Italy

Italy key data 2019

Population (m)	60.6
TV households (m)	25.7
Consumer spending on physical video software (€m)	153.9
Comparison with 2018	-20.2%
Consumer spending on physical video software (€m) - Total Europe	2,356.1
Comparison with 2018	-18.3%
Consumer spending on digital video and TV VoD (€m)	501.3
Comparison with 2018	30.2%

Consumer spending on digital video and TV VoD (€m) - Total Europe	10,947.0
Comparison with 2018	29.4%
Consumer spending on total video (€m)	655.2
Comparison with 2018	13.4%
Consumer spending on total video (€m) - Total Europe	13,303.1
Comparison with 2018	17.2%

Italy key commentary

Home Video Market

In 2019, total consumer spending in Italy reached EUR 655 million, up 13,4% compared to 2018. The main growth factor was again subscription digital video services (OTT), growing from EUR 290 million to EUR 399 million.

For the third consecutive year, total digital video consumer spending across digital retail and rental, subscriptions and pay TV VOD exceeded physical consumer spending, reaching over EUR 500 million.

Physical Market

The total consumer spending on physical video discs in 2019 was EUR 153.9 million, down 20% compared to 2018. The physical video rental market declined by 18%. Consumer spend on physical video retail contracted by 20%. Consumer electronics stores remain the main distribution channel for physical carriers, but e-commerce is growing fast and is playing a larger role in the sale of physical carriers. Kiosks, historically an important distribution channel in Italy, registered a further decline in video sales in 2019.

Digital Market (OTT)

In 2019, digital subscription services grew rapidly in Italy, representing an increase of 38% compared to 2018. The digital rental market segment grew by 1% and digital retail/EST increased by 4% compared to 2018. In total, the digital rental and retail market segment represent 8% of the total Italian digital video consumer spending in 2019.

Pay TV Transactional VOD

Pay TV transactional VOD consumer spending amounted to EUR 68 million in 2019, growing by 10% compared to the previous year.

It should be noted that GFK numbers for rental and retail digital are slightly lower compared to the above numbers reflecting different methodology in research (consumer panel versus distributor data).

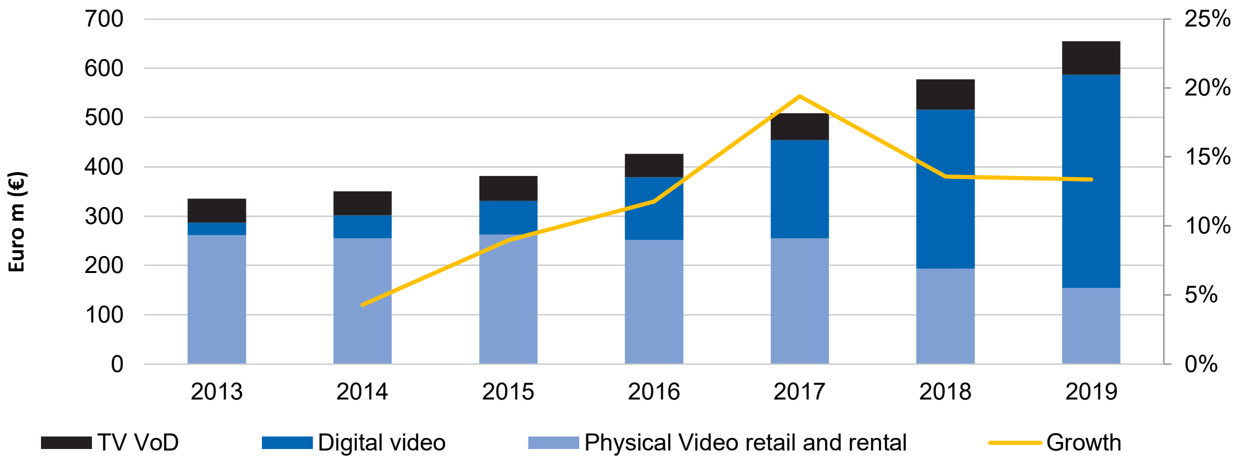
Other relevant developments

Piracy continues to be a serious problem for the film and audiovisual industry in Italy. The latest IPSOS research confirmed that 37% of Italian adults engaged in at least one act of piracy (films, TV series or TV programmes) in the last twelve months.

