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# The Digital Content Industry in Spain

## Annual Report 2011



**2012 EDITION**

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1.

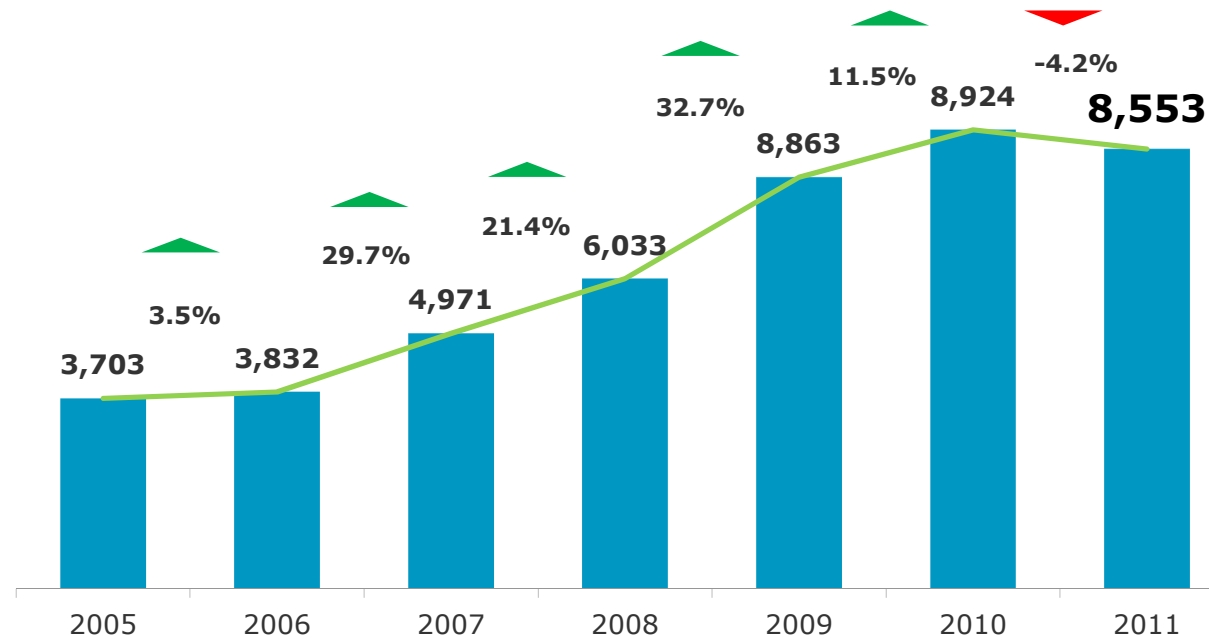
# Digital Content Industry

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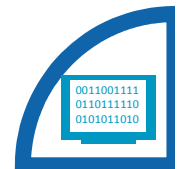
# Turnover in the digital content industry was **€8,553 million**

Turnover in the digital content industry: evolution 2005-2011 (M €)

Despite this figure, which breaks with the growing trend of the last few years, the rapid growth in the digital content industry stands out.



