

Disclaimer: These are support slides for an oral presentation and are not meant to be read on a standalone basis. Only the spoken word counts.

# A big picture view on European film distribution

What's a successful European film?

REIMAGINE DISTRIBUTION CONFERENCE

Warsaw, 9 September 2025

**Martin Kanzler**

Deputy Head of Department for Market Information  
European Audiovisual Observatory



- 01 Big picture: fundamental characteristics
- 02 Outlook: increasing pressure on film
- 03 “Success films” to justify public support?

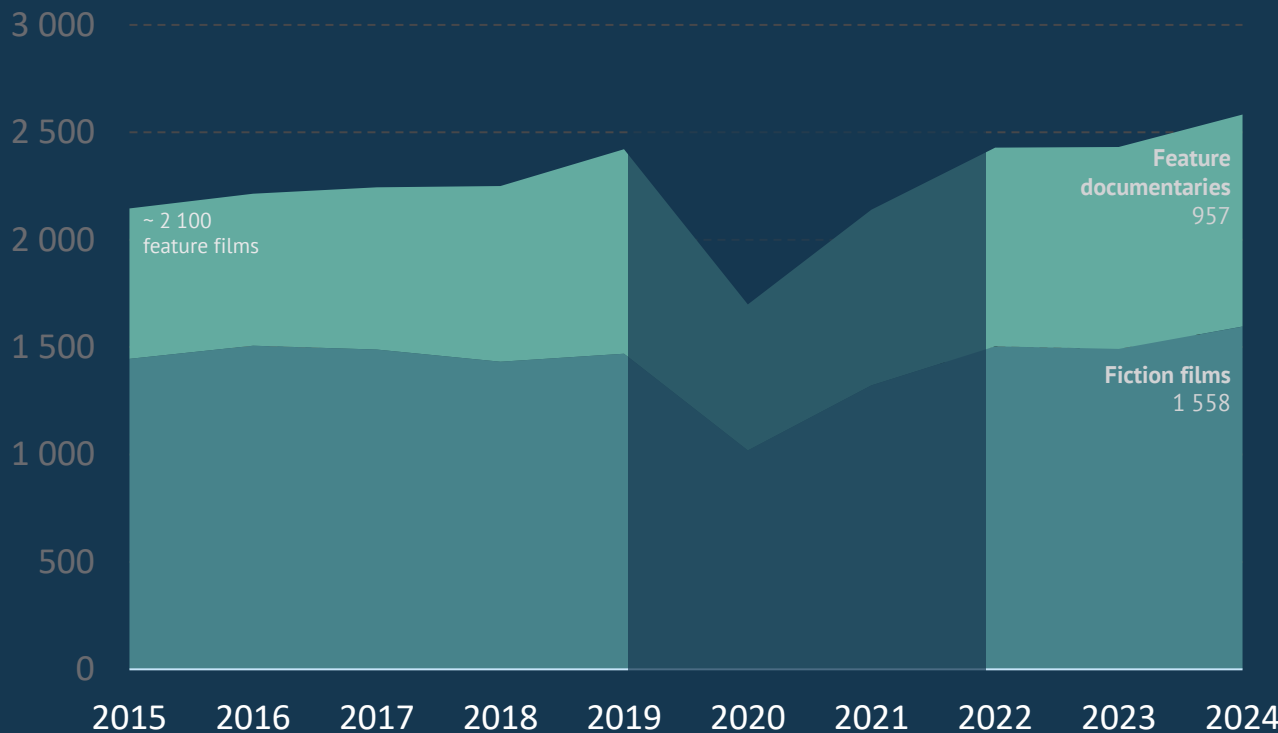
# 01 Big picture: fundamental characteristics

European films depend heavily on public support, not enough admissions to break even

## 02 Outlook: increasing pressure on film

## 03 “Success films” to justify public support?

# 01 1 Europe produces a large number of theatrical films ...



In 2024, more than  
**> 2 500**  
feature films  
were produced in  
Europe

## Methodology remarks:

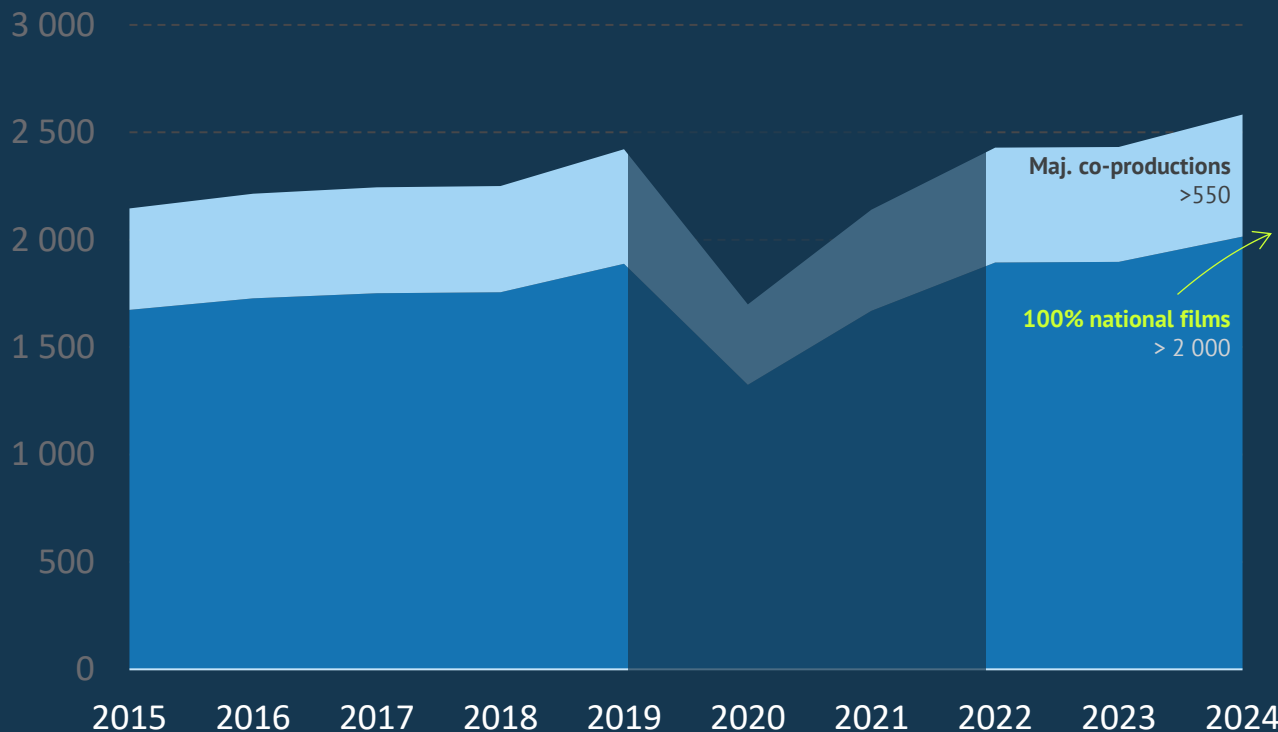
- Europe = 46 member states of the COE
- Theatrical fiction and feature documentary
- By production year

## Related sources:

[FOCUS](#)  
[Yearbook](#)

Sources: EAO

# 01 1 ... mostly 100% national films ...



almost  
**80%**  
of films are  
entirely  
financed by  
national  
sources

## Methodology remarks:

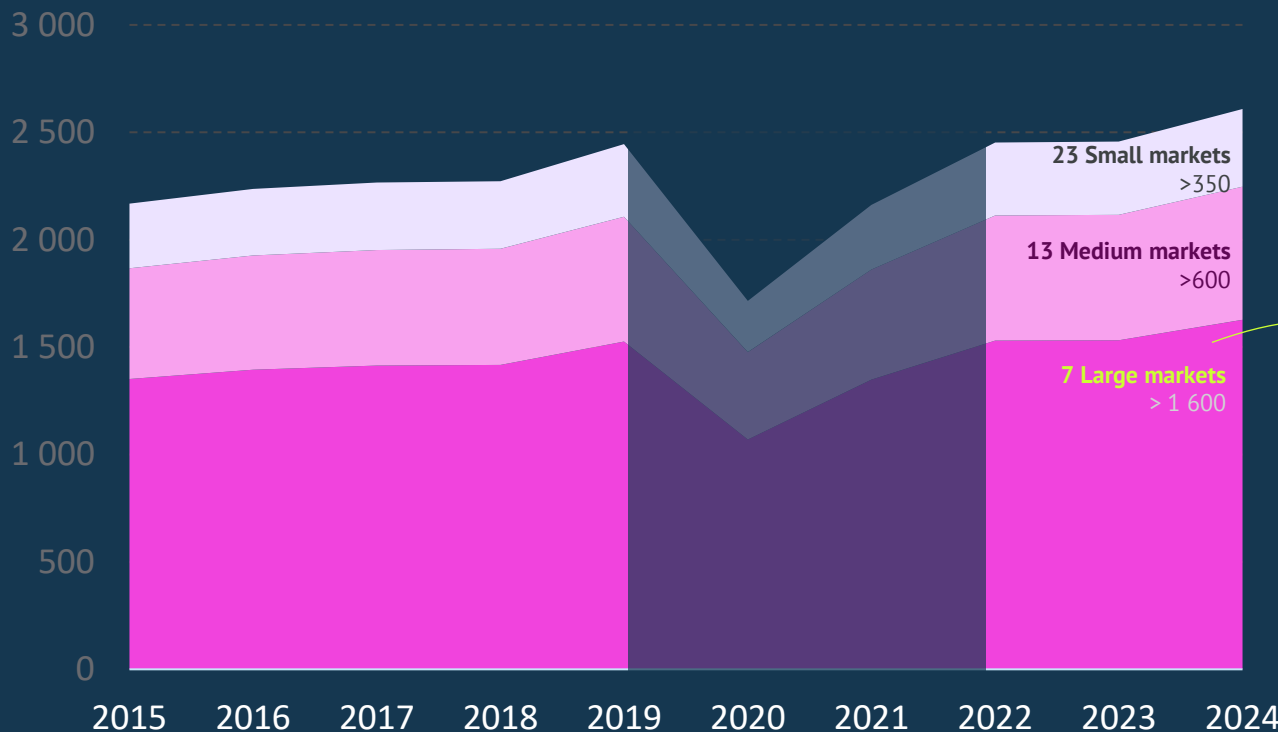
- Europe = 46 member states of the COE
- Theatrical fiction and feature documentary
- By production year

