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GroupM Belgian Video Streaming Monitor

Disruptors in search for loyalty and growth
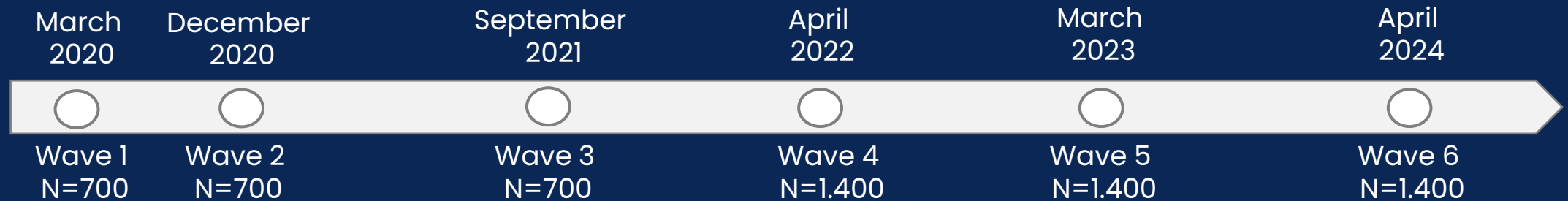
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May 2024 – Wave 6

Methodology

Streaming monitor wave 6

Interview method :	Online survey
Sample size :	1.400 respondents
Universe :	Belgium 18-59 y.o.
Period :	March – April 2024, week 13 and 15
Weighting :	language, gender, age, social groups, educational level & urbanisation

Timeline former editions

March 2020	December 2020	September 2021	April 2022	March 2023	April 2024
Wave 1 N=700	Wave 2 N=700	Wave 3 N=700	Wave 4 N=1.400	Wave 5 N=1.400	Wave 6 N=1.400

*As of wave 4, we increased sample size and doubled the observation periods to grasp market dynamics and smoothen out recency.

**If an offer is limited to a region, it is indicated with (N) or (S) and thus filtered (=language).

Background

Given the highly dynamic character of the streaming market, we monitor the evolution closely.

Diverse factors explain movements :

- General adoption curve
- Seasonality of viewing behaviour
- Viewing modes (web, app, smart tv …)
- New market entrants
- New commercial offers or business models
- External factors (Covid, war Ukraine, energy crisis …)

These factors make up the complexity and unpredictability of the video streaming market.

That is why GroupM wishes to provide a clear overview of these trends in Belgium, next to iMEC's Digimeter, which is only focused on the North of the country.

SVOD market reaches an all-time high

% Subscribers in Belgium
(available in the household)

53.5%	57.6%	54.9%	65.5%	59.6%	68.8%
Mar-20	Dec-20	Sep-21	Apr-22	Mar-23	Apr-24
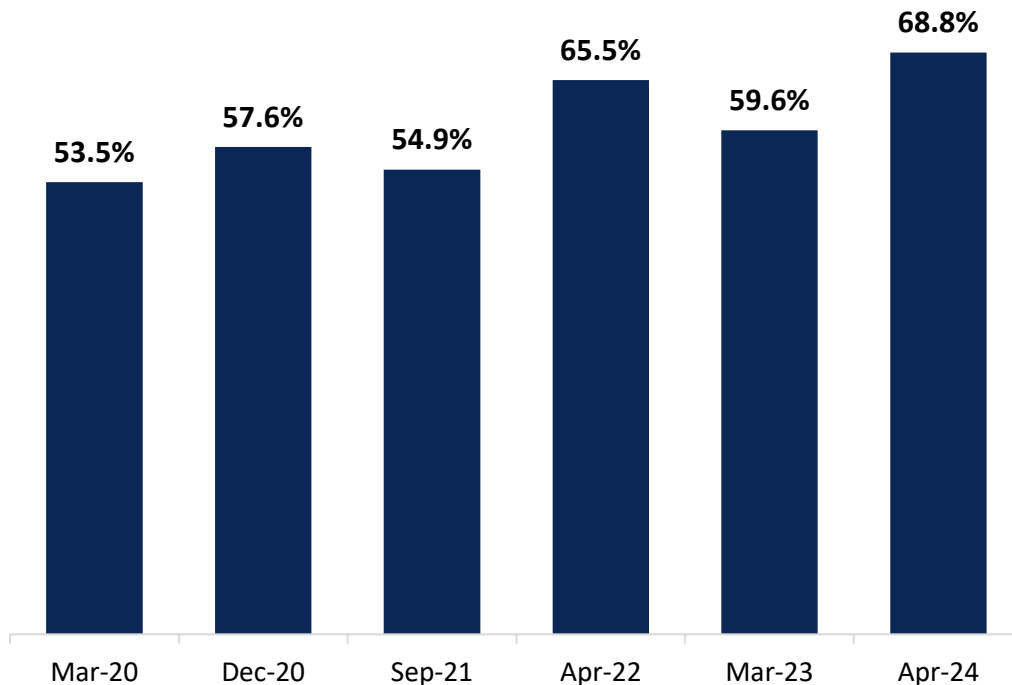
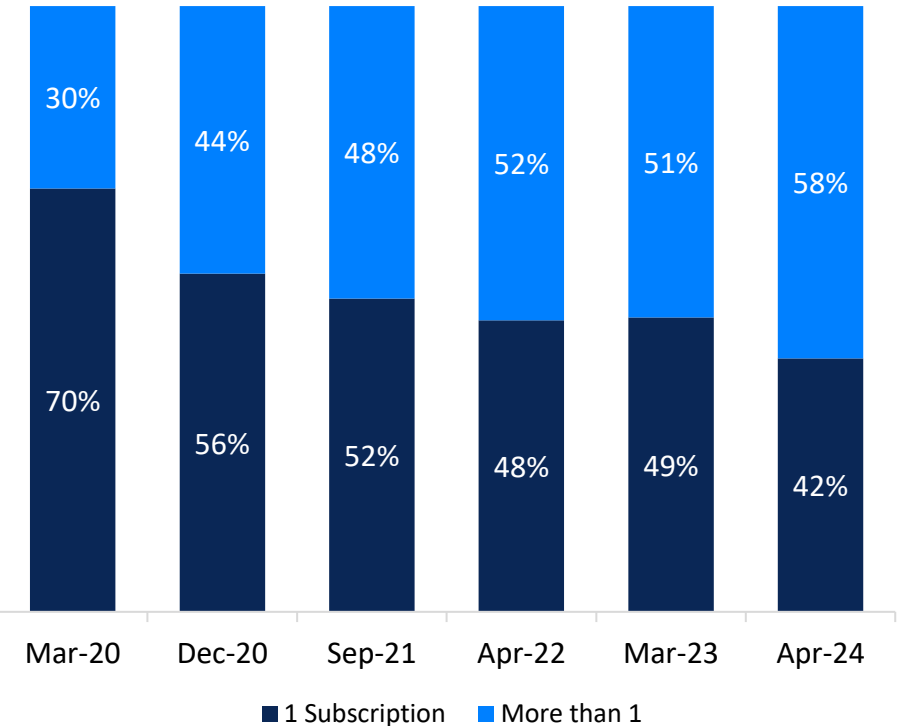**Has the SVOD market recovered after last year's recession?**

After an overall decrease in 2023, the SVOD market in Belgium recovers as we notice a 9.2%-point increase. This is the highest it has been since our first measurement in 2020.

The increase is slightly bigger in the South, with 18% relative compared to 13% in the North. Or an 11% increase vs 8% in absolute terms.

Prospects look good, after the '23 (mild) recession put an end to the Covid boost of the streaming market. Has the train finally left the station for good?

We observe an increased popularity in combining multiple platform subscriptions

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Proportion of subscriptions per household

| Mar-20	Dec-20	Sep-21	Apr-22	Mar-23	Apr-24
30%	44%	48%	52%	51%	58%
70%	56%	52%	48%	49%	42%

■ 1 Subscription ■ More than 1

There are more households with more than one subscription (58%)

We notice a 7%-point increase in the amount of people with multiple subscriptions compared to March '23.
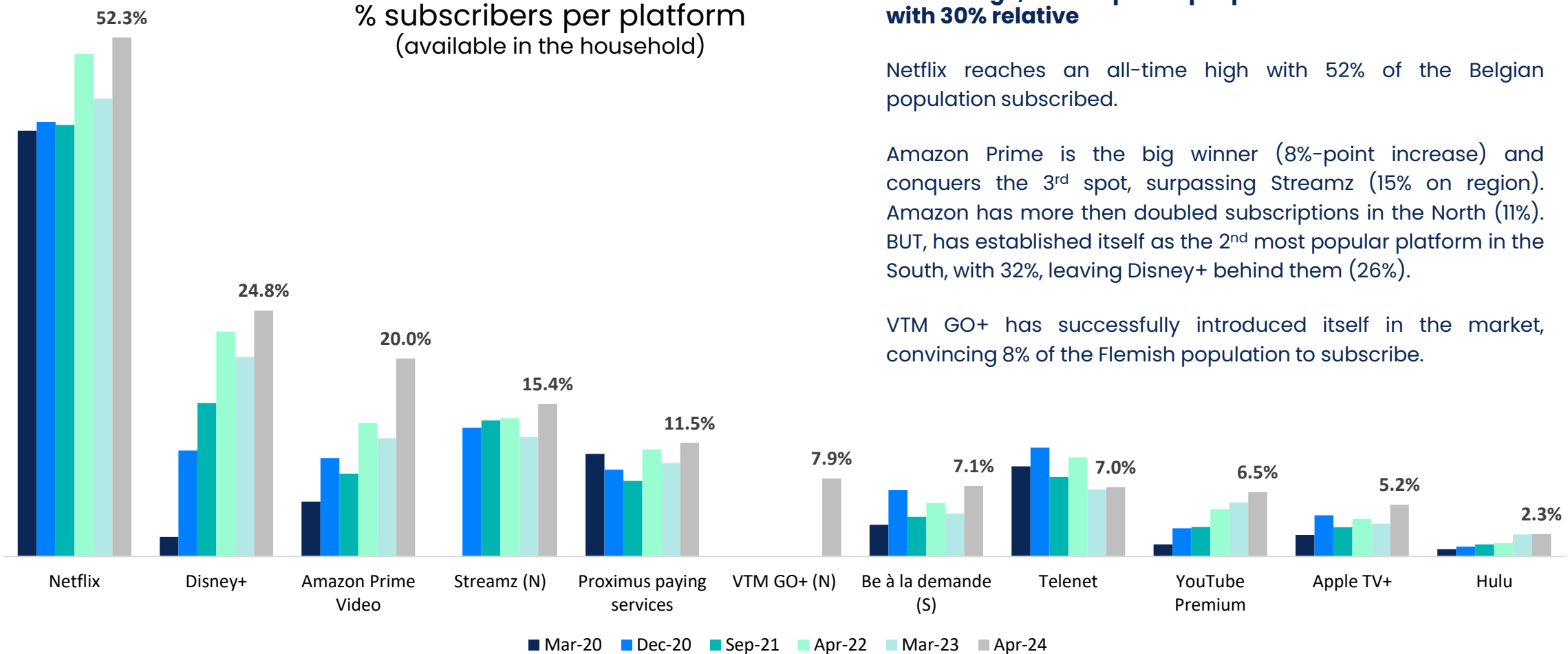
The average amount of subscriptions increases slightly further to 2.1 subscriptions per household.