CAGR 2005-2011 (%): 15%



# The audiovisual sector is the industry driver, accounting for 43.6% of turnover



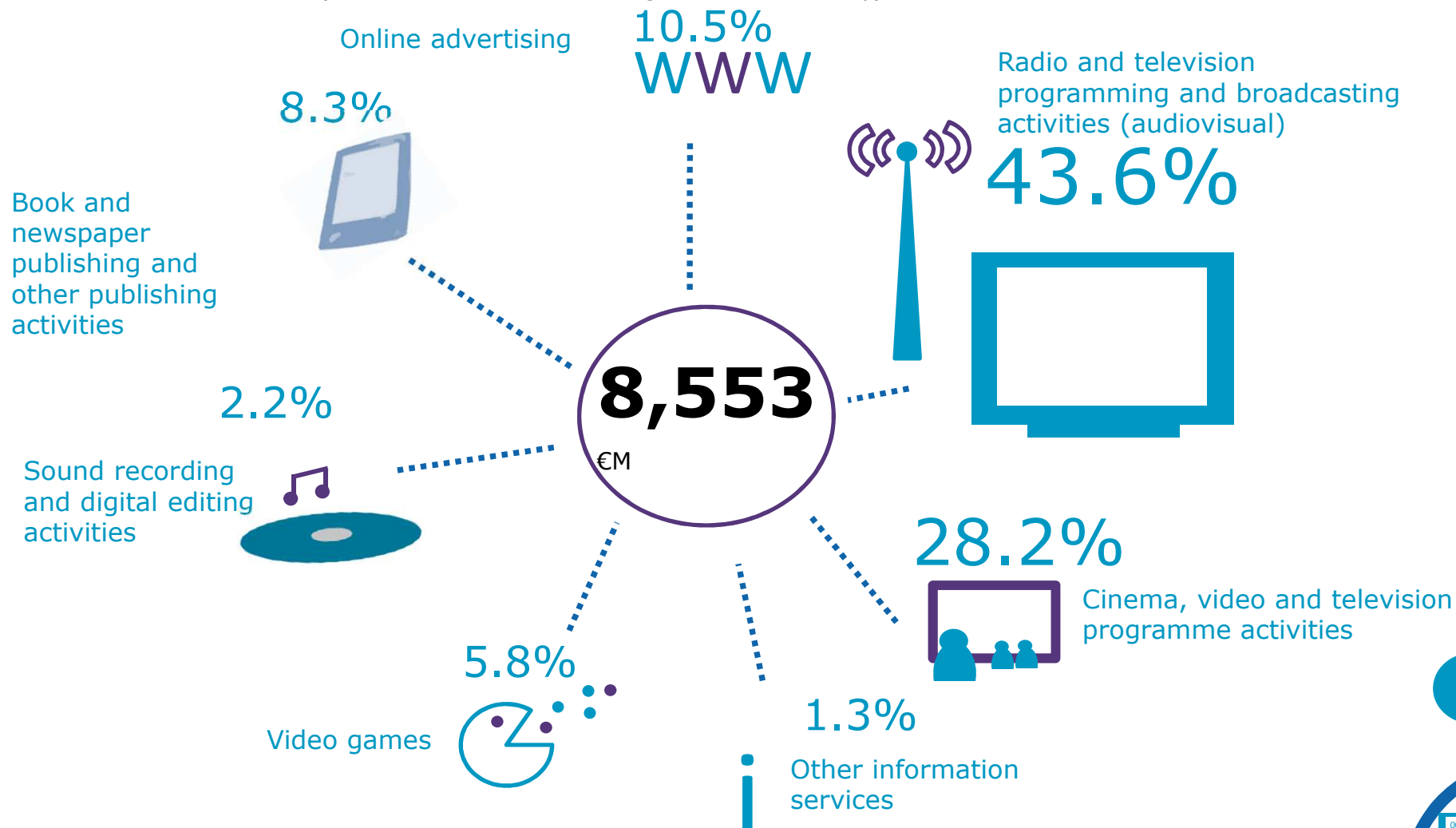
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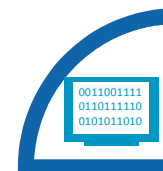
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## Breakdown of sales\* in the digital content industry by sector in 2011

(\*% of the total sales in the digital content industry)



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# In the cinema and video, music and audiovisual sectors **the digitalisation rate is above the average of 52.8%**



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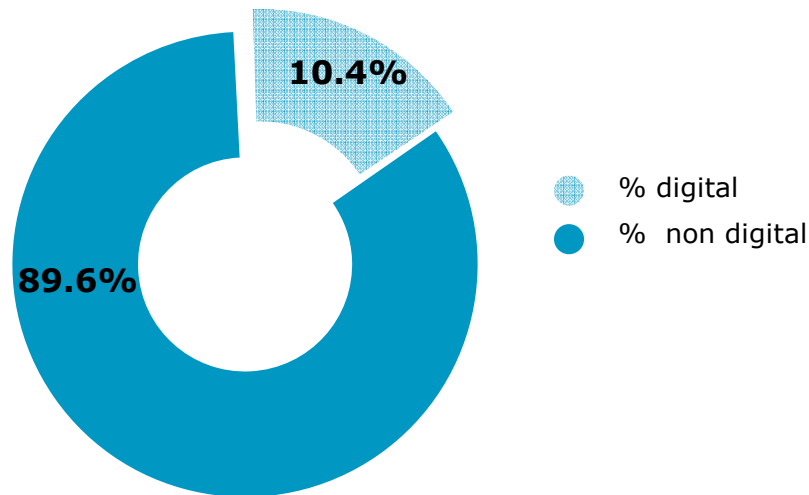


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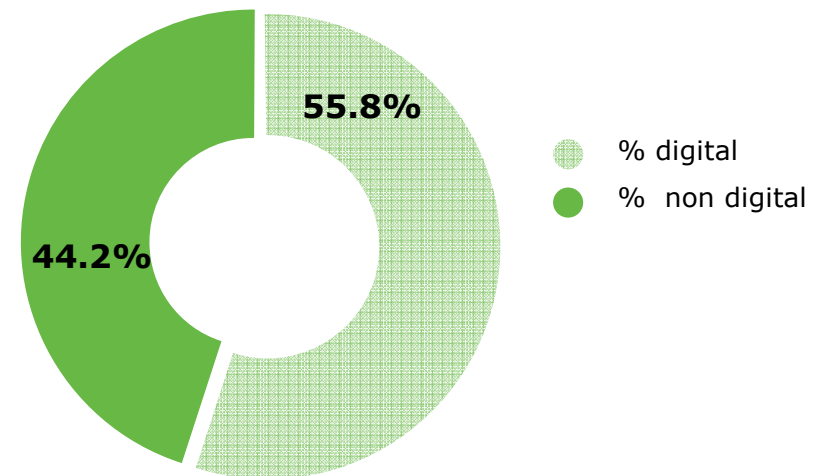
### Digitalisation rate by sector 2011

