



Czech
Statistical
Office

SPPI for ISIC 60 television broadcasting

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SPPI for ISIC 60 television broadcasting

Synopsis

- 01** Classification
- 02** Description and characteristics of the industry
- 03** Measurement of SPPI
- 04** Evaluation of measurement



Classification

NACE Rev. 2.1, ISIC Rev. 5

- Section J

60	Programming, broadcasting, news agency and other content distribution activities
60.1	Radio broadcasting and audio distribution activities
60.2	Television programming, broadcasting and video distribution activities
60.3*)	News agency and other content distribution activities
60.31	News agency activities
60.39	Other content distribution activities

*) Prior to the major revision of NACE, which took effect in 2026, this activity was classified under Section 63 (Information service activities).

Activities of news agencies were newly incorporated into Section 60 because modern news agencies now operate on the principle of a continuous multimedia flow of information, which, in terms of content, corresponds to the nature of broadcasting.



Classification

CPA Ver. 2.2

60	Programming, broadcasting, news agency and other content distribution services
60.1	Radio broadcasting and audio distribution services
60.10	Radio broadcasting and audio distribution services
60.10.1	Radio broadcasting services; broadcast originals
60.10.11	Radio programming and broadcasting services
60.10.12	Radio broadcasting originals
60.10.2	Radio channel programmes
60.10.3	Radio advertising time
60.10.4	Audio distribution services
60.2	Television programming, broadcasting and video distribution services
60.20	Television programming, broadcasting and video distribution services
60.20.1	Television programming and broadcasting services
60.20.2	Originals of complete television channel programmes
60.20.3	Television advertising time
60.20.4	Video distribution services



Classification

CPA Ver. 2.2

60.3	News agency and other content distribution services
60.31	News agency services
60.31.0	News agency services
60.31.01	News agency services to newspapers and periodicals
60.31.02	News agency services to audio-visual media
60.39	Other content distribution services
60.39.1	Online software distribution services not associated with publishing
60.39.11	Online distribution services of video games not associated with publishing
60.39.12	Online distribution services of other software not associated with publishing
60.39.2	Online distribution services of e-books not associated with publishing
60.39.3	Distribution services of content sharing sites
60.39.9	Other content distribution services n.e.c.



Classification

CPC Ver. 3.0

846	Broadcasting, programming and programme distribution services
8461	Radio and television broadcast originals
84611	Radio broadcast originals
84612	Television broadcast originals
8462	Radio and television channel programmes
84621	Radio channel programmes
84622	Television channel programmes
8463	Broadcasting services and multi-channel programme distribution services
84631	Broadcasting services
84632	Home programme distribution services, basic programming package
84633	Home programme distribution services, discretionary programming package
84634	Home programme distribution services, pay-per-view



