

**Bespoke Market Intelligence**

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# **Netflix Price Increases**

**Quick Reaction and Comparison to 2019**

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**January 2022**

Survey of ~1,200 US consumers balanced to census.

## FINDINGS:

### ❑ **Netflix Price Increases Feedback**

- ❑ Aside from Prime TV, which has other benefits outside of just the streaming platform, Netflix subscribers were the least likely to say they would definitely cancel after learning of a \$1-\$2 price increase. Only a % of respondents who say they would cancel in the face of a price increase actually follow through with cancelling, so it is helpful to view this feedback within the context of the broader peer group.
- ❑ Less than half of Netflix subscribers know exactly how much they pay for Netflix. 53% of those who personally pay for Netflix do not know exactly how much they pay per month.
- ❑ Among former and non-subscribers, likelihood of signing up in the future does not change much when old / new price points are shown to respondents (ie, the current increase doesn't materially reduce likelihood of signing up in the future).
- ❑ Relative to the 2019 price increase, awareness of this price increase in its immediate aftermath is lower. Furthermore, current subscribers are less likely to say they would definitely cancel or would consider cancelling relative to readings in 2019.
- ❑ As a reminder from our quarterly survey, Netflix pricing power has pulled back in recent months. The price that would trigger cancellation is still firmly above current pricing levels, but we thought it was worth re-flagging. You might also notice on slide 15 that the price that would trigger cancellation followed a similar pattern in January of 2019 leading into the price increase at that time.



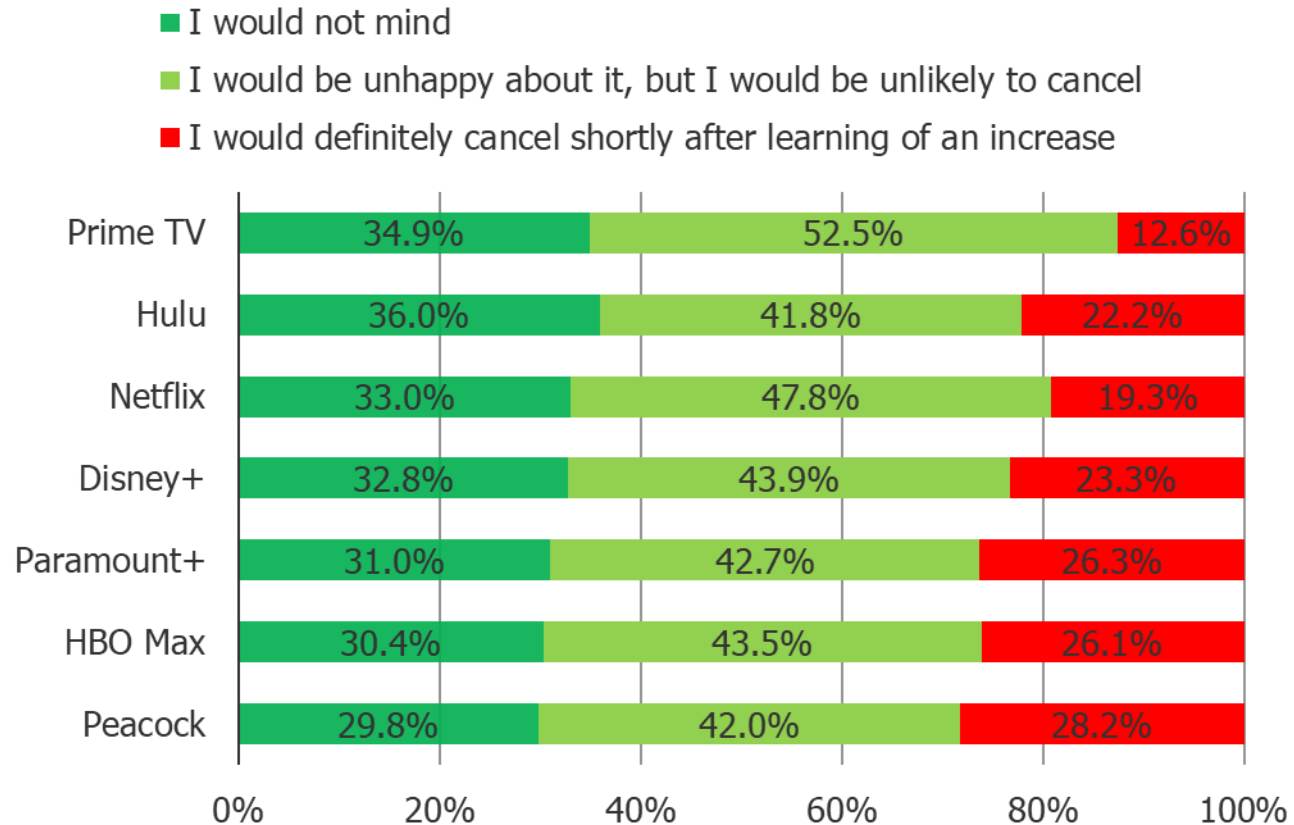
## Price Increase Reactions Across Peer Group

