

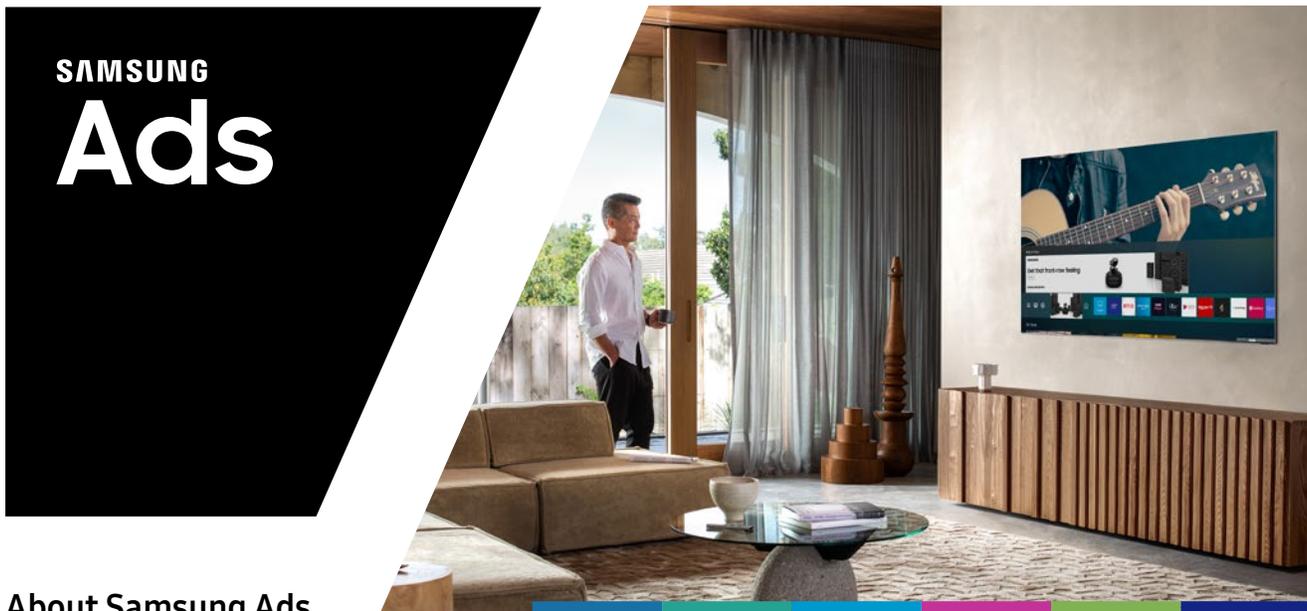
EU Only



SAMSUNG  
**Ads**

# Decoding the On Demand TV Landscape

A guide to streaming behaviours across Europe,  
Samsung TV Plus and what it means for marketers



## About Samsung Ads

Samsung Ads delivers Advanced TV advertising at scale. Our smart TV advertising solutions are built on a unique source of TV data from more than 46M+ Smart TVs across Europe. Samsung Ads provides the holistic view advertisers need, connecting linear, OTT, and gaming to help brands see the total advanced TV picture.

Brands turn to our managed service and programmatic offerings to achieve incremental reach, complement linear TV campaigns, manage frequency, find difficult-to-reach audiences and most importantly, measure outcomes.

Launched in 2015, Samsung Ads has offices in the U.S., Canada, UK, Germany, Australia, India, Brazil & Mexico and South Korea. Samsung Ads is a division of Samsung Electronics and is the #1 TV manufacturer globally.

Get in touch at [adsales.eu@samsung.com](mailto:adsales.eu@samsung.com)

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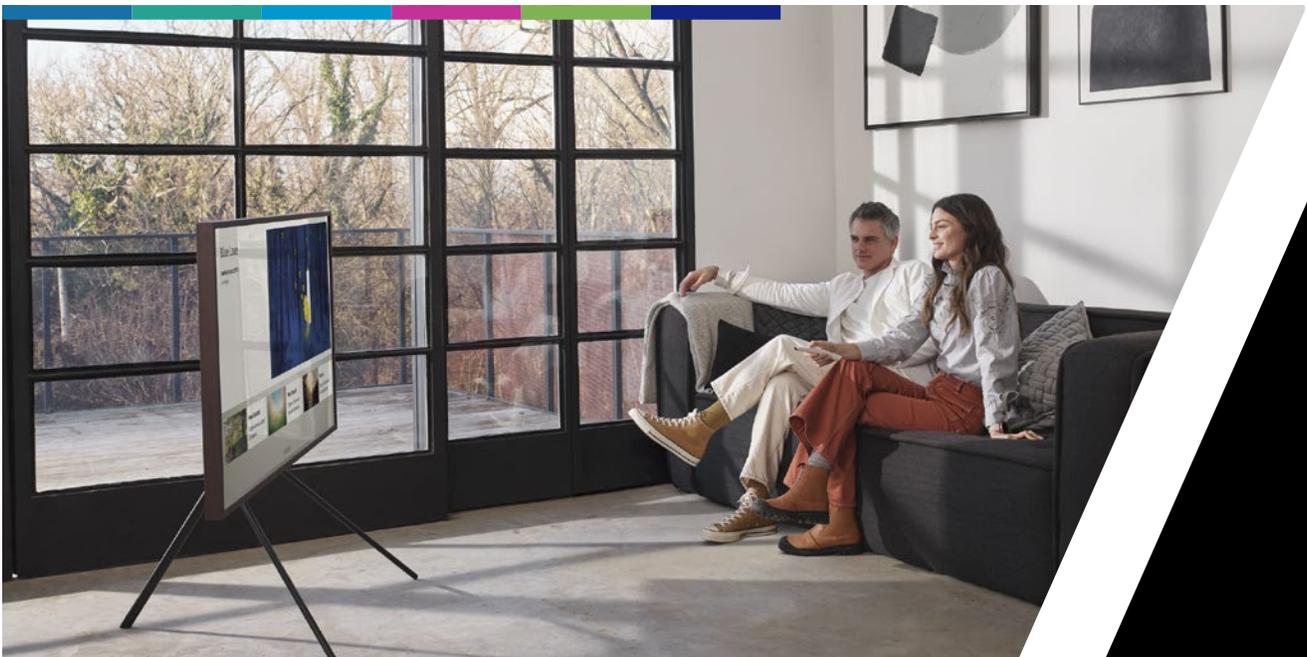
## Methodology

The insights and trends contained within this white paper are derived from proprietary, deterministic Samsung TV device data powered by Samsung ACR technology in Europe to understand linear viewership and OTT app usage.