Average number of subscriptions per household

Mar-20	Dec-20	Sep-21	Apr-22	Mar-23	Apr-24
1.4	1.8	1.8	1.9	2.0	2.1
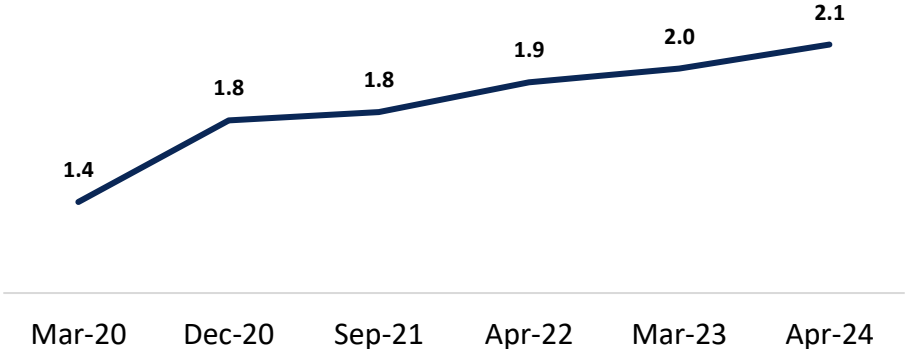
*Results only accounts people who are currently subscribed to at least one streaming platform

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The overall trend in the SVOD Market manifests itself across the different platforms

% subscribers per platform
(available in the household)

Platform values (Apr-24 highlighted):
- Netflix: 52.3%
- Disney+: 24.8%
- Amazon Prime Video: 20.0%
- Streamz (N): 15.4%
- Proximus paying services: 11.5%
- VTM GO+ (N): 7.9%
- Be à la demande (S): 7.1%
- Telenet: 7.0%
- YouTube Premium: 6.5%
- Apple TV+: 5.2%
- Hulu: 2.3%

Legend: ■ Mar-20 ■ Dec-20 ■ Sep-21 ■ Apr-22 ■ Mar-23 ■ Apr-24

On average, subscriptions per platform increase with 30% relative

Netflix reaches an all-time high with 52% of the Belgian population subscribed.

Amazon Prime is the big winner (8%-point increase) and conquers the 3rd spot, surpassing Streamz (15% on region). Amazon has more then doubled subscriptions in the North (11%). BUT, has established itself as the 2nd most popular platform in the South, with 32%, leaving Disney+ behind them (26%).

VTM GO+ has successfully introduced itself in the market, convincing 8% of the Flemish population to subscribe.

*Results on population 18-59 y.o. on active region of the platform

Viewership among the different platforms recovers in line with the general VOD market trends

On average, viewership in the last 2 weeks increased with 13% (rel.)
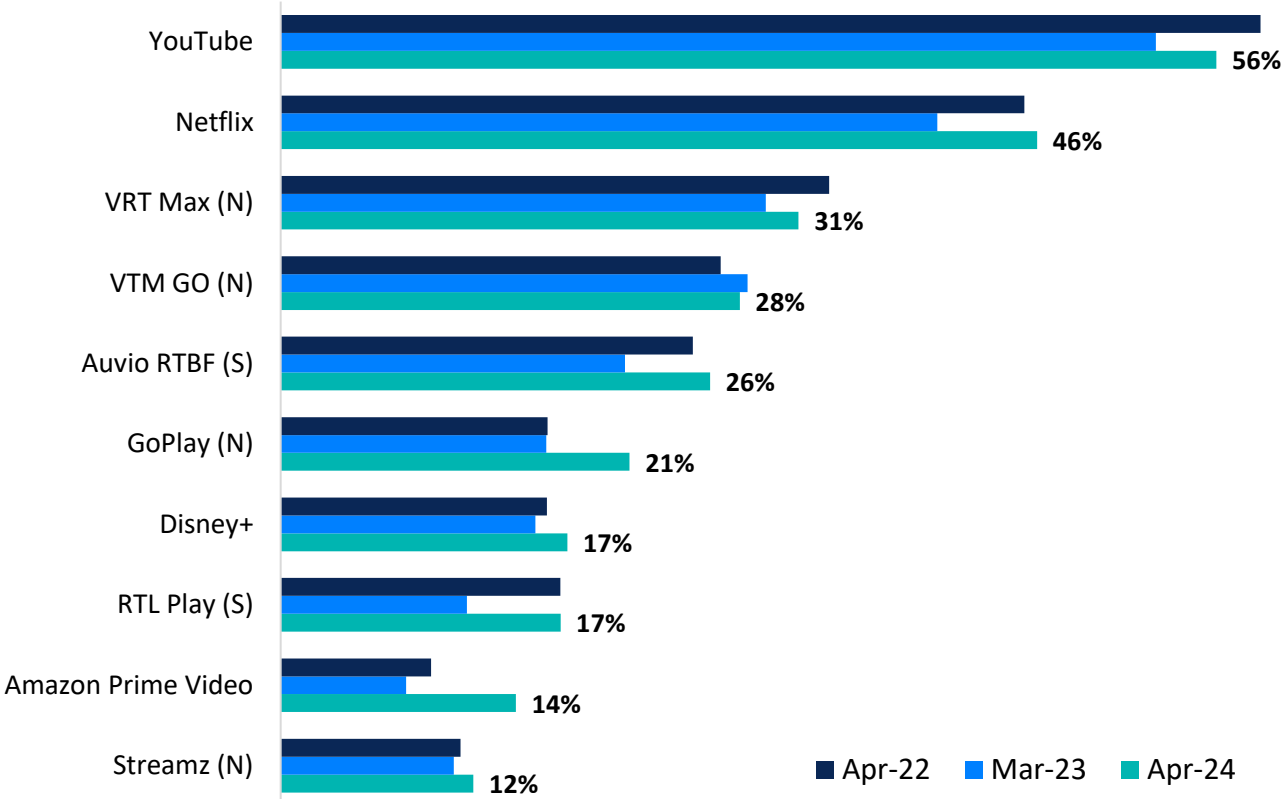
In general, viewership has either recovered to or surpassed its pre-'23 level.

Overall market positions stay the same. In line with subscriptions, Amazon Prime has passed Streamz in viewership (14% vs. 11%).

YouTube remains the top performer for viewership in the last 2 weeks with 56%. Netflix follows with 46% and leads for the SVOD platforms.

However, we should not underestimate the power of seasonality and certain (temporary) shows on viewership.

Viewership in last 2 weeks

Platform	Apr-24
YouTube	56%
Netflix	46%
VRT Max (N)	31%
VTM GO (N)	28%
Auvio RTBF (S)	26%
GoPlay (N)	21%
Disney+	17%
RTL Play (S)	17%
Amazon Prime Video	14%
Streamz (N)	12%