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## Bespoke Intel | Netflix Price Increases

**If you learned that the price of your plan was increasing by \$1-\$2 per month, what would your reaction be?**

*Posed to respondents whose household currently subscribes to each of the following.*



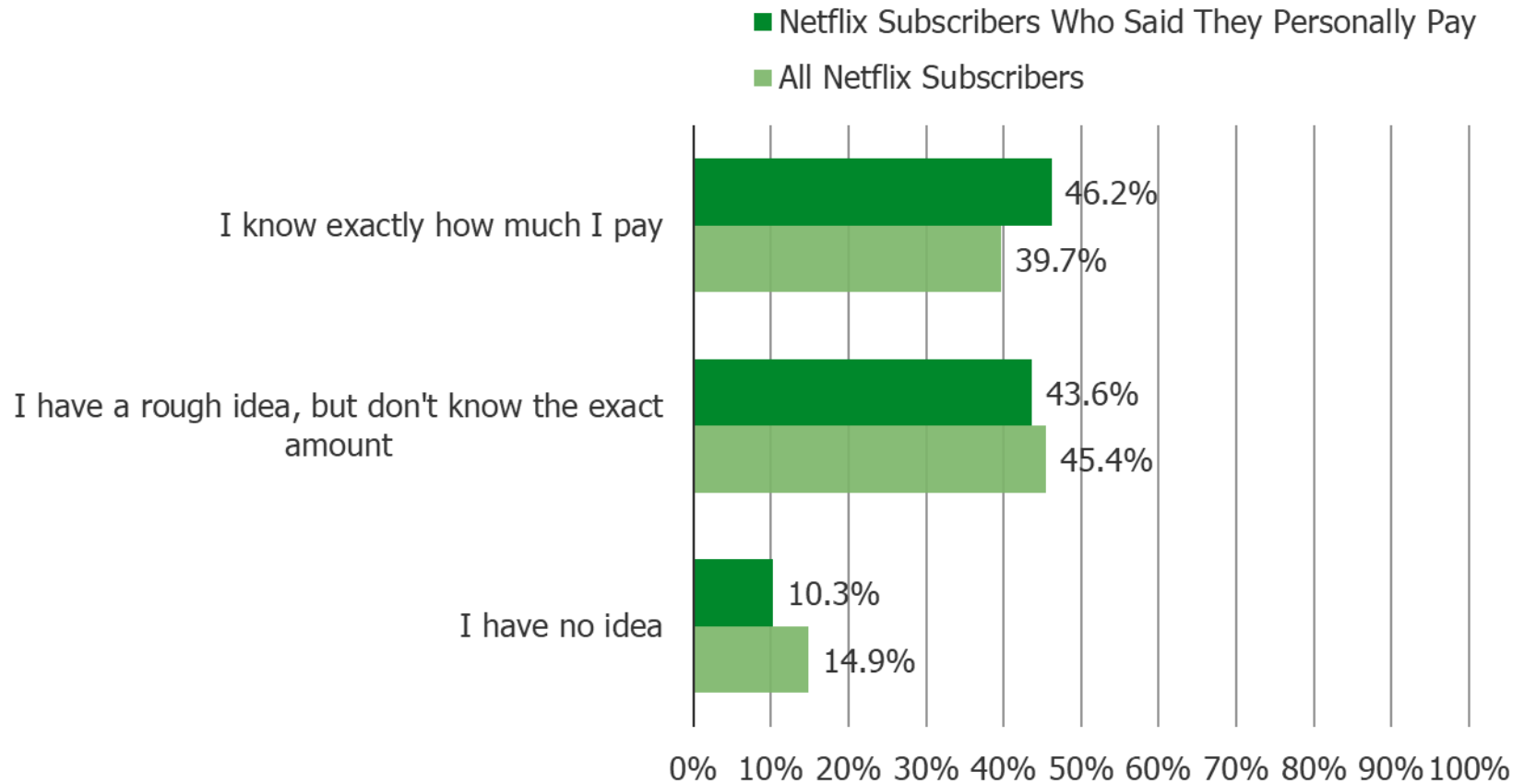
	N =
Netflix	691
Disney+	360
HBO Max	306
Hulu	464
Paramount+	213
Peacock	262
Prime TV	318

