



Q4

2020

Conviva's
State of Streaming
Europe



This regional report includes streaming traffic measured from the following countries and territories in Q4 2020:

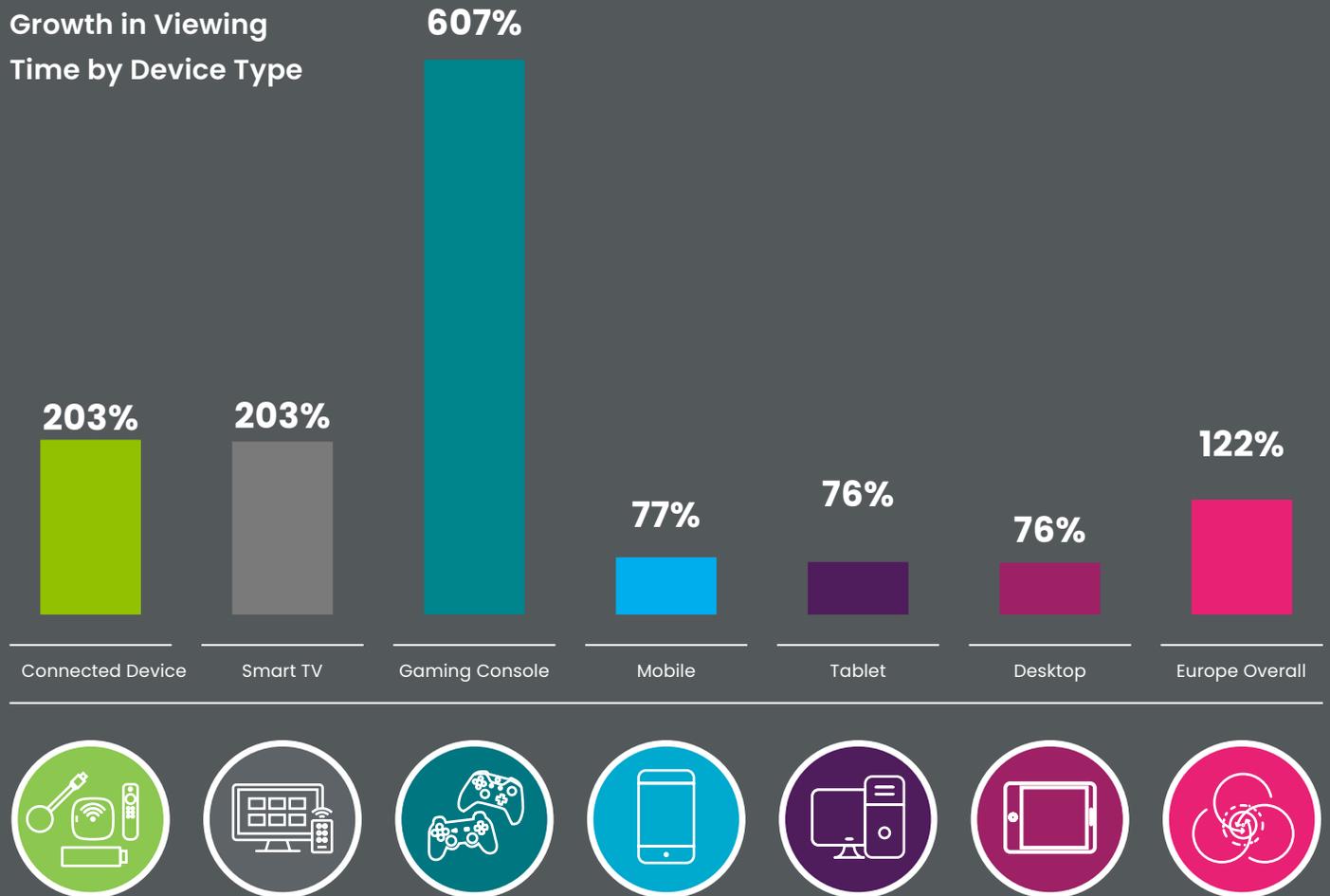
Northern Europe	Southern Europe	Eastern Europe	Western Europe
Aland Islands	Albania	Belarus	Austria
Denmark	Andorra	Bulgaria	Belgium
Estonia	Bosnia and Herzegovina	Czech Republic	France
Faroe Islands	Croatia	Hungary	Germany
Finland	Gibraltar	Moldova	Liechtenstein
Guernsey	Greece	Poland	Luxembourg
Iceland	Vatican City State	Romania	Monaco
Ireland	Italy	Russian Federation	Netherlands
Isle of Man	Macedonia	Slovak Republic	Switzerland
Jersey	Malta	Ukraine	
Latvia	Montenegro		
Lithuania	Portugal		
Norway	San Marino		
Svalbard and Jan Mayen	Slovenia		
Sweden	Spain		
UK	Serbia		

Q4 2020 – Conviva’s State of Streaming: Europe

2020, the year when streaming became ubiquitous. While many industries throughout Europe and around the globe struggled amid the pressures of COVID-19, streaming comparatively flourished. New streaming services emerged from well-established television players, capturing the hearts and minds and dollars of entertainment-starved fans. Social media rose to the occasion in 2020 as well, as organizations waded through murky waters deploying data to stake their beachhead amidst the swells.

Steady Viewing Growth in a Chaotic World

Overall streaming consumption continued to rocket upwards as the time spent streaming spiked 44% globally between Q4 2019 and Q4 2020. This surge was even more prominent in Europe, which tallied 122% growth over the same time period. Globally, smart TVs drove growth with an impressive 157% year-over-year increase in viewing hours. In Europe, the connected TV device and smart TV categories both commanded 203% growth, but it was gaming consoles that came out on top in terms of growth with a staggering 607% increase in viewing time year over year. Globally, gaming consoles netted the least progress of any device category up just 16% in total viewing hours.