(% of the total sales for each sector)

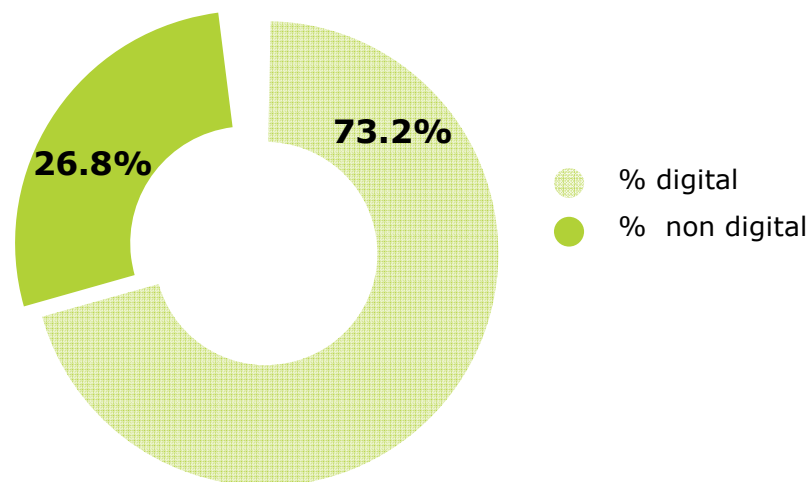
#### Publishing sector



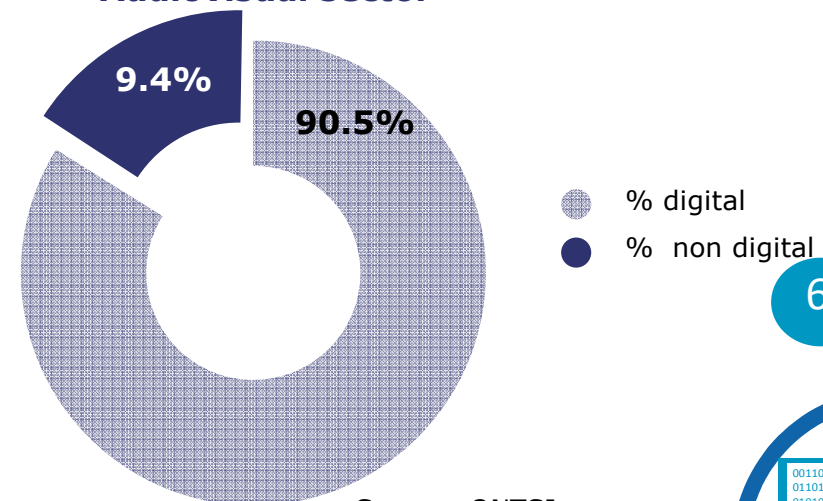
#### Music sector



#### Cinema and video sector



#### Audiovisual sector



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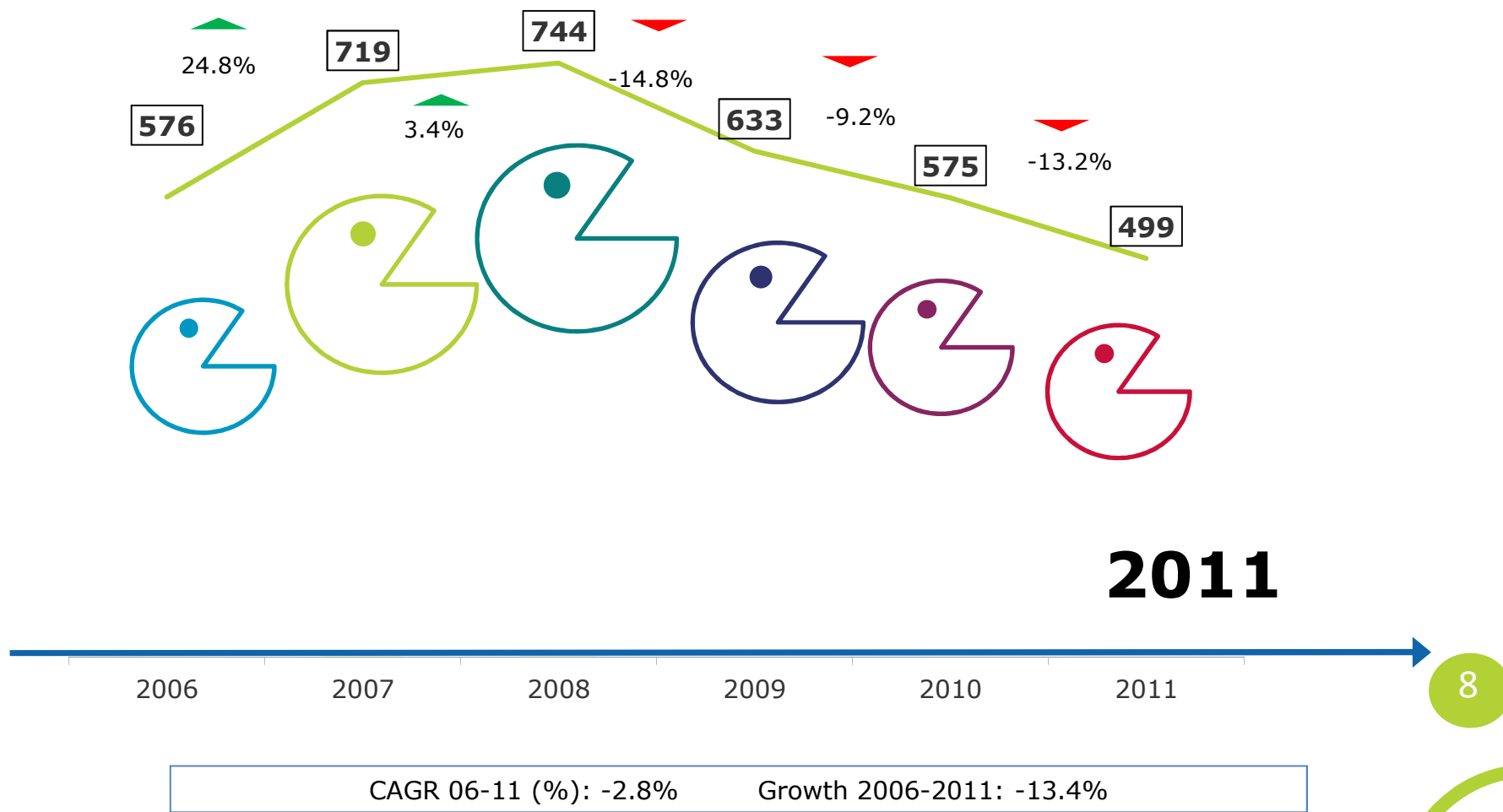
Video games sector



