



Trends of the European film and audiovisual market

EFAD Meeting, Paris, 2013

André Lange

Head of Department for Information on Markets and Financing

OBSERVATOIRE EUROPÉEN DE L'AUDIOVISUEL
EUROPEAN AUDIOVISUAL OBSERVATORY
EUROPÄISCHE AUDIOVISUELLE INFORMATIONSTELLE



3 OVERVIEWS OF THE EU FILM AND AUDIOVISUAL MARKET

- 1. Some macro-economic data
- 2. Production and circulation of European films
- 3. The impact of the VoD market



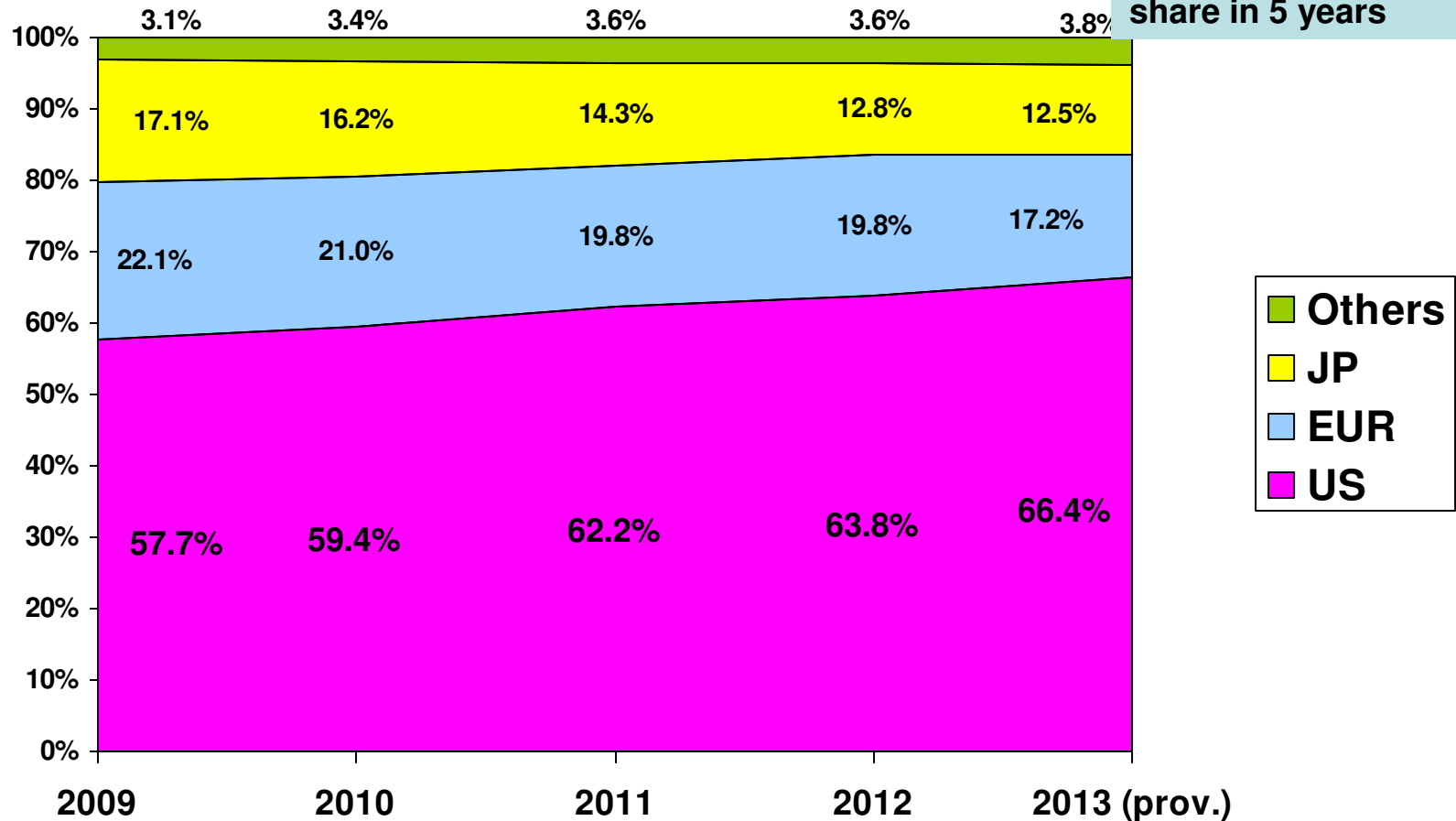
1. *MACRO-ECONOMIC DATA*

BREAKDOWN OF THE WORLD AV MARKET BY COUNTRY OF ORIGIN OF THE GROUPS

(2009-2013) - (Calculated on the AV turnover of Top 50 world groups)

