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Television Viewership Among Millennials: An Analysis of Millennials Usage and Preferences of On-Demand & Broadcast Television Services

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Florida State University

The purpose of this study is to identify the usage and preferences of millennials viewing television content on broadcast or on-demand television subscriptions. The study focuses on those aged 18-35, but also provides results for those falling outside of this age demographic. This study seeks to provide marketers with information regarding consumer preferences so they may adapt their offerings to meet the desires of customers which will in turn provide consumers with better quality television viewing experiences. An online survey was conducted which included 118 respondents and gauged their current use of, satisfaction with, and preferences for viewing television content. The results revealed that while millennials do prefer to watch television on-demand and are thus moving away from broadcast television subscriptions, original content is not an important factor for millennials when viewing on-demand content. Additionally, millennials have mixed preferences regarding the choice of binge-watching television content versus watching content week-to-week.

INTRODUCTION

Television viewership is as evolutionary as the technology and world surrounding it. With almost endless options for viewing television content, broadcast television service providers have seen a decline in the number of households paying for television subscriptions from a peak of 97.6 million in 2012 to a drop of 150,000 subscriptions in 2013 and 260,000 more in 2014 (Kim, 2015). Those numbers are expected to continue to drop by another 310,000 households in 2015 and 380,000 more in 2016 (Kim, 2015). This evolution of television viewership can be seen most clearly in the market segmented group referred to as millennials, defined here as those born between 1980 and 1999 – the first generation to come of age in the new millennium (“What is a Millennial?”).

The Total Audience Report, a study conducted quarterly by advertising survey leader Nielsen, illustrates the shift in television viewing. In the fourth quarter of 2014, over 40% of homes in the United States have access to what they call a Subscription-based Video On Demand service, SVOD, (referred to in this study as on-demand television subscription services) while 13% of homes in the United States have multiple streaming services in the home. Owners of these SVOD services are also watching more television, nearly 50 minutes more than the typical TV home (Nielsen, 2015).

Additionally, Nielsen’s senior vice president of insights, Dounia Turrill, spoke of the change in television viewership and the options available for viewing content available to consumers in today’s market in *The Total Audience Report*. Her report states that many TV households in the U.S. have a wide range of viewing and listening options readily available in the form of an array

of technologies, such that at any given time consumers can view material “from video clips of llamas on the lam to spinning that secret album drop.”

While *The Total Audience Report* segments and studies television viewing tendencies of households with children and no children and by race and ethnicity, this study does not specifically address the television viewing tendencies of millennials, which is the market of interest in our study. Because of the growth of devices on which content can be viewed, we propose that millennials can be segmented into three types of television viewers: cord-connected, cord-cutters and cord-nevers. Cord-connectors are those that subscribe to “traditional” forms of television viewing services, such as a cable or satellite subscriptions. Cord-cutters are those millennials in the transition from traditional forms of television viewing to on-demand services such as Netflix and Hulu Plus, due to their desire for on-demand content and a desire for a lower-price alternative to traditional television subscriptions. Cord-nevers are those millennials who have never paid for broadcast television services but are avid users and subscribers to on-demand television subscription services.

The desire to watch television on-demand is increasingly becoming popular among the millennial audience so much so that this demographic prefers television subscription services over broadcast television services and may be the first generation to have never purchased broadcast television services for their household in the first place (cord-nevers). Therefore, the purpose of this study is to determine the platform for television viewing that millennials are using most between on-demand television subscription services (Pay-Per-View, Netflix, Hulu Plus, YouTube, HBO Go, Amazon Instant Video/Prime, etc.) and broadcast television services (Xfinity Comcast, DirecTV, Dish Network, Time Warner Cable, Verizon FiOS, etc.). Ultimately, we break down television viewing into live TV programs (broadcast TV services) or on-demand viewing (on-demand TV subscription services) and seek to discover which of these viewing formats millennials prefer. We also seek to discover what portion of millennials are cord-cutters (no longer paying for broadcast television services), or cord-nevers (have never paid for broadcast television services). This study seeks to discover which format, broadcast or on-demand, millennials are watching as well as what determines these preferences of one format over another. We believe that television viewing preferences and behaviors among millennials are shifting from broadcast television services to on-demand subscription services, and we will discuss the relevant literature in this field of study that relates to television viewership among consumers in general and among millennials in particular. Overall, this study will aid not only in analyzing the TV viewing trends of millennials today, a market for which television viewing trends have not been analyzed closely, but will also aid in predicting millennials’ consummation of television formats in the future.

