Quantifying the Content Rollercoaster of 2020

Macro Viewership Trends Across the VODs (AVOD, SVOD & TVOD)

September 2020

npd

Quantifying the Content Rollercoaster of 2020

Capturing (and retaining) viewer attention

A desire for home entertainment is driving viewership gains and accelerating the migration to streaming

Fostering sign-up & maximize engagement

Content remains king and must deliver value

The Great Re-Bundling

The most common bundles include Netflix, Amazon, Hulu & Disney+

AVOD & TVOD supplement it

NEED TO KNOW

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TV Became Essential During COVID-19

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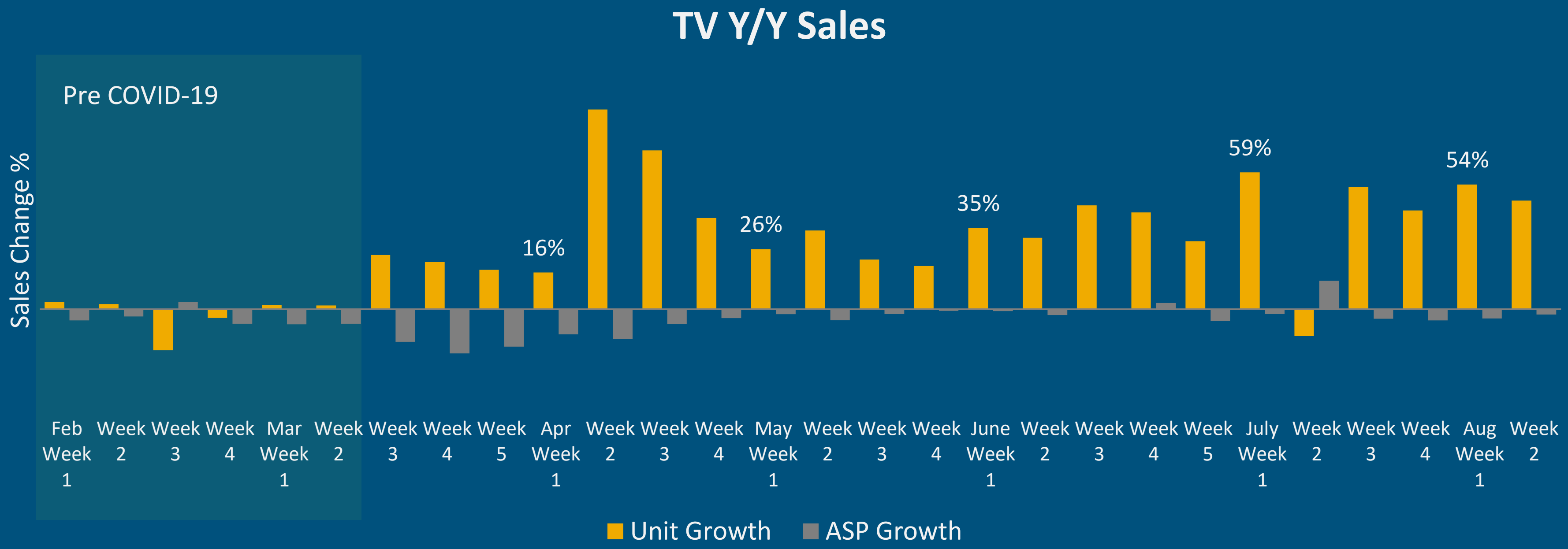
TV sales have been up since the start of the pandemic

Gaming, streaming/DVD/BD player attachment, home office needs and pulled forward purchasing have been driving sales



