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## TELEVISION WITHOUT FRONTIERS

### GREEN PAPER ON THE ESTABLISHMENT OF THE COMMON MARKET FOR BROADCASTING, ESPECIALLY BY SATELLITE AND CABLE

(Communication from the Commission to the Council)

Annex

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## Number of radio and television sets in the Community as at 31 December 1982

	I Radio	II Television	III Combined radio/television <sup>1</sup>
Belgium <sup>4</sup>	4 596 365	1 020 044 1 943 082 <sup>3</sup>	
Denmark	115 800		1 886 300
Germany	2 926 935		21 835 778
France	18 260 000 <sup>2</sup>	7 187 474 9 771 758 <sup>3</sup>	
Greece <sup>2</sup>	3 250 000	1 700 000 <sup>1</sup>	
Ireland	1 315 000 <sup>2</sup>	276 875 419 951 <sup>3</sup>	
Italy	390 000		13 760 000
Luxembourg <sup>2</sup>	225 000	91 000 <sup>1</sup>	
Netherlands	181 652		4 366 921
United Kingdom	41 000 000 <sup>2</sup>	4 122 230 14 795 024 <sup>3</sup>	

NB. Aggregation of columns I and III and of columns II and III gives respectively:

- the total number of radio sets: 98 463 451, and
- the total number of reported television sets: 83 176 437.

<sup>1</sup>Including colour television.

<sup>2</sup>Estimates (no reporting requirement).

<sup>3</sup>Colour television (not included in the figure on the previous line).

<sup>4</sup>As at 1 January 1982.

Source: EBU Review, No 2, March 1983, p. 60.

## Present TV overspill in Europe

Austria	German, Swiss, Italian.
Belgium	RTL, German, Dutch, French. British on the coast. All boosted by CATV operators.
Denmark	Southern third covered by German, Northern half by Swedish and some Norwegian.
Finland	Swedish, Russian, and Norwegian in Northern parts. (STL taken on cable).
France	RTL, Belgian in the North; TMC and Italian in the South; German in East.
Germany	In frontier regions only, RTL, French, Belgian, Danish, Austrian and East German.
Greece	-
Iceland	-
Ireland	British and Northern Irish.
Italy	Border areas only, Swiss, Austrian, TMC and French.
Luxembourg	Total penetration, Belgian, French and German.
Netherlands	Belgian, German, French, Danish. British on the coast. CATV not allowed to boost broadcasts from one area to another.
Norway	Swedish, Danish in the Southern part (STL taken on cable).
Portugal	Spanish in frontier regions.
Spain	French and Portuguese in frontier regions only.
Sweden	Norwegian, Finnish; Danish in South.
Switzerland	German, French, Italian (STL taken on cable).
United Kingdom	Irish in Ulster and Wales.

Source: New Communications Developments, A manual by The European Association of Advertising Agencies, Brussels, November 1983, p. 17 (Annex 6).

Origin of films shown on television 1981

Country of showing	Country of origin													
	Belgium		France		Germany		Italy		United Kingdom		USA		Other	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Belgium RTEF			160	48.8	15	4.3	24	6.8	12	3.4	107	30	11	4.9
BRT			11	6.25	7	3.98	4	2.28	24	13.64	104	59.10	26	14.17
France <sup>1</sup>	-	-			4	2.29	8	4.59	12	6.89	140	80.45	10	5.74
Germany <sup>2</sup>	-	-	48	11.79			15	3.68	26	6.38	221	54.29	93	22.85
United Kingdom <sup>3</sup>	-	-	6	1.14	2	0.38	6	1.14			491	93.70	20	3.81

<sup>1</sup>TF 1, FR 3; figures broken down by country of origin not available for A2.  
<sup>2</sup>ARD, ZDF; the ZDF figures include the first half of 1982; co-productions classified according to the first-named country of origin.  
<sup>3</sup>BBC only.

Source: Working Group 3 of the European Conference on Audio-visual Cooperation, 1983.

