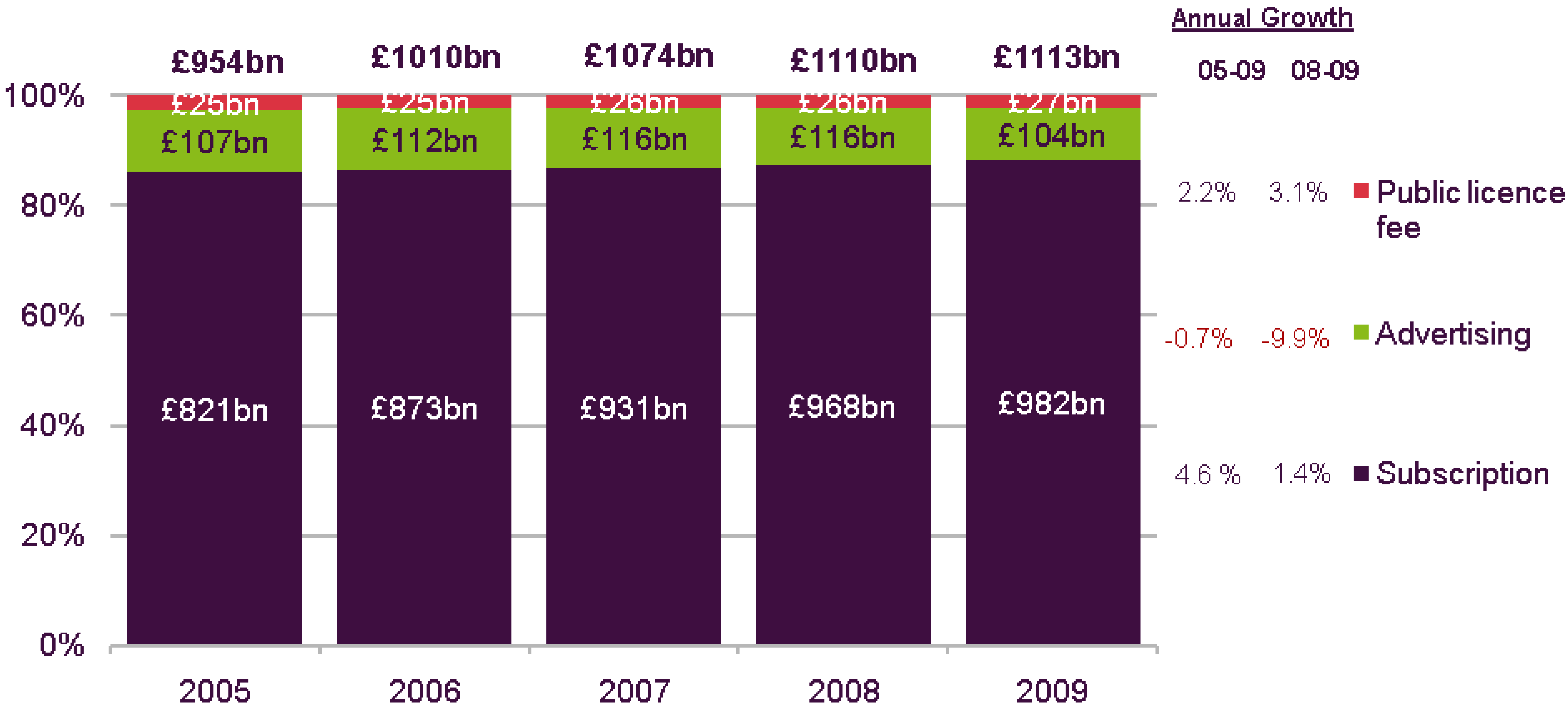
Figure 1.1

Global communications revenues

Source: Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook for television and radio. IDATE / industry data / Ofcom for US and UK TV revenues and all telecoms revenues. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of $1.5643 to the GBP, representing the IMF average for 2009. Note: Net TV advertising revenues for Russia have been calculated by discounting 15% of TV advertising spending to remove agency fees and production costs.

Figure 1.2

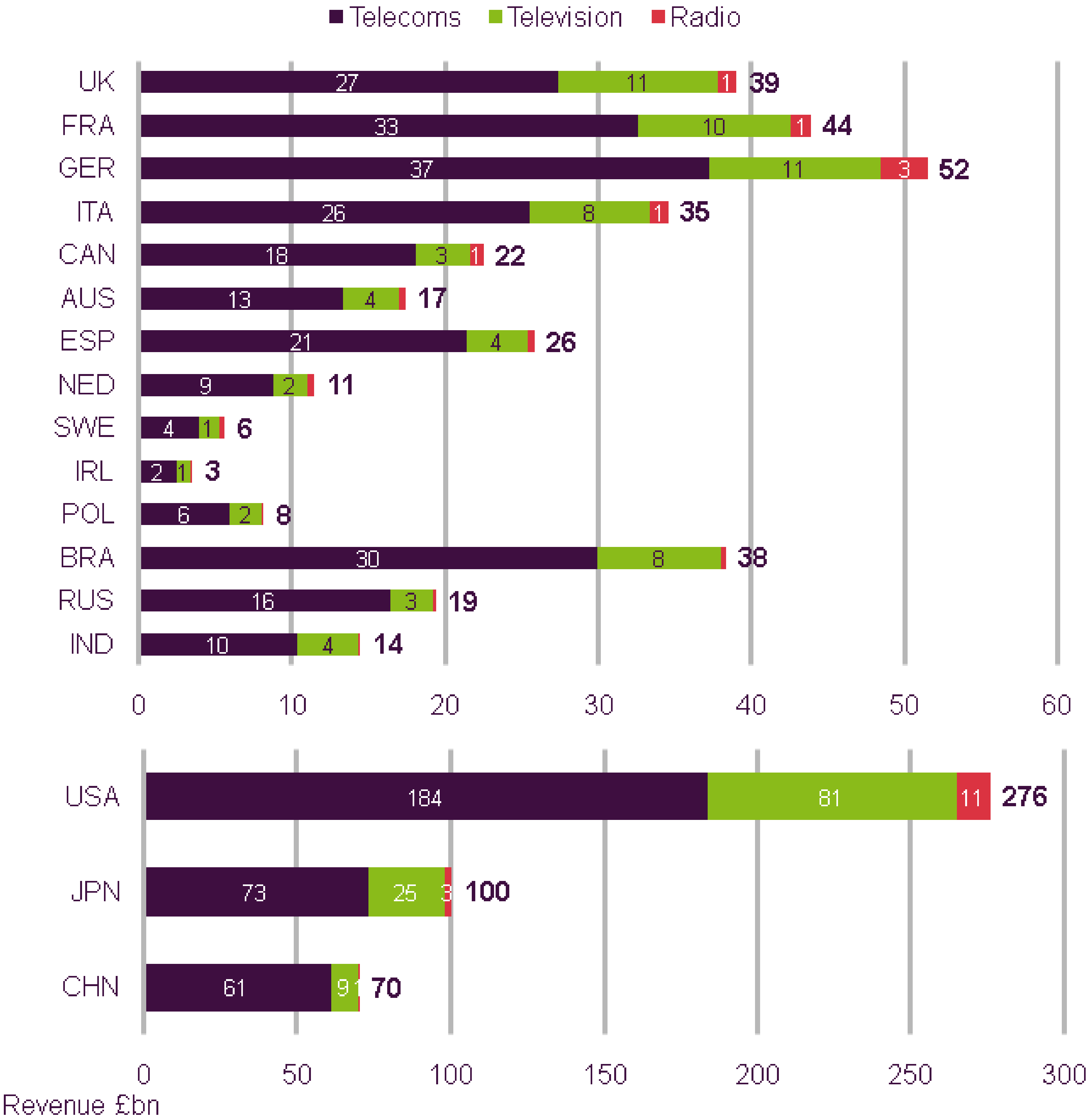
Source of global revenues for telecoms, radio and TV services



Source: Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook for television and radio. IDATE / industry data / Ofcom for US and UK TV revenues and all telecoms revenues. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of $1.5643 to the GBP, representing the IMF average for 2009. Note: Net TV advertising revenues for Russia have been calculated by discounting 15% of TV advertising spending to remove agency fees and production costs. All telecoms revenues have been allocated as subscription revenues.

Figure 1.3

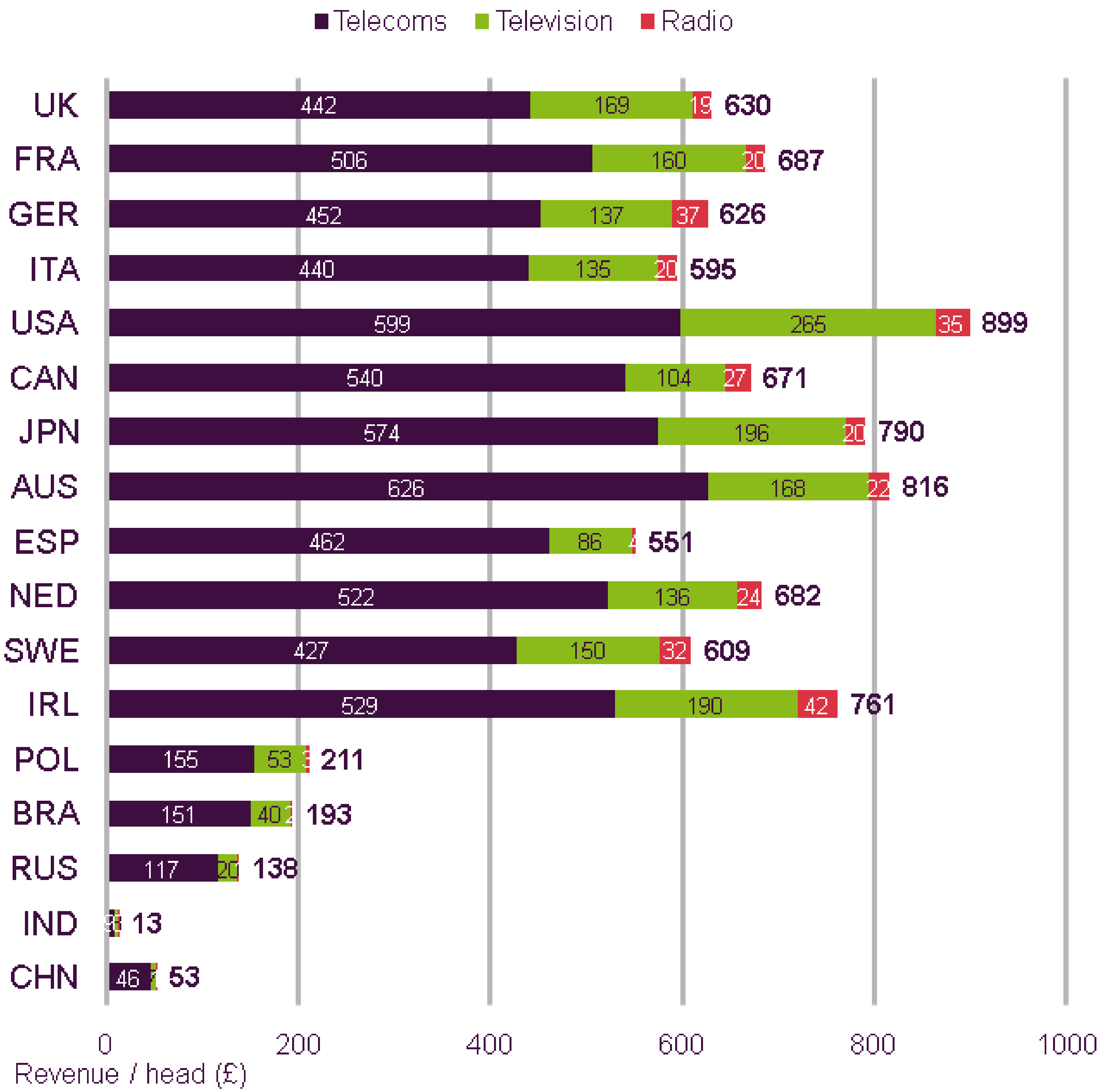
Communications sector revenues in 2009



Source: Ofcom analysis based on Ofcom / IDATE data for telecommunications/TV and Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook for radio. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of $1.5643 to the GBP, representing the IMF average for 2009. Notes: Telecoms revenue excludes revenue from narrowband internet and corporate data services and broadband revenues for BRA, RUS, IND and CHN.

