BEN

Inside Entertainment ISSUE 1

Who Will Own the Streaming TV Future?

Using AI to Predict the Winners and Losers in the Streaming Wars

**C**ord cutting continues to outpace analyst predictions, with the four largest cable TV providers losing almost 1.5 million customers in Q4 of 2019 alone (Axios). In fact, nearly 25% of US households are expected to cut traditional TV by 2022 (eMarketer).

In its place is a full suite of ad-free streaming platforms delivering the exact content viewers want, with the ability to watch when and how-much they want. According to recent research, 74% of U.S. consumers already subscrbe to streaming video on-demand services (SVOD) (Statista). This represents an incredible increase from the 52% who connected with content in this way in 2015.

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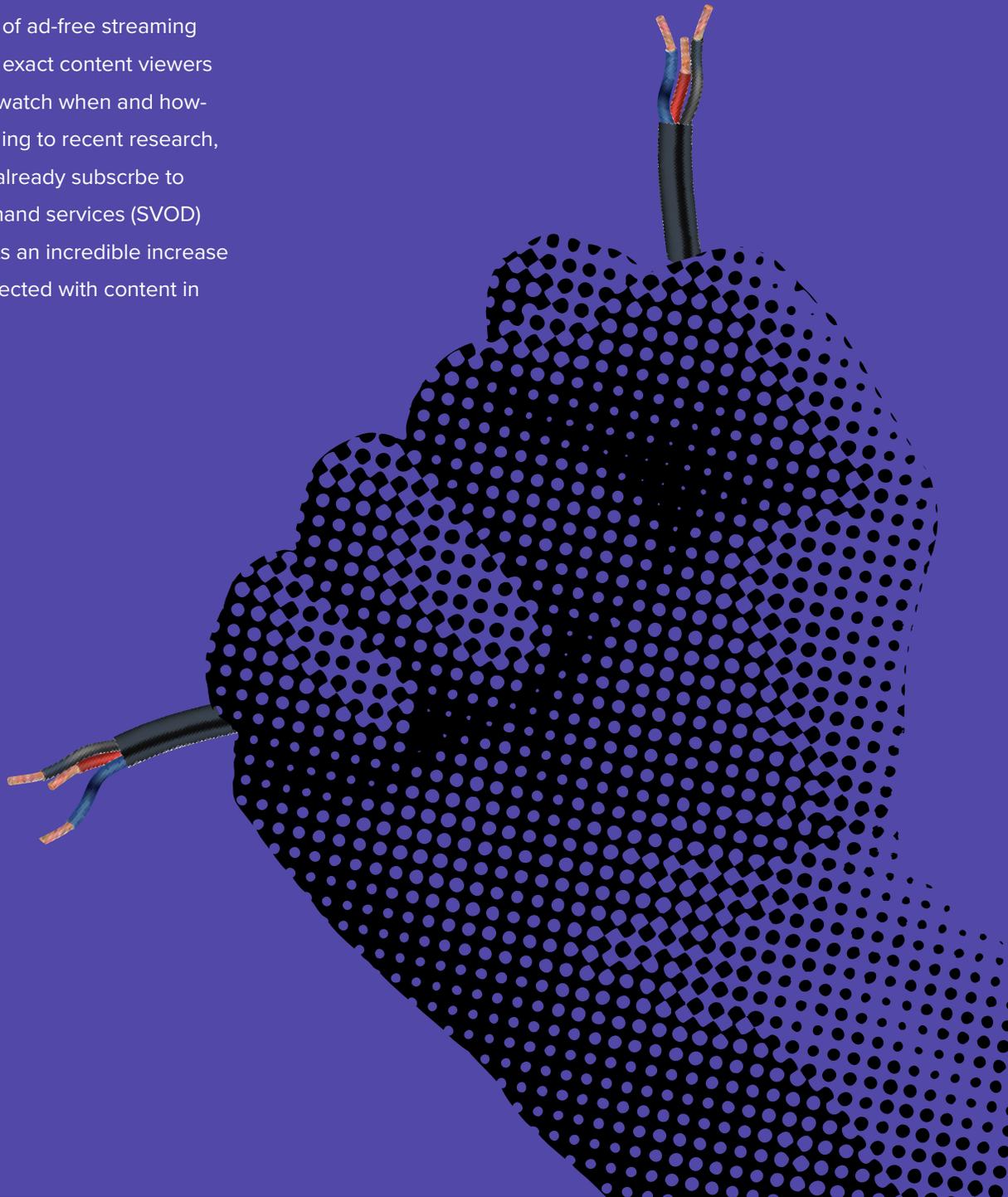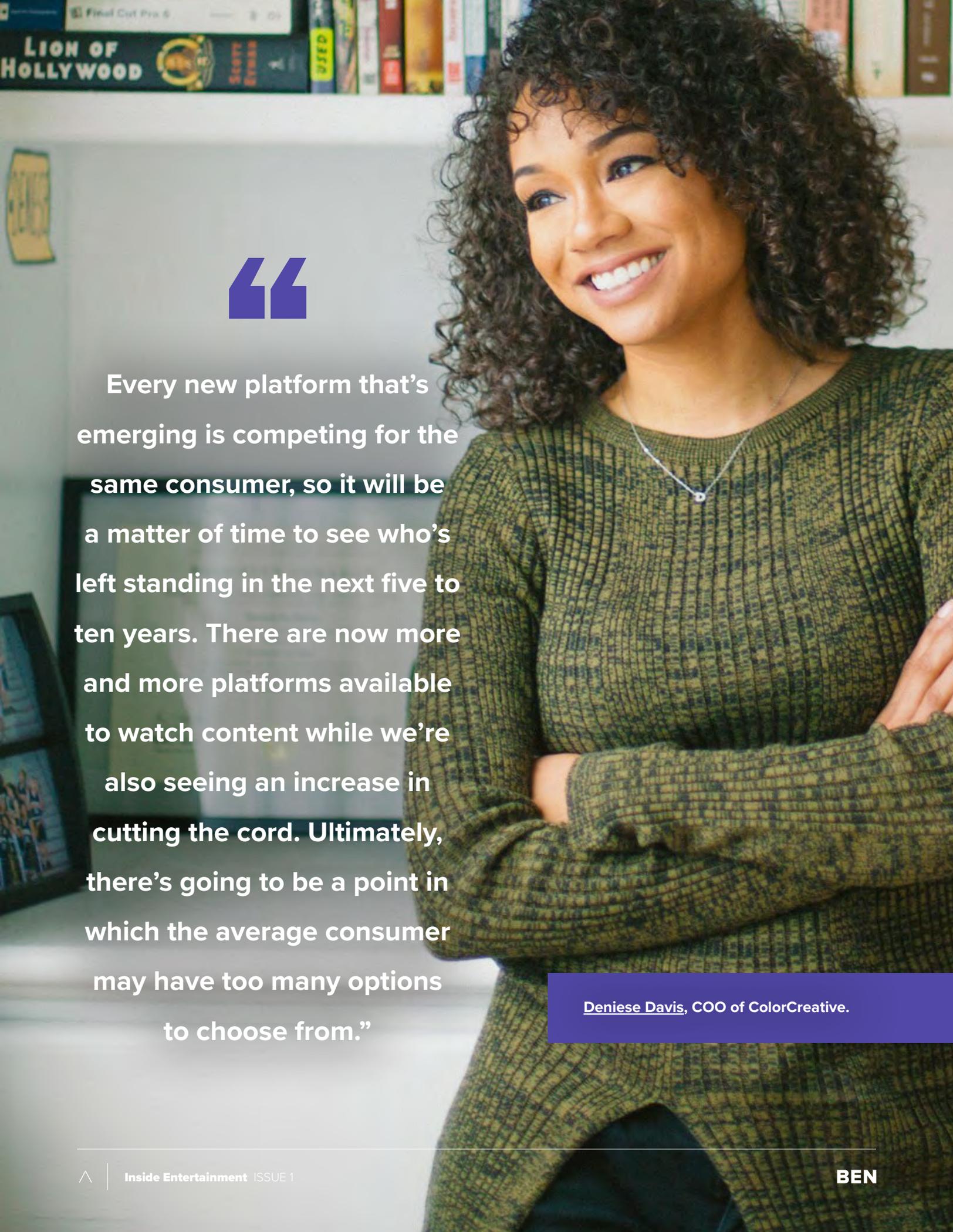
Every new platform that's emerging is competing for the same consumer, so it will be a matter of time to see who's left standing in the next five to ten years. There are now more and more platforms available to watch content while we're also seeing an increase in cutting the cord. Ultimately, there's going to be a point in which the average consumer may have too many options to choose from."

