



THE UK FILM MARKET AS A WHOLE

CONTENTS

Facts in focus	03
UK filmed entertainment market revenues	04
The evolution of UK film revenues, 2010-2019	05
The UK film market in the global context	07

FACTS IN FOCUS

The UK is the fourth largest film market in the world, generating revenues of £3.5 billion. In 2019, cinema-going remained the most significant component of the film value chain, with gross receipts of £1.25 billion.

- The total filmed entertainment market in the UK in 2019 was worth an estimated £3.5 billion, the same as in 2018.
- Revenues from digital video were up compared with 2018, while revenues from the box office, physical video (rental and retail), pay TV, terrestrial and multi-channel TV were down.
- Gross revenues for UK film were an estimated £1.1 billion, the same as in 2018.
- In 2019, the UK had the fourth largest filmed entertainment market in the world after the USA, China and Japan, and is expected to retain that position into 2024¹.

¹ Omdia, *Cinema Admissions and Box Office Database Q4 2020* and *Home Entertainment Intelligence Database Q4 2020*

THE UK FILM MARKET AS A WHOLE

UK FILMED ENTERTAINMENT MARKET REVENUES

In 2019, theatrical revenues were the most significant component of the film value chain in the UK. As Table 1 shows, the box office accounted for 36% of total revenues (£1.25 billion) while digital video accounted for 28% (£968 million). Theatrical revenues were down slightly from £1.28 billion in 2018 (a 37% share of the UK market) while digital video revenues increased from £808 million (23%). Total television revenues represented 25% of the market in 2019 (£865 million), down from 26% in 2018 (£895 million) but much of this accrued to the television industry rather than to the suppliers of film. The physical video sector recorded the most significant loss in market share in 2019, falling from 14% in 2018 (£482 million) to just 11% (£370 million).

Gross revenues for UK films in 2019 were estimated to be £1.1 billion, with the share for British films highest in the theatrical market (48%) and lowest in the pay TV market (10%). Overall, the share of revenues attributed to UK films in 2019 was 32%, the same as in 2018.

Table 1 UK filmed entertainment market, 2018 and 2019

	2018			2019		
	Total gross value (£ million)	Attributable to UK films (£ million)	UK film as % of total gross	Total gross value (£ million)	Attributable to UK films (£ million)	UK film as % of total gross
Theatrical	1,282	591	46	1,254	597	48
Physical video rental	31	10	33	23	8	35
Physical video retail	451	176	39	347	139	40
Digital video	808	194	24	968	250	26
Pay TV	684	92	13	655	66	10
Terrestrial and multi-channel TV	211	42	20	210	52	25
Total	3,467	1,105	32	3,457	1,112	32

Source: Comscore, BASE, Official Charts Company, Ampere, Omdia, BFI RSU analysis

Notes:

'Theatrical' is the total gross UK theatrical revenue (including VAT) in the calendar years 2018 and 2019 for all films exhibited in the UK. See The box office 2019 chapter.

'Physical video rental' is the total revenue from physical video rental (DVD, Blu-ray, etc) transactions in the calendar years 2018 and 2019. See Film on physical video chapter.

'Physical video retail' is the total revenue from physical video retail transactions in the calendar years 2018 and 2019. See Film on physical video chapter.

'Digital video' revenues are derived from Omdia estimates of the combined size of the television and internet-based markets. UK share is based on an estimate derived from knowledge of UK film share in the pay TV and video markets.

The television values are retail equivalent values calculated from the dataset of films shown on UK television. Calculations are based on a methodology developed by Ampere Analysis: values are estimated by dividing broadcaster revenues (from subscriptions, advertising spend and licence fee share) by the percentage of content spend attributed to film. Television values cover terrestrial, pay TV and other multi-channel TV. See Film on television chapter.

The above values are gross values and include distributor and exhibitor margins, VAT, prints and advertising costs, DVD/video retail margins, broadcaster and multi-channel TV operator margins in addition to net returns to the film production sector and film investors.

