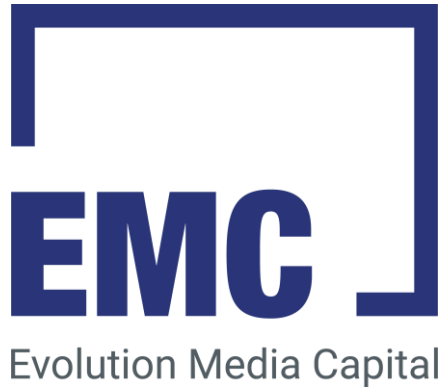


18 Charts for 2018

January 2018

*Sign Up For Additional Research From Evolution Media Capital*

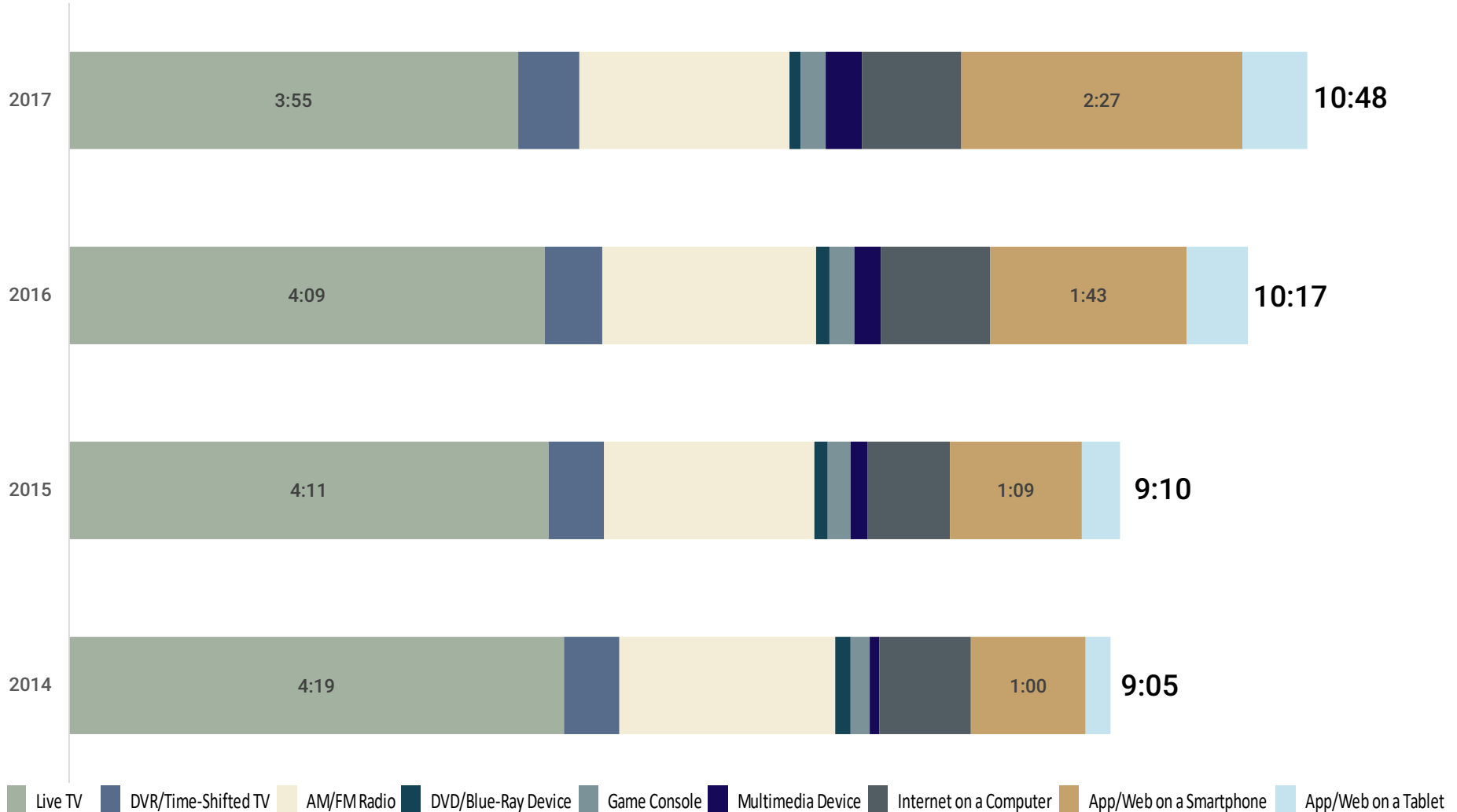


# 18 Charts for 2018

January 2018

# Time Spent With Media

Adults Are Spending An Increasing Amount Of Time Consuming Media

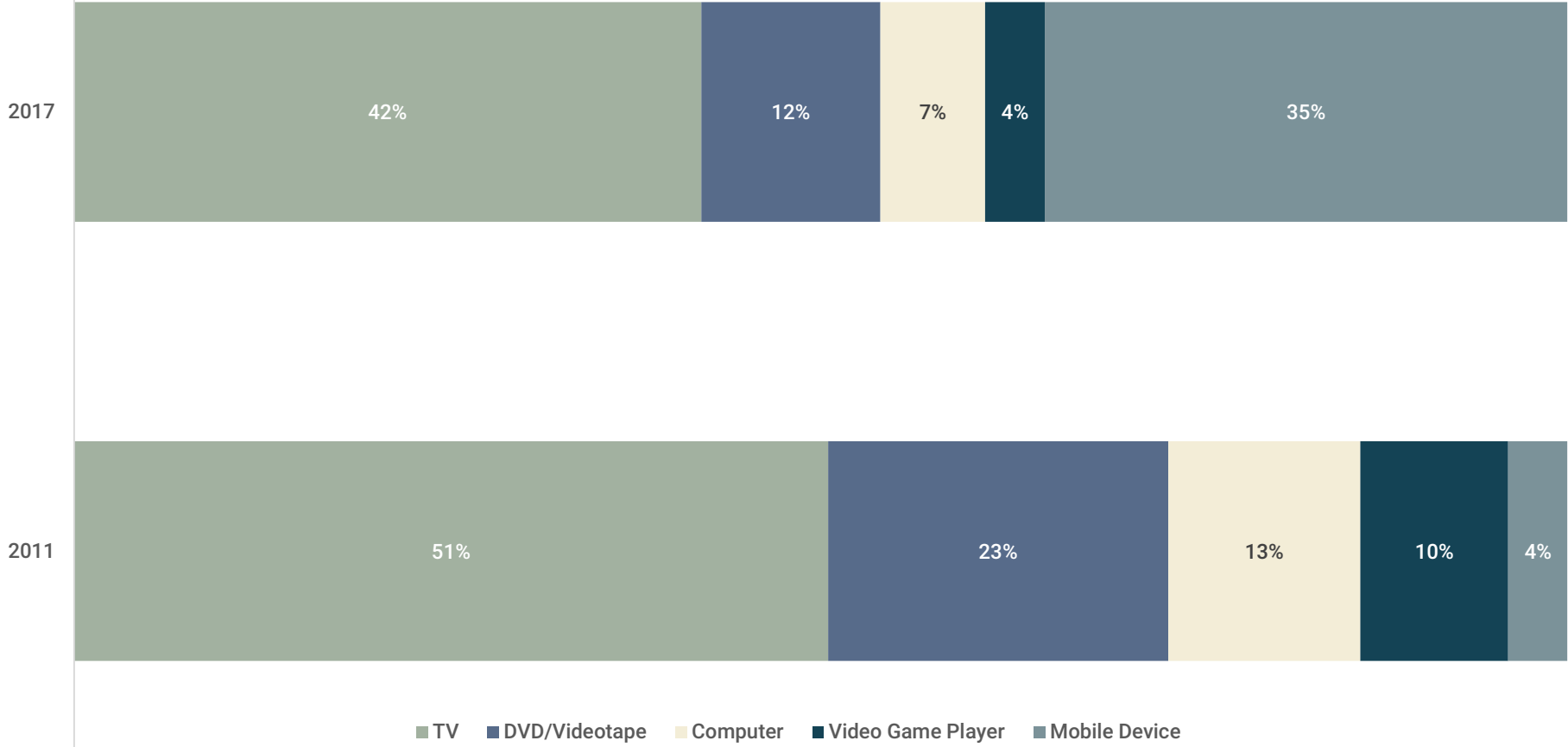


*How much longer until mobile devices surpass TVs as the primary screen?*

# Children's Screen Media Use

As More Millennials Are Becoming Parents, There Is A Rise In The "Digital Native" Generation

