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**THE PUBLIC SERVICE MEDIA SERVICE DEVELOPMENTS  
IN THE EUROPEAN UNION**

by

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# **1 INTRODUCTION**

My research topic examines the development trends of media service in the European Union, which is based on an international comparison of the effectiveness and efficiency of PSM (Public Service Media) in the EU-28 member states. In my research, I take into account the GDP growth of the given country, the government budget, the development of inflation, and in this context the operational situation of the Public Service Media Service Providers by country.

The three economic factors - GDP growth, government budget, and inflation - are important in terms of how sustainable the revenues of Public Service Media Providers, whether from state support or advertising revenues, can be for Public Service Media Providers. It is also important to what extent both GDP growth and the government budget balance affect government support for the Media, as slowing economic growth or a possible downturn, as well as a concomitant increase in the budget deficit, will reduce the level of support provided to the Media. This, in turn, may adversely affect the services available to the public. In my research, I focus in part on the evolution of the operating revenues of Public Service Media Providers by country and also on the forms of revenue sources such as government grants, License (as copyright) and advertising revenues between 2013 and 2017. I would like to make a comparison between the conditions that developed in 2013 and 2017 in terms of revenue sources.

Research in the field of Public Service Media Providers is based on electronic services and covers the operation of television companies at the national level, both in terms of their revenues and the structural composition of their revenues, without highlighting TV companies or possibly mentioning some of their characteristics. Institutions involved in the research, media forums: international and domestic TV companies, where the topic is: .- usually the institutional-organizational structure and legal bases of TV companies; .- their activity,

operation, job description for the individual institutional units, management levels; .- financial bases and sources of their activity, possibilities of use. The topicality, importance, timeliness of the topic, the fact that there has not been such an international comparison of electronic media in general nowadays. In my research I included the following countries, the EU-28 member states: - EU-28: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, United Kingdom, Estonia, Finland, France, Greece, Netherlands, Croatia, Ireland, Poland, Latvia, Lithuania, Luxembourg, Hungary, Malta, Germany, Italy, Portugal, Romania, Spain, Sweden, Slovakia, Slovenia. Belgium in this study consists of two parts based on the collected statistical data: Belgium-Flanders and Belgium-France due to the local population.

An international comparison of the effectiveness and efficiency of PSM (Public Service Media) in the EU-28 Member States based on the SPSS (Statistical Program for Social Sciences) system. Economic variables used - economic characteristics. The topic of the research is to be the first to analyse the changes in the operating revenues of PSM (Public Service Media) by public service media by country and source, such as the development of state subsidies, subscriptions (License) and advertising revenues. and a comparison of these relationships with the situation in the countries involved in the research. In the course of the research, it was important to take into account the connections between these economic changes and the average and percentage development of GDP growth and inflation.

### ***Hypotheses (7 items):***

1. The share of public revenues in the revenues of Public Service Media Service Providers is closely related and inversely proportional to the development of the share of commercial revenues (PSMInc175, PSMMarket176).
2. The changes in the per capita revenues of the Public Service Media Providers are directly proportional and closely related to the development of the public revenues of the Media (PSM1FÖ3, PSMReven378).
3. The changes in the public revenues of the Public Service Media Service Providers are directly proportional and closely related to the development of the monthly public money revenues per capita. (PSMReven378, PSMCap379)

4. The growth of the revenues of the Public Service Media Providers is in direct proportion to the development of the per capita revenues of the Public Service Media Providers. (PSM2013172, PSM1MOST3)

5. The changes in the per capita revenues of the Public Service Media Service Providers are directly proportional and closely related to the development of the monthly public per capita revenues of the Media. (PSM1MOST3, PSMCap379)

6. The revenues of the Public Service Media Service Providers mostly depend on the development of public money revenues - support for public foundations and annual subscription fees as a set of revenues.

7. Changes in annual subscription fees, commercial income, GDP and inflation do not play a significant role in the development of the revenues of Public Service Media Service Providers.

## **2 RESEARCH METHODOLOGY**

In my research, I assess the economic situation of public service media service providers in the EU-29 member states, partly in terms of their revenues and, to a lesser extent, their general economic background. In order to make this analysis as broad as possible, it was necessary to provide a general statistical analysis method for the dissertation, using a number of economic characteristics, in other words economic variables, that best know the situation and internal characteristics of public service media providers. economic characteristics and their context.

As this research of mine covers a wide range of EU-29 member states, it is necessary to mention the countries involved in my research in connection with the previous chapters, in the following list: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Greece, Netherlands, Croatia, Ireland, Poland, Latvia, Lithuania, Luxembourg, Hungary, Malta, Germany, Italy, Portugal, Romania, Spain, Sweden, Slovakia, Slovenia. According to the European Broadcasting Union (EBU) register, Belgium consists of two parts based on the statistics collected: Belgium-Flanders and Belgium-France due to the local population.

