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**Top Entertainment  
Trends for 2023:  
What the Data Says**

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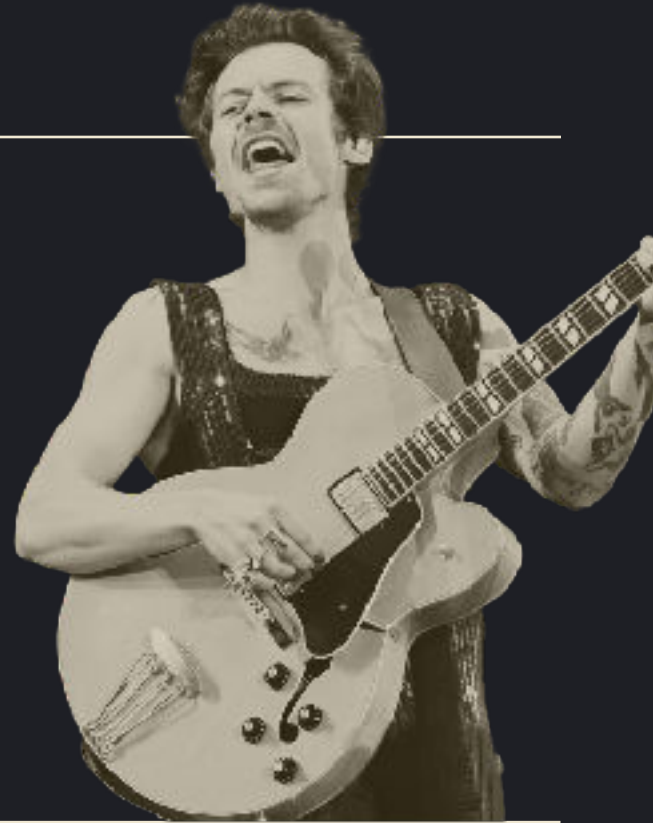
**Trend 1  
Consumption  
Renaissance**

# Streaming Growth

# 1 Trillion

US On-Demand Audio Streams

US On-Demand Audio Growth  
accelerated for the first time since 2018



# How Genre Fans Are Consuming Music

**+30%**



**Latin Fans** are more likely to watch short music video clips on social sites

**+23%**



**Hip-Hop Fans** are more likely to stream audio songs online



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Source: U.S. Music 360 2022 (Waves 1+2); all figures relative to the average U.S. Music Listener  
Photo by Genevieve Tate, Kevin Winter/Getty Images Entertainment via Getty Images

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# How Genre Fans Are Consuming Music

+120%



**Country Fans** more likely to listen to AM/FM radio

+80%



**Rock Fans** more likely to listen to vinyl records/LPs

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Source: U.S. Music 360 2022 (Waves 1+2); all figures relative to the average U.S. Music Listener  
Photo by Jeff Kravitz/FilmMagic via Getty Images; Photo by Rob Verhorst/Redferns via Getty Images

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# How Genre Fans Are Consuming Music



**Pop fans** look more like the average US consumer

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**Trend 2  
Fandom  
& Formats**

# Understanding Super Fans



**#1** 

**Social Signaling**

**#2** 

**Expression of Identity**

**#3** 

**The Community**

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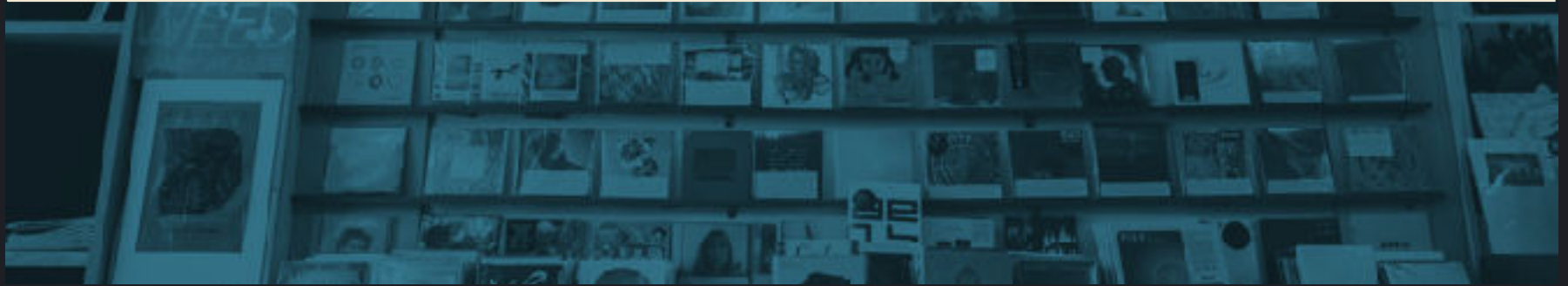
*All figures cited on this slide are relative to the average music listener*

