



ACTIVATE CONSULTING TECHNOLOGY & MEDIA OUTLOOK 2025 VIDEO

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We forecast that overall time spend with video will remain flat through 2028; streaming will continue to grow at the expense of traditional TV

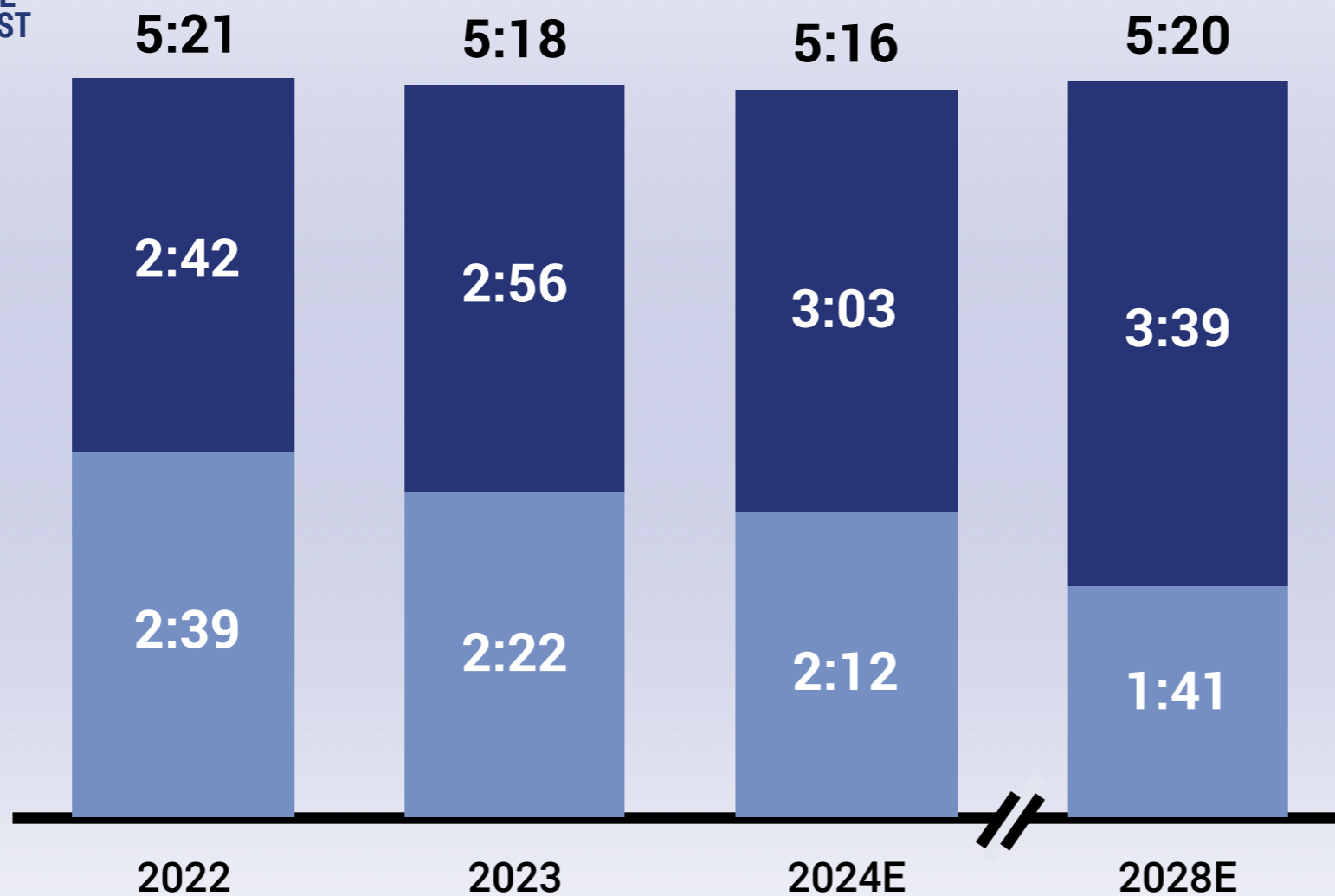
AVERAGE DAILY VIDEO TIME SPEND PER ADULT AGED 18+ BY TYPE¹, U.S., 2022-2024E VS. 2028E, HOURS:MINUTES



Streaming²



Traditional TV³



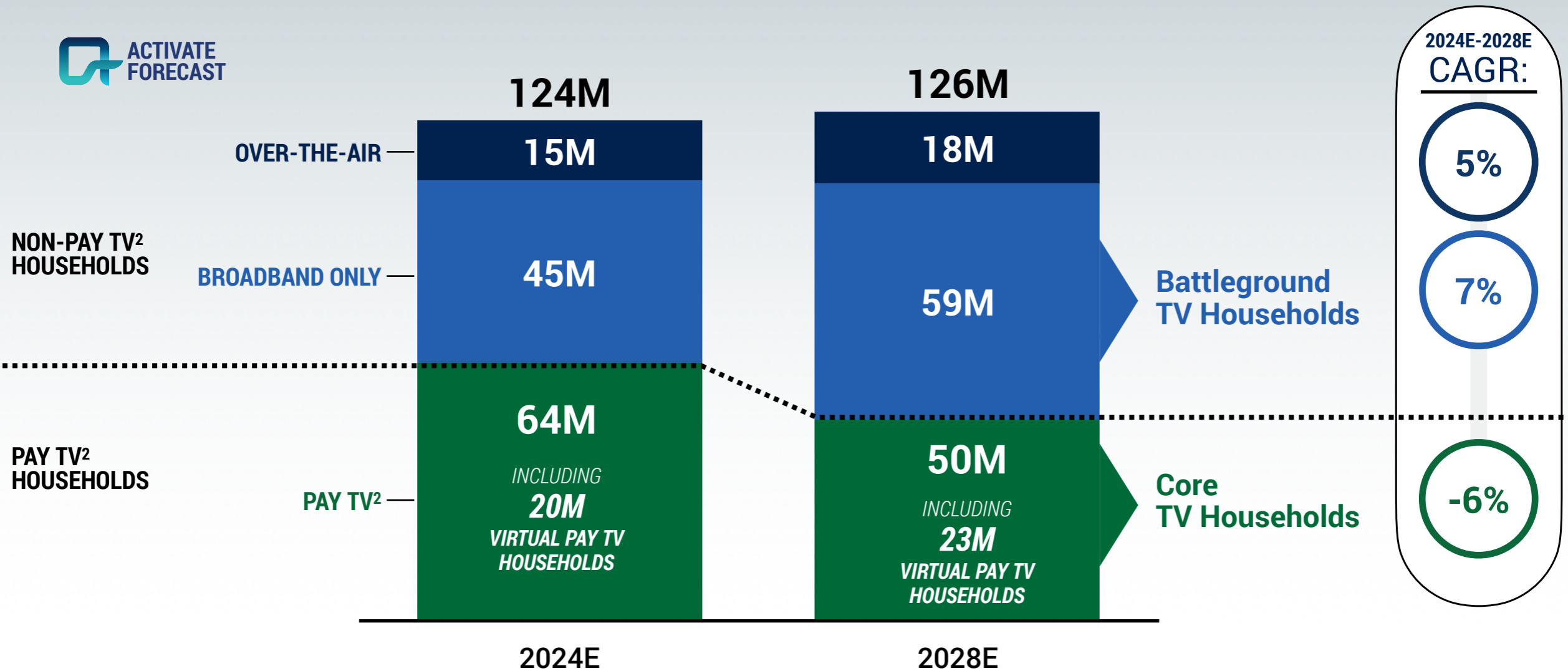
2022-2024E CAGR:	2024E-2028E CAGR:
-0.8%	0.3%
6%	5%
-9%	-7%

1. Figures do not sum due to rounding. 2. "Streaming" is defined as video watched on Connected TV, mobile phone, tablet, or desktop/laptop. Connected TVs are TV sets that can connect to the internet through built-in internet capabilities (i.e. Smart TVs) or through another device such as a streaming device (e.g. Amazon Fire TV, Apple TV, Google Chromecast, Roku), game console, or Blu-ray player. Does not include social video or virtual Pay TV. 3. "Traditional TV" is defined as both traditional and virtual Pay TV as well as time-shifted (e.g. DVR) television viewing. Includes broadcast.

