



May 13, 2022

*DEG: The Digital Entertainment Group today released its First Quarter 2022 Digital Media Entertainment Report compiled by DEG members, tracking sources and retail input.**

Home Entertainment Spending Rose 10.9% to \$8.7 Billion in 2022 First Quarter

***Digital purchases of theatrical titles increased 17.3%, fueled by
renewed box-office activity***

Consumers spent \$8.7 billion on movies and television shows consumed at home and on the go in the first quarter of 2022. Spending rose almost 11 percent from the \$7.8 billion consumers spent in the first three months of 2021, a growth achieved even as consumers increasingly sought out-of-home experiences after almost two years of limited activity in response to the spread of COVID-19.

The 2022 increase – including a 13.8 percent increase across all digitally delivered formats including electronic sell-through (EST)**, video on demand (VOD)** and subscription streaming – was fueled by an increase in new theatrical releases, which are historically a key driver of home entertainment spending, released in premium and traditional windows.

Among the highlights for the First Quarter 2022:

- Digital purchases (EST) of theatrical titles rose more than 17 percent, including premium titles, helping to drive an almost 7 percent increase in EST overall in the quarter.
- Premium releases enjoy strong consumer interest and spending in this window is included in DEG tracking for the first time in first quarter 2022**.
- While still significantly below pre-pandemic levels, box-office spending on the titles released to the home in the first quarter jumped more than 500 percent from the year earlier period, feeding consumers' appetite for fresh feature films.
- Among the first quarter's best-performing titles across transactional formats were *American Underdog*, *Dog*, *Dune*, *Encanto*, *Ghostbusters: Afterlife*, *House of Gucci*, *No Time to Die*, *Sing 2*, *Spider-man: No Way Home*, *Venom: Let There Be Carnage* and *Yellowstone Season 4*.
- Subscription streaming rose almost 17 percent in the quarter from the year earlier period, as direct-to-consumer services including AMC+, Disney+, HBO Max, Paramount+, Peacock and others continued to add subscribers at a healthy rate.



If you would like to discuss DEG's First Quarter 2022 Digital Media Entertainment Report, please email Marcy Magiera at marcy@degonline.org.

**Please note, these numbers are preliminary. Final numbers will be available in early summer. Please contact DEG for an updated version.*

*** Digital transaction spending (EST and VOD) includes premium releases, but not Disney+ Premier Access titles. Reporting for first quarter 2021 was revised to include premium titles for purposes of comparison with 2022.*

For reference, DEG provides a list of digital entertainment terms and definitions on its web site, at [www. https://www.degonline.org/portfolio_page/deg-digital-entertainment-definitions/](https://www.degonline.org/portfolio_page/deg-digital-entertainment-definitions/).

EXTERNAL**Q1 2022****Prepared by:** J. McCourt**Email:** jmccourt@redhillgroup.com**Phone:** 949.752.5900 ext. 1**Date:** 5.13.2022**Q1 - 2022**

EXTERNAL			
U.S. Consumer Spending			
(\$ in millions)	Q1-2021	Q1-2022	YOY
Sell-Thru			
Sell-Thru Packaged Goods All	\$ 479.31	\$ 388.48	-18.95%
Sell-Thru Including EST	\$ 1,082.39	\$ 1,032.05	-4.65%
Rental			
Total Rental (excluding VOD)	\$ 235.98	\$ 196.12	-16.89%
Total Rental (including VOD)	\$ 797.89	\$ 697.20	-12.62%
Digital*			
Electronic Sell-Thru (EST)	\$ 603.08	\$ 643.57	6.71%
VOD	\$ 561.91	\$ 501.08	-10.83%
Subscription Streaming (SVOD)**	\$ 5,929.27	\$ 6,929.19	16.86%
Total Digital	\$ 7,094.26	\$ 8,073.84	13.81%
Total U.S. Home Entertainment Spending	\$ 7,809.55	\$ 8,658.44	10.87%
Box Office in Billions	\$0.19	\$1.18	522.11%

*Digital transaction spending (EST and VOD) includes premium releases, but not Disney+ Premier Access titles

**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.

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