

Entertainment and Sports Outlook & Trends

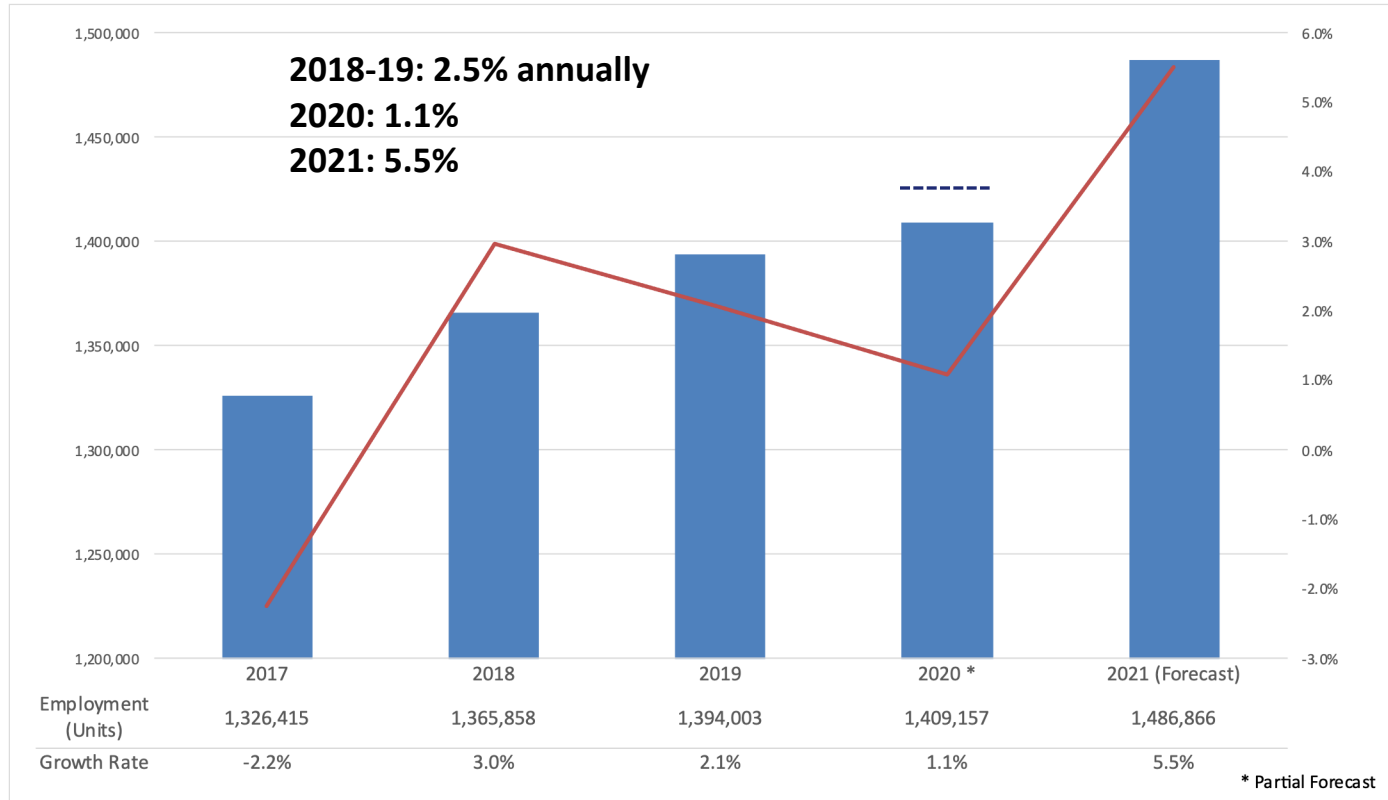
PEPPERDINE | Institute for Entertainment,
Media, Sports, and Culture