Legend: ■ Apr-22 ■ Mar-23 ■ Apr-24

Booming streaming market is reflected in individual platform performance

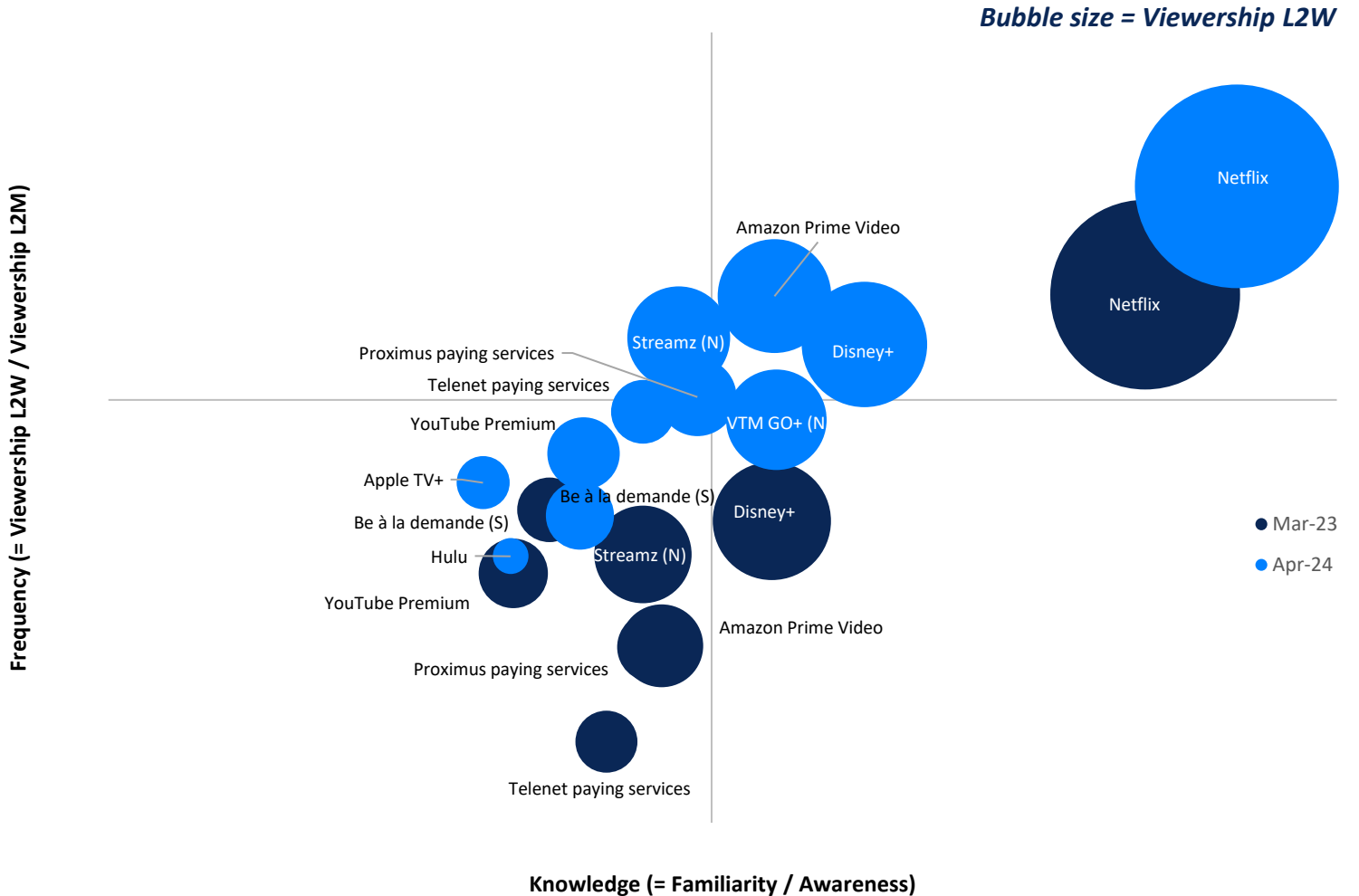*Bubble size = Viewership L2W*

Overall, average platform knowledge and Frequency increase with respectively 4% and 18%-points

Compared to March '23 we notice a general uplift, especially in viewership frequency, indicating an increase in platform usage.

Netflix remains top performer in both knowledge (73%) and frequency (88%).

Amazon Prime continues its strong performance and establishes itself as the platform with the 2nd highest frequency (80%). Disney+ comes 2nd in terms of knowledge (45%).
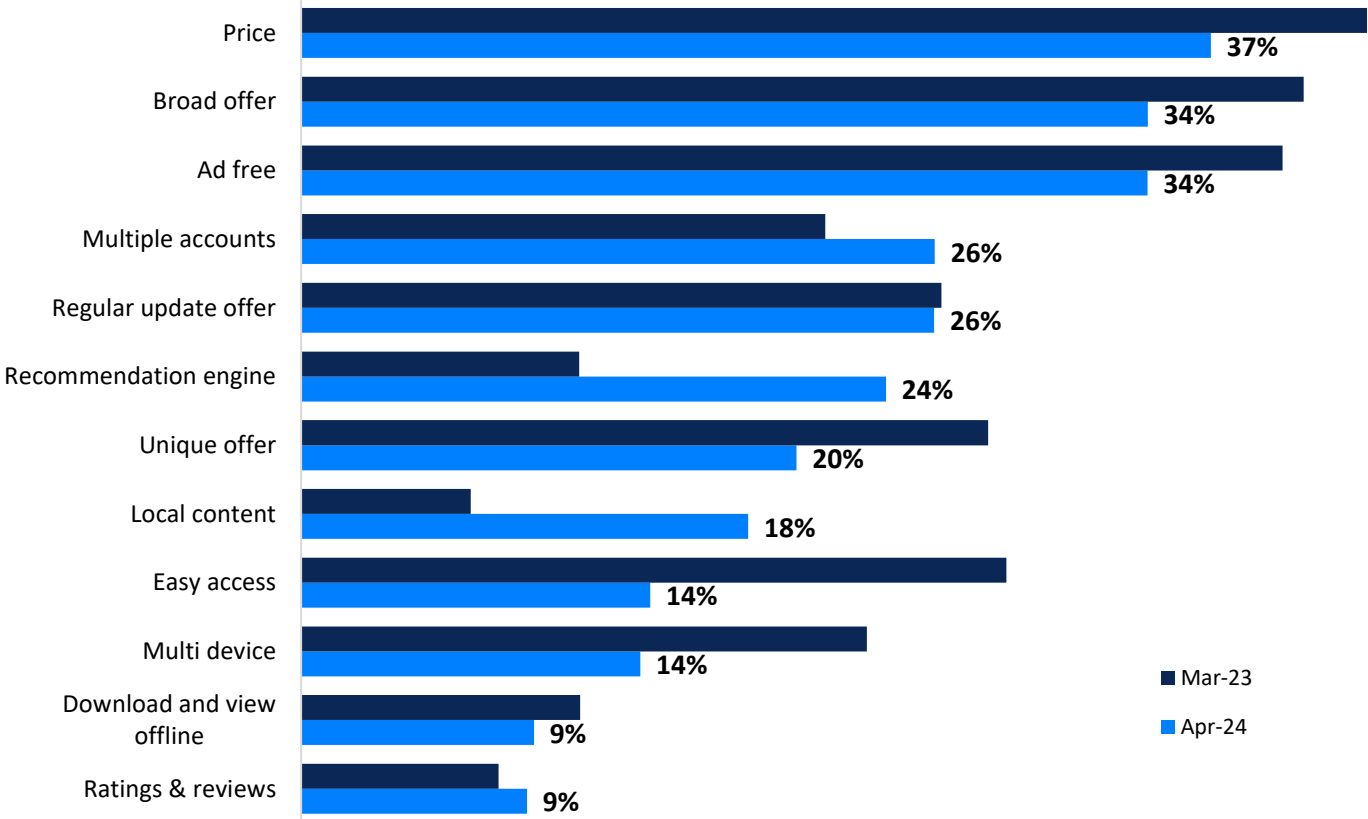
VTM GO+ shows promising results establishing itself in the middle of the pack but misses subscriber frequency (71%).

Frequency (= Viewership L2W / Viewership L2M)

Knowledge (= Familiarity / Awareness)

● Mar-23
● Apr-24

*Results only accounts people who are aware of the platform

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The top 3 drivers for choosing a specific streaming service remain the same

Platform choice indicators

Price **37%**
Broad offer **34%**
Ad free **34%**
Multiple accounts **26%**
Regular update offer **26%**
Recommendation engine **24%**
Unique offer **20%**
Local content **18%**
Easy access **14%**
Multi device **14%**
Download and view offline **9%**
Ratings & reviews **9%**

■ Mar-23
■ Apr-24

Price, broad offer and ad free remain the most important drivers for platform choice

The top 3 loses importance compared to March '23 (average -6%-points).

Local content has the biggest surge in relevance. 18% find it important. Next to the local platforms, this also opens crucial routes for the larger players. (e.g. Undercover on Netflix).

A decent recommendation engine becomes vital in the search for quality content.

Lastly, we also notice an increase in the importance of multiple accounts. Is this a direct consequence of Netflix's anti-password sharing policy?

*Results only accounts people who are subscribed to at least one streaming platform
**Motivations per subscriber. Weighted average based on number of subscribers

30% of the Belgian population have cancelled at least one subscription over the last year

Churn per platform
(Quit subscriptions in last 12 months)

