

Explore the Global Entertainment & Media Outlook 2020-2024



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Pulling the future forward: The entertainment and media industry reconfigures amid recovery

Wednesday, 2 September 2020 – Consumer habits can take a lifetime to learn – but just a lockdown to lose. According to PwC’s [Global Entertainment & Media Outlook 2020–2024](#), the COVID-19 pandemic has accelerated and amplified ongoing shifts in consumers’ behaviour, pulling forward digital disruption and forging industry tipping points that wouldn’t have been reached for many years. Digitalisation, one of the major [forces](#) shaping all industries, has been intensified by safe distancing and mobility restrictions. As a result, the entertainment and media (E&M) world in 2020 has become

more remote, more virtual, more streamed, more personal and – for now at least – more centred on the home than anyone anticipated at the start of the year.

Industry growth contracts sharply...

The pandemic afflicting the world brought the global E&M industry's growth to a shuddering halt. As a result, PwC delayed publication of the Outlook by three months to properly assess the pandemic's impacts. The revised projections for revenue growth underline why this was the right decision. Amid a global recession, 2020 will see the sharpest fall in global E&M revenue in the 21-year history of this research, with a decline of 5.6% from 2019 – more than US\$120bn in absolute terms. In Singapore, the expected decline is **5.0% from 2019**, valued at approximately **US\$274mn**.

Oliver Wilkinson, Entertainment and Media Leader, PwC Singapore says:

"The year 2020 presents a paradox for many Singapore media businesses. There is more consumption of media than ever before, with Singaporeans stuck at home during the circuit breaker. Yet at the same time, there has been a sharp contraction in revenue and profitability for many industry players."

While the shockwaves from 2020 will continue to ripple through the global economy, our forecast shows the industry's fundamental growth trajectory remains strong. The projections show that in 2021, global E&M spending will grow by **6.4%**, with Singapore's not far behind at **5.3%**. Singapore E&M spending is also expected to bounce back to **US\$5.5mn** reaching 2019 levels (US\$5.5mn in 2019). Looking across the five-year forecast period, from 2019 to 2024, the outlook forecasts overall revenue growth running at a 2.8% compound annual growth rate (CAGR) globally and a **2.5%** CAGR in Singapore.

Tipping point timelines accelerate

As is the case in the economy at large, the current pain in E&M is not evenly shared around the industry. It's most acute in segments that COVID-19 literally shut down, such as events: live music, cinema and trade shows. Spending on cinemas in Singapore projected to fall by **59%** in 2020 and is expected to make a slow recovery. The current forecast shows that by 2024,

cinema spend will remain shy of 2019 levels (US\$205mn in 2019, US\$200 in 2024). At the same time, the long-running transition in newspapers from print to digital has been fast-forwarded several years, cutting into papers' print revenues, for example.

Winners and losers emerge...

So, how are the shifts accelerated by COVID-19 playing out in different industry segments? With people staying at home, over-the-top (OTT) video has seen global revenue surge by 26% in 2020 with the Singapore numbers climbing ahead at **32%**. And it is forecasted to keep rising strongly in the coming years, doubling in size from **US\$234mn** in 2019 to **US 477mn** in 2024. With more people home, the video games segment has also grown quickly in Singapore amidst the crisis. The segment shows **9%** growth this year will remain one of the fastest growing segments going forward to 2024.

At the other end of the scale are the segments that have been hit hardest. A further COVID-related impact is that the ongoing decline in global newspapers and consumer magazines has accelerated sharply in 2020, with overall revenues in Singapore slumping by **13%**, with consumer magazines suffering the most. That said, digital offers a silver lining: a tipping point for consumer magazines in 2024 will see their global revenue from digital advertising overtake that from print advertising. Other important sectors will struggle to claw back the growth they lost in 2019. For example, out-of-home advertising is expected to decline by **24%** in 2020 but will recover in 2022.

Oliver Wilkinson, Entertainment and Media Leader, PwC Singapore says:

"What is consistent with the outlook from prior years is the wide variance of performance between different segments, particularly given the acceleration of digital media adoption at the expense of traditional. It is in this sense that the pandemic has brought the future forward.

"That said, most affected of all have been the live entertainment and cinema segments. Before this crisis, experiences were amongst the better performing parts of the industry, but they have taken a large hit due to the safe distancing and travel restrictions. We still see a good future for such events and live experiences, but it may be some years before they can adapt to this new normal."

A year that stands apart

Although 2020 has been a challenging and disruptive year for most industries – including many segments of E&M – it is clear that consumer demand for the varied and expanding array of media choices now on offer continues to grow. The revenue figures in this year’s Outlook reflect the full force of the economic downturns and digital acceleration triggered by COVID-19, but the longer-term outlook for the E&M industry as a whole remains bright. That said, it’s also clear that as normality slowly returns, there will continue to be winners and losers.

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About the Global Entertainment & Media Outlook

PwC’s 21st annual edition of the Global Entertainment & Media Outlook is a comprehensive online source of global analysis for consumer and advertising spending. With like-for-like, five-year historical and five-year forecast data and commentary for 14 defined industry segments in 53 territories, the Outlook makes it easy to compare and contrast consumer and advertising spending across segments and territories. Find out more at www.pwc.com/outlook.

Segments covered by the Global Entertainment & Media Outlook

Books; Business-to-business; Cinema; Data consumption; Internet access; Internet advertising; Music, radio and podcasts; Newspapers and consumer magazines; OTT video; Out-of-home advertising; Traditional TV and home video; TV advertising; Video games and esports; Virtual reality

About Global Entertainment & Media Outlook data

Much of the content in this press release is taken from data in the Global Entertainment & Media Outlook 2020–2024. PwC continually seeks to update the online Global Entertainment & Media Outlook data. Therefore, please note that the data in this press release may not be aligned with the data found online. The online Global Entertainment & Media Outlook 2020–2024 is the most up-to-date source of consumer and advertising spend data.

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