Source: European Audiovisual Observatory

Europe has lost 4,9% of market share in 5 years



THE SIZE OF THE AV INDUSTRY

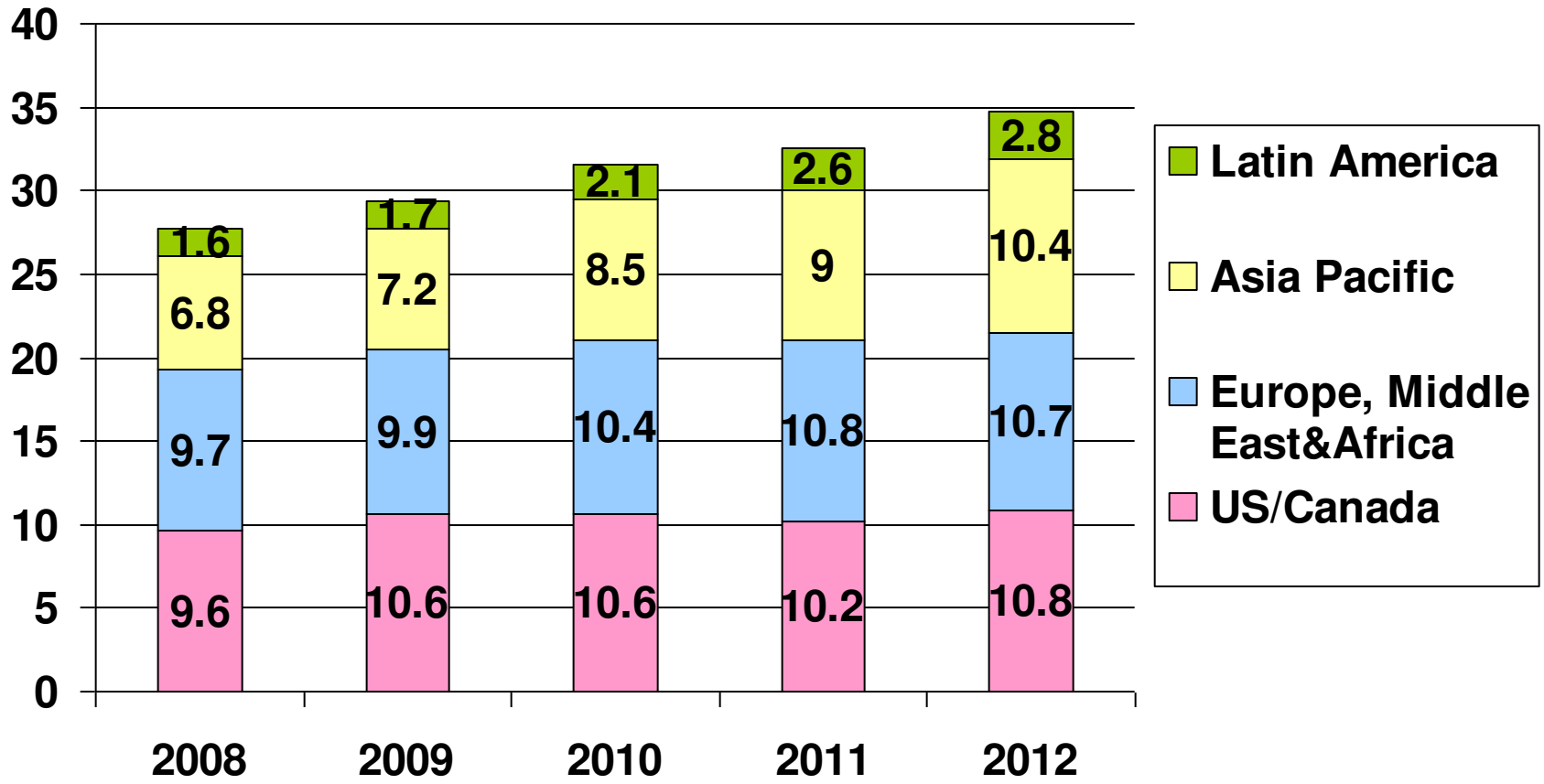
(film, TV, ODAS, radio, recorded music)

- EUROSTAT statistics: huge methodological problems – Registers of national statistics institutes need to be checked with film agencies
- In 2011:
 - around 123 000 companies
 - turnover: around 130 billion EUR
 - around 650 000 / 700 000 employed persons
- International trade (*WTO Outwards FATS methodology*)
 - EU FATS abroad in 2010: 6.4 billion EUR
 - Non-EU FATS (incl. cable and ODAS) in EU in 2009: 46 billion EUR (*OBS estimates*)

GLOBAL BOX OFFICE – ALL FILM (2008-2012)

(USD billions) – Source MPAA

EMEA market share fell from 35% in 2008 to 30.8% in 2012.