Number of persons employed on a permanent basis by broadcasting  
organizations in 1981

BRT	2 617
RTBF	2 562
BRF	35
DR	3 113
ARD	18 000
ZDF	3 500
TF 1	1 219 <sup>1</sup>
A 2	Not available
FR 3	Not available
ERT 1	2 078
ERT 2	Not available
RTE	2 300
RAI	13 531 <sup>2</sup>
RTL	1 820 <sup>1</sup>
NOS + other	
Broadcasting organizations	5 724
BBC	27 942
ITV	18 350

<sup>1</sup> This figure does not include the 138 individuals working for the joint services of TF 1, A 2, SFP, INA, etc.

<sup>2</sup> Including those employed at the external offices in Belgium, Germany and France.

Operating results of broadcasting and television organizations  
in 1981 or 1982

	National currency	ECU
Belgium	BFR 9,25 m	202 m
Denmark	DKR 1,34 m	184 m
Germany	ARD: DM 3,9 m ZDF: DM 1,2 m	1 719 m 529 m
France	FF 7,8 m of which TF1: FF 1,6 m	1 145 m
Greece	DR 6 000 m	80 m
Ireland	IRL 50 m	69 m
Italy	RAI: LTT 1 143.100 m	850 m
Luxembourg	CLT: LFR 8.280 m <sup>1</sup>	180 m
Netherlands	HFL 768 m	302 m
United Kingdom	BBC: UKL 602 m ITV: UKL 680 m	1 032 m 1 166 m
Total	-	7 438 m

<sup>1</sup> Results for 1982.

Radio and television licence fees in the Community in 1983

(a) In national currency

		Annual licence fees per household				
		Radio	Television		Combined licence fee	
			Black/white	Colour	Black/white	Colour
Belgium	(BFR)	708	2 688	4 200		3 625 <sup>2</sup>
Denmark	(DKR)	154			640	1 080
Germany	(DM) <sup>1</sup>	62.60		134.40		195
France	(FF)	-	311	471		
Greece	(DR)	No broadcasting licence fee, but extra charge included on electricity bill				
Ireland	(IRL)	-	27	45		
Italy	(LIT) <sup>1</sup>	3 630			42 680	78 910
Luxembourg	(LFR)	No broadcasting licence fee				
Netherlands	(HFL)	45				153
United Kingdom	(UKL) <sup>3</sup>	-	15	46		

<sup>1</sup> Since 1 July 1983.

<sup>2</sup> Average combined fee for cable radio and television; independent of the broadcasting licence fee.

<sup>3</sup> As at 31 December 1982.



(b) In European Currency Units (ECU)

	Annual licence fees per household				
	Radio	Television		Combined licence fee	
		Black/white	Colour	Black/white	Colour
Belgium	15.47	58.74	91.78		79.22
Denmark	18.91			78.58	132.61
Germany					85.97
France		45.65	69.13		
Greece	No broadcasting licence fee, but extra charge included on electricity bill				
Ireland		37.48	62.47		
Italy	2.7			31.74	58.68
Luxembourg	No broadcasting licence fee				
Netherlands	17.7				60.21
United Kingdom		25.71	78.84		

(c) Total licence fee for radio and colour television

	National currency	ECU
Belgium	4 908 BFR	107.25
Denmark	1 080 DKR	132.61
Germany	195 DM	85.97
France	471 FF	69.13
Greece	Extra charge included on electricity bill	
Ireland	45 IRL	62.47
Italy	78 910 LIT	58.68
Luxembourg	-	
Netherlands	153 HFL	60.21
United Kingdom	46 UKL	78.84
Average I <sup>1</sup>	-	81.9
Average II <sup>2</sup>	-	77.33

<sup>1</sup> Total cost of licence fees divided by number of countries surveyed.

<sup>2</sup> Average weighted by number of sets (Annex 1).