EU five represents consolidated average viewing data across the United Kingdom, Germany, France, Spain, and Italy. Samsung compared changes in 2020 (weeks 2–52 for weekly data, January–December for monthly and Q1–Q4 for quarterly).

It is important to note that as the streaming landscape keeps evolving with new channels and apps being added to Samsung TVs globally together with the increasing growth of Samsung Smart TV universe (number of TVs), the insights will be reflective of this constant change and the variation in data during different study periods is expected.

Samsung Ads Smart TV insights are not projected to a national population, but they represent viewing behaviour from millions of Samsung TVs across Europe.



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# Your Must-Know Definitions

Key acronyms used throughout this report and what they mean.

CTV	<p><b>Connected TV</b> specifically refers to televisions that have access to an internet connection and can load or stream digital content. This can include Smart TVs (where internet connection is built-in) and standard TVs that are connected to the internet via smart devices.</p>
VOD	<p><b>Video on demand.</b> Video people can access whenever they want. The monetisation models for VOD lead to the below acronyms.</p>
OTT	<p><b>Over-The-Top.</b> Over the top media encompasses content distributed directly to viewers over the internet, whether it is linear streamed TV or VOD (e.g. AVOD or Broadcaster VOD) and streaming content providers (such as Netflix, Hulu, etc.)</p>
SVOD	<p><b>Subscription video on demand.</b> Viewership of video content occurring over the top through a service that requires a paid subscription. Often this model does not have advertising, and funding is secured through subscription fees. Examples include Netflix and Amazon Prime Video.</p>
AVOD	<p><b>Ad-supported video on demand.</b> Viewership of video content occurring over the top through a service that does not require a paid subscription and is instead funded by advertising. Examples include YouTube, Samsung TV Plus.</p>
TVOD	<p><b>Transaction video on demand.</b> Viewership of premium video content occurring over the top where a per transaction fee is required. Examples include Apple iTunes and Sky Box Office.</p>
BVOD	<p><b>Broadcaster video on demand.</b> Content made available on demand by established TV broadcasters. Examples include BBC iPlayer and ITV Hub.</p>
Light Linear TV Viewers	<p>Samsung Smart TV users who watch less than 2-5 hours of linear TV content per month. The number of hours can vary by study period.</p>
Heavy Streamers	<p>Samsung Smart TV users who watch the most streaming, i.e. watch the most numbers of hours of over the top content on their Samsung Smart TV. Numbers vary depending on the time period.</p>
Total TV Watcher	<p>TV viewers who navigate between linear TV and over the top environments to watch their favourite content whenever, wherever and however they want.</p>
EU5	<p>Five European countries studied in this report which are the UK, Germany, France, Spain and Italy.</p>

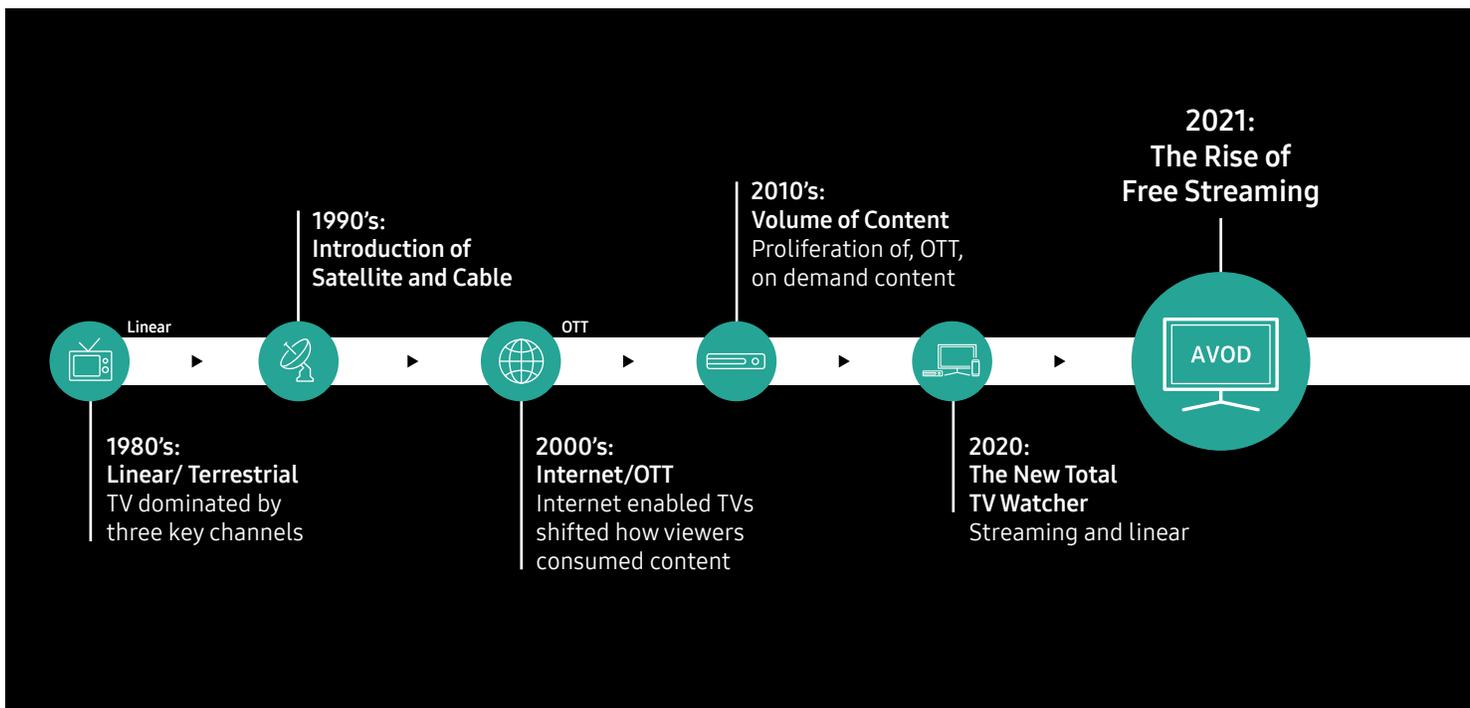
# The Rise Of Video On Demand & Shifts In Content Consumption

TV is now going through the most substantial change in its history in the same way that mobile moved from the old analogue world to smart, internet connected devices in the 2000s. Smart, internet connected TVs are changing content consumption. People's TV watching habits are more fragmented than ever. But with change comes opportunity, allowing advertisers to reach audiences in new and more sophisticated ways than before.