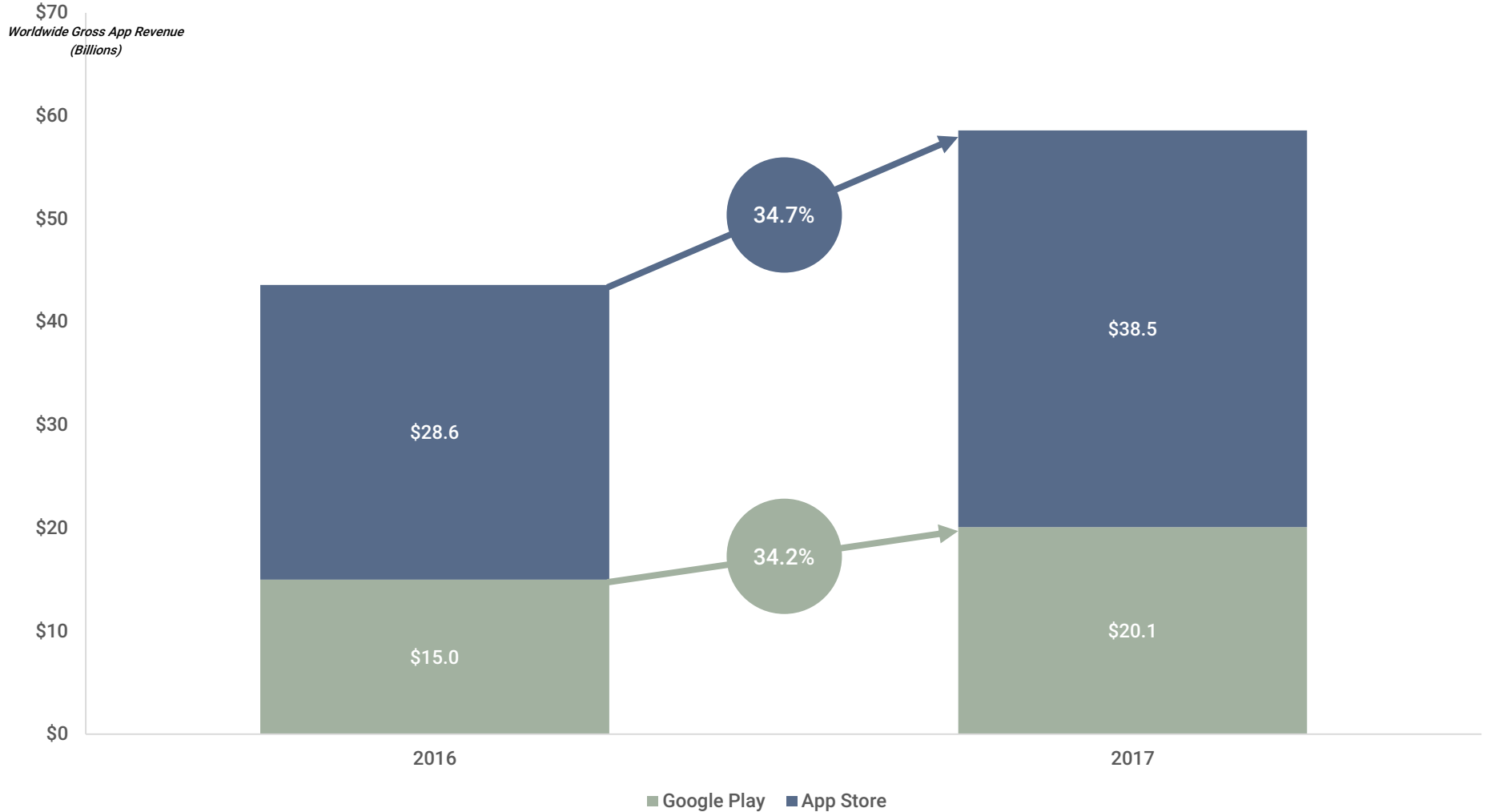
Screen Media Use by Platform  
(Among 0 to 8 year-olds, share of time spent)



*What type of regulatory concerns will arise from young children accessing content on mobile devices?*

# App Stores

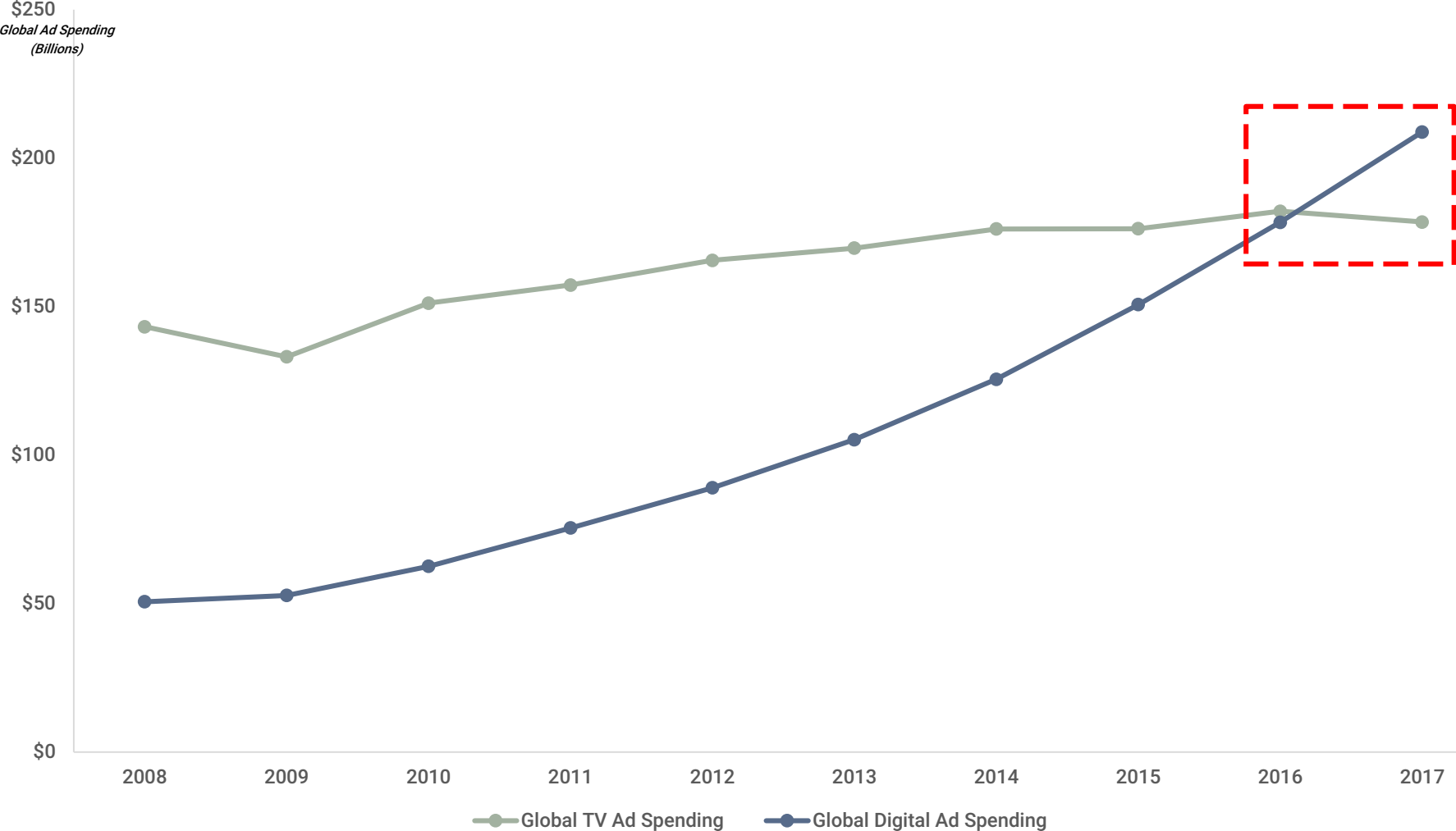
Fueled By Mobile Games, Android And iOS App Stores Both Continue To Generate Strong Revenue Growth



