



OTT : The Era of Global Media War

2023.1.17.

Lee Heejoo

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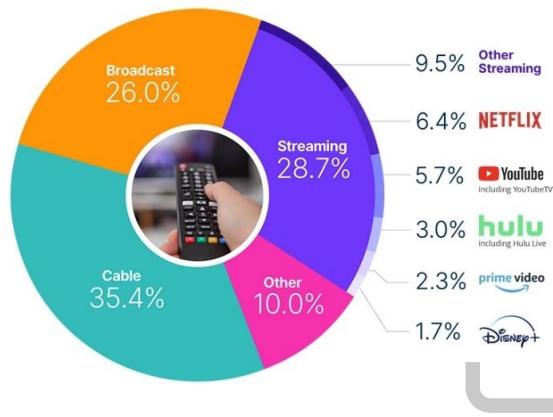


- 01 America: The Era of Global Media War
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U.S.A : The Era of Global Media War

OTT, rapidly emerging as a next-generation media

February 2022
Total Day
Persons 2+



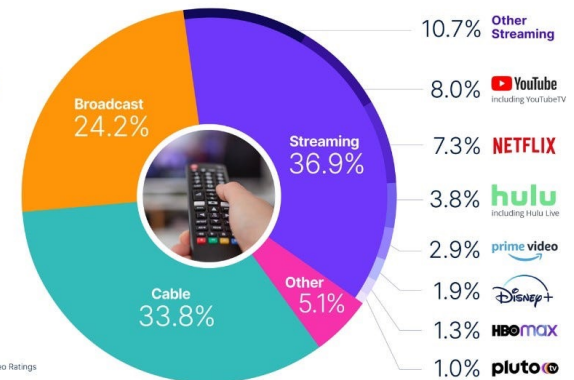
The Gauge

Nielsen's Total TV and Streaming Snapshot

September 2022
Total Day | Persons 2+

Linear Streaming (VMVPD/MVPD Apps) are included in the streaming category and represents 5.4% of total television. Broadcast and cable content viewed through these apps also credits to its respective category.

