

October 2024

Global Entertainment & Media Outlook 2024-2028: Hong Kong summary



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01

Overview: Entertainment & Media Outlook – Global and Hong Kong



The Outlook covers five-year projections of consumer and advertiser spending data across 13 segments and 53 territories



13 segments

- Business-to-Business
- Cinema
- Data consumption & internet access
- Internet advertising & TV advertising
- Music, radio and podcasts
- Newspaper, consumer magazines and books
- OTT Video
- Out-of-home (OOH)
- Metaverse
- NFTs
- Traditional TV and home video
- Video games and esports
- Virtual reality & augmented reality



53 territories

- United States
- Mainland China
- Hong Kong
- Japan
- Germany
- United Kingdom
- France
- India
- Brazil
- ... and more

Projected E&M revenue in 2028 and growth 2023-2028 (CAGR)

Global	Hong Kong
3.91%	2.06%
(US\$3,421 bn)	(US\$14 bn)

Seizing growth opportunities in a dynamic ecosystem

01

2023 - the entertainment and media (E&M) industry recovered its balance with the total global revenue growing at 5% to US\$2.8 trillion

02

Over the next five years, the E&M complex will grow at a more muted 3.9 % CAGR -> 3.4 Trillion in 2028

03

Generative AI is promising to deliver efficiency and productivity gains while powering new ways of doing business across and between multiple industries.

04

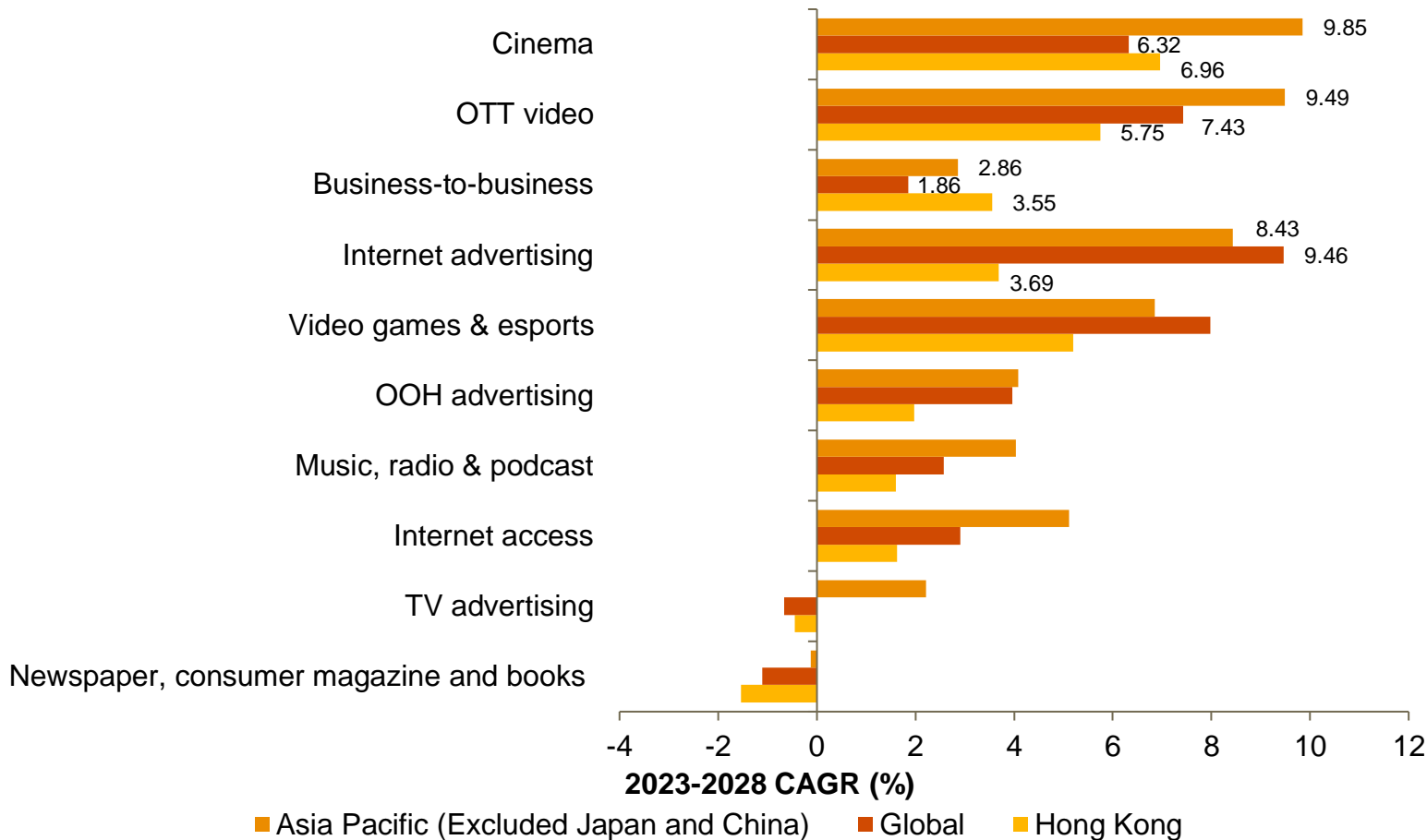
57% of E&M CEOs, compared with 45% of all CEOs, said their current business path would no longer be viable in ten years. Business model reinvention (BMR) will be the key to grab a share of the growing revenue pools.

- Advertising
- Rethinking business models
- Gaming
- High growth geographies & segments



Hong Kong summary & macro trends

2023-2028 Compound Annual Growth Rate (CAGR) of the segmented market



Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

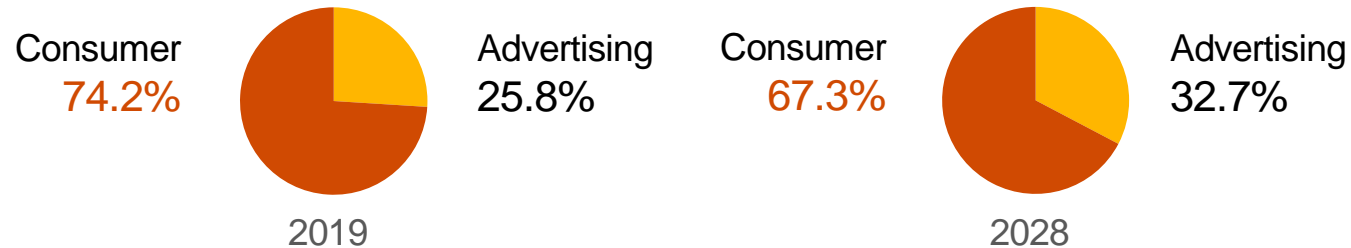
Hong Kong CAGR in business-to-business segment demonstrate higher growth than Global and Asia Pacific

- Sharp growth of trade shows in Hong Kong expected in the post-COVID era, to propel a total business-to-business revenue at a 3.55% CAGR to US\$969mn in 2028.
- The growth of printed media continues to fall below average as digital advertising becomes the dominant channel here.

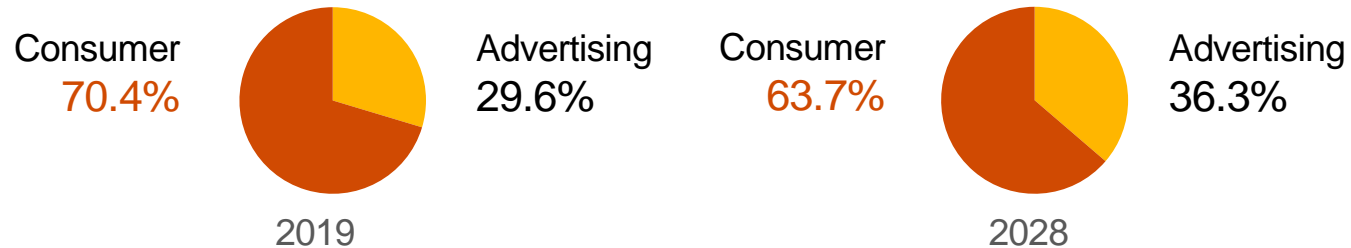
Hong Kong’s Entertainment and Media revenue will be dominated by consumer spending, the conversion trend is in line with Global (excluding Mainland China)

Entertainment and Media revenue (Global (excl. Mainland China vs. Singapore vs. Hong Kong) (in terms of consumer and advertising, 2019 vs. 2028 (%))

