National Research Group
A STAGWELL COMPANY + ROKU

The Streaming Decade

WHEN WILL ALL TV BE STREAMED?

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

Roku is America's #1 TV streaming platform,* and this annual report provides insights into consumer TV streaming behaviors and preferences. This survey was conducted by NRG on behalf of Roku.

*Based on hours streamed – April 2021 Hypothesis Group

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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.

Roku®

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.

METHODOLOGY

Between July 24 and July 30, 2021, on behalf of Roku, Inc. NRG surveyed online n=2,852 18-70 year olds in the U.S. 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 has passed 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.

4 in 5

consumers are TV streamers

versus 2 in 3 who pay for traditional TV

More than half of 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, **1 in 2** say it's because **they love TV.**

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Cord cutting: Saving more, watching more.

1 in 4 consumers is a cord cutter.

Cutting the cord doesn't mean watching less

39% of consumers who cut the cord in the past 12 months say they're watching more or the same as before they did, and all cord cutters spend **3 more hours per week** on average streaming than traditional pay TV viewers spend watching (22 hrs vs. 19 hrs).

Cord cutters pay less than half of what traditional pay TV viewers do.

$49 per month

$121 per month

Even Boomers are getting in on it

1 in 4 cancelled their traditional pay TV service in the past year, and they're just as likely as younger generations to be cord cutters.

Cord cutters by generation

GEN Z 25%
MILLENNIALS 25%
GEN X 27%
BOOMERS 23%

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..."

22% TRADITIONAL PAY TV — **66%** STREAMING

And it's not just young people: social currency matters to Boomers too.

25% — **54%**

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Who streams?

GEN Z **98%**

MILLENNIALS **95%**

GEN X **88%**

BOOMERS **71%**

Boomers who stream are just as likely to have 3-5 streaming subscriptions as the younger generations.

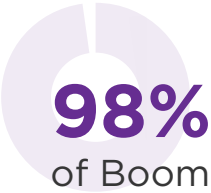
45% on average vs. 46% for Boomers

Streaming for all ages.

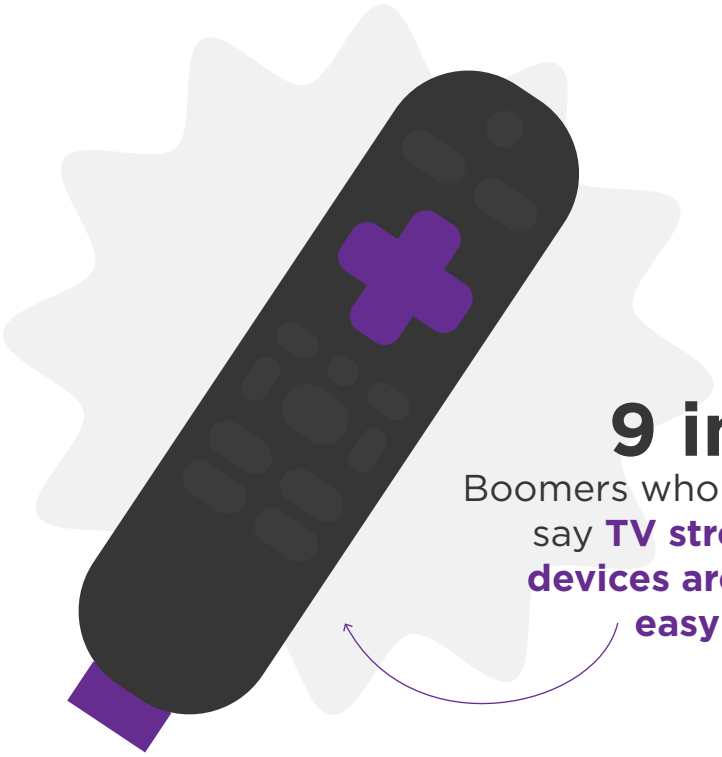
TV streaming is nearly universal among younger generations, but it's not just young people—the majority of Boomers are streaming too, and getting even more involved.

51%
of streaming Boomers ***added more*** streaming services in the past year.

Boomers love streaming.



