2025

Media & Entertainment Investment Monitor

CONTENTS

By the Numbers

$27.2B

value invested across private market asset classes since 2024

22%

YTD growth in median VC deal value

44.4%

share of YTD PE deals that are growth equity investments

326

average number of M&A transactions each year from 2020 to 2024

$213.3M

VC value invested in adtech startups YTD

SECTION ONE

Executive Summary

Venture capital (VC) investment slows but remains a vital funding engine. VC deal volume in the United States media sector hit its lowest point since 2015, with just 319 deals in 2024. Despite this slowdown, the sector has consistently attracted over $1 billion in annual funding, underscoring its continued importance in supporting emerging media platforms and tech.

Later-stage VC deals take center stage amid tighter liquidity. As investors remain cautious, later-stage rounds are capturing a larger share of VC activity. This shift reflects a broader trend across the venture ecosystem, where capital is flowing toward more mature companies with clearer paths to profitability.

Private equity (PE) pivots toward minority stakes and targeted growth. While overall PE deal volume has declined each year since 2022, deal values remain historically high, with annual totals exceeding $8 billion since 2020. Minority stake investments—often used to fuel growth without full buyouts—now account for nearly half of all PE media deals.

Publishing and entertainment remain top targets for PE and mergers & acquisitions (M&A). These two subsectors consistently attract the lion's share of private capital, with notable 2025 transactions underscoring how strong brand recognition and monetization potential continue to draw investor interest.

M&A activity holds steady, supported by aging portfolios. Media M&A has proven more resilient than VC or PE, buoyed by a steady pipeline of mature assets from aging venture and PE portfolios. Publishing remains the most active subsector, averaging over 140 transactions annually since 2015, while deal flow continues to diversify across the broader media landscape.

Advertising technology (adtech) funding dips but remains a long-term strategic pillar. Adtech startups have consistently raised over $1 billion from VCs annually over the past decade, supported by demand for data-driven advertising solutions. Although 2024 saw a slowdown, the sector remains a foundational component of media monetization strategies and a key evolving area of investor focus.

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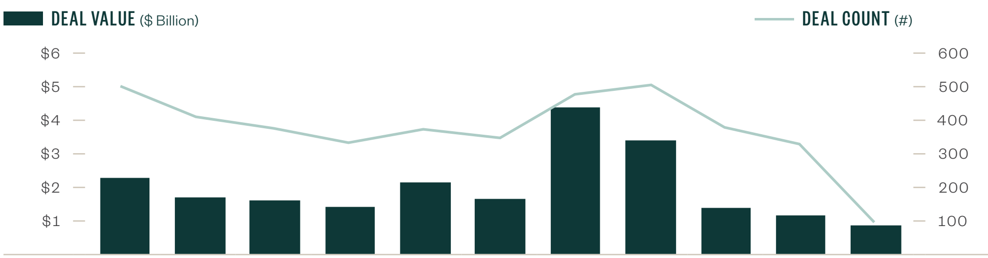
Principal
Communications & Media Practice Leader

SECTION TWO

Market Trends

THE INDUSTRY IS STILL FINDING ITS FOOTING IN A CAUTIOUS VC CLIMATE

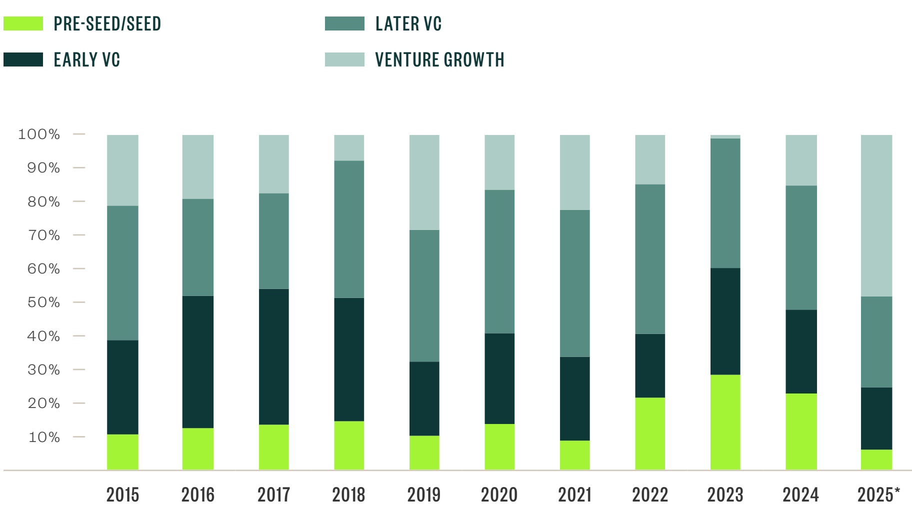
FIGURE 1: United States Media and Entertainment VC Deal Activity



