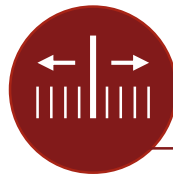


# Global Entertainment and Media Outlook 2018-2022





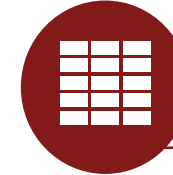
*Consumer/end-user & advertising spending*



*5 Year historical & 5 Year forecast data*



**53** Countries



**15** Segments



Books



Magazines



Traditional TV and home video



Business-to-business



Music, radio and podcast



TV advertising



Cinema



Newspaper



Video games and e-sports



Internet access



OTT video



Virtual reality



Internet advertising



Out-of-home advertising

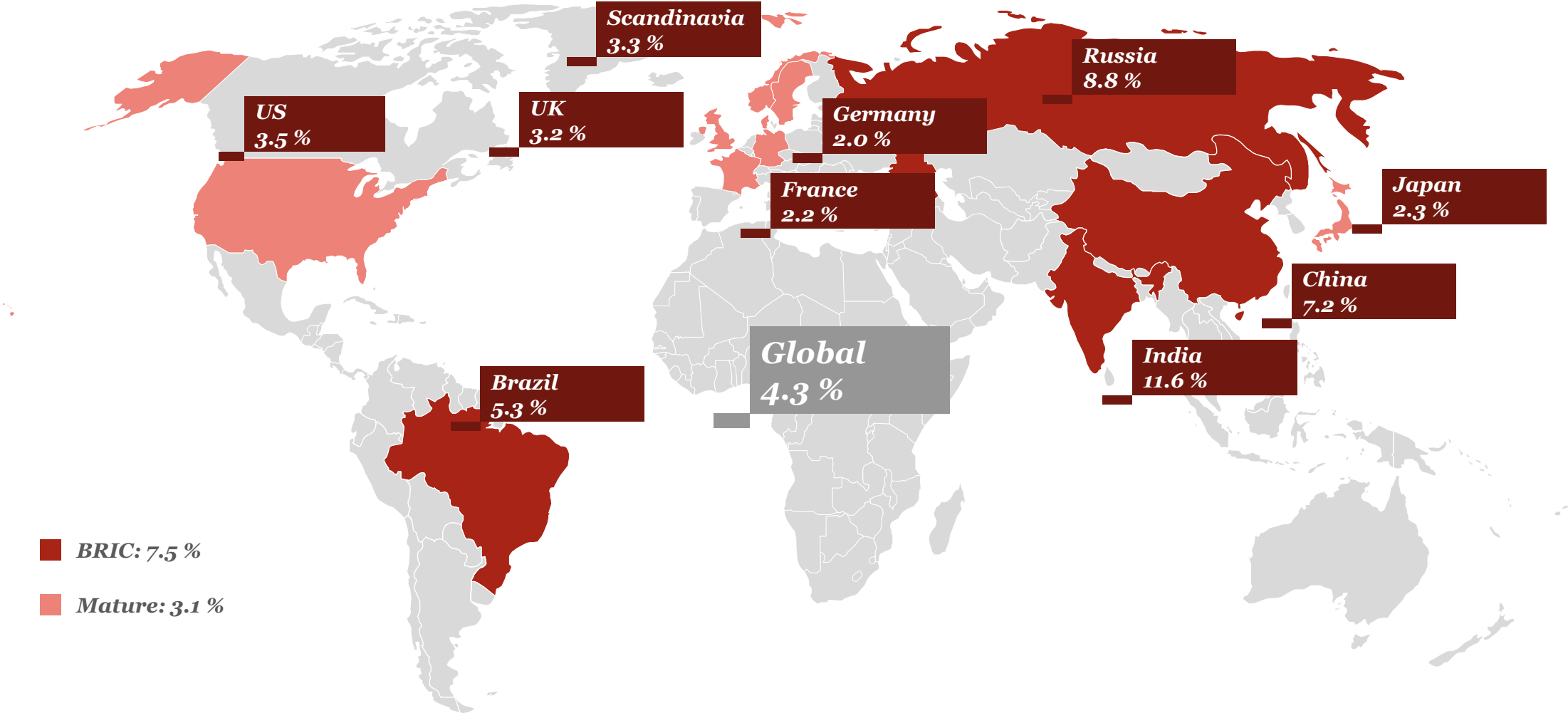


Data consumption



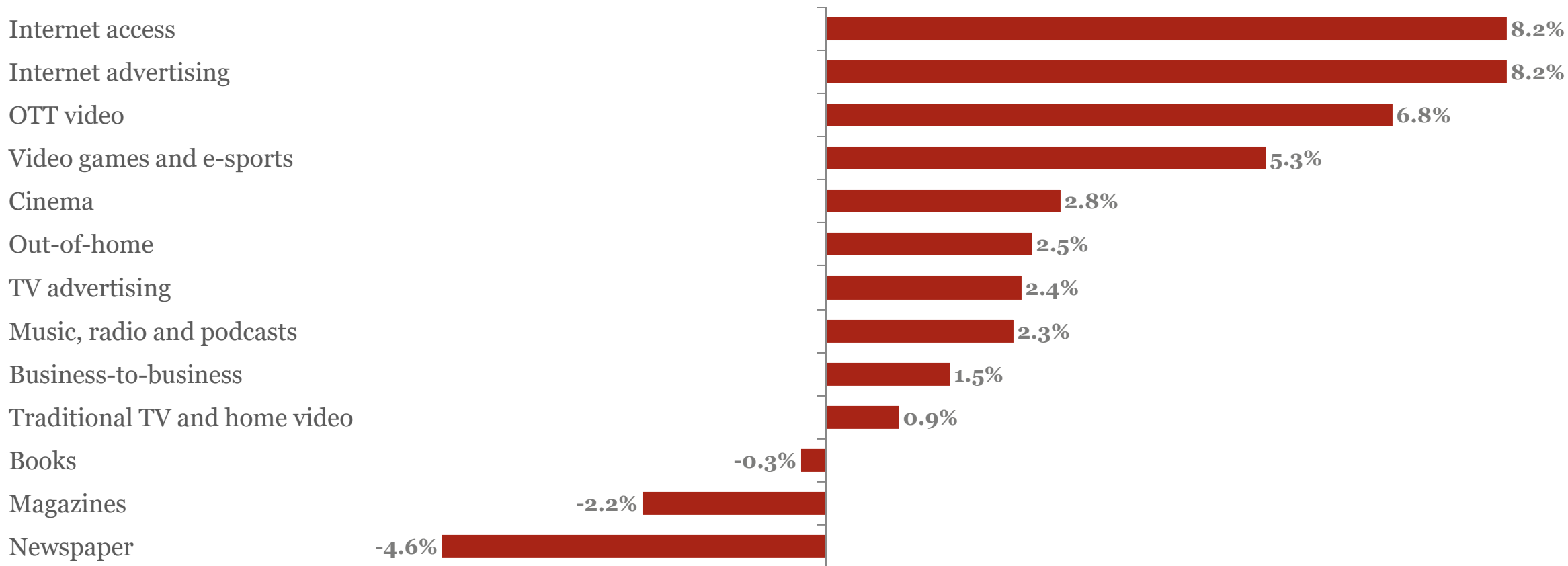
*What are the Global Trends?*

