

Netflix effect: Cord-cutting accelerates in US market

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More US households are "cord cutting," or dropping their pay TV packages, as online video platforms like Netflix gain ground

US households are dropping their traditional pay TV packages at a faster rate than in the past amid a rise in streaming video services like Netflix,

a survey showed Tuesday.

The report by the research firm eMarketer found the number of "cord-cutters" who have cancelled pay TV service will climb 32.8 percent this year to 33 million.

The survey found 186.7 million US adults will watch pay TV via [cable](#), [satellite](#) or telecom provider in 2018, down 3.8 percent over last year.

That follows a 3.4 percent dip in 2017.

The drop comes with more households turning to online services like Netflix, Amazon and Hulu for on-demand [video](#).

According to eMarketer, Netflix has some 147 million US subscribers to 88.7 million for Amazon and 55 million for Hulu.

"The main factor fueling growth of on-demand streaming platforms is their original content," eMarketer analyst Paul Verna said.

"Consumers increasingly choose services on the strength of the programming they offer, and the platforms are stepping up with billions in spending on premium shows. Another factor driving the acceleration of cord-cutting is the availability of compelling and affordable live TV packages that are delivered via the internet without the need for installation fees or hardware."

The research firm said it expects the number of cord-cutters in the US to hit 55 million by 2022.

Separately Tuesday, the US telecom giant Verizon said it lost 37,000 subscribers for its Fios pay TV service in the second quarter "amid pressures from cord-cutting of video bundles."

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