

Pay TV

Pay TV is even seeing sustained growth sales of 130 billion Eur up to 2013

Montpellier, France – 22 September 2009 – Despite the crisis that is currently sweeping the entire television industry, the pay-TV segment is enjoying a **relatively stable position**.

Television's global sales figures are expected to fall 1.3% between 2008 and 2009, whereas **revenue generated by pay-TV services is expected to grow 4.7%** over the period.

- With sales of **110 billion EUR** in 2008, the pay-TV market accounted for 41.7% of the total TV industry worldwide. Pay TV is present in 540 million households around the world, putting it on an almost equal footing with free-to-air TV (public or commercial): 48% of TV households pay to watch enhanced TV).
- The sector is even seeing sustained growth (though the level varies with each geographic region) both in terms of subscribers (+4% from 2008 to 2009) and revenue (+4.7% over the same period).
- With 23% of TV households and 25% of pay-TV households, Europe is the second largest market behind Asia-Pacific and ahead of North America. Europe is also the second in value at 83 billion EUR (30 billion EUR comes from pay TV), behind North America and ahead of Asia-Pacific.

The further **digitization of cable networks, the launch of pay-TV offerings on digital terrestrial networks** that are still in the deployment stage, and the wide variety of TVover- IP offerings largely explain the good health of the pay market.

However, **competition from the Internet**—which opens up access to a broad array of professional and amateur content—and rapidly-changing consumption patterns such as mobile or time-shifted viewing pose a real threat to traditional players in the pay-TV segment.

These television broadcasters, commercial and/or technical operators are now competing in a **race to differentiate their offerings and to create a new value proposition**. The goal is to make their services more attractive in an effort to curb the loss of subscribers that some are already facing.

TV funding worldwide (billion EUR)

	2008	2009	2010	2011	2012	2013	CAGR 08-13
Total revenues	263.820	260.273	269.616	277.583	286.004	294.405	2.3%
of which subscription	110.094	115.257	120.699	123.950	127.183	130.529	3.7%
of which public funding	24.804	25.708	27.100	27.743	28.310	29.042	3.4%
of which advertising	128.921	119.308	121.817	125.890	130.511	134.833	0.9%

Source : IDATE

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IDATE NEWS 483
22 September 2009
For Immediate Release

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