

Monday, 2 December 2019

## 14.5 million Australians already have Pay TV / Subscription TV as Disney+ enters the market

**New Roy Morgan research shows over 14.5 million Australians now have access to some form of Pay TV/Subscription TV, up 8.2% on a year ago. The combined audience for these services is almost 70% of the Australian population, as new Subscription TV services Apple TV+ and Disney+ enter the market this month.**

Netflix remains the market leader, with 11.9 million Australians (57% of the population) now having a Netflix subscription in their household, up 15% on a year ago.

Pay TV service Foxtel has grown its audience by 1.5% to more than 5.2 million over the past 12 months. Its Kayo Sports streaming service has found an audience of 770,000 in the year since it launched, providing a significant boost to Foxtel's numbers. However Foxtel's reach of 25% of the population is less than half that of Netflix.

The leading Australian-owned Subscription TV service is Stan, which is now accessible by more than 3.3 million Australians, up an impressive 60.5% on a year ago. Stan is a fully owned subsidiary of the Nine Entertainment company.

These are the latest findings from the Roy Morgan Single Source survey, derived from in-depth face-to-face interviews with around 50,000 Australians each year in their homes.

*"The growth in Subscription TV services in Australia has been extraordinary, with Netflix accessible by well over 50% of Australians only four years after launching" said Roy Morgan CEO Michele Levine. "Its success, in Australia and elsewhere, has quickly attracted many competitors to the market, including locally owned Stan and cashed up international rivals including YouTube Premium and Amazon Prime Video. What we're finding is that people are not choosing one or the other, they are having multiple streaming services."*

Sometime in mid-2016 the number of Australians with access to some form of Pay TV outstripped the number without Pay TV.

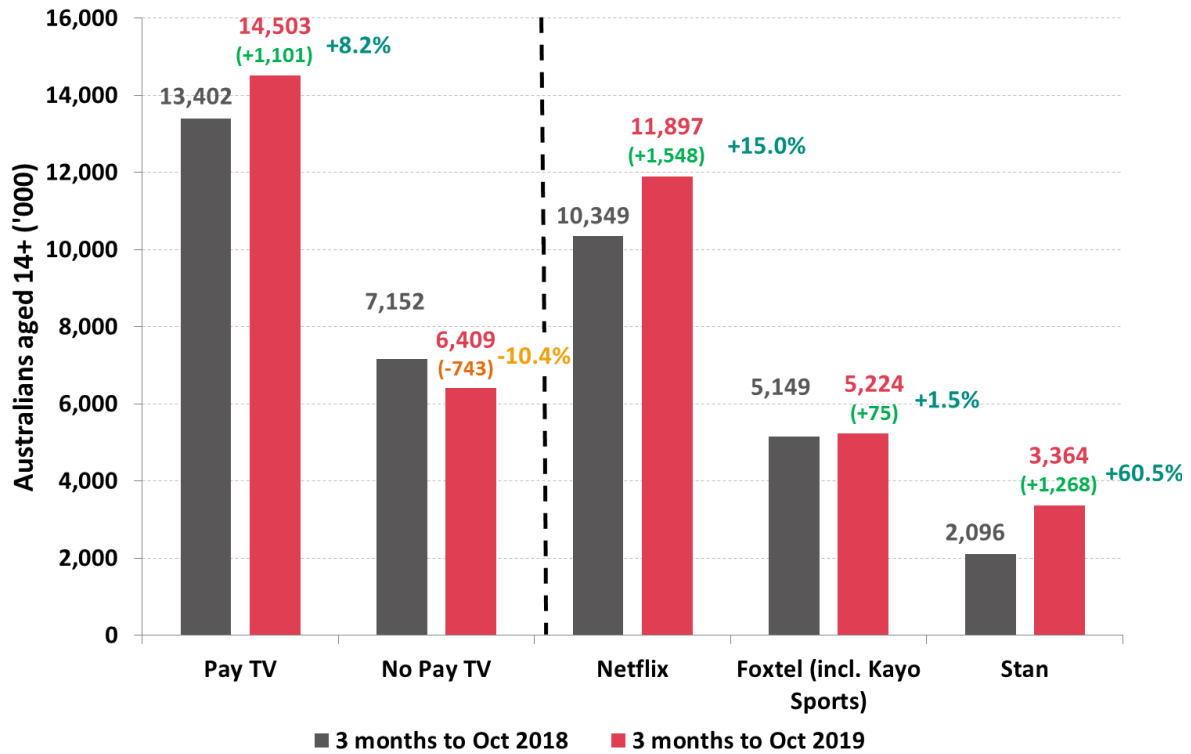
However, even today a significant number of Australians, more than 6.4 million, or nearly a third of the population, don't use a Pay TV or Subscription TV service – although this is down 10.4% on a year ago.