Description and characteristics of industry

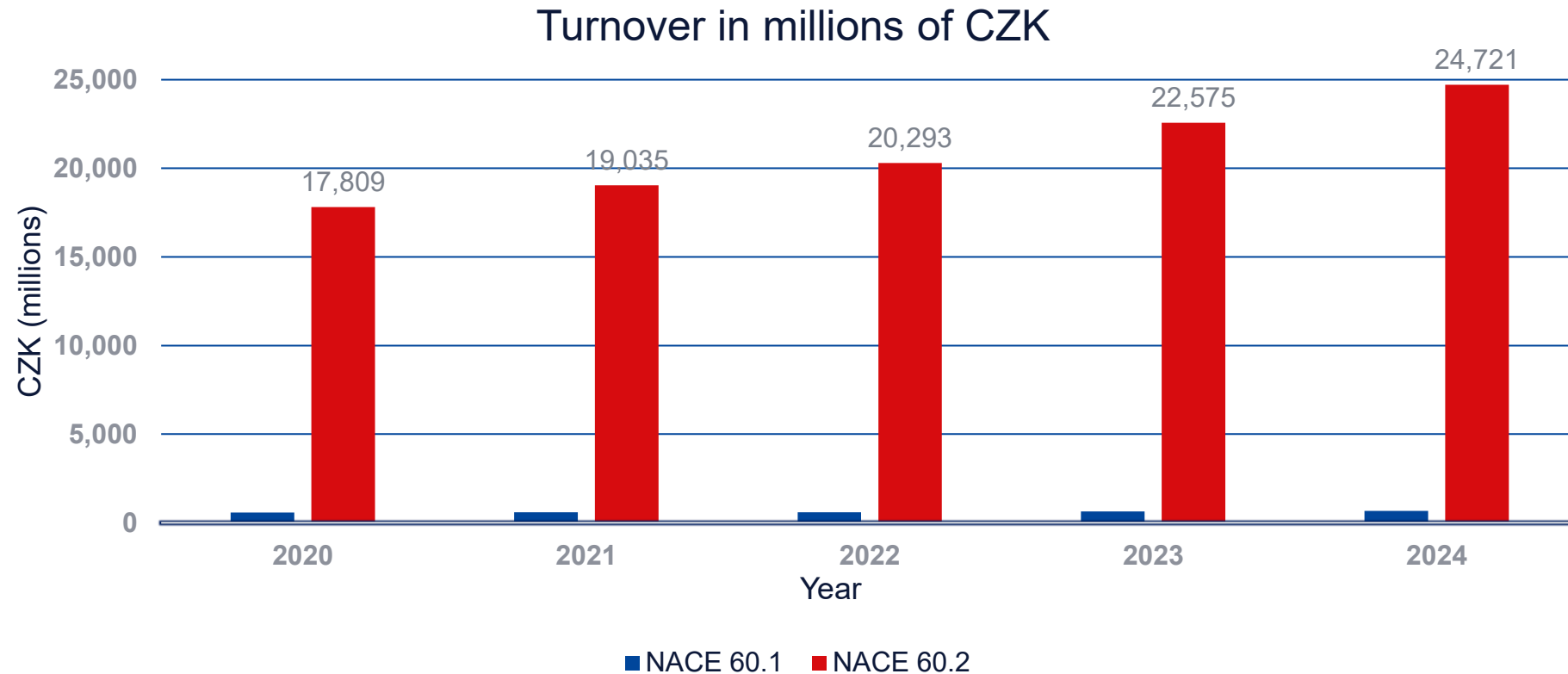
Programming, broadcasting, news agency and other content distribution activities

The programming and broadcasting sector covers a wide range of services provided by radio and television companies and news agencies to both business customers and individuals.



