

2020

Cord Cutting in Uncertain Times

Our annual Cord-Cutting Study provides insights into changing consumer attitudes around streaming versus traditional pay TV among U.S. TV households. This year our study also examines how the COVID-19 pandemic is influencing the shift to streaming.



Cord Cutting is accelerating in the U.S., and at a greater pace in 2020 than in previous years.

The number of households (Cord Nevers and Cord Cutters) that don't have traditional pay TV make up approximately 32% of total TV households in the U.S. – essentially one in three households.

Amidst the COVID-19 pandemic, financial woes and concerns about the economy are driving further interest in cord-cutting and cord shaving. In fact, Americans say reducing home entertainment expenses is the #1 reason for cutting the cord. Forty-five percent of Cord Shaver households say they are likely to cut the cord within 2020.

Streaming is even more appealing now with consumers citing convenience, a growing selection of content – including free, ad-supported options – and on-demand access as reasons to cut the cord.

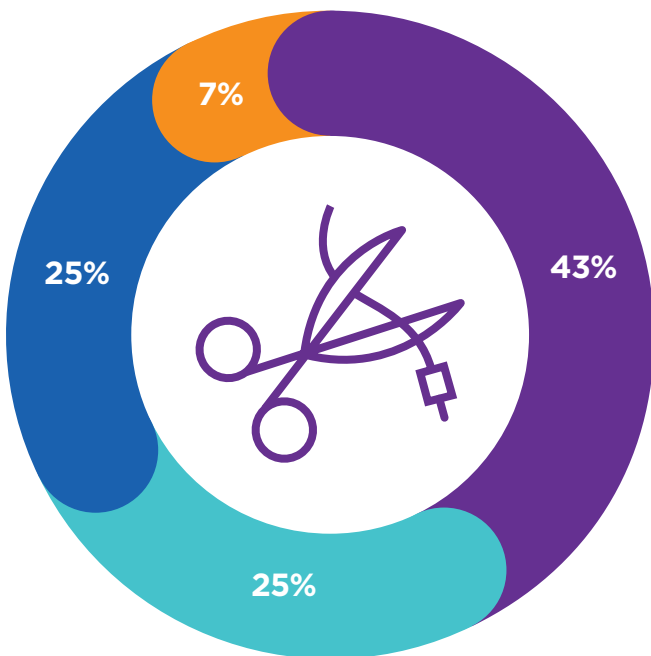
Around 40% of recent Cord Cutter households shared that free TV or extended free trials to a streaming channel helped convince them to cut the cord, and more households than ever are watching free, ad-supported movies and TV shows.

The return of live sports will not cause the majority of Cord Cutter households back to traditional pay TV.

Read on to learn more about the changing TV landscape and consumer insights during times of staying-at-home and economic uncertainty.

Approximately **1 in 3 TV households do not have traditional pay TV**

Total Market (U.S. Households)



57%

have shaved, cut or never had traditional pay TV

- Traditional
- Cord Cutter
- Cord Shaver
- Cord Never

Vast majority of Cord Cutting households are **satisfied and wish they had cut traditional pay TV earlier**



4 out of 5

Cord Cutter households report they are satisfied with their decision to cut traditional pay TV

while nearly **2/3rds (63%)** report they wish they had abandoned it sooner.



of Roku users reported they are **“very satisfied”** with their decision to cancel traditional pay TV

Roku device owners had the highest satisfaction with the decision to cut cord

Intent

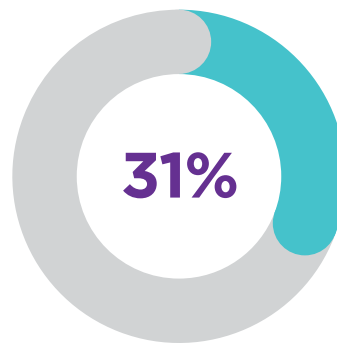
Cord Shaver households are more likely to cut the cord with **45% saying they are likely to cancel traditional pay TV in the next six months.**

Lack of live sports is helping to accelerate cord-cutting in 2020

Most Cord Cutter households do not plan to return to traditional pay TV even when live sports are back.



Only **17%** of recent Cord Cutter households said would they re-subscribe to traditional pay TV when live sports returns this year.



31% cited possible subscription to live sports streaming services.

28%
ranked the loss of
live televised sports
as their #1 reason for
cutting the cord.



