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# Global TV Market Review

**Paul Gray**

**Research Director**

**Consumer Electronics**

[paul.gray@omdia.com](mailto:paul.gray@omdia.com)

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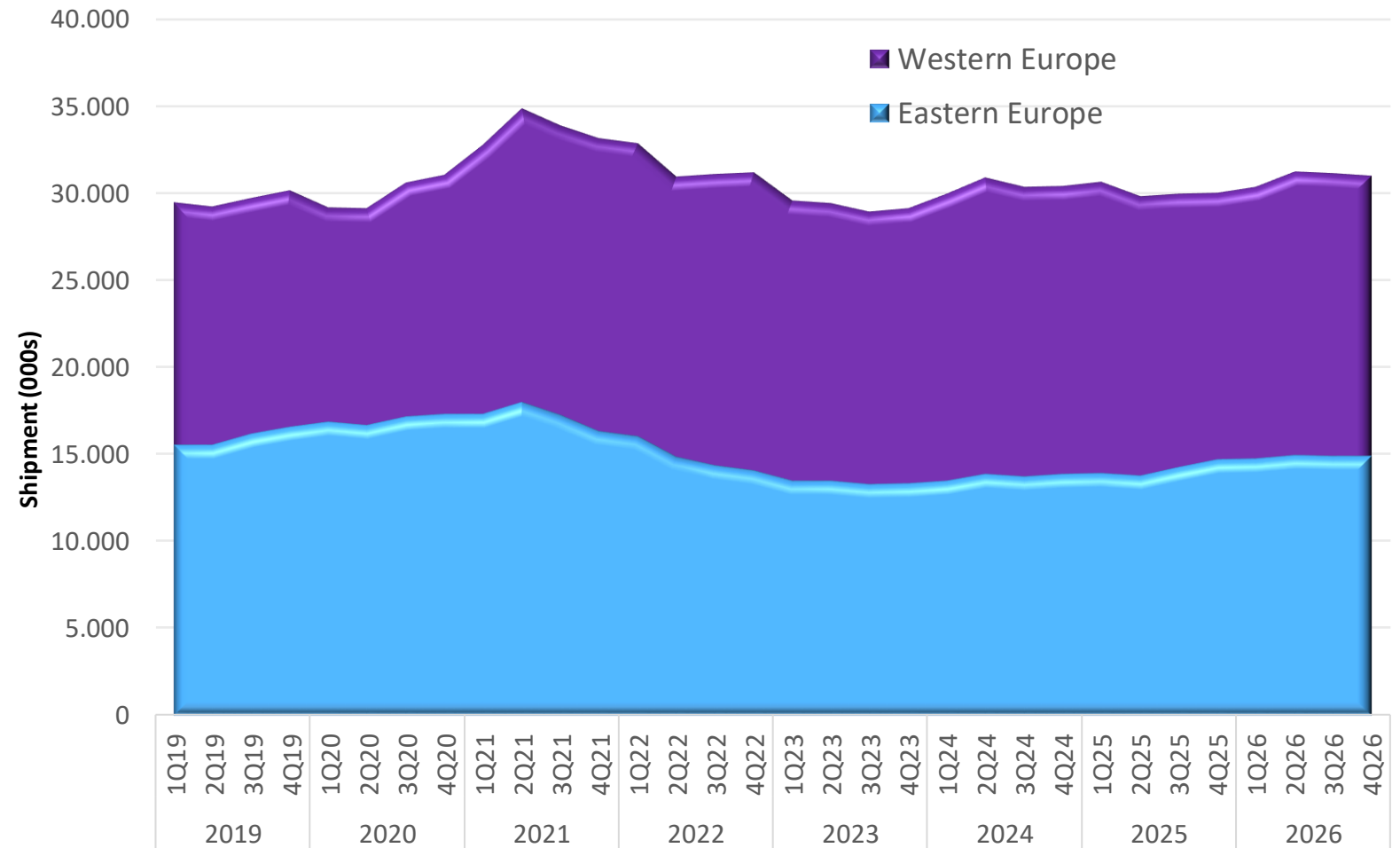


# TV Sets

# TV forecast

- **Settling to post-pandemic level**
- 2023 a quiet year, due to weak start.
- 2024 should see recovery boosted by promotions
  - Paris Olympics
  - Euro championships
- 2024 France broadcast switch may boost demand
- Eastern Europe continues slow growth, except Russia.