Description and characteristics of industry

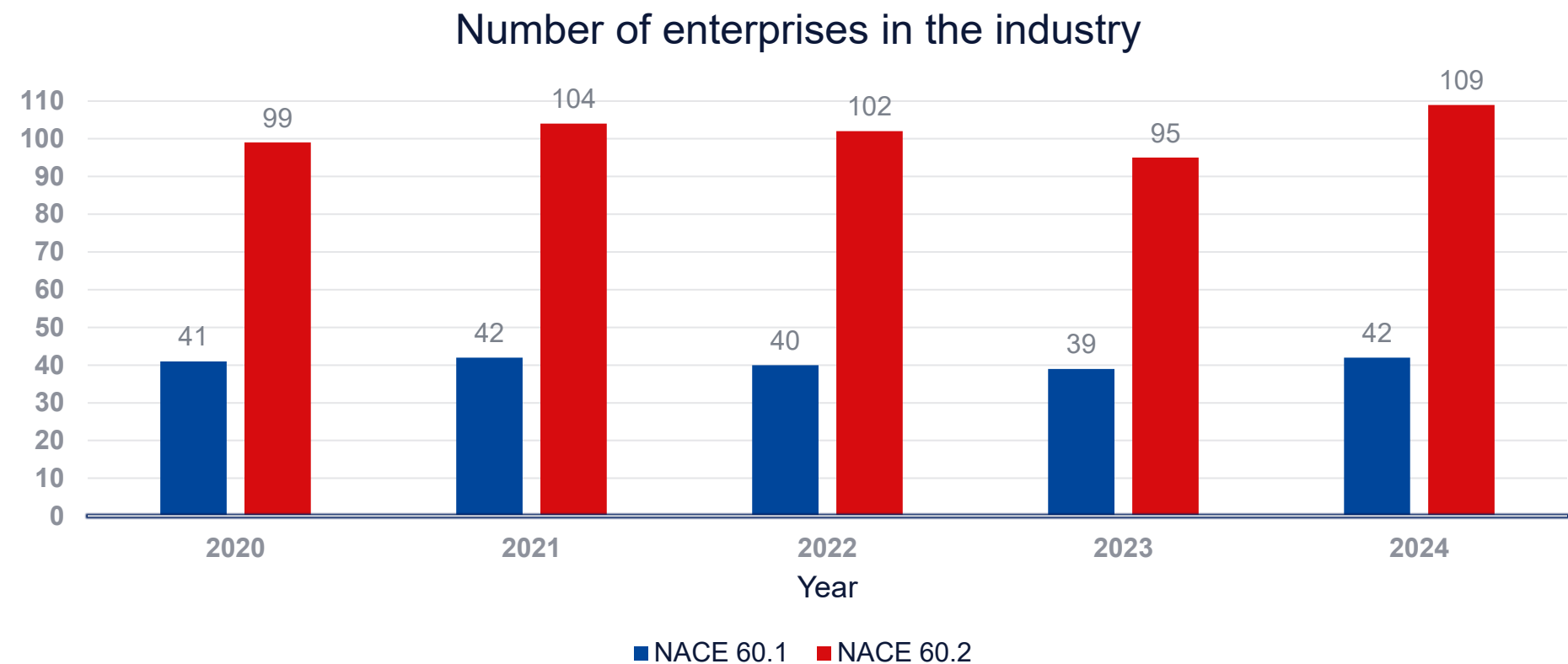
Turnover





Description and characteristics of industry

Number of active entities





Description and characteristics of industry

In general

- From the perspective of the Czech macroeconomy, the NACE J 60 sector (Program Production and Broadcasting) is one of the smaller sectors, but it is highly **influential both strategically and socially**. It is a key component of the so-called Cultural and creative industries.
- It is a sector at the intersection of culture, business, and IT, one that is highly concentrated economically, technologically transformed, and socially significant.
- From a legal and regulatory standpoint, the sector is **highly regulated** in the Czech Republic. Given that the media have a significant social, cultural, and political impact, their operations are governed by specific laws that implement European directives and are overseen by specialized regulatory bodies. Business in this sector is closely tied to the requirement to **hold the appropriate licenses**, which are granted by the **Council for Radio and Television Broadcasting**.



Description and characteristics of industry

Economic power

- J 60 itself generates a stable economic performance, but its macroeconomic share is relatively small: The entire Section J (Information and Communication) accounts for approximately 5 to 6% of the Czech Republic's GDP, with the majority comprised of IT services and telecommunications. The programming and broadcasting industry itself (J 60) consistently generates approximately **0.2 to 0.3% of the total Czech GDP** (or gross value added).
- The economic strength of the sector is closely linked to **the media and advertising market**. Television advertising has long formed the dominant share of total advertising investments in the Czech Republic, with tens of billions of CZK circulating in TV commercials annually. Radio advertising maintains a stable position, which is now being built upon by the rapid growth of the **podcast scene and the monetization of online audio content**.



Description and characteristics of industry

Employment and the labor market

The labor market in the broadcasting sector operates under very specific rules and exhibits a high degree of flexibility:

- Number of Employees: The industry employs roughly **7,000 to 8,000 core full-time equivalent (FTE) employees**.
- The broadcasting industry relies heavily on external contractors (self-employed individuals) – including presenters, actors, screenwriters, camera operators, and technical professions. These individuals are formally registered under different sectors, such as NACE 59 (Motion picture and television programme production) or NACE 90 (Creative, arts and entertainment activities).



Description and characteristics of industry

The dual system as the basis of the market

The Czech market is characterized by its rigid division into two distinct economic and operational spheres:

- **The public service pillar:** Represented by the Czech Television and Czech Radio. It is funded by stable TV and radio license fees, is not subject to direct pressure to generate profit, and its main task is to fulfill the public service mandate.
- **The Commercial Pillar:** Dominated by major television groups (Nova, Prima) and radio houses (Media Club, Active). Their business model is 100% dependent on selling advertising space and maximizing viewership and listenership figures.



