

Executive Summary

The streaming services market has observed spiking growth in the last decade. Annual subscriptions for services like Netflix, Amazon, and others have increased exponentially. The covid 19 pandemic has also led to their fondness for them. Media corporations and TV Studios have also launched their on-demand video streaming platform.

Will the market continue to grow for streaming services? The report tries to answer this question by analyzing the data sets of various streaming services in terms of growth, content type, demographics, and other factors. It includes services like Netflix, Spotify, YouTube, and Twitch.

The analysis suggests that streaming services have huge growth potential and are set for spectacular growth.

Streaming Services Analysis

Netflix

Netflix is a subscription based online streaming services for movies and TV shows and production company.



Figure 1: Netflix global presence

The above map plot shows that Netflix acquires content globally. The United States, India, and United Kingdom have the highest number of shows on Netflix. Is it possible that the top content-creating countries are also top revenue-generating ones? Well, statistics suggest so. In 2021, Netflix earned highest revenue in USA and UK.

Netflix keeps updating its collection of TV shows and movies based on the demand. It not only acquires content from external sources, but make huge investments in creating original content.

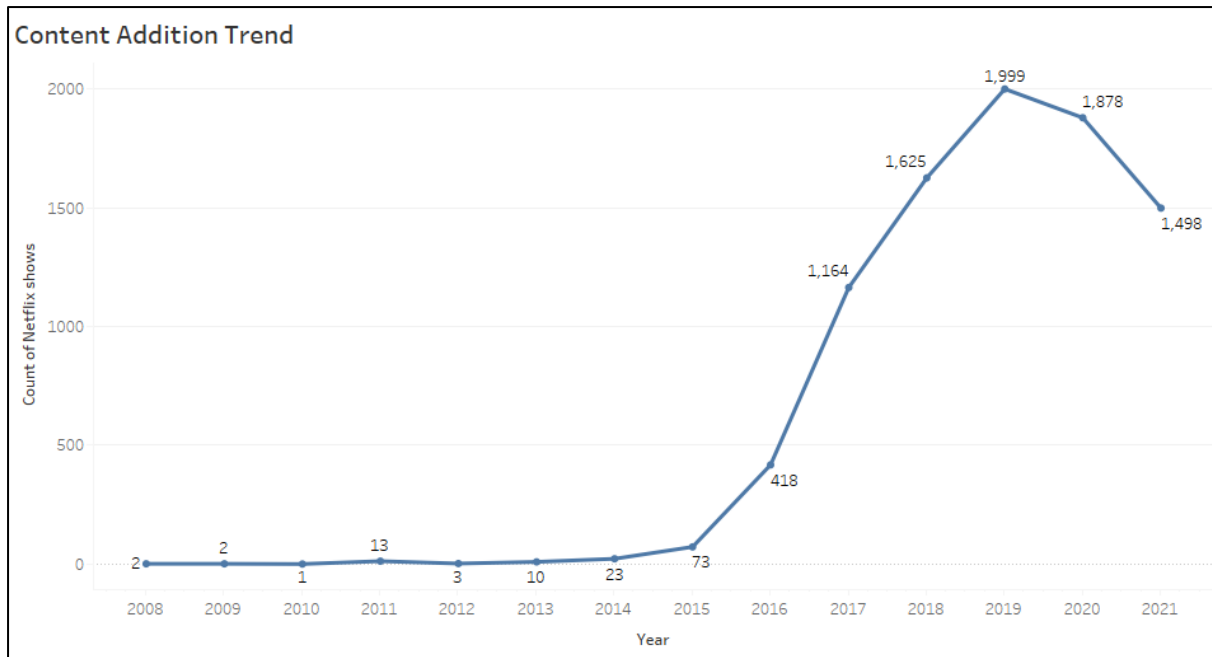


Figure 2: Content addition trend

The above graph shows that the content addition in Netflix has followed an increasing trend from 2013 onwards. The decline in content addition in 2020 and 2021 can be considered an exceptional case, a consequence of the pandemic.

