



CTAM

TVE TRACKING:
NOVEMBER
2017 RESULTS



Current Wave: We surveyed 3,491 MVPD subscribers on a continuous basis throughout each month, during February 2017 and then from June 2017 to October 2017

- All respondents are age 18-74, and watch at least 5 hours of TV per week
- The sample included a range of TV Everywhere users*

(weighted to their proper proportions in the consumer population)

Non-users:

Interviews
Completed

390

Light TVE Users

(once per month or less)

583

Moderate TVE Users

(weekly or several times per month)

943

Heavy TVE Users

(daily or several times per week)

1,575

* CHANGE IN DEFINITION OF TVE USER:

In earlier waves of the TVE tracker, TVE users were defined as respondents who confirmed that they had entered their MVPD username and password on a TVE source at least once. This approach was used to differentiate those who had accessed TV content from a TVE source requiring authentication from a source that did not require authentication. Given that virtually all TVE sources now require login, and given that many MVPDs provide auto sign-on, we no longer asked respondents whether they had authenticated.

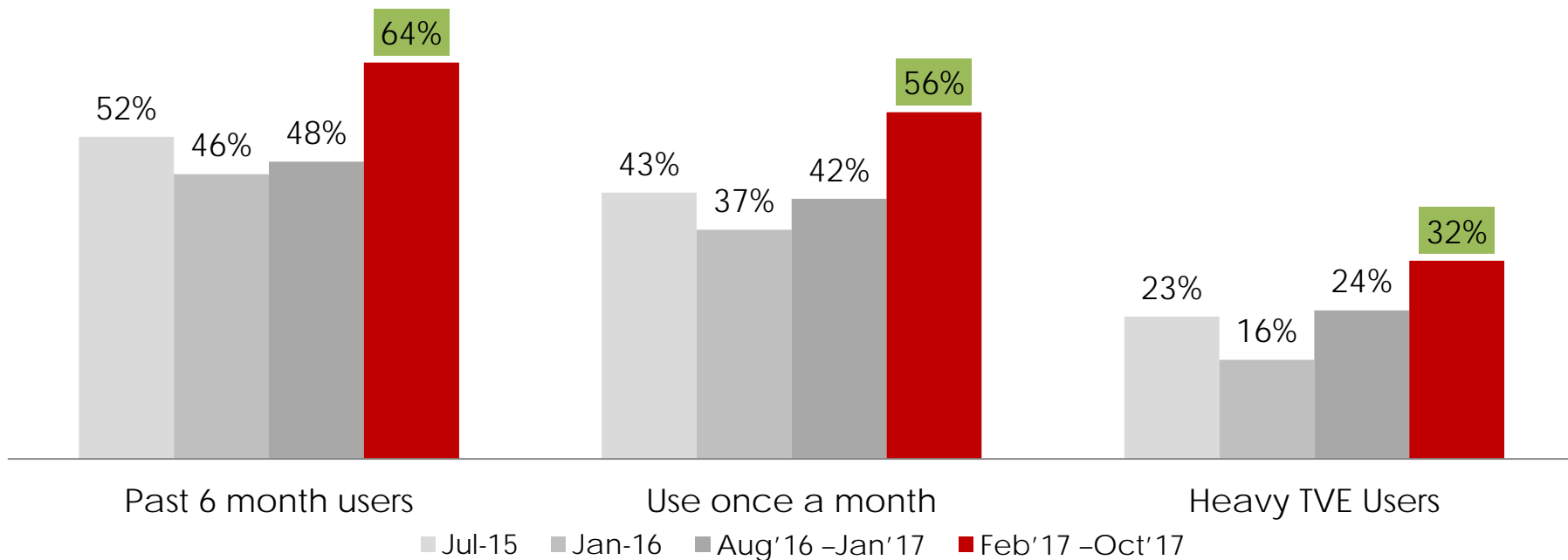


Highlights

TVE Use, Auto Authentication, Path to Viewing, and Permitted Password Use

This wave sees significant boosts in the proportions of MVPD subs qualifying as TVE users overall, once-a-month users, and heavy users

Age 18-64: MVPD SUBS TVE USE



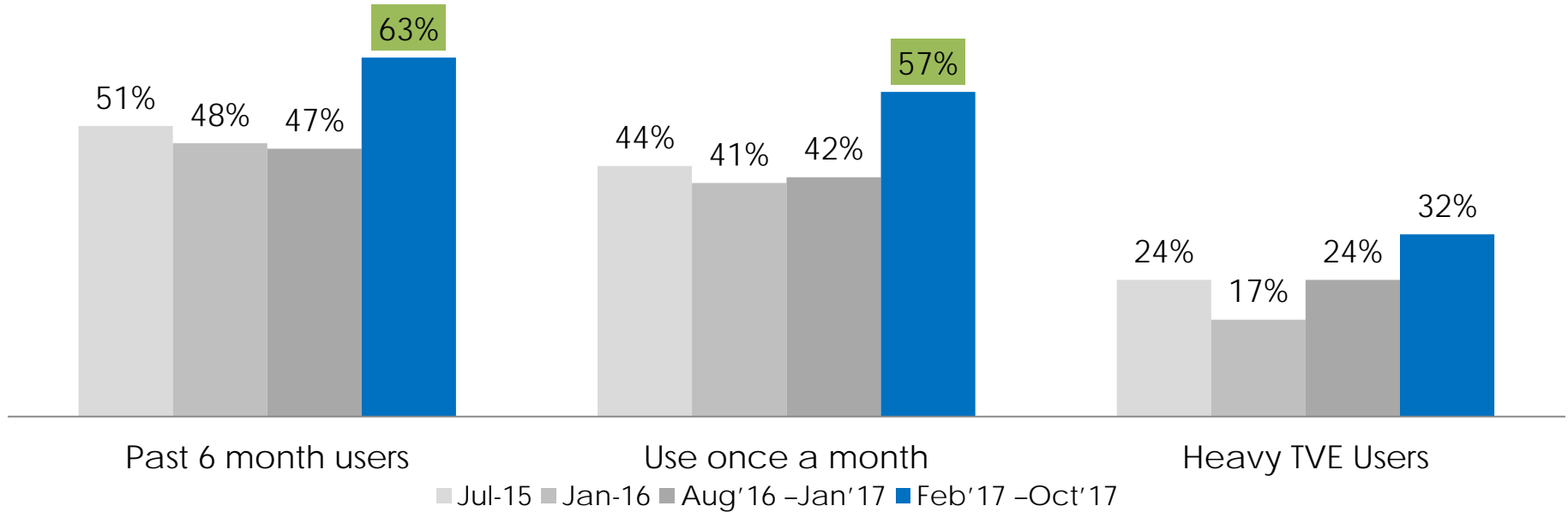
Heavy TVE users = Uses TVE once a day or several times a week