# Sales of video games fell by **13.2%** compared to 2010

Income from sales of video games (software) in Spain: evolution 2006-2011

(and % of income from sales of video games)





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Music sector



# Digital music brought in a sales turnover of €190 million

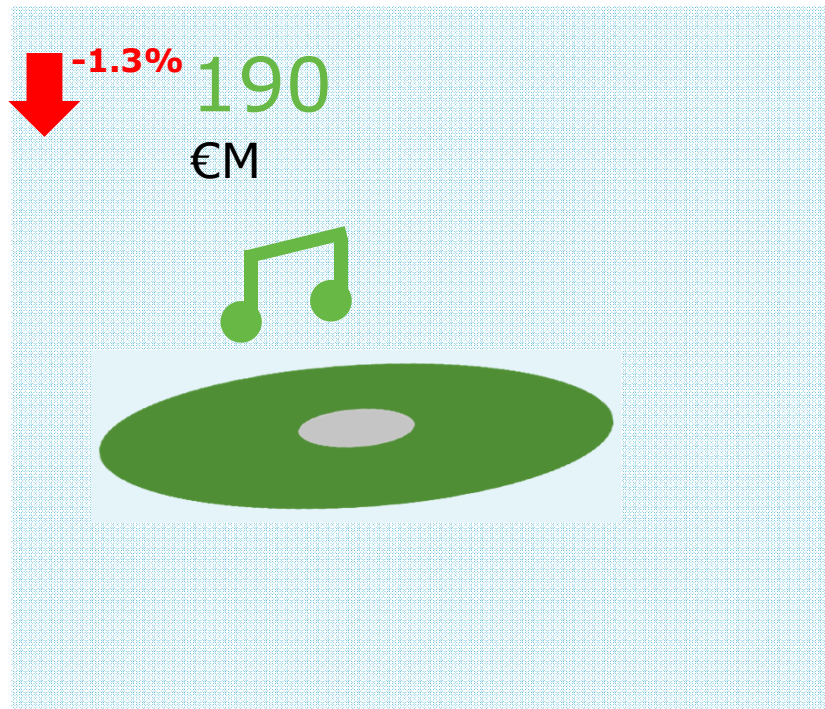


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## 2011



## 2010



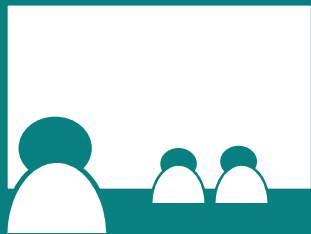
Downloadable music represented 35.6% of all digital business (20.5 percentage points more than in 2010).