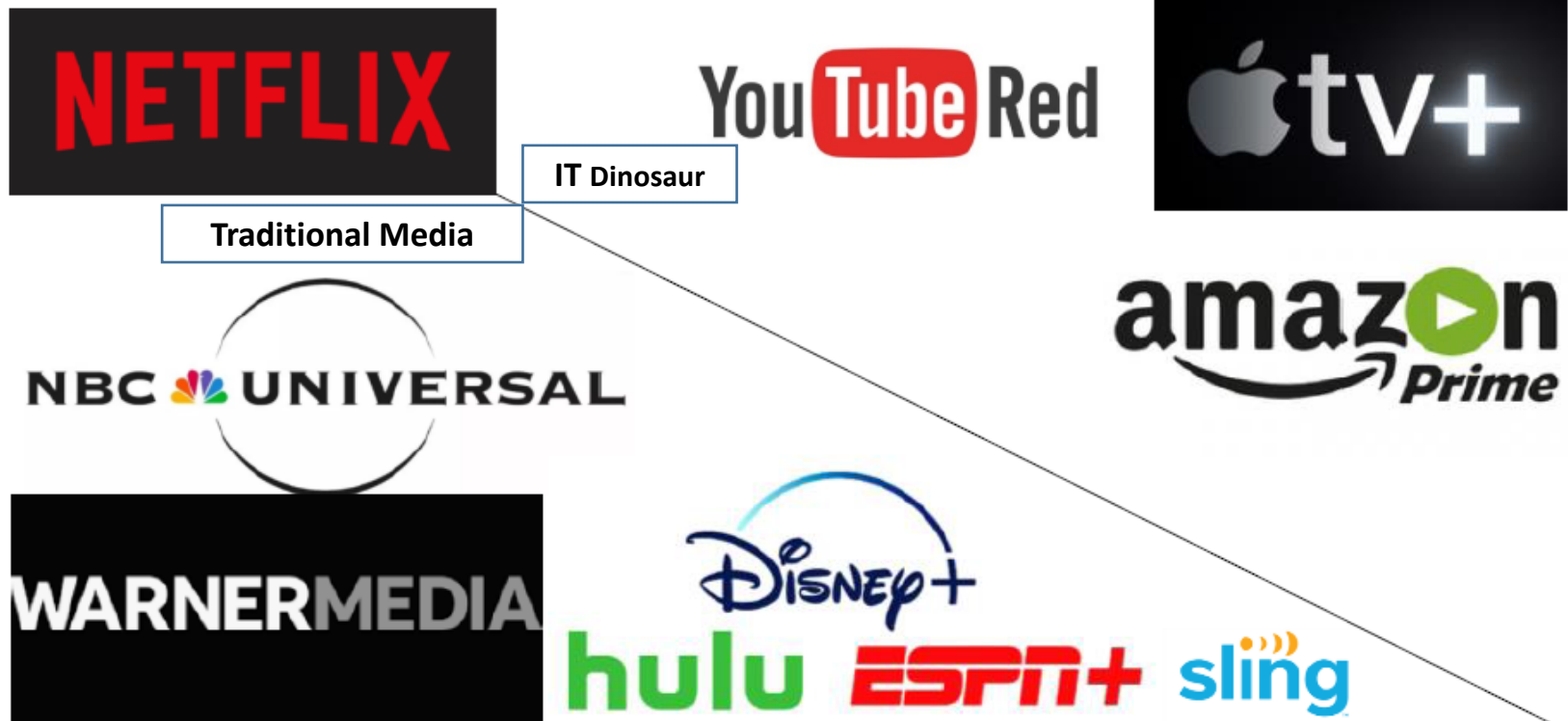
Methodology available @ www.nielsen.com/thegauge
Source: Nielsen National TV Panel Data plus Streaming Video Ratings
Percentages may not sum to 100 due to rounding
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Consolidated Daily Ratings in United States (Source: Nielsen)

Netflix leads the Market

Traditional Media Top 3 (Walt Disney, Comcast, AT&T) & **IT Dinosaur Top 3** (Amazon, Google, Apple) are expected to lead the market



Uniting or Scattering of US media giants

Recent Big Media Mergers

Date Finalized	Companies	Value
June 2018	AT&T > Time Warner	\$85B
March 2019	Disney > Fox	\$71B
Q2 2023*	Microsoft > Activision Blizzard	\$69B
Q2 2022*	WarnerMedia > Discovery	\$43B
October 2018	Comcast > Sky	\$39B
Q2 2022*	Take-Two > Zynga	\$13B
December 2019	CBS > Viacom	\$12B
March 2018	Discovery > Scripps Networks	\$12B
August 2019	Sinclair > Fox Sports Networks	\$10B
2022*	Amazon > MGM	\$8.5B
March 2021	Microsoft > ZeniMax	\$7.5B
Q1 2022*	Univision Holdings > Grupo Televisa	\$4.8B
2022*	Sony > Bungie	\$3.6B