Television video on demand platforms have been in existence for nearly two decades but technological innovation and recent shifts in content viewership habits have accelerated the evolution of VOD and what it means for advertisers.

Smart TVs that connect to the Internet have blurred the lines between linear TV and digital video. TV's core value proposition of connection, entertainment and engagement at scale remains but the advances in VOD technology have opened up greater potential for relevant, targeted advertising by providing more data for audience insights, greater addressability and wider cross-platform capabilities.

## The Evolution of TV



## 02 The Rise Of Video On Demand & Shifts In Content Consumption

The increasing penetration of smart TVs and other streaming devices enables more people to stream. The proliferation of streaming content means more time is spent streaming than ever before.

Across EU5 time spent streaming on Samsung Smart TVs has increased +61% to two hours and fifty three minutes per day, by comparison time spent watching linear TV was up 34% to two hours and thirty minutes by the end of 2020.

There is also a significant increase in the share of the 'Streaming Only' audience which now accounts for 15% of the total Samsung TV audience across EU5 countries. In Germany, Samsung TVs have the highest propensity to be heavy streaming devices, with nearly a fifth of all TVs watching ninety three hours of streamed content per month. The UK is not far behind with 17% of 'Streaming Only' TVs watching 88 hours of OTT content per month.

### Q4 2020

Streamers Only	% of Total Samsung TV Viewing Audience	Hours Spent Streaming Per Month
 Germany	19%	93
 UK	17%	88
 France	13%	83
 Spain	11%	70
 Italy	8%	55
<b>EU5</b>	<b>15%</b>	<b>84</b>

### Spotlight: UK

TV viewership has increased dramatically in 2020, with streaming time growing slightly more than linear.

**+62%**

increase in streaming time

**+58%**

increase in linear viewership time



The lockdowns enforced by coronavirus pandemic accelerated underlying trends in media consumption. As overall viewing levels climbed, so did the share of time people spent watching non-linear and CTV platforms.

Additionally, in order to mitigate the inability to trade physically during the pandemic, businesses have focused on digital operations. This in turn opened up the world of first party data to a broader range of clients. CTV will become an increasingly important part of a video media plan, and the ability to optimise activity based on first- and third party data will enable campaign delivery to be measured on outcomes in addition to audience delivery.

**Bhavin Balvantrai,**

Chief Market Analyst,

Omnicom Media Group UK



# Video On Demand Viewership Across Europe

Unsurprisingly, the pandemic has accelerated adoption of streaming services, as viewers turned to their TVs for entertainment.

Streaming is now strongly positioned to lead total TV viewership time on Samsung Smart TVs, showing a significant increase of 5 percentage points across EU5 countries by the end of 2020. The shift towards streaming on Samsung Smart TVs was not unexpected; the internet-connected devices have a number of modern features integrated for a smoother content discovery journey, allowing viewers to consume content whenever and however they want.

