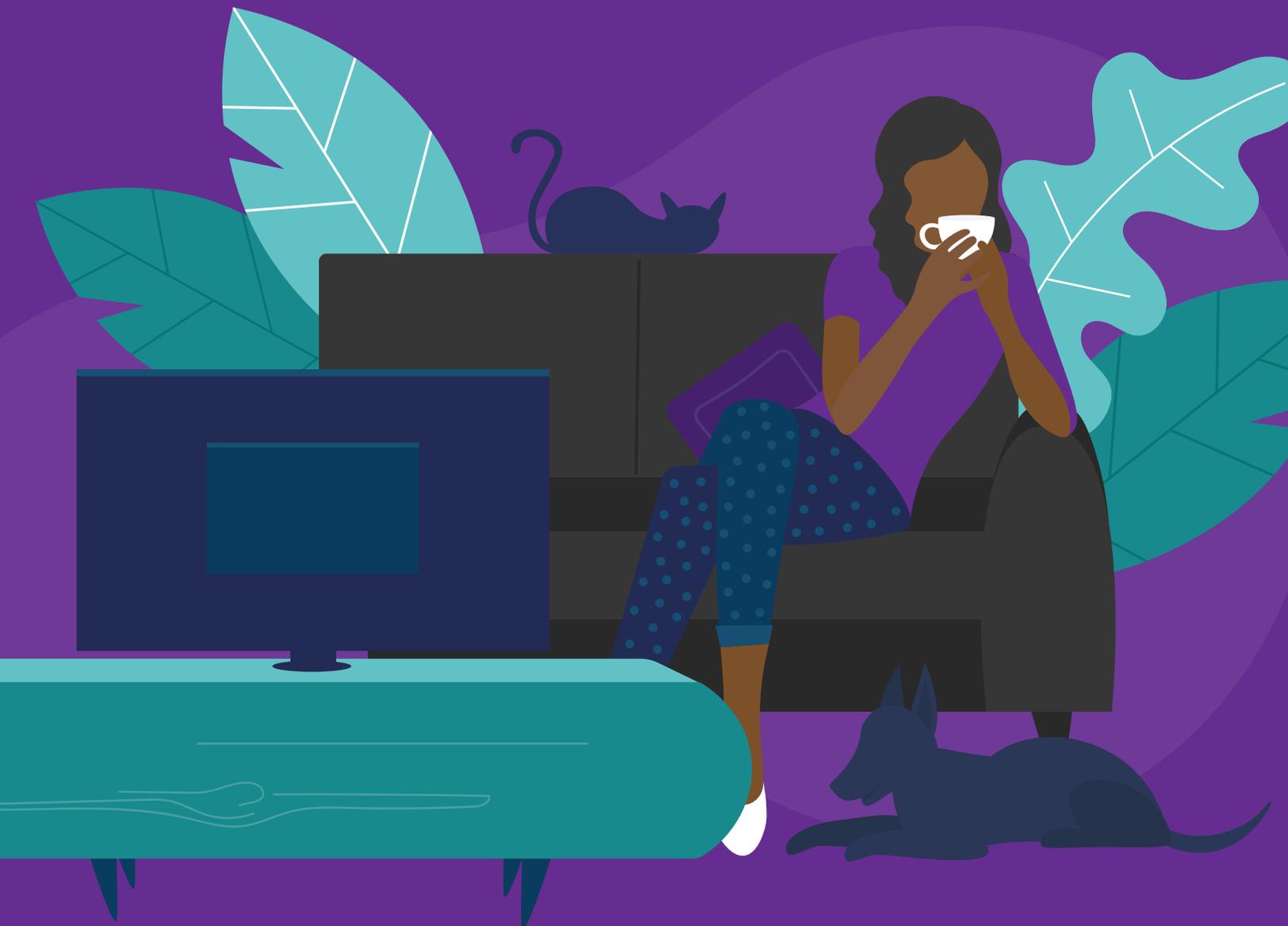




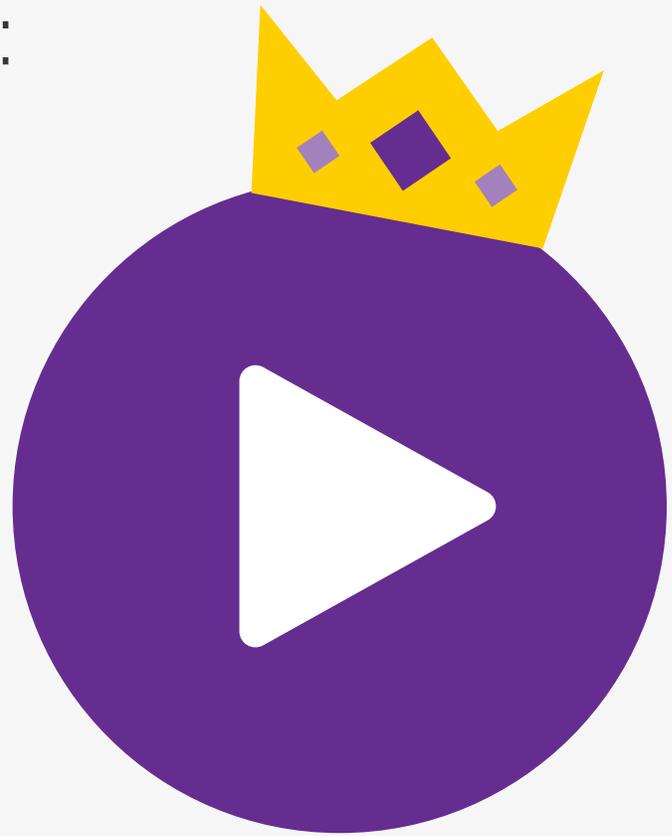
The Streaming Decade

WHEN WILL ALL TV BE STREAMED?



One thing is clear: post pandemic, TV streaming is here to stay.

This annual report provides insights into consumer TV streaming behaviors and preferences. This survey was conducted by NRG on behalf of Roku.



A S T A G W E L L C O M P A N Y

ABOUT NRG

National Research Group (NRG) is a leading global insights and strategy firm at the intersection of entertainment and technology. The world's biggest marketers turn to us for insights into growth and strategy for any content, anywhere, on any device.

ABOUT ROKU, INC.

Roku pioneered streaming to the TV. We connect users to the streaming content they love, enable content publishers to build and monetize large audiences, and provide advertisers with unique capabilities to engage consumers. Roku streaming players and TV-related audio devices are available in the U.S. and in select countries through direct retail sales and licensing arrangements with service operators. Roku TV™ models are available in the U.S. and in select countries through licensing arrangements with TV OEM brands. Roku is headquartered in San Jose, Calif. U.S.A.

Roku is a registered trademark and Roku TV is a trademark of Roku, Inc. in the U.S. and in other countries.

ROKU®



METHODOLOGY

Between August 25 and August 31, 2021, on behalf of Roku, Inc. NRG surveyed online n=1,003 18-70 year olds in Germany who watch at least 5 hours of TV per week via traditional pay TV (i.e. cable, satellite, or telco service) or a streaming service.

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TV streaming is at a tipping point.

Over the last year, TV streaming was accelerated by the pandemic and the shift of more content, including live programming and new movie releases, from traditional pay TV to TV streaming. Now, TV streaming is here to stay: even Boomers find it easy, it has the best content, and it offers the best value. As a growing number of cord-nevers rise to adult age and streaming has replaced the social currency primetime TV watching used to provide, streaming will continue to gain audience share.



87%
of consumers
are TV streamers

*only 8% pts. below the amount
of traditional TV viewers*

Nearly 3 in 5 consumers

say they're going to watch as much TV as they did during the pandemic even as restrictions loosen.

Of those who say they will watch as much or more, **more than half** say it's because **they love TV.**

TV streaming is what people are talking about.

