‘THE BIG SQUEEZE’ IS A MAIL METRO MEDIA RESEARCH SERIES THAT TRACKS THE ONGOING IMPACT THAT THE COST OF LIVING CRISIS IS HAVING ON CONSUMERS FINANCES AND BEHAVIOURS ACROSS A BROAD RANGE OF CATEGORIES.

EACH WEEK WE ASK OUR MATTERS COMMUNITY MEMBERS ABOUT THEIR BEHAVIOURS IN ONE CATEGORY TO ASCERTAIN IF AND HOW IT HAS BEEN IMPACTED BY THE COST OF LIVING CRISIS.

OUR AIM IS TO OFFER USEFUL INSIGHTS AND PRACTICAL GUIDANCE ON HOW BRANDS CAN NAVIGATE THIS DIFFICULT AND TUMULTUOUS PERIOD.

THIS WEEK WE’RE FOCUSING ON SUBSCRIPTION VIDEO ON DEMAND SERVICES. WE WANTED TO FIND OUT HOW THE RISING COST OF LIVING MIGHT PUSH CONSUMERS TO RECONSIDER HOW THEY CONSUME CONTENT AND MOREOVER, THEIR SVOD SUBSCRIPTIONS.
We wanted to find out about people’s content consumption habits, their current SVOD behaviours, attitudes towards brands and potential changes to these behaviours moving forwards.

**Approach:**
10 mins online survey, respondents recruited through Matters Community Survey

**Fieldwork:**
26th May – 1st June 2022

**Sample:**
932 Respondents

Data is weighted to be representative of readership by age, gender and social grade.
WHAT WILL WE COVER?

1. KEY FINDINGS
2. ATTITUDES TOWARDS ENTERTAINMENT AND LEISURE
3. CURRENT SVOD BEHAVIOURS
4. ATTITUDES TOWARDS SVOD BRANDS
5. SVOD AND THE BIG SQUEEZE
6. IMPLICATIONS FOR BRANDS
KEY FINDINGS

SUMMARY

ATTITUDES TO ENTERTAINMENT & LEISURE

• 1 in 3 intend on reducing out-of-home leisure spending

• Under 35s most likely to increase their in-home leisure activities and those 55+ the least – does this create more potential for brand advertising?

• Less than 1 in 10 are concerned about prioritising spend on SVOD services specifically, suggesting work to be done to convince people of platform worth

CURRENT SVOD BEHAVIOURS

• 3 in 4 currently have access to an SVOD service. Under 35s are most likely to have access to a service (9 in 10)

• Original series/programmes are the most popular content type

• Family and friends are the most popular source for content recommendations. Those 55+ are more likely to get these from traditional sources (TV guides and reviews in print publications)

• Under 55s have increased their streaming content consumption most over the last 12 months (2 in 5). Less than 1 in 10 have reduced their consumption
KEY FINDINGS

SUMMARY

SVOD BRANDS

- Netflix and Amazon Prime Video have the most users with access (1 in 2). Disney+ is most popular amongst under 35s
- Amazon Prime Video is used the least frequently
- Over 1 in 2 willing to compromise to reduce costs. Breadth of content and subscription overload pose potential issues
- Netflix scores highest amongst users on key perception metrics
- BritBox scores well for ease and value for money whereas Apple TV+ underperforms on value for money - suggesting there is work to do to convince users to keep the service

LOOKING AHEAD...

- Current non-subscribers are least likely to subscribe to platforms with a more refined content offering
- Netflix and Amazon Prime Video are the services most likely to be kept. Platforms with a more niche content offering are at biggest threat of cancellation.
- Users are most likely to cancel due to the need to cut back, lack of use and limited content availability
- A reduction in price in exchange for adverts is the most favoured incentive to prevent users cancelling
- 1 in 3 would find a live content offering appealing
ATTITUDES TOWARDS ENTERTAINMENT AND LEISURE
Q – Thinking about the cost of living crisis and your likely behaviours over the next three months. Which of the following statements, if any, apply?

