

TV-Streaming-Report 2023

Germany

Dear Sir/Madam,

This year, the COVID-19 pandemic is slowly receding into the background. The difficult economic situation and high inflation are issues that many consumers are currently faced with. Whether this is having an impact on the television behaviour of German Internet users is highlighted by the TV streaming provider Zattoo in this year's 2023 TV Streaming Report. The results for Germany show that the economic situation is having a smaller effect on streaming subscriptions than expected, and that live TV will continue to gain importance in 2023.

This report is based on an online representative survey conducted by the market research company Kantar on behalf of Zattoo among 1,000 German Internet users between the ages of 16 and 69 in an online panel at the beginning of 2023. Kantar and Zattoo have been implementing this survey annually in Germany since 2015. This report helps to identify current developments in Internet and TV use, as well as in the field of TV streaming. Zattoo wants to contribute to the discussion about the importance of TV streaming. This year, the following trends can be discerned for Germany:

Inflation has less impact on streaming subscriptions than expected

Many experts had assumed that the high inflation and uncertain economic situation would have a negative impact on household media budgets. A study by Recurly in March 2022, for example, showed that 84% of German consumers who use one or more subscription services were worried about the effects of inflation. The present TV streaming report concludes that, so far, around one in seven Internet users in Germany (14%) has cancelled a streaming subscription due to the economic situation. The report also shows that, with a view to inflation, 10% have switched to at least one cheaper streaming offer, and another 9% have switched to a free offer.

The Internet remains the most used TV reception channel

41% of the Internet users surveyed also use the Internet to receive TV. This means both IPTV offers and TV streaming apps. At only one percentage point more, the Internet remains at the previous year's level, but is for the second year in a row the most used means of TV reception among German Internet users. TV reception via cable also remains at the 2022 level at 39%. The trend towards television over the Internet is particularly noticeable with satellite reception. This year, that comes in at just 35%, a loss of four percentage points compared to the previous year.

TV streaming services are being used more and more

This year, as many as 44% of respondents say they watch content from TV streaming services during at least half of their television time. That is 6 percentage points more than the previous year. 7% even use only TV streaming services during their television time. Traditional television is increasingly being watched over the Internet. This is also evident from the question as to whether the respondents can imagine using television services exclusively over the Internet in the future. About half of the respondents (47%) say they can imagine this (very) well.

Live TV continues to grow as the only video offer on the Internet

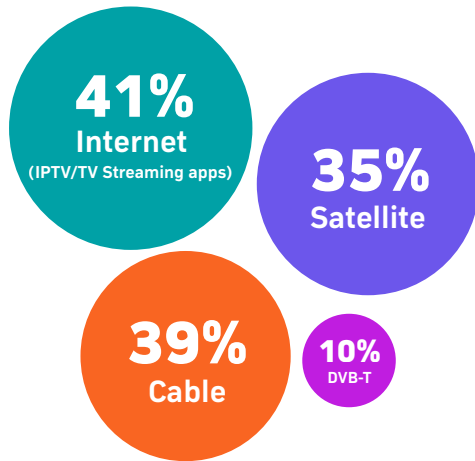
The trend towards more linear TV content will continue in 2023. 36% of the respondents say they watch live television over the Internet. That is 5 percentage points more than in the previous year. This year, live TV is even ahead of video-on-demand offers, which are consumed online by 32% of respondents. With 73% of video-on-demand users, Amazon Prime Video is just ahead of its competitor Netflix on 72%. This is followed by Disney+ with 42%. The Paramount+ service, which was launched in 2022, currently reaches 12% of video-on-demand users. The likewise new offering from Discovery+ comes in at 9%. The most popular moving image offer on the Internet is and remains YouTube. About two-thirds (61%) use the video portal. This is followed once again this year by the broadcasters' media libraries, which are used by about half of the respondents (47%).

