

penthera

International Mobile Streaming Behavior Survey

Q4 2018

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About the International Mobile Streaming Behavior Survey

The Penthera International Streaming Behavior Survey highlights changing attitudes and behaviors towards streaming and download technology across the globe. We worked with an independent research company to query 3,000 people in each of the following countries: Mexico, Brazil, Columbia, Argentina, UK, Netherlands, Spain, Germany, France, and Italy. Our sample included adults, ages 18-50.

Introduction

As online video viewership continues to grow around the world, it's important to understand how different audiences experience streaming content in their day-to-day lives. This international survey examines how viewers in 10 different countries—Brazil, Mexico, Colombia, Argentina, Spain, UK, Germany, France, the Netherlands, and Italy—feel about their mobile streaming video experiences. It is clear that demand for streaming services continues to grow—and not just in the U.S. In fact, video streaming revenues in Latin America are predicted [to double](#) in the next three years, from \$425 million today to \$859 million in 2021¹. Meanwhile, in Europe they are expected [to grow](#) from \$4.3 billion in 2016 to \$7.2 billion in 2020².

Streaming video is growing largely because more and more viewers around the globe are watching content on the go. Most of our panelists (89%) reported that they stream TV and movies on their mobile devices. But watching video out of the home has come with a unique set of problems for streaming video users.

As the adoption of streaming technology has accelerated, our panelists reported low patience for poor viewing experiences due to weak or non-existent connectivity. Nearly all (88%) of the 3,000 respondents reported that they experience some level of frustration while streaming video. In fact, when faced with connectivity issues, 46% of all respondents reported simply giving up trying to watch. Even more daunting, one in five respondents said they would stop using that particular service, and more than a quarter said they respond to streaming frustrations by leaving a service for competitors with more reliable technology.

Since connectivity issues are so common, content providers can address these concerns head on by providing download functionality in their mobile apps. In fact, our survey revealed that 71% of our panelists would pay a premium for the ability to download mobile video. As streaming viewership continues to grow globally, it is clear that viewers in both Latin America and Europe are looking to engage with mobile applications that offer them the best user experience.



Key takeaways:

Observations about Streaming:

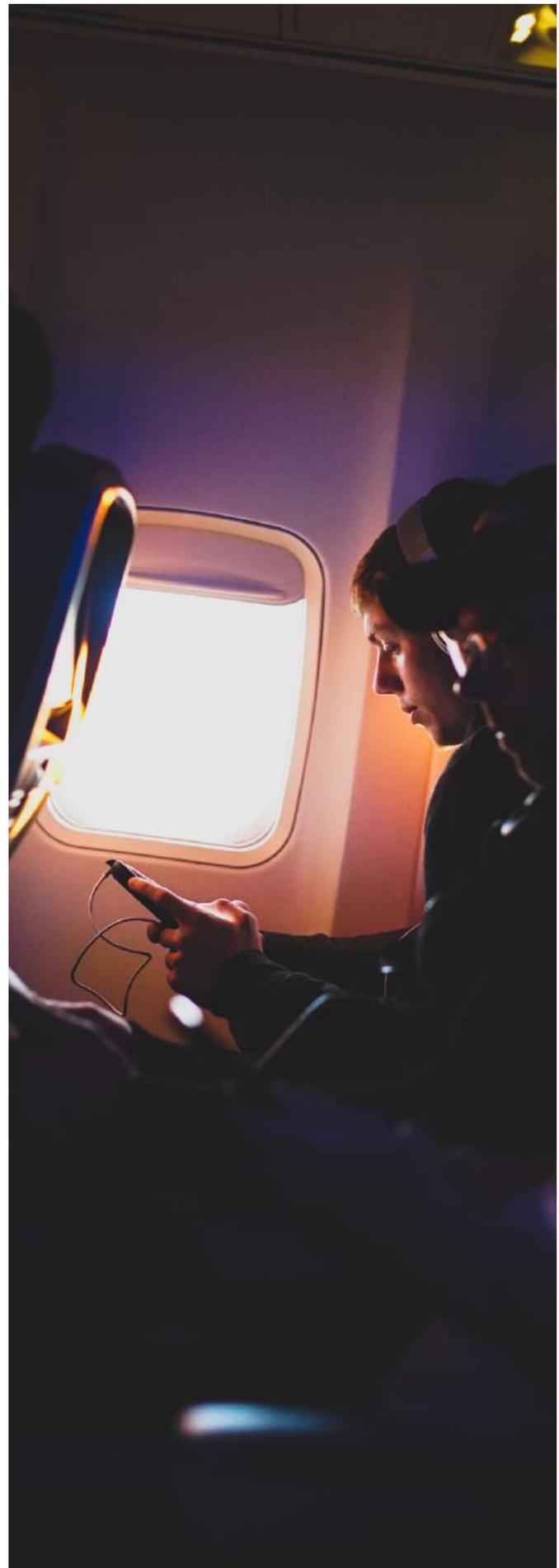
A significant majority of our respondents (89%) stream video on their mobile devices.

