

## **60% of consumers will watch ads to access more video content in lockdown**

*Rakuten Advertising data highlights appetite for video on demand services powered by ads, as consumers seek escapism during the COVID-19 pandemic*

**London, UK – Tuesday 5<sup>th</sup> May 2020** – The majority of consumers would watch targeted adverts to be able to access video content for free, according to new research from [Rakuten Advertising](#), the global provider of advertising technology and consumer insights.

The [research](#), conducted among more than 4,500 adults in the UK, France, Germany, Italy, Spain and the Netherlands, showed that 38% of UK consumers are spending three or more hours a day watching video-on-demand services, with the average household signing up to at least two video-on-demand services while on lockdown.

The study also found that 40% of UK consumers expect their viewing of video community sites, such as YouTube, TikTok and Twitch, to increase in the next month.

### **The hidden power of AVOD**

With access to theatre, pubs and cinemas prohibited, and sporting events cancelled across the 2020 calendar, consumers are finding themselves at home seeking escapism. This is reflected in the popularity of video-on-demand (VOD) services. Some 30% of respondents said they use VOD services to consume video content, placing these second only to traditional linear TV viewing (48%), and well ahead of video sites (11%) and social media (10%).

AVOD, a new ad-supported video-on-demand service, allows consumers to watch video-on-demand content for free with adverts. The findings show many consumers are interested in AVOD but may not yet be fully aware of it. In the UK, 60% of consumers say they are likely to sign up to an AVOD service, although only 37% said they are currently aware of AVOD offerings. 18% of UK consumers believe their use of AVOD services will increase in the next month due to the COVID-19 pandemic.

For those consumers that watch major sporting events, 26% said they would be interested in streaming them on an AVOD service when this was described to them, placing this ahead of all other streaming options, including pay-per-view and monthly subscription services.

Anthony Capano, Managing Director, International, at Rakuten Advertising comments, “Giving consumers the opportunity to access premium, quality content for free, as well as enabling brands to advertise in a sensitive and relevant manner, is a necessary evolution of TV now and beyond the COVID-19 crisis.”

### **A huge untapped opportunity yet to be realised**

As a result of consumers staying at home, people’s interactions with brands have changed; consumers are looking for brands to communicate authentically at this time.

A key driver of this attitude is that many consumers’ financial situations have been affected dramatically by the pandemic (35%). Consumers believe the brands that emotionally understand their customers are the ones that will have success after the crisis (26%).

Some 45% of UK respondents say ads that are funny, engaging, or entertaining will increase their likeliness of using an AVOD service, while 28% of respondents said relevant ads based on individual viewing habits or shopping behaviour will encourage their decision to use the AVOD service.

Anthony Capano, comments, “With over 50% of people globally watching more streaming services, we can create a sense of escapism through entertainment. Brands have the opportunity to be part of this great content and connect with consumers via AVOD platforms at this time.

“Advertising alongside content that captivates people’s attention can help brands build positive relationships with consumers. Whether it’s demonstrating empathy or showing support to local communities, brands can use advertising to demonstrate responsibility.”

### **The reality of our situation in the “new normal”**

Capano concludes, “The change to our daily routines, workspaces and connections with those we hold dearest calls now more than ever for global kindness. Consumers are looking for brands to be considerate and caring, both as employers and in how they treat their customers.

“Consumers are also looking for video content without wanting to sacrifice the viewing experience to irrelevant or insensitive ads. As long as the messaging of advertising strikes the right tone, AVOD helps brands successfully meet people’s need for escapism during challenging times and creates a new way to engage with audiences.”

**ENDS**

**Survey Methodology:**

Rakuten Advertising commissioned Qualtrics to conduct an online survey of 4,728 adults (18+) in each of UK (1,054 total), France (1050 total), Germany (1050 total), Italy (526), Spain (525) and the Netherlands (525). The survey was carried out in April 2020.

**About Rakuten Advertising**

Rakuten Advertising provides advertising technology and consumer insights to the world’s leading brands and retailers. Working with agencies and brands around the world, Rakuten Advertising unites technology, client strategy and consumer insights to deliver advertising experiences that drive increased brand awareness and marketing performance. With access to Rakuten’s global audiences, media, content networks and consumer research, Rakuten Advertising creates the right conditions to reach new customers and sustain long-lasting loyalty. It is a division of Rakuten Inc. (4755: TOKYO), one of the world’s leading Internet service companies. The company is headquartered in San Mateo, CA, offices in Australia, Singapore, Brazil, France, Germany, Ukraine the United Kingdom and throughout the United States. Learn more at <https://rakutenadvertising.com/en-uk/>.