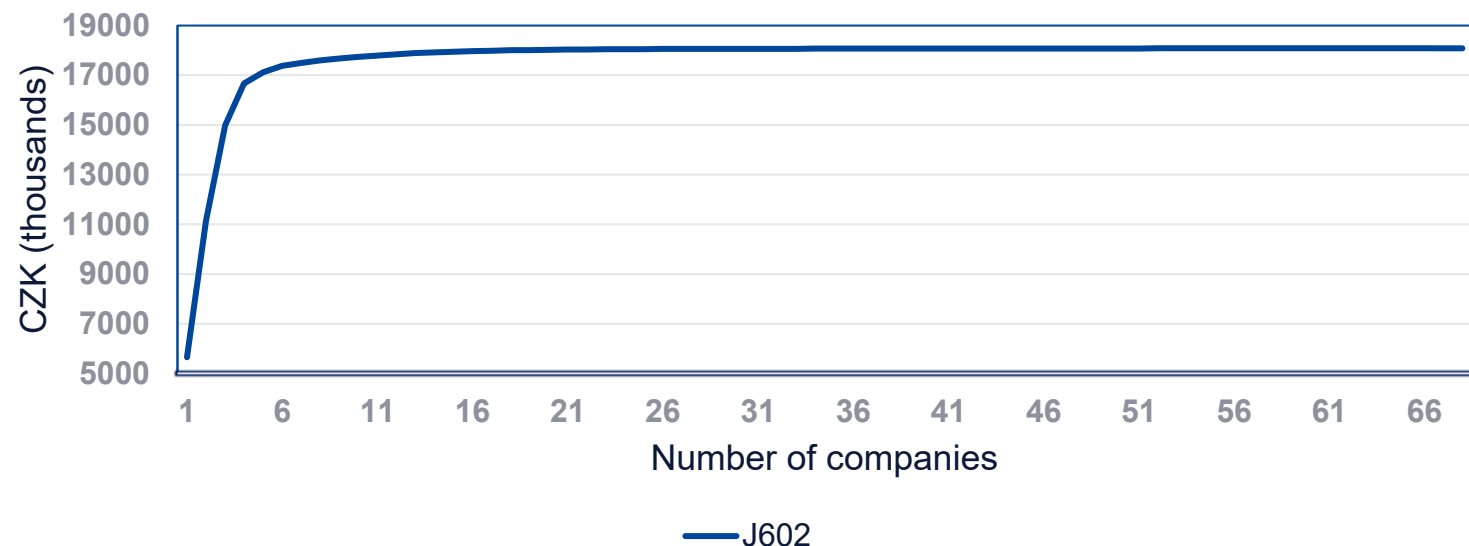
Description and characteristics of industry

Extreme market concentration and monopolization of turnover

Although the Czech Statistical Office (CZSO) registers over 500 entities in the sector, the real economic power is held by an **oligopoly** of a few players.

- The vast majority of turnover are generated by only 3–4 of the strongest television or radio brands.
- The rest of the market consists of regional, local, or highly specialized stations with minimal economic impact.

Cumulation of turnover of enterprises classified in NACE J602





Description and characteristics of industry

Digital convergence

The traditional definition of the sector, which was based **on linear broadcasting** via antenna or cable, is undergoing a **massive transformation** in the Czech Republic. Traditional television and radio houses have evolved into multimedia technology platforms. A significant portion of their revenues and investments is shifting into the digital environment—specifically into their own **non-linear video libraries (VOD services such as Voyo or prima+), mobile applications and streaming platforms.**

BUT !!!!

Linear broadcasting always remains the dominant component of the television market, accounting for approximately **85% of the total time people spend in front of the screen**



TV broadcasting industry

Linear broadcasting

- **TV viewing time** is fixed by the station's schedule
- Broadcast via antenna, cable, satellite, internet
- Free or paid
- Ads can be skipped (only on IPTV)

Non-linear broadcasting (VOD-video on demand/Streaming TV)

- **TV viewing time** at any time on user request
- Broadcast only via internet
- Paid subscription
- Mostly without commercials

Fast channels - Free Ad-Supported Streaming TV

- **TV viewing time** is fixed by the station's schedule
- Broadcast only via internet (OTT)
- Free
- Skipping of commercials is not possible



TV broadcasting industry

Content format: Linear vs. Non-linear (VOD)

Distribution technology: IPTV (Internet Protocol Television) vs. OTT (Over-The-Top)

