

The Media in Europe 1990–2020



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Abstract The European media landscape has changed dramatically in the last 30 years. Initially were the privatization and commercialization of the broadcasting sector that led to an increase of TV channels and at the same time the decline of the press. The advent of the Internet has also transformed the analogue media world giving its place to the digital one. In effect, the media in Europe has undergone a prolonged period of change, in the attempt to adapt to rapid technological advances, the side effects of globalization, and the developments associated with the process of Europeanization. On the other hand, there is no simple explanation for these complex processes of change. Neither can we say that there is a common universal trend, even a common model, across Europe. This chapter tries to shed light on the emerging patterns in media production since 1990, across European countries. Initially, based on hard data, the chapter describes the changes in the media systems of the EU countries. Then it is attempted to group the similarities, continuities, and discontinuities of the media systems.

Keywords Advertising · Central · Commercialization · Eastern · European · Media models · Mediterranean · Newspapers · Northwestern · OTT · Press · Public broadcasters · Radio stations · Radio · Social media · Southern · Streaming · Thematic channels · TV channels · TV

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1 Introduction

The media sector in Europe has changed considerably in the last 30 years. The privatization and commercialization drove to an increase of TV channels and at the same time to the decline of the press. The advent of the Internet has transformed the analogue media world which has given its place to the digital one. In effect, the media in Europe has undergone a prolonged period of change, in the attempt to adapt to rapid technological advances, the side effects of globalization, and the developments associated with the process of Europeanization. These new developments have, on the one hand, created a new market and, on the other hand, have altered the dynamics of the existing structure (Papathanassopoulos & Negrine, 2011, pp. 17–25).

There is no simple explanation for these complex processes of change. Neither one can say that there is a common universal trend, even a common model, across Europe. The media markets incorporated in this chapter have developed within countries of different sizes, which are characterized by different economic development and acting out from vastly different political, institutional, and historical frameworks. For instance, the Nordic countries (Norway, Sweden, Finland, Denmark, Iceland) are considered welfare societies, whereas the Baltic states represent recently transformed societies experiencing the transition from the USSR to market capitalism (Ibrus & Rohn, 2019, p. 43). On the other hand, distinctive differences reasonably exist between North-Central and Southern (Mediterranean) European countries, which can be traced to their unequal economic development (Papathanassopoulos, 2004, p. 36). These are factors that have considerably affected the evolution of all types of media in the selected countries, and they are also expected to incur significant implications on the future path of the media organizations within the digitalized communication sector.

The broadcasting liberalization in Europe in the 1980s and early 1990s brought about the restructuring of the media systems. In terms of advertising expenditure, former communist countries, after the collapse of the USSR, for more than a decade have found themselves in a phase of steady growth, permitting new investments in the broadcasting industry. Particularly, the entry of foreign ownership in media field as well as several shifts in media ownership structures, combined, in some cases, with trends of media ownership concentration, is a feature experienced differently among the countries of Central Eastern Europe. However, they reflect a range of diversified dynamics influencing the overall development of the media industry and especially the growth of the broadcasting field (Humprecht et al. 2022; Castro Herrero et al., 2017; Carelli, 2013).

One aspect of this transformation process concerns the withering of the press industry, although the liberalization processes varied from country to country. For instance, comparing the downward trends of the press among the regions of the sample, it is noteworthy that in the 1990s the greatest negative rates in annual newspaper sales occur mainly in the Southern (Mediterranean) region. This decline can be explained by the expansion of the market economy on the back of political

entrenchment, witnessed in the press by the deregulation of television and the rapid expansion of commercialized TV. It is worth mentioning that newspaper circulation dropped even in the Nordic regions that have traditionally proved more resilient, compared to other regions, to the inevitable repercussions of television deregulation.

With the advent of digital TV and the rise in Internet use, advertising revenue had to be allocated among an increasing number of media players, compared to the past, a development that intensified their competition for the same source of revenue. This fragmentation of the advertising market has arisen in combination with the fragmentation of the audience, trends that threaten advertising as an efficient model of funding television. The extent and the ways in which national media systems are affected by these global trends vary across time and countries.

This chapter tries to shed light on the emerging patterns in media production during a 30-year period of examination, across European countries. Initially, based on hard data, we try to describe the changes in the media systems of the EU countries, using Hallin and Mancini's model (2004). Then it is attempted to group the similarities, continuities, and discontinuities of the media systems.

2 The Press Market: A Downward Trend in Sales and Readership

Within the last three decades (from 1990 to 2020), the European regions and their respective EU member-states have faced many challenges in the media market, as the evolution of technology has created upheavals and transformations, paving the way for the transition from the analogue to the digital world.

In the era of the media convergence and platformization of the communication landscape, the viability of the press market is still a matter of an open debate. Around Europe there has been a *common downward trend in newspaper sales and circulation*. However, this decline in the relevant figures, as we will see in more detail below, varies significantly among different regions, as well as in countries within them. Digitalization has made the print media business much more difficult, and till that moment it has not succeeded in finding a working business model for the digital times, as the data from Eastern and Southern Europe manifest. Particularly, the steepest declines in newspaper sales occur mainly in the Eastern and Southern regions during the 1990s. However, as shown in Fig. 1, the downward trend for newspapers across and regardless regions started with the dominance of private television long before the advent of the Internet and the digital media. The rapid decline of newspaper sales could also be regarded as a side effect of how the press was used in the past. It might be no coincidence that in almost all Eastern European countries, one sees major drops in newspaper sales.

Between 1990 and 2020, the press market in the Northwestern European region has been also in decline, since sales and circulation of dailies kept dropping constantly, rising dramatically to losses, mostly pronounced from 2000 and onward. An

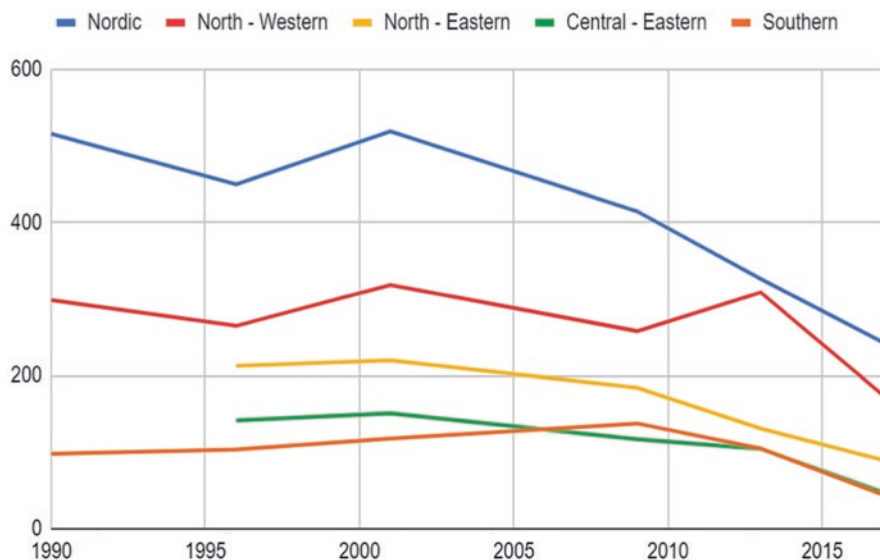


Fig. 1 Dailies average circulation/adult population (copies per thousand). Sources: World Association of newspapers–World Trends Report 1991, 1997, 2002, 2007, 2010, 2011, 2017. Compilation: Eumeplat Project

increase in newspaper sales was noted only in Austria (+9%) and Luxembourg (+3%) from 2005 to 2009. During the period 1995–2010, in terms of newspapers sales growth, one exceptional case that stands out is Ireland, where the relevant numbers reveal a repeated increase, starting from 10.49% in the period 1995–2000 and amounting to just over 31% both in the period 2000–2005. Newspaper sales started to decline only after 2005.

Traditionally, Nordic countries have had a strong press market. However, the downward trend in sales is evident in these countries, as well. Despite the similarities united the Nordic countries, there are some differences that can be easily noticed; for example, Denmark has encountered the biggest loss in sales (15.6% drop between 2005 and 2009). A possible explanation for these differences can be provided at a certain degree by the different media consumption patterns in the different countries; newspapers are read to a lower extent in Denmark, compared to the other countries of Nordic region (see Chapter “Nordic Media Systems”).

When examining the dailies average circulation per adult population at the four regions of the sample comparatively, one sees countries with the lowest average circulation per adult population both in the 1990s and in the 2000s belong to the Southern region, confirming the findings of previous studies that described the low circulation of the press as a peculiarity of the Southern European media system. The downward trend is also prevalent in the case of Eastern European media. In the region, there are big differences in the dailies average circulation between the countries. Estonia is the country with the biggest average circulation in the group from 2000 and on, followed by Slovenia, while Czechia and Lithuania also demonstrate

a very high average circulation by 2009. The press market in the Northwestern European region was the first to be substantially affected by commercial TV and digitalization. Circulation of newspapers and magazines dropped during the 30-year period under examination, while ownership concentration increased. In the majority of the countries of this cluster, there was a significant decrease in average circulation from 1990 to 1996 and from 2009 to 2017 (Table 1).

