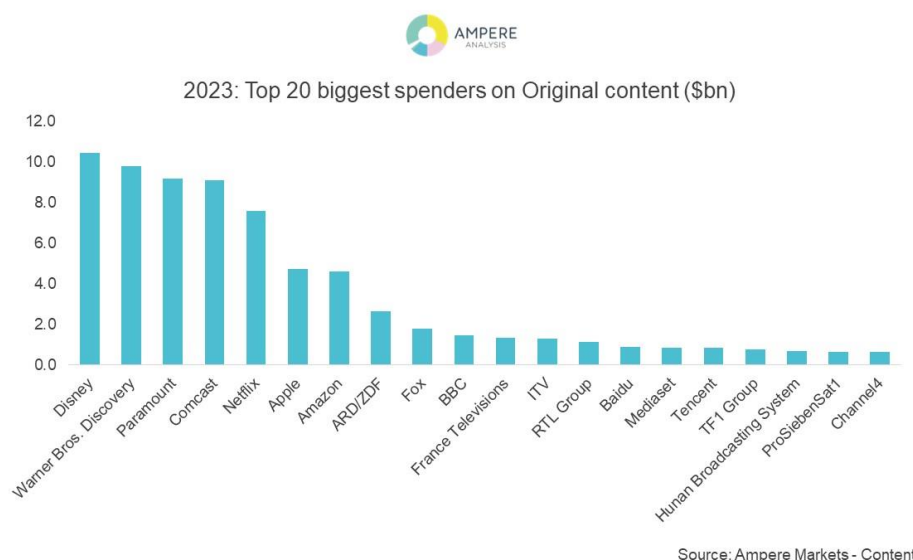


## Growth in content investment will slump in 2023

*Excepting 2020, this year will see the slowest growth in content spend in a decade*

**London, 3<sup>rd</sup> January 2023:** In 2023, Ampere expects global content expenditure to increase by just 2% year-on-year—the lowest growth in over a decade (excluding the COVID-driven slump of 2020). This is in stark contrast to 2022 during which global content spend is projected to have grown by 6% to \$238 billion, driven primarily by subscription video on-demand (SVoD) platforms. Despite some degree of caution in the second half of last year, SVoD services collectively spent over \$26bn on original content in 2022.

Economic headwinds across the globe will put pressure on household spending and advertising investment, leading to companies implementing cost-saving measures and reducing content expenditure. For instance, following Netflix's first global decline in subscribers, the service announced it would plateau its investment in content during 2023.



But the story isn't uniform across media groups – some will continue to drive investment through 2023, while others will cut back.

**Warner Bros. Discovery will overtake Comcast to become the leading investors in original content**

In 2023, Disney and newly formed Warner Bros. Discovery will overtake Comcast and its subsidiaries to become the leading investors in original content—Disney reaching \$10.5bn and Warner Bros. Discovery exceeding \$9.5bn. Netflix will continue to lead dedicated SVoD spend, contributing over 25% of global SVoD original content investment.

### **Commercial broadcasters face a 3% decline in content spend**

Content investment by commercial and public broadcasters continues to linger below pre-pandemic levels, driven by declines in broadcast TV advertising revenue stemming from wider economic weakness and the ongoing shift of audiences to streaming platforms. In 2023, commercial broadcasters are expected to face a 3% decline in content investment.

**Hannah Walsh, Research Manager at Ampere Analysis says:** “SVoD services will still see an increase in total content investment in 2023 but a lesser 8% year-on-year growth compared to 25% in 2022. Services will continue to focus on original content to compete in a crowded, cost-sensitive market, but we are already seeing a shift in content commissioning to incorporate a greater volume of cheaper unscripted formats.”

Ends

#### **Notes to Editors**

- All spend data is expressed on a P&L basis and excludes theatrical production and exploitation costs
- 2022 and 2023 data is forecast
- HBO Max, Peacock & Paramount+ content spend is Original content only and therefore does not include the back catalogue of content acquired from their studio parent groups.

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#### **About Ampere Analysis**

Founded in January 2015, Ampere Analysis is a new breed of media analyst firm. The company's experienced team of sector-leading industry analysts specialises in sport, games, pay and multiscreen TV and next-generation content distribution. Our founders have more than 60 years combined experience of providing data, forecasts and consulting to the major film studios, telecoms and pay TV operators, technology companies, TV channel groups and investment banks. [www.ampereanalysis.com](http://www.ampereanalysis.com)