Technology	Linear broadcasting (live broadcast based on a schedule)	Non-linear broadcasting / VOD (video on demand, archive)
DVB-T2 / Antenna (traditional over-the-air)	Standard free-to-air live channels	X
HbbTV (Hybrid: antenna + internet)	Gateway via a live channel	Via a red button on the remote control
IPTV (managed operator network)	Standard live channels on O2TV / Magenta TV	Video libraries integrated into set-top boxes
OTT (public internet)	Live broadcasting via independent web applications	Standard streaming platforms Typical examples of internet-based VOD services: Netflix, Voyo, Max, Disney+



TV broadcasting industry

Internet television ≠ Video distribution services

Video distribution services -specifically video-on-demand, streaming, and other non-linear audiovisual services

Internet television can encompass:

- linear broadcasting (live TV channels)
- non-linear broadcasting (VOD - video library of movies and series, program archive, subscription streaming service, one-off movie rental).



TV broadcasting industry

IPTV (Internet Protocol Television) not synonymous with VOD or non-linear television.

IPTV is method of technological content delivery using the provider's distribution network or a partner network

IPTV can simultaneously provide:

- live TV channel broadcast (scheduled) (linear)
- catch-up TV or archive (non-linear)
- video library (user-selected movie) (VOD, non-linear)

Thus, **an operator's TV platform** can offer both live TV channels and VOD through a single IPTV service.



TV broadcasting industry

OTT (Over-the-Top) versus IPTV

OTT – a method of delivering television or video content via **the public Internet**, without the need to use a specific

Typical OTT platforms: e.g. Netflix, Disney+, HBO Max, prima+, YouTube, One play

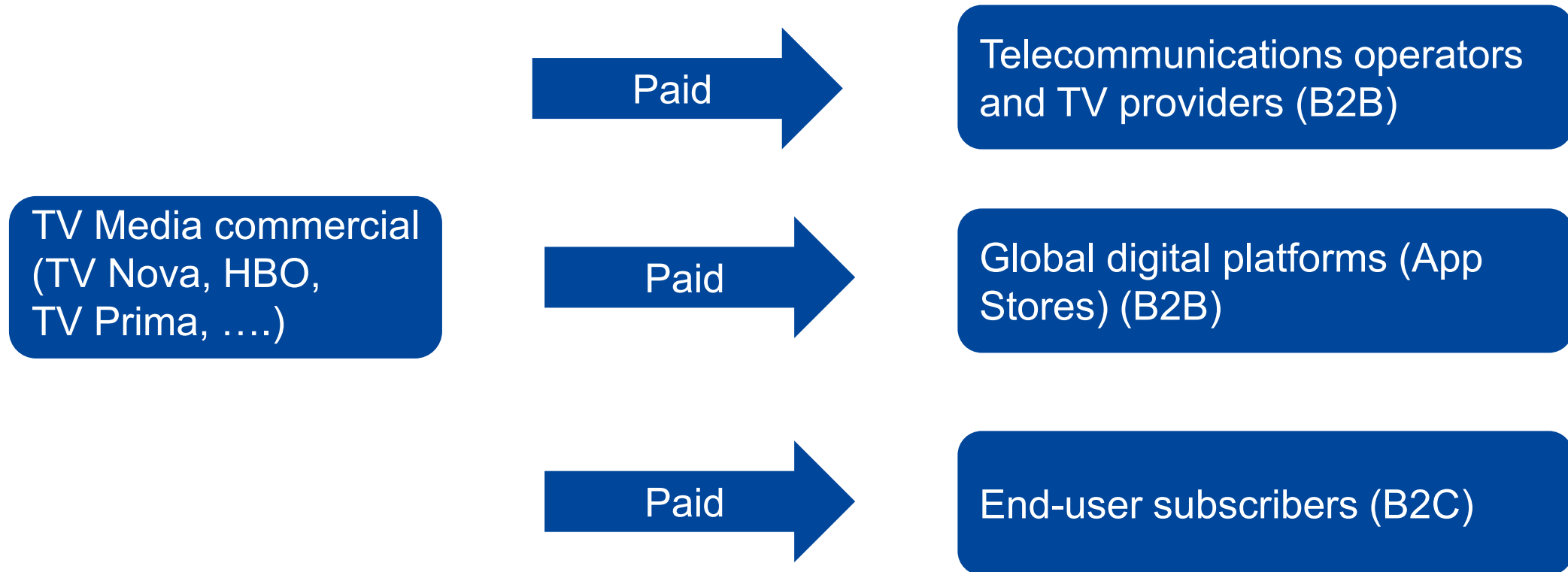
OTT devices: Smart TV, mobile, PC, tablet

IPTV devices: often an operator-provided set-top box, but also an app.



