

January 2024. Sector report

The audiovisual sector in Catalonia

The audiovisual industry in Catalonia

ACCIÓ Government of Catalonia



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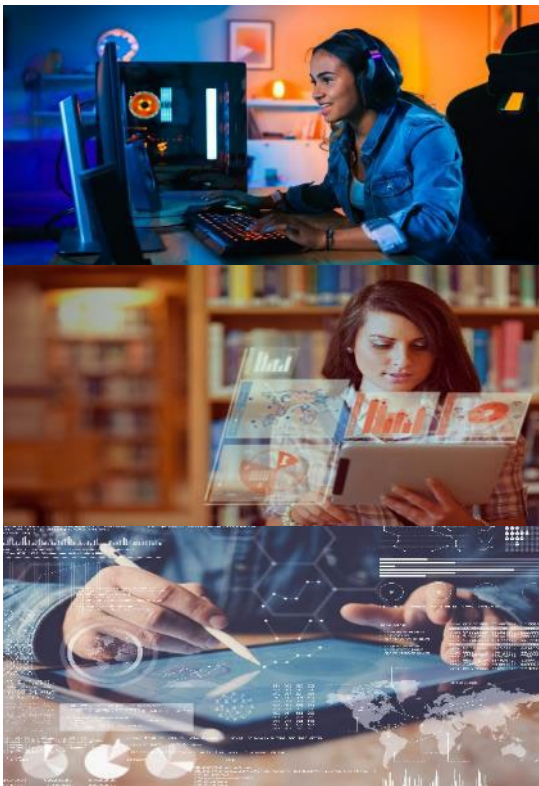
Carried out by

Strategy and Competitive Intelligence Unit of ACCIÓ

Collaboration

Audiovisual Cluster of Catalonia

Barcelona, January 2024



Overview of the audiovisual industry

The audiovisual industry in Catalonia

Trends in the audiovisual industry

The audiovisual industry in Catalonia

Overview of the audiovisual industry

Audiovisual entertainment in the world (I)

The audiovisual industry is the production of media content for the purpose of entertaining, informing or educating.

Technological and digital revolutions have reshaped the **audiovisual industry**, which is currently immersed in a process of **transformation and evolution**, in which the type of content produced, the broadcast windows and the population's consumer habits have changed.

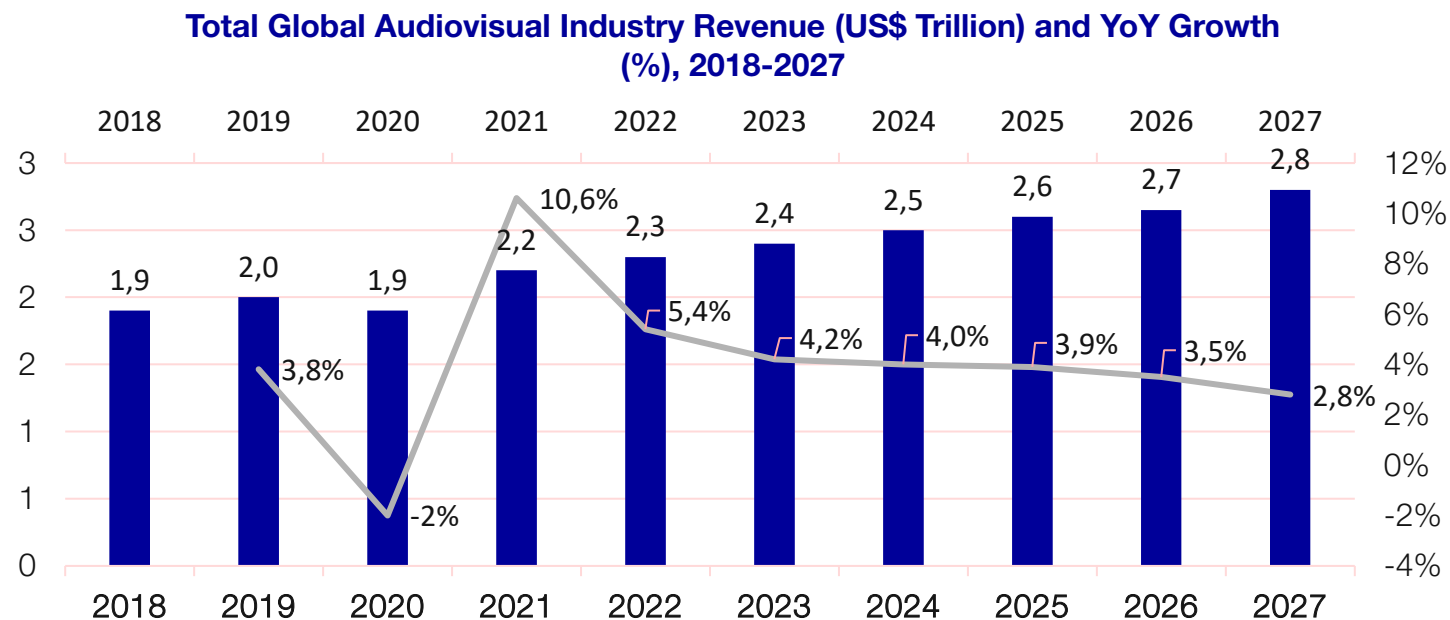
Globally, there has been a growth in consumption and leisure activity, mostly in digital spaces. This has **broadened the opportunities** for online vendors in all categories and the trend of video and social media platforms geared towards advertising and selling products.