98%
of Boomers who **cut the cord say they're glad they did it.**



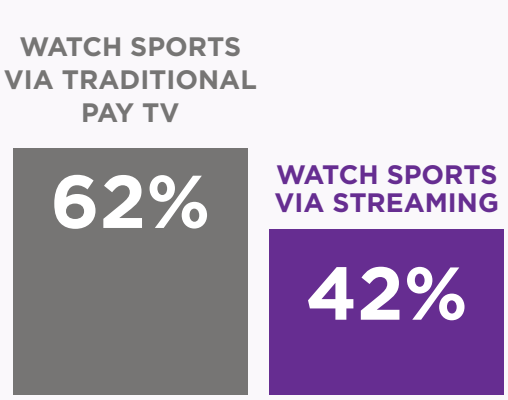
9 in 10
Boomers who stream say **TV streaming devices are really easy to use.**

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. Both types of viewers are very satisfied with their experiences, and people say they're going to keep watching more on TV streaming. And don't forget about live news viewers—the majority of streamers without traditional pay TV watch live news frequently now and plan on watching just as much in the next year—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.



Plus, they are equally likely to continue watching sports through their preferred format (TV streaming and traditional pay TV both purport 82%).

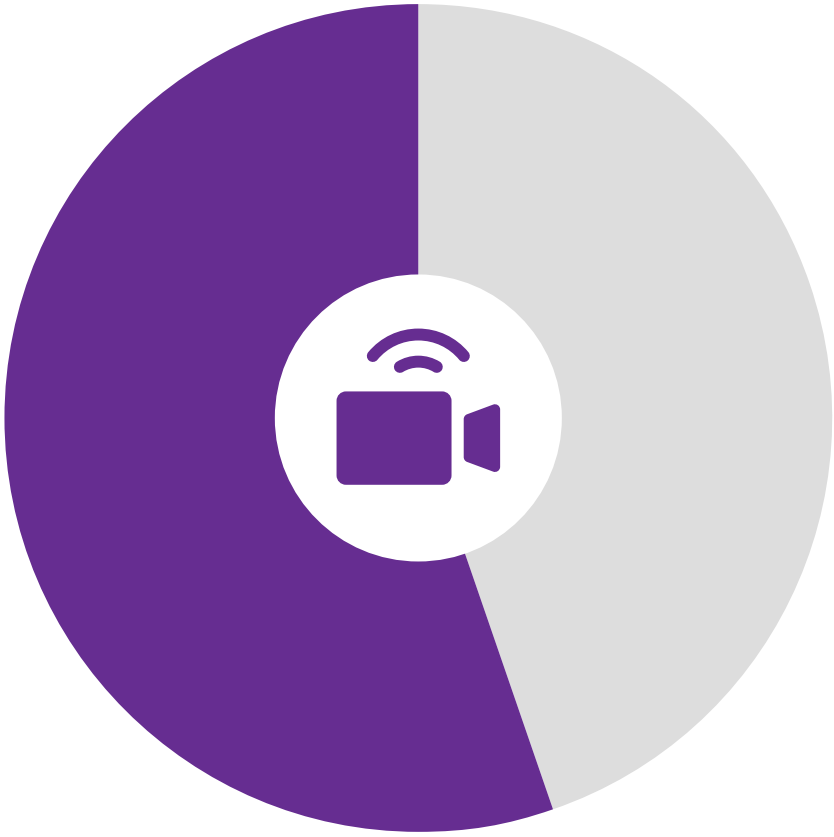
Sports viewers are practically just as satisfied with the experience of streaming sports as they are watching on traditional pay TV.

STREAMING SPORTS 75%

Satisfaction

SPORTS VIA TRADITIONAL PAY TV 80%

And live news is right behind.



61%
of those without traditional pay TV still watch live news at least multiple times a week.

Almost 2 in 3 are planning to watch the same amount in the coming year.

Movie releases: Convenience and cost savings on streaming.

73%
of consumers say ***having access to a new movie release*** is a key reason they would try a new streaming service.