Significantly higher than previous wave

Significantly lower than previous wave

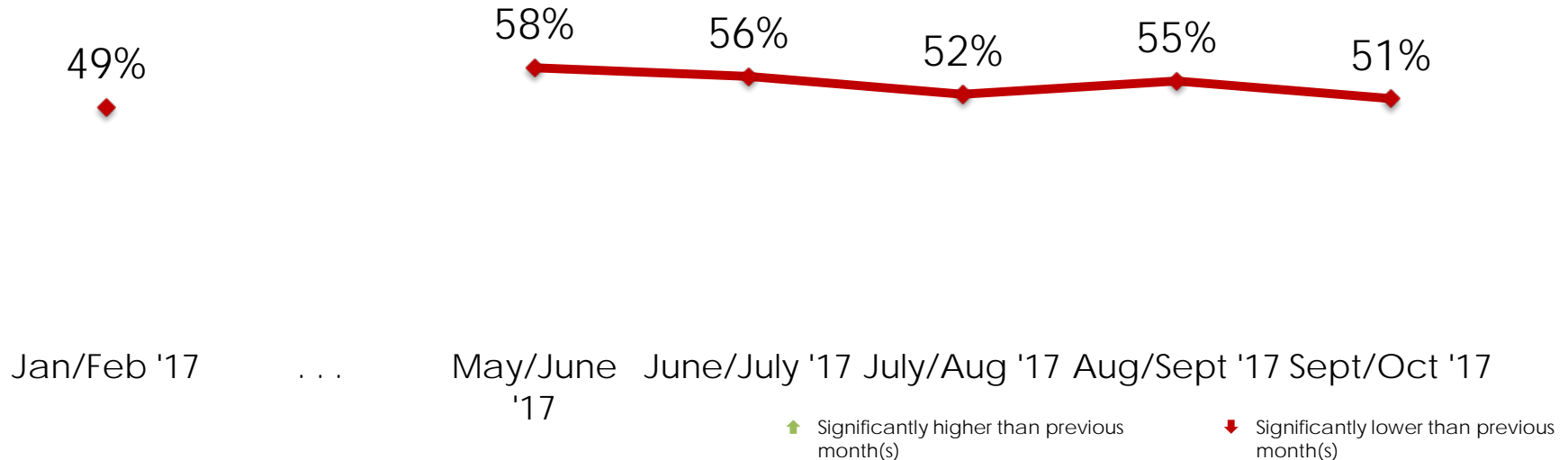
The proportions and increases are nearly identical for cable subs as for MVPD subs

Age 18-64: CABLE SUBS TVE USE



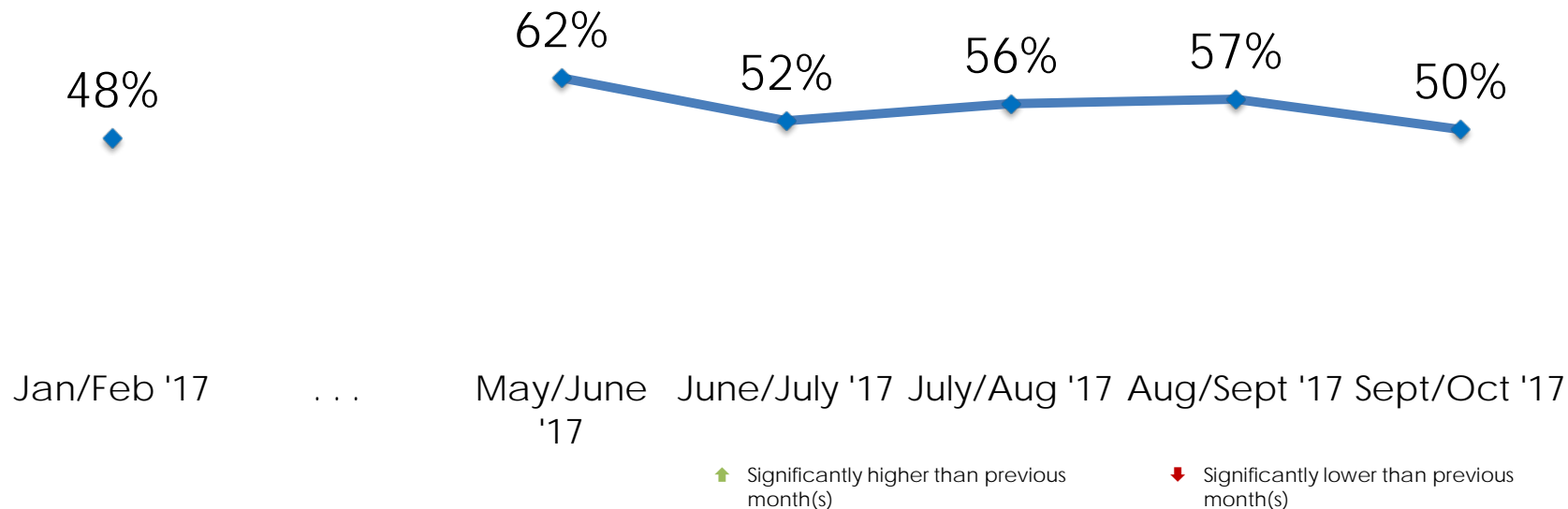
Among MVPD subs, past-month TVE use peaked in late spring/early summer and increased again in August and September