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## Cinema and Videos Sector



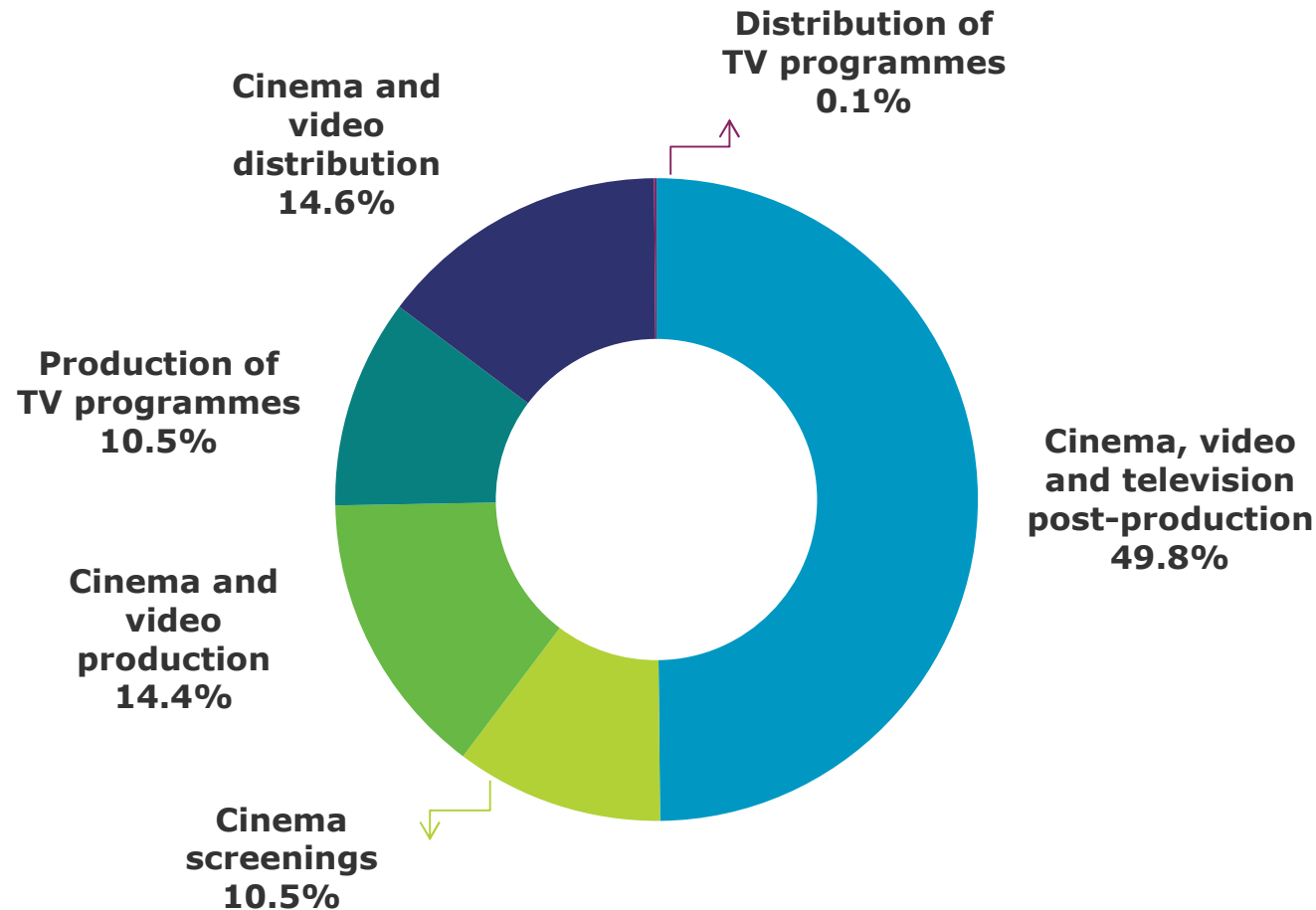
# Digital business sales turnover in the cinema and video sector **reached €2,412 million**



