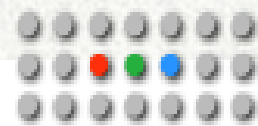




Digital Disruption

Sean Riley

October 2013



1 MAINSTREAM

Agenda



- *Definitions*
- *TVE/Authentication*
- *Key Drivers of OTT*
- *Digital Ecosystem*
- *Connected Devices*
- *OTT programmers*
- *OTT Revenue Models*
- *New MVPD Entrants*

DEFINITIONS

- *Over The Top vs. TV Everywhere*
- *MVPD Authentication*
- CE Connected Devices vs. OTT Programmers
- OTT Programmers vs TVE programmers



DEFINITIONS



Over The Top

vs.

TV Everywhere

OVER THE TOP

*VIDEO CONTENT –
FREE OR PAID--
THAT YOU CAN
RECEIVE **WITHOUT** A
MULTICHANNEL
SUBSCRIPTION*

**OTT is most commonly associated with
professionally produced content**

***“We’ll just go
over the Top
Instead”***

**Almost all
OTT today is
on demand
(vs live)**

A FEW OVER THE TOP PROGRAMMERS




TV EVERYWHERE

*VIDEO CONTENT OFFERED ON DEVICES
BEYOND YOUR TV
THAT YOU CAN
ONLY RECEIVE
WITH A MULTICHANNEL
SUBSCRIPTION.*



DEFINITIONS

- ~~*Over The Top vs. TV Everywhere*~~
 - *MVPD Authentication*
 - CE Connected Devices vs. OTT Programmers
 - OTT Programmers vs TVE programmers
- 



Do a Discount Double Check® and get discounts up to 40%* on auto insurance.

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First select your TV provider

xfinity



dish

 **Time Warner Cable®**

Verizon FiOS

AT&T U-verse

COX

 **Charter**

optimum.

bright house
NETWORKS 

suddenlink

Mediacom
the power to simplify

WOW! 
It's that kind of experience.

 **RCN**

ARMSTRONG

CABLE ONE

[Full Provider List](#)



Have Additional Questions?

[Click here to browse our Frequently Asked Questions.](#)

Need help logging in? Watch Gary Williams walk you through the steps and you'll be watching in no time! [Watch Now.](#)

Not at the computer? Download our Golf Live Extra app and you can take the same great coverage with you, anywhere you go. [Download Now](#)

[Don't see your provider listed?](#)

WATCH TV



SIGN IN



Select your TV provider to watch

E! SHOWS LIVE & THE DAY AFTER THEY AIR

SELECT PROVIDER

xfinity

DIRECTV

dish

Time Warner Cable

Verizon FiOS

AT&T U-verse

COX

Charter

optimum

bright house

suddenlink

Mediacom

CABLE ONE

WOW!
It's that kind of experience.

Or find your provider below & login

Choose your provider



Midcontinent Communications

Midstate Communications

Milford Communications

Morris Broadband

MTA Communications, LLC

MTC Technologies

LOGIN NOW

AQs

account information

Follow

Like

64k

TV Everywhere IS working...

- 25% of US households now use TV Everywhere
- Also known as “authenticated viewing”
- TV Everywhere increases the amount of time customers watch TV.
 - *72% of Millennials said they watched more TV thanks to TVE.*
 - *TVE: greater customer loyalty with 67% saying it adds a lot of value”*
 - *93% saying they were more likely to stay with their provider due to TVE*

DEFINITIONS

- ~~*Over The Top vs. TV Everywhere*~~
- ~~*MVPD Authentication*~~
- CE Connected Devices vs. OTT Programmers



You need to know the difference

Connected Devices:

AppleTV

Chromecast

Roku

Amazon FireTV

SMART TVs

(plus tablets phones and internet)



You need to know the difference

Content Programmers/Aggregators:

Vevo

Crackle

iTunes

Target Ticket

Vimeo

Flixtter

Vudu

Hulu

Netflix

Amazon Instant

Crunchyroll

A decorative graphic at the bottom of the slide consisting of several overlapping, wavy lines in shades of blue, teal, and purple, creating a sense of motion or a stylized horizon.

DEFINITIONS



A technology backed by the major studios which provides consumers a “digital locker” (in the cloud) for storing content..

So you can watch your purchased content on iOS, Android, PC and Mac.

KEY DRIVERS OF OTT



KEY DRIVERS OF OTT

- High broadband penetration
- The Cloud
- Revenue
- Orig. Content...
- Low Barriers!



HOW OTT GETS IN....

