



NIELSEN HOME ENTERTAINMENT

# VIDEO 360°

2017 REPORT HIGHLIGHTS



# INTRODUCTION



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Welcome to the Nielsen Video 360 2017 Report Highlights, which offer a flavor of the home entertainment industry as it continues to evolve and as the ways in which content can be consumed expand.

This is the second time we have taken the pulse of home entertainment habits and preferences. In the full report, which is available now, you'll find detailed insights into how consumers are viewing film and TV content across physical, digital, rental, purchase and streaming; the devices used to view content and when and why they are being used; the drivers and barriers to purchase; the attitudes around long-form and short-form content; and the trends in free and paid streaming.

Among this year's most noteworthy highlights, reported digital viewing and digital ownership are on the rise, along with subscription video-on-demand. About half reported purchasing a physical video in the last year, much like last year (48% vs. 50%). Video content discovery is being driven by advertisements and word of mouth, although teen and Millennial discovery tends to be through social media. Short-form videos and binge watching continue to be in trend.

We hope you find this highlights report an informative snapshot into the current state of play across home entertainment. We'd be delighted to hear from you if you have any questions or would like to receive the full Nielsen Video 360 2017 Report.

THE PAGES IN THIS REPORT OFFER A SNAPSHOT OF THE NIELSEN VIDEO 360 2017 REPORT. NOW IN ITS SECOND YEAR, THE REPORT IS A COMPREHENSIVE, IN-DEPTH STUDY DETAILING THE TYPE OF CONTENT THE U.S. POPULATION SAY THEY ARE WATCHING AND HOW THEY'RE VIEWING IT.



## THIS YEAR'S HEADLINES

**54%**

OF THE GENERAL POPULATION WATCHED SHORT-FORM VIDEO IN THE PAST 3 MONTHS.



**41%**

HAVE PURCHASED DIGITAL VIDEOS THIS YEAR.



**25%**

HAVE LIVE-STREAMED.

Source: Nielsen Video 360 2017 Report



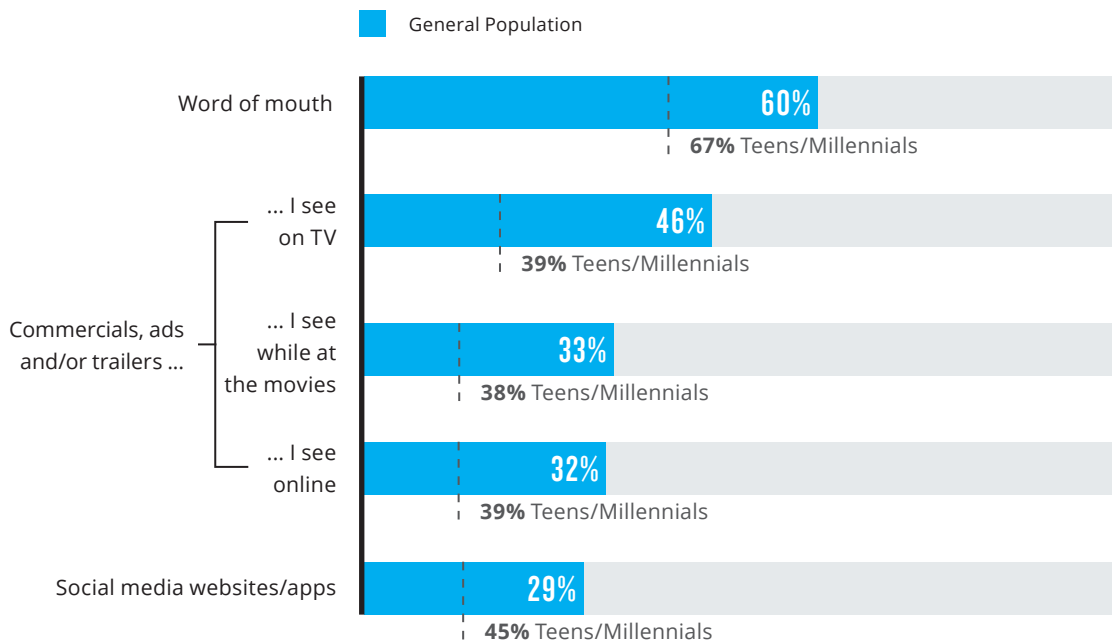
Contact us for the full  
Nielsen Video 360° 2017 Report  
Email: [know@nielsen.com](mailto:know@nielsen.com)

# DIGITAL CONTENT

## DISCOVERY

60% of the general population discovers new movies, TV shows or other full-length video content via word of mouth (family, friends or coworkers) compared to 67% of Millennials. Just under 30% of the general population does so through social media sites or apps compared to 45% of Millennials.