TV Shipment history & forecast



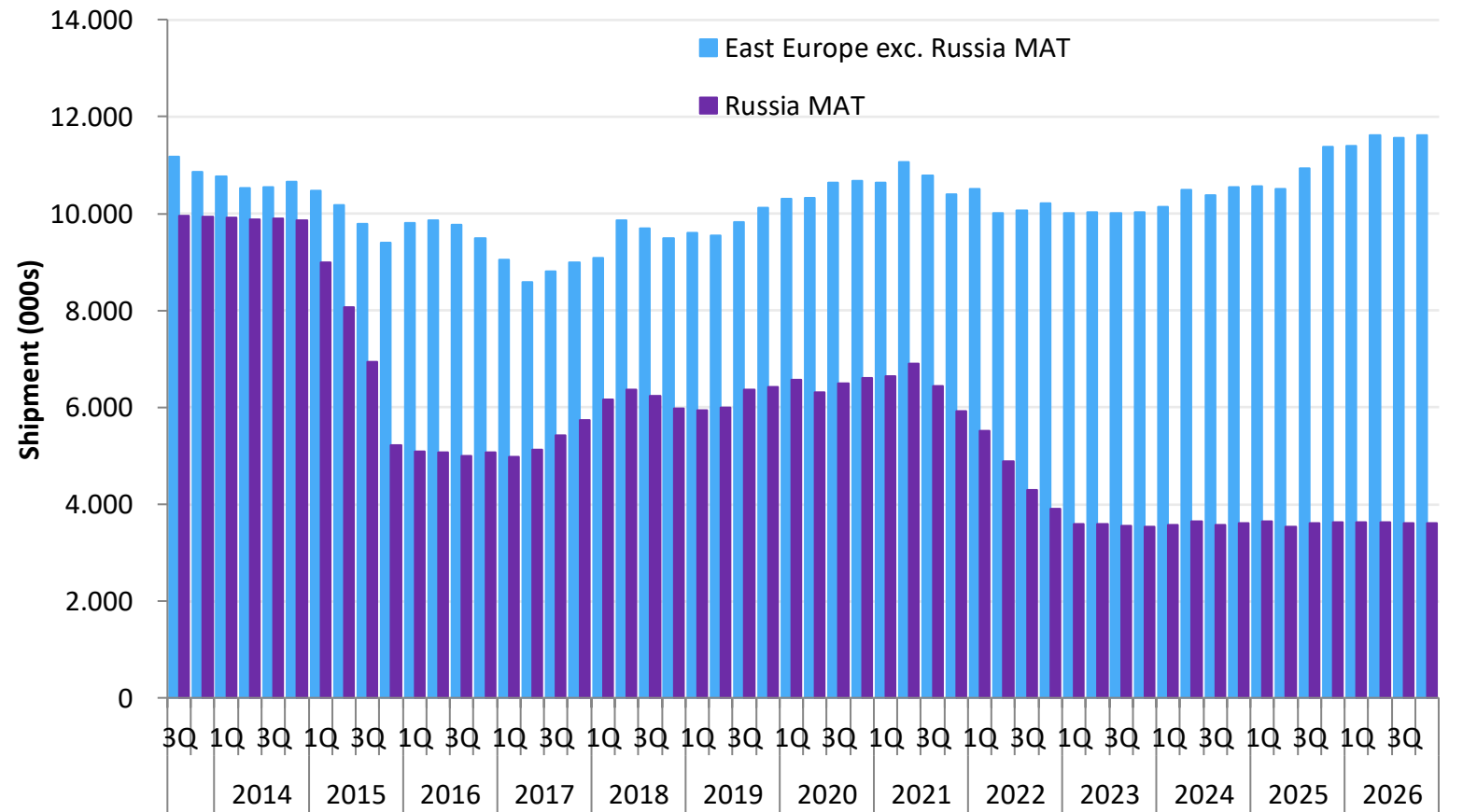
Source: Omdia

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# Eastern Europe growth continues; Russia stagnates

- **Return to growth trajectory for EU members**
- Russia most uncertain, serious erosion of spendable incomes (repeat of 2014)

Eastern Europe TV shipment and forecast (annualised)

