



## **Vorhaus Digital Strategy Study**

**Advanced TV and Connected TV:**

**SVOD, AVOD, Cord Cutting, Skinny Bundles,  
Livestreaming**

**August 2020**

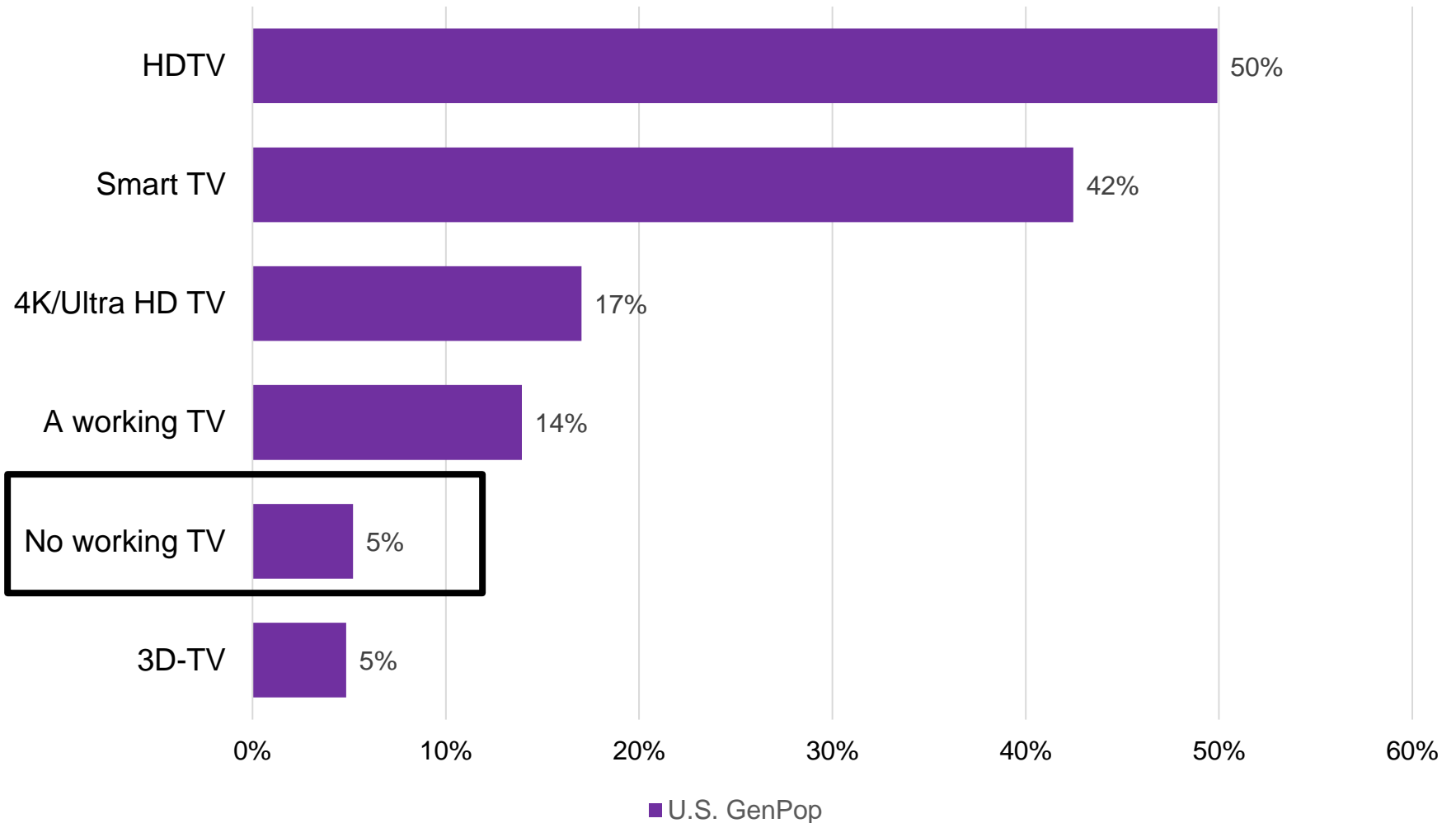
The logo for ottx is written in a bold, blue, lowercase, sans-serif font. The letters are closely spaced and have a modern, slightly italicized appearance.

- Nationally representative online survey of **N=2,268** (Margin of error  $\pm 2\%$ )
- Oversample of 517 in-game purchasers
  - Ages 18+
  - Sample matched to the U.S. Census for age, gender and race
  - Study focus: media attitudes and behaviors of consumers on a broad range of topics
  - Data collected June 8– July 1, 2020
  - Average survey length 22 minutes
  - Respondent recruitment completed by a high-quality online research panel and data collection firm

# Television – Not As Simple As It Used To Be

# Half of Americans Have an HDTV in their home and 42% have smart TVs.

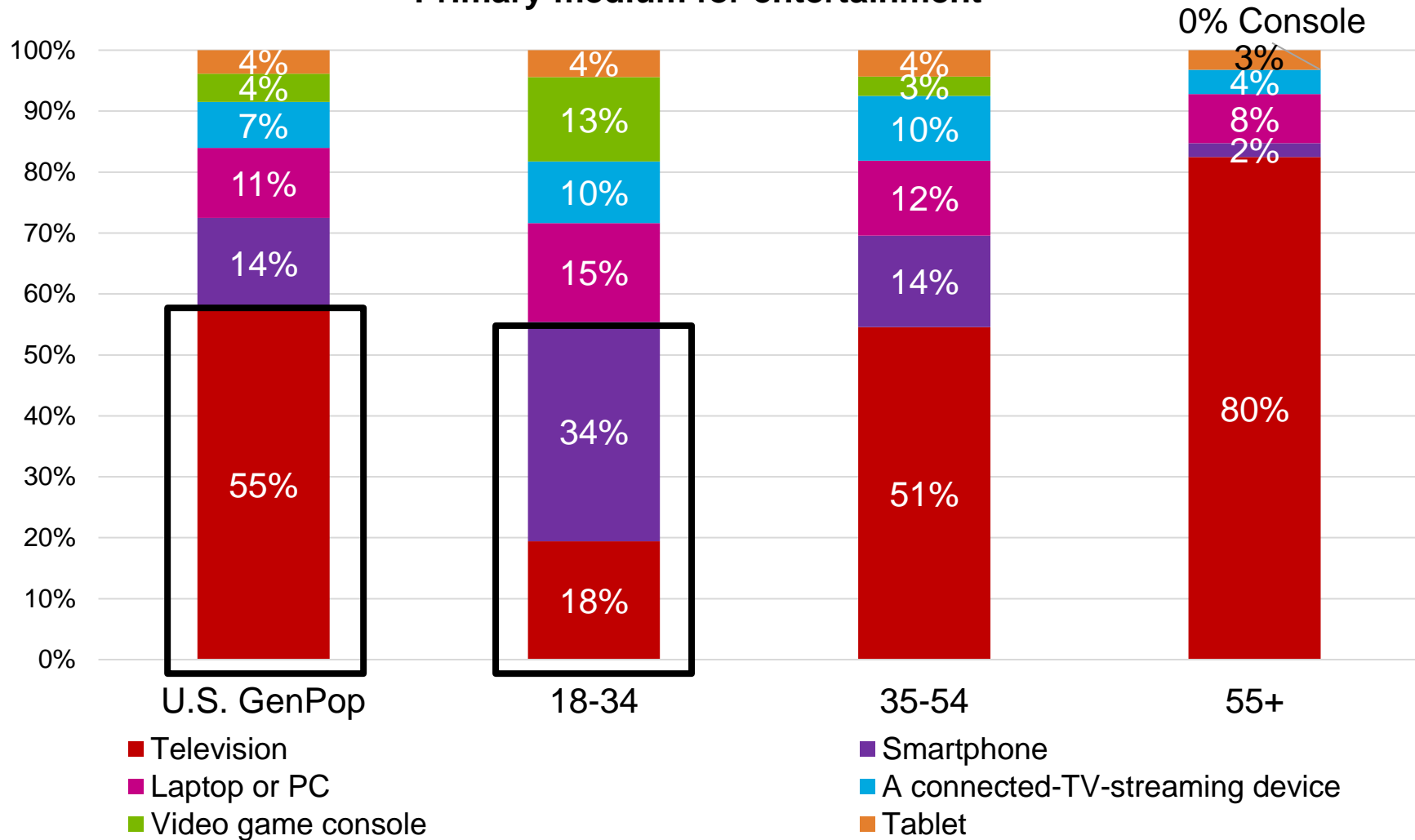
### Television technology in household



q18: Which of the following do you have in your household? (GenPop N=2,268; Multiple response)

Only 18% of those 18-34 consider television their primary medium for entertainment versus 80% of those 55 and over.

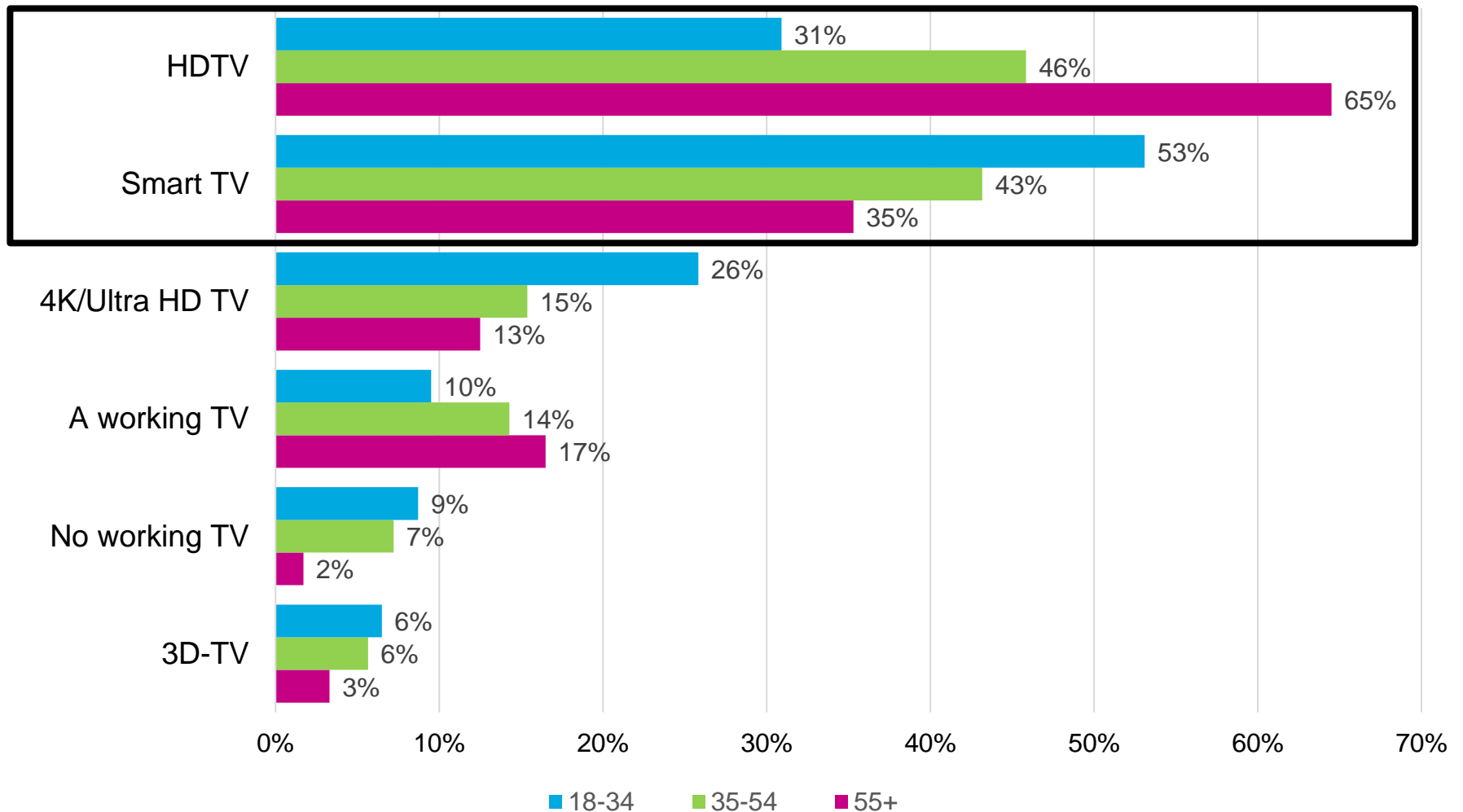
Primary medium for entertainment



q12: What is your primary medium for entertainment? (GenPop N=2,268)

The younger generation has embraced smart TV while only one-third of those 55+ are using the technology.

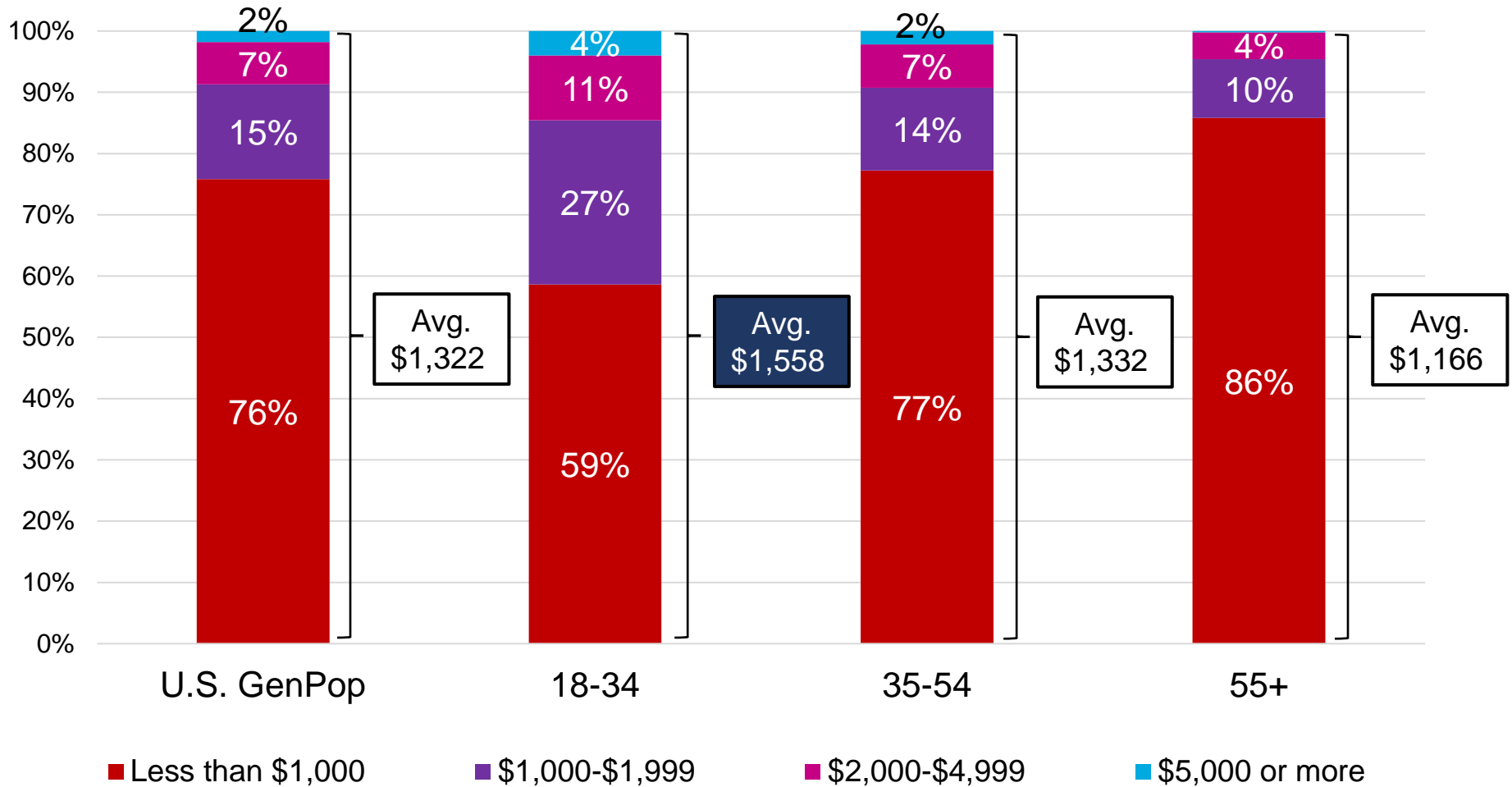
Television technology in household



q18: Which of the following do you have in your household? (GenPop N=2,268; Multiple response)

2 out of 5 of those 18-34 are spending more than \$1,000 a year on digital media and entertainment.