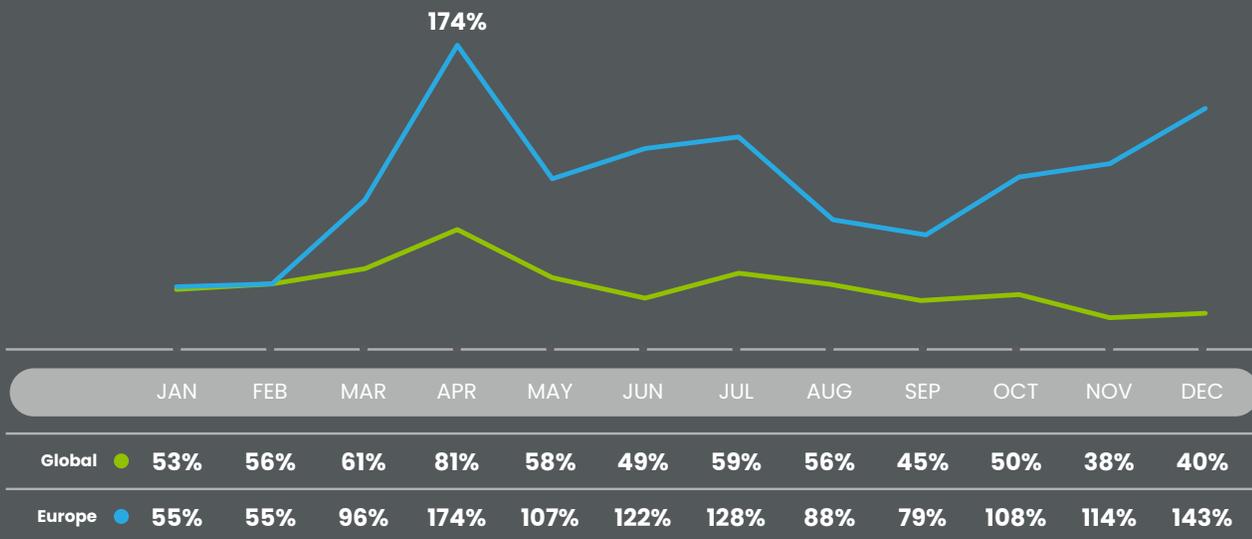


Tracking Pandemic Viewing in Europe

2020 was a year marked by volatility and the streaming industry was not exempted. Europe, in particular, saw significant volatility in streaming growth throughout the year as compared to the global trend. From an astronomical peak in Q2, Q3's summertime slump resulted in a slight dip for the region, but Europe rebounded significantly in Q4—although the region did not pass their pinnacle from earlier in the year. In contrast to the Q4 2020 global streaming trend, where growth declined over the course of Q4, European streaming increased each month of the quarter to a height of 143% in December.

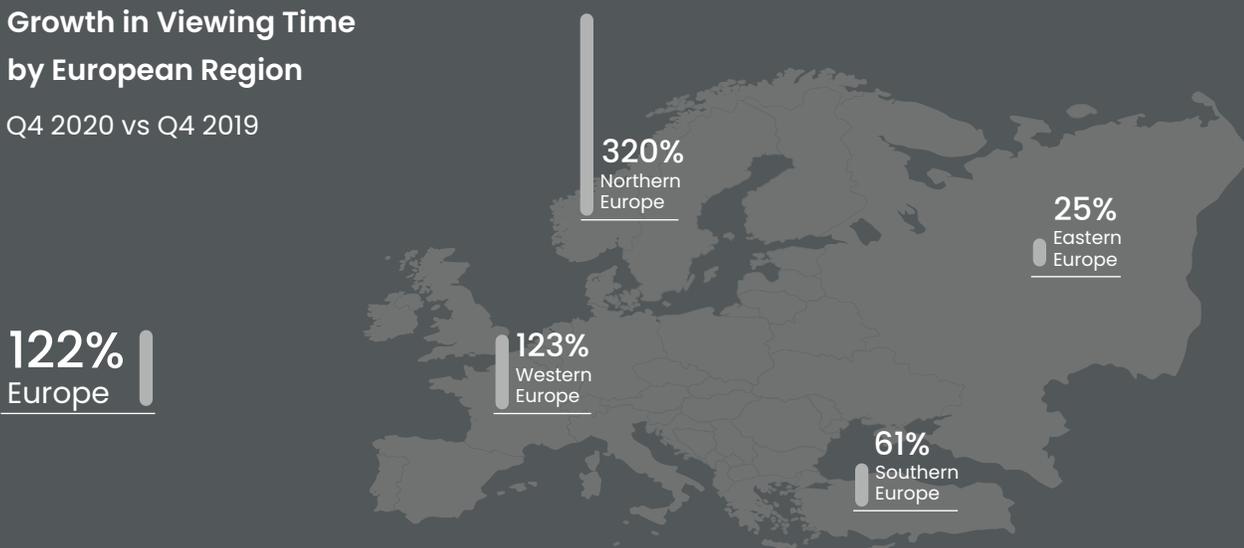
Overall, in Q4 2020 Europe was up 122% in viewing time over Q4 2019; by region, northern Europe saw the highest increase of 320% over Q4 of 2019, while eastern Europe only saw 25% growth over the same time period. When compared to global year-over-year viewing trends in Q4 2020, Europe's 122% growth was nearly three times global growth at 44%.