## Advertising expenditure in Europe in US\$ million

Countries	Total Ad.Exp. (1982)	% of GNP (1982)	TV Ad. Expenditure (1981)	Households with TV (million) (1981)
Austria	312	0.40	88	2.6
Belgium	415	0.69	(36)**	2.7
Denmark	567	1.00	—	2.0
Finland	768	1.82	63	1.3
France	3,620	0.85	460	15.0
Germany	5,224	0.83	515	22.0
Greece	119	0.32	61	2.6
Iceland	18	0.96	3.3	0.07
Ireland	145	0.83	36	0.7
Italy	1,333	0.40	428	17.6
Luxembourg	80	0.25	***	—
Netherlands	1,839	1.30	104	4.8
Norway	467*	0.80	—	1.3
Portugal	70*	0.30	40	2.7
Spain	1,346	1.00	381	9.8
Sweden	1,165	1.50	—	3.2
Switzerland	1261	1.30	113	1.9
United Kingdom	4,696	1.34*	1,452	18.0

\*1981 figures

\*\*Estimated expenditure on Luxembourg's RTL

\*\*\* See Belgium

Source: New Communications Developments, A manual by The European Association of Advertising Agencies, Brussels, November 1983, p. 14 (Annex 3).

*Note some countries do not include press production and other expenditure of a similar type in their figures.*

## European broadcasting bodies taking commercials

Countries	TV			Radio		
	National		Regional	National		Regional
Austria	yes		—	yes		yes
Belgium	—	no <sup>1</sup>	—	—	no	—
Denmark	—	no	—	—	no	—
Finland	yes		—	—	no	—
France	yes		yes <sup>2</sup>		no	
Germany	yes		yes <sup>3</sup>	—		yes <sup>5</sup>
Greece	yes		—	yes		yes
Iceland	yes		—	yes		—
Ireland	yes		—	yes		yes <sup>6</sup>
Italy	yes		yes	yes		yes
Luxembourg	yes		—	yes		—
Netherlands	yes		—	yes		no <sup>7</sup>
Norway	—	no	—	—	no	—
Portugal	yes		—	yes		?
Spain	yes		yes	yes		yes
Sweden	—	no	—	—	no	—
Switzerland		yes <sup>4</sup>			no <sup>8</sup>	
United Kingdom	yes		yes	no		yes

1. Enabling legislation was passed in July 1983 to permit RTBF, the French-speaking TV channel, to carry 'non-commercial' advertising.
2. FR3 is regional but does not receive regional advertisements as yet. RTL provides regional coverage of the North, and TMC of the South of France.
3. ARD II, the wholly regional broadcaster, does not carry advertisements, but ARD I provides regional advertising during its scheduling.
4. Switzerland has national broadcasts in the three official languages therefore providing regional coverage.
5. Except for the radio station serving Cologne.
6. Pirate radio stations (about 50).
7. Advertising on local radio planned.
8. Advertising on local radio to be introduced soon.

Source: New Communications Developments, A manual by The European Association of Advertising Agencies, Brussels, November 1983, p. 15 (Annex 4).

## TV advertising in Europe

Source: New Communications Developments, A manual by The European Association of Advertising Agencies, Brussels, November 1983, p. 16 (Annex 5), and information obtained from broadcasting corporations.

Countries	TV Channels	Maximum Ad. Air-time per day in minutes	Ad. Revenue as % of broadcasting income (1981 figures)
Austria	ORF I ORF II	20	42%
Belgium	RTBF I & II BRT I & II	'Non-commercial' advertising began January 1984 None	
Denmark	Radio Denmark	None	
Finland	MTV/YLE I MTV/YLE II	16 9	80% 80%
France (1)	TF1 A2 FR3	24 24 10	61% 53% 13%
Germany (2)	ZDF ARD I ARD II	20 20 (regional, no ads)	40% 30% -
Greece	ERT 1 ERT 2	30 45	22% 25%
Iceland	Ríkisutvarpid-Sjonvarp	16.4 (average)	33.7%
Ireland	RTE I RTE II	58 25	48%
Italy	RAI I RAI II RAI III Private Broadcasting Stations	28 28 - 15% per hour	23.8% 23.8% - 100%
Luxembourg	RTL (French) (covers north of France and Belgium) RTL-Plus (German)	68 68	100% 100%
Netherlands (3)	Channel I Channel II	18 18	25% (1981) (Air-time to increase)
Norway	NRK	None	
Portugal	RTP I RTP II	90 45	43% 43%
Spain	TVE I TVE II Regional channels with advertising for Catalonia and the Basque country introduced 1983.	57 42	74% 74%
Sweden	STV I STV II	None None	
Switzerland	SRG (German) SRG (French) SRG (Italian)	20 20 20	35% 35% 35%
United Kingdom	BBC I & II ITV Channel 4	None 90 50	- 100% 100%