Month of A..	Null	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Null	98														
January		1						2	1	41	72	123	151	204	132
February		1				1		2	3	15	81	86	145	114	109
March							1		4	16	123	170	171	137	112
April								2	5	21	91	114	161	177	188
May			1		1					5	11	85	95	139	132
June								1	5	18	92	77	168	156	207
July								1	7	28	75	150	155	146	257
August							1	1	2	34	110	163	131	129	178
September					1		2	1	6	46	113	123	122	168	183
October					11		2	4	14	51	125	190	191	167	
November			1	1		1	2	4	3	42	82	154	253	154	
December						1	2	5	18	95	115	180	212	169	

Figure 3: Content addition

Although there is no clear trend, it is observed that usually the highest number of content updates occurred in June, July, December, and January. It could be further analyzed to understand if external factors, like summer vacation and year-end holidays, impact new releases.

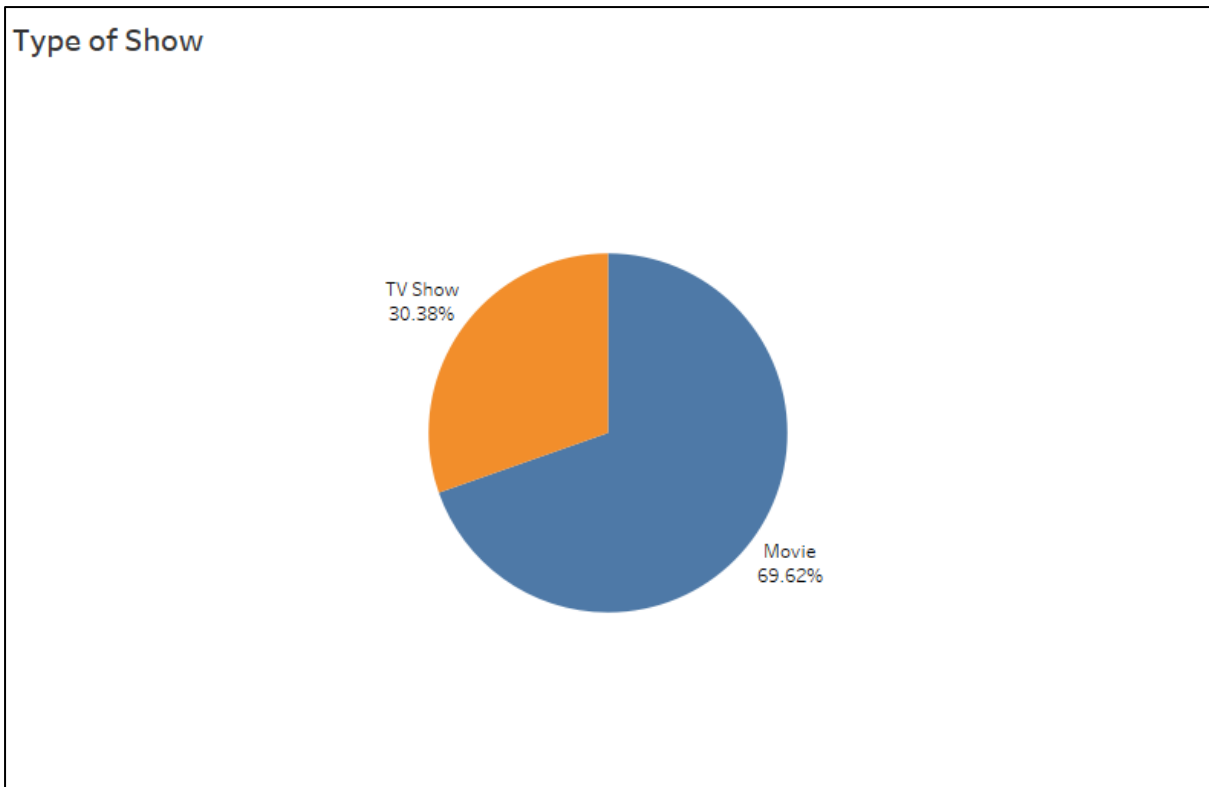


Figure 4: Type of Show

The above graph shows that movies have a considerably higher share in Netflix content. It will be interesting to know if the revenue generated from the two categories also follow the same trend.



Figure 5: Content by genres

Netflix hosts diverse content, as shown in the above graph. Adding more content for the underrepresented genres can attract new customers.

Apart from genre, the content can also be grouped by their rating.