Year-Over-Year Growth in Viewing Time



Growth in Viewing Time by European Region

Q4 2020 vs Q4 2019



Europeans Enjoy Quality Improvements

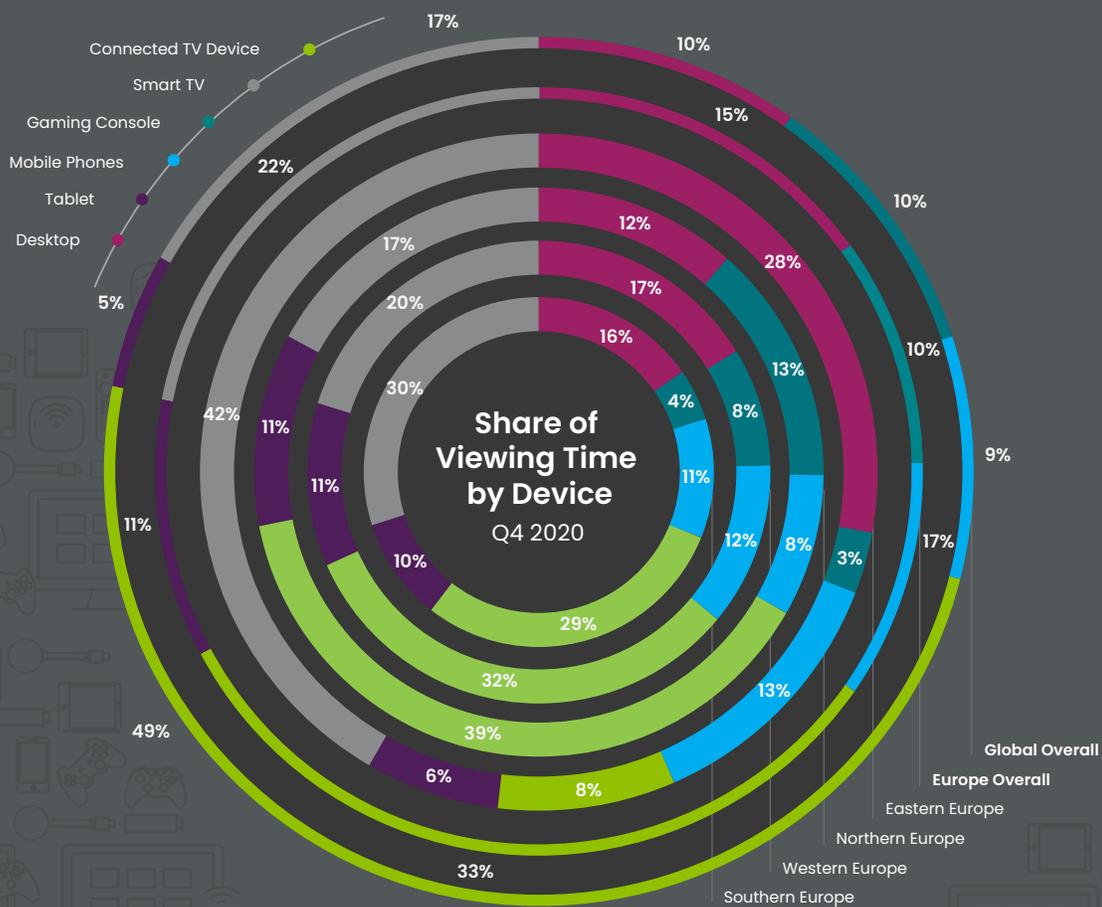
With improvements in awareness and technology, most of the world has continued the trend of quality improvement, which resulted in increased consumer confidence, further adoption of streaming, and longer viewing times on streaming platforms. In Q4, viewers enjoyed improvements across all quality of experience categories in four out of six global regions, including Europe. As video start failures and buffering both improved in Europe, by 26% and 25% respectively, and picture quality improved with 69% higher bitrate, minutes per play also increased by 11%. Video start time had mixed results as three of the four European subregions tallied longer start times than the previous year, but Europe overall improved a slight 1% buoyed by northern Europe's 13% improvement.

Quality by Region

Real Time Europe Region Filters Metrics Q4 2020 vs Q4 2019

	Minutes / Play		Video Start Failures		Video Start Time		Buffering		Bitrate	
Eastern Europe	21.5	-2%	1.19 %	-36%	3.99 sec	4%	0.61 %	-2%	3.01 Mbps	10%
Northern Europe	25.2	26%	1.34 %	-36%	3.56 sec	-13%	0.31 %	-44%	6.89 Mbps	64%
Southern Europe	23.5	26%	1.48 %	-6%	4.25 sec	16%	0.35 %	-18%	6.11 Mbps	110%
Western Europe	21.2	4%	1.49 %	-24%	3.69 sec	4%	0.35 %	1%	6.98 Mbps	50%
Europe Overall	23.4	11%	1.40 %	-26%	3.74 sec	-1%	0.34 %	-25%	6.59 Mbps	69%
Global	21.0	7%	0.73 %	-1%	4.23 sec	-1%	0.36 %	-1%	6.56 Mbps	18%
		YoY		YoY		YoY		YoY		YoY

As quality is increasing year over year, comparing Europe to the global benchmarks revealed a strong performance compared to the rest of the world. Minutes per play for Europe was 23.4 overall, and each of the subregions tallied more minutes per play than the global benchmark of 21.0. Video start time globally averaged 4.23 seconds, while in Europe overall viewers enjoyed less time waiting for the video to start, just 3.74 seconds on average. Southern Europe saw the highest lag in start time at 4.25 seconds, while northern Europe delivered the fastest start time at 3.56 seconds. Buffering and bitrate for Europe were both close to the global trends. Globally, buffering was at 0.36% and in Europe overall, it was 0.34%. Eastern Europe was the only outlier here with much higher buffering of 0.61%. When it comes to picture quality, eastern Europe was again the outlier with a bitrate of just 3.01, while the rest of Europe falls closely in line with the 6.56 global average. One major area for improvement for the region is with video start failures, which was just 0.73% globally but 1.40% for Europe. Delving into the subregions, all were worse than the global average and ranged from 1.49% for western Europe to 1.19% for eastern Europe.



Disparity in Devices

While mobile phones and desktops dropped in share of viewing time commanded globally and tablets basically held steady, big screens continued to reign supreme. Within the TV category, connected TV devices, headlined by Roku, Amazon Fire TV, Apple TV, and Chromecast, dominated streaming viewership with nearly 50% share of global viewing time in Q4. Meanwhile, as more viewers watched within their TV’s native app rather than via an external device, smart TVs like Samsung, LG, and Vizio gained considerably faster than all other devices. With this exponential growth, smart TVs nearly doubled their global share, up to 16.9% from 9.4% the previous Q4. Lagging behind in the big screen category, gaming consoles like Xbox and PlayStation enjoyed the smallest advance, up just 16%, and declined in share to 9.1% of global viewing time from 11.3% during the same time last Q4.

