

EUROPEAN MEDIA INDUSTRY OUTLOOK

The EU media industry

Today's EU media industry is populated by a multiplicity of small companies (99.8%), although the turnover is driven by the large ones. There are 200,000 companies and 1 million jobs related to audiovisual, gaming and news.

These subsectors compete to a large extent on the same attention economy market, where consumers continue to shift online (e.g. digital media, streaming or gaming).

Revenues are recovering from the pandemic, but there are stark differences across EU media sectors:



Growth is mostly driven by online players, as well as by emerging sectors, such as cloud gaming or immersive content. Some traditional sectors, such as TV, are resilient while others struggle to adapt.

In this context, the European Commission continues to support the industry in its transformation, and contributes through its legislation and investment schemes to the resilience of the audiovisual ecosystem.

This leaflet presents data in a simplified format. For more precise, contextualised interpretation, readers should consult the Outlook.

Opportunities and challenges

As people move online and the digital shift advances, the industry adapts in order to meet skills needs, seize business opportunities and remain relevant (e.g. through new formats or user-centric strategies).



Intellectual property (IP) remains a strategic asset for media companies. The retention, acquisition, and exploitation of IP rights can help increase revenues, invest or remain independent (e.g. through transmedia franchises or exploitation in further markets).



An early yet wise uptake of **innovative technologies and techniques** (e.g. AI, virtual production, extended reality) is fundamental to adapt, open up new markets and become more competitive.



Audiences, consumers and citizens are at the centre of the attention economy. Audience-driven strategies should be the basis to build successful business models, as users create, interact with and influence content more than ever.

The **European Media Industry Outlook** is a European Commission report aiming to explore media trends and analyse their potential impact in the EU media markets.

It was first announced in December 2020, as part of the Commission's **Media and Audiovisual Action Plan**.

It looks into **three media sectors**, providing market overviews, technology trends and emerging production and consumption patterns at EU 27 level.



audiovisual



video-games



news media

The Outlook relies on consumer surveys, questionnaires, structured stakeholders input and secondary sources, around the common theme of the competitiveness of the EU industry.



The Commission will continue to monitor trends, including through next editions of the Outlook.

The audiovisual sectors



Number of companies: 155,000



€91.4 billion revenues (incl. broadcast)



EU content accounts for 22% of viewing time in VoD services, against 59% for US content

Revenues in the audiovisual sector are recovering from the COVID-19 pandemic, although at different speed, with VoD growing fast and broadcasting remaining resilient (at 84% of the revenues), while cinema was slow to recover and physical video is vanishing.

The outlook has gathered information around the contractual arrangements between producers and broadcasters/streamers. Producers report a tendency to include in their contracts the transfer of all intellectual property rights, and in particular towards non-EU players.

Finally, 44% of Europeans indicate that they would like to see more films and series coming from their home country (and 45% from the US), ahead of content from other European countries (28%).

Video games and immersive reality



Number of companies: 4,600 (80% employ less than 10 people)



€ 23.5 billion of revenues



125 million Europeans play videogames

Video games have emerged as one of the main media sectors. Revenues are continuously growing, most mainly driven by mobile games. This is also the case for the EU market, although its overall share in the world market is declining, as other regions are growing faster.

The market is dynamic and gaming technologies are increasingly used in other industrial sectors. Community-based games are becoming platforms to develop other activities (social interactions, concerts, shopping...), opening new grounds to exploit intellectual property rights. The usage and deployment of new technologies call for new skills, for example in virtual production.

Finally, games are an important gateway to Extended Reality, which is a nascent market. Media-related XR represents nearly half of the XR market in Europe – with video games representing the largest part.

News media sectors



Number of companies: 4,000 TV, 34,000 press, 5,000 radio



€ 19.8 billion revenues in 2021 for press and digital media (excl. broadcast)



Most Europeans consume news on a daily basis with TV remaining the preferred media

Media use is gradually shifting online, as a result of the development of digital platforms, usage of new devices and new consumer preferences.

This demand shift has exposed several news media segments to a problem of monetisation online. Since the internet and social media platforms have become key spaces for news consumption and entertainment, and considering the possibility to better target customers, advertisers have been relying less on traditional media. Consequently, revenues of the printed press have decreased. In parallel, under new online business models, most consumers have become accustomed not to pay for news anymore.

Players across the news media sectors keep innovating and testing, building on strengths such as branding and users' trust. Bundled content offers, new formats (e.g. audio) as well as community-building strategies can lead to a better exploitation of content online and contribute to improve the viability of the sector.