Executive summary

Swiss Entertainment & Media Outlook 2024–2028

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Introduction

Switzerland's entertainment and media (E&M) industry saw steady but slow growth in 2023, with a 1.7% year-on-year increase in revenue to CHF 21.4 billion. This was driven in part by the continued rebound of certain segments from COVID-related restrictions, particularly those such as live music and trade shows requiring in-person interaction – a story similar to that behind the 5.6% year-on-year growth achieved in 2021 and the 3.2% growth seen in 2022. Another factor driving growth has been changes in consumer behaviour in areas such as streaming. Overall, growth is however slowing down. The current slowdown in growth has been caused by inflation and the more difficult cost of living situation faced by consumers. A survey conducted by Deloitte in January 2024 reveals that rising inflation over the previous two years has made life more difficult for two-thirds of the population. These factors mean that the conditions for the E&M sector will remain challenging over the next few years of the forecast period, with a CAGR of 1.1% expected to bring total revenue to CHF 22.6 billion by 2028.

This report goes into more detail about the outlook for the E&M market in Switzerland up to 2028. We summarise the most important findings in each segment, then take a deeper dive into consumer and advertising spending, and explore the current use cases and future opportunities for harnessing generative AI in the E&M market.

Entertainment and media by segment

Fig. 1: Total E&M revenue set to reach nearly CHF 23 billion by 2028
Switzerland, entertainment and media spending by segment, 2019–2028 (CHF m)

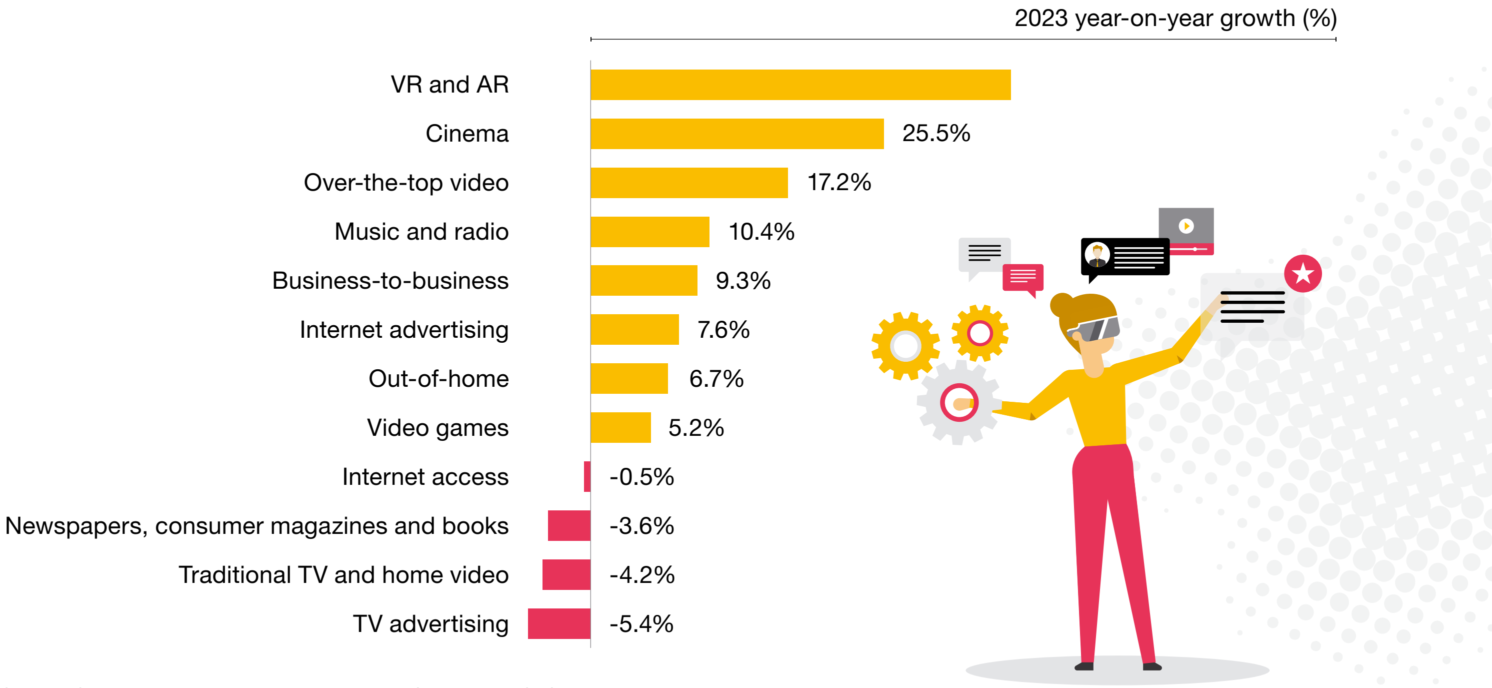
Total E&M (CHF millions)											
Switzerland	**Historical data**					**Forecast data**					**CAGR %**
Category	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2023–28**
Business-to-business	1,005	839	900	1,022	1,117	1,146	1,167	1,181	1,192	1,199	1.4%
Year-on-year (%)		-16.6%	7.4%	13.5%	9.3%	2.6%	1.8%	1.2%	0.9%	0.6%	
Cinema	227	76	99	162	204	210	235	249	258	264	5.3%
Year-on-year (%)		-66.4%	30.5%	63.5%	25.5%	3.3%	11.8%	5.9%	3.4%	2.6%	
Internet access	8,928	8,618	8,567	8,673	8,631	8,628	8,647	8,675	8,702	8,728	0.2%
Year-on-year (%)		-3.5%	-0.6%	1.2%	-0.5%	0.0%	0.2%	0.3%	0.3%	0.3%	
Internet advertising	1,937	2,047	2,627	2,846	3,063	3,270	3,478	3,667	3,843	3,997	5.5%
Year-on-year (%)		5.7%	28.3%	8.3%	7.6%	6.8%	6.4%	5.4%	4.8%	4.0%	
Music and radio	1,265	872	1,030	1,217	1,343	1,375	1,397	1,413	1,426	1,435	1.3%
Year-on-year (%)		-31.1%	18.1%	18.2%	10.4%	2.4%	1.6%	1.1%	0.9%	0.6%	
Newspapers, consumer magazines and books	2,387	2,072	2,109	2,016	1,943	1,883	1,825	1,775	1,725	1,681	-2.9%
Year-on-year (%)		-13.2%	1.8%	-4.4%	-3.6%	-3.1%	-3.1%	-2.7%	-2.8%	-2.6%	
OTT video	386	489	578	634	743	810	850	888	921	950	5.0%
Year-on-year (%)		26.7%	18.2%	9.7%	17.2%	9.1%	4.9%	4.4%	3.8%	3.1%	
Out-of-home	484	373	382	447	477	492	496	498	499	499	0.9%
Year-on-year (%)		-22.9%	2.4%	17.0%	6.7%	3.2%	0.8%	0.4%	0.2%	0.0%	
Traditional TV and home video	3,035	3,035	3,111	3,008	2,883	2,958	2,966	2,974	2,787	2,795	-0.6%
Year-on-year (%)		0.0%	2.5%	-3.3%	-4.2%	2.6%	0.2%	0.3%	-6.3%	0.3%	
TV advertising	722	635	697	684	647	640	591	582	534	524	-4.1%
Year-on-year (%)		-12.0%	9.8%	-1.9%	-5.4%	-1.1%	-7.7%	-1.5%	-8.2%	-1.9%	
Video games	1,000	1,180	1,319	1,379	1,451	1,508	1,601	1,661	1,711	1,769	4.0%
Year-on-year (%)		18.0%	11.8%	4.5%	5.2%	3.9%	6.1%	3.8%	3.0%	3.4%	
VR and AR	22	34	48	118	161	186	221	251	275	298	13.1%
Year-on-year (%)		54.5%	41.2%	145.8%	36.4%	15.5%	18.8%	13.6%	9.6%	8.4%	
Total	**20,491**	**19,307**	**20,395**	**21,042**	**21,406**	**21,792**	**22,079**	**22,344**	**22,346**	**22,559**	**1.1%**
Year-on-year (%)		**-5.8%**	**5.6%**	**3.2%**	**1.7%**	**1.8%**	**1.3%**	**1.2%**	**0.0%**	**1.0%**	