Sources: Activate analysis, Comscore, Conviva, data.ai, eMarketer, GWI, Nielsen, Pew Research Center, U.S. Bureau of Labor Statistics

We forecast that in 2028 there will be 50M Pay TV households while Battleground TV households – at 59M – will be the largest segment

TELEVISION HOUSEHOLD BREAKDOWN¹, U.S., 2024E VS. 2028E, MILLIONS HOUSEHOLDS

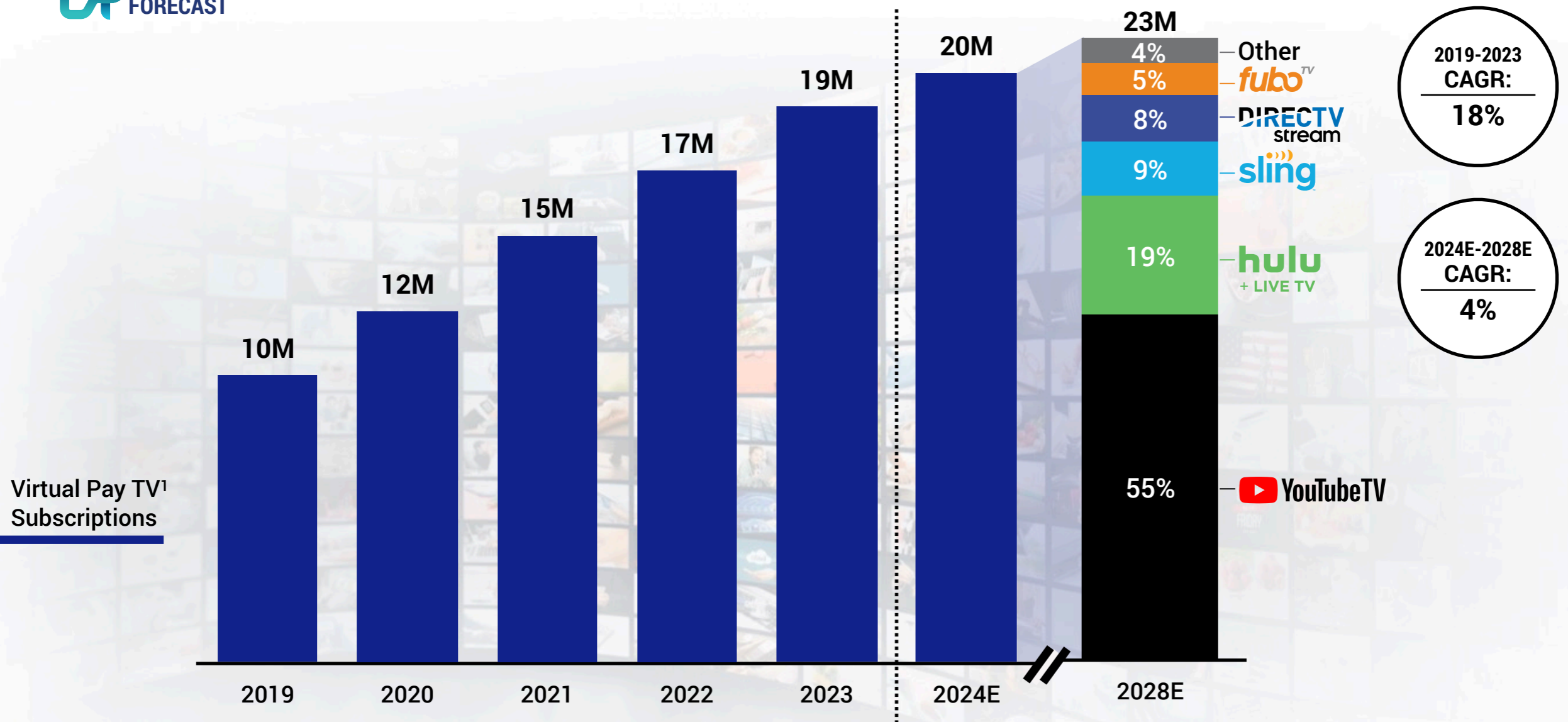


1. Figures do not sum due to rounding. 2. "Pay TV" is defined as traditional Pay TV (i.e. TV delivered through a set-top box) and virtual Pay TV (i.e. TV delivered through the internet without a set-top box).

Sources: Activate analysis, Activate 2019 Consumer Technology & Media Research Study (n = 4,006), Activate 2020 Consumer Technology & Media Research Study (n = 4,003), Activate 2021 Consumer Technology & Media Research Study (n = 4,018), Activate 2021 Consumer Video Research Study (n = 2,014), Activate 2022 Consumer Technology & Media Research Study (n = 4,001), Activate 2023 Consumer Technology & Media Research Study (n = 4,023), Activate 2024 Consumer Technology & Media Research Study (n = 4,004), eMarketer, MoffettNathanson, Nielsen, S&P Global, U.S. Census Bureau, Wells Fargo

We forecast that Virtual Pay TV will grow to 23M subscriptions but will only partially offset the decline of Pay TV

