



January 13, 2020

DEG: The Digital Entertainment Group today released its Year-End 2019 Digital Media Entertainment Report compiled by DEG members, tracking sources and retail input.*

Digital Media Entertainment Spending Rises 8.4% to Top \$25 Billion in 2019

Led by Subscription Streaming, Total Spending on Digital Formats Grew 18%

Electronic Sell Thru and Internet VOD Also Benefit from Consumers' Growing Embrace of Digital Transactions

Digital Media Entertainment spending jumped 8.4 percent in 2019 to a record \$25.2 billion as consumers continued viewing and collecting their favorite films across formats.

Fourth quarter results were equally strong, rising 9 percent to \$6.8 billion.

Among the highlights for the fourth quarter and full year in 2019:

- Overall electronic sell-through (EST) spending rose 5 percent for the year. Theatrical EST sales were up more than 7 percent for the year, offsetting a full year flattening in sales of TV product.
- VOD revenue through internet services grew 10 percent in the fourth quarter and 9 percent for the year, reflecting consumers' continued engagement with VOD, increasingly through internet services.
- Subscription streaming rose 26 percent in the fourth quarter and 24 percent for the year.
- In total, spending on digital formats rose 19 percent for the quarter and 18 percent for the year.
- Among the best-performing film titles released for the home in 2019 were: *Avengers: Endgame* (Disney), *Aquaman* (Warner Bros.), *Bohemian Rhapsody* (Fox), *Captain Marvel* (Disney) and *A Star Is Born* (Warner Bros.). Top performing TV titles included *Yellowstone* (S1, S2, Paramount), *Game of Thrones* (Complete S 1-7, S6, S7, S8, Warner Bros.), *The Big Bang Theory* (S12, Warner Bros.), *Outlander* (S4, Sony) and *The Walking Dead* (S9, Lionsgate).
- Box-office revenue for films distributed during 2019, by comparison, fell 9 percent for the full year and 3 percent in the fourth quarter.

***Please note, these numbers are preliminary. Please contact DEG for an updated version in early February.**

If you would like to discuss DEG's Year End 2019 Digital Media Entertainment Report, please contact DEG at 424-248-3809.

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2019

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2019 Preliminary Pending Final Reporting

U.S. Consumer Spending						
(\$ in millions)	Q-4 2018	Q-4 2019	YOY	YTD 2018	YTD 2019	YOY
Sell-Thru						
Sell-Thru Packaged Goods All	\$ 1,238.96	\$ 1,018.30	-17.81%	\$ 4,029.87	\$ 3,292.65	-18.29%
Sell-Thru Including EST	\$ 1,903.11	\$ 1,688.60	-11.27%	\$ 6,487.54	\$ 5,876.06	-9.43%
Rental						
Brick & Mortar	\$ 75.87	\$ 61.60	-18.81%	\$ 316.99	\$ 250.07	-21.11%
Subscription (Physical Only)	\$ 86.02	\$ 70.14	-18.46%	\$ 369.28	\$ 301.21	-18.43%
Kiosk	\$ 257.00	\$ 206.64	-19.60%	\$ 1,098.03	\$ 884.59	-19.44%
Total Rental (excluding VOD)	\$ 418.89	\$ 338.38	-19.22%	\$ 1,784.30	\$ 1,435.87	-19.53%
Total Rental (including VOD)	\$ 935.80	\$ 818.13	-12.57%	\$ 3,871.29	\$ 3,393.77	-12.33%
Digital						
Electronic Sell-Thru (EST)	\$ 664.15	\$ 670.29	0.92%	\$ 2,457.67	\$ 2,583.41	5.12%
VOD	\$ 516.91	\$ 479.75	-7.19%	\$ 2,086.99	\$ 1,957.90	-6.19%
Subscription Streaming (SVOD)*	\$ 3,425.31	\$ 4,317.15	26.04%	\$ 12,848.96	\$ 15,897.66	23.73%
Total Digital	\$ 4,606.37	\$ 5,467.20	18.69%	\$ 17,393.62	\$ 20,438.97	17.51%
Total U.S. Home Entertainment Spending	\$ 6,264.22	\$ 6,823.88	8.93%	\$ 23,207.79	\$ 25,167.49	8.44%
Box Office in Billions	\$ 3.07	\$ 2.98	-3.03%	\$ 12.09	\$ 11.02	-8.86%

*SVOD data sourced from IHS Markit (technology.ihs.com). Disclaimer: The data is not an endorsement and reliance is at a third party's own risk. Preliminary pending final reporting

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