As can be seen from the literature provided above and the information that will be discussed below, much research has been done on the shift from traditional television subscription services to on-demand television subscription services. This includes studies on the anticipated future of this trend, the paradigm shift of consumers’ habits, and the concerns of cable providers regarding this shift. However, research completed in the past has viewed this shift in the context of consumers as a whole whereas the main purpose of this research and study seeks to view this shift in the context of millennials specifically. We believe that millennials mark the beginning of this shift and are ultimately the ones who will lead the shift as it evolves. A study of cord-connecting, cord-shaving, and cord-cutting among millennials will allow marketers, cable and satellite companies, and video subscription service companies to adapt their service offerings in

ways to better anticipate and satisfy millennial consumers' wants and needs. The knowledge gained from this study will allow these companies to experience an increase in revenue when the needs and wants of subscribers are anticipated and met. Additionally, this knowledge will benefit consumers because their television viewing preferences will be catered to by these companies. The following pages will discuss a study conducted which articulates 1) literature expanding on millennials television viewing trends, 2) how millennials watch television content, 3) the method which they prefer to view television content, and 4) what it is that millennials prefer about one format over another. This paper will include our methods, results, conclusions, limitations and suggestions for future research in this area of study.

LITERATURE REVIEW

Forrester Research, a world-wide, influential research and advisory firm, conducted the Forrester's North American Consumer Technographics Online Benchmark Survey (part 2) in 2015 which showcased the magnitude that cord-cutters and cord-nevers television viewing is having on the cable or broadcast subscription industry. An AdWeek article discussing Forrester's Survey points out that the study indicates that by the year 2025, half of consumers under the age of 32 will not pay for cable subscriptions. The creators of this study surveyed 32,000 adults of the United States, and found that 76% of people surveyed still paid for broadcast subscription services, which leaves 24% of those surveyed who no longer paid for television subscription services. Of that 24%, the study found that 18% of those respondents were cord-nevers, consumers who had never paid for a cable television subscription. The study found that 6% of those surveyed were cord-cutters - those who had cancelled their previous cable television subscription (Lynch, 2015).

This survey divides participants by age, 18-31 and 32+. Cable subscribers watch 4.6 hours of streaming video per week. Cord-nevers watch almost 8 hours of streaming video per week, and, lastly, cord-cutters are watching the most hours of streaming video per week at an average of 10.2 hours per week (Lynch, 2015). James McQuivey, an analyst for Forrester Research working on this survey, predicts that by the year 2025, 50% of consumers aged 18-31 will still have a cable subscription, 35% will be cord-nevers, and 15% will be cord-cutters (Lynch, 2015). With such a prediction, the shift away from traditional broadcast television subscriptions is a phenomenon that must be studied. Marketers and cable companies must study this information and prepare for the inevitable change by discovering ways in which they can meet the new demands of consumers.

Conversely, some entities disagree with this conclusion and believe that cable will see growth in 2015 and beyond. In a finance article, "Cable Sub Growth in 2015? Bulls Say Yes," written for *Multichannel News Magazine*, author Mike Farrell writes that many bulls in the stock market believe that cable operators such as ComCast and Charter Communications will see growth for the first time in a long period (Farrell, 2015). However, this article attributes the growth of these cable subscriptions to the decline in satellite quality and the loss of satellite subscriptions from companies such as Dish Network and DirecTV. This article does not attribute the change in cable subscriptions to the rise in on-demand television preferences but instead states that "The growth won't necessarily come from new household formation or the realization by millennials that internet video is just a fad, but mainly from subscriber losses by satellite-TV providers DirecTV and Dish Network (Farrell, 2015)."

Włodarczak, another contributor to the article for *Multichannel News Magazine*, adds that he believes the economy over the past few years has been to blame for the loss in TV subscriptions

and that as the economy improves, pay TV subscriptions will also rise again. He asserts that the use of pay TV among 18-24 year-olds is actually higher today, at 90.5%, than it was 4 years ago, when it was at 88.2% (although pay TV viewership hours declined over the same period) according to Nielsen. In his view, as the formation of households and incomes of individuals in each household continues to rise, and as millennials continue the trend of moving out of their parents' households, the amount of those partaking in pay TV could improve drastically (Farrell, 2015).

In an article written for *PC Magazine*, author Leslie Horn also disagrees with the hypothesis presented in this paper that states that millennials are more frequently watching and prefer on-demand video content. At the time of her publication, author Leslie Horn mentioned that Nielsen had released its annual State of the Media report, in which it is reported that while online video has seen major gains, traditional TV is still a dominant platform. The Nielsen report expands further by adding that while 143 million people watch video on the Internet, a full 288 million are watching content on regular televisions (Horn, 2012).