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
VALUE	$2.3	$1.7	$1.6	$1.4	$2.1	$1.6	$4.4	$3.4	$1.4	$1.15	$0.86
COUNT	492	409	376	333	371	351	477	500	378	319	93

*As of 5/23/2025

FIGURE 2: Share of United States Media and Entertainment VC Deal Value by Stage



*As of 5/23/2025

The media and entertainment industry is experiencing its second trough of VC deal volume over the past decade, with 2024's deal count of 319 marking the slowest year since 2015. However, the cumulative sum of these VC deals has exceeded $1 billion each year since, providing a meaningful source of financing for many startups. Later-stage deals are driving an increased share of media VC activity, following a similar trend seen across the broader VC ecosystem due to tighter liquidity and a preference for lower-risk allocations among investors.

The largest media and entertainment VC deals so far in 2025 include:

- Marketing insights platform ABCS Insights raised $50 million from Volition Capital.
- AI-powered brand agent platform Firsthand raised $26 million led by Radical Ventures.
- Television advertising platform tvScientific raised $25.5 million led by NewRoad Capital Partners.

RECENT DEALS HIGHLIGHT MAJOR MEDIA FORCES LIKE THE CREATOR ECONOMY AND AI

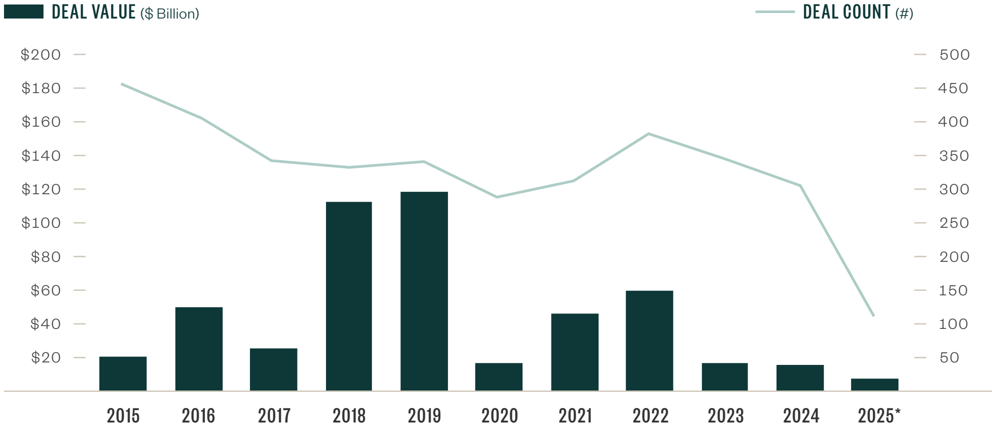
The creator economy, which refers to individuals with online followings who make money through brand partnerships, has exploded in recent years not only for the creators themselves, but their brand sponsors and the media platforms on which they post content as well. Influencer marketing spending is on the rise, and Goldman Sachs estimated a **total addressable market of $250 billion** for the creator economy in 2023. Goldman Sachs cited content creation's existing momentum, low barriers to entry, and digital scale as factors that could contribute to the market swelling to $480 billion by 2027.

Film and TV production and postproduction sectors are navigating unique and fundamental shifts in the treatment and use of AI, which was a central concern in the 2023 labor disputes involving the Writers Guild of America and the Screen Actors Guild-American Federation of Television and Radio Artists. In 2025, the Academy of Motion Picture Arts and Sciences announced that films made using AI are in fact **eligible to win Academy Awards**. AI has undoubtedly impacted all corners of digital media, and it is now having perhaps unexpected effects on physical media as well.

The rise of digital technologies—exacerbated by pandemic-era restrictions—may have previously overshadowed in-person channels, but a new balance between the two is evolving. As the world adjusts to AI-generated content, distrust of digital interactions is rising. In-person events like festivals and conferences, as well as experiential marketing, have a unique opportunity to engage and entertain audiences with a greater emphasis on community.