1. In 3 intend on reducing out-of-home leisure spending and shopping on leisure

Less than 1 in 10 are concerned about prioritising spend on subscriptions

<table>
<thead>
<tr>
<th>“I will be …”</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trying to reduce my leisure spending out of home e.g. visiting pubs</td>
<td>35%</td>
</tr>
<tr>
<td>Reducing the amount I shop for leisure</td>
<td>34%</td>
</tr>
<tr>
<td>Entertaining at home more</td>
<td>16%</td>
</tr>
<tr>
<td>Reducing my spending elsewhere to enable spending on subscriptions</td>
<td>9%</td>
</tr>
<tr>
<td>Spending more money on in-home leisure activities e.g. paying for more films</td>
<td>7%</td>
</tr>
<tr>
<td>Taking out another streaming service subscription</td>
<td>5%*</td>
</tr>
</tbody>
</table>

Source: Subscription Services Matters Community Survey (May-June 2022)
Base: 932 Respondents
*Based on readers with subscription (688)
Under 35s are most likely to increase in-home leisure and entertainment activities

Less than 1 in 10 of those aged 55+ are intent on increasing in-home leisure and entertainment activities

Q – Thinking about the cost of living crisis and your likely behaviours over the next three months. Which of the following statements, if any, apply?

Under 35s are most likely to increase in-home leisure and entertainment activities

Less than 1 in 10 of those aged 55+ are intent on increasing in-home leisure and entertainment activities

Under 35
35-54
55+

Trying to reduce my leisure spending out of home e.g. visiting pubs and restaurants
38% 36% 29%

Reducing the amount I shop for leisure
36% 34% 27%

Entertaining at home more
26% 22% 26%

Reducing my spending elsewhere to enable spending on subscriptions
9% 9% 5%

Spending more money on in-home leisure activities e.g. paying for more films
19% 19% 20%

Taking out another streaming service subscription
4% 2% 13%
CURRENT SVOD BEHAVIOURS
3 in 4 currently have access to at least one SVOD service

Those aged under 35 are more likely to have access to at least one subscription service

Q – Which of the following subscription video services, if any, do you currently have access to? By subscription video services, we mean platforms in which you must subscribe to and pay a recurring fee, in order to access content.

Subscription Services - Current Use

74%

Subscription Services – Current Use by Age

Under 35 – 93%
35-54 – 78%
55+ – 67%

Arrows denote significance at 95% confidence rate

Source: Subscription Services Matters Community Survey (May-June 2022) Base: 932 Respondents
The most popular type of SVOD content is ‘original series and programmes’

Those aged 35-54 are significantly more likely than under 35s to be drawn to original series/programmes

Q – Which type of content do you most use subscription video services for?

Source: Subscription Services Matters Community Survey (May-June 2022)
Base: 932 Respondents

Arrows denote significance at 95% confidence rate
1 in 3 have increased their use of SVOD over the last 12 months with 35-54s seeing the highest net increases

Only 1 in 10 have been streaming content less over the last 12 months

Q – Compared to 12 months ago, how, if at all, has your use of subscription video services changed?

- Total: 36% increased, 48% stayed the same, 10% decreased. NET +26%
- Under 35: 45% increased, 37% stayed the same, 10% decreased. NET +35%
- 35-54: 44% increased, 49% stayed the same, 7% decreased. NET +37%
- 55+: 26% increased, 52% stayed the same, 13% decreased. NET +13%
Friends and family are the most popular source for content recommendations

2 in 5 use reviews in newspapers or magazines for recommendations and advertising influences 1 in 4 adults

Q – Thinking again about content on subscription video services. Where do you look for recommendations on what content to watch on the subscription video services you have access to?