While this article notes that more people are cutting the cord, it argues that those cutting the cord are only a small percentage of the video-watching public. This data appears to simply disregard the large given number of people that were watching video at the time on the Internet, in an effort to prove the point that regular TV was still dominating at the time. Even if 288 million people still watched regular TVs, almost half of that number began to watch video via the Internet. While the data provided may have shown that more consumers still watched content on regular TVs when the article was written in 2012, a more current videophile posted in *Broadcasting & Cable Magazine* in September of 2015 indicates the contrary; that pay TV subscriptions are dipping as SVOD (Subscription video on-demand) subscriptions are rising. The videophile provided in *Broadcasting Cable Magazine* presents findings from Nielsen's *Total Audience Report* for the second quarter of 2015. The numbers provided in this report indicate that homes with pay-TV subscriptions has dropped 1.2% to 100.4 million, while the number of homes that are broadband-only (no longer have a cable subscription service) has gone up 52% to 3.3 million, up from 2.2 million in 2014 (*Pay TV Subscriptions Dip as SVOD Rises*, 2015). This survey also reports that the number of homes that now use a Video-on-demand service, including subscription services such as Netflix, jumped from 18% in 2014, to 45% in 2015 (*Pay TV Subscriptions Dip as SVOD Rises*, 2015). Online viewing options and the growth and reach of broadband will only continue to grow and further penetrate paid TV subscription services. In an article entitled, "Cable TV Subscribers in Historic Decline," author Okalow (2013) for *Canadian Business Magazine* further discusses the new trend of cord-cutters and cord-nevers. This article argues that the rise of cord-cutters and cord-nevers also affects the Canadian television market. A report discussed in this article provided by IHS, a research firm based in Englewood, Colorado, showed that Canadian cable providers lost nearly 10,000 subscribers in the second quarter of 2013 which accounted for the third straight quarter reporting loss in a row. No growth in cable subscriptions had been seen for seven straight months at the time this article was published (Okalow, 2013). An analyst for the IHS Research Firm, Erik Brannon, believes that the television market is saturated and that a paradigm shift is occurring in the United States regarding the way in which consumers think about television services (Okalow, 2013). The researchers behind this study propose that millennial preference of on-demand television subscription services stems from a preference for either fewer options for comparative evaluation or for a preference in the way on-demand television subscription services organize their viewing

content. Content can be based on specific genres, targeted towards viewers' previous viewing choices or preferences. With on-demand television subscription services, consumers have much fewer options of viewing formats (Netflix, Hulu, Amazon Instant Video, etc.), but these formats contain categorized content that viewers can search to find exactly what show or movie they desire to watch in the moment. However, with the use of traditional cable subscription services, the choice of what to watch may be more involved, yet also much more restricted for consumers. The choices of traditional television subscription services available may involve a more comparative evaluation, choosing between ABC, NBC, CBS, TNT, TBS, FOX, FX, A&E, AMC, etc. While this may seem to provide consumers with more options, once the choice of network has been made, viewers soon discover that they are restricted to only what is being shown on the particular network at that given time. In the category of on-demand television subscription services, all choices offered in traditional television subscription services are also available. However, these on-demand services break programs up into categories such as trending now, genre type, age of audience, and more, all of which are available for immediate viewing or viewing at a convenient time for the consumer. Conversely, in the case of traditional cable subscriptions, consumers are forced to sift through many channels to find the category of program that they are interested in at the time of viewing, some of which may not be available at the time the consumer prefers to watch it.

In the traditional model of consumer decision making, the first stage a consumer experiences is problem recognition (Kardes, Cronley & Cline, 2011). Problem recognition typically takes place when there is a noticeable difference between what a consumer has and what it is that they want (Kardes, Cronley & Cline, 2011). For example, a consumer may turn on their television to access their television subscription service to find that the content they were looking for is not available. According to the traditional model of consumer behavior, a consumer would then conduct an information search in order to find a way to satisfy their desire to watch a particular television show or movie. However, this is where traditional forms of television subscription services become endangered.

In order for a consumer to find exactly what they want to watch at the moment (what they want to see on-demand) they may need to go to an online source or to an on-demand viewing service, resulting in a move away from traditional television subscription services. On-demand television subscription services allow consumers to fulfill their desire immediately and to resolve the discrepancy that previously existed between what they had and what they wanted to have. By noting this want-got gap result, companies such as cable and satellite providers must seek to find ways to fill this gap where newer on-demand subscription services have found ways to satisfy this want or need.