Source: ACCIÓ based on PwC's "Global Entertainment and Media Outlook 2023-2027" report

Audiovisual entertainment in the world (II)

- In 2022, the audiovisual industry had 2.32 trillion dollars in revenue and is expected to surpass the **\$2.4 trillion mark by the end of 2023**, with **4.2%** growth over **2022**.
- The global entertainment industry has a clear tendency to grow, with an excellent evolution, although more and more at a slower pace. And it is expected to increase at a rate of **3.6%** (CAGR) over the **next five years**.



Source: ACCIÓ based on PwC's "Entertainment and Media Outlook 2023-2027" report; and Investopedia website

The markets with the best combination of current size and expected growth are found in Asia

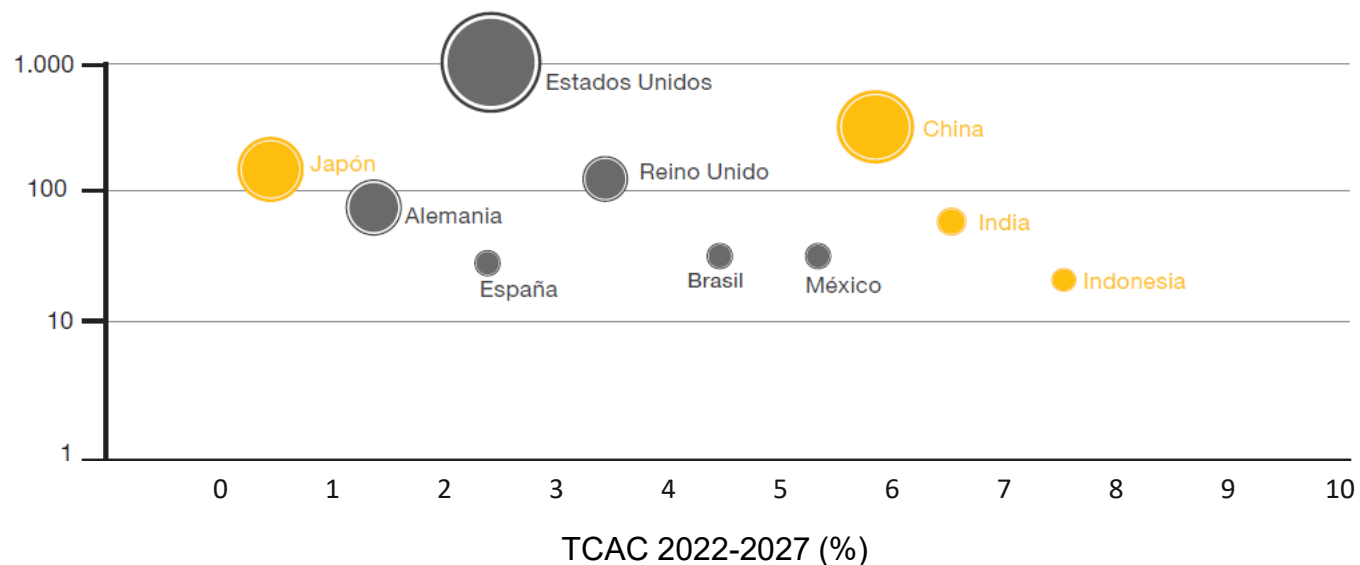
Indonesia is one of three countries in Asia, along with China and India, that offer the desirable combination of existing size and scale, and an expected rapid growth in consumer and advertising spending.

The largest market will remain the **United States**, according to forecasts, where revenues will increase but by only 2.6% in relative terms.

In **China**, the second-largest market, total revenue is expected to grow 6.1%, more than twice that of the United States.

Total revenue of the audiovisual industry in 2027

(dot size represents revenue in billions of dollars)



Source: ACCIÓ based on PwC's "Entertainment and Media Outlook 2023-2027" report

The audiovisual industry added more than 4,000 FDI projects in the five-year period of 2019-2023

Spain, with 179 projects received, ranks as the 5th world destination in this FDI.

Catalonia is the 10th region worldwide in the number of audiovisual FDI projects and 1st in Spain

Audiovisual FDI in the world, 2019-2023

4,400

projects



60,914

€M in investment

334,683

jobs created

Countries of origin by projects

-  1 UAE | 1,065 projects
-  2 United Kingdom | 685 projects
-  3 France | 263 projects
-  4 China | 195 projects
-  5 Germany | 172 projects

Destination countries by projects

-  1 UAE | 551 projects
-  2 United Kingdom | 379 projects
-  3 Germany | 309 projects
-  4 UAE | 300 projects
-  5 Spain | 179 projects

The 30 top investing companies in the period 2019-2023



Notes: Considering sub-sectors “Advertising, PR & related”, “Audio & video equipment (Consumer electronics)”, “Audio & video equipment (Electronic components)”, “Cable & other subscription programming”, “Electric lighting equipment”, “Internet publishing & broadcasting & web search”, “Motion picture & sound recording industries”, “Radio & TV broadcasting”, Sign manufacturing” and “Video games, applications and digital content”

