



digital TV research

December 2014

Table of contents:

- OTT revenues to rocket to \$42 billion by 2020
- Nearly 1 billion TV sets Internet connected by 2020
- German digital TV data
- Mexico digital TV data
- Liberty Global operational results
- Major US multi-channel video providers by subs
- Netflix paying streaming subscribers by country (000)

Editor: Simon Murray

Tel: +44 20 8248 5051

Free newsletter published: 12 times/year

info@digitaltvresearch.com

Copyright: [Digital TV Research Ltd](#)

Copyright notice: No part of this publication may be copied, duplicated or photocopied without written consent from Digital TV Research Ltd.

www.digitaltvresearch.com

December 2014

Digital TV Research publication schedule for 2014

Title	Publication Date	Price
<u>Multiscreen TV & Video Forecasts</u>	November	£1000/\$1500/€1250
<u>European Pay TV Operator Forecasts</u>	October	£1000/\$1500/€1250
<u>Connected TV Forecasts</u>	September	£1000/\$1500/€1250
<u>Global Online TV & Video Revenue Forecasts</u>	September	£1000/\$1500/€1250
<u>Global Online TV & Video Household Forecasts</u>	September	£1000/\$1500/€1250
<u>TV Advertising Forecasts</u>	August	£800/\$1200/€1000
<u>Asia Pacific Online TV & Video/OTT forecasts</u>	August	£900/\$1350/€1125
<u>European Online TV & Video/OTT forecasts</u>	August	£900/\$1350/€1125
<u>Global Satellite TV Forecasts</u>	July	£1000/\$1500/€1250
<u>Global IPTV Forecasts</u>	July	£1000/\$1500/€1250
<u>Digital TV World Household Databook</u>	June	£600/\$900/€750
<u>European Digital TV Databook</u>	June	£450/\$675/€560
<u>Digital TV World Revenue Forecasts</u>	May	£1300/\$1950/€1625
<u>Digital TV World Household Forecasts</u>	May	£1300/\$1950/€1625
<u>Digital TV Middle East & Africa Databook</u>	May	£450/\$675/€560
<u>Digital TV Western Europe Forecasts</u>	April	£800/\$1200/€1000
<u>Digital TV Eastern Europe Forecasts</u>	April	£800/\$1200/€1000
<u>TV Formats in Europe</u>	March	£1500/\$2250/€1875
<u>Digital TV North America Forecasts</u>	March	£400/\$600/€500
<u>Digital TV Latin America Forecasts</u>	March	£800/\$1200/€1000
<u>Digital TV Asia Pacific Forecasts</u>	March	£800/\$1200/€1000
<u>Digital TV Middle East & North Africa Forecasts</u>	February	£800/\$1200/€1000
<u>Digital TV Sub-Saharan Africa Forecasts</u>	January	£800/\$1200/€1000