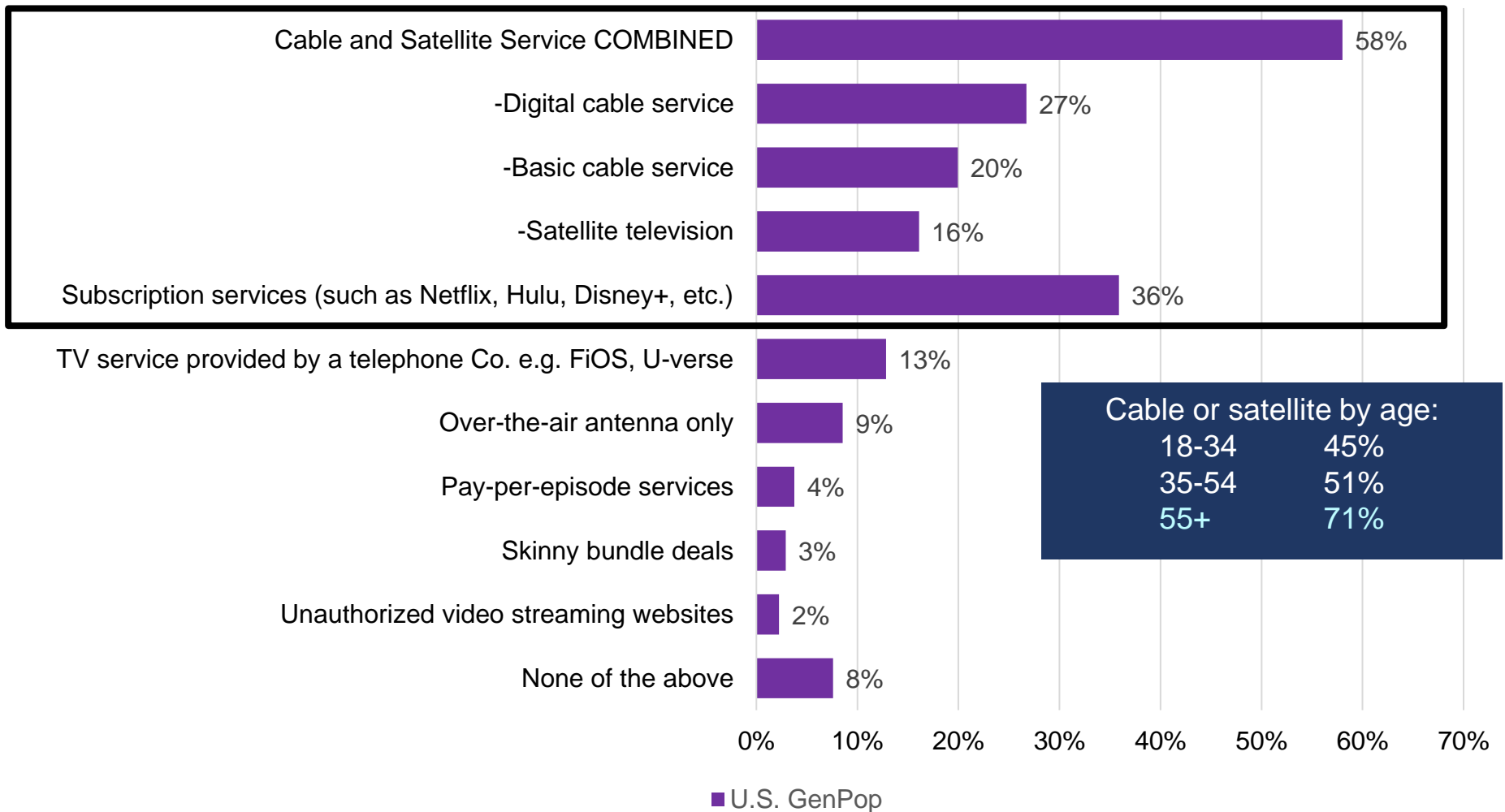
Annual digital media and entertainment spend



q13: Overall, how much do you think you spend in an average year on digital media and entertainment, including games, video, movies, music, audio, text, etc.? (GenPop N=2,268)

58% of consumers have cable or satellite service in their household.

### Television access in household

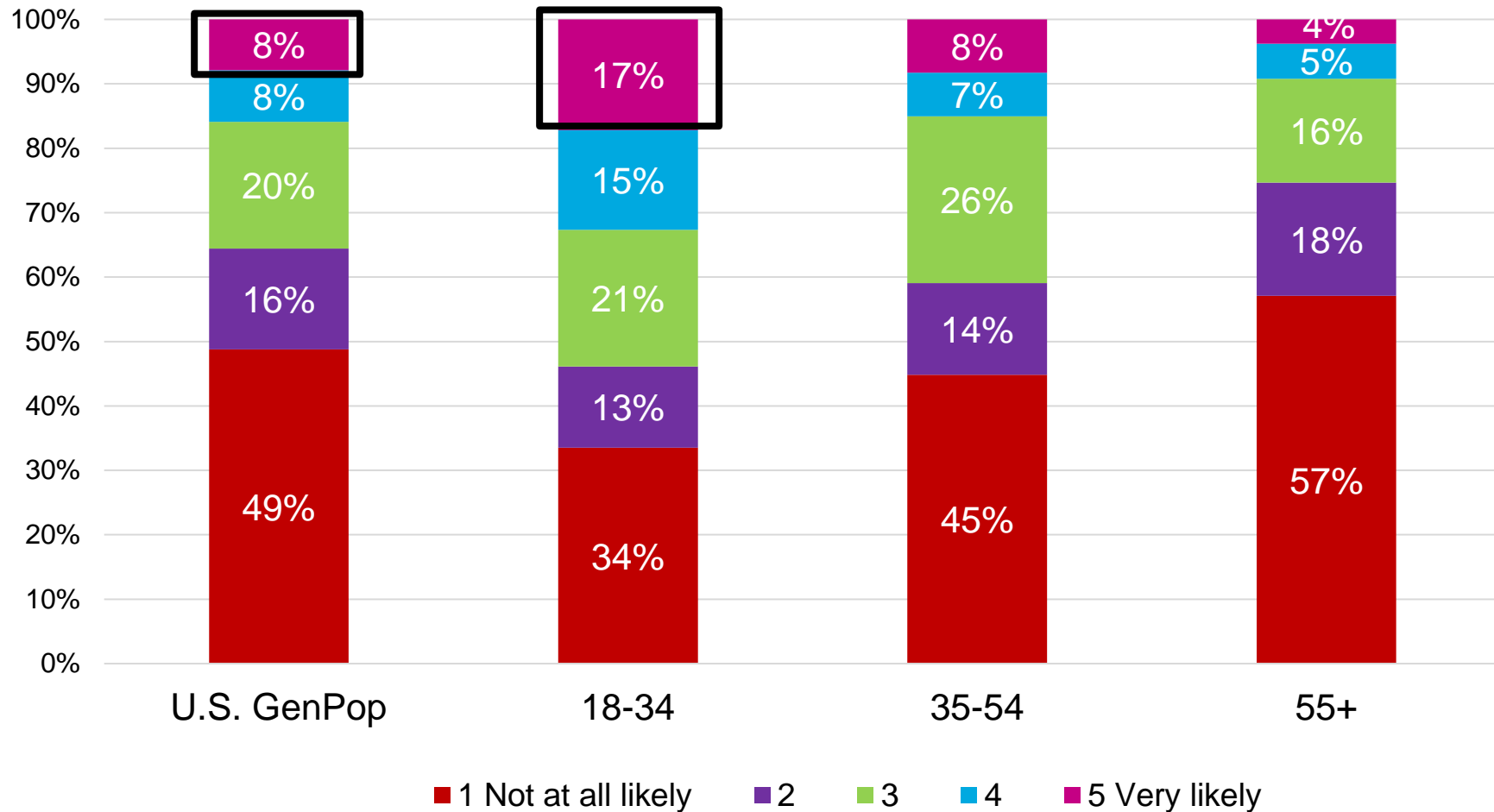


q19: How do you access your television programming at home? (GenPop N=2,268; Multiple response)



Almost 10% of pay TV subscribers will very likely cut the cord. Those 18-34 are twice as likely.

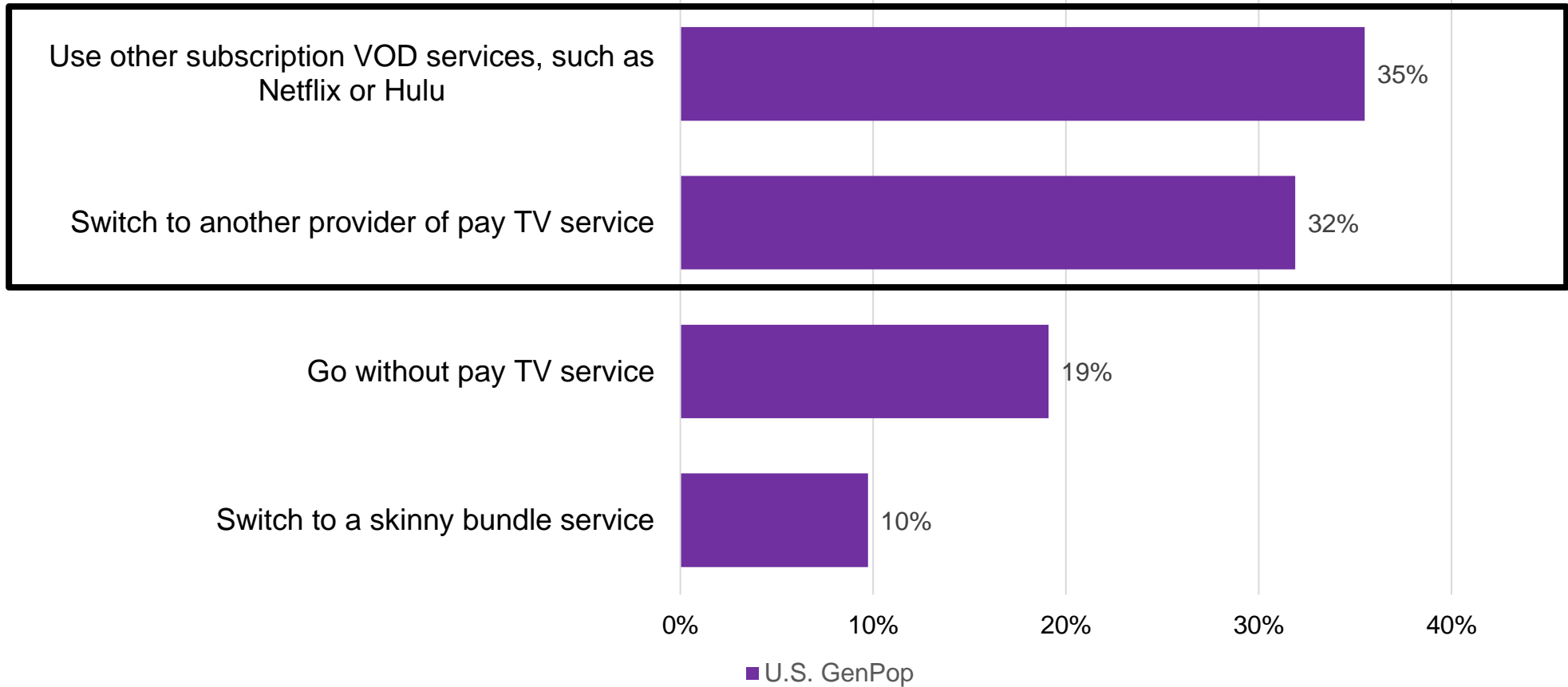
Likelihood to cancel pay TV service in the next 12 months



q20: How likely are you to cancel your pay TV service in the next 12 months? (Among those who pay for streaming services; GenPop N=1,560)

# After cancelling pay TV services, one-third will turn to other VOD subscription services and another will switch pay TV providers.

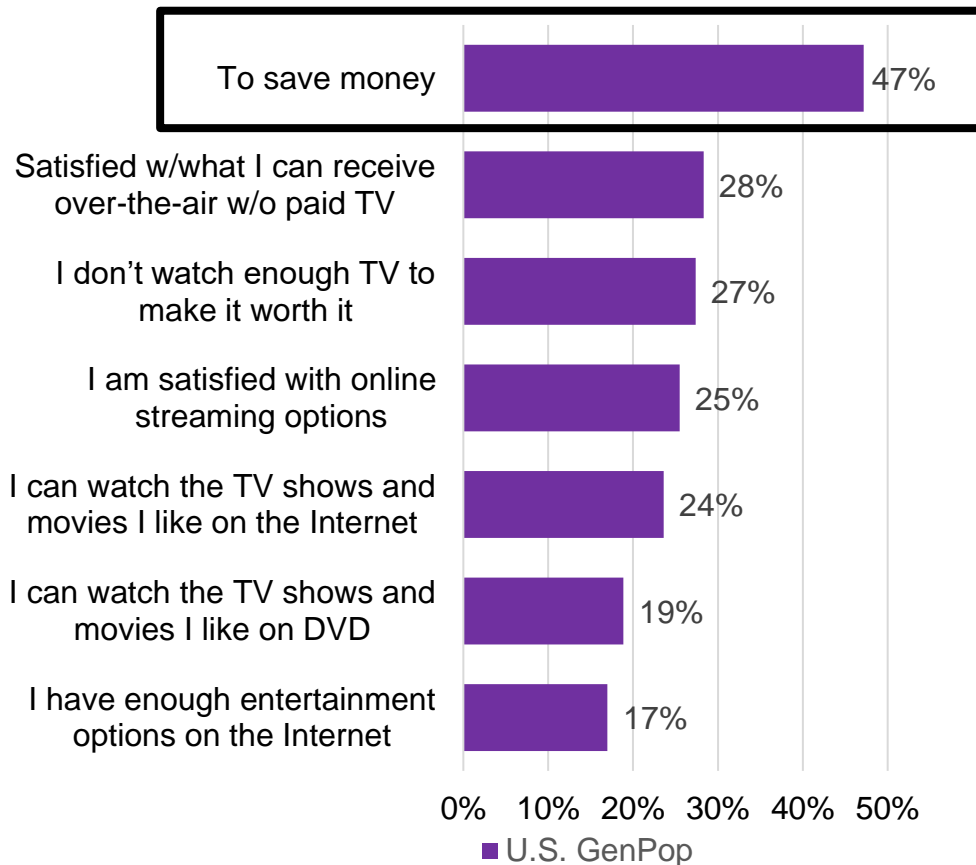
### Plans after cancelling pay TV service



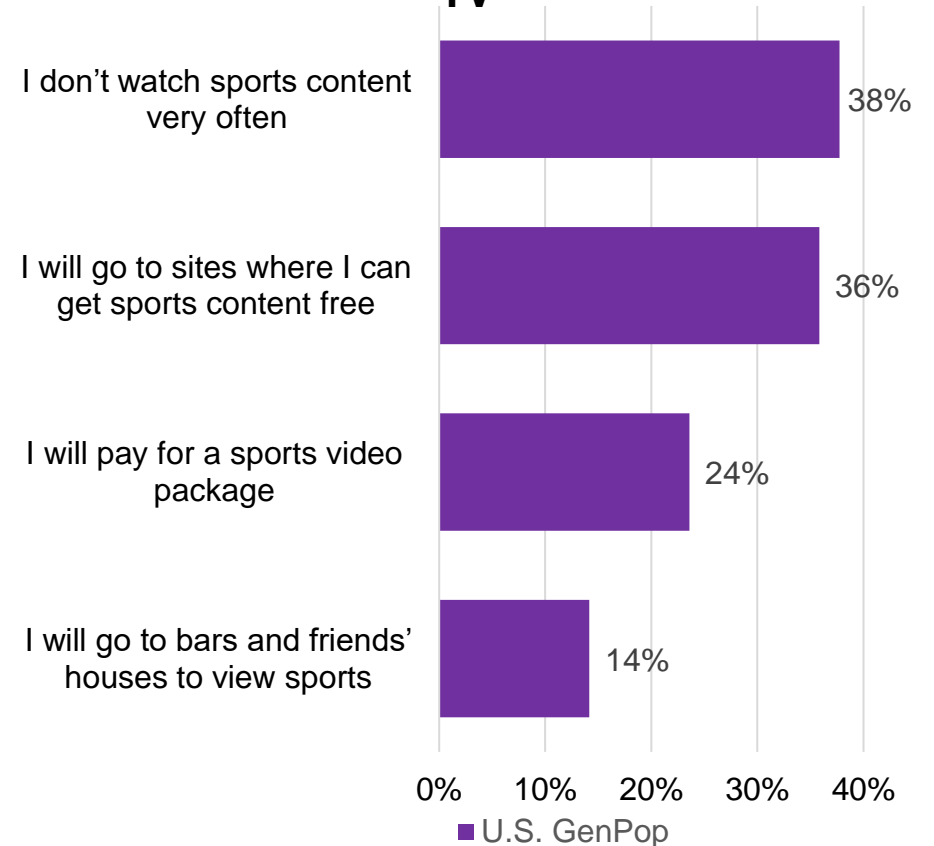
q21: If you cancel your current pay TV service in the next 12 months, which of the following are you most likely to do? (Among those who are somewhat likely to cancel TV service in next 12 months GenPop N=555)

