

Generation STREAM

MOODTUBE

Moods Draw Us to
Different Streaming
Experiences

hulu



3 MoodTube



Moods, serendipity and good old-fashioned browsing are making a comeback among a generation of streamers who rely more on their emotional compass to carve their entertainment path.

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Since the rise of digital, choice has grown exponentially -- and also brought the need for (and ability to give) more direction.

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Generation Stream is turning inward and putting more trust in their emotional compass as they explore and express their emotional range.

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Mood directs us to what we want to watch and listen to, but on the other hand, what we watch and listen to directs our mood.

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There's a deep need for freedom of choice and the pleasure of surprise.



MOODTUBE



Big data, AI, and targeting tech promise to unlock our taste in entertainment through what we tap, tweet, watch, and rate.

But on the other side of the customization coin is a less algorithmic path to what we're likely to watch next. Moods, serendipity and good old-fashioned browsing are making a comeback among a generation of streamers who rely

more on their emotional compass to carve their entertainment path. More than just a whim, this new emotional "north star" is an entertainment survival mechanism for audiences navigating an unprecedented amount of choice. ▶



THE BITSTREAM



To understand why Generation Stream has gotten “moody” in their entertainment choices, let’s first get down to the brass tacks of just how many more options we have in entertainment today. Since the rise of digital, choice has grown exponentially—in entertainment and in everything. This concept was established nearly 20 years ago by Chris Andersen, then head of *Wired*, in an article-turned-book titled *The Long Tail*, which predicted the fragmentation of entertainment that we’re seeing now. “Forget squeezing millions from a few megahits at the top of the charts,” he wrote. “The future of entertainment is in the millions of niche markets at the shallow

end of the bitstream.” Andersen couldn’t have been more on the money. When asked how streaming has changed their viewing experience, the No. 2 answer for Generation Stream is “There’s more choice, so I watch more content now.” Julie DeTraglia, Head of Research & Insights for Hulu, broke down for us just how much more choice there is today. “In 2019 there were over 500 scripted originals. Going back a few years, it was three or four hundred,” she explained. “Streaming accounts for the lion’s share of this increase. I did the math on it once. If you assume 40 minutes an episode and you started right now, it would take you over five years to finish all of Hulu.” ▶

CHOICE

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CHOICE

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Interestingly, audiences *aren't* pumping the brakes—they only want more. 86% of streamers do not feel overwhelmed by the amount of choice they have on TV, and 75% of streamers say they prefer “lots of choice” to “less choice” because they “prefer to be their own content curator.” Similarly, the majority of Generation Stream (57%) agree that “more is more” when it comes to entertainment.

In addition to choice, the rise of digital also brought the need for (and ability to give) more direction. As it tends to do, the internet answered with an evolving range of ways to get to the good stuff quickly: Yelp and Rotten Tomatoes give everyone access to opinions on new eateries and new releases; sophisticated algorithms develop personalized (if not hand-picked) recommendations based on what you've previously watched; and digital influencers pass their preferences on to followers. Now, word-of-mouth has given way to “What to Watch Next,” and niche content has never been more available.

What's more, artificial intelligence promises to predict our preferences with even more precision. Researchers at the University of Texas, for example, have developed an algorithmic DJ that can create on-the-spot playlists based on listeners' moods. Then there's Misü, an opt-in computer app that can tell you which websites are stressing you out by taking photos to discern the moods you are experiencing with each site, and up-and-coming voice-recognition software that can detect depression through vocal cues. Even Amazon is working on an emotion-detecting wearable that could become the 21st century's answer to *How to Win Friends and Influence People*. It will offer suggestions on how to have more successful social interactions. ▶



“My wife and I joke about putting a time limit on choosing a movie - if you don't choose in [a certain amount of] time, you can't watch anything.” —Tim, 33, Seattle, WA

