

Pulling the plug: Three-in-ten Canadians are forgoing home TV service in favour of online streaming

Despite availability of 'skinny' cable packages, most current subscribers say TV service is too expensive

October 17, 2018 – Millennials in Canada are increasingly pulling the plug and hanging up the receiver as they opt out of traditional television and phone service in their homes.

These are some of the findings of a new public opinion poll from the Angus Reid Institute on the topic.

The survey finds three-in-ten have either cancelled or never subscribed to home cable service, while more than four-in-ten Canadians choose not to have a landline phone.

Younger generations are leading the way on cutting the cord. Nearly half (48%) of those under the age of 35 have either cancelled their cable or satellite service or never signed up for it in the first place, and an even greater number (63%) are eschewing landline phones.

More Key Findings:

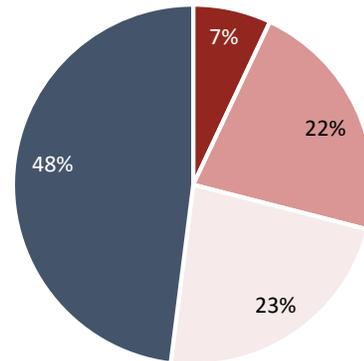
- Even among those who say they're unlikely to cancel their TV service in the near future, a substantial number have either cut back on their service already (16% have) or are thinking of doing so (27%)
- Among those who have already cancelled their cable or satellite subscriptions, more than half (52%) say they did so because they weren't getting good value for their money
- This finding is echoed in the views of current TV subscribers, the vast majority (72%) of whom say they find the service "too expensive"

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- **Cost concerns motivate TV cord-cutters**
- **Most still have landlines, but numbers are shrinking**

The Canadian cable/satellite TV landscape:

- Never subscribed
- Used to subscribe, cancelled
- Current subscriber thinking about cancelling
- Current subscriber, not thinking about cancelling



METHODOLOGY:

The Angus Reid Institute conducted an online survey from September 19 – 25, 2018, among a representative randomized sample of 1,500 Canadian adults who are members of [Angus Reid Forum](#). For comparison purposes only, a probability sample of this size would carry a margin of error of +/- 2.5 percentage points, 19 times out of 20. Discrepancies in or between totals are due to rounding. The survey was self-commissioned and paid for by ARI. Detailed tables are found at the end of this release.

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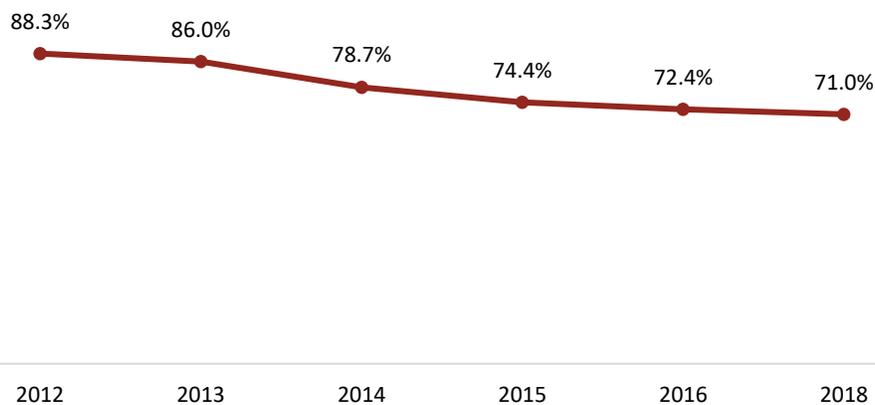
Three-in-ten have pulled the plug on TV service (or never plugged in at all)

In the age of Netflix, Apple TV, and Amazon Prime all with massive libraries of entertainment media available on demand for a relatively small fee, traditional television service has become [an increasingly tough sell](#).

Canada has the [third-highest](#) percentage of Netflix subscribers in the world (behind only the United States and Norway). More than half (56.3%) of Canadians reportedly watch Netflix at least once a month.