Source: NPD Retail Tracking Service

Stay-at-home Orders Accelerated the Migration to Streaming

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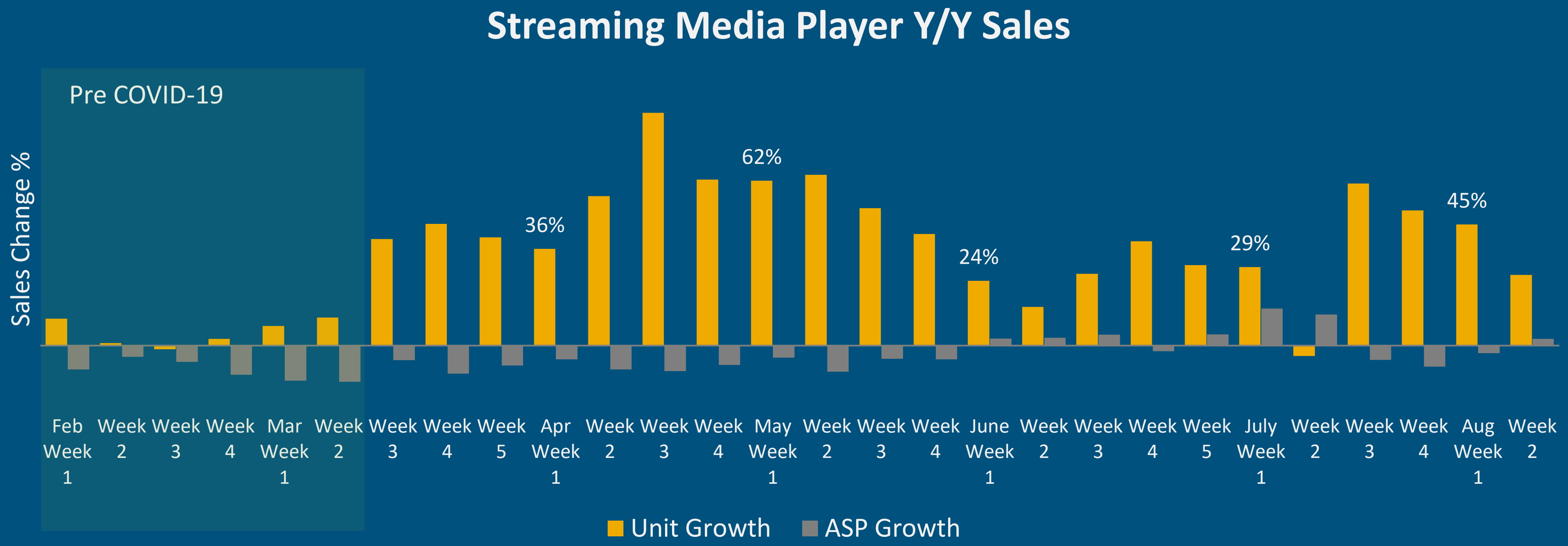
Streaming players sales have also grown during stay-at-home orders