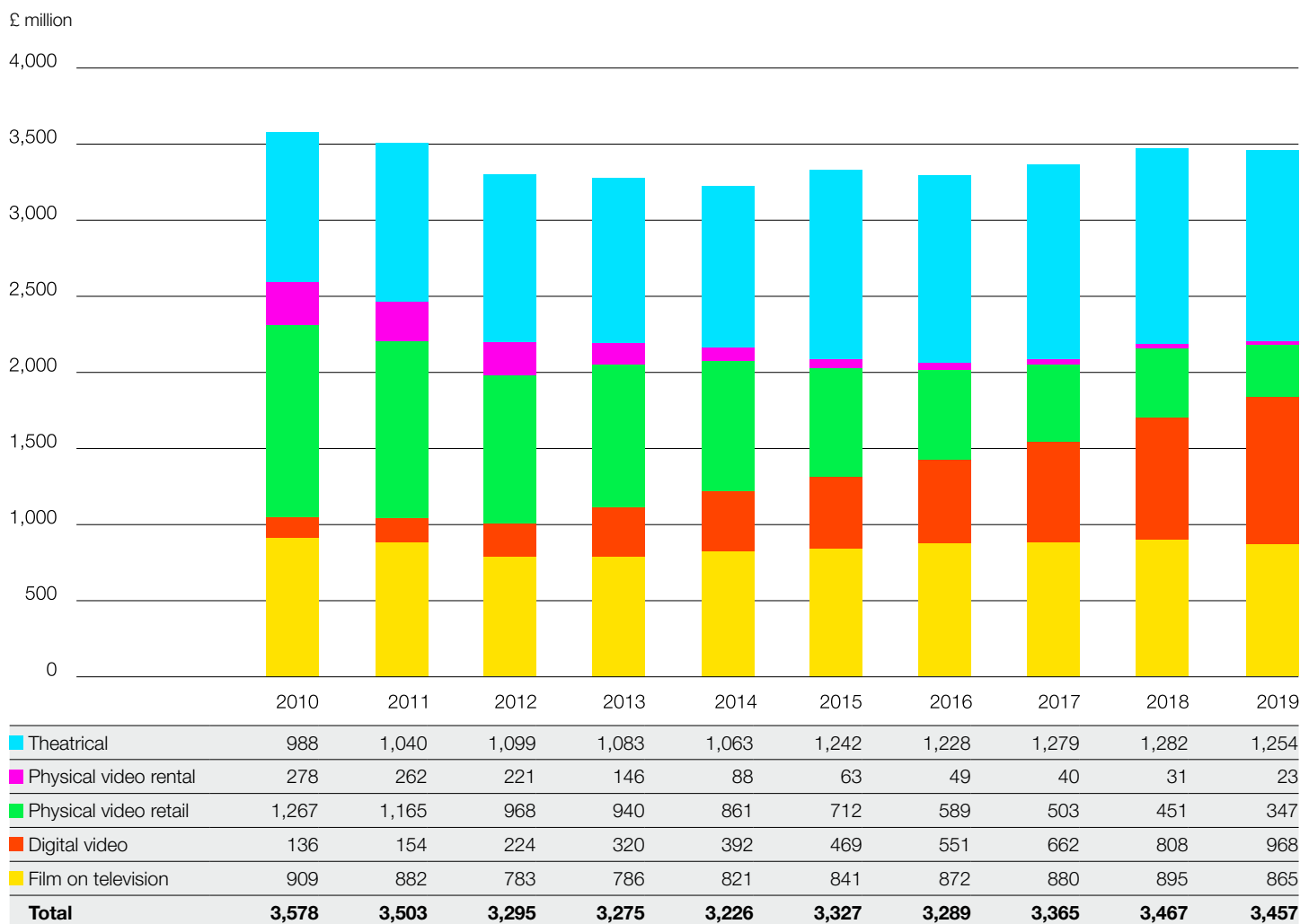
The revenues shown here are revenues earned by film in the UK market, whether UK or foreign films. The table does not include export revenues for the UK film industry. See UK film economy chapter for UK film export revenues.

Data for 2018 for digital video and terrestrial and multi-channel TV have been updated since publication of the 2019 Statistical Yearbook.

THE EVOLUTION OF UK FILM REVENUES, 2010-2019

Figure 1 shows aggregate film revenues between 2010 and 2019. While total revenues have fluctuated over the period, the data show a consistent decline in the value of the physical video market. The combined value of physical video sales and rentals fell from £1.5 billion in 2010 to less than £0.4 billion in 2019. At the same time, theatrical and digital revenues have increased. The growth in the value of the digital video market since 2010 has been significant, rising by a factor of seven over the period.