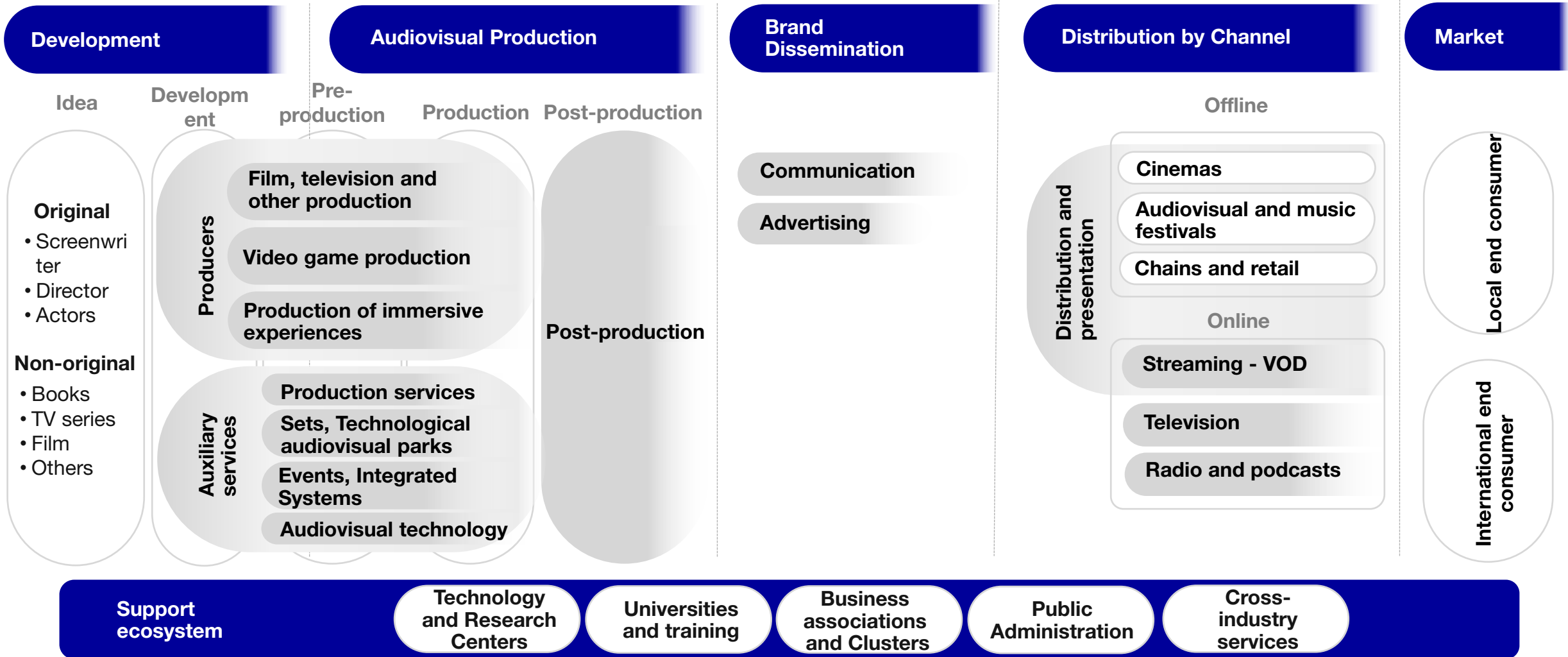
Source: ACCIÓ based on fDi Markets, January 2019 – November 2023

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The audiovisual industry in Catalonia

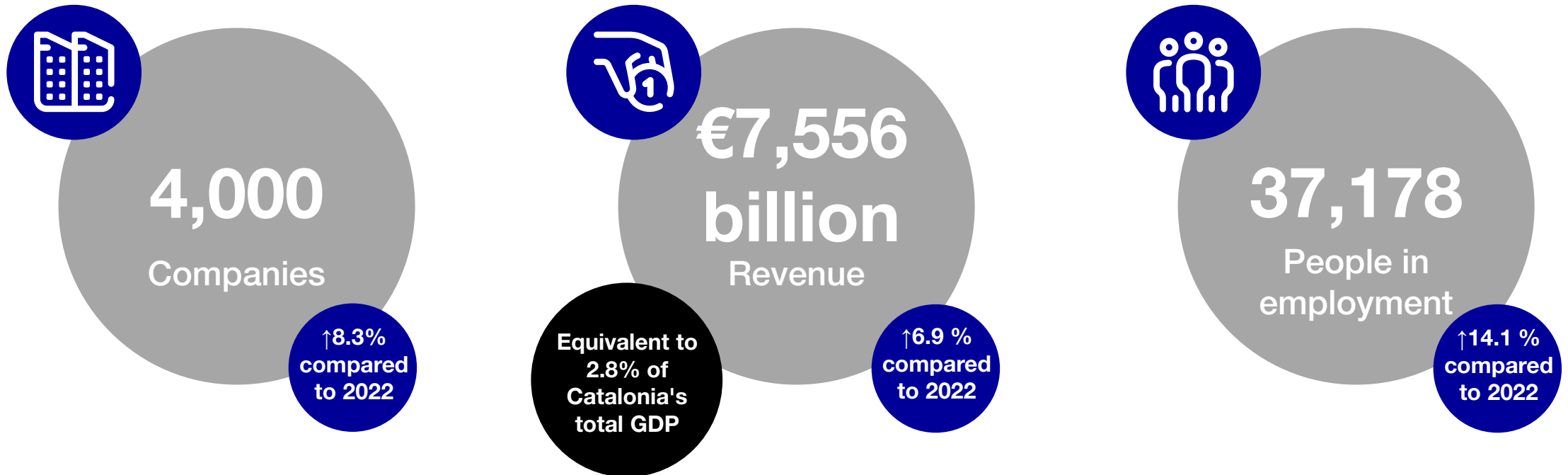
The audiovisual industry in Catalonia

Audiovisual industry value chain



Note: The categories shaded in gray have been considered in the mapping of the audiovisual sector. Source: Own production