It is estimated that the piracy of films and TV series results into an economic loss of approximately EUR 600 million in the Italian market.

This commentary was provided by Univideo, the Italian Video Association.

Consumer spending by segment



Video market: Italy

	2013	2014	2015	2016	2017	2018	2019	18/19 %
GENERAL								
Population (m)	60.2	60.4	60.6	60.7	60.7	60.6	60.6	-0.1%
TV households (m)	25.4	25.3	25.3	25.3	25.5	25.6	25.7	0.4%
Population Total Europe (m)	624.9	626.1	627.7	629.4	630.9	632.3	633.3	0.2%
TV households Total Europe (m)	255.0	257.3	259.3	261.3	263.2	264.9	266.7	0.7%
Broadband households (m)	12.2	12.5	12.9	13.5	14.3	15.2	15.7	3.1%
Nominal GDP (EUR m)	1,612.3	1,628.2	1,654.2	1,696.5	1,738.4	1,765.9	1,787.3	1.2%
Consumer price index (100 in 2010)	119.3	119.5	100.0	99.7	102.9	109.1	104.1	-4.6%
DVD Video player/recorder penetration (%)	86.9	86.1	84.9	83.7	82.0	80.5	79.1	-1.7%
Blu-ray Disc player/recorders penetration (%)	15.1	19.0	20.9	21.9	22.2	22.0	21.4	-2.6%
DVD Video player/recorder Total Europe (%)	73.2	71.5	69.4	67.0	64.4	61.7	59.2	-4.1%
Blu-ray Disc player/recorders penetration Total Europe (%)	15.4	18.4	20.7	21.8	22.3	22.3	21.7	-2.6%
OTT Subscriptions (m)	0.1	0.4	0.8	1.3	2.4	4.1	6.2	51.0%

Total video software market

	2013	2014	2015	2016	2017	2018	2019	18/19 %
CONSUMER LEVEL ALL VIDEO								
Total market figures include consumption of both physical and digital video								
Total spending on video (EUR m)	335.5	349.9	381.2	426.1	508.8	577.9	655.2	13.4%
Growth (%)		4.3%	9.0%	11.8%	19.4%	13.6%	13.4%	
Total spending on video Total Europe (EUR m)	8,453.2	8,499.2	9,142.4	9,229.7	9,830.8	11,346.4	13,303.1	17.2%
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)	46.1	41.3	37.0	28.0	25.1	19.0	15.5	-18.4%
Physical video rental Total Europe (EUR m)	662.5	517.6	431.4	295.5	214.8	150.2	115.6	-23.0%
Physical video retail (EUR m)	215.5	214.0	226.0	224.0	230.1	174.0	138.5	-20.4%
Physical video retail Total Europe (EUR m)	5,804.8	5,178.1	4,737.7	3,934.4	3,287.6	2,734.8	2,240.4	-18.1%
Physical video software (EUR m)	261.6	255.3	263.0	252.0	255.2	193.0	153.9	-20.2%
Physical video software Total Europe (EUR m)	6,467.3	5,695.7	5,169.1	4,229.9	3,502.5	2,885.0	2,356.1	-18.3%
CONSUMER LEVEL DIGITAL VIDEO (OTT) – TOTAL SPENDING								
The purchase or rental of films and TV series delivered over the open internet. Digital retail numbers include purchase on content on pay TV set-top-boxes where applicable. This category specifically excludes sports, live events and adult content to ensure it is comparable to physical video data.								
Retail digital video (EUR m)	8.1	12.2	13.9	15.0	15.8	16.0	16.2	1.4%
Rental digital video (EUR m)	8.3	11.1	13.4	15.0	16.2	16.9	17.6	4.1%
Subscription digital video (EUR m)	8.7	23.3	40.8	97.0	166.9	290.0	399.3	37.7%
Total digital video (EUR m)	25.2	46.7	68.0	127.0	198.8	322.9	433.2	34.2%
Total digital video Total Europe (EUR m)	1,270.1	2,004.8	3,089.3	4,093.6	5,354.0	7,414.4	9,837.7	32.7%
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, only on set-top-boxes. This category specifically excludes sports, live events and adult content to ensure it is comparable to physical video data.								
Pay TV TVOD (EUR m)	48.8	48.0	50.2	47.2	54.8	62.0	68.1	9.8%
Pay TV TVOD Total Europe (EUR m)	715.7	798.7	884.0	906.2	974.3	1,047.0	1,109.3	6.0%

