

[HU] Major Private Broadcasters Launch new Channels

IRIS 2013-1:1/24

*Gábor Polyák
Mertek Media Monitor, Hungary*

In October 2012, the RTL Group's new channel, RTL II, as RTL Klub's twin channel, was launched in Hungary and was followed shortly in November by SuperTV2, the twin channel of TV2, the second largest commercial broadcasting channel in Hungary. In recent years, the Hungarian programme selection has grown continuously as part of the provider's economic growth. Typically, this meant new channels owned by the mother company registered outside Hungary, such as Film+, Sorozat+ or Cool TV by the RTL Group, or Fem3 and Pro4 by TV2. The smaller providers followed suit.

Audience data collected by Nielsen Audience Measurement Kft. shows that in 2011 the RTL Group and TV2 together reached 38.8% of television audiences in Hungary, down significantly from the 67.3% registered in 2000. The reason behind the drop in the shares of the two largest commercial stations with nationwide coverage is the rise of special-interest channels targeting niche audiences. Accordingly, the owners of the RTL Group and TV2 decided to launch their own new channels. As a result, viewers deserting the two nationwide stations ultimately remained "in house" and continued to generate revenues for the two players in Hungarian broadcasting.

As a new development the startup stations stick to their original name (RTL Klub - RTL II; TV2 - SuperTV2). Both companies have made a commitment to keeping and expanding the brand. Apart from the name itself, key programming and widely recognized faces will certainly lay bare the connection between the respective channels and any failure of the new channels would harm the RTL Group or TV2 brand as a whole.

The launch of the two new channels also indicates the ongoing process of change in broadcasting business models. RTL Klub and TV2 continue to be offered free of charge via the analogue terrestrial platform and thus do not yield any revenue from the alternative platforms of cable, satellite, or IPTV, whereas RTL II and SuperTV2 benefit from household fees paid to the cable/satellite operators. Hence, the broadcasters build their operation increasingly on more reliable household fees and no longer purely on rather unpredictable advertising revenues.

From the perspective of the providers, however, the two new stations will offer the major benefit of being registered outside Hungary and thus complicating the

regulation by the Hungarian Media Council. The problem is hardly new. The majority of Hungarian-language channels are now operated from headquarters registered outside the country.