Key data of the audiovisual industry in Catalonia (I)



Note: The mapping of the audiovisual sector has been carried out from companies selected from the following CNAE groups; 4743, 4763, 5821, 5911, 5912, 5913, 5914, 5915, 5916, 5917, 5918, 5920, 6010, 6020, 6312, 6391, 6399, 7311, 7312, 7420 and 7722; companies from the following ACCIÓ reports are also included; music, virtual reality, video games, the previous Strategic Update on the Audiovisual Industry, ACCIÓ directories, Catalonia Industry Suppliers and Members of the Audiovisual Cluster of Catalonia; companies that have more than one classification have been considered only once. **Note:** Economic data from the last year available, mostly 2022

Source: ACCIÓ

Key data of the audiovisual industry in Catalonia (II)

	Number of companies 2023	Revenue 2022 (€M)	Jobs created 2022
Development and Audiovisual Production	1,619 (40.5 %)	3,653 (48.3 %)	16,643 (44.8 %)
Producers	1,234 (30.9 %)	2,260 (29.9 %)	12,499 (33.6 %)
Film, television and other production	1093	1,846	9,291
Video games	96	385	2,938
Immersive experiences	45	29	270
Post-production	114 (2.8 %)	131 (1.7 %)	1,287 (3.5 %)
Post-production	114	131	1,287
Auxiliary services	271 (6.8 %)	1,262 (16.7 %)	2,857 (7.7 %)
Production services	115	58	332
Events, Integrated Systems	72	252	783
Audiovisual technology	69	912	1,446
Sets, Technological audiovisual parks	15	40	296
Brand Dissemination	2,132 (53.3 %)	3,148 (41.6 %)	14,930 (40.1 %)
Advertising	1,829	2,693	12,859
Communication	303	456	2,071
Distribution by Channel	249 (6.2 %)	765 (10.1 %)	5,605 (15.1 %)
Distribution and presentation	152	386	2,309
Radio and podcasts	56	42	405
Television	41	337	2,891
TOTAL	4,000	7,566	37,178

Note: Economic data from the last year available, mostly 2022. Note: Video game companies can be categorized into other value chains. Source: ACCIÓ.

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Key data of the audiovisual industry in Catalonia (III)

4,000 companies



- 98.6% of the companies are small or medium-sized companies (less than €50 M in revenue).
- 60.1% of the companies were founded more than 10 years ago.
- 15.3% of the companies are exporters and 7.2% are regular exporters.
- 4.3% of the companies are foreign affiliates.

€7.566 billion in revenue



- Represents 2.8% of Catalonia's total GDP in 2022.
- Large companies (1.4% of the total number of companies) invoice 27.2% of the industry's total revenue.

Territorial distribution



- 87.0% of the companies are located in the area of Barcelona.
- 95.7% of the total revenue and 93.6% of the total number of people employed in the industry come from companies in the province of Barcelona.
- The counties of **Barcelonès, Vallès Occidental, Baix Llobregat, Maresme and Vallès Oriental** are those with the most companies related to the audiovisual industry.

37,178 employees



- 21.6% work in young companies (10 years or less).
- 52.9% work in micro or small businesses (fewer than 50 employees).

Audiovisual production in Catalonia (I)

Production



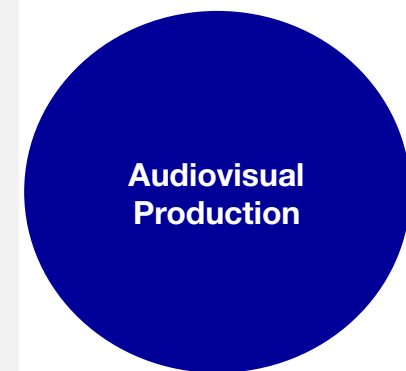
Post-production



Video games



Immersive experiences



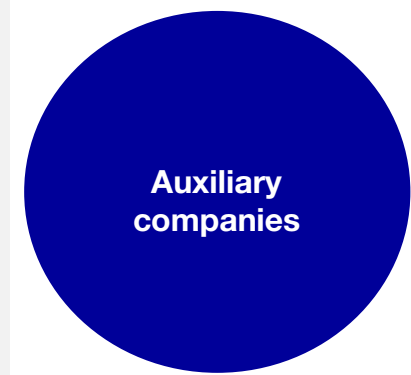
Note: Partial representation with the aim of illustrating the most representative providers of the value chain of the audiovisual industry in Catalonia. Note: each company has been assigned to a main category of the value chain. Source: ACCIÓ.

Audiovisual production in Catalonia (II)

Production services



Sets, Technological audiovisual parks



Audiovisual technology



Events, Integrated Systems



Note: Partial representation with the aim of illustrating the most representative providers of the value chain of the audiovisual industry in Catalonia. Note: each company has been assigned to a main category of the value chain. Source: ACCIÓ.