Total excludes double counting
Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

VR and AR was the fastest-growing E&M segment during 2023 and one of four segments to experience double-digit year-on-year growth alongside cinema, OTT video, and music and radio. Growth in cinema as well as music and radio is unsurprising given the strength of the rebound seen by both industries post-COVID-19. Growth in VR and AR was primarily driven by AR, with the explosion in popularity of platforms including TikTok and Snapchat and the boost they've provided to both advertising and consumer revenue, especially in the form of tips or gifts that can be given by users of the platforms. Both platforms have made extensive use of AR filters that users can apply to videos and pictures of themselves that they can then share with friends. OTT video also displayed strong growth thanks to the increasing popularity of newer services such as Paramount+.

The fall in revenues in specific segments is driven in part by the decline of print media, with revenues in the newspaper, consumer magazine and book segment falling 3.6% between 2022 and 2023 owing to sharp drops in print newspapers and magazines. Traditional TV and home video saw the second fastest decline, with revenues down 4.2% for 2023, thanks to a decline in pay TV subscription and home video revenues – although the former metric is expected to rebound in the coming years and grow at a 1.6% CAGR over the forecast period. TV advertising saw the fastest decline in 2023, driven by a 6.0% year-on-year drop in broadcast TV revenues, reflecting the continuing shift of viewing habits away from broadcast TV in favour of OTT platforms and on-demand content.

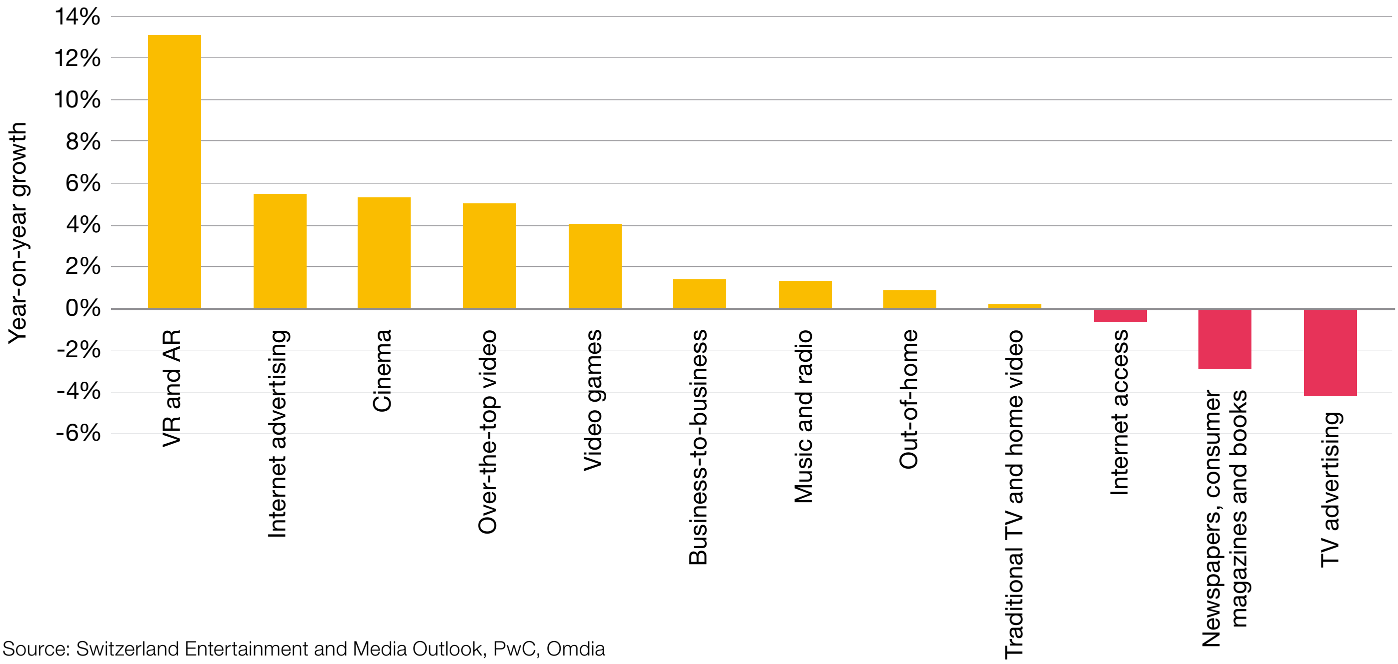
Fig. 2: VR and AR experienced the strongest growth
Switzerland, year-on-year growth for E&M segments, (%), 2022–2023



Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Consistent with 2023's year-on-year increases, the VR and AR segment is expected to see the most growth over the forecast period with a CAGR of 13.1%, as apps including TikTok and Snapchat continue to grow in popularity. However, some of this growth can be attributed to the low starting base for the segment's revenues. Internet advertising will be the second-fastest-growing segment at 5.5%, with Google naturally expected to perform strongly in paid search revenues. The Swiss cinema market is also expected to see solid growth of 5.3%, with box office revenues expected to exceed pre-pandemic levels in 2024. OTT video will also see solid growth of 5.0%, with strong performances anticipated from Paramount+, Disney+ and DAZN thanks to the addition of more on-demand content to these platforms.