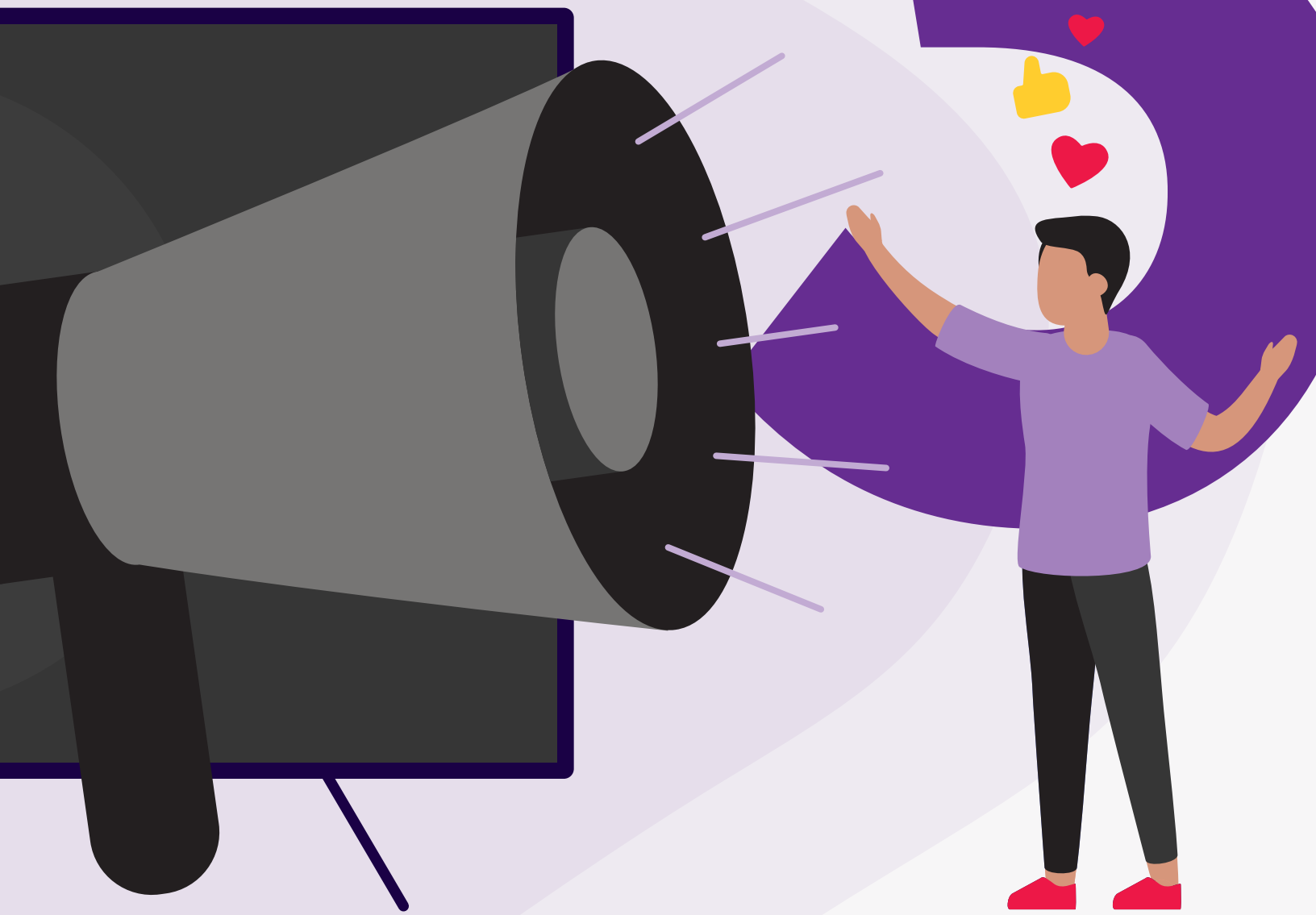
While nearly 2 in 3 consumers plan to go to a movie theater in the next year,

nearly
3 in 5
consumers have streamed a new movie release at home in the past year