07/21/2021 – Entertainment Evolution Symposium

Nelson Granados

U.S. Industry Employment

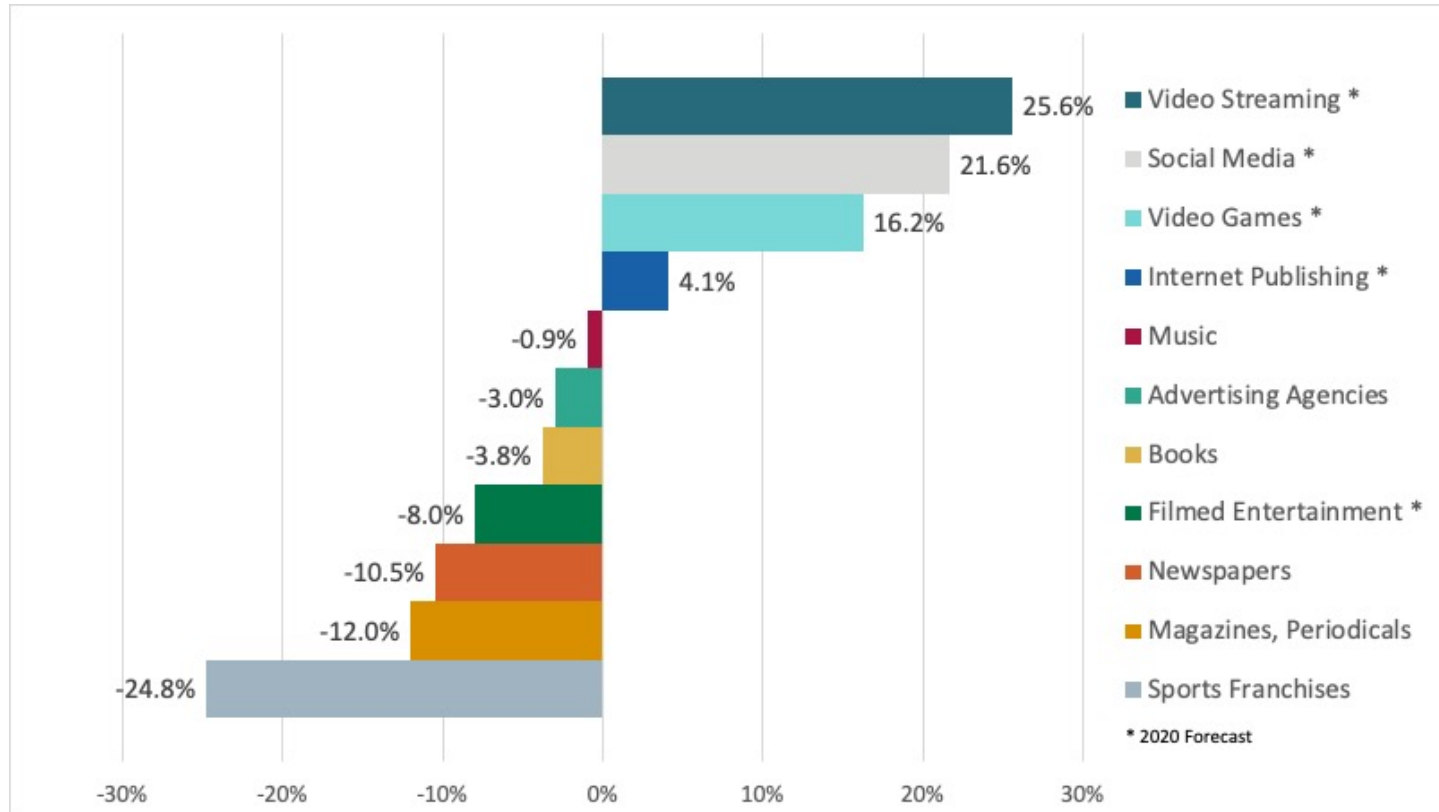
2018-2019 + 2020-2021 Forecast



Source: IEMSC MEDIA Report and IBIS World Inc (2020). Annual employment growth on top of each column - production.

