

# Subscription services business got a boost from the effects of quarantine

While some retail models and segments have run into significant challenges, subscriptions services have demonstrated stickiness and growth due to the pandemic-era shopping trends.

According to Bloomberg, the subscription businesses have been one of the more consistent bright spots for tech companies, as physical product sales stumble and ad revenue slows.<sup>1</sup> Streaming video subscriptions have risen during COVID-19 funneling dollars into more and more subscriptions.



Subscription economy is forecasted to reach **US\$437 Billion** market value by 2025<sup>2</sup>



51% of U.S. consumers say they are drawn to **streaming video services** with broad range of TV shows and movies<sup>3</sup>



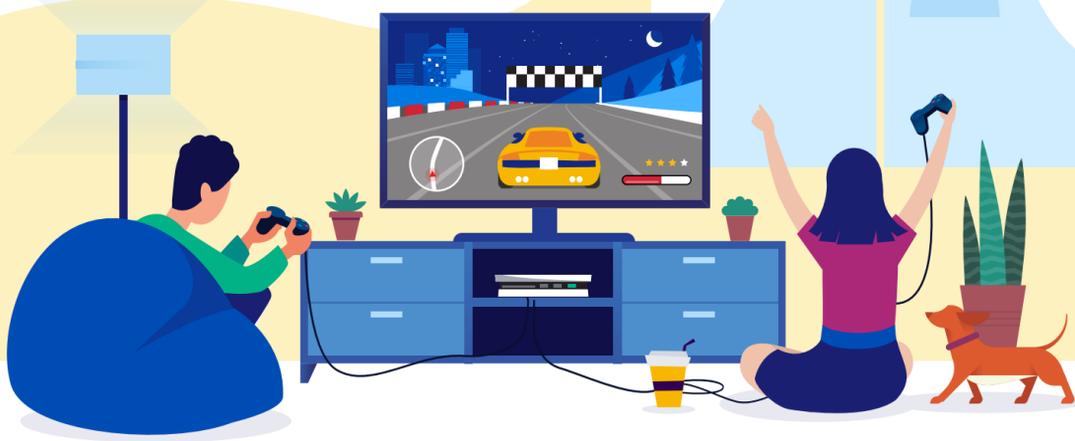
3.6 Billion subscribers will treble in the **next 5 years**<sup>2</sup>



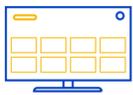
48% of U.S. consumers have participated in any form of **video gaming activity** – with younger generations over indexing (69% of Millennials and 75% of Gen Z)<sup>3</sup>



By 2025, the market value of **digital video subscriptions** can reach **US\$65.9 Billion**<sup>2</sup>



## The comeback of subscription bundles<sup>4</sup>



**+80%** are subscribed to at least one type of subscription service



**69%** of consumers say they want **subscription bundles** and among the top 3 reasons is saving money



**77%** are enrolled to **membership services**



**43%** of consumers chose the convenience of being able to access services through a single account and log in



**71%** are enrolled to **streaming services**

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**Credential security tool:**

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**Authorization & rule management tools:**

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- Visa Account Updater (VAU)

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Sources:  
1. Bloomberg, May 2020. <https://www.bloomberg.com/news/newsletters/2020-05-04/netflix-disney-and-other-subscription-apps-get-a-pandemic-boost>  
2. Juniper Research, October 2020  
3. Deloitte Digital Media Trends, May 2020  
4. The Subscription Bundling Report, a PYMNTS and Vindicia collaboration, surveyed a census-balanced panel of 2,962 United States consumers on November 2020.

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