## Related sources:

FOCUS  
Yearbook

Sources: EAO

# 01 ... produced in Europe's large markets



**63%**  
of films are  
produced  
in Europe's  
seven largest  
markets

## Methodology remarks:

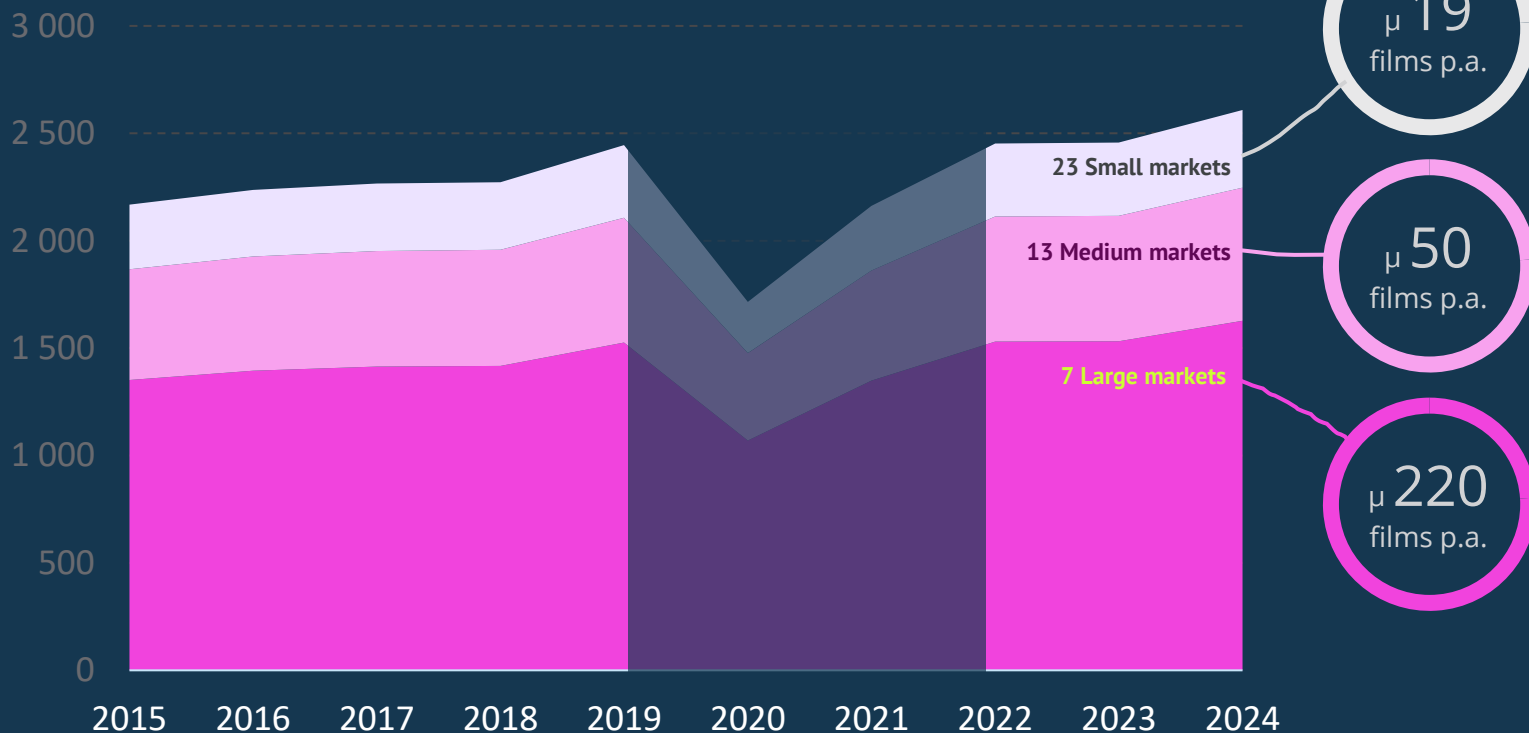
- Europe = 46 member states of the COE
- Theatrical fiction and feature documentary
- By production year
- Large markets: > 50 m adm p.a.
- Medium sized markets: 10 to 30 m adm p.a.
- Small markets: < 10 m adm p.a.

## Related sources:

FOCUS  
Yearbook

Sources: EAO

# 01 ... produced in Europe's large markets



## Methodology remarks:

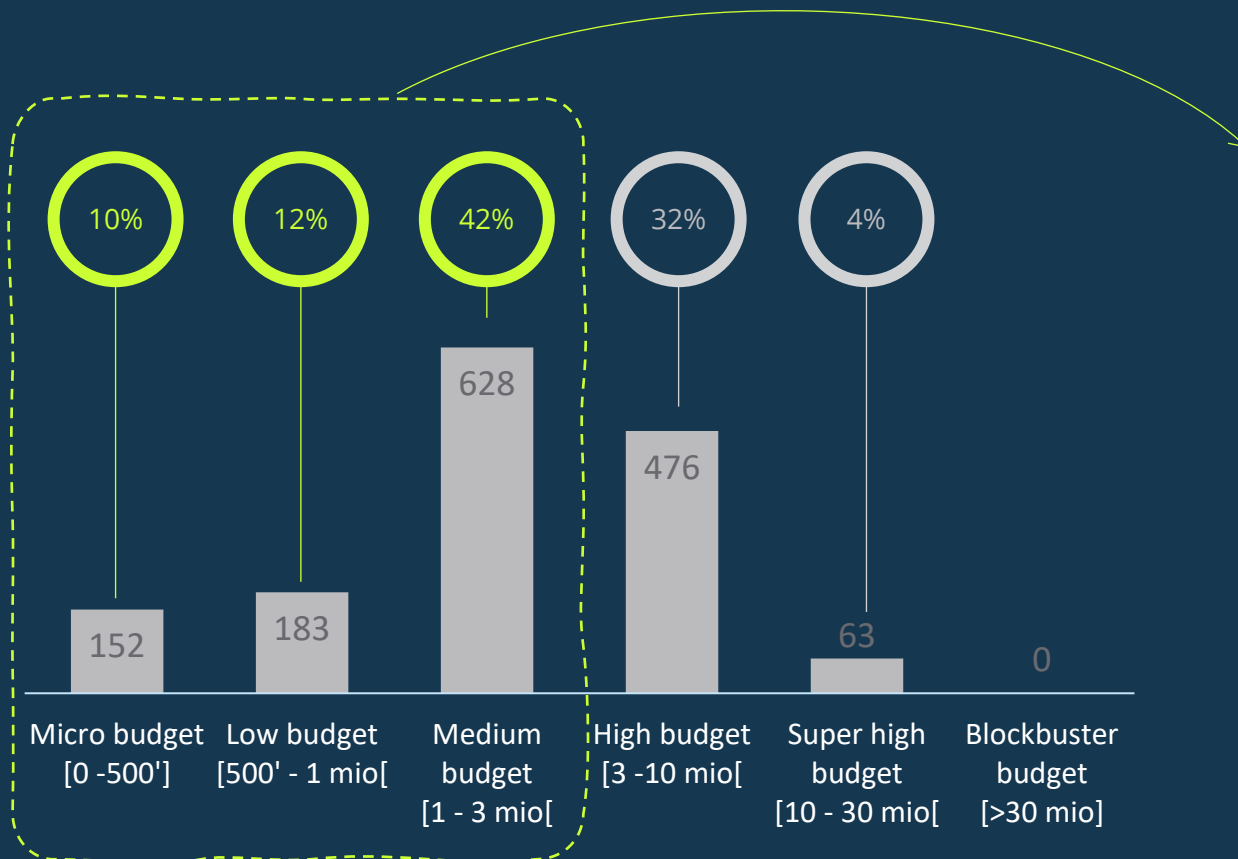
- Europe = 46 member states of the COE
- Theatrical fiction and feature documentary
- By production year
- Large markets: > 50 m adm p.a.
- Medium sized markets: 10 to 30 m adm p.a.
- Small markets: < 10 m adm p.a.

## Related sources:

[FOCUS](#)  
[Yearbook](#)

Sources: EAO

# 01 2 ... and with comparatively low budgets



Based on a sample of films released in 2022

# 74%

of European live-action fiction films were produced with a budget of <EUR 3 m

#### Methodology remarks:

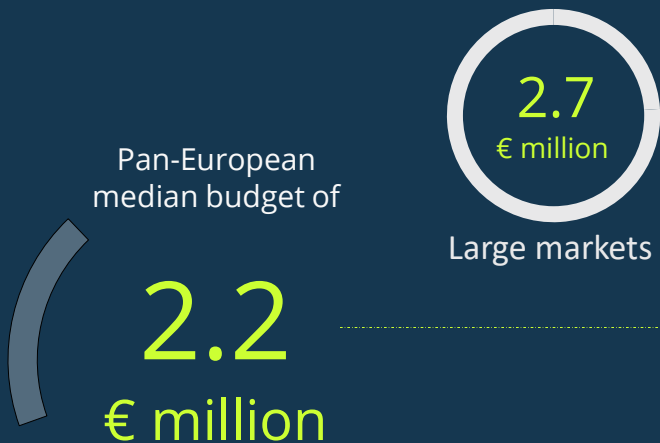
- Live-action fiction films only
- Films released in 2022
- Sample covers 56% of European fiction films

#### Related sources:

[Financing Report](#)



# 01 2 ... which decrease with market size



Medium markets



Small markets



## Methodology remarks:

- Live-action fiction films only
- Films released in 2022
- Sample covers 56% of European fiction films
- \_Large markets:  
> 50 m adm p.a.
- Medium sized markets:  
10 to 30 m adm p.a.
- Small markets:  
< 10 m adm p.a.

Sources: EAO

## Related sources:

[Financing Report](#)

# 01 3 These films are produced and distributed by ...

Case study: Spain - 2024

561

production  
companies

producing  
376  
feature films



83%

producing only 1 film

317

distribution  
companies

distributing  
> 2 000  
feature films



53%

distributing only 1 film



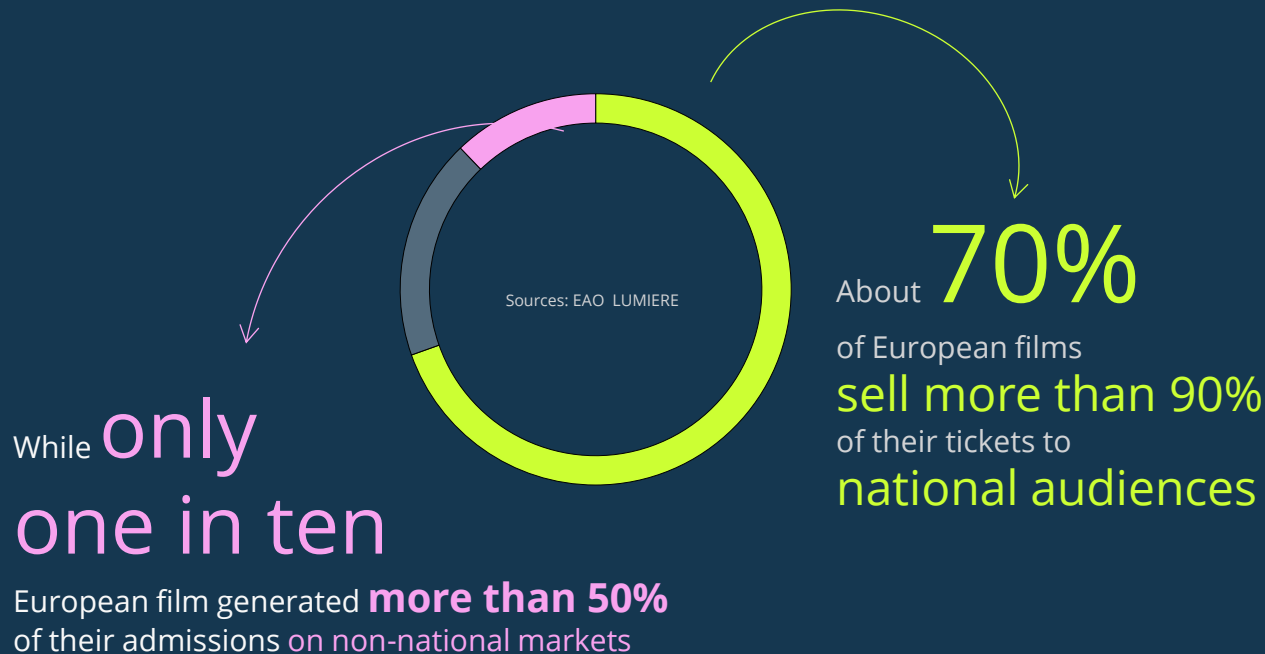
... a large  
number of  
SMEs ...