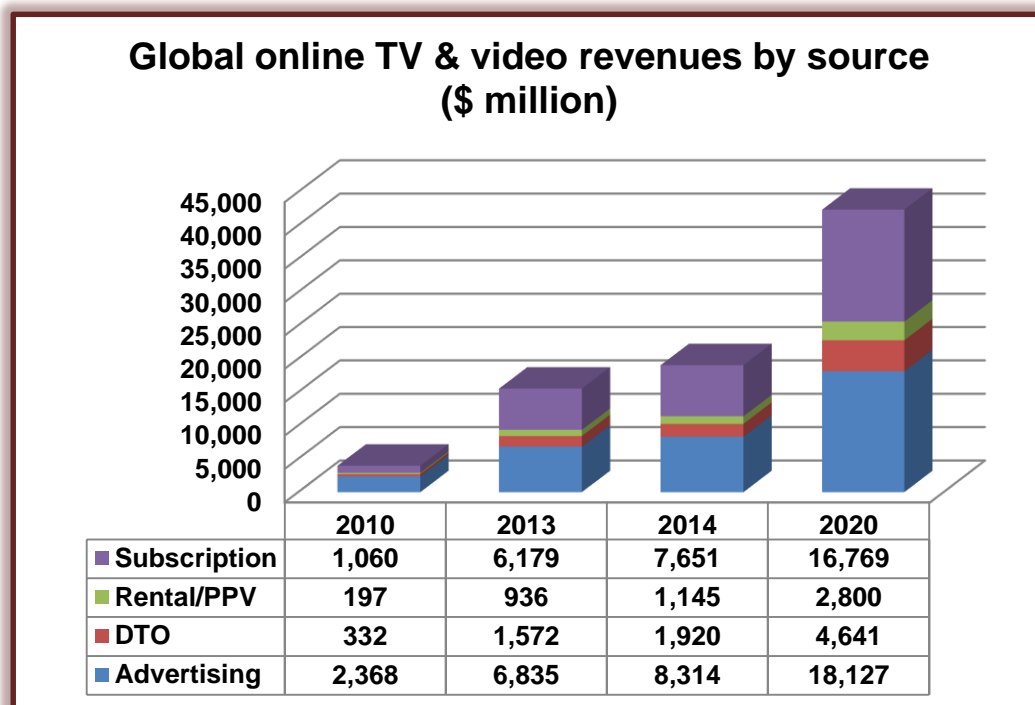
OTT revenues to rocket to \$42 billion by 2020

Global online TV and video revenues (over fixed broadband networks for 51 countries) will reach \$42.34 billion in 2020; up from \$3.96 billion recorded in 2010 and the \$19.03 billion expected in 2014, according to a report from Digital TV Research.

Top five countries by online TV & video revenues (\$ million)				
	2014		2020	
USA	9,411	USA	15,527	
Japan	1,770	Japan	3,719	
UK	1,306	China	3,033	
Germany	914	UK	2,562	
China	660	Germany	2,240	

Source: Digital TV Research

The US will remain the dominant OTT TV territory for online TV and video revenues, according [to the Global Online TV & Video Revenue Forecasts report](#). However, its share of total revenues will drop from 59% in 2010 (when the US recorded revenues of \$2,326 million) to 37% in 2020 (\$15,527 million) as the international markets catch up. China's online television and video revenues will soar from just \$37 million in 2010 to \$3,033 million in 2020 – to push China up to third place in the world rankings (with Japan in second place).



December 2014

Online TV and video advertising has been the key driver for the OTT sector, with revenues of \$8.3 billion expected in 2014, up from \$2.4 billion in 2010. Rapid advertising expenditure growth will continue, to reach a global total of \$18.1 billion in 2020.

Online television and video subscription revenues [SVOD] will climb from \$1.06 billion in 2010 to \$7.65 billion in 2014 and onto \$16.77 billion in 2020. This means that SVOD will contribute 40% of total OTT revenues in 2020, up from 27% in 2010.

The US generated online TV and video subscription revenues of \$793 million in 2010, or 75% of the global total. Although its revenues will climb by 667% to \$6,086 million, the US will only account for 36% of the 2020 total.

Online TV and video rental/pay-per-view revenues will expand rapidly, climbing from \$197 million in 2010 to \$2,800 million in 2020. Download-to-own revenues are forecast to be \$4,641 million in 2020, up from \$332 million in 2010.

