



# Media release

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## Aussie OTT subscribers set to treble

### nbn helps to drive viewing from broadcast to broadband TV

New forecasts from UK analyst firm Ovum predict that nearly 7 million Aussies will be subscribing to Over-the-Top (OTT) video services like Netflix and Stan by 2022 – a 170% increase from end-users in 2016.

The Ovum data shows the Australian OTT video market will generate annual revenues of \$1 billion by 2022 – doubling 2016 revenues of \$460 million – as Aussies flock to OTT content.

Ovum forecasts that it will be the subscription-based OTT players like Netflix and Stan that will dominate the Aussie OTT video market generating 70% of all OTT revenues – beating out digital rental services like Apple's iTunes.

In addition Ovum forecasts that the global market for OTT video subscriptions will double from 2016-2022 and will generate a staggering \$78 billion per year by 2022 with more than 800 million subscribers buying OTT video.

The effect of OTT video is already being seen on the **nbn**<sup>™</sup> network with the average **nbn** end user premise using 148GB of data per month - a 32% increase on last year - that's the equivalent of binging on 148 episodes of *House of Cards* in a month\*.

Before OTT video services arrived in Australia in March 2015 the average monthly usage for **nbn** end users was only around 70GB per month.

### Global OTT Video expert and Ovum TV Practice Leader, Ed Barton said:

*"The global launch of Netflix has changed the way we buy and watch entertainment forever.*

*"There is now a host of contenders on the market eager to share in a growing market opportunity as Australian audiences increasingly demand choice, ease of use and extremely good value for money in what is a very competitive market.*

*"The choice and flexibility currently available to audiences to tailor their entertainment experiences across OTT and TV is unprecedented: there has never been a better time to be a viewer."*

### nbn's Executive General Manager, Product and Pricing, Sarah Palmer said:

*"If we are going to move from a broadcast TV market to a broadband TV market then it is crucial that all Australians have access to good quality broadband at affordable prices and the **nbn**<sup>™</sup> delivers that.*



*“Our retail customers are continually modifying their retail plans to include more and more data - there are even unlimited data plans for as low as \$60 per month - meaning that Aussies can stream away to their hearts’ content and never have to worry about the bill.*

*“You certainly can’t say the same thing about mobile networks where we are seeing operators advertise ever faster speeds but still keep a tight cap on how much data can be consumed.*

*“Even on a more generous 10GB plan, far higher than the average being purchased, an end-user could not watch very much streaming video before they have to start worrying about bill shock!”*

## Media enquiries

### **Tony Brown**

Phone: +61 409 673 843

Email: [tonybrown@nbnco.com.au](mailto:tonybrown@nbnco.com.au)

### **Media**

Phone: 02 9927 4200

Email: [media@nbnco.com.au](mailto:media@nbnco.com.au)

For more information, visit [www.nbn.com.au](http://www.nbn.com.au)