# Expected global growth in E&M expenditures of 4.3%



# Internet advertising and internet access are expected to lead growth across media segments in the Scandinavian E&M market towards 2022

## Scandinavian growth by segment 2017-2022F



# Smart Speaker market will grow by more than 20% per year due to broad personal and commercial adoption



Customer demand due to improved quality and personalisation will overtake the productivity gains



## *High growth expectations*

>4.5

The current size of the Smart Speaker Market is **more than \$4.5 billion**, according to Global Market Insights

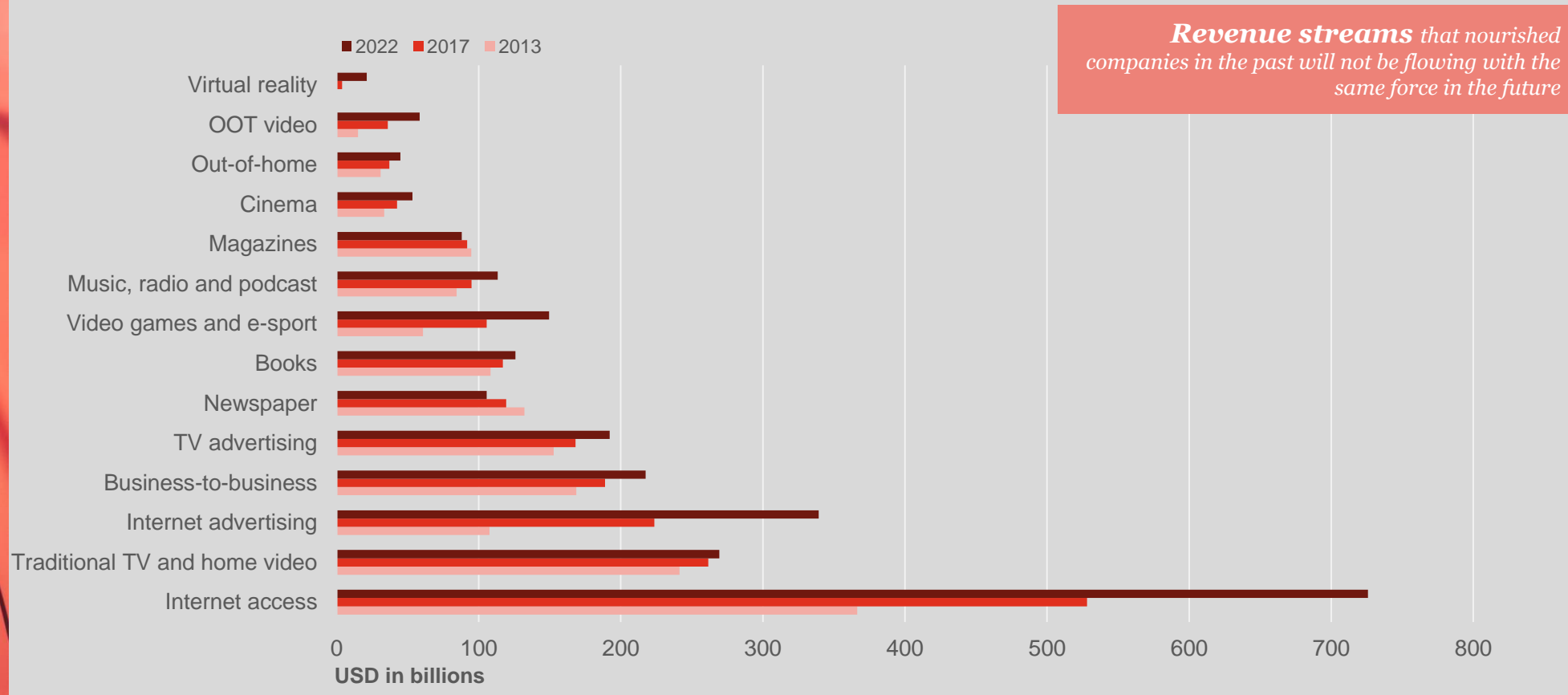
>20%

Smart Speaker Market size is projected to exceed **\$30 billion** in 2024, with a cumulative annual growth rate of **more than 20%**