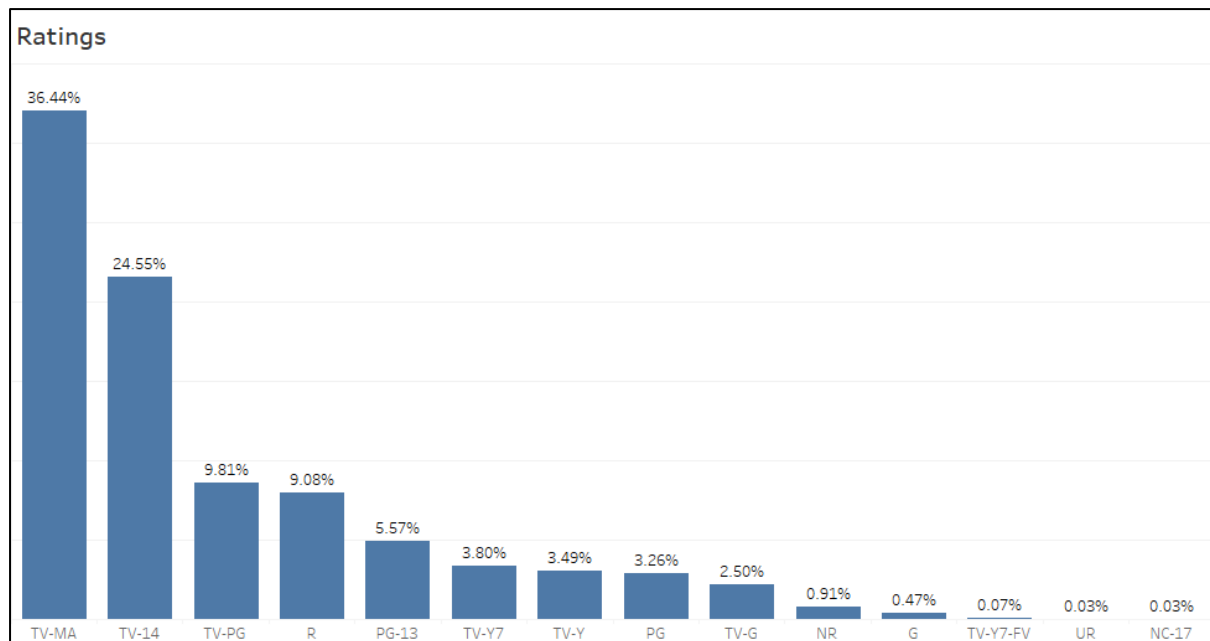


Figure 6: Content by rating

Almost 70% of the content are categorized in TV-MA, TV-14 and TV-PG ratings. There is still huge market for children friendly shows.

YouTube

YouTube is a free social media platform where users can share their content, and earn revenue through ads and surveys. Streaming services, like Netflix and Spotify also use their YouTube channel as a marketing tool for their content.

The YouTube data set includes weekly data of 200 trending videos from 1st December 2017 to 31st May 2018. For the entire span, Netflix was one of the top 200 trending videos on YouTube. Netflix videos were also one of the top 10 trending videos for eight weeks. The following table gives more details.

Top N Videos	Netflix trending for # of Weeks
Top 10	8 Weeks
Top 20	18 Weeks
Top 50	54 Weeks
Top 100	122 Weeks
Top 200	Every Week