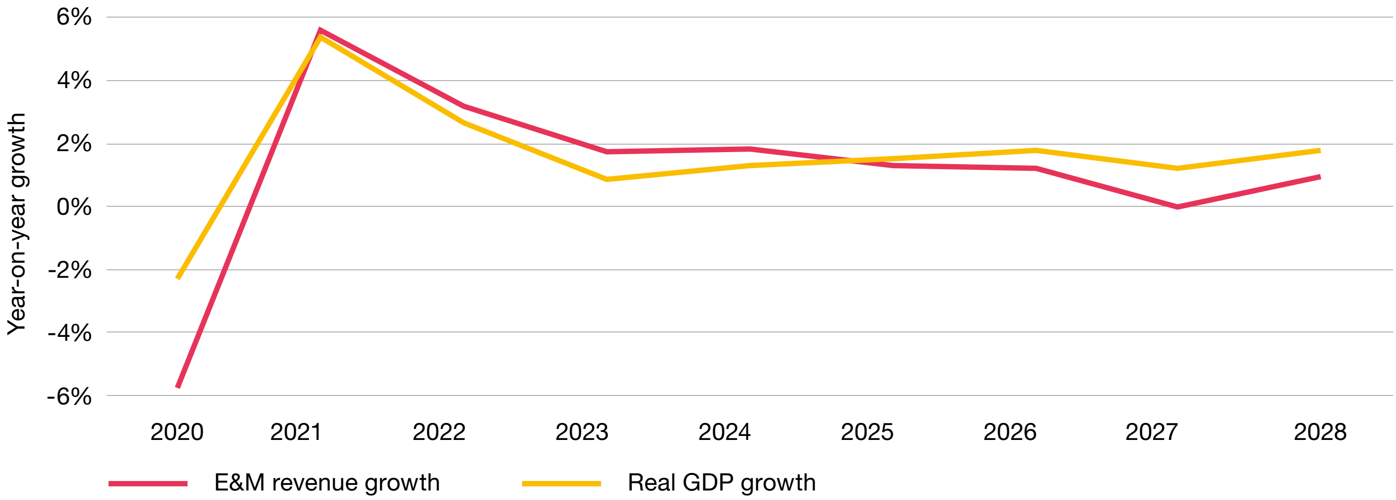
Fig. 3: VR and AR will drive growth up to 2028
Switzerland, CAGR for E&M segments, (%), 2023–2028



Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

The forecast for Switzerland up until 2028 correlates closely to the country's real GDP growth in the early years of the forecast period. There was significant disparity during COVID-19, as E&M revenues dropped substantially during 2020. While 2024 and 2025 are expected to be almost identical for Switzerland in terms of E&M revenue growth and real GDP growth, the latter will move ahead between 2026 and 2028 as the E&M sector matures and growth slows.

Fig. 4: Real GDP growth to pull away from E&M growth in later years
Switzerland, E&M revenue growth vs real GDP growth, (%), 2020–2028

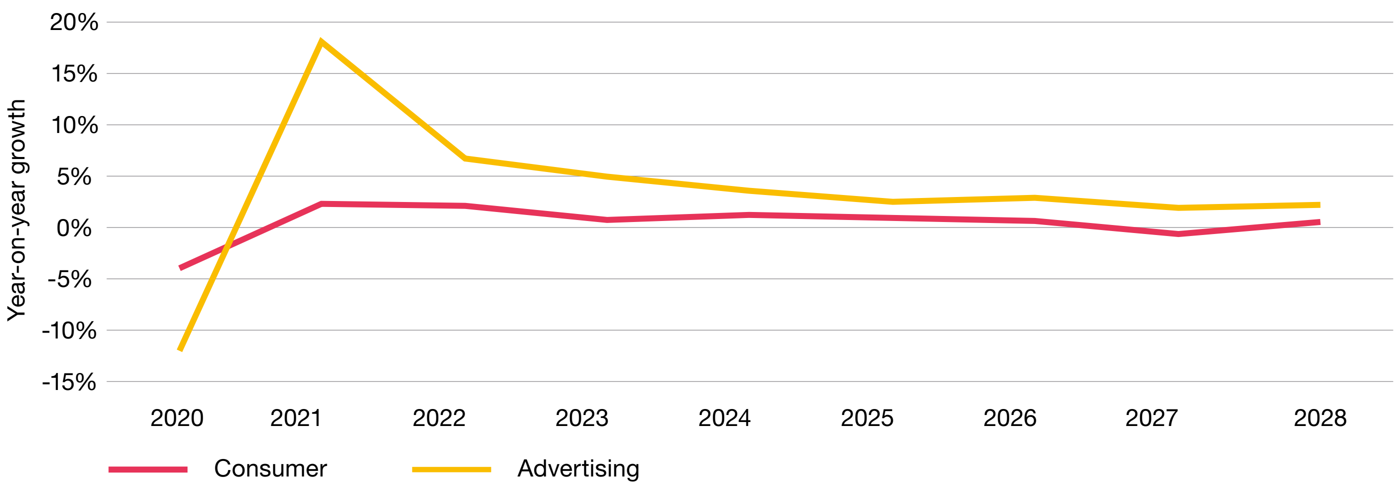


Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Overall growth in advertising spending is set to dwarf consumer spending over the forecast period, with year-on-year advertising spending growth expected to be higher than consumer spending growth every year post-2023. While both industries suffered enormously during COVID-19, advertising was hit particularly hard.

TV advertising was cut back significantly and less was spent on digital out-of-home displays as people were forced to stay at home because of lockdown protocols. However, the already large internet advertising market helped drive more rapid growth in 2021 and 2022, and this is set to continue as the advertising market stabilises.

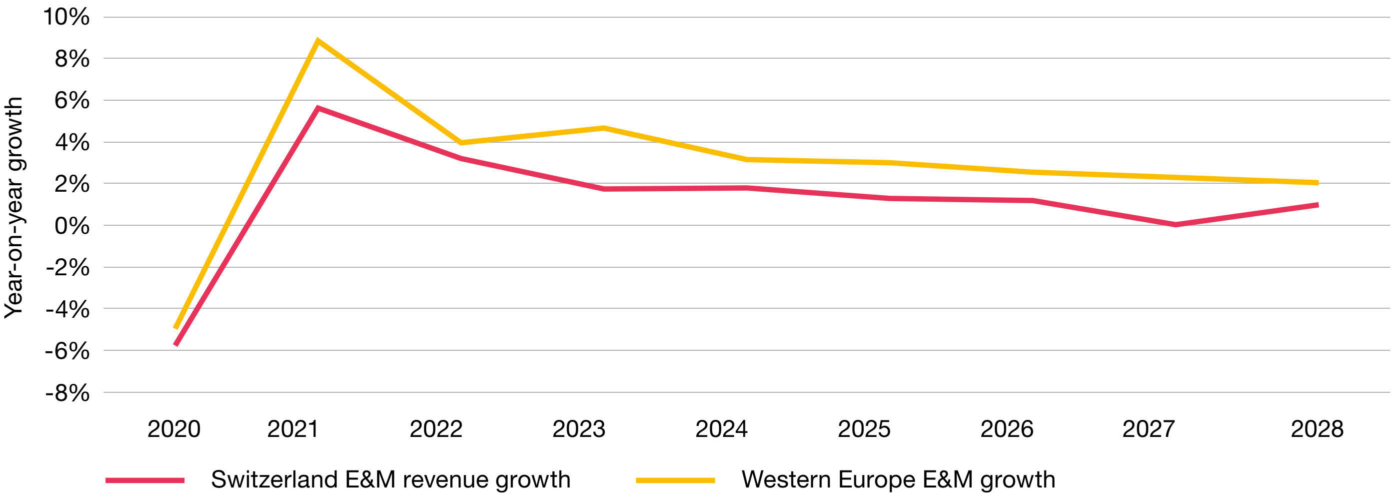
Fig. 5: Advertising growth to outpace consumer spending
Growth rates, total advertising vs total consumer, (%), 2020–2028



Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Both Switzerland and the rest of Western Europe are seeing a general slowdown in E&M revenue increases, particularly in the later years of the forecast. Switzerland is set to be the slowest-growing Western European nation up until 2028, with its 1.1% CAGR trailing Greece (1.2%). Reflecting the fact that market conditions are currently challenging for growth, the UK is the only nation in Western Europe expected to post a CAGR of over 3.0%, at 4.3%.

