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

On-demand Audiovisual Markets In The European Union - Developments 2014 and 2015

Gilles Fontaine and Christian Grece

A publication by the European Audiovisual Observatory

November 2015

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

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Report prepared by the European Audiovisual Observatory for DG Connect

Director of publication:

Susanne Nikoltchev, Executive Director European Audiovisual Observatory

Supervision:

Gilles Fontaine, Head of Department for Information on Markets and Financing, European Audiovisual Observatory

Authors:

Gilles Fontaine, Head of Department for Information on Markets and Financing, European Audiovisual Observatory

Christian Grece, Analyst at the European Audiovisual Observatory

Laura Ene, Analyst at the European Audiovisual Observatory

This report was prepared in the framework of a contract between the European Commission (DG Connect) and the European Audiovisual Observatory

The analyses presented in this report are the author's opinion and cannot in any way be considered as representing the point of view of the European Audiovisual Observatory, its members or of the Council of Europe or the European Commission. Data compiled by external sources are quoted for the purpose of information. The author of this report is not in a position to verify either their means of compilation or their pertinence.

Table of Contents

NOTE 1: MEASUREMENT OF FRAGMENTED AUDIOVISUAL AUDIENCES **9**

1 Introduction 10
2 Executive Summary 11
Television audience 11
Online video viewing on the fixed Internet 11
TV and online audience in perspective 12
3 Trends in television audience 13
3.1 The evolving perimeter of television audience measurement 13
3.2 Television viewing in the European Union 14
3.3 Evolution of television viewing in Europe 18
4 Key trends in online video viewing on the fixed-Internet 21
4.1 Stagnation of the number of viewers on the fixed Internet 21
4.2 More but shorter videos 23
4.3 Online video usages of young viewers relatively similar to the general population 25
4.4 Netflix: a different pattern 26
4.5 Adult sites represent a high share of online viewing 27
4.6 Facebook has become a key player 27
4.7 A trend to concentration led by pan-European services 28
4.8 Country data – TV and online audience 29
5 TV and online audiences in perspective 35

NOTE 2: ONLINE ADVERTISING IN THE EU – 2014 UPDATE **37**

6 Executive summary 38
7 Key data 40
7.1 Sources on the European online advertising market 40
7.2 A €27.2 billion market in the EU 40
7.3 Strong variation of online ad spend per capita 42
7.4 The top 3 countries in the EU account for 65 % of total ad spend 43
7.5 The market is maturing as growth rates stabilize 44
7.6 Online share of total advertising is growing 46
7.7 Analysis of advertising formats 49
7.8 The key players 55
8 Key trends 57

8.1 The dynamics of video advertising 57

8.2 The rise of programmatic video advertising 58

8.3 Mobile: a new ecosystem for advertising 61

8.4 Social Network advertising 68

8.5 Increased role for tech companies as intermediaries between advertisers and consumers 73

8.6 An even more connected future will further drive the online advertising marke 75

8.7 Viewability of online advertisements, traffic fraud and Ad blocking - a threat to online advertisements 76

NOTE 3: THE SVOD MARKET IN THE EUROPEAN UNION 2014 & 2015 81

9 Market figures: SVoD in the European Union 82

9.2 Acceleration of SVoD consumer revenues since 2012 85

9.3 SVoD: rising faster than other VoD services and taking increasingly a larger share in consumer revenues for on-demand services 87

9.4 Consumer revenues on SVoD services are still a fraction of consumer spending for pay TV in the EU: still a complement rather than a substitute for pay TV in 2014 91

10 SVoD in Europe – Generalist, Niche and Direct-to-consumers strategies 96

10.2 The global Juggernaut: Netflix 100

11 SVoD players and market in the United Kingdom: EU's most developed market could give some leads as to the future of SVoD in Europe 111

12 SVoD players and market in the Nordics: fast adoption of SVoD services, highest penetration in the EU 116

13 SVoD players and market in France: Netflix versus CanalPlay 120

14 SVoD players and market in Germany: strong national players and international competition will drive the SVoD market 125

15 SVoD players and market in the Netherlands: explosive growth – the Netflix effect 128

16 Lessons from the US market 130

17 Strategies in the SVoD market: Exclusive licences, Original content, multidevice convenience and user friendliness are the main competitive advantages to acquire and retain subscribers 138

NOTE 4: ORIGIN OF FILMS IN VOD CATALOGUES IN THE EU 147

18 Foreword – Methodology 148

18.1 Selection of VoD and SVoD services in Member States 148

18.2 Matching of retrieved film titles with film databases 150

18.3 Presentation of results 151

18.4 Validity of results and Coverage of catalogues 154

18.5 Results presented in this note 157

19 Origin of Films in selected VoD catalogues available in the EU 159

20 Origin of Films in selected SVoD catalogues services available in the EU 163

21 Catalogues of pan-European services by country – Region of origin and Age of production 167

21.1 SVoD – catalogues of pan-European services by country and pan-European average 167

21.2 VoD - catalogues of pan-European services by country and pan-European average 169

21.3 Overview of averages for catalogues of pan-European VoD and SVoD services 172

22 Pan-European catalogues of pan-European VoD and SVoD services by unique film titles 175

22.1 SVoD services – pan-European catalogue in unique film titles 175

22.2 VoD services – pan-European catalogue in unique film titles 176

22.3 Overview of catalogues by unique film titles for pan-European VoD and SVoD services: region of origin and age of films 177

23 Top 10 film rankings in catalogues of the selected 75 VoD services: films in more than 40 catalogues 178

24 AT – Austria: Results for selected VoD and SVoD services 179

25 BE – Belgium: Results for selected VoD services 181

26 BG – Bulgaria: Results for selected VoD services 182

27 CY – Cyprus: Results for selected VoD services 183

28 CZ – Czech Republic: Results for selected VoD services 184

29 DE – Germany: Results for selected VoD and SVoD services 186

30 DK – Denmark: Results for selected VoD and SVoD services 188

31 EE – Estonia: Results for selected VoD services 190

32 ES – Spain: Results for selected VoD services 191

33 FI – Finland: Results for selected VoD and SVoD services 193

34 FR – France: Results for selected VoD and SVoD services 195

35 GB – United Kingdom: Results for selected VoD and SVoD services 197

36 GR – Greece: Results for selected VoD services 199

37 HR - Croatia: Results for selected VoD services 200

38 HU - Hungary: Results for selected VoD services 201

39 IE – Ireland: Results for selected VoD services 202

40 IT - Italy: Results for selected VoD services 203

41 LT - Lithuania: Results for selected VoD services 205

42 LU - Luxembourg: Results for selected VoD services 206

43 LV – Latvia: Results for selected VoD services 207

44 MT – Malta: Results for selected VoD services 208

45 NL – Netherlands: Results for selected VoD and SVoD services 209

46 PL – Poland: Results for selected VoD services 211

47 PT – Portugal: Results for selected VoD services 213

48 RO – Romania: Results for selected VoD services 214

49 SE - Sweden: Results for selected VoD and SVoD services 215

50 SI – Slovenia: Results for selected VoD services 217

51 SK – Slovakia: Results for selected VoD services 218

NOTE 5: THE VISIBILITY OF FILM ON ON-DEMAND PLATFORMS – GERMANY, FRANCE & UNITED KINGDOM 219

52 Objectives and methodology of this note 220

53 Main findings from the analysis of on-demand services in Germany, France in UK 222

54 Analysis of films promoted by German on-demand services 225

54.1 Diversity of films promoted 225

54.2 The promotion of European films 228

55 Analysis of films promoted by French on-demand services 233

55.1 Diversity of films promoted 233

55.2 The promotion of European films 235

56 Analysis of films promoted by British on-demand services 240

56.1 Diversity of films promoted 240

56.2 The promotion of European films 241

Table of tables 248

Table of figures 255

NOTE 1: MEASUREMENT OF FRAGMENTED AUDIOVISUAL AUDIENCES

Authors: Gilles Fontaine and Christian Grece

1 Introduction

In its 2014 Edition of the report on “The measurement of fragmented audiovisual audiences”, the European Audiovisual Observatory analysed how on-demand viewing of television programming on the one hand, online video viewing on the other hand, challenge the way that audiovisual audiences are tracked.

The report described the answers that legacy audience measurement services enforce to take into account time-shifted television viewing, and the solutions to measure online video viewing. Even if both approaches provide increasingly reliable data, recent evolutions as the role of mobile in video viewing remain to be totally handled. Moreover the reconciliation of TV-centric and of online-centric approaches to audience measurement into a program-centric solution that would allow to truly monitoring the audience of one given program on any device or network remains to be demonstrated. The detailed presentation of the audience measurement tools is therefore available in the 2014 Edition of this report.

This 2015 Edition focuses on the most recent figures available for television and for online video viewing. It builds on two different sources: Eurodata TV Worldwide for television audiences and comScore Video Metrix for online viewing.

2 Executive Summary

Television audience

- Television audience measurement increasingly goes beyond the tracking of live viewing to include time-shifted viewing. In most countries, viewing is tracked during 6 or 7 days after the live transmission.

- Time spent watching television strongly differs between European Union countries, ranging from 2:33 per day in Sweden to 5:42 in Romania.

- Since 2012, television viewing has reached a plateau in average in the European Union. As time-shifted television viewing has been increasingly included in television audience measurement, this stability implies that live television viewing has declined.

- In all countries, television viewing is significantly lower among young people; in average, a young viewer watches about half less television than the average viewer. And the difference between time spent by the general audience and by young viewers has increased over the 2011-2014 time-period.

- Whereas viewing is stable among the general public, young viewers spend less and less time watching television

Online video viewing on the fixed Internet

- The analysis of online video viewing on this report is based on comScore data. comScore's Video Metrix audience measurement system tracks the audiences on the fixed Internet websites with videos in 6 member states of the European Union: France, Germany, Italy, the Netherlands, Spain and the United Kingdom. The mobile Internet and page views/video views on mobile devices such as smartphones and tablets are not included in the measurements.

- The numbers of unique viewers of video on the fixed Internet is at best stagnating. This stagnation of the number of viewers translates in a stagnation of the total minutes spent on video on the fixed Internet.

- Whereas the number of users of online video and the total time spent using video appear to be relatively stable, the number of video viewed tend to increase while the time spent on one given video tend to slightly decrease. This evolution is very likely the result of Facebook becoming a key provider of online video.

- The young viewers behaviour on the fixed Internet, both in terms of minutes spent watching on-line video and of number of video viewed is relatively similar to the general population, at least as far as the fixed Internet

is concerned.

- Pay-services such as Netflix generate very different usage patterns than the usual short videos services: the average user uses Netflix approximately 30 mn a day, typically to watch one 30 min video.

- In the 6 countries monitored by comScore, adult sites represent in average 32% of the total time spent on-line.

- Facebook now represents between 18% and 29% of videos viewed on the fixed Internet, and ranks second after Goggle properties.

- The share of the top ten properties in terms of number of video viewed has significantly increased between March 2014 and May 2015 in all the countries monitored by comScore. The top ten properties account from 56% to 73% of all videos viewed.

TV and online audience in perspective

- It can be roughly estimated that the time spent watching video online represents, depending on the countries, between 5% and 10% of the total time spent watching video online or on TV.

3 Trends in television audience

3.1 The evolving perimeter of television audience measurement

Television audience measurement increasingly goes beyond the tracking of live viewing to include time-shifted viewing. Time-shifted viewing encompasses two main concepts:

- "viewing On Same Day As Live" (VOSDAL);
- viewing during a certain number of days following the live transmission of the programme. In most countries, viewing is tracked during 6 or 7 days.

Table 1 Audience measurement definitions in EU countries

Country	Audience measurement
AT	Live + VOSDAL + 6 days
BE (National)	Live + VOSDAL + 6 days
BE (VLG)	Live + VOSDAL + 6 days
BE (CFB)	Live + VOSDAL + 6 days
BG	Live
HR	Live
CY	Live
CZ	Live + 7 days
DK	Live + VOSDAL + 7 days
EE	Live + VOSDAL + 7 days
FI	Live + VOSDAL + 7 days
FR	Live + VOSDAL + 7 days
DE	Live + VOSDAL + 3 days
GR	Live
HU	Live + VOSDAL + 7 days
IE	Live + VOSDAL + 7 days
IT	Live + VOSDAL + 7 days
LV	Live
LT	Live
NL	Live + VOSDAL + 6 days
PL	Live + 7 days
PT	Live
RO	Live + VOSDAL + 7 days
SK	Live + VOSDAL + 7 days
SI	Live
ES	Live
SE	Live + VOSDAL + 7 days
UK	Live + VOSDAL + 7 days

OBS based on Eurodata TV Worldwide

3.2 Television viewing in the European Union

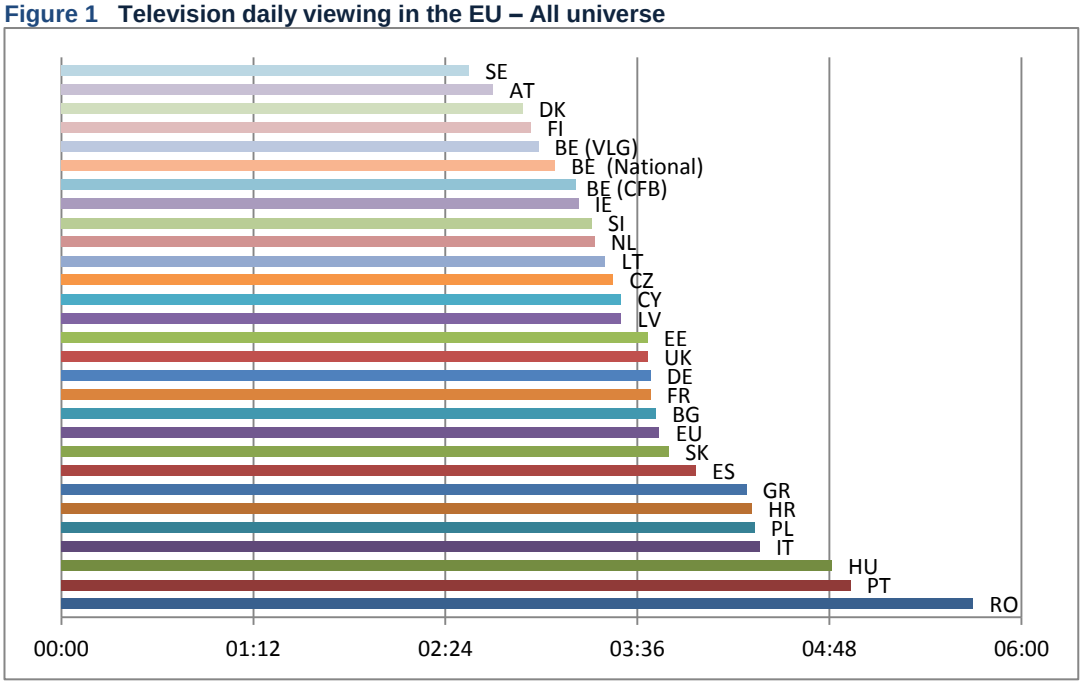
Time spent watching television strongly differs between European Union countries, ranging from 2:33 per day in Sweden to 5:42 in Romania:

Table 2 Television daily viewing in the EU – All universe (hh:mm)

Country	Age group	2011	2012	2013	2014
AT	3+	02:38	02:48	02:38	02:42
BE (national)	4+	03:02	03:08	03:05	03:05
BE (CFB)	4+	03:16	03:19	03:14	03:13
BE (VLG)	4+	02:52	03:00	02:58	02:59
BG	4+	03:45	03:49	03:45	03:43
CY	4+	02:45	02:59	03:22	03:30
CZ	4+	03:17	03:21	03:28	03:27
DE	3+	03:45	03:42	03:41	03:41
DK	3+	03:18	03:15	03:00	02:53
EE	4+	03:49	03:46	03:36	03:40
ES	4+	03:59	04:06	04:04	03:58
FI	4+	02:52	02:55	02:54	02:56
FR	4+	03:47	03:50	03:46	03:41
GR	4+	04:28	04:22	04:11	04:17
HR	4+	04:27	04:23	04:15	04:19
HU	4+	04:46	04:46	04:46	04:49
IE	4+	03:25	03:23	03:16	03:14
IT	4+	04:14	04:17	04:21	04:22
LT	4+	03:24	03:36	03:40	03:24
LV	4+	03:29	03:34	03:19	03:30
NL	6+	03:11	03:16	03:15	03:20
PL	4+	04:02	04:03	04:07	04:20
PT	4+	03:39	04:44	04:58	04:56
RO	4+	04:22	05:26	05:41	05:42
SE	3+	02:42	02:44	02:39	02:33
SI	4+	03:06	03:13	03:15	03:19
SK	4+	03:27	03:38	03:47	03:48
UK	4+	04:02	04:01	03:52	03:40
EU		**03:36**	**03:44**	**03:43**	**03:43**

OBS based on Eurodata TV Worldwide

Figure 1 Television daily viewing in the EU – All universe



OBS based on Eurodata TV Worldwide

In all countries, television viewing is significantly lower among young people and ranges between 01:12 in Sweden and 3:45 in Portugal:

Table 3 Television daily viewing in the EU – Young (hh:mm)

Country	Age group	2011	2012	2013	2014
AT	12-29	01:35	01:35	01:28	01:35
BE (national)	18-24	01:15	01:23	01:40	01:38
BE (CFB)	18-24	01:30	01:37	01:49	01:30
BE (VLG)	18-24	01:02	01:12	01:33	01:45
BG	15-24	01:57	02:02	02:05	01:47
CY	13-24	01:22	01:26	01:25	01:56
CZ	15-24	01:28	01:30	01:30	01:31
DE	14-29	02:21	02:17	02:08	02:04
DK	15-24	02:43	02:27	02:04	01:52
EE	15-24	02:06	02:01	01:50	01:44
ES	15-25	02:26	02:33	02:26	02:14
FI	15-24	01:27	01:26	01:19	01:17
FR	15-34	02:45	02:47	02:37	02:26
GR	15-24	02:34	02:25	02:01	01:59
HR	15-24	02:39	02:29	02:20	02:09
HU	15-24	02:45	02:39	02:46	02:44
IE	15-34	02:52	02:54	02:42	02:29
IT	15-24	02:29	02:33	02:37	02:31
LT	15-24	01:59	02:01	01:43	01:36

Country	Age group	2011	2012	2013	2014
LV	15-24	01:44	01:40	01:29	01:32
NL	20-34	02:42	02:40	02:41	02:38
PL	16-24	01:54	01:58	01:54	01:54
PT	15-24	02:49	03:55	03:47	03:45
RO	15-24	02:21	03:48	03:57	03:34
SE	15-24	01:27	01:25	01:22	01:12
SI	15-24	01:39	01:25	01:17	01:24
SK	15-24	01:52	01:52	01:53	01:51
UK	16-24	02:45	02:37	02:28	02:18
EU	**Young**	**02:09**	**02:13**	**02:08**	**02:03**

OBS based on Eurodata TV Worldwide

In average, a young viewer watches about half less than television than the average viewer:

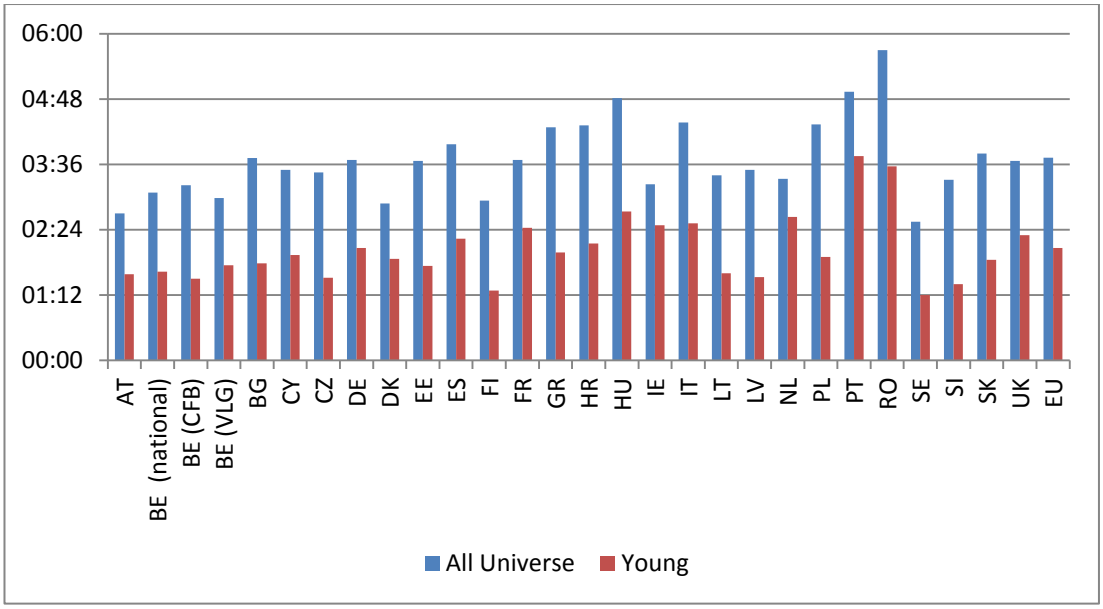
Table 4 Comparison of television viewing between the general audience and young viewers in 2014 (hh:mm)

Country	All Universe	Young	Young compared to all universe
AT	02:42	01:35	-41%
BE (national)	03:05	01:38	-47%
BE (CFB)	03:13	01:30	-53%
BE (VLG)	02:59	01:45	-41%
BG	03:43	01:47	-52%
CY	03:30	01:56	-45%
CZ	03:27	01:31	-56%
DE	03:41	02:04	-44%
DK	02:53	01:52	-35%
EE	03:40	01:44	-53%
ES	03:58	02:14	-44%
FI	02:56	01:17	-56%
FR	03:41	02:26	-34%
GR	04:17	01:59	-54%
HR	04:19	02:09	-50%
HU	04:49	02:44	-43%
IE	03:14	02:29	-23%
IT	04:22	02:31	-42%
LT	03:24	01:36	-53%
LV	03:30	01:32	-56%
NL	03:20	02:38	-21%
PL	04:20	01:54	-56%
PT	04:56	03:45	-24%
RO	05:42	03:34	-37%

Country	All Universe	Young	Young compared to all universe
SE	02:33	01:12	-53%
SI	03:19	01:24	-58%
SK	03:48	01:51	-51%
UK	03:40	02:18	-37%
EU	**03:43**	**02:03**	**-45%**

OBS based on Eurodata TV Worldwide

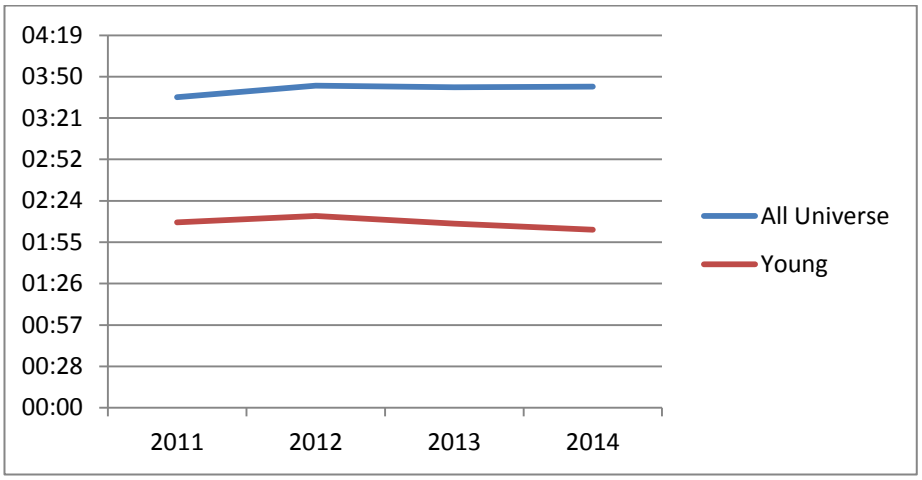
Figure 2 Comparison of television viewing between the general audience and young viewers in 2014



OBS based on Eurodata TV Worldwide

The difference between time spent by the general audience and by young viewers has increased over the 2011-2014 time-period:

Figure 1: Average television viewing in the EU – 2011-204 (hh:mm)



OBS based on Eurodata TV Worldwide

3.3 Evolution of television viewing in Europe

Television viewing has reached a plateau in average in the European Union since 2012. As time-shifted television viewing has been increasingly included in television audience measurement, this stability implies that live television viewing has declined during the same period:

Table 5 Evolution of television viewing in the EU 2011- 2014 (%)

Country	Age group	2014 VS 2013	2014 Vs 2012	2014 Vs 2011
AT	3+	3%	-4%	3%
BE (national)	4+	0%	-2%	2%
BE (CFB)	4+	-1%	-3%	-2%
BE (VLG)	4+	1%	-1%	4%
BG	4+	-1%	-3%	-1%
CY	4+	4%	17%	27%
CZ	4+	0%	3%	5%
DE	3+	0%	0%	-2%
DK	3+	-4%	-11%	-13%
EE	4+	2%	-3%	-4%
ES	4+	-2%	-3%	0%
FI	4+	1%	1%	2%
FR	4+	-2%	-4%	-3%
GR	4+	2%	-2%	-4%
HR	4+	2%	-2%	-3%
HU	4+	1%	1%	1%
IE	4+	-1%	-4%	-5%
IT	4+	0%	2%	3%
LT	4+	-7%	-6%	0%
LV	4+	6%	-2%	0%
NL	6+	3%	2%	5%
PL	4+	5%	7%	7%
PT	4+	-1%	4%	35%
RO	4+	0%	5%	31%
SE	3+	-4%	-7%	-6%
SI	4+	2%	3%	7%
SK	4+	0%	5%	10%
UK	4+	-5%	-9%	-9%
EU		**0%**	**0%**	**3%**

OBS based on Eurodata TV Worldwide

Whereas viewing is stable among the general public, young viewers spend less and less time watching television:

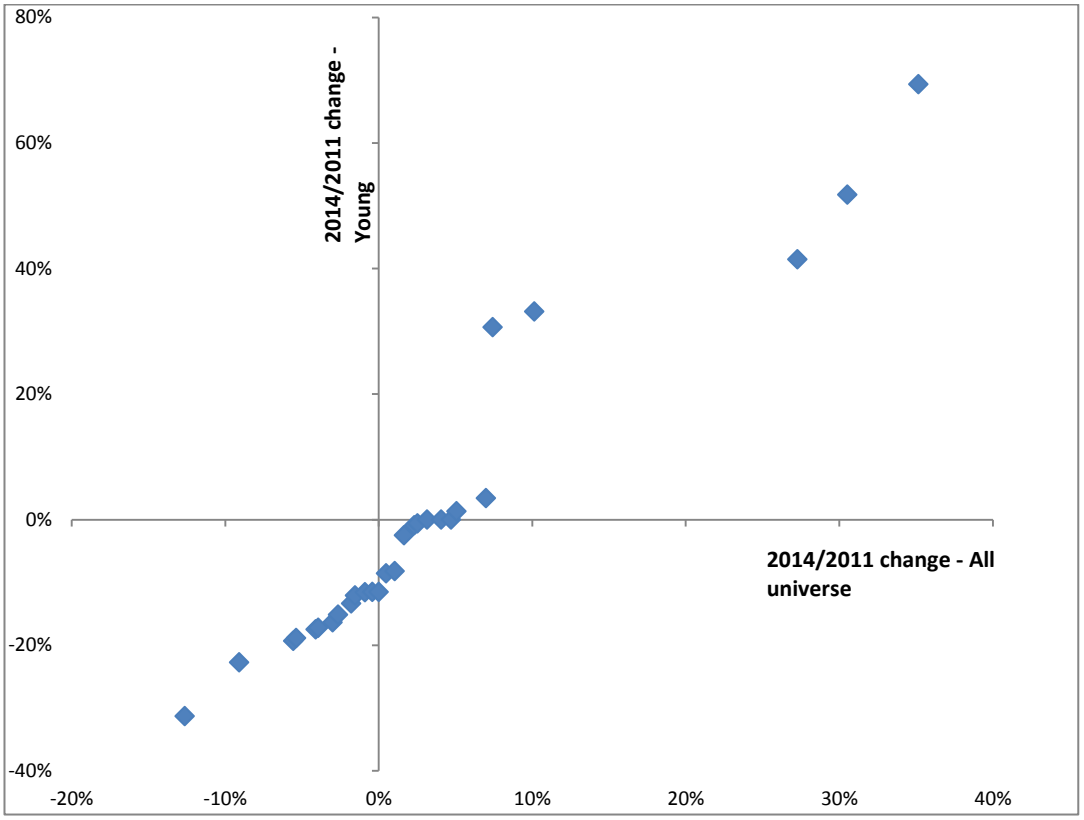
Table 6 Evolution of television viewing among young in the EU 2011- 2014 (%)

Country	Age group	2014 Vs 2013	2014 Vs 2012	2014 Vs 2011
AT	12-29	8%	0%	0%
BE (national)	18-24	-2%	18%	31%
BE (CFB)	18-24	-17%	-7%	0%
BE (VLG)	18-24	13%	46%	69%
BG	15-24	-14%	-12%	-9%
CY	13-24	36%	35%	41%
CZ	15-24	1%	1%	3%
DE	14-29	-3%	-9%	-12%
DK	15-24	-10%	-24%	-31%
EE	15-24	-5%	-14%	-17%
ES	15-25	-8%	-12%	-8%
FI	15-24	-3%	-10%	-11%
FR	15-34	-7%	-13%	-12%
GR	15-24	-2%	-18%	-23%
HR	15-24	-8%	-13%	-19%
HU	15-24	-1%	3%	-1%
IE	15-34	-8%	-14%	-13%
IT	15-24	-4%	-1%	1%
LT	15-24	-7%	-21%	-19%
LV	15-24	3%	-8%	-12%
NL	20-34	-2%	-1%	-2%
PL	16-24	0%	-3%	0%
PT	15-24	-1%	-4%	33%
RO	15-24	-10%	-6%	52%
SE	15-24	-12%	-15%	-17%
SI	15-24	9%	-1%	-15%
SK	15-24	-2%	-1%	-1%
UK	16-24	-7%	-12%	-16%
EU	**Young**	**-3%**	**-7%**	**-4%**

OBS based on Eurodata TV Worldwide

As for the general audience, there are strong differences between countries as regards television viewing by young audiences. However, the general audience and young audiences have similar evolution in one giver country: where time spent by the general audience tends to increase, time spent by young audiences tends also to increase (or decrease less than in other countries):

Figure 3 Comparison of the evolution of time spent by the general audience and young audiences – 2014-2015



OBS based on Eurodata TV Worldwide

Note: each dot represents a country

4 Key trends in online video viewing on the fixed-Internet

This section provides details of the development of online viewing in 6 EU countries. It is based on comScore data. ComScore's Video Metrix measures the audiences on the fixed Internet websites with videos in 6 member states of the European Union: France, Germany, Italy, the Netherlands, Spain and the United Kingdom. The mobile Internet and page views/video views on mobile devices such as smartphones and tablets are not included in the measurements.

4.1 Stagnation of the number of viewers on the fixed Internet

The numbers of unique viewers of video on the fixed Internet is at best stagnating in the countries monitored by comScore. Several factors could account for this stagnation:

- maturity of the broadband market;
- increasing availability of on-demand video services on managed cable or IPTV services, as an alternative to the "open Internet" online video viewing;
- increasing role of mobile devices to use online video services.

Table 7 Total Unique Viewers, in thousand, EU 6 - August - 2013 - May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

Figure 4 Total Unique Viewers, in thousand, EU 6 - August - 2013 - May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

Over the August 2014-May 2015 period, this stagnation can be observed in all the countries of the comScore sample, with variations that can be attributed to an extent to the limitations of the audience measurement tool:

Figure 5 Total Unique Viewers, in thousand, EU 6 – By country - August - 2013 - May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

This stagnation of the number of viewers of on-line videos, translates in a stagnation of the total minutes spent on video on the fixed Internet. However, comScore

shows a decrease in time spent from August 2013 to June 2014, followed by an increase from August 2014 to May 2015, reaching the same level than 18 months earlier.

Table 8 Total minutes per month for total audience, in million - EU 6 - August 2013-Mai 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

Figure 6 Total minutes per month for total audience, in million - EU 6 - August 2013-Mai 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

All countries from the comScore sample show a similar “rebound” in 2014, with the exception of the Netherlands.

Figure 7 Total minutes per month for total audience, in million - EU 6 – By country - August 2013-Mai 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

4.2 More but shorter videos

Whereas the number of users of online video and the total time spent using video appear to be relatively stable, the number of video viewed tend to increase while the time spent on one given video tend to slightly decrease in certain countries. This evolution is very likely the result of Facebook becoming a key provider of online video, as the social network, through its “Autoplay”, enables users to quickly assess the interest of a video and then skip it.

The number of videos viewed by a user has notably increased between August 2013 and May 2015 in Italy, Germany, Spain and France. It however remained stable in the Netherlands.

Table 9 Videos per viewer - EU 6 - August 2013-May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

Figure 8 Videos per viewer - EU 6 - August 2013-May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

The number of minutes spent on a video has decreased in all countries of the comScore sample, from -5% in the Netherlands, to -36% in Italy.

Figure 9 Minutes per video - EU 6 - August 2013-May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

Figure 10 Minutes per video - EU 6 - August 2013-May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

4.3 Online video usages of young viewers relatively similar to the general population

Even if some differences exist between countries, the young viewers behaviour on the fixed Internet, both in terms of minutes spent watching on-line video and of number of video viewed, is relatively similar to the general population. One could say that online video viewing on the Internet is now a mainstream service, available to and used by all age categories. However, as comScore does not monitor the mobile Internet video consumption, it may be possible that young viewers have a higher use of services such as Facebook and hence, as Facebook is becoming a key provider of online video, have a higher global usage of online video.

Table 10 Minutes per viewer - General population Vs 15-24 - May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

Table 11 Video per viewer - General population Vs 15-24 - May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

4.4 Netflix: a different pattern

The comScore video Metrix data give some indications on how Netflix, the Subscription Video-on-demand service, is used in the 4 European countries where it has launched and which are monitored by comScore. According to these data, the average user uses Netflix approximately 30 mn a day, typically to watch one 30 mn video.

Table 12 Netflix Indicators - May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

4.5 Adult sites represent a high share of online viewing

Among the 6 countries monitored by comScore, adult sites represent in average 32% of the total time spent online. This share has slightly declined since mid-2014, but adult sites remains the first category of sites for online viewing.

Table 13 EU-6 – Percentage of adult site viewing minutes of total viewing minutes (in MM and %) – May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

4.6 Facebook has become a key player

In terms of players, the key trend between March 2014 and May 2015 has been the surge of Facebook, now representing between 18% and 29% of videos viewed on the fixed Internet, and ranking second after Goggle properties.

Table 14 Market share of Facebook in video views - EU 6-March 2014/May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

However, as Facebook videos are integrated within the general line-up of information provided by the “Facebook” pages, Facebook users tend to “skip” more easily a video or switch to the next one. Another factor may be also an over-representation of User-Generated short videos on Facebook when compared to Google’ YouTube. The time spent per video is therefore significantly lower on Facebook than on You Tube.

Table 15 Google and Facebook - mn per video - May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

The surge of Facebook as a leading provider of on-line video has, in certain countries (such as Italy and the Netherlands), significantly affected Goggle market shares, whereas it has remained stable in Germany, Spain or the UK.

Table 16 Market share of Google in video views - EU 6-March 2014/May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

4.7 A trend to concentration led by pan-European services

The share of the top ten properties in terms of number of video views has significantly increased between March 2014 and May 2015 in all the countries monitored by comScore. The top ten properties account from 56% to 73% of all videos viewed.

Table 17 Market share of top 10 properties in video views - EU 6-March 2014/May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

The following table presents all the top 10 properties in the 6 countries monitored by comScore. It pictures a certain level of concentration at the pan-European level:

- 6 players are part of the top 10 properties in each of the 6 countries monitored by comScore, a 7th is present in 5 countries, an 8th in 3 countries
- Apart from these 8 “pan-European” players, the rest of the top 10 properties in each country is composed of 2 to 3 smaller players, often national, which are not present in any other top 10 properties of the comScore sample. Among these national players are national media group, such as Axel Springer, Burda, Mediaset, Gruppo Editoriale Expresso, Vivendi or the BBC.

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on comScore Video Metrix data

4.8 Country data – TV and online audience

4.8.1 France

Table 18 France - Online viewing key indicators

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

Table 19 France - Top 10 Video Properties – May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

4.8.2 Germany

Table 20 Germany - Online viewing key indicators

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

Table 21 Germany - Top 10 Video Properties – May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

4.8.3 Italy

Table 22 Italy - Online viewing key indicators

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

Table 23 Italy - Top 10 Video Properties – May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

4.8.4 Spain

Table 24 Spain - Online viewing key indicators

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

Table 25 Spain - Top 10 Video Properties – May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

4.8.5 The Netherlands

Table 26 The Netherlands - Online viewing key indicators

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

Table 27 The Netherlands - Top 10 Video Properties – May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

4.8.6 United Kingdom

Table 28 United Kingdom - Online viewing key indicators

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

Table 29 United Kingdom- Top 10 Video Properties – May 2015

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based comScore Video Metrix data

5 TV and online audiences in perspective

Even if online video viewing on the fixed Internet has increased dramatically since the roll-out of broadband networks (but now seems to be relatively stagnating), it still represents a relatively small portion of the total time spent watching video.

The following table intent to estimate the relative share of television and online in video viewing. It should be kept in mind that online figures provided by comScore do not include viewing of video on mobile. However, it can be roughly estimated that time spent watching online video represents, depending on the countries between 5% and 10% of the total time spent watching video online or on TV.

Table 30 Comparison of time spent watching television and online videos

For copyright reasons the data cannot be reproduced in the public version of this report

OBS based on Eurodata TV Worldwide and comScore Video Metrix data

NOTE 2: ONLINE ADVERTISING IN THE EU – 2014 UPDATE

This note, prepared by the European Audiovisual Observatory for the European Commission, is the 2015 update of the 2014 report on Online Advertising. This edition focuses on key trends and figures; it provides:

- In chapter 7, key data at the European level and on a country per country basis.
- In chapter 8, a review of key trends.

Authors: Gilles Fontaine and Christian Grece

6 Executive summary

- The total size of the online advertising market in the EU in 2013 was €27.2 billion, an increase of 11.6% compared to the total of €23.2 billion in 2013.

- Growth rates tend to decrease gradually and stabilize around 12% per year, but still exceed by a big margin GDP growth in Europe and ad spend growth on other media.

- Online ad spend per capita ranges from €138 in the UK to €2 in Romania.

- The top three countries for online ad spend in the European Union in 2014 (United Kingdom, Germany and France) accounted for 66.7% of online advertising in Europe.

- Online drives the advertising market: the global European advertising market modestly grew of 1.4% in 2014. Without online ad spend, the market would have decreased by -2.4%.

- Online has become the second medium in Europe for ad spend, just behind TV advertising. In 2014, Internet advertising was higher than TV advertising in Czech Republic, Denmark, Germany, The Netherlands, Sweden and United Kingdom.

- Among the various online advertising formats, display advertising is regaining market shares since 2011, benefitting from better targeting and the increase in online video viewing.

- Even if, in the EU, Paid-for-Search represents globally a higher share of the online advertising market than display, there are more countries where display achieves a higher market share than Paid-for-Search.

- Google earns approximately 30% of the worldwide advertising market. Facebook is experiencing a rapid growth of its market share, benefitting both from of its strong position on mobile and from the introduction of video on its pages. Other well-known Internet brands such as Twitter, Amazon or Twitter capture less than 1% each of the online advertising market.

- Online advertising is driven by a series of innovations:
    - Video ads, already accounting for 16% of display advertising.
    - Programmatic advertising, i.e. the automated placement of ads using algorithms, which drives Media groups to invest in advanced advertising platforms.
    - The fast growing usage of mobile devices to access Internet, opening the path for in-apps advertising. Figures show that the mobile

advertising tend to be even more concentrated than the fixed Internet one and to be dominated by Google and Facebook.
    - The growing market share of online advertising captured by social networks.
    - Continuous technical improvements to shorten the path to sales.
    - The future promises of the Internet of Things which will increase the number of screens and therefore the advertising inventory.

- But online advertising also faces some hurdles:
    - The actual viewability of ads is discussed.
    - Advertising viewing metrics can be distorted by traffic fraud (i.e. traffic generated by robots).
    - Ad blockers may improve the user experience on the Internet but also deprive services from an essential source of revenues.

7 Key data

7.1 Sources on the European online advertising market

The main figures freely available for the European online advertising market are published by IAB Europe[1] in the IAB Adex Benchmark and are established by IHS. The IAB and IHS establish figures on online advertising spending in Europe based on data received from 26 European countries, of which 21 are members of the European Union (EU countries missing are Cyprus, Estonia, Latvia, Lithuania, Luxembourg, Malta and Portugal and non-EU countries included are Norway, Russia, Serbia, Switzerland and Turkey). Therefore, when referred to "Europe" the figures are not representative of the European Union but the "Europe" of the 26 countries participating in the IAB study.

In this note, we rely on the figures published by IAB Europe and IHS and have tried, whenever possible, to compile figures for the 21 EU countries by excluding the non-EU countries (indicated in the titles of figures and tables whenever available by "EU countries"). Other sources are Warc[2] (which does not publish figures broken down according to online advertising categories but publishes figures for the overall advertising market by European countries) in order not to only rely on a unique source for data on the online advertising market. Warc data has been used for the first section (and the country fact sheets) in order to provide data on Internet and television advertising in the EU and the rises and falls over the years. As 2014 data for some countries are not yet available, providing a total for the EU is not yet possible.

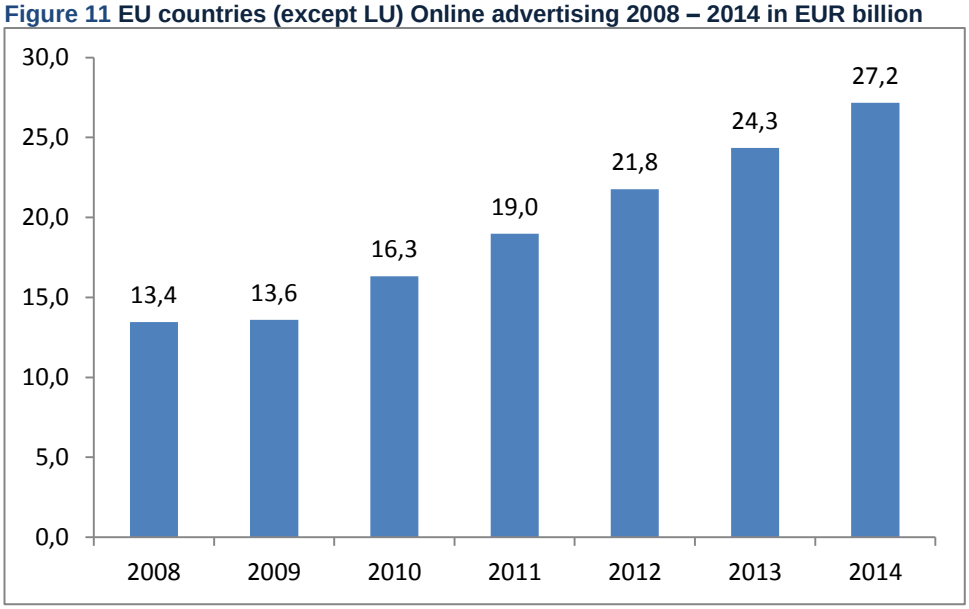
Also, it should be noted that data published in the Adex Benchmark report are adjusted, estimated (through modelling) and recalculated on a different basis for each country as the methods of data collection and treatment vary from country to country. Therefore, IHS standardises the data in order to make figures comparable across countries.

7.2 A €27.2 billion market in the EU

- The total size of the online advertising market in the EU in 2014 was €27.2 billion, an increase of 11.6% compared to the total of €24.3 billion in 2013.
- Based on WARC figures, the compound annual growth rate of Internet advertising in the EU over the 2008-2013 period is 12.4%.

[1] http://www.iabeurope.eu/
[2] http://www.warc.com/

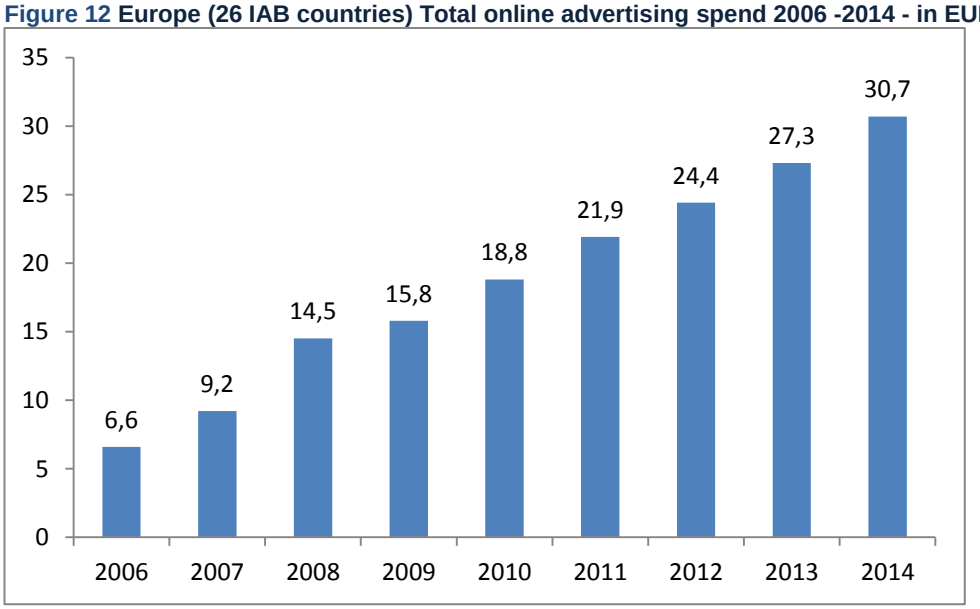
Figure 11 EU countries (except LU) Online advertising 2008 – 2014 in EUR billion



© Warc (www.warc.com), 2015. Please refer to notes on ad spend data for further detail and source information.
http://www.warc.com/NotesOnAdspendData

- The total size of the European online advertising market in 2014 (**26 IAB European countries**) was €30.7 billion, an increase of 12% compared to the total of €27.4 billion in 2013.
- IHS calculates a compound annual growth rate of +21.6% for online advertising in Europe since 2006. However, only 2012, 2013 and 2014 data come from IAB Europe, and data for 2006 to 2011 are estimated by IHS. Therefore, the sources of figures mean caution is advised when interpreting these figures.
- This growth can be attributed on the one hand to the rise in online media consumption in European countries, with people consuming more media content (video, newspapers, social networks) online and on mobile devices, and on the other hand to the sophistication of advertising solutions (including more efficient targeting).

Figure 12 Europe (26 IAB countries) Total online advertising spend 2006 -2014 - in EUR billion

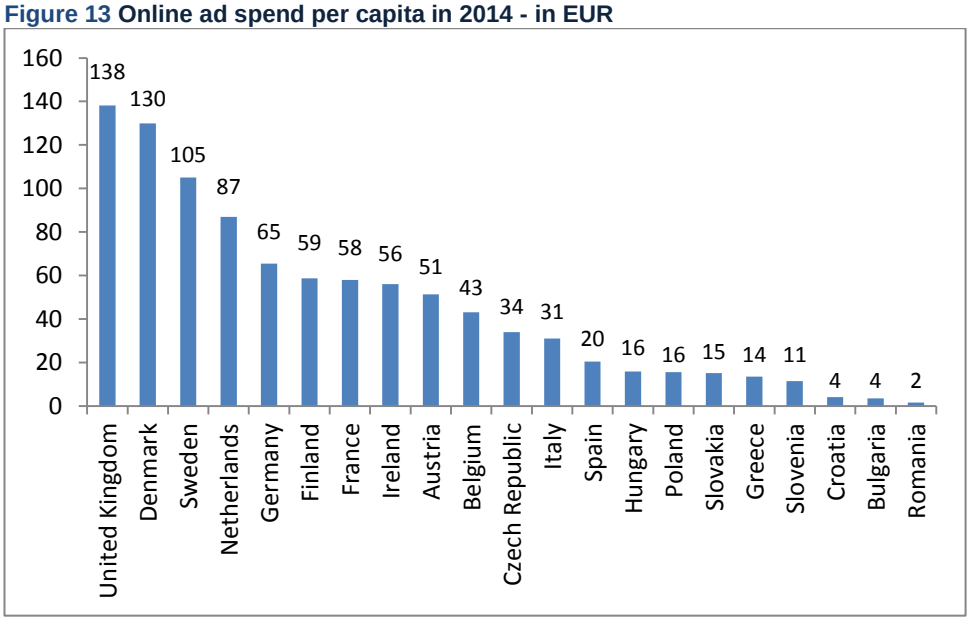


Source: IAB Europe Adex Benchmark 2014/HIS

7.3 Strong variation of online ad spend per capita

- The online ad spend per capita shows the "relative" worth of a customer to advertisers and is also an indicator of the maturity of the online market (the higher the online ad spend per capita, the more mature the market) in each country. Online ad spend per capita ranges from €138 in the UK to €2 in Romania.

Figure 13 Online ad spend per capita in 2014 - in EUR



Source: IAB Europe Adex Benchmark 2014/IHS

7.4 The top 3 countries in the EU account for 65 % of total ad spend

- The top three countries for online ad spend in the European Union in 2014 were the United Kingdom, with overall online ad spend of €8.9 billion, Germany, with €5.1 billion and France, with €3.7 billion. These three countries accounted for 65.4% of online advertising in Europe.
- The "Top 10" countries by online ad spend in the European Union are all in Western Europe, with the exception of Poland.

Table 31 Internet Advertising in EU countries 2008 - 2013 in EUR million

	2008	2009	2010	2011	2012	2013	2014
Austria	202	228	266	301	326	378	434
Belgium	286	293	332	360	464	478	492
Bulgaria	n.a.	5	7	20	26	25	26
Croatia	16	17	21	15	14	15	14
Cyprus	1	1	1	2	3	2	2
Czech Republic	115	150	243	237	310	352	353
Denmark	415	384	454	524	589	628	629
Estonia	8	6	10	11	12	13	15
France	1821	1760	2103	2606	3343	3494	3725
Finland	178	208	235	254	255	272	291
Germany	2975	3092	3568	4179	4253	4676	5111
Greece	40	69	84	100	94	129	121
Hungary	89	84	99	112	117	136	160
Ireland	20	97	116	131	155	197	198
Italy	799	850	1084	1298	1503	1703	1908
Latvia	12	9	8	10	11	10	11
Lithuania	9	6	7	8	10	11	13
Malta	1	1	1	1	1	2	3
Netherlands	794	815	1065	1117	1199	1312	1461
Poland	255	320	357	446	495	549	550
Portugal	n.a.	n.a.	n.a.	n.a.	n.a.	617	723
Romania	n.a.	19	21	21	30	33	n.a.
Slovak Republic	n.a.	n.a.	34	48	56	66	76
Slovenia	20	21	24	17	18	19	23
Spain	628	667	817	926	911	901	946
Sweden	557	517	596	687	860	955	956
United Kingdom	4209	3974	4774	5557	6716	7371	8923
Total EU	13449	13590	16326	18986	21768	24345	27165

© Warc (www.warc.com), 2015. Please refer to notes on ad spend data for further detail and source information.
http://www.warc.com/NotesOnAdspendData

Table 32 Concentration of online Ad spend in the EU - 2014 in EUR billion

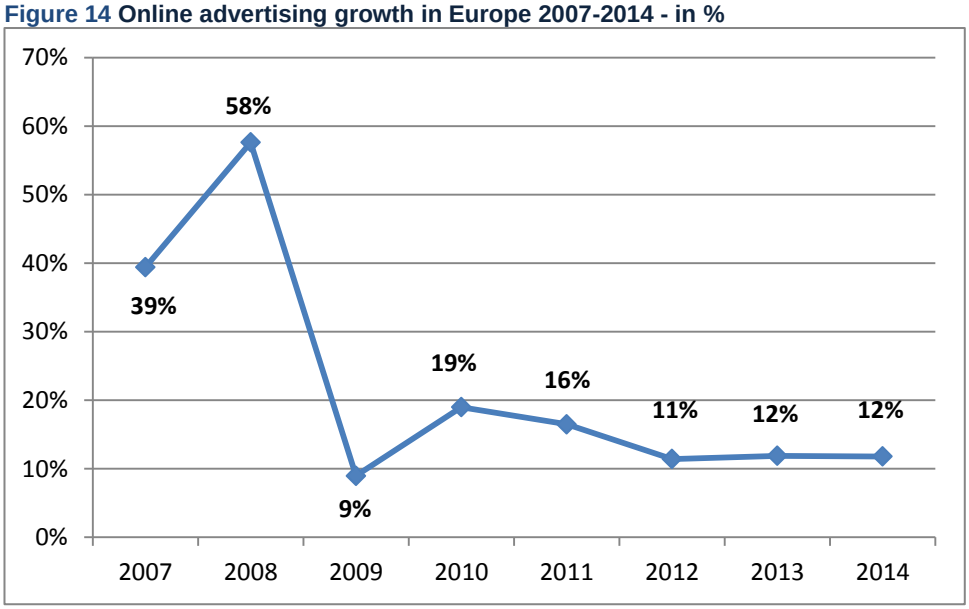
	2014	% of total EU 21	Accumulated %
United Kingdom	8923	32,8%	32,8%
Germany	5111	18,8%	51,7%
France	3725	13,7%	65,4%
Italy	1908	7,0%	72,4%
Netherlands	1461	5,4%	77,8%
Sweden	956	3,5%	81,3%
Spain	946	3,5%	84,8%
Portugal	723	2,7%	87,4%
Denmark	629	2,3%	89,8%
Poland	550	2,0%	91,8%
Belgium	492	1,8%	93,6%
Austria	434	1,6%	95,2%
Czech Republic	353	1,3%	96,5%
Finland	291	1,1%	97,6%
Ireland	198	0,7%	98,3%
Hungary	160	0,6%	98,9%
Greece	121	0,4%	99,3%
Slovak Republic	76	0,3%	99,6%
Romania	n.a.	n.a.	99,6%
Bulgaria	26	0,1%	99,7%
Slovenia	23	0,1%	99,8%
Estonia	15	0,1%	99,8%
Croatia	14	0,1%	99,9%
Lithuania	13	0,0%	99,9%
Latvia	11	0,0%	100,0%
Malta	3	0,0%	100,0%
Cyprus	2	0,0%	100,0%
Total EU	27165	100,0%	100,0%

© Warc (www.warc.com), 2015. Please refer to notes on ad spend data for further detail and source information.
http://www.warc.com/NotesOnAdspendData

7.5 The market is maturing as growth rates stabilize

- The 2009 crisis severely impacted Internet advertising as the annual growth rate decreased from 59% in 2012 to 9% in 2009.
- Excepting this 2009 downturn, growth rates tend to decrease gradually and stabilize around 12% per year, but still exceeds by a big margin GDP growth in Europe and ad spend on other media. Online ad spend seems to be more “resilient against economic volatility”, as IAB puts it, but is still affected by the general economic climate.

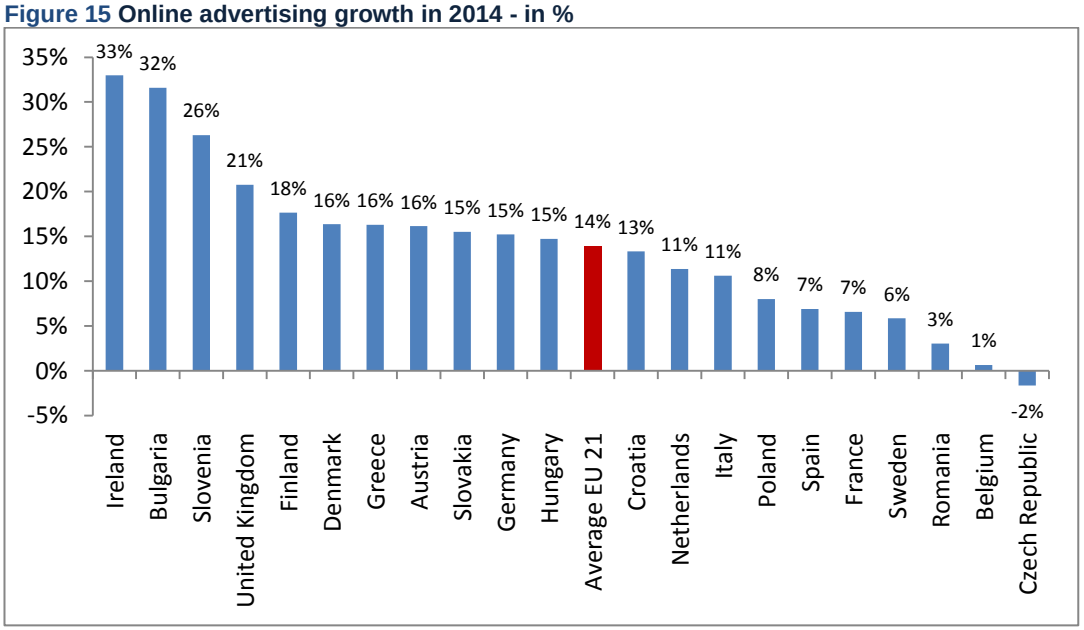
Figure 14 Online advertising growth in Europe 2007-2014 - in %



Source: IAB Europe Adex Benchmark 2014/HIS

- Growth rates in 2014 showed a significant dispersion, ranging from -2% in Czech Republic to 33% in Ireland. Countries with the highest growth rates are originated both from Western and from Central and Eastern Europe.

Figure 15 Online advertising growth in 2014 - in %

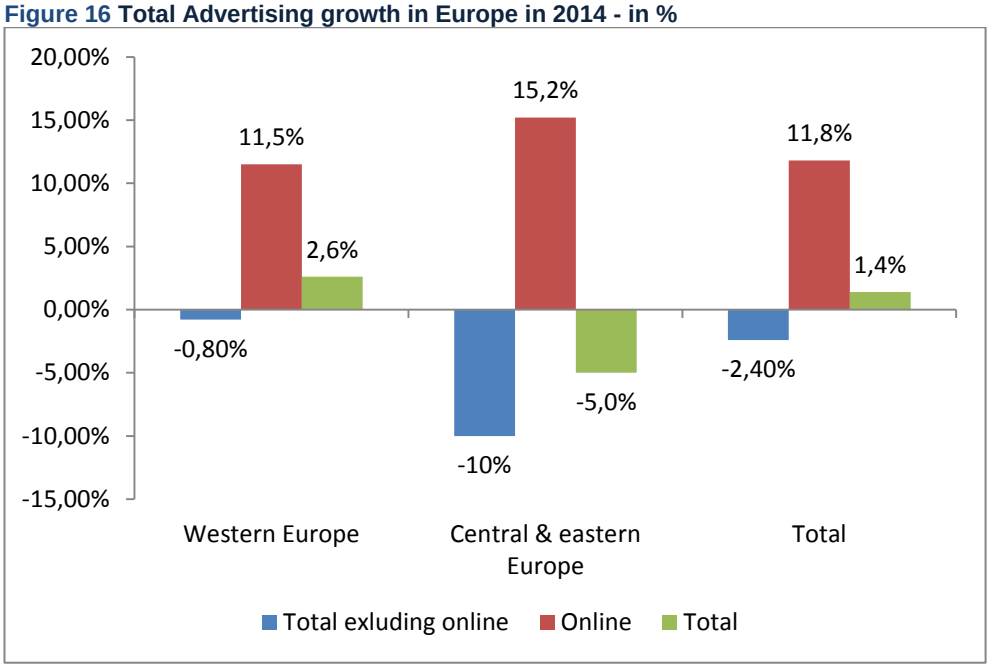


Source: IAB Europe Adex Benchmark 2014/IHS

7.6 Online share of total advertising is growing

- IAB provides a general overview of the growth of the total advertising market (online and all other media) in Europe. From this analysis, it appears that online advertising is mitigating the decline in advertising spending in Western Europe and Central and Eastern Europe.
- Advertising is a sector which is closely correlated to the general macroeconomic state of national economies. Europe has since 2008 been in a state of slow economic recovery following the financial crisis, and advertising spending has not been excluded from this general slowdown of European economies. The data provided by IAB and IHS point, however, to the stronger resistance of the online advertising sector compared to the other advertising sectors.
- Considering Western Europe, the total advertising market experienced a 2.6% growth in 2014, but it would have decreased if online (which grew by 11.5% in Western Europe in 2014) were not included. The impact of the online advertising spend on the total ad market was also significant in Central and Eastern Europe (remember that Russia and Turkey are included in these figures), where the overall ad market decreased by 5% in 2014. If online ad spend had been excluded, the CEE ad market would have shrunk by 10%. Overall, the European advertising market modestly grew of 1.4% in 2014. Without online, it would have decreased by -2.4%.

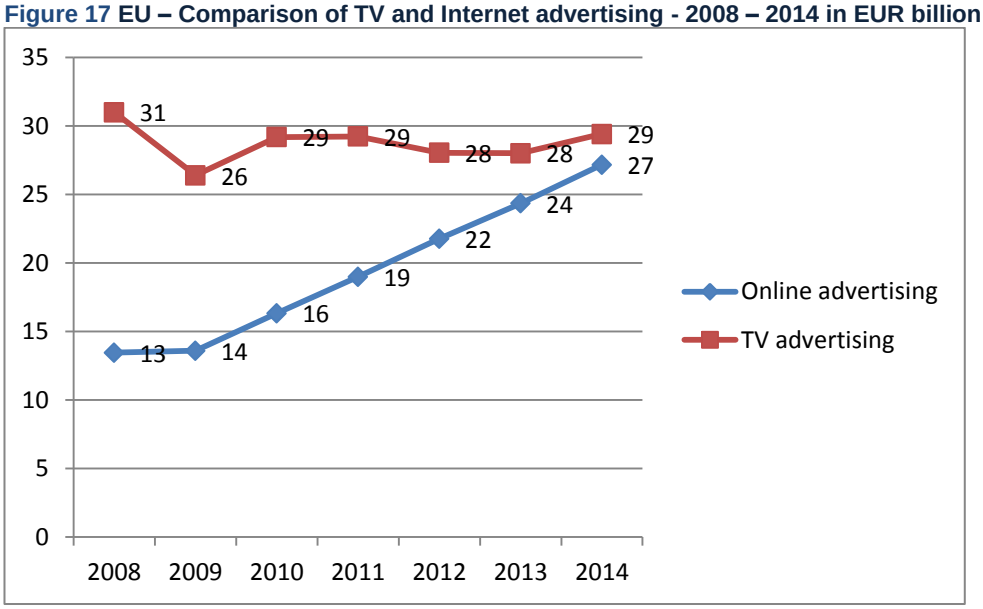
Figure 16 Total Advertising growth in Europe in 2014 - in %



Source: IAB Europe Adex Benchmark 2014/IHS

- Since at least 2009 the growth rate of Internet advertising has been systematically higher than the growth rate of TV advertising.

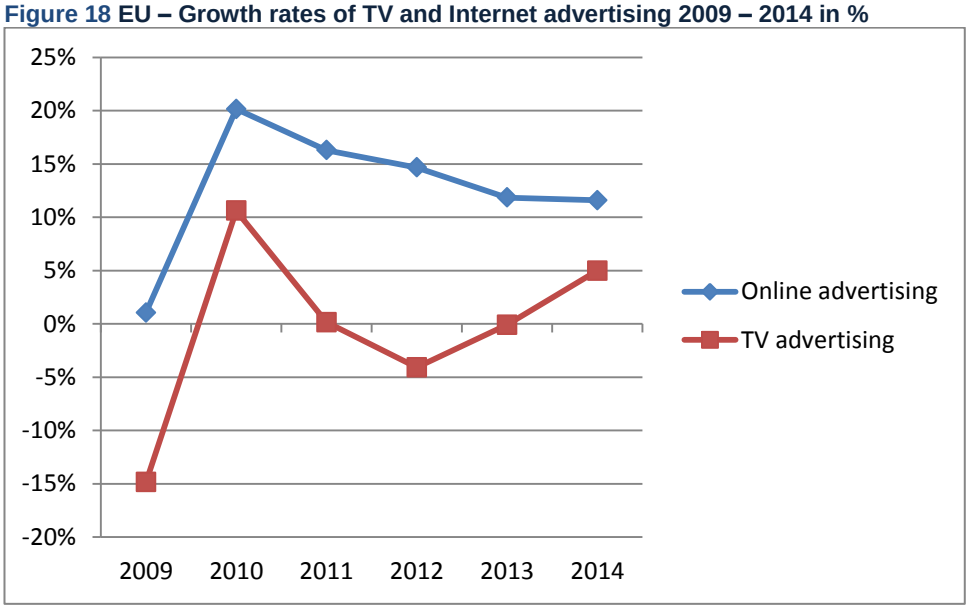
Figure 17 EU – Comparison of TV and Internet advertising - 2008 – 2014 in EUR billion



© Warc (www.warc.com), 2015. Please refer to notes on ad spend data for further detail and source information

http://www.warc.com/NotesOnAdspendData.

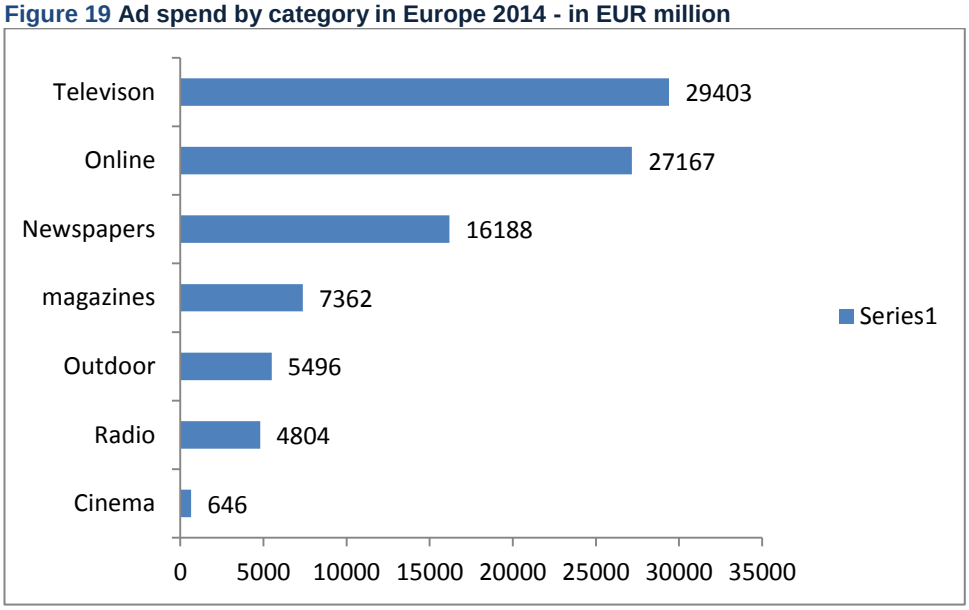
Figure 18 EU – Growth rates of TV and Internet advertising 2009 – 2014 in %



© Warc (www.warc.com), 2014. Please refer to notes on ad spend data for further detail and source information.

- Online has therefore become the second medium in Europe for ad spend, just behind TV advertising.

Figure 19 Ad spend by category in Europe 2014 - in EUR million

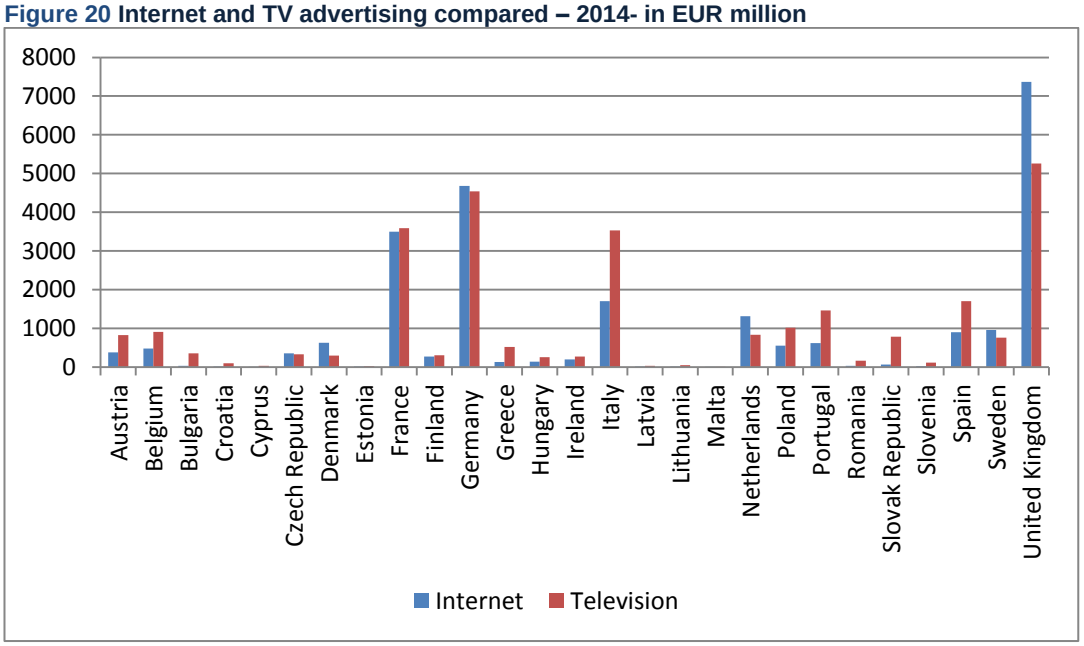


© Warc (www.warc.com), 2015. Please refer to notes on ad spend data for further detail and source information

http://www.warc.com/NotesOnAdspendData.

- In 2014, Internet advertising was higher than TV advertising in Czech Republic, Denmark, Germany, The Netherlands, Sweden and United Kingdom.

Figure 20 Internet and TV advertising compared – 2014- in EUR million



© Warc (www.warc.com), 2014. Please refer to notes on ad spend data for further detail and source information.

http://www.warc.com/NotesOnAdspendData

7.7 Analysis of advertising formats

7.7.1 Three main formats of online advertising

- IAB Europe (and also USA) divides the online advertising into three major categories:
  - Paid-for-Search advertising:[3] "Fees advertisers pay Internet companies to list and/or link their company site or domain name to a specific search word or phrase (includes paid search revenues)." As this form of advertising often happens before the person searching makes a purchase, this is the form of advertising most valued by advertisers (e.g. user searching for a hotel, plane ticket, product, etc.)
  - Classified advertising and directories:[4] "A form of advertising which is particularly common in newspapers, online and other periodicals which may be sold or distributed free of charge. Classified advertising is called such because it is generally grouped under headings classifying the product or service being offered (headings such as Accounting, Automobiles, Clothing…) and is grouped entirely in a distinct section, which makes it distinct from display advertising. Display advertising typically contains graphics or other art work and which is more typically distributed throughout a publication adjacent to editorial content."
  - Display advertising: "a form of online advertising where an advertiser's message is shown on a destination web page, generally set off in a box at the top or bottom or to one side of the content of the page" (examples include banner ads, online video ads, pop-ups, etc.)

