



# INVESTMENT IN TAIWANESE CONTENT IS GROWING

A summary of research findings from *the Economic Impact of Video On-demand Services in Taiwan 2021*

## Taiwanese love quality content offered by streaming services

**~9M**

Taiwanese **subscribed** to VOD services in 2020

**56%**

of internet users in Taiwan **use VOD at least once a week**, spending **55% of their time viewing local content**

**38%**

**revenue growth** for Taiwan's broadcasting and online video sector between 2014 and 2019, **following the entry of VOD providers including Netflix, myVideo, CatchPlay, LINE TV and AppleTV+.**

Since 2014, the **revenue of VOD services has risen to:**

**\$569M**

(TWD 17.6bn)

## Taiwanese are finding the local content that they want on their VOD services

**46%**

consider it **important** that their VOD or TV content services **provide local content**

**54%**

are **satisfied** with the **amount of local content** on the VOD or TV services they use

**42%**

think that their VOD services provide either **a good level, or the best level of content that is made specifically for people in Taiwan**

## VOD services stimulate a boom in creative output

**\$45B**

= global collective investment into content spending and creation (TWD 1.4 trn) (excluding sports) from Disney, NBCU, WarnerMedia and ViacomCBS across their distribution channels in 2019 — which they will partly monetise on their VOD services (Disney+, Peacock, HBO Max/HBO GO and Paramount+ respectively)

## VOD services are investing heavily in Taiwanese content

### NETFLIX

**Netflix Original** series *Nowhere Man*, *Triad Princess* and *The Ghost Bride* launched in 2019. *Detention*, *Tigertail*, *Us and Them* were produced and released exclusively by Netflix in 2020. Netflix also licensed and promoted Taiwanese film, *A Sun*, which was nominated for an Academy Award.

### CATCHPLAY

Catchplay's production arm, **Screenworks Asia** (co-investment with TAICCA) aims to increase the quantity and quality of Taiwanese film and TV content produced for international consumption and make Taiwan a powerhouse for Asian original content.



**Expected to launch** in Taiwan in 2021, possibly bringing in another source of content investment for Taiwan.

### WARNERMEDIA

Investment in HBO Asia Original productions since 2012.

**26 HBO Asia Originals** have been produced and aired to date in various Southeast Asian markets, with more slated to premiere in the coming years.

**Clement Schwebig**, the company's managing director of India, Southeast Asia and South Korea said "Our past Taiwanese original productions, from *The Teenage Psychic* to *The World Between Us*, have not only scored **critical acclaim internationally**, but also won the hearts of fans across the region and beyond."

VOD makes a significant contribution to supporting jobs and driving economic output in the screen production sector

**\$2.2B**

(TWD 69 bn)

= **direct contribution** by the film and television industry to the Taiwanese economy in 2016

**Total economic contribution in 2016**

(including indirect effects) increases to

**\$5.8B**

(TWD 178 bn)

**31,430**

**direct full time equivalent jobs supported** in 2016

**104,200**

**jobs supported** in 2016, both **directly and indirectly** through supply chains

### VOD services share Taiwanese content with global audiences

- VOD services are **introducing new audiences** to Taiwanese content
- By meeting this demand, VOD services are **supporting local producers and artists**
- By sharing Taiwanese content on their services, VOD companies are **increasing global interest in Taiwan culture and stories**



### NETFLIX

#### *The Victims' Game*

One of Netflix's first Chinese language original series to be made and produced in Taiwan.

On renewal for the second season, producers Hank Tseng and Phil Tang said "From script to screen we are proud to have created *The Victims' Game* as an **entirely original IP from Taiwan**. This renewal with Netflix is a milestone for the local entertainment industry to set foot on the global stage. It is time to unleash the limitless potential of original stories from Taiwan."

### VOD investment spurs skills, innovation and infrastructure & produces broader benefits for Taiwan

- Investment by VOD providers in training and skills **ripples through the AV industry** as highly skilled workers shift jobs and collaborate with others
- Recent MPA APAC, Netflix and TAICCA (Taiwan Creative Content Agency) collaboration to run a film workshop and pitching session, aiming to **develop talent** in Taiwan's film industry
- Netflix also ran a writer's workshop programme with TAICCA, to support original Taiwanese film development. By collaborating with Netflix, TAICCA hopes to develop skills in the sector, and also help to **expand Taiwanese original content into international markets**
- Investments in infrastructure, such as studio space or post-production facilities, **increase the capacity and capabilities of the industry as a whole**

**20%** of global travellers have **visited a destination because they saw it on a TV Show or movie**, as suggested by a TripAdvisor survey

### PRO-INVESTMENT POLICIES CAN HELP VOD TO CONTRIBUTE TO TAIWAN'S FLOURISHING AUDIOVISUAL SECTOR:

- Policies that underpin a **virtuous cycle of investment** and return greatly benefit the economy
- Policies that shield companies from competition will **deter investment** and have been found to **lower audio visual exports**