## CONTENT DISCOVERY



## SHORT-FORM VIDEO

Half of Americans are now watching short-form content (e.g., clips from TV programs, news segments, user-generated content, music videos)

**71%**  
OF TEENS AND MILLENNIALS  
ARE **SHORT-FORM**  
**WATCHERS.**

**48%**  
OF SHORT-FORM WATCHERS  
SAY THEY ARE **WATCHING MORE**  
**THAN A YEAR AGO.**

**THE TOP REASONS FOR  
WATCHING MORE:  
NEW, BETTER CONTENT AND  
FRIENDS SHARING VIDEO  
MORE ON SOCIAL NETWORKS.**

Source: Video 360

## PURCHASING

Purchase of digital videos are up year-over-year – 41% say they have purchased a digital video at some point over the past 12 months, up 6% on 2016. That compares to 48% who say they have bought physical video content. Nearly half the general population say they've never purchased digital video content, underlining the huge potential for growth in the sector.

There has been a significant increase in the proportion of teens who say they've purchased a digital video in the last 12 months – 63%, up from 45% in 2016. Teens and Millennials are also more likely than the general population to have purchased physical video and are buying more than in 2016, too (68% versus 64% for Millennials).

Those buying both digital and physical videos over the past year report buying more digital videos than physical – a reversal of the trend seen last year.

WHILE **52%**  
FIND PHYSICAL VIDEOS  
TOO EXPENSIVE, ...

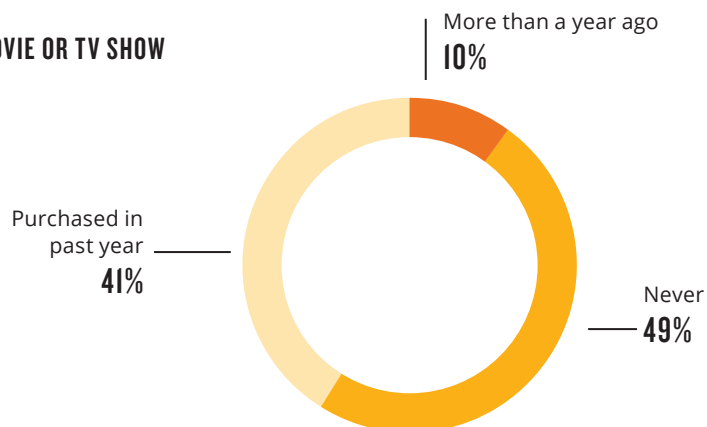
**36%**  
OF TEENS AND MILLENNIALS,  
WHEN ASKED WHY THEY ARE STILL  
PURCHASING THEM, ENJOY ADDING TO  
THEIR VIDEO COLLECTION, ...

**31%**  
ENJOY WATCHING  
BONUS FEATURES AND ...

**31%**  
SAY IT'S BECAUSE THEY  
DON'T REQUIRE AN  
INTERNET CONNECTION.

## DIGITAL VIDEO CONTENT

LAST TIME YOU PURCHASED A MOVIE OR TV SHOW



Source: Video 360

Base: General Population (1998)

When was the last time you purchased a movie or TV show (1 or more episodes) either for yourself or someone else? Please consider both digital downloads (for example, iTunes or Amazon) and physical (for example, DVD/Blu-ray formats).

# STREAMING

One quarter of people say they've downloaded or streamed a movie before it's released on Blu-ray or DVD compared to 16% in 2016. The number is more pronounced for teens and Millennials, with 45% of teens and 43% of Millennials saying they've done it – significant rises on 12 months earlier.

The general population is also more likely to have streamed or downloaded a movie while it's still in theaters – 24% versus 13% in 2016.

A quarter of the general population, meanwhile, have live streamed a sports event, TV show, awards show, news event or other form of live content, as well as 45% of teens – and in both cases, sporting events lead the way.

## TYPES OF CONTENT LIVE STREAMED

% OF LIVE STREAMERS



25%

OF GEN POP  
HAS LIVE STREAMED.

REGULAR SEASON  
SPORTING EVENT

57%

TV SHOW

48%

CHAMPIONSHIP  
SPORTING EVENT

47%

AWARDS SHOW

42%

NEWS EVENT

33%

Source: Video 360 / Base: General Population (1,998), Live Streamers (530)

Have you ever live streamed a sporting event, TV show and/or awards show on one of the subscription video-on-demand services that you currently pay for? What type of content did you live stream? Which of the following did you use to live stream?