*"Free-to-air TV is going to be relevant to those people," said Ms. Levine, but nonetheless it faces "enormous pressure".*

In recent weeks both Apple TV+ and Disney+ have launched new Subscription TV services in Australia, with Disney having first removed its content from existing services. These new entrants, *"are sure to provide intense competition for existing services,"* said Ms. Levine, *"If Disney can bundle its content with a really good delivery service it will be a major competitor."*

FOR IMMEDIATE RELEASE

**Australian users of Pay TV/Subscription TV services – 3 months to October 2019 cf. 3 months to October 2018**



Source: Roy Morgan Single Source, Aug–Oct 2018, n=12,327 and Aug - Oct 2019, n=13,011.

Base: Australians aged 14+.

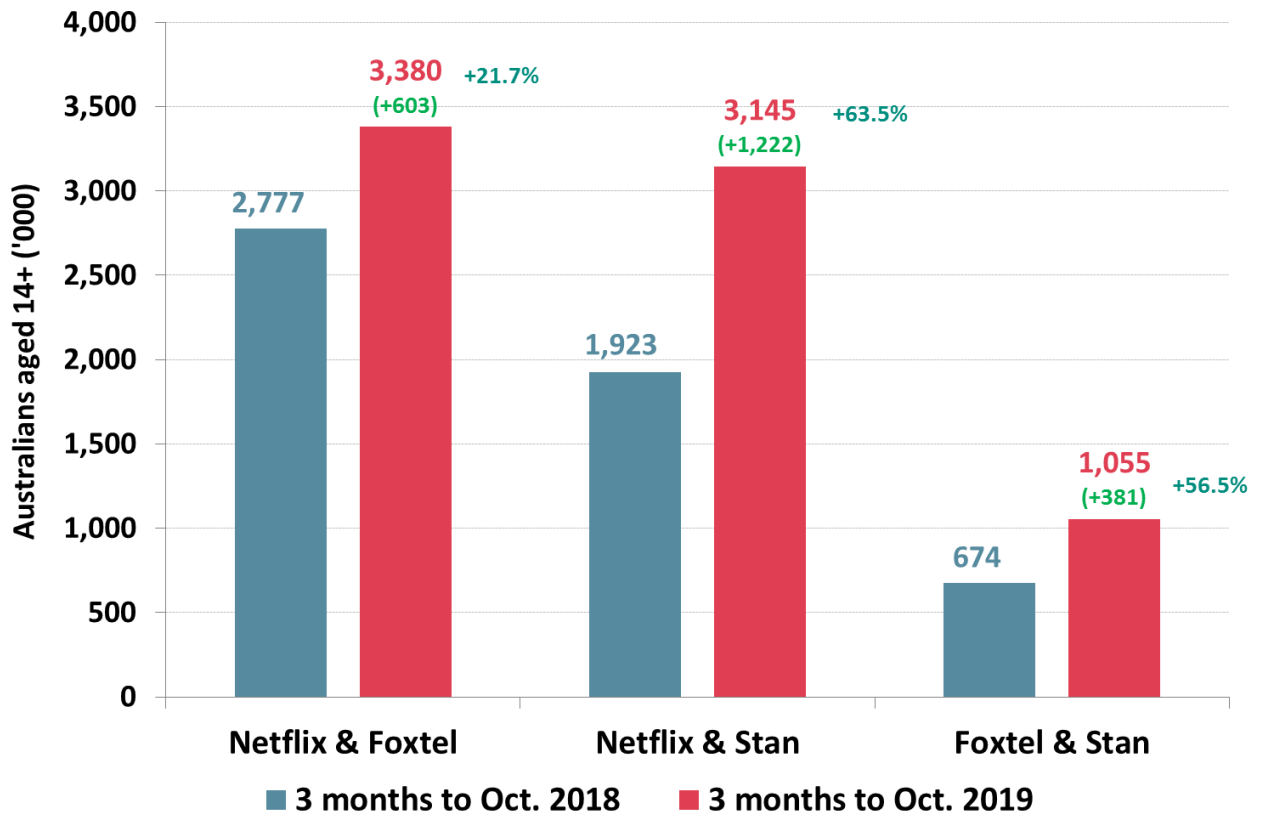
**Australians are increasingly using multiple Pay TV/Subscription TV services**

A significant question facing existing services and new entrants to the market, is will Australians use more than one service – and the answer so far is a clear yes.

Netflix and Foxtel is the most popular combination amongst those with two or more services, with nearly 3.4 million Australians having access to both services, up 21.7% on a year ago. However the combination of Netflix and Stan is closing in, with over 3.1 million now accessing both services, up 63.5% on a year ago.

Over 1 million Australians have access to both Foxtel and Stan, an increase of 56.5% on a year ago.

**Combinations: Australian users of at least two Pay TV/Subscription TV services – 3 months to October 2019 cf. 3 months to October 2018**



**Source:** Roy Morgan Single Source, Aug–Oct 2018, n=12,327 and Aug - Oct 2019, n=13,011.  
**Base:** Australians aged 14+.

