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Australian digital film prices cheapest in the world: Exploding the myth that Australians pay more

New independent research by IHS Technology shows Australia is one of the cheapest markets in the world for digital films.

IHS analysis shows that for standard definition digital video on demand (VoD*) new release films, the average price in Australia is \$4.25, making it second cheapest out of surveyed countries and only 32 cents behind the United States.

However, Australia has the **lowest average price in the world** when looking at new release high definition digital VoD films, at \$5.19, compared to the United States at \$5.30 and the United Kingdom at \$6.41.

IHS further confirms that 83 per cent of Australian consumers choose VoD services for digital consumption of new release feature films (compared to electronic sell through or EST*).

“What this IHS research shows is Australian consumers are getting some of the best prices in the world for the latest new release films in the format they prefer,” said Simon Bush, CEO, AHEDA.

“This is in stark contrast to what groups like Choice would have you believe. Cherry picking a few film titles and comparing them against one market does not constitute proper research and mis-represents the facts.

“It is time the debate matured in Australia and hyperbole and deception exposed for what it is.

“The Digital Content Guide launched in August shows Australians now have access to 36 legitimate online platforms for viewing film and TV content, with more on the way.

“The excuse for doing nothing about piracy – including the poor excuse on price – is no more. We need action and a legislative response to reverse our world first piracy rates to ensure we protect the industries that bring this entertainment to our screens,” said Bush.

As Telstra CEO David Thodey said in August: "Piracy of content is theft".

"You can't justify it (downloading pirated content) because of the price of content. A whole industry exists to create great content," Mr Thodey said.

Surveyed countries include: Australia, New Zealand, France, Germany, Italy, Spain, the United Kingdom and the United States.

* Video on Demand (VoD) is a digital download to rent model and EST is download to own.

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Average Prices: VoD SD and HD New Release 2014

VoD New Release	Standard Definition	High Definition
Australia	4.25	5.19
New Zealand	4.78	6.23
France	4.31	5.50
Germany	4.74	5.79
Italy	4.65	6.10
Spain	4.69	6.16
UK	4.61	6.41
US	3.93	5.30

Source: IHS

Notes:

- All pricing is cleared from GST/VAT/Sales Tax.
- All prices in Australian dollars with following exchange rates (2012-2014)
 - o USD = 0.965AUD
 - o USD = 0.631 GBP
 - o USD = 0.781 EUR
 - o USD = 1.234 NZD
- VoD includes both internet VoD and VoD delivered within a pay-TV environment. It does not include subscription services.

About AHEDA:

The Australian Home Entertainment Distributors Association (AHEDA) represents the \$1 billion Australian film and TV home entertainment industry covering both packaged goods (DVD and Blu-ray Disc) and digital content.

In 2013, AHEDA members moved over 63 million units worth \$892 million in wholesale DVD and Blu-ray sales as well as over \$144 million in digital revenues. The Association speaks and acts on behalf of its members on issues that affect the industry as a whole such as: intellectual property theft and enforcement, classification, media access, technology challenges, copyright and media convergence.

The Association's members include: Anchor Bay Entertainment, Entertainment One Films Australia, Madman Entertainment, Paramount Home Media Distribution Australia, Roadshow Entertainment, Twentieth Century Fox Home Entertainment, Universal Sony Pictures Home Entertainment, Walt Disney Company (Australia), Warner Bros. Entertainment.

Associate members: Foxtel, Regency Media, Sony DADC, Technicolor.

www.aheda.com.au

About IHS Technology:

IHS is a global information company with world-class experts in the pivotal areas shaping today's business landscape: energy, economics, geopolitical risk, sustainability and supply chain management. We employ more than 8,000 people in more than 31 countries around the world.

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