

Friday, 10 August 2018

## Netflix on verge of 2 million viewers in New Zealand

Subscription Video On Demand (SVOD) service Netflix is growing even faster in New Zealand than across the Tasman in Australia – <u>covered last week by Roy Morgan in-depth</u>.

Nearly 2 million New Zealanders in the June 2018 quarter now have a Netflix subscription in their household – up over 35% on a year ago.

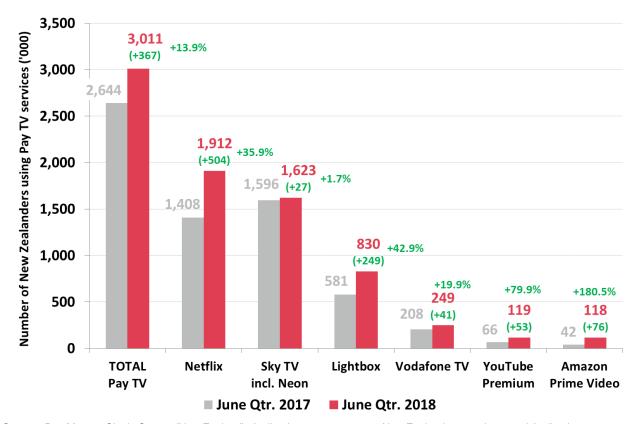
Now over 3 million New Zealanders have access to some form of Pay TV/Subscription TV, up 13.9% on a year ago, and the growth in Pay TV/Subscription TV is being driven by the likes of Netflix along with a suite of rival streaming services including Lightbox, Sky TV's Neon and Amazon Prime Video.

Viewership of the combined Sky TV/Neon is growing slower than some of its rivals up 1.7 per cent to over 1.6 million viewers although Sky TV's SVOD service Neon is growing significantly faster than its parent. Viewership of Neon is up a stunning 190.3 per cent to 295,000.

Lightbox is the second most popular SVOD service with 830,000 users (up 42.9 per cent on a year ago) ahead of Vodafone TV up 19.9 per cent to 295,000 and the rebranded YouTube Premium (formerly YouTube Red), now with over 100,000 users, up 79.9% on a year ago. While the biggest percentage increase was for Amazon Prime Video coming off a low base but up 180.5% to 118,000 users.

Internet retailer Amazon only launched its Amazon Prime Video in New Zealand in December 2017.

New Zealand users of Pay TV/Subscription TV services – June 2018 Qtr. cf. June 2017 Qtr.



**Source**: Roy Morgan Single Source (New Zealand), April – June 2017, n=1,581 New Zealanders aged 14+ and April – June 2018, n=1,586 New Zealanders aged 14+.

# Michele Levine, CEO Roy Morgan, says SVOD is growing rapidly in popularity in New Zealand with leading services growing faster than across the Tasman in Australia:

"Over 3 million New Zealanders now use Pay TV/Subscription TV services – up 13.9 per cent, or over 360,000 viewers, in a year.

"As in <u>Australia</u> the leading SVOD providers have experienced strong growth over the last year with Netflix now approaching 2 million viewers. In the June 2018 quarter Netflix had 1,912,000 viewers spread across around three-quarters of a million New Zealand households giving Netflix a market penetration of almost 49% among New Zealanders aged 14+.

"Although the growth in Netflix viewers clocked in at an impressive 35.9% over the last year smaller rival services grew at even faster rates. Main rival Lightbox grew at 42.9%, and the newly rebranded YouTube Premium grew at 79.9% while Sky TV's SVOD service Neon grew at an exceptional 190.3% and the newly launched Amazon Prime Video grew at 180.5%.

"Of course it's important to note that the market penetration of these smaller SVOD services is less than 10% of the New Zealand adult population and these impressive growth rates are off small bases – under 50,000 viewers in the case of Amazon Prime Video.

"In a changing media landscape the impressive performance of SVOD shows there are avenues to growth for incumbent media businesses challenged by new entrants into the market. Sky TV's fast growing Neon SVOD service is a prime example of an existing media company adapting to the changing consumer habits of New Zealanders.

"To learn more about what type of consumers are adopting SVOD services in ever greater numbers don't hesitate to contact Roy Morgan for further information."

<u>Click here</u> to view profiles of users of Pay TV services including Sky TV, Lightbox, Netflix, Neon, Vodafone TV, YouTube Premium, Amazon Prime Video and others.

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#### Related research findings

Browse our Online Store for an extensive range of profiles on Foxtel, Netflix, Stan, YouTube Premium, Fetch, Amazon Prime Video and others.

Compiled with data from Roy Morgan's Single Source survey (the largest of its kind in the world, with 50,000 respondents p.a), these ready-made profiles provide a broad understanding of the target

#### **About Roy Morgan**

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 75 years' experience in collecting objective, independent information on consumers.



### **Margin of Error**

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
50,000	±0.4	±0.4	±0.3	±0.2

