

# YouTube Premium hits 100 million subscribers, showing an appetite for ad-free video

Article

**The news:** YouTube has hit 100 million subscribers across YouTube Premium and YouTube Music, the company [announced](#) last week. Launched in 2015, a standard subscription to

YouTube Premium includes access to both ad-free YouTube viewing and YouTube Music for \$13.99 monthly.

- There's a slight caveat: The 100 million figure includes free trials, which convert into paying subscriptions after one month unless canceled. YouTube added 20 million subscribers in just one year, per the announcement.

**A standout:** YouTube has increasingly been viewed as a competitor to more “traditional” streaming services like **Netflix** or **Disney+**, especially as more of its viewership shifts to TVs. But its push to increase ad-free, YouTube Premium subscriptions puts it at odds with the ad-supported push its competitors have made.

- Netflix and others spent the last year increasing the cost of access to ad-free subscriptions while increasingly pushing ad-supported tiers as the default for accessing their services.
- YouTube's push was similar in some ways: The company made a concerted effort to increase ad loads and reduce consumers' ability to avoid ads. The result is higher revenues per user from standard YouTube users, while those looking to preserve the ad-free experience would be onboarded to YouTube's ad-free subscription (which, like its competitors, saw a price hike last year).
- YouTube has long been a major revenue generator for **Google**, but its ad load and subscription push drove some of its best quarters for revenue growth yet—a sign that YouTube is likely to continue investing in the subscription service.

**Expanding YouTube:** Google has looked to broaden the platform beyond its video hosting roots.

- The company signed a \$1 billion yearly deal with the **NFL** to host **Sunday Ticket** on **YouTube TV**, its pay TV service. The bet has been successful so far: Despite a steep investment, YouTube TV subscriptions jumped 50% year over year thanks to Sunday Ticket, posing a major disruption to the traditional pay TV business.
- YouTube Shorts is another frontier and the company's bet against short-form video platform **TikTok**. Shorts currently sits far behind **Instagram** and TikTok in certain key metrics, but should TikTok see a federal or even state-level ban, YouTube could slide in to take its place.

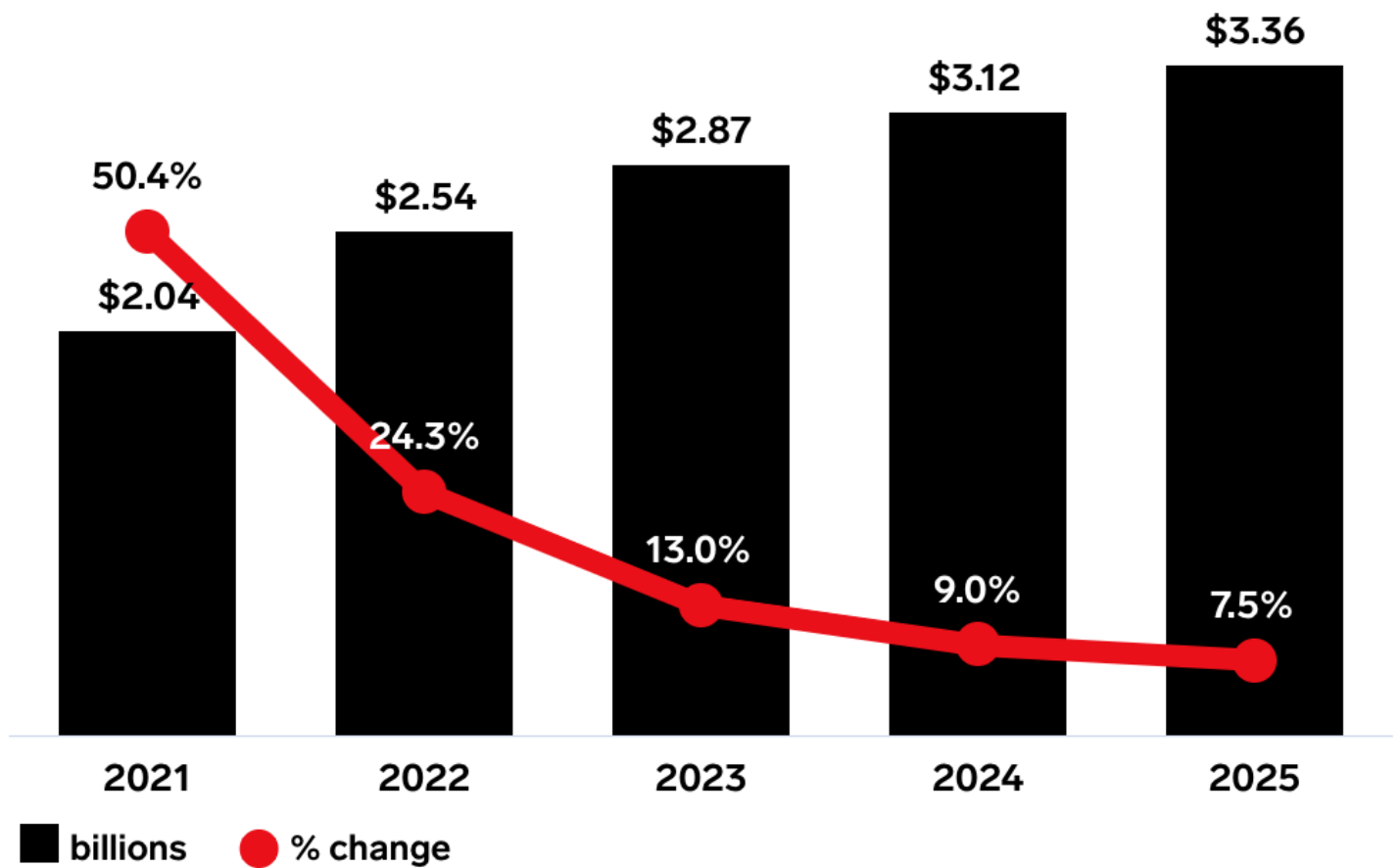
**Our take:** The success of YouTube Premium shows that the company's effort to crack down on ad blockers has been a success—even if, much like password-sharing crackdowns,

consumers were none too happy about the changes.

- As the company keeps experimenting with new formats and products for YouTube, advertiser and consumer interest is sure to grow, giving YouTube increased power in measurement negotiations with other key video advertising players.

## YouTube Premium Subscription Revenues

US, 2021-2025



Note: includes subscription revenues for YouTube Premium; includes subscription revenues for YouTube Music

Source: Insider Intelligence | eMarketer, December 2023

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