In relation to the other European regions, *the Nordic press market seems to be more resilient, since all the Nordic countries traditionally retain a relatively high level of press circulation.* Yet, in absolute numbers the circulation of newspapers per

Table 1 Dailies average circulation/adult population (copies per thousand)

	GEO/ TIME	1990	1996	2001	2009	2013	2017
Nordic region	Denmark	355	311	281	235	229.2	NA
	Finland	562	456	543.9	462	362.4	205.4
	Sweden	529	438	543.4	422.2	322.4	139.4
	Norway	615	592	705.5	538.3	391.2	383
Northwestern region	Austria	356	230	363.1	324.9	414.5	340.4
	Belgium	175	163	175.3	157.3	163.6	118
	Germany	343	318	371.1	278.7	245.8	175.1
	Ireland	189	157	233	217.5	167.3	89.9 ²
	Luxembourg	320	348	339	281.8	665.2	NA
	The Netherlands	313	307	363.5	260.3	274.5	164.1
	UK	393	330	383.4	284.7	229.1	154.4
Eastern region	Czechia	307 ¹	254	205.9	152	143.6	98
	Estonia	NA	171	233.7	199	162.7	120.9
	Lithuania	NA	NA	NA	201.8	87.1	49.9
	Bulgaria	NA	158	203	131.1	136.4	NA
	Croatia	NA	110	127.8	141.1	122	46.3
	Hungary	NA	161	199	125	150.6	93.5
	Latvia	NA	NA	184.1	112.8	NA	NA
	Poland	NA	105	91.8	98	76.6	39.4
	Romania	NA	NA	70	66.2	38.7	10.5
	Slovakia	NA	174	117.1	94.4	65.2	NA
	Slovenia	NA	NA	214.4	169.1	143.3	NA
Southern region	Cyprus	109	96	93.6	155.3	NA	NA
	France	127	182	180.7	146	168.6	86.7
	Greece	118	78	81.5	115.7	NA	NA
	Italy	118	105	127.8	93.8	92.9	40
	Malta	NA	NA	NA	295	NA	NA
	Portugal	39	93	91.2	59.5	NA	11.2 ²
	Spain	77	105	120.1	99.2	67.1	38.6
	Turkey	NA	68	130.8	NA	91.6	NA

Sources: World Association of newspapers–*World Trends Report* 1991, 1997, 2002, 2010, 2014, 2017

(1) Data for Czechoslovakia (2) Data for 2016. Compilation: Eumeplat Project

inhabitant has been decreasing consistently since 2000 in all four Nordic countries examined. While the decline has been about equally steep across the board, the level of circulation has been the lowest in Denmark. Norway displays a level hardly seen anywhere else (see Chapter “Nordic Media Systems”). Part of the picture is a higher number of newspapers, applying per capita as well as their regional diffusion and embeddedness in regional context. The situation reflects high autonomy for regions and the countries’ more active regional policy, especially compared to Denmark or Finland.

Therefore, in the period 1990–2022, one can distinguish *two different periods of crisis for the written press*. The first is described by scholars as a *structural crisis* during the 1990s, when print was challenged by TV commercial channels (Casero-Ripollés & Izquierdo-Castillo, 2013). The second major challenge publishers had to confront was the *financial crisis* of 2008 and the decrease both in sales and in advertising expenditure. The appearance of the free press as well as the online open access websites of paid newspapers gave readers a gateway for not paying for news content, explaining the drops that are observed in sales volumes in all countries from 2000 to 2005.

One interesting finding is that in all regions, the decline in sales and circulation is not reflected in the number of the newspaper titles (Fig. 2). In effect, the figures seem quite stable, while in some cases there has been a noticeable increase. The 2008 fiscal crisis seems to have affected the press market in Europe disproportionately. The number of paid-for newspapers published in the Nordic region has remained surprisingly stable since the turn of the millennium (see Fig. 2 and Chap. 5).

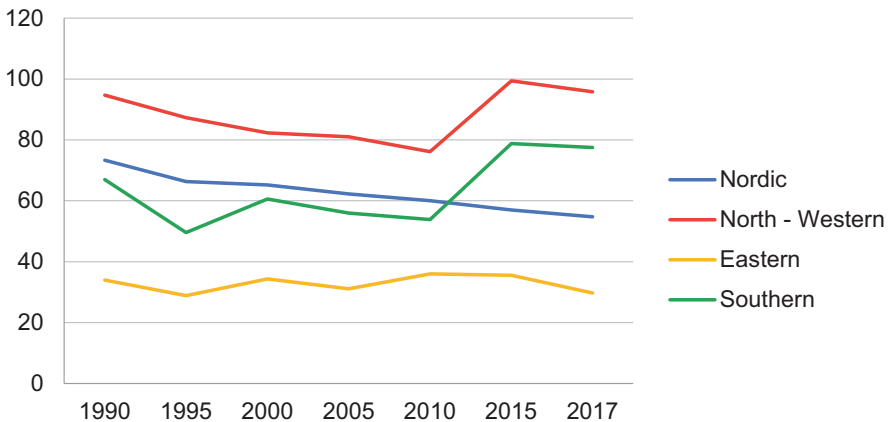


Fig. 2 The number of dailies titles (paid for) by EU region. Sources: World Association of newspapers–World Trends Report 2010, 2011, 2017. *Data for 2005. **Data for 2013. ***Data for 2014. Compilation: Eumeplat Project

2.1 *The Press Goes Digital ...*

In all European countries, there is a clear shift from the print to digital press. More precisely in the Southern Europe region, in the early 2000s, newspapers started experimenting with their online presence. For instance, *La Repubblica*, *Il Corriere della Sera*, and *Il Fatto Quotidiano* websites in Italy, as well as elmundo.es/ and elpais.es in Spain and lefigaro.fr and lemonde.fr in France, are among the top-ranking websites. The Nordic region is one of the most digitally mature regions in the world, a trait that is reflected in the tendency to use the Internet for news and information to a higher degree, compared to other developed countries. The leading tabloid newspapers, *Aftonbladet* and *Expressen*, perform well in online advertising and keep expanding its audience. Similarly, the leading quality-oriented morning newspapers, *Dagens Nyheter* and *Svenska Dagbladet*, dominate online newspaper subscriptions.

Regardless of whether the trend with respect to the movement of the press in the online field refers to small or large media markets, the great growth in the newspapers' online editions is observed either in the first or in the second half of the 2000s. Typical examples can be considered the remarkable increase that is taking place in Germany (from 259 newspapers' websites in 2002 to 661 in 2010), in the UK (from 10 in 2000 to 1.410 in 2010), in Finland (from 49 in 2002 to 170 in 2010), in Sweden (from 77 in 2002 to 229 in 2010), in Bulgaria (from 15 in 2002 to 70 in 2010), and in Italy (from 91 in 2002 to 108 in 2010) (data from the yearbooks of the WAN-IFRA).

In absolute numbers, it is reasonable that the presence of online newspapers' editions is more expanded in the larger markets of the Northwestern region, in several markets of the Nordic region, characterized by great tradition in Internet household penetration (Finland, Sweden, Norway) and in a few markets of the Southern region. It does not come as a surprise that *the advertising industry is more responsive than publishers to sales changes. Advertising expenditure for magazines was in most cases higher than for newspapers and did not experience such big fluctuations over the years.* However, during the last 10 years, there have been huge declines in advertising expenditure too (see Fig. 3).

2.2 *Strong Evidence of an Ongoing Shift Toward Online Advertising*

In recent years, access to a wide number of online news sources, the decline of newspaper readership, and advertising revenues have considerably affected the newspaper industry in all western countries (OECD, 2010). However, the financial crisis of 2008 and the falling of both offline and online advertising spending created additional problems for most newspapers, especially for the countries of Southern Europe. Unfortunately, the increase of the advertising expenditure for the Internet

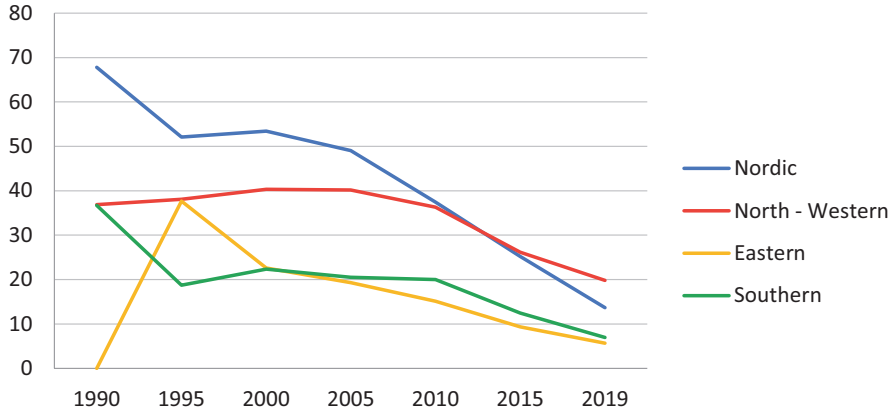


Fig. 3 Advertising expenditure in press (newspapers) by EU region (%). Sources: World Association of newspapers—World Trends Report 1991, 1997, 2002, 2007, 2010, 2015, 2020. Compilation: Eumeplat Project

was not as sharp, putting more pressure in publishers who saw revenues evaporating during these 10 years. Between 2007 and 2012, the advertising expenditure decreased by -51% in France, -39% in Spain, and approximately -60% in Greece for the same period (Papathanassopoulos, 2013). The share of advertising expenditure in press dropped in most of the Eastern European countries. In 1995, for example, 51.5% of the total advertising expenditure in Latvia was directed to newspapers. By 2005 that percentage dropped to 29.3%. Estonia seems to follow its own path. Regarding the magazine market, the majority of countries experienced an increase in advertising expenditure for almost a decade from 1995 to 2005, when a downward trend started to consolidate in the region.

In Nordic countries, advertising expenditure was subjected to sharp reductions in newspapers and magazines going back to 2005. Given the strong standing of newspapers in Nordic societies however, the amount of advertising expenditures started out correspondingly high in 2005. Even after the decrease of expenditure over the past decade and a half, advertising expenditure was relatively high in these countries, with the highest amount in Finland at almost 60 million euro per year. For magazines, the situation is quite similar, with the Nordic countries starting out with higher levels of expenses which remained on the higher end in 2019 compared with the other European countries.

The share of advertising expenditure going to press, as compared to other media, shows an increase in some countries of the Northwestern Europe in the period of 2000 to 2005, with more than 60% of advertising spending allocated to newspapers in the small markets of Ireland and Luxembourg, and a strong decline after 2010, most dramatic in the UK. Exceptions, where ad expenditure in press remained constant throughout, are Austria, likely because of indirect subsidies through government ads, as well as in Belgium and Luxembourg. While magazines receive roughly

half of the ad money of newspapers, the decline here is more pronounced, even in the subsidized market of Austria, ending in mid to low single digits in 2019.

