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Leichtman Research Group

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12% OF AGES 18-34 GET AN INTERNET-DELIVERED PAY-TV SERVICE

Streaming Pay-TV Services Augmenting Video Consumption in the Household

Durham, NH – April 9, 2018 – New consumer research from Leichtman Research Group, Inc. (LRG) found that 18-34 year-olds account for 53% of adults in the U.S. that have a live streaming Internet-delivered pay-TV service (like Sling TV, DIRECTV NOW, PlayStation Vue, Hulu with Live TV, or YouTube TV). Overall, 11% of adults ages 18-44 currently have an Internet-delivered pay-TV service – compared to 3% of ages 45 and above.

Among all that have an Internet-delivered pay-TV service, 93% also have a subscription video on-Demand (SVOD) service from Netflix, Amazon Prime, and/or Hulu. Additionally, 49% of Internet-delivered pay-TV subscribers have a TV antenna for watching over-the-air broadcast TV, and 35% also have a pay-TV service from a traditional (cable, satellite, or Telco) provider.

These findings are based on an online survey of 6,947 households from throughout the United States and are part of a new LRG study, *Internet-Delivered Pay-TV Services*. This is LRG's inaugural study dedicated to this topic.

Other related findings from the study include:

- 12% of adults that moved in the past year have an Internet-delivered pay-TV service – compared to 6% of non-movers
- Internet-delivered pay-TV subscribers watch these services at home 78% of the time – compared to 80% at home viewing of HBO NOW, and 88% at home viewing of Netflix
- 69% of current Internet-delivered pay-TV subscribers are very satisfied with their service – yet, 27% are very likely to switch from an Internet-delivered pay-TV service in the next six months

- 24% of those that do not currently have an Internet-delivered pay-TV service are very interested in getting one
- 76% of all adults agree that there are specific networks or programming genres that are “must haves” for a TV service in their household – this includes 88% of those very interested in getting an Internet-delivered pay-TV service

“There is clearly a growing niche market for lower-cost/lower-channel live streaming pay-TV services – particularly among younger, more mobile renters, and those living in households with more people,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “Currently, these Internet-delivered pay-TV services are augmenting other sources of video in home, and consumers are experimenting with the various streaming pay-TV services to discover what combinations of video offerings work best for their household.”

About Leichtman Research Group, Inc.

Leichtman Research Group, Inc. (LRG) specializes in research and analysis on the broadband, media and entertainment industries. LRG combines ongoing consumer research studies with industry tracking and analysis, to provide companies with a richer understanding of current market conditions, and the adoption and impact of new products and services. For more information about LRG, please call (603) 397-5400 or visit www.LeichtmanResearch.com.

Internet-Delivered Pay-TV Services is based on an online survey of 6,947 adults age 18+ from throughout the continental U.S. The random sample of respondents was distributed and weighted to best reflect the demographic and geographic make-up of the U.S. The survey was conducted in February 2018. The overall online sample has a statistical margin of error of +/- 1.2%.

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