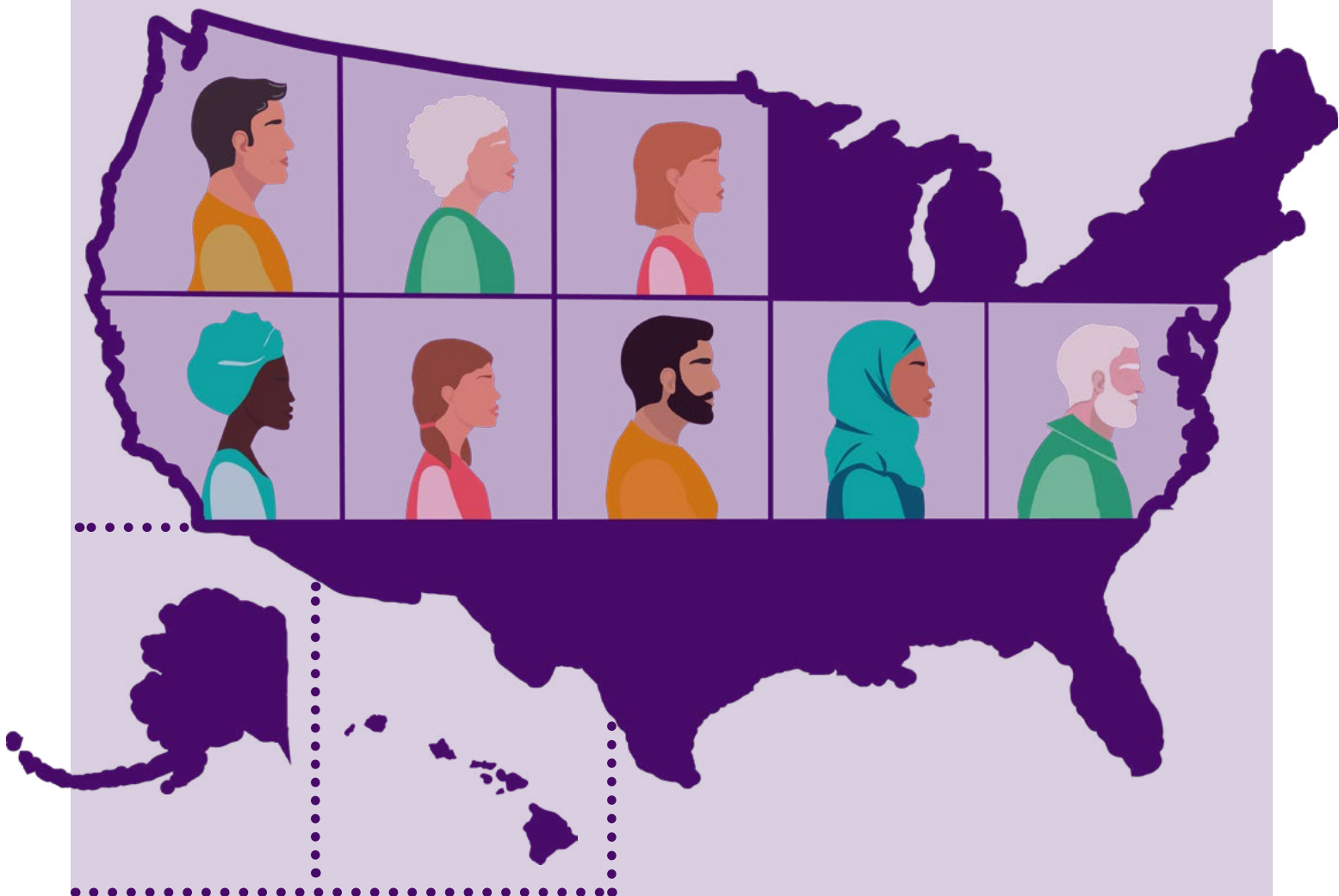


# SUBSCRIPTION WARS:

## A generational shift

This report taps into generational data from 5,000 US subscribers, exploring their attitudes, behaviors, and the changing nature of the subscription economy.