2.3 Toward a New Model for the Press Industry

As Paolo Mancini (2020) argues, although leading newspapers still are an integral part of the media market, digital news outlets are taking the lead in news consumption. Previous research has confirmed that citizens belonging to the Eastern and Southern European cluster are more likely to consume Internet news content, since their respective media systems are subjected to stronger party and owner influence. Thus, the opening of the digital market gave them the opportunity to search for alternative media sources that are better placed to address their needs (Perusko et al., 2015, p. 357).

In effect, the digitalization of the media industry has created important challenges for the press market, not only on the production and distribution side of the news but also on the level of economic viability. Unlike native digital news media, traditional publishers had to worry about the sustainability of newspapers and finding new viable business models.

However, *most publishers and users embraced (or were forced to) the digital environment faster than advertisers* (Antheaume, 2010; Casero-Ripollés & Izquierdo-Castillo, 2013; Simon & Kadiyali, 2007). Nowadays, there seems to be a paradox, where the consumption of news online steadily grows in all European markets, yet the publishers haven't managed to find a way to "monetize the increased audience" (Casero-Ripollés & Izquierdo-Castillo, 2013, p. 64). *New business models combining paywall and subscription models still need time to be established, while publishers in Southern Europe have had more difficulties in comparison to the north of Europe to convert free readers to paid online subscriptions.* The latest data on the share of online news that is paid across countries revealed that in Nordic countries, within 1 year (from 2019 to 2020), there was a significant increase in the share of news consumed upon payment (Nordicom, 2021).

According to World Press Trends Report (2022) even though advertising revenue is still the primary source of income for news publishers, reader revenue is expected to bring in around a third of total income in 2021–2022. To create value in the highly competitive digital environment, publishers try to develop parallel business models based on personalization of content, as well as other opportunities offered by digital marketing practices (advertorials, dedicated websites and landing pages for advertisers and sponsors, niche audience targeting, remarketing tools, ad alliances). On top of these, publishers need to regain their audience trust. That is probably the biggest bet for the years to come for everyone involved in the news industry.

3 Radio: Still Resilient Across Europe

In Europe radio was born as a “national public institution,” with the premise of public service in its core (Bonet & Fernández-Quijada, 2021, p. 2). For many years public radio had the absolute dominance in the airwaves, whereas after the deregulation during the 1970s—and more profoundly in the 1980s and 1990s—many commercial stations started to emerge and capture audience’s attention. Nordic countries stand out as an exemption of this general trend, with some three quarters of radio audiences listening to national radio, as the news radio market is dominated by the national public service channels.

However, this era of flourishing had reached its peak in most countries around the turn of the century and started to demonstrate a downward trend afterward. In most European regions under study, the number of radio stations, as well as the number of employees in the radio market, had started to drop. More precisely, by 2010, the number of stations had started to drop in Northwestern Europe with a possible delay in Austria which was late in liberalization and the UK which was early and peaked in 2010 at the highest level in the region.

In Southern as well as in Eastern Europe when it comes to radio production, there are big differences among EU member states. For the year 2018, among the EU member countries with highest numbers of radio enterprises from Eastern Europe is Hungary (289), compared to Estonia (9) and Lithuania (21) (Fig. 4).

Considering population size, the number of radio broadcasting enterprises per million inhabitants also differs greatly between countries. The highest ratios were recorded in Slovenia (76 radio broadcasting enterprises per million inhabitants),

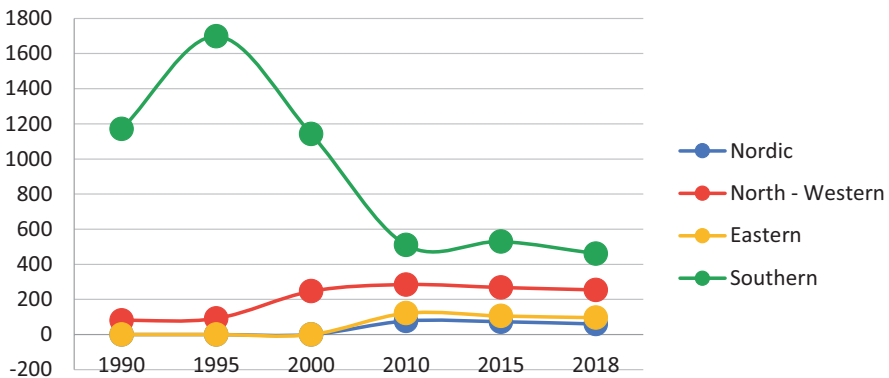


Fig. 4 Number of radio broadcasting enterprises (both public and commercial) by EU region. Sources: Eurostat (2021a, 2021b). Annual detailed enterprise statistics for services (NACE Rev. 2 H-N and S95) [sbs_na_1a_se_r2]. Retrieved from: <https://appsso.eurostat.ec.europa.eu>. Compilation: Eumeplat Project

Croatia (38), and Hungary (32), while the lowest ones were observed in Poland and

Slovakia with three radio broadcasting enterprises per million inhabitants.¹ Slovakia and Slovenia are the only two countries with positive change rate in the period 2010–2018, while Bulgaria saw the biggest decline in radio stations (−46.32), followed by Czechia (−37.84) and Hungary (−31.35).

According to Eurostat (2018), Spain leads in radio production with 781 stations, followed by Italy with 701 and Greece with 614. On the other hand, France is one of the major employers on radio within the EU. It is worth noting that the effect of the financial crisis is also discernible to the radio market in Southern Europe. A more complex development is observable in the number of radio broadcasting enterprises in the Nordic region. In Norway, the total number, which was very high to start with, declined markedly from 2000 to 2018. An equally consistent but less dramatic decline occurred in Denmark, whereas Finland and Sweden experienced a slight rise of radio broadcasting enterprises from 2010 to 2015, followed by a small decline. As it is expected, the drop in the number of radio stations is also manifested in the number of employees working in the radio industry. According to relevant data from Eurostat, the years following the 2008 economic crisis had a detrimental effect for the people employed in this media sector in Southern Europe. Namely, in Greece almost half of radio employees lost their job, while in Italy almost 40% of the employees were laid off. The tendency is visible in Eastern Europe too, as Poland is the only country in the region with a positive change rate (+26.34) between 2010 and 2018 (Fig. 5).

In Northwestern Europe, the number of employees in the radio industry from 2010 to 2018 dropped even more than the number of stations, indicating that many of the commercial stations relied on computer-generated playlists while saving on

¹Radio broadcasting in the EU on the decline, Eurostat, <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/edn-20200213-1>, accessed on 13.08.2021.

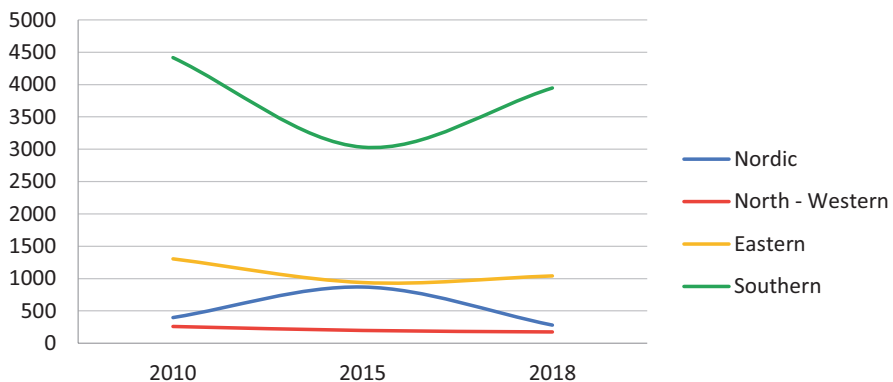


Fig. 5 Number of employees working in the radio industry 2010–2018 by EU region. Sources: Eurostat (2021a, 2021b). Annual detailed enterprise statistics for services (NACE Rev. 2 H-N and S95) [sbs_na_la_se_r2]. Retrieved from: <https://appsso.eurostat.ec.europa.eu>. Compilation: Eumeplat Project

personnel. The only exception seems to be Austria where a comparably small number of commercial stations might be counterbalanced by an increase in personnel at ORF. In the Nordic region, a slight drop in the number of radio employees is also visible since 2010 and onward.

The advertising share for radio has remained rather stable throughout the years for the majority of countries under examination, even in countries that have been affected by the financial crisis. In Eastern European region, although there are not tremendous fluctuations within the countries themselves, there are significant differences in the radio advertising expenditure between the countries. Finally, in the Nordic region, there is a slight upward trend in radio advertising expenditure in all countries, with the noticeable exception of Norway with almost a €30 million drop from 2015 to 2019.