*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 Omdia methodology. **3)** The current online figures are a snapshot of the market in March 2020. 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. **5)** OTT Subscriptions are subscriptions to online channels and virtual pay TV operators. Figures exclude multiscreen services of pay TV operators. **6)** Digital retail, digital rental and pay TV TVOD figures are according to Omdia and may differ from Univideo's other sources.*

Source: Omdia

Key players in the market (in alphabetical order)

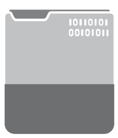
Physical	Digital
Amazon	Chili
Deltavideo	Google Play
Euronics	iTunes
Feltrinelli	Mediaset
IBS (Internet Book Shop)	Rakuten TV
Mediamarket	Sky Italia

Physical	Digital
Mondadori	Sony Playstation store
Unieuro	Telecom Italia

Share of European market 2019

Physical retail
6.2%

Physical rental
13.4%



Digital video (OTT)
4.5%

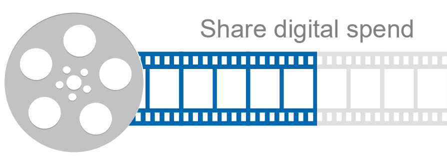
Pay TV TVOD
6.1%

Average home entertainment spending

Spending per TV household (EURO)
€25.5

Spending per broadband household (EURO)
€41.8

Digital share of spend vs. broadband speed



Share digital spend
66%

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

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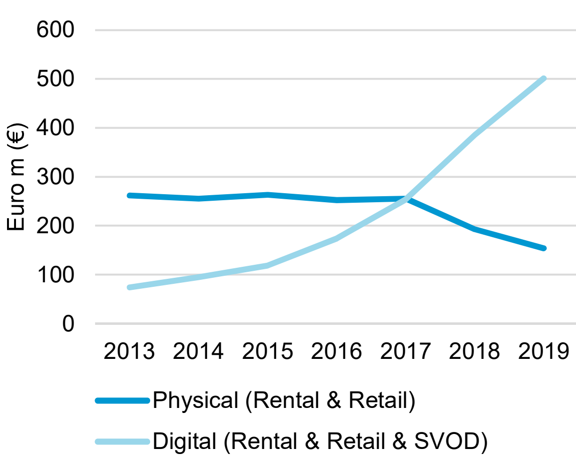
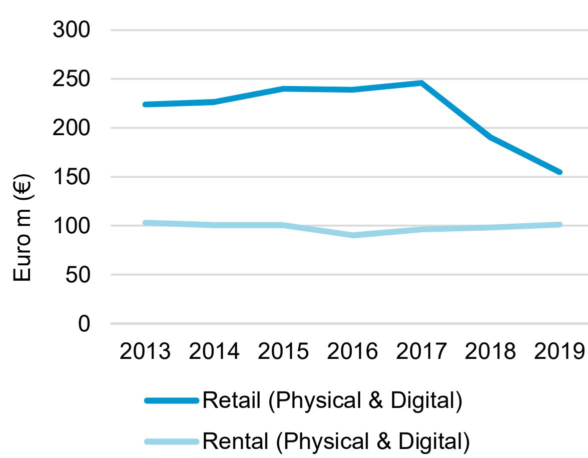
Comparison Physical vs Digital



Comparison Retail vs Rental



Note: Digital (Rental & Retail) includes SVOD data; Rental (Physical & Digital) excludes SVOD data

Source: Omdia