MEDIA AND ENTERTAINMENT

KANTAR BRANDZ

MEDIA AND ENTERTAINMENT TOP 10:

Brand Value $ (US) millions

	Brand Value $ (US) millions
GOOGLE	$ 766,779
FACEBOOK	$ 186,421
INSTAGRAM	$ 92,098
YOUTUBE	$ 86,212
WECHAT	$ 81,348
NETFLIX	$ 73,518
DISNEY	$ 60,487
LINKEDIN	$ 58,077
TIKTOK	$ 43,483
SNAPCHAT	$ 28,934

*WeChat is part of Tencent group. ** Google includes Google branded services and products excluding cloud

DEFINITION:
The Media and Entertainment category includes traditional media (e.g. TV, Newspapers, etc.) as well as social media, search engines, video-sharing services, gaming, video, and music streaming services and leisure facilities.

THE MEDIA RELOADED/ INTERNET BRANDS EVOLVE

Category Brand Value Year-on-Year Change	N/A
Media and Entertainment Top 10 Total Brand Value	$ 1,477,357 m

MEDIA AND ENTERTAINMENT

This was, once again, a strong year for media and entertainment brands, as new and established players alike found ways to win.

Google has retained its title as the category's most valuable brand. This year, Google maintained its dominance in search while continuing to push into cloud services and consumer technology. Google's parent company Alphabet exceeded $200 billion in revenue for the first time in 2021, and the BrandZ value of Google's media and entertainment properties now stands at $766,779 million. (This year, for the first time, BrandZ is measuring the value of Google's cloud business separately).

But there was plenty of good news, too, for many of Google's peers in the media and entertainment space. In just a few years, for instance, TikTok has grown from a minor social media player to attracting upwards of a billion monthly users; Snapchat, meanwhile, just notched its first-ever quarterly profit. In the entertainment space, three streaming content providers - Netflix, Disney and Amazon Prime Video - all have active subscriber bases of more than 200 million accounts.

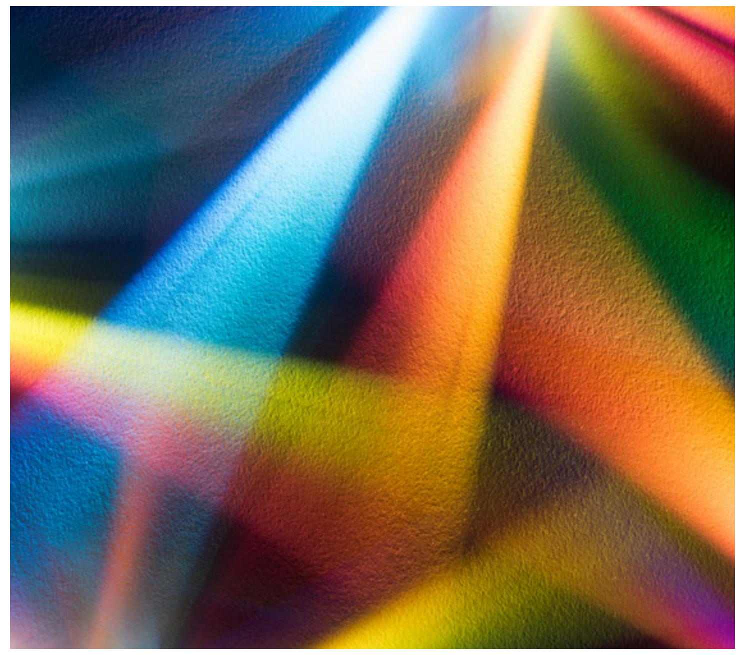
Altogether, Kantar BrandZ's Top 10 Media and Entertainment brands have reached a total value of $1,477,357 million in 2022.

