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Amagi Global FAST Report Edition #6 | Jan 23

Riding high in Europe:

FAST continues to dazzle

Delve into comprehensive data and insights powered by Amagi's homegrown data analytics platform – [Amagi ANALYTICS](#), and the Q4 2022 Amagi UK Consumer Survey.

Analysis period – Q3 (Jul-Sep) 2022 vs Q3 (Jul-Sep) 2021

With the sixth edition of Amagi Global FAST Report, we bring data and insights from 50+ platforms and 2000 channels that run on Amagi's SSAI platform – [Amagi THUNDERSTORM](#).

The report also offers useful insights into audience preferences and viewing habits based on data gathered from the Amagi UK Consumer Survey in Q4 2022 – an online survey of ~600 UK households. The survey participants were from all walks of life, spanning the lower, middle, and higher income groups – those who fulfilled the survey criteria of having watched TV at least once in the previous week.

Amagi Global FAST Reports | Quick Recap

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Evolving television viewing habits **make way for FAST**

As in our previous report, we started by looking at the availability of CTV (Connected TV) - making sure this was no longer a meaningful barrier to the adoption of FAST. While the US market exhibits ~80% CTV penetration, Western Europe is a fast follower with 70%, dropping to 40-50% in Eastern and Central Europe. The UK is perhaps the most advanced country when it comes to CTV adoption rates (~85%), making it now possible to reach almost [94%](#) of internet users via connected TVs.

As in other parts of the world, in the UK, TV digitization is bringing a significant shift in user behavior, with a growing inclination of viewers towards the free ad-supported model. A [survey of 1000 customers by LG Ads Solutions](#) in October 2022 showed that 71% of respondents were already on the FAST route. 23% claimed to have given up paid subscriptions last year, while 12% opted for at least one ad-supported service during the same time frame.

UK data from the [Amagi ANALYTICS](#) platform confirms these observations, showing a 37.44% rise in total Hours of Viewing (HOV) and a 60.80% growth in ad impressions.

Europe - Analysis period - Q3 (Jul-Sep) 2022 vs Q3 (Jul-Sep) 2021

99.97%

growth in
ad impressions

51.30%

growth in
Hours of Viewing (HOV)

90.00%

growth in
channel deliveries

32.86%

increase in average
session duration



Macroeconomic factors can sometimes make free TV with advertisements more compelling than paid subscription-based streaming models. Meanwhile, the ever-growing footprint of connected TV companies in the UK, such as Samsung, Freevee and LG, is making FAST channels more accessible.

Shaun Keeble

VP Digital, Banijay Rights



UK is a market that is leading FAST adoption in Europe. We see immense potential for FAST in the UK, where we have observed a clear trend in streaming consumers gradually moving away from subscription-based platforms or transaction-based business models to free ad-supported content.

Nikhil Deora

Chief Strategy Officer, Rakuten TV

Big players continue to join the FAST playground

Well-known brands are extending their FAST offerings because of the tremendous potential and high adoption rates of free ad-supported streaming services. As per media reports, ITV launched UK's first integrated AVOD/SVOD solution – [ITVX](#), on Dec 8, 2022. Viewers get an ad-supported free streaming option and access to premium content from BritBox. Interestingly, ITV plans to implement a revolutionary approach by adopting a digital-first windowing strategy. Essentially, they will launch most of their premium and new content on ITVX first, followed by linear ITV channels.

Other prominent FAST players in the UK include

The Roku Channel | Banijay | IMDb TV
Peacock | Kanopy | Plex | Crunchyroll
Tubi | Vudu | Amazon Freevee | PBS Video
RetroCrush | Crackle | Pluto TV

Netflix recently introduced ad-supported offerings across the UK, Australia, Brazil, Canada, Japan, and South Korea. Given how FAST is gaining popularity, there is speculation that a Netflix FAST will soon follow.





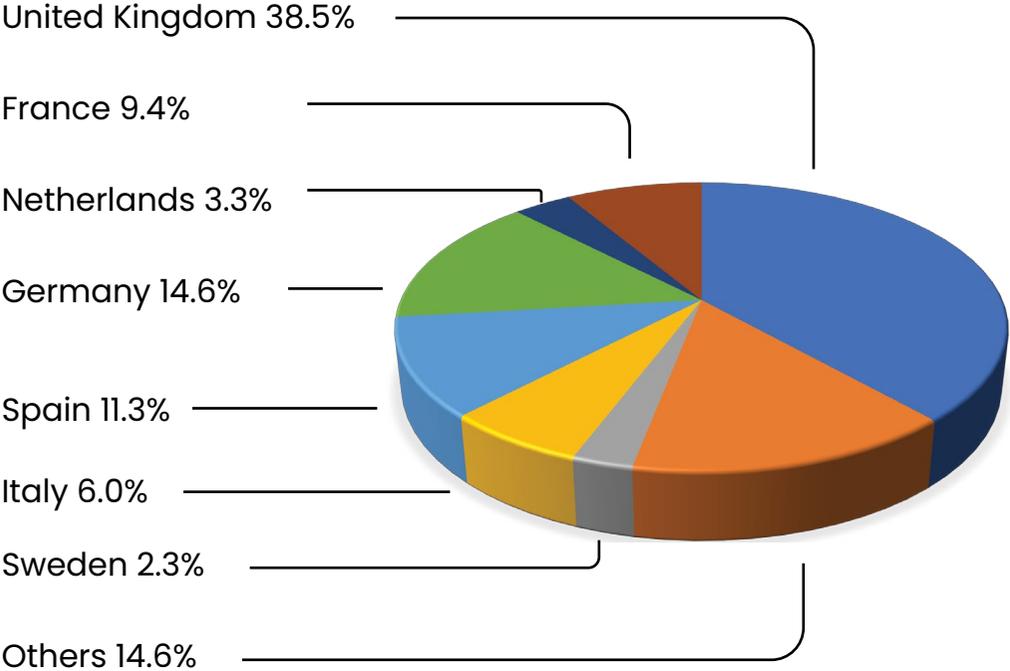
The introduction of Netflix – and others who provide ad-tier supported subscriptions – allows more macro scale for advertisers and buyers to then enter the space. With this, I'd expect more commercial returns for distributors like ourselves. In terms of the broader macroeconomic impact a recession may have, Banijay Rights will still continue to look at launching more FAST channels. We believe that the FAST market will continue to grow, particularly in the US, the UK and Germany.

