Decentralization And Transnationalization
In European Television

- Process of decentralization has seen the development of television at an infra-national level (regional & local level).
  - complex local and regional television broadcasting systems have emerged... out of the pre-existing national – and public –broadcasting structures.

Transnational Television In Europe

- Two decades on, there are more than 100 transnational channels operating across Europe and approximately 80 of them hold a license from the British Independent Television Commission (ITC)
  - One of the main conditions is that broadcasters must be based in the UK, making London the European centre for transnational television.

Transnational Television in Europe
The Role of Pan-European Channels

Transnational Television In Europe

- ITC rules on sponsorship and advertising are less rigid than those of most European countries, thus allowing ITC licensees to circumvent national regulations in the countries in which they broadcast.
- Channels registered with the ITC have escaped censorship in their countries of origin in this way, as is the case with several Arab channels.

Transnational Television In Europe

- European cross-border television is essentially composed of ethnic channels that service a specific Diaspora (displaced ethnic group).
  - SAT-7, an Arab Christian channel based in Oxfordshire, TVBS, broadcasting Chinese news and entertainment, ZEE TV, providing Indian news, movies and entertainment, and Sima TV, on Persian news and culture.

Transnational Television In Europe

- Among the transnational channels that are pan-European in scope, 17 are particularly prominent. They have a strong distribution in at least five European countries and a commitment to international expansion.
- European public broadcasters also wished to be present in the international news market.
  - Both BBC World and Euronews launched in answer to CNN.
  - All but five of the channels are registered with the ITC.
  - On average, these channels broadcast to 24 European territories and are received in nearly 40 million European households.

Transnational Television In Europe

- The integration of the European media market is backed by the European Commission. Its main initiative in broadcasting regulation, the Television Without Frontiers Directive, was adopted in October 1989 and came into effect in 1991.
- The Television Without Frontiers Directive prevents member states from restricting the transmission of television broadcasts originating from other member states.
- Pan-European channels need only respect the regulations of the European nation from whom they hold their license.
  - In practice, PETV channels registered with the ITC in London can advertise alcohol and tobacco products in France, insert commercials into children's programming in Sweden and flout Germany's strict sponsorship rules.

Transnational television in Europe

- European public service broadcasters have launched several Pan European TV (PETV) channels. They may want to optimize an existing catalogue of programmes or television rights, as was the case with BBC Prime and Eurosport.
  - The sports channel was launched by members of the European Broadcasting Union (EBU) in 1989 as an outlet for broadcasting sports competitions, for which they held television rights but did not have space to broadcast from their own home channel.

The Pan-European Television Industry

- European Transnational TV also known as Pan European Television (PETV) would not exist without communications satellites. They alone have made possible the cross-border transmission and reception of television channels
  - satellite and cable networks feed the rapid expansion of European transnational television as cable connections allow millions of households to receive cross-border programming and channels at a low cost.
The Pan-European Television Industry

- Access to pay television follows a north/south divide in Europe.
- Subscription rates are particularly high in countries like Germany (88.9 percent), Belgium (95.8 percent) and the Netherlands (96.9 percent), while they stand at 5.1, 8.4 and 17.7 percent in Greece, Italy and Spain respectively.
- Cable is the most common mode of delivery of pay-television in northern Europe, while direct-to-home satellite broadcasting prevails in the south.

The Pan-European Television Industry

- The mean full-time distribution of the 17 PETV channels (excluding the part-time distribution) is 38.7 million European households.
  - BBC Prime has the lowest distribution (8.2 million households), while MTV is received in more than 90 million households across Europe. Among the other PETV channels that exceed the mean distribution, Eurosport is received in 88.3 million European homes, CNN in 73.2 million, TV5 in 65 million, Arte in 61.9 million and BBC World in 50 million.

The Pan-European Television Industry

- Classifying PETV channels - CONTENT
  - Broadcast news and factual programming on a 24-hours basis – seven days
  - Discovery Networks Europe (nine channels altogether) and National Geographic specialize in factual entertainment.
  - Universal Studios Network comprises three movie channels
  - MTV and VH1 are two music television channels
  - Cartoon Network and Fox Kids compete for children’s eyeballs.
  - All the other channels bar two are entertainment oriented.
The Pan-European Television Industry

Classifying PETV channels - Ownership

- MTV and VH1, belong to Viacom—the world’s third transnational media corporation—with revenues in excess of US$23 billion in 2000. Discovery Channel is an all-American joint venture and Bloomberg Television is independently owned by its American parent company, Bloomberg LP. Universal Studio Networks is the only commercial concern in PETV that does not involve an American-based company, belonging to the French utilities and media group Vivendi-Universal.