... with very films

Sources: ICAA

# 01 4 Most European films are seen almost exclusively by national audiences



## Methodology remarks:

- In case of int. co-productions only majority co-producing country is counted as national market

## Related sources:

[LUMIERE](#)

[Made in Europe report](#)

# 01 4 Rather than being one large single market, Europe ...



# 01 <sup>4</sup> ... is a conglomeration of largely fragmented national markets ...



01

4

... with a clear competitive disadvantage for smaller markets



Most medium and small countries are

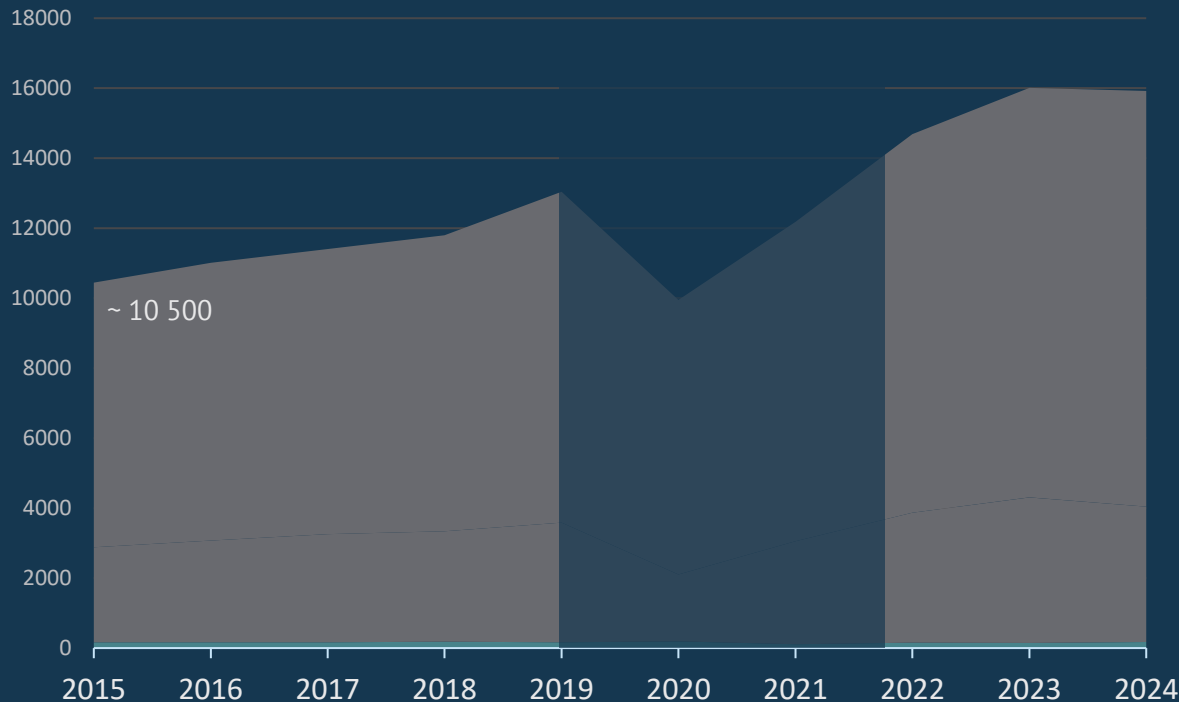
**too small to recoup  
production costs**

therefore

lower

- production volume
- budget
- export potential

# 01 5 Large number of films competing for screens & audiences ...



In 2024,  
**~ 16 000**  
feature films  
on release  
across Europe

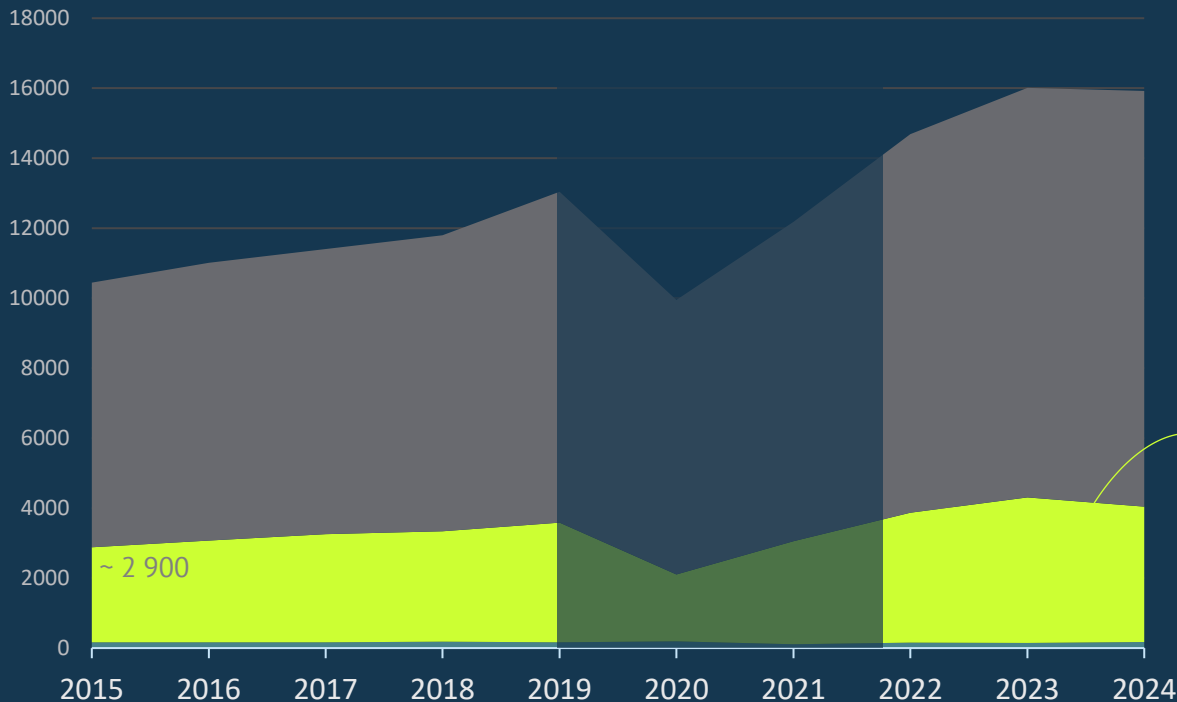
## Methodology remarks:

- Increase in films on releases may be partially explained by improvements in LUMIERE coverage

## Related sources:

[LUMIERE](#)

# 01 5 Large number of films competing for screens & audiences ...



~4 000  
first releases  
across Europe

## Methodology remarks:

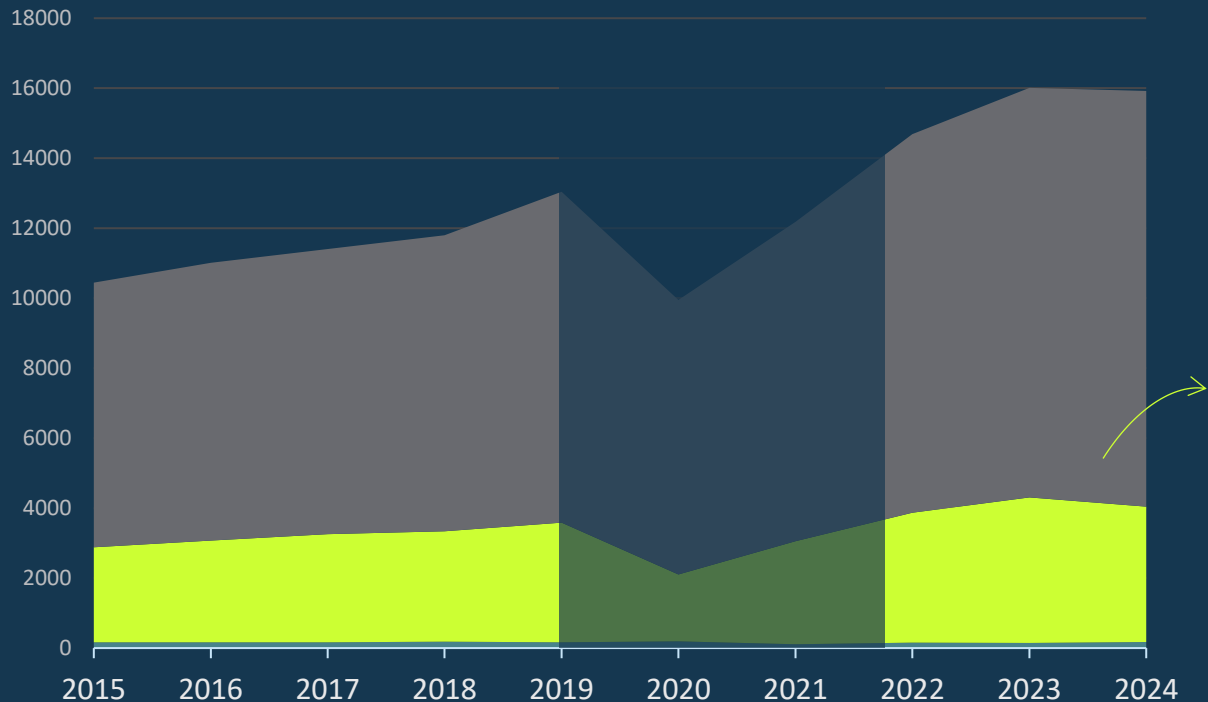
- Increase in films on releases may be partially explained by improvements in LUMIERE coverage

## Related sources:

LUMIERE



# 01 5 Large number of films competing for screens & audiences ...



80

films released  
each week

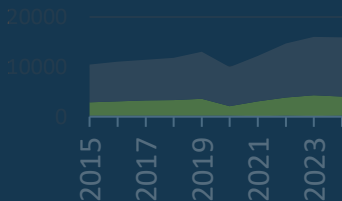
## Methodology remarks:

- Increase in films on releases may be partially explained by improvements in LUMIERE coverage

## Related sources:

LUMIERE

# 01 5 Large number of films competing for screens & audiences ...



## Methodology remarks:

- Nr of films on first release
- Estimated figures
- As registered in LUMIERE
- By calendar year
- Europe = 46 member states of the COE
- Large markets: > 50 m adm p.a.
- Medium sized markets: 10 to 30 m adm p.a.
- Small markets: < 10 m adm p.a.

