KEY TRENDS 2025

TELEVISION, CINEMA, VIDEO AND
ON-DEMAND AUDIOVISUAL SERVICES
THE PAN-EUROPEAN PICTURE

European Audiovisual Observatory

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

→ Director of publication
Susanne Nikoltchev, Executive Director

→ Editorial supervision
Gilles Fontaine, Head of Department for Market Information

→ Authors
Laura Ene, Manuel Fioroni, Gilles Fontaine, Christian Grece, Martin Kanzler, Amélie Lacourt, Éric Munch, Justine Radel-Cormann, Agnes Schneeberger, Jean-Augustin Tran

→ Coordination
Valérie Haessig

→ Special thanks to the following for their contribution to the Yearbook
Ampere Analysis, Dataxis, European Broadcasting Union - Media Intelligence Service (EBU-M.I.S.), JustWatch, Glance, Goldmedia, media-press.tv, Moody's (Orbis), WARC, the members of the EFARN and the EPRA networks, and Creative Europe MEDIA.

→ Proofreading
Anthony Mills

→ Layout
Big Family

→ Press and public relations
Alison Hindhaugh, alison.hindhaugh@coe.int

→ Publisher
European Audiovisual Observatory
76 Allée de la Robertsau, 67000 Strasbourg, France
www.obs.coe.int

If you wish to reproduce tables or graphs contained in this publication please contact the European Audiovisual Observatory for prior approval. Please note that the European Audiovisual Observatory can only authorise reproduction of tables or graphs sourced as "European Audiovisual Observatory". All other entries may only be reproduced with the consent of the original source.

Opinions expressed in this publication are personal and do not necessarily represent the view of the Observatory, its members or of the Council of Europe.

© European Audiovisual Observatory (Council of Europe), Strasbourg 2025
Printed on recycled paper

KEY TRENDS 2025

TELEVISION, CINEMA, VIDEO AND ON-DEMAND
AUDIOVISUAL SERVICES - THE PAN-EUROPEAN PICTURE

European Audiovisual Observatory

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

List of abbreviations used in this publication

ARPU	average revenue per user
AV	audiovisual
AVMSD	Audiovisual Media Services Directive
AVOD	advertising-funded video on demand
CAGR	compound annual growth rate
DOP	director of photography
DTT	digital terrestrial television
EAO	European Audiovisual Observatory
FAST	free ad-supported streaming TV
FOD	free on demand (services)
IPR	intellectual property rights
IPTV	Internet Protocol TV
OTT	over-the-top
NRA	national regulatory authority
PSB	public service broadcaster
PSM	public service media
SVOD	subscription video on demand
TVOD	transactional video on demand
VOD	video on demand
VSP	video-sharing platform

TABLE OF CONTENT

INTRODUCTION

0 The creator economy vs. TV advertising 6

CREATION

1.1 Writers and directors of European works: Are TV series really the lifeline? 8
1.2 Parity in film and TV fiction production: DOPs and composers lag behind 10
1.3 Adaptations more common in co-productions? 12
1.4 Regulating influencers: the media law perspective 14

PRODUCTION

2.1 European film production continues to expand 16
2.2 Film financing: Growing importance of incentives as financing source in 2021 18
2.3 Downturn in TV fiction production 20
2.4 Defining independent producers/production of European works 22

EXPLOITATION

3.1 European films are increasingly reliant on national markets 24
3.2 High share of theatrical films broadcast on TV 26
3.3 EU27 works in VOD catalogues were mostly non-national 28
3.4 SVOD usage in the EU: concentrated, and dominated by US content 30
3.5 How do European films perform on TV? 32

AUDIOVISUAL SERVICES

4.1 US players lead in market presence 34
4.2 TV audiences: Heterogeneous European landscape 36
4.3 EUR 22 billion spent on European original content in 2023 38
4.4 From traditional media literacy to AI literacy skills 40

MARKETS

5.1 Growth, apparently 42
5.2 Cinema attendance in Europe keeps growing 44
5.3 Home video: SVOD to close the gap on DVD 46
5.4 Advertising – a digital future for ad spend in Europe 48
5.5 Pay TV: Pressure on prices has abated, demand still limited 50
5.6 SVOD revenues are still a growth driver in Europe 52

PLAYERS

6.1 The big get bigger 54
6.2 Telcos fuel European AV players' revenue growth 56
6.3 Public broadcasters in Europe: rich and poor 58
6.4 A competitive market for fiction series 60

0 INTRODUCTION

The creator economy vs. TV advertising?

This 10th edition of Key Trends brings you the main highlights of the Observatory's research in recent months and the key data to understand the evolution of the European audiovisual sector. It is also the perfect opportunity to adopt a bird's eye view of a trend that is likely to reshape the market: the battle for video advertising.

The battle for video advertising is on

As the market for subscription-based on-demand services slowly matures, competition on the advertising front is intensifying. Different categories of players are competing:

- Broadcasters are gradually expanding their linear channels into mostly free on-demand services that offer much more than just the replay of their programmes. While maintaining their share of the advertising cake is mostly a concern of private broadcasters, public broadcasters are not exempt, as they derive a small but important part of their revenues from advertising.
- AVOD new entrants, i.e. audiovisual media services built from scratch, offer a mix of linear channels and on-demand catalogues.
- Video-sharing platforms (VSPs) offer a large and heterogeneous catalogue of free content.
- Subscription video-on-demand services are gradually introducing new, cheaper ad-supported tiers.

Although the latter category has not yet significantly impacted the market – with AVOD newcomers still accounting for a marginal market share – VSPs already captured 24% of the video advertising market in 2023, while broadcasters retained 76%. However, the dynamics are very different, with VSP advertising revenues growing much faster than broadcasters', and broadcaster advertising revenues declining significantly in real terms.[1]

The impact of the subscription market on advertising

TV/video advertising is obviously not decorrelated from the evolution of the subscription market. In fact, the data suggest that economic growth in a country leads to a higher take-up of subscription-based audiovisual services, particularly SVOD services, and that the increase in subscriptions to on-demand services leads to less viewing time for traditional TV and therefore less advertising revenue.

Are broadcasters and VSPs really competing?

Is it an apples-to-apples comparison to look at broadcasters and VSPs together? On the one hand, it could be argued that the content available in the two categories of service is not the same in terms of format and quality, and that VSPs cater to 'snacking' content needs, with TV content the first destination for engagement with selected content; on the other hand, both categories of players are competing for viewing time and the once massive gap between so-called 'user-generated content' and 'professional content' may be narrowing to some extent.

1 Discounting inflation.

To begin with, professional content is already available on some VSPs, provided by the (often public) broadcasters themselves in order to better reach their audiences. More importantly, some of the content distributed on video-sharing platforms has seen a significant increase in its production budget. In the medium term, artificial intelligence could be a game changer in terms of affordability of producing higher quality content for distribution via VSPs. Indeed, natural-language AI tools for the pre-production, production and post-production stages would be particularly suitable and cost-effective for individuals or small-team content creators.

The creator economy

The landscape of content creators for VSPs is broad[2] and therefore highly competitive, with a very small fraction of creators generating significant revenues.[3] Overall, however, the rapid growth of advertising revenues on VSPs has led to the theorisation of the concept of the 'creator economy', i.e. a new business model for exploiting content, where creators adopt a direct-to-consumer strategy and use VSPs for distribution. In a highly competitive environment, there is a need to increase the 'production value' of content. But, unlike in the 'traditional' TV business model where broadcasters and SVOD services pre-finance most of the production budget, there is no such pre-financing scheme from VSPs in the creator economy. Hence the key role of brands[4] in sponsoring content and securing some level of revenue upfront.[5]

Anticipating growing competition between VSPs and traditional TV and already feeling some pressure on the revenues of their usual production partners, some 'traditional' producers have started to test how they can diversify their activities using the direct-to-consumer creator economy business model.

2 According to socialblade.com, there are around 64 million content creators on YouTube.
3 Only about 4% of global creators are deemed professionals, meaning they pull in more than USD 100,000 a year, Goldman Sachs Research, April 2023.
4 According to a Goldman Sachs Research survey, brand deals are the main source of revenue for 70% of content creators.
5 In addition to advertising and sponsorship, other business models exist in the creator economy, such as for instance subscriptions for adult-oriented content and merchandising.

1 CREATION

1.1 Writers and directors of European works: Are TV series really the lifeline?

31 000 writers and directors of European films and TV/SVOD fiction between 2015 and 2022

The Observatory identified[1] over 31 000 creators who wrote and/or directed at least one theatrical film or one TV/SVOD fiction[2] between 2015 and 2022. The data shows a significant overlap between positions: about 32% of creators were active both as writers and as directors during the time period.

However, at least when considering only this timeframe, only 11% of them were active both in theatrical film and TV/SVOD fiction. This apparent specialisation is chiefly the result of:

- A low level of activity of screenwriters and directors, with many of them having worked on only one project during the time period.
- A move of theatrical film screenwriters and directors to TV/SVOD fiction.

TV and SVOD series more appealing?

Indeed, the strong growth in the production of European TV/SVOD series since 2015 has logically led to their overtaking theatrical films in terms of writing and directing assignments. This trend appears to have been confirmed by the COVID-19 crisis which hit theatrical films much harder.

Against this background, writers and directors seem to be migrating from theatrical films to TV/SVOD fiction. About half of TV/SVOD directors have directed a theatrical film at some point, but directors rarely return to directing theatrical films:

- Because the high turnover in theatrical film directing (only 1.4 films directed by a director between 2015 and 2022; about 40% of theatrical films produced each year are debut films), and so the work opportunities are rare;
- Because TV/SVOD series offer more recurring work (several episodes and sometimes several seasons).

The move to TV/SVOD series also offers screenwriters several advantages:

- On the one hand, TV/SVOD series provide more work (several episodes and sometimes several seasons) and there are more screenwriters per project;
- On the other hand, while almost half of the writing assignments for theatrical film are captured by the director of the work, screenwriting is much more decoupled from directing for TV/SVOD series, with many more screenwriting-only assignments.

Precarity remains

Overall, however, the boom in TV/SVOD series production has not led to less precariousness, as the number of active screenwriters and directors in this segment has grown faster than the number of assignments; in other words, theatrical film assignments are quite stable and TV/SVOD series assignments are competitive as film directors and screenwriters move into the segment.

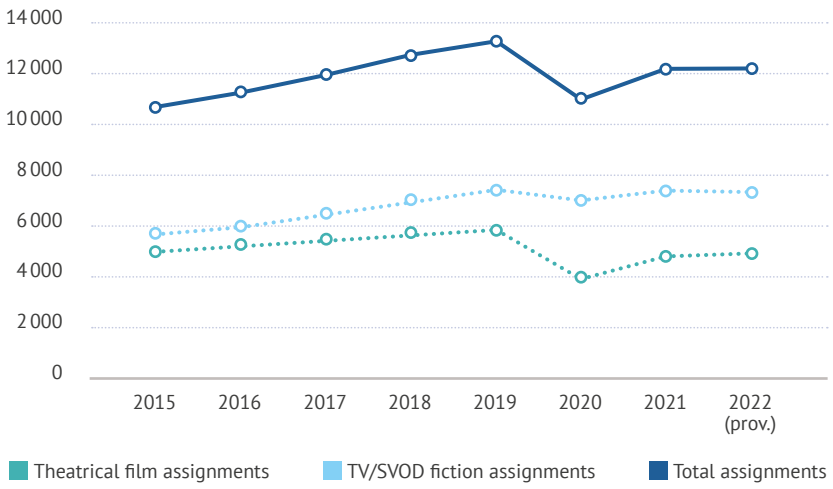
1 See: "Writers and directors of film and TV/SVOD fiction - 2015-2022 figures", G. Fontaine, February 2024.
2 For TV/SVOD series: one assignment = one season, no matter the number of episodes written or directed.

Are there more writing and directing assignments in theatrical films or in TV/SVOD fiction?

60%

of writing or directing assignments go to TV/SVOD

Writers' and directors' theatrical film and TV/SVOD assignments (2015-2022)



Note: For TV/SVOD series: One assignment = one season, no matter the number of episodes written or directed.

Source: European Audiovisual Observatory

1.2 Parity in film and TV fiction production: DOPs and composers lag behind

The EAO closely monitors the development of gender parity in the European film and audiovisual industry. The two most recent reports[1] on the subject shed light on female presence in crucial positions in film and TV fiction production, including directors, screenwriters, producers, cinematographers, composers and editors.

Very slow progress

Considering the most recent data available[2], the share of female professionals across all categories monitored stood at 24% in film production (up from 19% in 2015) and at 28% in TV and SVOD fiction production (up from 20% in 2015). All other things remaining equal, extrapolating the past years' increase would lead to parity in 2038 for film and in 2030 for TV and SVOD production, respectively.

Obviously, parity varies across roles. Both for film and for TV and SVOD fiction production, the lowest share of female professionals is found for cinematographers (14% and 8%, respectively) and for composers (12% and 11%, respectively).

Heterogeneity across roles and work types

Comparing film and TV and SVOD production from a gender inequality perspective leads to interesting insights. The share of women directors is similar for both types of content, but there are proportionally many more screenwriters in audiovisual fiction production. For instance, film directors have become TV series directors, but, unlike for films, are not the screenwriter of the series; hence more room was made for women in series screenwriting. Female producers also benefited from the growth of the TV series market with new production companies merging.

Regarding film directors, of concern is the fact that the share of women for debut films is admittedly higher (28%) than for subsequent films (23%) but still remains well below parity[3].

Underlying inequalities

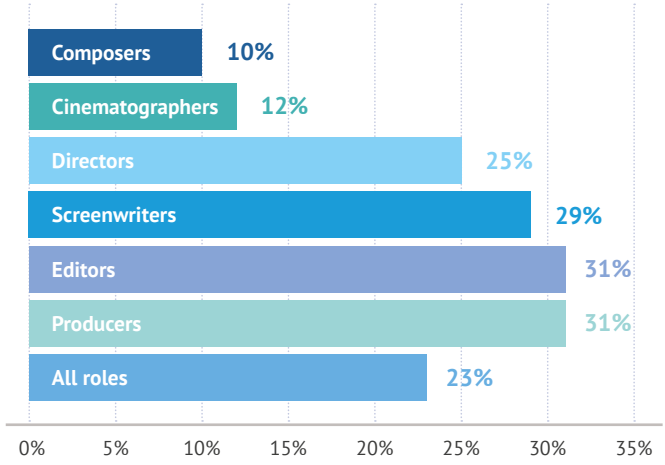
Gender inequality in production results from a series of underlying inequalities. First, there are fewer women among the active professionals in each role. Secondly, for almost all roles, female professionals have a lower level of activity than their male counterparts (e.g. active female film screenwriters received 30% fewer assignments than male film screenwriters between 2015 and 2023). Thirdly, women more often share assignments with other professionals (e.g. a female screenwriter is more likely to cowrite a scenario than a male screenwriter).