# The top reason to cut the cord is to save money. In 2019 exactly 47% also said pay TV was “too expensive.”

## Reasons for going without pay TV

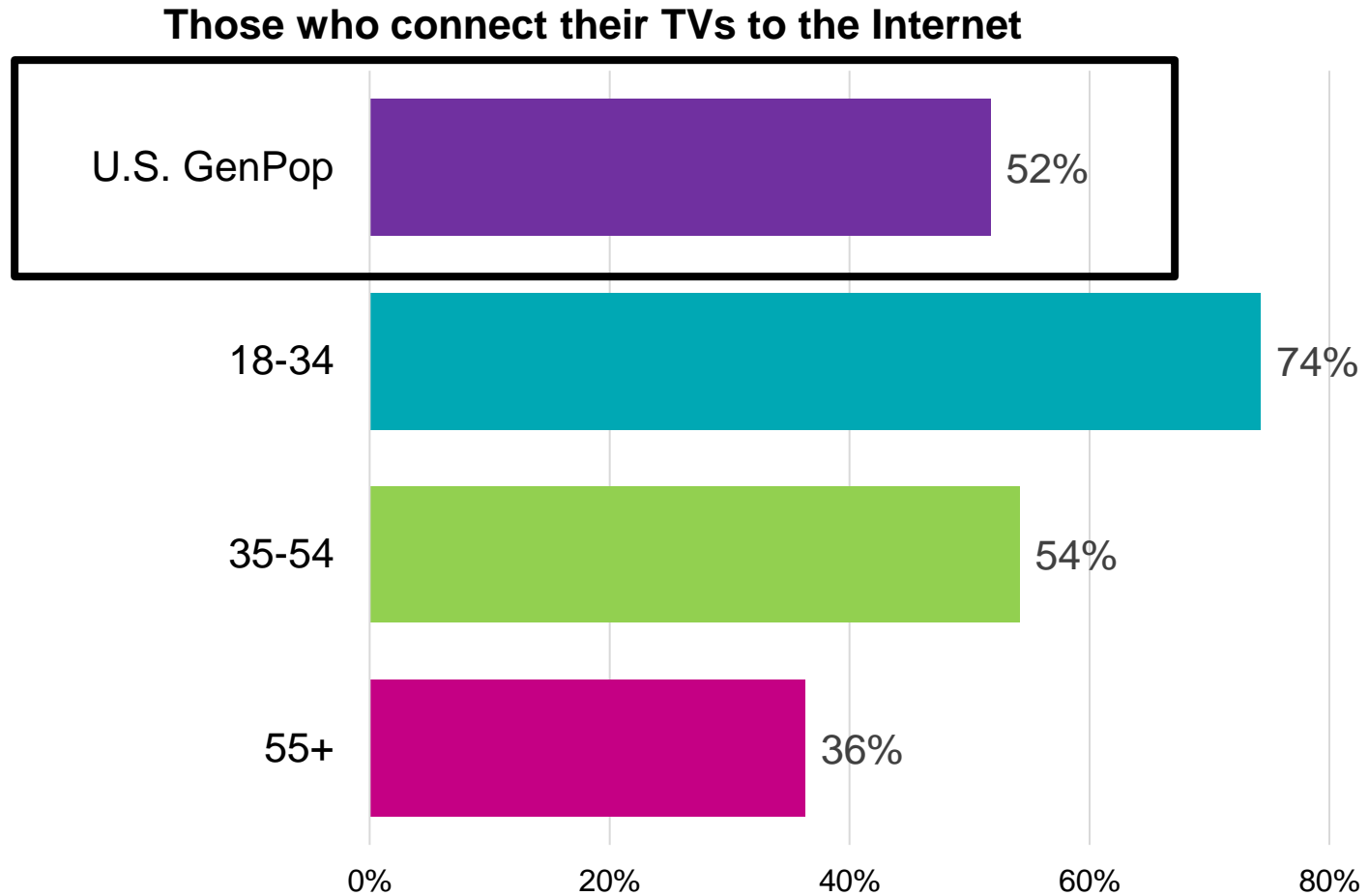


## Getting sports content without pay TV



q22: For which of the following reasons will you go without pay TV service? (Among those who will go without pay TV services GenPop N=106; Multiple response) q23: If you discontinue your cable or satellite Pay TV package, how will you get sports video content, including watching live sports games when they resume? (Among those who will go without pay TV services GenPop N=106; Multiple response)

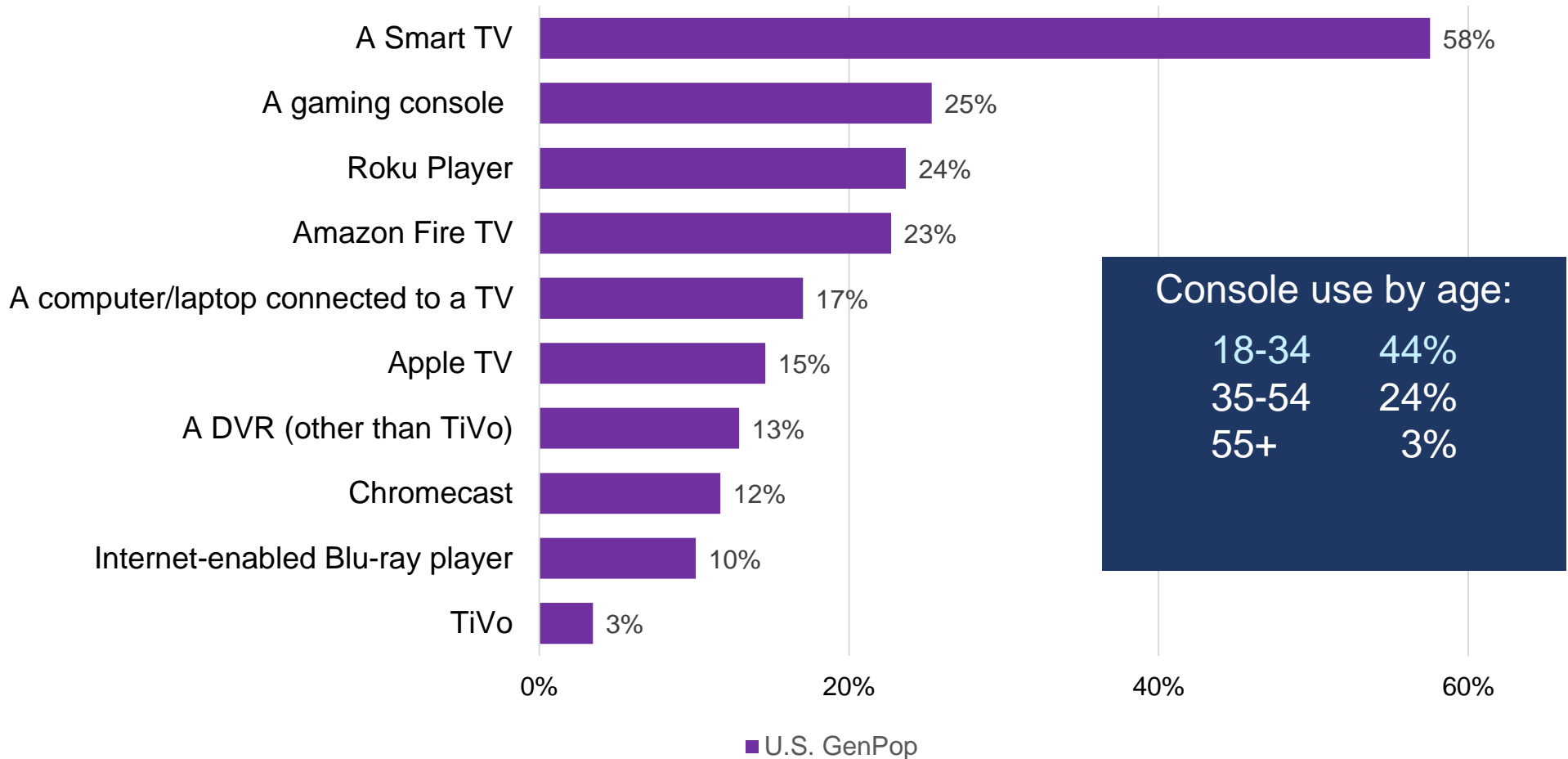
# Just over half of U.S. households connect their TVs to the Internet.



q24: Do you ever connect your TV to the Internet? (GenPop N=2,168)

# Smart TVs dominate the connected TV landscape.

## Ways people connect their TV to the Internet

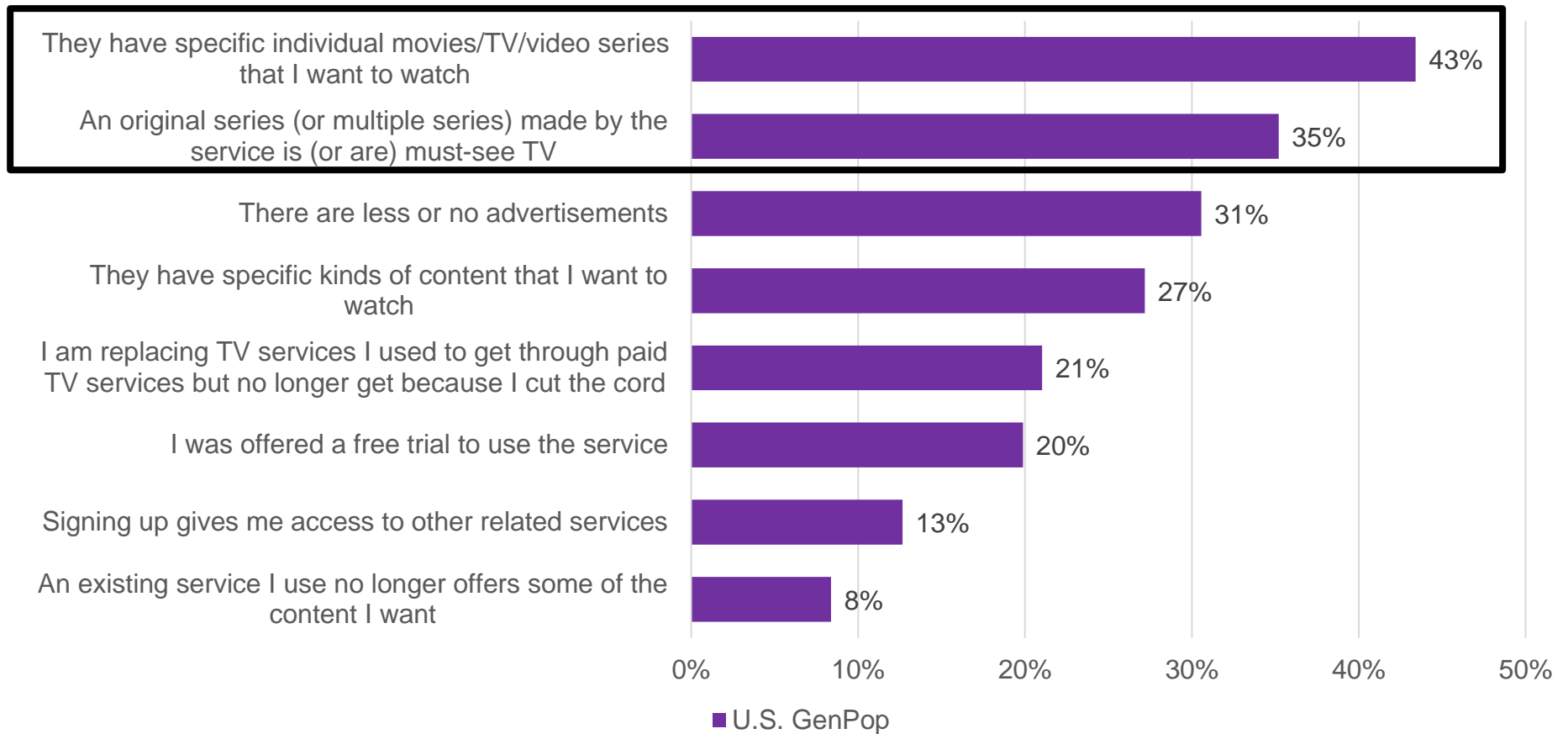


q25: In which of the following ways do you ever connect your TV to the Internet? (Among those who connect their TVs to the Internet GenPop N=1,069; Multiple response)

# Digital Video & VOD

# Content is the top driver for SVOD.

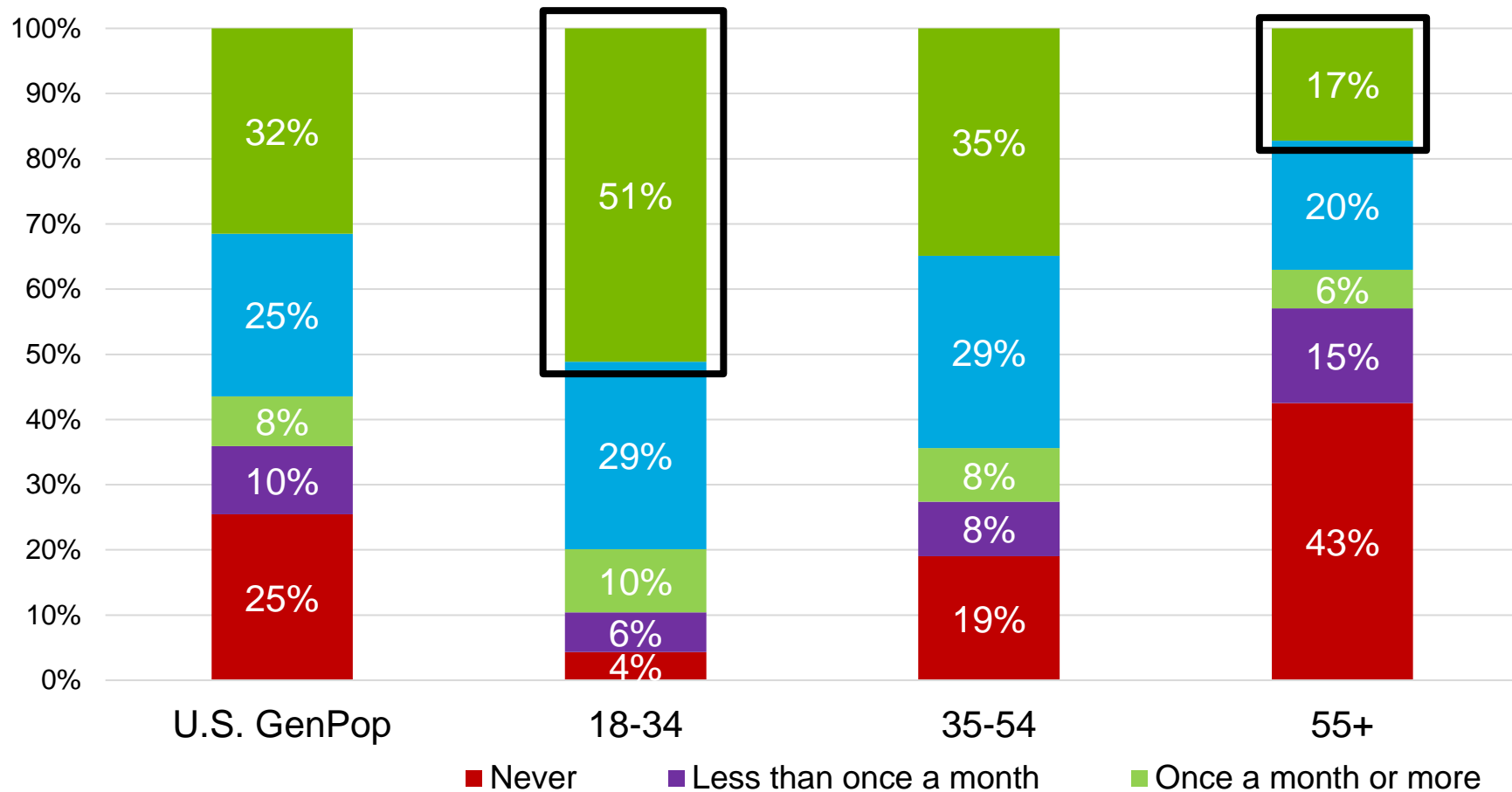
## Reasons for subscribing to video on demand services .



q68: For what reasons did you subscribe to VOD video services, such as Netflix, Hulu, HBO Now, etc.? (Among those who subscribe to VOD; GenPop N=1,122)

Just over half of those 18-34 watch digital video content from the Internet daily, compared to 17% of those 55+.

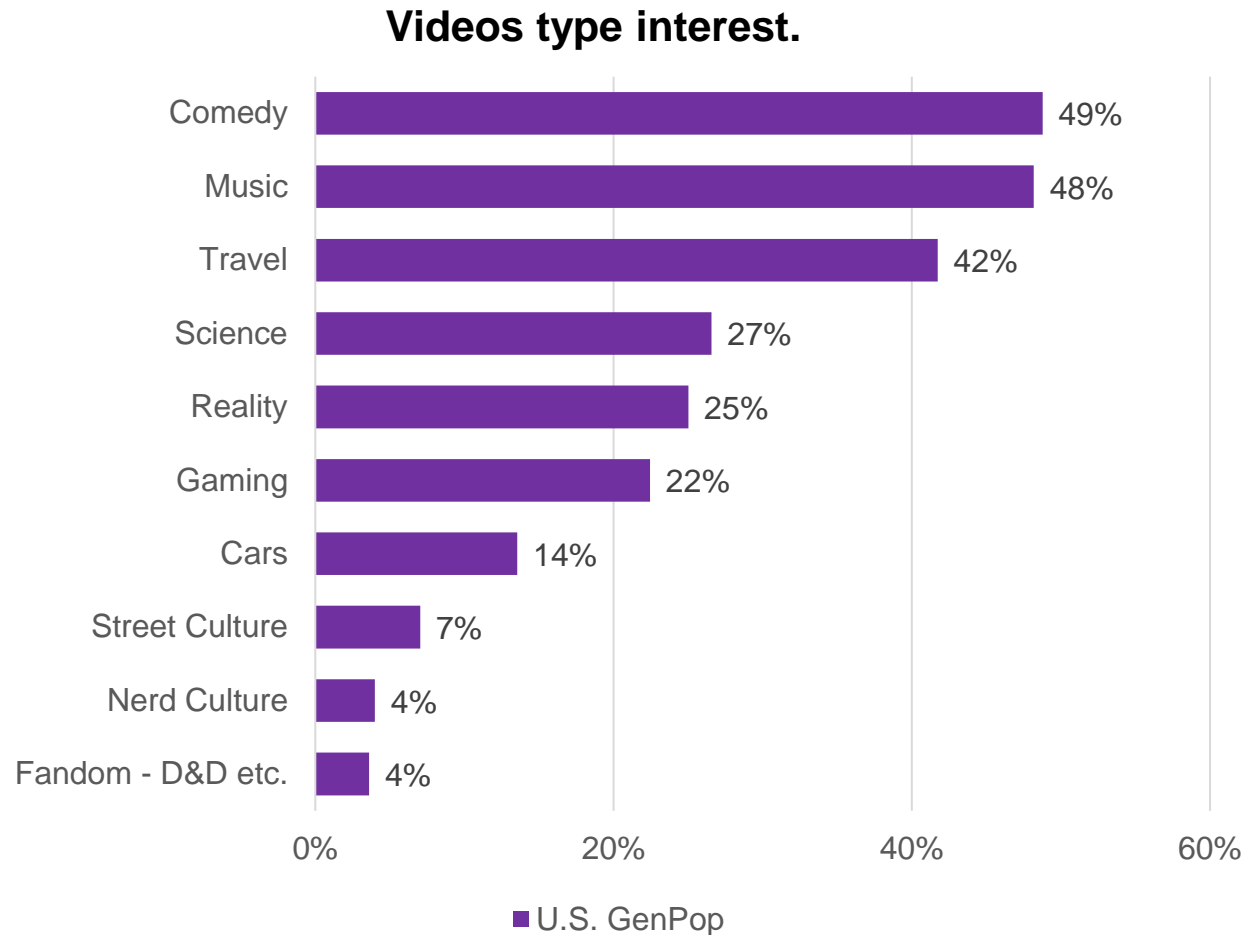
Frequency of viewing digital video from the Internet



q69: About how often would you say you watch digital video on a computer, laptop, smartphone, tablet, or TV connected to the Internet? (GenPop N=2,079)