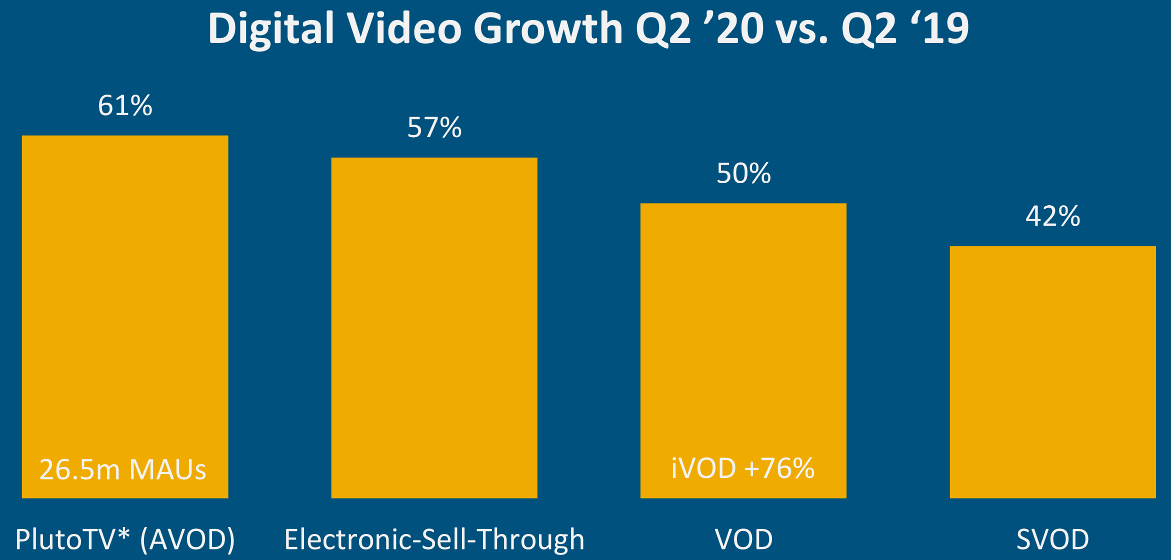


Source: NPD Retail Tracking Service, Excludes Fire TV


Content consumption is peaking
3

Q2 Y/Y growth in free, transactional & subscription video video was staggering

The '20-'21 mission: retain the audience



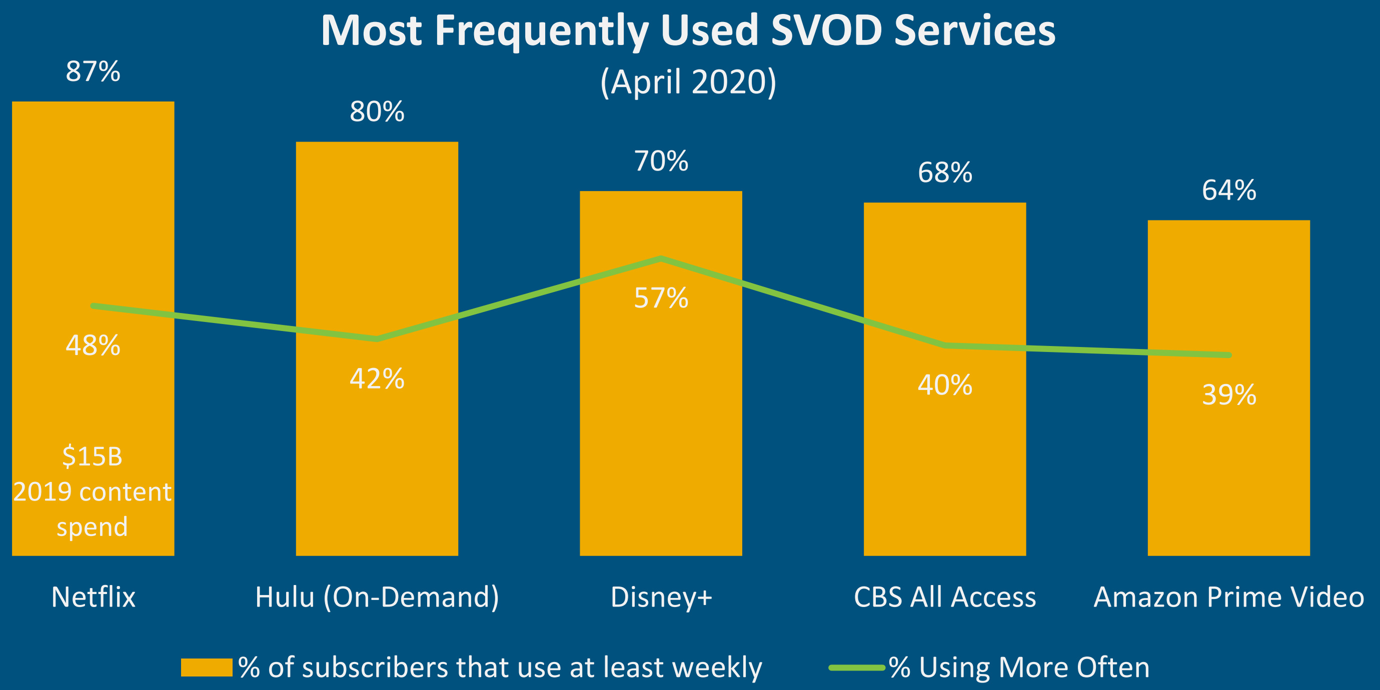
Source: DEG

**ViacomCBS Earnings Report, domestic monthly active users*

Used the Most, Gained the Most

Services used the most frequently are gaining the most ground

Netflix, Hulu, Disney+, CBS All Access, and Amazon Prime Video drive the greatest engagement



Source: TV Switching Study

Disney’s Doing it Right

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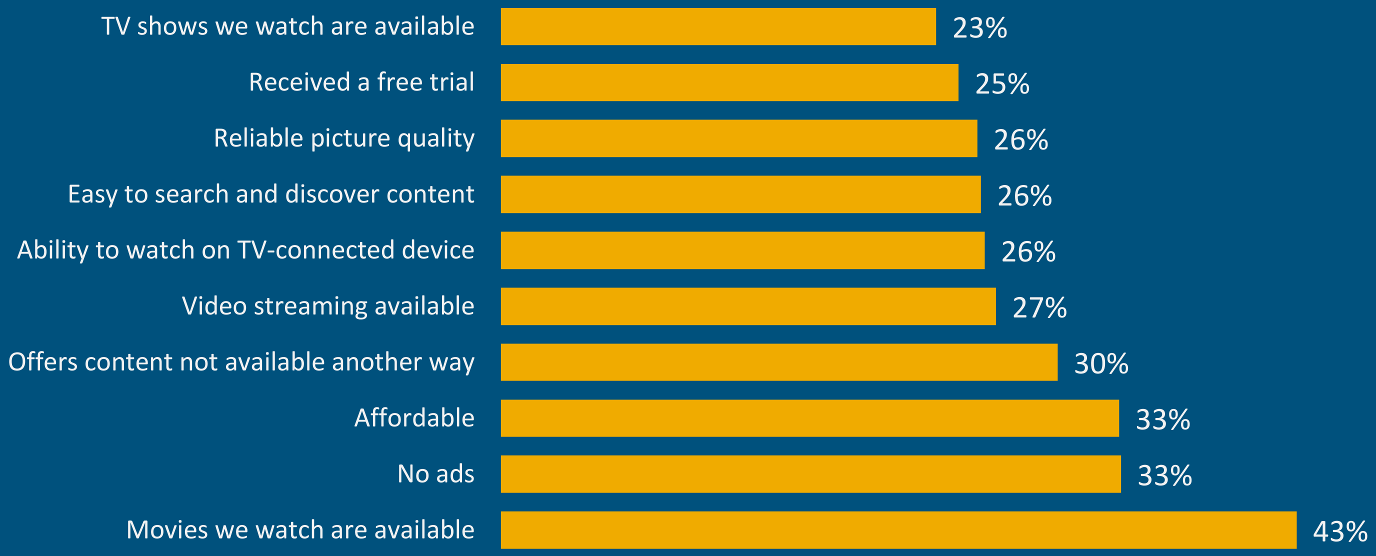
Disney+ engagement is driven by the right movies being available, exclusive content, affordability, and the lack of ads