SOURCE: VIP+ ANALYSIS; *ESTIMATED DATE OF DEAL FINALIZATION

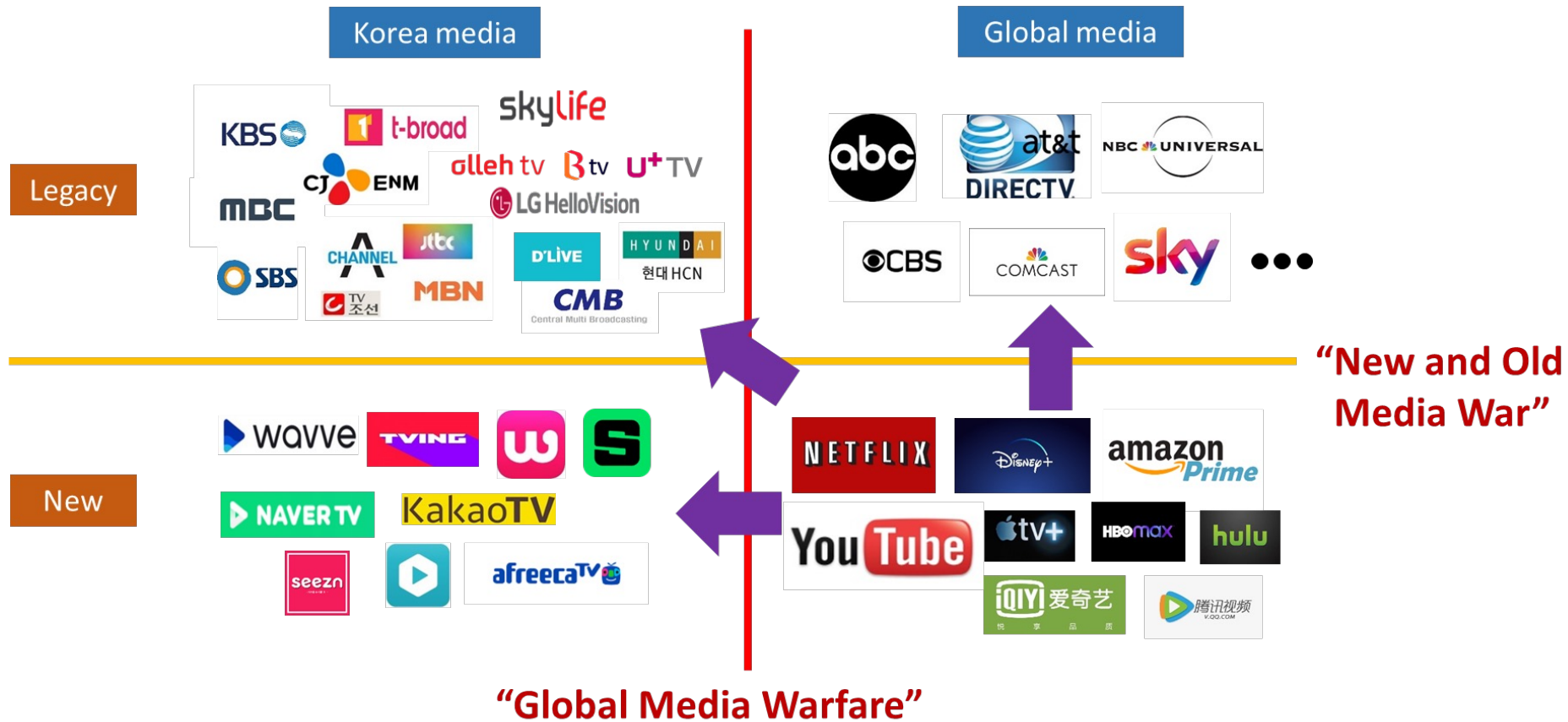
OTT services from the U.S. are occupying the global market



Korea:

**The upheaval of the
media industry**

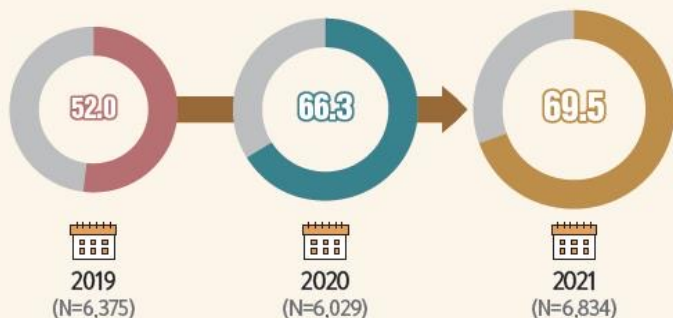
New Media War – “Two Front Lines”