Figure 1.4

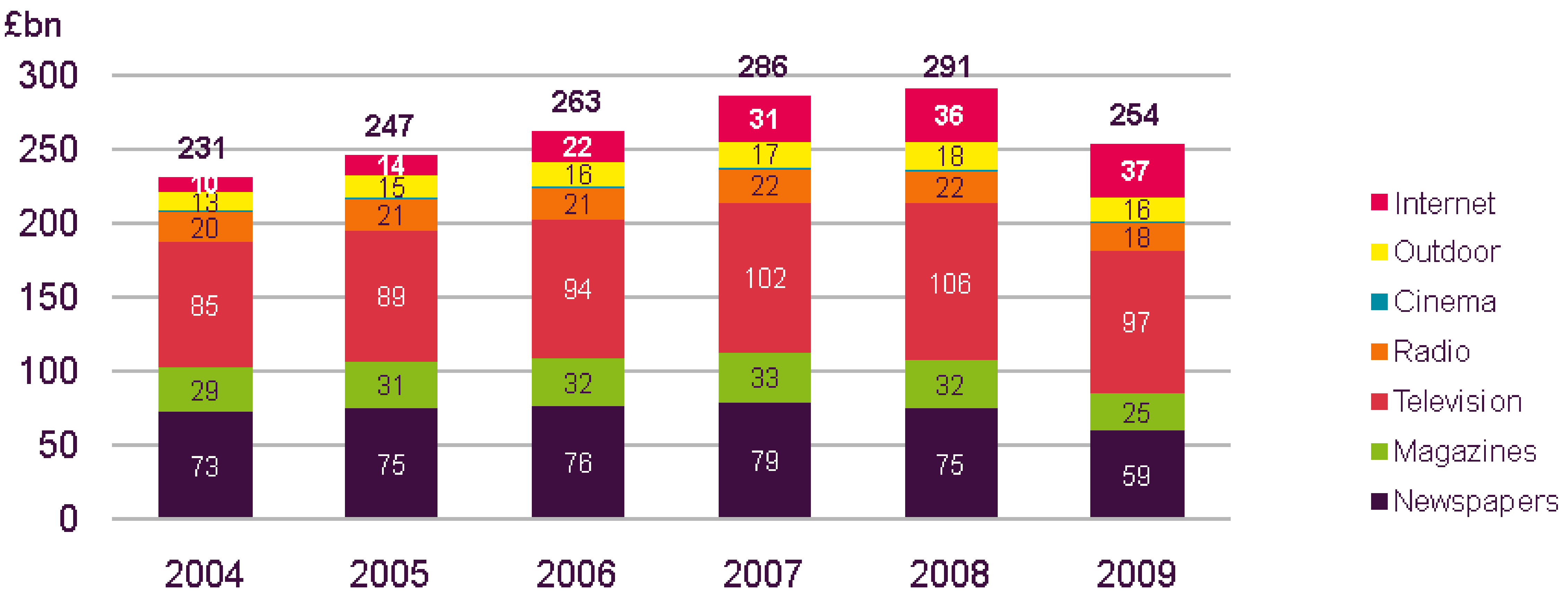
Communications sector revenues per head in 2009



Source: Ofcom analysis based on Ofcom / IDATE data for telecommunications/TV and Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook for radio. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of $1.5643 to the GBP, representing the IMF average for 2009. Notes: Telecoms revenue excludes revenue from narrowband internet and corporate data services and broadband revenues for BRA, RUS, IND and CHN

Figure 1.5

Global advertising expenditure by source



Source: Warc data (www.warc.com). Ofcom calculations.

Figure 1.6

Global advertising expenditure growth rates

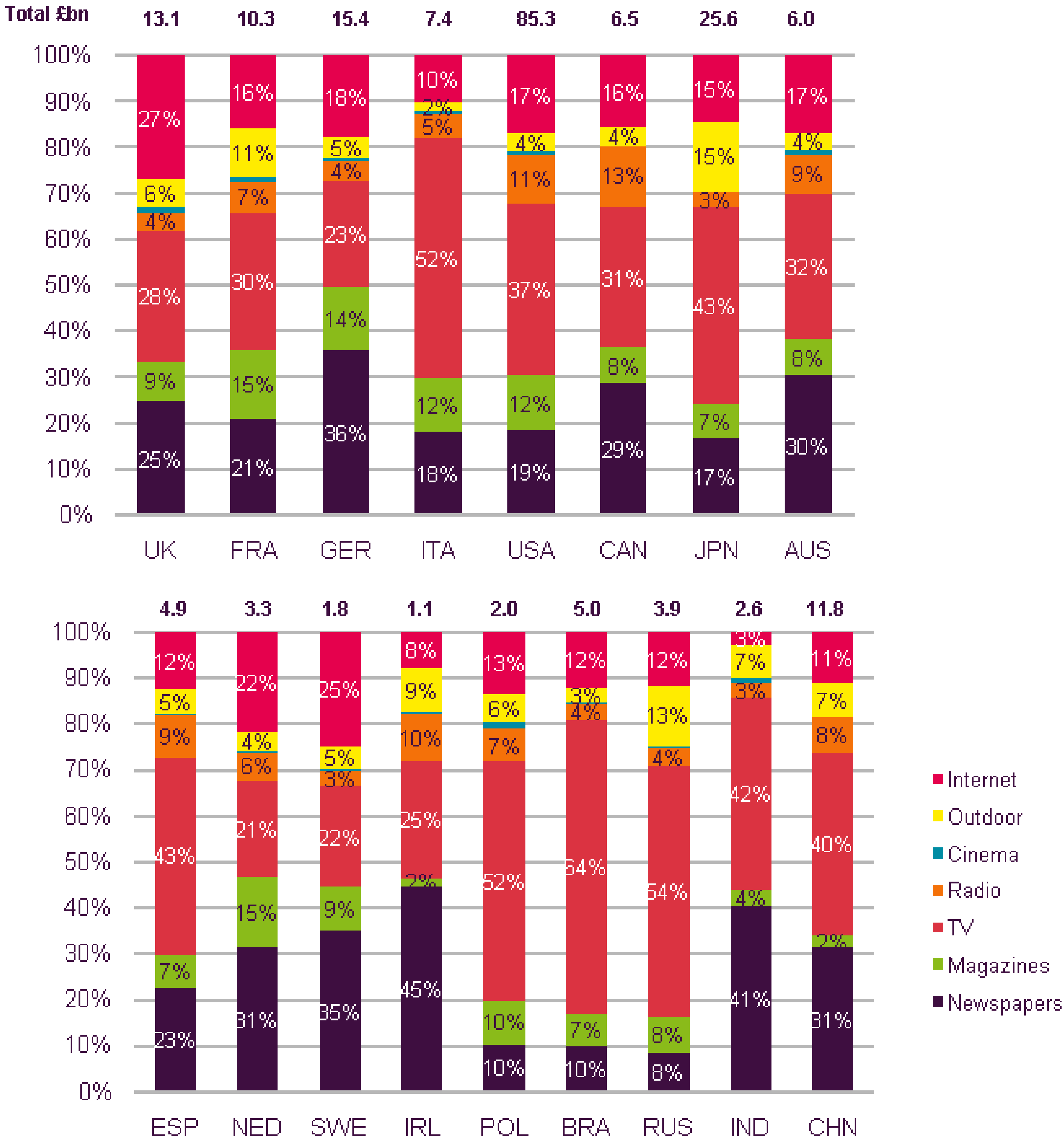
	Total advertising	Newspapers	Magazines	Television	Radio	Cinema	Outdoor	Internet
2004-2008 CAGR	+5.9%	+0.6%	+2.3%	+5.8%	+1.7%	+7.2%	+8.6%	+38.7%
2008-2009 annual growth	-12.8%	-20.5%	-21.6%	-9.0%	-14.8%	-6.4%	-13.3%	+1.1%
2004-2009 CAGR	+1.9%	-4.0%	-3.0%	+2.7%	-1.8%	+4.4%	+3.8%	+30.2%

