

Global Consumer Spending on Media Content & Technology Up 7% to \$1.7T in 2017 on Surging Demand for Digital Audio & Video Subscription Services

Global consumer spending on media content and technology grew an estimated 6.7% to \$1.742 trillion in 2017, fueled by surging demand for digital subscriptions, particularly digital audio services, according to new research from PQ Media.

STAMFORD, Conn. ([PRWEB](#)) January 23, 2018 -- Global consumer spending on media content and technology grew an estimated 6.7% to \$1.742 trillion in 2017, fueled by surging demand for digital subscriptions, particularly digital audio services, according to new research from [PQ Media](#). Going forward, however, consumer spending on media content and technology growth will decelerate, due to the development of Smart Cities, digital device penetration rates reaching saturation and an anticipated decline in outlays for traditional media content, according to [PQ Media's Global Consumer Spending on Media Content & Technology Forecast 2017-21](#).

Consumers worldwide spent an average of \$310.43 on digital & traditional media content, access and technology in 2017, and per-capita expenditures are projected to increase at a 4.4% CAGR in the 2017-21 period. Buoyed by video streaming service Netflix expanding successfully into a range of new global markets, audio services like Pandora and Spotify are following suit, as the number of audio service subscribers has more than doubled since 2015, fueled by increased listening to music via smartphones. Concurrently, single-song downloads are either declining in some markets, such as the US, or growing at only single-digit rates.

Growth of subscription services comes at a time when the growth in spending on digital media and technology access is decelerating due to the expansion of Smart City initiatives that provide free Wi-Fi hot spots in an increasing number of public locations. This trend has led younger consumers to 'cut the cord' with broadband services in various global markets where smartphone penetration is either nearing or has reached saturation levels.

In addition, emerging markets in which consumer digital media spending was driving global growth in prior years are exhibiting rapidly decelerating growth rates, primarily due to struggling economies, such as Brazil and South Africa. Consequently, when combined with several other factors, overall consumer spending on media content and technology will begin to underperform GDP worldwide in the latter part of the 2017-21 period for the first time ever, according to PQ Media.

Evidence of decelerating growth include consumer spending on digital media content and technology increasing only 9.9% in 2017 to \$1.142 trillion, the first time that digital media expenditures have not grown at a double-digit rate. Meanwhile, spending on traditional media content and technology edged up a mere 1% to \$600.1 billion last year, including several major markets where spending on traditional media has already begun to decline, such as the US, the new report found.

Digital media devices constituted the largest digital media platform category, generating nearly \$400 billion in 2017, while digital content subscriptions were the fastest growing, up 20.3%. Digital media content and technology captured over 65% of global consumer spending on all media content & technology, including traditional and digital, gaining more than 13 share points from 2011 to 2017.

The US remained the world's largest market for consumer media content, access and technology, generating

\$431.86 billion in 2017. US consumer spending on digital media content & technology rose 8.8% to \$261.3 billion, as overall digital media accounted for 61% of total US consumer expenditures, according to [PQ Media's Global Consumer Spending on Content & Technology Forecast 2017-21](#).

“With an increased concentration on subscription services, single-unit purchases that drove consumer spending on media content and technology for decades are becoming less relevant, which has had a negative impact on overall growth,” said PQ Media President Patrick Quinn. “In past years, growth rates fluctuated each year because consumer media spending was driven by hits, as exemplified by the movie industry posting up or down years based on the number of box-office blockbusters. In 2017, most single-unit categories recorded either slowing or declining growth due to consumers switching to subscription services, which is masking the number of blockbuster hits in media platforms like film, music, video and video games. Add in slower growth in spending on digital media devices and access, and the result is global economic growth outpacing consumer media spending by 2019.”

Also impacted by the trend toward subscription services is the video game market, which grew 15% in 2017 on the rising popularity of e-game competitions that fueled console video game sales and in-game microtransactions. However, growth was tempered by diminishing interest in Pokémon Go and less interest in virtual headsets than predicted upon introduction in 2016. Another category fueling expansion is computer tablets, which grew 20% last year, sparked by the introduction of low-cost models to attract the growing middle class in emerging markets, although tablet shipments in developed markets slowed, PQ Media found.

Meanwhile, traditional media content and technology spending is experiencing fatigue among younger demographics, some of which are switching back to print books from e-books in many markets. Additionally, the ‘fake news’ attacks on mainstream media have resulted in some newspapers worldwide reporting circulation increases, partly due to silent protests by consumers, though most new subscribers are subscribing to online editions.

Consumer spending on media software grew at a solid but decelerating rate due to declining PC sales and slower growth in laptop purchases. Increased awareness of digital security breaches, pointed up by the attack on the Democratic Party during the 2016 US presidential election, has led more consumers to invest in cloud computing storage services and security software.

About the Forecast:

PQ Media's Global Consumer Spending on Content & Technology Forecast 2017-21 delivers exclusive data, analyses and projections with consistent KPI benchmarks spanning all 4 major global regions; Top 20 Media Markets; 2 broad media spending sectors (consumer content and consumer technology); 5 overall media spending segments (content unit purchases, content subscriptions, access, devices and software); and 28 digital and 14 traditional media categories. Download a free Executive Summary and Sample Datasets at: <http://www.pqmedia.com/gcsmctf2017-21.html>

About PQ Media:

[PQ Media](#) is a leading provider of actionable market intelligence and strategic guidance to the world's top media, entertainment and technology organizations. PQ Media's proprietary methodology, databases and opinion leader panels prepare management teams with intelligent data and analytics they need to make smarter business decisions.



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