

Satellite and Pay TV Trends in Latin America: 5 Things You Need to Know



General Pay TV market trends for Latin America are looking up. As economic recovery progresses, with **4.9% growth expected in 2021**¹, many investors and broadcasters see good market potential for Latin America.

Here's how trends in technology, infrastructure, and viewer demand are influencing Pay TV opportunities in Latin America.

1

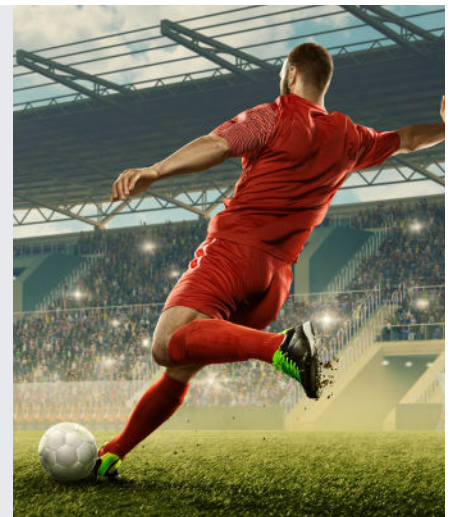
Satellite is unlocking Latin America's substantial multichannel potential

Prior to 2020, Pay TV declined overall due to factors like piracy, inflation, smaller markets, and cord cutting, but the trend reversed across many markets last year. For example, **Mexico's Pay TV market increased 3.2% in 2020**¹. Additionally, the **cable services revenue in Peru is projected to increase 9.7% by 2029**². Much of this growth is driven by infrastructure upgrades, such as the addition of more cable and IPTV connections in some countries. Satellite distribution is helping programmers capitalize on these growth trends because it's the most reliable way to expand content quality and reach.

2

Digital TV gains are helping to solidify demand for satellite distribution as fixed-broadband infrastructure lags

Digital TV access is set to grow substantially over the next 10 years thanks to DTT development, cable digitization, and low-cost packages. **By 2028, 67.8% of TV households will be able to access DTT signals**³. For operators, it's more profitable and reliable to deliver video via satellite than 4G. Fixed-broadband infrastructure remains poor, driving viewers toward traditional Pay TV options that are typically delivered via satellite. Additionally, now more viewers are accessing video via mobile broadband, resulting in high bandwidth charges and poor quality—not a sustainable option.



¹ S&P Global
² América Móvil
³ IABM



3

Advertising revenue potential is greater than any other distribution solution

The ability to reach large numbers of viewers with attractive channel lineups creates lucrative advertising opportunities. Traditional Pay TV services offer a more reliable advertising source when compared to other non-broadcast options. **TV advertising is expected to grow from \$7.9 billion to 9.1 billion by 2024**, while internet advertising is projected to reach only \$443 million in the same time period.

4

OTT growth is actually enhancing Pay TV market share

The proliferation of linear streaming options is more of an opportunity than a threat, especially as many tier one programmers include OTT services with existing Pay TV subscriptions to increase viewer retention. As OTT and streaming video expand in step with Latin America's mobile phone market, there's more opportunity to bundle the newer services with Pay TV – and deliver them more reliably for less cost via satellite. The upward trend is strong: **By 2025, OTT will account for 9.7% of the Pay TV market**⁴.

5

Intelsat is outpacing all other distribution options in content delivery

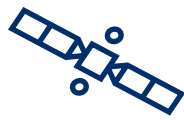
Intelsat delivers twice as much content as any other operator in Latin America, and our four satellites transmit most of the top channels in the region. Given the high quality and choice of programming we deliver, Intelsat naturally captures more viewers across the region than competitors. **As the undisputed leader, Intelsat reaches over 2,700 Pay TV operators with full cable penetration throughout the region.** Additionally, the fleet carries double the amount of C-band content when compared to the competition. More specifically, **our four satellites transmit to 46.6M cable subscribers, making Intelsat #1 in cable distribution for the region.**

The Benefits of Satellite



More content

Offers viewers access to more premium and regional channels



More coverage

Tap into audiences in areas where internet based programming can't reach



More flexibility

Meets audiences where they are, leading them to higher-quality content without the risk of churn



More revenue

Gives broadcasters confidence in the sustainability of their business model

⁴Dataxis

Satellite remains the truest enabler of Pay TV distribution in Latin America, offering the kind of reach, reliability, quality, and revenue potential that distributors need to move their media strategies forward.

Curious how Intelsat can serve the unique needs of your region and your audience?

Contact us today at intelsat.com/contact-us