FOUR categories of “Connected Devices” (not including Internet)

1) Streaming Media Players

- Roku, AppleTV, Chromecast & Amazon FireTV

2) Game Consoles

- Playstation, Xbox, Wii

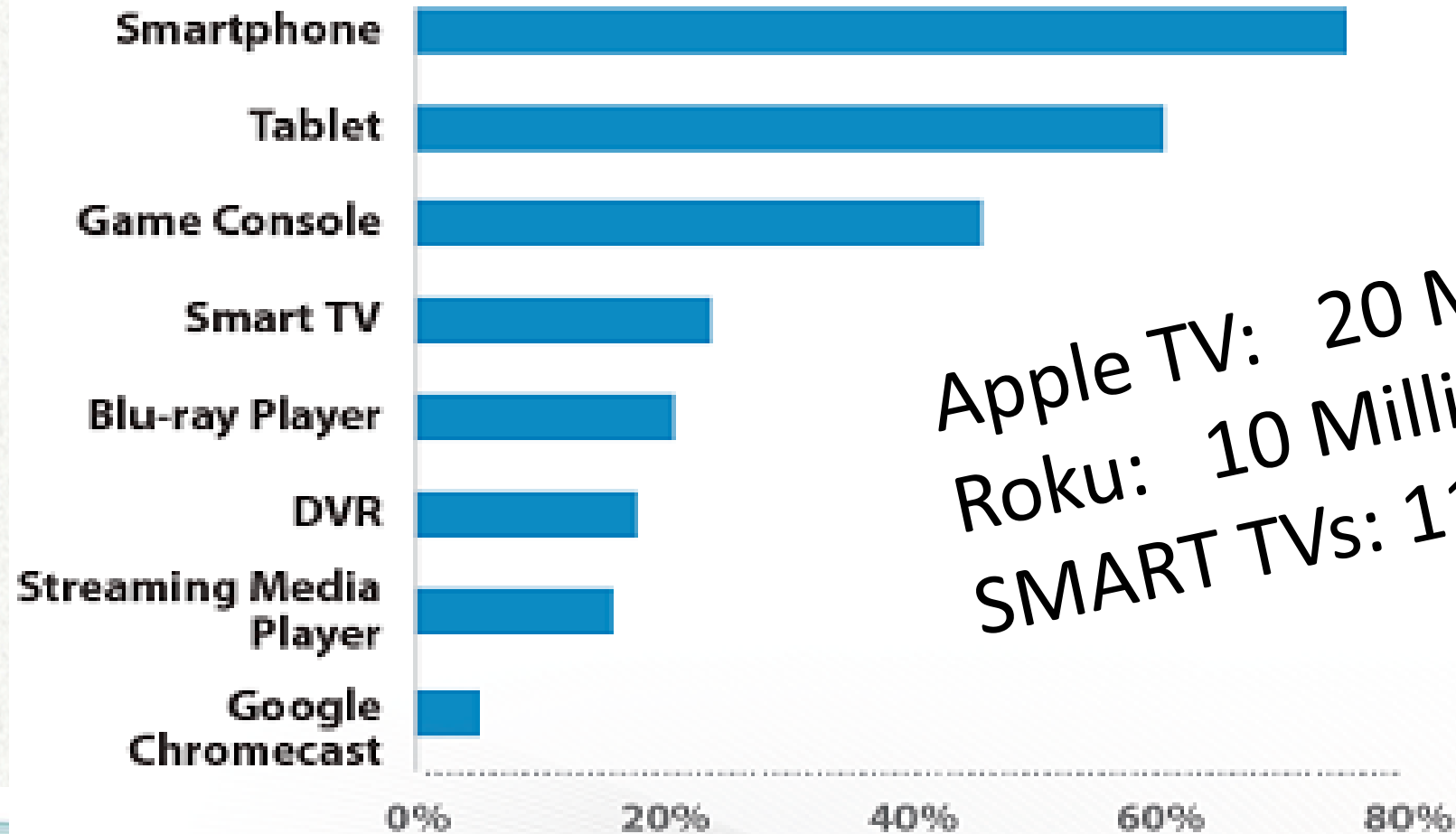
3) SMART TVs

4) Phones/Tablets



Today's Connected Home

U.S. broadband households with the following devices connected to the Internet



Apple TV: 20 Million WW
Roku: 10 Million USA
SMART TVs: 11.6 million

DRIVERS

TABLE 9 – DEVICES IN TV HOUSEHOLDS
NUMBER OF HOUSEHOLDS (IN 000'S)

	COMPOSITE	
	Q2 2014	Q2 2013
DVD/Blu-Ray Player	93,707	94,587
DVR	55,713	52,977
High Definition TV	100,684	93,514
Video Game Console	51,470	50,250
Tablet	42,064	27,049
Enabled Smart TV	11,688	6,193

DIGITAL ECOSYSTEM

OTT Programmers need Distributors

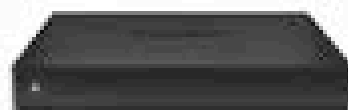


1,500 Other
Digital Channels



DIGITAL ECOSYSTEM



**Amazon Fire TV****Roku 3****Apple TV****Chromecast****Price****\$99****\$99****\$99****\$35****Features**

Voice Search

X

HDMI video out (up to 1080p)

X

X

X

X

Certified Dolby Digital Plus
surround sound

X

Optical audio out

X

X

Processor

Quad-core

Dual-core

Single-core

Single-core

Memory

2 GB

512 MB

512 MB

512 MB

Ethernet (wired connectivity)