## Netflix Subscribers Price Awareness

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### Do you know how much you pay for Netflix per month?

Posed to respondents whose household subscribes to Netflix (N = 691) and respondents who actually pay for the subscription themselves (N = 507).



## Netflix Subscribers Price Increase Reaction | 2022 vs. 2019

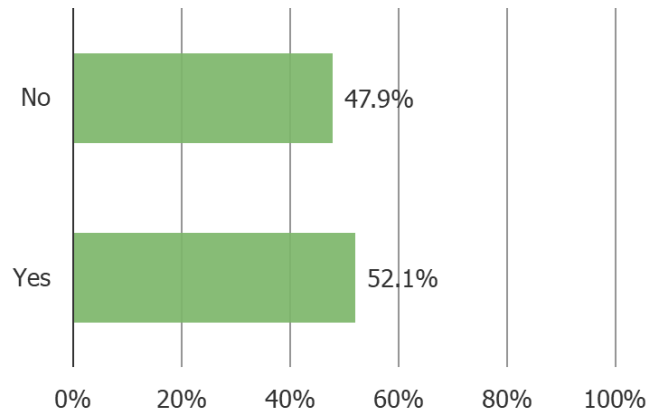
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## Bespoke Intel | Netflix Price Increases

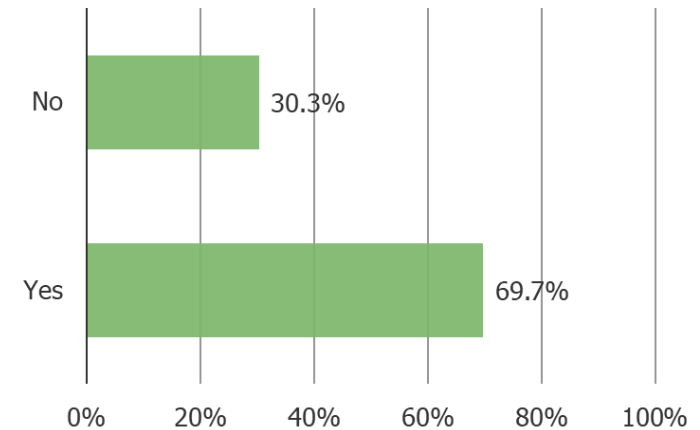
How likely would you be to sign up for Netflix at some point in the next year if the plans cost as follows when you tried to sign up?