*In a crowded marketplace, how will free-to-use apps differentiate themselves?*

# Ad Spending

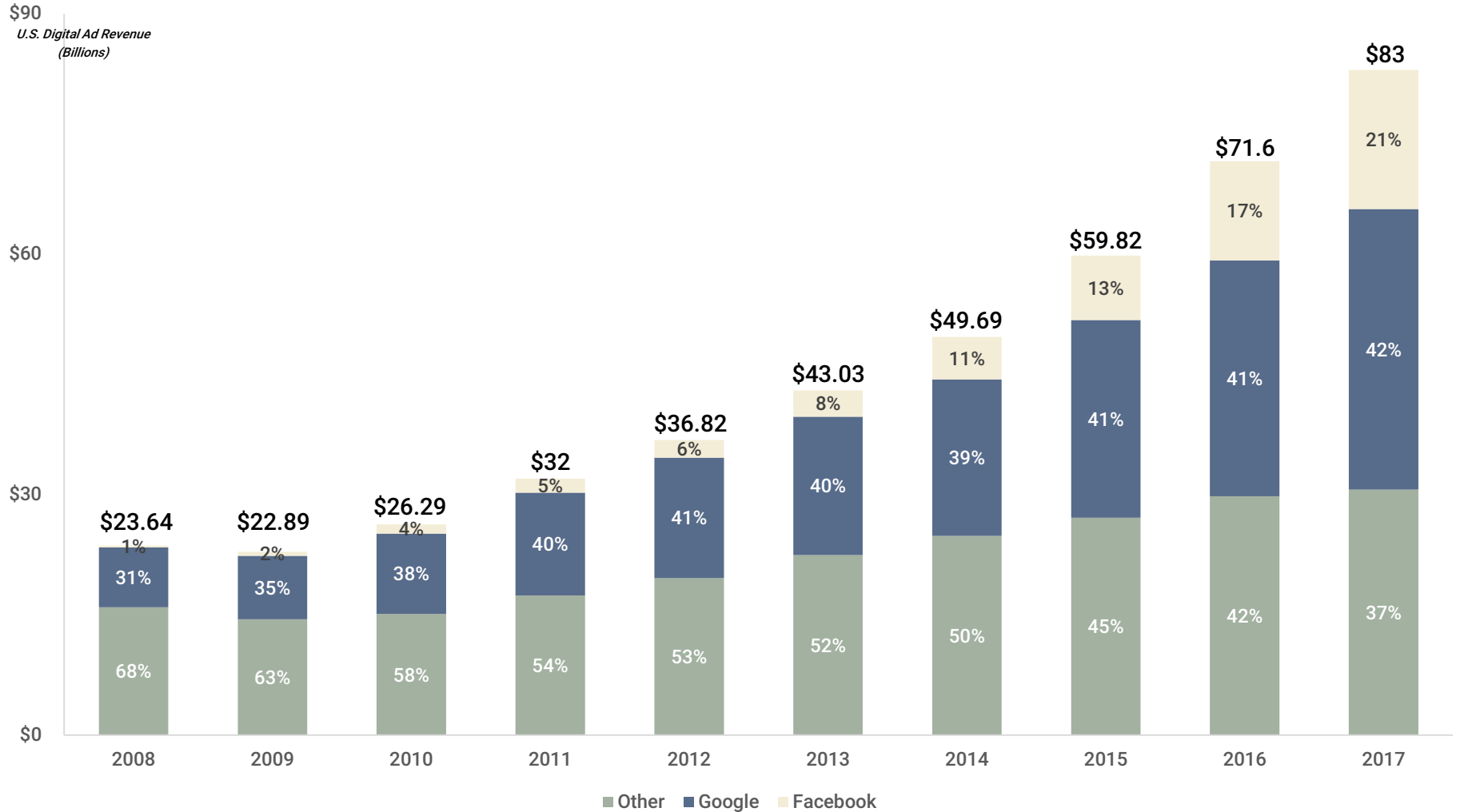
In 2017, Global Digital Ad Spending Surpassed TV Ad Spending For The First Time



*With concerns over programmatic ad placement, will brands continue to shift spending to digital platforms?*

# Digital Ad Revenues

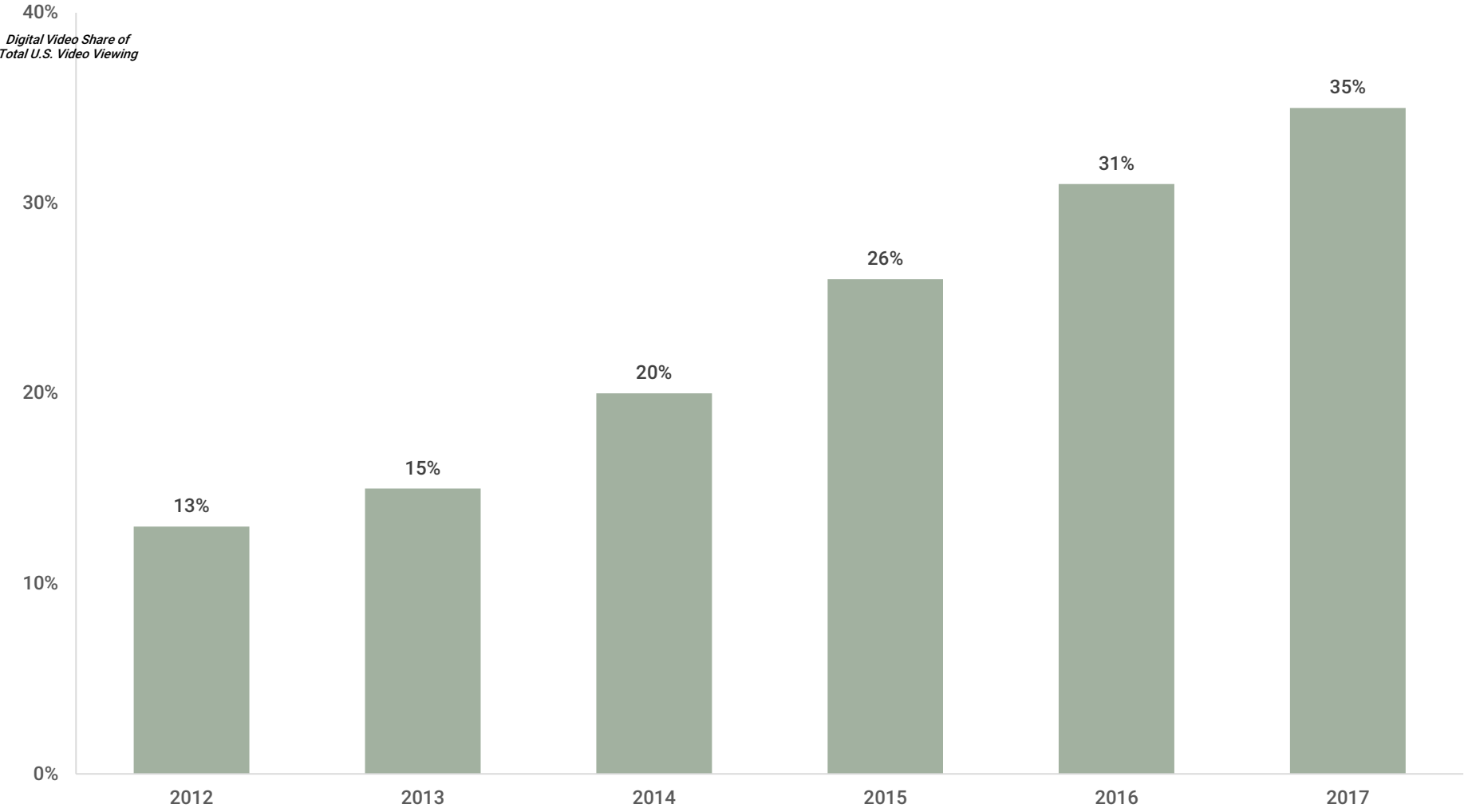
## Google And Facebook Continue To Strengthen Their Duopoly On Digital Advertising