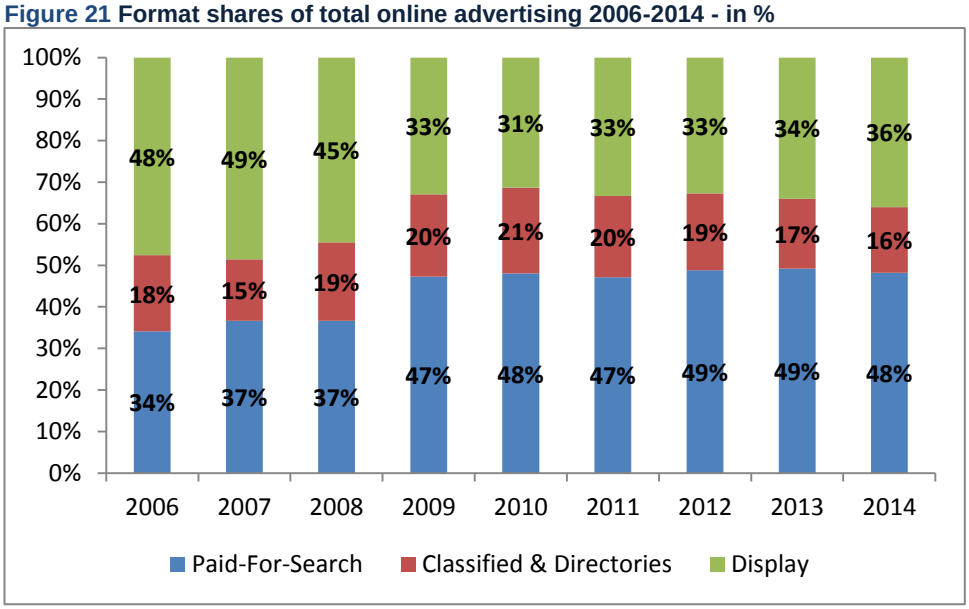
7.7.2 Display advertising second ad format in Europe in 2014

- Between 2006 and 2014, paid-for-search advertising increased its overall importance, rising from 34% of the online ad spend in 2006 to 48% in 2014. On the other hand, display advertising declined from 48% to 36%.

[3] IAB, "Glossary of Interactive Advertising Terms v. 2.0", available at: www.iab.net/media/file/GlossaryofInteractivAdvertisingTerms.pdf

[4] IAB UK, "Jargon buster", available at: www.iabuk.net/resources/jargon-buster

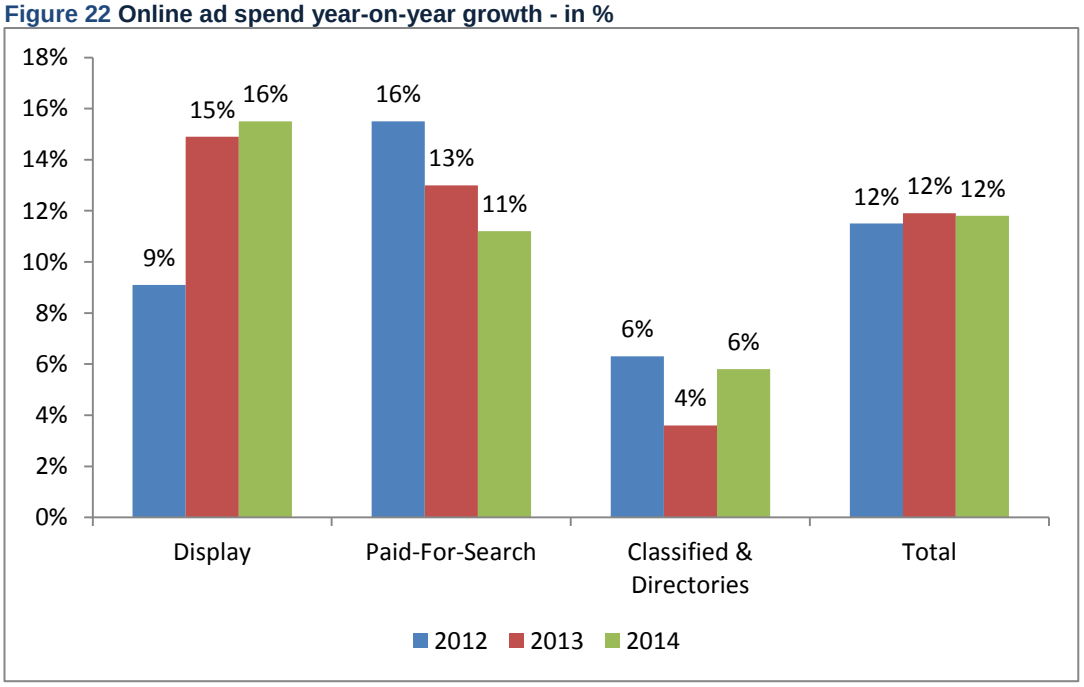
Figure 21 Format shares of total online advertising 2006-2014 - in %



Source: IAB Europe Adex Benchmark 2014/IHS

- However, since 2011, display is regaining market shares, mostly at the expenses of classified and directories. New formats and advertising techniques (such as online video, mobile ads, social network ads/real-time bidding and marketing, programmatic advertising based on algorithms and the use of “big data’) have exposed display advertising to the renewed interest of advertisers. Better targeting capability through the use of “big data” collected on web users, automatic ad buying and the fact that more “eyeballs” (consumers) are operating in the online space, combined with new and more immersive ad formats (online video) or location-based advertising, are clearly an incentive for the wider use of display advertising on the Internet. Also, the increase in the use of mobile devices is opening up an era of mobile advertising, with different constraints than “classical” desktop advertisements.

Figure 22 Online ad spend year-on-year growth - in %

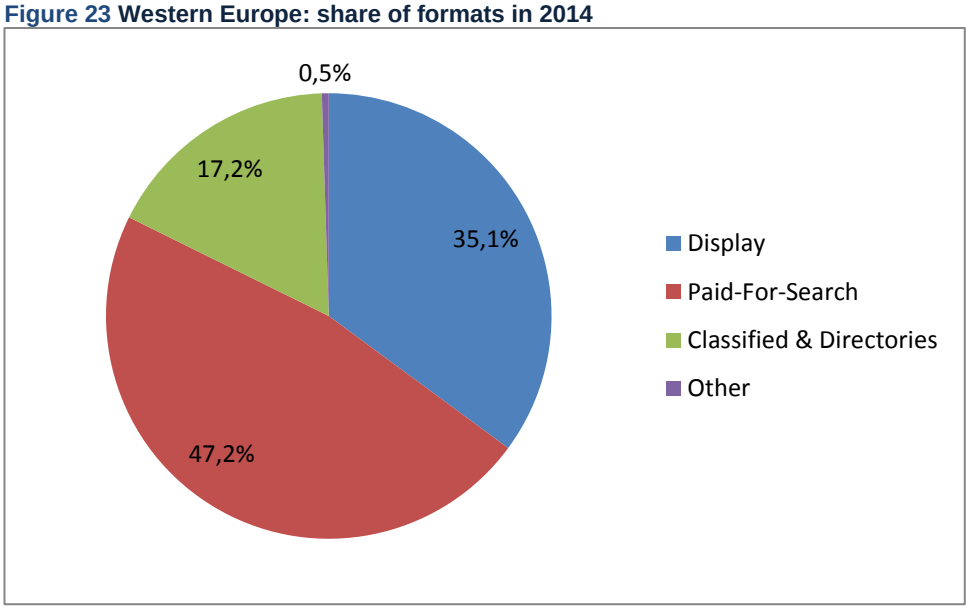


Source: IAB Europe Adex Benchmark 2014/HIS

7.7.3 Differences between Western Europe and CEE in share of online ad formats

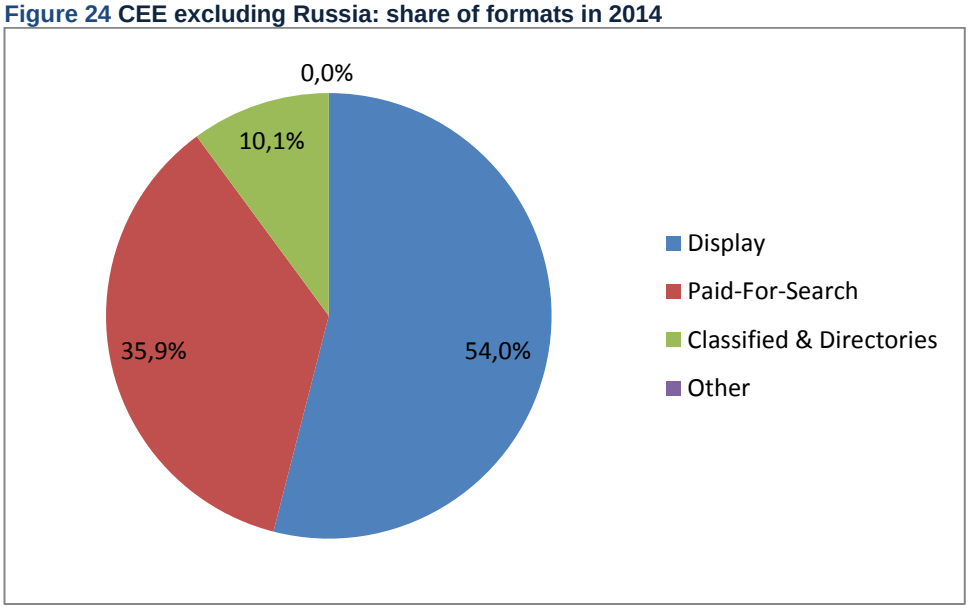
- IAB provides a geographical breakdown of formats in Europe. Whereas the use of paid-for-search is dominant in Western Europe (47.2% of online advertising), display advertising is more common in Central and Eastern European countries (54.0% of all formats). This could be explained by the higher incomes in Western Europe than in Central and Eastern Europe: Paid-for-search is more valuable for companies in Western Europe as the average Internet user is more likely to make a purchase after a search, whereas in CEE countries the purpose of online advertisements is more to achieve branding objectives than converting searches into purchases.

Figure 23 Western Europe: share of formats in 2014



Source: IAB Europe Adex Benchmark 2014/IHS

Figure 24 CEE excluding Russia: share of formats in 2014



Source: IAB Europe Adex Benchmark 2014/IHS

7.7.4 The dynamics of display

- The data made available by IAB and IHS shows that in the 21 EU countries observed the total value of display advertising in 2014 was 9.7€ billion, growing by +22% compared to 2013. The UK (2.8€ billion), Germany (1.7€ billion) and France (1.1€ billion) are topping the ranking but with different growth rate for each country; the UK (29%) and Germany (30%) have ex-

perienced a strong growth in display ad spend in 2014, whereas France (13%) grew under the EU average.

Table 33 Display value and growth by country 2012-2014 in EUR million

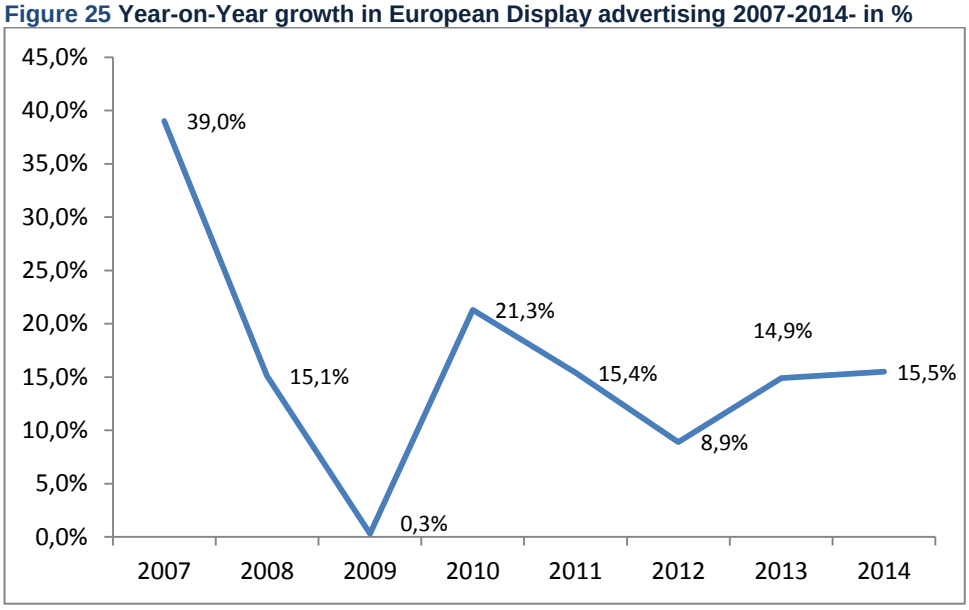
	2012	2013	2014	Growth 2014/2013
United Kingdom	1 741	2 192	2 818	29%
Germany	1 207	1 319	1 715	30%
France	965	1 015	1 146	13%
Italy	693	866	1048	21%
Netherlands	528	577	646	12%
Spain	362	342	349	2%
Sweden	294	330	388	18%
Poland	228	259	278	7%
Czech Republic	188	223	213	-4%
Denmark	204	209	272	30%
Austria	124	159	196	23%
Finland	123	139	178	28%
Belgium	106	111	168	51%
Ireland	58	74	98	32%
Hungary	58	61	68	11%
Greece	59	59	65	10%
Romania	28	33	33	0%
Slovakia	25	27	51	89%
Bulgaria	13	13	18	38%
Slovenia	11	11	12	9%
Croatia	7	7	8	14%
Total EU 21	7 021	8 026	9 768	22%

Source: IAB Europe Adex Benchmark 2014/IHS

- We could not extract the data for year-on-year growth in EU countries for online display ad spend expenditures therefore we have to rely on the Europe aggregated data provided by IAB for the years 2007 to 2014. Display ad spend, without the major fall in 2009 in the economic crises, grew at strong levels (39% in 2007) but seems to stabilize the last 4 years around 10% to 15%.
- The rise of video viewing on sites such as YouTube or Facebook combined with more online display ad formats and experimentation with different forms of online video are strong drivers for the investments in display. The increased success of Multichannel Networks on YouTube, which are acting as huge content aggregator and for which the dominant one's can generate

billions of video views per months for their multiple channels, the establishment of YouTube channels of traditional media companies as a way to get in touch with younger audiences will further offer growth opportunities for advertisers and for the development of the online display advertisement market in Europe.

Figure 25 Year-on-Year growth in European Display advertising 2007-2014- in %



Source: IAB Europe Adex Benchmark 2014/IHS

7.8 The key players

Very few data are available on market shares of the online advertising market, and none at the European level. The following section builds from eMarketer worldwide estimates.

- Google earns approximately 30% of the worldwide online advertising market.
- Google leading position directly derives from the Paid-for-Search segment of online advertising. But YouTube, a Google service, also benefits from the increasing share of video advertising within the display segment.
- Facebook is experiencing a rapid growth of its market share, benefitting both from of its strong position on mobile and from the introduction of video on its pages.
- Other well-known Internet brands such as Twitter, Amazon or Twitter capture less than 1% each of the online advertising market.

Table 34 Net Digital Ad Revenue Share Worldwide, by company, 2012-2014

	2012	2013	2014 (e)
Google	31.30%	31.92%	31.45%
Facebook	4.09%	5.82%	7.79%
Microsoft	2.44%	2.45%	2.54%
Yahoo!	3.36%	2.86%	2.52%
IAC	1.34%	1.27%	1.04%
AOL	1,02%	0.94%	0.88%
Twitter	0.26%	0,50%	0.79%
Amazon	0.53%	0.63%	0.75%
LinkedIn	0.37%	0.47%	0.54%
Pandora	0.34%	0.43%	0.52%
Yelp	0.12%	0.18%	0.25%
Millennial Media	0,07%	0.09%	0.09%
Other	54.76%%	52.44%	50.82%
Total digital ($ billions)	104.57	120.05	140.15

Source: eMarketer

Note: includes advertising that appears on desktop and laptop computers as well as mobile phones and tablets, and includes all the various formats of advertising on those platforms. Net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites. Numbers may not add up to 100% due to rounding

- The mobile advertising market appears to be more concentrated than the legacy “fixed” online advertising market, as Google and Facebook together account for two thirds of the worldwide revenues.

- eMarketer estimated than, in 2014, mobile would account for 63% of Facebook advertising revenues, to be compared with 33% for Google.

Table 35 Net Mobile Internet Ad Revenue Share Worldwide, by Company, 2012-2014, % of total

	2012	2013	2014 (e)
Google	52,6%	49,3%	46,8%
Facebook	5,4%	17,5%	21,7%
Twitter	1,5%	2,4%	2,6%
Pandora	2,6%	2,1%	1,7%
YP	2,9%	2,1%	1,6%
Millennial Media	0,8%	0,8%	0,7%
Other	34,2%	25,8%	24,9%
Total mobile ad revenues (billions)	$8,76	$17,96	$31,45

Source: eMarketer, March 2014

Note: net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; includes display (banners and other, rich media and video) and search. Ad spending on tablets is included. Excludes SMS, MMS and P2P messaging-based advertising.

8 Key trends

8.1 The dynamics of video advertising

Online video advertising as defined by IAB is in-stream video ads (pre-rolls, mid-rolls, post-rolls)[5]. Various other categories of video advertising exist (such as in-stream banner overlays, out-of-stream video advertising, and contextual video advertising) but those categories are not taken into account by IAB and HIS. Where figures were not provided as such IHS modelled the figure based on local market knowledge[6].

The total video ad spend in the 18 EU countries where data is available totalled 1.47€ billion in 2014, up by 39%. The United Kingdom is by a distance the number one market for video advertising, already having a market value of €508 million.

Online video advertising represents in average 16% of display advertising in Europe.

Table 36 Video ad spend in EUR million

	2014	Growth 2014/2013	Share of display advertising
United Kingdom	508	42%	18%
Germany	234	28%	14%
France	179	29%	16%
Italy	117	18%	11%
Netherlands	106	30%	16%
Spain	72	143%	21%
Sweden	67	59%	17%
Poland	45	28%	16%
Belgium	39	17%	23%
Austria	22	115%	11%
Finland	16	n.a.	9%
Czech Republic	15	24%	7%
Denmark	15	60%	6%
Ireland	14	63%	14%
Greece	12	188%	18%
Slovenia	4	40%	33%
Hungary	4	148%	6%
Romania	1	0,562	3%
Total EU 18	1 470	39%	16%

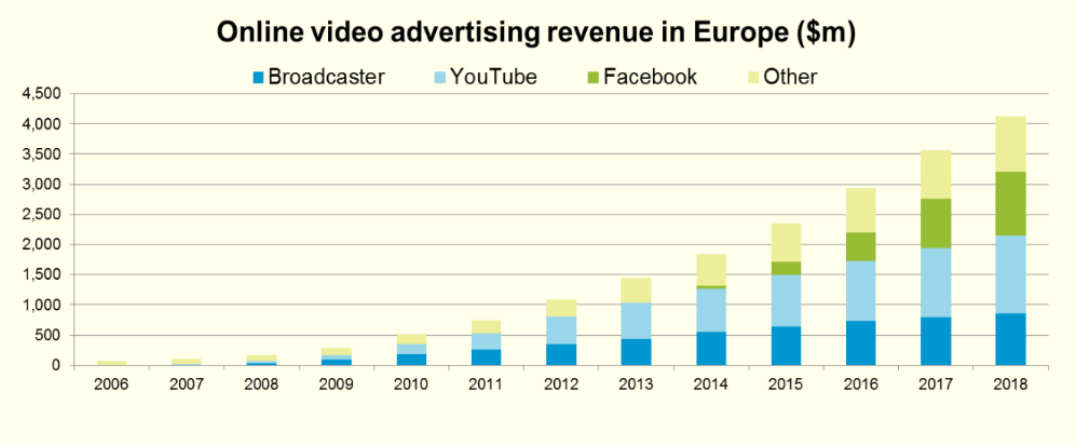
Source: IAB Europe Adex Benchmark 2014/IHS

[5] This definition was agreed on by the IAB Europe Video Working Group

[6] We do not have any more details on the model used and the local market knowledge applied by IHS.

IHS estimates that online video advertising market will increase by more than 75% between 2015 and 2018, and that Google and Facebook will together gain 50% of the market in 2018.

Figure 26 Online video advertising revenue in Europe, 2006-2018 in USD million



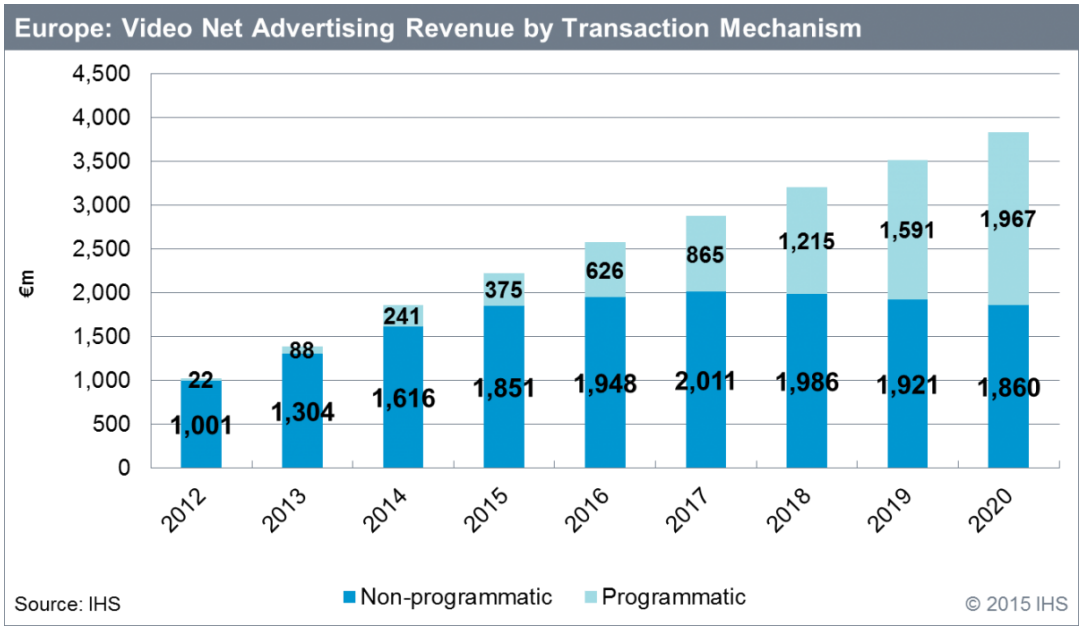
Source: IHS

8.2 The rise of programmatic video advertising

8.2.1 Programmatic advertising expends to video advertising

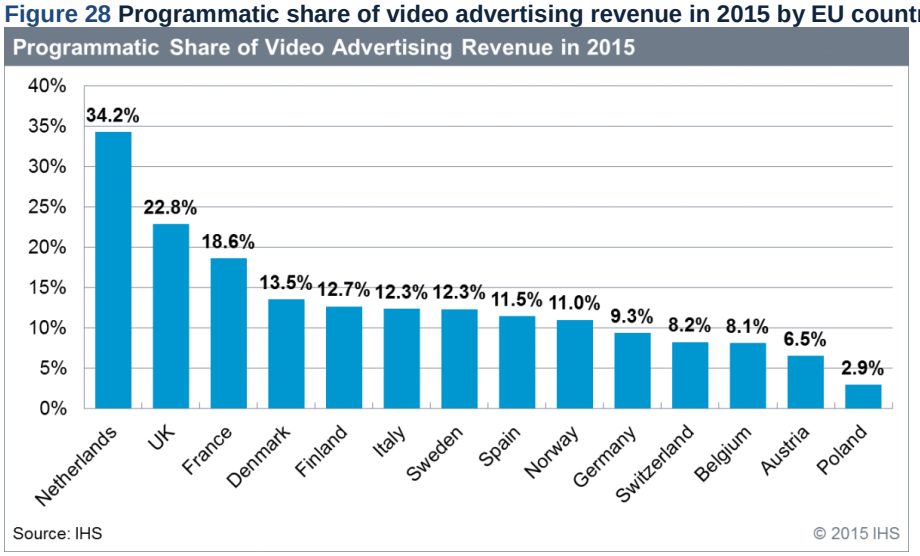
One of the key drivers of the growth of video advertising is the extension to video ads of **programmatic video advertising**, i.e. the automated placement of ads using algorithms, which facilitates the purchase and sell of advertising inventory. The share of programmatic solutions within video advertising is growing rapidly: in 2012 programmatic represented only 2.2% of net video advertising revenues in Europe (of a total of EUR 1.02 billion generated by online video advertising). In 2015, this share has already passed to 16.8% of the total revenues generated by video, EUR 2.2 billion. In 2020, it will represent more than half (51.4%) of online video revenues generated in Europe, which will amount to EUR 3.82 billion.

Figure 27 **Video Net Advertising Revenue by Transaction Mechanism, Europe 2012-2020, in EUR million**



Huge differences appear for the use of programmatic sales mechanism between countries in Europe. The Netherlands are the country in Europe which is most in advance in the use of programmatic sales mechanism, generating already 34.2% of video revenues through the use of programmatic mechanisms in 2015. On the other end of the spectrum, Austria with only 6.5% and Poland with 2.9% are under the Europe average.

Figure 28 **Programmatic share of video advertising revenue in 2015 by EU country, in %**



8.2.2 Media groups invest in programmatic platforms

As television[7] is also starting to embrace the use of algorithms for the transactions used in selling video inventory (even if programmatic advertising lacks understanding by marketers[8]), Media groups invest in advanced advertising platforms:

- RTL group opened the movement of acquisitions, by acquiring a 65% stake in exchange for EUR 107 million in the programmatic advertising platform SpotXchange in 2014, being the first European broadcaster to buy an ad exchange[9].

  The reasons given by RTL co-CEO Guillaume de Posch at the time summarize well the reasons for the acquisition (quoted by the Financial Times[10]) and the risks European broadcasters are exposed to, becoming merely publishers in the online space but being excluded from the process of selling advertising, their core business in the traditional TV ecosystem: "*Long term, we have the risk of being disintermediated" from the process of selling online video ads" "We fully understand how to sell commercial spots on TV. But in online video, the world is much more atomised." "We want to be present in the value chain, not only as a pure publisher [of online videos]", but also as a seller of advertising*".
- RTL Group also led an investment round in programmatic advertising technology firm Clypd in April 2015, investing USD 19.4 million[11].
- German media group ProSiebenSat.1 acquired majority stakes in July 2015 in the advertising exchange platform Smartstream.tv12 and in the programmatic ad specialist Virtual Minds[13].
- Swedish media group Modern Times Group has launched its own programmatic trading platform VideoRange in 2015, in order to cover its automated video sales in Sweden, Norway, Denmark, the Baltics, Bulgaria and the Czech Republic[14]. Also, MTG partnered with technology provider

---

7 See, "*AOL Says Its Programmatic Ad Platform Is Shaking Up Australian TV Market"*, The Wall Street Journal, 15 June 2015, available at: http://blogs.wsj.com/cmo/2015/06/15/aol-says-its-programmatic-ad-platform-is-shaking-up-australian-tv-market/

See, "*AMC Begins Selling TV Spots Programmatically, Higher Yields Expected",* Mediapost 16th September 2015, available at: http://www.mediapost.com/publications/article/258417/amc-nets-begins-selling-tv-spots-programmatically.html

See, *"Will Programmatic Advertising Take Over TV? - Point, counter-point by Adweek expert"*, Adweek 24th June 2014, available at: http://www.adweek.com/news/television/will-programmatic-advertising-take-over-tv-158482

8 See, "*Ignorance no obstacle to programmatic"*, Warc 25th September, available at:

9 See, "*RTL buys online video advertising group"*, Financial Times 31st July 2015, available at: http://www.ft.com/intl/cms/s/0/3947580e-189d-11e4-a51a-00144feabdc0.html#axzz3nCsmog4h

10 idem

11 See, "*RTL leads US$19.4m round in ad technology firm Clypd"*, DigitalTV Europe 10th April 2015, available at: http://www.digitaltveurope.net/350502/rtl-leads-us19-4m-round-in-ad-technology-firm-clypd/

12 See, "*ProSiebenSat.1 acquires programmatic ad leader"*, DigitalTV Europe 30th July 2015, available at: http://www.digitaltveurope.net/404841/prosiebensat-1-acquires-programmatic-ad-leader/

13 See, "*ProSiebenSat.1 takes majority stake in programmatic ad specialist"*, DigitalTV Europe 1st July 2015, available at: http://www.digitaltveurope.net/391692/prosiebensat-1-takes-majority-stake-in-programmatic-ad-specialist/

14 See, "*MTG launches programmatic video ad platform"*, DigitalTV Europe 28th April 2015, available at: http://www.digitaltveurope.net/359192/mtg-launches-programmatic-video-ad-platform/

FreeWheel to sell its ad inventory across the Nordics and central and Eastern Europe in 2014[15].

8.3 Mobile: a new ecosystem for advertising

The world is increasingly getting mobile. The rapid rise of the mobile Internet, enabled by smart, mobile connected devices such as smartphones and tablets and mobile broadband coverage, is changing the way consumers allocate their attention. The worldwide population is using more and more mobile devices to interact with the world, distract themselves and consume content. Mobile is an ecosystem of its own, with different rules and technologies[16]to which publishers and advertisers have to adapt. As analysing the mobile ecosystem in formation is not the aim of this section and would be too long, we will focus on stressing the main points relevant to online advertising and video advertising.

Ericsson's Mobility report June 2015[17] shows that mobile video will grow by 55% annually until 2020 to represent over 60% of all mobile data traffic on a worldwide basis. Europe will see an increase in smartphones subscriptions, passing from 450 million in 2014 to 830 million in 2020[18] and seeing an explosion in data traffic per smartphone from 1.2 Gigabytes per month in 2014 to 6.5 Gigabytes per month in 2020 – 60% of which will eventually be video.

The forecasts by Ericsson go in line with projections on mobile ad spend established by eMarketer[19]. According to the research firm, worldwide mobile Internet ad spend will grow from USD 68.69 billion in 2015 to USD 101.37 billion in 2016 (a growth by 47.6% in just one year) to finally reach USD 195.55 billion in 2019. The importance of mobile advertising is further stressed by the fact that mobile advertising will already represent more than 50% of worldwide digital ad expenditures in 2016. Mobile advertising revenue in Europe was worth EUR 3.99 billion (+58.6% year-to-year) in 2014, according to IAB Europe[20].

---

[15] See, "*MTG teams up with FreeWheel"*, DigitalTV Europe 8th October 2014, available at: http://www.digitaltveurope.net/255671/mtg-teams-up-with-freewheel/

[16] See, "*Mobile is a 'new ecosystem"*, Warc 4th September 2015, available at: http://www.ericsson.com/res/docs/2015/ericsson-mobility-report-june-2015-reur-appendices.pdf http://www.warc.com/Content/News/N35338_Mobile_is_a_new_ecosystem.content?PUB=Warc%20News&CID=N35338&ID=2105fdec-4ee5-4aa7-b67d-a2fc317d25b9&q=&qr=

[17] See, "*Ericsson Mobility Report: 70 percent of world's population using smartphones by 2020"*, Ericsson 3rd June 2015, available at: http://www.ericsson.com/news/1925907

[18] See, "*Ericsson Mobility Report – Appendix Europe*", Ericsson 3rd June 2020, available at:

[19] See, "*Mobile Ad Spend to Top $100 Billion Worldwide in 2016, 51% of Digital Market*", eMarketer 2nd April 2015, available at: http://www.emarketer.com/Article/Mobile-Ad-Spend-Top-100-Billion-Worldwide-2016-51-of-Digital-Market/1012299

[20] See, "*Global Mobile Advertising Revenue Hit $31.9 Billion (€23.9 Billion) in 2014, According to IAB, IAB Europe & HIS"*, IAB 13th August 2015, available at: *http://www.iab.net/about_the_iab/recent_press_releases/press_release_archive/press_release/pr-081315*

Table 37 Mobile Internet Ad Spending Worldwide, 2013-2019

Mobile Internet Ad Spending Worldwide, 2013-2019

	2013	2014	2015	2016	2017	2018	2019
Mobile internet ad spending (billions)	**$19.20**	**$42.63**	**$68.69**	**$101.37**	**$133.74**	**$166.63**	**$195.55**
—% change	117.9%	122.1%	61.1%	47.6%	31.9%	24.6%	17.4%
—% of digital ad spending	16.0%	29.4%	40.2%	51.1%	59.4%	65.9%	70.1%
—% of total media ad spending	3.7%	7.8%	11.9%	16.5%	20.5%	24.1%	26.8%

Note: includes display (banners, video and rich media) and search; excludes SMS, MMS and P2P messaging-based advertising; ad spending on tablets is included
Source: eMarketer, March 2015

186887 www.eMarketer.com

Table 38 Mobile Internet Ad Spending Worldwide, by Country, 2013-2018

Mobile Internet Ad Spending Worldwide, by Country, 2013-2018
millions

	2013	2014	2015	2016	2017	2018
US	$10,422	$18,911	$28,477	$40,241	$49,560	$57,543
China*	$920	$7,537	$13,977	$22,140	$31,306	$40,604
UK**	$1,949	$3,703	$5,369	$7,248	$9,133	$11,142
Japan	$1,835	$2,752	$3,853	$5,009	$6,311	$7,573
Germany	$451	$1,309	$2,095	$3,065	$4,198	$5,248
South Korea	$455	$1,000	$1,600	$2,080	$2,496	$2,946
Canada	$392	$854	$1,416	$2,200	$2,862	$3,666
Australia	$341	$852	$1,364	$2,114	$2,959	$3,847
France	$248	$446	$714	$1,035	$1,450	$1,971
Netherlands	$162	$454	$680	$953	$1,238	$1,548
Italy	$205	$369	$553	$775	$1,046	$1,360
Brazil	$66	$249	$549	$1,015	$1,726	$2,675
Norway	$106	$317	$475	$641	$821	$1,002
Sweden	$140	$293	$440	$594	$772	$927
Russia	$65	$196	$431	$776	$1,087	$1,413
Denmark	$108	$269	$391	$508	$635	$762
Mexico	$104	$214	$388	$605	$910	$1,306
Spain	$53	$101	$176	$300	$494	$781
India	$26	$79	$173	$347	$589	$943
Finland	$41	$102	$153	$199	$249	$298
Indonesia	$12	$43	$129	$323	$743	$1,487
Argentina	$8	$24	$71	$170	$340	$612
Worldwide* **	**$19,197**	**$42,631**	**$68,695**	**$101,366**	**$133,743**	**$166,628**

*Note: includes display (banners, video and rich media) and search; excludes SMS, MMS and P2P messaging-based advertising; includes ad spending on tablets; *excludes Hong Kong; **includes SMS, MMS and P2P messaging-based advertising; ***includes countries not listed*
Source: eMarketer, March 2015

186756 www.eMarketer.com

Changing even more the traditional digital ecosystem, mobile content consumption is happening mostly in application. Whereas on the fixed Internet (desktop-based), display advertising was displayed on web pages, on the mobile Internet advertising is taking increasingly place in applications, the place where mobile users spend the most of their time. In the USA, mobile phone users are spending more time in apps than on TV[21] - 168 minutes of daily average minutes are spent on TV

[21] See, "*U.S. Consumers Now Spend More Time In Apps Than Watching TV*", TechCrunch 10th September 2015, available at: http://techcrunch.com/2015/09/10/u-s-consumers-now-spend-more-time-in-apps-than-watching-tv/#.jxnocv:CbSh

versus 198 minutes in mobile Apps as of the 2nd quarter 2015 according to Flurry[22]. Whereas the average time spend with TV has remained stable throughout the years 2013, 2014 and 2015 (at 168 minutes per day), time spent with mobile Apps has continuously risen from 126 minutes in 20113 to 198 minutes in 2015.

A recent study published by eMarketer on time spent with media by adults in the United Kingdom[23] shows the importance of digital media, in which mobile is set to take the lion share. UK Adults will spend on average 4:38 hours per day with digital media in 2015, 2:24 hours of which on mobile devices. The time spent on mobile devices is set to rise to 3:12 hours by 2017, mobile becoming the major media consumed before TV with 3:06 hours on average per day. Even if the eMarketer study does not give time spent in apps by UK users, from mobile usage in the US and worldwide data it can be inferred that most of this time is also spent in applications as opposed to time spent in a mobile browser.

Table 39 Average Time Spent per Day with Major Media by UK Adults, 2013-2017

Average Time Spent per Day with Major Media by UK Adults, 2013-2017

hrs:mins

	2013	2014	2015	2016	2017
Digital	**3:29**	**4:08**	**4:38**	**5:07**	**5:31**
Desktop/laptop*	2:07	2:11	2:14	2:17	2:19
Mobile (nonvoice)	1:22	1:57	2:24	2:50	3:12
—Smartphone	0:55	1:14	1:34	1:55	2:12
—Tablet	0:20	0:36	0:44	0:50	0:55
—Feature phone	0:07	0:07	0:06	0:06	0:05
TV**	**3:14**	**3:12**	**3:10**	**3:08**	**3:06**
Radio**	**1:26**	**1:24**	**1:23**	**1:23**	**1:22**
Print**	**0:21**	**0:20**	**0:19**	**0:19**	**0:18**
Total	**8:30**	**9:04**	**9:31**	**9:56**	**10:16**

*Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking on desktop/laptop while watching TV is counted as 1 hour for TV and 1 hour for desktop/laptop; numbers may not add up to total due to rounding; *includes all internet activities on desktop and laptop computers; **excludes digital*

Source: eMarketer, Sep 2015

196252 www.eMarketer.com

The time spent by UK consumers with their mobile devices goes in line with the increased spending in the UK mobile advertising market, which will reach GBP 3.2 billion in 2015 (+45%) and will overtake TV advertising in 2016[24] (forecasted mobile ad spend of GBP 4.4 billion in 2016 compared to TV ad spend of GBP 4.2 billion). Mobile, in digital advanced countries, is certainly a game changer.

[22] See, "*The Cable Industry Faces The Perfect Storm: Apps, App Stores and Apple*", Flurry Insights 10th September 2015, available at: http://flurrymobile.tumblr.com/post/128773968605/the-cable-industry-faces-the-perfect-storm-apps

[23] The United Kingdom is the country in Europe with the highest level of digital ad expenditures and is also one of the most advanced countries in digital media consumption as the revenues of its VoD markets show. Therefore, it is only an example which cannot be generalized to other EU countries. We stress this example in order to show a situation in which other EU countries might eventually find themselves, increased digital media consumption, increasingly on mobile devices and therefore an increase in overall digital and mobile ad spending.

[24] See, "*Mobile Ad Spending to Overtake Print in the UK*", eMarketer 30th September 2015, available at: http://www.emarketer.com/Article/Mobile-Ad-Spending-Overtake-Print-UK/1013043

Table 40 UK Total Media Ad Spending by Media 2014-2019

UK Total Media Ad Spending, by Media, 2014-2019

millions of £, % of total and % change

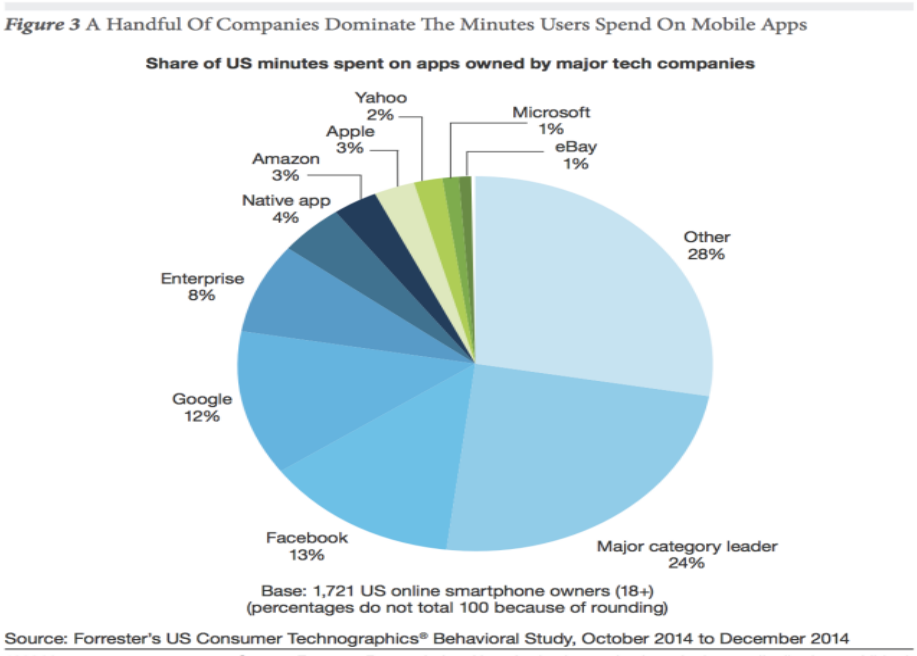
	2014	2015	2016	2017	2018	2019
Total media ad spending						
Digital	**£7,194**	**£8,057**	**£8,944**	**£9,749**	**£10,577**	**£11,318**
—Mobile	£2,249	£3,261	£4,402	£5,546	£6,766	£7,781
TV	**£3,919**	**£4,123**	**£4,267**	**£4,310**	**£4,353**	**£4,396**
Print	**£2,805**	**£2,672**	**£2,580**	**£2,536**	**£2,500**	**£2,470**
—Newspapers*	£2,059	£1,960	£1,892	£1,861	£1,835	£1,813
—Magazines*	£746	£712	£688	£675	£665	£657
Outdoor	**£1,019**	**£1,052**	**£1,081**	**£1,103**	**£1,123**	**£1,140**
Radio**	**£345**	**£354**	**£357**	**£358**	**£359**	**£360**
Total	**£15,282**	**£16,258**	**£17,229**	**£18,055**	**£18,912**	**£19,684**
Total media ad spending share (% of total)						
Digital	**47.1%**	**49.6%**	**51.9%**	**54.0%**	**55.9%**	**57.5%**
—Mobile	14.7%	20.1%	25.5%	30.7%	35.8%	39.5%
TV	**25.6%**	**25.4%**	**24.8%**	**23.9%**	**23.0%**	**22.3%**
Print	**18.4%**	**16.4%**	**15.0%**	**14.0%**	**13.2%**	**12.5%**
—Newspapers*	13.5%	12.1%	11.0%	10.3%	9.7%	9.2%
—Magazines*	4.9%	4.4%	4.0%	3.7%	3.5%	3.3%
Outdoor	**6.7%**	**6.5%**	**6.3%**	**6.1%**	**5.9%**	**5.8%**
Radio**	**2.3%**	**2.2%**	**2.1%**	**2.0%**	**1.9%**	**1.8%**
Total media ad spending growth (% change)						
Digital	**15.0%**	**12.0%**	**11.0%**	**9.0%**	**8.5%**	**7.0%**
—Mobile	90.0%	45.0%	35.0%	26.0%	22.0%	15.0%
TV	**6.0%**	**5.2%**	**3.5%**	**1.0%**	**1.0%**	**1.0%**
Outdoor	**3.0%**	**3.2%**	**2.8%**	**2.0%**	**1.8%**	**1.6%**
Radio*	**8.4%**	**2.6%**	**0.9%**	**0.2%**	**0.4%**	**0.1%**
Print	**-5.0%**	**-4.7%**	**-3.4%**	**-1.7%**	**-1.4%**	**-1.2%**
—Magazines**	-5.0%	-4.5%	-3.3%	-2.0%	-1.5%	-1.2%
—Newspapers**	-5.0%	-4.8%	-3.5%	-1.6%	-1.4%	-1.2%
Total	**7.5%**	**6.4%**	**6.0%**	**4.8%**	**4.7%**	**4.1%**

*Note: *print only; **excludes off-air radio & digital*
Source: eMarketer, Sep 2015

194841 www.eMarketer.com

The issue with mobile applications is that users tend to spend the most of their time in only a handful of apps (5 in the case of an US smartphone user, according to research carried out by Forrester research[25]).

Figure 29 Share of US minutes spent on apps owned by major tech companies



Therefore, few companies dominate the interaction between a smartphone user and content in applications. There is a risk of traditional players getting out crowded by dominant tech players, who have the technical know-how to take advantage of their growing user base and their attention to monetize their time spent with advertisers.

This is already the case in the US, according to eMarketer[26], where Google with a market share of 32.9% and Facebook with 19.4% in 2015, dominate more than half of the US mobile advertising market (and where 12 other tech players are set to take 20% of market shares, leaving only 32% to all other players on the mobile advertising space). Facebook already generates more than 75% of its advertising revenue from mobile[27] and YouTube generates more than 50% of its traffic from mobile[28] (but, according to reports, is not able to make any profit out of it more than 1 billion viewers[29]) and both companies are in the first line to monetize[30] more

[25] See, "*Consumers Spend 85% Of Time On Smartphones In Apps, But Only 5 Apps See Heavy Use",* TechCrunch 22nd June 2015, available at: http://techcrunch.com/2015/06/22/consumers-spend-85-of-time-on-smartphones-in-apps-but-only-5-apps-see-heavy-use/#.jxnocv:5bJy

[26] See, "*AOL, Millennial Face Uphill Battle to Capture Mobile Ad Dollars"* , eMarketer 8th September 2015, available at: http://www.emarketer.com/Article/AOL-Millennial-Face-Uphill-Battle-Capture-Mobile-Ad-Dollars/1012954

[27] See, "*Facebook, Google Tighten Grip on Mobile Ads"*, The Wall Street Journal, 29th July 2015, available at: http://www.wsj.com/articles/facebook-revenue-rises-39-1438200350?mod=WSJ_TechWSJD_NeedToKnow

[28] See, "*Half of YouTube's Traffic Is Now From Mobile"*, Recode 27th October 2014, available at: http://recode.net/2014/10/27/youtube-code-mobile-1/

[29] See, "*YouTube: 1 Billion Viewers, No Profit",* The Wall Street Journal, 25th February 2015, available at: http://www.wsj.com/articles/viewers-dont-add-up-to-profit-for-youtube-1424897967

[30] See, "*Google Grows YouTube Views, Revenue Despite Facebook Threat"*, Variety 16th July 2015, available at: http://variety.com/2015/digital/news/google-grows-youtube-views-revenue-despite-

this domination and their, almost captive, audience when it comes to the mobile application-based Internet by locking consumers into their application (YouTube's Top 100 advertisers increased their spending by 60% in the second quarter of 2015[31].

Table 41 Net US Mobile Ad Revenue Share by Company, 2014-2017

Net US Mobile Ad Revenue Share, by Company, 2014-2017

% of total and billions

	2014	2015	2016	2017
Google	36.9%	32.9%	31.7%	31.7%
Facebook	18.5%	19.4%	19.2%	20.3%
Twitter	3.6%	3.8%	4.0%	4.4%
Yahoo	3.3%	2.9%	2.5%	2.4%
Apple (iAd)	2.5%	2.6%	2.8%	2.9%
Pandora	2.9%	2.4%	2.2%	2.2%
YP	2.7%	2.1%	1.8%	1.8%
Yelp	0.7%	0.7%	0.7%	0.7%
LinkedIn	0.3%	0.5%	0.5%	0.5%
Amazon	0.4%	0.4%	0.4%	0.5%
Millennial Media	0.5%	0.3%	0.3%	0.2%
Other	27.7%	32.0%	33.9%	32.5%
Total (billions)	**$19.15**	**$30.45**	**$42.01**	**$50.84**

Note: net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; includes display (banners and other, rich media and video), search and messaging-based advertising; ad spending on tablets is included; numbers may not add up to 100% due to rounding

Source: company reports; eMarketer, Sep 2015

195215 www.eMarketer.com

As Television is migrating towards "TV as an App[32][33]" where App stores allow for cross-border content circulation and consumption, enabling global players to enter national audiovisual markets, and that TV is increasingly distributed through the Internet (with Netflix's CEO Reed Hasting stating that "*All TV will be Internet in 10-20 years*[34]"), getting a share of the increasing mobile advertising pie will be a hard play for most of today's traditional media companies who have to adapt to this new market given.

The rising use of the mobile Internet, mostly in applications distributed in App stores owned by 4 tech players (Apple, Google, Amazon and Microsoft), by users worldwide is changing the media ecosystem. As more of the world population has their individual screen in their pockets (smartphones) or at home (tablets), increasing their time spent on the mobile web and applications, online mobile advertising will skyrocket worldwide and in Europe. The rules of the advertising market, after having changed with the introduction of digital advertising at the beginning of the worldwide web, are altered once again with the rise of the mobile Internet.

---

facebook-threat-1201542013/

31 See, "*YouTube's Top Advertisers Increased Their Spending by 60% in Q2*", Adweek 16th July 2015, available at: http://www.adweek.com/news/technology/youtubes-top-advertisers-increased-their-spending-60-percent-q2-165943

32 See, "*Winners and Losers in TV's New App Economy*", The Hollywood Reporter, 23rd September 2015, available at: http://www.hollywoodreporter.com/news/winners-losers-tvs-new-app-826075

33 See, "*Apple's Tim Cook: "We Believe the Future of TV Is Apps""*, The Wall Street Journal 9th September 2015, available at: http://blogs.wsj.com/personal-technology/2015/09/09/apples-tim-cook-we-believe-the-future-of-tv-is-apps/

34 See, "*Netflix CEO: All TV will be Internet in 10-20 yrs*", CNBC 20th September 2015, available at: http://www.cnbc.com/2015/09/18/netflix-ceo-all-tv-will-be-internet-in-10-20-yrs.html

Just as a footnote, we wanted to list the explorations of Google[35] who wants to prepare for a future without apps, after having already indexed apps in search results and tweaked its search algorithm[36] to favour sites that are mobile-friendly (with the first results already visible, traffic to non-mobile-friendly websites made by mobile searches falling by 12%[37]), is now deep-linking and indexing apps between them in order to tie content between and within apps in order to maintain its position as the number one search engine (in a world where users access their content directly through apps, Google's search engine is less relevant and less used).

To quote Luther Lowe, VP of policy at Yelp as cited in Recode[38]: The algorithm tweak is a blatant example of Google *"extending [its] search monopoly on mobile," "This hypocritical and disturbing behaviour should have every antitrust enforcement agency on high alert.*"

Facebook on the other hand is aiming at making personalized ads appear on every phone running its app, making use of the collected data on users across devices[39]. With already 2.5 million advertisers on its platform, the use of TV and online advertising, Facebook will enter increasingly in competition with TV and other publishers, which will have to choose between sharing their content (and the attached advertising revenues) with Facebook or trying to make their way on their own.

These two players, who exercise their domination on the mobile web through their huge global user base and diversified services (in publishing/search and advertising exchanges and platforms), are set to benefit to profit from the changes happening in the global advertising market.

---

[35] See, "*Google Dreams of a World After Apps but It's a Nightmare for Rivals"*, Recode 3rd September 2015, available at: http://recode.net/2015/09/03/google-dreams-of-a-world-after-apps-but-its-a-nightmare-for-rivals/

[36] See, "*Google Gives Boost to Mobile-Friendly Sites",* The Wall Street Journal 21st April 2015, available at: http://www.wsj.com/articles/google-gives-boost-to-mobile-friendly-sites-1429660022

[37] See, "*Google's 'Mobilegeddon' Was a Big Deal, After All"*, The Wall Street Journal 15th July 2015, available at: http://blogs.wsj.com/digits/2015/07/15/googles-mobilegeddon-was-a-big-deal-after-all/

[38] See, "*Google Dreams of a World After Apps but It's a Nightmare for Rivals"*, Recode 3rd September 2015, available at: http://recode.net/2015/09/03/google-dreams-of-a-world-after-apps-but-its-a-nightmare-for-rivals/

[39] See, "*Facebook Ads Are All-Knowing, Unblockable, and in Everyone's Phone"*, Bloomberg Business 28th September 2015, available at: http://www.bloomberg.com/news/articles/2015-09-28/facebook-ads-are-all-knowing-unblockable-and-in-everyone-s-phone

8.4 Social Network advertising

Another driver of display advertising, and therefore online video ads, are social networks; Facebook, Twitter, Snapchat and LinkedIn being the main players on this market. The research company eMarketer estimates social networks ad revenues to pass from USD 25.14 billion in 2015 to USD 41 billion in 2017 up by +63% in just 2 years.

Table 42 Social Network Ad Revenues worldwide, by company 2014-2017 in USD billion

Social Network Ad Revenues Worldwide, by Company, 2014-2017

	2014	2015	2016	2017
Social network ad revenues (billions)				
Facebook	$11.49	$16.29	$21.43	$26.98
Twitter	$1.26	$2.03	$2.95	$3.98
LinkedIn	$0.75	$0.93	$1.13	$1.33
Other	$4.36	$5.88	$7.41	$8.72
Total social network ad spending	**$17.85**	**$25.14**	**$32.91**	**$41.00**
Social network ad revenue growth (% change)				
Twitter	111.2%	61.8%	45.0%	35.0%
Facebook	64.5%	41.8%	31.5%	25.9%
LinkedIn	33.2%	25.1%	20.5%	17.8%
Other	34.4%	35.0%	26.1%	17.6%
Total social network ad spending	**56.8%**	**40.8%**	**30.9%**	**24.6%**
Social network ad revenue share (% of total)				
Facebook	64.4%	64.8%	65.1%	65.8%
Twitter	7.0%	8.1%	9.0%	9.7%
LinkedIn	4.2%	3.7%	3.4%	3.2%
Other	24.4%	23.4%	22.5%	21.3%

Note: includes paid advertising appearing within social networks, social network games and social network apps; excludes spending by marketers that goes toward developing or maintaining a social network presence; numbers may not add up to total due to rounding
Source: eMarketer, Sep 2015

196303 www.eMarketer.com

Social networks are benefiting highly from network effects; the more users in the network, the more valuable/useful the network as whole becomes to users, therefore attracting even more users. Also, social networks profit from economies of scale, being able to amortize large investments and roll out innovations to its whole user base. Economies of scale and network effects render the social networks ad market concentrated; this is seen in the share of Facebook (around 65% of worldwide social ad revenues in the period 2014 to 2017) and Twitter (8.1% in 2015 of the global social network ad market). These two companies will dominate more than 70% of the total social ad market, with Facebook playing the role of the juggernaut.

The players on social network ad market are also targeting TV advertising budgets. This can be seen in the launch by Facebook and Twitter[40] of auto-play video advertising. Facebook is on the track to surpass YouTube by monthly played videos – passing from 1 billion videos a day in September 2014 to 4 billion videos a day in April 2015, thanks to its auto-play video feature[41]. Nomura estimates Face-

[40] See, "*Twitter Finally Rolls Out Auto-Play Video*", The Wall Street Journal 16th June 2015, available at: http://blogs.wsj.com/cmo/2015/06/16/twitter-finally-rolls-out-auto-play-video/?mod=WSJ_TechWSJD_NeedToKnow

[41] See, "*As YouTube marks tenth year, Facebook emerges as video threat*", Reuters 23rd April 2015, available at: http://www.reuters.com/article/2015/04/23/us-facebook-video-idUSKBN0NE1N520150423

book to generate USD 3.8 billion by 2017 in online video revenues[42] (compared to estimated video revenues of USD 8.5 billion for YouTube by 2017). In order to really challenge YouTube for the first place on the online video ad market[43], Facebook has partnered with media partners such as Disney, Vice Media in order to convince marketers to invest in sponsored video content with premium creators[44]. Also, Facebook is encouraging publishers to host their content directly on the Facebook platform through the Instant Article initiative[45]. A recent initiative to increasingly divert ad budgets from TV to Facebook was announced by Facebook and Nielsen in September 2015: the inclusion of Facebook's video ads into Nielsen total rating point, enabling advertisers to plan campaigns across TV and Facebook and letting Nielsen verify the delivery on the platform, a measure to strengthen confidence in Facebook advertising among potential advertisers[46]. Facebook is stressing its reach[47], notably among millenials, and selling the benefits of ad campaigns across the TV screen and on Facebook to convince advertisers: from its quarterly results until now, the bet seems to pay off.

The importance of the mobile Internet for social networks can be inferred from Facebook's revenues and quarterly financial figures[48]. In the second quarter 2015, Facebook's mobile advertising revenue represented 76% of total advertising revenues of USD 3.8 billion[49] (up by 39% year-to-year, from USD 2.6 billion in 2014 to USD 3.8 billion in 2015), with a 29% year-to-year increase of its mobile daily active user base to 844 million and a monthly mobile active user of 1.31 billion, up by 23% compared to last year. The increase of mobile ad revenues and the rise of mobile active users reflect the increased time spend by users in Facebook's applications (Facebook, Messenger, Instagram), at 46 minutes per day on average according to Facebook's CEO Zuckerberg[50].

As users spend more time in Facebook's applications, Facebook's mobile revenue[51] is set to grow accordingly (the essence of two-sided platforms such as Facebook, Google – competition for users' attention on one side which in turn is

---

[42] See, "*Facebook's Bite into TV: Social Giant to Hit $3.8 Billion in Video-Ad Sales by 2017, Analyst Says"* Variety 17th March 2015, available at: http://variety.com/2015/digital/news/facebooks-bite-into-tv-social-giant-to-hit-3-8-billion-in-video-ad-sales-by-2017-analyst-says-1201454287/

[43] See, "*These Digital Stats Show Exactly Why Google Fears Facebook Ads"*, Adweek 15th July 2015, available at: http://www.adweek.com/news/technology/these-digital-stats-show-how-facebook-ads-are-resonating-more-googles-165898

[44] See, "*Facebook Lines Up 7 Branded-Content Video Partners Including Vice, Disney"* Variety 23rd April 2015, available at: http://variety.com/2015/digital/news/facebook-lines-up-7-branded-content-video-partners-including-vice-disney-1201478229/

[45] See, "*Facebook Starts Hosting Publishers' "Instant Articles"",* TechCrunch 12th May 2015, available at: http://techcrunch.com/2015/05/12/facebook-instant-articles/#.jxnocv:cBBZ

[46] See, "*Facebook Launches New Bid to Steal TV Advertising Dollars",* Variety 28th September 2015, available at: http://variety.com/2015/digital/news/facebook-tv-advertising-total-rating-point-1201603758/

[47] See, "*TV Campaigns Extend Reach via Facebook Ads"* eMarketer 29th July 2015, available at: http://www.emarketer.com/Article/TV-Campaigns-Extend-Reach-via-Facebook-Ads/1012788

[48] See, "*Facebook, Google Tighten Grip on Mobile Ads"*, The Wall Street Journal 29th July 2015, available at: http://www.wsj.com/articles/facebook-revenue-rises-39-1438200350?mod=WSJ_TechWSJD_NeedToKnow

[49] See, "*Facebook Reports Second Quarter 2015 Results"*, Facebook Investor Relations 29th July 2015, available at: http://investor.fb.com/releasedetail.cfm?ReleaseID=924562

[50] See, "*Facebook, Google Tighten Grip on Mobile Ads"*, The Wall Street Journal 29th July 2015, available at: http://www.wsj.com/articles/facebook-revenue-rises-39-1438200350?mod=WSJ_TechWSJD_NeedToKnow

[51] See, "*Facebook: Now More Mobile Than Ever"*, Recode 29th July 2015, available at: http://recode.net/2015/07/29/facebook-now-more-mobile-than-ever/

monetized on the other side by selling this attention to advertisers).

Instagram has hit 400 million users[52] and is rolling also out online video advertising on a global basis[53]; eMarketer[54] estimates Instagram's net mobile ad revenues to pass from USD 0.6 billion in 2015 to USD 2.81 billion by 2017, representing 10.6% of Facebook's total ad revenue by that date and if the estimates are correct, Instagram will surpass Google and Twitter in mobile display ad revenues in the US (according to analysis by MoffettNathanson Instagram, once mature, will male at least USD 5 billion per year and could under the right conditions make as much as USD 11 billion in advertising revenues per year[55]). Add to this that Facebook properties include WhatsApp with 800 million users[56] (mostly mobile) and Messenger with 700 million users[57] as of the first half of 2015 and plans to monetize this huge user base by allowing businesses to interact with users[58], and Facebook's grip on the mobile ad market seems stern at this moment in time. To quote Facebook's COO Sheryl Sandberg: *''We are competing for consumer time and attention and we are also competing for marketing dollars," "The shift to mobile is very beneficial to Facebook. As people spend more time on mobile, they are spending more time on our products."*[59]

[52] See, "*Instagram passes 400m users as young shun tweets for photo op"*, The Guardian 23rd September 2015, available at: http://www.theguardian.com/technology/2015/sep/23/instagram-400m-users-young-app-twitter

[53] See, "*Instagram Gets More of Facebook's Global Advertising Power"*, Bloomberg Business 9th September 2015, available at: http://www.bloomberg.com/news/articles/2015-09-09/instagram-gets-more-of-facebook-s-global-advertising-power

[54] See, *"Instagram Mobile Ad Revenues to Reach $2.81 Billion Worldwide in 2017",* eMarketer 27th July 2015, available at: http://www.emarketer.com/Article/Instagram-Mobile-Ad-Revenues-Reach-281-Billion-Worldwide-2017/1012774

[55] See, "*How Facebook Turned Instagram Into a $5 Billion Business"*, Recode 18th September 2015, available at: http://recode.net/2015/09/18/how-facebook-turned-instagram-into-a-5-billion-business/

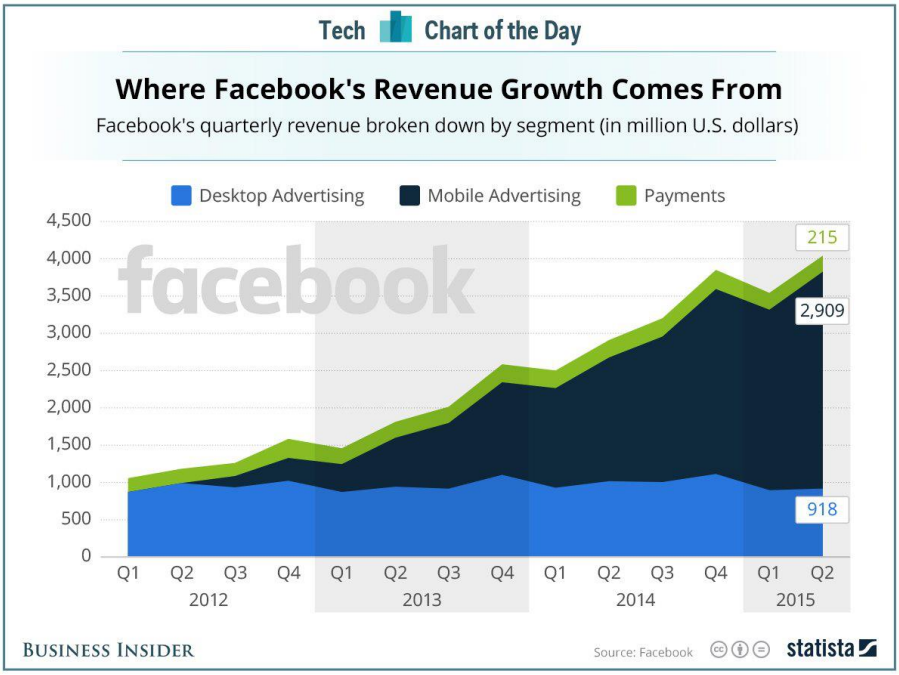
[56] See, "*WhatsApp Hits 800 Million Users — 1 Billion by Year-End?"*, The Wall Street Journal 17th April 2015, available at: http://blogs.wsj.com/digits/2015/04/17/whatsapp-hits-800000-users-1-billion-by-year-end/

[57] See, "*Facebook's Messenger App Hits 700 Million Users"*, Forbes 12th June 2015, available at: http://www.forbes.com/sites/abigailtracy/2015/06/12/facebooks-messenger-app-hits-700-million-users/

[58] See, "*Facebook's Playbook For Monetizing Messenger And WhatsApp"*, TechCrunch 29th July 2015, available at: http://techcrunch.com/2015/07/29/ease-them-into-it/

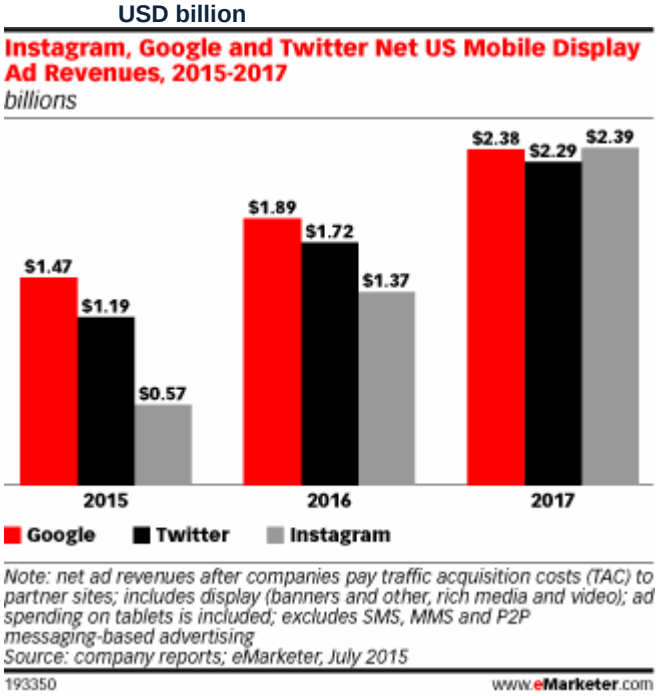
[59] See, "*Is Facebook a TV Alternative for Advertisers? Not Yet."* Recode 29th July 2015, available at: http://recode.net/2015/07/29/is-facebook-a-tv-alternative-for-advertisers-not-yet/

Figure 30 **Source of Facebook's revenue, 2012-2015, USD million**



Source: Business Insider and Statista[60]

Figure 31 **Instagram, Google and Twitter Net US Mobile Display Ad revenues 2015-2017, in USD billion**



[60] See, "*Facebook is the undisputed king of the tech industry now*", Business Insider 2nd August 2015, available at: http://uk.businessinsider.com/facebook-rules-2015-7?

The huge trove of personal data, which social networks are selling[61], is a marketers dream: likes and dislikes, personal relationships, location information all this can be retrieved from their users who give, willingly or not, this information away. Therefore it comes as no surprise that the major social networks such as Facebook[62][63], Twitter[64] and LinkedIn[65] have opened their ad products to allow advertisers to reach users outside of their respective sites and applications. This development will enable these players to monetize further user data and increase their ad revenues. The shift towards the mobile Internet, through the increasingly amount of time spend by users on applications and their mobile devices, will benefit hugely the companies which have been able to adapt rapidly to this evolution in consumer habits. Brands and advertisers rely increasingly on social networks to target audience they want to reach, and this in return is reflected in the increasing value of a social network user (ad revenues per user for social networks). Facebook will have an average ad revenue per US user which increases from USD 34.68 in 2014 to UDS 73.29 in 2017 (respectively from USD 6.25 to 10.79 for non-US user, no EU data available) and Twitter's US average user ad revenue will increase from UDS 17.06 to USD 39.8 by 2017.

Table 43 Facebook and Twitter Ad Revenues per User Worldwide, US vs. Non-US 2014-2017

Facebook and Twitter Ad Revenues per User Worldwide, US vs. Non-US, 2014-2017

	2014	2015	2016	2017
US				
Facebook ad revenues per Facebook user*	$34.68	$48.76	$61.06	$73.29
Twitter ad revenues per Twitter user**	$17.06	$24.48	$32.22	$39.80
Non-US				
Facebook ad revenues per Facebook user*	$6.25	$7.71	$9.26	$10.79
Twitter ad revenues per Twitter user**	$2.37	$3.51	$4.66	$5.92
Worldwide				
Facebook ad revenues per Facebook user*	$10.03	$12.76	$15.18	$17.50
Twitter ad revenues per Twitter user**	$5.48	$7.75	$10.12	$12.56

*Note: among users of the above via any device at least once per month; paid advertising only; *excludes spending by marketers that goes toward developing or maintaining a Facebook presence; **excludes spending by marketers that goes toward developing or maintaining a Twitter presence*
Source: company reports; eMarketer, Sep 2015

196308 www.eMarketer.com

As can be inferred from the figures in this section, social network advertising is a main driver of online ad spend. The impressive growth figures and user bases of the main players on this market support this conclusion. As ad budgets are more

[61] See, "*Facebook Is Putting More of Your Data Into Its Ad-Relevancy Machine*", The Wall Street Journal 18th September 2015, available at: http://blogs.wsj.com/digits/2015/09/18/facebook-is-putting-more-of-your-data-into-its-ad-relevancy-machine/?mod=ST1

[62] See, "*Facebook Will Use Facebook Data to Sell Ads on Sites That Aren't Facebook*", Recode 28th September 2014, available at: http://recode.net/2014/09/28/facebook-will-facebook-data-to-sell-ads-on-sites-that-arent-facebook/

[63] See, "*Facebook Opens Its Mobile Ad "Audience Network" To All Advertisers And Apps*", TechCrunch 7th October 2015, available at: http://techcrunch.com/2014/10/07/facebook-audience-network-ads/

[64] See, "*Twitter Pushes Mobile Video Ads, Promoted Tweets to Third-Party Apps*", Variety 20th August 2015, available at: http://variety.com/2015/digital/news/twitter-pushes-mobile-video-ads-promoted-tweets-to-third-party-apps-1201574475/

[65] See, "*LinkedIn Ads Now Follow You Around the Web*", Recode 19th February 2015, available at: http://recode.net/2015/02/19/linkedin-ads-now-follow-you-around-the-web/

and more captured by these players (over 70% of market share on the worldwide social advertising market for the 2 main players, Facebook and Twitter), and Television ad budgets are increasingly challenged by the superior targeting possibilities (combined with the form of storytelling searched by marketers on TV, video) and the wider reach of social networks, the future will be challenging for traditional players (For now, there is no European juggernaut in the social network market to our knowledge).

As a recent example of this domination in users' attention and advertising budgets, the case of the case of *The Washington Post* can be cited. It decided to publish its entire articles on Facebook's Instant Articles[66], hosted on Facebook. This shows the importance of Facebook and other social networks in providing publishers[67], such as *The Washington Post,* with their audience and ultimately with advertising opportunities (for now, publishers can keep 100% of ad revenues if they sell them themselves, or 70% if Facebook is selling the ads). Social networks have a strategic place between publishers of audiovisual content and their audiences, and will be in a perfect position to monetize further this situation, as forecasts of their advertising revenues show.

With Facebook's head of ad product declaring that "*A year or two from now, we think Facebook will be mostly video*[68]", audiovisual players are warned. Brands and Advertisers will invest increasingly in social networks advertisement with the aim of addressing targeted ads to their core audience and prospective consumers.

