



Thematic Opportunities

# On-Demand ETF (OND): Opportunity, Delivered in the Palm of Your Hand

## Key Takeaways:

- **Transformation in mobile technology and consumer behavior and expectation** have made food delivery, streaming videos, online gaming and on-demand transportation essential.
- **On-demand services are projected to be worth \$2 trillion globally by 2026**—even with acceleration during the pandemic, there's still ample room for growth.
- **ProShares On-Demand (OND) ETF** invests in companies that stand to potentially benefit from the proliferation of platforms and services for on-demand access to lifestyle needs.

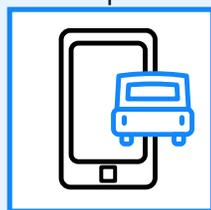
## The Global On-Demand Market Could Be a \$2 Trillion Opportunity

What are on-demand services? They're content and services available via a mobile or other device—such as food delivery, streaming video, gaming, and ridesharing. They're services you can request and get when, where, and how you want them. And while the pandemic certainly accelerated their adoption, global lifestyle trends are major drivers of the industry's growth trajectory.<sup>1</sup>

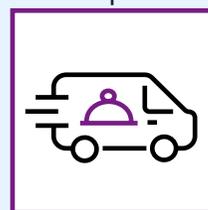
### Projected Growth of Four Core On-Demand Segments (2021–2026)<sup>1</sup>



Video Streaming  
2.5x growth



Ridesharing  
2.2x growth



Online Food Delivery  
1.9x growth



Video Game Software  
1.9x growth

# The Future of On-Demand Segments

The growth of on-demand services has been supported by several transformative trends, including increased access to the Internet and the proliferation of mobile devices. In addition, changing consumer expectations toward on-demand service may be another driver of the projected growth in the near term. Here are a few areas that may benefit from these long-term trends.

## Video Streaming



Streaming video has indisputably disrupted the cable TV model, with cord-cutting becoming more and more common. But after a surge of popularity during the pandemic, what's the future of streaming? Sure, growth halted in the first quarter of 2022 as the world reopened. However, following this pause, streaming has resumed its growth trajectory.

As streaming matures, consumers may shift from their current subscription models to less-expensive or free ad-supported video on-demand models, allowing them to gain market share, as consumers edit the stacked subscriptions they have to multiple providers. According to Boston Consulting Group, advertising-supported video on demand may become a stronger model as the subscription-based services model matures.<sup>2</sup>

**113** million U.S. households enjoy streaming content.<sup>3</sup>

## Ridesharing



Ridesharing is fast becoming a feature of daily life in the city. Ridesharing leader Uber was founded in 2009, transforming global public transportation and paving the way for a variety of similar companies such as Lyft, China's DiDi and many others. As a prime example, Uber's net revenue saw explosive growth, from \$100 million in 2013 to nearly \$17.5 billion in 2021.<sup>4</sup>

**70%** of all people will live in cities by 2050.<sup>5</sup>

**\$922B** projected by 2026<sup>1</sup>

### Potential Growth Drivers

- New streaming models arising
- Continued move from cable with cord cutting
- Streaming accepted as a new normal

**\$186B** projected by 2026<sup>1</sup>

### Potential Growth Drivers

- Improving app performance and convenience
- Urbanization, congestion charges and limited parking
- Costs of fuel
- Stringent carbon emission norms

## Online Food Delivery



The convenience and ease of app-based food delivery services are products of the smartphone revolution. And while these services were on a growth path, the pandemic accelerated this significantly, as people spent their days at home.

There are clear signs that this behavioral shift toward online ordering is most likely permanent and will improve as AI and other technology enhancements roll out. And while China leads the food delivery trend—with the United States close behind—Europe, the United Kingdom, Southeast Asia, South America and India have significant room to grow.<sup>6</sup>

**72%** of millennials call food takeout or delivery “essential to the way they live.”<sup>7</sup>

## Video Game Software



While console-based gaming remains ever popular, mobile gaming—relatively inexpensive games on smartphones and other devices—is now the leading form of video game in the United States and is projected to add over 30 million users in the next five years.<sup>8</sup> The pandemic lockdowns added online gamers. However, reopening hasn't slowed the pace of growth.

And it's also important to consider two other major factors: first, global growth as mobile devices and internet connectivity expand to billions of potential new gamers in emerging markets, and second, the rapid launch of the metaverse—which has the potential to transform gaming over the long term.

**3.2** billion video gamers in the world in 2021.<sup>9</sup>

**\$465B** projected by 2026<sup>1</sup>

### Potential Growth Drivers

- Permanent change to consumer behavior
- Ongoing technological improvements
- Global growth opportunities

**\$380B** projected by 2026<sup>1</sup>

### Potential Growth Drivers

- New gamers from the pandemic likely to stay gamers
- Simple, seamless in-app purchases
- Worldwide smartphone proliferation and more gaming for mobile devices
- The rise of the metaverse and virtual-reality gaming

## Capture the On-Demand Opportunity in One ETF

ProShares On-Demand ETF (OND) is the first ETF focused on investing in companies delivering seamless and convenient services at the touch of a button.

These on-demand companies include leading ridesharing, video streaming, online food delivery and video game companies that have grown at a rapid pace and are projected to continue that trend. OND gives investors the convenience of owning a basket of companies that provide exposure to growing and evolving lifestyle needs.

## Have Questions?

Financial professionals can contact ProShares at **866-776-5125** or email **info@proshares.com** for additional information about OND and our other ETFs.

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<sup>1</sup>Precedence Research, "Ride Sharing Market Size to Worth Around US\$ 344.4 Bn by 2030," 9/28/21. The Business Research Company, "Video Game Software Global Market Report 2022," 10/22. Fortune Business Insights, "Video Streaming Market Size, Share, Growth & Forecast," 2022. Expert Market Research, "Global Online Food Delivery Market Outlook," 2020. <sup>2</sup>Micon, Nathan, et al; Boston Consulting Group; "Streaming Video Heads Back to the Future," 5/19/22. <sup>3</sup>Kantar, "U.S. Streaming Market Returns to Growth in the Second Quarter," 7/26/22. <sup>4</sup>Blystone, Dan; Investopedia; "The Story of Uber," 9/19/21. Business Insider; Kosoff, Maya; "New revenue figures show \$50 billion Uber is losing a lot of money," 8/5/15. <sup>5</sup>The World Bank, Urban Development, 10/6/22. <sup>6</sup>Curry, David; Business of Apps; "Food Delivery App Revenue and Usage Statistics (2022)," 9/13/22. <sup>7</sup>National Restaurant Association, "State of the Restaurant Industry," 2/22. <sup>8</sup>Statista, "Number of Digital Video Game Users in the United States from 2017 to 2027," 2022. <sup>9</sup>Statista, "Number of video gamers worldwide in 2021," 2022.

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