



CivicScience Insight Report

Measuring and Analyzing the Audience of Netflix's House of Cards

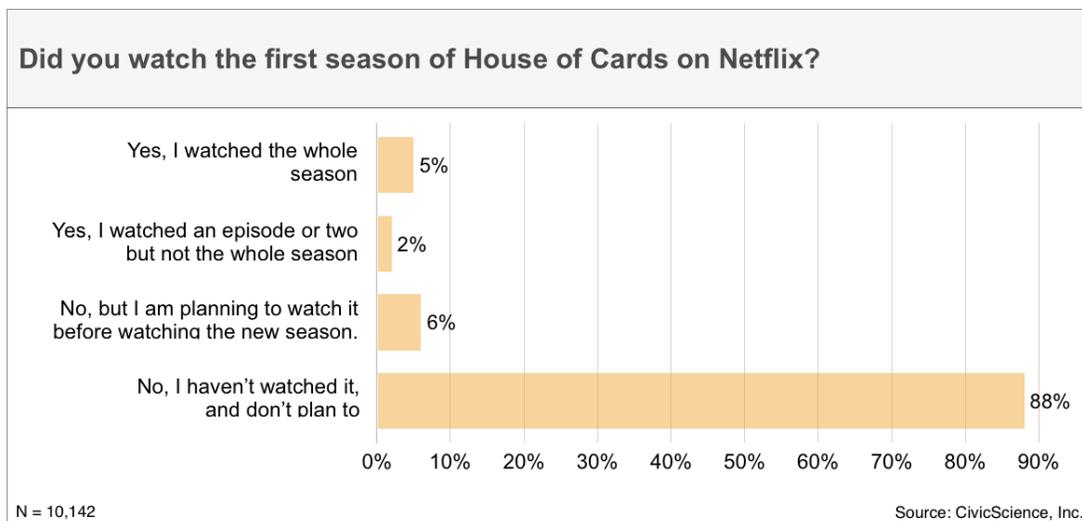
As Netflix readying to release the 2nd season of *House of Cards* in February 2014, many executives in the media and investment sectors were extremely interested in keeping tabs on how Netflix's disruptive foray into original programming would progress.

Netflix's recently reported having over 31.7 million U.S.-based subscribers (Wall Street Journal, January 22, 2014), but does not report on its viewership numbers. This is leading to much media speculation around audience projections.

Lack of audience metric data makes it hard for a market research data platform like CivicScience to forecast the audience size for a show. It took our data scientists two years and 24 readings to hone our Economic Sentiment Index numbers to the prevailing indices (which you can view at: <http://hps-civicscience.com/>). It took us several iterations to develop a confident methodology for predicting box office sales, but we know have a strong model there.

Despite the challenges, we believe that CivicScience's InsightStore polling and analytics platform can shed some light on the projected viewership of *House of Cards* and how people plan to watch it.

Let's first look at the most recent data on those who watched Season 1 of the show:



February 2014 Report: This Insight Report highlights how the CivicScience InsightStore can provide meaningful consumer insights for:

- Audience Measurement
- Audience Segmentation and Micro-Targeting
- Predictive Consumers

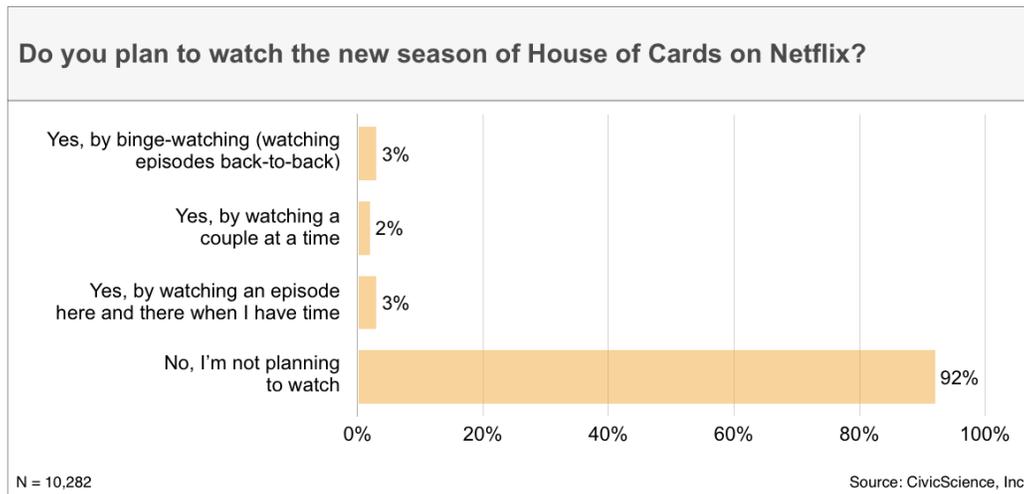


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Of the 10,142 U.S. adults we surveyed from February 5-8, 2014, 5% of respondents claimed to have watched all of Season 1. (An additional 6% said they hadn't yet seen it but plan to watch it prior to diving into Season 2. But we will disregard that group in our analysis.) 93% of those season one viewers say that they are likely to watch Season 2.

