

Последние тенденции развития европейского кинорынка

- Андре Ланж, руководитель департамента сбора информации о рынках и финансировании Европейской аудиовизуальной обсерватории



TRENDS OF THE EUROPEAN AUDIOVISUAL MARKET

WORKSHOP: THE FILM INDUSTRY IN THE RUSSIAN FEDERATION AND IN OTHER EUROPEAN COUNTRIES

Organized by the European Audiovisual Observatory with the collaboration of NEVAFILM

In the framework of the Moscow Film Fair

Tuesday, 2nd of December 2014

André LANGE

Head of Department for Information on Market and Financing

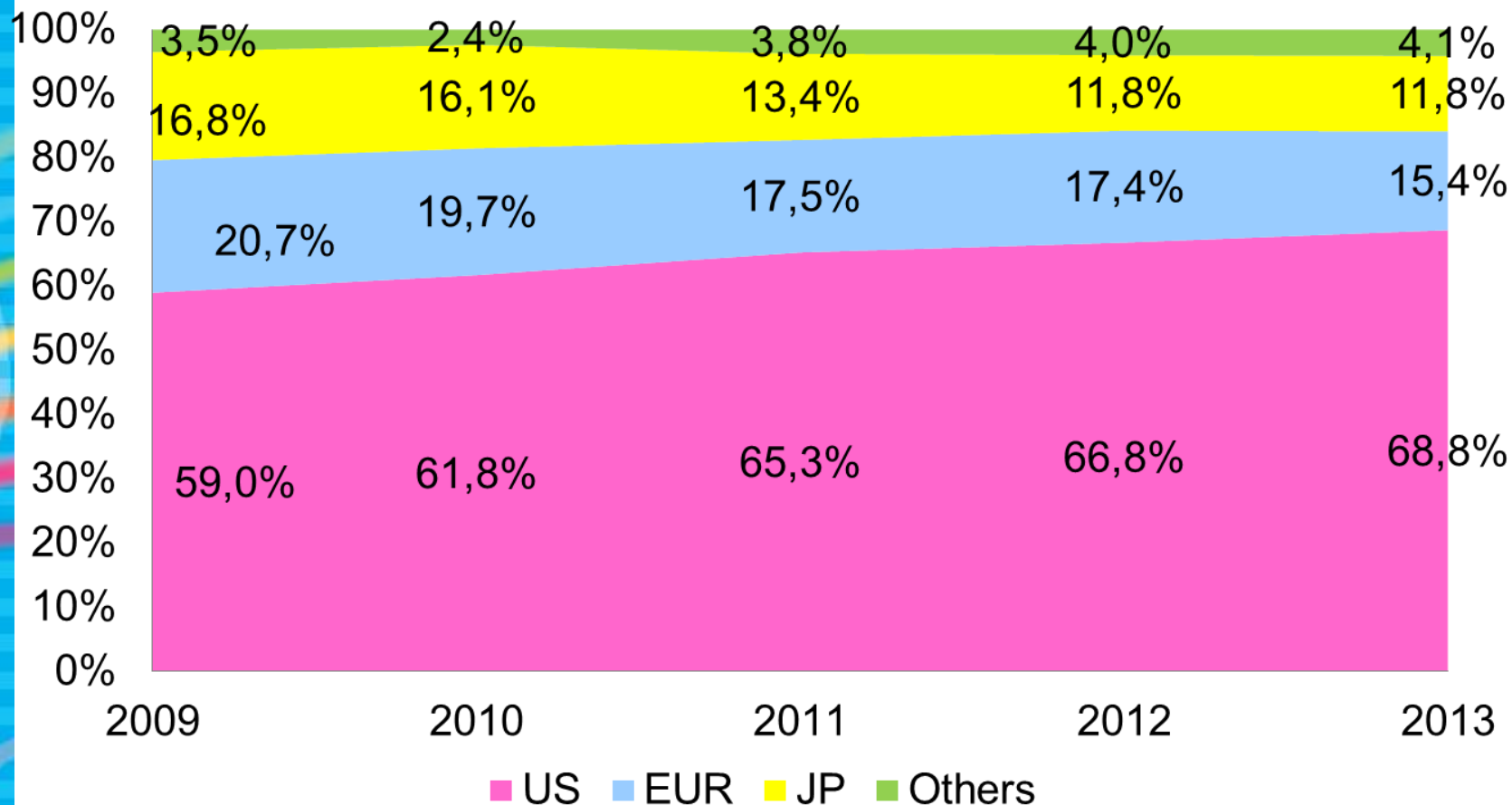
OBSERVATOIRE EUROPÉEN DE L'AUDIOVISUEL
EUROPEAN AUDIOVISUAL OBSERVATORY
EUROPÄISCHE AUDIOVISUELLE INFORMATIONSTELLE



BREAKDOWN OF THE AUDIOVISUAL WORLDWIDE MARKET (2009-2013) : EU COMPANIES HAVE LOST 5,3 % OF MARKET SHARE IN 5 YEARS

Film-TV-Radio-Recorded Music – Video games

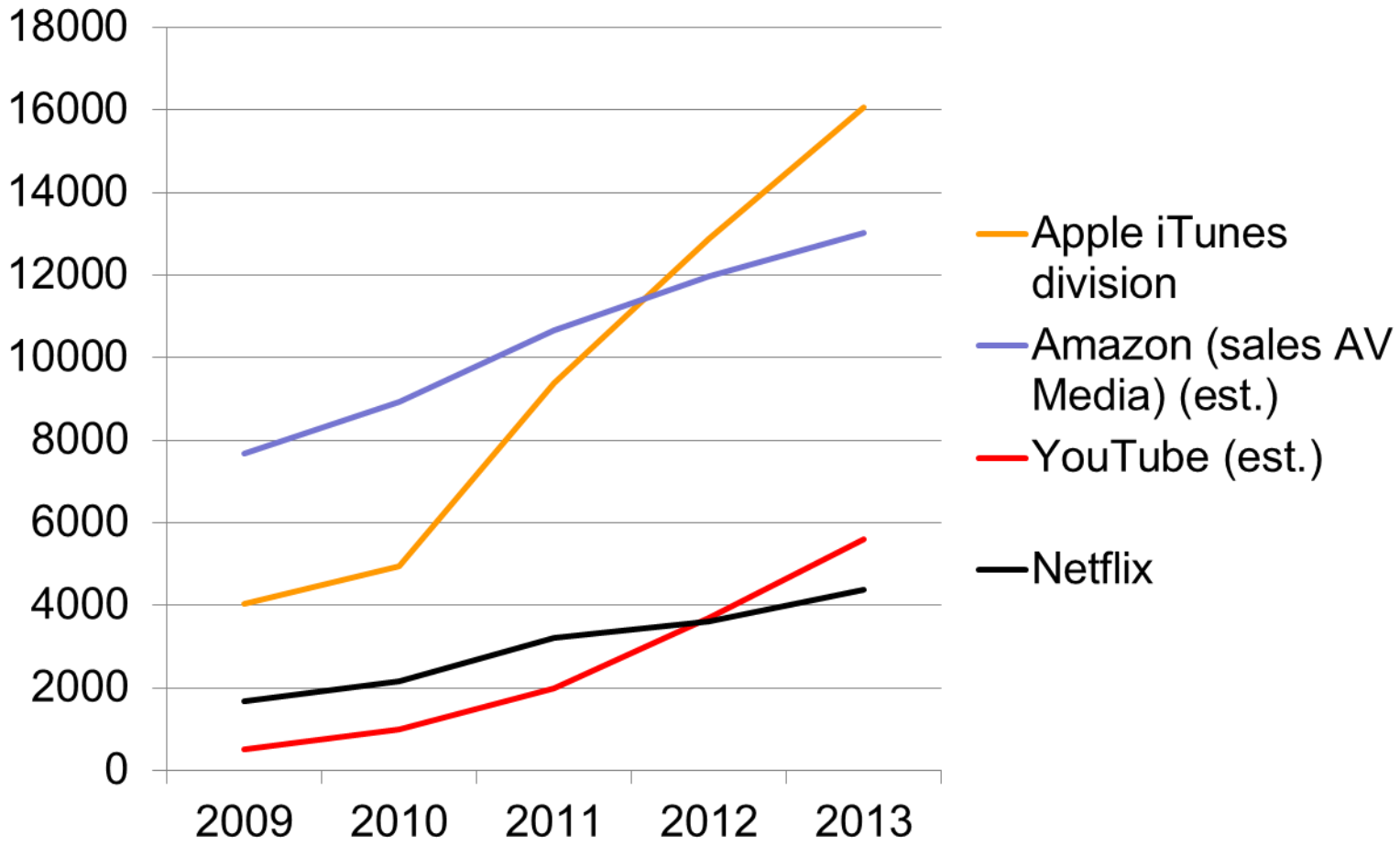
Source : European Audiovisual Observatory



