

From cinemas to VOD: A case study of recent films

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A note of the European Audiovisual Observatory



Background and content

This note addresses the relationships between the release of films in cinemas and the release of films on VOD. With a focus on recent films, it explores two research questions:

- On the one hand, the European Audiovisual Observatory tracks the films on offer on Video-On-Demand, notably to assess the share of European works. The project highlights that a significant share of programmes labelled as “films” in the VOD catalogues have not been actually released in cinemas, at least in Europe. The first purpose of this note is therefore **to understand the status of “films” in VOD catalogues as regards the release in cinemas.**
- On the other hand, VOD is often regarded as a way to improve the circulation of films in Europe. The second purpose of this note is therefore **to analyse whether (and to which extent) films released in cinemas in Europe are actually available in VOD in Europe, and how the availability in cinemas compares with the availability on VOD.**

Definitions and sources

Film and “film”

- “film” refers to any programme labelled as film in a VOD catalogue.
- film refers to an audiovisual content which has been released in cinemas in at least one EU28 country.

What are TVOD and SVOD?

SVOD services offer access to a catalogue of programmes for a flat fee. TVOD allows the purchase or renting of a programme - on a programme per programme basis.

What is a recent film (“film”)?

- A recent film has been on release between 2012 and 2016, and produced between 2011 and 2016
- **What is a EU28 film (“film”)?**
The country of origin of a programme is the country from which the funding of a programme originates.

Unique titles and occurrences

Film (“films”) on release in cinemas and/or in VOD can be measured in two different ways:

- Unique titles: each title is counted once even if available in several services/countries
- Occurrences: each occurrence in a catalogue or each release in cinemas in a different country is accounted for.

Sources: The underlying data used in this report is extracted from:

- The LUMIERE database of the European Audiovisual Observatory, which tracks cinema releases and admissions to films in Europe.
- The European Audiovisual Observatory revolving analysis of VOD catalogues.

A. WHAT ARE “FILMS” IN VOD CATALOGUES?

CLOSE TO HALF OF THE PROGRAMMES LABELLED AS “FILMS” IN THE VOD CATALOGUES HAS NOT BEEN SIGNIFICANTLY RELEASED IN CINEMAS IN EUROPE.

THE SHARE OF EU28 WORKS IS SIGNIFICANTLY HIGHER FOR “FILMS” WHICH HAVE BEEN ACTUALLY RELEASED IN CINEMAS.

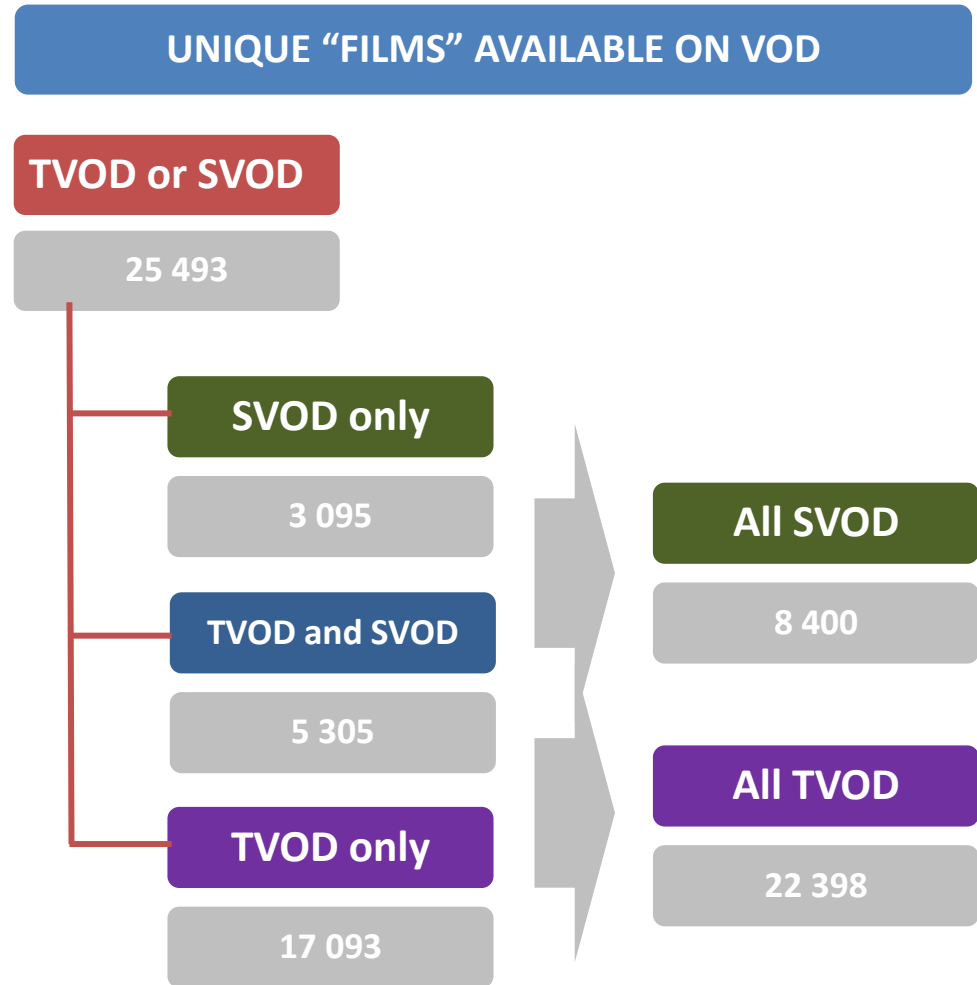
PROGRAMMES LABELLED AS “FILMS” IN THE VOD CATALOGUES AND ALSO RELEASED IN CINEMAS IN THE EU28 CIRCULATE MUCH MORE THAN “FILMS” NOT RELEASED IN CINEMAS.

Over 25 000 recent “films” available on VOD in the EU28

In 2018, over 25 000 different “films” produced between 2011 and 2016 were available on VOD at least in one catalogue of one country.

However, all these “films” were not available in all EU28 countries.

And not all programmes labelled as “films” in the VOD catalogues have been actually released in cinemas in Europe.



“Films”: programmes labelled “films” in the catalogues

Recent “films”: produced between 2011 and 2016

Close to 40% of EU28 different recent « films », but much lower occurrences

The share of EU28 “films” can be measured either by considering the list of all different titles available in VOD (unique titles), or by taking into account the number of catalogues of presence for each “film” (occurrences).

Taking into account all different programmes titles labelled as “films” in the VOD catalogues, either released in cinemas or not, “films” produced in the EU28 account for 38% of unique titles.

But EU28 “films” are present in less catalogues than US “films”, and therefore represent only 28% of occurrences.

By the two indicators, there are more EU28 films in TVOD than in SVOD

SHARE OF EU28 “FILMS” AVAILABLE ON VOD

TVOD or SVOD

EU28 share

Unique: 38%

Occurrences: 28%

All SVOD

EU28 share

Unique: 34%

Occurrences: 21%

All TVOD

EU28 share

Unique: 39%

Occurrences: 30%

Unique: 38%

EU 28 share of unique “film” titles

Occurrences: 28%

EU 28 share of “film” occurrences

The majority of “films” on VOD has not been significantly released in cinemas

The Observatory LUMIERE database tracks releases and admissions to films in Europe. LUMIERE is a good proxy to assess whether a “film” title in a VOD catalogue has been actually released in cinemas in Europe.

However, some films with only a festival release or a limited local release may not be recorded in LUMIERE.

Almost half of the programmes labelled as “films” in the VOD catalogues has not been significantly released in cinemas in Europe

Other audiovisual works labelled as “films” in the VOD catalogues include:

- *Non-EU28 films released in cinemas outside EU28 but released only in video and/or VOD in EU28;*
- *EU28 and non EU28 TV movies;*
- *EU28 or non EU28 direct-to-video/direct to internet “films”.*

SHARE OF VOD “FILMS” ALSO RELEASED IN CINEMAS

TVOD or SVOD

Present in LUMIERE

Unique: 30%

Occurrences: 47%

All SVOD

Present in LUMIERE

Unique: 39%

Occurrences: 36%

All TVOD

Present in LUMIERE

Unique: 32%

Occurrences: 50%

Unique: 30%

Share of unique “films” in VOD present in LUMIERE

Occurrences: 47%

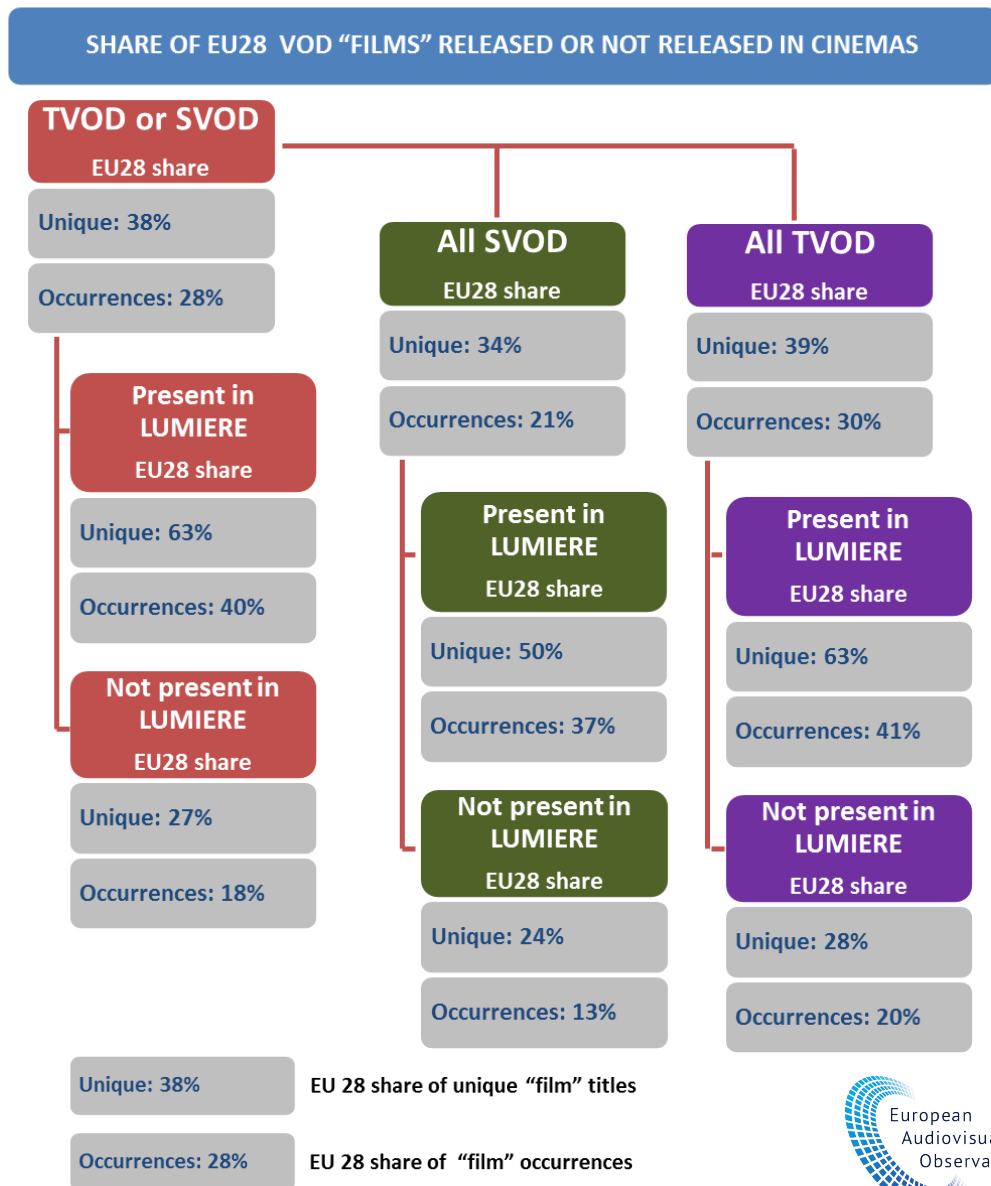
Share of “film” occurrences in VOD present in LUMIERE

A higher share of EU28 works for recent “films” with a significant release in cinemas

The share of EU28 works is significantly higher for “films” which have been actually released in cinemas and, both for TVOD and SVOD, is above the 30% mark.

The share of EU28 works is much lower for other “films”, not released in cinemas in the EU28.

Both TVOD and SVOD services tend indeed to complement their offer of films released in cinemas by other programmes labelled as “films”, and massively originating from outside the EU28.



Recent “films” released in cinemas are available in more catalogues

“Films” in the VOD catalogues and also released in cinemas (according to LUMIERE) circulate much more than “films” not present in LUMIERE. They are available on average in 11.4 and 5.5 catalogues respectively.

The same applies to EU28 films, with 7.2 and 3.7 catalogues respectively.

SVOD follows a different pattern than TVOD: non-EU28 “films” without a release in cinemas circulate better than non-EU28 “films” with a cinema release.

NUMBER OF CATALOGUES OF PRESENCE OF VOD “FILMS” RELEASED OR NOT RELEASED IN CINEMAS

TVOD or SVOD

catalogues

All “films”: 7.2

EU28 “films”: 5.4

Present in LUMIERE

catalogues

All “films”: 11.4

EU28 “films”: 7.2

Not present in LUMIERE

catalogues

All “films”: 5.5

EU28 “films”: 3.7

All SVOD

catalogues

All “films”: 5.2

EU28 “films”: 3.3

Present in LUMIERE

catalogues

All “films”: 4.7

EU28 “films”: 3.5

Not present in LUMIERE

catalogues

All “films”: 5.7

EU28 “films”: 3.0

All TVOD

catalogues

All “films”: 6.2

EU28 “films”: 4.9

Present in LUMIERE

catalogues

All “films”: 9.7

EU28 “films”: 6.3

Not present in LUMIERE

catalogues

All “films”: 4.6

EU28 “films”: 3.3

All “films”: 7.2

catalogues of presence of films

EU28 “films”: 5.4

catalogues of presence of EU28 films

B. DO FILMS RELEASED IN CINEMAS MAKE IT TO VOD?

62% OF RECENT EU28 FILMS RELEASED IN CINEMAS IN AT LEAST ONE EU28 COUNTRY WERE FOUND ON TVOD OR ON SVOD IN A LEAST ONE CATALOGUE.

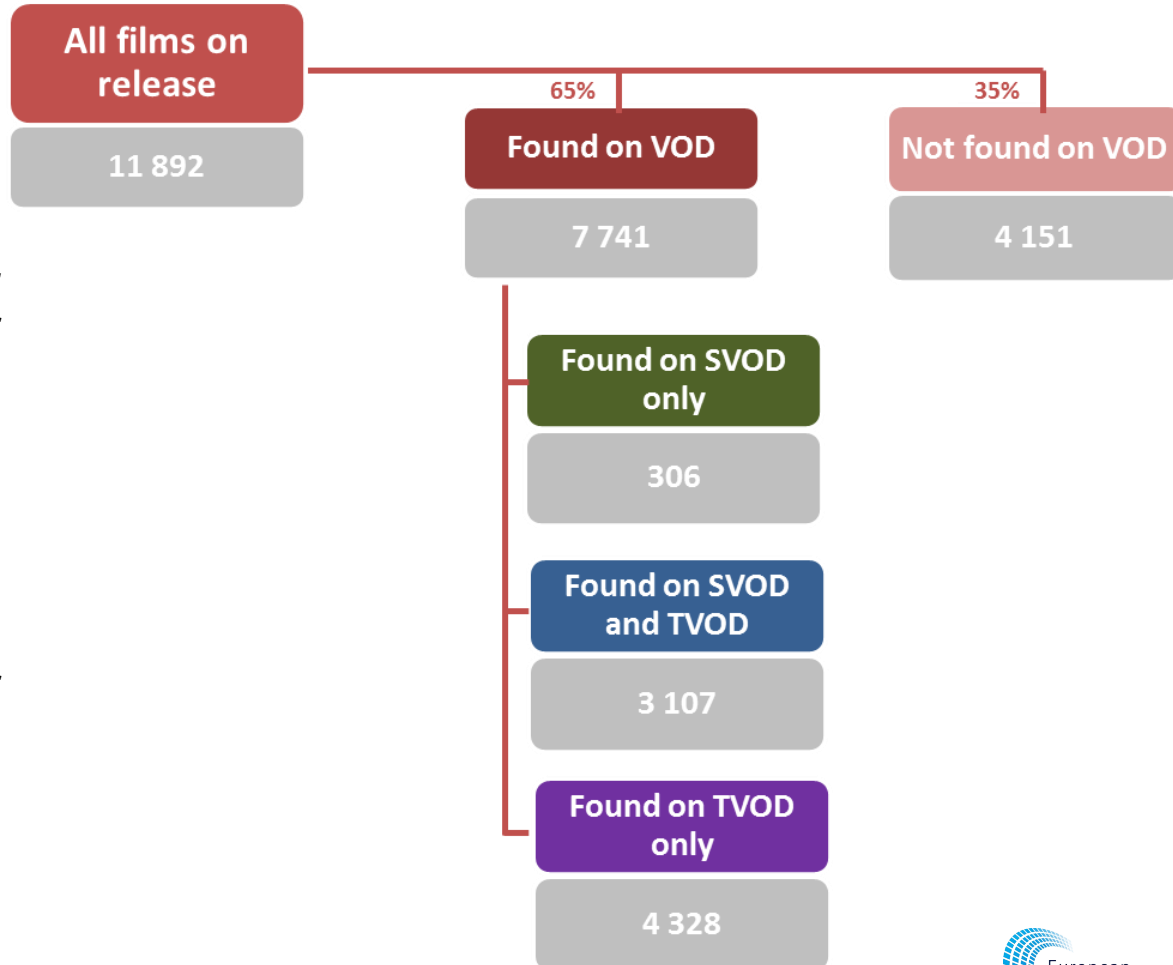
RECENT EU28 FILMS RELEASED IN CINEMAS BUT WHICH WERE NOT RELEASED ON VOD IN ANY EU28 COUNTRY MADE ON AVERAGE LESS THAN 15 000 ADMISSIONS AND WERE RELEASED IN CINEMAS IN ONLY 1.1 EU28 COUNTRIES.

FOR ALMOST HALF OF CINEMA AND VOD COUNTRY RELEASES (46%), THE FILM WAS RELEASED IN THE SAME COUNTRY BOTH IN CINEMAS AND IN VOD. HOWEVER, FOR A THIRD OF THE COUNTRY RELEASES, THE FILM WAS RELEASED ON VOD WITHOUT A RELEASE IN CINEMA IN THE SAME COUNTRY.

FOR EU28 FILM, VOD ADDS 3 ADDITIONAL TERRITORIES TO THE CINEMA RELEASES FOOTPRINT.

65% of recent films released in cinemas available on VOD

PRESENCE ON VOD OF RECENT FILMS ON RELEASE IN CINEMAS



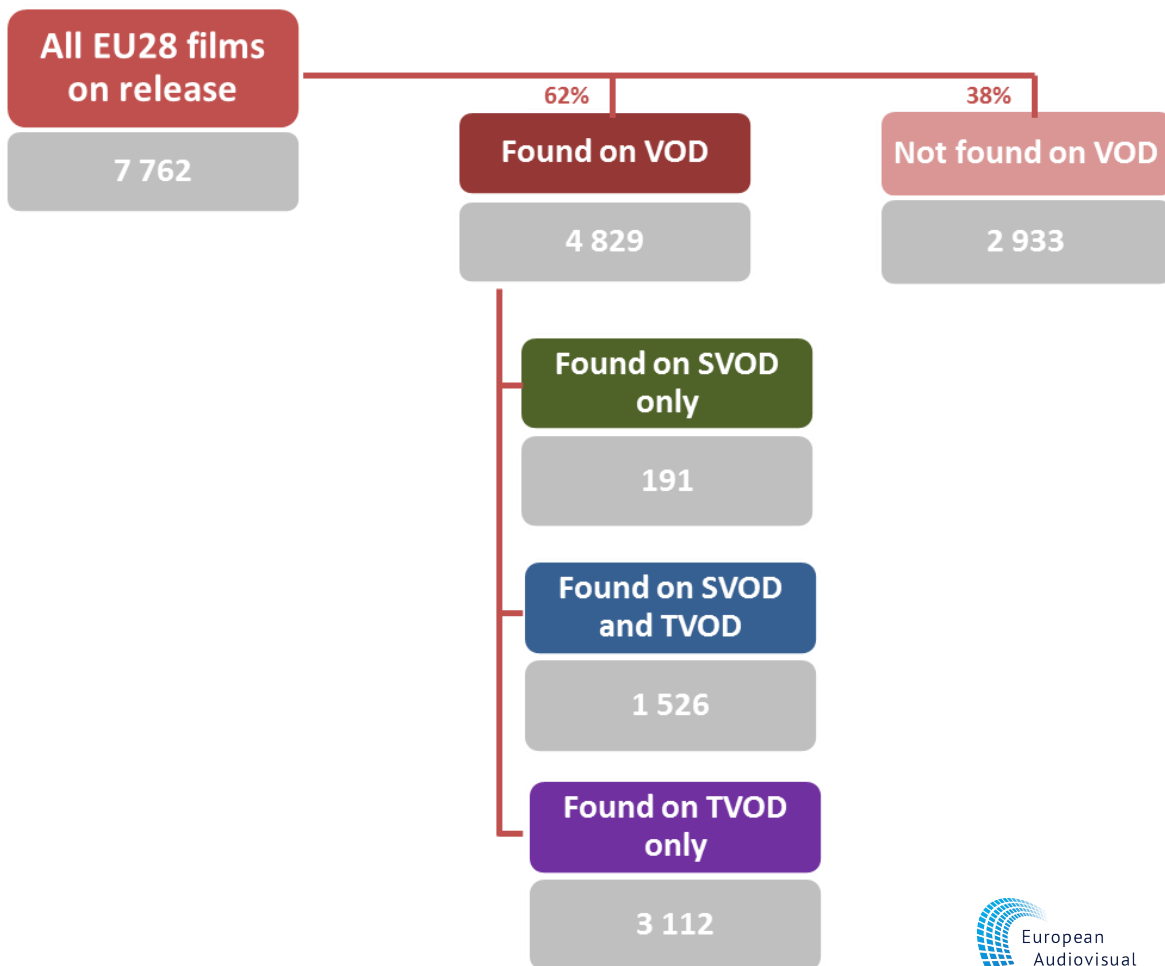
65% of recent films released in cinemas in at least one EU28 country were found on TVOD or on SVOD in a least one catalogue.

But this does not imply that they are available in all EU28 countries.

Most of the films released in cinema and also made available on VOD were found on TVOD, as the access to TVOD is more driven by the producer or the distributor, and as SVOD services tend to have fewer films in their catalogues.

62% of recent EU28 films released in cinemas available on VOD

PRESENCE ON VOD OF RECENT EU 28 FILMS ON RELEASE IN CINEMAS



The share for EU28 films is comparable than for all films: 62% of EU28 recent films made it from cinemas to VOD, with, again, TVOD playing the main role.

The recent films released in cinemas but which were not released on VOD in any EU28 country made on average less than 15 000 admissions and were released in cinemas in only 1.1 EU28 countries.

This confirms the link between cinema exposure and the availability of films on VOD.

It contradict however the idea that VOD is actually a second opportunity for films who failed in cinemas.

Strong overlap between cinema and VOD country releases

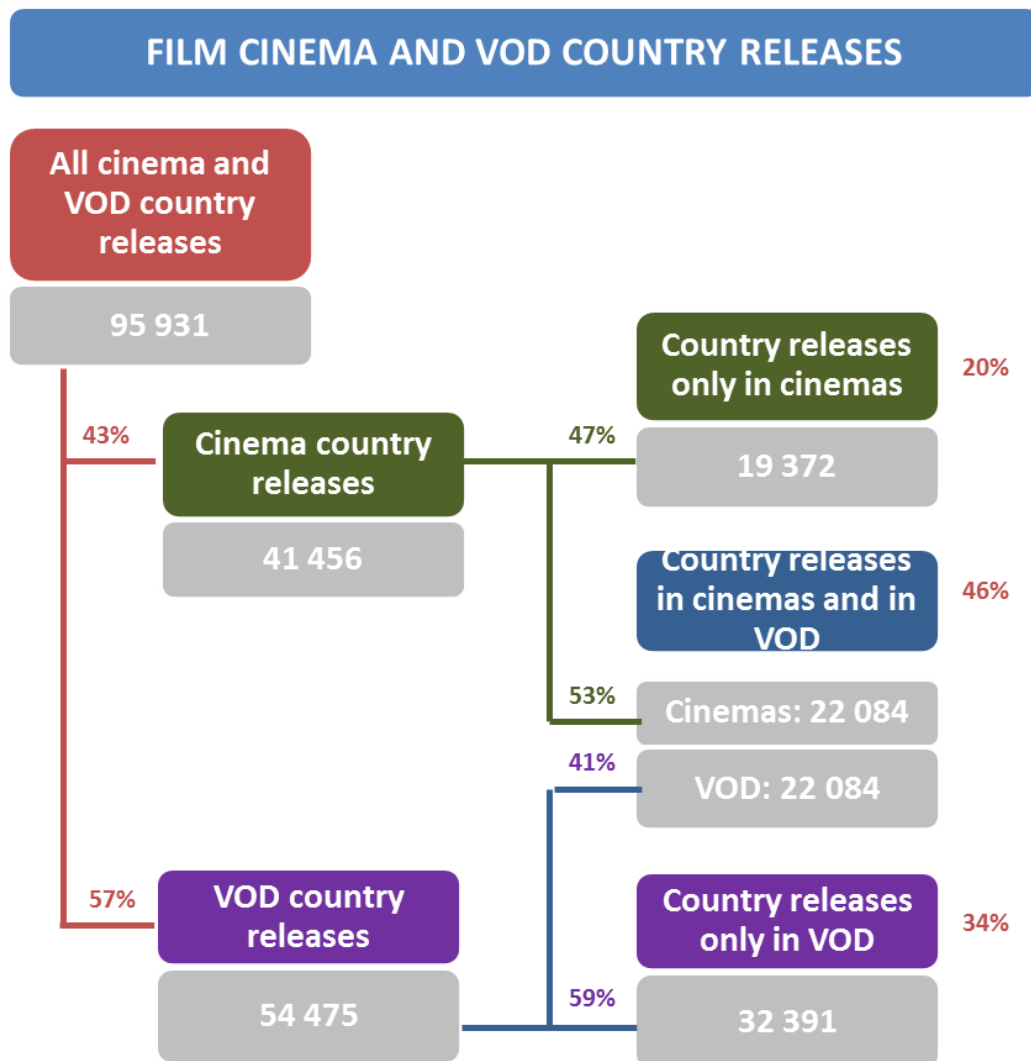
When considering all country releases in cinemas and VOD, VOD accounts for more releases than cinemas (57% vs.43%).*

For almost half of the releases (46%), the film was released in the same country both in cinemas and in VOD. This is again an indication that exposure in cinemas is a driver for the availability on VOD.

However, for a significant number of releases (34%), the film was released on VOD without a release in cinema in the same country.

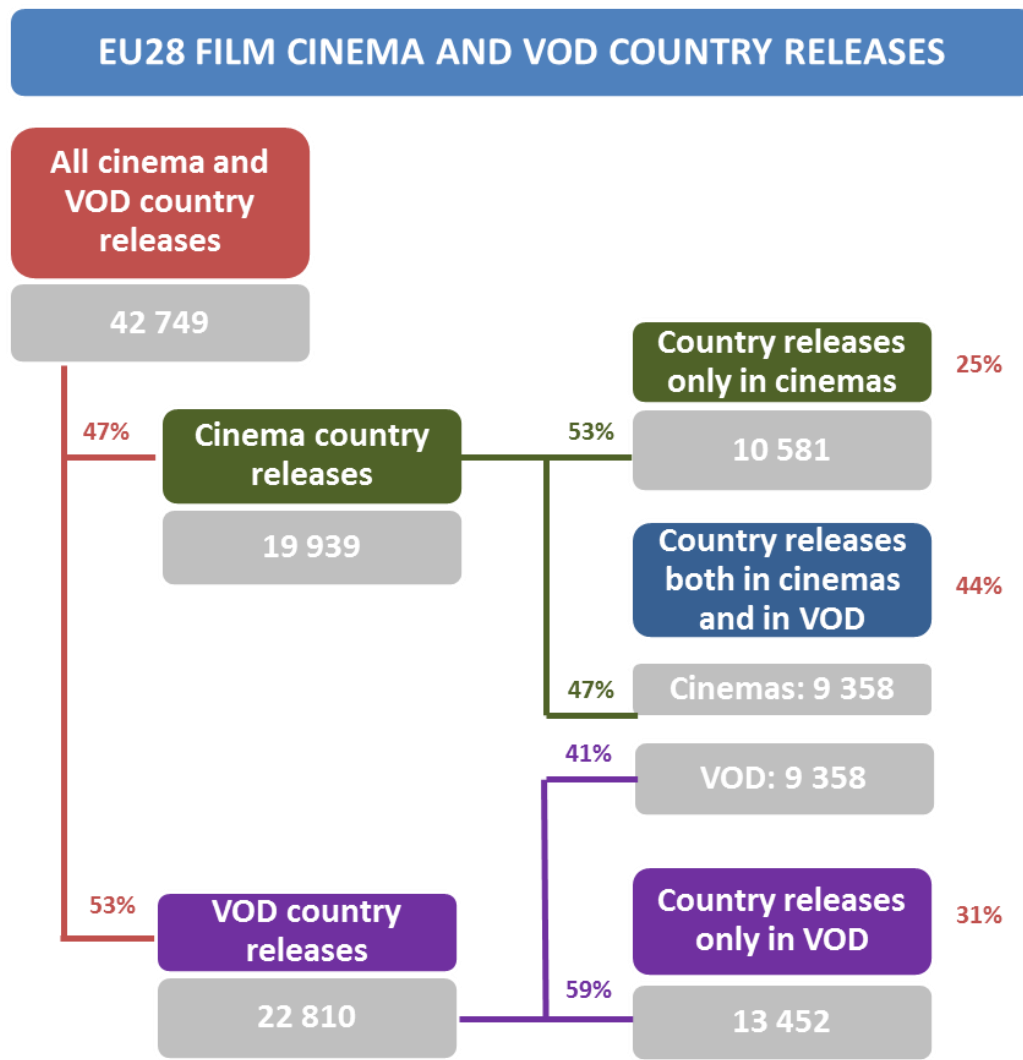
And, for 20% of the releases, the film was released in cinemas a country with no release on VOD in the same country.

** One release in cinemas in one country accounts for one and one release in VOD in one country accounts for one.*



Strong overlap between cinema and VOD country releases... also for EU28 films

The same results apply to EU28 films: more VOD country releases than cinema country releases; predominance of common releases in cinemas and VOD in the same country; significant number of releases only on VOD.

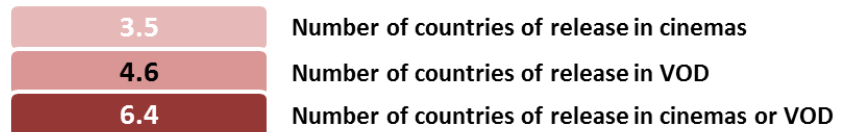
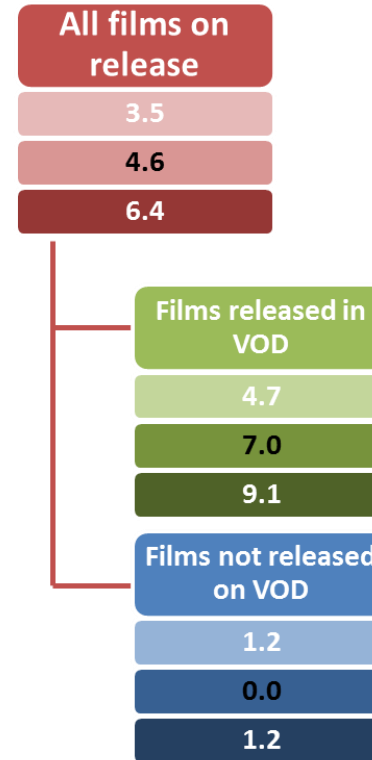


VOD opens-up new territories for films

NUMBER OF COUNTRY OF RELEASES IN CINEMAS AND ON VOD – ALL FILMS

When released on VOD, films are available on VOD in more territories than in cinemas.

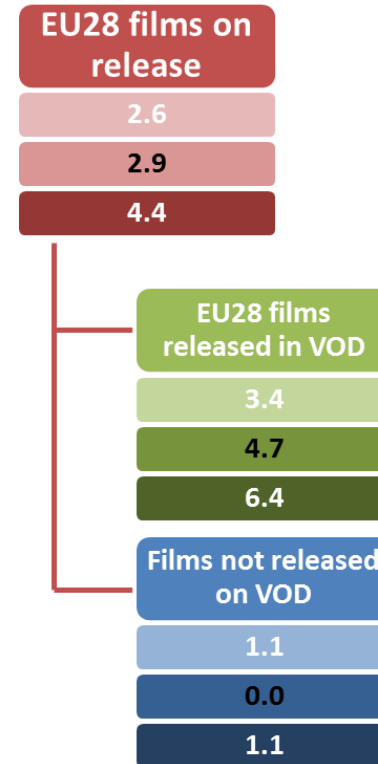
De-duplicating the territories where the film has benefited from a release both in cinemas and on VOD, VOD increases the number of territories of availability by 4.4 when compared with cinemas.



VOD opens-up new territories... also for EU28 films

NUMBER OF COUNTRY OF RELEASES IN CINEMAS AND ON VOD – EU28 FILMS

And similar results apply to EU28 films: VOD adds 3 additional territories when compared with the cinema releases footprint.



2.6	Number of countries of release in cinemas
2.9	Number of countries of release in VOD
4.4	Number of countries of release in cinemas or VOD

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