

MTM says 21% of Canadians subscribe to Netflix

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The number of Canadian subscribers to Netflix Inc.'s online streaming service has almost doubled year over- year, reaching 21 per cent of Canadian adults this spring, according to polling data by Media Technology Monitor.

MTM, a joint research project between CBC/Radio-Canada and BBM Analytics, said that 21 per cent of Canadian adults say they subscribe to Netflix.

The national results, provided to The Wire Report, came from a poll conducted in the spring, for which the survey asked 4,000 Canadian adults: "Do you currently have a paid subscription to Netflix?"

Twenty one per cent answered yes, up from 13 per cent who said yes to the same question in an MTM poll conducted in the spring of 2012, which used the same sample size, said Jenny Meadows, a research officer with CBC and MTM.

The online streaming service's subscriber numbers in Canada may have ramped up in the first half of 2013 in part due to the release of Netflix's original TV series House of Cards and a new season of Arrested Development.

According to the most recent Canadian census, in 2011 there were 13,320,615 households in the country, and 21 per cent of that number would represent 2.8 million with access to Netflix.

It's unclear how many people polled interpreted the question to mean they have paid access to Netflix as opposed to having their own subscription.

If the subscriber number percentage is extrapolated to individual Canadian adults, it would mean 5.77 million Canadian subscribers. Statistics Canada says there were about 27.5 million Canadians in 2012 who were aged 18 or older.

The 21 per cent subscriber level is significantly higher than the company's last stated number for Canada, when in July 2012 Netflix said it had "grown to over 10% of Canadian households," which would represent more than 1.3 million homes.

A year earlier, in August 2011, the company reported that it had exceeded a million individual Canadian subscribers.

MTM said in a July report that the percentage of anglophone Canadians subscribing to Netflix reached 25 per cent in the spring of 2013, rising from 13 per cent a year earlier. Meadows said that, based on those numbers, it would be accurate to say the service's anglophone subscribers doubled during that time.

At a CRTC hearing this year, Tom Berry, president of independent production company Première Bobine, estimated that Netflix has more than 2.18 million Canadian subscribers and predicted that it would pass three million "by the end of the year or soon thereafter."

Netflix, based in Los Gatos, Calif., does not publicly report its subscriber numbers in Canada, where it charges \$8 per month for unlimited viewing. The online service is also available in the United States, Mexico, South and

Central America, the Caribbean, United Kingdom, Ireland, Sweden, Denmark, Norway, Finland, and the Netherlands.

The MTM surveys also found that Netflix subscribers had risen to 17 per cent of Canadian adults in the fall of 2012, a number that will be reported by the CRTC this week in its annual Communications Monitoring Report.

“We're looking at a communications environment that is radically different from what it was only ten years ago,” Peter Menzies, the CRTC’s vice-chairman of telecommunications, said in a speech at a Canadian Cable Systems Alliance conference on Monday, according to his speaking notes.

“Since then, the structures, the business models, the products and the technology of the industry have been dramatically transformed—to say nothing of the needs, the tastes, the expectations and the behaviour of consumers,” Menzies said.

For its second quarter of 2013, reported on July 22, Netflix said it had 30 million U.S. subscribers and eight million internationally. “We’ll continue to expand in 2014 based upon the progression of our existing markets and on confidence in the expansion opportunities,” the company said in a letter to shareholders at the time.

Betsy Weber, a spokeswoman for Netflix, said by phone the company does not confirm its international subscriber numbers.