Germany

Germany: key data

Population	81.9m
TV households	39m
DVD Video player/recorder	72.7%
Blu-ray Disc player/recorders penetration	8.5%
Distributor revenues from physical video software	€ 940m
Comparison with 2010	-4.4%
DVD/ Blu-ray Disc split	€ 694.8m / € 245.2m
Video software rental/retail split (%)	4 / 96
Consumer spending on physical video software	€ 1.6bn
Comparison with 2010	+0%
DVD/ Blu-ray Disc split	€ 1.3bn / € 304.2m
Video software rental/retail split (%)	14 / 86
Consumer spending on digital video and TV VOD	€ 109.1m
Comparison with 2010	28.8%
Digital video/TV VOD split (%)	39 / 61

In 2011, 22.6 million German consumers (35% of the German population) spent €1,689 billion on video software (across all formats DVD, Blu-ray and EST/VoD – both retail and rental market). The retail market grew by 1.7% (€ 1,428 billion, 85% of the total market volume) and the rental market contracted by 1.1% (€ 261 million, 15% of the total market volume).

With moderate growth of 1.31%, the total market volume stayed almost at the same level as in 2010 with € 1,667 billion. Growing sales of Blu-ray Discs (BD) and online distribution (EST, PpV and VoD) compensated for the slight losses in the DVD market.

In 2011, DVD was still the dominating format, representing 78% (€ 1,32 billion) to the total market share. Blu-ray grew by 41% representing a market share of 18% and online distribution grew by 49% (€ 64 million) with market share of 4%.

In 2011, "Harry Potter and the Deathly Hallows: Part 1" was the top retail and rental title across all formats.

Sales of DVD/BDs over the Internet and downloads of films (electronic purchase) were the fastest growing distribution channels in 2011. Sales over the Internet increased by 6% and downloads of films by 45%.

In Germany, the sales of DVD and Blu-ray discs in book stores is becoming very popular. In 2011, sales by this channel increased by 26%.

DVD retail and rental

- DVD still is the dominating format, representing 82.7% (101.1 million units) of all volumes sold and 83.4% (79.6 million) of units shipped to the rental market. But the German consumer spending in retail decreased by 5% to € 1,128 billion (€ 1,188 billion in 2010). In its seventh consecutive year, German consumer spending on rental DVD dropped to € 192 million (€ 219 million in 2010).
- The average price for a DVD at consumer level went slightly down by 3% from € 11.52 in 2010 to € 11.17 in 2011. With € 2.41 per transaction, the average rental fee was 1% higher than the year before (€ 2.38).

Blu-ray retail and rental:

- With 17.0 million Blu-ray-discs sold in 2011, sales increased by 41.6% (12.0 million in 2010). In 2011, spending on consumer retail reached € 267 million, an increase of 39% compared to 2010 (€ 193 million). Blu-ray discs achieved a market share in retail of 18.7% in value.
- On the rental market, the Blu-ray format achieved a market share of 16.2% in value (9.1% in 2010).
- In 2011, the average price for a Blu-ray disc declined slightly by 2% to € 15.72 compared with € 16.03 in 2010. With only € 2.35 (€ 2.41 in 2010), the rental fee dropped below the DVD rental fee (€ 2.41).

- Blu-ray rental transactions have been growing considerably in 2011. Transactions increased from 9.8 million in 2010 to 15.9 million in 2011.