8.5 Increased role for tech companies as intermediaries between advertisers and consumers

Several initiatives and enhancements for online ads such as integrated "Buy" buttons on ads (developed mainly by Google[69], Facebook[70] and Amazon[71] with social network sites such as Twitter[72], Pinterest[73], which recently reached 100 million users, or Instagram being other candidates to jump or which have already jumped on the "Buy Button" wagon), prefilled contact information[74], social logins and simi-

---

[66] See, "*First Click: Jeff Bezos is taking his newspaper where the ads are"*, The Verge 23rd September 2015, available at: http://www.theverge.com/2015/9/23/9381245/first-click-jeff-bezos-is-taking-his-newspaper-where-the-ads-are

[67] See, "*Publishers Warily Embed With Facebook"*, The Wall Street Journal, 11th May 2015, available at: http://www.wsj.com/articles/publishers-warily-embed-with-facebook-1431387002

[68] See, "*Facebook Exec: Facebook Will Be Mostly Video Soon"*, Variety 16th September 2015, available at: http://variety.com/2015/digital/news/facebook-exec-facebook-will-be-mostly-video-soon-1201595182/

[69] See, "*Google Says 'Buy' Button Coming to Online Advertising Service"*, Bloomberg 27th May 2015, available at: http://www.bloomberg.com/news/articles/2015-05-27/google-says-buy-button-coming-to-online-advertising-service

[70] See, "*Facebook Adds Buy Button Integration As It Continues To Reinvent Pages"*, TechCrunch 15th July 2015, available at: http://techcrunch.com/2015/07/15/cant-buy-me-love/#.jxnocv:HEfu

[71] See, "*Amazon's push-to-buy Dash buttons are now basically free",* The Verge 2nd September 2015, available at: http://www.theverge.com/2015/9/2/9241865/amazon-dash-button-price-drop

[72] See, "*Twitter expands 'Buy' button to more than 100,000 merchants"*, Fortune 6th August 2015, available at: http://fortune.com/2015/08/06/twitter-buy-button/

[73] See, "*Pinterest Launches the Buy Button"*, Recode 2nd June 2015, available at: http://recode.net/2015/06/02/pinterest-launches-the-buy-button/

[74] See, "*Marketers Will Drool Over Facebook's New Signup Ads That Auto-Fill Your Email Or Number"*, TechCrunch 25th June 2015, available at: http://techcrunch.com/2015/06/25/facebook-lead-ads/#.jxnocv:Nfma

lar developments aim to shorten the path to sales[75] as an user's response to an ad. Simply put, they want to further disrupt online retail[76] and place themselves as essentials go-betweens for consumers and advertisers.

As buy buttons are quite recent being launched mostly this years, challenges remain to overcome by all this players in order to convince advertisers, allay fear of retailers which business they might disrupt and convince consumers to use their service[77].

The ultimate goal of these companies is to be able to influence consumers to make a purchase and therefore prove their superiority in terms of return of investment on advertising spend compared to television. Google recently announced changes[78] (making use of Gmail addresses to give advertisers the ability to address targeted ads at consumers in search results and YouTube and to integrate mobile applications in search, Google's display ad network, Google Play and YouTube) which will put the company further between advertisers and consumers, and improve its ability to influence purchase decisions: the ultimate aim of all commercial advertising.

However, it is still too early to judge on the impact of these developments but the main direction ad tech players are pursuing is certainly encouraged: increase confidence from advertisers, place themselves as intermediaries between the audience and advertisers and eventually, challenge TV and other Medias for the predominant spot on the global advertising market.

---

[75] See, "*YouTube shortens path to purchase",* Warc 25th May 2015, available at: http://www.warc.com/Content/News/N34817_YouTube_shortens_path_to_purchase.content?PUB=Warc%20News&CID=N34817&ID=963fbfde-9e87-47c5-901b-e9f9370b32e2&q=&qr=

[76] See, "*Buy now' disrupts online retail",* Warc 18th August 2015, available at: http://www.warc.com/Content/News/N35252_Buy_now_disrupts_online_retail_.content?PUB=Warc%20News&CID=N35252&ID=b87a78a0-0c53-46ae-af1b-021e848814c3&q=&qr=

[77] See, "*Why 'Buy' Buttons Will Pose Big Challenges for Google, Facebook, Pinterest and Twitter"*, Recode 14th June 2015, available at: http://recode.net/2015/06/14/why-buy-buttons-will-pose-big-challenges-for-google-facebook-pinterest-and-twitter/

[78] See, "*With New Ad Features Tapping Gmail, YouTube and Mobile, a Step Closer to 'One Google'",* Recode 28th September 2015, available at: http://recode.net/2015/09/28/with-new-ads-features-using-youtube-mobile-and-gmail-a-step-closer-to-one-google/

8.6 An even more connected future will further drive the online advertising market

The development and up-take of the Connected home, with the Internet of Things[79] (IoT), will surely present increasing opportunities and an increased number of screens for advertisers to reach their desired audience. Many tech players, such as Google, Amazon and Apple[80] are in prime positions to take advantage of the premises of this new home and living room[81], where connected devices & televisions and Smart TVs are in the front row to act as the interface for the smart home[82]. At the time of this report, it is only a outlook into what the future reserves for opportunities to further increase the reach of online advertising, extending the reach into homes and eventually into everyday's life[83].

Another possible extension for online advertising might be the rising of Virtual Reality. Again, at this stage it is too early to judge or analyse the possible impacts of virtual reality on the online advertising market but with such players as Facebook with the Oculus Rift[84], Sony with the PlayStation VR headset[85], Samsung[86] and traditional media companies such as Walt Disney, ProSieben and Sky[87] launching devices and supporting development of virtual reality, another platform for content consumption and therefore advertising may be nascent.

---

79 See, "*Five ways to bring advertising to life in the internet of things"*, The Guardian 28th July 2015, available at: http://www.theguardian.com/media-network/2015/jul/28/internet-things-advertising-marketing

80 Each of the quoted companies - and many others such as Roku, Microsoft, Intel - are developing connected HDMI dongles (Chromecast, Fire TV Stick, Intel's Compute Stick), connected media players (AppleTV, Roku's Media Player, Amazon's Fire TV, Android TV)

81 See, "*As tech giants prepare for connected living, marketers risk being left behind",* The Guardian 16th March 2015, available at: http://www.theguardian.com/media-network/2015/mar/16/technology-connected-living-google-apple-facebook-marketers

82 See, "*All the Ways a New Apple TV Could Dominate Your Living Room",* Wired 24th March 2015, available at: http://www.wired.com/2015/03/ways-new-apple-tv-dominate-living-room/

83 See, "*Marketers increasing spend on Connected TV",* Advanced Television 1st September 2015, available at: http://advanced-television.com/2015/09/01/marketers-increasing-spend-on-connected-tv/

84 See, "*Why Facebook's $2 Billion Bet on Oculus Rift Might One Day Connect Everyone on Earth"*, Vanity Fair October 2015, available at: http://www.vanityfair.com/news/2015/09/oculus-rift-mark-zuckerberg-cover-story-palmer-luckey

85 See, "*Sony's First Virtual-Reality Set to Offer More Than 10 Titles"*, Bloomberg 17th September 2015, available at: http://www.bloomberg.com/news/articles/2015-09-17/sony-to-offer-more-than-10-titles-with-first-virtual-reality-set

86 See, "*Samsung and Oculus Announce $99 Gear VR Headset for Galaxy Phones"*, The Wall Street Journal 24th September 2015, available at: http://blogs.wsj.com/digits/2015/09/24/samsung-and-oculus-announce-99-gear-vr-headset-for-galaxy-phones/?mod=WSJ_TechWSJD_topRight

87 See, " *Disney, Sky and ProSiebenSat.1 invest in VR firm Jaunt"*, Digital TV Europe 22nd September 2015, available at: http://www.digitaltveurope.net/431041/disney-sky-and-prosiebensat-1-invest-in-vr-firm-jaunt/

8.7 Viewability of online advertisements, traffic fraud and Ad blocking - a threat to online advertisements

Even if the momentum lies in online advertising for various reasons as the previous section has shown, challenges remain on the online landscape in order to completely alleviate doubts from advertisers and marketers on the effectiveness of online ads and to reassure media and publishers on their future advertising revenues.

The recent discussions about the implications of ad-blocking[88], highlighted by Apple's move to allow ad-blocking on its iOS devices[89], illustrate these challenges for online advertising players. Other important issues for advertisers (and therefore for publishers and ultimately ad tech players such as Google and Facebook) are the viewability of online ads (are ads effectively seen) and traffic fraud (robots used to generate false traffic on advertisements and false clicks on click-through ads).

8.7.1 Viewability of online ads and traffic fraud

The debate on the viewability of ads reached mainstream media when Google declared in April 2015, using comScore data, that only 54% of video ads across the web are not viewable in third quarter of 2014 [90](an online video ad is defined as viewable by the Media Rating Council and IAB only if 50% of its pixels are visible on the screen for at least two consecutive seconds). In the same declaration, Google stated that this is not the case for videos on YouTube where 91% of ads are viewable.

A lack of universal metrics, accounting if an ad has effectively been seen by a human, lies at the source of this problem. Even if publishers have reworked their websites to ensure that ad placements are seen on the screen, desktop or mobile, the source of the problem is in traffic fraud, false impressions and clicks generated by robots. Estimates made by the Association of National Advertisers[91] (for the global online advertisement market) place the loss for advertisers at USD 6.3 billion a year to "click fraud"[92].

Google has responded to critics by establishing a new measurement[93] to ensure that its video ads have been seen by users and is also more vehemently pushing and pursuing ad fraud[94] (in 2014, Google claims having disabled more than 524 million bad ads and banned more than 214 000 advertisers from its Ad Network[95]).

---

88 See, "*The ad blocking controversy, explained"*, Vox 18th September 2015, available at: http://www.vox.com/2015/9/18/9351759/ad-blocking-controversy

89 See, "*Apple's Ad Blockers Rile Publishers"*, The Wall Street Journal 30th August 2015, available at: http://www.wsj.com/articles/apples-ad-blockers-raise-tensions-1440974849?mod=LS1

90 See, "*Only Half of Online Video Ads Are Viewable, Google Says",* The Wall Street Journal 8th May 2015, available at: http://blogs.wsj.com/digits/2015/05/08/only-half-of-online-video-ads-are-viewable-google-says/?mod=ST1

91 See, "*Online ad revenue at risk in war on 'click fraud'"*, Reuters 23rd March 2015, available at: http://www.reuters.com/article/2015/03/23/us-advertising-cyberfraud-idUSKBN0MJ0Z820150323

92 See, "*The Bot Baseline: Fraud in Digital Advertising"*, ANA, available at: http://www.ana.net/content/show/id/botfraud

93 See, "*Google Unveils a Tool to Check If Users Are Looking at Video Ads"*, Bloomberg Business 6th January 2015, available at: http://www.bloomberg.com/news/articles/2015-01-06/google-unveils-a-tool-to-check-if-users-are-looking-at-video-ads?cmpid=linkedin.company

94 See, "*Inside Google's secret war against ad fraud*", Advertising Age 18th May 2015, available at: http://adage.com/article/digital/inside-google-s-secret-war-ad-fraud/298652/

95 See, "*Google disabled 524m 'bad ads' and banned 214k advertisers in 2014"*, The Guardian, 4th

However, as recently as September 2015, a study undertook by European researches claims that Google's YouTube is continuing to charge advertisers for fake YouTube views, generated by bots[96]. Facebook has also undertaken changes to how it measures views of ads by partnering with Moat in order to deliver 100% in-view impressions of ads[97] placed on the social network. This change was made after advertisers demanded more accountability of Facebook on the effective delivery of its online ads and to change how it charges them[98]. Moat is the same measurement firm that ensures that video ads on Twitter are seen, Twitter[99] having taken this step to gain trust among advertisers 3 months before Facebook. Facebook has been violently criticized for its ad measurement standards, notably by WPP's CEO Martin Sorell who said on Facebook's video ads[100]: "*Three seconds—and 50 percent of video online not listened to with sound—is ludicrous*," "*The standards have to change*." Facebook in the same time is rolling out new ad tools[101] – "Target rating points – with Nielsen to further sell its reach to advertisers who wish to launch advertising campaigns across Facebook and TV.

As these changes only occurred recently, consequences on marketers trust and confidence are not yet measurable. But the viewability issue coupled to traffic fraud[102] is certainly one of the hot topics for marketers for the foreseeable future[103].

8.7.2 Ad Blocking

The ad blocking debate, existing before Apple's iOS update, has been around for a while. Advertising is rather seen has intrusive and disliked by users who wish to consume their content without interruptions from ads. In 2015, it has been made public that big Internet players such as Google, Amazon, Microsoft and Taboola have paid the developer of Adblock Plus to unblock ads to their websites[104]. (The French telecom provider Free has tried to block ads automatically for its subscribers in 2013 but had to abandon this option rapidly after severe critics by publish-

---

February 2015, available at: http://www.theguardian.com/technology/2015/feb/04/google-disabled-bad-ads-malware-counterfeiters-scams

[96] See, "*Google charges advertisers for fake YouTube video views, say researchers"*, The Guardian 23rd September 2015, available at: http://www.theguardian.com/technology/2015/sep/23/google-advertisers-fake-youtube-video-views-adwords-bot

[97] See, "*Facebook Announces 100% In-View Ad Impressions, Moat Measurement"*, Adweek 17th September 2015, available at: http://www.adweek.com/socialtimes/100-percent-in-view-ad-impressions-moat-measurement/626794

[98] See, "*Facebook Bends to Advertiser Viewability Demands* **"**, The Wall Street Journal 17th September 2015, available at: http://blogs.wsj.com/digits/2015/09/17/facebook-bends-to-advertiser-viewability-demands/?mod=ST1

[99] See, "*Twitter Finally Rolls Out Auto-Play Video"*, The Wall Street Journal 16th June 2015, available at: http://blogs.wsj.com/cmo/2015/06/16/twitter-finally-rolls-out-auto-play-video/

[100] See, "*Facebook's 'Ludicrous' Video Ad Metrics Highlight Digital's Lingering Low Standards, Martin Sorrell Says"*, Adweek 16th September 2015, available at: http://www.adweek.com/news/technology/wpp-chief-martin-sorrell-calls-facebooks-three-second-video-metric-ludicrous-166948

[101] See, "*Facebook offers new TV ad tools"*, Warc 29th September 2015, available at: http://www.warc.com/LatestNews/News/Facebook_offers_new_TV_ad_tools.news?ID=35463

[102] See, "*Is the Online Ad Industry Cleaning Up Its Act?"*, The Wall Street Journal 6th April 2015, available at: http://blogs.wsj.com/digits/2015/04/06/is-the-online-ad-industry-cleaning-up-its-act/?mod=ST1

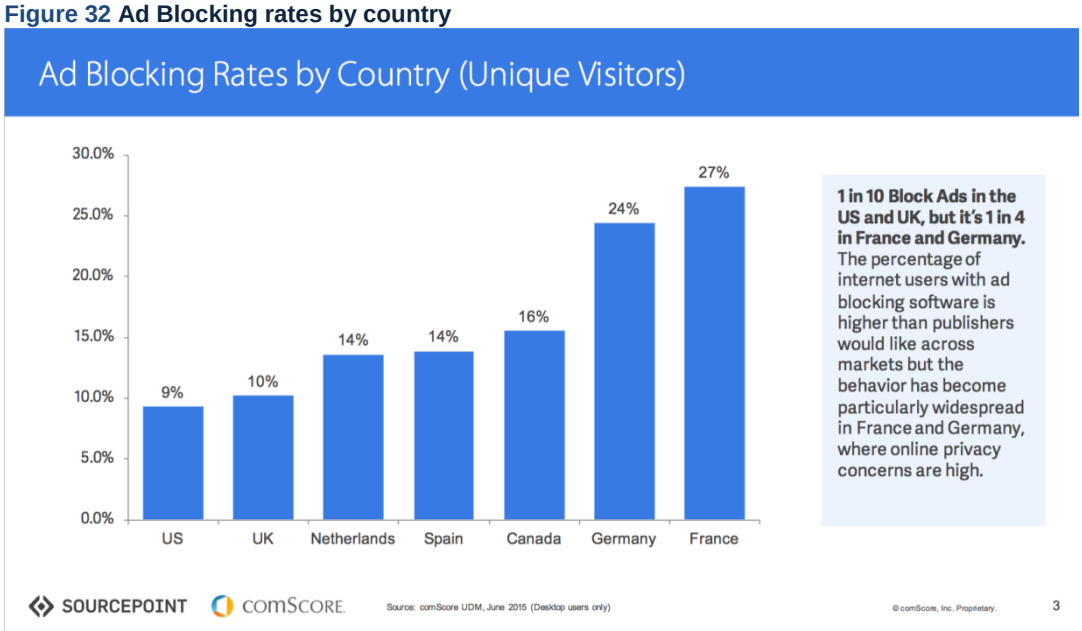
[103] See, "*Viewability, adblocking tax marketers"*, Warc 21st September 2015, available at: http://www.warc.com/LatestNews/News/Viewability,_adblocking_tax_marketers.news?ID=35421

[104] See, "*Tech giants pay to avoid ad blocking"*, Warc 3rd February 2015, available at: http://www.warc.com/LatestNews/News/Tech_giants_pay_to_avoid_ad_blocking.news?ID=34249

ers[105]). Ad blocking is therefore not new but Apple's generalisation of ad blockers of the iPhone have revived the debate and fears of publishers, relying on advertising for their income.

In the USA, survey companies Moz and Fractl have found that 63% of US Millennials use ad blockers[106]. In Europe, Ad blocking is also widespread with 27% of France's Internet users using ad blockers, 24% of Germans and 10% in the United Kingdom.

Figure 32 Ad Blocking rates by country



Overall, Adobe and PageFair[107] estimate that the use of ad blocking software grew by 41% compared to last year. In 2015, it is estimated that 200 million Internet users are using Ad blockers[108]. So what is the problem with ad blocking?

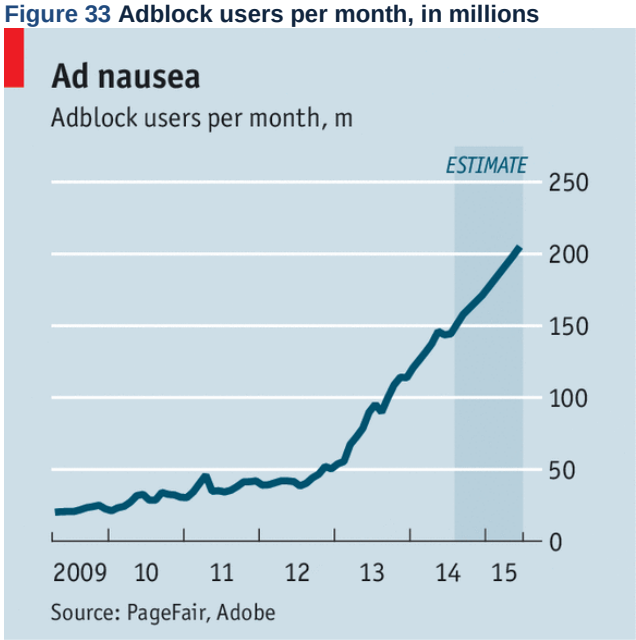
[105] See, "*Free provoque Google en bloquant sa publicité »*, Les Echos 3rd January 2013, available at : http://www.lesechos.fr/03/01/2013/lesechos.fr/0202479067147_free-provoque-google-en-bloquant-sa-publicite.htm

[106] See, "*Nearly Two in Three Millennials Block Ads"*, eMarketer 21st September 2015, available at: http://www.emarketer.com/Article/Nearly-Two-Three-Millennials-Block-Ads/1013007

[107] See, "*The 2015 Ad Blocking Report*", Adobe and PageFair, available at: http://blog.pagefair.com/2015/ad-blocking-report/

[108] See, "*Block shock*", The Economist 6th June 2015, available at: http://www.economist.com/news/business/21653644-internet-users-are-increasingly-blocking-ads-including-their-mobiles-block-shock

Figure 33 **Adblock users per month, in millions**



Economist.com

The problem lies in lost revenues for publishers. Ads which are not blocked are not counted as seen, and the publishers therefore loss revenues. This can be extremely damaging to smaller publishers who rely heavily on advertising revenues. The loss of revenues could potentially up-end the business model of many publishers on the Internet as it remains still an ecosystem where content is mostly consumed for free by Internet users, in exchange for their exposition to advertisements.

The ad blocking debate is set to last until publishers, advertisers and the tech firms have found an acceptable equilibrium. It stresses the underlying problems of many publishers and audiovisual players in Europe and worldwide: relying on advertising expenditures to run their businesses, advertising budgets which will eventually migrate increasingly towards the online space, controlled by powerful tech companies which act as intermediaries between publishers and their audience and therefore control the access to their content.

The ad blocking debate highlights the changing media ecosystem, from analogue to digital, with changed rules be it for advertisement, content acquisition and consumption and finally, a global competition for revenues among traditional national players and new entrants, mostly international and coming from the tech world.

NOTE 3: THE SVOD MARKET IN THE EUROPEAN UNION 2014 & 2015

Author: Christian Grece

9 Market figures: SVoD in the European Union

- *A fast growing market with a year-to-year increase of +93% to EUR 844 million in 2014, however with high disparities in the EU 28*
- *Almost 50% of consumer revenues generated in the United Kingdom, and more than 90% by 8 countries in 2014*
- *Countries ranked high in the Digital Economy and Society Index are leading the EU in SVoD consumer revenues*
- *The addressable market for SVoD services in the EU is growing, depending on various factors such as broadband penetration, equipment in connected devices, willingness to pay for online services*
- *The entry of Netflix and the launch of SVoD services by national players stimulated the SVoD market in several countries*

The Subscription Video-on-Demand market (hereafter SVoD) experienced a fast growth since the year 2010 in the European Union[109]. Total consumer revenues grew from EUR 40.7 million in 2011 to EUR 844 million in 2014, an increase by 1 973% in 5 years (with a compound annual growth rate [CAGR] of 113% over the 5 year period) in the EU 22 according to research firm IHS[110]. The market for audiovisual on-demand subscription services is in a state of fast expansion, driven by the launch of services; either from established national players such pay TV operators, commercial broadcasters or telecom companies, either from international players who expand their services into EU countries; and the uptake by the EU population, profiting from higher broadband speeds required for streaming of videos and an increased equipment in connected devices (streaming media players, smart TVs, smartphones, tablets, HDMI dongles).

However, these growth rates and increases in consumer revenues reflect only a part of the market situation for SVoD services in the EU. Most of the consumer revenues are (still) generated on the British market which solely represented 47% of total consumer revenues generated in 2014 (down from 65% of total consumer revenues in 2010). The top 8 markets (respectively, the United Kingdom, Sweden, Denmark, France, the Netherlands, Germany, Finland and Belgium) out of the 22 EU countries for which data is available represent over 90% of total consumer revenues for SVoD services in 2014. The different markets in the European Union for SVoD services are not homogenous, and a pan-European analysis, as it is the case for many on-demand audiovisual markets in the EU, is rendered difficult as each market presents different market conditions favouring or not the emergence of SVoD services and their rapid adoption by consumers.

It is possible, to a certain extent, to classify the markets by maturation levels – total consumer revenues, growth rates, adoption rates of SVoD services by population (a difficult exercise without subscribers numbers in most of the EU coun-

[109] IHS measures SVoD consumer revenues in 22 EU countries: Austria, Belgium, Bulgaria, Czech Republic, Germany, Denmark, Spain, Finland, France, the United Kingdom, Greece, Croatia, Ireland, Italy, Luxembourg, Netherlands, Poland, Portugal, Romania, Sweden, Slovenia, Slovakia (hereafter EU 22). Not included in the total figure for the EU market are Estonia, Hungary, Lithuania, Latvia and Malta.

[110] IHS defines SVOD as:" Subscription Video on demand is a business model traditionally associated with streaming video. Users pay a standard monthly rate for access to content which is streamed on request; this is to say no long term store of the content is made on the user's device."

tries), number of SVoD services competing for a slice of the national market:

- SVoD market developed: UK, SE, DK, FI, NL quick adoption rate, early entry of Netflix and local reaction of national players
- SVoD market in development: FR, DE, BE, LU, IE, AT
- SVoD market underdeveloped: ES, CZ, IT, RO, SI, PL, SK, HR, PT, BG, GR

This overrepresentation of Western European countries, often higher ranked on the Digital Economy and Society Index tends to demonstrate that the addressable market for SVoD in the EU is growing each year. As broadband penetration is growing, letting users benefit from higher broadband speeds required for video streaming services and as EU consumers are getting more equipped with smartphones, tablets and connected devices (media players, Smart TVs, HDMI dongles), the addressable market for SVoD services is also growing.

The following sections analyse the development of the EU SVoD market from different angles such as the share of SVoD consumer revenues in total on-demand consumer revenues, the situation of pay TV in regard to SVoD (competition or coexistence) and the main players in the EU. As only data for 22 EU markets regarding SVoD consumer revenues are available, the different figures used in the first part of this note take into account this fact by giving the relevant data for the 22 markets, when available.

Table 44 SVoD Consumer revenues and growth rates per country, in EUR million and %, 2010 - 2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

Figure 34 EU 22 SVoD consumer revenues and yearly growth rate, in EUR million and %, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

Table 45 Share of SVoD consumer expenses per country in 2014 EU 22, in %

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

9.2 Acceleration of SVoD consumer revenues since 2012

The EU market for SVoD has been stimulated by the entry of Netflix in 14 EU[111] countries since 2012, and in the most cases, the reaction to its entry on national markets: the launch of SVoD services by established audiovisual players from the pay TV industry, commercial broadcasters and telecom operators which either launched new SVoD services or promoted more heavily their own SVoD service.

The level of awareness for SVoD services among the EU population was raised by the accompanying marketing undertaken by Netflix[112] and other players to promote their services. The rapid uptake of SVoD services since 2011/2012 in several EU countries (the United Kingdom, the Netherlands, the Nordics, Luxembourg, Belgium and Ireland) which are also among the most digitally advanced countries in the EU, according to the Digital Economy and Society Index (DESI)[113], tends to demonstrate that consumer demand existed previously but was not met by equivalent commercial offers. The entry of the global juggernaut of SVoD services, Netflix, and the services launched by national players in each territory, stimulated this demand for subscription video-on-demand services. This becomes even clearer when looking at the increase in consumer revenues the year of the launch of Netflix and the following year. The increase reflects quick adoption by EU consumers in the concerned countries. Belgium and Germany are maybe the only countries where Netflix launched where the increase in consumer revenues was more incremental, growing however by respectively 52% and 41% the year after the launch.

Without according to much credit to Netflix for this increase, it seems however that the combined entry of the global SVoD player and the reaction by national or international players (enhancing their previous offer, launching new SVoD services, investing more in licences, revamping their user interface and enhancing the overall user experience) already on the given national markets had a stimulating effect on the SVoD markets in the European Union. The impressive growth rates indicate that SVoD services will in the foreseeable future convince more EU citizens, and therefore further increase consumer revenues on these markets. Smaller SVoD markets (but important markets when it comes to pay TV) which have not yet seen the entry of global players (in 2014) such as Spain, Italy or Poland could experience a comparable boost in consumer revenues once compelling SVoD services are launched, such as Yomvi (Canal+/Telefonica) combined to a market entry by one global player, as it was the case in October 2015 for Netflix in Spain, Italy and Portugal.

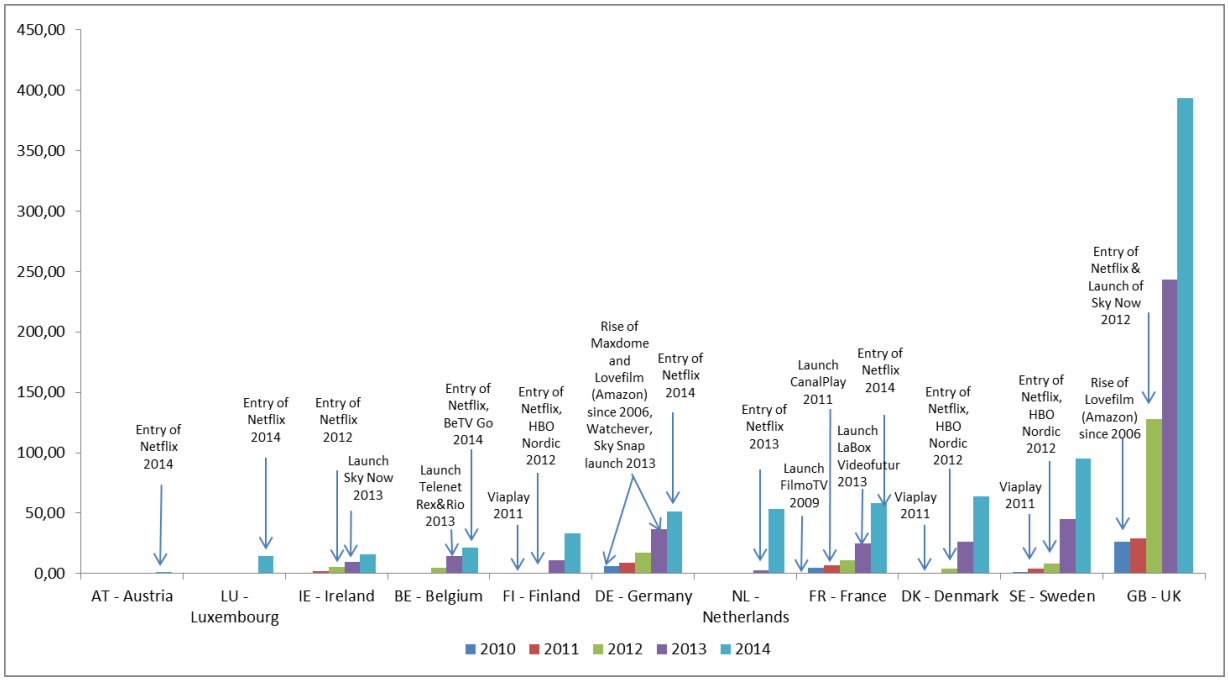
With the (surprise) launch of Netflix in all countries of the EU as of the 6th January 2016 and its global availability (190 countries), the EU SVoD market is set to further expand and attract new subscribers. (This information was not available at the time the note was written, in October 2015)

[111] Netflix currently operates its SVoD services in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom as of October 2015. (*This has changed as of January 2016 as Netflix is now available throughout the EU)*

[112] As Netflix does not break-down marketing expenses by region it is not possible to give the marketing expenses for EU countries. Netflix spent USD 313.7 million in 2014 for its international marketing (EU included), adding 7.347 million subscribers or USD 42.70 of marketing expenses per each new subscriber on the international segment. Source: Netflix Annual report (10-K) 2014

[113] Available at : http://ec.europa.eu/digital-agenda/en/desi

Figure 35 SVoD consumer revenues 2010-2014 (in EUR million) and dateline – Entry of Netflix and launch of other SVoD services in selected EU countries



Source: OBS on IHS data

9.3 SVoD: rising faster than other VoD services and taking increasingly a larger share in consumer revenues for on-demand services

- *SVoD services increased their share in total consumer revenues for on-demand audiovisual services from 4% in 2010 to 34% in 2014*
- *Consumer spending on SVoD rises faster than for other VoD services, with respectively CAGRs of 113% and 28% per year between 2010 and 2014*

To put the ascent of SVoD into context, a comparison with overall revenues generated from paid on-demand audiovisual services in the EU shows the ascent of SVoD. IHS measures audiovisual on-demand consumer revenues for 4 different categories:

- Online Film consumer revenues (mostly transactional VoD - all 28 EU countries covered)
- Online TV consumer revenues (mostly transactional VoD - only 7 EU countries covered: France, Germany, Italy, the Netherlands, Sweden, Spain, the United Kingdom)
- Television VoD consumer revenues (24 countries covered – no data for Bulgaria, Croatia, Czech Republic and Romania)
- SVoD consumer revenues (22 EU countries covered – see above)

In order to compare the evolution of consumer revenues for SVoD in regard to total consumer spend for audiovisual on-demand services, the 4 countries for which no TV VoD data are available have been eliminated from the calculation.

- For the 18 EU countries[114] for which comparable data exists, overall consumer revenues for on-demand audiovisual services (Online Film and TV, Television VoD and SVoD) amounted to EUR 915.7 million in 2010 and increased to EUR 2 461.5 million in 2014 (an increase by 169% over the 5 year period or a CAGR of 28% per year).
- SVoD on the other hand increased from EUR 40.3 million in 2010 to EUR 828.9 million in 2014 for the 18 countries, an increase by +1 959% for the same period, with a CAGR of 113% per year. The rise of SVoD services was, judging by the increase in consumer revenues, more rapid than other paid business models for on-demand audiovisual services.
- The share of SVoD in consumer revenues for the 18 EU countries shows that the share of SVoD passed from only 4% of total consumer revenues for on-demand audiovisual services in 2010 to 34% in 2014, a steep increase demonstrating the appeal of the “all-you-can-eat” business model compared to transactional services. SVoD services, which propose in exchange for a flat monthly subscription all audiovisual content of their catalogues (mostly TV shows and films), are finding increasingly more custom-

[114] Austria, Belgium, Germany, Demark, Spain, Finland, France, United Kingdom, Greece, Ireland, Italy, Luxembourg, Netherlands, Poland, Portugal, Sweden, Slovenia, Slovakia

ers in the EU population who add them to their “audiovisual diet”, complementing existing services.

- As most of EU countries are only 3 to 4 years (since 2011/2012) into the beginning of having a developing market for SVoD services, the uptake is still limited to a small percentage of the EU population as a whole but first signs are encouraging for this business model when judging by growth rates and consumer revenues levels as the addressable market for SVoD expands.

Table 46 Total consumer revenues for on-demand audiovisual services in 18 EU countries, in EUR million and %, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

Table 47 Share of SVoD consumer revenues in overall consumer revenues for on-demand audiovisual services EU 18, in %, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

Figure 36 Share of SVoD consumer revenues of total consumer spend for on-demand audio-visual services in EU 18 and SVoD consumer revenues, in % and EUR million, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

Figure 37 Growth rates of OTT SVoD, Film, TV and Managed networks in the EU 2010-2014, in %

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

9.4 Consumer revenues on SVoD services are still a fraction of consumer spending for pay TV in the EU: still a complement rather than a substitute for pay TV in 2014

- *Pay TV consumer spending amounted to EUR 36 942 million in 2014 in the 22 EU countries compared to EUR 844 million for SVoD services or 2.3%*
- *However, SVoD (CAGR +113%) is growing much faster than pay TV (CAGR +5%) between 2010 and 2014*
- *SVoD is also outpacing pay TV in net additions of subscribers in Europe since the fourth quarter in 2013 according to data released by Ampere Analysis*
- *Cord-cutting as in the US is at the moment not taking place in the EU overall but several EU countries start to experience a downward trend in pay TV subscriptions and revenues*
- *SVoD is more a complement (for now) to pay TV than a real competitor as more homes are taking a combination of pay TV and SVoD subscriptions than a standalone SVoD service*

One of the "big" questions in the audiovisual industry is the place SVoD services will take with regard to pay TV services (in addition to the question of how much viewing time spent on SVoD services will erode live viewing of linear channels). In the US, the fear of "cord cutting" by pay TV operators (cancelling a pay TV subscription in order to subscribe to a less expensive over-the-top service for audiovisual content, such as SVoD) manifested itself in the second quarter of 2015 in which the pay TV sector in the US lost **566 000 subscribers**, accelerating the trend compared to losses of 321 000 subscribers in the second quarter of 2014, continuing the **downward trend of pay TV subscriber growth** which started to be negative in the second quarter of 2013 according to analysis by MoffetNathanson.

In Europe, the situation is not comparable as pay TV players in the US and in Europe have different operations and business models (in particular, pay-TV services are less expensive in Europe than in the US). However, SVoD services operating in the EU are proposing increasingly content (films and TV shows, documentaries) which compete with the offers of traditional pay TV players. Therefore, the question if SVoD services are in competition with traditional pay TV players or a rather a complement to pay TV is still a valid one.

SVoD consumer revenues represented only a tiny share of 0.1% of consumer spending on pay TV in 2010; however the share evolved rapidly to 0.6% in 2012, 1.2% in 2013 and already 2.3% in 2014 in EU 22. As SVoD consumer revenues increase strongly year-to-year and are outpacing consumer spending on pay TV, this rising proportion is no surprise. But is a trend of cord-cutting taking place in Europe? Are subscribers replacing their subscription to pay TV services with subscriptions to video-on-demand services?

In 2014, pay TV generated EUR 36.94 billion in consumer spending in the 22 EU

countries[115], up by 5.4% compared to 2013 and with a CAGR of 4.7% between 2010 and 2014. The only countries experiencing a fall in consumer revenues for pay TV during the period were the Czech Republic (CAGR -2%) and Italy (-1%). The interesting fact to single out is that Sweden and the Netherlands, countries with higher consumer revenues for SVoD services and, as it seems, a higher adoption rate for SVoD services among the population, experienced a decrease in pay TV consumer spending in 2014 compared to 2013, respectively -3% and -6%. According to Ampere Analysis, **SVoD subscribers are outpacing pay TV subscribers in** Europe since the fourth quarter 2013, adding between 2 to 3.5 million subscribers (net additions) each quarter where pay TV adds between 1 to 3 million each quarter.

A **Telecompaper consumer panel** stated in September 2015 that 8% of Dutch consumers expect to "cut the cord", mainly as a result of more content being available over the Internet. For Nordic countries, the **Arkana Nordic Video 2015** found through a survey of 4 000 people that around 10% were planning to terminate their cable or satellite subscription in favor of OTT services. IHS found out that in 2014, **cord cutting was a reality in 10 EU markets** (Belgium, Denmark, Italy, Malta, the Netherlands, Sweden, Czech Republic, Latvia, Lithuania and Poland), and attributes this trend to be a "*combination of actors including an over-hang from the recent economic downturn and the wider impact of new technology in the home broadening the consumption choices of the average consumer*[116]".

"Cord-cutting" is not yet a market reality in the overall EU market for pay TV but could manifest itself in several countries in the medium term as consumers and younger generations will increasingly find appealing content on the Internet to complement and substitute their actual television diet. Countries with high penetration rates for SVoD services are among the most exposed to the trend of consumers reducing/cutting a more expensive pay TV subscription in favor of a subscription to a Video-on-Demand service.

However, pay TV subscribers are expected to grow by 8.38 million until 2020 in Western Europe while revenues will remain flat during the period as the average revenues per user decreases due to increased competition from OTT video services, and especially SVoD, on one hand, and by the launch of IPTV pay TV platforms on the other hand, challenging established pay TV players in the cable and satellite markets, according to research firm DigitalTV Research in its "***Digital TV Western Europe Forecasts***".

Another interesting finding provided by Ampere Analysis is that for countries in their survey (France, Germany, Italy, Spain and the United Kingdom), more **homes have a combination of traditional pay TV with a third-party OTT SVoD service** than homes which have only a standalone OTT SVoD subscription. The percentage of homes which have a combination of pay TV and an OTT SVoD are the following; France 8%, Spain 12%, Italy 14%, Germany 18% and the United Kingdom 26%. The percentage of homes which have a standalone SVoD services are much lower; France below 1%, Spain 1.2%, Italy 1.6%, Germany 4.9% and the United Kingdom 8.1%).

SVoD services will for the short term rather be a complement to pay TV in the EU and, with some exceptions, not challenge the traditional pay TV market. Also in reaction to the threat that SVoD services might pose to their business model, pay

[115] For EU 28, consumer spending on pay TV pegged at EUR 37.6 billion in 2014, up by 5.3% on a yearly basis according to IHS

[116] See, "*Cord-cutting takes hold in Europe*", DigitalTVEurope 1st August 2014, available at: http://www.digitaltveurope.net/219052/cord-cutting-takes-hold-in-europe/

TV operators in the most important pay TV markets across Europe are launching their own standalone, over-the-top SVoD services such as Sky Now (Sky), Canal-Play (Groupe Canal+), Sky Snap (Sky Deutschland) Maxdome (ProSiebenSat.1), Viaplay (Modern Times Group), Infinity (Mediaset), Yomvi/Movistar (Telefonica). As Netflix's CEO Reed Hastings says, the number of pay TV subscribers "*will be relatively stable for a fairly long time*[117]" because pay TV operators are reacting and acting to meet consumer expectations: "*When forced to act, they will improve".* This is true in the USA and also in the EU as the recent initiatives by pay TV operators tend to demonstrate.

Therefore, in the short term, SVoD will be a complement to traditional pay TV but in digitally more developed economies, where younger generations might not want to pay for an expensive pay TV subscription when having the option to subscribe to a cheaper SVoD service (so called "**cord-nevers**", consumers having never subscribed to pay TV), the threat by SVoD to the traditional pay TV business model can soon become reality.

[117] See, "*Netflix CEO `Most Scared' of Hollywood's TV Everywhere Effort",* Bloomberg 3rd November 2015, available at: http://www.bloomberg.com/news/articles/2015-11-03/netflix-ceo-most-scared-of-hollywood-s-tv-everywhere-effort

Table 48 Consumer spending on pay TV per country EU 22, in EUR million, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

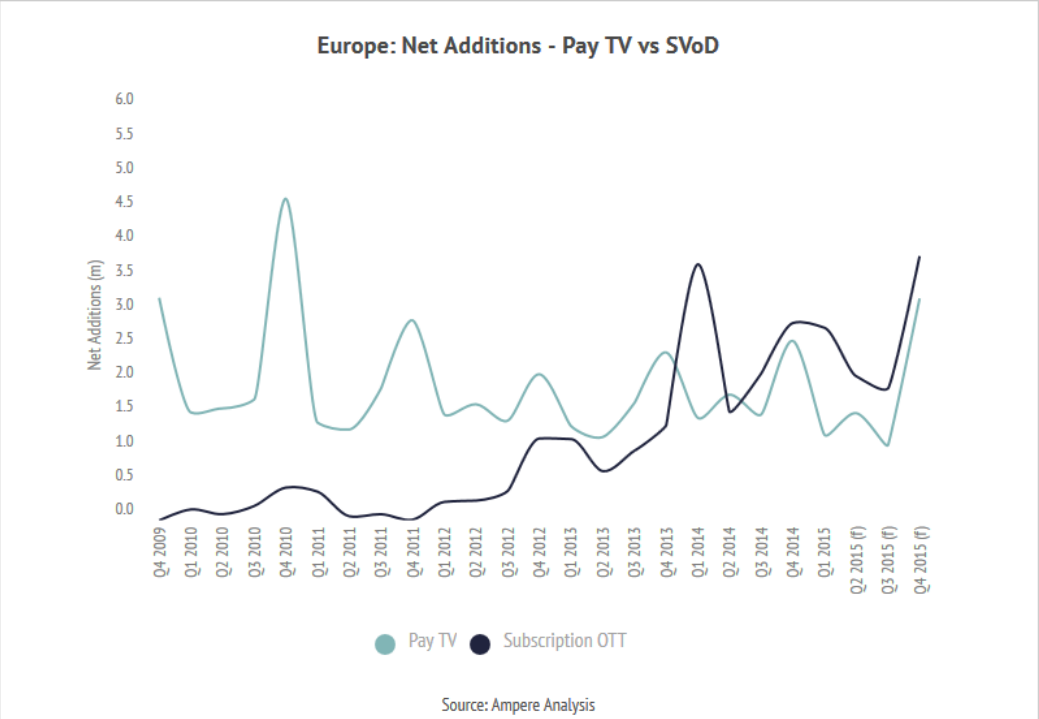
Source: IHS

Table 49 SVoD consumer revenues in % of consumer spending on pay TV, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

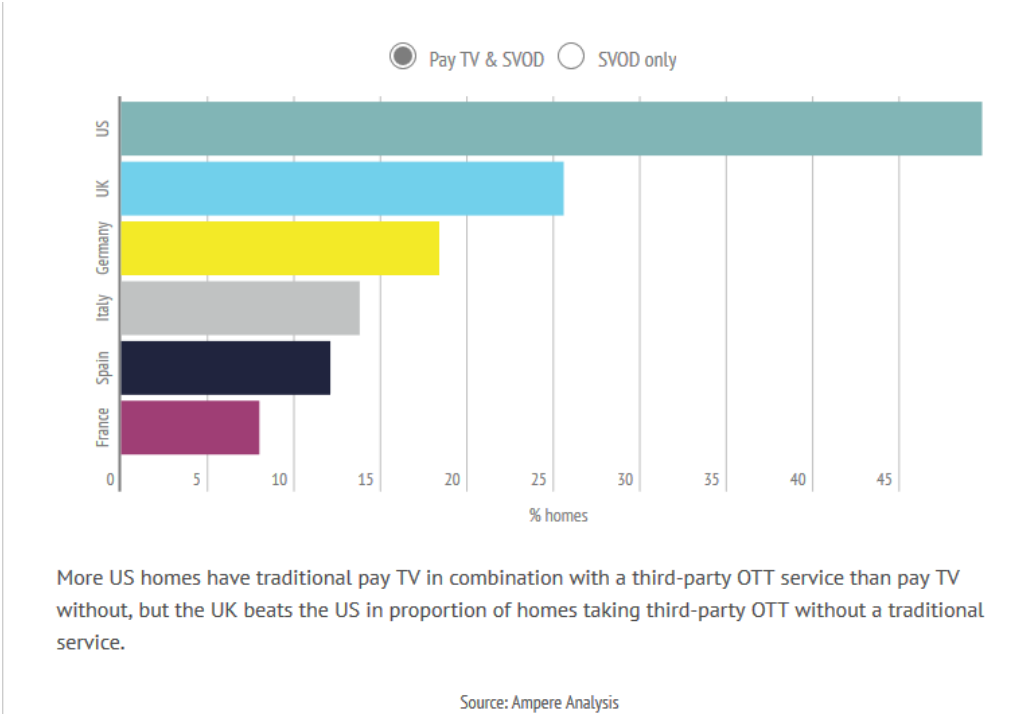
Source: OBS on IHS data

Figure 38 Net additions pay TV and SVoD subscribers Europe, in millions, 2009-2015



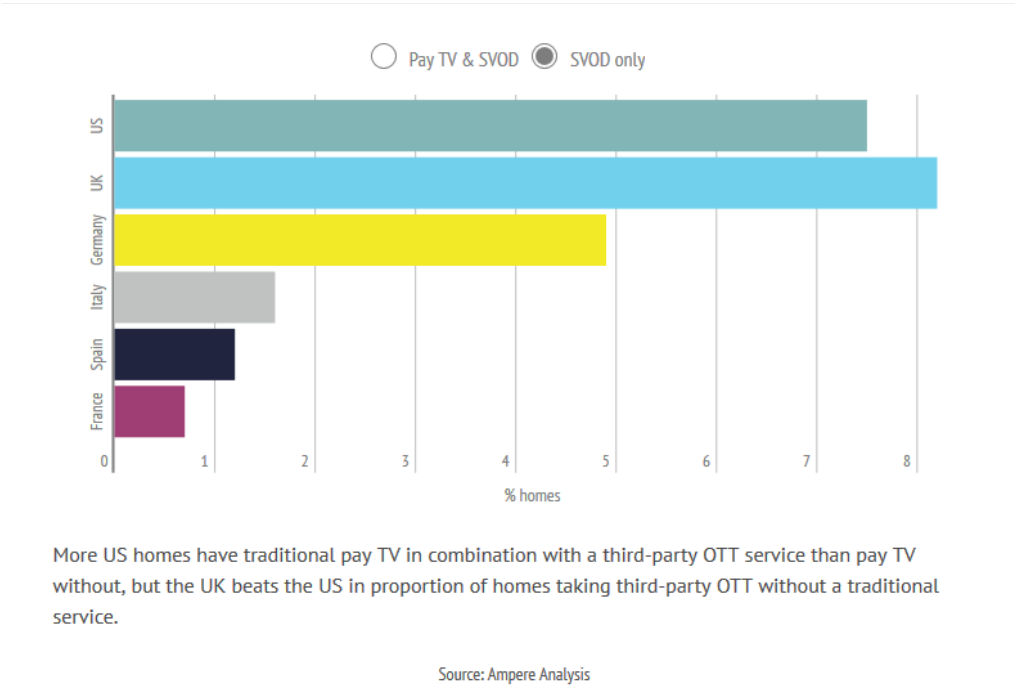
Source: AmpereAnalysis

Figure 39 **Homes having a subscription to Pay TV and SVoD in the UK, DE, FR, IT, ES, USA in 2015, in %**



Source: AmpereAnalysis

Figure 40 **Homes subscribing to a standalone OTT SVoD service in the UK, DE, FR, IT, ES, USA in 2015, in %**



Source: AmpereAnalysis

10 SVoD in Europe – Generalist, Niche and Direct-to-consumers strategies

- *2 broad categories of SVoD services: Generalist (catalogue of TV shows and films targeting larger audiences), either managed by new entrants or by established media groups and broadcasters, and Niche services (specialized content targeted at smaller audiences).*
- *Few generalist SVoD players such as Netflix, Amazon, Sky, Vivendi, HBO Nordics, and Viaplay have a presence in several EU countries due to licensing issues for premium content, need of scale and high set-up costs for infrastructure and content acquisition.*
- *National SVoD services provided by established audiovisual players are most of the time generalist and in competition with pan-European SVoD services*
- *Niche players tend to have a broader pan-European coverage as their target groups are smaller and they need scale to be profitable; content in their catalogues is less restricted than for generalist services in terms of licenses*
- *The "Direct-to-consumer strategy" (D2C) is an option for media companies with the required financial resources and content offer to bypass intermediaries (such as network operators) and extend their reach in the online space. This strategy is already applied in the US by media companies and comes to Europe with Disney's DisneyLife and Discovery's Dplay SVoD services. The D2C strategy is set to be applied by other significant players in the near future in order to capture a share of the growing SVoD market.*
- *Increased mobile and multi-screen viewing will require media companies to rethink the user experience in an "App" world and to strengthen their technical know-how in order to compete with tech players such as Netflix and Amazon*
- *In Europe, Sky, Vivendi, the Modern Times Group are part of a small group of audiovisual players which could increase their pan-European presence on the SVoD market*

SVoD players in Europe can be broadly divided into two categories, on one end Generalist services and on the other end Niche players, with several layers of differentiation between them. In order to present a simple overview we have chosen this presentation.

Generalist SVoD services have the aim to cater to large audiences and therefore have a large selection of films, TV shows and documentaries in their catalogues (Netflix is the global juggernaut in this category, also in Europe although its services are not yet present through the EU). These services are in competition for subscribers and content with each other on their respective territories. Generalist SVoD services are for the larger part provided by OTT players (such as Netflix, Amazon or wuaki.tv), traditional pay TV operators (such as Sky, Canal+ or The Modern Times Group), commercial broadcaster (such as ProSiebenSat.1) or tele-

com players (such as Telefonica) as content acquisition, exclusive licensing and, since recently, original content production require a meaningful investment and, to put it briefly, deep pockets.

Niche players are specializing themselves into content that caters to special tastes and topics (Sports with the Eurosport Player by Discovery, art house movies with MUBI, educational content for children with Hopster, documentaries with Sundance's Doc Club, Horror films with AMC's and DramaFever's Shudder SVoD service) or content from specific regions or/and in specific languages (LebaraPlay targeting Tamil, Hindi or Turkish population in Europe in conjunction with its mobile telecom offer, Afrostream specializing in content from Africa, Eros Now for Indian and Bollywood content, iROKOTV for content from Nigera – "Nollywood"). Rather than competing with generalist SVoD services, they try to target specific groups with curated content. Niche services are by definition limited to niches, small target groups and here it is not exclusive content or original productions which will attire subscribers but their curation of specific, for the targeted audience's relevant content.

As niche players tend to cater to specific interests and are therefore not disrupting the traditional audiovisual market, the description of main players will focus on generalist SVoD services in selected EU countries: France, Germany, the United Kingdom, the Netherlands and the Nordics. In order to be in line with last year's report, a short presentation of the latest developments concerning Netflix and its expansion in the EU is also part of this section.

It should also be noted that in the US the trend of audiovisual players (traditional and new) extending their linear offerings through subscription-based models such as CBS' All Access, Fullscreen's planned SVoD services (Fullscreen is one of the biggest MCNs on YouTube), NBC's planned Comedy SVoD service *Seeso*, CBS' Showtime SVoD service or Viacom-owned Nickelodeon's Noggin SVoD service, in order to reach younger generations and consumer who have cut-the-cord, is not yet a main trend in the EU.

However, this strategy of going "direct-to-consumer" without intermediaries, as it has been the case with HBO Now in the US, is poised to come also to Europe with the launches of DisneyLife by The Walt Disney Company in the UK at the end of 2015 and in several EU countries in 2016 and the multi territory launches of DPlay by Discovery Communications in Denmark, Sweden and Italy and other EU countries in the near future in complement to the Eurosport Player, the D2C platform of its Eurosport sports channels (with the stated goal of reaching 1 million subscribers which could generate additional USD 100 million revenues per year, having already reached 200 000 international subscribers as of end 2015).

The Walt Disney Company announced in October 2015 that it will launch DisneyLife, a SVoD service which will offer Disney films, TV series, books and music directly to the consumer through a dedicated platform, bypassing thus aggregators and other SVoD services. First launched in the United Kingdom, it aims to expand its presence in Europe through launches in France, Spain, Italy and Germany in 2016. As CEO Bob Iger says: "*This is the future, in many respects. We're seeing more and more opportunities to reach consumers directly and not through middlemen, and we're seeing consumers wanting product in different ways.*[118]" Once the investment of setting up the direct-to-consumer platform is made, it is scalable to other countries and world regions, making it an attractive option for important

[118] See, "*Disney to Launch Subscription Streaming Service in U.K", Variety 21st October 2015, available at: http://variety.com/2015/digital/global/disney-to-launch-subscription-streaming-service-in-uk-1201623079/*

media companies and broadcasters.

The direct-to-consumer approach could also be taken by Europe's big media players in content production (for which it would also present the advantage of bypassing intermediaries). However, the costs associated with this strategy, the shift in operations and daily functioning (a strong change from what has been the standard in the linear audiovisual world) and finally the technical know-how required to optimise user interfaces, user experiences and building recommendation algorithms makes this option viable only for financially stronger media groups, capable of setting-up and operating such an infrastructure.

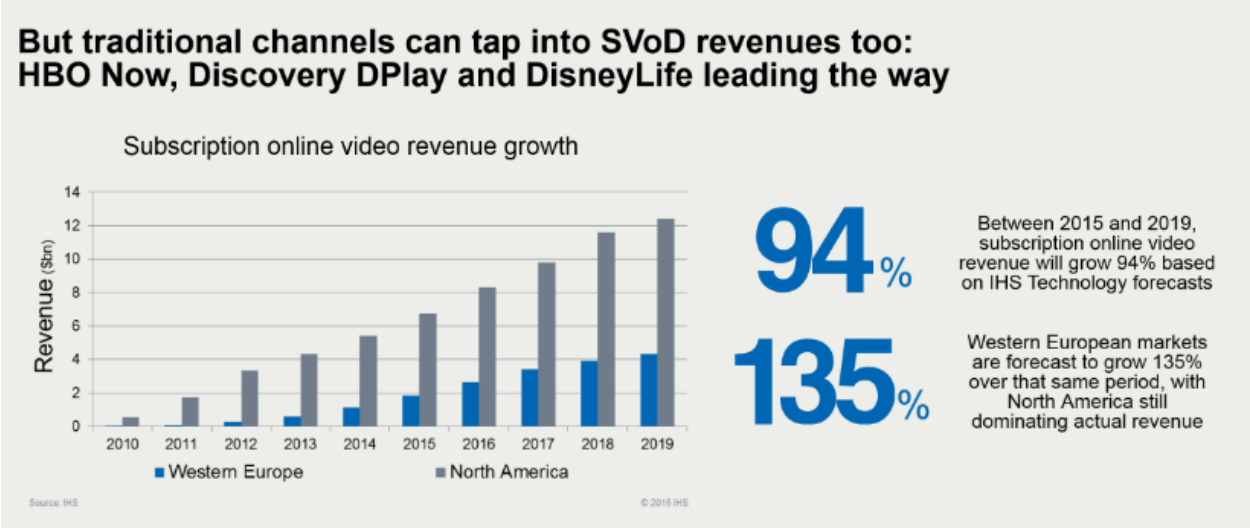
The following sections on SVoD markets in selected EU countries are based on data gathered from different research firms such as IHS, Statista, Futuresource Consulting, AmpereAnalysis, GfK, DigitalTV Research, eMarketer and Mintel. As the figures released by these firms are based on data collected, samples, models and estimations, differences appear. In order not to rely on a sole source for market data, the sections give an overview of data available. We are not in a position to verify data and to assess which firm's estimates are the closest to the real market situations in these countries as no official data is released by most of the players, therefore data should be interpreted with care.

However, all sources indicate a clear increase of SVoD service and predicate that this business model will encounter success in EU countries. For now, Western Europe is leading in consumer revenues and adoption rates mainly by more favourable market conditions for SVoD services, which in turn encouraged market entries of global players such as Netflix, Amazon and HBO and EU players such as Sky, Vivendi and the Modern Times Group. As the digital uptake (broadband penetration, equipment in connected devices, use of streaming services) will continue further in the EU, it is expected that populations will continue to adopt these new services and that established audiovisual players and new entrants will continue to invest the EU market for SVoD services.

The competition between generalist SVoD services for exclusive licences and increased production of original content will increase, as these are clear competitive advantages and allows players to differentiate themselves from competitors. Acquisition and production of premium content (valued by the audiences) is a costly matter, therefore global players and important groups in the audiovisual sector will solely have the financial resources to commit these investments. Smaller players will increasingly turn to niche audiences and try to federate audiences on a pan-European level (or in several countries) as they need size in order to be profitable. Established broadcasters will try to extend their reach by enriching their linear offerings through an strengthened online presence, either relying on advertising as it was the case in the linear space (mainly YouTube channels or own platforms with advertising), either by opting for a paid option in which the subscription-based model is preferred (as opposed to a transactional unit-by-unit based business model), the direct-to-consumers approach.

The pace of change will depend on audience behaviour and as audiences are getting younger and new consumption patterns emerge and, at the same time, new services enter markets in the EU, predicting market situations is difficult, if not impossible tasks. One fact is however clear, the audiovisual marker in the EU and globally is set for years of evolutions and changes in which established players are challenged by a new, mostly technology-based competition and SVoD services, generalist, niche and direct-to-consumer will play an important role in this evolution with revenues in Western Europe forecasted to pass the USD 4 billion mark in 2019 by IHS.

Figure 41 SVoD online video revenues in Western Europe and North America, in USD billion



Source: IHS

10.2 The global Juggernaut: Netflix

In this section, the focus is uniquely on Netflix's presence in the EU. Describing Netflix's operation and business developments requires a report on its own with regard to the several developments the company has made the past couple of years.

Without the aim of being exhaustive, some of the main developments of the years 2014 and 2015 are:

- *The expansion into more countries, reinforcing its global presence (with the announced aim of operating in 200 countries by the end 2016[119]). The share of international paid memberships passed from 18% in Q1 2013 to 36% in Q3 2015, reflecting the rising importance of international markets for Netflix*
- *The increased reliance on international markets, which are still losing money, as Netflix encounters more competition in its domestic market the US. The losses are justified by having a "first mover advantage" in most international markets.*
- *The distribution of its application by main Internet Service Providers in the EU such as Vodafone, Orange, Telecom Italia, Deutsche Telekom (non-exhaustive) has enabled Netflix to enlarge its reach in the EU.*
- *The announcement of its entry into original movies and the multiplication of original productions in 2015 with a slate of 320 hours is further changing the SVoD market*
- *The aim of having global licences in order to propose the most of content in all markets the company operates in*
- *The importance of data: for commissioning and acquiring of content, to recommend relevant content to each subscriber in order to keep them as customers*

Netflix is the dominant player of SVoD services worldwide, having a global presence (over 90 terrritories as of November 2015) and operating in 14 EU countries. The entry into Italy, Spain and Portugal in October 2015 further strengthen its pan-European position. Netflix is operating in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom in the EU as of November 2015. The estimates of its EU subscribers vary strongly: IHS estimated that Netflix had 7.88 million subscribers as of December 2014, Futuresource Consulting already estimated that the number of subscribers had risen to 11.6 million in the EU as of the second quarter 2015 and DigitalTV Research expects Netflix to finish 2015 with 13 million subscribers in the EU. The biggest markets for Netflix in the EU are the United Kingdom, the Netherlands, the Nordics, France and Germany. Revenues or profits/losses for individual countries are not published by the company, which classifies all its international operations under one segment.

[119] As of the 6th January 2016, Netflix is already available in 190 countries after the announced launch at CES. With this surprise launch, Netflix is now available in all countries of the EU. https://help.netflix.com/en/node/14164 http://www.wsj.com/articles/netflix-expands-to-190-countries-1452106429

The entry into these "new" EU markets came after an expansion in Australia, New Zealand Japan and Cuba in 2015 and the announced entry into the several Asian markets with the programmed launches in Hong Kong, Singapore, South Korea and Tawain in early 2016. A possible launch in India in 2016 could also happen, as reported by the *Times of India.* However, a launch in China, one of the world biggest markets and where with Alibaba Netflix would have already a strong competitor, is uncertain. A possible launch in Poland and the Czech Republic could also happen in 2016 but Netflix has made no clear announcement, so this remains pure speculation. However, it would fit into Netflix's plans of having a global presence as CEE countries are still missing from its countries of operations.

Netflix furthermore managed to strike several distribution deals in order to have its application on set-top boxes by Internet Service Providers (telecom, cable), an important step to enlargen its reach in EU markets. As an example, Vodafone agreed to add Netflix on its boxes in the United Kingdom, Portugal and Spain. Other ISPs all over Europe are adding Netflix as the SVoD service becomes also a marketing argument for these players: Orange, Bouygues Telecom in France, Deutsche Telekom in Germany, ComHem in Sweden, Telecom Italia in Italy only to list sever al deals the company has managed to made the past couple of years. This shows what Liberty Global's Chairman Malone thinks about Netflix, considering them "Frenemies"when asked if Netflix is a competitor or a partner: "*"Frenemies" is the term of art. Almost all the communication companies compete with each other and supply each other and drive each other. It is sort of the nature of the beast.*[120]*"*

On one hand Netflix is enabling the broadband business of these ISPs, while on the other hand Netflix is competing with them (or those which have audiovisual services) for the audience's attention. In addition, Netflix has brought a change in consumer behaviour and forced other players to adapt to the new market given. Liberty Global's CEO Mike Fries expressed this view at the ANGA COM in June 2015 when asked about Netflix: "*A few years ago we were scared about the changes it might bring about to our video [business],"* "*It's not really the content that's driving people to Netflix, it's the experience. Today we are providing that kind of experience ourselves"* "*Why pay Netflix for a very narrow range of programming when you can get all the broadcast channels, all the great movies and series, and Netflix-like content from cable? It's really about providing viewers with the experience. We really have Netflix to thank for [stimulating] that. Almost by definition, where an OTT provider exists, consumers who use it are also better consumers of cable services and broadcast channels.*[121]*"* Therefore, the recent distribution deals are benficail to both parties concerned; Netflix is increasing its reach, ISPs are offering more value and have been forced to adapt their services in order to remain relevant in the competition with Netflix and other OTT players. At this date, the relationship seems to be a win-win situation for most ISP and distributors of audiovisual services.

International markets are important for Netflix, increasingly as it faces competition on the US market from players such as Amazon, Hulu, HBO Now which slows its US growth (see tables on Netflix's financial results). Netflix is therefore searching growth in previously untapped markets. Netflix finished the third quarter of 20145 with 66 million paid memberships, of which 23.9 million international subscribers.

[120] See,"*For Liberty Global, the Next Step Is the Content"*, The Wall Street Journal 29th July 2014, available at: http://www.wsj.com/articles/next-step-for-liberty-global-content-1406667563

[121] See,"*Netflix no threat, but makes cable better, say Liberty Global, Vodafone"*, DigitalTVEurope 9th June 2015, available at: http://www.digitaltveurope.net/380221/netflix-no-threat-but-makes-cable-better-say-liberty-global-vodafone/

The share of international subscribers passed from 18% in the first quarter 2013 to already 36% in quarter 3 of 2015, showing the increased importance of international markets for the company's business model. International revenues are growing faster than US streaming revenues and so do international paid memberships but for now the international business is not yet profitable to Netflix.

However, this international growth came at costs. Netflix is still losing money on its international markets: USD -274.3 million in 2013, USD -159 million in 2014 and already USD -224 million in 2015. International revenues are growing; USD 712 million in 2013, USD 1.3 billion in 2014 and already 1.38 billion in the third quarter of 2015 but so do costs. Operating and content acquisition costs grew heavily during this expansion: USD 782 million in 2013, USD 1.15 billion in 2014 and USD 1.25 billion in the 3rd quarter 2015. Netflix is also investing in marketing when entering new markets in order to raise awareness for its service, so it is no wonder that marketing costs followed the increased costs: USD 204 million in 2013, USD 313 million in 2014 and USD 362 million in the 3rd quarter of 2015.

Netflix's international expansion is therefore costing more than it brings in. Gaining new subscribers, raising awareness for its service through marketing and acquiring content for the new markets is a costly matter. The company, trying to be the first international entrant on most of its new markets takes this into account as the aim is to establish a strong presence in several international SVoD markets in regard to the forecasted growth of SVoD markets in Europe and worldwide with the aim of becoming the global player in SVoD.

Netflix is placing a bet on being able to be the dominant player on the worldwide SVoD market and for now it is on the winning side. However, this aggressive expansion has cost the company a reduction in its net income (returing in Q3 2015 to its level of Q2 2013 of USD 29.4 million after having peaked in Q4 2014 at USD 83 million), as the profitable US streaming and DVD rental business are financing the international expansion, which is still losing money.

Expanding into new markets requires heavily investments but as Netflix is growing in can rely on economies of scale for its expenses and, increasingly, content acquisition as the company is now looking to acquire content globally. Netflix Chief Content Officier Ted Sarandos, quoted by Variety, expressed this shift from acquiring licences for individual countries towards acquiring global licences: *"We don't have regional buying teams anymore,"* he said. In negotiations with studios, Netflix is asking for global rights *"or we're not interested at all.*[122]*"* It has also strenghtend its original production with 320 hours in 2015 and debuted 48 originals such as Marvel's *Daredevil*, comedy specials and movies (*Crouching Tiger, Hidden Dragon* and *Beast of No Nation*) to only list some. The companies increased reliance on original productions (read exclusive and global content) instead of programming bought at third parties (of which Sarandos says that for TV programming Netflix is not interested in rights that are non-exclusive) and global exclusive rights shows the shift that is happening on the audiovisual market. As on-demand audiovosiual services are increasingly used by the audience and new SVoD services are launched, it is essential to provide your subscribers with exclusive content in order to keep them subscribing. Netflix is atop this shift in paradigm on the audiovisual market and will continue to invest heavily in content, more and more in exclusive and global licences or in original productions as content is a competitive and distinctive advantage on the SVoD market (see section on content).

Finally, another important point is the collection and use of data Netflix makes on

[122] See,"*Ted Sarandos: Netflix Appetite for Originals Growing Stronger"*, Variety 13th May 2015, available at: http://variety.com/2015/digital/news/netflix-ted-sarandos-original-series-1201494618/

its audiences. Sarandos stated: "*Big data is a very important resource to allow us to see how much to invest in a project but we don't try to reverse-engineer,"* and added that for commissioning, decisions are "*70% science and 30% art*[123]*"* (therefore relying on data gathered). Netflix gathers many data, not only on what subscribers are watching but on also when a user clicked on a show, when he stopped watching it in order to be able to recommend to subscribers content that they will watch until completition and then show them what to watch next until completition. Netflix's aim is to make subscribers coming back and this can be achieved by displaying in front of them relevant content (for the individual subscriber) to watch. Netflix released a sample of the use they can make with data in 2015 by showing the number of episodes it takes for 70% of viewers to get "hooked" on a TV show. This new innovative use of data, for commissioning and acquisition of content, gives Netflix an edge over competitors, which do not dispose of this data as Netflix does not release any viewing data. (However, Nielsen tracks since 2015 nearly 1 000 shows on Netflix to give right holders an idea of how there content is performing on Netflix).

Netflix's strong position on the international SVoD market and in the EU seems dominant. The company is profiting from economies of scale (amortization of R&D, content acquisition, infrastructure) and from the first mover advantage in several markets. With its EU expansion, Netflix is now operating in 14 out of the 28 EU countries, with Poland and the Czech Republic being candidates for an expansion in 2016[124]. As the company is striking increased global deals for exclusive content and raising its orginal production output, it will benefit from competitive advantages. EU players on the SVoD market, often operating in one to three countries (such as Sky, The Modern Times Group, Vivendi and maybe soon Altice) do not benefit from the same scale in this specific SVoD segment. As the company plans its further worldwide expansion, it is set to continue the main competitor for national players on their home turf. The situations in the United Kingdom, the Nordics, the Netherlands and France show the effect Netflix had on the SVoD market (leading often to oligopolies or duopolies), a market that requires high investments, raising therefore the barriers to entry for generalist SVoD services. The aggressive international expansion and the first mover advantage it procures Netflix demonstrate the need for the company to strengthen its position in national SVoD markets before competitors are able to replicate its strategy. In the future, only media companies having the financial resources necessary to commit the necessary content, infrastructure, R&D and marketing investments will be able to compete with the international giant of SVoD services.

[123] See, "*Netflix's Ted Sarandos: 'We like giving great storytellers big canvases'* **",** The Guardian 15th March 2015, available at: http://www.theguardian.com/media/2015/mar/15/netflix-ted-sarandos-house-of-cards

[124] After the launch in January 2016 of Netflix's operations in 130 countries worldwide this is already the case. Netflix is now available in the EU on a pan-European level.

Table 50 Netflix - EU subscribers in million as estimated by main source

IHS/The New York Times as of December 2014	7,88
Futuresource Consulting as of Q2 2015	11,6
DigitalTV Research as of December 2015	13

Source: Company estimates, press releases, press articles

Table 51 Subscribers to Netflix in Europe and North America, IHS

Netflix in Europe and North America

● AVAILABLE ● NOT AVAILABLE

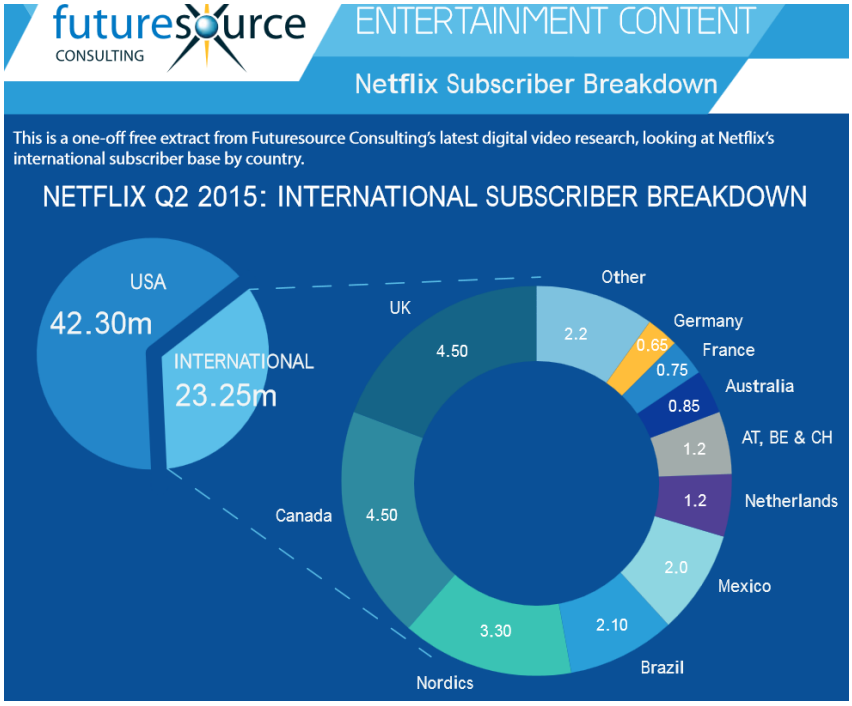
	MILLIONS OF PAID SUBSCRIBERS	TITLES AVAILABLE	*Breaking Bad*	*House of Cards*	*Lost*	*Mad Men*	*The Office (Britain)*	*The Office (U.S.)*
United States	37.70	8,522	●	●	●	●	●	●
Canada	3.10	4,306	●	●	●	●	●	●
Britain	3.30	3,186	●	●	●	●	●	●
Sweden	1.10	2,342	●	●	●	●	●	●
Netherlands	0.94	2,127	●	●	●	●	●	●
Norway	0.90	2,359	●	●	●	●	●	●
Denmark	0.79	2,349	●	●	●	●	●	●
Finland	0.54	2,284	●	●	●	●	●	●
Germany	0.47	1,646	●	●	●	●	●	●
France	0.51	1,686	●	●	●	●	●	●
Ireland	0.18	3,189	●	●	●	●	●	●
Switzerland	0.14	1,842	●	●	●	●	●	●
Austria	0.05	1,602	●	●	●	●	●	●

Note: Germany, France, Switzerland and Austria all added Netflix services in 2014. Subscribers figures are as of the end of 2014, the titles available are as of February this year. Figures were not available for Luxembourg and Belgium.