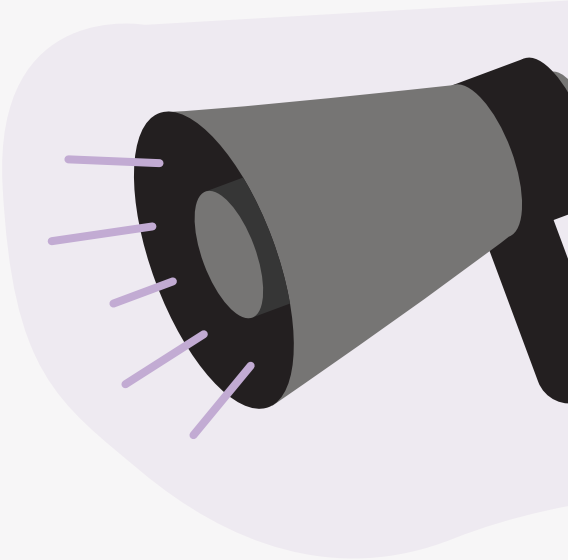
and 7 in 10 plan to do it more in the future, mostly because of its convenience and cost savings.

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.



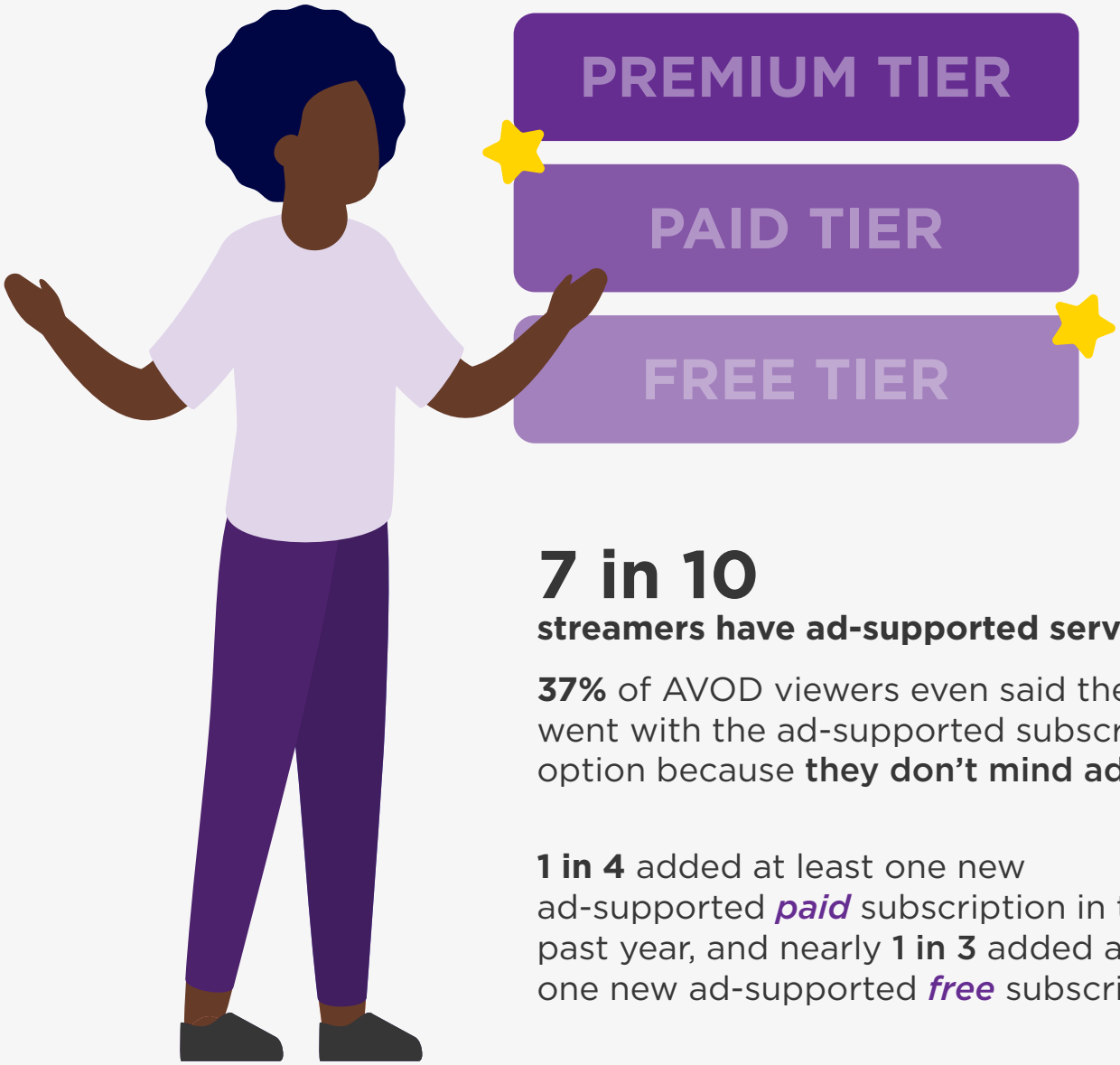
Better ads, better tech: Making TV streaming accessible.