## Related sources:

LUMIERE

### Large markets

μ 700  
releases

13

per week

μ 4 200  
screens

### Medium markets

μ 300  
releases

7

per week

μ 400  
screens

### Small markets

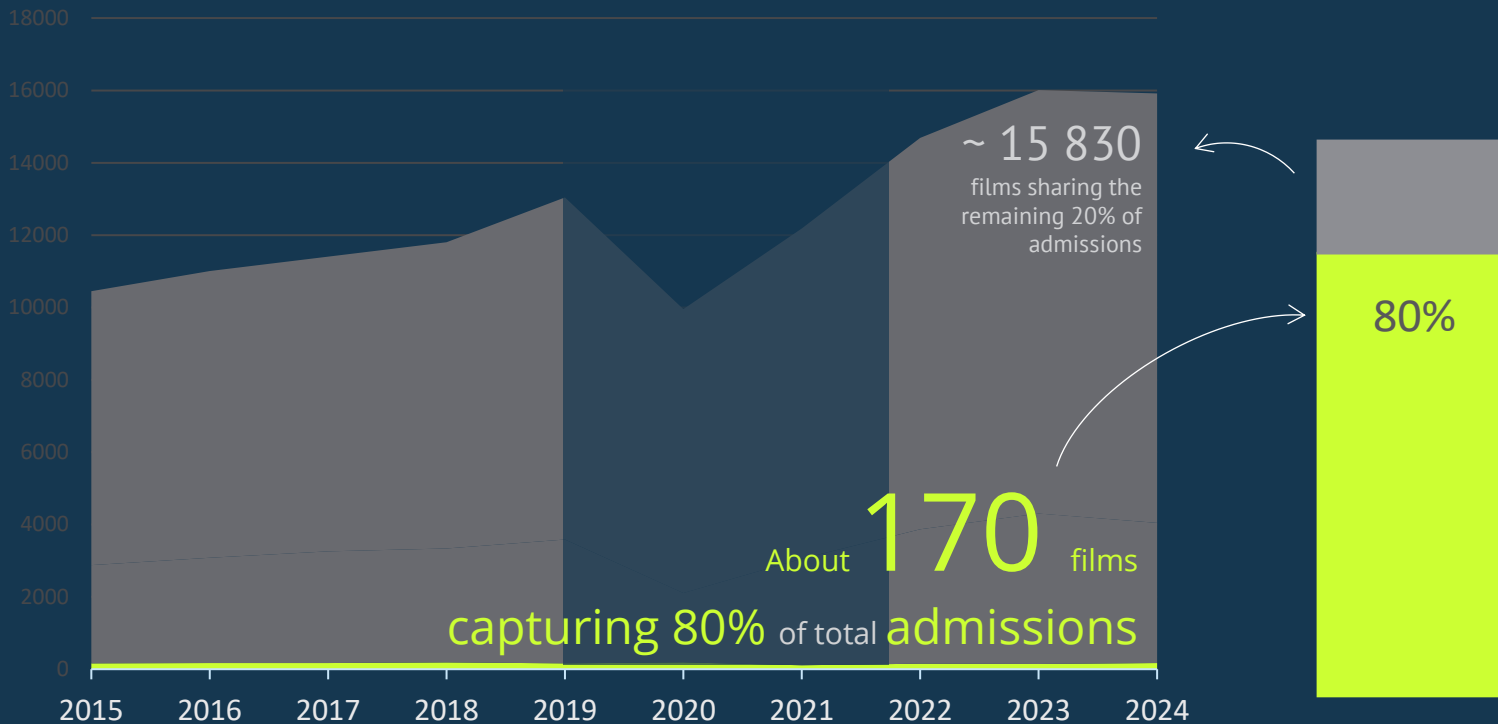
μ 230  
films p.a.

4

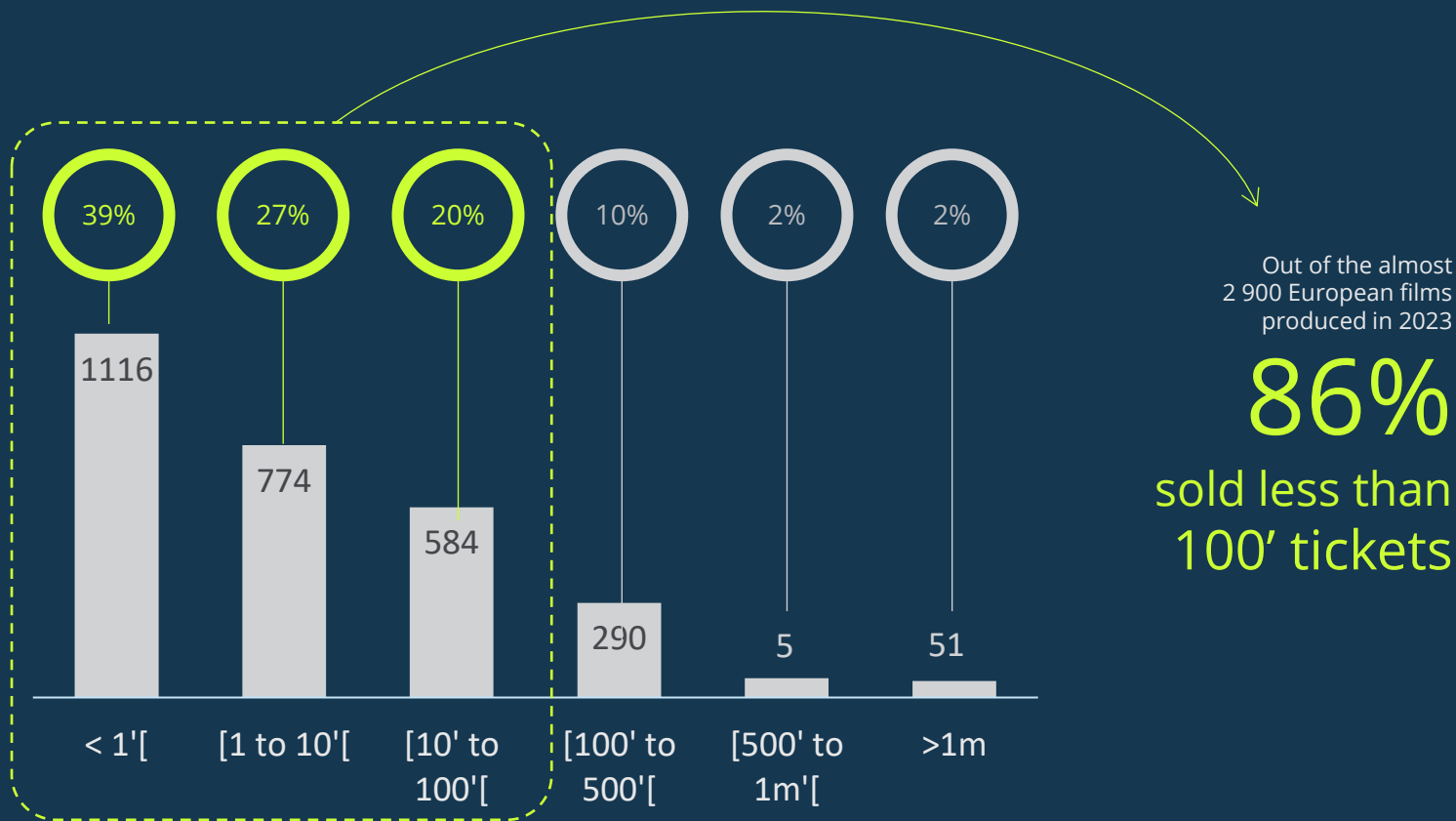
per week

μ 36  
screens

# 01 6 Admissions concentrated on comparatively few films...



# 01 7 ... resulting in low admission figures for vast majority of European films



## Methodology remarks:

- Estimated based on films registered in LUMIERE
- Number of films falling into respective admission bandwidths
- European films produced in 2023 with admissions generated in 2023 and 2024

## Related sources:

LUMIERE

01

8

...and that is not enough to break even

exercise in educated guesswork

# 01

8

## ...and that is not enough to break even



avg. budget (for each market cluster)



How many admissions does it take to cover budget cost?

Source: LUMIERE

admissions X avg. ticket price =  $GBO_{est.}$

50%

Exhibitor share

50%

Rightsholder share

$GBO > 2x \text{ budget}$

= criterion for breaking even



How many films generate that many admissions?

### Methodology remarks:

- Sample analysis of fiction film released in 2022

### Related sources:

[Financing Report](#)

[LUMIERE](#)

01

8

... for the vast majority of European films

Avg. budget  
EUR 1-3 mio



Required admissions  
to break even



200' to 700'

% share of films  
breaking even



1% - 5%

Methodology remarks:

- Sample analysis of fiction film released in 2022

Related sources:

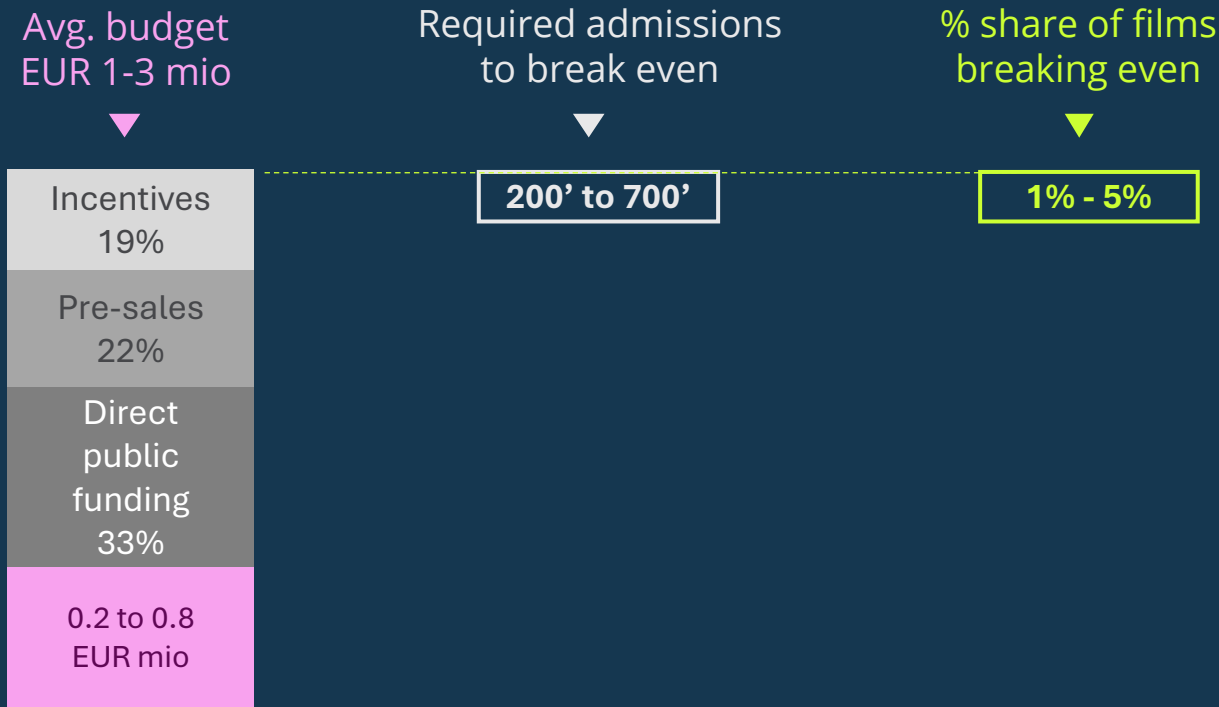
[Financing Report](#)