Deniese Davis, COO of ColorCreative.

PICK YOUR
PLAT
FORM

While the first streaming services that spring to mind include the big three of Netflix, Amazon Prime and Hulu, there are already 200+ services vying for the attention of U.S. audiences.

While 3/4ths of U.S. adults now stream TV and many services are looking to capture niche audiences within that population, usage by service is highly varied across the U.S. market. For example, almost 40% of streamers claim to use Netflix at least once a month while only 5% of streamers use ESPN+ at least once a month.
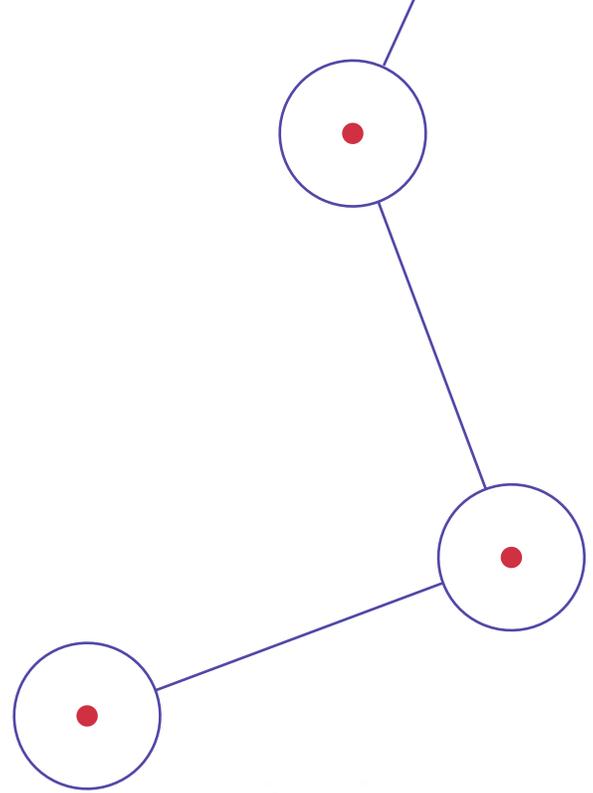
39%	NETFLIX
23%	AMAZON PRIME VIDEO
20%	HULU
14%	HBO
10%	YOUTUBE TV
10%	STARZ
10%	SHOWTIME
8%	ROKU CHANNEL
6%	AT&T TV NOW
6%	CBS ALL ACCESS
5%	ESPN+

Percentage Monthly Service Use by U.S Adult TV Streamers Monthly or More Often.
U.S. Adults 18+. BEN Streaming Service Viewership Study November 2019

2.2

average number of streaming
services used per viewer

2/3rds

of viewers plan on keeping all streaming services
they already subscribe to during 2020

22%

of viewers will subscribe to a newly
launched streaming service in 2020

BEN Streaming Service Viewership Study November 2019

> "What happened in retail, over the last decade, is about to happen in entertainment media. This juggernaut of an industry, with hundreds of billions in value and cultural influence like no other industry in the world, is being featurized as an accessory to sell batteries and toilet paper. Most large entertainment media firms will cede value to Amazon and Apple over the next decade. Disney is the only incumbent with the assets, leadership, and shareholder base to land counterpunches."