*Posed to all Netflix subscribers:*

January 2021

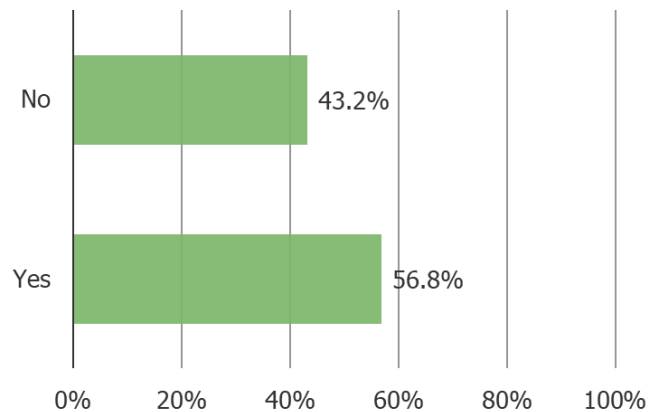


January 2019

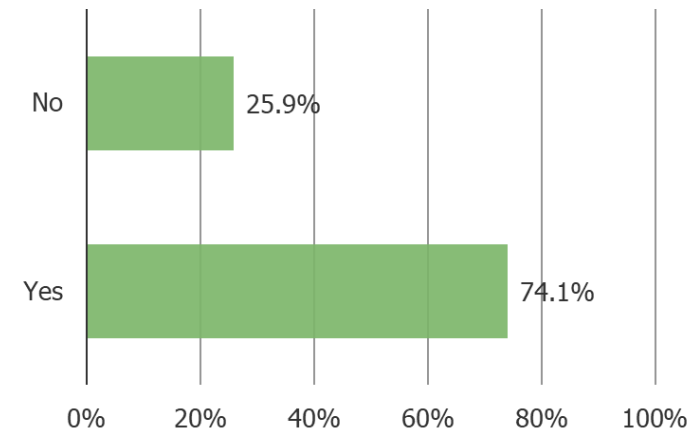


*Posed to Netflix subscribers who make the payments:*

January 2021



January 2019

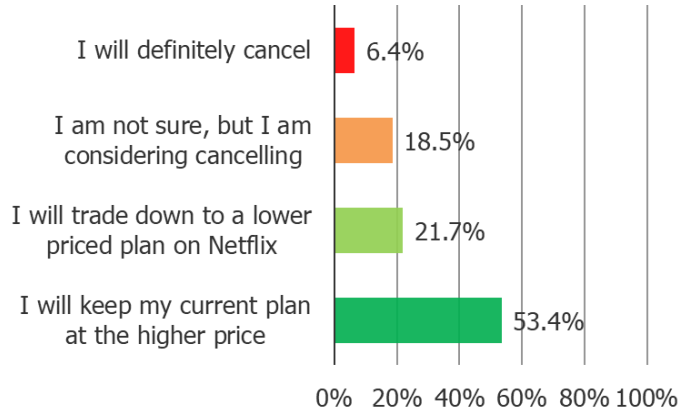




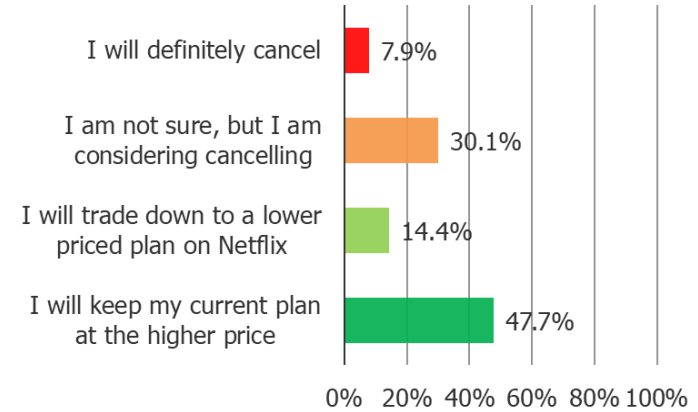
## What will you do when the price increase hits your account in the next few months?