Fig. 6: Western Europe expected to see stronger growth up until 2028
Switzerland E&M growth vs Western Europe (%), 2020–2028



Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Consumer market

The consumer market saw a marginal 0.7% rise in revenues in 2023, and this level of growth will remain fairly consistent over the forecast period with a CAGR of 0.5%. Growth has slowed somewhat after strong post-COVID-19 rebounds in 2021 and 2022, which saw consumers return to live events in droves. The cost of living and inflation have negatively affected consumer spending in recent years, and growth will slow as consumers continue to prioritise living costs over entertainment. VR and AR is expected to see the strongest level of growth with a CAGR of 18.4%, although the revenues currently being generated by that segment are far lower than the rest. Cinema and OTT video are expected to be among the biggest winners in the consumer market over the forecast period, thanks to continuing interest in both international and domestic films at the box office, as well as a continuously strong performance from OTT platforms, which will expand their content offering and make their services increasingly flexible. Conversely, newspapers, consumer magazines and books will be among the biggest losers as print media continues its inevitable decline in favour of digital options offering greater convenience and flexibility to consumers.

While traditional TV will account for a large proportion of consumer revenues, the segment is expected to see a downturn over the forecast period with a CAGR of -0.6%, while year-on-year revenues will see a decrease of -4.2%. Major Swiss players including Swisscom and Sunrise suffered from subscriber drops in 2023, although Sunrise is combatting this issue by significantly expanding its content library through various partnerships.

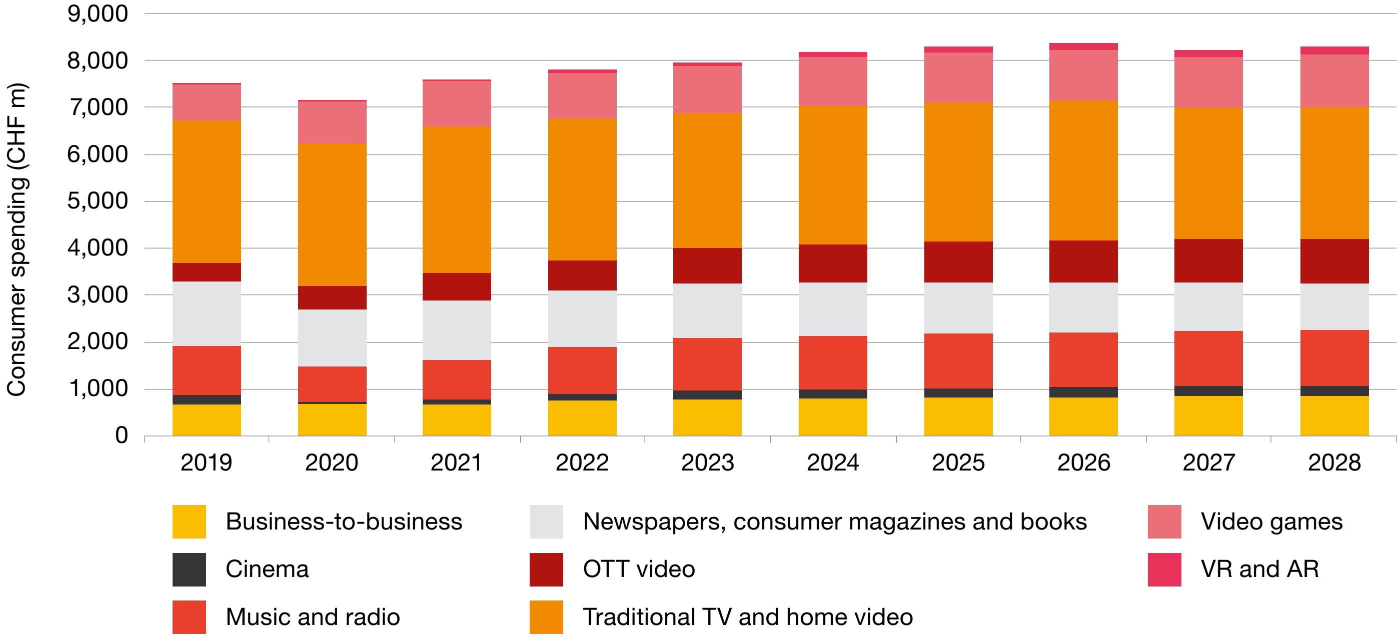
In August 2023, a political initiative was launched to cut the public licence fee which funds the Swiss Broadcasting Association (SRG SSR) from CHF 335 to CHF 200. SRG argued that the cuts would decrease the quality of coverage at sports events and affect a multitude of Swiss TV shows and films, forecasting a potential loss of 900 jobs. Despite their calls to abolish the initiative, the decision has been made to reduce the fee to CHF 312 in 2027 and then further to CHF 300 by 2029. Additionally, around 80% of VAT-registered companies will no longer need to pay the fee, given that the threshold has been raised to CHF 1.2 million in annual turnover. Nonetheless, a vote could take place in 2026 as long as the initiative is not withdrawn.

Fig. 7: Consumer spending to slow as market matures
Switzerland, end-user E&M spending, 2019–2028 (CHF m)

Total consumer market (CHF millions)											
Switzerland	**Historical data**					**Forecast data**					**CAGR %**
Category	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2023–28**
Business-to-business	695	678	688	759	791	813	828	838	845	849	1.4%
Year-on-year (%)		-2.4%	1.5%	10.3%	4.3%	2.7%	1.9%	1.2%	0.8%	0.5%	
Cinema	193	67	85	138	176	181	204	216	224	229	5.4%
Year-on-year (%)		-65.2%	26.8%	62.3%	27.1%	2.7%	12.9%	5.8%	3.7%	2.5%	
Internet access	8,928	8,618	8,567	8,673	8,632	8,628	8,648	8,675	8,702	8,728	0.2%
Year-on-year (%)		-3.5%	-0.6%	1.2%	-0.5%	0.0%	0.2%	0.3%	0.3%	0.3%	
Music and radio	1,031	733	861	1,006	1,111	1,137	1,156	1,168	1,178	1,187	1.3%
Year-on-year (%)		-28.9%	17.3%	17.0%	10.4%	2.3%	1.6%	1.0%	0.9%	0.8%	
Newspapers, consumer magazines and books	1,372	1,229	1,266	1,212	1,172	1,137	1,100	1,062	1,023	984	-3.4%
Year-on-year (%)		-10.4%	3.0%	-4.3%	-3.3%	-3.0%	-3.2%	-3.4%	-3.7%	-3.9%	
OTT video	386	489	578	634	743	811	851	888	921	950	5.1%
Year-on-year (%)		26.7%	18.2%	9.6%	17.2%	9.1%	4.9%	4.4%	3.8%	3.2%	
Traditional TV and home video	3,035	3,035	3,110	3,009	2,883	2,958	2,966	2,974	2,787	2,795	-0.6%
Year-on-year (%)		0.0%	2.5%	-3.3%	-4.2%	2.6%	0.2%	0.3%	-6.3%	0.3%	
Video games	772	903	964	980	1,009	1,031	1,070	1,080	1,092	1,119	2.1%
Year-on-year (%)		17.0%	6.8%	1.7%	2.9%	2.2%	3.7%	1.0%	1.1%	2.5%	
VR and AR	13	17	24	64	73	92	115	136	153	170	18.4%
Year-on-year (%)		33.6%	42.7%	166.8%	13.9%	26.4%	24.3%	18.1%	13.2%	10.6%	
Total consumer spending	**15,949**	**15,312**	**15,672**	**16,007**	**16,122**	**16,321**	**16,469**	**16,571**	**16,461**	**16,547**	**0.5%**
Year-on-year (%)		**-4.0%**	**2.4%**	**2.1%**	**0.7%**	**1.2%**	**0.9%**	**0.6%**	**-0.7%**	**0.5%**	