X

X

X

Wi-Fi

Dual-band/antenna (MIMO)

Dual-band/antenna (MIMO)

Dual-band/Dual-antenna

Single-band

Remote with no line of sight
required

X

X

Popular Services

Netflix

X

X

X

X

Amazon Instant Video

X

X

Hulu Plus

X

X

X

X

Crackle

X

X

X

X

YouTube

X

X

X

X

HBO GO

X

X

X

X

Showtime Anytime

X

X

WatchESPN

X

X

X

Bloomberg TV

X

X

Vevo

X

X

X

X

Pandora

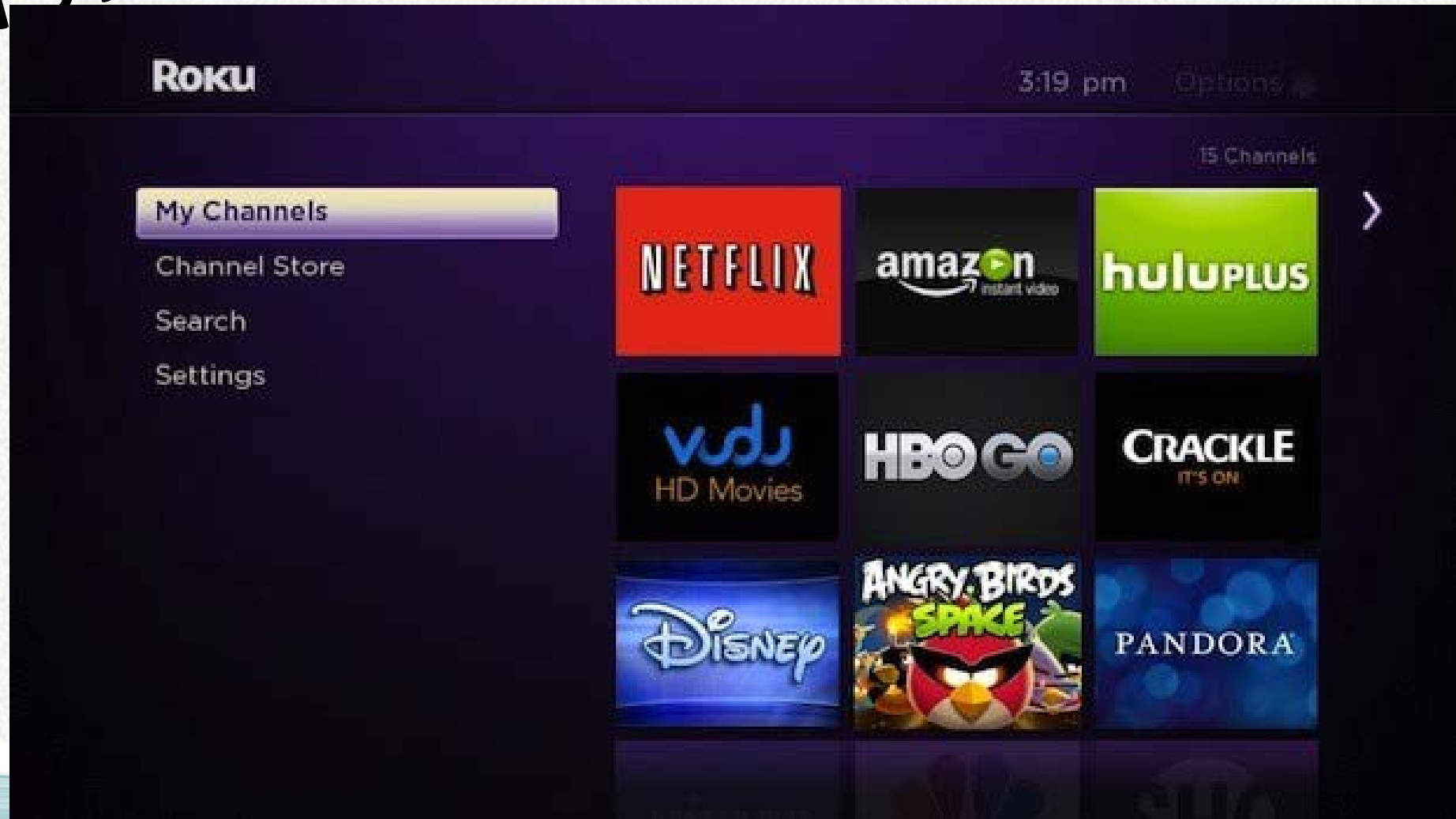
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DIGITAL ECOSYSTEM



SMART HUB

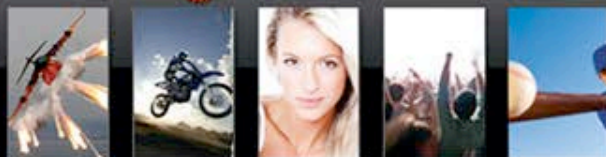
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Online-Videothek



Your Video **NEW**



Samsung Apps **NEW**



Recommended



maxdome



Tagesschau



Putpat



TV Digital



Bild



Facebook



Explore 3D



Channel



Guide



Web Browser



Videos



Photos



Music



Schedule Manager



Source



AllShare



Social TV



MiniMini Cook

Max.Muster

A Log-out **B** Sorting **C** Edit **D** Setting

SAMSUNG

Hours of Streaming/week 2013

- Roku 37 million
- Apple TV at 15 million hours
- Chromecast: 12 million hours and
- Amazon Fire TV 6 million hours.