WORLDWIDE AUDIOVISUAL REVENUES OF 4 LEADING US INTERNET

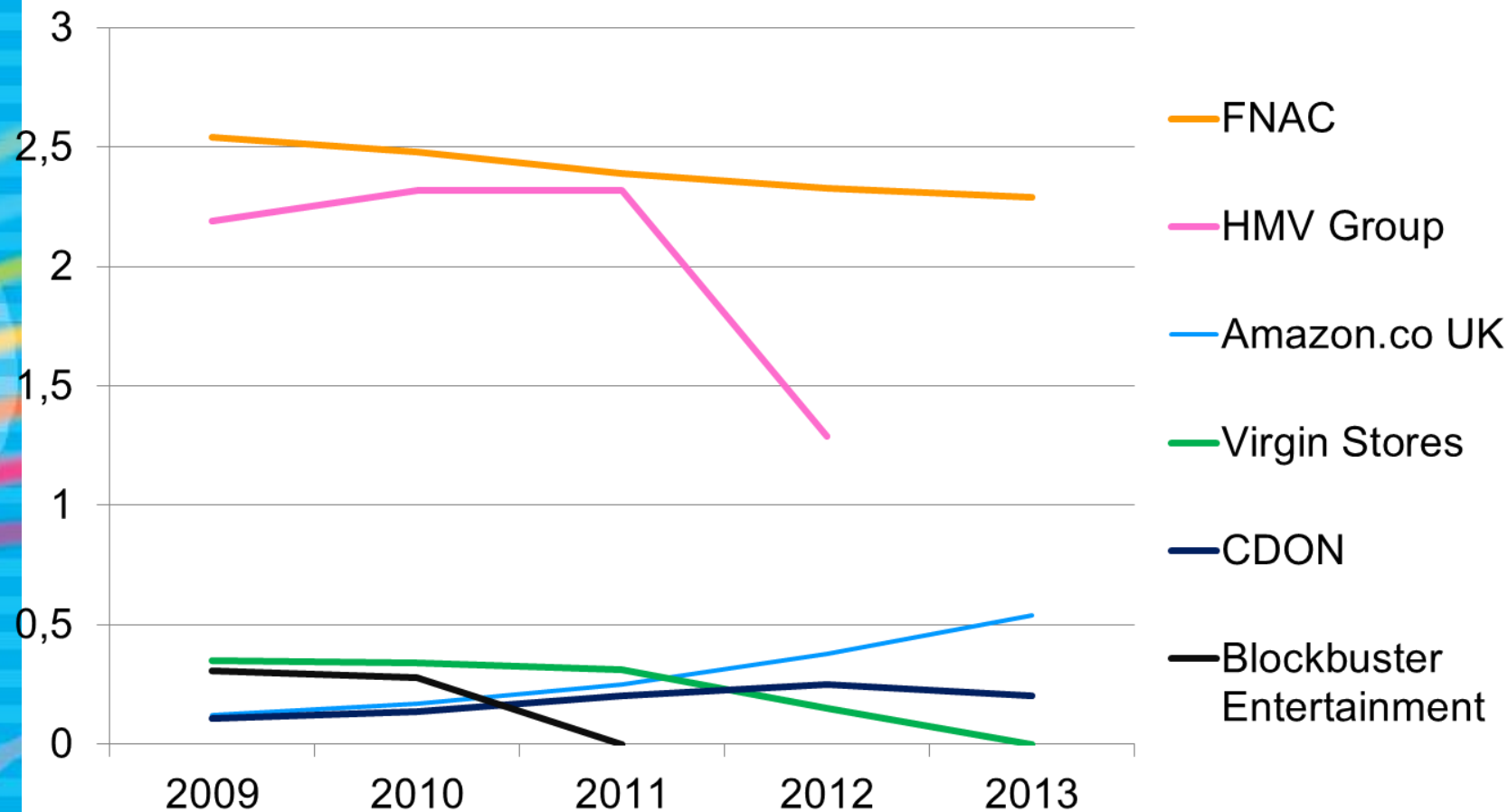
PLAYERS (2009-2013) – USD Million

Source: European Audiovisual Observatory



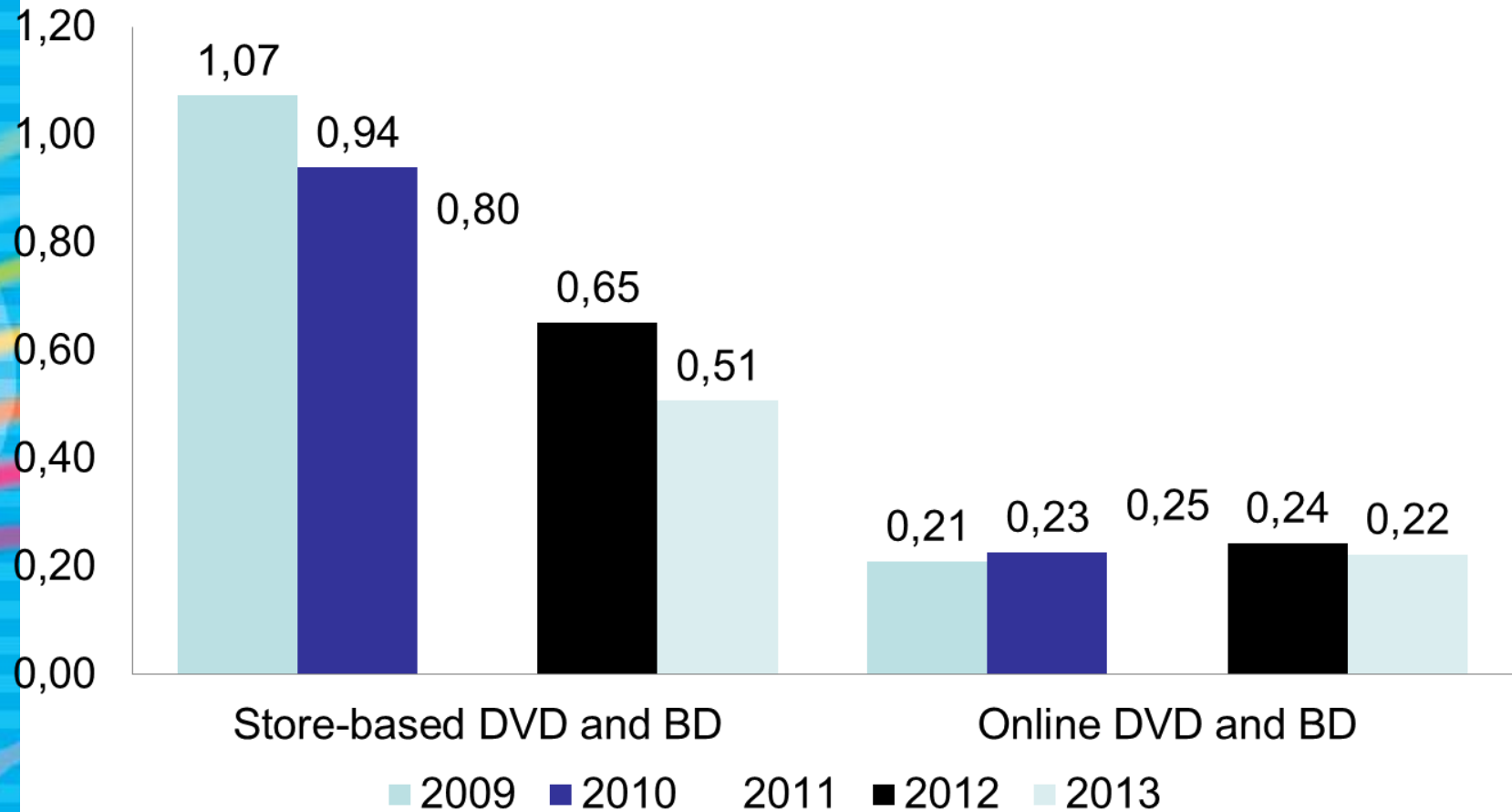