1 The reports can be downloaded from the EAO's website. See: "Female professionals in European TV/SVOD fiction production 2015-2022 figures" (January 2024) and "Female professionals in European film production - 2024 edition" (October 2024).
2 2023 for film, 2022 for TV and SVOD fiction production.
3 2015-2023.

Which roles are the most gender-unbalanced in film production?

Composers and cinematographers

Women's share of assignments in film production (2019-2023)



Source: European Audiovisual Observatory

1.3 Adaptations more common in co-productions?

The last decade has seen a noticeable boom in audiovisual content production, accelerated by the appetite for new formats coming from US-American streaming services and heightened demand from domestic players. Notably, this need has been met by adaptations of books, TV series, theatre plays, films and comics. The main rationale behind this is: what has been successful before – or in a different format – promises to draw audiences again.

Streamers offer more adaptations than broadcasters

A total of 12% of all audiovisual (AV) fiction works produced in Europe between 2015 and 2022 were adaptations – the equivalent of 1 189 film and TV series adaptations. On average, over 140 titles and more than 1 000 hours of AV fiction adaptations are produced each year in Europe. Overall, their share remained stable between 2015 and 2022. Streamers offer more adaptations than broadcasters. Their share was higher (19%) than that for private (13%) and public (11%) broadcasters.

In comparison, the United Kingdom has the highest share of adaptations among works of AV fiction produced in the country (26%), followed by France (18%), Sweden (17%), Spain (16%) and Italy (15%).

In terms of formats, most AV fiction adaptations are either series with 13-episodes-or-less-per-season (58%) or TV films and collections (36%).

Most fiction adaptations are based on books and TV series

Most fiction adaptations are based on books (77%) and TV series (17%). Book adaptations increased by 27% from 2015 to 2022 together with the growth of productions. Theatre plays, films and comics account for 5% of original sources for AV fiction adaptation titles.

More than half of all AV fiction adaptation titles produced in Europe are based on originals from the United Kingdom, Germany, France, and Spain (61%). And around one in 10 AV fiction adaptation titles produced in Europe is based on a non-European original (12%).

Emphasis on the type of original sources varies among the top producing countries for AV fiction adaptations. While Polish, British and German fiction adaptations favour books as a principal source, Dutch and Czech fiction adaptations are equally based on books and TV series.

Books used for AV fiction adaptations are mainly domestic (81%) while TV series are mostly international (93%). TV series from Israel, Australia, New Zealand and Canada account for the most prominent originals among non-European TV series.

Most AV fiction adaptations based on books are works first published in the 21st century (66%). Adapted books first published in the 20th century accounted for 29% while pre-20th-century books represented 5%.

The Norwegian TV series "SKAM" has the highest number of remakes in six European countries. Other popular adapted TV series include Israeli בטיפול / *BeTipul* (In Therapy) and British *Liar* with remakes in five European countries each.

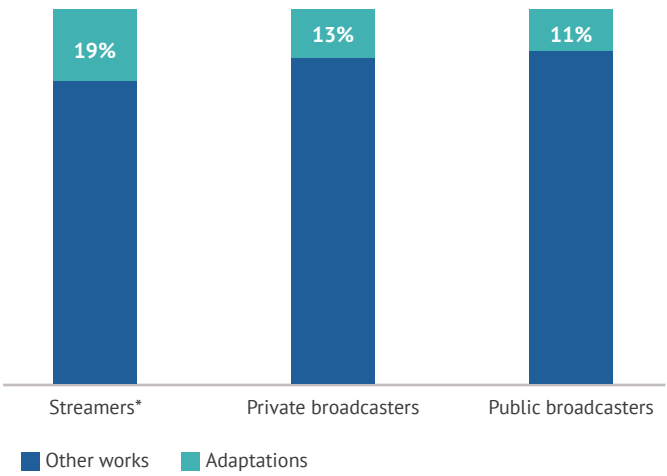
Adaptations are more common in co-productions. The share of adaptations among AV fiction co-productions is double the size (23%) of those that were not co-produced.

Who offers more adaptations?

Streamers

offer more adaptations than broadcasters

Breakdown of AV fiction adaptations by players (2015-2022)



*Includes global and national streamers.

Source: European Audiovisual Observatory analysis of media-press.tv data

1.4 Regulating influencers: the media law perspective

It may come as a surprise to many that few countries have produced specific legislation dealing with influencers, although their rise to becoming important voices conveying news and opinions and playing a role in shaping their followers' consumption habits could already be foreseen years ago.

First of all, most countries within the EU27 for instance lack a legal definition of the concept of 'influencer', a helpful tool in providing legal certainty to individuals active on social media platforms and engaging in audiovisual commercial communications. It is however not a prerequisite for their regulation. Directive 2018/1808, also known as the revised Audiovisual Media Services Directive (AVMSD), while not defining 'influencers', provides at Article 1(1)(a) a broad definition of what constitutes an 'audiovisual media service' which encompasses the activity of many influencers. Since most EU countries transposed this provision of the AVMSD in a substantially literal way, influencers may indeed qualify as audiovisual media service providers, based on the national definitions of 'audiovisual media service' in most EU countries.

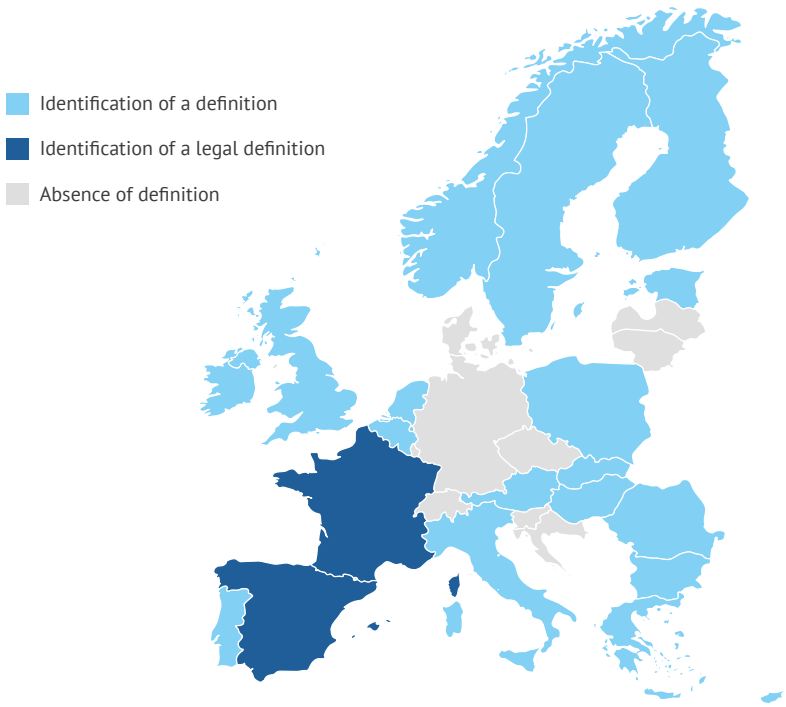
France and Spain have since legally defined it, in separate media laws. Overall though, the absence of legislation specific to influencers and of a definition of the concept, and the fact that influencers are often not mentioned at all by name in national legislation transposing the AVMSD, does not prevent their regulation as audiovisual media service providers.

Their regulation as such may require the definition of additional, specific criteria, to determine when a simple social media user becomes an influencer who should be subject to rules applying to audiovisual media service providers. These additional criteria can be set in legislation, or by the national media regulatory authority (media NRA). Such criteria vary from one country to another, but they often include the number of followers, the frequency in posting, the rate of engagement from followers and other users, and the presence of commercial communications in their content. Some set precise thresholds for criteria while others define criteria without thresholds, hinting at case-by-case analyses by the media NRA. Another important criterion is the existence or absence of audiovisual commercial communications of any form in the content posted.

The regulation of certain influencers as audiovisual media service providers under the AVMSD would fall under the responsibility of the media NRAs. It must be noted however that the regulation of influencers as audiovisual media service providers is not the only angle. Influencers can also be bound by rules laid down in the national legal framework for consumer protection. In Denmark for instance, the Consumer Ombudsman, an actor of the consumer protection ecosystem, has also created criteria based on which an influencer qualifies as a business owner and is to be regulated as one.

In which countries are 'influencers' defined in Europe?

Identification of definitions of the concept of 'influencer' in the EU27, Norway, Switzerland and the UK



Source: European Audiovisual Observatory

2 PRODUCTION

2.1 European film production continues to expand

European film production higher than pre-pandemic averages for all but 4 countries

After a dip in 2020 and 2021 due to the global pandemic, the total number of feature films produced in Europe[1] has returned to pre-pandemic levels and is growing. In 2023, an estimated 2 358 fiction and documentary feature films were produced across the continent. This figure represents a growth of 15 films compared to 2022, and a peak surpassed only by the record 2 375 films produced in 2019. Fiction films reached a new high of 1 460 productions, closely matching the levels of 2022 (1 458 titles) and 2019 (1 444 titles). Documentary production also saw modest growth with 898 titles (+13 compared to 2022), making up 38% of the total output.

Italy led Europe in production volume in 2023, reaching a new record with 354 feature films. Spain followed with 306 films, ahead of France and the United Kingdom, each producing an estimated 236 feature films.

Although differences in methodologies complicate direct comparisons between countries, the data indicate that only four nations remain significantly below 30% of their pre-pandemic production averages. Romania, for example, produced 32 films in 2023, marking a 30% decline compared to its 2017–2019 average. Belgium and Slovenia experienced even sharper drops, with outputs of 29 and 12 films, reflecting decreases of 34% and 36%, respectively. Bosnia and Herzegovina recorded the most significant decline, producing just four films in 2023 (a 40% reduction compared to the pre-pandemic average).

Rising budgets and investments in European film productions

Investment in film production continued to grow in 2023, rising by 14% compared to 2022 (based on a sample of 13 European countries). Overall, investment in European films has fully rebounded from the decline experienced in 2020, with figures for the past two years exceeding the pre-pandemic 2017–2019 average by 16%.

Notable increases in national film investment were recorded in Cyprus (+594%), Italy (+82%), and Estonia (+55%), Conversely, Sweden was the only country to experience a significant decline, with investment down 18% compared to pre-pandemic levels. This decrease was primarily driven by a drop in big-budget film productions in 2023.

The upward trend is also reflected in the average budgets for fiction feature films. Of the 23 countries in the data sample, 15 reported an increase in average budgets. French films continued to have the highest average budgets, at EUR 4.8 million in 2023, followed by Irish films (EUR 3.6 million) and Belgian films (EUR 3.4 million).

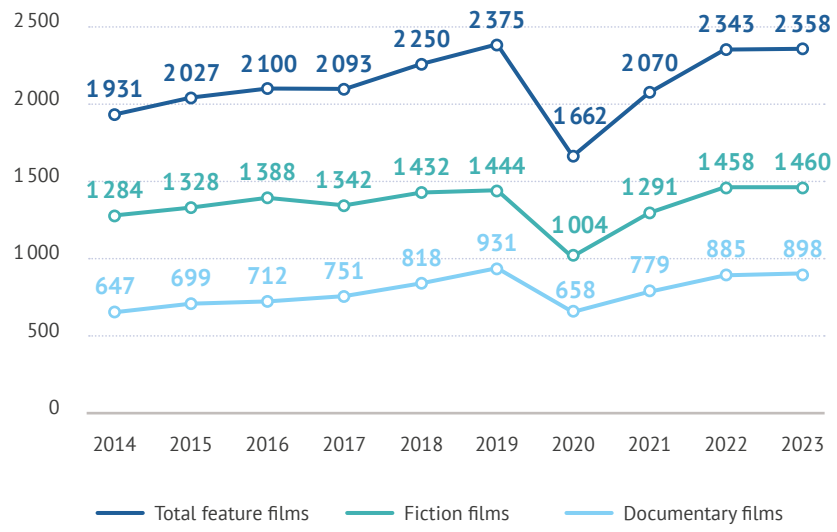
1 In this context, Europe refers to the member states of the Council of Europe. Film production data were available for 37 territories and pertain exclusively to national feature films (including 100% national productions and majority co-productions).

How many feature films were produced in Europe in 2023?

Feature films: 2 358

- **Fiction films: 1 460**
- **Documentary films: 898**

Number of feature films produced in Europe – by year (2014-2023)



Source: European Audiovisual Observatory

2.2 Film financing: Growing importance of incentives as financing source in 2021

Unique insights from the latest report[1] on fiction film financing in Europe

In its sixth year analysing the financing structures of European fiction films, the Observatory, in collaboration with the European Film Agency Research Network (EFARN), collected detailed financing plans for 448 European live-action fiction films theatrically released in 2021 in 22 European countries with a cumulative financing volume of EUR 1.33 billion. The analysis covers an estimated 43% of European[2] fiction films released in 2021.

Median budget for European live-action fiction: EUR 2.06 million

The data sample suggests the median budget of a European theatrical fiction film released in 2021 was EUR 2.12 million (EUR 2.06 million in 2020). However, median budgets differ widely among countries. Not surprisingly, they are higher in larger markets and smaller in countries with lower box-office potential, as exploitation in national markets remains key for most films: EUR 2.7 million for fiction films produced in large markets, compared to EUR 1.8 million in medium-sized, and EUR 0.7 million in small markets.

European fiction films primarily financed by direct public funding and incentives

As in past years, direct public funding stood out as the single most important financing source of European theatrical fiction films in 2021, accounting for 26% of the total financing volume tracked in the analysis. For the first time since the start of monitoring the financing structure of European fiction films, production incentives became the second most important financing source, contributing 21% of the total sample financing volume, followed by producer investments (excl. broadcasters) (18%) and broadcaster investments (17%). The share of pre-sales (excl. broadcasting rights) continued to decline somewhat to 13% of total financing.

There are significant structural differences among individual countries regarding how films are financed. For instance, the data clearly suggest that the importance of direct public funding decreases with increasing market size, and vice versa: While representing 'only' 18% of total financing in the five large sample markets, direct public funding accounted for 45% in medium-sized and 63% in small sample markets. In contrast, the significance of production incentives as a financing source increases with market size: Production incentives accounted for 24% of total financing in large markets, compared to 'only' 14% in medium-sized and 3% in small sample markets. The sample analysis also suggests there are structural differences in how films of different budget sizes are financed. Generally speaking, films with a budget up to EUR 3 million depend to a higher degree on direct public support.

