**Platforms’ Total Revenues**

**Platforms’ Total Revenues**

- **Facebook**
  - EUR millions - 2018: 93.4
  - % increase 2017-2018: +25%
- **Microsoft**
  - EUR millions - 2018: 93.4
  - % increase 2017-2018: +9%
- **Google**
  - EUR millions - 2018: 93.4
  - % increase 2017-2018: +18%
- **Apple**
  - EUR millions - 2018: 224.9
  - % increase 2017-2018: +11%

**Platform’s Total Revenues**

- **Netflix**
  - EUR millions - 2018: 13.4
- **Microsoft**
  - EUR millions - 2018: 197.2
- **Amazon**
  - EUR millions - 2018: 47.3
- **Google**
  - EUR millions - 2018: 115.9

**Platform’s Total Revenues**

- **Platforms’ total revenues**
  - EUR billions - 2018: 692
- **Platfoms**
  - EUR billions - 2018: 115.3
- **TLC&Media**
  - EUR billions - 2018: 28.2

**Change in Average Revenues**

- **Platfoms**
  - Change in average revenues (2017-2018): +17%
- **TLC&Media**
  - Change in average revenues (2017-2018): +3%

**Globalization Index**

- **Platfoms**
  - Globalization index (revenue % outside the domestic continent): 46%
- **TLC&Media**
  - Globalization index (revenue % outside the domestic continent): 15%

**Average Revenues per Employee**

- **Platfoms**
  - Average revenues per employee (EUR millions - 2018): 0.71
  - Change in average revenues per employee (2017-2018): +3.0%
- **TLC&Media**
  - Average revenues per employee (EUR millions - 2018): 0.43
  - Change in average revenues per employee (2017-2018): -0.5%

**Italy, Europe, Rest of the World**

- **Italy**
  - % increase 2017-2018: 0.30
- **Europe**
  - % increase 2017-2018: 0.71
- **Rest of the World**
  - % increase 2017-2018: 1.17
  - Globalization index: 1.33

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**References**

ECONOMIC INDICATORS

Profitability (2018)

- Platforms: 83%
- TLC&Media: 38%
- Main Italian companies: 40%

AVERAGE ROE (2016-2018)

- Platforms: 32%
- TLC&Media: 15%
- Main Italian companies: 15%

AVERAGE ROI (2016-2018)

- Platforms: 10%
- TLC&Media: 3%
- Main Italian companies: 7%

PAYBACK PERIOD (years)

- Platforms: 7
- TLC&Media: 30
- Main Italian companies: 13

ROE and ROI

- ROE: return on equity
- ROI: return on investment

ROE:
- Platforms: 2016 - 20%
- TLC&Media: 2017 - 29%
- Main Italian companies: 2018 - 53%

ROI:
- Platforms: 2016 - 20%
- TLC&Media: 2017 - 34%
- Main Italian companies: 2018 - 60%

ECONOMIC INDICATORS

Profitability (2018)

- Gross margin: Platforms - 65%, TLC&Media - 33%, Main Italian companies - 56%
- Gross margin without R&D expenditure: Platforms - 45%, TLC&Media - 27%, Main Italian companies - 19%
- EBIT: Platforms - 56%, TLC&Media - 19%, Main Italian companies - 32%

ROE:
- 2016: Platforms - 20%, TLC&Media - 16%, Main Italian companies - 18%
- 2017: Platforms - 29%, TLC&Media - 21%, Main Italian companies - 19%
- 2018: Platforms - 34%, TLC&Media - 24%, Main Italian companies - 23%

ROI:
- 2016: Platforms - 15%, TLC&Media - 10%, Main Italian companies - 12%
- 2017: Platforms - 53%, TLC&Media - 60%, Main Italian companies - 20%
- 2018: Platforms - 60%, TLC&Media - 32%, Main Italian companies - 14%

PAYBACK PERIOD (years)

- Platforms: 7
- TLC&Media: 30
- Main Italian companies: 13

Agcom: Report on Online Platforms
Global shares by activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Rank</th>
<th>Google</th>
<th>Microsoft</th>
<th>Amazon</th>
<th>Facebook</th>
<th>Netflix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud (IaaS) Revenues - 2018</td>
<td>1º</td>
<td>75%</td>
<td>n.d.</td>
<td>31%</td>
<td>51%</td>
<td>19%</td>
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<tr>
<td>Vocal assistance Smart speaker number - 2019</td>
<td>2º</td>
<td>64%</td>
<td>1%</td>
<td>32%</td>
<td>16%</td>
<td>48%</td>
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<tr>
<td>Device (mobile) Revenues - 2018</td>
<td>1º</td>
<td>38%</td>
<td>1%</td>
<td>38%</td>
<td>4%</td>
<td>32%</td>
</tr>
<tr>
<td>Online advertising Page views - Nov-2018/Oct-2019</td>
<td>1º</td>
<td>50%</td>
<td>4%</td>
<td>50%</td>
<td>6%</td>
<td>15%</td>
</tr>
<tr>
<td>E-commerce Revenues</td>
<td>2º</td>
<td>23%</td>
<td>6%</td>
<td>14%</td>
<td>23%</td>
<td>14%</td>
</tr>
<tr>
<td>Operating systems (desktop) Page views - Nov-2018/Oct-2019</td>
<td>6º</td>
<td>23%</td>
<td>23%</td>
<td>14%</td>
<td>23%</td>
<td>14%</td>
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<tr>
<td>Operating systems (mobile) Page views - Nov-2018/Oct-2019</td>
<td>3º</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
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<tr>
<td>Audio-visual content (VoD) Revenues - 2018</td>
<td>2º</td>
<td>62%</td>
<td>15%</td>
<td>62%</td>
<td>15%</td>
<td>62%</td>
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<tr>
<td>App store (mobile) Revenues (Android e iOS) - Jun-2019</td>
<td>5º</td>
<td>16%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
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</tbody>
</table>

**BREAK-EVEN POINT**

Turnover level at which total cost and total revenue are equal

<table>
<thead>
<tr>
<th>Activity</th>
<th>EUR billions - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-commerce</td>
<td>50</td>
</tr>
<tr>
<td>Search</td>
<td>20</td>
</tr>
<tr>
<td>Social network</td>
<td>10</td>
</tr>
<tr>
<td>Cloud</td>
<td>5</td>
</tr>
<tr>
<td>VoD</td>
<td>1</td>
</tr>
</tbody>
</table>
**DATA ECONOMICS**

**Data exchange between users and platforms**

- An individual decides to use a platform.
- User is not charged a price but provides his/her own data.
- It uses information in order to profile users.
- Profiling is used to sell advertising.
- The platform gathers a huge amount of data.
- Advertisers reach a specific consumers’ target.

**Free services ARPU**

(Advertising revenue per user - 2018)

ARPU (Average Revenue Per User) provides a measure of the value attached to the (personalized) targeted advertising contacts of the platform.

**SEARCH**

- Google
  - €37

**SOCIAL NETWORK**

- Facebook
  - €21
- Instagram
  - €11

**ENTERTAINMENT (VIDEO)**

- Youtube
  - €10

**Free services ARPU by geographical area**

(Advertising revenue per user - 2018)

- US
- Europe
- Asia-Pacific
- Other Americas
- Developing countries

**ARPU GDP per capita**

- Europe
- Americas
- Developing countries

Search engines and social networks make money through targeted advertising.

Free services ARPU by geographical area:

- US
- Europe
- Asia-Pacific
- Other Americas
- Developing countries

ARPU (Average Revenue Per User) provides a measure of the value attached to the (personalized) targeted advertising contacts of the platform.