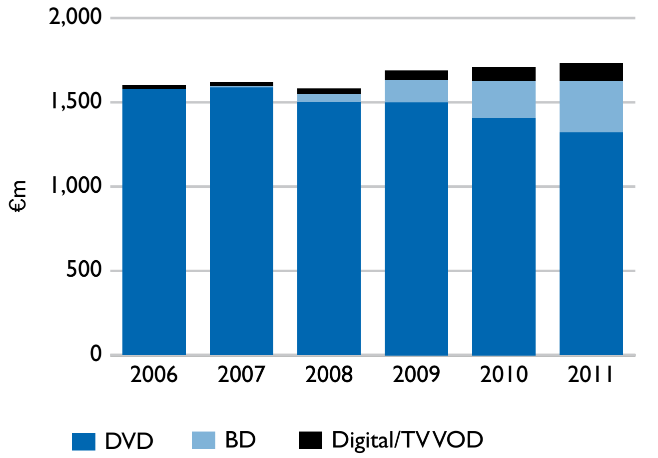
Online distribution

- In 2011, 80% of the German population had access to internet and 90% of them had a "high speed" internet access (DSL, cable).
- In 2011, the digital market increased by 50% in total to € 64 million (13.6 million in volume). Online video revenues reached € 32 million, an increase of 45% compared with 2010. 4.2 million EST units were sold in 2011 (2.9 million in 2010). 9.4 million transactions were made via streaming.
- In 2011, the average price for an EST title was € 7.71, 1% higher than in 2010 (€ 7.62). The average price for a VoD/PpV title was € 3.43, 1% lower than in 2010 (€ 3.47) and 42.3% more than for a rental DVD.
- In 2011, transactions via streaming increased by 55% to 9.4 million, compared with 6.1 million rental transactions 2010. However, the positive growth of Blu-ray (+54%) and VoD/PpV (+53%) could not entirely compensate for the loss in the physical rental market.
- The digital format and digital online distribution is becoming more and more popular in Germany. To promote this positive development further, the BVV has created a working group "Digital Business". Consumers and the press will be informed via a campaign and a specialised website. Consumers receive as well information on technical issues and are informed about the benefits of digital online distribution.
- While video stores still dominate the physical rental market, VoD and PpV meanwhile stand for 14% of the rental sales volume.

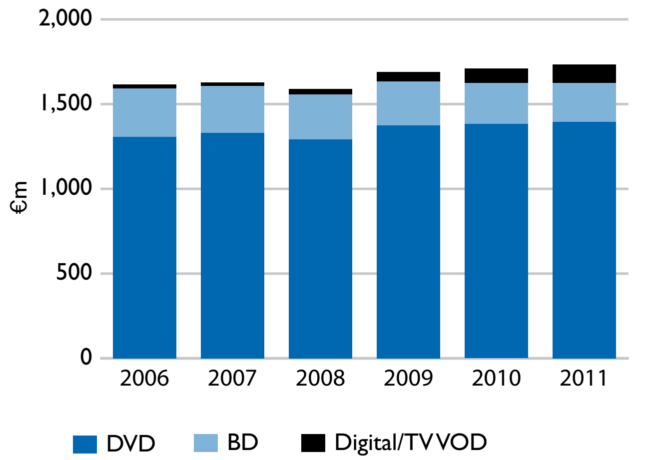
This commentary was provided by the BVV, the German video association.

Video market: Germany

Consumer spending by format



Consumer spending by sector



		2006	2007	2008	2009	2010	2011	10/11
EXCHANGE RATES								
Exchange rate: $1=	Euro	0.80	0.73	0.68	0.72	0.75	0.72	
GENERAL								
Population	m	82.4	82.3	82.3	82.2	82.1	81.9	-0.1%
Households	m	39.9	40.0	40.1	40.2	40.2	40.3	0.1%
HARDWARE								
TV households	m	38.4	38.6	38.7	38.8	38.9	39.0	0.2%
DVD sector								
DVD Video player/recorder households	m	26.9	28.3	28.8	29.2	28.8	28.4	-1.7%
Penetration of TV households	%	70.1	73.5	74.4	75.2	74.1	72.7	
DVD console households	m	4.6	5.0	5.5	5.8	6.0	6.3	5.1%
Penetration of TV households	%	12.0	12.9	14.2	14.9	15.5	16.3	
BD sector								
BD standalone player households	m	0.000	0.007	0.12	0.64	1.74	3.30	90.1%
Penetration of TV households	%	0.001	0.018	0.3	1.6	4.5	8.5	
PS3 console households	m		0.4	0.9	1.6	2.3	3.0	29.1%
Penetration of TV households	%		1.0	2.4	4.1	5.9	7.6	