Brannon (2013) proposes that people who came of age after 2008, the cord shaving era, are now progressing to cord-cutting altogether. Brannon classifies these people as "...a group that is satisfied entertaining itself with social media and YouTube, while relegating pay TV to a more secondary role in their lives -- if at all (Okalow, 2013). Brannon believes that children who will grow up in households such as these will continue cord-cutting or cord-never consumer behaviors (Okalow, 2013). Canadian television providers attempt to combat these losses and this change by offering options such as a-la-carte cable television (a "pick your channels" strategy) and other options such as a PVR (personal video recording) machine with which consumers may record their favorite programs and watch them at a later date (Okalow, 2013). It is our belief that these cable companies may be going in the wrong direction in handling the switch to on-demand

television subscription services. Rather than avoiding it or attempting to do things to combat it, these companies should look to the future and find ways in which they may potentially incorporate the use of on-demand services into the services they offer or anticipate other future needs of consumers who clearly prefer on-demand television content.

RESEARCH QUESTIONS & HYPOTHESES

This study seeks to discover not only the preferences of television viewing methods but also the attitudes toward both broadcast and on-demand television subscription services. To assess preferences, this research seeks to discover whether millennials prefer to view broadcast television content or on-demand television content. Due to previous research conducted on the topic mentioned above, this study hypothesizes that millennials prefer to watch television on demand because it allows them to watch their favorite shows and movies at any time, and on multiple devices.

The decline of the number of millennial subscribers to broadcast subscription services is another interest of this research. Therefore, this study will also seek to discover what portion of millennials no longer pay for broadcast television services (“cord-cutters”), and what portion have never owned them outright (“cord-nevers”). Because of the low price, availability and quality of content of online streaming services, it is believed that these factors are leading millennials to cancel their cable/satellite subscriptions, or to never purchase a cable/satellite subscription at all.

To determine the reason for this decline in subscriptions to broadcast television content, this study seeks to answer whether the original series created by SVOD (Subscription-based Video On Demand) services are influencing millennials decisions when choosing subscription services. Due to the rise in popularity of on-demand original content, this study hypothesizes that millennials subscribe to a particular online streaming service depending on its availability of original television content not found on broadcast television.

Due to this hypothesized preference of original television content in on-demand subscription services, this study also seeks to discover if binge-watching is affecting the way millennials consume television content. This study considers that millennials are more likely to log in to an online video streaming service because of its binge-watching capabilities. Millennials prefer to watch two or three episodes a day rather than just one a week.

These research questions and hypotheses will test our assumptions about millennials’ television consumption behavior. We start from a broader perspective that tests millennials’ preference of on-demand television over live broadcast television. Then, our research will try to show how their preference of on-demand streaming services is leading millennials to cut the cord (cord-cutters), or to be the first generation that completely rejects cable/satellite services and decides to never subscribe (cord-nevers). The next step in our research is to understand why millennials prefer online streaming services over live broadcast. This will allow us to find what causes millennials to behave the way they do. Whether it is price, the content online streaming services provide, or its accessibility and availability, there is a reason to why our target population is leaning toward one category over the other.

METHOD

The research team determined that the data collection tool deemed most appropriate to analyze the television viewing habits of millennials was an online survey created using Qualtrics, a web-based tool for creating and conducting online surveys. Participants were recruited by the use of listed Facebook communities, including the School of Communication and various others within

Florida State University. Participants were also recruited as a result of posting the link to the survey on the Facebook pages of those who conducted this research. While millennials were the main focus of this study, the survey did not discriminate based on age and data was retrieved from participants who fell outside of the millennial age group as defined earlier in this study. In November of 2016, this survey received 137 responses, 118 responses fully completed, eighty-three percent of which fell in the age category of millennials as defined in this paper. Seventeen percent of respondents fell outside of this age category (respondents aged 35 or older).

The survey, created using the Qualtrics online survey tool, began with a welcome message to participants that informed them of the purpose of the study (to determine consumers' preferences for on-demand, broadcast television services, or both) and also informed participants of how the information would benefit marketers (to provide insight as to what television platforms are preferred by consumers in 2015 and what influences those preferences). Participants were informed that their participation in the survey would be no more than ten minutes in length, and were assured that there was no risk involved in taking the survey as the information provided would remain anonymous. Participants would in no way be identified through their participation in the survey.