Shaun Keeble
VP Digital, Banijay Rights

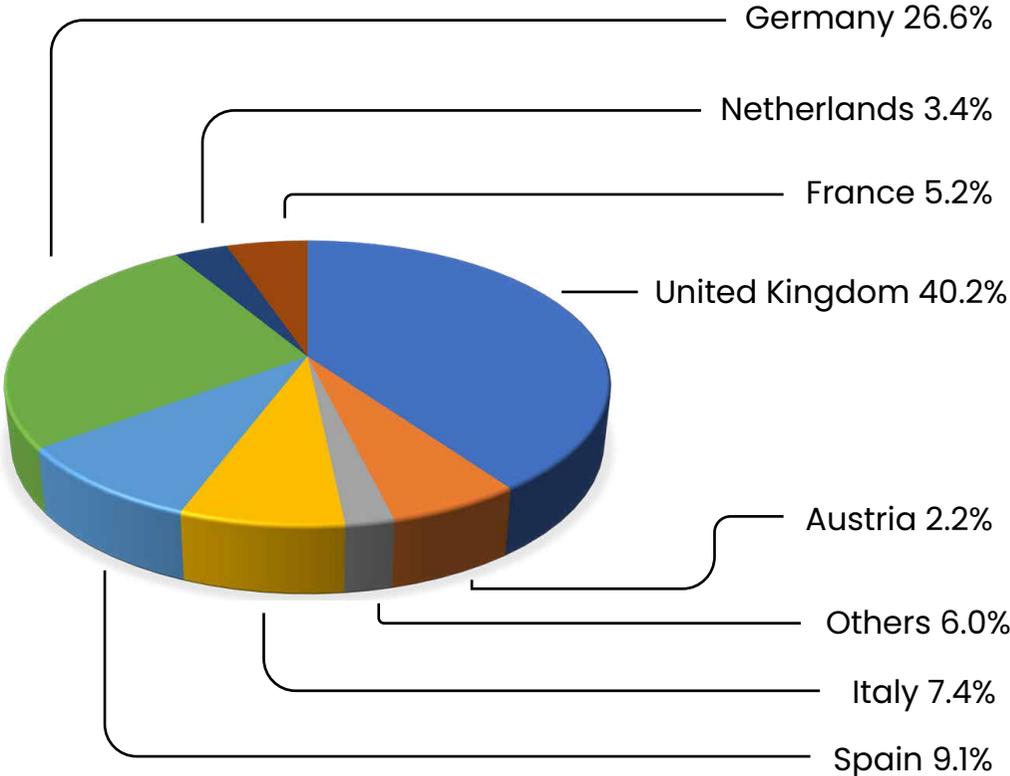
Top 7 countries by HOV and ad impressions Q3 2022

The UK, Germany, Netherlands, Spain, Italy, and Sweden emerged as the top regions not just in terms of hours of viewing but also ad impressions.

by HOV



by ad impressions



In terms of ad impressions, Italy tops the list with a 501.98% YoY growth in Q3 2022. France takes second place at 312.66%, Spain at 260.06%, Austria at 124.23%, and the Netherlands at 106.23%.

Top 7 countries in Europe Q3 2022 by ad impressions

Country	Contribution in overall ad impressions	Ad impressions YoY Growth Q3
United Kingdom	40%	60.80%
Germany	27%	83.71%
Spain	9%	260.06%
Italy	7%	501.98%
France	5%	312.66%
Netherlands	3%	106.23%
Austria	2%	124.23%

FAST sees strong growth across Europe

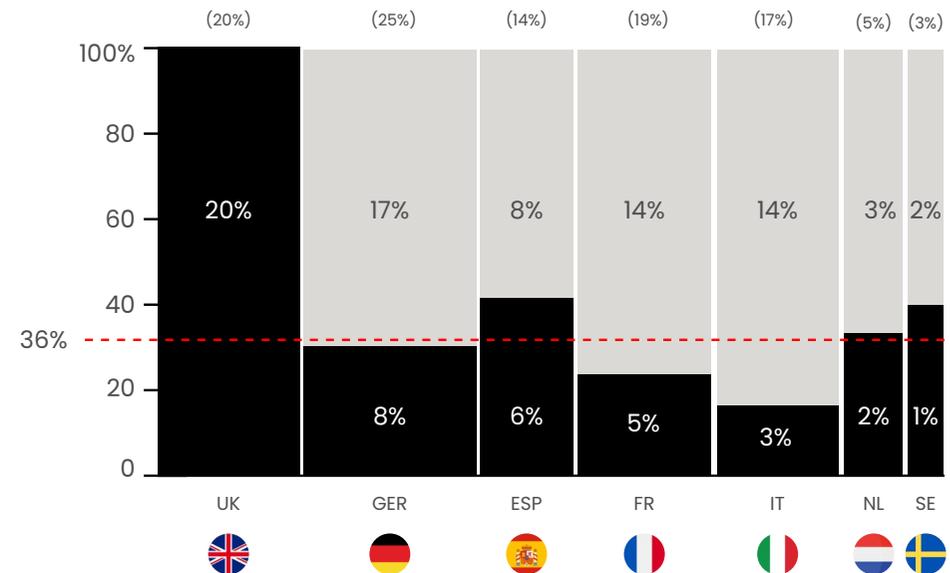
We separately analyzed countries in Europe to unearth solid YoY growth in total hours of viewing and ad impressions.