U.S. Industry Employment

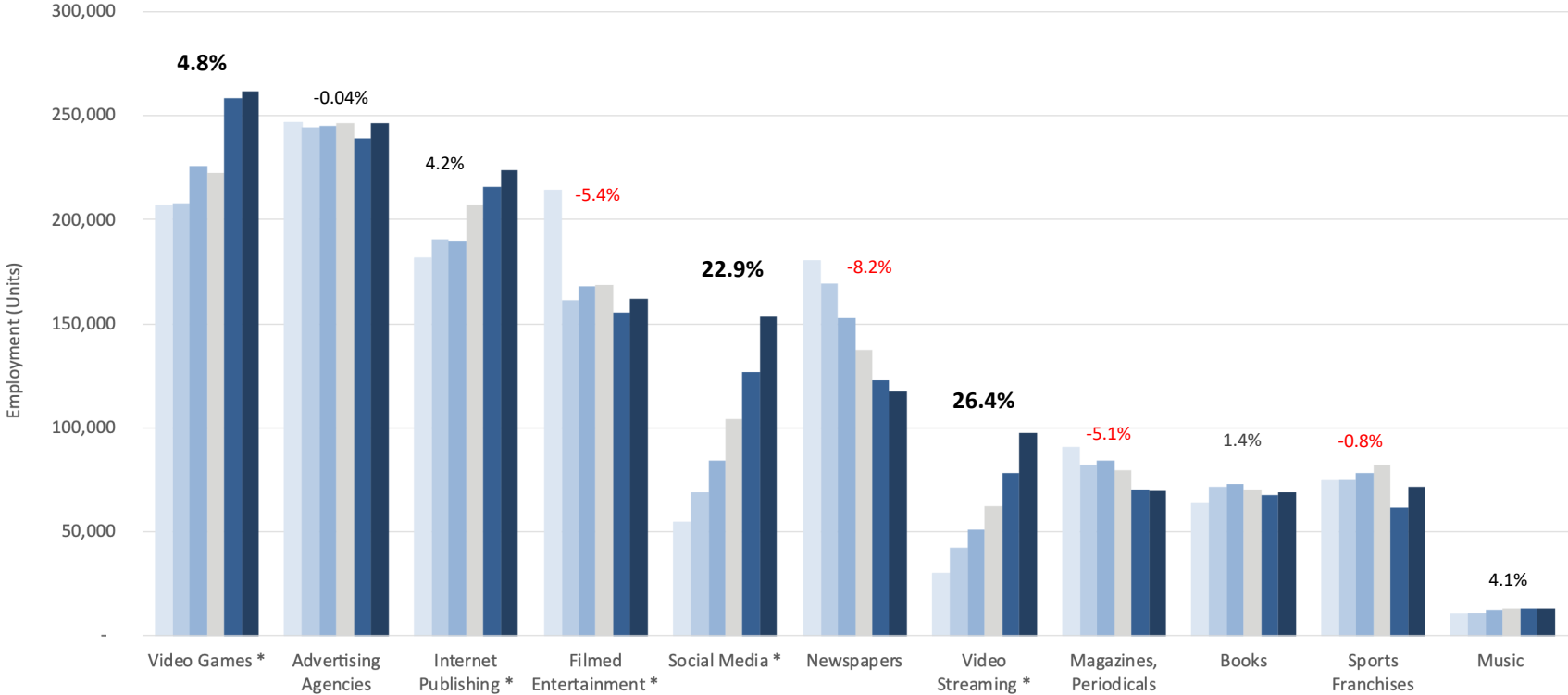
-- 2020 --



Source: IEMSC MEDIA Report and IBIS World Inc (2020). Annual employment growth on top of each column - production.