# Crossing the generational divide

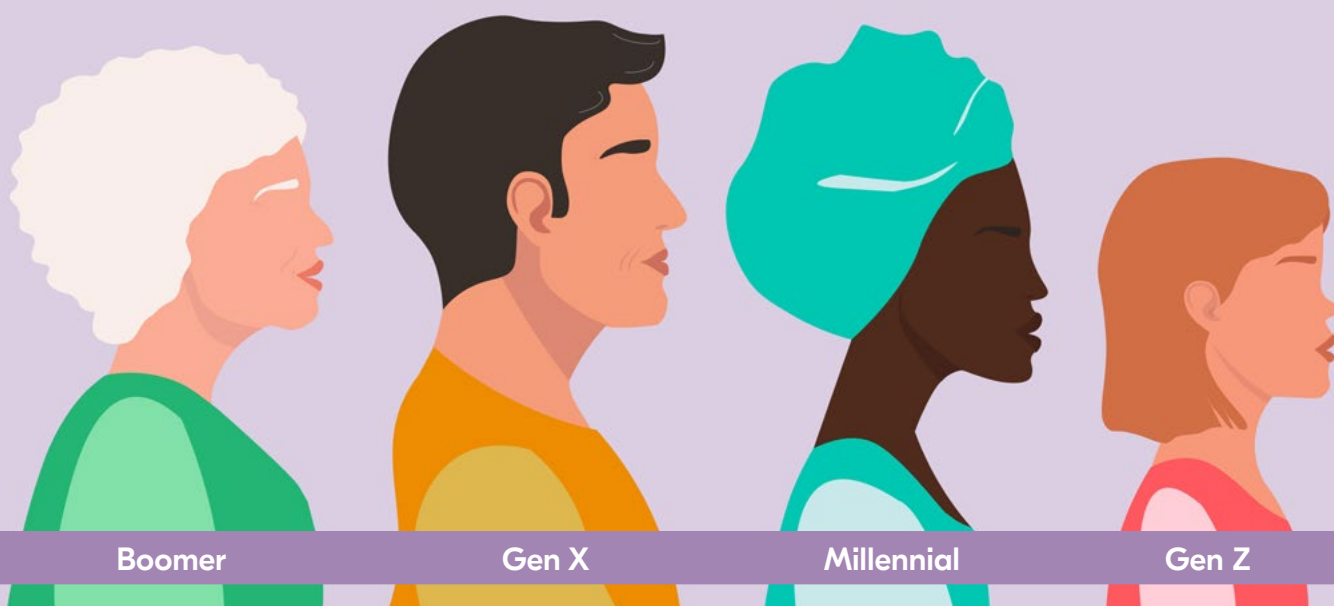
When it comes to subscribers, age isn't just a number.

While subscriptions continue to rise in popularity across all generations, rising prices and inflexible contracts are increasingly standing in the way of long-term consumer retention and growth.

Our research into the behavior of Gen Z, Millennials, Gen X, and Boomers reveals key differences in subscription management — especially when it comes to spending habits. At the same time, there are instances where all the age groups share common ground.

Ultimately there's a generational consensus: Subscribers want to be in control. Introducing Super Bundling allows both resellers and content providers to give subscribers back that control. It makes the vision of an all-in-one subscription management platform and content hub possible. Not in the future, but right in the here and now.

Join us as we take a deep dive into demographic data from **5,000 US subscribers**, exploring their attitudes, behaviors, and the changing nature of the subscription economy. Gain powerful insights to support your Super Bundling strategy and reach new audiences.



## Methodology

Commissioned by Bango, the original research was conducted by independent research agency 3Gem and published in February 2024 in a report: [Subscription Wars: Super Bundling Awakens](#).

This new report *Subscription Wars: A generational shift shines a spotlight on generational behavior that is essential for those looking to shape the business and marketing strategies for both resellers and content providers.*

# In this report, you'll discover

How spending on subscriptions varies across four generations

Key complaints about subscription management for each cohort

Which generations are turning to piracy in response to subscription overload

The cross-generational demand for an all-in-one subscription hub

The benefits of Super Bundling according to age segments





# Gen Z

Born: 1997 - 2012  
Age: 12 - 27 years old

# Love subscriptions

But cost makes them more selective

The first generation to have never experienced life without the internet, Gen Z's "digital natives", are primed to expect convenience, instant gratification, flexibility, and personalized experiences from their subscription services.

A limited income level from part-time jobs or early career earnings means this cohort has less to spend but is also bound by fewer financial long-term commitments. Immediate needs tend to take priority over future investments.

