# Section 3 Trends in the broadcasting and content fields

## 1. Broadcasting

### (1) Size of the broadcasting market

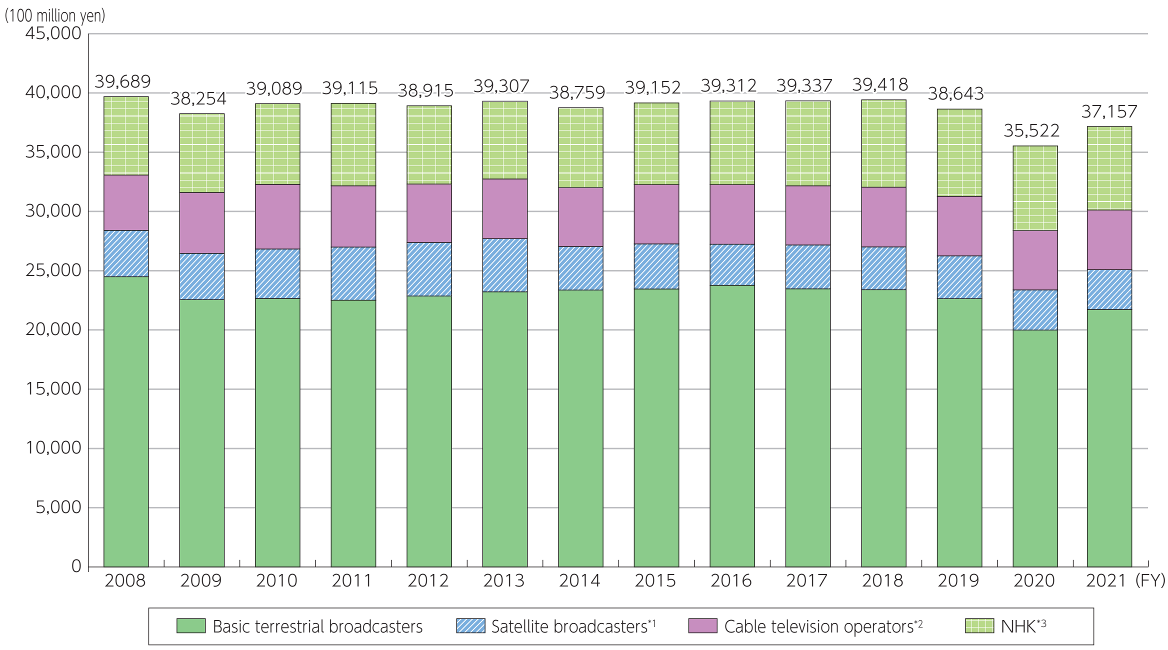
#### a Sales of broadcasters

In Japan, broadcasting is conducted through a dual system. NHK operates broadcasting based on subscription fee income and private broadcasters operate broadcasting based on advertising revenue or broadcasting fees. In addition, the Open University of Japan operates broadcasting for education.

Net sales of broadcasters as a whole, including revenues from broadcasting operations and revenues from non-broadcasting operations, increased from fiscal 2020 to 3.7157 trillion yen in fiscal 2021 (up 4.6% from the previous fiscal year).

Looking at the breakdown, total sales of private basic terrestrial television broadcasters were 2.1701 trillion yen (up 8.5% from the previous fiscal year), total sales of private satellite broadcasters were 341.8 billion yen (up 0.9% from the previous year), total sales of cable TV operators were 499.0 billion yen (down 0.3% from the previous year) and ordinary business income of NHK was 704.8 billion yen (down 1.2% decrease from the previous year) **(Figure 4-3-1-1)**.

**Figure 4-3-1-1 Changes in the size of the broadcasting industry market (total sales) and market breakdown**




*1 Calculated based on operating revenues related to the satellite broadcasting business.

*2 Up to fiscal 2010, cable TV operators were commercial corporations that conducted independent broadcasting using facilities approved under the former Cable Television Broadcasting Act (including facilities registered under the former Broadcast Act for Use of Telecommunications Services that uses a broadcasting system equivalent to the facilities), and from fiscal 2011, cable television operators are registered general broadcasters (limited to commercial corporations) that conduct independent broadcasting using cable telecommunications equipment (with both excluding operators using the IP multicast method).

*3 NHK's value is ordinary business income.

*4 Community broadcasters who are also engaged in cable television are excluded.

(Source) Prepared based on the MIC "Income and Expenditures of Private Broadcasters" and NHK "Financial Statements" for each fiscal year

In 2022, advertising expenditures of private basic terrestrial broadcasters totaled 1.7897 trillion yen, with 1.6768 trillion yen pertaining to television broadcasting and 112.9 billion yen pertaining to radio broadcasting.[1]

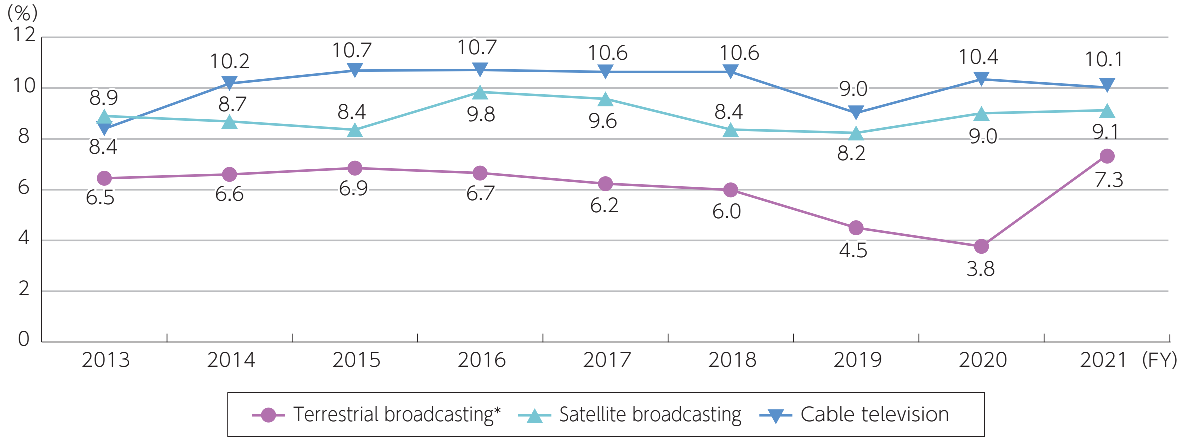
**Figure (related data) Changes in advertising expenditures of terrestrial private broadcasters**
Source: Prepared based on Dentsu's "Advertising Costs in Japan"
URL: https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2023/data_collection.html#f00141
(Data collection)