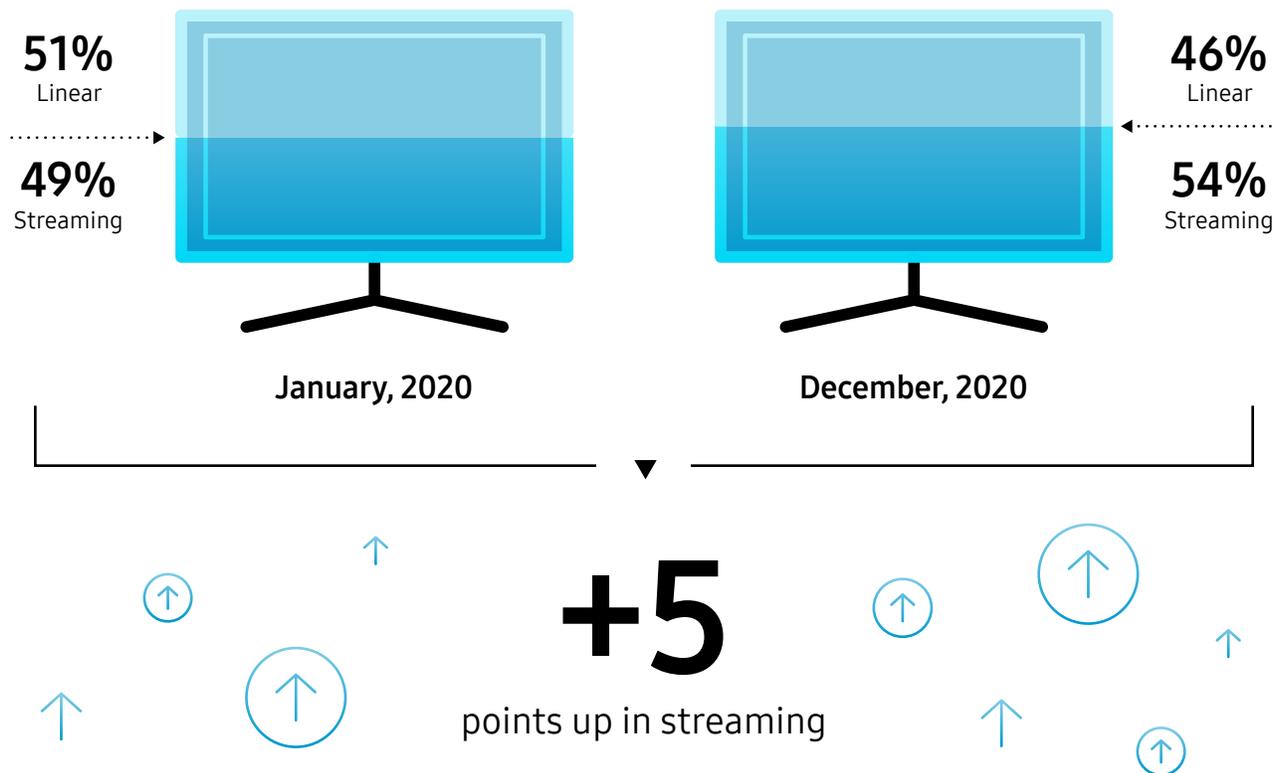
## Spotlight: UK

Streaming is now strongly positioned to lead total TV viewership time in the UK.

### 56%

of viewing time on Samsung TVs in the UK was spent streaming by the end of 2020.

## EU5 Trends: Streaming vs. Linear (Hours/TV)

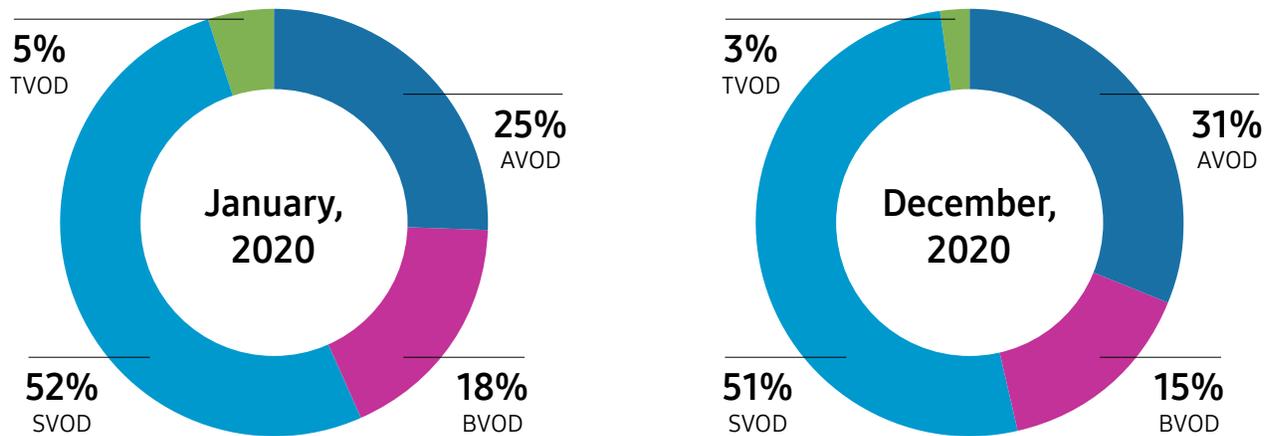


### 03 Video On Demand Viewership Across Europe

When looking at streamed content on Samsung TVs throughout 2020, subscription on demand (SVOD) services took a firm lead.

#### Share (%) of Hours per TV by VOD Type

AVOD's share of viewing time has grown compared to other VOD types



SVOD potentially reached a level of maturity in 2020 as the share of streaming time dropped by 1 percentage point by the end of 2020. This might be explained by studies such as the Spotx research report 'CTV is for Everyone', which found that Connected TV households across Europe are capping their spend on subscription services to 20 EUR/GBP per month<sup>1</sup>. However, whilst SVOD's viewership share remained almost unchanged in relation to other streaming platforms, overall viewing time has grown significantly across Europe.

In terms of new trends, ad-supported video on demand (AVOD) is the one to watch. Still in its infancy but showing exciting growth potential.

The average view time of AVOD has grown significantly from 25% to 31% of total streaming time on Samsung Smart TVs across EU5.

#### Spotlight: UK

SVOD led the share of streaming time on Samsung TVs in 2020, while AVOD average view time grew faster than other VOD platforms.

**55%** SVOD share of streaming hours per Samsung TV in December 2020, up from 54% in January 2020

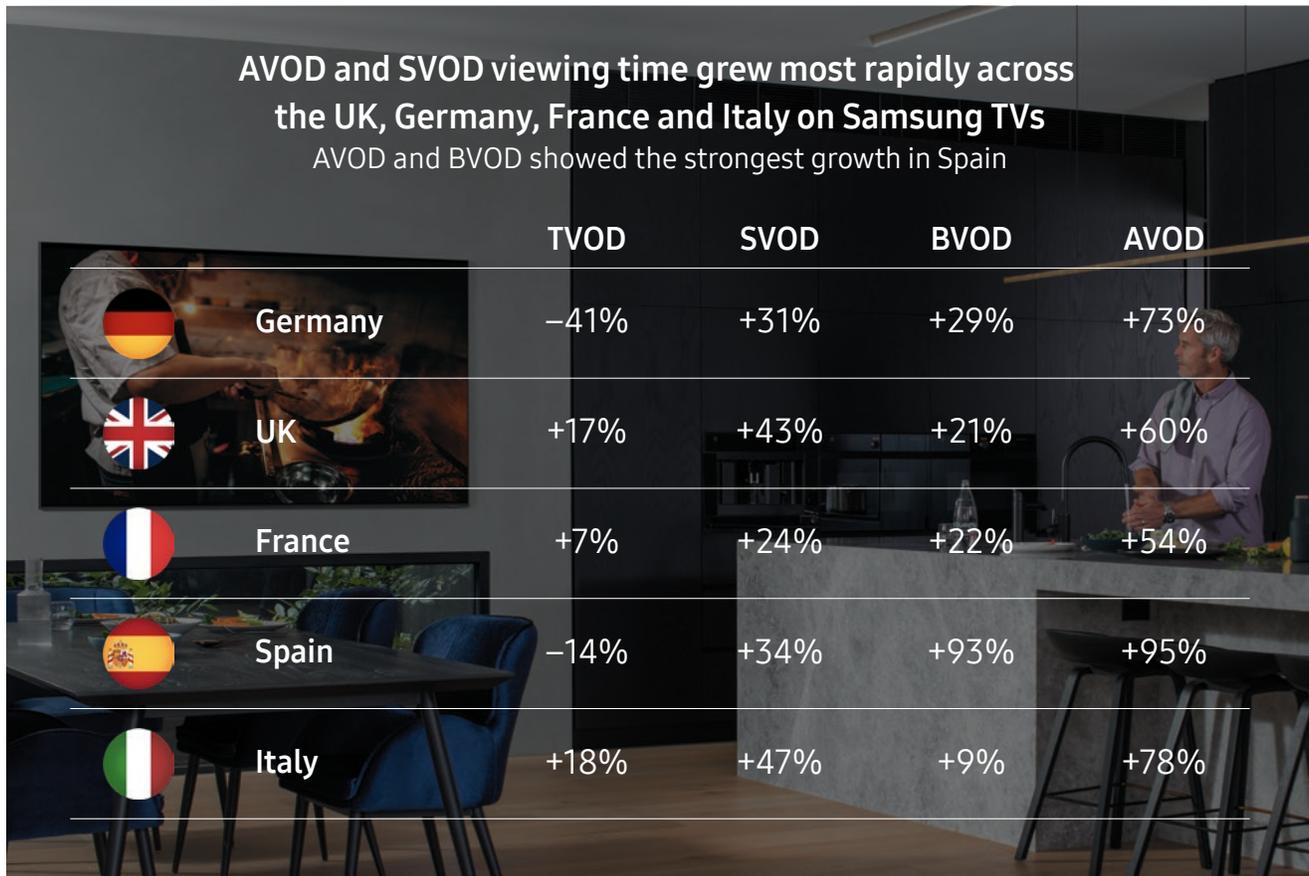
**29%** AVOD share of streaming hours in December, up from 23% in January