Meanwhile , over half of Traditional and Shaver households said they are **likely to reduce their subscription costs.**

Economic woes are driving **cord-cutting** as consumers cut home entertainment expenses

When asked about the COVID-19 pandemic, the No. 1 reason people cut the cord in the past 90 days was that they wanted to **cut home entertainment costs.**

The second reason cited was **access to a free or extended free trial to a streaming service.**

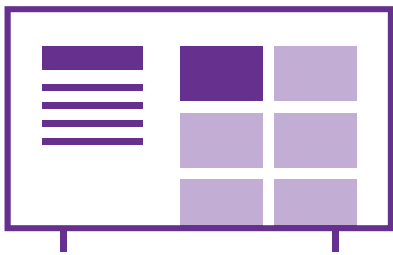


On average, Roku users who cut the cord saved approximately **\$75 per month** on home entertainment.

In fact, Roku device owners report **more savings** than owners of other streaming devices.

TV audiences are watching more ad-supported content and flocking to **extended free trials of subscription services**

Value is an important factor in driving cord-cutting



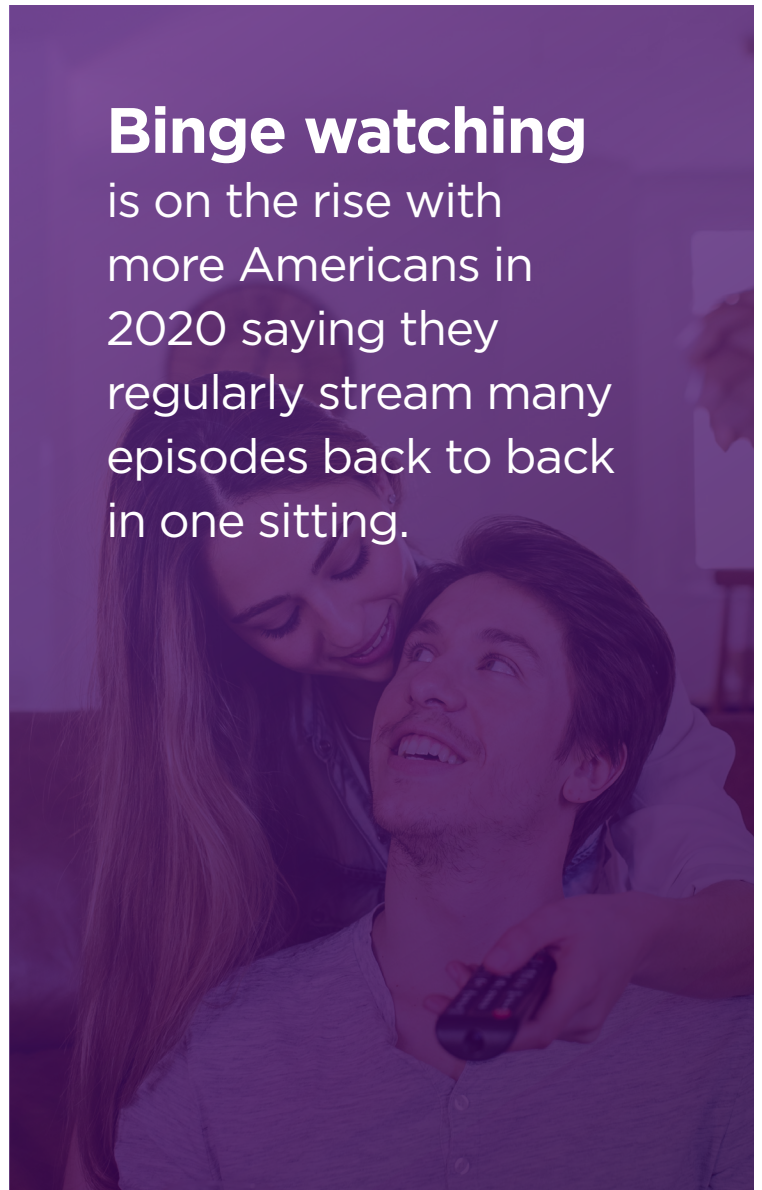
About **half of all TV households** surveyed said they are streaming more free TV during the COVID-19 pandemic than they did before.



of Cord Cutter households said free or extended free trials to a streaming subscription **helped convince them to cut the cord.**

Binge watching

is on the rise with more Americans in 2020 saying they regularly stream many episodes back to back in one sitting.





This year's Cord Cutting survey was conducted by MACRO Consulting, Inc. on behalf of Roku Inc. 7,000 Americans ages 18 and over were surveyed in March 2020 about their TV household, followed by 2,000 Americans ages 18 and over in May 2020 to understand changes amidst the COVID-19 pandemic.