[1] For details on the entire advertising market, see "2 Advertising" in Section 3-2 of Chapter 3.

b Financial status of private broadcasters

Private basic terrestrial broadcasters (operating profit on sales was 7.3% in fiscal 2021), private satellite broadcasters (operating profit on sales was 9.1% in fiscal 2021) and cable TV operators (operating profit on sales was 10.1% in fiscal 2021) all continued to post profits following fiscal 2020 (**Figure 4-3-1-2**).

**Figure 4-3-1-2 Changes in operating profit on sales of private broadcasters**




*Basic terrestrial broadcasting excluding community broadcasting

(Source) Prepared based on the MIC "Income and Expenditures of Private Broadcasters" for each fiscal year. etc.

### (2) Number of business operators

At the end of fiscal 2022, the breakdown of private broadcasters was 534 private basic terrestrial broadcasters (including 339 broadcasters conducting community broadcasting) and 42 private satellite broadcasters (**Figure 4-3-1-3**).

**Figure 4-3-1-3 Changes in the number of private broadcasters**

| At the end of fiscal year | | | | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Terrestrial | Television broadcast (Single operation) | VHF | | 16 | 93 | 93 | 94 | 94 | 98 | 94 | 94 | 95 | 95 | 95 | 96 | 96 |
| | | UHF | | 77 | | | | | | | | | | | | |
| | Basic satellite broadcasting | Medium -wave (AM) broadcasting | | 13 | 13 | 13 | 14 | 14 | 14 | 14 | 14 | 15 | 15 | 15 | 16 | 16 |
| | | Ultrashort wave (FM) broadcasting | | 298 | 307 | 319 | 332 | 338 | 350 | 356 | 369 | 377 | 384 | 384 | 388 | 390 |
| | | | Community broadcasting of the above | 246 | 255 | 268 | 281 | 287 | 299 | 304 | 317 | 325 | 332 | 334 | 338 | 339 |
| | | Short wave | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| | Television/radio broadcasting (combined operation) | | | 34 | 34 | 34 | 33 | 33 | 33 | 33 | 33 | 32 | 32 | 32 | 31 | 31 |
| | Text broadcasting (single operation) | | | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Multimedia broadcasting | | | | | 1 | 1 | 1 | 4 | 4 | 4 | 6 | 6 | 2 | 2 | 0 |
| | Subtotal | | | 440 | 449 | 461 | 475 | 481 | 500 | 502 | 515 | 526 | 533 | 529 | 534 | 534 |
| Satellite | Basic satellite broadcasting | BS broadcasting | | 20 | 20 | 20 | 20 | 20 | 20 | 19 | 19 | 22 | 22 | 20 | 22 | 21 |
| | | 110 degrees east longitude CS broadcasting | | 13 | 13 | 22 | 23 | 23 | 23 | 23 | 20 | 20 | 20 | 20 | 20 | 20 |
| | General satellite broadcasting | | | 91 | 82 | 65 | 45 | 7 | 5 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| | Subtotal | | | 113 | 108 | 92 | 72 | 46 | 44 | 41 | 39 | 41 | 41 | 39 | 42 | 42 |
| Cable television | General cable broadcasting pertaining to registration (limited to operators of voluntary broadcasting) | Broadcasting using former authorized facilities (limited to operators of voluntary broadcasting) | | 502 | 556 | 545 | 539 | 520 | 510 | 508 | 504 | 492 | 471 | 464 | 464 | – |
| | | Broadcasting using former cable services | | 26 | | | | | | | | | | | | |
| | | | IP multicast broadcasting of the above | 5 | 5 | 4 | 3 | 3 | 3 | 5 | 5 | 5 | 5 | 5 | 4 | – |
| | Subtotal | | | 528 | 556 | 545 | 539 | 520 | 510 | 508 | 504 | 492 | 471 | 464 | 464 | – |

*1 The number of television broadcasters (single operation) at the end of fiscal 2015 included five operators (including one which also operates basic terrestrial broadcasting) conducting basic terrestrial broadcasting for mobile reception.

*2 Regarding satellite broadcasters, based on the amended Broadcast Act that came into force in June 2011, BS broadcasting and 110 degrees east longitude CS broadcasting are counted as basic satellite broadcasting while other satellite broadcasting is counted as general satellite broadcasting.

*3 Some satellite broadcasters operate two or more types of broadcasting (BS broadcasting, 110 degrees east longitude CS broadcasting, and general satellite broadcasting) so the totals of each column do not match the values in the subtotal column. Furthermore, from fiscal 2011, only operating broadcasters are included.

*4 Regarding cable television operators, up to fiscal 2010, former approved facilities operators under the former Cable Television Broadcasting Act and registered operators under the former Act on Broadcast on Telecommunications Services were included, and from fiscal 2011, registered general broadcasters conducting independent broadcasting using cable telecommunication facilities under the Broadcast Act are included (regarding IP multicast broadcasting, up to fiscal 2010, it is included in former broadcasting using cable services, and from fiscal 2011 it is included in registered general broadcasters conducting independent broadcasting using cable telecommunications equipment).