U.S. 2016-2021: Employment Growth By Sector

2016 2017 2018 2019 2020 * 2021F

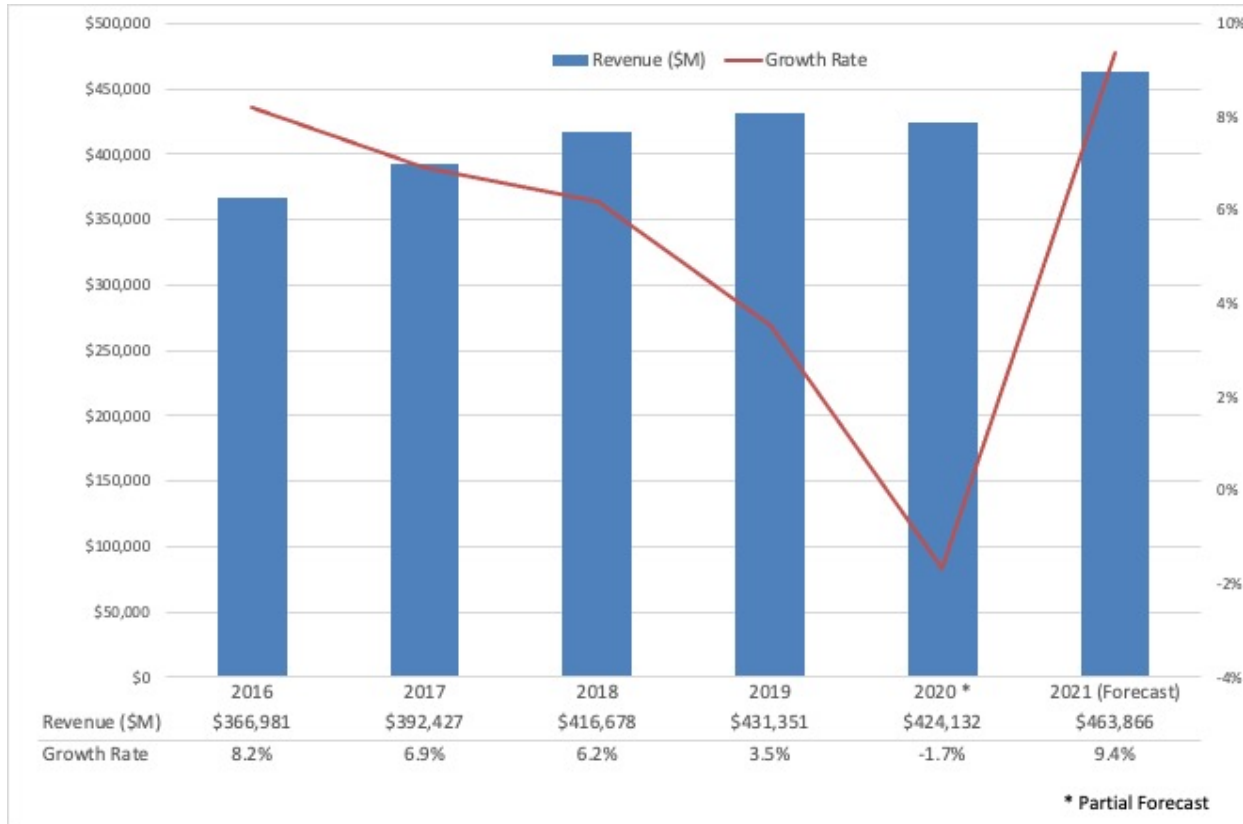


Source: Pepperdine IEMSC Media Report and IBIS World Inc (2020), employment CAGR by sector

* Partial Forecast

U.S. Industry Revenues

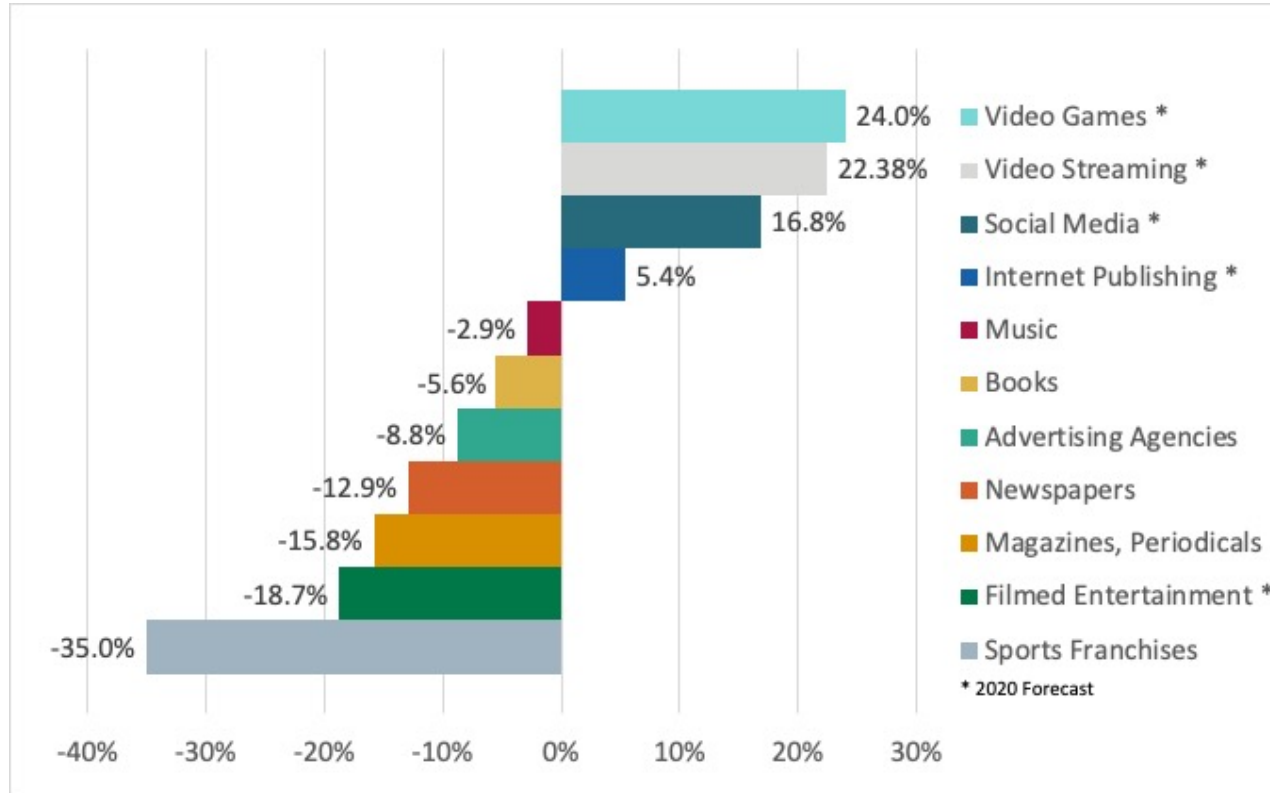
2016-2019 + 2020-2021 Forecast



Source: IEMSC MEDIA Report and IBIS World Inc (2020). Production revenues.