Sources: Netflix, Netflixable.com, IHS (subscriber counts outside of the United States)

Source: The New York Times

Figure 42 **Netflix Subscriber Breakdown Q2 2015, in millions – Futuresource Consulting**



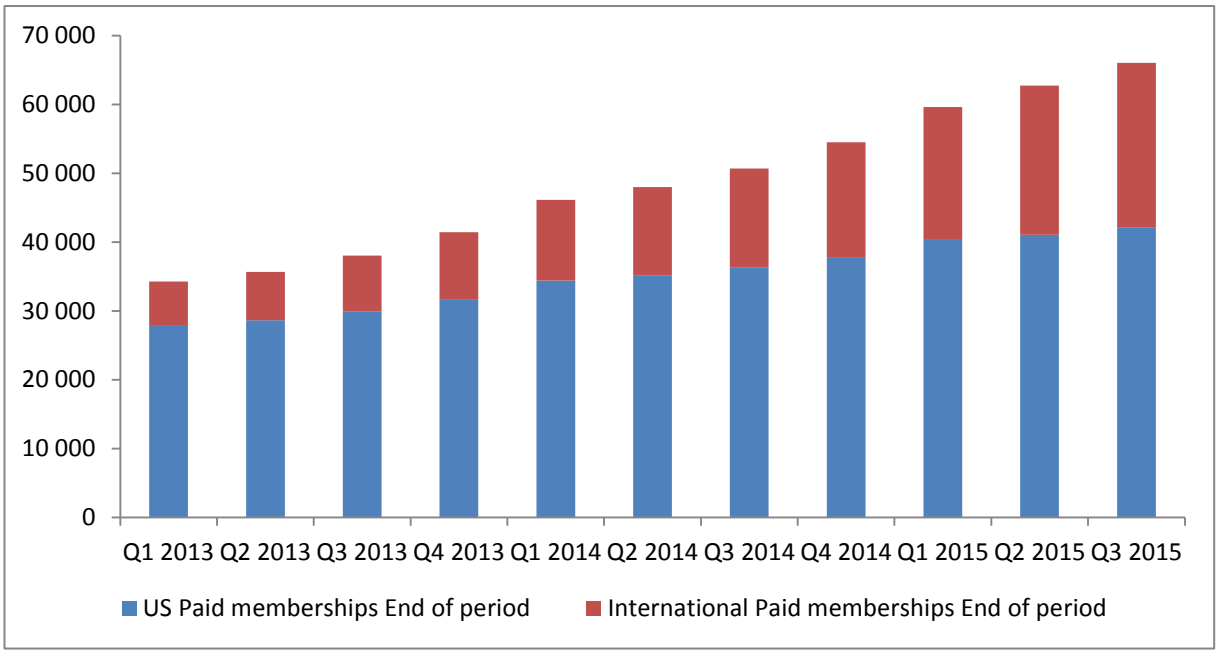
Source: Futuresource Consulting

Table 52 **Netflix paying SVoD subscribers by country at December 2015, in thousands – DigitalTV Research**

USA	43 541
International total	23 360
of which EU	*13 008*
Austria	236
Belgium	300
Denmark	713
Finland	668
France	1 150
Germany	1 208
Ireland	330
Italy	150
Luxembourg	38
Netherlands	1 600
Portugal	60
Spain	150
Sweden	1 463
United Kingdom	4 942

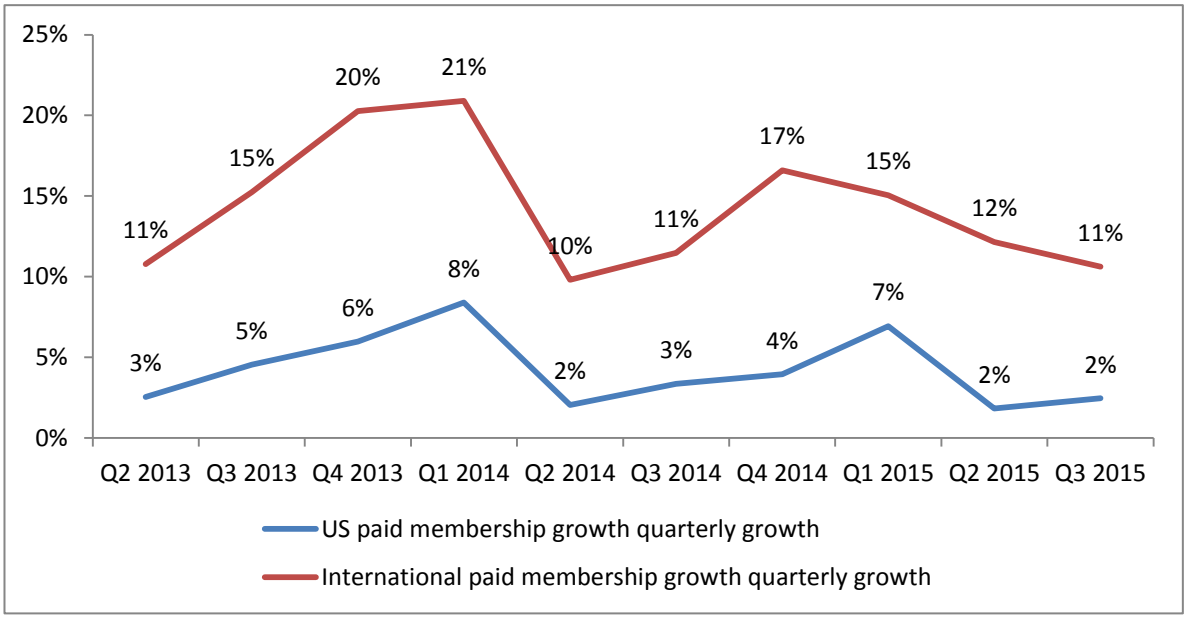
Source: DigitalTV Research

Figure 43 **Netflix US and International Paid memberships Q1 2013 –Q3 2015, in thousands**



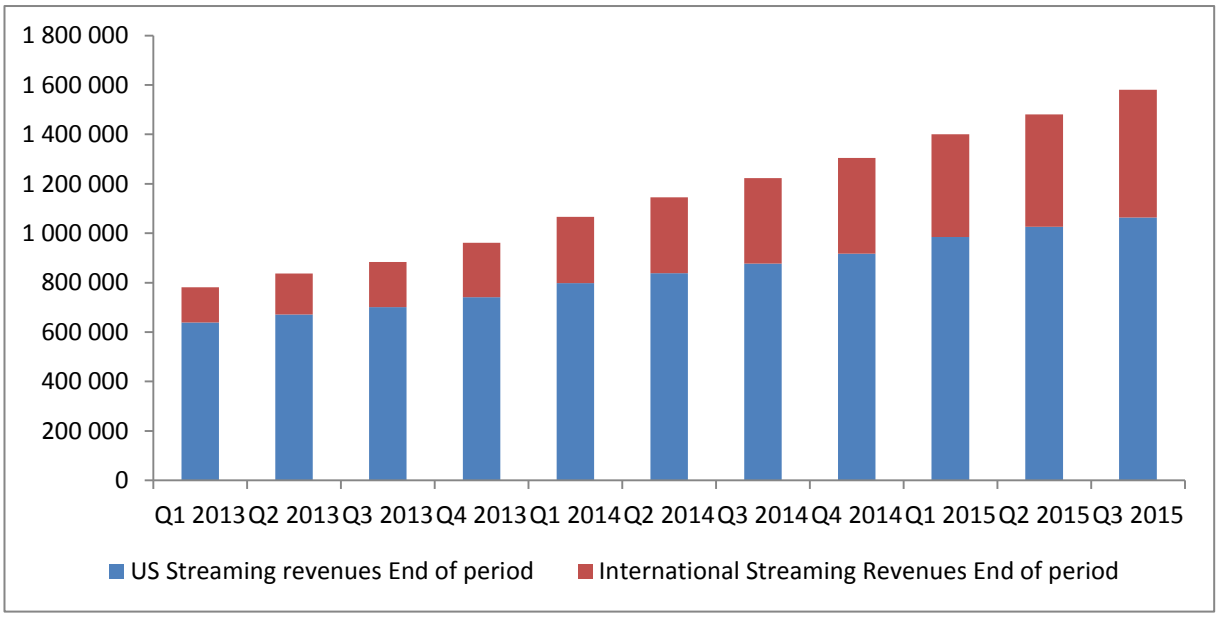
Source: Netflix Quarterly Earnings Q3 2015

Figure 44 **Netflix US and International Paid memberships quarterly growth Q1 2013 –Q3 2015, in %**



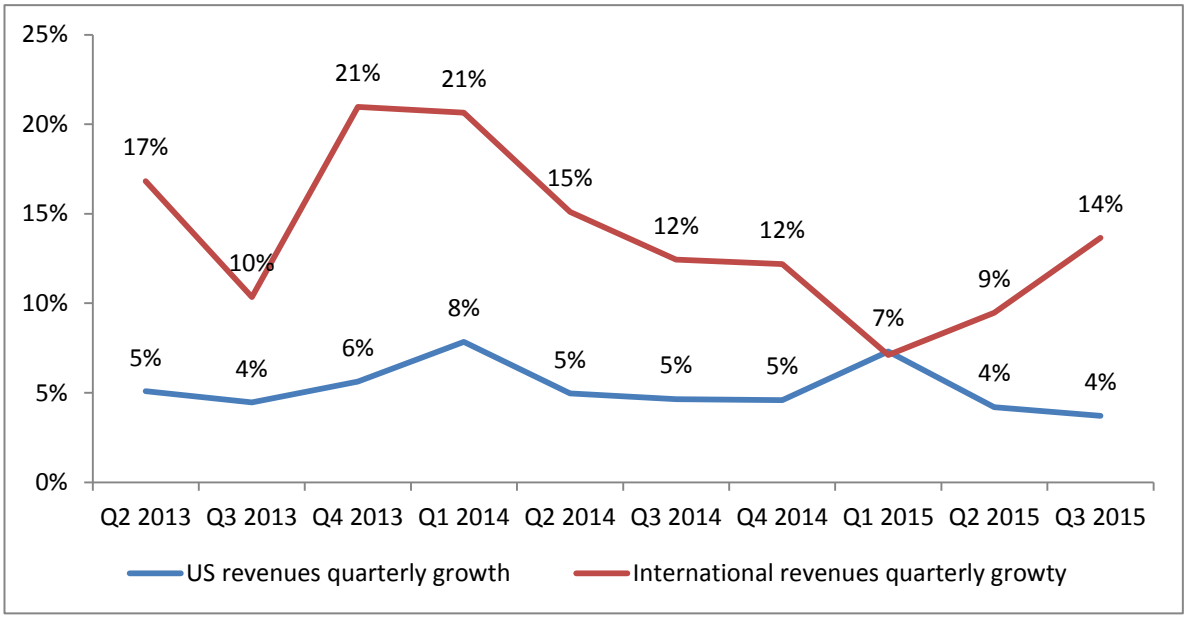
Source: Netflix Quarterly Earnings Q3 2015

Figure 45 **Netflix US and International revenues Q1 2013 – Q3 2015, in USD thousands**



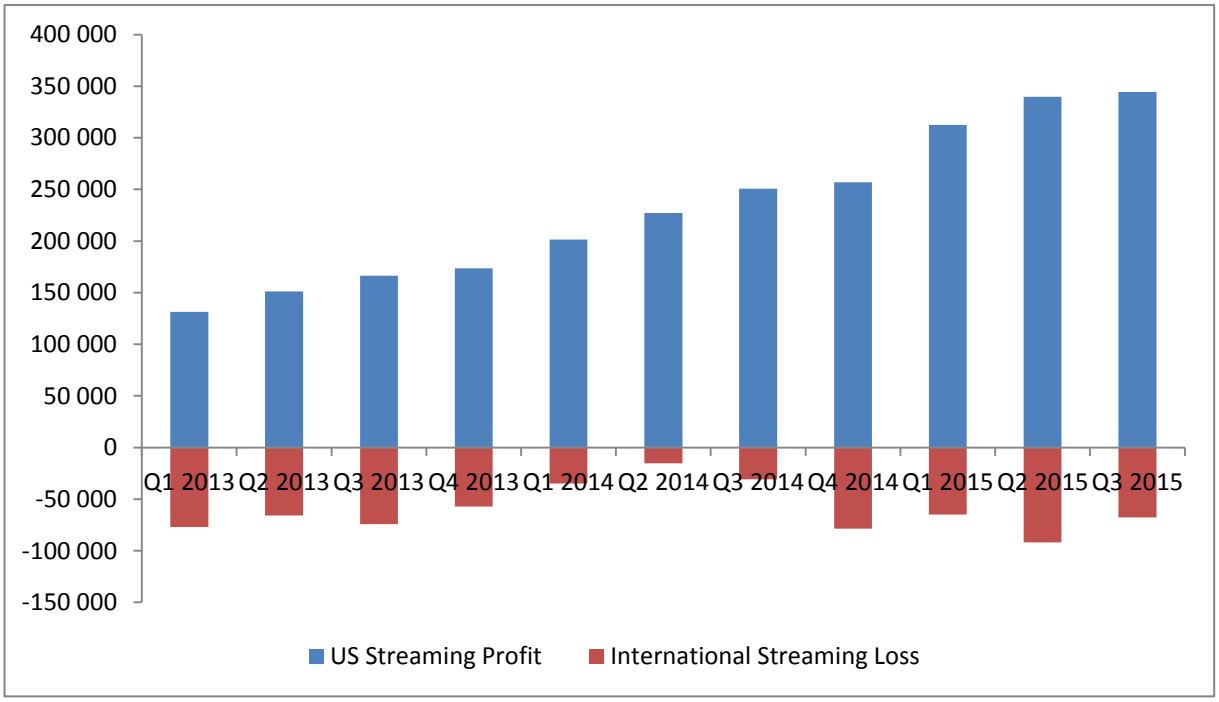
Source: *Netflix Quarterly Earnings Q3 2015*

Figure 46 **Netflix US and International revenues quarterly growth Q1 2013 – Q3 2015, in %**



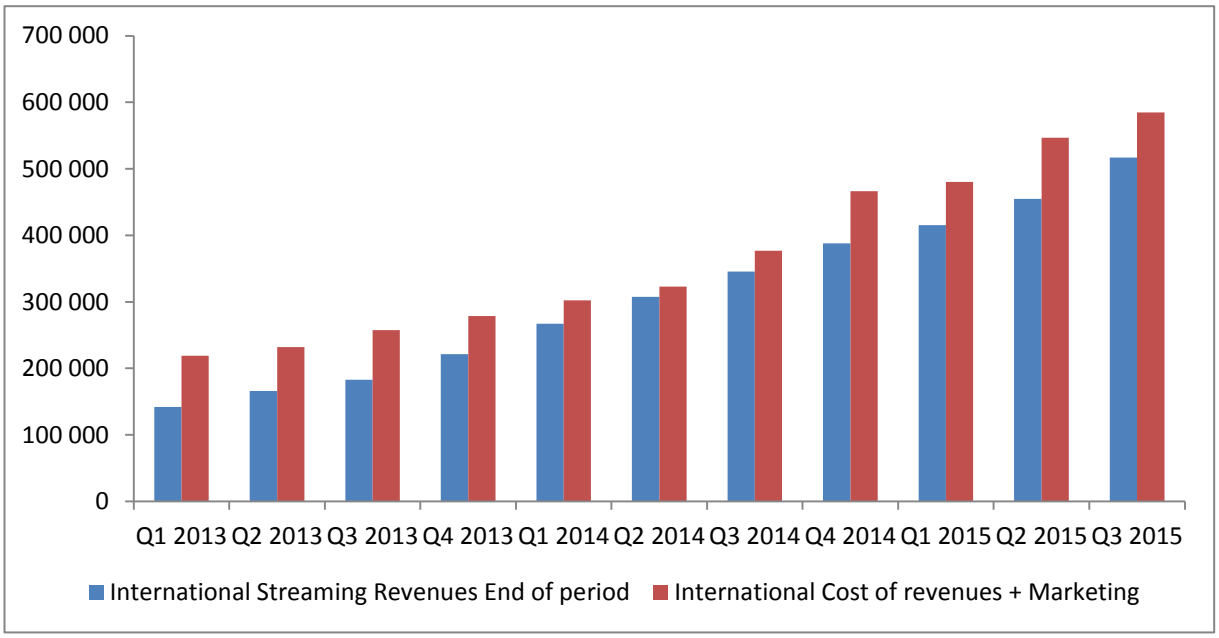
Source: *Netflix Quarterly Earnings Q3 2015*

Figure 47 **Netflix US streaming profits and International loss Q1 2013 – Q3 2015, in USD thousands**



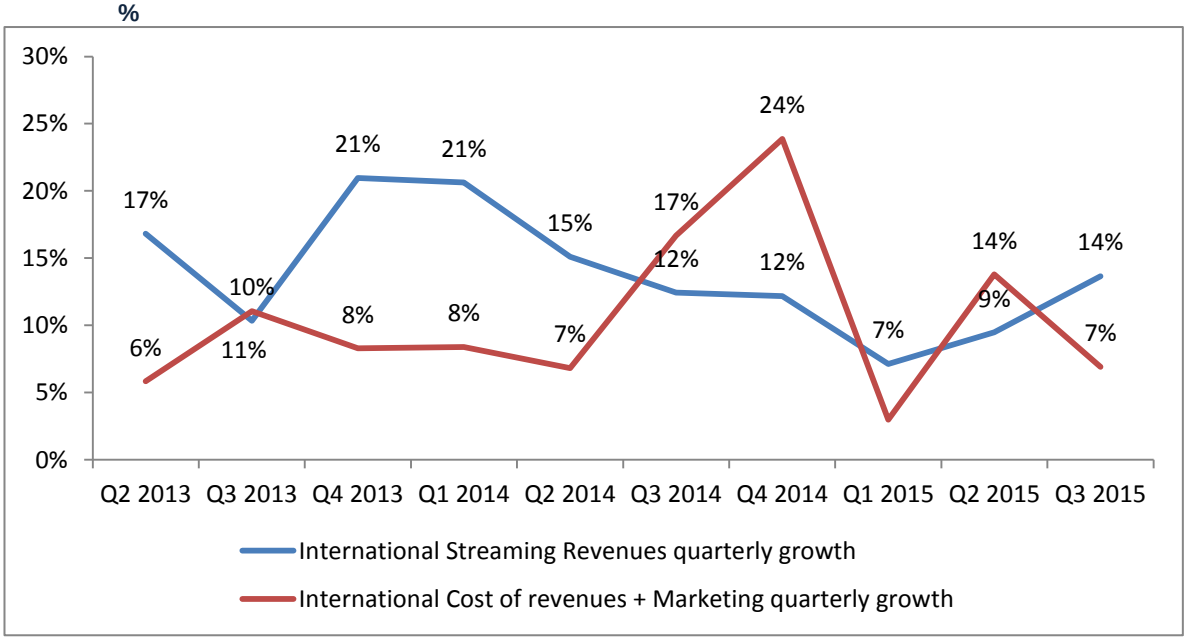
Source: Netflix Quarterly Earnings Q3 2015

Figure 48 **Netflix International Streaming revenues and cost of revenues Q1 2013 – Q3 2015, in USD thousands**



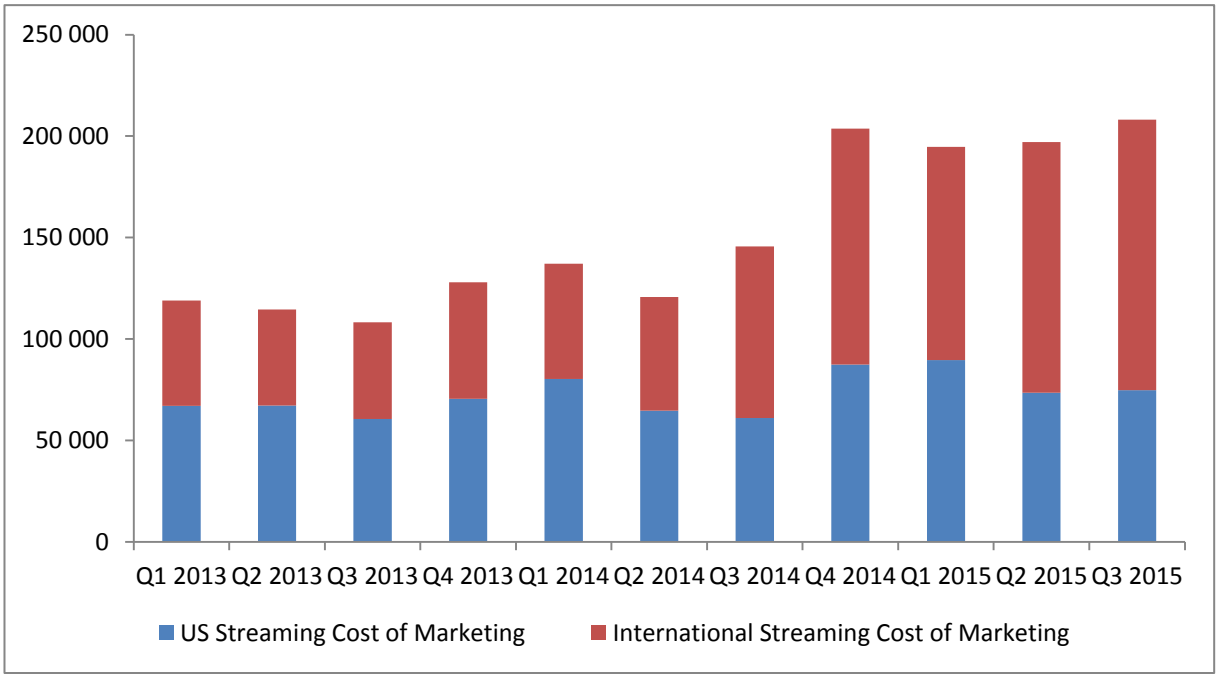
Source: Netflix Quarterly Earnings Q3 2015

Figure 49 **Netflix International Streaming revenues and cost of revenues Q1 2013 – Q3 2015, in %**



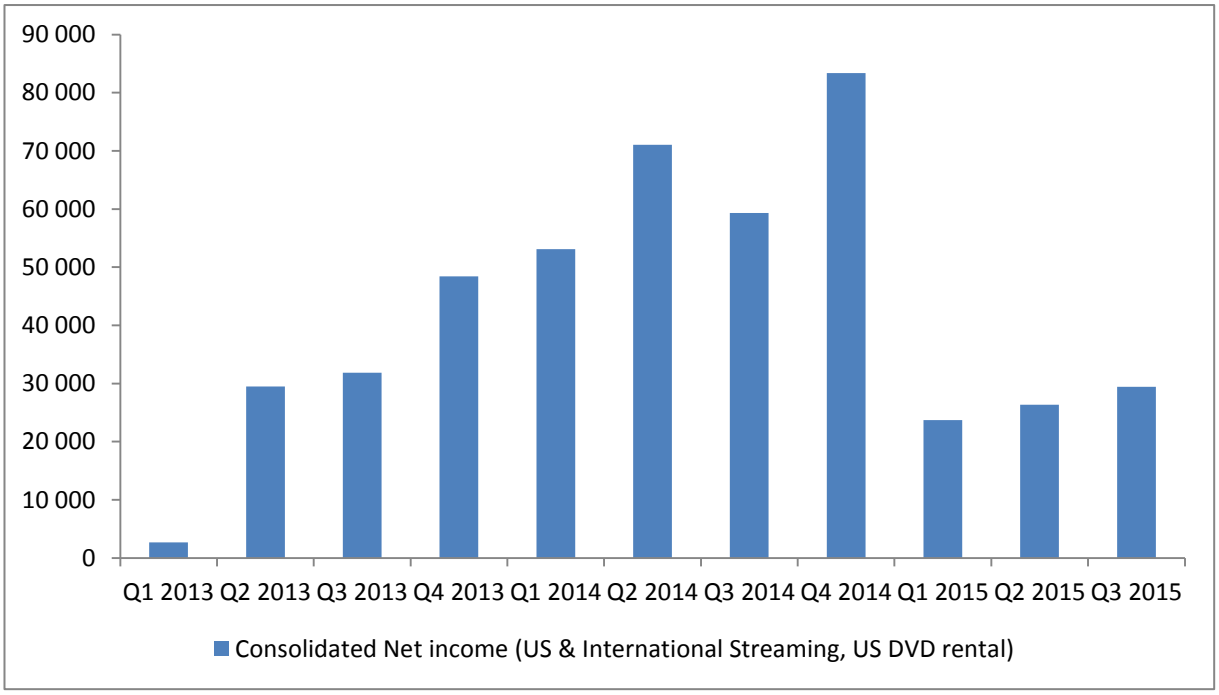
Source: Netflix Quarterly Earnings Q3 2015

Figure 50 **Netflix US and International cost of marketing Q1 2013 – Q3 2015, in USD thousands**



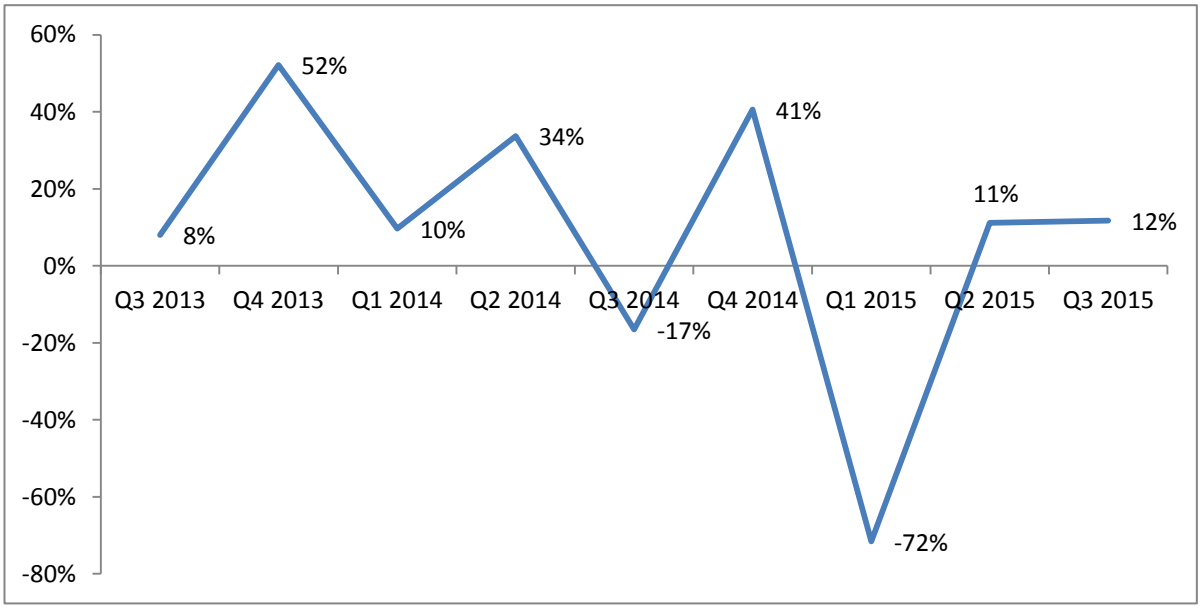
Source: Netflix Quarterly Earnings Q3 2015

Figure 51 **Netflix Consolidated net income (US streaming and DVD rental, International streaming) Q1 2013 – Q3 2015, in USD thousands**



Source: Netflix Quarterly Earnings Q3 2015

Figure 52 **Netflix Consolidated net income (US streaming and DVD rental, International streaming) quarterly growth Q3 2013 – Q3 2015, in %**



Source: Netflix Quarterly Earnings Q3 2015

11 SVoD players and market in the United Kingdom: EU's most developed market could give some leads as to the future of SVoD in Europe

- *3 Main players: Netflix, Amazon's Prime Instant Video and Sky's Now TV*
- *Most important SVoD market in the EU, by size and subscribers*
- *UK market for digital services outstanding in Europe, setting the UK SVoD market apart from the rest of EU28*
- *Domination of Netflix with 71.1% of market shares in volume and 4.3 million subscribers as of 1st quarter 2015*
- *Increased challenge of the traditional TV ecosystem by SVoD players*

According to IHS, SVoD consumer revenues in the United Kingdom amounted to EUR 393.3 million in 2014, up by 62% from revenues generated in 2013. The UK SVoD market is the most dynamic in the EU, by consumer revenues or subscribers, estimated at 7 million at the end of 2014 by research firm Futuresource consulting (which expects the number of subscribers to SVoD services to reach 13.6 million by 2019 and estimates the market value of SVoD services to cross GBP 1 billion). OFCOM in its "*The Communications Market Report 2015*" estimates that in the first quarter 2015, 4.37 million households subscribed to Netflix (representing 16% of all households, up from 2.7 million in the 1st quarter of 2014), 1.15 million subscribed to Amazon's Prime (representing 4% of all households, up down from 1.21 million in 1st quarter 2014) and 0.52 million subscribed to Sky's Now TV (2% of households and up from 0.239 million in the first quarter 2014), placing the number of SVoD subscribers at 6.2 million in the first quarter 2015.

BARB estimates in its "*BARB Viewing Report May 2015*" that around 14.1% of UK homes subscribe to Netflix in 2014, 3.7% to Amazon Prime Instant Video and 1.7% to Sky's Now TV at the end of the 4th quarter 2014. Statista in its *"The European video streaming challenge"* furthermore estimates that 80% of the UK SVoD subscribers subscribe to Netflix, which amounts to 6.1 million subscribers. In light of these figures, Netflix emerges as the leading player on the UK market, while the two main competitors are kept at distance.

The rising importance of SVoD services can also be noted in the share of consumer revenues for SVoD services on total consumer expenses for on-demand audiovisual services. The share of SVoD was only 8.9% in 2010 of the EUR 298.8 UK's population spent on on-demand audiovisual services; this share jumped to 42.2% in 2014, underlying the quick adoption by consumers and the importance for the subscription-based business model when it comes to on-demand audiovisual services. The access to audiovisual content and back catalogue of films these services provide to subscribers is valued and the access to back catalogues of films is even the most popular reason according to OFCOM/BARB for using SVoD services for UK consumers.

Digital media streaming services, such as Netflix, Sky Now TV or for music Spotify and Deezer, which provide access to content (as opposed to ownership of content as for physical media) are valued by their subscribers who are in search of instant

consumption of content (access) instead of owning the content, a shift in paradigm for consumers.

The main generalist SVoD services on the UK market are Netflix, Amazon Prime Instant Video and Sky Now TV. According to the "*Yearbook 2015"* of the British Video Association (BVA), these 3 players divided among them the British SVoD market in 2014 (in volume). Netflix's market share in volume on the UK SVoD market was estimated by Kantar Worldpanel at 71.1%, Amazon's at 16.1% and Sky's Now TV at 12.8% (For an estimated SVoD market value of GBP 381 million in 2014 by the BVA, an increase by 31% compared to 2013). The domination of 3 players in the UK led Rakuten's wuaki.tv to drop their SVoD service in the UK in 2014 as a result of struggling to secure premium content for its subscription service, focusing instead on transactional VoD. These players are set to continue to dominate the UK SVoD market for the mid-term.

As the two global leaders of SVoD are carrying out their competition through increased investments into exclusive licences, original content and entering into the same international markets (Japan, India), Sky is trying to translate its dominant position in the pay TV market by bringing also exclusive content to its Now TV, such as exclusive agreements for films and TV shows with Disney or expanding its kids programming from 700 titles to over 4000. This comes to no surprise as most of its growth in 2014 was derived from Now TV, as stated by IHS and children content is a strategic development for all SVoD and TV services. BARB found out in its "*BARB Viewing Report May 2015"* that subscribers to Netflix are more likely to have children in the households, making children programmes a convincing argument to entail new subscribers. The move by Netflix and Amazon to commission original children series was certainly another motivation for Sky to expand its kid's programmes. Amazon is further trying to raise the value proposition for its customers of its Prime delivery service by adding Amazon Prime Music since July 2015 on the top of the Prime Instant Video SVoD service in its competition with Netflix.

It should be noted that both US SVoD services are competing on a market in which English is the national language. This sets the UK and its SVoD apart in the EU as the content proposed by the services does not need translation or subtitling as it is the case in other EU markets (with the exception of the Nordics and the Netherlands where audiences are used to English-content and do not necessarily require dubbing). This is certainly part of the explanation of why Netflix has been adopted up so quickly by UK consumers: the content was already tailored to the expectations of consumers.

Another future British SVoD player will be the BBC but not on its home market. The BBC plans to launch an online subscription services in the US in 2016, with the aim of increasing revenues (after having been asked to shed TV licences fees for over 75 year olds, costing GBP 650 million) and making UK shows and programmes accessible to the US population. The BBC sees itself more and more in competition with global players, such as Netflix (for shows such as the GBP 50 million *The Crown*, on which Netflix refused the BBC as a a co-producer in order to retain global rights*)* and Amazon (who recruited the team from BBC's hit show *Top Gear* and invested USD 250 million for 36 new episodes). The BBC sees these players as threats and as BBC's director of television Danny Cohen puts it: "*Their model is built on having global rights and we have got to respect that. They are a very smart, impressive bunch of people*" and "*The key thing we look at more and more is the impact of global competition rather than just in the UK where very big companies can distribute their content around the world. That is a very big challenge*." The recent revamping of the iPlayer in August 2015 (Live Restart, cross-device pause and resume), the announcement of increased exclusive programming for the iPlayer, standalone children's version of the iPlayer in September

2015, iPlay, and the offering of premium content on its iPlayer coupled to the plan to open the platform to third-party content shows that the BBC is taking the threat from on-demand services seriously.

Decipher found in its Mediabug Wave 6 that almost 30% of UK consumer in the first half of 2015 used a SVoD services such as Netflix and Amazon, a rise of 4% over the second half 2014. The study found that the main increases came from older viewers who turned increasingly to SVoD to complement their video consumption. Thinkbox, looking at the video consumption of the UK population and UK's youth (16 to 24 year olds) found that SVoD make up 4% of the UK's youth average video consumption and 2% of the total population's viewing time in 2014. This shows that younger generations are increasingly consuming video content outside of the traditional TV schedule, a finding backed by OFCOM which stated that only half of all viewing among 16 to 24 year olds is through linear broadcasting in 2014.

Linear TV will stagnate in the future and OFCOM identified as the key driver of future non-live growth to come from video-on-demand services such as Netflix and Amazon, accessible across multiple devices. As stated by OFCOM "*The emergence of new competitors such as Netflix and Amazon Prime, providing services directly over the internet, is giving consumers greater choice and making the landscape more competitive*." In view of this viewing figures, SVoD services are steadily more used by the UK population, and it is no wonder that traditional broadcasters are getting worried by the competition for the audience's attention by video-on-demand players. As Viacom's CEO Philippe Dauman warned, the shift of viewers to online services and on-demand will seriously challenge the British television industry. Mr Dauman warned[125]: "*While some of the specific implications may be less relevant in the UK, with its strong public service broadcasting culture, the trend is clear. The revenue models that are being challenged in the US will also come under increasing pressure here [in the UK], as the digital revolution continues to transform viewing habits."*

The SVoD market is projected to pass GBP 1 171 million by 2019, making up 38% of the total UK video market by research company Mintel (up from 20% of the UK video market in 2014), close to the projections made by Futursource consulting of GBP 1 billion in 2019 or the forecast made by Statista of revenues of USD 1 235 and 11 million subscribers in 2019 (which would represent a penetration of 20.5% for SVoD services among the total UK population). Digital TV Research estimates that SVoD services would represent 39.5% of UK's TV households by 2020. In light of these figures, SVoD services will further continue their expansion and penetration in UK's household and take a larger share of viewing time and consumer expenses, challenging increasingly traditional players.

[125] See, "*Rise of online TV will rock ITV and Sky, warns Viacom chief*", The Telegraph, 16th September 2015, available at: http://www.telegraph.co.uk/finance/newsbysector/mediatechnologyandtelecoms/digital-media/11870043/Rise-of-online-TV-will-rock-ITV-and-Sky-warns-Viacom-chief.html

Figure 53 UK SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

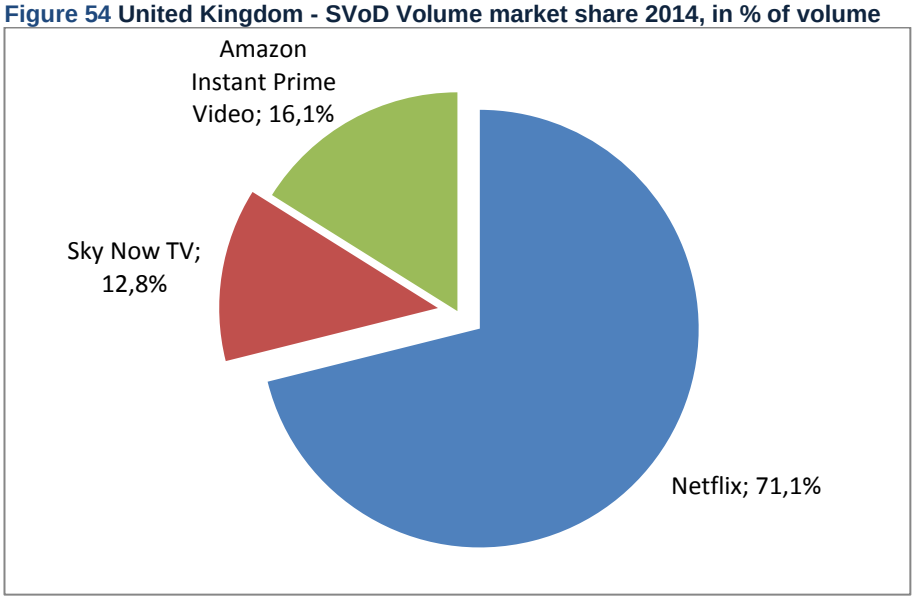
Source: IHS

Table 53 UK SVoD market value by research firm 2014 & 2019

Research firm	2014	2019
IHS	[redacted]	n.a.
British Video Association	GBP 380 million	n.a.
Mintel	GBP 437 million	GPB 1.1 billion
Futuresource Consulting	GBP 350 million	>GBP 1 billion
Statista	USD 379 million	USD 1.2 billion

Source: OBS on consulting firm reports, press releases

Figure 54 United Kingdom - SVoD Volume market share 2014, in % of volume



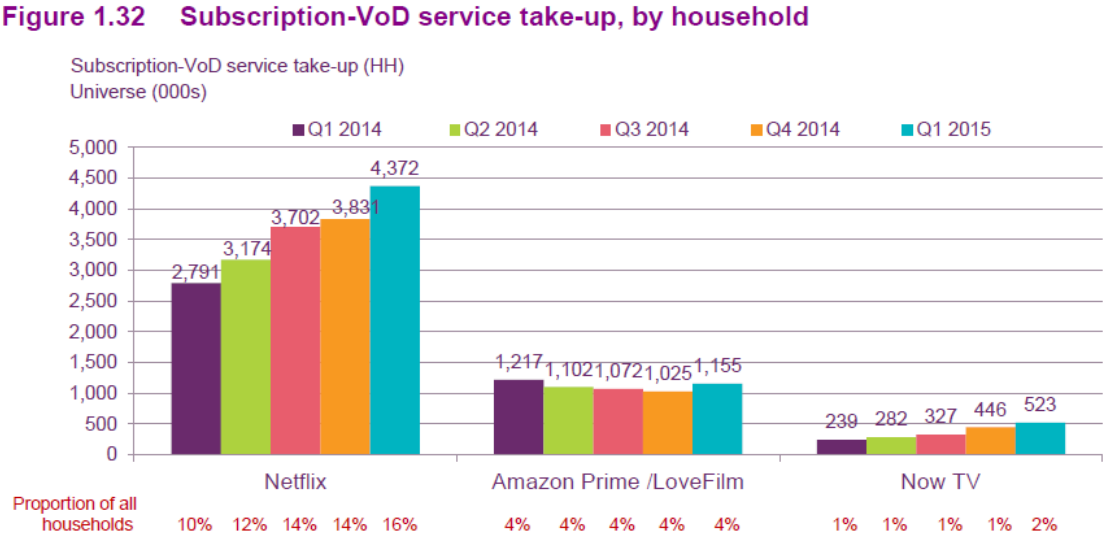
Source: Yearbook 2015 British Video Association/Kantar Worldpanel

Table 54 UK - SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source : OBS on IHS data

Figure 55 Subscription VoD service take-up, by household



Source: OFCOM Communication Market Report 2015

12 SVoD players and market in the Nordics: fast adoption of SVoD services, highest penetration in the EU

- *SVoD consumer revenues increased from EUR 41.8 million in 2010 to EUR 290.4 million in 2014 in the 3 countries*
- *The share of SVoD services in overall on-demand consumer revenues passed from only 3.8% in 2010 to 66.1% in 2014, showing quick adoption by Nordic consumers favoured by high broadband penetration, high pay TV penetration and high English language literacy*
- *3 Main players: Viaplay (MTG), Netflix and HBO Nordic (HBO and Parsifal International) with Netflix being the number 1 SVoD player in Sweden, Denmark and Finland (Mediavision)*
- *Other players include TV4 Play Premium, C More Play, C Sports, Filmnet, Telia Play+, D+ and Eurosport Player, Boxer Play*
- *Daily viewing on Netflix is as large as the daily viewing on public services online channels in all countries (Mediavision)*
- *Penetration rates for SVoD services are high according to Mediavision with 24% of Danish, 18% of Finnish and 26% of Swedish households which have internet subscribing to a SVoD service*

The Nordic countries Sweden, Denmark and Finland (and also Norway in which one third of households pay for SVoD services) have seen SVoD consumer revenues rise rapidly and high adoption rates among their population. Consumer revenues in these 3 countries soared between 2010 and 2014, passing from EUR 1.6 million to EUR 192.1 million (an increase by a staggering 11 906% over the period!). A further illustration of this high adoption rate can be measured by the share of consumer revenues for SVoD services of total consumer revenues for on-demand audiovisual services: representing only 3.8% of consumer revenues for on-demand audiovisual services in 2010, the share of SVoD had already reached 66.1% in 2014.

The Nordic markets are ideally placed for a quick adoption of digital services when regarding broadband penetration and Internet usage of their population (among the highest in the EU and even worldwide). Another factor influencing positively the adoption of SVoD services is the high penetration of pay TV in the 3 countries: 92% of Swedish households, 95% of Danish and 85% of Finnish households have a pay TV subscription according to Futuresource Consulting, surpassed in the EU only by the Netherlands and Belgium.

Also the fact that Swedes, Danes and Finnish are among the top 5 countries worldwide when it comes to speaking English (eliminating the need to dub or even to subtitle English content) has played certainly a role in the adoption of SVoD services and Netflix especially with its high share of English-language content (even if Netflix' "first" semi-original production *"Lillyhammer"* was produced in association with Norwegian broadcaster NRK1 and the German distributor Red Arrow International). The success of Spotify, a Swedish music streaming service,

has raised the willingness to pay for audiovisual content online among the Scandinavian population and explains further the quick adoption of subscription-based business models, and SVoD services in our case.

The entry of Netflix in 2012 has here dynamised the subscription video-on-demand market as growth figures tend to demonstrate, the so called "Netflix effect". Even if national players had prepared for the market entry, it seems that Netflix has woken consumer appetite for SVoD services, as the CEO of MTGx (the managing company of MTG's digital companies) and therefore Viaplay states: *"consumers are starting to understand the benefits of using streaming video."* "*We have seen very strong growth because ourselves and some of the other players have been doing a lot of marketing and basically waking up the market to some extent. I think it has been very beneficial for all of us.*[126]*"* According to Statista, SVoD services had 1 million subscribers in Sweden, 700 000 in Denmark and 500 000 in Finland in 2014.

According to data released by *The New York Times* and IHS in 2015, Netflix had 1.1 million of paying subscribers in Sweden, 790 000 in Denmark and 540 000 in Finland at the end of 2014. In Sweden, research company MMS publishes bi-annually the *MMS SVoD-Top* report giving the daily range and availability of SVoD and streaming video services in Sweden, based on a sample of 2 077 persons. By extrapolating this sample, MMS found that 465 000 persons declared having access at home to Netflix, 198 000 to Viaplay, 60 000 to TV4 Premium, 34 000 to HBO and 17 000 to C More Play, making Netflix the leading SVoD service in Sweden.

However the SVoD market is competitive with a multitude of players. What makes the Nordic markets also special compared to other EU countries is the presence of HBO Nordics, a standalone SVoD service launched even before the US version (HBO Now) in October 2012, shortly after the entry of Netflix. The domination of the three main players can be noticed by the exit of other SVoD players: Voddler in 2015 after a loss of SKK 176 million and LOVEFiLM (Amazon) in 2013. TDC's SVoD service YouBio, even if still existing, is no longer the priority of TDC which moved to transactional VoD after its acquisition of the Blockbuster brand. Even by having better content YouBio couldn't compete with *"the smooth use of the interface and the broad availability of a service like Netflix"* as Claus Bülow Christensen, innovation manager at GlobalConnect states it[127]. An answer to this domination is the association of Swedish TV4 Group and pay TV C More to launch the C More SVoD service later this year in association with the Svensk Filmindustri and the Finnish network MTV in 2015. C More has the aim to integrate all its VoD services (Filmnet, C sports and C More Play) and part of TV4 Play Premium SVoD service into the newly created SVoD services, a move the Bonnier group says is an answer to "*the third wave of the OTT market, with a powerful increase in subscribers, services and offerings*" as stated by Manfred Aronsson, the CEO of C More.

Another fact which shows that the Nordic population is adopting quickly SVoD services is the effect on physical media sales which fell by 50% over the past years in Denmark (and Norway) and as the main cause identified of this drop by IHS was the competition of streaming subscription video-on-demand services. In Sweden in 2014, digital video revenues exceeded packaged video revenues for the first time (and a world first according to Futuresource Consulting). Futuresource Consulting identified SVoD services as being the main growth drivers for the overall video

[126] See, *"The Netflix effect – OTT in Europe"*, DigitalTV Europe 5th August 2014, available at: http://www.digitaltveurope.net/220951/the-netflix-effect-ott-in-europe/

[127] idem

spend increase until 2018, in front of pay TV.

SVoD services are establishing themselves as important players for the audiovisual sector overall and competing with already dominant players on the market will be difficult by new entrants into the SVoD market as entry costs are high (content acquisition, infrastructure deployment, marketing costs). As in other markets, late comers to the party will be confronted to economies of scale and network effects from which early entrants are already taking advantage. The Nordics are an example (of course special in regard to various metrics such as broadband penetration, use of streaming services, willingness to pay for online content) of how SVoD services could impact profoundly the EU audiovisual sector.

Figure 56 Nordics (DK, FI, SE) - SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

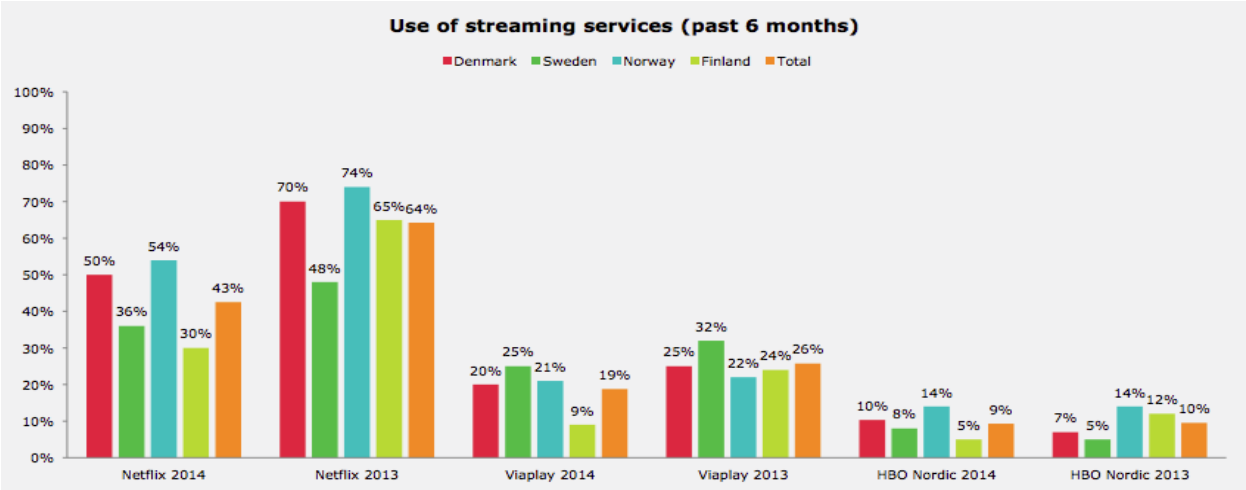
Source: IHS

Table 55 Nordics (DK, FI, SE) - SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: OBS on IHS data

Figure 57 Nordics – Use of Streaming services 2013 and 2014, in % based on a Sample population



Source: Arkena Nordic Video Index 2015

13 SVoD players and market in France: Netflix versus CanalPlay

- *A market in progress, up by 131% compared to 2013 for consumer revenues of EUR 58.1 million but still developing SVoD market compared to other EU countries*
- *2 main players, Netflix and CanalPlay, head-to-head in subscribers count as of September 2015 (around 700 000)*
- *Vivendi, CanalPlay's parent company, has announced the aim of launching multiple SVoD services across Europe and Japan and could compete with Netflix on the French market and in Europe by taking advantage of its strong position in the audiovisual sector*
- *Renegotiation of release windows for SVoD might be possible with the effect of dynamising the market, softening the 36 months release window for theatrical films*
- *Need of dubbing (instead of subtitling) and French content for SVoD catalogues makes the market a challenge for international players, leaving for now the completion between the 2 main players*

The French SVoD market generated EUR 58.1 million in consumer revenues in 2014 (up by +131% of 2013's EUR 25.1 million), according to research firm IHS. Statista valued the French SVoD market at USD 112 million in 2014 while GfK in the CNC publication *"Le marché de la vidéo en 2014"* estimated the market size of SVoD in France at EUR 29.2 million in 2014 (which seems low but is a normal result when considering that only 35% of SVoD on managed platforms and 2% of over-the-top SVoD services are covered). Consulting firm NPD group estimated the size of the SVoD market at EUR 35 million, an increase by 25% compared to 2013.

The disparities between the different estimations show that without a precise measurement and information provided by major players it is difficult, if not impossible, to really measure the size and impact of SVoD services, in France or elsewhere. What can be inferred from the different estimations is that after years of lagging behind its more dynamic neighbours in Europe (the United Kingdom, Germany and Sweden), subscription video-on-demand services are starting to find their customers.

This can also be seen in the increase of the share of consumer revenues for SVoD services in overall consumer revenues for on-demand services. Whereas SVoD services represented only 2.2% of consumer revenues in 2010 this share jumped to 17.6% in 2014. This can be further explained by the fact that in France, where the penetration of IPTV and boxes in households is extremely strong compared to the rest of the EU, VoD on managed networks (TV VoD) represented 78% of consumer revenues for on-demand services in 2010; this share of TV VoD has fallen to 51% in 2014, showing the increased importance of over-the-top on-demand audiovisual services, under which category Netflix falls (even if Netflix has distribution agreements with Orange, Bouygues and SFR in France and therefore a presence on the set-top boxes of these IPTV operators).

In France, the 2 main players are CanalPlus' CanalPlay and Netflix, with FilmoTV taking the third place. Here again[128], the entry of Netflix precipitated the exit of another SVoD player one year afterwards, Jook Video, which ceased its service in July 2015. The estimations made by several sources place CanalPlay and Netflix head-to-head in term of subscribers. CanaPlay announced that at the end of 2014 around 600 000 customers were subscribing to its service. In September 2015, the number had already risen to 700 000 subscribers. Netflix' subscribers in France were estimated at 750 000 by Futuresource Consulting in September 2015, with a 35% of new, non-paying subscribers, placing the cursor rather at 500 000 paying subscribers. IHS estimates that Netflix subscribers amounted to 500 000 at the end of 2014. A last estimation by NPD forecasts that CanalPlay and Netflix will each have 900 000 subscribers at the end of 2015, in line with forecasts made by DigitalTV Research of 1.15 million subscribers to Netflix at the end of 2015. The smaller FilmoTV reclaimed having 20 000 subscribers at the beginning of 2014 and estimated that at the end of 2014 around 50 000 subscribers would take its service (saying that with 100 000 it would break even, proposing a smaller, curated catalogue of about 500 films).

Finally, Médiamétrie stated that 2.5% of French Internet users were subscribers to a SVoD service, up by 1.5 points from 2013. The French SVoD market would therefore have between 1.1 million and 1.8 million subscribers at the end of 2015, depending on estimates used.

The arrival of Netflix was not the implosion of the audiovisual ecosystem as announced and the established challenger, Canal+, has been able to up its game, content-wise but also from a technological point of view (the launch of its OTT set-up box Cube S and the generalisation of its recommendation algorithm Suggest, the recruitment of engineers to work on its set-top box, algorithms in order to compete with Netflix). The two services will continue their co-existence and competition for new subscribers, with a small advantage to CanalPlay considering the strong position of its parent company in the audiovisual ecosystem in general and in films especially.

As the competition between both services will be increasing, the battle for exclusive rights to premium content will drive up prices, as it is the case in other markets. Vivendi, Canal Plus parent company, operating another SVoD service in Germany Watchever, and with the announced goal of launching SVoD services (across Europe and even Japan is in a strong position to compete with Netflix for the acquisition of content. As of October 2015, the only decision taken has been the relaunch of the German SVoD service Watchever but it will be interesting to see what will be Vivendi's plans in the future regarding SVoD services in Europe and elsewhere (Canal Plus Group has operations on-going in Poland with NC+ and internationally, is a strong distributor of films with Studio Canal and has recently acquired 20% of Telecom Italia).

A new player entered the SVoD market in France, the national archive institute INA which launched its subscription video-on-demand service INA Premium the 30th September 2015, giving access to over 20 000 programmes of its archives for a monthly fee of EUR 2.99. Although this new entrant on the SVoD market will not pose a serious threat to the 2 main players, it shows the appeal subscription-based audiovisual services have also for other audiovisual players. The other project of launching a generalist SVoD service made by Orange, TF1 and M6 dubbed the "Netflix à la française" was given up in July 2015 as the players involved could not agree on economic terms. Orange took the occasion to further widen its sub-

[128] As it was the case in the Nordics with Amazon LoveFilm in 2013, Ximon in the Netherlands in 2014, wuaki.tv which stopped its SVoD service in the UK to focus on transactional VoD.

scription based services (after Orange Go, the bundled service with its pay TV channels) by investing in niche SVoD service specialized in African content Afrostream in October 2015.

Another new player who plans to enter the French market is Molotov.tv. However it cannot be classified as a pure SVoD player. The service would make programs of free linear broadcasters available through a catch-up function for free and content from pay TV only to the subscribers to these channels. The aim is to make the content broadcasted available to a larger audience than it would have been through the first linear diffusion. As it is not a subscription-based service we do not consider it to really challenge the 2 main players in France but it shows an evolution towards more OTT services and non-linear content consumption. Molotov.tv already has the status of a distributor of channel in France and while be submitted to the same regulatory obligations as other audiovisual distributors. As of October 2015, Molotov.tv has announced that over 80 broadcast channels have agreed to be on the platform for their catch-up TVs services, with the notable absence of channels owned by Canal+ Group and NRJ. Netflix CEO is also awaiting the performance of this new service, saying: *"In France, our best enemy remains Canal+. We often had the opportunity to talk with Rodolphe Belmer whose departure surprised me. I am anxious to see the Molotov offer from Pierre Lescure. But the more players, the more they talk about us"*[129]

Yet another player to enter the SVoD market in France is SFR-Numericable with the launch of Zive in November 2015. At the launch, the SVoD service of the telecom/cable giant Altice will focus on children content with over 5 000 titles, set to expand to over 15 000 by next year. Altice, operating the telecom operator *Hot* in Israel is already developing original content and will continue this strategy with its new Zive SVoD service, as stated by SFR CEO Michel Combes: « *On démarre avec du contenu qu'on achète, mais ensuite il est clair qu'on ira vers du contenu qu'on produira* ». Furthermore, Altice announced that it has the aim to export Zive everywhere, profiting of economies of scale through the presence of Altice in several countries; France, Portugal and the USA. « On veut exporter Zive partout dans le monde, explique Dexter Goei, DG d'Altice. Si on y arrive, on aura un meilleur coût, une meilleure marge. L'interface et la box sont moins bonnes au Portugal, ou aux Etats-Unis où nous avons 5 millions d'abonnés qui ont Tivo, la box d'il y a six ans ».

A player already operating in France but until now only for transactional VoD set to expend into SVoD is wuaki.tv (wuaki.tv operates a SVoD service in Spain but only transactional services in the United Kingdom, Italy, Austria, Germany, France and Ireland). The VoD service announced the launch of a French kid SVoD service in association with *Gulli*, the French children channel owned by Lagardère in October 2015. Wuaki.tv (owned by Rakuten, a Japanese e-commerce group) will compete with the likes of TFou Max, the kids SVoD service operated by TF1, and the kids section of Netflix or CanalPlay. By adopting a niche strategy (concentrating on children content solely for their SVoD service), wuaki.tv demonstrates that the competition will increasingly shift to niche audiences as it is difficult to secure enough premium content to take the battle up with dominating generalist services.

Canal+ took advantage of the renegotiation of its contract with the cinema sector (in which it has regulatory obligations to invest 12.5% of its revenues per year to acquire French or European movies) in May 2015 to enlarge the number of times it can broadcast a film on its linear channel and make it available on its catch-up

[129] See, "*Netflix and Canal : the best of enemies",* BroadbandTVNews 26th October 2015, available at: http://www.broadbandtvnews.com/2015/10/26/netflix-and-canal-the-best-of-enemies/

platform, Canal + à la demande, the number of broadcast foreseen by the agreement passing from 36 times in 3 month to 50 times in the new agreement. This agreement was made in order to have another form of competition with Netflix; by having more recent films on its catch-up platform, bypassing the strict release window of 36 months for SVoD services.

The French SVoD market is in somewhat different from other markets in the EU, as the French legislation is more restrictive for releases of theatrical films on SVoD platforms, which are only allowed 36 months after the theatrical release. The French government has launched first consultations to renegotiate and revaluate this delay in light of the new forms of audiovisual consumption in July 2015. At the date of this note, it is still too early to evaluate the direction the negotiations are taking but SVoD services would certainly benefit from a shortened window for theatrical released films, as it would raise the value proposition to its potential subscribers.

Statista projects the French SVoD market to grow to USD 556 million by 2020 (up from USD 213 million in 2015) and that 6.2 million subscribers will have been convinced by this business model (a penetration rate in French households of 11.1%, up from 4% in 2014). The estimate by Digital TV Research concerning the penetration of SVoD in French TV household is much higher, at 29.5% by 2020. As estimates rely on underlying assumptions, it will depend on how the competition between Netflix and CanalPlay will be played out in the mid-term, with both services trying to recruit new subscribers by enriching their catalogues with premium content and, if the limitation of 3 year old films will be changed through a revision of release windows, which is a hinderness to the adoption of SVoD services by a larger part of the population, in search of more recent films.

Table 56 Estimations SVoD market France 2014

Research firm	2014
IHS	[redacted]
GfK	EUR 29.2 million
NPD Group	EUR 35 million
Statista	USD 112 million

Source: OBS on research firms press releases, news articles

Figure 58 France - SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

Table 57 France - SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: OBS on IHS data

14 SVoD players and market in Germany: strong national players and international competition will drive the SVoD market

- *After growing by 113% in 2013 to EUR 36.5 million, the pace of growth slowed down in 2014 to 41% and consumer revenues of EUR 54.4 million*
- *Very intense competition on the German SVoD market with Netflix, Amazon, Sky, ProSieben and Vivendi. Germany is with the United Kingdom the only market in the EU where 4 international media groups are competing for subscribers and content*
- *Subscriber estimations for 2014 vary between 1.6 million (Statista) and 4.4 million (AmpereAnalysis)*
- *Abundance of free content available, low pay TV penetration and need of local and German content make the SVoD market challenging for players*
- *Germany forecasted (by DigitalTV Research) to be the largest country by SVoD homes by 2020 with 29.5% of TV households subscribing to a SVoD service*

The German SVoD market steadily increased since 2010 with a compound annual growth rate over the 5 year period of 69% to EUR 51.4 million in 2014, increasing by 41% from 2013's EUR 36.5 million consumer revenues. In Germany, several national and international SVoD services are competing for market shares and, similar to France, Netflix is facing an already well placed competition.

Germany has the particularity of having most of the main SVoD players and groups in Europe competing on its territory: the two global players Netflix and Amazon, the media groups Sky (Snap) and Vivendi (Watchever) with a strong presence in pay TV and a presence in several EU markets and commercial broadcaster ProSiebenSat.1 which is strengthen its position in the digital media landscape the past couple of years through acquisitions. This presence of major players on the SVoD market could translate into a heighten competition for content and licensing rights as both Sky and Vivendi could in the future compete with Netflix and Amazon for licences englobing several EU territories as this was the case with the recent Disney licensing deals for Sky in the United Kingdom and Germany, for ProSieben and Maxdome in Germany and for CanalPlay (Vivendi) in France.

The main services by subscriber count in 2014 (estimated by AmpereAnalysis) are Netflix with 620 000, Amazon Prime with over 3.1 million (however it is not clear how many of these subscribers are using Prime Instant Video, the complement to Amazon Prime delivery service), ProSiebenSat.1's Maxdome with 555 000 and Sky's Snap with 135 000. Vivendi's Watchever, which was up for sales in 2014, suffered important losses in subscribers from 300/500 000 in 2014 to less than 200 000 in 2015 and was relaunched with channels by content owners and a better user interface in September 2015 (Watchever is not part of the service for which AmpereAnalysis provides statistics).

AmpereAnalysis arrives, by taking into account Amazon Prime Video subscribers,

to an estimated subscriber number for OTT SVoD services in Germany of 4.4 million in 2014 and an expected subscriber number of 15.5 million by 2020. Statista however pegs the number of subscribers in Germany at 1.6 million in 2014 and an expected 3 million in 2015 (and forecasted 6.2 million subscribers by the year 2020).

The uptake of SVoD services by the German population was less impressive than in the United Kingdom, the Nordics or the Netherlands and is much more comparable to the French market. As it is the case in France, SVoD consumer revenues share in overall consumer revenues for on-demand audiovisual services was 16.3% in 2014, up from 7.5% in 2010. The presence of several SVoD offers by private and pay TV companies and a strong free offer of content through the Mediatheken of the public broadcasters ARD and ZDF can explain this slower uptake.

However, GfK estimates that the German SVoD market had already generated EUR 82.5 million in the first half of 2015, compared to last year's first half an increase by EUR 61 million, showing that the multiplication of different SVoD offers are finding their market and convincing more Germans. This is in line with Statista estimates of the German SVoD market with expected revenues of EUR 132 million in 2015 and EUR 356 million by 2020.

AmpereAnalysis however estimates the German market to be much more dynamic than the other research firms. Ampere Analysis for the OTT SVoD market estimates revenues to be already at EUR 148 million in 2014 and to reach EUR 333.8 million in 2015 (with revenues of OTT SVoD forecasted to reach EUR 1.12 billion in 2020).

Strong differences therefore appear between the estimates of these different research firms when it comes to the size of the German SVoD market. The difficulties could related to the valuation of Amazon's SVoD offer, as Amazon Prime is not solely a SVoD service but also, and first of, a next-day delivery services of which the video offer is a complement to entice subscribers to sign up (as it is the case with Amazon Prime Music, also set to launch in Germany).

Finally, DigitalTV Research predicated that the German SVoD market will be the largest country by 2020 by SVoD homes, with an estimated penetration of SVoD services in German TV households of 29%, comparable to France (29.5% of TV households by 2020) but lower than the United Kingdom (39.5% by 2020), Sweden (49.5%), Finland (48.5%) and Denmark (51.8%), the most dynamic SVoD markets, as of 2014, in the EU.

Figure 59 Germany - SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

Table 58 Germany - SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: OBS on IHS data

Figure 60 Germany – SVoD revenue 2006-2020, EUR million

For copyright reasons the data cannot be reproduced in the public version of this report

Source: AmpereAnalysis

Figure 61 Germany –SVoD revenues by service, 2006-2020, EUR million

For copyright reasons the data cannot be reproduced in the public version of this report

Source: AmpereAnalysis

Figure 62 Germany – SVoD subscribers 2006-2020, in thousands

For copyright reasons the data cannot be reproduced in the public version of this report

Source: AmpereAnalysis

Figure 63 Germany – SVoD subscribers by services, 2006-2020, in thousands

For copyright reasons the data cannot be reproduced in the public version of this report

Source: AmpereAnalysis

15 SVoD players and market in the Netherlands: explosive growth – the Netflix effect

- *Very dynamic market with a year-to-year growth rate of 2 001% in 2014 to EUR 53.2 million*
- *Favourable market conditions and audience consumptions patterns are, as in the Nordics, explanations for this rapid adoption rate*
- *Netflix with 1.1 million subscribers mid-2015 is dominating the SVoD market*
- *Cord-cutting is taking place with an expected 8% of subscribers cancelling their pay TV subscription over the next 2 years*

The Dutch SVoD market experienced an explosive growth since the entry of Netflix in 2013, jumping from EUR 2.5 million to EUR 53.2 million in 2014, a year-to-year growth of 2 001% (after an already steep increase in 2013 by 1 706% from EUR 0.14 million). Dutchs have rapidly adopted SVoD services, and Netflix especially as it seems with 11% of Dutch households subscribing to Netflix at the end of the fourth quarter 2014 (865 000 subscribers), as stated by Telecom paper. The number of Netflix' subscribers had already jumped to 1.1 million in July 2015 and the SVoD is expected to generate EUR 111 million in 2015 by Futuresource consulting. Here again, the so-called Netflix effect popularized SVoD services through increased marketing spend and the reaction by incumbents (Digital TV Research estimates that at the end of 2015, Netflix will have 1.6 million subscribers in the Netherlands, more than its bigger neighbours France (estimates 1.15 million) and Germany (1.2 million) in which markets the SVoD service entered a year a later).

Netflix is not the sole competitor on the Dutch SVoD market with RTL's Videoland Unlimited which had 100 000 subscribers in March 2015 and the joint venture between the public broadcaster NPO and commercial broadcasters RTL and SBS SVoD service NLziet having 50 000 subscribers at the end of the fourth quarter 2014 (after having launched in June 2014). Notably, SVOD service Ximon ceased its service in February 2014, lacking subscribers. Pathe Thuis, a transactional video-on-demand service wanted to launch a SVoD services in 2013 but later abounded the idea and chose not to enter this competitive market.

The telecom operator KPN launched its SVoD service, KPN Play, in November 2015, pricing it however slightly higher than the other offers at EUR 14.99 per month. As the service was just launched at the time of the report, no subscriber figures are available.

The Dutch market is, as the Nordic markets, attractive for digital services and international SVoD services; a high broadband penetration with over 90% of households, high Internet usage by its population, around 95% of Dutch use the Internet, and an almost 100% pay TV penetration of households according to Futuresource Consulting. Also, 94% of Dutch declared to be able to speak a foreign language and 77% two foreign languages according to the *"Eurobarometer 386 – Europeans and their languages"*. The Dutch population is used to watch English audiovisual content subtitled (and not dubbed as opposed to France or Germany for example) and as it was the case in the Nordics, quickly opened up to content in Netflix' cata-

logue. Therefore, it seems to be a logic move on Netflix's part to enter the Netherlands after having entered the UK and the Nordics, countries with same language abilities towards English content and the first subscription figures seem to support this analysis.

This quick rise of SVoD services is also translated by the evolution of the share of consumer revenues for SVoD services compared to total consumer spendings on on-demand audiovisual services: representing only 0.3% of total on-demand spendings in 2010, this share of SVoD services in overall on-demand consumer spendings had drastically risen to 38.8% in 2014, underlying the explosive growth and success of the subscription-based business model. Another indicator of the quick adoption of SVoD services and changes in content consumption patterns is the fact that digital video will account 66% of total home video spend, surpassing packaged media, and driven by Netflix and pay TV according to Futuresource Consulting. SVoD services are expected to account for 55% of all home video spend by 2018 and reach EUR 240 million in revenues.

The Netherlands are also one of the EU countries where cord-cutting is taking place with an expected 8% of subscribers expected to cut the cord until end 2016, as stated by a Telecompaper Consumer Panel. According to Statista, SVoD penetration in households will reach 15% in 2015, up from 6.9% in 2014.

Statista forecasts that SVoD revenues will amount to USD 271 million by 2020 and that 3.2 million Dutch will subscribe to SVoD or a penetration of SVoD services into Dutch households of 22.8% by 2020.

As in the Nordics, SVoD services have been quickly adopted by Dutch consumers and here again, the entry of Netflix dynamized the subscription video-on-demand market. Favourable market conditions and audience content consumption patterns were also decisive factors for the quick growth in consumer revenues for SVoD services.