Audiovisual communication and distribution in Catalonia

Communication



Advertising



Distributors



Television

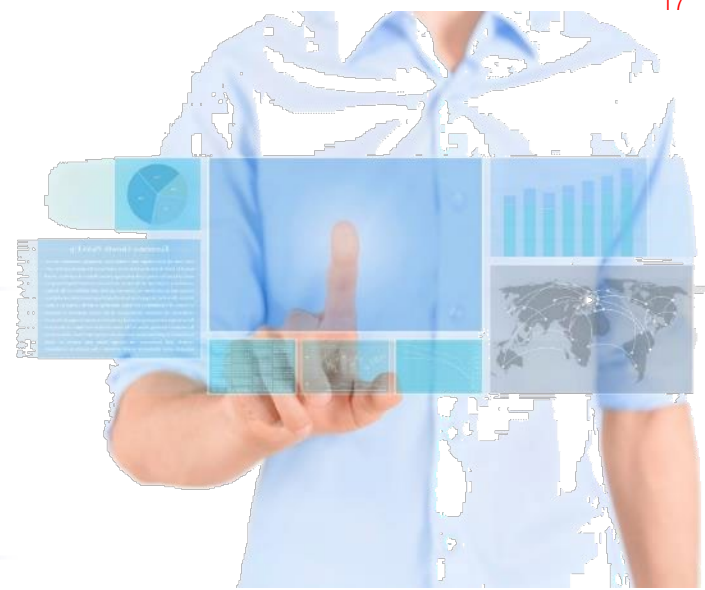


Radio - Podcasts



Note: Partial representation with the aim of illustrating the most representative providers of the value chain of the audiovisual industry in Catalonia. Note: each company has been assigned to a main category of the value chain. Source: ACCIÓ.

The main hub of European Union startups



More than 2,000 startups are located in Catalonia

Barcelona is the **2nd** preferred hub in the EU preferred by founders to create a startup
Startup Heatmap Europe, 2023

Barcelona is the **6th** best ecosystem in the EU to create a startup
Global Startup Ecosystem Index from StartupBlink 2023

235 audiovisual companies in 2023, some **85%** more than in 2018.

Startups related to the audiovisual industry

Digital content and media

Adtech

Video games

Musictech

Catalan ecosystem of the audiovisual industry (I)

Public Administration



Corporació Catalana de Mitjans Audiovisuals, SA



Consell de l'Audiovisual de Catalunya



Generalitat de Catalunya
Departament de Cultura



Generalitat de Catalunya
Departament d'Empresa i Treball



Business associations and Clusters



Asociació d'Actors i Directors Professionals de Catalunya



Asociación de Directivos de Comunicación



associació de professionals de l'Audiovisual Català



Associació Empresarial de Publicitat
Gremi des de 1926



Training

Universities

escac upf. Universitat Pompeu Fabra Barcelona UAB Universitat Autònoma de Barcelona UIC barcelona

UPC Blanquerna UNIVERSITAT RAMON LLULL ESDi Escola Superior de Disseny UNIVERSITAT RAMON LLULL UOC Universitat Oberta de Catalunya

laSalle UNIVERSITAT RAMON LLULL UNIVERSITAT ROVIRA I VIRGILI Universitat de Girona UVIC UNIVERSITAT DE VIC UNIVERSITAT CENTRAL DE CATALUNYA

Universitat de Lleida Universitat Abat Oliba CEU UNED UNIVERSITAT RAMON LLULL

Non-regulated Training

emav ESCOLA DE MITJANS AUDIOVISUALS FX ANIMATION Barcelona 3D & Film School bàp

CPAC LCI Barcelona ENTi Escola de Noves Tecnologies Interactives

DES DE 1971 DRAC MÀGIC cultura audiovisual



Note: Partial representation with the aim of illustrating the ecosystem of the audiovisual sector in Catalonia. Source: ACCIÓ.

Catalan ecosystem of the audiovisual industry (III)

Technology and research centers with TECNIO accreditation

Specialized centers in the audiovisual sector



Other technological centers or entities and research groups

Cross-industry technological centers that support the audiovisual industry



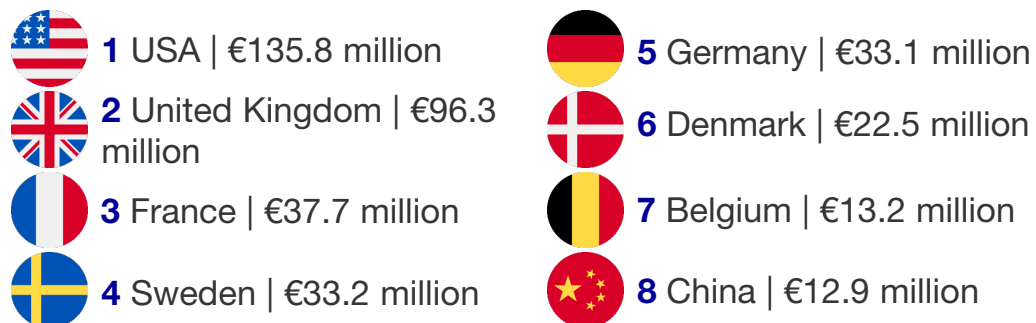
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Catalonia continues to improve its FDI numbers in the audiovisual industry, with talent as the main draw