- A similar percentage (88%) reported frustrations while streaming. Some of these frustrations include the video taking too long to start up, buffering, annoying advertisements, increased monthly data costs, and public WiFi issues. (In a survey of [U.S. viewers](#) conducted by Penthera in January, 2018, 92% of respondents reported experiencing issues, representing global consistency.)³
- As a result of these issues:
 - Almost half (47%) of international respondents said they completely give up and try again later.
 - 1 out of 4 go to a competing mobile video app.
 - 1 out of 5 stop using that service all together.

Observations about Download Technology:

Asked about the frequency of download, 68% reported that they download and almost half said they do so monthly or more often.

- The most popular reasons were that download allows viewers to watch whenever and wherever they want, they don't have to worry about WiFi availability, and because it helps them avoid buffering.
- 58% of our respondents said they would be more likely to subscribe to a streaming service if that service offered a download option, and 71% would pay a monthly premium for download capabilities, creating a valuable opportunity for streaming service providers across many countries.





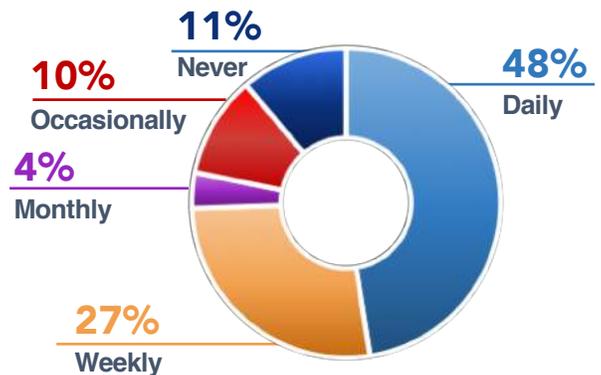
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Survey Responses

For many, streaming is a daily activity

As phones and tablets become an integral part of people's everyday life, streaming video is sure to become a norm. Our data showed that almost 50% of our panelists stream video content on their mobile devices daily.

How often people stream TV or movies on their mobile devices

Respondents were asked "How often do you stream TV shows or movies on your mobile device?" Universally, survey respondents reported great enthusiasm for streaming video: 89% responded that they stream video and 75% stream at least weekly.



Highlights:

Across all countries surveyed, 48% of panelists said they stream content daily.

- We also saw high percentages of streamers across all age ranges; 84% of 18-29 year-olds, 78% of 30-39 year-olds, and 57% of 40-50 year-olds stream video at least weekly.
- Regionally, Latin American panelists streamed video the most, with 61% saying they stream video daily and an additional 25% saying they stream weekly.
- European respondents also were highly engaged with streaming video, with 39% watching daily and 28% watching weekly.
- Country-by-country, Brazilian respondents were the most consistent daily streamers (70%).
- In Europe, Spain had the most enthusiastic streamers with 51% watching daily video and 23% watching weekly.
- While France had the highest percentage of those who don't stream (22%), 61% of their viewers still stream video at least weekly.
- UK panelists were the most likely to stream within the European countries, with 89% saying they watch TV shows or movies on their mobile devices.

Age Breakdown

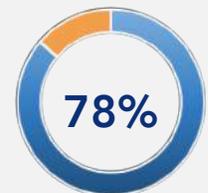
% Streaming Video Weekly or More (All Countries)