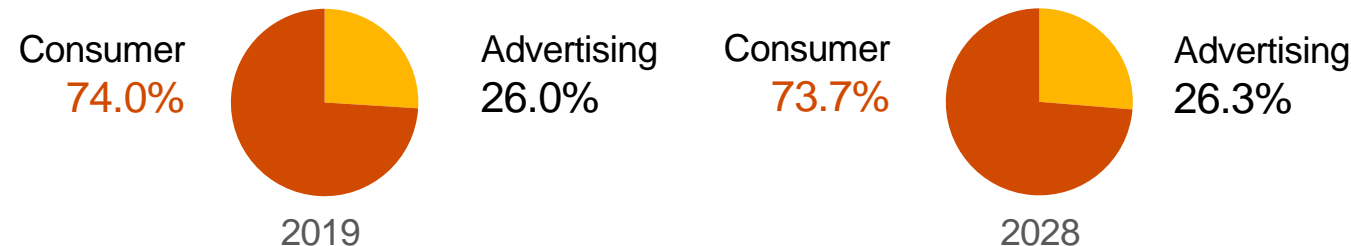
Global (exclude Mainland China)



Singapore



Hong Kong



Shifting from consumer spending to advertising spending

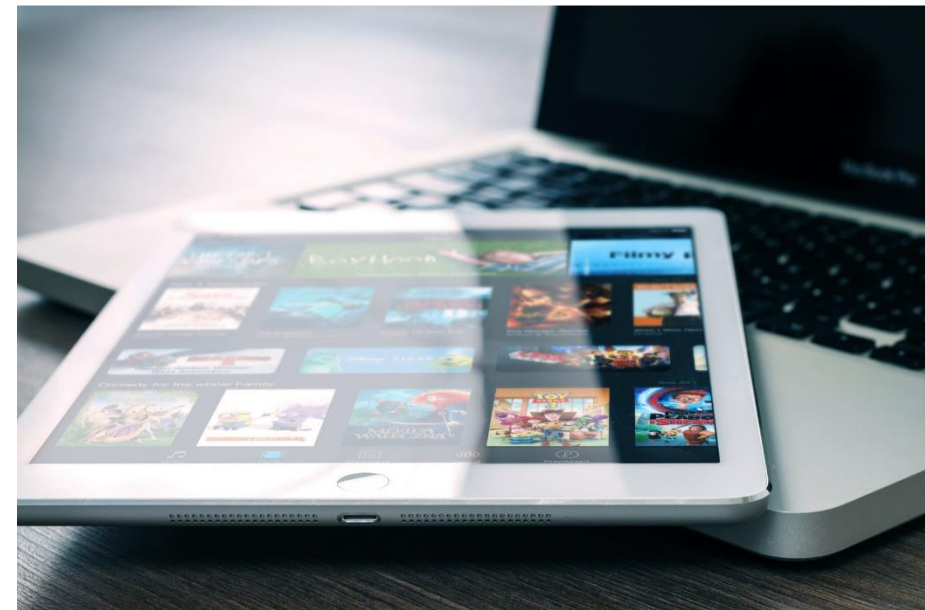
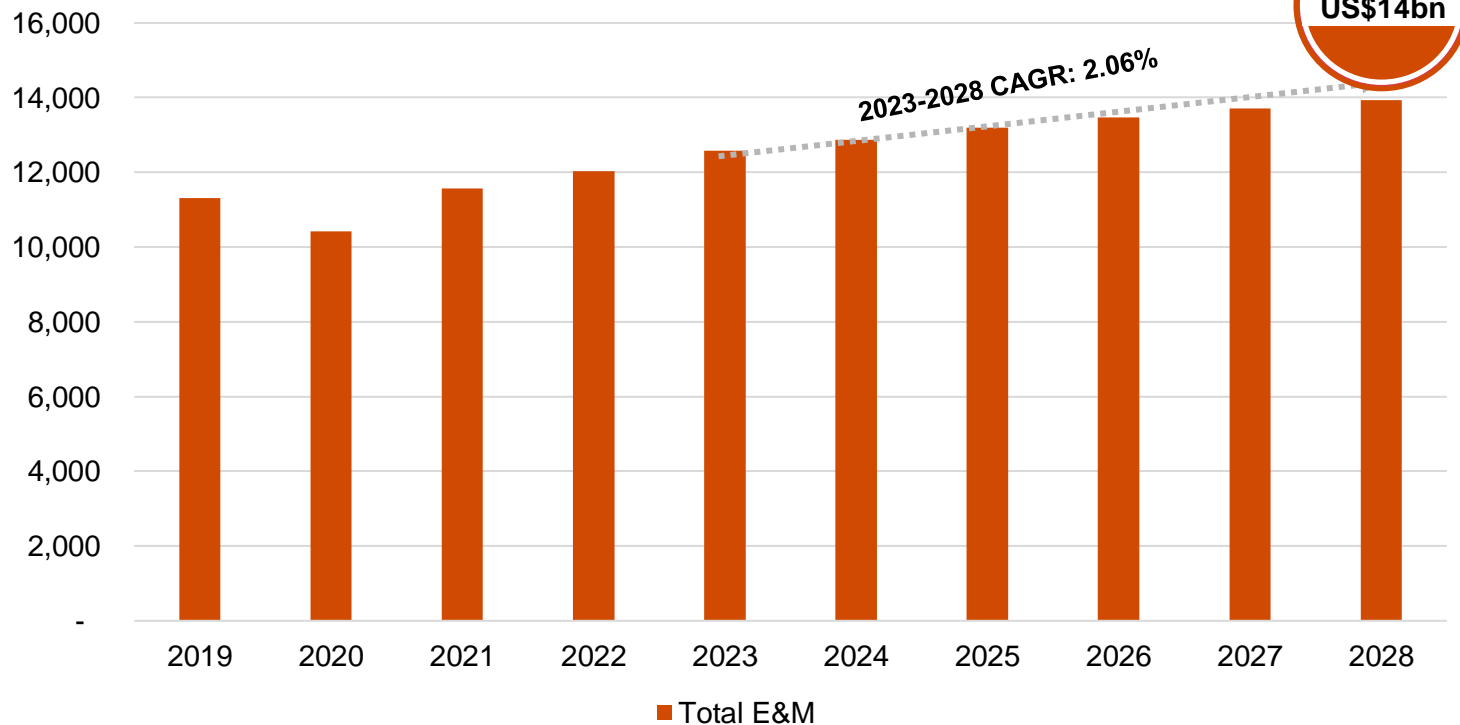
- **Rise of digital platforms and streaming services** has led to a shift in consumer behavior, with more people opting for digital content over traditional media such as printed media.
- **Shift towards subscription models:** Many entertainment and media companies in Hong Kong are shifting towards subscription-based models, which has led to a decline in revenue from the sales of physical media.
- **Changes in consumer preferences and expectations:** Consumers are increasingly seeking personalised and immersive experiences. As such, companies must provide high quality content and services that are attractive to consumers and drive spending.

Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

Projections show E&M growth in Hong Kong will be steady with a CAGR of 2.06% between 2023 and 2028

- Healthy growth has been the major trend for Hong Kong E&M since the start of the post-COVID recovery in 2022, mainly driven by business-to-business segment.
- Hong Kong E&M revenue is expected to reach US\$14bn in 2028.

Total HK E&M revenue and year-on-year growth (%), 2019-2028 (US\$ mn)



Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

02

Segment deep dives



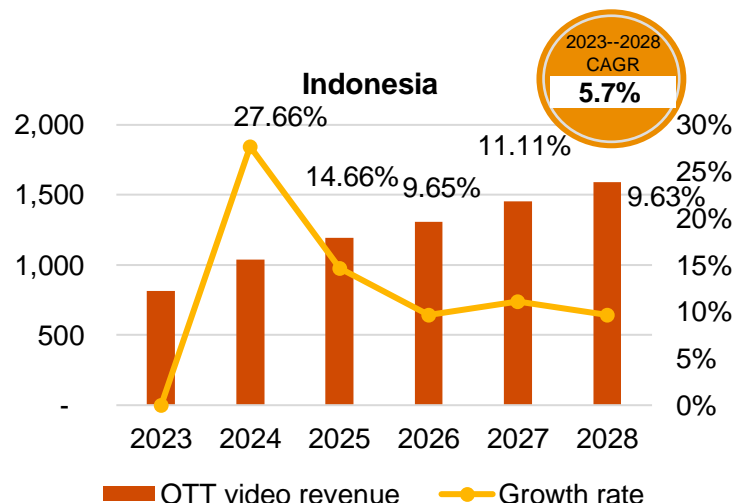
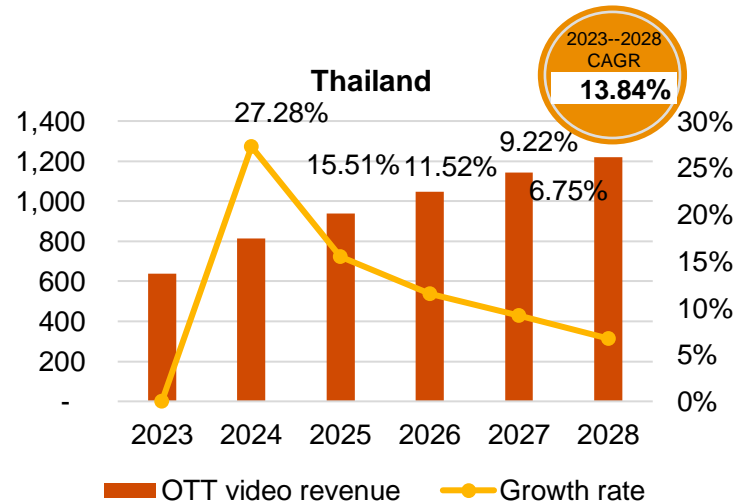
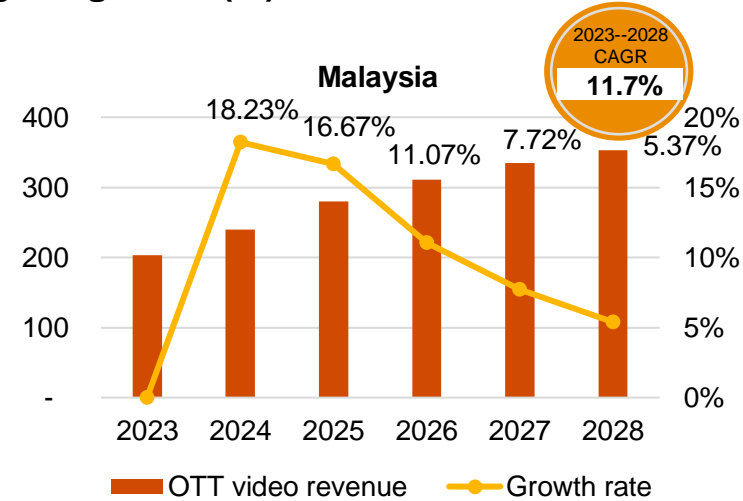
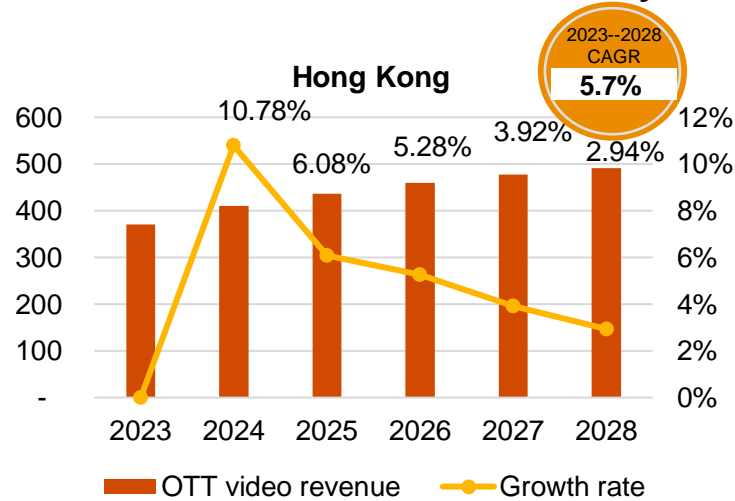
2.1

OTT video



Hong Kong's OTT market is expected to expand at 5.7% CAGR from 2023 to 2028

OTT video, revenue in US\$ mn and year-on-year growth (%) from 2023 - 2028



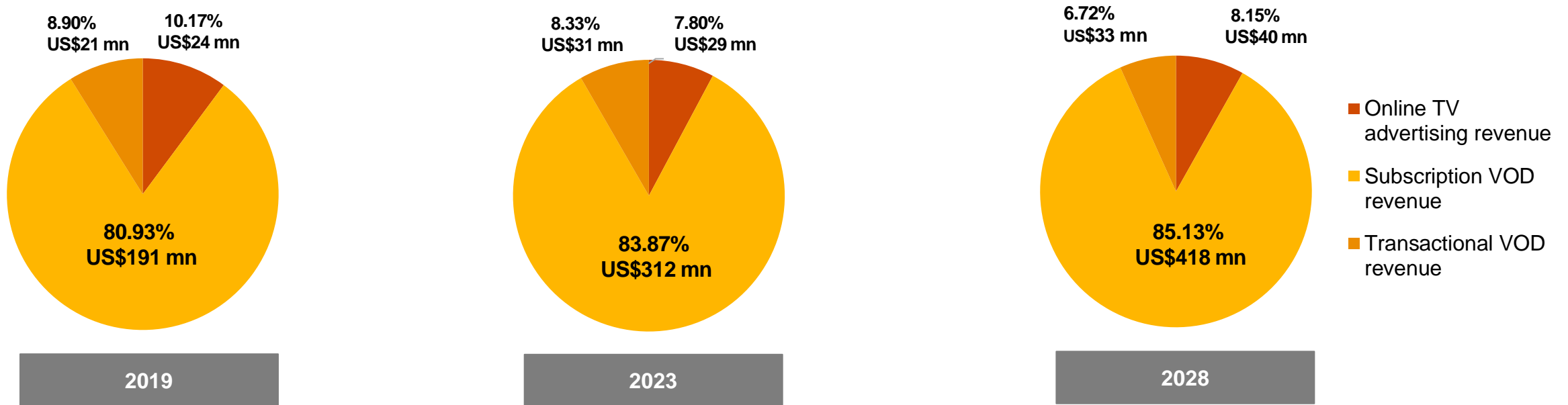
Hong Kong OTT market's revenue growth at 5.7% CAGR

- Hong Kong's OTT market has grown rapidly in the last two years, reaching US\$371mn in 2023.
- The market will continue to expand at a 5.7% CAGR to reach US\$491mn in 2028.
- The streaming market is competitive, with Netflix, Disney+, Amazon Prime Video and Apple TV+ competing with local services such as ViuTV and MyTV Super.
- OTT service provider started to launch app alongside coverage of live sports such as English Premier League and the UEFA Champions League.

Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

Subscription streaming services represents 83.87% of total OTT revenue in Hong Kong in 2023, and continues to expand to 85.13% in 2028

Hong Kong OTT revenue by segments, 2019 vs. 2023 vs. 2028



- **Subscription VOD revenue will grow at a CAGR of 6.01% for 2023-2028, comparing to 5.75% of the whole internet advertising segment**

Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

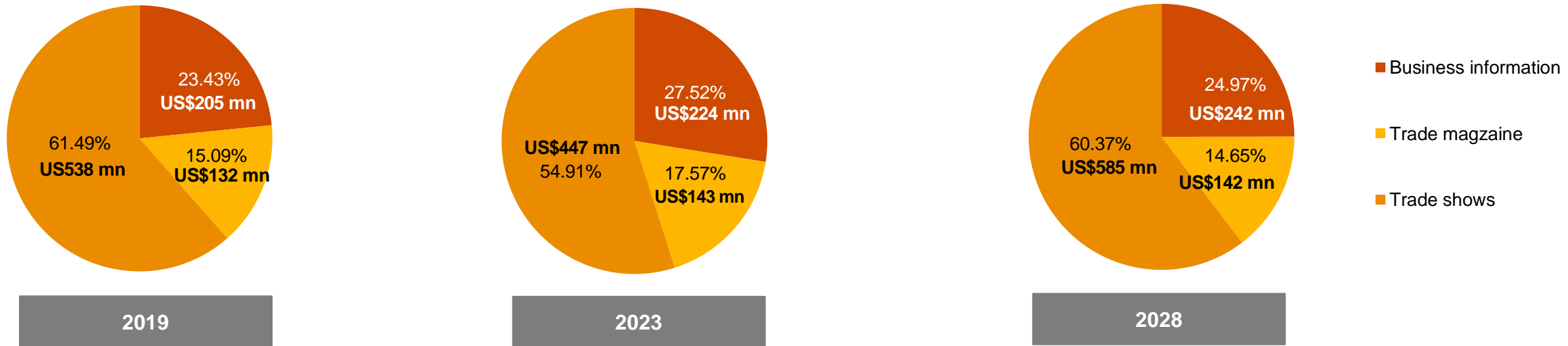
2.2

Business-to-business



Trade shows in Hong Kong comprised more than half of business-to-business market in 2023, showing a delayed recovery from the COVID-19 pandemic

