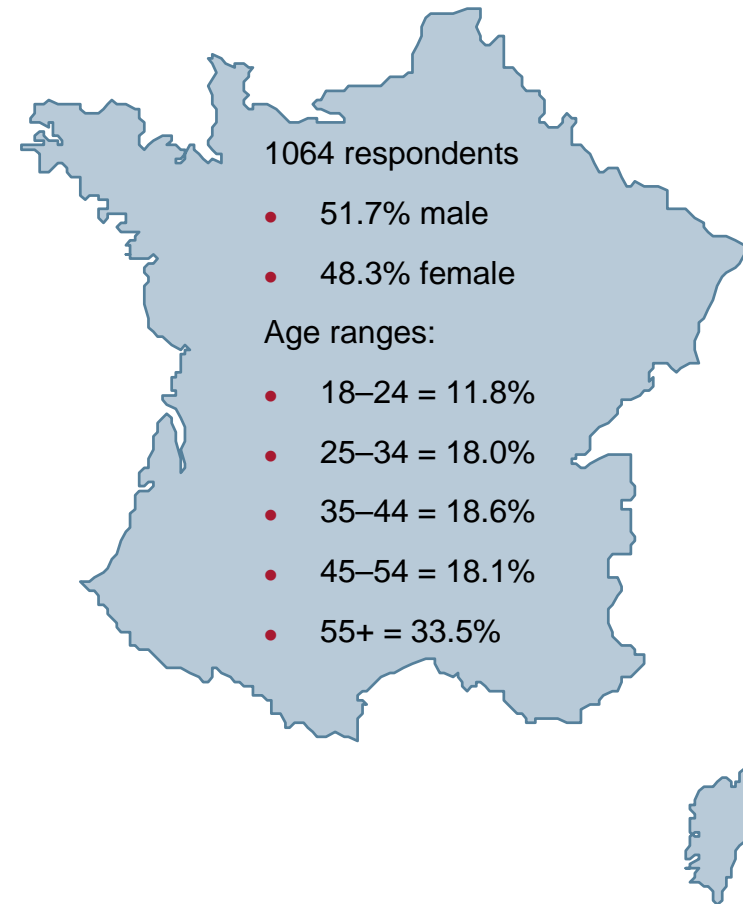


The emergence of IPTV has transformed the French pay-TV market

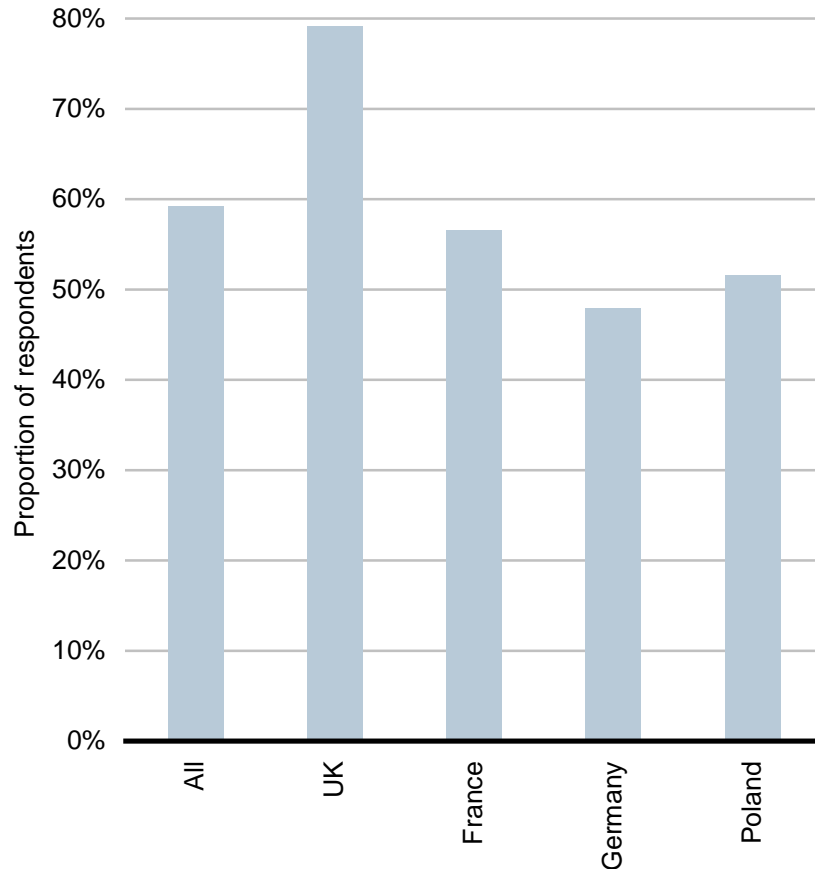
- France is one of the few European countries where IPTV has become a mainstream pay-TV platform. All the major telecoms players offer triple-play bundles priced at around EUR30 per month, which was the benchmark set by the ISP Free in 2003. Data from the regulator, ARCEP, indicates that over 40% of broadband subscribers had an IPTV STB in June 2009. The emergence of IPTV has led to the introduction of true on-demand services by competing platforms.
- Canal+ makes its paid-for content available through its own satellite pay-TV service, as well as other platforms. Its position is increasingly being challenged by the incumbent telco, Orange, which recently launched its own satellite service, as well as various premium content propositions.
- TV services from the leading French cable operator, Numericable, are taken by approximately 12% of French households, a penetration rate comparable with that of its UK peer Virgin Media.

Figure 1: French survey respondents' demographic data
[Source: Analysys Mason, 2010]



Take-up of digital TV is highest in the UK

Figure 5: Regular viewers of digital TV, by country¹
[Source: Analysys Mason, 2010]



¹ Question: "Which of the following services do you currently use on a regular basis (at least once within the last three months)? Digital TV"; all countries; all respondents; $n = 4178$

- The UK has the highest level of digital TV penetration: 79% of respondents view digital TV on a regular basis. The leading pay-TV operator, BSkyB, discontinued its analogue service in 2001, and 97% of Virgin Media's TV subscriber base had digital services in September 2009. The Freeview DTT platform has also been very successful among FTA viewers since its launch in 2002.
- Germany has the lowest take-up of digital TV (only 48% of respondents) because analogue cable TV services continue to dominate.
- Of respondents in Poland, 52% take digital TV services. This comparatively low take-up rate is due to the relatively recent launch of digital TV services by cable operators, and to delays in launching DTT services.
- In France, 57% of respondents use digital TV services. In spite of high levels of IPTV penetration, France still is behind the UK in the take-up of DTT and digital cable TV services.