THE CONVERGENCE RESEARCH GROUP LTD.

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# The Battle for the Canadian Couch Potato: Bundling, Television, Internet, Telephone, Wireless

## March 2025

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## Commentary

Since 2003, we have published our Couch Potato Report series every year. **The Battle for the Canadian Couch Potato: Bundling, TV, Internet, Telephone, Wireless**, **March 2025**, (114 pages), contains analysis of product offers (including prices), strategy, subscriber & financial performance metrics (including forecasts) by Company & Market. In addition to Convergence analysis, sources include company interviews, annual/quarterly reports & presentations, CRTC, ISED & Statistics Canada.

**Commentary, please see Table of Contents for what is included in this Report:**

We estimate 2024 saw a decline of 4% of Canadian Cable, Satellite, Telco TV subscribers, and forecast similar declines through 2027. Both Cable and Satellite continue to lose market share to Telco. At current run-rate there will be more Telco TV subs than Cable by X.

We estimate 2024 Canadian Cable, Satellite, Telco TV access (subscription) revenue declined 5% to $6.51 billion and forecast X%/annum declines on average through 2027 and negative ARPU growth.

As illustrated in our Canadian Cord Cutter/Never Household Model, as of YE2024 we estimate X million Canadian households (46% of HHs) did not have a TV subscription with a Cable, Satellite, or Telco TV access provider, and forecast a rise to 54% YE2027.

Canadian TV subscribers and access revenue are currently not seeing as steep a rate of decline as the US, but this could change, dependent on new or expanded OTT offers in Canada.

2019-2024 were banner years for Canadian residential broadband subscriber additions, with 2008 and prior being the last time Canada saw better additions. We forecast 2025-2027 will continue to see robust additions (X/annum on average) as well as sustained broadband revenue & ARPU growth (in the X% and X% range respectively), however not as strong as the previous period. Although Cable continues to lead on residential broadband market share, Telco continues to chip away and is on pace to have more residential broadband subs than Cable by X.

Canadian residential annual wireline telephone lines continue to decline in the upper single digit range, while Cable market share continues to decline. Wireless-only household penetration continues to rise, we estimate X% of Canadian households will no longer have a landline YE2027.

2024 Canadian wireless service (weighted) ARPU growth was negative and wireless service revenue grew at a modest pace. We forecast continued ARPU pressure through 2027 and moderate annual subscriber additions.