France and Italy stood out with a three-digit growth in Q3 (Jul-Sep) 2022 – 120.77% and 111.54%, respectively. Here’s a quick snapshot:

YoY growth from Q3 2021-Q3 2022 of Top 7 countries

Country	Contribution in overall HOV	HOV YoY Growth Q3
United Kingdom	39%	37.44%
Germany	15%	12.76%
Spain	11%	83.64%
France	9%	120.77%
Italy	6%	111.54%
Netherlands	3%	43.25%
Sweden	2%	95.68%

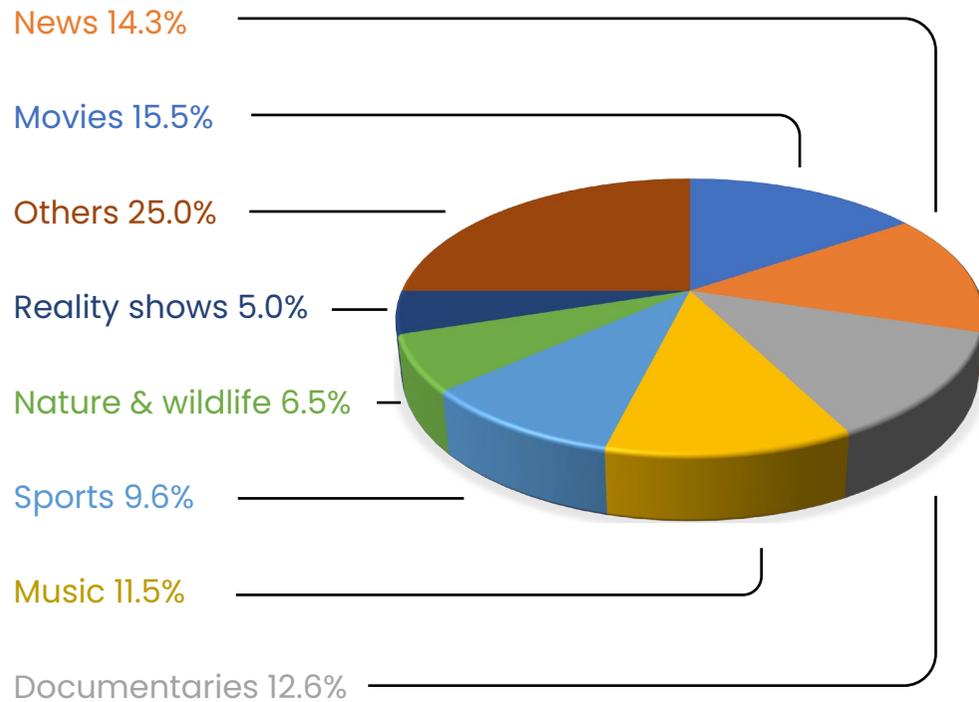
How could we estimate the untapped potential driving this dramatic growth? A conservative approach is to use today’s HOV per person in the UK, the most mature CTV market in Europe, as an indication of what is possible. With this approach, we uncover that - on average - even these top countries are still at just 36% of their potential. In other words, an opportunity three times the size of the entire UK market is still up for grabs in Europe. This suggests significant further upside for FAST and matches the growth data observed with France and Italy: the two countries with the highest untapped potential are the ones also showing the fastest growth.



To each their own: favorite genres

FAST is an ever-evolving space. However, one thing that had remained constant in our global analyses since the launch of our first FAST report in 2021, was that news stood out as the top genre. Interestingly, while still true in aggregate at a global level, Europe shows how local realities can be quite different, with movies taking the lead in the region.

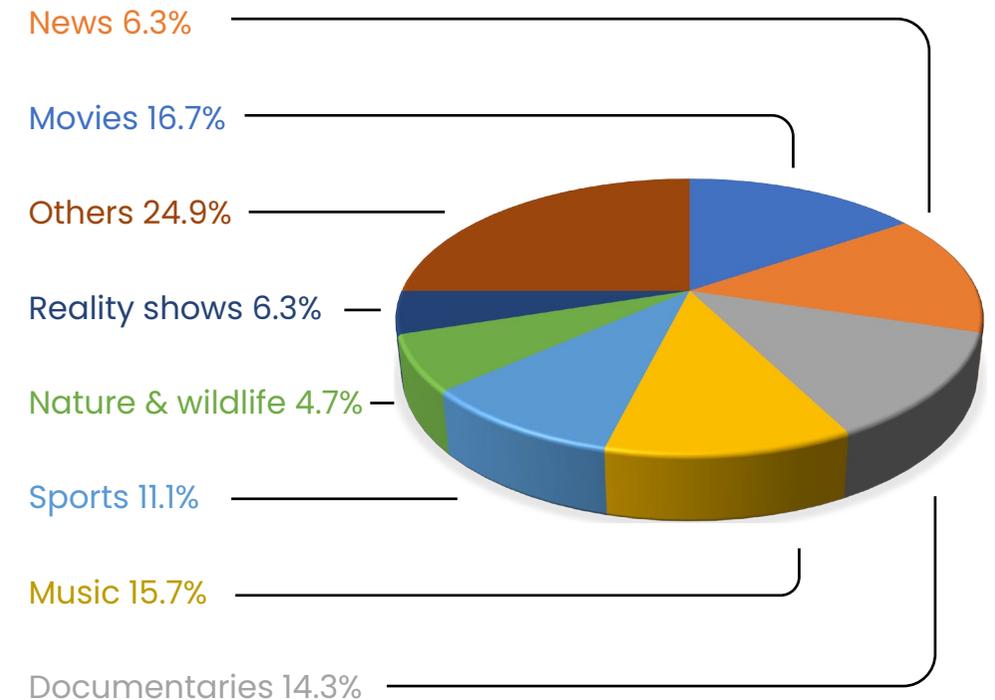
by HOV



Top 7 genres by HOV and ad impressions Q3 2022

Whether in terms of hours of viewing (15.5%) or ad impressions (16.7%), movies are the most-loved genre across Europe. Second place is shared by news for viewership (14.3%) and music for ad impressions (15.7%). Documentaries hold a consistent third spot in both ad impressions and viewership, with 14.3% and 12.6%, respectively.