PUBLISHING LEADS AS M&A ACTIVITY SPREADS ACROSS THE MEDIA MAP

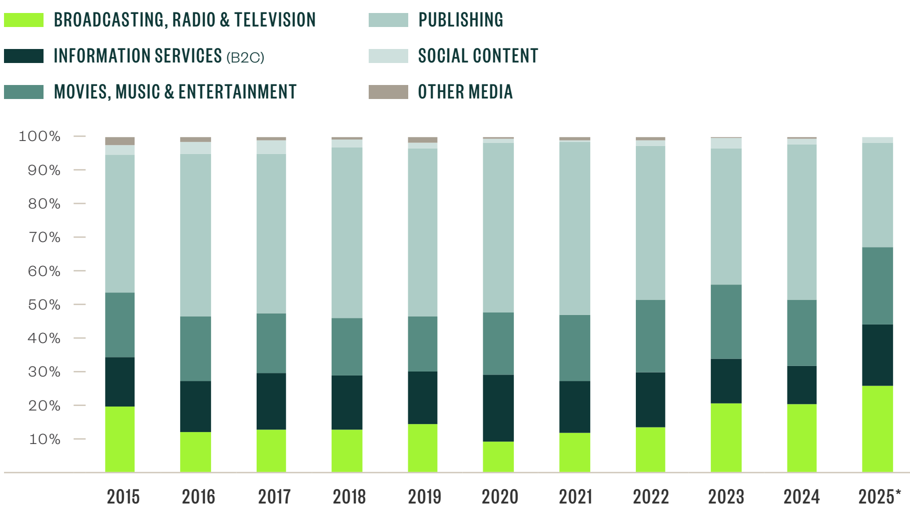
FIGURE 3: United States Media and Entertainment M&A Activity



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
VALUE	$20.1	$49.3	$25.1	$112.4	$118.2	$16.1	$45.6	$59.5	$16.0	$14.9	$7.2
COUNT	453	405	339	333	338	286	311	379	346	306	109

*As of 5/23/2025

FIGURE 4: Share of United States Media and Entertainment M&A Deal Count by Subsector



*As of 5/23/2025

Media industry giants are making strategic pivots toward digital streaming dominance. Examples include Comcast spinning off its cable channels in 2024 and the planned breakup of Warner Bros. Discovery into two entities—one for streaming and studios and the other for cable networks—announced in June 2025. These M&A moves reflect broader shifts in the industry as platforms and advertisers adapt to the rise of streaming and the decline of traditional cable TV markets.

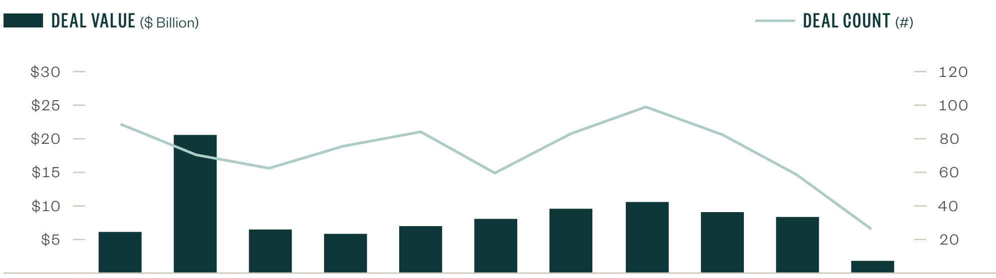
Overall, M&A activity in the media industry has shown resilience, even as broader investment flows from venture capital and private equity have slowed. Deal volume has tapered moderately since 2022, but M&A remains a vital engine of the industry's transformation, driven in part by aging VC- and PE-backed portfolio companies that are now ripe for acquisition or consolidation. In an industry defined by both centuries-old powerhouses and rapidly evolving tech, M&A is a natural tool for companies to get ahead.

Unlike the more concentrated focus seen in other asset classes, media and entertainment M&A deals span a wide array of subsectors. From digital content platforms to niche production studios, strategic buyers and financial sponsors alike are pursuing assets that offer scale, intellectual property (IP) value, and audience reach. Still, publishing continues to anchor the space, consistently generating over 140 transactions annually since 2015—a testament to its enduring relevance and need for adaptability in the digital age.