(Source) Prepared based on the MIC "Current State of Cable Television"[2] (only the values for cable TV operators)

### (3) State of the provision of broadcasting services

#### a Terrestrial television broadcasting

Nationwide, 127 companies (including 31 combined operation companies) were providing private terrestrial television broadcasting at the end of fiscal 2022.

**Figure (related data) Number of available private terrestrial television broadcasting channels (fiscal 2022)**
URL: https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2023/data_collection.html#f00144
(Data collection)

[2] https://www.soumu.go.jp/main_content/000504511.pdf

#### b Terrestrial radio broadcasting

Medium-wave (AM) broadcasting services are provided by local private basic terrestrial broadcasters (47 companies at the end of fiscal 2022).

Ultrashort wave (FM) broadcasting services are provided by local private basic terrestrial broadcasters (390 companies at the end of fiscal 2022). Of these broadcasters, 339 are community broadcasters for some districts of a municipality in principle.

Short wave broadcasting is conducted by one private basic terrestrial broadcaster as of the end of fiscal 2022.

#### c Multimedia broadcasting

As of the end of fiscal 2022, there are no private basic broadcasters conducting V-Low multimedia broadcasting using the 99 MHz to 108 MHz frequency band that became available through the digitalization of terrestrial television broadcasting.

#### d Satellite broadcasting

##### (a) Basic satellite broadcasting

BS broadcasting is conducted by NHK, the Open University of Japan and private broadcasters (21 companies as of the end of fiscal 2022) using the satellites of the Broadcasting Satellite System Corporation, and 110 degrees east longitude CS broadcasting is conducted by private broadcasters (20 companies as of the end of fiscal 2022) using the satellites of SKY Perfect JSAT Corporation.

Since December 2018, new 4K and 8K satellite broadcasting is being conducted for 18 programs of 10 companies in BS and 110 degrees east longitude CS broadcasting. In the field of dextrorotation BS broadcasting, in March 2022, three companies (BS Yoshimoto Co., LTD., BS Shochiku Tokyu Co., Ltd. and Japanet Broadcasting Co., Ltd.) that were authorized for basic satellite broadcasting in November 2019 opened free channels with diverse themes including regional revitalization.

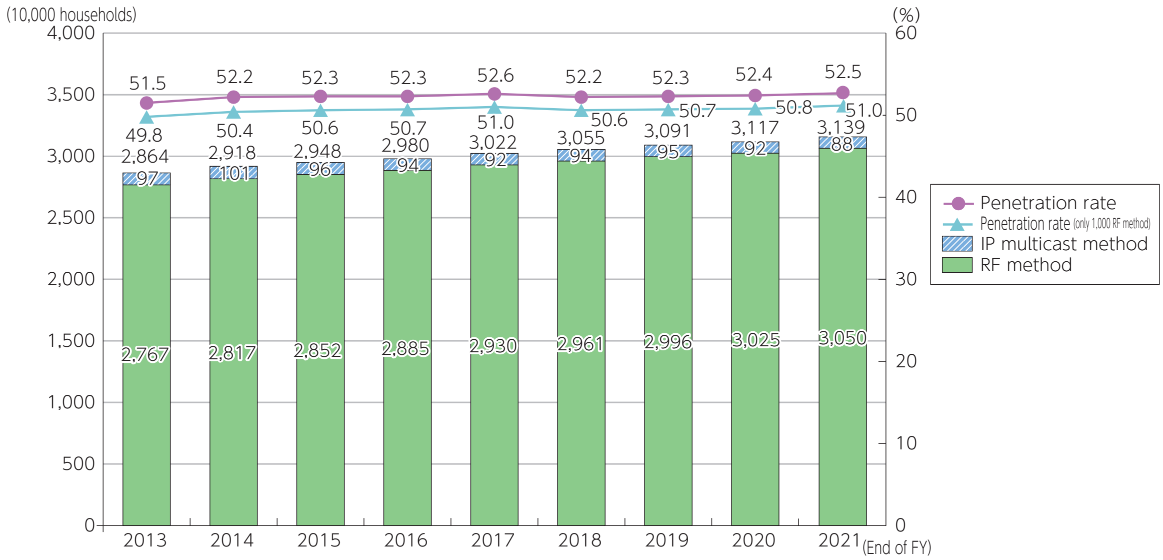
##### (b) General satellite broadcasting

General satellite broadcasting is conducted by private broadcasters (4 companies as of the end of fiscal 2022) using the satellites of Sky Perfect JSAT Corporation.

#### e Cable television

The number of cable TV operators was 464 at the end of fiscal 2021. Cable television provides multichannel broadcasting including re-transmission of terrestrial and satellite broadcasting and independent broadcasting channels. The number of subscribed households receiving services through cable telecommunications equipment (with 501 terminals or more) performing independent broadcasting as per their registration is approximately 31.39 million and penetration rate of all households is approximately 52.5% (**Figure 4-3-1-4**).

**Figure 4-3-1-4 Changes in the number of subscribed households and penetration rate for receiving services from cable telecommunications equipment that provide independent broadcasting as per their registration**




*1 The penetration rate is calculated from the number of households in the Basic Resident Register.

*2 The number of subscribed households with the RF method means the total number households (including the number of households with radio interference) connected to the cable telecommunications equipment as per their registration.

(Source) Prepared based on the MIC "Current State of Cable Television"[3]

[3] https://www.soumu.go.jp/main_content/000504511.pdf

### (4) State of NHK

#### a State of domestic broadcasting by NHK

At the end of fiscal 2022, the number of domestic NHK broadcasting channels was 9: two channels for terrestrial television broadcasting; three channels for radio broadcasting; and four channels for satellite television broadcasting **(Figure 4-3-1-5)**.