U.S. Industry Revenues

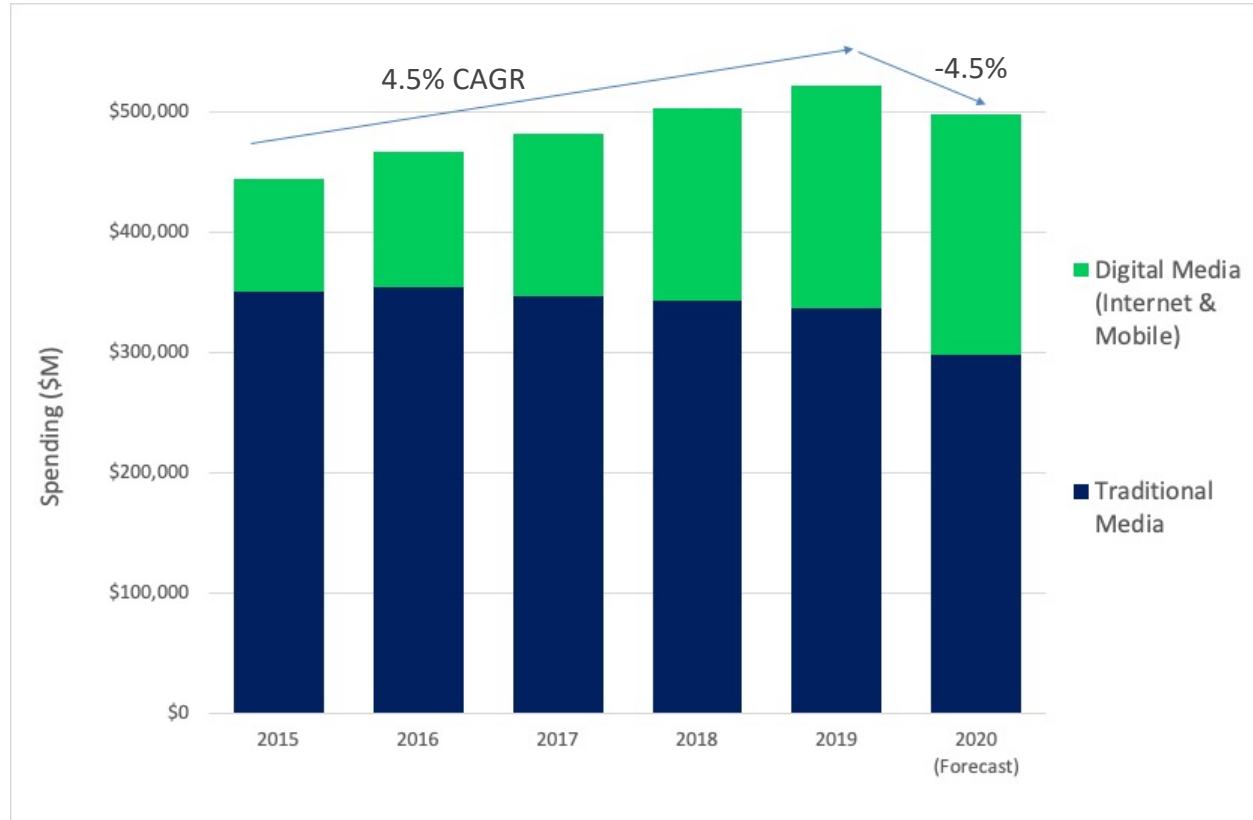
-- 2020 --



Source: IEMSC MEDIA Report and IBIS World Inc (2020). Annual production revenue growth by sector

U.S. Consumer and Ad Spend

U.S. 2015-2019 + 2020 Forecast



COVID-19 Impact - 2020

- DIRECT EFFECT: Live events (sports, concerts, Broadway, cinema, live to tape) were shut down, or capacity down due to social distancing.
 - Account for 15% of entertainment economy
- INDIRECT EFFECTS:
 - Less consumer spending due to economic crisis
 - Ad revenues down
 - Piracy
 - Sector-specific effects: No production, no downstream revenues to digital
- Distributors took a double hit → Lower willingness to pay and more competition for content.

Past Trends have Accelerated

- Digital channels drive industry growth
- Video games, video streaming, and social media drive industry growth
 - eSports double-digit growth on a small base