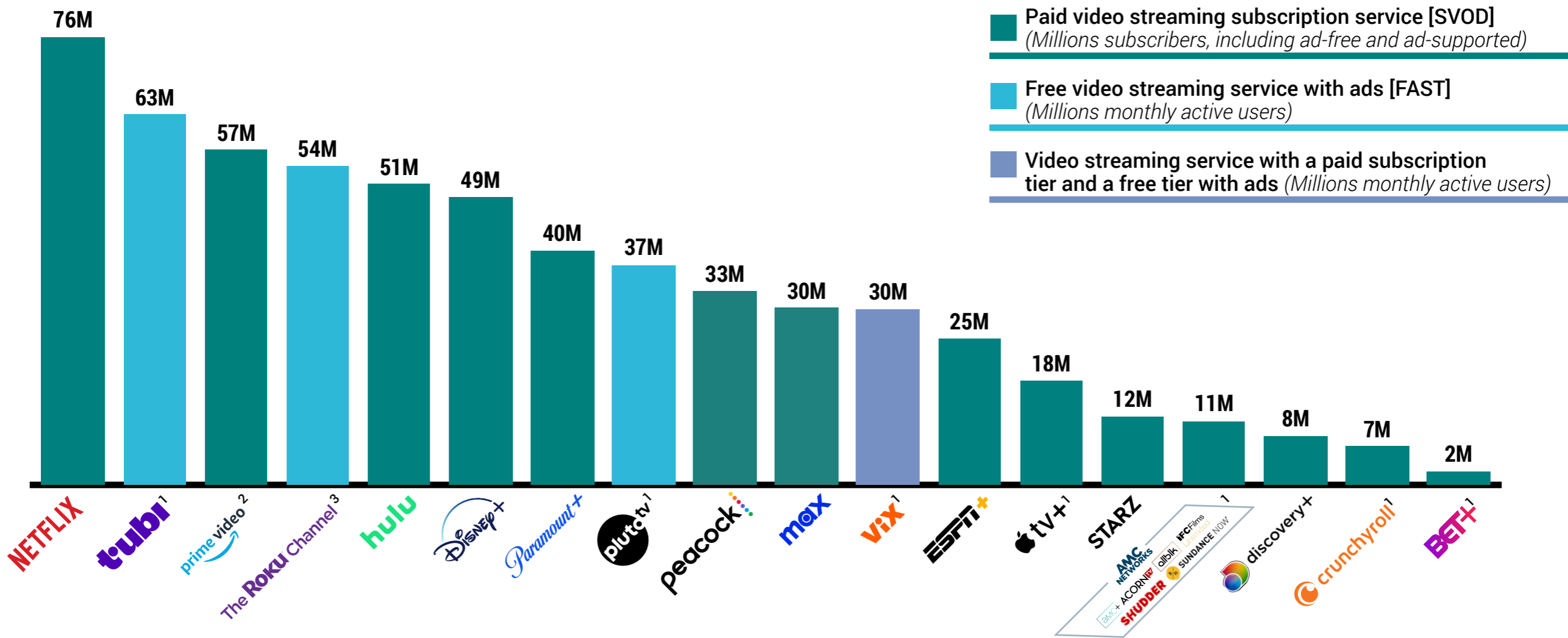
VIRTUAL PAY TV¹ SUBSCRIPTIONS, U.S., 2019-2024E VS. 2028E, MILLIONS SUBSCRIPTIONS



Virtual Pay TV¹ Subscriptions

The streaming market is highly competitive with usage fragmented across a large number of streaming services

ESTIMATED NUMBER OF PAID SUBSCRIBERS/USERS BY SELECT VIDEO STREAMING SERVICES, U.S., Q2 2024 OR LATEST AVAILABLE, MILLIONS SUBSCRIBERS / MONTHLY ACTIVE USERS



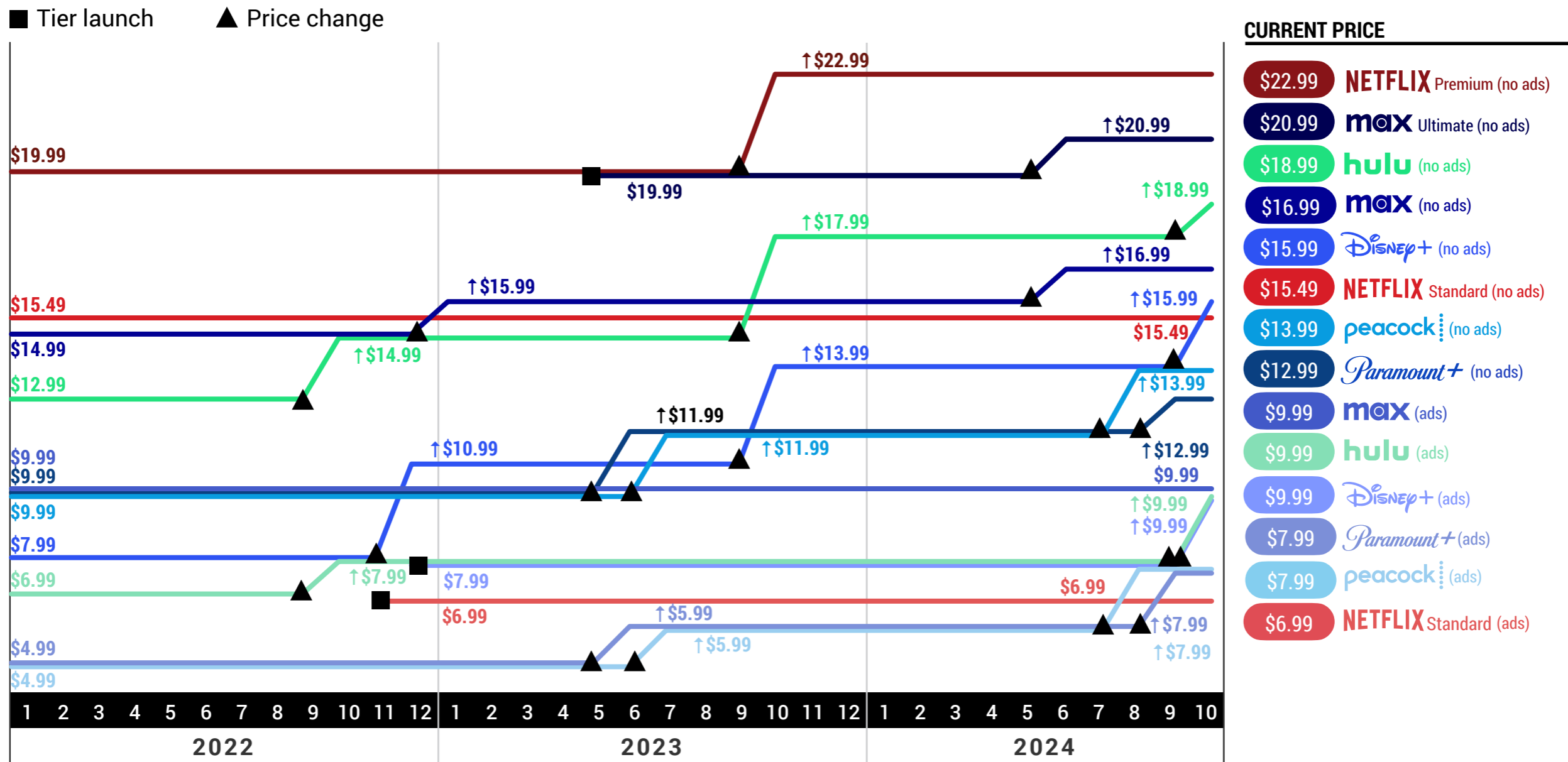
Note: Figures reflect latest publicly disclosed metrics as of Oct. 1, 2024, unless noted otherwise.

1. Reflects estimate. 2. Reflects estimate of total Prime Video subscribers who own and use the subscription. 3. Reflects estimate of Roku monthly active accounts in North America viewing The Roku Channel.

Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004), Antenna, Company filings, Company press releases, Company sites, eMarketer, Entertainment Strategy Guy, The Hollywood Reporter, Infillion, J.P. Morgan, MoffettNathanson, Morgan Stanley, Morningstar, Statista, Variety, Wells Fargo

Paid streaming services will continue to raise prices in an effort to improve profitability

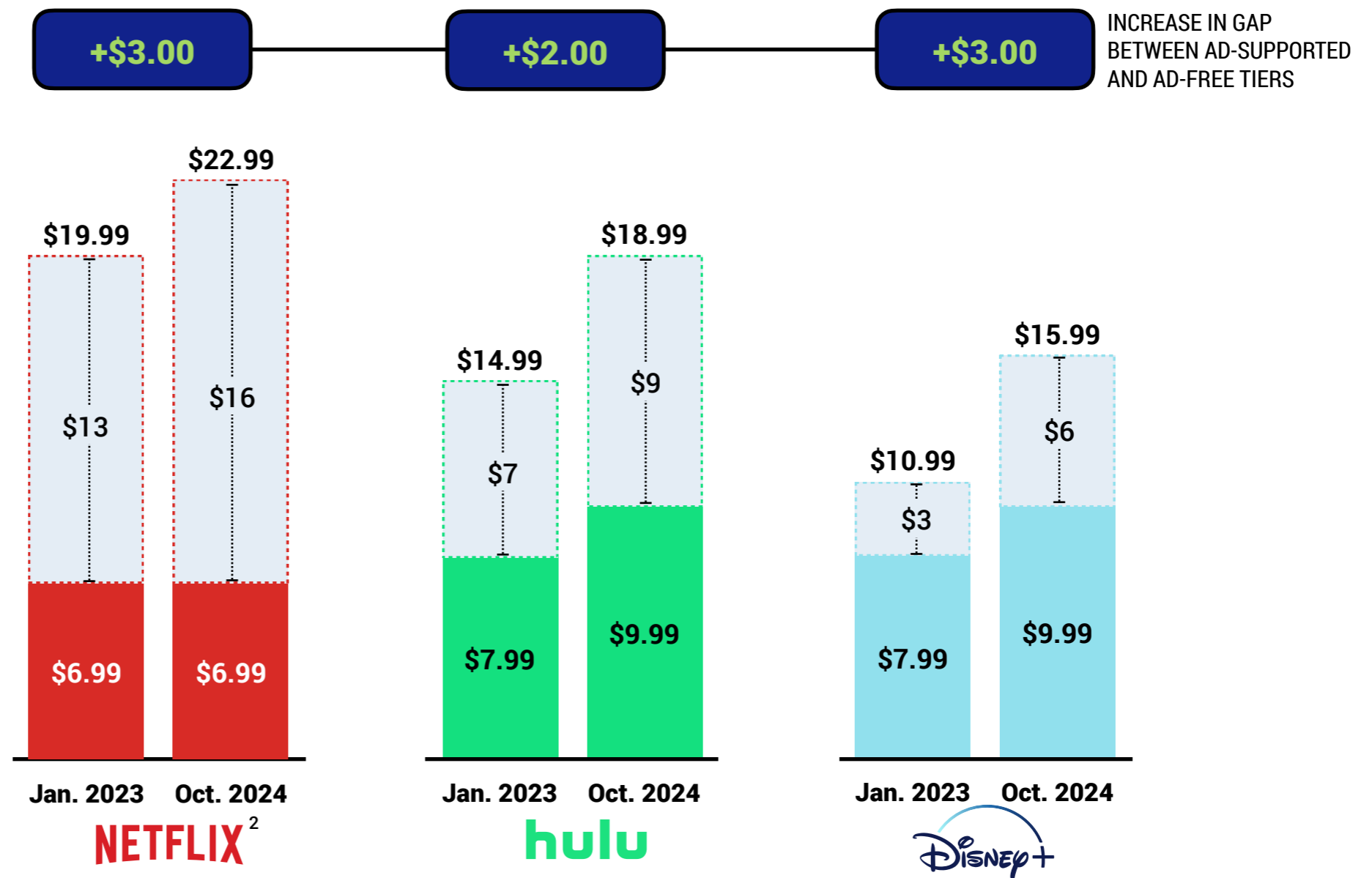
MONTHLY STANDARD SUBSCRIPTION PRICES OF SELECT PAID VIDEO STREAMING SERVICES, U.S., JAN. 2022-OCT. 2024¹, USD



1. As of Oct. 7, 2024 except for Disney+ (no ads) which changes to \$15.99 and Disney+ (ads) to \$9.99 on Oct. 17, 2024. Sources: Activate analysis, Company press releases, Company sites

Top paid streaming services are raising prices more on ad-free tiers than on ad supported to maximize revenue from subscribers who are less price sensitive