Core attitudes/behaviors that differentiate super fans from the average US music listener) Source: U.S. Music 360 2022 (Wave 2)  
Super fans are qualified as music listeners who spend above average (median) time AND money on music, actively discover new music, participate in music-related activities on social media, and plan on attending a live music event in the next 12 months

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# Music, Merch, and Vinyl



**+31%** of Gen-Z wish artists provided more merch options so they can show their support



Super fans are also nearly **3x** more likely to have bought vinyl in the last year



**50%** of consumers who have bought vinyl in the past twelve months own a record player, compared to 15% among Music Listeners overall

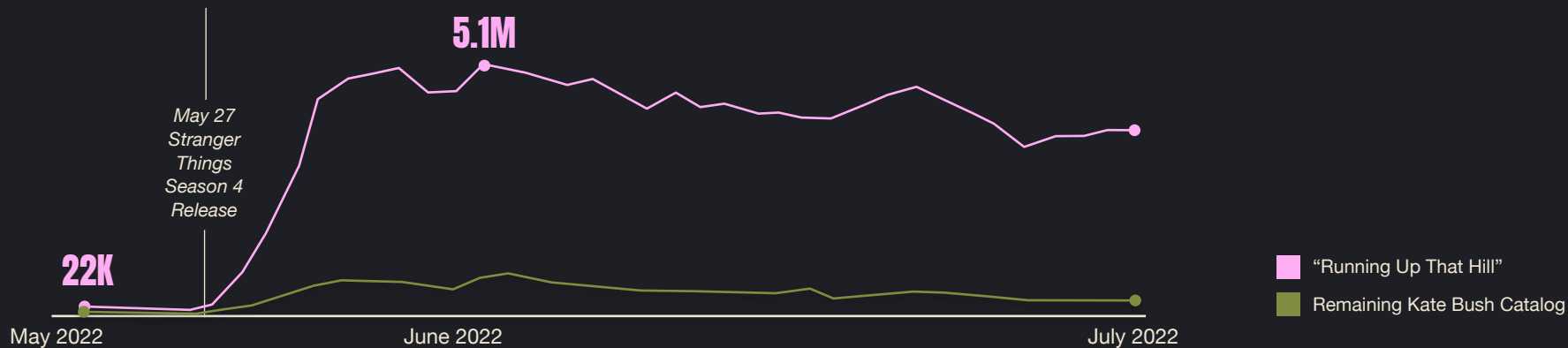
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**Trend 3  
Short Form  
Video**

# Kate Bush “Running Up That Hill (A Deal with God)” explodes in U.S. On-Demand Streaming After Stranger Things sync

**+20K%**

Increase in daily on-demand total streams



# Social Amplification Drives Consumption

# 64%

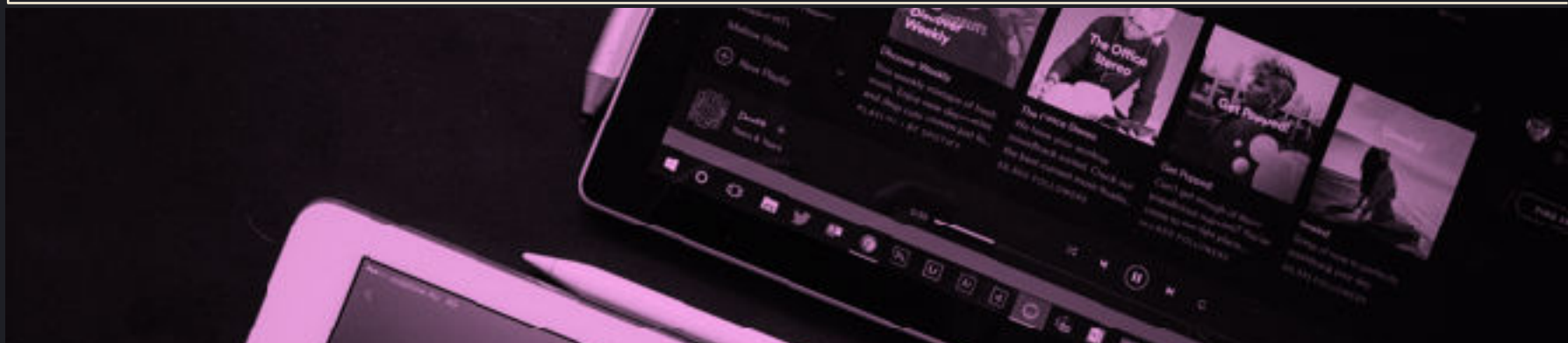
of Gen-Z TikTok users discover new music via Short Video Clips, making it the #1 source for this group overall

# 2.3M+

Number of fan creations using official “Running Up That Hill” sounds on TikTok at end of June 2022



