



Pay-TV services worldwide: trends and forecasts 2018– 2023



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About this report

This report provides:

- forecasts for the number of pay-TV households and services, the number of premium OTT video users, their retail revenue (spend) and average spend per user (ASPU)
- forecasts split by pay-TV platform: cable (analogue and digital), IPTV, pay DTT, satellite and operator OTT¹
- forecasts for eight regions.

WHO SHOULD READ THIS REPORT

- **Product and strategy managers** within pay-TV providers and operators who require market sizing for business planning purposes, as well as an overview of the key trends that are affecting the market.
- **Business development managers** within vendors of video solutions who need to assess the size of the opportunity for their products or services.
- **Financial analysts** who need to understand the dynamics and the size of the pay-TV market and its interaction with OTT video services.



Our forecasts are refined throughout the year. This report presents the results at the time of publication and will continue to give useful background information about key drivers. However, we recommend that you always use the Analysis Mason [DataHub](#) to view the latest data associated with this report.

GEOGRAPHICAL COVERAGE

Regions modelled:

- Western Europe (WE)
- Central and Eastern Europe (CEE)
- Middle East and North Africa (MENA)
- Sub-Saharan Africa (SSA)
- Emerging Asia–Pacific (EMAP)
- Developed Asia–Pacific (DVAP)
- North America (NA)
- Latin America (LATAM)

KEY METRICS

- Pay-TV households and connections
 - Retail revenue (spend)
 - ASPU
- All of the above split by the following access technologies:**
- Cable (analogue and digital, CATV)
 - IPTV
 - Pay digital terrestrial TV (DTT)
 - Satellite (DTH)
 - Operator OTT¹

¹ The full definition of the term 'operator OTT' is articulated in the appendix at the end of this report. In short, this term refers to OTT video services offered by telecoms operators and also by pay-TV providers that have previously provided traditional pay-TV services.

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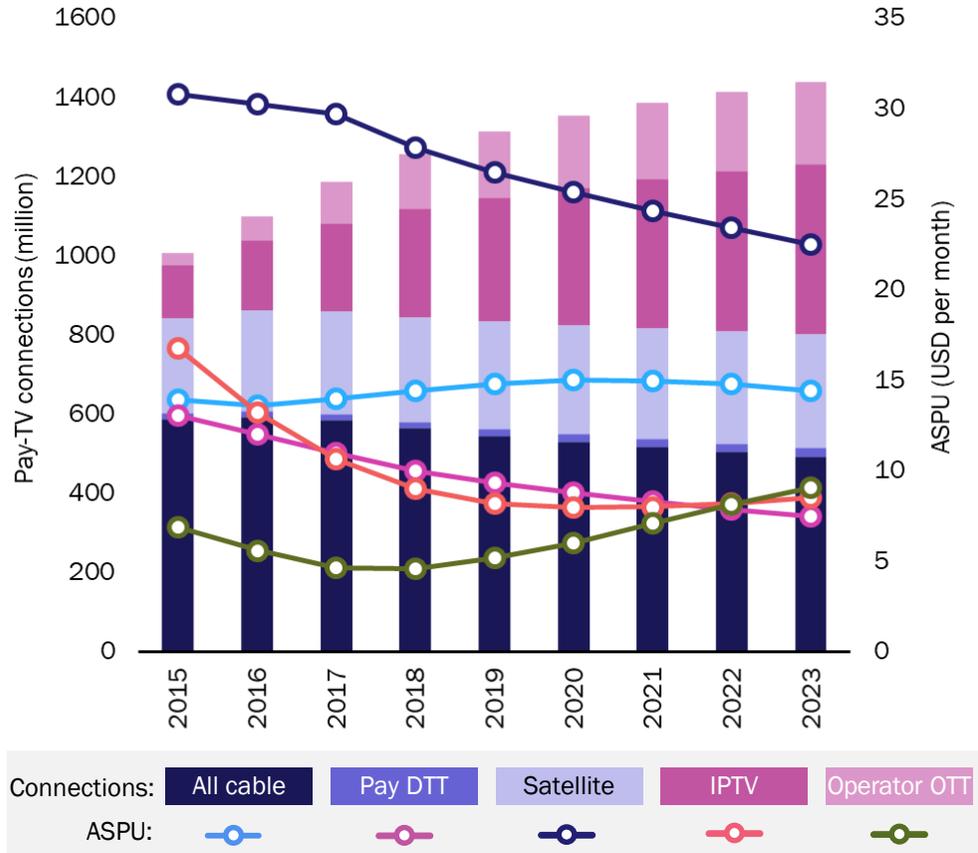
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Figure 5: Pay-TV connections and ASPU by access technology, worldwide, 2015–2023