Source:Warc data (www.warc.com), Ofcom calculations

Figure 1.7

2009 advertising expenditure analysis

Proportion of total advertising expenditure

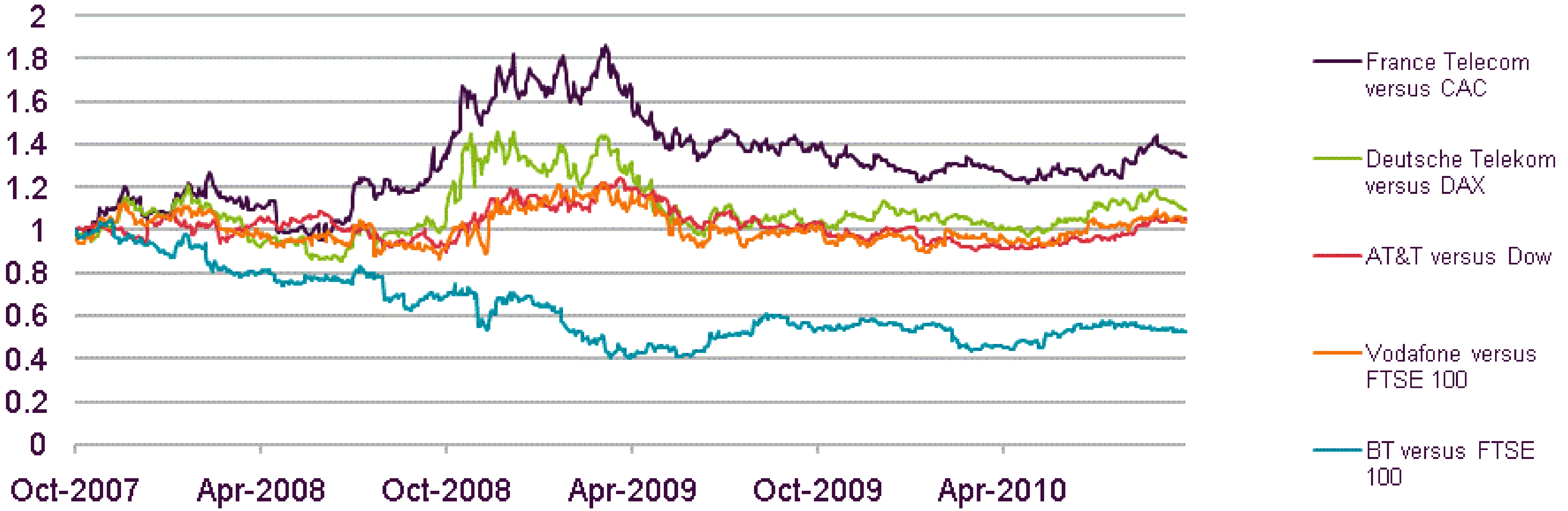


Source: Warc data (www.warc.com), Ofcom calculations. Note: Excludes expenditure on cinema advertising in CAN, JPN and CHN

Figure 1.8

Three year share price performance of selected telecoms operators against the wider market

1 October 2007 = 1

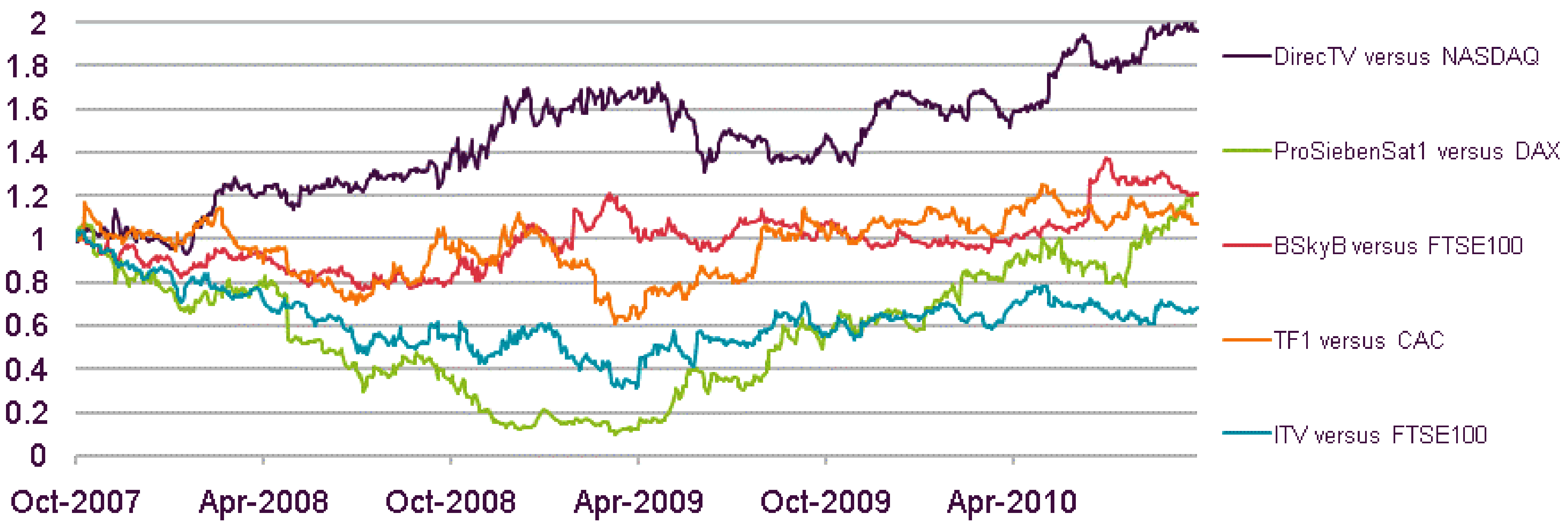


Source: Data from Yahoo! Finance, Ofcom calculations and analysis .Share price performance of companies is against relevant national market rather than the other companies in the chart

Figure 1.9

Three year share price performance of selected broadcasters against the wider market

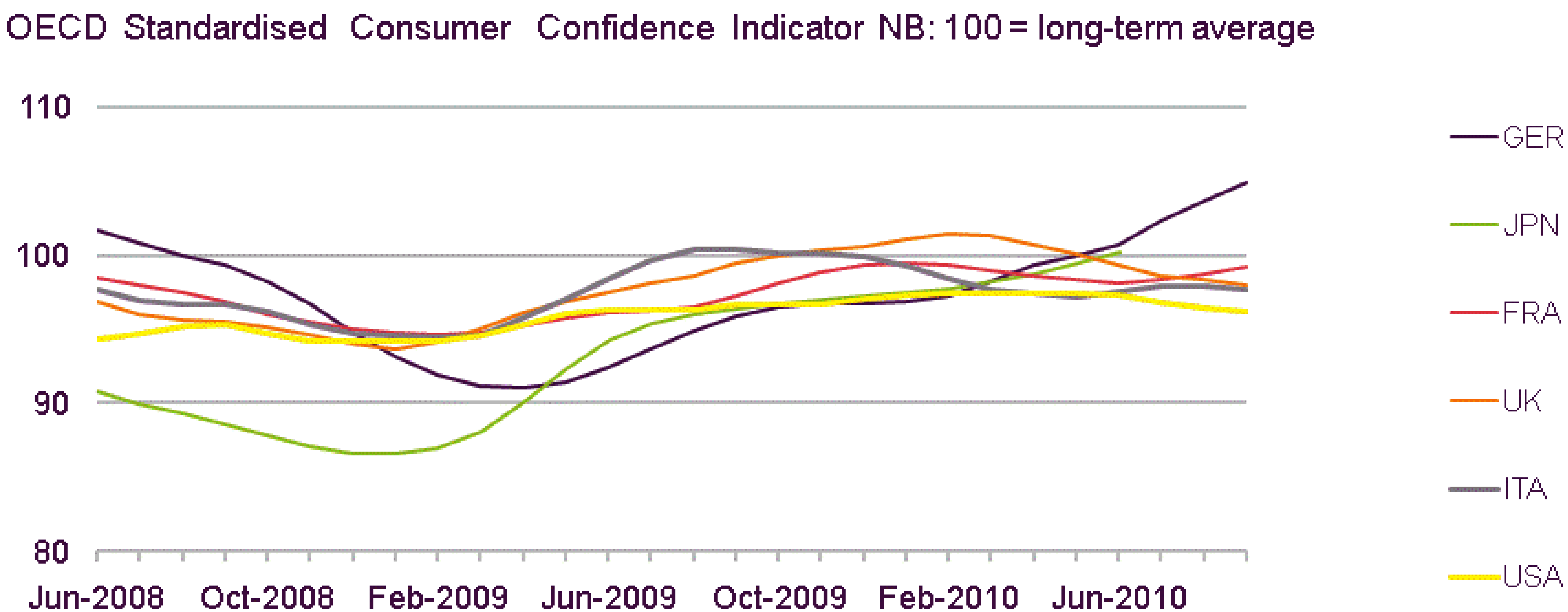
1 October 2007 = 1



Source: Data from Yahoo! Finance, Ofcom calculations and analysis. Share price performance of companies is against relevant national market rather than the other companies in the chart

Figure 1.10

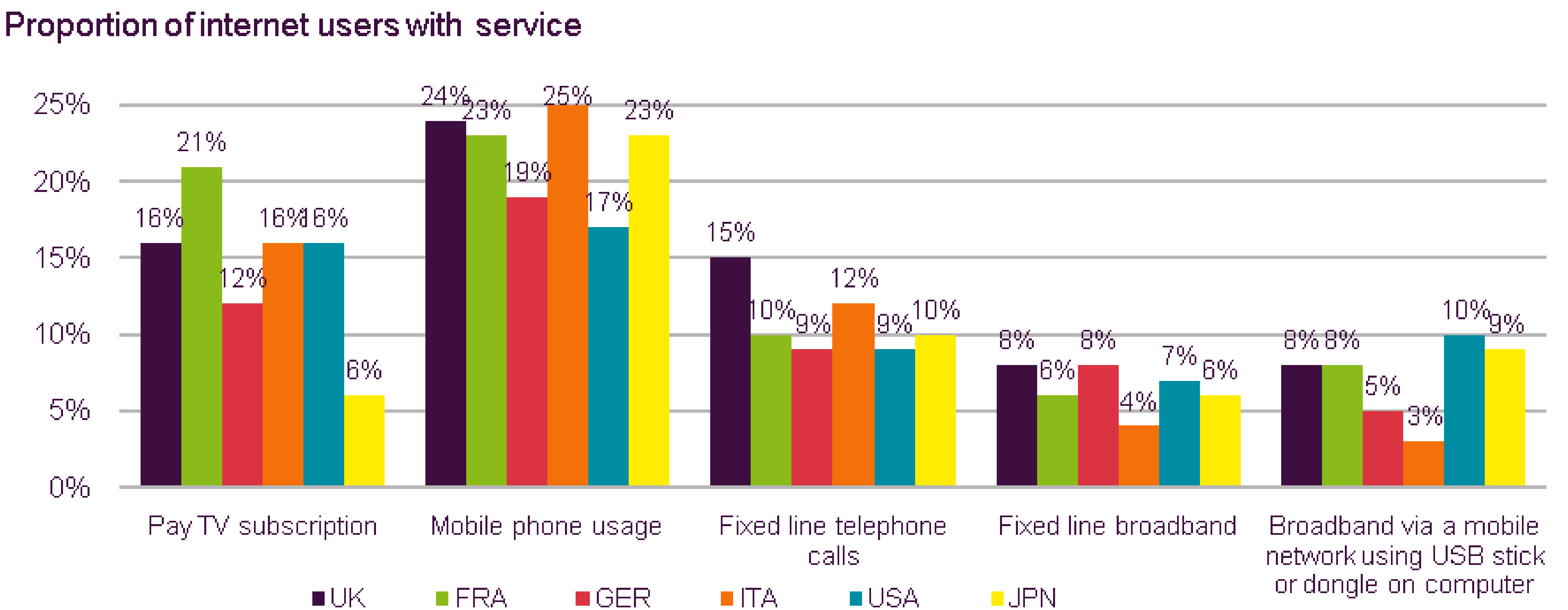
Consumer confidence



Source: Data from OECD http://stats.oecd.org/index.aspx?queryid=299 [Accessed October 2010]), Ofcom analysis

Figure 1.11

Reduction in expenditure on communications services over past 12 months by communications service subscribers

