

# Europe's public service media in need of support to overcome market challenges

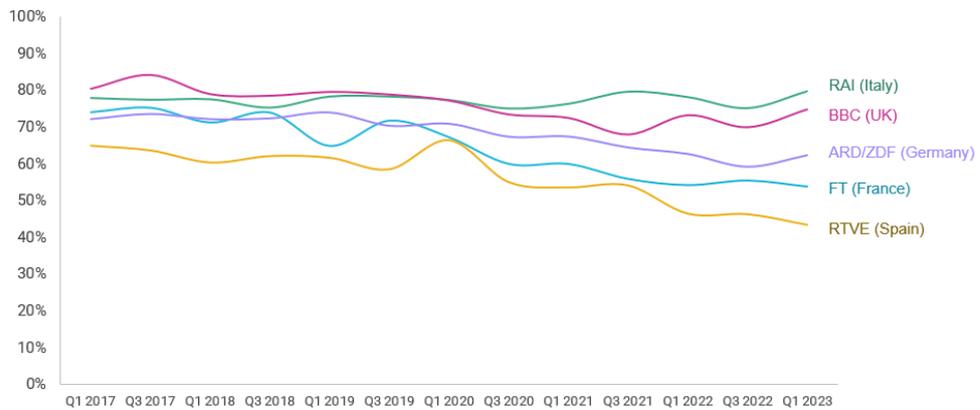
## Policy-makers must deliver funding and structural support to ensure public service media can successfully transition into the streaming world

**London, 21 August 2023:** Consumer research carried out by Ampere Analysis over the last six years has revealed that engagement with public service media (PSM) linear or their Video on Demand (BVoD) services has fallen by 15% in Europe's largest markets. This is particularly prominent among younger age groups. With PSM navigating a rapidly changing content landscape, Ampere's newly published report examines the recent content strategy developments of the major PSM in Europe's big five markets and asks, 'What next for European Public Broadcasters?'

Policy responses to changing audience patterns have seen public funding either plateau or fall, and this has limited the ability of PSM groups to respond to competitive pressures. The adoption of PSM VoD services has been notably strong among consumers in the UK and Italy, markets where the BBC and RAI have expanded their VoD platforms.

However, PSM faces a difficult challenge in striking a balance between serving their traditional audience bases, attracting new viewers, and addressing the needs and interests of minority groups, while at the same time dealing with funding constraints caused by declining public TV revenue, budget cuts and austerity measures. These factors, combined with intense competition from digital platforms, have limited PSM groups' ability to invest in their own VoD services and programming.

Percentage of consumers that engaged with at least one PSM service (Linear or BVoD) in the past month (%)



Source: Ampere – Consumer

### Protecting Europe’s production market

Although streamers are increasingly important to Europe's production market (for instance, Ampere estimates that Netflix is set to spend 30% of its \$7.6bn original content budget on European-originated titles in 2023), strong public service media remains key to a healthy European production market. Europe's leading six PSM (ARD, ZDF, BBC, France Televisions, RTVE, and RAI) account for 40% of TV shows ordered in Europe's largest five markets. This equates to one-third of all European original content spend.

### How can policymakers support public service media?

Supporting PSM is to support local TV and film industries. Bolstering public service funding in the short term will allow PSM to adapt and invest in the necessary range of high-quality content and accelerate their digital plans. This is the simplest way of ensuring that public service media continues to support local production industries.

However, there are other initiatives where policy-makers could provide support:

- **Secure multi-year funding:** Adopting funding models prioritising financial stability and independence from commercial pressures can empower PSM to invest in high-quality, distinctive programming while maximising public value.
- **Guarantee prominence:** European regulators have proposed legislation to guarantee PSM prominence on major TV services and new digital platforms safeguarding their role and influence by enhancing discoverability.
- **Partnership flexibility:** Enabling and encouraging PSM to foster ambitious strategic partnerships with commercial players and other PSM could drive innovation and extend audience reach and impact.

**Neil Anderson, Report Co-Author and Senior Analyst at Ampere Analysis says:** “The European broadcast industry is undergoing a rapid transformation, driven by a significant shift in viewing habits. Today's audiences expect immediate access to a vast array of content, tailored to their individual preferences, setting higher expectations for broadcasters. To gain and retain viewer attention, broadcasters must invest in production capabilities, diverse programming, and digital platforms.

However, success in the PSM sector has traditionally been measured solely by audience share, leading to decisions that prioritise programming based on TV ratings. This narrow focus on ratings overlooks other crucial aspects that define the relevance and impact of PSM. These include its role in promoting cultural diversity and providing vital support to Europe's TV production sector.”

**Cyrine Amor, Report co-author and Senior Analyst at Ampere Analysis concludes:** “Policy-makers hold the key to shaping the future of public service media, and they need to be aligned with the changing dynamics of the industry to ensure the long-term survival and continued relevance of PSM in Europe’s TV landscape.”

## Ends

### Notes to Editors:

Ampere’s consumer research has been conducted bi-annually since 2017, covering a sample of 10,000 participants aged 18-64 per survey across Western Europe’s largest five media markets (France, Germany, Italy, Spain, UK).

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### About Ampere Analysis

Founded in January 2015, Ampere Analysis is a new breed of media analyst firm. The company's experienced team of sector-leading industry analysts specialises in sport, games, pay and multiscreen TV and next-generation content distribution. Our founders have more than 60 years combined experience of providing data, forecasts and consulting to the major film studios, telecoms and pay TV operators, technology companies, TV channel groups and investment banks.

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