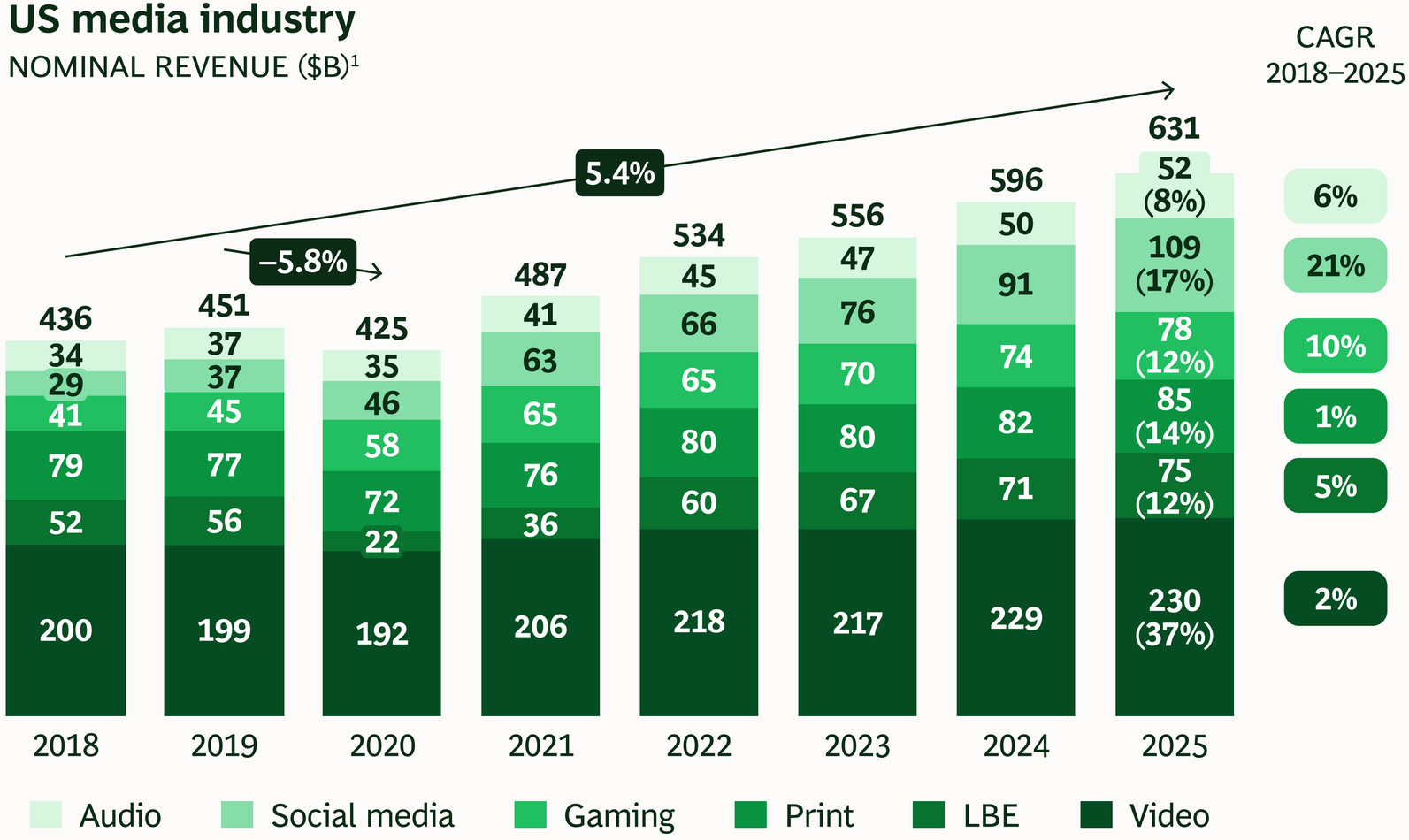
Media’s New Fight for Eyeballs, Profits, and Control

October 2026

US media revenues appear to be healthier than ever, with revenue reaching a record of $631 billion after a brief dip in 2020. . .

US media industry

NOMINAL REVENUE ($B)[1]

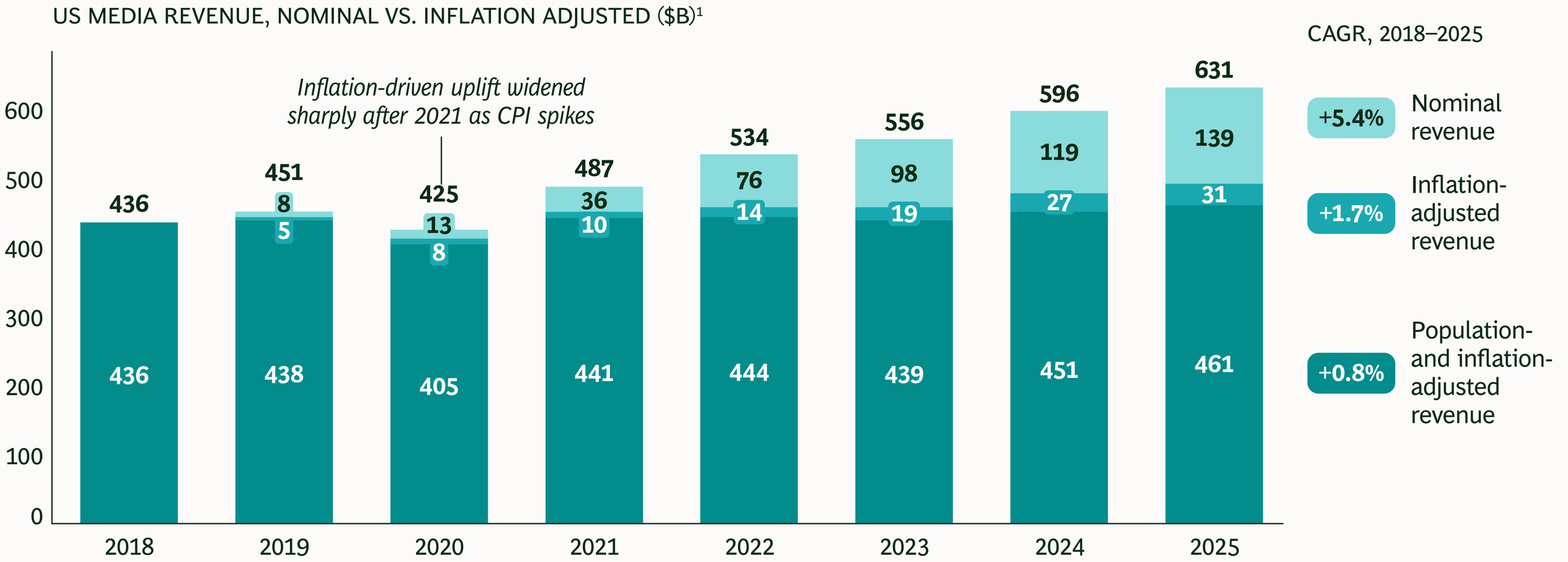


Key insights

- **The US media market reached a record of $631 billion in revenue in 2025,** growing at 5.4% CAGR since 2018
- **The market recovered from its one-off 2020 decline,** driven primarily by slowdowns in live entertainment and theater
- **Video remains the core media format,** with $230 billion in revenue (37% of the market) but only 2% growth per year
- **Social media is the fastest-growing segment,** expanding at 21% CAGR since 2018

Sources: Omdia; Magna; Ampere Analysis; Statista; Grand View Research; Emarketer; company reports.
Note: LBE = location-based entertainment.
[1]Includes both subscription and advertising revenues.

