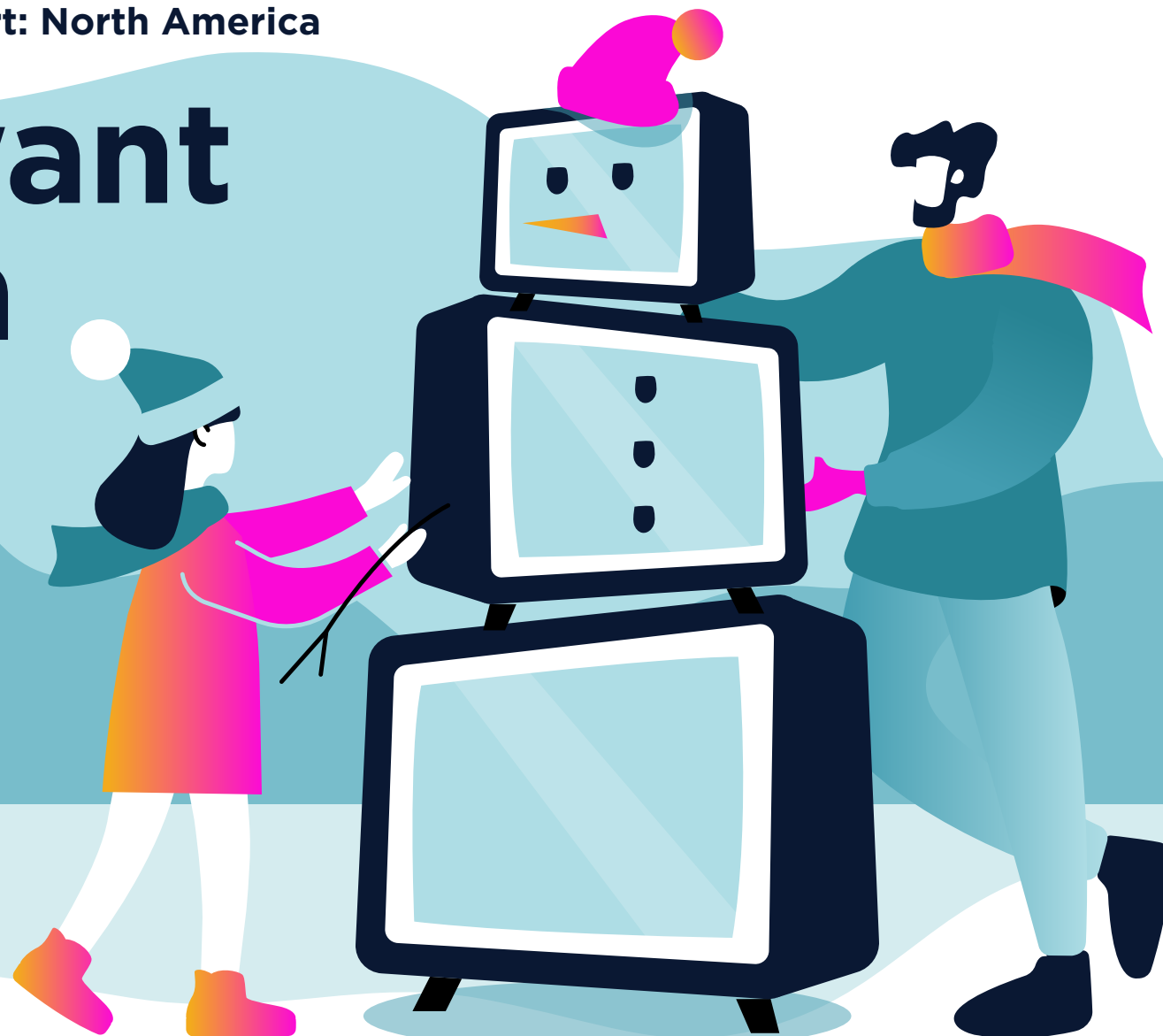




Q4 2024 TiVo Video Trends Report: North America

Do you want to build a bundle?





Introduction

The video market continues to undergo significant transformations, driven by the rapid advancements in technology and the shifting preferences of consumers. As streaming services proliferate, traditional cable and satellite TV providers face increasing pressure to adapt or risk obsolescence as US consumers build their large bundle of nearly 10 video services, a majority of which include both traditional TV channels and streaming services.

In past Video Trends Reports, the challenge of “subscription fatigue,” where consumers become overwhelmed by the sheer volume of options and the cumulative cost of multiple subscriptions, has been front and center. In this version, however, we are seeing the impacts of consumers simplifying their spend and their bundles, which presents new and exciting challenges that providers must navigate. As the video market is in a state of constant change, relevance in the space necessitates continuous innovation. Providers must now invest in user experience enhancements, and advanced technologies such as personalized or contextual discovery and recommendations to stay ahead of the curve, all mixed with new forms of data analytics to understand consumer preferences (or lack thereof) around advertising.

In this version of TiVo’s Video Trends Report, we look at how consumer behavior continues to evolve in the world of video, as well as how some of these technologies (and more) are faring as providers try to capitalize on opportunities presented by this ever-dynamic landscape.



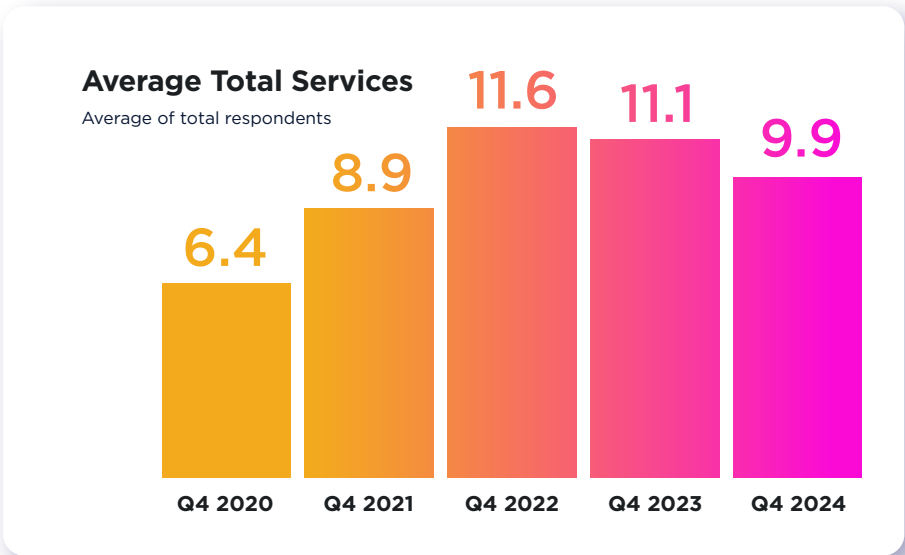
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Service usage dropped year-over-year; simplification of bundle coming to fruition