*Does any company have a chance at gaining meaningful market share?*

# Digital Video

## Digital Video Is Gaining Market Share Over Traditional Video Viewing Platforms



*Is the "pivot to video" by digital publishers a sustainable business model?*

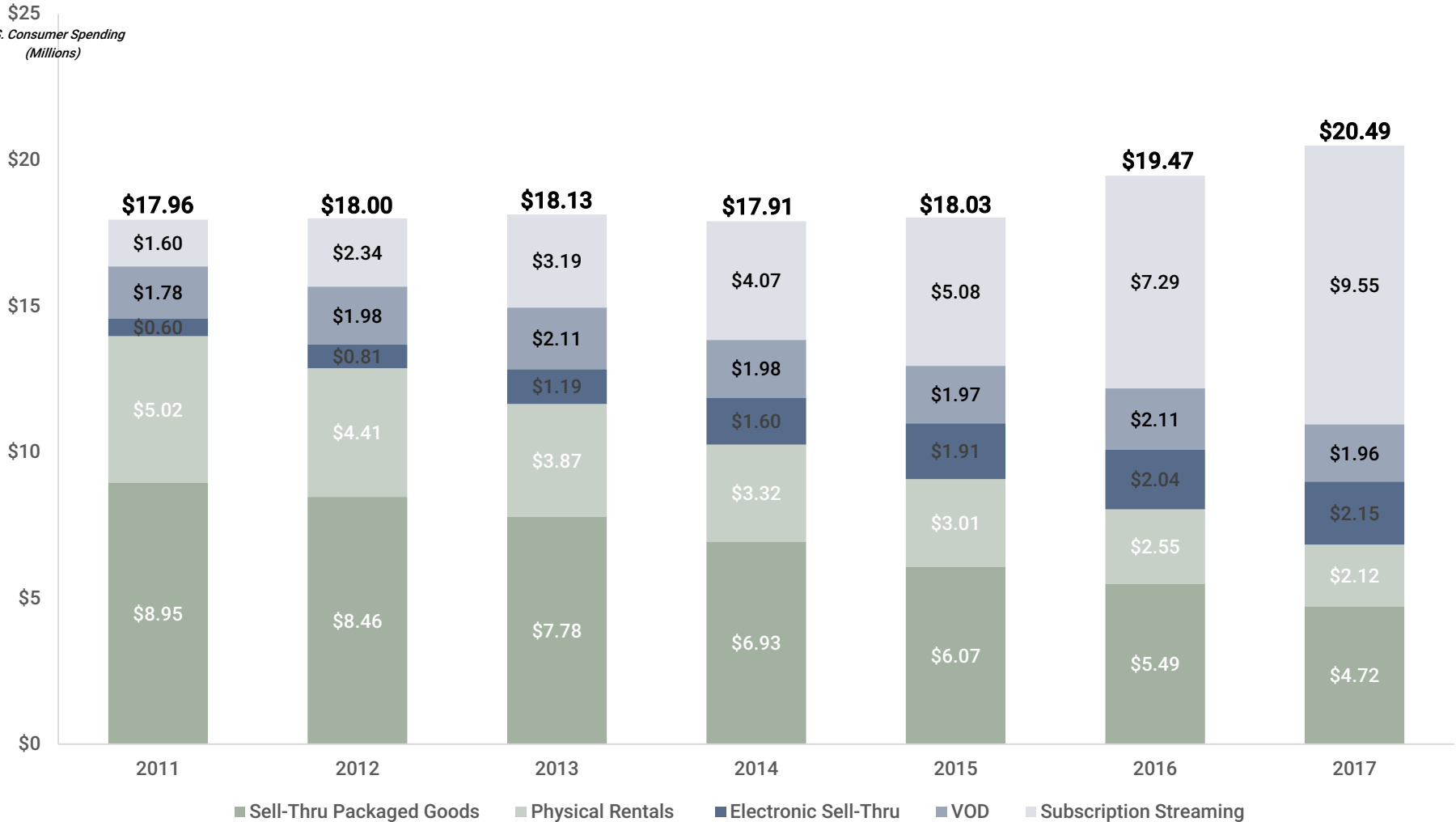
Source: Nielsen, comScore, UBS





# Home Entertainment Spending

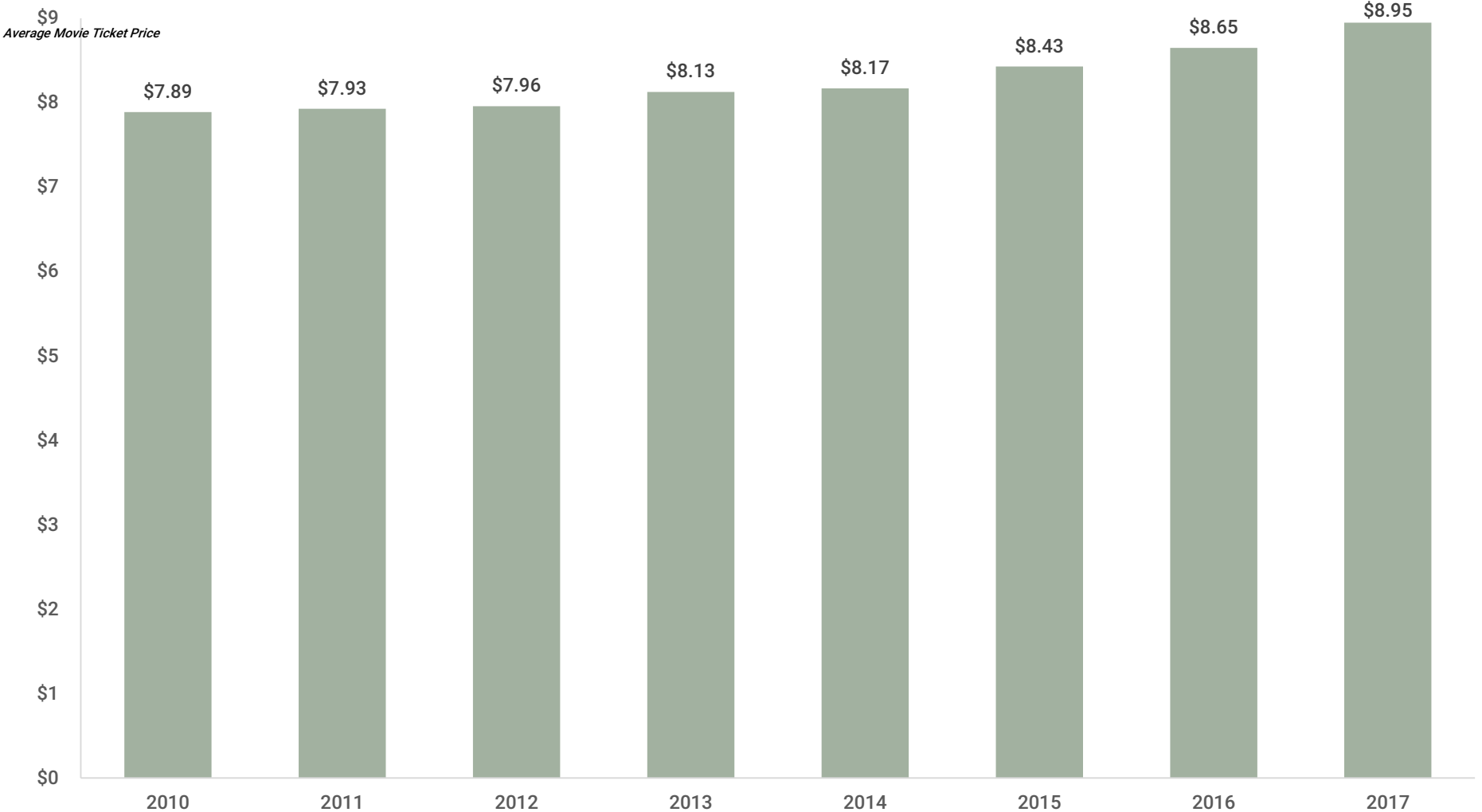
## U.S. Consumers Are Mainly Purchasing Digital Products/Services For Home Entertainment



*With a declining demand for physical copies, how will distribution deals change?*

# Movie Ticket Price

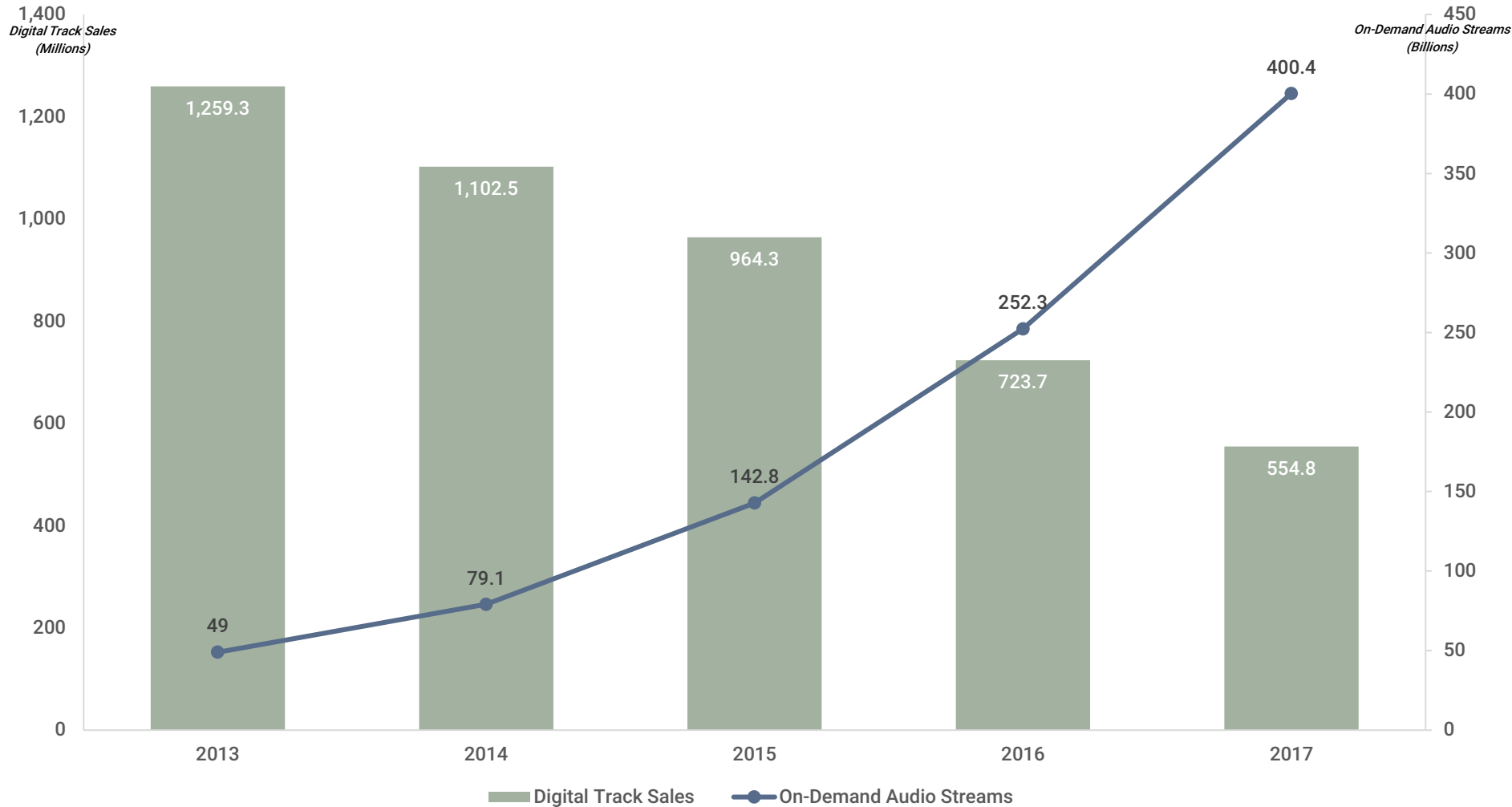
As Exhibitors Invest In Luxury Amenities, The Cost Of A Movie Ticket Continues To Rise