. . .but growth is an illusion because adjusting for inflation and increases in population reduces it from 5.4% to just 0.8%

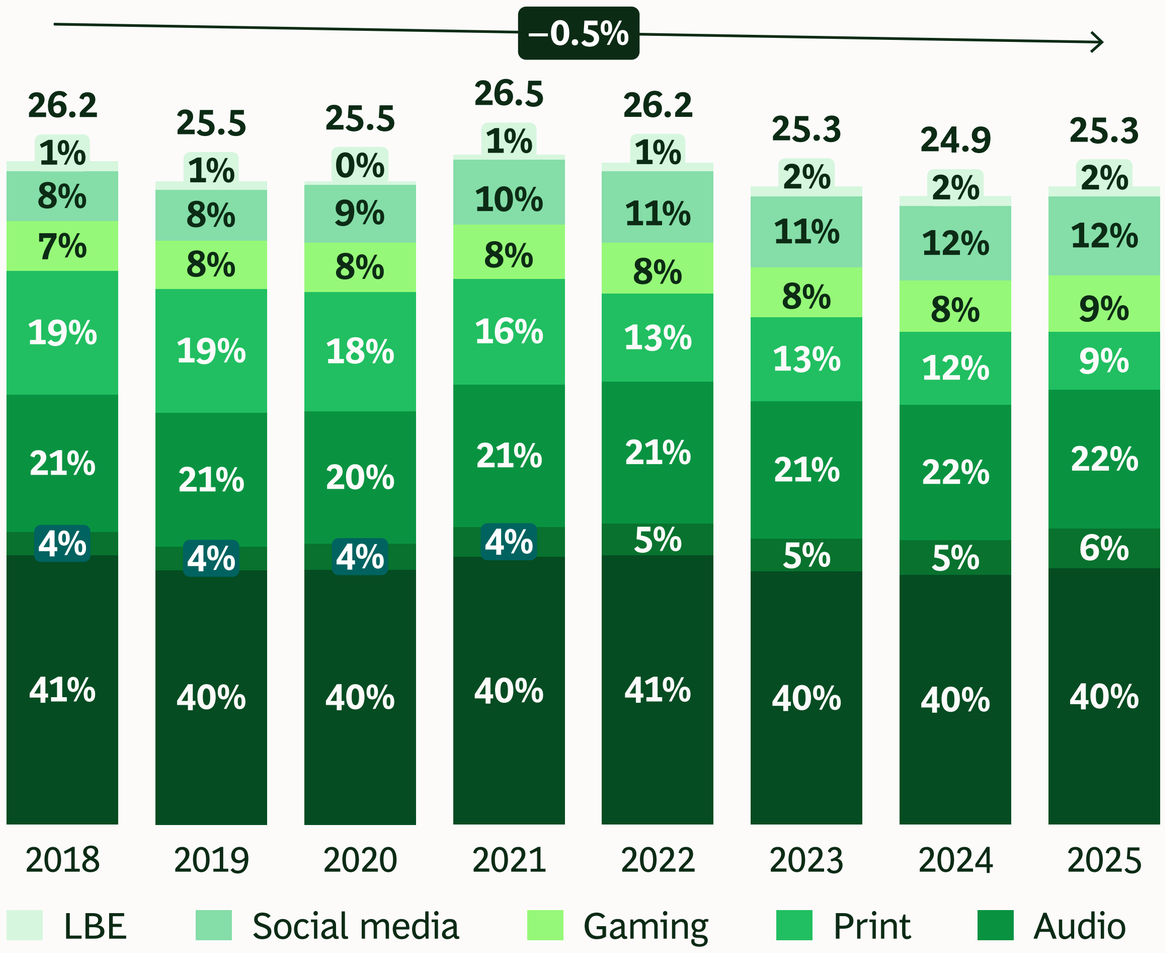


Sources: Omdia; Magna; Ampere Analysis; Statista; Grand View Research; Emarketer; US Bureau of Labor Statistics; company reports.
Note: CPI = Consumer Price Index; CPI-U = CPI for All Urban Consumers. Adjusted CAGR is calculated using CPI-U annual averages. The CPI-U for 2025 is an estimate because the full-year average is not yet finalized. The base year is 2018. Because of rounding, not all numbers add up to the totals shown.
[1]Includes both subscription and advertising revenues.

Consumer attention has also stalled at about 25 hours per week

Total media consumption has been relatively flat since 2018. . .