# Apple Music and Spotify Poised to Receive Traffic from Short-Form Music Discovery



**29%**

of music listeners discover music via short video clips

**35%**

more likely to use Spotify

**43%**

more likely to use Apple Music

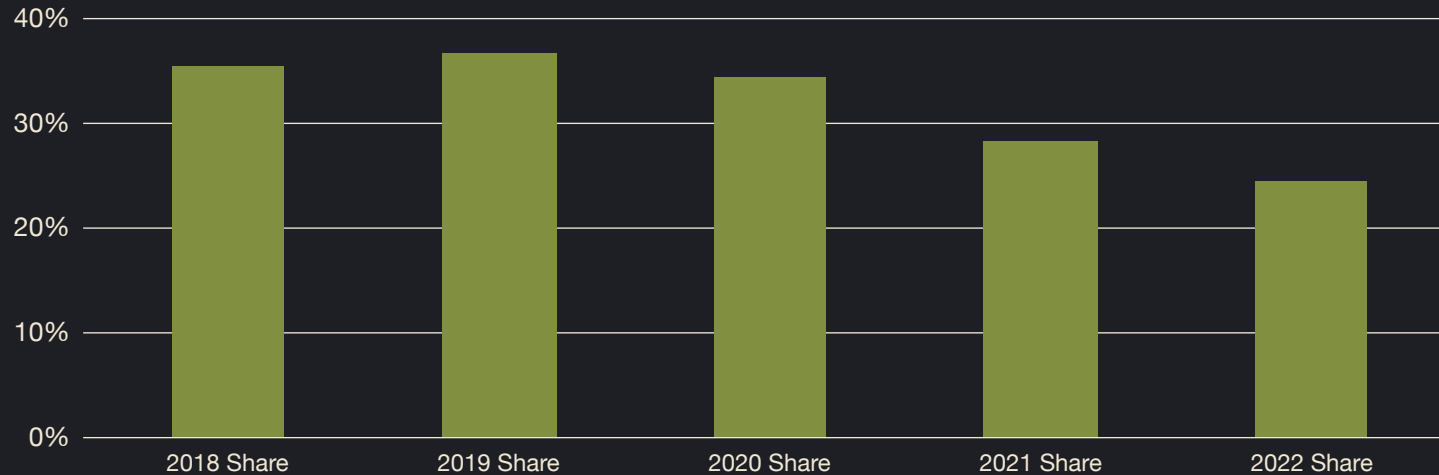
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Trend 4  
Catalog vs.  
Current

# Share of Current On-Demand Audio Streaming Over Last Five Years

Current share highest in 2019 but dropped 5.6% from 2020 to 2021;

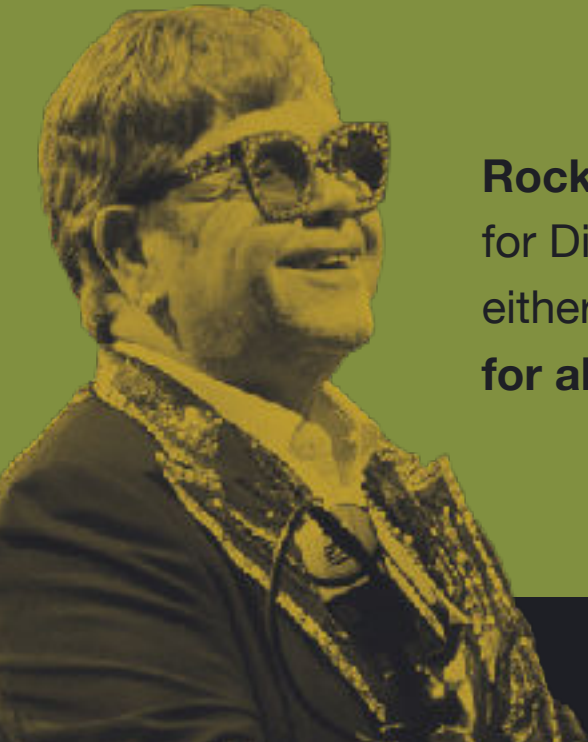
Current share in 2022 is nearly 11% lower than in 2019



Music Connect Industry Report. Percentage of Current On-Demand Audio (ODA) Streams out of Total Industry ODA

# Elton John Livestream with Disney+

Case Study: How are People Discovering Catalog and What Makes Elton John and Disney+ a Great Partnership