Apart from Cyprus and Greece, all the countries in Southern Europe are below the EU28 median regarding the share of respondents who listen to the radio every day or almost every day (Statista, 2020). As seen in Fig. 6, radio listenership has slightly diminished in 30 years' time, with the biggest drop in Nordic and Southern Europe from 2005 to 2019. For Southern Europe the biggest drop in radio listenership was noted in Portugal and Spain. In the Northwestern region, there is also a drop during the same period, however not as sharp. On the contrary, in Eastern Europe and after a small drop, listenership in 2019 is back at 2000's levels. In 2019 the amount of daily radio listening in Southern Europe was on average 133 min. The Mediterranean trend is therefore a bit lower than the European median of 138 min. per day (EBU, 2020a, 2020b). Daily radio listening habits range from 84 min. for Portugal to 148 min. for Cyprus and 198 min. for Greece. For Eastern Europe, Slovakia is the only one with an increase in the minutes of daily listening. The

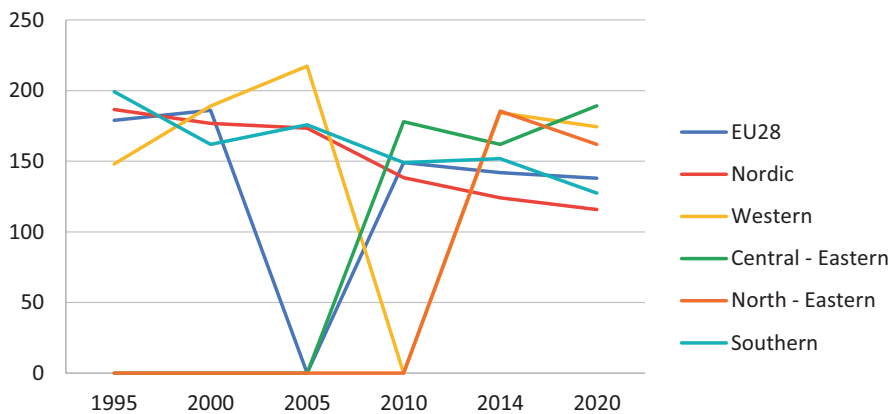


Fig. 6 Radio listenership by EU region (in min.). Sources: a: O. Debande and G. Chetrit (Debande & Chetrit, 2001) *The European Audiovisual Industry: An Overview—07/09/01—Final version* data for 1985 and 1999 respectively b: EBU, (2007) *EBU Members' Audience Trends 1994–2006*, Grand-Sacconnex: EBU. c: EBU, *Audience Trends*, 2015, 2020 & 2021(+) data for EU 15. *Null values (EU28 from 2000 to 2010, Central Europe from 2005 to 2010, Eastern Europe from 2000 to 2010, Southern Europe from 2005 to 2015) plotted. Compilation: Eumeplat Project

biggest drop is in Hungary with 82 min less. In all four countries of the Nordic region, listening time decreased from 2000 to 2019, with the biggest drop recorded in Denmark, corresponding to 90 min less listening time per day. Radio listenership in Finland has recorded the smallest drop. The developments in radio listenership have not been so dramatic in Northwestern Europe with all countries in this group well above the European average. Radio is most popular in Austria and Ireland and the least in French-speaking Belgium, the Netherlands, and the UK.

Overall, the available data regarding the advertising expenditure invested in the radio market suggest that the *radio still consists of an integral part of the media industry across Europe*. Even though terrestrial radio broadcasting remains the primary distribution platform, relevant data confirm that online radio is no longer just a complement to FM, but is replacing it, especially when it comes to younger listeners (Cordeiro, 2012, p. 494). With the rise of streaming services and platforms, commercial radio enterprises may start to capitalize their experience in the market and opt for a new strategy that compliments expansion beyond their national borders; although, due to its specific traits as a medium and its oral nature, radio has always been regarded as a “difficult medium to internationalize,” technological advancements pave the way for a “more varied and direct interaction with audience and ways to advertise that go beyond the simple radio spot” (Bonet & Fernández-Quijada, 2021, p. 13).

4 TV: Continuities and Challenges in the Era of “Digital Disruption”

4.1 The Rise of Thematic Channels

According to Mikos (2016, p. 154), “television has always been a medium in transition, subject to constant transformation,” triggered by technological advancements, new platforms of content distribution, economics, relevant policy, and audience consumption patterns. The restructuring of the European television systems has brought about an increase in the number of private channels in operation and, consequently, has changed the relationship between the private and the public broadcasting sector. For example, at the end of 2010, the number of channels in Europe was 9893 compared to 220 in 1996 and less than 90 in 1989. Moreover, only 12% of the TV channels are public (EAO, 2011) (Fig. 7).

Almost a decade later, at the end of 2019, 11,418 TV channels were available in Europe, 4757 of them local (EAO, 2021). But most of these new channels were thematic channels. In effect, there was no new channel that has started in the last 30 years that aimed to follow the traditional general entertainment program diet (Papathanassopoulos, 2002). Nevertheless, by 2015, the thematic TV market reached its saturation in most countries in all four European regions under examination. It is clear nowadays that thematic channels gave their way to the video platforms. In effect, they have been absorbed by the raising platforms sprung all over Europe.

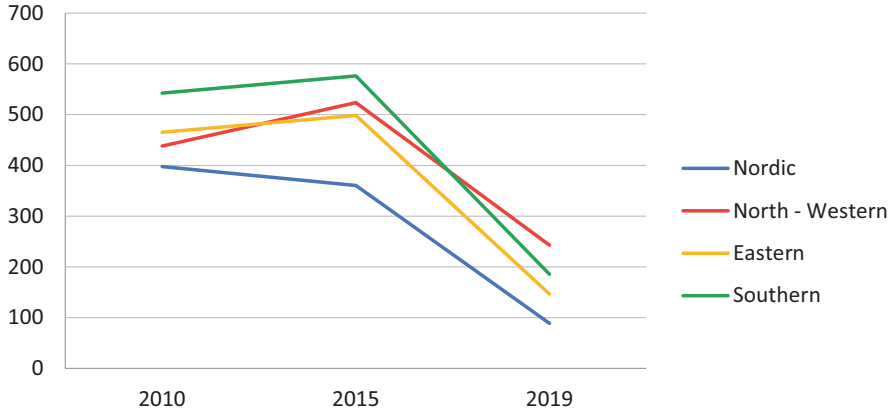


Fig. 7 The development of thematic channels in Europe by region (2010–2020). Sources: EAO (2011), vol. 2 / EAO Yearbook 2015 / EAO Yearbook 2019.*For Nordic and Eastern Region for 2010 data are from 2013. Compilation: Eumeplat Project

One interesting finding is that there is no common pattern regarding TV genres, indicating that audiences' preferences may vary significantly from one country to another. For instance, in 2019, 40% of thematic channels in Cyprus and Malta are related to sports in 2019 (in Cyprus 22 channels out of 52 and in Malta 10 out of 26 channels). Nevertheless, apart from Greece and Turkey, the number of sports channels is decreasing, too. Film and fiction channels are in most cases almost one in ten of the available channels.

In Eastern region there was a stable increase in the number of thematic channels in many countries under examination until 2015, followed by a sharp decline in 2019. Film and fiction channels seem to prevail the thematic TV industry of the Eastern region, being stable during the years. Generalists and sports channels present variations across countries, but still have a place in the thematic TV market.

In Nordic countries there has been a decline in the number of thematic TV channels from 2010 to 2015, which resulted in a dramatic drop in 2019. It is worth noting that sports channels seem to be more resilient compared to other genres. *Broadly speaking, on the production side, segmentation and fragmentation of the market would sooner or later put financial models to the test, especially in small media markets.* On the consumption side, IPTV and VOD are becoming established themselves in the field, driving revenues in the TV industry.

In terms of consumption, TV still occupies an important part of the daily lives of Southern Europeans. More importantly this trend seemed to be on the rise until 2010, where upon a reverse trend followed. For 2010 alone, the global average of TV viewing dropped slightly to 190 min per day. During the same year, the countries grouped into the Southern European model remained well above the global average. Moreover, in the next 10 years, TV viewing time continues to grow in all Southern European countries. TV viewing time is remarkably lower in the Northwestern region with its peak between 2005 and 2010 from 195 min per day in the Netherlands (2005) to 242 min in the UK (2010). The increase in time spent on

watching TV that occurred in the Nordic region from 2005 to 2010 appeared in most age groups across each of the Nordic countries (only young adults in Finland and Sweden went against the trend). In the years since then, however, average viewing time has declined quite markedly. Romanians topped the Eastern European region with 329 min per day or 5 h and 29 min watching TV in 2019. On the other end of the spectrum are the citizens of Latvia, who spend only 2 h and 57 min in front of a TV set. If we compare the daily viewing time from 2015 to the one in 2019, we will see that nearly all countries have an increase in minutes; only Hungary (1.77%) and Poland (2.66%) have a slight decrease. The Internet didn’t change our habit to watch TV. But for sure the Internet had changed and will continue to change our preferences on what to watch and on which channel (Fig. 8).

On the other hand, one could say that even in the digital age, TV is still a very resistant medium in Southern and most of Eastern Europe. Nevertheless, there *is a major disconnection in Southern and Eastern Europe when it comes to the hours spent in front of the TV and the reported trust in it*. Trust in TV has decreased in 14 EU countries, 2 of them from Eastern Europe—Poland and Slovakia. Still, 22 out of 28 EU member-states report high trust in TV with the highest reported in the Nordic countries (EBU, 2020a).

4.2 Public Broadcasters: Defending Their Position in the New Television Universe

Despite the differences in funding models, as we will see in some detail in the next section, most public channels have tried to develop strategies, to find their position in the new television order. However, these strategies vary significantly across

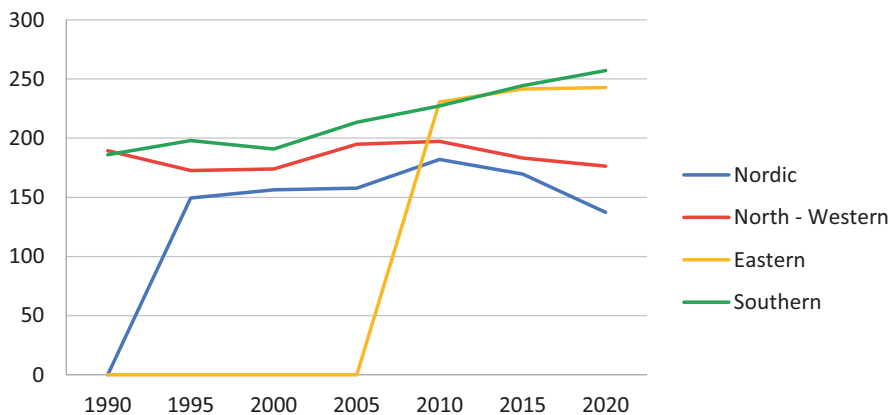


Fig. 8 TV daily viewing time by EU region (in minutes). Sources: EAO—Trends in European Television 2006, vol. 2, EAO (2011) vol. 2, EAO—Yearbook (2020); EBU, TV Audiences, (2021). Compilation: Eumeplat Project

countries, since they are determined by the specific conditions (size of the market, technological infrastructure, tradition, history, culture, etc.) that characterize each country (Iosifidis, 2007). It also comes without question that a group of public broadcasters mainly from larger European countries but also from the Nordic Region had been better prepared to address the “digital challenge,” by investing in online services or by building alliances with other public or even commercial channels, so to protect their common interests against the digital threat.

