



# LRG

Leichtman Research Group

**FOR IMMEDIATE RELEASE**

## **83% OF U.S. HOUSEHOLDS SUBSCRIBE TO A PAY-TV SERVICE**

*Decline in Penetration Over Time not Solely Caused by Those Leaving the Category*

---

**Durham, NH – September 3, 2015** – New consumer research from Leichtman Research Group, Inc. (LRG) finds that about 83% of all households nationwide subscribe to some form of pay-TV service. The percentage of households that subscribe to a pay-TV service is down from 87% in 2010, but up from 81% in 2005.

While the total number of subscribers for the top pay-TV providers at the end of 2Q 2015 is similar to the total at the end of 2Q 2010, over the past five years, the US Census Bureau reports that occupied housing in the US increased by more than 4.5 million units (with all the growth coming in renter-occupied housing). As a result, penetration of pay-TV in residential households has decreased from five years ago.

Among TV households that do not currently subscribe to a pay-TV service, 17% paid for a service in the past year, while 70% of non-subscribers last subscribed over three years ago, or never subscribed to a pay-TV service. Overall, about 2.5% of TV households paid to subscribe to a service in the past year, but currently do not – compared to 1.5% in 2010, and 2.3% in 2005.

These findings are based on a telephone survey of 1,222 households from throughout the United States, and are part of a new LRG study, *Cable, DBS & Telcos: Competing for Customers 2015*. This is LRG's thirteenth annual study of this topic.

Other related findings include:

- In households using a TV, 12% of home owners do not subscribe to a pay-TV service – compared to 23% of renters (renters are more likely to be non-subscribers than in any year since 2006)

- 21% of those who moved in the past year do not currently subscribe to a pay-TV service – compared to 12% in 2010
- 35% using one TV set at home are non-subscribers – compared 10% using two or more TVs
- Mean reported monthly spending on pay-TV service is \$99.10 – an increase of 39% since 2010
- 63% of non-subscribers get a subscription video on-Demand (SVOD) service, and 62% have an over-the-air (OTA) TV antenna
- In total, 5% of all households are pay-TV non-subscribers with both an SVOD service and an OTA antenna – while 4% of all households are pay-TV non-subscribers with SVOD but no OTA antenna.

“Changes in the dynamics of the pay-TV industry are not driven just by those exiting the category, but also those coming into the category,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “Historically, consumers have gone in and out of the pay-TV category, primarily for economic reasons. While the rate of those leaving is actually similar to a decade ago, those who are entering or reentering the market has decreased over time, and the industry is not keeping pace with rental housing growth.”

**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](http://www.LeichtmanResearch.com).

*Cable, DBS & Telcos: Competing for Customers 2015* is based on a telephone survey of 1,222 adults age 18+ from throughout the continental US that was conducted in June 2015. The random sample of respondents (including 220 cell phone calls) was distributed and weighted to best reflect the demographic and geographic make-up of the US. The overall sample has a statistical margin of error of +/- 2.8%.

###