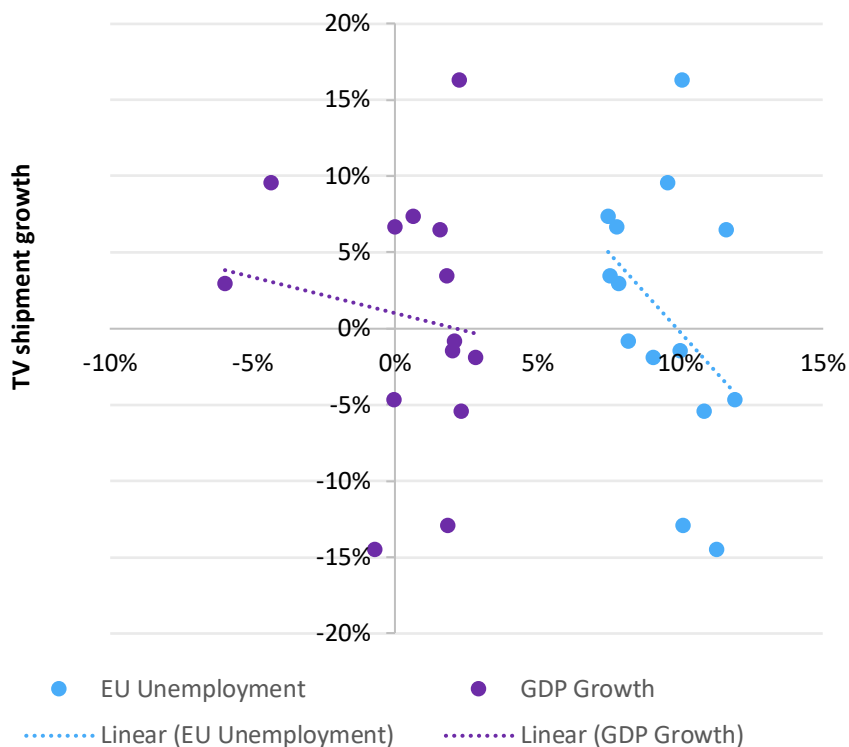


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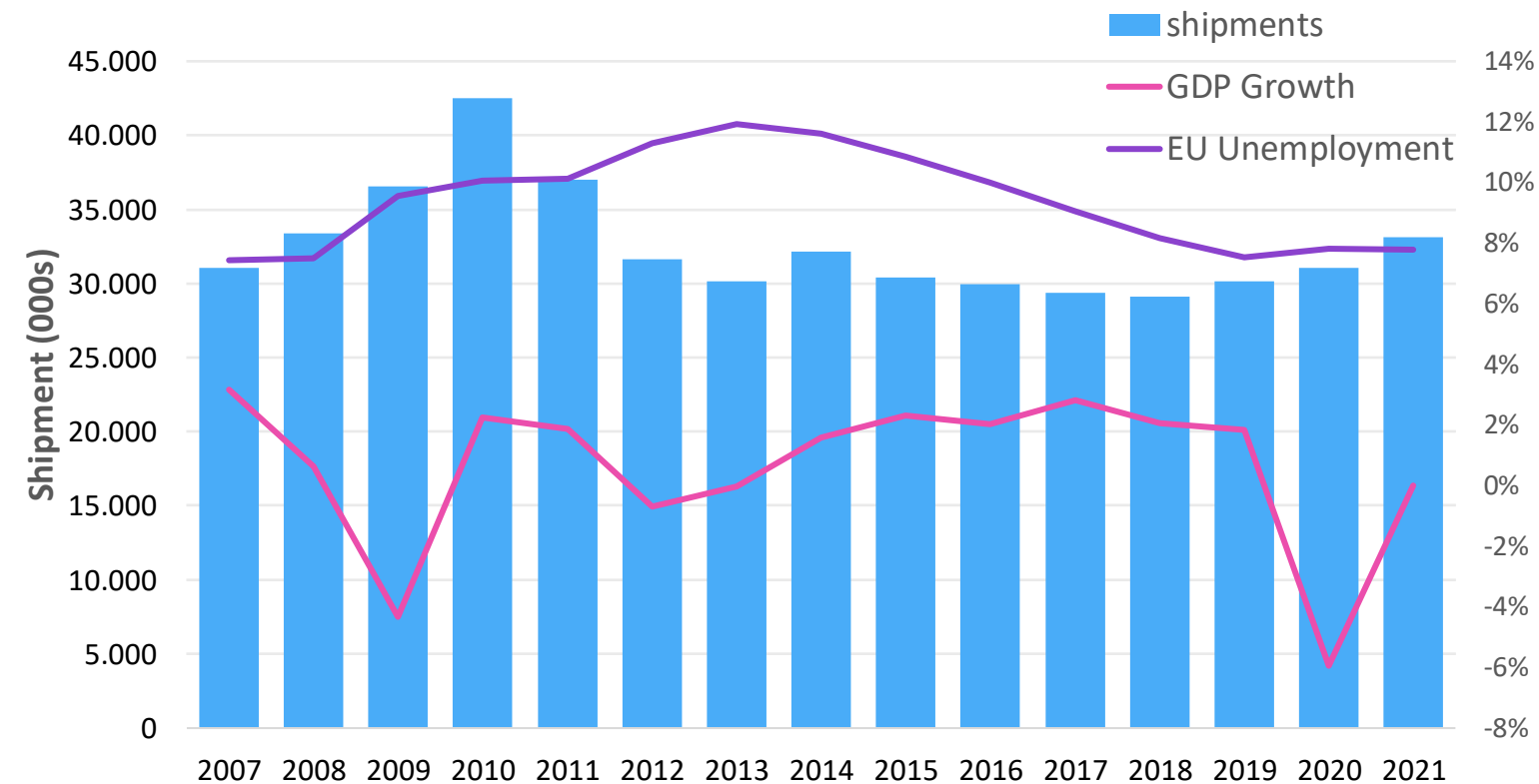
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# TV markets Resilient in Recessions: Western Europe

