



AMPERE
ANALYSIS

FAST Channels: 10 Key Trends

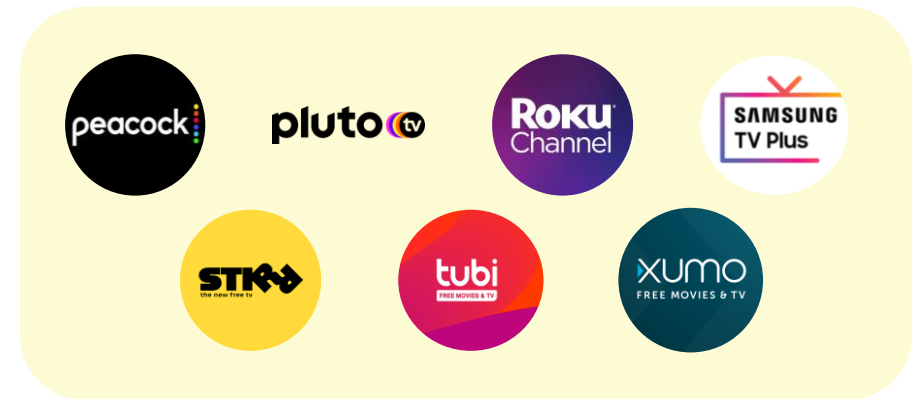
Rahul Patel

12 January 2023

Introduction

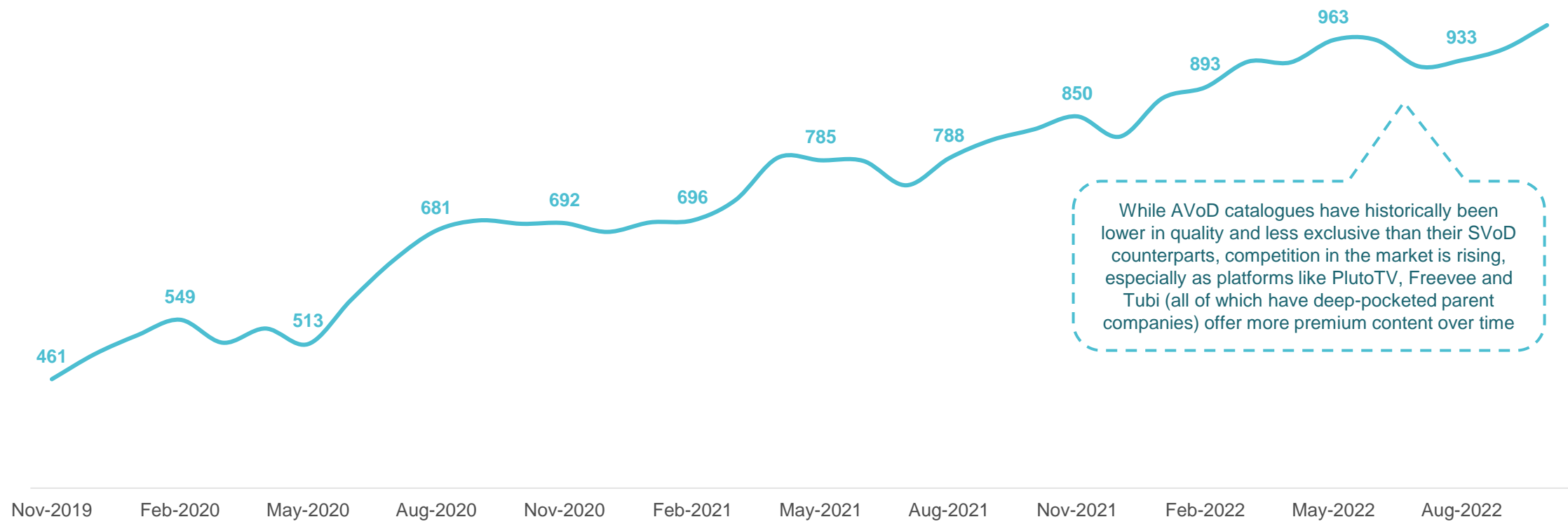
- This report analyses 10 key trends within the growing FAST channels market
- FAST – or Free Ad-Supported TV – channels are scheduled streams of content that function similarly to traditional linear broadcast channels but are delivered over the internet akin to video-on-demand services; they are funded by advertisements
- FAST channels are a common feature of leading ad-supported video-on-demand (AVoD) services in the US, including Peacock, PlutoTV, Roku, Samsung, Stirr, Tubi and Xumo – all of which are analysed in this report
- *This report was initially presented at The Future of TV Advertising Global event in London in December 2022*