**Figure 4-3-1-5 NHK domestic broadcasting (end of fiscal 2022)**

| Category | | | Number of channels |
|---|---|---|---|
| Terrestrial broadcasting | Television broadcasting | | 2 |
| | Radio broadcasting | Medium-wave (AM) broadcasting | 2 |
| | | Ultrashort wave (FM) broadcasting | 1 |
| Satellite broadcasting (BS broadcasting) | Television broadcasting | | 4 |

*1 The radio broadcasting frequency is also indicated by the channel.

*2 With regard to television broadcasting, analog television broadcasting ended on March 31, 2021, and all broadcasting has been shifted to digital broadcasting.

#### b NHK's international television and radio broadcasting

NHK's international television and radio broadcasts to Japanese and foreign nationals overseas and covers almost the entire world (**Figure 4-3-1-6**).

**Figure 4-3-1-6 NHK's international television and radio broadcasting (plan as of April 2023)**

| | Television | | Radio |
|---|---|---|---|
| | For overseas Japanese | For foreigners | For overseas Japanese and foreigners |
| Broadcasting hours | Around 5 hours a day | 24 hours a day | 75 hours 7 minutes in total per day |
| Budget | 19..8 billion yen (FY2023 NHK budget) | | 4.9 billion yen (same as on the left) |
| Language | Japanese | English | 18 languages |
| Service area | Almost all over the world | | Almost all over the world |
| Satellites used / Transmission facilities | Foreign satellites, CATV, etc. | | Domestic transmitting stations, overseas relay stations, etc. |

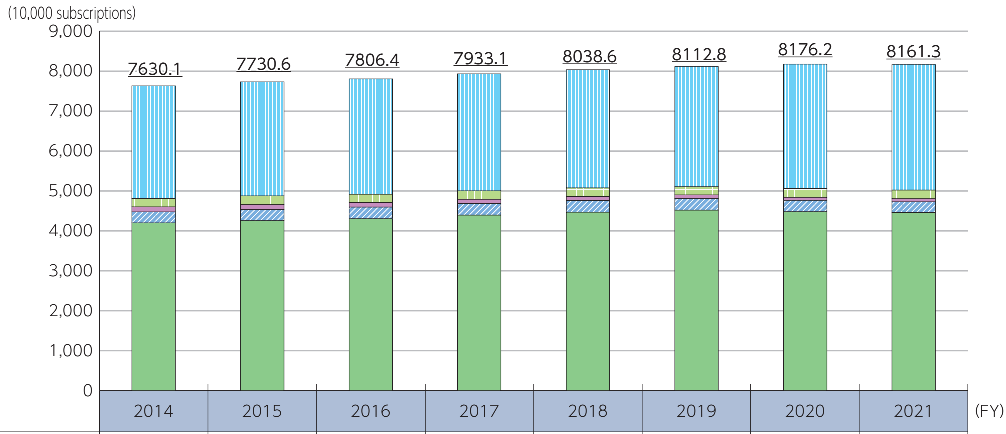
*The number of broadcasting hours of international TV broadcasting for foreigners includes the broadcasting hours of Japan International Broadcasting (JIB).

### (5) State of broadcasting service usage

#### a Number of subscribers

The number of subscribers to broadcasting services in fiscal 2021 increased from the previous fiscal year for cable television and decreased for other broadcasting services (**Figure 4-3-1-7**).

**Figure 4-3-1-7 Number of subscribers to broadcasting services**




| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|
| Cable television | 2,817.0 | 2,852.0 | 2,885.0 | 2,930.3 | 2960.7 | 2,995.9 | 3,117.1 | 3,138.5 |
| 110 degrees east longitude CS | 212.0 | 219.5 | 209.3 | 208.4 | 213.7 | 215.8 | 218.3 | 217.1 |
| 124/128 degrees east longitude CS | 125.4 | 120.3 | 114.4 | 109.4 | 102.7 | 93.1 | 84.4 | 76.6 |
| WOWOW | 275.6 | 280.5 | 282.3 | 287.6 | 290.1 | 285.5 | 279.1 | 268.0 |
| NHK | 4,200.1 | 4,258.3 | 4,315.4 | 4397.4 | 4,471.4 | 4,522.5 | 4,477.3 | 4,461.1 |
| Satellite contract, etc. | 1,911.3 | 1,993.3 | 2,066.7 | 2147.6 | 2,221.5 | 2,289.1 | 2,274.2 | 2,271.5 |

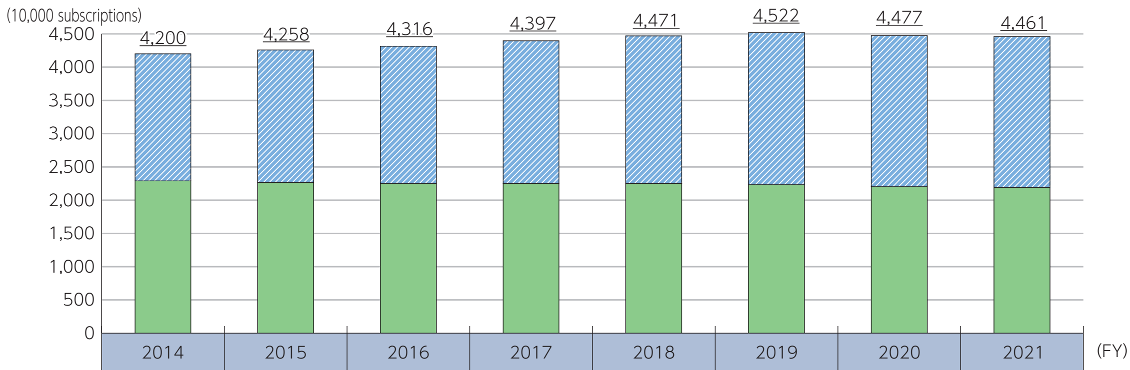
*1 The number of subscribers to terrestrial broadcasting (NHK) is the number of NHK subscriptions of all subscription types.
*2 The number of subscribers to satellite contracts, etc. is the number of NHK satellite contracts and special contracts.
*3 The number of WOWOW subscribers is the number of WOWOW subscriptions.
*4 The number of subscribers of 124/128 degrees east CS is the number of Sky Perfect! premium service subscriptions.
*5 The number of subscribers of 110 degrees east CS is the number of Sky Perfect! subscriptions.
*6 The number of households subscribed to cable television is the number of households subscribed to cable telecommunications equipment that carry out independent broadcasting as per their registration.