Please click here for more information on [the Global Online TV & Video Revenue Forecasts report](#)

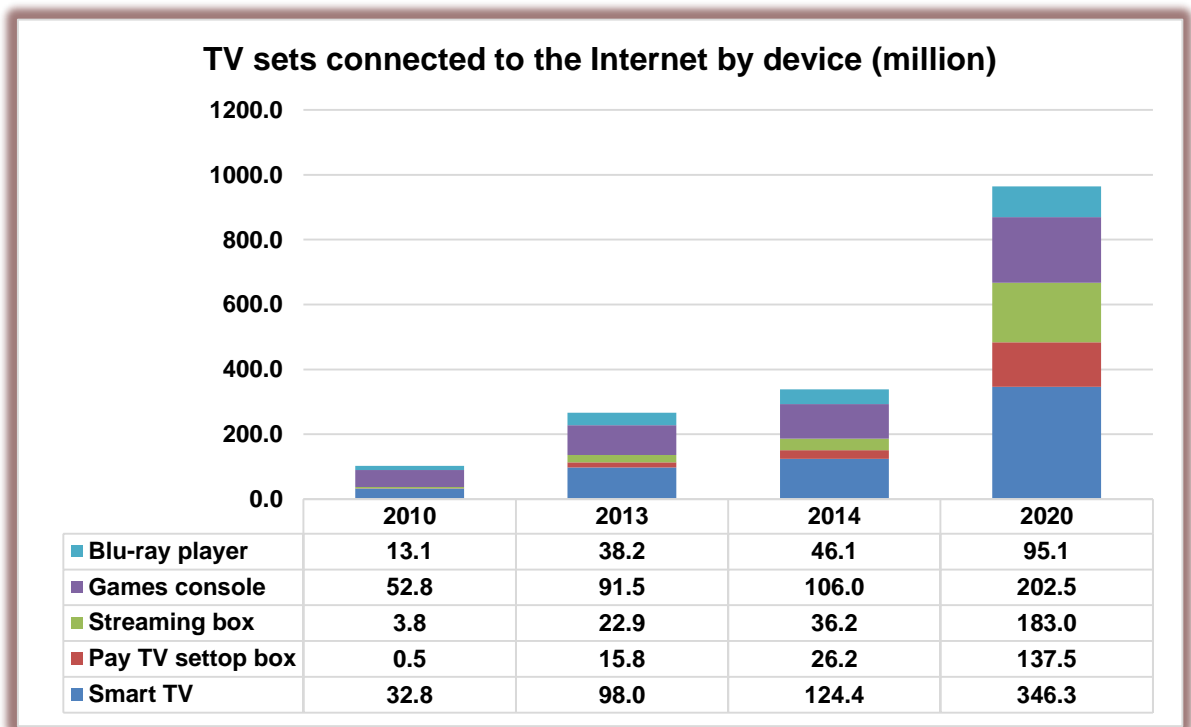


Nearly 1 billion TV sets Internet connected by 2020

The number of TV sets connected to the Internet will reach 965 million by 2020, up from 103 million at end-2010 and the 339 million expected at end-2014, according to a new report from Digital TV Research.

Covering 51 countries, [the Connected TV Forecasts report](#) estimates that the proportion of TV sets connected to the Internet will rocket to 30.4% by 2020, up from only 4.2% at end-2010 and the 12.1% expected by end-2014. South Korea (52.7%) will have the highest proportion by 2020, followed by the UK (50.6%), Japan (48.6%) and the US (47.0%).

From the 698 million additional TV sets connected to the Internet between 2013 and 2020, China will supply a massive 160 million, followed by the US (92 million) and India (75 million).



Source: Digital TV Research

There are several ways by which a TV set can be connected online. The most popular was the fixed games console (Wii, PlayStation and Xbox), which accounted for 51% of the 2010 total.

The number of connected games consoles will rise to 202 million by 2020; double the 2013 total. The US will provide 50 million of the 2020 total, followed by China (22 million) and Japan (18 million). From the 111 million added between 2013 and 2020, the US will provide 18.5 million and China 17.0 million.

December 2014

However, the number of installed smart TV sets overtook games consoles connected to the web in 2013. Smart TV sets will account for 36% of the 2020 total connected sets, with 346 million (of which 56 million will be in the US and 74 million in China). From the 248 million to be added between 2013 and 2020, China will contribute 65 million, with the US supplying an extra 27 million and India 29 million.

