

Western Europe: key data 2001

Population	391m
Households	162m
TV households	155m
VCR households	128m (82.4%)
DVD player/recorder households	13.5m (8.7%)
Total distributor revenues from video software	Euro 4.8bn
Total consumer spending on video software	Euro 9.1bn



The Industry Overview

Impressive DVD Market Performance Secures Growth Overall

In 2002, consumer spending on the rental and purchase of videocassettes and DVDs in Western Europe exceeded EUR 9 bn for the first time. This represents an increase of 20 per cent on the previous year's figure. Exchange rate fluctuations meant that the huge growth recorded in EUR in spending on video software was less pronounced in dollar terms; the dollar value of the market increased by 16 per cent, to \$8.1bn. Despite these minor inconsistencies, the positive growth trend shown by the data, which is based on figures from 17 Western European video markets, is unmistakable.

And it is the progress made by DVD – the fastest growing home entertainment product in history – towards the mainstream that has made it possible.



VIDEO MARKET: WESTERN EUROPE



	1996	1997	1998	1999	2000	2001	change 01/00
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GENERAL MARKET DATA

population	m	386	387	388	389	390	391	
households	m	153	154	155	158	160	162	

EXCHANGE RATES

exchange rate: \$1=	euro	0.80	0.88	0.89	0.94	1.08	1.12	
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HARDWARE

TV households	m	146	148	150	151	153	155	1.1
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VCR sector

VCR households	m	103	109	114	119	124	128	3.2
VCR penetration of TV households	m	70.4	73.7	76.6	79.0	80.8	82.4	

DVD sector

DVD Video player households	m			0.233	1.5	5.0	13.4	168.6
DVD Video penetration of TVHH	%			0.2	1.0	3.3	8.6	

DVD Video recorder HHS	m						0.049	
Penetration of DVD Video recorders	%						0.03	

DVD Video player/recorder HHS	m			0.233	1.5	5.0	13.5	166.3
Penetration of DVD Video player/recorders	%			0.2	1.0	3.3	8.7	

DVD console households	m				0.0	0.662	5.5	733.4
Penetration of DVD Video consoles	%					0.4	3.6	

Unduplicated TV-based DVD Video HHS	m			0.2	1.5	5.5	17.7	214.8
TV-based DVD Video penetration of TVHH	%			0.2	1.0	3.6	11.4	



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VIDEO RENTAL MARKET

video rental outlets	no	26,143	33,535	35,243	30,820	30,447	30,038	-1.3
rental chains with 10 or more outlets	no	153	162	176	175	133	134	0.8

Trade level: VHS rental

revenues from rental VHS	euro m	569	604	647	673	692	682	-1.5
rental cassettes shipped to trade	m	14.3	15.4	17.9	18.9	22.2	22.7	2.3
average trade price	euro	39.70	39.09	36.19	35.56	31.14	29.98	-3.7
number of titles released	no	8,818	9,031	8,746	9,491	9,121	9,400	

Trade level: DVD rental

revenues from rental DVD	euro m				9.5	51.5	121	135.9
rental discs shipped to trade	m				0.5	2.5	5.7	131.1
average trade price	euro				21.09	20.77	21.19	2.1

Consumer level: VHS rental

spending on VHS rental	euro m	1,752	1,822	2,026	2,055	2,239	2,137	-4.5
VHS rental transactions	m	642	637	696	697	727	683	-6.1
average rental charge	euro	2.73	2.86	2.91	2.95	3.08	3.13	1.7

Consumer level: DVD rental

spending on DVD rental	euro m				17.0	89.6	304	239.7
DVD rental transactions	m				5.5	27.2	88.1	224.4
average rental price	euro				3.09	3.30	3.46	4.7



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RETAIL VIDEO MARKET

outlets stocking retail video	no	59,515	59,895	60,065	58,364	59,056	57,781	-2.2
retail chains with 10 or more outlets	no	234	216	215	219	219	219	0.0
kiosks stocking retail video	no	70,220	75,250	75,340	69,190	69,320	69,320	

Trade level: VHS retail

revenues from retail VHS	euro m	2,154	2,395	2,541	2,231	2,358	2,049	-13.1
retail cassettes shipped to trade	m	273	293	311	293	294	281	-4.5
average trade price	euro	7.90	8.16	8.18	7.62	8.02	7.30	-9.0
number of titles released	no	23,726	24,381	22,096	22,553	18,058	18,878	

Trade level: DVD retail

revenues from retail DVD	euro m			47	323	990	1,919	93.8
retail DVD discs shipped to trade	m			3	20	61	129	109.7
average trade price	euro			15.49	15.80	16.10	14.88	-7.6

Consumer level: VHS retail

spending on retail VHS	euro m	3,697	3,791	4,132	3,797	3,884	3,663	-5.7
retail cassettes sold to consumers	m	265	267	293	279	281	273	-3.0
average consumer price	euro	13.94	14.19	14.12	13.62	13.80	13.43	-2.7

Consumer level: DVD retail

spending on retail DVD	euro m			52	403	1,370	2,988	118.0
DVD discs sold to consumers	m			1.9	15.5	53.1	122	129.4
average consumer price	euro			26.76	25.98	25.78	24.50	-5.0

TOTAL VIDEO SOFTWARE MARKET

trade level

total revenues from video software	euro m	2,723	2,998	3,234	3,236	4,091	4,771	16.6
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consumer level

total spending on video software	euro m	5,449	5,614	6,210	6,272	7,582	9,092	19.9
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