But digital recommendations—AI or the OG variety—can only go so far. While admittedly helpful in sifting through an ever-expanding sea of content (Deb, 25, told us, “Suggestions on what to watch limit my frustration with watching television. And in most cases, they do get it right.”), the stream of suggestions has its drawbacks. Jess, 25, in Iowa City, told us that this makes her relationship to suggested content complicated: “Oftentimes, suggested content is relevant to me, and I’m glad to have engaged with it. But, it seems like I usually head towards whatever is trending and most popular with people in my social circles. Which makes me think that we’re all being shepherded towards the same content.” They also can take a good chunk of time to sift through. In *The New York Times* article, “Do Not Trust That Stranger’s 5-Star Review,” author

Joanne Chen points out that “Without [star-rating systems], you’re vulnerable to decision paralysis. But with them, you still can’t shake the feeling that there’s a lot of homework to do — hours of life lost, scrolling through reviews, many of which were written by people who have little to nothing in common with you.” Finally, it’s just difficult to get it right, especially since platforms have a limited view of viewers’ personalities and preferences. Take Seth, 38, in New Orleans, for example. A self-described “two-fer,” Seth is a cis straight male crossdresser who enjoys exploring his feminine side. But this aspect of his identity runs counter to many of his viewing preferences, which include content about the function and mechanics of esoteric firearms as well as documentaries about military history. “My interests are diverse and sometimes at odds with the algorithm

a particular platform uses to tailor content towards me,” he says. “I don’t believe that one single thing can define me in any capacity. My existence is nuanced and constantly filled with change and introspection on a daily basis. While my general routine is physically the same, my mental existence within this world is fluid and plastic in nature.” ▶

“Suggestions on what to watch limit my frustration with watching television. And in most cases, they do get it right.” —Deb, 25, Dallas, TX



GUT, CHECK!



On the bright side, digitizing our entertainment choices opens up the potential for viewers to discover things they might have skipped before. But there's a downside to this, too: algorithms remove the human element—mood, emotion, and surprise—from the recommendation equation. And these are elements that we are seeking out now more than ever. Take it from Gadi Amit, Founder & CEO of New Deal Design: "If you go to a good restaurant, you don't always want to see what you're looking for. You're looking for surprises. It's not the expected, it's the unexpected. You trust in the restaurant's atmosphere. You don't know exactly what you're getting, but you trust their creativity and that you'll enjoy whatever they serve you."

As testament to this, when asked how they decide what they are going to watch next, the top answer choice among Generation Stream

(outside of recommendations from friends and family) was that they trust their gut: "It's random: I just tune into whatever catches my attention." In fact, half as many streamers turn to recommendation engines (23%) than their gut (45%) for the content they are going to watch next. "I have a few trusted friends that have opinions I trust [with recommending content], but for the most part I like to be on my own," Drew, 23, in New York City tells us. "I've always had this thought that it's okay to waste my own time but if someone else wastes it, it is not okay in the slightest. This goes for everything but especially movies and TV." Furthermore, 61% of Generation Stream—and 65% of Hulu's audience—think they are pretty good at making their own choices, saying, "I am an entertainment connoisseur—I consider myself to have a very high standard when it comes to entertainment

choices." In fact, the top reasons why they want more entertainment choices are "I am picky, so I like to cast a wide net" and "I appreciate being able to curate my own viewing

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Gadi Amit

GUT, CHECK!

experiences”—and part of that has to do with the unreplicable experience of discovery. Hulu’s recent campaign, “Hulu Has Whatever You’re Feeling” is an acknowledgement of just this: it gives a nod to audiences’ feelings as the ultimate recommendation “engine.” The campaign seems to be striking the right emotional chord: since April, it’s been viewed nearly 10 million times on YouTube.

But the desire to lean more into our human nature goes deeper than choosing between *AKA Jane Roe* or *The Bachelor*. As a culture, we’re increasingly turning inward and putting our trust in our emotional compass as we explore and express our emotional range. In fact, 55% of global millennials and Gen Zs say their generation finds camaraderie in sharing deep feelings, according to 2019 data from Spotify’s “Culture Next” report. Culture Co-op’s previous research also found that 87% of young people are nostalgic for at least one aspect of the pre-digital world—real connection instead of swiping right on dating apps, the video store instead of Netflix, and stepping outside to check the weather instead of looking at a screen. That doesn’t mean digital is in danger of a downfall, however, it does mean that Zs and millennials are increasingly seeking out the *real*. According to a study from Live Nation, 73% of 13-to-49-year-olds globally agree with the statement “Now, more than ever, I want to experience real, rather than digital life,” and 66% say they are starving for experiences that put them back in touch with real people and raw emotions.