Includes internet access. Total excludes double counting.
Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Fig. 8: Traditional TV to continue dominating consumer spend despite projected downturn
Switzerland, consumer spending (excluding internet access) by segment (CHF m), 2019–2028

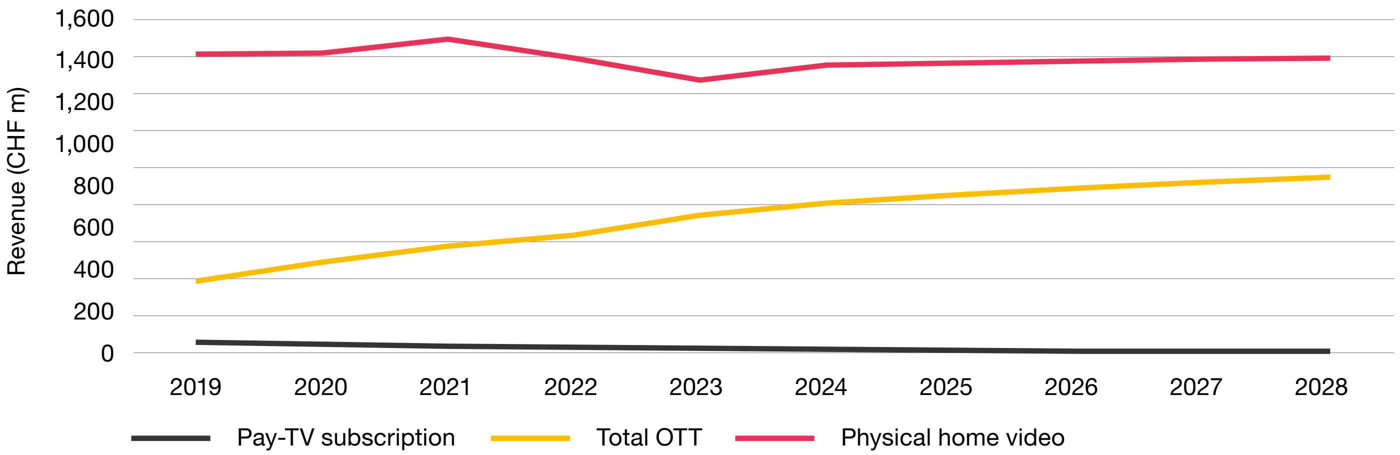


Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

In 2023, the traditional TV industry was hit by a slump in advertising, increasing pressure on an industry already struggling to stem the flow of marketing spend to online platforms. Hitherto, broadcasters in the pay TV sector had been able to subsidise the loss of TV subscribers and the foray into streaming through strong growth in broadband subscribers. But that growth has plateaued, and in some cases subscriber numbers are dropping, adding pressure to balance sheets as telecoms operators provide low-cost alternatives.

The OTT market has also been hit by its own challenges. Unbridled expenditure on creating high-end TV shows and films, which has driven hyperinflation in the production and talent industry, has been replaced with a renewed focus on return on investment and disciplined strategies for commissioning and acquiring content. The drive for profitability in new, fiscally straitened times with lower subscriber growth is also driving renewed consolidation on a national, regional and global scale as the overproliferation of OTT operators in the market is exposed to financial reality. This overall shift in strategy will likely see the OTT market stabilise and continue to prosper moving forward.

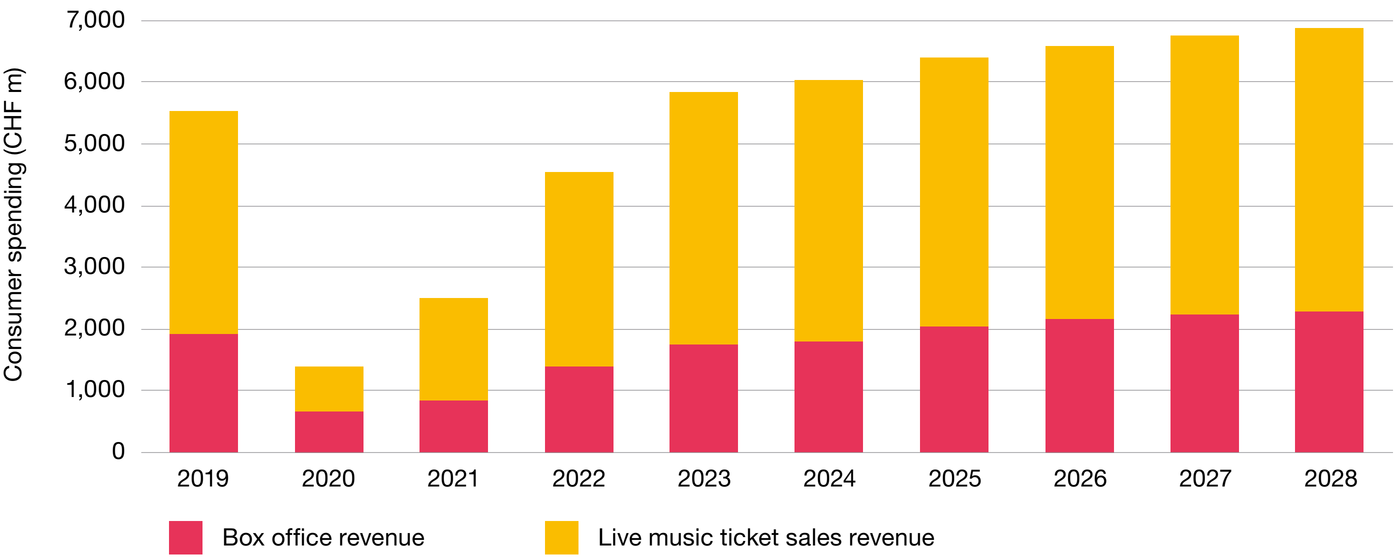
Fig. 9: OTT continues to close gap to pay TV
Switzerland, pay TV, total OTT and physical home video revenues, 2019–2028 (CHF m)



Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

The cancellation of live events owing to various lockdown restrictions during 2020 and 2021 dealt a significant blow to the E&M sector, with live music, cinema and trade shows all affected. While digital events became more of a priority during that time, the appetite for live events never waned, and this was proven true from 2022 onwards. Attendance at live events recovered strongly in Switzerland in 2023 thanks to impressive ticket sales. Switzerland's 2023 Summer Festival, held in Lucerne, saw a 12% leap in attendance from 2022. The event is considered to be the country's largest classical music festival and saw a record 84,000 attendees. It also staged a total of 19 events exclusively for schools, which saw approximately 6,300 local schoolchildren attend. Meanwhile, the Swiss box office had a strong 2023, with major Hollywood blockbusters including Avatar: The Way of Water, The Super Mario Bros. Movie, Barbie and Oppenheimer driving Switzerland's best year for box office revenues since 2019.