Scott Galloway, Stern NYU professor of marketing, theorizes that media is becoming featurized by larger tech companies and the industry will contract as a result.

TOP SHOWS of 2019

The streaming services that have broken through in this intensely competitive landscape have already surpassed broadcast in terms of net viewers. Netflix had the year's biggest success, but Amazon Prime put out 6 of the top 10 most watched shows of the year. Amazon Prime has closed the gap in terms of total viewership and is close to parity with Netflix.

NETFLIX

1. Stranger Things [21.5]
2. Orange is the New Black [11.9]
3. 13 Reasons Why [9.4]
4. Fuller House [9.3]
5. Dead to Me [8.3]
6. Black Mirror [8.1]
7. The Crown [7.6]
8. Marvel's The Punisher [7.5]
9. The Umbrella Academy [7.4]
10. The Ranch [7.0]

prime video

1. The Marvelous Mrs. Maisel [18.5]
2. Tom Clancy's Jack Ryan [17.3]
3. Good Omens [13.0]
4. The Boys [10.8]
5. The Man in the High Castle [9.2]
6. Carnival Row [8.5]
7. Hanna [8.0]
8. Sneaky Pete [7.4]
9. Bosch [6.8]
10. Goliath [5.3]

hulu

1. The Handmaid's Tale [8.1]
2. Castle Rock [3.7]
3. The Act [3.5]
4. Marvel's Runaways [3.1]
5. Veronica Mars [2.9]
6. Catch-22 [2.1]
7. Future Man [1.9]
8. Dollface [1.6]
9. Harlots [1.5]
10. Looking for Alaska [1.5]

BEN Monthly Viewership Studies Jan 2019 - Dec 2019 of Select Programs;
Based on Peak 30-day Viewership (In Millions)

Predicting THE NEXT BIG HIT

How AI is Giving Companies the Edge in Entertainment

As the proliferation of channels creates demand for ever more programs, producers, networks, and marketers alike find themselves with the increasing challenge of predicting which shows viewers will enjoy the most. The answer can be found by applying artificial intelligence to entertainment.

Entertainment contains vast amounts of structured and unstructured data that can uniquely be ingested by deep learning algorithms. As more and more content is produced, past content successes and failures are then converted into future learnings in the form of predicted outcomes. By applying predictive AI to their content development process, companies like Amazon, Netflix, and YouTube have an edge to developing content that attracts and retains audiences.
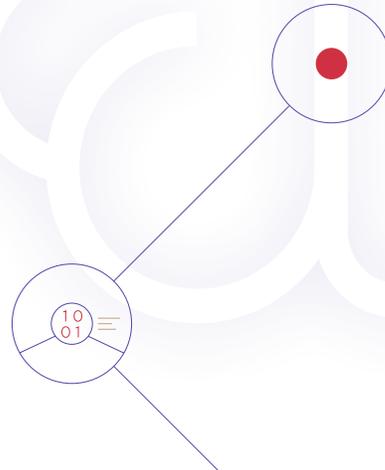
BEN's AI Predicting Broadcast TV Viewership

2019 PILOT SEASON RESULTS

5/5 — **BEN's AI** predicted all 5 of the top 5 new shows

10/10 — **BEN's AI** also predicted all 10 of the top 10 shows

3/7 — **AdWeek** predicted 3 of 7

1/5 — **TV Guide** predicted 1 of 5

- Predictions measured against top 10 new broadcast shows, ranked by average viewing audience across the season.

Predicting THE NEXT BIG HIT

How AI is Giving Companies the Edge in Entertainment

Additionally, AI entertainment marketing companies like BEN are using the algorithms to advise marketers on which streaming shows will capture the attention of audiences, and which won't.