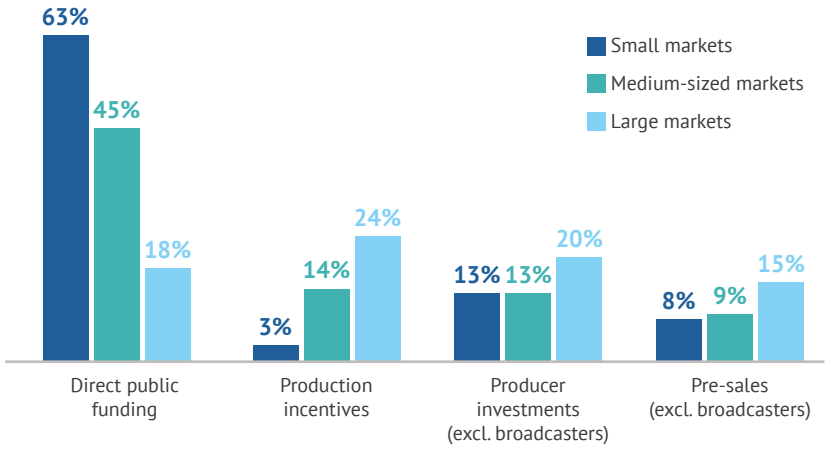
1 "Fiction film financing in Europe: A sample analysis of films released in 2021" – 2024, EAO.
2 In the context of this analysis, Europe is defined as the 27 EU member states plus Bosnia and Herzegovina, Georgia, Iceland, Montenegro, North Macedonia, Norway, Switzerland and the UK.

What were the five most significant financing sources of European fiction films released in 2021?

1. **Direct public funding** (26%)
2. **Production incentives** (21%)
3. **Producer investments** (18%)
4. **Broadcaster investments** (17%)
5. **Pre-sales** (13%)

Direct public funding is proportionally less important in large markets due to the higher share of production incentives, producer investments and pre-sales financing

Percentage share of direct public funding, production incentives, producer investments and pre-sales of total financing volume – by market size (2021 – est.)



Source: European Audiovisual Observatory

2.3 Downturn in TV fiction production

TV fiction production in Europe has reached a turning point. After a brief post-pandemic return to growth, the production and release of original TV fiction is declining. A 6% drop in the number of fiction titles produced in 2023 was mirrored by a similar reduction in the number of episodes and a stagnation in the volume of hours when compared to the previous year. On average, over 1 200 titles, 23 000 episodes and 14 000 hours[1] of TV fiction are produced in Europe[2] each year.

High interest in shorter formats

Considering this downward trend, a high interest in the production of shorter formats prevails. High-end TV series (3 to 13 episodes) continue to represent the most prominent TV series format: Well over half of the titles produced in 2023 were high-end TV series – a 105% increase since 2015. However, this remarkable development did not translate into a notable growth of volume of hours, as seasons had fewer and shorter episodes (probably as a way to cope with production costs and inflation). The episode duration of most TV series produced in Europe is longer than 16 minutes, typically 36 to 65 minutes.

High-end TV series are crucial to the weight of new series: Around 65% of all 3-to-13-episode-per-season series titles produced in 2023 were new projects. The figure is nuanced, as a portion of these new projects were mini-series meant to last only one season.

Still, TV series with more than 52 episodes represented the lion's share of episodes (65%) and hours (61%) produced, due to the weight of daily soaps and telenovelas. With many of these long-running TV series produced each year, Germany, Poland and Greece are the leaders in volume of hours produced.

Public service broadcasters commission majority of TV fiction titles

Over half of fiction titles produced in Europe in 2023 were commissioned by public service broadcasters (55%), followed by private broadcasters (31%) and global streamers (14%). However, since private broadcasters tend to dedicate a bigger share of their commissioning to daily soaps and telenovelas, they produced a higher volume of hours (57%) than public service broadcasters (39%). Global streamers accounted for just 5% of hours as they do not invest in long-running TV series.

One in 10 TV fiction titles is a co-production

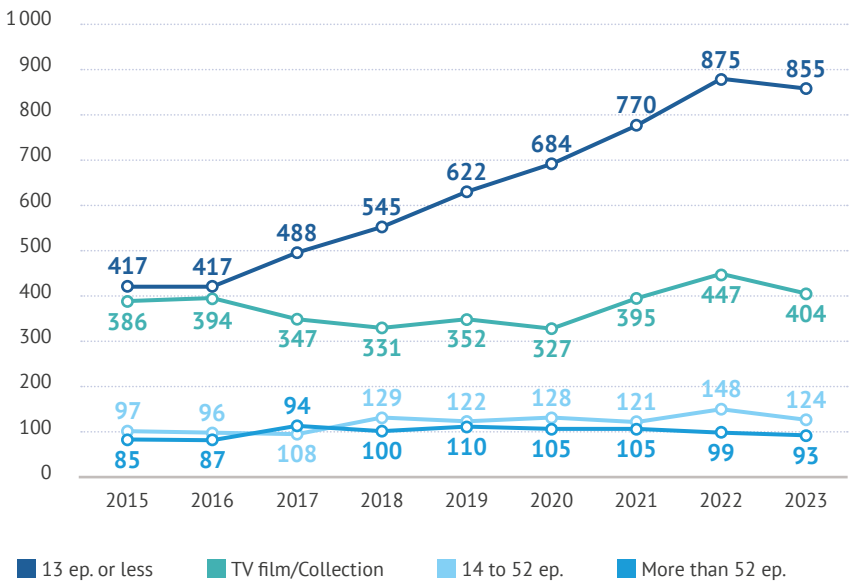
Co-productions made up 10% of all TV fiction titles produced in Europe in 2023. On average, over 100 TV fiction co-productions are produced in Europe each year, almost exclusively high-end TV series and TV films.

1 Title refers either to TV film title or a TV series season. Animation is not included.
2 Countries covered: EU27, the United Kingdom, Norway and Switzerland.

Did the post-pandemic growth of TV fiction production continue?

No,
TV fiction production in Europe is declining.

Number of AV fiction titles produced by format (2015-2023)



Source: European Audiovisual Observatory analysis of media-press.tv data

2.4 Defining independent producers/production of European works

Article 17 of the Audiovisual Media Services Directive (AVMSD) promotes European works created by producers who are independent of broadcasters, requiring the latter to either allocate 10% of their transmission time or 10% of their programming budget to such content. While the AVMSD does not provide a unified EU definition of 'independent production/producer', Recital 71 of the 2010 Directive offers guidance criteria such as:

- Ownership of the production company,
- Number of programmes supplied to the same broadcaster,
- Ownership of secondary rights.

Out of the EU27, Norway, Switzerland and the United Kingdom, 25 have defined either 'independent producer' or 'independent production' in their national legislation.

Main criteria for independence

Inspired by Recital 71 of the 2010 AVMS Directive, national laws often employ three main criteria to determine the independence of audiovisual production companies:

- Financial criterion: Focuses on ownership and capital structure, limiting shares that an audiovisual media service (AVMS) can own in a production company or vice versa. It may also restrict the proportion of a producer's content supplied to a single AVMS provider.
- Operational criterion: Examines the producer's ability to conduct business without interference from broadcasters.
- Intellectual property rights (IPR) retention: Considers the producer's ability to retain IPR when transferring rights to an AVMS provider.

These criteria are applied in various combinations and with different thresholds across countries and contain sub-categories.

National variations in using the criteria

Countries employ various combinations of these criteria to define independent production or independent producers in their national legislations. These criteria are often used in combination or individually. Common sub-criteria include the following:

- **For financial criterion:** producers are required to be financially independent from AVMS providers (e.g., maximum thresholds of shares owned by/in AVMS providers). Besides, producers may be required to assume a portion of the economic risk by contributing to the financing of the production.
- **For operational criterion:** producers are required to be operationally independent from AVMS providers, e.g. no (partial) influence on their decision-making (business- or artistic-related), or freedom to conduct business.
- **For ownership of IPR:** producers should retain certain rights to their content.

This list is non-cumulative, and criteria may vary from one country to another.

The variety of criteria highlights the various approaches taken by EU member states in implementing Article 17 of the AVMSD. This variety reflects the flexibility granted to countries in achieving the AVMSD's objectives.

Which countries define independent producers/productions in Europe?

Understanding Article 17 AVMSD

Proportion of independent productions

Transmission time		Programming budget		
>10%	OR	**>10%**	+	**Adequate proportion for recent works** (i.e. transmitted within 5 years of their production)

OPTIONAL Under article 4(1)

Detailed national sub-quotas
Some countries imposed specific sub-quotas

Source: European Audiovisual Observatory

Countries with a definition of independence to promote independent European works

- Countries with a definition of independent production and/or producer
- Countries without definition

Source: European Audiovisual Observatory

3 EXPLOITATION

3.1 European films are increasingly reliant on national markets

Latest insights on the theatrical distribution of European films worldwide

The *Made in Europe* report,[1] published by the European Audiovisual Observatory, provides a comprehensive overview of the performance and availability of European films from 2014 to 2023, both nationally and internationally.

The report is based on annual admissions data provided by the European Film Agency Research Network (EFARN) and Comscore. The sample includes all feature films on release in up to 53 global markets, representing an estimated 73% of total global admissions in 2023. Rather than focusing on films produced in individual countries, the report aims to offer a broader analysis on the transnational distribution of European films.

Record number of films on release, while admissions remain below pre-pandemic highs

The year 2023 saw a record 3 349 European films in circulation, comprising 52% of all films on release worldwide.[2] However, this increase in circulation did not translate into higher audience engagement. Total admissions to European films reached 239 million in 2023, 35% lower than the pre-pandemic average of 367 million annual admissions, and accounted for a 6.3% share of global cinema admissions.

A significant 92% of admissions to European films were sold in Europe in 2023, with 68% originating from national markets. These figures have been increasing over the past decade, indicating a growing reliance on European national markets and a declining share in export markets. Specifically, export admissions in non-European regions, such as Asia and North America, have experienced a significant drop post-pandemic.

Over the 10-year timespan, France cemented itself as the largest market for European films, contributing 24% of total admissions, followed by Germany, Türkiye, and Italy. France is also the most prolific film-producing country within Europe. Between 2014 and 2023, French films represented 20% of all European films in circulation and accounted for a third of global admissions to European films.

European "blockbusters" are an endangered species

The decline in European film admissions is partly attributed to the reduction in the number of European films that achieve over 1 million admissions (blockbuster films). A total of 41 films in 2023 achieved this threshold, down from 72 in pre-pandemic years. While admissions to top films have dropped, lower-grossing titles are gaining prominence and now represent an increasing share of total admissions to European films. This change reflects a fundamental shift in European cinema, with fewer films achieving mass appeal while smaller titles attract a growing portion of the audience.

1 Made in Europe: theatrical distribution of European films across the globe, 2014-2023, EAO.
2 Figures were retrieved from admissions data for 53 markets worldwide. The comparatively broader coverage of European markets may lead to an overestimation of the share of European films in global film circulation.

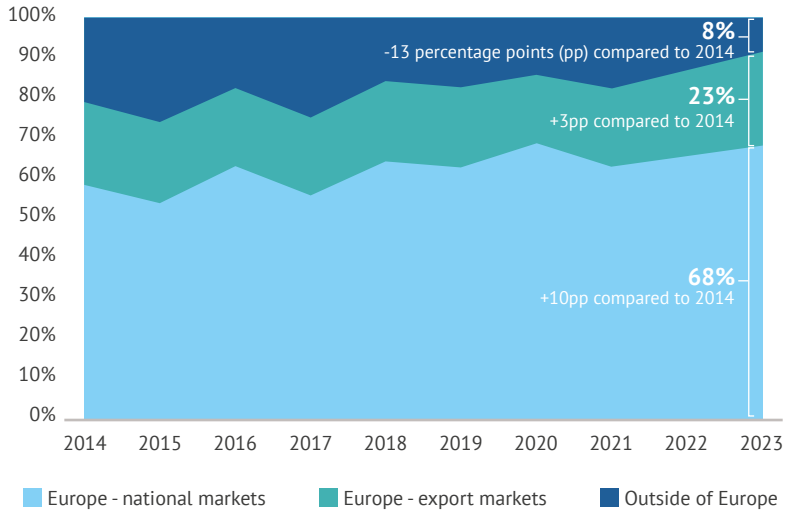
Where were admissions to European films sold in 2023?

92% in Europe
- **68%** in national markets
- **23%** in export markets

8% outside of Europe

Admissions to European films are becoming increasingly concentrated in their national markets and within Europe, while admissions to European films outside of Europe are experiencing a notable decline.

Admissions to European films by market region, and year
As shares of total admissions to European films (2014-2023)



Source: European Audiovisual Observatory

3.2 High share of theatrical films broadcast on TV

Greater importance of theatrical releases for linear TV channels than for VOD services

On linear TV channels, which have a limited programming schedule, theatrically released films in the EU27 represented 63% of all films broadcast.[1] In VOD catalogues, liberated from linear TV's programming constraints, theatrical films accounted for 40% on SVOD and 45% on TVOD of all films available to customers. The remainder of films are TV fiction films commissioned by TV channels, original films commissioned by global streaming services and films with a theatrical release outside the EU27 but with a direct-to-video/TV release in the EU27.

A theatrical release remains crucial for the distribution of EU27 films by TV channels and VOD services, with more than 60% of all EU27 films broadcast on TV and available on SVOD having a theatrical release, and as much as 71% on TVOD.

For films of other origins, a theatrical release appeared to be less important for VOD distribution (but remains important for linear TV), with less than half of the films of other origins available having a theatrical release in the EU27.

For EU27 films, TV channels also attach more importance to commercial success in cinemas than VOD services, with more than 34% of all theatrical released films on TV having more than 500 000 admissions, compared with 23% on TVOD and 18% on SVOD.

1 See "How are theatrical films distributed on TV and VOD in the EU?", European Audiovisual Observatory

Rapid distribution in other exploitation windows for the majority of films released in cinemas

With 63% of films on release in EU cinemas in 2022 already available (on linear TV or SVOD or TVOD) in at least one EU country in 2022, the transition to another exploitation window for theatrical films appeared to be rapid. These available films accounted for 70% of all admissions in 2022.

However, the share of EU27 theatrical films exploited in another window was lower than for US theatrical films, as more EU27 theatrical films were released in cinemas, and also more EU27 films end up not being exploited in another window after their theatrical run.

