



AUSTRALIAN VIDEO RENTAL RETAILERS ASSOCIATION

## Media Release For Immediate Release

### Contact:

Ross Walden, Executive Director

Phone: +61(02) 8920 2991

Email: [ross@avrra.com.au](mailto:ross@avrra.com.au)

## THE POWER OF HOLLYWOOD

*Although Aussies are tightening their purse strings, 56% of the population rented 39 million movies from their local video store. Has PC really killed the video store??*

**AVRRA have said that the latest figures on Video Rental in Australia show just how strong and alive their industry is. According to AVRRA, 56% or 12.8 million Australians still rent movies and Hollywood studios have shown that the Home Entertainment category totals \$1.8billion in DVD sales to Australian consumers annually.**

SYDNEY, Australia: 20 March 2012 - Australian lounge rooms have a plethora of “techno-tainment” devices to create the ultimate in-home experience, with over 200 new release films hitting the Australian market over the past summer the video rental store has been key to fuelling the fire of demand for content to use on these devices.

It's been reported many times over the years that the trusty old Video Rental store is close to death, but as Mark Twain once quoted “the rumours of my death have been greatly exaggerated!” In December 2011 and January 2012 video stores rented over 39 million<sup>1</sup> DVD and Blu-ray discs and the humble Video Rental Industry acquired an additional 321,900<sup>1</sup> new customers.....perhaps Mark Twain was right!

With so much negative spin on an industry which is still showing healthy metrics AVRRA, the Australian Video Rental Retailers Association wants to set the record straight with some real facts.

Many ill-informed reports fail to acknowledge that the average Australian consumer actually likes the in-store experience. Total active members that rented in December and January numbered a whopping 12.8<sup>1</sup> million customers, equivalent to 56%<sup>2</sup> of the Australian population.

During December and January Video Rental stores added an extra 933,510<sup>1</sup> new release DVD and Blu-Ray units to their shelves so that consumers could enjoy their “techno-tainment” systems. Still think that the PC killed the Video Rental store??

Despite the Home Entertainment category approaching maturity, it remains a \$1.8billion<sup>3</sup> industry in Australia which makes it very healthy. Innovation is undoubtedly on the rise, with digital delivery of content this will only prolong the beloved Home Entertainment industry. Hollywood studios predict that whilst the growth of digital product is on the horizon, physical product will still account for 85% of sales in 2015<sup>3</sup>. Australian consumers are more engaged than our

1. Based on data collected from over 100 AVRRA member stores including both regional and metro areas in all states and expanded to 1450 stores
2. Based on the resident population of Australia 22,840,230 projected by the ABS
3. Based on market research compiled by Universal Sony Australia

comrades in the UK or USA. Research has shown that Australians buy more, rent more and own more Home Entertainment content than they do<sup>3</sup>.

“Our members value personal customer service and this has allowed them to grow their customer base, as well as continuing to build their businesses despite the media commentating that the traditional rental store is finished. Technology cannot and will not ever replace or be a substitute for personal customer service” says Ross Walden, Executive Director of AVRRA

Video Rental stores offer movies at highly attractive prices engaging all consumers, and they also offer the smiling face of a knowledgeable movie aficionado ready to share their passion to tailor a perfect night's home entertainment. We love our movies, and despite the impact of illegal piracy and the gradual emergence of digital and streaming options Video Rental stores remain a healthy business – video rental isn't dying, its alive and living in a neighbourhood near you!.

-ENDS-

## **ABOUT AVRRA**

The Australian Video Rental Retailers Association is a not for profit membership body representing over 50% of all Video stores in Australia including stores from several Video Groups including Blockbuster, Civic Video, Leading Edge Video, Network Video and Video Ezy. AVRRA is the only independent body whose aim is to develop, promote and represent the video industry and protect its members' interest.

For more information please visit, [www.avrra.com.au](http://www.avrra.com.au)

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