In Europe, the trends were similar with viewing time led by connected TV devices, although with less of a stranglehold than the global 50%, at 33% share in Europe. Smart TVs were more prevalent in Europe than globally with 22% share, while desktop commanded the third most viewing time in Europe at 15% share. Tablets, gaming consoles, and mobile phones each accounting for about 10% of overall viewing.

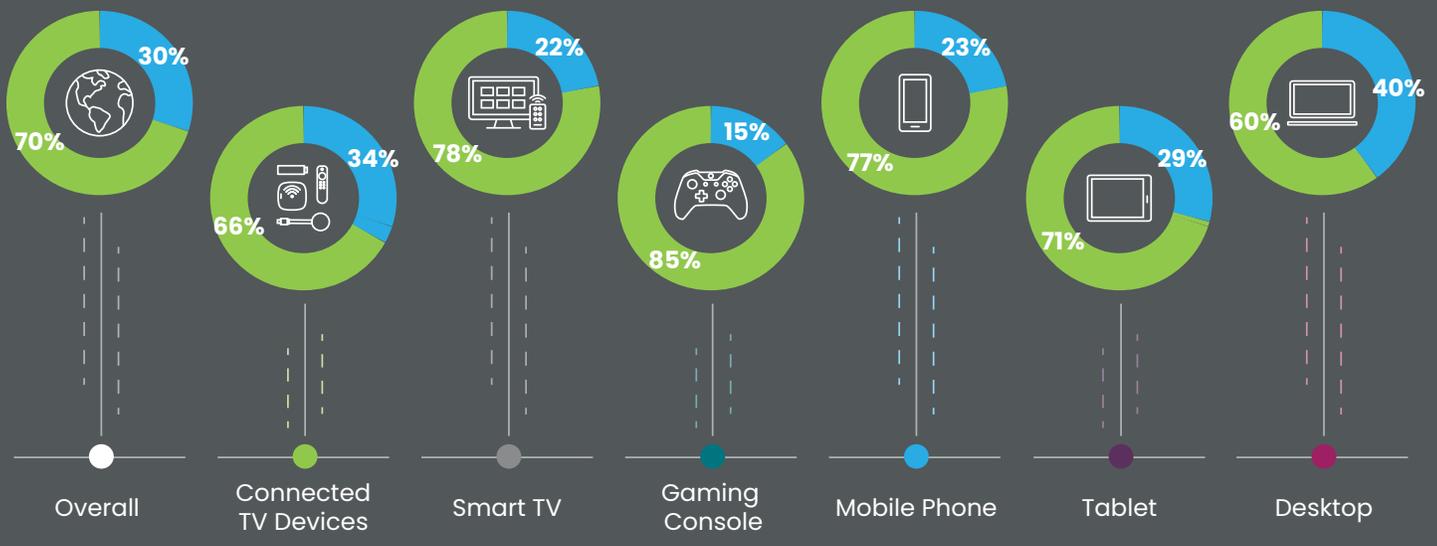
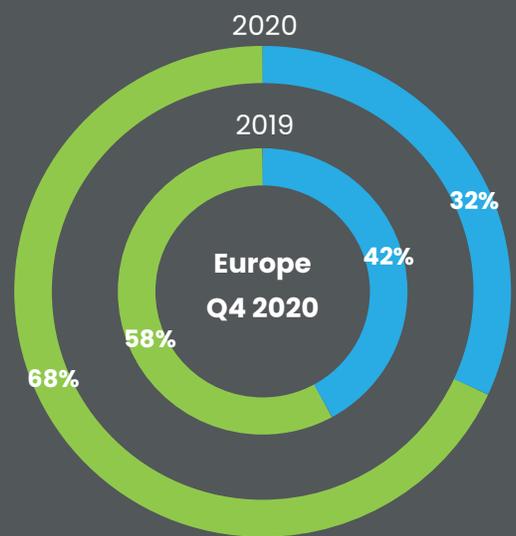
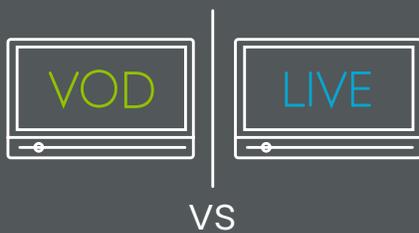
By subregion, share of viewing time by device varies wildly throughout Europe. Eastern Europe favored smart TVs by 42% and desktop by 28%, while mobile devices accounted for a much lower share and gaming consoles barely made the cut at just 3%. Connected TVs in northern Europe reigned supreme with 39% of share, while the rest of the viewing options varied fairly minimally. Southern Europe followed a pattern similar to the trends in Europe overall as smart TVs and connected TVs dominated the share followed by desktop at 16%, mobile phones at 11%, tablets at 10%, and gaming consoles brought up with rear at just 4%. Western Europe actually matched the European trends closest with just a few percentage differences among all the devices.

Demanding on Demand

As viewers stayed home and schedules shifted, the tradition of viewing live programming at prescribed times became less common. As 2020 ended, video on demand handily dominated viewing with 70% share of global viewing time, even as live sports returned around the globe. Video on demand commanded more time across every device than live programming, but desktop tallied the largest share of live viewing at 40% to on demand's 60% on that device. In Europe, the lead that video on demand content enjoyed globally was tempered slightly at 68% of viewing time to live content's 32%, but compared to the year prior, on demand grew 10% in share at the expense of live programming.