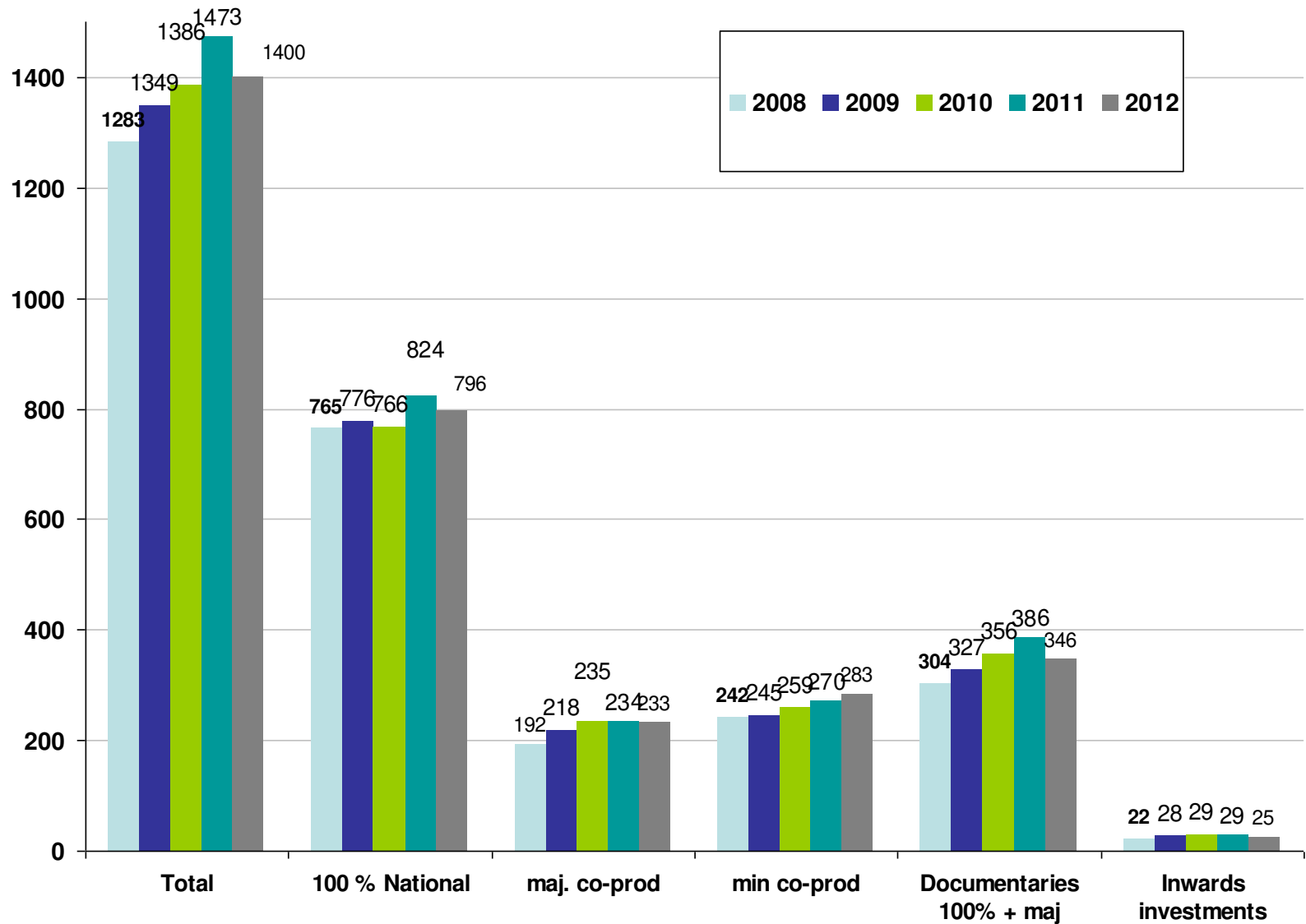




2. PRODUCTION AND CIRCULATION OF EU FEATURE FILMS

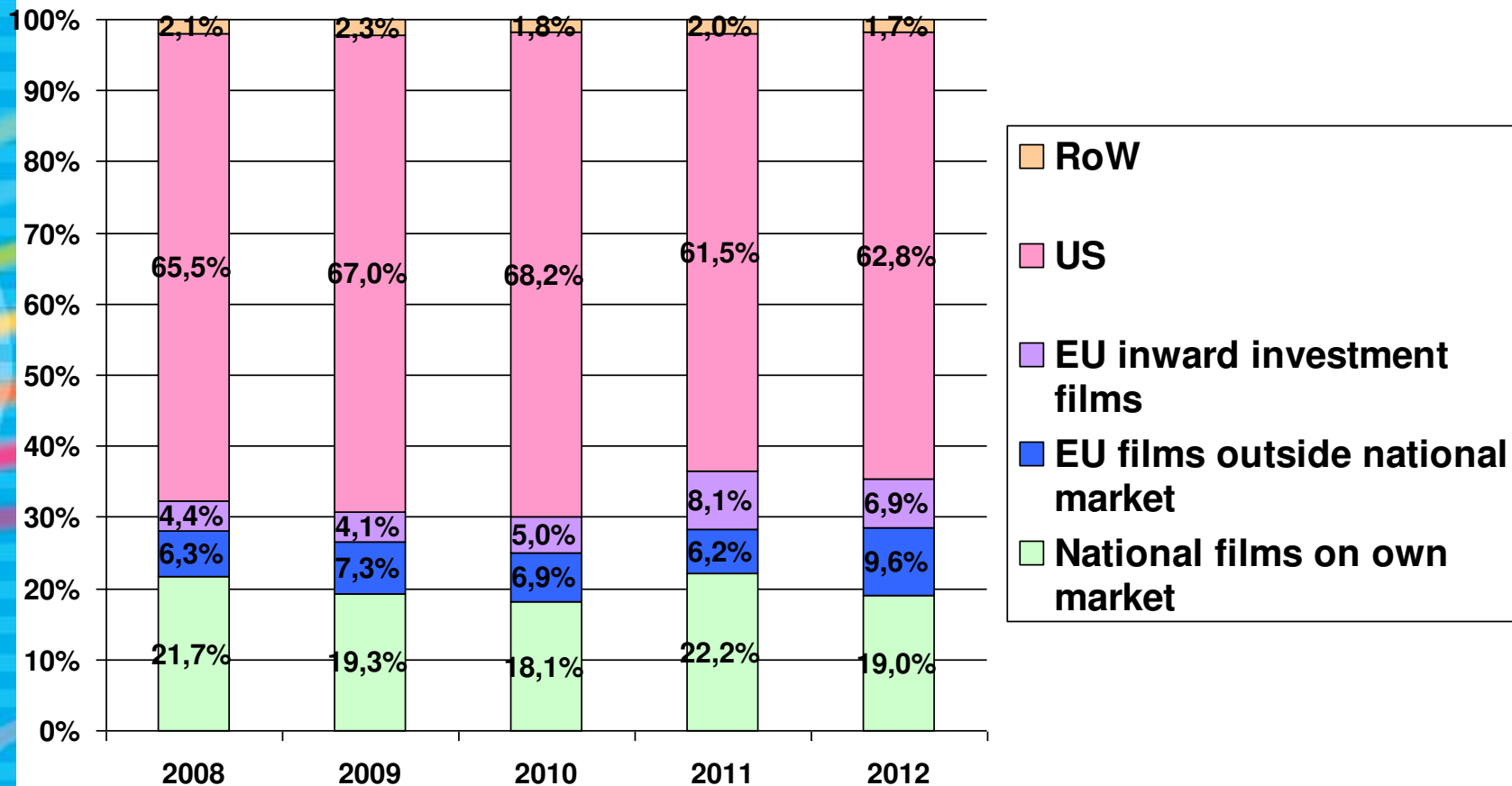
VOLUME OF FEATURE FILM PRODUCTION IN EU (2008-2012)

Source: European Audiovisual Observatory with EFARN



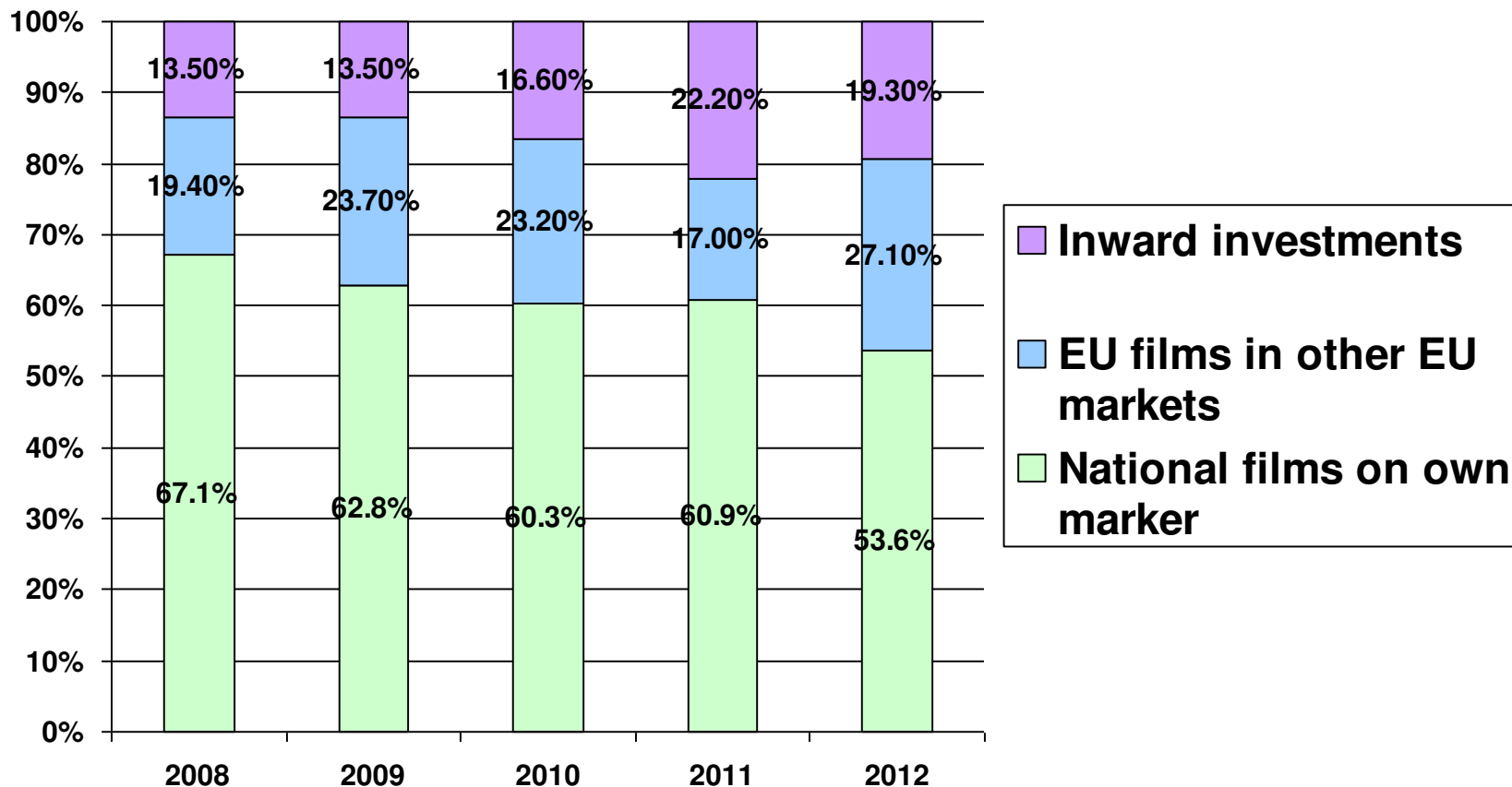
BREAKDOWN OF EU MARKET SHARES BY ORIGIN OF FILMS (2008-2012)