Best regards,



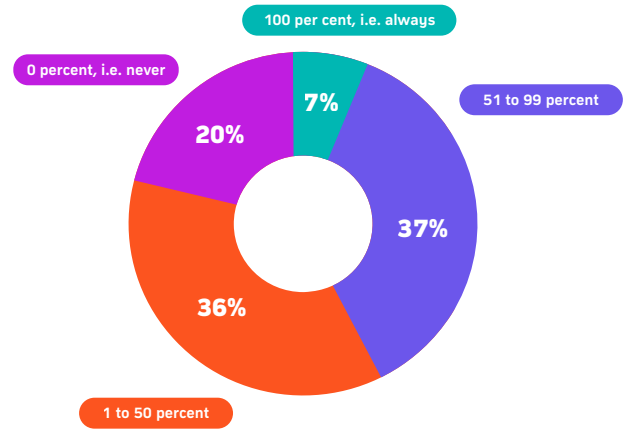
Jörg Meyer
Chief Commercial Officer at Zattoo

1 How do you receive TV in your household?



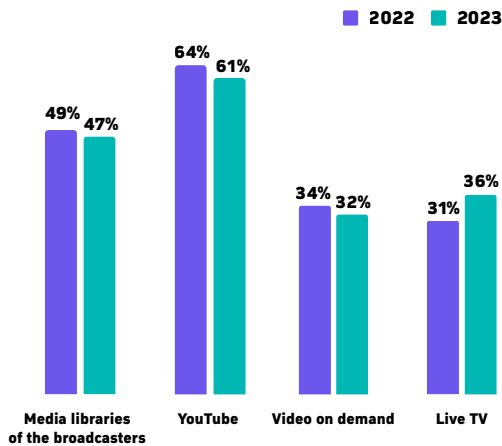
Basis unweighted: 1000
Multiple answers possible

2 How much of your TV viewing time do you use for TV streaming services?



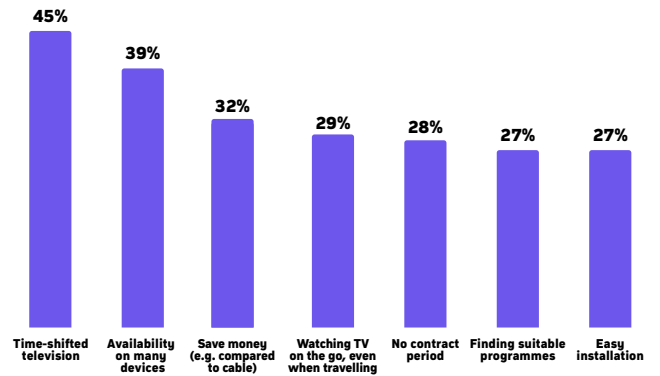
Basis: TV viewers at least 1 day per week
Basis unweighted: 898

3 Which television or video offerings do you use on the internet?



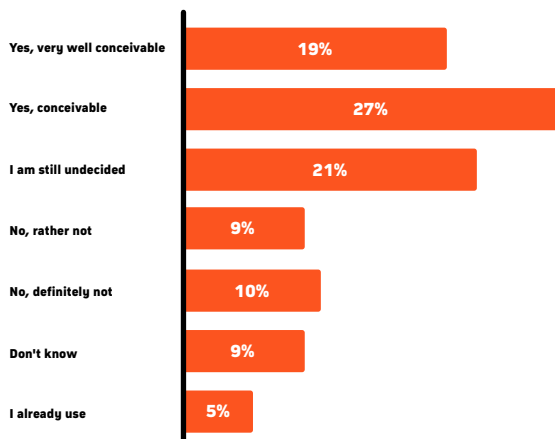
2022 Basis unweighted: 1000
2023 Basis unweighted: 1000
Multiple answers possible

4 What are the most important advantages of TV streaming?



Basis: Users of at least 1% TV streaming services
Basis unweighted: 715
Multiple answers possible

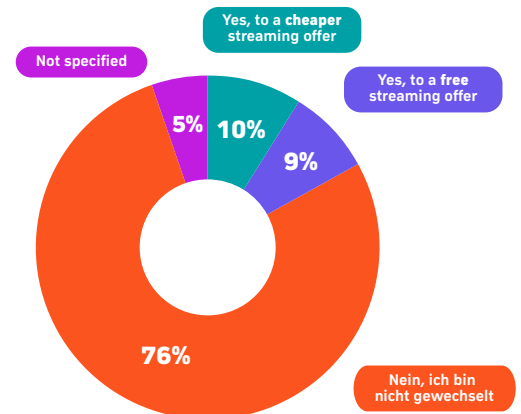
5 Can you imagine using the TV service exclusively via the Internet in the future?



Basis unweighted: 1000

Source: Kantar

6 Have you switched to cheaper or free offers due to the current economic situation?



Basis: All respondents, regardless of having a streaming subscription
Basis unweighted: 1000