Share of Viewing Time by Content and Device Type

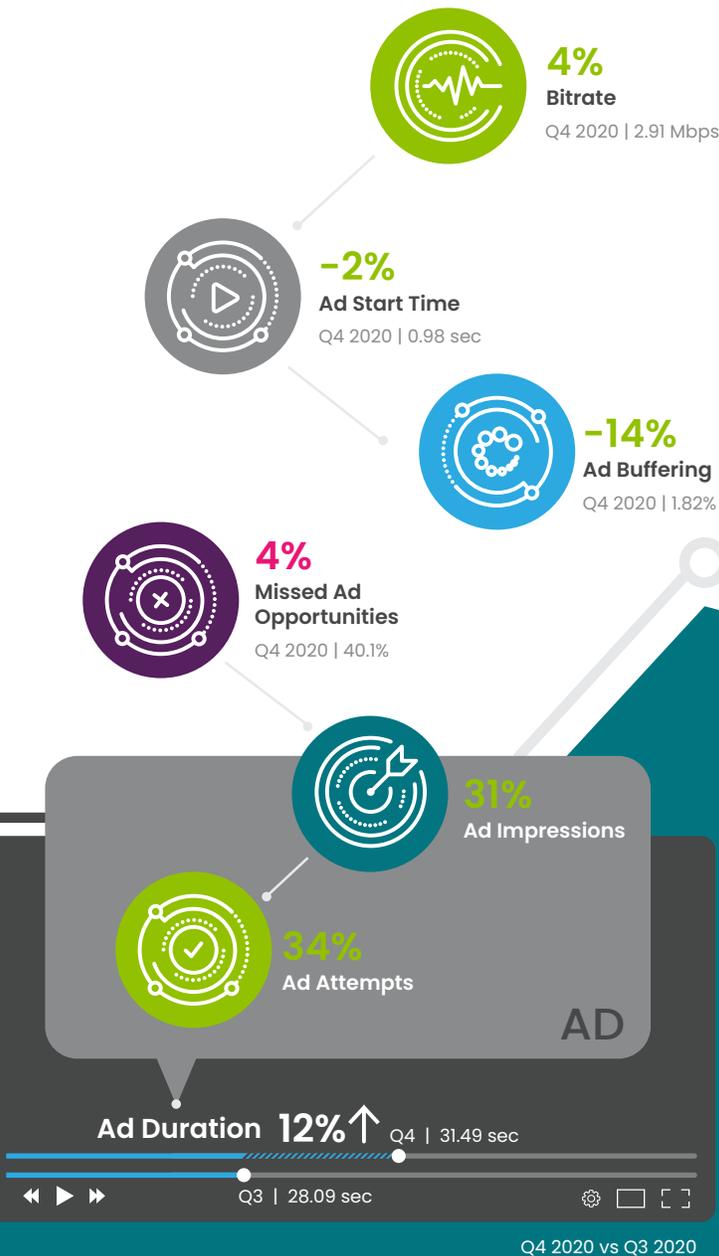
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Growing Confidence in Streaming Ads

As more viewers transition to streaming, ad dollars must follow suit. After a rocky year of depressed advertising demand in the wake of COVID-19 pandemic, Q4 indicated significant improvements. Demand surged towards the end of the year with a 34% increase in ad attempts and 31% increase in ad impressions.

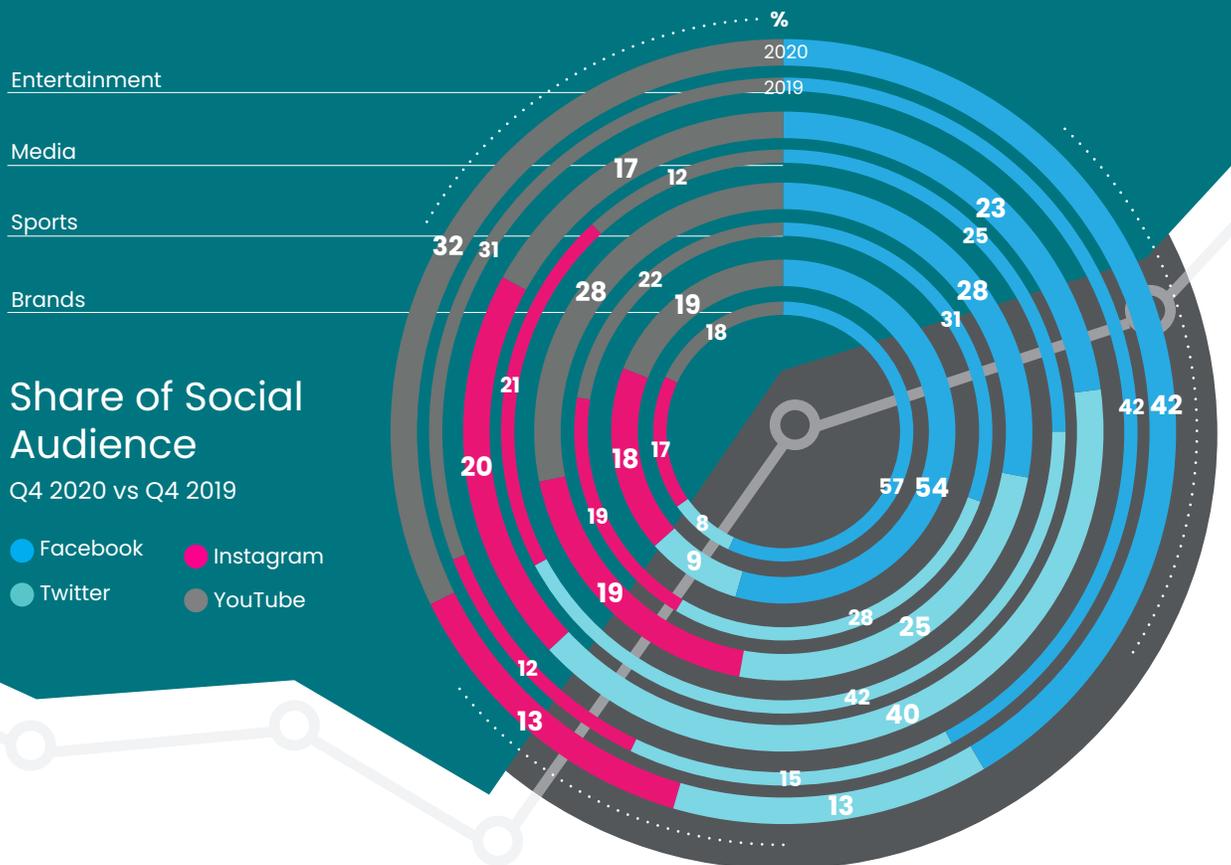
While quality issues continue to plague advertisers in terms of meeting all available opportunities with 40% of ads not delivered as intended for a 4% increase in missed ad opportunities, the quality of ads that were delivered improved. Viewers appreciated 14% less buffering, 4% higher picture quality, and spent 2% less time waiting for ads to start in Q4 as compared to the previous quarter. Quality issues like long ad start times result in more consumers growing impatient and leaving, as previous research from Conviva has illustrated how just 5 seconds of waiting for an ad to play resulted in 19.24% of the audience abandoning the content.