Disney+: Top 10 Reasons Subscribed or Using it More

(April 2020)



Source: TV Switching Study


Content is King
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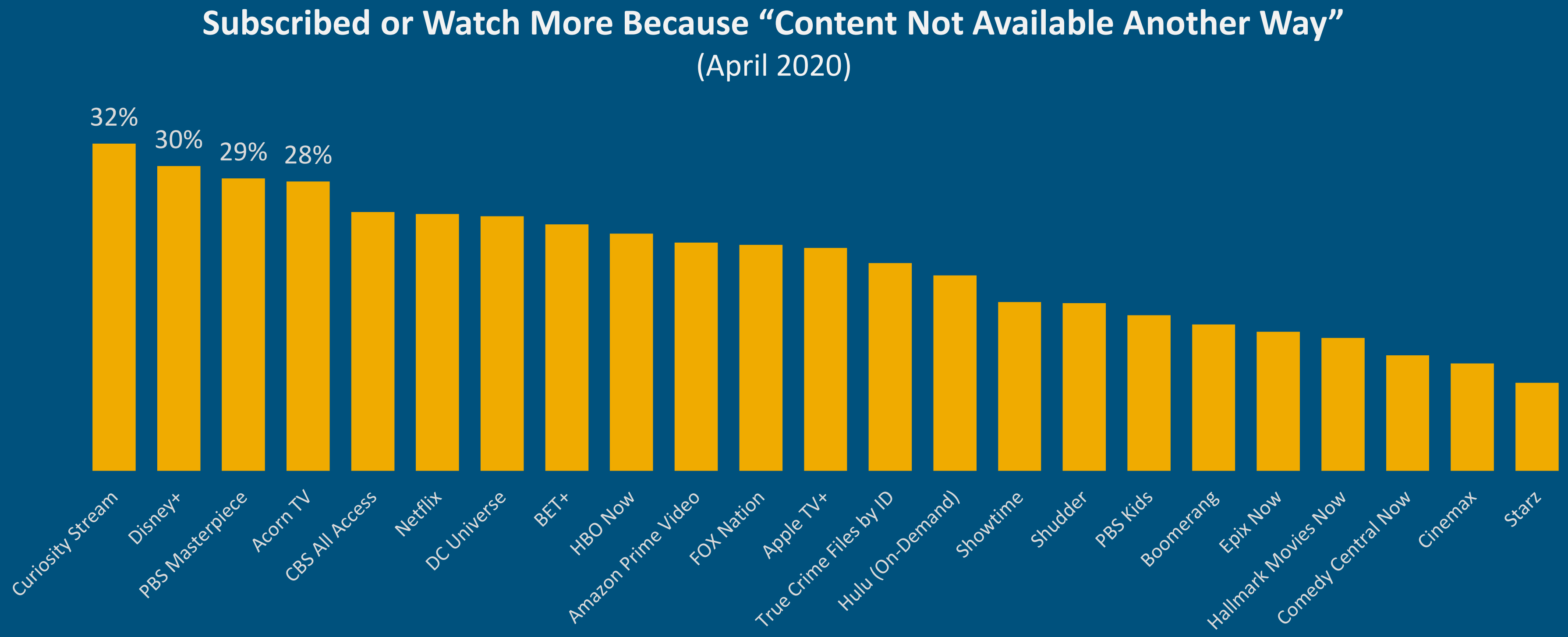
Exclusive content drives engagement for up to 1/3 of SVOD Users



Source: TV Switching Study
Among those who subscribed in the past year or increased engagement