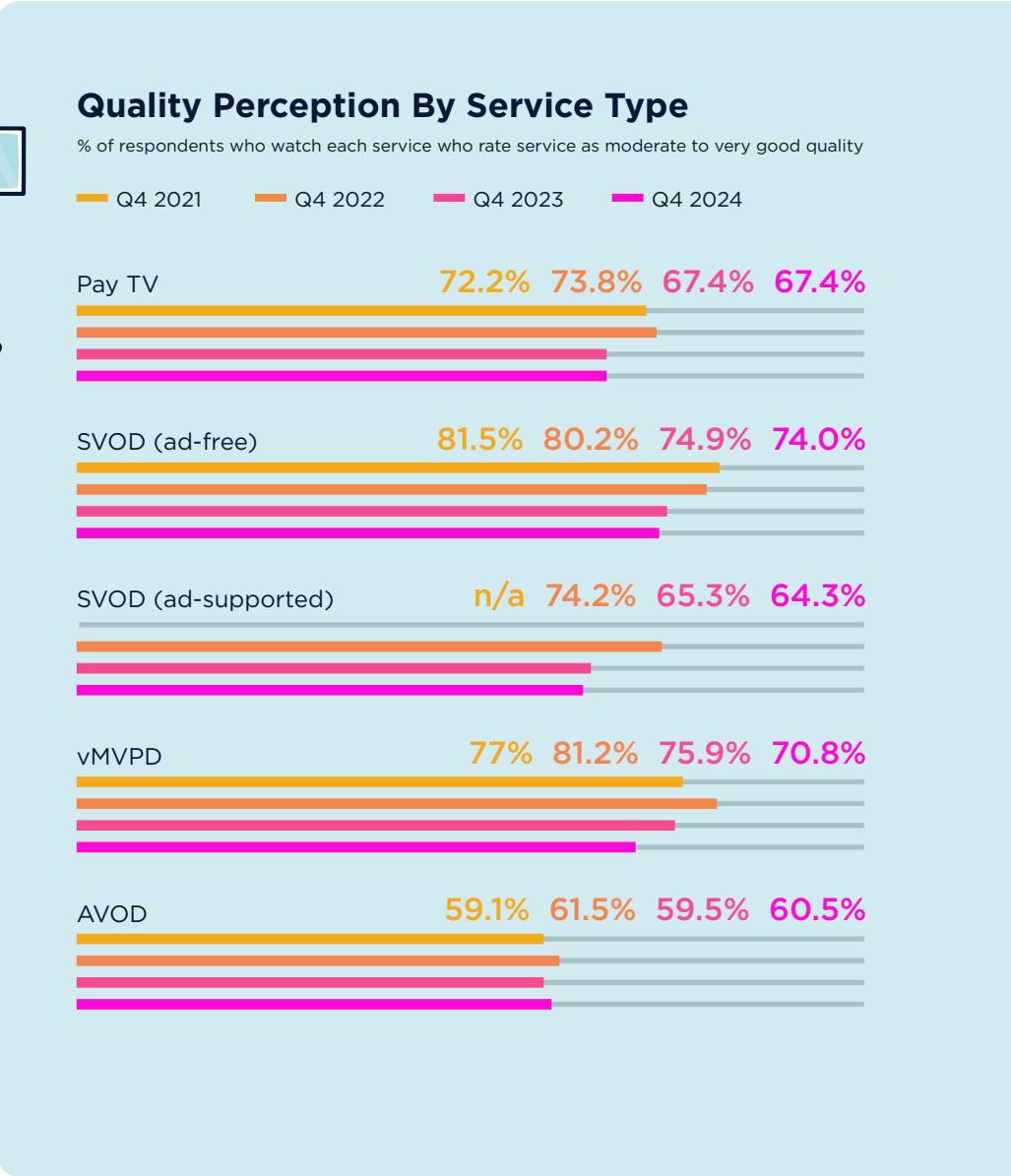
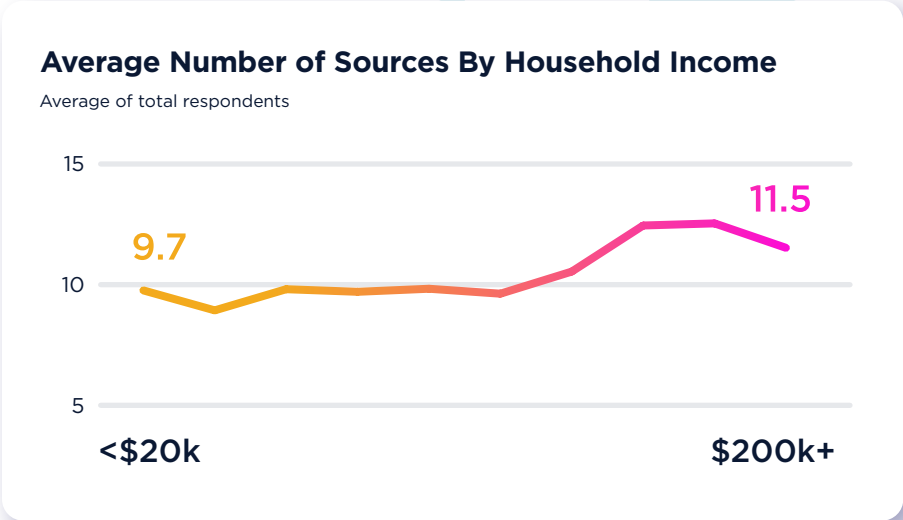
Respondents currently use an average of 9.9 sources, with the number of both paid and nonpaid declining since 2023.



A strong majority of respondents feel as if the number of services they have is *“just right”*, with the share of those who feel they have too many services declining slightly year-over-year.



Respondents who have CHILDREN use significantly more services (13.6), than those without children (8.2).





Bundle simplification extends to the wallet; spending on video drops \$20 year-over-year

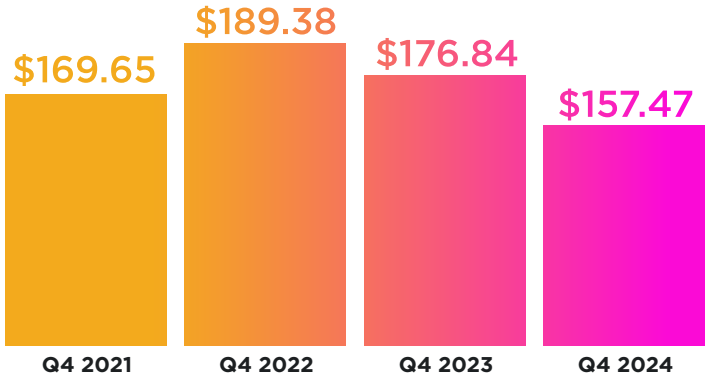
Spending has declined almost \$20 since Q4 2023, with the total average monthly entertainment spend dropping below \$160 for the first time since before 2021.

34.1% do not plan on evaluating their spending on entertainment, an increase of 6% since this time last year.

When it comes to discretionary spending, video continues to decline in priority year over year, with only 64.6% of respondents rating it as a moderate or high priority in Q4 2024, compared to 65.9% in Q4 2023 and 69.9% in Q4 2022.