18-29



30-39



40-50



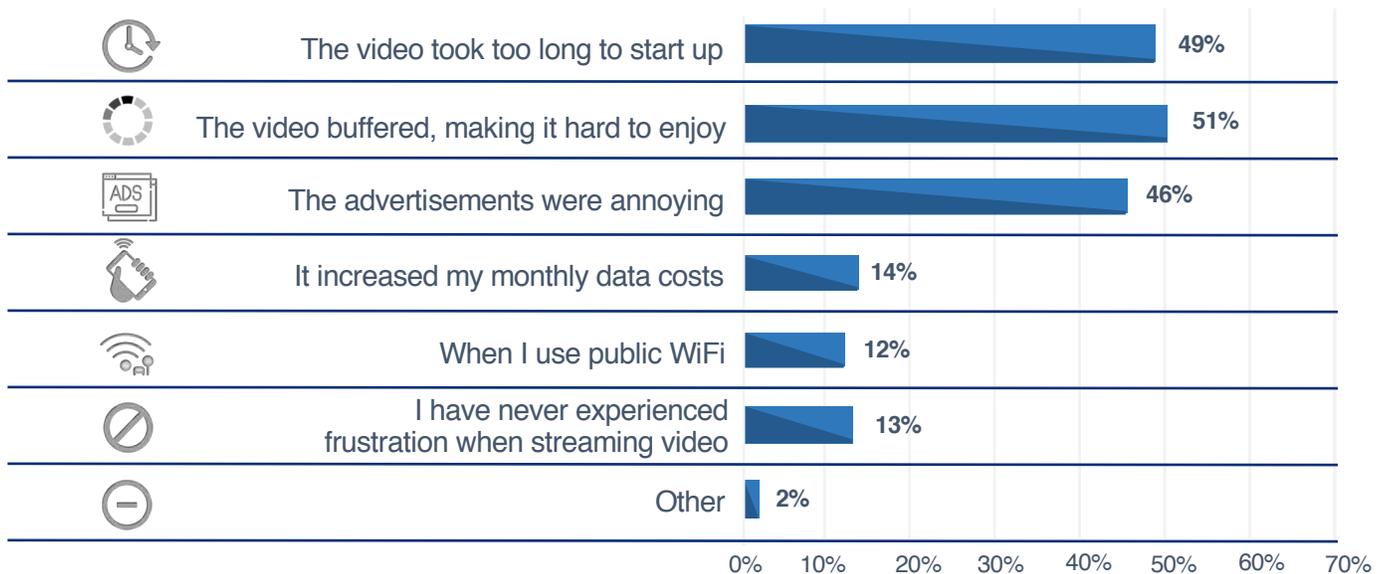
Last Mile Problems and Viewer Frustration

As part of the survey, consumers were asked three questions about their frustrations with mobile video streaming touching on the kind of frustrating experiences they have, the frequency of those issues, and how they behave as a direct result of those flawed interactions.

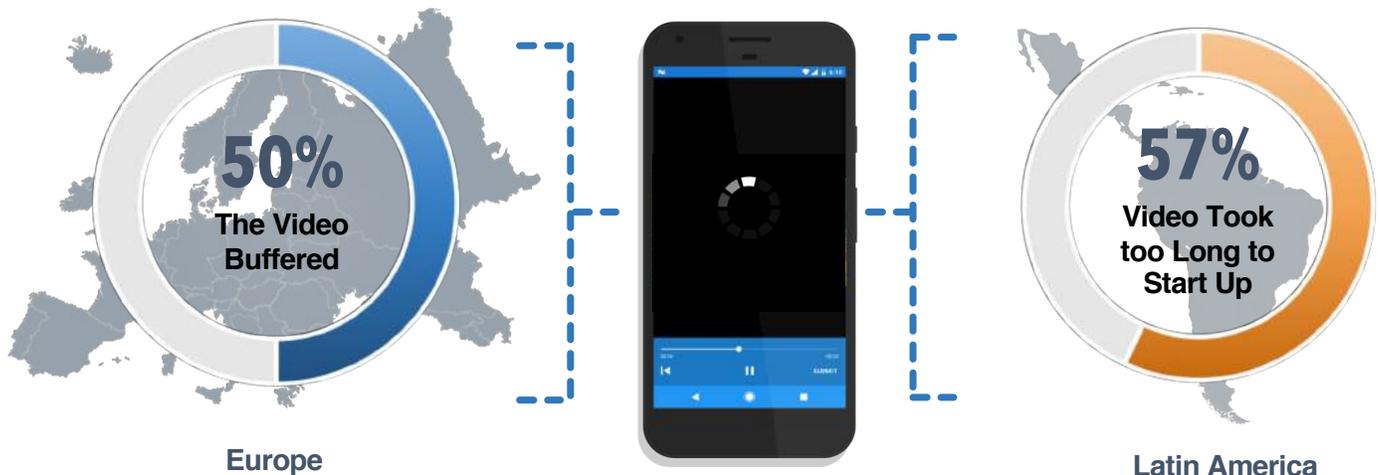
Frustrating experiences viewers have when streaming video

Streaming video is far from a painless experience, as 88% of all respondents reported experiencing frustration. When it came to the specific experiences, 51% of panelists said that the video buffered, making it hard to enjoy, and 49% of all panelists responded that the video took too long to start up.