Underscoring this shift of turning inward is the mental health movement, which has become the number one issue among young people today—as of April 2020, 39% of Generation Stream named it as the top issue facing their generation out of 15 issues, beating out climate change (28%), sexual consent (22%) and LGBTQ+ rights (18%). Culturally, we are more in tune with just how powerful our mental state is in determining, well, everything. Now, Generation Stream—and Zs in particular—value their mental wellness as a key part of who they are: “My mental illness, actually, is one of the things I’m proudest of. I don’t think it’s something to be ashamed of; it’s a part of me,” says Maya, 15, in Atlanta. “It’s awful when my depression or anxiety makes me rethink my worth as a human, but each time I come out alive is another laurel wreath, another victory.” ▶



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Nathan McDine
on Unsplash

MOODY CUES



When using this new inner emotional compass to navigate entertainment choices, mood is the ‘north star.’ It is the enigmatic navigational pull that takes us to what we want to do, buy and—yes—watch. As Deb, 25, in Dallas, told us: “My content choice depends on my mood and the amount of time available.” And mood can certainly enhance a watching experience. “I do think that there are fun ways to engage on a more emotional level,” says Liz Levy, Vice President and Head of Branded Entertainment at Hulu. “In the future, it’s going to be like pushing a button on my phone that says, ‘Give me the Barry Manilow vibe.’ And my whole house and TV and the candles and everything [will turn into that vibe].”

But mood is a two-way street. On the one hand, it directs us to what we want to watch and listen to. But on the other, what we watch and listen to directs our mood—which then directs us to what we want next. And so it goes. As Nick, 30, in San Francisco, told us about Spotify: “They give me access to all of the music I could ever want. They are with me every day. They offer me new music I genuinely enjoy. As if they know me. They set my mood. They make me excited if I’m feeling low and calm me if I’m feeling too high. It’s more like music is my favorite brand and Spotify has done the best to prescribe it.” This, of course, is no accident. “[At Spotify,] we have 286 million users and each one of them is in a relationship with us,” says Richard Frankel, Global Creative Director of Spotify. “We’re making suggestions to

THE HULU QUIZ WHAT SHOULD I WATCH?

As more people have been hunkering down at home during COVID-19, it’s no surprise that binge-watching is seeing a serious uptick. Since March, Hulu has seen a 41% increase in binge-watching and, on average, viewers are watching 9 different titles in a given week, a 26% increase compared to last year. To help its subscribers—and non-subscribers—get to the good stuff quicker, Hulu launched a four-question quiz that unleashes a personalized recommendation from 600 movie and TV show titles. Questions rely on Moody Cues, asking viewers whether they are in the mood for something raunchy, an oldie-but-goodie, positive vibes and other questions to suss out their emotions. Even better? If they don’t like the first pick, or have already seen it, they can drill down to other options along the same vibe.

them and their data and behaviors are feeding information back to us. This virtuous loop lets us give them highly personalized recommendations based not only on what they’ve told us they’ve liked, but also based on how they’ve behaved around that content.” ▶

Emotional Range: The Macro Moods of Streaming

<p>Social <i>What everyone’s watching and talking about.</i></p>	<p>Cultured <i>Shows that deliver on deeper cultural conversations.</i></p>	<p>Intelligent <i>Challenging, trend-forward content that generates discussion.</i></p>	<p>Productive <i>Content that’s helpful, educational, or informative.</i></p>
<p>Gratuitous <i>Binge-worthy shows that lean into personal preferences.</i></p>	<p>Emotional <i>Pulls at the personal heartstrings.</i></p>	<p>Soothing <i>Predictable, calming, nostalgic.</i></p>	<p>Relaxing <i>Easy-to-watch content that connects various groups in culture.</i></p>