« BRICK AND MORTAR » vs ONLINE DISTRIBUTION OF CULTURAL GOODS

OPERATING REVENUES OF THE 5 EU LEADING RETAILERS (2009-2013) – EUR billions



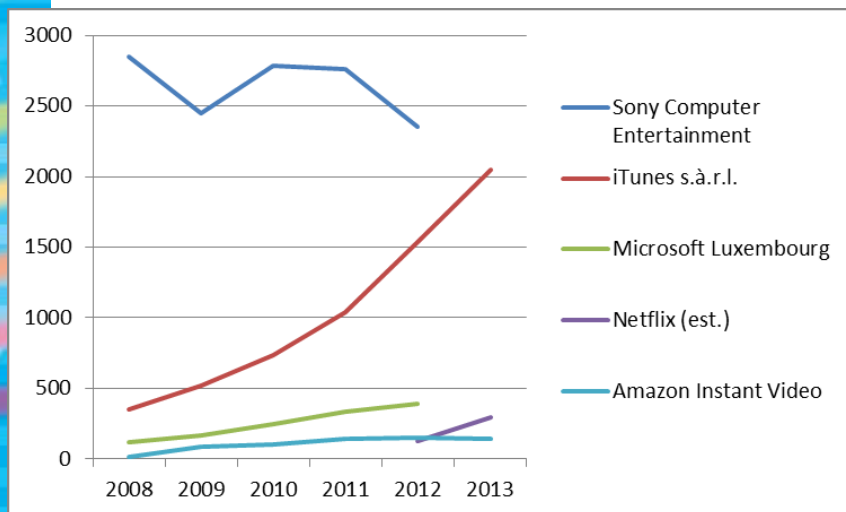
« BRICK AND MORTAR » vs ONLINE SALES OF DVD/BD IN EU (2009-2013) – EUR billion