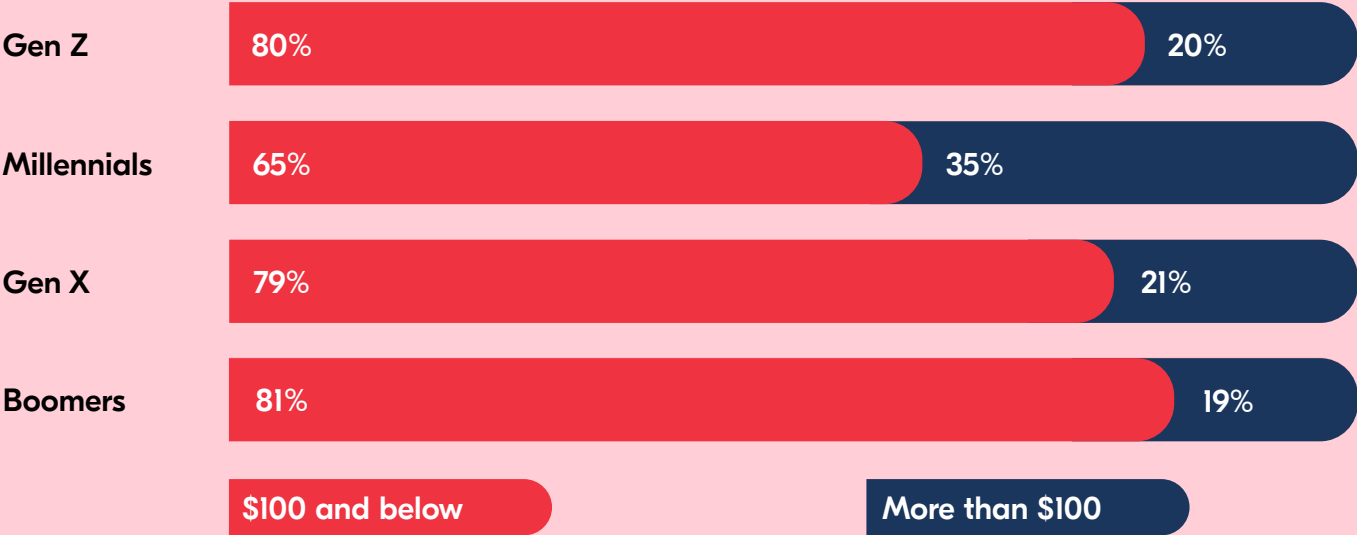
63% of Gen Zs have TV or film subscriptions, followed by 55% prioritizing music services - the highest preference for

this subscription type across all age groups surveyed.

Unsurprisingly, this generation has one of the highest preferences (just behind Millennials) towards gaming services with 39% subscribing to platforms such as Xbox Game Pass or PS Plus.

Gen Z isn't far behind Millennials when it comes to the number of subscriptions they pay for, with a quarter (25%) paying for between 6 and 10 subscriptions. But unlike their older counterparts, they aren't as likely to spend more than \$100 on subscription services. There's a balance to strike between want and affordability.

## Amount spent on subscription apps/services in total each month



The struggle to manage subscription spend is nonetheless just as real, with half of Gen Z subscribers unaware of exactly how much they spend per month. Almost half (**47%**) say they feel locked into their current providers.

The same percentage admit finding it hard to keep track of where and how they signed up for subscriptions. In fact, Gen Z is the generation most likely to be paying for an app or streaming service they are

not currently using, with **50%** falling into this category.

Just like Millennials, they are also more likely to pause and restart subscriptions, switching between services and staying true to their famous **lack of brand loyalty**. Quick to cancel and quick to sign up, Gen Z can be lured away by alternative providers with a trendier brand image and a faster, more efficient service.

## Piracy offers Gen Z the flexibility they want

This generation is also not afraid to skirt the law to access all the content they want in one place. Around two-fifths (**39%**) of Gen Z subscribers agree that pirate streaming services are the best way to do this.

It's a trend that has only been strengthened by the recent password-sharing crackdown started by streaming video services, with almost half (**46%**) of Gen Z subscribers now paying for a service they used to access for free.

Gen Z is showing clear signs of frustration when it comes to the inability to access and manage subscriptions from a single hub. Over half (**55%**) say they are annoyed they cannot manage all of their subscriptions in one place. The same percentage admits to feeling frustrated that they can't pause their subscriptions whenever they like.



## Gen Z wants one app to rule them all

Like their Millennial counterparts, Gen Z places a premium on convenience - and are willing to pay their mobile/broadband providers for easier signup and management.

Over half (**57%**) would be open to paying a higher monthly mobile/internet bill if a package of popular subscriptions were included. A similar percentage (**55%**) say they would be open to paying a higher monthly mobile/internet bill if they could

select from a menu of popular subscriptions to include with it.

Gen Z subscribers are also calling out for a single subscriptions platform that essentially does what pirate streaming services do — but legitimately. Almost three-quarters (**70%**) of Gen Z subscribers want one app to manage all of their subscription services and accounts. For **65%**, this ideally looks like a single “content hub”.



## Gen Z and Super Bundling: It's a match



The appetite for Super Bundling among Gen Z looks to be as promising as that of Millennials. Demand for an all-in-one solution is high — as is the wish for telcos to offer it. The challenge with Gen Z is keeping them around. This is where Super Bundling — with its capability to host a

limitless number of subscription services in one place — opens up so much opportunity for creative thinking around offerings in key Gen Z areas like mobile gaming, social streaming, and online education.