The survey included 20 questions, designed to assess 1) whether participants paid for on-demand or broadcast television services, 2) whether they paid for any bundling of services (television and internet, television and phone, etc.), 3) if they had ever paid for on-demand or broadcast television services, and 4) which of these services they did pay for, if any. Participants were also asked to provide an estimate of how many hours per week they watched either on-demand or broadcast television content. The attitudes of participants towards these different platforms of viewing content were assessed by asking their level of satisfaction with either on-demand or broadcast television services on a scale from "Very Dissatisfied" to "Very Satisfied."

Participants were asked to what extent they agreed with the following statements: "This platform is my first choice for viewing television content," "This platform best fits my viewing schedule," and, "This platform offers the best quality of television content." Participants rated their responses to the previous questions based on a five point Likert scale for both on-demand and broadcast television services ranging from "Strongly Disagree" to "Strongly Agree."

Participants were then asked to rate the quality of the content and their viewing experience, the ability to watch content on their own schedule, the preferences of their peers, the price of the platform, the ease of use of a platform, the availability of a platform on the devices they used, the quality of customer support, and the availability of content on multiple devices. Ratings were reported on a scale from "Unimportant" to "Very Important." Participants were then asked if they began use of an on-demand or use of a subscription television service in order to watch a particular program or content and if they prefer to binge watch programs or watch week-to-week. The likelihood of paying for either on-demand or subscription services in the next 12 months was also asked of participants. The survey concluded by asking for participant's demographic information, such as age, gender, ethnicity, highest degree earned, and marital status. Participants answered the survey questions on their own time from the location of their choosing.

An online survey was chosen as the methodology for this study because it was deemed the best way to connect to millennials where they are. Data from Global Web Index indicates that 88 percent of millennials noted account ownership of a Facebook page (Bennett, 2014)). Because of the high usage of this social media platform by our target audience for this research, it was

concluded that this was the best option to reach the target audience of millennials and obtain high participation rates in this survey.

A five point Likert scale was used several times throughout the survey for this research. This scale was chosen due to the nature of this study which analyzed attitudes of survey participants towards on-demand and broadcast television subscription services. Likert-scales are very commonly used to measure consumers' attitudes, and so this scale proved a logical choice for this study. A similar Likert-scale model was used in a previous study analyzing the attitudes of children towards television advertising (D'alessio, Laghi & Baiocco), at which time it was then deemed as an appropriate way to assess attitudes in this study.

The Statistical Package for the Social Sciences (SPSS) was used to analyze the frequencies of factors and to conduct bivariate and multivariate analyses of relevant variables. Independent sample t-tests were also conducted, dependent on the amount of answers received from participants falling outside of the age classification of millennials to test for differences between millennials and other age groups in their preferences of, and attitudes toward, on-demand or broadcast television subscription services. Chi square tests were also used to test for differences between millennials and those above the millennial age group (those aged 35+).

RESULTS

Hypothesis 1: Millennials prefer to watch television on demand.

The vast majority of respondents in our sample indicated that they currently pay for on-demand subscription services (Netflix, Pay-Per-View, Hulu, HBO Go, etc.). Specifically, 79.3 percent of respondents (n=107) are currently paying for these services. On the other hand, a majority of respondents in our sample did indicate that they are currently paying for broadcast television services such as cable or satellite services (63%, n=85).

When comparing millennials to older generations, we found that 82.4 percent of millennials (n=70) currently pay for on demand services while 69.6 percent of non-millennials (n=16) currently pay for on demand services. In fact, millennials are 2.04 times more likely to pay for on-demand services.

There is a significant difference between millennials and older generations regarding payment for broadcast television services, $X^2(1) = 6.132, p < .05$. Older generations (n = 19) are 4.03 times more likely to pay for broadcast television services than millennials (n = 46).

Moreover, 62.6 percent of respondents in this sample reported that they agree or strongly agree with the statement "on demand subscription services are my first choice for viewing television content" (n = 62). For this statement, the mode was 5 (strongly agree) and the median was 4 (agree).

Also, 86.9 percent of respondents (n = 86) indicated that on-demand subscription services best fits their viewing schedule. The mode and the median for this statement are both 5 (strongly agree).

Lastly, 52.5 percent of respondents (n = 52) reported that on demand television services offer the best quality of television content. The mode and the median for this statement are both 4 (agree). The same sample of respondents also rated the previous statements, but this time about broadcast television, instead of on demand television services. In this case, 45.5 percent of respondents (n=35) either agreed or strongly agreed that broadcast television is their first choice for viewing television content. Also, 39 percent of respondents (n = 30) indicated that they agree or strongly agree with the statement "broadcast television best fits my viewing schedule." Moreover, 46.8

percent of respondents (n= 36) indicated that they either agree or strongly agree with the statement “broadcast television offers the best quality of television content.”