What frustrating experiences have you had when streaming video (click all that apply)?



Biggest streaming frustration by region



Highlights:

88% of all respondents reported frustrations while streaming, the majority of whom said video buffering is the biggest frustration they experience (51%).

- Younger respondents seemed to experience problems more frequently, with more than half of respondents 18 to 29 saying that they run into three problems: video taking too long to start up (54%), buffering (53%), and annoying advertisements (50%).
- Video taking too long to start up was the most common frustration in LatAm (57%), while European audiences were more likely to point to buffering as their biggest pain point (50%).
- Of all countries surveyed, the UK was most frustrated with video buffering (61%).
- 63% of Colombian panelists reported that they were frustrated when the video took too long to start and 59% said they experienced frustration with the video buffering.

How often viewers experience streaming frustrations

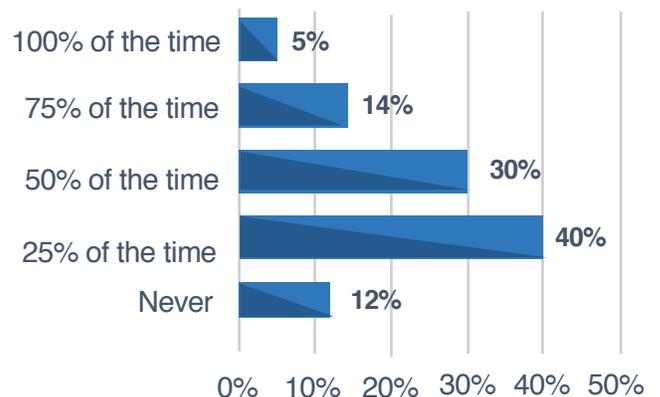
The international survey revealed that most people have experienced streaming issues. This aligns with studies of the U.S. market, where 67% experience these frustrations at the same rate.

Highlights:

88% of respondents reported experiencing frustrations at least some of the time.

- 39% of European panelists said they experience frustrations 25% of the time.
- 33% of LatAm panelists reported experiencing streaming issues 50% of the time
- In France, 7% of respondents said they experience streaming frustrations 100% of the time, the highest of all countries surveyed.
- Argentina had one of the highest rates of frustration, with 93% reporting frustration at least some of the time.

How often do you experience streaming frustrations?



88% of all respondents said they experienced streaming video frustrations.

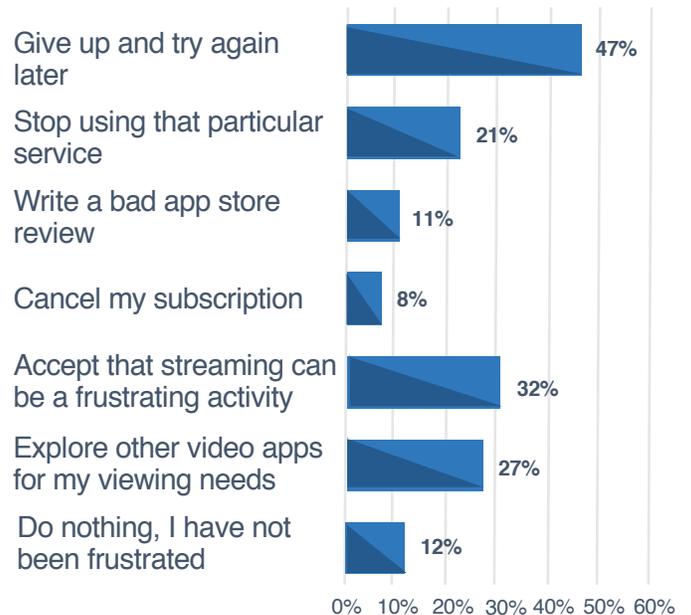
How users react to a frustrating streaming experience

In today's digital age, more and more people expect their technology experience to be seamless. Unfortunately for providers, it's difficult to deliver that type of promise without investing in new technology and talent. Poor connectivity and network overload account for frustrating video viewing, such as buffering and slow start-up times. The survey revealed that, when faced with a frustrating experience, many viewers are likely to give up and try again later (47% of all respondents). One out of four of our respondents said they would explore other apps for their streaming needs and one out of five said they would completely stop using that app.

