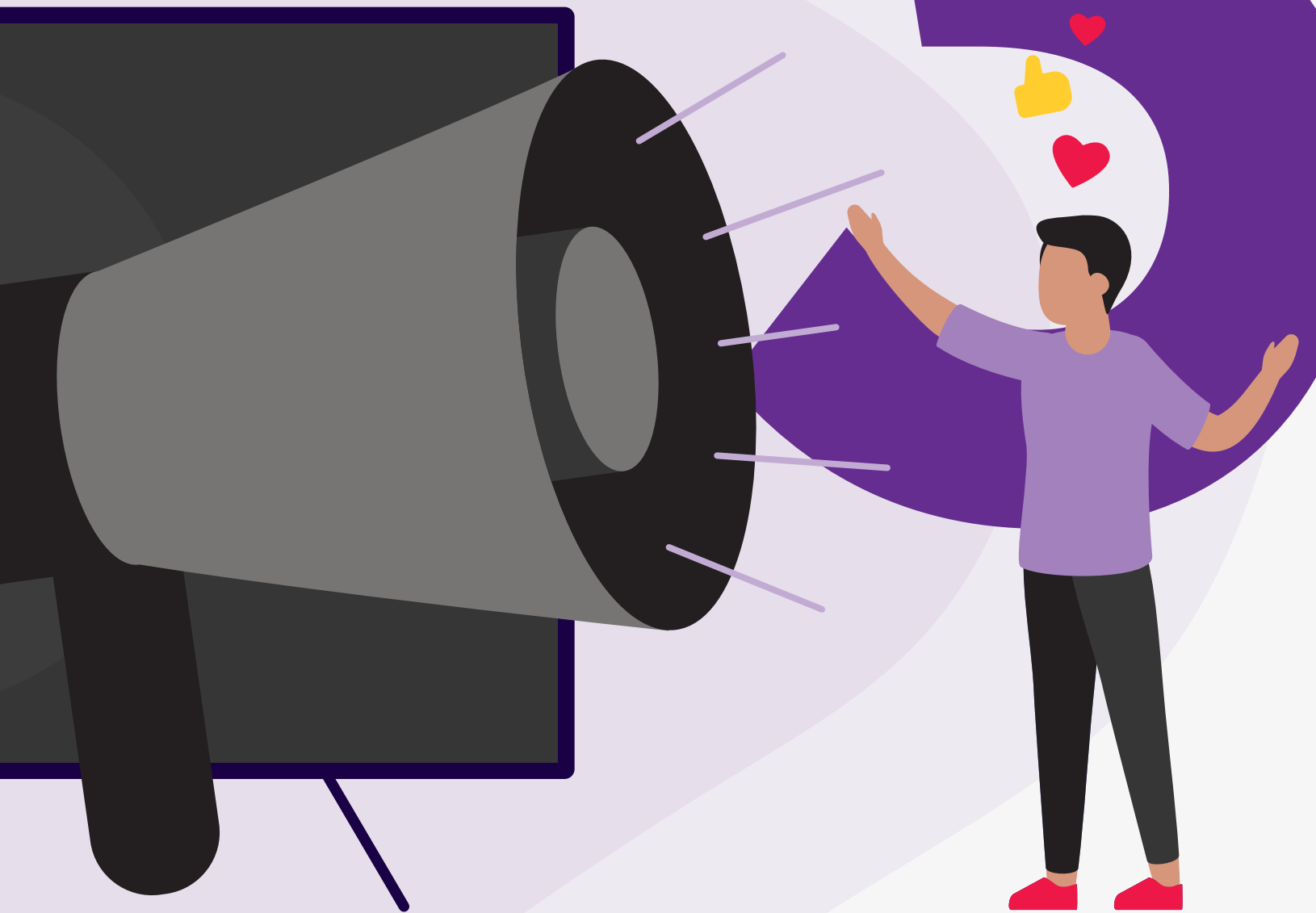
Nearly
1 in 2

consumers have streamed a new movie release at home in the past year

and almost 2 in 3 plan to do it more in the future, mostly because of its convenience and cost savings.

