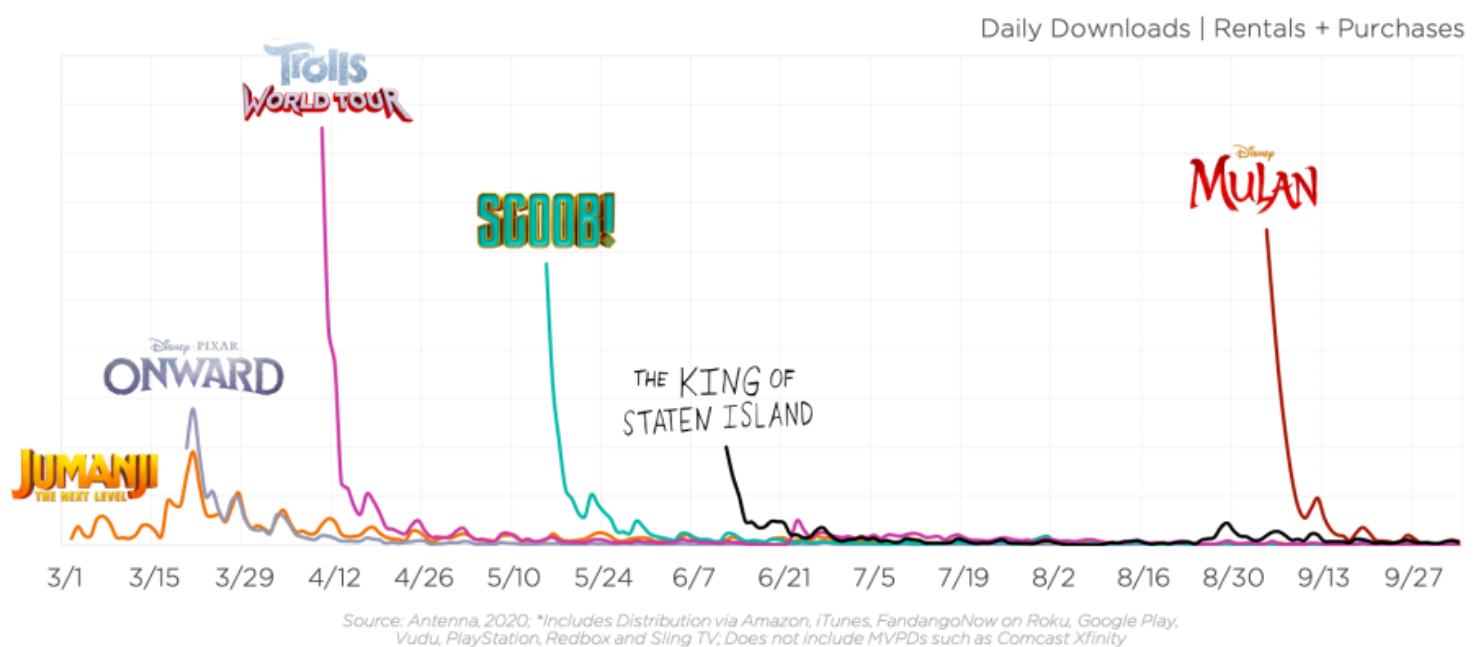


How Streaming and Theaters Will Work in 2021

Over the past year, the theatrical experience has shifted from the cinema to the living room.

With many theaters closed, consumers have turned to streaming to watch their favorite movies and new releases. In a way, it's just like the old days at a video rental store - but now renting a movie just takes the click of a button. Because of the ease and flexibility of purchasing a virtual movie ticket, there was a spike in transactions for digital-first releases across the streaming marketplace after COVID-19 first hit.



Media companies and movie studios are still trying to predict the future, while accommodating the changing habits of their most loyal movie-goers. Some studios have started experimenting with launching all of their new titles on streaming services and shortening the theatrical window, which historically used to be about three months. This gives consumers the flexibility to choose if they want to pre-plan a date night and watch a new film in the theater or buy a virtual movie ticket on-demand and watch it in the comfort of their living room.