Most theatrical films were only available on VOD services due to TV-channel capacity constraints, with the first exploitation window after theatrical release being on TVOD services in less than one year and then either on SVOD services or on TV channels.

An increased offering of theatrical films, with films not released in the country made available on VOD and TV for consumers

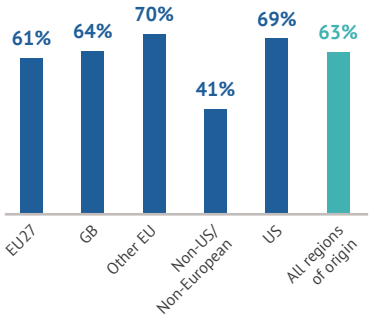
With 79% of all films released theatrically in a given EU country (representing 90% of admissions) available on VOD and/or TV, consumers have access to the most commercially successful films in another distribution window.

In addition, VOD catalogues make available films released theatrically in another EU country but not in that country, thus increasing the variety of theatrical films available to consumers.

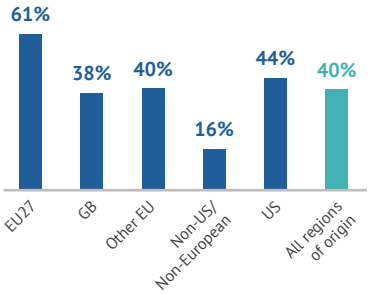
What is the proportion of theatrical films broadcast on linear TV or available on SVOD or TVOD catalogues in the EU?

63% **of all films broadcast on linear TV, 40% of films available on SVOD and 45% on TVOD had a theatrical release in the EU, with stark differences by region of origin.**

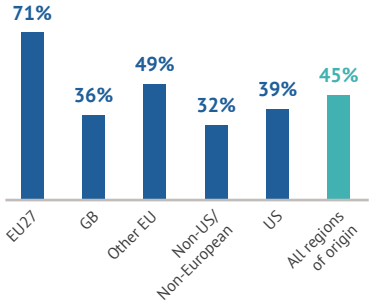
Percentage of theatrical films broadcast on linear TV, by region of origin of films



Percentage of theatrical films available on SVOD, by region of origin of films



Percentage of theatrical films available on TVOD, by region of origin of films



Source: European Audiovisual Observatory analysis of data from LUMIERE, JustWatch and Metaprofile

3.3 EU27 works in VOD catalogues were mostly non-national

Works produced in the European Union represented 22% of all works available in VOD catalogues

Of the more than 2.3 million works available[1] to EU consumers on subscription video on demand (SVOD), transactional video on demand (TVOD) and free video on demand (FOD) services, 22% were of EU27 origin. A further 10% of all works were of other European origin (mainly produced in the United Kingdom), bringing the share of European works in VOD catalogues to 32%, as measured on 1 June, 2024 by the European Audiovisual Observatory.

Higher proportion of EU27 non-national films in VOD catalogues than of EU27 non-national TV series

Differences emerge when the type of work is considered. EU27 films represented 23% of all films available, while EU27 TV series represented only 15% of TV series available in VOD catalogues.

The difference is due to the lower share of non-national TV seasons (9%) compared to the share of non-national films (17%). On the other hand, the share of national films and TV series in VOD catalogues was identical at 6%. This shows that EU27 films tend to circulate more easily across borders in VOD catalogues than EU27 TV seasons.

This may be due to a possible closer linguistic and cultural link of the audience with TV content than with films. In addition, theatrical films benefit from marketing and distribution agreements during their release in EU cinemas, which further benefits their VOD availability.

Higher share of EU national works in FOD catalogues; higher share of EU non-national works in SVOD catalogues

FOD catalogues, often operated by national broadcasters, had a share of national works of 12%, well above the 6% of national works in SVOD catalogues and the 7% in TVOD catalogues. The main reason for this is that broadcasters make their linear broadcast content available on their catch-up services; hence the higher share of national works in FOD catalogues.

Conversely, EU non-national works accounted for 18% of all works in SVOD catalogues, compared with 15% in FOD and 13% in TVOD catalogues. Global SVOD players, present in most if not all EU countries, tend to make their EU27 works available in all their EU catalogues, thus increasing the share of EU27 non-national works.

More diverse content offer in SVOD catalogues than in TVOD and FOD catalogues

While US works represented 56% of works in TVOD and 49% in FOD, they represented only 40% in SVOD catalogues. With comparable proportions of European works, SVOD catalogues had a much higher proportion of non-US/non-European works at 29%, compared to 12% for TVOD and 14% for FOD.

1 Work presences in VOD catalogues are taken into account: the number of countries and catalogues in which a work was present are counted.

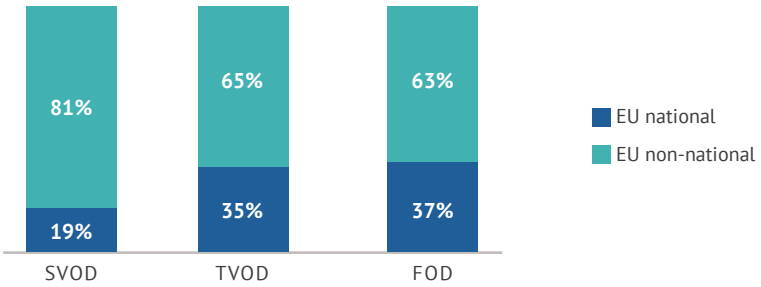
Which type of VOD service had the highest proportion of EU27 national works in its catalogue?

FOD services,

mostly operated by national broadcasters.

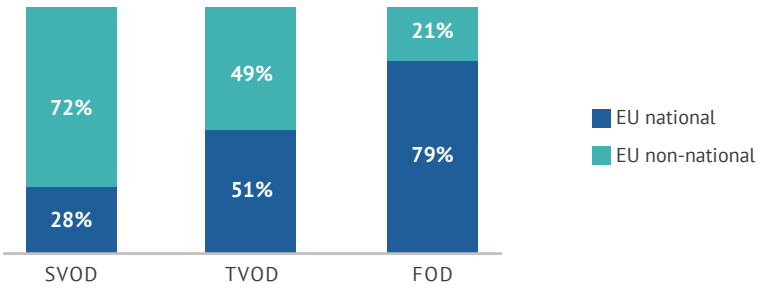
Share of EU national and EU non-national films by business model

All 25* EU27 countries, in share of total



Share of EU national and EU non-national TV seasons by business model

All 25* EU27 countries, in share of total



* CY and LU excluded.

Source: European Audiovisual Observatory analysis of JustWatch catalogue data

3.4 SVOD usage in the EU: concentrated, and dominated by US content

Concentration of usage

SVOD usage in Europe is marked[1] by concentration. Three SVOD services (Netflix, Prime Video and Disney+) account for 85% of viewing time. The consumption of genres is also highly concentrated, with fiction works accounting for 87% and 95% of film and TV content, respectively. The consumption of films appears also mainly driven by recent titles. They account for 25% of viewing time while representing only 1% of the catalogues.

What is watched on SVOD?

SVOD viewing is almost equally split between films[2] and TV content. But each segment presents quite different characteristics: film usage on SVOD is much less concentrated than TV content usage; originals commissioned by the streamers get a much more significant viewing share for TV content (close to 60%) than for films (less than 25%); whereas animation and documentary works generally account for a smaller share of viewing than their share in catalogues, the gap is wider for TV content than for films.

Differences between film and TV content are even more apparent when considering the origin of works. Overall, European works account for 30% of SVOD viewing time, with a slightly higher share for films than for TV series, and a higher share for documentaries than for fiction or animation. But figures vary significantly between Spain, Italy and Poland, with more viewing dedicated to European content, and Sweden and Denmark more geared towards US works.

Consumption vs. catalogue

Beyond Europe and US works, of note is the modest weight of consumption for works coming from other regions of the world (8%, well under their share of catalogues) except for animated TV series (26%) driven by Japanese anime TV series. Animation illustrates the fact that some categories of programmes have to be highly represented in catalogues in order to trigger subscription, even if they are actually under-consumed.

While for TV content the share of European content viewing time (29%) is roughly aligned with its share in the catalogues (33%), European films appear to be under-consumed (33% of viewing time vs. 43% of catalogues). The gap between viewing time and catalogues concerns in particular French and Italian films; conversely, Spanish, German, Danish and Polish films perform better than their share of catalogues. The viewing of Spanish, Polish and Irish TV content has also been boosted beyond their share of catalogues thanks to streamer originals.

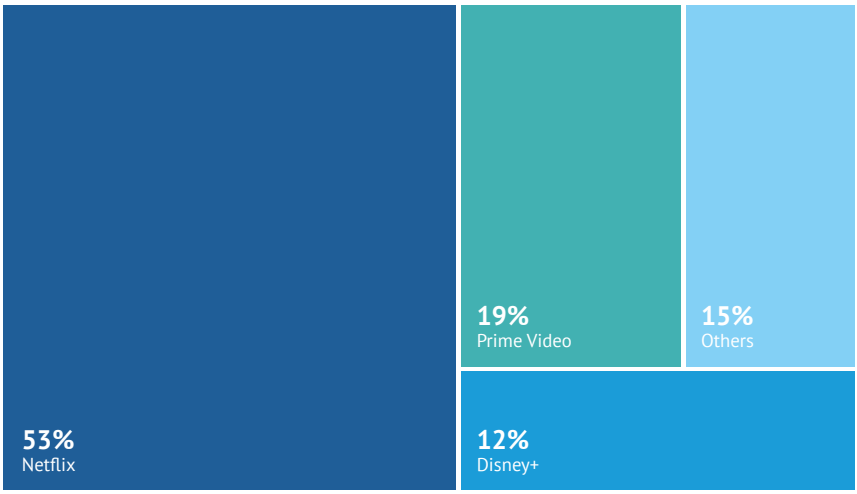
Overall, in terms of usage, SVOD, as regards films, relies primarily on films meant for theatrical release, and therefore matches approximately the structure of the cinema admissions market but provides more opportunities for European films to reach a significant audience. In turn, the usage of TV content on SVOD primarily reflects the level of investments in streamers in local TV series distributed across Europe and therefore has brought new opportunities for comparatively smaller countries.

1 Data collected from 01/09/2022 to 01/09/2023 in 9 EU countries (France, Germany, Spain, Italy, Denmark, Finland, Sweden, Netherlands, Poland).
2 Not necessarily theatrically released in the European Union.

What are the most used SVOD platforms in Europe?

3 SVOD services (Netflix, Prime Video and Disney+) account together for 85% of viewing time.

View time by SVOD service
In % of total viewing time in hours by service providers



Source: European Audiovisual Observatory analysis of Golmedia data

3.5 How do European films perform on TV?

Successful European (non-theatrical) films

Films account for a significant proportion of television viewing time: 13% on average in the European Union,[1] but with big variations between countries. Overall, European films[2] perform quite well, with an audience share of 46%, including 40% for films from the European Union.

However, a significant part of this success is due to non-theatrical films, i.e. TV films commissioned by broadcasters. If the analysis is restricted to films actually released in cinemas in the European Union, the picture is bleaker, with audience shares falling to 33% and 26% for European films and European Union films respectively.

Recent documentaries among the most successful European films

Including both theatrical and non-theatrical films, fiction films account for more than 90% of both broadcasts and viewing time. European Union documentaries are particularly successful, but European animated films are under-represented among animated films of all origins and their share of viewing time is lower than their share of broadcasts.

Films aged five years and under account for an average of 32% of viewing time, with a much higher proportion in France due to the strong involvement of broadcasters in the financing of films. Documentaries are more recent than other genres, mainly due to the high proportion of made-for-TV documentaries.

Whether theatrical or non-theatrical, recent European Union films (aged five years or less) are comparatively much more present (i.e. share of broadcasts) and successful (i.e. share of viewing time) than European Union catalogue films (aged six years or more).

TV compared with cinema and SVOD

The share of European Union films in film TV viewing contrasts in several respects with what the Observatory has observed in its LUMIERE database and noted in its reports on SVOD use:[3] if only theatrical films are considered, European Union films perform better in cinemas than on TV or on SVOD. Another striking difference is that the share of non-national European films among European films is significantly higher on SVOD than in cinemas or on TV, due to the dominance of the leading pan-European SVOD streaming services.

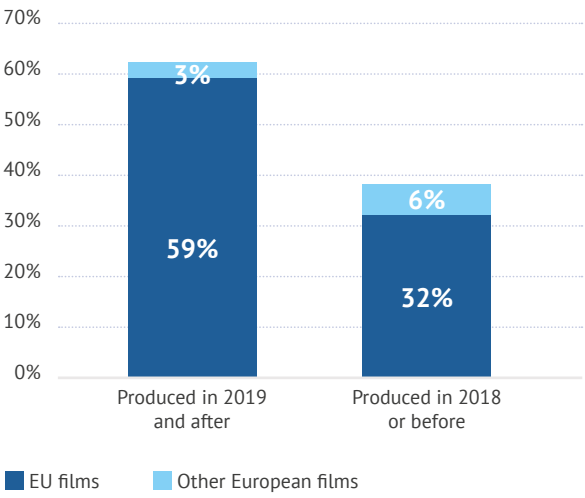
1 The figures in this text are EU estimates based on an analysis of film viewing on television in 18 European countries.
2 As defined by the Council of Europe Convention on Transfrontier Television.
3 This analysis is based on different samples and should therefore be treated with caution.

Are recent European films more successful on television than catalogue films?

Yes,

as European documentaries films are particularly successful but have a shorter lifespan

Audience share of EU and European films in all film viewing by year of production (EU, in %)



Source: European Audiovisual Observatory analysis of Glance data

4 AUDIOVISUAL SERVICES

4.1 US players lead in market presence

AV sector overview and weight of US players

With 12 703 audiovisual media services available throughout wider Europe,[1] the European audiovisual sector is both vibrant and diverse. One in four audiovisual media services is now on demand (3 269 VOD services and video-sharing platforms). Still, the majority of services are linear, comprising 9 434 TV channels, which account for three-quarters of all audiovisual media services. Overall, the European audiovisual sector features a mix of a wide array of local players and global tech and media giants.

US groups have a substantial influence on the European audiovisual sector. Nine out of 10 of the most widespread TV and VOD groups in Europe are US-based. Major US brands like Warner Bros. Discovery, Disney, Netflix, and Amazon have a significant presence across multiple European markets. Around one in four (23%) of all private TV channels (excluding local TV) are US-owned and so are one in 10 (8%) of all on-demand services and video-sharing platforms in Europe. US TV channel portfolios are significantly larger than European ones, with 71% of channels in the top 10 TV groups owned by five US companies.