The appreciation of public television remains astonishingly high across the Northwestern Europe, given the number of commercial competitors, of audiovisual offerings on the Internet and other forms of audiovisual entertainment, particularly gaming. The number of public TV channels was essentially unchanged between 1990 and 2010 throughout the region.

The number of public TV channels remains stable through time in most countries of Southern Europe, as well. Few exceptions are that of France, Italy, and Greece where the number of public TV channels more than doubled from 2005 to 2010, due to the operation of digital dedicated TV channels, since the governments used the public broadcasters as platforms for the advent of digital terrestrial television. Subsequently, several new, mostly thematic, channels started transmitting on the digital terrestrial frequencies.

In Eastern Europe, when we look at the number of public TV channels, we can see stability or increase. The biggest increase in numbers is in Poland where the number doubled from 6 to 12 in the period 2010–2019. On the other hand, tighter government control on public broadcasters is becoming a trend, notably in Eastern Europe. In Poland, the conservative government has forced the public broadcaster TVP to fall in line with the policies of the ruling PiS party since late 2015. The entire TVP executive body was replaced by party loyalists, and some 200 independent journalists left the station,² echoing the case of the Hungarian public electronic media. In effect, Central-Eastern Europe represents a special case in the field of public service broadcasting, since the transition to a deregulated television field was experienced by former state broadcasters as a rapid process of sudden transformation, lacking the necessary prerequisites at the institutional and technological level, against a background of unplanned dramatic emergence of competition from commercial broadcasters which undermined any prospects for the future route of public service broadcasters (Broughton Micova, 2012). The pace of transformation in Central-Eastern European markets has been regarded as faster than that of the small Western European states.

In Nordic countries there is a strong heritage of PBS TV appreciation. It is worth noting that Norway invests more than the other Nordic countries in public service provision of news and, together with Iceland, has the most dominating individual such provider, NRK1 (see Chapter “Nordic Media Systems”). From 2010 to 2015, there has been a significant increase in the number of public service terrestrial TV

²“How the world’s countries provide public media,” *swissinfo.ch*. Accessed at: https://www.swissinfo.ch/eng/funding-and-debates_how-the-world-s-countries-provide-public-media-/43880294.

channels in all Nordic countries, while from 2015 to 2019, there was a noticeable decline except for Denmark. Overall, the Nordic media market incorporates a rigorous and adaptable public service media sector whose operation and remit are highly legitimized coexisting with successful commercial media organizations (Syvertsen et al., 2014). The stable funding and the high level of trust they receive are features that have enabled them to enhance the quality of their fictional programs, whose success has been internationally recognized through exports of drama series productions.

The success of these productions is attributed to the high level of trust in public value related to the public service media sector as well as to the policy strategy of the 1980s aimed at internationalizing the local audiovisual market (Ibrus & Rohn, 2019, p. 44) (Fig. 9).

While the adoption of digitalization in television around the turn of the millennium expanded the portfolio of niche channels, the development was basically controlled and actively coordinated for the purpose of transforming the Nordic public service broadcasters (see Chapter “Nordic Media Systems”). They all introduced new services online and adopted far-reaching changes both to diffusion and content. The concept of “public service broadcasting” has since been applied as an umbrella term that spans television and radio as well as online services (ibid, p. 22).

4.2.1 PSB and Public Funding

It is argued that the justification of regulatory intervention in a free media market on the premise of public interest is a thorny issue (Iosifidis, 2012, p. 6). Public funding of public broadcasters supports the production and distribution of content that

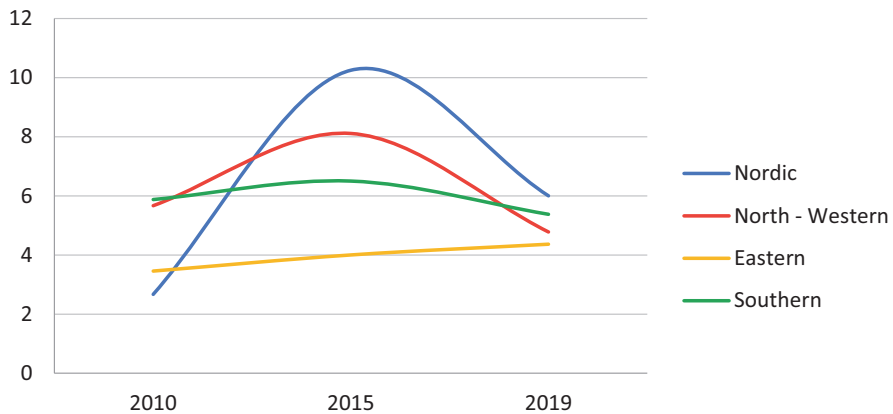


Fig. 9 The number of public TV channels in European regions. Sources: European Communities, 2003, EAO—Trends in European Television (2006), vol. 2, EAO—Trends in European Television (2011), vol. 2, EAO—Yearbook, (2010) (vol. 2, p. 120), (2016), (2019), (2020). Compilation: Eumeplat Project

would not be appealing to commercial broadcasters, i.e., educational content, pluralistic, aiming at informing public opinion, etc. Or put it differently, public funding reduces dependence on advertising, thus eliminating the competition with commercial broadcasters, giving to public broadcasters the opportunity to employ a differentiated program strategy. In effect, even nowadays *most of public service broadcasters rely on a mixed model of revenues from license fees, advertising, and in some cases direct funding from the state's budget.*

From 1990 to 2019 in the Northwestern region, the broadcast fee rose roughly in line with the inflation rate. The fee was abolished in the Netherlands in 2000 and in Belgium in 2002, where PSB since then is being funded from the state budget. The rate of the fee which covers both radio and TV ranges from 160 Euro in Ireland to 300 Euro in Austria. Comparing the funding that public audiovisual media get from government is not practical if we overlook the specific differences in each country. However, comparing what percentage of the funding came from the government will provide a clearer picture of the situation. Public broadcasters in Bulgaria and Slovakia receive the biggest percentage of their incomes from their governments, and that percentage is over 90%. In Poland that percentage is the lowest during the aforementioned period but has been growing during the years. Due to the economic crisis and the following decrease of the advertising market, states had admitted to limiting PSB revenue coming from advertising, in favor of the commercial channels. That is a controversial decision but is a way of stimulating the free media market. Between the lowest percentage of 18.7% in Poland in 2011 and the highest of 94.9% in Slovakia in 2013, there is a big opportunity for better models, as public broadcasting stations play an integral role in democratic societies and in supporting the production and distribution of content that would not appeal to commercial broadcasters (Fig. 10).

According to the EBU-Media Intelligence Service (2022), the license fee was collected in 25 of the 56 EBU countries (44.6%) but was not necessarily the main source of PSM income. In fact, license fee was the principal source for PSM revenue in only 20 EBU countries (37.7%). *However, four of the Big Five markets—France, Germany, Italy, and the UK—mainly rely on license fee revenue. That explains why the license fee remains the main source of PSM income in the EBU as a whole, even if it is no longer the most widespread* (EBU-Media Intelligence Service, 2022, p. 11).

With the notable exceptions of Spain and Cyprus, all Southern European countries rely on license fees. However, the cost of a fee is relatively low. The most expensive license is found in France (139 Euro) and the lowest in Portugal and Greece (36 Euro). The fee is in some cases collected through the electricity and gas bills, as in the case of Italy, Greece, Portugal, and Turkey. In the case of Spain instead of a license fee, there is a special tax on income. Perhaps the most interesting correlation is the one between the cost of the TV license and the public television share. More specifically, as reported by EBU (2020b) and verified in the case of the Southern European model, countries with higher license fees receive higher shares of public television ratings.

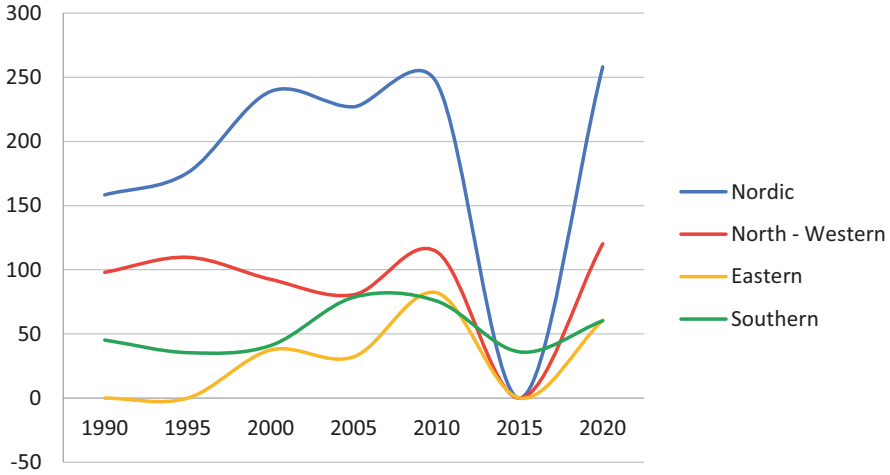


Fig. 10 TV license fee (in EUR) by EU region. Sources: North-Western Region-1990–2000: European Communities (2003), 2010: EAO Yearbook (2011) vol. 2, p. 32, 2019: EBU-MIS, Licence Fee 2020. Southern Region:1990–1995: European Commission (2003). Cinema, tv and radio in the EU. Statistics on audiovisual services. Data 1980–2002, 2000–2010: EAO—Trends in European Television 2006, vol. 2, 2019: EAO (2011) & EBU Media Intelligence Service, 2022. Eastern Europe: EAO—Trends in European Television (2006), vol. 2, EAO—Trends in European Television (2011), vol. 2, EAO—Yearbook (2016, 2019). *Data for 2009. Compilation: Eumeplat Project

During the last decade, all Nordic countries have chosen to replace the license fee with a tax model, to develop a long-term and technology-neutral financing policy for public service media (Harrie, 2019). The first country to move away from the traditional license fee was Iceland, introducing a public service tax in 2009, followed by Finland in 2013. And now, the other countries are following these steps, as well. At the time of writing these lines, France was ready to scrap its TV license fee after the Senate’s approval. French President Emmanuel Macron has promised during the election campaign to abolish the license fee to boost households’ spending power. Despite the similarities, there are also differences between the models, regarding the form of the tax. For example, Iceland and Denmark have adopted a model which is independent of income, while the other countries have opted for an income-related tax (Harrie, 2019).