**TABLE 1. DEVICES USED TO ACCESS NETFLIX THROUGH A TV,
BY GENERATIONS**

**% of those who watch Netflix on a TV set,
2014***

	Gen X 13-34	GenY 35-48	Boomers 49-64
Through videogame sys-tem hooked up to a TV	47	42	19
Through capability built into the TV set	19	44	34
Through digital media player hooked up to a TV	27	34	20
Through Blu-ray player hooked up to a TV	18	16	20

* can use multiple devices and thus sum to over 100%



Sony PlayStation TV

launches tomorrow 10/14

\$99



Android TV is next



**THERE IS A TITILE WAVE
OF OTT CONTENT
HEADING INTO EVERY
HOUSEHOLD IN THE US**

**They all want the..
LIVING ROOM TV**

Horowitz Associates study:

Viewers prefer using the TV to view streamed video,
The percentage of viewers **streaming video to their TVs**
has grown from 3% percent in 2012 to 10% in 2014.

During that same time, viewing on handheld devices
climbed only from 1% to 4% and computers rose from 3%
to 6% percent. "State of Cable & Digital Media" study

Given the choice, 'Game of Thrones' fans want to watch
where they always have: from the couch," (Brian
Fitzgerald *WSJ Tech blog*).

GOLD RUSH



- **LITERALLY THOUSANDS OF NEW DIGITAL CHANNELS**
- **ROKU HAS approx. 1,400 APPS AND MOST ARE NOT TVE**



Horror Flicks

[Details](#) [+ Add Channel](#)



ITV Cinema - Italy on De...

[Details](#) [+ Add Channel](#)



Outlaw Westerns

[Details](#) [+ Add Channel](#)



Retro Family Christmas ...

[Details](#) [+ Add Channel](#)



Chill-Out TV

[Details](#) [+ Add Channel](#)



Ad-Free Crime and Puns...

[Details](#) [+ Add Channel](#)



GinxTV

[Details](#) [+ Add Channel](#)



Military Chronicle

[Details](#) [+ Add Channel](#)



Space

[Details](#) [+ Add Channel](#)



TV3 3player

[Details](#) [+ Add Channel](#)



Asian Crush Plus

[Details](#) [+ Add Channel](#)



Vanguard Cinema PLUS

[Details](#) [+ Add Channel](#)



More Classic Kids TV

[Details](#) [+ Add Channel](#)



Victory Westerns

[Details](#) [+ Add Channel](#)



Muevi

[Details](#) [+ Add Channel](#)



Christmas At The Drive-In

[Details](#) [+ Add Channel](#)



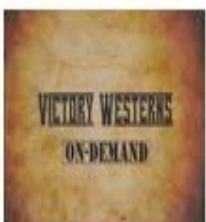
Space TV

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Recon

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Victory Westerns On-De...

[Details](#) [+ Add Channel](#)



CinemaNow

[Details](#) [+ Add Channel](#)



Sidetick TV

[Details](#) [+ Add Channel](#)



Timeless TV Westerns

[Details](#) [+ Add Channel](#)



FYDO

[Details](#) [+ Add Channel](#)



FirstRunTV Network

[Details](#) [+ Add Channel](#)



The Director's Chair

[Details](#) [+ Add Channel](#)



Old Time Radio Network

[Details](#) [+ Add Channel](#)



Anime Vice

[Details](#) [+ Add Channel](#)



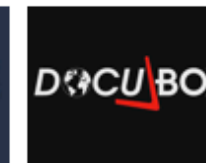
HerTube TV Network

[Details](#) [+ Add Channel](#)



Kino Lorber

[Details](#) [+ Add Channel](#)



DocuBox

[Details](#) [+ Add Channel](#)



Movie Vault

[Details](#) [+ Add Channel](#)



Kung Fu Classics

[Details](#) [+ Add Channel](#)



MTD Studio Classics

[Details](#) [+ Add Channel](#)



IronFist TV

[Details](#) [+ Add Channel](#)



MHz International Mystery

[Details](#) [+ Add Channel](#)



Dorado Films

[Details](#) [+ Add Channel](#)



Kartoons

[Details](#) [+ Add Channel](#)



NOOK Video

[Details](#) [+ Add Channel](#)



Big Media TV

[Details](#) [+ Add Channel](#)



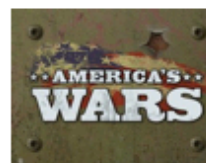
Looking Glass

[Details](#) [+ Add Channel](#)



The Ocean Network

[Details](#) [+ Add Channel](#)



The America's Wars Cha...