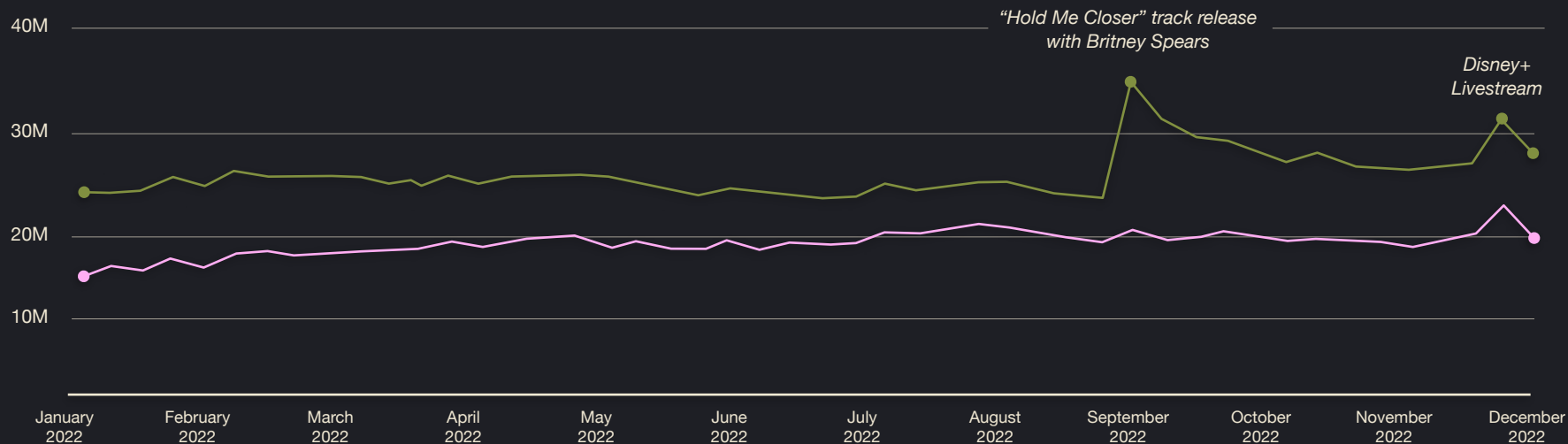


**Rock is the #1 genre** for Disney+ users and is either the **#1 or #2 genre** for all generations

	#1 Genre	#2 Genre
Gen Z	Hip-Hop/Rap	Rock
Millennials	Hip-Hop/Rap	Rock
Gen X	Rock	Country
Boomers	Rock	Oldies



# Elton John Livestream with Disney+



■ *Diamonds* (Album) Total On-Demand US Streams (Audio & Video)

■ Elton John Primary Artist Catalog Total On-Demand US Streams (Audio & Video); Minus *Diamonds*

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**Trend 5  
Catalog  
Acquisitions**

# Why Is Music Such An Attractive Investment?

**1** Generates Value on Day 1

**2** Leverage for Further Investment

**3** Emerging Markets



**Bob Dylan**

*(Jan 2022)*

Est.