(Source) Prepared based on material from the Japan Electronics and Information Technology Industries Association, Japan Cable Laboratories, and NHK,and the MIC "Current State of Satellite Broadcasting" and "Current State of Cable Television"

#### b Number of subscriptions to NHK

In fiscal 2021, the number of NHK subscriptions was 44.61 million, consisting of about 21.90 million terrestrial contracts (ordinary and color), 22.70 million satellite contracts and about 10,000 special contracts (**Figure 4-3-1-8**).

**Figure 4-3-1-8 Changes in the number of NHK broadcast subscriptions**




| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|
| Special contract | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Satellite contract | 1,910 | 1,992 | 2,066 | 2,146 | 2,220 | 2,288 | 2,273 | 2,270 |
| Terrestrial contract | 2,289 | 2,265 | 2,249 | 2,250 | 2,250 | 2,233 | 2,203 | 2,190 |
| Total | 4,200 | 4,258 | 4,316 | 4,397 | 4,471 | 4,522 | 4,477 | 4,461 |

(Source) Prepared based on material from NHK

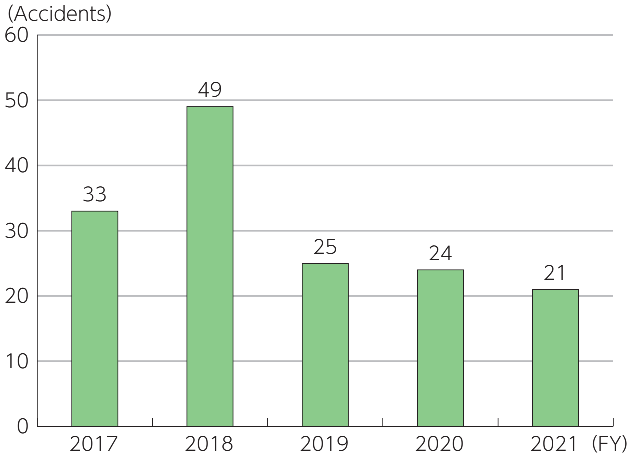
**(6) Ensuring of security and reliability of broadcasting equipment**

Due to the highly public nature of broadcasting as a means of widely and instantly transmitting important information such as information necessary for daily life and disaster information, the broadcasting equipment that supports this requires a high level of safety and reliability.

In fiscal 2021, the number of broadcasting suspension accidents that occurred was 339, of which 21 (about 6%) were serious accidents[4] (**Figure 4-3-1-9**). In the light of these accidents, initiatives to prevent similar accidents have been promoted by sharing the cases in the industry in addition to reliable implementation of recurrence prevention measures by individual business operators.

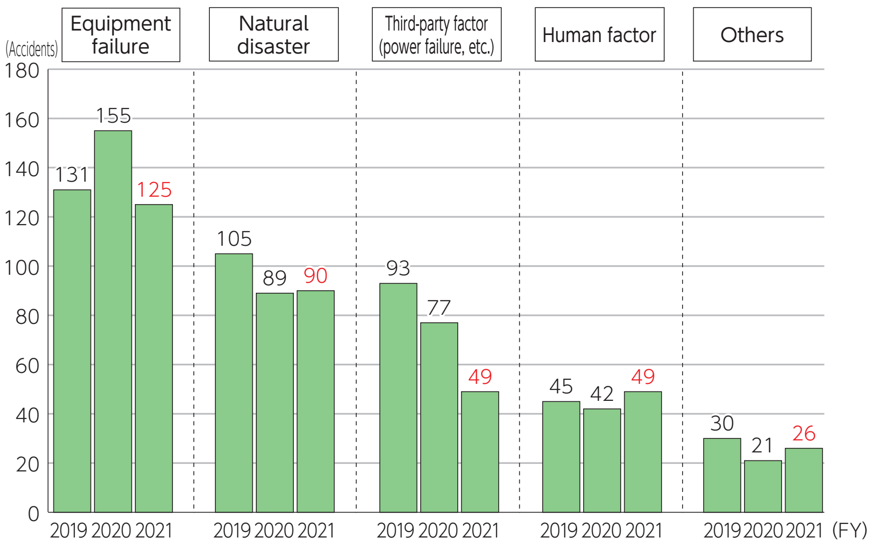
The number of terrestrial and satellite broadcasting suspension accidents that occurred was 262, which was the smallest number since fiscal 2011 when aggregation started. The number of cable broadcasting accidents has decreased compared to fiscal 2020, and the number of serious accidents was the lowest in the last five years. The top cause for the occurrence of broadcasting suspension accidents continued to be equipment failure, followed by natural disasters (**Figure 4-3-1-10**).

**Figure 4-3-1-9 Changes in the number of serious accidents**




(Source) Prepared based on the MIC "State of the Occurrence of Broadcasting Suspension Accidents"[5] (fiscal 2021)

**Figure 4-3-1-10 Changes in the number of broadcasting suspension accidents by cause**




(Source) Prepared based on the MIC "State of the Occurrence of Broadcasting Suspension Accidents (fiscal 2021)"[6]

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[4] Accidents falling under Articles 113, 122 or 137 of the Broadcast Act: "If the suspension of broadcasting caused by the equipment for basic broadcasting or other major accident stipulated in the Ministerial Ordinance of the Ministry of Internal Affairs and Communications occurs, the approved basic broadcaster must report such matter as well as the reason or cause without delay to the Minister for Internal Affairs and Communications."