[Details](#) [+ Add Channel](#)



Dieselpunk Industries TV

[Details](#) [+ Add Channel](#)



TEXFLIX

[Details](#) [+ Add Channel](#)



99 Cent Movie Channel

[Details](#) [+ Add Channel](#)



Go Indie TV FreeView



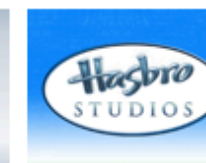
iFlixTV Lite



GoDigital



America's Television Net...



Hasbro Studios



WMETV

[Details](#) [+ Add Channel](#)



Cinema Terror Radiol

[Details](#) [+ Add Channel](#)



SoundWorks Collection

[Details](#) [+ Add Channel](#)



THE ROTH SHOW

[Details](#) [+ Add Channel](#)



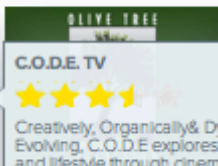
Lavish TV

[Details](#) [+ Add Channel](#)



C.O.D.E. TV

[Details](#) [+ Add Channel](#)



Creatively, Organically & Dynamically Evolving, C.O.D.E explores urban culture and lifestyle through cinema. We deliver best-in-class original content from a new generation of storytellers.

[Details](#) [+ Add Channel](#)



Roksbox xStream

[Details](#) [+ Add Channel](#)



Cinematlo

[Details](#) [+ Add Channel](#)



Cloud Movies

[Details](#) [+ Add Channel](#)



Princeton TV

[Details](#) [+ Add Channel](#)



Hamilton County Televis...

[Details](#) [+ Add Channel](#)



cdsavoia

[Details](#) [+ Add Channel](#)



VIZZ Classic

[Details](#) [+ Add Channel](#)



JagTV

[Details](#) [+ Add Channel](#)



Hometown Television

[Details](#) [+ Add Channel](#)



Science Fiction

[Details](#) [+ Add Channel](#)



Ad-Free Timeless Televis...

[Details](#) [+ Add Channel](#)



Paranormal Reality

[Details](#) [+ Add Channel](#)



JumpingJack

[Details](#) [+ Add Channel](#)



Stop It Or You'll Go Blind!

[Details](#) [+ Add Channel](#)



Classic Christmas TV

[Details](#) [+ Add Channel](#)



The Derek and Rob X-Pe...

[Details](#) [+ Add Channel](#)



Spud's Ad-Free Cowboy ...

[Details](#) [+ Add Channel](#)



Haiti HD Live

[Details](#) [+ Add Channel](#)



Moving Art

[Details](#) [+ Add Channel](#)



UrbanPix

[Details](#) [+ Add Channel](#)



AFROTAINTMENT HD

[Details](#) [+ Add Channel](#)



BHN

[Details](#) [+ Add Channel](#)



AnyClip

[Details](#) [+ Add Channel](#)



Spud's Crime and Punish...

[Details](#) [+ Add Channel](#)



Focus Reality TV

[Details](#) [+ Add Channel](#)



MiCasa Network

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American Dreaming

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BLACK BELT TV

[Details](#) [+ Add Channel](#)



Vintage Halloween Spoo...

[Details](#) [+ Add Channel](#)



WealthTV FreeView

[Details](#) [+ Add Channel](#)



DweebCast

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Myx TV

[Details](#) [+ Add Channel](#)



Renderyard

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Spud's Cliffhanger Collec...

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Classic Westerns

[Details](#) [+ Add Channel](#)



Depressing Prospects Fil...

[Details](#) [+ Add Channel](#)



Spud's Trailer Trash

[Details](#) [+ Add Channel](#)



SCS STUDIO FILMZ FREE

[Details](#) [+ Add Channel](#)



House of Horrors

[Details](#) [+ Add Channel](#)



DC Network

[Details](#) [+ Add Channel](#)



Labrecque Art and Film

[Details](#) [+ Add Channel](#)



The Bold and The Beautiful

[Details](#) [+ Add Channel](#)



VODWiz

[Details](#) [+ Add Channel](#)



John At the Movies

[Details](#) [+ Add Channel](#)



Cult Radio A-Go-Go! - CR...

[Details](#) [+ Add Channel](#)



Let's All Go To The Lobby!

[Details](#) [+ Add Channel](#)



Lehmann Film Productions

[Details](#) [+ Add Channel](#)



TV Guide

[Details](#) [+ Add Channel](#)



Public Domain Movies & ...

[Details](#) [+ Add Channel](#)



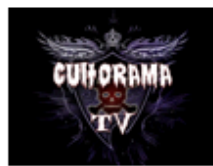
Into the Sunset - Westerns

[Details](#) [+ Add Channel](#)



Retro Sci-Fi

[Details](#) [+ Add Channel](#)



Cultorama

[Details](#) [+ Add Channel](#)



Paranormal Activity Cha...

