

Two Two-sided media markets - Television -

Barbara Baarsma

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seo economisch onderzoek

A decorative graphic at the bottom of the slide, consisting of several thin, white, jagged lines that resemble a stylized waveform or a series of overlapping peaks and valleys, set against a solid red background.

From theory to application (1)

- **Two two-sided markets**
 - 1. Television broadcasting**
 - **Content providers/Broadcasting**
 - **Platforms/Infrastructures**
 - **Consumers**
 - 2. Advertisement**
 - **Advertisers**
 - **Channel/Stations**
 - **Eyeballs**

Television broadcasting

National public broadcasting:

NOS, NPS, Wereldomroep.

Sociopolitical groups: AVRO, BNN, EO, KRO, LLink, Max, NCRV, TROS, VARA, VPRO

Educational: Teleac, Teleac/Not, School TV, RVU

39f/ideological: BOS, HO, IKON, NIK, OHM, NMO, RKK, ZvK

Regional/local public broadcasting:

AT5, L1 – Limburg, Omroep Brabant, Omrop Fryslan, Omroep Flevoland, Omroep Gelderland, Omroep Zeeland, RTV Drenthe, RTV Noord-Holland, RTV Noord – Groningen, RTV Oost – Hengelo, RTV Rijnmond, RTV Utrecht, RTV West, Stichting ROOS

International public broadcasting:

BBC, ZDF, VRT, etc.

Pay tv:

Canal digital, Tele2 vision, etc.

Commercial stations:

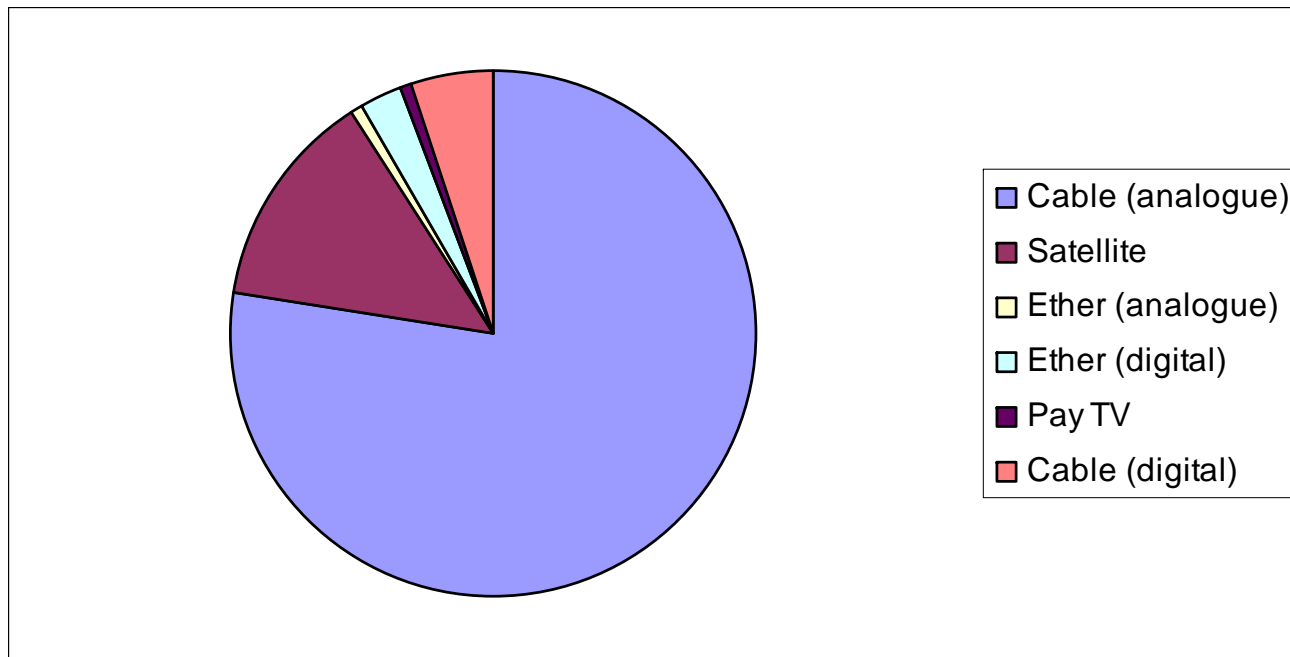
Radio Television Luxembourg (RTL4, RTL5, RTL 7. RTL 8)
Scandinavian Broadcasting Service (Net5, Veronica, SBS6)
TMF, MTV

Platform competition

	Platform	
	analogue	digital
<i>Infrastructure</i>		
<i>Fixed:</i>		
Copper (IP tv)		X
Cable	X	X
<i>Mobile:</i>		
GSM		
UMTS (via telephone)		(X)
<i>Wireless:</i>		
Satellite		X
Ether – digital (Digitenne, Ziggo)		X
Ether – analogue	(X)	

Dominant position of cable distribution (analogue)