Fig. 10: Live events to continue solid growth following strong rebound
Switzerland, live music ticket sales and box office revenue, 2019–2028 (CHF m)

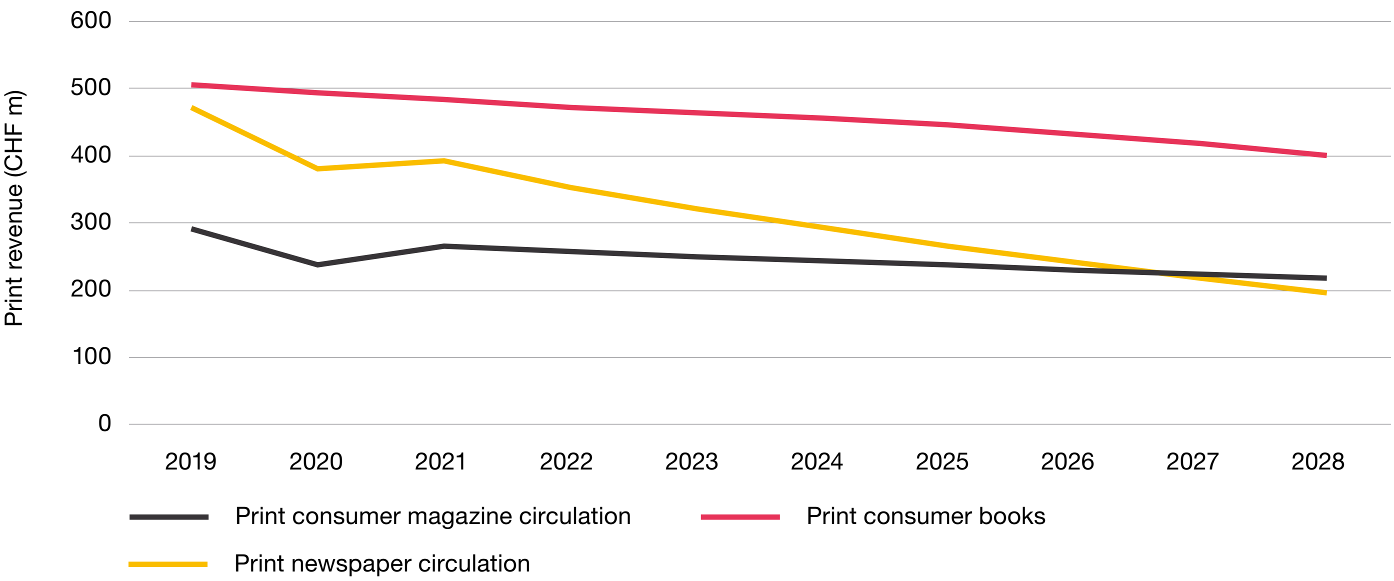


Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

For years, the newspaper market has been shifting towards digital, and newspaper publishers have to compete with alternative sources of news such as social media, news aggregators and digital-only outlets, some of which are free to use. 20 Minuten, a free daily newspaper in Switzerland, has seen success with its digital editions, amassing a readership of over 1 million. Elsewhere, social media continues to grow, particularly as younger generations, who have grown up using social media, start engaging with news provided by platforms such as TikTok and YouTube. Newspaper publishers must innovate in the face of this competition and develop their own social media content. Many have begun to invest in alternative formats such as video and podcasting in response to changing consumption patterns.

Fig. 11: Print media to continue steep decline

Switzerland, live music ticket sales and box office revenue, 2019–2028 (CHF m)



Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Advertising spending

The total advertising market in Switzerland is expected to display solid growth with 2.6% CAGR, taking overall revenues from CHF 5.3 billion in 2023 to CHF 6.0 billion in 2028. In 2023, there was year-on-year growth of 4.9% as strong rises in VR and AR, business-to-business, cinema, video games, and music and radio offset declines in TV advertising and newspapers, consumer magazines and books. Looking further ahead, the biggest winners in advertising spending will be video games and VR and AR, with a rising CAGR of 8.0% each, although the latter is increasing from a much lower base. The increase in video games will come from the ever-growing revenue stream of in-app games advertising, as free-to-play games will continue to attract new audiences and grow their existing ones.

Other winning segments in the advertising market will be internet advertising and cinema, increasing with a CAGR of 5.5% and 4.7% respectively. The increase in internet advertising will be driven by the increasing strength of Google, Meta and TikTok within Switzerland, the latter of which in particular has seen a notable increase in popularity. Cinema advertising will see solid growth, with the metric looking set to return to its pre-COVID-19 heights by 2027.

Losing segments within the advertising market will include newspapers, consumer magazines and books, whose declining print revenues will not be offset by increasing digital revenues. However, the fastest-declining advertising segment will be TV advertising. Little investment is currently being made in the sector in Switzerland, and so TV companies are focusing more on cost-cutting, as revenues have been declining since before the pandemic. While major sporting events will help mitigate some of the losses, the segment is expected to see a decline of 4.1% over the forecast period. Affected by this is Switzerland's largest public broadcaster SRG RF, which broadcasts a significant number of sporting events. Further declines in revenues are on the horizon for the company owing to the scheduled decrease in public licence fees in 2027 and 2029.

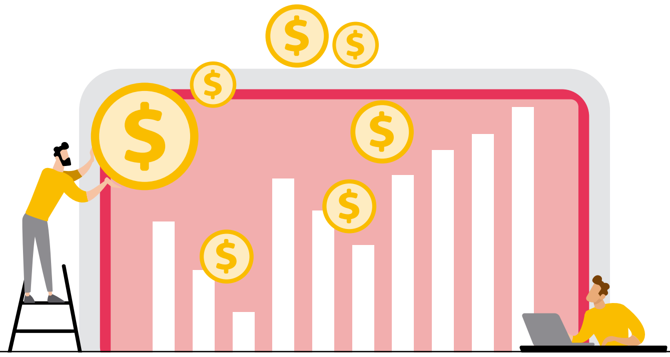
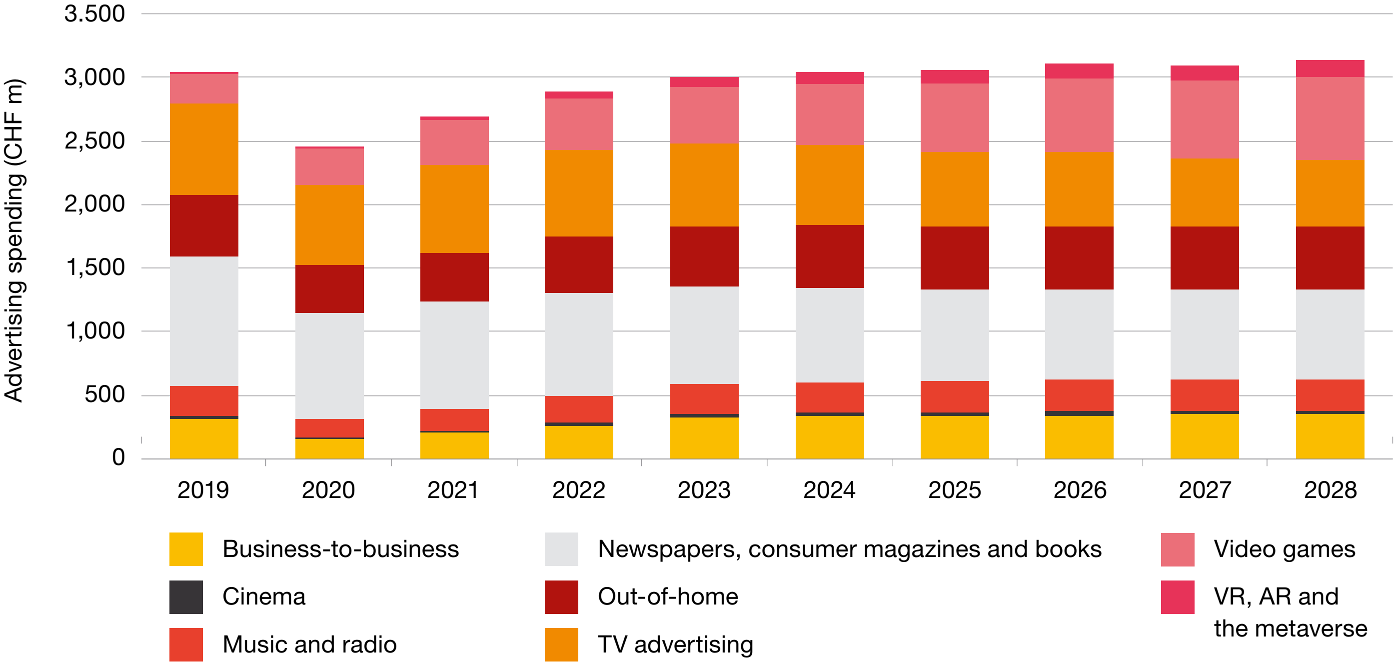