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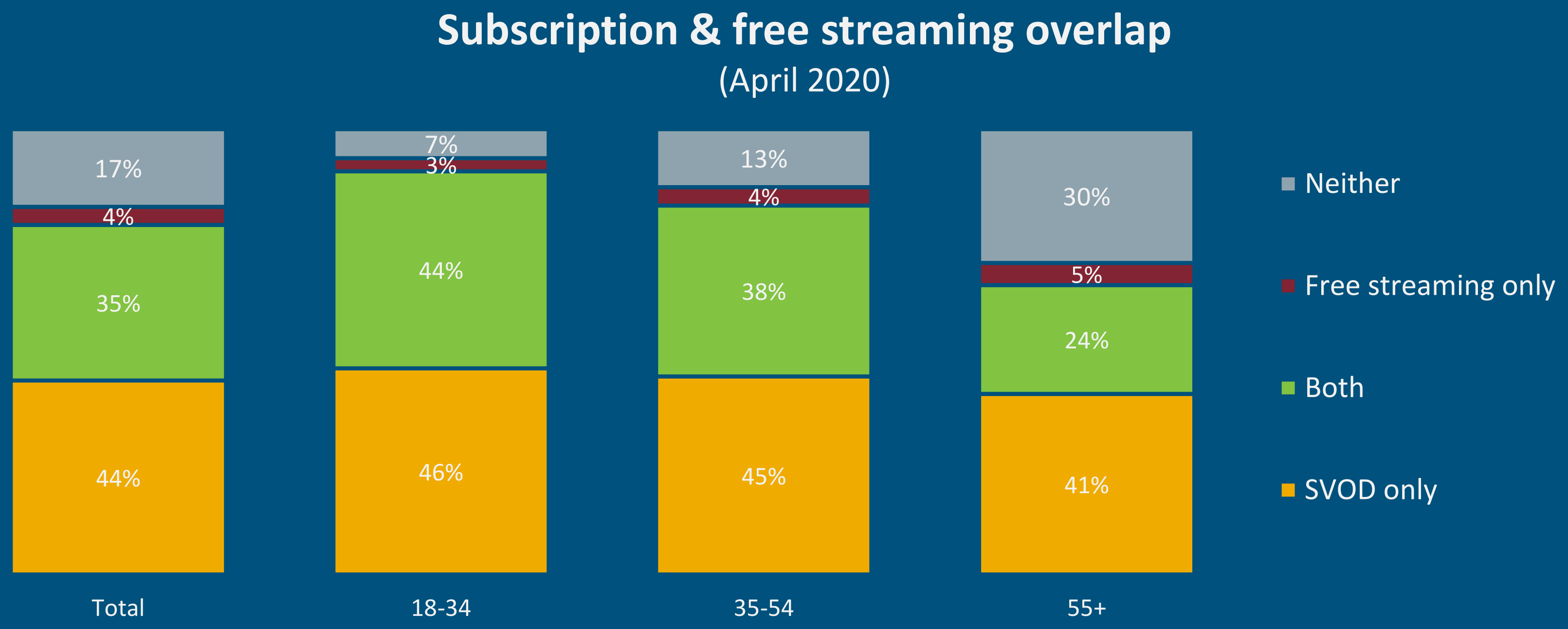
AVOD is a Supplemental Viewing Source

Free streaming video is supplemental to subscription services viewers use

Nearly all (90%) of viewers age 18-34 use subscription or free streaming service



Source: The TV Switching Study

Some Do Better

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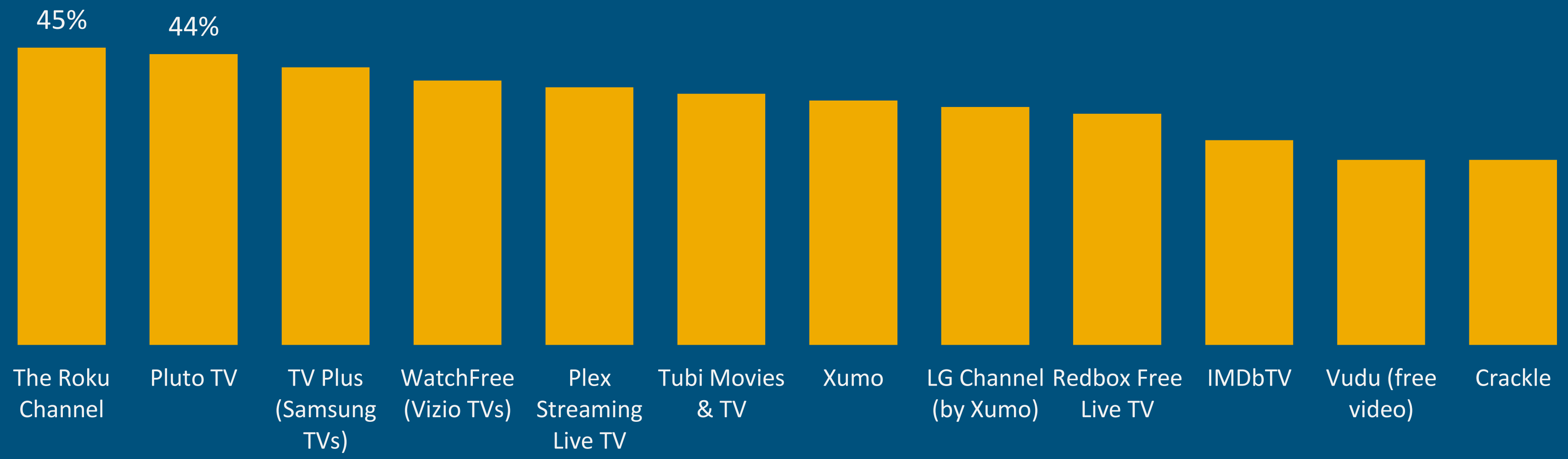
The Roku Channel and Pluto TV generate the highest rate of weekly usage