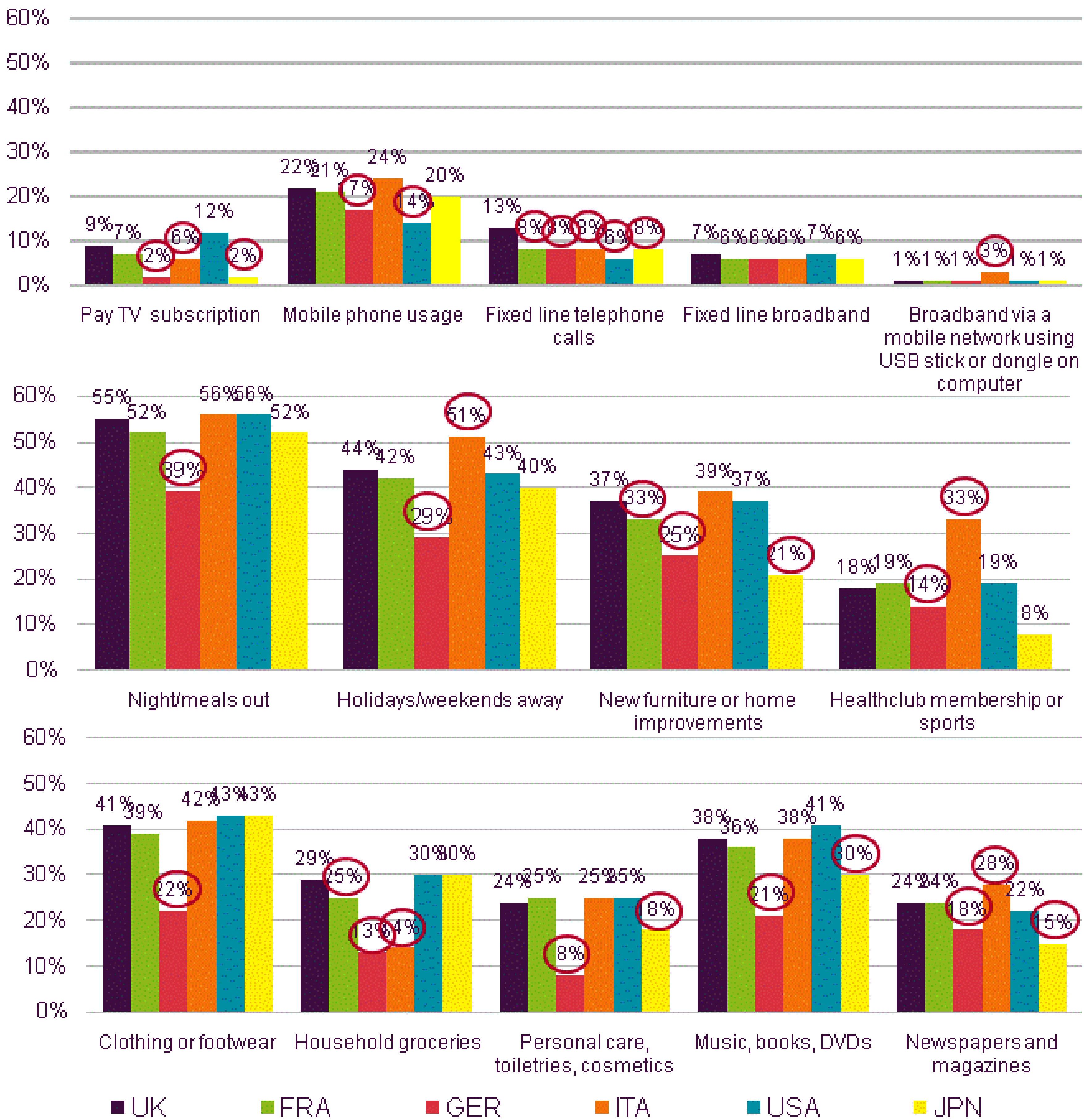


Source: Ofcom Consumer Research October 2010 Base: Those respondents who take service. Total sample size: UK=1016, France=1017, Germany=1014, Italy=1002, US=1017, Japan=1001 Q: Over the past twelve months have you decreased the amount of money you spend on any of the following things?

Figure 1.12

Reduction in expenditure on goods and services in the previous 12 months by internet users

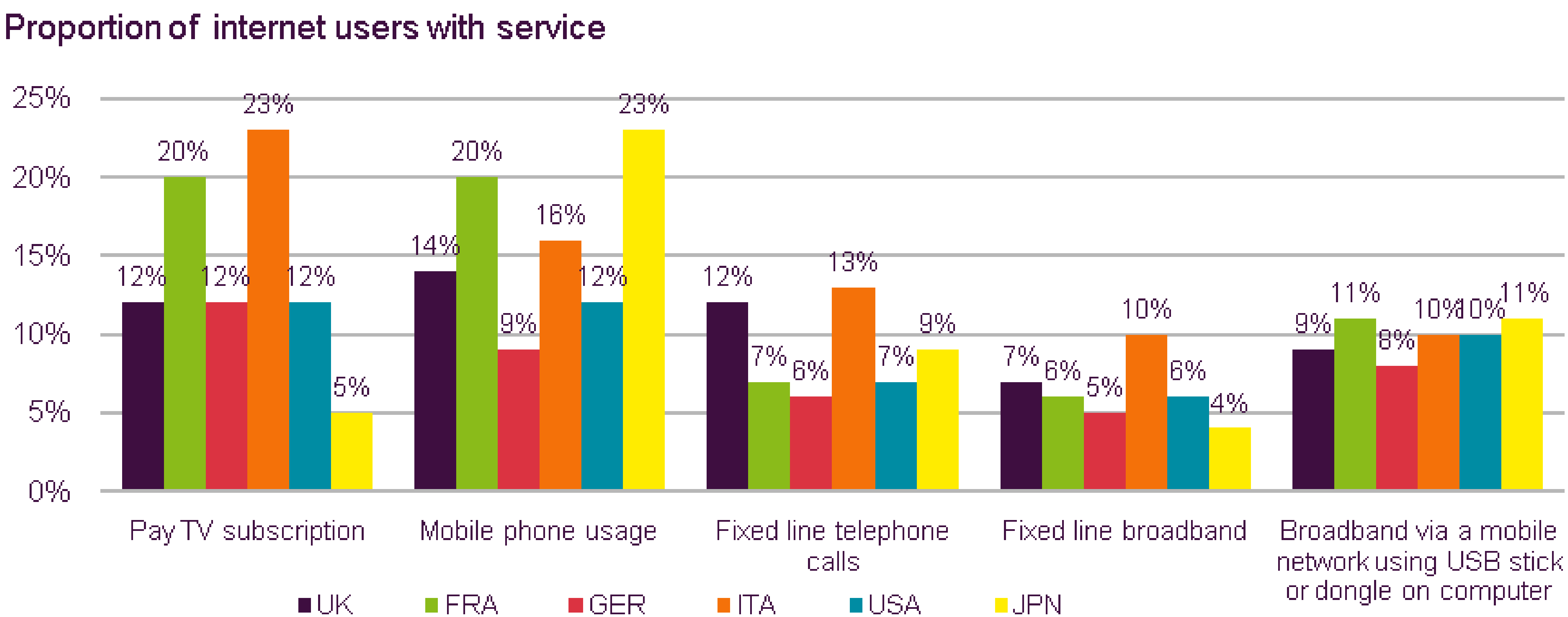
Proportion of internet users



Source: Ofcom consumer research October 2010 Base: UK=1016, France=1017, Germany=1014, Italy=1002, US=1017, Japan=1001 Q: Over the past twelve months, have you decreased the amount of money you spend on any of the following things? Select all that apply Note: Circled data points indicate statistically significant differences to the UK.

Figure 1.13

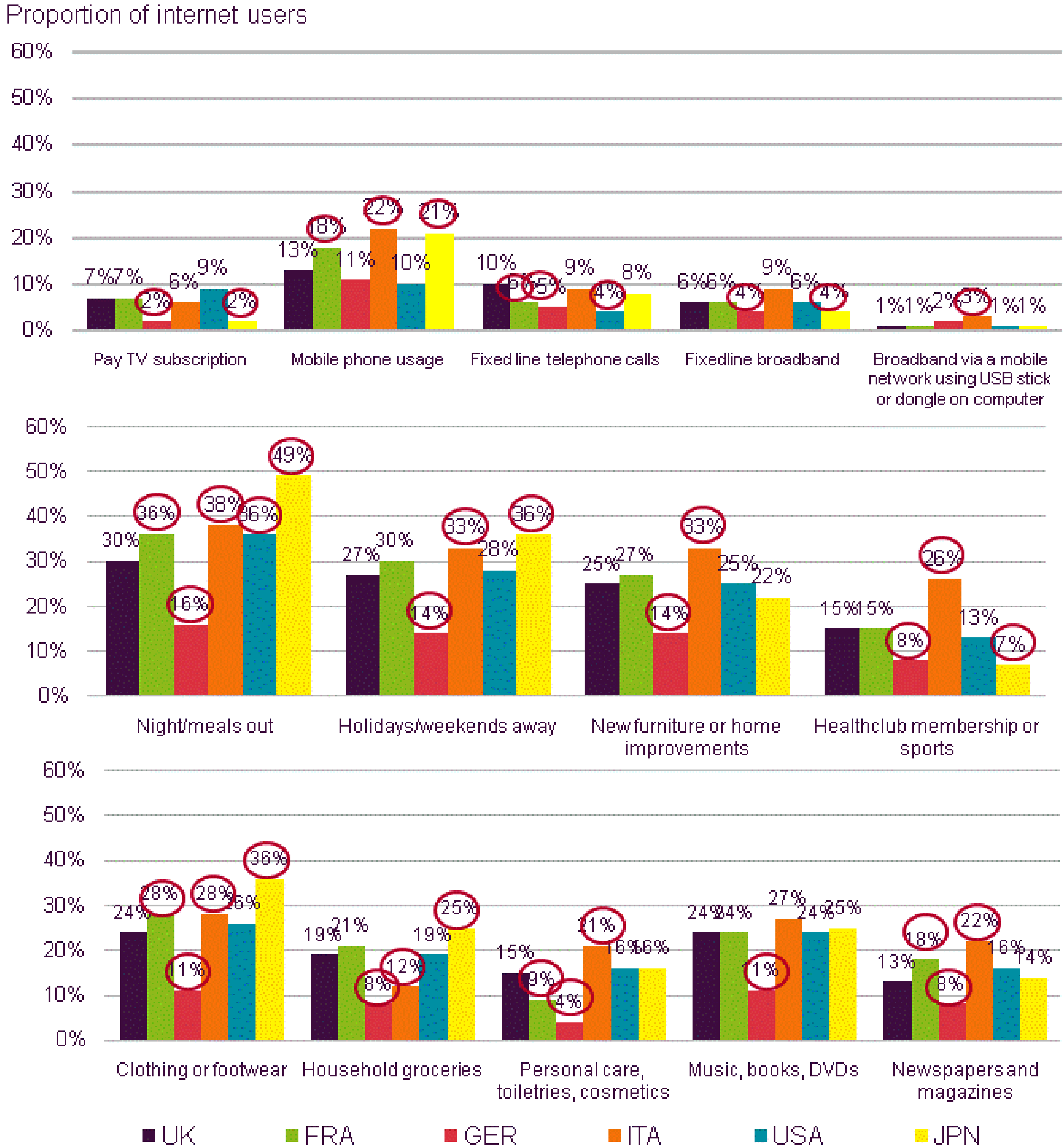
Intention of internet users to reduce spend on communications services in next 12 months (users of service)



Source: Ofcom Consumer Research October 2010 Total sample size: UK=1016, France=1017, Germany=1014, Italy=1002, US=1017, Japan=1001 Q: Over the next twelve months do you intend to decrease the amount of money you spend on any of the following things? Select all that apply Base: Survey respondents with service.

