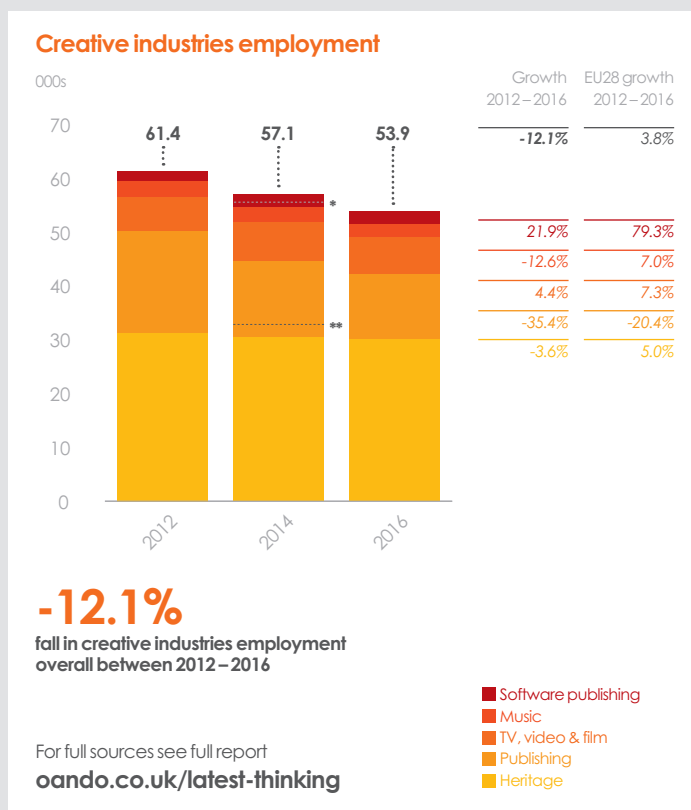
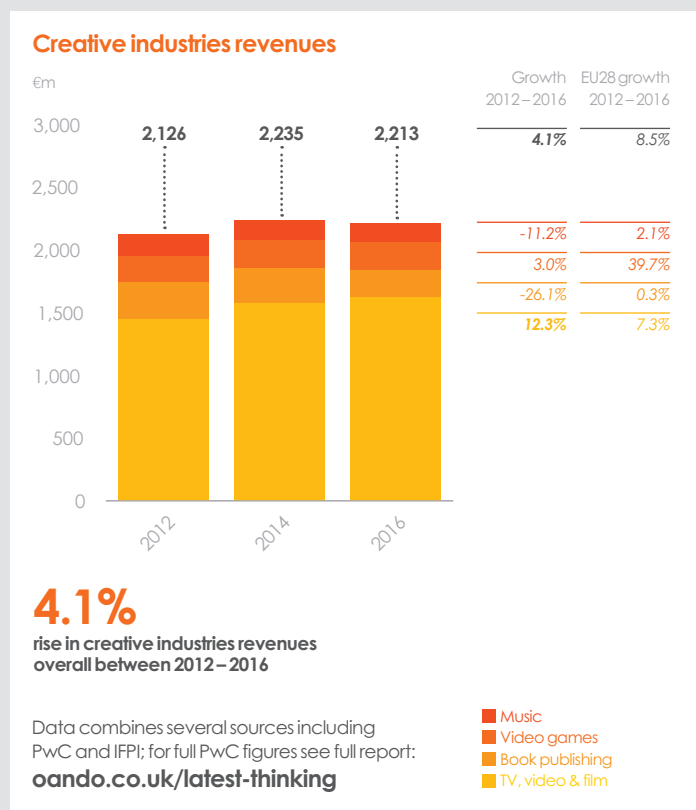


