

Streaming wars set to intensify as over a quarter of UK consumers consider cancelling TV/Video streaming subscriptions to help make ends meet

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As the pressure mounts on household expenditure, new research reveals that more than one quarter of British consumers are considering cutting their streaming video on demand (SVOD) subscriptions in the next three months to save money. This is more than the number of consumers considering cancelling their media subscriptions to music streaming apps, podcasts or print media subscriptions.

About a quarter (23%) of those surveyed by quantilope (<https://www.quantilope.com/>), the automated consumer research platform, for its Streaming and Social Platforms (<https://www.quantilope.com/uk-streaming-social-insights-dashboard>) study have already cut media subscriptions from their budgets.

Cutting back on streaming services are ways for cash strapped consumers to save some pounds. Those with multiple subscriptions can reduce to just one paid platform, while others can opt to view content for free on platforms such as BBC iPlayer or ITV Hub, or choose to switch to ad-subsidised content that some of the larger providers like Netflix are looking to offer.

Netflix, the established leader in the SVOD market and producer of hit series, such as The Crown and Stranger Things, added over 36 million subscribers during the first year of lockdown as people looked for entertainment at home, but has started to lose subscribers this year.

While competition between the biggest streamers heats up, quantilope's research finds that Netflix is still the most popular paid-for platform in the UK, with 66% of UK streamers subscribing to this platform, followed by Prime Video (49%), Disney+ (32%). However, these paid-for services compete neck and neck with free streaming services in the UK, such as BBC iPlayer, ITV Hub, and Channel 4.

'Subscription squatters' in for a shock

quantilope research also reveals that more than half of UK consumers (51%) claim to have free access to at least one streaming media app through sharing another subscriber's account (compared to 31% of US consumers and just 17% in Germany). However, with both Netflix and Disney+ having recently announced that they will be getting tougher about platform sharing, these subscription squatters could be in for a shock.

"Streaming video providers are battling to grow revenues and maintain subscribers and understand all too clearly that they are a discretionary spend for cash-strapped households," said Alex Hall, Associate Director of Research Consulting at quantilope. "With Netflix and Disney+ both introducing lower priced ad-based tiers to help consumers save their pounds, and with the potential that the price of ad free plans will rise, understanding who is most willing to pay is critical for streaming platforms to survive."

Older users least likely to pay for ad-free streaming

quantilope's research suggests that while overall most consumers are indifferent about ads, some are

more likely to pay to skip ads than others. In the UK, 40% of respondents are willing to pay to skip over ads while streaming content, which is lower than in the US (55%) and Germany (45%). While 35% of UK consumers either hate ads or don't enjoy ads on video streaming platforms, 30% are indifferent, 24% enjoy them and 10% love them.

More than half (52%) claim they would pay up to 10 GBP to avoid ads and 37% would pay between 10 GBP and 25 GBP. More Baby Boomers, who may be accustomed to ads during their content viewing, are the least willing to pay to skip ads (58% say they are somewhat/extremely unwilling), in contrast to the 67% of Generation Z respondents who are extremely willing to pay.

"The streaming wars are in full flow," mentioned Jenna Stearns, author of the study at quantilope, "and the battle between the top providers looks set to become fast paced this year as payment plans shift. Targeted messaging for users according to their willingness to pay will become increasingly important for streaming providers. Older consumers, who are clear that they do not want to 'pay to play', could be an interesting target segment for smart streaming providers. They could target this group by emphasising a whole new viewing experience that comes with the perks of a paid subscription, or by bundling a streaming service with another form of media preferred by this generation; perhaps partnering with audio platforms or print media subscriptions."

Other UK research highlights:

- Boomers less likely to cut streaming services – Older respondents, the 'Boomers', are least likely to consider axing their TV/Video streaming provider in the next few months with just 24% saying they are considering it compared to 32% of Gen Z and 33% of Millennials.
- Social media is top for news among Gen Z - this generation accesses their news through social media platforms (67%), but news websites are still the most common way for all Brits to access news (64%). 42% of Brits listen to news on the radio while 41% get their news from Cable television, and 39% have a news app such as Apple News or Google News. Just 28% read a physical print newspaper.
- 15% of all surveyed British respondents predict they will spend less time on social media in the future, though most (66%) predict their social media activity will not change at all. 33% of Gen Z and 19% of Millennials claim their use of social media is likely to increase in the future.
- TikTok and Snapchat are similarly associated as 'mindless' and 'for younger crowds' – When it comes to understanding how people feel about social media, quantilope used its automated Multiple Implicit Associations Test (MAT); a research methodology based on neuroscience that can capture consumers subconscious associations towards multiple brands or products, to review the deep-rooted sentiment for eight social platforms. TikTok and Snapchat are similarly associated as 'mindless' and 'for younger crowds' – however, these two platforms' personas differ: TikTok is 'trendy', 'lively', 'quirky', and 'humorous', while Snapchat's persona is more closely aligned with Facebook and Twitter as 'annoying' and 'lame'. Facebook and Twitter are also similarly associated as 'draining', 'upsetting', and 'stressful'.

Download site for quantilope's Streaming and Social Platforms study:
<https://www.quantilope.com/uk-streaming-social-insights-dashboard>

Notes to editors:

Methodology:

quantilope surveyed 1003 consumers in the UK (and an additional 1000 in both the US and Germany) during August 2022. The sample was nationally representative in terms of age ranges. Gen Z is the newest generation, born between 1997 and 2012 (aged between 10 and 25 years old); while Millennials (born between 1981 and 1996) are aged between 26 and 42 years). Generation X (born between 1965 and 1980) are aged between 32 and 57 years. Boomers are aged 58 to 75 years and were born between 1946 and 1964.

About quantilope:

quantilope automates consumer research to unlock high quality insights with speed and ease. Its Insights Automation Platform offers AI-driven advanced quantitative and qualitative solutions to support data-driven decision making. Founded in 2014, quantilope was named the #2 top technology provider for consumer research and one of the top 50 most innovative suppliers for insights worldwide (Greenbook GRIT Business & Innovation Report 2022). quantilope powers consumer insights in brand awareness, market segmentation, advertising testing, product concepts and pricing analysis for over 300 brands including Nestle, Pepsi, Danone, Deutsche Telekom, PBS, OMD, and more.

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