Figure 1 Gross film revenues, all platforms, 2010-2019



Source: comScore, BASE, Official Charts Company, Ampere, Omdia, BFI RSU analysis

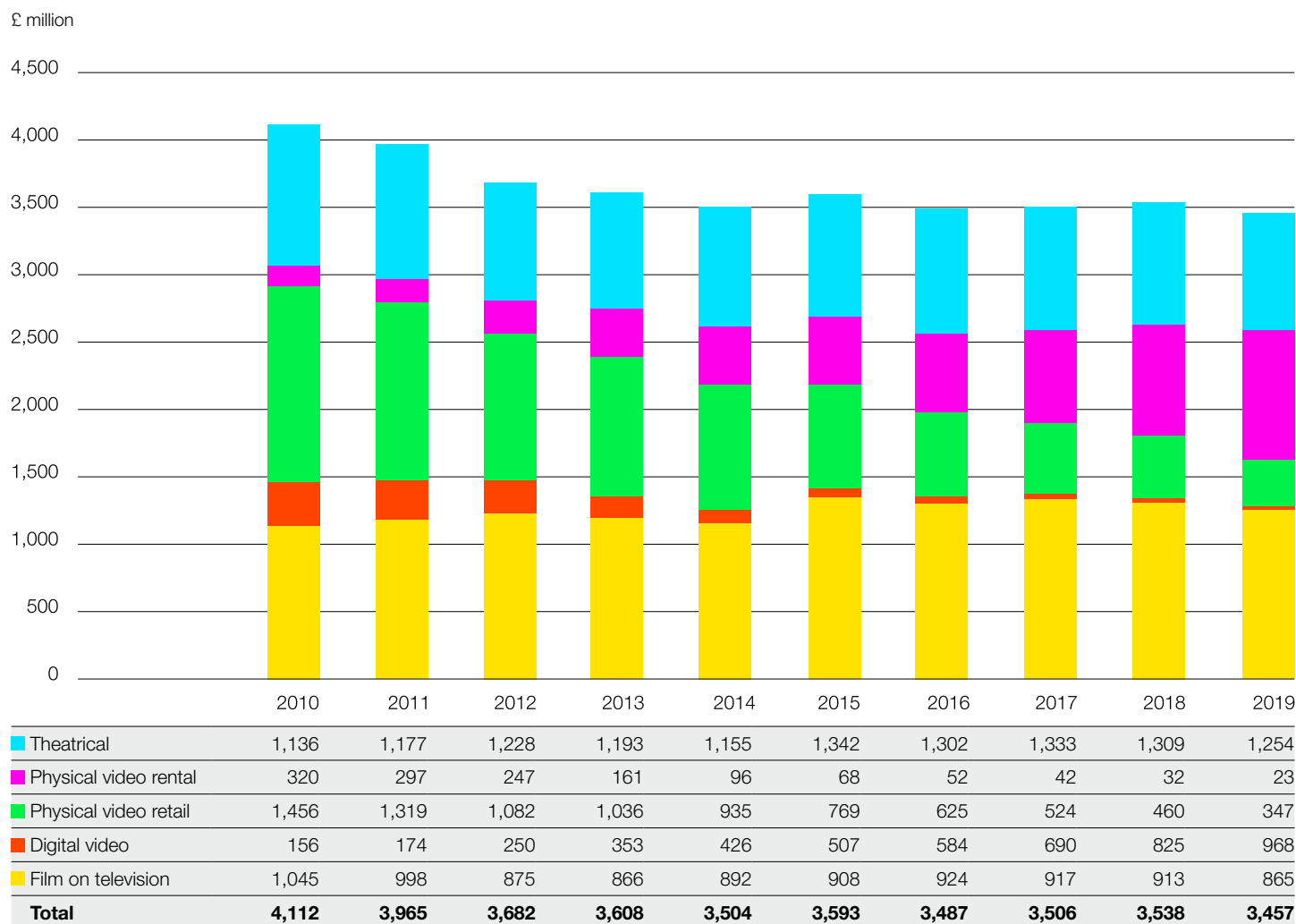
Notes:

'Film on television' covers terrestrial, pay TV and other multi-channel TV. On-demand television-based services are included within the digital video total.

Figures may not sum to totals due to rounding.

