

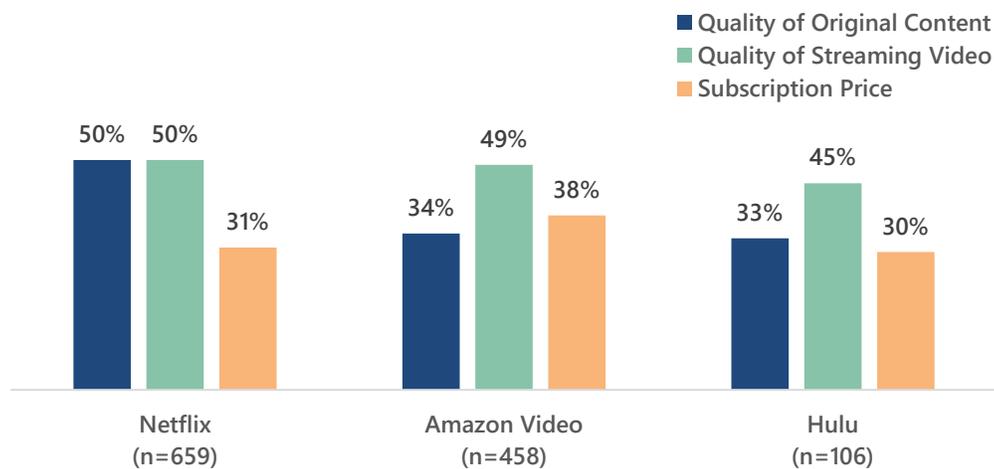
Netflix's Focus on Original Content Keeps It Ahead of Competitors

Netflix has pursued an aggressive content strategy over the past few years. But just how well is that playing out with its subscriber base? The latest *Voice of the Connected User Landscape* (VoCUL) surveys show that Netflix's overall customer experience in fact sets the gold standard for the rest of the field.

The streaming behemoth has more customers than any other platform, and continues to augment subscribership each month. Netflix subscribers are more satisfied and more reliant on it for their daily entertainment needs than Amazon or Hulu customers. More importantly, both viewership and customer approval of Netflix's exploding slate of original shows and movies far exceeds that of Amazon or Hulu.

Netflix Enjoys Big Lead in Original Content Customer Satisfaction

Q. How satisfied are you with the following aspects of your Netflix/Amazon/Hulu subscription?



Two December 2017 surveys polled 3,024 primarily North American respondents from 451 Research's *Leading Indicator* panel composed of a targeted group of business and tech professionals, as well as early adopter consumers, on their experience with streaming OTT video services and streaming media devices. The report also presents quarterly updates to Pay TV and broadband internet customer satisfaction.

THE 451 TAKE

Original content is now a key component of streaming services, both as a reason why consumers pay for OTT video and the type of content they watch most. Latest VoCUL results show that original content has cemented itself atop the average Netflix viewer's watch list, and second among Amazon and Hulu customers.

Half of Netflix subscribers say they're very satisfied with the quality of its original content whereas roughly a third of Amazon and Hulu subscribers feel the same way. This is Netflix's real competitive edge – it helps the streaming giant strengthen its customer stickiness with high-profile programming, as well as its position in consumer mindshare as the go-to streaming platform. Both its overall satisfaction and weekly viewership measures are also solid.

Still, its closest competitors are not without their own strengths. Amazon Video subscribers are most satisfied with the price of their subscription, a clear reflection of the added value of a Prime membership for less than the average cost of Netflix or Hulu plans. Meanwhile, Hulu subscribers report similar weekly viewership numbers as Netflix. Hulu hosts a broad library of 'catch-up' primetime TV (along with its own growing, albeit limited selection of original content) to keep bringing viewers back.

While break-out hits and critically acclaimed content often boost subscribership in the short-term, customer stickiness over the long-term is driven by constantly refilling the well with well-produced, high-quality content. To become more competitive with Netflix, it's critical for Hulu and Amazon Video to accelerate the pace with which such content is made available on their platforms.

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RESEARCH METHODOLOGY

This report presents results from two surveys of the 451 Research's *Leading Indicator* panel conducted December 1-20, 2017 and December 5-26, 2017 of 3,024 primarily US and Canadian respondents. Quarterly Pay TV Satisfaction Updates were collected across two waves of the Leading Indicator panel: Q3 2017 wave conducted August 30-September 21, 2017, and Q4 2017 wave conducted December 1-20, 2017. Quarterly Broadband Internet Satisfaction Updates were collected over two waves of the Leading Indicator panel: Q3 2017 wave conducted July 1-21, 2017, and Q4 2017 wave conducted October 3-23, 2017.

451 Research's *Leading Indicator* panel is composed of 25,000 accredited business and technology professionals – as well as early adopter consumers – working in companies across a range of industries. Individuals accepted as panel members have submitted applications for inclusion that identify them as having a high share of wallet towards personal technologies and a high readiness to try new products and services. The *Leading Indicator* report series captures consumer and business spending via weekly demand-side tracking surveys and delivers a continuous view of user perceptions and purchase activity as new products and services enter the market.

The *Leading Indicator* panel is a key component of 451 Research's **Voice of the Connected User Landscape (VoCUL)** service, which uses a dual lens approach to monitor the impact of technology changes and product introductions on end-user purchasing and usage patterns.

Where the *Leading Indicator* panel makes up the first lens, the second lens uses an identical set of surveys across a *US Population Representative* sample to test how the trends translate in the mass market while also providing demographic segmentation views.

Together, the dual lens approach provides a unique and continuous view on buying behavior that provide insights on how well the early success of products and services will manifest among the larger population.

For all published VoCUL research reports, go to: [451's Voice of the Connected User Landscape](#)

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