

Croatia

Croatia: key data

Population	4.4m
TV households	1.5m
DVD households (penetration)	58.1%
Blu-ray households (penetration)	0.3%
Distributors revenues from physical video software	kuna 32.9m / € 4.5m
Comparison with 2009 (local currency)	-16.0%
DVD/ Blu-ray Disc split	€ 4.4m / € 0.1m
Video software rental/retail split (%)	21/79
Consumer spending on physical video software	kuna 54.6m / € 7.5m
Comparison with 2009 (local currency)	-17.7%
DVD/ Blu-ray Disc split	€ 7.3m / € 0.2m
Video software rental/retail split (%)	40/60



DVD and Blu-ray market

DVD player penetration in Croatia reached 58 per cent in 2010, or 945,000 enabled households. Blu-ray Disc (BD) adoption is growing, but the installed BD player base remains marginal at just 46,700 households in 2010.

The Croatian video market has traditionally been dominated by DVD rental. While consumer spending on DVD retail has overtaken rental consumer spending in recent years, rental still accounts for a large proportion of spending in the territory. However, Croats are increasingly moving away from DVD and BD altogether in favour of TV-based VOD services. Meanwhile aggressive price promotion by hypermarket retailers in 2010 has put pressure on retail video pricing, accelerating further the decline in overall DVD and BD retail spending.

Retail

DVD shipments to trade declined for the first time since the launch of the format in 2010, falling 14 per cent to 595,000 discs. Croatian DVD sales to consumers also declined, down 8.1 per cent to 570,000. A decline of 8.3 per cent in the average DVD consumer price, to Kuna 55 (EUR 7.53), resulted in a further drop in consumer spending on DVD of 15.7 per cent to Kuna 31.4 million (EUR 4.3 million).

Consumer spending on Blu-ray Disc grew 316 per cent in 2010, reaching Kuna 1.36 million (EUR 0.19 million). The format accounted for 4.2 per cent of consumer spending on DVD and BD in 2010 and 1.4 per cent of Croatian video retail units.

Rental

Croatian video rental continued to decline drastically in 2010. Rental DVD shipments dropped by a quarter (25 per cent), and distributor revenues from DVD rental dropped by 28.2 per cent to Kuna 6.8 million (EUR 0.93 million). Croatian consumers made 1.9 million DVD rental transactions in 2010, a year-on-year decline of 24 per cent, while consumer spending on DVD rental declined by a similar amount to Kuna 21.9 million (EUR 3 million). The DVD and BD rental sector is expected to continue to decline as consumers migrate to cable & satellite subscription services.

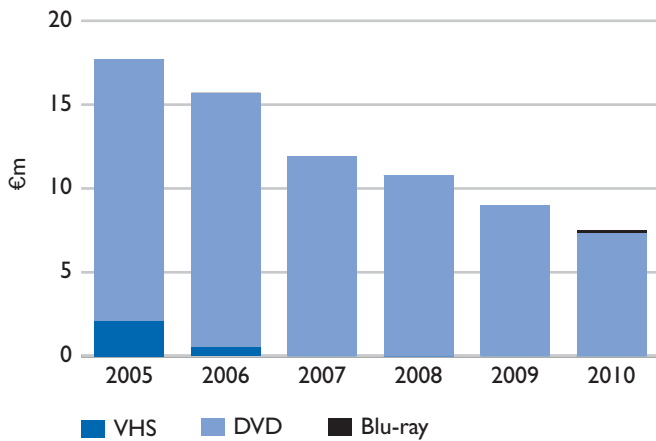
Online distribution

The principal VOD provider is MAXtv (IPTV).

