



Video Summit

June 9, 2015

Tuesday, June 9, 2015 | E350
2:00 – 2:40 PM

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OTT & On Demand: Changing the Face of Paid Content



Moderator:

Alan Breznick, Cable Video Practice/Leader, Light Reading



Panelists:

Sven Freudenfeld, Telecom EMEA Business Development, Kontron



Joseph Hopkins, VP of Global Media and Entertainment Sales, Verizon Digital Media Services



Ed Knudson, VP, Strategic Development, Canoe Ventures



Linsey Miller, Director, Marketing, Server Acceleration Products, Artesyn



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NA Pay-TV Industry Is Losing Video Subs

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Provider	Total Video Subs	Net 2014 Change
Comcast	22,383,000	-194,000
Time Warner Cable	10,992,000	-401,000
Charter	4,293,000	- 49,000
Cablevision	2,681,000	-132,000
Suddenlink	1,138,400	- 49,100
DirecTV	20,352,000	+ 99,000
Dish Network	13,978,000	-79,000
TOTAL PAY-TV	95,200,617	-125,777

Source: Leichtman Research Group

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- Some 1.4 million US TV homes cut the cord or never tied it in 2014, according to MoffettNathanson
- That means 3.8 million would-be pay-TV homes now do not subscribe to pay-TV services
- About 4.2% of North American pay-TV subscribers plan to drop pay-TV service within next six months, estimates TiVo's Digitalsmiths
- Another 2.5% expect to switch to an online app or rental service in the next six months, according to Digitalsmiths
- SVoD services like Netflix are now in 41% of US TV homes, up from a year ago, Nielsen estimates