Chromecast and similar products (such as Sky's Now TV) are likely to have a considerable impact. The global total of connected TV sets via streaming/retail settop boxes will reach 183 million in 2020 (with 31 million in the US and 37 million in China), up from only 4 million in 2010. The expected 36 million total by end-2014 is up from 23 million a year earlier.

Please click here for more information on [the Connected TV Forecasts report](#)



December 2014

Germany digital TV data						
Digital conversion of German TV households						
	TVHH mil.		Digital TV HH mil.		Digital penetration %	
Dec-10	35.86		17.15		47.8%	
Dec-11	36.04		20.93		58.1%	
Dec-12	36.24		26.46		73.0%	
Dec-13	36.71		28.41		77.4%	
Source: ALM/GfK						
Split of TV households by platform (million)						
	Cable	of which digital	Satellite	Terrestrial	DSL	Total
2005	1,694		5,671	1,500	0	33,904
2006	2,456		6,609	1,788	0	33,904
2007	3,220		9,012	3,647	0	36,981
2008	4,102	21.0	10,290	3,921	112	37,277
2009	6,051	30.6	11,654	4,209	379	37,412
2010	7,290	37.8	12,699	4,167	878	37,464
2011	8,038	42.5	14,547	4,436	1,144	37,668
2012	8,779	48.2	17,320	4,756	1,636	37,977
2013	9,867	55.9	17,624	4,199	1,872	38,157
2014	11,229	62.9	17,779	3,865	1,899	38,557
Source: ALM						
Net TV household reach by platform (%)						
	2010	2011	2012	2013		
Cable	49.5	48.6	45.5	45.2		
Satellite	46.1	47.4	46.5	46.7		
IPTV	4.0	4.4	4.3	4.3		
DTT			3.7	3.8		
Source: AGF						



December 2014

Germany digital TV data						
Kabel Deutschland subscriber data and ARPU (000)						
Subscriber data	4Q10	4Q11	4Q12	Sep-13	4Q13	Sep-14
Homes passed	15,293	15,293	15,293	15,160	15,189	15,256
Direct basic video cable	7,309	7,214	7,194	7,165	7,149	7,111
Indirect basic video cable	1,278	1,151	934	805	798	708
Premium TV RGUs	1,222	1,548	1,970	2,149	2,235	2,425
Internet RGUs	1,153	1,446	1,741	1,995	2,088	2,369
Telephony RGUs	1,190	1,479	1,753	1,970	2,050	2,302
Total RGUs	12,563	13,284	14,124	14,554	14,765	15,306
RGUs/subscriber	1.43	1.54	1.66	1.73	1.76	1.84
Monthly ARPU (€)						
Blended TV ARPU per sub	9.30	9.86	10.43	10.72	10.83	11.05
Blended Internet and telephony ARPU	29.21	28.05	28.32	27.64	27.51	26.99
Blended monthly ARPU per sub	13.50	14.49	16.05	16.95	17.30	18.16
<i>Source: Kabel Deutschland</i>						
Unitymedia Kabel BW subscriber data and financials						
	2011	2012	Sep-13	4Q13	Sep-14	
Analog basic subs (000)	4,769	4,504	4,414	4,367	4,301	
Digital subs (000)	1,984	2,186	2,214	2,235	2,264	
Total video subs (000)	6,752	6,690	6,628	6,601	6,565	
Digital share of total (%)	29.4%	32.7%	33.4%	33.9%	34.5%	
Broadband (000)	1,800	2,219	2,491	2,580	2,818	
Phone (000)	1,832	2,232	2,445	2,518	2,683	
Total RGUs (000)	10,384	11,141	11,563	11,699	12,066	
Customer relationships (000)	6,932	7,049	7,071	7,070	7,103	
RGUs per customer	1.50	1.58	1.64	1.65	1.70	
Single-play	73.3%	67.9%	64.7%	63.4%	60.8%	
Double-play	3.6%	6.2%	7.2%	7.7%	8.5%	
Triple-play	23.1%	25.9%	28.1%	28.9%	30.7%	
Monthly ARPU €	17.94	19.44	20.47		21.62	
<i>Source: Unitymedia; Liberty Global</i>						