[5] https://www.soumu.go.jp/menu_news/s-news/02ryutsu08_04000508.html

[6] https://www.soumu.go.jp/menu_news/s-news/02ryutsu08_04000508.html

## 2. Content market

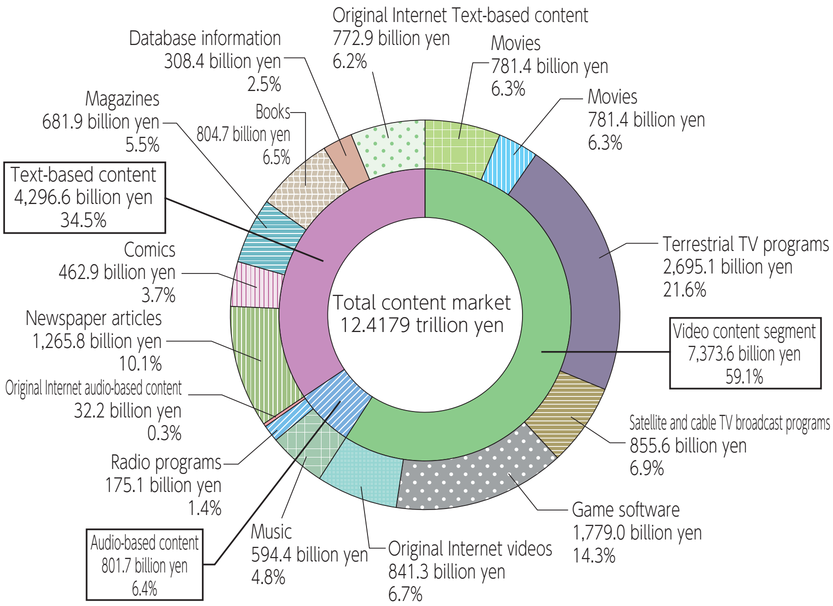
### (1) Size of the Japanese content market

**a Market overview**

The Japanese content market was valued 12.4719 trillion yen in 2021. By content segment, video-based content accounted for about 60% of the market. Text-based content and audio-based content accounted for about 35% and 6% respectively[7] (**Figure 4-3-2-1**).

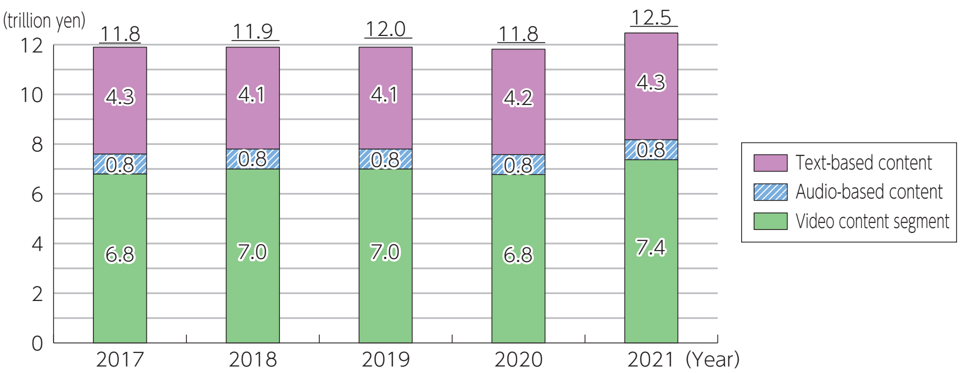
The size of the content market increased significantly in 2021, despite a decline the previous year. By content type, video-based content has increased significantly (**Figure 4-3-2-2**).

**Figure 4-3-2-1 Breakdown of the Japanese content market (2021)**




(Source) MIC Institute for Information and Communications Policy "Survey on Media/Software Production and Distribution"

**Figure 4-3-2-2 Changes in size of the Japanese content market (by content type)**




(Source) MIC Institute for Information and Communications Policy "Survey on Media/Software Production and Distribution"

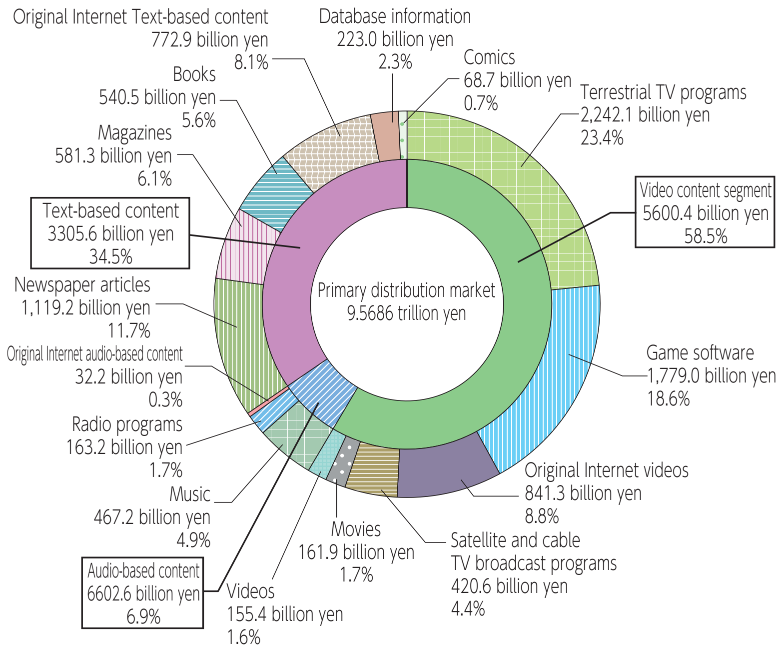
[7] Rather than aggregation by media, market size was calculated and analyzed after aggregation according to distribution stage such as primary distribution and multi-use with a focus on the original nature of the content.