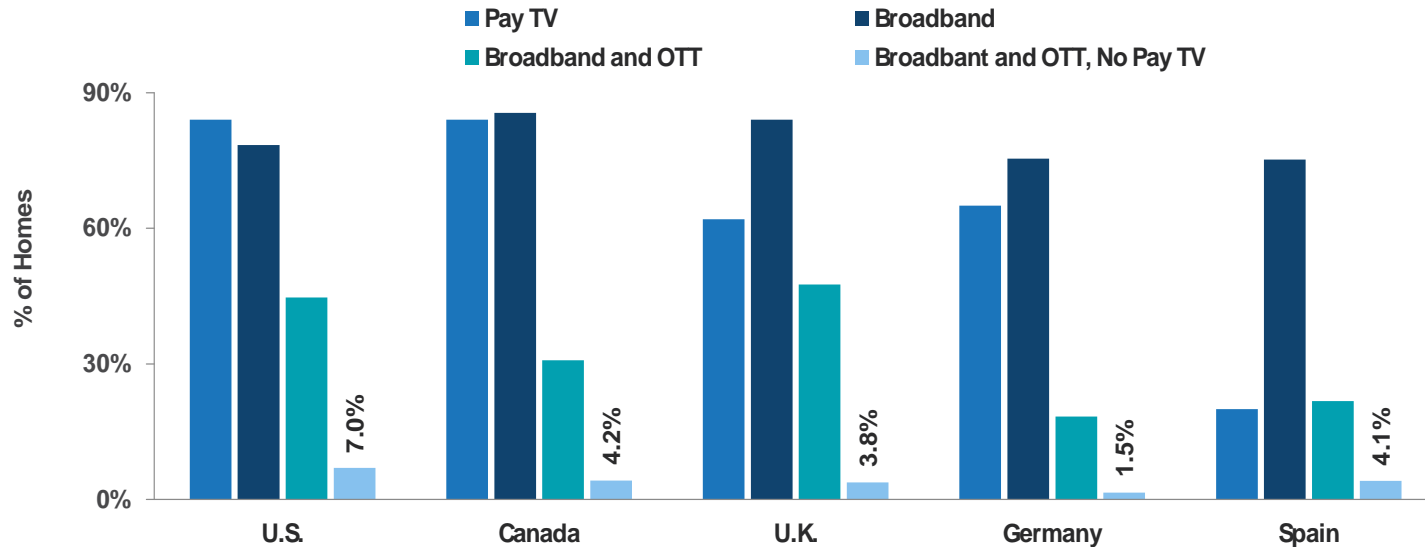


And OTT Take Rates Climb

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Penetration of Services

Among All Households



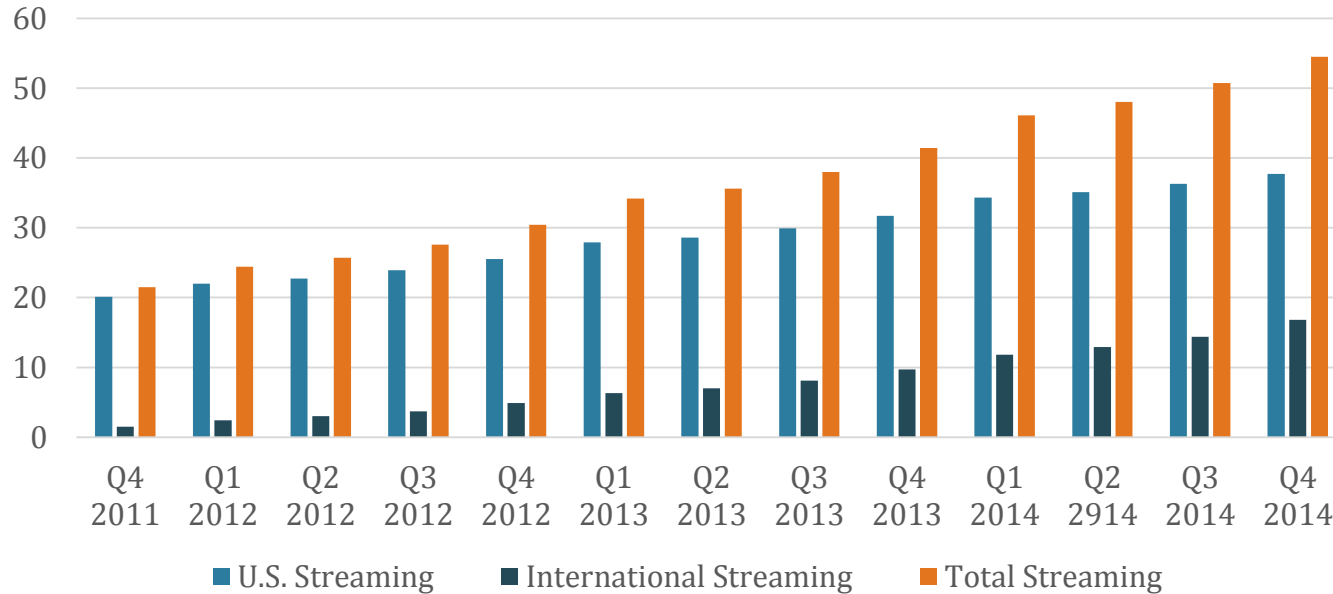
Source: Parks Associates 2014 Surveys in U.S., Canada, U.K., Germany, and Spain | © 2015 Parks Associates



While Netflix Aims for Global Rule

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Charting Netflix's Growth (in millions of paid subs)