Correlation between unemployment or GDP and TV shipments



Western Europe TV shipments and price bands v. unemployment and GDP growth



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**Follow the  
money...**

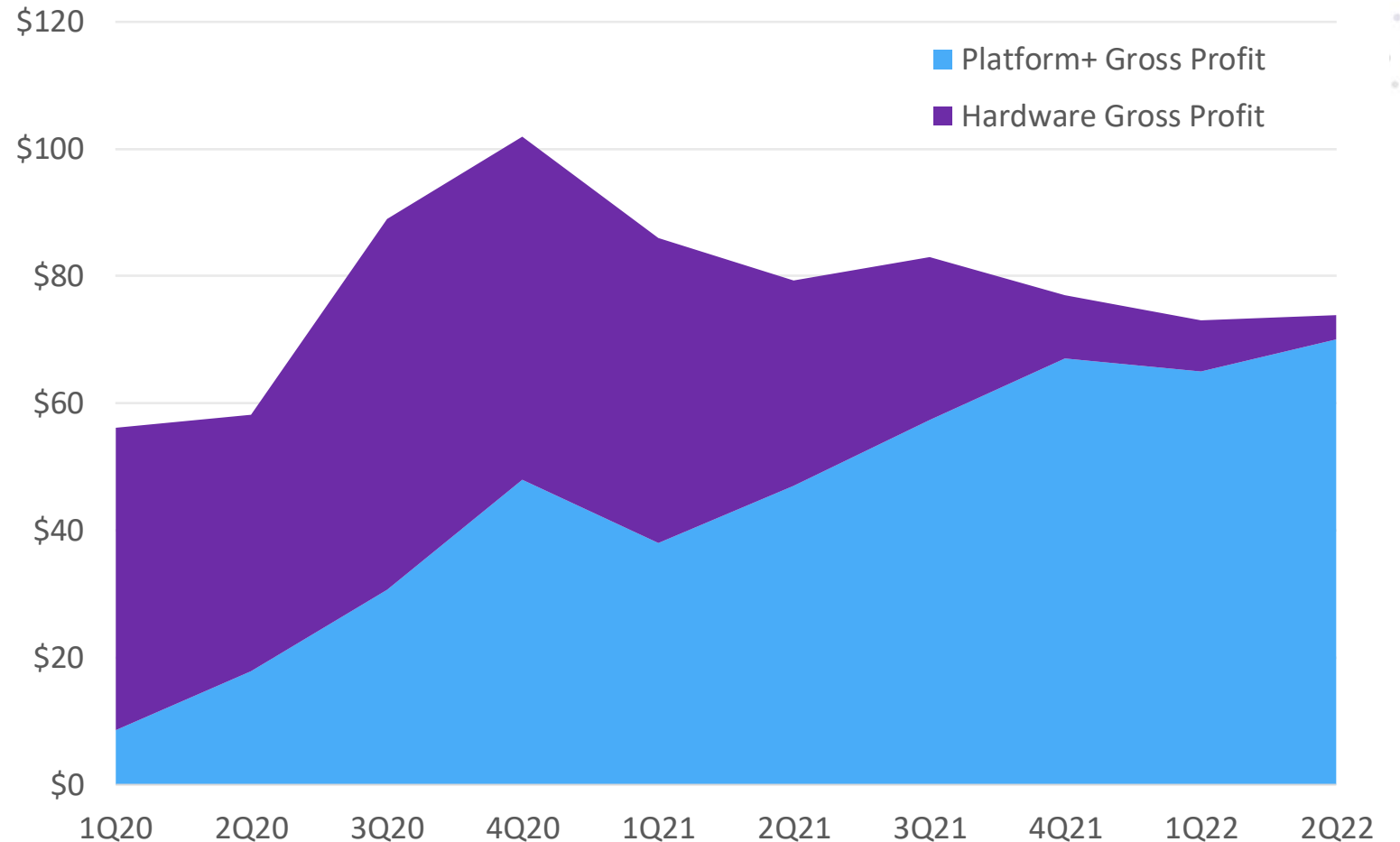


# Vizio revenues

Vizio's smart TV platform has grown revenues to over \$400 million in the past year

- Platform profits over \$250 million (3Q21-2Q22).
- Vizio now makes most profit (not turnover) from platform services.
- 2Q22 was 95% of profits.

Vizio Quarterly Profits, \$ million



Source: Omdia

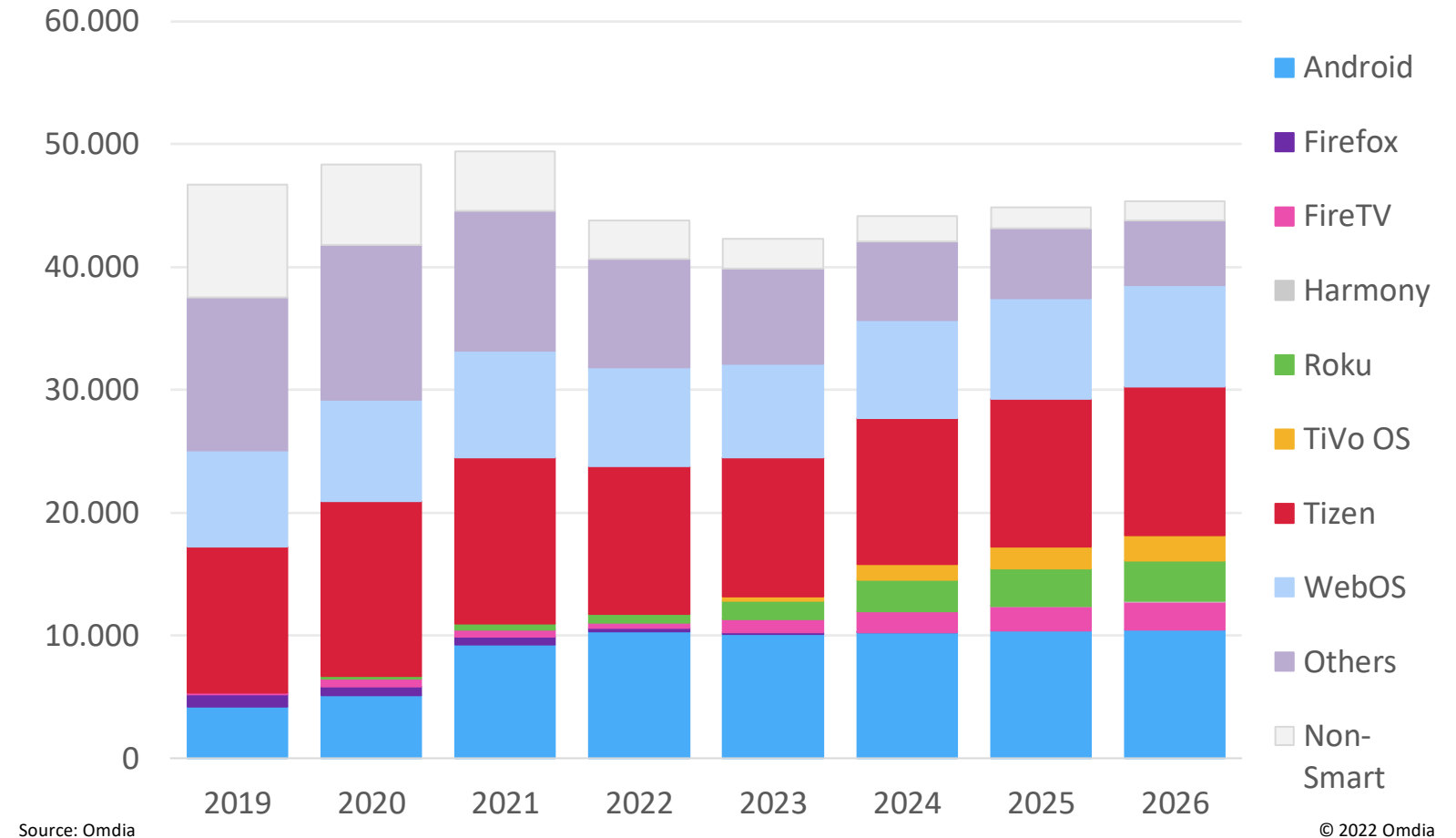
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# Platform Forecast