# Millennials

Born: 1981 - 1996  
Age: 28 - 43 years old

# The 'subscription' generation

The average US consumer spends **\$924** on 4.5 subscriptions each year - proof that a subscription service is less of a 'nice to have' and more of a 'need to have'. But there's one generation for whom subscriptions are very much a way of life: Millennials - holding an average of **5.5** subscriptions, and with over a third (**35%**) spending over **\$100** per month.

Although Millennials tend to have varied incomes - with some achieving significant earning potential, others still building their careers, and others starting families or buying property - they are known for being willing to spend a premium on what matters to them.

Subscriptions appear to be included in this. Of all the generations surveyed, Millennials come out on top as likely **to have the most subscriptions - and they are willing to pay for it.**

TV and film subscriptions are the most popular among this generation, with **76%**

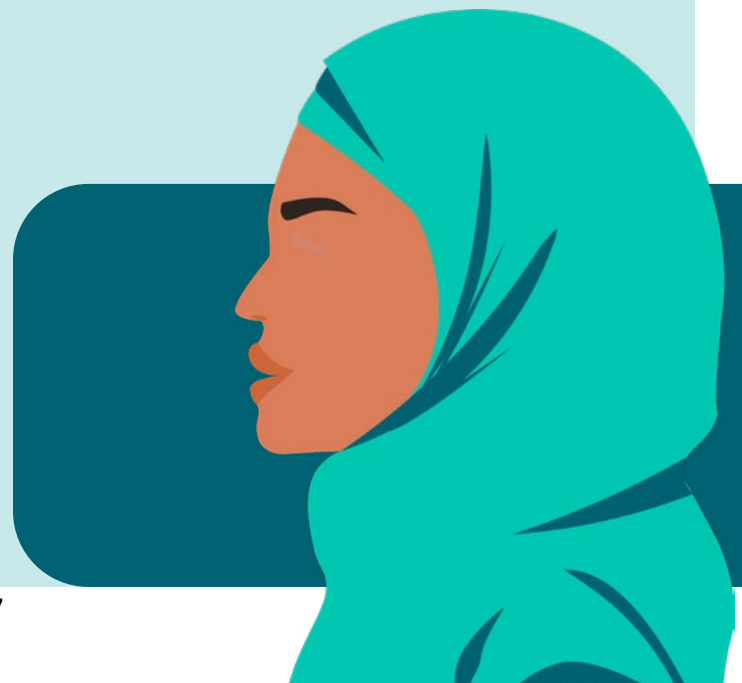
having a subscription to services such as Netflix or Disney+.

This is closely followed by retail subscriptions like Amazon Prime and music subscriptions including Spotify both at **60%**.

Millennials show the highest interest of all the generations in gaming subscriptions, with **41%** subscribing to services such as Xbox Game Pass or PS Plus.

Those older millennials in the higher-earning bracket are more likely to pay for more than five subscription-based services, with almost **10%** forking out for **more than 11** subscriptions a month.

Older Millennials are the biggest spenders out of all the age cohorts. But while Millennials have embraced the subscriptions lifestyle, it comes with its challenges.





## Many struggle to manage their subscriptions

As the number of subscriptions increases, so too does the difficulty in managing all of them.

Almost half of Millennials don't know how much they spend on subscriptions



More than half find it hard to keep track of where and how they signed up for subscriptions



More than half are annoyed they can't manage all their subscriptions in one place



Millennials also pause and restart different subscriptions more than any other generation. Is this a way of mitigating the financial and administrative burden of having too many subscriptions? Or a sign of jumping between services to access exclusive content?

What's clear is that the need to juggle various subscriptions significantly impacts subscriber retention, creating a revolving door where competing providers play a game of customer catch and return.

## More Millennials are turning to piracy

Toggling subscriptions on and off could be one way that Millennials are endeavoring to handle subscription overload. Another approach? Illegal streaming.



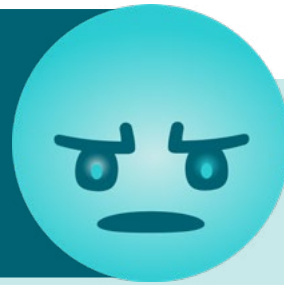
Around two-fifths (43%) of Millennials see pirate streaming services as the best way to access all the content they want in one place.

Among this generation, pirate streaming offers an attractive alternative to paying for legitimate services, not only because of the financial advantage but also thanks to convenience.

Pirate streaming platforms show content all in one place, meaning users can access what they want no matter who provides it.



## Millennials are crying out for easy subscription management



Subscription trouble? Tell Millennials about it. There's the hassle of accessing different platforms with different payment systems. There's the frustration of logging in and out from one app to the next to consume content. And then there's the confusion of tracking outgoing expenses taken from various services throughout the month.