23%
Average (rel.) churn

On average we see a 23% (rel.) churn among the different platforms

Netflix has highest churn rate in the market. 15% of their (ex-)subscribers have cancelled their subscription in the last 12 months.
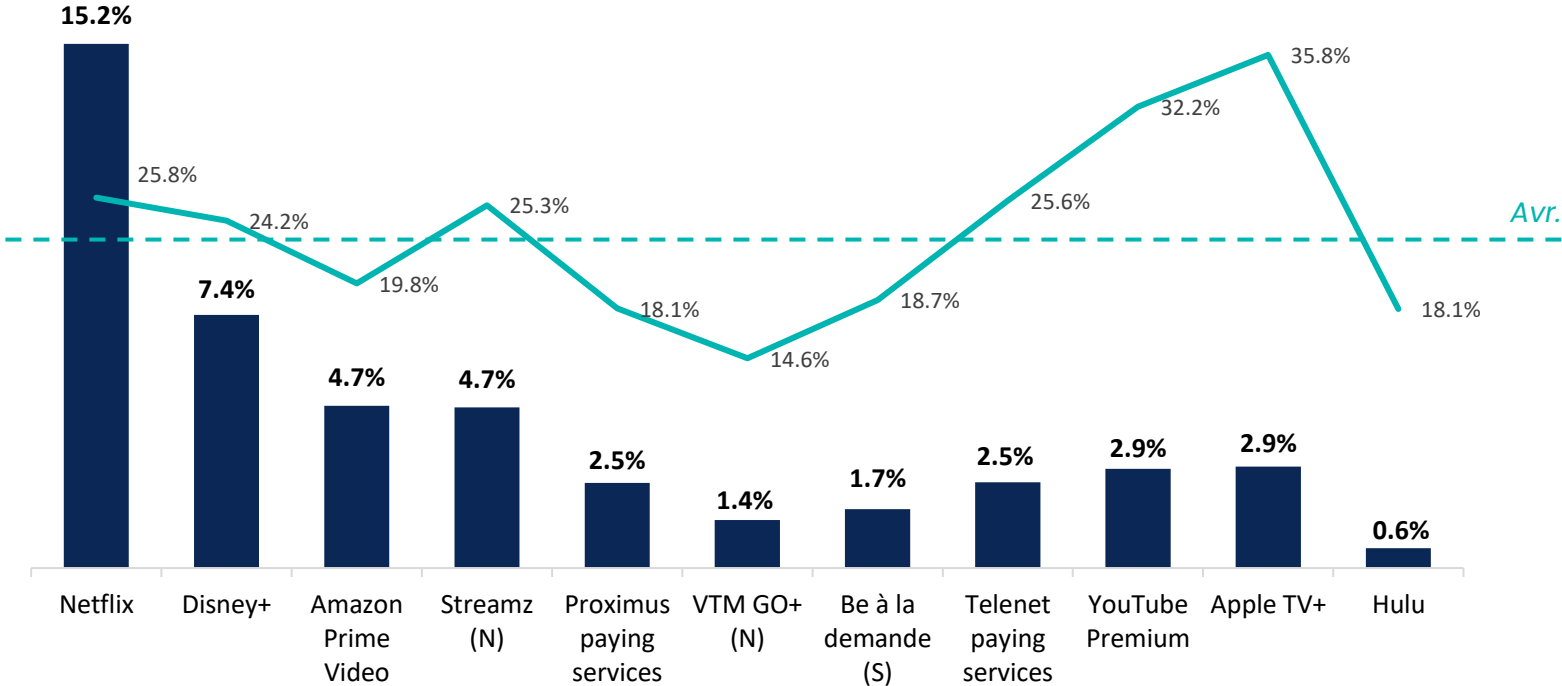
In relative percentages they have the 3rd highest churn rate (26%). Are we seeing the effects of their anti-pirate policy?

Apple TV+ has the highest relative churn with 35.8%, followed by YouTube Premium with 32%.

Churn truly remains the eternal enemy!

Bar values (left to right):
- Netflix: 15.2%
- Disney+: 7.4%
- Amazon Prime Video: 4.7%
- Streamz (N): 4.7%
- Proximus paying services: 2.5%
- VTM GO+ (N): 1.4%
- Be à la demande (S): 1.7%
- Telenet paying services: 2.5%
- YouTube Premium: 2.9%
- Apple TV+: 2.9%
- Hulu: 0.6%

Line values (left to right):
- 25.8%
- 24.2%
- 19.8%
- 25.3%
- 18.1%
- 14.6%
- 18.7%
- 25.6%
- 32.2%
- 35.8%
- 18.1%
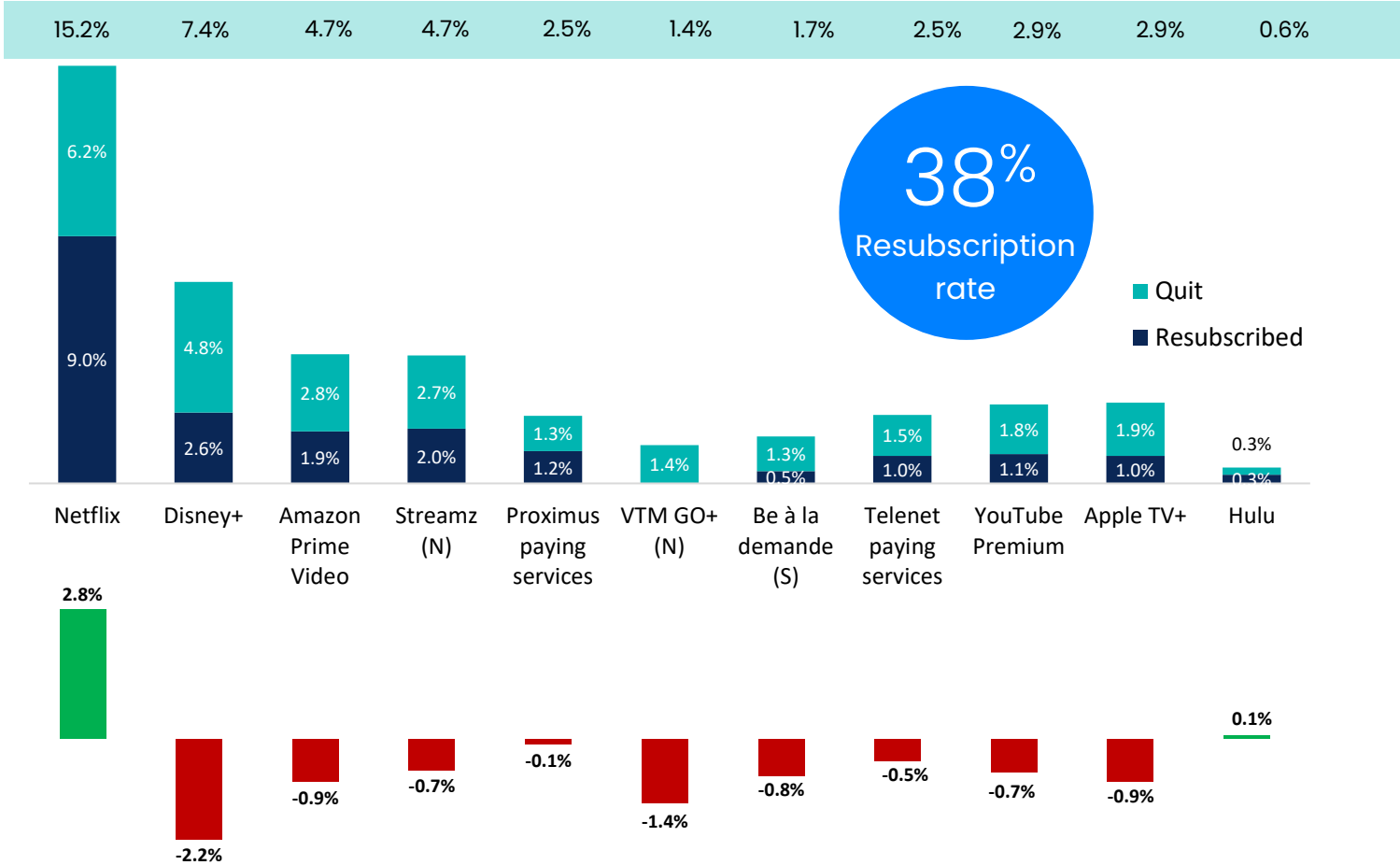
Avr.

*Results on population 18-59 y.o. on active region of the platform

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Nomadic viewership seems to enter the Belgian SVOD market

Churn per platform
(Split per type and net churn)

	Netflix	Disney+	Amazon Prime Video	Streamz (N)	Proximus paying services	VTM GO+ (N)	Be à la demande (S)	Telenet paying services	YouTube Premium	Apple TV+	Hulu
Absolute churn rate per platform	15.2%	7.4%	4.7%	4.7%	2.5%	1.4%	1.7%	2.5%	2.9%	2.9%	0.6%
Quit	6.2%	4.8%	2.8%	2.7%	1.3%	1.4%	1.3%	1.5%	1.8%	1.9%	0.3%
Resubscribed	9.0%	2.6%	1.9%	2.0%	1.2%		0.5%	1.0%	1.1%	1.0%	0.3%
Net churn	2.8%	-2.2%	-0.9%	-0.7%	-0.1%	-1.4%	-0.8%	-0.5%	-0.7%	-0.9%	0.1%

38% Resubscription rate

38% of the churners have already resubscribed after a couple of months

Netflix even regained 59% of the subscribers who quit the platform in the last year. Netflix, the one that got away?
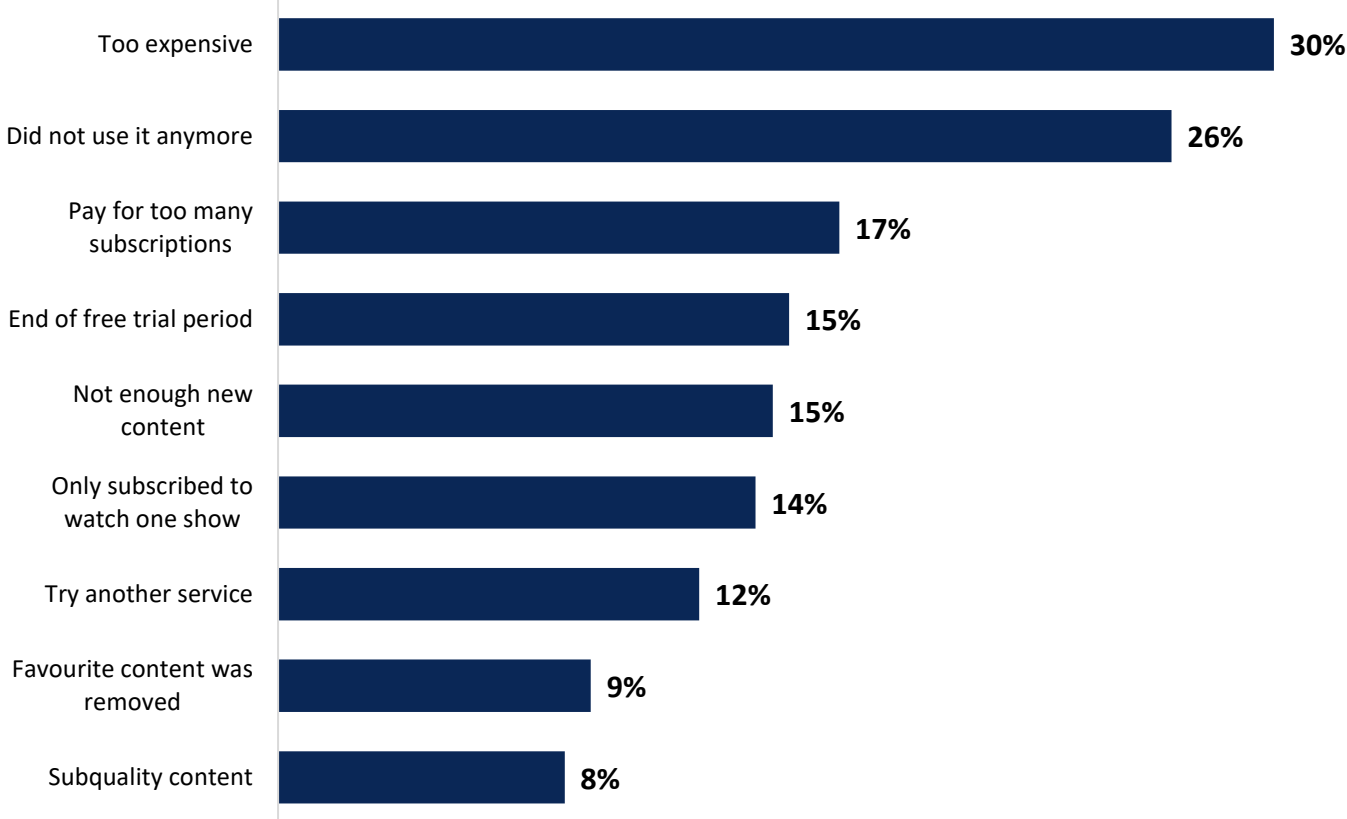
Together with Hulu it is the only platform that regained more subscribers than they lost (respectively 2.8% & 0.1%).