Public funded services provide a valuable contribution to the television ecosystem, since they offer a greater variety of choices to viewers, program choices that commercial channels may not provide to them. Or this used to be the main argument for the support provided to the PBS. However, in the current TV ecosystem, characterized by a variety of channels and the rise of video on demand culture, the justification behind the foundation of PBS funding is under revision (Lotz et al., 2021, p. 16).

5 Commercial TV Channels

It is well known that TV still plays a major role in shaping our cultural identity, by determining not only what we see but also the way we see it, although on the supply side, one notices substantial differences across the European regions under examination. For example, the media market of the Southern European model varies greatly in size and dynamic. Namely, the model consists of large markets of France, Italy, Spain, and Turkey, followed by the medium but poor markets of Portugal and Greece and smaller but rather rich markets of Cyprus and Malta that mostly import their content.

However, following deregulation all these markets experienced a tremendous increase in their number of free commercial TV channels up to 2010. Still, this trend differs greatly from one country to another. The biggest increase is noted in Italy with 79 commercial channels in 2010, even though PTV received more than 40% of audience share at the time (see Chapter “The Media in Southern Europe: Continuities, Changes and Challenges”).

In the Northwestern region, most commercial TV providers distributed their programs over satellite or cable and peaked in 2015. Some successfully applied for a terrestrial license, the number of which increased by the switch-over from analogue to digital broadcast (DVB-T) in the early 2000s. These channels also peaked in 2015, with by far the highest number in the UK (91) followed by Germany (27) and the Netherlands (15). Even though the switch-over from DVB-T to DVB-T2 from 2017 again increased the number of available terrestrial channels, commercial interest waned, indicating a consolidation of the market (see Chapter “The Media in Northwestern Europe in the Last Three Decades”).

In the Nordic countries, the number of commercial TV channels increased from 2005 to 2015, and then a significant decrease took place from 2015 and onward. The most distinctive case is that of Finland where in the period 2005–2015 there has been a considerable increase in the number of channels operating according to commercial standards (from 2 in 2005 to 62 in 2015), followed by a severe decline over the next years (from 62 in 2015 to 27 in 2019). Moreover, another case that stands out is that of Denmark where in 2019 the commercial TV sector consists of only one nationwide commercial TV channel (see Chapter “Nordic Media Systems”).

In Eastern Europe, the number of commercial TV channels has remained quite stable, when comparing the relevant trends between 2015 and 2019. Of course, the attention should be drawn to the remarkable growth taking place from 2005 to 2015, which is the period in which most of the countries became part of the EU broadcasting market and new players appeared in the broadcasting field. Although the corresponding numbers in the previous periods are missing, the particularity of Central Eastern European countries lies in that television programming was subject to a process of internationalization through imports of series and films mainly from the West, including the USA, both in the period before and after the fall of Communism (1989) (Fig. 11). To this trend was exposed many of these countries’ markets, albeit to different extents during the various time periods (Štětka, 2012) (see Fig. 7).

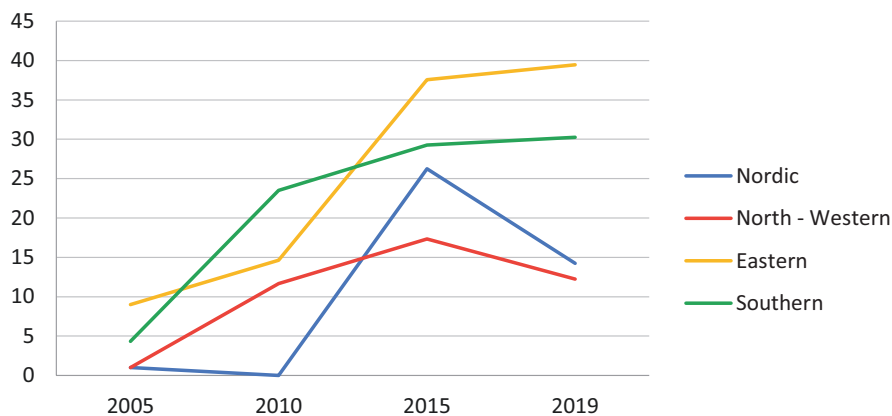


Fig. 11 Commercial terrestrial TV channels by EU region. Sources: European Communities (2003), EAO—Trends in European Television (2006), vol. 2, EAO—Trends in European Television (2011), vol. 2, EAO—Yearbook, (2000, 2010) (vol. 2.pdf, p. 120), (2016, 2019). Compilation: Eumeplat Project

5.1 Digital Threats/Multi-channel and Multiplatform Environment

Satellite technology brought about significant changes in the media landscape, since it paved the way for the internalization of the TV market (Lotz et al., 2021). It is not a coincidence that 1990s constitutes a period of growth for cable subscription-based television both in Northwestern region and in Southern region of Europe. In the former case, the media markets that stand out in terms of subscriptions numbers are Germany, the Netherlands, and Belgium, while in the latter case, distinctive markets of increasing trends are mainly that of France and Spain (Fig. 12).

Southern European media systems in fact were deregulated in late 1980s, when satellite technology arrived. In the Nordic countries, by contrast, the public broadcasting monopolies tried to maintain the old order, backed by determined national policymakers (see Chapter “Nordic Media Systems”). Even as the first commercial terrestrial television station could open in 1991, competition was firmly restrained. Satellite and cable TV became increasingly accessible, however, making the public stance unsustainable. All countries under examination, apart from Finland, present a slight drop in the number of cable TV subscriptions, while IPTV from 2010 and onward seems to follow a steady growth (with the exception of Norway).

From 1995 to 2000, there was an increase in Pay TV operators around Europe. In effect, Pay TV is mostly connected to linear transmission, while non-linear to VoD services. However, subscription services’ penetration (Pay TV and VoD) will continue to grow mostly due to IPTV increasing popularity. According to the EAO (2020), IPTV was the fastest-growing distribution network during 2014–2018, mainly at the expense of cable network which saw its market share decreasing by four points during the same period. Further growth in IPTV segment has been

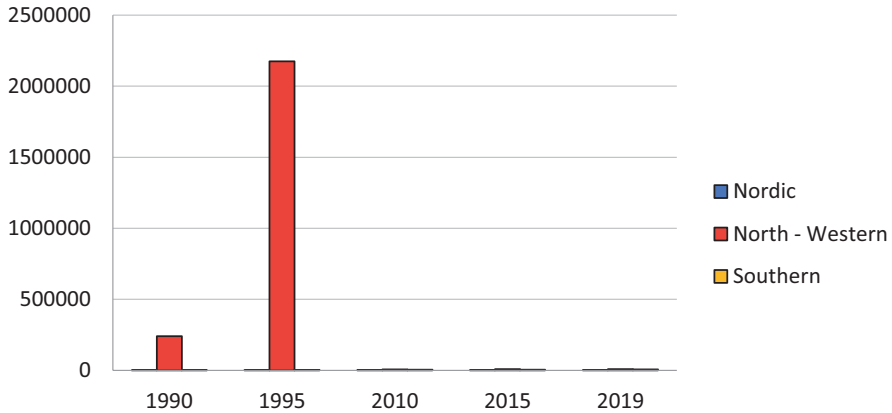


Fig. 12 Total Pay TV subscribers by EU region (in thousands). Sources: Ampere Analysis in EAO Yearbook (2020). Compilation: Eumeplat Project

supported by IPTV service providers offering their services as part of multiplay, for now mostly triple play, service bundles with flexible subscriptions and packages.

In effect, IPTV has demonstrated a fast-growing trend in most European countries, with a significant increase between 2010 and 2015 (Fig. 13).

5.2 Advertising Market

Considering the popularity of TV in the regions under examination, the fact that TV advertising expenditure still constitutes an integral part of the total advertising expenditure shouldn't come as a surprise.

In the Southern European region, we can distinguish between two different groups: a) one consisting of the large market where TV advertising share actually decreases from 2005 to today, even though change rate has been in most cases small, and b) the other from small markets where advertisers, regardless of the rise in new technologies and personalized services provided, continue to invest heavily in TV advertising, even more than 15 years ago. Therefore, the TV advertising share in Cyprus was 73% in 2019, in Portugal 72.8%, and in Greece 55.5% of the total advertising expenditures.

According to the EAO (2020), TV advertising remains resilient in countries with lower advertising expenditures per capita. In effect, TV advertising expenditure has remained stable over the last 30 years throughout the entire Northwestern region, with a slight peak around 2000, in contrast to the dramatic decline that took place in the ad money going to newspapers and magazines after 2010.