(1) 1983

(2) 1982

(3) 1984

Broadcasting: Advertising expenditure in 1981

	<u>National currency</u>	<u>ECU</u>
Belgium	BFR 1651 m	36.1 m
Denmark	-	-
Germany (1982) <sup>1</sup>	DM 2 201.6 m	970.6 m
France (1980)	FF 1 678 m	246.3 m
Greece	DR 2 436 m	32.3 m
Ireland (1979) <sup>2</sup>	IRL 41.2 m	46.2 m
Italy	LIT 577 000 m	429.4 m
Luxembourg	-	-
Netherlands	HFL 276 m	108.6 m
United Kingdom	UKL 823 m	1410.6 m
Community	-	3279.3 m

Source: Journal of Advertising 1983, Vol. 2, pp. 73-91.

<sup>1</sup> Edition ZAW, Werbung '83, pp. 167 and 172.

<sup>2</sup> Starch Intra Hooper, World Advertising Expenditures, 1980 Edition, pp.43-44.

Advertising expenditure in Member States and in the USA and shares  
accounted for by various advertising media, 1970-1981

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- Sources:
1. David S. Dunbar, J. Walter Thompson Company Ltd.,  
Trends in Total Advertising Expenditure in 16  
Countries, 1970-1981, Journal of Advertising 1983,  
Vol. 2, pp. 73-91.
  
  2. J. Walter Thompson Company Ltd., Unilever,  
International Co-ordination Group,  
Trends in Total Advertising Expenditure in 29  
countries, 1970-1980, Journal of Advertising 1982,  
Vol. 1, pp. 57-88.



## BELGIUM

It should be noted that these figures are a discontinuous series; since 1977 they include production costs, so that, to make comparisons, the pre-1976 figures need to be increased by +/- 10 per cent.

In 1981, total estimated advertising expenditure recorded its smallest increase in money terms (0.5 per cent), and its largest fall in constant media prices (- 6 per cent) in the last 11 years. The trend was, however, almost in line with the behaviour of GNP, so that, as a percentage of GNP, the figure was only slightly down from 1980.

In 1981, the press overall accounted for 73 per cent of total; down by 2 points compared with the preceding year, all of the loss occurred in magazines. It seems that television, after growing very slowly over the years, may at last be making an impact, with a 1.5 point gain in 1981. All of this is placed with RTL (Radio Television Luxembourg), a peripheral Station which does not give full coverage of the Belgian market. The possible introduction of Belgian commercial channels in 1983 is likely to accelerate television's growth.

Outdoor advertising in Belgium has the highest share of the total advertising budget of any European country. Over the last few years its importance has been declining slowly, but in 1981 it recovered somewhat.

## Notes

- (a) Figures include agency commissions.  
 (b) Production costs are excluded for 1970-1976, included for 1977-1979.

	Total expenditure in million Francs			Distribution of total expenditure by media: % of total					Index of media rates (11)	
	At current prices (1)	As % of GNP (2)	At constant prices (3)	Press Newspapers (5)	Magazines (6)	Television (7)	Radio (8)	Cinema (9)		Outdoor/transport (10)
1970	6150	0.60	NA	45.7	30.2	0.1	1.3	1.6	21.1	NA
1971	6430	0.58	NA	44.0	31.3	0.2	1.4	1.7	21.5	NA
1972	6970	0.55	NA	42.3	33.0	0.3	1.1	2.4	20.8	NA
1973	7280	0.50	7280	41.7	32.6	0.5	1.2	2.3	21.6	100
1974	7670	0.45	6670	43.8	30.7	1.4	1.0	2.1	20.9	115
1975	7720	0.41	5320	43.7	30.1	2.3	0.2	2.2	21.4	145
1976	8650	0.41	5805	43.4	29.1	3.6	0.3	2.4	21.1	149
1977	11890	0.51	6680	44.8	31.6	6.7	0.3	1.4	15.1	178
1978	13050	0.53	7290	45.0	30.4	7.3	0.3	1.6	15.4	179
1979	15140	0.57	7650	45.2	30.0	7.6	0.3	1.3	14.7	198
1980	16430	0.59	7570	42.6	32.5	8.2	0.3	1.8	14.6	217
1981	16507	0.57	7115	42.5	30.3	9.8	0.2	1.6	15.6	232