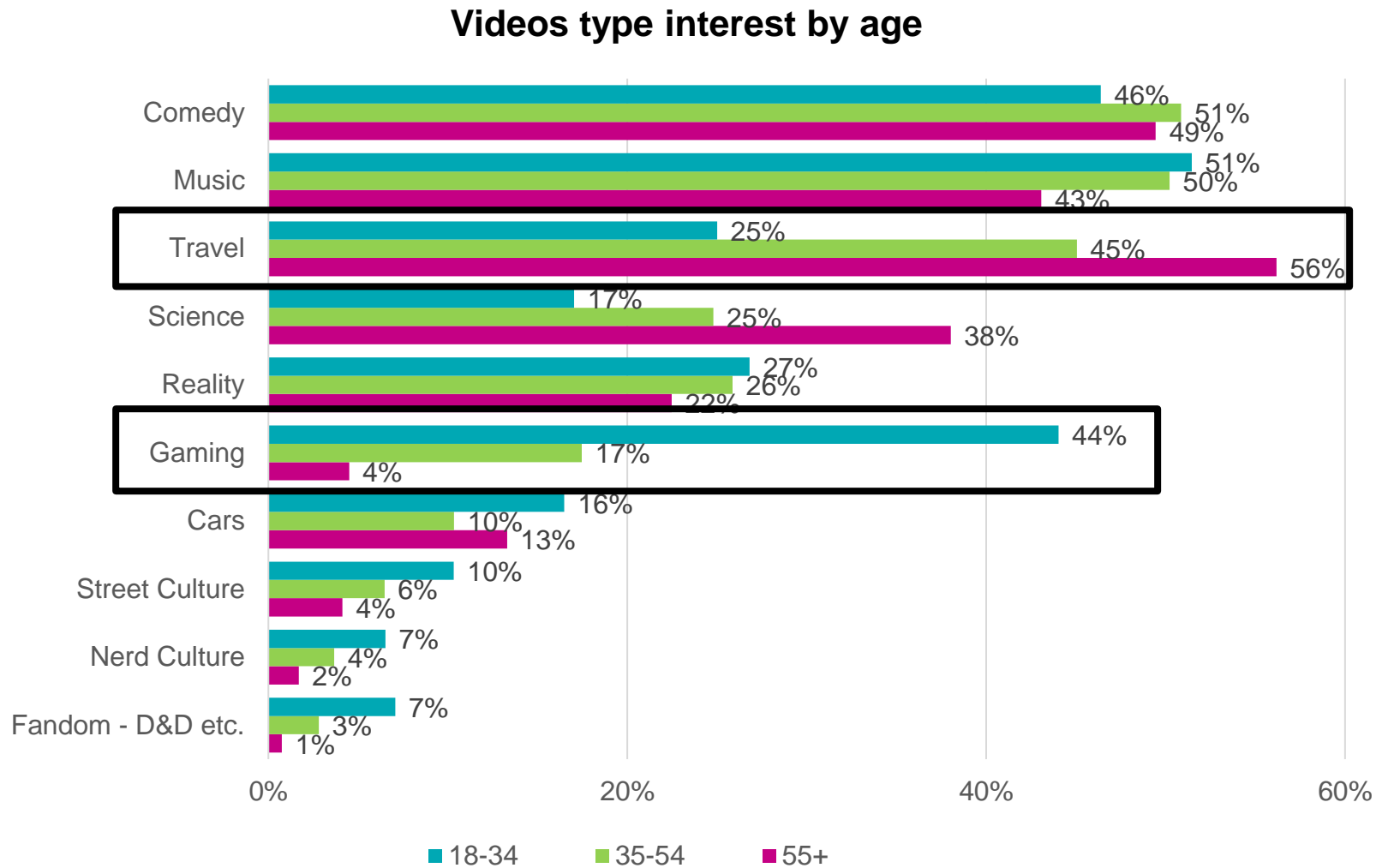


# Comedy, music, and travel are the most popular types of videos accessed digitally among those in the U.S.



q70: Please select the top 3 types of videos that interest you the most? (Among those who watch digital video; GenPop N=1,550)

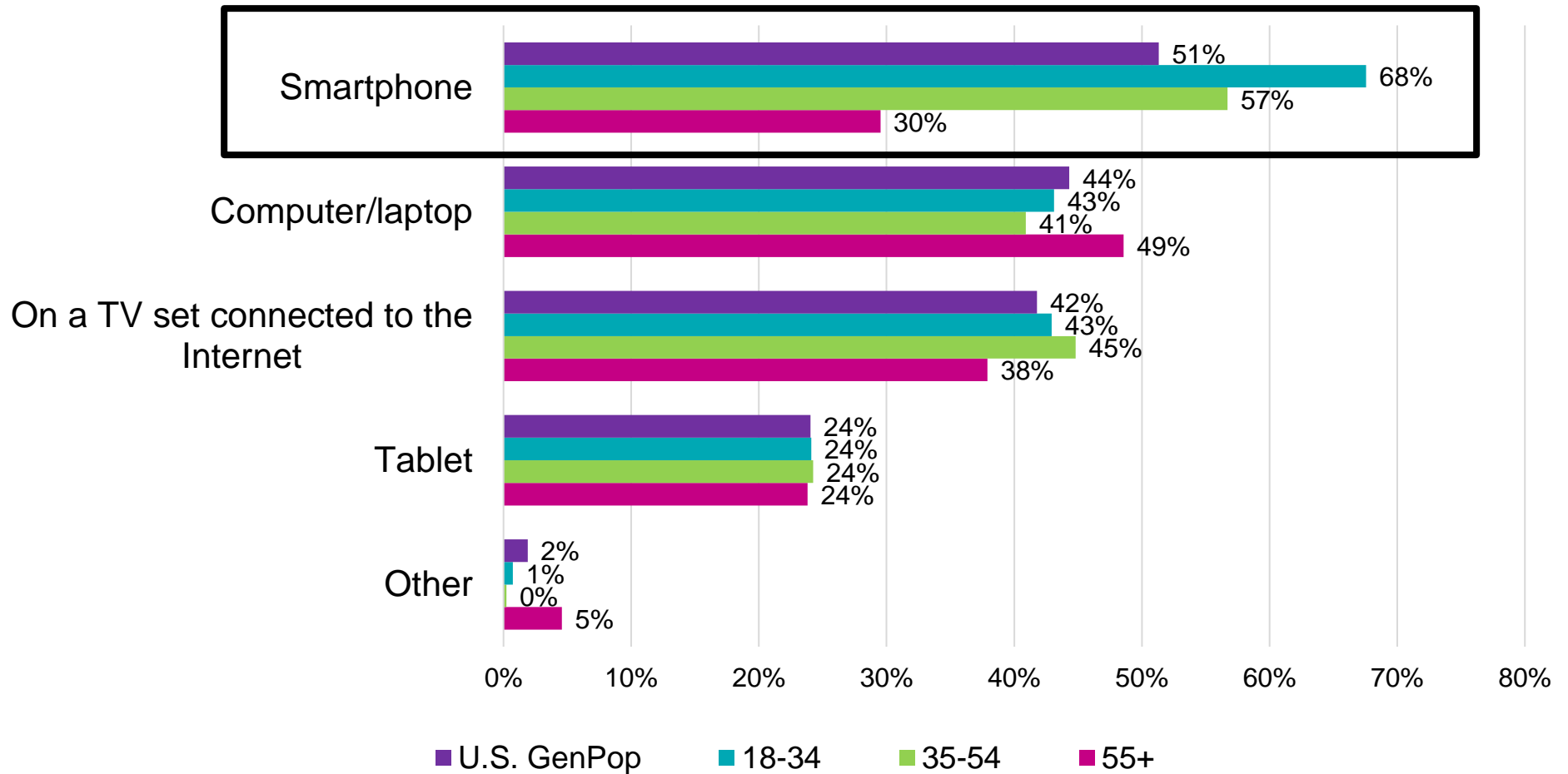
Everyone loves comedy & music but those 55+ are more interested in travel. Those 18-34 are the only ones consuming gaming video.



q70: Please select the top 3 types of videos that interest you the most? (Among those who watch digital video; GenPop N=1,550)

# Those under the age of 55 watch the majority of online video content through their phone.

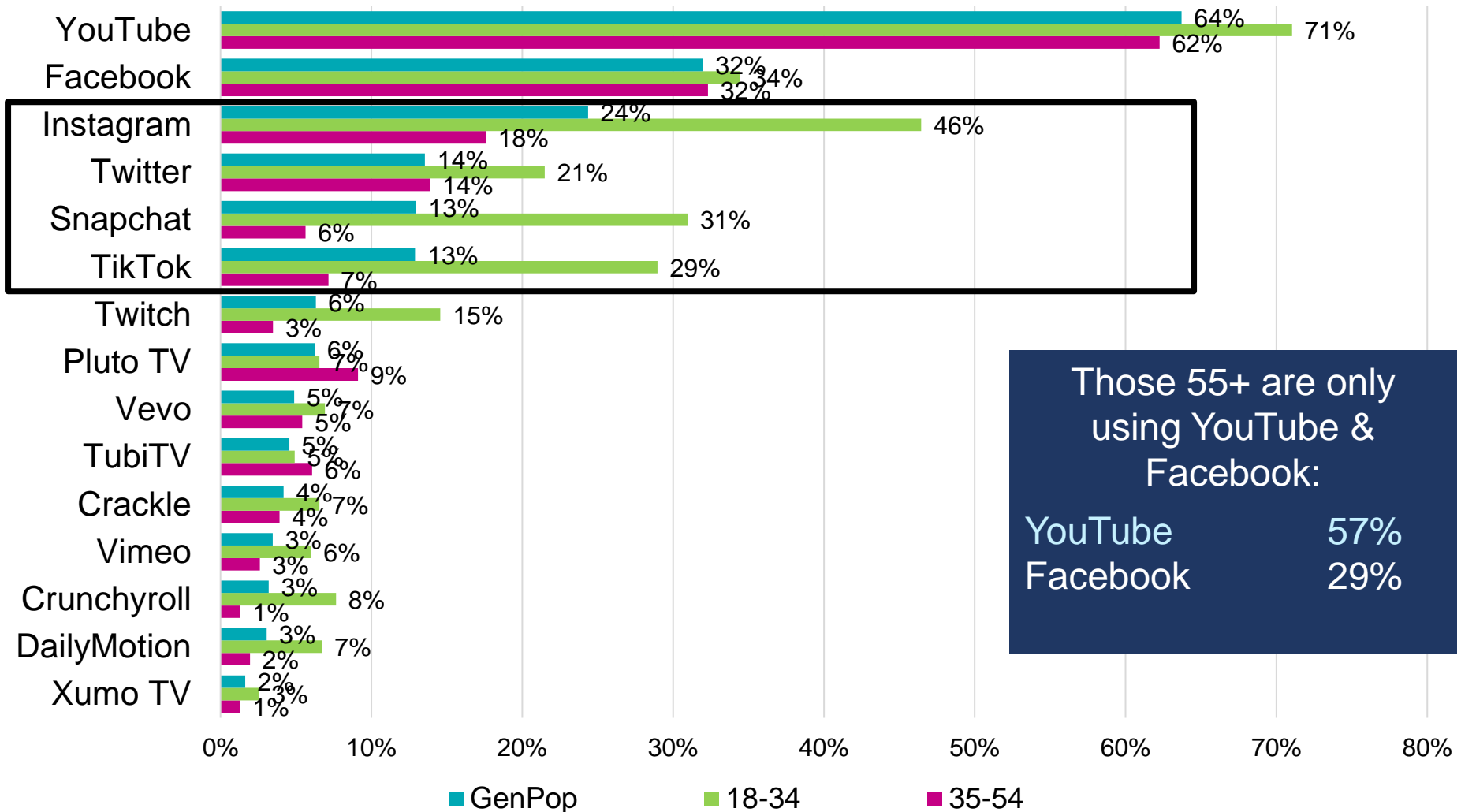
### Devices used to access online video content



q71: Which devices do you regularly use (at least once a week) to watch online video content? (Among those who watch digital video; GenPop N=1,539; Multiple response)

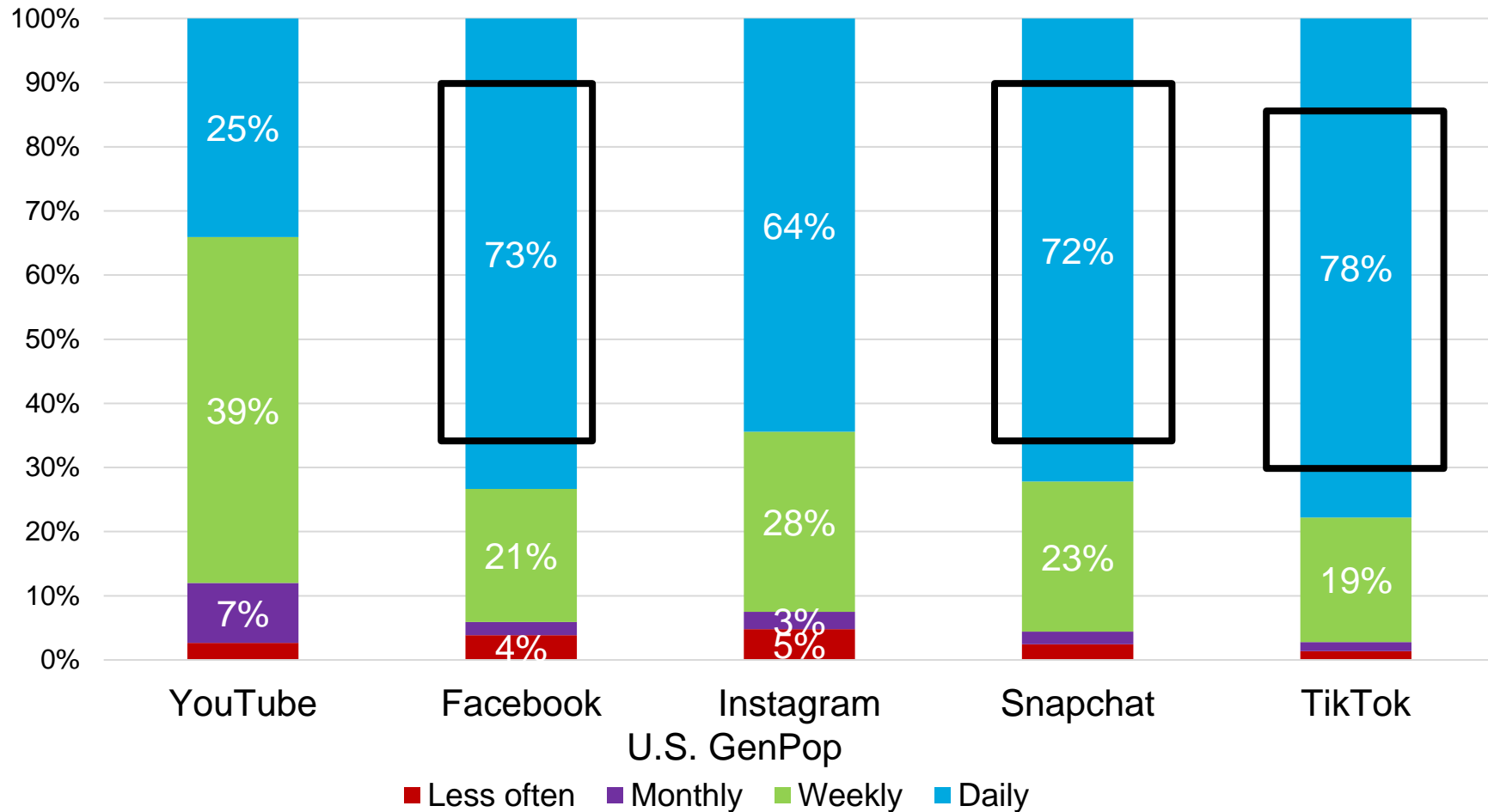
# The majority of online video consumers access their videos through YouTube. Those 18-34 are much more likely to use other platforms.