Table 1: Netflix videos ranking

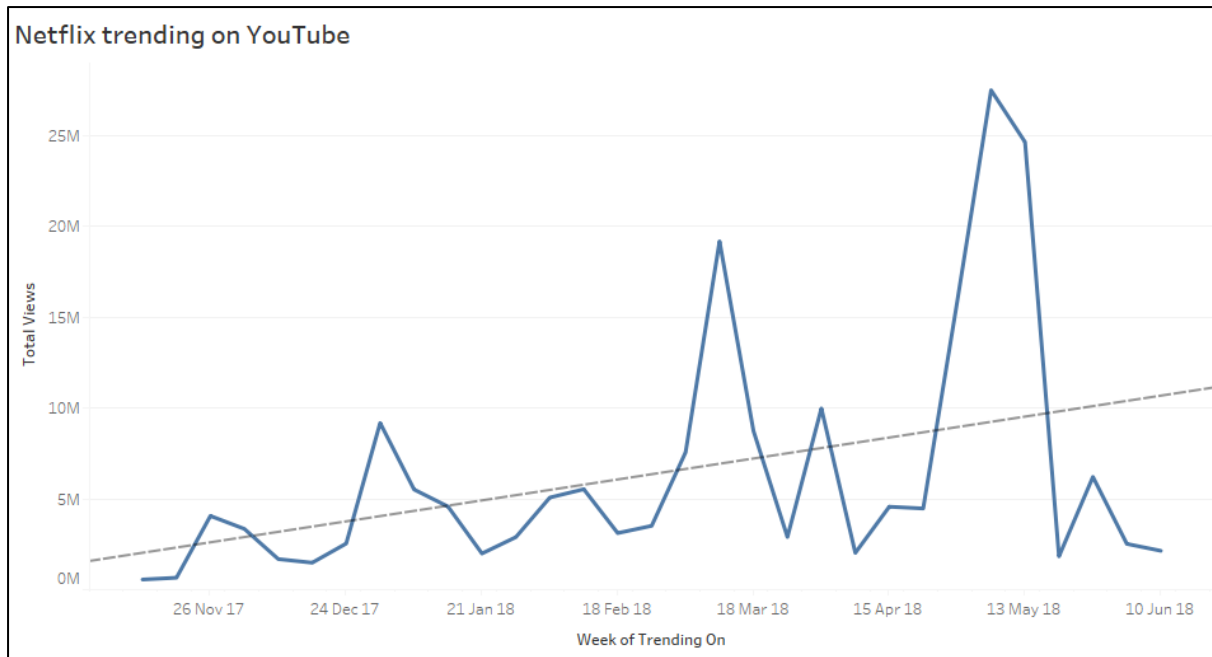


Figure 7: Netflix trending on YouTube

The above graph shows an overall increase in the number of views of Netflix videos on YouTube. The popularity of Netflix videos on YouTube shows its growing potential as a video streaming service.

Spotify

Spotify is an audio streaming service for songs and podcasts, having a user base of 422 million subscribers, which includes 182 million premium users.

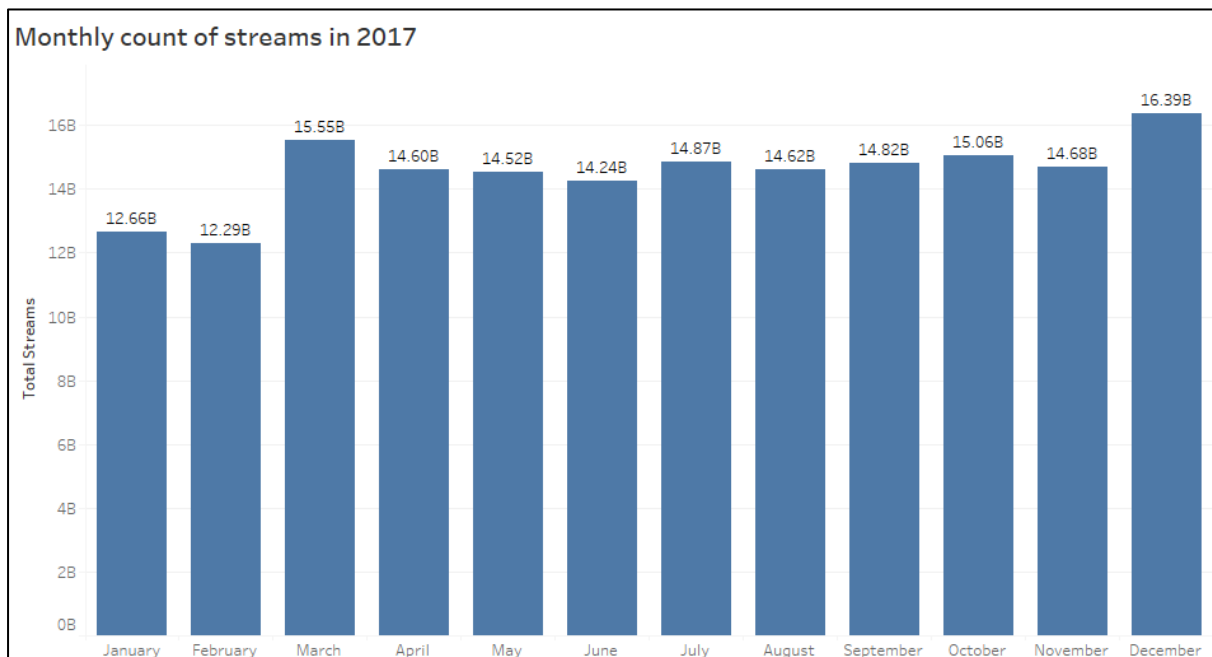


Figure 8: Spotify streams count in 2017

The above graph shows the number of tracks played in 2017 on Spotify. On an average 14 billion tracks were played in 2017.