Sources: 1970-1976 — Credacp; 1977 — Advertising Audit Services; Column 11 — CACP.

DENMARK

It should be noted that the next five-yearly inquiry will not be carried out until 1982, with results published in 1983.

Information for Denmark is extremely limited (see notes). Total expenditure in money terms in 1978 was twice as high as in 1973; it had also risen as a percentage of GNP. (At constant consumer prices, the increase in 1978 was 18 per cent.)

In the absence of television and radio advertising, the media situation is very stable, with only minor variations between 1973 and 1978. Newspapers are the dominant medium. (The five-yearly surveys show that the 'classic' media — press, cinema and outdoor — accounted for 59 per cent of total advertising expenditure in 1973 and 63 per cent in 1978; the remainder is attributed mainly to direct mail, as well as to exhibitions, other minor media, agency commissions, production costs and administration.)

Notes

- (a) Figures exclude agency commissions and production costs.
- (b) Surveys of expenditure are carried out every five years only. No index of media rates is produced.
- (c) Television and radio are not available for advertising.

	Total expenditure in million Dkr			Distribution of total expenditure by media: % of total						Index of media rates (11)
	At current prices (1)	As % of GNP (2)	At constant prices (3)	Press Newspapers (5)	Magazines (6)	Television (7)	Radio (8)	Cinema (9)	Outdoor/transport (10)	
1973	1193	0.68	NA	71.8	24.1	-	-	1.6	2.5	NA
1978	2377	0.77	NA	72.3	23.2	-	-	1.3	2.7	NA

Sources: Copenhagen School of Economics and Business Administration; Danish Advertising Association.

## FEDERAL REPUBLIC OF GERMANY

Total estimated advertising expenditure in 1981 was virtually static; with media rates increasing by just under 4 per cent, expenditure at constant media prices fell (for the first time since 1975) by the same amount. This compares with the substantial gains made in 1980.

The media picture in 1981 remained essentially static. Both television and radio continued their slow upward trend of the last three years, due mainly to rate increases. Newspapers and magazines both lost share marginally.

## Notes

Figures exclude agency commission and production costs.

	Total expenditure in million DM			Distribution of total expenditure by media: % of total						Index of media rates (11)
	At current prices (1)	As % of GNP (2)	At constant prices (3)	Press Newspapers (5)    Magazines (6)		Television (7)	Radio (8)	Cinema (9)	Outdoor/transport (10)	
1970	4170	0.62	4170	53.3	23.6	12.6	3.8	1.4	6.3	100
1971	4515	0.60	4220	51.6	23.8	13.9	3.7	1.3	5.7	107
1972	5030	0.61	4660	53.8	23.5	12.6	3.6	1.2	5.3	108
1973	5430	0.59	4600	53.9	22.4	13.6	3.9	1.1	5.1	115
1974	5245	0.53	4260	55.8	19.8	14.0	4.1	1.1	5.2	123
1975	5170	0.54	4175	56.7	18.5	15.5	3.7	1.1	4.5	131
1976	6380	0.57	4870	57.7	20.1	13.5	3.2	1.0	4.5	137
1977	7225	0.61	5430	56.3	22.6	12.3	3.5	0.9	4.4	133
1978	8155	0.63	5780	56.9	21.9	12.2	3.7	0.9	4.4	141
1979	9050	0.64	5700	57.5	21.9	11.4	3.9	1.0	4.3	158
1980	9650	0.64	6070	57.7	21.2	11.6	4.1	1.0	4.4	162
1981	9635	0.62	5800	56.9	20.9	12.1	4.7	1.2	4.2	166

Sources: ZAW, except col. 11 from Gruner & Jahr.