Figure 64 Netherlands - SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: IHS

Table 59 Netherlands- SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014

For copyright reasons the data cannot be reproduced in the public version of this report

Source: OBS on IHS data

16 Lessons from the US market

- *In this section, the US market is taken as a reference to expose the attractivity of SVoD to traditional media players as the US market is more developed. The same changes will in a foreseeable future come to the EU but this is not yet the case in 2014*
- *Decreases in viewing time and pay TV subscriptions forces traditional players to act*
- *US Consumers are increasing their spending on SVoD services (USD 4 billion in 2014, +25.8% and TV households penetration of 40.3%) and time spent watching content on SVoD services*
- *Netflix becomes the network of reference for TV viewers aged 13 to 49 in the US for viewers who spend 5 hours or more per week with TV*
- *The recent launches of SVoD services by established players is a sign of changes happening in the media landscape*
- *A direct-to-consumer approach is favoured by major players in the US such as HBO and CBS, bypassing the traditional channel distribution(bundling) in the US for the first time*
- *Niche SVoD services, targeting sport or special interest (comedy, horror, children content) audiences, are increasingly attractive to right holders wishing to extend their reach and revenues*

The years 2013 and 2014 were in the USA, and to a lesser extent in Western Europe, the beginning of the generalisation of subscription-based on-demand services. As the US is in this market more advanced than the EU, we will take it as our example to make our point: SVoD services are becoming more attractive to audiovisual players, especially US networks and pay TV operators, as there are facing declining viewerships and subscribers, putting an increased pressure on their traditional business models.

Of course, these findings, valid for the US market, are not yet transposable in most EU countries, with the exception of the United Kingdom, the Nordics and the Netherlands where SVoD markets are more advanced than elsewhere in the EU. But as the US market for digital audiovisual services is more advanced, the market situation can give a lead as where to the market is heading in general, with EU countries and their populations catching-up with trends in the US as SVoD offers become more generalized and attractive to consumers.

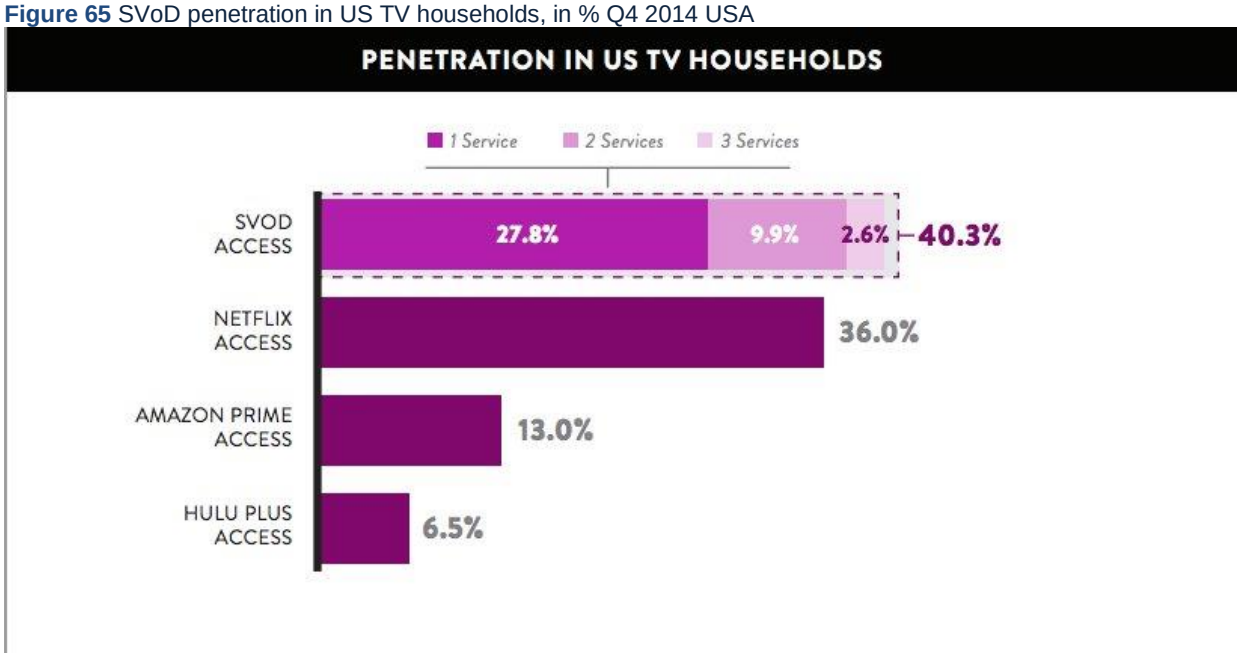
Nielsen found in its "***Q4 Total Audience Report Q4 2014***" that 40.3% of US homes had access to a SVoD services, up from 36% of quarter 4 in 2013. Netflix is appearing as the overall leader, with 36% of US TV households subscribing to the services (or 39.11 million US subscribers according to Netflix annual report 2014, leaving Amazon at distant 2nd place (13% of US TV households) and placing HuluPlus as even more distant competitor with a presence in 6.5% of US TV households.

The **Digital Entertainment Group**, releasing figures for the US Home Entertainment market, stated that the US SVoD market generated USD 4 billion in consum-

er spending in 2014 (and representing 53% of consumer spendings for digital entertainment [SVoD, VoD and EST]), up by 25.8% compared to USD 3.19 billion in 2013 and surpassing consumer spending on physical entertainment. The US SVoD market is set to reach **USD 7.5 billion by 2020 according to Statista** with over **81 million subscribers**. PwC furthermore states in its "***Global Entertainment and media outlook 2015-2019: filmed entertainment***" that in 2017, spending on digital home video (forecasted at USD 12 billion) will overtake spending on cinema (USD 11.8 billion), with SVoD services being the main share of digital consumer spendings, representing USD 6.5 billion in 2017.

More US consumers are subscribing to SVoD services and spending more money for digital subscriptions, making SVoD business models an increasingly attractive market for audiovisual players.

Figure 65 SVoD penetration in US TV households, in % Q4 2014 USA



Source: Nielsen Q4 Total Audience Report

Reacting to Netflix's and the overall success of subscription-based audiovisual on-demand services, US media players entered, after a period of hesitation of fear of cannibalizing their traditional offers, the US SVoD market.

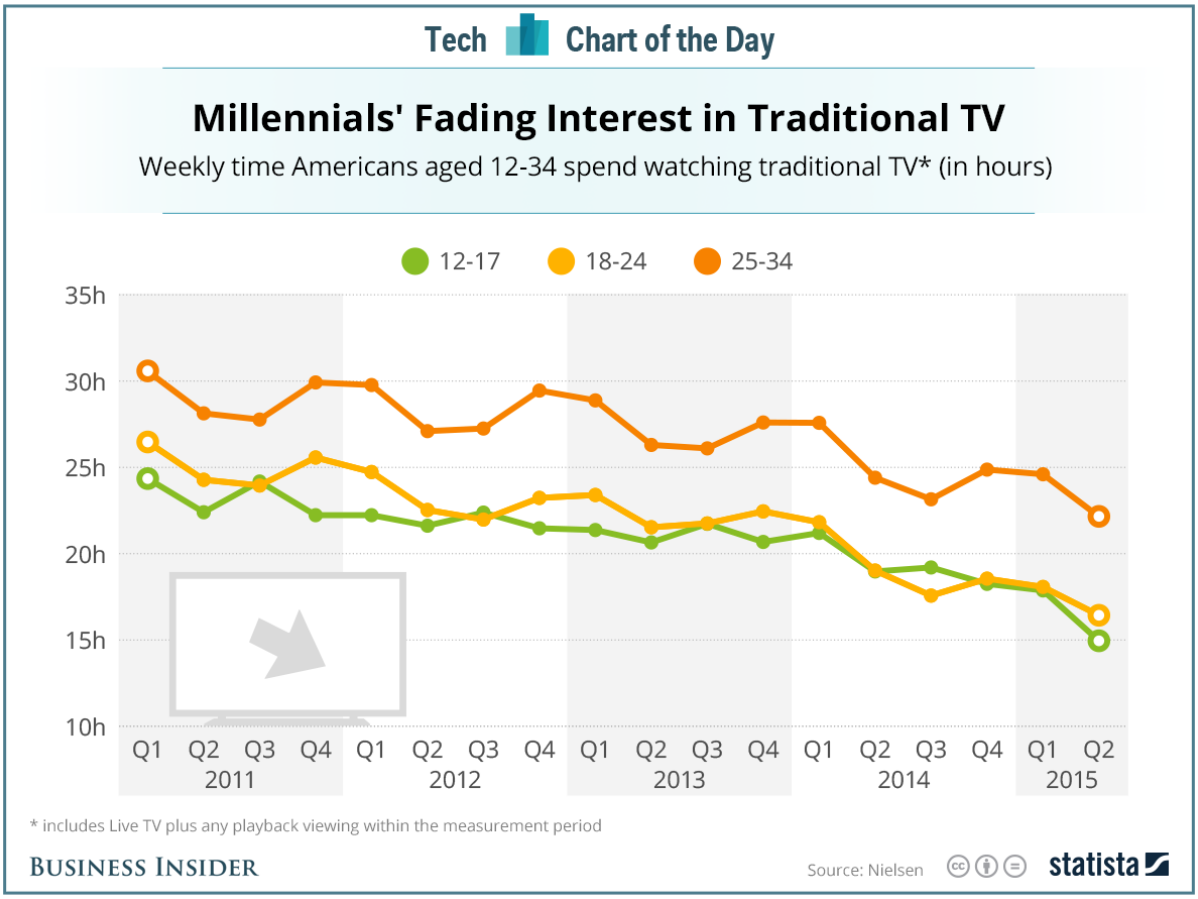
The new main SVoD services launched are HBO's (TimeWarner) **HBO Now**, CBS' CBS All Access (which plans to launch in 2017 a **new Star Trek series, exclusively online**), **Showtime's SVoD on Hulu**, Hulu's improved ad-free **SVoD offer Hulu**+, Sling TV by Dish Network, **Viacom's Noggin** SVoD service specialized in children content and the new NBA (**National Basketball Association**) SVoD service (only to list one of the many niche players on the US market such as NBC's comic-centered SVoD service **Seeso** or AMC's and DramaFever's **Shudder focused on horror movies**). The US SVoD market has seen in 2014 an increase in the offer of services, and not only on niche SVoD services but more on a "direct-to-consumer" based strategy applied by networks and pay TV operators.

Why now, one could ask? Because the changes in their core audiences are being felt by these players, be it declines in viewership for the traditional networks (viewership figures for millenials falling even faster) or declines in subscribers for pay TV players, and these declines are being sensed as a threat by those players, and their investors (**the US media sector lost over USD 60 billion in 2 days in market capitalization** after Disney's statement that ESPN is no longer growing in Au-

gust 2015). Therefore traditional media players have to adapt to this new market given and start to transform their legacy business models to adapt them to the digital transformation happening in the media ecosystem.

This becomes evident when observing the evolution of viewing time of millenals of live TV, falling steadily since Q1 2011. Live TV is losing its reach with younger generations.

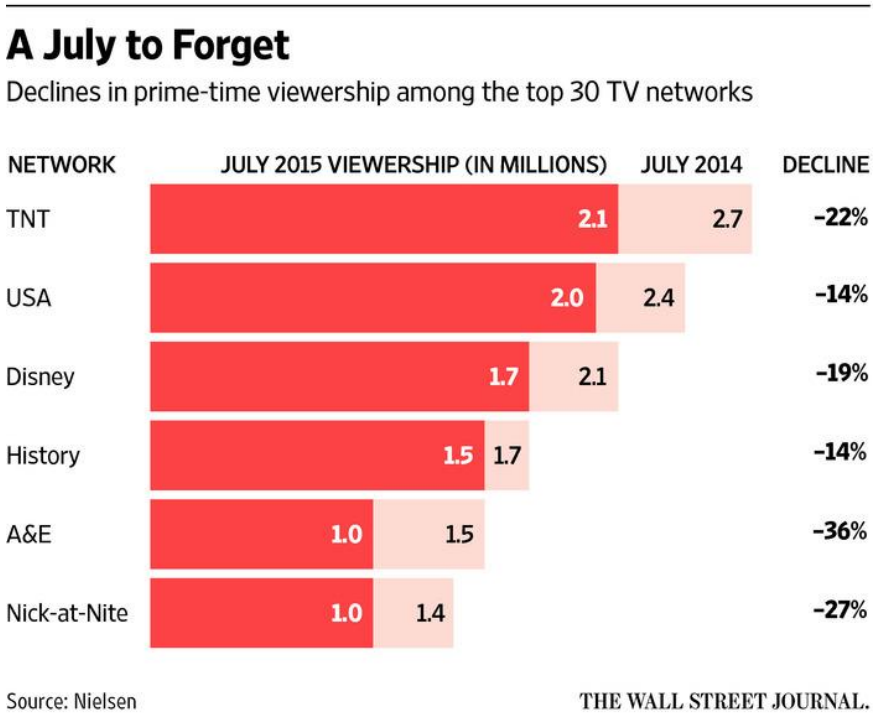
Figure 66 Linear TV viewing by Millenials USA Q1 2011- Q2 2015



Source: Nielsen, Statista and ***Business Insider***

But this decrease in viewership is also true for networks, and not only for millenials but overall viewership and has been felt severely in the summer of 2015 where viewership declined heavily, between 14% and 27% compared to last year for major networks. US consumers are watching less live time. This is also a finding by Nielsen in its "***Q4 Total Audience Report Q4 2014***" where live TV viewing fell from an average of 5h04m per day in 2013 to already 4h51m per day on average in 2014, a drop of 13 minutes in only one year. Viewers are leaving live TV for different entertainment options, and one of the favourite sources for video entertainment are SVoD services.

Figure 67 **Decline in prime-time viewership July 2014/2015, USA in %**

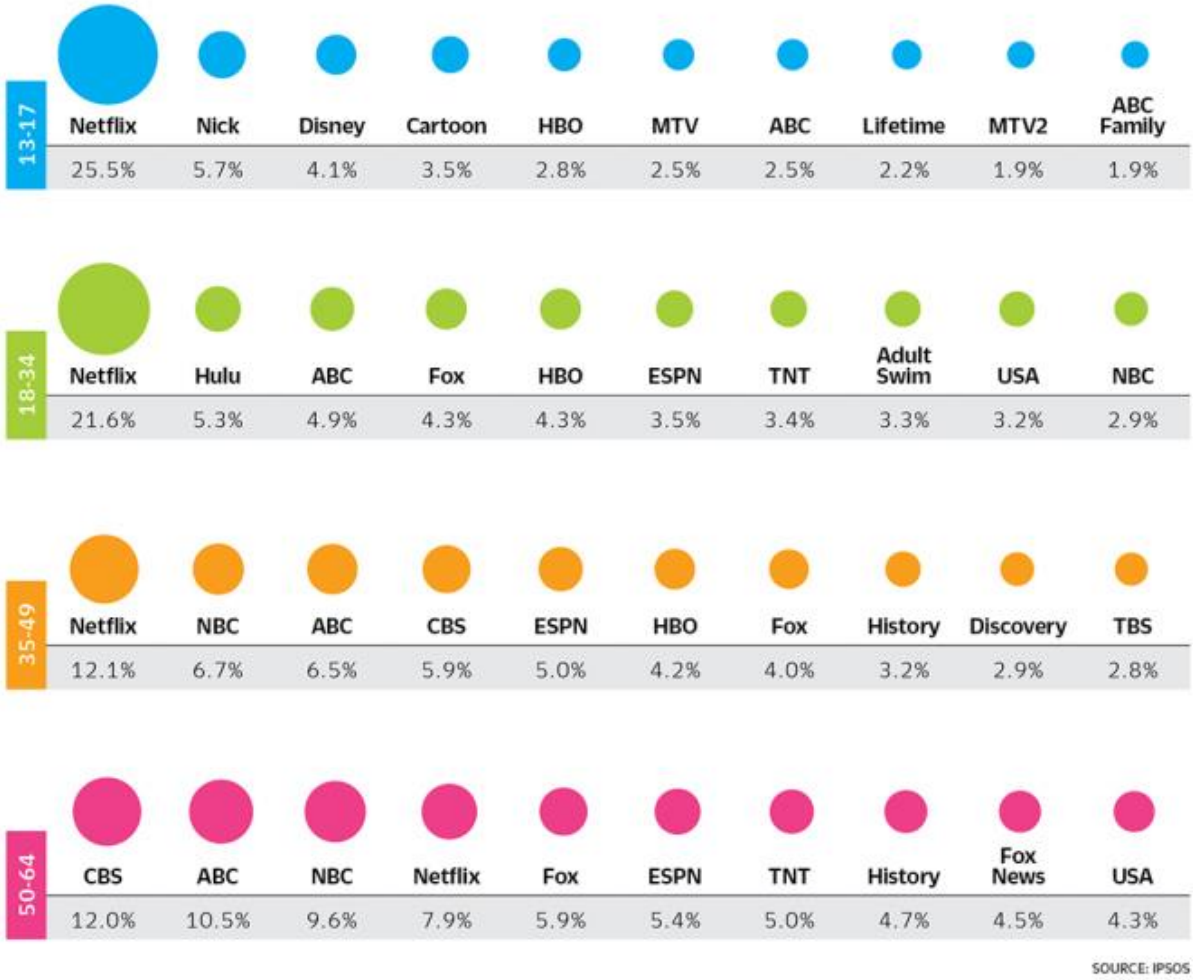


Source: Nielsen/The Wall Street Journal

In an interesting survey released by IPSOS, it becomes clear that US viewers are turning to Netflix for watching content, and on a longer basis. When asked on which traditional network and new digital video services they spend their time (minimum over 5 hours per week), younger generation's first choice is Netflix: 25.5% of 13 to 17 years old turn to Netflix, 21.6% of 18 to 34 years old and even older generations such 35 to 49 years turn to Netflix with 12.1% stating that Netflix is their first choice. On the same time, Netflix is becoming to look like a TV network by the use made by its subscribers; according to **GfK** an average US Netflix user watches 10 TV shows and 4 movies per week on Netflix. Gfk is highlighting another important evolution in the habits of the audiences, binge viewing with 25% of Netflix binge watching (more than 3 programs in one session), and this percentage is even higher for 13 to 35 years old where the proportion is at 31% of users who declare to binge watching. Also, 24% of Netflix viewers are watching their content on mobile devices, yet an important change in the traditional viewing patterns. Finally, Netflix is maybe giving its subscribers what they want: watch their chosen content anywhere, anytime and on any device.

Traditional broadcasters therefore had no choice to react to these profound changes in the audience's viewing habits and seen in this light, the sudden rush to launch a direct-to-consumer SVoD service by several important players on the US market becomes understandable.

Figure 68 Top Networks watched by viewers for five or more hours in the week of June 15th 2015



Source: IPSOS/Variety

And the situation for pay TV is no more different. As said Sling CEO's Roger Lynch: *"[If you] look at pay TV subscription behaviour, it's clear that the current model is not sustainable, at least not if you want to grow pay TV, if that's your objective*,"[130]. Pay TV is in the US, as of 2015, no longer a growing market. Pay TV subscribers were down by 470 855 subscribers in the 2nd quarter of 2015 and what is even more interesting is the subscriber growth between 2006 and 2015. Whereas subscriber growth was at 2.2% in 2006, the growth became negative already in the second quarter of 2011 with -0.1% and since then has mostly remained negative, reaching -0.7% in the second quarter of 2015.

The pay TV business (selling often highly priced pay TV subscriptions for bundled channels, with the pay TV spending at USD 99.1 per month according to Leichtman Research Group in September 2015, up by 39% since 2010) becomes less attractive for consumers which have to choice to opt for cheaper SVoD subscriptions, often priced at less than USD 12per month.

[130] See, "*Sling TV CEO: current pay TV model not sustainable*", DigitalTVEurope 12th September 2015, available at: http://www.digitaltveurope.net/426611/sling-tv-ceo-current-pay-tv-model-not-sustainable/

Table 60 **Pay TV Subscribers Net Additions Q2 2015, USA**

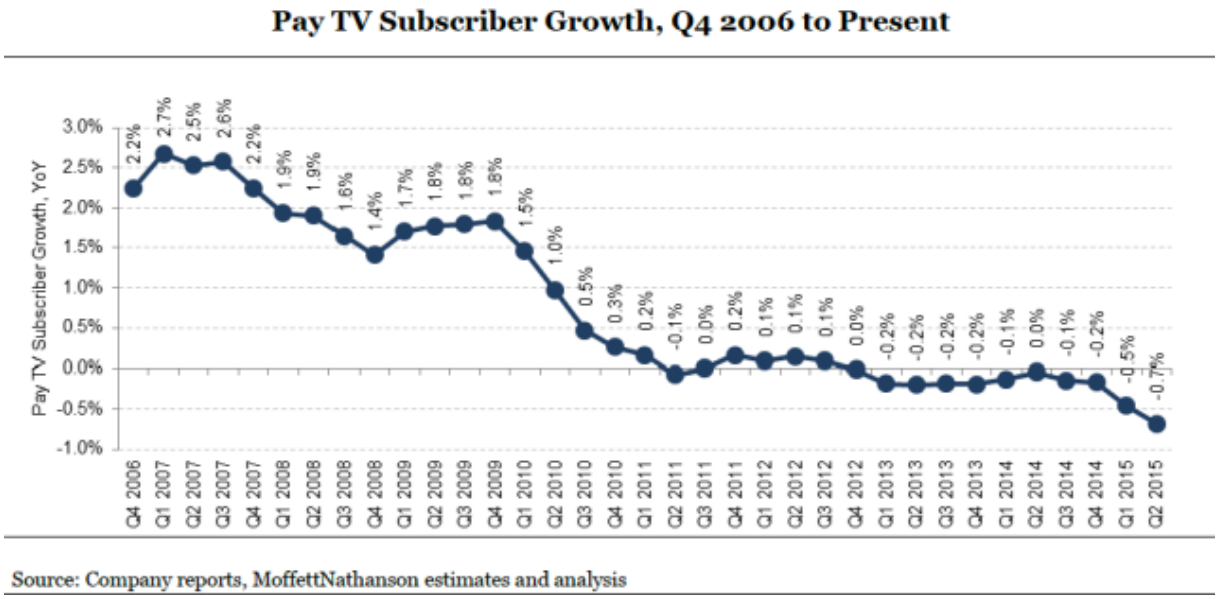
US Pay TV Subscribers and Net Additions, by Provider, Q2 2015

	Subscribers	Net additions
Top cable		
Comcast	22,306,000	-69,000
Time Warner Cable	10,982,000	-43,000
Charter Communications	4,258,000	-30,000
Cablevision	2,637,000	-16,000
Suddenlink Communications	1,102,600	-29,400
Mediacom	879,000	-12,000
Cable One	399,878	-21,455
Other major private companies*	6,395,000	-40,000
Total top cable	**48,959,478**	**-260,855**
Satellite		
DirecTV	20,279,000	-133,000
Dish Network**	13,932,000	-81,000
Total satellite	**34,211,000**	**-214,000**
Telco		
AT&T U-verse	5,971,000	-22,000
Verizon FiOS	5,765,000	26,000
Total telco	**11,736,000**	**4,000**
Total	**94,906,478**	**-470,855**

*Note: *includes LRG estimates for Cox and Bright House Networks; **totals and net adds in Q2 2015 include Sling TV*
Source: Leichtman Research Group Inc. (LRG) with company reports as cited in press release, Aug 17, 2015

195027 www.eMarketer.com

Figure 69 **Pay TV Subscriber Growth, Q4 2006- 2015, USA in %**



Source: Company reports, MoffettNathanson estimates and analysis

Addressing fears of cannibalization of their pay TV service, HBO's CEO Pepler recently stated that those fears are not valid:**"***Everything we're seeing both from sampling and from subscriber satisfaction has exceeded our expectations. With regard to any kind of cannibalisation, I can tell you, as we predicted and as our*

research indicated, we've seen less than 1% of HBO subs leave the bundle to go get HBO Now, which is exactly what we suspected was going to happen."[131]

In light of these facts, the multiple launches of SVoD services in the US since 2014 can be explained. With SVoD consumer spending set to increase, and representing already the lion share of consumer spending on digital video entertainment (53% at the end of 2014 according to the Digital Entertainment Group), other players are also becoming interested in subscription-based services.

Google's YouTube launched YouTube Red, a subscription service to music, ad-free content and soon original premium content by YouTube creators with the aim to take part (and a share of) in this burgeoning market. Although for now the offer seems not so compelling for consumers (the option to skip ads, have access to Google Play music and to original content by YouTube talents), this indicates that Google will not let SVoD revenues soar and leave the market to its competitors undisputed. The company's rush to market (even if a subscription service was already discussed in **October 2014 by YouTube's CEO Susan Wokciki**) shows the potential growth relay that SVoD services can represent, even for such dominant players in the video advertising space such as YouTube.

Apple's plans to launch also a **subscription streaming TV services in the US** shows furthermore this transition towards subscription-based audiovisual services, similar to what has happened on the online music market where the shift from transactional towards subscription-based model happened around 2010 (and which Apple has also accompanied by launching **Apple Music** in July 2015, its online music streaming service to compete with players like Spotify or Deezer as consumers expenses are shifting from music downloads to subscription streaming services).

But finally, instead of just shifting their viewing form linear to non-linear, SVoD subscribers are increasing their overall time spend with TV, as Nielsen has found in its report, they are just doing it on different connected devices and on different services as in the linear audiovisual ecosystem. Nielsen found in its report that SVoD subscribers in the US are spending on average 2h45m with a TV screen, using connected devices. What consumers are looking for by subscribing to a SVoD services is to expand their choice and access to content (66% of UK subscribers and 58% of US subscribers claim that the main reason for signing up was to have access to a back catalog of movies, 50% in the UK and 56% in the US declaring to have access to a back catalog of TV programs, as stated by GfK), be it films, TV shows, documentaries and other formats and to be able to watch at the time of their choosing and the quantity (binge watching) they desire.

Content therefore remains king in the SVoD market. SVoD services are in competition to have desirable premium content, more and more on an exclusive basis in order to have a competitive advantage. Exclusive licencing deals and the acquisition and production of original content becomes vital for the main generalist SVoD in order to differentiate their service from their competitors.

The next section takes a closer look at the importance of content in the subscription-based business model.

[131] See, "*HBO Now 'surpassing expectations', international OTT launches due soon"*, DigitalTV Europe 6th August 2015, available at: http://www.digitaltveurope.net/408301/hbo-now-surpassing-expectations-international-ott-launches-due-soon/

Figure 70 US Households daily screen time with TV connected devices (in HH:MM), 2014

Table 61 Top 5 Reasons that US and UK SVOD subscribers signed up for, March 2014

Top 5 Reasons that US and UK Subscription Video-on-Demand (SVOD)* Subscribers Signed Up for Subscription Streaming Services, March 2014

% of respondents

	UK	US
1. To access back catalog of movies	66%	58%
2. To access back catalog of TV programs	50%	56%
3. To access new movie releases	47%	44%
4. To watch at a time that suits me	40%	41%
5. To watch multiple episodes in a row	32%	42%

*Note: UK n=2,749; US n=2,866; *includes Amazon LOVEFILM Instant/Amazon Prime Instant Video, Hulu Plus and Netflix*
Source: GfK, "SVOD Content Consumption Study" as cited in press release, Aug 7, 2014

177903 www.eMarketer.com

Source : eMarketer/GfK

17 Strategies in the SVoD market: Exclusive licences, Original content, multidevice convenience and user friendliness are the main competitive advantages to acquire and retain subscribers

- *Content remains king: Exclusive licences and increased acquisition/production of original content are key to players in order to differentiate their service from their competitors and gain a competitive advantage appealing to current and potential subscribers*
- *Acquisition of premium content by most of the players will increase licence costs for all players, in the SVoD market and traditional pay TV*
- *Risk of integrated content producers, worrying of the competition of SVoD players, to withheld their content from SVoD services*
- *Multidevice viewing capabilities is key for subscriber satisfaction – understanding and execution rightful the shift towards content consumption any time, any where and on any device is key for subscriber satisfaction*
- *User experiences and User interfaces, requiring heavy investments in R&D, are another key aspect of successful SVoD (and on-demand) services*
- *Increased production of original content surpassing a wide variety of genres will happen in the next years as a way to differentiate from competition and to limit escalating acquisition costs.*

Consumers are signing mainly up to a SVoD services in order to have access to back catalogues of films and TV shows, as various surveys are showing (cf. Gfk study and BARB in the UK). Consumers are not signing up in order to have the most recent movies (often not available on SVoD services) but the pressure to have relevant (desired by the audience), and increasingly recent, content is increasing.

Content and the desire to be entertained are the main motivations for a consumers to subscribe to a SVoD service in the first place, and content is eventually what makes a subscriber continue subscribing. The aim of Netflix and other SVoD services is in a first place to attract consumers and then to reduce churn-rate, and this is done by making sure that at each visit relevant content is shown to the subscriber (hence also the importance of recommendation tools and easy navigation in catalogues comprising often over 1 000's of shows and films).

The recent announcement by **Netflix** and **Amazon** to invest in films, with however different release strategies, shows the importance of having recent content; after TV shows it seems logic that the two juggernauts of SVoD services would enter the film business (and for Netflix, maybe soon the **news programming**). After having invested in original TV Shows, kids programming, anime, comedies and documentaries, Netflix, and to a lesser extent Amazon, are pushing even more forward into the original content game. The **list of original content for 2015** an-

nounced by Netflix is already impressive and comes in addition to these already produced and acquired in **2014 and 2013**.

Netflix pushes forward with its view that users should have access to the content they desire in a convenient way (on Netflix), and this content is also feature films. As Ted Sarandos says, the 90-day window (in the US) between a theatrical release of a film and its debut on a home entertainment platform (not necessarily SVoD services, but digital audiovisual services in general) will change: **"***I think so. When a consumer is telling you what you want and you don't listen, you're going to be out of business. I think consumers are saying they would like the option of watching movies at home*[132]**"**. Asked what would be the potential impact on this new release strategy for movies and access to licencing deals from studios, as it might set-up studios after having already attracted the wrath of theatre owners with the recent release of *Beasts of No Nation*, Sarandos continued: "*Yeah, none of these things are in conflict with one another. I believe what we are doing is incredibly pro-movie. Today, for the most part, television is displacing movies in the culture. I think that's because there is so much access to the shows people are talking about, and television is better distributed. What we want to do is make great movies. It's going to grow the movie revenue model. I don't know if theatre owners will command the same percentage of the business that they always have, but it's going to be a bigger business."*[133] The impact of Netflix, after having already changed the way TV shows are released on its services (making available the complete season of its TV shows at once) and forced other actors to follow its innovative lead, on the movie business could also prove substantial even if it is yet in an experiencing period.

In 2015, Netflix contracted a **USD 1.5 billion long-term debt in order to finance new content acquisitions and original content**. The company has planned to produce over 320 hours of original content in 2015, up from 100 hours in 2014. Added to content licencing costs, the new debt shows that content acquisition is getting increasingly costly. Given the strategic importance of content (which makes subscribers keep coming back), the rather fragile free-cash flow available to Netflix (in 2014, Netflix had negative cash-flows of USD 128 million) and the ever-growing content obligations, the international SVoD giant isn't immune to increased competition for content on its domestic market but also on its international markets as it needs significant and premium content at the date of the launch to entice new subscribers.

For Amazon, the announced aim in January 2015 was to produce **12 independent films per year**, released in theatres before being streamed on Amazon Prime. Amazon, with its **innovative commissioning procedure** for its "**original series**", TV shows and kids programs (submissions for projects, vote by subscribers on which pilots to produce, then definitive commissioning of shows), sees another opportunity to raise **the value proposition of its Prime service** (of which Prime Instant Video is only a component, the main service sold being the shipping service of products bought on Amazon as CEO Jeff Bezos stated:" **and** ."*Prime members are more likely to renew because of Prime Instant Video. They're more likely to start a free trial. They're more likely to convert from free to paid."*[134]) Ama-

[132] See, "*Ted Sarandos on Netflix's Strategy for Original Movies, Adam Sandler's 'Ridiculous 6"*, Variety 1st September 2015, available at: http://variety.com/2015/digital/news/ted-sarandos-netflix-beasts-of-no-nation-adam-sandler-1201582390/

[133] idem

[134] See, "*Amazon's Jeff Bezos on Hollywood Strategy: "When People Join Prime, … They Buy More Shoes",* The Hollywood Reporter 15th July 2015, available at: http://www.hollywoodreporter.com/features/amazon-prime-day-ceo-jeff-808535

zon is expected to invest USD 1.7 billion in content acquisition in 2015, up from USD 1.5 billion in 2014 and declared in 2015 that it will **"***double down in that area, invest more to bring our customers worldwide, more originals, more great TV series that they have never been able to see before*[135]**"**

What if these new strategies by the 2 dominant players on the SVoD market are a preventive move in order to anticipate future difficulties to access content of certain media players on the market?

After the fall in stock prices and loss of pay TV subscribers of the summer 2015 for the main media groups, CEO's are starting to question their strategy of selling their most valuable content to Netflix (which remains the dominant players). James Murdoch, CEO of 21st Century Fox declared in September 2015: *"Certainly the business rules around how we sell to SVOD providers are changing, and our thinking is evolving*[136]*".* He is not the sole CEO with this thinking. TimeWarner CEO Jeff Bewkes told investors and analysts that they might also restrain or even forego selling their content to players like Netflix and Amazon: *"Given ongoing shifts in consumer behaviour, we think it's important to provide even more on-demand content as part of our network offerings. As a result, we're evaluating whether to retain our rights for a longer period of time and forgo or delay certain content licensing."*[137] This could mean that in the near future, SVoD services such as Netflix and Amazon could have more difficulties to acquire content from these integrated content producers, hence the increased acquisition/production of original content by these players.

But as *RBC Capital, Nomura* and *The Wall Street Journal* point it out, media companies are also increasingly relying on digital and streaming sales for their content sales (over USD 5 billion according to figures published by *The Wall Street Journal*). Therefore, finding an ideal trade-off between keeping premium content from streaming competitors, mainly SVoD services, and continuing to sell content in ordet to valorize existing content will be a challenge for these media companies. The investment bank *Nomura* expects SVoD sales of media companies to become more moderate as an effect of this new way of thinking, passing from an estimated 2.2% of revenues of media companies in 2015 to 2% in 2016. As these media companies are launching their direct-to-consumer SVoD services and/or have more buyers on the market for subscription streaming rights than before for their content (be it in the US with Hulu and Amazon, internationally with the variety of SVoD services launched by pay TV operators or media players), the choice not to licence content to a company which is becoming a competitor for viewers or subscription fees is strategic. However, with over **371 original scripted TV shows made in the USA in 2014 and an estimated 400 for 2015**, SVoD services will still have a lot of content to choose from media companies. The rush to secure attractive content could also benefit independent films as the recent example of the **Toronto film festivals shows; the increased competition for content has lead to more films being acquired by SVoD services** and independent distribu-

[135] See, "*Amazon Looking to 'Double Down' on Original Content Spend"*, HomeMedia Magazine, 18th June 2015, available at: http://www.homemediamagazine.com/streaming/amazon-looking-double-down-original-content-spend-36094

[136] See, "*Hollywood Adjusts Netflix Strategy as Cord-Cutting Fears Grow",* Bloomberg 22nd September 2015, available at: http://www.bloomberg.com/news/articles/2015-09-22/hollywood-adjusts-netflix-strategy-as-cord-cutting-fears-grow

[137] See, "*Time Warner cuts profit forecast and hints it may delay Netflix releases"*, The Guardian 5th November 2015, available at: http://www.theguardian.com/media/2015/nov/05/time-warner-netflix-hbo-cnn-turner

tors than before.

IHS published an interesting statistic, content spending by providers in 2013 and 2014, from which it becomes clear that Netflix is already outspending established players such as thee BBC, HBO, Discovery, Sky (excluding sports), ITV and ProSiebenSat.1 in original and acquired content. Bearing in mind that Netflix operates in more countries than these players operate in and therefore has to acquire global licences, produce original content and country-specific content, this fact alone is no surprise. What is remarkable is the growth of content spending by Netflix; in order to grow and expand internationally the company has to invest heavily in content with **streaming content obligations at the end of 2014 amounting to USD 9.5 billion** (up from USD 7.3 billion in 2013).

For now, Netflix's international expansion is still losing money, with a loss of USD 159 million in 2014 in the international streaming segment (or a loss of USD 9.59 per paid member) and already losses of USD 224.5 million in the 3rd quarter of 2015 (or a loss of USD 9.3 per paid member). However, Netflix really has not that much of a choice. The company has to enter new markets in order to keep growing, expand its users base, profit from the first mover advantage (the expansion in Italy, Spain, Portugal, Australia, New Zealand, Cuba in 2015 and the **announced expansion in several Asian countries in 2016**) and amortize its heavy content investments by enlarging its subscribe base. The announced aim by Netflix of operating in **200 countries by the end of 2016** is ambitious and will require sufficient and enticing content in order to gain subscribers in these new markets, hence the impressive amount of content investements and obligations made by Netflix the past couple of years. As Ted Sarandos stated it, Netflix **"***will eventually be the largest producer of original content in the world*[138]*"* and by seeing the ambitious expansion plans added to the high probability of increased content acquisition costs, this is a logic evolution of the market. Netflix has to downsize its reliance on third-party content by investing increasingly in orginial content.

Content is becoming the main differentiator for SVoD services and the competition to secure attractive content (TV shows and films) is increasing. The years 2014 and 2015 have seen many announcements of licencing deals taking place between the studios, content producers and SVoD services. As several SVoD services are expanding internationally the aim becomes increasingly securing global (or at least for the countries they are operating in) licences and preferably on an exclusive basis. Netflix CEO Reed Hastings recently declared (to a question about the Digital Single market) that: *"For the bulk of our content, we are going to try and do all pan-European or global deals. We can't wait for the Commission, they may or may not pass rules. … We are going to try and solve the problem [of cross-border demand] commercially.*[139]*"*

An increasing number of media companies are investing in original content to secure a competitive advantage, global rights for their productions and the get the "exclusivity factor" attractive to audiences. Media companies and tech players are increasing their investment in original and exclusive content; Hulu with a plate of 7 half-hour original series in 2015, CBS with the announced relaunch of StarTrek, Amazon with TV shows and independent films, YouTube Red which is also planning original content for its subscription-based services, Verizon which declared to

[138] See,"*Netflix Wants to Premiere New Shows or New Seasons Every Three Weeks"*, Advertising Age 8th December 2014, available at: http://adage.com/article/media/netflix-debut-shows-seasons-weeks/296133/

[139] See, "*Reed Hastings on Netflix's Plans for Pan-European Releases, Local Productions",* The Hollywood Reporter 5th May 2015, available at:: http://www.hollywoodreporter.com/news/reed-hastings-netflixs-plans-pan-793549

have 52 original series on its Go90 mobile on-demand service by year end, Vimeo with *High Maintenance* and others are showing the importance of having content on their subscription-based services which audiences cannot find elsewhere. This trend towards original content will continue in the near future, as it is increasingly convincing subscribers (only figures available for Netflix). However, not every player can succeed; Microsoft, Yahoo! and Samsung have all shut down their original content efforts, seeing that the content game is quite different from their core businesses.

This brings up the last point of this section, the strategic importance of multi-device viewing and a seamless user experience and interface expected by subscribers (for 50% according to the survey "*Reasons that US Netflix subscribers subscribe to Netflix)* and the challenge this represents to traditional players. Netflix and Amazon are technology companies (Netflix defines itself as: *"the world's leading Internet television network*"), not coming from the traditional media sector but rather having been able to enter this sector through technology and the use of the internet for distribution. They have adapted their technology to provide subscribers with content whereas traditional media companies have to (or at least had to) reinvent their technology enabling them to launch SVoD services and provide multi-screen availability. A clean user interface, recommendation algorithms in order to show subscribers at each visit relevant content for them might be as important as good content (as the experience of Danish SVoD service YouBio has showed).

As Ted Sarandos states it: "*The goal is to become HBO faster than HBO can become us*.[140]" and "*We need to get great at programming before they get great at technology*[141]". At the moment of the launch of HBO Now, HBO decided to go with the MLB Advanced Media arm to develop an OTT streaming platform instead of developing it in-house after several bugs and outages for its HBO Go service at peak time. MLBAM had at this time already invested over USD 500 million for its network of data centers, hardly replicable by most of the players whishing to enter the streaming market. HBO finally spend USD 50 million for MLBAM to develop the platform for HBO Now in 3 months; would HBO have developed the platform according to initial plans it would have costed USD 900 million and took 3 years. The challenge is as Bob Bowman, MLB Advanced Media Chief puts it: "*The distribution world we live in is changing daily. We deliver MLB on 400 different devices. I understand the idea that HBO should manage [its own tech], but it is a big, big investment. And it's constant."*

Providing a seamless user experiences, on different devices and screens is a challenge and very capital intensive. Tech players such as Netflix have a head start and already invested hundreds of millions dollars in R&D and technology development (USD 472.3 million in 2014, USD 378.7 million in 2013, USD 329 million in 2012 according to Netflix's annual reports) in order to provide a near-perfect user experience and multi-screen availability. Netflix and Amazon have made sure that their services work almost on every device (Smart TV, smartphone, tablets, media players, HDMI dongles, video game consoles, Blu-ray players, PCs and Laptops) and provide a good user experience. According to research from nScreenMedia, traditional pay TV operators in the US and Europe are spending billions to address multiscreen delivery failure. "*As delivery of TV services moves from a tightly controlled physical network to one that is based on customer owned CPE and virtualised environments, it becomes more challenging to manage their*

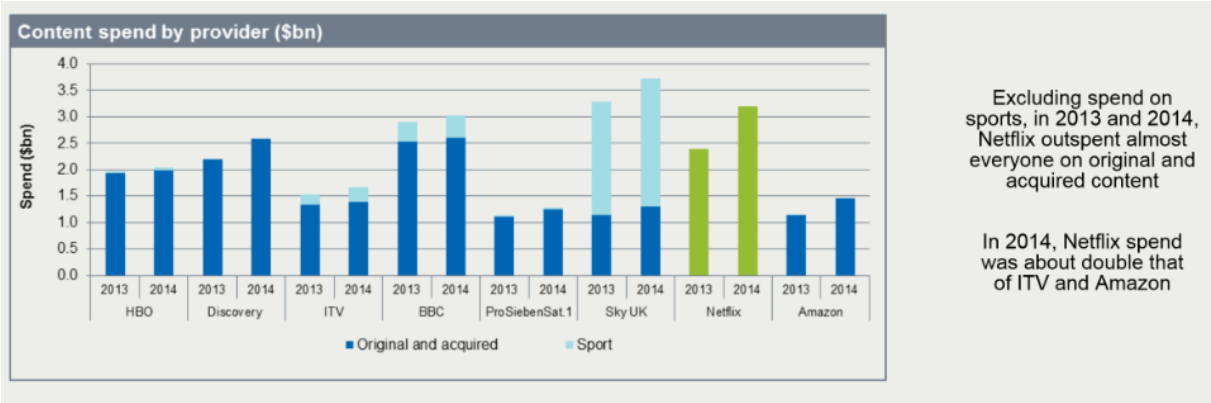
[140] See, "*And the Award for the Next HBO Goes to...*", GQ 29th Januray 2013, available at: http://www.gq.com/story/netflix-founder-reed-hastings-house-of-cards-arrested-development

[141] See, "*The Golden Age of Post-Television",* The Atlantic 1st July 2015, available at: http://www.theatlantic.com/technology/archive/2015/07/ted-sarandos-netflix-katie-couric/397406/

resilience and stability," said John Maguire, chief strategy officer for TV Technology at S3 Group. "*There is a need to modernise service delivery across the entire delivery chain.*[142]*"* Netflix with its 800 engineers working on improving user experience, interface and recommendations algorithms (figure from 2013) has a clear advantage over incumbents who have entered the technology side of the OTT streaming business at a later period. IHS estimates that Netflix will reach 500 million connected devices globally by 2019, profiting from its first mover advantage as it is shown by the red direct-access button present on multiple consumer electronics devices, presence which started already in 2011.

Catching-up in technology will remain a challenge to most players as it is a very capital-intensive task as the example of HBO has demonstrated but necessary to satisfy subscribers who expect nothing less than a fluid user experience, in order to watch their content any time, any where and on any device. As Disney CEO's expresses it: *"Today's consumer, when they're faced with a user experience that is subpar, where they just can't find anything, they can't navigate things, or they find them and they just don't work well — it used to be you don't keep the consumer happy and now, it's you don't keep the consumer, because they have other choices*[143]*".* The quality of the streaming experience becomes as important as the quality of the content streamed.

Figure 71 Content spending by provider 2013 and 2014, in USD billion

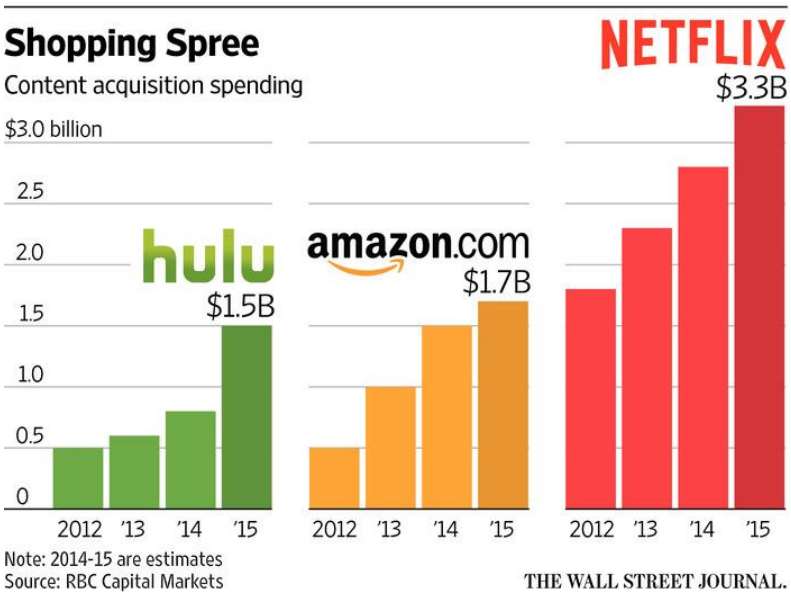


Source: IHS

[142] See, "*Pay-TV operators spend billions to address multiscreen delivery failures*", RapidTVNews 15th July 2015, available at: http://www.rapidtvnews.com/2015071539066/pay-tv-operators-spend-billions-to-address-multiscreen-delivery-failures.html#axzz3fxIvjM3A

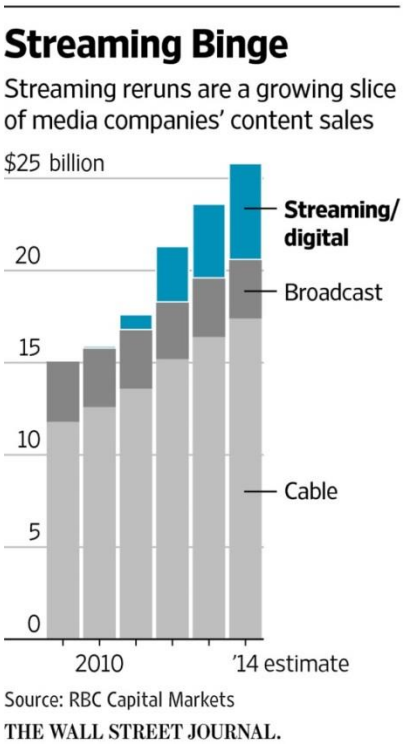
[143] See, "*Chief of Disney, TV powerhouse, makes a great case for why cable subscribers keep cutting the cord*", The Washington Post 5th November 2015, available at: https://www.washingtonpost.com/news/the-switch/wp/2015/11/05/chief-of-disney-tv-powerhouse-makes-a-great-case-for-why-cable-subscribers-keep-cutting-the-cord/

Figure 72 Content acquisition spending Netflix, Amazon and Hulu, 2012-2015, in USD billion



Source: The Wall Street Journal

Figure 73 Streaming and Digital content sales compared to traditional broadcast and cables sales for US media companies, 2009-2014



Source : [The Wall Street Journal]

Figure 74 **SVoD licence sales as a percentage of media companies revenues - USA, 2014-2016**

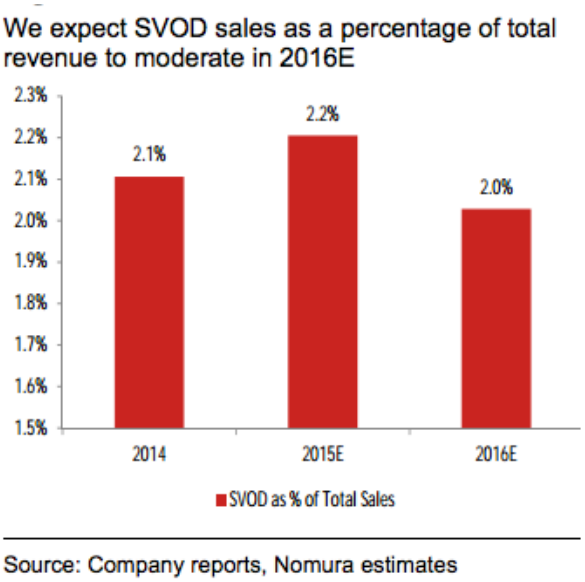


Figure 75 **US Original content viewing on Netflix Feb 2014/Aug 2015**

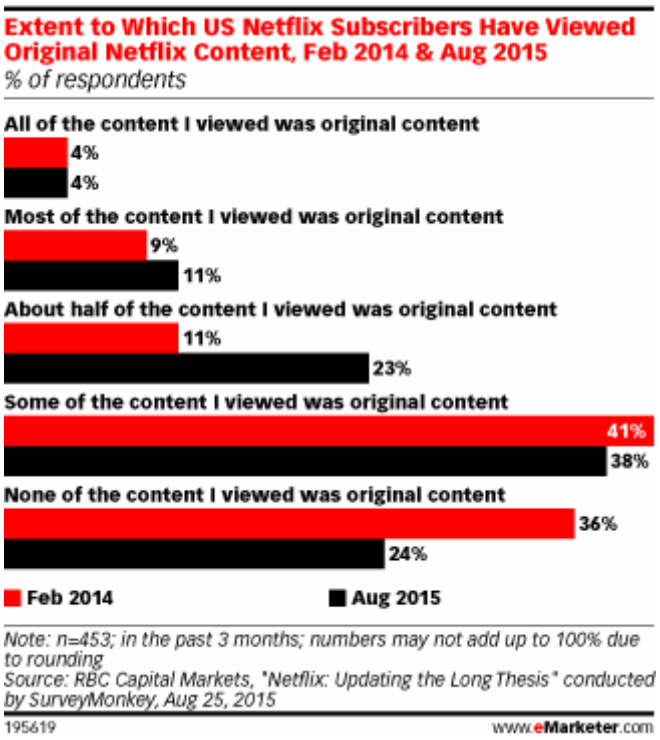
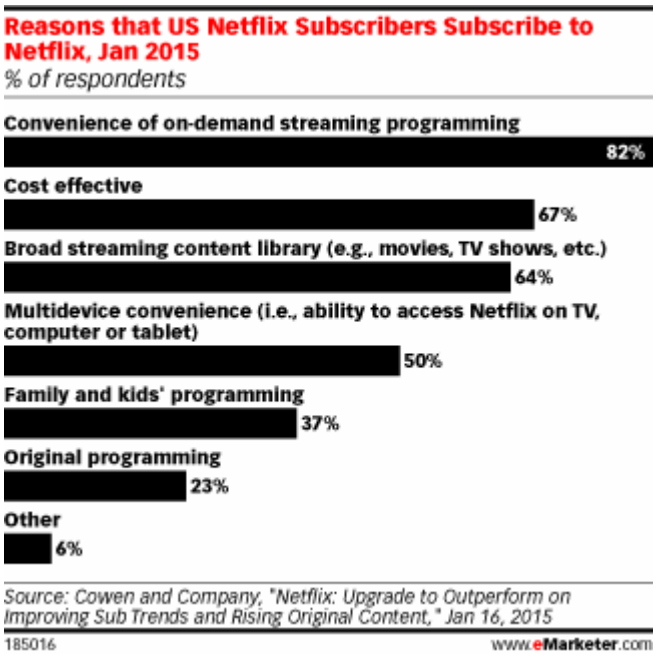


Figure 76 Reasons that US Netflix Subscribers Subscribe to Netflix, January 2015, in %



*Source : **eMarketer***

NOTE 4: ORIGIN OF FILMS IN VOD CATALOGUES IN THE EU

Authors: Laura Ene and Christian Grece

18 Foreword – Methodology

The European Audiovisual Observatory undertook in October 2015 a research project on films in selected Video-on-Demand catalogues available in the European Union. The first results of this research project are presented in this note.

The aim of the project was to gather entire film catalogues of VoD services in each EU country and to match individual film titles with their country of origin (production) and their year of production. This has been done by developing a software-based robot capable of retrieving individual film titles for each VoD services, thanks to the Strasbourg-based IT company Logidée.

18.1 Selection of VoD and SVoD services in Member States

In order to be able to do so, we selected 91 VoD services (transactional and subscription VoD) in each EU country, accessible over the Internet. Therefore, VoD services only accessible through set-top boxes of cable, satellite or Internet service providers are not included in this survey.

75 VoD and 16 SVoD services in the 28 Member States have been analysed. The different services analysed and their countries of availability are given in table 62.

Table 62 16 SVoD and 75 VoD services analysed in 28 EU countries

VoD service	Coverage
Blockbuster	DK
Bnet	HR
Cdon	SE
Chili	AT, DE, GB, IT, PL
Curzonhomecinema	GB
Dkino	SI
Flimmit	AT
Hol	GR
Ipla	PL
iTunes	AT, BE, BG, CY, CZ, DE, DK, EE, ES, FI, FR, GB, GR, HU, IE, IT, LT, LU, LV, MT, NL, PL, PT, SE, SK
Lattelecom	LV
Maxdome	DE
Maxtv	HR
Megogo	CZ, EE, LT, LV
O2tv	CZ
Oyo	HR
PathéThuis	NL
Playplus	SE
Seenow	RO
Sfanytime	DK, FI, SE
Skynet	BE
Strefavod	PL
Tangotv	LU
Timvision	IT
Toya	PL
Univers Cine	BE, FR
Videoland	DE
CanalPlay VoD	FR
Vodo	GR
Volta	IE
Voyo	BG, CZ
Wuaki	AT, DE, ES, FR, GB, IE, IT
Youseeplay	DK
Ziggo	NL

SVoD service	Coverage
Canalplay	FR
C More	DK, FI, SE
Filmin	ES
Kinoplex	PL
Netflix	AT, DE, DK, FI, FR, GB, NL, SE
Sky Snap	DE
Yomvi	ES

Source: OBS Research on VoD catalogues October 2015

For each country, we tried to have at least 2 VoD services but this was not possible for Malta, Portugal, Slovenia, Slovakia and Romania, for which we had only access to one service. We tracked 4 pan-European/pan-regional VoD and 2 pan-European/pan-regional SVoD services (presence in two or more EU countries). Netflix was the only service for which we had to use a proxy website, allflicks.net, for each country-specific Netflix catalogue as a direct access to the service through the robot was not possible.

The pan-European VoD and SVoD services which are included in this note, with country-specific catalogues are:

- Apple's iTunes (VoD) in Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Lithuania, Luxembourg, Latvia, Malta, the Netherlands, Poland, Portugal, Sweden, Slovak Republic, Spain and the United Kingdom

- ChiliTV (VoD) in Austria, Germany, Italy, Poland and the United Kingdom

- SF Anytime (VoD) in Demark, Finland and Sweden

- Wuaki.tv (VoD) in Austria, Denmark, France, Ireland, Italy, Spain and the United Kingdom
- Netflix (through proxy site Allflicks - SVoD) in Austria, Denmark, Finland, France, Germany, the Netherlands, Sweden and the United Kingdom
- CMore (SVoD) in Denmark, Finland and Sweden

The selection of VoD services in each country was based on perceived significance for the national market (as no market shares are available), accessibility over the Internet and possibility of retrieving film titles by using the developed software-based robot. Therefore, some services such as Google Play, Microsoft Store and Sony PlayStation Video for which our robot was not functional are not included.

Furthermore, for services for which a transactional VoD offer exists at the same time with a SVoD offer, we have considered these services to be VoD services (as more films are available on VoD services than SVoD services and we could not identify which film was comprised in which offer). The main services concerned by this classification are Maxdome in Germany, Flimmit in Austria and wuaki.tv in Spain.

18.2 Matching of retrieved film titles with film databases

Once film titles of VoD services have been retrieved, we were able to identify the country of production and the year of production by matching film titles with films in the Observatory's LUMIERE database on films, the Moviedatabase and imDB through a heuristic algorithm. For all services, we retrieved 135 782 film titles in different languages which were matched in these different databases. The final result (after matching film titles in different languages with their original film title) of film retrieved corresponds to 29 869 unique film titles that were available on the 91 VoD catalogues retrieved during the month of October 2015.

We considered the first country of production listed in LUMIERE as being the main country of production, without taking into account co-productions (which can be done in a second step).

18.3 Presentation of results

Results of individual services are presented in the section “Results for VoD and SVoD services by country”. The tables give the overview of total films retrieved from the catalogue, Breakdown by Region of Origin and by Age of Production (in absolute figures and shares of films retrieved).

Table 63 Results – Example of presentation

GB_iTunes_Catalogue --total films--
5 270

Breakdown by Region of Origin (films where variable was identified)								
5 056								96%
European				Non-European				
1 078			21%	3 978				79%
EU 28		National		US		Others		
984	19%	551	11%	3 115	62%	863	17%	

Breakdown by Age of Production (films where variable was identified)						
5 270						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	5 270	12%	25%	20%	15%	28%
European	1 078	15%	29%	22%	13%	21%
EU 28	984	14%	29%	22%	14%	22%
National	551	14%	23%	21%	14%	28%
Non-European	3 978	11%	23%	18%	17%	31%
US	3 115	9%	20%	17%	18%	35%

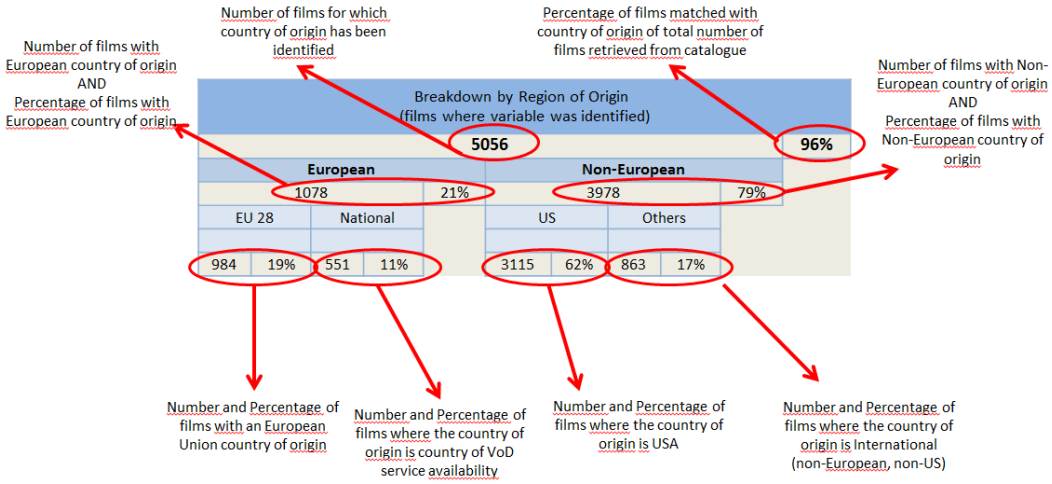
Source: OBS Research on VoD catalogues October 2015

In this example, the figure **“5 270”** below GB_iTune_Catalogue represents **the number of total films retrieved by the software** from the iTunes catalogue in the United Kingdom.

Table 64 Results – Presentation of Breakdown by Region of Origin

Breakdown by Region of Origin (films where variable was identified)									
5056									96%
European					Non-European				
1078				21%	3978				79%
EU 28		National			US		Others		
984	19%	551	11%		3115	62%	863	17%	

Source: OBS Research on VoD catalogues October 2015



In this example, the results of films matched with their country/region of origin are presented in more detail. The figure "**5 056**" below "**Breakdown by Region of Origin**" represents the number of films for which we were able to match the country of origin and "**96%**" represents the percentage of films matched to their country of origin of all films retrieved. Here, 5 056 films (of the 5 270 films retrieved in the UK iTunes catalogue) or 96% have been matched to their country of origin.

- "**European"** represents the number of films in the catalogue having the first (or main) country of origin as part of the 47 Member states of the Council of Europe.

These countries are Albania, Andorra, Armenia, Austria, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Republic of Moldova, Romania, Russian Federation, San Marino, Serbia, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, "The former Yugoslav Republic of Macedonia, Turkey, Ukraine and the United Kingdom.

In this example, **1 078** films had a European country of origin, representing **21% of films matched with their country of origin**.

- "EU 28" represents the number of films in the catalogue having the first (or main) country of origin as part of the 28 member states of the European Union. "EU 28" is a subcategory of "European", all films with an "EU 28" origin are also included in the "European" figure.

These countries are Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

In this example, **984** films have an **EU 28** origin, representing **19%** of films matched with their country of origin.

- "National" represents the number of films having the first (or main) country of origin corresponding to the service's country of availability, in this case the United Kingdom. For each service in each country, we have identified the number of national films in the catalogue. A film with a country of origin of in the United Kingdom will be considered "National" in the catalogues of VoD services available in the United Kingdom but "European" and "EU28" in the catalogues of VoD services elsewhere in the European Union. National is a subcategory of "EU 28" and "European", all films with a national as country of origin are also included in the figures "EU28" and "European".

In this example, **551** films have a **National** (United Kingdom) country of origin, representing **11%** of films matched with their country of origin.

"Non-European" represents the number of films not having the first (or main) country of origin as part of the list of 47 European member states of the Council of Europe.

In this example, **3978** films have a **Non-European** country of origin, representing **79%** of films matched with their country of origin.

- "US" represents the number of films having the first (or main) country of origin in the United States of America. "US" is a sub-category of "Non-European", all films with an "US" country of origin are also included in the "Non-European" figure.

In this example, **3115** films have as country of origin the USA, representing **62%** of

films matched with their country of origin.

"Others" represents the number of films having as the first (or main) country of origin a non-European and non-US country. It shows the share of international, non-US films in a VoD catalogue. "Others" is a sub-category of "Non-European", all films with an "Others" as country of origin are also included in the "Non-European" figure.

In this example, **863** films have an international country of origin (Non-European, Non-US), representing **17%** of films matched with their country of origin.

Table 65 Results – Presentation of Breakdown by Age of Production

Breakdown by Age of Production (films where variable was identified)							
5270							**100%**
	#	**Age brackets (years)**					
		[0-2[	[2-5[	[5-10[	[10-20[	>20	
All films	5270	12%	25%	20%	15%	28%	
European	1078	15%	29%	22%	13%	21%	
EU 28	984	14%	29%	22%	14%	22%	
National	551	14%	23%	21%	14%	28%	
Non-European	3978	11%	23%	18%	17%	31%	
US	3115	9%	20%	17%	18%	35%	

Source: OBS Research on VoD catalogues October 2015

In this example, **"5 270"** represents the number of films retrieved for which we were able to match the year of production. **"100%"** represents the share of films matched to their year of production from the total films retrieved, in this example **5270** film titles of **5270** films retrieved were matched to a year of production.

The **"Age Brackets"** give the age of the films retrieved with the year 2015 as a reference. For **"All films"**, 12% were produced in 2015 and 2014, 25% between 2013 and 2011, 20% between 2010 and 2006, 15% between 2005 and 1996, 28% had a year of production prior to 1996.

The categories **"European", "EU 28", "National", "Non-European"** and "**US"** give the breakdown of the age of films according to their country/region of origin.

18.4 Validity of results and Coverage of catalogues

We can only guarantee the validity of the results for the time period where the film titles were retrieved, End of September and October 2015. Furthermore, small matching errors might have occurred, for less than 5% of all films matched.

The findings are representative of VoD catalogues comprised in this note, **with a median of 78%** of films in VoD catalogues retrieved. The maximum coverage is at 99% for wuaki.tv in Spain and Ireland, the minimum for Megagogo different catalogues with 3%.

The catalogues of VoD services with films titles in Cyrillic and Greek (Megagogo and Vodo) were the only ones were the matching and coverage rate was very low, due to difficulties in retrieving and matching film titles by using the software. Also, Megagogo presented a large part of films not present in moviedatabases, often Russian fim titles. As the access to and retrieval of Netflix's different country catalogues was not possible, the website Allflicks has been used to retrieve each catalogue in a given a country.

The table gives the coverage ratio in percentage of each catalogue retrieved. The data and time of retrieval are also given as VoD catalogues might have changed between the period of retrieval and the publication of results (in the format YEARMONTHDAYHOURMINUTE, e.g. 201509281809 corresponds to the 28th of September 2015 at 18:09). Coverage ratio are indicative of the percentage of the total film catalogue analysed by the software (content identified as film/movies in the different VoD catalogues), small errors might have occurred.

Table 66 Coverage ratio of VoD catalogues (in %), Date and Time of retrieval, Total number of films in Catalogue and retrieved

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH)	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
AT	allflicks (Netflix Austria)	201509281809	1098	993	90%
AT	Flimmit	201509071211	2120	1427	67%
AT	Chili.TV Austria	201509232357	1658	1610	97%
AT	iTunes Austria	201509231843	7852	5598	71%
AT	wuaki.tv Austria	201510141838	1535	1490	97%
BE	iTunes Belgium	201509230909	7157	5125	72%
BE	Proximus TV Belgacom	201509101617	879	769	87%
BE	Universciné Belgique	201509111422	2097	1755	84%
BG	iTunes Bulgaria	201509221810	4394	2362	54%
BG	Voyo Bulgaria	201509101639	388	218	56%
CY	iTunes Cyprus	201509221810	4390	2427	55%
CZ	iTunes Czech Republic	201509231843	4844	2704	56%
CZ	Megagogo Czech Republic	201510011838	1103	74	7%
CZ	O2 Videotéka	201509111442	515	440	85%
CZ	Voyo Czech	201509111403	1502	1246	83%
DE	allflicks (Netflix Germany)	201509281809	1122	1020	91%
DE	Chili.TV Germany	201509231924	1612	1529	95%
DE	iTunes Germany	201509231144	7913	5649	71%
DE	Maxdome	201509111614	9840	7115	72%
DE	Sky Snap	201509111649	1167	1040	89%
DE	Videoland	201509111549	1575	1480	94%
DE	wuaki.tv Germany	201510061833	1837	1784	97%
DK	Blockbuster	201509091522	5474	4579	84%
DK	allflicks (Netflix Denmark)	201509281809	1607	1479	92%
DK	C More Denmark	201509211335	1448	1191	82%
DK	iTunes Denmark	201509221810	5317	3558	67%
DK	SF Anytime Denmark	201510090904	8203	6121	75%
DK	Yousee Play Film	201509111713	5615	4842	86%
EE	iTunes Estonia	201509231843	4733	2671	56%
EE	Megagogo Estonia	201509211545	892	27	3%[144]
ES	Filmin	201509281809	1139	1022	90%
ES	iTunes Spain	201509230909	4904	3110	63%
ES	wuaki.tv Spain	201510070906	4061	4009	99%
ES	Yomvi	201509281809	856	796	93%
FI	allflicks (Netflix Finland)	201509281809	675	575	85%
FI	C More Finland	201509281809	1314	1227	93%
FI	iTunes Finland	201509221810	5168	3463	67%
FI	SF Anytime Finland	201510072245	7484	5429	73%
FR	allflicks (Netflix France)	201509281809	1055	923	87%
FR	CanalPlay (SVoD)	201510151055	1516	841	55%
FR	iTunes France	201509221008	6717	5132	76%

[144] VoD services highlighted present a low coverage and matching rate due to difficulties in retrieving and matching films titles in Cyrillic and Greek.

FR	Universciné France	201509231843	2987	2473	83%
FR	CanalPlayVOD	201509281810	3412	2913	85%
FR	wuaki.tv France	201509241205	2331	2246	96%
GB	allflicks (Netflix UK)	201509281818	1860	1733	93%
GB	Chili.TV UK	201509232357	1239	1216	98%
GB	Curzon HomeCinema	201510151806	547	533	97%
GB	iTunes UK	201509231843	8132	5344	66%
GB	wuaki.tv UK	201510071825	3109	3029	97%
GR	Hol Video Club	201510021112	1475	718	49%
GR	iTunes Greece	201509221810	4500	2386	53%
GR	Vodo	201510161140	217	9	4%
HR	Bnet Videoteka	201509291540	576	506	88%
HR	MaxTV	201509291542	1020	741	73%
HR	Oyo	201509291157	270	240	89%
HU	iTunes Hungary	201509221942	4393	2560	58%
IE	iTunes Ireland	201509230909	7819	5212	67%
IE	Volta	201510011838	670	641	96%
IE	wuaki.tv Ireland	201510150936	1212	1195	99%
IT	Chili.TV Italy	201509231852	5165	4794	93%
IT	iTunes Italy	201509222015	5352	3570	67%
IT	Timvision	201510011838	2056	1970	96%
IT	wuaki.tv Italy	201510071539	1218	1188	98%
LT	iTunes Lithuania	201509241836	4341	2537	58%
LT	Megagogo Lithuania	201510021348	1099	33	3%
LU	iTunes Luxembourg	201509222050	6965	4862	70%
LU	Tango	201510151712	1153	1113	97%
LV	iTunes Latvia	201509222109	4173	2346	56%
LV	Lattelcom	201510151757	826	762	92%
LV	Megagogo Latvia	201510021348	1099	36	3%
MT	iTunes Malta	201509222252	5138	3026	59%
NL	allflicks (Netflix Nether-lands)	201509281809	1279	1167	91%
NL	iTunes Netherlands	201509222258	5133	3287	64%
NL	Pathé Thuis	201510011838	551	533	97%
NL	Ziggo On-demand	201510011838	2058	1784	87%
PL	Chili.TV Poland	201509232357	1230	962	78%
PL	IPLA TV	201510191854	1768	1323	75%
PL	iTunes Poland	201509231843	4575	2586	57%
PL	Kinoplex Gazeta VoD	201510210956	1571	1301	83%
PL	Strefa VoD	201510201111	810	574	71%
PL	Toya VoD	201510011838	712	470	66%
PT	iTunes Portugal	201509222334	4001	1988	50%
RO	SeeNow	201510011838	304	216	71%
SE	allflicks (Netflix Sweden)	201509281809	1577	1455	92%
SE	CDON Sweden	201510191854	3380	2564	76%
SE	C More Sweden	201509211434	1410	1357	96%
SE	iTunes Sweden	201509230011	5392	3581	66%
SE	Telia Playplus Filmbutiken	201510201019	410	320	78%
SE	SF Anytime Sweden	201509241714	8837	6517	74%
SI	Dkino	201510011824	49	47	96%
SK	iTunes Slovakia	201509230011	4235	2481	59%

Source: OBS Research on VoD catalogues October 2015

18.5 Results presented in this note

Section: The pan-European picture by business model – Origin of films in VoD and SVoD catalogues in the European Union

The first section presents the aggregated results of the research by business model VoD and SVoD and the results for unique films titles by business model VOD and SVoD for all services comprised in this note.

The aggregated results "Cumulated film titles" include every movie (and therefore counting several times a film if there are several presences in VoD catalogues) we were able to retrieve and gives the overview of catalogues by business model (VoD and SVoD) for country of origin and age of production. The aim of this table is to show in a synthetic way the composition of VoD and SVoD services catalogues across the European Union. As films are counted for each occurrence, these figures give the total composition of the catalogues of the VoD and SVoD services analysed.