MONTHLY STANDARD SUBSCRIPTION PRICES OF SELECT PAID VIDEO STREAMING SERVICES¹, U.S., JAN. 2023 VS. OCT. 2024¹, USD

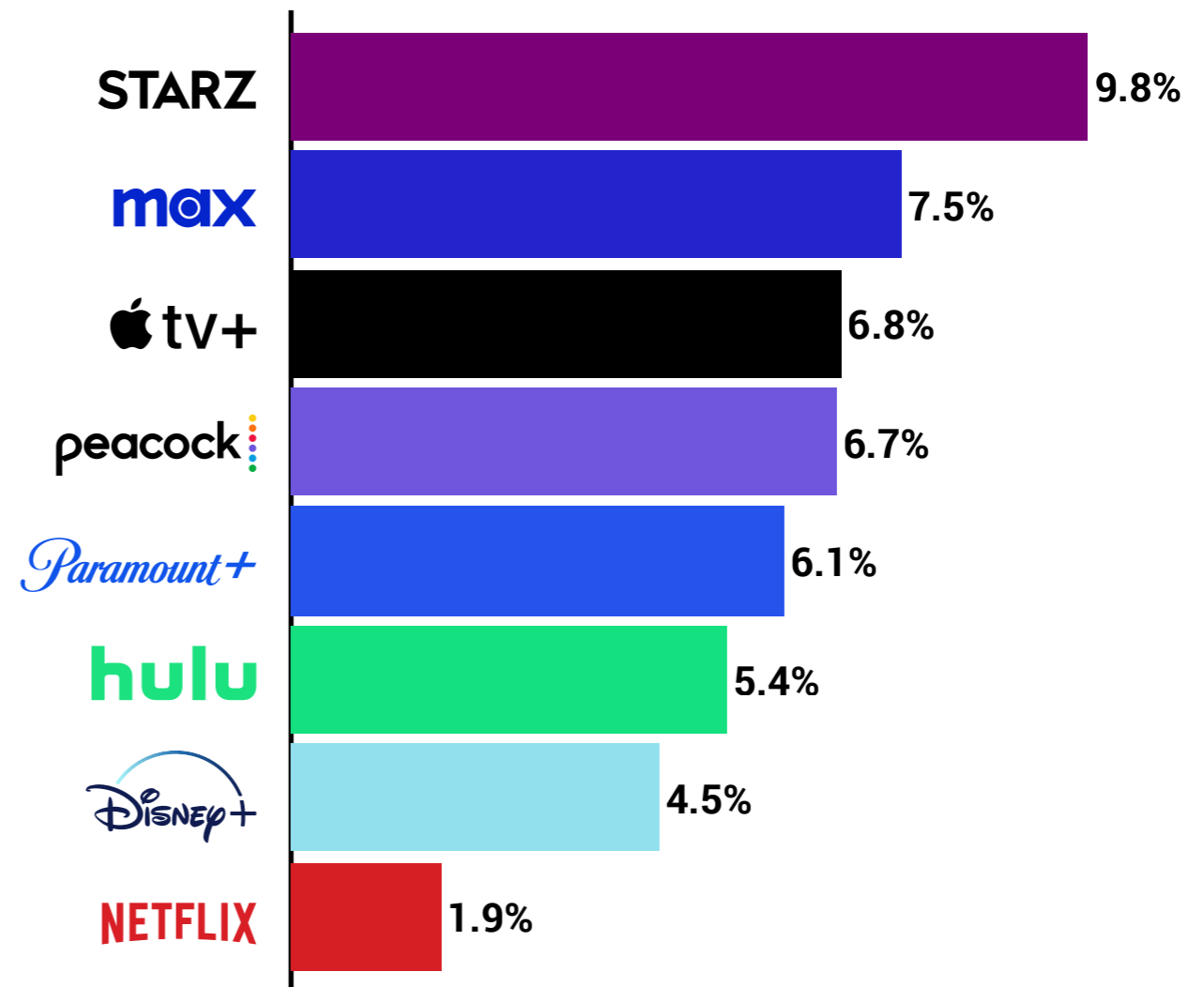
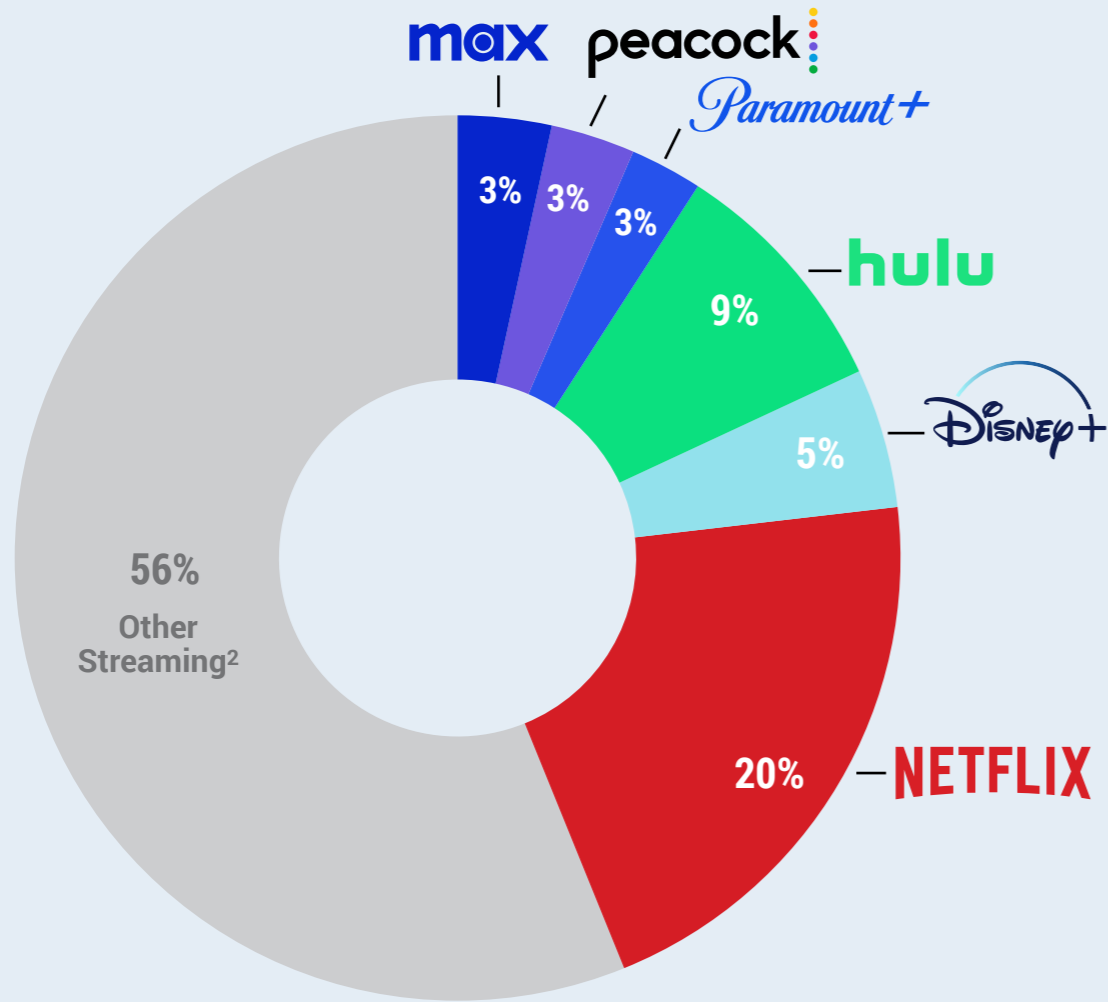


1. As of Oct. 7, 2024 except for Disney+ (no ads) which changes to \$15.99 and Disney+ (ads) to \$9.99 on Oct. 17, 2024. 2. Prices reflect the standard monthly price for Netflix's Premium and Standard with Ads tiers. Sources: Activate analysis, Company press releases, Company sites

To retain subscribers, streaming services will need to drive viewer engagement

VIEWERSHIP BY STREAMING PLATFORM¹, U.S., 2023
MONTHLY AVERAGE, % STREAMING MINUTES

AVERAGE MONTHLY CHURN³ PERCENTAGE BY STREAMING SERVICE,
U.S., 2023, MONTHLY CHURN³ RATE



1. Figures do not sum to 100% due to rounding. 2. "Other streaming" includes YouTube, Prime Video, Tubi, The Roku Channel, Pluto TV, and "other services" as defined by Nielsen's The Gauge. 3. "Monthly Churn" is defined as the percentage of subscribers who canceled during the month relative to subscribers at the end of the previous month. Sources: Activate analysis, Antenna, Nielsen's The Gauge

The top shows deliver consistent viewer engagement

SHOWS MOST FREQUENTLY APPEARING ON WEEKLY TOP 10 STREAMING SHOWS LIST^{1,2}, U.S., SEPT. 2023-SEPT. 2024³, NUMBER OF APPEARANCES ON WEEKLY TOP 10 STREAMING SHOWS LIST¹