Requested – Shorter Ads, Delivered – Longer Ads

The divergence between what viewers wanted and what advertisers delivered in Q4 continued to widen when it came to the length of ads. Ad length increased 12% in a single quarter, to 31.49 seconds on average. While the 30-second ad has long been the standard, viewers had high hopes for the promise of 15-second ads on streaming. Instead, we witness the industry moving the opposite direction, with more ads running a full minute or more. Advertisers ignore viewer preferences at their own peril, as the longer the ad, the more viewers will abandon the commercial and subsequent content.

As competition mounts and viewer attention wanes, the goal to reduce fatigue and frequency will result in increasingly scarce inventory with which to ensure maximum engagement and monetization of every consumer touchpoint.



Share of Social Audience

Q4 2020 vs Q4 2019

- Facebook
- Instagram
- Twitter
- YouTube

Social Trends

2020 was the catalyst for numerous transformations in social media consumption as shown in Conviva's previous State of Streaming reports, where it was found that YouTube viewing on connected TVs skyrocketed in Q2. Comparing Q4 2020 to Q4 2019, numerous changes persisted that will set the stage for an active 2021.

Audiences Flock to YouTube

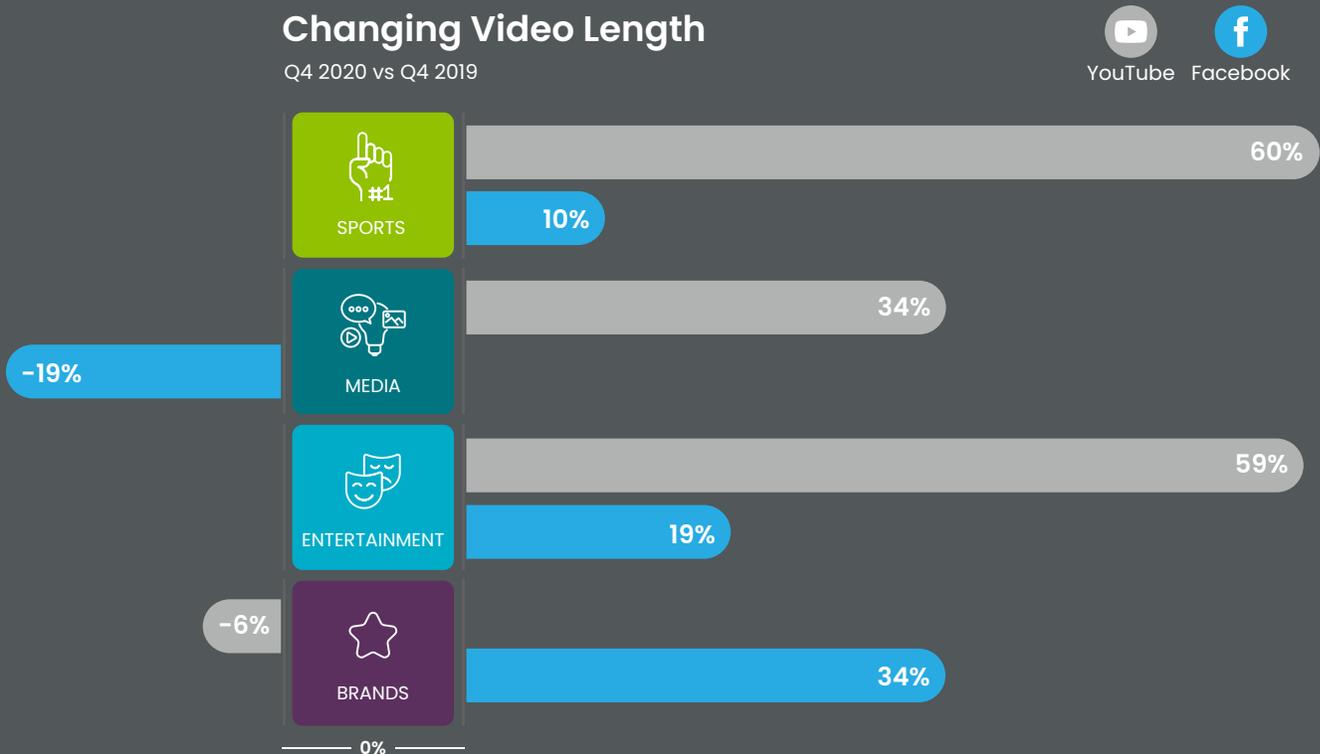
The reliance on social media as a primary news and entertainment source for many worldwide has triggered dramatic shifts in where brands are building and growing their respective audiences. In analyzing four key categories, entertainment, media, brands, and sports accounts, YouTube was the only platform rewarded with an increase in audience (as a percentage of total social audience) for all four categories. Media and sports accounts earned the largest increases in YouTube following with increases of 5% and 5.4% percentage points in share respectively. Meanwhile, brands and entertainment accounts scored more modest gains at 1.3% and 1.5% percentage points in share compared to Q4 2019.