Age 18-64: MVPD SUBS PAST MONTH TVE USE



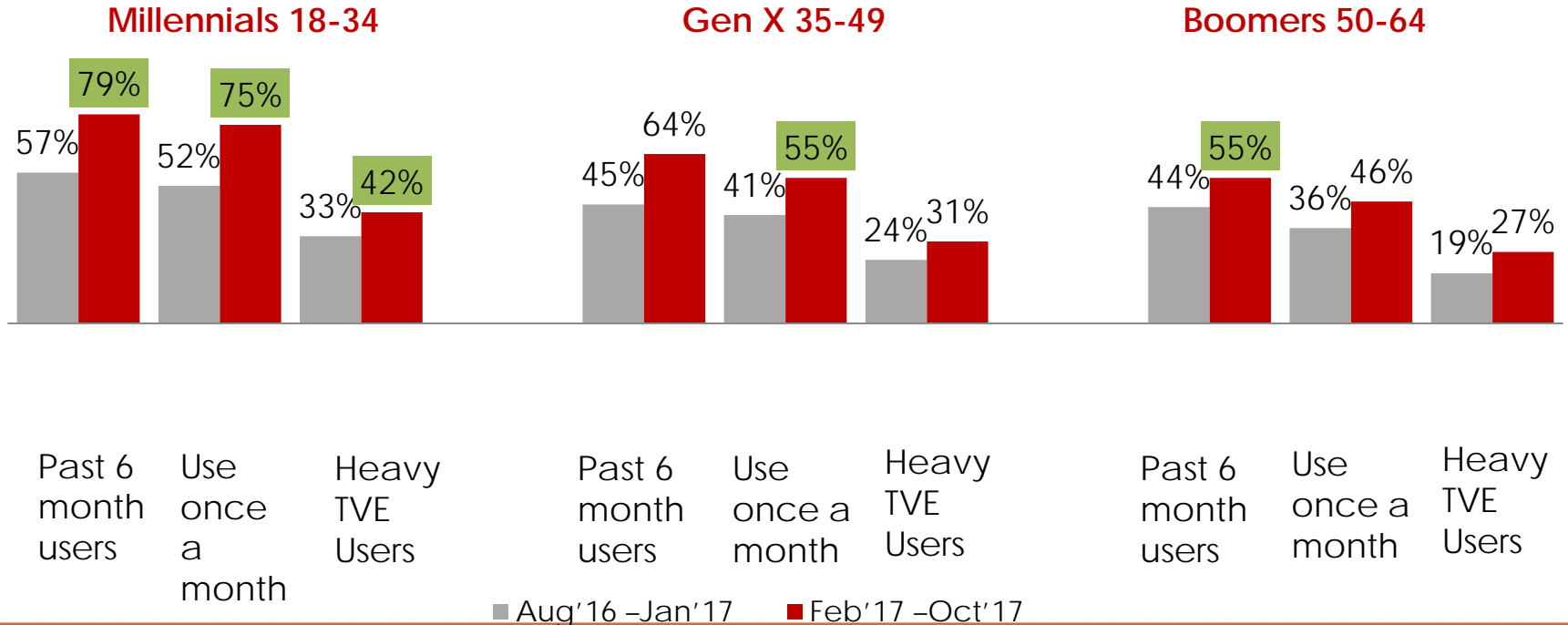
The month-to-month pattern is similar for cable subscribers, with TVE use highest in May/June and in August/September

Age 18-64: CABLE SUBS PAST-MONTH TVE USE



TVE use among Millennial MVPD subs has increased substantially since last wave; use among other segments has increased at least directionally

Age 18-64: MVPD SUBS TVE USE



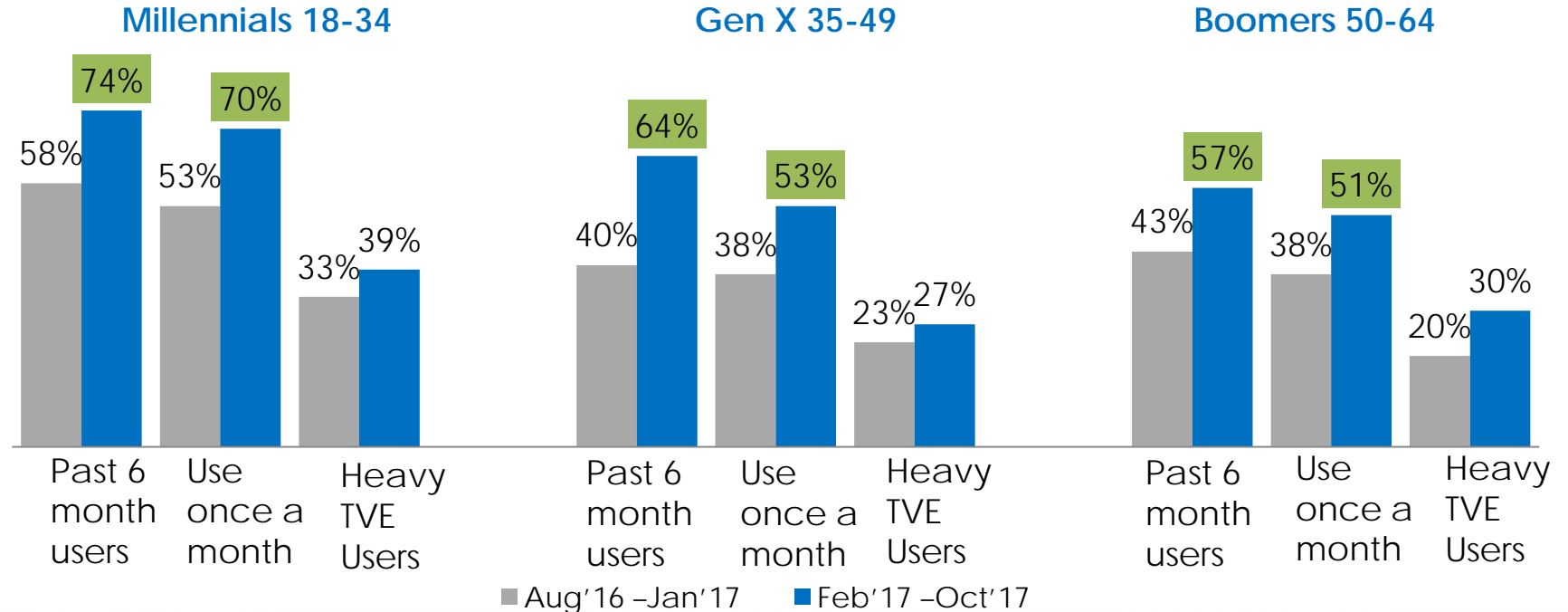
Heavy TVE users = Uses TVE once a day or several times a week

Significantly higher than previous wave

Significantly lower than previous wave

Past-six-month and past-month TVE use are both significantly higher vs. last wave for each cable sub age group