US ACTIVE MEDIA CONSUMPTION BY FORMAT, HOURS PER WEEK



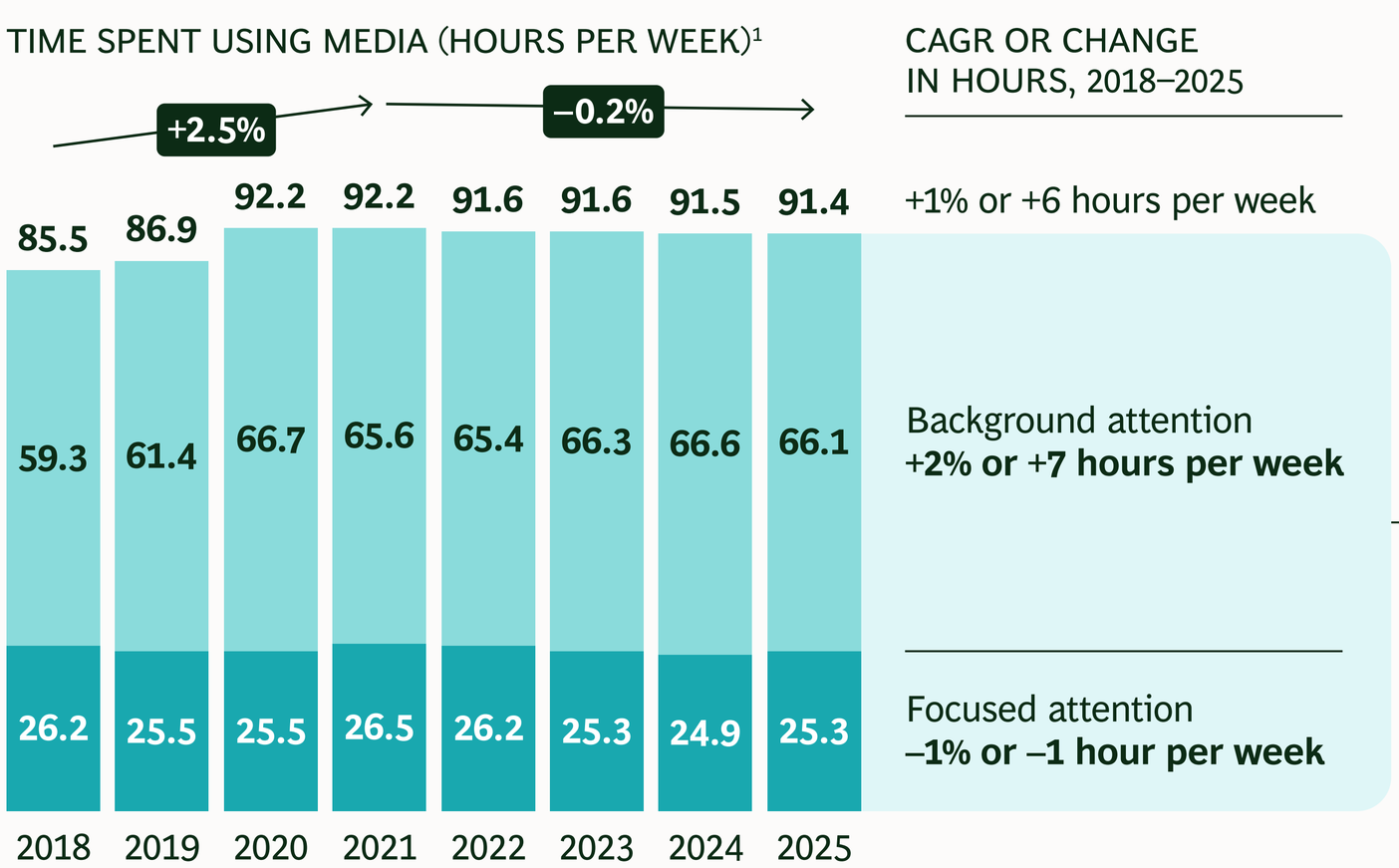
	CAGR 2018–2025
LBE	+3.4%
Social media	+6.6%
Gaming	+2.1%
Print	–10.5%
Audio	+0.1%
YouTube	+7.8%
Video[1]	–0.7%
Video (total)[2]	+0.2%

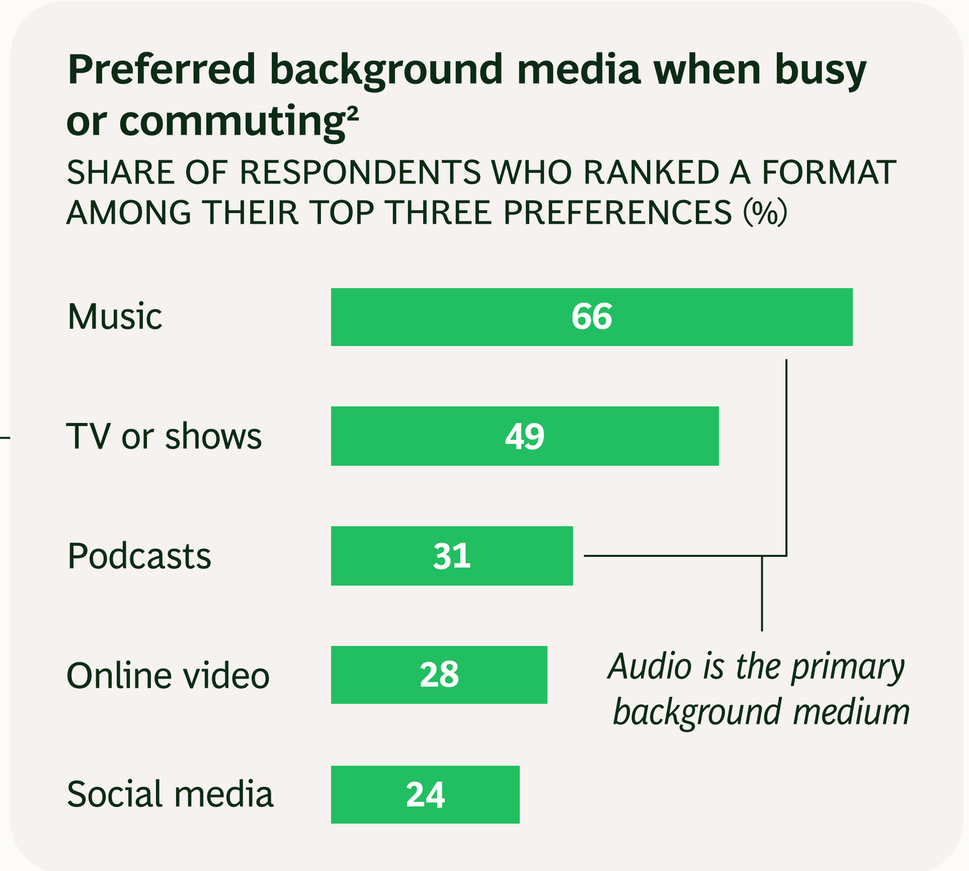
. . .yet gaming and social media gained share as consumers' habits fragmented

- **Total active media time has been flat** to slightly declining, from 26.2 hours per week in 2018 to 25.3 in 2025
- While video remains the largest segment, accounting for about 46% of consumers' media time, **growth was concentrated in YouTube (+7.8% CAGR and 14% of overall video time),** while the rest of video declined by 0.7%
- Growth in LBE is displacing **work, rest, and nonmedia leisure activities[3]**
- Social media and gaming are likely taking share from video (for example, YouTube) and print

Sources: US Bureau of Labor Statistics American Time Use Survey, 2018–2025 microdata; PQ Media Global Consumer Usage Forecast, 2026–2030; Emarketer; Activate; BCG analysis.
Note: LBE = location-based entertainment. Total media hours per week reflects BLS American Time Use Survey's primary activity data from 2018 through 2025. Modality percentage breakdowns were derived from BCG's analysis and applied to BLS totals. Data for 2020 is estimated (a BLS American Time Use Survey was not conducted).
[1]Excluding YouTube. [2]CAGR based on YouTube and video total consumption from 2018 through 2025. [3]BCG's Media Survey 2026.