*As more content is available at home, will customers continue to pay a premium for the big-screen experience?*

# Music

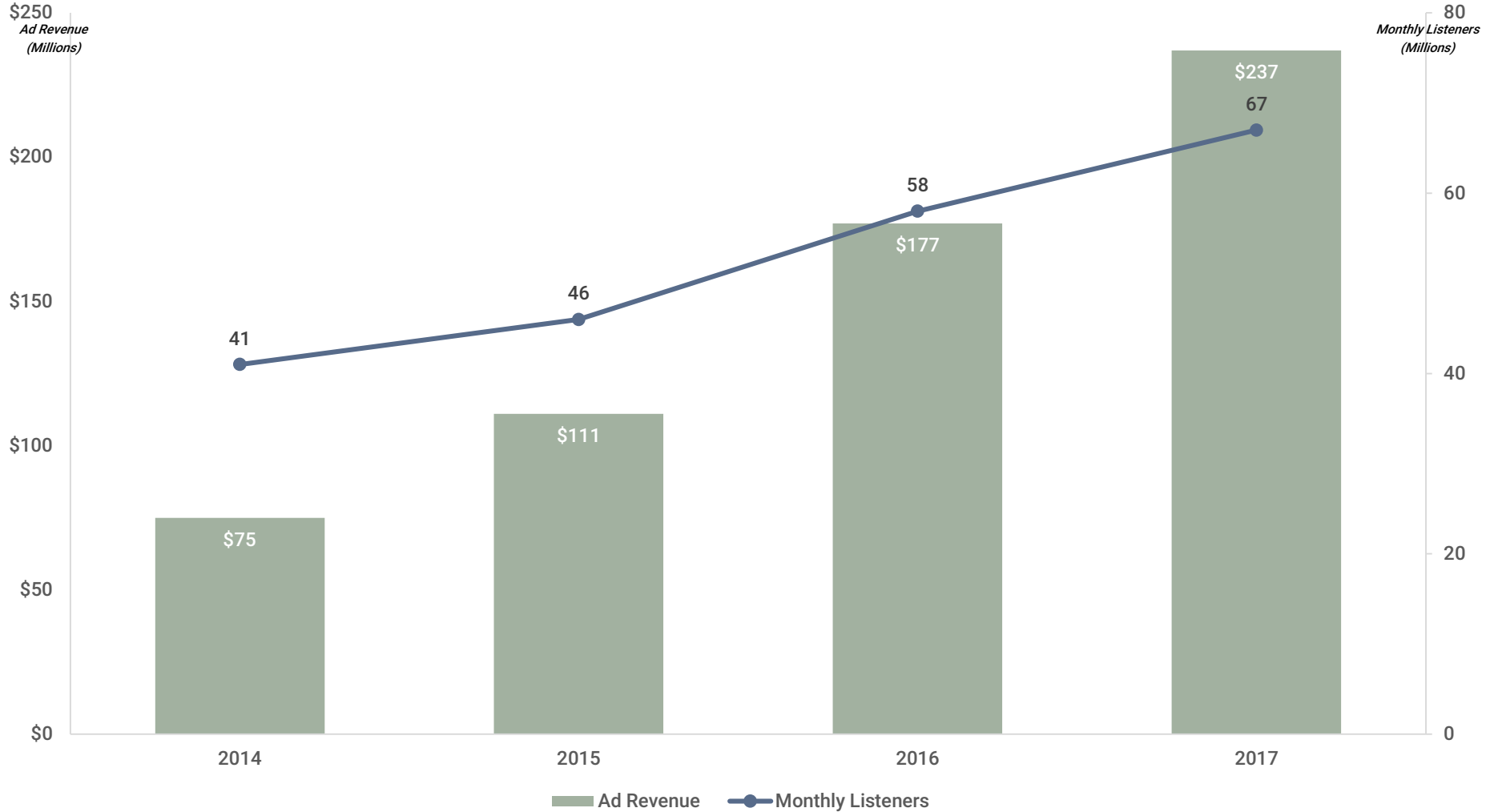
The Music Industry Has Been Revitalized Through A Shift Away From An Ownership Business Model



*Can record labels maintain their leverage over streaming providers in music rights negotiations?*