7 in 10 consumers are willing to pay for an AVOD service if it offers a lower monthly subscription cost.

More than 8 in 10

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**.



7 in 10

streamers have ad-supported services.

37% of AVOD viewers even said they went with the ad-supported subscription option because **they don't mind ads**.

1 in 4 added at least one new ad-supported ***paid*** subscription in the past year, and nearly **1 in 3** added at least one new ad-supported ***free*** subscription.

Rise of AVOD.

AVOD viewers are more likely to be cord cutters

33%

vs. 21% SVOD

AVOD viewers stream more than SVOD viewers

41% stream 20+ hours

vs. 31% SVOD

AVOD viewers are more likely to be parents

with kids under 18 in the household

35%

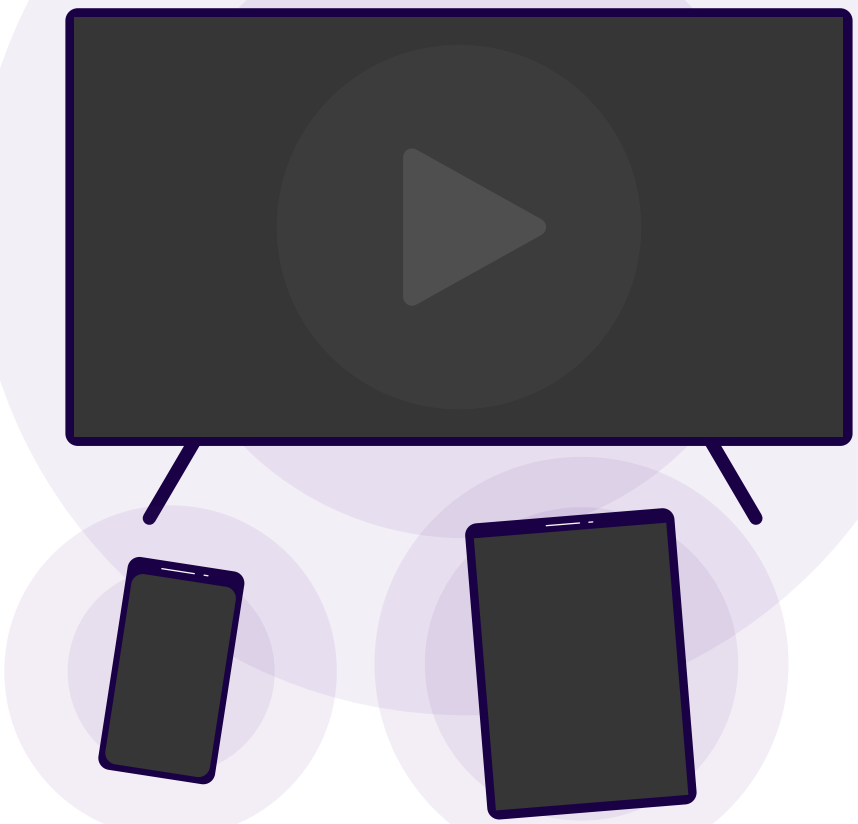
vs. 28% SVOD

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

Reaching AVOD viewers.