In all countries in Eastern Europe, the percentage of ad money going to TV is around 50% of the market, with a downward trend. From this trend, Bulgaria, Romania, Slovakia, and Slovenia are excluded, whereas Bulgaria is the only

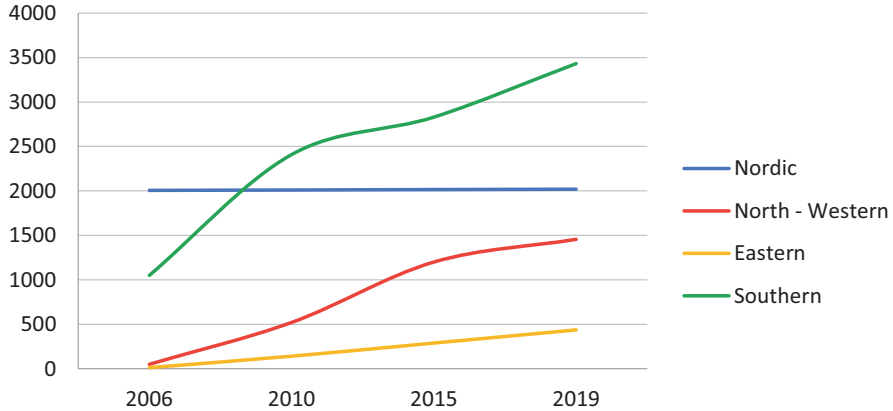


Fig. 13 OTT/IPTV by EU region (HH in thousand). Sources: Ampere Analysis, OBS in EAO (2020) Yearbook. Compilation: Eumeplat Project

country in the region in which advertising expenditure in TV is above 70%. This can be explained by the dramatic situation in the country’s newspaper market, as nearly all advertising money are directed to TV (Fig. 14).

In Nordic countries, in contrast to the newspaper and magazine market where advertising expenditure has been subjected to sharp reductions, the level of expenditures allocated to advertising in TV has remained stable.

A likely reason is that some financially strong companies, in any market, continue to see value in reaching some consumer segments by advertising at commercial TV program breaks. However, recent data reveal a trend of growing investment in non-linear TV and video, on behalf of advertisers, spending almost as much to this segment of the market, as they do on traditional linear TV (IAB EUROPE, 2022). TV stations will have to find ways to compete against new audio-visual platforms which attract more and more of the attention of advertisers all over the world. But here, Lotz et al. (2021) make a crucial point by trying to identify the real competitor of TV stations, as they explain (2021, p. 13):

In the advertising market, video is used to gather attention, but it is attention that is traded for advertiser spending. In contrast, in the purely subscriber-funded market, video is traded for money from subscribers (...). As a result, ad-supported television has been most affected by changes in the market for selling attention (not by SVODs) in particular, the expansion in competition for advertiser dollars introduced by various digital advertising tools that are often conflated as “digital” “online”.

The “digital disruption” creates new challenges in the national TV markets, and therefore it demands a new strategic response from TV providers, if they aspire to keep their dominance in specific audiences, thus safeguarding their viability in the future.

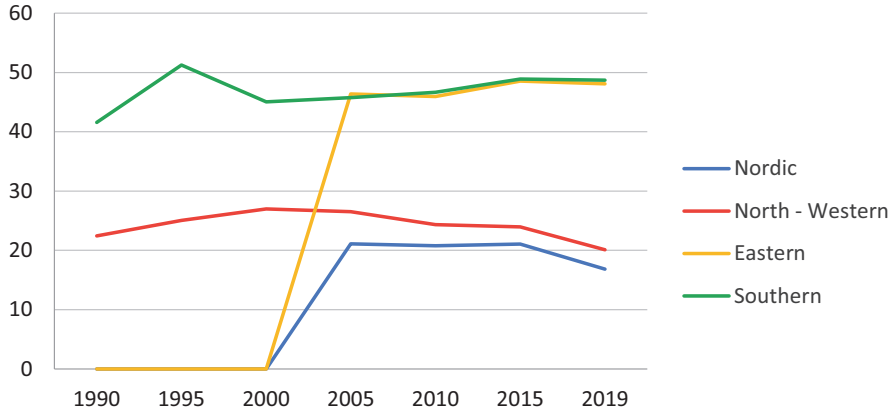


Fig. 14 TV advertising expenditure by EU region (%). Sources: For Northwestern Region data for 1990–2000: European Communities (2003). For Southern Region data for years 1990 & 1995 come from WAN, 1991 & WAN, 1996, respectively. 2001–2019: Warc © European Audiovisual Observatory, Yearbook 2020 / Annuaire 2020 / Jahrbuch 2020. Compilation: Eumeplat Project

6 Media Ownership Concentration

The liberalization of the rules governing the media systems in general and television sector around the globe in the last three decades has facilitated, if not accelerated, the trend toward the creation of larger and fewer dominant groups in the entire media sector. *As a result, the media industry has become more concentrated and populated by multimedia conglomerates.* Nevertheless, the pattern around Europe, as in the past, is not uniform. By and large, it is evident that media ownership has taken on many forms across Europe: state ownership, public ownership, party ownership, family/private ownership, corporate ownership, etc. *As digitalization has disrupted media markets on a very large scale and in almost all aspects of production, content, distribution, and reception, it could be argued that it has offered new access possibilities in an already highly concentrated European media market.*

On the other hand, digitalization and media convergence have offered the “best conditions” for the erosion of the so-called “legacy” or “mainstream” media and most importantly their relevant business models resulted—in almost all European countries, North, Central, Eastern, and Southern Europe. As the European Union mentioned in its report on the implementation Audiovisual Media Services Directive (CEC, 2021), globalization and digitalization have led to further media concentration. In effect, technological developments hand in hand to global economic processes have affected the status of media ownership in Europe. *The so glorified and celebrated media tycoons of the past (Maxwell, Berlusconi, Kirch, Hersant, even Murdoch) have either disappeared, or they don’t have the media power of the past.*

In the last two decades, one also witnesses various waves of mergers and acquisitions in the media sector and subsequently in the TV landscape (Albarran, 2002; Bagdikian, 2004; McChesney, 2004; Sánchez-Taberner, 1993). According to the

European Audiovisual Observatory (EAO) 62% of the market was controlled by 15 companies in 2006, while it was further increased, up to 67% in 2010 (EAO, 2011). But things have changed dramatically since then. As the European Audiovisual Observatory observes 5 out of the world's 12 largest audiovisual groups in 2016 which no longer appear in the 2019 top 12 ranking... [while the audiovisual market is] triggered on the one hand by the need for telecommunications groups to diversify their activities and on the other by the challenge of responding to competition from Internet players (such Netflix, Amazon Instant Video, and Google's YouTube). The latter have started dominating the media markets as well (EAO, 2021, p. 52).

In Europe, the revenues of the top 100 companies active in the European audiovisual market, like Vivendi (France), the RTL Group (Luxembourg/Germany), ProSiebenSat (Germany), ITV (UK), and Mediaset (Italy), and the public broadcasters of big European countries, ARD (Germany), the BBC (UK), France Télévisions (France), and RAI (Italy), grew by 4.6% annually between 2014 and 2019 (EAO, 2021, 54).

The COVID-19 pandemic and the subsequent lockdowns (stay safe-stay home) seem also to have facilitated the increasing importance of TV streaming services all over Europe from North to South and from West to East.

It is yet to be seen whether this OTT/streaming/platform invasion will not only affect the European media landscape in terms of ownership pluralism but also in terms of content pluralism, business models, and entry of new or old local players in the new media field. Perhaps, we are entering a new model of ownership concentration which affects all sectors and all aspects of the media business in Europe.

7 Steady Increase of Digital Connectivity

How successful is a society in mastering the different dimensions of digitalization? In their study, Perusko et al. (2015) used indicators such as broadband penetration, which is considered as a precondition for the emergence of a digital economy, and smart phone penetration to evaluate the digital advancement of media systems and subsequently developed a model of categorization. Similarly, the European Commission (2020), as part of its Digital Decade program, has devised the Digital Economy and Society Index (DESI). The Digital Economy and Society Index is a composite index that measures the progress made by EU member-states toward a digital economy and society, bringing together a set of relevant indicators. It consists of weighted scores (0–100) of five dimensions: connectivity, human capital, use of Internet, integration of digital technology, and digital public services (which, alas, do not include PSM). In the overall composite index for 2020, the Nordics are clearly leading the pack, followed by the Northwestern region. Nevertheless, one has to admit that the role of the media is crucial for the establishment of a “knowledge society,” since the new technologies have made it easier for the public to gain access to information and therefore cultivating a two-way procedure of processing and interpreting information.

The Nordic countries have an outstanding performance on indicators at the core of the knowledge society, such as R&D expenditures relative to GDP, patents, or training. They similarly excelled in ICT from early on, as reflected in Internet usage, broadband penetration, mobile penetration, mobile networks, e-commerce, hardware installation in homes, and public services online (2020; OECD, 2016, 2019). In due time, the diffusion of ICT accelerated worldwide, and the standing of the Nordic countries in ICT is no longer exceptional, although still generally near the world's best (see Chapter "Nordic Media Systems"). In effect, the Nordic countries seem to lead the way to the digital society (Fig. 15).

In the Northwestern European region, there is strong evidence of digitization as well, with high scores of broadband Internet penetration among the regions' households (97% of households in Netherlands in 2020 and 94% in Luxembourg in 2020 according to data from Eurostat). Austria has the best performance on mobile broadband subscription index, with 129.92 mobile broadband subscriptions per 100 inhabitants, followed by the Netherlands with 128.38 mobile broadband subscriptions per 100 inhabitants and Luxembourg (121.76 mobile broadband subscriptions per 100 inhabitants).