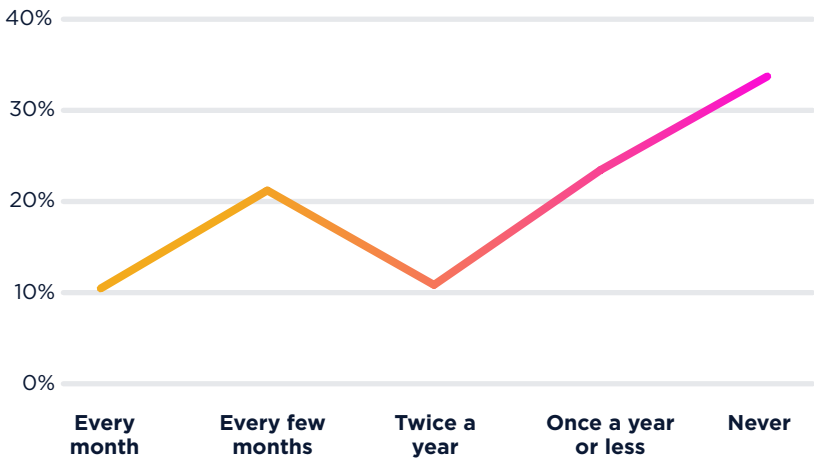
Average Total Spend

Average of total respondents



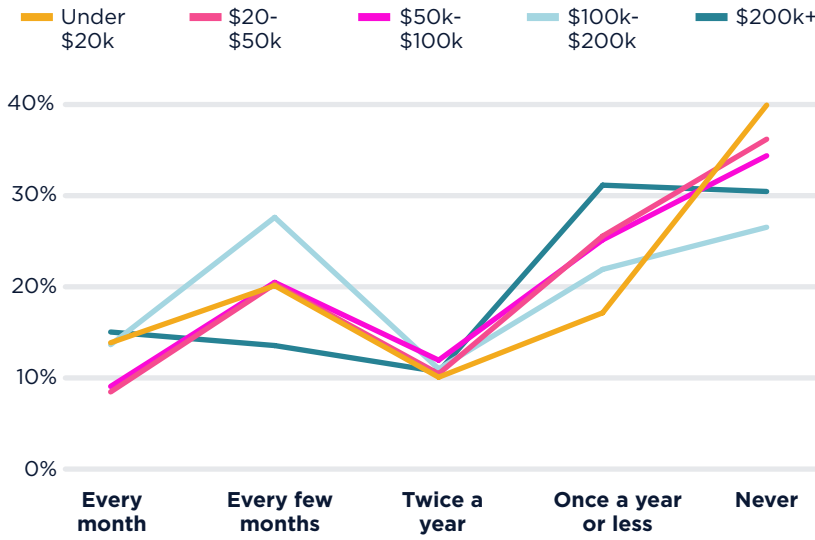
Frequency of Spending Adjustment

% of all respondents



Frequency of Spending Adjustment By Income

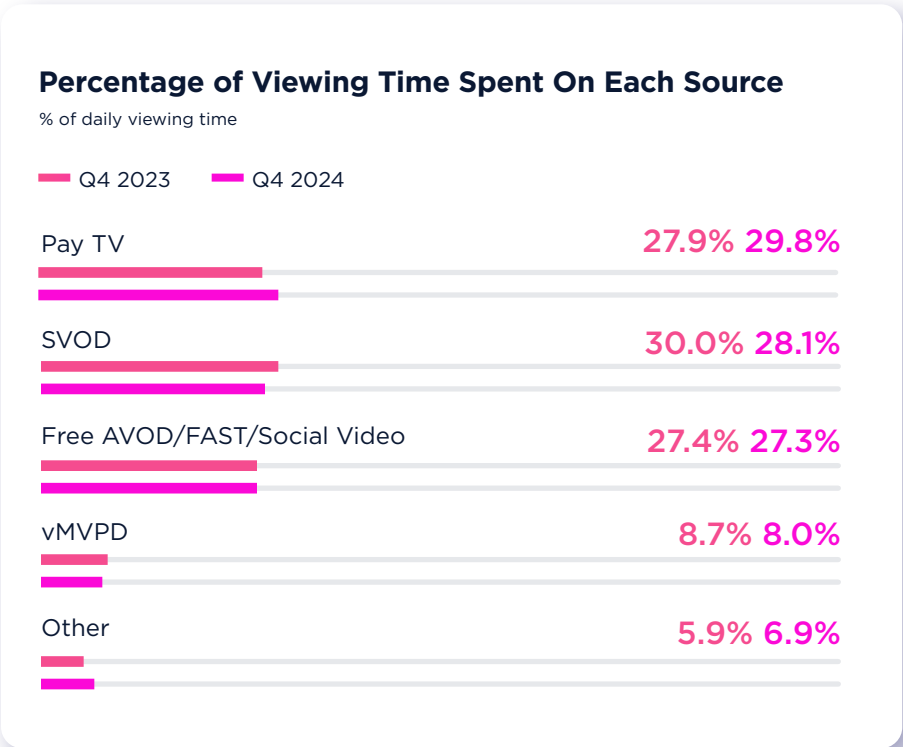
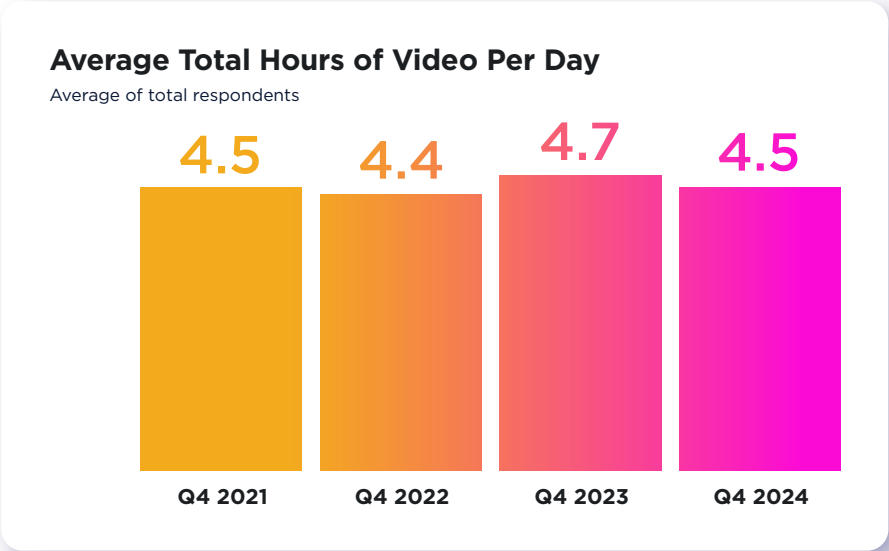
% of all respondents within each income bracket





Daily viewership largely consistent year-over-year; convenience and simplicity of Pay TV paying off

Respondents watch an average of 4.5 hours of video per day, which has remained relatively consistent since 2021.



60.1% think local content is somewhat/very important compared to 61.8% in Q4 2023.

Local content continues to account for **about a quarter** of all view time across all respondents, with Pay TV subscribers spending a significantly higher percentage of their watch time on local content compared to broadband-only subscribers.

7.8% of total viewing time is foreign made programming from creators outside of the United States, down slightly from 8.7% in Q4 2023.

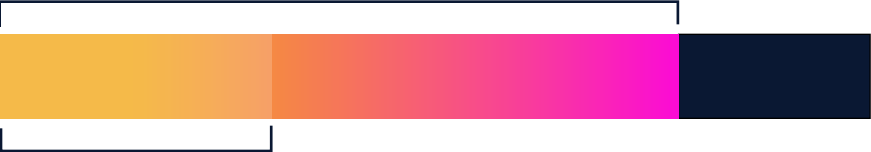


About half of respondents prefer when streaming services release an entire season at once, compared to about 19% who prefer a slower release cadence of one episode per week.



Sports content becoming increasingly fragmented; Pay TV the favorite way to watch

77.9% watch sports regularly

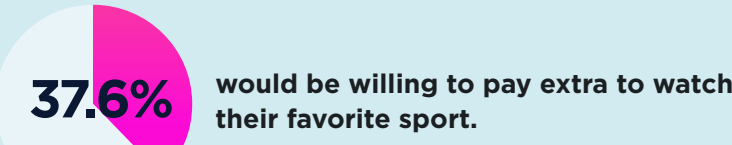
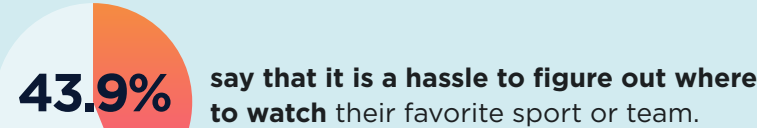
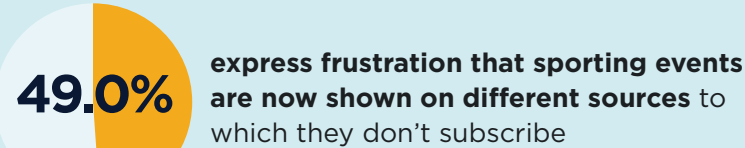


40.3% of which noted that a pay TV service is the primary way they consume sports content.



2.4 Respondents noted having to use 2.4 services to watch their favorite sport.

58.0% of respondents who watch sports report that they are sometimes **unable to watch a specific sporting event** because it is not available on any of the sources that they utilize. This happens a few times a month or more for 36.7% of sports viewers.



Methods of viewing sporting events when unable to watch via their own service

% of respondents who watch sports content

Just skip it	37.6%
Go to a sports bar/restaurant to watch it	23.0%
Go to a friend's house to watch it	22.9%
Subscribe to a streaming service to watch it, cancel afterward	18.4%
Listen to it on the radio	16.8%

Christmas Gameday on Netflix

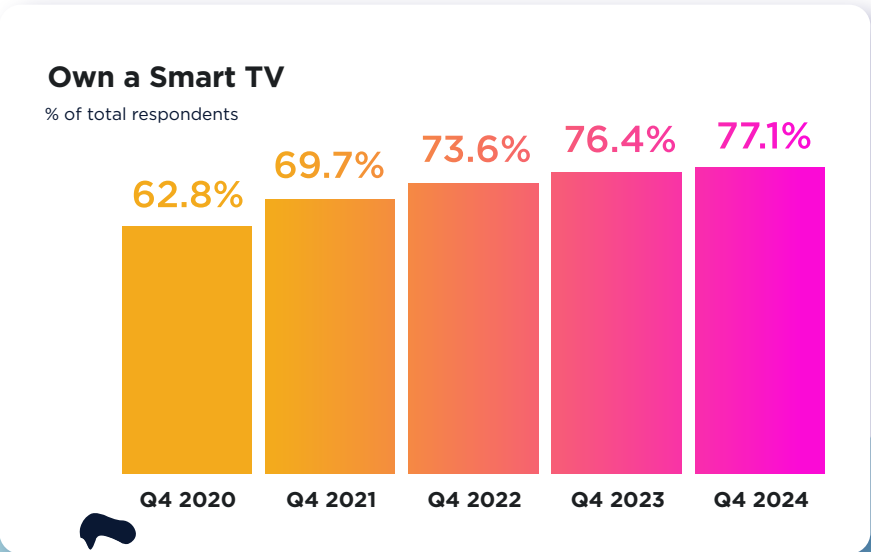
43.8% of those who subscribe to Netflix probably or definitely will watch