To help entertainment marketers understand how to attract and retain the new virtual moviegoer, we asked Roku streamers what they care about in our report, [“How Streamers Rent & Pay for Movies.”](#)

Here's what we learned:

Pay to Play

We found that **51% of streamers are willing to pay \$15 or more** to see a movie that has recently been released. That's the standard price for a ticket at a theater. Not only are viewers willing to pay a premium for

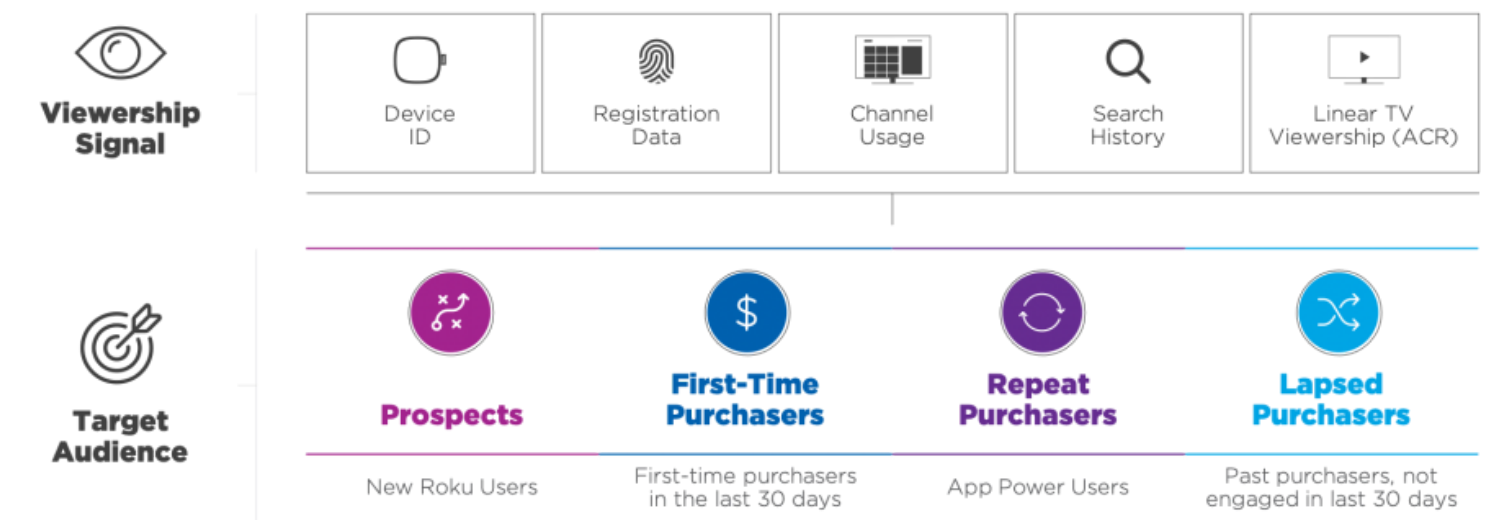
digital-first releases, they're willing to come back for other big-ticket titles and back-catalog favorites.

We also found that two in three streamers are willing to rent or buy digital-first movies would watch once a month and 50% are willing to buy or rent any type of movie at least once a month.

It's clear that many moviegoers are willing to watch and pay for a virtual movie ticket, especially when the typical consumer only steps into the physical theater [around one or two times a year](#). So, the real question is how entertainment marketers can convert those viewers and capture demand.

That's where viewership signals come into play. With Roku, you can actually understand how different streamers are watching and connect with the right audience each time.