Classifying PETV channels - market strategy

- Bloomberg, BBC World, CNBC and CNN involves targeting the top 5 percent of European households by income and, more specifically, the business community.
- The other PETV channels aim at a larger public, although none of them compete for the mass audiences that are still the preserve of national broadcasters. They tend to remain in a particular niche market, aiming at a specific age group or interest, such as sports or music.

Change Of Corporate Strategy: The Drive For Localization

- CNN and MTV...faced with regional 24-hour news channels and local music television stations that copied their format...recognized the need for readjusting their commercial strategy in order to operate successfully in an environment as culturally diverse as Europe...split their continental feed and began to adapt programmes to local audiences.
Initial step in the localization ladder is the introduction of local advertising windows. Twelve channels are able to insert commercials for a specific territory (e.g. Germany) or region (e.g. Scandinavia) in their pan-European feed.

- Local advertising windows include at least the five European key markets: Germany, France, UK, Italy and Spain.

**Change Of Corporate Strategy: The Drive For Localization**

**Table 2 Levels of localization in PETV**

<table>
<thead>
<tr>
<th>Local advertising window</th>
<th>Local Language</th>
<th>Local Programming services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bloomberg, CNBC, CNN</td>
<td>Art, Bloomberg, Cartoon Network, Cartoon Network</td>
<td>Bloomberg, Eurosport, MTV</td>
</tr>
<tr>
<td>Cartoon Network</td>
<td>Cartoon Network</td>
<td>Cartoon Network, CNN, CNN</td>
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<tr>
<td>International</td>
<td>International</td>
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<td>Discovery</td>
<td>Discovery</td>
<td>Discovery</td>
</tr>
<tr>
<td>Eurosport, Fox Kids</td>
<td>Eurosport, Fox</td>
<td>Kids, MTV</td>
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<tr>
<td>National Geographic, Sky</td>
<td>National</td>
<td>Geographic</td>
</tr>
<tr>
<td>News, Universal Studios, Networks</td>
<td>Universal Studios Networks</td>
<td>Networks, VH1</td>
</tr>
</tbody>
</table>

**Change Of Corporate Strategy: The Drive For Localization In Action**

- CNBC broadcasts devolved news bulletins in Scandinavia, Turkey and the UK.
- Cartoon Network and Fox Kids transmit devolved daily programmes in six and nine territories.
- British Eurosport provides an excellent illustration of a local optout.
  - employs in excess of 50 collaborators and has its own production facilities in Langley, West London.
  - British feed is now promoted as a British channel. 13 Foreign commercials have been banned and, at one stage, the logo of the British opt-out displayed the Union Jack.
MTV: From Universalism To Local Realism

- Original Model:
  - The playlist remained heavily dominated by Anglo-American music and more than 80 percent of the music videos shown on MTV Europe were of either British or American origin.
  - This model came to an end in 1994, when MTV realized they were losing viewers to channels that were being launched in key European territories.

- 1st Devolved Model:
  - Italy, where MTV was given access to a channel by a cable operator on condition that it programmed local music. The music channel hired local staff and VJs, opened local production facilities in Milan and launched the first devolved service of its pan-European feed at the end of 1995.

MTV: From Universalism To Local Realism

European Network Into Three Channels

- MTV North, which covered most of Europe, including Scandinavia, the UK, the Netherlands, Benelux, France, Spain, Greece, and Portugal.
- MTV Central, servicing Germany, German-speaking Switzerland, and Austria.
- MTV Italy.
  - MTV is today the most localized pan-European network, having launched six country-specific and two region-specific channels (MTV Central and MTV Nordic).
Approaches To Localization

- Channels controlled by European public service broadcasters are less engaged in the process of localization than those backed by transnational media corporations.
  - resources create a line of division between the cash-poor public service broadcasters and the more affluent commercial channels that can afford localization.

- Commercially owned channels are given the resources to localize provided they can justify expenses to their shareholders. They are not hindered by a political agenda and need only to maximize revenue.

Can The Practice Of Localization Signify A Homogenized Global Media Culture That Is Failing To Materialize?

- The necessity for localization can be interpreted as evidence of the limits of cultural globalization and the vast differences that persist between regional or national cultures.

- Localization accelerates the process of globalization, notably because it allows global players to operate in a multinational environment.

- Localization may be deemed a necessity by virtue of local differences, but it is this fact that makes globalization into a tangible reality every day.