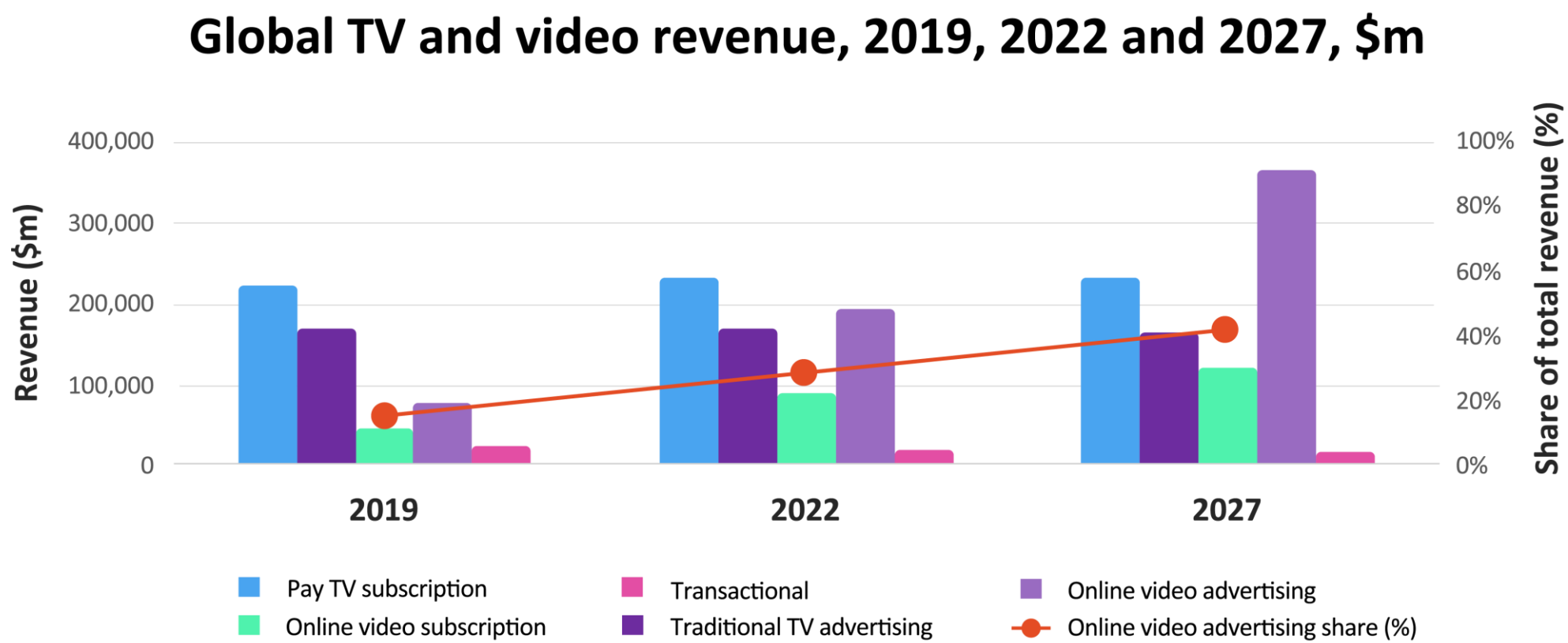
- **Recurring revenues the future dynamic for brands' platform strategy**
- More alternatives to Android
- Will Google share revenues?

## Europe Smart TV Platform Forecast (shipment, 000s)



# TV Services

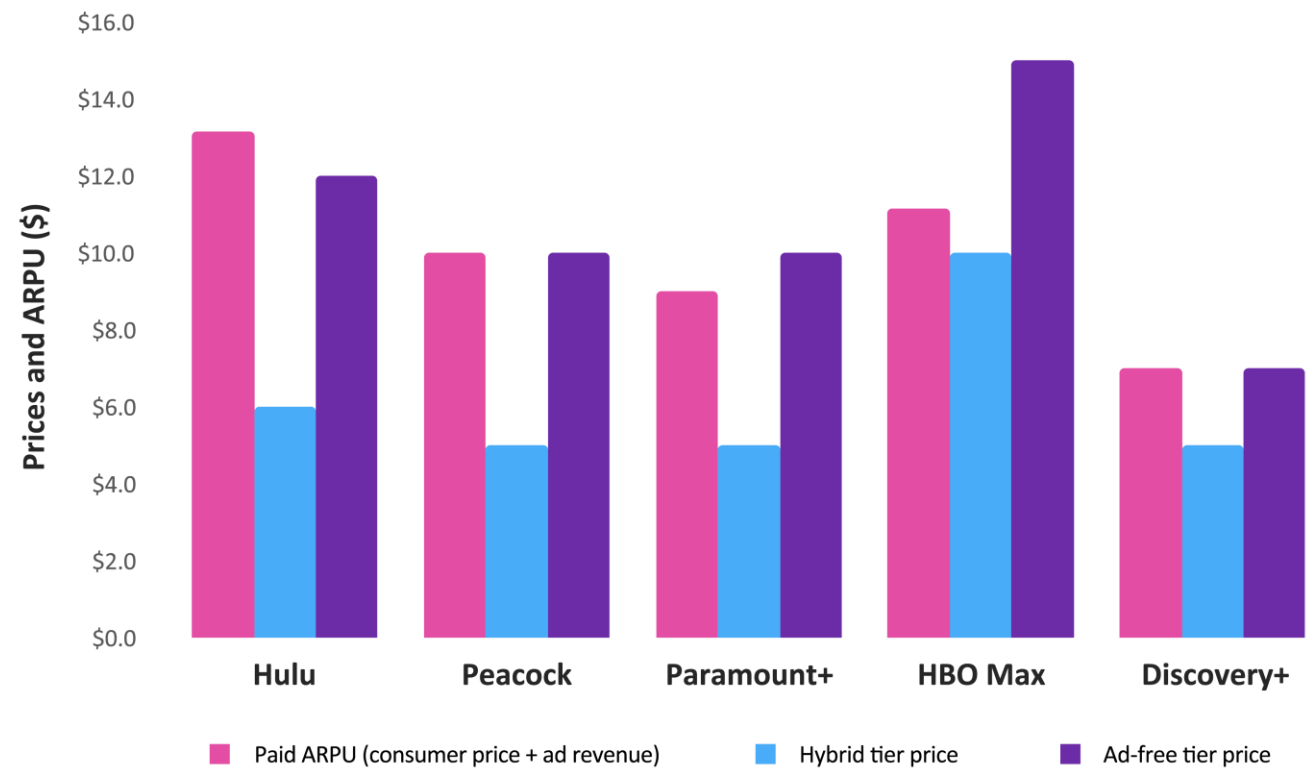
# 3X more online video revenue will come from ads than subs by 2027



