

# Internet Ignites Global Entertainment and Media Industry

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Though technology has brought about difficulties for the entertainment and media industry in fields such as digital music and video piracy, PricewaterhouseCoopers reports that technologies like broadband Internet will help push growth of the worldwide entertainment and media industry over the coming years.

PricewaterhouseCoopers projects the worldwide entertainment and media industry will grow by a compound annual growth rate (CAGR) of 6.3% over the next five years, with spending hitting \$1.7 trillion by the end of 2008. Last year, entertainment and media spending grew by 4.2%, totaling \$1.2 trillion, and this year PwC expects spending to rise by 5.7%.

Asia-Pacific will be the hotbed for the industry, as the PwC report "Global Entertainment and Media Outlook: 2004-2008" indicates, growing by a CAGR of 9.8% through 2008. Specifically, India and China will emerge as the industry leaders for growth.

The US, however, will remain the largest regional entertainment and media industry, with spending rising by a CAGR of 5.4% through 2008, when it will total \$680 billion.

PwC reports that technologies like broadband Internet and wireless devices will help push spending in the global entertainment and media industry. PwC estimates that the number of broadband households worldwide will surpass the 300 million mark by 2008.

As Wayne Jackson, Global Leader of PwC's Entertainment and Media Practice, states, "The Internet has evolved into a vital distribution channel, despite piracy issues faced by the music and movie industries...In 2003, licensed online music services began acquiring paying customers, showing that consumers will pay for high-quality entertainment that is easily accessible online."

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