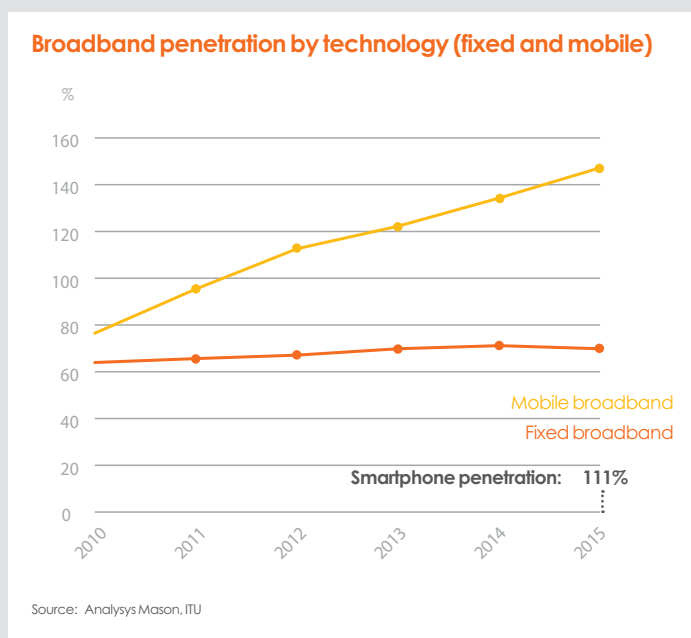
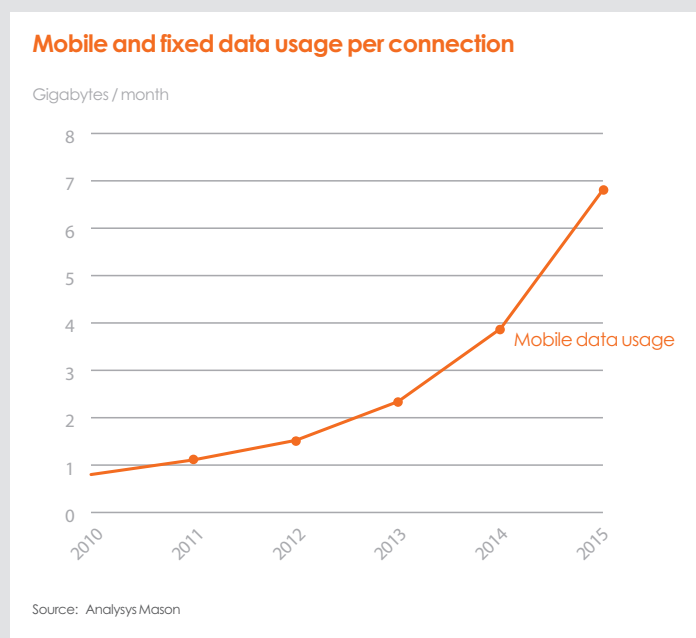
The impact of the internet and digitalization on creative industries in Finland



Increased creative industries revenues and employment



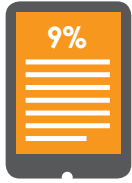
Increased access to creative content



2016 music figure is the same as 2015 as data not available. Publishing includes books and news, software publishing includes video games publishing, music includes radio. In 2014 it is possible to estimate book publishing and video games publishing. *Of which video games publishing. **Of which book publishing.

Reduced production and distribution costs

Digital distribution has almost zero marginal cost and removes geographical barriers, thus making niche services economically viable, even in relatively small, linguistically singular markets such as Finland



9 percent of Finnish book revenue came from digital sales in 2015 compared to 5 percent in 2011



Digital PC games represented 40 percent of Finnish PC games sales in 2015 compared to 14 percent in 2011 with the rest coming from physical PC games sales



In Finland 85 percent of developers focus on mobile platforms, which are purely digital



Supercell's mobile game *Clash Royale* generates 77 percent of its revenues outside of Europe

Benefits to consumers

More content is available – both new and old – and a wider variety of services provide greater choice



Finland had 42 on-demand AV services in 2015 and 56 TV channels in 2013 compared to just 13 channels in 2003

Competition has driven increased quality



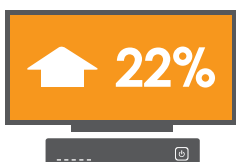
The music streaming subscription service Tidal has been available in Finland since 2015 and offers high quality audio, as well as all the major music and video streaming services (Apple Music, Amazon Music and Prime Video, Google Play Music, Spotify, Netflix)

Benefits to producers

Demand for content has increased

Finnish players owned on average 42 PC games on the Steam platform in 2016 compared to 37 games in 2015

Penetration of SVOD services in Finland increased from 1 percent in 2011 to 22 percent in 2015



Content creators can go directly to consumers, taking a larger share of revenue

Supercell's top four titles have reached over 100 million cumulative daily players and its most popular mobile game *Clash of Clans* generates €500,000 in revenues every day through in-app purchases



More creators can enter the market



Finland has registered an absolute growth in the number of people employed in games development, which has more than doubled over recent years: from 1,147 in 2008 to 2,500 in 2014