Posed to all Netflix subscribers:

### January 2021

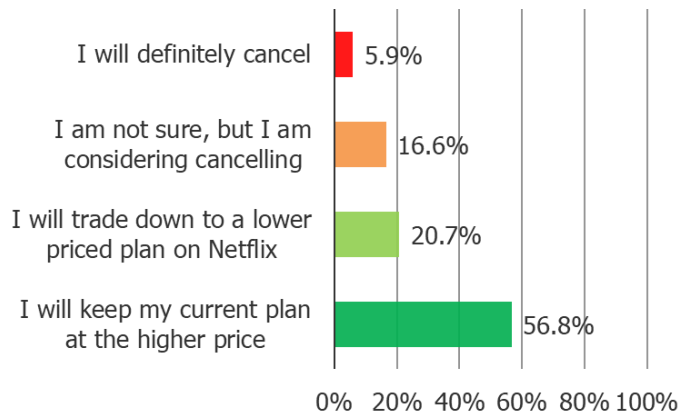


### January 2019

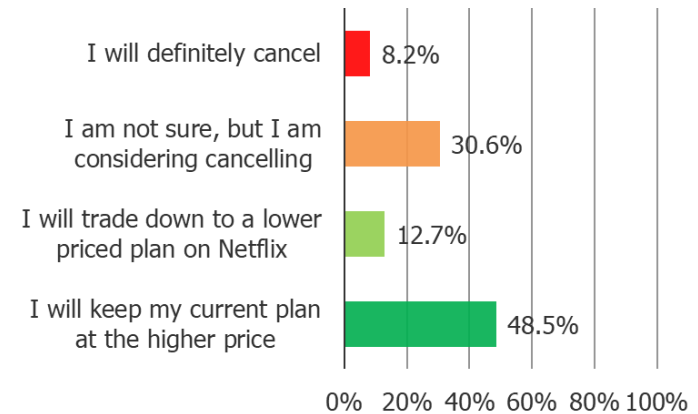


Posed to Netflix subscribers who make the payments:

### January 2021



### January 2019





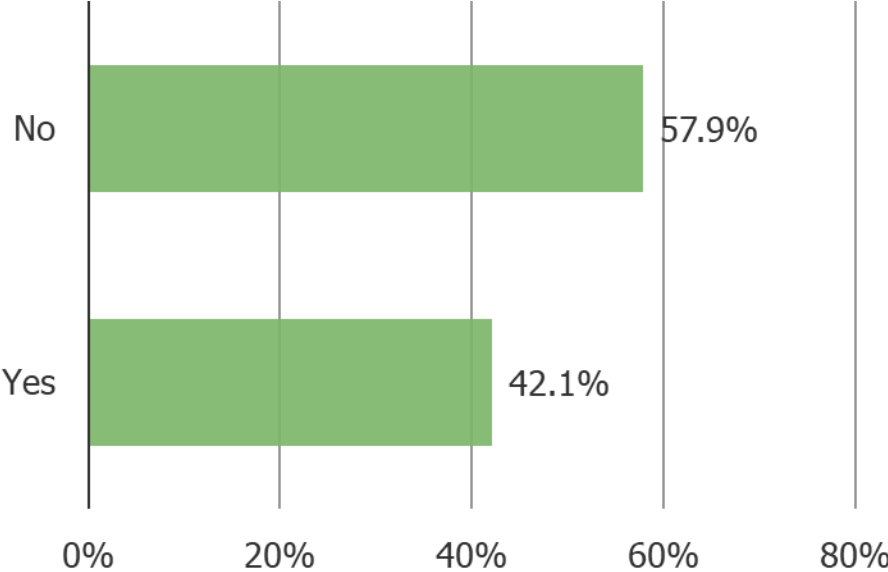
## Former and Never Subscribers | Price Increase Impacts to Likelihood of Signing Up

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# Bespoke Intel | Netflix Price Increases

## Have you been a Netflix subscriber in the past?

*Posed to respondents whose household does not currently subscribe to Netflix (N = 520).*



## Bespoke Intel | Netflix Price Increases

**How likely would you be to sign up for Netflix at some point in the next year if the plans cost as follows when you tried to sign up?**

*Posed to respondents whose household does not currently subscribe to Netflix: Formers (N = 220) and Nevers (N = 301)*