Hong Kong revenue by segments, 2019 vs. 2023 vs. 2028

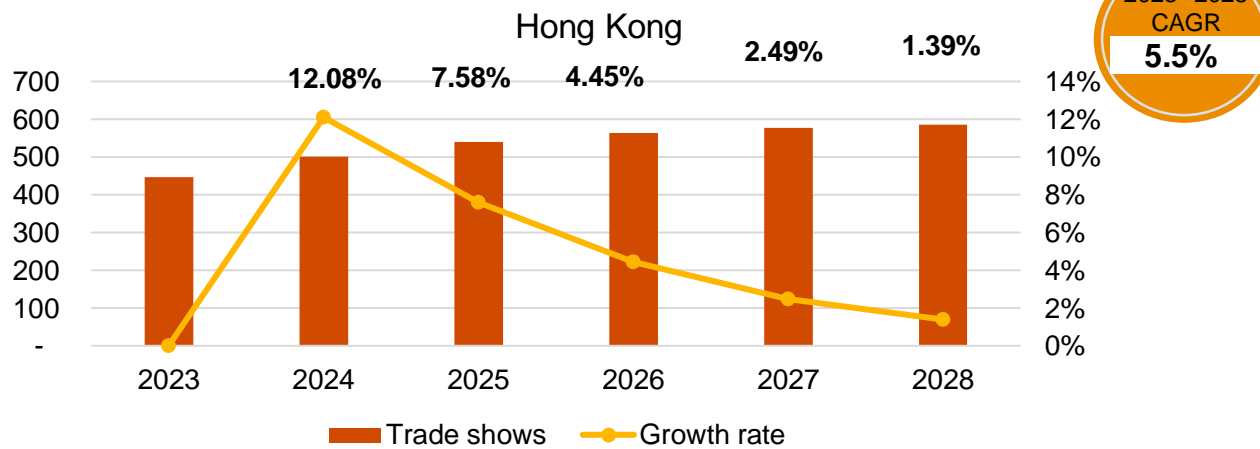
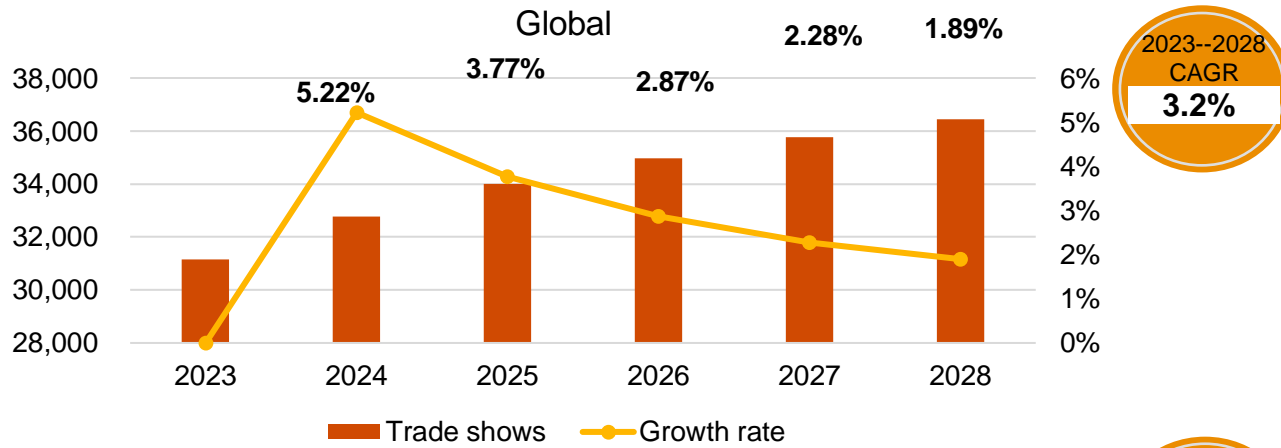


Hong Kong’s B2B market made a year-on-year gain of 21.4% to US\$814mn in 2023, trade shows market contributed more than half of it.

Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

Hong Kong business-to-business 2023-2028 CAGR reaches 3.55%, which outperforms Global's 1.86%, as driven by trade shows

Trade shows, revenue in US\$ mn and year-on-year growth (%) from 2023 - 2028



Hong Kong trade shows' revenue growth at 3.55% CAGR

- Hong Kong's B2B market was the fastest growing in the world in 2023, making a year-on-year gain of 21.4% to US\$814mn.
- Trade shows market, which has had a delayed recovery from the pandemic. In 2023, its revenue has reached US\$447mn with 45.9% growth.
- Hong Kong trade shows' revenue will grow at 5.5% CAGR, to reach US\$585mn in 2028.
- The two largest global organisers, Informa and RX Group, have 17 events scheduled for 2024 in Hong Kong, including Aero-Engines Asia-Pacific, Retail Asia Conference & Expo and property show MIPIM Asia Summit.

Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

2.3

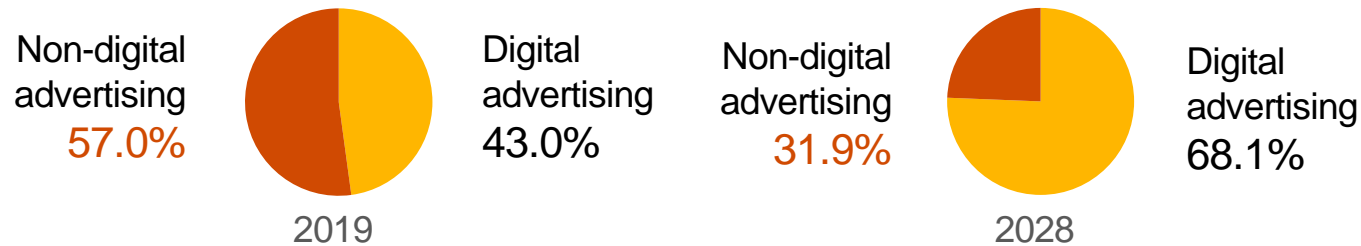
Internet advertising



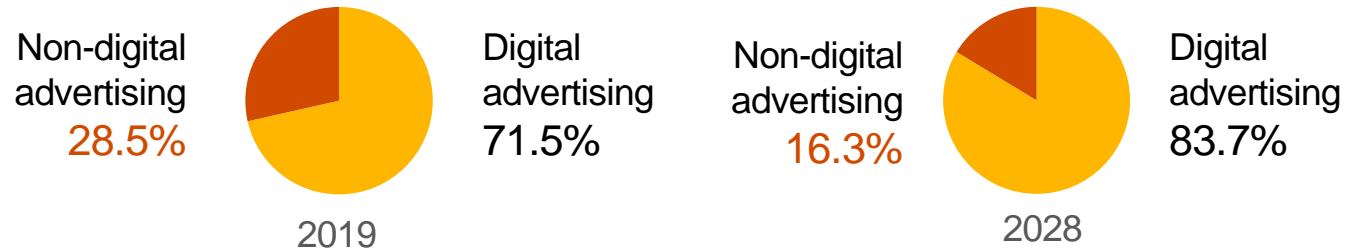
Hong Kong’s advertising will be dominated by digital, the conversion trend is in line with Global (excluding Mainland China)

Advertising revenues (Global (excl. Mainland China vs. Singapore vs. Hong Kong) (in terms of digital and non digital, 2019 vs. 2028 (%))

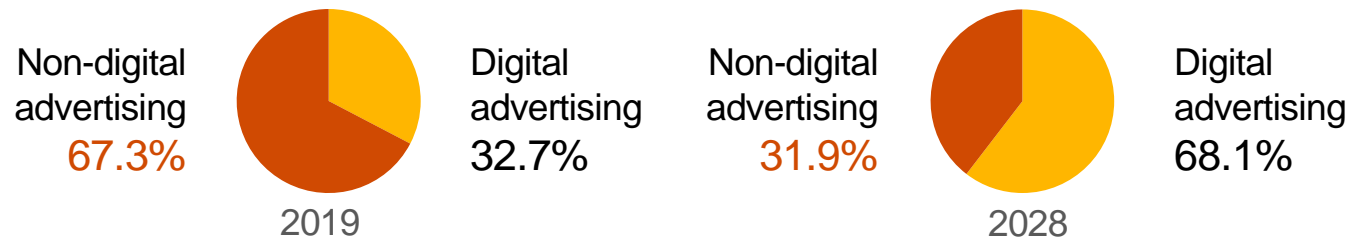
Global (exclude Mainland China)