US FAST channel providers included in this study



1) AVoD platforms are offering more top content than ever before

USA: Number of titles available on AVoD with Critical Rating* greater than 70

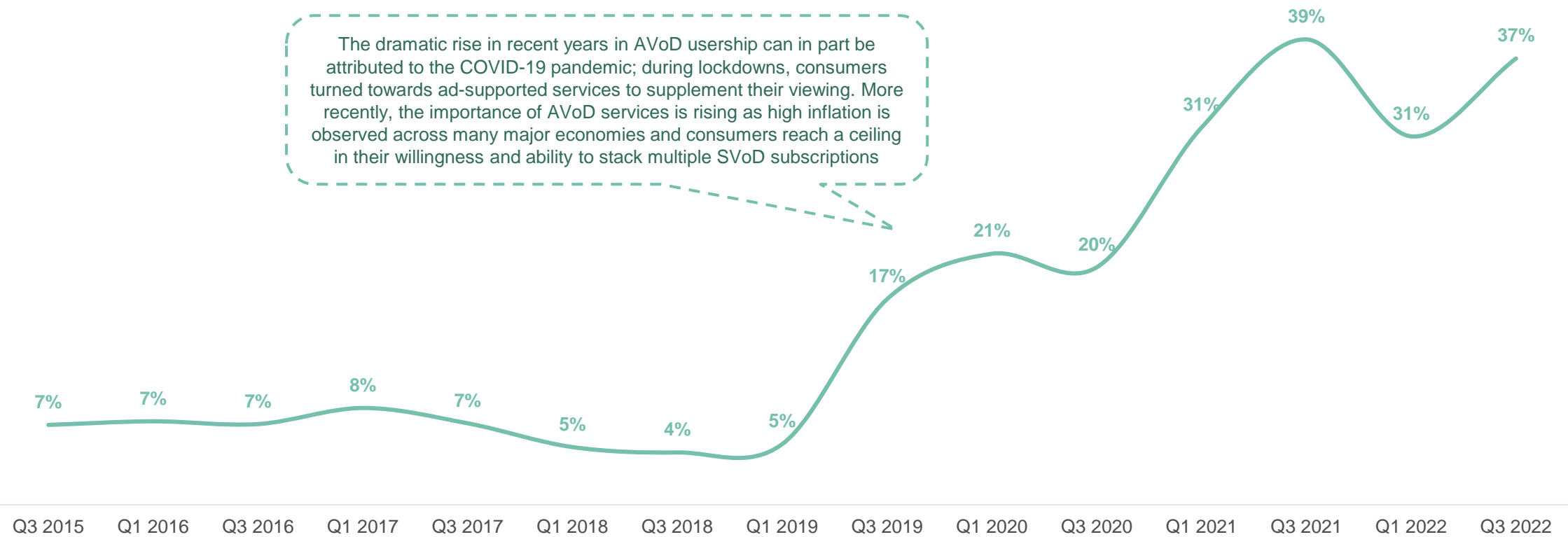


Source: Ampere Analytics – AVoD & Catch-up



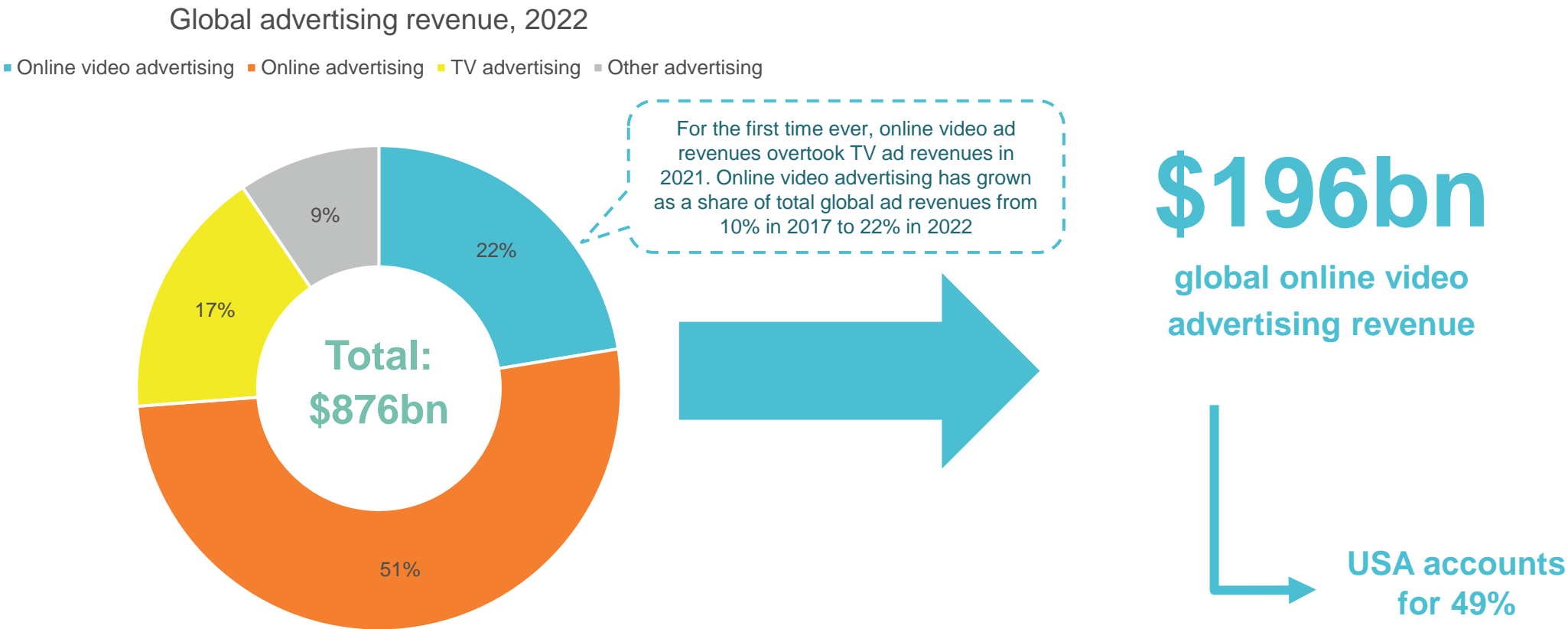
2) This has led AVoD usership to rise rapidly in the USA

