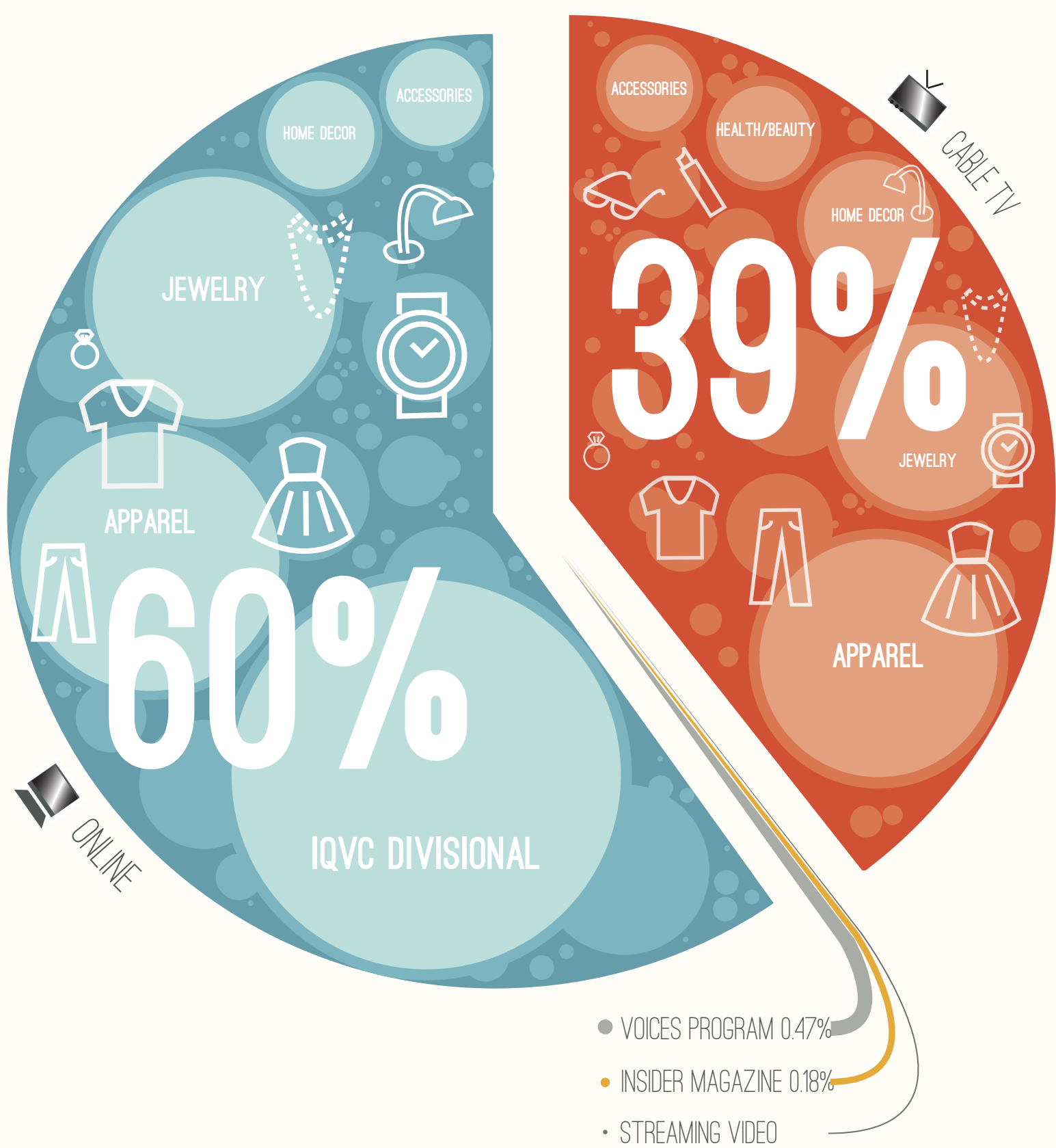


QVC is the world's top multimedia shopping company in terms of both viewers and revenue, and ranks among the top online mass merchandise retailers. QVC offers shoppers various platforms on which to view and purchase their goods, ranging from television, to magazines to digital. To keep up with the changing media and technology landscape, QVC must evaluate its products and platforms to engage with customers and improve the shopping experience.



### EXTERNAL FACTORS

**-1.2%**

**DECLINE OF THE CABLE INDUSTRY**

The U.S. Cable Industry has a negative annual growth of -1.2%, and generates only 2% of the e-commerce market revenue.

**CAPITAL INTENSIVE CABLE INDUSTRY**

In 2015, for every dollar spent on wages, the average industry operator will spend about \$0.16 on capital improvements.

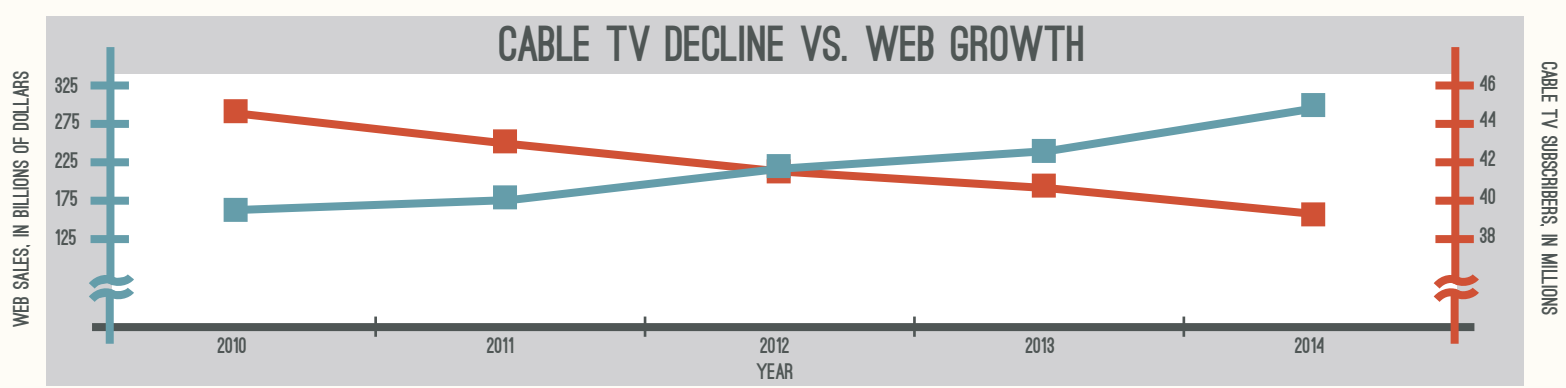
**AGING DEMOGRAPHIC**

QVC's largest demographic is women who are 65+ years old. The goal is to keep their loyalty and gain new followers as well.

**12.2%**

**SPREAD OF E-COMMERCE**

E-commerce, or buying and selling product online, is rising in popularity at an impressive rate of 12.2% growth per year.



### SOLUTIONS

According to the numbers, QVC is the clear leader in cable generated sales. But about **2.6 MILLION** households are now "broadband only"

**ADAPTABILITY IS THE KEY TO SURVIVAL**

**ANSWER:** Promoting QVC Plus Streaming as the new, more personalized, and highly convenient way of pushing the channel content.

We suggest that the transition from cable to streaming be promoted through online-exclusive content, with teasers on TV, and deals for product categories that sell better online, such as Health/Beauty. This would appeal to the next generation. It is cheaper to maintain and produce streaming content, and the ability to personalize content will improve the buying experience.