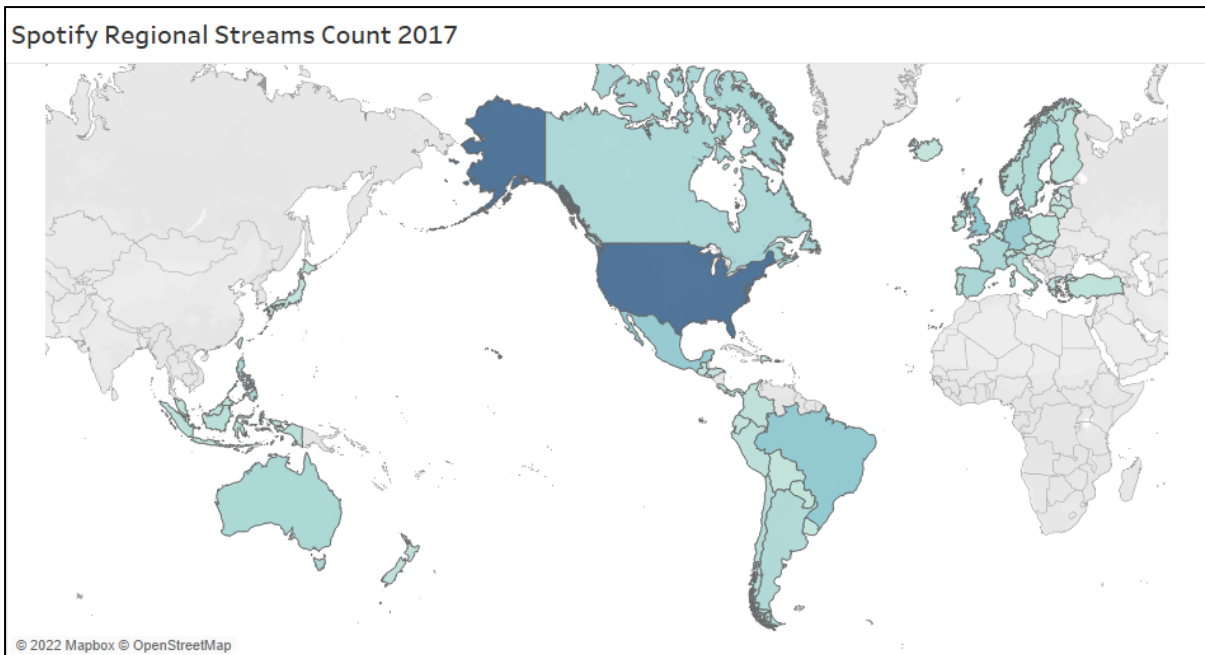


Figure 9: Spotify regional streams count in 2017

The above plot shows that by 2017, Spotify has formed a strong user base in North and South America, United Kingdom, and Europe.

Twitch

Twitch, an Amazon owned subsidiary, is popular for streaming video gaming. It has a strong user base of 150 million active users.