It is worth mentioning that this EBU is much wider than the number of countries I have included in my research, as it covers three continents, namely: in addition to Europe, Asia and Africa as well. In addition, the EBU includes a number of European countries that are not members of the European Union but also members of this EBU international organization, such as Switzerland, Norway, Iceland and some countries in the Western Balkans, including Macedonia and Serbia. In addition to Europe, Turkey, Morocco and Israel, which are also members of the EBU, should be highlighted.

My statistical analyses used in my research are based on the SPSS (Statistical Program for Social Sciences) system, extending the international comparison of the effectiveness and

efficiency of the EU-29 Public Service Media (PSM) system. The thirteen economic variables used, as an economic characteristic, can be summarized as follows:

*Names of economic variables in Table 1:*

1 - PSM2008131 = PSM operating revenues, Operating revenues of public service media providers, by country, in millions of euros and as a percentage, 2008-2013

2 - PSM2013172 = PSM operating revenues, Operating revenues of public service media providers, by country, in millions of euros and as a percentage, 2013-2017

3 - PSM1PÖ3 = PSM operating revenues, Operating revenues of public service media providers, per capita, by country, in euros, 2013-2017

4 - (Minus) PSMGDP174 = PSM operating revenues, Public Service Media Service Providers as a percentage of GDP, 2017

5 - (Minus) PSMInc175 = PSM public income, Percentage of public money revenues from the operating revenues of Public Service Media Service Providers in 2017 by country,

6 - PSMMarket176 = PSM commercial income, Percentage of commercial revenues from the operating revenues of Public Service Media Service Providers in 2017 in countries,

7- PSMMark377= commercial income, Public Service Media Providers in commercial income, by country, as a percentage, between 2013 and 2017, 2013 = 100,

8 - PSMReven378 = PSM public income (public fund and license fee), Public service income of Public Service Media Service Providers, by country, in millions of euros, as a percentage, between 2013 and 2017, 2013 = 100



9 - PSMCap379 = PSM operating revenues, Contribution to Revenues of Public Service Media Providers, changes in per capita public revenue per month, by country, in euros, as a percentage between 2013 and 2017, 2013 = 100

10 - (Minus) License3710 = PSM license fee, (a part of public income) Annual subscription fee paid to Public Service Media Providers in EUR, as a percentage, between 2013 and 2017, 2013 = 100

11 - Fund1711 = PSM public fund (a part of public income), percentage change in the rate of support provided to public service media providers, between 2013-2017, 2013 = 100

12 - Infl3712 = Inflation development by country, as a percentage, between 2013 and 2017,

13 - GDP131713 = GDP growth as a percentage, between 2013 and 2017,

*Note:* As not all EU Member States have subscription fees, this item could only be reported at 0.1% in countries where there were no subscription fees. A value of zero could not be entered in the SPSS statistical database because then this system would not have been able to interpret the other data in the comparison either. The 0.1% value, on the other hand, is an insignificant negligible value, so it can be disregarded in further analyses.

Subscription fees had to be included as a separate economic variable in my research, as this is an important feature when assessing the public service revenues of an EU member state. It is also important for comparison which EU member states have subscription fees and which countries do not.

Of the 13 economic variables listed, the first four variables include PSM2008131, in PSM operating revenues, also known as operating revenues of public service media providers, by country from 2008 to 2013; PSM2013172, ie PSM operating revenues, operating revenues of public service media service providers, by country between 2013-2017; PSM1FÖ3 = PSM operating revenues, operating revenues of public service media providers, by country, per capita, 2013-2017 and PSMGDP174, ie PSM operating revenues, operating revenues of public service media providers as a percentage of GDP in 2017.

The other seven economic variables belong to the composition of PSM (public service media) revenues, such as PSMInc175, ie PSM public income, public service revenues of public service media providers (public foundation support and subscriptions), by country, in 2017; PSMMarket176, i.e. PSM commercial income, commercial revenues of public service media providers, by country, as a percentage, 2017; PSMMark377, i.e. PSM commercial income, the commercial income of public service media providers, by country, between 2013 and 2017 compared to 2013 levels; PSMReven378, ie PSM public income (public fund and license fee), public revenue of public service media providers: public foundation support and subscriptions, by country, between 2013 and 2017, compared to 2013; PSMCap379, ie PSM operating revenues, contribution to revenues of public service media providers, per capita public revenues, per month per country between 2013 and 2017, compared to 2013; License3710, ie the PSM license fee, (part of public income) is the annual subscription fee paid to public service media providers in euros, as a percentage, between 2013 and 2017, compared to the 2013 level; Fund1711, ie the PSM public fund (a part of public income), the percentage change in the share of support from public foundations in the total revenue of public service media providers between 2013-2017.