TV Broadcasting industry

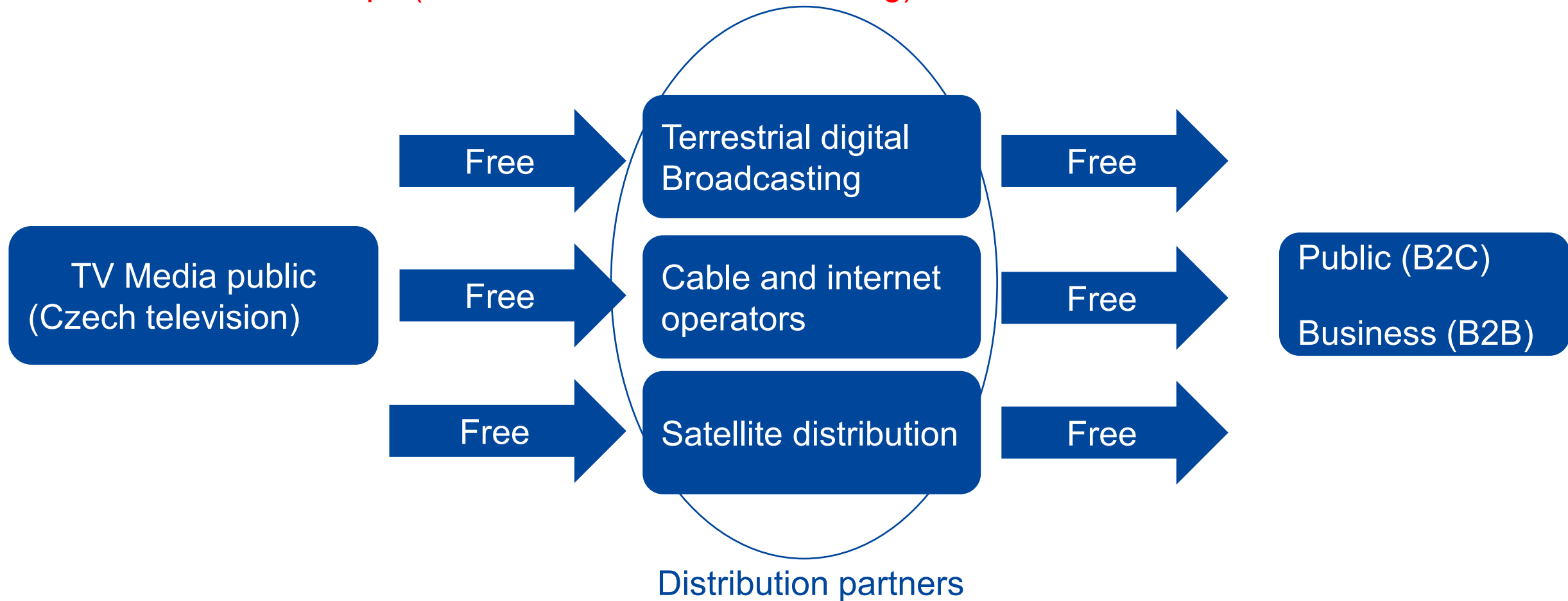
Business relationships (linear a non-linear broadcasting)