"
With more resources at stake greenlighting projects, more content than ever before, and more competition to attract new viewers, the implications for applying AI to entertainment are massive. By correlating and predicting the huge variety of factors that go into successful content, AI has the potential to reshape how entertainment gets made."

- Ricky Ray Butler, CEO of BEN
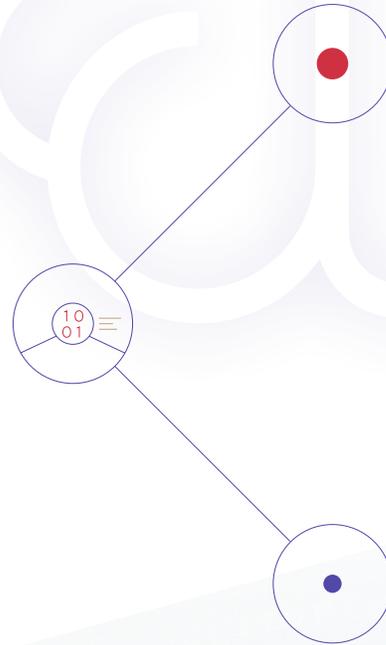
BEN'S AI Predicting Streaming Viewership

4/5 Top Shows across Netflix, Amazon and Hulu, were identified by **BEN's AI**

- BEN's proprietary algorithm analyzes unstructured data such as show synopses, cast lists, and show producers / directors, along with structured historical data and fan interest levels to make its predictions.

Studios, networks, producers, and marketers that can tap into the predictive capabilities of AI will have a competitive advantage. For the entertainment industry, AI will inform what gets made and who it gets made with. For marketers, AI will empower them to pick the right projects to back with their dollars.

5 Streaming TV TAKE-AWAYS

1

More people are abandoning traditional TV than ever. The transition from cable to streaming TV is happening faster than analysts have expected.

2

The big 3 streaming platforms (Netflix, Amazon, and Hulu) are pulling in huge viewership, bigger or equal to traditional TV.

3

New streaming platforms continue to flood the market. 22% say they will sign up for at least one of the new platforms (Disney+ is over half of this).

4

AI is being applied to entertainment to predict successful content and understand audience preferences with huge potential to shape what gets made, what we watch, and what gets marketed.

5

Brand marketers can best take advantage of the streaming explosion by using AI to understand which shows will be hits and which will be misses.