Korea OTT Market Status and Prospect

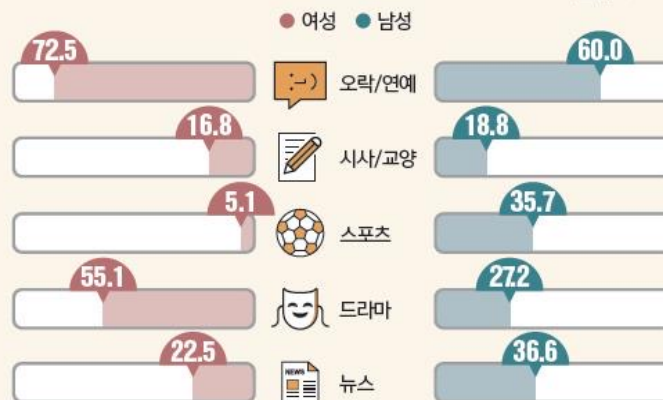
3-year trend of OTT usage

단위: %



OTT Usage by Program Type (Gender)

단위: %



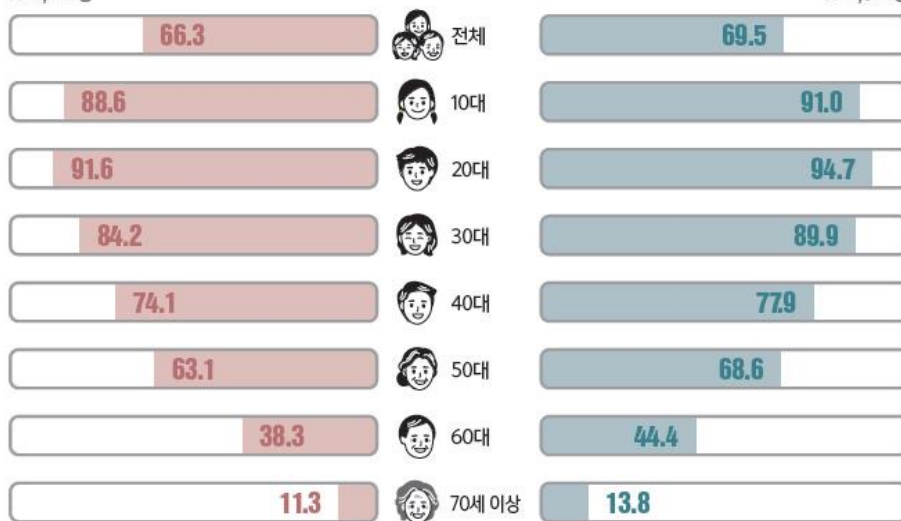
* OTT 이용자 중 방송 프로그램 시청한 2,446명(중복응답)