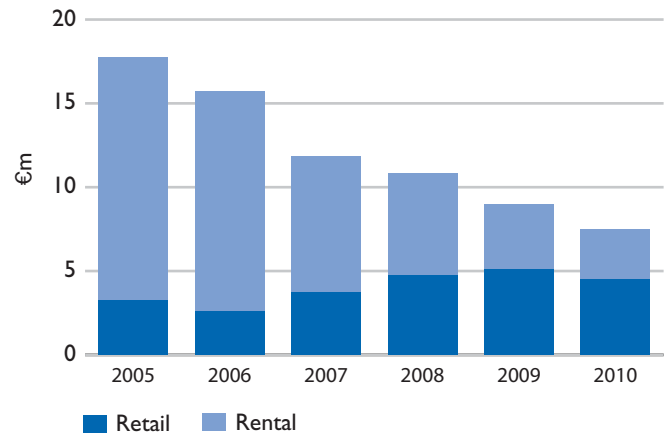
This commentary was provided by IHS Screen Digest.

Video market: Croatia

Consumer spending by format



Consumer spending by sector



		2005	2006	2007	2008	2009	2010	10/09
EXCHANGE RATES								
Exchange rate: Euro l=	Kuna	7.44	7.33	7.35	7.24	7.36	7.31	
Exchange rate: \$l=	Kuna	5.98	5.84	5.37	4.94	5.29	5.51	
Exchange rate: \$l=	Euro	0.80	0.80	0.73	0.68	0.72	0.75	
GENERAL								
Population	m	4.44	4.44	4.43	4.42	4.42	4.41	-0.1%
Households	m	1.51	1.52	1.52	1.53	1.53	1.54	0.4%
HARDWARE								
TV households	m	1.47	1.48	1.49	1.50	1.51	1.52	0.6%
DVD sector								
DVD Video player/recorder households	m	0.280	0.355	0.593	0.683	0.799	0.882	10.4%
Penetration of TV households	%	19.0	24.0	39.8	45.6	52.9	58.1	
DVD console households	m							
Penetration of TV households	%							
BD sector								
BD standalone player households	m					0.0	0.0	1908.1%
Penetration of TV households	%					0.0	0.3	
PS3 console households	m							
Penetration of TV households	%							

Total video software market

		2005	2006	2007	2008	2009	2010	10/09
TRADE LEVEL PHYSICAL LEVEL								
Total revenues from video software	Kuna m	37.4	38.7	43.1	42.8	39.1	32.9	-16.0%
Total revenues from video software	Euro m	5.0	5.3	5.9	5.9	5.3	4.5	-15.4%
Total revenues from retail video	Kuna m	20.2	15.6	23.8	29.2	29.7	26.1	-12.1%
Total revenues from retail video	Euro m	2.7	2.1	3.2	4.0	4.0	3.6	-11.5%
Total revenues from rental video	Kuna m	17.2	23.1	19.3	13.6	9.5	6.8	-28.2%
Total revenues from rental video	Euro m	2.3	3.2	2.6	1.9	1.3	0.9	-27.7%

Video market: Croatia

		2005	2006	2007	2008	2009	2010	10/09
CONSUMER LEVEL PHYSICAL VIDEO								
Total spending on video software	Kuna m	132.2	115.5	87.1	78.2	66.3	54.6	-17.7%
Total spending on video software	Euro m	17.8	15.7	11.9	10.8	9.0	7.5	-17.1%
Total spending on retail video	Kuna m	24.1	19.1	27.3	34.5	37.5	32.7	-12.8%
Total spending on retail video	Euro m	3.2	2.6	3.7	4.8	5.1	4.5	-12.2%
Total spending on rental video	Kuna m	108.1	96.4	59.8	43.7	28.8	21.9	-24.0%
Total spending on rental video	Euro m	14.5	13.1	8.1	6.0	3.9	3.0	-23.5%

		2005	2006	2007	2008	2009	2010	10/09
CONSUMER LEVEL DIGITAL VIDEO*								
Total spending on digital video	Kuna m							
Total spending on digital video	Euro m							

CONSUMER LEVEL TV VOD**								
Total spending on TV VOD	Kuna m							
Total spending on TV VOD	Euro m							

*The purchase or rental of movies and TV series delivered over the open internet through transactional models (also known as EST, DTO, Internet VOD) or on a subscription basis.