**14%** BVOD share of streaming hours in December, down from 19% in January

**2%** TVOD share of streaming hours in December, down from 4% in January

### 03 Video On Demand Viewership Across Europe

Overall, the total viewership time increased significantly across all streaming platforms as people were spending more time in over the top environments.



#### Spotlight: UK

SVOD and AVOD showed the strongest growth in viewing time on Samsung TVs in the UK in 2020.

**2h 07m**

Two hours seven minutes were spent streaming SVOD per Samsung TV in December, up by 43% since January

**1h 17m**

One hour seventeen minutes were spent streaming AVOD per Samsung TV in December, up by 60% since January

**0h 41m**

Forty one minutes were spent streaming BVOD per Samsung TV in December, up by 21% since January

**0h 14m**

Fourteen minutes were spent streaming TVOD in December, up by 17% since January

# Rise of AVOD and the Advertising Opportunity

In the early years of streaming, subscription based services dominated streaming reach and time spent. If that were still true today, it might present a crisis for advertising—as audiences moved into a format without opportunities to connect with them.

Fortunately that notion is outdated—**advertisers can reach their audiences in BVOD and AVOD streaming environments.** Two trends are happening simultaneously across Samsung Smart TVs in Europe—both reach and time spent in free streaming environments are increasing.

On Samsung TVs the AVOD audience reach has increased by 14 percentage points across EU5, from 69% of Samsung Smart TV users who viewed AVOD content in January to 83% in December 2020. The percentage of Samsung TVs that watched video on demand content increased across almost all VOD categories, with SVOD and AVOD leading the reach.

## Spotlight: UK

SVOD is leading the reach amongst Samsung TVs in the UK, followed by AVOD and BVOD.