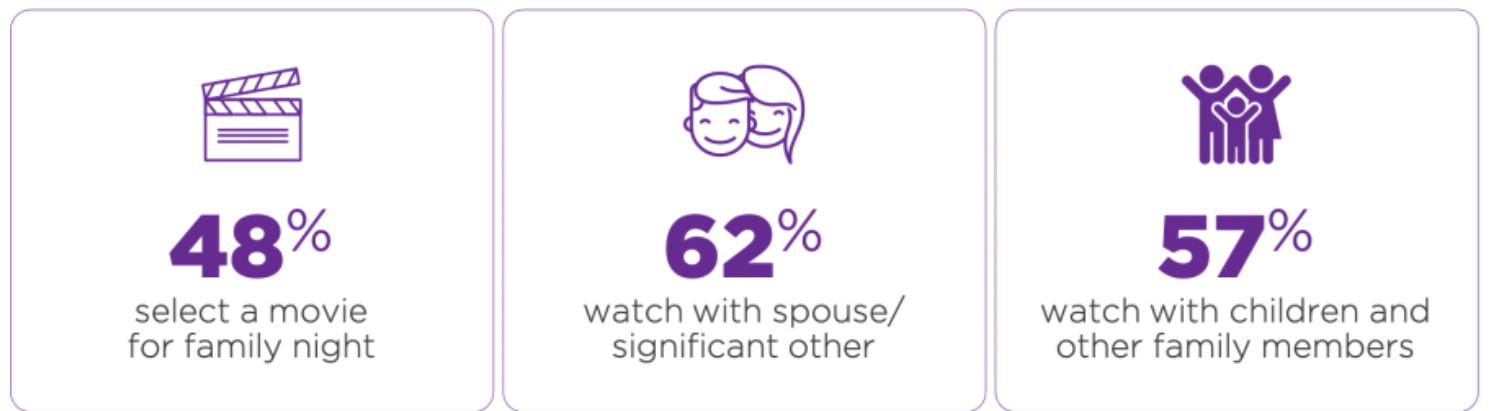
The power of Roku first-party viewership signals



By using Roku's hundreds and thousands of viewership signals to identify and build connections with the right users, entertainment marketers can effectively move their audiences to the next streamer lifecycle stage (i.e. prospects to first time purchasers).

For example, Roku understands when a channel are installed but titles aren't purchased. Roku can also identify other channel and genre signals, so marketers can personalize messaging based on interests (i.e. Action Movies enthusiasts with the newest action movie).

To help marketers craft the right messaging to the right audience, we asked our streamers what they care about. Here's what we uncovered:



Source: Roku TVOD Survey, August 2020

Over half of Roku households include parents, so make sure family movies are always part of your creative mix.

Price is often the deciding factor for streamers, not the streaming service. **Three-quarters (76%) of respondents said that they choose the service with the best price, while only a quarter (24%) said they choose the service that is most familiar to them.**

Repeat Purchasers & Lapsed Buyers

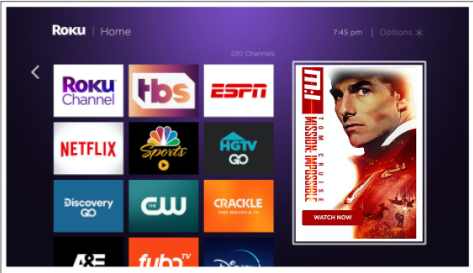
With 70% of movie streamers browsing their favorite service to see what's available, you have a chance to make your channel the one that they choose first.

Re-engagement is a big part of that strategy. It's important to re-engage customers with new and existing titles so they make your service a routine habit for movie nights.

Many viewers will look at movie purchases as part of their overall movie catalog, too, treating them like collectible titles.

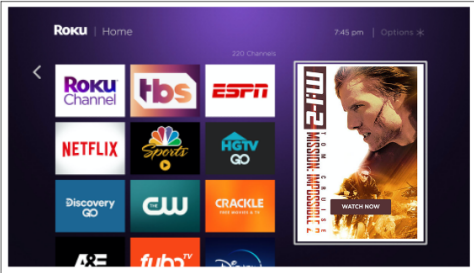
58% of repeat customers view movie purchases as “collectibles”

Source: Roku TVOD Survey, August 2020



1

User purchases Mission Impossible



2

Partner retargets user with Mission Impossible 2, 3, 4, etc.