= Number of appearances on weekly top 10 list



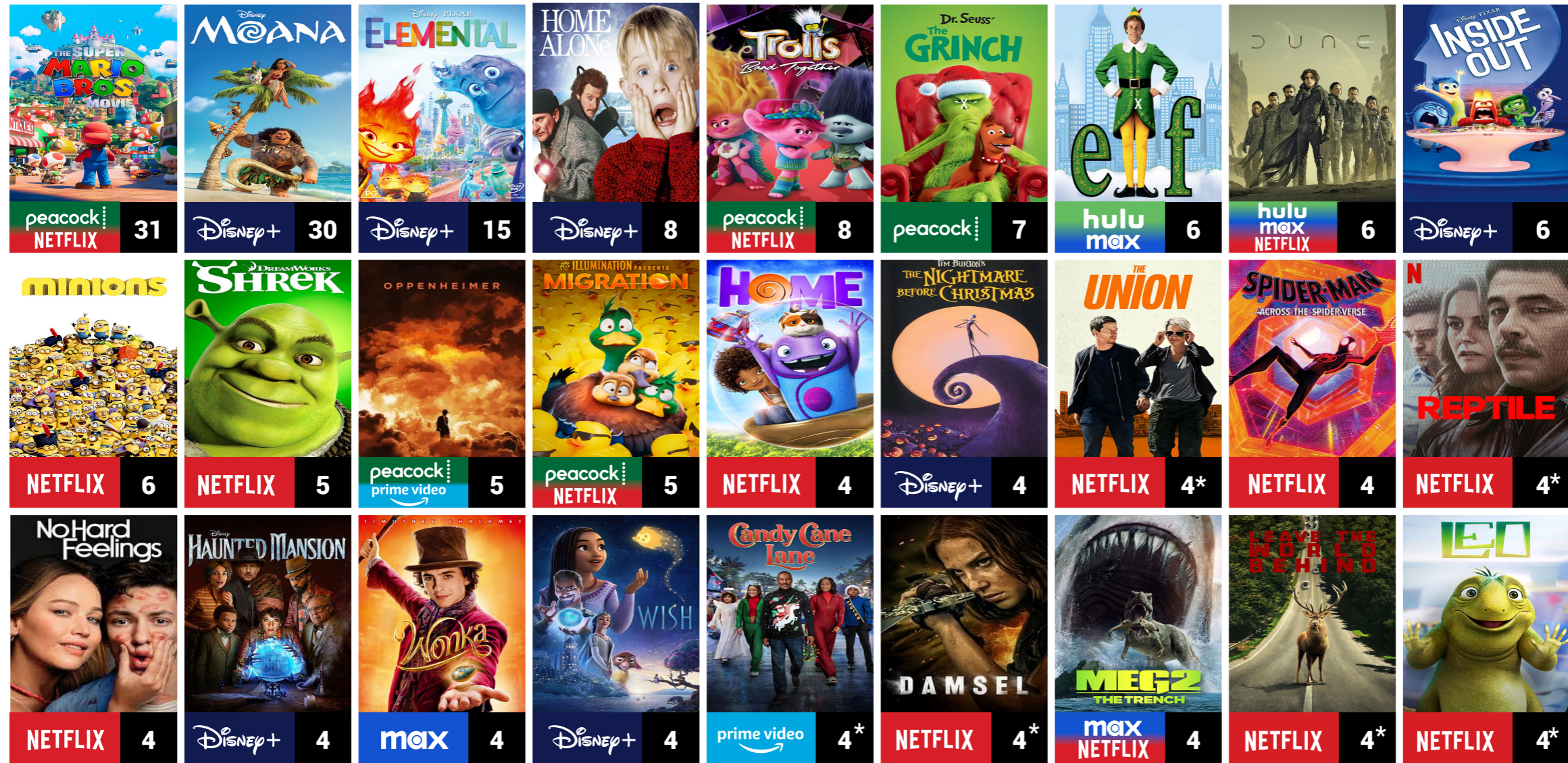
210 other shows made the top 10 list fewer than nine times

1. Based on Nielsen Streaming Content Ratings, which ranks titles based on aggregate minutes streamed. 2. Includes all shows that appeared nine times or more on the weekly top 10 list. 3. Reflects weekly top 10 lists from the week of Sept. 11, 2023-Sept. 17, 2023 through the week of Sept. 2, 2024-Sept. 8, 2024. Sources: Activate analysis, Nielsen Streaming Content Ratings

On streaming, family films that have had a theatrical release drive the most frequent engagement

FILMS MOST FREQUENTLY APPEARING ON WEEKLY TOP 10 STREAMING FILMS LIST^{1,2}, U.S., SEPT 2023-SEPT. 2024³, NUMBER OF APPEARANCES ON WEEKLY TOP 10 STREAMING FILMS LIST¹

 = Number of appearances on weekly top 10 list

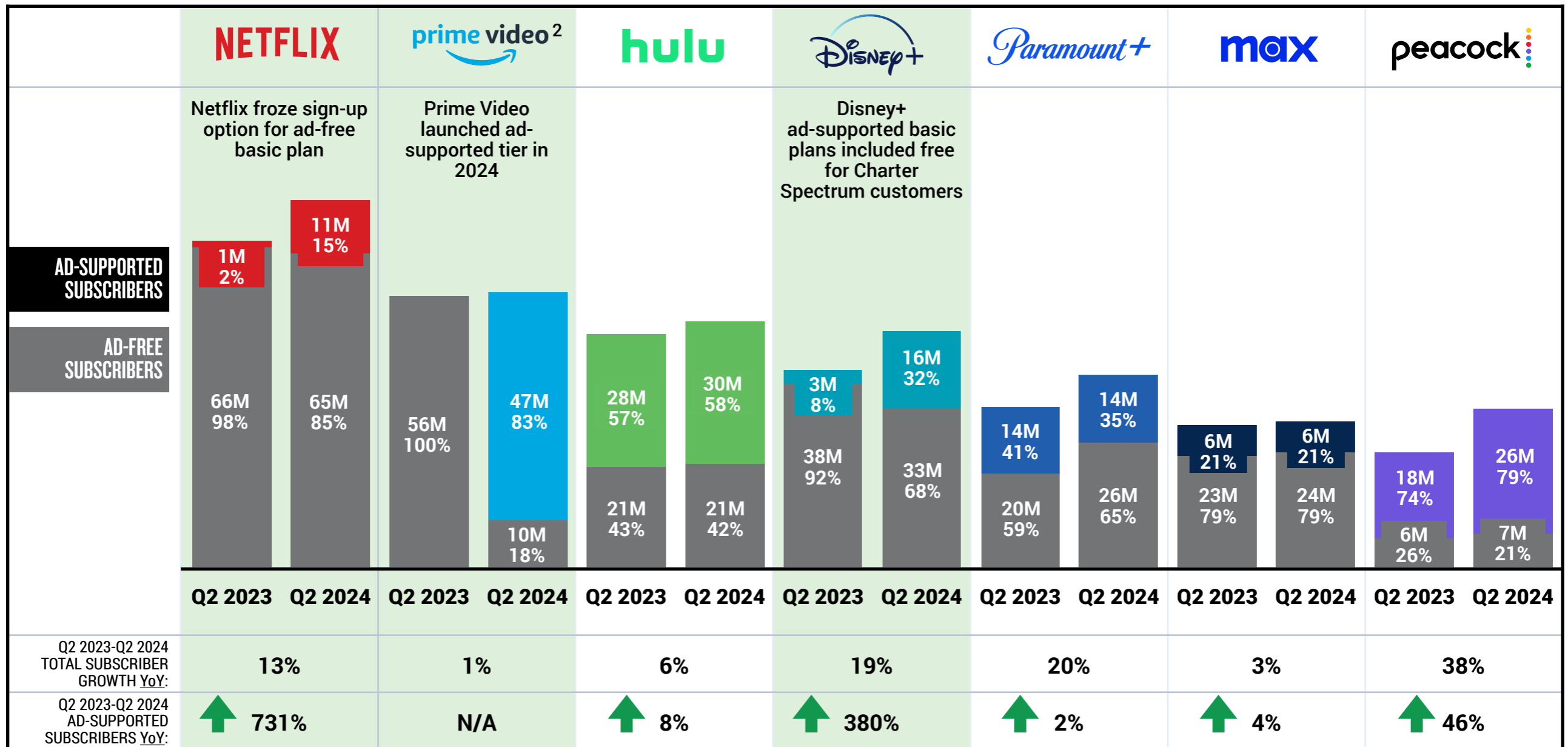


195 other films made the top 10 list fewer than four times

* = did not receive a theatrical release

Consumers are increasingly subscribing to lower priced ad-supported tiers, which are growing faster than ad-free