- There are approximately 226 million adults living in the U.S.
- Of those, 85% or 192 Million of these adult use the Internet (which is important both because our data is collected online and because you need the Internet to watch Netflix).
- So, 5% of the US adult population who watched the first season would represent about 9.6 million total viewers. That's a hefty number for any show, let alone one behind a subscriber wall like Netflix.
- 43% of those viewers identified themselves as "Married." (More on this further in the report.)

Now let's look at the likely viewers of Season 2:



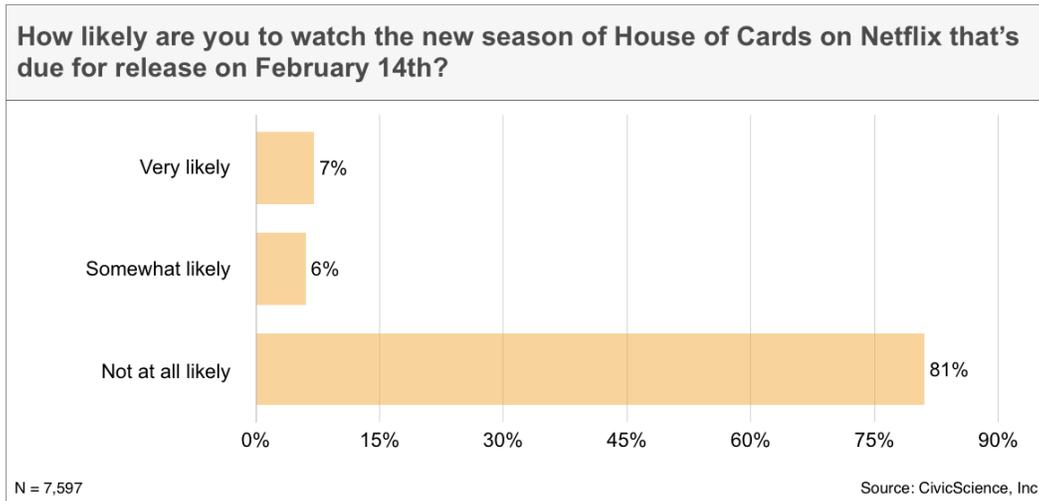
Here we surveyed another 10,282 U.S. adults during that same period about not only their intent to watch the second season of *House of Cards* but *how* they plan to watch.

- A total of 8% of respondents are planning to watch the show with over one-third of those expected to binge-watch most or all of the season at once. If all of these people do in fact tune in, **the show could see total viewership jump to 15.3 million.**
- Among this group, 42% of respondents identified themselves as "Married."



CivicScience Insight Report (continued)

We asked a different question gauging how likely people were to watch the show:



- Here we see that 7% of respondents said they are “Very Likely” to watch Season 2.
- If we use only those numbers, the show could draw up to 13.4 million total viewers – at some point in time.
- This would represent a 3.8 million-viewer or **40% jump** from Season 1, notwithstanding the fact that those new viewers will likely go back and watch season one first.
- Among the “Very Likely” group, we found that 53% of respondents identified themselves as “Married.”

Based on Netflix’s reported subscriber numbers for the U.S., a projected *House of Cards* Season 2 viewership range of 13.4 million to 15.3 million would seem like a huge percentage of its subscriber households. The operative term, however, is “households.”

If we use conservative numbers (not even including households with multiple adults who aren’t married), let’s presume that roughly 42% of likely *House of Cards* viewers live with another adult where only one person has a subscription. For the sake of discussion, let’s assume that both adults in those households plan to watch the show. In that case, those 13.4-15.3 million **likely viewers would represent between 7.7 and 8.9 million or 24% to 28% of Netflix subscriber households.**

We may never know how accurate these numbers are to actuals, but even at the low ranges and given the relative increase from our Season 1-2 numbers, it’s safe to say that *House of Cards* is quite popular and only growing.



CivicScience Insight Report (continued)

The CivicScience InsightStore data can also help us dig deeper for valuable insights about the audiences who are most likely to watch the show.

WHO IS GOING TO WATCH?

