

Global Consumer Media Content & Tech Spend to Grow 6% to \$1.84T in 2018, Fueled By Higher Demand for Digital Audio, Video & News, But Slower Growth Seen in Years Ahead

Global consumer spending on media content and technology is on pace to grow 6% to \$1.842 trillion in 2018, fueled by higher demand for digital video, audio, news and games and accentuated by the even-year bump in consumption related to the Winter Olympics and World Cup, according to new research from PQ Media

STAMFORD, Conn. ([PRWEB](#)) November 28, 2018 -- Global consumer spending on media content and technology is on pace to grow 6% to \$1.842 trillion in 2018, fueled by higher demand for digital video, audio, news and games and accentuated by the even-year bump in consumption related to the Winter Olympics and World Cup, according to new research from [PQ Media](#). Despite the cyclical charge from global sporting events, consumer spending growth decelerated slightly this year, and slower growth is expected to continue in the years ahead, according to [Global Consumer Spending on Media Content & Technology Forecast 2018-22](#).

Growth of consumer expenditures on media and related tech this year downshifted a bit from the 6.3% increase worldwide in 2017, as digital device spending growth across all but one category is slowing or declining in most of the top 20 markets, due to the proliferation of free Wi-Fi access, slowing growth of mobile media, digital device penetration rates nearing saturation, decelerating economic growth, and a slowdown in the number of middle-class consumers who can afford first-time digital gadgets and subscription services.

The only digital gadget category to exhibit faster growth in 2018 was digital audio components, spurred by the increasing popularity of audio bot devices. This is in stark contrast to the double-digit declines the same digit audio component category suffered for most of the past decade, when MP3 players were being phased out as consumers began listening to more music on smartphones.

Consumers worldwide will spend an average of \$325.25 this year on digital and traditional media content, access and technology, up 5.1% from 2017, driven by strong growth in digital media streaming services, such as Netflix in video and Spotify in audio, both of which continued their global expansions in 2017 and 2018 while boosting their respective subscriber counts two-fold compared with 2016 levels.

However, growth of subscription services has not been totally smooth. Some governments have developed censorship firewalls to limit the amount of English-language content, while other markets are demanding an increase in native-language content, such as quotas being set in European Union nations. Additionally, streaming services are facing numerous content renewals in 2019 and 2020, particularly audio services, in which the content providers are expected to raise their licensing fees substantially, which is likely to mean price hikes passed down to consumers.

The even-year surge from global mega-events in 2018, including the Winter Olympics in South Korea, the FIFA World Cup in Russia, and various elections in other major markets, drove up the growth rate of traditional media content and technology. Due to big time differences in many of the top markets with South Korea and Russia, some consumers spent more of their discretionary budgets on items like pay TV subscriptions, pay-per-view, single-copy newspapers and magazine editions. Also having a positive impact were other one-time events, such as the royal wedding in the UK and coverage of high-level meetings of leaders from the US,

Russia and North Korea.

For the first time ever, mobile media will not post a double-digit gain in 2018, as digital access spending is decelerating on younger demographics cutting the cord with telecom providers and using free Wi-Fi systems that are proliferating through various Smart City initiatives worldwide. Due to penetration rates of mobile devices reaching saturation, global cell phone shipments declined for the first time ever in the third quarter of 2018, while computer tablet sales are no longer generating double-digit annual gains in most major markets, as a result of fewer consumers upgrading immediately upon each new model release.

Despite the decelerating growth of mobile unit sales, overall digital media devices will be the largest of the nine digital and traditional media platforms in 2018, generating nearly \$415 billion, while digital content subscriptions will be the fastest growing, up 19.2%. The shift to digital content and tech is clearly evident in the 13-point shift in market share from traditional to digital from 2012 to 2018, as digital media content and tech now commands 67% of all consumer outlays for media and tech, compared to 54% six years ago, according to PQ Media.

The US remained the world's largest market for consumer media content, access and technology, generating \$442.7 billion in 2018. On a per-capita basis, Japanese consumers will spend the most on consumer media, reaching \$1,360.11 in 2018, replacing the US as the top spending nation with an average of \$1,344.55 per person. Russia will post the fastest growing of the Top 20 markets, rising 11.3% in total spending and 11.2% in per-capita spend this year, while the US market will be the slowest growing, up only 3.3% and 2.5%, respectively, according to [Global Consumer Spending on Media Content & Technology Forecast 2018-22](#).

“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 2018, most single-unit categories recorded either slowing or declining growth due to consumers switching to subscription-based services, which is masking the number of blockbuster hits in media platforms that have long depended on them, like film, music, video and video games. Combined with slower growth in spending on digital media devices and access, the result is consumer media spending growth trailing that of aggregate global GDP in 2020.”

For the third consecutive year, video games will post the fastest growth in 2018 among the 10 hybrid (digital + traditional) media silos, rising 13.9%. Key drivers of the strong growth in video games include a full year of sales for Nintendo Switch; the popularity of the FIFA World Cup title in nations that did well in the tournament; new characters and plotlines in Pokémon Go; the rising interest in titles played during eGame competitions; the development of loot boxes (or games within games) that increase microtransactions; and the emerging sector of games-as-a-service, in which content updates are executed constantly to increase consumer engagement.

About the Report:

The [Global Consumer Spending on Media Content & Technology Forecast 2018-22](#) delivers exclusive and consistent market data, analysis and growth projections spanning all 4 global regions; the 20 largest media markets; 2 overall spending sectors (media content and technology); 5 total spending segments therein (unit purchases, content subscriptions, access, devices and software); and 28 digital and 14 traditional media content and tech categories. Download a Free Executive Summary and Sample Datasets by clicking on the hyperlink in the report title above.



[PQ Media](#) is a leading provider of actionable market intelligence and strategic guidance to the world's top media 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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