Not coincidentally, the percentage of people subscribing to cable or satellite television service [declined steadily](#) between 2012 and 2016 (the most recent date for which Statistics Canada data is available). In this survey, 71 per cent of respondents say their household currently subscribes to either cable or satellite television service. This is a slight decrease from the latest Statistics Canada number:

**Percentage of Canadian households with cable or satellite television service
(2012 - 2016 data from Statistics Canada; 2018 number from ARI)**



The remaining 29 per cent of Canadians who don't currently subscribe to television service can be sorted into two groups: Those whose households used to subscribe and cancelled (22%) and those who have never subscribed to such service (7%).

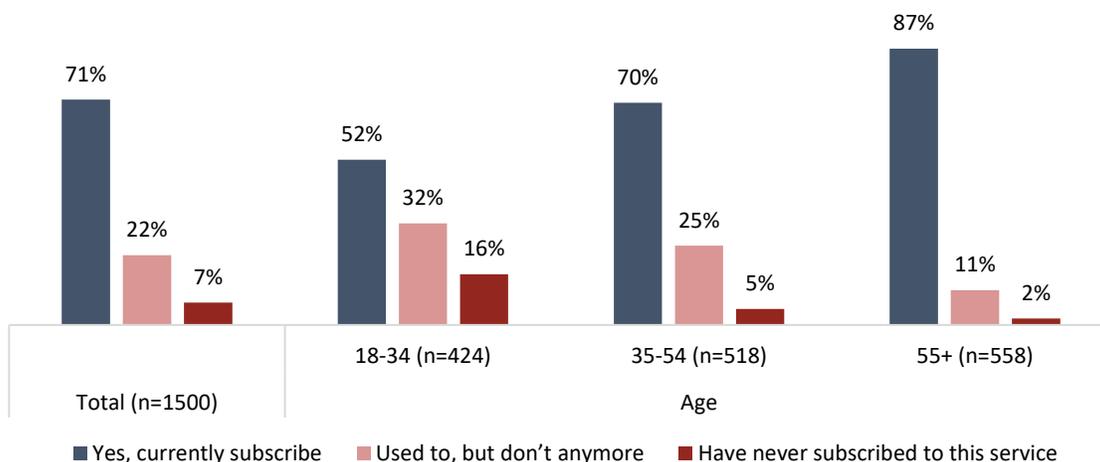
Age is highly correlated with current television subscription. Nearly nine-in-ten of those ages 55 and older (87%) say their household has either cable or satellite TV. Among the youngest Canadian adults (those ages 18 to 34), this percentage drops to slightly more than half (52%).

One-third of those under age 35 have cancelled their home television service, and one-in-six have never subscribed to such service, as seen in the graph that follows.

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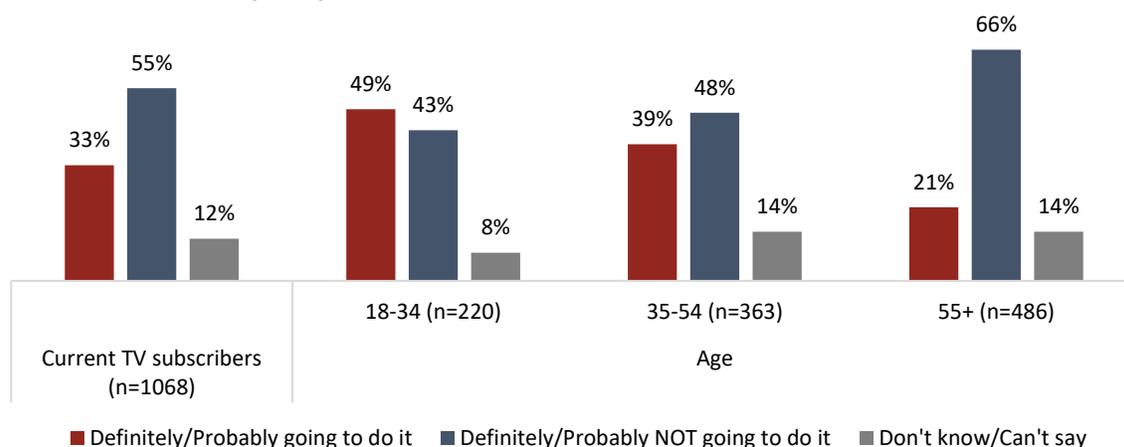
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Does your household currently subscribe to television (cable or satellite)?