Total video software market

		2006	2007	2008	2009	2010	2011	10/11
TRADE LEVEL PHYSICAL VIDEO *Total market figures include revenues from legacy formats not broken out separately (eg, VHS, HD-DVD, UMD) where relevant.*								
Total revenues from video software	Euro m	921.5	963.8	979.1	967.9	983.0	940.0	-4.4%
Total revenues from retail video	Euro m	845.4	894.5	920.5	905.4	934.9	899.1	-3.8%
Total revenues from rental video	Euro m	76.0	69.3	58.6	62.5	48.0	40.8	-15.0%

		2006	2007	2008	2009	2010	2011	10/11
CONSUMER LEVEL PHYSICAL VIDEO								
Total market figures include spending on legacy formats not broken out separately (eg, VHS, HD-DVD, UMD) where relevant.								
Total spending on video software	Euro m	1,591.5	1,605.4	1,555.3	1,633.0	1,624.8	1,625.2	0.0%
Total spending on retail video	Euro m	1,307.4	1,330.3	1,290.8	1,376.4	1,381.8	1,396.2	1.0%
Total spending on rental video	Euro m	284.1	275.2	264.6	256.6	243.0	229.0	-5.8%

		2006	2007	2008	2009	2010	2011	10/11
CONSUMER LEVEL DIGITAL VIDEO								
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.								
Total spending on digital video	Euro m	4.8	7.4	13.4	29.6	52.8	66.9	26.7%
CONSUMER LEVEL TV VOD								
The delivery of movies and TV content on a transactional (VoD, NVoD/PPV) basis via cable/satellite/IPTV services.								
Total spending on TV VOD	Euro m	19.6	15.9	19.5	25.5	31.9	42.3	32.3%

Retail video market

		2006	2007	2008	2009	2010	2011	10/11
Outlets stocking retail video	no.	10,000	10,000	10,000	10,000	10,000	10,000	
Retail chains with 10 or more outlets	no.	20	20	20	20	20	20	
Kiosks stocking retail video	no.	500	500	500	500	500	500	
Trade level: DVD retail								
Revenues from retail DVD	Euro m	845.1	869.4	860.7	781.1	742.6	664.8	-10.5%
Retail DVD units shipped to trade	m	101.8	109.8	110.2	108.2	106.2	103.7	-2.4%
Average trade price	Euro	8.30	7.92	7.81	7.22	6.99	6.41	-8.3%
Number of titles released	no.	3,000	2,900	2,850	3,135	3,000	2,820	
Trade level: BD retail								
Revenues from retail BD	Euro m	0.1	16.4	59.1	124.3	192.3	234.4	21.9%
Retail BD units shipped to trade	m	0.004	0.85	3.27	8.9	16.4	21.1	28.6%
Average trade price	Euro	17.64	19.38	18.10	13.89	11.72	11.11	-5.2%
Number of titles released	no.	22	163	440	1,082	1,500	1,590	
Consumer level: DVD retail								
Spending on retail DVD	Euro m	1,295.3	1,313.0	1,242.0	1,257.8	1,189.0	1,129.0	-5.0%
Retail DVDs sold to consumers	m	100.7	103.3	101.3	106.5	103.2	101.1	-2.0%
Average consumer price	Euro	12.86	12.71	12.26	11.81	11.52	11.17	-3.1%
Consumer level: BD retail								
Spending on retail BD	Euro m	0.052	10.5	41.8	118.6	192.8	267.2	38.6%
Retail BDs sold to consumers	m	0.002	0.3	1.7	6.2	12.0	17.0	41.4%
Average consumer price	Euro	28.00	30.76	25.30	19.19	16.03	15.72	-1.9%