## FRANCE

Total expenditure in money terms in 1980 was nearly 3.5 times the 1970 level. As a percentage of CNP, the figure was rising slowly up to 1973; after a short drop, it returned to previous levels in 1976 and has been very stable since then. 1980's total was 17 per cent up on 1979, ahead of the rate of inflation.

The media structure is largely influenced by television. Although its availability is strictly regulated, its share has grown steadily in the last 10 years, and has now stabilized; most of this growth has been through rate increases above the average for other media. The press has suffered most over the years, newspapers most of all; while magazines' share of the total fell in earlier years, it has now stabilized. Radio, with fewer restrictions than television, has gained; outdoor has also benefited from the development of new presentations for posters.

## Notes

- (a) Figures include agency commission and production costs.  
 (b) No index of media rates is available.

	Total expenditure in million francs			Distribution of total expenditure by media: % of total						Index of media rates (11)
	At current prices (1)	As % of GNP (2)	At constant prices (3)	Press Newspapers (5)	Magazines (6)	Television (7)	Radio (8)	Cinema (9)	Outdoor/transport (10)	
1970	3 630	0.50	-	67.5	12.0	8.0	1.5	11.0		-
1971	4 100	0.51	-	65.0	14.0	9.0	1.0	11.0		-
1972	NA	NA	-	-	-	-	-	-		-
1973	5 200	0.52	-	63.0	15.0	9.0	2.0	11.0		-
1974	NA	NA	-	-	-	-	-	-		-
1975	6 100	0.49	-	58.5	15.7	10.3	1.9	13.6		-
1976	7 275	0.51	-	57.0	16.0	11.0	2.0	14.0		-
1977	8 350	0.51	-	56.5	16.0	11.0	2.0	14.5		-
1978	9 190	0.50	-	56.0	16.5	11.0	2.0	14.5		-
1979	10 650	0.51	-	55.0	17.0	11.5	2.0	14.5		-
1980	12 430	0.51	-	55.0	16.5	11.5	2.0	15.0		-

Source: IRI.P.

## GREECE

Total expenditure has grown very fast; in 1980 it was over six times as large as in 1971. Although media rates have risen rapidly in the last five years, much of the growth in total expenditure is seen to be real, with an increase of one-third since 1975, at constant prices. As a percentage of GNP, expenditure is still at the low end of the scale; after dropping in 1974-1975, it took a strong upward trend, but fell back somewhat in the last two years.

The change from a military government in 1974 undoubtedly stimulated the economy and the advertising business. The media picture has been subject to fairly sudden changes in the past; a degree of stability was evident in 1977 to 1979, but 1980 saw a strong recovery in television's share, at the expense of both newspapers and magazines.

## Notes

- (a) Figures include agency commissions and exclude production costs.  
 (b) No reliable figures are available for cinema and outdoor advertising; they are omitted from the total, although they are used as advertising media.

	Total expenditure in million drachmas			Distribution of total expenditure by media: % of total						Index of media rates (11)
	At current prices (1)	As % of GNP (2)	At constant prices (3)	Press Newspapers (5)	Magazines (6)	Television (7)	Radio (8)	Cinema (9)	Outdoor/transport (10)	
1970		NA		-	-	-	-	NA		-
1971	710	0.24	-	26.9	26.6	31.0	15.5	NA		-
1972	860	0.25	-	25.2	23.3	39.7	11.8	NA		-
1973	1020	0.23	-	19.5	22.0	50.7	7.8	NA		-
1974	1090	0.20	-	23.7	20.8	47.5	8.0	NA		-
1975	1290	0.20	1290	23.9	18.0	51.4	6.7	NA		100
1976	1710	0.25	1430	23.2	18.1	52.6	6.1	NA		120
1977	2120	0.29	1560	29.6	21.8	43.3	5.3	NA		149
1978	3160	0.34	1620	29.4	20.3	46.4	3.9	NA		195
1979	3690	0.30	1600	28.2	20.2	46.9	4.7	NA		230
1980	4350	0.28	1740	25.9	18.1	49.6	6.4	NA		253

Sources: Odigos Demosiotitos, A. C. Nielsen, Metrix and PRO/EMRB Hellas.