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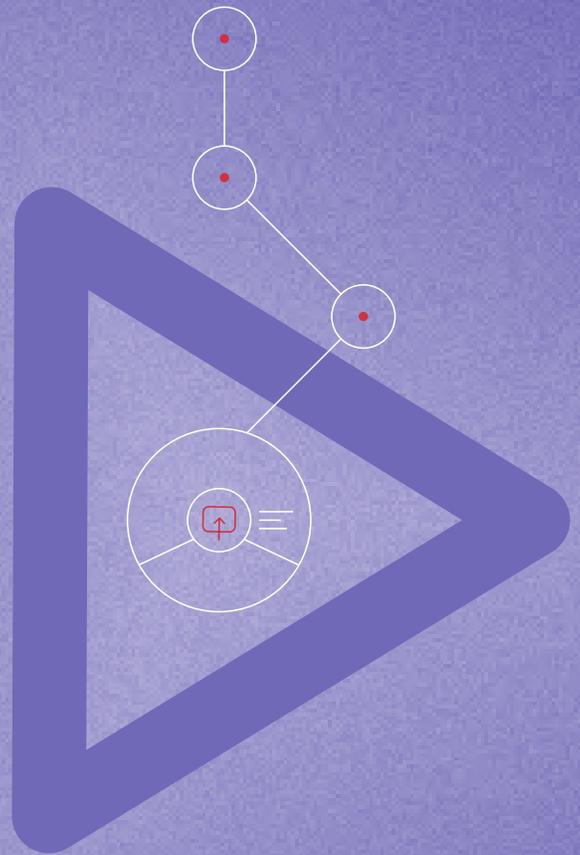
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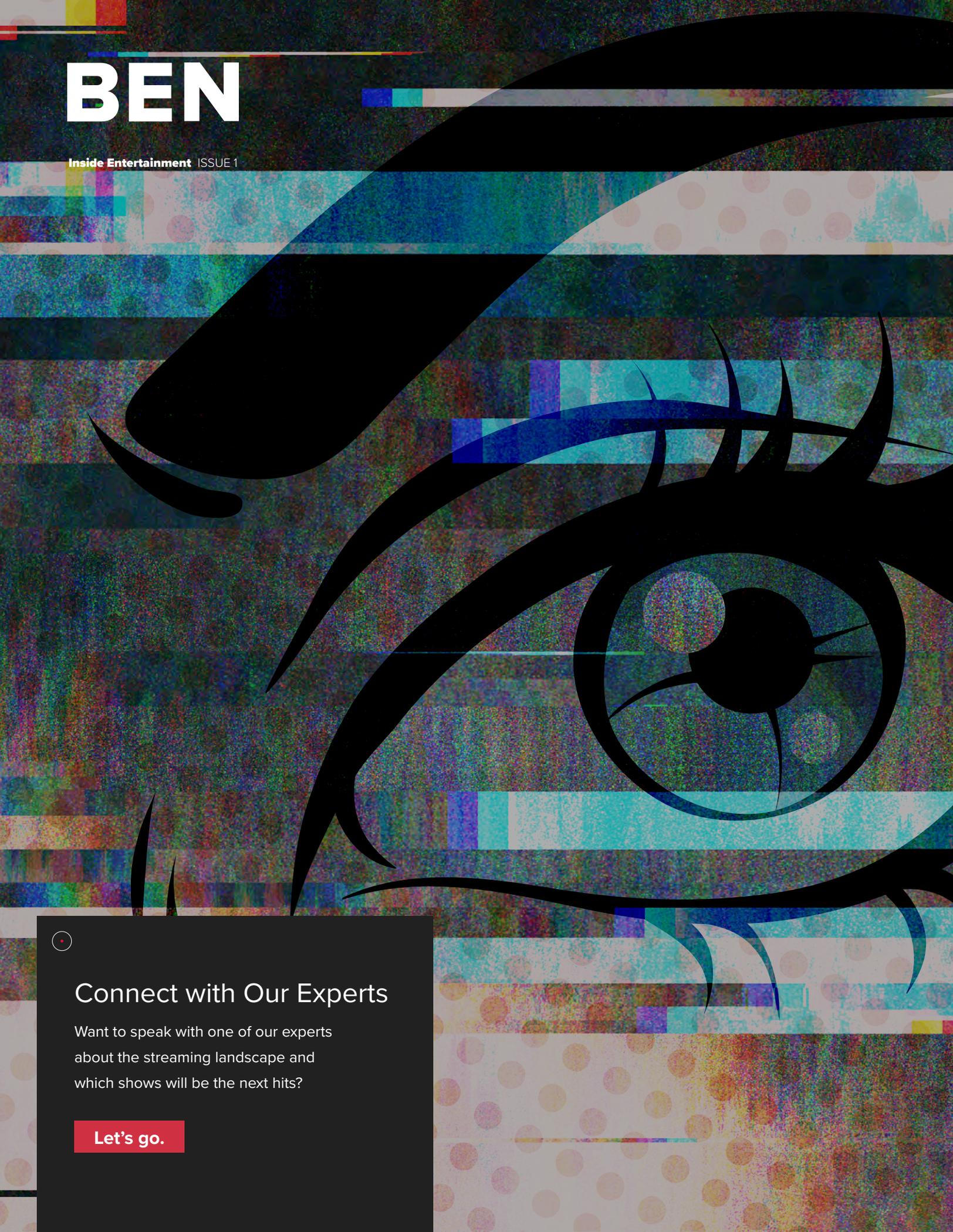
Connect with Our Experts

Want to speak with one of our experts about the streaming landscape and which shows will be the next hits?

Let's go.