#### b State of multi-use

The size of the primary distribution market was 9.5686 trillion yen in 2021, a significant increase from the previous year. The primary distribution market is 5.6004 trillion yen for video-based content, 3.3056 trillion yen for text-based content, and 662.6 billion yen for audio-based content **(Figure 4-3-2-3)**.

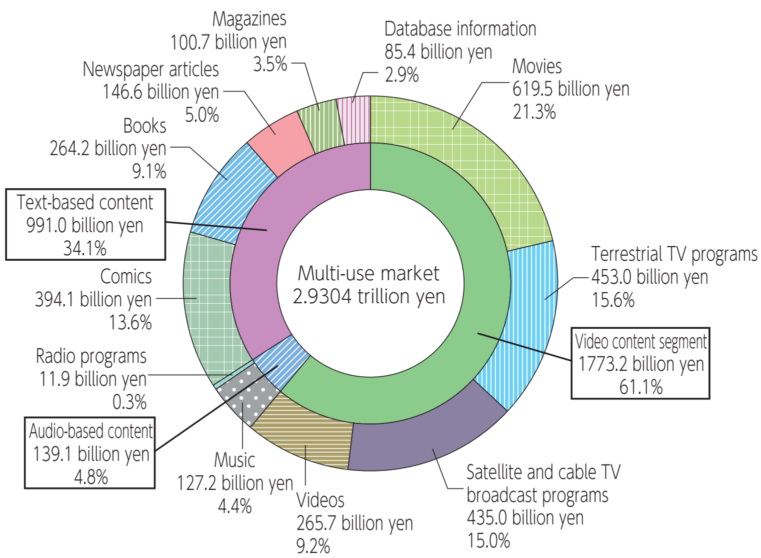
Compared to this, the size of the multi-use market was 2.9034 trillion yen, down from the previous year. The breakdown is 1.7732 trillion yen for video-based content, 991.0 billion yen for text-based content and 139.1 billion yen for audio-based content **(Figure 4-3-2-4)**.

**Figure 4-3-2-3 Breakdown of primary distribution market (2021)**




(Source) MIC Institute for Information and Communications Policy "Survey on Media/Software Production and Distribution"

**Figure 4-3-2-4 Breakdown of multi-use market (2021)**

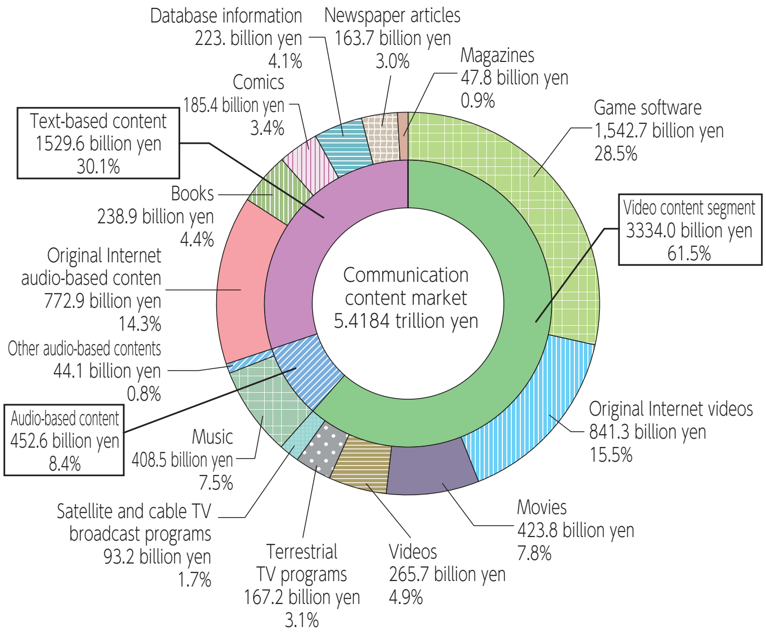



(Source) MIC Institute for Information and Communications Policy "Survey on Media/Software Production and Distribution" c Communication content market

In the content market, the market size of communication content for personal computers and mobile phones, etc. via the internet is valued at 5.4184 trillion yen. As for market composition by content segment as a percentage, video-based content, text-based content and audio-based content account for 61.5%, 30.1% and 8.4% respectively (**Figure 4-3-2-5**).

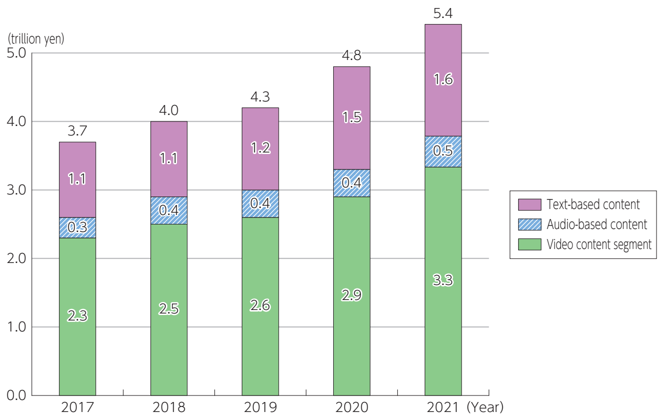
The size of the market for communication content has been still growing in recent years. By content type, video-based content continues to increase due to growth in movies, net originals, and game software, etc., while text-based content is also increasing thanks to growth in original internet content, and together these contribute to the expansion of the communication content market (**Figure 4-3-2-6**).