The other existing economic variables are related to the general economic situation, namely Infl3712, in the development of inflation by country, as a percentage, between 2013 and 2017, and GDP131713, i.e. the development of GDP growth as a percentage, between 2013 and 2017.

Abbreviations: PSM2008131, PSM2013172, PSM1MÖ3, PSMGDP174, PSMInc175, PSMMarket176, PSMMark377, PSMReven378, PSMCap379, License3710, Fund1711, Infl3712, GDP131713.

The last two digits of the abbreviations for economic variables in each case give the order I have defined for the variables. The numbers preceding this number give the abbreviated form of the year numbers, or 37 or 1317 for the period 2013-2017, in some cases 2008-2013, in shorter 200813, in other cases 2013-2018, ie 201317 (see Table 1 and interpretation of variables).

The public money revenues of public service media providers consist of two main parts: support for 1-public foundations and 2-month subscriptions. The related commercial revenues

and insignificant other revenues provide the total operating revenue of the public service media service providers.

In the period 2013-2017, the topic of the research is directly related to the changes in the operating revenues of the Public Service Media (PSM), taking into account the specific countries in which each national media institution operates. The statistics used for the research are linked to each national source, which is also published in the EBU's annual regular publications. The statistics compiled, which can be used as reliable sources, cover the evolution of government subsidies, subscriptions (License) and advertising revenues, the analysis of their combined interactions and the comparison of these correlations with some of the major economic situations in the countries surveyed. In the course of the research, it was important to take into account the connections between these economic changes and the growth of GDP and the percentage change in inflation.

The SPSS statistical system usually classifies each country into a maximum of 5 clusters according to the similarities or differences in the economic characteristics of public service media providers in each EU Member State, which are always defined at the discretion of the author or authors. It is advisable to classify the countries into 5 clusters, as more or less would not be expedient enough considering the economic characteristics of the public service media institutions of the given EU member states.

I used the statistical analysis methods explained above in my research and I also followed these aspects when writing my dissertation.

### 3. RESEARCH RESULTS

#### Some important summaries

1. In the course of the research I reviewed the situation of public service media service providers in the 28 EU member states, primarily the economic situation, with a special analysis of the composition of public media revenues in the context of foundation, public foundation and subscription, and commercial and other income distribution. The financial and income situation of the public media also largely depends on the general economic situation of the given countries - EU member states - which is well characterized by the general economic growth based on the development of GDP, as well as the development of inflation. As my research was based on the publications of the EBU, ie the European Broadcasting Union, it was possible to rely on the data of the most important states of the organization in my research, thus taking into account the data of all EU member states for the period 2013-2017. During the research period, I also included the data of the United Kingdom (EK = UK, United Kingdom) in my research. In the EBU's international data register, Belgium, as an EU member state, was divided into two parts, one Belgium-Flanders and the other Belgium-France.

2. The correlations between the economic variables vary, depending on how close the numerical value sensing or indicating the correlation of a given two variables approaches 1,000, ie 100%, or 0.500, which corresponds to 50%. Accordingly, the value of the relationships between the variables can be determined. If the value between the economic variables is above 0.800 (80%), then the correlation between them is very strong, if it is between 0.800 and 0.600 it can be said to be strong, if it is between 0.600 and 0.500, then the correlation is moderately strong. If the value is close to or below 0.500 (50%) or 0.400 (40%), then the value of the correlations between the economic variables is weak. From the point of view of the analyses, if the value between the correlations is below 0.400 (40%), then there is no evaluable correlation between the economic variables. The diagonal - diagonal - shown in this table, which is indicated by 1,000 values, ie each economic variable alone gives a value of 1,000 (100%) and to this value the other data in the table are proportioned to other economic variables.

3. Analysing the data in Table 2 from this point of view, it can be stated that PSMInc175, ie the public revenue of public service media providers in 2017 (public foundation support and subscriptions) by country economic variable and PSMMarket176, ie the public service in 2017, is very strong. commercial revenues of media service providers, by country, as this value is minus 0.960 (96%), approaching 1,000. Of course, the value of correlations between economic variables can also be minus sign, which means that there is an inverse relationship between economic variables. So while, for example, one economic variable is increasing, the other variable is decreasing. In this case, the minus sign does not indicate the value of the number, but the opposite economic change against another variable. As the public money revenues of public service media providers (public foundation support and subscriptions) increase by country, the commercial revenues of public service media providers, by country, decrease as a percentage. The reverse is also true. In the percentage system, if the proportion of one economic variable decrease - within 100% - the proportion of other variables will increase.