% of Past Year User Base that Uses Service Weekly

(April 2020)



Source: TV Switching Study

The Prowess of Free

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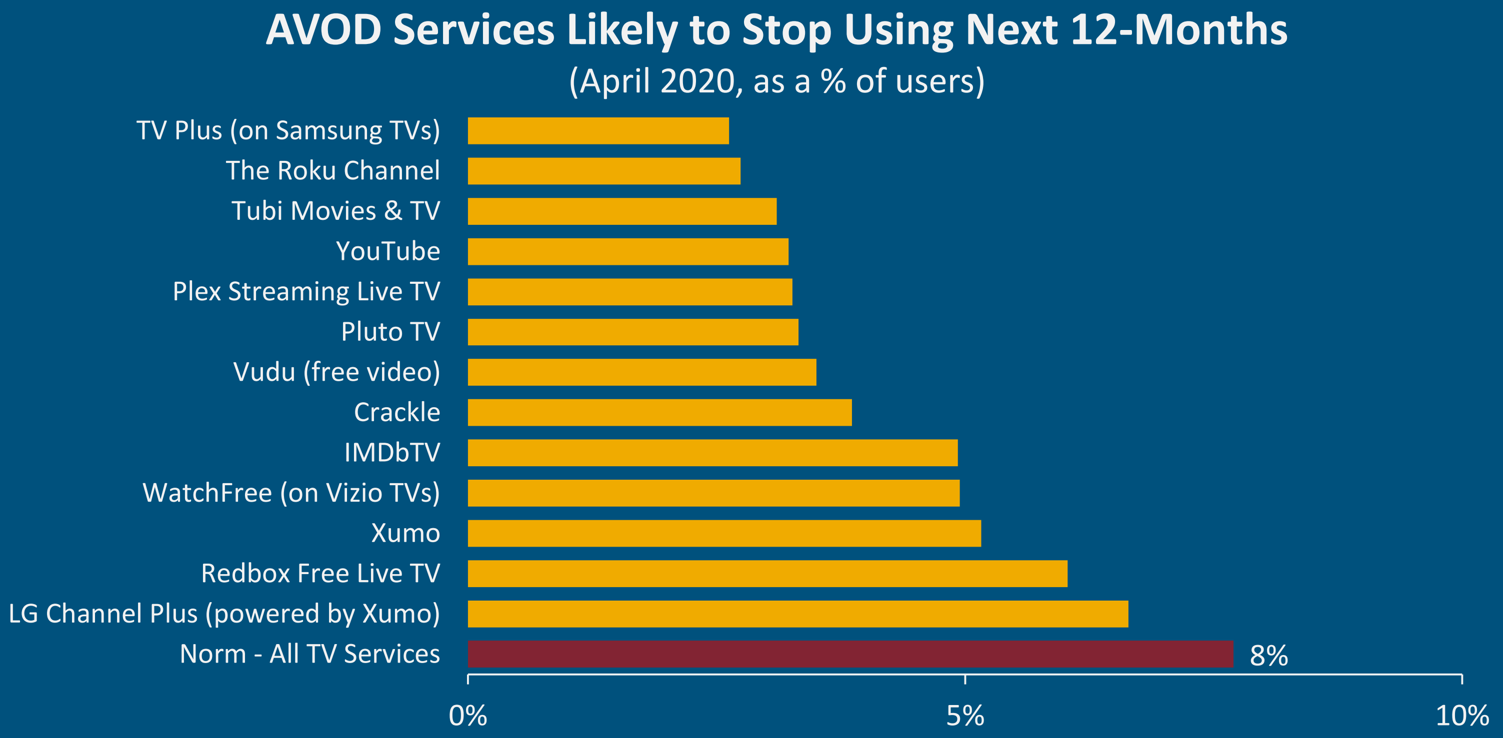
All free streaming services have churn risk that is below the norm

Top reasons for churn: Too many ads (23%), able to get content another way (22%), other services offer better content (21%)



