

Smallest Screens get the Biggest Play as 58% of Americans Use Smartphones for Watching Digital TV Shows and Movies According to New PayPal Survey

New research showcases spending and consumption trends across digital video and music industries

SAN JOSE, Calif.--PayPal today released the second wave of its [Digital Goods Economy Survey](#), which looks at the attitudes, habits, and behaviors of the digital media consumer across the digital video (including Movie/TV series) and digital music industries. These findings complement recent PayPal research on the [digital gaming and eBook industries](#). The [10-market, 10,000 consumer research study](#) was commissioned with SuperData and conducted in France, Germany, Italy, Japan, Poland, Russia, Spain, United Arab Emirates, UK, and the U.S.

The survey results highlight purchase intent in key verticals; consumption and spending patterns; the role of piracy in the digital goods economy; and the demographic nuances of age, gender, and region.

“The new digital economies that have emerged in the entertainment industry have changed everything from where content is consumed to consumer marketing to how the content creators themselves are monetizing their work,” said Melissa O’Malley, Director, Global Initiatives at PayPal. “With the velocity of payments in this space, PayPal play a critical role in facilitating, securing and simplifying the transaction for both merchants and customers.”

Key findings from the U.S. research include:

Physical copies are losing appeal

With this year’s Grammy awards open to streaming only recordings, a clear shift in both music ownership and consumption has occurred. Only 12 percent U.S. respondents preferred owning physical copies of their music and only 17 percent wanted to have a mix of both physical and digital music. The majority of consumers prefer to either own all their music and store digitally (39 percent) or stream or subscribe to their music so they have access to it on the go (28 percent).

Millennials are less concerned with “owning” their music than older consumers

U.S. consumers ages 18-34 use paid streaming services (63 percent) at a similar rate to paid music downloads (60 percent). However, for consumers ages 35 and older, just over half (51 percent) use streaming services, while 70 percent use paid download services, indicating a preference to own their music as opposed to just streaming it.

Smartphones are the platform of choice

U.S. respondents use smartphones (58 percent) when asked which devices they use to watch movies or TV series that are purchased or streamed online in the last three months. The smartphone was also the device most cited by consumers (86 percent) for listening to streamed or purchased music online.

Mobile is driving transactions across both verticals

Regardless of where the content is being consumed, mobile is driving purchases across digital music and movies / TV. Almost 70 percent of movie / TV series consumers made a purchase on their mobile device, while 72 percent of digital music consumers purchased music on their mobile device. The preference for mobile purchases reinforces why PayPal emphasizes that merchants simplify the checkout process for consumers: “ease of use” and “processing payments quickly” were listed as the number one and two reasons across both verticals in why consumers select a specific payment method.

Video and music subscription site customers are very loyal

Millennial cord cutters rely on services like Netflix for entertainment, and in the study less than half stated they have cancelled a video streaming subscription after less than twelve months. Similarly, half of all consumers using music streaming services indicated that they had kept an active subscription for a year or more.

Piracy is more pervasive before movies are released to video

Nearly 90 percent of respondents reported they have not pirated or illegally downloaded movies or series in the last three months, piracy continues plague the movie and TV industry. Seventy-two percent of Americans polled most often pirate while there's still hype around a movie but before it is released on video, and 24 percent of those polled will pirate while the movie is still in the theater. Twenty-one percent of those polled who pirate admitted that they only pirate TV shows and not movies.

To view full U.S. results from the survey research, please click [here](#).

About PayPal

Fueled by a fundamental belief that having access to financial services creates opportunity, PayPal (Nasdaq:PYPL) is committed to democratizing financial services and empowering people and businesses to join and thrive in the global economy. Our open digital payments platform gives PayPal's nearly 200 million active account holders the confidence to connect and transact in new and powerful ways, whether they are online, on a mobile device, in an app, or in person. Through a combination of technological innovation and strategic partnerships, PayPal creates better ways to manage and move money, and offers choice and flexibility when sending payments, paying or getting paid. Available in more than 200 markets around the world, the PayPal platform, including Braintree, Venmo and Xoom, enables consumers and merchants to receive money in more than 100 currencies, withdraw funds in 56 currencies and hold balances in their PayPal accounts in 25 currencies. For more information on PayPal, visit <https://www.paypal.com/about>. For PYPL financial information, visit <https://investor.paypal-corp.com>.

About SuperData Research

Founded by veteran games industry researchers, SuperData is the leading provider of market intelligence and insights covering games, VR, AR, eSports, and playable media. Using digital point-of-sale data received from publishers, developers and payment service providers, SuperData's analyses are based on the spending of 78 million paying online gamers worldwide, in combination with qualitative consumer insight. SuperData helps its customers understand what people play, connect to and spend on.

<https://newsroom.paypal-corp.com/2017-02-02-Smallest-Screens-get-the-Biggest-Play-as-58-of-Americans-Use-Smartphones-for-Watching-Digital-TV-Shows-and-Movies-According-to-New-PayPal-Survey>