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## VIRTUAL AND AUGMENTED REALITY (VR/AR)

VR appears to be starting to take hold as a viable movie-watching format in the eyes of the U.S. public, with 37% of the general population reporting it is interested in owning a VR or AR device specifically to watch a movie, compared to 22% 12 months ago. 43% of the general population has heard of both AR and VR compared to 55% of teens and 57% of Millennials.

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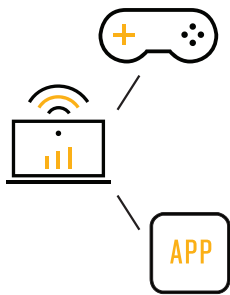
The major AR/VR manufacturers are developing devices for movies.





# VIDEO 360 2017 REPORT

## KEY QUESTIONS INCLUDE



WHAT ROLE DOES **VIDEO PLAY** IN THE OVERALL ENTERTAINMENT EXPERIENCE?

WHAT ARE THE EMERGING **FORMS OF REVENUE** FOR CONTENT PROVIDERS?

HOW QUICKLY/WHY ARE **CONSUMERS TRANSITIONING TO DIGITAL CONTENT**?

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## CONTENT SUMMARY

The following summary outlines the key topics in the Nielsen Video 360 questionnaire. The Nielsen Video 360 Report offers brands and content creators insights into how consumers are interacting with content and how to leverage film, TV and short-form video passion points to drive purchasing for home entertainment.

### TARGET CONSUMER SEGMENTS

(INCLUDED BUT NOT LIMITED TO)

- Physical/digital video consumers
- Lapsed video buyers
- Movie attenders
- Streaming subscribers
- YouTube users
- Moms
- Hispanics & multicultural
- Millennials

- Zip code
- Ethnicity/hispanic background
- Children in the household

### MEDIA CONSUMPTION

- Device ownership (TV, smartphones, e-Readers, tablets, video game consoles)
- Digital/streaming media player
- Entertainment consumption activities and fanship (music/movies/books /video games/sports)
- Movie attendance

### PANELIST ATTRIBUTES

- Age
- Gender
- Household income
- Education
- Employment status
- State of residence

### VIDEO CONSUMPTION

- Interaction with video content (full-length movies, television shows or short-form videos or clips (for example, YouTube videos)
- Mobile apps (e.g., HBO GO, HBO NOW) and services (e.g., Netflix, YouTube, Hulu) used
- In-home or personal viewing preferences



## LONG-FORM VIDEO

- Methods of discovery for new movies, TV shows or other full-length video content
- Formats (e.g., physical, digital, TV, etc.) used to view
- Recency of video purchases
- DVD/Blu-ray video purchases by retailer
- Purchase drivers/barriers
- Purchase influencers (child, parent, sibling, grandparents, etc.)

## ONLINE VIDEO CONSUMPTION

- SVOD subscription services currently pay for or used to pay for
- SVOD purchase drivers/barriers
- Time spent with SVOD
- Preferred device to watch SVOD
- When/where watch SVOD
- Online/app usage live stream video
- Interest in watching short-form content online

## SHORT-FORM VIDEO CONTENT

- Types of short video content ( e.g., TV clips, music videos and/or user-generated content) typically watched
- Website/apps (e.g., YouTube, Vimeo, BuzzFeed, etc.) used to view
- Time spent with short-form video content
- Short-form vs. long-form consumption
- Interest in watching short-form content online

## DIGITAL TECHNOLOGY

- Awareness/interest in virtual reality/ augmented reality (VR/AR)
- Social media usage

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## METHODOLOGY

The Nielsen Video Entertainment Study is an in-depth look into the home entertainment consumer and their video discovery purchasing and viewing behaviors.

Data for this study was collected March 30 – April 19, 2017 among 1,998 consumers reflective of the population of the United States. Additional responses were collected for 13 – 34 year olds and Hispanics.

The survey was offered in both English and Spanish, as selected by the respondent. Data was weighted to the U.S. census population based on age, gender, race, education and household size. This study is based entirely on self-reporting and aims to place home video and video entertainment in the context of general video viewing and the total video landscape.

Any time and money spent information is based on self-reported information. It is not intended to be a measurement but a general sense of consumer behavior.

**General Population:** U.S. General Population, 13+ (n = 1,998)

**Teens & Millennials:** Ages 13 – 34 (n = 1,030)

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## ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers watch and buy. Nielsen's Watch segment provides media and advertising clients with Nielsen Total Audience measurement services for all devices on which content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen also provides its clients with analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries, covering more than 90% of the world's population. For more information, **visit [www.nielsen.com](http://www.nielsen.com)**.

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