

# BETTING ON THE FUTURE FOR THE DIGITAL & MEDIA INDUSTRY.

**An analysis of the investment and acquisition  
portfolio of 25 leading companies.**



Annual Conference of the European Media Management Association (emma)  
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Leeuwarden, The Netherlands

**Magdalena Ciepluch and Uwe Eisenbeis, Hochschule der Medien, Stuttgart**



# The Idea: Introduction



- Research project "Technology Adoption Strategies in the Digital and Media Industry" with focus on technology investments and acquisitions
  - Ciepluch, M. / Eisenbeis, U. / Kühnle, B.A. (2020): Welche Sektoren? Welche Technologien? Welche Regionen? Eine deskriptive Analyse der Technikadaptionen von jungen Medienunternehmen. In: Wellbrock, C. / Zabel, C. (Hrsg.): Innovation der Medienproduktion und -distribution. Proceedings der Jahrestagung der Fachgruppe Medienökonomie der DGPK 2019 in Köln. Stuttgart: Deutsche Gesellschaft für Publizistik- und Kommunikationswissenschaften e.V. S.120-136. <https://doi.org/10.21241/ssoar.68104>
  - Ciepluch, M. / Eisenbeis, U. (2022): Technologieadoptionsstrategien von Medienunternehmen. Schnelligkeit, Zeitpunkt und Planungshorizonte von Investitionen und Akquisitionen in Augmented und Virtual Reality-Technologien. In: HMD Praxis der Wirtschaftsinformatik (59). S. 389-410. <https://doi.org/10.1365/s40702-021-00813-0>
  - Ciepluch, M. / Eisenbeis, U (2022): The Relevance of Emerging Technologies for Media Conglomerates. A Question of the Planning Horizon of Technology Investment Activities. In: International Journal on Media Management 24(3), 164-196. <https://doi.org/10.1080/14241277.2022.2130325>
  - Eisenbeis, U. / Ciepluch, M. (2023): Technology acquisitions as the new power. An approach on how GAFAM have managed to win the war for innovation, the war for patents, the war for talents, and the war for data. In: European Realities - Power. Conference Proceedings of the 5th International Scientific Conference 2022 in Osijek, Croatia. S. 122-144. <http://www.uaos.unios.hr/wp-content/uploads/2023/10/Zbornik-Moc-ENG-za-WEB.pdf>
- Underlying idea: Acquisitions and equity investments always (should) contribute to future-oriented strategies and goals and are a way of anticipating future developments in the industry and identifying upcoming trends
  - Identifying future trends within the digital and media industry based on the investment activities (equity investments and acquisitions) of 25 leading companies from the digital and media industry
  - Identifying highly relevant technologies and growth sectors for the future of the digital and media industry



# The Data: Crunchbase



25

## listed and leading digital and media companies

Activision Blizzard, Alibaba, Alphabet (Google), Amazon, Apple, Baidu, Comcast Corporations, Electronic Arts, Kuaishou Technology, Meta, Microsoft, Netflix, Nintendo, Pinterest, Samsung Electronics, Snap, Sony Corporations, Spotify, Tencent, The Walt Disney Company, Ubisoft Entertainment, Universal Music Group, Warner Bros. Discovery, Warner Music Group, Xiaomi

39

## technologies (based on the Gartner Hype Cycle of Emerging Technologies)

3D Technology, Artificial Intelligence, Augmented Reality, Big Data, Biometrics, Biotechnology, Bitcoin, Blockchain, Cloud Computing, Cryptocurrency, Drones, Gamification, Image Recognition, Internet of Things, Location Based Services, Machine Learning, mHealth, Mobile Payments, Natural Language Processing, NFC, Predictive Analytics, Prediction Markets, Private Cloud, QR Codes, Quantified Self, RFID, Software-as-a-Service, Semantic Web, Speech Recognition, Text Analytics, Unified Communications, Video Conferencing, Virtual Assistant, Virtual Currency, Virtual Reality, Virtual World, Voice over IP, Wearables, Wireless