28.5% of those who do not subscribe to Netflix may get a subscription to watch

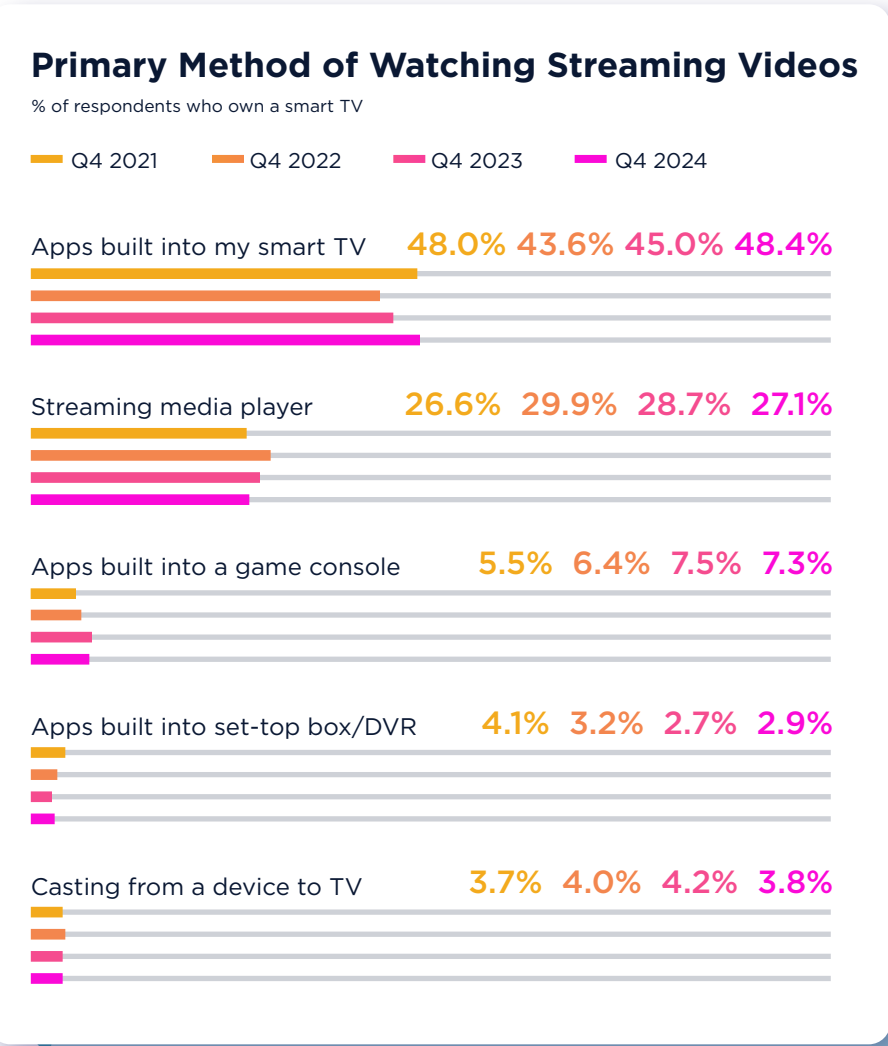


Consumers increasingly loyal to their smart TV operating system

77.1% of respondents currently own a smart TV, representing an increase of just under 1.0% since Q4 2023.



75.3% of those with a smart TV have used built in apps to watch video, remaining consistent with 2023.



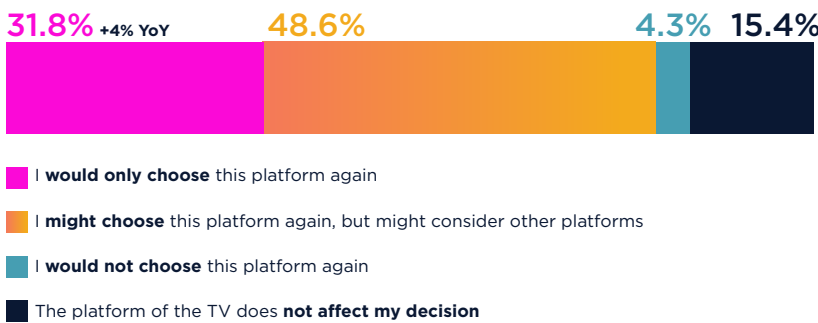
Primary Platforms Used Among Smart TV Owners

% of respondents who watch sports content



Platform Preference

% of those who have a smart TV





Discovery dilemma softens as consumers simplify their bundles

- 40.4%** of respondents typically use two or three apps before settling on something to watch, compared to 45.9% during Q4 2023.
- 27.0%** report only using one app, an increase of about 2.5% since Q4 2023.
- 53.2%** of respondents usually or always know what they want to watch when they sit down to watch something.
- 16.5%** note that they usually or always browse until something looks good.



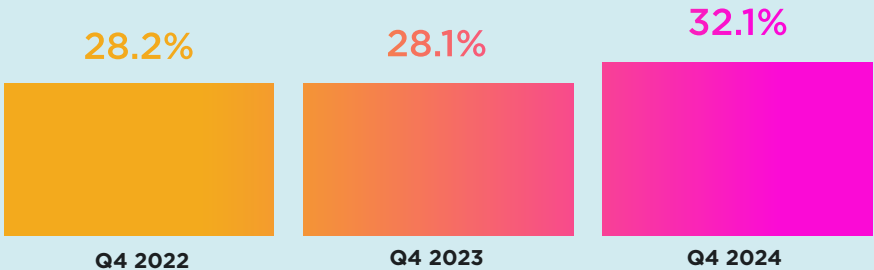
Top Methods of Discovery

% of all respondents

		YoY Change
Word of mouth / friends	48.5%	+5.3%
Social Media	38.6%	+3%
Commercials or ads that run during other shows	38.0%	-3.8%
Streaming apps / home screen / carousel ads	36.7%	+7.8%
Suggestions in my TV channel guide or other menus	32.2%	+6.8%
Advertising on streaming or online video services	28.7%	+10.3%
Print, outdoor and/or online banner advertisements	14.4%	+7.5%
Emails or newsletters from streaming services	11.1%	+1.6%
News articles or stories outside social media	9.1%	-7.3%

Companion App Usage

% of all respondents



Most Commonly Used Companion Apps

% of all respondents



37.6% use IMDB in Q4 2024, down from 39.4% in Q4 2023.

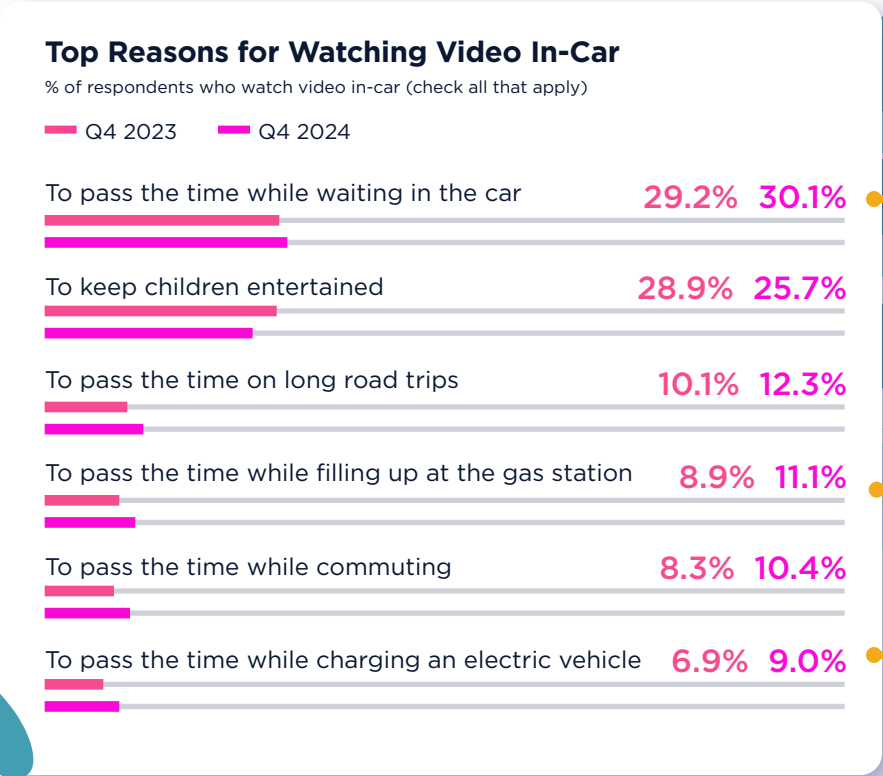
Users of the IMDB Watchlist feature among broadband only viewers double year-over-year, from 9% to 17.9% at the expense of using IMDB's recommendations for new things to watch which declined from 19.7% to 10.3%.