Age 18-64: CABLE SUBS TVE USE



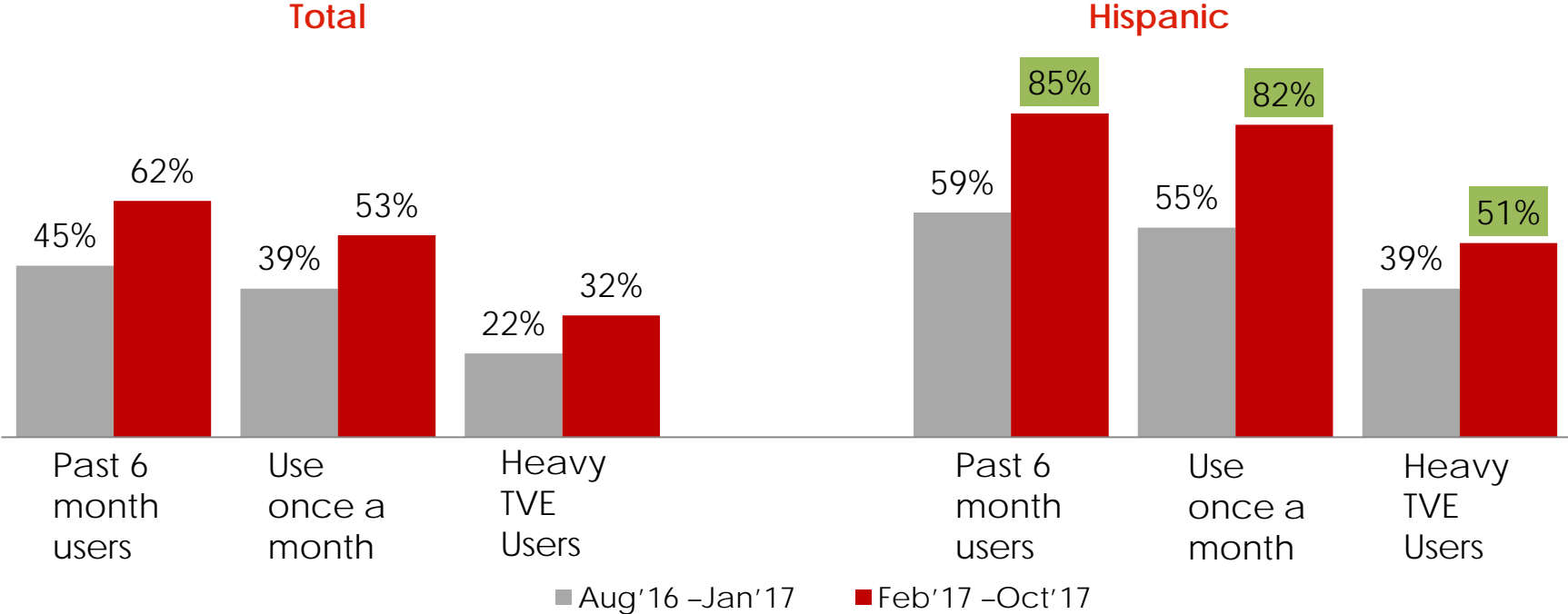
Heavy TVE users = Uses TVE once a day or several times a week

Significantly higher than previous wave

Significantly lower than previous wave

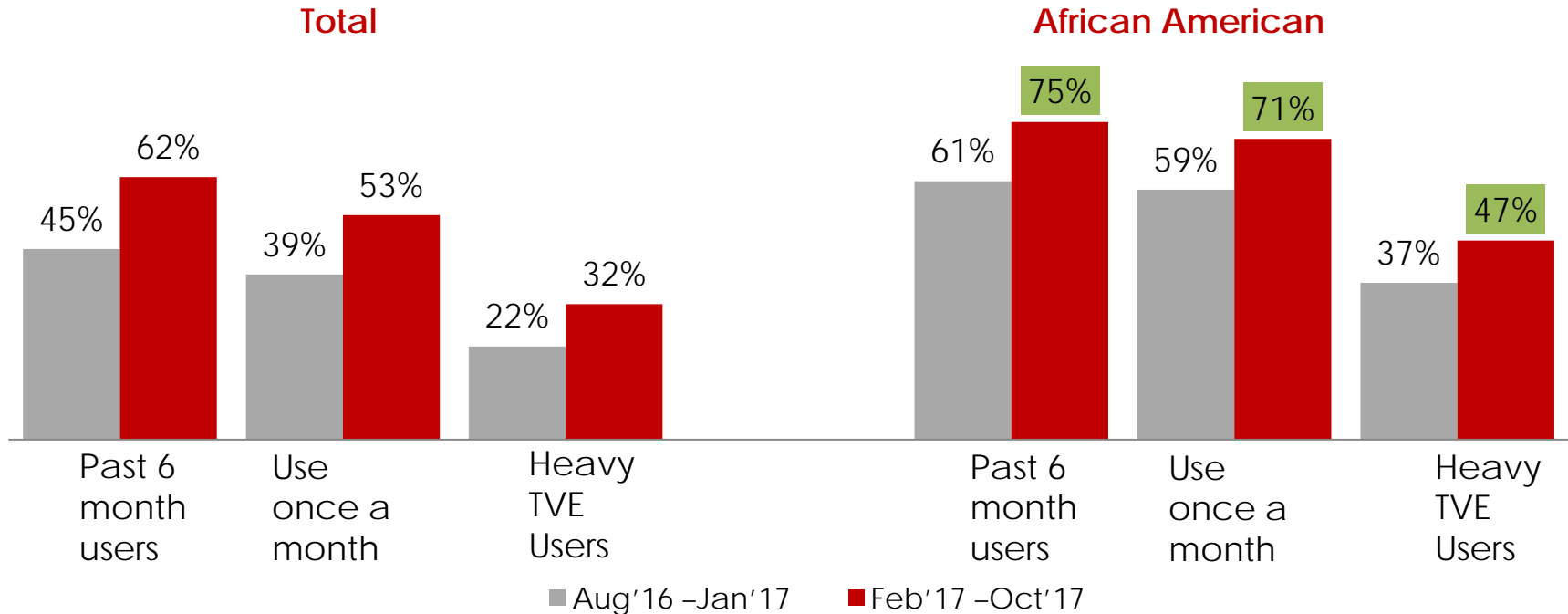
Every key TVE use measure is significantly higher among Hispanic MVPD subs than among subscribers in general

Age 18-74: HISPANIC MVPD SUBS TVE USE



The same is true for African American MVPD subs: use is significantly higher among this segment than among all subs

Age 18-74: AFRICAN AMERICAN MVPD SUBS TVE USE



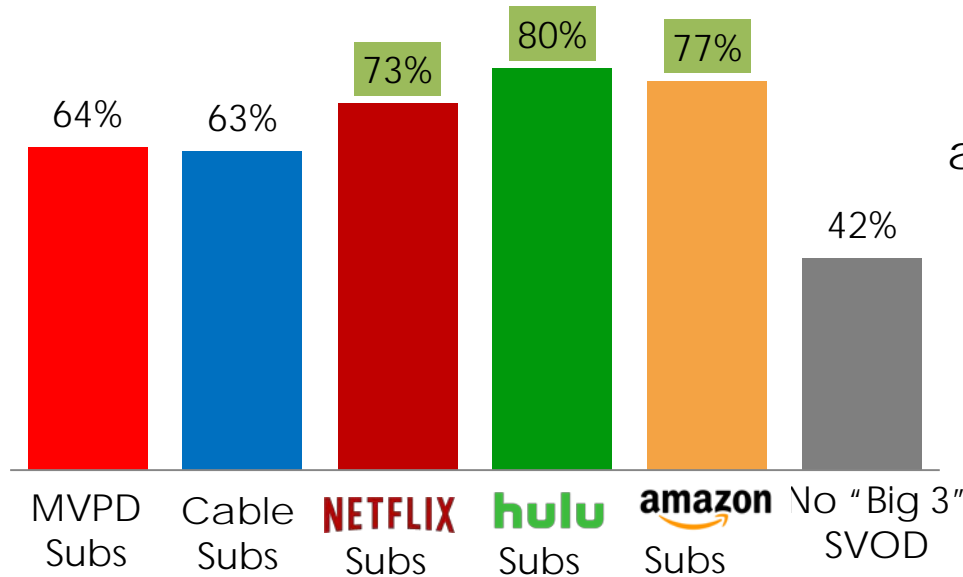
Heavy TVE users = Uses TVE once a day or several times a week