4. The correlation between other economic variables is strong in PSM1FÖ3, ie operating revenues of public service media providers, by country, per capita, 2013-2017 and PSMReven378, ie public money revenues of public service media providers: public foundation support and subscriptions, by country, also in the same period, as its value was 0.773. This means that while in the same period between 2013 and 2017, when the public money revenues of public service media providers increased, the operating revenues of public service media providers per capita increased in parallel. The increase in part of total revenue, namely public money revenues, has generally increased per capita operating revenues for the public media. This also means that between 2013 and 2017, other sources of total revenue did not change much with roughly the same number of subscribers in the EU-28 examined. In essence, trade incomes did not change significantly as the other most significant source of total revenue. As there is a direct proportionality between the two economic variables, the decline in the public revenue of public service media providers is accompanied by a decline in per capita operating revenue.

5. There was also a strong correlation with 0.670 PSMReven378, ie public revenue of public service media providers: public foundation support and subscriptions, by country, between 2013 and 2017 and PSMCap379, ie contribution to public service media revenues, per capita

public revenue per month per country between 2013 and 2017, compared to the situation in 2013. This close correlation is similar to the correlation between the previous two economic variables, differing in that it is the number of subscribers per capita, while in this case it is the revenue of the public service media service provider per capita for the whole population. In this case, too, there is direct proportionality, namely the public money revenues of public service media providers: public foundation subsidies and subscriptions, increasing the revenues of public service media providers with roughly the same population per citizen and largely unchanged commercial revenues.

6. Based on the value of 0.655, the correlation is strong between PSM2013172, ie the operating revenues of public service media providers, between 2013-2017 and PSM1FÖ3, ie the operating revenues of public service media providers, by country, per capita, in the same period. In this case, it is clear that as the operating revenues of public service media service providers increase, so does the amount of operating revenues of public service media per capita, ie per subscriber. In the event of a decrease in revenue, the revenue of public service media per capita will decrease.

7. Thereafter, the correlation between economic variables was moderately strong between 2013 and 2017, as this value was 0.561, PSM1FÖ3, ie operating revenues of public service media providers, by country, per capita, and PSMCap379, ie contributions to revenues of public service media providers, per capita monthly public money income over a similar period by country. In this case, too, the per capita media revenue increases, then it makes sense that the per capita monthly public money revenues also increase. In the case of a declining trend, media revenues and public revenues per capita decline proportionally in both categories.

8. There was a moderately strong correlation of minus 0.505 between two economic variables, namely PSM1FÖ3, ie operating revenues of public service media providers, by country, per capita, 2013-2017 and PSMGDP174, ie operating revenues of public service media providers as a percentage of GDP 2017 until the end. In this case, for these 28 EU Member States, if the per capita media revenue increases between 2013 and 2017, the share of full-year media revenue as a percentage of GDP will decrease by the end of 2017. In this case, the increase or decrease in GDP greatly influences the ratio of media revenue as a percentage of GDP. If media revenues are stagnant or change minimally, not significantly, the share of media revenues will decrease as GDP increases, but their share as a percentage of GDP will increase

as GDP declines. In essence, if media revenues increase relative to an unchanged or minimal declining GDP, the proportion of media revenues will increase. If media revenue growth is higher relative to a potentially minimal GDP growth, the share of media revenue as a percentage of GDP will still increase. It can be seen that the two economic variables are moving in opposite directions, so the relationship between the two is inversely proportional, so the PSMGDP174 variable may have a negative sign.

9. It should be noted that in the period between 2008 and 2013, the revenues of public service media providers increased to a greater extent than in the period between 2013 and 2017. This was mainly due to the fact that in the period between 2013 and 2017, one of the important items of public money revenues, the size of subscriptions, decreased significantly in the EU member states where it was introduced earlier. In addition to E, some other countries did not even have a subscription system. Another important part of public money revenues, public foundation grants, also declined during this period, at a rate almost similar to subscriptions. And in some countries there was no public foundation support.

10. Another reason is the low growth rate of GDP in the economically developed regions of the EU, which also contributed to the decline in revenues, which primarily contributed to the growth of revenues of public service media providers, primarily public finances. At the societal level, declining GDP growth has resulted in declining public finance revenues. However, in those EU Member States where GDP growth was higher, revenues from public service media providers did not necessarily increase. The smaller decrease in the revenues of public service media service providers in the period between 2013 and 2017 can also be attributed to the fact that the share of commercial revenues of the media was too small. According to the experience so far - 2008-2017 - the significant sources of revenue for the revenues of public service media providers were based too much on public revenues and not so much on commercial, ie advertising revenues. The low-cost government budget receives less public support for media revenue growth, and in some cases declining household-consumer purchasing power, as well as consumer behaviour, have not been conducive to growth in media revenue sources. The low inflation rate was more important only for the retention and preservation of the purchasing power of the retail consumer and not so much for the growing revenues affecting the revenues of public service media service providers.