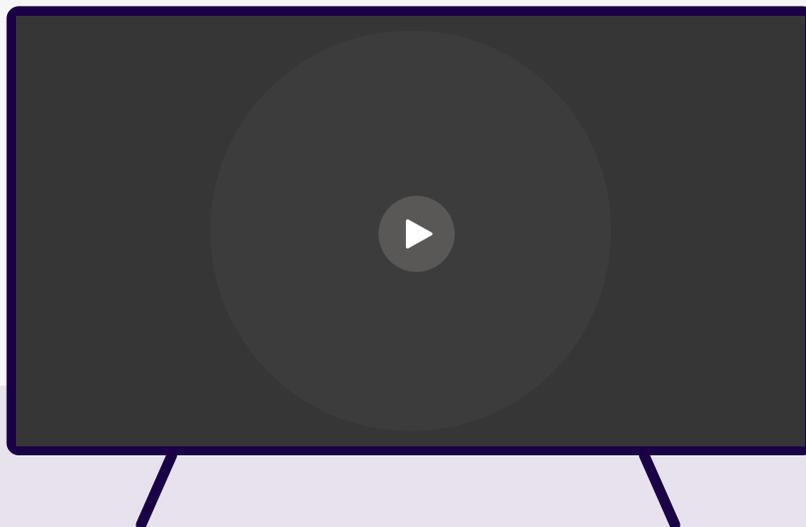
Audiences are three times more likely to choose streaming over traditional pay TV when they want to *be in on the conversation and watch something everyone is talking about*.

“When I want to watch something *everyone is talking about*, I choose...”



TV streaming is more engaging too. Audiences are almost five times more likely to choose streaming over traditional pay TV when they want to get lost in a story.

“When I want to *get lost in a story*, I choose...”



Who streams?

GEN Z 98%

MILLENNIALS 99%

GEN X 91%

BOOMERS 58%

Streaming for all ages.

TV streaming is nearly universal among younger generations, but it's not just young people—the majority of Boomers are streaming too, and getting even more involved.

37% of streaming Boomers *added more* streaming services in the past year.



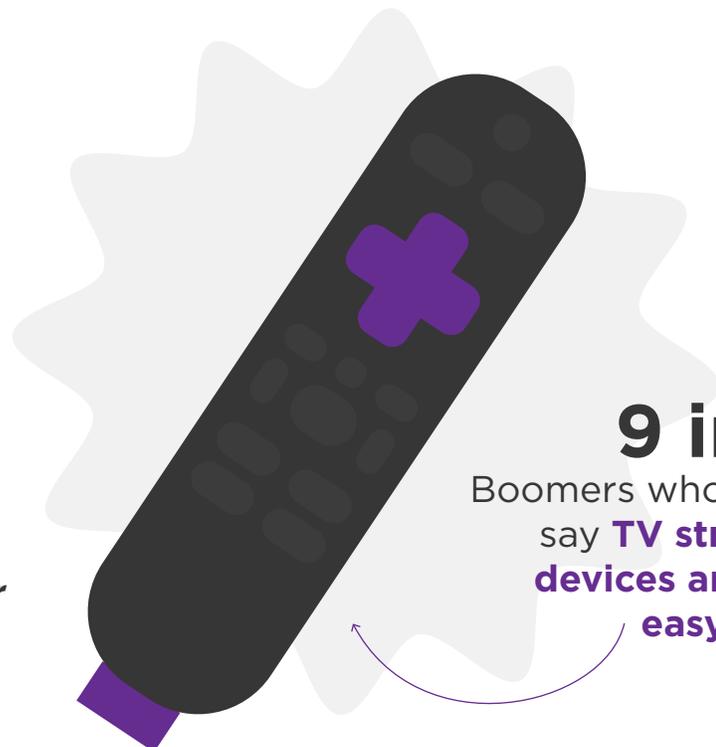
Boomers love streaming.

Among streaming Boomers...

4 in 5 agree the *variety* I get from streaming is impossible for a cable/satellite/telco TV service to match

2 in 3 agree streaming is *more convenient* than traditional TV

1 in 2 agree streaming is a *better value* than traditional TV



9 in 10 Boomers who stream say **TV streaming devices are really easy to use.**

Yes, content is king—and it's all on streaming.

Now that live sports are increasingly accessible via streaming services, watching sports via TV streaming is catching up with traditional pay TV. Sports TV streamers are even more satisfied with their viewing experience than those who watch via traditional pay TV, and they plan on continuing to watch that way—providing access to content like this via streaming makes a difference. And no surprise here: people like convenience and cost savings, and watching movies at home delivers both.



Sports viewing via TV streaming reaches new heights.