Significantly higher than total

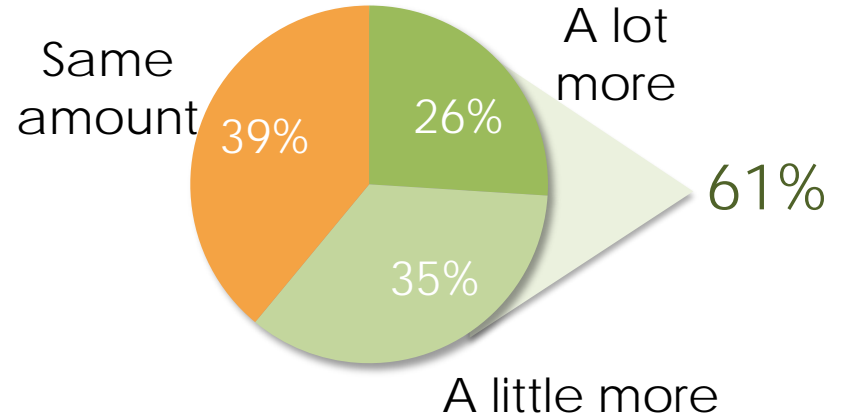
Significantly lower than total

TVE is not incompatible with SVOD use; on the contrary, SVOD users are significantly more likely to also use TVE than non-users

Age 18-64: MVPD SUBS TVE USE (PAST 6 MONTHS)



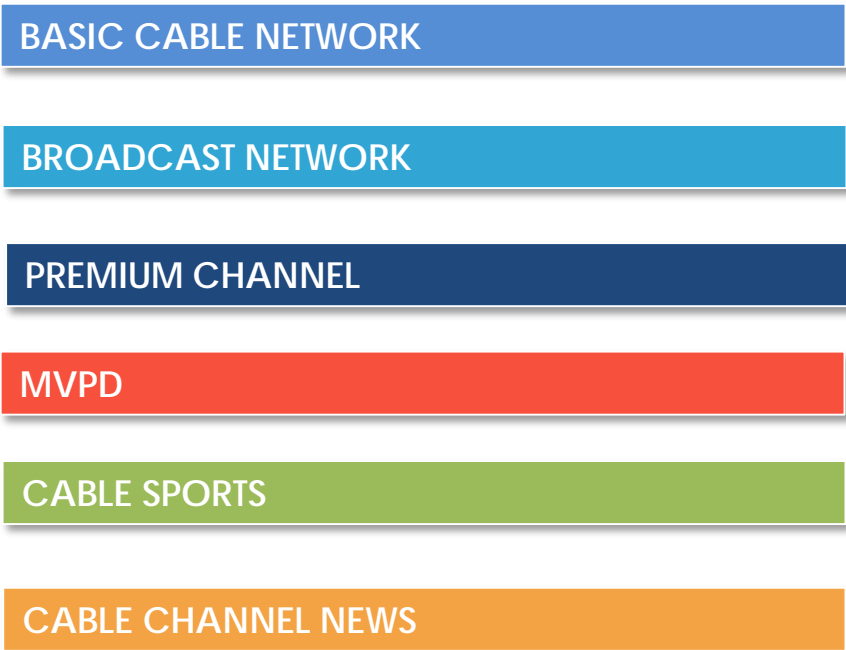
IF NO TVE, WOULD WATCH OTT SERVICES... (BASE: 18-64 MVPD TVE USERS WITH OTT)



Use of TVE has increased at least directionally across virtually all sources, with use of basic cable and broadcast cable sites/apps up significantly

Age 18-64: MVPD SUBS

Sites or apps from...



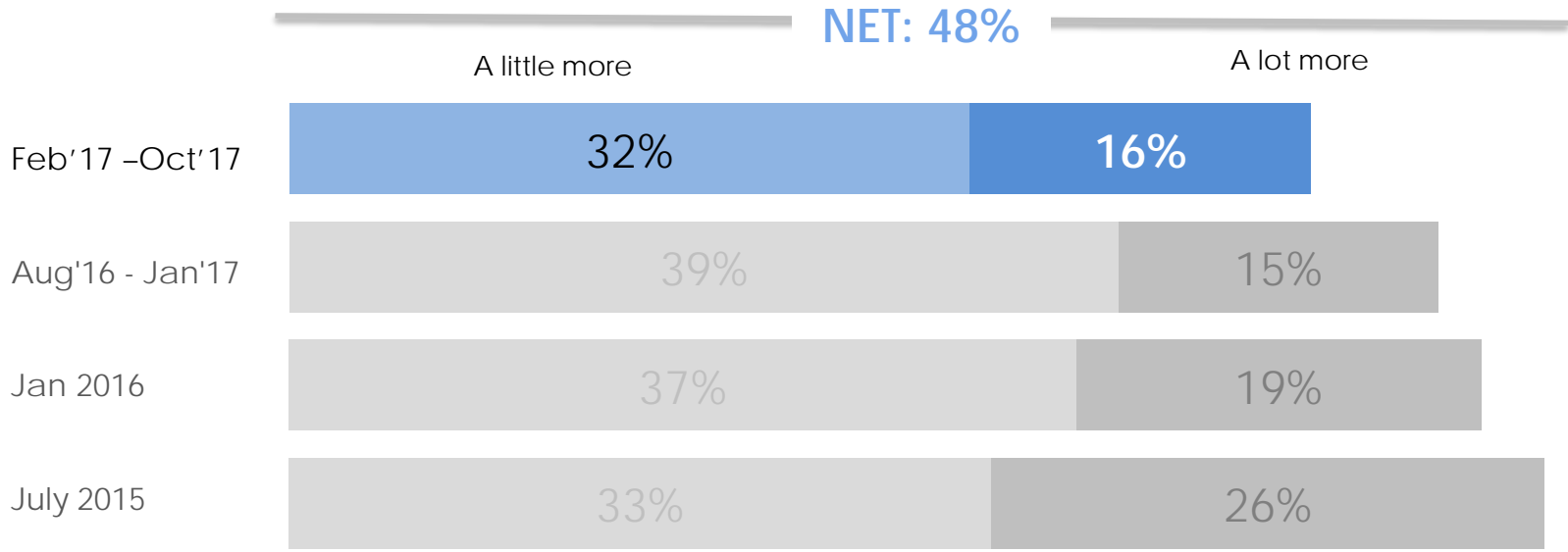
Aug'16 - Jan'17

Feb'17 - Oct'17

■ Significantly higher than previous wave
 ■ Significantly lower than previous wave