45

## sectors (industries based on Crunchbase)

Administrative Services, Advertising, Agriculture and Farming, Apps, Clothing and Apparel, Commerce and Shopping, Community and Lifestyle, Consumer Electronics, Consumer Goods, Content and Publishing, Data and Analytics, Design, Education, Energy, Events, Financial Services, Food and Beverage, Gaming, Government and Military, Hardware, Health Care, Information Technology, Internet Services, Lending and Investments, Manufacturing, Media and Entertainment, Messaging and Telecommunications, Mobile, Music and Audio, Natural Resources, Navigation and Mapping, Other, Payments, Platforms, Privacy and Security, Professional Services, Real Estate, Sales and Marketing, Science and Engineering, Software, Sports, Sustainability, Transportation, Travel and Tourism, Video

12

## years (equity investments and acquisitions from 2010 to 2022)

# The Data: Crunchbase

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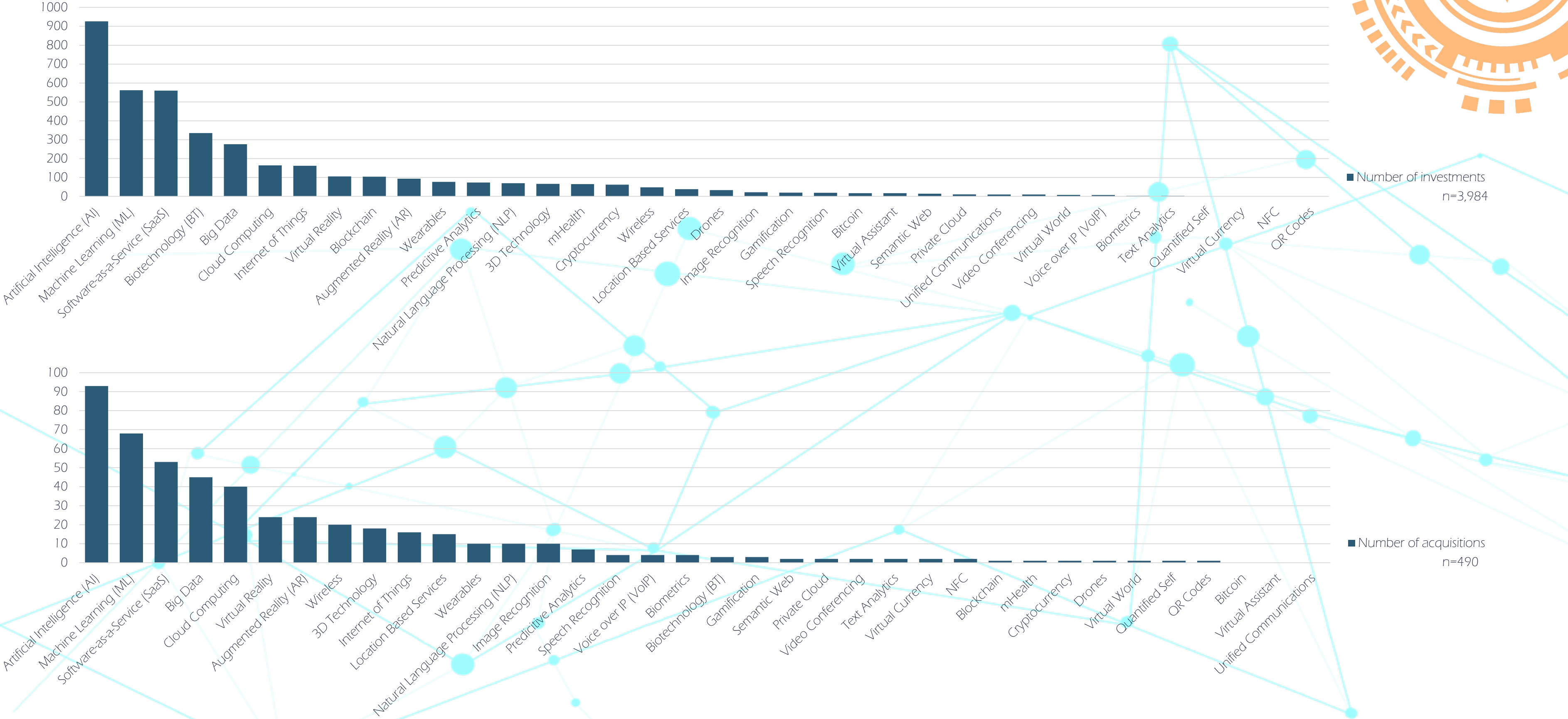
12