**Figure 4-3-2-5 Breakdown of the communication content market (2021)**




(Source) MIC Institute for Information and Communications Policy "Survey on Media/Software Production and Distribution"

**Figure 4-3-2-6 Changes in the size of the telecommunications content market (by content type)**

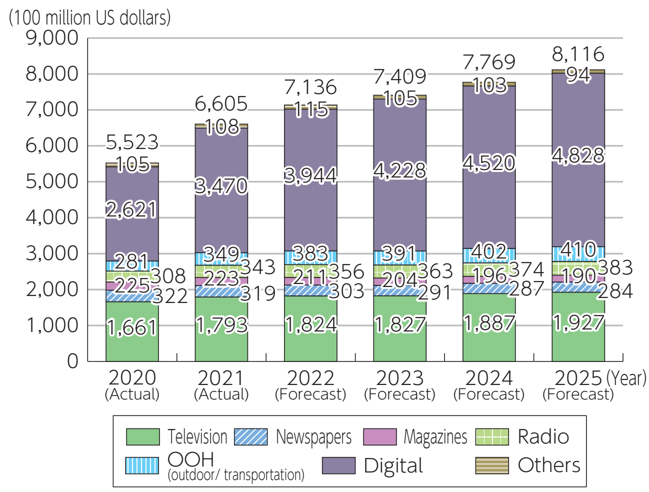



(Source) MIC Institute for Information and Communications Policy "Survey on Media/Software Production and Distribution"

### (2) Advertising

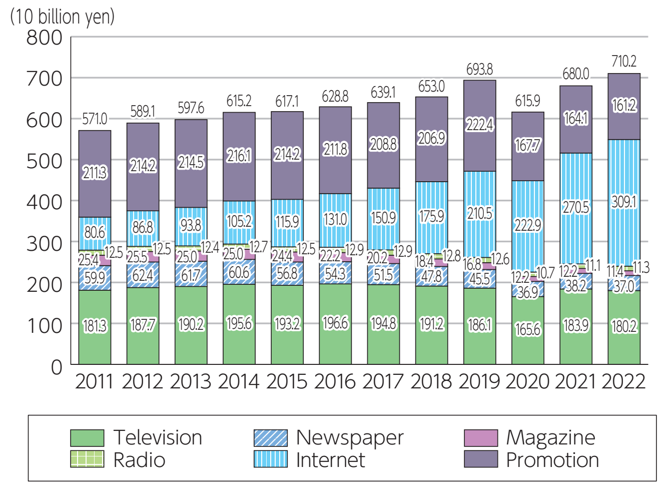
Looking at the global advertising market, digital advertising is expected to reach $394.4 billion in 2022, up 13.7% from the previous year, and increase to 55.3% of total advertisement spending **(Figure 4-3-2-7)**. The Japanese digital advertising market is also growing significantly. In 2022, Internet advertising was 3.912 trillion yen and advertising in the four formats of the mass media[8] was 2.3985 trillion yen, with the difference widening after Internet advertising overtook mass media advertising for the first time in 2021 **(Figure 4-3-2-8)**.

**Figure 4-3-2-7 Changes and forecast in global advertising expenditures by media type**




(Source) Prepared based on Dentsu Group's "Global Advertisement Spend Growth Rate Forecast (2022 to 2025)"

**Figure 4-3-2-8 Changes in advertising expenditure by media in Japan[9]**




(Source) Prepared based on Dentsu's "Advertising expenditure in Japan (each year)"[10]

**Figure (related data) Changes in global total advertising expenditure**
Source: Dentsu Group "Global Advertisement Spend Growth Rate Forecast (2022 to 2025)"
URL: https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2023/data_collection.html#f00161
(Data collection)

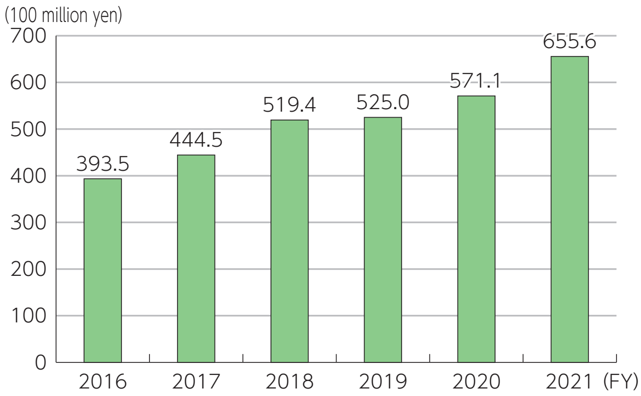
[8] Television media, newspapers, magazines, radio.
[9] Since 2019, advertisements on EC platforms for selling goods and the event field are included in the advertisement expenditure in Japan to estimate the advertisement market. Data for 2018 and before is not retroactively adjusted.
[10] https://www.dentsu.co.jp/knowledge/ad_cost/index.html

### (3) Trends in the export of broadcasting content from Japan

In fiscal 2021, the value of broadcasting content exports continued to increase and reached 65.56 billion yen **(Figure 4-3-2-9)**.

With the growth of video streaming services, the value of program broadcasting rights and video release rights, etc. decreased, while the percentage of Internet distribution rights increased.

**Figure 4-3-2-9 Changes in the value of broadcasting content exports from Japan**




*1 Value of broadcasting content exports: Total sales to overseas of program broadcasting rights, Internet distribution rights, video/DVD rights, program format remake rights, and merchandising rights, etc.

*2 Calculated based on questionnaire responses submitted by NHK, key private broadcasting stations, semi-key private broadcasting stations, local stations, satellite broadcasters, CATV operators, and production companies, etc.

(Source) Prepared based on the MIC "Analysis of the Current Status of Overseas Expansion of Broadcasting Content"

**Figure (related data) Changes in the value of Japan's broadcasting content exports by rights**
(Source) Prepared based on the MIC "Analysis of the Current Status of Overseas Expansion of Broadcasting Content"
URL: https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2023/data_collection.html#f00163
(Data collection)

**Figure (related data) Changes in the value of Japan's broadcasting content exports by entity**
(Source) Prepared based on the MIC "Analysis of the Current Status of Overseas Expansion of Broadcasting Content"
URL: https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2023/data_collection.html#f00164
(Data collection)