Source: European Audiovisual Observatory / LUMIERE



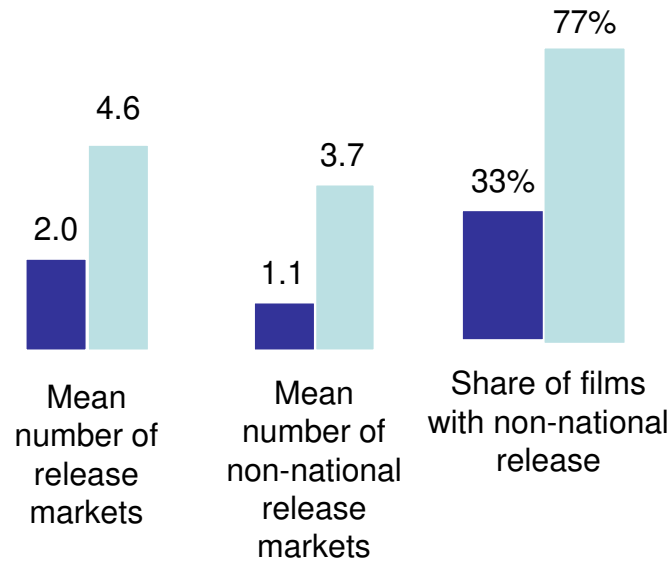
BREAKDOWN OF ADMISSIONS IN THE EU MARKET FOR EU FILMS (2008-2012)

Source: European Audiovisual Observatory / LUMIERE

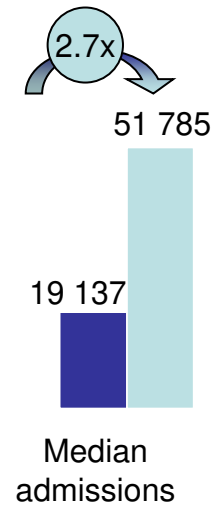


CIRCULATION OF CO-PRODUCTIONS (5400 films analysed – Admissions 2001-2007 in 20 markets)