11. The small share of commercial advertising revenues in media revenues may also include the fact that a unit of advertising time is too costly for businesses and companies. In contrast, it is also true that the maintenance costs of public service media providers are very significant, mainly due to continuous technical and technical improvements and infrastructural upgrades. From this point of view, it is difficult to reduce commercial advertising costs. The relationships outlined above are different for the EU-29 Member States for each group of countries, as shown by the SPSS statistical analysis.

12. For Poland, Malta, Ireland and Latvia, the share of commercial revenues in the revenues of public service media providers is well above the share of public revenues and, for these two economic variables, the EU-29 average. This can also be justified by the fact that the share of public foundations remained at a percentage or level (Malta, Latvia), where there are no subscription fees, or decreased significantly (Poland) or increased (Ireland), but did not significantly reduce the share of commercial income. In Poland, the share of revenues of public foundations in the revenues of the public service media service provider decreased because subscription fees were significant, while revenues from public foundation support decreased and the resulting losses in media revenues were offset by commercial revenues. In Ireland, on the other hand, there are annual subscriptions, which have seen an increase in the share of public foundation support in media revenues, and a slight increase in commercial revenues. Between 2013 and 2017, media revenues in Ireland increased modestly, and efforts were made to provide this in a balanced way from a number of sources: support from public foundations, annual subscriptions and commercial revenues.

13. GDP growth in Ireland is significant, including the fact that Ireland has received the largest subsidy per citizen from the EU general budget for a number of years. The significant increase in GDP does not result directly from the commercial activity of the public service media service provider, but its importance should not be underestimated. Of course, this also makes the commercial activity and revenues of the Irish public service media provider significant in an EU comparison.

14. In Poland, in contrast to the relatively increasing economic trends and their evolution per citizen, and the share of public foundation revenues in the total revenues of the public service media service provider decreased by 73% between 2013 and 2017, which was a drastic decrease as the EU-29 average decreased by 5%. shown. There was also a significant decrease



in other EU Member States, with a higher 85% in Portugal, but smaller reductions in other countries, such as the Czech Republic (67%), Slovenia (60%), France (55%) and the United Kingdom (40%). ). On the other hand, the share of public foundation revenues in the total revenues of the public service media service provider increased by 73% between 2013 and 2017 in Romania, 45% in Luxembourg, 37% in Lithuania and 20% in Austria. It also shows that there is a large dispersion in the share of public foundation revenues in the total revenues of public service media providers in the EU-29. However, the declining share of support from public foundations in the total revenues of public service media providers is not related to the share of subscriptions in media revenues as well. All the more so because there are no subscriptions in many EU countries.

15. In the United Kingdom, which belongs to the second quarter, the operating revenue of the public service media provider in Axis X decreased modestly by 2.4% for the period 2013-2017, which was thus below the EU-29 average, significantly lagging behind this level of the coordinate system in this quarter. At the same time, the per capita operating revenues of the public service media provider decreased even more than before, by 5% over this period, compared to an increase of 15.5% on average in the EU. In contrast, in the United Kingdom, the operating revenues of the public service media provider (Minus-PSMGDP174) as a percentage of GDP were 0.3%, which was noticeably almost twice as high as in the EU, upwards from the EU-29 average and above Slovenia's 0.28%. and Austria at 0.27%, which were the highest for the EU-29 after the United Kingdom.

16. It can be seen that between 2013 and 2017, as a contribution to the revenues of the public service media service provider, unit public revenue per citizen fell by 10%, while the rate of support for public foundations fell by 40%, from 10% in 2013 to in at 6% by the end of 2017, during this period. This indicates that the share of subscriptions within public money revenues was not as significant at 58.5% as in Germany, where it was 83.7%, and in the UK only 5% of the share of public foundation support in the public service media service provider was in revenue by the end of 2017, while it was the same in Germany, ie 5%, by the end of 2017. The difference between the total revenues of public service media providers in terms of the size of subscriptions is due to the fact that the proportion of subscriptions in the United Kingdom (58.5%) is lower than in Germany (83.7%), as commercial revenues in the United Kingdom its proportion was much higher than in the case of Germany.

17. In the United Kingdom, the rate of support for public foundations from the operating revenues of the public service media service provider fell sharply by 40% between 2013 and 2017 (Fund1711), which can be considered very unfavorable as the EU-29 average fell by 5% over the same period. Compared to the United Kingdom, the decline in this area was 85% in Portugal, 73% in Poland, 67% in the Czech Republic, 60% in Slovenia and 55% in France, where subscription fees increased.