Highlights:

Almost 60% of all viewers take some sort of action when experiencing frustration with streaming.

- Younger audiences were most likely to give up and try again later (51% of 18- to 29- year-olds).
- LatAm viewers (51%) were more likely to give up and try again later than their European counterparts (44%). But of most concern to providers is the fact that frustrating experiences can lead viewers to change their allegiance – in LatAm, 39% of respondents said that a frustrating experience inspires them to explore other video apps for their viewing needs.
- Brazilian viewers demonstrated the least patience, with 67% saying they would give up, while 20% of Brazilian viewers are likely to write a bad review for an app if they have a bad experience.
- 11% of UK respondents said they would cancel their subscription as a result of a bad experience.



Preventing Frustration: The Download Option

While frustrating experiences are overwhelmingly common, service providers can mitigate the potentially damaging effects of these playback issues by adopting a download solution. This feature enables users to download TV shows and movies to their smartphone and/or tablet for viewing at another time/place without the need for an internet connection

How often app viewers use download functionality.

Download capabilities are still a fairly new feature available to app subscribers, but these capabilities are proving their value to video providers. More than two-thirds of our panelists responded that they have used download functionality. Even more compelling, 36% of our panelists responded that they use download at least weekly. In both Latin America and Europe we saw a high adoption of download functionality, as 77% of LATAM respondents and 62% of European respondents said they have used download.

Percentage who have used download functionality



Highlights:

Almost 70% of our panelists responded that they have used download functionality.

- Over 40% of LATAM panelists and 35% of European panelists say they use download at least weekly.
- Mexico panelists responded the highest of all countries, with 84% saying that they had used download.
- Among European countries, the Netherlands reported the highest percentage of daily downloaders (15%).



Why viewers download from a streaming service

Download offers many benefits to those who take advantage of it, including bypassing streaming and connectivity issues. The biggest proportion of our panelists (54%) reported using download because "it allows me to watch wherever and whenever I want." The second biggest reason they download is "I don't have to worry if I will be on WiFi" (35%). Consistently, panelists responded that they utilize download across the board to combat streaming and network issues they experience regularly.

Highlights:

The most resounding reason that people used download is to be able to watch their content whenever and wherever (54%), indicating that that they don't want to worry about connectivity.

- Panelists in LatAm responded most strongly to wanting to watch their content wherever and whenever (Overall at 66%, Colombia at 63%, Brazil at 70%, Mexico at 70%, and Argentina at 61%).
- Europeans echoed their counterparts with the highest percentage of respondents saying they want to watch their content wherever and whenever (46%).
- Panelists in Colombia were the most likely to download content for their children (22%).

Why do you download from a streaming service (click all that apply)?

It allows me to watch whenever/wherever I want



I want to avoid buffering



I don't have to worry if I will be on WiFi



I don't want to use public WiFi



I don't want to use up my mobile data plan



I don't want to pay for internet access when I'm not at home



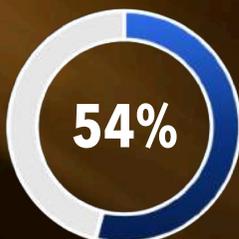
I download content for my children to watch



Europe

Latin America

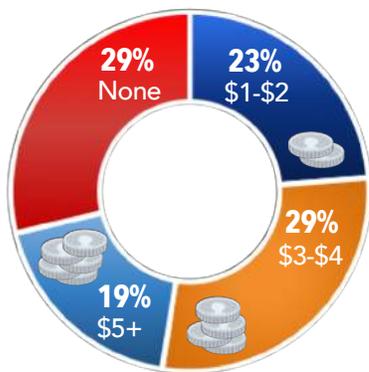
54% said they download because it allows them to watch whenever and wherever they want.



Are viewers willing to pay to download TV and movies from streaming services

When asked if they would be willing to pay a premium for download functionality, our panelists responded very much in the affirmative. In fact, 71% would pay a monthly premium for download capabilities and 15% of respondents said they would pay \$5 or more. Broken down regionally, 83% of respondents from Latin American countries (Colombia at 87%, Brazil at 80%, Mexico at 85%, and Argentina at 80%) said they would pay up to \$5 or more per month. Europe was close behind with 63% saying they would pay. The data indicated that people in these countries see download as a valuable feature.

