Netherlands

Netherlands key data 2017

Population (m)	17.0	Comparison with 2016 (%)	-16.2
TV households (m)	7.7	Consumer spending on digital video and TV VoD (EUR m)	382.9
Consumer spending on physical video software (EUR m)	67.9	Comparison with 2016 (%)	26.1

- Consumer demand in The Netherlands to watch films and series continues to grow. The need to purchase content, however, seems to be on the decrease. Consumption takes place outside the home and this is illustrated by a further increase in cinema admissions. The total turnover in cinema exploitation went up from EUR 287,7 million to EUR 301,9 million of which only 11,1% is generalized by local film productions.

Physical Market

- In 2017, the Dutch physical home video market (DVD and BD) dropped by 20% from EUR 79,4 million to EUR 63,5 million compared to 2016. The physical market is dominated by three key retailers: the online retailer “Bol.com” and the chain stores “Boekenvoordeel” and “Mediamarkt”. Consumer interest in DVD/BDs has reached an alltime low.

Online Distribution

- The online distribution market, next to the existing televison providers such as Ziggo and KPN, is seeing the emergence of a small but serious platform Videoland, with a focus on locally produced series and films. Another successful online platform is Pathé Thuis. Video On Demand (subscription-based VOD, EST, TVOD) shows further growth of 21,7% in turnover. This includes Netflix, Videoland, Pathé Thuis, but excludes Film1.

- In 2017, the best-selling title on DVD/BD was “Fantastic Beasts and Where To Find Them”. Other titles represented in the top three are “Vaiana” and “Rogue One”. No Dutch movie made it into the top 10. “Despicable Me 3” and “Pirates of the Caribbean” were the most watched films in cinemas.

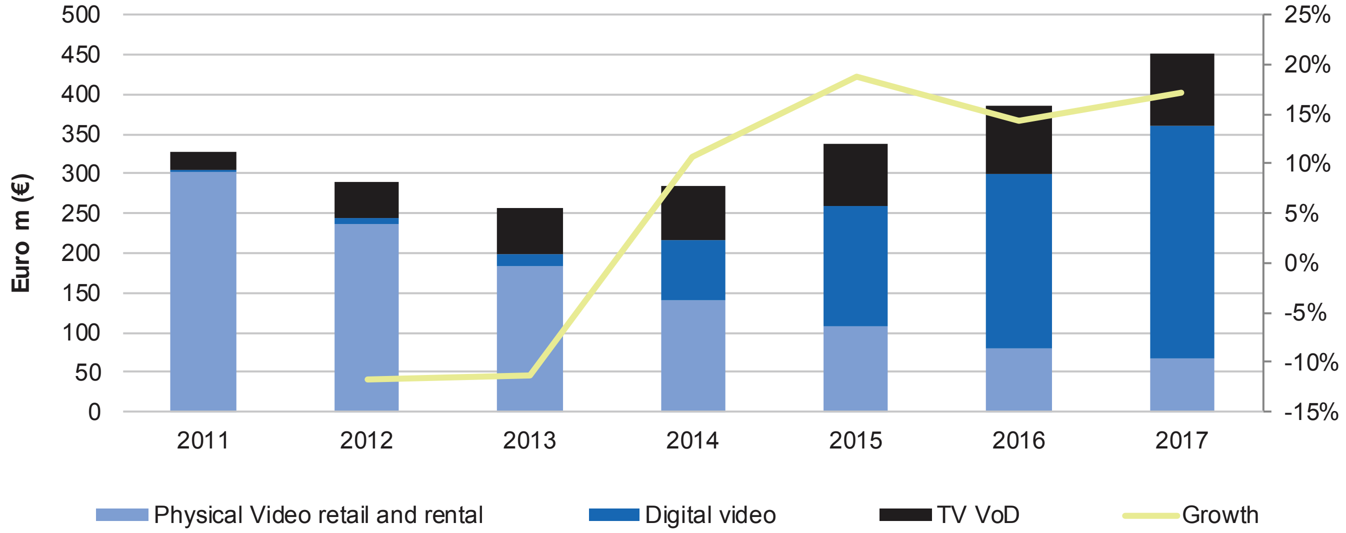
Other relevant developments

- With the introduction of Film.nl, Dutch video publishers have been successful in introducing their concerns with film and TV piracy on the political agenda. Film.nl is a free portal guiding Dutch consumers to legal content and services.