by ad impressions



Top 2 genres based on HOV and channel count

Other genres that make it to the Top 7 list include reality TV, nature and wildlife, and sports, with single-digit growth. **Reality shows** stand out if we look at the Q3 2022 data for YoY total hours of viewing and the number of FAST channel deliveries. They enjoy a whopping **1570%** growth in HOV and a record **222%** growth in channel deliveries. The second favorite appears to be **nature and wildlife**, with **470%** growth in HOV and **125%** in channel deliveries.

HOV and channel count YoY growth in Top 7 genres

Genre	Contribution in overall HOV	HOV YoY Growth Q3	Channel Count YoY Growth Q3
Movies	15%	30.14%	100%
News	14%	341%	191%
Documentaries	13%	6.30%	28%
Music	12%	100%	102%
Sports	10%	61%	73%
Nature & Wildlife	6%	470%	125%
Reality Shows	5%	1570%	222%

Next – let’s look at favorite genres by country

Consistent with our previous FAST reports, news remains top in terms of HOV in the UK (29%). As Queen Elizabeth II passed away on September 8, 2022, viewership for the news genre in the UK saw a spike of 51.44% that day compared to the average viewership for the rest of the month. News again witnessed a spike in viewership (22.25%) on September 12, 2022, when King Charles III inspected the Guard of Honor. Germany loves documentaries the most, with 42% of hours of viewing. Music is the crowd’s favorite in Spain, with a total of 24% hours of viewing, while movies rule the hearts of French audiences with 15% HOV.

Ad impressions, on the other hand, show a different story

Reality shows top the charts in the UK with a total of 12% ad impressions. Germany, Spain, and France see documentaries (32%), nature & wildlife (28%), and movies (16%) at the top, respectively.

Sports fans galore

With a whopping 52% of hours of viewing and 60% of the total ad impressions, it’s safe to say that Italians love sports. Music (24%) and movies (11%) are the second and third most popular genres by total hours of viewing.

country-wise top genres

by viewership

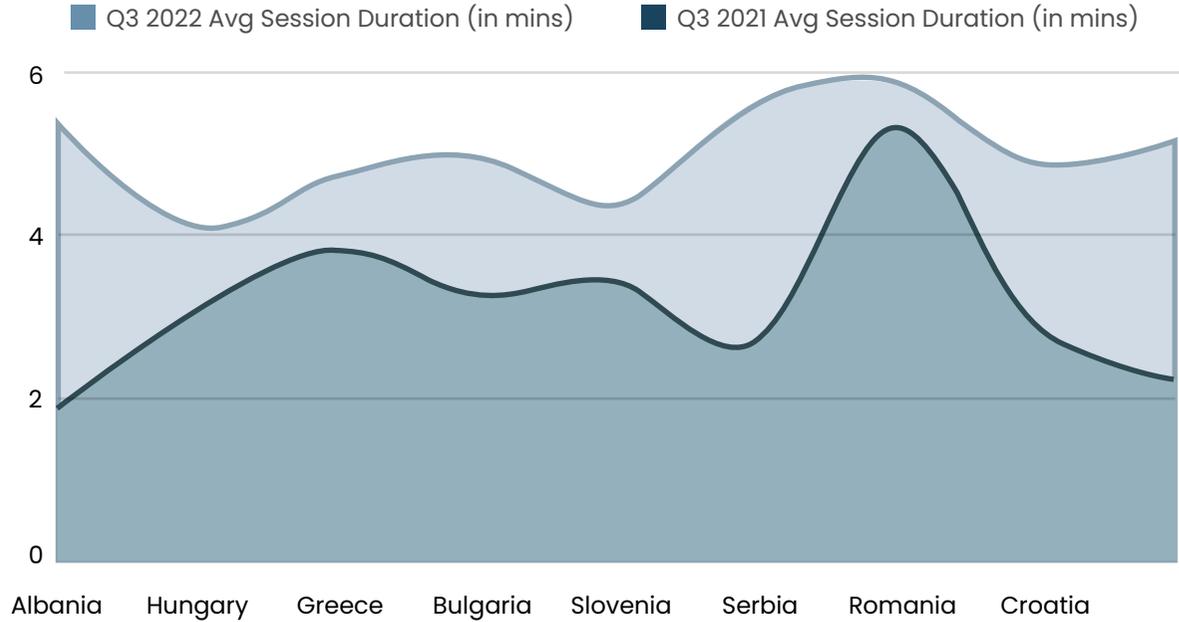
UK:	News (29%)
Germany:	Documentaries (42%)
Spain:	Music (24%)
France:	Movies (15%)
Italy:	Sports (52%)

by ad impressions

UK:	Reality shows (12%)
Germany:	Documentaries (32%)
Spain:	Nature & wildlife (28%)
France:	Movies (16%)
Italy:	Sports (60%)

Say hello to the new FAST hotbeds

Beyond the Top 7 countries, we looked at some emerging hotbeds for FAST including Czech Republic, Hungary, Slovakia, Greece, Lithuania, Bulgaria, Slovenia, and Romania. We found that FAST is on its way to becoming a roaring success in these regions with a mammoth viewership hike of about **1500% across these regions** from Q3 2021 to Q3 2022.



Non-English-language channels swiftly gain ground

Based on their total hours of viewing, ad impressions, and the number of channel deliveries, it is safe to say that non-English-language channels have done exceptionally well in Europe.