Singapore



Hong Kong



Shifting of traditional advertising to the digital advertising

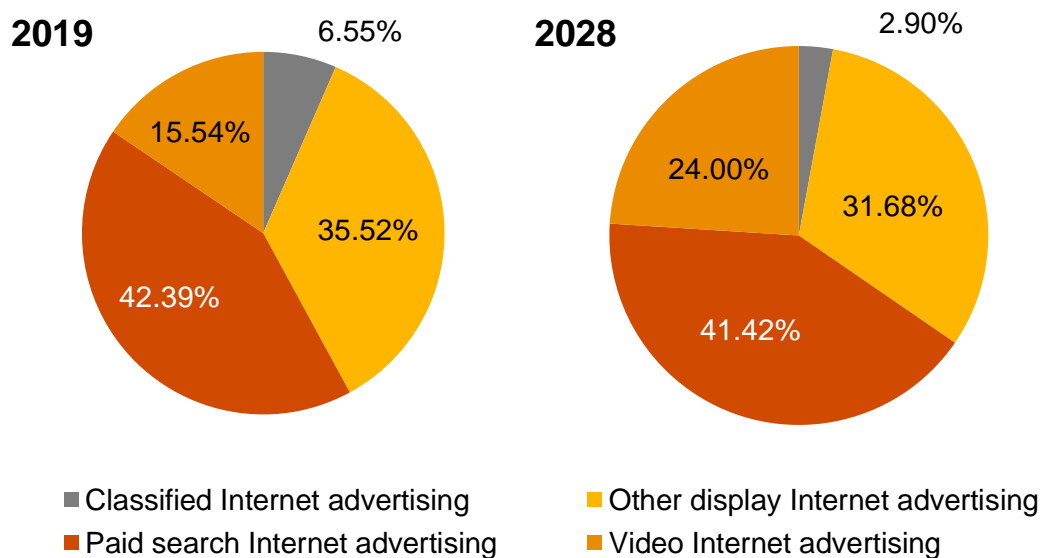
- **Internet advertising in Hong Kong** continues to grow at 3.7% CAGR, at US\$1.9bn in 2028 from US\$1.6bn in 2023.
- The advertising market is shifting further towards mobile, as the acceleration of 5G application and usage continue to shift the trend to digital advertising.
- With the technology advancements and social media, people become more accustomed to digital platforms and on-demand content. This drives the entertainment and media industries to adapt their offerings and move more digitalised.

Note: 2023 is the latest available data. 2024-2028 values are forecast projections

Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

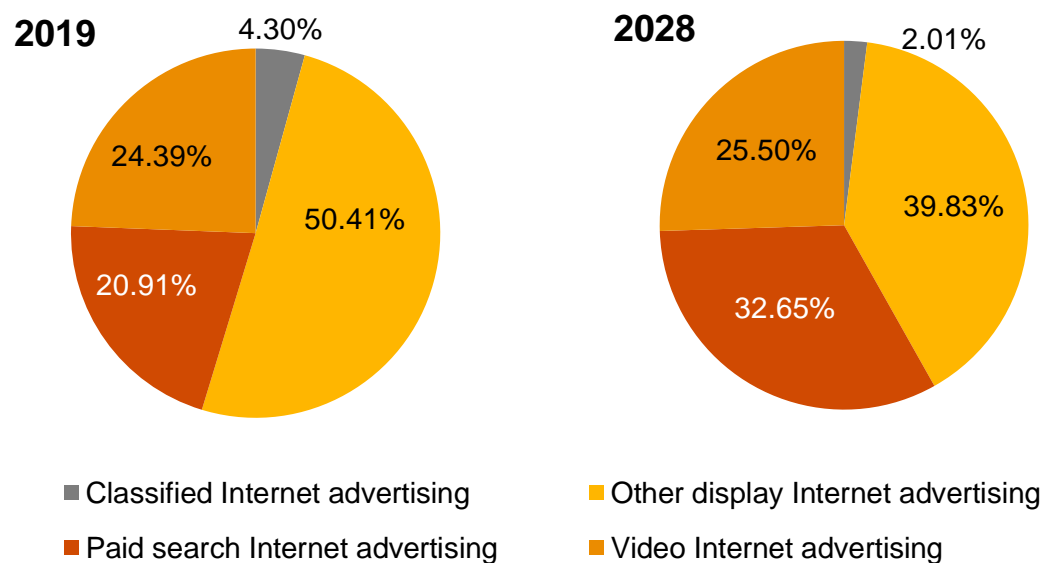
Hong Kong’s paid search advertising has a highest growth of internet advertising to reach 32.65% of the market by 2028

Global – Internet advertising revenue, % of total



• Video advertising revenues will grow at a CAGR of 11.20% for 2023-2028, comparing to 9.46% of the whole internet advertising segment.

Hong Kong – Internet advertising revenue, % of total



• Paid search Internet advertising revenues will grow at a CAGR of 6.8% for 2023-2028, comparing to 3.69% of the whole internet advertising segment.

Note: Not all figures add up to 100%, as a result of rounding percentages.

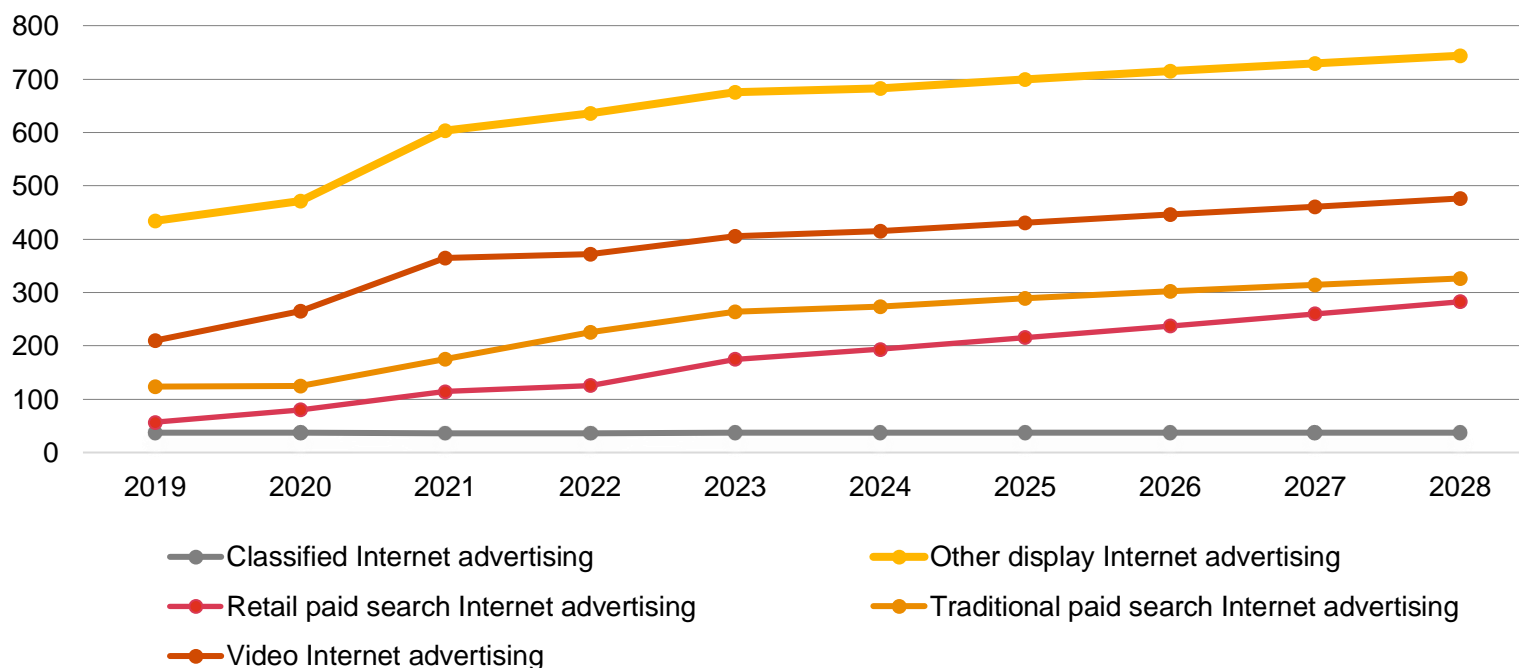
2023 is the latest available data. 2024-2028 values are forecast projections

Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

Retail paid search Internet advertising will be the key driver in the growth in the Internet advertising

Hong Kong Internet advertising 2019-2028 (US\$ mn)

Revenue
(US\$ mn)



Drivers of retail paid search internet advertising

- Retail paid search internet advertising will growth at 10.06% in 2023 to 2028.
- This growth is driven by the acceleration of e-commerce and the rise in online shopping.
- Additionally, there is an increasing willingness among consumers to engage with content online.