December 2014

Germany digital TV data						
Sky Deutschland subscriber growth						
	4Q10	4Q11	4Q12	3Q13	4Q13	3Q14
Subscribers (000)	2,653	3,012	3,363	3,529	3,667	3,908
Subscription ARPU (€)	30.22	31.29	32.77	34.07	33.51	34
12 months rolling churn rate (%)	11.8%	11.0%	11.8%	11.8%	11.2%	9.2%
Wholesale subs (000)	132	131	125	280	268	155
Premium HD subs (000)	593	974	1,514	1,752	1,799	2,004
Sky+ (000)	39	411	929	1,296	1,480	1,786
Sky Multiroom (000)	43	175	346	410	429	461
<i>Source: Sky</i>						
Deutsche Telekom Entertain IPTV subs (000)						
	Connections	Consumer		Business		
2009	806					
2010	1,156	1,070		86		
2011	1,553	1,434		117		
2012	1,966	1,804		161		
Sep-13	2,121	1,948		172		
2013	2,177	2,001		174		
Sep-14	2,377	2,190		185		
<i>Source: Deutsche Telekom</i>						



December 2014

Mexico digital TV data					
Pay TV subscribers by platform (000)					
	Cable TV	MMDS	Satellite TV	Total	
2000	2,221	346	668	3,235	
2001	2,493	329	869	3,690	
2002	2,528	272	980	3,781	
2003	2,658	512	1,000	4,171	
2004	2,952	693	1,127	4,772	
2005	3,384	889	1,180	5,454	
2006	3,945	753	1,339	6,036	
2007	4,294	775	1,449	6,517	
2008	4,762	765	1,524	7,051	
2009	5,055	557	2,440	8,052	
2010	5,357	347	4,368	10,072	
2011	5,641	215	5,645	11,501	
2012	5,927	159	6,909	12,995	
2013	6,828	135	7,770	14,733	
2Q14	6,925	123	8,338	15,386	
<i>Source: Ifetel</i>					
Sky subscriber growth					
	Total subs	of which commercial premises	of which Central America and Dom Rep		
2009	1,959,722	144,326	137,000		
2010	3,044,028	149,899	145,000		
2011	4,008,374	157,646	159,000		
2012	5,153,445	164,669	182,415		
2013	6,015,475	168,063	203,076		
3Q14	6,517,735		194,646		
<i>Source: Televisa</i>					
Grupo Televisa's Mexican cable TV and telecoms subs at September 2014 (000)					
	Cablevision	Cablemas	TVI	Cablecom	Total
Video	883	1,204	479	804	3,370
Broadband	739	813	361	253	2,166
Telephony	439	403	173	133	1,148
RGUs	2,061	2,420	1,013	1,190	6,684
<i>Source: Televisa</i>					



December 2014

Mexico digital TV data					
Cablevision operating data (000)					
	2010	2011	2012	2013	3Q14
TV subs	669	727	787	868	883
Broadband	299	408	509	666	739
Telephony	190	251	319	415	439
RGUs	1,159	1,387	1,615	1,949	2,061
Customer rels	682	771	873	986	1,023
<i>Source: Cablevision</i>					
Megacable operating data (000)					
	2010	2011	2012	2013	3Q14
Homes passed	5,214	5,720	6,210	6,574	6,821
Cable TV subs	1,757	1,944	2,100	2,144	2,299
Digital TV subs	540	976	1,171	1,324	1,500
Broadband subs	594	683	835	951	1,208
Telephony subs	464	495	556	578	678
Unique subs	1,805	2,000	2,193	2,250	2,450
RGUs	2,815	3,122	3,491	3,672	4,186
Blended ARPU MXN	364	368	354	408	395
Video ARPU MXN	233	227	225	242	229
<i>Source: Megacable</i>					
Maxcom IPTV subs					
2007	5,990				
2008	18,440				
2009	30,370				
2010	49,710				
2011	56,151				
2012	68,343				
2013	65,086				
2Q14	65,591				
<i>Source: Ifotel; Maxcom</i>					
Fixed broadband subscriptions (000)					
	DSL	Cable	Other	Total	
2007	3,150	1,236	178	4,564	
2008	5,671	1,616	246	7,533	
2009	7,329	1,877	523	9,729	
2010	8,826	2,134	611	11,571	
2011	9,340	2,366	782	12,488	
2012	9,431	2,757	1,116	13,304	
<i>Source: Ifotel</i>					



