Streaming in the 21st Century

The media & entertainment industry has been a vital part of Americans’ lives for generations. Thousands of Americans rely on TV and movies to escape from stress-filled lives. Nielsen reports the average American watches over five hours of TV daily.

Technology is the center of the entertainment industry. With recent technological advancements in the entertainment industry, companies are forced to change the way they produce, distribute, and broadcast content.

Television used to be a communal experience. Families gathered around the living room to watch their favorite television programs after a long day of work or school. Today, shows and movies are streamed on devices ranging from smartphones to tablets to televisions. Instead of families gathering in the living room to watch a program, each watch their favorite shows on one of their many devices.

Entertainment can be streamed anytime and anywhere. The popularity of streaming from mobile-devices reflects smartphones becoming larger, with more saturated screens. Production companies need to consider how their content will look on multiple devices.

Streaming is at the forefront of the entertainment industry. Consumers choose what they want to watch, without the constraint of broadcast television schedules. Inexpensive monthly subscriptions give customers access to libraries of thousands of TV shows and movies, available instantly. A study by the Consumer Technology Association reports that people aged 18-34 spend 55 percent of their video-watching-time viewing content after it has aired on live television.

Netflix launched its streaming service in 2007, altering at-home entertainment. It’s estimated that Netflix represents around 6% of current American TV viewing. That number is projected to rise to around 14% by 2020, according to Fortune magazine. Disney is set to launch its own streaming app in 2018. Many experts believe that other studios will follow shortly.

Streaming services introduced fans to entire TV catalogs, leading to “binge-watching” where a viewer watches successive episodes of a single TV series in one sitting. Shows are now catered specifically to binge-watchers. Todays’ shows have a season-long narrative rather than single stories in each episode. On Netflix, whole seasons of shows are released at once, obviously intended for binge-watching.

Subscription services, such as Netflix and Amazon, have begun producing their own content featured exclusively on their sites. Netflix originals, widely disliked at first, are among the most popular shows and movies. Netflix’s original series “Stranger Things” received nominations and awards from the Golden Globes and the Emmys. Subscriptions services’ rising budgets have attracted high-powered stars like Adam Sandler and Drew Barrymore to multi-year contracts and projects.

News and sports are cable’s biggest selling advantages. Consumers may not cancel their cable subscriptions simply to follow their favorite team or to keep current with the news. Disney, the parent company of ESPN, plans to start an ESPN streaming service. The average cable bill is $99 a month excluding Internet access. YouTube TV and U-verse, ATT’s streaming, offer live TV, special shows, on-demand, and video recording for as little as $40 a month. Netflix starts at $7.99 a month. Streaming devices, such as the Roku and Apple TV, centralize all streaming services into one place. The Roku Express, which launched at the end of 2016, sells for a one-time fee of $29.

The changes and advancements in entertainment have created expectations for on-demand, and often commercial-free, access to video content. Any players in the industry are racing to keep up with the competition. It wouldn’t be surprising if some companies are edged out in the near future.

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