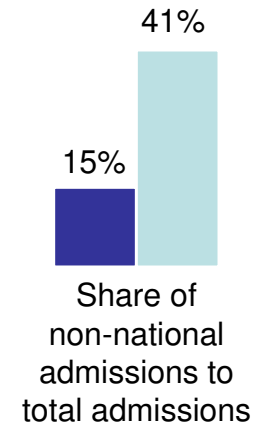
Circulation comparison



Performance comparison



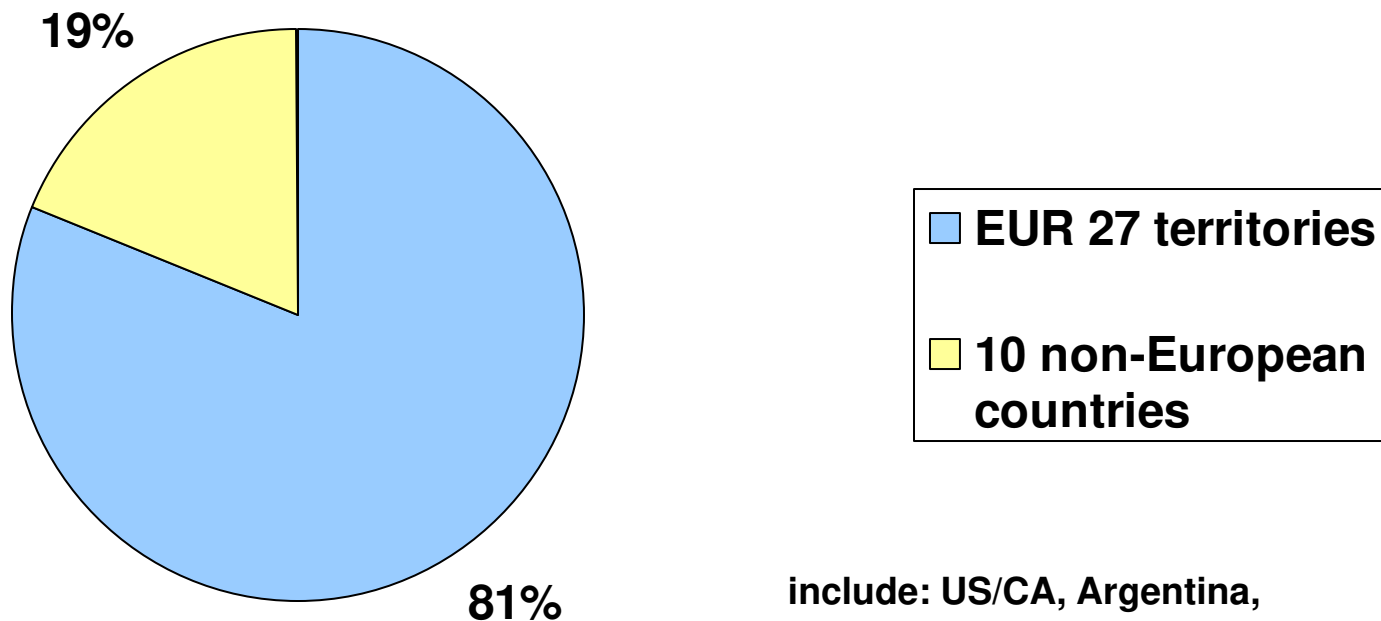
Non-national admissions



■ 100% national films ■ Co-productions

BREAKDOWN OF 378 MILLIONS ADMISSIONS BY EUROPEAN FILMS IN 2010: 27 EUROPEAN TERRITORIES + 10 NON EUROPEAN TERRITORIES

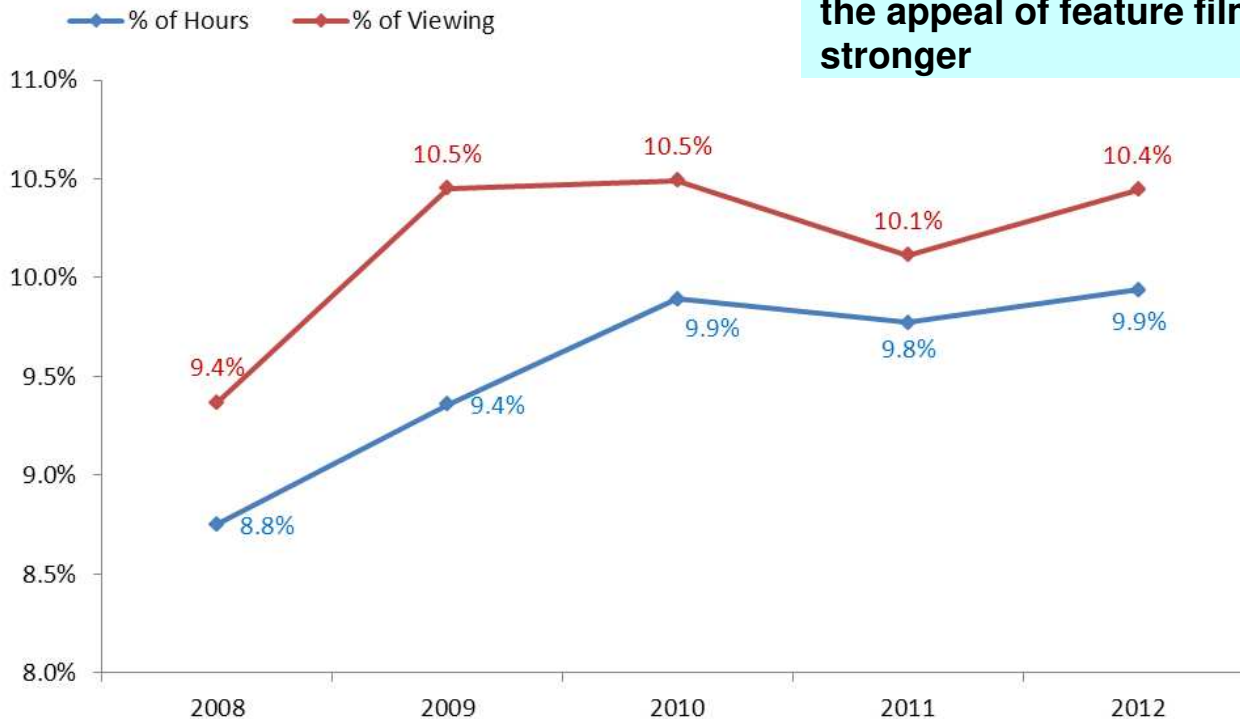
Source: European Audiovisual Observatory



include: US/CA, Argentina, Brazil, Chile, Columbia, Mexico, Venezuela, South Korea, Australia, New Zealand

OFFER AND CONSUMPTION OF FEATURE FILMS ON MAIN FREE TV IN THE BIG 5 EUROPEAN COUNTRIES

Facing the growth of on-demand markets, the appeal of feature films on TV is getting stronger



Countries: France, Germany, Italy, Spain, United Kingdom

Channels: Top 5 best performing channels (based on Total Day)

France: TF1, France 2, M6, France 3, TMC

Germany: RTL, ARD, ZDF, Sat.1, Pro7

Italy: Rai 1, Canale 5, Rai 3, Italia 1, Rai 2

Spain: La 1, Tele 5, Antena 3, Cuatro, La Sexta

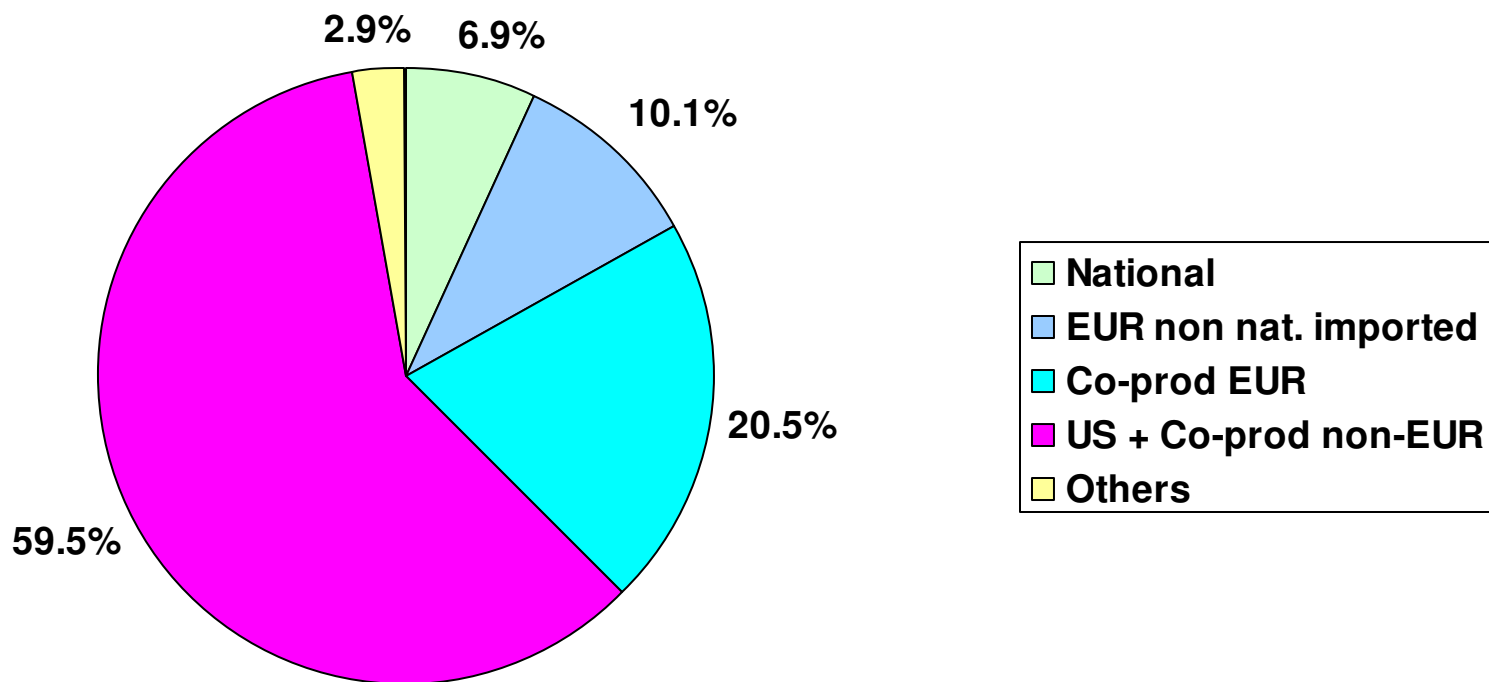
United Kingdom: BBC1, ITV, BBC2, Channel 4, Channel 5