The aggregated results "Unique films" do count a film only once. This figure shows the variety of films across the European Union and does not represent overall compositions of catalogues but rather shows the diversity of films available in catalogues across the selected services in the EU. This measurement of diversity is not perfect and should be interpreted with care. As films are only counted once, the share of European and EU films is higher than in the cumulated tables as national and European films tend to be lesser present in catalogues across the European Union than films with a country of origin which is international or the US. The figures of the unique film figures should be interpreted in relation with the results of the cumulative overview.

Section: Pan-European VoD services: a picture of catalogues by country

This section presents the results for pan-European/pan-Regional VoD and SVoD services.

The pan-European VoD services that are analysed are:

- Apple's iTunes (VoD) in Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Lithuania, Luxembourg, Latvia, Malta, the Netherlands, Poland, Portugal, Sweden, Slovak Republic, Spain and the United Kingdom
- ChiliTV (VoD) in Austria, Germany, Italy, Poland and the United Kingdom
- SF Anytime (VoD) in Demark, Finland and Sweden
- Wuaki.tv (VoD) in Austria, Denmark, France, Ireland, Italy, Spain and the United Kingdom

The pan-European/pan-Regional SVoD services that are analysed are:

- Netflix (through proxy site Allflicks - SVoD) in Austria, Denmark, Finland, France, Germany, the Netherlands, Sweden and the United Kingdom
- CMore (SVoD) in Denmark, Finland and Sweden

Chapter 21 gives the overview by service and by country of total catalogues and averages of catalogues based on country catalogues. Here films are counted multiple times depending on their occurrence in catalogues. The catalogue averages

for each service are averages based on results of country catalogues.

The main aim of this presentation is to show differences for a same service between its different countries of operation, be it in number of films in catalogues, share of EU and European films and share of national films.

Chapter 21.3 gives a synthetic overview of averages of catalogues.

Chapter 22 gives the overview of the pan-European composition of catalogues for pan-European VoD and SVoD services by only counting film titles once, regardless of their multiple presences in several catalogues. The aim of this figure is to show the diversity of catalogues on a pan-European level for these pan-European services. Here again, as each film is only counted once, films with an European and EU28 origin will be more represented than in the cumulated overview of chapter 21, showing that services tend to have most of the same international and US movies across their catalogues in the EU but have more specific national or EU28 films for each country they are operating in.

Chapter 22.3 gives a synthetic overview of the composition of catalogues on a unique film title basis.

Section: Top 10 film presence in catalogues of the 75 VoD services: films in more than 40 catalogues

In this section, the Top 10 rankings by occurrence in VoD catalogues across the European Union for all 75 VoD services analysed are given, representing 63 individual film titles present on 41 VoD services across the EU or more. Of this 63 individual films most found in the analysed VoD catalogues, 58 have as country of origin the US, or 92% of this Top 10 ranking list.

The ranking for SVoD was not made as the number of services was too low (16) of which Netflix's catalogue represented 50% (8 SVoD catalogues are operated by Netflix in the SVoD services we were able to retrieve).

Section: Results for selected VoD and SVoD services by country

In the chapters 24 to 51 we present the results for individual services analysed per country.

19 Origin of Films in selected VoD catalogues available in the EU

Methodology

This section presents a snapshot of all films available across the EU on selected VoD platforms. The image is presented from both a quantitative and a qualitative point of view by measuring differently the "Film titles" variable.

"Cumulated film titles" is a quantitative indicator calculated by counting a film each time it was present in a catalogue, thus counting multiple times a same film. This figure gives the overview of all VoD services catalogues analysed during the research in the European Union.

"Unique film titles" is an indicator calculated by counting every film title only once across all VoD platforms, therefore adding up all unique films available (single-counting) and thus having an indicator for the VoD portfolio/catalogue diversity across the EU for all VoD catalogues analysed during the research. This method of representing the film catalogues is only indicative and its aim is to give an overview of the variety of films across the EU in selected VoD catalogues. Therefore it should not be used as a representation of VoD catalogues.

Results for 75 VoD services analysed

Table 67 Results - Cumulated film titles of the 75 VoD services analysed – Region of Origin and Age of Production, in %

VOD Catalogue (total films)
164 049

Breakdown by Region of Origin (films where variable was identified)								
158 139								96%
European				Non-European				
45 703			29%	112 436			71%	
EU 28		National		US		Others		
42 725	27%	12 515	8%	93 436	59%	19 000	12%	

Breakdown by Age of Production (films where variable was identified)						
164 049						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	164 049	12%	24%	24%	19%	21%
European	45 703	12%	28%	26%	16%	18%
EU 28	42 725	12%	27%	26%	16%	18%
National	12 515	12%	25%	22%	17%	24%
Non-European	112 436	11%	22%	24%	21%	22%
US	93 436	10%	20%	24%	22%	24%

Source: OBS Research on VoD catalogues October 2015

Table 68 Results - Unique film titles of the 75 VoD services analysed - Region of Origin and Age of Production, in %

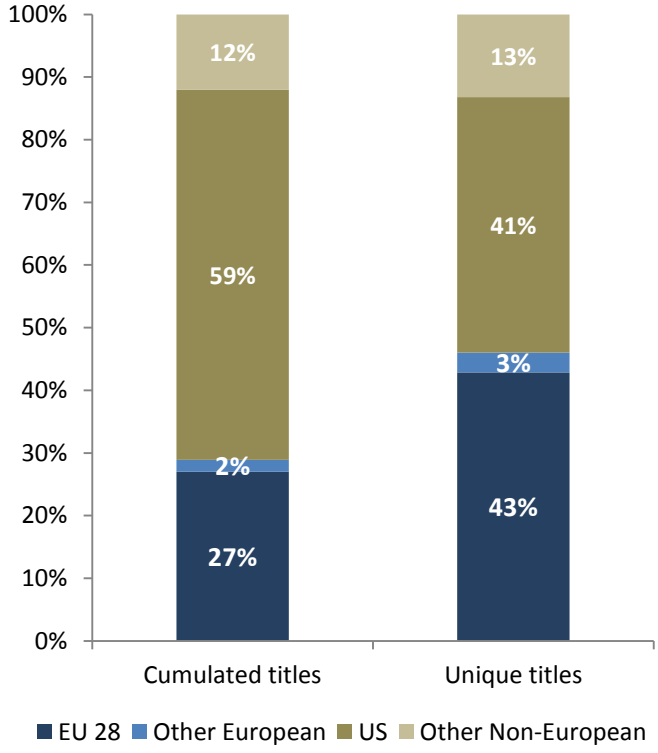
VOD Catalogue (unique films)
28 150

Breakdown by Region of Origin (films where variable was identified)								
26 483								94%
European				Non-European				
12 186			46%	14 297				54%
EU 28		National		US		Others		
11 349	43%	8 294	31%	10 802	41%	3 495	13%	

Breakdown by Age of Production (films where variable was identified)						
28 150						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	28 150	9%	21%	24%	20%	26%
European	12 186	9%	22%	24%	19%	27%
EU 28	11 349	9%	21%	24%	20%	26%
National	8 294	10%	23%	22%	19%	26%
Non-European	14 297	9%	21%	23%	22%	26%
US	10 802	8%	19%	22%	22%	29%

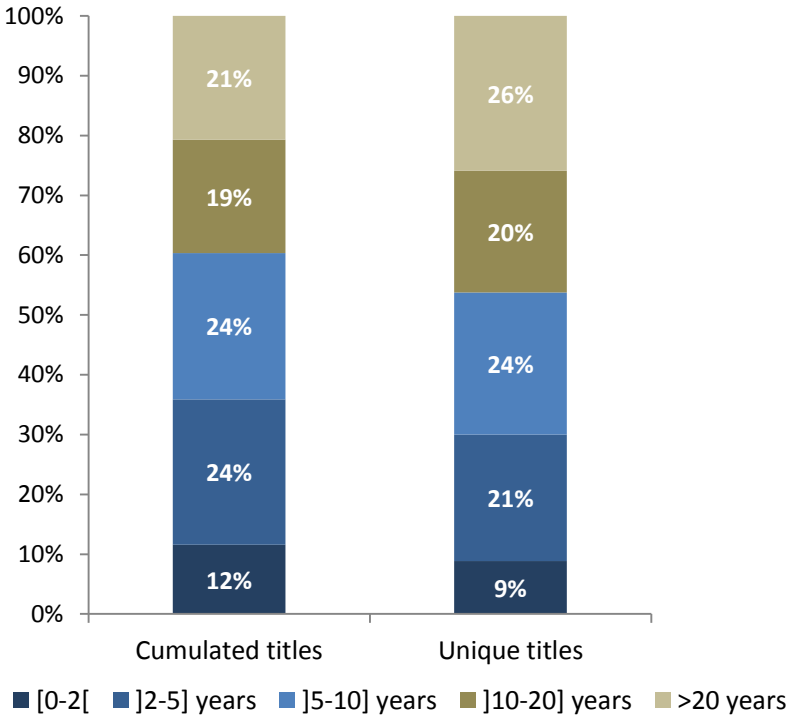
Source: OBS Research on VoD catalogues October 2015

Figure 77 Breakdown by Region of Origin – Cumulated and Unique - 75 VoD catalogues, in % of film titles



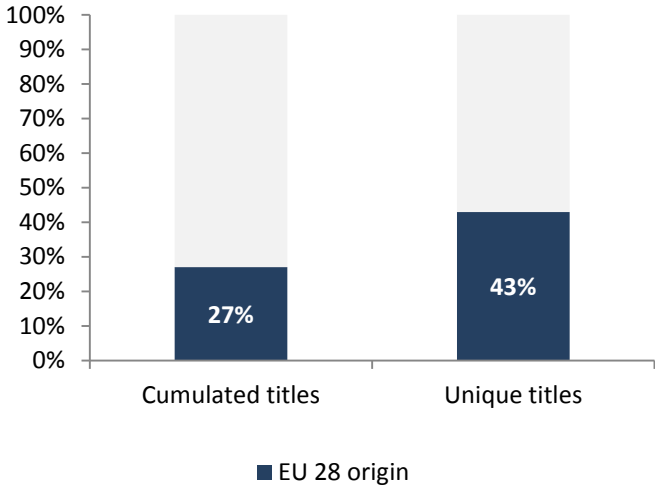
Source: OBS Research on VoD catalogues October 2015

Figure 78 **Breakdown by Age – Cumulated and Unique - 75 VoD catalogues, in % of film titles**



Source: OBS Research on VoD catalogues October 2015

Figure 79 **Share of EU films in the 75 VoD catalogues – Cumulated and Unique – in %**



Source: OBS Research on VoD catalogues October 2015

Main insights: EU works seem to circulate less than international films on VoD services. EU works, representing 43% of catalogues when film titles are single-counted, represent only 27% when film titles are counted by occurrences in catalogues, suggesting that international films are more often part of VoD catalogues and circulate better across the selected catalogues of VOD services in EU countries. EU films are not part of catalogues as often as international films, according to data comparison between cumulated and unique film titles. A smaller amount of

EU film circulate across the EU than international films, and this finding is also found when looking at chapter 5, the Top 10 rankings of films found on the 75 VoD catalogues in the EU.

Cumulated film titles: The share of films with the main country of origin in the EU 28 is around 27% (45 703 EU film titles out of an overall of 158 139 film titles which have been matched to their country of origin) when all film titles found in the selected 75 VoD catalogues are considered. The share of non-European content is 71% with films which have their main country of origin in the US having a share of 59%. These figures tend to show that international films are more represented in VoD catalogues than films with an EU origin. Also, national films in each country are representing only 8% of films in the catalogues.

Films in the selected VoD catalogues are evenly distributed when it comes to the age of production with the exception of films produced in 2014 and 2015. This is not a big surprise as theatrical release and release on VoD are separated by several months for VoD services, depending on the commercial practice in each country. 36% of films in VoD catalogues are under 5 years old and 40% of films found in VoD catalogues have been produced before 2005, showing the importance of back-catalogues of films even in transactional VoD catalogues.

Unique film titles: When observing unique film titles, it becomes clear that many of the same film titles are found in selected VoD catalogues across the EU, the number of unique film titles being 28 150 compared to cumulated film titles of 164 049 which we have been able to retrieve from the selected VoD catalogues (or only 17.15%). Also, the share of films with an EU origin is much higher than in the cumulated film figures, at 43%, whereas the films with a non-European origin are passing to 54% as opposed to 71% in the cumulative figure. This indicates two facts: international films tend to be present in several VoD catalogues across the EU (the same film is present in several countries) and films with an EU origin tend to be more country-specific (high share of national films at 31%, as we have preferred the option to count a film as national if it was available on a national catalogue) and are not circulating as much on VoD catalogues as international films.

For the age of production of films, it appears that when film titles are only counted once, the ages of films tend to increase. In this case, 46% of films present in the 75 VoD catalogues have been produced before 2006. This shows that older films are more presented in VoD catalogues than more recent films, showing once again the importance for the selected VoD services of back-catalogues of films.

20 Origin of Films in selected SVoD catalogues services available in the EU

Methodology

This section presents a snapshot of all films available across the EU on the 16 selected SVoD services. The image is presented from both a quantitative and a qualitative point of view by measuring differently the "Film titles" variable.

"Cumulated film titles" is a quantitative indicator calculated by counting a film each time it was present in a catalogue, thus counting multiple times a same film. This figure gives the overview of all the selected SVoD services catalogues analysed during the research in the European Union.

"Unique film titles" is an indicator calculated by counting every film title only once across all the selected SVoD platforms, therefore adding up all unique films available (single-counting) and thus having an indicator for the SVoD portfolio/catalogue diversity across the EU for all SVoD catalogues analysed during the research. This method of representing the film catalogues is only indicative and its aim is to give an overview of the variety of films across the EU in selected VoD catalogues. Therefore it should not be used as a representation of VoD catalogues.

Results for 16 SVoD services analysed

Table 69 Results - Cumulated film titles of the 16 SVoD services analysed - Region of Origin and Age of Production, in %

SVOD Catalogue (total films)
17 852

Breakdown by Region of Origin (films where variable was identified)								
17 604								99%
European					Non-European			
5 624				32%	11 980			68%
EU 28		National			US		Others	
5 324	30%	1 422	8%		10 566	60%	1 414	8%

Breakdown by Age of Production (films where variable was identified)						
17 852						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	17 852	6%	18%	29%	30%	17%
European	5 624	4%	21%	32%	25%	18%
EU 28	5 324	4%	21%	32%	25%	18%
National	1 422	6%	19%	27%	26%	23%
Non-European	11 980	6%	17%	28%	33%	17%
US	10 566	6%	16%	27%	33%	18%

Source: OBS Research on VoD catalogues October 2015

Table 70 Results - Unique film titles of the 16 SVoD services analysed - Region of Origin and Age of Production, in %

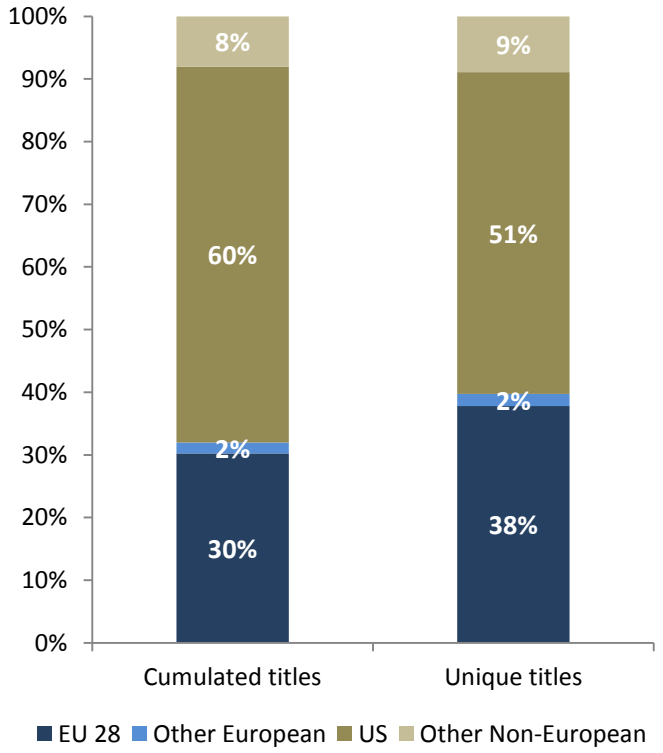
SVOD Catalogue (unique films)
8 469

Breakdown by Region of Origin (films where variable was identified)								
8 280								98%
European					Non-European			
3 291				40%	4 989			60%
EU 28		National			US		Others	
3 128	38%	1 401	17%		4 249	51%	740	9%

Breakdown by Age of Production (films where variable was identified)						
8 469						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	8 469	6%	19%	26%	25%	24%
European	3 291	5%	21%	28%	23%	23%
EU 28	3 128	5%	20%	28%	23%	24%
National	1 401	6%	19%	26%	26%	23%
Non-European	4 989	6%	18%	25%	27%	25%
US	4 249	6%	17%	24%	27%	27%

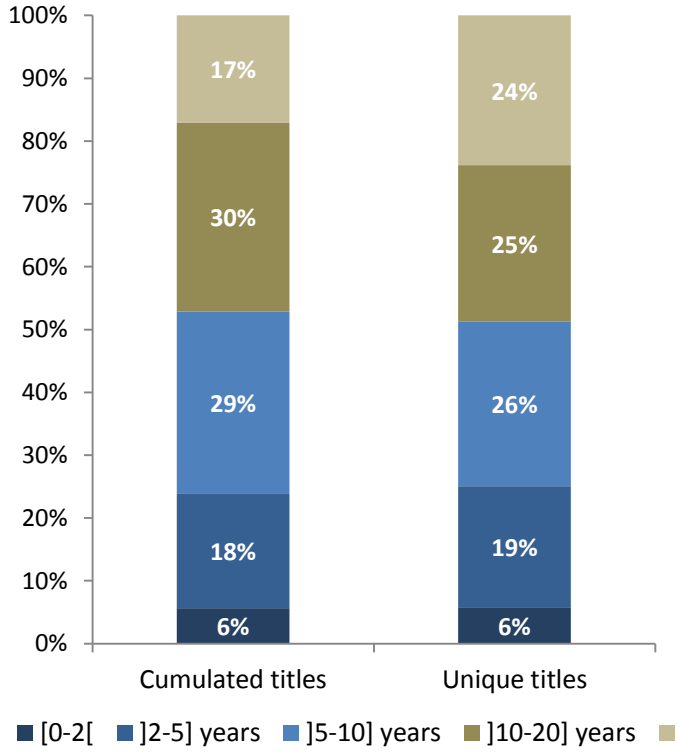
Source: OBS Research on VoD catalogues October 2015

Figure 80 **Breakdown by Region of Origin – Cumulated and Unique - 16 SVoD catalogues, in % of film titles**



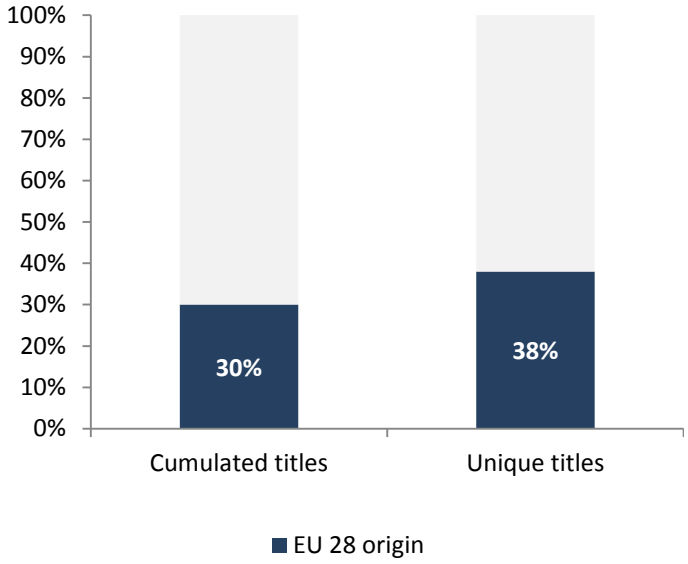
Source: OBS Research on VoD catalogues October 2015

Figure 81 **Breakdown by Age – Cumulated and Unique - 16 SVoD catalogues, in % of film titles**



Source: OBS Research on VoD catalogues October 2015

Figure 82 Share of EU films in the 16 SVoD catalogues – Cumulated and Unique – in %



Source: OBS Research on VoD catalogues October 2015

Main insights:

- Cumulated film titles

The share of films having as the main country of origin an EU country is around 30% (5324 film titles out of a total of 17 604 films which were matched with a country of origin). The lower amount of film titles than in the VoD service sample is a consequence of the lower number of SVoD services considered (16). Non-European films represented 68% of all film matched with their country of origin (11 980 out of 17 604) with US films representing 60% of all films retrieved and matched of the SVoD catalogues. The shares are almost equal to those found for VoD services, with the same share of national productions (8%) and only 1% to 3% percentage points in differences for the other regions of origin.

The main difference, without much surprise, resides in the age of films in SVoD catalogues which tend to be older. Around 47% of the films found in the catalogues were produced before 2006 and are therefore 10 year or older. Only 6% of the films in the SVoD catalogues were recently produced (2015 and 2014), for the VoD catalogue this share was 12%. This shows the importance of back catalogues of films for SVoD services and the differences of release windows for VoD (transactional or electronic-sell-through) and SVoD services in the EU. Also, films with an EU country of origin represented the smallest share of recent film (produced in 2014 and 2015) with only 4% compared to 6% for films with a national or international country of origin.

- Unique film titles

Here again, as before, international films tend to circulate more than national and EU films. The share of national films in SVoD catalogues rises to 17% when only unique film titles are considered and the share of films with an EU origin to 38% whereas films with an international country of origin are passing from 68% in the cumulated results to 60% when unique film titles are considered, meaning that more of the same films with an international country of production are found in

several EU countries than national or EU films. The same observations as for VoD services remain valid for SVoD services.

The impact on the age of films is not significant and the results are comparable to these of cumulated film titles.

Pan-European SVoD and VoD services: a picture of catalogues by country

In this section, the focus is on pan-European VoD and SVoD services (operating in more than 1 EU country) in order to show differences in catalogues at a country-level of the same service.

Chapter 21 presents the results of each catalogue per pan-European service and the averages calculated by using the different country catalogues. The aim is to show the "average" catalogue of a pan-European service, with all the shortcomings that averages present. The figures of the average catalogue should only be interpreted as a snapshot of the catalogue of a pan-European service, bearing in mind that each country catalogue is different. Differences among the different country catalogues when it comes to the origin of films can be observed, mainly in national films. Country differences when it comes to the age of films are also significant for some of the selected services.

Chapter 22 presents the catalogues of pan-European by single counting film titles. As before, the aim is to show the possible variety in film titles for each pan-European service. A film is only counted once even if it is present in several country catalogues of a service. The aim is to show circulation of films according to their origin in catalogues of a pan-European service.

21 Catalogues of pan-European services by country – Region of origin and Age of production

21.1 SVoD – catalogues of pan-European services by country and pan-European average

21.1.1 Netflix

Table 71 Netflix – Catalogue by country: Region of origin and Age of films – in figures and %

Pan-European service:**Netflix**
Type: **SVOD**
Coverage: **AT, DE, DK, FI, FR, GB, NL, SE**

		Pan-European AVG		AT		DE		DK		FI		FR		GB		NL		SE	
	All films	**1151**		**982**		**1007**		**1454**		**571**		**905**		**1710**		**1148**		**1428**	
Breakdown by Region of Origin*	European	254	22%	248	26%	267	27%	313	22%	100	18%	280	31%	294	17%	223	20%	305	21%
	EU 28	241	21%	236	24%	254	25%	290	20%	90	16%	267	30%	286	17%	222	19%	282	20%
	National	65	6%	0	0%	62	6%	49	3%	0	0%	153	17%	167	10%	54	5%	33	2%
	Non-European	887	78%	724	74%	730	73%	1130	78%	463	82%	614	69%	1402	83%	920	80%	1114	79%
	US	785	69%	643	66%	642	64%	1016	70%	411	73%	515	58%	1198	71%	855	75%	998	70%
	Others	102	9%	81	8%	88	9%	114	8%	52	9%	99	11%	204	12%	65	6%	116	8%
Breakdown by Age of Production	[0-2[	68	6%	33	3%	33	3%	75	5%	47	8%	34	4%	182	11%	61	5%	76	5%
	[2-5[	254	22%	265	27%	276	27%	264	18%	135	24%	104	11%	470	27%	268	23%	253	18%
	[5-10[	359	31%	321	33%	331	33%	521	36%	195	34%	282	31%	311	18%	402	35%	509	36%
	[10-20[	328	28%	253	26%	255	25%	485	33%	163	29%	353	39%	318	19%	315	27%	479	34%
	>20	142	12%	110	11%	112	11%	109	7%	31	5%	132	15%	429	25%	102	9%	111	8%

*the films for which we had country of origin data available

Source: OBS Research on VoD catalogues October 2015

The average Netflix catalogue in the 8 observed countries has 1151 film titles of which 21% are of EU origin and 6% of national origin. However, high differences between the different country catalogues appear. The French catalogue has the

highest share of national films (representing 17%) and EU films (30%) while the British catalogue has the lowest share of EU films (17%) and the highest for international films (83%). US films represent on average 69% of the films in Netflix's 8 country catalogues, the lowest share of US films is found in the French catalogue of Netflix with 58%. Language difference, different access to film licences and different country tastes from subscribers in each country could explain these differences.

Concerning the age of films, again high differences appear for recent films where the share is the highest in the UK catalogue and the lowest in the countries where Netflix launched last year its service, Austria (3%), Germany (3%) and France (4%). Also, the French catalogue has the highest share of films older than 10 years with 54% of film titles whereas the average EU Netflix catalogue has only 40% of films older than 10 years. Different release windows in the different countries and difficulties to access more recent film titles could explain these differences.

21.1.2 CMore

Table 72 CMore – Catalogue by country: Region of origin and Age of films – in figures and %

Pan-European service: **C More**
Type: **SVOD**
Coverage: **DK, FI, SE**

		Pan-European AVG		DK		FI		SE	
	All films	**1 238**		**1 171**		**1 208**		**1 334**	
Breakdown by Region of Origin*	**European**	446	36%	409	35%	418	35%	511	39%
	EU 28	406	33%	370	32%	385	32%	462	35%
	National	71	6%	29	2%	1	0%	182	14%
	Non-European	782	64%	754	65%	783	65%	810	61%
	US	706	57%	679	58%	708	59%	730	55%
	Others	77	6%	75	6%	75	6%	80	6%
Breakdown by Age of Production	[0-2[	76	6%	78	7%	74	6%	77	6%
	[2-5[	139	11%	141	12%	131	11%	144	11%
	[5-10[	309	25%	301	26%	301	25%	326	24%
	[10-20[	551	45%	525	45%	544	45%	585	44%
	>20	162	13%	126	11%	158	13%	202	15%

*the films for which we had country of origin data available

Source: OBS Research on VoD catalogues October 2015

The average CMore catalogue in the 3 Nordic countries has 1 238 film titles (and here the catalogues are similar except for national film titles). The main difference resides in the share of national film titles among the different catalogues. CMore is operated by TV4 Gruppen (Sweden) and Telenor (Norway) therefore more Swedish content is found in its catalogue (share of 14% of films for Swedish film titles). The share of EU films is around 33% on average and international films are mainly originating from the US (57%).

As for Netflix, older films are mainly found in the catalogues of CMore, with an average share of 58% for films which are 10 years or older. Recent films (produced in 2014 and 2015) represent 6% of the films retrieved, showing again that SVoD services count more on large back-catalogues of films than recent titles. Films produced between 2010 and 2015 represented only 17% of the catalogues, 83% having 5 or more years.

21.2 VoD - catalogues of pan-European services by country and pan-European average

21.2.1 Apple's iTunes

Table 73 iTunes – Catalogue by country: Region of origin and Age of films – in figures and %

Pan-European service: **iTunes**
Type: **VOD**
Coverage: **AT, BE, BG, CY, CZ, DE, DK, EE, ES, FI, FR, GB, GR, HU, IE, IT, LT, LU, LV, MT, NL, PL, PT, SE, SK**

		Pan-European AVG		AT		BE		BG		CY		CZ		DE		DK	
	All films	**3 381**		**5 463**		**4 601**		**2 334**		**2 369**		**2 637**		**5 525**		**3 430**	
Breakdown by Region of Origin*	**European**	732	23%	1 811	34%	1 389	31%	286	13%	290	13%	364	15%	1 921	36%	730	23%
	EU 28	672	21%	1 696	32%	1 309	29%	246	11%	246	11%	322	13%	1 779	33%	684	21%
	National	149	5%	108	2%	49	1%	1	0%	0	0%	45	2%	607	11%	201	6%
	Non-European	2 476	77%	3 483	66%	3 064	69%	1 865	87%	1 886	87%	2 080	85%	3 459	64%	2 503	77%
	US	1 985	62%	2 720	51%	2 434	55%	1 438	67%	1 461	67%	1 630	67%	2 924	54%	2 014	62%
	Others	492	15%	763	14%	630	14%	427	20%	425	20%	450	18%	535	10%	489	15%
Breakdown by Age of Production	[0-2[	383	11%	531	10%	547	12%	287	12%	310	13%	331	13%	472	9%	452	13%
	[2-5[	819	24%	1 331	24%	1 237	27%	526	23%	552	23%	619	23%	1 351	24%	840	24%
	[5-10[	690	20%	1 273	23%	867	19%	452	19%	469	20%	529	20%	1 365	25%	642	19%
	[10-20[	617	18%	1 013	19%	742	16%	466	20%	433	18%	520	20%	1 030	19%	633	18%
	>20	872	26%	1 315	24%	1 208	26%	603	26%	605	26%	638	24%	1 307	24%	863	25%

*the films for which we had country of origin data available

		EE		ES		FI		FR		GB		GR		HU		IE		IT	
	All films	**2 627**		**3 016**		**3 349**		**4 877**		**5 271**		**2 346**		**2 518**		**5 149**		**3 517**	
Breakdown by Region of Origin*	**European**	318	13%	569	20%	608	19%	1 858	39%	1 079	21%	273	13%	291	12%	1 104	22%	1 006	30%
	EU 28	257	11%	542	19%	571	18%	1 759	37%	985	19%	233	11%	264	11%	1 003	20%	979	29%
	National	1	0%	112	4%	79	3%	1 078	22%	552	11%	1	0%	5	0%	40	1%	482	14%
	Non-European	2 117	87%	2 321	80%	2 539	81%	2 948	61%	3 978	79%	1 896	87%	2 046	88%	3 835	78%	2 361	70%
	US	1 671	69%	2 097	73%	2 051	65%	2 546	53%	3 115	62%	1 485	68%	1 607	69%	2 962	60%	1 979	59%
	Others	446	18%	224	8%	488	16%	402	8%	863	17%	411	19%	439	19%	873	18%	382	11%
Breakdown by Age of Production	[0-2[	310	12%	267	9%	439	13%	425	9%	629	12%	289	12%	263	10%	625	12%	351	10%
	[2-5[	562	21%	734	24%	831	28%	1 133	23%	1 335	25%	493	21%	531	21%	1 319	26%	883	25%
	[5-10[	508	19%	672	22%	613	20%	1 089	22%	1 028	20%	453	19%	495	20%	1 001	19%	780	22%
	[10-20[	513	20%	613	20%	610	20%	910	19%	815	15%	443	19%	525	21%	835	16%	607	17%
	>20	734	28%	730	24%	856	28%	1 320	27%	1 464	28%	668	28%	704	28%	1 369	27%	896	25%

		LT		LU		LV		MT		NL		PL		PT		SE		SK	
	All films	**2 499**		**4 175**		**2 315**		**2 985**		**3 191**		**2 514**		**1 945**		**3 441**		**2 432**	
Breakdown by Region of Origin*	**European**	298	13%	992	25%	293	14%	412	15%	828	27%	315	14%	217	12%	703	22%	335	15%
	EU 28	248	11%	916	23%	244	11%	353	13%	766	25%	274	12%	203	11%	628	19%	301	13%
	National	0	0%	7	0%	1	0%	0	0%	166	5%	4	0%	0	0%	173	5%	4	0%
	Non-European	2 025	87%	3 045	75%	1 842	86%	2 366	85%	2 204	73%	2 005	86%	1 562	88%	2 529	78%	1 946	85%
	US	1 587	68%	2 441	60%	1 408	66%	1 817	65%	1 955	64%	1 557	67%	1 179	66%	2 036	63%	1 499	66%
	Others	438	19%	604	15%	434	20%	549	20%	249	8%	448	19%	383	22%	493	15%	447	20%
Breakdown by Age of Production	[0-2[	258	10%	468	11%	263	11%	345	12%	390	12%	311	12%	250	13%	465	14%	286	12%
	[2-5[	512	20%	1 103	26%	512	22%	637	21%	920	29%	591	24%	472	24%	892	26%	549	23%
	[5-10[	507	20%	800	19%	487	21%	558	19%	666	21%	484	19%	408	21%	635	18%	478	20%
	[10-20[	500	20%	699	17%	466	20%	543	18%	536	17%	505	20%	365	19%	617	18%	496	20%
	>20	722	29%	1 105	26%	587	25%	902	30%	679	21%	623	25%	450	23%	832	24%	623	26%

Source: OBS Research on VoD catalogues October 2015

The average iTunes catalogue has a share of 21% of EU film titles and 5% of national films. These are also the criterions for which the main differences appear in the different country catalogues, with some of iTunes national country catalogues having close to 0% of national films and on the other hand the French catalogue with 22% of national films, the Italian with 14% and the British catalogue with 11%. The share of non-European film titles is around 77% on average, here again with some differences between the country catalogues with several countries having a share close to 85%-88% of non-European film titles (PT, PL, MT, LV, LT, HU, GR,

EE, CZ, CY, BG) and others under 70% (AT, BE, DE, FR). US films represent on average 62% of the films in the different iTunes catalogues.

iTunes being a transactional and electronic-sell-through VoD service, films tend to be more recent with on average 35% of films having less than 5 years, showing the different release windows applied to these services than for SVoD services. Films being 10 years or older still represent 44% of films in the catalogue on average. No significant differences among the country catalogues appear in regard to age of films according to our results.

21.2.2 ChiliTV

Table 74 ChiliTV – Catalogue by country: Region of origin and Age of films – in figures and %

Pan-European service: **Chili TV**
Type: **VOD**
Coverage: **AT, DE, GB, IT, PL**

		Pan-European AVG		AT		DE		GB		IT		PL	
	All films	**2 004**		**1 594**		**1 516**		**1 209**		**4 749**		**952**	
Breakdown by Region of Origin*	European	523	26%	288	18%	240	16%	82	7%	1 866	40%	139	15%
	EU 28	515	26%	285	18%	238	16%	80	7%	1 835	39%	139	15%
	National	221	11%	72	5%	71	5%	59	5%	879	19%	25	3%
	Non-European	1 469	74%	1 286	82%	1 272	84%	1 126	93%	2 850	60%	811	85%
	US	1 381	69%	1 258	80%	1 245	82%	1 102	91%	2 511	53%	791	83%
	Others	88	4%	28	2%	27	2%	24	2%	339	7%	20	2%
Breakdown by Age of Production	[0-2[	226	11%	200	13%	193	13%	136	11%	430	9%	173	18%
	[2-5[	371	19%	267	17%	245	16%	193	16%	984	21%	166	17%
	[5-10[	499	25%	396	25%	378	25%	332	27%	1 164	25%	226	24%
	[10-20[	468	23%	370	23%	355	23%	310	26%	1 122	24%	184	19%
	>20	439	22%	361	23%	345	23%	238	20%	1 049	22%	203	21%

*the films for which we had country of origin data available

Source: OBS Research on VoD catalogues October 2015

ChiliTV being an Italian service, it is with no surprise that the highest share of national films can be found in the Italian catalogue with 19%, well above the average of 11% for national films in the different ChiliTV catalogues. On average, 26% of films in the catalogues are from EU countries and non-European films represent 74%, with US films taking a share of 69% on average. The country catalogue really distinctive from the other ones is the Italian catalogue of ChiliTV where more national and EU content is found than in the other catalogues. ChiliTV having been operating in Italy before entering other markets was more able to secure EU film titles for its Italian market and relied less heavily on international and US film than in its other markets (91% of films in the British catalogue are of US origin). 30% of films have less than 5 years and no major country differences appear. Here again, the share of films having 10 years or more is quite important, representing on average 45% with the notable exception of the Polish catalogue where this share is only 30%. ChiliTV has entered the Polish market at the beginning of 2015 (at the same time it has entered the Austrian market but having been operating in Germany before, the service might have secured some of the same film titles for the Austrian market), and this is seen in the fact that the Polish catalogue has the smallest amount of films in the catalogue and the more recent share of films, with

35% having less than 5 years.

21.2.3 SF Anytime

Table 75 SF Anytime – Catalogue by country: Region of origin and Age of films – in figures and %

Pan-European service: **SF Anytime**
Type: **VOD**
Coverage: **DK, FI, SE**

		Pan-European AVG		DK		FI		SE	
	All films	4 128		**4 150**		**3 722**		**4 513**	
Breakdown by Region of Origin*	European	1 220	30%	1 160	29%	1 024	28%	1 475	33%
	EU 28	1 158	29%	1 103	27%	968	27%	1 404	32%
	National	158	4%	70	2%	65	2%	340	8%
	Non-European	2 814	70%	2 891	71%	2 585	72%	2 967	67%
	US	2 405	60%	2 471	61%	2 226	62%	2 519	57%
	Others	409	10%	420	10%	359	10%	448	10%
Breakdown by Age of Production	[0-2[	515	12%	536	13%	481	13%	528	12%
	[2-5[	1 264	31%	1 271	31%	1 164	31%	1 356	30%
	[5-10[	1 417	34%	1 420	34%	1 288	35%	1 543	34%
	[10-20[	621	15%	623	15%	533	14%	706	16%
	>20	312	8%	300	7%	256	7%	380	8%

*the films for which we had country of origin data available

Source: OBS Research on VoD catalogues October 2015

SF Anytime has on average 29% of EU films in its 3 Nordics catalogues. The share for non-European films is around 70% and films produced in the US represented 60% on average of films in the catalogues. The only main difference between the catalogues concerns the share of national films, which represented 8% in the Swedish catalogue and only 2% in the Danish and Finnish catalogues. As for CMore, SF Anytime is owned by Bonnier a Swedish media group which could explain the higher share of national films in the Swedish catalogue.

Films are recent, with 43% of films having less than 5 years on average. The share of films older than 10 years is only around 23% on average, showing that SF Anytime is mostly selling and renting more recent films than the other pan-European services observed before.

21.2.4 Wuaki.tv

Table 76 Wuaki – Catalogue by country: Region of origin and Age of films – in figures and %

Pan-European service: **Wuaki**
Type: **VOD**
Coverage: **AT, DE, ES, FR, GB, IE, IT**

		Pan-European AVG		AT		DE		ES		FR		GB		IE		IT	
	All films	**2110**		**1468**		**1762**		**3973**		**2216**		**2989**		**1183**		**1181**	
Breakdown by Region of Origin*	European	571	27%	**469**	32%	**511**	29%	**1095**	28%	**864**	39%	**581**	20%	**227**	19%	**248**	21%
	EU 28	552	26%	458	31%	499	29%	1057	27%	837	38%	563	19%	214	18%	239	20%
	National	221	11%	4	0%	203	12%	359	9%	508	23%	388	13%	4	0%	79	7%
	Non-European	1518	73%	**987**	68%	**1238**	71%	**2840**	72%	**1340**	61%	**2352**	80%	**944**	81%	**925**	79%
	US	1387	66%	892	61%	1133	65%	2577	65%	1180	54%	2182	74%	876	75%	867	74%
	Others	131	6%	95	7%	105	6%	263	7%	160	7%	170	6%	68	6%	58	5%
Breakdown by Age of Production	[0-2[	377	18%	335	23%	390	22%	388	10%	392	18%	656	22%	230	19%	251	21%
	[2-5[	483	23%	390	27%	447	25%	761	19%	498	22%	748	25%	268	23%	268	23%
	[5-10[	472	22%	339	23%	385	22%	994	25%	540	24%	569	19%	227	19%	253	21%
	[10-20[	430	20%	236	16%	307	17%	1048	26%	414	19%	556	19%	233	20%	213	18%
	>20	348	16%	168	11%	233	13%	782	20%	372	17%	459	15%	225	19%	196	17%

*the films for which we had country of origin data available

Source: OBS Research on VoD catalogues October 2015

On average, the share of EU film represented 26% of films in the catalogues of wuaki.tv across the 6 EU countries. The French catalogue boosts the higher share of EU films (38%) and national films (23%). Films in the wuaki.tv catalogues are recent with 41% of films having less than 5 years. The Spanish catalogue has the smallest share of recent films (only 10% of films produced the past 2 years) but this could also be explained by the fact that the Spanish catalogue has the most movies overall with 3 973 film titles matched to their country of origin. Wuaki.tv being a Spanish service which expanded to other EU countries only later on, the service might have secured more films for its Spanish service.

21.3 Overview of averages for catalogues of pan-European VoD and SVoD services

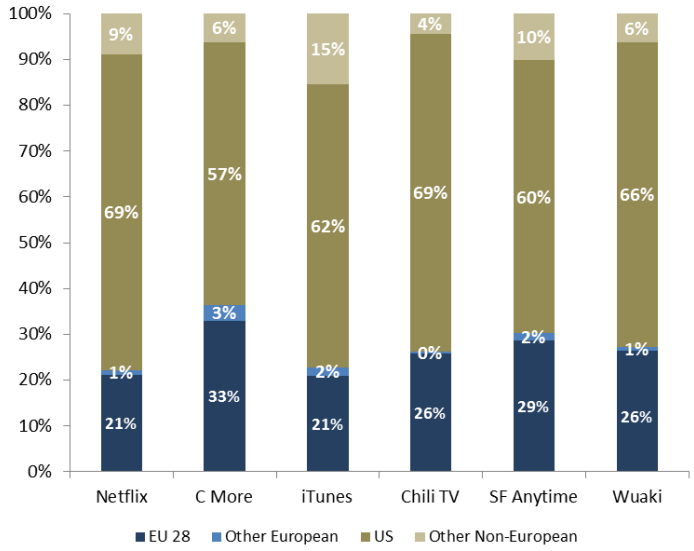
Table 77 Overview of Pan-European VoD and SVoD services – Catalogue Averages: Region of origin and Age of films – in figures and %

		Netflix		cMore		iTunes		Chili TV		SF Anytime		Wuaki	
	All films	**1151**		**1 238**		**3 381**		**2 004**		**4 128**		**2110**	
Breakdown by Region of Origin*	European	254	22%	446	36%	732	23%	523	26%	1 220	30%	571	27%
	EU 28	241	21%	406	33%	672	21%	515	26%	1 158	29%	552	26%
	National	65	6%	71	6%	149	5%	221	11%	158	4%	221	11%
	Non-European	887	78%	782	64%	2 476	77%	1 469	74%	2 814	70%	1518	73%
	US	785	69%	706	57%	1 985	62%	1 381	69%	2 405	60%	1387	66%
	Others	102	9%	77	6%	492	15%	88	4%	409	10%	131	6%
Breakdown by Age of Production	[0-2[	68	6%	76	6%	383	11%	226	11%	515	12%	377	18%
	[2-5[	254	22%	139	11%	819	24%	371	19%	1 264	31%	483	23%
	[5-10[	359	31%	309	25%	690	20%	499	25%	1 417	34%	472	22%
	[10-20[	328	28%	551	45%	617	18%	468	23%	621	15%	430	20%
	>20	142	12%	162	13%	872	26%	439	22%	312	8%	348	16%

*the films for which we had country of origin data available

Source: OBS Research on VoD catalogues October 2015

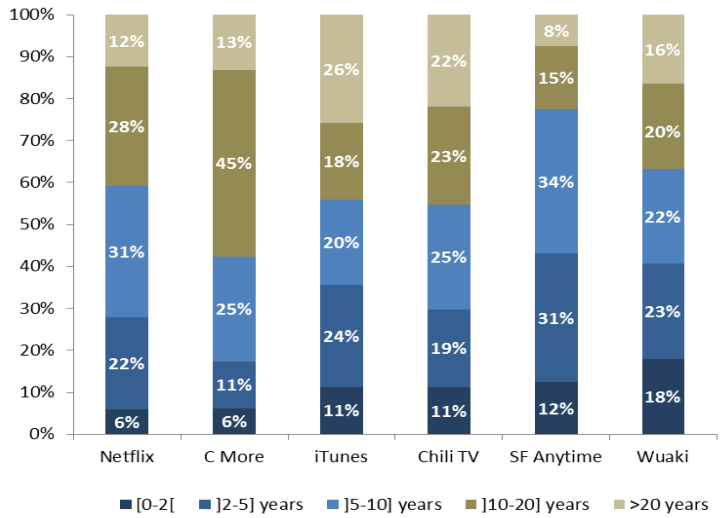
Figure 83 Overview of Pan-European VoD and SVoD services – Catalogue Averages: Region of origin – in %



Source: OBS Research on VoD catalogues October 2015

The overview shows that, on average, Netflix and iTunes have the smallest share of EU films in their catalogues with 21%. The highest share for EU films is obtained by the Nordic services CMore and SF Anytime, with respectively 33% and 29%. On the other hand, US films take the highest share with 69% on average in the catalogues of Netflix and ChiliTV. The share of US films in the observed catalogues represent between 57% and 69% on average. ChiliTV and WuakiTV are the services which have on average the highest share for national films, with 11%. The other pan-European services have a share of national films which represent between 4% and 6% of the catalogues on average but as seen above with significant differences among the country catalogues.

Figure 84 Overview of Pan-European VoD and SVoD services – Catalogue Averages: Age of films – in %



Source: OBS Research on VoD catalogues October 2015

VoD services have the more recent films in their catalogues compared to SVoD services, with share of films younger than 5 years comprised between 30% and 43%. C More has the oldest film on average in its catalogues with 58% of films having more than 10 years; SF Anytime has the lowest share of films older than 10 years in its catalogues with 23%. SF Anytime and wuaki.tv are the services with the highest share of films younger than 5 years, with respectively 43% and 41%.

22 Pan-European catalogues of pan-European VoD and SVoD services by unique film titles

The aim of this chapter is to present the variety of a catalogue of a pan-European service. Film titles are only counted once even if they are present in more than one catalogue. It gives the "overall" catalogue structure of a pan-European service if it could offer all its films in all countries where the service is operating in. However, these figures should be interpreted with care as they are not representative of a market reality, as it was the case for unique film catalogues figures before.

22.1 SVoD services – pan-European catalogue in unique film titles

Table 78 Pan-European catalogue of pan-European SVoD services, unique film titles, in figures and %

Netflix Catalogue (unique films)

4 377

Breakdown by Region of Origin (films where variable was identified)

4 339								99%
European				Non-European				
1 199			28%	3 140			72%	
EU 28		National		US		Others		
1 146	26%	518	12%	2 707	62%	433	10%	

Breakdown by Age of Production (films where variable was identified)

4 377						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 377	6%	23%	29%	26%	16%
European	1 199	4%	28%	36%	24%	8%
EU 28	1 146	4%	28%	35%	24%	9%
National	518	6%	24%	33%	26%	11%
Non-European	3 140	6%	21%	27%	27%	19%
US	2 707	6%	20%	26%	27%	20%

C More Catalogue (unique films)

1 389

Breakdown by Region of Origin (films where variable was identified)

1 376								99%
European				Non-European				
535			39%	841			61%	
EU 28		National		US		Others		
482	35%	212	15%	758	55%	83	6%	

Breakdown by Age of Production (films where variable was identified)

1 389						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 389	6%	11%	24%	44%	15%
European	535	5%	13%	23%	37%	22%
EU 28	482	5%	13%	25%	37%	20%
National	212	3%	15%	18%	33%	30%
Non-European	841	7%	10%	25%	48%	10%
US	758	7%	10%	24%	48%	11%

Source: OBS Research on VoD catalogues October 2015

22.2 VoD services – pan-European catalogue in unique film titles

Table 79 Pan-European catalogue of pan-European VoD services, unique film titles, in figures and %

iTunes Catalogue (unique films)

15 999

Breakdown by Region of Origin (films where variable was identified)								
15 456								97%
European				Non-European				
5 938			38%	9 518				62%
EU 28		National		US		Others		
5 619	36%	3 715	24%	7 667	50%	1851	12%	

Breakdown by Age of Production (films where variable was identified)						
15 999						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	15 999	11%	25%	22%	17%	25%
European	5 938	12%	28%	23%	14%	22%
EU 28	5 619	12%	28%	23%	14%	23%
National	3 715	13%	27%	22%	14%	24%
Non-European	9 518	9%	23%	21%	19%	28%
US	7 667	8%	20%	20%	21%	31%

Chili TV Catalogue (unique films)

5 565

Breakdown by Region of Origin (films where variable was identified)								
5 512								99%
European				Non-European				
2 080			38%	3 432				62%
EU 28		National		US		Others		
2 046	37%	1 106	20%	3 071	56%	361	7%	

Breakdown by Age of Production (films where variable was identified)						
5 565						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	5 565	10%	20%	24%	23%	23%
European	2 080	9%	22%	22%	19%	28%
EU 28	2 046	9%	22%	22%	19%	28%
National	1 106	9%	22%	18%	13%	38%
Non-European	3 432	10%	18%	25%	26%	20%
US	3 071	10%	18%	25%	26%	21%

Sfanytime_Catalogue (unique films)

5 021

Breakdown by Region of Origin (films where variable was identified)								
4 857								97%
European				Non-European				
1 716			35%	3 141				65%
EU 28		National		US		Others		
1 627	33%	474	10%	2 642	54%	499	10%	

Breakdown by Age of Production (films where variable was identified)						
5 021						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	5 021	12%	30%	34%	16%	9%
European	1 716	11%	31%	31%	16%	11%
EU 28	1 627	11%	30%	31%	16%	12%
National	474	11%	25%	20%	22%	22%
Non-European	3 141	13%	30%	34%	16%	7%
US	2 642	13%	30%	34%	16%	7%

Wuaki_Catalogue (unique films)

6 825

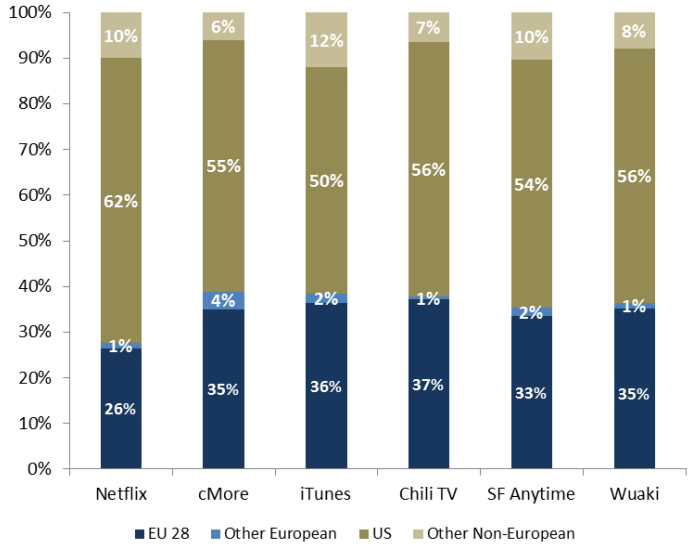
Breakdown by Region of Origin (films where variable was identified)								
6 717								98%
European				Non-European				
2 444			36%	4 273				64%
EU 28		National		US		Others		
2 369	35%	1 545	23%	3 740	56%	533	8%	

Breakdown by Age of Production (films where variable was identified)						
6 825						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	6 825	15%	23%	23%	21%	18%
European	2 444	18%	26%	24%	16%	15%
EU 28	2 369	18%	26%	24%	17%	16%
National	1 545	22%	26%	21%	16%	15%
Non-European	4 273	14%	21%	23%	24%	19%
US	3 740	13%	20%	22%	24%	21%

Source: OBS Research on VoD catalogues October 2015

22.3 Overview of catalogues by unique film titles for pan-European VoD and SVoD services: region of origin and age of films

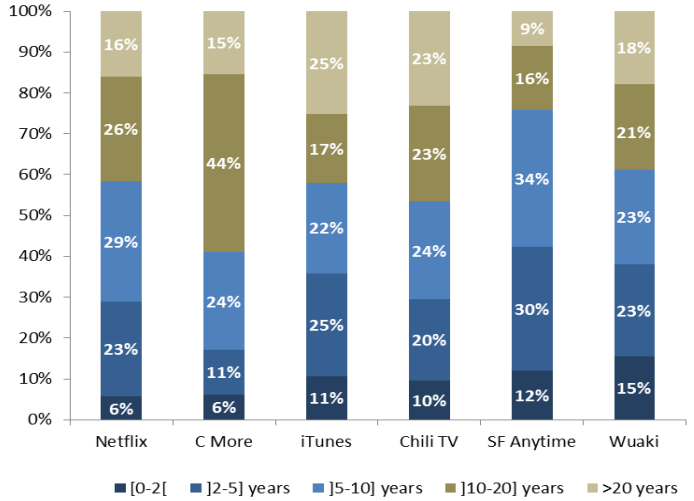
Figure 85 Overview of Pan-European VoD and SVoD services – Unique film titles: Region of origin – in %



Source: OBS Research on VoD catalogues October 2015

Compared to the cumulative figures and averages, it appears again that the share of EU films is higher than when film titles are counted by occurrence, suggesting again that EU films circulate less than international films on the selected VoD services across the EU. VoD and SVoD services seem to include EU films and national films for their country catalogues in specific countries, thus adapting to country tastes or handling with different licences. US films, which shares are comprised between 50% and 62%, are circulating more when compared to the cumulative figures where they made up between 57% and 69% of film catalogues.

Figure 86 Overview of Pan-European VoD and SVoD services – Unique film titles: Age of films – in %



Source: OBS Research on VoD catalogues October 2015

Top 10 film presence in VoD catalogues

23 Top 10 film rankings in catalogues of the selected 75 VoD services: films in more than 40 catalogues

Table 80 Top 10 film rankings in VoD catalogues analysed

Rank	No. of VOD catalogues in which the title is present	Film	Year of Production	Countries of Origin
1	50	American Sniper	2014	US
	50	Run All Night	2015	US
2	49	Furious Seven	2015	US / JP / CN
3	48	Horrible Bosses 2	2014	US
4	47	Inherent Vice	2014	US
	47	Seventh Son	2015	US / GB / CA / CN
5	46	Get Smart	2008	US
	46	Journey 2: The Mysterious Island	2012	US
	46	Prince of Persia: The Sands of Time	2010	US / GB
	46	The Fast and the Furious	2001	US / DE
	46	Valentine's Day	2010	US
6	45	Changeling	2008	US
	45	Chappie	2015	US / MX
	45	Harry Potter and the Goblet of Fire	2005	GB INC / US
	45	Mad Max: Fury Road	2015	AU / US
	45	Night at the Museum: Secret of the Tomb	2014	US
	45	Pirates of the Caribbean: Dead Man's Chest	2006	US
	45	Project X	2012	US
7	44	300: Rise of an Empire	2014	US
	44	Cars	2006	US
	44	Edge of Tomorrow	2014	US
	44	Tangled	2010	US
	44	TRON: Legacy	2010	US
	44	Up	2009	US
8	43	Beyond the Lights	2014	US
	43	Charlie and the Chocolate Factory	2005	US / GB INC
	43	Cinderella	2015	US / GB
	43	Interstellar	2014	US / GB
	43	National Treasure	2004	US
	43	Ouija	2014	US
	43	Pirates of the Caribbean: At World's End	2007	US
	43	Rock of Ages	2012	US
	43	Sucker Punch	2011	US / CA
	43	Ted	2012	US
	43	V for Vendetta	2006	GB INC / DE / US
9	42	Alice in Wonderland	2010	US
	42	Annabelle	2014	US
	42	Big Hero 6	2014	US
	42	Body of Lies	2008	US
	42	Cars 2	2011	US
	42	Dolphin Tale 2	2014	US
	42	E.T. the Extra-Terrestrial	1982	US
	42	Exodus: Gods and Kings	2014	US / GB INC/ ES
	42	Gone in Sixty Seconds	2000	US
	42	Happy Feet Two	2011	AU
	42	Red Riding Hood	2011	US / CA
	42	Surrogates	2009	US
	42	The Fast and the Furious: Tokyo Drift	2006	US
10	41	Bolt	2008	US
	41	Boyhood	2014	US
	41	Despicable Me: Minion Madness	2010	US
	41	Fast & Furious	2009	US
	41	Forgetting Sarah Marshall	2008	US
	41	G.I. Joe: The Rise of Cobra	2009	US / CZ
	41	Gladiator	2000	US
	41	Harry Potter and the Prisoner of Azkaban	2004	GB INC/ US
	41	Mr. Popper's Penguins	2011	US
	41	No Way Jose	2015	US
	41	Ocean's Twelve	2004	US / AU
	41	Pacific Rim: Jaeger Pilot Oculus Rift Experience	2013	US
	41	Rise of the Planet of the Apes	2011	US
	41	The Lego Movie	2014	US / AU / DK
	41	Unbroken	2014	US

Source: OBS Research on VoD catalogues October 2015

24 AT – Austria: Results for selected VoD and SVoD services

Table 81 AT – ChiliTV

AT_Chili_Catalogue (total films)
1 594

Breakdown by Region of Origin (films where variable was identified)								
1 574								99%
European				Non-European				
288			18%	1 286			82%	
EU 28		National		US		Others		
285	18%	72	5%	1 258	80%	28	2%	

Breakdown by Age of Production (films where variable was identified)						
1 594						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 594	13%	17%	25%	23%	23%
European	288	11%	20%	28%	19%	22%
EU 28	285	11%	19%	28%	19%	22%
National	72	8%	28%	24%	28%	13%
Non-European	1 286	13%	16%	24%	24%	22%
US	1 258	12%	16%	25%	24%	22%

Source: OBS Research on VoD catalogues October 2015

Table 82 AT – Flimmit

AT_Flimmit_Catalogue --total films--
1 412

Breakdown by Region of Origin (films where variable was identified)								
1 152								82%
European				Non-European				
852			74%	300			26%	
EU 28		National		US		Others		
781	68%	217	19%	186	16%	114	10%	

Breakdown by Age of Production (films where variable was identified)						
1 412						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 412	6%	26%	32%	23%	13%
European	852	7%	29%	30%	22%	12%
EU 28	781	7%	28%	29%	22%	13%
National	217	5%	21%	27%	31%	16%
Non-European	300	5%	19%	38%	20%	18%
US	186	3%	20%	39%	16%	22%

Source: OBS Research on VoD catalogues October 2015

Table 83 AT – iTunes

AT_Itunes_Catalogue --total films--
5 462

Breakdown by Region of Origin (films where variable was identified)								
5 293								97%
European				Non-European				
1 811			34%	3 482			66%	
EU 28		National		US		Others		
1 696	32%	108	2%	2 719	51%	763	14%	

Breakdown by Age of Production (films where variable was identified)						
5 462						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	5 462	10%	24%	23%	19%	24%
European	1 811	9%	29%	26%	15%	20%
EU 28	1 696	9%	28%	26%	16%	21%
National	108	4%	31%	23%	20%	22%
Non-European	3 482	10%	21%	22%	21%	27%
US	2 719	8%	17%	20%	23%	31%

Source: OBS Research on VoD catalogues October 2015

Table 84 AT – Neflix

AT_Netflix_Catalogue --total films--
982

Breakdown by Region of Origin (films where variable was identified)								
972								99%
European				Non-European				
248			26%	724				74%
EU 28		National		US		Others		
236	24%	0	0%	643	66%	81	8%	

Breakdown by Age of Production (films where variable was identified)						
982						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	982	3%	27%	33%	26%	11%
European	248	1%	37%	38%	19%	5%
EU 28	236	1%	36%	38%	20%	5%
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	724	4%	23%	31%	28%	13%
US	643	4%	22%	29%	30%	15%

Source: OBS Research on VoD catalogues October 2015

Table 85 AT – Wuaki.tv

AT_Wuaki_Catalogue --total films--
1 468

Breakdown by Region of Origin (films where variable was identified)								
1 456								99%
European				Non-European				
469			32%	987				68%
EU 28		National		US		Others		
458	31%	4	0%	892	61%	95	7%	

Breakdown by Age of Production (films where variable was identified)						
1 468						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 468	23%	27%	23%	16%	11%
European	469	24%	30%	25%	14%	7%
EU 28	458	24%	31%	24%	14%	7%
National	4	50%	50%	0%	0%	0%
Non-European	987	22%	25%	22%	17%	14%
US	892	21%	24%	23%	18%	14%

Source: OBS Research on VoD catalogues October 2015

Table 86 AT - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
AT	allflicks (Netflix Austria)	201509281809	1098	993	90%
AT	Flimmit	201509071211	2120	1427	67%
AT	Chili.TV Austria	201509232357	1658	1610	97%
AT	iTunes Austria	201509231843	7852	5598	71%
AT	wuaki.tv Austria	201510141838	1535	1490	97%

Source: OBS Research on VoD catalogues October 2015

25 BE – Belgium: Results for selected VoD services

Table 87 BE – iTunes

BE_Itunes_Catalogue --total films--
4 596

Breakdown by Region of Origin (films where variable was identified)								
4 448								97%
European				Non-European				
1 389			31%	3 059			69%	
EU 28		National		US		Others		
1 309	29%	49	1%	2 429	55%	630	14%	

Breakdown by Age of Production (films where variable was identified)						
4 596						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 596	12%	27%	19%	16%	26%
European	1 389	13%	29%	19%	11%	28%
EU 28	1 309	13%	28%	18%	12%	29%
National	49	18%	41%	31%	8%	2%
Non-European	3 059	11%	25%	19%	19%	26%
US	2 429	8%	21%	19%	22%	30%

Source: OBS Research on VoD catalogues October 2015

Table 88 BE – Skynet

BE_Skynet_Catalogue --total films--
758

Breakdown by Region of Origin (films where variable was identified)								
754								99%
European				Non-European				
298			40%	456			60%	
EU 28		National		US		Others		
286	38%	30	4%	415	55%	41	5%	

Breakdown by Age of Production (films where variable was identified)						
758						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	758	25%	27%	27%	17%	4%
European	298	28%	33%	24%	11%	4%
EU 28	286	28%	32%	25%	11%	4%
National	30	30%	50%	20%	0%	0%
Non-European	456	22%	24%	29%	21%	5%
US	415	21%	23%	29%	22%	5%

Source: OBS Research on VoD catalogues October 2015

Table 89 BE – Universciné Belgique

BE_Univercine_Catalogue --total films--
1 743

Breakdown by Region of Origin (films where variable was identified)								
1 658								95%
European				Non-European				
1 133			68%	525			32%	
EU 28		National		US		Others		
1 059	64%	160	10%	288	17%	237	14%	

Breakdown by Age of Production (films where variable was identified)						
1 743						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 743	5%	21%	37%	23%	14%
European	1 133	5%	23%	37%	22%	13%
EU 28	1 059	5%	23%	37%	23%	13%
National	160	6%	29%	34%	19%	11%
Non-European	525	5%	15%	38%	27%	15%
US	288	5%	14%	38%	27%	16%

Source: OBS Research on VoD catalogues October 2015

Table 90 BE - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
BE	iTunes Belgium	201509230909	7157	5125	72%
BE	Proximus TV Belgacom	201509101617	879	769	87%
BE	Universciné Belgique	201509111422	2097	1755	84%

Source: OBS Research on VoD catalogues October 2015

26 BG – Bulgaria: Results for selected VoD services

Table 91 BG – iTunes

BG_iTunes_Catalogue --total films--
2 334

Breakdown by Region of Origin (films where variable was identified)								
2 151								92%
European				Non-European				
286			13%	1 865			87%	
EU 28		National		US		Others		
246	11%	1	0%	1 438	67%	427	20%	

Breakdown by Age of Production (films where variable was identified)						
2 334						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 334	12%	23%	19%	20%	26%
European	286	18%	26%	19%	18%	20%
EU 28	246	14%	27%	17%	20%	22%
National	1	100%	0%	0%	0%	0%
Non-European	1 865	11%	20%	18%	22%	29%
US	1 438	7%	16%	19%	25%	33%

Source: OBS Research on VoD catalogues October 2015

Table 92 BG – Voyo

BG_Voyo_Catalogue --total films--
202

Breakdown by Region of Origin (films where variable was identified)								
201								100%
European				Non-European				
88			44%	113			56%	
EU 28		National		US		Others		
80	40%	1	0%	98	49%	15	7%	

Breakdown by Age of Production (films where variable was identified)						
202						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	202	4%	34%	51%	9%	1%
European	88	2%	35%	52%	9%	1%
EU 28	80	3%	35%	54%	9%	0%
National	1	0%	0%	100%	0%	0%
Non-European	113	6%	33%	51%	9%	1%
US	98	7%	32%	52%	8%	1%

Source: OBS Research on VoD catalogues October 2015

Table 93 BG - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
BG	iTunes Bulgaria	201509221810	4394	2362	54%
BG	Voyo Bulgaria	201509101639	388	218	56%

Source: OBS Research on VoD catalogues October 2015

27 CY – Cyprus: Results for selected VoD services

Table 94 CY - iTunes

CY_iTunes_Catalogue --total films--
2 368

Breakdown by Region of Origin (films where variable was identified)								
2 175								92%
European				Non-European				
290			13%	1 885			87%	
EU 28		National		US		Others		
246	11%	0	0%	1 460	67%	425	20%	

Breakdown by Age of Production (films where variable was identified)						
2 368						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 368	13%	23%	20%	18%	26%
European	290	18%	26%	18%	18%	20%
EU 28	246	14%	26%	17%	20%	23%
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	1 885	12%	21%	19%	19%	28%
US	1 460	8%	17%	20%	23%	32%

Source: OBS Research on VoD catalogues October 2015

Table 95 CY - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
CY	iTunes Cyprus	201509221810	4390	2427	55%

Source: OBS Research on VoD catalogues October 2015

28 CZ – Czech Republic: Results for selected VoD services

Table 96 CZ - iTunes

CZ_Itunes_Catalogue --total films--
2 637

Breakdown by Region of Origin (films where variable was identified)								
2 444								93%
European				Non-European				
364			15%	2 080			85%	
EU 28		National		US		Others		
322	13%	45	2%	1 630	67%	450	18%	

Breakdown by Age of Production (films where variable was identified)						
2 637						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 637	13%	23%	20%	20%	24%
European	364	19%	28%	19%	17%	16%
EU 28	322	17%	29%	18%	18%	18%
National	45	36%	29%	18%	11%	7%
Non-European	2 080	11%	21%	19%	21%	27%
US	1 630	7%	17%	20%	25%	31%

Source: OBS Research on VoD catalogues October 2015

Table 97 CZ – O2TV

CZ_O2tv_Catalogue --total films--
433

Breakdown by Region of Origin (films where variable was identified)								
433								100%
European				Non-European				
122			28%	311			72%	
EU 28		National		US		Others		
117	27%	26	6%	300	69%	11	3%	

Breakdown by Age of Production (films where variable was identified)						
433						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	433	18%	20%	34%	25%	3%
European	122	25%	42%	20%	7%	5%
EU 28	117	26%	40%	21%	8%	5%
National	26	69%	15%	4%	8%	4%
Non-European	311	14%	12%	39%	32%	3%
US	300	15%	11%	39%	32%	3%

Source: OBS Research on VoD catalogues October 2015

Table 98 CZ – Voyo

CZ_Voyo_Catalogue --total films--
1 240

Breakdown by Region of Origin (films where variable was identified)								
1 222								99%
European				Non-European				
636			52%	586			48%	
EU 28		National		US		Others		
623	51%	263	22%	374	31%	212	17%	

Breakdown by Age of Production (films where variable was identified)						
1 240						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 240	4%	21%	38%	12%	25%
European	636	5%	25%	33%	10%	28%
EU 28	623	4%	24%	33%	10%	28%
National	263	7%	19%	21%	13%	40%
Non-European	586	3%	18%	44%	14%	21%
US	374	3%	23%	55%	14%	5%

Source: OBS Research on VoD catalogues October 2015

Table 99 CZ - Megagogo

CZ_Megogo_Catalogue --total films--
73

Breakdown by Region of Origin (films where variable was identified)								
66								90%
European				Non-European				
65			98%	1			2%	
EU 28		National		US		Others		
0	0%	0	0%	0	0%	1	2%	

Breakdown by Age of Production (films where variable was identified)						
73						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	73	0%	0%	1%	1%	97%
European	65	0%	0%	2%	2%	97%
EU 28	0	N/A	N/A	N/A	N/A	N/A
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	1	0%	0%	0%	0%	100%
US	0	N/A	N/A	N/A	N/A	N/A

Source: OBS Research on VoD catalogues October 2015

Table 100 CZ - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
CZ	iTunes Czech Republic	201509231843	4844	2704	56%
CZ	Megagogo Czech Republic	201510011838	1103	74	7%
CZ	O2 Videotéka	201509111442	515	440	85%
CZ	Voyo Czech	201509111403	1502	1246	83%

Source: OBS Research on VoD catalogues October 2015

29 DE – Germany: Results for selected VoD and SVoD services

Table 101 DE - ChiliTV

DE_Chili_Catalogue --total films--
1 516

Breakdown by Region of Origin (films where variable was identified)								
1 512								100%
European				Non-European				
240			16%	1 272			84%	
EU 28		National		US		Others		
238	16%	71	5%	1 245	82%	27	2%	

Breakdown by Age of Production (films where variable was identified)						
1 516						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 516	13%	16%	25%	23%	23%
European	240	13%	15%	28%	18%	26%
EU 28	238	13%	15%	28%	18%	26%
National	71	21%	28%	39%	11%	0%
Non-European	1 272	13%	16%	25%	24%	22%
US	1 245	12%	16%	25%	25%	22%

Source: OBS Research on VoD catalogues October 2015

Table 102 DE - iTunes

DE_iTunes_Catalogue --total films--
5 524

Breakdown by Region of Origin (films where variable was identified)								
5 379								97%
European				Non-European				
1 921			36%	3 458			64%	
EU 28		National		US		Others		
1 779	33%	607	11%	2 923	54%	535	10%	

Breakdown by Age of Production (films where variable was identified)						
5 524						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	5 524	9%	24%	25%	19%	24%
European	1 921	10%	30%	26%	14%	19%
EU 28	1 779	9%	29%	26%	15%	20%
National	607	11%	30%	25%	15%	19%
Non-European	3 458	8%	21%	23%	22%	26%
US	2 923	8%	19%	21%	23%	30%

Source: OBS Research on VoD catalogues October 2015

Table 103 DE - Maxdome

DE_Maxdome_Catalogue --total films--
6 933

Breakdown by Region of Origin (films where variable was identified)								
6 841								99%
European				Non-European				
2 254			33%	4 587			67%	
EU 28		National		US		Others		
2 096	31%	813	12%	3 756	55%	831	12%	