LUMIERE

01

8

... for the vast majority of European films



Methodology remarks:

- Sample analysis of fiction film released in 2022

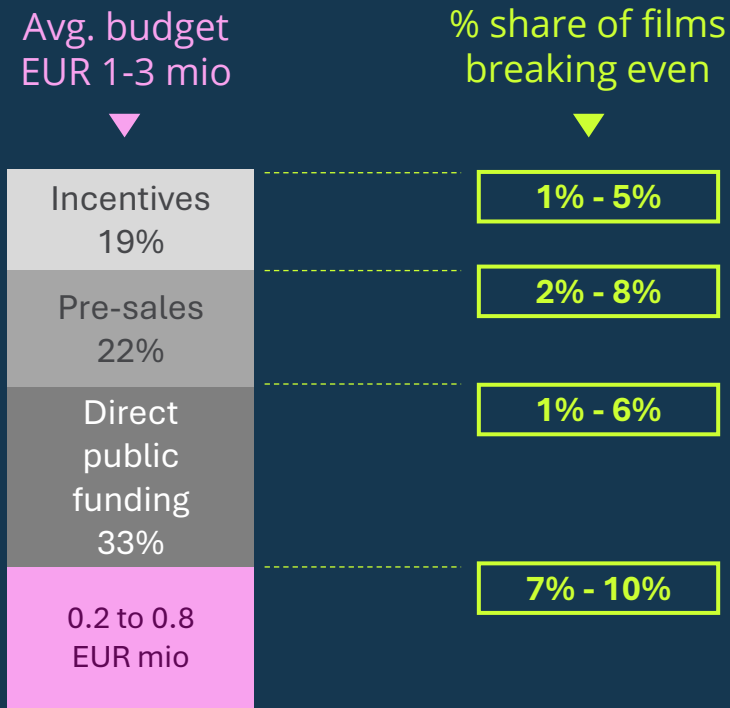
Related sources:

[Financing Report](#)

LUMIERE



# 01 <sup>8</sup> ... for the vast majority of European films



only  
**1 to 10%**  
of European  
fiction films  
are likely  
to recoup their  
production cost  
(with a theatrical release)

#### Methodology remarks:

- Sample analysis of fiction film released in 2022
- See report for details on methodology

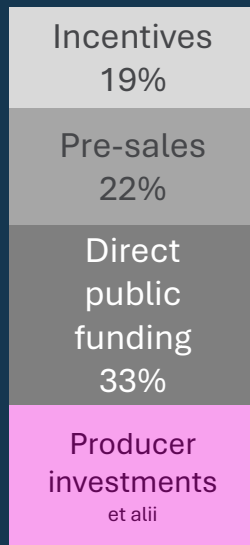
#### Related sources:

[Financing Report](#)  
LUMIERE

# 01

9

## Economic viability of a film production determined at financing stage



From a producer's point of view

economic viability  
of a film production is  
**determined** primarily  
**at the financing stage**  
rather than the exploitation stage

... and largely **relies on public support**

### Methodology remarks:

- Sample analysis of fiction film released in 2022

### Related sources:

[Financing Report](#)  
LUMIERE

# 01 10 Almost every European films benefits from public support ...

Estimated share of European fiction films receiving public support 2022

Films with  
public support  
99%

Methodology remarks:

- Sample analysis of fiction film released in 2022

Source: European Audiovisual Observatory

Related sources:

[Financing Report](#)

# 01 10 ... which covers almost 50% of the production cost

Estimated breakdown of cumulative production cost of European fiction films 2022



Source: European Audiovisual Observatory

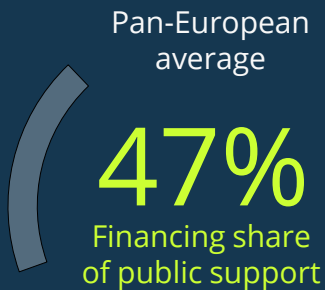
#### Methodology remarks:

- Sample analysis of fiction film released in 2022

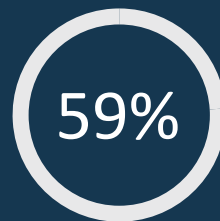
#### Related sources:

[Financing Report](#)

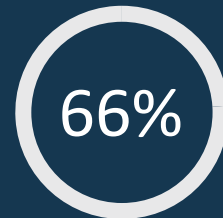
# 01 11 Public support more important in smaller markets



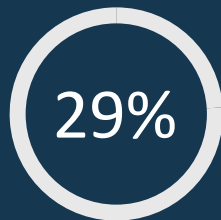
Sources: EAO



Medium markets



Small markets



Large markets

## Methodology remarks:

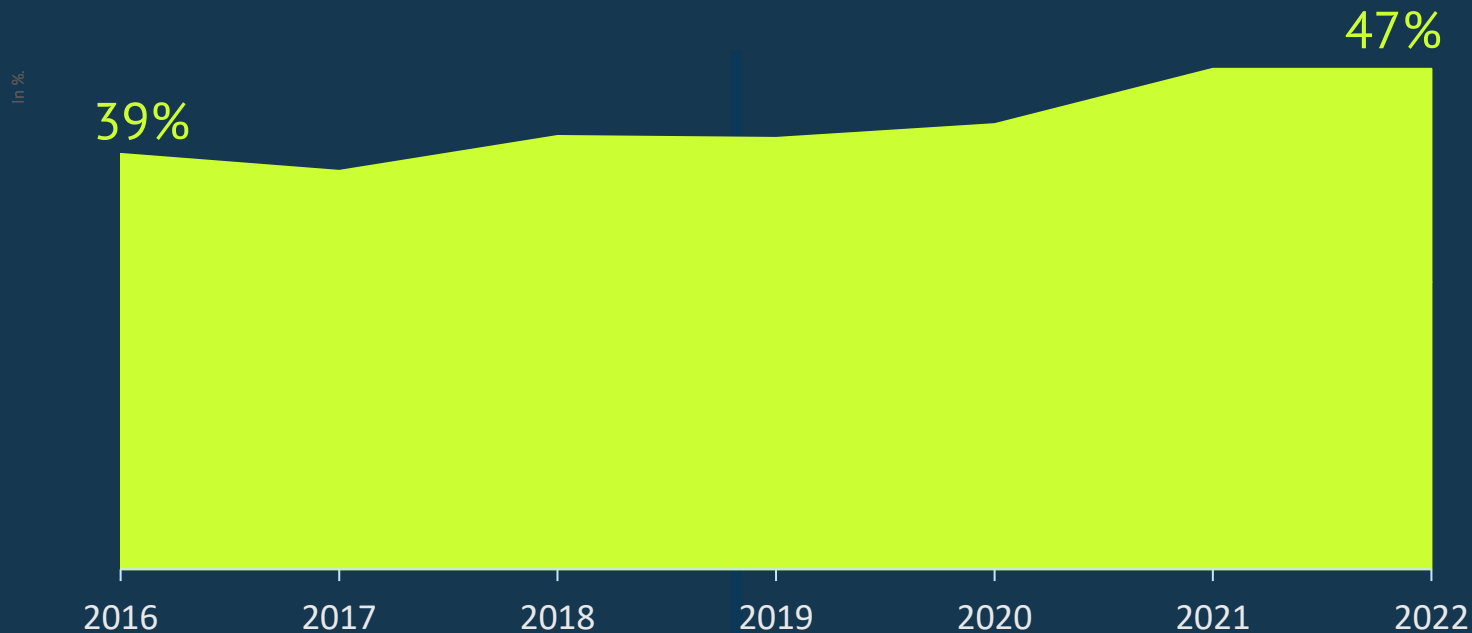
- Avg. 2022-2024
- Large markets:  
> 50 m adm p.a.
- Medium sized markets:  
10 to 30 m adm p.a.
- Small markets:  
< 10 m adm p.a.

## Related sources:

[Financing Report](#)

# 01

## 12 Share of public financing has been increasing

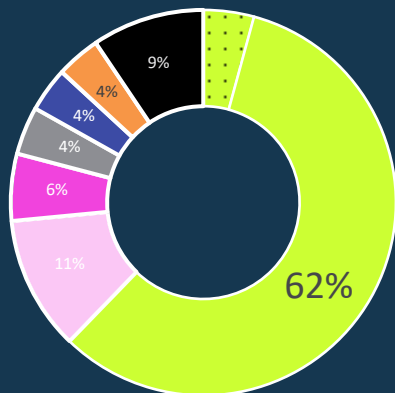


Source: European Audiovisual Observatory

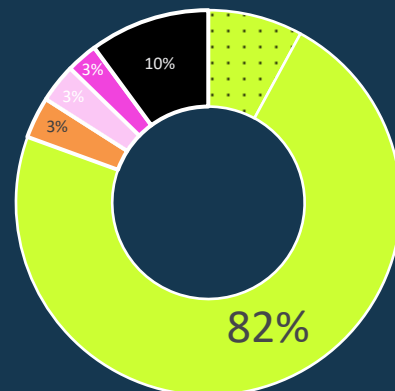
# 01 13 Majority of direct public funding goes to creation of works

In %

National funds



Sub-national funds



Methodology remarks:  
▪ Activity spend

Related sources:  
[Funding report](#)