The median was 3 (neutral) and the mode was 4 (agree) for all of the statements in the survey about television broadcasting.

The most important factors causing respondents in this sample to use on-demand subscription services are: the ability to watch television on their schedule (93.4%, n = 85), the quality of content (89%, n = 81), and the quality of the viewing experience (87.9%, n= 80). The mode and median for the ability to watch television on their schedule is 5 (very important). The mode and median for quality of content and quality of viewing experience are both 4 (important).

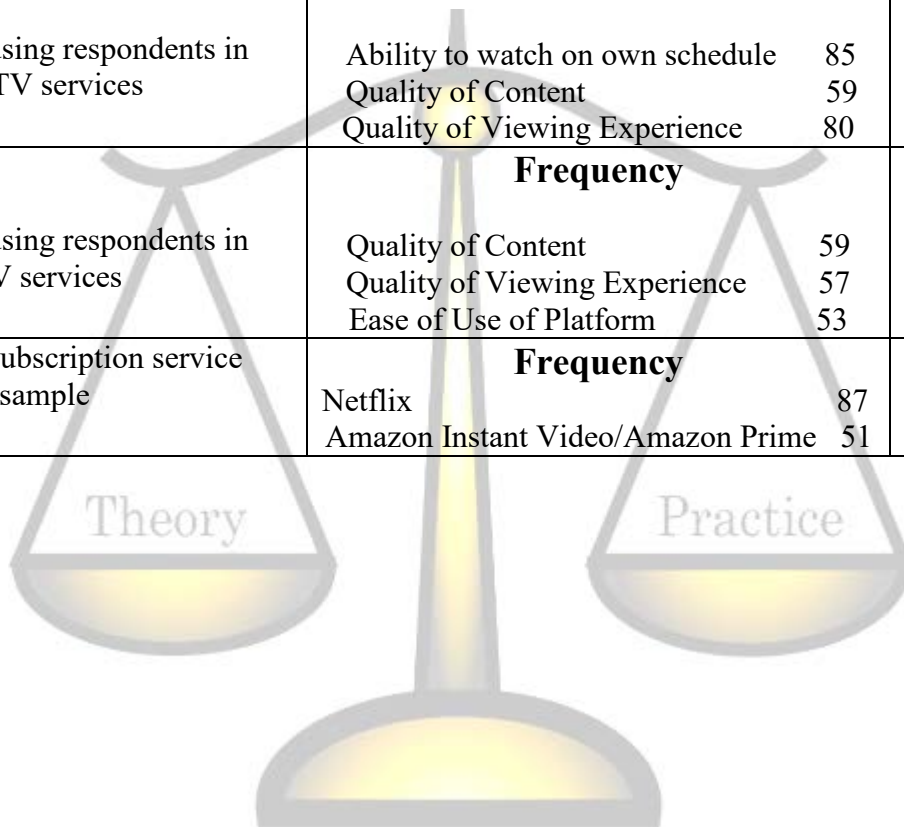
The most important factors causing respondents in this sample to use broadcast television services are: the quality of television content (83.1%, n = 59), the quality of the viewing experience (80.3%, n= 57), and the ease of use for the platform (74.6%, n = 53). The mode and median for quality of content, quality of viewing experience, and ease of use are both 4 (important).

In regards to the most popular on demand subscription service among respondents in this sample, Netflix is number one choice (64.4%, n = 87), followed by Amazon Instant Video/Amazon Prime (37.8%, n = 51).

Table 1: Major Survey Results- Hypothesis 1.