**\$600M**



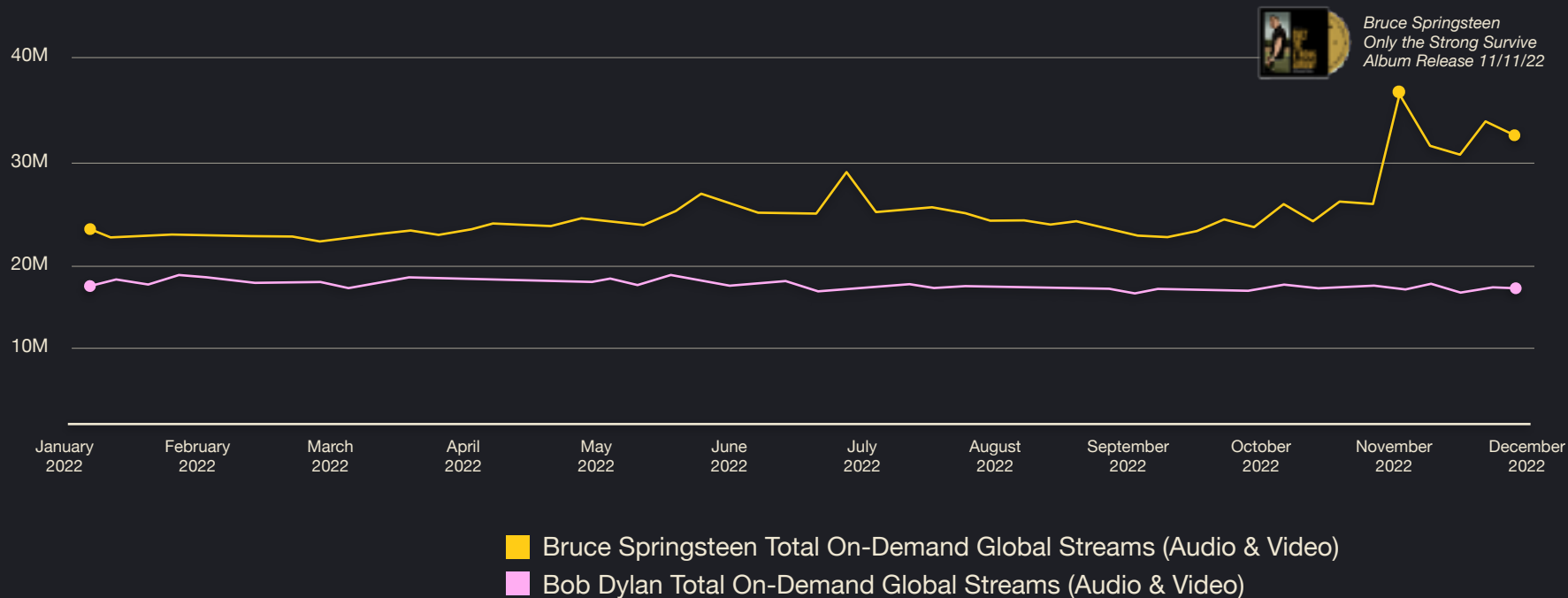
**Bruce Springsteen**

*(Dec 2021)*

Est.

**\$500M**

# Bruce Springsteen & Bob Dylan in 2022



# Additional Deal Points to Consider

In addition to streaming activity, investors are also paying attention to other factors like:



**Rights**



**Potential Future  
Marketing Tentpoles**



**Effect of  
Interest Rates**

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**Trend 6**  
**SVOD Content**  
**Film & TV**

# Iconic Franchise Purchases

**\$4B**

**Lucas Film by Disney**

(2012; \$5.2B in 2023 dollars)

**+\$10.3B All-time box office gross**

(Luminate Film & TV)



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# Iconic Franchise Purchases

**\$4B**

**Marvel by Disney**

(2009; \$5.6B in 2023 dollars)

**+\$32.6B All-time box office gross**

(Luminate Film & TV)





# Highest Level Fans

**52%**

of people who watch  
Superhero movies are the  
**highest level of movie fans**



# Highest Level Fans Spend...

## Highest level movie fans spend

**+67%** 

more time  
watching movies

**+78%** 

more money on  
movie viewership

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**Trend 7  
Hype vs  
Reality**

# Consumers Show Confusion around Web3/ NFTs

While approximately

**2/3**

of the **U.S. general population** say they are aware of NFTs

**4 out of 10**

people who've heard of NFTs can correctly define them

Millennials aware of NFTs are most optimistic about them - they are **34% more likely** than average to agree they're excited about owning an NFT in the future

# Perception and Interest in NFTs

## Top 3 NFT Perceptions Among the Public

- #1** Don't understand the hype
- #2** Find the concept too confusing
- #3** Suggest NFT-buyers are only doing-so for money

## NFT Types Consumers Most Interested In

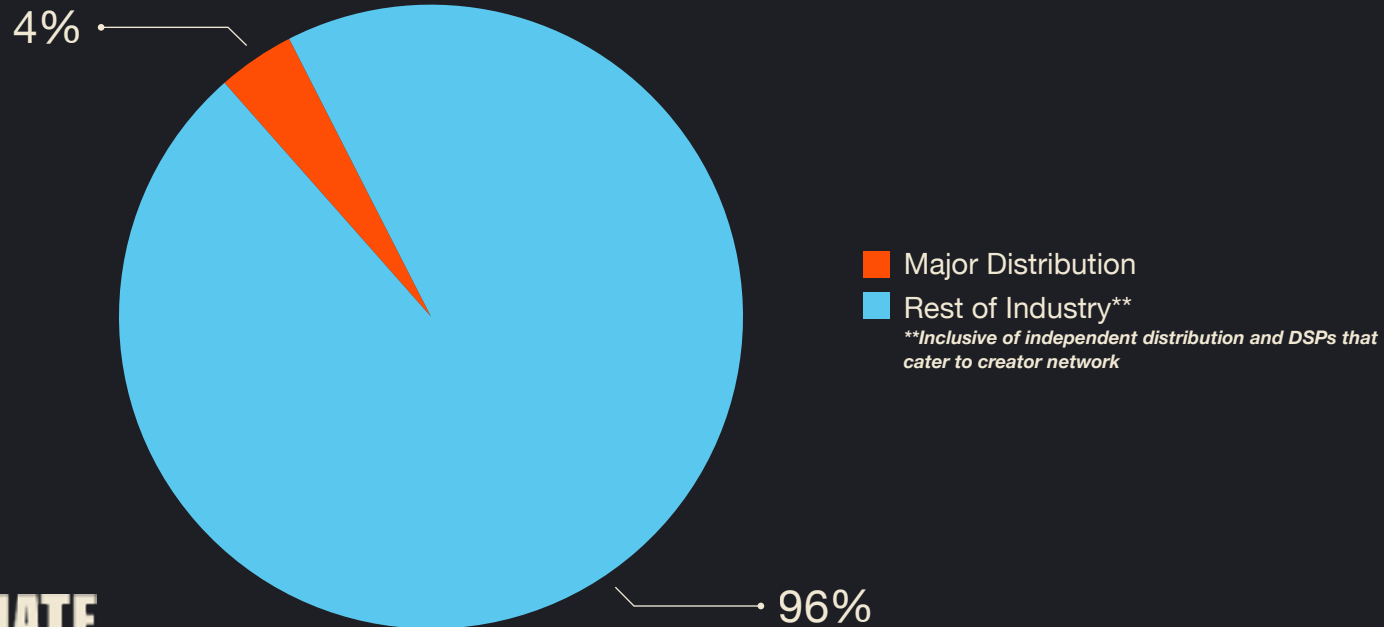
- #1** Digital Artwork / NFTs related to Music (tie)
- #3** NFTs related to Video Games