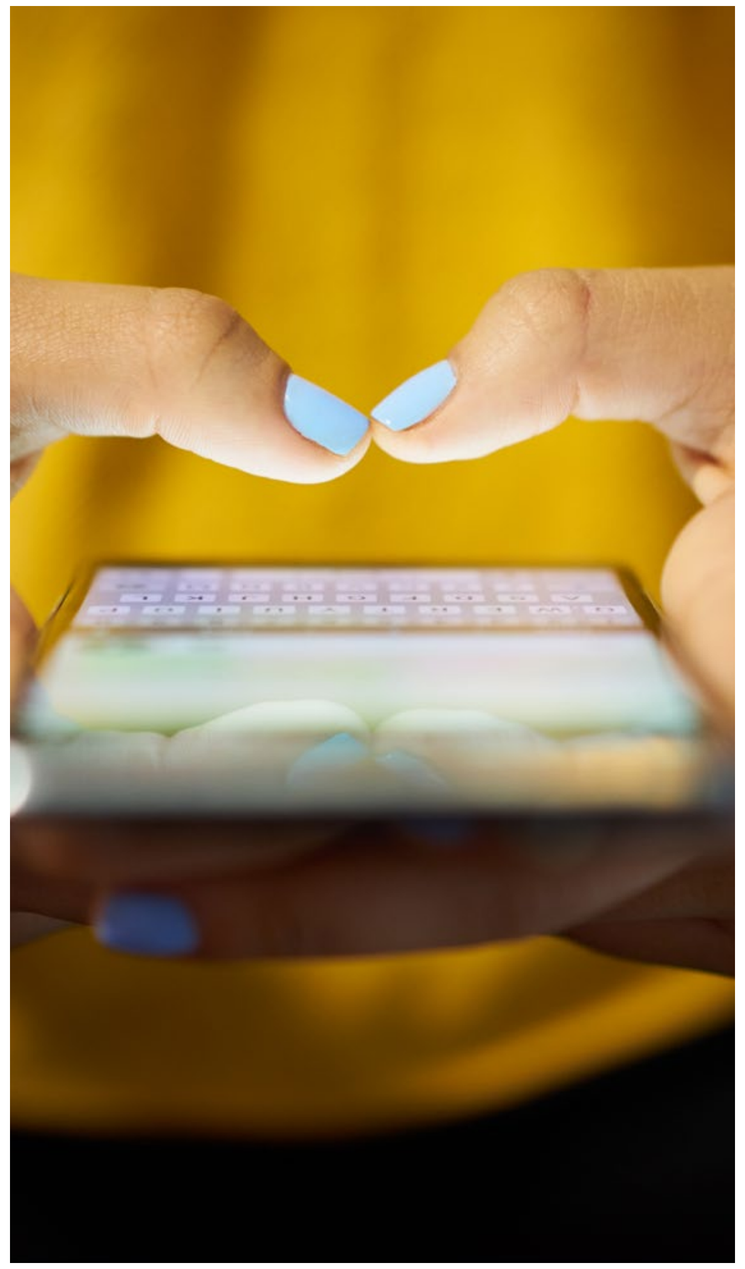
A Pivotal Year for Social Media

For search and social media brands, 2022 is shaping up to be a pivotal year. Cookies and other third-party trackers are on their way out - as consumers, regulators, and hardware manufacturers (read: Apple) push for new standards around online marketing.