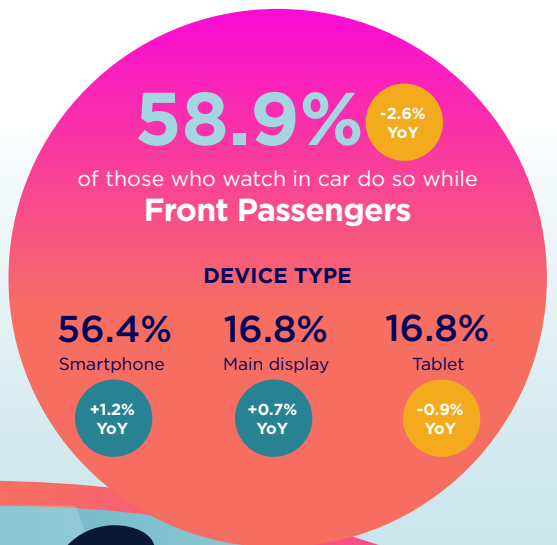
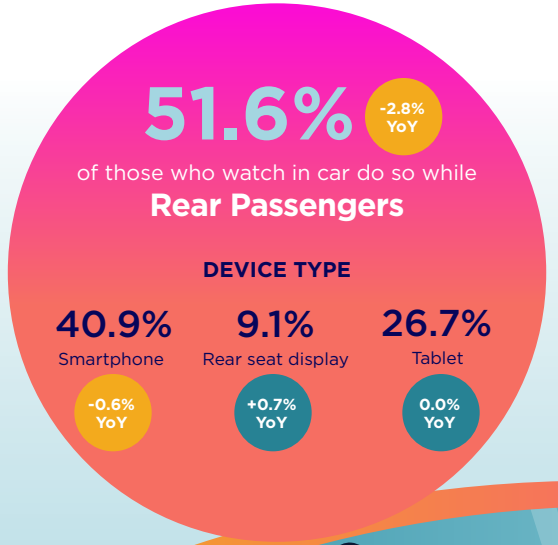
In-car viewing increases to 44%

44.4% of respondents who own a car report that **video is watched in their vehicle**. This is an increase of about 6% since Q4 2023.

75.1% of those who watch video in the car do so at **least a few times a month**, a decrease of 2.9% since Q4 2023.



40.1% of car owners report that **video is watched only when the car is parked**.



37.8% are interested in a **built-in video screen in the rear cabin**

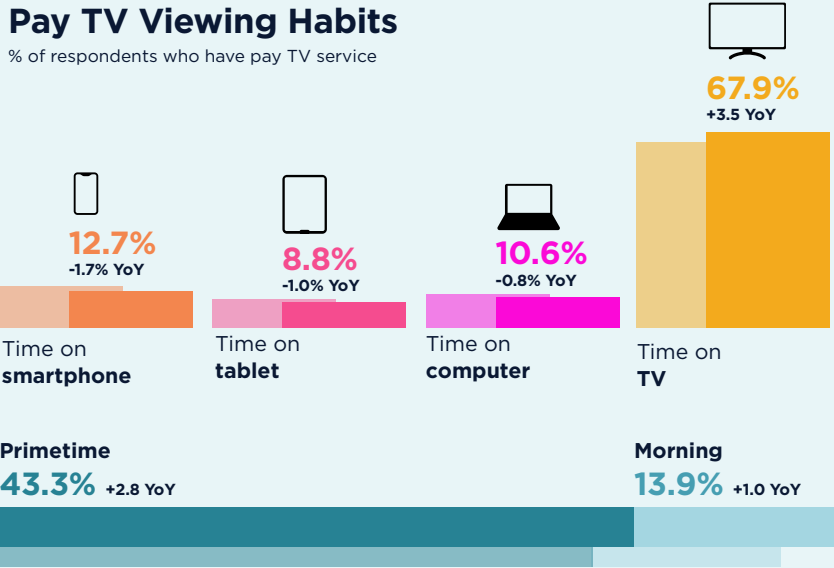
31.5% of car owners are interested in having a **built-in screen that can play video in the front cabin of their next car**



Consumers planning to cut the cord down roughly 2% year-over-year

Pay TV Viewing Habits

% of respondents who have pay TV service



25.7% of respondents plan to **cut the cord in the next 6 months**, down from 27.6% YoY.

26.6% had cut the cord and then later resubscribed

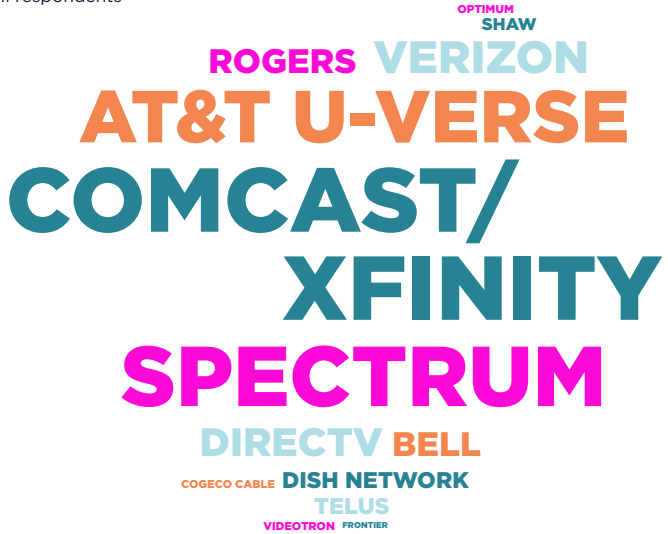
Reasons Respondents Resubscribe After Previously Cutting the Cord

% of all respondents

		YoY Change
Couldn't get the entertainment without pay TV service	28.6%	-5.2%
It's the best way to watch major live events	28.3%	-0.8%
Best way to watch sports	25.7%	-1.4%
Best way to watch local programming	24.8%	-2.7%
I like knowing I always have many channels available	21.4%	-4.4%
Entertainment components only work with paid TV service	19.6%	-3.6%
The service is not very expensive	19.4%	-0.3%
I'd rather just pay one cable/satellite/fiber bill	17.5%	+1%
Streaming video services not as reliable as traditional TV	15.6%	-2.6%
Cost just as much as paid TV service	13.5%	-3.5%
TV service bundled with broadband Internet service	11.9%	-5.1%
Easily skip the ads on recorded programs	11.1%	-2.4%
Deal or special offer to get traditional pay TV service	10.6%	+0.1%

Top Pay TV Providers

% of all respondents



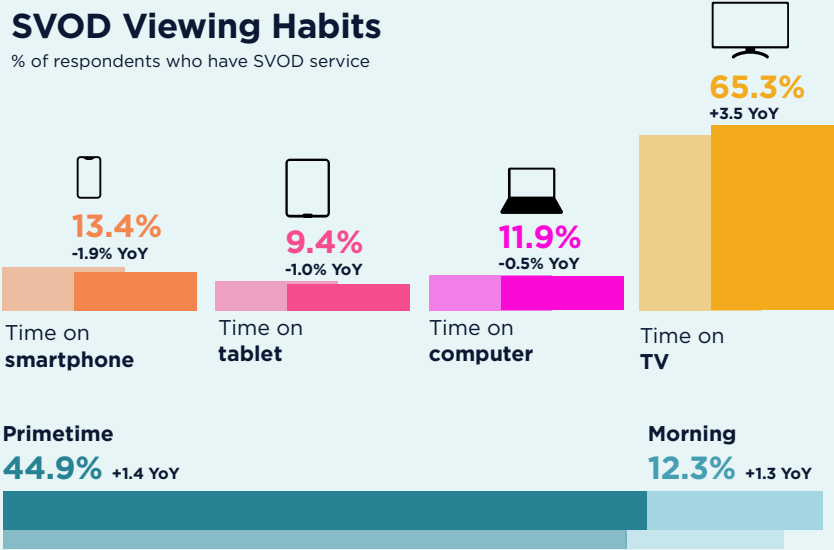


SVOD usage... not pricing...stands out in Q4 as a key motivator for churn

85.8% of respondents **use SVOD service**, compared to 88% in Q4 2023.

SVOD Viewing Habits

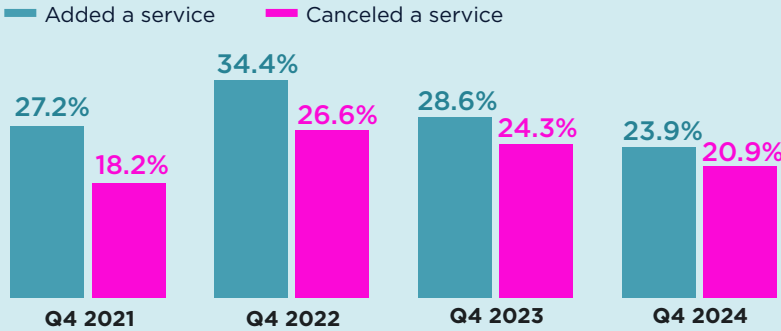
% of respondents who have SVOD service



34.6% of those said **they used a shared password for at least one service.**

Canceled / added a new streaming service over the last six months

% of all respondents



SVOD Services Most Recently Canceled

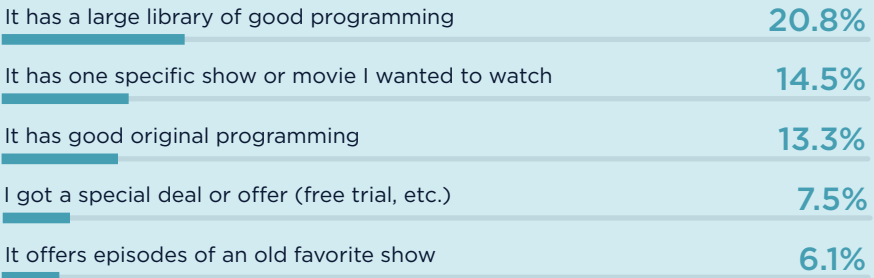
% of respondents who subscribe to an SVOD service



For the first time, respondents who canceled an SVOD service within the last 6 months noted canceling because they **“weren’t using it enough,”** rather than because the service raised its prices.