The growth in time spent with media was from background attention, driven by accelerated multitasking





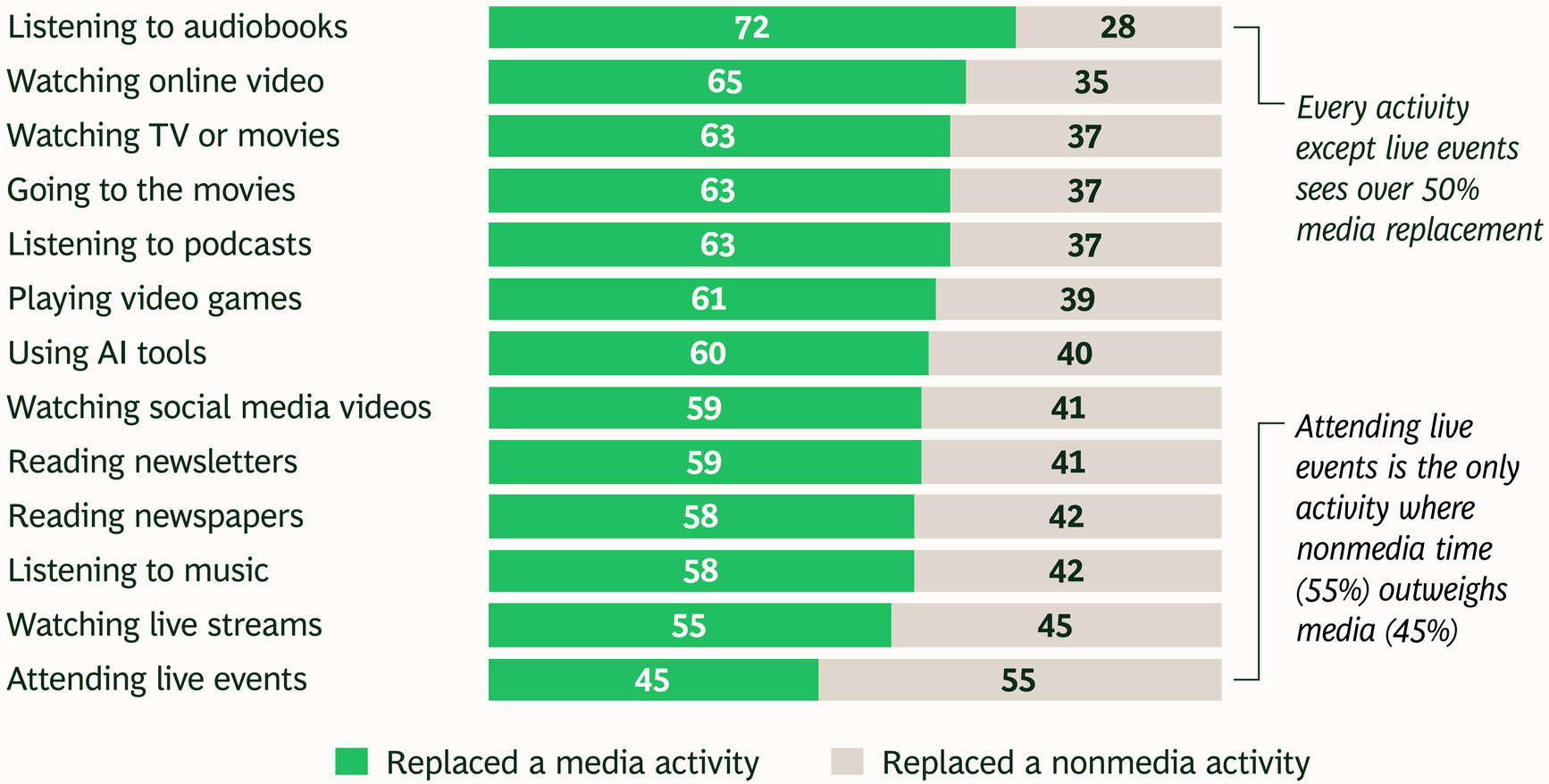
Sources: US Bureau of Labor Statistics American Time Use Survey, 2018–2025 microdata; Activate Consumer Time and Attention Report, 2018–2026; BCG's Media Survey 2026.
[1]Values are the total number of hours spent with media per week. Media is video, audio, gaming, print, and social media and short-form video, as well as location-based entertainment, per BLS ATUS activity codes. Because of rounding, not all numbers add up to the totals shown. [2]Based on BCG's Media Survey 2026; n = 750.

Growth in one media modality comes at the expense of other modalities, extending the battleground for attention

61%

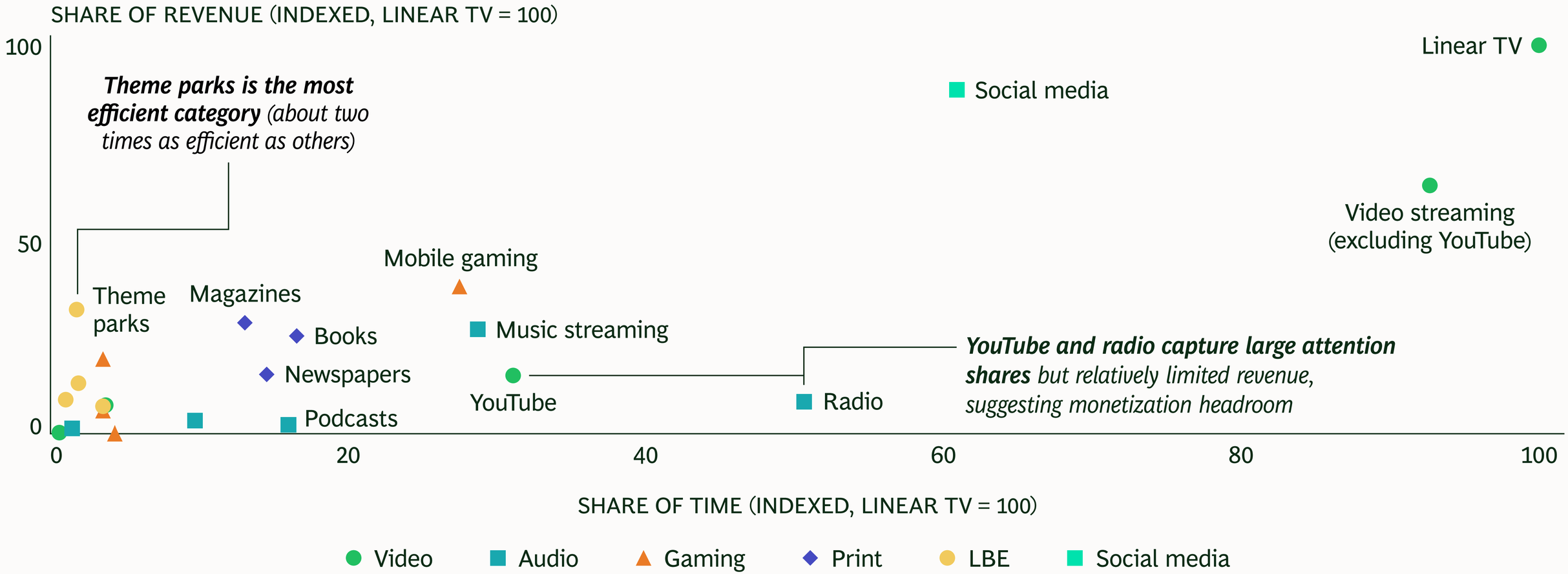
Respondents who said that **increasing the time spent on a media activity displaces their time spent with another media modality,** rather than work, rest, or other nonmedia activity

SHARE OF RESPONDENTS WHO CUT BACK ON ANOTHER MEDIA ACTIVITY VS. THOSE WHO CUT BACK ON A NONMEDIA ACTIVITY (%)



Source: BCG's Media Survey 2026.
Note: n = 375 eligible.