Figure 1.14

Anticipated reduction in spend on a selection of goods and services in next 12 months



Source: Ofcom consumer research October 2010 Total sample size: UK=1016, France=1017, Germany=1014, Italy=1002, US=1017, Japan=1001 Q: Over the next twelve months, do you intend to decrease the amount of money that you spend on any of the following things? Select all that apply Note: Circled data points indicate statistically significant differences to the UK.

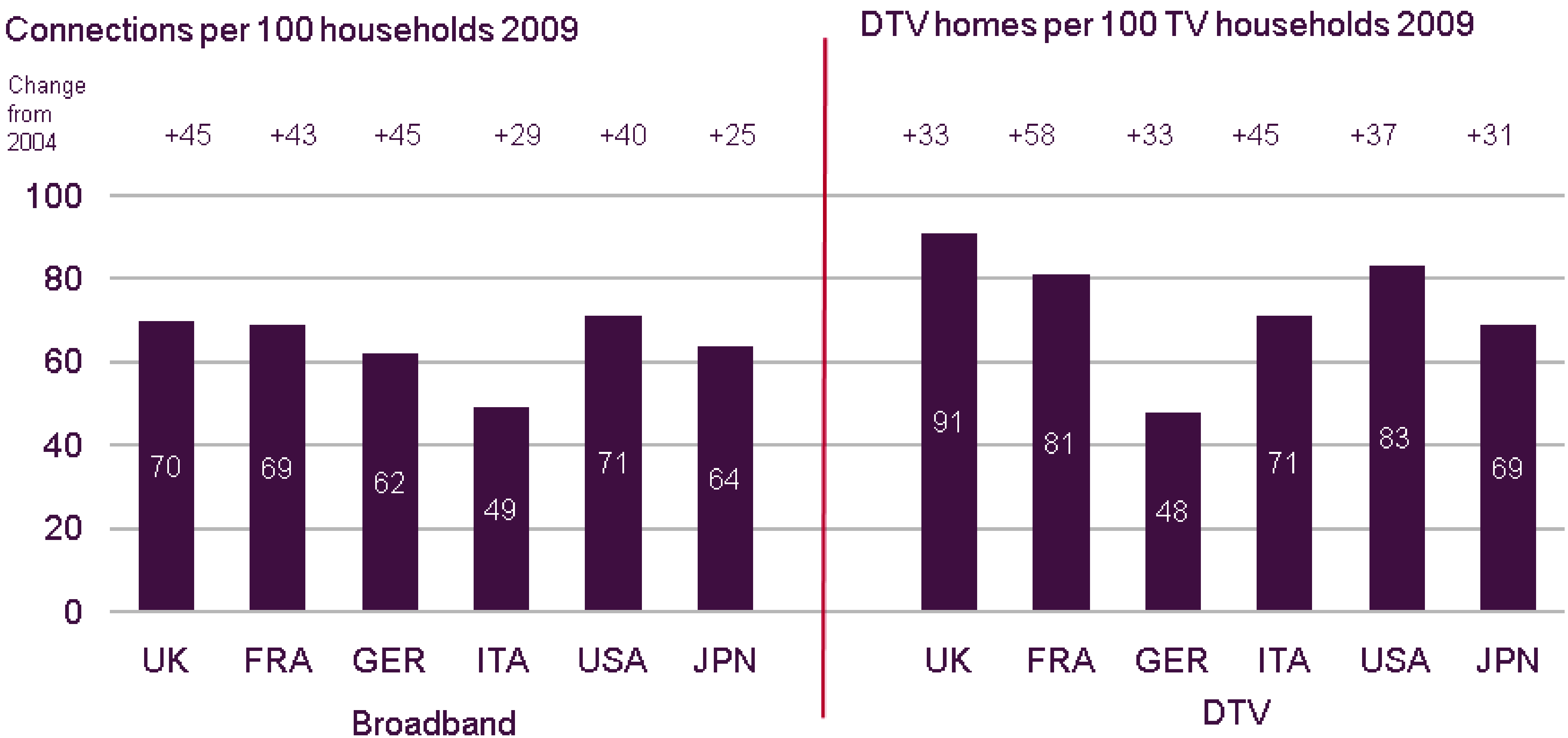
Figure 1.15

Fixed-line voice and mobile connections per capita, 2009

Source: IDATE / industry data / Ofcom

Figure 1.16

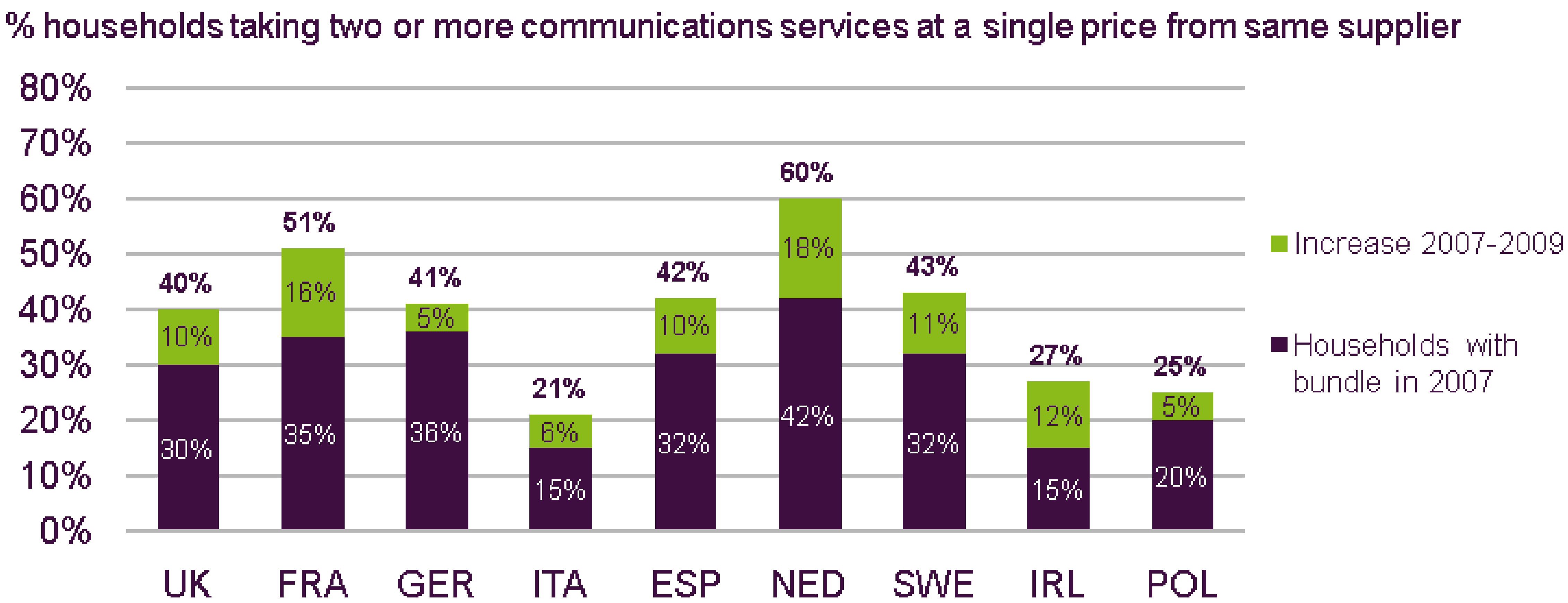
Fixed broadband and DTV penetration in 2009



Source: IDATE/industry data / Ofcom Note: Broadband calculation includes business connections

Figure 1.17

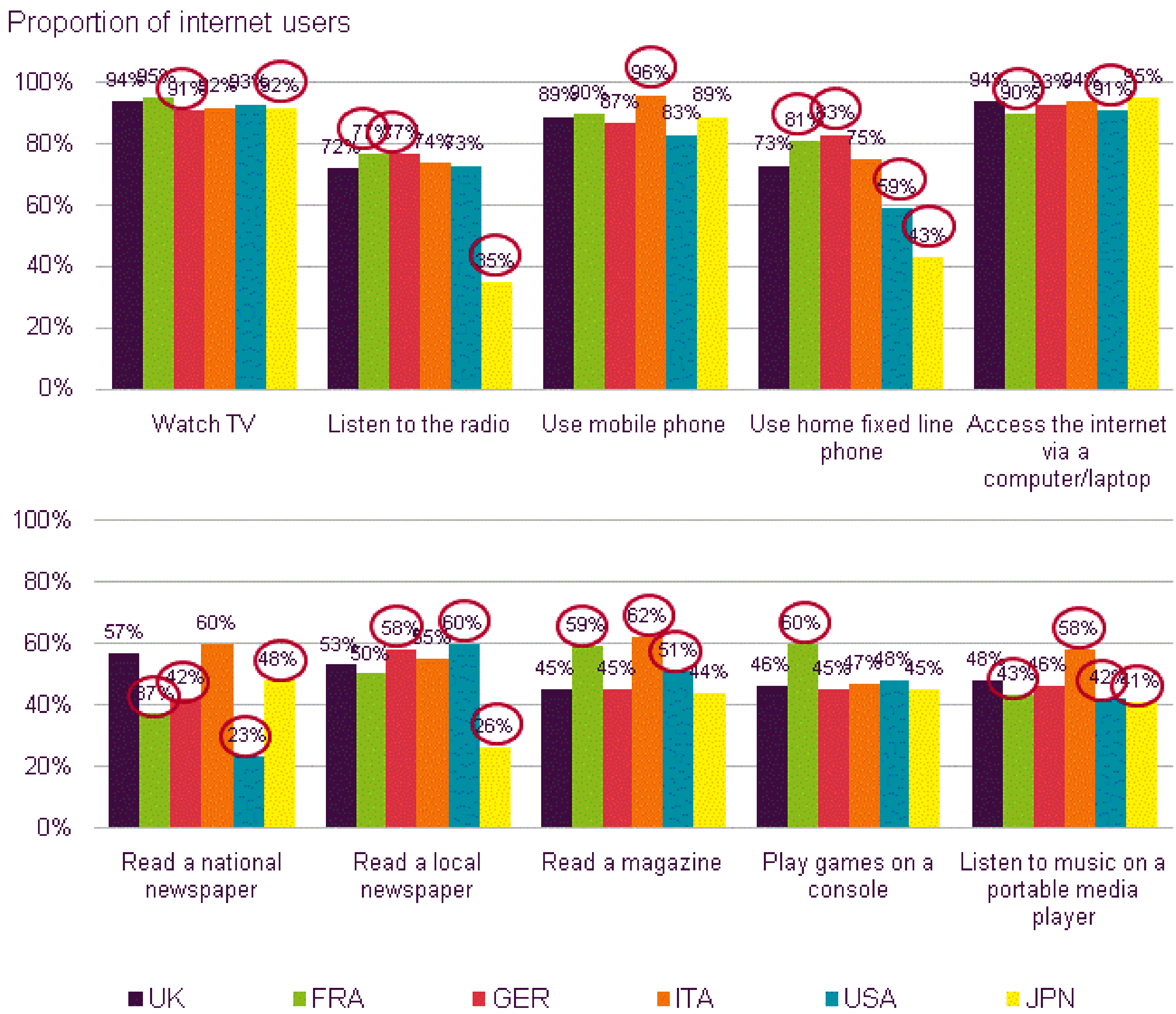
Bundling prevalence in selected EU countries