Source: European Audiovisual Observatory

01 Big picture: fundamental characteristics

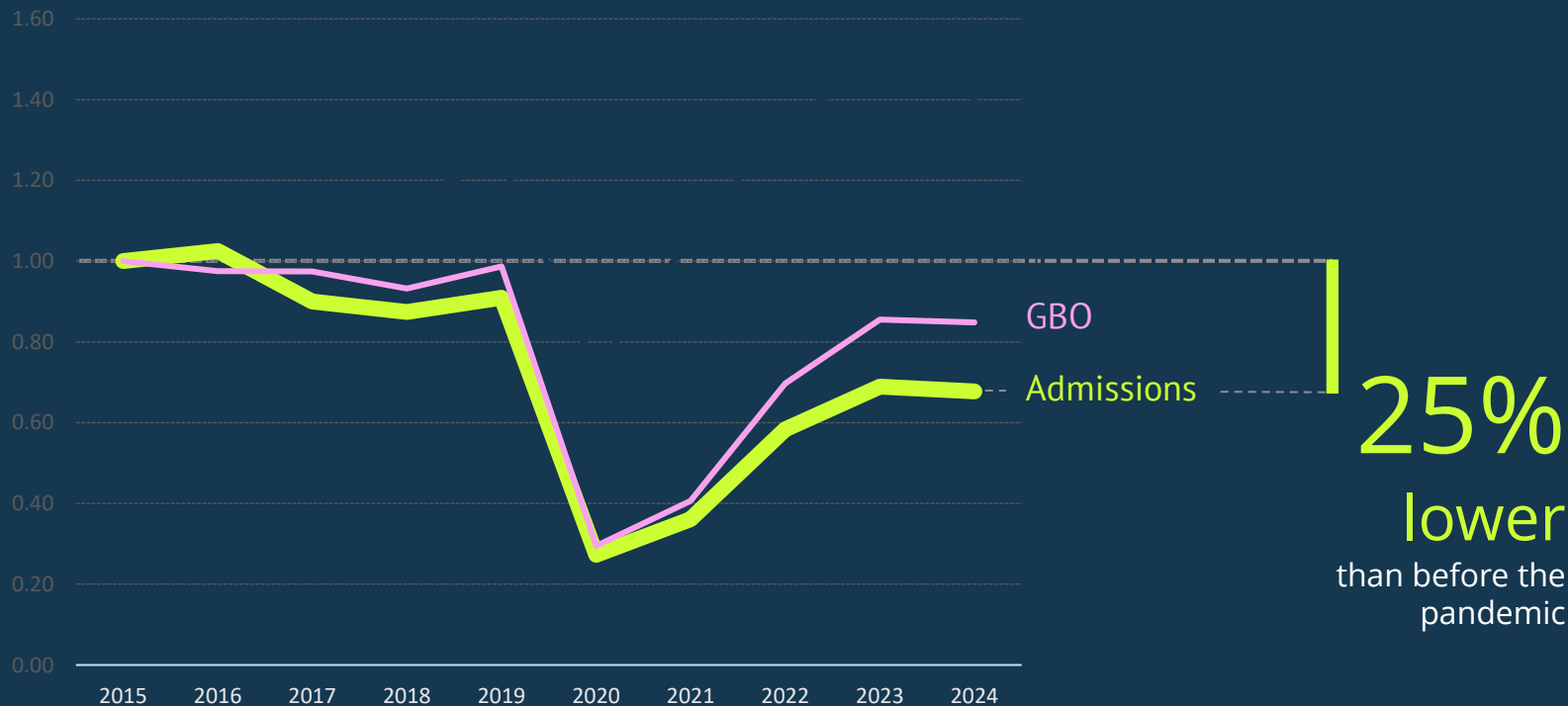
02 Outlook: increasing pressure on film

Further increasing dependence on public support?

03 “Success films” to justify public support?



## 02 1 Drop in admissions – the main revenue source - seems to persist ...



### Methodology remarks:

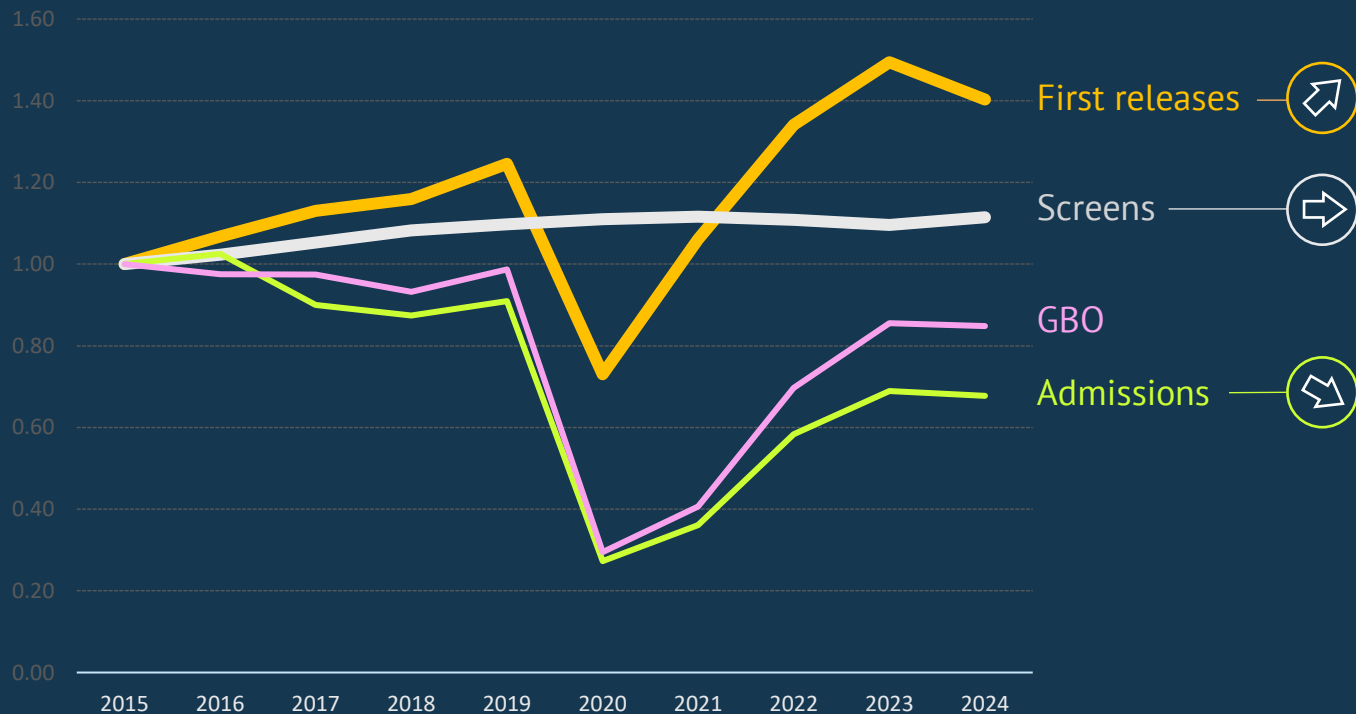
- Development of GBO and admissions in Europe
- Indexed n0=2015
- Europe = 46 member states of the COE

### Related sources:

FOCUS  
Yearbook

Source: European Audiovisual Observatory

## 02 1 ... amidst increasing number of releases and stagnating screens



### Methodology remarks:

- Europe = 46 member states of the COE

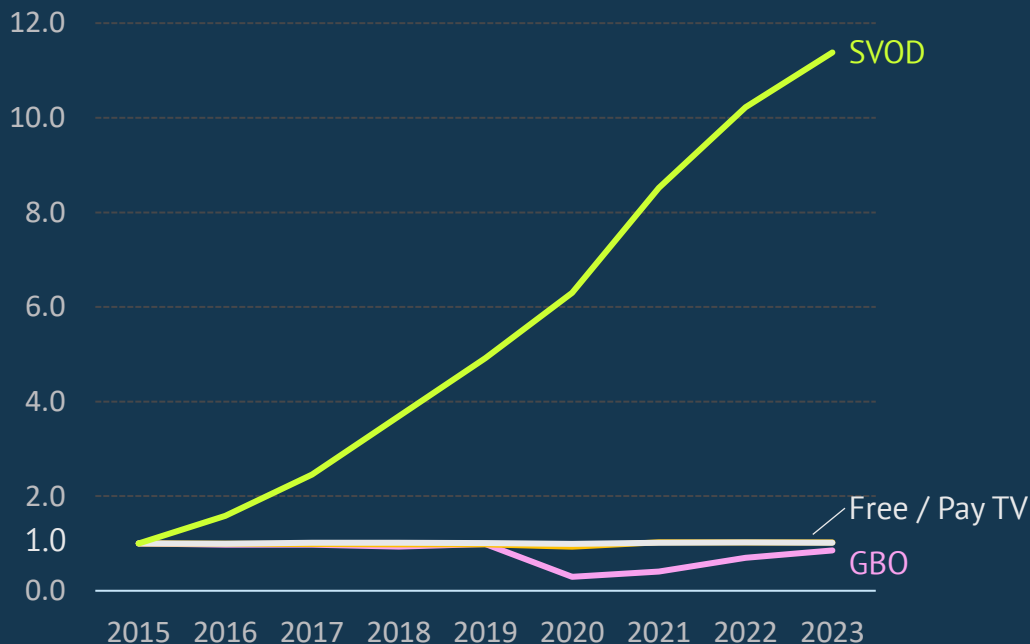
### Related sources:

[FOCUS](#)  
[Yearbook](#)  
[LUMIERE](#)

Source: European Audiovisual Observatory

## 02 2 Growth only in SVOD

Market revenues in EUR bn



**SVOD**  
only growth  
segment

but European  
theatrical films  
unlikely to benefit,  
on the contrary

### Methodology remarks:

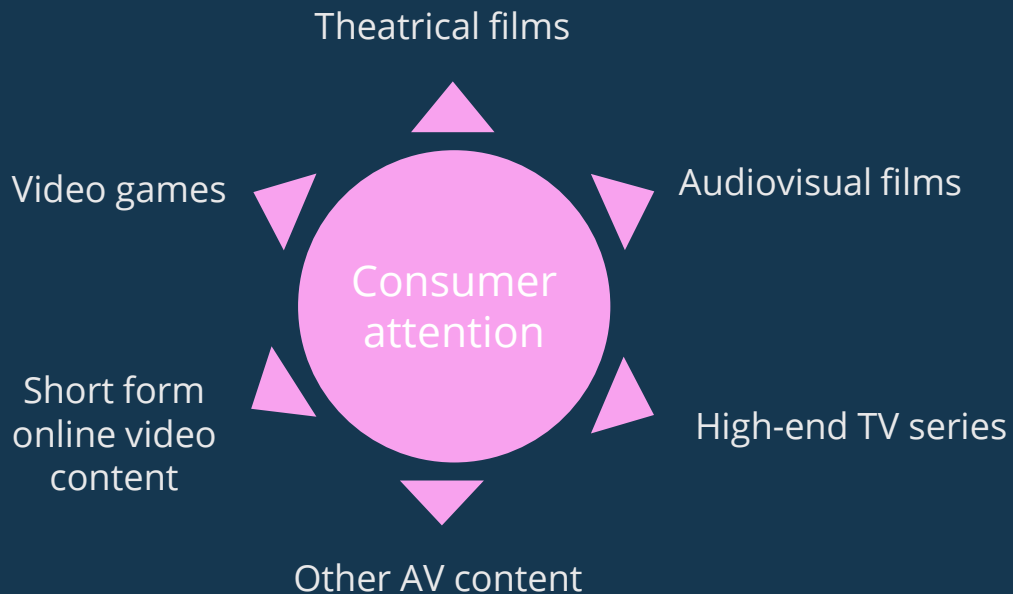
- Estimated segment revenues
- In EUR bn
- In Europe = 46 member states of the COE