## years (equity investments and acquisitions from 2010 to 2021)

**7,169 equity investments**  
**1,062 acquisitions**

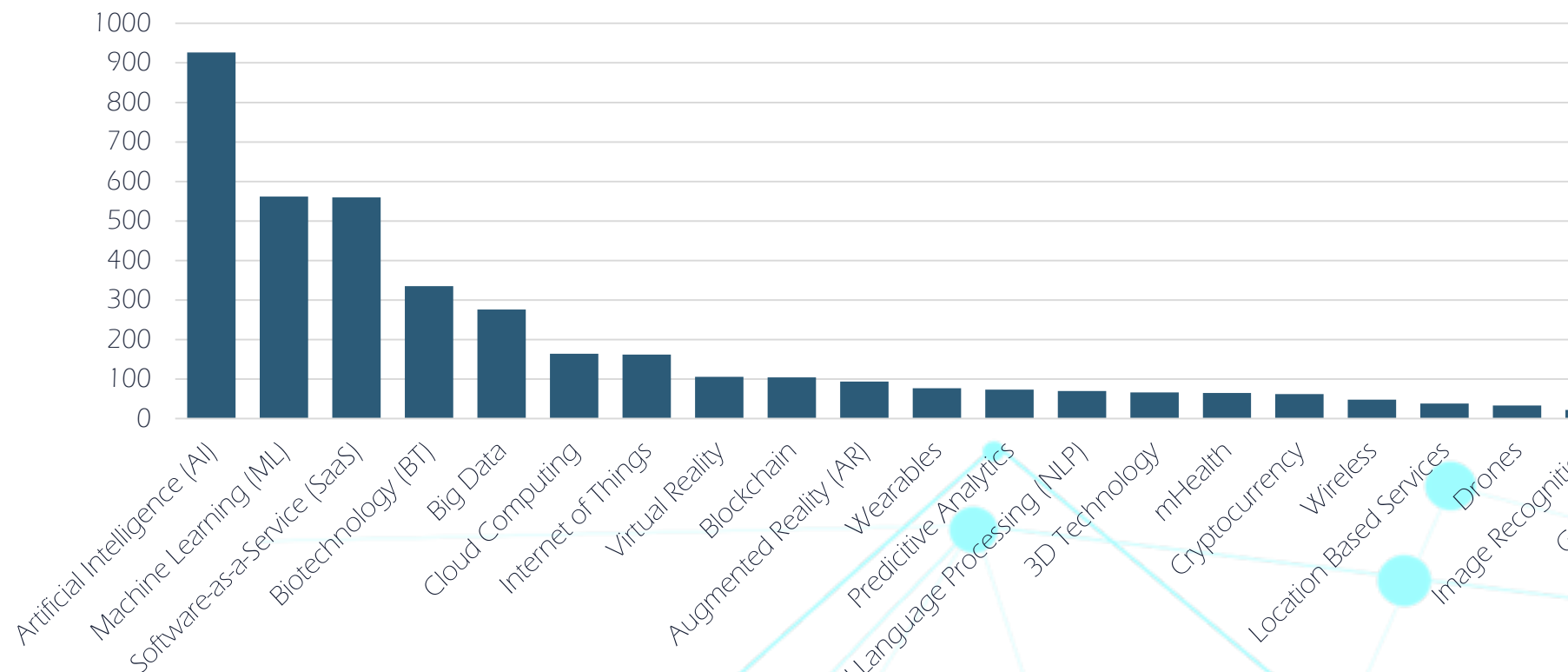


# Highly relevant technologies for the future

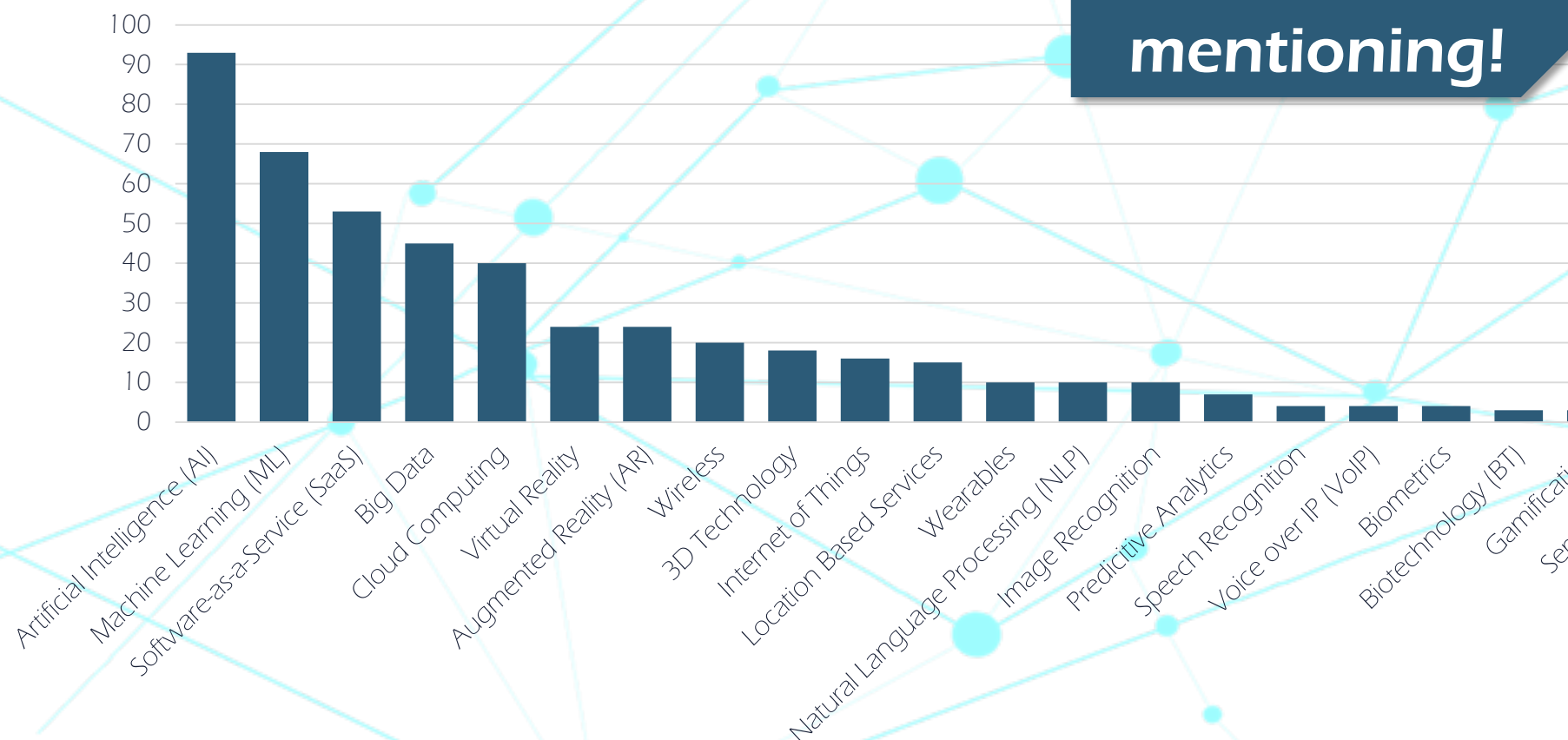


\* No equity investments or acquisitions in Mobile Payments, Predictive Markets, and RFID.

# Highly relevant technologies for the future



worth mentioning!



same same but different!

→ Every 5<sup>th</sup> equity investment or acquisition is an activity in Artificial Intelligence and/or Machine Learning

→ Three emerging technologies that are most frequently linked to equity investments