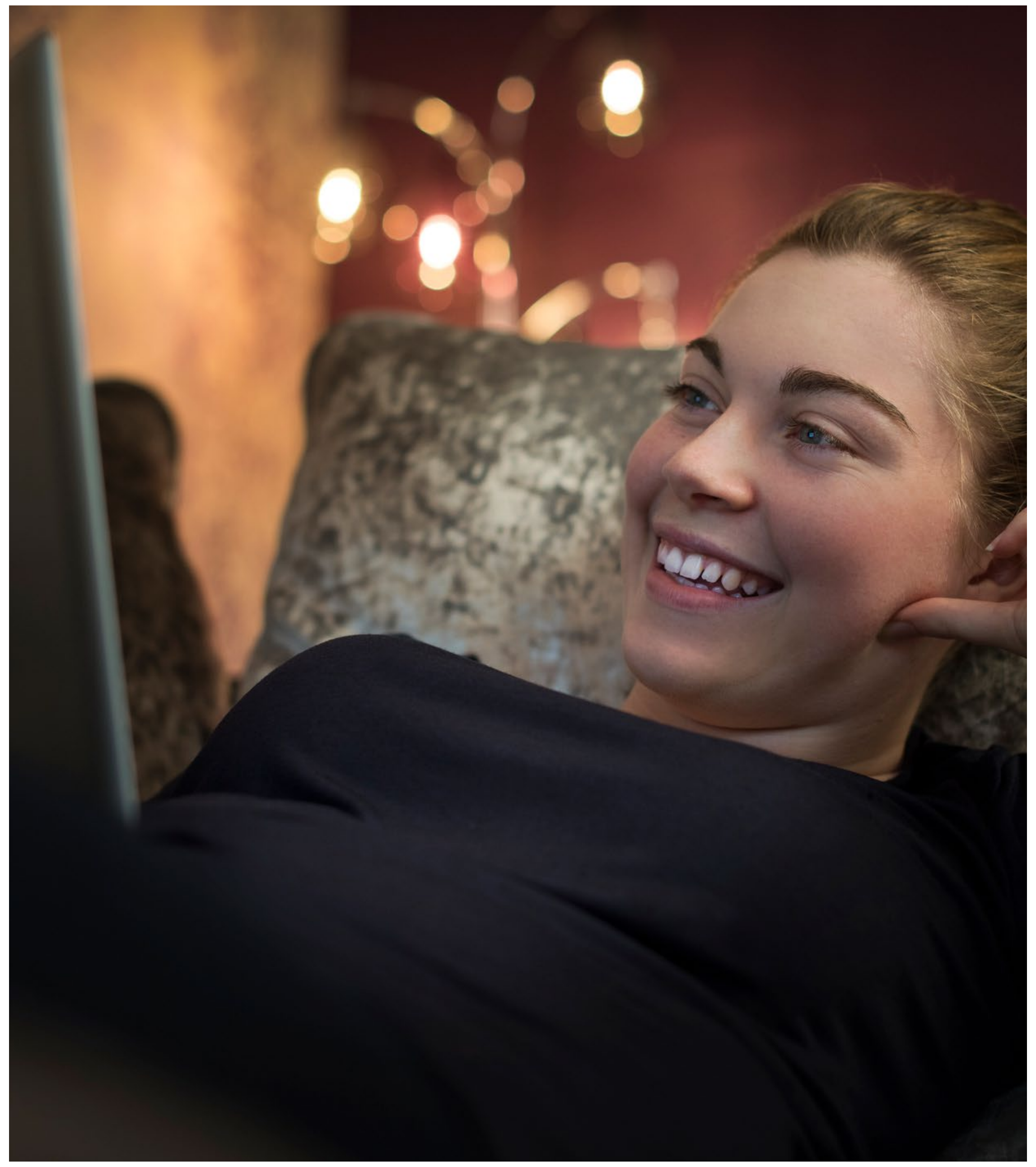
This year, Google's Android platform will join Apple in introducing tools that encourage users to opt out of smartphone app tracking. This is just one of many business and regulatory shifts that are hastening the shift to a "post-cookie world." Google's core ad business shouldn't be terribly affected by this shift, because it relies more on voluntarily provided consumer inputs like search terms.

In 2022, Google's advantage on search remains overwhelming, with the brand accounting for somewhere between 85% and 90% of the world's search volume. In this core search business, Google has continued to find new ways to boost its average earnings per pageview - for instance, through product tweaks that have increased advertising revenue from more "niche" or "long-tail" search keywords.





MEDIA AND ENTERTAINMENT



What's more, Google's sister brand YouTube remains a star performer in Alphabet's stable of non-search offerings - some 17 years after its initial debut. This year, YouTube grew its brand value by 83% on the strength of its appeal among people of all ages. Contra to the predictions of some newer entrants to the video space, viewers' enthusiasm for longer-form video has not dimmed with the rise of smartphones. Indeed, by some metrics, YouTube in the US now attracts almost as many monthly viewers as more traditional television formats.