Breakdown by Age of Production (films where variable was identified)						
6 933						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	6 933	8%	23%	29%	22%	18%
European	2 254	6%	24%	32%	20%	17%
EU 28	2 096	7%	24%	31%	21%	17%
National	813	7%	24%	32%	23%	13%
Non-European	4 587	8%	22%	28%	23%	19%
US	3 756	8%	20%	26%	24%	21%

Source: OBS Research on VoD catalogues October 2015

Table 104 DE - Netflix

DE_Netflix_Catalogue --total films--
1 007

Breakdown by Region of Origin (films where variable was identified)								
997								99%
European				Non-European				
267			27%	730			73%	
EU 28		National		US		Others		
254	25%	62	6%	642	64%	88	9%	

Breakdown by Age of Production (films where variable was identified)						
1 007						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 007	3%	27%	33%	25%	11%
European	267	1%	39%	38%	17%	5%
EU 28	254	1%	37%	38%	18%	5%
National	62	3%	35%	37%	23%	2%
Non-European	730	4%	23%	31%	29%	13%
US	642	4%	22%	29%	31%	15%

Table 105 DE – Sky Snap

DE_Skynap_Catalogue --total films--
1 035

Breakdown by Region of Origin (films where variable was identified)								
1 034								100%
European				Non-European				
235			23%	799				77%
EU 28		National		US		Others		
231	22%	22	2%	755	73%	44	4%	

Breakdown by Age of Production (films where variable was identified)						
1 035						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 035	0%	6%	23%	31%	39%
European	235	0%	9%	31%	24%	37%
EU 28	231	0%	8%	31%	24%	37%
National	22	0%	14%	41%	32%	14%
Non-European	799	0%	6%	21%	33%	40%
US	755	0%	5%	21%	33%	41%

Source: OBS Research on VoD catalogues October 2015

Table 106 DE – Videoland

DE_Videoland_Catalogue --total films--
1 435

Breakdown by Region of Origin (films where variable was identified)								
1 419								99%
European				Non-European				
293			21%	1 126				79%
EU 28		National		US		Others		
266	19%	61	4%	882	62%	244	17%	

Breakdown by Age of Production (films where variable was identified)						
1 435						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 435	11%	29%	25%	18%	17%
European	293	11%	37%	27%	10%	15%
EU 28	266	11%	36%	28%	10%	15%
National	61	15%	38%	26%	7%	15%
Non-European	1 126	11%	27%	24%	20%	18%
US	882	10%	24%	23%	23%	19%

Source: OBS Research on VoD catalogues October 2015

Table 107 DE – Wuaki.tv

DE_Wuaki_Catalogue --total films--
1 762

Breakdown by Region of Origin (films where variable was identified)								
1 749								99%
European				Non-European				
511			29%	1 238				71%
EU 28		National		US		Others		
499	29%	203	12%	1 133	65%	105	6%	

Breakdown by Age of Production (films where variable was identified)						
1 762						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 762	22%	25%	22%	17%	13%
European	511	23%	31%	24%	13%	9%
EU 28	499	23%	31%	24%	14%	9%
National	203	20%	32%	29%	14%	5%
Non-European	1 238	21%	23%	21%	19%	15%
US	1 133	20%	23%	21%	20%	16%

Source: OBS Research on VoD catalogues October 2015

Table 108 DE - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
DE	allflicks (Netflix Germany)	201509281809	1122	1020	91%
DE	Chili.TV Germany	201509231924	1612	1529	95%
DE	iTunes Germany	201509231144	7913	5649	71%
DE	Maxdome	201509111614	9840	7115	72%
DE	Sky Snap	201509111649	1167	1040	89%
DE	Videoland	201509111549	1575	1480	94%
DE	wuaki.tv Germany	201510061833	1837	1784	97%

Source: OBS Research on VoD catalogues October 2015

30 DK – Denmark: Results for selected VoD and SVoD services

Table 109 DK – Blockbuster

DK_Blockbuster_Catalogue --total films--
4 435

Breakdown by Region of Origin (films where variable was identified)								
4 308								97%
European				Non-European				
1 437			33%	2 871				67%
EU 28		National		US		Others		
1 395	32%	583	14%	2 597	60%	274	6%	

Breakdown by Age of Production (films where variable was identified)						
4 435						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 435	10%	24%	25%	21%	20%
European	1 437	8%	25%	25%	16%	26%
EU 28	1 395	8%	24%	25%	16%	27%
National	583	6%	11%	17%	18%	47%
Non-European	2 871	10%	24%	25%	24%	17%
US	2 597	10%	22%	25%	25%	18%

Source: OBS Research on VoD catalogues October 2015

Table 110 DK – CMore

DK_C More_Catalogue --total films--
1 171

Breakdown by Region of Origin (films where variable was identified)								
1 163								99%
European				Non-European				
409			35%	754				65%
EU 28		National		US		Others		
370	32%	29	2%	679	58%	75	6%	

Breakdown by Age of Production (films where variable was identified)						
1 171						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 171	7%	12%	26%	45%	11%
European	409	6%	15%	26%	37%	16%
EU 28	370	6%	16%	28%	36%	13%
National	29	7%	24%	24%	45%	0%
Non-European	754	7%	10%	26%	49%	8%
US	679	7%	10%	25%	49%	8%

Source: OBS Research on VoD catalogues October 2015

Table 111 DK – iTunes

DK_iTunes_Catalogue --total films--
3 430

Breakdown by Region of Origin (films where variable was identified)								
3 233								94%
European				Non-European				
730			23%	2 503				77%
EU 28		National		US		Others		
684	21%	201	6%	2 014	62%	489	15%	

Breakdown by Age of Production (films where variable was identified)						
3 430						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	3 430	13%	24%	19%	18%	25%
European	730	18%	27%	22%	17%	17%
EU 28	684	17%	26%	22%	17%	17%
National	201	13%	22%	31%	20%	13%
Non-European	2 503	12%	22%	17%	20%	29%
US	2 014	8%	19%	17%	23%	33%

Source: OBS Research on VoD catalogues October 2015

Table 112 DK – iTunes

DK_Netflix_Catalogue --total films--
1 454

Breakdown by Region of Origin (films where variable was identified)								
1 443								99%
European				Non-European				
313			22%	1 130				78%
EU 28		National		US		Others		
290	20%	49	3%	1 016	70%	114	8%	

Breakdown by Age of Production (films where variable was identified)						
1 454						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 454	5%	18%	36%	33%	7%
European	313	1%	22%	47%	29%	1%
EU 28	290	1%	21%	47%	29%	1%
National	49	0%	16%	53%	31%	0%
Non-European	1 130	6%	17%	33%	35%	9%
US	1 016	6%	17%	33%	35%	10%

Source: OBS Research on VoD catalogues October 2015

Table 113 DK – SF Anytime

DK_Sfanytime_Catalogue --total films--
4 140

Breakdown by Region of Origin (films where variable was identified)								
4 043								98%
European				Non-European				
1 159			29%	2 884			71%	
EU 28		National		US		Others		
1 102	27%	70	2%	2 465	61%	419	10%	

Breakdown by Age of Production (films where variable was identified)						
4 140						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 140	13%	31%	34%	15%	7%
European	1 159	13%	31%	34%	14%	8%
EU 28	1 102	12%	32%	34%	14%	8%
National	70	20%	33%	24%	23%	0%
Non-European	2 884	13%	30%	34%	16%	7%
US	2 465	13%	30%	34%	16%	7%

Source: OBS Research on VoD catalogues October 2015

Table 114 DK – YouSeePlay

DK_Youseeplay_Catalogue --total films--
4 697

Breakdown by Region of Origin (films where variable was identified)								
4 625								98%
European				Non-European				
1 528			33%	3 097			67%	
EU 28		National		US		Others		
1 481	32%	600	13%	2 808	61%	289	6%	

Breakdown by Age of Production (films where variable was identified)						
4 697						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 697	10%	23%	26%	22%	20%
European	1 528	10%	24%	24%	15%	27%
EU 28	1 481	9%	24%	24%	15%	28%
National	600	5%	12%	16%	17%	50%
Non-European	3 097	10%	22%	27%	25%	16%
US	2 808	10%	20%	27%	26%	17%

Source: OBS Research on VoD catalogues October 2015

Table 115 DK - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
DK	Blockbuster	201509091522	5474	4579	84%
DK	allflicks (Netflix Den-mark)	201509281809	1607	1479	92%
DK	C More Denmark	201509211335	1448	1191	82%
DK	iTunes Denmark	201509221810	5317	3558	67%
DK	SF Anytime Denmark	201510090904	8203	6121	75%
DK	Yousee Play Film	201509111713	5615	4842	86%

Source: OBS Research on VoD catalogues October 2015

31 EE – Estonia: Results for selected VoD services

Table 116 EE - iTunes

EE_Itunes_Catalogue --total films--
2 627

Breakdown by Region of Origin (films where variable was identified)								
2 435								93%
European				Non-European				
318			13%	2 117				87%
EU 28		National		US		Others		
257	11%	1	0%	1 671	69%	446	18%	

Breakdown by Age of Production (films where variable was identified)						
2 627						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 627	12%	21%	19%	20%	28%
European	318	16%	23%	20%	17%	24%
EU 28	257	13%	25%	19%	19%	24%
National	1	0%	0%	100%	0%	0%
Non-European	2 117	11%	19%	18%	21%	31%
US	1 671	7%	15%	19%	24%	35%

Source: OBS Research on VoD catalogues October 2015

Table 117 EE - Megagogo

EE_Megogo_Catalogue --total films--
27

Breakdown by Region of Origin (films where variable was identified)								
21								78%
European				Non-European				
21			100%	0				0%
EU 28		National		US		Others		
0	0%	0	0%	0	0%	0	0%	

Breakdown by Age of Production (films where variable was identified)						
27						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	27	0%	0%	7%	4%	89%
European	21	0%	0%	5%	5%	90%
EU 28	0	N/A	N/A	N/A	N/A	N/A
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	0	N/A	N/A	N/A	N/A	N/A
US	0	N/A	N/A	N/A	N/A	N/A

Source: OBS Research on VoD catalogues October 2015

Table 118 EE - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
EE	iTunes Estonia	201509231843	4733	2671	56%
EE	Megagogo Estonia	201509211545	892	27	3%

Source: OBS Research on VoD catalogues October 2015

32 ES – Spain: Results for selected VoD services

Table 119 ES - Filmin

ES_Filmin_Catalogue --total films--
1 011

Breakdown by Region of Origin (films where variable was identified)								
993								98%
European				Non-European				
620			62%	373				38%
EU 28		National		US		Others		
601	61%	123	12%	291	29%	82	8%	

Breakdown by Age of Production (films where variable was identified)						
1 011						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 011	4%	17%	22%	14%	43%
European	620	4%	18%	22%	15%	42%
EU 28	601	4%	17%	21%	15%	42%
National	123	7%	26%	28%	20%	18%
Non-European	373	2%	15%	22%	13%	48%
US	291	3%	12%	19%	12%	55%

Source: OBS Research on VoD catalogues October 2015

Table 120 ES - iTunes

ES_iTunes_Catalogue --total films--
3 014

Breakdown by Region of Origin (films where variable was identified)								
2 888								96%
European				Non-European				
569			20%	2 319				80%
EU 28		National		US		Others		
542	19%	112	4%	2 095	73%	224	8%	

Breakdown by Age of Production (films where variable was identified)						
3 014						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	3 014	9%	24%	22%	20%	24%
European	569	16%	37%	20%	15%	12%
EU 28	542	15%	37%	20%	15%	12%
National	112	22%	42%	15%	17%	4%
Non-European	2 319	7%	20%	22%	22%	28%
US	2 095	6%	18%	22%	24%	30%

Source: OBS Research on VoD catalogues October 2015

Table 121 ES – Wuaki.tv

ES_Wuaki_Catalogue --total films--
3 971

Breakdown by Region of Origin (films where variable was identified)								
3 933								99%
European				Non-European				
1 095			28%	2 838				72%
EU 28		National		US		Others		
1 057	27%	359	9%	2 576	65%	262	7%	

Breakdown by Age of Production (films where variable was identified)						
3 971						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	3 971	10%	19%	25%	26%	20%
European	1 095	11%	19%	30%	21%	18%
EU 28	1 057	11%	19%	30%	22%	19%
National	359	12%	18%	23%	24%	24%
Non-European	2 838	9%	19%	23%	29%	20%
US	2 576	9%	18%	23%	29%	21%

Source: OBS Research on VoD catalogues October 2015

Table 122 ES – Yomvi

ES_Yomvi_Catalogue --total films--
789

Breakdown by Region of Origin (films where variable was identified)								
782								99%
European				Non-European				
322			41%	460				59%
EU 28		National		US		Others		
320	41%	168	21%	389	50%	71	9%	

Breakdown by Age of Production (films where variable was identified)						
789						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	789	12%	11%	18%	22%	37%
European	322	12%	11%	13%	17%	47%
EU 28	320	12%	11%	13%	18%	47%
National	168	11%	2%	8%	17%	62%
Non-European	460	11%	12%	21%	26%	31%
US	389	9%	10%	22%	26%	34%

Source: OBS Research on VoD catalogues October 2015

Table 123 ES - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
ES	Filmin	201509281809	1139	1022	90%
ES	iTunes Spain	201509230909	4904	3110	63%
ES	wuaki.tv Spain	201510070906	4061	4009	99%
ES	Yomvi	201509281809	856	796	93%

Source: OBS Research on VoD catalogues October 2015

33 FI – Finland: Results for selected VoD and SVoD services

Table 124 FI - CMore

FI_C More_Catalogue --total films--
1 208

Breakdown by Region of Origin (films where variable was identified)								
1 201								99%
European				Non-European				
418			35%	783			65%	
EU 28		National		US		Others		
385	32%	1	0%	708	59%	75	6%	

Breakdown by Age of Production (films where variable was identified)						
1 208						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 208	6%	11%	25%	45%	13%
European	418	5%	13%	25%	38%	19%
EU 28	385	4%	13%	27%	37%	18%
National	1	0%	100%	0%	0%	0%
Non-European	783	7%	10%	25%	48%	10%
US	708	7%	10%	24%	48%	11%

Source: OBS Research on VoD catalogues October 2015

Table 125 FI - iTunes

FI_iTunes_Catalogue --total films--
3 347

Breakdown by Region of Origin (films where variable was identified)								
3 145								94%
European				Non-European				
608			19%	2 537			81%	
EU 28		National		US		Others		
571	18%	79	3%	2 049	65%	488	16%	

Breakdown by Age of Production (films where variable was identified)						
3 347						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	3 347	13%	25%	18%	18%	26%
European	608	20%	31%	19%	16%	15%
EU 28	571	19%	31%	19%	16%	15%
National	79	22%	49%	20%	9%	0%
Non-European	2 537	12%	22%	17%	20%	30%
US	2 049	8%	19%	18%	22%	33%

Source: OBS Research on VoD catalogues October 2015

Table 126 FI - Netflix

FI_Netflix_Catalogue --total films--
571

Breakdown by Region of Origin (films where variable was identified)								
563								99%
European				Non-European				
100			18%	463			82%	
EU 28		National		US		Others		
90	16%	0	0%	411	73%	52	9%	

Breakdown by Age of Production (films where variable was identified)						
571						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	571	8%	24%	34%	29%	5%
European	100	2%	33%	40%	24%	1%
EU 28	90	2%	34%	38%	24%	1%
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	463	9%	22%	33%	30%	6%
US	411	9%	21%	34%	29%	7%

Source: OBS Research on VoD catalogues October 2015

Table 127 FI - SFAnytime

FI_Sfanytime_Catalogue --total films--
3 697

Breakdown by Region of Origin (films where variable was identified)								
3 604								97%
European				Non-European				
1 022			28%	2 582			72%	
EU 28		National		US		Others		
966	27%	65	2%	2 223	62%	359	10%	

Breakdown by Age of Production (films where variable was identified)						
3 697						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	3 697	13%	31%	34%	14%	7%
European	1 022	13%	32%	32%	14%	9%
EU 28	966	12%	32%	32%	14%	9%
National	65	17%	34%	11%	20%	18%
Non-European	2 582	13%	31%	35%	15%	6%
US	2 223	13%	31%	35%	15%	6%

Source: OBS Research on VoD catalogues October 2015

Table 128 FI - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
FI	allflicks (Netflix Finland)	201509281809	675	575	85%
FI	C More Finland	201509281809	1314	1227	93%
FI	iTunes Finland	201509221810	5168	3463	67%
FI	SF Anytime Finland	201510072245	7484	5429	73%

Source: OBS Research on VoD catalogues October 2015

34 FR – France: Results for selected VoD and SVoD services

Table 129 FR - Canalplay

FR_Canalplay_Catalogue --total films--
828

Breakdown by Region of Origin (films where variable was identified)								
773								93%
European				Non-European				
391			51%	382				49%
EU 28		National		US		Others		
380	49%	267	35%	335	43%	47	6%	

Breakdown by Age of Production (films where variable was identified)						
828						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	828	1%	13%	29%	30%	28%
European	391	0%	11%	31%	32%	26%
EU 28	380	0%	11%	30%	32%	26%
National	267	0%	10%	30%	33%	26%
Non-European	382	0%	12%	24%	31%	32%
US	335	0%	10%	23%	33%	33%

Source: OBS Research on VoD catalogues October 2015

Table 130 FR – Canalplay VoD

FR_Vod.canalplay_Catalogue --total films--
2 670

Breakdown by Region of Origin (films where variable was identified)								
2 653								99%
European				Non-European				
1 164			44%	1 489				56%
EU 28		National		US		Others		
1 108	42%	591	22%	1 173	44%	316	12%	

Breakdown by Age of Production (films where variable was identified)						
2 670						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 670	12%	30%	28%	16%	14%
European	1 164	14%	33%	25%	14%	13%
EU 28	1 108	14%	33%	25%	14%	14%
National	591	16%	31%	21%	16%	15%
Non-European	1 489	11%	27%	31%	17%	14%
US	1 173	11%	26%	28%	19%	16%

Source: OBS Research on VoD catalogues October 2015

Table 131 FR - iTunes

FR_iTunes_Catalogue --total films--
4 875

Breakdown by Region of Origin (films where variable was identified)								
4 804								99%
European				Non-European				
1 858			39%	2 946				61%
EU 28		National		US		Others		
1 759	37%	1 078	22%	2 544	53%	402	8%	

Breakdown by Age of Production (films where variable was identified)						
4 875						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 875	9%	23%	22%	19%	27%
European	1 858	11%	26%	23%	14%	26%
EU 28	1 759	10%	25%	23%	14%	27%
National	1 078	11%	23%	21%	15%	30%
Non-European	2 946	7%	21%	21%	22%	28%
US	2 544	6%	18%	21%	24%	31%

Source: OBS Research on VoD catalogues October 2015

Table 132 FR – Netflix

FR_Netflix_Catalogue --total films--
905

Breakdown by Region of Origin (films where variable was identified)								
894								99%
European				Non-European				
280			31%	614				69%
EU 28		National		US		Others		
267	30%	153	17%	515	58%	99	11%	

Breakdown by Age of Production (films where variable was identified)						
905						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	905	4%	11%	31%	39%	15%
European	280	1%	7%	39%	42%	11%
EU 28	267	1%	7%	37%	43%	12%
National	153	0%	5%	31%	50%	14%
Non-European	614	5%	13%	28%	38%	16%
US	515	5%	13%	25%	39%	17%

Source: OBS Research on VoD catalogues October 2015

Table 133 FR – Universciné France

FR_Univercine_Catalogue --total films--
2 459

Breakdown by Region of Origin (films where variable was identified)								
2 415								98%
European				Non-European				
1 726			71%	689				29%
EU 28		National		US		Others		
1 648	68%	995	41%	289	12%	400	17%	

Breakdown by Age of Production (films where variable was identified)						
2 459						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 459	7%	21%	22%	26%	24%
European	1 726	7%	19%	21%	27%	26%
EU 28	1 648	7%	19%	21%	27%	27%
National	995	8%	17%	17%	31%	28%
Non-European	689	6%	25%	22%	26%	20%
US	289	4%	24%	22%	25%	25%

Source: OBS Research on VoD catalogues October 2015

Table 134 FR – Wuaki.tv

FR_Wuaki_Catalogue --total films--
2 216

Breakdown by Region of Origin (films where variable was identified)								
2 204								99%
European				Non-European				
864			39%	1 340				61%
EU 28		National		US		Others		
837	38%	508	23%	1 180	54%	160	7%	

Breakdown by Age of Production (films where variable was identified)						
2 216						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 216	18%	22%	24%	19%	17%
European	864	18%	28%	24%	15%	15%
EU 28	837	18%	27%	24%	16%	15%
National	508	21%	26%	21%	15%	17%
Non-European	1 340	17%	19%	25%	21%	18%
US	1 180	17%	17%	24%	21%	20%

Source: OBS Research on VoD catalogues October 2015

Table 135 FR - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
FR	allflicks (Netflix France)	201509281809	1055	923	87%
FR	CanalPlay (SVoD)	201510151055	1516	841	55%
FR	iTunes France	201509221008	6717	5132	76%
FR	Universciné France	201509231843	2987	2473	83%
FR	CanalPlayVOD	201509281810	3412	2913	85%
FR	wuaki.tv France	201509241205	2331	2246	96%

Source: OBS Research on VoD catalogues October 2015

35 GB – United Kingdom: Results for selected VoD and SVoD services

Table 136 GB - iTunes

GB_iTunes_Catalogue --total films--
5 270

Breakdown by Region of Origin (films where variable was identified)								
5 056								96%
European				Non-European				
1 078			21%	3 978				79%
EU 28		National		US		Others		
984	19%	551	11%	3 115	62%	863	17%	

Breakdown by Age of Production (films where variable was identified)						
5 270						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	5 270	12%	25%	20%	15%	28%
European	1 078	15%	29%	22%	13%	21%
EU 28	984	14%	29%	22%	14%	22%
National	551	14%	23%	21%	14%	28%
Non-European	3 978	11%	23%	18%	17%	31%
US	3 115	9%	20%	17%	18%	35%

Source: OBS Research on VoD catalogues October 2015

Table 137 GB - ChiliTV

GB_Chili_Catalogue --total films--
1 209

Breakdown by Region of Origin (films where variable was identified)								
1 208								100%
European				Non-European				
82			7%	1 126				93%
EU 28		National		US		Others		
80	7%	59	5%	1 102	91%	24	2%	

Breakdown by Age of Production (films where variable was identified)						
1 209						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 209	11%	16%	27%	26%	20%
European	82	17%	16%	30%	24%	12%
EU 28	80	18%	16%	30%	24%	13%
National	59	15%	17%	34%	22%	12%
Non-European	1 126	11%	16%	27%	26%	20%
US	1 102	11%	16%	27%	26%	20%

Source: OBS Research on VoD catalogues October 2015

Table 138 GB - Netflix

GB_Netflix_Catalogue --total films--
1 710

Breakdown by Region of Origin (films where variable was identified)								
1 696								99%
European				Non-European				
294			17%	1 402				83%
EU 28		National		US		Others		
286	17%	167	10%	1 198	71%	204	12%	

Breakdown by Age of Production (films where variable was identified)						
1 710						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 710	11%	27%	18%	19%	25%
European	294	15%	37%	21%	11%	17%
EU 28	286	15%	36%	21%	11%	17%
National	167	17%	31%	22%	12%	19%
Non-European	1 402	10%	25%	18%	20%	27%
US	1 198	9%	23%	17%	21%	29%

Source: OBS Research on VoD catalogues October 2015

Table 139 GB – Wuaki.TV

GB_Wuaki_Catalogue --total films--
2 989

Breakdown by Region of Origin (films where variable was identified)								
2 933								98%
European				Non-European				
581			20%	2 352				80%
EU 28		National		US		Others		
563	19%	388	13%	2 182	74%	170	6%	

Breakdown by Age of Production (films where variable was identified)						
2 989						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 989	22%	25%	19%	19%	15%
European	581	30%	31%	18%	11%	10%
EU 28	563	30%	31%	18%	11%	10%
National	388	28%	30%	19%	13%	10%
Non-European	2 352	19%	23%	19%	21%	17%
US	2 182	18%	22%	20%	22%	18%

Source: OBS Research on VoD catalogues October 2015

Table 140 GB - Curzon Home Cinema

GB_Curzonhomecinema_Catalogue --total films--
525

Breakdown by Region of Origin (films where variable was identified)								
516								98%
European				Non-European				
338			66%	178			34%	
EU 28		National		US		Others		
319	62%	120	23%	111	22%	67	13%	

Breakdown by Age of Production (films where variable was identified)						
525						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	525	21%	34%	18%	13%	15%
European	338	21%	35%	19%	11%	15%
EU 28	319	19%	34%	19%	12%	15%
National	120	28%	28%	17%	13%	14%
Non-European	178	20%	34%	15%	15%	15%
US	111	18%	33%	13%	20%	16%

Source: OBS Research on VoD catalogues October 2015

Table 141 GB - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
GB	allflicks (Netflix UK)	201509281818	1860	1733	93%
GB	Chili.TV UK	201509232357	1239	1216	98%
GB	Curzon HomeCinema	201510151806	547	533	97%
GB	iTunes UK	201509231843	8132	5344	66%
GB	wuaki.tv UK	201510071825	3109	3029	97%

Source: OBS Research on VoD catalogues October 2015

36 GR – Greece: Results for selected VoD services

Table 142 GR - HOL

GR_Hol_Catalogue --total films--
713

Breakdown by Region of Origin (films where variable was identified)								
713								100%
European				Non-European				
138			19%	575			81%	
EU 28		National		US		Others		
131	18%	3	0%	530	74%	45	6%	

Breakdown by Age of Production (films where variable was identified)						
713						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	713	7%	30%	39%	18%	6%
European	138	11%	35%	41%	12%	2%
EU 28	131	10%	35%	41%	11%	2%
National	3	0%	0%	67%	33%	0%
Non-European	575	7%	28%	39%	19%	7%
US	530	7%	28%	38%	20%	7%

Source: OBS Research on VoD catalogues October 2015

Table 143 GR - iTunes

GR_Itunes_Catalogue --total films--
2 346

Breakdown by Region of Origin (films where variable was identified)								
2 169								92%
European				Non-European				
273			13%	1 896			87%	
EU 28		National		US		Others		
233	11%	1	0%	1 485	68%	411	19%	

Breakdown by Age of Production (films where variable was identified)						
2 346						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 346	12%	21%	19%	19%	28%
European	273	18%	24%	18%	17%	23%
EU 28	233	14%	24%	17%	19%	26%
National	1	0%	100%	0%	0%	0%
Non-European	1 896	11%	19%	19%	20%	31%
US	1 485	7%	15%	20%	23%	36%

Source: OBS Research on VoD catalogues October 2015

Table 144 GB - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
GR	Hol Video Club	201510021112	1475	718	49%
GR	iTunes Greece	201509221810	4500	2386	53%
GR	Vodo	201510161140	217	9	4%

Source: OBS Research on VoD catalogues October 2015

37 HR - Croatia: Results for selected VoD services

Table 145 HR – BNET

HR_Bnet_Catalogue --total films--
482

Breakdown by Region of Origin (films where variable was identified)								
477								99%
European				Non-European				
402			84%	75				16%
EU 28		National		US		Others		
272	57%	23	5%	56	12%	19	4%	

Breakdown by Age of Production (films where variable was identified)						
482						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	482	12%	30%	29%	9%	20%
European	402	12%	31%	31%	6%	19%
EU 28	272	15%	38%	38%	6%	3%
National	23	22%	43%	26%	9%	0%
Non-European	75	11%	25%	20%	20%	24%
US	56	13%	32%	27%	9%	20%

Source: OBS Research on VoD catalogues October 2015

Table 146 HR – MaxTV

HR_Maxtv_Catalogue --total films--
724

Breakdown by Region of Origin (films where variable was identified)								
715								99%
European				Non-European				
235			33%	480				67%
EU 28		National		US		Others		
210	29%	7	1%	413	58%	67	9%	

Breakdown by Age of Production (films where variable was identified)						
724						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	724	12%	38%	29%	13%	8%
European	235	14%	44%	28%	9%	6%
EU 28	210	14%	44%	29%	9%	5%
National	7	29%	43%	14%	14%	0%
Non-European	480	11%	35%	30%	15%	10%
US	413	10%	34%	30%	16%	10%

Source: OBS Research on VoD catalogues October 2015

Table 147 HR – Oyo

HR_Oyo_Catalogue --total films--
240

Breakdown by Region of Origin (films where variable was identified)								
238								99%
European				Non-European				
96			40%	142				60%
EU 28		National		US		Others		
45	19%	4	2%	120	50%	22	9%	

Breakdown by Age of Production (films where variable was identified)						
240						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	240	4%	30%	40%	8%	18%
European	96	0%	21%	32%	9%	38%
EU 28	45	0%	36%	56%	9%	0%
National	4	0%	50%	50%	0%	0%
Non-European	142	6%	37%	46%	8%	4%
US	120	8%	38%	50%	4%	0%

Source: OBS Research on VoD catalogues October 2015

Table 148 HR - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
HR	Bnet Videoteka	201509291540	576	506	88%
HR	MaxTV	201509291542	1020	741	73%
HR	Oyo	201509291157	270	240	89%

Source: OBS Research on VoD catalogues October 2015

38 HU - Hungary: Results for selected VoD services

Table 149 HU - iTunes

HU_iTunes_Catalogue --total films--
2 518

Breakdown by Region of Origin (films where variable was identified)								
2 337								93%
European				Non-European				
291			12%	2 046			88%	
EU 28		National		US		Others		
264	11%	5	0%	1 607	69%	439	19%	

Breakdown by Age of Production (films where variable was identified)						
2 518						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 518	10%	21%	20%	21%	28%
European	291	15%	25%	20%	18%	21%
EU 28	264	13%	26%	19%	20%	23%
National	5	0%	40%	0%	60%	0%
Non-European	2 046	10%	19%	19%	22%	31%
US	1 607	6%	14%	19%	25%	35%

Source: OBS Research on VoD catalogues October 2015

Table 150 HU - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
HU	iTunes Hungary	201509221942	4393	2560	58%

Source: OBS Research on VoD catalogues October 2015

39 IE – Ireland: Results for selected VoD services

Table 151 IE - iTunes

IE_iTunes_Catalogue --total films--
5 148

Breakdown by Region of Origin (films where variable was identified)								
4 938								96%
European				Non-European				
1 104			22%	3 834				78%
EU 28		National		US		Others		
1 003	20%	40	1%	2 961	60%	873	18%	

Breakdown by Age of Production (films where variable was identified)						
5 148						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	5 148	12%	26%	19%	16%	27%
European	1 104	15%	29%	24%	13%	19%
EU 28	1 003	13%	29%	23%	14%	21%
National	40	15%	25%	33%	20%	8%
Non-European	3 834	11%	24%	18%	18%	30%
US	2 961	9%	20%	17%	20%	34%

Source: OBS Research on VoD catalogues October 2015

Table 152 IE - Volta

IE_Volta_Catalogue --total films--
638

Breakdown by Region of Origin (films where variable was identified)								
632								99%
European				Non-European				
412			65%	220				35%
EU 28		National		US		Others		
400	63%	45	7%	131	21%	89	14%	

Breakdown by Age of Production (films where variable was identified)						
638						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	638	13%	30%	25%	20%	13%
European	412	12%	28%	25%	22%	14%
EU 28	400	11%	27%	25%	22%	15%
National	45	9%	24%	51%	11%	4%
Non-European	220	15%	35%	25%	16%	9%
US	131	15%	38%	25%	15%	7%

Source: OBS Research on VoD catalogues October 2015

Table 153 IE – Wuaki.tv

IE_Wuaki_Catalogue --total films--
1 183

Breakdown by Region of Origin (films where variable was identified)								
1 171								99%
European				Non-European				
227			19%	944				81%
EU 28		National		US		Others		
214	18%	4	0%	876	75%	68	6%	

Breakdown by Age of Production (films where variable was identified)						
1 183						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 183	19%	23%	19%	20%	19%
European	227	29%	33%	18%	10%	11%
EU 28	214	29%	31%	18%	11%	11%
National	4	25%	25%	25%	25%	0%
Non-European	944	17%	20%	20%	22%	21%
US	876	15%	20%	20%	23%	22%

Source: OBS Research on VoD catalogues October 2015

Table 154 IE - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
IE	iTunes Ireland	201509230909	7819	5212	67%
IE	Volta	201510011838	670	641	96%
IE	wuaki.tv Ireland	201510150936	1212	1195	99%

Source: OBS Research on VoD catalogues October 2015

40 IT - Italy: Results for selected VoD services

Table 155 IT - iTunes

IT_Itunes_Catalogue --total films--
3 517

Breakdown by Region of Origin (films where variable was identified)								
3 367								96%
European				Non-European				
1 006			30%	2 361				70%
EU 28		National		US		Others		
979	29%	482	14%	1 979	59%	382	11%	

Breakdown by Age of Production (films where variable was identified)						
3 517						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	3 517	10%	25%	22%	17%	25%
European	1 006	11%	28%	21%	12%	27%
EU 28	979	11%	28%	21%	12%	27%
National	482	10%	24%	16%	9%	40%
Non-European	2 361	9%	23%	22%	20%	26%
US	1 979	7%	20%	22%	22%	29%

Source: OBS Research on VoD catalogues October 2015

Table 156 IT - ChiliTV

IT_Chili_Catalogue --total films--
4 749

Breakdown by Region of Origin (films where variable was identified)								
4 716								99%
European				Non-European				
1 866			40%	2 850				60%
EU 28		National		US		Others		
1 835	39%	879	19%	2 511	53%	339	7%	

Breakdown by Age of Production (films where variable was identified)						
4 749						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 749	9%	21%	25%	24%	22%
European	1 866	8%	22%	22%	19%	29%
EU 28	1 835	8%	22%	22%	19%	29%
National	879	8%	22%	15%	12%	44%
Non-European	2 850	10%	20%	26%	27%	18%
US	2 511	10%	19%	26%	27%	19%

Source: OBS Research on VoD catalogues October 2015

Table 157 IT - Timvision

IT_Timvision_Catalogue --total films--
1 947

Breakdown by Region of Origin (films where variable was identified)								
1 940								100%
European				Non-European				
623			32%	1 317				68%
EU 28		National		US		Others		
615	32%	299	15%	1 210	62%	107	6%	

Breakdown by Age of Production (films where variable was identified)						
1 947						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 947	10%	23%	28%	21%	18%
European	623	11%	26%	30%	17%	16%
EU 28	615	11%	25%	30%	17%	16%
National	299	12%	30%	24%	14%	20%
Non-European	1 317	9%	21%	28%	22%	19%
US	1 210	9%	21%	27%	23%	20%

Source: OBS Research on VoD catalogues October 2015

Table 158 IT – Wuaki.TV

IT_Wuaki_Catalogue --total films--
1 181

Breakdown by Region of Origin (films where variable was identified)								
1 173								99%
European				Non-European				
248			21%	925				79%
EU 28		National		US		Others		
239	20%	79	7%	867	74%	58	5%	

Breakdown by Age of Production (films where variable was identified)						
1 181						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 181	21%	23%	21%	18%	17%
European	248	31%	35%	16%	9%	9%
EU 28	239	31%	35%	16%	9%	9%
National	79	49%	30%	6%	1%	13%
Non-European	925	19%	20%	23%	21%	18%
US	867	18%	18%	23%	21%	19%

Source: OBS Research on VoD catalogues October 2015

Table 159 IT - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
IT	Chili.TV Italy	201509231852	5165	4794	93%
IT	iTunes Italy	201509222015	5352	3570	67%
IT	Timvision	201510011838	2056	1970	96%
IT	wuaki.tv Italy	201510071539	1218	1188	98%

Source: OBS Research on VoD catalogues October 2015

41 LT - Lithuania: Results for selected VoD services

Table 160 LT - iTunes

LT_iTunes_Catalogue --total films--
2 498

Breakdown by Region of Origin (films where variable was identified)								
2 322								93%
European				Non-European				
298			13%	2 024			87%	
EU 28		National		US		Others		
248	11%	0	0%	1 586	68%	438	19%	

Breakdown by Age of Production (films where variable was identified)						
2 498						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 498	10%	20%	20%	20%	29%
European	298	15%	23%	20%	16%	26%
EU 28	248	13%	25%	19%	19%	24%
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	2 024	9%	18%	19%	22%	31%
US	1 586	5%	14%	20%	25%	36%

Source: OBS Research on VoD catalogues October 2015

Table 161 LT - Megagogo

LT_Megogo_Catalogue --total films--
33

Breakdown by Region of Origin (films where variable was identified)								
28								85%
European				Non-European				
28			100%	0			0%	
EU 28		National		US		Others		
0	0%	0	0%	0	0%	0	0%	

Breakdown by Age of Production (films where variable was identified)						
33						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	33	0%	0%	3%	0%	97%
European	28	0%	0%	4%	0%	96%
EU 28	0	N/A	N/A	N/A	N/A	N/A
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	0	N/A	N/A	N/A	N/A	N/A
US	0	N/A	N/A	N/A	N/A	N/A

Source: OBS Research on VoD catalogues October 2015

Table 162 LT - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
LT	iTunes Lithuania	201509241836	4341	2537	58%
LT	Megagogo Lithuania	201510021348	1099	33	3%

Source: OBS Research on VoD catalogues October 2015

42 LU - Luxembourg: Results for selected VoD services

Table 163 LU - iTunes

LU_iTunes_Catalogue --total films--
4 166

Breakdown by Region of Origin (films where variable was identified)								
4 028								97%
European				Non-European				
992			25%	3 036				75%
EU 28		National		US		Others		
916	23%	7	0%	2 432	60%	604	15%	

Breakdown by Age of Production (films where variable was identified)						
4 166						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 166	11%	26%	19%	17%	26%
European	992	14%	34%	18%	9%	25%
EU 28	916	13%	33%	18%	10%	26%
National	7	0%	14%	43%	43%	0%
Non-European	3 036	10%	23%	19%	20%	28%
US	2 432	7%	20%	20%	22%	31%

Source: OBS Research on VoD catalogues October 2015

Table 164 LU - TangoTV

LU_Tangotv_Catalogue --total films--
498

Breakdown by Region of Origin (films where variable was identified)								
492								99%
European				Non-European				
150			30%	342				70%
EU 28		National		US		Others		
145	29%	2	0%	307	62%	35	7%	

Breakdown by Age of Production (films where variable was identified)						
498						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	498	32%	23%	24%	16%	6%
European	150	33%	27%	23%	11%	5%
EU 28	145	34%	26%	23%	11%	6%
National	2	50%	0%	50%	0%	0%
Non-European	342	30%	20%	25%	18%	7%
US	307	29%	19%	25%	19%	7%

Source: OBS Research on VoD catalogues October 2015

Table 165 LU - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
LU	iTunes Luxembourg	201509222050	6965	4862	70%
LU	Tango	201510151712	1153	1113	97%

Source: OBS Research on VoD catalogues October 2015

43 LV – Latvia: Results for selected VoD services

Table 166 LV – iTunes

LV_iTunes_Catalogue --total films--
2 315

Breakdown by Region of Origin (films where variable was identified)								
2 135								92%
European				Non-European				
293			14%	1 842			86%	
EU 28		National		US		Others		
244	11%	1	0%	1 408	66%	434	20%	

Breakdown by Age of Production (films where variable was identified)						
2 315						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 315	11%	22%	21%	20%	25%
European	293	16%	23%	20%	16%	25%
EU 28	244	13%	25%	19%	19%	23%
National	1	0%	100%	0%	0%	0%
Non-European	1 842	11%	20%	20%	22%	27%
US	1 408	6%	16%	21%	25%	31%

Source: OBS Research on VoD catalogues October 2015

Table 167 LV – Lattelecom

LV_Lattelecom_Catalogue --total films--
754

Breakdown by Region of Origin (films where variable was identified)								
753								100%
European				Non-European				
149			20%	604			80%	
EU 28		National		US		Others		
121	16%	1	0%	563	75%	41	5%	

Breakdown by Age of Production (films where variable was identified)						
754						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	754	19%	24%	38%	13%	5%
European	149	19%	37%	27%	6%	11%
EU 28	121	22%	39%	31%	7%	0%
National	1	0%	100%	0%	0%	0%
Non-European	604	19%	21%	41%	15%	4%
US	563	18%	22%	42%	14%	4%

Source: OBS Research on VoD catalogues October 2015

Table 168 LV – Megagogo

LV_Megogo_Catalogue --total films--
36

Breakdown by Region of Origin (films where variable was identified)								
27								75%
European				Non-European				
27			100%	0			0%	
EU 28		National		US		Others		
0	0%	0	0%	0	0%	0	0%	

Breakdown by Age of Production (films where variable was identified)						
36						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	36	0%	0%	3%	3%	94%
European	27	0%	0%	4%	4%	93%
EU 28	0	N/A	N/A	N/A	N/A	N/A
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	0	N/A	N/A	N/A	N/A	N/A
US	0	N/A	N/A	N/A	N/A	N/A

Source: OBS Research on VoD catalogues October 2015

Table 169 LV - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
LV	iTunes Latvia	201509222109	4173	2346	56%
LV	Lattelcom	201510151757	826	762	92%
LV	Megagogo Latvia	201510021348	1099	36	3%

Source: OBS Research on VoD catalogues October 2015

44 MT – Malta: Results for selected VoD services

Table 170 MT - iTunes

MT_iTunes_Catalogue --total films--
2 985

Breakdown by Region of Origin (films where variable was identified)								
2 778								93%
European				Non-European				
412			15%	2 366			85%	
EU 28		National		US		Others		
353	13%	0	0%	1 817	65%	549	20%	

Breakdown by Age of Production (films where variable was identified)							
2 985							100%
	#	Age brackets (years)					
		[0-2[	[2-5[	[5-10[	[10-20[	>20	
All films	2 985	12%	21%	19%	18%	30%	
European	412	15%	25%	20%	18%	22%	
EU 28	353	12%	26%	20%	20%	22%	
National	0	N/A	N/A	N/A	N/A	N/A	
Non-European	2 366	11%	19%	17%	19%	34%	
US	1 817	7%	16%	18%	22%	37%	

Source: OBS Research on VoD catalogues October 2015

Table 171 MT - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
MT	iTunes Malta	201509222252	5138	3026	59%

Source: OBS Research on VoD catalogues October 2015

45 NL – Netherlands: Results for selected VoD and SVoD services

Table 172 NL - iTunes

NL_Itunes_Catalogue --total films--
3 190

Breakdown by Region of Origin (films where variable was identified)								
3 031								95%
European				Non-European				
828			27%	2 203			73%	
EU 28		National		US		Others		
766	25%	166	5%	1 954	64%	249	8%	

Breakdown by Age of Production (films where variable was identified)						
3 190						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	3 190	12%	29%	21%	17%	21%
European	828	19%	41%	23%	11%	7%
EU 28	766	18%	41%	23%	11%	7%
National	166	27%	38%	24%	11%	1%
Non-European	2 203	10%	24%	19%	20%	28%
US	1 954	8%	21%	19%	21%	31%

Source: OBS Research on VoD catalogues October 2015

Table 173 NL - Netflix

NL_Netflix_Catalogue --total films--
1 148

Breakdown by Region of Origin (films where variable was identified)								
1 143								100%
European				Non-European				
223			20%	920			80%	
EU 28		National		US		Others		
222	19%	54	5%	855	75%	65	6%	

Breakdown by Age of Production (films where variable was identified)						
1 148						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 148	5%	23%	35%	27%	9%
European	223	1%	36%	43%	17%	3%
EU 28	222	1%	36%	43%	17%	3%
National	54	2%	57%	31%	9%	0%
Non-European	920	6%	20%	33%	30%	10%
US	855	5%	20%	33%	31%	11%

Source: OBS Research on VoD catalogues October 2015

Table 174 NL - PathéThuis

NL_Pathéthuis_Catalogue --total films--
526

Breakdown by Region of Origin (films where variable was identified)								
524								100%
European				Non-European				
167			32%	357			68%	
EU 28		National		US		Others		
156	30%	70	13%	319	61%	38	7%	

Breakdown by Age of Production (films where variable was identified)						
526						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	526	27%	39%	22%	9%	2%
European	167	30%	40%	22%	7%	1%
EU 28	156	32%	39%	21%	6%	1%
National	70	31%	36%	21%	10%	1%
Non-European	357	26%	38%	22%	10%	3%
US	319	26%	37%	23%	11%	3%

Source: OBS Research on VoD catalogues October 2015

Table 175 NL - Ziggo

NL_Ziggo_Catalogue --total films--
1 763

Breakdown by Region of Origin (films where variable was identified)								
1 749								99%
European				Non-European				
557			32%	1 192			68%	
EU 28		National		US		Others		
544	31%	159	9%	1 034	59%	158	9%	

Breakdown by Age of Production (films where variable was identified)						
1 763						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 763	15%	17%	37%	26%	4%
European	557	16%	19%	43%	20%	2%
EU 28	544	16%	20%	42%	19%	2%
National	159	13%	31%	40%	14%	1%
Non-European	1 192	15%	16%	35%	29%	5%
US	1 034	14%	16%	35%	30%	5%

Source: OBS Research on VoD catalogues October 2015

Table 176 NL - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
NL	allflicks (Netflix Netherlands)	201509281809	1279	1167	91%
NL	iTunes Netherlands	201509222258	5133	3287	64%
NL	Pathé Thuis	201510011838	551	533	97%
NL	Ziggo On-demand	201510011838	2058	1784	87%

Source: OBS Research on VoD catalogues October 2015

46 PL – Poland: Results for selected VoD services

Table 177 PL - Chili

PL_Chili_Catalogue --total films--
952

Breakdown by Region of Origin (films where variable was identified)								
950								100%
European				Non-European				
139			15%	811				85%
EU 28		National		US		Others		
139	15%	25	3%	791	83%	20	2%	

Breakdown by Age of Production (films where variable was identified)						
952						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	952	18%	17%	24%	19%	21%
European	139	10%	2%	17%	15%	55%
EU 28	139	10%	2%	17%	15%	55%
National	25	0%	0%	0%	0%	100%
Non-European	811	19%	20%	25%	20%	15%
US	791	19%	20%	25%	20%	15%

Source: OBS Research on VoD catalogues October 2015

Table 178 PL - IPLA

PL_Ipla_Catalogue --total films--
1 305

Breakdown by Region of Origin (films where variable was identified)								
1 065								82%
European				Non-European				
518			49%	547				51%
EU 28		National		US		Others		
498	47%	70	7%	456	43%	91	9%	

Breakdown by Age of Production (films where variable was identified)						
1 305						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 305	7%	22%	44%	18%	9%
European	518	7%	28%	46%	16%	3%
EU 28	498	6%	29%	46%	16%	4%
National	70	6%	54%	21%	17%	1%
Non-European	547	7%	23%	48%	16%	5%
US	456	7%	24%	48%	16%	6%

Source: OBS Research on VoD catalogues October 2015

Table 179 PL - iTunes

PL_iTunes_Catalogue --total films--
2 514

Breakdown by Region of Origin (films where variable was identified)								
2 320								92%
European				Non-European				
315			14%	2 005				86%
EU 28		National		US		Others		
274	12%	4	0%	1 557	67%	448	19%	

Breakdown by Age of Production (films where variable was identified)						
2 514						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 514	12%	24%	19%	20%	25%
European	315	16%	28%	19%	19%	19%
EU 28	274	12%	28%	18%	21%	21%
National	4	0%	75%	0%	0%	25%
Non-European	2 005	12%	21%	18%	22%	28%
US	1 557	7%	17%	19%	25%	31%

Source: OBS Research on VoD catalogues October 2015

Table 180 PL - Kinoplex

PL_Kinoplex_Catalogue --total films--
1 273

Breakdown by Region of Origin (films where variable was identified)								
1 176								92%
European				Non-European				
677			58%	499				42%
EU 28		National		US		Others		
637	54%	108	9%	384	33%	115	10%	

Breakdown by Age of Production (films where variable was identified)						
1 273						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 273	8%	28%	43%	16%	4%
European	677	8%	31%	43%	14%	4%
EU 28	637	8%	31%	42%	15%	4%
National	108	12%	41%	28%	14%	6%
Non-European	499	7%	25%	46%	19%	3%
US	384	6%	25%	48%	18%	3%

Source: OBS Research on VoD catalogues October 2015

Table 181 PL - StrefaVoD

PL_Strefavod_Catalogue --total films--
565

Breakdown by Region of Origin (films where variable was identified)								
521								92%
European				Non-European				
288			55%	233			45%	
EU 28		National		US		Others		
272	52%	67	13%	184	35%	49	9%	

Breakdown by Age of Production (films where variable was identified)						
565						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	565	13%	32%	45%	6%	4%
European	288	13%	35%	42%	5%	5%
EU 28	272	13%	34%	42%	6%	6%
National	67	15%	42%	30%	10%	3%
Non-European	233	12%	29%	49%	7%	3%
US	184	10%	28%	51%	7%	3%

Source: OBS Research on VoD catalogues October 2015

Table 182 PL - Toya

PL_Toya_Catalogue --total films--
462

Breakdown by Region of Origin (films where variable was identified)								
458								99%
European				Non-European				
271			59%	187			41%	
EU 28		National		US		Others		
260	57%	70	15%	152	33%	35	8%	

Breakdown by Age of Production (films where variable was identified)						
462						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	462	14%	46%	34%	6%	1%
European	271	14%	48%	32%	4%	1%
EU 28	260	15%	47%	33%	4%	1%
National	70	14%	51%	30%	4%	0%
Non-European	187	13%	44%	35%	8%	0%
US	152	12%	42%	37%	9%	0%

Source: OBS Research on VoD catalogues October 2015

Table 183 PL - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
PL	Chili.TV Poland	201509232357	1230	962	78%
PL	IPLA TV	201510191854	1768	1323	75%
PL	iTunes Poland	201509231843	4575	2586	57%
PL	Kinoplex Gazeta VoD	201510210956	1571	1301	83%
PL	Strefa VoD	201510201111	810	574	71%
PL	Toya VoD	201510011838	712	470	66%

Source: OBS Research on VoD catalogues October 2015

47 PT – Portugal: Results for selected VoD services

Table 184 PT - iTunes

PT_Itunes_Catalogue --total films--
1 945

Breakdown by Region of Origin (films where variable was identified)								
1 779								91%
European				Non-European				
217			12%	1 562			88%	
EU 28		National		US		Others		
203	11%	0	0%	1 179	66%	383	22%	

Breakdown by Age of Production (films where variable was identified)						
1 945						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 945	13%	24%	21%	19%	23%
European	217	15%	26%	20%	19%	20%
EU 28	203	15%	26%	20%	20%	20%
National	0	N/A	N/A	N/A	N/A	N/A
Non-European	1 562	12%	22%	20%	20%	26%
US	1 179	8%	17%	20%	23%	31%

Source: OBS Research on VoD catalogues October 2015

Table 185 PT - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
PT	iTunes Portugal	201509222334	4001	1988	50%

Source: OBS Research on VoD catalogues October 2015

48 RO – Romania: Results for selected VoD services

Table 186 RO - Seenow

RO_Seenow_Catalogue --total films--
216

Breakdown by Region of Origin (films where variable was identified)								
216								100%
European				Non-European				
33			15%	183			85%	
EU 28		National		US		Others		
32	15%	1	0%	176	81%	7	3%	

Breakdown by Age of Production (films where variable was identified)						
216						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	216	2%	37%	40%	12%	8%
European	33	3%	55%	39%	0%	3%
EU 28	32	3%	56%	38%	0%	3%
National	1	0%	100%	0%	0%	0%
Non-European	183	2%	34%	40%	14%	9%
US	176	2%	34%	40%	15%	9%

Source: OBS Research on VoD catalogues October 2015

Table 187 RO - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
RO	SeeNow	201510011838	304	216	71%

Source: OBS Research on VoD catalogues October 2015

49 SE - Sweden: Results for selected VoD and SVoD services

Table 188 SE - CDON

SE_Cdon_Catalogue --total films--
2 191

Breakdown by Region of Origin (films where variable was identified)								
2 139								98%
European				Non-European				
790			37%	1 349				63%
EU 28		National		US		Others		
738	35%	120	6%	1 082	51%	267	12%	

Breakdown by Age of Production (films where variable was identified)						
2 191						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2 191	0%	22%	44%	26%	8%
European	790	0%	23%	46%	24%	7%
EU 28	738	0%	23%	46%	24%	7%
National	120	0%	37%	38%	19%	6%
Non-European	1 349	1%	22%	43%	27%	8%
US	1 082	1%	22%	42%	27%	8%

Source: OBS Research on VoD catalogues October 2015

Table 189 SE - CMore

SE_C More_Catalogue --total films--
1 334

Breakdown by Region of Origin (films where variable was identified)								
1 321								99%
European				Non-European				
511			39%	810				61%
EU 28		National		US		Others		
462	35%	182	14%	730	55%	80	6%	

Breakdown by Age of Production (films where variable was identified)						
1 334						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 334	6%	11%	24%	44%	15%
European	511	5%	12%	24%	38%	22%
EU 28	462	5%	13%	26%	38%	19%
National	182	3%	13%	17%	32%	35%
Non-European	810	7%	10%	25%	48%	11%
US	730	7%	10%	24%	48%	11%

Source: OBS Research on VoD catalogues October 2015

Table 190 SE - iTunes

SE_iTunes_Catalogue --total films--
3 439

Breakdown by Region of Origin (films where variable was identified)								
3 230								94%
European				Non-European				
703			22%	2 527				78%
EU 28		National		US		Others		
628	19%	173	5%	2 034	63%	493	15%	

Breakdown by Age of Production (films where variable was identified)						
3 439						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	3 439	14%	26%	18%	18%	24%
European	703	18%	32%	18%	16%	16%
EU 28	628	17%	32%	17%	17%	17%
National	173	15%	38%	18%	12%	17%
Non-European	2 527	12%	23%	18%	19%	28%
US	2 034	9%	20%	18%	22%	31%

Source: OBS Research on VoD catalogues October 2015

Table 191 SE - Netflix

SE_Netflix_Catalogue --total films--
1 428

Breakdown by Region of Origin (films where variable was identified)								
1 419								99%
European				Non-European				
305			21%	1 114				79%
EU 28		National		US		Others		
282	20%	33	2%	998	70%	116	8%	

Breakdown by Age of Production (films where variable was identified)						
1 428						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	1 428	5%	18%	36%	34%	8%
European	305	1%	23%	46%	28%	2%
EU 28	282	1%	22%	46%	28%	2%
National	33	0%	21%	55%	18%	6%
Non-European	1 114	6%	16%	33%	35%	9%
US	998	6%	16%	33%	35%	10%

Source: OBS Research on VoD catalogues October 2015

Table 192 SE - PlayPlus

SE_Playplus_Catalogue --total films--
307

Breakdown by Region of Origin (films where variable was identified)								
282								92%
European				Non-European				
280			99%	2				1%
EU 28		National		US		Others		
279	99%	272	96%	1	0%	1	0%	

Breakdown by Age of Production (films where variable was identified)						
307						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	307	7%	21%	21%	21%	29%
European	280	7%	21%	20%	22%	30%
EU 28	279	7%	21%	20%	22%	30%
National	272	7%	21%	21%	22%	30%
Non-European	2	0%	50%	0%	0%	50%
US	1	0%	0%	0%	0%	100%

Source: OBS Research on VoD catalogues October 2015

Table 193 SE – SF Anytime

SE_Sfanytime_Catalogue --total films--
4 507

Breakdown by Region of Origin (films where variable was identified)								
4 438								98%
European				Non-European				
1 474			33%	2 964				67%
EU 28		National		US		Others		
1 402	32%	339	8%	2 516	57%	448	10%	

Breakdown by Age of Production (films where variable was identified)						
4 507						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	4 507	12%	30%	34%	16%	8%
European	1 474	11%	29%	33%	16%	11%
EU 28	1 402	11%	29%	33%	16%	11%
National	339	8%	22%	21%	22%	27%
Non-European	2 964	12%	30%	35%	16%	7%
US	2 516	12%	30%	34%	16%	7%

Source: OBS Research on VoD catalogues October 2015

Table 194 SE - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total cata-logue	Number of films re-trieved	Coverage Ratio
SE	allflicks (Netflix Sweden)	201509281809	1577	1455	92%
SE	CDON Sweden	201510191854	3380	2564	76%
SE	C More Sweden	201509211434	1410	1357	96%
SE	iTunes Sweden	201509230011	5392	3581	66%
SE	Telia Playplus Filmbutiken	201510201019	410	320	78%
SE	SF Anytime Sweden	201509241714	8837	6517	74%

Source: OBS Research on VoD catalogues October 2015

50 SI – Slovenia: Results for selected VoD services

Table 195 SI - DKino

SI_Dkino_Catalogue --total films--
47

Breakdown by Region of Origin (films where variable was identified)								
47								100%
European				Non-European				
30			64%	17			36%	
EU 28		National		US		Others		
27	57%	2	4%	14	30%	3	6%	

Breakdown by Age of Production (films where variable was identified)						
47						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	47	32%	47%	19%	2%	0%
European	30	27%	53%	20%	0%	0%
EU 28	27	22%	56%	22%	0%	0%
National	2	0%	50%	50%	0%	0%
Non-European	17	41%	35%	18%	6%	0%
US	14	43%	36%	14%	7%	0%

Source: OBS Research on VoD catalogues October 2015

Table 196 SI - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
SI	Dkino	201510011824	49	47	96%

Source: OBS Research on VoD catalogues October 2015

51 SK – Slovakia: Results for selected VoD services

Table 197 SK - iTunes

SK_iTunes_Catalogue --total films--
2432

Breakdown by Region of Origin (films where variable was identified)								
2281								94%
European				Non-European				
335			15%	1946			85%	
EU 28		National		US		Others		
301	13%	4	0%	1499	66%	447	20%	

Breakdown by Age of Production (films where variable was identified)						
2432						100%
	#	Age brackets (years)				
		[0-2[	[2-5[	[5-10[	[10-20[	>20
All films	2432	12%	23%	20%	20%	26%
European	335	19%	27%	19%	17%	19%
EU 28	301	16%	28%	17%	18%	20%
National	4	25%	50%	25%	0%	0%
Non-European	1946	10%	20%	20%	22%	28%
US	1499	6%	16%	20%	25%	32%

Source: OBS Research on VoD catalogues October 2015

Table 198 SK - VoD catalogue and coverage details

Country	Name of VoD service	Date and Time of retrieval (YYYYMMDDHHHH	Number of films in total catalogue	Number of films retrieved	Coverage Ratio
SK	iTunes Slovakia	201509230011	4235	2481	59%

Source: OBS Research on VoD catalogues October 2015

NOTE 5: THE VISIBILITY OF FILM ON ON-DEMAND PLATFORMS – GERMANY, FRANCE & UNITED KINGDOM

Author: Gilles Fontaine

52 Objectives and methodology of this note

- The European Audiovisual Observatory monitors since 2014 the films catalogues of both transactional and subscription on-demand services. The composition of the catalogues gives a first insight of the distribution policy of the services and of the diversity of audiovisual works made available to the public.
- However, unlike in linear television, in an on-demand world the prominence of European works cannot be guaranteed only by the number of European films included in the catalogues of the services. Equally important is the way films are promoted. One of the solutions to promote films on on-demand services is to make them visible in the services home pages.
- In that context, this note is a first attempt to measure the visibility of films, and notably the visibility of European through the quantitative analysis of the services home pages
- The note builds on data gathered by the company AQOA. AQOA monitors on a daily basis the films put forward by a representative sample of on-demand services, available either on cable/IPTV or Over-the-top, and covering at least 70% of the on-demand transactional market. AQOA currently covers three European markets, Germany, France and the United Kingdom and plans to open new territories.

Table 199 List of on demand services in the sample

Germany	France	United Kingdom
Amazon Instant Video	CanalPlay	Amazon Instant Video
Google play	Google Play	BT Box Office
iTunes	iTunes	Google Play
Maxdome	MyTF1VOD	iTunes
PS Store	Orange	PS Store
Sky	Pluzz	Sky
Unity Media	SFR	Virgin Media
Videobuster	Sony PS	XBOX Live
Videociety	XBOX Live	
Videoload		

AQOA has identified the promotional spaces for each of the services of the sample and, through a network of correspondents collects the titles of the films shown on these promotional spaces. The titles are tagged by AQOA using a variety of criteria, including the genre, year of production and country origin, mainly based on IMDB information.

This note is based on the data collected between the 1st of October and the 1st of November in France, Germany and the UK. Even is the methodology is sound and the conclusions based on a significant number of observations, it must be noted:

- that a limited part of the films promoted by the services could not be clearly identified.
- that some promotional spots are dedicated to promotional bundles of several films, often catalogue films; these bundled films were not identified and therefore not considered in the analysis.

Throughout this note, figures are analysed under three different angles:

- The diversity of the use of promotional spots, i.e. the number of films which are promoted no matter their country of origin.
- The share of European films among films which are promoted, not taking into account the intensity of the promotion
- The weighted share of European films among promotional spots, taking into account the number of promotional spots allocated to each film.

53 Main findings from the analysis of on-demand services in Germany, France in UK

- In October 2015, between 221 (in France) and 348 (in Germany) different films were promoted by on-demand services, meaning that only a small minority of the catalogue is actually promoted. Most of these films were recent films (produced in 2014 or 2015)[145].
- About one-third of films which were promoted were European films[146]. In Germany, the majority of European films promoted were non-national, whereas, national films accounted for about 60% of promoted films in France and the UK.
- In the three countries, the share of US films among films promoted was in the range of 55%.

Table 200 Overview of films promoted in Germany, France and the UK

	DE	FR	UK
Number of unique titles promoted	348	221	231
Of which share of 201-2015 titles	65%	71%	80%
Origin of films promoted:			
National	9%	20%	18%
European non-national	24%	15%	12%
Sub-total: European	**33%**	**35%**	**30%**
USA	57%	55%	55%
Others	9%	9%	14%
NA	1%	1%	1%

- The number of "promotional spots" available on the on-demand services varied widely between services, due probably both to technical constraints and to the marketing strategy of each service.
- In October 2015, all three countries, recent films (produced in 2014 or 2015) were allocated 86% or more of all available promotional spots[147].
- Among these recent films, a limited number benefited from the most visibility: the 10 most promoted films were allocated about 40% of all promotional spots.

[145] Some promotional spots are dedicated to promotional bundles of several films, often catalogue films; these bundled films were not identified and therefore not considered in the analysis. The share of recent films is therefore somehow overstated.

[146] In case of coproduction, the country of origin is the first country indicated by IMDB among coproducers.

[147] Some promotional spots are dedicated to promotional bundles of several films, often catalogue films; these bundled films were not identified and therefore not considered in the analysis. The share of recent films is therefore somehow overstated.

- European films were allocated between 21% (in the UK) and 33% (in France) of promotional spots. In Germany, national films and European non-national films accounted for approximately the same share, whereas, in France in the UK, national films represented approximately two thirds of European films and European non-national films one third.

Table 201 Overview of promotional spots in Germany, France and the UK

	DE	FR	UK
Number of promotional spots	8316	6671	10024
Share of promotional spots allocated to the 10 most promoted films	37%	43%	40%
Share of promotional spots allocated to 2014-2015 titles	86%	92%	96%
Share of promotional spots by origin of film:			
National	15%	22%	15%
European non-national	14%	11%	6%
Sub-total: European	29%	33%	21%
USA	61%	55%	65%
Others	10%	12%	14%

- The promotion of European films varied not only by country but also between players. In France or in Germany, National VOD players tended globally to dedicate more promotional spots to European films, but differences were significant when looking at US players: ITunes and, to a lesser extent Amazon Instant video, tended to propose more European works than PS Store, Xbox Live and Google Play.
- In the UK, all players allocated less than 30% of promotional spots to European films; among US players, Google Play or PS Store were among the players with less European content promoted.

Table 1: Share of promotional spots allocated to European films by on-demand services

Share of spots allocated to European films	DE	FR	UK
Over 40%	Videobuster	Pluzz Itunes Orange	
From 30% to 40%	Videociety Videoload Amazon Instant Video	Canal Play SFR	
From 20% to 30%	Sky Itunes Maxdome Unity Media	MyTF1 VOD Sony PS	Xbox Live BT Box Office Itunes Amazon Instant Video Virgin Media
From 10% to 20%	Google Play PS Store	Xbox Live Google Play	Sky Google Play
Under 10%			PS Store

54 Analysis of films promoted by German on-demand services

54.1 Diversity of films promoted

In October 2015, **8316** promotional spots were used by the German on-demand services to promote **348** different films.

The number of available promotional spots differed quite widely between services, and so did the number of different films promoted.

To measure the diversity of the films promoted, we use the ratio between the number of available promotional spots and the number of different titles promoted. This ratio varied from **5.6 to 12.8** between services, which reflects to which extent some services tend to focus their promotional efforts on a limited number of best-sellers, whereas others push forward a wider selection of films. When looking at the consolidated picture of all German on-demand services, the diversity of the offer is even lower, as a large proportion of the films are duplicated between the services. In any case, it should be reminded that an on-demand service can propose as much as 5 000 different films at one given moment and that, therefore, the proportion of films promoted among the catalogues can be way under 10%.

Films are of course promoted by services **with a different intensity**, in terms of number of days, of number of promotional spots etc. At the consolidated German level, **the 10 most promoted films** (out of the total promoted films of 348) gathered **37% of all the promotional spots.** For certain services, the share of promotional spots allocated to the 10 most promoted films was as high as 74%.

Table 202 Promotional spots and promoted films in Germany

Service	Number of promotional spots	Number of unique titles promoted	Diversity of promoted films[148]	Number of promotional spots for the 10 most promoted films	Share of promotional spots for the most promoted films
Amazon Instant Video	961	103	10,7	446	46%
Google Play	824	60	7,3	450	55%
iTunes	933	119	12,8	348	37%
Maxdome	652	38	5,8	481	74%
PS Store	461	26	5,6	316	69%
Sky	749	62	8,3	273	36%
Unity Media	1126	85	7,5	460	41%
Videobuster	730	56	7,7	315	43%
Videociety	666	82	12,3	268	40%
Videoload	1214	122	10,0	504	42%
All DE	**8316**	**348**[149]	**4,2**[150]	**3039**	**37%**

The following table focuses on the promotion of **recent films** (produced in 2014 or 2015) by German on-demand services.

At the consolidated German level **226 films (65%)** out of the total 348 which were promoted were recent films. These films benefited from a much more intense promotion effort, as **86% of all promotional spots dedicated to films were allocated to them**. Certain services gave even a higher priority to recent films, both in terms of the share of recent films among the films promoted (up to 97%) and of share of promotional spots allocated to recent films (up to 99%).

[148] Number of films promoted per 100 available promotional spots

[149] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

[150] The consolidated ratio is lower as many films are duplicated between the different services.

Table 203 Promotional spots and promoted recent films in Germany

Service	Number of promotional spots	Number of promotional spots allocated to 2014-2015 films	Number of unique titles 2014-2015	Diversity of promoted films[151]	Diversity of 2014-2015 promoted films[152]
Amazon Instant Video	961	797	69	10,7	8,7
Google Play	824	777	52	7,3	6,7
iTunes	933	823	96	12,8	11,7
Maxdome	652	648	37	5,8	5,7
PS Store	461	328	19	5,6	5,8
Sky	749	550	48	8,3	8,7
Unity Media	1126	829	54	7,5	6,5
Videobuster	730	644	44	7,7	6,8
Videociety	666	640	73	12,3	11,4
Videoload	1214	1128	109	10,0	9,7
All DE	**8316**	**7164**	**226**[153]	**4,2**[154]	**3,2**[155]

[151] Number of films promoted per 100 available promotional spots

[152] Number of 2014-2015 films promoted per 100 available promotional spots

[153] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

[154] The consolidated ratio is lower as many films are duplicated between the different services.

[155] The consolidated ratio is lower as many films are duplicated between the different services.

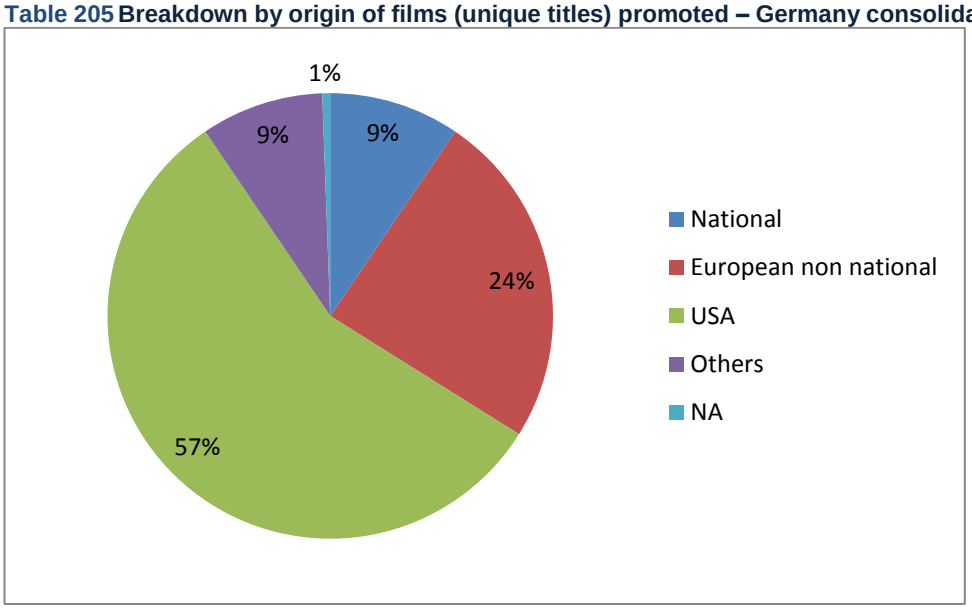
54.2 The promotion of European films

The following table analyses the films promoted by German on-demand services, **regardless of the intensity of the promotion.** At the consolidated German level, **European films accounted for 33% of all promoted films**. Among European films, **national films were less represented (9%) than European non-national films (24%)**.