- Artificial Intelligence 23%
- Machine Learning 14%
- Software-as-a-Service 14%

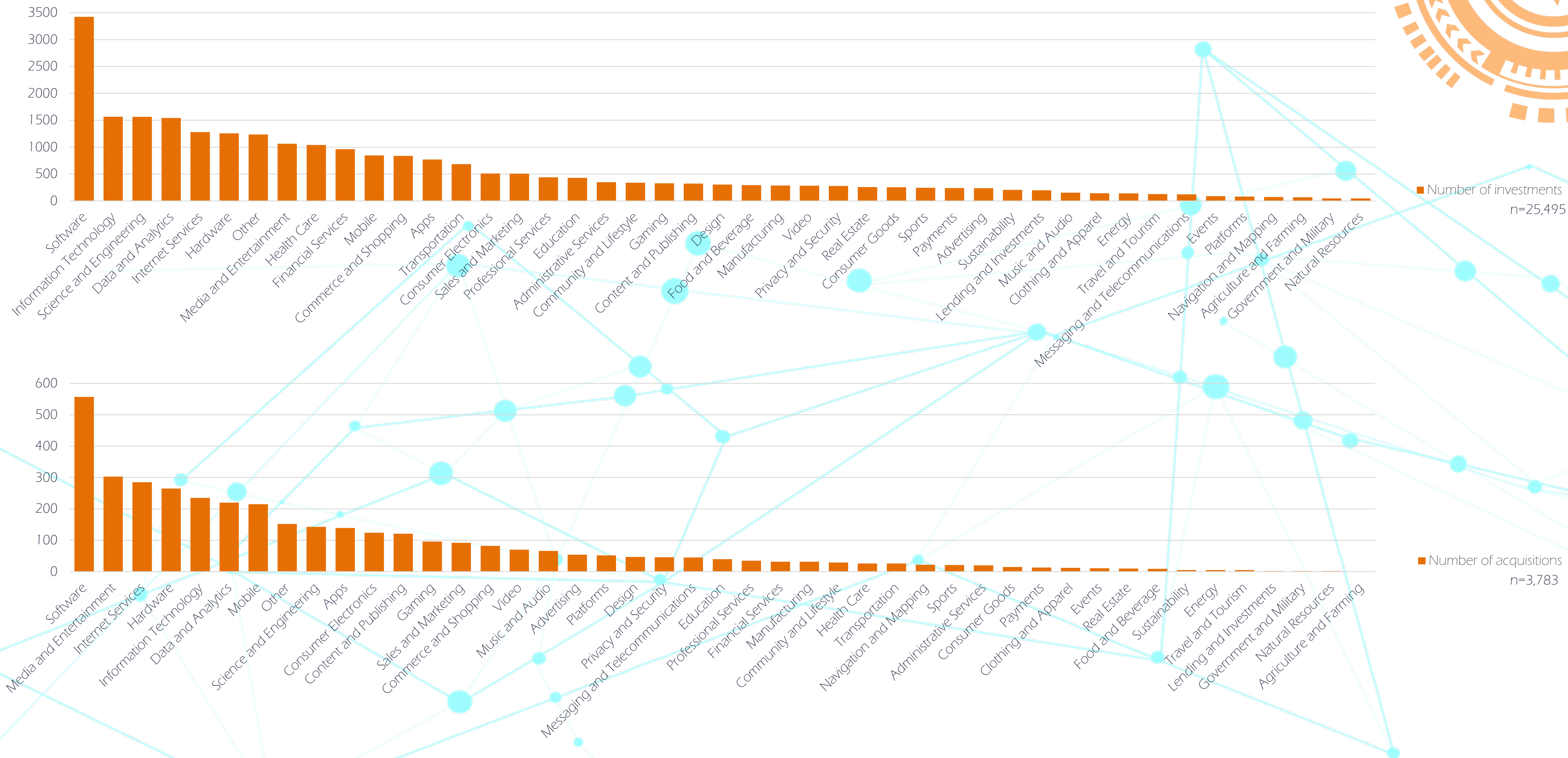
→ Biotechnology ranks #4 (8%) among equity investments

