# Digital Entertainment Spending Up In All Categories

## Electronic Sell-though (EST) - Priced for Sale Unlimited Viewing

## Video-on-Demand (VOD) - Transactional VOD, Limited Viewing Period

<table>
<thead>
<tr>
<th>Delivered via</th>
<th>Examples</th>
<th>Included</th>
</tr>
</thead>
<tbody>
<tr>
<td>iVOD (Internet Service)</td>
<td>iTunes, Amazon Prime, Google Play, FandangoNow</td>
<td>Yes</td>
</tr>
<tr>
<td>cVOD (Cable/Satellite)</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>pVOD (Internet)</td>
<td>Premium priced rental transactions in an early HE window</td>
<td>No</td>
</tr>
</tbody>
</table>

**SVOD** - Monthly Fee to access content i.e. Netflix, Hulu, CBS All Access and Disney+

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>SVOD</td>
<td>Yes</td>
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</table>

**AVOD** - Includes Advertising, i.e. PlutoTV, Tubi

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<tr>
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<tr>
<td>AVOD</td>
<td>No</td>
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</table>

U.S. Consumers Spend on Home Entertainment Tops $30B* in 2020

U.S. Consumer Home Entertainment Year-End
(in billions)

- Digital: $26.53
- Sell-Thru (Physical): $2.45
- Rental (Physical): $1.04

*Preliminary
At Home and Spending!

U.S. Shuttered Population Estimated by Week
Consumers Shelter-at-Home and embrace home entertainment
Digital vs Box Office: Time of Frame Breaking Change

Digital vs Box Office Spending Over Time
2017-2020
(in Millions)

USD (Millions)
Digital Spending (EST and VOD) Tops $5B in 2020

Digital without Streaming - Year-over-Year 2020 vs 2019
(in billions)
*Up 17% for Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Spend (in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$4.54</td>
</tr>
<tr>
<td>2020</td>
<td>$5.31</td>
</tr>
</tbody>
</table>

*Up 17% for Year
Electronic Sell Thru (EST)
EST Consumer Spending and Covid-19 Pandemic

Year-over-year change in EST Consumer Spending & Shuttered Population
Consumers Spend almost $3B on EST

EST Year-Over-Year 2020 vs 2019
(in billions)

2019
$2.58

2020
$3.00

Drivers:
- Q2 ’20 massive up-tick in EST theatrical
- TV strong Q2-Q4
Consumers Embrace Streaming as Options Increased

Subscription Streaming* - Year-over-Year
2020 vs 2019
(in billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$15.47</td>
</tr>
<tr>
<td>2020</td>
<td>$21.22</td>
</tr>
</tbody>
</table>

*SVOD data sourced from Omdia (technology.informa.com). Disclaimer: The data is not an endorsement and reliance is at a third party's own risk. Note Q1-2020 upward revision.
Video on Demand (VOD)
VOD Spending up 18% Year-over-Year

Drivers:
- In Q2 theatrical soared and spending remained high in Q4 up 25% as people caught up with offerings. Finished the year up 40%
- Catalog and independent titles strong particularly in second half
iVOD Spending Up 43% Year-over-Year

iVOD- Year-over-Year 2020 vs 2019
(in billions)

- 2020: $1.65
- 2019: $1.16

iVOD Spending Up 43% Year-over-Year
Cable Video on Demand (cVOD)

<table>
<thead>
<tr>
<th>Year</th>
<th>cVOD Sales (in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$0.80</td>
</tr>
<tr>
<td>2020</td>
<td>$0.67</td>
</tr>
</tbody>
</table>

Year-Over-Year 2020 vs 2019

Photo courtesy of Unsplash – Erik Mclean
Thank you!
Judith McCourt