>26%

The growth in **commercial applications** is projected to be even higher, with an estimated cumulative annual growth rate of **more than 26%**

# The sources of revenue in the E&M space are changing all over the world and players need to adapt to be able to tap into the new sources of growth





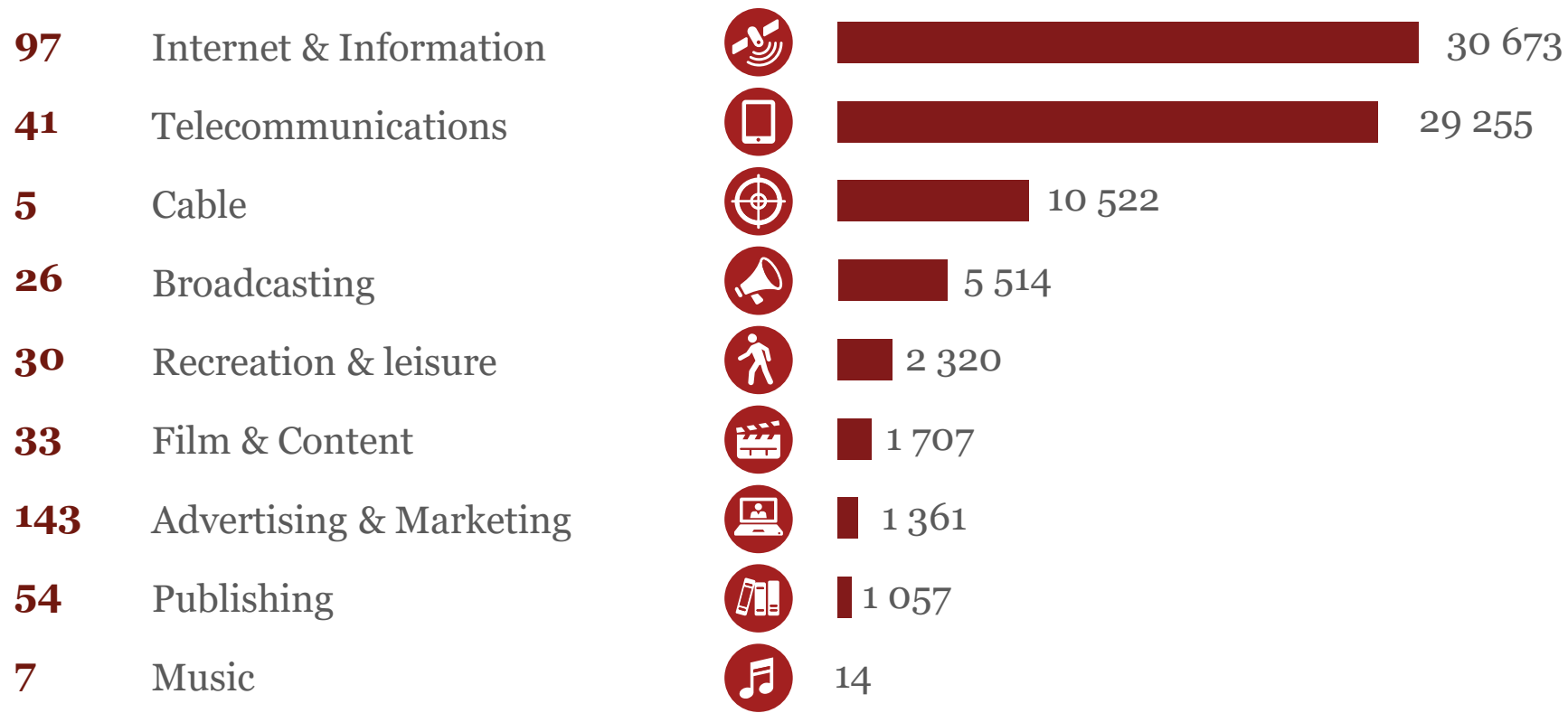
*The distinctions among varieties of media are collapsing*



# Announced deal values increased by 197% in the first half of 2018, fueled by megadeal activity

## Deal volume

## Deal value (\$M)



Largest mergers

**\$26.8 billion USD**

H1 2018 US announced deal volume and value by subsector

Source: PwC Deals US Technology Deals insights Q2 2018

# The forces driving convergence will lead to emergence of supercompetitors



A group of global supercompetitors that are involved in most, if not every, segment of E&M



Convergence towards similar business models will unite content, commerce, advertising, communications and deep financial resources



Supercompetitors can buy content, invest in startups and serve as buyers for maturing businesses