Note: 2023 is the latest available data. 2024-2028 values are forecast projections

Source: PwC Global Entertainment & Media Outlook 2023-2027, www.pwc.com/outlook

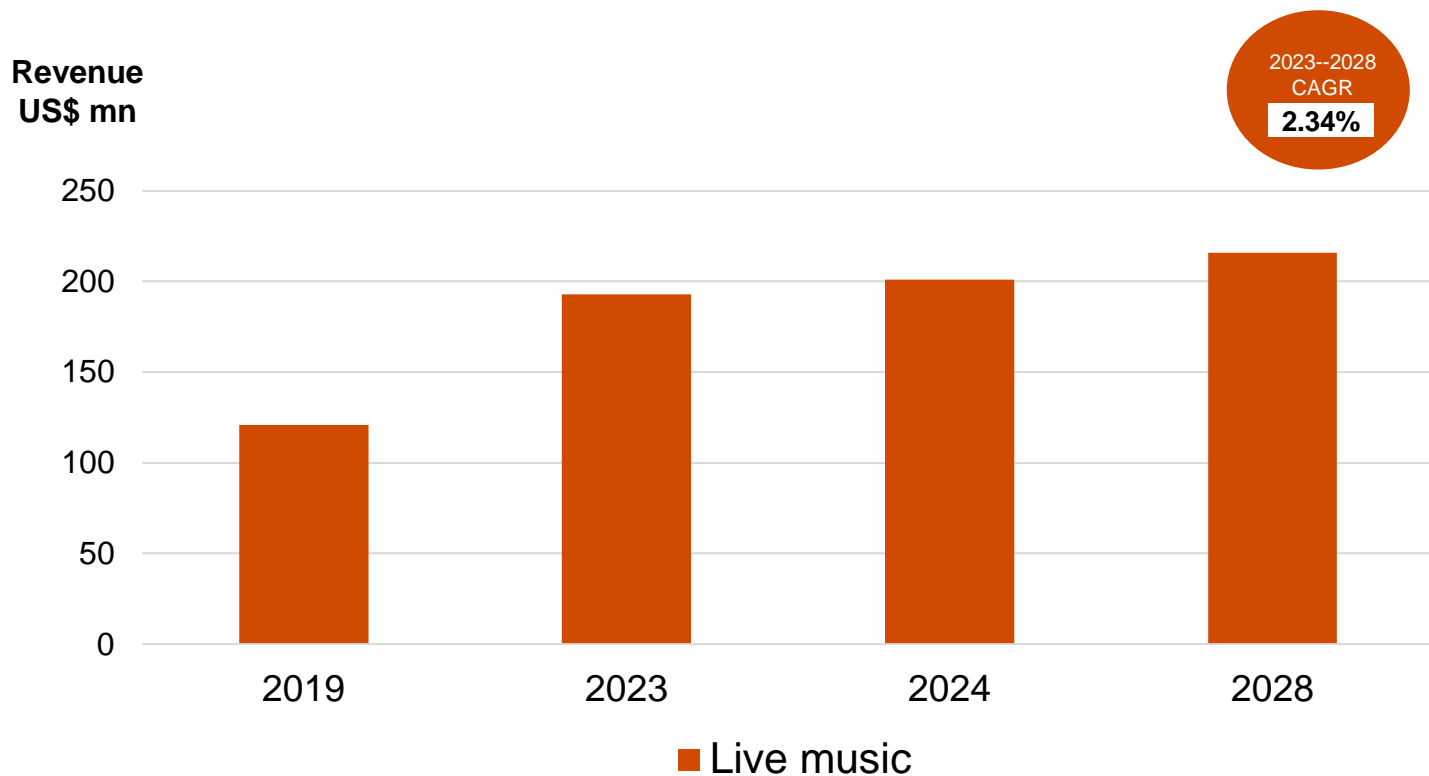
2.4

Live Music



Hong Kong’s live music market has rebounded to post-pandemic level with projected revenues of US\$201mn in 2024 and set to further increase to US\$216mn by 2028 at a 2.34% CAGR

Hong Kong live music revenue



Hong Kong Live music’s revenue growth at 2.34% CAGR

- Live music in Hong Kong has rebounded since the pandemic and is expected to reach US\$201mn in 2024, well up on the US\$121mn reported in 2019. This sum should continue to grow in the years ahead, hitting US\$216mn in 2028, at a 2.34% CAGR.
- In Hong Kong, Coldplay announced that it would hold concerts in the newly completed Kai Tak Sports Park in April 2025.

Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

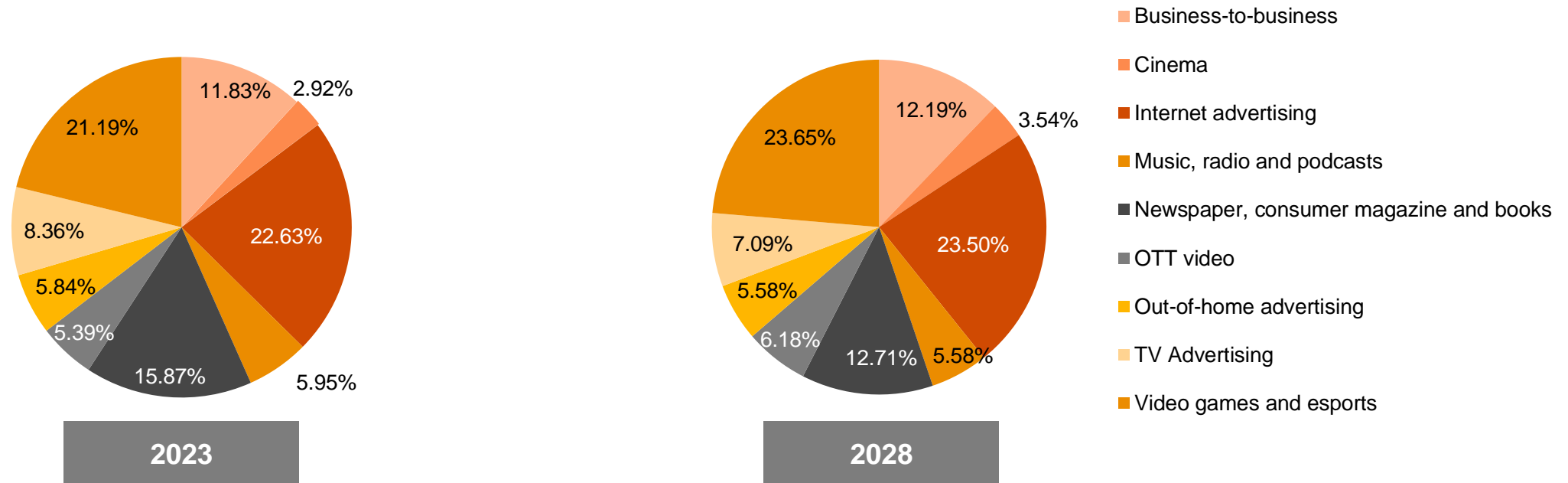
2.5

Traditional media



Hong Kong advertising revenue contributed by traditional media continues to diminish and digital advertising dominates the market

Hong Kong advertising revenue by segments, 2023 vs. 2028



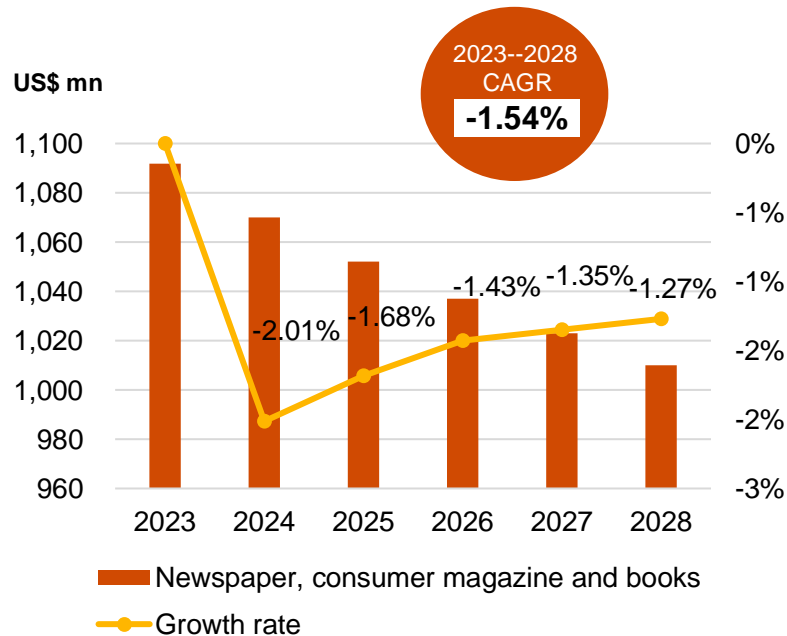
Note: Not all figures add up to 100%, as a result of rounding percentages.

