

Subscription OTT services help push Canadian viewership to 28 million

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Canadian viewership will reach new heights this year, according to our latest digital video viewer forecast. Previously, we expected the number of video viewers to reach 28.0 million in

2024, but we now forecast that milestone will be met next year. Nearly 18 months of restricted public gatherings have led to more time at home and a strong appetite for long-form entertainment. Increasingly, that demand is being met by video delivered via the internet and apps.

- This year, there will be 1 million more digital video viewers in Canada than we previously forecast.
- YouTube tops the list for viewership in Canada, but subscription OTT services, led by Netflix, account for most of the growth in video viewership.
- Domestic video services, like Crave and Club Illico, have gained committed audiences but don't rival the numbers from international services.

Top Platforms

YouTube is by far the most used digital video platform in Canada, with 25.8 million viewers this year. This is a reflection of the platform's versatility with short clips and long-form content for everything under the sun, including entertainment, news, and tutorials.

YouTube Viewers in Canada, 2019-2025

	2019	2020	2021	2022	2023	2024	2025
YouTube viewers (millions)	24.4	25.2	25.8	26.4	26.8	27.2	27.6
—% change	3.4%	3.0%	2.5%	2.3%	1.7%	1.4%	1.2%
—% of internet users	74.3%	75.3%	76.0%	76.7%	77.0%	77.2%	77.4%
—% of population	65.2%	66.4%	67.4%	68.2%	68.6%	68.9%	69.1%
—% of digital video viewers	93.2%	93.1%	93.0%	92.8%	92.4%	91.9%	91.5%

Note: Individuals of any age who watch video via YouTube app or website at least once per month

Source: eMarketer, Aug 2021

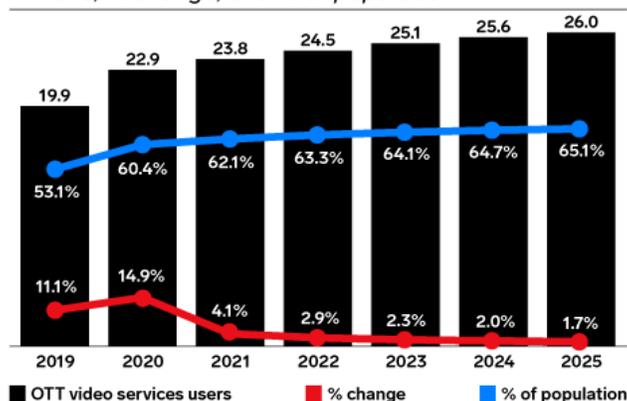
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Subscription OTT services like Netflix have fewer viewers than YouTube because they focus solely on entertainment. Additionally, there's greater competition for eyeballs among these platforms. There will be 23.8 million subscription OTT viewers in Canada this year, which is up 4.1% year over year (YoY) and on top of a whopping 14.9% growth rate in 2020. The result is 1.7 million more viewers than we previously forecast.

Subscription OTT Video Service Users in Canada, 2019-2025

millions, % change, and % of population



Note: individuals of any age who watch video via any app or website at least once per month that provides paid subscription access to streaming video content over the internet and bypasses traditional distribution; examples include Amazon Prime Video, HBO Now, Hulu, Netflix, Sling TV, and YouTube Premium; OTT video services are not mutually exclusive; there is overlap between groups

Source: eMarketer, Aug 2021

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We predict that nearly two-thirds of Canadians will be subscription OTT users by 2025. As the market grows, subscription OTT viewers will take a larger share of digital video viewership. They will account for 86.3% of digital video viewers in 2025.

Netflix is still the most popular OTT service by far, with 18.6 million viewers, up 2.9% over last year. We expect viewership will grow at a slower rate in the coming years. By 2025, Netflix will garner viewership from half of the population in Canada.