<table>
<thead>
<tr>
<th>Source</th>
<th>Total</th>
<th>Under 35</th>
<th>35-54</th>
<th>55+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and/or family</td>
<td>57%</td>
<td>52%</td>
<td>50%</td>
<td>56%</td>
</tr>
<tr>
<td>TV guides (online or offline)</td>
<td>56%</td>
<td>40%</td>
<td>35%</td>
<td>38%</td>
</tr>
<tr>
<td>Reviews in newspapers or magazines</td>
<td>52%</td>
<td>43%</td>
<td>30%</td>
<td>29%</td>
</tr>
<tr>
<td>From streaming services themselves</td>
<td>43%</td>
<td>35%</td>
<td>33%</td>
<td>19%</td>
</tr>
<tr>
<td>From colleagues</td>
<td>30%</td>
<td>26%</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>Advertising in newspapers or magazines</td>
<td>29%</td>
<td>23%</td>
<td>25%</td>
<td>24%</td>
</tr>
<tr>
<td>Review sites online e.g. Rotten Tomatoes, IMDb</td>
<td>30%</td>
<td>22%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Online communities e.g. Reddit</td>
<td>12%</td>
<td>10%</td>
<td>13%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: Subscription Services Matters Community Survey (May-June 2022) Base: 688 Respondents
Q – To what extent do you agree or disagree with each of the following statements around subscription video services? [NET: Agree]

1 in 4 say that they are subscribed to too many streaming video services and more than 2 in 5 say they would subscribe to a subscription service for access to a particular show

Over half say there is not a subscription service that meets all of their needs

Source: Subscription Services Matters Community Survey (May-June 2022) Base: 688 Respondents
“ATTITUDES TOWARDS SVOD BRANDS”
1 in 2 have access to Netflix and Amazon Prime Video

Disney+ is significantly more popular with under 35s. There is minimal differentiation by age group when it comes to access to Amazon Prime Video.

Q – Which of the following subscription video services, if any, do you currently have access to?

Source: Subscription Services Matters Community Survey (May-June 2022)
Base: 932 Respondents

Arrows denote significance at 95% confidence rate.
Despite having the second highest access rate, Amazon Prime Video is the least frequently used service.

Under 35’s are the most frequent users of streaming platforms with over 9 in 10 frequently watching newer SVOD services including BritBox & Apple TV+.

Q – How frequently do you watch content on each of the following subscription video services? (NET: Everyday / At least once a week / Several times a week)

Source: Subscription Services Matters Community Survey (May-June 2022)
Base: 688 Respondents
Netflix scores highest amongst users across most metrics, resonating most when it comes to content.

Disney+ scores highly for content but not for value and Amazon Prime Video is deemed the best value for money.

Q – Which of the following phrases, if any, do you associate with [BRAND]?

Netflix scores highest amongst users across most metrics, resonating most when it comes to content.

Disney+ scores highly for content but not for value and Amazon Prime Video is deemed the best value for money.

Source: Subscription Services Matters Community Survey (May-June 2022)
Base: 688 Respondents *Small sample size

Make sure to adjust the text to reflect the specific [BRAND] you are analyzing.
“SVOD AND THE BIG SQUEEZE”
SVOD services with more of a niche offering are more likely to be cancelled than those with a broader offering

The more established services are at risk of a greater number of customers

Q – Which of the following subscription video services, if any, do you currently have access to?
Q - How likely, if at all, are you to cancel the following subscription video service(s) in the next three months?

Potential churn of SVOD services by Mail Metro Media weekly readership (millions)

Source: Subscription Services Matters Community Survey (May-June 2022)
Base: 932 / 688 Respondents *Small sample size
Cutting financial commitments to save money, lack of use due to a bundled subscription and limited content availability are the most likely reasons for users to cancel