2023 is the latest available data. 2024-2028 values are forecast projections

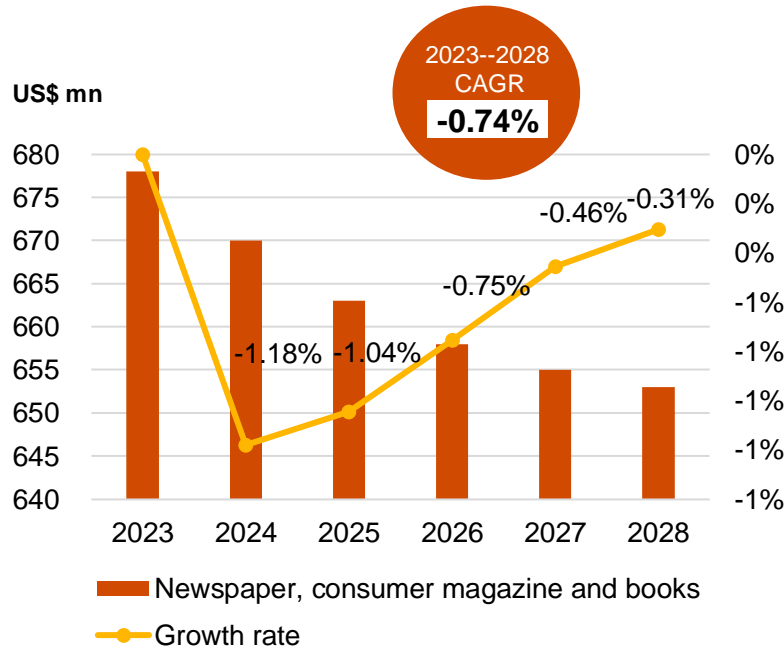
Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

Printed publications are expected to see a decline as digital media overtakes the trend

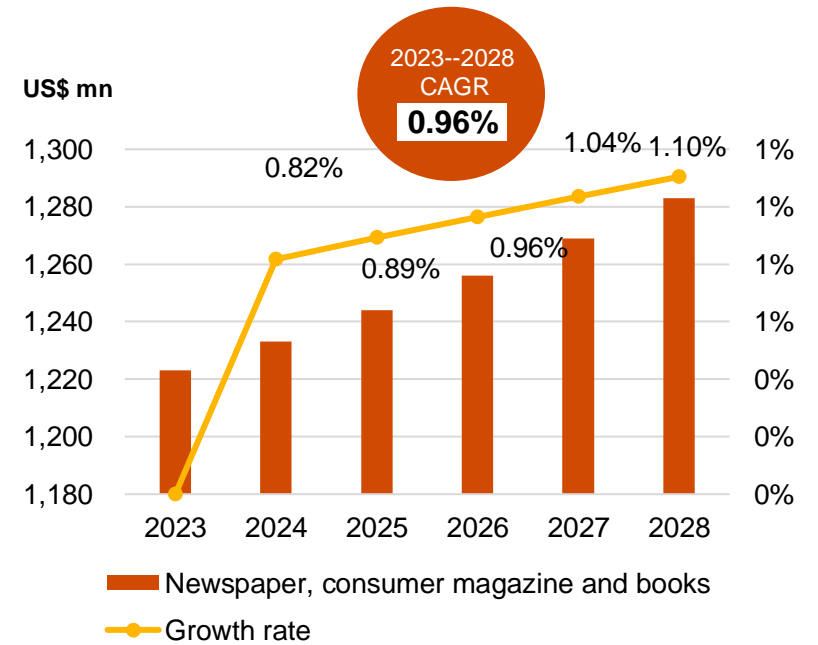
Hong Kong, Singapore and Taiwan revenue in US\$ mn and year-on-year growth (%) from 2023-2028



Hong Kong



Singapore

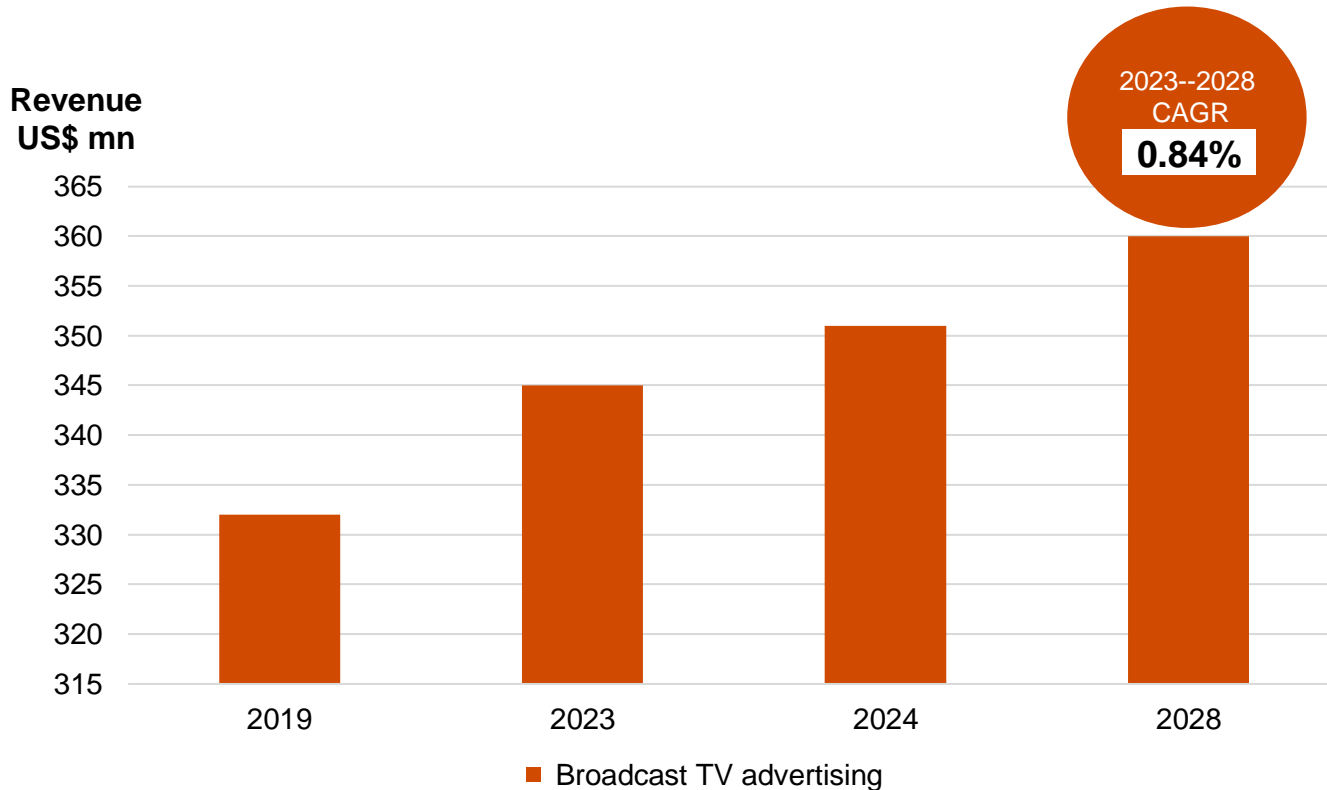


Taiwan

Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

Hong Kong’s TV advertising revenue will grow at a 0.8% CAGR to US\$359mn by 2028

Hong Kong TV Advertising revenue



Growth of TV advertising revenue in Hong Kong

- Total broadcast TV advertising revenue is forecasted to grow at a 0.84% CAGR, reaching US\$359mn by 2028.
- The market is driven by TV advertising income, which is expected to account for 63.9% of total traditional TV revenue by 2028.
- This trend reflects the ongoing reliance on TV to reach broad audiences, alongside increasing advertising investments from local brands and businesses.

Note: 2023 is the latest available data. 2024-2028 values are forecast projections
 Source: PwC Global Entertainment & Media Outlook 2024-2028, www.pwc.com/outlook

03

Generative AI



Transformative Impact of Generative AI on Entertainment & Media

Key transformation

01

Content Creation

Generative AI enhances scriptwriting, music composition, and video editing, allowing for rapid prototyping.

02

Personalisation

Enables hyper-personalized content recommendations based on user preferences and behavior

03

Cost Efficiency

Reduces production costs by automating repetitive tasks, leading to faster content delivery.

Market Growth Potential

- The global entertainment and media market is set to increase significantly due to Generative AI applications.
- Companies leveraging Generative AI can enhance viewer engagement and retention, driving revenue growth.



Key Use Cases of Generative AI in Entertainment & Media

Top Use Cases

01

Script and Story Development

AI-generated scripts and plot suggestions for TV shows and movies.

02

Visual Effects and Animation

Streamlines the creation of visual effects, enhancing production quality.

03

Dynamic Advertising

Generative AI creates personalized advertisements based on viewer data.