18. Hungary, which also belongs to this quarter, on the “X” axis, the operating revenues of the public service media service provider increased modestly by 6.8% for the period 2013-2017, which is still significantly below the EU-29 average. . At the same time, the per capita operating revenues of the public service media service provider increased by 0.1%, which is significantly lower than the average level of the EU-29 member states. In contrast, in Hungary, the operating revenue of the public service media service provider (Minus-PSMGDP174) was 0.25% of GDP, well above the EU-29 average and close to the United Kingdom and Germany at 3.0%, Slovenia 0.28% and Austria’s 0.27%, which were the highest for the EU-29.

19. Furthermore, the growth of public money income (PSMReven378) in Hungary was modest at 3.4%, as it was significantly lower than the growth rate of 18.2% in the EU-29 during this period. The development of unit public money revenues per citizen, per month, increased modestly by 3.5% between 2013 and 2017 (PSMCap379). At the same time, the rate of support for public foundations from the operating revenues of the public service media service provider in Hungary increased significantly by 2.6% between 2013 and 2017 (Fund1711), which can be considered favourable as the EU-29 average decreased by 5% during this period. For many EU Member States, this proportion has fallen significantly, such as the United Kingdom, Portugal, Poland, the Czech Republic, Slovenia and France.

20. In Hungary, on the “Y” axis, the share of total public revenue in the operating revenues of the public service media service provider (Minus PSMInc175) was 79% in 2017, which was lower than the 80% average of the EU-29 member states. However, in contrast to the former, the share of commercial revenues in total media revenues in 2017 was 8.4%, which was below the EU-29 average of 17%. In Hungary, GDP grew by 4.2%, well above the EU-29 average of 2.9%. In Hungary, GDP growth was one of the highest-performing countries in the

EU-29, along with Ireland, Malta, Romania, Estonia, Poland, Lithuania and the Czech Republic.

21. It can be seen that between 2013 and 2017, as a contribution to the revenues of the public service media service provider in Germany, unit public revenue per citizen increased by only 2.2%, while the rate of support from public foundations was ten times higher than this, ie 22%. increased during this period. This indicates that the share of public money revenues was significant at 88.7%, of which only 5% was the share of support for public foundations in the total revenues of the public service media service provider, compared to 83.7% by the end of 2017.

22. It follows that public revenues per citizen in Germany were slightly increasing and that the growth rate of public foundation support increased significantly by 2013, ie compared to its previous share, by the end of 2017 (22%), but its share of public service media service provider revenues was insignificant, amounting to only 5% by the end of 2017, and at the same time the share of commercial revenues was also significantly small, 6%, by the end of 2017 of total public service media service provider revenues. The starting point is the total revenue and composition of the public service media service provider. Subscription rates may have been high because public foundations and commercial incomes were modest in Germany. In an extremely strong German economy, where the purchasing power of households is significantly strong, the maintenance costs of the public service media provider are charged to the public revenues in the form of subscription fees, not primarily from companies or the state budget.

23. In Germany, the share of total public revenue in the “Y” axis in the operating revenues of the public service media service provider (Minus PSMInc175) was 88.7% in 2017, which was higher than the EU-29 average of 80%. However, in contrast to the former, in line with this relatively level, the share of commercial revenues in total media revenues in 2017 was only 6%, which was below the EU-29 average of 17%. GDP grew by 2.4%, which was noticeably lower than the EU-29 average of 2.9%.

24. In general, as is the case in the Netherlands, in countries where the share of public revenue in total public service media revenues is significantly lower, mainly due to a lack of subscriptions or a lower rate, the share of commercial revenues was significantly higher, such

as prominently in Poland, Ireland, Austria, the United Kingdom and Belgium in the Flemish part of Belgium.

25. In the case of Greece, such a large declining increase in public service media revenues between 2013 and 2017, mainly due to a drastic 30% decrease in public service media revenues per unit per month per citizen (PSMCap379) in the EU-29 Member States had the second largest decrease in this period after Luxembourg. This magnitude of decline is better understood when we consider that between 2013 and 2017, the annual subscription fee paid to public service media (License3710) decreased by 9%. In addition, public money revenues have already fallen for the media simply because there is no public foundation support. The decline in public service media revenues was further driven by a 4% decline in commercial revenues (PSMMark377), which, although modest, will in any case add to the decline in the former economic variable. The relative stagnation of GDP due to its 1% growth also did not change the development of media revenues, as the annual subscription fees calculated by the population decreased drastically in the period 2013-2017 as a whole.