Language	HOV	Ad impressions	Channel count
English	42.23%	85.08%	48.8%
Non-English	151.18%	357%	277%



We often find that local or localized content has a better chance of cutting through on an EPG as this can help boost returning viewers to the channel. I've always said that recognisable IP and volume are critical drivers for any new channel launch.

Shaun Keeble

VP Digital, Banijay Rights



In Europe, local language and relevance are vital to engaging with FAST audiences. We have seen that local appeal leads to higher engagement in terms of average session time or repeat rates. Moving users away from Broadcast TV or SVOD services is more challenging if you only provide generic global channels that can't attract local audiences.

Nikhil Deora

Chief Strategy Officer, Rakuten TV

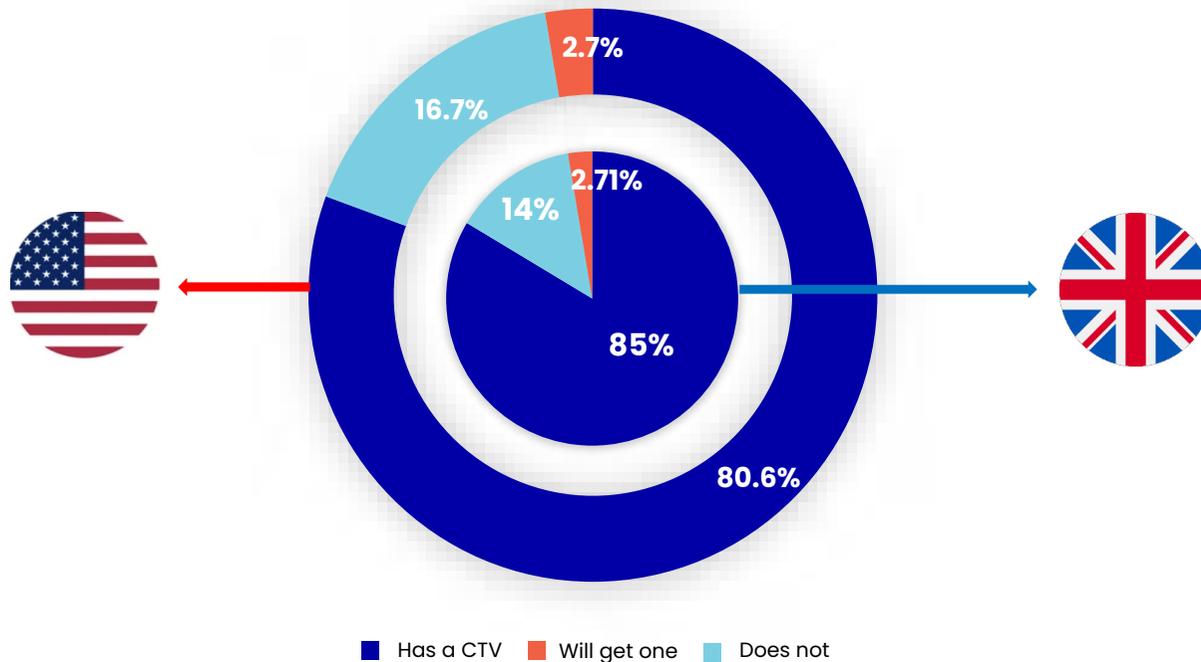
FAST in UK vs. US: Different flavors across countries

In the previous edition of [Amagi's Global FAST Report](#), we captured insights from a consumer survey conducted across ~600 households in the US. This time we focused on the UK (a market similarly advanced in terms of CTV adoption and often exposed to the same content) and did a side by side comparison to understand the differences and similarities in consumer attitudes and behaviors.

CTV continues to pick up speed

As we have seen over the years, the penetration of CTV has been an excellent catalyst for FAST. Therefore, we started our analyses by looking at the Connected TV adoption rates. US and UK show similar numbers in CTV penetration – 81% and 85%, respectively.

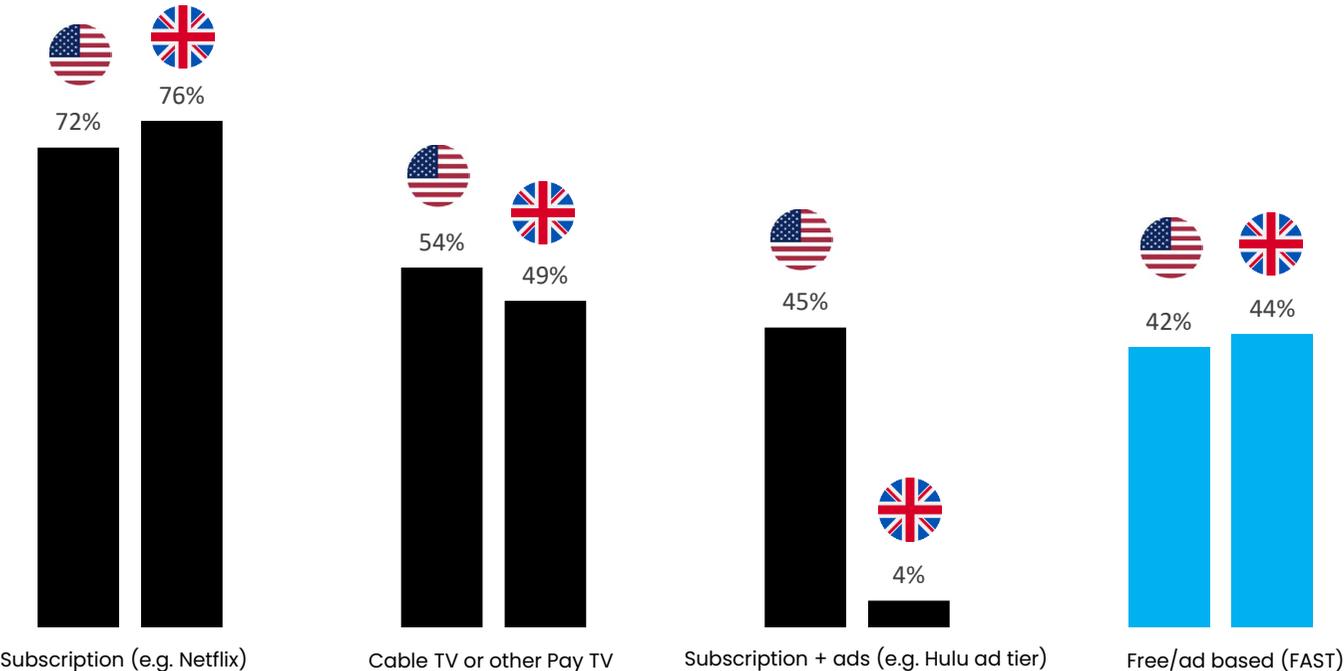
Percentage of households with a CTV: US vs UK