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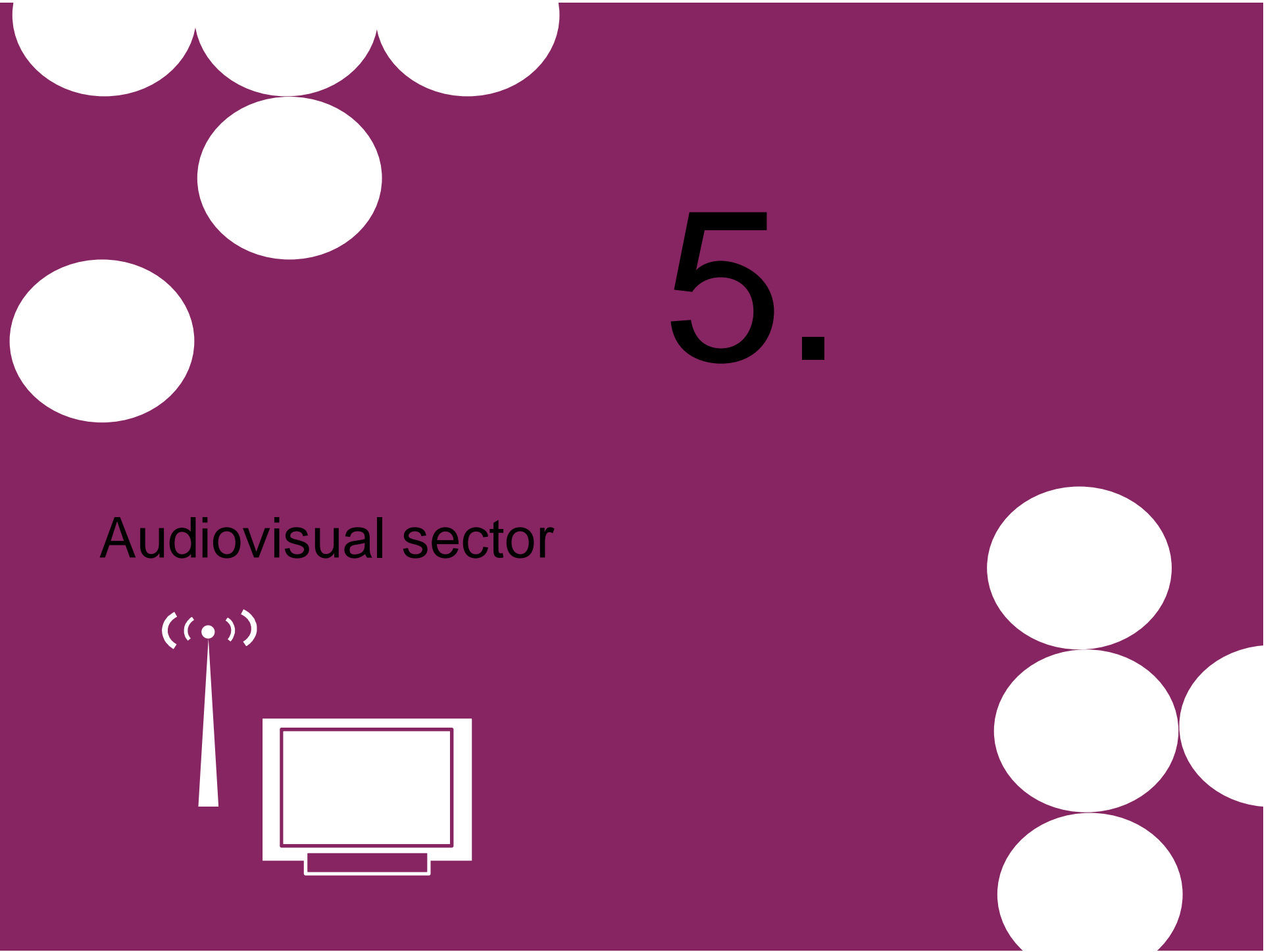


This sector is still second in terms of highest contributions to the total sales, contributing 28.2%.



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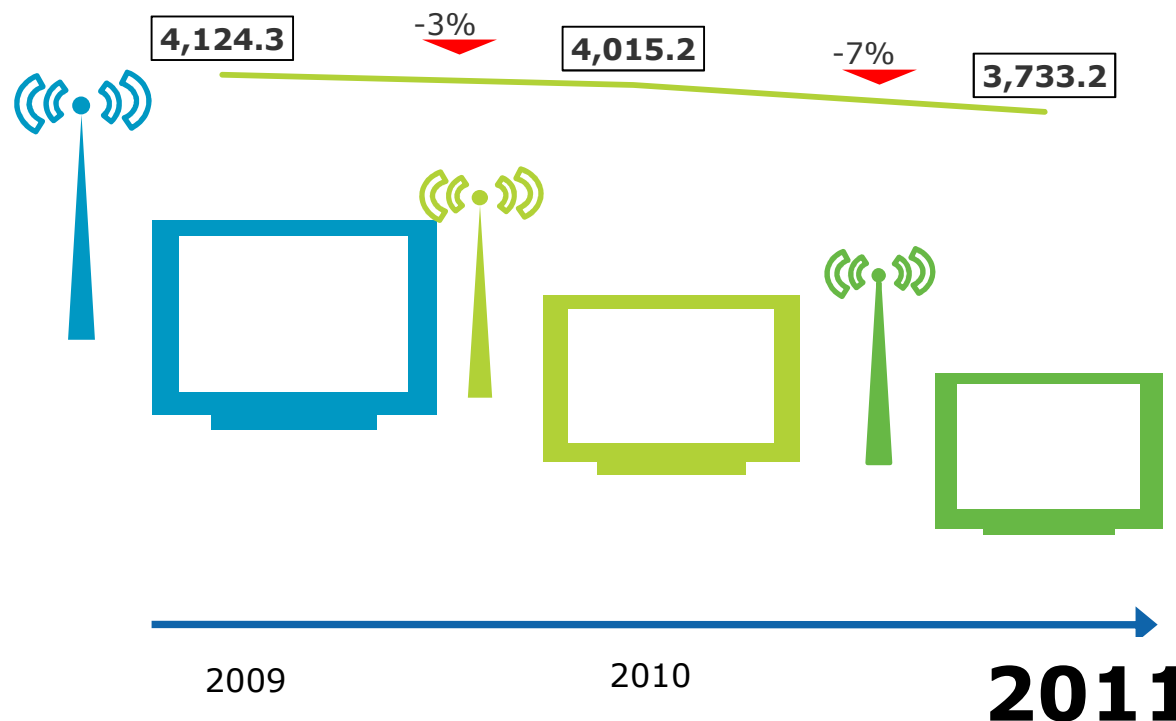
Audiovisual sector