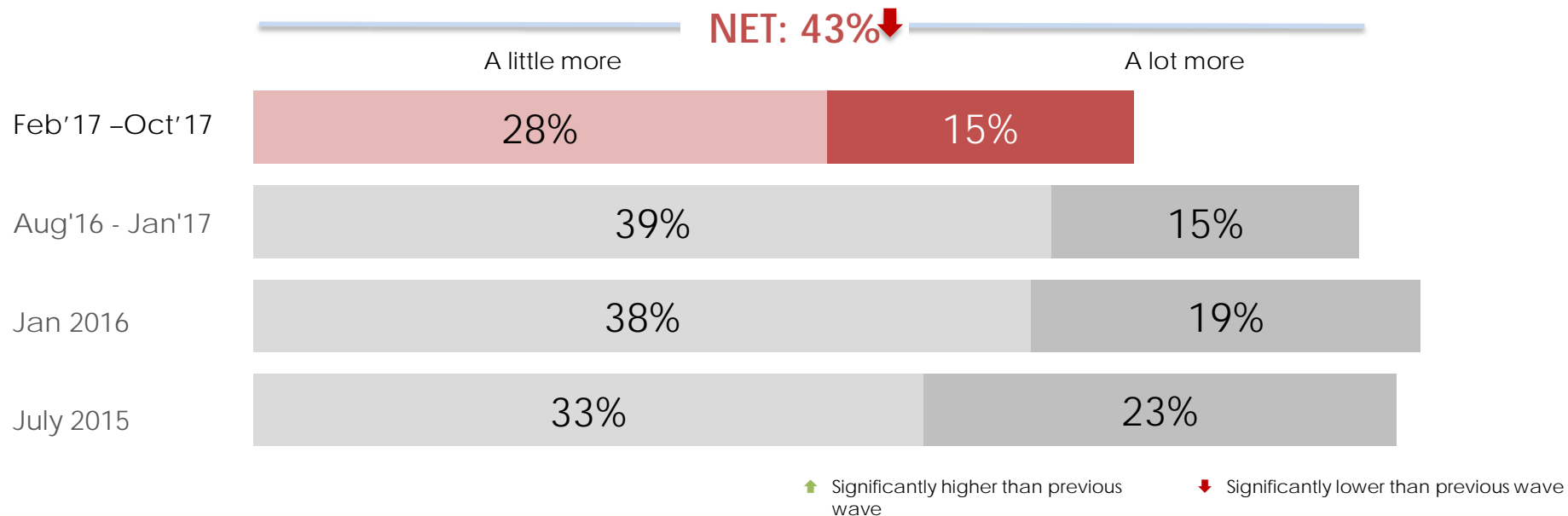
As TVE becomes more widely used—and more of an expectation—the perceived impact of TVE on value for the money has dropped directionally among MVPD subs

Age 18-64: MVPD SUBS
% who perceive more value for the money
Your MVPD



Among cable subs, the drop in perceived impact on value for the money is significant

Age 18-64: CABLE SUBS
% who perceive more value for the money
YOUR CABLE PROVIDER

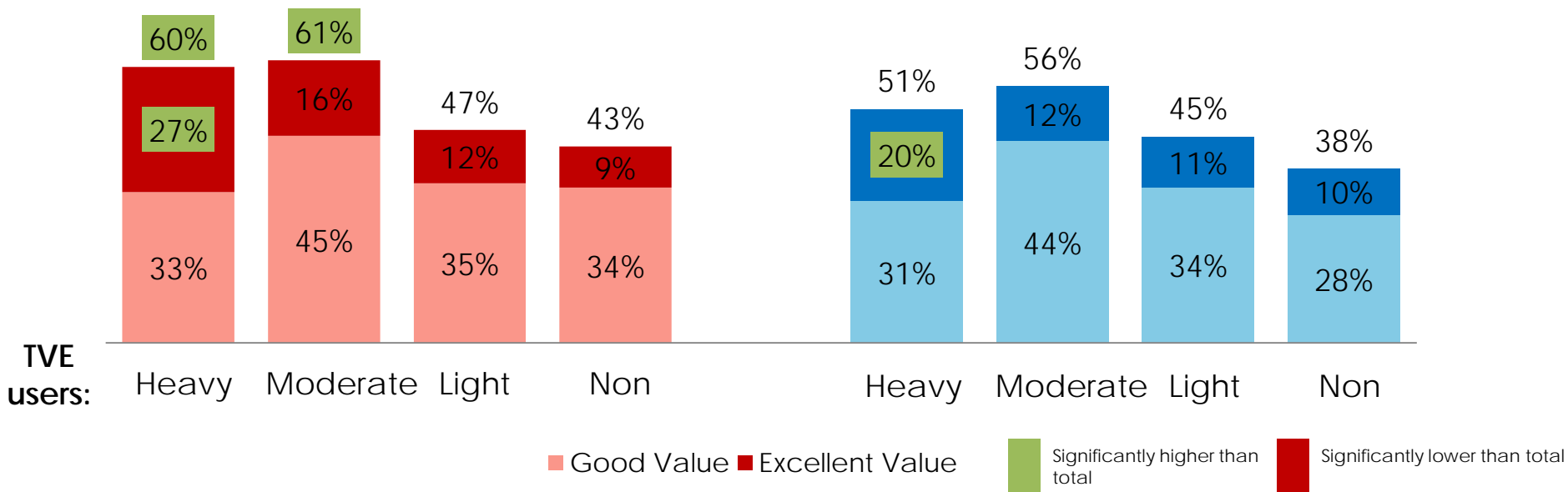


Although subscribers are less likely to *explicitly* say TVE makes MVPD service more valuable, the heaviest TVE users continue to offer the highest value ratings to begin with