Knock, knock: it's FAST

Our next step was looking at penetration of FAST. We had seen how 42% of households had a FAST service in the USA, and we saw a comparable 44% in the UK with other services showing similar adoption trends except for ad-tier SVOD which was significantly less common in the UK.

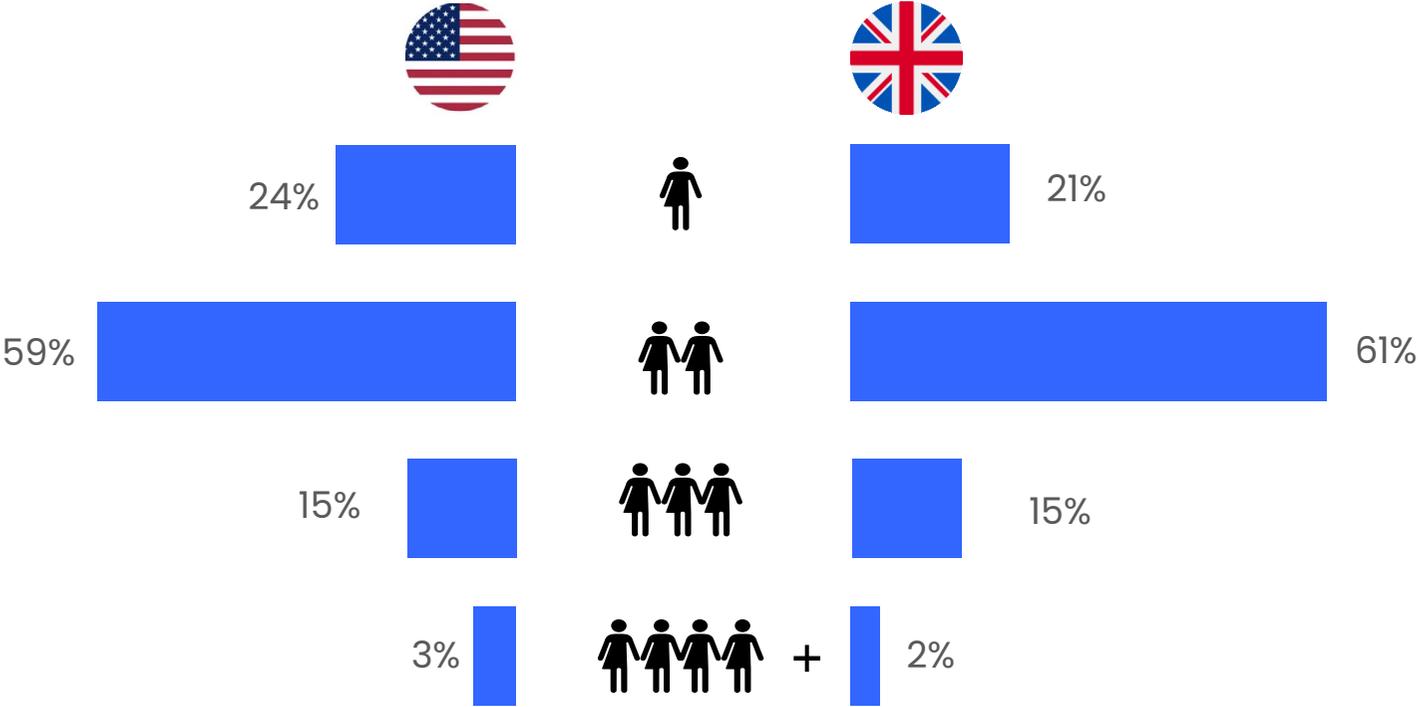
Households with FAST: US vs UK



UK or US: TV brings people together

Just like in the US, watching TV is a shared experience in the UK in ~80% of the cases.

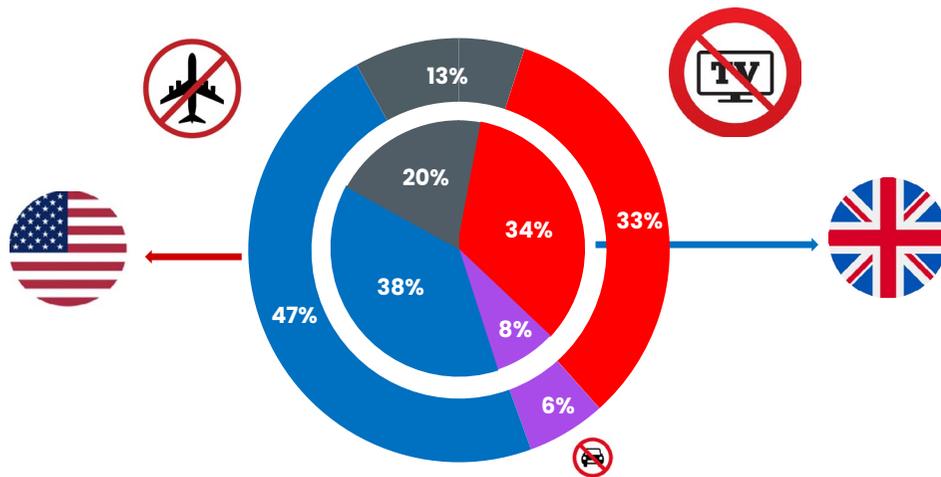
TV is mostly watched together



Cost-cutting during an economic downturn

We asked consumers, both in the US and the UK, what they would give up first as a cost-cutting measure in an economic downturn. In both countries, travel was the first item on the proverbial chopping block for most people (38-47%) but in both countries, it is paid TV subscription that about a third of consumers would eliminate first.