Table 204 Origin of films (unique titles) promoted by German on-demand services

Service	Number of unique titles	*National*	*European non national*	*USA*	*Others*	*NA*
Amazon Instant Video	103	*14*	*24*	*52*	*11*	*2*
Google Play	60	*10*	*5*	*37*	*8*	*0*
iTunes	119	*16*	*25*	*71*	*7*	*0*
Maxdome	38	*5*	*5*	*26*	*2*	*0*
PS Store	26	*4*	*4*	*15*	*3*	*0*
Sky	62	*7*	*11*	*42*	*2*	*0*
Unity Media	85	*8*	*14*	*57*	*6*	*0*
Videobuster	56	*8*	*24*	*18*	*6*	*0*
Videociety	82	*9*	*17*	*46*	*10*	*0*
Videoload	122	*20*	*27*	*61*	*14*	*0*
Total	348[156]	*33*	*85*	*197*	*31*	*2*

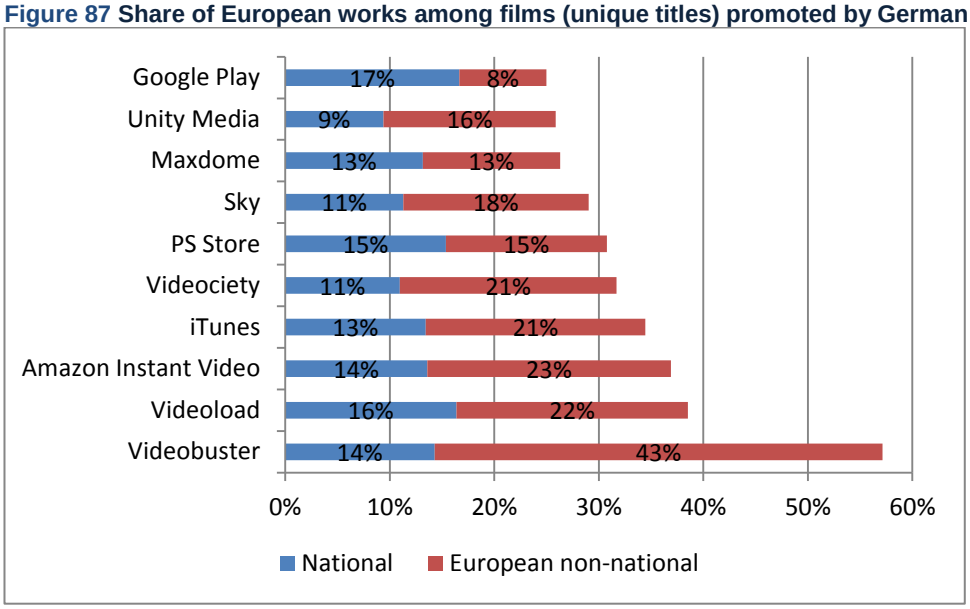
Table 205 Breakdown by origin of films (unique titles) promoted – Germany consolidated



[156] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

The proportion of European films varied from **25% to 57%** between the services.

Figure 87 Share of European works among films (unique titles) promoted by German services



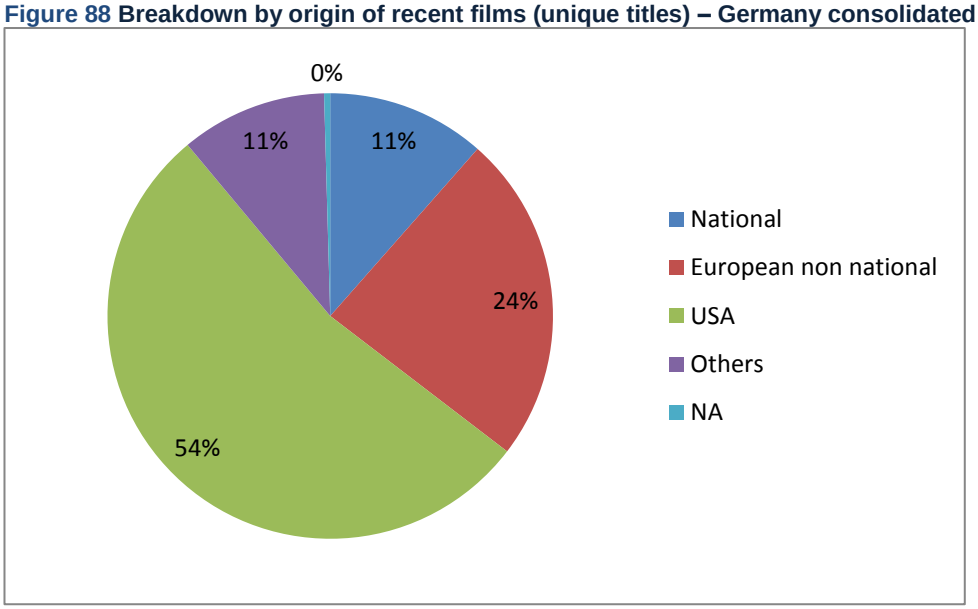
The proportion of European films was similar (35%) **when looking only at recent films (produced in 2014 or 2015)**, with significant differences between services (from 26% to 50%). Here again, the share of European non-national films (24%) seemed significant.

Table 206 Origin of recent films (unique titles) promoted by German on-demand services

	Number of unique titles 2014-2015	*National*	*European non national*	*USA*	*Others*	*NA*
Amazon Instant Video	69	*10*	*18*	*33*	*7*	*1*
Google Play	52	*10*	*5*	*31*	*6*	*0*
iTunes	96	*15*	*21*	*54*	*6*	*0*
Maxdome	37	*5*	*5*	*25*	*2*	*0*
PS Store	19	*4*	*1*	*11*	*3*	*0*
Sky	48	*6*	*7*	*33*	*2*	*0*
Unity Media	54	*6*	*10*	*33*	*5*	*0*
Videobuster	44	*8*	*14*	*17*	*5*	*0*
Videociety	73	*9*	*17*	*39*	*8*	*0*
Videoload	109	*17*	*25*	*54*	*13*	*0*
All DE	226[157]	*26*	*54*	*121*	*24*	*1*

[157] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

Figure 88 Breakdown by origin of recent films (unique titles) – Germany consolidated

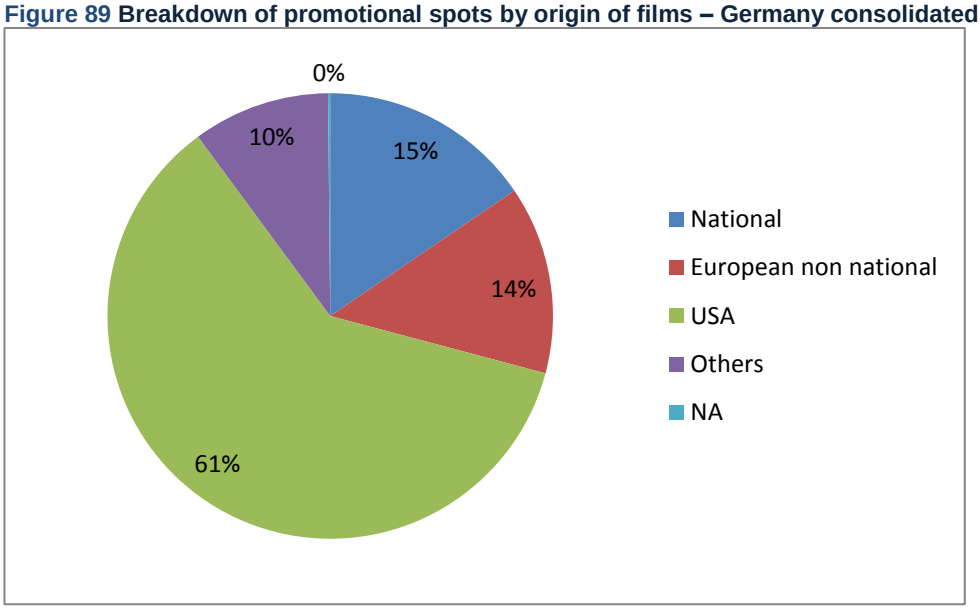


All films do not benefit from the same promotion effort. Whereas **European films accounted for 33% of all films promoted, they were allocated a slightly lower fraction (29%) of promotional spots.**

Table 207 Promotional spots by origin of films on German on-demand services

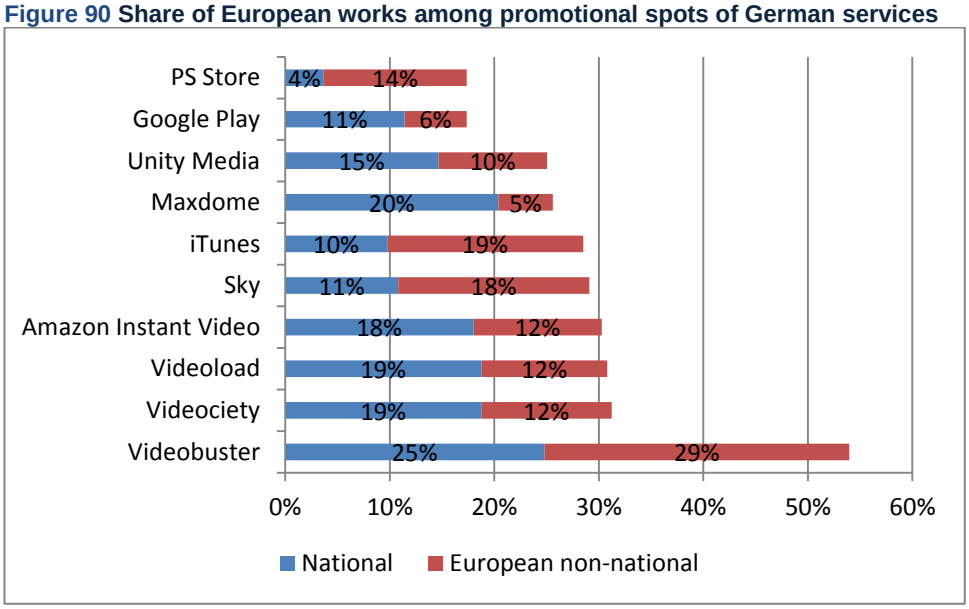
	Spots by country of origin				
Service	National	European non national	USA	Others	NA
Amazon Instant Video	173	118	534	123	13
Google Play	94	49	579	102	0
iTunes	91	175	607	60	0
Maxdome	133	34	404	81	0
PS Store	17	63	316	65	0
Sky	81	137	505	26	0
Unity Media	165	117	731	113	0
Videobuster	181	213	271	65	0
Videociety	125	83	398	60	0
Videoload	228	146	707	133	0
Total	1288	1135	5052	828	13

Figure 89 Breakdown of promotional spots by origin of films – Germany consolidated



The proportion of promotional spots allocated to European films varied between **18% and 54%.**

Figure 90 Share of European works among promotional spots of German services



As regards more specifically **the recent films** (produced in 2014 and 2015), the **share of promotional spots (28%) was again slightly lower than the share of European films (35%)**.

Table 208 Promotional spots by origin of recent films on German on-demand services

	Spots by country of origin (films produced in 2014 and 2015)				
Service	National	European non national	USA	Others	NA
Amazon Instant Video	145	87	452	104	9
Google Play	94	49	542	92	0
iTunes	90	147	533	53	0
Maxdome	133	34	400	81	0
PS Store	17	7	239	65	0
Sky	56	77	391	26	0
Unity Media	104	88	533	104	0
Videobuster	181	131	270	62	0
Videociety	125	83	374	58	0
Videoload	210	143	644	131	0
All DE	1155	846	4378	776	9

55 Analysis of films promoted by French on-demand services

55.1 Diversity of films promoted

In October 2015, **6671** promotional spots were used by the on-demand services part of the France sample to promote **221** different films.

The number of available promotional spots differed quite widely between services, and so did the number of different films promoted.

To measure the diversity of the films promoted, we use the ratio between the number of available promotional spots and the number of different titles promoted. This ratio varies from **4.2 to 13.4** between services, which reflects to which extent some services tend to focus their promotional efforts on a limited number of best-sellers, whereas others push forward a wider selection of films. When looking at the consolidated picture of all French on-demand services, the diversity of the offer is even lower, as a large proportion of the films are duplicated between the services. In any case, it should be reminded that an on-demand service can propose as much as 5 000 different films at one given moment and that, therefore, the proportion of films promoted among the catalogues can be way under 10%.

Films are of course promoted by services **with a different intensity**, in terms of number of days, of number of promotional spots etc. At the consolidated French level, **the 10 most promoted films** (out of the total promoted films of 221) gathered **43% of all the promotional spots.** In certain services, the share of promotional spots allocated to the 10 most promoted films was as high as 78%.

Table 209 Promotional spots and promoted films in France

Service	Number of promotional spots	Number of unique titles promoted	Diversity of promoted films[158]	Number of promotional spots for the 10 most promoted films	Share of promotional spots for the 10 most promoted films
Canal Play	674	34	5,0	410	61%
Google Play	590	30	5,1	459	78%
iTunes	1117	112	10,0	427	38%
MyTF1VOD	936	49	5,2	667	71%
Orange	700	46	6,6	348	50%
Pluzz	578	30	5,2	380	66%
SFR	729	98	13,4	302	41%
Sony PS	737	31	4,2	428	58%
XBOX Live	610	47	7,7	371	61%
All FR	**6671**	**221**[159]	**3,3**[160]	**2879**	**43%**

[158] Number of films promoted per 100 available promotional spots

[159] The total number of films promoted by French service is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

[160] The ratio is lower for the consolidated French figures as many films are duplicated between the different services.

The following table focuses on the promotion of recent films (produced in 2014 or 2015) by on-demand services part of the French sample.

At the consolidated French level **156 films (71%)** out of the total 221 which were promoted were recent films. These films benefited from a much more intense promotion effort, as **92% of all promotional spots dedicated to films were allocated to them**. Certain services gave even a higher priority to recent films, both in terms of the share of recent films among the films promoted (up to 100%) and of share of promotional spots allocated to recent films (up to 100%).

Table 210 Promotional spots and promoted recent films in France

Service	Number of promotional spots	Number of promotional spots allocated to 2014-2015 films	Number of unique titles 2014-2015	Diversity of promoted films[161]	Diversity of 2014-2015 promoted films[162]
Canal Play	674	637	32	5,0	5,0
Google Play	590	576	29	5,1	5,0
iTunes	1117	989	87	10,0	8,8
MyTF1VOD	936	925	46	5,2	5,0
Orange	700	682	44	6,6	6,5
Pluzz	578	460	25	5,2	5,4
SFR	729	593	61	13,4	10,3
Sony PS	737	737	31	4,2	4,2
XBOX Live	610	563	42	7,7	7,5
All FR	**6671**	**6162**	**156**[163]	**3,3**[164]	**2,5**[165]

[161] Number of films promoted per 100 available promotional spots

[162] Number of 2014-2015 films promoted per 100 available promotional spots

[163] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

[164] The consolidated ratio is lower as many films are duplicated between the different services.

[165] The consolidated ratio is lower as many films are duplicated between the different services.

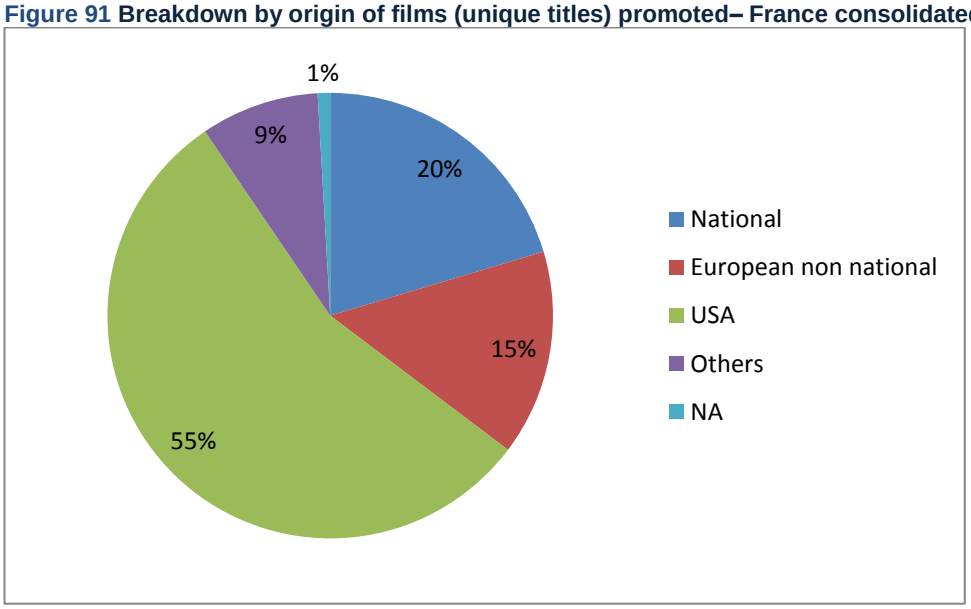
55.2 The promotion of European films

The following table analyses the films promoted by French on-demand services, **regardless of the intensity of the promotion.** At the consolidated French level, **European films accounted for 35% of all promoted films**. **Among European films, national films were more represented (20%) than European non-national films (15%).**

Table 211 Origin of films (unique titles) promoted by French on-demand services

Service	Number of unique titles	*National*	*European non national*	*USA*	*Others*	*NA*
Canal Play	34	*10*	*2*	*18*	*4*	*0*
Google Play	30	*3*	*6*	*18*	*3*	*0*
iTunes	112	*25*	*21*	*52*	*12*	*2*
MyTF1VOD	49	*13*	*7*	*25*	*4*	*0*
Orange	46	*13*	*7*	*24*	*2*	*0*
Pluzz	30	*13*	*5*	*9*	*3*	*0*
SFR	98	*19*	*17*	*59*	*3*	*0*
Sony PS	31	*6*	*3*	*21*	*1*	*0*
XBOX Live	47	*5*	*3*	*33*	*6*	*0*
All FR	221[166]	*45*	*33*	*122*	*19*	*2*

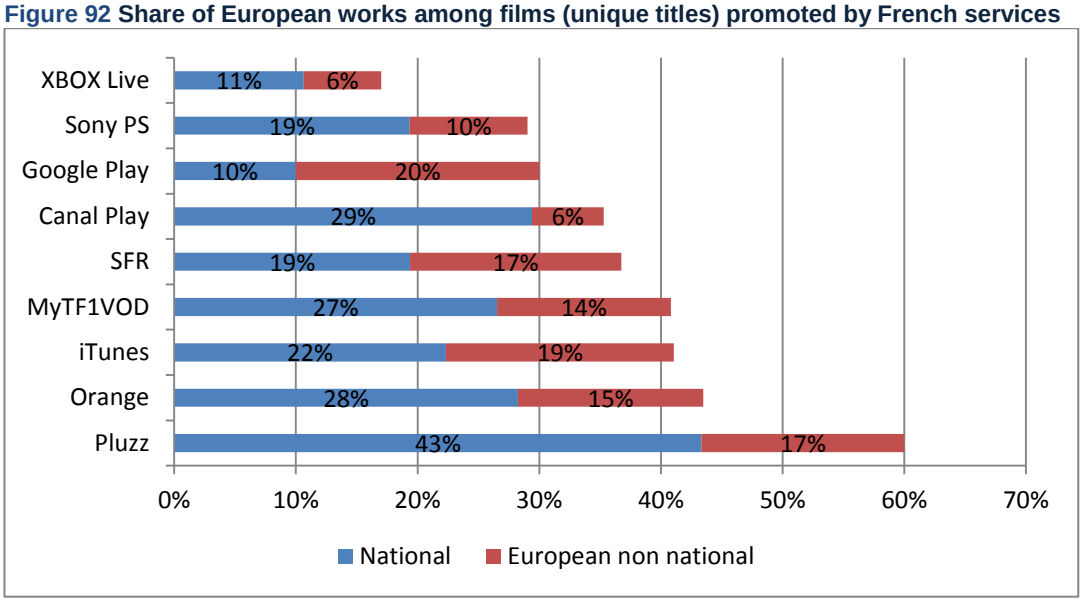
Figure 91 Breakdown by origin of films (unique titles) promoted– France consolidated



[166] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

The proportion of European films varied from**17% to 60%** between the services.

Figure 92 Share of European works among films (unique titles) promoted by French services



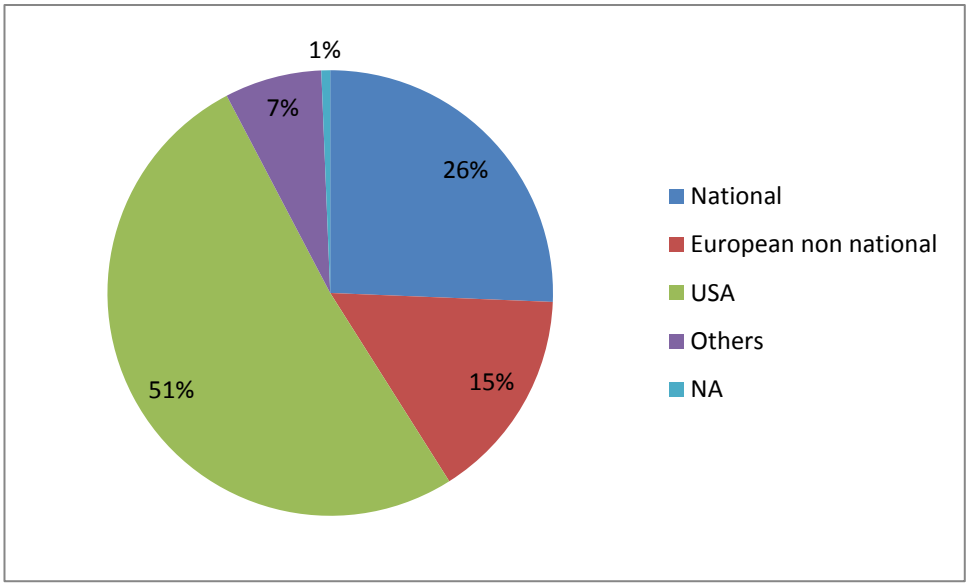
The proportion of European films is higher (41%) **when looking only at recent films (produced in 2014 or 2015)**, with significant differences between services (from 19% to 68%). Here again, among European films, national films were more represented (26%) than European non-national films (15%).

Table 212 Origin of recent films (unique titles) promoted by French on-demand services

	Number of unique titles 2014-2015	*National*	*European non national*	*USA*	*Others*	NA
Canal Play	32	*10*	*2*	*17*	*3*	0
Google Play	29	*3*	*6*	*17*	*3*	0
iTunes	87	*24*	*15*	*39*	*8*	1
MyTF1VOD	46	*13*	*6*	*24*	*3*	0
Orange	44	*13*	*7*	*22*	*2*	0
Pluzz	25	*13*	*4*	*6*	*2*	0
SFR	61	*15*	*13*	*32*	*1*	0
Sony PS	31	*6*	*3*	*21*	*1*	0
XBOX Live	42	*5*	*3*	*31*	*3*	0
All FR	156[167]	*40*	*24*	*80*	*11*	1

Figure 93 Breakdown by origin of recent films (unique titles) – France consolidated

[167] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

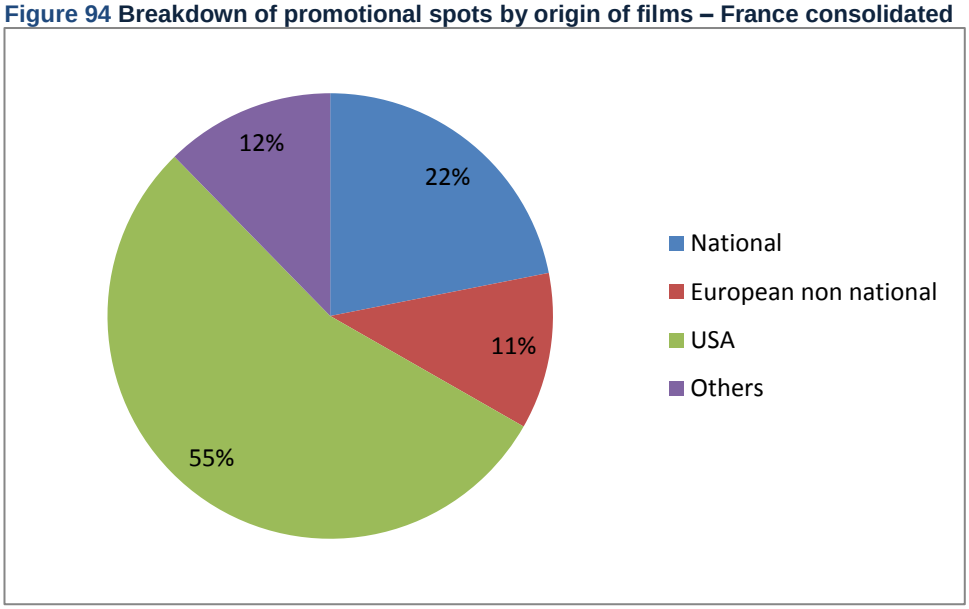


All films do not benefit from the same promotion effort. Whereas **European films accounted for 35% of all films promoted, they were allocated a slightly lower fraction (34%) of promotional spots.**

Table 213 Promotional spots by origin of films on French on-demand services

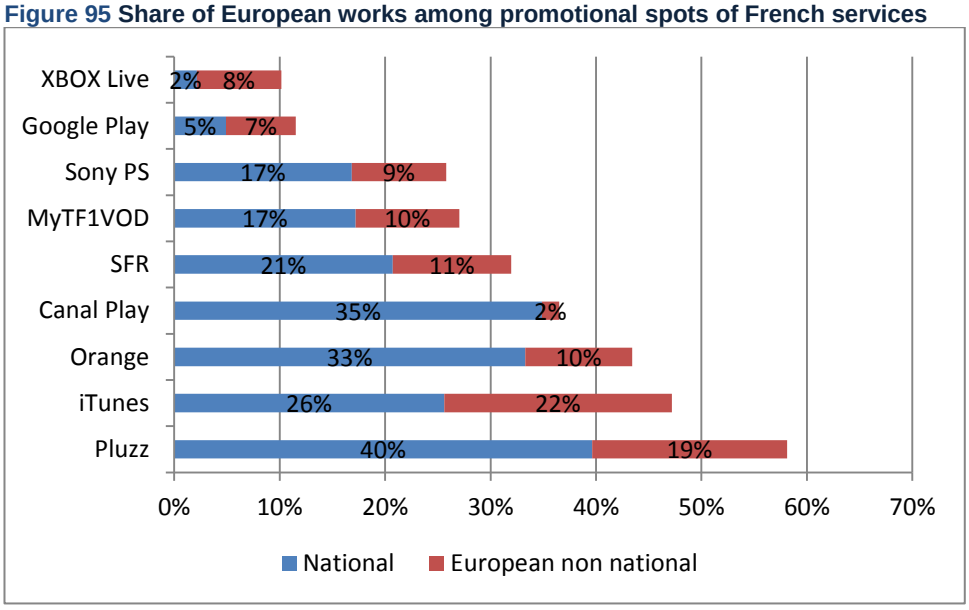
	Spots by country of origin			
Service	National	European non national	USA	Others
Canal Play	235	11	376	52
Google Play	29	39	448	74
iTunes	286	241	443	147
MyTF1VOD	161	92	481	202
Orange	233	71	351	45
Pluzz	229	107	138	104
SFR	151	82	474	22
Sony PS	124	66	482	65
XBOX Live	13	49	437	111
All FR	1461	758	3630	822

Figure 94 Breakdown of promotional spots by origin of films – France consolidated



The proportion of promotional spots allocated to European films varied between **10% and 59%.**

Figure 95 Share of European works among promotional spots of French services



As regards more specifically the **recent films** (produced in 2014 and 2015), **the share of promotional spots (35%) was lower than the share of European films (41%).**

Table 214 Promotional spots by origin of recent films on French on-demand services

	Spots by country of origin (films produced in 2014 and 2015)			
Service	National	European non national	USA	Others
Canal Play	235	11	363	28
Google Play	29	39	434	74
iTunes	284	204	371	130
MyTF1VOD	161	91	476	197
Orange	233	71	333	45
Pluzz	229	81	63	87
SFR	147	72	358	16
Sony PS	124	66	482	65
XBOX Live	13	49	414	87
All FR	1455	684	3294	729

56 Analysis of films promoted by British on-demand services

56.1 Diversity of films promoted

In October 2015, **10024** promotional spots were used by the on-demand services part of the Germany sample to promote **287** different films.

The number of available promotional spots differed quite widely between services, and so did the number of different films promoted.

To measure the diversity of the films promoted, we use the ratio between the number of available promotional spots and the number of different titles promoted. This ratio varies from **2.9 to 9.2** between UK services, which reflects to which extent some services tend to focus their promotional efforts on a limited number of best-sellers, whereas others push forward a wider selection of films. When looking at the consolidated picture of all UK on-demand services, the diversity of the offer is even lower, as a large proportion of the films are duplicated between the services. In any case, it should be reminded that an on-demand service can propose as much as 5 000 different films at one given moment and that, therefore, the proportion of films promoted among the catalogues can be way under 10%.

Films are of course promoted by services with a different intensity, in terms of number of days, of number of promotional spots etc. At the consolidated UK level, **the 10 most promoted films** (out of the total promoted films of 287) gathered **40% of all the promotional spots.** In certain services, the share of promotional spots allocated to the 10 most promoted films was as high as 75%.

Table 215 Promotional spots and promoted films in the UK

Service	Number of promotional spots	Number of unique titles promoted	Diversity of promoted films[168]	Number of promotional spots for the 10 most promoted films	Share of promotional spots for the 10 most promoted films
Amazon Instant Video	961	55	5,7	466	48%
BT Box Office	1151	67	5,8	530	46%
Google Play	637	41	6,4	475	75%
Itunes	1685	155	9,2	498	30%
PS Store	590	29	4,9	317	54%
Sky	1695	50	2,9	149	9%
Virgin Media	1846	140	7,6	633	34%
XBoxLive	1461	78	5,3	614	42%
All UK	**10024**	**287[169]**	**2,9[170]**	**4037**	**40%**

[168] Number of films promoted per 100 available promotional spots

[169] The total number of films promoted by German service is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

[170] The ratio is lower for the consolidated figures as many films are duplicated between the different services.

The following tables focuses on the promotion of recent films (produced in 204 or 2015) by on-demand services part of the UK sample.

At the consolidated level **231 films (80%)** out of the total 287 which were promoted were recent films. These films benefited from a much more intense promotion effort, **as 96% of all promotional spots dedicated to films were allocated to them.** Certain services gave even a higher priority to recent films, both in terms of the share of recent films among the films promoted (up to 97%) and of share of promotional spots allocated to recent films (up to 100%).

Table 216 Promotional spots and promoted recent films in the UK

Service	Number of promotional spots	Number of promotional spots allocated to 2014-2015 films	Number of unique titles 2014-2015	Diversity of promoted films[171]	Diversity of 2014-2015 promoted films[172]
Amazon Instant Video	961	930	54	5,7	5.8
BT Box Office	1151	1089	60	5,8	5,5
Google Play	637	626	38	6,4	6,1
Itunes	1685	1587	137	9,2	8,6
PS Store	590	590	29	4,9	4,9
Sky	1695	1651	44	2,9	2,7
Virgin Media	1846	1775	122	7,6	6,9
XBoxLive	1461	1358	66	5,3	4,9
All UK	**10024**	**9606**	**231[173]**	**2,9[174]**	**2,4[175]**

56.2 The promotion of European films

The following table analyses the films promoted by UK on-demand services, **regardless of the intensity of the promotion**. At the consolidated UK level, **European films accounted for 30% of all promoted films**. This proportion varied from 3% to 31% between the services[176]. **Among European films, national films were more represented (18%) than European non-national films (12%).**

[171] Number of films promoted per 100 available promotional spots

[172] Number of 2014-2015 films promoted per 100 available promotional spots

[173] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

[174] The consolidated ratio is lower as many films are duplicated between the different services.

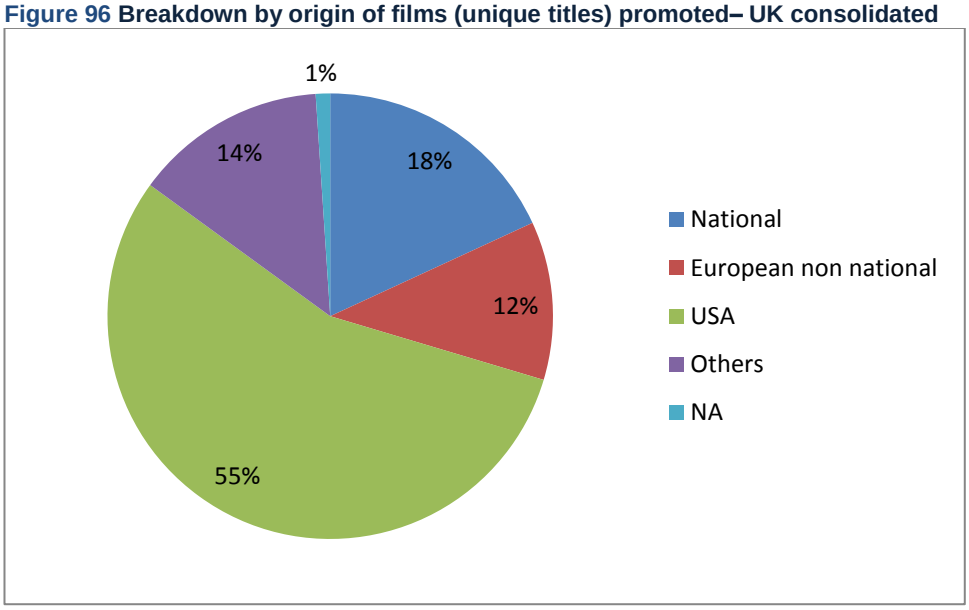
[175] The consolidated ratio is lower as many films are duplicated between the different services.

[176] The ratio for the consolidated UK is not the average of the ratio of each individual service as films are duplicated between services.

Table 217 Origin of films (unique titles) promoted by UK on-demand services

Service	Number of unique titles	*National*	*European non national*	*USA*	*Others*	NA
Amazon Instant Video	55	*13*	*4*	*33*	*4*	1
BT Box Office	67	*11*	*10*	*40*	*6*	0
Google Play	41	*6*	*2*	*28*	*5*	0
Itunes	155	*24*	*17*	*89*	*23*	2
PS Store	29	*1*	*0*	*25*	*3*	0
Sky	50	*8*	*3*	*33*	*6*	0
Virgin Media	140	*26*	*14*	*79*	*20*	1
XBoxLive	78	*12*	*10*	*47*	*9*	0
All UK	**287**[177]	***52***	***33***	***159***	***40***	**3**

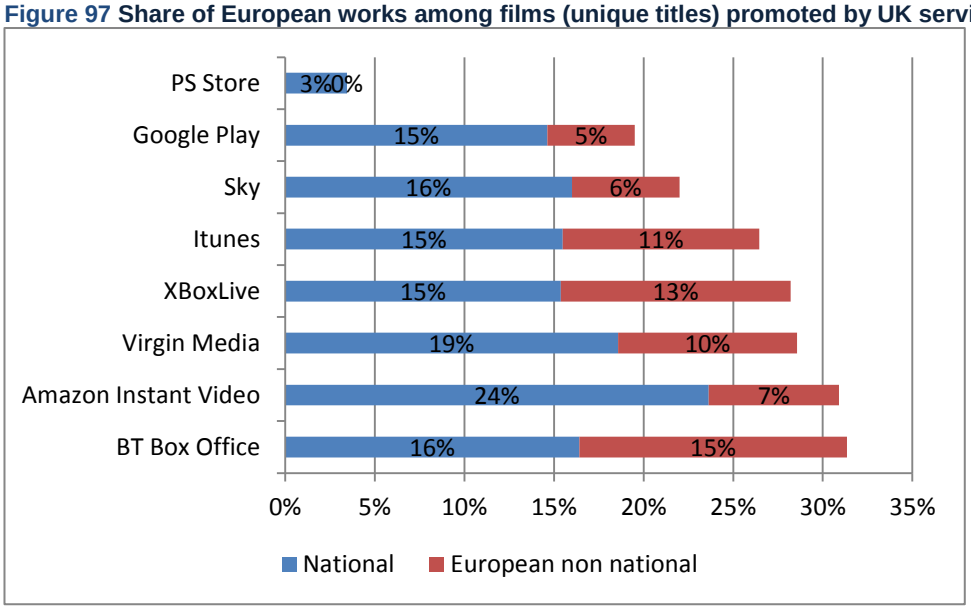
Figure 96 Breakdown by origin of films (unique titles) promoted– UK consolidated



The proportion of European films varied from **3% to 31%** between the services.

[177] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

Figure 97 Share of European works among films (unique titles) promoted by UK services



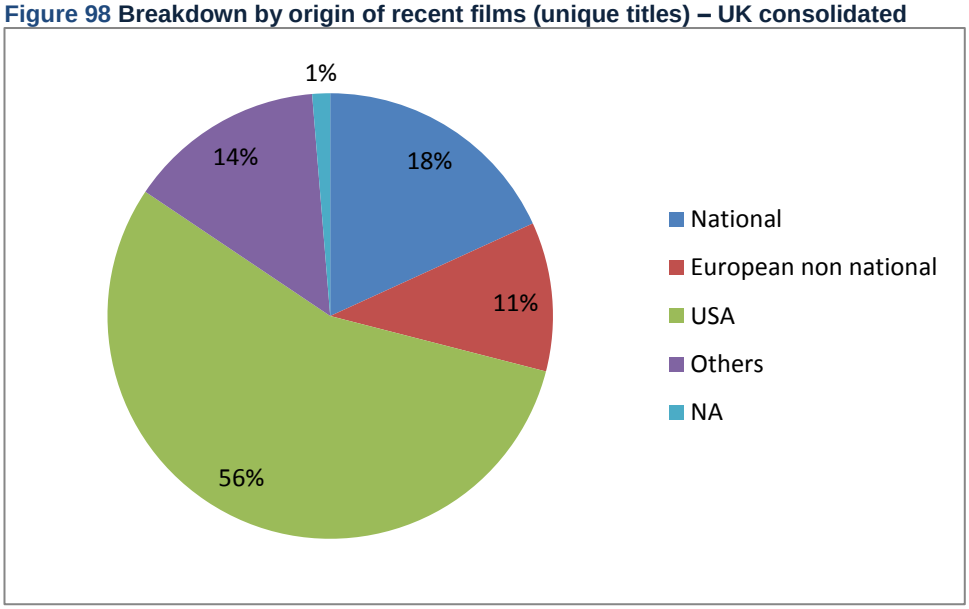
The proportion of European films is similar (29%) **when looking only at recent films (produced in 2014 or 2015),** with here again significant differences between services (from 3% to 32%). Here again, national films were more represented (18%) than European non-national films (11%).

Table 218 Origin of recent films (unique titles) promoted by UK on-demand services

	Number of unique titles 2014-2015	*National*	*European non national*	*USA*	*Others*	*NA*
Amazon Instant Video	54	*13*	*4*	*33*	*4*	*0*
BT Box Office	60	*10*	*9*	*35*	*6*	*0*
Google Play	38	*6*	*2*	*25*	*5*	*0*
Itunes	137	*20*	*14*	*81*	*20*	*2*
PS Store	29	*1*	*0*	*25*	*3*	*0*
Sky	44	*6*	*3*	*29*	*6*	*0*
Virgin Media	122	*25*	*13*	*67*	*16*	*1*
XBoxLive	66	*10*	*7*	*42*	*7*	*0*
All UK	**231**[178]	***42***	***25***	***128***	***33***	***3***

[178] The total number of films promoted is not the sum of the number of films promoted by each service as many films are duplicated between the different services.

Figure 98 Breakdown by origin of recent films (unique titles) – UK consolidated

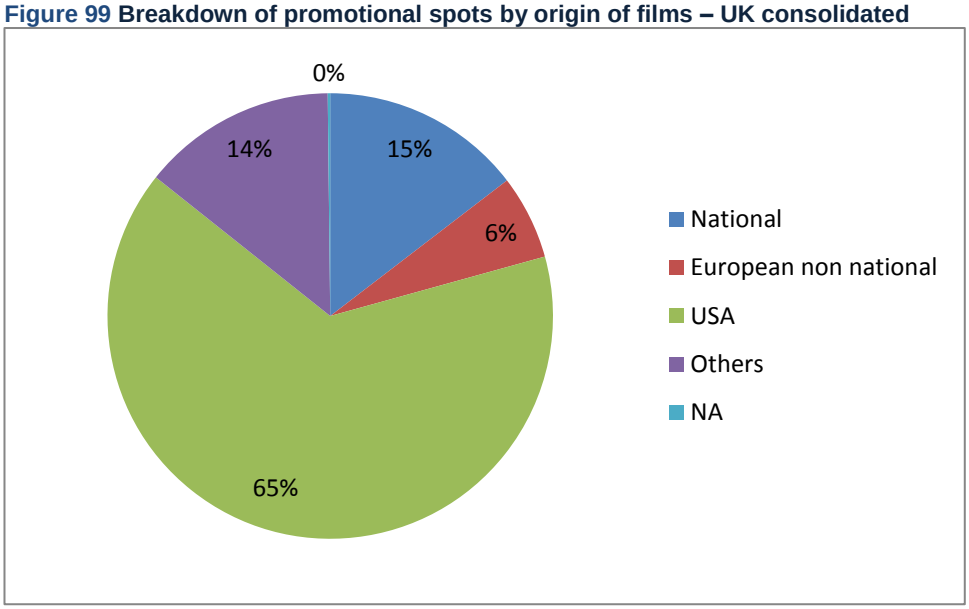


All films do not benefit from the same promotion effort. Whereas **European films accounted for 30% of all films promoted, they were allocated a significantly lower fraction (21%) of promotional spots.**

Table 219 Promotional spots by origin of films on UK on-demand services

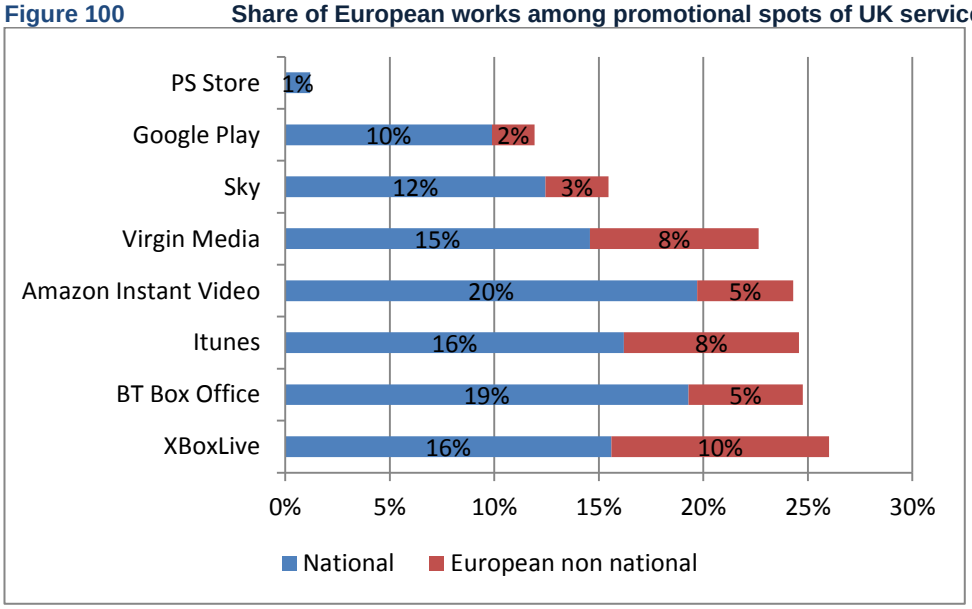
	Spots by country of origin				
Service	National	European non national	USA	Others	NA
Amazon Instant Video	189	44	603	123	
BT Box Office	222	63	722	144	
Google Play	63	13	428	133	
Itunes	273	141	1016	244	11
PS Store	7	0	509	74	
Sky	211	51	1126	307	
Virgin Media	269	149	1214	207	7
XBoxLive	228	152	897	184	0
All UK	1462	613	6515	1416	18

Figure 99 Breakdown of promotional spots by origin of films – UK consolidated



The proportion of promotional spots allocated to European films varied between **1% and 26%.**

Figure 100 Share of European works among promotional spots of UK services



As regards more specifically the **recent films** (produced in 2014 and 2015), **the share of promotional spots (21%) was again slightly lower than the share of European films (29%).**

Table 220 Promotional spots by origin of recent films on UK on-demand services

	Spots by country of origin (films produced in 2014 and 2015)				
Service	National	European non national	USA	Others	NA
Amazon Instant Video	145	87	452	104	9
Google Play	94	49	542	92	0
iTunes	90	147	533	53	0
Maxdome	133	34	400	81	0
PS Store	17	7	239	65	0
Sky	56	77	391	26	0
Unity Media	104	88	533	104	0
Videobuster	181	131	270	62	0
Videociety	125	83	374	58	0
Videoload	210	143	644	131	0
All DE	1155	846	4378	776	9

Table of tables

NOTE 1: MEASUREMENT OF FRAGMENTED AUDIOVISUAL AUDIENCES 9

3 Trends in television audience 13

Table 1 Audience measurement definitions in EU countries 13
Table 2 Television daily viewing in the EU – All universe (hh:mm) 14
Table 3 Television daily viewing in the EU – Young (hh:mm) 15
Table 4 Comparison of television viewing between the general audience and young viewers in 2014 (hh:mm) 16
Table 5 Evolution of television viewing in the EU 2011- 2014 (%) 18
Table 6 Evolution of television viewing among young in the EU 2011- 2014 (%) 19

4 Key trends in online video viewing on the fixed-Internet 21

Table 7 Total Unique Viewers, in thousand, EU 6 - August - 2013 - May 2015 21
Table 8 Total minutes per month for total audience, in million - EU 6 - August 2013-Mai 2015 23
Table 9 Videos per viewer - EU 6 - August 2013-May 2015 23
Table 10 Minutes per viewer - General population Vs 15-24 - May 2015 25
Table 11 Video per viewer - General population Vs 15-24 - May 2015 26
Table 12 Netflix Indicators - May 2015 26
Table 13 EU-6 – Percentage of adult site viewing minutes of total viewing minutes (in MM and %) – May 2015 27
Table 14 Market share of Facebook in video views - EU 6-March 2014/May 2015 27
Table 15 Google and Facebook - mn per video - May 2015 28
Table 16 Market share of Google in video views - EU 6-March 2014/May 2015 28
Table 17 Market share of top 10 properties in video views - EU 6-March 2014/May 2015 28
Table 18 France - Online viewing key indicators 29
Table 19 France - Top 10 Video Properties – May 2015 29
Table 20 Germany - Online viewing key indicators 30
Table 21 Germany - Top 10 Video Properties – May 2015 30
Table 22 Italy - Online viewing key indicators 31
Table 23 Italy - Top 10 Video Properties – May 2015 31
Table 24 Spain - Online viewing key indicators 32
Table 25 Spain - Top 10 Video Properties – May 2015 32
Table 26 The Netherlands - Online viewing key indicators 33
Table 27 The Netherlands - Top 10 Video Properties – May 2015 33
Table 28 United Kingdom - Online viewing key indicators 34
Table 29 United Kingdom- Top 10 Video Properties – May 2015 34

5 TV and online audiences in perspective 35

Table 30 Comparison of time spent watching television and online videos 35

NOTE 2: ONLINE ADVERTISING IN THE EU – 2014 UPDATE 37

7 Key data 40

Table 31 Internet Advertising in EU countries 2008 - 2013 in EUR million 43
Table 32 Concentration of online Ad spend in the EU - 2014 in EUR billion 44
Table 33 Display value and growth by country 2012-2014 in EUR million 53

Table 34 Net Digital Ad Revenue Share Worldwide, by company, 2012-2014 55
Table 35 Net Mobile Internet Ad Revenue Share Worldwide, by Company, 2012-2014, % of total 56

8 Key trends 57
Table 36 Video ad spend in EUR million 57
Table 37 Mobile Internet Ad Spending Worldwide, 2013-2019 62
Table 38 Mobile Internet Ad Spending Worldwide, by Country, 2013-2018 62
Table 39 Average Time Spent per Day with Major Media by UK Adults, 2013-2017 63
Table 40 UK Total Media Ad Spending by Media 2014-2019 64
Table 41 Net US Mobile Ad Revenue Share by Company, 2014-2017 66
Table 42 Social Network Ad Revenues worldwide, by company 2014-2017 in USD billion 68
Table 43 Facebook and Twitter Ad Revenues per User Worldwide, US vs. Non-US 2014-2017 72

NOTE 3: THE SVOD MARKET IN THE EUROPEAN UNION 2014 & 201581

9 Market figures: SVoD in the European Union 82
Table 44 SVoD Consumer revenues and growth rates per country, in EUR million and %, 2010 - 2014 84
Table 45 Share of SVoD consumer expenses per country in 2014 EU 22, in % 84
Table 46 Total consumer revenues for on-demand audiovisual services in 18 EU countries, in EUR million and %, 2010-2014 88
Table 47 Share of SVoD consumer revenues in overall consumer revenues for on-demand audiovisual services EU 18, in %, 2010-2014 89
Table 48 Consumer spending on pay TV per country EU 22, in EUR million, 2010-2014 94
Table 49 SVoD consumer revenues in % of consumer spending on pay TV, 2010-2014 94

10 SVoD in Europe – Generalist, Niche and Direct-to-consumers strategies 96
Table 50 Netflix - EU subscribers in million as estimated by main source 104
Table 51 Subscribers to Netflix in Europe and North America, IHS 104
Table 52 Netflix paying SVoD subscribers by country at December 2015, in thousands – DigitalTV Research 105

11 SVoD players and market in the United Kingdom: EU's most developed market could give some leads as to the future of SVoD in Europe 111
Table 53 UK SVoD market value by research firm 2014 & 2019 114
Table 54 UK - SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014 114

12 SVoD players and markets in the Nordics: fast adoption of SVoD services, highest penetration in the EU 116
Table 55 Nordics (DK, FI, SE) - SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014 119

13 SVoD players and market in France: Netflix versus CanalPlay 120
Table 56 Estimations SVoD market France 2014 123
Table 57 France - SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014 124

14 SVoD players and market in Germany: strong national players and international competition will drive the SVoD market 125
Table 58 Germany - SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014 127

15 SVoD players and market in the Netherlands: explosive growth – the Netflix

effect **128**

Table 59 Netherlands- SVoD consumer revenues in % of overall consumer revenues for on-demand services, 2010-2014 129

16 Lessons from the US market **130**

Table 60 Pay TV Subscribers Net Additions Q2 2015, USA 135

Table 61 Top 5 Reasons that US and UK SVOD subscribers signed up for, March 2014 137

NOTE 4: ORIGIN OF FILMS IN VOD CATALOGUES IN THE EU **147**

18 Foreword – Methodology **148**

Table 62 16 SVoD and 75 VoD services analysed in 28 EU countries 149

Table 63 Results – Example of presentation 151

Table 64 Results – Presentation of Breakdown by Region of Origin 151

Table 65 Results – Presentation of Breakdown by Age of Production 153

Table 66 Coverage ratio of VoD catalogues (in %), Date and Time of retrieval, Total number of films in Catalogue and retrieved 155

19 Origin of Films in selected VoD catalogues available in the EU **159**

Table 67 Results - Cumulated film titles of the 75 VoD services analysed – Region of Origin and Age of Production, in % 159

Table 68 Results - Unique film titles of the 75 VoD services analysed - Region of Origin and Age of Production, in % 160

20 Origin of Films in selected SVoD catalogues services available in the EU **163**

Table 69 Results - Cumulated film titles of the 16 SVoD services analysed - Region of Origin and Age of Production, in % 163

Table 70 Results - Unique film titles of the 16 SVoD services analysed - Region of Origin and Age of Production, in % 163

21 Catalogues of pan-European services by country – Region of origin and Age of production **167**

Table 71 Netflix – Catalogue by country: Region of origin and Age of films – in figures and % 167

Table 72 CMore – Catalogue by country: Region of origin and Age of films – in figures and % 168

Table 73 iTunes – Catalogue by country: Region of origin and Age of films – in figures and % 169

Table 74 ChiliTV – Catalogue by country: Region of origin and Age of films – in figures and % 170

Table 75 SF Anytime – Catalogue by country: Region of origin and Age of films – in figures and % 171

Table 76 Wuaki – Catalogue by country: Region of origin and Age of films – in figures and % 172

Table 77 Overview of Pan-European VoD and SVoD services – Catalogue Averages: Region of origin and Age of films – in figures and % 172

22 Pan-European catalogues of pan-European VoD and SVoD services by unique film titles **175**

Table 78 Pan-European catalogue of pan-European SVoD services, unique film titles, in figures and % 175

Table 79 Pan-European catalogue of pan-European VoD services, unique film titles, in figures and % 176

23 Top 10 film rankings in catalogues of the selected 75 VoD services: films in more than 40 catalogues **178**

Table 80 Top 10 film rankings in VoD catalogues analysed 178

24 AT – Austria: Results for selected VoD and SVoD services **179**

Table 81 AT – ChiliTV 179

Table 82 AT – Flimmit 179
Table 83 AT – iTunes 179
Table 84 AT – Neflix 180
Table 85 AT – Wuaki.tv 180
Table 86 AT - VoD catalogue and coverage details 180

25 BE – Belgium: Results for selected VoD services 181
Table 87 BE – iTunes 181
Table 88 BE – Skynet 181
Table 89 BE – Universciné Belgique 181
Table 90 BE - VoD catalogue and coverage details 181

26 BG – Bulgaria: Results for selected VoD services 182
Table 91 BG – iTunes 182
Table 92 BG – Voyo 182
Table 93 BG - VoD catalogue and coverage details 182

27 CY – Cyprus: Results for selected VoD services 183
Table 94 CY - iTunes 183
Table 95 CY - VoD catalogue and coverage details 183

28 CZ – Czech Republic: Results for selected VoD services 184
Table 96 CZ - iTunes 184
Table 97 CZ – O2TV 184
Table 98 CZ – Voyo 184
Table 99 CZ - Megagogo 184
Table 100 CZ - VoD catalogue and coverage details 185

29 DE – Germany: Results for selected VoD and SVoD services 186
Table 101 DE - ChiliTV 186
Table 102 DE - iTunes 186
Table 103 DE - Maxdome 186
Table 104 DE - Netflix 186
Table 105 DE – Sky Snap 187
Table 106 DE – Videoland 187
Table 107 DE – Wuaki.tv 187
Table 108 DE - VoD catalogue and coverage details 187

30 DK – Denmark: Results for selected VoD and SVoD services 188
Table 109 DK – Blockbuster 188
Table 110 DK – CMore 188
Table 111 DK – iTunes 188
Table 112 DK – iTunes 188
Table 113 DK – SF Anytime 189
Table 114 DK – YouSeePlay 189
Table 115 DK - VoD catalogue and coverage details 189

31 EE – Estonia: Results for selected VoD services 190
Table 116 EE - iTunes 190
Table 117 EE - Megagogo 190
Table 118 EE - VoD catalogue and coverage details 190

32 ES – Spain: Results for selected VoD services 191
Table 119 ES - Filmin 191
Table 120 ES - iTunes 191
Table 121 ES – Wuaki.tv 191
Table 122 ES – Yomvi 191
Table 123 ES - VoD catalogue and coverage details 192

33 FI – Finland: Results for selected VoD and SVoD services 193
Table 124 FI - CMore 193
Table 125 FI - iTunes 193
Table 126 FI - Netflix 193
Table 127 FI - SFAnytime 193
Table 128 FI - VoD catalogue and coverage details 194

34 FR – France: Results for selected VoD and SVoD services 195
Table 129 FR - Canalplay 195
Table 130 FR – Canalplay VoD 195
Table 131 FR - iTunes 195
Table 132 FR – Netflix 195
Table 133 FR – Universciné France 196
Table 134 FR – Wuaki.tv 196
Table 135 FR - VoD catalogue and coverage details 196

35 GB – United Kingdom: Results for selected VoD and SVoD services 197
Table 136 GB - iTunes 197
Table 137 GB - ChiliTV 197
Table 138 GB - Netflix 197
Table 139 GB – Wuaki.TV 197
Table 140 GB - Curzon Home Cinema 198
Table 141 GB - VoD catalogue and coverage details 198

36 GR – Greece: Results for selected VoD services 199
Table 142 GR - HOL 199
Table 143 GR - iTunes 199
Table 144 GB - VoD catalogue and coverage details 199

37 HR - Croatia: Results for selected VoD services 200
Table 145 HR – BNET 200
Table 146 HR – MaxTV 200
Table 147 HR – Oyo 200
Table 148 HR - VoD catalogue and coverage details 200

38 HU - Hungary: Results for selected VoD services 201
Table 149 HU - iTunes 201
Table 150 HU - VoD catalogue and coverage details 201

39 IE – Ireland: Results for selected VoD services 202
Table 151 IE - iTunes 202
Table 152 IE - Volta 202
Table 153 IE – Wuaki.tv 202
Table 154 IE - VoD catalogue and coverage details 202

40 IT - Italy: Results for selected VoD services 203
Table 155 IT - iTunes 203
Table 156 IT - ChiliTV 203
Table 157 IT - Timvision 203
Table 158 IT – Wuaki.TV 203
Table 159 IT - VoD catalogue and coverage details 204

41 LT - Lithuania: Results for selected VoD services 205
Table 160 LT - iTunes 205
Table 161 LT - Megagogo 205
Table 162 LT - VoD catalogue and coverage details 205

42 LU - Luxembourg: Results for selected VoD services 206
Table 163 LU - iTunes 206
Table 164 LU - TangoTV 206
Table 165 LU - VoD catalogue and coverage details 206

43 LV – Latvia: Results for selected VoD services 207
Table 166 LV – iTunes 207
Table 167 LV – Lattelecom 207
Table 168 LV – Megagogo 207
Table 169 LV - VoD catalogue and coverage details 207

44 MT – Malta: Results for selected VoD services 208
Table 170 MT - iTunes 208
Table 171 MT - VoD catalogue and coverage details 208

45 NL – Netherlands: Results for selected VoD and SVoD services 209
Table 172 NL - iTunes 209
Table 173 NL - Netflix 209
Table 174 NL - PathéThuis 209
Table 175 NL - Ziggo 209
Table 176 NL - VoD catalogue and coverage details 210

46 PL – Poland: Results for selected VoD services 211
Table 177 PL - Chili 211
Table 178 PL - IPLA 211
Table 179 PL - iTunes 211
Table 180 PL - Kinoplex 211
Table 181 PL - StrefaVoD 212
Table 182 PL - Toya 212
Table 183 PL - VoD catalogue and coverage details 212

47 PT – Portugal: Results for selected VoD services 213
Table 184 PT - iTunes 213
Table 185 PT - VoD catalogue and coverage details 213

48 RO – Romania: Results for selected VoD services 214
Table 186 RO - Seenow 214
Table 187 RO - VoD catalogue and coverage details 214

49 SE - Sweden: Results for selected VoD and SVoD services 215
Table 188 SE - CDON 215

Table 189 SE - CMore 215
Table 190 SE - iTunes 215
Table 191 SE - Netflix 215
Table 192 SE - PlayPlus 216
Table 193 SE – SF Anytime 216
Table 194 SE - VoD catalogue and coverage details 216

50 SI – Slovenia: Results for selected VoD services 217
Table 195 SI - DKino 217
Table 196 SI - VoD catalogue and coverage details 217

51 SK – Slovakia: Results for selected VoD services 218
Table 197 SK - iTunes 218
Table 198 SK - VoD catalogue and coverage details 218

NOTE 5: THE VISIBILITY OF FILM ON ON-DEMAND PLATFORMS – GERMANY, FRANCE & UNITED KINGDOM 219

52 Objectives and methodology of this note 220
Table 199 List of on demand services in the sample 220

53 Main findings from the analysis of on-demand services in Germany, France in UK 222
Table 200 Overview of films promoted in Germany, France and the UK 222
Table 201 Overview of promotional spots in Germany, France and the UK 223

54 Analysis of films promoted by German on-demand services 225
Table 202 Promotional spots and promoted films in Germany 226
Table 203 Promotional spots and promoted recent films in Germany 227
Table 204 Origin of films (unique titles) promoted by German on-demand services 228
Table 205 Breakdown by origin of films (unique titles) promoted – Germany consolidated 228
Table 206 Origin of recent films (unique titles) promoted by German on-demand services 229
Table 207 Promotional spots by origin of films on German on-demand services 230
Table 208 Promotional spots by origin of recent films on German on-demand services 232

55 Analysis of films promoted by French on-demand services 233
Table 209 Promotional spots and promoted films in France 233
Table 210 Promotional spots and promoted recent films in France 234
Table 211 Origin of films (unique titles) promoted by French on-demand services 235
Table 212 Origin of recent films (unique titles) promoted by French on-demand services 236
Table 213 Promotional spots by origin of films on French on-demand services 237
Table 214 Promotional spots by origin of recent films on French on-demand services 239

56 Analysis of films promoted by British on-demand services 240
Table 215 Promotional spots and promoted films in the UK 240
Table 216 Promotional spots and promoted recent films in the UK 241
Table 217 Origin of films (unique titles) promoted by UK on-demand services 242
Table 218 Origin of recent films (unique titles) promoted by UK on-demand services 243
Table 219 Promotional spots by origin of films on UK on-demand services 244
Table 220 Promotional spots by origin of recent films on UK on-demand services 246

Table of figures

NOTE 1: MEASUREMENT OF FRAGMENTED AUDIOVISUAL AUDIENCES 9

3 Trends in television audience 13

Figure 1 Television daily viewing in the EU – All universe 15
Figure 2 Comparison of television viewing between the general audience and young viewers in 2014 17
Figure 3 Comparison of the evolution of time spent by the general audience and young audiences – 2014-2015 20

4 Key trends in online video viewing on the fixed-Internet 21

Figure 4 Total Unique Viewers, in thousand, EU 6 - August - 2013 - May 2015 21
Figure 5 Total Unique Viewers, in thousand, EU 6 – By country - August - 2013 - May 2015 21
Figure 6 Total minutes per month for total audience, in million - EU 6 - August 2013-Mai 2015 23
Figure 7 Total minutes per month for total audience, in million - EU 6 – By country - August 2013-Mai 2015 23
Figure 8 Videos per viewer - EU 6 - August 2013-May 2015 24
Figure 9 Minutes per video - EU 6 - August 2013-May 2015 24
Figure 10 Minutes per video - EU 6 - August 2013-May 2015 25

NOTE 2: ONLINE ADVERTISING IN THE EU – 2014 UPDATE 37

7 Key data 40

Figure 11 EU countries (except LU) Online advertising 2008 – 2014 in EUR billion 41
Figure 12 Europe (26 IAB countries) Total online advertising spend 2006 -2014 - in EUR billion 42
Figure 13 Online ad spend per capita in 2014 - in EUR 42
Figure 14 Online advertising growth in Europe 2007-2014 - in % 45
Figure 15 Online advertising growth in 2014 - in % 45
Figure 16 Total Advertising growth in Europe in 2014 - in % 46
Figure 17 EU – Comparison of TV and Internet advertising - 2008 – 2014 in EUR billion 47
Figure 18 EU – Growth rates of TV and Internet advertising 2009 – 2014 in % 47
Figure 19 Ad spend by category in Europe 2014 - in EUR million 48
Figure 20 Internet and TV advertising compared – 2014- in EUR million 48
Figure 21 Format shares of total online advertising 2006-2014 - in % 50
Figure 22 Online ad spend year-on-year growth - in % 51
Figure 23 Western Europe: share of formats in 2014 52
Figure 24 CEE excluding Russia: share of formats in 2014 52
Figure 25 Year-on-Year growth in European Display advertising 2007-2014- in % 54

8 Key trends 57

Figure 26 Online video advertising revenue in Europe, 2006-2018 in USD million 58
Figure 27 Video Net Advertising Revenue by Transaction Mechanism, Europe 2012-2020, in EUR million 59
Figure 28 Programmatic share of video advertising revenue in 2015 by EU country, in % 59
Figure 29 Share of US minutes spent on apps owned by major tech companies 65
Figure 30 Source of Facebook's revenue, 2012-2015, USD million 71
Figure 31 Instagram, Google and Twitter Net US Mobile Display Ad revenues 2015-2017, in

USD billion 71
Figure 32 Ad Blocking rates by country 78
Figure 33 Adblock users per month, in millions 79

NOTE 3: THE SVOD MARKET IN THE EUROPEAN UNION 2014 & 201581

9 Market figures: SVoD in the European Union 82
Figure 34 EU 22 SVoD consumer revenues and yearly growth rate, in EUR million and %, 2010-2014 84
Figure 35 SVoD consumer revenues 2010-2014 (in EUR million) and dateline – Entry of Netflix and launch of other SVoD services in selected EU countries 86
Figure 36 Share of SVoD consumer revenues of total consumer spend for on-demand audiovisual services in EU 18 and SVoD consumer revenues, in % and EUR million, 2010-2014 89
Figure 37 Growth rates of OTT SVoD, Film, TV and Managed networks in the EU 2010-2014, in % 90
Figure 38 Net additions pay TV and SVoD subscribers Europe, in millions, 2009-2015 94
Figure 39 Homes having a subscription to Pay TV and SVoD in the UK, DE, FR, IT, ES, USA in 2015, in % 95
Figure 40 Homes subscribing to a standalone OTT SVoD service in the UK, DE, FR, IT, ES, USA in 2015, in % 95

10 SVoD in Europe – Generalist, Niche and Direct-to-consumers strategies 96
Figure 41 SVoD online video revenues in Western Europe and North America, in USD billion 99
Figure 42 Netflix Subscriber Breakdown Q2 2015, in millions – Futuresource Consulting 105
Figure 43 Netflix US and International Paid memberships Q1 2013 –Q3 2015, in thousands 106
Figure 44 Netflix US and International Paid memberships quarterly growth Q1 2013 –Q3 2015, in % 106
Figure 45 Netflix US and International revenues Q1 2013 – Q3 2015, in USD thousands 107
Figure 46 Netflix US and International revenues quarterly growth Q1 2013 – Q3 2015, in % 107
Figure 47 Netflix US streaming profits and International loss Q1 2013 – Q3 2015, in USD thousands 108
Figure 48 Netflix International Streaming revenues and cost of revenues Q1 2013 – Q3 2015, in USD thousands 108
Figure 49 Netflix International Streaming revenues and cost of revenues Q1 2013 – Q3 2015, in % 109
Figure 50 Netflix US and International cost of marketing Q1 2013 – Q3 2015, in USD thousands 109
Figure 51 Netflix Consolidated net income (US streaming and DVD rental, International streaming) Q1 2013 – Q3 2015, in USD thousands 110
Figure 52 Netflix Consolidated net income (US streaming and DVD rental, International streaming) quarterly growth Q3 2013 – Q3 2015, in % 110

11 SVoD players and market in the United Kingdom: EU's most developed market could give some leads as to the future of SVoD in Europe 111
Figure 53 UK SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014 114
Figure 54 United Kingdom - SVoD Volume market share 2014, in % of volume 114
Figure 55 Subscription VoD service take-up, by household 115

12 SVoD players and markets in the Nordics: fast adoption of SVoD services, highest penetration in the EU 116
Figure 56 Nordics (DK, FI, SE) - SVoD consumer revenues in EUR million and yearly growth

rates in %, 2010-2014 119
Figure 57 Nordics – Use of Streaming services 2013 and 2014, in % based on a Sample population 119

13 SVoD players and market in France: Netflix versus CanalPlay 120

Figure 58 France - SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014 124

14 SVoD players and market in Germany: strong national players and international competition will drive the SVoD market 125

Figure 59 Germany - SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014 127
Figure 60 Germany – SVoD revenue 2006-2020, EUR million 127
Figure 61 Germany –SVoD revenues by service, 2006-2020, EUR million 127
Figure 62 Germany – SVoD subscribers 2006-2020, in thousands 127
Figure 63 Germany – SVoD subscribers by services, 2006-2020, in thousands 127

15 SVoD players and market in the Netherlands: explosive growth – the Netflix effect 128

Figure 64 Netherlands - SVoD consumer revenues in EUR million and yearly growth rates in %, 2010-2014 129

16 Lessons from the US market 130

Figure 65 SVoD penetration in US TV households, in % Q4 2014 USA 131
Figure 66 Linear TV viewing by Millenials USA Q1 2011- Q2 2015 132
Figure 67 Decline in prime-time viewership July 2014/2015, USA in % 133
Figure 68 Top Networks watched by viewers for five or more hours in the week of June 15th 2015 134
Figure 69 Pay TV Subscriber Growth, Q4 2006- 2015, USA in % 135
Figure 70 US Households daily screen time with TV connected devices (in HH:MM), 2014 137

17 Strategies in the SVoD market: Exclusive licences, Original content, multidevice convenience and user friendliness are the main competitive advantages to acquire and retain subscribers 138

Figure 71 Content spending by provider 2013 and 2014, in USD billion 143
Figure 72 Content acquisition spending Netflix, Amazon and Hulu, 2012-2015, in USD billion 144
Figure 73 Streaming and Digital content sales compared to traditional broadcast and cables sales for US media companies, 2009-2014 144
Figure 74 SVoD licence sales as a percentage of media companies revenues - USA, 2014-2016 145
Figure 75 US Original content viewing on Netflix Feb 2014/Aug 2015 145
Figure 76 Reasons that US Netflix Subscribers Subscribe to Netflix, January 2015, in % 146

NOTE 4: ORIGIN OF FILMS IN VOD CATALOGUES IN THE EU 147

19 Origin of Films in selected VoD catalogues available in the EU 159

Figure 77 Breakdown by Region of Origin – Cumulated and Unique - 75 VoD catalogues, in % of film titles 160
Figure 78 Breakdown by Age – Cumulated and Unique - 75 VoD catalogues, in % of film titles 161
Figure 79 Share of EU films in the 75 VoD catalogues – Cumulated and Unique – in % 161

20 Origin of Films in selected SVoD catalogues services available in the EU 163

Figure 80 Breakdown by Region of Origin – Cumulated and Unique - 16 SVoD catalogues, in % of film titles 164

Figure 81 Breakdown by Age – Cumulated and Unique - 16 SVoD catalogues, in % of film titles 164
Figure 82 Share of EU films in the 16 SVoD catalogues – Cumulated and Unique – in % 165

21 Catalogues of pan-European services by country – Region of origin and Age of production 167

Figure 83 Overview of Pan-European VoD and SVoD services – Catalogue Averages: Region of origin – in % 173
Figure 84 Overview of Pan-European VoD and SVoD services – Catalogue Averages: Age of films – in % 173

22 Pan-European catalogues of pan-European VoD and SVoD services by unique film titles 175

Figure 85 Overview of Pan-European VoD and SVoD services – Unique film titles: Region of origin – in % 177
Figure 86 Overview of Pan-European VoD and SVoD services – Unique film titles: Age of films – in % 177

NOTE 5: THE VISIBILITY OF FILM ON ON-DEMAND PLATFORMS – GERMANY, FRANCE & UNITED KINGDOM 219

54 Analysis of films promoted by German on-demand services 225

Figure 87 Share of European works among films (unique titles) promoted by German services 229
Figure 88 Breakdown by origin of recent films (unique titles) – Germany consolidated 230
Figure 89 Breakdown of promotional spots by origin of films – Germany consolidated 231
Figure 90 Share of European works among promotional spots of German services 231

55 Analysis of films promoted by French on-demand services 233

Figure 91 Breakdown by origin of films (unique titles) promoted– France consolidated 235
Figure 92 Share of European works among films (unique titles) promoted by French services 236
Figure 93 Breakdown by origin of recent films (unique titles) – France consolidated 236
Figure 94 Breakdown of promotional spots by origin of films – France consolidated 238
Figure 95 Share of European works among promotional spots of French services 238

56 Analysis of films promoted by British on-demand services 240

Figure 96 Breakdown by origin of films (unique titles) promoted– UK consolidated 242
Figure 97 Share of European works among films (unique titles) promoted by UK services 243
Figure 98 Breakdown by origin of recent films (unique titles) – UK consolidated 244
Figure 99 Breakdown of promotional spots by origin of films – UK consolidated 245
Figure 100 Share of European works among promotional spots of UK services 245