



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**[™] 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**[™] 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!”

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