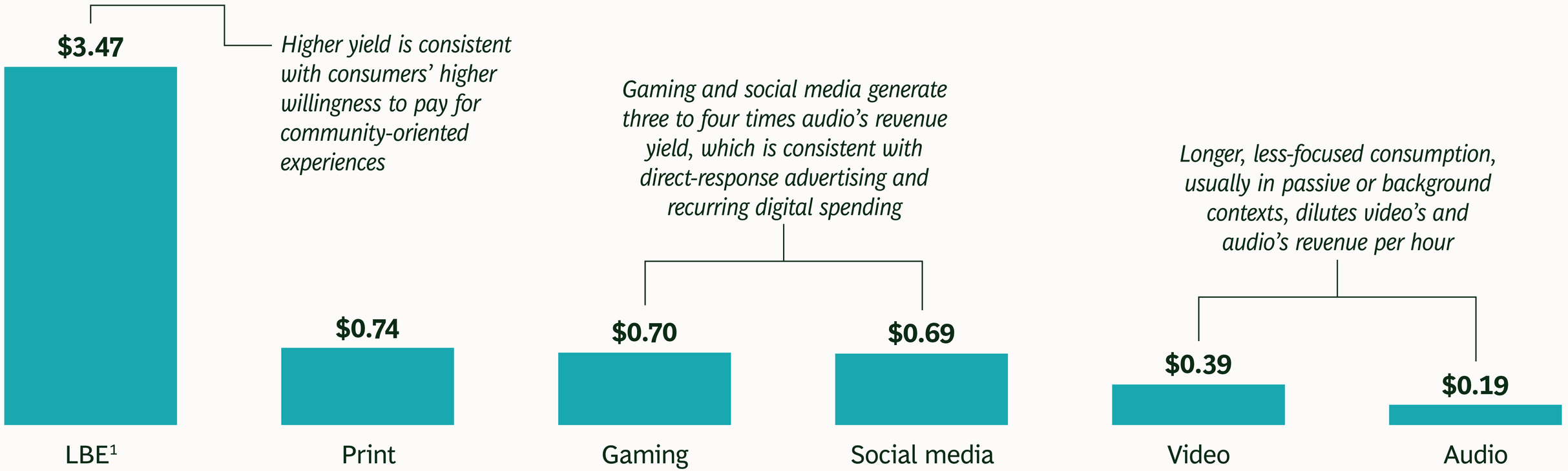
Theme parks, print, and social earned more revenue than their share of time implies, and the opposite was true for radio and streaming



Sources: Activate Consumer Time and Attention Report, 2018–2026; PQ Media; Emarketer; Omdia; Magna; Ampere Analysis; Statista; Grand View Research; IMDb; company reports; BCG's Media Survey 2026; BCG analysis.
Note: n = 750. LBE = location-based entertainment. Indexed using each modality's raw share divided by linear TV's raw share (or 100). Linear TV is the largest modality by both time and revenue. Cluster of modalities on bottom left axis includes live sports, audiobooks, virtual reality, personal computers, cinema, console, theater, live music, physically recorded music, and physical video (such as DVDs and Blu-ray discs).

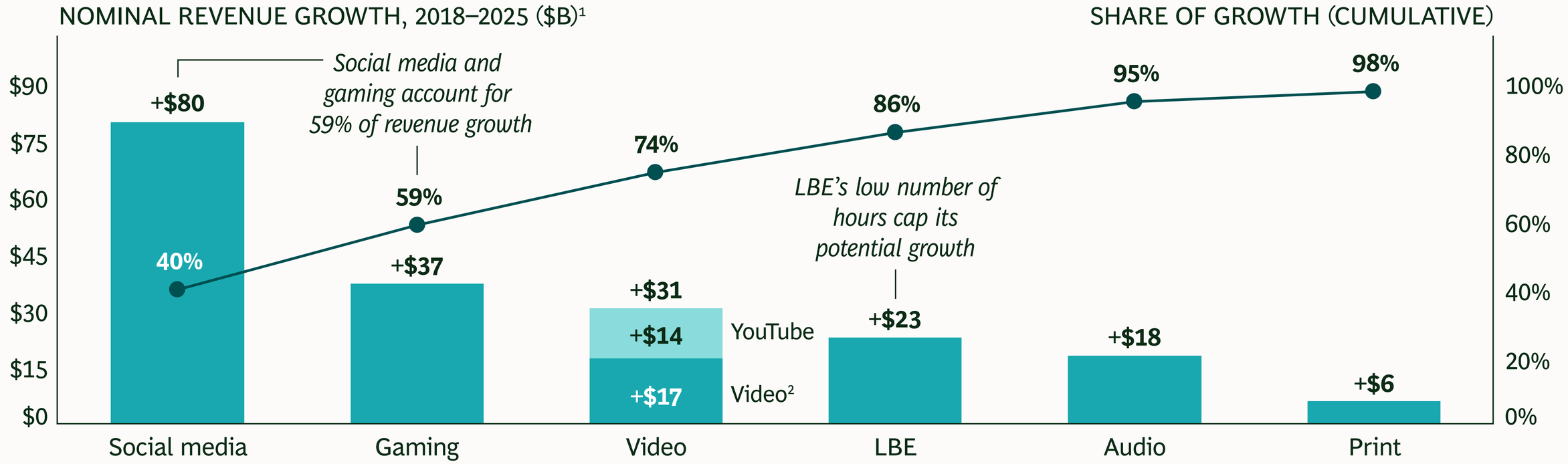
LBE commands the highest revenue yield, while video's and audio's passive background consumption generate the lowest

REVENUE PER HOUR OF ATTENTION BY MEDIA MODALITY ($)



Sources: Activate Consumer Time and Attention Report, 2018–2026; PQ Media; Emarketer; Omdia; Magna; Ampere Analysis; Statista; Grand View Research; IMDb; company reports; BCG's Media Survey 2026; BCG analysis.
Note: n = 750. LBE = location-based entertainment. To calculate revenue per hour of attention, we divided total 2025 revenue for each modality by total 2025 hours consumers spent with that modality. Total revenue for each modality divided by total consumer hours spent in that modality for a year (2025), trued up from hours spent on modality per week.
[1]Only includes ticket sales; excludes concession-related sales.

