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Streaming services are betting on bundling

Article

But bundles present streamers with their own set of risks

Facing increased pressure to achieve profitability, streaming services continue to raise prices and offer bundles. The hope is that bundles will limit subscription cancellations and attract new subscribers.

Consumers using bundles are 15% more likely to maintain streaming subscriptions after six months, according to Magid data cited by Deadline in June 2024. But services with the fewest subscribers often have the most to gain from bundles because there are more potential viewers for them to attract.

Streamers must also consider how much audience overlap there is with potential bundling partners. In July 2024, a bundle featuring Hulu, Disney+, and Max debuted. This bundle holds potential to expand viewership for the services involved because only 15% of Disney+, Hulu, and Max viewers had concurrently subscribed to all three services, according to Q1 2024 data from Ampere Analysis.

The degree to which streaming services' audiences overlap varies widely, according to fall 2023 survey data from the Advertising Research Foundation.

Cross-Usage of Select Streaming Services Among US Households, 2023

% of total

	Netflix	Amazon Prime Video	Hulu	Disney+	Max	Peacock	Paramount+
Netflix	-	73%	55%	49%	37%	31%	22%
Amazon Prime Video	80%	-	55%	51%	39%	33%	35%
Hulu	86%	78%	-	65%	46%	40%	39%
Disney+	85%	81%	72%	-	49%	41%	42%
Max	88%	84%	71%	68%	-	44%	46%
Peacock	83%	80%	67%	63%	49%	-	55%
Paramount+	84%	86%	67%	65%	62%	56%	-

Note: read as 73% of households with Netflix also have Amazon Prime
Source: Advertising Research Foundation (ARF), "TV Deconstructed: Latest Findings From the DASH Study," June 20, 2024

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Bundling is a game of adding complementary services together. Streamers are asking themselves, "What's something that can bring additional value to a core proposition—therefore creating a new proposition—but doesn't devalue the original product?" These trends dictate which alliances make the most sense.

Read the full report, Digital Video Forecast and Trends Q3 2024

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