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(Singapore, 22 October 2024) Japan’s online video industry is set to grow at an 7% CAGR over the next five years, accounting for 45% of total screen revenue by 2029, including free TV, pay-TV and theatrical, versus 35% in 2024, according to a new report published today by Media Partners Asia (MPA). The report, entitled ***The Future of Japan’s Video Industry***, indicates that total industry revenues will grow from US$31.8 billion in 2024 to US$34.1 billion by 2029. Total online video industry revenues will reach US$15.3 billion by 2029. UGC / social video, led by YouTube, will remain the leading category followed by the SVOD category, led by Netflix, Prime Video and U-Next, and then premium AVOD, led by TVer.

The Japanese anime category remains vibrant, accounting for 36% of premium VOD category engagement in the first nine months of 2024. MPA estimates Japanese anime monetization on TV, streaming, and theatrical reached US$2.5 billion in Japan in 2023, equivalent to over 8% of total screen industry revenue in the country. Streaming has become main distribution platform for Japanese anime, contributing half of monetization, followed by TV at 27% share.

MPA analysis also indicates that more than 20 studios accounted for 70% of Top 200 titles on SVOD platforms for the first nine months of 2024. Japanese anime continues to dominate with 117 titles, driven by franchises and long-running series from studios like TMS Entertainment, TBS, Aniplex and others. US and UK titles also contribute to SVOD demand, led by Hollywood studios WBD, Paramount, Disney and Sony.

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

> *Japan’s addressable market for online VOD streaming continues to improve with fibre broadband accounting for 82% HH penetration while active connected TV penetration will expand to 51% by 2029. Telco KDDI has emerged as an impactful partner for SVOD and freemium OTT services along with NTT. Netflix, Prime Video and local giant U-Next will lead SVOD monetization in the future while Disney+ will remain the fourth largest player and Max will emerge with a material share through its B2B partnership with U-Next and eventual D2C rollout. Tver, owned by the major FTA broadcasters, will continue to grow its share of the premium AVOD category with strong CTV monetization. Encouragingly, the number of theatrical releases has recovered back to pre-Covid levels and local movies continue their dominance at home with ~70% share of gross box office.*

About this report

This Media Partners Asia report covers and tracks with detailed insights and data, the consumption, distribution and monetization of content across broadcasting, internet and theatrical platforms with forecasts and projections. The report covers in detail the Television and Theatricals sectors as well as SVOD, AVOD, Content Trends & Investment and the Animation sector.

About Media Partners Asia (MPA)

Established in 2001 with offices across Asia including India, MPA is a leading independent provider of advisory, consulting and research services, focusing on media, entertainment and telecoms in Asia Pacific. MPA reports and research are widely used by all key industry stakeholders for business planning, M&A transactions, economic analysis and policymaking. MPA provides due diligence for M&A activity in APAC with numerous local and cross border transactions while also operating as an IC (Independent Consultant) in the IPOs of media and telecoms companies. MPA hosts and operates APOS, the leading annual summit for Asia's TMT industry with global impact.

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