Respondents currently pay for on-demand subscription services (Netflix, Pay-Per-View, Hulu, HBO Go, etc.)	<table border="1"> <thead> <tr> <th colspan="2">Frequency</th> <th>Percent</th> </tr> </thead> <tbody> <tr> <td>1 Yes</td> <td>107</td> <td>79.3</td> </tr> <tr> <td>2 No</td> <td>27</td> <td>20.0</td> </tr> <tr> <td>Total</td> <td>134</td> <td>99.3</td> </tr> <tr> <td>Missing</td> <td>1</td> <td>.7</td> </tr> </tbody> </table>	Frequency		Percent	1 Yes	107	79.3	2 No	27	20.0	Total	134	99.3	Missing	1	.7	
Frequency		Percent															
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2 No	27	20.0															
Total	134	99.3															
Missing	1	.7															
Respondents currently pay for broadcast television service, such as Xfinity, Comcast, DirecTV, etc.	<table border="1"> <thead> <tr> <th colspan="2">Frequency</th> <th>Percent</th> </tr> </thead> <tbody> <tr> <td>1 Yes</td> <td>85</td> <td>63.0</td> </tr> <tr> <td>2 No</td> <td>49</td> <td>36.3</td> </tr> <tr> <td>Total</td> <td>134</td> <td>99.3</td> </tr> <tr> <td>Missing</td> <td>1</td> <td>.7</td> </tr> </tbody> </table>	Frequency		Percent	1 Yes	85	63.0	2 No	49	36.3	Total	134	99.3	Missing	1	.7	
Frequency		Percent															
1 Yes	85	63.0															
2 No	49	36.3															
Total	134	99.3															
Missing	1	.7															
Odds ratio: Millennials vs. older generation’s likelihood to pay for on-demand services.	<table border="1"> <thead> <tr> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2.042</td> </tr> </tbody> </table>	Value	2.042	Millennials are 2.04 times more likely to pay for on-demand services than older generations.													
Value																	
2.042																	
	<table border="1"> <thead> <tr> <th>Frequency</th> <th>Valid Percent</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Frequency	Valid Percent														
Frequency	Valid Percent																

Respondents agree or strongly agree that on-demand subscription services are their first choice for viewing television content.	Agree 27 Strongly Agree 35	27.3 35.4 Cum. Percent 62.6
Respondents agree or strongly agree that on-demand subscription services best fit their viewing schedule.	Frequency Agree 36 Strongly Agree 50	Valid Percent 36.4 50.5 Cum. Percent 86.9
Most important factors causing respondents in sample to use on-demand TV services	Frequency Ability to watch on own schedule 85 Quality of Content 59 Quality of Viewing Experience 80	Percent 93.4 89.0 87.9
Most important factors causing respondents in sample to use broadcast TV services	Frequency Quality of Content 59 Quality of Viewing Experience 57 Ease of Use of Platform 53	Percent 83.1 80.3 74.6
Most popular on-demand subscription service among respondents in this sample	Frequency Netflix 87 Amazon Instant Video/Amazon Prime 51	Percent 64.4 37.8



Hypothesis 2: Millennials are moving away from broadcast television services.

For this sample, 62.2 percent of participants (n = 84) indicated that they are likely or very likely to own on-demand subscription services 12 months from now. For the question, “How likely are you to pay/own on demand subscription services 12 month from now?” the mode was 5 (very likely), while the median was 4 (likely) with a range from 1-5. There is a significant difference between millennials and older generations regarding their likelihood to pay for on-demand services 12 months from now, $X^2(4) = 15.56, p < .01$. Specifically, millennials are more likely to own on demand subscription services 12 months from now.

For the question “How likely are you to pay/own broadcast television services 12 month from now?” both the mode and the median were 4 (likely), with a range from 1-5. However, only 45.2 percent of respondents are either very likely or likely to pay for broadcast television services 12 months from now. There is not a significant difference between millennials and older generations in their likelihood to pay for broadcast television services 12 months from now, $X^2(4) = 6.36, p = .174$. However, 27.1 percent of millennials are very unlikely to pay for broadcast television 12 months from now. Millennials comprise 92 percent of the respondents that are very unlikely to own broadcast television services a year from now.

In regards to “cord-cutters” and “cord-nevers,” the millennial generation is obviously drifting away from the traditional broadcast television. Specifically, there is a significance difference between millennials and older generations in previous ownership of broadcast television services, $X^2(1) = 4.22, p < .05$. Millennials (n = 30) are 3.64 times more likely than older generations (n = 3) to have never paid for broadcast television.

There is also a significant number of millennials that plan to “cut-the-cord” within a year. Specifically, 33.3 percent of millennials are very unlikely or unlikely to pay for broadcast television in the next 12 months.

Table 2: Major Survey Results- Hypothesis 2

Likelihood of participants to own on-demand subscription services 12 months from now	Frequency		Valid Percent
	Likely	27	20
	Very Likely	57	42.2
			Cum. Percent 62.2
Likelihood of respondents to pay for broadcast TV 12 months from now	Frequency		Valid Percent
	Likely	35	25.9
	Very Likely	26	19.3
			Cum. Percent 45.2
Percent of respondents very unlikely to own broadcast TV a year from now	Frequency		Percent
	Very Unlikely	23	92.0
Likelihood of millennials to pay for broadcast TV in the next 12 months	Frequency		Percent
	Unlikely	3	
	Very unlikely	8	33.3

Hypothesis 3: Original content from on demand subscription services is influencing millennials to cut the cord.