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**Trend 8  
Music Industry  
Challenges**

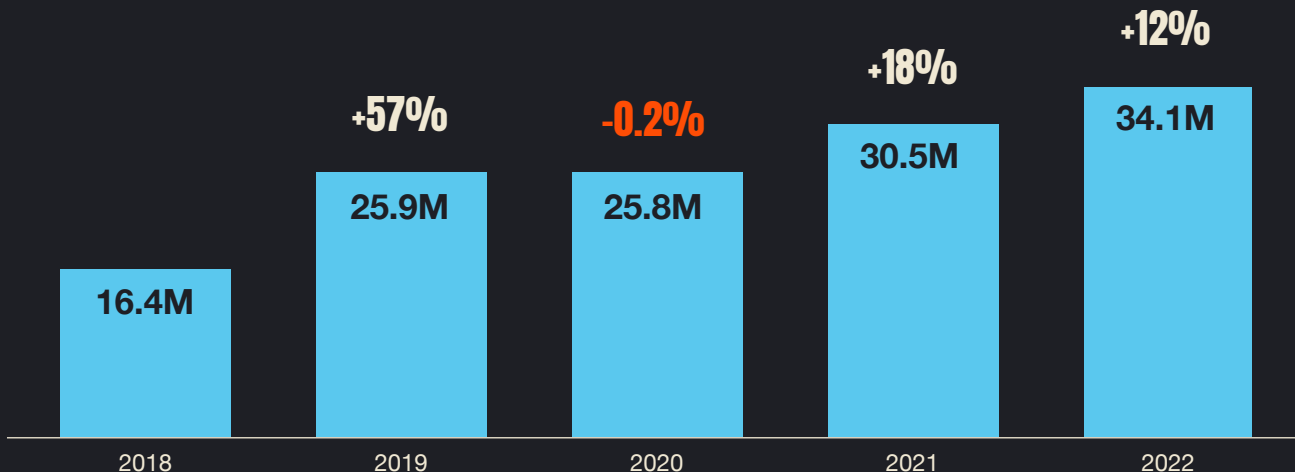
# Average Daily ISRC delivery to DSPs

Average of 98.5k new ISRCs delivered to DSPs each day 9/1-10/18/22



# New ISRCs Created Each Year

At the end of last year, 33% of all ISRCs in the Luminate universe created in 2021 and 2022; 46% created since the beginning of 2020



**196M**

Total Global Audio & Video ISRCs in Luminate database at end of 2022.



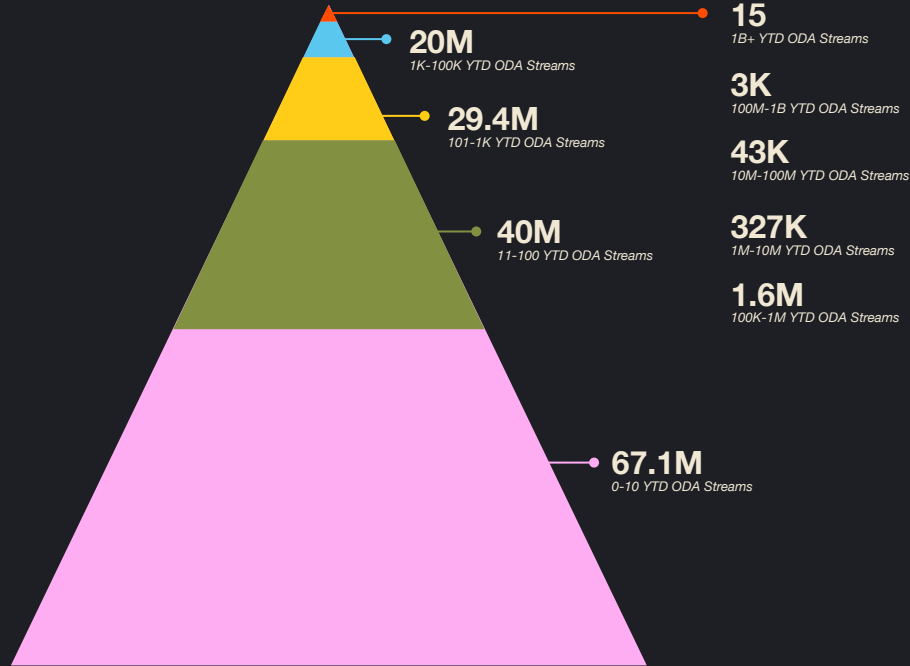
# 2022 Global Audio Track Streaming Pyramid