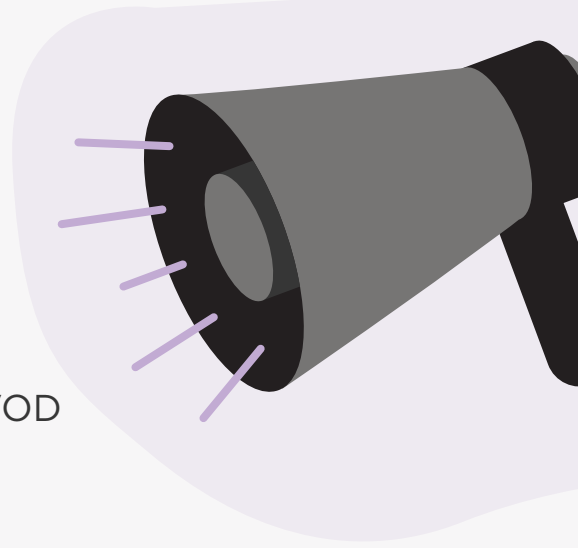
Free is a great price.

Trends are strong toward ad-supported streaming. Ultimately, consumers want choice, and ad-supported options make it easier for customers to try new streaming services. Parents with kids at home are especially open to ad-supported options, and advertisers will be happy to hear that AVOD streamers are the most engaged audience.



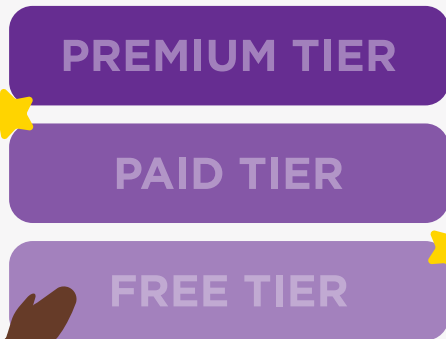
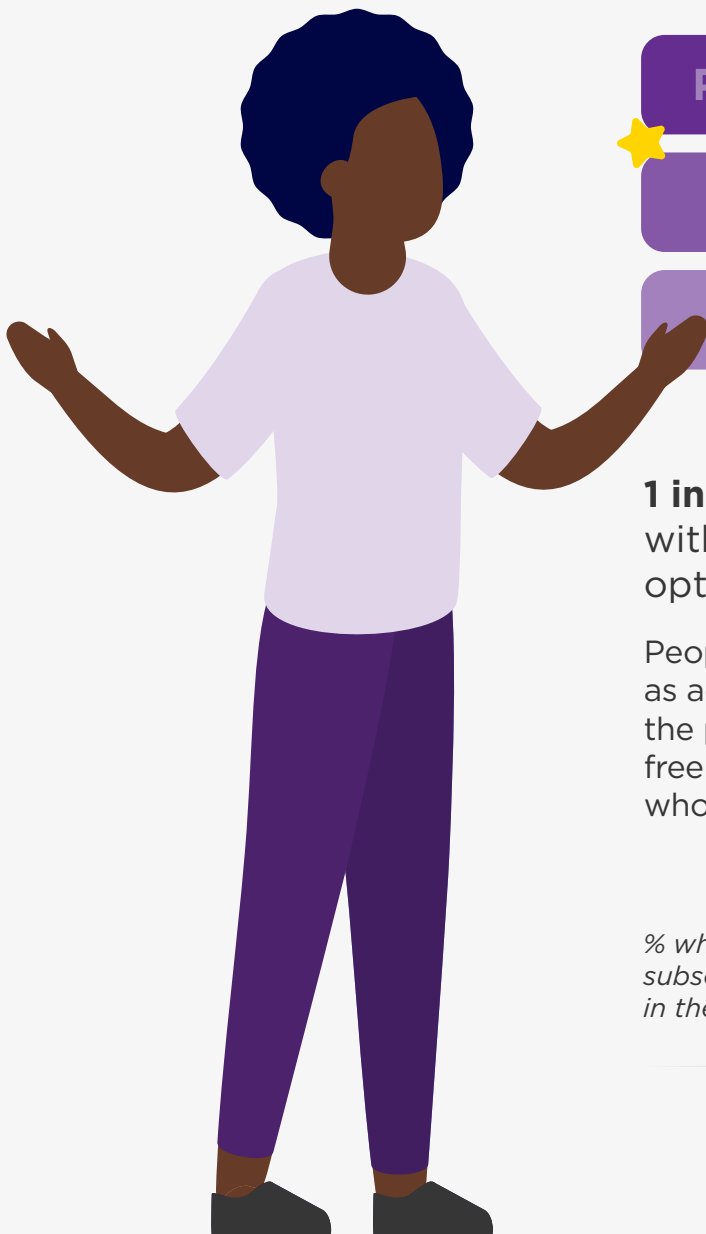
Better ads, better tech: Making TV streaming accessible.