연령별 OTT 이용률

2020년
N=6,029명

단위: %

2021년
N=6,834명



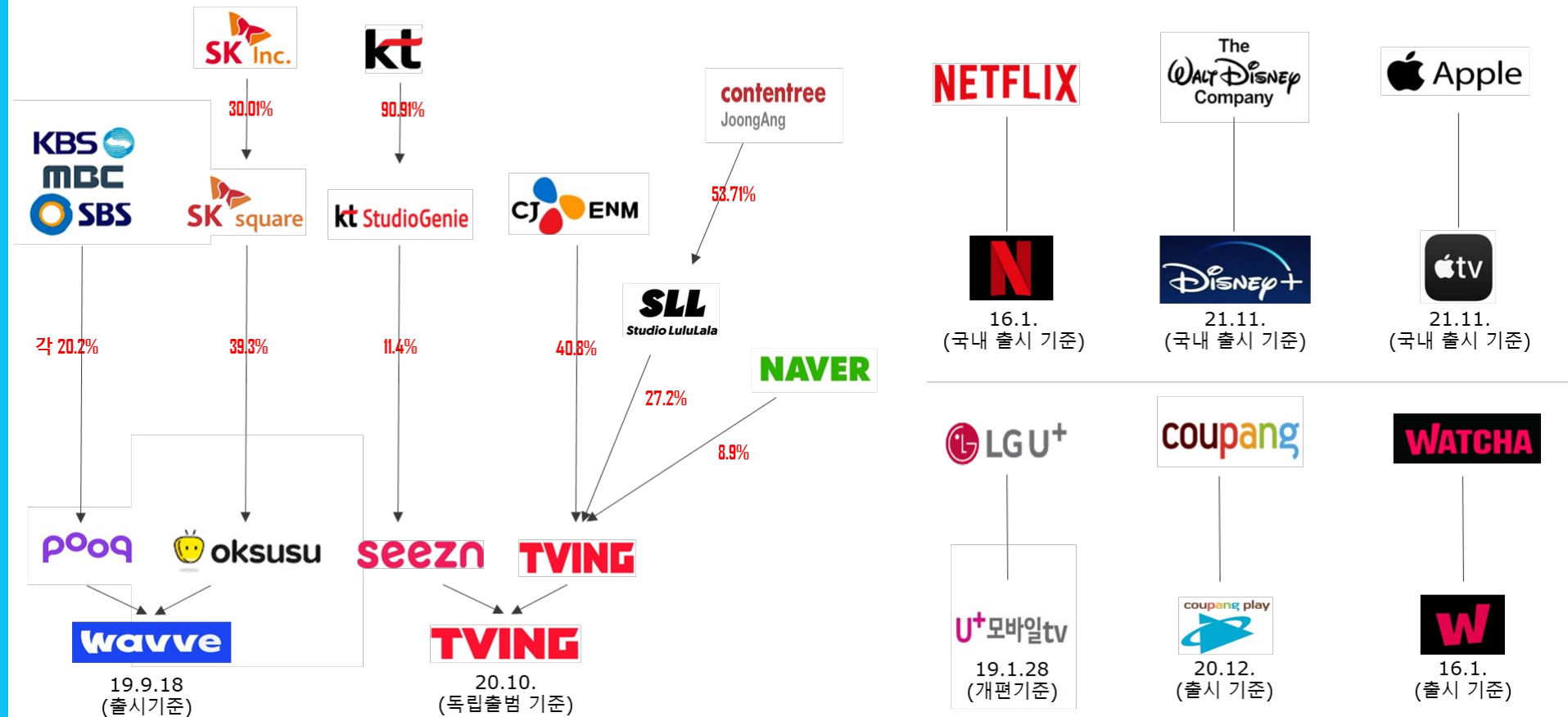
OTT 이용률
증가 추세인 가운데,
유튜브 및 넷플릭스
이용률 증가가 특징적임



*Source: Korea Communications
Commission
『2021 Broadcast Media Usage Behavior
Survey』

Korea: The upheaval of the media industry

The domestic OTT market(SVOD)



NETFLIX Growth momentum



Reverse discrimination of domestic and overseas services
(Net/Tax/Regulation, etc.)

Marketing

Paid Broadcasting Alliance(LGU+, KT, D'LIVE)

Content

Securing major domestic broadcasts(CJ ENM, JTBC, etc.)

Environment

COVID 19

The Power of Netflix...Localization

NETFLIX 홈 TV 프로그램 영화 최신 콘텐츠 내가 찜한 콘텐츠 🔍 키즈 📺 🔔 👤

오늘 한국의 TOP 10 콘텐츠

1. **위리얼 너 신의 뜻대로** (Virtual Reality)
2. **부부의 세계** (The World of the Married)
3. **슬기로운 의사생활** (Hospital Playlist)
4. **응답하라 1988** (Reply 1988)
5. **조각비** (Jjakbi)
6. **과연 사랑이야** (Really Love You)

하이에나와 비슷한 콘텐츠

사이코지만 괜찮아, 올드 가드, 히트싱글3, 부부의 세계, 일본 침묵 2020, 슬기로운 의사생활, 보좌관, 불야성, 품위있는 그녀, 미스 함무라비, 초콜릿, 명불허전