PERCEIVED VALUE OF SERVICE FROM MVPD/CABLE PROVIDER

Age 18-64: MVPD SUBS

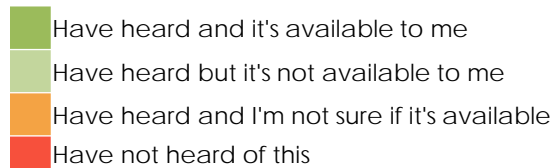
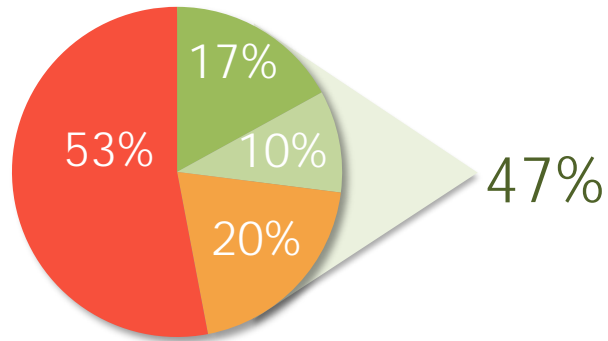
Age 18-64: CABLE SUBS



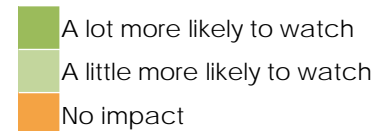
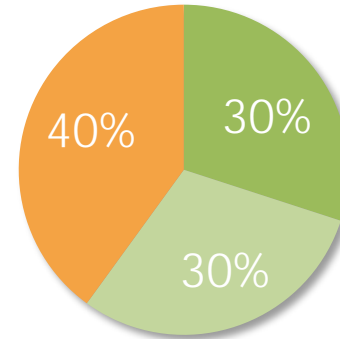
Nearly half of cable subs have heard of home based auto sign-in, up directionally from last wave (42% to 47%); impact on likelihood to watch has remained the same

HOME-BASED AUTOMATIC SIGN IN: CABLE SUBS (18-64)

AWARENESS



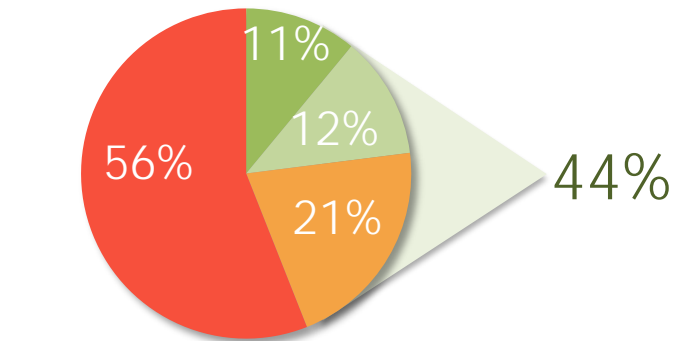
LIKELIHOOD TO WATCH



Awareness of out-of-home single sign-in is also up directionally (38% to 44%), with impact on likelihood to watch consistent with last wave

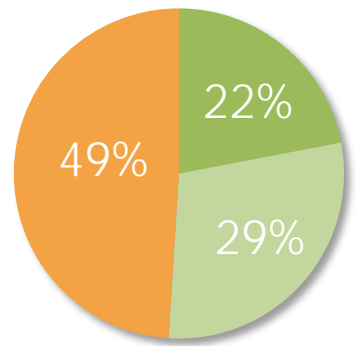
OUT-OF-HOME SINGLE SIGN IN: CABLE SUBS (18-64)

AWARENESS



- Have heard and it's available to me
- Have heard but it's not available to me
- Have heard and I'm not sure if it's available
- Have not heard of this

LIKELIHOOD TO WATCH

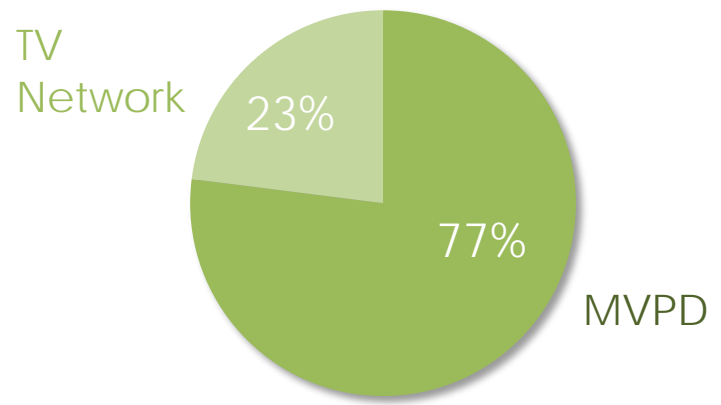


- A lot more likely to watch
- A little more likely to watch
- No impact

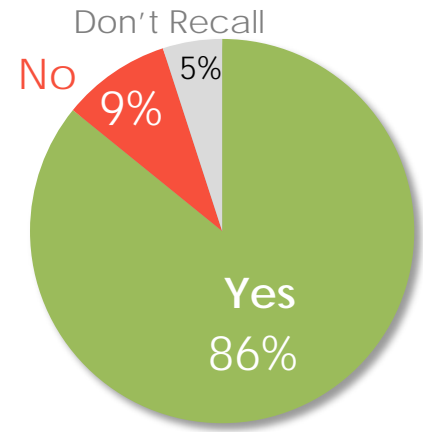
We asked respondents about the most recent time they used TVE: most went to their MVPD site or app, and the vast majority were able to successfully log in

MOST RECENT TIME USING TVE: MVPD SUBS (18-64)

USED WEBSITE OR APP FROM...



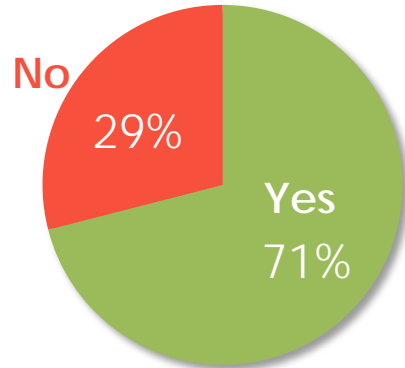
WERE YOU ABLE TO LOG IN?



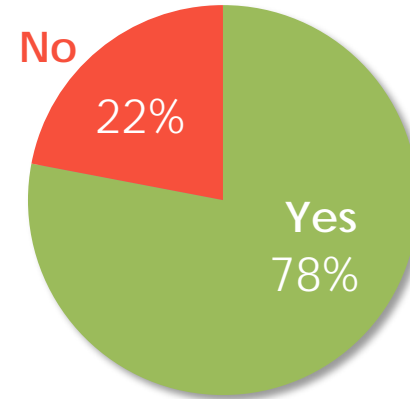
Over 7 in 10 searched for a specific show during their most recent TVE session; nearly 8 in 10 were able to find what they were looking for (whether searching or browsing)

MOST RECENT TIME USING TVE: MVPD SUBS (18-64)

WERE YOU LOOKING FOR A SPECIFIC SHOW?