Local media services

At the same time, local media services carry significant weight – 42% of TV channels in Europe are regional and local TV services. Around 71% of the Italian AV market is local channels – the equivalent of 18% of all local and regional channels in Europe. Six countries account for more than half of all local and regional TV channels – Italy, Spain, Hungary, Ukraine, the Netherlands and Germany, all of which offer more than 200 services. Availability of public channels serving local and regional audiences differs widely across Europe, ranging from more than 200 in the Netherlands to fewer than 10 in countries such as Finland, Ireland and Portugal.

Content diversity

While linear services offer a wide thematic range, on-demand services concentrate on entertainment and fiction, showcasing viewer preferences. With regards to ownership, the European TV market is divided into a public sector with mainly generalist programming available on DTT networks and a private sector which has expanded into thematic cable, IPTV, and satellite channels. Almost all on-demand services and VSPs are privately owned (97%). Public service media have entered the market as well, gradually expanding their catch-up services into full-fledged VOD services.

Streaming hubs

The most significant establishment for streaming platforms is Ireland. The country is used as an exclusive establishment hub by Chinese Huawei and US players Apple, Alphabet and Microsoft. Netflix targets the European markets from its European headquarters in the Netherlands.

1 Europe includes: EU27, Albania, Armenia, Bosnia and Herzegovina, Georgia, Iceland, Liechtenstein, Montenegro, North Macedonia, the Republic of Moldova, Norway, Serbia, Switzerland, Türkiye, the United Kingdom and Ukraine.

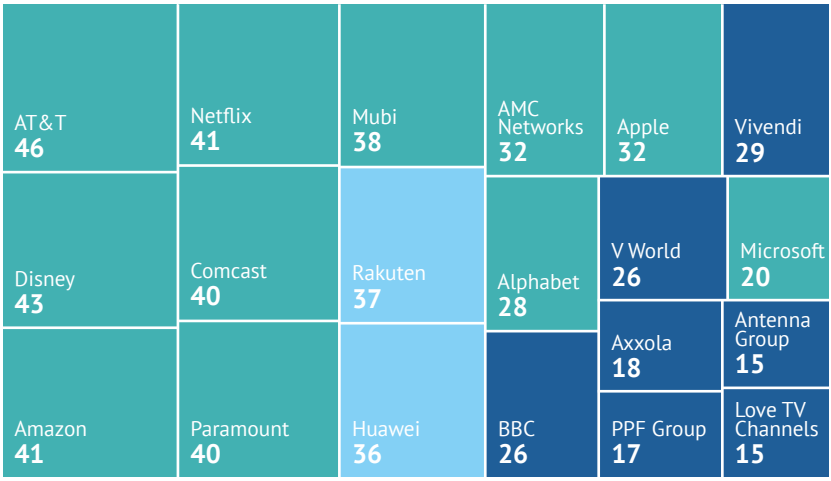
How many of the most widespread TV and VOD groups in Europe are US-owned?

9 out of the top 10

belong to a US company

Origin of top 20 TV and VOD players active in Europe

Dec. 2023 – In number of operating markets



Source: European Audiovisual Observatory analysis of MAVISE data from Dec. 2023.
The MAVISE database can be accessed here: https://mavise.obs.coe.int/

4.2 TV audiences: Heterogeneous European landscape

Back to erosion?

The COVID-19 years marked a halt in the decline of TV viewing in Europe, mitigated by time spent watching the replay services of linear channel programmes. However, in 2022 and 2023, the decrease in TV viewing time started again, as if, after having reacquainted themselves with linear TV during the pandemic, viewers were again slowly switching to other forms of (on-demand) entertainment such as YouTube and streaming services. Still, TV viewing time remains significant at 3h33mn on average in Europe, but with large variations, e.g. less than two hours a day in Sweden, Norway and Denmark, and over five hours a day in Portugal, Hungary and Serbia.

A handful of significant pan-European broadcasters

On average, the cumulated audience share of the four leading broadcasting groups in each country has remained relatively stable, at around 70%. The cumulated list of these four leading broadcasting groups in each of the 42 European countries monitored by the Observatory comprises 133 groups, implying that the vast majority of them (108) belong to the top groups in terms of audience in only one country. Another category includes 13 groups present only in other countries sharing the same language or cultural proximity (e.g. ARD, ZDF and ProSiebenSat.1 in Germany, Austria and Switzerland; Bouygues and France Télévision in France, Belgium and Switzerland).

Excepting companies present in several countries only due to a common language, 14 groups are among the most watched broadcasters in several countries.[1] The four leaders are Warner Bros. Discovery (among the leading companies in audience in 10 countries), the RTL Group (eight countries), the PPG group (six countries) and the Walt Disney Company (five countries).

Uneven weight of public service broadcasting

Among broadcasting groups, the audience share of public service television varies considerably across countries. On the one hand it is above 40% in Denmark,[2] Germany, Finland, the United Kingdom and Norway. On the other, it is below 10% in Bulgaria, Hungary and Greece and even below 5% in Romania.

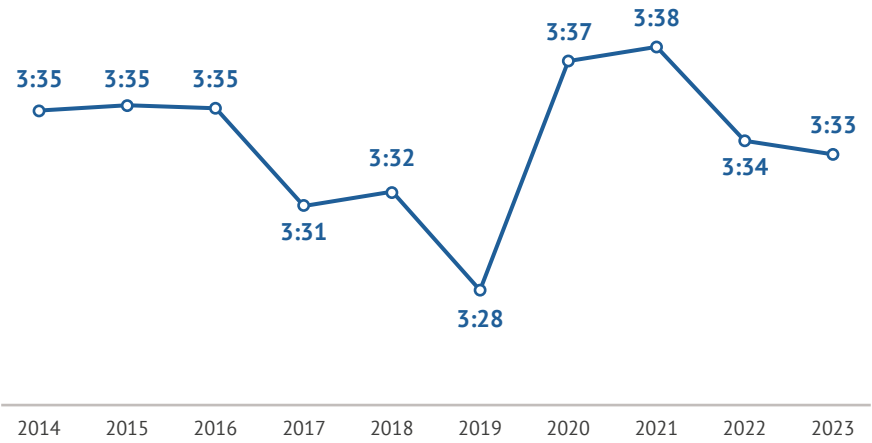
1 Groups mentioned here are active in more countries.
The data in this section only relates to countries where they are among the most watched broadcasters.
2 Including TV2, a public subscription-based service.

Is the positive impact of the COVID crisis on TV audiences ongoing?

No

TV viewing is eroding again

Average daily TV viewing time in Europe (hh:mm)



Note: Average calculated using the latest data available.

Source: European Audiovisual Observatory

4.3 EUR 22 billion spent on European original content in 2023

Growth of investments in European original content is slowing

Spending on European original content (excluding news and sports rights) reached a new high in 2023 at EUR 22 billion. After a (moderate) downturn in 2020 due to the pandemic, investments grew at a double-digit rate in 2021 and 2022, but by only 8% in 2023, in a context of strong inflation.

On the one hand, broadcasting groups' spending was stable, meaning actually decreasing in real terms. On the other hand, global streamers, which doubled their investments in 2022, increased them by 'only' 34% in 2023. Overall, global streamers accounted for 26% of audiovisual service investments in European original content.

Global streamers focus more on Europe

This still strong increase of global streamers' spending in Europe contrasts with the view that, globally, they put more emphasis on controlling their programming expenses. But two factors explain why Europe is still growing strongly: on the one hand, some streamers only recently started to invest in European original content (Disney+, Apple TV+, Paramount+, Max) and are still building a line-up of local content, in the context of the implementation of the investment obligations foreseen in the Audiovisual Media Services Directive. On the other hand, Europe is capturing a growing share of the streamers' global content spending (20% in 2023 vs. 13% in 2021), as there is now more growth potential outside the US, as some European works have proven successful worldwide and as European works are cheaper to produce.

Smaller countries struggle to benefit from the growth in content spending

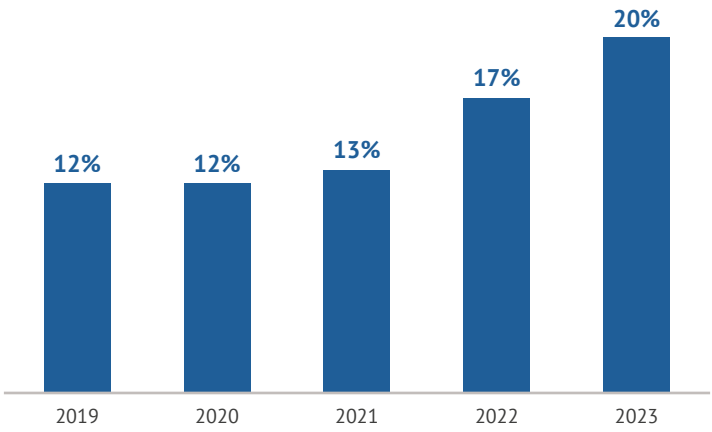
In 2023, the United Kingdom (29%) and Germany (20%) accounted for almost 50% of broadcasters' and streamers' investments in original European content, with France (14%), Spain (9%) and Italy (7%) joining the top five. However, the picture is somewhat different when focusing only on global streamers' spending. Whereas the UK (35%) was again the first destination, Spain (18%) came a clear second ahead of France, Germany and Italy (11% each). Overall, while national broadcasters ensure a minimum level of national production in smaller countries, these countries seem to struggle to capture a significant share of streamers' investments.

What is the share of Europe in global streamers' spending on original content?

20%

Up from 13% in 2021

Share of Europe in global streamers' worldwide spending on original content



Source: European Audiovisual Observatory analysis of Ampere Analysis data

4.4 From traditional media literacy to AI literacy skills

Artificial intelligence (AI) does not necessarily mark the obsolescence of human intelligence. On the contrary, it requires expanding our knowledge and skills to adequately understand the increasingly complex digital and media landscapes. Media literacy initiatives, which were originally developed to help consumers understand and critically analyse traditional media content, are now shifting towards education about the underlying technologies used to generate and disseminate content. Previously, we scrutinised the overt content presented in traditional media outlets, but now we must delve deeper to examine the invisible technological algorithms that shape our digital experiences.

AI and related algorithms are already undeniably influencing users' decisions, perspectives and inclinations, including social and political ones. The use of AI in election campaigns, for example, has been at the centre of discussions throughout the 2024 election year. AI has been used to create deep fakes, to generate pictures, but also for micro-targeting. The risk however is that AI-enhanced disinformation could further undermine trust in public and government information.

The dangers of AI-generated content are therefore manifold and range from deep fakes, automated fact-checking, personalised content recommendations and predictions to algorithmic bias and filter bubbles. These challenges require, as response, critical thinking to ensure that content and information are not taken for granted, and that bias and manipulation are recognised. AI systems also need to be understood in order to be challenged, evaluated and held accountable.

However, public understanding of AI can vary widely and minors and the elderly in particular are at risk. Studies indicate that a portion of minors lack awareness, understanding, or the ability to identify AI and AI-generated content. Education will be crucial in enabling the public at large to critically engage with AI-driven technologies, including educators themselves. The AI Act, in force since August 2024, provides in recital 56 that "[t]he deployment of AI systems in education is important to promote high-quality digital education and training and to allow all learners and teachers to acquire and share the necessary digital skills and competences, including media literacy, and critical thinking, to take an active part in the economy, society, and in democratic processes."

Initiatives are emerging to empower users to think critically about digital media, algorithms and AI, with some specific examples in Belgium and South Korea (collaborating on "In the Shoes of an Algorithm"), Canada ("Digital2030") and the UK ("Disrupt your feed").

Achieving a society well-versed in media, digital, algorithms, and AI requires collaboration and a multi-stakeholder approach involving AI experts, fact-checkers, media literacy practitioners, developers, and journalists.

How does AI impact media literacy?

The evolution of media literacy

The origins: Media literacy

ACCESS | ANALYSE | EVALUATE | CREATE

A new set of *digital* literacies:

DATA LITERACY | ALGORITHM LITERACY | AI LITERACY

Understanding new concepts

Computational thinking: the whole thinking process that allows formulation of clear, step-by-step instructions for solving a problem and telling a computer how to do this.

Algorithms: the specific step-by-step instructions that dictate how a task is to be executed and are provided in the form of a **code**.

AI: uses algorithms along with training data to make decisions, learn from experiences, and adapt based on new information.

Source: European Audiovisual Observatory

5 MARKETS

5.1 Growth, apparently

No compensation for inflation

The audiovisual market grew by a healthy 4.3% in the European Union (EU) in 2023 (and 2.4% in Greater Europe).[1] However, with inflation at 6.4%,[2] the market actually shrank. In terms of a longer perspective, the share of the audiovisual sector in the European Union's gross domestic product is constantly decreasing (from 0.67% in 2014 to 0.59% in 2023), indicating that the audiovisual sector is growing more slowly than the economy in general.

Traditional market segments struggle

Moreover, the (limited) growth of the audiovisual market is almost entirely due to two individual market segments: subscription and transactional video-on-demand services; excluding them, the growth in 2023 was only 1.3% in the EU and the market even slightly decreased in Greater Europe. Most of the traditional segments of the audiovisual sector are stagnating or declining in real terms: TV advertising, despite the relative success of broadcasters with their ad-funded video-on-demand services; public funding of public service broadcasters (PSBs), even if governments compensated to some extent for inflation in 2022-2023; physical home video, which has lost around 80% of its market value over the last decade; box-office revenues which have not returned to their pre-pandemic levels in 2023.

Pay TV vs. SVOD: so far so good

The pay-TV segment is also stagnating, a not-too-cataclysmic situation when considering how subscription video-on-demand (SVOD) has developed over the last five years. One might have expected SVOD to hurt pay TV much more, but in fact pay TV and SVOD have proved – at least so far – that they are not that substitutable, partly because pay-TV services are often bundled in triple-play offers, and partly because legacy distributors often distribute SVOD services at discounted prices. It remains to be seen if the wave of cord-cutting which has deeply affected the US pay-TV market (with a loss of 20 million subscribers since 2014) will eventually reach Europe.

Overall, the coexistence of pay TV and SVOD has led to a continuous increase in the share of consumer spending in the total revenues of the European audiovisual sector, compared to the two other main components: advertising and public funding of public service broadcasters. For the first time in 2023, the former accounted for half of all revenues, compared to 44% 10 years ago.