Fig. 12: Advertising growth will remain solid despite TV advertising decline
Switzerland, advertising E&M spending, 2019–2028 (CHF m)

Total advertising market (CHF millions)											
Switzerland	**Historical data**					**Forecast data**					**CAGR %**
Category	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2023–28**
Business-to-business	310	161	212	263	326	333	339	343	347	350	1.4%
Year-on-year (%)		-48.2%	32.1%	23.8%	23.9%	2.2%	1.7%	1.3%	1.1%	0.9%	
Cinema	34	9	14	24	28	30	31	33	34	35	4.7%
Year-on-year (%)		-73.5%	58.3%	70.4%	16.0%	6.9%	5.2%	4.4%	3.8%	3.4%	
Internet advertising	1,937	2,047	2,626	2,846	3,063	3,71	3,477	3,668	3,843	3,997	5.5%
Year-on-year (%)		5.7%	28.3%	8.4%	7.6%	6.8%	6.3%	5.5%	4.8%	4.0%	
Music and radio	233	141	169	209	230	237	242	245	247	248	1.5%
Year-on-year (%)		-39.7%	20.4%	23.3%	10.3%	2.8%	2.1%	1.3%	0.8%	0.5%	
Newspapers, consumer magazines and books	1,016	843	843	805	771	745	726	712	702	697	-2.0%
Year-on-year (%)		-17.0%	0.1%	-4.6%	-4.2%	-3.4%	-2.6%	-1.9%	-1.3%	-0.7%	
Out-of-home	484	373	382	447	478	492	496	498	499	499	0.9%
Year-on-year (%)		-22.9%	2.4%	17.0%	6.8%	3.1%	0.8%	0.4%	0.1%	0.0%	
TV advertising	722	635	697	684	647	640	591	582	534	524	-4.1%
Year-on-year (%)		-12.0%	9.7%	-1.9%	-5.4%	-1.1%	-7.7%	-1.4%	-8.4%	-1.8%	
Video games	228	277	353	399	442	477	531	581	620	651	8.0%
Year-on-year (%)		21.7%	27.4%	12.9%	10.8%	7.9%	11.3%	9.6%	6.6%	5.0%	
VR, AR and the metaverse	10	18	24	54	88	94	106	116	122	129	8.0%
Year-on-year (%)		69.5%	33.8%	129.1%	62.0%	7.8%	12.5%	9.5%	4.9%	5.6%	
Total advertising	**4,543**	**3,999**	**4,720**	**5,036**	**5,283**	**5,472**	**5,609**	**5,773**	**5,883**	**6,013**	**2.6%**
Year-on-year (%)		**-12.0%**	**18.0%**	**6.7%**	**4.9%**	**3.6%**	**2.5%**	**2.9%**	**1.9%**	**2.2%**	

Total excludes double counting.
Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Fig. 13: Newspapers, consumer magazines and books to continue decline
Switzerland, advertising E&M spending (without internet advertising), 2019–28 (CHF m)

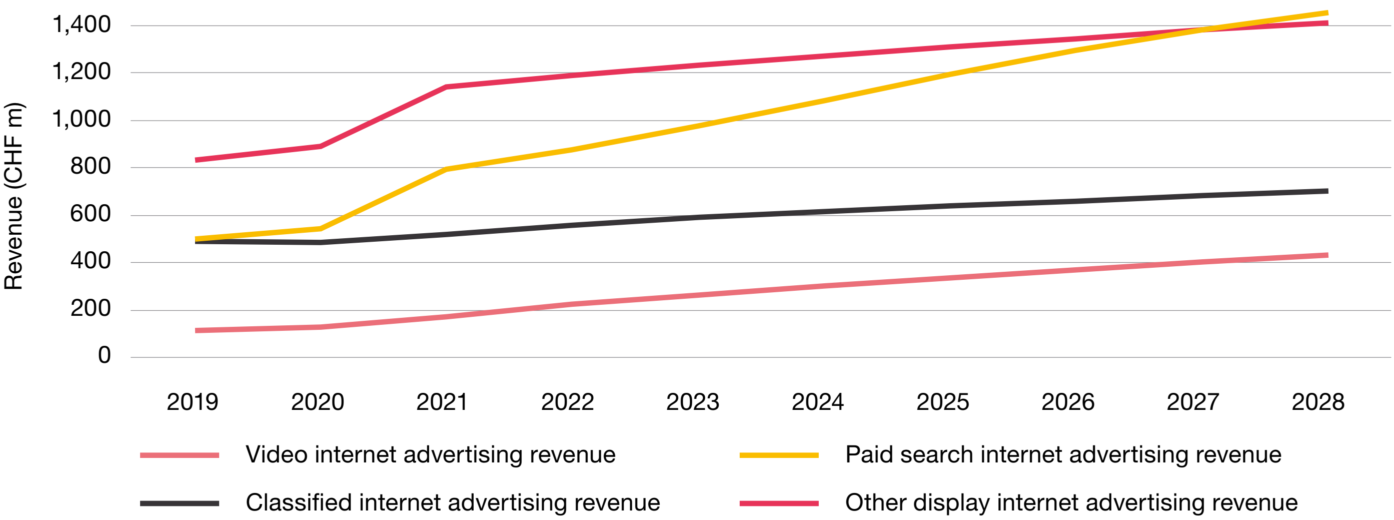


Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Growth in paid search internet advertising revenue will come despite the threat that generative AI poses not only to traditional search ad formats, but also to how consumers search the internet in general. The biggest search advertising players have, however, actively moved to integrate AI into their core search platforms and bolster the effectiveness of the ad campaigns they're able to offer.