ESTIMATED PAID SUBSCRIBERS BY TIER¹, U.S., Q2 2023 VS. Q2 2024, MILLIONS SUBSCRIBERS

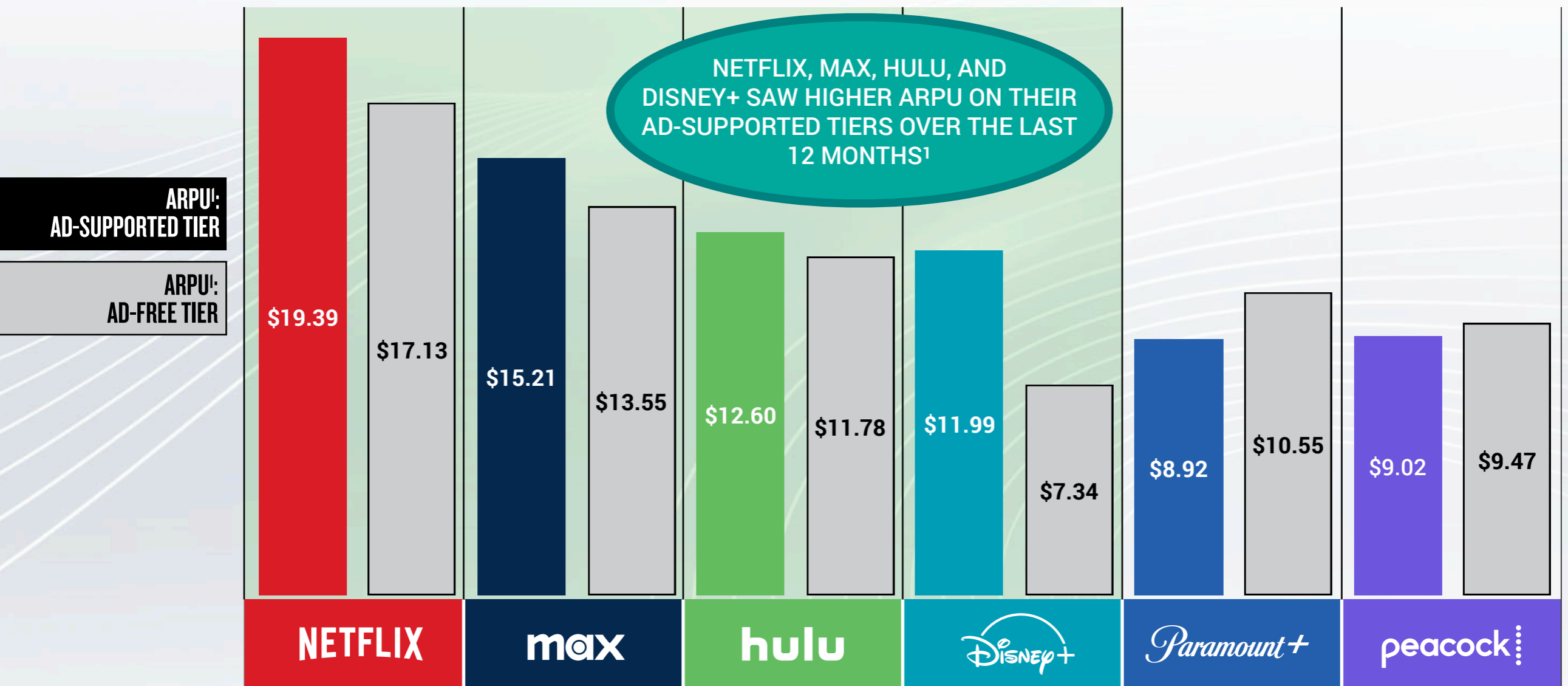


1. Figures do not sum due to rounding. 2. Prime Video subscribers calculated based on the number of households who subscribe to Amazon Prime and use Prime Video on a monthly basis.

Sources: Activate analysis, Antenna, Company filings, data.ai, eMarketer, Kantar, Morgan Stanley, Nielsen

Ad-supported tiers deliver comparable or superior revenue per user than ad-free tiers

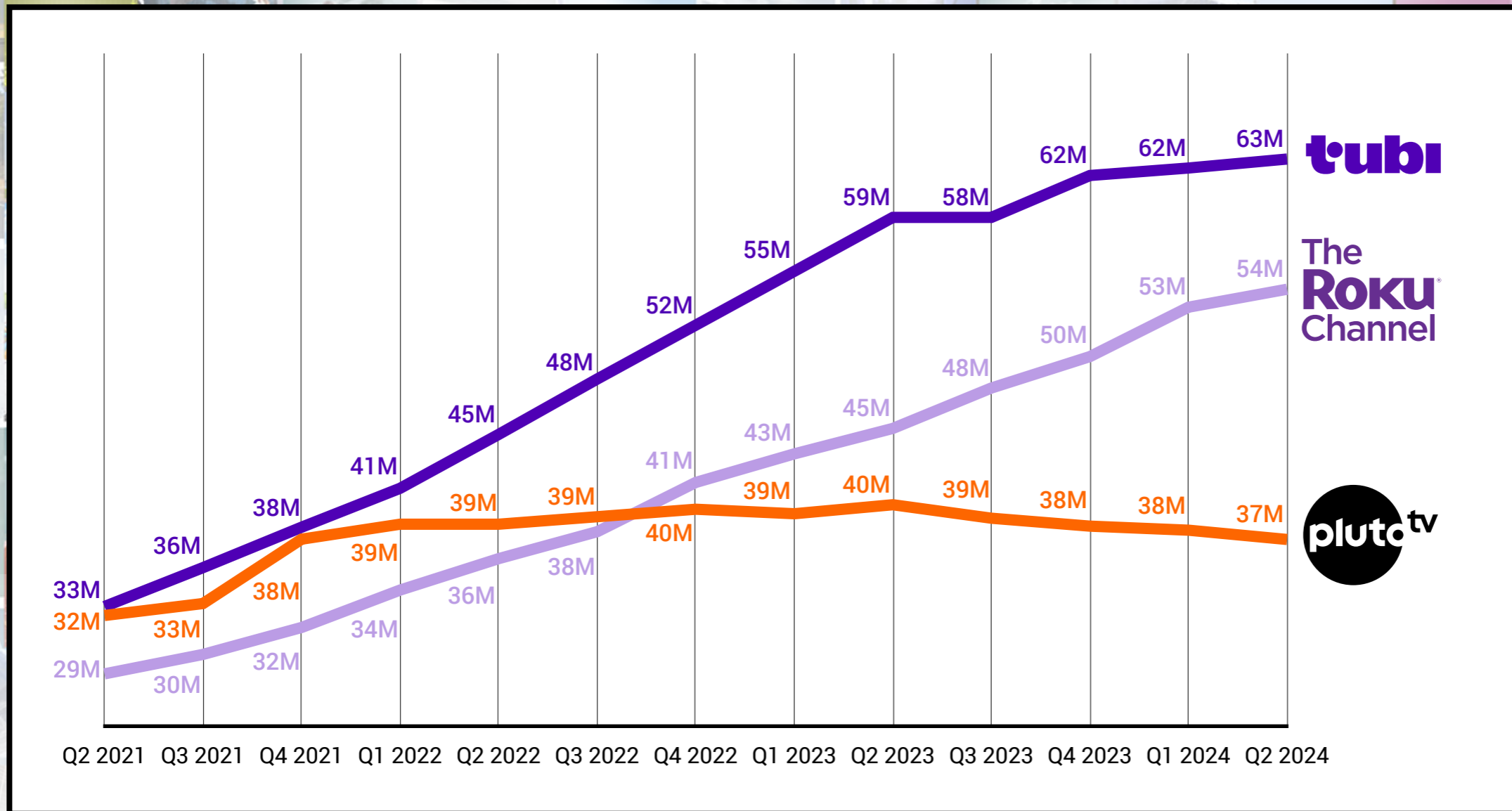
ESTIMATED ARPU¹ BY TIER FOR SELECT STREAMING SERVICES, U.S., Q2 2023-Q2 2024, USD PER SUBSCRIBER PER MONTH