**amazon**

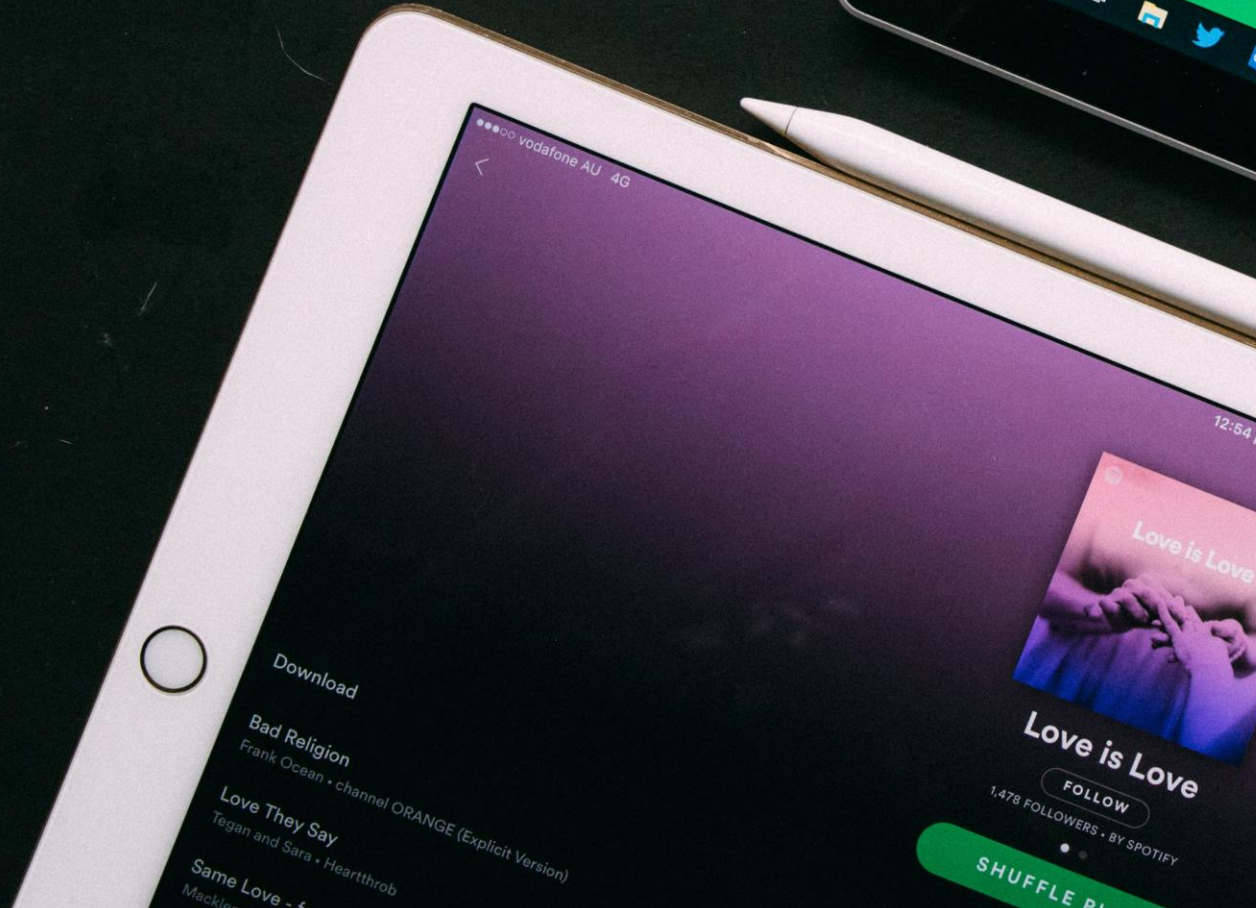
*..deliver 25% of all the packages in the US..*

*..and it is expected to be 50% in 2020*



**Google**  
**facebook**

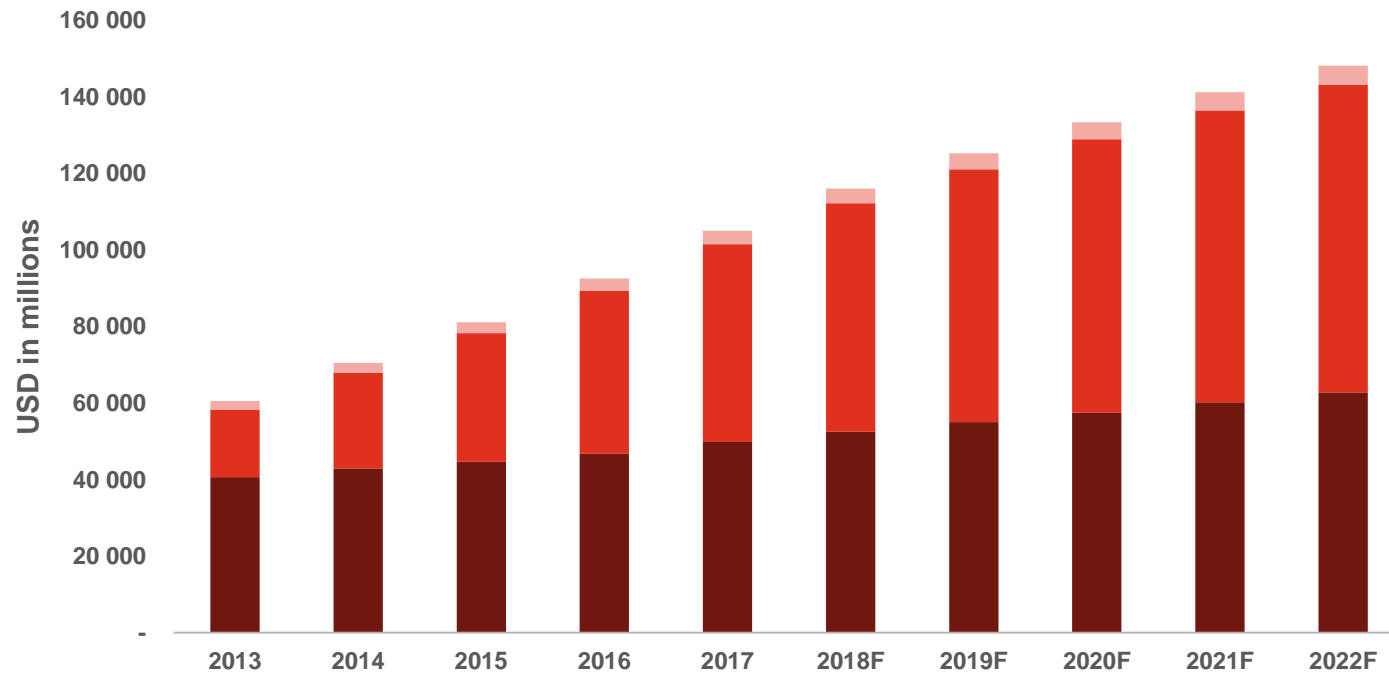
*..combined hold a share of 57% of digital advertising revenue in the US*