**The delivery of movies and TV content on a transactional (VoD/NVoD/PPV) basis via cable/satellite/IPTV services.

Retail video market

		2005	2006	2007	2008	2009	2010	10/09
Outlets stocking retail video	no	1,125	1,125	1,125	1,125	1,125	1,125	
Trade level: DVD retail								
Revenues from retail DVD	Kuna m	13.9	15.6	23.8	29.2	29.4	25.3	-14.1%
Revenues from retail DVD	Euro m	1.9	2.1	3.2	4.0	4.0	3.5	-13.5%
Retail DVD shipped to trade	m	0.22	0.30	0.47	0.63	0.69	0.60	-14.1%
Average trade price	Kuna	62.00	52.00	50.22	46.11	42.43	42.43	
Average trade price	Euro	8.33	7.09	6.83	6.37	5.77	5.81	0.7%
Number of titles released	no	800	850	815	800	785	760	-3.2%
Trade level: BD retail								
Revenues from retail BD	Kuna m				0.0	0.268	0.829	
Revenues from retail BD	Euro m				0.0	0.036	0.113	
Retail BD shipped to trade	m				0.0	0.002	0.009	
Average trade price	Kuna					111.22	97.19	
Average trade price	Euro					15.12	13.30	
Consumer level: DVD retail								
Spending on retail DVD	Kuna m	16.8	16.9	27.3	34.5	37.2	31.4	-15.7%
Spending on retail DVD	Euro m	2.3	2.3	3.7	4.8	5.1	4.3	-15.1%
Retail DVD sold to consumers	m	0.17	0.23	0.39	0.53	0.62	0.57	-8.1%
Average consumer price	Kuna	100.00	75.00	70.00	65.00	60.00	55.00	-8.3%
Average consumer price	Euro	13.43	10.23	9.53	8.98	8.16	7.53	-7.7%
Consumer level: BD retail								
Spending on retail BD	Kuna m					0.327	1.362	
Spending on retail BD	Euro m					0.044	0.186	
Retail BD sold to consumers	m					0.002	0.008	
Average consumer price	Kuna					180.50	170.25	
Average consumer price	Euro					24.54	23.30	

Rental video market

		2005	2006	2007	2008	2009	2010	10/09
Video rental outlets	no	800	800	800	800	800	800	
Rental chains with 10 or more outlets	no	2	2	2	2	2	2	
Trade level: DVD rental								
Revenues from rental DVD	Kuna m	12.0	23.1	19.3	13.6	9.5	6.8	-28.2%
Revenues from rental DVD	Euro m	1.6	3.2	2.6	1.9	1.3	0.9	-27.7%
Rental DVD shipped to trade	m	0.09	0.17	0.15	0.11	0.08	0.06	-25.0%
Average trade price	Kuna	140.32	136.00	128.79	123.38	118.20	113.24	-4.2%
Average trade price	Euro	18.85	18.55	17.53	17.05	16.07	15.50	-3.5%
Number of titles released	no	525	600	515	400	285	185	-35.1%
Consumer level: DVD rental								
Spending on DVD rental	Kuna m	99.6	94.8	59.8	43.7	28.8	21.9	-24.0%
Spending on DVD rental	Euro m	13.4	12.9	8.1	6.0	3.9	3.0	-23.5%
DVD rental transactions	m	8.3	7.9	5.2	3.8	2.5	1.9	-24.0%
Average rental price	Kuna	12.00	12.00	11.50	11.50	11.50	11.50	
Average rental price	Euro	1.61	1.64	1.57	1.59	1.56	1.57	0.7%

Source: IHS Screen Digest/IVF

Population and household figures: Economist Intelligence Unit

Note: Distributor level excludes and consumer level includes VAT/sales tax