04

Music Generation

AI tools compose original music tracks tailored to specific genres or moods

05

Interactive Storytelling

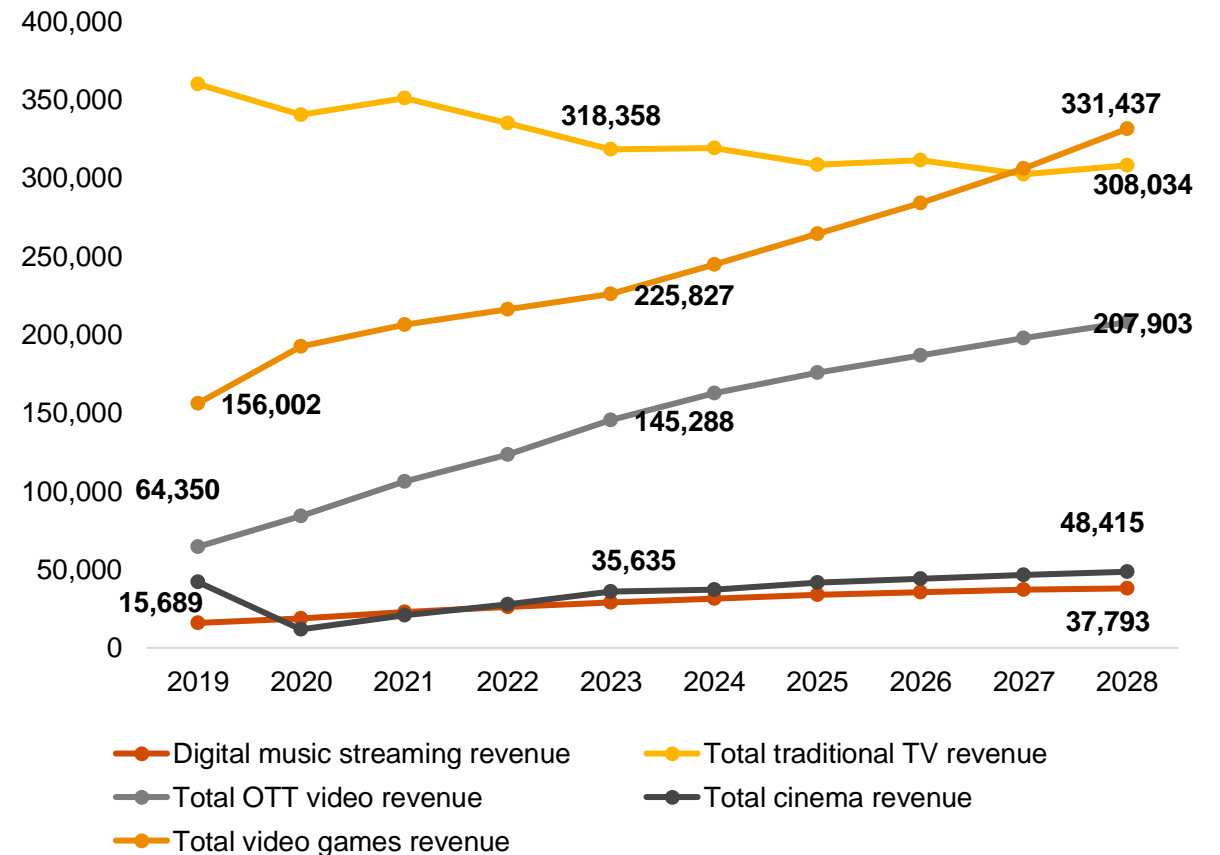
Engage audiences through adaptive narratives in video games and interactive media

Generative AI challenges content production industries: TV, Music, OTT, Cinema & Video games

- Generative AI tools can play a useful role in many steps of the video and (increasingly aligned) games production process.
- AI-powered tools can easily turn 2D static images or videos into animated 3D models.
- Generative AI can further support post-production by enhancing and simplifying editing tools, speeding up animation with interpolation, and assisting visual effects generation -> OpenAI's Sora and Google's Veo.
- AI-powered music tools have emerged supporting the music production process, all the way to complete text- or video-to-music generation.
- 'Virtual humans' or 'digital influencers' have already been developed and used by Chinese platforms including Tencent, Baidu and Alibaba to support livestream sales, news and events reporting.
- Generative AI production tools will certainly enhance profitability, but consumer acceptance and demand generation will be tested by the quality of product.



Key media revenues for generative AI, 2019-2028 (US\$bn)

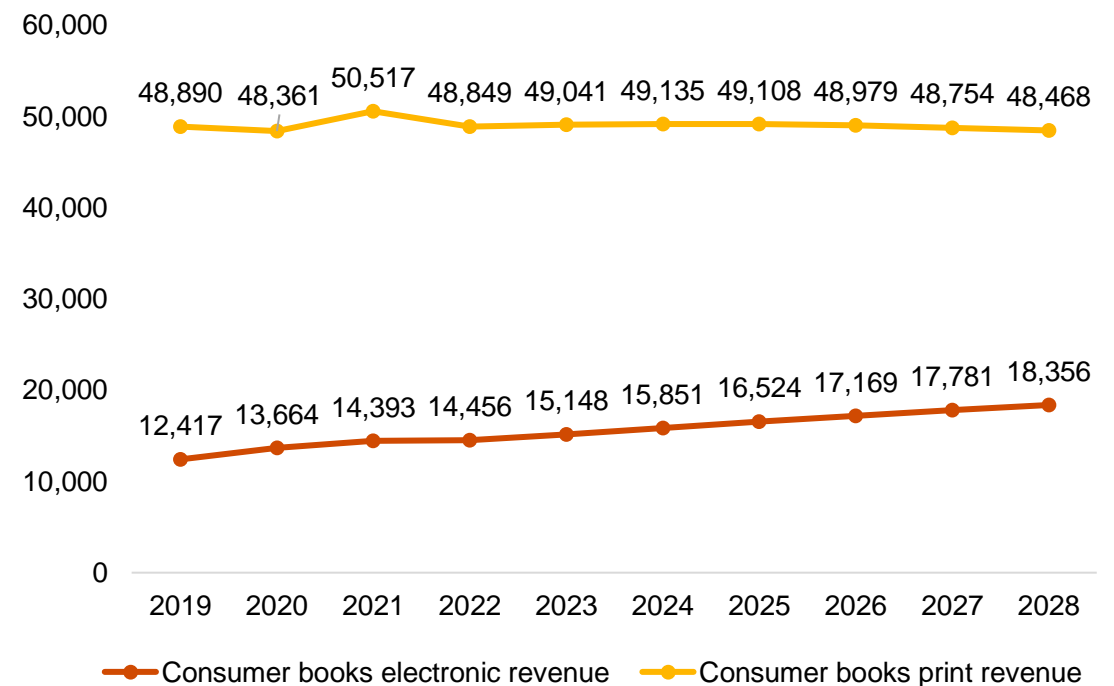


Generative AI challenges content production industries: Consumer books

- Generative AI has seen a boom in interest since OpenAI's ChatGPT was released in November 2022, with the free-to-use tool rapidly gaining media attention and a sizeable user base.
- The potential impact of generative AI across the media and entertainment industry was immediately apparent.
- Sectors under financial pressure are particularly likely to be attracted by the promise of efficiency gains -> Literary magazines & book publishers.
- Publishers facing a slow print book market have themselves used AI-generated images for cover art as the efficiency gains of such tools proved attractive.



Consumer print and e-book revenues (US\$bn) 2019-2028



About the Global Entertainment & Media Outlook and glossary

Global Entertainment & Media Outlook

- PwC's 25th 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 13 defined industry segments in 53 territories, the Outlook makes it easy to compare and contrast consumer and advertising spending across segments and territories.
- A total of 53 territories are represented within the Outlook spread across North America, Western Europe, Central Europe, Middle East & Africa, Latin America and Asia Pacific.

Glossary

- Revenue includes: Advertising and consumer revenue streams
- Digital revenue - Digital is revenue delivered through the Internet. Internet access revenue is obviously included in, and the majority part of, "digital." In advertising, this is effectively Internet advertising and digital OOH advertising. In consumer it's areas like OTT video revenue, digital forms of books/newspaper/magazine purchases, video game downloads and online/microtransaction revenue, VR revenue, and digital music revenue (downloads, streaming, ringtones).

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A person in a blue jacket and cap walks away on a curved walkway with a repeating pattern of curved panels. The walkway is bordered by a dark metal railing. The background is a large, curved structure with a repeating pattern of curved panels, creating a sense of depth and perspective.

Thank you.

[pwchk.com/emoutlook](https://www.pwchk.com/emoutlook)

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