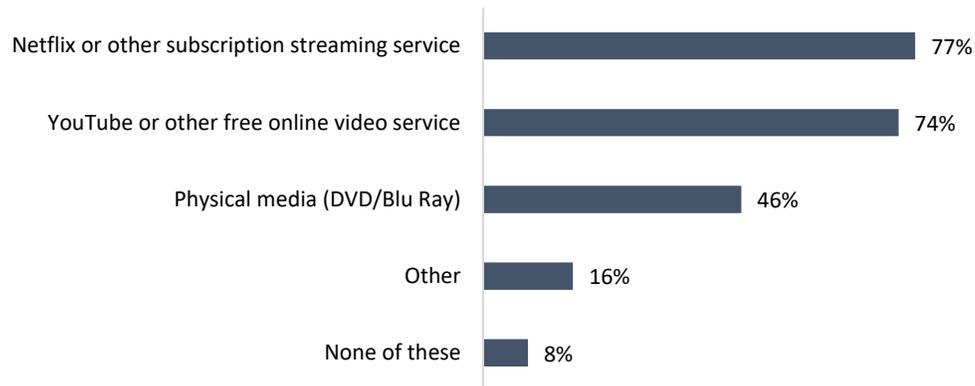
The age differences continue among those who are currently television subscribers. Asked whether they would consider “cord-cutting,” nearly half (49%) of current subscribers ages 18-34 say they will definitely or probably do so. Among those ages 55-plus, this willingness drops to one-in-five (21%):

**And, what are your views on “cord-cutting” – that is, cancelling your television service altogether and instead using online streaming services?
How likely are you to do this? (Asked of current TV subscribers, N=1068)**



The appeal of using streaming services rather than subscribing to traditional television isn't limited only to those who have already cut the cord or are thinking about it. The vast majority of those who do not currently have television service at home report using either a paid service like Netflix or a free service like YouTube – or both – for their entertainment needs:

Which of the following, if any, do you use for video-based entertainment in your home? (Asked of those who have never subscribed to TV service, N=107)

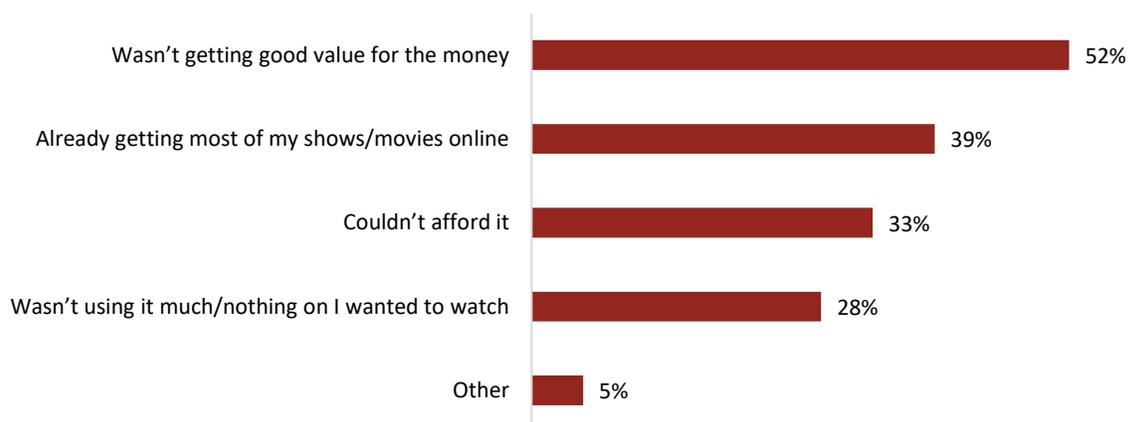


Cost concerns motivate TV cord-cutters

Though streaming services provide a viable replacement for cable or satellite TV for many, they're not – in and of themselves – the principle driver of the decision to cut the cord.

