

www.pwc.com

The Chinese Entertainment & Media Consumers

January 2016


Ying Wang, Business Development Manager,
PwC Israel

Entertainment & Media Outlook 2015-2019

Entertainment and Media market in China† (US dollar millions)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Entertainment and Media in China † ‡											
Business-to-business in China	6,343	6,931	7,462	8,109	8,711	9,276	9,851	10,449	11,064	11,705	6.088
Book publishing in China	11,512	11,718	11,947	12,162	12,315	12,418	12,545	12,698	12,889	13,127	1.285
Magazine publishing in China	4,106	4,639	4,906	5,243	5,500	5,723	5,926	6,104	6,275	6,414	3.122
Filmed entertainment in China	2,135	2,703	3,359	3,856	5,065	5,807	6,549	7,611	8,709	9,965	14.491
Internet access in China	24,899	29,545	34,440	41,603	46,692	53,563	61,032	69,467	78,391	88,407	13.618
Internet advertising in China	4,652	7,870	10,342	13,286	16,616	20,260	24,034	27,692	30,955	33,549	15.088
Newspaper publishing in China	10,774	12,244	12,664	13,607	14,652	15,698	16,755	17,861	19,026	20,312	6.750
Out-of-home advertising in China	4,454	4,545	4,658	4,905	5,400	5,924	6,554	7,217	7,882	8,622	9.809
Radio in China	1,496	1,679	1,824	1,982	2,176	2,366	2,572	2,796	3,047	3,301	8.693
Music in China	619	644	681	724	789	860	917	970	1,015	1,049	5.850
TV advertising in China	4,949	5,592	5,950	6,307	6,860	7,280	7,871	8,358	9,000	9,458	6.636
TV subscriptions and licence fees in China	7,103	8,300	9,723	11,683	14,051	16,449	18,813	20,906	22,644	24,105	11.400
Video games in China	4,712	5,574	6,464	7,463	8,431	9,148	9,848	10,548	11,309	12,156	7.592
Total Entertainment and Media in China	87,755	101,984	114,419	130,928	147,258	164,774	183,366	202,676	222,206	242,170	10.461
Total without double counting	85,246	99,048	111,134	127,234	143,122	160,235	178,397	197,243	216,276	235,711	10.493

China's Book Publishing Segment

- ❖ China: 3rd largest book market
- ❖ 581 publishers, all state-run
- ❖ Reading in English 
 - 20 mn new English speaker each year
 - 500 mn + learning English
 - > total of English native speakers
- ❖ What about e-books?

Social Media & E-commerce in China

You Use

Google

Facebook

Twitter

Whatsapp

Instagram

Youtube

Ebay

Amazon

Groupon

Paypal

We Use

Baidu

Renren, Wechat (T)

Weibo, Wechat (T)

Wechat(T)

Wechat(T)

Youku, Tudou, iQiyi (B)

Taobao (Alibaba)

Tmall (Alibaba), JD,

Juhuasuan (Alibaba)

Alipay (Alibaba)

What does this mean to you?

China's Internet Access Segment

- ❖ By 2019, 13.6% CAGR, 88B USD
- ❖ Three major Telco's in China:
 - China Telecom = largest in fixed broadband access
 - China Mobile = largest mobile operator
 - China Unicom
- ❖ China is a Mobile nation:
 - Mobile internet subscriber: 2014 632 mn (90%)
 - 2019 963 mn
 - # of smart devices: 899 mn by end of 2015
 - Apple 30%, Android 70%
 - Pop quiz: name one top social media APP?

China's Internet Advertising Market

- ❖ 2014 16.6 B USD, 2019 33.6 B USD
- ❖ # 1 in Asia, # 2 globally
- ❖ 21% of Chinese enterprises are using internet for advertising
 - 63% - instant messaging
 - 56% - search engines
 - 48% - e-commerce platforms
 - 40% - email-marketing
 - 52% - social media
 - 23% - display advertising
 - 16% - Online-video platform
- ❖ 1111 & “剁手党 – Duo Shou Dang”
- ❖ Social media advertising

China's Filmed Entertainment Segment

- ✓ # 2 worldwide, 10 B in 2019
- ✓ In 2014, 1,015 new cinemas were opened = 5,397 new screens
 - Total # of screens = 23,600
 - 600 films were produced in 2014
 - Chinese films = 54% of the market
 - 1st half of 2015, the most successful film in the Chinese box office was _____?
 - Fast & Furious 7 !
- ✓ Home Video lagging = 950 M USD in 2019
- ✓ BUT!
 - 460 mn to 700 mn
 - Go princess go!

China Business Group @ PwC Israel

Contact Us:

Eitan Glazer, Partner, PwC Israel

Tel: +972 3 7954664

Email: eitan.glazer@il.pwc.com

Ying Wang, Business Development
Manager, PwC Israel

Tel: +972 3 7954869/+972 54 6692040

Email: wang.ying@il.pwc.com



©2015 Kesselman & Kesselman. All rights reserved.

In this document, "PwC Israel" refers to Kesselman & Kesselman, which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity. Please see www.pwc.com/structure for further details.

PwC Israel helps organisations and individuals create the value they're looking for. We're a member of the PwC network of in 157 countries with more than 184,000 people. We're committed to delivering quality in assurance, tax and advisory services. Tell us what matters to you and find out more by visiting us at www.pwc.com/il

This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.