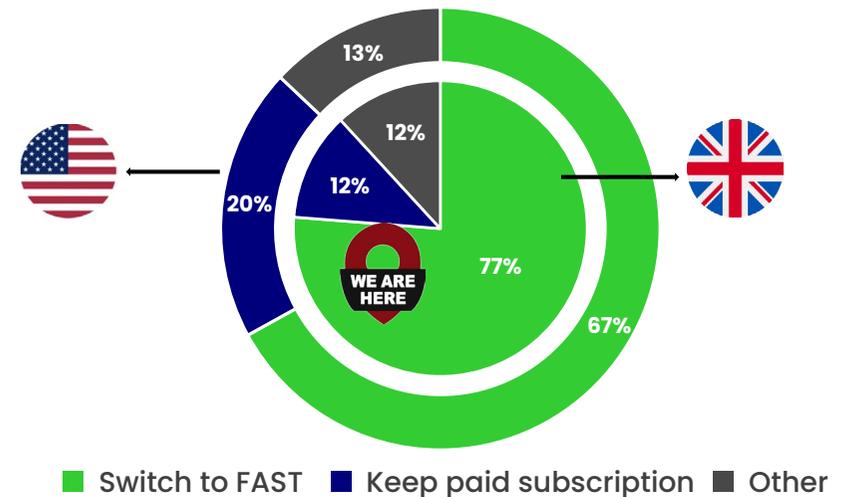
Consumers would cut down on travel & TV subscriptions



How would a recession impact TV viewing habits?

Digging deeper to understand how consumers would behave, we interrogated people willing to give up their paid TV subscription to better map the behavioral shifts that an economic downturn would bring. We found that a vast majority of them would, yes, cancel their paid TV subscription, but do so to switch to FAST.

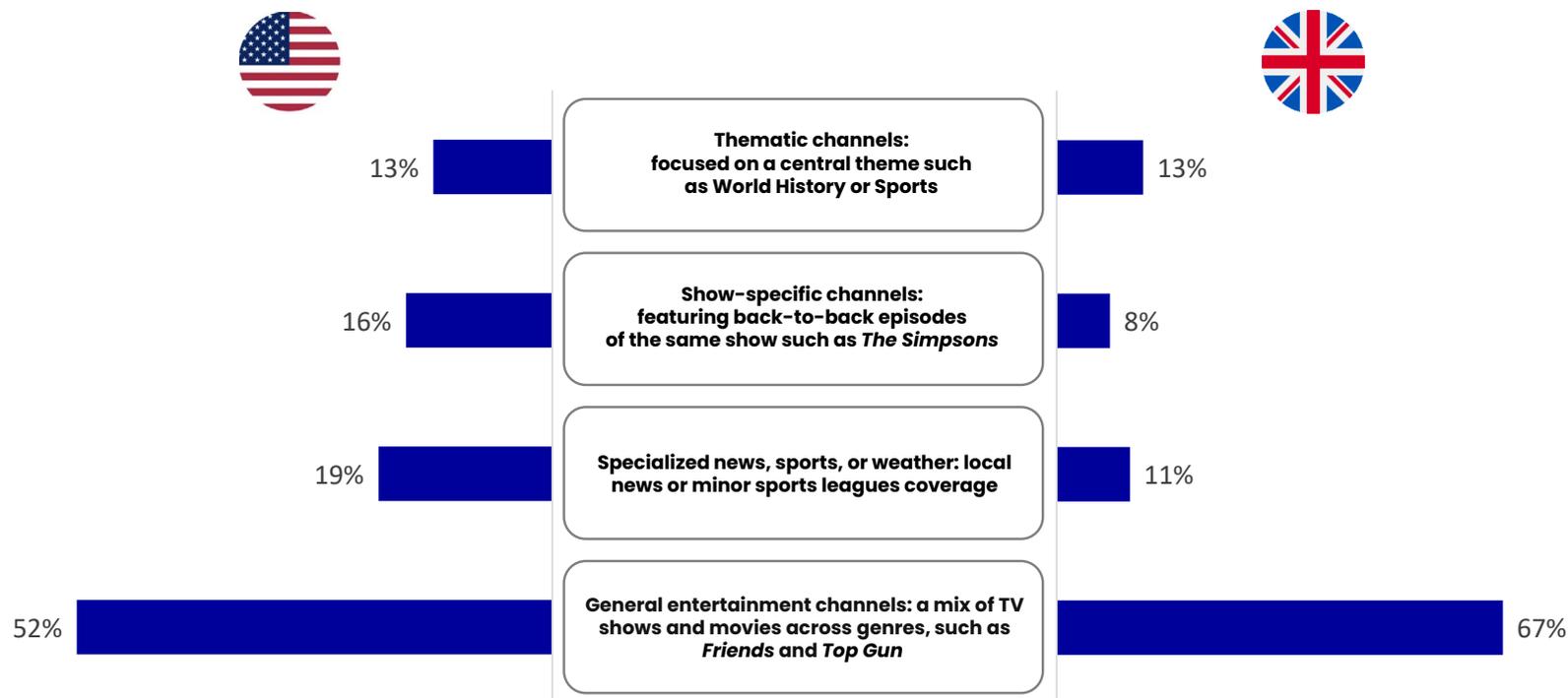
Majority would switch to FAST



Genres in spotlight

We could not complete our comparison of the US and UK market without inquiring on the FAST genres people gravitate towards. To that end, we asked our respondents about the type of channels they would want to have more of. Consistently across the UK and US, general entertainment turned out to be the star, with an even higher concentration in the UK (67%) than in the USA (52%).