### Free services used to watch online video



q72: Which of the following free services do you currently use to watch online video regularly (at least once per week)? (Among those who watch digital video; GenPop N=1,535; Multiple response)

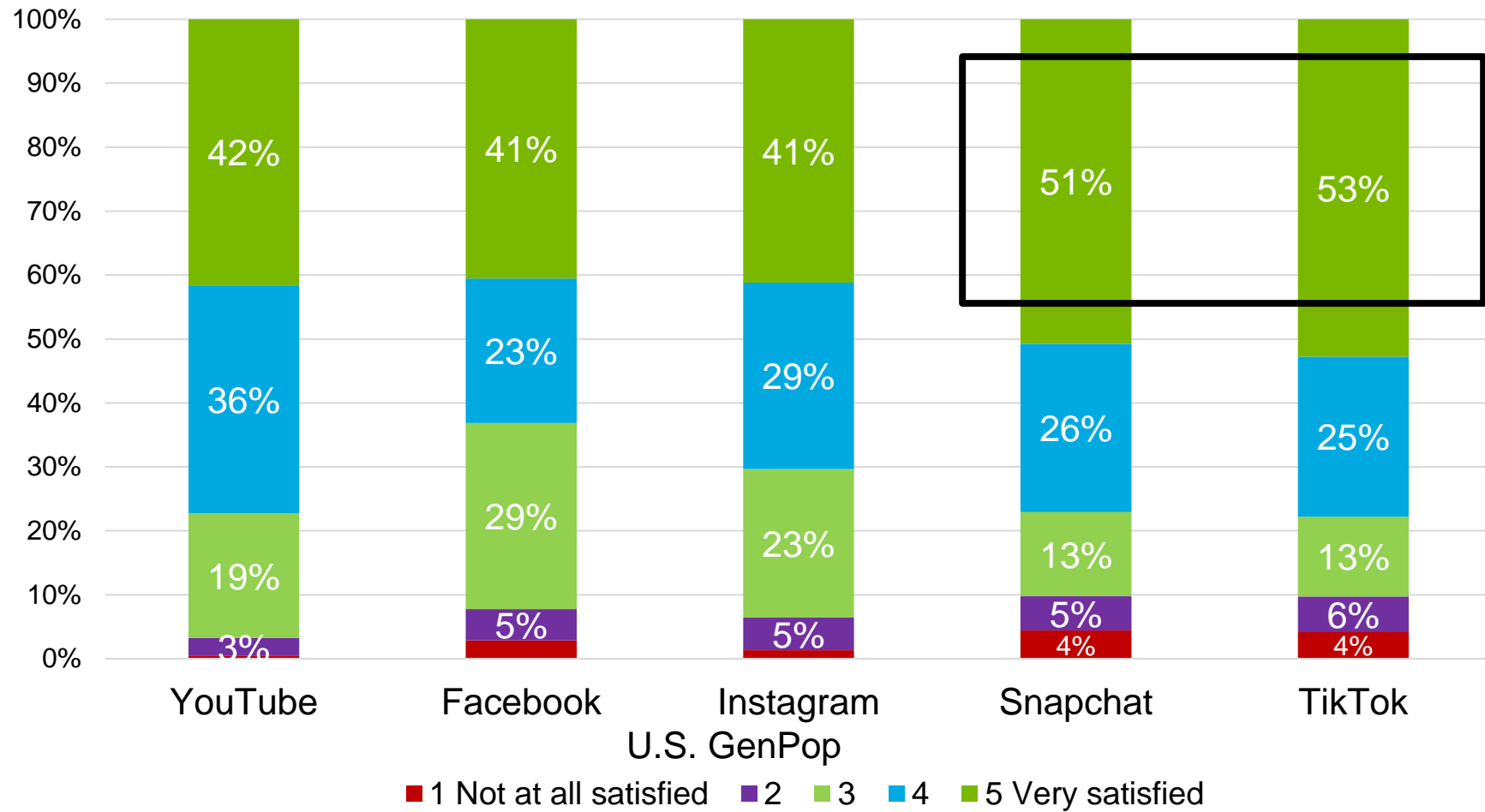
### Frequency of viewing free digital video by platform



q73a: How frequently do you use the following to watch video? (Among those who use each to watch video online; GenPop N=1,535)

# Two-thirds or more are satisfied with the video content they watch online through social media.

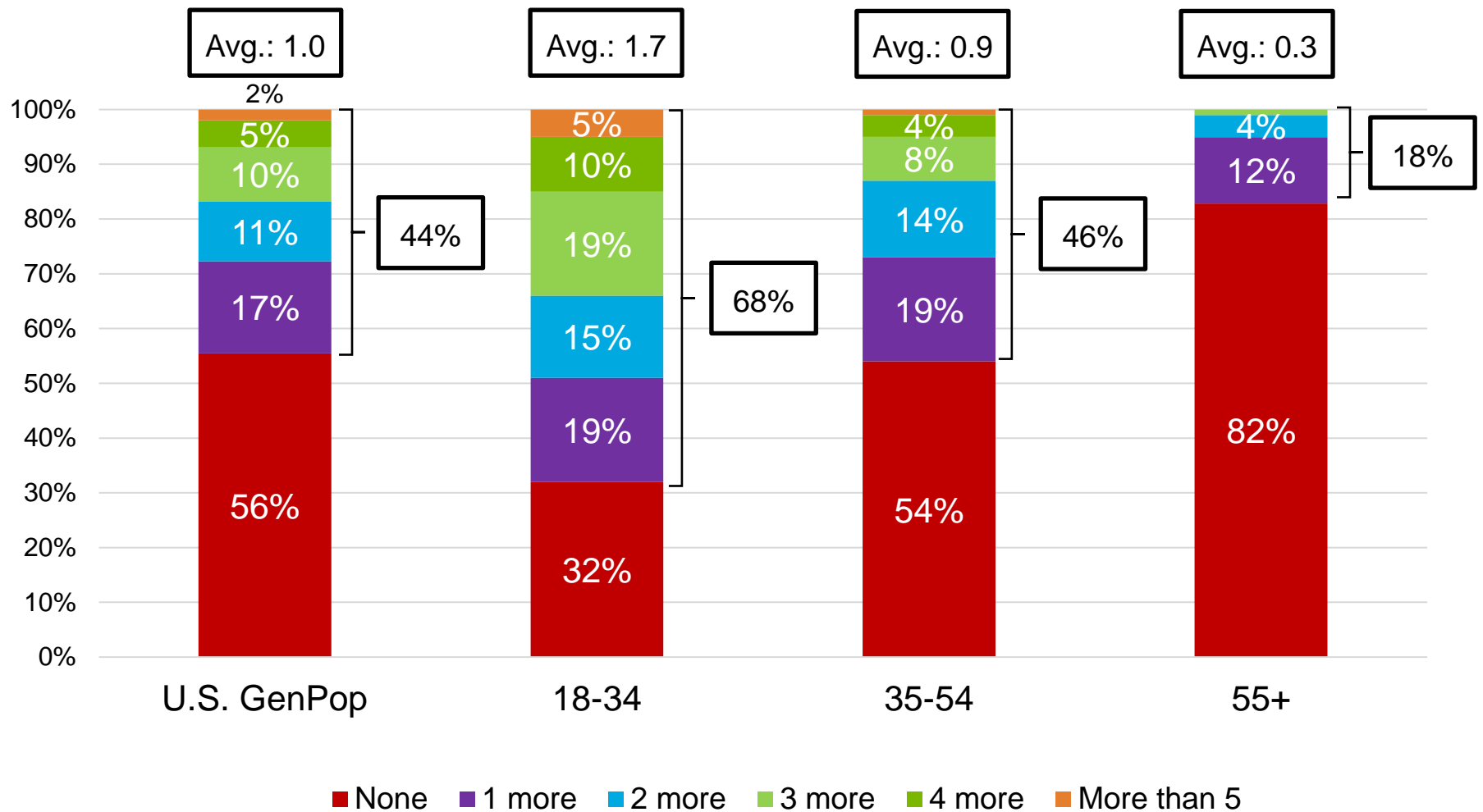
### Satisfaction with digital video watched by platform



q74: How satisfied are you with the digital video you watch on the following social media websites? (Among those who use each to watch video online; GenPop N=1,535)

# 44% of those who pay for streaming services in the U.S. are willing to pay for additional services.

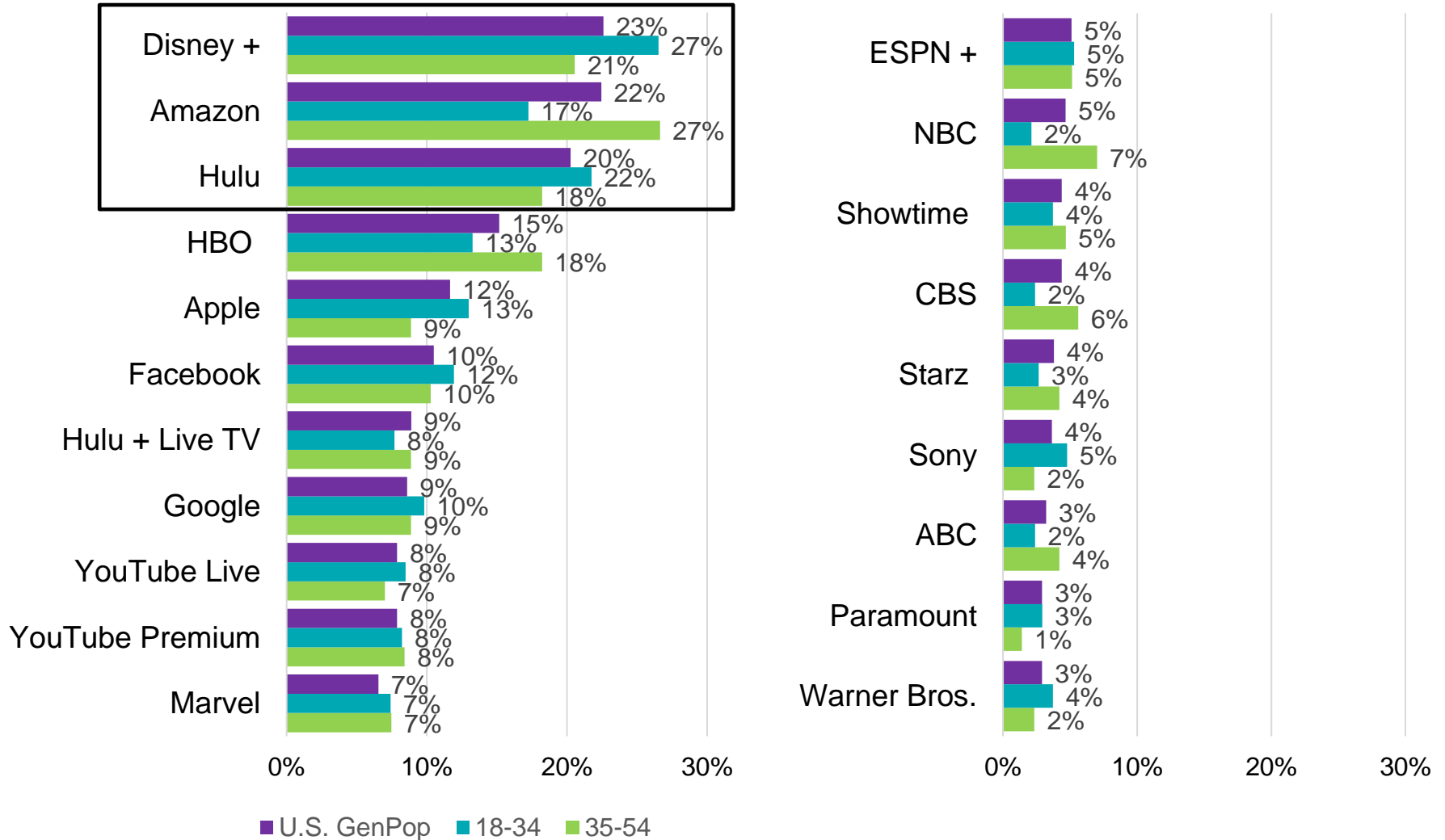
### Number of additional streaming services willing to purchase



q76: How many paid video on demand or streaming services do you think you are willing to buy beyond any you already pay for? (Among those who pay for streaming services; GenPop N=1,550)

# Disney+, Amazon, and Hulu are top choices for additional streaming movie and TV services.

### Top choices for additional streaming movie and TV services



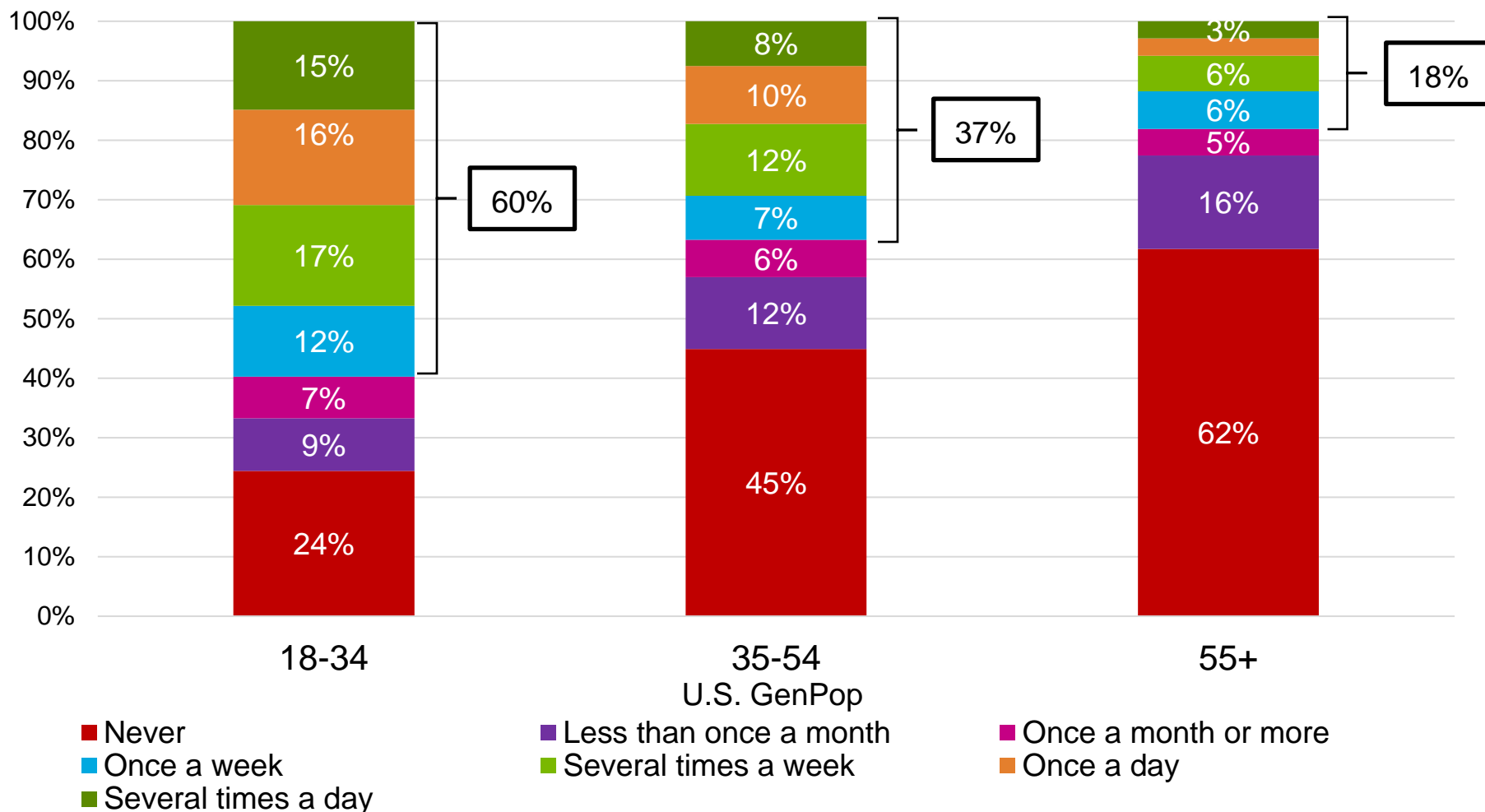
q77: Please pick your top two choices for additional streaming movie and TV services? (GenPop N=686 2 responses permitted)



# Live Streaming

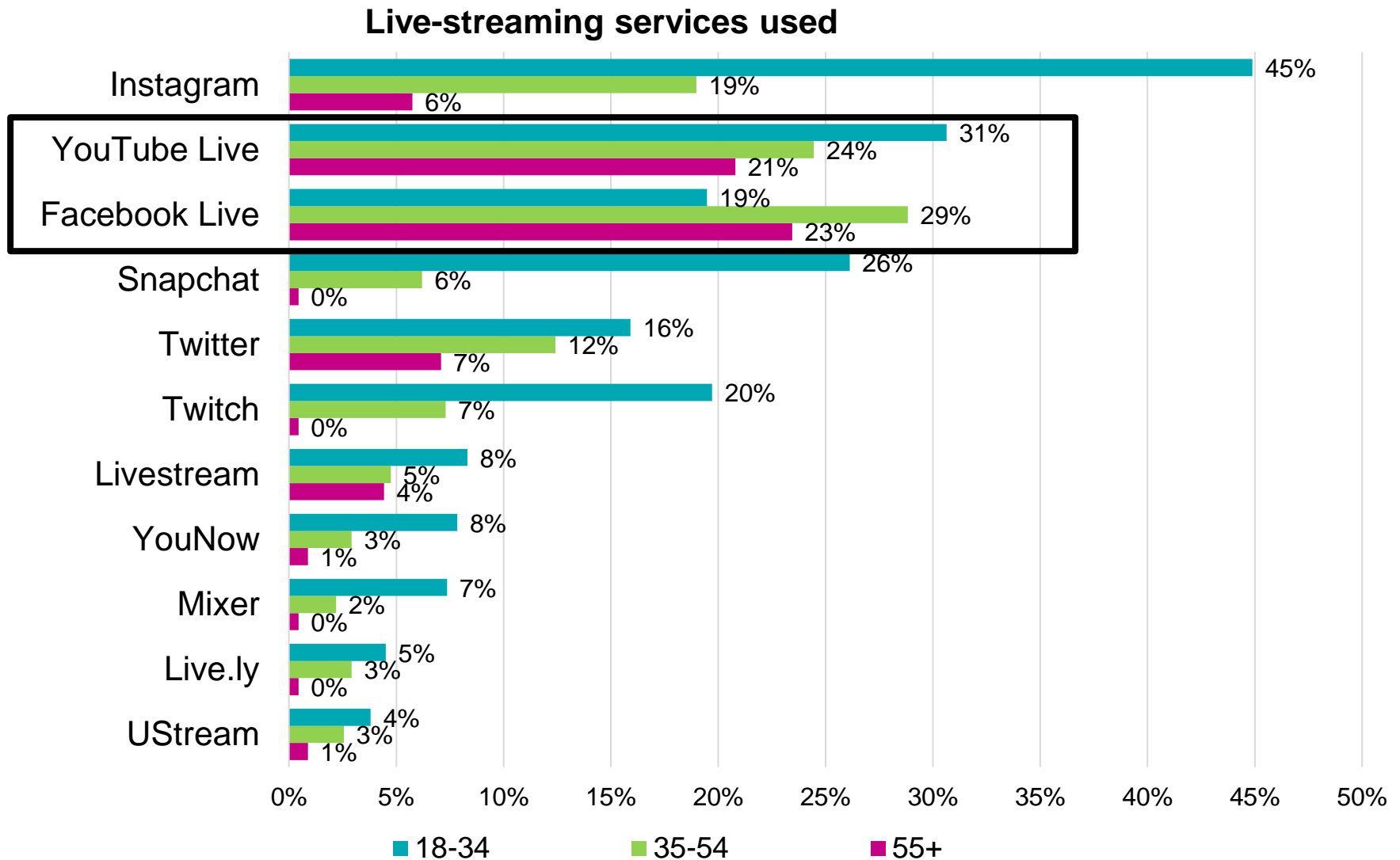
Those 18-34 are 3 times more likely than those 55+ to watch live-stream video once a week or more.