ITALY

In 1981, while GDP rose by 17.6 per cent in current terms, and fell by 1.6 per cent in real terms, total estimated advertising expenditure rose by 29 per cent in current terms, and by 9 per cent in real terms. As a percentage of GDP, advertising expenditure in 1981 stood higher than in any year since 1971.

Medium and small firms who have started advertising for the first time have been largely responsible for the increase; larger advertisers tend to maintain budgets in line with media costs.

From a media point of view, much of the increase was due to Private Television's success. By grouping local stations, four private networks with national coverage started in 1981; by May 1982 the four networks were reaching 90 per cent of the 9 million Private TV prime-time audience. (This compares with RAI's 8.8m-audience to Channel 1, and 3.5m to Channel 2.) In 1981, it is reliably estimated that Private TV attracted 225 billion lire of advertising, as against 144bn in 1980, and RAI's 218bn in 1981.

Print media in general were most affected by Private TV's success; this situation will worsen in 1982 as a whole, because of Private TV's continued gains in audience and because of a number of printing strikes.

In 1982, total expenditure is expected to rise again in real terms. In television, expenditure should be around 700bn lire (280 on State TV and 420 on Private TV), accounting for some 36 per cent of the total.

Notes

- (a) Figures include agency commissions, except for national radio and television, and exclude production costs.
- (b) Figures of expenditure in certain media — private television and radio stations and outdoor — are only estimates.

	Total expenditure in thousand million lire			Distribution of total expenditure by media: % of total						Index of media rates (1970=100)
	At current prices (1)	As % of GDP at market prices (2)	At constant prices (3)	Press (4)		Television (7)	Radio (8)	Cinema (9)	Outdoor/transport (10)	
				Newspapers (5)	Magazines (6)					
1970	266	0.42	266	30.0	34.9	12.5	8.3	6.4	7.9	100
1971	272	0.40	259	30.4	33.9	12.7	8.6	6.3	8.1	104.8
1972	286	0.38	267	29.1	35.7	12.2	9.1	6.0	7.9	102.1
1973	338	0.38	274	27.1	37.6	13.7	9.2	5.0	7.4	123.4
1974	366	0.33	250	29.2	34.9	15.4	8.8	4.4	7.3	146.8
1975	396	0.32	241	30.3	31.4	16.1	9.5	4.4	8.3	164.2
1976	476	0.29	273	32.4	31.8	15.4	8.5	3.9	8.0	174.4
1977	583	0.27	289	32.4	30.1	18.0	8.4	3.0	7.9	201.8
1978	698	0.25	272	27.5	29.6	19.6	8.8	2.8	7.7	246.8
1979	851	0.23	273	24.3	31.0	21.5	7.5	2.1	7.3	282.6
1980	1226	0.19	276	27.7	31.4	26.1	6.7	1.9	6.5	342.9
1981	1581	0.41	290	26.5	29.5	29.8	5.7	1.4	6.3	414.0

Sources: I. Res, industry estimates, J. Walter Thompson SPA, Milan.

## NETHERLANDS

The extent of the economic recession caused for the first time a decline in actual advertising expenditure in 1981. Some clients advertised anti-cyclically, but more cut their budgets. Newspapers were particularly badly affected, with a decline in personnel and housing classified as well as in brand advertising. They would have been in a much worse position had it not been for the great increase in retail advertising triggered off by a grocery price war.

The government controlling body for broadcast advertising, the STER, has already increased the available transmission time on radio by 60 per cent in 1982. Advertising time on TV will also be doubled over the next seven years in gradual steps (beginning in 1984).

The outlook for 1982 is gloomy: a further decline is expected, at current as well as constant prices.

## Notes

- (a) Figures include agency commission and production costs from 1975; up to 1974 production costs were excluded for the press figures only, but included for other media.  
 (b) Press figures exclude trade press.  
 (c) The index of media rates includes press, television and radio only.