The sports viewing audience via TV streaming is catching up to the traditional pay TV audience.

WATCH SPORTS
VIA TRADITIONAL
PAY TV

68%

WATCH SPORTS
VIA STREAMING

49%

Plus, slightly more plan to continue watching sports via TV streaming (72%) than through traditional pay TV (69%).



Sports viewers are even more satisfied with the experience of streaming sports as they are watching on traditional pay TV.

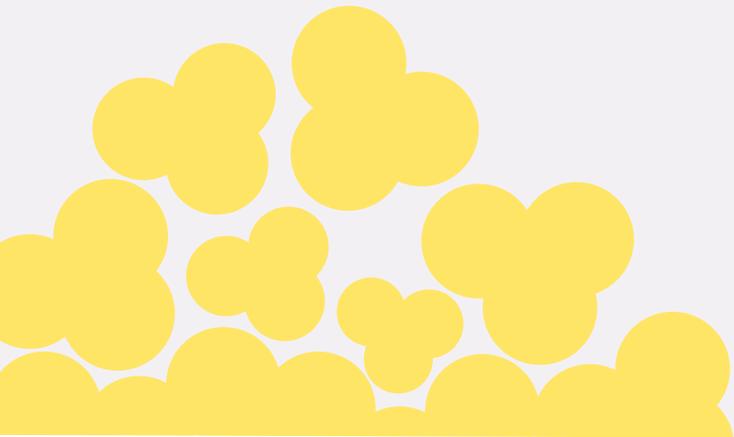
STREAMING
SPORTS
71%

Satisfaction



59%
SPORTS VIA
TRADITIONAL
PAY TV

Movie releases: Convenience and cost savings on streaming.



7 in 10 
consumers say
***having access to a
new movie release***
is a key reason they
would try a new
streaming service.

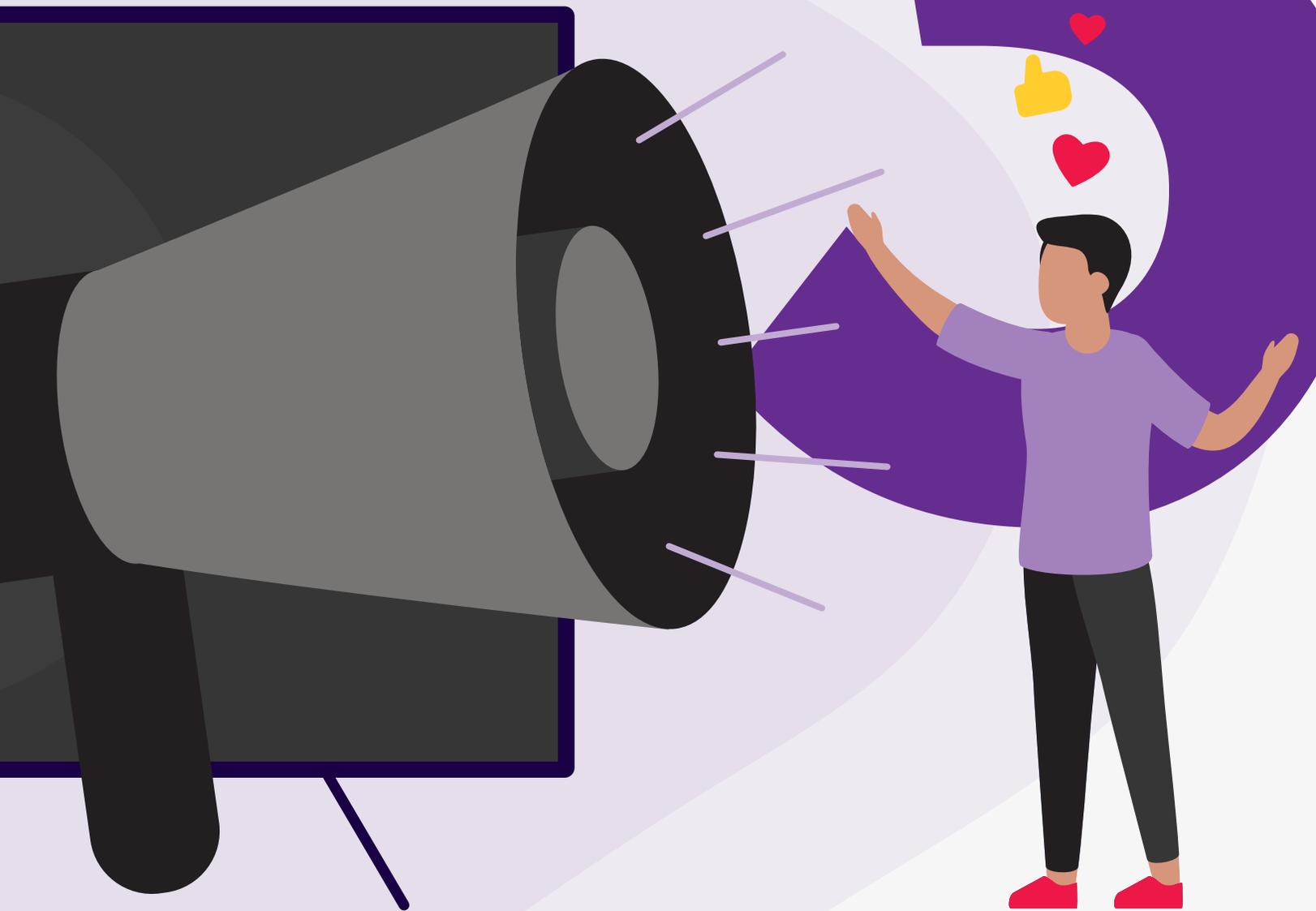
While 3 in 5 consumers plan to
go to a movie theater in the next year,