Switzerland's internet advertising market is heavily influenced by wider EU market regulations. Going forward, the Digital Markets Act (DMA) will have a particular influence, with the regulation already forcing the big tech companies to stop combining user data across multiple platforms in a number of European markets including Switzerland. The act was introduced to create fairer and more competitive digital markets and prevent abuse of power by larger companies. While no Swiss companies fall under the DMA's definition of a 'large' company, the major tech companies will be forced to comply with the act for all operations in Switzerland.

Fig. 14: Paid search will become the most profitable revenue stream by 2027
Switzerland, internet advertising by type, 2019–2028 (CHF m)



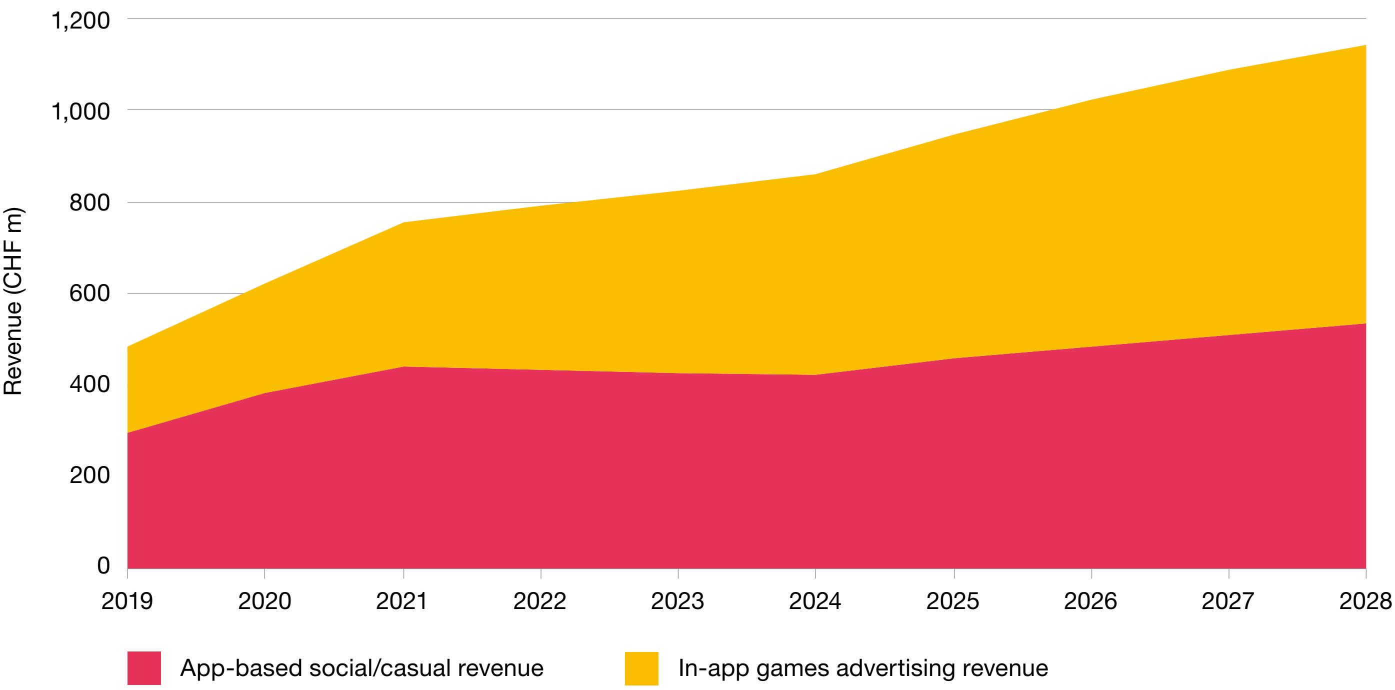
Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Currently, greater revenues are being generated from app-based social/casual revenue than from in-app games advertising, although this trend will have reversed by the end of 2024. The latter will increase at a much quicker rate after 2024, with its CAGR over the forecast period reaching 8.7% as opposed to the 4.8% that app-based social/casual revenue will achieve.

The rapid rise of in-app game advertising can be attributed to its ability to help games reach new audiences and the fact that it avoids the negative associations of standard social and casual gaming business models. Revenue from app-based social and casual gaming is generated mainly through microtransaction-based free-to-play models. While these microtransactions are notionally optional, many games that use them nudge players to pay up by artificially slowing down progress or deploying addictive feedback loops.

Such models may put off players in the longer term, either through frustration due to lack of progress or distaste at the tactics being used. As a result, in-app game advertising has two clear advantages. First, it removes the onus on the player to spend money on the game, making the game more accessible to players on lower incomes and enabling them to experience the full game without paywalls or gated progress. Second, the model is more transparent about the transactional relationship: players can play the game as much as they like and are periodically served adverts in return.

Fig. 15: In-app games advertising revenue will overtake app-based social/casual revenue in 2024
Switzerland, app-based social/casual vs in-app games advertising revenue, 2019–2028 (CHF m)



Source: Switzerland Entertainment and Media Outlook, PwC, Omdia

Future trends

A number of trends are set to affect the E&M industry in significant ways in the coming years. Chief among these is AI, with Switzerland being ranked as one of the nations that could most benefit from ongoing AI developments owing to the country's highly developed sectors. AI will have a tangible impact on a number of E&M sectors, particularly cinema, video games, VR and AR, and OOH, as well as on the advertising market in general. AI has already proven to be a point of contention within cinema and video games, as concerns exist over potential job losses due to AI, while voice actors in the video game industry have expressed concerns that their performances could potentially be reproduced by means of AI. The recent writers' strike in Hollywood also centred on AI, with concerns that writers would lose jobs as studios pivot toward AI-generated scripts. AI is likely to have a more positive effect on the OOH industry and advertising in general, as AI processes could be implemented to understand what kinds of ads are most effective with certain demographics, and advertising campaigns tailored as a result. The potential implications for AI in advertising will likely contribute to advertising growth in the coming years for Switzerland. VR and AR is also likely to benefit, as integration of these different systems allows more sophisticated mixed-reality experiences.

Regulations affecting the power of big tech companies have been a hot topic in recent years, with measures such as the EU's Digital Markets Act (DMA) aiming to break up the monopoly that major tech companies have in internet advertising. Regulators hope that the act will create a more competitive market where other companies can thrive. The EU has had a history of questioning the practices of big tech companies ever since the launch of its first antitrust investigation into Google in 2010. While big tech companies are unlikely to lose a great deal of ground in the coming years, the increased pressure being applied by the EU and other regulatory bodies will force them into operating changes that will affect Switzerland and potentially produce a more competitive market.

The move away from traditional TV services by consumers has led to significant growth in the last decade for OTT services. However, this explosion in growth has slowed, and the continuing evolution of OTT platforms will be integral to their success in the coming years. A number of platforms launching ad-supported tiers to allow more flexibility for consumers is just one sign of this, while many platforms have also begun to significantly crack down on password-sharing. Consolidation is likely to provide a stable market in the coming years as larger platforms look to expand their content offerings and smaller ones look to stay afloat and secure stable partnerships. This sustained growth in OTT will continue to drive people away from traditional TV and will keep TV advertising revenues decreasing steadily as a result.

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