[Details](#) [+ Add Channel](#)



MHz Networks

[Details](#) [+ Add Channel](#)



Classic Romance

[Details](#) [+ Add Channel](#)



FlixFlng

[Details](#) [+ Add Channel](#)



Pilot TV

[Details](#) [+ Add Channel](#)



Xtreme Films

[Details](#) [+ Add Channel](#)



Spud's Cowboy Movies

[Details](#) [+ Add Channel](#)



Gravitas Movies

[Details](#) [+ Add Channel](#)



Threshold Plus

[Details](#) [+ Add Channel](#)



Sci-Fi Classic TV Shows

[Details](#) [+ Add Channel](#)



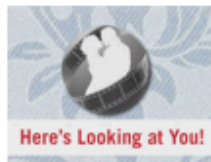
World War Channel

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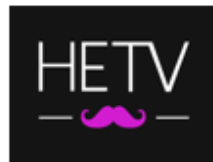
HitFix

[Details](#) [+ Add Channel](#)



Here is Looking At You

[Details](#) [+ Add Channel](#)



He TV

[Details](#) [+ Add Channel](#)



Badass TV

[Details](#) [+ Add Channel](#)



Movie Chick

[Details](#) [+ Add Channel](#)



Prime TV Network

[Details](#) [+ Add Channel](#)



Launch TV Network Free

[Details](#) [+ Add Channel](#)



MaddyGTV Free

[Details](#) [+ Add Channel](#)



AMGTV

[Details](#) [+ Add Channel](#)



Ebru TV



Kung Fu Flix



World Worth Watching



iVaya! Film



Classic Reel



American Pop

[Details](#) [+ Add Channel](#)



Showtime Preview

[Details](#) [+ Add Channel](#)



Film Movement

[Details](#) [+ Add Channel](#)



Kung-Fu Theater

[Details](#) [+ Add Channel](#)



Cartoon Station

[Details](#) [+ Add Channel](#)



Media Browser

[Details](#) [+ Add Channel](#)



Zom-Bee

[Details](#) [+ Add Channel](#)



Movie4U Free

[Details](#) [+ Add Channel](#)



Popcornflix Comedy

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Entertainment Tonight

[Details](#) [+ Add Channel](#)



Bizarre TV

[Details](#) [+ Add Channel](#)



The Movie Trailer Channel

[Details](#) [+ Add Channel](#)



Saddle Up! Westerns

[Details](#) [+ Add Channel](#)



Manga

[Details](#) [+ Add Channel](#)



Full Moon

[Details](#) [+ Add Channel](#)



Unlock TV

[Details](#) [+ Add Channel](#)



Cafe Noir

[Details](#) [+ Add Channel](#)



Moviefone

[Details](#) [+ Add Channel](#)



IndieFlix

[Details](#) [+ Add Channel](#)



Docu

[Details](#) [+ Add Channel](#)



Paranormal Reality Free ...

[Details](#) [+ Add Channel](#)



Oh The Horror!

[Details](#) [+ Add Channel](#)



Time Life

[Details](#) [+ Add Channel](#)



NFB Films

[Details](#) [+ Add Channel](#)



Honor

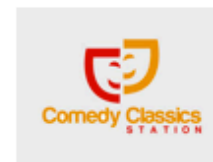
[Details](#) [+ Add Channel](#)



Indie Crush



Six Gun Cinema



Comedy Classics Station



Creepster.TV



Flixsie

Most Watched (25)



Netflix
[Details](#) [+ Add Channel](#)



Amazon Instant Video
[Details](#) [+ Add Channel](#)



Hulu Plus
[Details](#) [+ Add Channel](#)



YouTube
[Details](#) [+ Add Channel](#)



Pandora
[Details](#) [+ Add Channel](#)



M-GO
[Details](#) [+ Add Channel](#)



Crackle
[Details](#) [+ Add Channel](#)



VUDU
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HBO GO
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WatchESPN
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Plex
[Details](#) [+ Add Channel](#)



AOL On News
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Blockbuster on Dem...
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PBS
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PBS KIDS
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VEVO
[Details](#) [+ Add Channel](#)



HISTORY
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Popcornflix
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DISHWorld
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A&E
[Details](#) [+ Add Channel](#)



Time Warner Cable
[Details](#) [+ Add Channel](#)



Fox News Channel
[Details](#) [+ Add Channel](#)



FOX NOW
[Details](#) [+ Add Channel](#)



Disney
[Details](#) [+ Add Channel](#)



Lifetime
[Details](#) [+ Add Channel](#)

Now Playing

Browse



Time Warner Cable

Categories: [Most Watched](#), [Movies & TV](#)

Now you can watch live TV at home right through your Roku. As a Standard TV customer with Time Warner Cable, you can access up to 300 channels of live TV easily, and for free, with your Roku. Standard TV and TWC authorized modem required.

[Read more](#)



11344 ratings average 3.5

[+ Add Channel](#)

SERVICE MAY REQUIRE ADDITIONAL FEES

YOU TUBE
MCNS



ECOSYSTEM



Over the Top
Revenue Streams for
OTT Programmers

ECOSYSTEM

Two OTT Revenue Streams:



Subscription Revenue

OR

Advertising Revenue

Revenue Model: Advertising

HULU \$500m advertising

YouTube makes \$1 Billion annually

eMarketer: 2013 online video advertising revenue was **\$4.2 billion** growing to \$6.0 billion in 2014.