Almost 2 in 3 consumers are willing to pay for an AVOD service if it offers a lower monthly subscription cost.



8 in 10

agree that one of the **biggest factors** when deciding whether to try a new streaming service is **if it offers free and paid subscription tiers.**

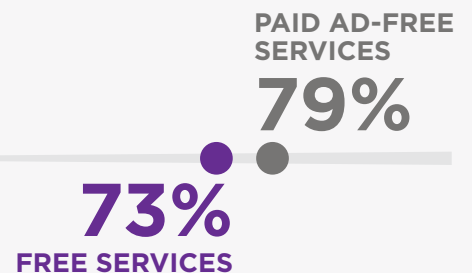


1 in 2 streamers have ad-supported services.

1 in 3 AVOD viewers even said they went with the ad-supported subscription option because **they don't mind ads.**

People value free ad-supported streaming as much as ad-free streaming. Of the services they added in the past year, a similar number plan to keep their free ad-supported streaming services as those who plan to keep their ad-free streaming services.

% who intend to keep subscription services added in the past 12 months



Rise of AVOD.



AVOD viewers are more likely to be cord shavers

i.e. people who have traditional pay TV but downgraded their plan in the past 12 months

21%

vs. 14% SVOD



AVOD viewers stream more weekly than SVOD viewers

70% stream 10+ hours

vs. 63% SVOD



AVOD viewers are more likely to be parents

with kids under 18 in the household

43%

vs. 32% SVOD

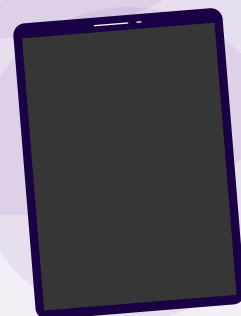
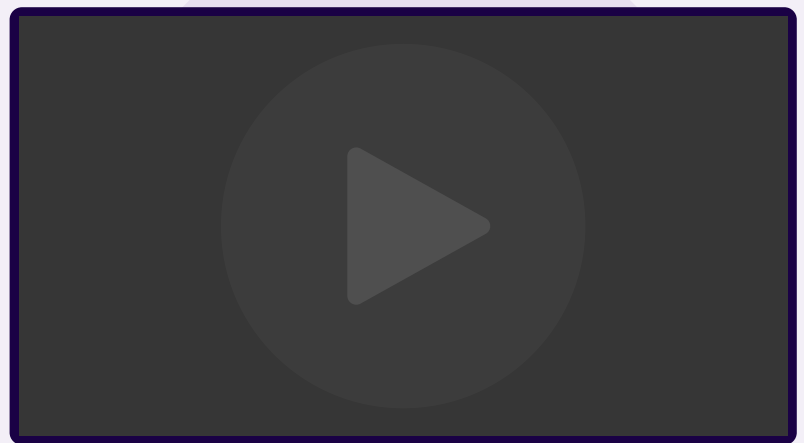
AVOD viewers have at least one ad-supported streaming service. SVOD viewers do not have any ad-supported streaming services.

Reaching AVOD viewers.

44% of AVOD viewers spend **3+ hours** in a typical TV streaming session...



...and nearly 4 in 5 AVOD viewers say that they **use another device while TV streaming**, meaning that brands have ample opportunities to connect with them cross-screen.