***Reinventing Media Business Models  
and the Revenue Stream Revolution***

# The global video game industry is projected to grow by 28 percent between 2018 and 2022

## Global video games



### 2017 – 2022F CAGR

Video games advertising

7.3%

Social/casual vide gaming

9.2%

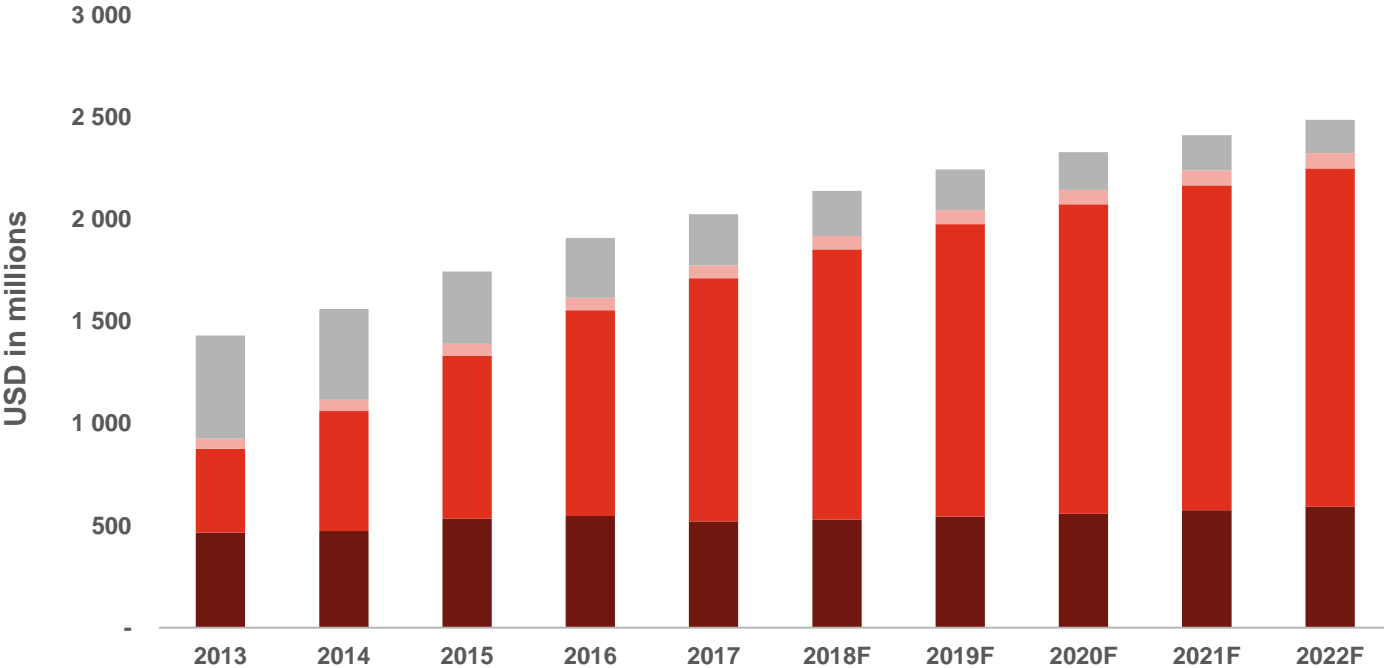
Traditional video gaming

4.7%

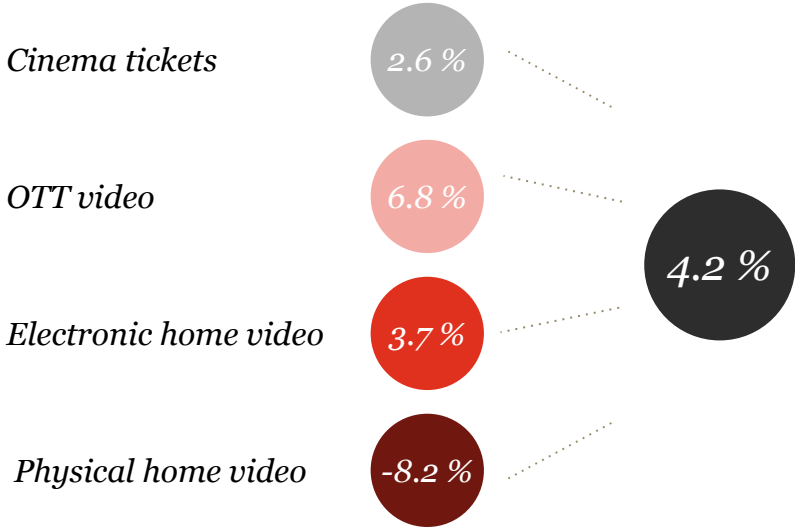
7.1%

# On demand video services are expected to drive the growth of the Scandinavian filmed entertainment market

## Scandinavian filmed entertainment revenues

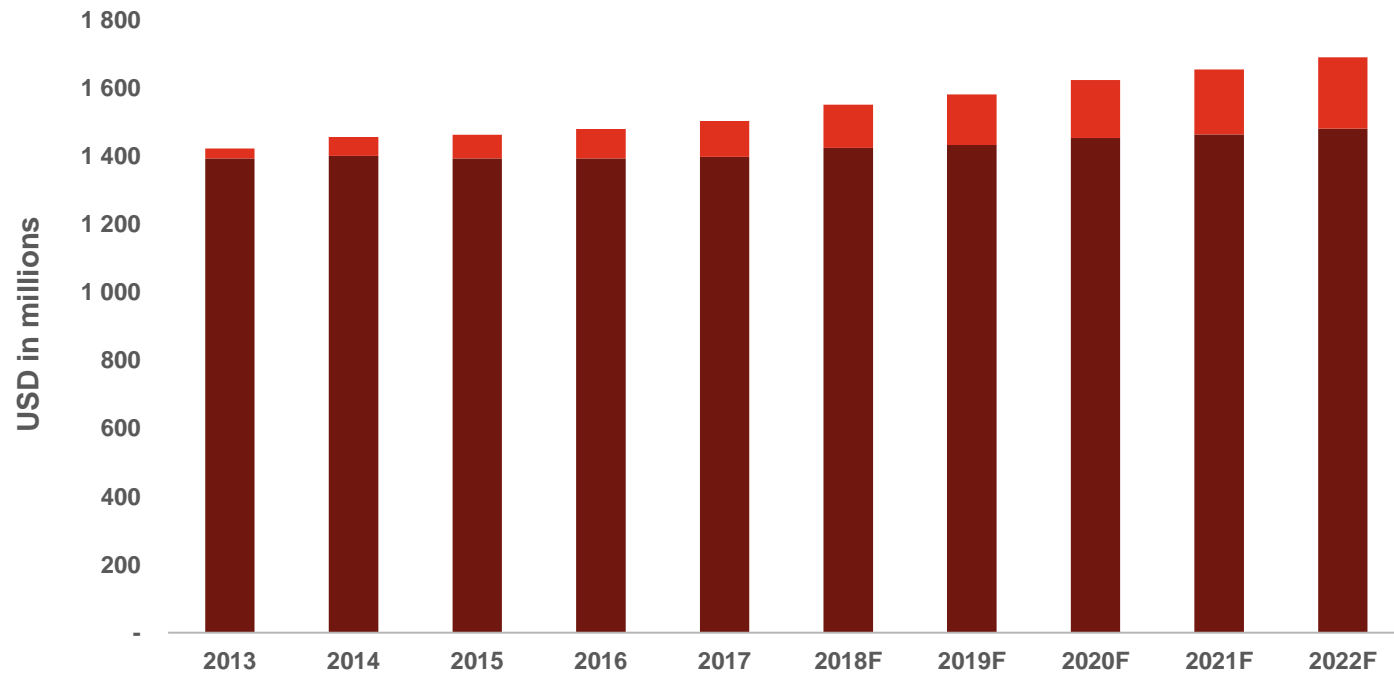


### 2017 – 2022F CAGR



# Online TV advertising is expected to grow rapidly towards 2022

## Linear and online TV advertising in Scandinavia



*2017 – 2022F CAGR*