Source: Omdia TV & Online Video Intelligence, Omdia Advertising Intelligence

# Hybrid tiers are delivering high value for consumers and media owners

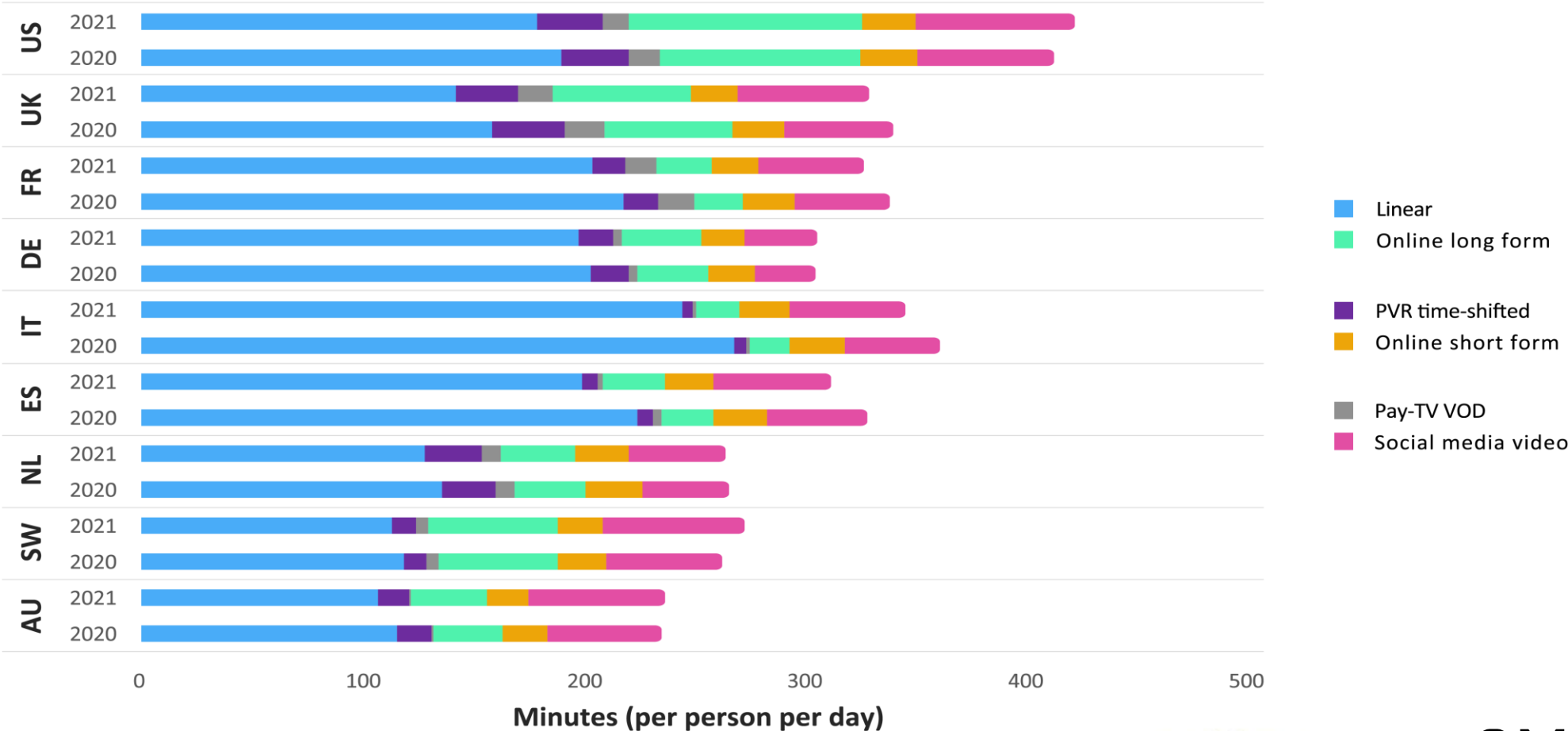
US: Hybrid services pricing and reported monthly average revenue per user (ARPU), 4Q21



Notes: \*Hulu ARPU refers to SVOD only as reported by Disney; HBO Max, Discovery+ and Peacock ARPU were disclosed during earnings calls; Peacock's ARPU refers to paying subscribers only (i.e., it excludes revenue generated by free ad-supported tier)  
Source: Disney, Comcast, Paramount, AT&T, Discovery

