

# Portugal

## Portugal: key data

Population	10.6m
TV households	3.8m
DVD households (penetration)	86.5%
Blu-ray Disc household (penetration)	3.2%
<b>Distributor revenues from physical video software</b>	<b>€ 52.1m</b>
Comparison with 2009	-14.8%
DVD/Blu-ray Disc split	€ 46.6m / € 5.5m
Video software rental/retail split	11/89
<b>Consumer spending on physical video software</b>	<b>€ 88.9m</b>
Comparison with 2009	-14.2%
DVD/Blu-ray Disc split	€ 82.6m / € 6.2m
Video software rental/retail split	25/75



According to Portugal's National Statistics Institute, Portugal's economy grew 1.4 per cent in 2010. Strict measures introduced in 2010 reduced the country's budget deficit from 7.3 per cent to 4.6 per cent. However, the unemployment rate in Portugal continued to increase, reaching 10.7 per cent by the end of the year 2010.

As in many other southern European countries, Portugal's home video consumption declined despite strong sales of a number of key titles released in 2010 such as "Avatar". As a result, overall consumer spending on home video declined by 14.2 per cent in value.

## Retail

The number of DVDs sold to consumers in Portugal declined by 17.5 per cent in 2010, falling to 6.3 million units. The average price of a DVD remained relatively stable, decreasing slightly by 0.5 per cent to EUR 9.68. Similar declines can be observed at trade level prices. Consumer spending on DVD fell 17.9 per cent to EUR 60.8 million. Blu-ray Disc (BD) sales increased by 51 per cent to 278,000 units. The economic slowdown and the introduction of strict measures reduced consumer confidence, making consumers reluctant to upgrade their home entertainment systems to the new high definition format. However, the average price of a BD fell only 10.7 per cent to EUR 21.03. As a result, consumer spending increased 34.9 per cent to EUR 5.8 million.

The high definition format accounted for only 4.2 per cent of retail consumer spending and may remain a niche format in the territory for a while.

## Rental

The video rental market in Portugal declined for the sixth successive year in 2010. Rental DVD shipments were down by 17 per cent.

The estimated number of consumer DVD rental transactions dropped by 12.5 per cent to 8.1 million.

## Online distribution

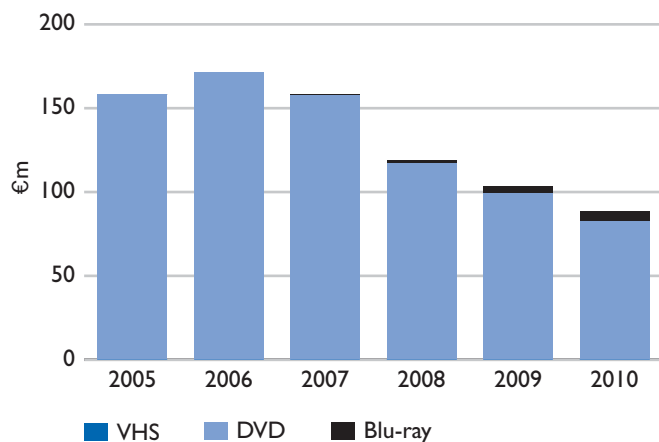
In 2010, Portugal had four VoD operators. Zon Multimedia and Portugal Telecom were the main players.

The online store for digital video Mubi was launched officially in Portugal in October 2010 through PS3 games consoles. The service principally offers subscription access to niche special interest, local and broader art house video titles. The take-up of the Mubi subscription service remains low. However, as the only European player to enter the Portuguese market, it accounts for the lion's share of the legal Portuguese digital video market. A number of other international digital video services are also accessible to Portuguese consumers including Cinemanow, Jaman and FilmsNow.eu, all of which remain relatively niche. iTunes will shortly be available in Portugal.

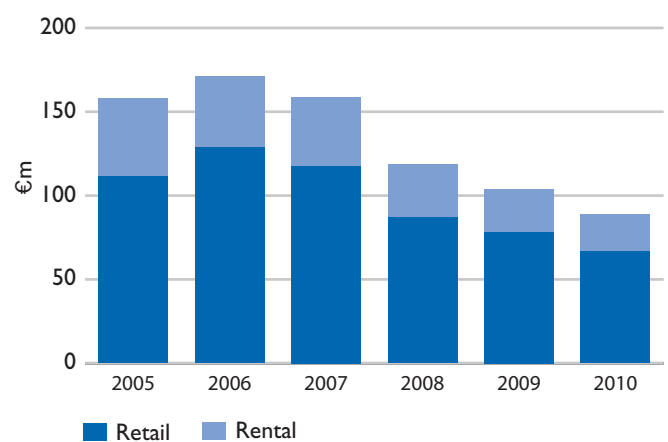
*This commentary was provided by IHS Screen Digest.*