More than half (52%) of those who have cancelled their television service say they did so because they felt they weren't getting good value for their money. A smaller number (39%) did so because they were already getting most of the movies and TV shows they wanted to watch online, though there is likely significant overlap between these two groups:

What were your main reasons for cancelling your TV service? (Choose up to two; Asked of those who used to have TV service but don't anymore, N=325)



Note that one-in-three cancelled their TV subscriptions because they felt they couldn't afford the monthly bill, a concern rooted more in financial hardship than in assessment of value, though the two are similar.

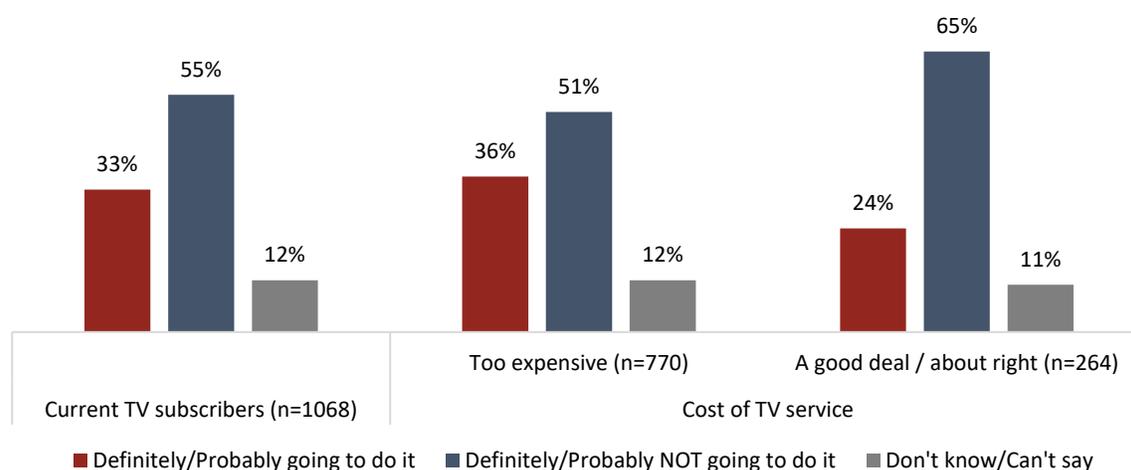
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The prominence of financial concerns among those who have cut the cord correlates with current subscribers' assessments of how much they pay. More than seven-in-ten current subscribers (72%) say their TV service is "too expensive," rather than "about the right price" (19%) or "a good deal" (5%).

Perhaps unsurprisingly, those who feel they are either paying an appropriate amount or getting a good deal for their household television service are less likely to be considering cutting the cord. Those who are in the large majority that believes this service is too expensive are also more likely to be looking into cancelling their subscriptions, as seen in the graph that follows:

**And, what are your views on "cord-cutting" – that is, cancelling your television service altogether and instead using online streaming services?
How likely are you to do this? (Asked of current TV subscribers, N=1068)**



Of course, cancelling television service entirely isn't the only option for those who feel their cable or satellite bills are too high. Since [a 2015 decision](#) by the Canadian Radio Telecommunications Commission (CRTC), cable companies have been required to offer their customers a stripped down service package for \$25 or less each month, as well as to allow customers to pick additional channels or small bundles of channels to add to their package *a la carte*.