This chart is based on all movies broadcast total day on the channels studied over the period. “% of hours” shows the percentage of movies broadcast and “% of viewing” shows the percentage of audience based on all individuals. Ratings in thousands of viewers as well as the duration of each movie have been taken in account.

ORIGIN OF FEATURE FILMS BROADCAST BY 131 CHANNELS IN 15 EUROPEAN COUNTRIES IN 2011

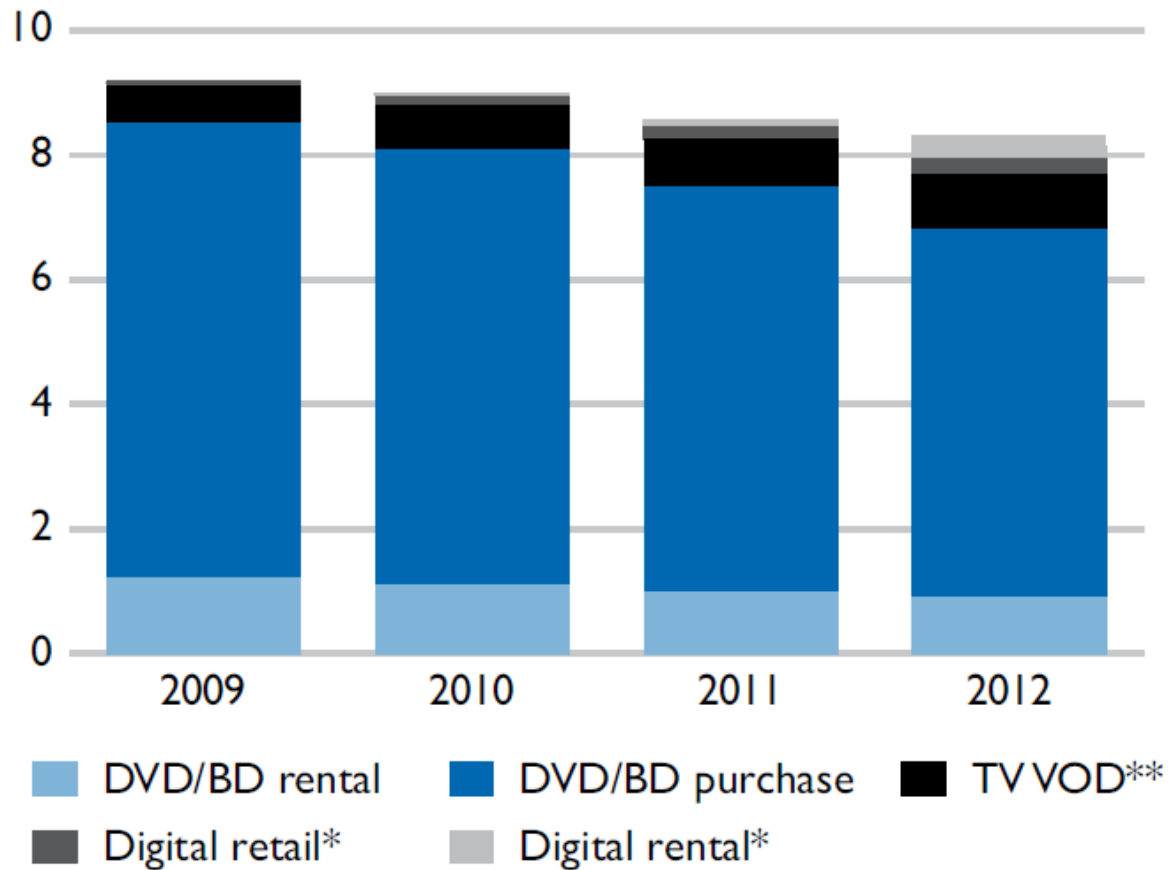
Source: European Audiovisual Observatory on ROVI data