As more and more people are self-managing their subscriptions to make life easier, it's a clear signal that subscribers are demanding change. Whether it's DIY subscription management or using pirate services instead, consumers want to be in control.

Eight in ten (**80%**) Millennials would like all their subscription services to be accessible via a single content hub.

A similar percentage (**79%**) say they would like one app to manage all of their subscription services and accounts.

Almost two thirds (**62%**) would want this to be offered by their mobile provider, bundled with their mobile services in one neat package. In fact, Millennials are so keen to ease the burden of subscription management that they'd be prepared to spend even more money, despite the financial burden they are experiencing with their current subscriptions.

Almost two-thirds (**63%**) would be open to paying a higher monthly mobile/internet bill if a package of popular subscriptions were included. A similar percentage (**61%**) would pay more for a functionality that would allow them to select from a menu of popular subscriptions.

## Millennials could be the biggest adopters of Super Bundling

Built around a central hub, Super Bundling consolidates multiple subscriptions from different types of media and services enabling consumers to manage and pay for all their services with one convenient and streamlined process.

In other words, it allows customers to flex their subscription selection giving them far greater control over their spending and what they consume.

Based on their generational profile, it appears that Millennials would benefit the most from Super Bundling. As keen tech adopters with a strong inclination towards self-service, they're a prime target for telcos exploring new strategies in this space.



# Gen X

Born: 1965 - 1980

Age: 44 - 59 years old

## Have more control over subscription spend

A higher disposable income bound by significant financial commitments including mortgages and retirement planning means this generation of subscribers has more money to spend - but is more cautious with it.

Quality, durability, and a return on investment see Gen X subscribers as more likely to have 5 subscriptions or fewer when compared with younger generations. However, the picture becomes more nuanced when we consider that just over a fifth (21%) have between 6 and 10 subscriptions — not that far behind Millennials (30%) and Gen Z (25%).

The majority of Gen X subscribers (81%) prioritize TV and Film subscriptions such as Netflix and Disney+. Almost two-thirds (64%) have retail subscriptions such as Amazon Prime.

When it comes to spending, Gen X subscribers look more like their Gen Z counterparts with 79% spending less than

\$100 monthly.

But in contrast, Gen X subscribers are more in control of their spending, with over half (55%) aware of what they spend on subscriptions each month.

The crackdown on password sharing hasn't had as much of an effect on Gen X subscribers either, with just under a quarter (24%) admitting they now pay for a service they used to access for free — compared with almost half for Millennials and Gen Z.

Piracy, too, holds much less appeal among those over 45 years old, with less than a fifth agreeing that pirate streaming services are the best way to access all the content in one place.

So, Gen X appears to be more financially savvy and less inclined to turn to illegitimate methods to manage their subscriptions. But this doesn't mean they're happy with the current state of affairs.

## Gen X seeks more convenience

Gen X may not be cash-strapped, but as senior decision-makers in both their careers and personal lives, they are time-poor. When it comes to managing their subscriptions, this cohort is also looking for convenience and flexibility as much as the younger groups.

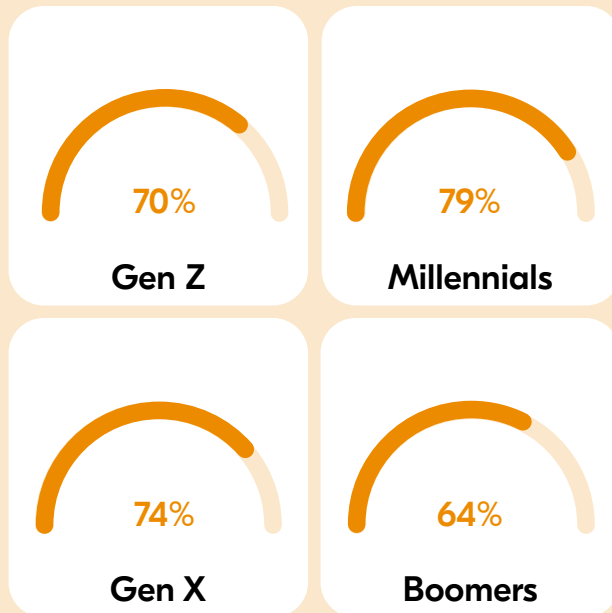
Almost half (46%) of Gen X subscribers say they're annoyed that they can't manage all of their subscriptions in one

place. A similar percentage (45%) are frustrated that they cannot pause their subscriptions whenever they'd like to.

Gen X is the second most likely generation (behind Millennials) to want to manage all of their subscription services and accounts from one platform, with almost three-quarters (74%) keen for the idea. 73% would like to see services accessible within a single "content hub".

## I would like one app to manage all of my subscription services and accounts

Agree



Like other generations, Gen X subscribers are open to paying more to their telcos for the convenience of being able to manage all of their subscriptions in one place.