## Video market: Portugal

### Consumer spending by format



### Consumer spending by sector



		2005	2006	2007	2008	2009	2010	10/09
<b>EXCHANGE RATES</b>								
Exchange rate: \$1=	Euro	0.80	0.80	0.73	0.68	0.72	0.75	
<b>GENERAL</b>								
Population	m	10.57	10.60	10.62	10.63	10.64	10.62	-0.2%
Households	m	3.86	3.90	3.94	3.97	4.00	4.02	0.6%
<b>HARDWARE</b>								
TV households	m	3.6	3.6	3.7	3.7	3.8	3.8	1.1%
<b>DVD sector</b>								
DVD Video player/recorder households	m	1.969	2.369	2.755	3.116	3.203	3.280	2.4%
Penetration of TV households	%	55.4	65.6	75.2	84.0	85.4	86.5	
DVD console households	m	0.527	0.589	0.609	0.573	0.560	0.546	-2.5%
Penetration of TV households	%	14.8	16.3	16.6	15.4	14.9	14.4	
<b>BD sector</b>								
BD standalone player households	m			0.000	0.008	0.058	0.122	112.5%
Penetration of TV households	%			0.008	0.216	1.536	3.226	
PS3 console households	m			0.058	0.108	0.178	0.240	34.5%
Penetration of TV households	%			1.6	2.9	4.7	6.3	

### Total video software market

		2005	2006	2007	2008	2009	2010	10/09
<b>TRADE LEVEL PHYSICAL VIDEO</b>								
Total revenues from video software	Euro m	76.4	80.1	71.3	67.3	61.2	52.1	-14.8%
Total revenues from retail video	Euro m	61.4	67.6	61.6	59.1	54.2	46.1	-14.8%
Total revenues from rental video	Euro m	15.0	12.5	9.7	8.2	7.1	6.0	-15.1%
<b>CONSUMER LEVEL PHYSICAL VIDEO</b>								
Total spending on video software	Euro m	158.3	171.4	158.2	119.0	103.6	88.9	-14.2%
Total spending on retail video	Euro m	111.4	128.8	117.6	86.9	78.4	66.6	-15.0%
Total spending on rental video	Euro m	47.0	42.6	40.6	32.1	25.2	22.3	-11.6%

## Video market: Portugal

		2005	2006	2007	2008	2009	2010	10/09
<b>CONSUMER LEVEL DIGITAL VIDEO*</b>								
Total spending on digital video	Euro m	0.0	0.0	0.0	0.0	0.0	0.0	208.0%
<b>CONSUMER LEVEL TVVOD**</b>								
Total spending on TVVOD	Euro m	15.5	15.8	17.1	19.4	26.2	37.1	41.5%

\*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	500	500	500	500	500	500	
Retail chains with 10 or more outlets	no	7	7	7	7	6	6	
Kiosks stocking retail video	no	4,500	4,500	4,500	4,500	4,500	4,500	
<b>Trade level: DVD retail</b>								
Revenues from retail DVD	Euro m	61.4	67.6	60.8	57.1	49.8	40.9	-17.9%
Retail DVD shipped to trade	m	7.9	9.8	6.9	7.4	7.8	6.4	-17.5%
Average trade price	Euro	7.77	6.87	8.87	7.68	6.41	6.38	-0.5%
Number of titles released	no	5,408	5,079	4,763	4,468	3,817	3,536	-7.4%
<b>Trade level: Blu-ray Disc retail</b>								
Revenues from retail BD	Euro m			0.796	2.058	4.4	5.3	20.7%
Retail BD shipped to trade	m			0.044	0.091	0.215	0.291	35.1%
Average trade price	Euro			18.09	22.57	20.23	18.07	-10.7%
<b>Consumer level: DVD retail</b>								
Spending on retail DVD	Euro m	111.4	128.8	117.0	84.9	74.1	60.8	-17.9%
Retail DVD sold to consumers	m	7.7	9.5	6.7	7.3	7.6	6.3	-17.5%
Average consumer price	Euro	14.52	13.49	17.42	11.65	9.73	9.68	-0.5%
<b>Consumer level: Blu-ray Disc retail</b>								
Spending on retail BD	Euro m			0.632	2.015	4.3	5.8	34.9%
Retail BD sold to consumers	m			0.022	0.078	0.183	0.276	51.0%
Average consumer price	Euro			28.72	25.99	23.52	21.02	-10.7%

Rental video market

		2005	2006	2007	2008	2009	2010	10/09
Video rental outlets	no	940	820	730	600	580	540	
Rental chains with 10 or more outlets	no	7	7	7	7	6	6	
<b>Trade level: DVD rental</b>								
Revenues from rental DVD	Euro m	15.0	12.5	9.7	8.2	7.0	5.7	-18.0%
Rental DVD shipped to trade	m	0.6	0.5	0.4	0.3	0.3	0.2	-17.0%
Average trade price	Euro	27.17	23.03	27.00	28.28	27.31	26.98	-1.2%
Number of titles released	no	708	750	600	500	400	400	
<b>Trade level: BD rental</b>								
Revenues from rental BD	Euro m					0.082	0.269	
Rental BD shipped to trade	m					0.004	0.015	
Average trade price	Euro					20.23	18.07	
Number of titles released	no				230	327	349	6.7%
<b>Consumer level: DVD rental</b>								
Spending on DVD rental	Euro m	47.0	42.6	40.6	32.1	25.1	21.8	-12.9%
DVD rental transactions	m	18.5	16.3	15.4	11.9	9.2	8.1	-12.5%
Average rental price	Euro	2.54	2.61	2.64	2.70	2.71	2.70	-0.5%
<b>Consumer level: BD rental</b>								
Spending on BD rental	Euro m					0.133	0.443	
BD rental transactions	m					0.049	0.164	
Average rental price	Euro				2.70	2.71	2.70	-0.5%

Source: IHS Screen Digest/IVF

Population and household figures: Economist Intelligence Unit

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