Facebook was the most dominant platform in terms of audience, but this hegemony varied across categories. Sports followers were the most evenly split among all social networks, charting similarly sized audiences on YouTube, Twitter, and Facebook with 25%-28% share on each platform. Entertainment and brands ensnared the largest percentage of their followers on Facebook ranging from 42% and 54% share, while media accounts leveraged Twitter for 40% of their audience.

Time – The Online Currency

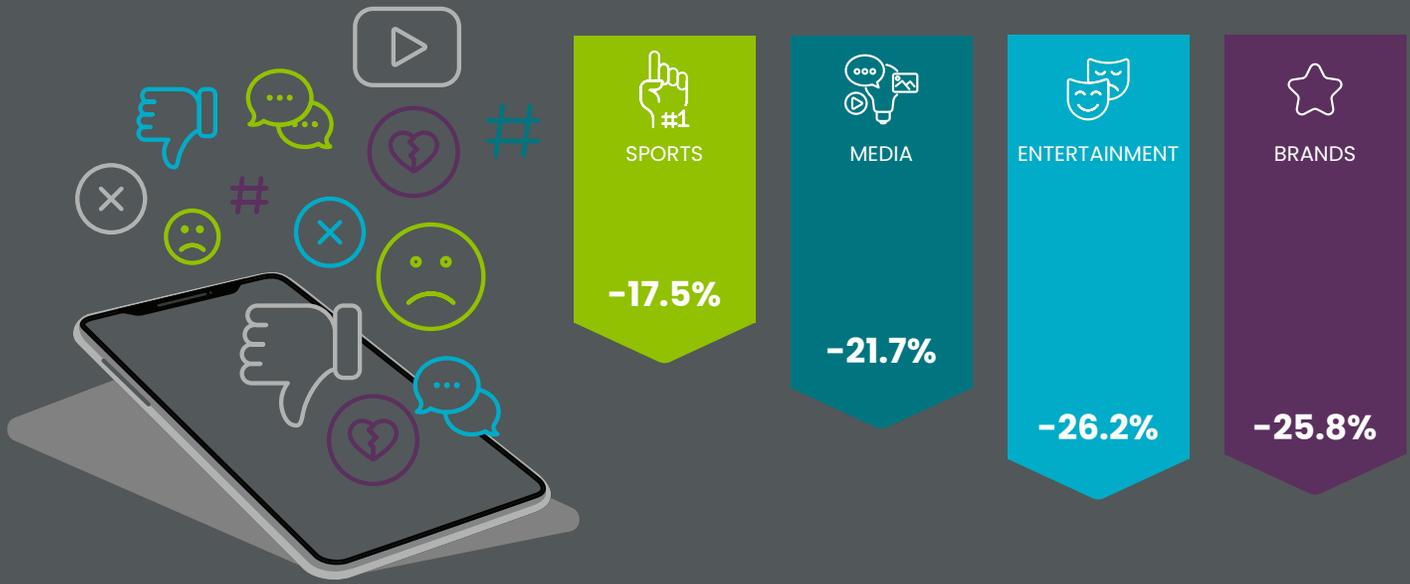
Today's main online currency is time. And publishers are always pursuing additional ways to transact and capture more time. Now more than ever, social publishers are finding themselves competing with streaming networks, online gaming, and traditional TV for this time. Fueled by the pandemic, social publishers are producing more longer form and series-based content for social media in an effort to retain online viewership and supplement other potential streaming efforts.

2020 ushered in a sea change in drastically more longer-form entertainment on Facebook and YouTube for many accounts compared to 2019. Nearly all categories posted longer videos on average than the previous year, with the exception of media accounts on Facebook and brand accounts on YouTube. The largest shift happened with sports, entertainment, and media accounts on YouTube where their average video length increased by 60%, 59%, and 34% respectively. Media accounts, conversely, adapted to the rapid pace of news by posting shorter videos on Facebook but longer form videos on YouTube for future viewing. While brands decreased video length on YouTube, the category lengthened videos on Facebook by the largest margin at 34%.



Falling Engagement Rate

Cross-Platform Change | Q4 2020 vs Q4 2019



Falling Social Engagement Rates

If your social media accounts performed below average in Q4 2020, you were not alone. A review of cross-platform engagement rate for all categories revealed that there was a considerable dip in engagement rate for the quarter as compared to the previous year. Entertainment and brand accounts suffered the largest decreases, down 26.2% and 25.8% while media and sports accounts were slightly less affected but were still impacted by declines of 21.7% and 17.5% respectively year over year.

Several factors may ultimately have contributed to the lack of engagement, but likely culprits include the oversaturation of months-long grim pandemic news and general fatigue caused by one of the more eventful years in human history.

Definition of Accounts

Brands – Consumer brands, services, and products

Entertainment – Television shows, channels, streaming or cable networks, online entertainment content hubs

Media – Publishers in the business of producing content for informational purposes across any content category