So Conventional Pay-TV Players Are Now Going OTT

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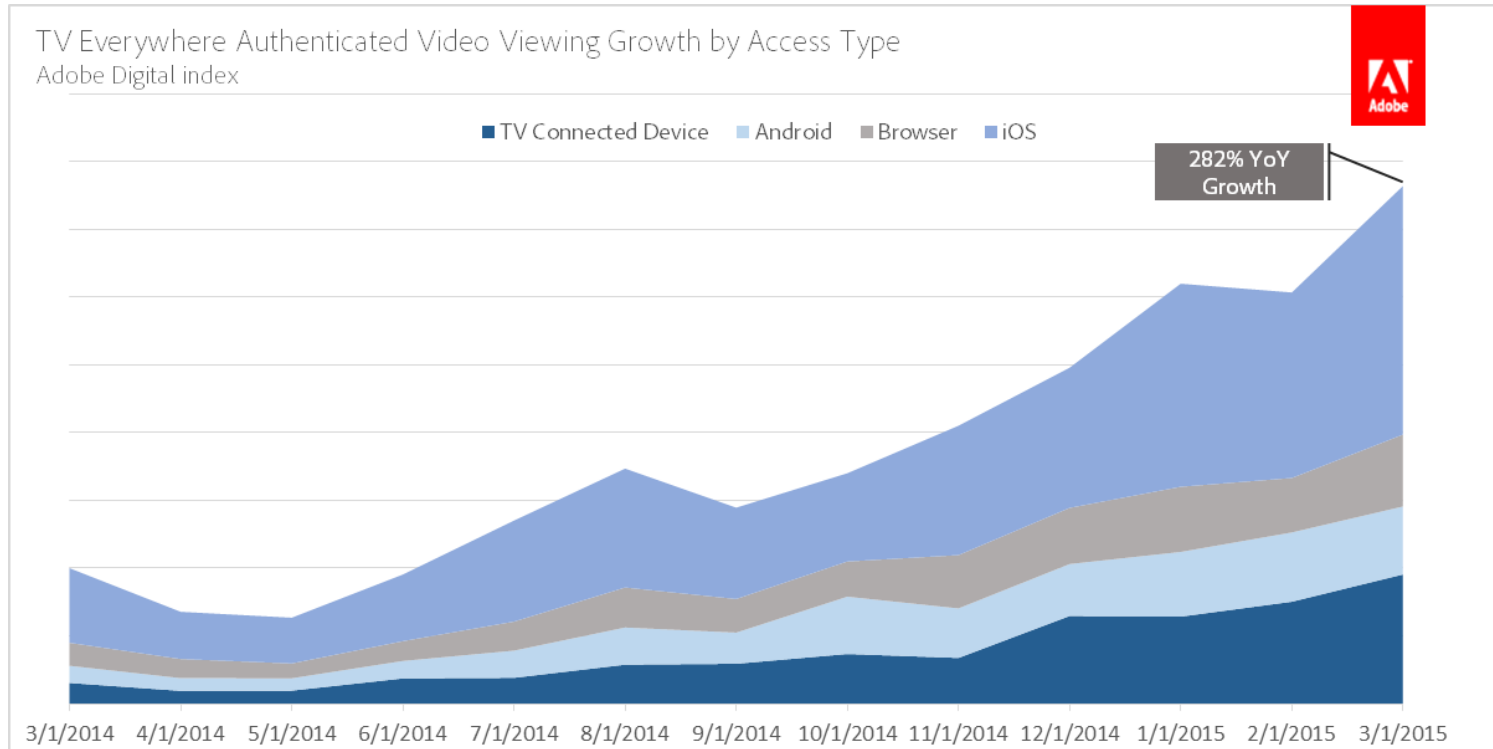
Provider	Launch Date
HBO Now	April 2015
CBS All Access	Oct. 2014
Dish—Sling TV	Feb. 2015
Sony—PlayStation Vue	March 2015
Verizon—OnCue	Summer 2015?
Showtime	July 2015
Bell Media—Crave TV	Dec. 2014
Rogers & Shaw—Shomi	Nov. 2014



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As TV Everywhere Viewing Soars 282% YoY



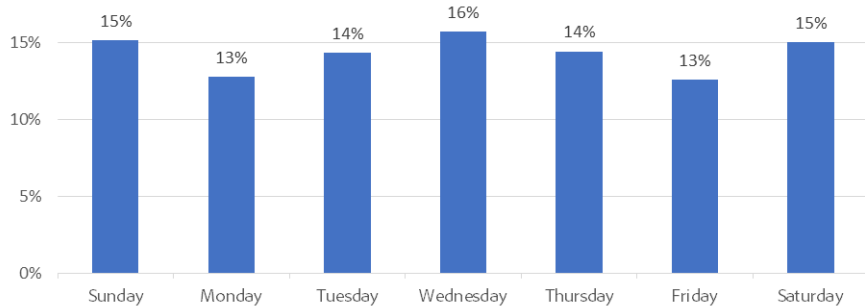
And Consumers Redefine Primetime TV Viewing

- Advertisers need to rethink ad buying strategies
- “Thursday night line-up” shifts to Wednesdays – most popular night for TVE viewing (followed by weekend)
- Friday leads with highest frequency of viewing consecutive TVE content (“binge watching”)

Daily Share of TV Everywhere Authentications

Q1 2015

Adobe Digital index



TV Everywhere Daily Authentications per Visitor

Q1 2015

Adobe Digital index

