Cable TV has fewest subscribers since 1992, YouTube TV is the only riser



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Everybody knows satellite and cable TV is dying right? Cord cutting has been a trend for years, but a new report from Variety highlights just how bad it has gotten. Citing numbers from research firm SVB MoffettNathanson, US pay-TV subscribers are down to their lowest levels since 1992—that's before DirecTV even existed. Q1 2023 reportedly saw 2.3 million households cut the cord, making it the biggest drop on record.

The report says pay TV is now only in 58.5 percent of US

households. Cable TV subscribers dropped 9.9 percent year over year, while satellite is down 13.4 percent. MoffettNathanson senior analyst Craig Moffett wrote that “the sun is beginning to set” on the cable and satellite TV business and that “the picture is not one that suggests that a plateau in the rate of decline is coming any time soon.” It’s getting to the point where cable companies can’t afford the high rates some channels like sports broadcasters are charging, and they’re forced to raise prices, which forces more people to cut the cord. Moffett calls it the “impoverishment cycle.”

The only pay-TV provider not to see a drop in subscribers is also the most modern: Google’s YouTube TV, which added 300,000 subscribers in Q1 2023 and is now at 6.3 million paying customers. That makes it about 40 percent the size of the biggest pay-TV provider, Comcast, which has 15.53 million customers.

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YouTube TV has nothing to do with regular YouTube, by the way, and instead is a $73-a-month pay-TV service that delivers all those familiar cable channels like CNN, MTV, and ESPN over the Internet. There’s basically no difference between YouTube TV and traditional pay TV: Everything is still bundled together, there are all sorts of packages you can pay extra for like HBO, and you’ll always be looking at a high monthly bill. The one difference is that, because YouTube TV is over the Internet, it works on more than just a cable box, like your phone or a computer.

The service recently got a huge content win when it landed the exclusive $2 billion-a-year contract for NFL Sunday Ticket, the NFL’s premiere content package. Sunday Ticket shows around 13 NFL games every Sunday during the regular season for $350 a year, offering a ton of content for football addicts. The package had previously been on DirecTV for years—it was a reason many people signed up for DirecTV and a reason many people will leave.

Sunday Ticket had 2.4 million subscribers on DirecTV, so YouTube TV could have a big batch of new subscribers arriving soon. These subscriber numbers, from Q1 2023, are from after YouTube announced it had won the Sunday Ticket bidding, but before it made the pricing public or made buying the package possible. YouTube TV has a $100 off early bird special that ends June 6, which is pretty close to the end of Google’s Q2 earnings period (June 30).

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