Just over two-fifths (**42%**) would be open to paying a higher monthly mobile/internet bill if a package of popular subscriptions were included. A similar number (**40%**) would be open to paying a bigger mobile/internet bill if they could select from a menu of popular subscriptions.

## Winning over Gen X-ers with ROI

The appeal of Super Bundling for Gen X could lie in the convenience that it brings - this group isn't typically afraid to spend on premium products if they can prove their worth.

Super Bundling offers Gen X the ease of management they crave alongside a broader choice of options they may not have been exposed to elsewhere.





# Boomers

Born: 1946 - 1964  
Age: 60 - 78 years old

## Spend the least on subscriptions

Growing up in a pre-internet age, Boomers have a growing appetite for digital media. This group has come to embrace subscriptions as part of their leisurely lifestyle.

Boomers are the generation with the least amount of subscriptions, with almost nine in ten (87%) having 5 or fewer. They also spend the least on subscriptions - 81% keep the tab below \$100 a month.

Like Gen X, they are also well in control of their spending habits with almost two-thirds (63%) knowing exactly how much of their outgoings are put towards subscriptions each month.

NETFLIX

prime video

Disney+

More than three quarters of Boomers prioritize TV & Film subscriptions

0

77%

100

## Fewer subscriptions equal easier management

Fewer subscriptions equals fewer challenges in managing them. This translates to the unlikelihood of Boomers to stop subscriptions or use pirate streaming services.

Only 17% of Boomer subscribers claim to frequently pausing and restarting services. What's more, those over 55 are far less likely to view pirate streaming services as

the best way to access all the content they want in one place - almost two-thirds (64%) disagree with the idea.

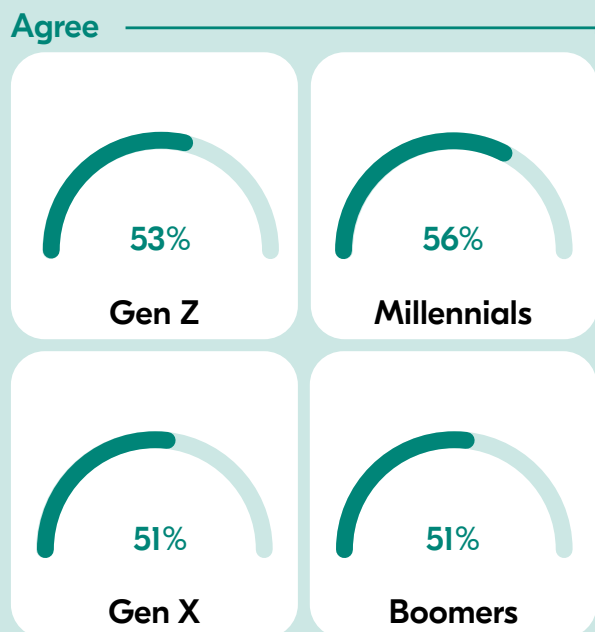
A lack of savvy about these underground services, as well as the natural tendency for people to become more law-abiding as they get older - a trend often referred to as the "age-crime curve" - could also lie behind this behavior.

## But boomers would like an easier life

Boomers were the generation the least likely to feel “locked in” to their current subscription providers. Nevertheless, over half wish they could opt out of automatic

renewals on their subscriptions. This is a sentiment felt across the board, with over half of all age groups expressing a desire to opt-out.

## I wish I could opt out of automatic renewals on my subscriptions



Boomers, too, feel the pain of inflexible subscription systems. Over two-fifths (**45%**) feel frustrated that they can't pause subscriptions whenever they'd like. A similar number (**40%**) say they are annoyed that they can't manage all of their subscriptions in one place.

Boomers are showing an appetite for

managing subscriptions in one place as a result of frustration with the current way of doing things. Nearly two-thirds (**65%**) say they would like one app to manage all of their subscription services and accounts.

Two-thirds of Boomer subscribers would also like all their subscription services to be accessible within a single “content hub”.

## They just don't want to pay for it

However, unlike other generations, most Boomers wouldn't be willing to pay a higher monthly mobile/internet bill. Over half (58%) disagree with the idea, whether it's a package of popular subscriptions automatically included or the ability to pick from a menu of popular subscriptions they want.

Yet almost 70% of Boomers say they can't afford all of the subscriptions they would like, suggesting that if there was a way they could access more subscriptions for less money they would take it.

## Boomers can have their cake and eat it too

The Boomer subscriber group might be less easily convinced than other generations to embrace Super Bundling as a solution to their subscription woes. But that makes sense when we consider how this cohort has typically been slower to accept new technology.

But by leveraging Super Bundling, telcos can deliver more value for money through cost-cutting incentives like promotions, discounts, and free trials in conjunction with content providers.