TV Broadcasting industry

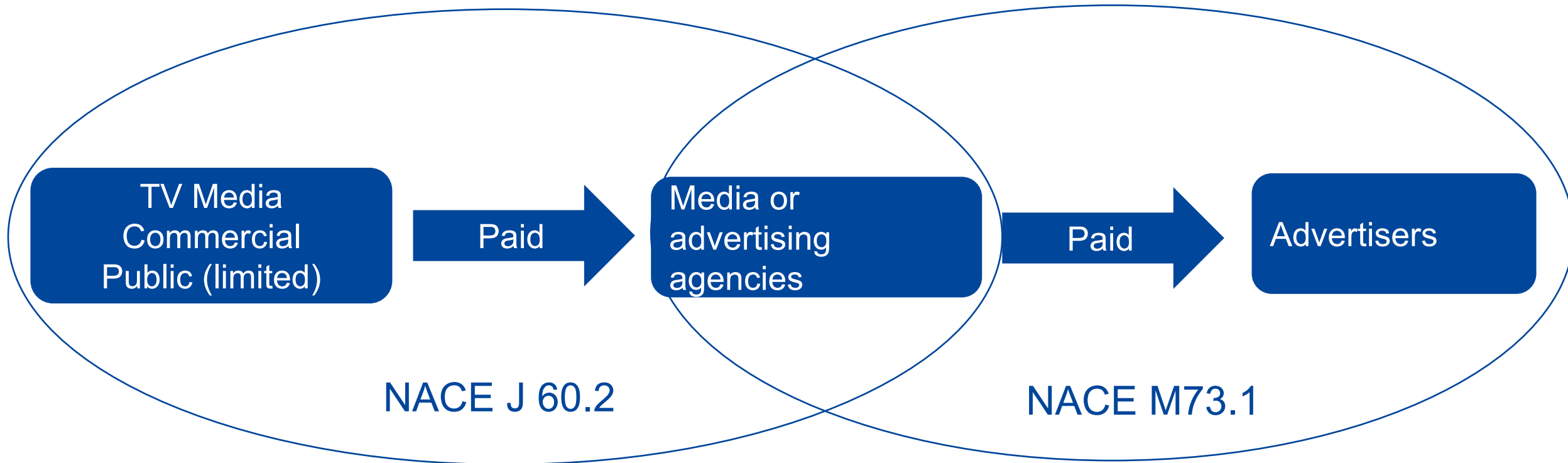
Business relationships (linear a non-linear broadcasting)





TV Broadcasting industry

Business relationships (television advertising time)





Measurement of SPPI

In general

- National concept: Price index of market services for businesses (B2B SPPI)
 - compiled and disseminated monthly (since 2024)
 - News releases - 16th calendar day after the reference period

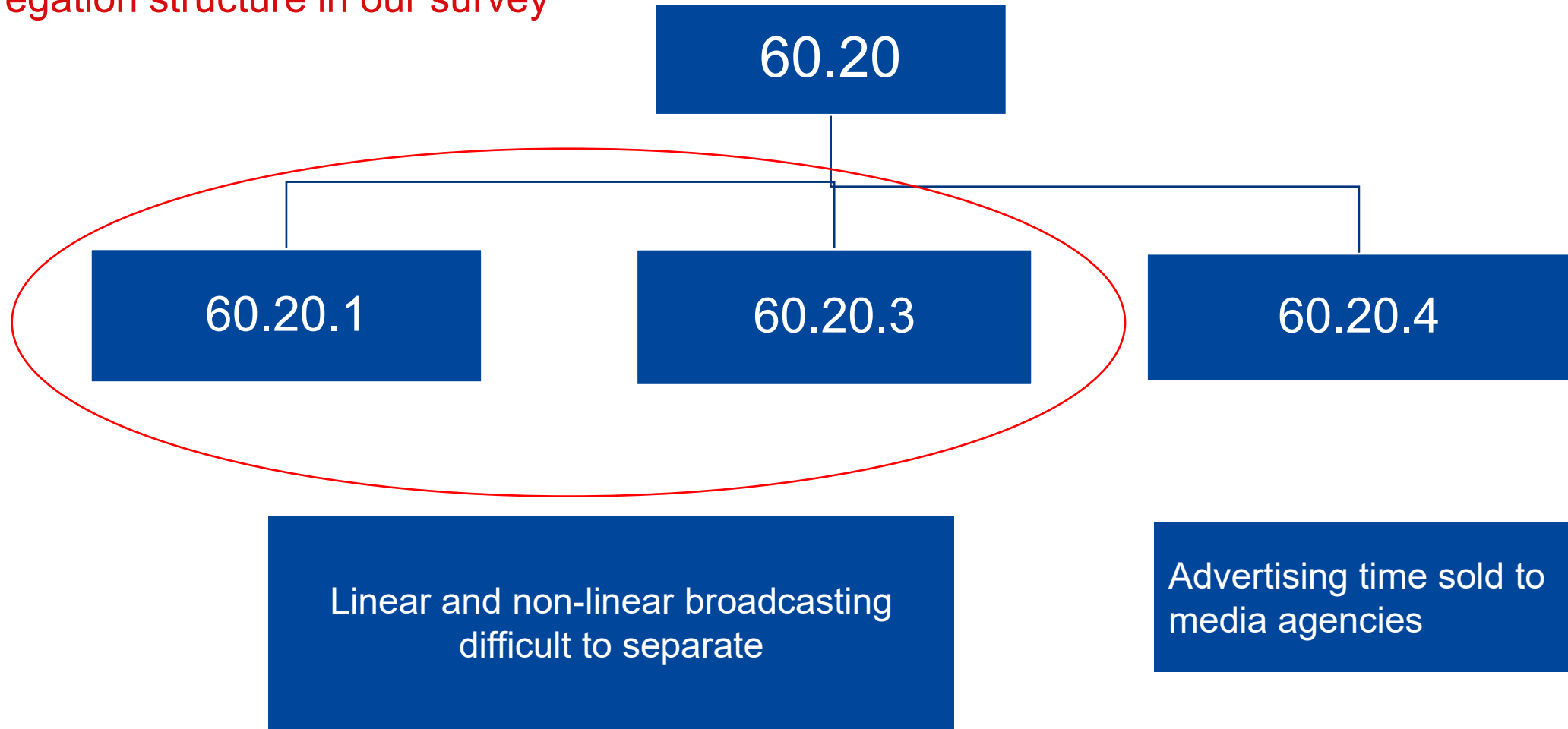
A "tight publication deadline" means that the timeframe for releasing or publishing a price index is very short and critical - using turnover to determine the unit price on a limited scale