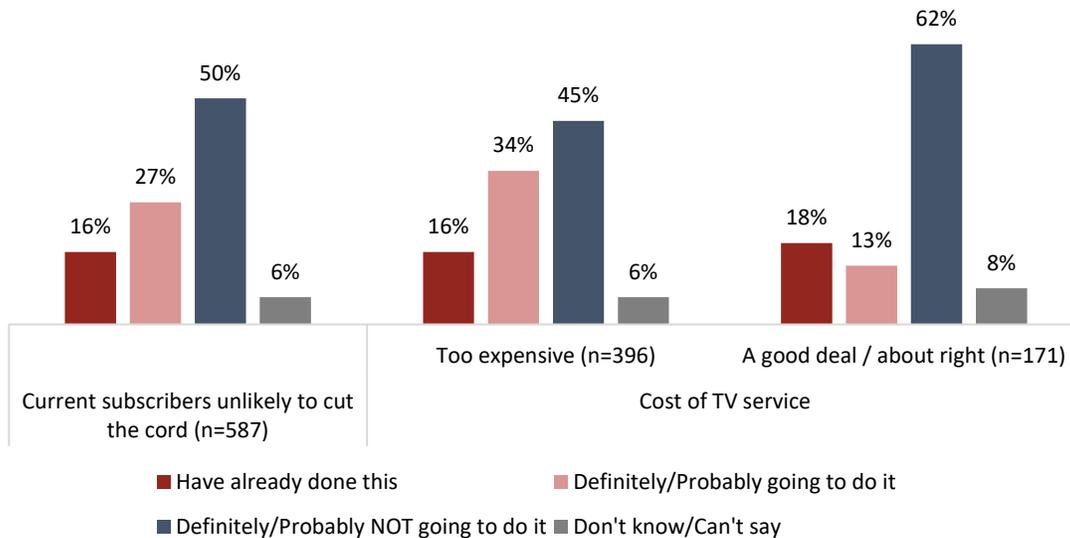
Related – 'Skinny' TV packages: For most Canadians, hidden fees outweigh 'pick-and-pay' freedom

Those who said they were not considering cutting the cord on their TV service were asked a follow-up question about whether they intended to cut back on the number of channels and other "extras" in their subscriptions.

Here again, perceived cost is highly correlated with intention to make changes to one's cable or satellite package. Those who feel they're paying an appropriate amount are mostly uninterested in making such a change – or have made one already. Those who find their service too expensive, meanwhile, are more interested in looking into such an option.

That said, it's notable that one-in-six current subscribers who feel their service is too expensive but don't plan on cutting the cord entirely have already switched to smaller packages:

**How likely are you to cut back on your TV package?
(Asked of current subscribers who are unlikely to cut the cord, N=587)**

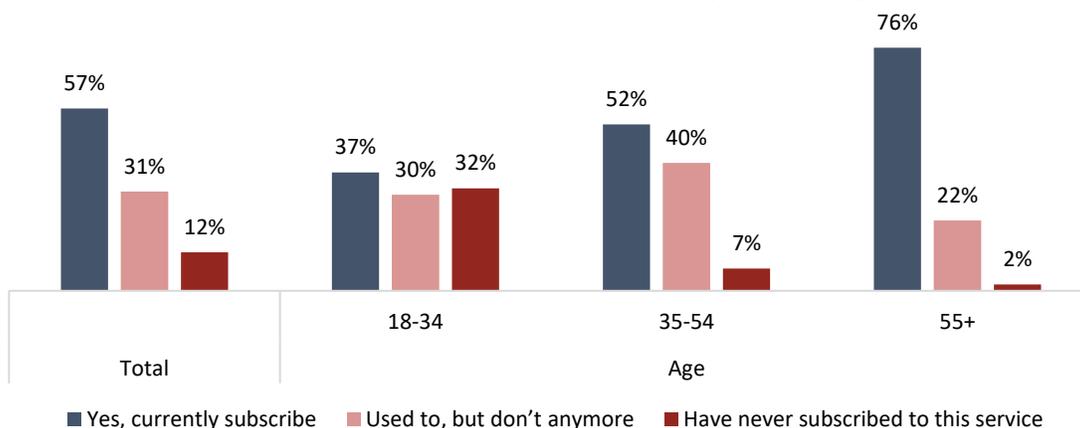


Most still have landlines, but numbers are shrinking

If cord-cutting is still a relatively new trend in the world of television, it's an established norm when it comes to telephone service.