Out of the big 4 platforms, Disney+ finds itself in the most troubled waters (-2.2% net churn).

*Results on population 18-59 y.o. on active region of the platform

Price plays a prominent role in reasons to cancel subscriptions

Platform churn indicators

Reason	Percentage
Too expensive	30%
Did not use it anymore	26%
Pay for too many subscriptions	17%
End of free trial period	15%
Not enough new content	15%
Only subscribed to watch one show	14%
Try another service	12%
Favourite content was removed	9%
Subquality content	8%

30% cancelled their subscription because it was too expensive

Similar to the reasons to subscribe, price plays the most important role here. It seems substantially more important than content.

"Not used enough" and "pay for too many subscriptions" close the top 3, with respectively 26% and 17%.

Interestingly, 14% cancelled because they only wanted to watch one show and for 15% it was due to the end of their free trial.

This could be an indication of increased switching behaviour because of the ease of which people are able to switch between platforms.

*Results only accounts people who cancelled their subscription to at least one platform in the last 12 months
**Motivations per subscriber. Weighted average based on number of subscribers

Platforms have different strengths but also weaknesses

Churn indicators per platform

Every platform faces its own distinctive problems

For Netflix, the main reason seems to be that the platform has become too expensive. Is the solution here an AVOD offer? And will their announced price increase cost them dearly?

Disney+ is faced with a problem of relevance, since most of the quitters indicate they did not use it anymore.

For Amazon prime most people quit the platform due to the end of their free trial or because they wanted to try another service.

Streamz might have to look at its content. People quit the platform after seeing one specific show. The price might also be too high for the content offered.

Netflix

Disney+

Amazon
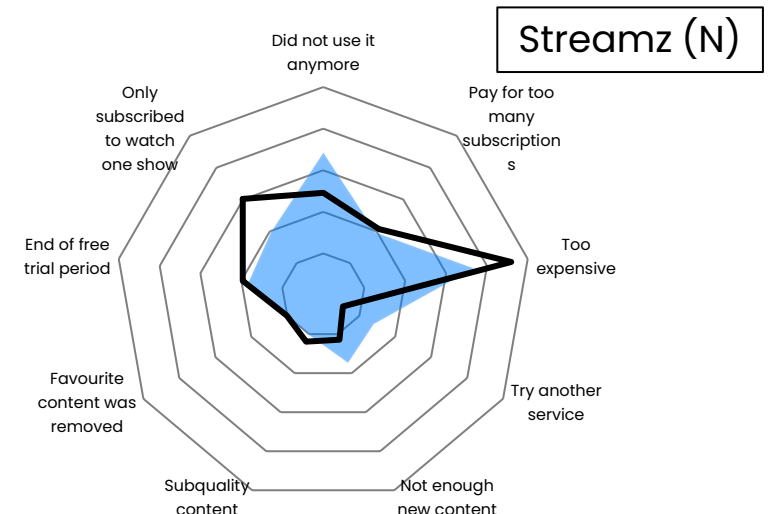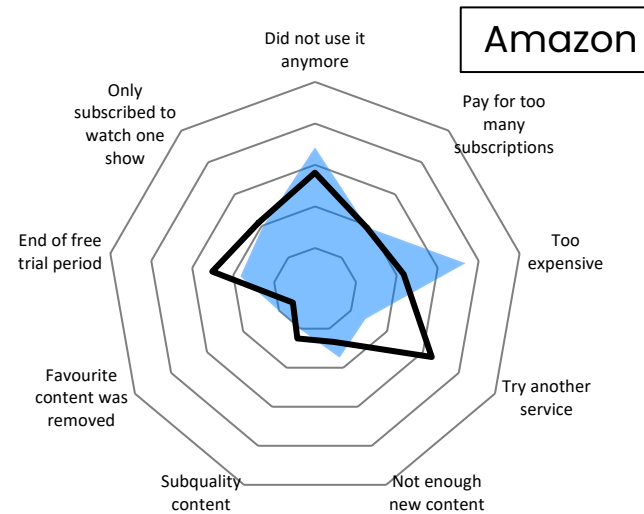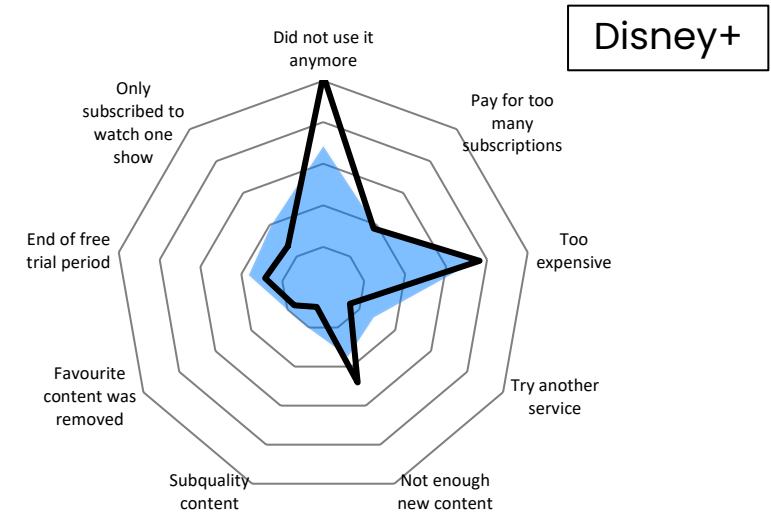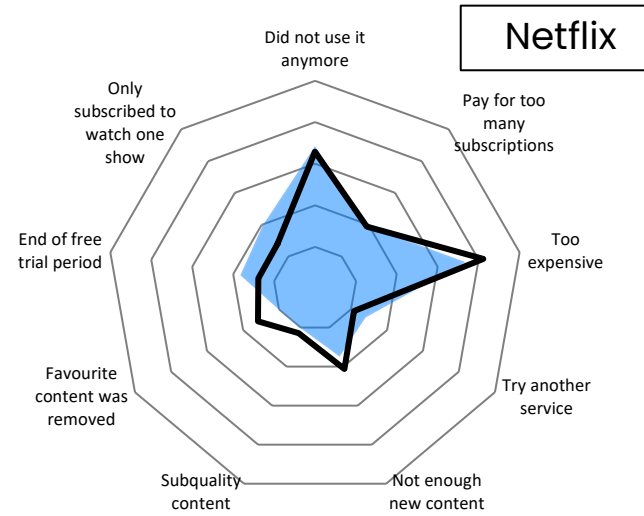
Streamz (N)

*Results only accounts people who cancelled their subscription to the respective streaming platform