<table>
<thead>
<tr>
<th>Service</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Netflix</td>
<td>“It is part of my Sky package, which will be up for renewal in 3 months, we do not watch a lot of Netflix so it will be going.”</td>
</tr>
<tr>
<td></td>
<td>“Have increased their monthly subscription. They do not have the large range of programmes and films they used to have. Other streaming services have caught them up, so they are no longer the must-have streaming service.”</td>
</tr>
<tr>
<td></td>
<td>“Don’t use it enough to justify amount of money going out of account each month in hard financial times.”</td>
</tr>
<tr>
<td>Prime Video</td>
<td>“I don’t watch it, only used for quick and free postage.”</td>
</tr>
<tr>
<td></td>
<td>“You have to pay for extra, not everything is included.”</td>
</tr>
<tr>
<td></td>
<td>“Although Amazon Prime is a good value every month, every saving helps at present.”</td>
</tr>
<tr>
<td></td>
<td>“Expensive compared to Netflix. It has lots of content I’m not interested in and does not update as frequently as Netflix.”</td>
</tr>
<tr>
<td></td>
<td>“Doesn’t have shows or films that are popular or people talk about.”</td>
</tr>
<tr>
<td>Disney+</td>
<td>“Got it for specific release and watched it several times and now don’t intend to watch anymore.”</td>
</tr>
<tr>
<td></td>
<td>“Not enough content being added - it’s quite static. I’ll cancel then join again in 3 months.”</td>
</tr>
<tr>
<td>Hayu</td>
<td>“Only shows one genre of shows.”</td>
</tr>
<tr>
<td></td>
<td>“I have several monthly contracts.”</td>
</tr>
<tr>
<td>Britbox</td>
<td>“Finished watching what I signed up to watch.”</td>
</tr>
<tr>
<td></td>
<td>“I get in on a free 6 month trial and don’t think I use it that much.”</td>
</tr>
</tbody>
</table>
| Source: Subscription Services Matters Community Survey (May-June 2022) | Base: 688 Respondents

Q – You said you would be likely to cancel [BRAND], why is this?
A reduction in price in exchange for adverts is the most compelling incentive likely to prevent users cancelling

Q – To what extent do you agree or disagree with each of the following statements around subscription video services? [NET: Agree]

Q – You said you would be likely to cancel [BRAND], which of the following is most likely to make you stay?

- Reduction in price in exchange for adverts
- Reduced monthly offer for set period
- Annual subscription offer

I am willing to sit through adverts to avoid paying for a premium subscription

55%

Source: Subscription Services Matters Community Survey (May-June 2022)
Base: 688 Respondents
A third of adults find the prospect of a live content offering on SVOD services appealing.

2 in 3 under 35s find a live content offering appealing. 1 in 2 of those 55+ are impartial.

Q – Some subscription video services are thinking of offering live content exclusive to members. By live content, we mean content that is broadcast live as it happens. How appealing or unappealing would this be to you? [NET: Appealing / Unappealing]

Source: Subscription Services Matters Community Survey (May-June 2022)
Base: 932 Respondents
“IMPLICATIONS”
IMPLICATIONS FOR ADVERTISERS

THEMES THAT MATTER

IN-HOME EXPERIENCES
People are planning to cut down on out-of-home leisure activities and increase focus on entertainment in-home. Show how your services can help create exciting in-home experiences across all age groups.

CONGESTION AND CONTENT
1 in 3
MMM readers will be reducing out-of-home leisure spending and 1 in 6 will be entertaining more in-home

1 in 4
MMM readers feel they are subscribed to too many platforms and 1 in 2 do not feel their content needs are fully met

NICHE CONCERNS
SVOD services that offer specialist programming are more at risk of cancellation than services that offer a broader array of programming

OPEN TO ADVERTISING
55% of MMM readers say that they would be willing to sit through adverts to avoid paying for a premium subscription

LIVE CONTENT
36% of MMM readers say that live content exclusive to members is appealing to them – this rises to 62% for under 35s

55% of MMM readers say that they would be willing to sit through adverts to avoid paying for a premium subscription

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SHOWCASE BREADTH OF CONTENT
Users are increasingly fickle when it comes to platform selection with content the key factor in this. Ensure users are aware of the range of content available as well as new arrivals – this is of particular importance to more niche offerings

EXPERIMENT WITH ADS
With the cost of living crisis beginning to bite, is this the time to start experimenting with cheaper subscriptions that contain adverts?

USE NEWSBRANDS
Newspaper reviews and advertising are key sources of inspiration when deciding what to watch. Use newsbrands to build your credibility and engage all your target audiences.
Our powerful print and digital portfolio reaches key SVOD audiences at scale.

From reality TV fanatics to parents, we have publications that can deliver scale, engagement and attention.

For more information contact insight@mailmetromedia.co.uk
THE BIG SQUEEZE

SVOD EDITION