Age:

- The people most likely to watch the new season of *House of Cards* are those aged 25-44, including 15% of people aged 25-29, 14% of those aged 30-34, and 11% of those aged 35-44.
- We then see a steep drop-off, with only 5% of people over age 44 planning to watch.
- We found that men were slightly more likely (13% more, in fact) to watch.
- A noteworthy level of consistency can be seen across the major race categories, with an equal percentage of White, Hispanic, and African American respondents saying they are “Very Likely” to watch the show.

Income and Education:

- People making more than \$125,000 in annual household income are 80% more likely than the average consumer to watch *House of Cards*; People making more than \$150,000 are 50% more likely.
- Similarly, a respondent’s level of education closely correlated with their likelihood to watch the show. People with College or Technical degrees were 15% more likely than average, while those with a Graduate Degree or PhD were 49% more likely to watch.

Those findings could be stem both from the nature or content of the show or, simply, the fact that access to high-speed internet and streaming devices over-indexes among wealthier, more educated respondents.

Political Alignment: What about the political ideologies of the viewers, which could be interesting given the political focus of the show? Here we see a notable split:

- Respondents who identify themselves as Democrats are 57% more likely than the average respondent to say they are “Very Likely” to watch the show.
- Republicans are 41% less likely.
- “Independent” voters fell right in line with the norm.

This political split could owe to the fact that the *House of Cards* audience and the Democratic voting population skew younger. Or, it could be influenced by the content of the show. We would need to explore that further to be sure.

The data also indicate that the likely *House of Cards* viewer is much more politically engaged than the non-viewer:

- 69% more likely than non-viewers to say that they contribute financially to candidates, political parties, or political causes.
- 59% more likely to say they read political websites or blogs at least weekly.

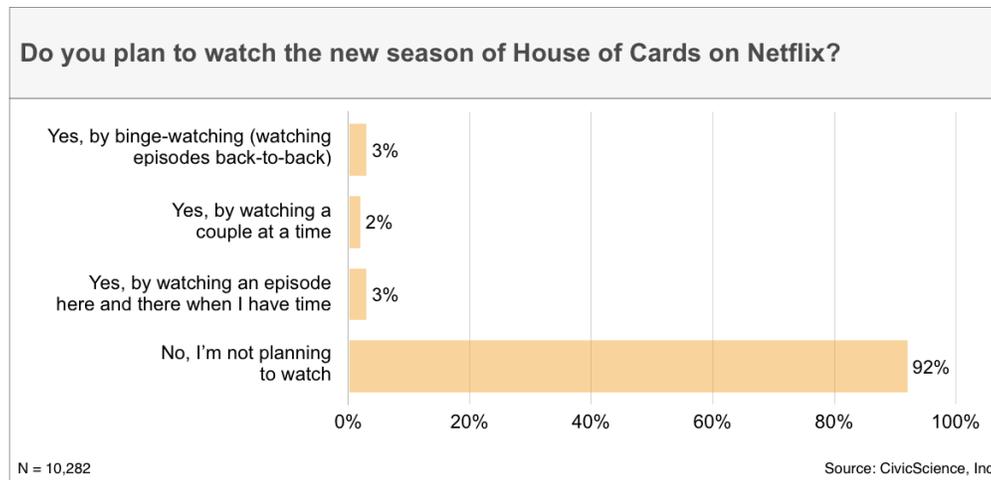


CivicScience Insight Report (continued)

HOW ARE THEY PLANNING TO WATCH?

One of the more intriguing aspects of Netflix's original programming is how the shows are released, all at once. This allows people to watch every episode right away, spread them out over time, or even wait to start viewing, perhaps in the summer, when they have more time for casual entertainment.

We asked respondents to describe how they plan to watch *House of Cards*, and the results were evenly split:



We did find some key differences among those groups:

- In line with the overall viewership numbers, people aged 25 to 34 are more likely to binge-watch the show.
- People aged 30-34 are a full three times more likely to watch all or most of the show in one sitting.
- We also saw a higher propensity for binge-watching among Hispanic respondents than among other races.
- We saw no discernible differences between men and women.
- To anyone who has kids, this data point will come as no surprise: Parents are less likely to binge-watch the show and 36% more likely to say they will watch a couple episodes at a time.
- People without kids, on the other hand, are 48% more likely than others to binge-watch.
- The wealthiest respondents (those making over \$125k annually) are NOT more likely to binge-watch and are a 132% more likely to watch the show a couple episodes at a time.

This Insight Report shows the capabilities of the CivicScience InsightStore platform for mining real-time and intelligent polling to reveal audience insights, the power of the predictive consumer, and more.