Rental video market

		2006	2007	2008	2009	2010	2011	10/11
Rental video market data includes both store-based rental and physical rent-by-mail operations where relevant.								
Video rental outlets	no.	4,137	4,137	3,508	3,009	2,795	2,795	
Rental chains with 10 or more outlets	no.	15	15	15	15	15	15	
Trade level: DVD rental								
Revenues from rental DVD	Euro m	76.0	68.8	57.4	56.0	38.9	30.0	-23.0%
Rental DVD units shipped to trade	m	4.6	4.7	4.2	4.6	3.4	2.8	-16.9%
Average trade price	Euro	16.69	14.65	13.60	12.19	11.41	10.58	-7.3%
Number of titles released	no.	450	425	420	462	400	376	
Trade level: BD rental								
Revenues from rental BD	Euro m		0.465	1.202	6.48	9.12	10.84	18.9%
Rental BD units shipped to trade	m		0.019	0.048	0.31	0.59	0.84	41.2%
Average trade price	Euro		24.23	25.09	20.80	15.35	12.92	-15.8%
Number of titles released	no.		163	357	393	400	424	
Consumer level: DVD rental								
Spending on DVD rental	Euro m	283.3	274.4	259.5	242.0	219.0	192.0	-12.3%
DVD rental transactions	m	111.3	108.5	106.1	99.6	92.0	79.6	-13.5%
Average rental price	Euro	2.55	2.53	2.45	2.43	2.38	2.41	1.3%
Consumer level: BD rental								
Spending on BD rental	Euro m		0.756	5.090	14.59	24.00	37.00	54.2%
BD rental transactions	m		0.207	1.860	5.60	9.70	15.90	63.9%
Average rental price	Euro		3.65	2.74	2.61	2.47	2.33	-5.9%

Source: IHS Screen Digest/IVF/BVV
Population and household figures: IHS Global Insight
Note: Distributor level excludes and consumer level includes VAT/sales tax.

Video market: Germany

Retail market split

Retail channels	% share all video	% share DVD	% share Blu-ray Disc
General retailers/ department stores	2.0	3.0	3.0
Supermarkets/ Discounter/ Hypermarkets	3.0	5.0	1.0
Consumer electronics stores	34.0	31.0	47.0
Internet	31.0	26.0	30.0
Mail order (off-line)	4.0	6.0	1.0
Other	26.0	19.0	19.0

Source: GfK

Rental market split

Rental channels	% share
Video on Demand	12.0
Vending machine	2.0
Internet & Post	9.0
Rental Store	76.0

Source: GfK

Combined DVD & Blu-ray Disc retail top 10

Rank	Title	Distributor
1	Harry Potter und die Heiligtümer des Todes: Teil 1	Warner Bros.
2	Harry Potter und die Heiligtümer des Todes: Teil 2	Warner Bros.
3	Kokowääh	Warner Bros.
4	Pirates of the Caribbean: Fremde Gezeiten	Walt Disney
5	Inception	Warner Bros.
6	The Hangover 2	Warner Bros.
7	Die Chroniken von Narnia: Die Reise auf der Morgenröte	Twentieth Century Fox
8	Rapunzel: Neu Verföhnt	Walt Disney
9	The Hangover	Warner Bros.
10	Sherlock Holmes	Warner Bros.

Source: GfK
Notes: 1. Ranking based on retail sales by volume
2. Units sold based on available data

Combined DVD & Blu-ray Disc rental top 10

Rank	Title	Distributor
1	Harry Potter und die Heiligtümer des Todes: Teil 1	Warner Bros.
2	The Mechanic	Studiocanal
3	Der letzte Tempelritter	Universum
4	Inception	Warner Bros.
5	Duell der Magier	Walt Disney
6	Unknown Identity	Studiocanal
7	Thor	Paramount Pictures
8	Rapunzel: Neu Verföhnt	Walt Disney
9	Fast & Furious 5	Univeral Pictures
10	The Expendables	Warner Bros.

Source: GfK
Notes: 1. Ranking based on retail sales by volume
2. Units sold based on available data