Frequency of viewing live-stream video



q78: How frequently do you watch LIVE streaming video? (GenPop N=2,268)

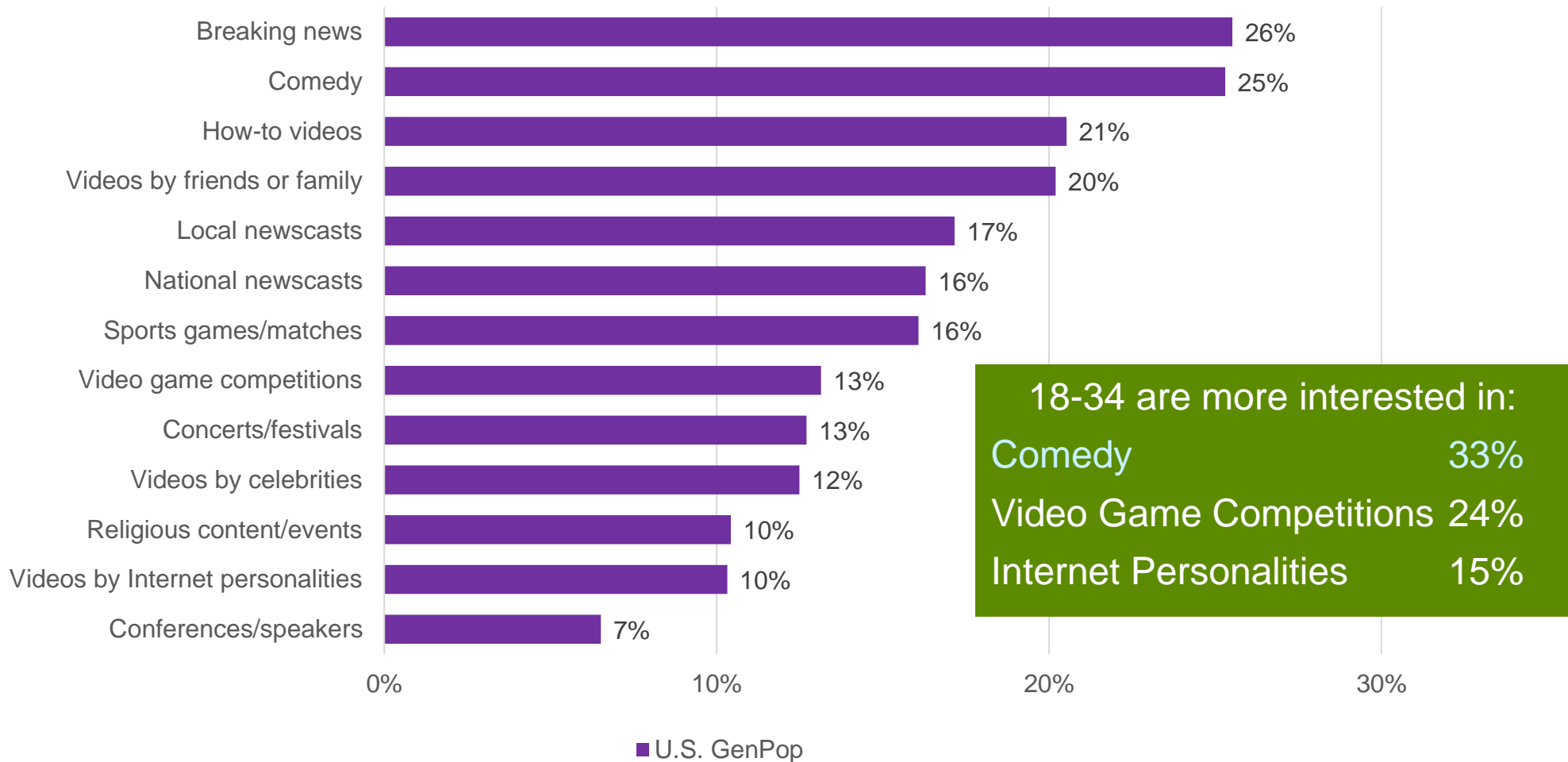
# Instagram is mostly used by those 18-34. YouTube Live and Facebook Live and both been viewed across all age demographics.



q79: Which of the following do you ever use to watch LIVE streaming video? (Among those who watch live-stream video once a month or more; GenPop N=920; Multiple response)

# Comedy, music, and travel are the most popular types of live-stream content

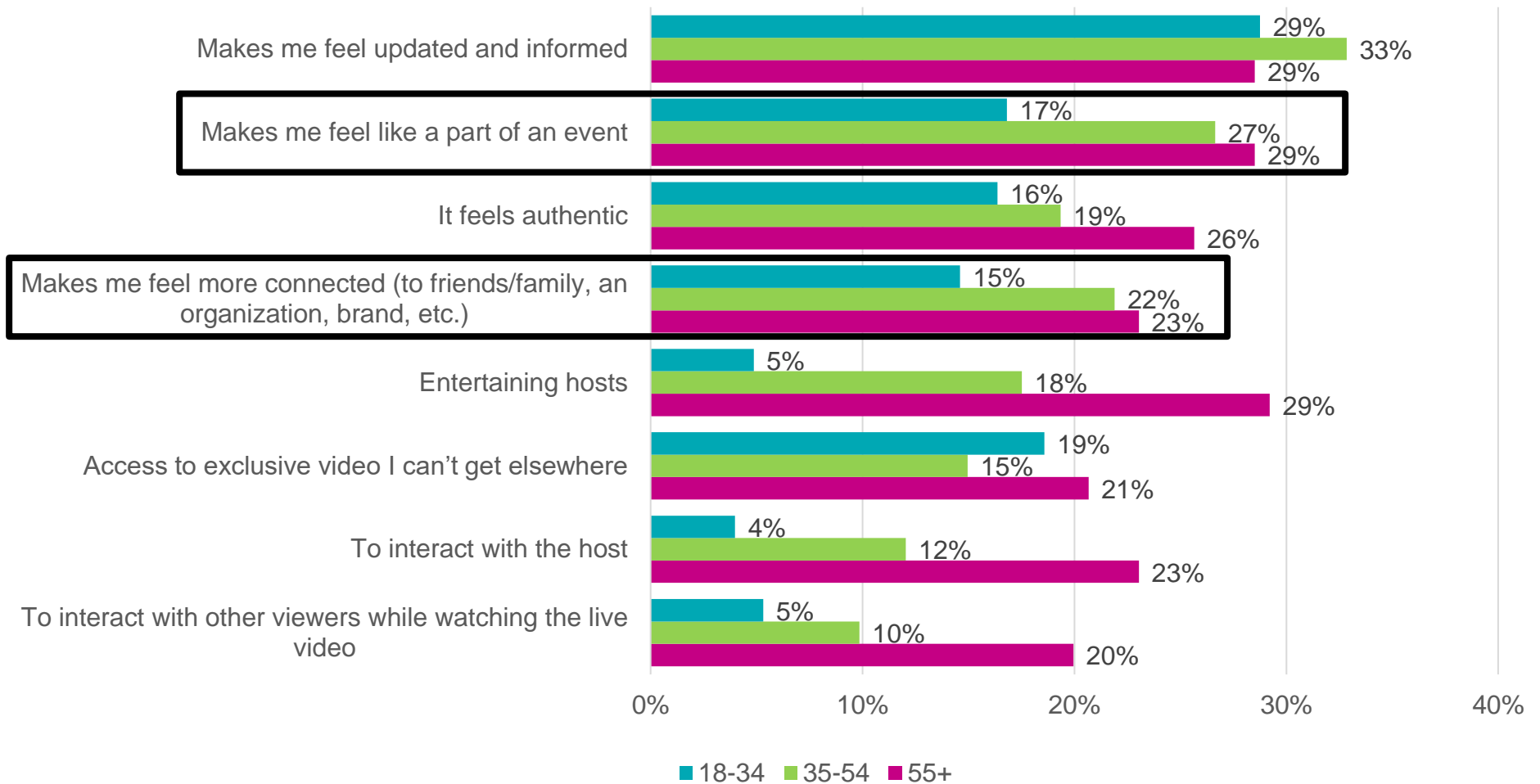
### Types of live-streamed videos watched



q80: What types of LIVE streaming videos do you currently watch? (Among those who watch live-stream video once a month or more; GenPop N=921)

# Most watch live-stream video to feel up-to-date and informed. Those over 45 watch to feel part of an event or to feel connected.

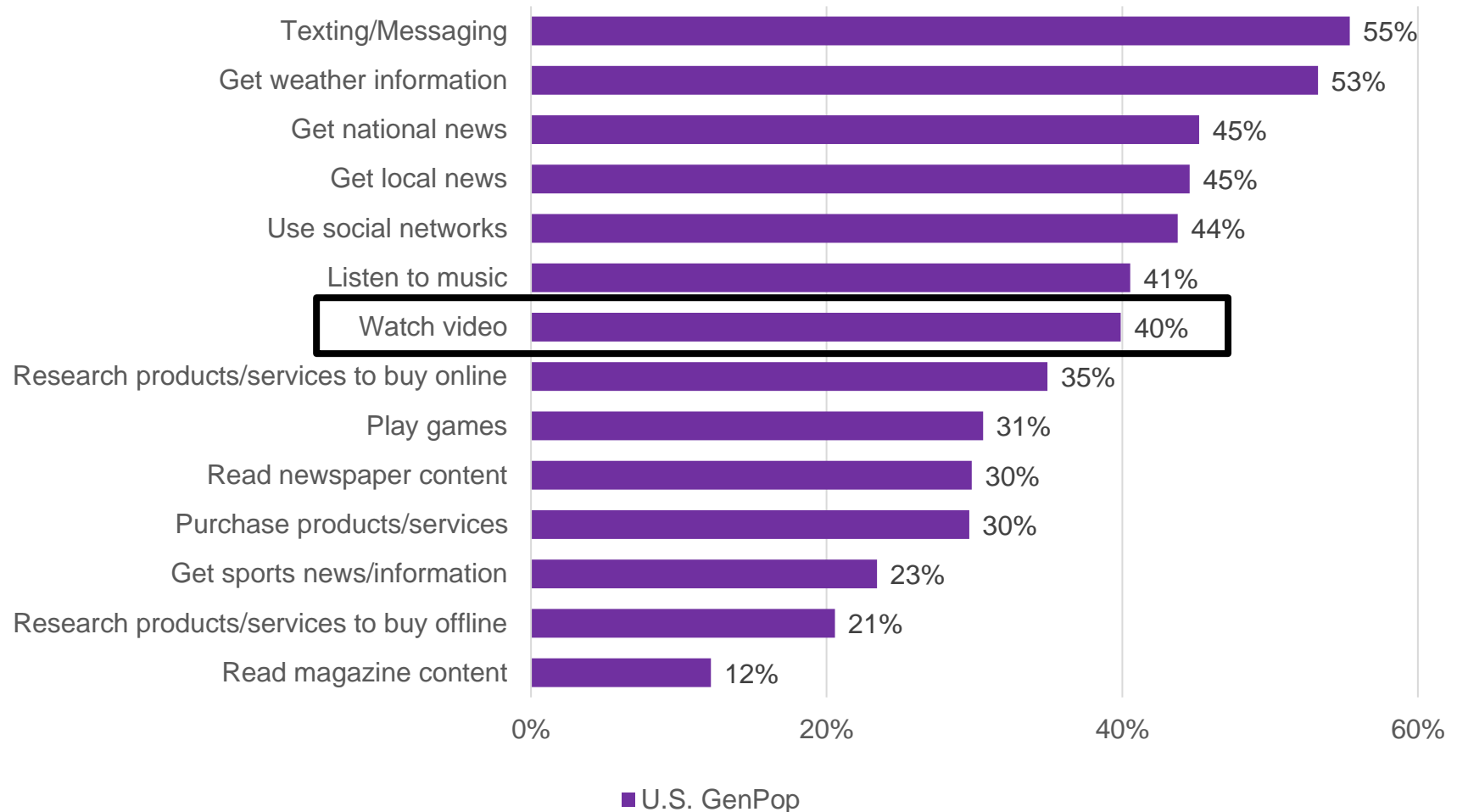
### Reason for watching live-streamed video



q81: Why do you watch LIVE streaming video? (Among those who watch live-stream video once a month or more; GenPop N=921; Multiple response)

# More than half of those with connected devices are using them for texting, messaging, or weather.

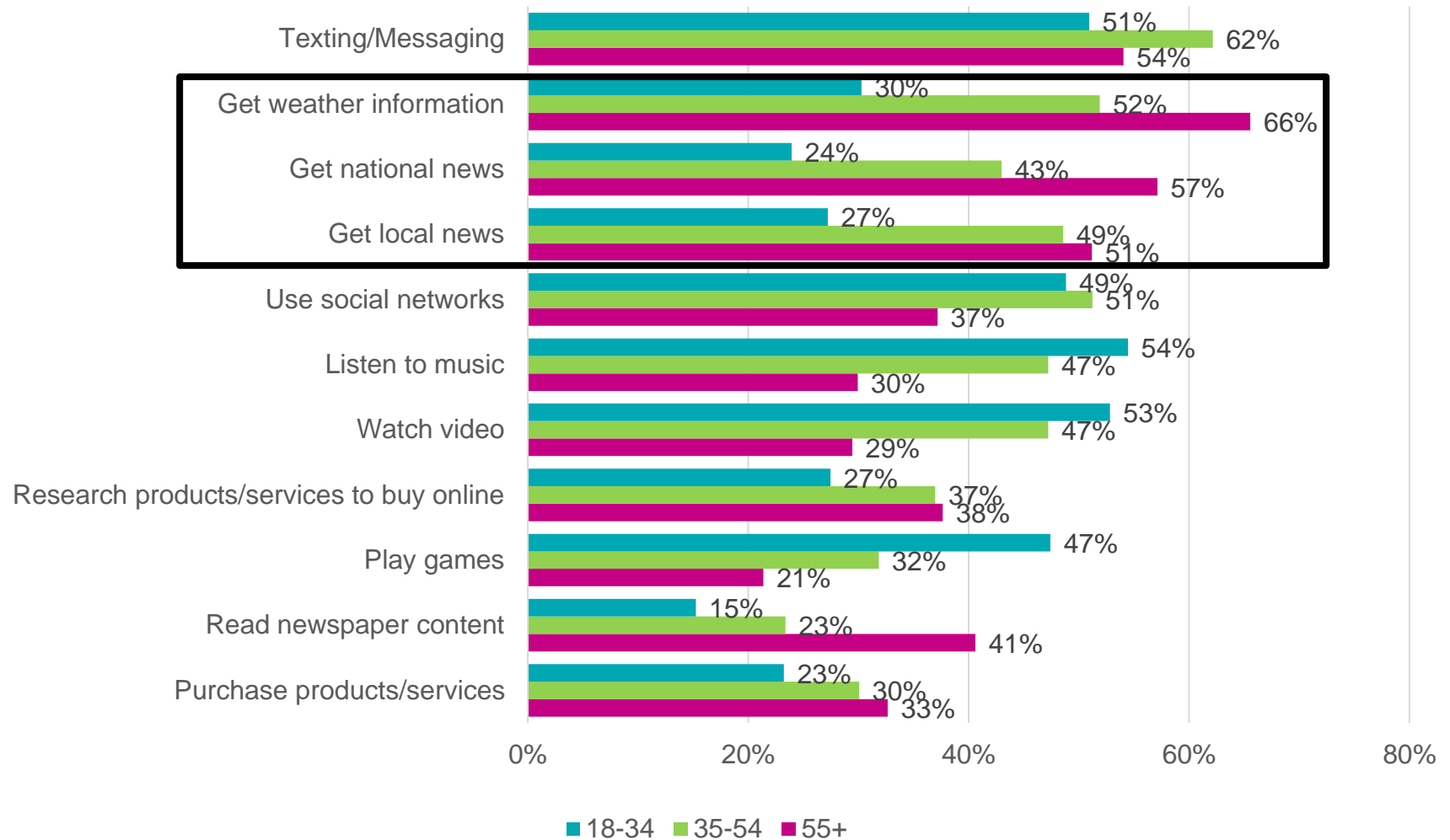
## Regular tasks for connected devices



q82: Which of the following things do you do regularly (at least once per week) on your computer, laptop, smartphone, tablet, or connected TV? (Among those who own a PC or laptop; GenPop N=1,717)

Those 35+ are driving the need for weather and news while those 18-34 are more likely to watch video, listen to music, or play games.