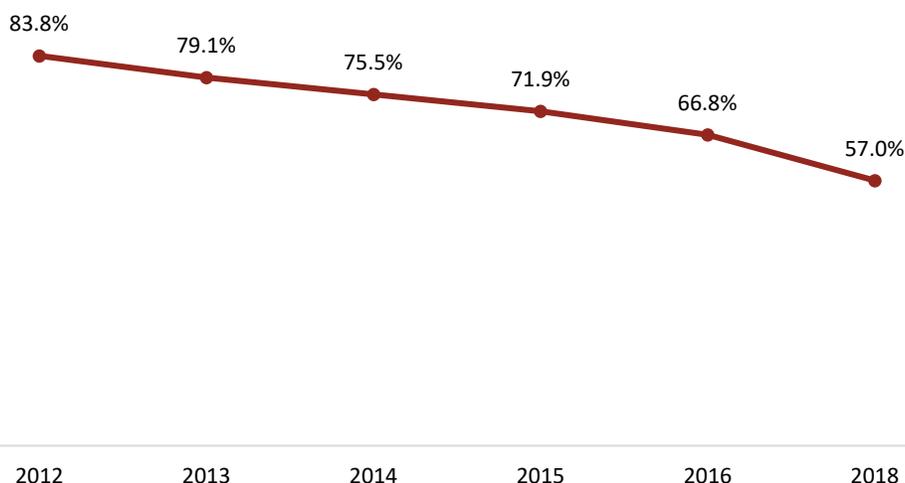
This poll finds a small majority (57%) of Canadians still subscribe to landline phone service, with an even more pronounced age divide than seen on the television question:

Does your household subscribe to home phone (i.e. landline) service?



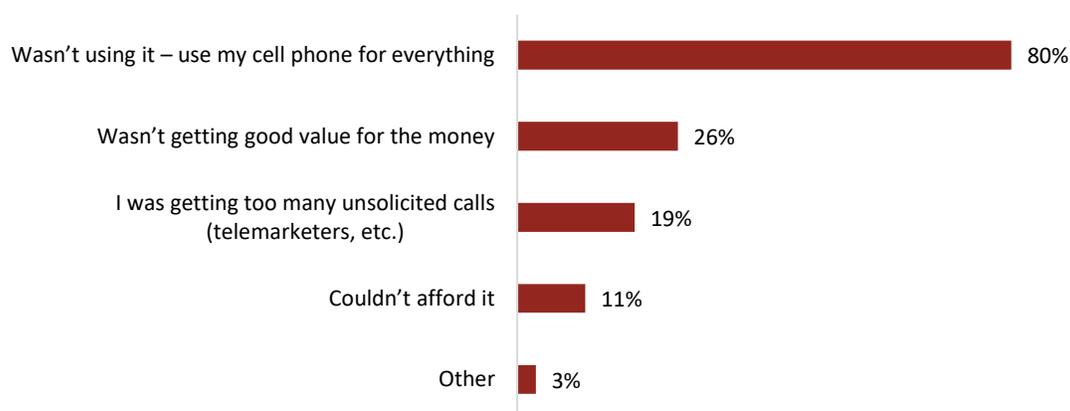
Here, too, this ARI survey roughly aligns with the decline in use [documented by Statistics Canada](#):

**Percentage of Canadian households with landline telephone service
(2012-2016 data from Statistics Canada; 2018 from ARI)**



Unlike those who have cancelled their television service, however, Canadians who have abandoned landline telephones are fairly unlikely to cite cost concerns as their primary reason for doing so. Rather, eight-in-ten (80%) say they simply weren't using their home phones all that much:

**What were your main reasons for cancelling your home phone service?
(Choose up to two; Asked of those who used to have landlines, but
don't anymore, N=460)**