	Total expenditure in million Florins			Distribution of total expenditure by media: % of total						Index of media rates (11)
	At current prices (1)	As % of GNP (2)	At constant prices (3)	Press Newspapers (5)	Press Magazines (6)	Television (7)	Radio (8)	Cinema (9)	Outdoor/transport (10)	
1970	1026	0.97	1026	61.1	18.4	11.6	3.4	0.5	5.0	100
1971	1084	0.91	1042	61.6	18.5	11.8	2.7	0.6	4.8	104
1972	1127	0.83	1044	61.5	19.3	11.7	2.1	0.6	4.8	108
1973	1264	0.82	1062	62.3	18.8	11.0	1.9	0.6	5.4	110
1974	1463	0.86	1084	65.6	16.7	11.0	1.2	0.6	4.9	125
1975	1932	1.04	1323	69.9	15.4	8.3	0.9	0.6	4.9	146
1976	2079	0.95	1333	68.0	16.1	7.8	1.0	0.6	6.5	151
1977	2312	1.06	1486	66.3	17.2	7.2	0.9	0.6	7.8	157
1978	2857	1.12	1528	66.8	17.2	6.9	1.0	0.7	7.4	157
1979	3096	1.14	1580	66.7	17.0	6.9	1.0	0.6	7.8	158
1980	3266	0.99	1552	65.5	17.2	7.2	1.0	0.6	8.5	201
1981	3102	NA	1379	64.0	17.6	7.8	1.1	0.6	8.9	201

Sources: Admedia to 1980; BBC and VEA from 1981.

UNITED KINGDOM

Total expenditure in money terms rose by 10.3 per cent in 1981. However, at constant media prices (rates having risen by around 17 per cent in the year), 'real' expenditure fell by 7 per cent, the largest fall since the oil-crisis years of 1974-1975. As a percentage of GNP, on the other hand, expenditure again rose fractionally (GNP fell quite sharply in the year).

Retail advertising expenditure rose by 12 per cent over 1980, compared with a below-average increase of 9 per cent for manufacturers' consumer advertising. This was probably a major factor in keeping up the growth in national newspaper display advertising, up by 12 per cent, compared with only 4 per cent for magazines. On the other hand, classified advertising continued to lag behind (+ 5 per cent only), and actually fell in national newspapers: employment advertising was heavily down on 1980.

Television increased its share of the total again, reaching its highest level yet. The increase was real, with expenditure rising by 17 per cent, and rates by a comparatively modest 14 per cent. Press rates rose by 20 per cent, with particularly high increases in national and regional newspapers; as a result, there was a real volume loss in press advertising.

Note

Figures include agency commissions and production costs.

	Total expenditure in £ millions			Distribution of total expenditure by media: % of total					Index of media rates (11)	
	At current prices (1)	As % of GNP (2)	At constant prices (3)	Press Newspapers (5)	Magazines (6)	Television (7)	Radio (8)	Cinema (9)		Outdoor/transport (10)
1970	554	1.27	554	49.5	22.7	22.6	0.2	1.1	4.0	100
1971	591	1.20	544	48.5	22.2	24.7	0.2	1.0	3.9	109
1972	708	1.28	608	49.3	21.0	24.9	0.1	1.0	3.7	116
1973	874	1.36	716	51.4	20.0	24.0	0.2	0.8	3.5	122
1974	900	1.21	667	52.1	20.0	22.6	0.7	0.9	3.8	135
1975	967	1.03	565	49.6	20.6	24.4	1.0	0.7	3.6	171
1976	1188	1.07	557	47.6	20.5	25.8	1.5	0.7	3.6	200
1977	1499	1.19	604	46.5	21.0	26.6	1.7	0.6	3.6	208
1978	1814	1.27	645	46.0	21.4	26.3	1.9	0.7	3.7	254
1979	2137	1.30	651	47.8	22.6	22.0	2.4	0.8	4.4	228
1980	2555	1.32	628	45.2	20.7	27.1	2.1	0.7	4.2	408
1981	2818	1.34	586	44.5	20.0	28.7	2.1	0.6	4.1	482

Sources: The Advertising Association, London