Revenue Model: Subscription

NETFLIX: \$3 billion in subscription revenue

HULU: \$500m 2013 subscription revenue

And Everyone else...

2013 online video subscriber revenue was **\$4 billion**

A decorative graphic at the bottom of the slide consisting of several overlapping, wavy lines in shades of blue and purple, creating a sense of motion or a stylized horizon.

Revenue Model: Subscription

World Wrestling Entertainment

- \$10 per month (with a minimum 6 month term).
- WWE has reported 667,000 subscribers implying about \$80 million per year of annual revenue.

Glenn Beck The Blaze

- 300,000 subscribers paying \$10 per month, about \$36 million of revenue annually.
- 40 hours of new programming per week, including simulcasts of Mr. Beck's radio show.
- Linear Channel launched on Dish Network and Cablevision Systems.

“Paula Deen Launching Digital Network in September”



Tech Barriers are coming down but Marketing Barriers are high

Marketing and customer call centers
burden subscription
OTT programmers...



(TV distributors take care of these
expenses in the linear TV world).

ECOSYSTEM



Over the Top
Revenue Streams for
The Devices?

Revenue Model for Connected Devices

- A bit more fragmented
- Device Sales (Roku \$190m in 2013)
- Share of advertising
- Share of Subscription channels
- AppleTV & Chromecast: access to premium content.
- SmartTVs?



THE GOOD NEWS

FOR MVODS AND CABLE NETWORKS.....



THE GOOD NEWS... we're all still watching ON TV, mostly (and a lot!)

TOTAL U.S.

DIGITAL VIDEO

35 MINUTES

23 MINUTES

19 MINUTES

18-34

TV SCREEN

4 HRS 17 MINUTES

4 HRS 22 MINUTES

4 HRS 27 MINUTES

DIGITAL VIDEO

26 MINUTES

14 MINUTES

13 MINUTES

35-49

TV SCREEN

4 HRS 57 MINUTES

5 HRS 01 MINUTE

5 HRS 05 MINUTES

DIGITAL VIDEO

19 MINUTES

11 MINUTES

09 MINUTES

50-64

TV SCREEN

6 HRS 12 MINUTES

6 HRS 18 MINUTES

6 HRS 07 MINUTES

Q2 2014

Q2 2013

Q2 2012

Q2 2014

Q2 2013

Q2 2012

OVER THE TOP

*VIDEO CONTENT –
FREE OR PAID--
THAT YOU CAN
RECEIVE **WITHOUT** A
MULTICHANNEL
SUBSCRIPTION*

**“We’ll just go
Over the Top
Instead”**



OVER THE TOP “MVPDS”

Sony’s OTT TV service

- 100 channels for a price tag of \$80 a month.
- 22 Viacom channels on the OTT service, (& likely Disney and Fox).
- On PlayStation consoles by the end of the year.

Dish Network’s streaming service

- Local broadcast programming.
- Dish has rights to distribute live and on-demand content from ABC
- Deals in place with Disney (ESPN/ABC), A&E and Scripps.
- Trageting “cord-nevers,” aged 18-34,
- Avail on Roku, AmazonFireTV, Chromecast etc

How should MVPDs react to OTT?

On solution: TIVO ROMIO,
Internet connected set top box with capability to stream
content (including in some cases Netflix) Cable One,
Armstrong, Suddenlink, Atlantic Broadband, Grande, etc

[COMCAST X1](#)

A decorative graphic at the bottom of the slide consisting of several overlapping, wavy lines in shades of teal, blue, and purple, creating a sense of motion or a stylized horizon.



Digital Disruption

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October 2013

 1 MAINSTREAM



APPENDIX

Samsung

Amazon FireTV vs Roku

COMCAST X1



Global Connected TV Device Installed Base (M units)

Q2 14 Rank	Vendor	Q2 14	Q2 13	Q2 14 Share	Q2 14 Installed base growth (YoY)
1	Sony	123.8	96.8	24.8%	27.9%
2	Samsung	62.3	34.4	12.5%	80.9%
3	Nintendo	56.8	67.5	11.4%	-15.8%
4	Microsoft	55.4	53.8	11.1%	2.9%
5	LG	32.2	16.0	6.5%	101.9%
6	Panasonic	29.9	19.6	6.0%	52.4%
7	Apple	18.7	13.0	3.8%	44.7%
8	Sharp	15.0	9.8	3.0%	52.7%
9	Toshiba	10.2	5.1	2.0%	98.8%
10	Philips	9.7	5.7	1.9%	70.0%
11	Roku	8.3	5.5	1.7%	51.9%
12	Google	6.0	0.0	1.2%	na


Note: all connected TV devices including smart TV, games consoles, digital media streamers, BD players

Source: Strategy Analytics' Connected Home Devices service September 2014

The report shows that 28% of those who stream Netflix on a TV used a digital media player (such as Roku, Apple TV, or Chromecast) to do so; this is nearly double the 2013 level (15%) and roughly five times the 2011 figure (6%). The surge comes as ownership of the players among all homes has increased tenfold – from 2% to 21% -- since 2010.