**84%** of Samsung TVs watched SVOD in December 2020

**79%** of Samsung TVs watched AVOD content in December 2020

**39%** of Samsung TVs watched BVOD in December 2020

## VOD Type Reach (%)

### January 2020

AVOD

69%

BVOD

16%

SVOD

60%

TVOD

1%

### December 2020

AVOD

83%

BVOD

22%

SVOD

81%

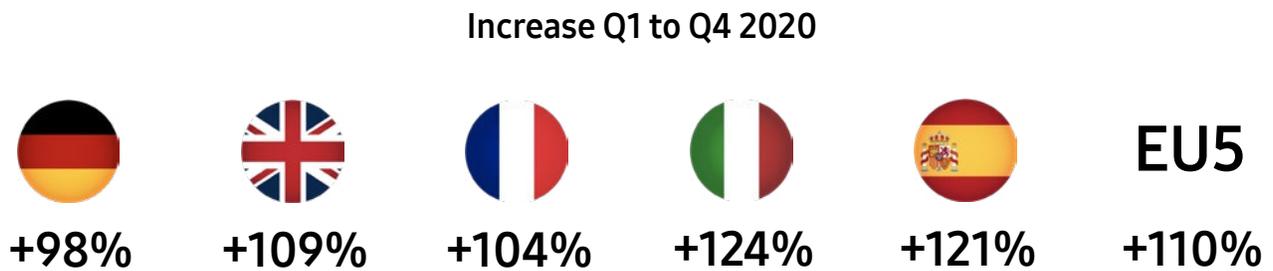
TVOD

1%

## 04 Rise of AVOD and the Advertising Opportunity

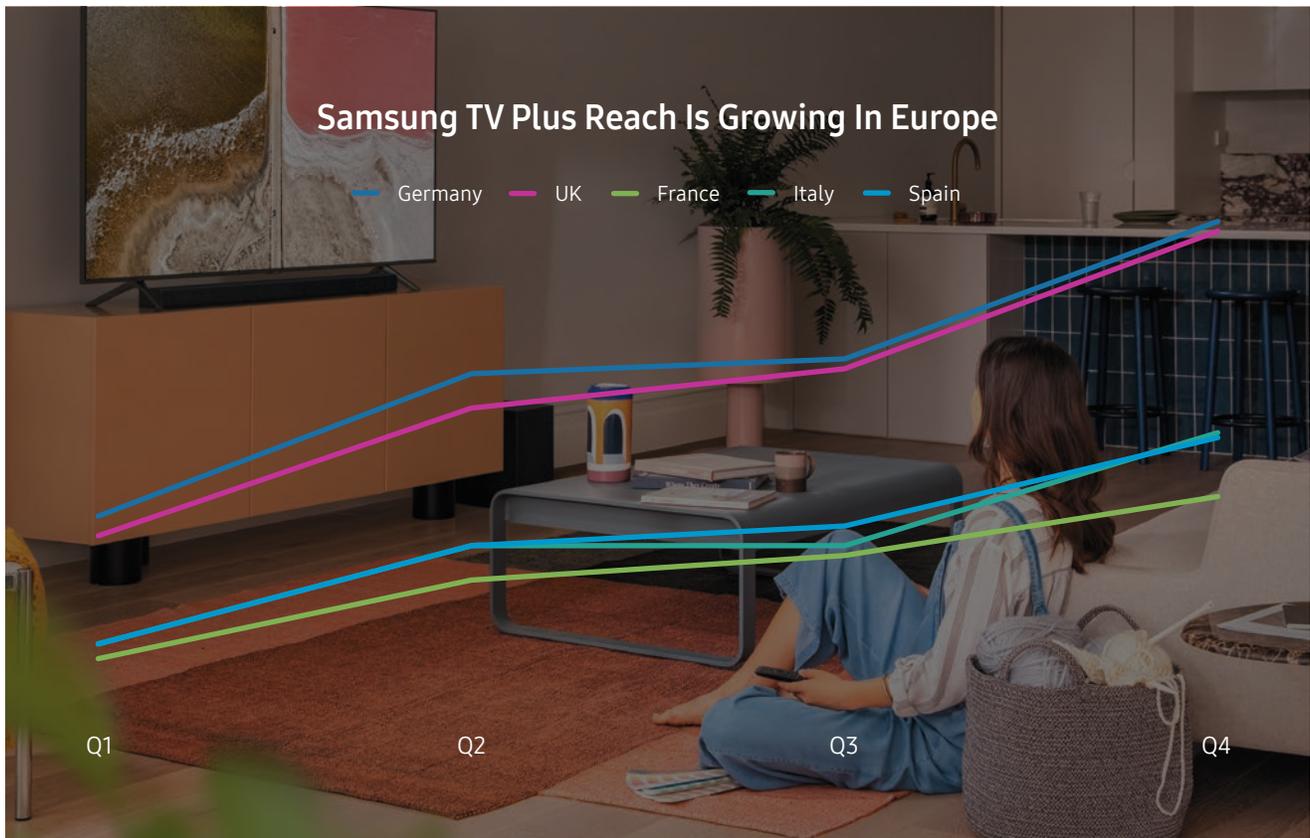
The demand for free, premium curated content has been reflected in the growth of Samsung's AVOD service throughout last year – the number of Samsung TV Plus viewers has grown by 110% from Q1 to Q4 across Europe in 2020.

The steepest growth was seen amongst Samsung Smart TVs in Italy and Spain, followed by the UK, France and Germany.



# 11M+

Samsung TVs that viewed Samsung TV Plus in Q4 2020



## 04 Rise of AVOD and the Advertising Opportunity

In the US, AVOD platforms have seen substantial growth in 2020 with the top 5 streaming platforms pulling in an estimated \$849 million in advertising revenues in the last quarter of 2020.

Here in Europe, AVOD is still in its infancy and has been largely dominated by YouTube, but with the arrival of platforms such as Rakuten TV, Pluto TV and Samsung TV Plus, new opportunities are opening up for advertisers within curated streaming environment.

“

In Europe's five largest markets, 40% of all internet-enabled and TV households now own a smart TV illustrating the enormous potential of connected TV (CTV) advertising in the region. Our latest research conducted with Statista in partnership with Samsung Ads Europe, showed how CTV viewership appeals to all ages and lifestyles due to its flexibility and variety.

Once audiences migrate to new internet delivered TV platforms, they rarely leave, with 56% of European CTV viewers watching on a daily basis. This provides advertisers with a rich set of potential benefits such as cost-effective incremental reach, waste reduction or tracking and attribution.

The data also showed that CTV is quickly becoming the natural home for advertising, as audiences complement paid SVOD packages with free but ad supported options. We expect this trend to accelerate in 2021 as more brands discover the scale and opportunities CTV has to offer. ”

**SPOTX** **Léon Siotis**  
President, EMEA, SpotX

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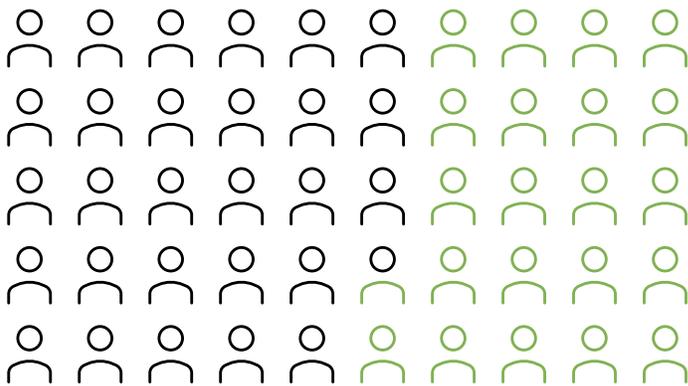
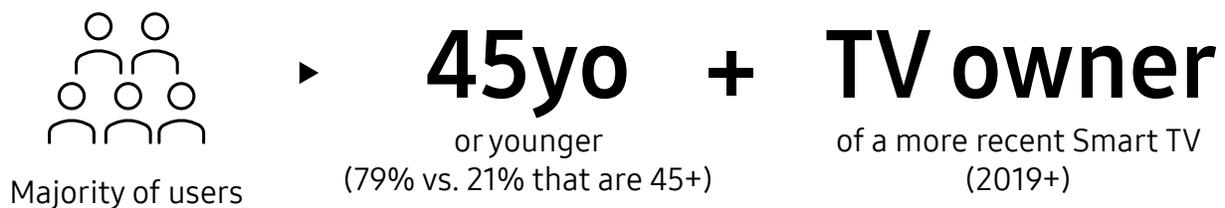
It's important to connect classic, linear TV planning with the opportunities CTV technology is providing. When it comes to media planning, there should not be the one or the other. Not only can CTV advertising provide incremental reach amongst audiences that never watch linear television, but the creative, interactive ad formats can help drive consumer engagement and increase performance of content. ”