Although YouTube relies on user-generated content, it has not experienced the same repetitional challenges that some more pure-play social media brands have faced around "political fatigue" and stagnating product relevance. There's also a family factor driving YouTube's success: with certain guiderails in place, the platform is seen as one of a select few social media brands that are appropriate for children to engage with.

At the same time, however, there is currently more competition in the user-generated online video space than ever before. That's thanks to the emergence of Snapchat, TikTok, and now Instagram (through its "Reels" and "Instagram TV" features), as players with major reach and ambition in video.

The group that stands to benefit most from competition over video is independent content creators. The most prominent social media stars are now being signed to brand deals that ensure their exclusivity to certain platforms. And even figures with small- or medium-sized followings are benefitting from the "creator funds" that have sprung up as more informal alternatives to YouTube's pioneering Partner program. In 2021, for instance, Snapchat paid over $250 million to creators who submitted stories to the brand's Spotlight exploration page.

Indeed, small and medium creators have become an increasingly important population to win over in 2022. That's because they are typically responsible for generating the kind of niche, content that has proved so winning for TikTok in the past two years.

Now, as TikTok surpasses a billion users (by its own estimates), the race is on to fully unlock advertising and e-commerce functionalities for the platform. Think of the way Instagram, last decade, stood up its advertising business relatively quickly - but took longer to incorporate shoppable posts and in-app transactions. Today, emerging social networks need to bake these functions in at the start.

MEDIA AND ENTERTAINMENT

The Streaming Evolution

In the 2010s, it was common to speak of the "streaming revolution" that was upending the world of filmed entertainment. This decade, it's perhaps more appropriate to speak of "the streaming *evolution*."

There's no doubt that brands like Netflix and Prime Video have had an enormous impact on how entertainment is made and marketed worldwide. Today, however, these early streaming disruptors have matured in ways that call to mind older ways of doing business. In markets like the United States, for instance, it's becoming clear that there's a ceiling to the number of streaming subscriptions that people are willing to pay for each month.

Of course, even if subscription growth rates in the US and Europe are leveling off for the moment, there is still plenty of opportunity to gain new customers globally.

But it's equally true that, in more mature markets, some brands have begun to focus more on maximizing revenue per user, rather than simply aiming to acquire more and more new customers each quarter.

Sometimes that hunt for new revenue has led to price hikes for brands' most popular subscription tiers. Executives are now betting, essentially, that consumers now value their platform's so highly, that they're willing to absorb a higher price point.

Increasingly, though, advertising sales have also entered the mix – in another sign that what's old is new. For example, in a bid to increase per-user revenues within its existing ad-supported plan, HBO Max recently began running ads on its HBO-branded films - a category of content had previously been kept advertising-free on the platform. Disney, for its part, recently announced it would add a lower-priced, ad-supported tier to its Disney+ offerings, in order to unlock new signups in more mature markets. This spring, after reporting declining global subscription numbers for the first quarter of the year, Netflix similarly announced its plans to introduce an ad-supported tier, while also moving to cut back on production costs.

The other big story in streaming is consolidation. HBO Max and Discovery+ are looking to combine in some form following the merger of their parent brands. Disney+ and Hulu, meanwhile, are separate brands in the US. But in other markets, all of Hulu's content - even its more adult programming - goes straight to Disney+. It's not hard to imagine a similar tie-up happening in America, provided Disney can build out parental control features to its liking.

Meanwhile, content from the sports streamer ESPN+ is currently available only in the US, due to licensing restrictions in other countries. Disney's approach may need to shift as competitor DAZN tries to build itself out as a more truly global sports streamer. DAZN already made headway in that effort by hiring away former ESPN executives, and securing exclusive rights to boxing, MMA, and European football (soccer).