Opportunities and Crises in the Content Industry

Global OTT, Enjoys Korean Content

Growing Global Demand for Korean Content

Indexed to January 2019 (=100)



Methodology note: Total demand for Korean language series in each market, each month is indexed to demand in January 2019 (=100)



중소형 제작사 OTT 콘텐츠 제작 현황

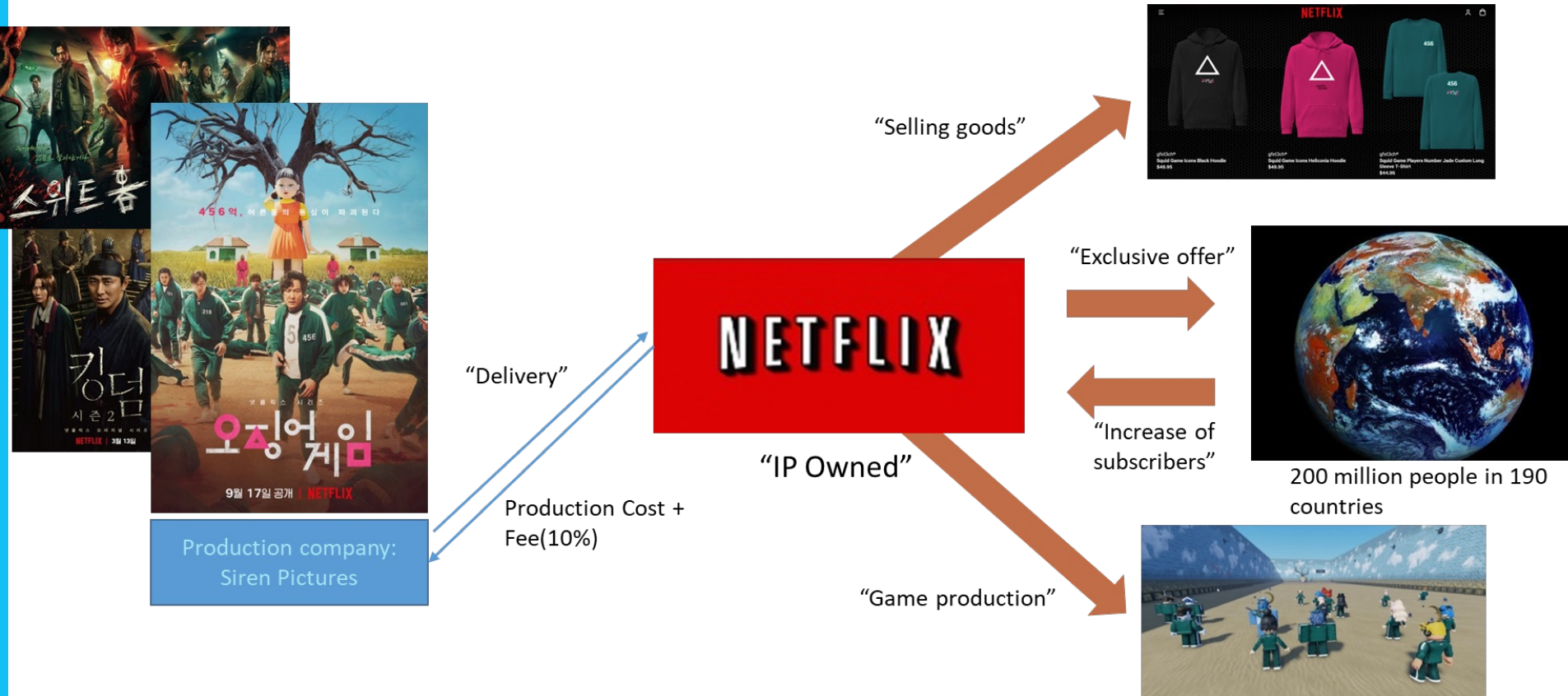
제작사명	콘텐츠
스튜디오드래곤	넷플릭스 <좋아하면 울리는 시즌 1> (2019)
	넷플릭스 <스위트홈> (2020)
	넷플릭스 <나 홀로 그대> (2020)
	넷플릭스 <좋아하면 울리는 시즌 2> (2021)
키이스트	넷플릭스 <보건교사 안은영> (2020)
	드라마 <별들에게 물어봐> 글로벌 OTT 편성 (2022) 시리즈물 <일루미네이션> 글로벌 OTT 편성 (2022)
스튜디오 329	넷플릭스 <인간수업> (2020)
NEW	넷플릭스 개봉 <낙원의 밤> (2021)
	드라마 <무빙> 글로벌 OTT 편성 (2022)
팬엔터테인먼트	넷플릭스 <라켓소년단> (2021)
	넷플릭스 오리지널 2~4편 (2021)
에이스토리	넷플릭스 <킹덤 시즌 1> (2019)
	넷플릭스 <첫사랑은 처음이라서 시즌 1, 2> (2019)
	넷플릭스 <킹덤 시즌 2> (2020)
	중국 OTT 아이치이 <지리산> (2021)
위즈윅스튜디오	넷플릭스 개봉 <승리호> (2020)
초록뱀	드라마 <YOUTH> 글로벌 OTT 편성 (2021)