Streaming capabilities built into today's higher-end TV sets have also become popular, with use of built-in streaming reported by 28% of those who watch Netflix on TV -- up from 20% a year ago and 13% in 2011.

On the other hand, reports of watching Netflix on TV through a videogame system have dropped to 43% -- down 5 percentage points from 2013, and almost 20 points below the 2011 level (62%).



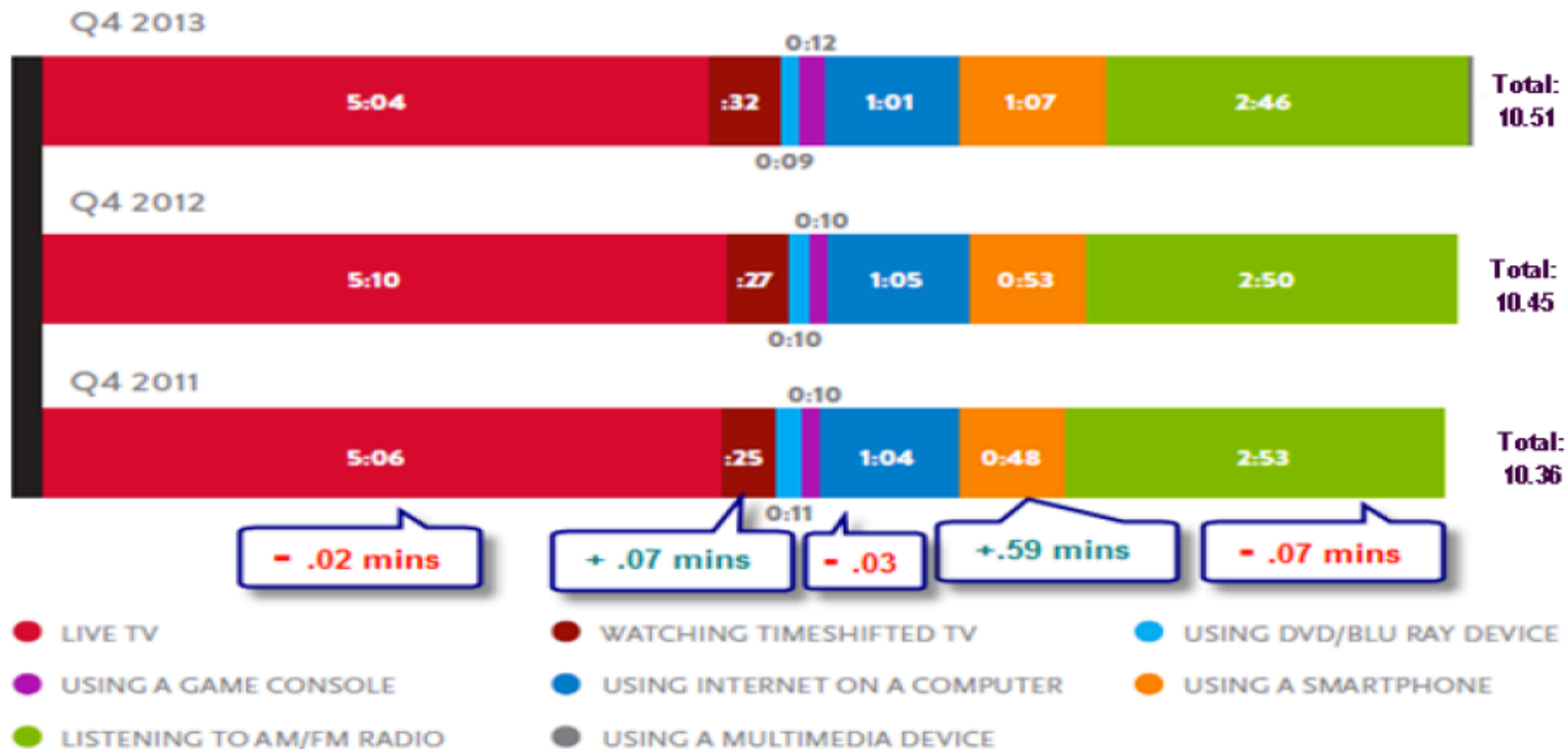
CLOSED VS OPEN PLATFORMS

On both streaming devices and smart TVs there is a division between open and closed platforms.

Chromecast, LG, and Roku have embraced open platforms that allow developers a great deal of freedom to develop apps for their devices. Samsung, Apple, and others are betting on closed ecosystems, which follow a more careful curatorial approach.

Read more: <http://www.businessinsider.com/the-connected-tv-landscape-why-smart-tvs-and-streaming-gadgets-are-conquering-the-living-room-2-2014-3#ixzz3FWONGPoz>





Source: Nielsen Cross Platform Report, 1Q14, and Needham & Company, LLC calculations.