The revenues shown in Figure 1 are the actual figures; if adjusted for inflation (Figure 2), the decline in revenues from the start of the period is clear, with the 2019 market down 16% from the peak in 2010. However, in real terms, film revenues have plateaued since 2013.

Figure 2 Gross inflation-adjusted film revenues, all platforms, 2010-2019 (expressed in 2019 pounds)



Source: comScore, BASE, Official Charts Company, Ampere, Omdia, BFI RSU analysis

Notes:

Actual revenues deflated by the UK GDP deflator, which can be found <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-september-2020-spring-statement>.

See notes to Figure 1.

Figures may not sum to totals due to rounding.

THE UK FILM MARKET IN THE GLOBAL CONTEXT

As Table 2 shows, in 2019, the UK had the fourth largest filmed entertainment market in the world after the USA, China and Japan. (It should be noted that data in this section are now provided by Omdia, and are not directly comparable with previously published figures.) According to Omdia's *Cinema Admissions and Box Office Database Q4 2020* and *Home Entertainment Intelligence Database Q4 2020*, the USA accounted for 35% of the world market in 2019, with China accounting for 17%, and Japan for 5.5%. The UK's share of the global market was just over 4%.

Table 2 Top 20 countries by filmed entertainment revenues, 2019

Country	US\$ million	%
USA	25,932	34.7
China	12,692	17.0
Japan	4,132	5.5
UK	3,194	4.3
Germany	2,706	3.6
France	2,476	3.3
South Korea	2,140	2.9
India	1,921	2.6
Canada	1,683	2.3
Australia	1,510	2.0
Mexico	1,505	2.0
Brazil	1,416	1.9
Russia	1,087	1.5
Italy	1,065	1.4
Spain	1,041	1.4
Netherlands	723	1.0
Poland	550	0.7
Sweden	471	0.6
Taiwan	431	0.6
Indonesia	419	0.6
<i>Rest of the world</i>	7,545	10.1
Total	74,638	100.0

Source: Omdia, BFI

Notes:

Information contained in this table was taken from Omdia's *Cinema Admissions and Box Office Database Q4 2020* and *Home Entertainment Intelligence Database Q4 2020*.

'Filmed entertainment revenues' comprise box office receipts, sales of physical video (rental and retail), digital video revenues, and income generated by films shown on television (including analogue, cable, digital terrestrial, Internet Protocol, and satellite systems).

Figures/percentages may not sum to totals due to rounding.

According to Omdia forecasts, all of the top 20 countries will retain their positions in the list into 2024, with the USA, China, Japan and UK remaining the world's top four markets for filmed entertainment (Table 3). It should be noted that these projections were compiled in 2020 and take into account the impact of the global COVID-19 pandemic. The data indicate lower growth over the period in countries for which box office revenues make up a significant share of overall filmed entertainment revenues, such as Japan (with predicted growth of 11%) and India (14%). Conversely, growth is predicted to be strongest in countries where home entertainment platforms generate a substantial share of total filmed entertainment revenues, such as Sweden (with predicted growth of 52%) and Russia (42%).

Table 3 Top 20 countries by filmed entertainment revenues, forecast for 2024

Country	US\$ million	%	% predicted growth 2019-2024
USA	32,456	35.0	25.2
China	15,415	16.6	21.5
Japan	4,579	4.9	10.8
UK	3,993	4.3	25.0
Germany	3,345	3.6	23.6
France	3,130	3.4	26.4
South Korea	2,555	2.8	33.0
India	2,431	2.6	13.6
Canada	1,981	2.1	31.7
Australia	1,929	2.1	14.6
Mexico	1,901	2.0	25.9
Brazil	1,722	1.9	21.6
Russia	1,476	1.6	41.8
Italy	1,322	1.4	24.2
Spain	1,256	1.4	15.6
Netherlands	862	0.9	19.2
Poland	698	0.8	26.8
Sweden	637	0.7	52.0
Taiwan	573	0.6	21.5
Indonesia	558	0.6	29.5
<i>Rest of the world</i>	<i>9,947</i>	<i>10.7</i>	<i>31.9</i>
Total	92,767	100.0	24.3

Source: Omdia, BFI

See notes to Table 2.

Figures/percentages may not sum to totals due to rounding.



Research & Statistics Unit
21 Stephen Street, London W1T 1LN
bfi.org.uk/statistics