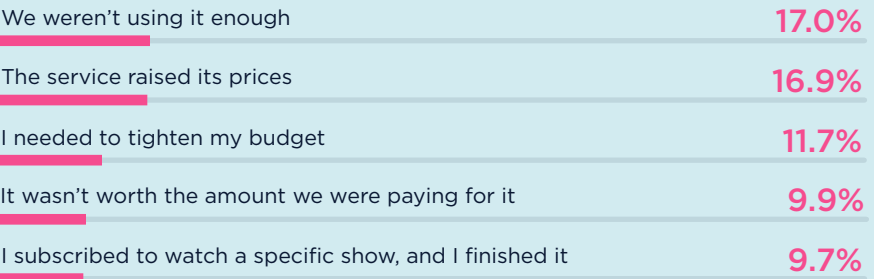
Top Reasons for Adding an SVOD Service

(% of respondents who canceled a service in last 6 months)



Top Reasons for Canceling an SVOD Service

(% of respondents who canceled a service in last 6 months)



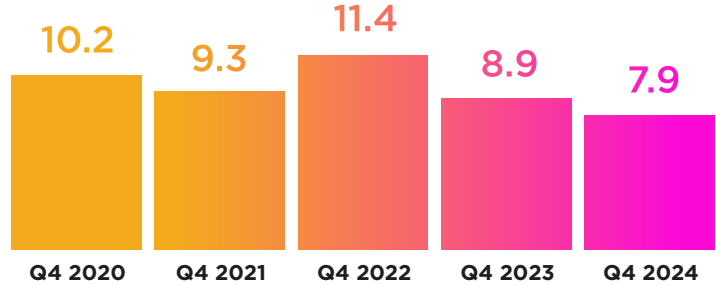


TVOD Market Softens in Q4

43.8% of respondents use a TVOD service, declining from 52.3% in Q4 2023 and 50.6% in Q4 2022.

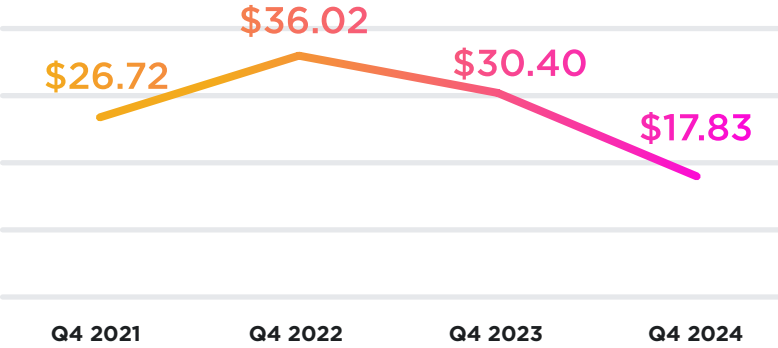
Average Number of TVOD Services

Average of total respondents



Average Monthly Total Spend

% of all respondents



Amazon Prime Video remains the most commonly used TVOD service although usage across all services has declined.

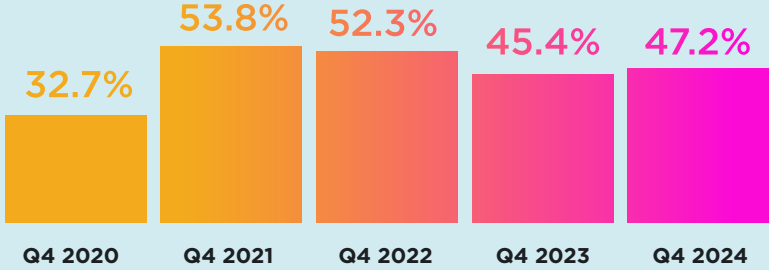
Top TVOD Services

% of all respondents



Prefer to go to a theater to see a new release

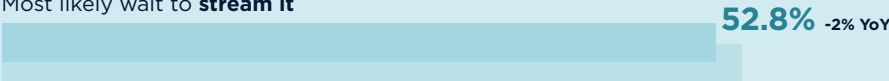
% of all respondents



Most likely see a new movie **in the theater**

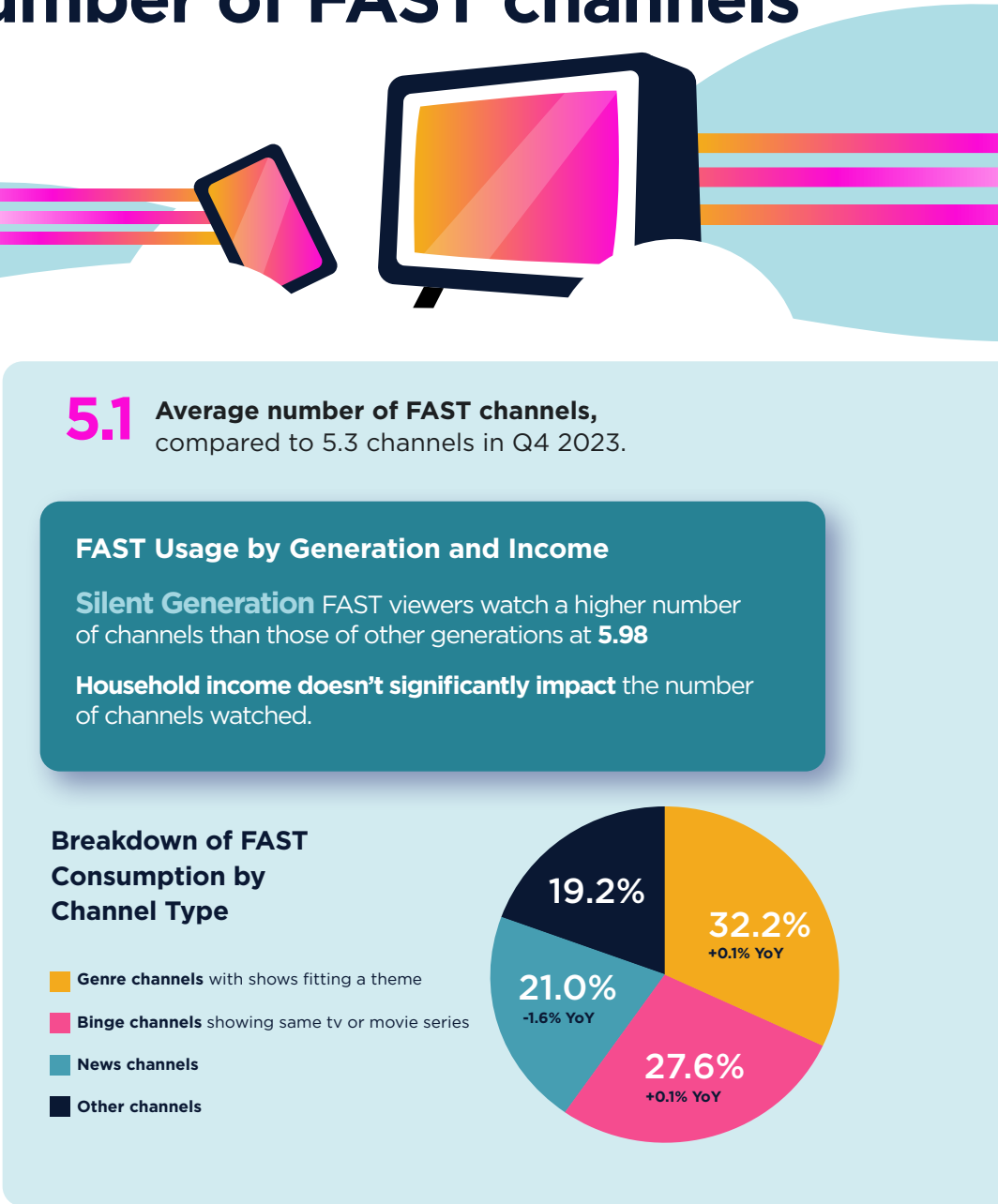
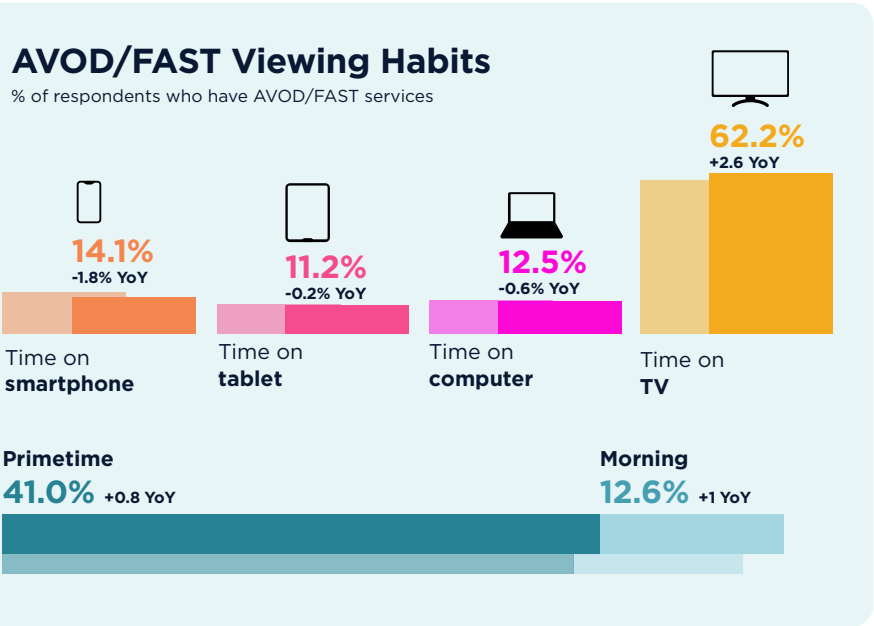
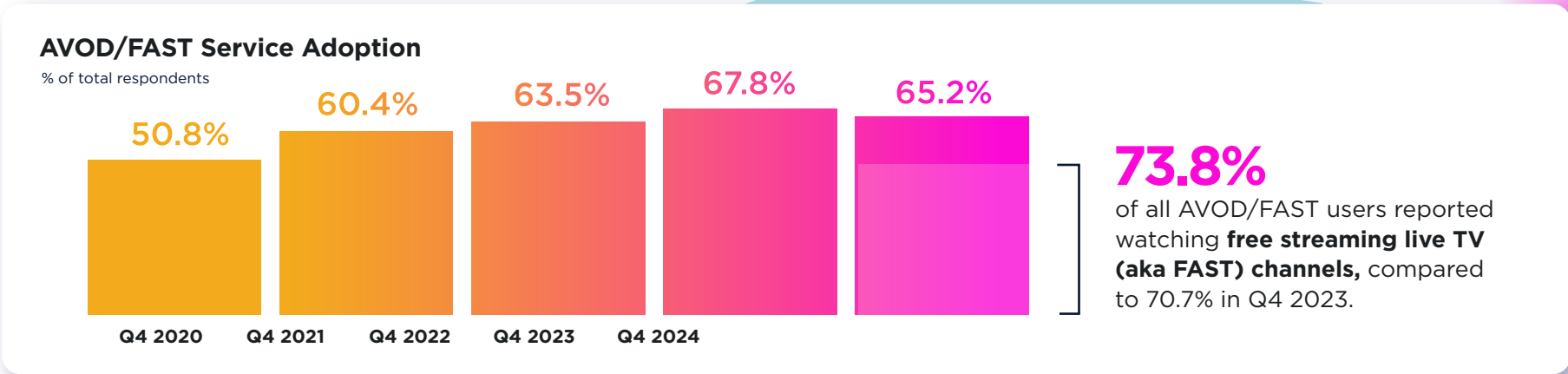