Source: Eurobarometer e-Communications Household Surveys 293 (2007) and 335 (2009) Survey 293 fieldwork carried out Nov-Dec 2007. Survey 355 fieldwork carried out Nov – Dec 2009. Q: By bundle we mean a combined package offering more than one communication service from the same provider at a single price. Does your household buy two or more of the following services as part of a bundle?

Figure 1.18

Regular use of selected communications services / media



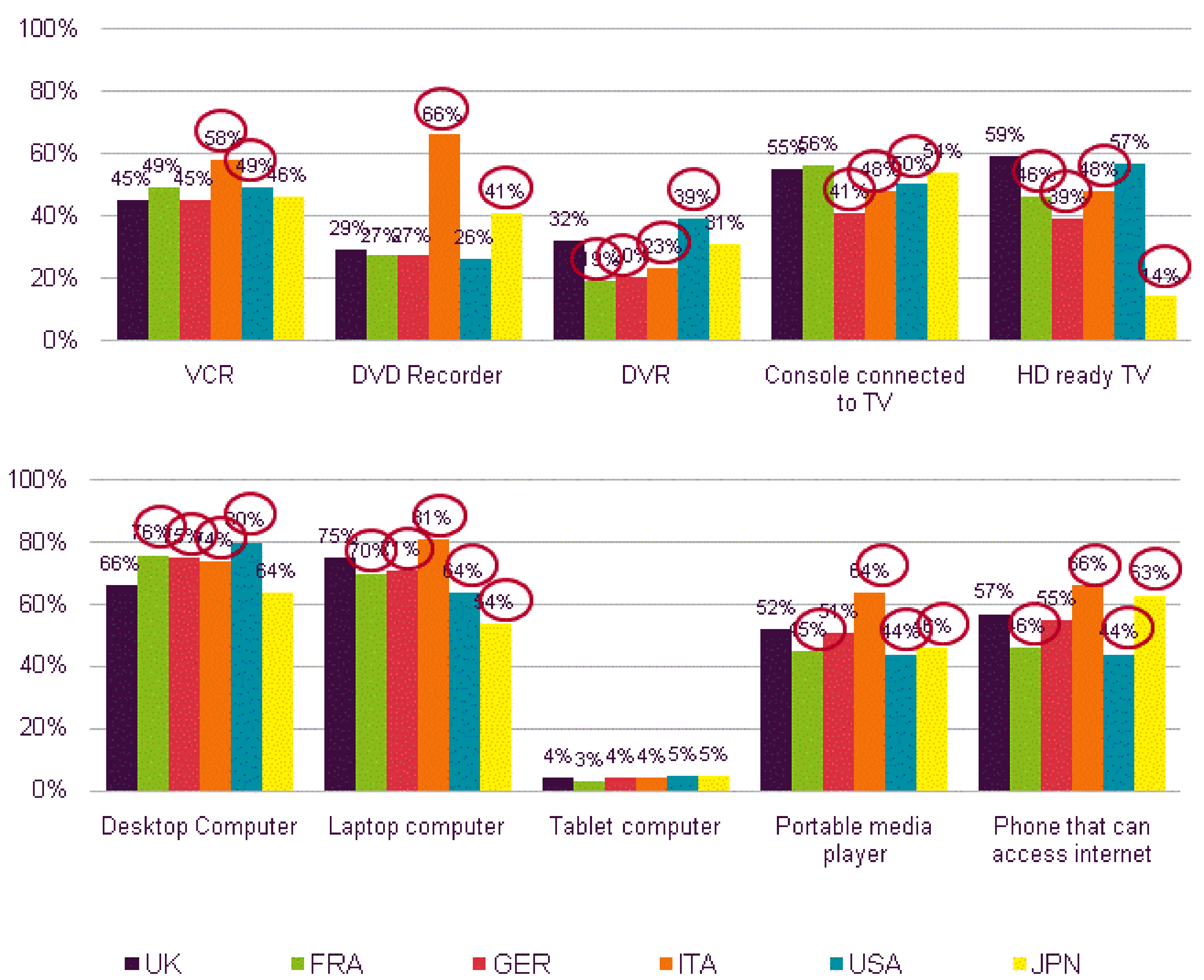
Source: Ofcom consumer research, October 2010. Base sizes: UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001 Q; Which of the following do you regularly do (at least once a week)? Select all that apply

Note: Circled data points indicate statistically significant differences to the UK.

Figure 1.19

Ownership and use of devices

Proportion of internet users



Source: Ofcom consumer research October 2010 Base sizes: UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001 Q: Which of the following devices do you ++own and personally use++?
Note: Circled data points indicate statistically significant differences to the UK.

Figure 1.20

Summary of most missed communications activity

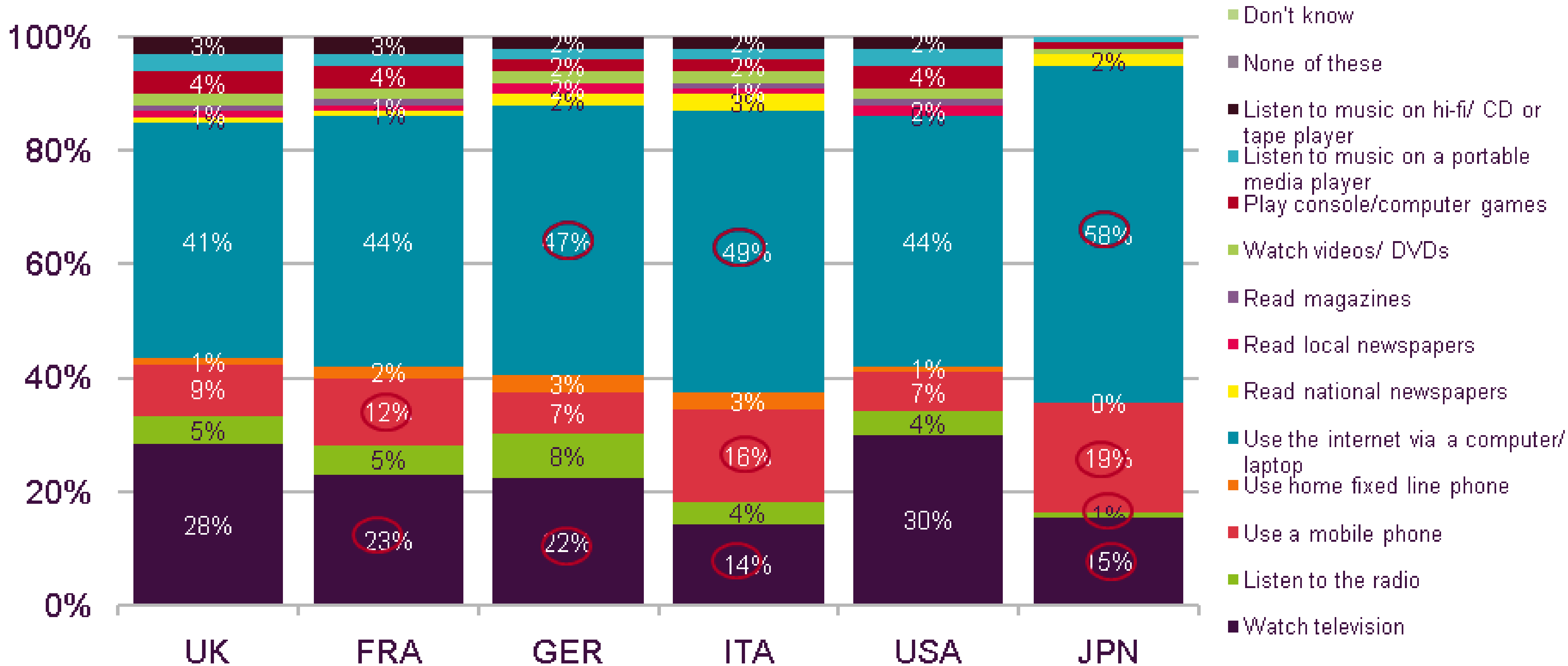
	UK	FRA	GER	ITA	USA	JPN
1st most missed	Access internet via desktop/laptop	Access internet via desktop/laptop	Access internet via desktop/laptop	Access internet via desktop/laptop	Access internet via desktop/laptop	Access internet via desktop/laptop
2nd	Watch TV	Watch TV	Watch TV	Use mobile phone	Watch TV	Use mobile phone
3rd	Use mobile phone	Use mobile phone	Listen to radio	TV	Use mobile phone	TV
4th	Listen to radio	Listen to radio	Mobile	Listen to radio	Radio / Console	Read national newspaper

Source: Ofcom consumer research, October 2010. Base sizes: UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001 Q: Which ++one++ of these media activities would you miss doing the most? Please select one