Respondents in this sample indicated that original content from on demand subscription services is not a factor influencing their decision to subscribe to these services. Specifically, 63.3 percent of respondents (n = 57) indicated not subscribing to on-demand services to watch original content.

There are no significant differences between millennials and older generations in whether original content is influencing them to subscribe to on demand subscription services, $X^2(1) = .001, p = .979$.

Respondents also reported that original content created by broadcast television providers is not a factor influencing their decision to whether own broadcast television services. Specifically, 63.3 percent of respondents (n = 45) indicated that they are not subscribing to broadcast television to watch specific original content.

There are not significant differences between millennials and older generations in whether original content provided by broadcast television is influencing them to pay/own this service, $X^2(1) = .000, p = .993$.

Table 3: Major Survey Results- Hypothesis 3

Original content from on-demand subscription services is not a factor influencing subscriptions to these services.	Frequency n= 57	Percent 63.3
Original content from broadcast television providers is not a factor influencing subscriptions to these services.	Frequency n= 45	Percent 63.3

Hypothesis 4: Binge-watching is affecting the way millennials consume television.

For this sample, respondents reported preferring to view television content all at once (40%, n = 54), than once a week (12.6%, n = 17). Also, 33.3 percent of respondents reported not having a preference (n = 45).

There is a significant difference between millennials and older generations in the way they prefer to view television content, $X^2(2) = 7.09, p < .05$. Specifically, millennials (n= 45) are more likely than older generations (n = 5) to prefer to view television content all at once (binge-watching) than once a week. More importantly, 52.9 percent of the millennials in this sample selected binge-watching as their preferred option to view television content.

Table 4: Major Survey Results- Hypothesis 4

All respondents preferences in viewing television content	<p style="text-align: center;">Frequency</p> View content all at once 54 View content once a week 17 No preference 45	<p style="text-align: center;">Percent</p> 40.0 12.6 33.3
Significant difference exists between millennials and older generations in the way they prefer to view TV content, all at once (binge-watching).	<p style="text-align: center;">Frequency</p> Millennials 45 Older Generations 5	<p style="text-align: center;">Significance</p> $\chi^2(2) = 7.09, p < .05$
Millennial respondent's preferences in viewing television content	<p style="text-align: center;">Frequency</p> Binge-watching 45 Once a week 11 No preference 29	<p style="text-align: center;">Percent</p> 52.9 12.9 34.1

LIMITATIONS

While a sufficient number of responses were received to this survey (n=118), to better compare the differences between millennial television viewing preferences and those aged above the defined millennial age group (35 years and older), a greater number of responses from those in this older age group would be needed. This study received twenty-three responses from those aged thirty-five and older and of those responses, sixteen were from respondents aged 50 and up. More responses are needed from consumers from ages thirty-five to fifty specifically.

Diversity was another limitation in this study. The vast majority of respondents were Caucasian/White, not allowing for analysis of differences among racial groups.

While this study utilized an online study, the results were more geographically defined to Florida or the other surrounding southern states. Additional marketing of the online survey to respondents outside of Florida could be done to reach respondents in other parts of the country in order to compare differences between regions of the country or simply to provide a more accurate picture of television viewing preferences of consumers in the United States as a whole. This marketing could be in the form of paid services that would distribute the survey to various geographic locations or pair the survey with research teams in different regions of the country to continue the research.

Since the shift proposed in this study from preferences of broadcast television content to preferences for on-demand television content is such a new phenomenon, little former research has been conducted on the topic, or, that which has been conducted, is extremely recent. As the shift continues, more research will be provided or available on this topic that was not available at the time of this study.

CONCLUSION

As this study proposed and as the results showed, millennials do prefer on-demand television subscriptions over broadcast options. A shift was viewed in this study which showed that fewer millennials subscribe to broadcast subscription services. However, original content such as shows created by Netflix or Hulu were not a deciding factor for millennials when choosing to view on-demand content. While it was shown that a fair portion of millennials surveyed ($n = 54$) preferred watching television content all at once (binge watching), an almost equally large portion of those surveyed ($n = 45$) reported that they did not have a preference of binge watching content or watching content week-to-week. Marketers may refer to this information to better meet millennials where they are already viewing it and will aid in tracking the shift from broadcast to on-demand viewing preferences. Because of this, consumers will receive a better viewing experience as marketers are more capable of meeting their needs and preferences such as their preferences for on-demand content and their preference for a lower-priced television viewing option.



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