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Will Netflix, Spotify and Foxtel take off on Qantas?

As Qantas rolls out NBN in the sky, passengers will also soon have access to Netflix, Spotify and Foxtel. Roy Morgan Research reveals how many Qantas flyers already subscribe to any of the three new in-flight entertainment providers—and how many could soon be tempted by a free trial.

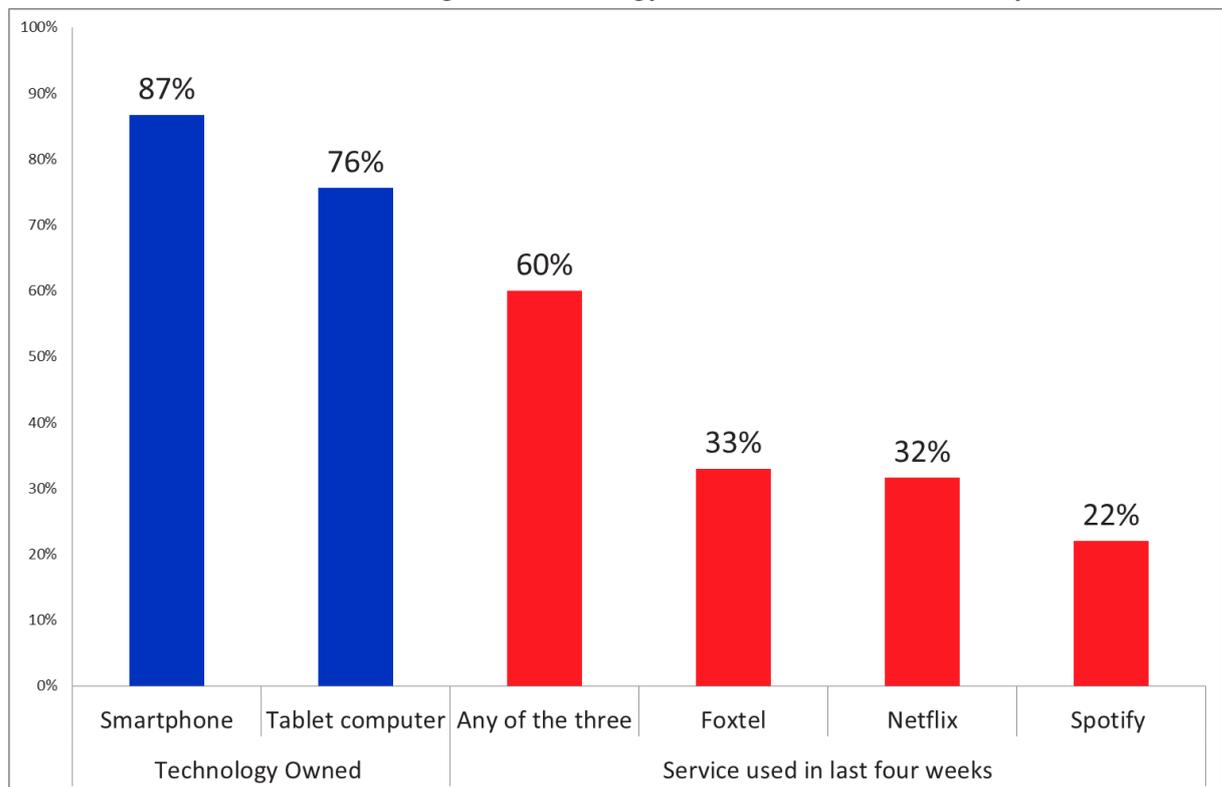
Nearly 4.3 million Australians aged 14+ (22%) take at least one domestic flight with Qantas during the year. Roy Morgan's latest consumer research found that 87 percent of Qantas passengers own a smartphone and 76 percent own a tablet computer—both above the national ownership rates of 80 percent and 65 percent respectively.

However while these millions of passengers will likely be carrying a compatible device on board, only 60 percent currently use *any* of the three new in-flight entertainment providers Foxtel, Netflix, Spotify.

33 percent of Qantas domestic flyers watched Foxtel in the last four weeks, including its streaming options Go and Play, while 32 percent watched Netflix, and 22 percent listened to Spotify.

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Qantas Domestic Passengers – Technology owned and services currently used



Source: Roy Morgan Single Source, April to September 2016, sample = 1,479 Australians aged 14+ who took a Qantas Domestic flight in the past 12 months.

Norman Morris, Industry Communications Director – Roy Morgan Research, says:

“The agreement between Qantas and entertainment providers Netflix, Spotify and Foxtel is a win for the airline, the providers, and passengers. While six in 10 Qantas domestic passengers will soon be

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able to log in and start watching and listening in the air, the other four in 10 don't currently use any of the soon-to-be-available entertainment services—and so could well be tempted to sign up to a free trial (or two or three) the next time they fly.

“For the three providers, an in-flight presence will not only satisfy their existing customers, but also be the perfect opportunity to persuade others to give it a go.

“Netflix and Spotify will be promoted to around 2.9 million and 3.3 million potential new sign-ups respectively—over 90 percent of whom own a mobile or tablet.

“Although their one-month free trials are the same deals as what's on offer on the ground, airline passengers should represent a rather more captive audience.

“There's perhaps an extra benefit to Foxtel. A third of Qantas domestic passengers already have Foxtel, but only around one in six of these subscribers watch it via mobile streaming. This means that Foxtel's three-day usage offer will not only reach up to 2.8 million non-subscribers on Qantas flights, it will also serve to promote its mobile streaming platforms to another 1.1 million subscribers who don't currently utilise them.

“Readership of Qantas Magazine has remained stable over the last few years, even though more passengers are carrying a mobile or tablet. Airline magazines seem to be a core part of the flying experience, however it will be interesting to see if on-board media consumption charges with the advent of wi-fi and streaming services that passengers may already use on the ground.”

To learn more about Roy Morgan's telecommunications, media and airline travel research, call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com

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About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices throughout Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years' experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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