Source: Analysys Mason

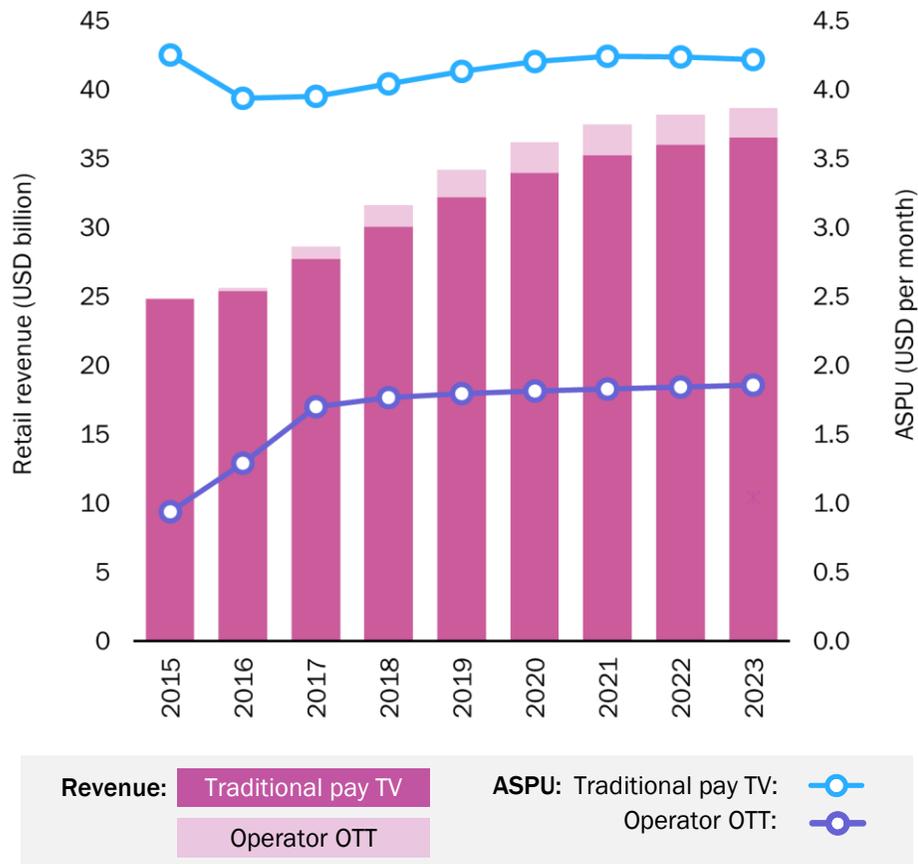
Cable TV’s worldwide dominance is slowly coming to an end. The combined effects of increased competition from IPTV services and operators actively migrating their cable subscribers to IPTV will lead to a worldwide decline in the number of cable subscribers over the next 5 years. Conversely, the number of IPTV subscribers will grow by 156 million between 2018 and 2023. We expect that there will be more IPTV subscribers than CATV subscribers worldwide by 2025.

The number of satellite TV subscribers worldwide will increase by 22 million between 2018 and 2023. This trend is the result of two opposing forces. In developed regions, the popularity of satellite will decline due to OTT substitution and IPTV migration. In SSA and EMAP however, there will be strong growth in the number of satellite connections as the markets are still developing and pay-TV penetration is relatively low. This growth will outweigh the decline seen in other regions. This also explains why DTH ASPU will fall rapidly, because tariffs in SSA and EMAP are much lower than those in NA or WE.

The majority of operator OTT users access SVoD services. However, many operators have now started to offer linear services as a way to combat churn and increase their subscriber base. These services are generally priced at a significant premium over SVoD as they include sports content. As such, the gradual growth in the number of linear services connections will cause operator OTT ASPU to grow during the forecast period.