Video had the largest revenue pool but captured just 15% of media growth since 2018, while social media and gaming had 59% combined

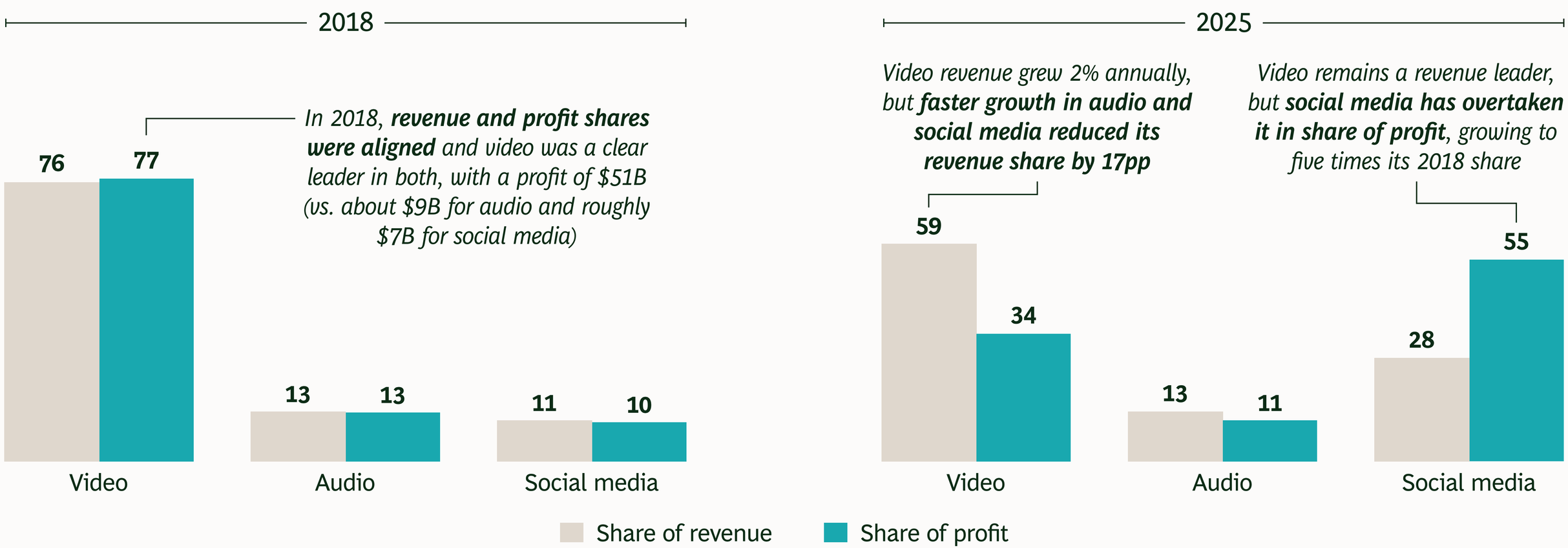


	Social media	Gaming	Video	LBE	Audio	Print
Share of growth	**40%**	**19%**	**15%**	**12%**	**9%**	**2%**
Revenue 2025	**$109B**	**$78B**	**$230B**	**$75B**	**$52B**	**$85B**

Sources: Omdia; Magna; Ampere Analysis; Statista; Grand View Research; Emarketer; company reports.
Note: LBE = location-based entertainment.
[1]Includes both subscription and advertising revenues. [2]Excludes YouTube.

Video's slower revenue growth has reduced its profit lead, falling from 77% to 34% since 2018, while social media's share has surged to 55%

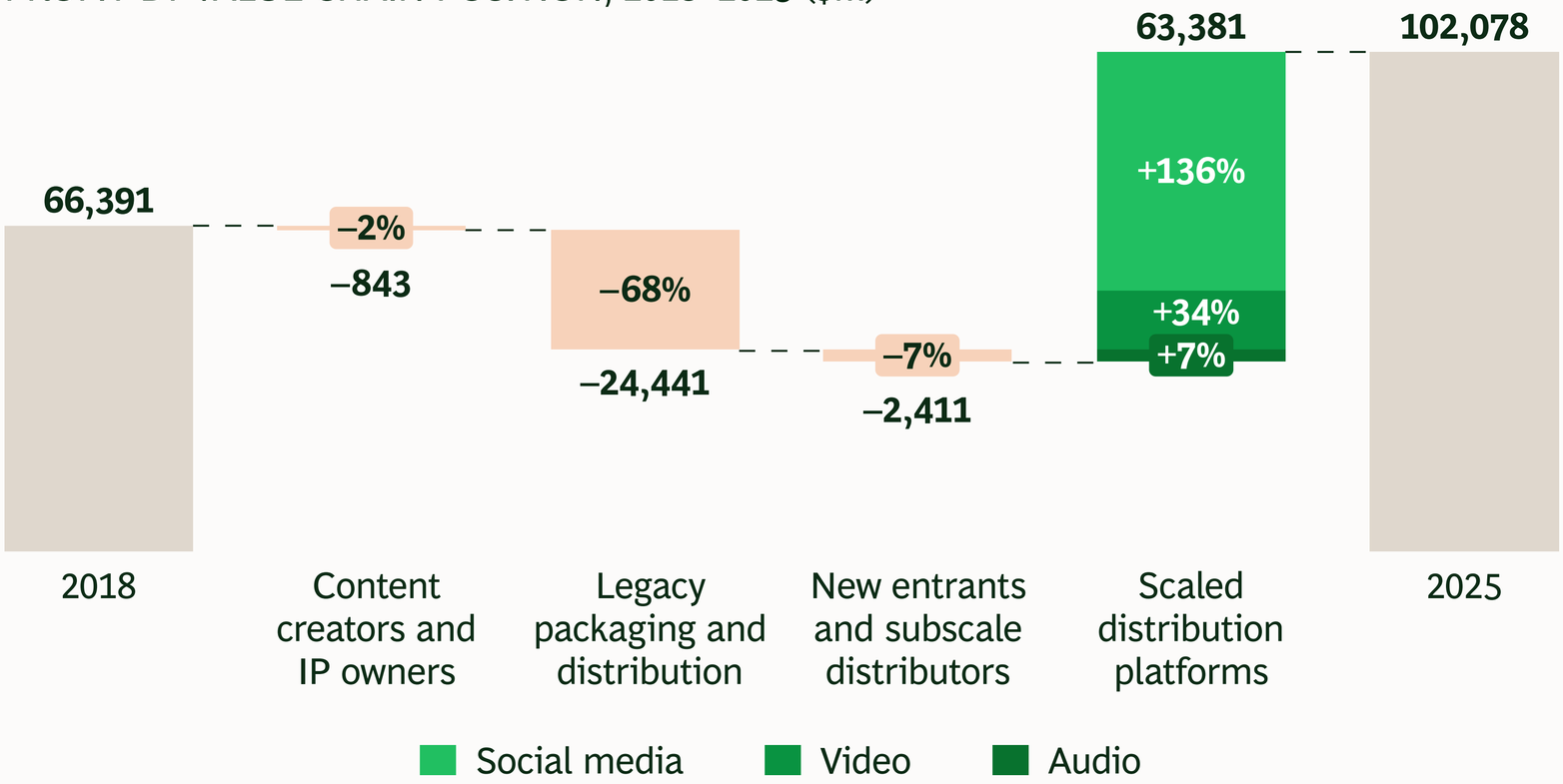
REVENUE AND PROFIT SHARES OF US VIDEO, AUDIO, AND SOCIAL MEDIA (%)