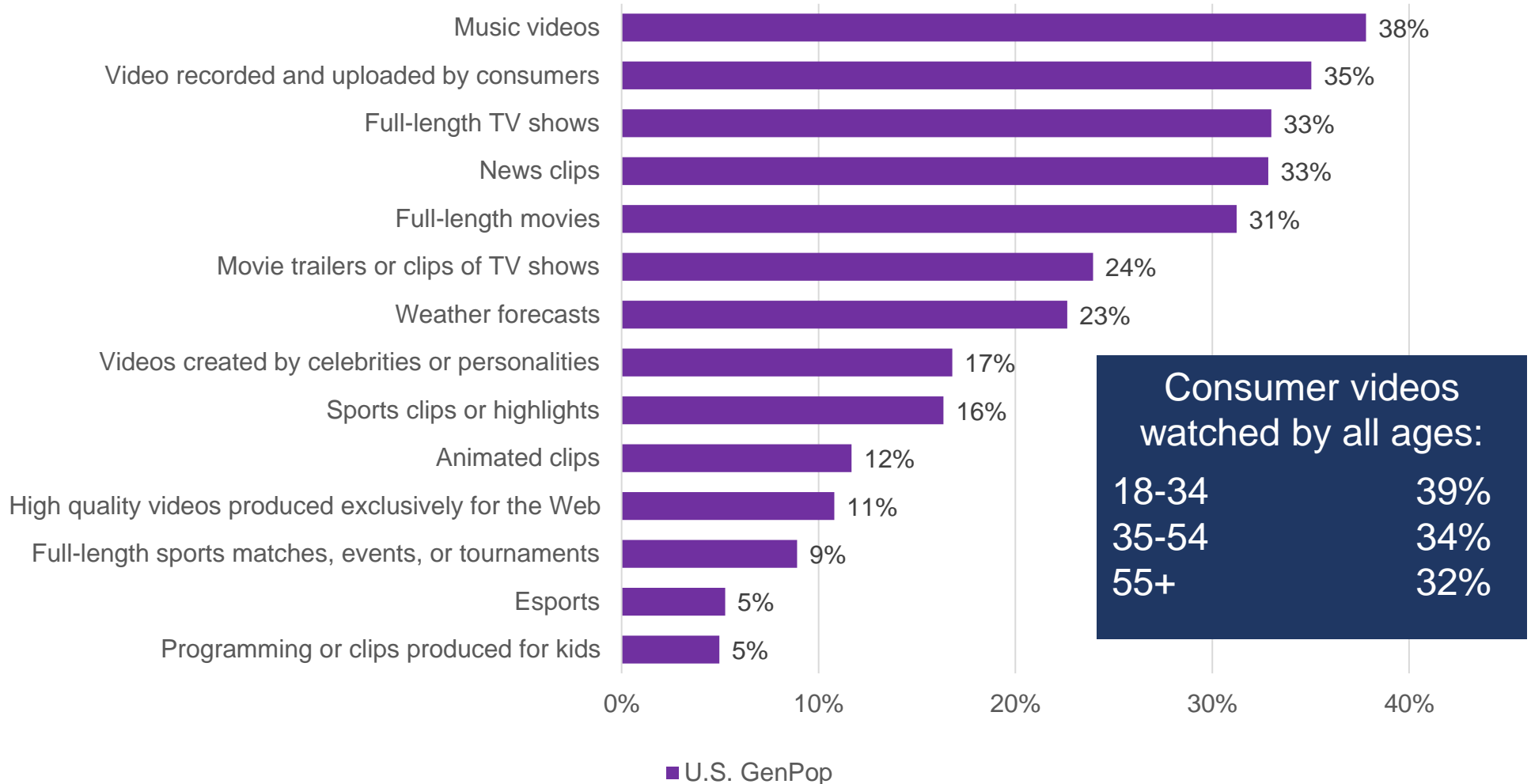
### Regular tasks for connected devices



q82: Which of the following things do you do regularly (at least once per week) on your computer, laptop, smartphone, tablet, or connected TV? (Among those who own a PC or laptop; GenPop N=1,717)

Videos uploaded by consumers are watched by all ages. Music videos are watched by 50% of those 18-34 driving it to the top.

### Types of videos watched at least once per week on PC or laptop

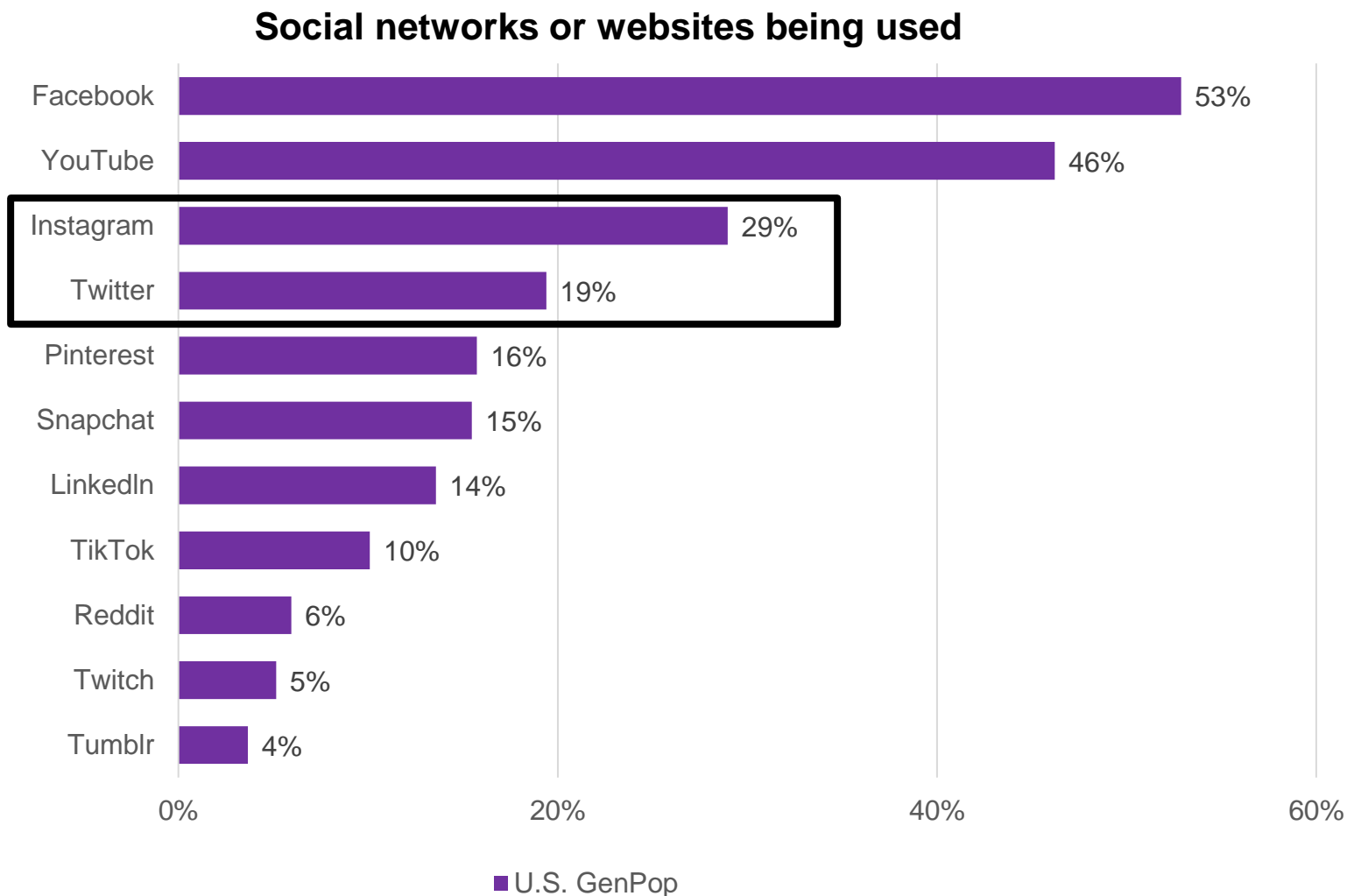


q83: Which of the following types of video do you watch regularly at least once per week) on your computer or laptop? (Among those who own a PC or laptop and watch video online; GenPop N=685)



# Social Media

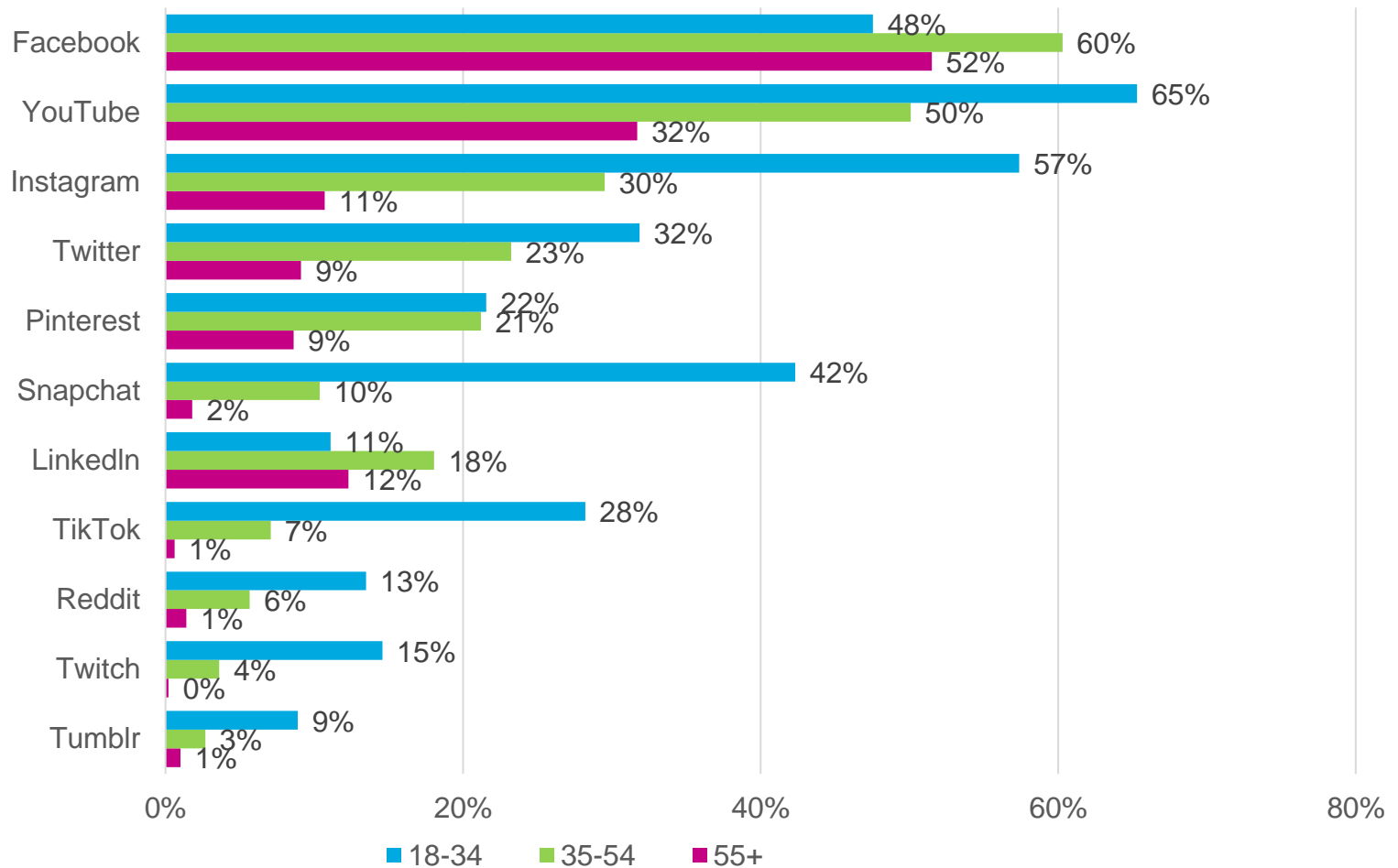
# Half of the U.S. population are using Facebook or YouTube. Instagram is more popular than Twitter by far.



q106: Which of the following social networks or websites are you currently using? (GenPop N=2,268; Multiple response)

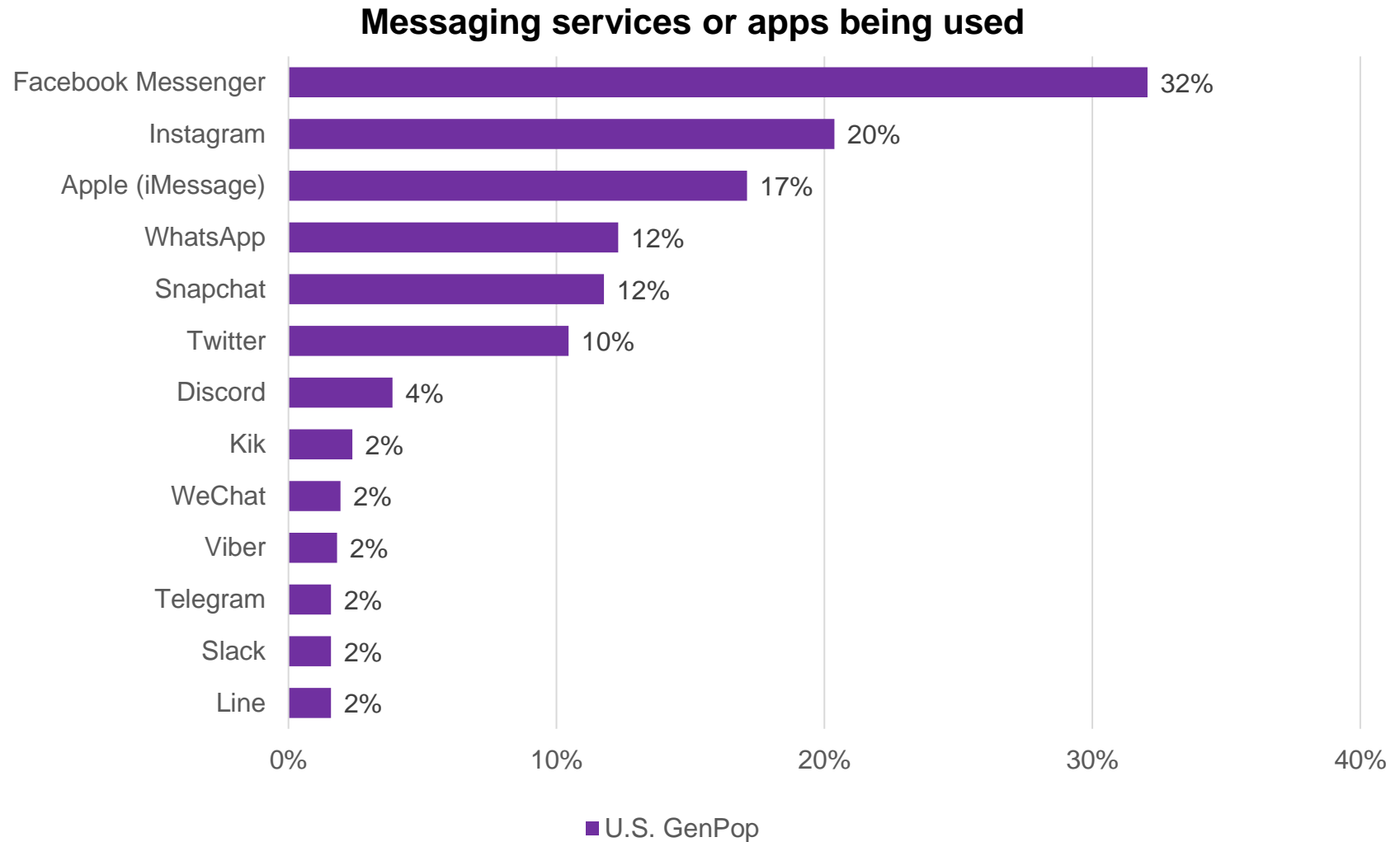
# Those 18-34 use more channels and dominate Instagram, Snapchat, and TikTok. Those 55+ are only using Facebook and YouTube.

### Social networks or websites being used



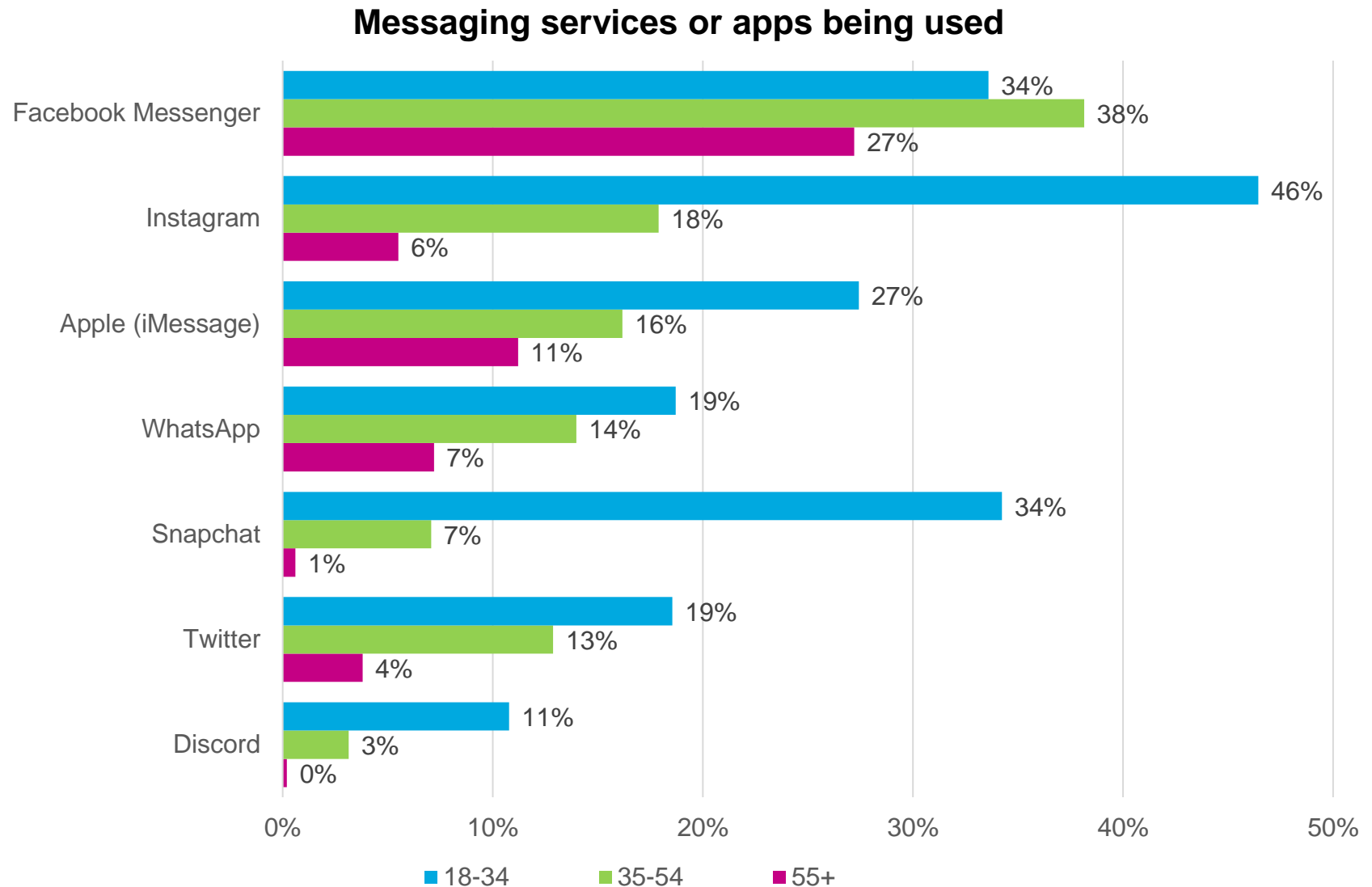
q106: Which of the following social networks or websites are you currently using? (GenPop N=2,268; Multiple response)

# The most popular messaging app in the U.S. is Facebook Messenger.



q107: Which of the following messaging services or apps do you currently use? (GenPop N=2,268; Multiple response)

Those 18-34 are using multiple apps for messaging. They are significantly more likely to use 6 of the 7 top messaging apps.

