

Drivers of success

Factors fuelling demand for the world's
most ambitious Entertainment companies

A metaverse, of sorts

Entertainment companies are looking to utilise Artificial Intelligence and Virtual Reality to deliver digital-first, immersive experiences as part of the evolution of the Metaverse.

Major players in the film and live entertainment sectors are experimenting in offering omni-channel entertainment options via AI and VR that allow audiences to consume entertainment in virtual worlds, shifting seamlessly across across multiple digital platforms.

However, making the metaverse mainstream, as envisioned by the likes of Mark Zuckerberg, is some way off. He is pitching 2031 as the target year for a billion users.



Game-tainment

The gaming sector is the pioneer of immersive technology. It is estimated there will be over 2.7 billion users by the end of 2023, accessing games through mobile devices as well as traditional consoles.

This level of innovation has triggered high M&A activity in the sector, with strong interest in Artificial Intelligence and Virtual Reality specialist gaming companies in particular.

Much of the pioneering work is being done by small independents. Bringing the necessary technologies and talent in-house will be central to the long-term strategy of many media companies.



End of the golden age

Streaming television services are expected to show modest subscription growth this year. Only those with the deepest pockets are likely to survive in their current form.

Advertising-funded services are being launched to offset slowing subscriber growth and these new revenues will exceed subscription fees over the next five years.

Innovation in advertising is vital to enhance profitability, so streamers will focus on developing Adtech, digital platforms that tailor adverts to viewers' preferences and interests.

Meanwhile, streamers are likely to expand into gaming through acquisition or intellectual property deals with developers.

That's entertainment

The media and entertainment industry never stands still for long. Badly affected by Covid, production is once again in full swing.

We are seeing the emergence of immersive technologies and creation of virtual worlds that will continue to evolve and gain traction with new audiences beyond early adopters.

Content producers are responding to a plateau in consumption by channelling

more budget into interactive options and immersive technology that allows audiences to consume entertainment in virtual worlds.

Demand for original television content will stay strong, fuelled by competition between the various streaming services.

Overall, spending in the entertainment sector has been steadily increasing and this is likely to continue.



Graham Tyler, Global Leader, Media

GTyler@mks.co.uk

CONTACT US

For more information visit www.moore-global.com

Moore Global Network Limited is a company incorporated in accordance with the laws of England and provides no audit or other professional services to clients. Such services are provided solely by member firms of MGNL in their respective geographic areas. MGNL and its member firms are legally distinct and separate entities owned and managed in each location.

