

Music and Video Streaming - China - November 2017

Report Price: £3005.20 | \$3990.00 | €3425.02

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“Holding a considerable user base, video and audio streaming service operators are now facing the challenge of converting free users to paid users, preferably long-term subscribers. For video streaming, exclusive contents and interactive features are key drivers for payment, while for music streaming, social features and professional recommendations can help players win.”

– **Yihe Huang, Research Analyst**

This report looks at the following areas:

- How can video streaming websites retain consumers after phenomenal hits?
- How can music streaming websites play their roles in brand communications?
- How can integrated services retain consumers' attention?

Holding a considerable user base, the biggest challenge that video and music streaming operators are now facing is to find methods of converting free users to paid users. Subscription model can be a win-win for both operators and users. Players may unleash the potential by looking into users' streaming habits and preferences so as to prioritise their investment in exclusive contents, interactive and social features as well as technology advancements.

This Report provides an overview of the video and audio streaming industry, with a detailed focus on video and music streaming markets. Key issues explored include penetration and interest in various types of streaming services and payment models. It also covers why and how consumers nowadays use video and music streaming services – including short video streaming service.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Music and Video Streaming - China - November 2017

Report Price: £3005.20 | \$3990.00 | €3425.02

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know
Covered in this Report
Excluded

Executive Summary

The market

Video and music streaming market maintains a considerable user base

Figure 1: Video streaming service user base, China, 2012-22

Figure 2: Music streaming service user base, China, 2012-22

The number of paid users sees a booming growth, along with more spending on streaming services

Figure 3: Paid streaming subscriber base, 2015-17

Changes regarding regulations and streaming habits help the market to grow

Companies and brands

Chinese internet giants are behind streaming operators, especially in video streaming market

Compete via exclusiveness and adapting to users' everyday life needs

Innovations to cater to users' needs and keep up with cutting-edge technologies

The consumer

Rapid growth of short video streaming and promising profits from content sharing observed

Figure 4: Penetration rate of video websites, August 2017

Figure 5: Penetration rate of audio websites, August 2017

Switching between operators for exclusive contents or unique experience

Figure 6: Video websites usage preference, August 2017

Figure 7: Audio websites usage preference, August 2017

Subscription plan is popular for its effortlessness

Figure 8: Payment preference, by service type, August 2017

Timely release and social functions regarded as essential offering when streaming videos

Figure 9: Video streaming habits, August 2017

Majority of consumers stream short videos for relaxation purposes, while younger generation see it as normal leisure activity

Figure 10: Reasons for watching short videos, August 2017

Professional recommendations and playlists play an imported role

Figure 11: Music streaming habits, August 2017

What we think

Issues and Insights

How can video streaming websites retain consumers after phenomenal hits?

The facts

The implications

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Music and Video Streaming - China - November 2017

Report Price: £3005.20 | \$3990.00 | €3425.02

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

How can music streaming websites play their roles in brand communications?

The facts

The implications

How can integrated services retain consumers' attention?

The facts

The implications

The Market – What You Need to Know

Growing music and video streaming users

Subscription becomes a key source of revenue

Market Size and Forecast

Video streaming market sees healthy growth owing to exclusive content

Figure 12: Video streaming penetration, 2012-17

Figure 13: Video streaming service user base, China, 2012-22

Music streaming service is stabilising after slight slip in 2016

Figure 14: Music streaming penetration, 2012-17

Figure 15: Music streaming service user base, China, 2012-22

Paid streaming services are embraced by increasing amount of consumers

Figure 16: Paid streaming subscriber base, 2015-17

Figure 17: Paid streaming subscription market value, 2015-17

Market Factors

Accessible data plan creates the need for streaming on more occasions

Figure 18: Worry-free video streaming plan from China Unicom

Regulations protecting copyright may bring more paid users

Development of mobile payment simplifies purchase of streaming service

Indirectly taking payments from people's wallet

Key Players – What You Need to Know

Tencent plays a vital role in the music and video streaming business

Social, mobile, differentiation and productivity are key themes to stay competitive

Future technology innovation highlights

Market Share

Leading video streaming websites are from internet giants BAT (Baidu, Alibaba and Tencent)

Figure 19: Paid video streaming subscriber base, by brand, million, 2015-17

Tencent Music Group dominates music streaming service

Figure 20: Paid music streaming subscriber base, by brand, million, 2015-17

Competitive Strategies

Making streaming a part of social life

Fitting into new usage occasions and needs

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Music and Video Streaming - China - November 2017

Report Price: £3005.20 | \$3990.00 | €3425.02

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Differentiating by distinctive offerings

Figure 21: Independent musician promotion platform

Capitalising upon contents that drive everyday productivity

Beyond media content, more could be offered

Who's Innovating?