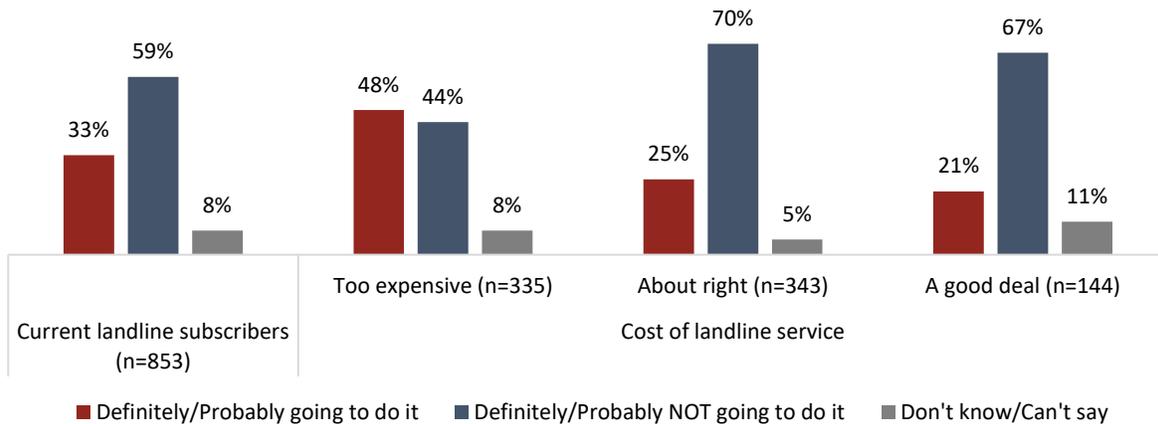
Indeed, among those who still subscribe to landlines, more say the amount they pay for such service is “about right” (40%) or “a good deal” (17%) than say their home phone is “too expensive” (39%).

That said, those who *do* find their landlines expensive are much more likely to be entertaining the possibility of ending their home phone service, as seen in the graph that follows.

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What are your views on “cord-cutting” – that is, canceling home phone service altogether and instead using mobile phones for all your telephone needs? How likely are you to do this? (Asked of current landline subscribers, N=853)



*The **Angus Reid Institute (ARI)** was founded in October 2014 by pollster and sociologist, Dr. Angus Reid. ARI is a national, not-for-profit, non-partisan public opinion research foundation established to advance education by commissioning, conducting and disseminating to the public accessible and impartial statistical data, research and policy analysis on economics, political science, philanthropy, public administration, domestic and international affairs and other socio-economic issues of importance to Canada and its world.*

Summary tables follow. For detailed results by age, gender, region, education, and other demographics, [click here](#).

And, what are your views on “cord-cutting” – that is, cancelling your television service altogether and instead using online streaming services? How likely are you to do this? (Asked of current TV subscribers)

(weighted sample sizes)	Current TV subscribers (1068)	Cost of TV service	
		Too expensive (770)	About the right price/A good deal (264)
Definitely going to do it	10%	12%	7%
Probably going to do it	22%	25%	16%
Probably not going to do it	37%	38%	34%
Definitely not going to do it	18%	13%	30%
Don't know/can't say	12%	12%	11%

You've indicated you're unlikely to cancel your satellite or cable TV service altogether. In these cases, some people significantly reduce or cut back on the number of channels or TV packages they pay for. What about you personally? Thinking about your own TV package, are you: (Asked of current TV subscribers unlikely to cancel their plans)

(weighted sample sizes)	Current TV subscribers unlikely to cut the cord (587)	Cost of TV service	
		Too expensive (396)	About the right price/A good deal (171)
Definitely going to do this	5%	6%	2%
Probably going to do this	22%	27%	10%
Probably not going to do this	37%	36%	40%
Definitely not going to do this	14%	10%	22%
I have already done this	16%	16%	18%
Don't know/can't say	6%	6%	8%

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And, what are your views on “cord-cutting” – that is, canceling home phone service altogether and instead using mobile phones for all your telephone needs? How likely are you to do this? (Asked of current landline subscribers, N=853)

(weighted sample sizes)	Current landline subscribers (853)	Cost of landline service		
		Too expensive (335)	About the right price (343)	A good deal (144)
Definitely going to do it	13%	23%	4%	11%
Probably going to do it	21%	25%	21%	10%
Probably not going to do it	31%	26%	38%	24%
Definitely not going to do it	28%	17%	32%	44%
Don't know/can't say	8%	8%	5%	11%

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