Sources: Ampere Analysis; SNL Kagan; Emarketer; company SEC filings and public disclosures; MoffettNathanson; The Information; RIAA; National Music Publishers' Association; IAB; PwC; Omdia; GEMS; Audacy; BCG analysis.
Note: Profits were calculated by multiplying modality-level revenues by their corresponding EBITDA margins. Margins reflect revenue-weighted averages of margins from a representative set of companies that contribute over 50% of each modality's total revenue.

Across each modality, scaled distributors that owned the point of consumer choice captured the most value

COMBINED US VIDEO, AUDIO, AND SOCIAL MEDIA NOMINAL PROFIT BY VALUE CHAIN POSITION, 2018–2025 ($M)



Key insights

Creator profits are declining, but not uniformly

Once similar, audio production margins have since pulled away and are now roughly double those of studios' margins (21% vs. 11%)

Distribution only pays off at scale

Across modalities, scaled platform profits have grown seven times since 2018, led by social platforms such as Instagram

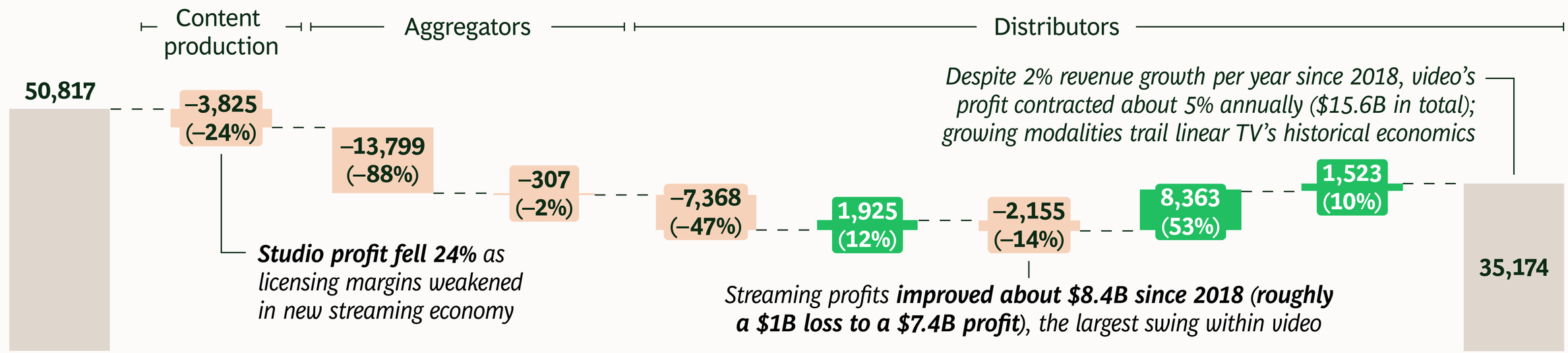
Legacy packaging and distributor profits have been cut in half

Terrestrial radio and linear TV players remain shut out of the consumer choice that now drives value

Sources: Ampere Analysis; SNL Kagan; Emarketer; company SEC filings and public disclosures; MoffettNathanson; The Information; RIAA; National Music Publishers' Association; IAB; PwC; Omdia; Audacy; BCG analysis.
Note: IP = intellectual property; vMVPD = virtual multichannel video programming distributor. Profits summed from the submodality level (EBITDA times revenue). Creators and IP owners and legacy distribution are assigned one position each (e.g., recorded music, podcasts, or studios; terrestrial radio, theater, vMVPD, or networks). Streaming is split by scale (e.g., Peacock as subscale; Spotify and Netflix as scaled); and satellite radio, social media, and YouTube fall under scaled distribution. Revenue is from third-party sources; margins are revenue-weighted averages of companies representing more than 50% of category revenue or best-available estimate where unavailable.

Video's value pool has shrunk by $15.6 billion since 2018, while studios and cable also saw falling profits

US VIDEO NOMINAL PROFIT BY MODALITY, SHARE OF TOTAL CHANGE, 2018–2025 ($M)



2018	Studios	Cable networks	Broadcast networks	Traditional MVPDs	vMVPDs	Theaters	Streaming	YouTube	2025
CAGR (%) 2018–2025	–7	–8	–1	*NM*	+93	–14	*NM*	+29	–5

Sources: Ampere Analysis; SNL Kagan; Emarketer; company 10-Ks; IMDb; MoffettNathanson; The Information.
Note: MVPD = multichannel video programming distributor; vMVPD = virtual multichannel video programming distributor; NM = not meaningful. Revenues are third-party estimates representing the sum of estimated revenues across all relevant players in each vertical. EBITDA margins reflect revenue-weighted averages of select companies within each vertical, weighted by each company's share of revenue among the selected companies: theaters (AMC Theatres and Cinemark); traditional MVPD (Xfinity and Spectrum); vMVPD (YouTube TV, Hulu + Live TV, Sling TV, Directv, and FuboTV); streaming (Netflix, Hulu, Disney+, HBO Max, Paramount+, Peacock TV, Apple TV, and Roku); social media (YouTube); cable networks (Disney, Comcast, Warner Bros. Discovery, Paramount, and Fox Networks); broadcast networks (Comcast, Paramount, Disney, and Fox); studios (Disney Studios, Universal Pictures, Warner Bros., Paramount Pictures, 20th Century Studios). Production software not included. Cash flow or operating margin used as a proxy for EBITDA margin where EBITDA is not directly reported or margin estimated where not disclosed.