**Motivations per subscriber. Weighted average based on number of subscribers

13

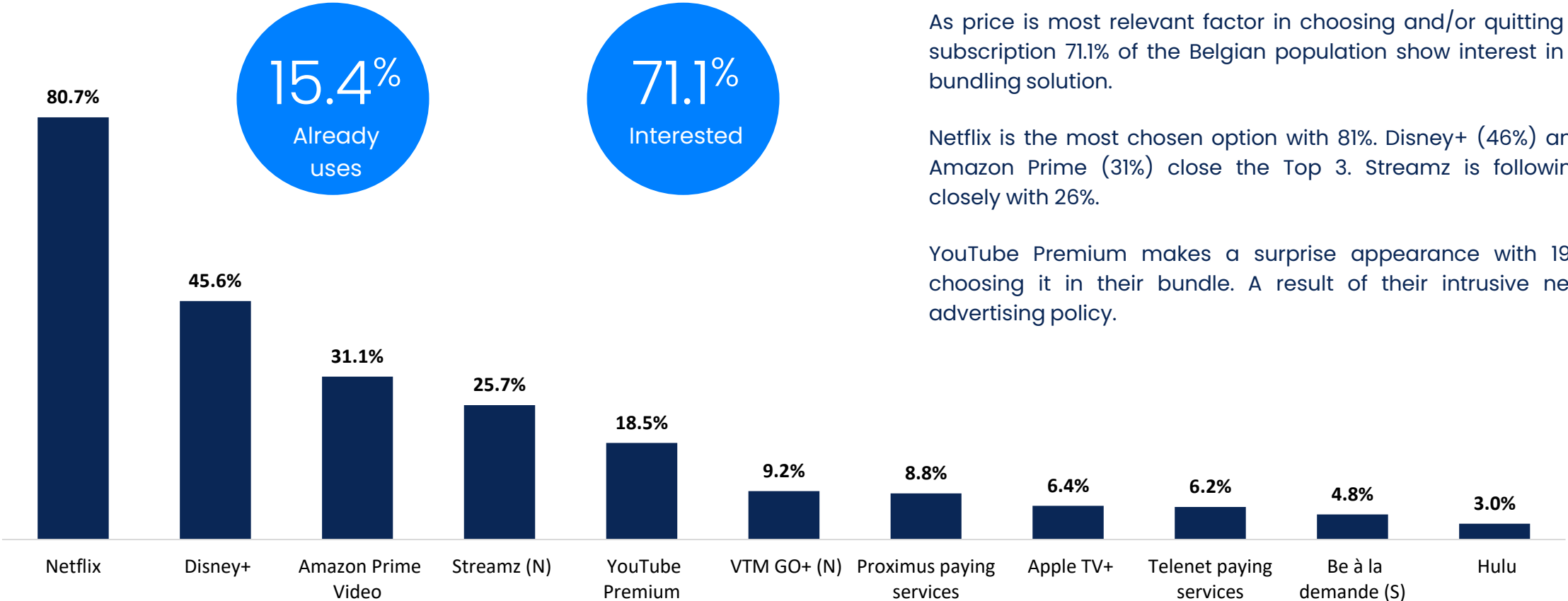# 71.1% of the Belgians have expressed their interest in this form of subscribing

Bundle interest per platform

15.4% Already uses

71.1% Interested

15% of the Belgian population has already subscribed to streaming services via bundles

As price is most relevant factor in choosing and/or quitting a subscription 71.1% of the Belgian population show interest in a bundling solution.

Netflix is the most chosen option with 81%. Disney+ (46%) and Amazon Prime (31%) close the Top 3. Streamz is following closely with 26%.

YouTube Premium makes a surprise appearance with 19% choosing it in their bundle. A result of their intrusive new advertising policy.

Platform	Value
Netflix	80.7%
Disney+	45.6%
Amazon Prime Video	31.1%
Streamz (N)	25.7%
YouTube Premium	18.5%
VTM GO+ (N)	9.2%
Proximus paying services	8.8%
Apple TV+	6.4%
Telenet paying services	6.2%
Be à la demande (S)	4.8%
Hulu	3.0%

*Results on filtered on people open to a bundling solution

Which bundles are the most desired?

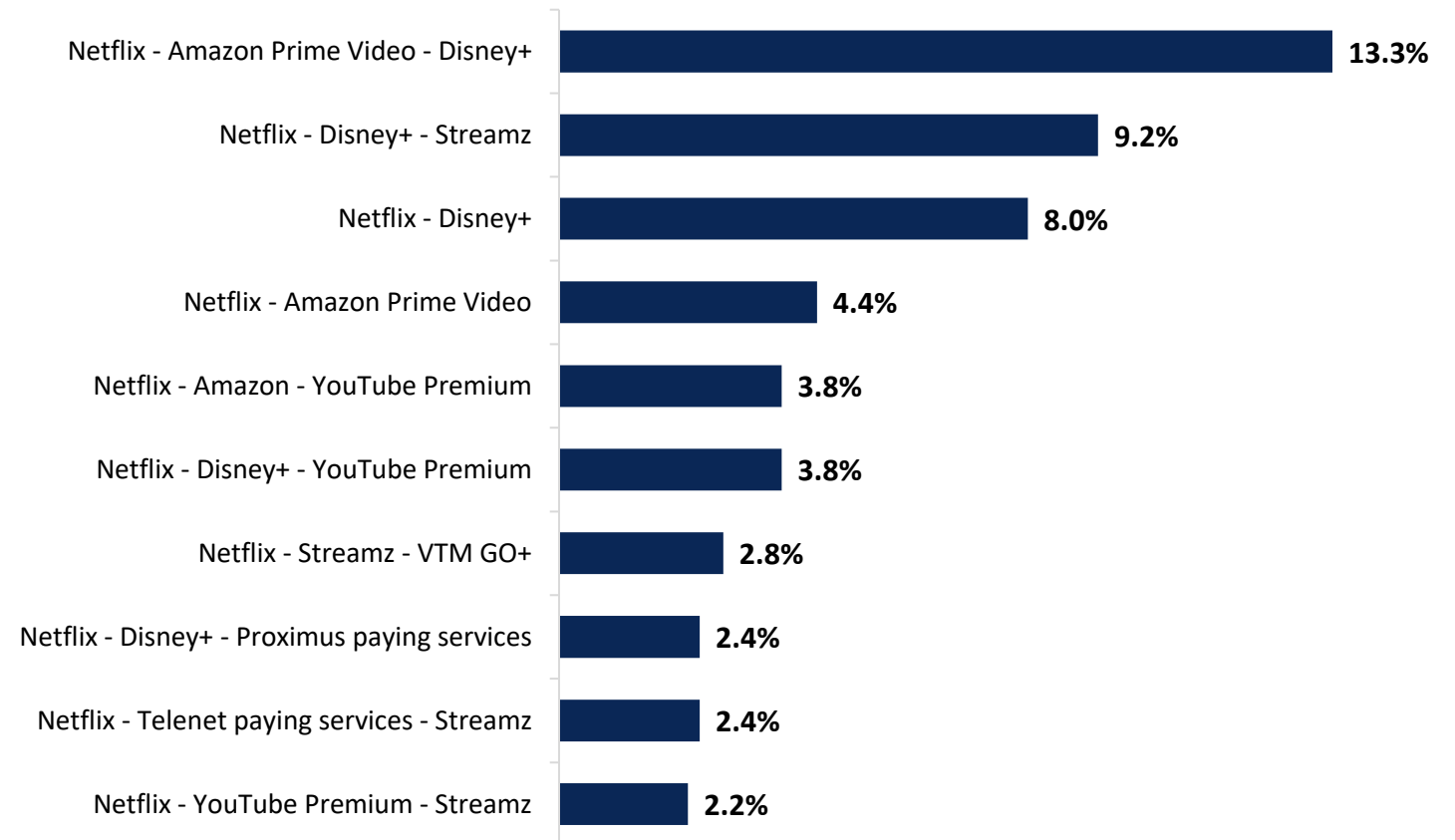**72 different bundles were compiled, indicating there is not one "correct" bundle to offer**

The most desired bundle contains "the big three", Netflix, Amazon Prime & Disney+. 13% of those interested in bundling would want this combination. The top 3 accounts for 30% and the top 10 for a little over 50% of the different choices.

Netflix shows its dominance once more as it finds itself in 56% of all the bundles compiled. Focusing on the top 10, it is in each of them.

YouTube Premium is chosen in 31% of the different bundle combinations, Disney+ in 28% and Amazon Prime & Streamz both in 26% of the options.
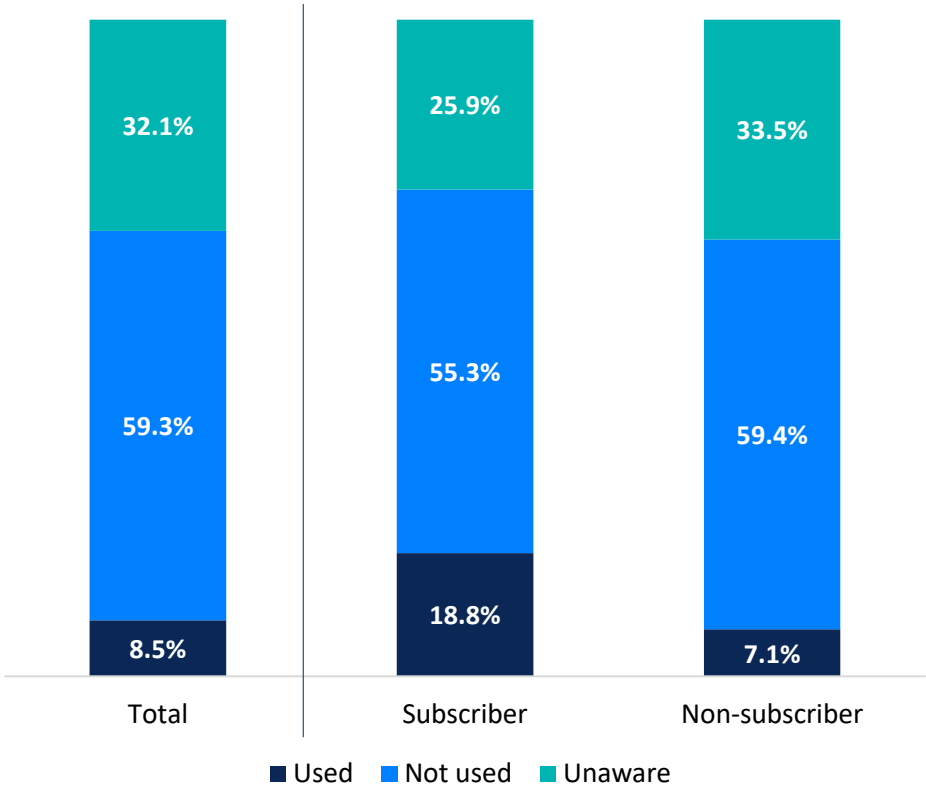
In 5 options out of the top 10, we find a local platform making its way into the bundle. Once more indicating the desire for local content.