3. THE IMPACT OF VoD

HOME VIDEO AND VoD EUROPEAN MARKET (2009-2012) EUR billion - Source IVF / IHS



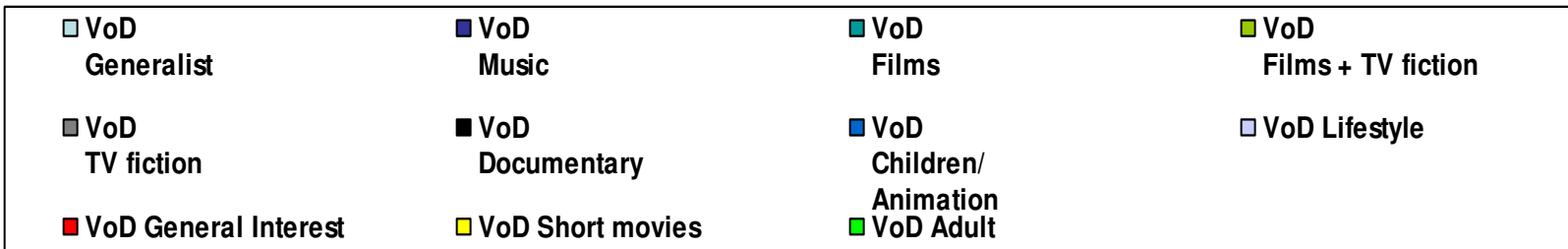
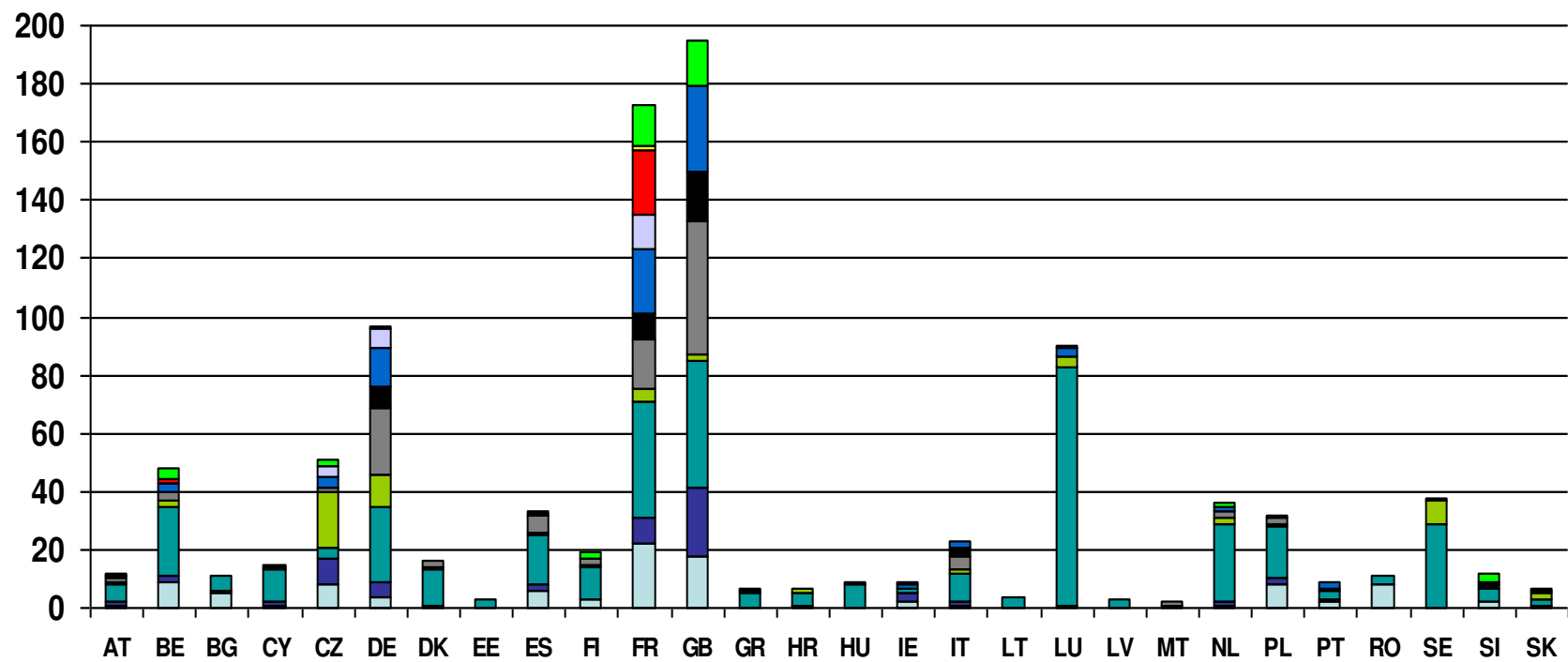
*Digital delivery over the open internet