3 in 5 AVOD viewers spend **3+ hours** in a typical TV streaming session...

...and 3 in 4 AVOD viewers say that they **use another device while TV streaming**, meaning that brands have ample opportunities to connect with them cross-screen.

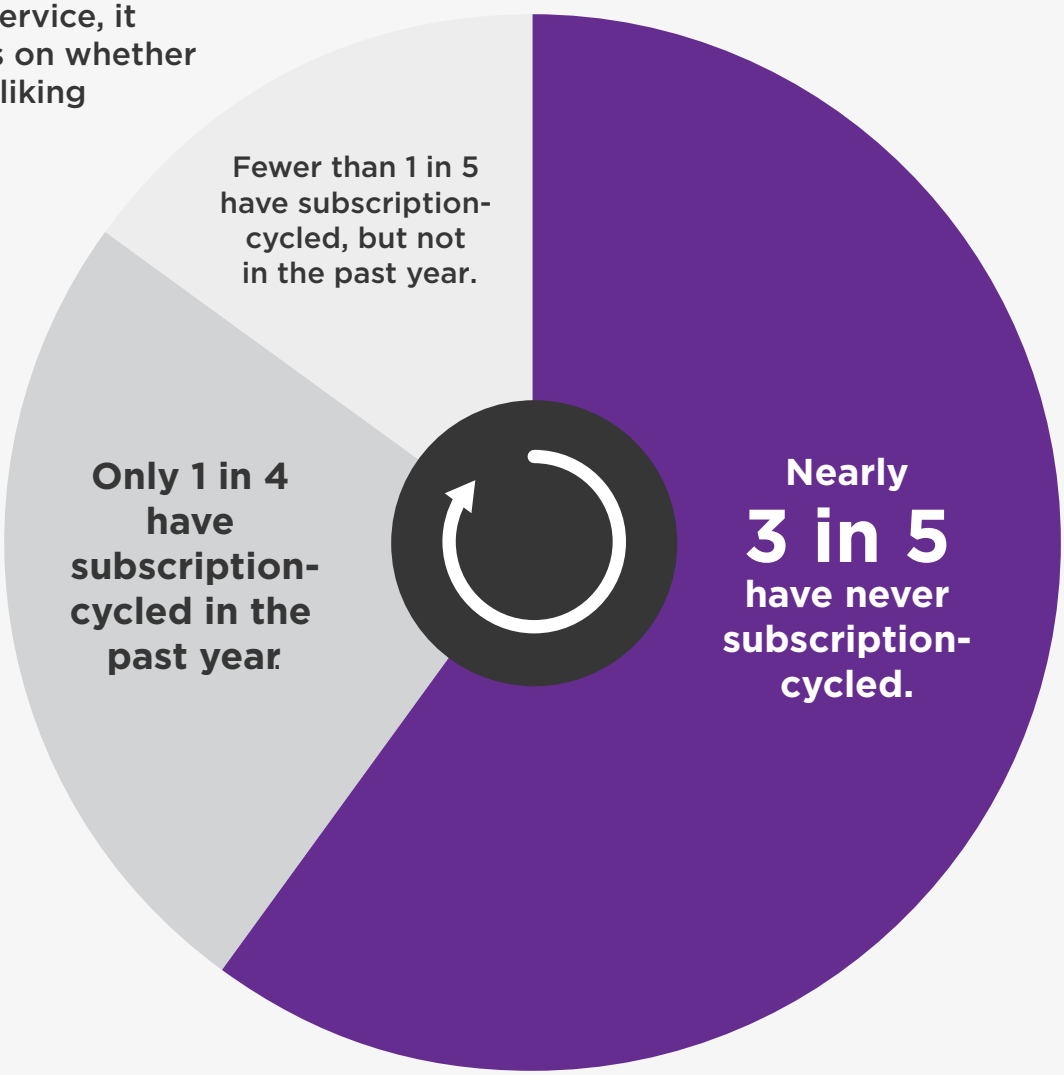


TV streamers are loyal.

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.

41% 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 6%

have definite plans to cancel in the next year.

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