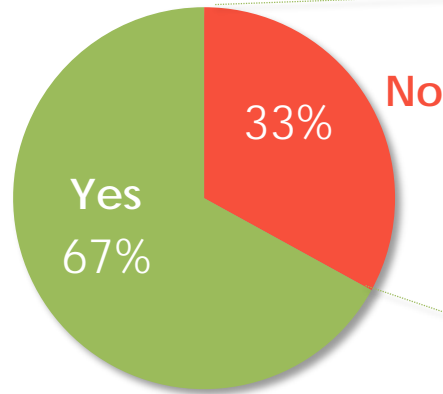
WERE YOU ABLE TO FIND THE SHOW/A SHOW?



Two-thirds ended up watching a show via TVE the last time they used it; for those who didn't, top reasons were that they changed their mind or the show wasn't available

USING TVE: MVPD SUBS (18-64)

DID YOU END UP WATCHING VIA TVE?

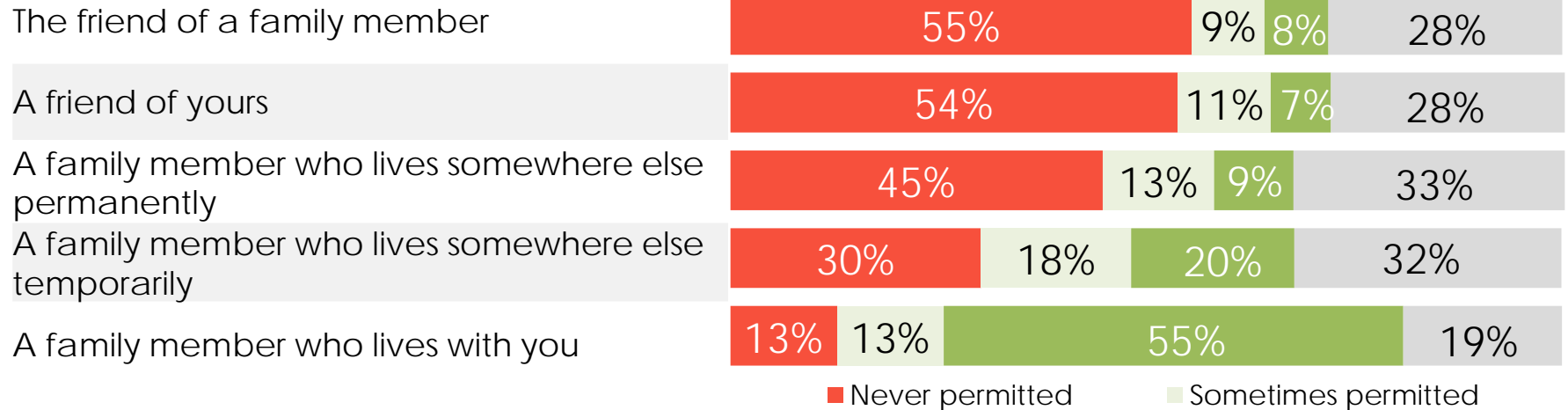


WHY NOT? (AMONG THOSE WHO DID NOT WATCH)



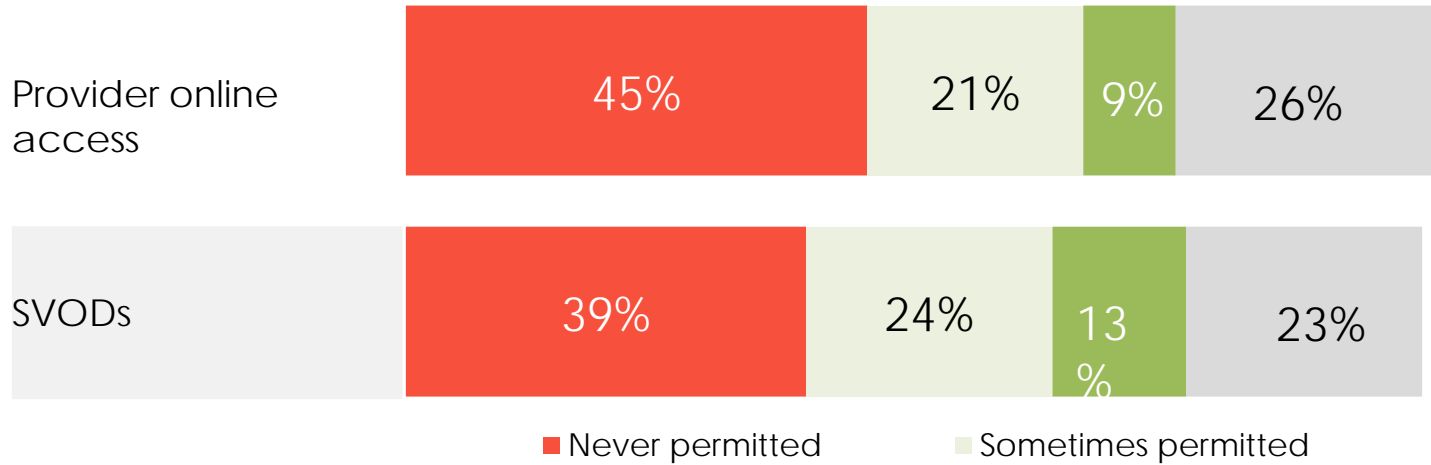
A majority of MVPD subs think it's always OK to share online TV passwords with others in the household; majorities say sharing with friends is never permitted; many aren't sure

IS PASSWORD SHARING WITH EACH PERMITTED? MVPD SUBS (18-64)



MVPD subs are more likely to say it's OK to share SVOD passwords than to share TVE passwords—although about a quarter aren't sure

IS PASSWORD SHARING FROM EACH PERMITTED? MVPD SUBS (18-64)



Key Takeaways

1

What's Improved: TVE use has increased significantly, across virtually all measures and for most major subgroups. Also, awareness of auto authentication and single sign-on has also increased directionally.

2

What's Mixed: Subscribers are less likely to say TVE has a positive impact on perceived value of one's MVPD subscription, although as TVE becomes more widely used, it is more of an expectation now/table stakes. Also, the heaviest TVE users are still significantly likely to feel they get excellent or good value to begin with

3

What's New: Path to viewing results show that strong majorities of those who start down the TVE path end up successfully watching. Also, plenty of uncertainty exists around password sharing—what's acceptable and what's not