# Podcasts

The Podcast Market Remains Small, But Continues To Grow Each Year

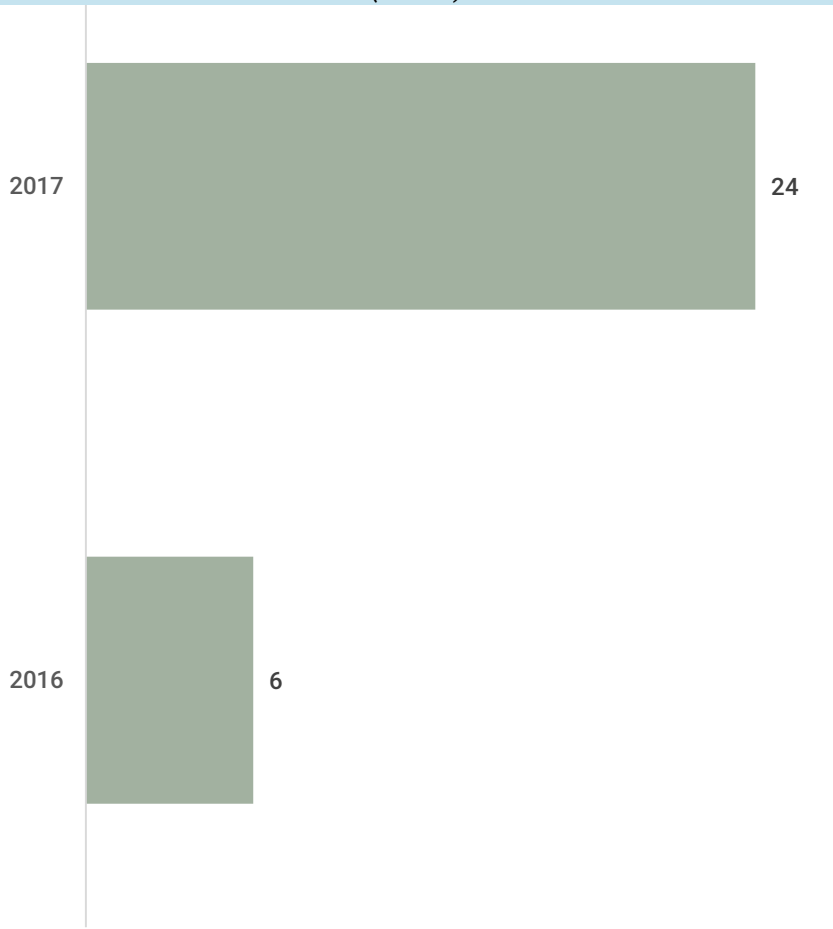


*How much will Apple's new podcast analytics service help drive ad revenue?*

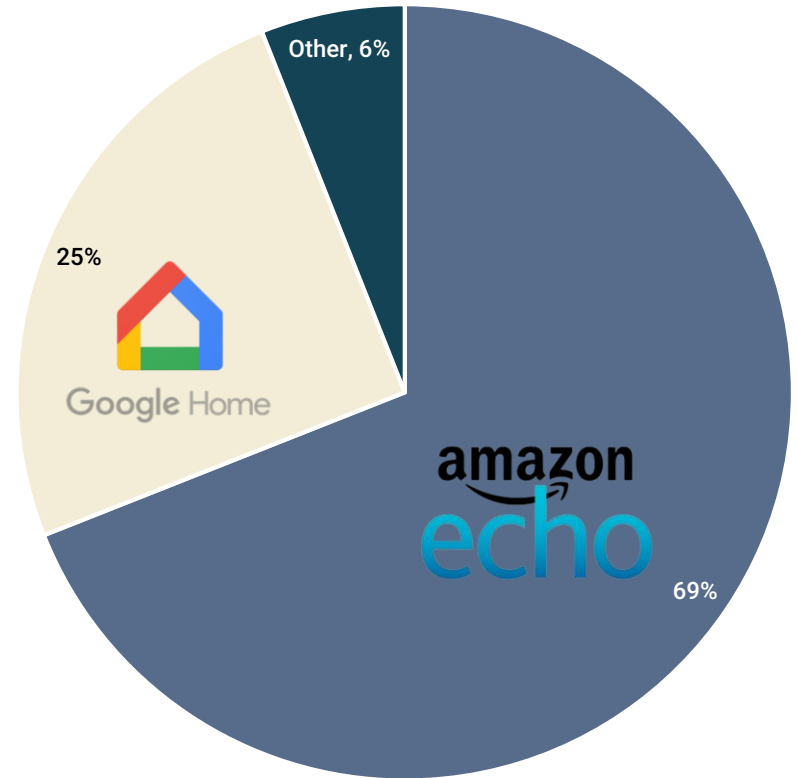
# Smart Speakers

Led by Amazon's Echo, Smart Speaker Sales Have Tripled In The Past Year

## Shipments (Millions)



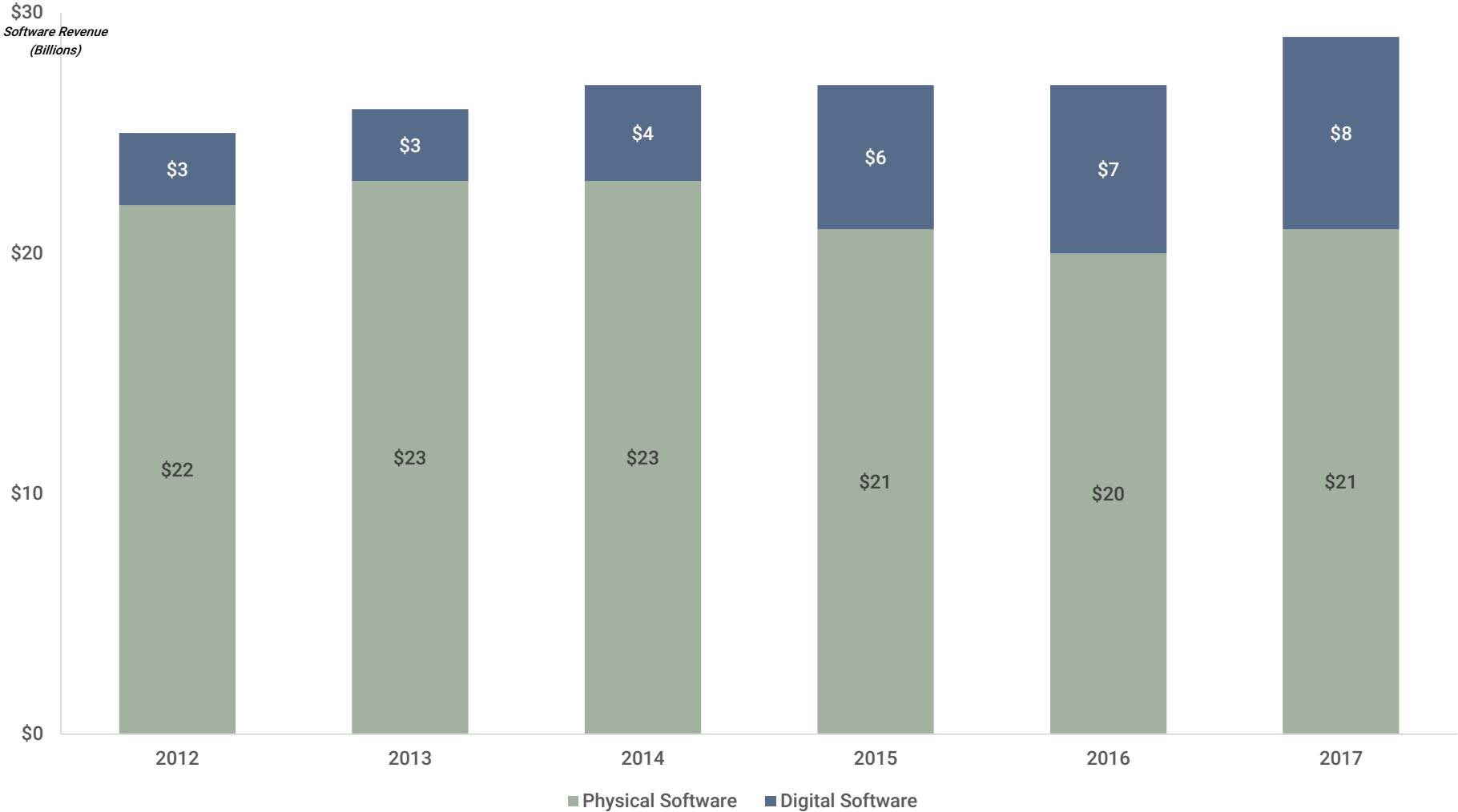
## U.S. Market Share



*Will smart speakers become an essential device for the connected home?*

# Video Game Sales

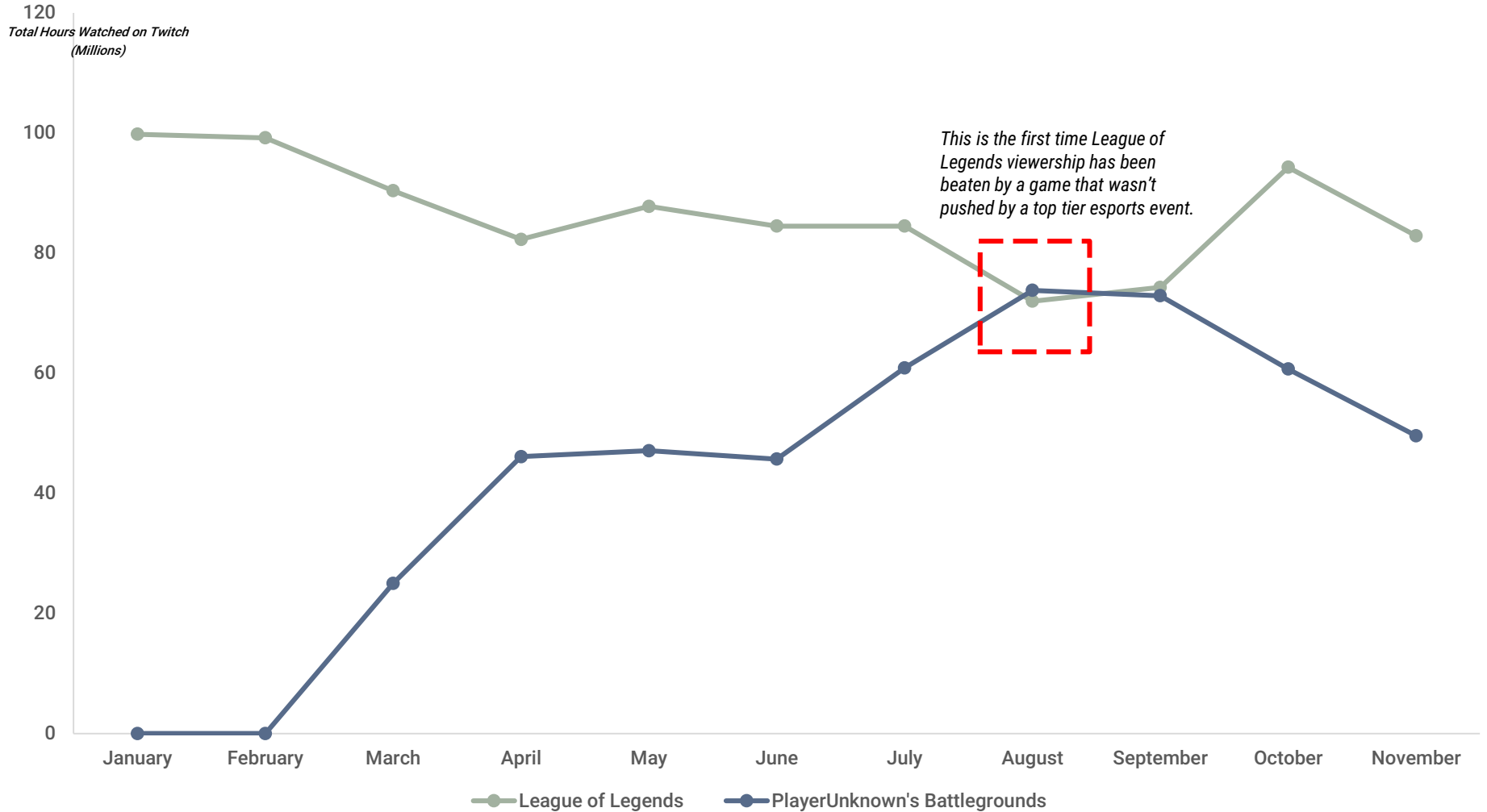
Video Game Publishers Are Developing A Closer Relationship With Their Users Through Digital Software