December 2014

Liberty Global operational results at September 2014				
Customer breakdown and bundling				
	Dec-11	Dec-12	Dec-13	Sep-14
Total RGUs (000)				
Video	18,349	18,309	21,788	21,611
Broadband	8,481	9,244	14,365	15,064
Telephony	6,547	7,282	12,115	12,574
LGI Consolidated	33,376	34,835	48,268	49,249
Single-play	11,232	10,727	10,646	10,141
Double-play	2,921	3,076	3,931	3,967
Triple-play	5,435	5,985	9,920	10,392
Total	19,588	19,788	24,497	24,499
% double-play				
UPC Europe	12.7	18.3	17.2	15.9
Unitymedia		6.2	7.7	
Virgin Media		20.5	18.5	
Telenet	28.3	29.9	29.0	
VTR	20.6	20.7	21.1	21.7
LGI Consolidated	14.9	15.5	16.0	16.2
% triple-play				
UPC Europe	25.2	29.4	34.0	42.2
Unitymedia		25.9	28.9	
Virgin Media		64.9	65.7	
Telenet	37.0	40.5	45.7	
VTR	46.2	46.1	46.3	46.8
LGI Consolidated	27.7	30.2	40.5	42.4
RGUs per customer relationship				
UPC Europe	1.63	1.77	1.85	2.00
Unitymedia		1.58	1.65	1.70
Virgin Media		2.50	2.50	2.50
Telenet	2.02	2.11	2.21	2.28
VTR	2.13	2.13	2.14	2.15
LGI Consolidated	1.70	1.76	1.97	2.01
ARPU				
UPC Europe €	23.77	28.91	29.47	29.98
Unitymedia €		18.83	20.33	21.52
Virgin Media £		47.05	48.21	48.98
VTR Chile CLP	30572	30,830	31,573	32,006
Telenet €	44.51	45.42	49.49	51.12
LGI Consolidated \$	37.54	36.36	48.14	48.58
<i>Source: Liberty Global</i>				



December 2014

Liberty Global operational results at September 2014

Subscribers by country								
(000)	Customer rels	RGUs	Analog cable subs	Digital cable subs	DTH subs	Total video	Internet subs	Telephony subs
Austria	651	1,341	159	362	0	521	455	366
Belgium	2,074	4,720	508	1,566	0	2,074	1,513	1,134
Czech Rep	713	1,179	88	370	107	565	443	172
Germany	7,103	12,066	4,301	2,264	0	6,565	2,818	2,683
Hungary	1,066	1,936	230	408	273	910	545	480
Ireland	522	1,105	42	368	0	410	359	336
Netherlands	1,593	3,693	464	1,126	0	1,590	1,107	996
Poland	1,421	2,709	291	903	0	1,194	970	544
Romania	1,165	1,890	315	537	306	1,158	421	312
Slovakia	279	428	45	139	65	248	114	66
Switzerland	1,457	2,593	722	689	0	1,411	717	466
UK	4,948	12,364	0	3,739	0	3,739	4,464	4,161
Europe	22,990	46,025	7,165	12,471	751	20,384	13,926	11,715
Chile	1,230	2,647	116	893	0	1,009	933	705
Puerto Rico	279	577	0	218	0	218	205	154
LGI Total	24,499	49,249	7,281	13,582	751	21,611	15,064	12,574