# Sales in television activities reached **€3,733 million**

Income from television activities in the audiovisual sector: 2009-2011 (M €)

In 2011 the audiovisual sector\* was marked by the increase in the number of channels and audience fragmentation spreading over more channels



This decrease in sales was caused by the fall in advertising, which had a direct effect on freeview television

\*For the purposes of calculating the digital sales figure for this sector, this study only takes into account the figure corresponding to television programming and broadcasting, whether paid or freeview, which has been carried out digitally since 2010



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Publishing sector



# Digital business sales\* in the publishing sector **reached €708 million**

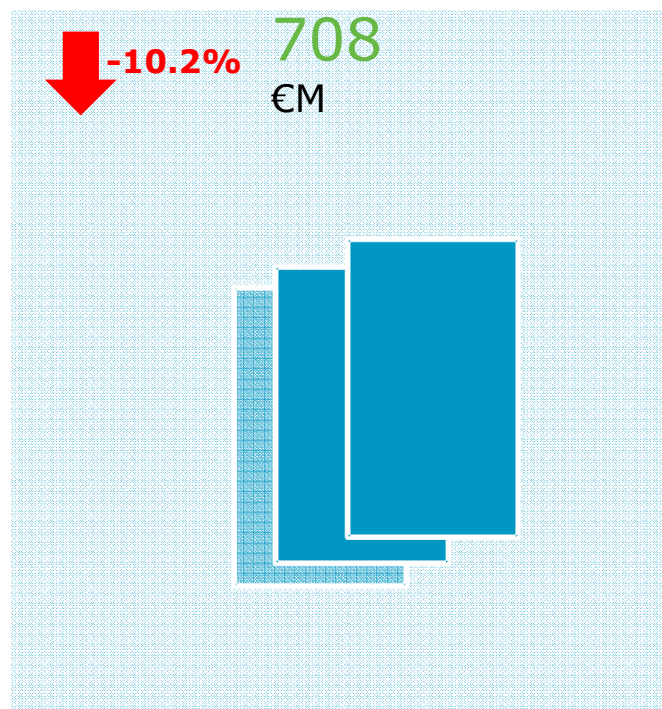


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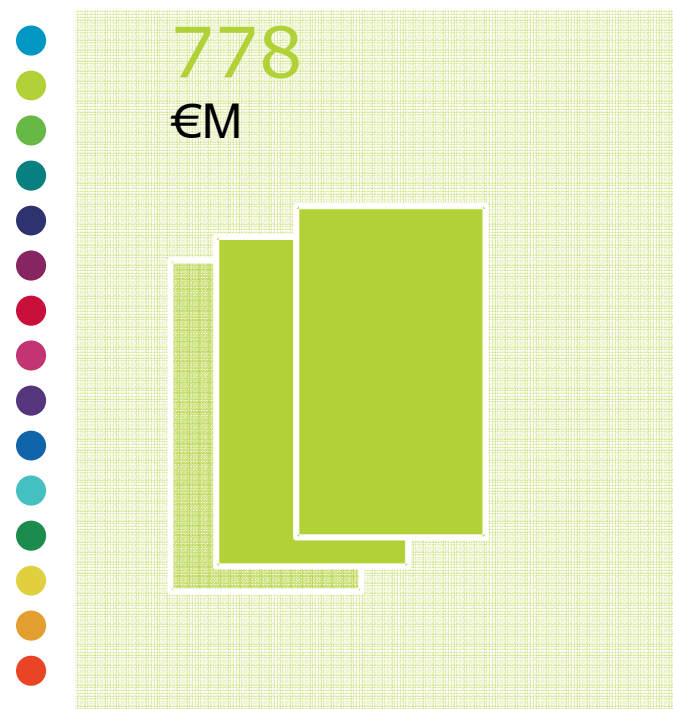


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## 2011



## 2010



According to data from the Observatorio de la Lectura y el Libro (Spanish Reading and Books Observatory) the percentage of digital readers has increased from 48.6% at the beginning of 2010 to 52.7% at the end of 2011

\*Digital publishing in the publishing sector includes: books, phone or address directories and guides, newspapers, magazines and other publishing activities (such as the online versions of catalogues, photographs, illustrations, cards, postcards and posters, prints of artwork, advertising material, other printed material and the publishing of statistics and other information).