*Can publishers continue to grow by imitating the movie studios' tentpole model?*

# Rise of PUBG

## The Rise Of PUBG Highlights The Potential Of Esports Audiences



*Will strong online viewership for new titles lead to creation of more formal Esports leagues?*

# North America Sports Media Rights

Sports Continue To Command Premiums As One Of The Few Types Of Must Watch Live Content

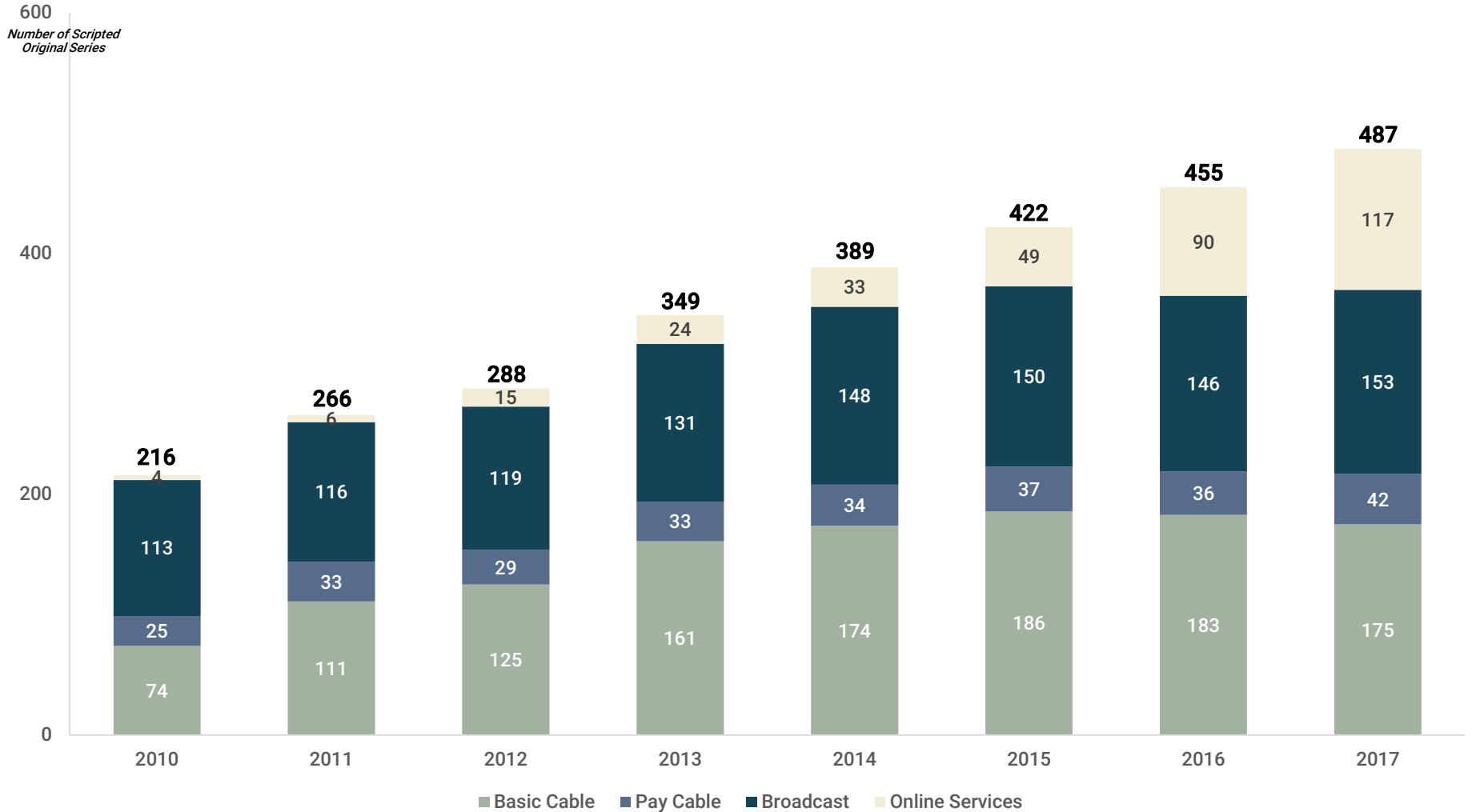


*How competitive will the major tech platforms be when the media rights deals for the Big 4 sports leagues expire?*



# Scripted Original Series

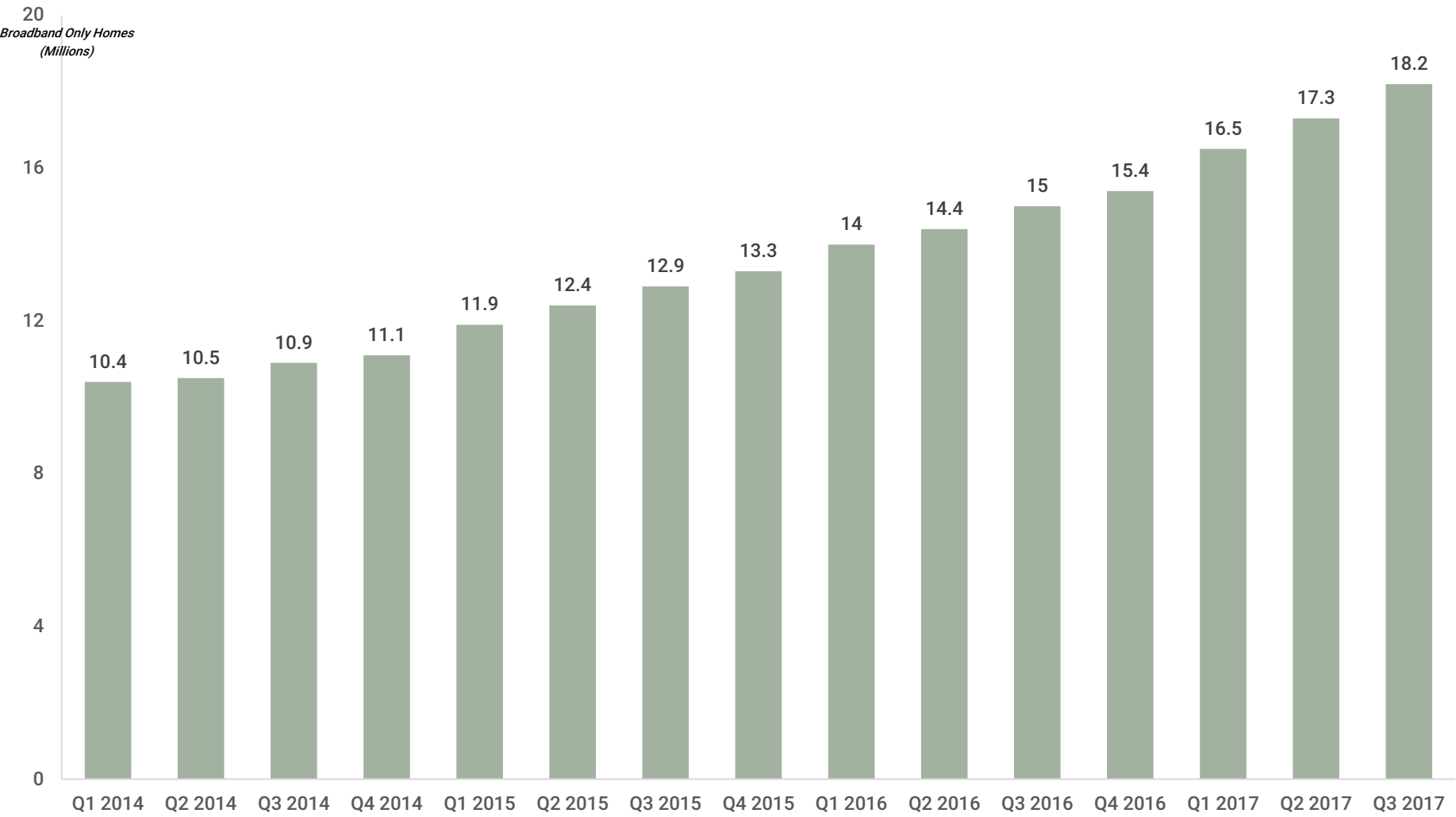
Original Content Is One Of The Key Differentiators For OTT Platforms



