Netherlands

Netherlands key data 2019

Population (m)	17.1
TV households (m)	7.8
Consumer spending on physical video software (€m)	36.9
Comparison with 2018	-25.1%
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)	613.5
Comparison with 2018	17.1%

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)	650.4
Comparison with 2018	13.5%
Consumer spending on total video (€m) - Total Europe	13,303.1
Comparison with 2018	17.2%

Netherlands key commentary

Netherlands 2020

2019 was a record year for film content in the Netherlands: cinema attendance was at its highest level since 1964 and the VOD market grew at a rapid rate; thus it seems that the two distribution channels complement each other rather than compete. Domestic film production remains a challenge in theatrical release: although the amount of theatrical releases increased from 66 to 75, the market share of domestic titles remained stable in comparison to the last couple of years.

Physical market

Even though the total market showed significantly better results than in 2018, the role of the physical market keeps contracting. In other words, consumers' interests in DVD's and BD's are diminishing. In 2019, the value of the physical home video market decreased by 25% in comparison with 2018, according to Omdia. When looking at the last couple of years, a clear downward trend emerges: over the last five years, the value has been cut in half (-53%) and in comparison to 2009, the value decreased by 82%. Nowadays, the physical market is mainly served by the online retailer Bol.com and the stores Boekenvoordeel and Mediamarkt.

Online distribution

In terms of the overall market, the online distribution of films has gained significant importance. Since 2018, driven by the immense popularity of SVOD services, the online consumption of films has generated more value than theatrical releases. Unfortunately, key market figures about the SVOD landscape remain unavailable. Even so, estimates suggest that the value of SVOD currently lies around 500 million euros. SVOD players like Netflix, Disney+ and Amazon Prime Video all saw their subscriber base grow rapidly. Local service Videoland is performing very well, too.

Even though the online transactional (rental and retail) market for individual films plays a much smaller role in the overall online distribution of films, TVOD and EST activities are also growing. The value of TVOD increased with around 11% in 2019, the biggest growth in years. Next to Google, Apple, KPN and Ziggo, Pathé Thuis is becoming a very serious player in the TVOD market. Although the growth of the EST market slowed down in comparison to previous years, it still increased by around 10%.

Other relevant developments in 2019

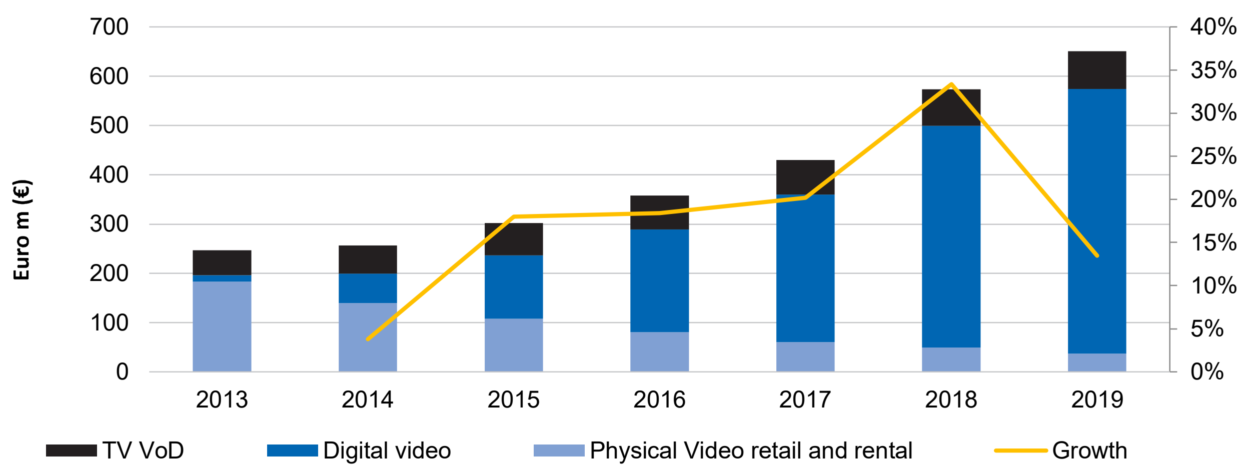
The free portal *Film.nl*, which helps Dutch consumers find legal ways to consume film content and services, saw a small increase in visitors in 2019. A new campaign in 2020 aims to make this number go up more rapidly. The popularity of illegal downloads and streams is gradually declining, which is mostly a side-effect of SVOD services popularity. Although some legal issues have yet to be resolved with Dutch internet service providers, 2020 will probably be the year where illegal websites like The Pirate Bay officially become (and remain) inaccessible.

A look at the future

As the COVID-19 pandemic continues to negatively impact each level of distribution, the current entertainment market situation contrasts starkly with that of 2019. The physical market, which was already struggling long before the pandemic, took a nosedive and cinemas are now forced to slash seating in order to comply with strict health and safety protocols after being closed for more than two months. From July onwards, this maximum will be raised to 100 people. Given the current lack of new titles, however, it remains to be seen in what numbers audiences will show up. Online distribution channels such as SVOD, TVOD and EST appear to be the among the only market segments profiting from the current situation: each saw a big jump in value.