26. In France, by the end of 2017, a more modest increase in commercial revenues of 6.4% also contributed to the increase in the operating revenues of the public service media service provider, although the latter was mainly driven by subscriptions. Compared to the EU-29 member states, GDP growth in France was 1.6%, and did not significantly change the development and structural composition of media revenues, as significant payments continued to be made by the population in the period 2013-2017. By the end of 2017, the increase in support for public foundations was not so significant that it would have significantly increased the share of public funds in the total revenues of the public service media service provider. On the other hand, it can be stated that in Malta the development of public money revenues did not have a significant impact on the substantial increase of their revenues of the public service media service provider. On the other hand, the 16% increase in commercial revenues played a role in increasing the revenues of the public service media service provider, which ensured a larger share of commercial revenues within the revenues of the public service media service provider. This share was 43% in the period 2013-2017, compared to only 35% of public revenue. The share of public revenue in Malta was the lowest in the EU-29, even higher in Poland at 40%.

27. It can be stated that in Lithuania in the period of 2013-2017 the revenues of the public service media service provider (PSM2013172) increased the most by 72.8%, and the increase of the amount of these revenues per capita (PSM1PŲ3) increased by 85.7% in the EU-29 countries, the highest growth rates were in these two areas. This increase was driven by a 70% increase in public money income (PSMReven378) and a 60% increase in public money income per capita per month (PSMCap379) and a 37% increase in public foundation support (Fund1711) by the end of 2017.

Lithuania's situation can be considered unique because, in the case of the aforementioned economic variables, it has achieved the highest or almost the highest overall growth rate in the EU-29. From 2013 onwards, commercial revenues in the public service media service provider (PSMMark377) decreased the most compared to the EU-29, however, there were no subscriptions (license3710) that could have further increased public revenues and thereby media revenues. This makes Lithuania's situation unique and may be to form a separate country cluster as a country vis-à-vis other EU Member States.

28. It can be stated that by the end of 2017, support for public foundations in Finland stagnated, which was even more favourable compared to the 5% decrease in the EU-29 average. There were no subscriptions within public money revenues and, in addition to a significant decline in commercial revenues, while half the GDP growth of the EU-29 average did not provide a sufficient basis for the previous higher growth rate of public service media revenues. In Denmark, by the end of 2017, despite a significant decline in public revenues, as subscriptions fell sharply and there was no support from public foundations, a high share of public service media (PSM) revenues could remain because commercial revenues were already low and not below 2%. due to a decrease in. The favourable growth rate of 2.2% of GDP did not have a sufficient effect on the growth of public service media service provider (PSM) revenues.

29. It can be stated that in relation to the EU-29 member states, the number of countries where only the subscriptions of public service media service providers within the framework of public funds were paid and no public foundation support was paid to them (Table-8)). For these six countries - the Czech Republic, Denmark, Greece, Italy, Sweden, Portugal - public revenues consist only of subscription fees, which accounted for an average of 87% of total revenues from public service media providers per country. The amounts in excess were now

only commercial income. It can also be seen that media revenues do not come very significantly from commercial revenues (Table-8; EBU 2018; EBU 2014).

30. In contrast, the group of countries for which 13 countries in total receive public funding only from public foundation grants: Belgium-Flanders, Belgium-France, Bulgaria, Cyprus, Estonia, Finland, Hungary, Latvia, Lithuania, Luxembourg, Malta, the Netherlands and Spain. Revenues from public foundation grants, as the only public money revenues, account for 81.4% of public service revenues on average per country in these countries over the period 2013-2017. So, in essence, they do not lag significantly behind the share of public revenues of the previous country group in total media revenues.

31. However, both sources of public money can be found in the other EU member states. However, the average share of subscription fees per country - Austria, Croatia, France, Germany, Ireland, United Kingdom, Slovakia, Slovenia, Poland - is 67.6% of the total revenue of public service media providers, excluding public foundation revenues in these countries. This shows that in these countries the share of subscription fees has already decreased to 67.6% on average per country, compared to the average for subscription-only countries, where the share of subscription fees averaged 87% per country during the period under review. In Romania, on the other hand, public foundation revenues accounted for 83% of the total revenues of the public service media service provider, plus a further 10%, and the share of subscription fees for public funds in Romania accounted for 93% of the total revenues of the public service media service provider. (Table-8; EBU 2018; EBU 2014).

## **4 CONCLUSIONS AND OBSERVATIONS**

The international role of public service media providers has recently grown significantly, also due to expanding international economic and cultural relations. As a result, the flow of information has accelerated strongly recently. Public service media, in particular the television media service, which provides not only verbal information but also visual representation of information, provides very important and increasingly essential assistance to the accelerated pace of information and to meet the ever-expanding needs of up-to-date information.

In addition to daily information and news, as well as its visual representation, the public service media also provide more and more scientific and tourist knowledge to the wider public. Public service media also carry out serious advertising activities, partly to increase consumption-boosting purchases and partly to raise awareness of the characteristics of products. An aspect not to be underestimated is the increase in advertising revenue, which partially offsets the coverage of the ever-increasing costs of maintaining public service media.