→ Three emerging technologies that are most frequently linked to acquisitions

- Artificial Intelligence 19%
- Machine Learning 14%
- Software-as-a-Service 11%

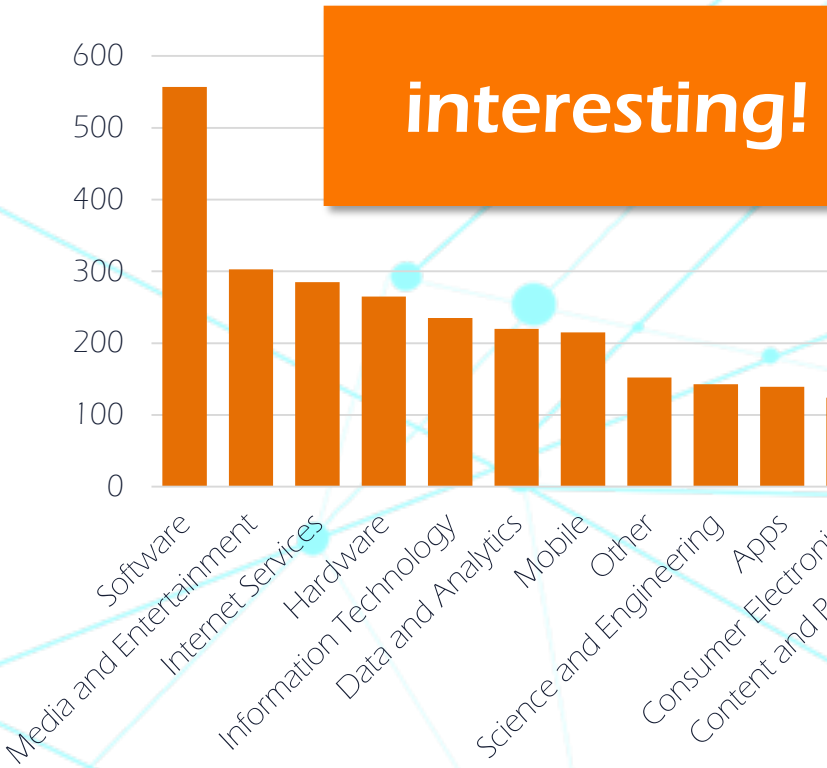
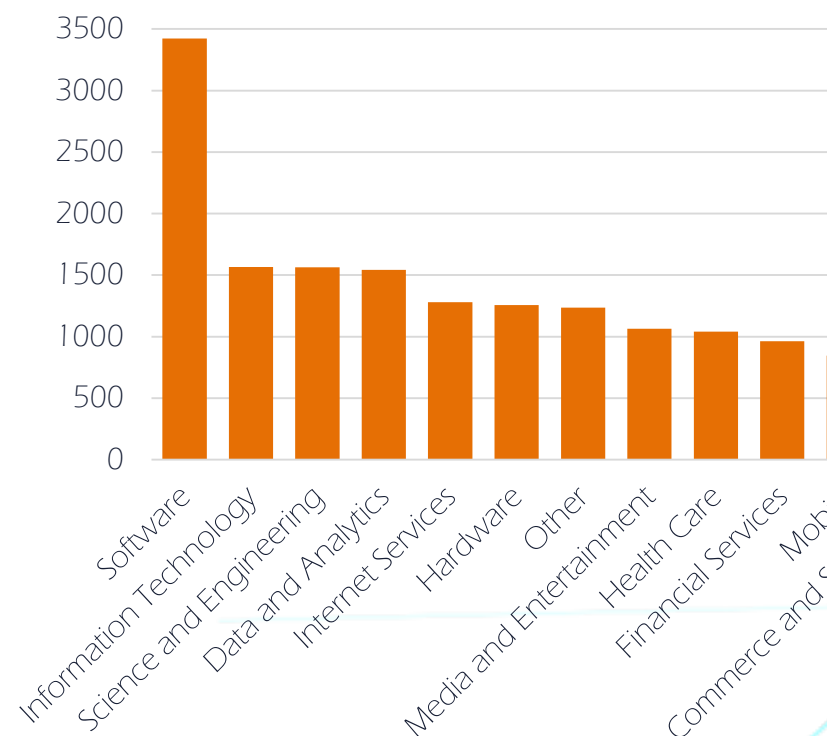
→ Until 2015, Software-as-a-Service was the emerging technology of highest interest by the digital and media companies

# Future growth sectors





# Future growth sectors



→ Software as the top sector for both equity investments and acquisitions  
 → equity investments 13%  
 → acquisitions 15%

→ Top 10 sectors linked to all equity investments

1. Software 13%
2. Information Technology 6%
3. Science and Engineering 6%
4. Data and Analytics 6%
5. Internet Services 5%
6. Hardware 5%
7. Other 5%
8. Media and Entertainment 4%
9. Health Care 4%
10. Financial Services 4%

**interesting!**

→ Top 10 sectors linked to all acquisitions

1. Software 15%
2. Media and Entertainment 8%
3. Internet Services 8%
4. Hardware 7%
5. Information Technology 6%
6. Data and Analytics 6%
7. Mobile 6%
8. Other 4%
9. Science and Engineering 4%
10. Apps 4%

**encouraging!**

→ Until 2016, Media and Entertainment as one of the top3-sectors for equity investments and acquisitions