# Generations compared

Millennials are more likely to spend more on subscription than any other generation

Most Boomers and Gen X spend less than \$100 on subscriptions

Boomers are least likely to pay for an app or streaming service they don't use

All generations would like to access their subscriptions via a single content hub

Broadband and mobile providers are the number one choice across all generations to provide a single subscription hub

77%

of Millennials and Gen X said they wanted a single app to manage all their subscription services

66%

of all demographics surveyed said they can't afford all the services they'd like

55%

of Millennials and Gen Zs are annoyed they can't manage all their subscriptions in one place

50%

Half of Gen Z don't know how much they spend on subscriptions

50%

Half of all Gen Zs and Millennials pay for a subscription they aren't using

42%

of Millennials are open to using pirate streaming platforms to access services they can't afford

40%

of Gen Z are open to using pirate streaming platforms to access services they can't afford



# The future is bundling - with Bango



In an industry predicted to generate global revenues of **\$1 trillion by 2028**, it's time to give consumers of all ages what they want.

Almost **nine in ten (88%) telco leaders in the US and UK** are looking to Super Bundling as a “vital” strategic tool in the battle for customers, with 68% admitting they struggle to maintain consumer engagement. Well over half (63%) believe their organizations will lose revenue and market share if they fail to launch a Super Bundling hub.

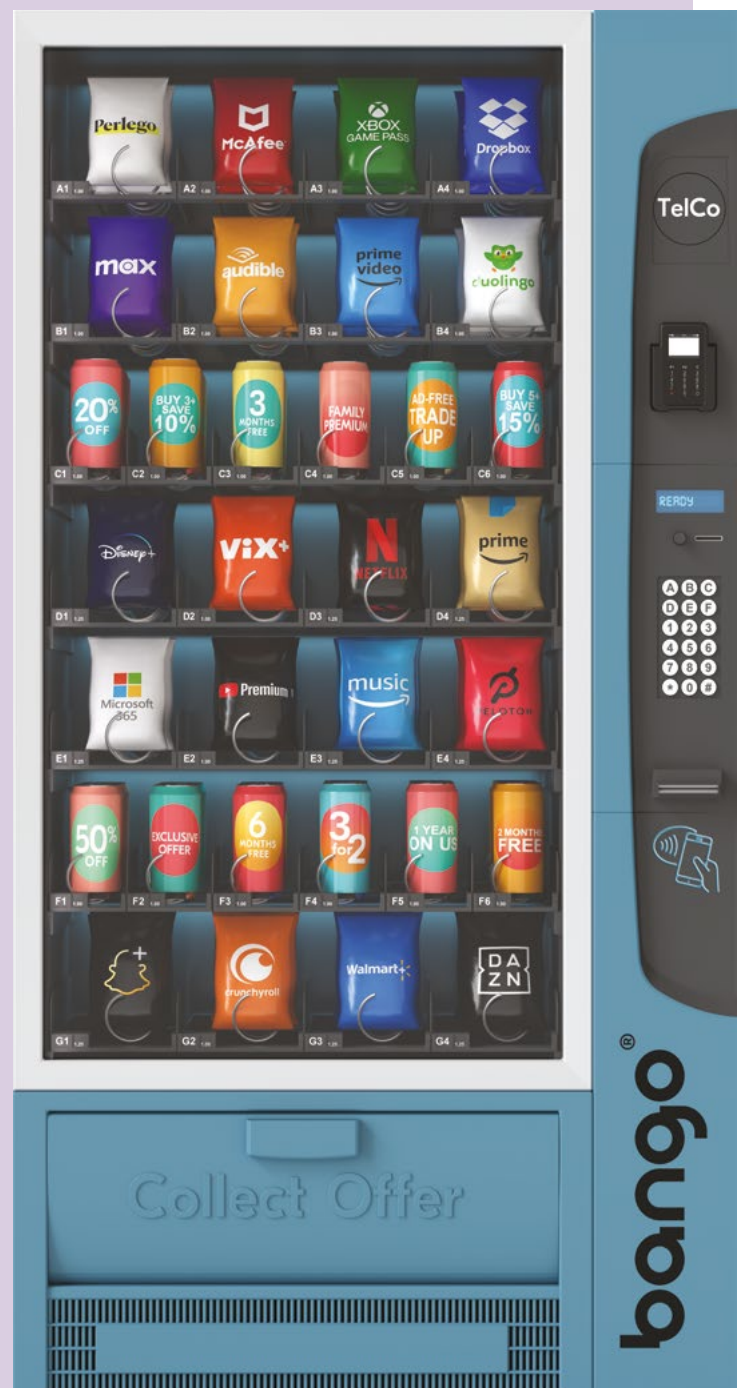
The momentum towards Super Bundling is so great we predict that **one in five people** will be managing their subscriptions using a Super Bundling hub by the end of this year, with telcos and broadband providers the most common suppliers.