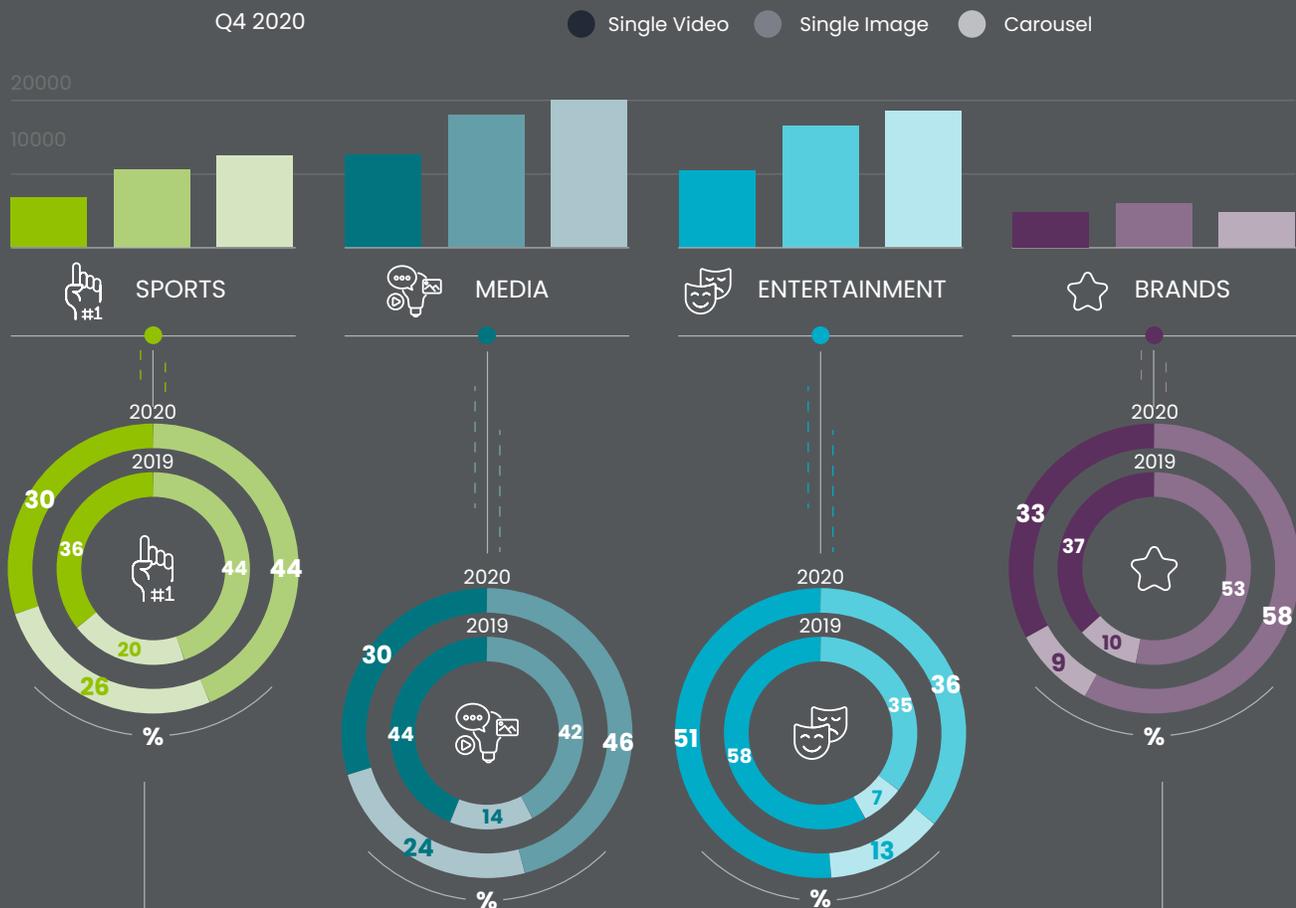
Sports – Professional sports teams and leagues, minor league or amateur sports teams and leagues, college sports teams, sports venues, and accounts associated with a professional sports team like charitable organizations of professional teams

More is More for Instagram Engagement

One prominent social trend in 2020 was the rise in publishers on Instagram that leveraged the carousel feature to include more than one photo or video with a post. Media and sports accounts moving to this format resulted in a 10% climb in their share of posts utilizing the carousel function while entertainment netted 6% additional share. And with good reason, according to an analysis of average engagements per content type, as carousel posts attracted the highest average engagements for these three categories. Interestingly, brand accounts, the only category to decrease their use of carousel posts year over year, uploaded images as the highest performing content type on Instagram rather than carousels. Posts with a single video on Instagram accounted for the lowest average engagements for all post types in all categories. Video posts were also utilized less by all categories when comparing Q4 2019 to Q4 2020.

The end of 2020 was a crowded and chaotic time to be online, but one trend remained infallible: applying analytics to guide your social strategy was a winning tactic. There is no substitute for hard data when it comes to the complex uncertainty of today's digital media landscape. Social publishers who relied heavily on analytics solutions to guide them through 2020 will gain more competitive advantages for it in 2021.

Average Engagements on Instagram by Post Type



Share of Engagements on Instagram by Post Type

Q4 2020 vs Q4 2019

Closing Thoughts

While many wish 2020 to be a year soon forgotten, it will likely be remembered a pivotal year for streaming. The industry delivered with flourishing new services, astronomical peaks of growth, blockbusters released direct to streaming, and the rising profile of social media platforms. But for the industry to thrive, these positive trends must continue while we leave behind the anxiety-inducing news cycle that negatively impacted advertising and social media behaviors, the streaming burnout as consumers look for activities outside the home in a post-pandemic world, and the dearth of ad dollars coupled with persistent quality issues that resulted in 40% of streaming ads as missed opportunities.

Methodology

Data for Conviva's State of Streaming report was primarily collected from Conviva's proprietary sensor technology currently embedded in 3.3 billion streaming video applications, measuring in excess of 500 million unique viewers watching 180 billion streams per year with 1.8 trillion real-time transactions per day across more than 180 countries. Year-over-year comparisons were normalized at the customer level for accurate representations of industry growth. The social data consists of data from over 1200 accounts, over 3 million posts, 778 thousand videos, 84 billion video views, and over 10 billion engagements across Facebook, Twitter, Instagram, and YouTube.

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About Conviva

Conviva is the leader in streaming media intelligence, powered by its real-time platform. More than 250 industry leaders and brands – including CBS, CCTV, Cirque Du Soleil, DAZN, Disney+, HBO, Hulu, Sky, Sling TV, TED, Univision, and WarnerMedia – rely on Conviva to maximize their consumer engagement, deliver the quality experiences viewers expect, and drive revenue growth. With a global footprint of more than 500 million unique viewers watching 150 billion streams per year across 3 billion applications streaming on devices, Conviva offers streaming providers unmatched scale for continuous video measurement, intelligence, and benchmarking across every stream, every screen, every second.

Any Questions?

Visit www.conviva.com or contact Conviva at pr@conviva.com.