AI is expected to continue to collapse production barriers and reduce costs, fueling a surge in new content supply

AI adoption is already mainstream, cutting costs and production barriers

~50%

Currently using AI
Content producers already leveraging AI in production

~30%

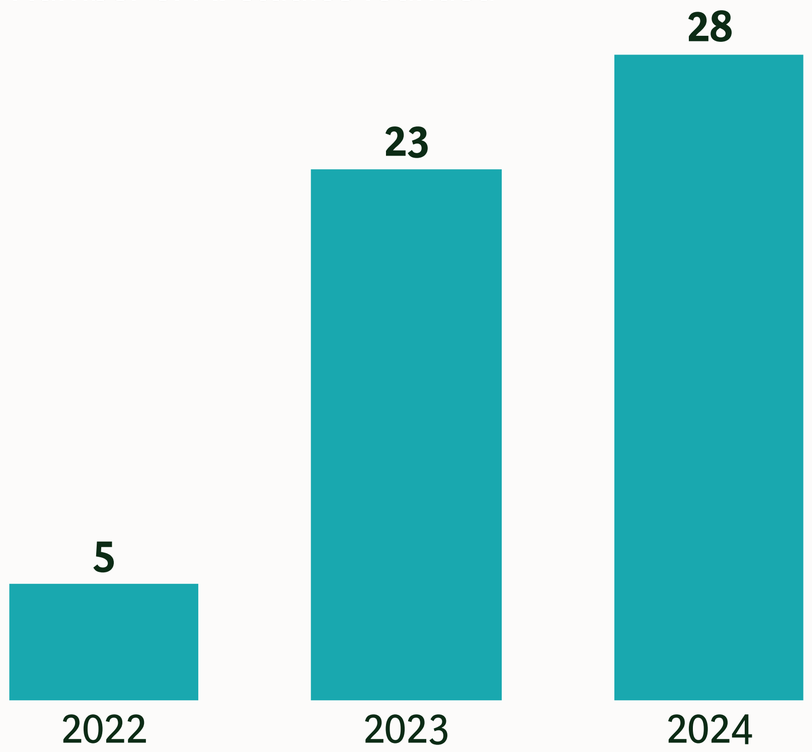
Planning to adopt
Additional producers planning to use AI going forward, pushing total adoption toward 80% or more

~10%

Current cost savings
Reduction in overall content production costs from AI, a figure likely to rise as adoption grows

Content supply is expanding as new AI-native studios multiply

Number of AI studios founded

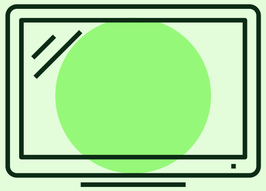


Notable players

- Asteria
- Secret Level
- Invisible Universe
- Promise Advanced Imagination

Sources: 2025 BCG Content Creator Survey (n = 100); BCG analysis.

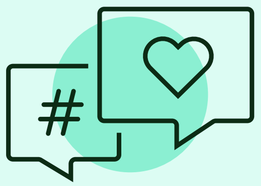
Media convergence is expected to deepen, as social media becomes TV and streaming platforms expand into other modalities



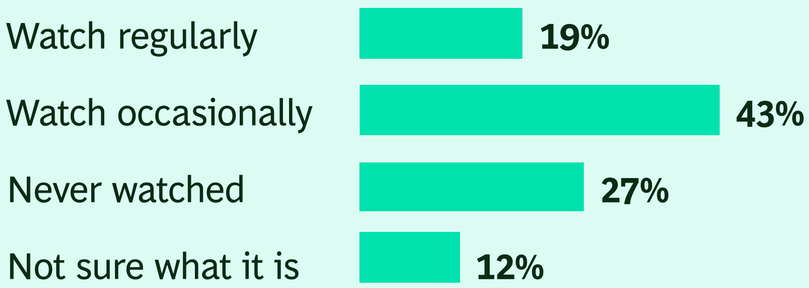
Streaming picks up social media and gaming's playbook[1]

- **Live TV:** WWE Raw Paul–Tyson fight and NFL Christmas Day games, all streaming exclusively on Netflix
- **Gaming:** Netflix Games and cloud gaming built into TV apps
- **Physical:** Netflix House in Philadelphia, Dallas (late 2025), and Las Vegas (2027)
- **Distribution:** NBCUniversal and YouTube announced partnership to bring Peacock to YouTube Premium subscribers

One shared arena for attention



Social media picks up TV's playbook



62%

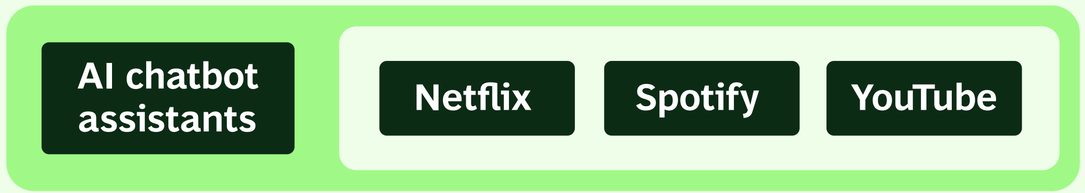
Respondents who use social media sites say they watch short serialized content occasionally on YouTube, Instagram, and TikTok

Serialized, TV-style storytelling is now mainstream on social media

Sources: Netflix; Hollywood Reporter; TechCrunch; Variety; Deadline; NBCUniversal; YouTube; CNBC; BCG Media Survey 2026.
Note: Netflix House Las Vegas is planned for 2027.
[1]Based on BCG's Media Survey 2026 (n = 543 asked; 61.7% watch microdramas and short serialized content occasionally or regularly), (n = 335 who watch; multiselect, platforms don't sum to 100%).

The next media battleground is the decision layer, with two scenarios determining who controls it

1 Decision-making moves above platforms



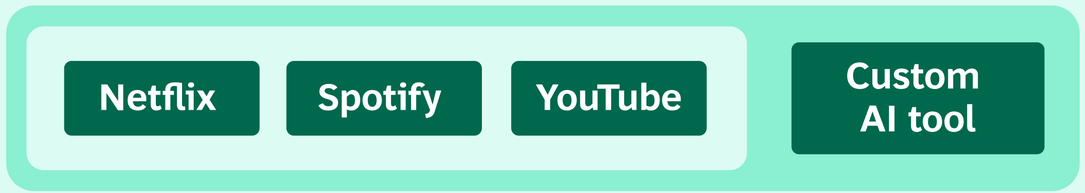
A general AI assistant becomes the entry point for discovery and curation, routing people to media apps only when needed to fetch or play content

Expected impact

- Media apps become distributors only, the back-end “pipes” supplying content and data to the AI layer
- The AI platform builds the direct relationship with consumers and is optimized for the user, which poses risk to media brands

Risk: Media companies lose ownership of how attention is allocated and, ultimately, the customer relationship

2 Platforms maintain decision-making power



Media platforms build AI-powered discovery directly into their own product, so the app remains where people start, with AI running underneath

Expected impact

- Trusted media brands keep the relationship, the data, and the interface
- Only holds if the app’s own AI is good enough to compete with general-purpose assistants

Risk: Falling behind if a horizontal AI layer becomes the default habit first (currently 23% of consumers use horizontal AI for entertainment recommendations)

Expected to be the most likely scenario

Sources: BCG’s Media Survey 2026; BCG analysis.