FAST & Genre: What viewers want to watch



Key takeaway

FAST & Europe: A success story with incremental upside

Consistently in analyst reports, primary research, and Amagi real-time data, we are seeing FAST growth accelerate in Europe despite (and/or because of) the challenging macro environment. Talking to consumers in the two most mature CTV markets, the UK and US, allowed us to get a sense of the underlying drivers and the untapped potential of the FAST market. Both suggest that FAST will continue to thrive and accelerate its growth, making it now more than ever an attractive market to enter.

We will be back with more action-packed insights on Free Ad-supported Streaming TV and how it fares in the crucial times ahead.

Send in your feedback, questions, and comments to cloudandme@amagi.com.

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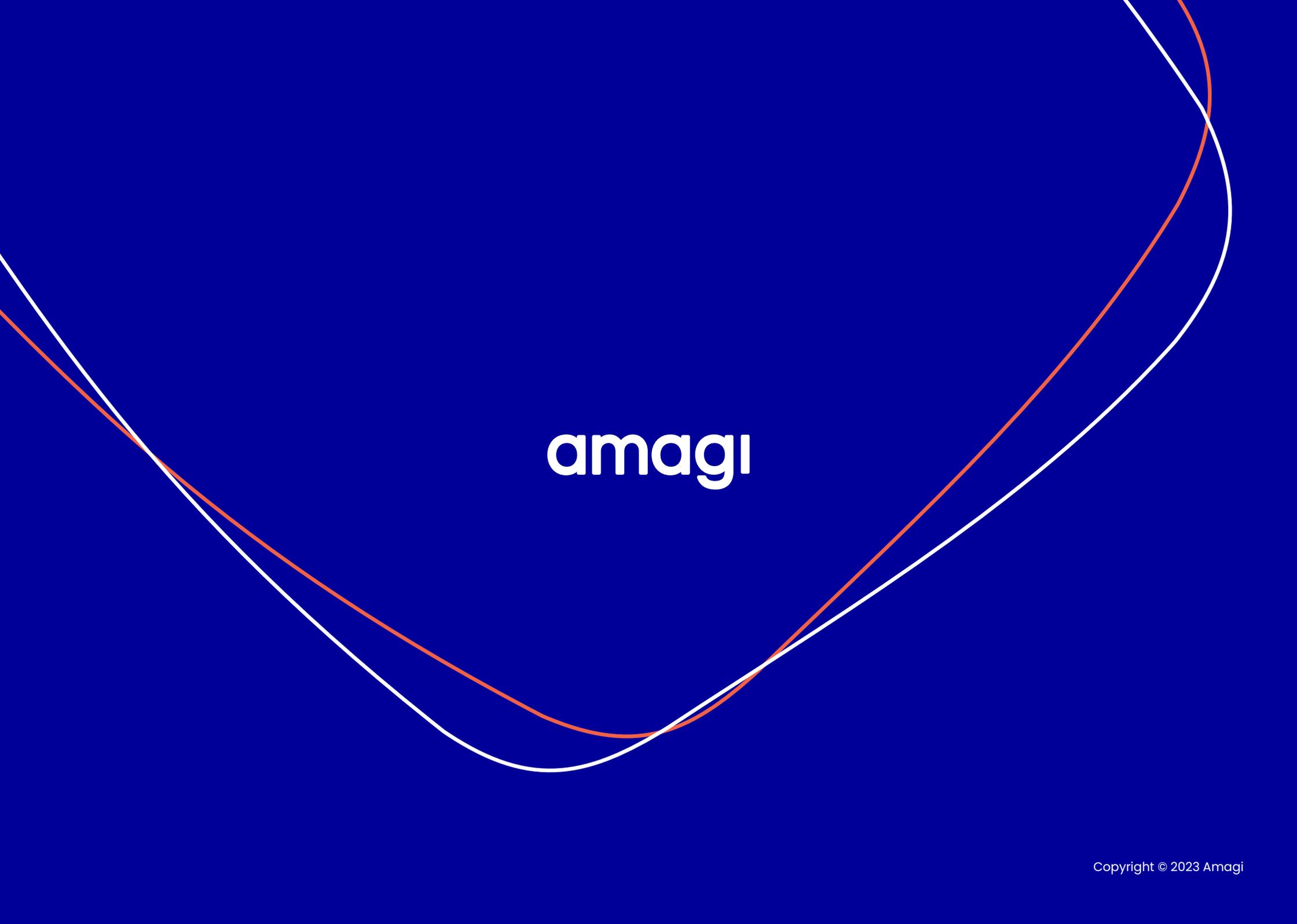
Thrive with us!

Reach out to us at cloudandme@amagi.com to build or bolster your presence across FAST.

Amagi is a next-generation media technology company that provides cloud broadcast and targeted advertising solutions to broadcast TV and streaming TV platforms. Amagi enables content owners to launch, distribute and monetize live linear channels on Free Ad-supported Streaming TV and video services platforms. Amagi also offers 24x7 cloud-managed services bringing simplicity, advanced automation, and transparency to the entire broadcast operations. Overall, Amagi supports 700+ content brands, 800+ playout chains, and over 2100 channel deliveries on its platform in over 40 countries. Amagi has a presence in New York, Los Angeles, Toronto, London, Paris, Melbourne, Seoul, Singapore, and broadcast operations in New Delhi, and an innovation center in Bangalore.

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