Top 10 most popular bundle choices

Bundle	%
Netflix - Amazon Prime Video - Disney+	13.3%
Netflix - Disney+ - Streamz	9.2%
Netflix - Disney+	8.0%
Netflix - Amazon Prime Video	4.4%
Netflix - Amazon - YouTube Premium	3.8%
Netflix - Disney+ - YouTube Premium	3.8%
Netflix - Streamz - VTM GO+	2.8%
Netflix - Disney+ - Proximus paying services	2.4%
Netflix - Telenet paying services - Streamz	2.4%
Netflix - YouTube Premium - Streamz	2.2%

*Results on filtered on people open to a bundling solution

Free Streamz teasers on GoPlay are not (yet) directing traffic to the platform

Free Streamz teasers on GoPlay BVOD platform

	Total	Subscriber	Non-subscriber
Unaware	32.1%	25.9%	33.5%
Not used	59.3%	55.3%	59.4%
Used	8.5%	18.8%	7.1%

■ Used ■ Not used ■ Unaware

8.5% of the Dutch speaking population have already used the free teasers on the GoPlay platform

Out of those who know this is a possibility only 12.5% (rel.) have used this option. The majority of them 59.3% (87.5% rel.) have not used this yet.

Zooming in on the Streamz subscribers 19% have already used this feature. Out of those who are not (yet) subscribed only 7% have used it.

However, around 1 in 3 of the Dutch speaking population does not know that this feature exists on the GoPlay website.

*Results on Dutch speaking population 18-59 y.o.

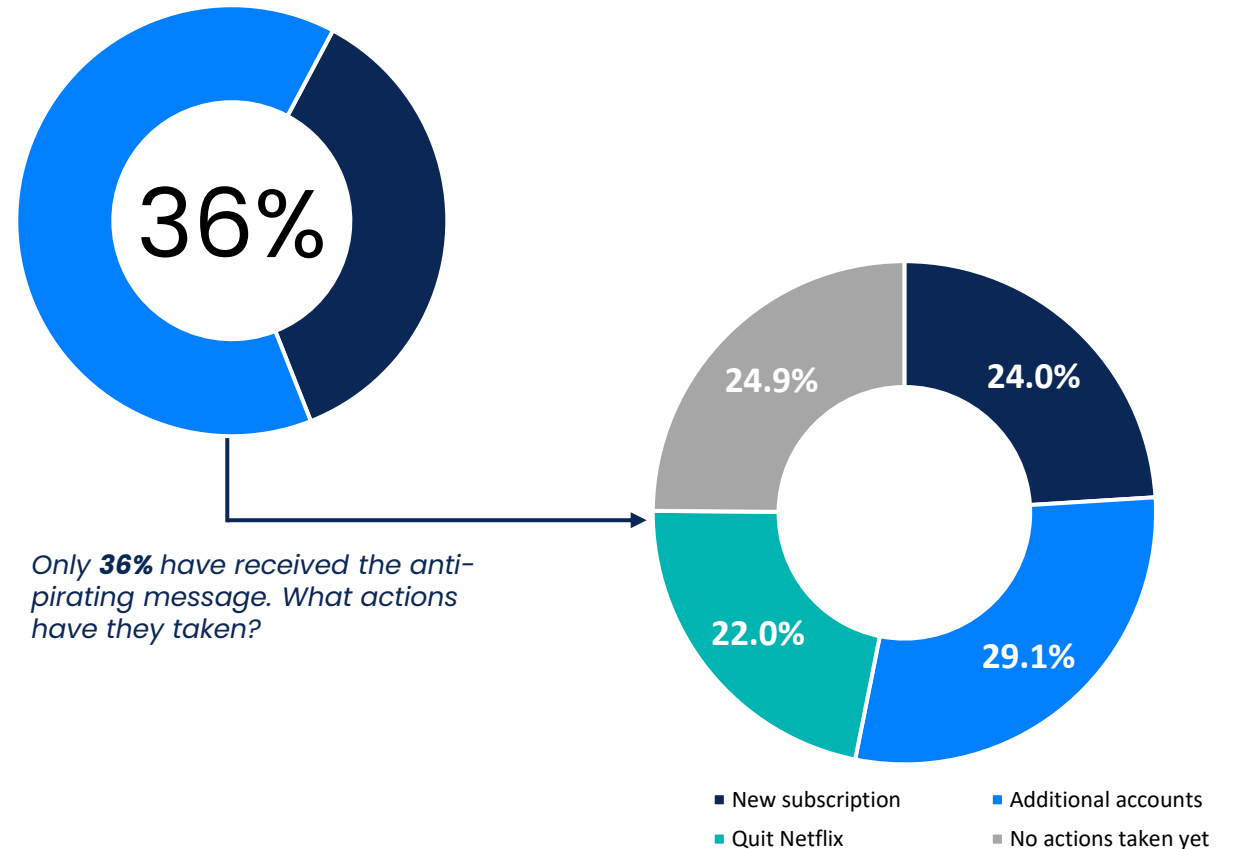# Netflix reaps the benefits from their fight against rogue viewership

36% of the Belgian Netflix subscribers have received Netflix's anti-password sharing message

Among those, Netflix gained 2% subscribers by ending subscription sharing.

24% took up its own subscription, while "only"' 22% decided not to use the platform anymore.

Additionally, 29% (majority) decided to pay the surplus for additional accounts, meaning even more income for Netflix.

Finally, 25% remain undecided.

Netflix anti-password sharing effects

36%

*Only **36%** have received the anti-pirating message. What actions have they taken?*

24.9% 24.0%

22.0% 29.1%

- New subscription
- Additional accounts
- Quit Netflix
- No actions taken yet

*Results filtered on people who ever had a Netflix subscription and have received the anti-piracy message

Will the introduction of HBO Max potentially cannibalise on Streamz subscribers?

Subscription interest (HBO) MAX

5.7%
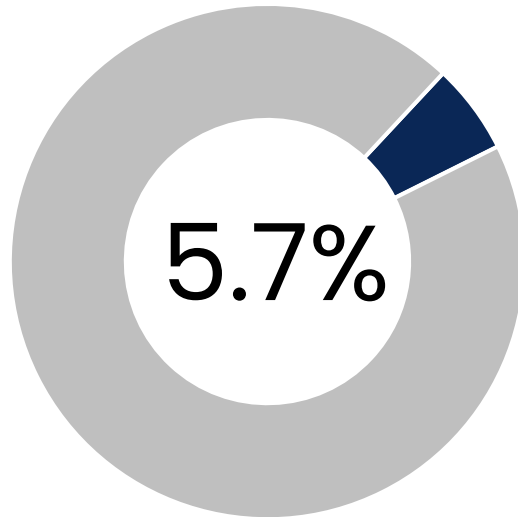
Subscription interest (HBO) MAX
(Filtered on Dutch speaking population)

5.8%
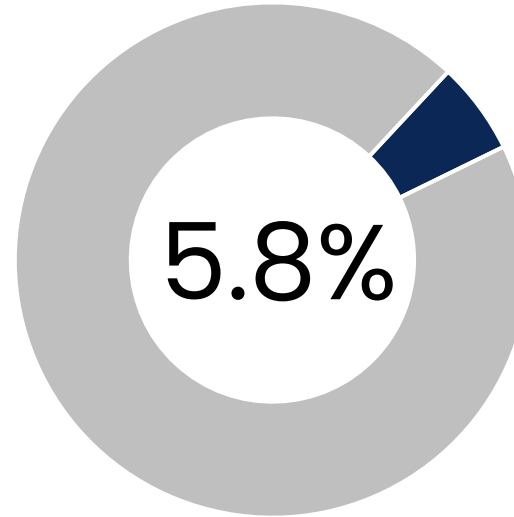
Subscription interest (HBO) MAX (rel.)
(Filtered on Streamz subscribers)

12.6%
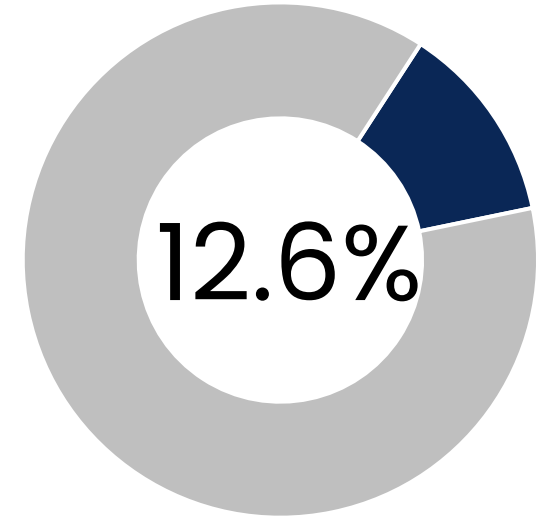
5.7% of the Belgian population indicate they would be interested in an HBO Max subscription

Zooming in on the Streamz subscribers the potential impact remains rather low. 12.6% of the current Streamz subscribers (1.9% Net) have expressed their interest for the platform. These are already familiar with the HBO content. The remaining 3.9% in the North are recruited from the outside.

Is this a consequence of the increased desire for local content?

*Results on population 18-59 y.o.

Will these wide range of measures have an impact on future movements in the market?

