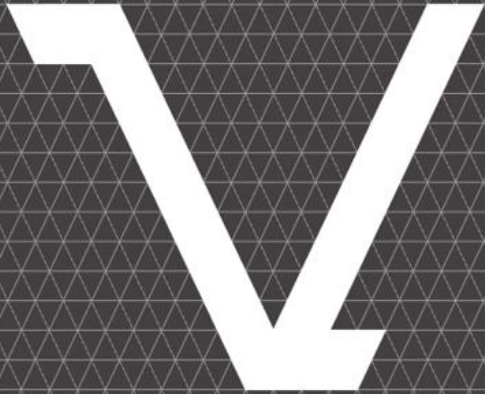


A German View



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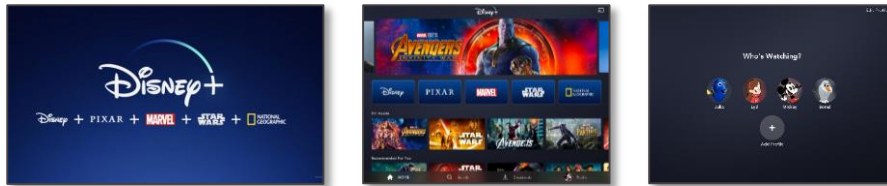
March 2020



Brief Facts about Disney+

Strategic Rationale:

- In the global trend of moving businesses towards Direct-to-Consumer (DTC) Disney launched its DTC SVoD service Disney+ in November 2019 in an initial set of territories (US, CA, AU, NZ) following its soft launch in the Netherlands already in September 2019
- Disney chose an aggressive pricing strategy with 6,99 € per month in Germany and competes with key global services like Netflix and Amazon but also local services like TVNow or Joyn. Beside pure DTC distribution, Disney might rely on distribution partnerships in Germany as already announced for the UK, France, Italy and Spain
- Disney+ has a strong content portfolio relying on its tremendous outputs from its strong brands (incl. Marvel, Star Wars, Simpsons) and dedicated originals. With its own service and its increasing data pool Disney+ will help to evolve the entire Disney Ecosystem incl. parks, merchandising, etc.



Offering Details

- Proposition:** SVoD service available on all major platforms incl. streaming clients, SmartTV, tablets/ smartphone, web; MVPD to be seen in Germany
- Pricing:** 6,99 € per month or 69,99 € per year
- Availability:** Launch in Germany March, 24th 2020

MVPD - SVoD distribution opportunity: key activities

(1) Content Availability

Make the content available on a reasonable amount of platforms managing reach vs operational challenges

- Platform technology / SDK
- APIs to integrate against
- Platform roadmaps and capacities

(2) Content Surfacing

Ensure the content will be discovered on platforms through adequate metadata and proper content surfacing strategies

- Metadata incl. visuals
- Recommendation engine input and rules

(3) Content Bundling

Leverage existing relationship especially with traditional MVPD to create valuable bundles for customers


- Platform packaging & pricing strategies and CRM/IT capabilities
- User experience for on-/off-boarding


Current status of MVPD partnerships in Germany




	MagentaTV Trad. STB	MagentaTV App OTT Stick (Android)	GigaTV Trad. STB	GigaTV Net OTT Box (Android)	Sky Q Trad. STB	Sky Ticket OTT Box (Roku)
NETFLIX	€ Dedicated content rails	Dedicated content rails			€ Dedicated content rails	
prime video	Dedicated content rails	Featured in app section ¹⁾		Featured in app section		
sky	€ Dedicated content rails		Only linear channels		Own service	Sky Ticket service
TVNOW	€ Adjusted portfolio shown in dedicated rails					
joyn						
Disney+	Rumors in the press	Disney+ available on Android TV in the US	To be seen	Disney+ available on Android TV in the US	Announced for UK and Ireland	Announced for UK and Ireland

(1/2) Availability and Surfacing

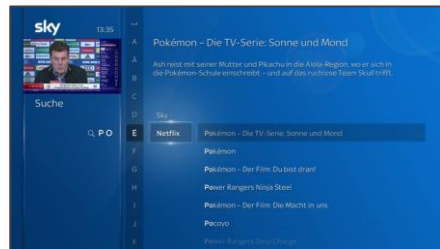
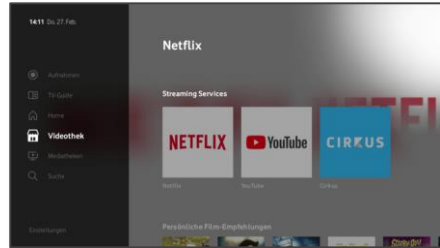
 Pre-installed apps and content surfacing

 Apps available via 3rd party app stores (e.g. Google Play)

(3) Bundling

 Commercial bundle: included in packages or discounted sell-through

Content surfacing on traditional STB in Germany



- (1) **Availability:** Major SVOD services available through app integration
 - (2) **Surfacing:** Content from SVoD services being surfaced in dedicated rails and search
 - (3) **Bundling:** Dedicated Netflix package
-
- (1) **Availability:** Key services available through app integration
 - (2) **Surfacing:** No content surfacing for key SVoD services in place yet
 - (3) **Bundling:** No dedicated bundle with key SVoD players yet
-
- (1) **Availability:** Focused integration of key services
 - (2) **Surfacing:** Netflix content is being surfaced on rails and in search
 - (3) **Bundling:** Dedicated Netflix package

Summary & Outlook

Summary:

- With the headwind from its US launch, promising buzz through marketing and previews (e.t. The Mandalorian on P7S1 linear channel) Disney+ will most likely see a positive start in the German market. The proposition with its attractive pricing and clear, recognizable content portfolio will ease the first steps.
- To ensure a substantial and sustainable growth beyond the launch buzz it is inevitable that SVoD services will partner with MVPDs as Disney already announced for the UK (Sky Q), France (Canal+), Italy (TIMVision) and Spain (Movistar). It remains to be seen who this partner will be in Germany and how especially the content surfacing and bundling will look like.

Outlook:

- The market will see further SVoD launches from major studios and niche providers leading to an increased fragmentation on the service side while on the platform/OS side a mid-term consolidation is likely.
- Consumers embrace choice and variety, but typically struggle to make ongoing product and content decisions and therefore content surfacing and bundling strategies are required to provide guidance and secure future growth potential.
- Aggregators - both traditional MVPD platforms and the tech juggernauts - play a crucial role providing means for consumers to swiftly steer through the content and DTC proposition jungle.
- SVoD services - especially those who are new to the game - will need to ramp up its operational capabilities to improve the content surfacing through metadata, data analytics and continuously review strategic options in terms of partnering and bundling.

Book your analyst session in our Video Showroom and get firsthand insights on Disney+ and content surfacing



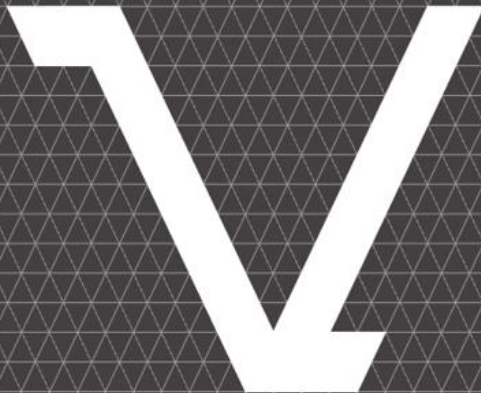
NYC
Summer 2020



MUC
All year



L.A.
Fall 2020



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