1. "ARPU" is defined as the estimated average monthly revenue generated per subscriber over the last 12 months. Sources: Activate analysis, Antenna, Bank of America, Company filings, eMarketer, MediaRadar, Morgan Stanley, Nielsen, SMI, Variety, The Verge

Free streaming services are winning and will continue to grow

MONTHLY ACTIVE USERS BY FAST¹ SERVICE, U.S., Q2 2021-Q2 2024, MILLIONS MONTHLY ACTIVE USERS

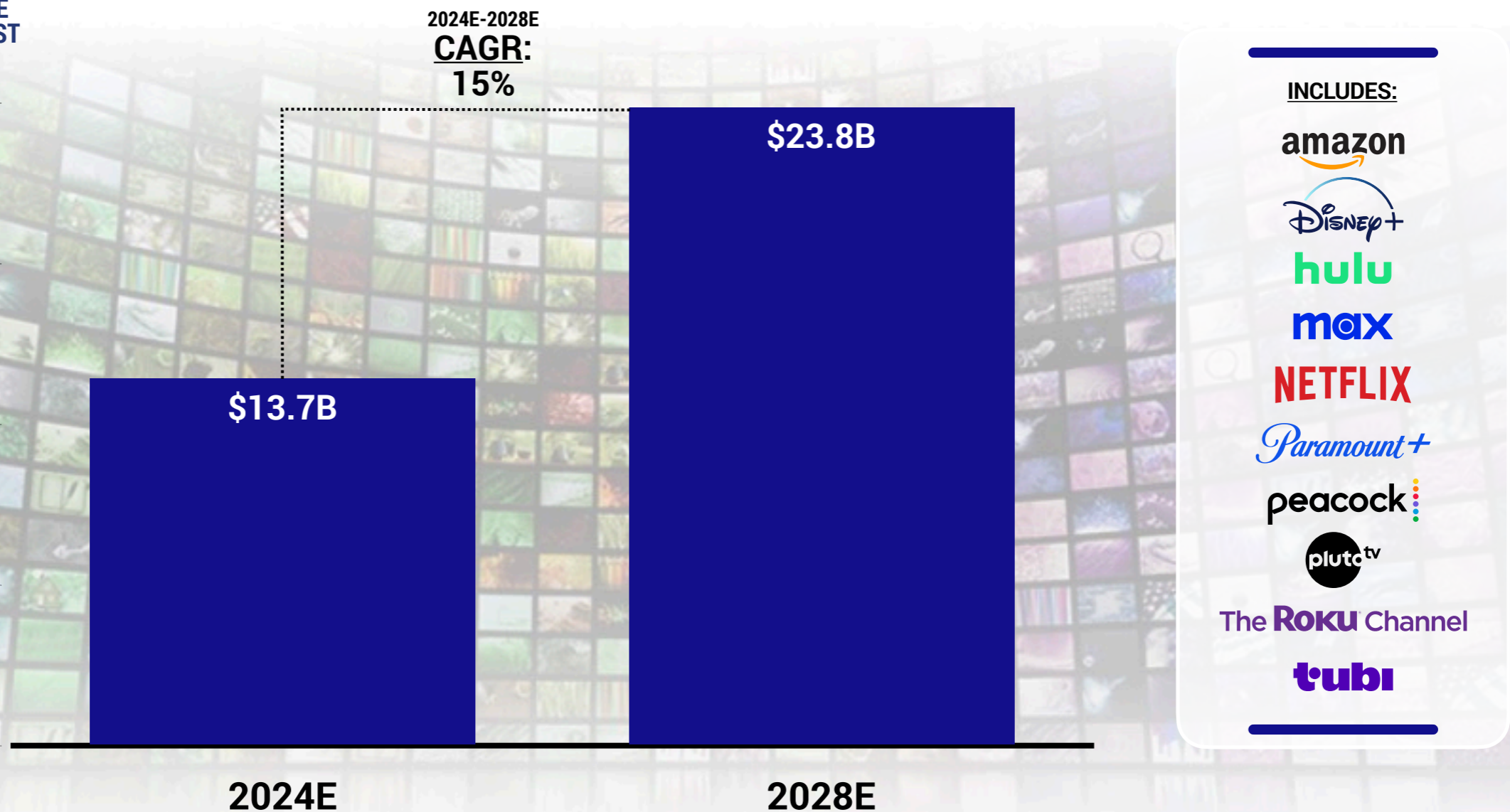


Q2 2021-Q2 2024²
CAGR:

- 24%
- 24%
- 5%

As audiences migrate to ad-supported tiers and FAST services, we forecast that streaming advertising revenues will sustain strong growth through 2028

ADVERTISING REVENUES FOR SELECT STREAMING SERVICES^{1,2}, U.S., 2024E VS. 2028E, BILLIONS USD



1. Figures do not sum due to rounding. 2. "Select Streaming Services" includes Amazon, Disney+, Hulu, Max, Netflix, Paramount+, Peacock, Pluto TV, The Roku Channel, and Tubi.

Sources: Activate analysis, Antenna, Bank of America, Bank of Canada, Bernstein Societe Generale Group, Canada Census, Company filings, Company sites, Cowen Research, Entertainment Strategy Guy, The Hollywood Reporter, MediaRadar, Morgan Stanley, Nielsen, SMI, S&P Global, United States Census, Variety

○ ACTIVATE 2025 DATA PARTNERS ○

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GET IN TOUCH:

Michael J. Wolf
michael@activate.com

Seref Turkmenoglu
seref@activate.com

Samuel Studnia
sam@activate.com

Donovan Rose
donovan@activate.com

Anthony Aguila
anthony@activate.com

Cigdem Binal
cigdem@activate.com

www.activate.com

11 Madison Square North, New York 10010

212 316 4444

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CREATED BY THE ACTIVATE CONSULTING TEAM:

Michael J. Wolf
Seref Turkmenoglu
Samuel Studnia
Donovan Rose
Anthony Aguila
Cigdem Binal
Marlee Melendy
Lily Silva
Mark Manley
Griffin Glenn
George Levy
Karinya Ghiara
Rachel Lunsford

Shruti Pal
Jonathan Homidan
Brigid Lynch
Cansu Seckin
Taylan Tuncata
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Activate Technology & Media 
Outlook 2025

Thank you!

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