### Related sources:

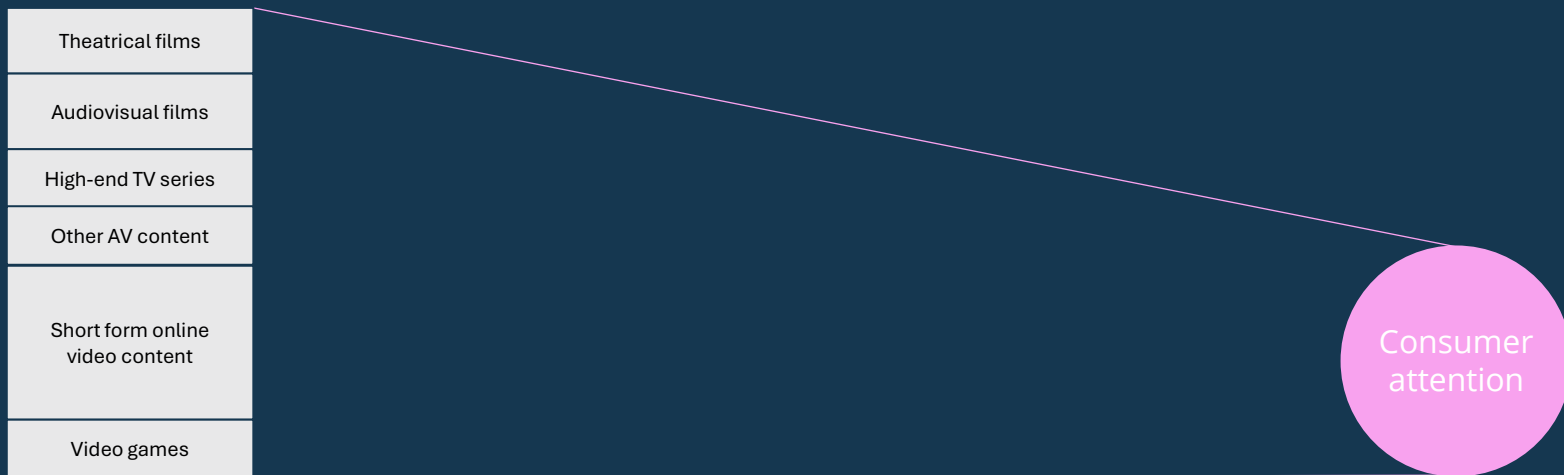
FOCUS  
Yearbook

Source: European Audiovisual Observatory

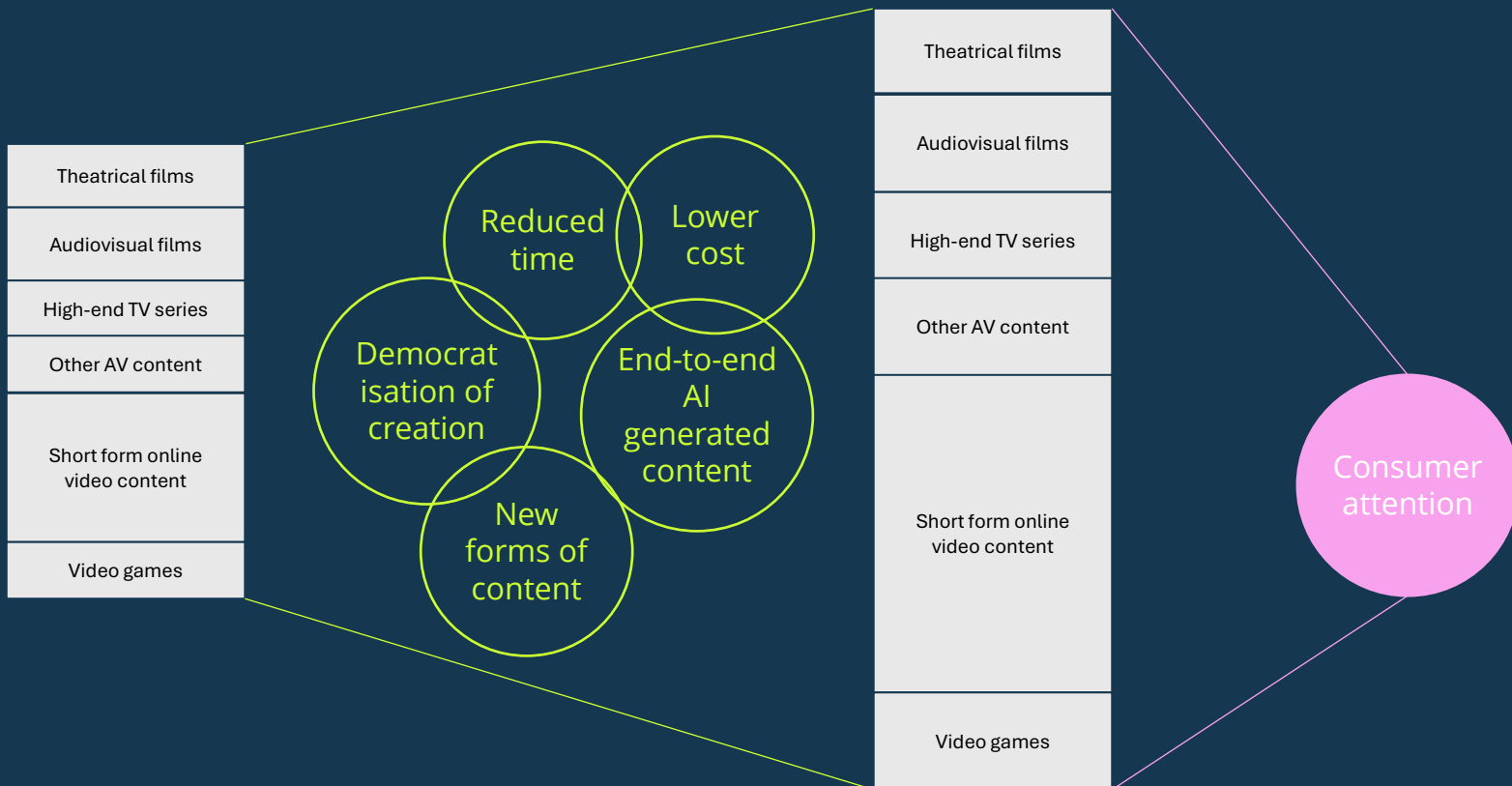
## 02 3 AI likely to lead to explosion of on-screen content



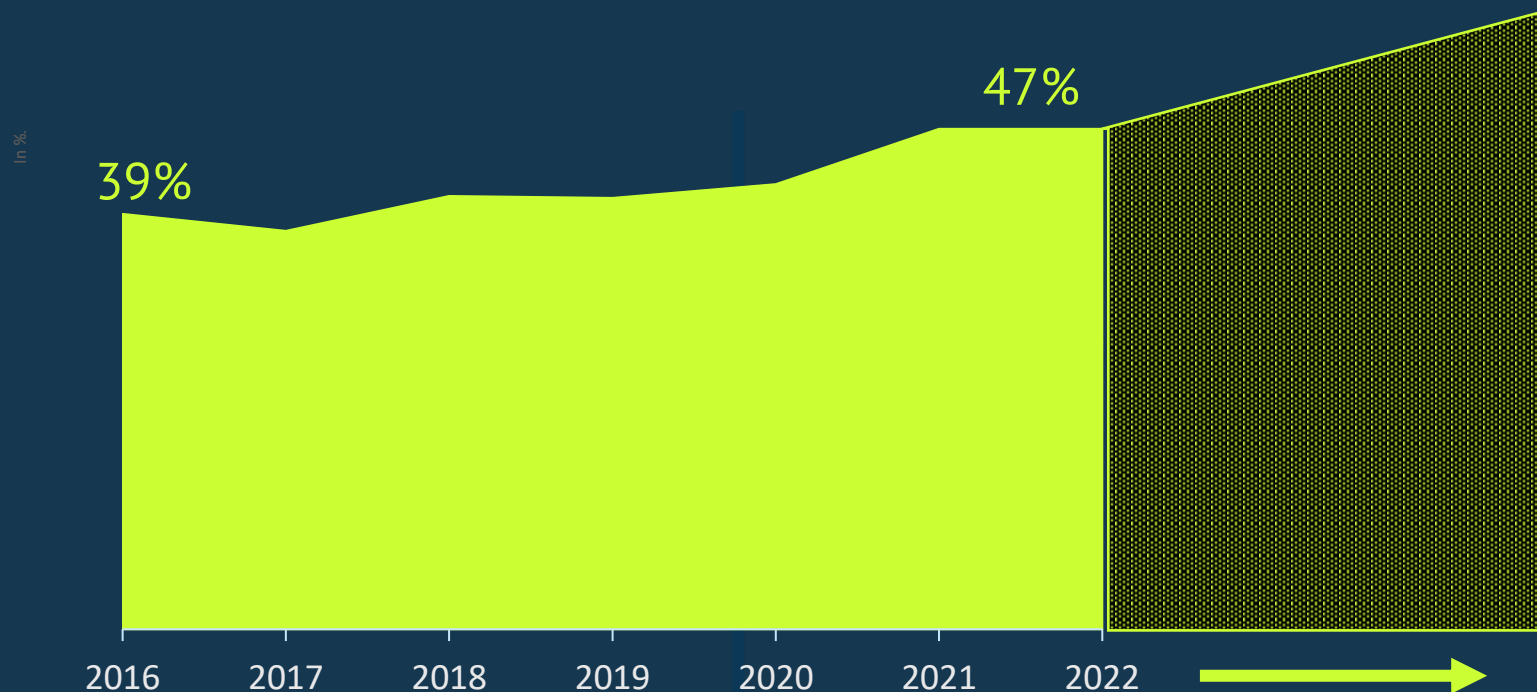
## 02 3 AI likely to lead to explosion of on-screen content



## 02 3 AI likely to lead to explosion of on-screen content



## 02 4 Dependence of theatrical film on public support increasing even further?



Related sources:

[Financing Report](#)

[Trends in fiction film financing](#)

Source: European Audiovisual Observatory

## 02 5 Public funding for films under threat in some countries

FEATURES

### Creative Europe Media replacement plans raise alarm within the European film industry

BY TIM DAMS | 1 SEPTEMBER 2025

[Creative Europe Media replacement plans raise alarm within the European film industry | Features | Screen](#)

### Berlin cries Kulturkrise as cuts hit arts scene

One of Europe's most vibrant cultural capitals is reeling over plans to slash subsidies

[https://www.ft.com/content/37e19262-ccba-4d87-b825-929c998f5872?utm\\_source=chatgpt.com](https://www.ft.com/content/37e19262-ccba-4d87-b825-929c998f5872?utm_source=chatgpt.com)

### French cinema's cherished subsidies under threat after series of flops

[https://www.thetimes.com/world/europe/article/french-cinemas-cherished-subsidies-under-threat-after-series-of-flops-5q839ndk3?utm\\_source=chatgpt.com](https://www.thetimes.com/world/europe/article/french-cinemas-cherished-subsidies-under-threat-after-series-of-flops-5q839ndk3?utm_source=chatgpt.com)

### Hungarian film-makers struggle for funding despite production boom

While country draws international talent, domestic movies are more likely to get made if they align with Orbán politics

[https://www.theguardian.com/film/2025/feb/27/hungarian-film-makers-struggle-for-funding-despite-production-boom-brutalist?utm\\_source=chatgpt.com](https://www.theguardian.com/film/2025/feb/27/hungarian-film-makers-struggle-for-funding-despite-production-boom-brutalist?utm_source=chatgpt.com)

### UPDATE: ÖFI+ wird massiv gekürzt

<https://the-spot-mediafilm.com/news/kinonews/oefi-wird-massiv-gekuerzt/>

### European film industry rallies behind Finnish AVEK, facing drastic funding cuts

[https://nordiskfilmogtvfond.com/news/stories/european-film-industry-rallies-behind-finnish-avek-facing-drastic-funding-cuts?utm\\_source=chatgpt.com](https://nordiskfilmogtvfond.com/news/stories/european-film-industry-rallies-behind-finnish-avek-facing-drastic-funding-cuts?utm_source=chatgpt.com)

### Scotland's artists fear 'cultural black hole' after festival and film project cancelled

Calls for Scottish government to increase support grow, following funding cuts to public arts body

