

Harry Potter Charms the Entertainment Industry

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The Nielsen Company examines Harry Potter's vast impact on Books, Movies, Internet, Television, Music and Advertising
NEW YORK, July 10, 2007 "With the imminent release of the new Harry Potter movie, "Harry Potter and the Order of the Phoenix," as well as the upcoming book release on July 21 of the seventh and final installment in the series, "Harry Potter and the Deathly Hallows," The Nielsen Company today released a multi-dimensional overview into the young wizard's strong impact on the entertainment industry. Here is a unique look at the Harry Potter effect. (Please see full PDF download for all figures concerning this release).

- Book sales (Nielsen BookScan) - Since 1998, when Nielsen began measuring book sales in the United Kingdom, the six Harry Potter books have sold more than 22.5 million copies in the UK alone. In the United States, the Harry Potter titles published after 2001 have sold more than 27.7 million copies.

- Box Office sales (Nielsen EDI) " Combined, the first four Harry Potter films have grossed more than \$3.5 billion worldwide. The first film, "Harry Potter and The Sorcerer's Stone," is the fourth all-time highest grossing film worldwide.

- Advertising (Nielsen Monitor-Plus) " In the U.S., ad spend for all Harry Potter branded merchandise (including books, movies, DVDs and other promotional products) totals \$269.1 million from 1998 to date. Outside of the U.S. from 2000 to date, \$119.3 million was spent on total advertising for all Harry Potter branded merchandise in Canada, Germany, Italy, Netherlands, Norway, South Africa, Switzerland, and the U.K.

- DVD/Video sales (Nielsen VideoScan) "All three Harry Potter DVDs/Videos " Sorcerer's Stone, Chamber of Secrets, and Prisoner of Azkaban " debuted at #1 and remained the #1 family film for the first 3 weeks of each release.

- Internet Traffic (Nielsen//NetRatings) " The Warner Bros. "Harry Potter Order of the Phoenix" Web site drew 446,762 unique visitors in May 2007.

- Internet Buzz (Nielsen BuzzMetrics) " On blogs, the final book "Harry Potter and the Deathly Hallows," is generating more buzz than the latest movie installment, "Harry Potter and the Order of the Phoenix."

- Music sales (Nielsen SoundScan) " The four Harry Potter soundtracks combined have sold more than 1.1 million copies in the U.S. and almost 100,000 copies in Canada since the initial release back in October 2001. There have been a total of 180,000 downloads of individual songs that tied to the four Harry Potter soundtracks.

- TV ratings (Nielsen Media Research) " Since 2002, the Harry Potter movies have aired on U.S. television a total of 366 times.

- Moviegoer Profile (Nielsen Cinema) - A recent survey of moviegoers shows 51% of persons age 12+ are aware that the new book is coming out next month. Twenty-eight percent of persons 12+ in the U.S. have read one or more of the previous Harry Potter books, and 15% have read all of the Harry Potter books-to-date.

- Consumer (ACNielsen) " More than \$11.8 million has been spent by U.S. consumers on Harry Potter-licensed trademark cookies, candy and gum products since June 2002.

Books (Nielsen BookScan)

In the United Kingdom alone, more than 22.5 million copies of J.K. Rowling's Harry Potter books have walked off the shelves since 1998, when Nielsen BookScan began measuring books sales in the UK and six of the top ten best-selling books during this period have been Harry Potter books. In the United States, the Harry Potter titles published after 2001, the first year of the U.S. Nielsen BookScan panel, have sold more than 27.7 million copies. During that period, three of the top ten best-selling books in the U.S. have been Harry Potter books.

In all territories where Nielsen BookScan monitors book sales data, peak sales of Harry Potter titles consistently coincide with launch of the new hardback editions and continue to break records. In 2005, Harry Potter and the Half-Blood Prince jumped out of the starting gate with 1.87 million copies sold in the first day in the UK and 4.1 million copies sold the first day in the U.S. (both countries include pre-orders). Similarly, nearly 1.7 million copies of Harry Potter and the Order of the Phoenix were sold on its 2003 release date in the UK, accounting for nearly 50% of the book's total first year sales in that country.