USA: % of Internet users that used an AVoD service in past month



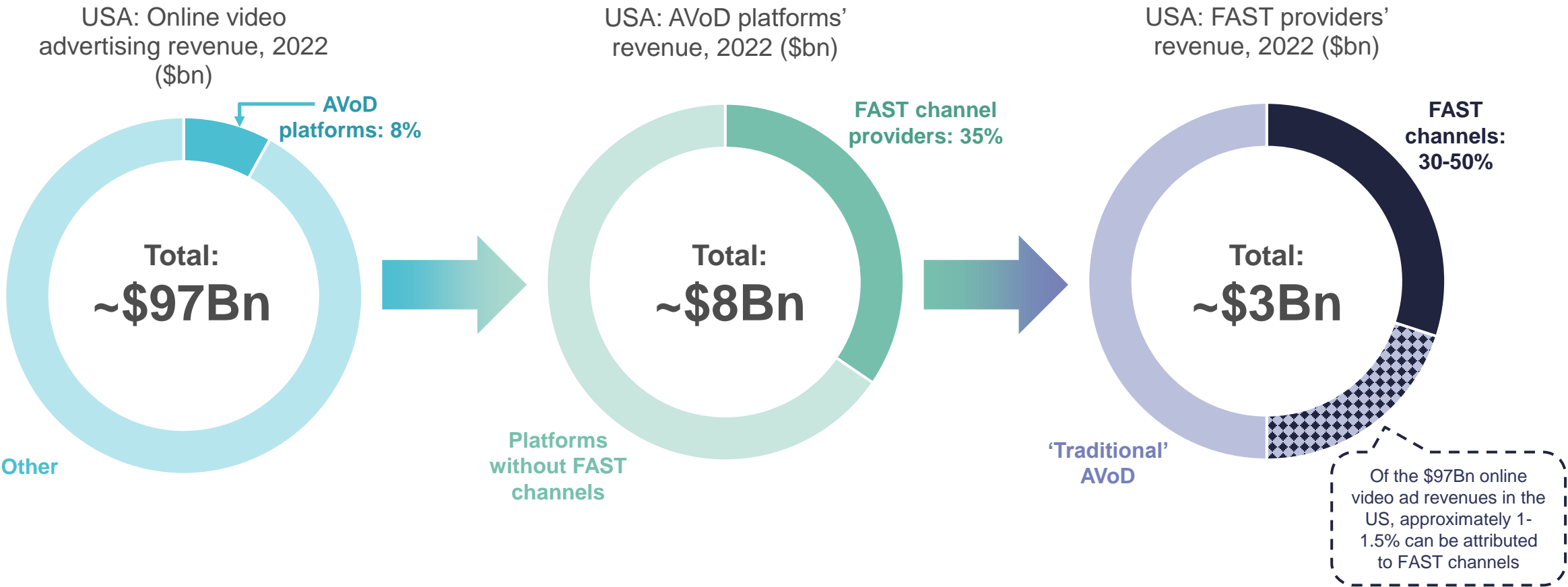
Source: Ampere Consumer

3) Online video advertising represents a growing share of global ad revenue



Source: Ampere Markets – Operators

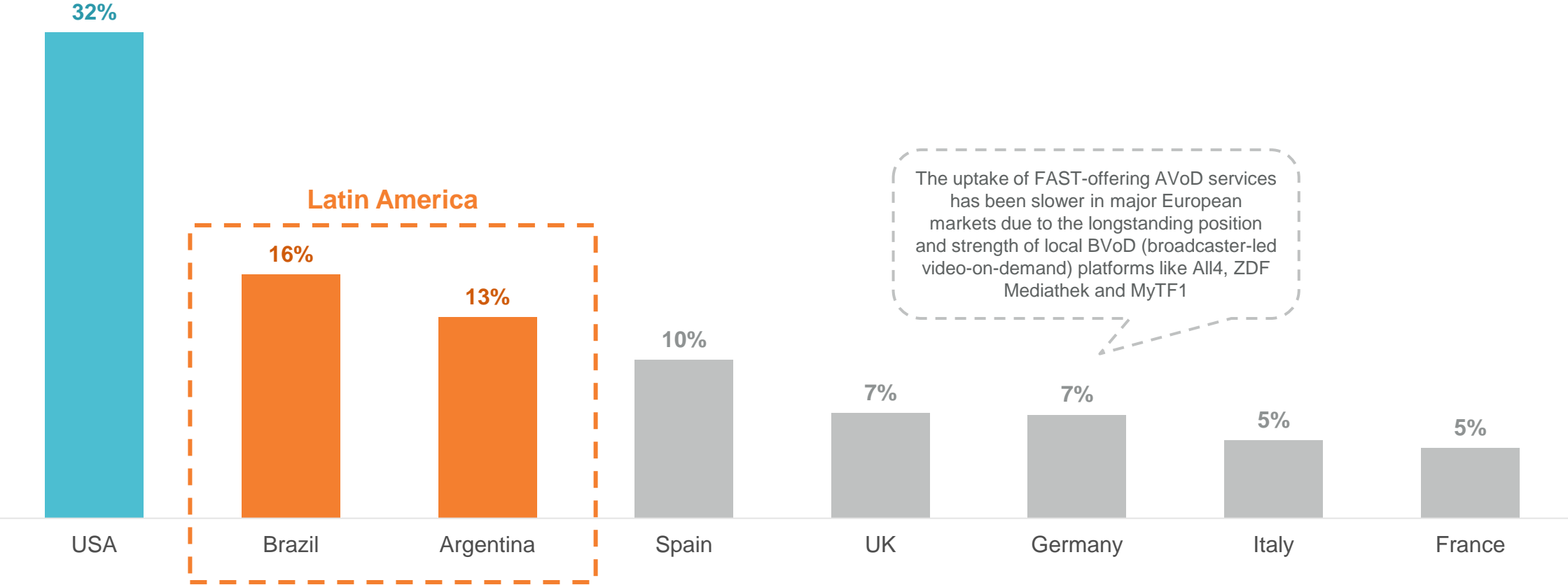
4) But FAST's actual opportunity is a far smaller portion of the online video ad market