**Melanie Rupp**  
Brand Advertising/Marketing,  
SEAT, Deutschland

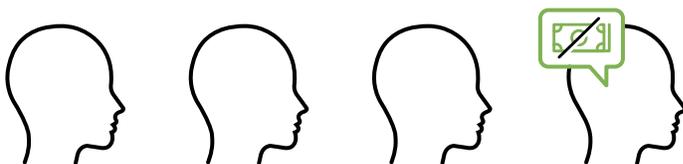


# A Peek Into Samsung TV Plus Audiences

To better understand AVOD audiences, Samsung Ads looked into viewers of Samsung TV Plus – Samsung’s free streaming service available on Samsung Smart TVs. While the insights are not representative of other AVOD services, it provides a good picture of audiences that enjoy free streaming services on Samsung Smart TVs.



Samsung and SmartLab+ research conducted in December 2020 across the UK, Germany, France, Italy and Spain, showed that **79%** of viewers agreed that Samsung TV Plus is offering something different to other streaming services, reflecting the appetite for a variety of content, delivered both via paid and free streaming services.

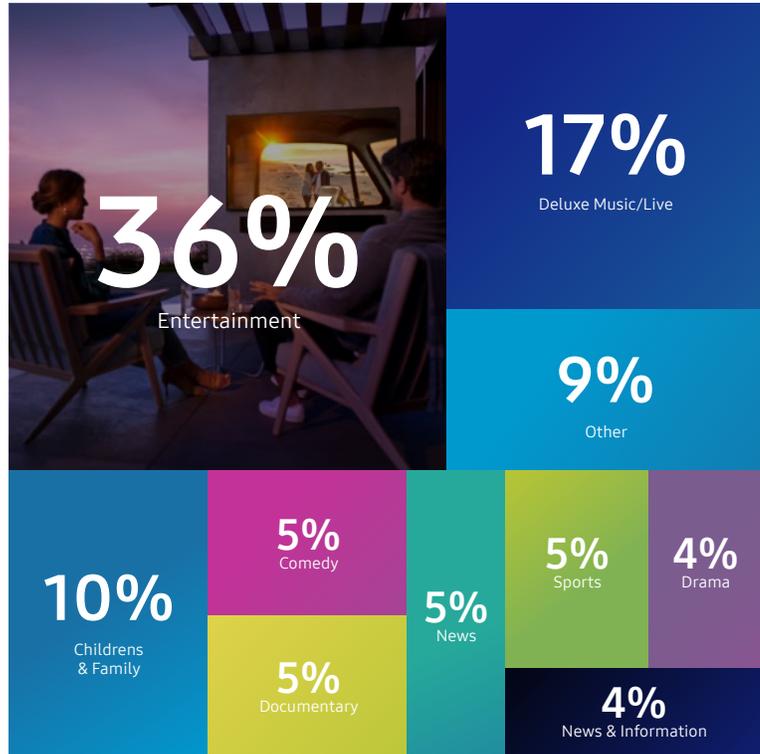


**1 in 4**  
Samsung Smart TV consumers  
regard free catch up services as  
both important and expected.

## What Content Do Samsung TV Plus Audiences Enjoy Most?

Entertainment was the most widely enjoyed genre amongst Samsung TV Plus streamers in Q4 2020, which includes channels such as People TV, My5 Documentaries, Insight TV, Rakuten Spotlight, PBS America, Pluto TV Crime and more\*.

Viewers also turned to music channels to compensate for the lack of live concerts and entertainment, and families with children turned to family-friendly content as school closures and homeschooling have become more prevalent.



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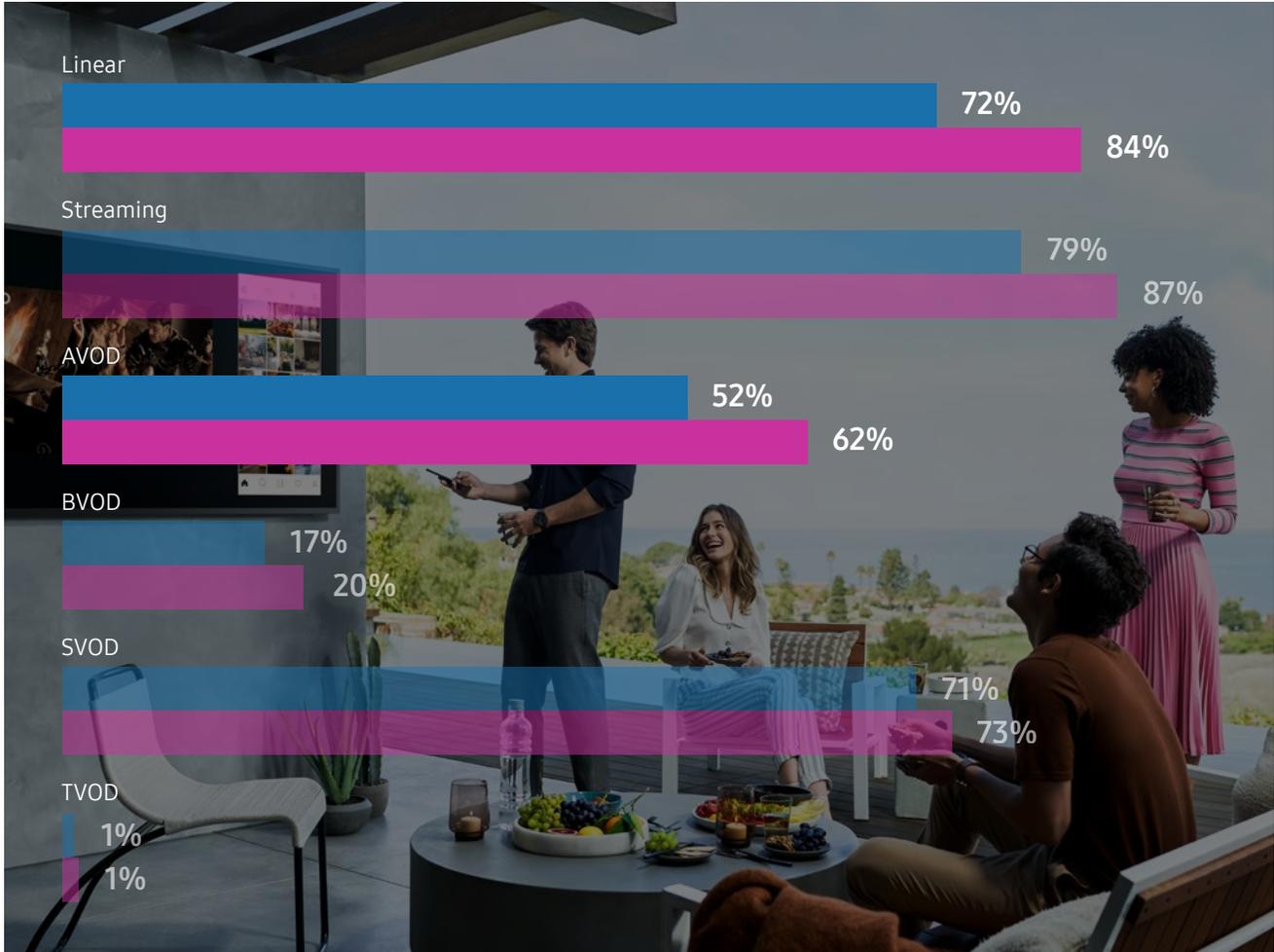
The value of scheduled, linear viewing alongside on-demand content in Connected TV cannot be underestimated. It is important to see a clear distinction between streamed linear TV and cable television – we use an acronym called FAST (free ad-supported streaming television) to describe our Insight TV channels which are also part of Samsung TV Plus. As the growth of Samsung TV Plus has shown, consumers enjoy streaming ad-supported free content. We have seen a continuous growth of viewership of our channels on Samsung TV Plus, especially amongst the 20-35-year-old groups as they tune in to watch original content produced with Insight TV talent like Martin Garrix, David Guetta, Alex Hirschi a.k.a. Supercar Blondie, Robin van Persie, Ken Block and many more. ”