Emerging Asia–Pacific: pay-TV retail revenue growth will be strong between 2018 and 2023, but much of this will be driven by traditional pay-TV technologies, not OTT

Figure 29: Traditional pay-TV and OTT retail revenue for operators and pay-TV providers, EMAP, 2015–2023



Source: Analysys Mason

Figure 30: Pay-TV retail revenue and CAGR by service type, EMAP, 2018–2023

Service type	Retail revenue (USD million)		CAGR	
	2018	2023	2015–2018	2018–2023
Operator OTT	1.5	2.1	233.5%	6.8%
Cable	19.5	20.1	4.5%	0.6%
IPTV	2.6	6.4	35.0%	19.6%
DTH	7.9	10.0	6.1%	4.7%
Paid-for DTT	0.0	0.0	6.5%	3.8%
Total traditional pay-TV retail revenue	30.0	36.5	6.6%	4.0%
Total operator pay-TV retail revenue	31.6	38.6	8.4%	4.1%

Figure 31: Pay-TV connections and CAGR by service type, EMAP, 2018–2023

Connection type	Connections (million)		CAGR	
	2018	2023	2015–2018	2018–2023
Cable	365.0	310.6	-1.6%	-3.2%
O/w analogue cable	56.7	9.5	-21.8%	-30.1%
O/w digital cable	308.3	301.1	5.3%	-0.5%
IPTV	173.9	297.1	50.7%	11.3%
DTH	96.7	119.0	9.0%	4.2%
Pay DTT	0.9	1.1	12.5%	3.8%
Operator OTT	84.2	95.4	169.3%	2.5%



Worldwide forecasts and regional comparison

Regional trends

Country-level trends

Australia

New Zealand

Forecast methodology and assumptions

About the authors and Analysys Mason

About the authors



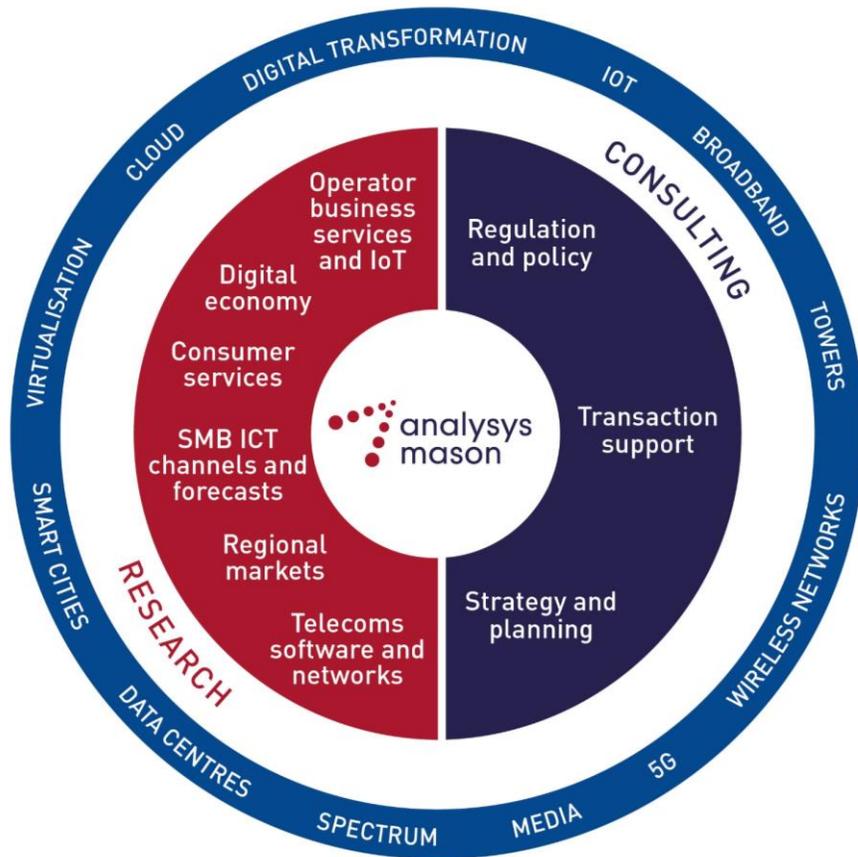
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