Source: Ampere Markets – Operators

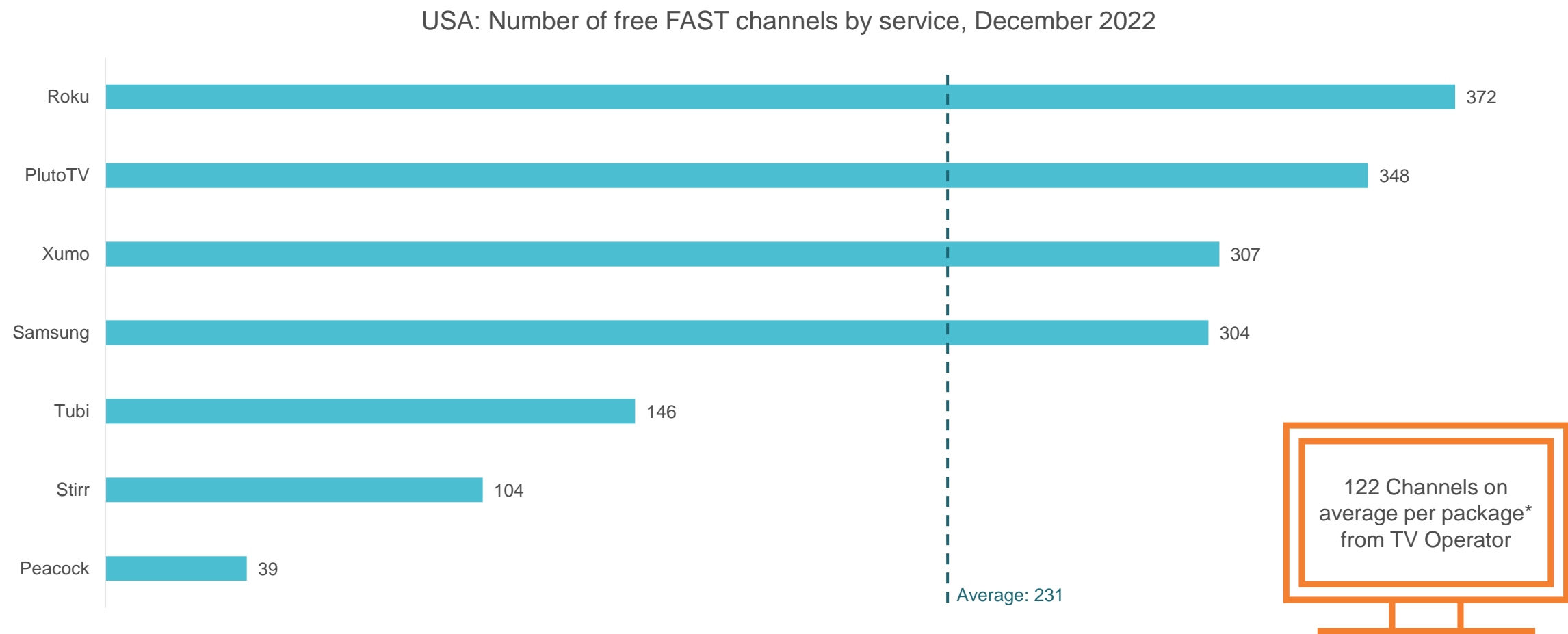
5) Usership of FAST varies by market, representing regionally disparate opportunities