- Market shares 2006, NL



(1) Broadcasting → Infrastructure → Consumers

Broadcasting companies: public, commercial,
national, international, regional

Mobile:
UMTS

Fixed:
Copper

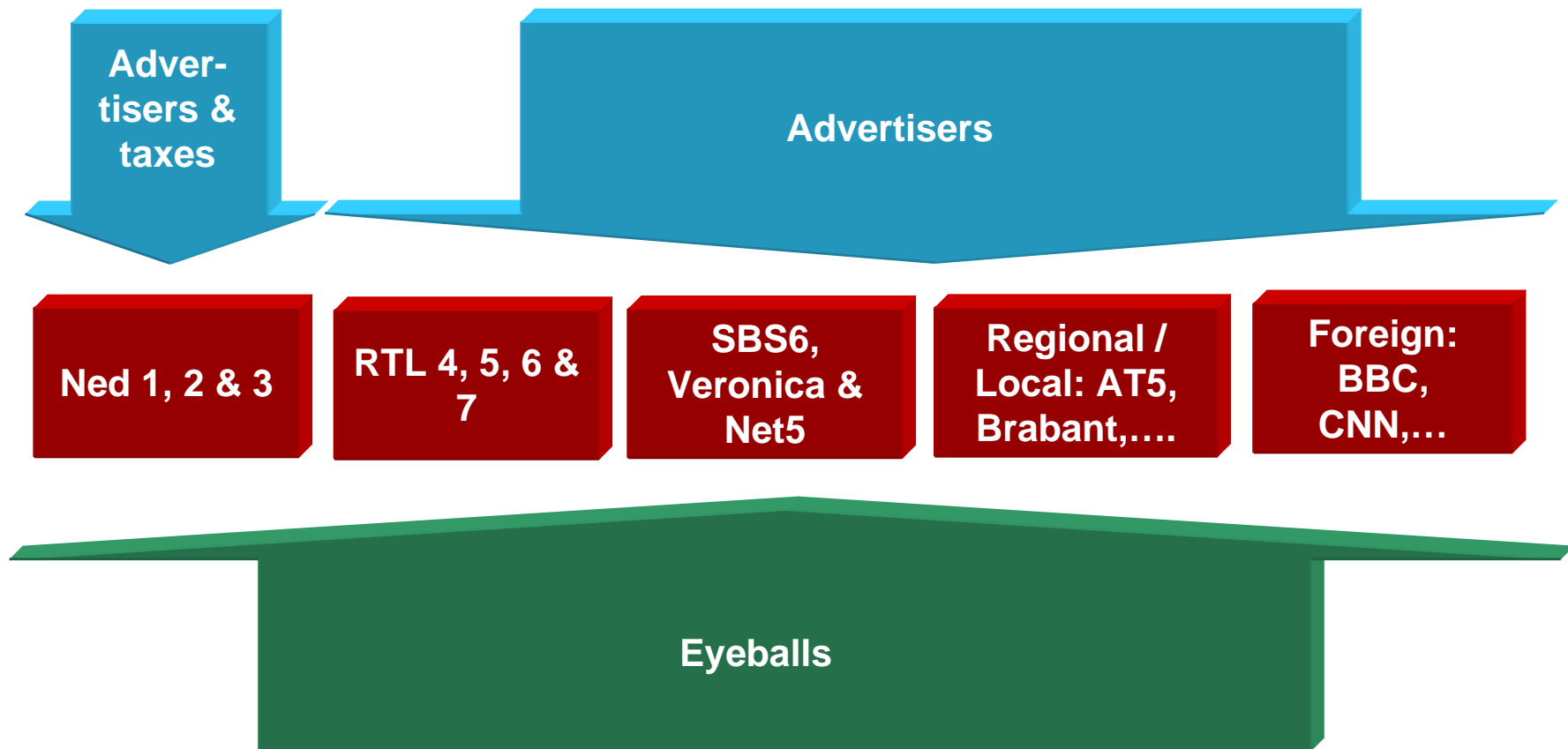
Fixed: Cable

Wireless:
Satellite

Wireless:
Ether

Consumers

(2) Advertisers → Channels → Eyeballs



From theory to application (2)

- **Policy questions related to the policies towards public broadcasting and commercial broadcasting**
 - **What pricing structure helps to increase competition among public broadcasting companies; and what are the effects on competition between public and commercial broadcasting?**
 - **Should watchers pay directly to broadcasting (subscription) or via taxes?**
 - **Is it better to finance public broadcasting with taxes, advertisements or subscriptions?**
 - **What are the possibilities for television without any advertisement?**

Assumptions

- **No model without assumptions:**
 - **Only one platform exists (monopoly)**
 - **No trade is possible outside the platform (essential facility)**
 - **Normalize fixed and variable cost of the platform to zero**
 - **...**
- **Why are these assumptions necessary? How will results differ if you do not make this assumption? To what degree are these assumptions responsible for the results?**
- **Are these assumptions realistic for media markets?**

Question and/or suggestions?

- **Dr. Barbara Baarsma**
Deputy director
SEO Economic Research
Roetersstraat 29
NL-1018 WB Amsterdam
- **0031-20-5251652/0031-6-24204707**
- **b.baarsma@seo.nl**