A steady M&A pipeline reflects both necessity and opportunity: Legacy media firms are modernizing through acquisitions, while newer entrants are seeking inorganic growth to compete in a fragmented attention economy. As a result, the sector remains active, with dealmakers prioritizing strategic fit, monetizable content, and operational synergies over sheer volume.

FEWER BETS, BIGGER PLAYS: PE STAYS BOLD IN A SHIFTING MEDIA LANDSCAPE

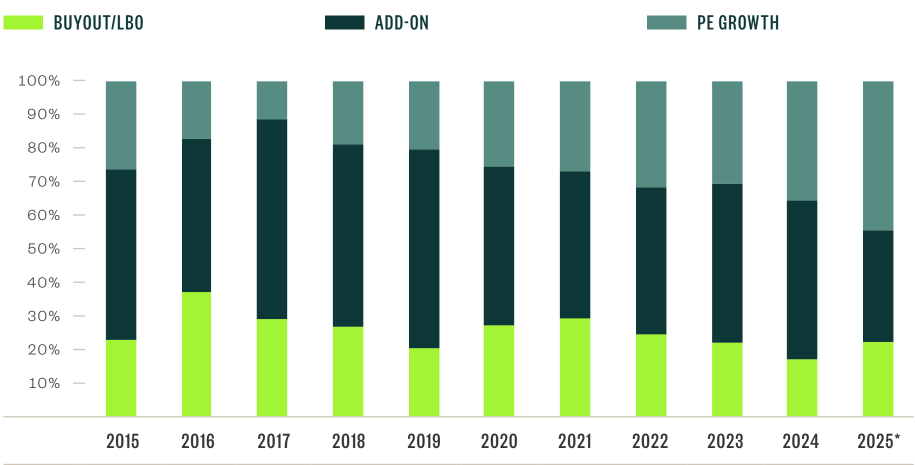
FIGURE 5: United States Media and Entertainment PE Deal Activity



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
VALUE	$6.0	$20.4	$6.4	$5.7	$6.9	$8.0	$9.5	$10.5	$9.0	$8.2	$1.7
COUNT	88	70	62	75	84	59	82	98	82	59	27

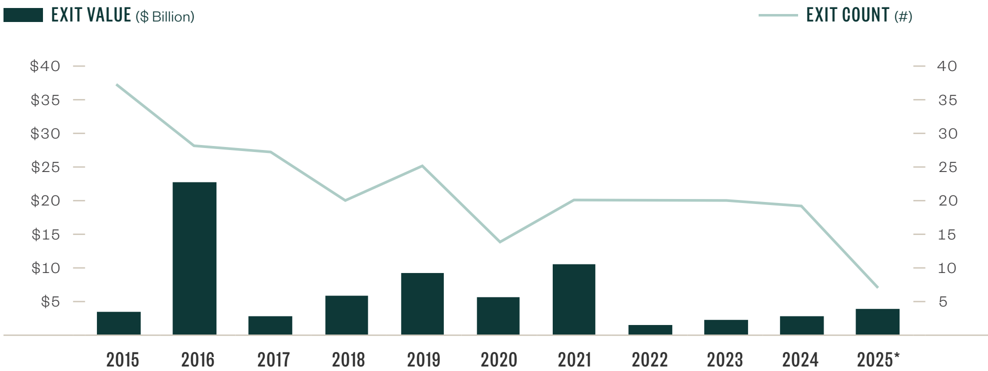
*As of 5/23/2025

FIGURE 6: Share of United States Media and Entertainment PE Deal Count by Type



*As of 5/23/2025

FIGURE 7: United States Media and Entertainment PE Exit Activity



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
VALUE	$3.4	$22.7	$2.7	$5.7	$9.2	$5.5	$10.4	$1.4	$2.1	$2.7	$3.8
COUNT	37	28	27	20	25	14	20	20	20	19	7