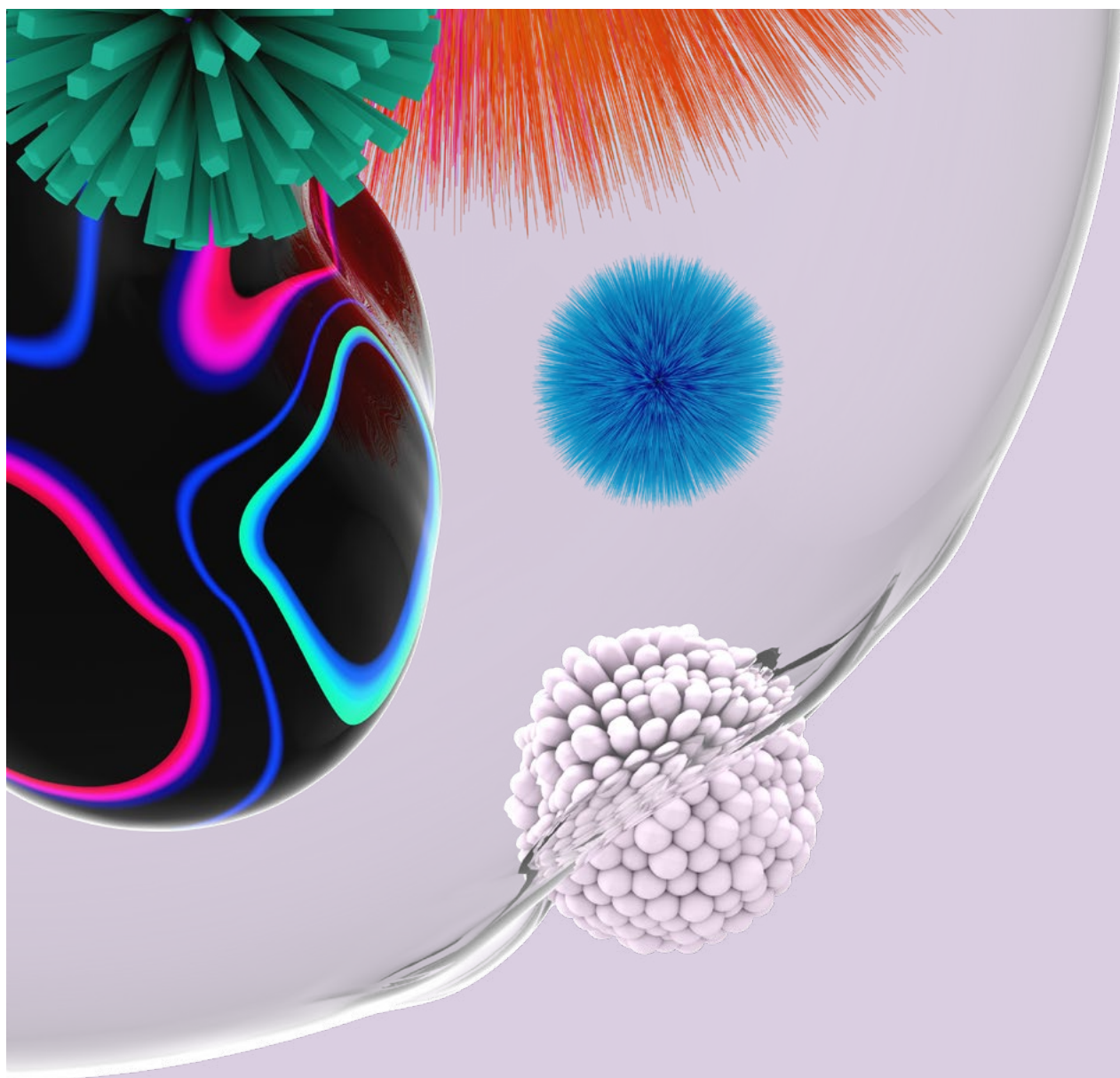
But while the future looks promising for Super Bundling and telcos, building and managing a bundle subscription service and content hub in-house isn't easy. Nor is it quick. While some providers are building in-house bundling solutions, there is a far easier and more cost-effective way to join the Super Bundling revolution.

Our award-winning Digital Vending Machine® (DVM™) solution enables telcos to quickly launch, scale, and make a success of their Super Bundling business. With the majority of the world's largest content providers and merchants already connected to our platform, our DVM™ is ready to go. That means the features subscribers are demanding - an easy-to-use content hub offering the very best content and digital services

payable in one monthly bill - are available now.

For a consultation or demo - or to find out more - **get in touch**.





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