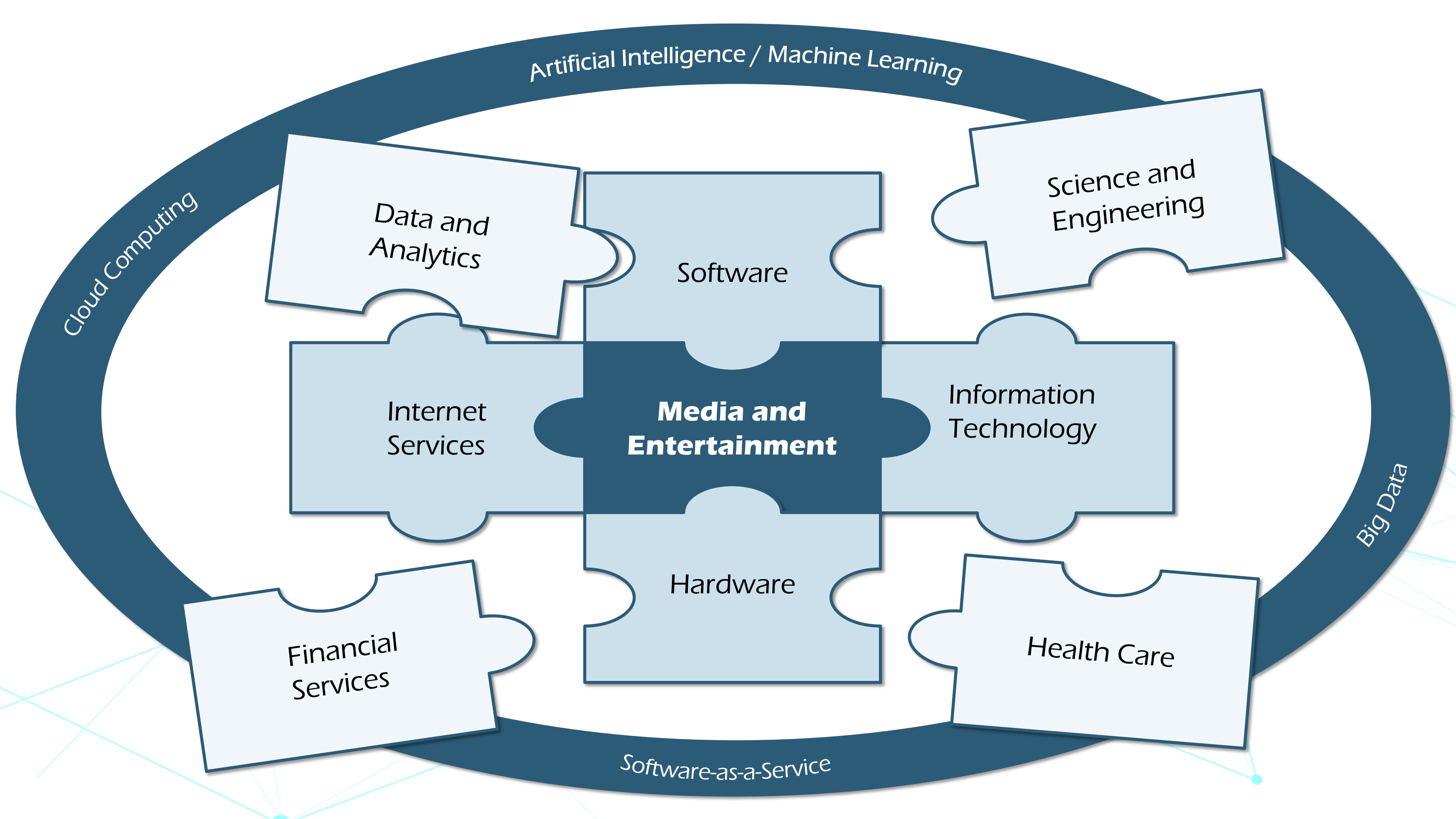




# Summary of results



- Artificial Intelligence, Machine Learning and Software-as-a-Service are overall the most important technologies for digital and media companies
  - Both in their own portfolio (products, services) and in terms of equity investments, this is where digital and media companies are looking to the future
  - BUT: Biotechnology seems to be a technology, digital and media companies are more and more interested in
- Software and Information Technology are the sectors of highest interest for digital and media companies
  - These are sectors related to the digital and media industry
  - However, unrelated sectors such as Science and Engineering, Health Care, and Financial Services are also of interest, especially for equity investments



Artificial Intelligence / Machine Learning

Science and  
Engineering

Data and  
Analytics

Software

Internet  
Services

**Media and  
Entertainment**

Information  
Technology

Hardware

Financial  
Services

Health Care

Big Data

Software-as-a-Service

Cloud Computing



# Thank you!

**Magdalena Ciepluch**

ciepluch@hdm-stuttgart.de

**Uwe Eisenbeis**

eisenbeis@hdm-stuttgart.de

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