FDI in audiovisual fields in Catalonia, 2019-2023



Main investing countries by invested capital, 2019-2023



Reasons for investment, 2019-2023

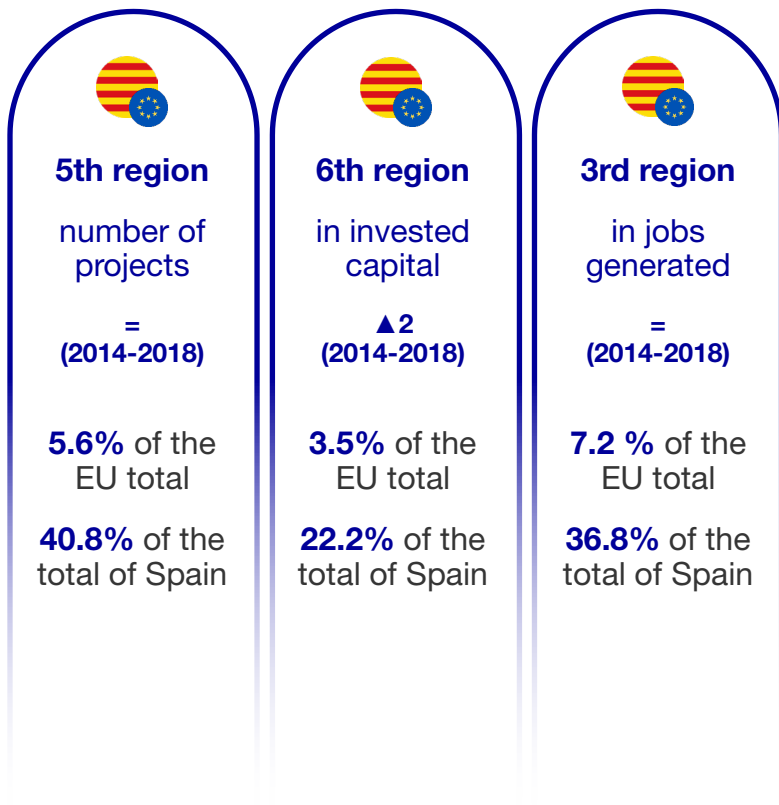


Notes: Considering sub-sectors “Advertising, PR & related”, “Audio & video equipment (Consumer electronics)”, “Audio & video equipment (Electronic components)”, “Cable & other subscription programming”, “Electric lighting equipment”, “Internet publishing & broadcasting & web search”, “Motion picture & sound recording industries”, “Radio & TV broadcasting”, “Sign manufacturing” i “Video games, applications and digital content”

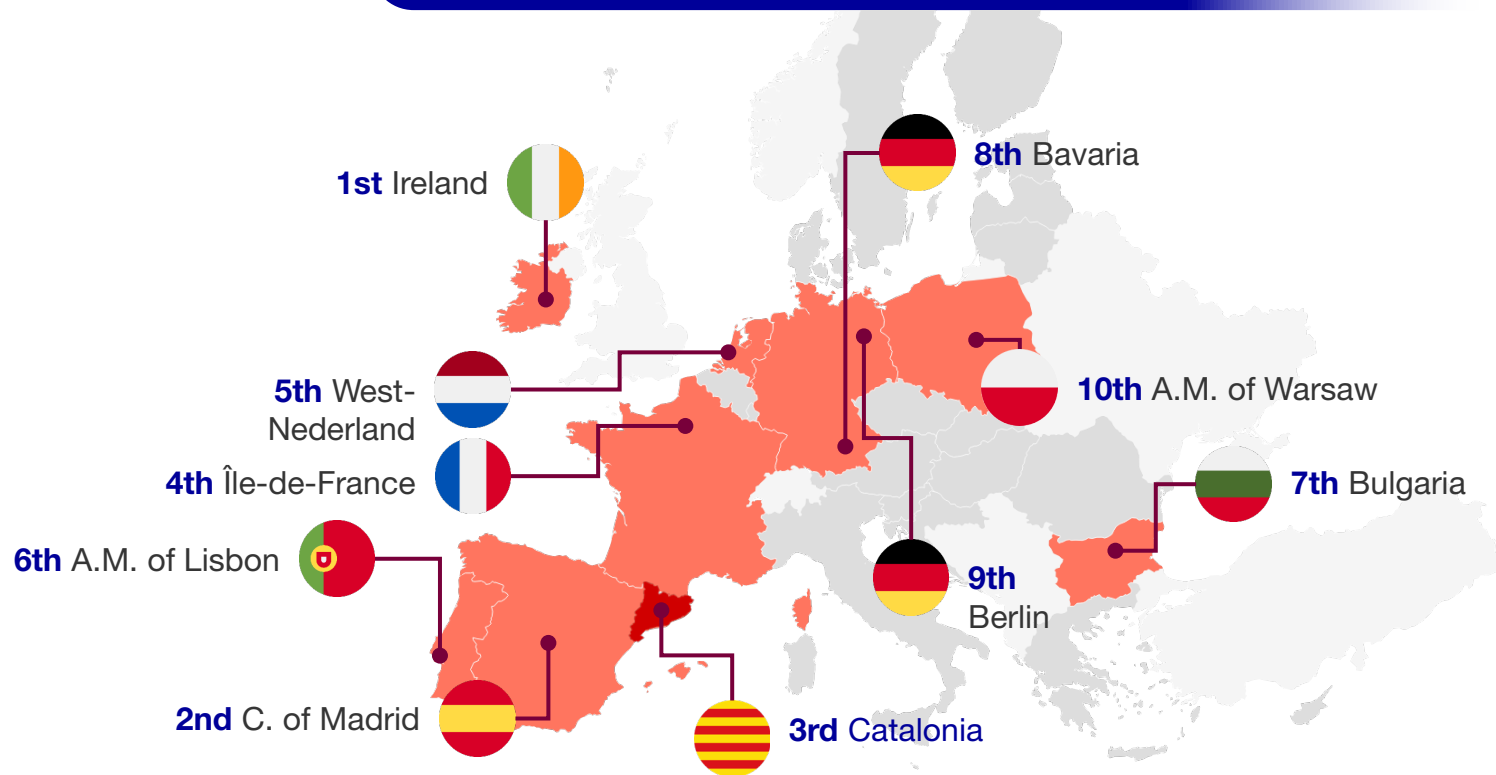
Source: ACCIÓ based on fDi Markets, January 2019 – November 2023

