

Video Streaming Service Users Have a Clear Position on Ads

They don't like like seeing them within the platforms

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A new survey of US internet users from [IBM Cloud Video](#) found that two-thirds of adults used some type of subscription video-on-demand (SVOD) service, such as Netflix.

But perhaps due to the dominance of that service—which was used by 90% of SVOD customers in the survey—streaming service users have some distinct ideas about the role of advertising on their platforms of choice. They don't like it.

In fact, nearly three-quarters (72.3%) of those polled felt any type of ad reduced the viewing experience. And almost 60% even said that more targeted ads would still have a negative effect on their use of streaming services.

US Internet Users' Primary Attitude Toward Personalized Video Ads, July 2017

% of respondents

Enhances the viewing experience

9.2%

Neither enhances nor detracts from the viewing experience

18.5%

Takes away from the viewing experience

12.4%

Even relevant ads take away from the viewing experience

59.9%

Note: ages 18+

Source: IBM Cloud Video, "The State of Streaming," Dec 27, 2017

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Only about 9% thought personalized video ads actually improved the viewing experience.

That's tough news for streaming services looking to advertising to expand their revenue streams beyond subscriptions.

But even getting all of the money owed by subscribers can be tough for streaming services when users share passwords. The survey found that nearly half of streaming service subscribers share their password with family members. A little more than one-third (35.5%) said they didn't reveal their password to anyone.

Consumers also have relatively high expectations for their streaming experiences. More than eight in 10 said they had been forced to wait for content to buffer, while almost one in five had experienced poor video quality.

Despite these potential problems, other data indicates that streaming services are continuing to make gains in popularity. A recent survey from [Raymond James](#) revealed that 31% of internet users in the US used a streaming service like Netflix or Hulu as their **primary means of watching video content**, up from 24% a year earlier.