In the Southern European region, broadband Internet penetration has followed a considerable growth in the last decade, with Spain presenting the highest development (in 2020, 95% of Spanish households have broadband Internet connection—well above the EU average). Overall, it comes as a surprise that smaller countries and weaker economies like Cyprus and Malta have an exceptional performance in this indicator (92% and 90% of households, respectively, having broadband Internet in 2020), while countries with advanced economy as Italy and France seem to follow broadband Internet penetration with a slower pace. A more detailed analysis of the broadband Internet penetration, according to fixed broadband and mobile broadband subscriptions per 100 inhabitants based on data from ITU, clearly manifests that the mobile broadband Internet has taken the lead in the national markets under

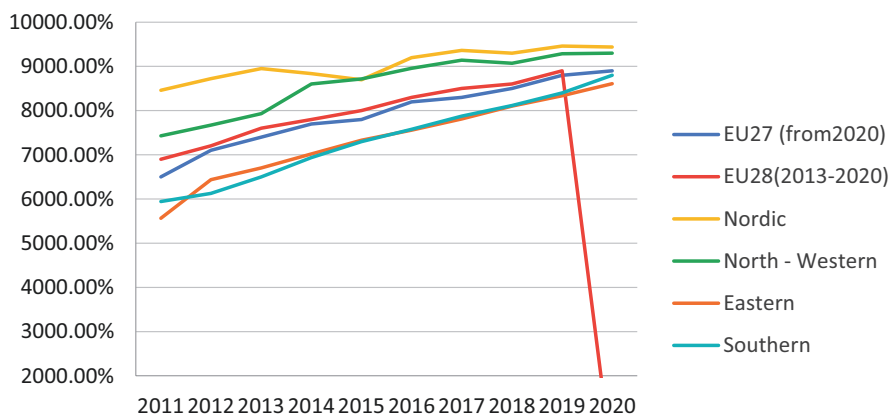


Fig. 15 Percentage of households with broadband Internet by EU region (%). Source: Eurostat, Compilation: Eumeplat Project

examination. Cyprus has the best performance in this indicator with 118.0 mobile broadband subscriptions per 100 inhabitants in 2019, followed by Spain with 102.94 mobile broadband subscriptions per 100 inhabitants (ITU, 2019).

One interesting finding is that in countries like Greece, Cyprus, and Portugal, which have been affected disproportionately from the financial crisis, the growth of mobile broadband subscriptions had followed a more moderate growth during the years (2010–2014), while there is a noticeable upward trend in this indicator during the period 2015–2019 (see Chapter “The Media in Southern Europe: Continuities, Changes and Challenges”). Additionally, countries in ex Eastern Europe seem to have followed the global trend of digitization, although there are some differences at the pace of adaptation to the digital era, between the countries. More precisely, in Eastern European region, we can notice two distinct sets of countries regarding their connectivity status: on the one hand, there is a cluster of countries like Slovenia (90%), Poland (90%), Estonia (89%), Latvia (88%), and Hungary (87%) which have shown a great performance on the relevant indicator, and another cluster of countries is comprised of Slovakia, Romania, Lithuania, Croatia, and Czechia, with an average performance close to 85%.

This pattern is also discernible, if someone looks at countries’ performance in the mobile broadband subscription index. For the year 2019, Estonia with 157.7 mobile broadband subscriptions per 100 inhabitants, Latvia with 132.4 subscriptions per 100 inhabitants, and Poland with 117 subscriptions per 100 inhabitants lead the transition to the digital society in their corresponding region (ITU, 2019). As the applications of ICT keep evolving, we believe that in the foreseeable future, the digital transformation of the media market will also be in an open end. However, the technological advancements are only the one pillar of the foundation of a truly digital and participatory society. The other pillar is how the public reacts and adapts its repertoire of daily media consumption. In other words, as Hasebrink et al. suggest, “the evolution of patterns of media use is the result not just of what technologies do to people, but also of what individuals, groups and societies (want to) do with technologies” (2015, p. 439) (Fig. 16).

Social media played a significant part in altering consumption habits across European societies. Even if in the beginning of their inception social media were aspired to connect individuals with shared affinity, nowadays, social media platforms like Facebook fulfill functions that were originally served by legacy media, by standing out as important *micro agenda setters* (Wohn & Bowe, 2016).

Social media use among the Europeans in the countries under examination is steadily growing, although not with the same pace in all the countries. For example, some small countries like Malta and Cyprus stand out as leaders of social media use, not only among their counterparts in the Southern region, but even when compared to countries from other regions, as well. In their research, Mourao et al. (2015) have found that those receiving their news on interactive social network sites “are more likely to assess EU performance positively and support further EU enlargements” (p. 3214). If this is the case, then the ever-growing penetration of social media use in European people’s lives might open new prospects on the consolidation of Europeanization (Fig. 17).

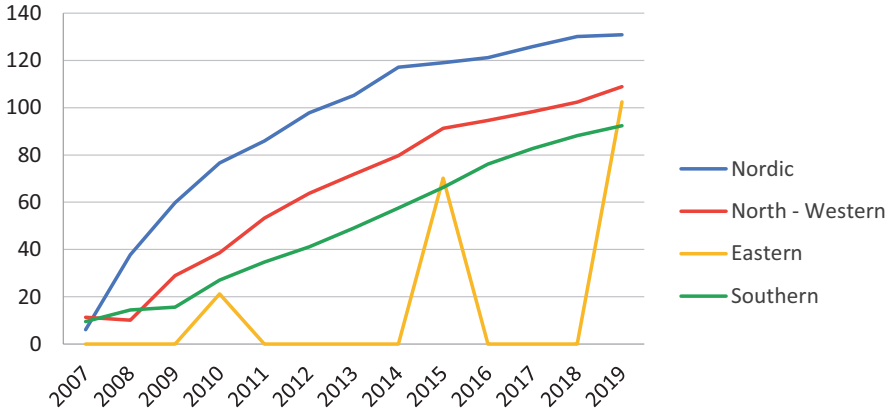


Fig. 16 Mobile broadband subscriptions per 100 inhabitants. Source: ITU. Compilation: Eumeplat Project

8 Concluding Remarks

Media systems in Europe regardless their differences, particularities, and contradictions even within their regions present some undeniable common trends. In effect, in all EU countries under study, newspapers are in sharp decline. Citizens read less and buy much fewer copies per day. The steepest declines in newspaper sales seem to be common in media systems with turbulent political history: ex Eastern and Southern European EU countries' media seem to present a common trend in this respect. In several media markets of the Eastern region, the downward trends of the press during the second half of the 1990s (1995–2000) are so intense that they testify to a structural change in the way citizens are informed about current affairs.

However, as we have seen, globally, paying audiences for news continues to grow, an increase that is mainly guided by digital circulation. With the majority of news publishers considering that reader revenue will become their most stable stream of revenues, offering a variety of subscription and membership options, such as multi-newspaper or multi-user subscription, seems to be at the core of a strategic shift to convert readers into paying audiences (Accenture, 2021).

When it comes to radio production, there are major differences among EU member-states, regarding the number of radio stations and employees in the industry, but even though radio is less appealing than it used to be, it continues to be the most trusted medium for 24 countries of EU28.

Regarding television, its consumption, market share, and overall impact, research has shown that TV still occupies an important part of the daily lives of Europeans. From a European perspective, it has proved that the broadcasting sector during the 1980s and 1990s was characterized by growing advertising spend, instigated by the proliferation of commercial television channels, the increasing trends in local production, and the development of digital television. These developments amount to aggravating factors for the press market, whose circulation dynamics decreases

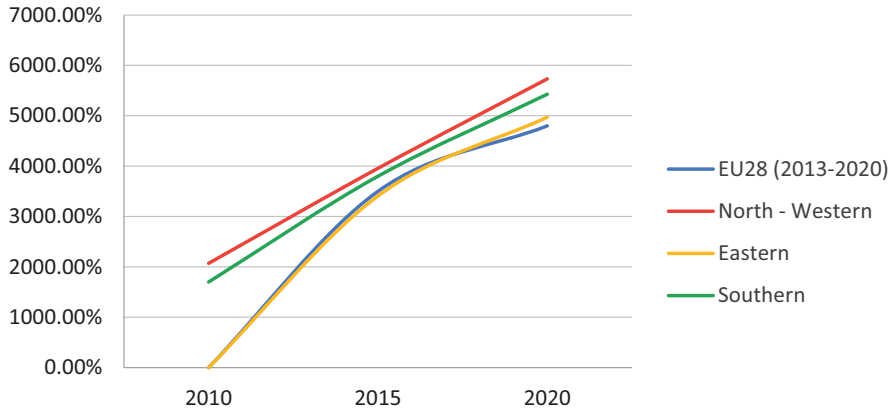


Fig. 17 Percentage of daily social media users by EU region. Source: Eurobarometer, 2015; 2019. Compilation: Eumeplat Project

even in the Nordic regions that have traditionally proved more resilient, compared to other regions, to the inevitable repercussions of television deregulation.

Public service broadcasters seem to face the most serious challenges in their history mainly in those media industries where the stable revenues have been shaken. With most public policies reinforcing the private sector and with the funding model being under revision in several media markets, public broadcasters with the lowest revenues are not allowed to prepare themselves for the platformized era of communication.

Trust in media is another important parameter examined. Throughout the period, trust in radio and TV seems to be increasing, and retain high trust over a long period of time across most EU countries (EBU, 2020a). Among the most trusting are the Nordic countries, Germany, Belgium, and the Netherlands. The least trusting ones are Greece, Spain, France, the UK, and Czechia. Overall, trust in media seems to go hand in hand with the unequal development of certain countries, combined with an un-free political culture. Greece (least trusting in national news and toward TV), Turkey, Bulgaria, and most of the Balkan states (least trust in Press) have all found different ways of placing more trust in social media to gain access to non-established information.

Overall, two important observations hold of significance. The first important remark is that Nordic countries seem to have stable media systems throughout the years and were better prepared to face the so-called digital challenge. The stability of the Nordic cluster has been reaffirmed by previous studies as well, which had applied different operationalizations of media systems. The second observation is that Eastern European media systems are not homogenous, and despite of their position in the same geographical region, they differ significantly in the context of their historic traditions, political standards and press freedom, and economic development, resulting in differences in their respective media systems.

Especially, if we look at these countries' performance on several indexes that reflect the transition to the digital era, significant differences exist not only between North and East EU countries but within Eastern European countries, as well; for instance, the Baltic countries have far higher scores, compared to the rest countries of the region.

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