Sports has emerged as an important asset for customer acquisition in the "streaming wars," because of the way loyal fans will follow their teams to whatever platform may be airing them. Amazon is now paying more than $10 billion to air the NFL's Thursday Night Football for the next ten years. In India, Disney+ Hotstar retained its rights to IPL cricket – after a bidding war that was seen as crucial to the Mouse's streaming fortunes in the country. (India has hundreds of millions of new streaming households up for grabs; last year, subscriptions for Disney+ Hotstar grew 57% on the strength of its cricket offerings.)

Elsewhere, the ongoing "content wars" have led to eye-popping outlays for tentpole scripted series and movies. Amazon will pay a reported $465 million for the first season of its "Lord of the Rings" series, while Netflix has spent the same amount on two sequels to the movie "Knives Out." Disney, for its part, will spend some $33 billion on content in 2022.

And while none of the streamer's data algorithms can yet predict a hit with 100% certainty, it's clear that developing broadly appealing tentpoles will be vital to streaming brands' continued success. In 2020, for instance, research for Kantar's Entertainment on Demand service found that 40% of Disney+ subscribers cited the Mandalorian as the reason for signing up to the brand. On TikTok, pushing users toward niche communities is a surefire path to engagement – but in streaming, mass hits are king.

MEDIA & ENTERTAINMENT

BRAND SPOTLIGHT

YouTube

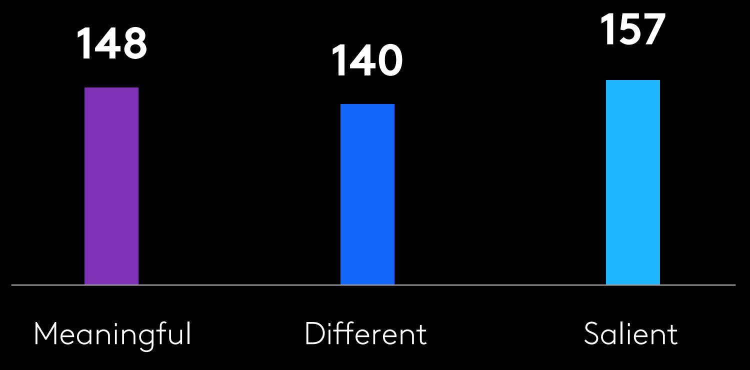
YouTube is one of 2022's fastest rising brands. Even as competitors have come and gone, it remains a leader in high-quality, wide-ranging content. YouTube managed the shift toward mobile viewing with aplomb, and now aims to do the same with the rise of shorter video formats. Last year it launched its vertically-oriented YouTube Shorts Studio to compete with the likes of TikTok and Instagram; since then, Shorts have already accumulated more than 5 trillion views globally.