**42%**

of tracks have 10 or less streams YTD Globally; **24%** have zero streams

**158M**

Audio IRSCs



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**Trend 9  
Globalization**

# Rise of Latin

# #1

**Latin the fastest-growing genre  
in 2022 in Total On-Demand  
(audio+video streaming)**

Compared to R&B/Hip-hop, Rock,  
Pop, Country and Dance/Electronic



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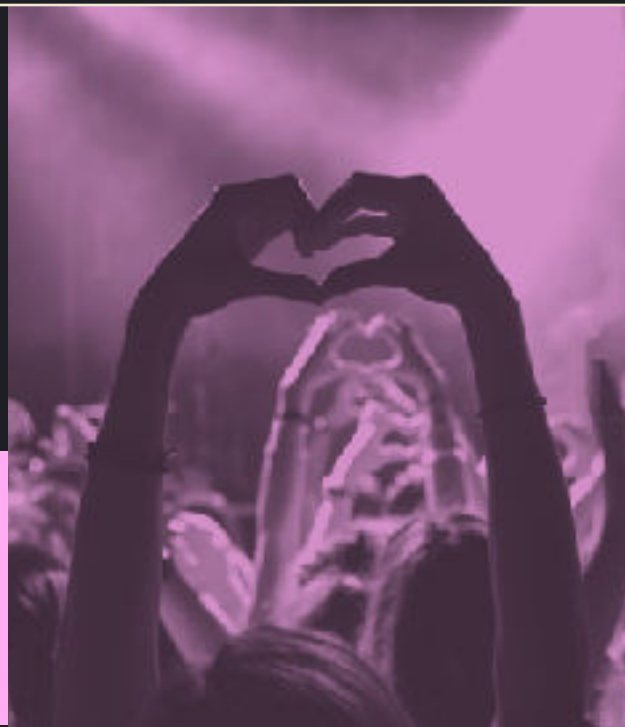
# Who is the Latin Fan?

# 37%

Of Latin Music Listeners are not Hispanic/Hispanic origin

# 67 hours

Latin Music Listeners spend 67 hours a month with music (+29% more than the average)



## Latin Listeners by Age

# 27%



Gen Z

# 32%



Millennials

# 23%



Gen X

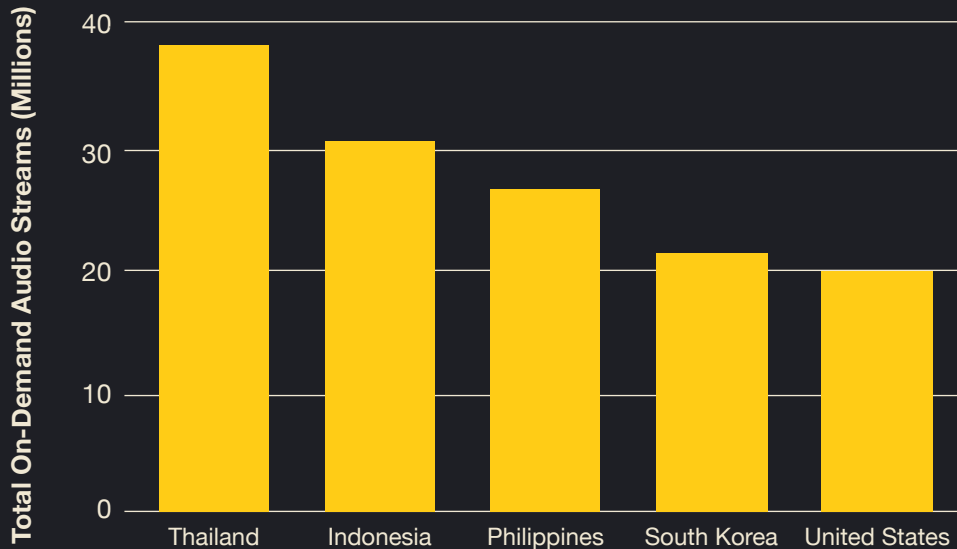
# Who is the K-Pop Fan?

