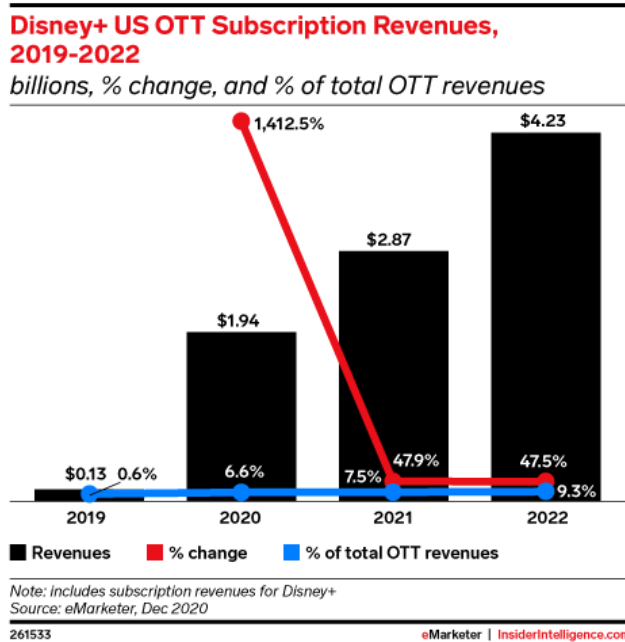


Disney+ US revenues will surpass \$4 billion by 2022

ARTICLE | DECEMBER 15, 2020

Insider Intelligence Editors

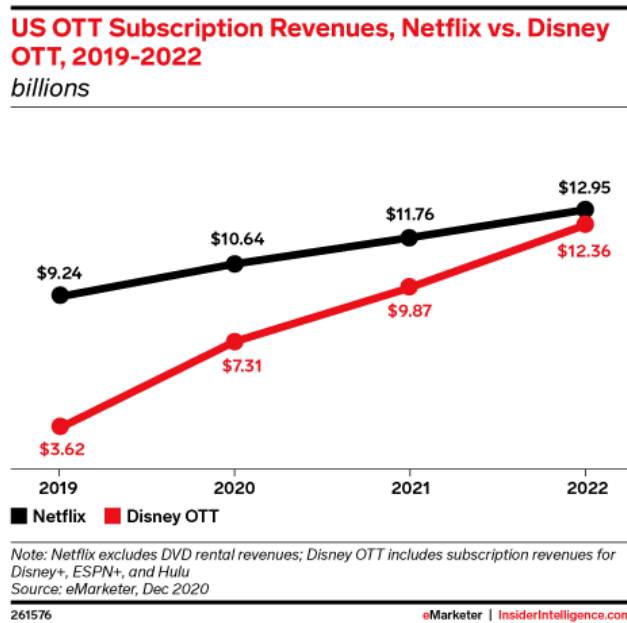
Following a strong launch in November 2019, Disney+ is on track to surpass \$4 billion in US subscription revenues by 2022. In its first full year, Disney+ has grown rapidly, spurred by in-demand content and stay-at-home orders. In fact, the service will help The Walt Disney Co. reach Netflix’s share of the market by 2022, according to the inaugural eMarketer OTT subscription revenue forecast by Insider Intelligence.



Disney+ subscription revenues will reach \$1.94 billion by the end of this year. With a recently announced \$1 price increase next year, it will add another billion in revenues in each of the next two years. That figure will jump to \$4.23 billion by 2022.

As of this year, Disney+ represents 26.5% of Disney's subscription OTT revenues, with Hulu accounting for 67.6% and ESPN+ making up 5.8%.

Disney+, combined with Hulu—which Disney acquired in 2019—will cement Disney as the No. 2 streaming player in subscription revenues this year. By 2022, its revenues will be nearly equal—\$12.95 billion for Netflix and \$12.36 billion for Disney. Each platform's share of the market will also be nearly equal, as seen in the chart below:



“Hit shows like The Mandalorian, Disney’s vast library, key distribution deals, and a massive marketing push drove strong initial growth in subscribers,” said Eric Haggstrom, eMarketer forecasting analyst at Insider Intelligence. “It’s expected to continue to grow off that base as it ramps up content releases and brings some movies straight to the service, instead of a theatrical release in some cases.”

Meanwhile, the entire subscription US OTT pie continues to expand rapidly. Total revenues for the sector will jump 29.9% next year to \$38.15 billion and climb another 19.4% in 2022.

“The subscription streaming landscape continues to expand,” Haggstrom said. “The good news for dominant player Netflix is that while new services like Disney+ have had successful launches, many consumers have been simply stacking services together.”