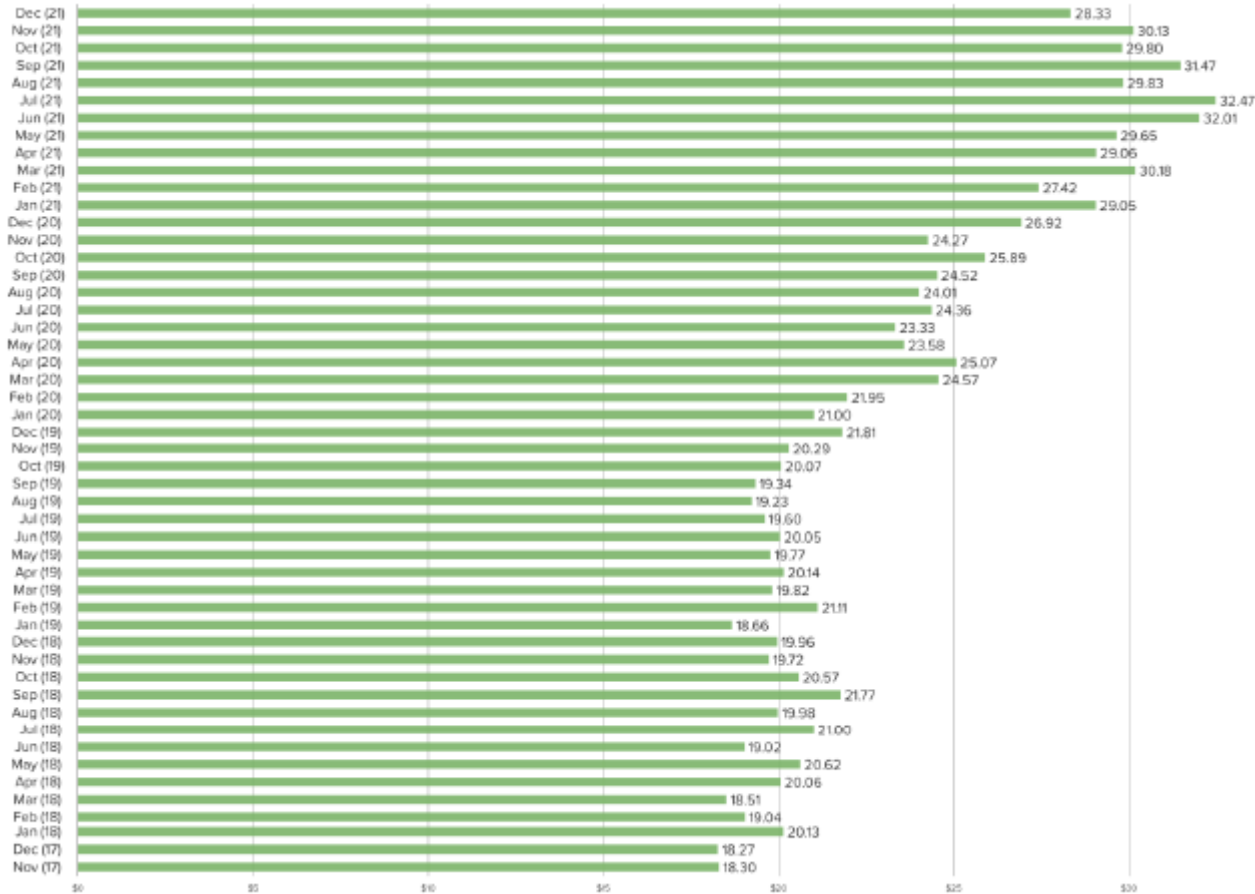
## Re-flagging Quarterly Feedback on Price Sensitivity and Satisfaction

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## Bespoke Intel | Netflix Price Increases

**At what monthly price point would you decide to cancel your Netflix subscription? (If Netflix continues to increase, what price per month would trigger your cancellation?)**

*Posed to all Netflix subscribers (fill-in, average dollar amount charted below)*



## Satisfaction with Netflix

Posed to all Netflix subscribers:

