Sweden

Sweden key data 2017

Population (m)	9.9	Consumer spending on digital video and TV VoD (EUR m)	414.8
TV households (m)	4.6	Comparison with 2016 (%)	27.5
Consumer spending on physical video software (EUR m)	72.6	Exchange rate EUR/SEK	9.65
Comparison with 2016 (%)	-25.3		

Physical Market

- The key players in the Swedish physical market are the retailers ICA and COOP. Video publishers struggle to preserve focus on the category from partners at ICA central purchasing department and from relevant floor managers. Swedish video publishers complement these efforts by a merchandise initiative to secure visibility of this category for consumers.

Online Distribution

- CDON (the leading Nordic online store) is the key player in online distribution with strong commitment to digital distribution, including different promotional activities to drive sales of new releases and catalogue titles. Retailers such as Discshop and Ginza are still present in the market, but their share of total sales is declining drastically.

- Over the past 12 months, Sweden has seen the emergence of two major video on demand services, VIAPLAY and SF ANYTIME. This is a very positive development for the online market, both in terms of total volume but also in terms of reaching out to other target groups. iTunes remains the most important video on demand service in Sweden.

Other Relevant Developments

- The entire Swedish film and television sectors continues its commitment to fight against illegal streaming services. The number of illegal streaming sites in Sweden used to be stable, but in order to avoid the closing down or blocking of these illegal sites, their domain names are changed frequently, and this remains a serious challenge for the industry.

Recent examples of initiatives and actions against illegal streaming services include:

- Swefilmer and Dreamfilm (the most popular illegal streaming sites in Sweden): The Swedish music and film industry filed legal action against the Swedish ISP Bredbandsbolaget to block the access to these illegal sites. The court ordered the ISP to block the access to the pirate sites.

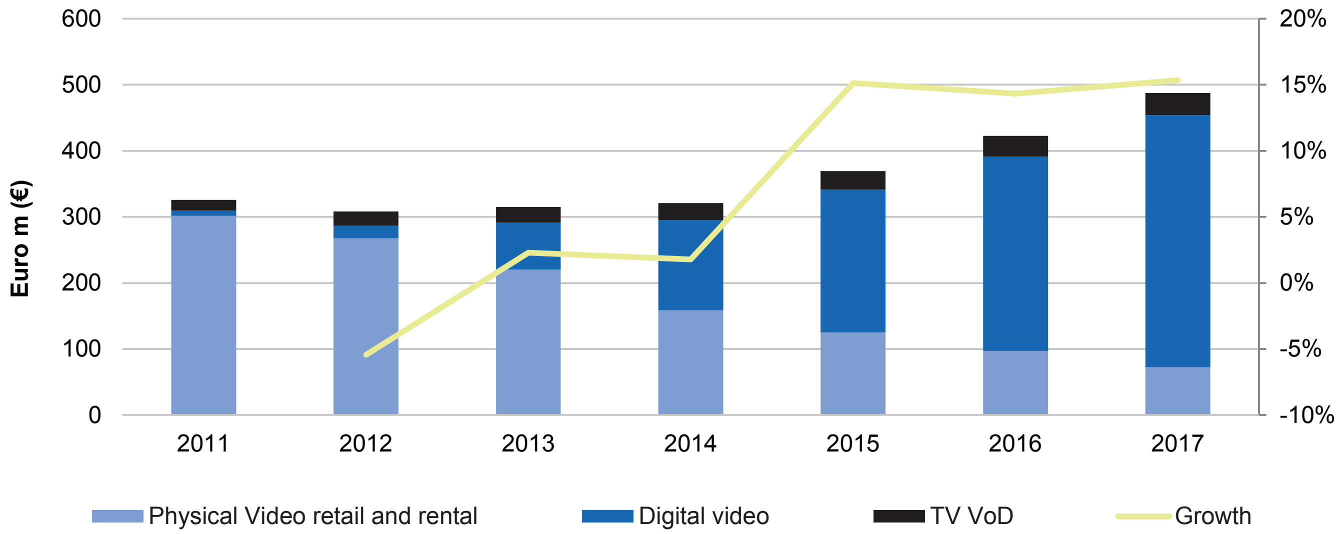
- Income from advertisement is the biggest incentive for the illegal streaming services. Stopping the placement of advertisement on illegal streaming services and making it difficult for the illegal services to get advertisers remains an important element in the Swedish industry’s efforts to fight piracy.

- Rättighetsalliansen (RA) (Swedish Anti-Piracy organisation) works together with the Association for Swedish Advertisers on this matter to make sure that the advertisers receive regularly updated blacklists containing information about illegal services and to encourage advertisers to avoid placing advertisement on sites offering access to illegal copyright content.

- Information campaign of the Swedish Patent and Registration Office (PRV). PRV has launched a series of short informational films in order to inform consumers about copyright and to encourage them to move from illegal to legal services. The campaign is called ”Stream Legal”. The films are in English and describe the incentives (money) for the people behind services offering illegal access to copyright content.

This commentary was provided by SVF, the Swedish Video Federation.

Consumer spending by segment



Source: IHS Markit

Video market: Sweden

	2011	2012	2013	2014	2015	2016	2017	16/17 %
GENERAL								
Population (m)	9.5	9.5	9.6	9.7	9.8	9.8	9.9	0.7
TV households (m)	4.5	4.5	4.6	4.5	4.6	4.6	4.6	0.6
Population Total Europe (m)	622.4	623.8	624.9	626.1	627.7	629.4	630.9	0
TV households Total Europe (m)	250.8	253.2	255.0	257.3	259.3	261.3	263.2	1
Broadband households (m)	2.8	2.9	2.9	3.1	3.3	3.6	3.7	3.4
Nominal GDP (EUR m)	404.4	423.7	436.3	433.4	448.9	464.4	478.0	2.9
Consumer price index (100 in 2010)	114.2	110.5	114.9	108.9	88.5	88.1	89.8	1.9
Exchange rate EUR/SEK	9.04	8.71	8.65	9.11	9.36	9.47	9.65	2
DVD Video player/recorder (%)	93.1	92.7	92.5	82.3	80.2	77.8	75.6	-2.9
Blu-ray Disc player/recorders penetration (%)	9.3	13.6	17.4	19.2	20.0	20.1	19.9	-0.9
DVD Video player/recorder Total Europe (%)	76.7	76.1	73.9	71.8	69.2	67.1	64.5	-3.9
Blu-ray Disc player/recorders penetration Total Europe (%)	6.8	11.2	15.4	18.4	20.7	21.7	22.3	2.5

Total video software market

	2011	2012	2013	2014	2015	2016	2017	16/17 %
CONSUMER LEVEL ALL VIDEO *Total market figures include consumption of both physical and digital video*								
Total spending on video (SEK m)	2,947.4	2,683.5	2,728.4	2,923.8	3,457.9	4,003.1	4,706.0	17.6
Total spending on video (EUR m)	326.0	308.3	315.4	321.0	369.6	422.6	487.4	15.4
Growth (%)		-5.4	2.3	1.8	15.1	14.3	15.4	
Total spending on video Total Europe (EUR m)	9,124.9	8,847.3	8,466.8	8,587.3	9,356.6	9,718.8	10,448.2	7.5
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 (SEK m)	701.0	605.5	573.9	424.2	338.7	255.5	182.0	-28.8
Physical video rental (EUR m)	77.5	69.6	66.3	46.6	36.2	27.0	18.8	-30.1
Physical video rental Total Europe (EUR m)	984.8	865.3	683.8	526.9	430.8	293.7	213.4	-27.3
Physical video retail (SEK m)	2,027.1	1,726.6	1,331.4	1,021.7	832.8	665.2	518.8	-22.0
Physical video retail (EUR m)	224.2	198.3	153.9	112.2	89.0	70.2	53.7	-23.5
Physical video retail Total Europe (EUR m)	7,193.4	6,606.9	5,808.7	5,181.8	4,753.6	3,991.3	3,317.4	-16.9
Physical video software (SEK m)	2,728.1	2,332.1	1,905.3	1,445.9	1,171.6	920.6	700.7	-23.9
Physical video software (EUR m)	301.7	267.9	220.2	158.7	125.2	97.2	72.6	-25.3
Physical video software Total Europe (EUR m)	8,178.2	7,472.2	6,492.5	5,708.7	5,184.4	4,285.0	3,530.9	-17.6
CONSUMER LEVEL DIGITAL VIDEO (OTT) – TOTAL SPENDING *The purchase or rental of films and TV series delivered over the open internet through transactional models (also known as EST, DTO, Internet VOD) or on a subscription basis. This category specifically excludes sports, live events and adult content to ensure it is comparable to physical video data.*								
Retail digital video (SEK m)	6.8	33.8	50.8	76.8	90.1	102.6	113.3	10.4
Retail digital video (EUR m)	0.7	3.9	5.9	8.4	9.6	10.8	11.7	8.3
Rental digital video (SEK m)	23.6	46.7	66.9	90.1	115.5	133.3	145.6	9.2
Rental digital video (EUR m)	2.6	5.4	7.7	9.9	12.3	14.1	15.1	7.1
Subscription digital video (SEK m)	43.4	83.1	499.3	1,078.1	1,816.4	2,550.3	3,425.8	34.3
Subscription digital video (EUR m)	4.8	9.5	57.7	118.3	194.1	269.2	354.8	31.8
Total digital video (SEK m)	73.8	163.6	617.0	1,245.0	2,021.9	2,786.2	3,684.7	32.2
Total digital video (EUR m)	8.2	18.8	71.3	136.7	216.1	294.1	381.6	29.8
Total digital video Total Europe (EUR m)	393.6	703.5	1,232.2	2,012.1	3,152.8	4,322.7	5,708.3	32.1
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. These, paid for at the point of consumption, transactions occur only on set-top-boxes or through online services provided as part of a wider pay TV package to which consumers must subscribe prior to purchase. This category specifically excludes sports, live events and adult content to ensure it is comparable to physical video data.*								
Pay TV TVOD (SEK m)	145.5	187.8	206.0	233.0	264.4	296.3	320.7	8.2
Pay TV TVOD (EUR m)	16.1	21.6	23.8	25.6	28.3	31.3	33.2	6.2
Pay TV TVOD Total Europe (EUR m)	553.1	671.6	742.1	866.5	1,019.4	1,111.2	1,209.1	8.8