Catalonia, 3rd EU region in number of jobs created from audiovisual FDI

Catalonia in the EU and in Spain, 2019-2023






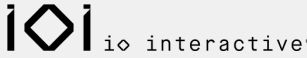








FDI in the EU by jobs created, 2019-2023



Notes: Considering sub-sectors “Advertising, PR & related”, “Audio & video equipment (Consumer electronics)”, “Audio & video equipment (Electronic components)”, “Cable & other subscription programming”, “Electric lighting equipment”, “Internet publishing & broadcasting & web search”, “Motion picture & sound recording industries”, “Radio & TV broadcasting”, Sign manufacturing” i “Video games, applications and digital content”

Source: ACCIÓ based on fDi Markets, January 2019 – November 2023

Main investment companies in Catalonia by capital invested in the five-year period 2019-2023

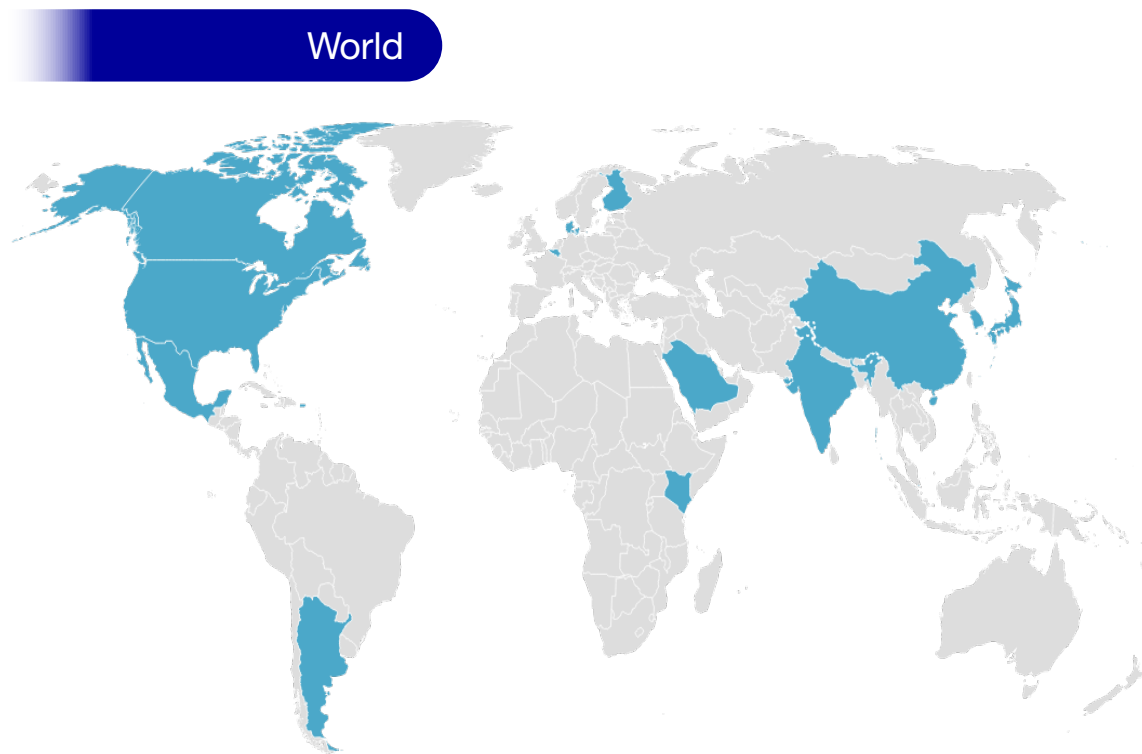
 <p>Bumble 1 project €74.7 million 600 jobs</p>	 <p>Rentalcars.com 1 project €44.1 million 220 jobs</p>	 <p>FREE NOW 1 project €30.1 million 50 jobs</p>	 <p>IO Interactive 2 projects €22.5 million 180 jobs</p>
 <p>Blu Digital Group 1 project €19.3 million 136 jobs</p>	 <p>Tripledote Studios 2 projects €15.3 million 141 jobs</p>	 <p>FunPlus 2 projects €12.2 million 105 jobs</p>	 <p>Paradox Interactive 2 projects €11.8 million 98 jobs</p>
 <p>Embracer Group 1 project €11.1 million 25 jobs</p>	 <p>Running Studios 1 project €11.0 million 88 jobs</p>	 <p>Infinity Ward 1 project €10.8 million 71 jobs</p>	 <p>TheFork 2 projects €10.5 million 75 jobs</p>