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Digital Advertising Sector

WWW



# Investment in Internet advertising rose to €899 million, a growth of 12.6%

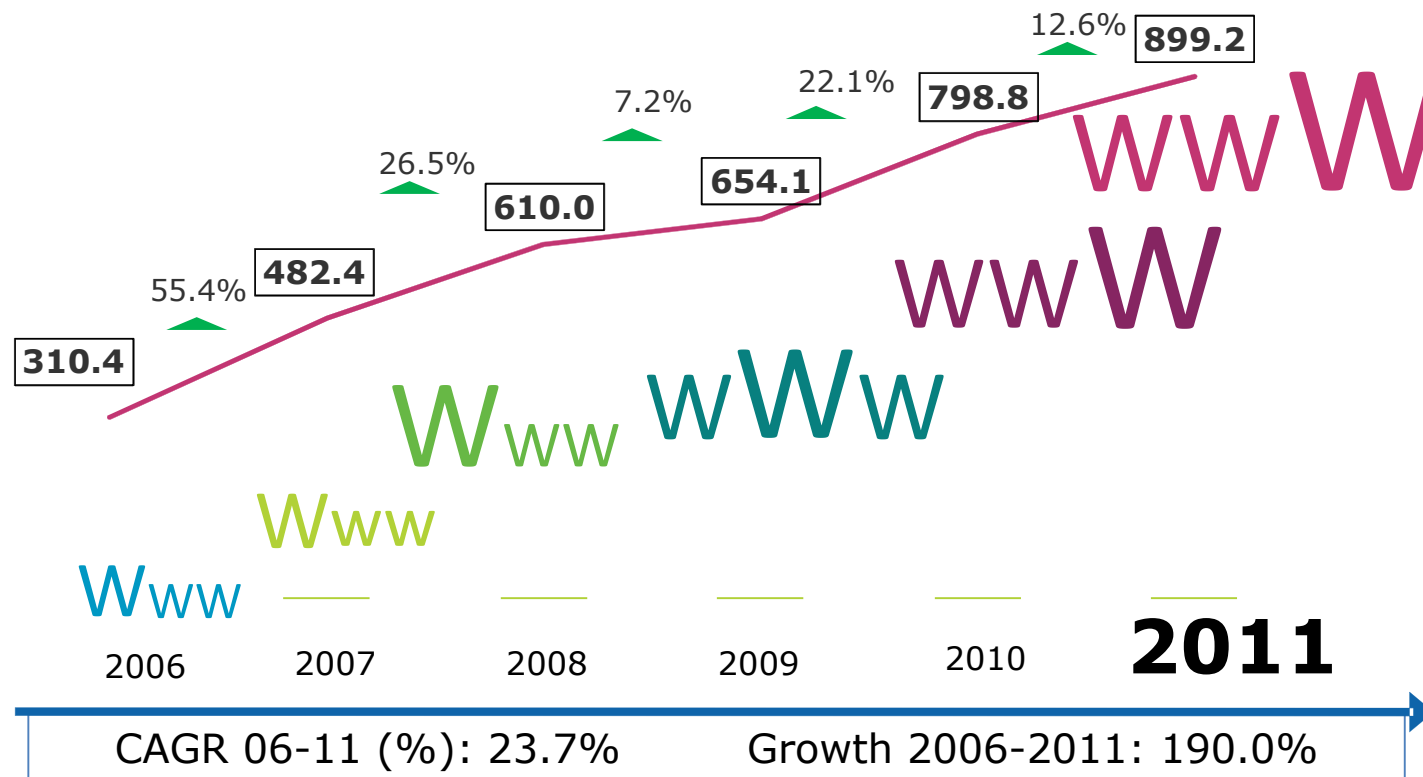


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Investment in Internet advertising is the third highest, behind television and daily newspapers





8.

Driving Digital Content

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# The Digital Agenda for Spain initiative

The development of the Digital Agenda for Spain initiative was led by:

- The Ministry of Industry, Energy and Tourism
- The Ministry of Finance and Public Administrations
- The participation and collaboration of all partners involved.



The Digital Agenda for Europe comes within the Europe 2020 Strategy, drawn up by the European Commission and published in March 2010.



# Driving digital content in Spain



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Objective 2.3 Promoting the production and distribution of digital content over the Internet. Measures:



Designing a Comprehensive Plan for the Digital Content Industry in Spain in 2013.



Simplifying copyright rules for using content digitally.



Simplifying conditions for reusing information from the Public Sector.



Facilitating the development of companies focusing on the creation, production or distribution of digital content.



Developing an Exports and Internationalisation Strategy for the Spanish digital content industry.



Promoting the creation and evolution of codes of conduct for digital content, together with the rest of the partners involved.

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9.

Trends and forecasts



# Trends

The future of the digital content industry in Spain will be marked by the following general trends:

- Rapid development of high-speed networks over the next few years and rollout of fourth generation mobile networks.
- Growing competition in access devices, for mobile telephones as well as for tablets, smart TVs and set top boxes.
- Need to create standards for these new distribution platforms, which will facilitate the development of applications and bring down costs for content providers.
- Content is what matters. The market will revolve around who has the distribution rights and the optimisation model for content distribution.





Thank you very much