- Regular talks between the Dutch film and audiovisual industry and ISPs with a view developing a code of conduct to block access to online sites offering access to illegal copyright content have not reached a result despite pressure by the Department of Justice of the Netherlands. The Dutch Minister involved remains concerned with the lack of results of the discussions. It remains to be seen if he will push further for an MoU inspired by a similar agreement in Denmark.

This commentary was provided by NVPI, the Dutch Video Association.

Consumer spending by segment



Source: IHS Markit

Video market: Netherlands

	2011	2012	2013	2014	2015	2016	2017	16/17 %
GENERAL								
Population (m)	16.7	16.8	16.8	16.9	16.9	17.0	17.0	0.3
TV households (m)	7.3	7.4	7.5	7.5	7.6	7.6	7.7	0.9
Population Total Europe (m)	622.4	623.8	624.9	626.1	627.7	629.4	630.9	0
TV households Total Europe (m)	250.8	253.2	255.0	257.3	259.3	261.3	263.2	1
Broadband households (m)	5.8	5.9	6.0	6.1	6.3	6.5	6.6	2.2
Nominal GDP (EUR m)	642.8	645.0	652.8	663.1	683.5	702.5	733.5	4.4
Consumer price index (100 in 2010)	107.4	101.7	107.8	108.7	91.4	91.5	94.5	3.3
DVD Video player/recorder (%)	85.8	77.0	68.5	59.1	49.0	39.1	34.1	-12.9
Blu-ray Disc player/recorders penetration (%)	7.4	9.8	15.6	17.7	18.9	19.8	19.4	-2.3
DVD Video player/recorder Total Europe (%)	76.7	76.1	73.9	71.8	69.2	67.1	64.5	-3.9
Blu-ray Disc player/recorders penetration Total Europe (%)	6.8	11.2	15.4	18.4	20.7	21.7	22.3	2.5

Total video software market

	2011	2012	2013	2014	2015	2016	2017	16/17 %
CONSUMER LEVEL ALL VIDEO								
Total market figures include consumption of both physical and digital video								
Total spending on video (EUR m)	327.2	288.9	256.1	283.5	336.7	384.7	450.8	17.2
Growth (%)		-11.7	-11.4	10.7	18.7	14.3	17.2	
Total spending on video Total Europe (EUR m)	9,124.9	8,847.3	8,466.8	8,587.3	9,356.6	9,718.8	10,448.2	7.5
CONSUMER LEVEL PHYSICAL VIDEO – TOTAL SPENDING								
Total market figures include consumption of legacy formats not broken out separately (eg, VHS, HD-DVD, UMD) where relevant.								
Physical video rental (EUR m)	19.2	11.8	7.5	4.8	2.9	2.0	1.2	-38.2
Physical video rental Total Europe (EUR m)	984.8	865.3	683.8	526.9	430.8	293.7	213.4	-27.3
Physical video retail (EUR m)	282.0	224.5	175.9	135.3	104.6	79.0	66.6	-15.7
Physical video retail Total Europe (EUR m)	7,193.4	6,606.9	5,808.7	5,181.8	4,753.6	3,991.3	3,317.4	-16.9
Physical video software (EUR m)	301.2	236.3	183.3	140.1	107.4	81.0	67.9	-16.2
Physical video software Total Europe (EUR m)	8,178.2	7,472.2	6,492.5	5,708.7	5,184.4	4,285.0	3,530.9	-17.6
CONSUMER LEVEL DIGITAL VIDEO (OTT) – TOTAL SPENDING								
The purchase or rental of films and TV series delivered over the open internet through transactional models (also known as EST, DTO, Internet VOD) or on a subscription basis. This category specifically excludes sports, live events and adult content to ensure it is comparable to physical video data.								
Retail digital video (EUR m)	1.1	3.2	4.4	4.7	4.8	4.9	5.1	3.5
Rental digital video (EUR m)	1.4	2.5	3.6	4.8	5.0	5.6	6.3	12.7
Subscription digital video (EUR m)		2.2	7.4	66.2	143.0	208.1	281.0	35.0
Total digital video (EUR m)	2.5	7.9	15.4	75.7	152.9	218.6	292.4	33.7
Total digital video Total Europe (EUR m)	393.6	703.5	1,232.2	2,012.1	3,152.8	4,322.7	5,708.3	32.1
CONSUMER LEVEL PAY TV TRANSACTIONAL VOD – TOTAL SPENDING								
The rental of film and TV content on a transactional (VoD, NVoD/PPV) basis via cable/satellite/IPTV services. These, paid for at the point of consumption, transactions occur only on set-top-boxes or through online services provided as part of a wider pay TV package to which consumers must subscribe prior to purchase. This category specifically excludes sports, live events and adult content to ensure it is comparable to physical video data.								
Pay TV TVOD (EUR m)	23.5	44.7	57.4	67.8	76.4	85.1	90.5	6.4
Pay TV TVOD Total Europe (EUR m)	553.1	671.6	742.1	866.5	1,019.4	1,111.2	1,209.1	8.8

