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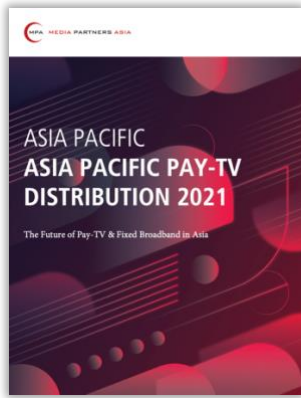
India, Korea & China to Drive Pay-TV Revenue Growth As Total Asia Pacific Pay-TV Revenue Pie Forecast to Grow 3% CAGR to Reach US\$60 billion by 2025

(SINGAPORE, APRIL 6, 2021): Total Asia Pacific pay-TV industry revenue, comprised of subscription fees and local and regional advertising sales, contracted by 3% in 2020 to reach US\$53 billion, according to *Asia Pacific Pay-TV Distribution*, a new report published today by Media Partners Asia (MPA). MPA forecasts indicate that total pay-TV industry revenues will grow at a CAGR of 3% between 2020-25 to top US\$60 billion by 2025, driven largely by India, China and Korea. Most other markets, including Australia, Hong Kong, Singapore and Thailand will continue to contract though Philippines will expand while Japan and Malaysia will remain relatively flat. Asia Pacific pay-TV subscription fees are projected by MPA to expand at a CAGR of 2% to reach US\$49 billion by 2025 while advertising is estimated to grow by 4% CAGR to total more than US\$11 billion by 2025.

The Covid-19 pandemic impacted pay-TV advertising growth across Asia Pacific while the suspension of sports activity hurt subscriber and ARPU growth in first half 2020. The resumption of sports activity in second half 2020 and early 2021 has helped operators partially recover earlier residential subscriber losses though activity in the commercial & enterprise segment remains soft. Asia Pacific, including China & India, added 23.8 million net new subscribers in 2020. China contributed more than 90% to growth in 2020, driven by the bundled IPTV, OTT & broadband services, led by China Mobile. The total Asia Pacific pay-TV subscriber base grew 3% in 2020 to reach 668 million, representing 62% penetration of total TV homes, adjusted for multiple subscriptions in a home. MPA projections indicate that total Asia Pacific pay-TV subs will grow at a CAGR of 1% between 2020-25 to reach more than 715 million by 2025, representing 63% penetration. China, India and the Philippines will lead in terms of contribution to incremental subscriber growth over 2020-25.

Commenting on the findings from the report, MPA executive director Vivek Couto said:

“The IP distribution of video content bundled with broadband services is helping to prolong the shelf life of pay-TV channel bundles while also providing a basis for integration with new OTT video services. This strategy, combined with continued demand for household TV and broadband bundles amongst aging customers, is ensuring that the pay-TV sector remains relatively robust in markets such as China, Korea and Malaysia while retaining scale in countries such as Japan. In large emerging markets such as India and Philippines, strong demand for live sports & entertainment channels on TV fuels the growth of low-ARPU DTH satellite platforms which will remain dominant but increasingly mature. In Southeast Asia, IPTV & broadband bundles have helped Indonesia, Thailand and Vietnam stay relatively afloat following the steady erosion of the DTH satellite sector. Subscriber growth will decelerate in large markets such as China, India and Korea with a focus on ARPU growth and driving efficiencies through further consolidation. Cord cutting will continue in highly penetrated online SVOD markets such as Australia, Singapore and New Zealand though churn should stabilize as operators cater to aging customer cohorts with bundles of live sports, local & international entertainment and OTT services through next gen STBs, supported by HD and UHD/4K technology. This trend will also be evident in Hong Kong, Malaysia and Japan.”



About Asia Pacific Pay-TV Distribution

Asia Pacific Pay-TV Distribution is an annual report published by Media Partners Asia, covering commercial distribution of pay-TV and fixed broadband in 17 markets, including analysis of 80 pay-TV and broadband operators with KPIs. The report provides historical data and five-year forecasts for subs, ARPU and revenue across all pay-TV platforms, including VOD, HD and DVR services, as well as for subscription and advertising revenue for pay channels. The report also contains a breakdown of channel packaging and pricing from pay-TV and broadband operators. The 17 markets covered are: Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, Myanmar, New Zealand, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand and Vietnam.

About Media Partners Asia (MPA)

Media Partners Asia (MPA) is the leading independent provider of research, advisory and consulting services across media, telecoms, sports and entertainment industries in Asia Pacific and the Middle East. We provide customized research with strategic recommendations to help clients launch new products & services, enter new markets, as well as acquire and sell businesses. MPA reports are used and sourced by local, regional and global companies for strategic planning and equity & debt transactions. We also offer dedicated primary research through subsidiary AMPD Research to measure consumer behaviour across the digital economy, including online video and gaming. MPA also hosts the APOS Summit, the defining voice for the Asia Pacific media, telecoms, sports and entertainment industry.

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Contact

Lavina Bhojwani

VP & GM

Media Partners Asia

E: lavina@media-partners-asia.com

T: +65 6305 0857

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