More than half
of consumers have streamed
a new movie release at
home in the past year

and 7 in 10 plan to do it more in
the future, mostly because of its
convenience and cost savings.

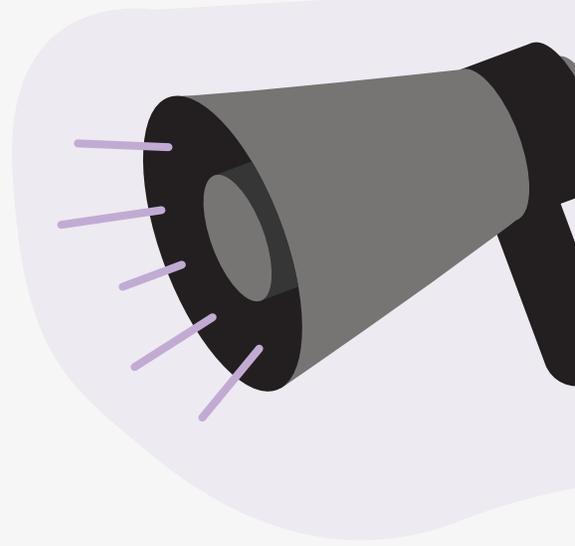
Free is a great price.

Trends are strong toward ad-supported streaming. Ultimately, consumers want choice, and ad-supported options make it easier for customers to try new streaming services. Parents with kids at home are especially open to ad-supported options, and advertisers will be happy to hear that AVOD streamers are the most engaged audience.