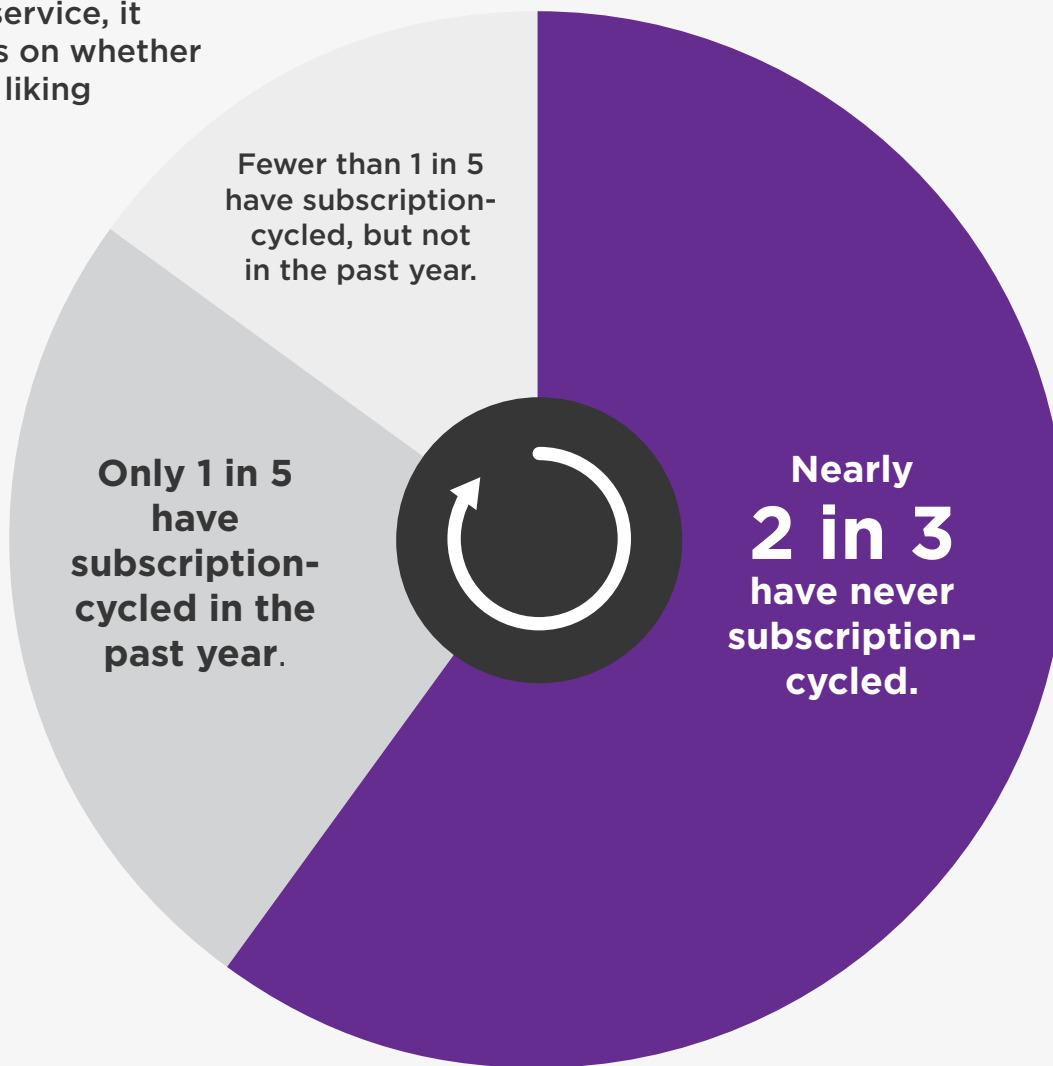


TV streamers are loyal.

Subscription cycling—signing up, cancelling, and then signing up again—is overhyped. While cancelling subscriptions for TV streaming services does happen if the content doesn't live up to expectations, consumers don't typically sign up for a plan with the intent to cancel.

37% of streamers say they don't have a set time to cancel a service, it just depends on whether they end up liking it or not.

Looking back...



Looking forward...

Only 3%
have definite plans to cancel in the next year.

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