Flexible streaming experience

Further development on VR

Acquiring users from competitors

Global innovation highlights

The Consumer – What You Need to Know

Content sharing services are relatively new but promising

Paid users are willing to switch between websites

Subscription model is considered a win-win, while some consumers are reluctant to be tied

Male users keen on posting comments and females value timely new content when streaming videos

Short videos for killing time and relaxation

Smart recommendations and professional playlists are attractive to paid music users

Usage Penetration

Short video streaming sees rapid growth regarding penetration

Figure 22: Penetration rate of video websites, August 2017

Audio streaming industry see more varieties getting popular

Figure 23: Penetration rate of audio websites, August 2017

Content sharing services show potential on conversion

Figure 24: Paid user conversion rate (proportion of paid users amongst all users), August 2017

Child status and education level show influence on purchase behaviour

Figure 25: Paid video streaming service usage, by presence of children in household, August 2017

Figure 26: Paid streaming service usage, by education level, August 2017

Websites Preference

Video websites differentiate themselves by content

Figure 27: Video websites usage preference, August 2017

Consumers are comparatively more loyal to audio websites, especially the young

Figure 28: Audio websites usage preference, August 2017

Figure 29: Audio websites usage preference, by age, August 2017

Paid users tend to leverage various services

Figure 30: Video websites usage preference, by user segment, August 2017

Figure 31: Music websites usage preference, by user segment, August 2017

Payment Preference

Subscription plan is welcomed for video websites, on-demand payment is welcomed for audio websites

Figure 32: Payment preference, by service type, August 2017

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Music and Video Streaming - China - November 2017

Report Price: £3005.20 | \$3990.00 | €3425.02

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Younger generations prefer monthly subscription plans over full-year plans

Figure 33: Video websites payment preference, by age, August 2017

Figure 34: Audio websites payment preference, by age, August 2017

Non-paid video users may be attracted by on-demand payment

Figure 35: Music websites payment preference, by user segments, August 2017

Figure 36: Video websites payment preference, by user segment, August 2017

Video Streaming Habits

Consumers are eager for immediate access to new episodes

Figure 37: Video streaming habit, watching preference, August 2017

Many consumers see video streaming as part of their social lives

Figure 38: Video streaming habit, social behaviour, August 2017

Figure 39: Video streaming habit, social behaviour (comments), by age, August 2017

Figure 40: Video streaming habit, social behaviour (reviews and sharing), by age, August 2017

Younger consumers are more likely to download video content

Sharing self-made video and watching overseas content are niche

Figure 41: Video streaming habit, accessing overseas content, by education levels, August 2017

Paid users are more actively using various video streaming services

Figure 42: Video streaming habit, by user segment, August 2017

Reasons for Watching Short Videos

Majority of people see short videos as time killers

Figure 43: Reasons for watching short videos, August 2017

Younger generation are in favour of short videos as content carriers

Figure 44: Reasons for watching short videos (curious, fun), by age, August 2017

Music Streaming Habits

Consumers are actively seeking audio contents

Figure 45: Music streaming behaviour, August 2017

Social functions are particularly important in music streaming

Figure 46: Music streaming behaviour, socialising, August 2017

Figure 47: Nongfu Spring x NetEase Music collaboration, September 2017

Music is accompanying many consumers' lives and works

Paid users engage more on music consuming

Figure 48: Music streaming behaviour, by consumer segment, August 2017

Monthly subscribers search more actively while also appreciating recommendations

Figure 49: Percentage of consumers who agree that monthly subscription is the most appealing payment option for music streaming – CHAID – Tree output, August 2017

Meet the Mintropolitans

Mintropolitans actively using new services

Figure 50: Proportion of MinT vs Non-MinT users amongst different streaming services, August 2017

Mintropolitans are willing to switch services for desired content

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Music and Video Streaming - China - November 2017

Report Price: £3005.20 | \$3990.00 | €3425.02

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 51: Streaming usage preference, by consumer classification, August 2017

Mintropolitans are not fans of on-demand purchase and point redemption

Figure 52: Streaming service payment preference, by consumer classification, August 2017

Mintropolitans are eager to express themselves while streaming videos

Figure 53: Video streaming habits, by consumer classification, August 2017

Mintropolitans watch short videos for more serious purposes

Figure 54: Reasons for watching short videos, by consumer classification, August 2017

Mintropolitans weigh more personal and tailored contents when using music streaming services

Figure 55: Music streaming habits, by consumer classification, August 2017

Appendix – Market Size and Forecast

Figure 56: Market volume of China's online video streaming market, 2012-22

Figure 57: Market volume of China's online music streaming market, 2012-22

Figure 58: Key drivers for using paid video streaming websites, August 2017

Appendix – Methodology and Abbreviations

Methodology

Fan chart forecast

Abbreviations

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com