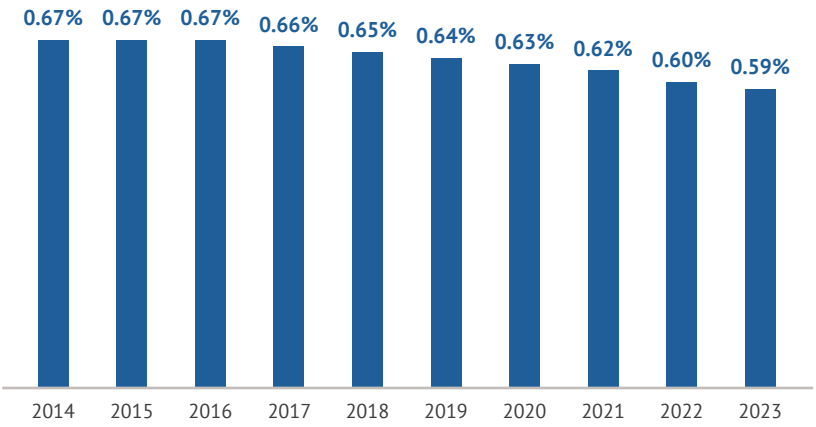
1 EU + Albania, Armenia, Bosnia and Herzegovina, Georgia, Iceland, Moldova, Montenegro, North Macedonia, Norway, Serbia, Switzerland, the United Kingdom, Türkiye, Ukraine.
2 In the European Union.

Is the growth of the audiovisual market in line with the economy?

No

Its share of GDP has constantly decreased since 2014

Share of the audiovisual market in gross national product
(European Union, %)



Source: European Audiovisual Observatory analysis of data from Dataxis, EBU/MIS, WARC, LUMIERE and Eurostat

5.2 Cinema attendance in Europe keeps growing

Admissions in Europe reach over 859 million tickets

In the first year unaffected by restrictions related to the global pandemic, cinema attendance in wider Europe[1] grew by 18.4%, reaching over 859 million tickets sold, 133 million more than in 2022. These satisfactory results represent a recovery rate of 77.1% in relation to the average admission levels achieved between 2017 and 2019 of 1.1 billion tickets sold.

Inflation and rising ticket prices contributed to better box office revenues. Cinemas across Europe are estimated to have grossed EUR 6.7 billion in 2023: 22.3% growth compared to 2022 (EUR 5.5 billion).

Despite these positive trends at a macro level, the variance in growth among individual countries remains noteworthy. In 2023, Ukraine (+60%), Italy (+55%), and Albania (+42%) saw the most substantial increases in cinema attendance. Conversely, Czechia (-1%), Denmark (-2%), and Türkiye (-12%) were the only countries witnessing a decline. Notably, Georgia and Bosnia and Herzegovina outpaced pre-pandemic attendance levels, boasting recovery rates of 117% and 113%, respectively. However, challenges persist for countries such as Sweden (recovery rate: 69%), Ukraine (50%), and Türkiye (46%) in reclaiming pre-pandemic highs.

American films lead admissions, European titles dominate offerings

In 2023, American films achieved a significant market share in terms of admissions, exceeding 69% and marking a notable six percentage point increase from 2022. This remarkable all-time high performance by American titles came at the expense of European films, which experienced a decline of 2.5 percentage points (-5.8 if European incoming productions[2] are included). Consequently, the market share of European films sank to 27.1%, in line with the pre-pandemic average.

Regarding the diversity of offerings, European films maintained a dominant position, constituting over 64% of the total titles available in European cinemas throughout 2023. Meanwhile, American films comprised 20% of the offering, with productions from the rest of the world making up 15% of available films.

The most watched European title of the year was the French production *Astérix & Obélix : L'Empire du Milieu*, amassing 7.2 million admissions and securing the 25th spot in the year-end chart. *C'è ancora domani*, an Italian black and white feature set in post-war Rome, ranked no. 2 for European films in terms of admissions, selling close to 4.9 million tickets across only two markets: Italy and Italian-speaking Switzerland. Rounding up the top five were the French animation film *Miraculous: Le film* (4.7 million admissions), the comedy sequel *Alibi.com* 2 (4.6 million admissions), and the star-studded French epic *Les trois mousquetaires : D'Artagnan* (4.1 million admissions).

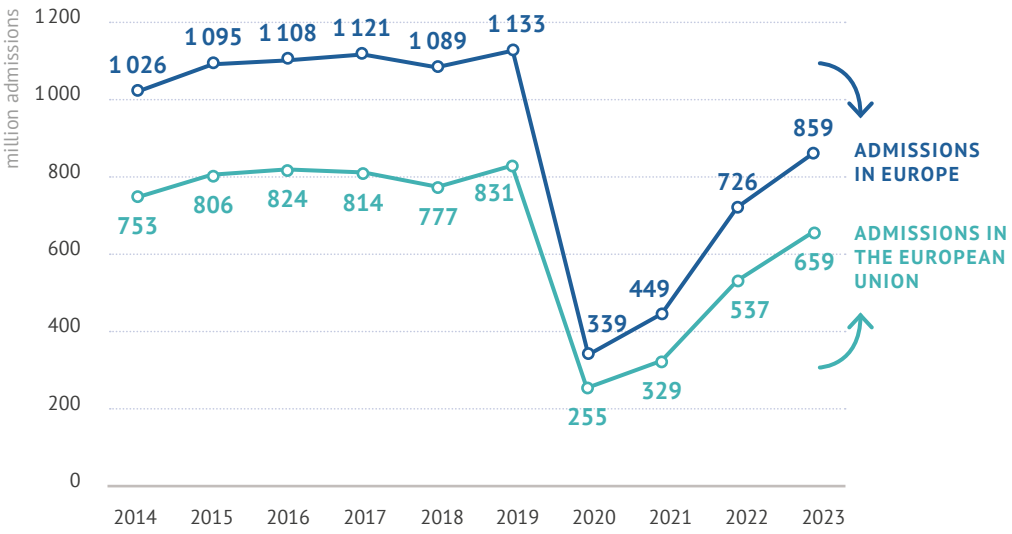
1 Council of Europe member states except for Azerbaijan, hereafter referred to simply as "Europe".
2 Films produced in Europe but financed by a major American studio, making them more similar to Hollywood production titles than typical European films.

How many tickets were sold in cinemas across Europe in 2023?

859 million

+ 18.4% compared to 2022

Cinema attendance in Europe – by year (2014-2023)



Source: European Audiovisual Observatory

5.3 Home video: SVOD to close the gap on DVD

Retail TVOD rebounds as cost-of-living crisis softens

The total home video market in Europe[1] lost almost two-thirds of its revenues between 2014 and 2023 (down to EUR 2.8 billion). This was mainly due to the physical video market plummeting, driven by retail. With a rather small evolution of the yearly average over the past 10 years (CAGR +3%), the digital home market managed to close less than 10% of the gap. People prefer to pay for access to a vast library of content and it is not surprising to see that after SVOD took off in 2015, the physical video market started to drop twice as fast in terms of yearly average.

Compared to 2022, Blu-ray & DVD revenues remained within trendlines in 2023 (down by -20% to EUR 1 billion), albeit dropping slightly faster than in the previous year. Germany (28%), France (19%) and the UK (18%) cumulatively made up almost two-thirds of the physical video retail market in 2023.

TVOD grew (up by +4% to EUR 1.8 billion in 2023) for a second year in a row and at the same pace. TVOD sales bounced back in 2023 (up by +4% to EUR 0.7 billion over 2022), while rental grew for a second year in a row, albeit at a much milder rate than before. It might be an indication that, after the COVID crisis which affected cinema releases, new and more recent releases are entering the TVOD user basket against the backdrop of a reduced cost-of-living crisis.

At EU level, revenues grew (up by +6% to EUR 1.3 billion in 2023) almost as fast as average inflation, showing, in relative terms, a higher resilience than in 2022.

TVOD close to two-thirds of the home video market

TVOD has developed at a very modest yearly average growth rate over the past decade. But with Blu-ray & DVD losing almost 20% of their revenues in terms of yearly average over the same period, digital home video ended up banking 64% of the total home video market in 2023.

Since 2019, rental TVOD has been consistently gaining market share over retail TVOD, and accounted for almost 60% of the overall digital home market at the end of 2023, with revenues going up by +3% to EUR 1 billion over 2022.

Rental accounted for more than 50% of the overall TVOD market in 28 countries out of the 34 European countries for which digital home video revenues were registered in 2023.

But at total home video market level, retail overall still obtained the lion's share, considering that over 99% of the physical home video was represented by DVD and Blu-ray sales at the end of 2023.

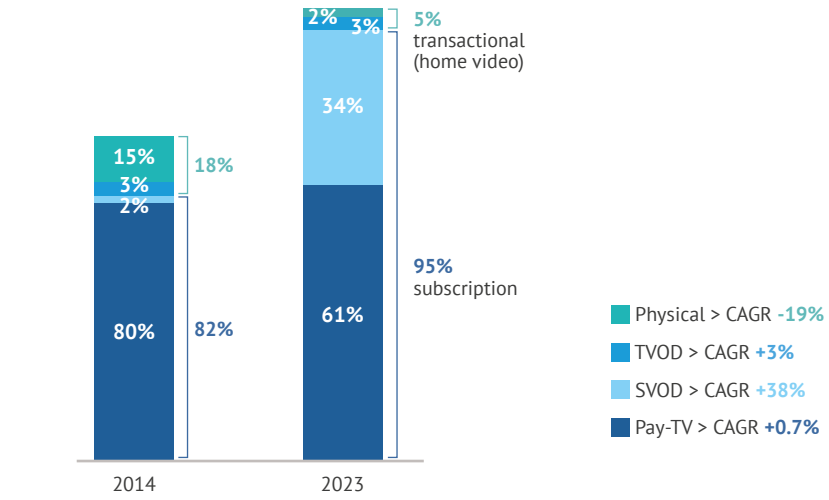
1 41 European countries covered by the European Audiovisual Observatory, for which data was available. Note: As of the 2024 edition, VOD subscribers and revenues, physical video revenues, pay-TV subscribers and revenues are provided by Dataxis. The time-series related to these topics have been therefore restated.

What is the home video share of wallet in terms of TV & film spending at home?

5%

SVOD take-off not only inhibited pay-TV growth but also accelerated the physical home video drop; this saw transactional home entertainment spending lose almost 3/4 of its share over the last decade

Transactional and subscription spending evolution in home entertainment
(in %, 2014 - 2023)



Source: European Audiovisual Observatory analysis of Dataxis data as of July 2024

5.4 Advertising – a digital future for ad spend in Europe

Total expenditure up, but mainly driven by internet advertising

Total advertising expenditure in Greater Europe[1] grew by 2.7% in 2023 to EUR 149.6 billion, but the picture is quite different by media segment.

The main driver of growth was internet advertising, which grew by 6.2% in 2023 to EUR 92.2 billion. However, with the economic pressures on the advertising market in general, these turbulences were also felt in the digital advertising market, with the lowest growth in spending in the last 10 years as advertisers rationalised their ad spend.

On the other hand, TV advertising expenditure decreased by -3% to EUR 30.7 billion, almost at the level of 2014 (EUR 30.4 billion). At country level, of the 37 European countries, 21 saw an increase in their TV advertising market, while 16 saw a decrease, including Europe's biggest advertising markets (SE -22%, NO -18%, GB -10%, DK -6%, AT -5%, FR -4%, DE -3%, ES -2%).

As commercial and public TV networks increasingly face direct competition for advertising on the TV screen from digital players, including once ad-free streaming services such as Netflix and Amazon, ad-supported streaming services (AVOD services such as Pluto TV and FAST channels) and video sites such as YouTube, which are increasingly viewed on the TV screen, their traditional sources of revenue are declining.

Add to these new competitors, social media players such as Meta and TikTok, which are also competing more directly for the same advertising budgets as TV networks, and the future looks bleak for traditional networks.

Eyeballs and advertisers have shifted their attention online, as evidenced by the evolution of advertising spend over the past decade, from EUR 30.4 billion in 2014 to EUR 30.7 billion in 2023 (+1%) for TV advertising spend, and from EUR 30.1 billion to EUR 92.2 billion in 2023 (+206%) for internet advertising spend.

With outdoor activity on the rise, advertisers look to connect with customers outside their home

As cinema audiences across Europe have increased and customers have returned to the outdoors following the Covid-19 pandemic, cinema and outdoor advertising spend has increased accordingly. Cinema advertising grew by 11% to EUR 679 million (but has not yet reached the pre-pandemic level of EUR 855 million in 2019), while outdoor advertising increased by 5% to EUR 7.3 billion, almost reaching the 2019 level of EUR 7.5 billion.

Continued decline in newspaper and magazine advertising expenditure

Newspaper advertising expenditure fell by -7% to EUR 8.7 billion (very far from the 2014 level of EUR 17.9 billion), while magazine advertising expenditure fell by -6% to EUR 4.6 billion (EUR 7.9 billion in 2014). As print media audiences age (and shrink), so do advertising revenues.

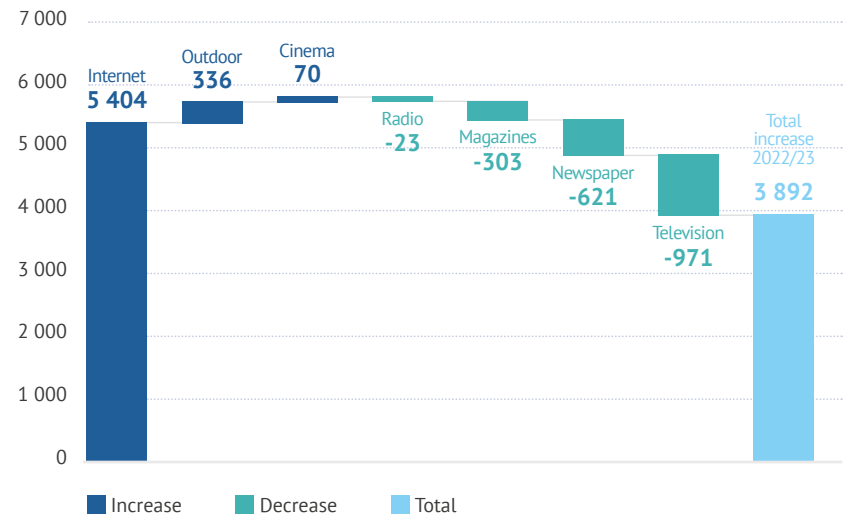
1 EU27 + BA, CH, GB, GE, MD, ME, MK, NO, RS, TR.

What is the main driver of growth in advertising expenditure in Europe?