Figure 1.21

Most-missed activity

Proportion of internet users

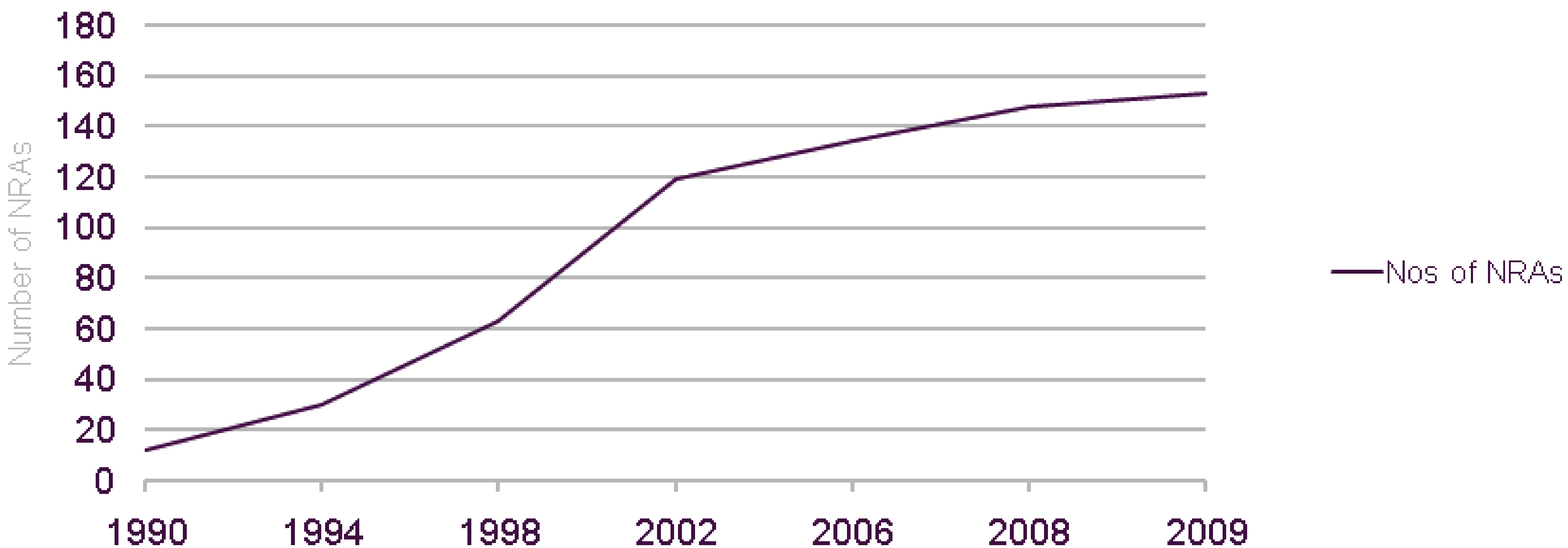


Source: Ofcom consumer research, October 2010. Base sizes: UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001 Q: Which ++one++ of these media activities would you miss doing the most? Please select one

Note: Circled data points indicate statistically significant differences to the UK

Figure 1.22

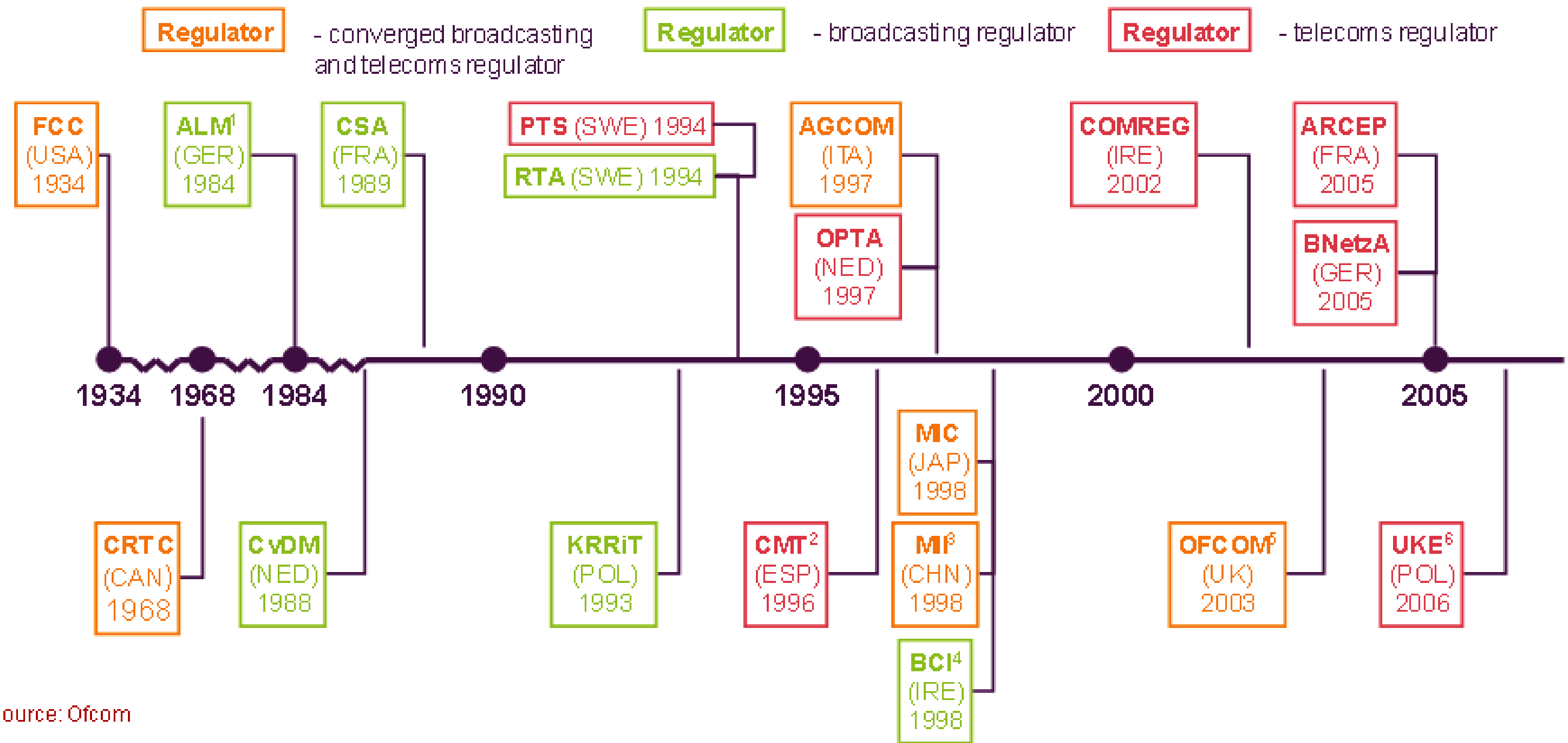
Growth of telecommunications NRAs: 1990-2009



Source ITU-D GSR reports

Figure 1.23

National regulatory authorities: timeline



Source: Ofcom

Notes: (1) In Germany, broadcasting is regulated at the state (Länder) level, and coordinated at the national level through the Association of State Media Authorities (ALM); (2) In Spain the Ministry of Industry, Tourism and Commerce regulates broadcasting with three regional authorities in Catalunya, Navarra and Andalucia; (3) In China broadcasting is regulated through a subsidiary organisation called SARFT, which is accountable to and supervised by the MII; (4) The duties and responsibilities of the Broadcasting Commission of Ireland transferred to the Broadcasting Authority of Ireland, which was established in October 2009 (5) Ofcom inherited the duties that had previously been the responsibility of five regulatory bodies: the Broadcasting Standards Commission, the Independent Television Commission, the Office of Telecommunications (Oftel), the Radio Authority and the Radiocommunications Agency; (6) In Poland the UKE replaced the Office of Telecommunications and Post Regulation, which was established in 2002,

Figure 1.24

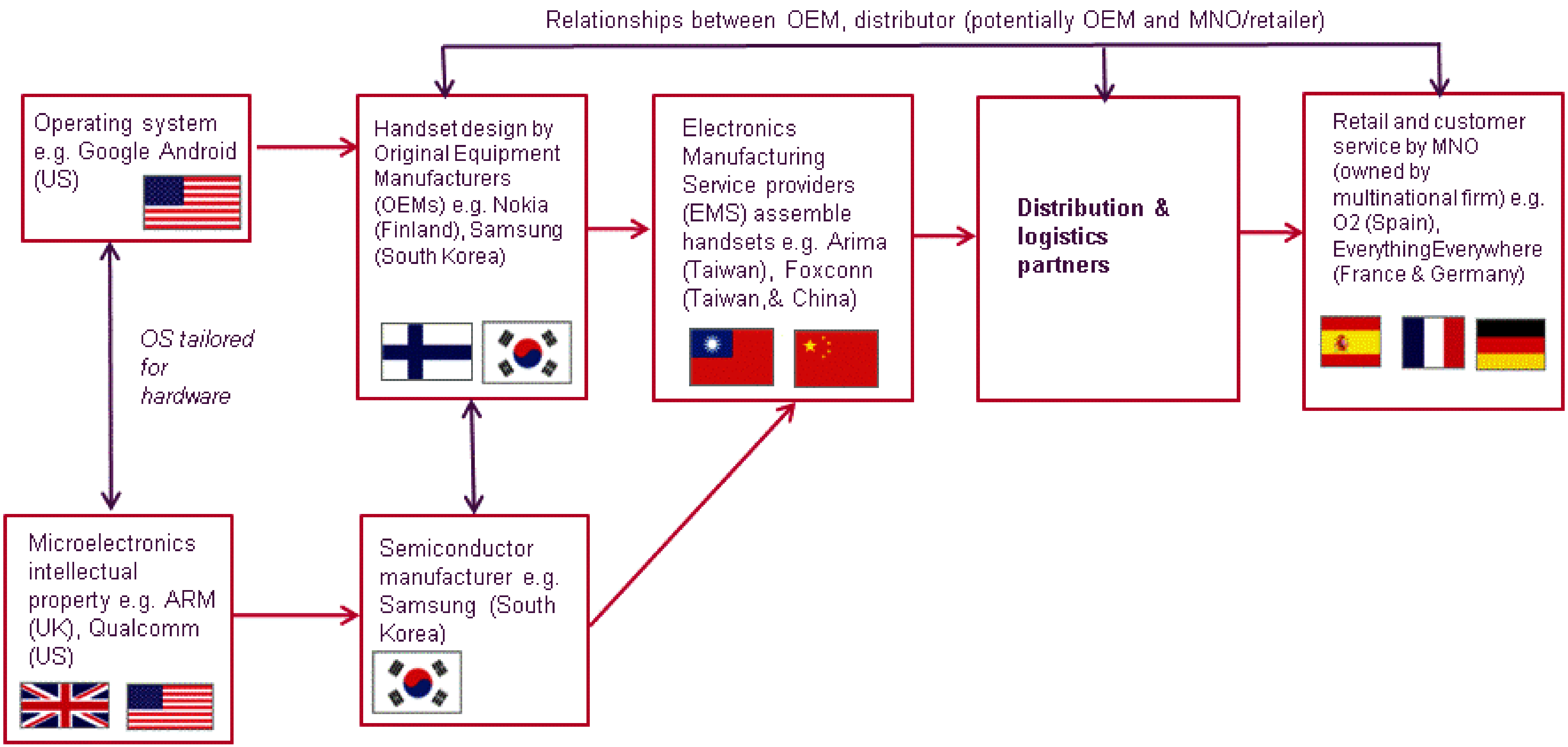
Digital switchover completion dates

Completed digital switchover before 2010	DSO in 2010	DSO in 2011	DSO in 2012	2013 or later
Finland Netherlands Sweden Switzerland Germany Denmark Norway	Spain Malta Austria Estonia Belgium	Slovenia France Czech Republic Hungary Cyprus Latvia	UK Italy Lithuania Portugal Slovakia Ireland Bulgaria	Poland Greece Russia