% of Internet users who have used a FAST player's service in the last month



Source: Ampere Consumer, Q3 2022

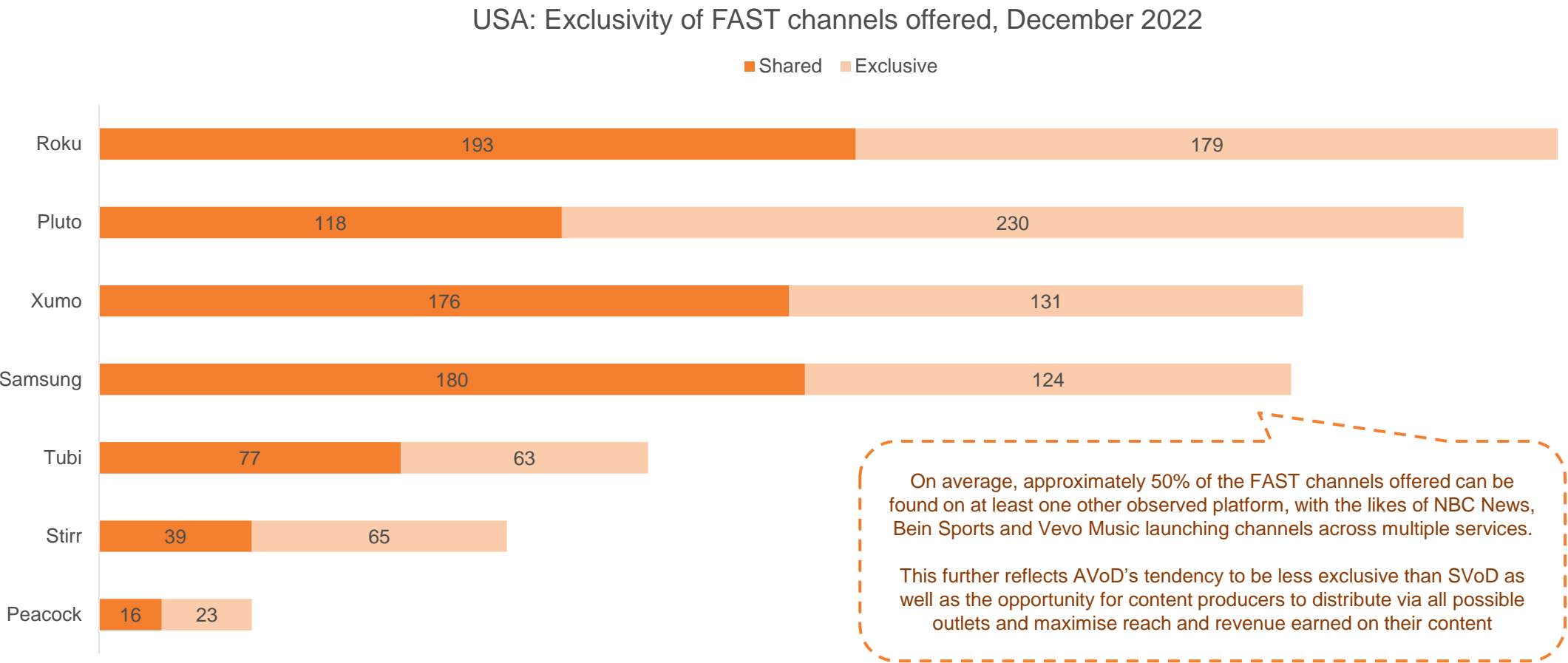
6) The largest FAST providers offer hundreds of channels



