

## **Global Consumer Media Content & Tech Spend Up 4.3% to \$1.91T in 2019, Fueled by Digital Media Streaming Services, But Media Tech Growth Flattens Out**

*Worldwide consumer spending on media content and technology is projected to increase only 3.7% in 2020, a rare even-year deceleration given the cyclical charge from mega global sporting events and the US presidential election. The downshift, however, is a secular trend resulting from the continued slowdown in the growth of end-user spending on media technology, according to new research from PQ Media.*

STAMFORD, Conn. ([PRWEB](#)) February 07, 2020 -- Global consumer spending on media content and technology grew an estimated 4.3% to \$1.906 trillion in 2019, fueled by continued growth in digital video and audio subscription services and the online editions of print media, according to new research from [PQ Media](#). The gain was a deceleration from the 5.2% growth posted in 2018, which was driven by higher overall demand for media content due to the FIFA World Cup, Winter Olympics and US elections, according to the [Global Consumer Spending on Media Content & Technology Forecast 2019-23](#).

Worldwide consumer spending on media content and technology is projected to increase only 3.7% in 2020, a rare even-year deceleration given the cyclical charge from mega global sporting events and the US presidential election. The downshift, however, is a secular trend resulting from the continued slowdown in the growth of end-user spending on media technology. And with no dynamic new media technology anticipated to emerge in the next few years, PQ Media expects consumer spending on media tech to register decelerating growth rates through 2023.

As a leading indicator, the slowdown in consumer media tech spending is tracking ahead of a similar trend PQ Media noted in its recent annual report on [consumer time spent with media](#). The only difference is that the “tipping point” for consumer media tech spending – the point at which it stops growing – will be reached in 2023, when end-user expenditures will decline for the first time ever.

“In many of the world’s 20 largest markets, including the US and Germany, media technology growth is slowing so rapidly that by 2023, combined expenditures on media content and tech will register flat growth in these two countries,” said PQ Media President Patrick Quinn. “In the past few years, media tech spending was driven by tablets, smartphones and voice assisted devices. And while there is potential for new technology, such as 5G, AI and IoT, to stimulate growth in consumer spending on existing or unforeseen new media platforms, the current applications of AI and IoT tech are being used mainly on the back end of existing products or for new services related to smart houses and connected automobiles, which are not media related.”

Stalwart categories, such as mobile data access, are also registering slower growth due to the availability of free wi-fi services in various “smart cities” around the world. This trend is also negatively impacting consumer spending on broadband internet services, which is intensifying the cord-cutting already having an adverse effect on the pay TV subscription model for the past five years.

Consumers worldwide spent an average of \$337.66 on digital and traditional media content, access and technology in 2019, up 3.5% from 2018, 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 2018 and 2019 while

boosting their respective libraries to include more native-language content in new markets.

However, growth of subscription streaming services has not been totally smooth as some governments have developed censorship firewalls to limit these services and negotiations with domestic content providers have proven to be challenging. Furthermore, emerging trends indicate that the proliferation of new streaming video and audio services are causing consumers to be more selective in the number of such services they are willing to subscribe to.

Most traditional media content and tech categories posted declining growth in 2019, a trend that has been evident for the past 10 years. There are exceptions, most notably print books that have seen a resurgence since online booksellers eliminated discounts for e-Books and tablet sales have weakened. In 2019, political titles, particularly related to the current U.S. administration, propelled growth. While movie theater attendance was up in 2019, buoyed by more blockbuster hits than released in 2018, the overall industry recorded its third consecutive year of retraction due to DVD plummeting DVD sales.

Meanwhile, most forms of digital technology are either declining or registering significant growth deceleration. For example, smartphone shipments decreased for six straight quarters through 2019 and a number of major markets, such as Italy and the United Kingdom, reported declines in mobile phone subscriptions in 2017 and 2018. The only digital technologies to post double-digit growth in 2019 were digital audio components, primarily due to the growing popularity of voice assisted devices like Echo, and digital media security software and storage services, both of which have expanded because of the increase in data hacking and personal information theft.

Despite decelerating growth, overall digital media devices will be the largest of the nine digital and traditional media platforms in 2019, generating nearly \$415 billion, while digital content subscriptions will be the fastest growing, up 15.3%. The shift to digital content and tech is clearly evident in the 11.5-point shift in market share from traditional to digital from 2013 to 2019, as digital media content and tech now commands 68.4% of all consumer outlays for media and tech, compared with 57% six years ago, according to PQ Media's Global Consumer Spending on Media Content & Technology Forecast 2019-23.

The US remained the world's largest market for consumer media content, access and technology, generating \$448.3 billion in 2019. Japanese consumers spent the most on consumer media on a per-capita basis, reaching an average of \$1,406.75 in 2019, as the US ranked third behind the UK with an average of \$1,350.93 per consumer.

About the Report:

The [Global Consumer Spending on Media Content & Technology Forecast 2019-23](#) 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 (unit purchases, content subscriptions, access, devices and software); and 28 digital and 14 traditional media content and technology categories. Download a Free Executive Summary and Sample Datasets by clicking on the report title link above.

About PQ Media:

[PQ Media](#) delivers intelligent data and analysis to executives at the world's leading media organizations via



annual market intelligence reports and custom market research services. PQ Media's econometric methodology defines, segments, sizes and project the growth of 100 digital and traditional media platforms and channels by global region, country, media platform, channel and consumer generation.



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