Future predictions per platform

Bubble size = Subscriber %

Netflix remains the clear stronghold with the best loyalty and attraction
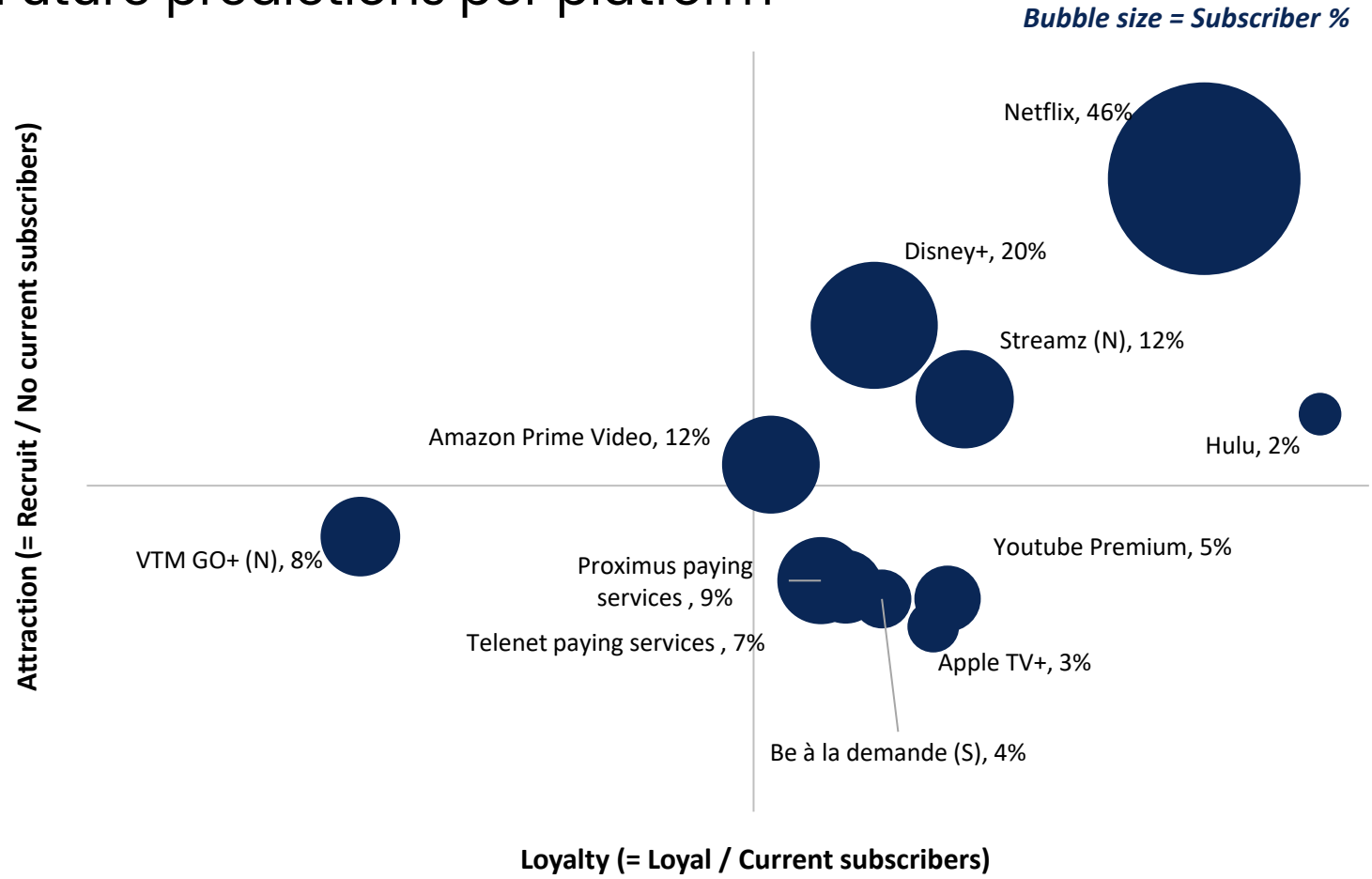
From the top 4, Streamz equally shows good prospects when it comes to loyalty (84%) but should not lose focus of attraction.

On the contrary, Disney+ shows high attraction (22%), but runs a little behind on loyalty.

Amazon Prime Video finds itself just above the average for both loyalty and attraction.
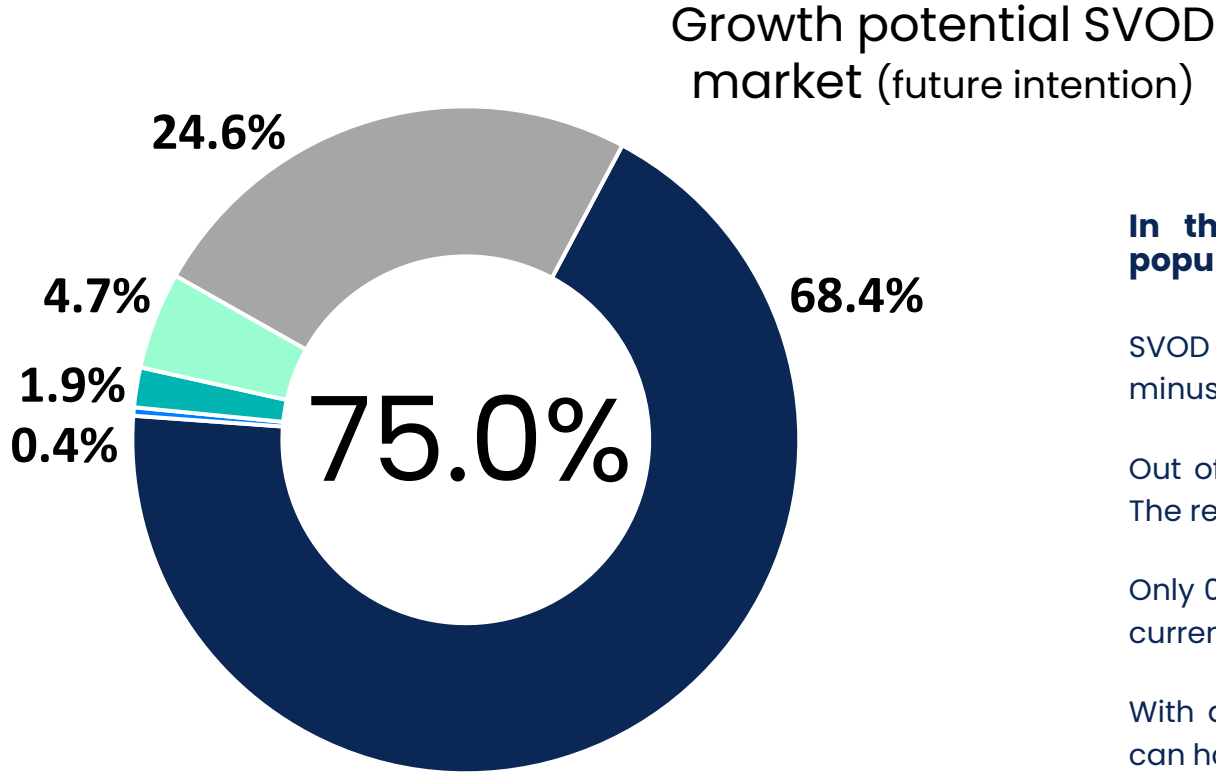
As a new platform entering the market, VTM GO+ finds itself just below average for attraction (63%) but should put a clear focus on loyalty (23%).

Attraction (= Recruit / No current subscribers)

Netflix, 46%

Disney+, 20%

Streamz (N), 12%

Amazon Prime Video, 12%

Hulu, 2%

VTM GO+ (N), 8%

Youtube Premium, 5%

Proximus paying services , 9%

Telenet paying services , 7%

Apple TV+, 3%

Be à la demande (S), 4%

Loyalty (= Loyal / Current subscribers)

*Results only accounts people who are aware of the platform

In general, the SVOD market could grow to every 3 out of 4 Belgians having at least one subscription

Growth potential SVOD market (future intention)

24.6%
4.7%
1.9%
0.4%
68.4%
75.0%

- ■ Core subscribers
- ■ Potential new subscribers - Likely
- ■ No Subscriber
- ■ Potential quitters
- ■ Potential new subscribers - Possibly

In the (near) future, we predict that 75% of the Belgian population could have at least one streaming subscription

SVOD net growth potential of 6.2%- points, this is 6.6%-point newcomers minus 0.4%-point potential quitters.

Out of the 6.6% potential newcomers 1.9% (29%) are very likely to act. The remaining 4.7% are still experiencing some doubts.

Only 0.4% of the current subscribers indicate their intention to stop their current subscription(s).

With an average prediction success of 98%. Although external effects can have significant influences (i.e. recession of '23).

Are we silently creeping towards an 80% penetration just as in the US? Find out next wave!

*Results on population 18-59 y.o.

Conclusions

1. **Paid streaming reached an all-time high after last year's recession**
   The amount of Belgians with at least one subscription has recovered and increased to 69%, a 9.2%-point uplift compared to last edition in March '23. The average # of subscriptions per HH slightly increases to 2.1. 58% of subscribers have multiple subscriptions.

2. **Strong increase in subscribers for each of the platforms**
   On average, streaming platforms subscriptions increase with 30% relative. Netflix remains top platform, with 52%. Amazon Prime Video (20%) surpasses Streamz (15%) and takes 3rd spot . VTM GO+ establishes itself in the middle of the pack with 8% subscribed in the North.

3. **Viewership of the different platforms recovers to April '22 level**
   In general, we encounter a 13% relative increase in viewership in the last 2 weeks. Amazon Prime Video rises on spot and surpasses Streamz. Otherwise, all market positions stay the same.

4. **1 in 3 Belgians has given up at least one subscription in the last 12 months**
   On average, we see a 23% (rel.) churn among the different platforms. Netflix has the highest absolute churn rate (15%). However, more than half of them have now returned to the platform. Nomadic viewership seems to enter the Belgian Market. Price (30%) is the biggest reason for people to end subscriptions.

5. **Is bundling a good solution to counter the (high) churn rates?**
   71% are interested in combining several subscriptions into one bundle to reduce the price. Next to that, 15% of the Belgian population have already used bundles. Netflix is the most popular platform to bundle with. It appears in 56% of the chosen bundles and in all combinations of the top 10. YouTube Premium is surprisingly chosen second.

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Thank You!

QUESTIONS?

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