Source: Liberty Global



December 2014

Major US multi-channel video providers by subscribers (000)													
	4Q10	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14
Comcast	21,884	22,343	21,942	22,118	22,002	21,995	21,935	21,776	21,647	21,690	22,601	22,457	22,376
Time Warner	11,613	12,061	12,315	12,484	12,334	12,218	12,100	11,911	11,607	11,393	11,359	11,212	11,030
Charter	4,102	4,325	4,197	4,269	4,197	4,158	4,124	4,073	4,345	4,342	4,355	4,320	4,296
Cablevision	3,186	3,250	3,257	3,257	3,247	3,197	3,191	3,171	2,831	2,813	2,799	2,771	2,715
Suddenlink	1,206	1,252	1,210	1,230	1,230	1,211	1,212	1,190	1,186	1,177	1,188	1,169	1,171
Mediacom	945	1,069	1,015	1,037	1,019	1,000	999	983	960	945	937	919	900
Insight	648	670											
Cable ONE	594	621	603	613	605	594	588	576	561	539	525	490	476
Other major private	6,940	7,145	6,990	7,060	7,005	6,935	6,895	6,810	6,745	6,675	6,655	6,570	6,505
Top cable	51,119	52,736	51,529	52,068	51,649	51,308	51,044	50,489	49,882	49,574	50,418	49,908	49,469
DirectTV	19,223	19,885	19,862	19,914	19,981	20,084	20,105	20,021	20,160	20,253	20,265	20,231	20,203
Dish Network	14,133	13,967	14,051	14,061	14,042	14,056	14,092	14,014	14,049	14,057	14,097	14,053	14,041
Top DBS	33,356	33,852	33,913	33,975	34,023	34,140	34,197	34,035	34,209	34,310	34,362	34,284	34,244
Verizon Fios	3,472	4,173	4,593	4,473	4,592	4,726	4,895	5,035	5,226	5,460	5,661	5,851	6,067
AT&T U-Verse	2,987	3,791	4,301	4,146	4,344	4,536	4,768	5,001	5,170	5,262	5,319	5,419	5,533
Top phone	6,459	7,964	8,894	8,619	8,936	9,262	9,663	10,036	10,436	10,722	10,980	11,270	11,600
Total top operators	94,168	94,552	94,336	94,662	94,608	94,710	94,904	94,560	94,527	94,606	95,760	95,462	95,313

Source: Leichtman Research Group



December 2014

Netflix paying streaming subscribers by country (000)					
	Start date	Dec-11	Dec-12	Dec-13	Sep-14
USA		20,153	25,471	31,712	36,265
International		1,447	4,892	9,722	14,389
-					
Canada	Sep-10	1,138	2,050	3,180	3,475
Argentina		57	130	295	480
Brazil		85	275	1,285	2,174
Chile		27	65	150	230
Colombia		45	110	307	535
Mexico		65	227	765	1,200
Other		30	50	140	235
Latin America	Oct-11	309	857	2,942	4,854
Ireland		0	80	150	190
UK		0	1,400	2,250	2,850
UK & Ireland	Jan-12	0	1,480	2,400	3,040
Denmark		0	120	245	420
Finland		0	85	205	400
Norway		0	95	210	380
Sweden		0	205	440	800
Nordics	Oct-12	0	505	1,100	2,000
Netherlands	Sep-13	0	0	100	700
Belgium	Sep-14	0	0	0	30
Luxembourg	Sep-14	0	0	0	10
France	Sep-14	0	0	0	100
Germany	Sep-14	0	0	0	125
Austria	Sep-14	0	0	0	30
Switzerland	Sep-14	0	0	0	25

Source: Digital TV Research estimates from Netflix totals