[https://www.theguardian.com/culture/2024/apr/14/scotland-aye-write-festival-and-film-project-cancelled-arts-cuts?utm\\_source=chatgpt.com](https://www.theguardian.com/culture/2024/apr/14/scotland-aye-write-festival-and-film-project-cancelled-arts-cuts?utm_source=chatgpt.com)



**01** Big picture: fundamental characteristics

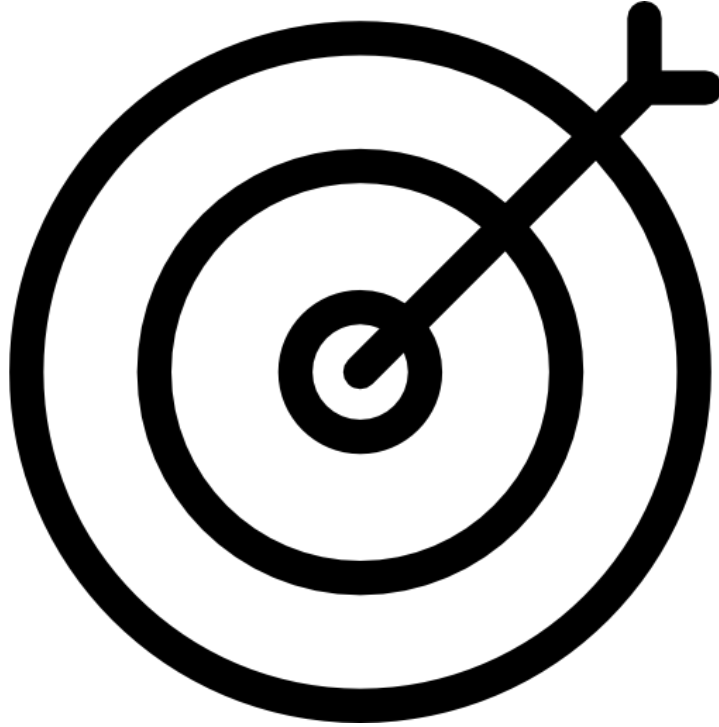
**02** Outlook: increasing pressure on film

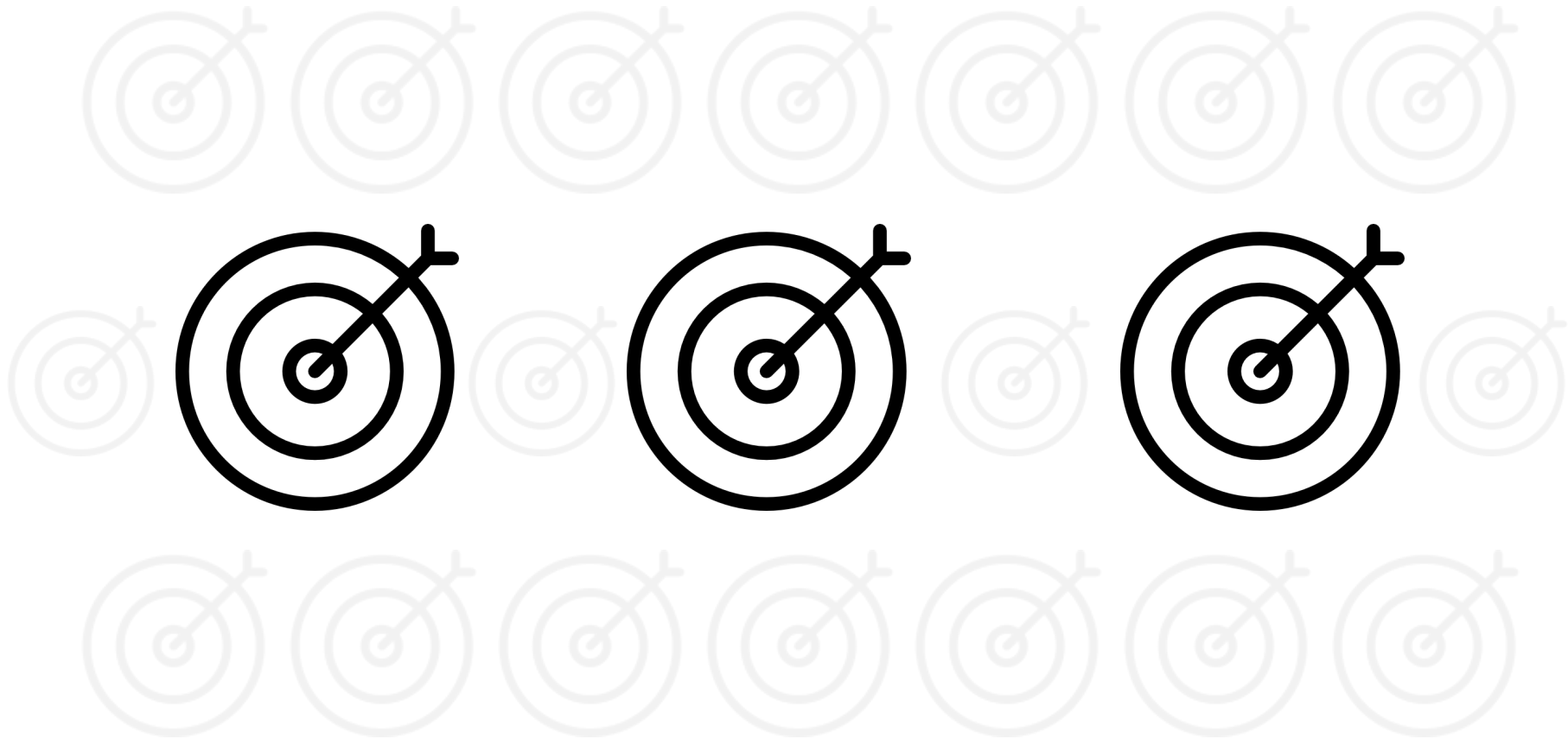
**03** “Success films” to justify public support?

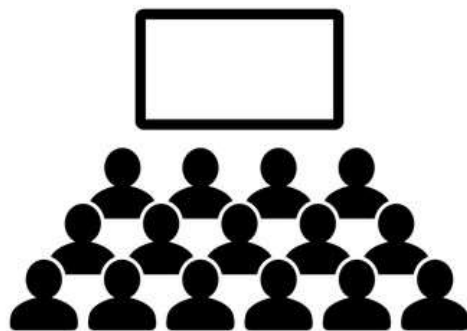
What is the rationale for public support?



**What is a successful film?**









FINANCIAL SUCCESS

# ROI

NO DATA



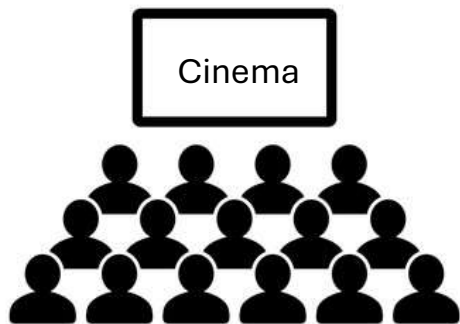
**BREAKING EVEN**

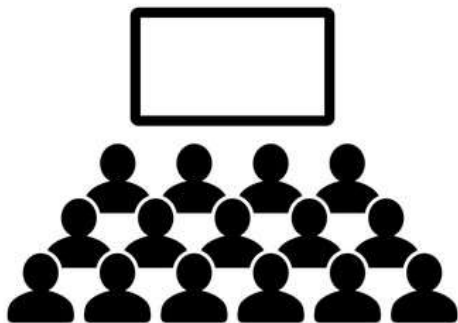


FINANCIAL SUCCESS



# AUDIENCE REACH



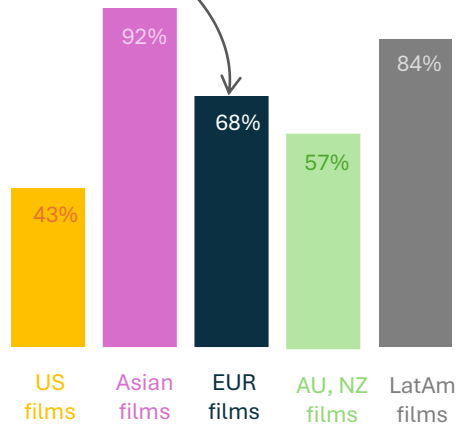


# Avg. cinema tickets

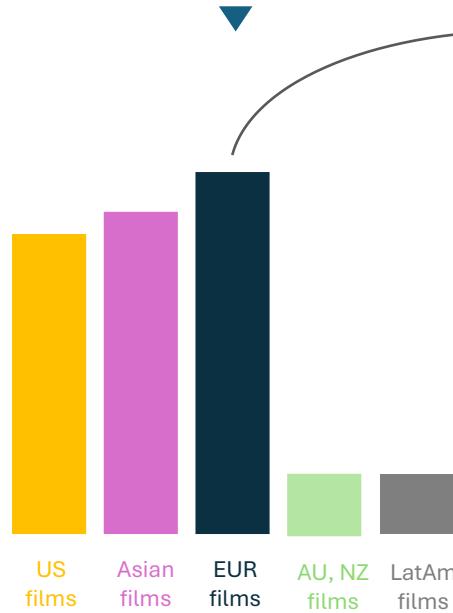
sold to films produced and released between 2022 and 2024

Share of films selling over 90%  
of tickets on national market

About **70%**  
of European films  
are **seen almost  
exclusively by  
national  
audiences**



Weighted avg nat. adm.



Proportionally speaking,  
European films  
reach the largest  
number of national  
audiences



outside

on national markets





# FESTIVAL SUCCESS



# Festival nominations

in 12 FIAPF accredited competitive feature festivals 2018-2025



## Festival nominations

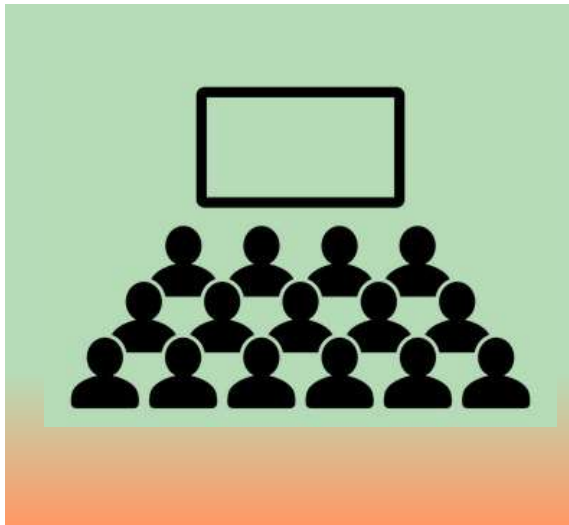
European films  
Avg. share 2018 - 2024

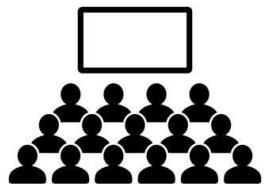


55%

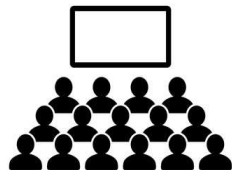


# FESTIVAL SUCCESS





Cultural impact



**POLITICAL VALUE**



Free reports and more

[www.obs.coe.int](http://www.obs.coe.int)