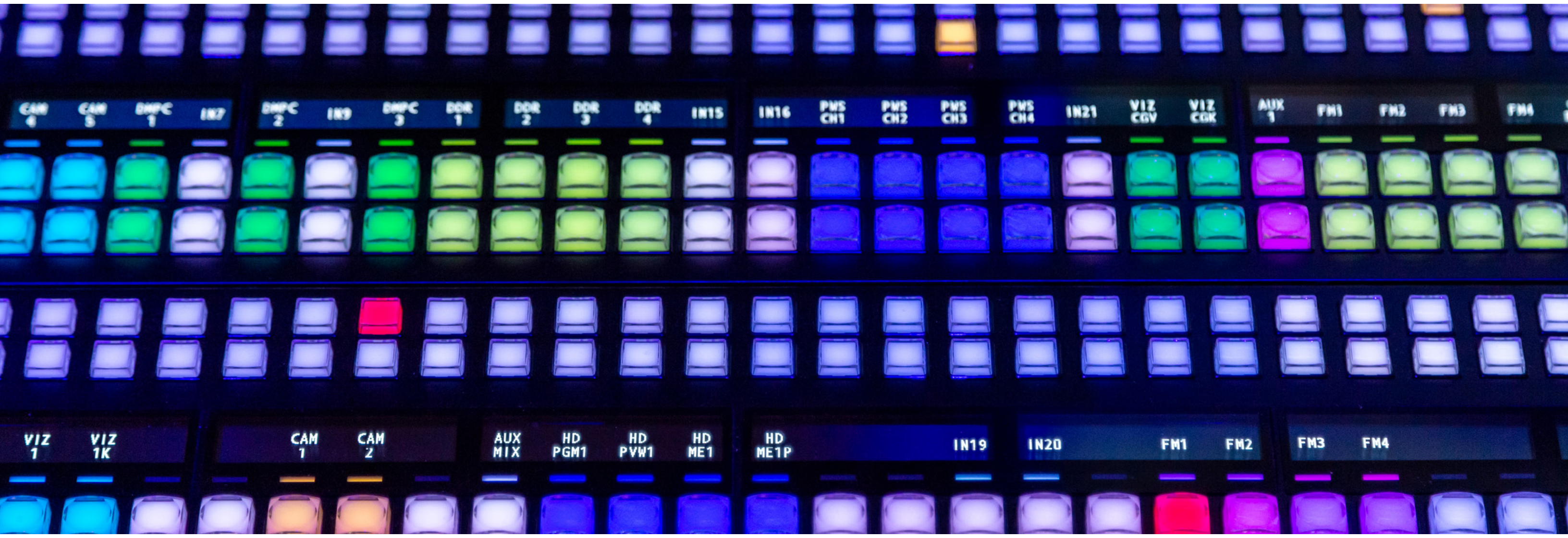
*As of 5/23/2025

PE dealmaking in the media industry has entered a more selective, strategic phase. While overall deal volume has declined each year since 2022, the market remains active in terms of capital deployment. Since 2020, the industry has consistently seen over $8 billion in cumulative PE deal value annually, underscoring sustained investor interest even amid a more cautious macroeconomic environment.

A defining trend is the rise of minority stake, or PE growth, investments. These deals, which allow firms to back high-potential companies without taking full control, represented 36% of all PE media transactions in 2024 and have grown to 44% of PE media deals so far in 2025. This shift reflects a broader appetite for flexible capital structures and long-term value creation in a rapidly evolving media landscape.

Notable 2025 deals include a $225 million growth investment in NewsMax ahead of its anticipated IPO and a $55 million add-on acquisition of Mau5trap Recordings, signaling ongoing enthusiasm for scalable content platforms and IP-driven assets.

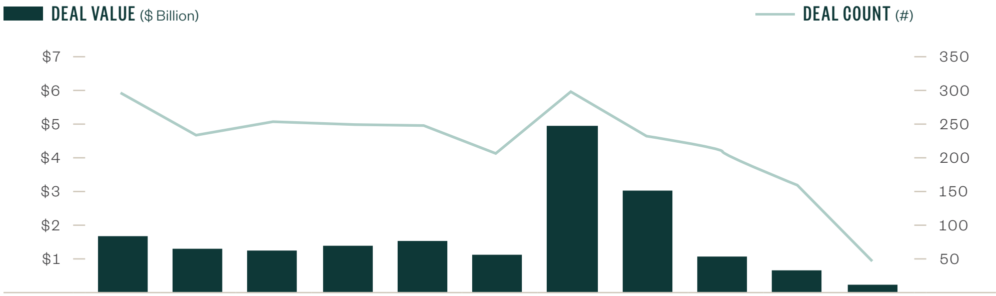
Despite fewer deals, the sector remains dynamic, fueled by strategic capital and a focus on high-impact assets.