Source: TV Switching Study
Norm includes all 79 TV services measured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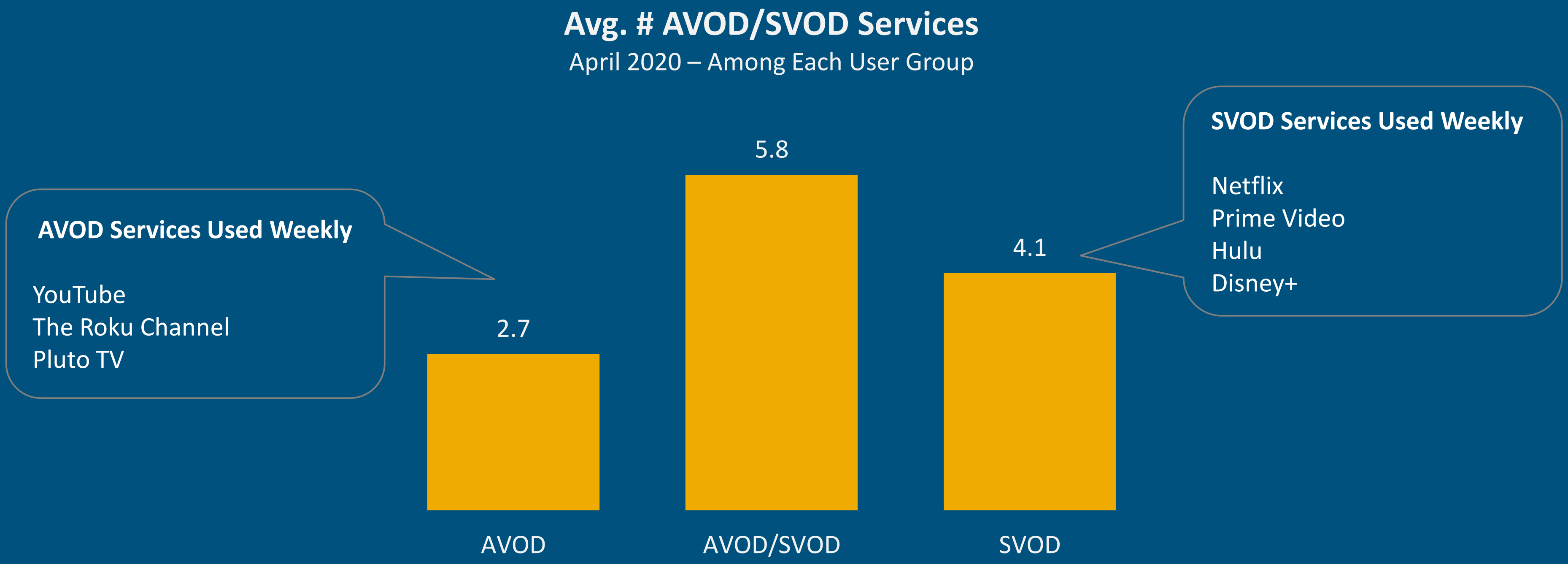
The Dream Bundle