*Online TV*

14.6 %

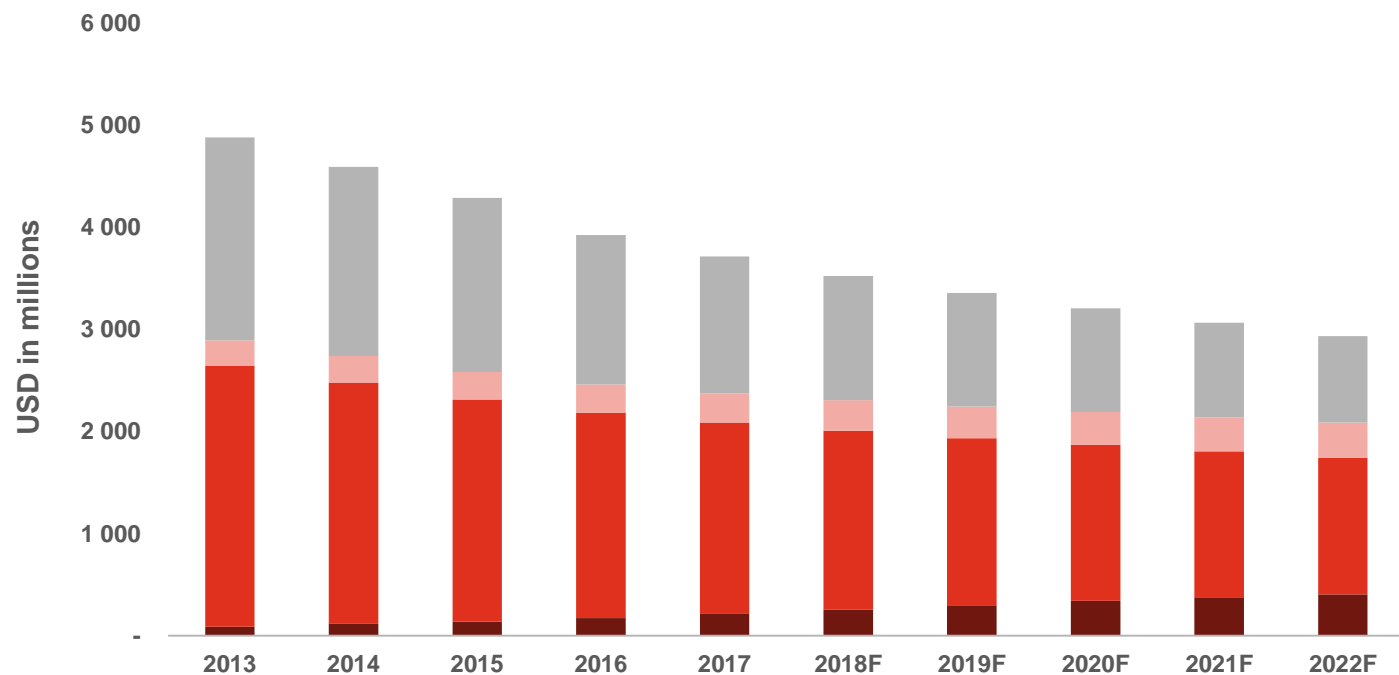
*Linear TV*

1.2 %

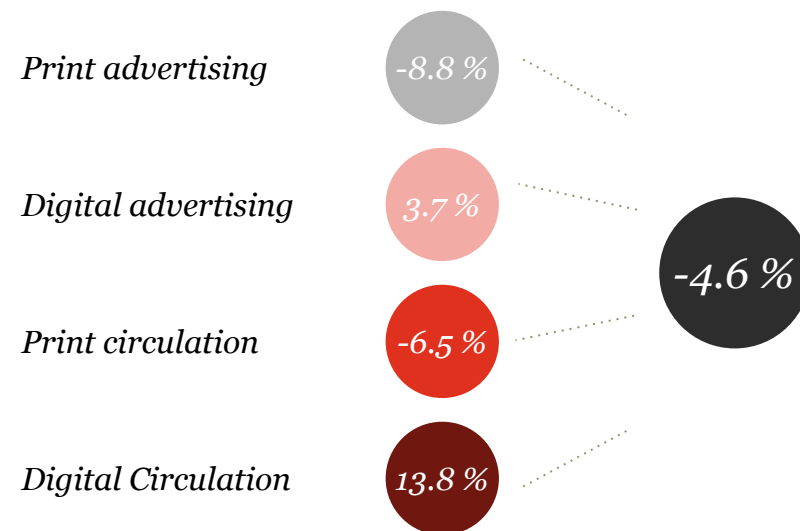
2.4 %

# Newspapers succeed by encouraging a membership mind-set

## Scandinavian Newspaper Market

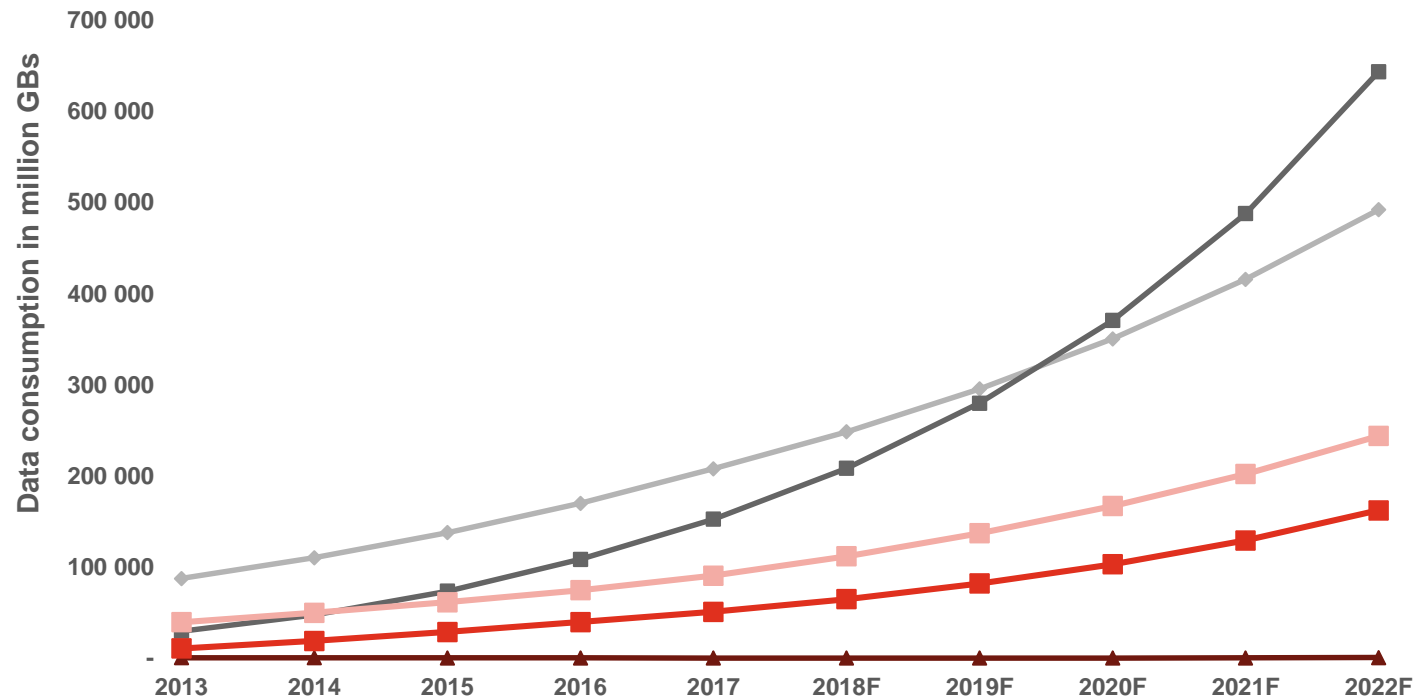


### 2017 – 2022F CAGR

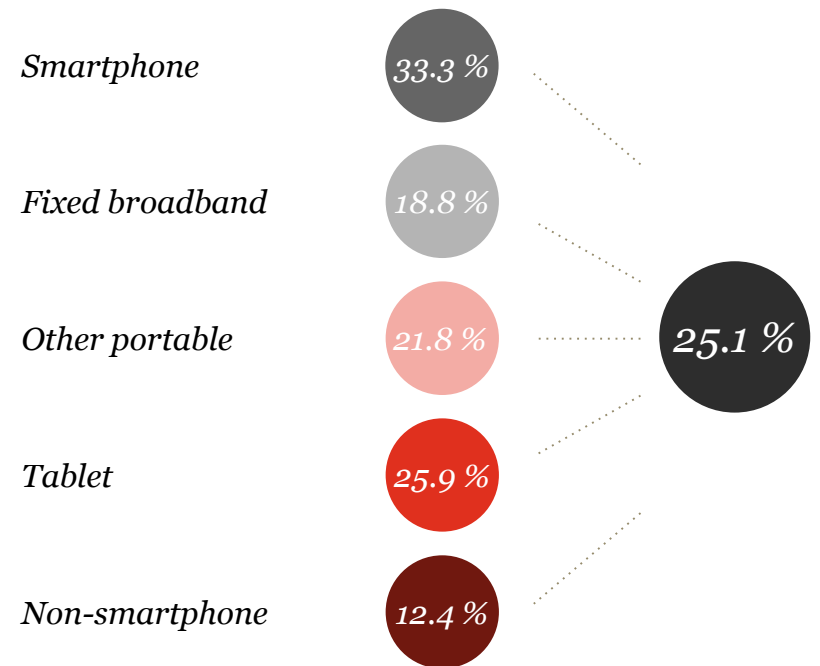


# The amount of data consumed globally is expected to grow annually by more than 25%

## Global data consumption



## 2017 – 2022F CAGR





A perspective view of a suspension bridge stretching across a deep, forested valley. The bridge's wooden deck and metal railings lead the eye towards the horizon. In the distance, a wind turbine is visible on a ridge under a hazy sky. The overall mood is serene and contemplative.