- Service producer price index (SPPI) under EU regulation (B2All index)
 - disseminated quarterly, compiled from monthly data
- SPPI (NACE 60) has been published since 2019 on EU website
- To cover service category 60 with appropriate price indices, more detailed classification levels from the CZ-CPA (Classification of Products by Activity) are utilized
- Data collection via websites



Measurement of SPPI

Aggregation structure in our survey





Measurement of SPPI

60.20.1 + 60.20.3

Pricing methods

100 %
60.20

58,5 %

Television licence fee – households - CZK per household per month (B2C = B2B)

Price for 1 movie channel from the selected TV package
(calculated based on the operator's monthly subscription fee which is divided by number of channels) (3 TV packages)

OTT platform monthly subscription fee (4 TV packages)

60.20.4

41,5 %

the CPP (Cost per Point) – price for 1 rating point
(1% of the defined target audience that watched a specific program or commercial (all viewers aged 15+))

CPP Index is adjusted by a discount index
(3 TV companies)



Measurement of SPPI

Factors determining the monthly subscription fee

- Number of programs (e.g. 102 (including 66 in HD quality))
- Recording (e.g. 60 hours for 30 days)
- Catch-up TV (e.g. 7 days)
- Number of devices (e.g. 6 - 2 fixed on set-top box, 4 mobile)



Evaluation of measurement

The challenges and issues identified for consideration

- The television market changes extremely rapidly, and stations do not sell a constant, uniform "product".
- The traditional TV market, built on satellite and cable, is giving way to internet-based Broadcasting - the rise of OTT (Over-The-Top) platforms.
- Pay-TV is priced based on monthly subscription fees, but difficult to price packages bundled with other services.
- Complicated business relationships and synergies - identify key players in the ever-changing television market and uncover the connections between them.
- Reducing respondent burden by utilizing publicly available or technologically measurable sources (e.g., web scraping and API monitoring).



Evaluation of measurement

The challenges and issues identified for consideration

- B2C OTT platform subscription as a "proxy" for B2B - standard monthly end-user price for the ad-free tier (Ad-Free Tier). **Although this is a B2C price, it closely tracks inflation in content production and distribution costs.**
- Capturing other new price representatives, such as
 - Flat fee paid by the operator for the right to distribute the TV channel (CZK/month).
 - Average price per 1,000 views (impressions) of a 15/30-second non-skippable video spot on OTT and BVOD platforms.
 - Signal distribution list price (Rate Card Operator Fees) - official wholesale list price for distributing a single HD channel from a television group to independent internet (IPTV) operators.



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**Thank you
for your attention**

Czech statistical office

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