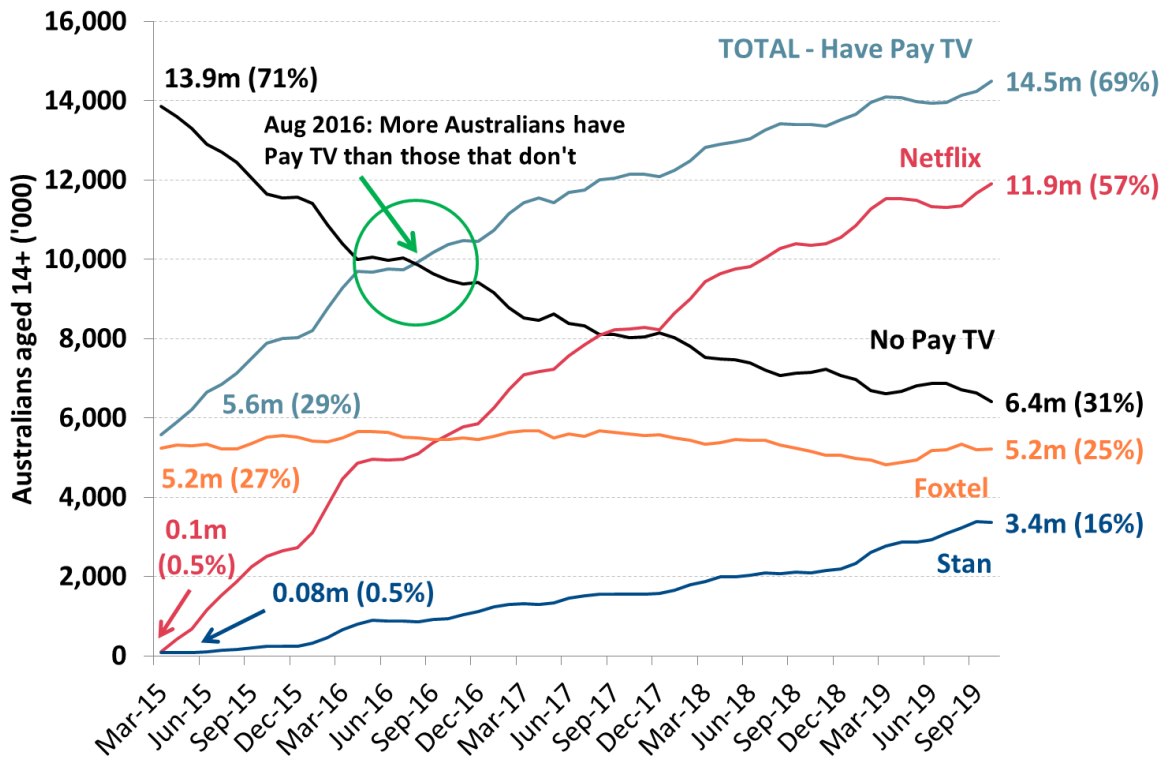
**Growth in Netflix powered the adoption of Pay TV/Subscription TV for the last four years**

The growth in adoption of Pay TV/Subscription TV services over the last four years has been phenomenal and this is largely down to the take-up of Netflix throughout Australia.

The growth in Netflix meant that by August 2016, less than 18 months after its launch, for the first time more Australians had access to Pay TV/Subscription TV than those didn't. This was also when Netflix passed 5 million household viewers for the first time.

Today over two-thirds of Australians (69%) have access to Pay TV/Subscription TV compared to only 31% that don't.

**Australian users of Pay TV/Subscription TV services: January 2015 – October 2019**



**Source:** Roy Morgan Single Source, January 2015 – October 2019. Rolling quarterly average, n=12,574.  
**Base:** Australians aged14+.

**Netflix milestones since launching in Australian on March 24, 2015**

- 500,000 viewers: 2 months after launch;
- 1 million viewers: 3 months after launch;
- 1.5 million viewers: 4 months after launch;
- 2 million viewers: 6 months after launch;
- 2.5 million viewers: 7 months after launch;
- 3 million viewers: 10 months after launch;
- 3.5 million viewers: 11 months after launch;
- 4 million viewers: 1 year after launch;
- 5 million viewers: 17 months after launch;
- 6 million viewers: 22 months after launch;
- 7 million viewers: 2 years after launch;
- 8 million viewers: 2 years & 5 months after launch;
- 9 million viewers: 3 years after launch;
- 10 million viewers: 3 years & 4 months after launch;
- 11 million viewers: 4 years after launch.

[Click here](#) to view profiles of users of Pay TV services including Foxtel, Netflix, Stan, YouTube Premium, Amazon Prime Video and others.

Contact Roy Morgan to learn more about Roy Morgan's Pay TV and Subscription Video on Demand research or [Technology Adoption Segments](#).

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#### Related research findings

Browse our Online Store for an extensive range of profiles on Foxtel, Netflix, Stan, YouTube Premium, 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 Australia's largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 75 years' experience 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%
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