TRUST

# The rising importance of data is pushing trust to an even more central position

## Five vital dimensions of **trust**



Is your content trustworthy?



Is your audience who you say it is?



Are you taking proper care of the data?



Are your investments paying off?

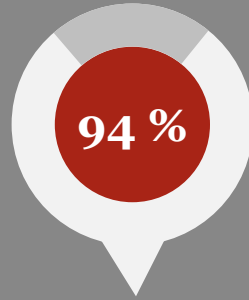


Is your company good for society?

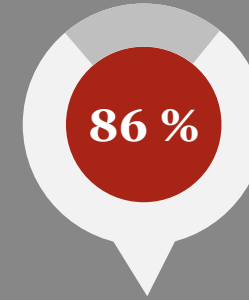
**76%** of CEOs said  
*potential for biases and  
lack of transparency were  
impeding AI adoption in  
their enterprises*

*PwC CEO Pulse Survey 2017*

**E&M CEOs remain optimistic about longer term prospects, but are more concerned about digital disruption than CEOs across all industries**



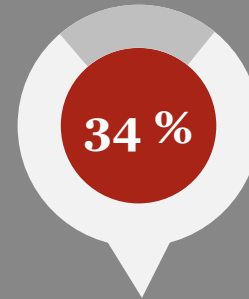
*of E&M CEOs are confident about their companies revenue growth over the next 3 years*



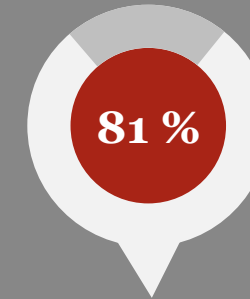
*of E&M CEOs said changes in consumer behaviour would be «somewhat or extremely disruptive»*



*of E&M CEOs said changes in distribution channels would be «somewhat or extremely disruptive»*



*of E&M CEOs are extremely concerned about over-regulation*



*of E&M CEOs are confident about their companies revenue growth over the next 3 years*



**Find your  
own Outlook  
story online...**

**[www.pwc.no/outlook](http://www.pwc.no/outlook)**

Contact us!



Eivind Nilsen

Partner

952 60 832

[eivind.nilsen@pwc.com](mailto:eivind.nilsen@pwc.com)



Øystein B. Sandvik

Director

952 60 415

[oystein.sandvik@pwc.com](mailto:oystein.sandvik@pwc.com)