The greatest peak in sales of Harry Potter books took place in 2003, when sales in the UK accounted for fully 22% of the Children's market for the year, while sales in Australia took 19% of the Children's market and generated Aus\$30.5 million in revenue for the year. This trend was largely due to the long delay in the release of Harry Potter and the Order of the

Phoenix. This was also the first new title to be released following the launch of the first Harry Potter film in November 2001, which helped catalyze a large increase in sales of the backlist titles as people caught up with the series.

The second largest sales peak for Harry Potter titles was in 2005, except in Ireland (ROI) and China, where 2005 sales surpassed 2003 sales as news of Harry Potter spread across the globe.

2006 saw a slowdown in sales, with the annual sales of Harry Potter titles being at their lowest since 1999 in the UK. This trend is indicative of people waiting for the launch of the final hardback edition later this month.

Audio titles of the Harry Potter series were also very popular, with total sales of more than 1.34 million audio copies in the U.S. (818,000) and the UK (525,000) to date. In the UK, audio releases of Harry Potter and the Sorcerer's Stone have sold the most volume to date (128,280 units). Since 2001, Harry Potter and the Order of the Phoenix (452,000 units) and Harry Potter and the Half-Blood Prince (349,000 units) are the best-selling audio books in the U.S..

(See charts "Total Sales of Harry Potter Books by Country", "Top Selling Books in the U.S. Since 2001" and "Top Selling Books in the UK Since 1998" in full PDF download of this release).

Film (Nielsen EDI)

Combined, the first four Harry Potter films have grossed more than \$3.5 billion worldwide. The first film, "Harry Potter and the Sorcerer's Stone," grossed more than \$974.7 million worldwide at the box office, ranking it number four on the worldwide all-time highest grossing films. In its first week of release the film grossed more than \$129.4 million in the U.S. and Canada. The second film, "Harry Potter and Chamber of Secrets," grossed more than \$878.6 million worldwide and \$106.1 million for its opening week in the U.S and Canada.

(See chart "Worldwide Box Office Sales - All Time Highest Grossing Films" in full PDF download of this release).

Advertising for Harry Potter (Nielsen Monitor-Plus)

In the U.S., ad spending for all Harry Potter branded merchandise (including books, movies, DVDs and other promotional products) totaled \$269.2 million for 1998 to date. Outside of the U.S., from 2000 to date, \$119.3 million was spent on total advertising for all Harry Potter branded merchandise in the following 8 countries -- Canada, Germany, Italy, Netherlands, Norway, South Africa, Switzerland, and the U.K.

Since 2000, international advertisers have spent \$659,019 promoting the Harry Potter books (print books and audio books), with the bulk of the ad dollars going towards audio books (\$543,412). The top spending category outside the U.S. has been theatrical releases (\$57.3 million). Ad spending for Harry Potter among DVD/Video releases came in second at \$31.9 million. Advertisers for video games spent \$11.8 million and toys/games spent almost \$11.6 million, while advertising for Harry Potter magazines reached \$3.8 million.

Book Advertising in U.S. -- Since 1998, when Harry Potter and the Sorcerer's Stone first appeared in the U.S., the publisher has spent a total of \$344,787 to promote the book. That amount is a long way off from the advertising peak for the fifth book, Harry Potter and the Order of the Phoenix, which since 2002 has totaled \$942,049. Additionally, \$184,700 was spent in 2001 to advertise Fantastic Beasts & Where to Find Them and Quidditch Through the Ages, two books published by J.K. Rowling and Scholastic, whose proceeds benefit needy children. In total, \$3.6 million in the U.S. has been spent to date for the Harry Potter books (1-7), Harry Potter Fantasy Beast/Quidditch books and the Harry Potter Deluxe Box Sets, with the majority of the ad spend going towards the first seven books (\$2.8 million).