Internet advertising

with an addition of EUR 5.4 billion to total advertising expenditure in Europe in 2023

Yearly change in advertising expenditure by advertising media 2022-2023
(in EUR million, Europe)



Source: European Audiovisual Observatory analysis of WARC data

5.5 Pay TV: Pressure on prices has abated, demand still limited

Revenue erosion in real terms diminishes

2023 saw pay-TV revenue growth further slow in the EU (+1.1% up to EUR 27.3 billion) and drop slightly at European[1] level (-0.5% down to EUR 36.5 billion). In real terms, pay-TV revenues continued to drop year-on-year at EU level, but accounting for tamer average inflation, the erosion slowed, mainly due to ARPU in real terms becoming slightly more resilient.

At current prices, pay-TV revenues decreased in 20 of the 41 European markets analysed between 2022 and 2023.[2] The UK (40%), Norway (14%) and the Netherlands (11%) together accounted for almost two-thirds of the drop cumulated by these markets. The drop was driven by Northern Europe, which plummeted in 2023 (-7% year-on-year).

Cost of living crisis abates, but demand still curbed

Although average inflation subsided in 2023, the pressure it placed on spending at the beginning of the year and throughout 2022 took a toll on consumption and weighed on demand. Both the pay-TV and SVOD uptake rate echoed the effects that the 2022 inflation peak had on the consumer basket.

Pay-TV subscriptions grew both at European (+1.2% year-on-year, up to 192 million) and EU level (+1.6% year-on-year, up to 146 million) in 2023, but the pace was even slower than that registered in 2022. Safeguarding demand still weighed heavily on provider prices in 2023 but the pressure was lighter. ARPU at current prices continued to drop in 2023 both in Europe (-2% year-on-year) and in the EU (-1% year-on-year), albeit at recovering rates compared to those registered in the previous year. In real terms, accounting mainly for a relatively tempered average inflation, the ARPU drop rate at EU level was almost one-third leaner than in 2022. Northern Europe was the only region to cumulatively register a drop in subscriptions, as well as being the region with the highest drop in ARPU.

IPTV becomes the primary network of choice

Pushed up by the rise of bundles, IPTV was the only traditional network to add subscriptions over the past five years. By the end of 2023 it outweighed cable and had become consumers' favourite type of TV reception, accounting for 30% of the pay-TV market. Leveraging the advantage of the lowest pay-TV ARPU, on top of the bundling incentives, OTT continued its upward trend and grew in 2023 twice as fast as IPTV. This saw IPTV and OTT cumulatively accounting for 50% of all pay-TV subscriptions signed off in 2023. The two networks were also the only ones to register revenue gain over 2022 (+5.7% up to EUR 12.4 billion for IPTV; +13.8% up to EUR 3.1 billion for OTT).

Overall, the traditional pay-TV market has been cumulatively losing -0.4% of subscriptions on yearly average over the past five years, while OTT has been gaining on average 24% each year over the same period.

1 41 European countries covered by the European Audiovisual Observatory, for which data was available.
2 The evolution of exchange rates may have impacted trends.

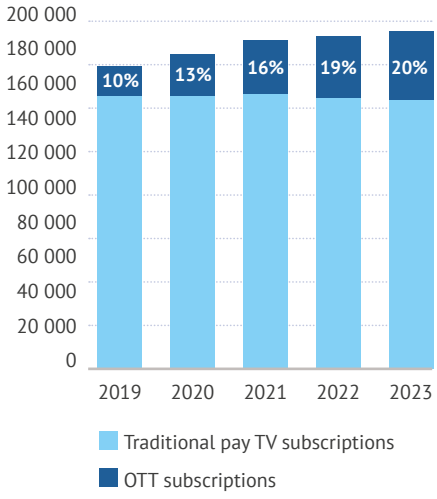
Note: As of the 2024 edition, data on pay-TV subscribers and revenues are provided by Dataxis. Therefore, the time-series related to these topics have been restated.

Is OTT building up the pay-TV market?

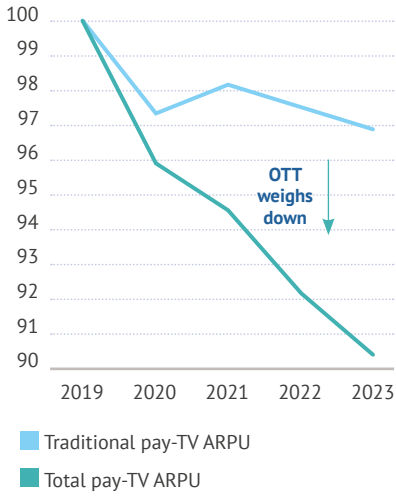
Yes,
but it is eroding market value

Over the past five years, traditional pay TV lost 10% of its share in total subscriptions. This weight was captured by OTT, but at a much lower ARPU (approx. 40% of traditional pay-TV ARPU).

Pay-TV uptake evolution in Europe by type of transmission
(2019-2023, in thousands and %)



Pay-TV ARPU evolution in Europe by type of transmission
(2019-2023, indexed base 100 = 2019)



Source: European Audiovisual Observatory analysis of Dataxis data as of July 2024

5.6 SVOD revenues are still a growth driver in Europe

A wind of change in the streaming market

In 2023, the market for pay on-demand services increased revenues in all its segments; they rose by 11% to EUR 23 billion in greater Europe.[1]

SVOD revenues, the growth engine of the audiovisual market in recent years, totalled EUR 21.2 billion (or more than 92% of total on-demand revenues), but the growth rate dropped significantly to 11% in 2023, the lowest annual increase in the last decade.

As subscriber acquisition becomes more difficult in the face of increased competition, the launch of ad-supported services, the reduction/rationalisation of content investments and the bundling of streaming services are strategies adopted by most global and European players in the search for profitability.

After market leader Netflix introduced advertising in 2022, most competitors such as The Walt Disney Company, Warner Bros. Discovery and Amazon followed suit, as the introduction of advertising has a positive impact on ARPU for their streaming businesses.

In Europe, several broadcasters, such as TF1, have increased investment in their streaming services as linear audiences continue to migrate online and new players compete for TV advertising budgets, with the goal of making their services, such as TF1+, the primary contact point for their viewers in the future.

The proliferation of FAST channels and the ubiquity of social media have also accelerated the incumbents' move to a streaming-first world.

However, digital revenues are not yet offsetting analogue losses for the majority of players and future consolidation on the streaming market seems inevitable.

Towards a future that looks like the past?

The last remaining frontier of traditional linear pay-TV services, premium sports rights, is slowly crumbling in the US and, to a lesser extent, in Europe, as players such as Amazon, DAZN or Apple acquire rights to major leagues to further expand their subscriber (and eyeball) base.

With commercial breaks, bundling of streaming services and traditional broadcasters offering linear programming on their online services, the future streaming ecosystem is looking more and more like the traditional broadcasting ecosystem.

Renewed growth in transactional on-demand market driven by new theatrical releases

After a sharp decline in 2021 due to the decline in new theatrical releases during the COVID pandemic, both the transactional retail and rental on-demand (TVOD) markets grew moderately in 2023 to EUR 740 million for retail (+3%) and EUR 1 billion for rental (+5%).

While studios are still experimenting with premium video on demand for selected theatrical films, the release of theatrical films directly on SVOD services, adopted by studios such as Warner Bros. during the COVID pandemic, seems to have ended for most theatrical films. This return to a more traditional post-theatrical transactional window release also had a positive impact on TVOD revenues.

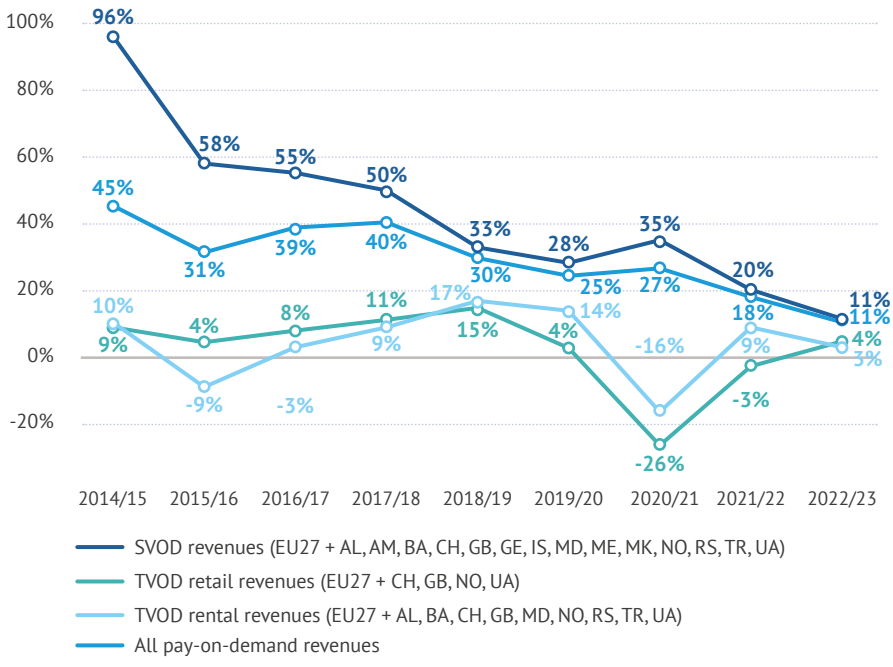
1 EU27 + AL, AM, BA, CH, GB, GE, IS, MD, ME, MK, NO, RS, TR, UA.

Are SVOD revenues still the growth driver of on-demand revenues in 2023?

Yes

but to a much lesser extent, with SVOD revenues registering their smallest increase in a decade.

Yearly growth rate for pay-on-demand revenues in Europe
2014-2023, in % of yearly change



Source: Dataxis

6 PLAYERS

6.1 The big get bigger

US groups lead the world's top 50 groups by audiovisual revenues[1]

In 2023, eight out of the top 10 and 25 out of the top 50 groups by audiovisual revenues[1] were US-based; outside the US, only Sony (Japan) and Tencent (China) made it into the top 10, characterised by a mix of different types of companies: five legacy studios (Disney; NBC Universal – part of Comcast; Columbia – part of Sony; Warner Bros. Discovery; and Paramount Global) alongside relative newcomers to the sector: Apple (mostly content sales on iTunes); Netflix; Microsoft (mostly gaming); Google (YouTube); and Tencent (mostly video games in China). Among the most spectacular rises were Google (16th in 2015) and Netflix (20th) which appear in the 2023 ranking at 6th and 8th respectively.

More concentration in the top 50

Among the top 50 global audiovisual companies, 11 groups registered more than EUR 20 billion in revenues in 2023 and the top five accounted for 45%, up from 36% in 2015. The increasing concentration of the leading groups is the result of several factors, including landmark mergers such as: the Walt Disney Company's acquisition of most Twentieth Century Fox assets; Comcast's acquisition of United Kingdom/Germany/Italy pay-TV provider Sky; CBS and Viacom's merger to form Paramount; and the merger of AT&T's Warner Media and Discovery to form the Warner Bros. Discovery group. The rise of global streaming services such as Netflix, YouTube and Amazon Prime Video is another feature of the evolution of the ranking.

12 European groups in the top 50

There are 12 European groups in the top 50: nine private (Vivendi, RTL Group, Altice, ITV, ProSiebenSat.1, Banijay, Vodafone, Bouygues and MediaForEurope) and three public (ARD, BBC, France Télévisions). These 12 European groups account for 8% of the cumulated revenues of the top 50, which indicates that they tend to appear at the bottom of the ranking.

Groups based outside the 'Big 3' regions (the USA, Japan and Europe) still accounted for a small share of the top 50 in 2023 (nine groups, 8% of top 50 cumulated revenues). But they grew faster, driven in particular by Chinese groups active in mobile gaming and streaming. The weight of the latter in the top 50 revenues (6%) is equal to that of the European Union.

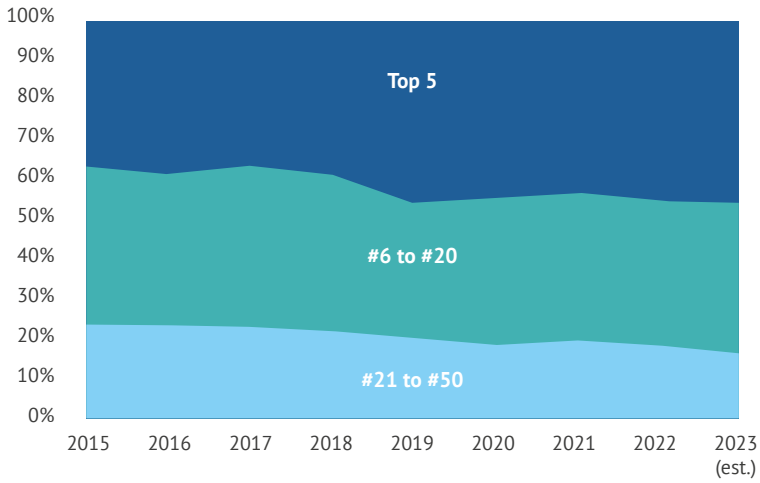
1 Includes all television/video/streaming revenues, music and gaming.

Is concentration increasing among the global leaders?

Yes

The five leading groups accounted for 45% of the top 50, up from 36% in 2015

Breakdown of the worldwide top 50 companies by audiovisual revenues (2015-2023)



Note: Includes video, music and gaming revenues.

Source: European Audiovisual Observatory analysis of data from EBU/MIS, Ampere Analysis, Dataxis, Orbis and annual reports

6.2 Telcos fuel European AV players' revenue growth

European broadcasters bank half of the top 100 AV groups' revenues

US group Comcast was yet again the no. 1 audiovisual group in Europe, accounting for over 10% (EUR 15.3 billion) of the cumulated operating revenues[1] of the top 100 AV players at the end of 2023. Sky alone contributed around one quarter of the overall revenues cumulated by the US-backed audiovisual groups.

Six out of the top 10 AV players were represented by European groups, both private as well as public.

The top 10 accounted for a concentration of more than half of the revenues cumulated by the top 100 AV players in 2023. Outside the public sector, the top 10 groups accounted for two thirds of the revenues cumulated by privately owned players.

In contrast to the public sector – represented almost entirely by European broadcasters – the private sector was relatively eclectic. Accounting for over 70% of the top 100 consolidated revenues in 2023, private sector revenues were almost equally banked by both European (51%) and US (48%) groups. Broadcasters, both European and US-backed, cumulated around one third of private group revenues, respectively, followed by European telcos, which claimed a share of 18%, and pure streamers (Netflix, Amazon Prime, DAZN and Apple TV+) which accounted together for 13%.

Overall, European groups accounted for almost two thirds of the top 100 AV players' consolidated revenues in 2023, with publicly owned groups holding just over 40% of this share.

