

Product Placement in Europe

A joint report written by Madigan Cluff and Screen Digest



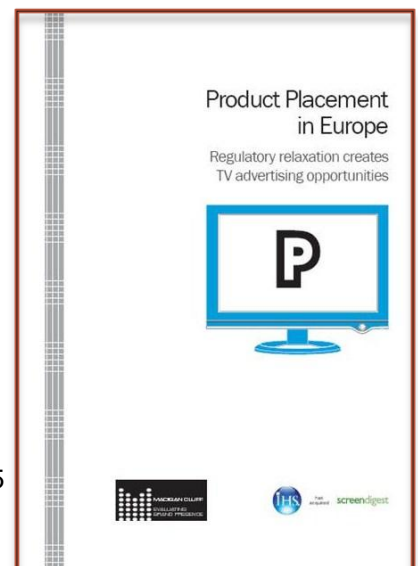
Following the transposition of the EU's Audiovisual Media Services Directive (AVMSD), paid-for product placement on TV has become legal for the first time in nearly all member states. Some broadcasters have taken a pro-active stance in promoting the format to brands and agencies. However, incremental revenue will remain modest (1 per cent of total TV ad revenues within 5 years) in comparison to the US (huge unregulated market). Seizing the opportunities of product placement in Europe will depend on the development new business models and interpretation of local guidelines

Highlights:

- Product Placement transposed into national law in nearly all EU member states
- ITV, TF1, ProSiebenSat.1, RTL, TV3 Sweden in particular have been pushing product placement in their respective markets
- Broadcasters whose programming portfolio is to a significant part made of in-house productions (soaps, talk shows, entertainment) have the greatest chances to monetise product placement opportunities
- Business models for Product Placement still need to be defined and will vary greatly across national markets
- In most markets, Product Placement will contribute to 1 per cent of total TV advertising revenues by 2015
- Germany has the biggest potential for Product Placement until 2015 in terms of absolute incremental revenue (€50m)

In this report:

- Product Placement has been legalised across Europe
- Leading broadcasters are talking role of innovators
- Trading practices not established yet
- Product Placement is new tool in 360 branding campaigns
- Soaps, talk-shows, in-house drama offer greatest opportunities
- No viewer backlash has scuppered opportunities
- Prop-placement remains as competitor
- Digital post-production insertion of products can reduce lead-time
- Product Placement to account for 1 per cent of TV ad revenues by 2015



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LIST Countries Covered:

France
Germany
Italy
Sweden
UK

LIST Companies Covered:

ITV
BSkyB
TF1
M6
TV3 Sweden
RAI
Mediaset
ProSiebenSat.1
RTL Mediengruppe Deutschland
ARD
ZDF

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Copies of the report can be purchased from Screen Digest (www.screndigest.com) at a price of £995

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