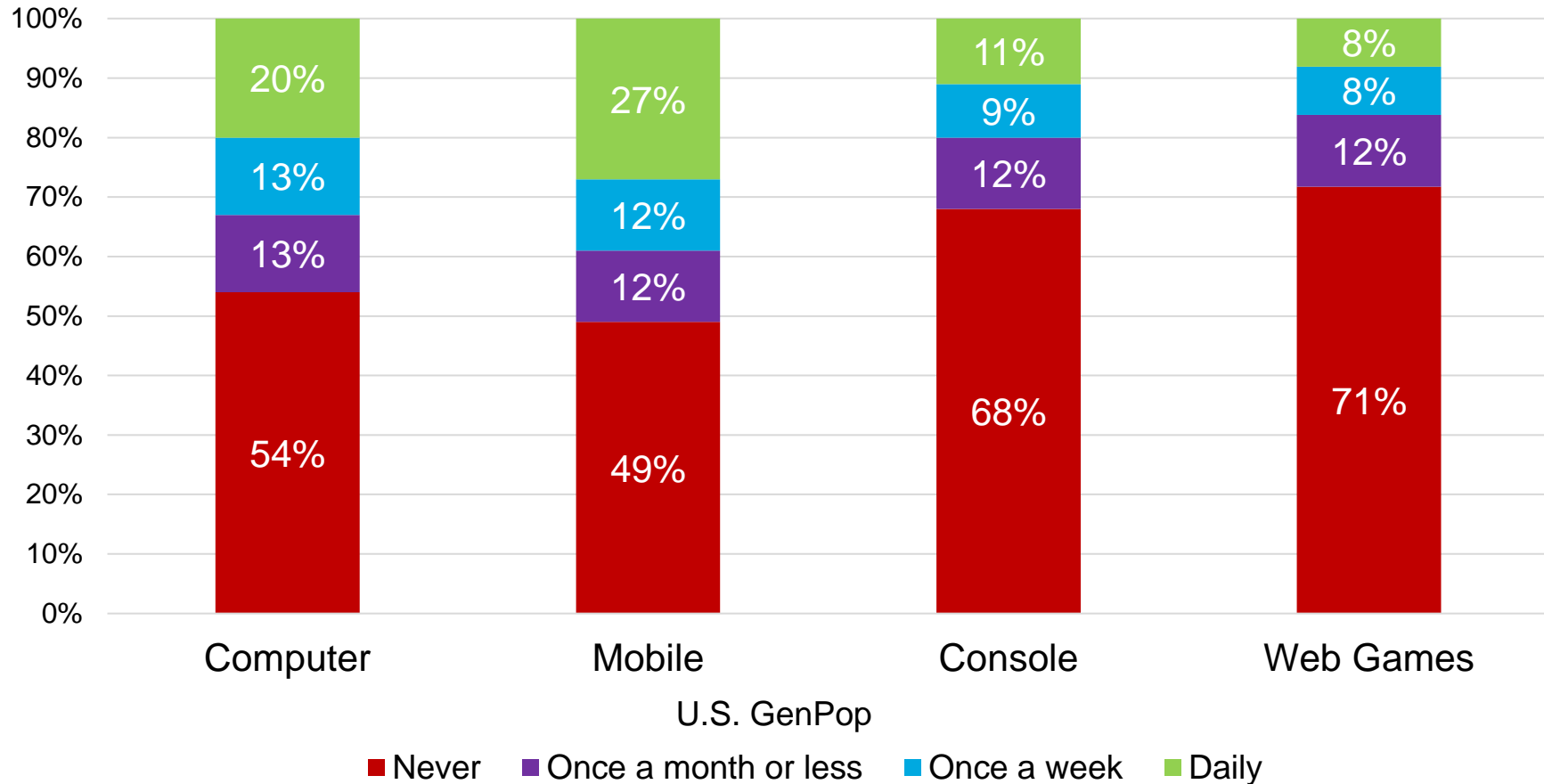


q107: Which of the following messaging services or apps do you currently use? (GenPop N=2,268; Multiple response)

# Smartphones

One-third or more of those in the U.S. over the age of 18 are playing games on their computer or mobile devices. Mobile is largest player.

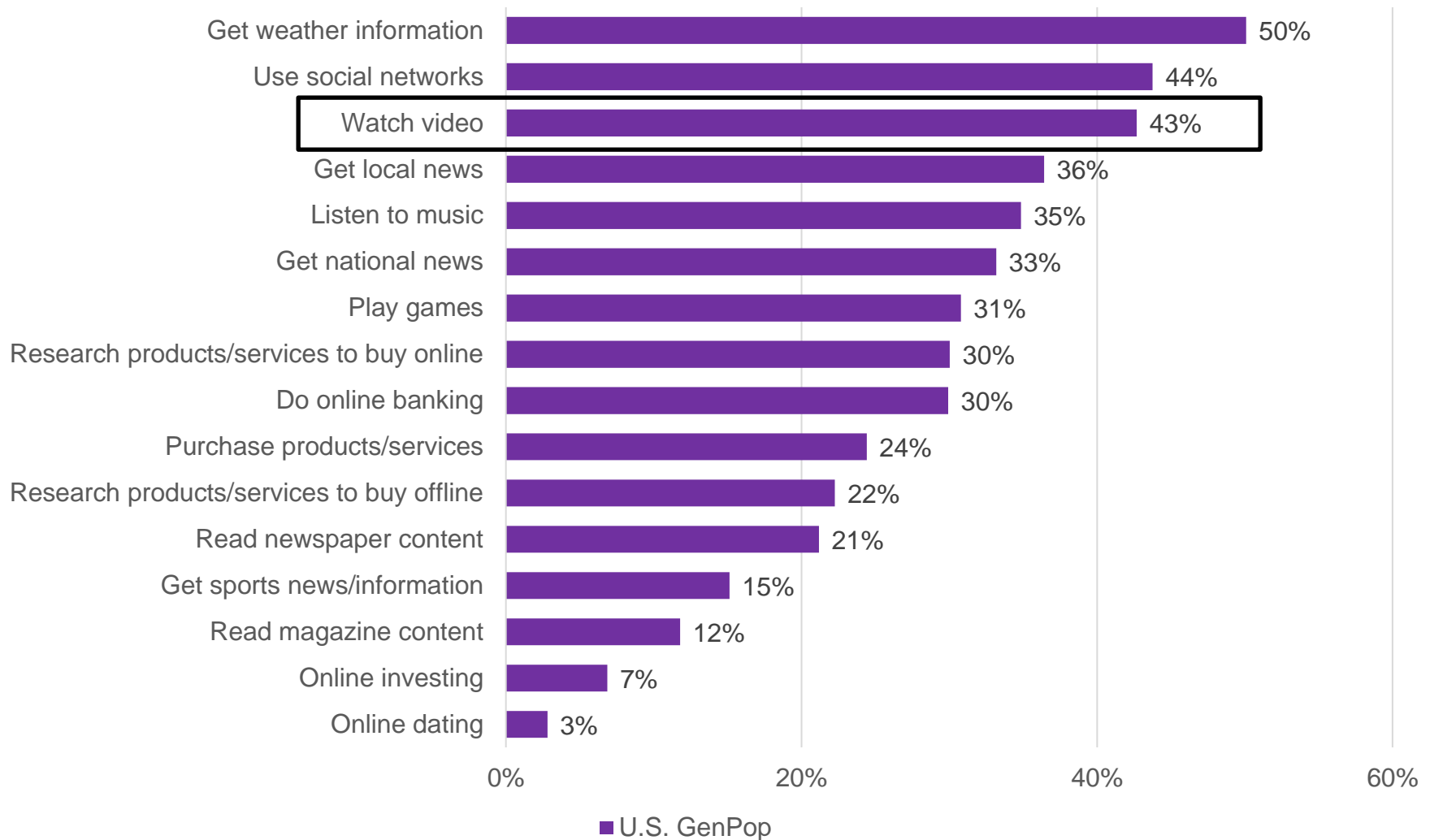
Frequency of gameplay by platform



q109: How often do you play games on the following? (GenPop N=2,268)

# Half of Americans use smartphones to check the weather. 2 out of 5 use these devices to access social networks or watch video.

## Things done at least once per week on a smartphone

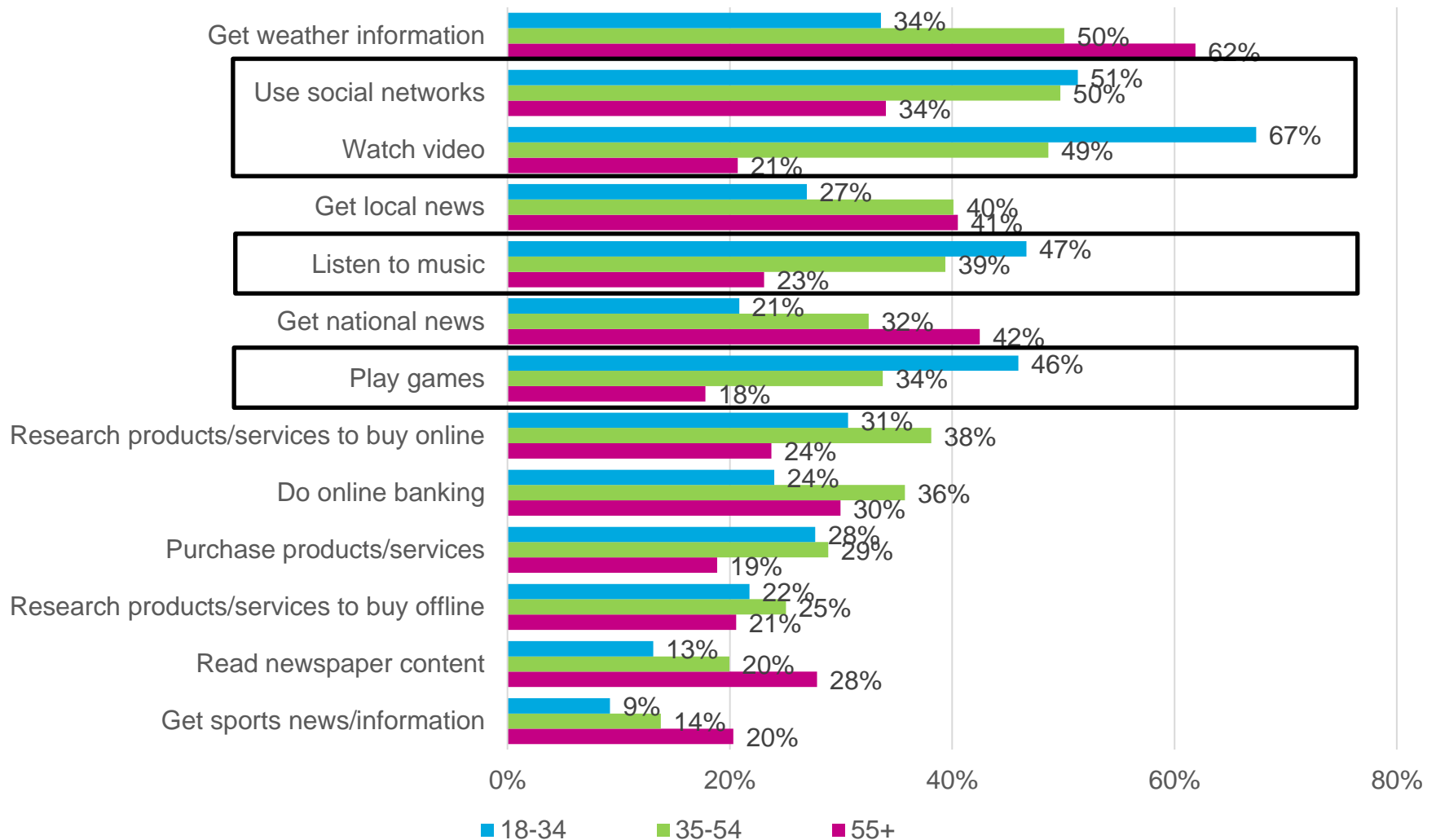


q190: Which of the following things do you do regularly (at least once per week) on your smartphone? (Among those who own a smartphone; GenPop N=1,851; Multiple response)



# Those under the age of 55 are driving the use of smartphones for social networks, watching video, listening to music, & playing games.

## Things done at least once per week on a smartphone

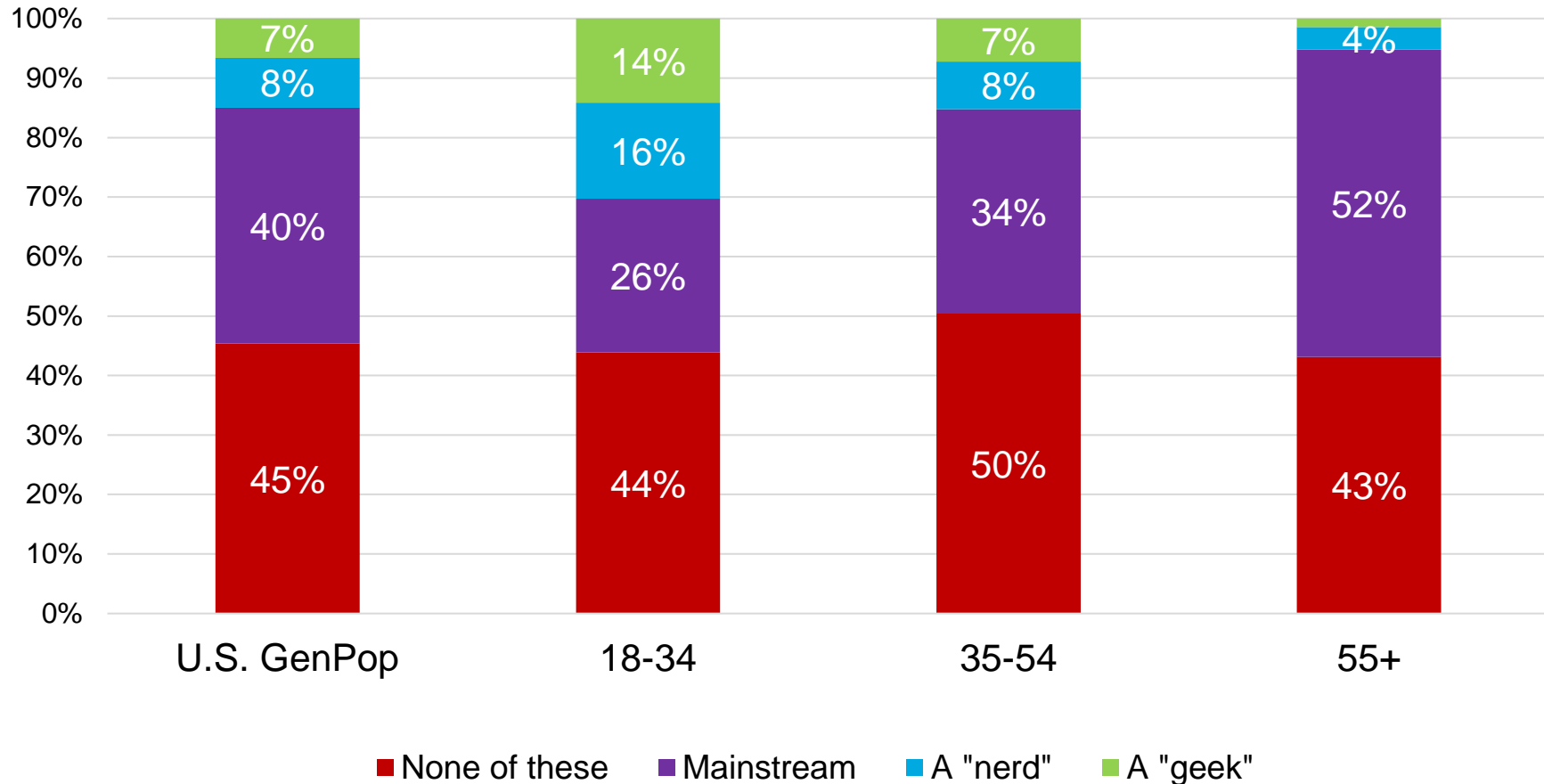


q190: Which of the following things do you do regularly (at least once per week) on your smartphone? (Among those who own a smartphone; GenPop N=1,851; Multiple response)

# The Rise of Geeks & Nerds

29% of those 18-34 are likely to think of themselves as “nerds” or “geeks.” Most feel none of these terms describe them.

Which of these describes you?



q230: Which of the following best describes you? (GenPop N=2,268)



**Mike Vorhaus**  
CEO, Vorhaus Advisors



**Nate Laban**  
Owner, Growth Survey  
Systems