**Gen Z and Millennials make up 71% of K-Pop's audience, a +57% higher composition of Gen-Z +Millennials compared to the general population.**

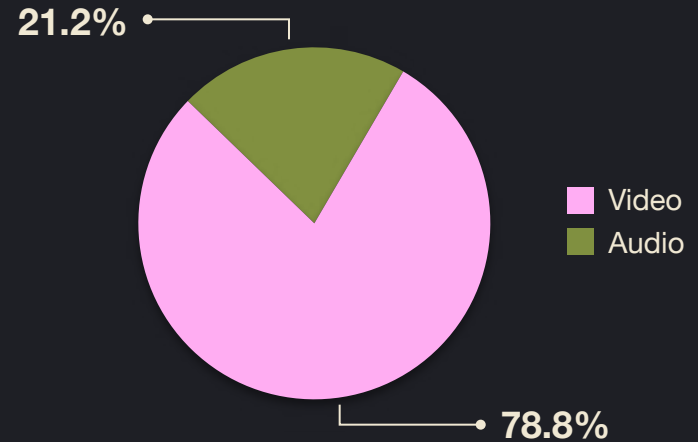


# Global Hit - BLACKPINK “Pink Venom”

Consumption Trends During Track Release Week (week ending 8/25/22)



“Pink Venom” Global Audio vs. Video During Release Week



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**Trend 10**  
**The Power of**  
**Diverse Audiences**

# The Power of Diverse Audiences

## Top 3 Podcast Genres (among Black/African American Listeners)

**#1 Entertainment** (Film, TV, Celebrity)

**#2 Comedy**

**#3 Health/Fitness**

## Hispanic Movie Watchers

**+10%**

**More money spent** on entertainment by Hispanic audiences compared to the average U.S. consumer

**+22%**

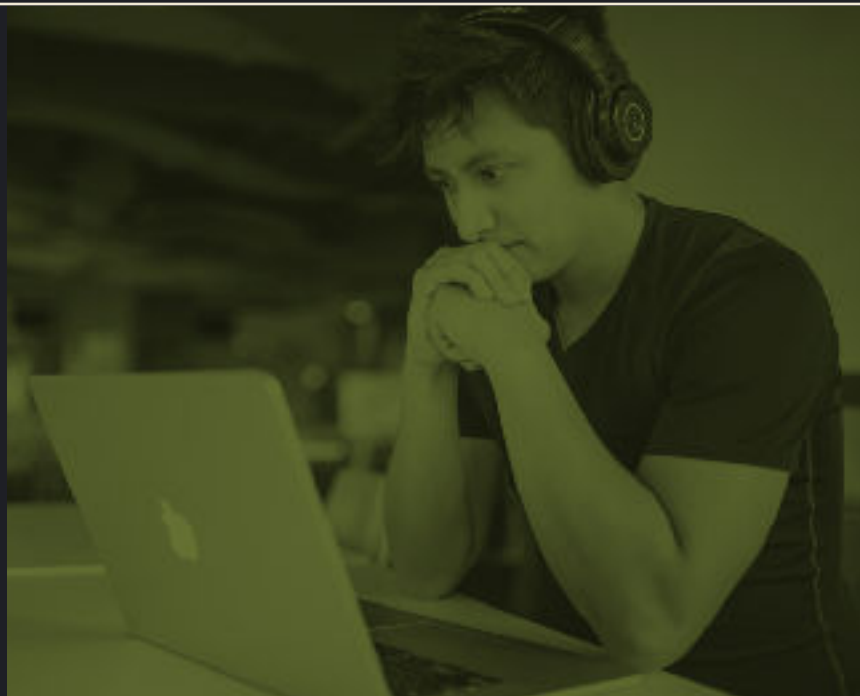
**More likely** to watch movies in theaters than the average



# Asian/Asian American Technology Preferences

**+11%**

**More likely** to be willing  
to pay more for top quality  
entertainment technology



# Native American Entertainment Habits

**+35%**

**More likely** to agree that they prioritize spending money on experiences rather than buying material things



# The Power of LGBTQ+ Audiences

**+25%**

**More likely** to use turntables, record, and vinyl players

**+26%**

**More likely** to be considered a trendsetter by their friends



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Source: U.S. Entertainment 365 Tracker 2022 (Wave 1); all figures relative to the average U.S. consumer

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# Gender Equality in the Music Industry

# 66%

of music industry professionals who participated in the **BE THE CHANGE: Gender Equality** survey want to see **more women and gender expansive individuals in positions of power** within the industry



# Top Changes to Advance Gender Equality in the Music Industry



% of respondents who agree that this measure could help the music industry advance gender equality



**74%**

Pay women and gender expansive employees equal salaries compared to cisgender men



**72%**

Provide networking opportunities for women and gender expansive individuals



**71%**

Provide mentorship opportunities for women and gender expansive individuals



**71%**

Pledge to create an inclusive workplace environment



**72%**

Provide resources for individuals impacted by gender discrimination



**72%**

Commit to pay transparency for job vacancies

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