2022 BRAND VALUE

$86,212M

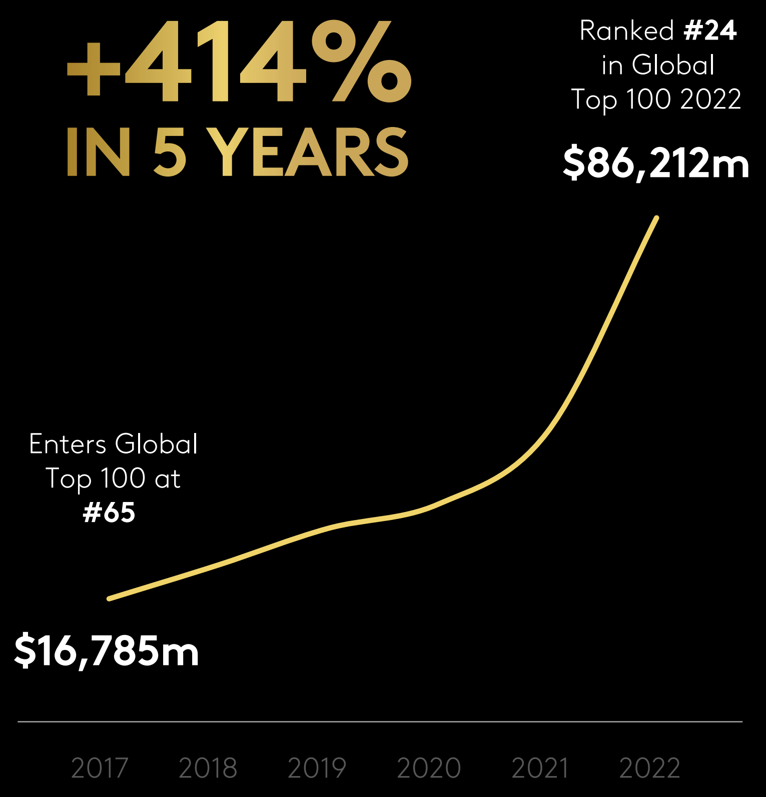
2021 Brand value $47,103m

+83% year on year



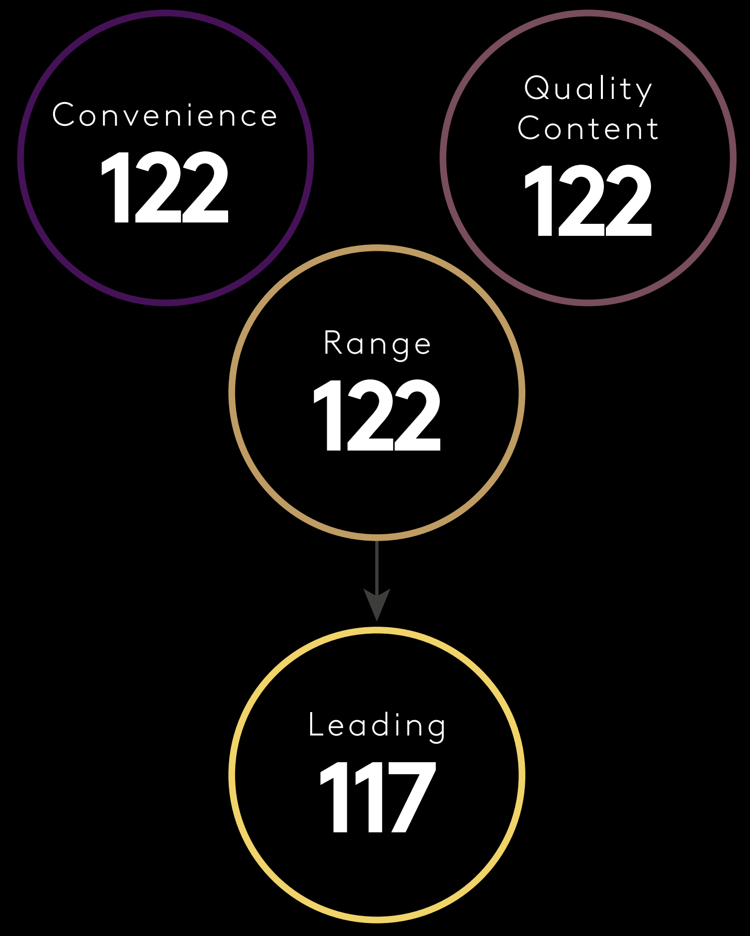
YouTube's value has rocketed in the last 5 years

Brand Value $M



YouTube's longstanding leadership is based on convenience of access, plus quality and range of available content

Average brand 100



BRAND SPOTLIGHT

KUAISHOU

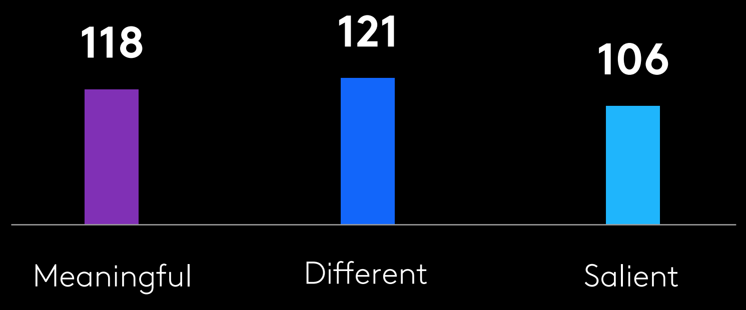
In 2021, the Chinese short-format video platform Kuaishou surpassed 1 billion monthly users for the first time, announcing itself as a major player in the global social media landscape. It turns out that China can support not just one, but two short-video titans (the other is Douyin, which also operates as TikTok worldwide).