In the course of my research, I have placed the main emphasis on the extent of the correlations between economic variables and their different magnitudes, in order to shed light on which economic variable has an impact on shaping the profitability of public service media providers. Based on the different economic and social conditions of the individual EU member states, the different profitability conditions of the public service media have also developed. There are EU member states where the public service media do not count on the revenues of monthly subscription fees, there are some where the media does not receive adequate revenues through the support of public foundations. I consider it important that the proper harmonization of the three main sources of revenue - support for public foundations, monthly subscription fees and commercial revenues - is necessary for the effective operation of public service media providers. I summarize my new scientific findings accordingly below.

#### 4.1 New Scientific Findings

1. I find that PSMInc175, i.e. the public revenue revenues of public service media providers in 2017 (public foundation support and subscriptions) by country and PSMMarket176, i.e. the changes in commercial revenues of public service media providers in 2017, by country, is very strong. I accept the first hypothesis.

2. The correlation between other economic variables between 2013 and 2017 is strong for PSM1FÖ3, i.e. revenues of public service media providers, by country, per capita, and PSMReven378, i.e. public revenues of public service media providers (public foundation support and subscriptions) by country. This means that at the same time as the public money revenues of public service media providers increased, the revenues of public service media providers per capita increased in parallel. I accept the second hypothesis.

3. Between 2013 and 2017, there was a strong correlation between the two economic variables, ie PSMReven378, the public revenue of public service media providers by country, and PSMCap379, the contribution of public service media revenues by country, to the monthly public revenue per country. compared to the situation in 2013. I accept the third hypothesis.

4. The correlation can be said to be strong for PSM2013172, ie the operating revenues of public service media providers, between 2013-2017 and PSM1FÖ3, ie the operating revenues of public service media providers, by country, for two economic variables per capita, in the same period. In this case, it is clear that as the operating revenues of public service media providers increase, so does the per capita operating revenues of public service media providers. I accept the fourth hypothesis.

5. In the period 2013-2017, the correlation between the following economic variables was moderately strong, PSM1PÖ3, ie the operating revenues of public service media providers, by country, per capita, and PSMCap379, ie the contribution to the revenues of public service media providers, per capita per month. public revenue, by country. In this case, too, the per capita media revenue increases, then it makes sense that the per capita monthly public money revenues also increase. I accept the fifth hypothesis.



6. The revenues of the Public Service Media Service Providers also mostly depend on the development of public money revenues. It can be stated that the two economic variables are closely related in direct proportion to the EU-29 average. I accept the sixth hypothesis. Although Poland, Malta, Ireland and Latvia are exceptions to these two variables, as the share of commercial revenues in the revenues of public service media providers is much higher than the share of public revenues, I accept the above finding.

7. In the case of the four economic variables, I note that the changes in the annual subscription fees, commercial income, GDP and inflation do not play a significant role in the development of the revenues of the Public Service Media Service Providers. I accept the seventh hypothesis.

## **5. SUMMARY**

In the course of the research, I reviewed the situation of public service media in the 29 EU member states, primarily the economic situation, with a special analysis of the composition of public media revenues in the context of foundation, public foundation and subscription, and commercial and other income distribution. The material and income situation of the public media also largely depends on the general economic situation of the given countries - EU member states - which are well characterized by the general economic growth based on the development of GDP, as well as the development of inflation. As my research was based on the publications of the EBU, ie the European Broadcasting Union, it was possible to rely on the data of the most important states of the organization in my research, thus taking into account the data of all EU member states for the period 2013-2017. In the course of my research, I examined the activity of public service media in the EU-29 member states using a number of economic variables based on SPSS statistical methods.

I note that in the period between 2008 and 2013, the revenues of the public service media increased to a greater extent than in the period between 2013 and 2017. This was mainly due to the fact that in the period between 2013 and 2017, one of the important items of public money revenues, the size of subscriptions, decreased significantly in the EU member states where it was introduced earlier. In Hungary, the operating revenues of the public service media have increased modestly by 6.8% for the period 2013-2017, which is still significantly below the EU-29 average. At the same time, public service media operating revenues per capita increased by 0.1%, well below the EU-29 average.

I note that, compared to the EU-29, there are few countries where only subscriptions and no public foundation support have been paid for in the total revenue of the public service media within the framework of public funds. For these six countries - the Czech Republic, Denmark, Greece, Italy, Sweden, Portugal - I note that public revenues consist only of subscription fees, which accounted for an average of 87% of total public service media revenues per country. The amounts in excess were now only commercial income. It can also be seen that media revenues do not come very significantly from commercial revenues.

## **Scientific publications related to the topic of the dissertation**

### **Hungarian language journal article**

Balázs Medveczky

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DOI Other URL

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