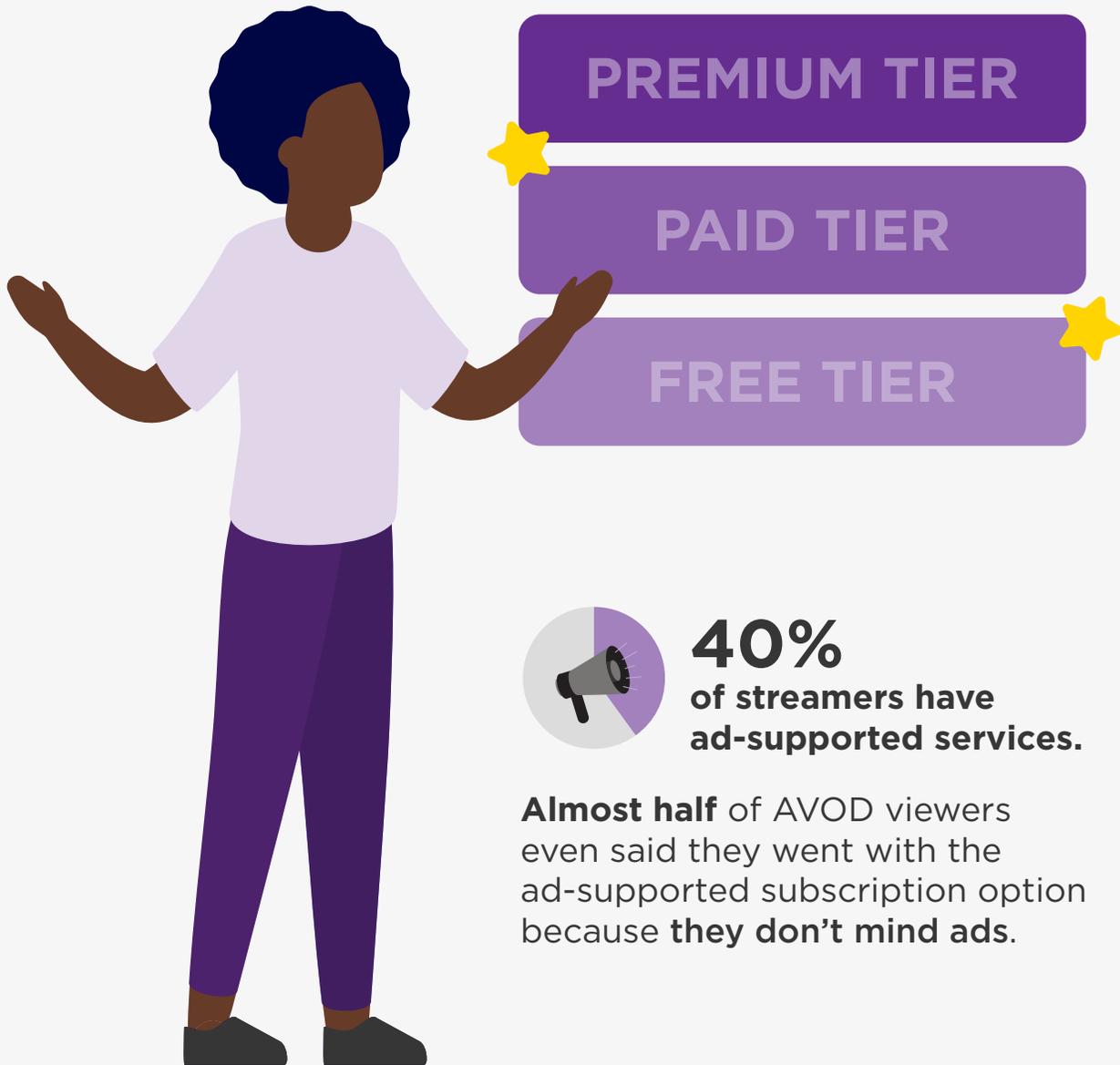
Better ads, better tech: Making TV streaming accessible.

More than half of consumers are willing to pay for an AVOD service if it offers a lower monthly subscription cost.



3 in 4

agree that one of the **biggest factors** when deciding whether to try a new streaming service is **if it offers free and paid subscription tiers.**



40%
of streamers have
ad-supported services.

Almost half of AVOD viewers even said they went with the ad-supported subscription option because **they don't mind ads.**

Rise of AVOD.



AVOD viewers are more likely to be cord shavers

i.e. people who have traditional pay TV but downgraded their plan in the past 12 months

22%

vs. 9% SVOD



AVOD viewers stream more weekly than SVOD viewers

66% stream 10+ hours

vs. 61% SVOD



AVOD viewers are more likely to be parents with kids under 18 in the household

45%

vs. 36% SVOD

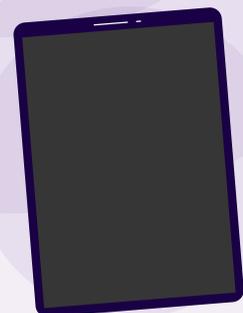
AVOD viewers have at least one ad-supported streaming service. SVOD viewers do not have any ad-supported streaming services.

Reaching AVOD viewers.

45% of AVOD viewers spend **3+ hours** in a typical TV streaming session...