Source: Ofcom / NRAs

Figure 1.25

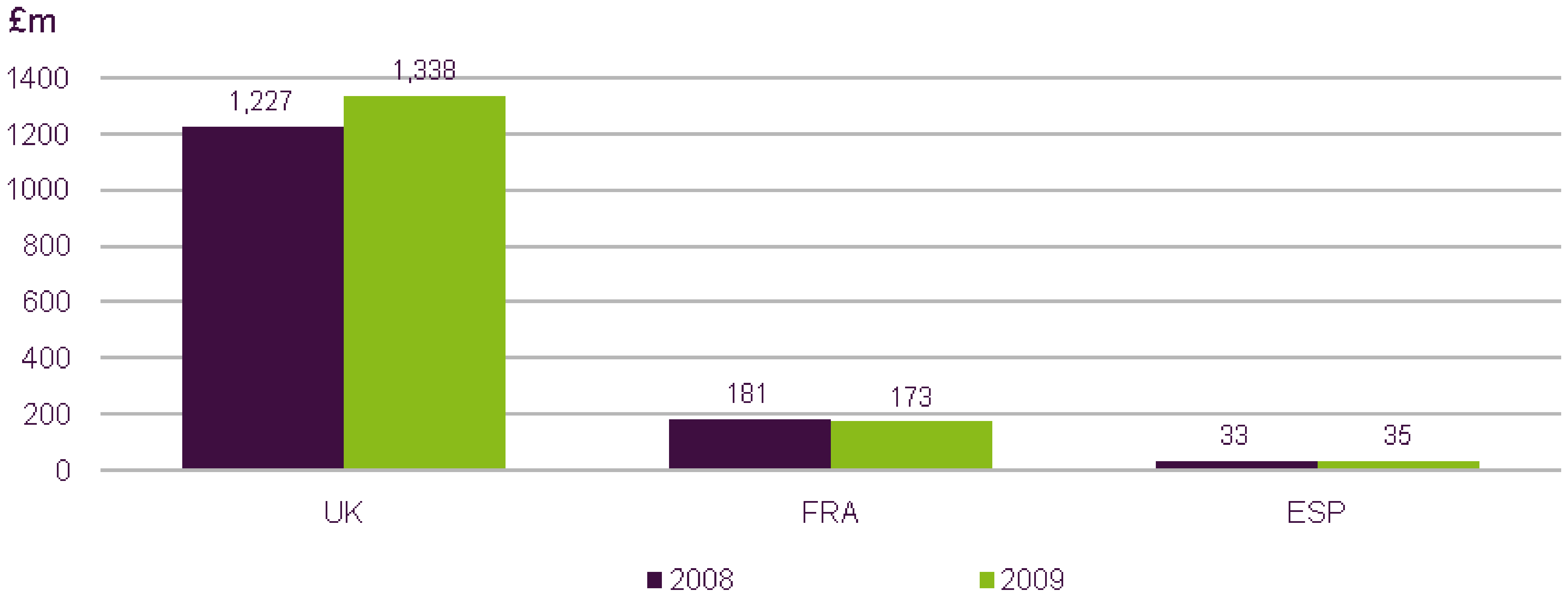
Generic mobile handset supply chain



Source: Company and industry reports, Ofcom analysis. Note: Analysis is indicative – firms may operate in multiple countries and the exact role played by firm in individual supply chains will vary between firms

Figure 1.26

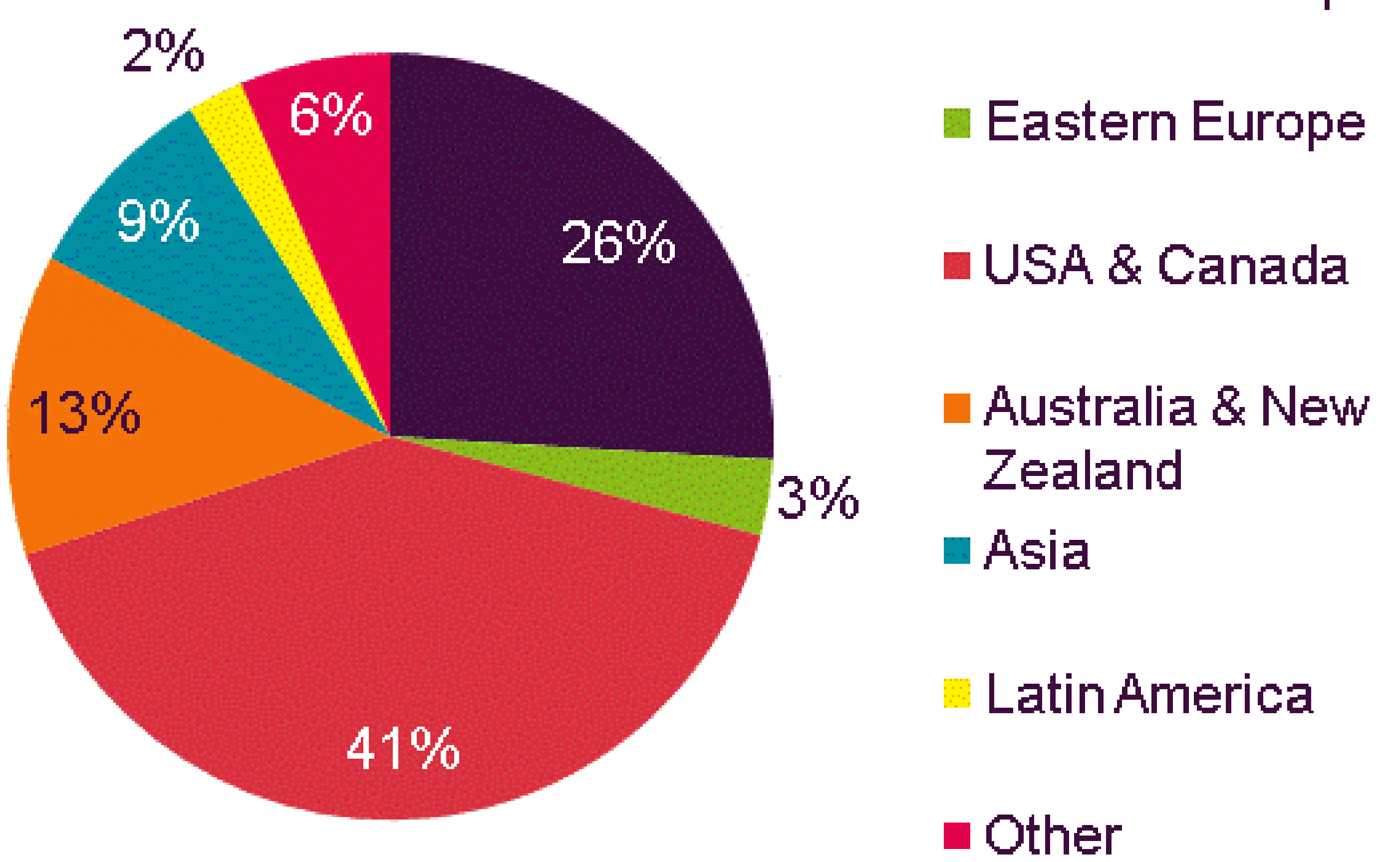
TV programme export revenues 2008- 2009



Source: Ofcom analysis of Screen Digest/Pact/UKTI/TRP data. NB: Data collection methodologies and item definitions may vary between countries meaning cross country comparisons should be regarded as indicative .

Figure 1.27

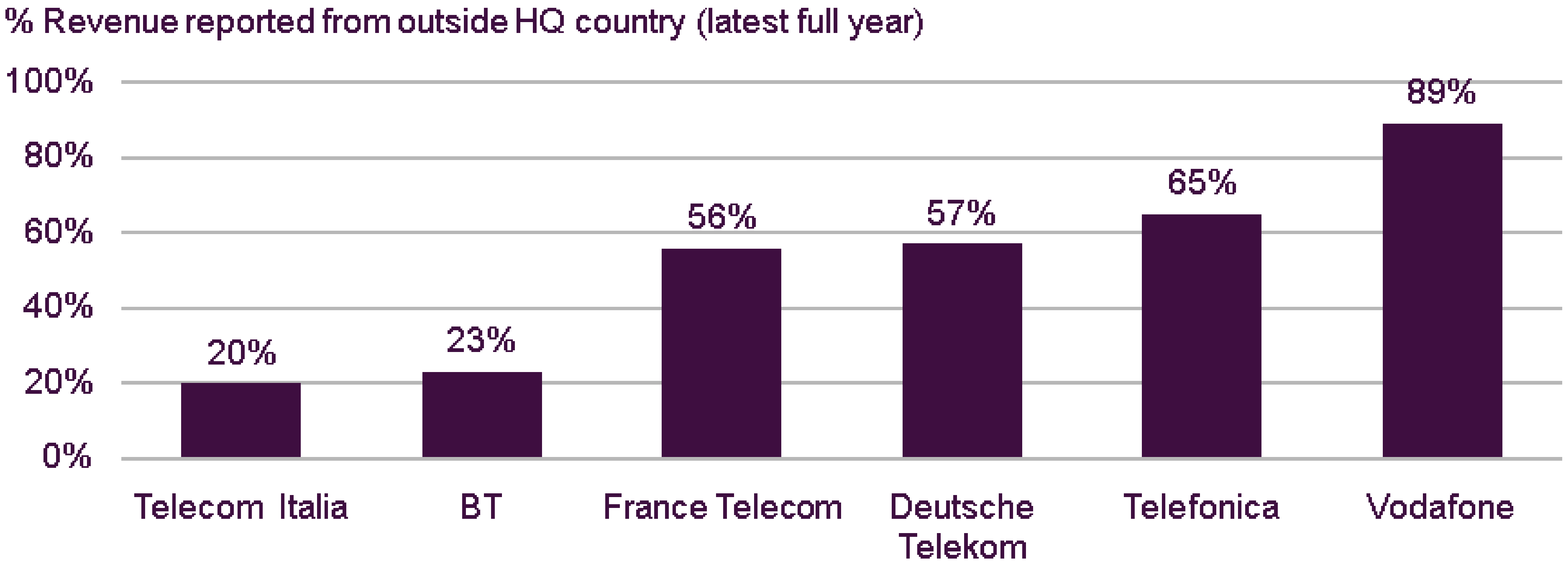
UK TV programme export revenues by geography in 2009



Source: Pact/UKTI/TRP , Ofcom analysis

Figure 1.28

Reported revenue by geography of selected EU headquartered telecoms firms



Source: Company reports, Ofcom analysis and calculations. Note: Comparisons should be regarded as indicative given potential differences in accounting treatments. Includes only revenues reported against a specific geographic segment.