THE 'S' FACTOR— SERENDIPITY



Of course, we don't always know what we're in the mood for. Enter serendipity. While browsing and stumbling upon a hidden gem may have felt like a waste of time circa 2010 when digital shortcuts and efficiencies reigned supreme—along with the statement, “there’s an app for that”—today there’s a deep need for freedom of choice and the pleasure of surprise. This is especially true at a time when no stone feels unturned—even taco trucks have Yelp reviews and locals-only destinations are finding themselves mapped on TripAdvisor. But people don’t always want to know exactly what’s coming around the bend—and that’s as true of travel as it is for TV. “I like

“I like to find hidden gems [of content] when I least expect them.” — Drew, 23, New York, NY

to find hidden gems [of content] when I least expect them,” Drew, 23, of New York City told us. Jorge, 17, of Albuquerque, seconds that: “I like to treat watching shows like thrifting for clothes. You have to spend a good amount of time on both to really find a good piece to spend your time and money on. Also, there’s never really a static familiarity to either of them since every time you go back there’s something new.” ▶



OUT-OF-THE-BOX

Brands are harnessing out-of-the-box thinking to serve up serendipity with a capital 'S.' In 2017, HypeBeast launched its Mystery Boxes, which are exactly what they sound like. Customers pay one flat rate and HypeBeast fills a box with a surprising mix of clothing and sneakers. The brand has sold over 5,500 Mystery Boxes. Etsy has also tapped into serendipity, asking artisans to build personalized mystery boxes. With everything from second-hand jewelry and used CDs to new age-y trinkets, there are nearly 6,000 results for mystery boxes on the site. What's more, between January 2019 and July 2019, the site had

over 495,000 search queries for "mystery boxes," showing that the demand for bespoke experiences is high. FabFitFun, Scentbird Fragrance,

BirchBeautyBox, and Raddish Kids, are among some of the other brands boxing up serendipity and bringing it to consumers' doorsteps.



We can see this need for serendipity in the popularity of recent left-of-center hits like *Cheer*. It's unlikely many viewers were "in the mood" for a rural Texas cheerleading docuseries. However, the appeal came in the surprise factor, something that algorithms will try to replicate—we're already anticipating a run on niche-interest, rural-world documentaries but as soon as they do, they'll fit a formula and no longer be serendipitous.

So, what's the solution? Matching mood requires a wide range of content that allows streamers to 'stumble upon' something that is unexpected. It's not about predicting what

people will want to watch next; it's about showing audiences the value of choice. As Jonathan Miranda, Emerging Strategy Principal at Salesforce and content futurist put it, "It's not about being the first to predict what people want to watch. It's different. It's about getting viewers to browse. You want to show them the value of all of the money Hulu has spent and the great range of TV and film for them to choose from. And that's what e-commerce marketplaces do very differently. They don't try to predict what you're trying to buy; they prescribe you to a path showing you the value of shopping with them." ■

METHODOLOGY



To explore Generation Stream, Hulu partnered with Culture Co-op and utilized the following combination of qualitative and quantitative research approaches.

CULTURE CO-OP 

Trend Exploration

Leveraged Culture Co-op's trend research and Hulu's existing data to understand Generation Stream at a high level.

Culturesetter Projects

In-depth projects on TV and movie streaming preferences and behaviors among 20 diverse "Culturesetters," a handpicked group of individuals at the forefront of culture, ages 16 to 44, who only or mostly stream their video content. Culturesetters reflected 12 U.S. markets including New York/Brooklyn, NY; Washington, DC; Burlington, VT; Denver, CO; Iowa City, IA; Atlanta, GA; New Orleans, LA; Dallas, TX; Albuquerque, NM; Los Angeles, CA; San Francisco/Oakland, CA; and Seattle, WA.

Expert Interviews

Interviews with entertainment, tech and generational insiders on the future of streaming and entertainment.

Nationally Representative Study

A 25-minute online study among 2,500 Gen Zs, millennials and Gen Xers, representative of Americans ages 13-to-54, fielded in April 2020.



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