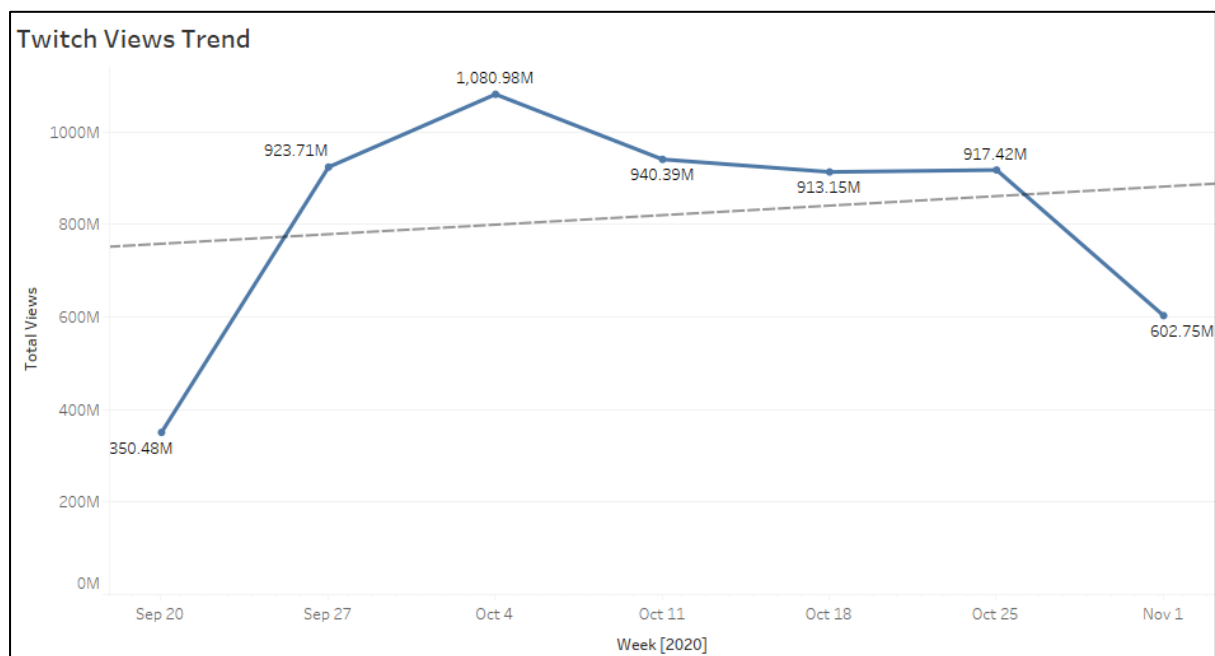


Figure 10: Twitch views trend

The data set includes details of 2500 popular streamers over 4 months. Pandemic may be the reason for the surge in total views during this period.

Other Streaming Services

Encouraged by the success of streaming services, many broadcasting companies have launched their live stream platforms. These services are available either through a website or an application on mobile. Compatibility with various operating systems, like Windows, Mac, Android, and others has made these applications very popular.

The data set includes metadata of 26 streaming services. Compatibility with different OS, TV application, and console application are summarized in the below tables:

Operating System	Number of Services Supported
Android	25
IOS	24
Windows	7
Mac	6
Linux	2

Table 2: OS for streaming services

TV Set Application	Number of Services Supported
Android TV	20
Samsung	14
LG	9
Panasonic	7
Philips	7
Sony	5
Google TV	1
Hisense	1

Table 3: TV set for streaming services

Set Top Box Application	Number of Services Supported
Apple TV	21
Chromecast	21
Amazon Fire TV	19
Roku	13
Virgin Media On Demand	3
APSFL IPTV	1
Android tablets	1
Bollywood on Demand	1
Boxee Box	1
Freesat	1
Google TV devices	1
Jio on Demand	1
Netgear NTV 300	1
Samsung tablets	1
Standalone PTCL Smart Settop Box	1
Ttnet on Demand	1
Western Digital	1

Table 4: Set top box for streaming services

Console Application	Number of Services Supported
PS4	14
PS5	14
Xbox One	14
Xbox Series X/S	14
PS3	10
Xbox 360	10
Wii	1

Table 5: Console for streaming services

Conclusion & Recommendations

The above analysis shows that streaming services are a booming industry. It is also highly competitive because broadcasting networks, films, and tv studios have also entered this market. Although lockdown restrictions during the pandemic might have caused a dramatic surge in revenue, streaming services are expected to grow in coming years.

Some of the key takeaways are:

- Netflix can host more children-friendly shows, as they constitute a small percentage of its content.
- Netflix can come up with optimal times for releases of shows and movies of different genres. A family show is more likely to be watched during holidays.
- Releasing short videos, announcements, and promotional content on YouTube can expand the user base.
- Hosting regional content can help Spotify to get hold of new customers in Asia and Africa.
- Streaming services should be compatible with popular operating system (Android, IOS), tv set (Android TV, Samsung), set top box (Apple TV, Chromecast, Amazon Fire TV, and Roku), and console (PS3, PS4 and Xbox).

Appendix

Limitations

- Some of the data sets were not current. For example, Spotify had data on trending songs in 2017. An updated data set can produce a better picture of the growing user base of Spotify.
- YouTube trending videos data was also not current.

References

Countries by region. Adjust Help Center. (n.d.). Retrieved June 23, 2022, from <https://help.adjust.com/en/article/countries-by-region>

Video streaming app revenue and Usage Statistics (2022). Business of Apps. (2022, May 4). Retrieved June 23, 2022, from <https://www.businessofapps.com/data/video-streaming-app-market/>