# But Linear TV still dominates viewing time...

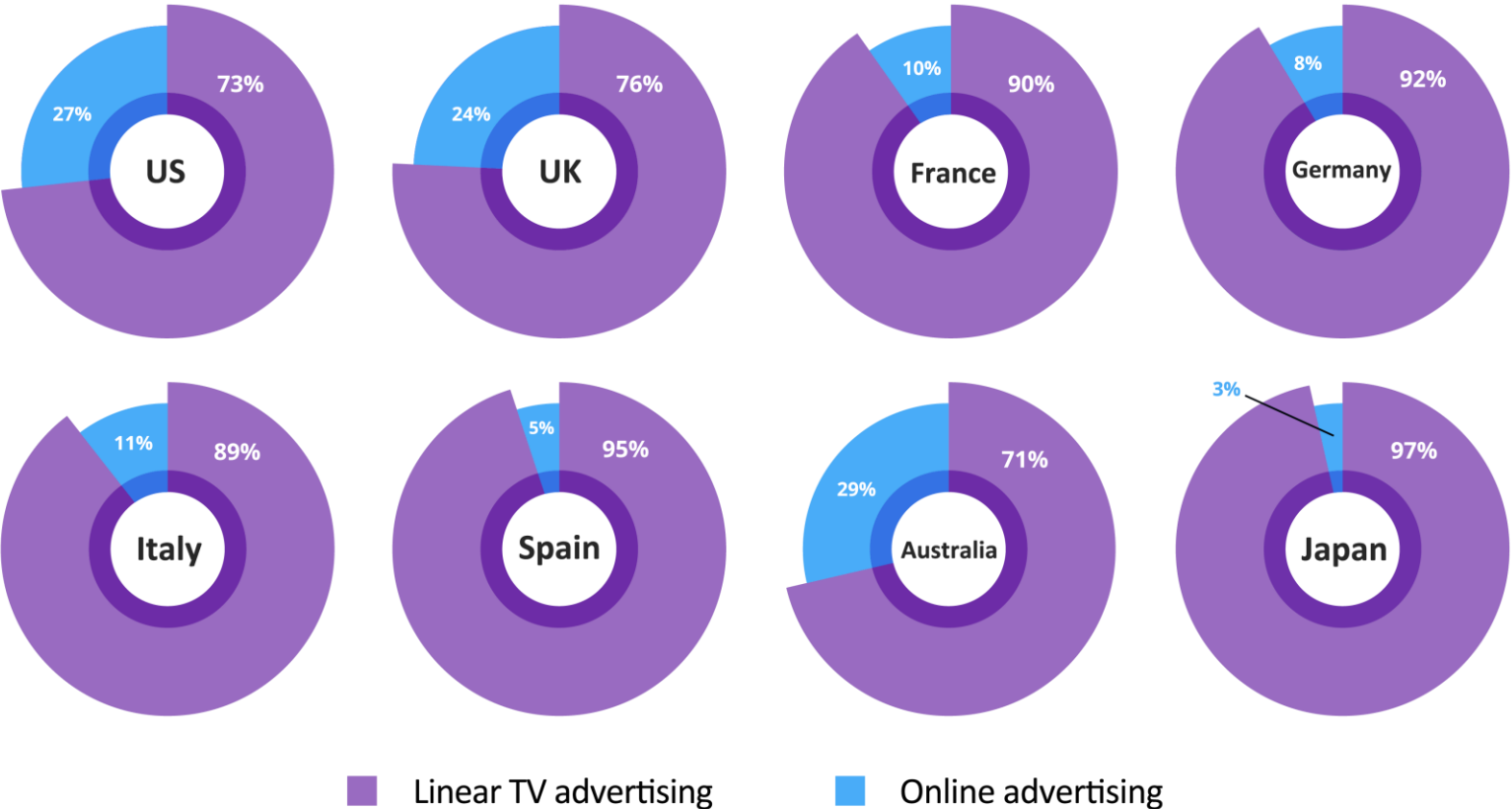
2021: Cross-platform viewing time by country



Source: Omdia TV & Online Video Intelligence. Reference Nielsen, BARB, Mediametrie, AGF, Auditel, Kantar, SKO, MMS, OzTAM, Sensor Tower.

# ...and broadcaster advertising revenue

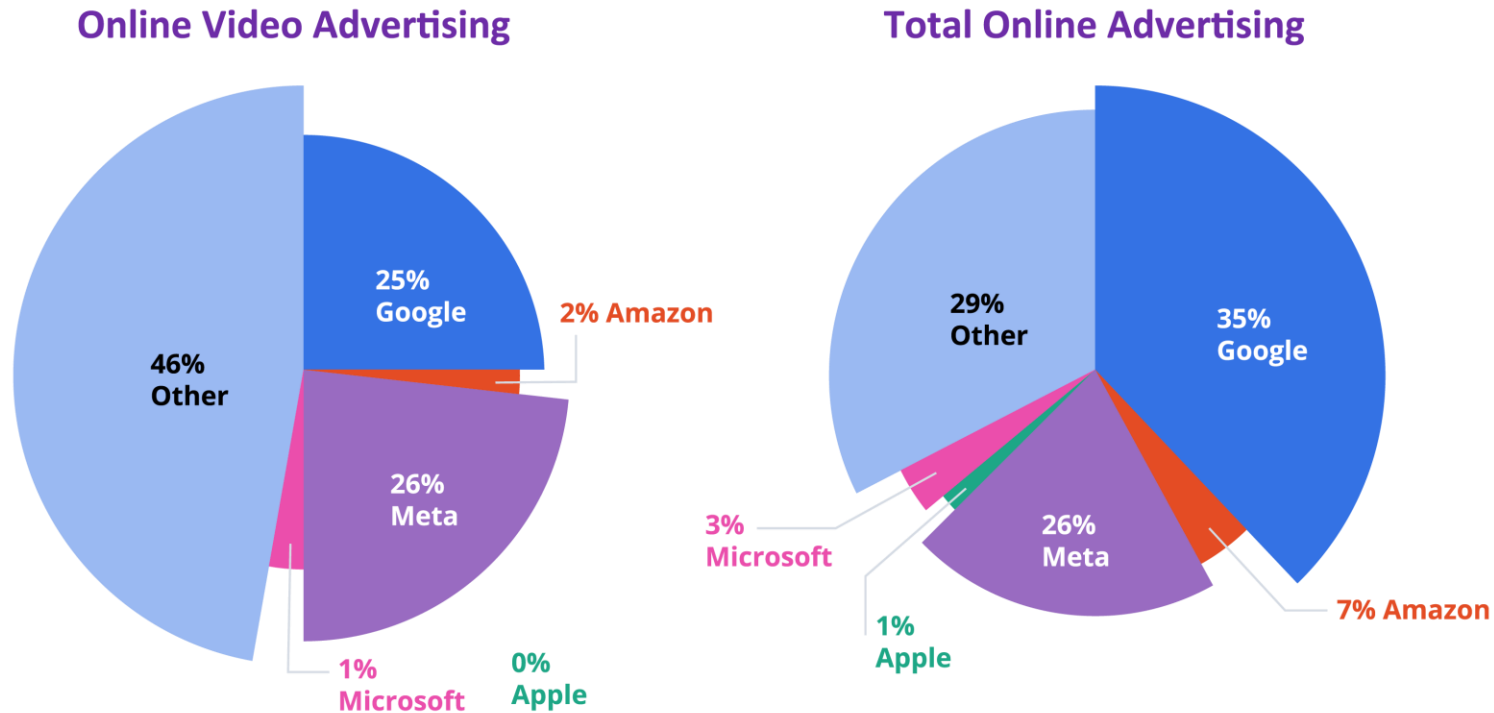
## US, EU 5, Australia and Japan – Broadcaster revenue composition 2027



