

Pay TV - US - November 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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



"Television is an essential element of nearly all US homes. The pay TV industry is going through a period of rapid change, with traditional cable and satellite companies now competing for market share against a host of new streaming contenders."

- John Poelking, Leisure & Media Analyst

This report looks at the following areas:

- Overall revenue stability belies a significant industry shift
- Streaming content players are now mainstream
- vMVPDs in early stage of adoption, but poised to steal share from traditional providers

During this transformation, corporations and consumers alike have been struggling to choose amongst different market models for pay TV service. While consumers may not ultimately find savings through cord cutting, they are also not willing to pay much more either – creating a tough competitive environment for industry players.

**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

Pay TV - US - November 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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
Definition

Executive Summary

Overview
The issues
Overall revenue stability belies a significant industry shift
Figure 1: Pay TV revenues, by segment, at current prices, 2014-18 (est)
Streaming content players are now mainstream
Figure 2: Streaming video services subscribed to – Select services, July 2018
vMVPDs in early stage of adoption, but poised to steal share from traditional providers
Figure 3: vMVPD subscriptions, by generation and household income, July 2018
The opportunities
One third of non-subscribers open to adding service
Figure 4: Pay TV usage and interest by non-subscribers, July 2018
Young people key targets for streaming-only services
Figure 5: Select attitudes on pay TV, by 18-24s vs all, July 2018
Parents another opportunity to win market share
Figure 6: Pay TV – changing service and factors influencing choice, by parent status, July 2018
What it means

The Market – What You Need to Know

Flat overall growth in a bifurcated market
Encouraging outlook for OTT
New competitors on the horizon

Market Size

Turbulence hidden within a stagnant market
Figure 7: Pay TV (including both MVPD and OTT) revenues, at current prices, 2014-18
Figure 8: MVPD and OTT revenues, at current prices, 2014-18
Will consumers continue to pay for content?
Figure 9: Households subscribing to pay TV*, 2014-18

Market Perspective

The rebirth of the bundle

Market Factors

Everything but the kitchen sink – and local news
5G: Speeding up cord cutting?

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

Pay TV - US - November 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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

Key Players – What You Need to Know

- Consolidation key to achieving scale
- Content is power
- Concerns about service
- Is the future virtual?

What's Working?

- The bigger the better
 - Figure 10: Cable TV Subscriptions by brand, April 2017-July 2018
 - Figure 11: Satellite TV Subscriptions by brand, April 2017-June 2018
- Content is king

What's Struggling?

- Service without a smile
- Is TVE going anywhere?
 - Figure 12: Use of TV Everywhere functions, May 2018

What's Next?

- Is the future virtual?

The Consumer – What You Need to Know

- Traditional services still dominate market
- Service bundles drive choice
- Younger people love streaming, TVE
- Netflix a serious contender

Pay TV Services Used

- vMVPD services still in early stages
 - Figure 13: Pay TV services subscribed to, July 2018
 - Figure 14: vMVPD services subscribed to (among streaming pay TV service subscribers), July 2018
- Age is a significant driver of vMVPD service adoption
 - Figure 15: Pay TV services subscribed to, by age, July 2018
- Region, area of residence significant drivers
 - Figure 16: Pay TV services subscribed to, by area, July 2018

Drivers of Subscription Interest

- Service bundles drive purchase
 - Figure 17: Factors in choice of pay TV service selection, July 2018
- Content choices less relevant for older users
 - Figure 18: Factors in choice of pay TV service selection, by age, July 2018
- Significant price sensitivity amongst Hispanics
 - Figure 19: Factors in choice of pay TV service selection, by race/Hispanic origin, July 2018
- Price might tempt non-subscribers

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

Pay TV - US - November 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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

Figure 20: Pay TV usage and interest by non-subscribers, July 2018

Figure 21: Factors driving interest in pay TV for non-subscribers, July 2018

Pay TV Behavior

Few consumers plan to switch

Figure 22: Behavior and intent to change pay TV service, by age, July 2018

Parents more likely to change

Figure 23: Behavior and intent to change pay TV service, by parental status, July 2018

Young people embrace app and streaming usage

Figure 24: Advanced pay TV feature usage, by age, July 2018

Upper-income consumers more loyal to pay TV

Figure 25: Advanced pay TV feature usage, by household income, July 2018

Attitudes toward Pay TV

Consumers love Netflix – but are they loyal?

Figure 26: Attitudes toward pay TV, by age, July 2018

Parents at greater risk of switching

Figure 27: Attitudes toward pay TV, by parental status, July 2018

Hispanics love Netflix; Black consumers less sure

Figure 28: Attitudes toward pay TV, by race and Hispanic origin, July 2018

Pros and cons of pay TV points to opportunities for hybrid services

OTT Content Service Behavior and Attitudes

Netflix leading streaming content service

Figure 29: Streaming content services subscribed to, July 2018

Figure 30: Streaming content services subscribed to, by age and household income, July 2018

Cord cutters motivated by ease of use

Figure 31: Attitudes toward streaming video services, July 2018

CHAID Analysis

Methodology

Affluent households without children most loyal to their pay TV service

Figure 32: Attitudes towards pay TV subscriptions – CHAID – Tree output, July 2018

Figure 33: Attitudes towards pay tv subscriptions – CHAID – Table output, July 2018

Appendix – Data Sources and Abbreviations

Data sources

Sales data

Consumer survey data

Consumer qualitative research

Abbreviations and terms

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