Most likely wait to **stream it**





AVOD/FAST adoption flattens out in Q4; Average number of FAST channels declines as consumers focus on their go-to's

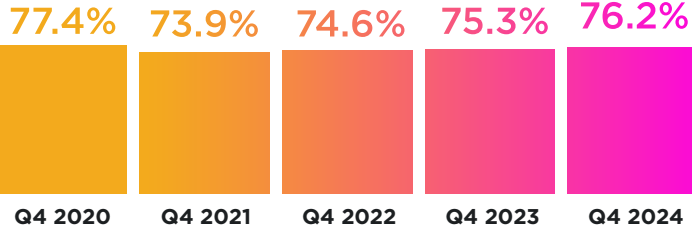




Two-thirds of respondents prefer upfront ads; Pay TV subscribers more likely to engage with home screen ads

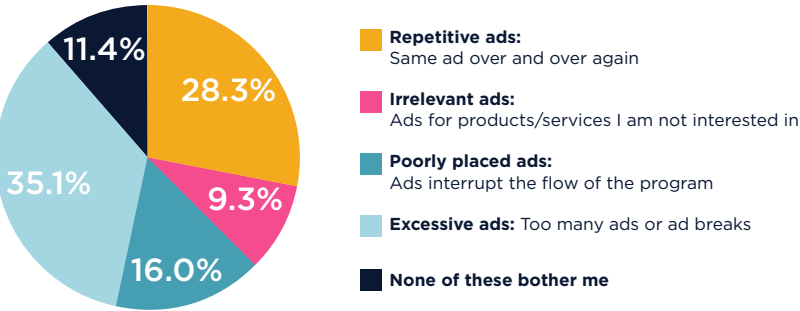
Tolerant or In Favor of Ads

% of total respondents

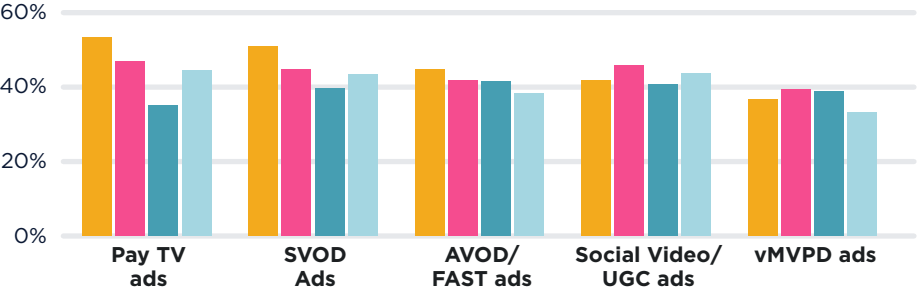


Breakdown of Primary Ad Annoyance

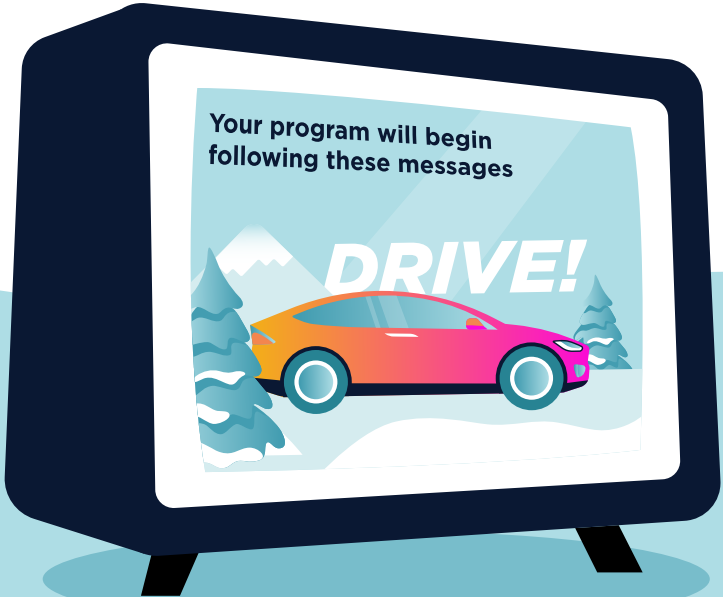
% of all respondents



Across the board, significant portions (1/3 or more) of each service type find ads to be repetitive, irrelevant, poorly placed, and excessive.

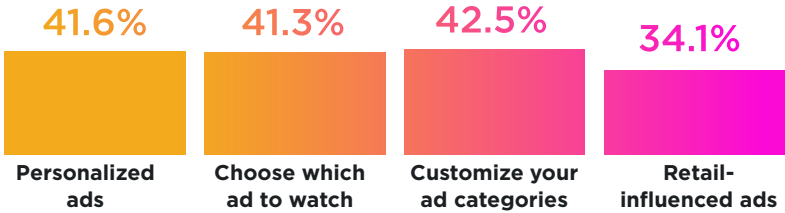


67.0% of respondents would prefer to see all the ads at once before the program start.



What could improve the experience of watching ads during TV shows and movies?

% of total respondents



Advertising on a smart TV “home screen”

70.4% of those with a smart TV have noticed information about a TV show or movie on the home screen of their TV.

