

# US Consumer Survey: To VOD, or Not To VOD?

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While cable-based VOD is now widely available in the US, there still seems to be a lingering attitude of indifference among consumers toward the service. To get a better understanding about how consumers really feel about the service, In-Stat/MDR conducts annual surveys in order to gauge their awareness of, and their reaction to, cable TV's VOD services.

This year's data was collected via an online survey that was administered in April 2004. Approximately 12,000 members of In-Stat/MDR's Technology Adoption Panel (TAP), an online panel of US business end-users and decision makers, were invited to participate in the survey via email invitations, and 1816 respondents completed the survey.

## Key Findings

Key findings of the survey include:

- Awareness of VOD services is high. Of the survey respondents who subscribed to cable TV services, over 80% were aware of VOD.
- The number of actual VOD users remains modest. The survey shows that only 25% of those respondents who were both cable TV subscribers, and knew that their cable operator offered VOD, had ever actually sampled the service. When extrapolated across the entire cable subscriber population in the survey, only 13% of cable subscribers (164 out of 1254 cable subscribers) had ever tried VOD, and only 8% of all cable subscribers (101 out of 1254 cable subscribers) used VOD at least once a month.
- Cable TV subscribers who have VOD available on their system, but don't use it, remain unimpressed with the service because of high prices and weak content. Seventy-seven percent of cable TV subscribers in the survey who had VOD available stated that they don't use it because it is either too expensive or they had no interest in the programming (the Table on the following page provides an expanded response to this question).

### What Is The Primary Reason You Haven't Used VOD?

Reason	Total	%
Too expensive	230	47.8%
No interest in programming	142	29.5%
No time	16	3.3%
Don't watch movies	12	2.5%
Prefer to buy/rent DVDs or tapes	11	2.3%
Don't watch TV often enough	7	1.5%
Too complicated to use	6	1.2%
Don't Know	45	9.4%
Other reasons	12	2.5%
<b>Total</b>	<b>481</b>	<b>100%</b>

Source: In-Stat/MDR, 4/04

- Finally, the survey highlighted that the average cable VOD user spends about \$5 per month on VOD programming.