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 IHS Markit methodology.* ***3)*** *The current online figures are a snapshot of the market in June 2017. 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.*

Source: IHS Markit

Key players in the market (in alphabetical order)

Physical

- ICA
- CDON
- Coop
- Discshop
- Hemmakväll

Digital

- Bredbandsbolaget
- Canal Digital
- Com Hem
- iTunes
- Plejmo
- SF Anytime
- Telia
- Viaplay/Viasat

Share of European market 2017

Physical retail
8.8%

Physical rental
1.6%

OTT
6.7%

Pay TV TVOD
2.7%

Average home entertainment spending

Spending per TV household (EURO m)
€105.1

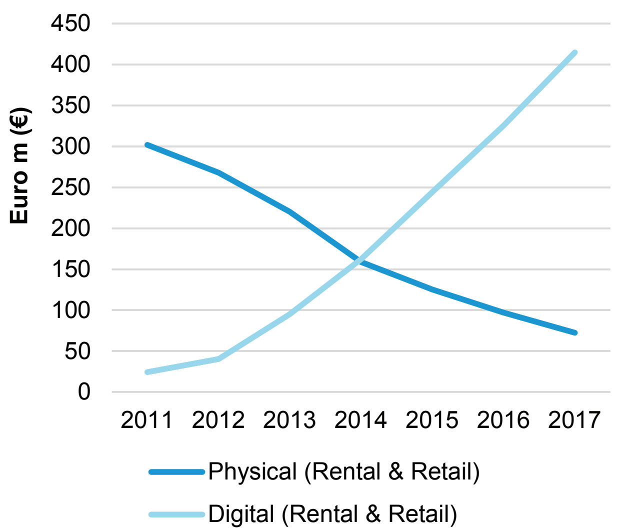
Spending per broadband household (EURO m)
€132.7

Digital share of spend vs. broadband speed

Share digital spend
78%

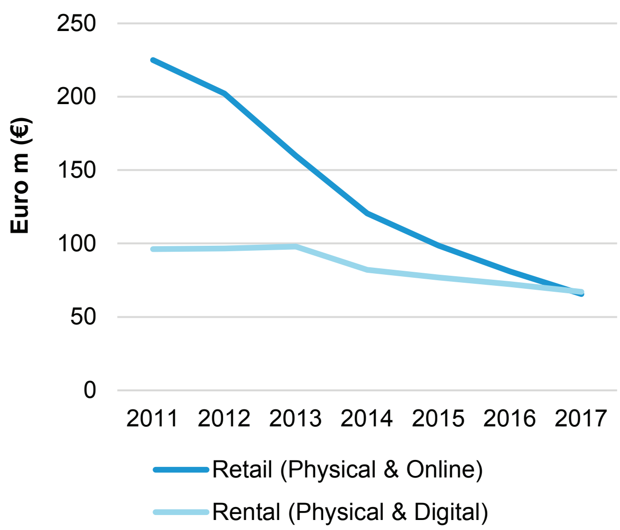
Broadband download speed rank
(ranked across the 9 IVF countries)
#3

Comparison Physical vs Digital



Digital (Rental & Retail) includes SVOD data

Comparison Retail vs Rental



Rental (Physical & Digital) excludes SVOD data

Source: IHS Markit