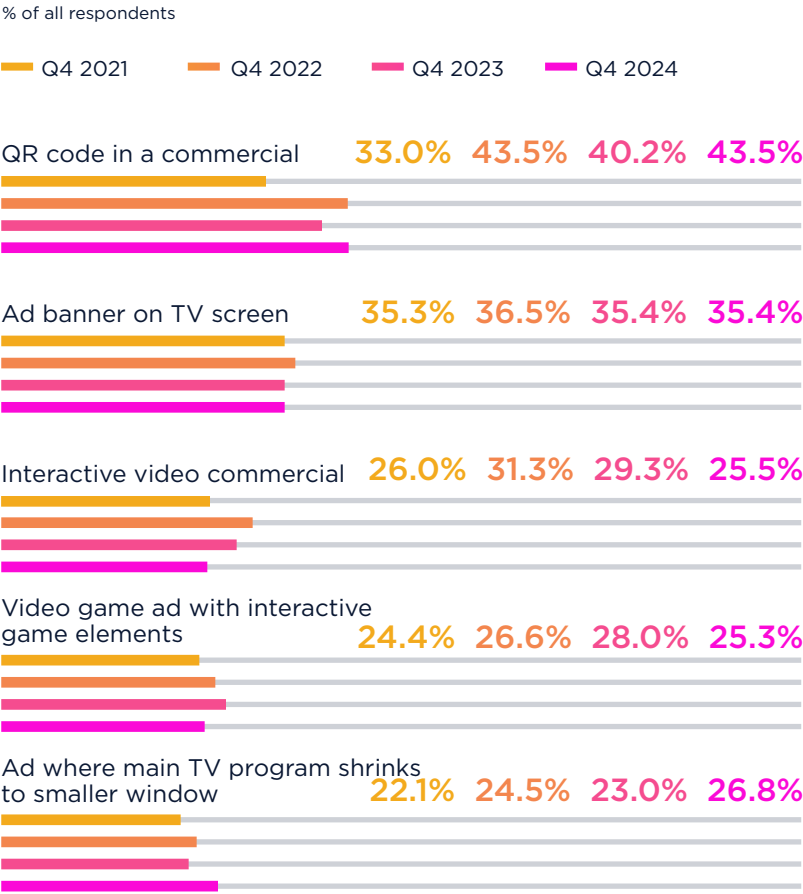
57.3% would be **more willing to see ads** on the home screen of their smart TV if the **ads are personalized to their viewing taste**.

71.3% of Pay TV subscribers reported regularly using the information about a TV show or movie on the home screen to start watching that content, compared to only 52% of broadband only viewers.

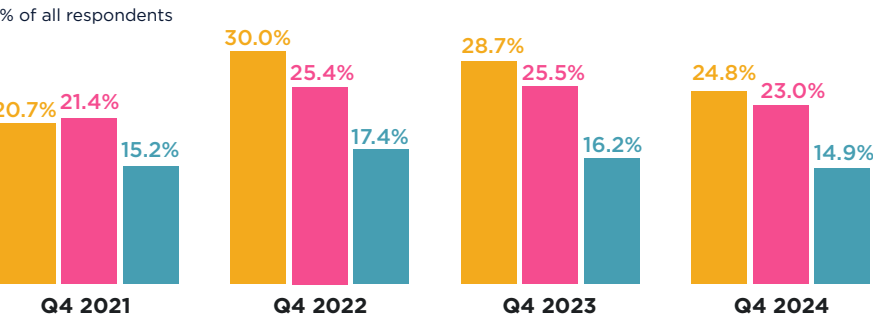


Gen Z scaling back engagement with QR codes in TV ads

Awareness of Interactive Ads



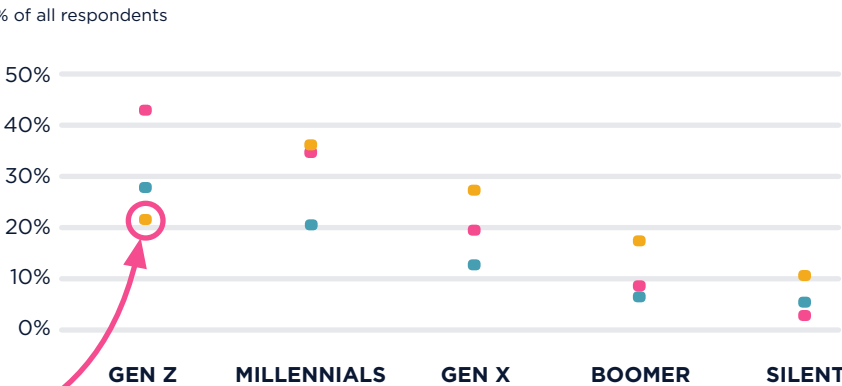
Interactive Ad Engagement



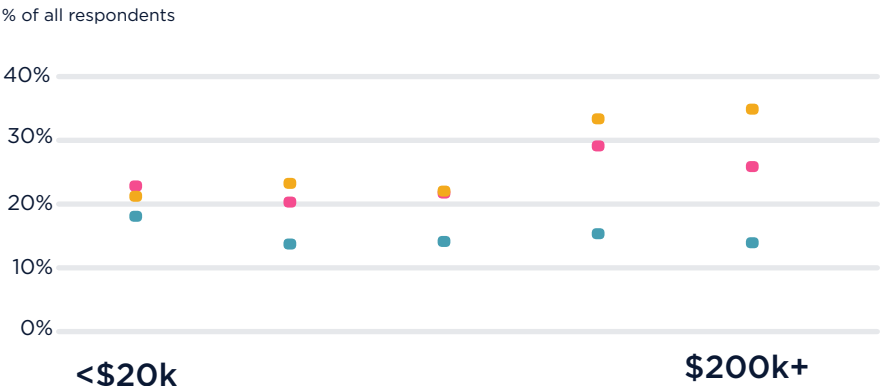
- Used my phone to scan a QR code in a TV show or commercial
- Tapped on an interactive commercial on my smartphone or tablet
- Tried out interactive game elements/a demo in a video game ad

Generational trends around interactive ad usage has remained relatively consistent. However, the share of Gen Z respondents who report having used their phone to scan a QR code in a TV show or commercial has declined by almost 7%. At the same time, QR codes continue to be utilized at a significantly higher rate among high income households compared to those of lower incomes.

Interactive Ad Engagement by Generation



Interactive Ad Engagement by Income



-7.0% YoY



Conclusion

TiVo seeks real consumer opinions to uncover key trends relevant to TV providers, digital publishers, advertisers and consumer electronics manufacturers for our survey, which is administered and examined biannually in this published report. We share perspectives and feedback from viewers to give video service providers and industry stakeholders insights for improving and enhancing the overall TV viewing experience for consumers. TiVo has conducted a survey quarterly or biannually since 2012, enabling us to monitor, track and identify key trends in viewing habits. Additionally, we’ve compiled opinions about Subscription Video on Demand (SVOD), Transactional Video on Demand (TVOD) and Advertising-Based Video on Demand (AVOD) providers, emerging technologies, connected devices, over-the-top (OTT) apps and content discovery features, including personalized recommendations and search.

TiVo brings entertainment together, making it easy to find, watch and enjoy. We serve up the best movies, shows and videos from across live TV, on-demand, streaming services and countless apps, helping people to watch on their terms. For studios, networks and advertisers, TiVo targets a passionate group of watchers to increase viewership and engagement across all screens. TiVo is a wholly-owned subsidiary of Xperi Inc.

Go to tivo.com and enjoy watching.

Learn more at business.tivo.com.

For more about this report, please contact media@xperi.com.

Visit TiVo on [LinkedIn](https://www.linkedin.com/company/tivo).

Glossary

Pay TV

Services that aggregate live and on-demand linear television distributed over a cable, satellite, or managed IPTV platform

VMVPD

Virtual Multichannel Video Programming Distributor. Services that aggregate live and on-demand linear television distributed over the internet (also known as a “skinny bundle”)

Free AVOD/FAST

Free Advertising-Based Video on Demand services, or, Free Ad-Supported Streaming TV. Services offering free live and/or on-demand streaming content with the inclusion of ads

Social Video / UGC

User-generated content (UGC) and/or other video content delivered through a social media network

SVOD

Subscription Video on Demand. Services offering on-demand streaming content in which users pay a subscription fee

TVOD

Transactional Video on Demand. Services offering streaming content for purchase or rental on a pay-per-view basis

Pay TV Subscribers

Individuals who currently have a subscription to a pay TV service provider

Broadband-Only Subscribers

Individuals who don't currently have a pay TV subscription, but have a subscription to a broadband internet service provider

Methodology

Q4 2024 Survey Size

4,490

Geographic Regions

U.S., Canada

Age of Respondents

18+

This survey was designed by TiVo and conducted in Q4 2024 by a leading third-party survey service; TiVo evaluates the results and publishes this biannual report analyzing key trends across the TV industry.