...and 3 in 5 AVOD viewers say that they **use another device while TV streaming**, meaning that brands have ample opportunities to connect with them cross-screen.

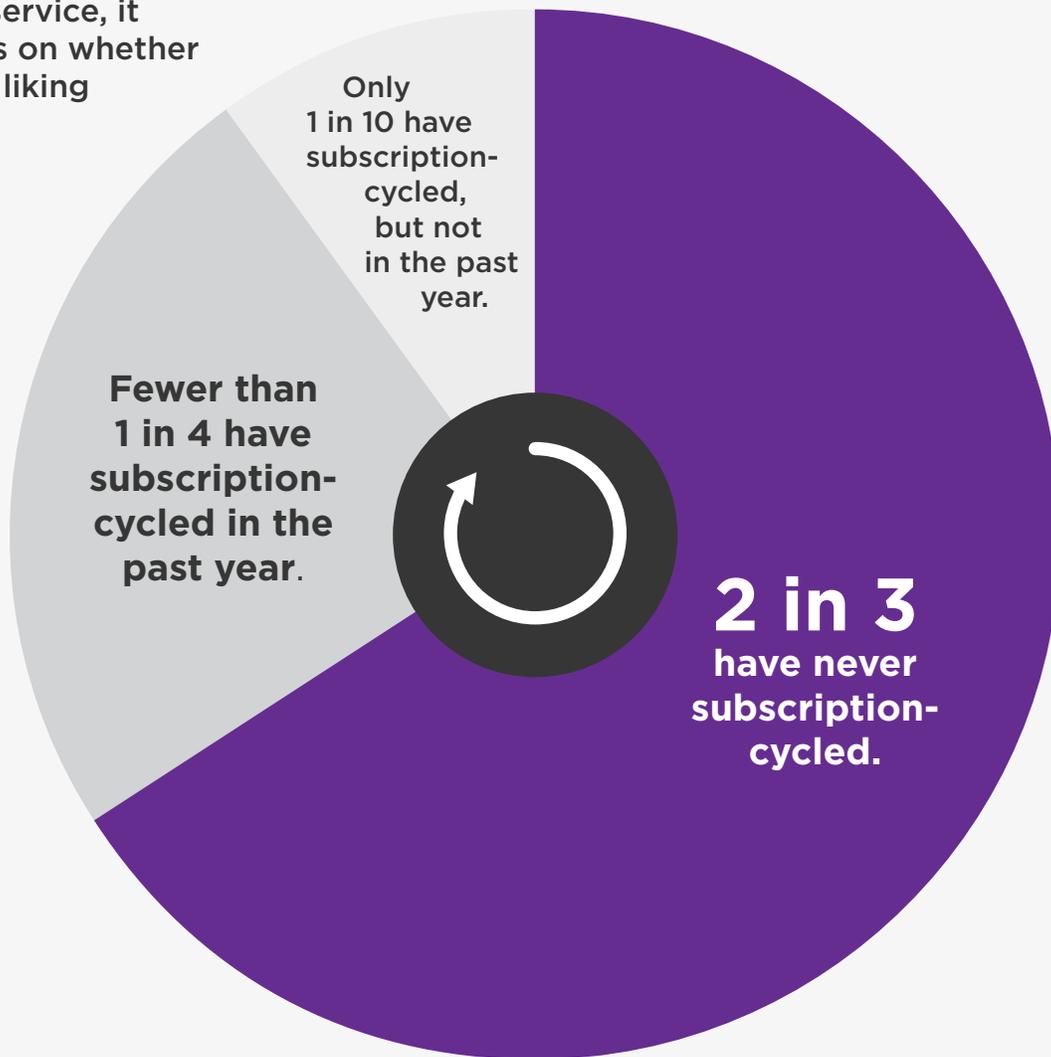


TV streamers are loyal.

Subscription cycling—signing up, cancelling, and then signing up again—is overhyped. While cancelling subscriptions for TV streaming services does happen if the content doesn't live up to expectations, consumers don't typically sign up for a plan with the intent to cancel.

Half of streamers say they don't have a set time to cancel a service, it just depends on whether they end up liking it or not.

Looking back...



Looking forward...

Only 4%
have definite plans to cancel in the next year.

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