

April 27, 2021

## MPA REPORT: SVOD SUBSCRIPTIONS IN SOUTH KOREA REACHED 14.1 MIL. IN Q4 2021; FIVE MAJOR BRANDS LEAD SVOD CATEGORY GROWTH

### Key Highlights

- Premium video platforms captured 16% of total streaming minutes in Q4 2021 vs 15% in Q3, bolstered by Disney+’s launch in November 2021.
- Total paid SVOD subscriptions reached 14.1 mil. in Q4 2021 with five leaders – Netflix, Wavve, TVING, Coupang Play and Disney+ – commanding for an aggregate 85% market share.
- High quality Korean content is a key draw to SVOD, driving 69% of measured consumption.
- Korea has emerged as a hub for premium local content production with consistent global travelability.

(SINGAPORE, April 27, 2021) 5 key platforms – Netflix, Wavve, TVING, Coupang Play, and Disney+ – are driving SVOD category growth in South Korea according to Media Partners Asia’s quarterly report, *South Korea Online Video Consumer Insights & Analytics*. The report leverages MPA’s proprietary AMPD Research Platform to measure and analyse streaming media consumption across key VOD services.

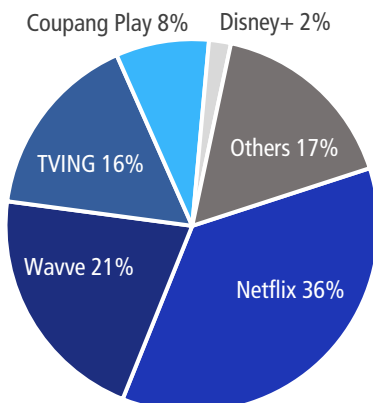
The report found that South Korea’s total SVOD subscriptions topped 14 mil. subscription in Q4 2021. Bolstered by the launch of Disney+, premium video platforms grew their share of total video streaming, capturing 16% in Q4 2021 vs 15% in Q3. SVOD category leaders Netflix, Wavve, TVING, Coupang Play and Disney+ captured an aggregate 85% share of SVOD subscriptions and 83% of SVOD streaming minutes.

Commenting on the report’s findings, MPA Executive Director Vivek Couto said:

“With Netflix’s scale and Disney’s launch, Korea has emerged as a hub for premium local content production with consistent cadence and travelability across APAC and international markets. Within Korea, nearly 70% of premium video consumption is driven by Korean dramas, movies and variety shows, while US series and movies capture 14%. With 5 major brands driving SVOD and investing heavily in local content, the entry of new tier 1 SVOD platforms is expected to be challenging unless integrated with existing players (i.e. Paramount-TVING) or new disruptive strategies are introduced to take market share from incumbents.”

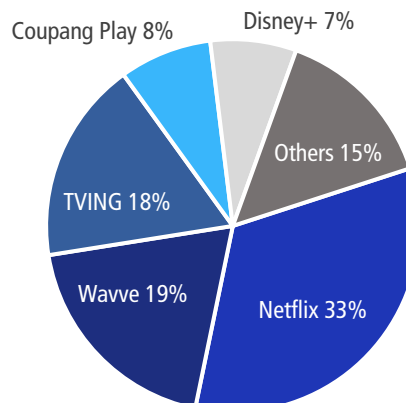
### SHARE OF SVOD/FREEMIUM STREAMING MINUTES (Q4 2021)

Total Minutes: 31 bil.



### SHARE OF SVOD SUBSCRIBERS (Q4 2021)

Total Subscribers: 14.1 mil.



Key SVOD players include:

- **Netflix** is the SVOD leader in Korea, with 33% share of total SVOD subscribers. Over half of consumption on Netflix is driven by Korean content, while US content captures 25%. Korea remains strategically important to Netflix. The platform is investing heavily in Korean dramas which it monetizes across the wider APAC region and globally. Netflix has announced 26 Korean titles to date for its 2022 slate.
- **Wavve**, owned by SKT and the three major terrestrial broadcasters (KBS, SBS & MBC), leverages variety, dramas and live channels from local broadcasters, Hollywood movies and series from HBO, CBS and others as well as local acquisitions and originals. Content from KBS, SBS and MBC contributes 75% to Wavve consumption, with variety shows particularly popular.
- **TVING** features local dramas from shareholders CJ ENM and JTBC as well as a growing supply of original dramas and reality shows. TVING's inclusion in Naver's Plus Membership and the popularity of CJ and JTBC dramas and hit originals, is helping to drive growth.
- **Coupang Play** subscription is bundled with e-commerce giant Coupang's low-cost priority delivery membership. The platform offers movies, variety and drama from the US, UK, and Korea, kids educational content, sports (American football, European soccer, etc.) and originals.
- **Disney+** made a robust debut in Nov 2021. Strong early demand for Marvel movies and series, and integrations with LG U+ and KT grew Disney's subscriber share to 7% at year-end 2021. The release of Disney's original Korean drama Snowdrop in December 2021 generated significant demand. Korean content consumption is expected to grow further in 2022 with the release of new original dramas such as Grid and Rookie Cops in Q1.

## **About This Report & Methodology**

This report, entitled *South Korea Online Video Consumer Insights & Analytics* leverages MPA's proprietary AMPD Research Platform to evaluate consumer behavior and usage patterns across VOD media services in South Korea. The report includes analysis and profiles of 12 unique OTT video platforms focusing on paying subscribers, monthly active users, streaming minutes, average daily time spent, viewer profiles and demographics. The platforms are YouTube, Netflix, Disney+, Wavve, TVING, Watcha Play, Coupang Play, Afreeca TV, Naver TV, Kakao TV, U+ Mobile TV and Seezn. Title-level analysis, including country of origin and genre split, and viewership by age and gender demographics are provided for Netflix, Disney+, Wavve and TVING.

Two key tools were used to conduct research and frame analysis: **(1) Passive Measurement.** The AMPD Vision® platform uses a permission-based panel of consumers who consent to the collection of their session-based activity. For this report, the platform passively measured real consumption on all mobile devices in Korea in Q4 2021 with a sample size of 1,442. The data reported is anonymized and conforms to data privacy legislation in Korea; and **(2) Consumer Survey.** MPA used the results of a Consumer Survey, which serves as a VOD Profiling Study conducted in Korea. Data is collected through an interactive online survey with local partners Hankook Research. The survey was conducted among internet users aged 15 years and above who use both mobile and / or home broadband. The samples are sourced using AMPD Research's proprietary online panels, pre-screened for actual VOD consumption. A sample size of 5,013 respondents completed a structured survey of mostly closed-end questions.

## **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 the 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 behavior across the digital economy, including online video, connectivity, advertising and gaming. MPA also hosts the APOS Summit, the defining voice for the Asia Pacific media, telecoms, sports and entertainment industry.

For more details, visit [www.media-partners-asia.com](http://www.media-partners-asia.com)

## **About AMPD Research (AMPD)**

Founded by Media Partners Asia (MPA) in 2019, AMPD captures real consumer data to provide deep insights across the digital ecosystem with a focus on the fast-growing global streaming economy. AMPD has a footprint across 12 global markets. Critically, working with Reality Mine technology, AMPD is the only global platform with available title-level reporting for streaming platforms capturing all consumption. AMPD uses passive measurement and proprietary software to measure consumer behavior and generate reliable app / platform metrics across mobile android, iOS and PCs platforms. AMPD reports and custom-made research projects include the analysis of more than 100 online video platforms and cover several use cases across Advertising, Content, Connectivity, Commerce, Gaming, Music & Video sectors.

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