Source: FAST channels, Ampere Channels



7) But many of these are offered on a non-exclusive basis

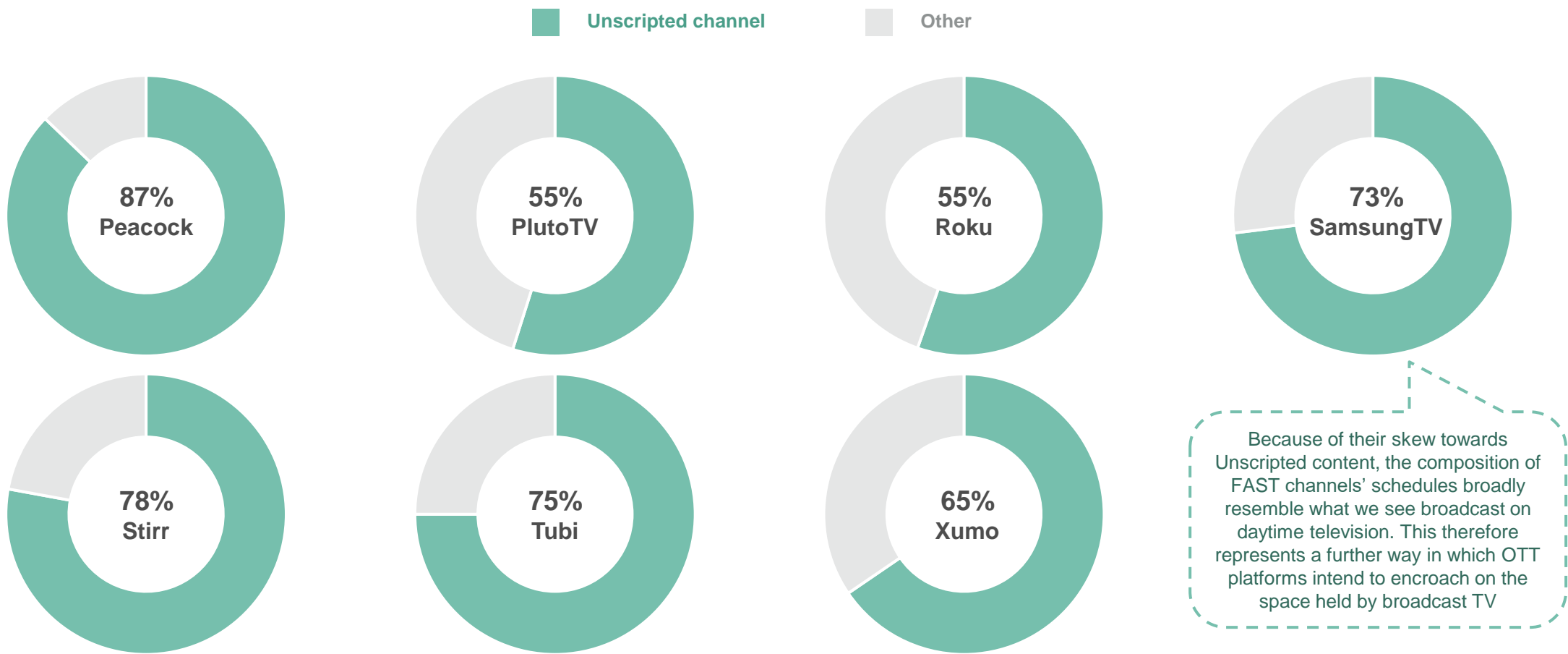


Source: FAST channels, Ampere Channels



8) The themes for FAST channels typically lean towards Unscripted content

% of free FAST channels devoted to Unscripted* genres



Source: FAST channels, Ampere Channels



9) Show-specific channels are highly common, unlike in the linear broadcast space

The image displays two screenshots of streaming service interfaces, illustrating show-specific channels. The left screenshot shows the Pluto TV interface, and the right screenshot shows the Tubi interface.