**TVVOD includes TV series and movies only
(excludes sports and adult content)

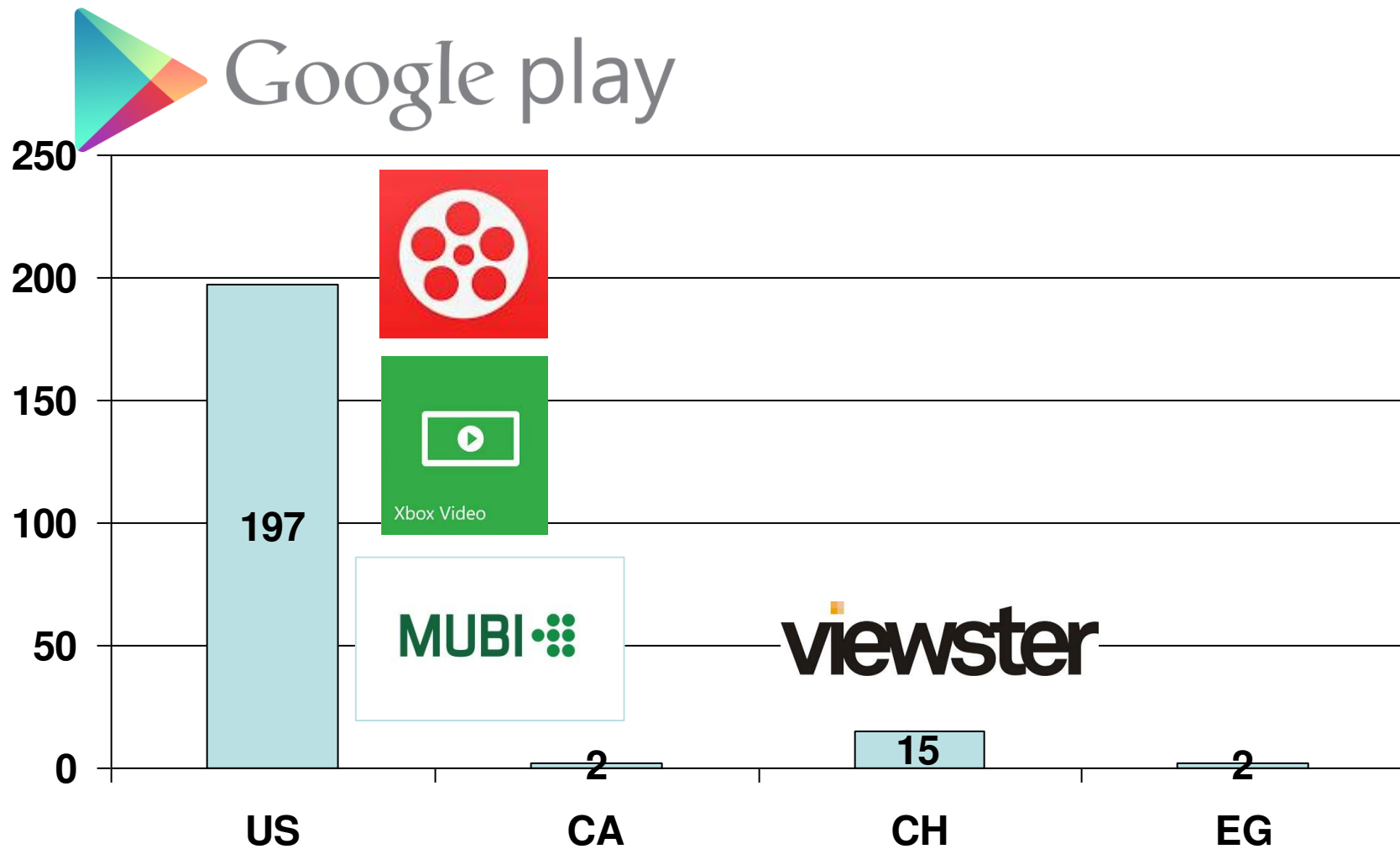
Source: IHS

905 VoD SERVICES ESTABLISHED IN EU COUNTRIES (December 2013)

Source: European Audiovisual Observatory / MAVISE

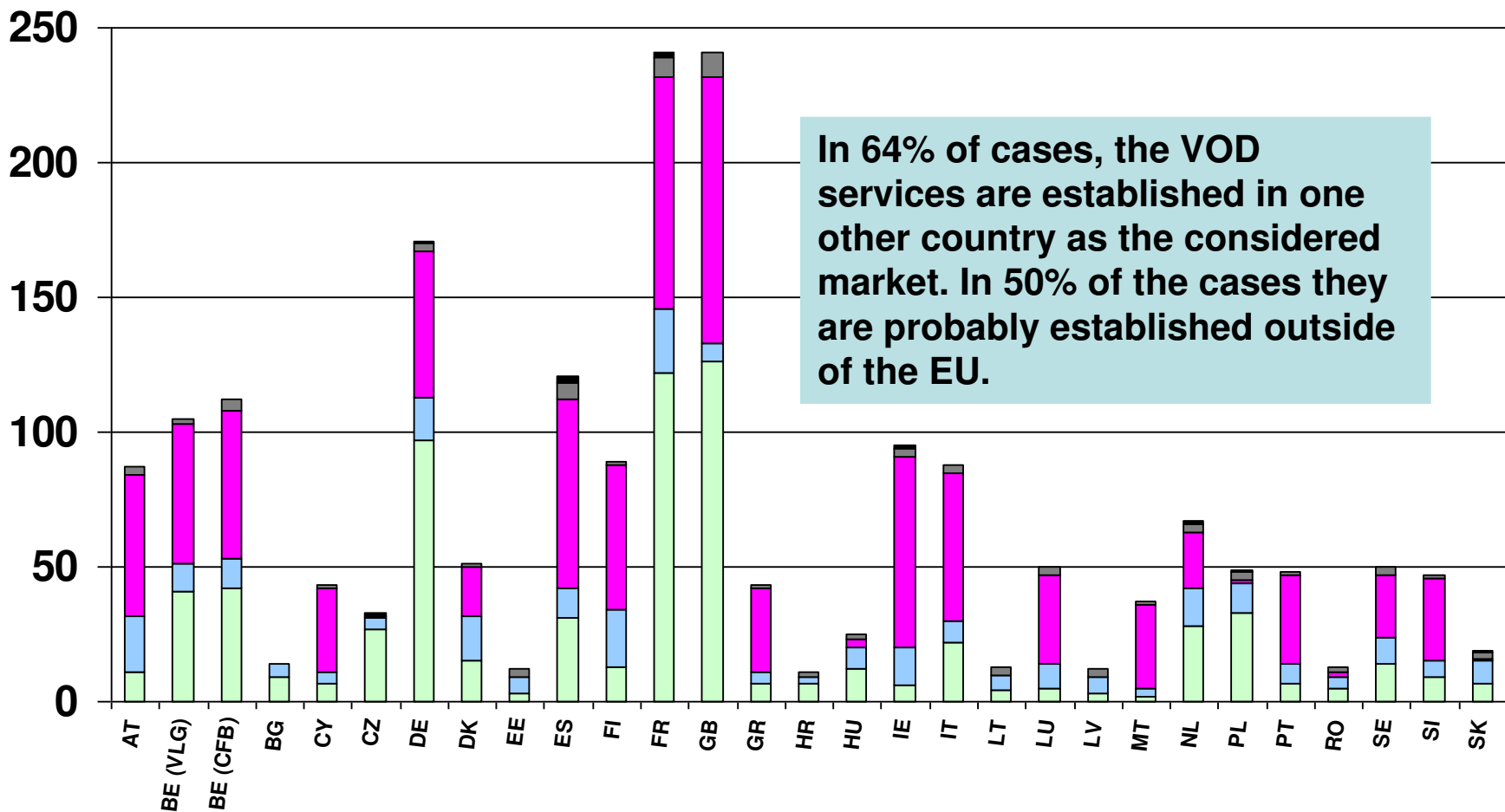


217 VoD SERVICES ESTABLISHED OUTSIDE THE EU AND TARGETING THE EUROPEAN MARKETS



ORIGIN OF AVAILABLE VoD SERVICES IN THE EU

(December 2013) – European Audiovisual Observatory / MAVISE



LACK OF TRANSPARENCY OF THE VoD MARKET

- Lack of transparency and difficulty to provide comprehensive metrics
 - Comprehensive register of services available in Europe
 - Data on catalogues
 - Data on number of transactions or subscriptions
 - Data on the breakdown of adspend on Internet between categories of services
 - Data on revenues of services (advertising, purchase, rental, subscription)
 - Data the success of works and on their circulation
 - Data on market shares
 - Data on international trade in AVMS

SOME PROPOSALS TO IMPROVE THE QUALITY OF THE FILM DATA

- Collaboration with national statistic institutes to check company registers
- Collaboration with national regulators to check lists of on-demand audiovisual services
- Ask the EU to consider seriously the file of transparency of audiovisual sector, and in particular of the VoD services
- ... and of course support Observatory and the EFARN network

THANK YOU FOR YOUR ATTENTION !

- <http://www.obs.coe.int>
- <http://mavise.obs.coe.int>
- <http://lumiere.obs.coe.int>

- andre.lange@coe.int