**Arun Maljaars,**  
Vice President,  
Content & Channels, Insight TV



### Samsung TV Plus Viewers Are Less Likely to Stream Other Services or Watch Live Linear TV

■ Samsung TV Plus Users ■ All Users



Interestingly, Samsung TV Plus viewers were less likely to watch not only linear TV but also other types of free streaming apps. For example, just over half of Samsung TV Plus viewers watched other AVOD apps compared to 62% of all Samsung TV users, reflecting the ever evolving viewership habits and tastes of today's TV audience.

This increasing viewership fragmentation reasserts the need for advertisers to have a multi-channel strategy to reach audiences that are no longer consuming TV in a traditional way.

# Reaching Streamers With Samsung TV Plus

## Free TV. No Strings Attached.

Samsung TV Plus offers a free next generation TV experience to consumers, out-of-the box, with a wide variety of content. No download, additional device, or credit card needed. With instant access to movies, sports, entertainment, news, lifestyle and more, Samsung TV Plus is the destination for free TV.

As nearly half of Samsung TV Plus viewers are cord-cutters, the free content service helps brands engage with hard-to-reach streaming audiences on a truly programmatic, addressable CTV platform.

# 200+

channels across Europe

# #3

OTT service on Samsung Smart TVs  
across Europe



### How can Samsung TV Plus help brands?

#### Premium Environment, Brand Safe, Flexible Solutions on the Big Screen

Connected TV Advertising offering the quality user-experience of television with the data-informed approach of digital advertising.



#### Premium Curated Environment

- Quality TV programming
- Curated content (not user generated content)
- Incremental reach targeting and measurement

#### Brand Safe

- Samsung owned and operated platform
- Compliance and rigour
- Samsung Ads Viewer Privacy Choice App

#### Flexible Advertising Solutions

- 100% viewable cost-effective in-stream video advertising
- Interest based Automatic Data Recognition targeting
- Linear TV Advertising Reach Extension

#### Premium Big Screen

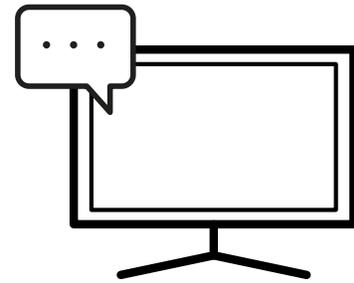
- Premium TV Advertising experience
- Quality TV environment
- Flexible Advertising solutions with programmatic or IO video buy

### How can brands try out the ecosystem for themselves?

Available programmatically via your own DSP or via managed service.

Samsung Ads is offering brands the ability to buy programmatic advertising solutions in a premium curated, brand safe TV environment. Samsung PMP provides one deal ID and one sales contact to reach audiences on Samsung TV Plus. This gives advertisers scale and frequency management across multiple AVOD services.

# Key Takeaway For Advertisers



## New viewing behaviour

## Implications

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### **There are new and growing TV audience segments**

The "Streaming Only" devices are on the increase across all EU5 countries. These Samsung TVs represent 15% of all our Smart TVs in Europe. In addition, content consumption is very high on these devices – an average of 84 hours per month.

Audiences on these devices are no longer reachable on traditional linear TV channels. Advertisers would benefit from a holistic media strategy to reach viewers where they are.

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### **Time spent watching TV has increased, with streaming leading the way**

Across EU5 time spent streaming on Samsung Smart TVs has increased +61% to two hours and 53 minutes per day. By comparison time spent watching linear TV is up 34% to two hours and 30 minutes. Balancing reach and frequency among Samsung TV streamers is now critical to success.

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### **Audience fragmentation is evident within the fast-growing streaming category**

With viewers choosing what they want to watch and when to watch it, advertisers have an opportunity to evolve around those choices. In particular, the growing demand for premium, ad-supported streaming TV is an exciting one to watch for advertisers looking to connect with viewers on the biggest screen in the home.



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