Source: Omdia Advertising Intelligence

# Big tech has big ambitions in CTV media and technology

## 2021 GAMMA share of total online and online video advertising revenue, global excl. China



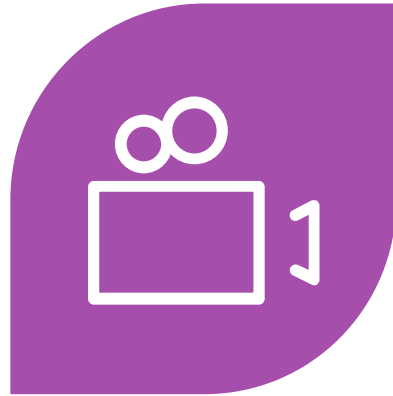
Source: Omdia Advertising Intelligence



# Third Streaming Wave: Cloud Gaming



**Audio**  
**streaming**



**Video**  
**Streaming**



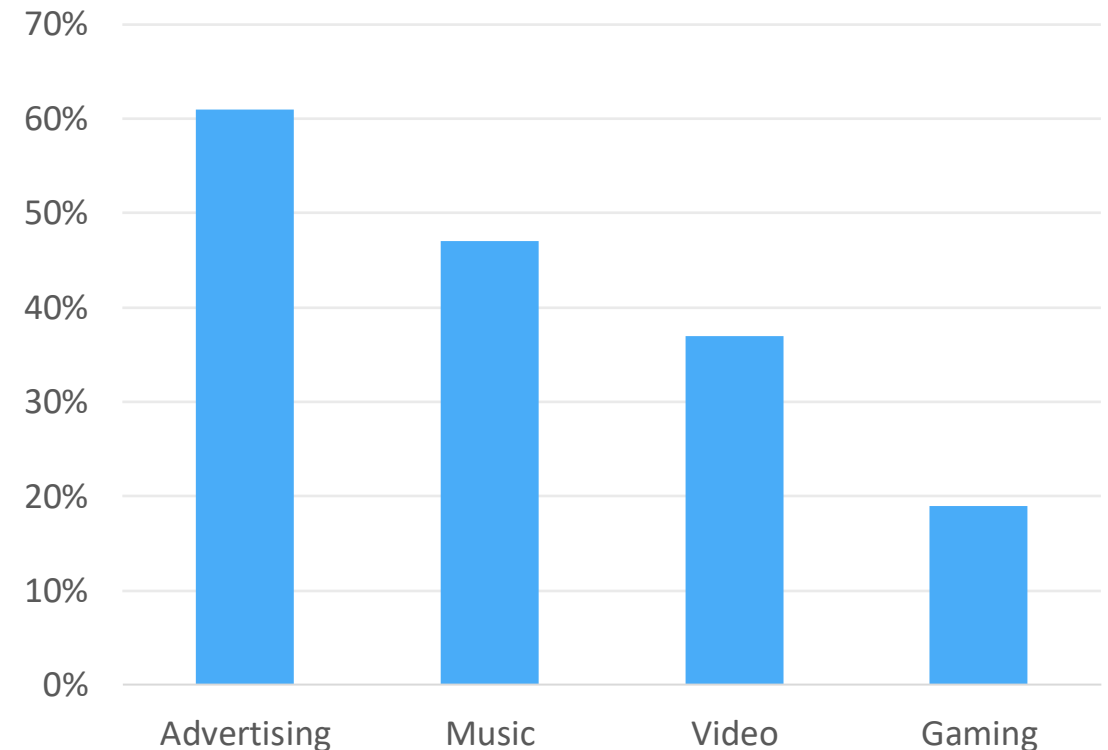
**Cloud**  
**Gaming**

- Not TV viewing: different regulatory environment.
- Advertising less regulated than TV
  - Markets interesting to advertisers: young demographic...and children.
- Revenue opportunity for TV brands
- Technology demands high, not easy.
  - No Apple/EA merger
  - Stadia to close

# Big Tech has less to offer in video & gaming

- TV companies have little to gain from Big Tech
  - Battle shifted to content and advertising, not technology
- In gaming, online revenues already 88% of total.
- Mobile gaming apps wildly successful, but don't translate to big-screen gaming.
- Games industry well advanced in cloud services.

Google / Amazon / Meta / Apple combined share of online media revenues



Source: Omdia

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# Conclusions:

- TV set business resettling to post-pandemic demand, significant short-term headwinds
- Platform dynamics shifting to recurring revenue for TV brands
- Broadcasters' competition evolving as streamers move into ad-supported TV
- New battle front in gaming, companies not desperate for Big Tech's help.

# Get in touch!



[paul.gray@omdia.com](mailto:paul.gray@omdia.com)



[linkedin.com/in/paul-gray-873491/](https://www.linkedin.com/in/paul-gray-873491/)



[@paulgray\\_DS](https://twitter.com/paulgray_DS)

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# Thank you

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customersuccess@omdia.com

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