The average AVOD/SVOD bundle has 5.8 services

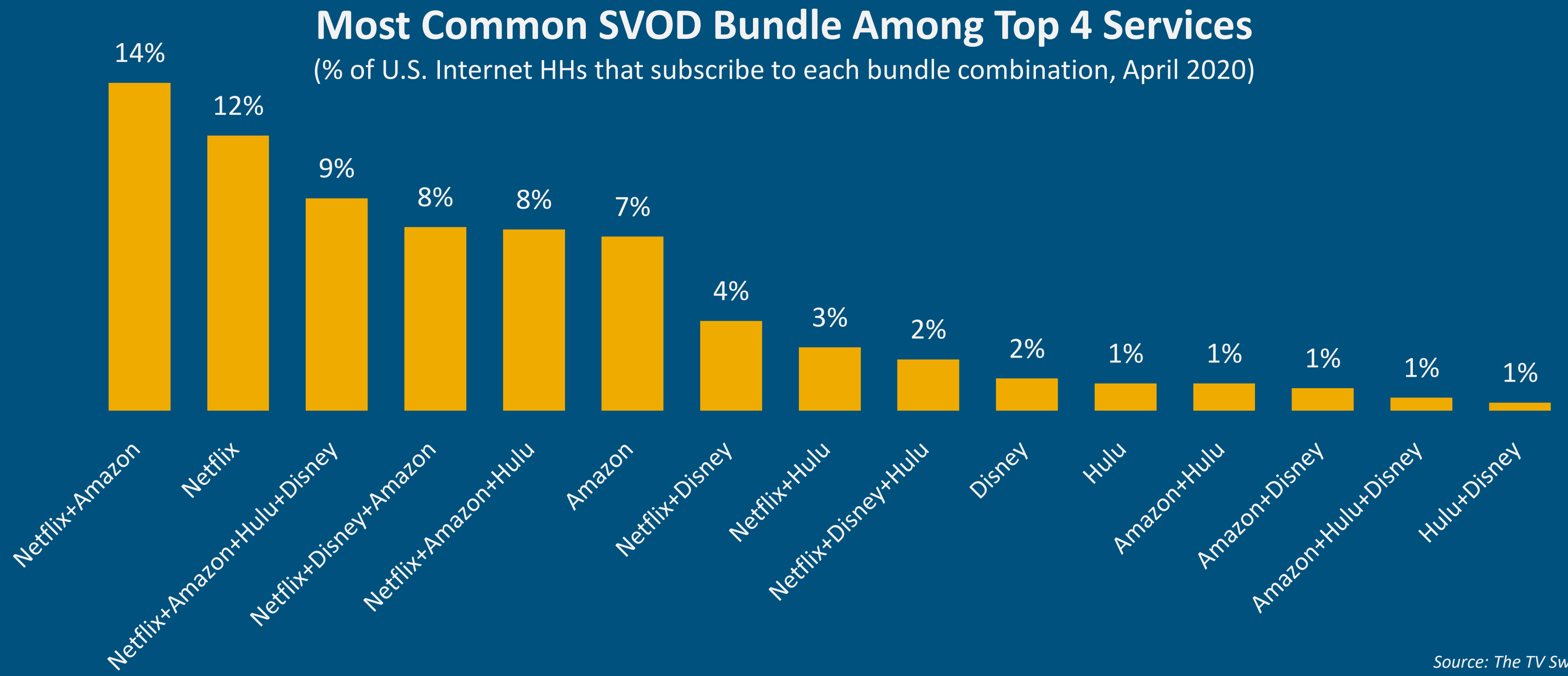
YouTube - Roku Channel - Pluto TV – Netflix – Prime – Hulu - Disney+



Source: TV Switching Study
** Callouts based on % ranking of weekly active users*

Netflix is part of the five most common SVOD bundles

Notably, the third most common bundle includes all of the top four SVOD services and it is the MOST common among consumers age 18-34



Source: The TV Switching Study

Change is The New Norm

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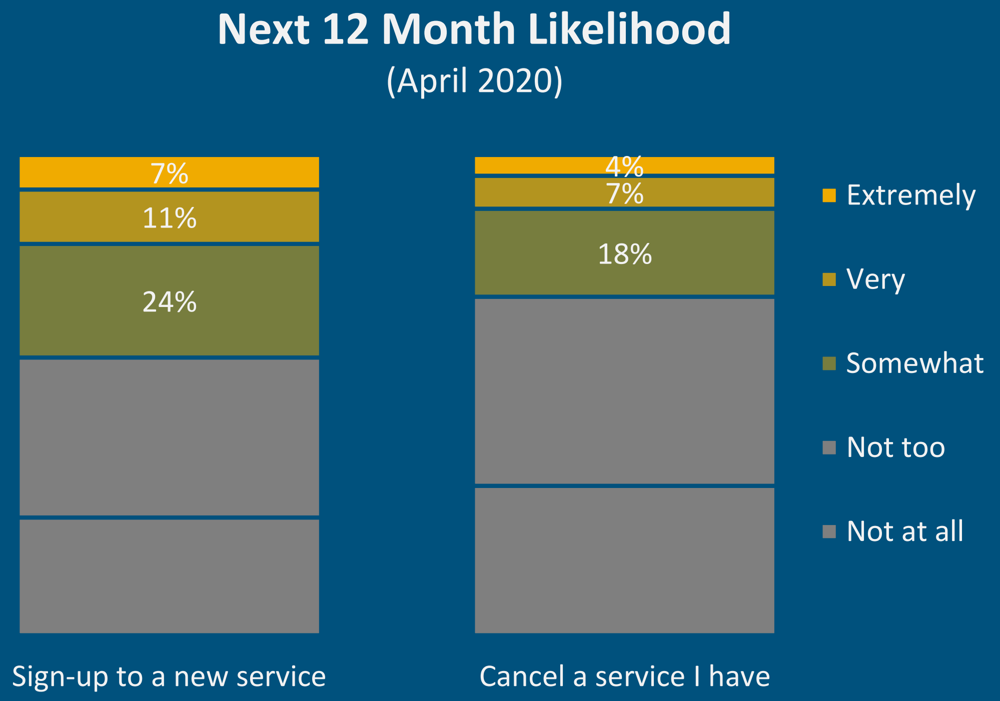
42% of viewers have intentions to subscribe to or start using a new TV service

Fewer, 29% are likely to cancel or stop using a service they currently have



Source: TV Switching Study

QUESTIONS?

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