Notes: Considering sub-sectors “Advertising, PR & related”, “Audio & video equipment (Consumer electronics)”, “Audio & video equipment (Electronic components)”, “Cable & other subscription programming”, “Electric lighting equipment”, “Internet publishing & broadcasting & web search”, “Motion picture & sound recording industries”, “Radio & TV broadcasting”, Sign manufacturing” i “Video games, applications and digital content”. Arranged by invested capital

Source: ACCIÓ based on fDi Markets, January 2019 – November 2023

International business opportunities for Catalan companies in the audiovisual industry



A total of 14 countries have been identified with business opportunities for Catalan companies in the audiovisual industry.



Source: ACCIÓ from the 2023 Global Map of International Business Opportunities

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The audiovisual industry in Catalonia

Trends in the audiovisual industry

Global trends in the Audiovisual Industry

Metaverse



The future of the metaverse will depend on its integrity. Its security will be what keeps it going. Risks must be managed properly.

Privacy



Much of the activity in this area has been to focus on the creation of "clean rooms", secure spaces for data storage and processing in which personal information is anonymized.

Advertising and Streaming



In 2025, advertising will surpass consumer spending as the main source of revenue. Between 2022 and 2027 advertising revenue will increase from 763.7 billion to 952.6 billion. Over the next 5 years, revenue from video-on-demand with advertising is expected to nearly double.

Virtual Reality



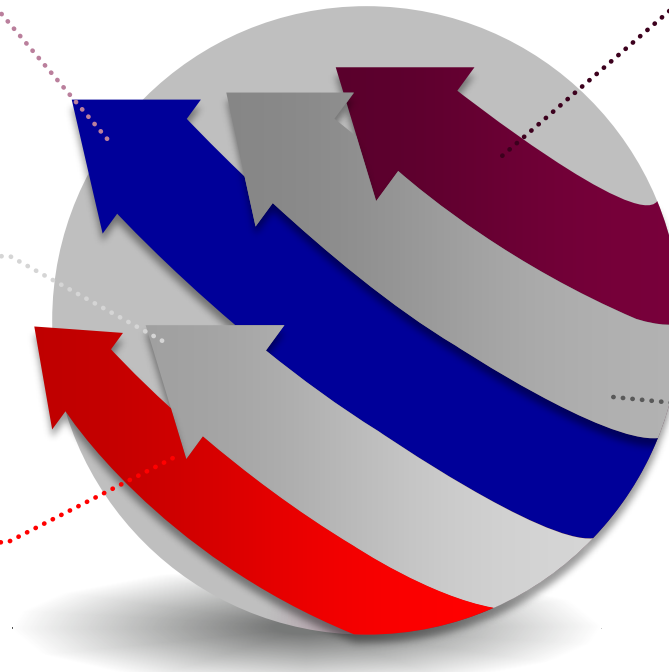
It continues to maintain significant growth, expected to be 17.5% annually until 2027. This would mean revenue of 7.4 billion.

Revenue in VR is closely tied to the proliferation of VR glasses and the number is expected to grow from 27.4 million units to 73.6 million over the next five years.

NFTs



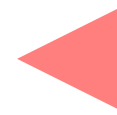
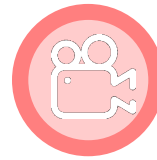
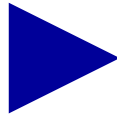
The trend will be towards reorganizing the "boom" that there was, and it is expected that in 2024 there will be a 24.3% growth. In the following years, this will taper off until utility is established and investment continues.



Relevant technological challenges: applications across the value chain

Creativity and development

- **Use of big data and artificial intelligence** to:
 - ✓ Identify successful scripts.
 - ✓ Define the optimal length of a series (in episodes per series and minutes per episode).
 - ✓ Predict the success of a film or series.
 - ✓ Identify the potential target of a film or a series.
- **Using voice and sound to create new products** (e.g. podcasts).

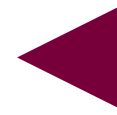


Production and post-production

- **Cost reduction through virtual reality** to simulate locations, actors, etc.
- **New recording capabilities with hardware** (including the use of drones) **and software**
- **3D reconstruction** from multiview images.
- **Sets with screens.**
- **Image restoration** using automatic segmentation techniques.
- Recording, production and **audio post-production** (voice, music...) **in 3D.**

Distribution

- **Use of big data and AI** to:
 - ✓ Recommend user-adapted content.
 - ✓ Customize trailers and covers.
- Use of **blockchain** in security and control.
- **Recognition of patterns** and logos in video and television.



Display and user experience

- **Immersive experiences** of the viewer through augmented and virtual reality such as the metaverse.
- Application of **5G** with impact on **streaming** and real-time viewing.
- **Drones** for immersive and POV experiences.
- Music and voice in **3D.**
- **Immersive display systems** for 3D audio.

Thank you

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More information about the sector and related news:
<https://www.accio.gencat.cat/ca/sectors/audiovisual/>