Kuaishou is especially popular with older viewers and people outside of China's Tier I cities. Compared to Douyin, it also relies more on e-commerce revenue than on advertising, and works with major online retail JD.com to integrate ecommerce fulfillment into the platform's highly popular shoppable livestreams.

2022 BRAND VALUE

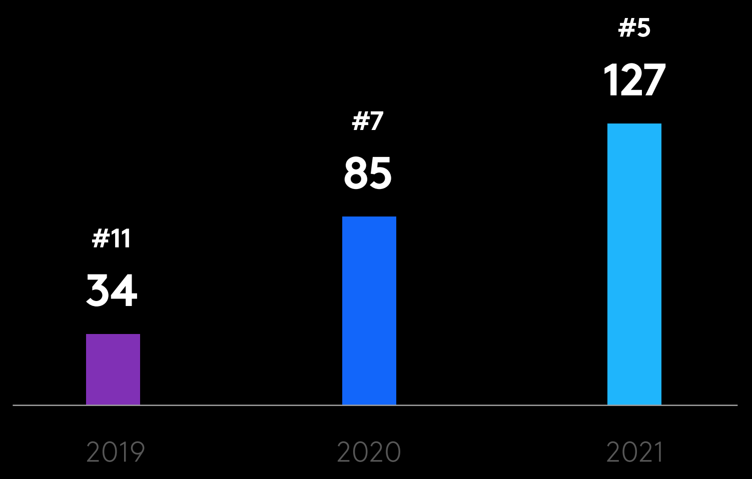
$26,535M

New entry in T100



Huge brand equity growth in last three years

Power Index - China



Clear potential to grow further: positive 'salience gap'

Average brand 100

DEFINED BY:

Convenience
Disruption

Source: Kantar BrandZ, Video Entertainment, Global data across 19 markets, 2020, 2021

China only

MEDIA AND ENTERTAINMENT

ACTION POINTS/ BRAND BUILDING

1

ZERO IN ON NEEDS

There's a lot that social media brands – and brands of all types – could learn from the continued success of LinkedIn in the BrandZ rankings. By zeroing in on a specific, high-powered population – adult professionals – LinkedIn was able to really hone in on a product offering that not only gave that audience a platform people *liked*, but also a platform people *needed*, both to do their current job, and to find their next one.

2

GO FIRST-PARTY

In a post-cookie world, the advantage will go to platforms with users who actually *want* to provide more data and context around their interests – because they see that doing so naturally leads to an enhanced experience. That can take the form of mutually beneficial, overt data exchanges – for instance, a "personality quiz" that provides a brand with more information about a user's preferences, while also providing users with new insight into their own identities. But there's also much to be learned from the kind of ongoing, first-party A/B testing and data analysis carried out by TikTok's discovery engine; by constantly exposing users to new inputs and measuring their engagement (as measured, in TikTok's case, by watch time), platforms can glean useful marketing data without deploying a single tracker.

3

SUSTAINABILITY

In 2021, Kantar's Sustainable Transformation Practice surveyed a worldwide audience to determine the global development issues that consumers most wanted media and entertainment brands to prioritize. They found that social media brands were most expected to lead on issues like mental health, internet access, and discrimination. Home entertainment brands, meanwhile, were expected to lead on reducing greenhouse emissions in addition to address issues like discrimination and mental health. In the entertainment sphere, Disney has taken an especially innovative approach to sustainability. On productions like *The Mandalorian*, Disney has partnered with Epic Games' *Unreal Engine* to create LED curtain wall backgrounds that make most outdoor location shoots unnecessary, thus reducing productions' carbon emissions.