Pluto TV Interface:

- Left sidebar: Reality (selected), Game Shows, Daytime TV, Comedy, Classic TV, Home, Food, Lifestyle + Culture, Sports.
- Top navigation: Live TV, On Demand, Search.
- Grid of show-specific channels (highlighted with a red box):
 - 920: The Contender (32 min left)
 - 925: The Amazing Race (17 min left)
 - 930: Survivor (2 min left)
 - 935: The Challenge (47 min left)
 - 940: Fear Factor (3 min left)

Tubi Interface:

- Top navigation: Browse, Tubi Kids, Live TV, NEW FIFA World Cup 2022™.
- Featured section: Recently Added Channels, National News, Sports on Tubi, Business News, Global News, Weather, Culture and Entertainment News, Entertainment.
- Grid of show-specific channels (highlighted with a red box):
 - THE MASKED SINGER
 - COSMOS
 - Undercover: Fighting the Fraudsters
 - Hope For Wildlife

The relative ease of launching a FAST channel is exemplified through show-specific streams, which can help with discoverability (if the service is then able to direct viewers to consume the content via the video-on-demand portion of the user interface) as well as the burden of choice some consumers may feel given how much content they have access to

10) There is a lower barrier to entry for content streamed via FAST channels

The screenshot displays the Pluto TV interface. On the left is a sidebar with category icons: MTV On Pluto, Movies, Crime Series, Drama Series, Sci-Fi Series, Paranormal, Comedy, Music, and Food. The main area shows a grid of channels and their current programs. The top navigation bar includes 'Live TV' (highlighted), 'On Demand', and a search icon. The grid lists channels 918 through 923. Channel 922, IGN, is highlighted with an orange border. A callout box points to the IGN entry, containing text about FAST's lower barrier to entry and its appeal to younger gaming audiences.

Channel	Program	Time Left	Next Program
918 pokerGO	Dolly's Game: \$100K 2-/ NL - Day 1	1hr 35 min left	Dolly's Game: \$100K 2-/ NL - Day 1
919 STRONGMAN CHAMPIONS LEAGUE	Strongman Champions	25 min left	Strongman Champions
920 GLORY KICKBOXING	Glory Kickboxing: 59 Am	1hr 8 min left	Glory Kickboxing: 59 Am
922 IGN	IGN Plays: Fortnite Secret Skirmish Day 1	2hr 47 min left	IGN Plays: Fortnite Secret Skirmish Day 1
923 MINECRAFT TV	Thinknoodles does Minecraft: TROLLIFIED!!	12 min left	Thinknoodles does Minecraft: TROLLIFIED!!

FAST's lower barrier to entry further differentiates it from traditional linear TV. For example, some services provide e-sports channels – e-sports are popular among younger gaming fans (those aged 16 to 44), and therefore could be used to attract younger audiences to FAST. This style of content is similar to that which can be found on YouTube, which is the most popular platform through which US games fans watch e-sports

Five key questions we are left with...

1

Who is currently using FAST channels, and who are they targeting?

2

What is the realistic long-term opportunity of FAST channels in Western Europe in the face of strong free-to-air provision?

3

Does the rise of ad-supported, hybrid subscription tiers to platforms like Netflix and Disney+ threaten AVoD and FAST?

4

Will the content distributed via FAST channels shift to 'premium', Scripted content, or remain focused on Unscripted formats?

5

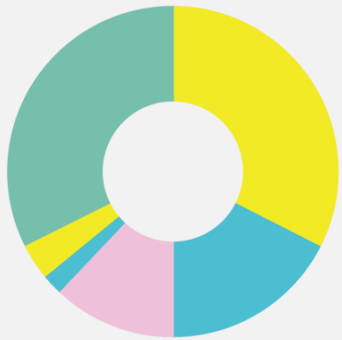
Is there a problem with consumer awareness of what FAST channels are and where they are available?



Any questions?

Please get in touch

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