Notes:* *1) *Consumer level digital video (OTT) and pay TV transactional VOD figures may differ from locally published figures due to the application of different definitions.* ***2)*** *Historical numbers in this section may differ from those published in previous years owing to changes in IHS Markit methodology.* ***3)*** *The current online figures are a snapshot of the market in June 2017. Figures are updated regularly and so it may not possible to compare directly to figures published after this date.* ***4)*** *Total Europe include Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, UK, Croatia, Czech Republic, Hungary, Poland, Russia, and Slovakia.*

Key players in the market (in alphabetical order)

Physical

Bol.com
Media Markt

Digital

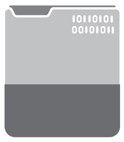
Pathe Thuis
Netflix
Videoland
KPN OnDemand*
Ziggo Movies & Series*

* *TVoD*

Share of European market 2017

Physical retail
0.6%

Physical rental
2.0%

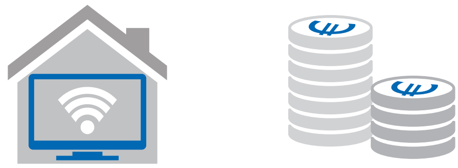


OTT
5.1%

Pay TV TVOD
7.5%

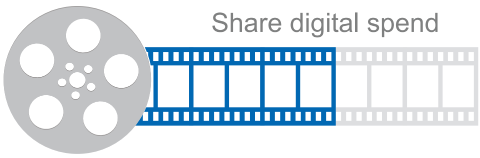
Average home entertainment spending

Spending per TV household (EURO m)
€58.5



Spending per broadband household (EURO m)
€67.9

Digital share of spend vs. broadband speed



Share digital spend
65%

Broadband download speed rank
(ranked across the 9 IVF countries)

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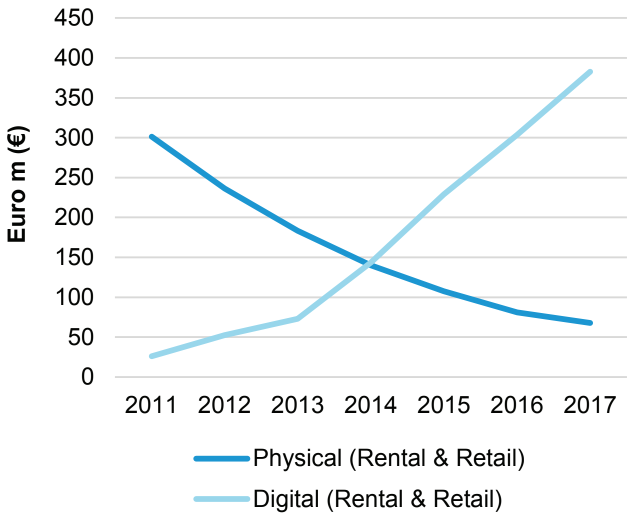
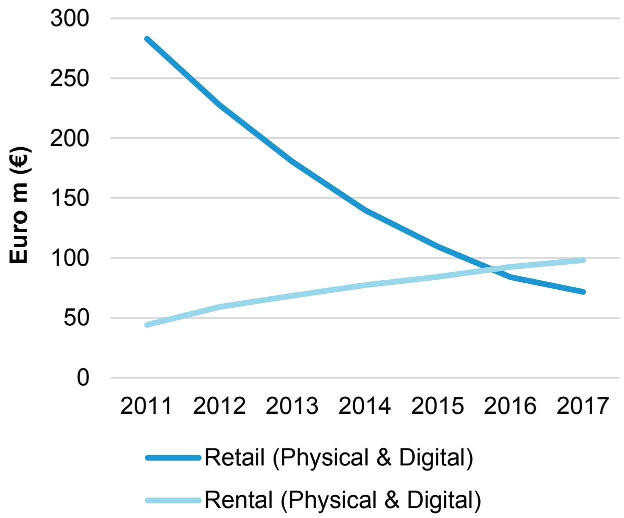
Comparison Physical vs Digital



Digital (Rental & Retail) includes SVOD data

Comparison Retail vs Rental



Rental (Physical & Digital) excludes SVOD data

Source: IHS Markit