Source : IHS / IVF



OPERATING REVENUES OF MAIN DIGITAL CONTENT PROVIDERS IN EUROPE (2008-2013) – EUR million

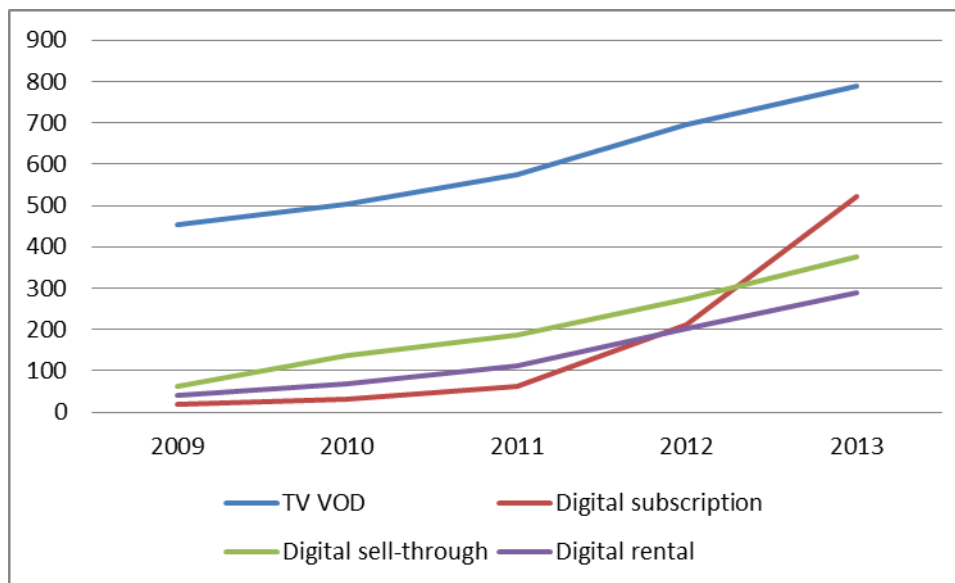
Source: AMADEUS database / OBS



**Not available : Google
(YouTube, Google Play
Movies)**

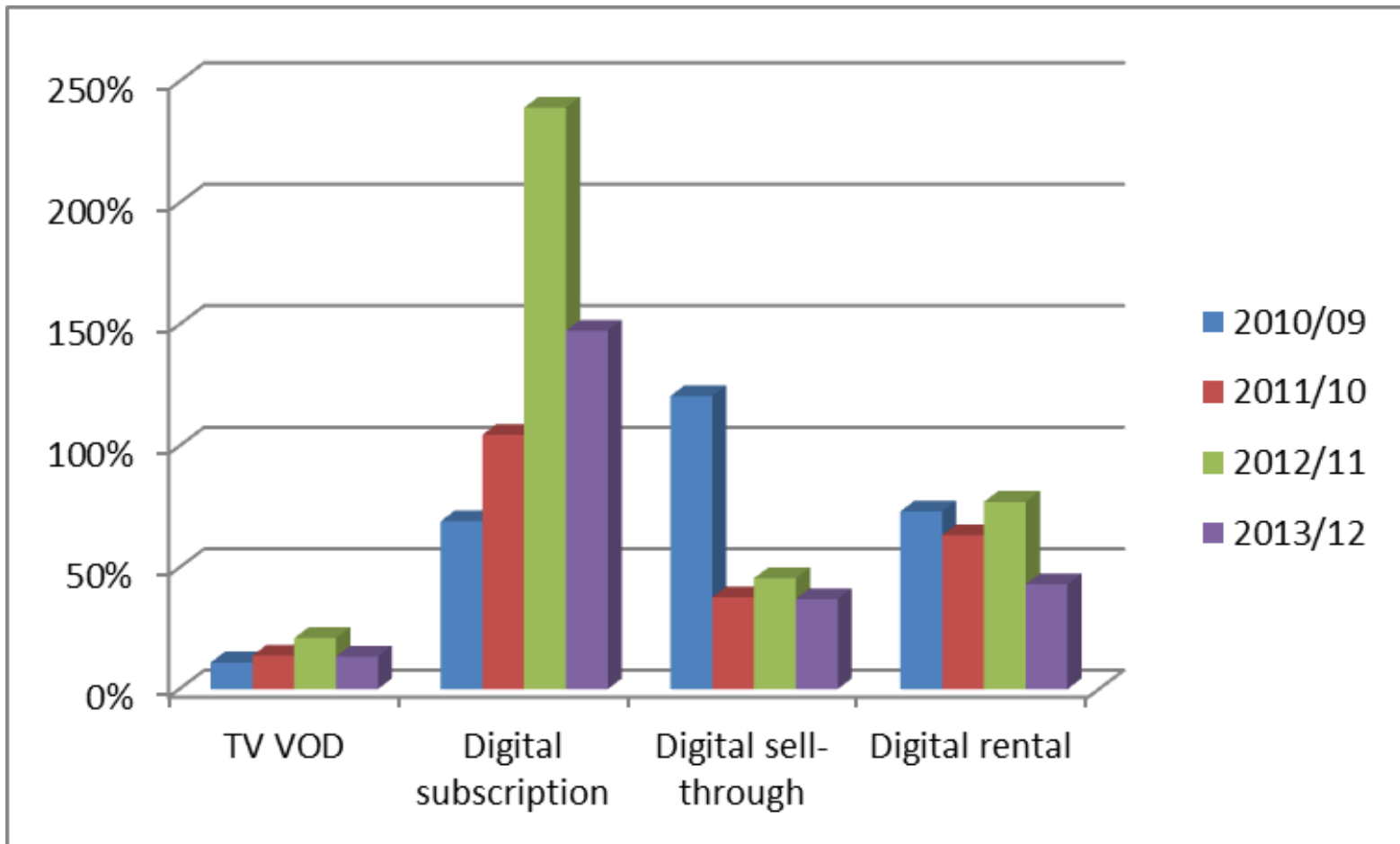
EVOLUTION OF THE VoD MARKET IN THE EU (2009-2013) EUR million

Source : IVF/IHS



RATE OF GROWTH OF THE VARIOUS VoD SEGMENTS IN THE EU (2009-2013)

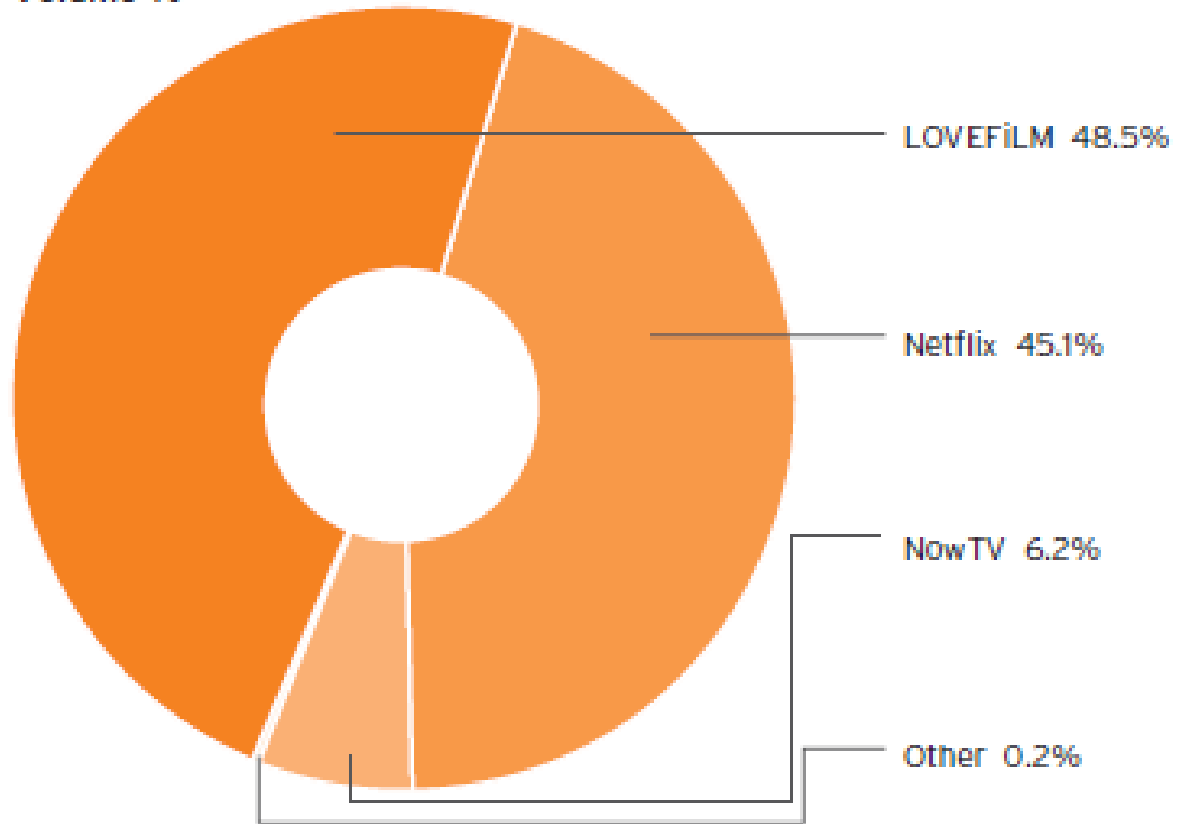
Source : IHS / IVF / OBS



SVoD MARKET SHARE IN UK (2013)

Source : BVA

Subscription-VoD (sVoD) - 2013
Volume %

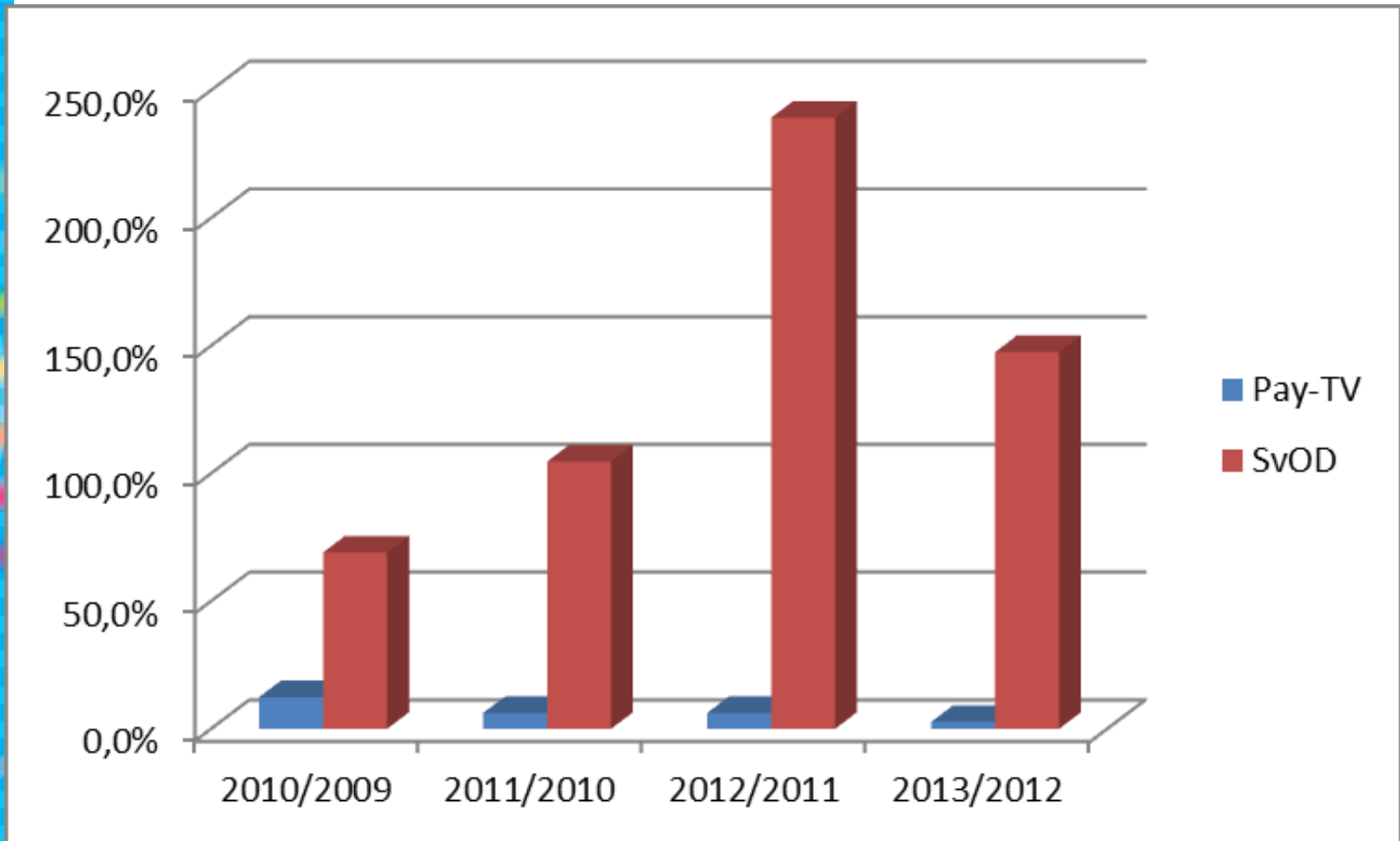


QUESTIONS

- Will the market allow various major players on the SVoD segment ?
- Will SVoD cannibalize other segments of the VoD market, in particular the TV VoD ?
- Will SvOD cannibalize linear TV pay channels ?

RATE OF GROWTH OF PAY-TV CONSUMERS' EXPENSES AND OF SVoD EXPENSES (2009-2013)

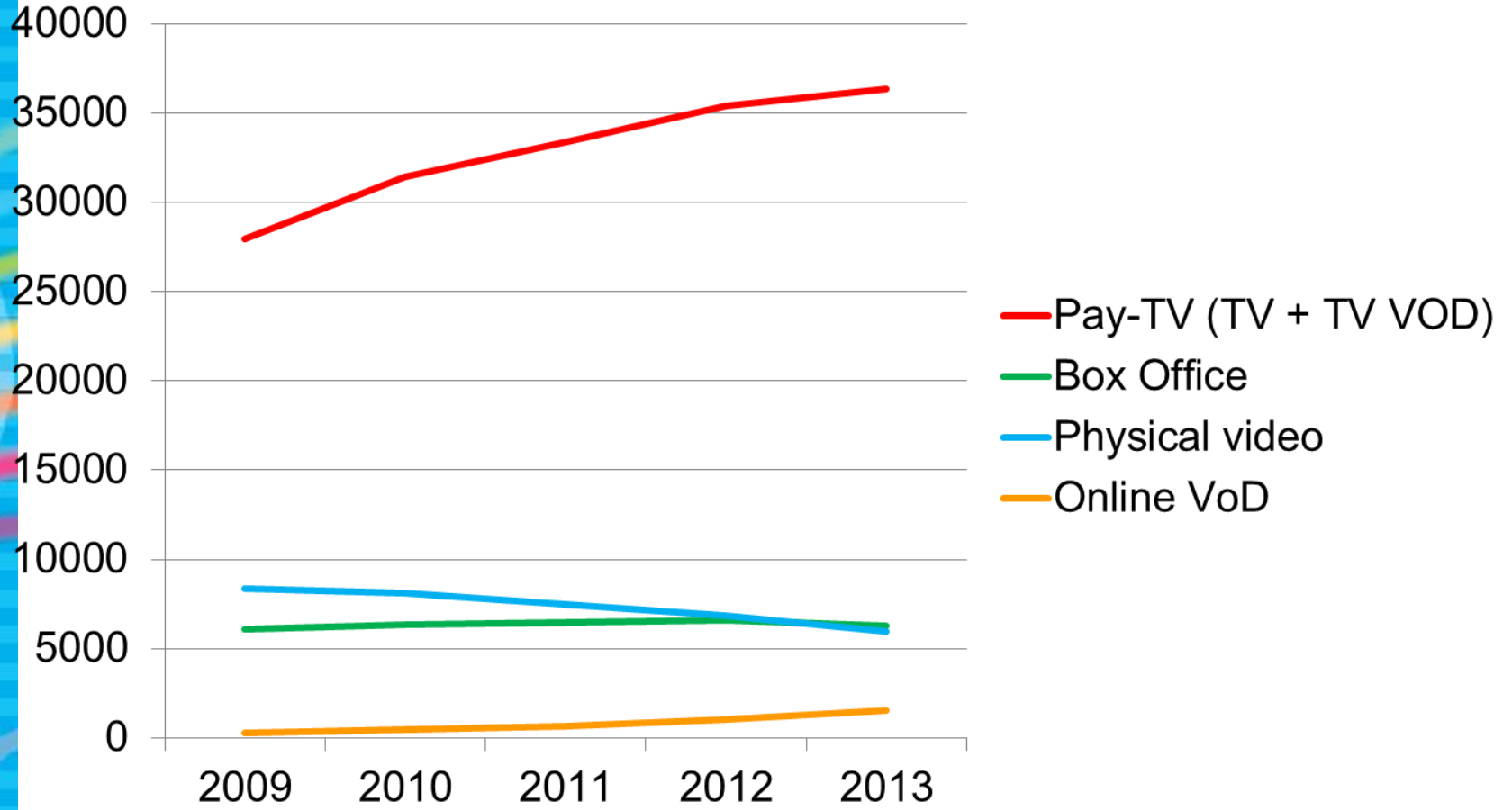
Source : IHS / IVF / OBS



CONSUMERS' EXPENSES IN THE EU (2009-2013)

EUR million

Source : IHS and OBS



PAY-TV vs SVoD

- Some pay-TV distributors try compete with Netflix on the SVoD market
 - BSkyB > Sky Now ;
 - Canal Plus > Canal Infinity,
 - but Vivendi wish to sell Watchever in Germany
- Most of the pay-TV distributors will look for deals with Netflix, but they will probably continue to provide their own transactional VoD service or third services (France, Nordic countries)
- Arrival of other major SvoD players (HBO, CBS,...) ?

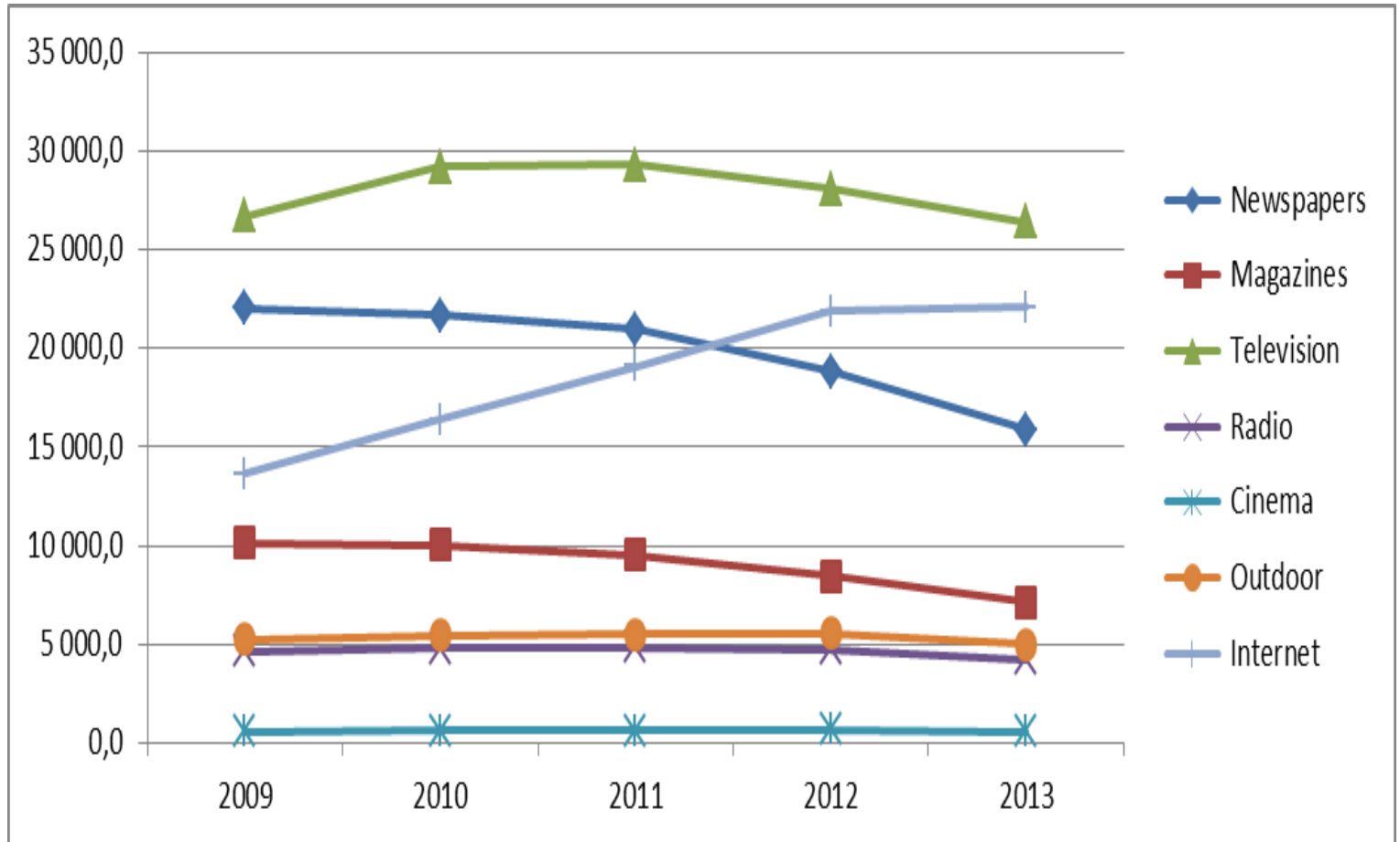
QUESTIONS ON THE TRANSACTIONAL VoD MARKET

- Strategy of Apple / iTunes ? Will iTunes go on the SVoD ?
- Will Google Play Movies and Microsoft Xbox take advantage of their first choice position on tablets ?
- What role for the video game consoles ?
- What audience through Apps for Smart TV and tablets ?
- What access for the various VoD services specialising in national/European films to the distribution platforms ?

EVOLUTION OF ADSPEND IN THE EU (2009-2013)

EUR million

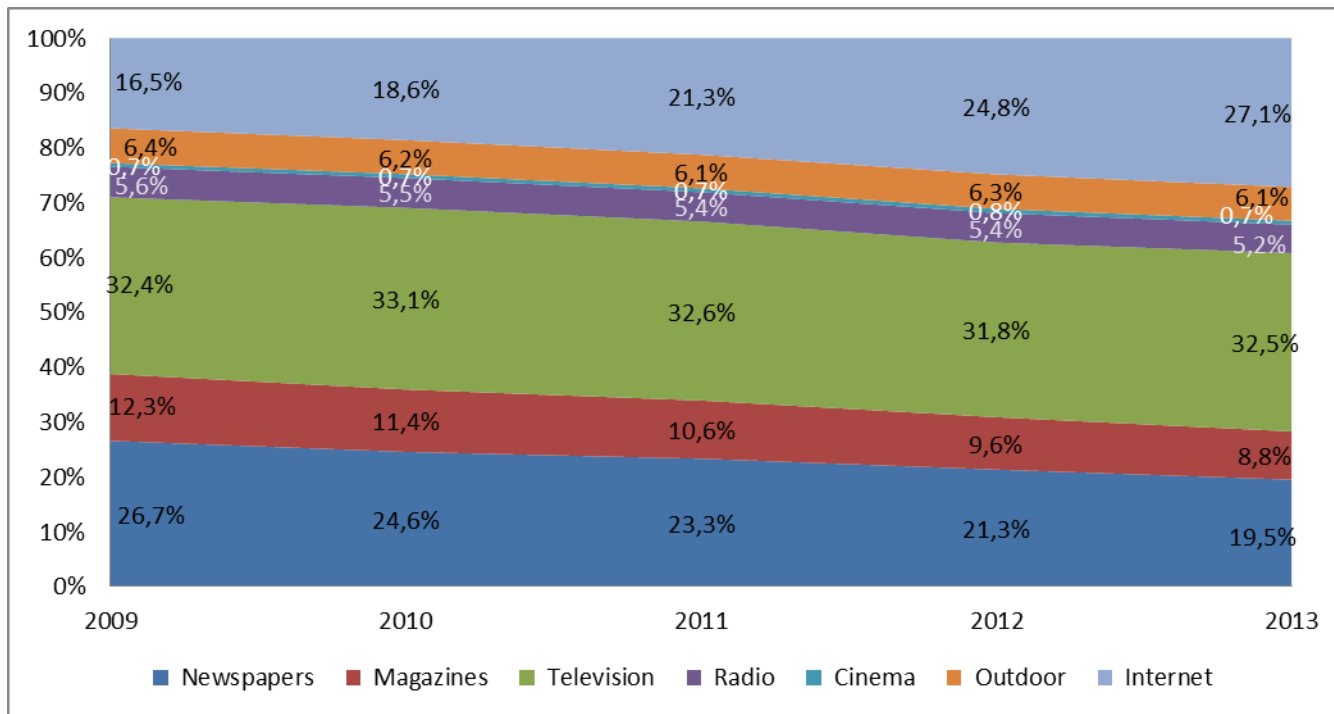
Source : Warc



BREAKDOWN OF ADSPEND IN THE EU (2009-2013)

in %

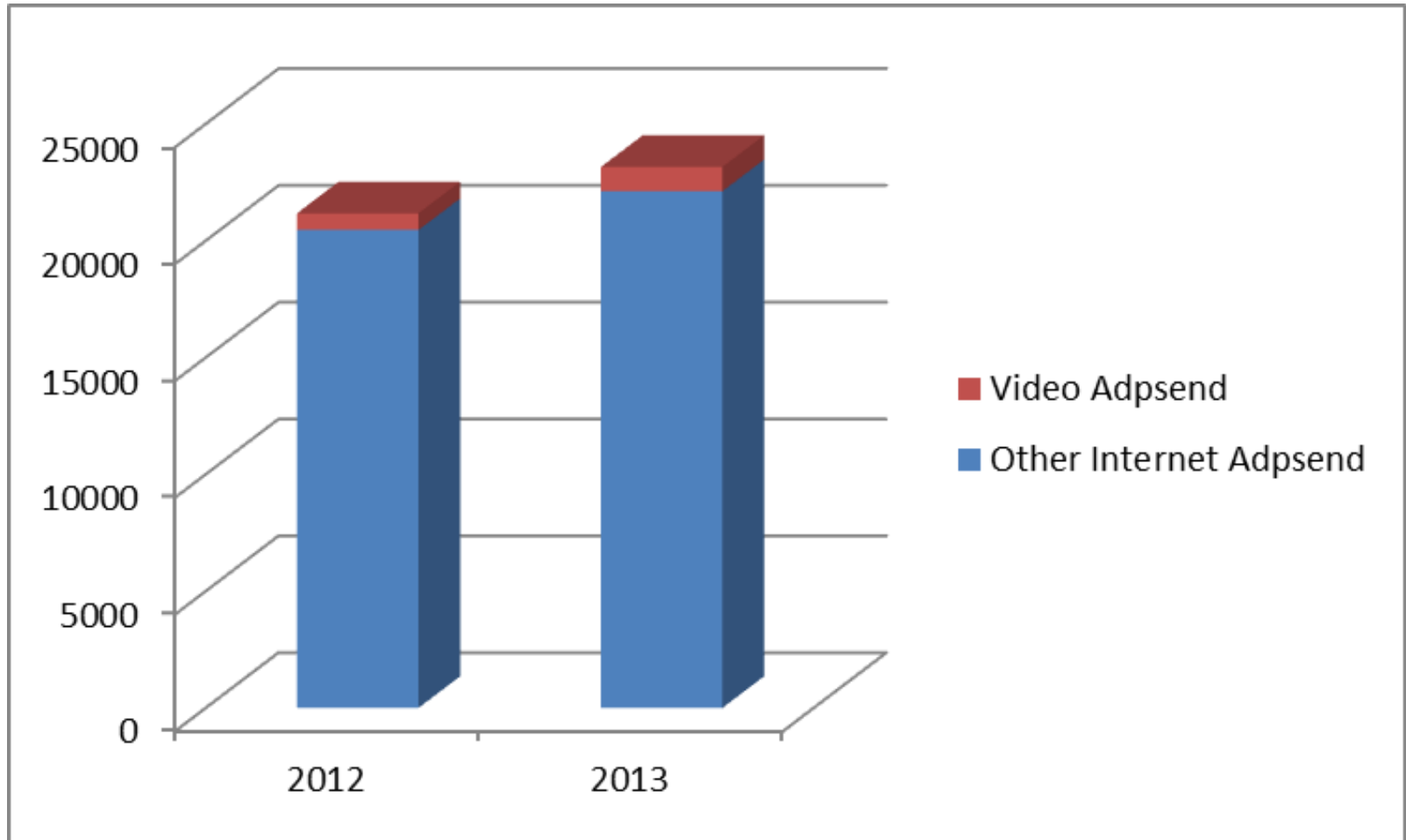
Source : Warc / OBS



IN EUROPE, VIDEO ADSPEND IS STILL A TINY PART OF INTERNET ADSPEND

3,4 % in 2012, 4,5 % in 2013

Source : OBS on eMarketer and Warc data



QUESTIONS ON THE AV ON DEMAND SERVICES FINANCED BY ADVERTISING

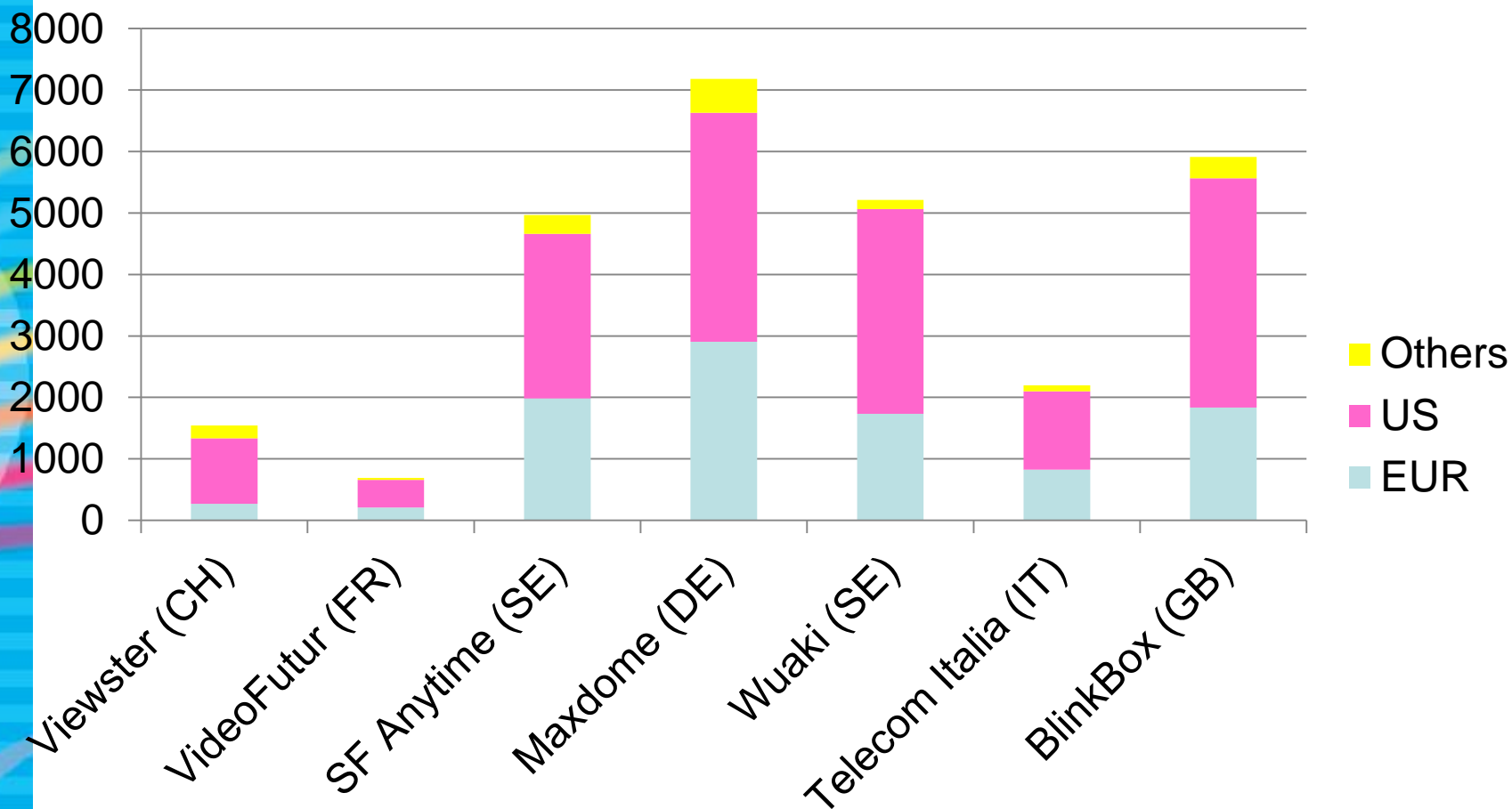
- What are video adpsend market shares between the various players ?
 - Youtube, DailyMotion
 - Facebook
 - Broadcasters websites
 - Newspapers websites with video
 - Portals (MSN, Yahoo,...)
 - Free VoD (Viewster)
- Level playing field between free TV and Ad financed online services ?
- Role of those services in financing the production ?

THE ROLE OF THE ON-DEMAND AUDIOVISUAL SERVICES AND PLATFORMS IN THE PROMOTION AND PRODUCTION OF EUROPEAN WORKS

- **The European Audiovisual Observatory is currently handling a questionnaire send to providers of operators – Around 60 answers received sofar**
- **« 15 to 20 % of programmes are local ; 80 to 85 % are provided by Hollywood studios or other international sources » (Ted Sarandos, MIPCOM, 14 October 2014)**
- **A report on the role of providers of VoD services and distribution platforms in the financing of production is also in preparation**

ORIGIN OF FEATURE FILMS IN THE CATALOGUE OF 7 VoD SERVICES (October 2014)

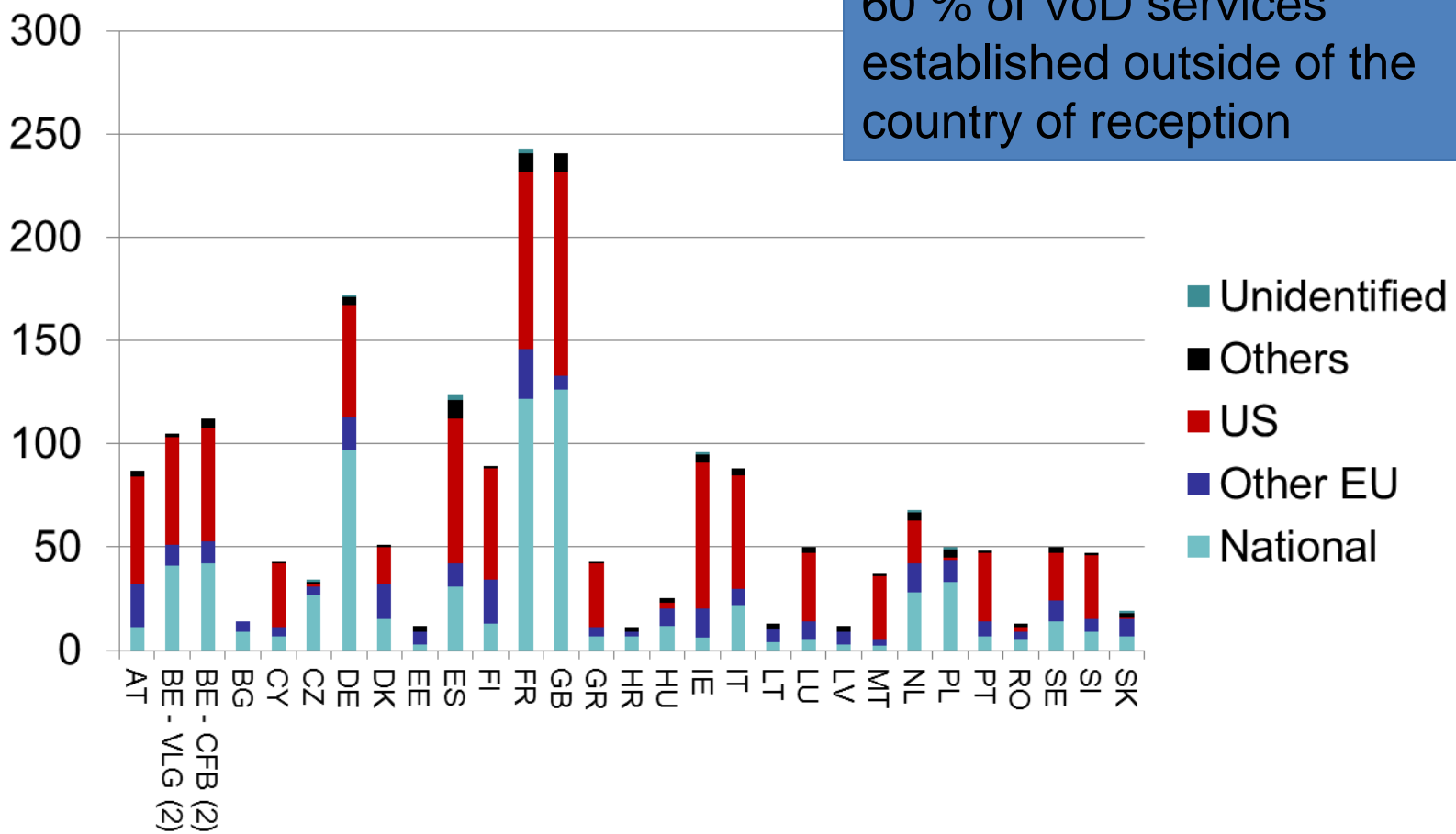
Source : ROVI / European Audiovisual Observatory



ESTABLISHMENT OF AVAILABLE VoD SERVICES IN EU COUNTRIES (2013)

Source : European Audiovisual Observatory / MAVISE database

60 % of VoD services established outside of the country of reception



TRANSPARENCY ISSUES FOR UNDERSTANDING THE MARKET ANALYSIS AND FOR ENHANCING A REAL LEVEL PLAYING FIELD

- *Identification of the services and of the providers*
- *Catalogue analysis*
- *Potential audience of services : number of subscribers to distribution platform*
- *Households expenditures*
- *Modalities of access by platforms and screens*
- *Audiences*
- *Companies revenues for on-demand services*
- *Analysis of revenues flows between distributors, providers of services and content providers*
- *Success of individual titles*
- **Need for an European regulation on transparency of the AV activities?**

THANK YOU !

<http://www.obs.coe.int>

<http://mavise.obs.coe.int>

<http://www.ivf-video.org/>

- European Audiovisual Observatory Report published by the European Commission in July 2014
 - Yearbook 2013
 - Yearbook 2014 (forthcoming)

andre.lange@coe.int