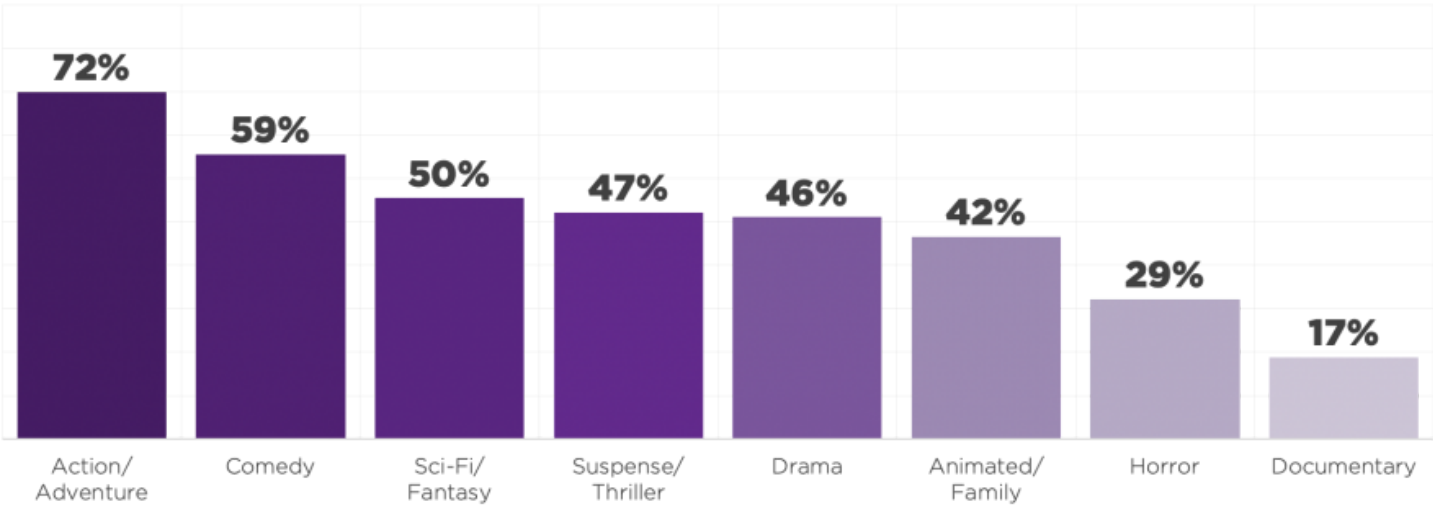
3

User purchases sequel to add to her collection

While big titles are enticing, streamers care about back catalog, too. This is an extremely effective tactic when you're trying to connect with streamers who are trying to add to their movie collections in general, and helps promote back-catalog titles when there's a new release about to hit theaters.

Which movie genres do you typically buy or rent on streaming services?

Source: Roku TVOD Survey, August 2020



Genre-specific campaigns can help drive lapsed purchasers to re-engage, too. The genre has a big impact on how likely a streamer is to buy or rent a movie, with action and comedies proving to be much more likely to drive a purchase than a horror or documentary.

Building Customer Lifetime Value

As America's #1 TV streaming platform, entertainment marketers can effectively create a continuous loop of acquisition and retention with Roku's performance marketing solutions.

For example, a movie streaming service drove users to their channel during the beginning of COVID-19 and 37% of users made a first-time transaction. The brand re-engaged customers with a variety of movie titles, which resulted in 42% of customers making a subsequent purchase.

While big titles are enticing and drive first-time transactions, it's just as important to re-engage customers by bringing your back catalog to the front and grow customer lifetime value.

Want to learn more? Check out [Trends in the Theatrical Landscape](#).

Written by:

Roku Advertising

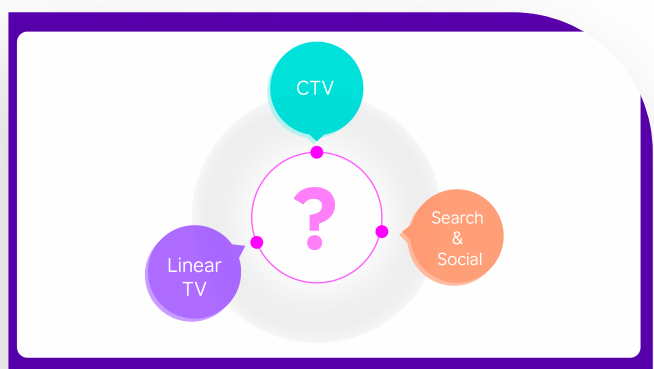
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