How much of premium viewers would pay for download



Highlights

- 71% would pay a premium monthly for download capabilities.
- Almost 20% of all panelists reported a willingness to pay \$5 or more.
- The youngest generation is more likely to pay a premium, with 55% saying they'd pay \$3 or more per month for a download option.
- LatAm responded most enthusiastically to a premium at 83% with Europe close behind at 63%
- Out of all countries surveyed, Brazilian panelists were willing to pay the most (35% said they would pay \$5 or more).
- Spanish respondents were the most enthusiastic of the European countries—77% would pay a premium.



Viewers care when their services offer a download option

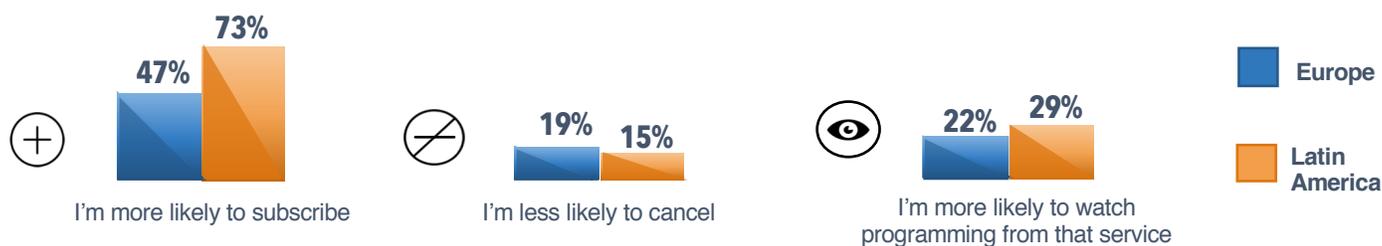
The majority of panelists across the world (58%) responded that they are more likely to subscribe to providers that offer download. Meanwhile, almost 25% said that they would be more likely to watch programming from that provider.

Highlights:

Download is a priority for younger audiences: 63% of 18-29 year olds and 61% of 30-39 year olds are more likely to subscribe to a streaming service if it offers download.

- Both Europe (47%) and LatAm (73%) had high portions of their audience indicate that they would be more likely to subscribe when download is offered.
- 74% of Colombians, 77% of Brazilians, 75% of Mexican, and 68% of Argentinians said they would be more likely to subscribe if their provider offered download.
- 22% of UK panelists said they were less likely to cancel if offered a download option.

If a subscription streaming service offers a download option, how do you respond (click all that apply)?



Conclusion: The Future of the Mobile Video Experience

As mobile video providers look toward their future, they would be remiss not to consider how attitudes are shifting about streaming video on mobile devices. When the survey results are split by age, it's obvious where mobile video viewership growth is originating. Younger viewers are daily streamers, and while they're the segment that most understands how frustrating streaming can be, they may not feel that way once they find a streaming provider that delivers high-quality playback wherever and whenever they want.

Our survey results show that today's avid consumption make audiences more likely to be frustrated by the last-mile issues that cause sub-optimal viewing experiences. As mobile consumption continues to grow around the world, the frequency of these frustrations will only increase. Companies that want to take advantage of the growing international revenue opportunities available to them must take these pain points into account and address them early.

The data indicates that download functionality is one of the preferred and trusted ways viewers choose to combat these frustrations. The path to an ideal viewing experience is to not only offer download, but to make viewers aware of the feature, so that they can proactively avoid the negative experiences that come as a result of poor connectivity. Adding download can also slow down customer churn, keeping consumers engaged with your app rather than moving on to a competitor's. Providers may even find that download and other products create a new revenue opportunity.

Major providers like Netflix and Amazon were among the most popular service options with the surveyed viewers who favor video downloads. Competing with these well-established giants doesn't require major technological overhauls -- it simply requires providers to anticipate their viewers' needs.

In an industry growing exponentially, the biggest winners will be those that not only address their viewers' *practical issues* but that invest in technology and talent to continue to imagine and innovate for increasingly voracious viewers, introducing functionality that delights well beyond their competitors. The potential is great, with projected revenues multiplying 2 to 3 times larger every year. Yet innovation inspired by viewers' desire for a seamless experience is what will position providers capture that potential—and to stand out among all the options their viewers have.



Citations

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About Penthera

Penthera is a global software company that develops and deploys products facilitating the delivery of TV shows, movies and other video content over wireless networks to mobile devices. Led by Michael Willner, Chairman and CEO, and Dan Taitz, President and COO, Penthera's Download2Go solution allows consumers to watch video content when they don't have access to a suitable internet connection.

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