

MPA LAUNCHES ASIA VIDEO CONSUMER PANEL

- Key findings highlight increasing demand for telco OTT video & broadband bundles but show mixed response across most SVOD-based OTT platforms
- Netflix, iflix and Viu fare best amongst regional majors but still have a long way to go
- Local pay-TV & free TV incumbents do well, led by Astro, Now TV, TVB and Toggle

(Hong Kong / Singapore / November 3, 2017) Media Partners Asia (MPA) today launched the *ASIA VIDEO CONSUMER PANEL*, a research report offering detailed insights into how consumers engage, use and interact with video content in emerging and mature markets, focusing on TV and digital video platforms, including key regional and local OTT video operators.

The panel covers six Asian markets – Hong Kong, Indonesia, Malaysia, Philippines, Singapore and Thailand – with a 1,000 user panel size in each market, taking in millennial and older demos as well as skewing towards mobile consumption in emerging markets such as Indonesia, Malaysia, Philippines and Thailand.

Commenting on the report's key findings, MPA vice president Aravind Venugopal said:

The importance of bundling with telecom and IP-based pay-TV operators to drive online video adoption is becoming critical, as illustrated by our survey. As we are still very much in the first innings of the SVOD online video cycle in most Asian markets, the journey for most platforms from building awareness to generating trial users, and then to finally converting them to regular users, is long and arduous.

In four of the markets surveyed – Hong Kong, Singapore, Malaysia and Philippines – local players have taken the lead when it comes to building awareness and conversion, led by incumbent pay-TV and free TV operators, a number of which are reliant on local and Asian content, and in certain cases, sports. Global and pan regional SVOD services focused on providing international content, are fighting to take the lead, though conversion has been low in general. In terms of both awareness and conversion, Netflix and iflix both lead in selected markets with Viu also robust across most markets.

Some of the key highlights of the panel include:

Telco and pay-TV integration. The importance of bundling and OTT integration deals with telecom and pay-TV operators to drive adoption has emerged as key with most survey respondents indicating that they opted for OTT services via their telco or pay-TV operator. Netflix was an exception, with a high proportion of subscribers indicating that they opted for a direct sign up.

NPS in negative territory. Net Promoter Scores or NPS, which range from -100 to 100 and measure the willingness of customers to recommend a company's products or services to others, were largely negative in most markets. The exception was Netflix, which received a positive score in four of the six surveyed markets, and also leads the NPS rankings in four of the six markets surveyed. Users in Indonesia, Singapore, Hong Kong and Malaysia tended to award negative NPS to almost all SVOD-based OTT video service providers. Users in Thailand, Malaysia and Philippines appeared to be more positive about OTT video service providers.

Key features. Feature sets that were most often highlighted as being essential to users was the ability to stream online video to TV, followed by the ability to download. These are also reflective of the type of content contained in the services, as well as the type and quality of broadband infrastructure available.

Content. The importance of day and date content, particularly Hollywood movies, was reflected in the survey with the genre coming out on top of the list of 'must have' genres for a premium SVOD service. This was closely followed by new Korean dramas, new Chinese dramas and new Hollywood series. Sports is also increasingly important.

UI /UX and lack of localization. A significant proportion of users indicated that they were unable to locate/find shows in the services - indicating either a lack of content, or limitations of the UI/UX – this, significantly, was highlighted as an issue even for Netflix. A numbers of respondents also indicated that the poor dubbing/subtitling of shows was a concern.

Pay-TV consumption. In two emerging Asian markets (Thailand, Indonesia) and in Hong Kong, the consumption of pay-TV is trending lower, with streaming/on-demand services accounting for a vast majority of content needs. In some instance (i.e. Hong Kong), the incumbent pay-TV operator (i.e. Now TV) is driving the legal consumption of streaming video services.

Piracy. There remains increasing prevalence of pirated STBs. On average, 5-10% of the surveyed base admitted to using a pirate STB to access pay-TV services.

Payment mechanisms. In the Philippines, Thailand and Malaysia, the frequent topping up of prepaid credit balances is commonplace; on average, respondents topped up their services over three times a month. This provides insight on how much consumers are willing to pay for SVOD services and potentially supports the case for sachet pricing.

The *ASIA VIDEO CONSUMER PANEL*, conducted in partnership with BDRC Continental, covers six Asian markets (with a total sample size of 6,000 individuals), cutting across a broad range of demographics. The full findings from the second phase of this survey will be released in April 2017, providing readers with updated views, new data and additional metrics.

Subscription to the full 500-page November 2017 report is available from November 10 onwards.

For more details, please contact MPA client services vice president Lavina Bhojwani at lavina@media-partners-asia.com

About Media Partners Asia (MPA)

As a leading independent consulting and research provider focused on Asia media & telecoms, MPA offers a range of customized services to help drive business development, strategy & planning, M&A, new products & services and research. Based in Hong Kong, Singapore and India, MPA teams offer in-depth research reports across key industry sectors, customized consulting services, industry events to spread knowledge and unlock partnerships, and publications that provide insights into media & telecoms.

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