This commentary was provided by FDN, the Dutch Video Association.

Consumer spending by segment



Video market: Netherlands

	2013	2014	2015	2016	2017	2018	2019	18/19 %
GENERAL								
Population (m)	16.8	16.9	16.9	17.0	17.0	17.1	17.1	0.2%
TV households (m)	7.5	7.5	7.6	7.6	7.7	7.8	7.8	0.5%
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)	6.0	6.1	6.3	6.5	6.6	6.7	6.7	1.2%
Nominal GDP (EUR m)	660.5	671.6	690.1	708.3	738.8	774.4	812.0	4.9%
Consumer price index (100 in 2010)	119.1	119.4	100.0	99.9	103.1	109.7	106.8	-2.6%
DVD Video player/recorder penetration (%)	66.7	59.4	52.2	39.1	34.1	29.6	26.1	-11.8%
Blu-ray Disc player/recorders penetration (%)	15.6	17.7	18.9	19.9	19.4	19.1	18.5	-3.4%
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)	0.2	0.8	1.5	2.1	3.1	4.0	5.1	26.8%

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)	246.7	256.0	302.0	357.7	429.8	573.2	650.4	13.5%
Growth (%)		3.8%	18.0%	18.4%	20.2%	33.4%	13.5%	
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)	7.2	4.5	2.8	2.0	1.2	0.7	0.3	-63.5%
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)	175.9	135.3	104.6	79.0	58.9	48.6	36.7	-24.6%
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)	183.1	139.8	107.3	81.0	60.1	49.3	36.9	-25.1%
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)	5.3	6.6	7.0	7.8	9.0	10.3	11.5	11.3%
Rental digital video (EUR m)	3.6	4.8	5.0	5.6	6.3	6.9	7.5	8.4%
Subscription digital video (EUR m)	4.7	48.5	117.4	194.5	284.2	433.0	518.0	19.6%
Total digital video (EUR m)	13.6	59.9	129.4	207.8	299.5	450.2	537.0	19.3%
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)	50.0	56.4	65.3	68.8	70.2	73.7	76.5	3.8%
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.*

Source: Omdia

Key players in the market (in alphabetical order)

Physical	Digital
Bol.com	KPN OnDemand
MediaMarkt	Netflix
	Pathe Thuis
	Videoland
	Ziggo Movies & Series

Share of European market 2019

Physical retail
1.6%

Physical rental
0.2%

Digital video (OTT)
5.5%

Pay TV TVOD
6.9%

Average home entertainment spending

Spending per TV household (EURO)
€83.2

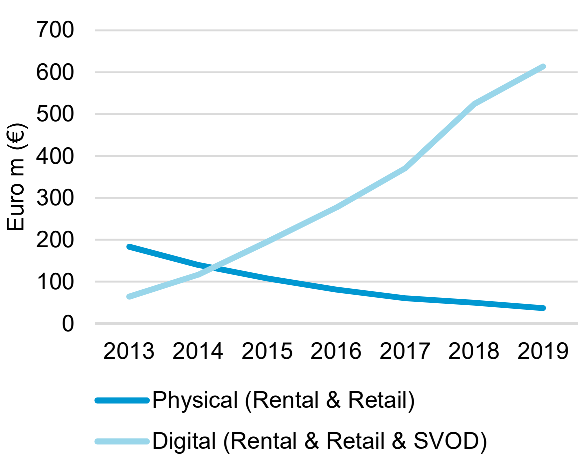
Spending per broadband household (EURO)
€96.5

Digital share of spend vs. broadband speed

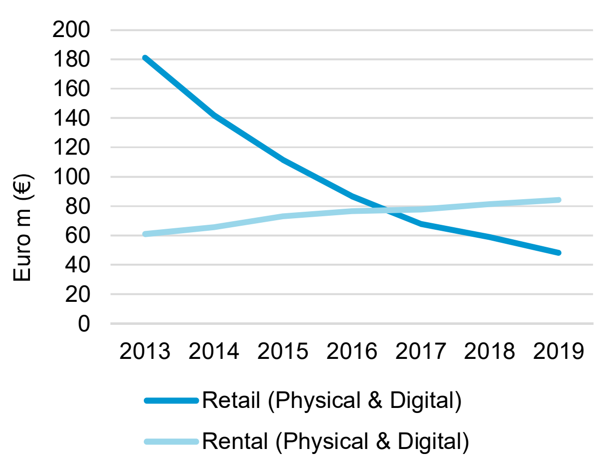
Share digital spend
83%

Broadband download speed rank
(ranked across the 9 IVF countries)
#3

Comparison Physical vs Digital



Comparison Retail vs Rental



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

Source: Omdia