*괄호 안은 방영 연도

그래픽=유상연 기자 prtsy201@

BUSINESSwatch

Exporting content through Netflix? VS. Subcontractors? “There’s no big deal.”



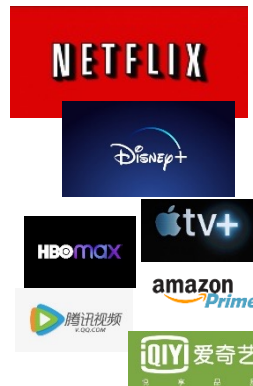
Korean content subcontracting process : Profit and loss

得

- Large domestic content producers.. **Grow into a global production company**
- The **Global viewers**.. Increasing Interest in Korean Content
- A director * actor * writer... a steppingstone to the international stage
- Confirmation of the necessity and possibility of K-OTT overseas expansion

失

- IP transfer of production company.. No additional revenue expected
- Korea's new and old media platform, which is weak in competitiveness...
Difficulty in supply and demand of high-quality content
- When the domestic media platform disappears, global OTT monopolization is expected
→ **Concerns about contraction in the content industry**
- Government-level control is not possible, such as content deliberation on 'US' content
→ **Risk of Dependent Cultural Distortion**



“Media is a culture before it’s an industry”



Netflix <Umbrella Academy>
'The Rising Sun Flag'



Netflix documentary <The Age of Samurai>



The Blade of Destruction's
“The Rising Sun Flag Earrings



Netflix <Stranger Things 4> 'Holocaust'



Netflix <Taxi Driver> 'Riot'



Disney Plus <Jinsugi> “Copying Daejanggeum”



Netflix <Kingdom> “Ishi Chosen”



Netflix <Time to Hunt> “Sea of Japan”



Netflix <Bombay Woman> India's National Committee for the Protection of Children's Rights (NCPCR)
“violation of Indian domestic laws governing youth justice and child sex crime damage protection laws.”

About the global media situation **"Accurate diagnosis" & "Bold practice"**

Academia

"Accurate Analysis and Diagnosis of the Korean Media Situation"

Entrepreneur

"Strengthening service competitiveness and global entry strategy"

"Cooperation for co-prosperity between domestic OTT and heterogeneous media (co-production, system, etc.)

"Cooperation between LOCAL OTT in each country (content, information, etc.)"

Government


"Rightening the slanted playground"

"Strengthening Korea's media competitiveness by easing regulations on legacy media"

"K-OTT fosters rival horses through shared growth in the K-content industry"

"Global OTT from Korea dominates the global market"





Thank you
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