

Content Stacking on the Rise

Traditional TV Services (Cable/Satellite/IPTV) Alive and Well in Canada Despite Wide Adoption of Over-The-Top (OTT) TV Services

Public Release Date: Wednesday, February 12, 2014, 6:00 AM EST



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Toronto, ON – TV viewership in Canada has come a long way from the days of rabbit ears and antennae. Today's viewers not only have a greater variety of content to watch, but they also have more ways than ever to watch. A recent poll conducted through the Ipsos Online Omnibus revealed that 74% of adult online Canadians subscribe to Cable TV/Satellite TV/IPTV. Drilling down deeper, among TV Service Subscribers, half (47%) augment or compliment their service by subscribing to or using one or more over-the-top (OTT) content services. In fact, just over a quarter (28%) subscribe to one OTT service, while nearly a fifth (20%) subscribe to two or more OTT services.

“Despite the perception that the medium is being challenged,” says Mary Beth Barbour, Senior Vice President with Ipsos Reid, “the issue isn't that Canadians are giving up on traditional television services, rather it is that they are satisfying their TV fix through a variety of methods and they are, in fact, supplementing their television services through new services, screens, and technologies.”

Over the years, Canadians have seen the introduction of a number of OTT services, including video subscription services (like Netflix), video retail websites (such as iTunes, Google Play, Xbox Live), premium specialty channels (such as HBO, Leafs TV, Super Channel, etc.), and premium TV network website/online subscription services (such as NHL.com, MLB.com,



TMNGo.ca). In their wake, there has been a great focus on the concept of cord cutting and cord shaving.

“There is a lot of buzz on the topic of ‘cord cutting’ and ‘cord shaving’,” explains Barbour. “But given that, the majority of adult Canadians are still subscribing to Cable TV, Satellite TV, or IPTV. We think the story is really about another predominant trend and that is, ‘content stacking’, where a number of Canadians are keeping their Cable TV, Satellite TV or IPTV service and subscribing to or using OTT services.” Adds Barbour, “No doubt the addition of OTT services are feeding the emerging trend of ‘binge viewing’, which typically involves watching a number of episodes, from the same series, back to back.”

As a snapshot of Canadians and the way they access TV, the findings also revealed that, among those who subscribe to Cable TV/Satellite TV/IPTV service:

- 27% subscribe to/use Premium TV Network Specialty Channels (e.g., HBO, Leafs TV, Super Channel, etc.)
- 20% subscribe to/use Video Subscription Services (e.g., Netflix)
- 20% subscribe to/use Video Retail Websites (e.g., iTunes, Google Play, Xbox Live)
- 7% subscribe to/use Premium TV Network Website/Online Subscription Services (e.g., NHL.com, MLB.com, TMNGo.ca)

“As for the 26% of adult Canadians who do not currently subscribe to Cable, Satellite, or IPTV service today, they are composed to some degree of ‘cord cutters’, and we cannot forget



about the 'cord nevers'," adds Barbour. "That is, the unique category who, upon leaving the nest, opt not to subscribe to any traditional TV service."

These are some of the findings of an Ipsos Reid study conducted between January 30th to February 3rd, 2014. For this survey, approximately 1,000 adult residents of Canada were sampled via the Ipsos Opinions Online Panel, one of Ipsos Reid's national online panels. Weighting was then employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll is accurate to within +/- 3.10 percentage points had all Canadians adults been polled. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

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