*As the cost of premium content rises, who will be able to monetize it most efficiently?*

# Broadband Only Homes

**Cord Cutting Is Accelerating As More Households Are Solely Relying On Broadband For Their Entertainment**



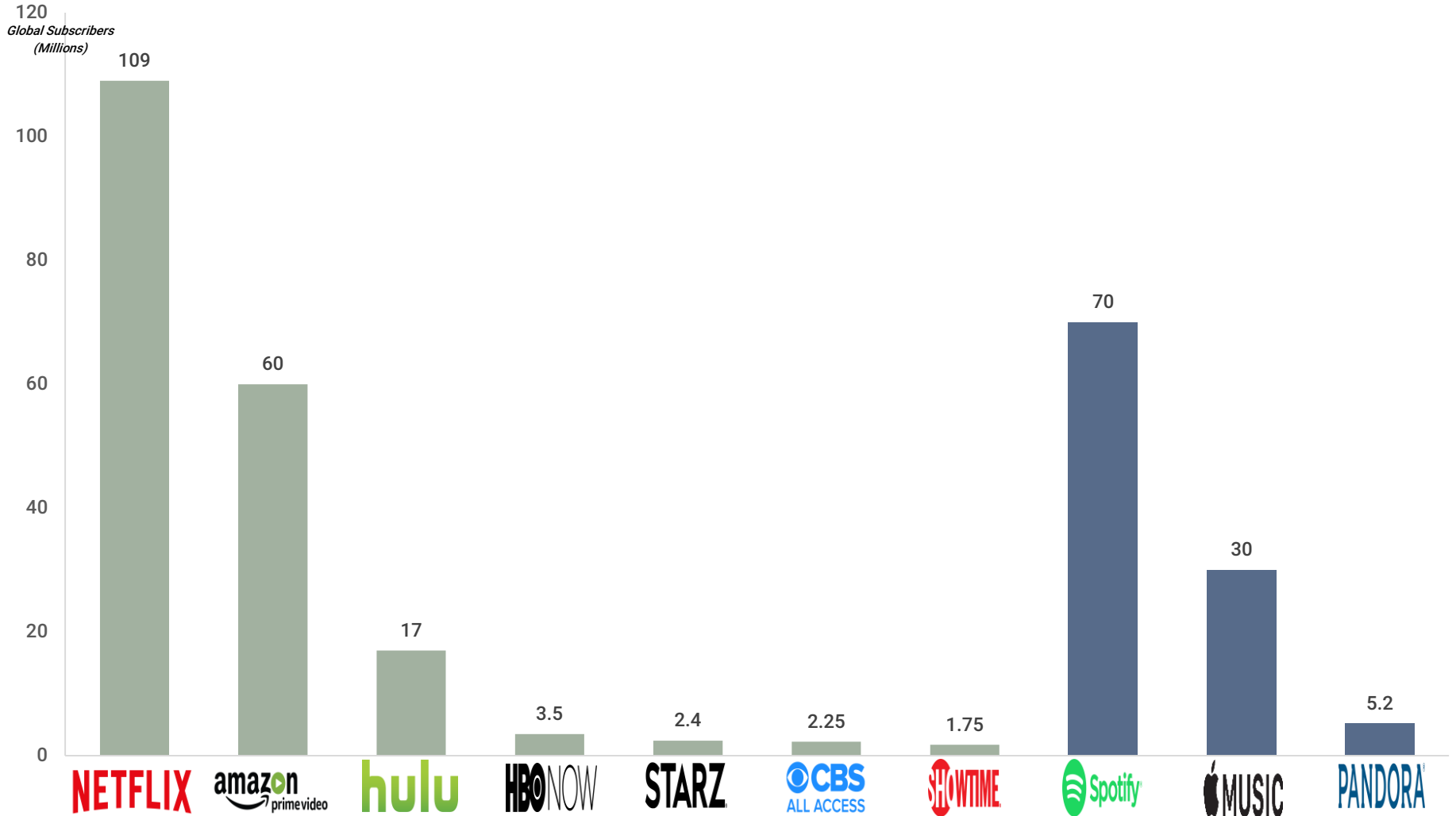
*Will the end of net neutrality deteriorate the value of broadband delivered entertainment?*

Source: SNL Kagan



# Direct to Consumer

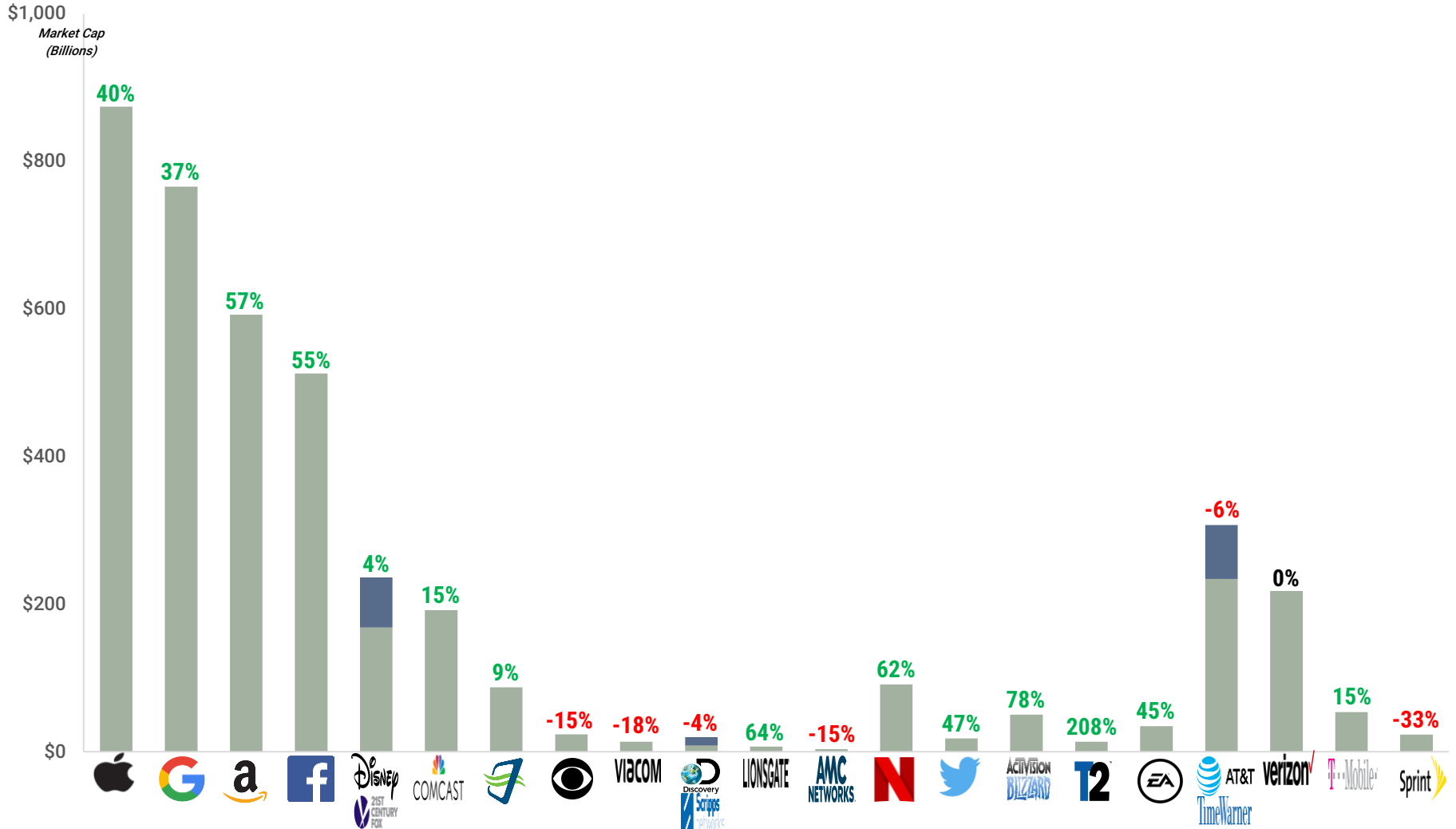
Direct To Consumer Platforms Must Emphasize Customer Data And Personalization To Be Successful



How soon before DTC platforms offer multiple forms of content (music & video) to optimize the consumer experience?

# Market Cap

The Tech Giants Have Further Extended Their Purchasing Power Over Other TMT Companies



Will media companies need to consolidate (horizontally or vertically) in order to compete?

Source: CapIQ; Market Cap as of 12/31/2017; Growth compared to 12/31/16