Netflix Viewers in Canada, 2019-2025

	2019	2020	2021	2022	2023	2024	2025
Netflix viewers (millions)	16.2	18.0	18.6	19.0	19.3	19.6	19.9
—% change	7.6%	11.3%	2.9%	2.1%	1.9%	1.7%	1.5%
—% of internet users	49.3%	54.0%	54.7%	55.1%	55.4%	55.7%	56.0%
—% of population	43.3%	47.7%	48.5%	49.0%	49.4%	49.7%	50.0%
—% of digital video viewers	61.9%	66.8%	67.0%	66.7%	66.4%	66.3%	66.2%
—% of subscription OTT video service users	81.5%	78.9%	78.0%	77.4%	77.1%	76.8%	76.7%

Note: individuals of any age who watch Netflix via app or website at least once per month

Source: eMarketer, Aug 2021

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As the competition heats up with new entrants, we anticipate Netflix will lose share in subscription OTT. It will drop from 84.1% in 2018 to 76.7% in 2025.

Prime Video will have 12.2 million viewers in Canada this year, up 14.3% YoY in 2021 but down from the 51.9% growth it experienced in 2020. Much of this growth is tied to Canada's

ecommerce boom—retail ecommerce sales increased by 75.0% in 2020—as Prime Video viewers get free access to the service if they’re Amazon Prime customers. We anticipate Prime Video will rise from 10.7 million viewers in 2020 to 14.7 million by 2025.

Amazon Prime Video Viewers in Canada, 2019-2025

	2019	2020	2021	2022	2023	2024	2025
Amazon video viewers (millions)	7.0	10.7	12.2	13.3	13.9	14.3	14.7
—% change	117.8%	51.9%	14.3%	8.9%	4.4%	3.0%	2.7%
—% of internet users	21.4%	32.0%	36.0%	38.7%	39.9%	40.6%	41.3%
—% of population	18.8%	28.2%	31.9%	34.4%	35.6%	36.2%	36.8%
—% of digital video viewers	26.9%	39.6%	44.1%	46.8%	47.9%	48.3%	48.8%
—% of subscription OTT video service users	35.4%	46.8%	51.4%	54.4%	55.5%	56.0%	56.6%

Note: individuals of any age who watch Amazon Prime Video via app or website at least once per month

Source: eMarketer, Aug 2021

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Prime Video is quickly gaining in subscription OTT share. It will cross the halfway mark this year, with a 51.4% share of subscription OTT. As it grows, we expect Prime Video to continue to take a higher share of the subscription OTT space in the coming years.

Domestic Players

With the dominance of US-based services Netflix and Prime Video, and the influx of newer services like Disney+ and Apple TV+ in the past few years, one might ask if there’s much room to compete for domestic players. Homegrown services, like Bell Media’s Crave nationally and Videotron’s Club Illico in Quebec, have established sizable customer bases, but they have a small share of the OTT viewer market.

CBC Gem is also available, but the public broadcaster doesn’t release numbers on usage. Rogers Media provides niche OTT offerings—e.g., the Citytv app and Sportsnet Now—but has not publicly stated how many users there are for each app.

Our first forecast for Crave, which launched in 2014, estimates that the service will have 6.8 million viewers in 2021. Bell Media reported that Crave had subscribers “approaching the 3 million mark” in Q2 2021, which are a mix of OTT users and pay TV on demand. Our viewer calculation applies a multiple based on the estimated number of viewers per household. We expect slower growth—low single digits—in Crave viewership in the coming years, but it will reach 7.3 million viewers by 2025.

Crave Video Viewers in Canada, 2019-2025

	2019	2020	2021	2022	2023	2024	2025
Crave viewers (millions)	5.9	6.6	6.8	6.9	7.1	7.2	7.3
—% change	13.3%	11.6%	3.6%	2.4%	2.3%	1.7%	1.5%
—% of internet users	17.9%	19.6%	20.0%	20.2%	20.4%	20.5%	20.6%
—% of population	15.7%	17.3%	7.7%	18.0%	18.2%	18.3%	18.4%
—% of digital video viewers	22.4%	24.2%	24.5%	24.4%	24.5%	24.4%	24.3%
—% of subscription OTT video service users	29.5%	28.7%	28.5%	28.4%	28.4%	28.3%	28.2%

Note: Individuals of any age who watch Crave via app or website at least once per month

Source: eMarketer, Aug 2021

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Crave’s stability in the competitive OTT environment is based on Bell’s investment in a strong catalog of programming and the development of French-language content for Quebecers. Originally, Crave subscribers could choose between three English-only packages. But in January 2020, Crave extended its offering for French subscribers with additional French-language packages under the Super Écran label.