

Manufacturing Impact: Rising Consumption of Entertainment Drives Demand For 3D Animated Content

by Thomas R. Cutler

Financial News Media suggested the lockdown led to a massive rise in demand for high-quality entertainment at home, encouraging media and entertainment companies to upgrade their video content. Increased preference to create High-Definition (HD) content, especially for video marketing, owing to its higher resolution, substantially higher number of pixels, and improved content quality compared to standard-definition content, is likely to positively impact the growth. The increased deployment of 3D animated videos to create graphic illustrations of various heavy machinery elements in the manufacturing industry is anticipated to be the key market growth driver. The augmented demand for the technology from several industrial verticals due to the increasing use of simulation in the design of industrial tools by OEMs has facilitated the penetration of 3D animation solutions worldwide. The increased deployment of simulation software and services in industries such as manufacturing, architecture and construction, media and entertainment, education, defense, and healthcare is fueling the industry's growth. Active companies in the markets today include Grom Social Enterprises, Inc.

A report from Grand View Research said that the global 3D animation market size, which was valued at USD 16.64 billion in 2020, is expected to expand at a compound annual growth rate (CAGR) of 11.7% from 2021 to 2028. The report said: "The promising pace of expansion of the media and entertainment sector, which is one of the key adopters of simulation software, is also contributing to the growth of the 3D animation market. The photorealistic representation feature of the simulation technique is expected to surge the demand from the media and entertainment sector. Moreover, the rising consumption of media and entertainment content for kids is expected to drive the demand for 3D animated content soon. Furthermore, the rising trend of integrating 2D and 3D animation, such as implanting 2D overlays with movement in big-budget commercial videos and small-scale digital adverts, is providing promising growth opportunities to the market. The growing preference of designers to retro motion graphics for adding a nostalgic effect to videos, along with morphing of images and logos to offer smooth and swift transition is furthering the demand for 3D animation technology."

Increase in use of visual effects in movies, surge in demand for high quality content by consumers, and rise in adoption of cloud for animation drives the growth of the global 3D animation market. The presence of free and open-source animation software hinders the market growth. Integration of virtual reality (VR) technology for visual effects creates new opportunities in the coming years.

The global 3D animation market generated \$14.08 billion in 2018, and is estimated to reach \$33.78 billion by 2026, registering a CAGR of 11.6% from 2019 to 2026.

Based on region, North America contributed the highest share, accounting for more than one-third of the total market share in the most recent data tabulation and will maintain its dominance throughout

the forecast period. The new division of the Manufacturing Media Consortium will be addressing these and other entertainment elements as manufacturing functions and trends.