SECTION THREE

Spotlight: The Future of Media in an Adtech-Driven World

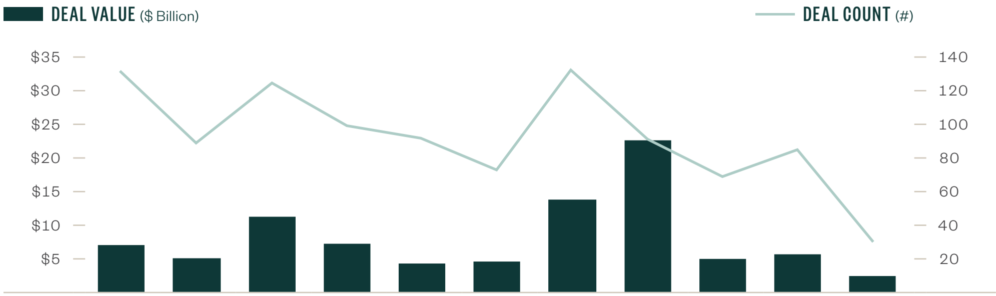
FIGURE 8: United States Adtech VC Activity



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
VALUE	$1.7	$1.3	$1.2	$1.4	$1.5	$1.1	$4.9	$3.0	$1.0	$0.63	$0.21
COUNT	295	235	251	250	246	205	297	231	207	160	47

*As of 5/23/2025

FIGURE 9: United States Adtech M&A Activity



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
VALUE	$7.0	$5.0	$11.1	$7.2	$4.2	$4.5	$13.7	$22.6	$4.9	$5.6	$2.4
COUNT	131	90	124	99	92	72	132	91	68	84	30

*As of 5/23/2025

MONETIZATION

Adtech is reshaping how companies monetize content, target audiences, and measure performance. As media and entertainment consumption shifts increasingly online, adtech enables more precise targeting for the industry through data analytics and programmatic advertising methods like real-time bidding. These technologies are increasingly necessary for both legacy and digital-native companies to connect with audiences navigating content overload.

Sports teams are investing in adtech at a greater rate in order to personalize fan experiences and unlock new revenue streams. In 2024, franchises like the San Francisco 49ers and Tottenham Hotspur integrated AI-driven crowd analytics and augmented-reality replays to enhance in-stadium engagement. As live sports increasingly shift to streaming platforms, certain adtech platforms enable real-time ad targeting during high-traffic events, enhancing monetization for rights holders and streamers outside of the stadium as well.

These technologies enable targeted advertising and sponsorship activations, making them attractive assets for brand partners and, by extension, their investors.

VC FUNDING TRENDS

Adtech companies have attracted a consistent level of VC funding over the past decade, but headwinds emerged in 2024. In the VC realm, adtech startups have drawn in a consistent level of more than $1 billion in VC funding over the past decade, but activity slowed to an annual sum of $632 million in 2024. The macroeconomic uncertainty facing all industries contributed to the sluggishness.

In addition, investment was impacted by industry-specific shakeups like tech giants' shift away from third-party cookies in favor of first-party data as well as AI crowding out traditional adtech investments.

M&A ACTIVITY

While VC funding has slowed, the sector remains a key driver of M&A activity. The volume of adtech M&A transactions rose by nearly a quarter in 2024, and the cumulative sum of these deals grew by more than 13%.

Amid high costs and higher competition, acquirers recognize that adtech can enable scalable revenue growth. Platforms like Fanfix—acquired by SuperOrdinary for $65 million in 2022—are gaining traction by offering content creators tools to manage sponsorships and audiences across multiple channels. Similar startups attract VCs by bridging the gap between creators and advertisers, offering scalable monetization tailored to a booming creator economy.

ADTECH ADVANCES

Adtech influence extends beyond direct investment. Adtech can unlock and maintain critical assets like proprietary data, scalable ad inventories, and unique targeting tools. These assets are increasingly shaping company valuations and deal structure.

As privacy regulations evolve and third-party cookies are phased out, companies with robust adtech infrastructure are better positioned for growth, making them more attractive for investors.

In short, adtech isn't just a tool—it's a competitive differentiator in media and entertainment dealmaking.

SECTION FOUR

Methodology

Standard PitchBook methodology regarding venture transactions and venture-backed exits was used for all datasets and similarly for PE or other private investment types. Full details can be found **here**.

The media and entertainment industry is defined in this report using PitchBook's dedicated media industry code. Adtech is defined using PitchBook's dedicated vertical.

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