Pure streamers safeguard the weight of US interests

Concentration levels remained almost unchanged over the past eight years, with the top 20 AV players in Europe cumulating over 70% of the revenues generated by the top 100 AV groups. However, concentration was slightly lower towards the very top in 2023 compared to 2016.

Revenues of the privately owned groups grew faster than the overall top 100 cumulated revenues (+20% in 2023 over 2016) and accounted for 95% of growth. The private sector gained 4% in share, equally banked by both traditional and pure SVOD players.

Jumping by a factor of six over the analysed period, consolidated revenues of pure streamers drove the growth of the private sector and helped add 4% to the weight of US interests. Traditional US-backed players, however, performed below average in terms of cumulated revenues.

In 2023, the top five European telcos (DT, Bouygues, Orange, Telefonica, Vodafone) registered a greater-than-50% increase in cumulated audiovisual revenues over 2016. The growth registered by European telcos was mainly organic and complemented in large measure by Vodafone's joint or full acquisitions of TV assets from US telco Liberty Global in the Netherlands, Germany, Czechia, Hungary, and Romania. Telecom groups' sales performances also fueled the evolution of European broadcasters' revenues. European groups contributed 80% to the growth of traditional private players' revenues.

1 Consolidated operating revenues for top 100 European groups active in the video business. See "Top players in the European AV industry - Ownership and concentration" for the detailed methodology. The analysis presented in this article does not include VSPs.

Which are the top three European AV players by revenues?

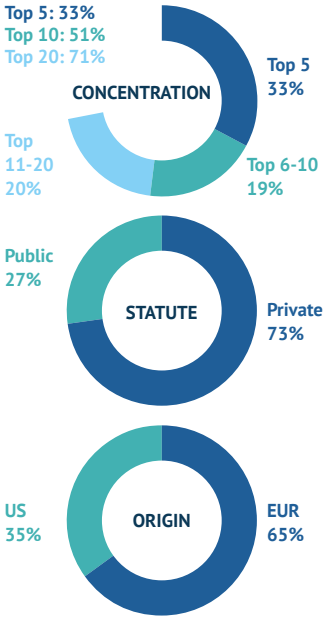
ARD, RTL and BBC

Almost 80% of the European-owned groups' revenues were cumulated by public (41%) and private (38%) broadcasters, while the rest was banked by telco players.

Top 10 AV groups by revenues (2023 / in EUR billion)

Source: European Audiovisual Observatory

Top 100 AV groups market structure by revenues (2023 / in %)



6.3 Public broadcasters in Europe: rich and poor

Economic contrasts

It is difficult to present public service media (PSM) companies from an economic point of view because of their diversity.

Diversity among the large countries shows that PSM revenues are at almost EUR 11 billion in Germany, at more than EUR 7 billion in the United Kingdom, at more than EUR 4 billion in France, at less than EUR 3 billion in Italy and Spain, and at around EUR 1 billion in Poland; diversity in per capita terms sees revenues per inhabitant and per year ranging from more than EUR 150 (in Denmark, Iceland and Switzerland) to less than EUR 10 (in Albania, Bosnia and Herzegovina, Georgia, Moldova, North Macedonia, Romania and Ukraine); finally, diversity in the revenue mix has public funding ranging from less than 50% to more than 95% of total PSM revenues.

Strong differences in the support of national public broadcasting systems are reflected in different audience shares of PSMs. Nevertheless, in 19 European countries the national PSM is the most watched broadcaster; conversely, in six European countries the public service broadcaster is not among the top three television groups in terms of audience share.

Resilience of public funding

Looking at the evolution of PSM funding in recent years does not provide a clear answer. On the one hand, public funding has proved to be somewhat resilient, cushioning the blow of COVID in 2020 and 2021 and inflation in 2022 and 2023, at a time when the resources of commercial broadcasters were severely affected. On the other hand, neither PSBs nor their commercial counterparts have benefited from the only growing market segment, on-demand. The share of public service broadcasters in the total European audiovisual market has therefore been declining steadily. Again, the situation varies from country to country, with Armenia, Estonia, Georgia, Lithuania and Poland showing above-average growth in revenues over the last 10 years.

Key role in fiction production

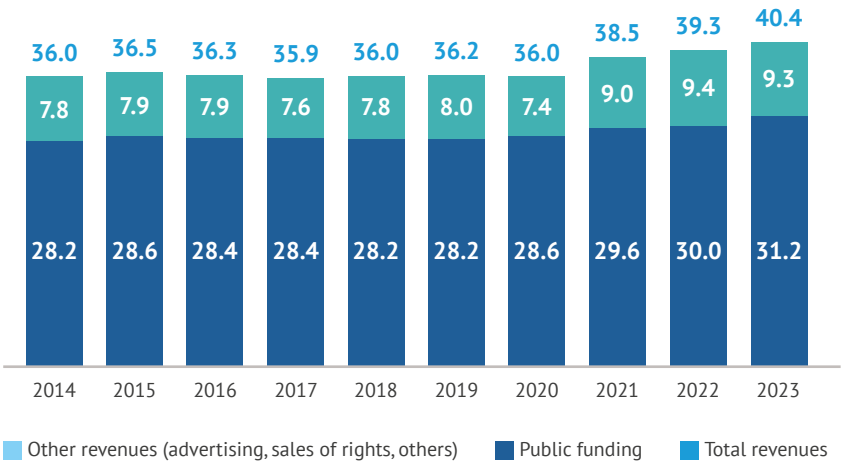
Despite losing ground to the new players, PSMs remain key to the production of European original content. While they account for around a third of the sector's revenues, they commission around half of all series produced in Europe and around three quarters of fiction series, well ahead of commercial broadcasters and global streamers.

Has the share of public funding in the revenues of public service broadcasters increased?

No

It remains stable at around 77% of total revenues

Revenues of public service broadcasters in Europe (in EUR billion)



Source: European Audiovisual Observatory analysis of EBU/MIS data and annual reports

6.4 A competitive market for fiction series

Broadcasters as producers

Broadcasters, whether public or commercial, have long produced some of their programmes either in-house or through subsidiaries. This has been the case for news, of course, but also for game shows, talk shows and series. With regard to the latter, an increasingly competitive environment has led, on the one hand, broadcasters to accept working with production subsidiaries of other broadcasters, especially when these broadcasters are not competing in the same country, and, on the other hand, broadcasters' subsidiaries to look for outlets other than their parent broadcasters, in particular to take advantage of the growing demand for series from global streamers.

Independent producers stronger for short TV series

The proportion of 'in-house' TV fiction production varies between formats. Broadcasters tend to favour in-house production for long-running, daily, soaps; by contrast, they work more often with third-party producers when commissioning one-offs or short fiction series. When they do use outside producers, they are far more likely to use independent producers than subsidiaries of other broadcasters, with many different contractual approaches to the ownership and exploitation rights of the work.

Competition with independent producers

By combining work for their parent broadcasters and work for third-party broadcasters, and in some cases through aggressive acquisition, some of the broadcasters' subsidiaries have made their way into the main fiction production companies in Europe. Examples include RTL Groupe, ITV and TF1, which produced more TV series for third-party broadcasters and global streamers than for themselves. Other (public) broadcasters focus mainly on their own needs: this is the case of the BBC, ARD and ZDF.

All broadcasters are competing with larger and larger independent production groups, often created through mergers and acquisitions, such as the Banijay Group, Mediawan/Leonine and the Studio Hamburg Production Group.

Consolidation but no concentration

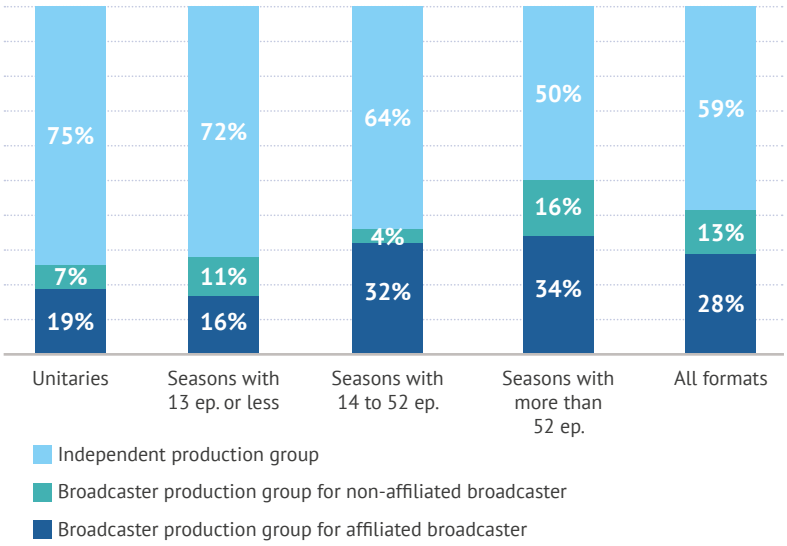
Despite what the frequency of TV production acquisitions reported in the news might suggest, the sector has not moved towards greater concentration. In fact, growth has been so strong in recent years that the leading companies have grown more slowly. For example, the share of the top 20 production companies in terms of number of seasons has fallen steadily since 2015, from 39% to 31% in 2023. However, this trend could be reversed now that the fiction series market has entered a (perhaps temporary) downturn.

What share of European TV/SVOD fiction hours is produced by broadcasters' subsidiaries?

41% of hours

but the share is much lower for short TV series

Breakdown of fiction hours produced by category of producer
(Europe, 2023, in %)

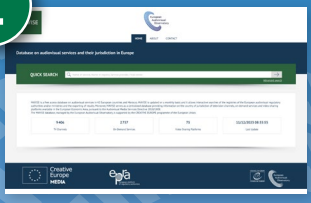


Source: European Audiovisual Observatory analysis of media-press.tv data

Free access

5 Databases

1

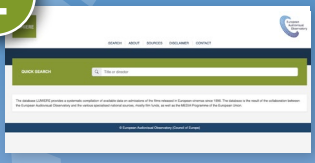


MAVISE

Database on audiovisual services and their jurisdiction in Europe
More than 9 500 television channels and about 3 300 on-demand audiovisual services.

https://mavise.obs.coe.int/

2

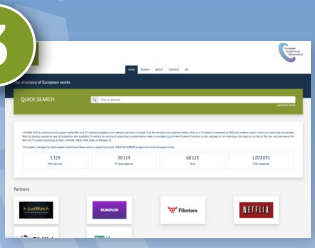


LUMIERE

Database on admissions to films released in Europe
More than 60 000 titles, including co-productions.

https://lumiere.obs.coe.int

3

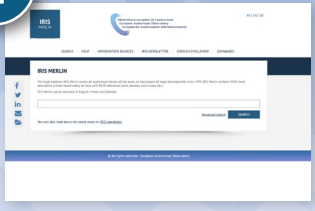


LUMIERE VOD

The directory of European works
Data taken from over 1 300 VOD catalogues in 31 European countries. This directory covers over 73 000 European films and over 33 000 European TV season titles.

https://lumierevod.obs.coe.int/

4

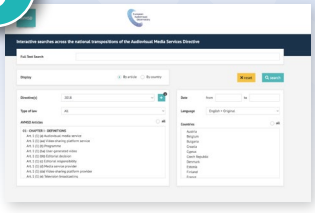


IRIS MERLIN

Database on legal information relevant to the audiovisual sector in Europe
IRIS Merlin legal database covers all audiovisual media, all key areas, all key players and all legal developments since 1995. It contains over 9 700 articles and references to more than 12 200 source documents.

https://merlin.obs.coe.int

5



AVMSDatabase

Database on the transposition of the AVMS Directive into national legislation
Primary and secondary legislation (where existing) in the 27 EU member states.

https://avmsd.obs.coe.int

European Audiovisual Observatory

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

76 Allée de la Robertsau 67000 Strasbourg - France
Tel: + 33 (0)3 90 21 60 00
http://www.obs.coe.int

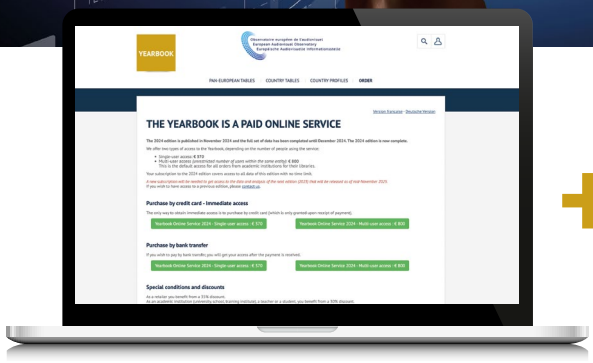
Yearbook Online 2024

The BEST SOURCE OF DATA on:

- television • film • video
- on-demand audiovisual services

in 43 COUNTRIES

400 tables collecting more than 25 000 data.
42 country profiles.



+

KEY TRENDS
PRINT VERSION
OR PDF VERSION
(64 PAGES)

The Yearbook is available by subscription only.

We offer two types of subscription, depending on the number of people using the service:

SINGLE USER
Access
370 €

MULTI-USER
Access
800 €*

*Type of subscription by default for the libraries, universities and academic organisations.

TO SUBSCRIBE

Order online: **http://yearbook.obs.coe.int/price**
E-mail: **orders-obs@coe.int**

European Audiovisual Observatory

Set up in December 1992, the European Audiovisual Observatory's mission is to gather and distribute information on the audiovisual industry in Europe. The Observatory is a European public service body comprised of 40 member states and the European Union, represented by the European Commission. It operates within the legal framework of the Council of Europe and works alongside a number of partners and professional organisations from within the industry and with a network of correspondents.

Major activities of the Observatory are

• the online-Yearbook, the online service for data and analysis on television, cinema, VOD and home video in 43 countries
www.yearbook.obs.coe.int

• the publication of newsletters and reports
www.obs.coe.int/publications

• the provision of information through the Observatory's Internet site
www.obs.coe.int

• contributions to conferences
www.obs.coe.int/events

The Observatory also makes available free online databases:

LUMIERE
Database on admissions to films released in Europe
www.lumiere.obs.coe.int

LUMIERE VOD
The directory of European works
https://lumierevod.obs.coe.int/

MAVISE
Database on audiovisual services and their jurisdiction in Europe
www.mavise.obs.coe.int

IRIS Merlin
Database on legal information relevant to the audiovisual sector in Europe
www.merlin.obs.coe.int

AVMSDatabase
Database on the transposition of the AVMS Directive into national legislation
www.avmsd.obs.coe.int

European Audiovisual Observatory
76 Allée de la Robertsau – 67000 Strasbourg – France
Tel: +33 (0) 3 90 21 60 00
www.obs.coe.int

European Audiovisual Observatory

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE