Denmark

Denmark key data 2018

Population (m)	5.8
TV households (m)	2.3
Consumer spending on physical video software (EUR m)	29.2
Comparison with 2017	-24.7%
Consumer spending on physical video software (EUR m) - Total Europe	2,970.0
Comparison with 2017	-15.8%
Consumer spending on digital video and TV VoD (EUR m)	488.5
Comparison with 2017	27.9%
Consumer spending on digital video and TV VoD (EUR m) - Total Europe	8,785.6
Comparison with 2017	30.9%
Consumer spending on total video (EURm)	517.7
Comparison with 2017	23.0%
Consumer spending on total video (EUR m) - Total Europe	11,755.7
Comparison with 2017	14.8%
Exchange rate EUR/DKK	7.46

Market developments

In 2018, the Danish market for physical discs experienced a decline of 22,4% in value and 7,4% in units compared to 2017. The DVD market declined by 29,9% in value and 12,9% in units, while the BD market saw an 8,5% decline in value and an increase of 3,7% in units. A healthy online distribution market as well as the closing down of several physical retailers during recent years has contributed to the continuing decline in the market performance of physical formats. Despite the decrease, the physical market nevertheless still represents value close to DKK 200 million (€ 26,8 million).

Status on the illegal market

2018 saw 325 million visits originating from IP addresses located in Denmark to sites offering copyright-infringing content. Money from this traffic has thus benefitted criminals instead of copyright holders, and private users’ sensitive personal data have been exposed and made accessible to persons with bad intentions in the course of these activities.

In 2018, Danish IP addresses accessed illegal services some 27 million times a month on average. Copyright infringing access to Films and TV series generate the highest numbers of illegal activity. According to a survey on user behavior in the Nordics, prepared by MediaVision, indicates that 455,000 individuals in Denmark consumed illegal films and series on a monthly basis in 2018.

Blocking of access to websites offering illegal access to copyright content

Together with the Danish ISP Association, RettighedsAlliancen, the Danish copyright and trademark protection programme, has developed a state-of-the-art site blocking programme. RettighedsAlliancen effects 4-5 annual blocking waves of legal action against copyright-infringing websites in order to obtain court orders for injunctions to block the access to the infringing sites.

Blocking of access to infringing websites is the most effective tool reducing the use of illegal online services. The effect of the blocking system is measurable: on average, a blocking order results in a 75% decrease in the number of visitors from Danish IP addresses.

The combination of site blocking, consumer awareness campaigns and behavioral-changing activities (“Share With Care” described below) ensures that users are accepting and welcoming to be directed to legal services.

Share With Care

The “Share With Care” campaign, which has been developed by RettighedsAlliancen in cooperation with the Danish Ministry of Culture and the Danish IPS association, combines awareness-raising activities and behavioral design. “Share With Care” guides users away from blocked illegal websites by providing a message on the blocked websites with the information that the site is illegal and has been blocked by court order. The user is then offered a link to the Share With Care directory of legal services for all relevant copyright content.

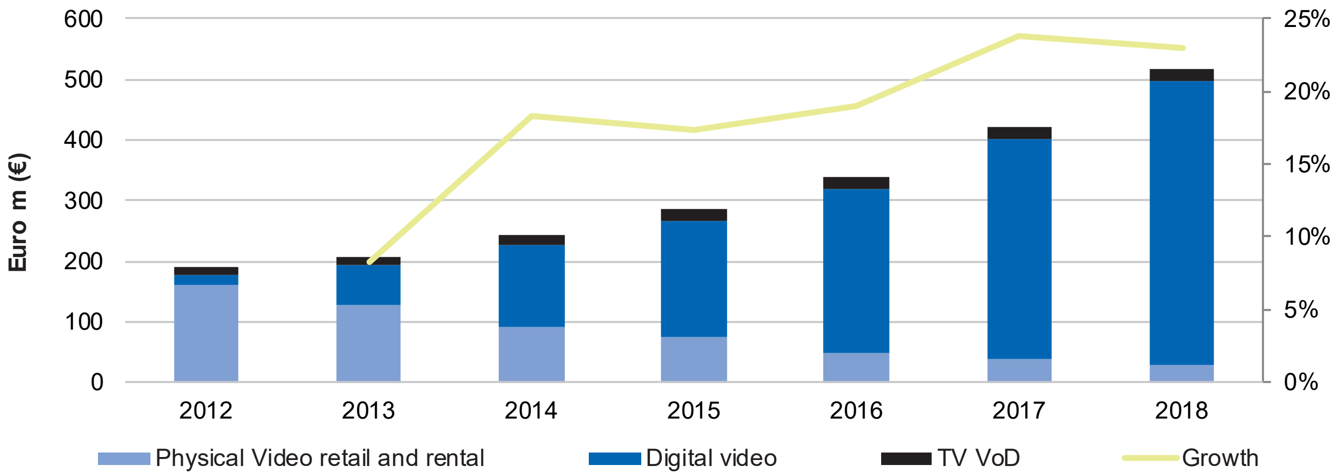
In Autumn 2018, “Share With Care 2” was launched. This second generation of the Share With Care campaign provides a search engine, “FilmFinder”, which enables users to search for specific film and TV content and directing them to legal online services. With “Share With Care 2”, users are directed away from illegal websites and towards legal online services. Former Danish Minister of Culture, Mette Boch, director of RettighedsAlliancen, Maria Fredenslund, and CEO of Blockbuster Casper Hald describe the new “Share With Care”-initiatives and the search engine “FilmFinder” on YouTube (https://www.youtube.com/watch?v=E_BiW3_-H-A).

IP Task Force

In November 2017, the Danish Minister of Justice set up an IP Task Force to address organised IP crime for a trial period of six months. In 2018, the IP Task Force became a permanent entity and is staffed by 8 investigators and 3 prosecutors dedicated to dealing with IP crime.

This commentary was provided by the DVA, the Danish Video Association.

Consumer spending by segment



 Source: IHS Markit

Video market: Denmark	2012	2013	2014	2015	2016	2017	2018	17/18 %
General								
Population (m)	5.6	5.6	5.7	5.7	5.7	5.7	5.8	0.3%
TV households (m)	2.2	2.3	2.3	2.3	2.3	2.3	2.3	0.6%
Population Total Europe (m)	623.8	624.9	626.1	627.7	629.4	630.9	632.3	0%
TV households Total Europe (m)	253.2	255.0	257.3	259.3	261.3	263.2	264.9	1%
Broadband households (m)	2.0	2.1	2.1	2.2	2.2	2.3	2.3	2.1%
Nominal GDP (EUR m)	254.6	258.8	265.8	271.7	277.4	289.0	294.5	1.9%
Consumer price index (100 in 2010)	102.2	106.2	106.8	89.5	89.7	92.6	100.1	8.2%
Exchange rate EUR/DKK	7.44	7.46	7.46	7.46	7.45	7.46	7.46	0%
DVD Video player/recorder (%)	79.4	88.9	75.8	73.9	72.2	70.1	67.8	-3.3%
Blu-ray Disc player/recorders penetration (%)	20.5	27.2	29.0	30.3	28.6	28.0	26.8	-4.3%
DVD Video player/recorder Total Europe (%)	76.1	73.8	71.7	69.2	66.8	64.2	61.5	-4.2%
Blu-ray Disc player/recorders penetration Total Europe	11.2	15.4	18.4	20.7	21.7	22.3	22.2	-0.3%
OTT Subscriptions (m)	0.2	0.6	1.1	1.8	2.3	2.8	3.2	16.2%

Total video software market	2012	2013	2014	2015	2016	2017	2018	17/18 %
CONSUMER LEVEL ALL VIDEO *Total market figures include consumption of both physical and digital video*								
Total spending on video (DKK m)	1,413.8	1,534.4	1,816.8	2,133.1	2,534.1	3,138.4	3,863.4	23.1%
Total spending on video (EUR m)	190.0	205.7	243.4	285.8	340.1	420.9	517.7	23.0%
Growth (%)		8.3%	18.3%	17.4%	19.0%	23.8%	23.0%	
Total spending on video Total Europe (EUR m)	8,824.2	8,449.5	8,513.6	9,183.9	9,474.6	10,236.3	11,755.7	14.8%
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 (DKK m)	229.1	200.6	130.6	90.9	56.2	32.2	18.5	-42.6%
Physical video rental (EUR m)	30.8	26.9	17.5	12.2	7.5	4.3	2.5	-42.7%
Physical video rental Total Europe (EUR m)	865.1	683.1	526.3	430.2	293.1	212.9	152.0	-28.6%
Physical video retail (DKK m)	971.1	751.5	561.6	468.9	313.6	256.7	199.2	-22.4%
Physical video retail (EUR m)	130.5	100.7	75.3	62.8	42.1	34.4	26.7	-22.5%
Physical video retail Total Europe (EUR m)	6,607.5	5,808.5	5,184.7	4,756.8	3,989.8	3,312.4	2,818.0	-14.9%
Physical video software (DKK m)	1,200.1	952.0	692.2	559.8	369.9	288.9	217.7	-24.7%
Physical video software (EUR m)	161.3	127.6	92.8	75.0	49.6	38.7	29.2	-24.7%
Physical video software Total Europe (EUR m)	7,472.6	6,491.6	5,711.0	5,187.0	4,282.9	3,525.3	2,970.0	-15.8%
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 (DKK m)	28.1	44.7	64.6	74.9	84.0	92.1	95.9	4.1%
Retail digital video (EUR m)	3.8	6.0	8.7	10.0	11.3	12.4	12.9	4.0%
Rental digital video (DKK m)	22.4	35.4	49.9	60.9	70.2	76.4	80.6	5.6%
Rental digital video (EUR m)	3.0	4.8	6.7	8.2	9.4	10.2	10.8	5.5%
Subscription digital video (DKK m)	75.4	403.7	894.0	1,305.2	1,863.6	2,530.7	3,318.6	31.1%
Subscription digital video (EUR m)	10.1	54.1	119.8	174.8	250.1	339.4	444.7	31.0%
Total digital video (DKK m)	125.9	483.8	1,008.5	1,441.0	2,017.9	2,699.2	3,495.1	29.5%
Total digital video (EUR m)	16.9	64.9	135.1	193.0	270.8	362.0	468.4	29.4%
Total digital video Total Europe (EUR m)	716.9	1,255.7	2,021.0	3,127.8	4,287.2	5,719.6	7,737.1	35.3%
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 (DKK m)	87.8	98.5	116.1	132.3	146.4	150.3	150.6	0.2%
Pay TV TVOD (EUR m)	11.8	13.2	15.6	17.7	19.6	20.2	20.2	0.2%
Pay TV TVOD Total Europe (EUR m)	634.8	702.1	781.5	869.0	904.6	991.6	1,048.5	5.7%

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 March 2019. 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.* ***5)*** *OTT Subscriptions are subscriptions to online channels and virtual pay TV operators. Figures exclude multiscreen services of pay TV operators.*

Source: IHS Markit

Key players in the market (in alphabetical order)

Physical

- Bilka (Salling Group)
- CDON.dk
- Coolshop.dk
- dvdcity.dk
- Dvdoo.dk
- Elgiganten
- Føtex (Salling Group)
- Gucca.dk
- imusic.dk
- Kvickly (Coop)
- Rema1000
- SuperBrugsen (Coop)

Digital

- Amazon Prime
- Blockbuster
- Canal Digital
- C-more
- Danishdox.com
- Dansk Filmskat
- Dplay
- DR TV
- Filmstriben
- Google Play
- HBO
- iTunes
- Netflix
- Plejmo.dk
- SF Anytime
- Sofarækken
- Viaplay
- Waoo

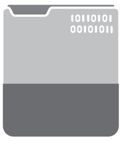
Share of European market 2018

Physical retail

0.9%

Physical rental

1.6%



(OTT)

6.1%

Pay TV TVOD

1.9%

Average home entertainment spending

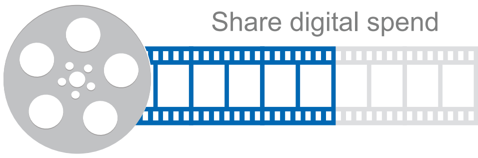
Spending per TV household (EURO)

€221.4

Spending per broadband household (EURO)

€221.9

Digital share of spend vs. broadband speed



Share digital spend

90%

Broadband download speed rank

(ranked across the 9 IVF countries)

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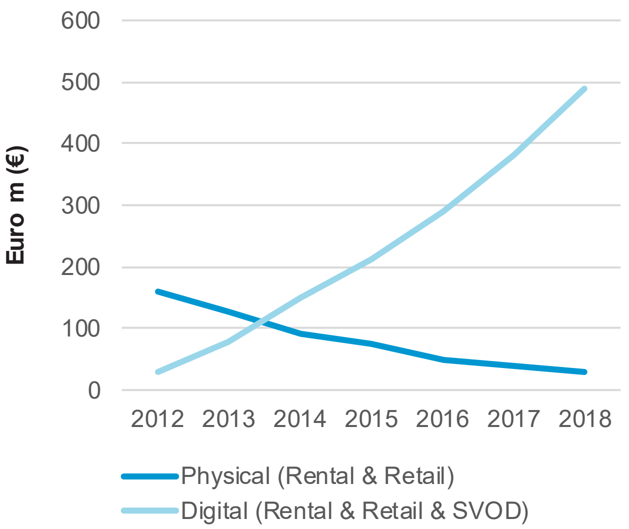
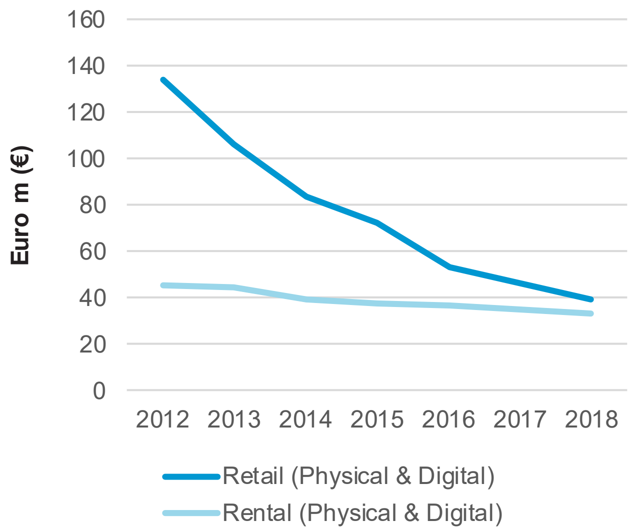
Comparison Physical vs Digital



Comparison Retail vs Rental



Note: Digital (Rental & Retail) includes SVOD data; Rental (Physical & Digital) excludes SVOD data

Source: IHS Markit