(See chart "Advertising Spent on Harry Potter Books in the U.S. 1997-2007" in full PDF download of this release).

Box Office Advertising in U.S.- More than \$142.6 million has been spent to advertise the first four Harry Potter theatrical releases. Harry Potter and the Chamber of Secrets, the second move in the series, has spent the most at \$40 million. Each of the other movies spent between \$31 and \$36 million in total on advertising.

(See chart "Advertising Spent on Harry Potter Motion Pictures in the U.S. 2001-2007" in full PDF download of this release).

DVD/Video Advertising in the U.S. -- \$68.5 million was spent on advertising for the Harry Potter DVD/Videos. The first movie release, Harry Potter and the Sorcerer's Stone, spent the most on advertising, \$22.5 million. The budgets for the subsequent DVD/Video releases were reduced, each spending between \$14.5 and \$15.9 million.

(See chart "Advertising Spent on Harry Potter DVDs/Videos in the U.S. 2001-2007" in full PDF download of this release).

Cross Promotion in the U.S. -- The Harry Potter brand has partnered with products as diverse as bubble bath to electronic games to cross-promote and sell more merchandise. In total, \$54 million was spent promoting Harry Potter products excluding the core businesses of books and movies over the last seven years. EA Games Harry Potter & Goblet of Fire Entertainment Software spent the most reaching more than \$4.5 million. Other notable promotions include: EA Games Entertainment Software Harry Potter Quidditch World Cup (\$3.2 million), Mead Harry Potter School Supplies (\$3.1 million), EA Entertainment Software Harry Potter & The Sorcerer's Stone (\$2.3 million), and Harry Potter & Chamber Of Secrets Playsets Polyjuice Potion Maker (\$2.0 million).

Internet Traffic (Nielsen//NetRatings)

The Warner Bros. Web sites, "Harry Potter Order of the Phoenix," drew 446,762 unique visitors in May 2007. Social media and reference sites related to the movie attracted a unique audience of 705,487, more than 1.5 times the Web traffic to the official Harry Potter sites. However, average visitor time spent at the Warner Bros. sites in May was more than seven minutes, compared to under 2.5 minutes at the social media sites.

Internet Buzz (Nielsen BuzzMetrics)

Over the last six months, the final book, "Harry Potter and the Deathly Hallows," has generated more buzz than the latest movie installment, "Harry Potter and the Order of the Phoenix." After the release of the Order of the Phoenix movie trailer in late April, buzz about the movie briefly surpassed buzz about the final book.

Bloggers reacted to the announcements of the final book and book cover design, generating a sharp increase in posts and discussions in January and March 2007.

Fake scans of the movie's ending sparked interest among bloggers and buzz about the final book and latest movie increased in tandem in June 2007.

(See chart "Spikes in Internet Buzz Around Harry Potter " in full PDF download of this release).

Music Sales (Nielsen SoundScan)

Since 2001 there have been four Harry Potter soundtracks coinciding with the four movie releases. These soundtracks have sold over 1.1 million copies in the U.S. and almost 100,000 copies in Canada.

The biggest selling Harry Potter soundtrack by far was the first: "Harry Potter and the Sorcerer's Stone." Since its release in October of 2001, this Potter soundtrack has sold 619,000 copies in the U.S. Soundtrack sales for the additional Harry Potter movies declined with each release. "The Chamber of Secrets," based off the second movie in the series, has sold roughly 210,000 copies since its release in November 2002. The other two soundtracks; "Prisoner of Azkaban" and "Goblet of Fire," have respectively sold 180,000 and 135,000 copies in the U.S.

There have been a total of 180,000 downloads of individual songs from the four Harry Potter soundtracks since 2003, when Nielsen SoundScan began measuring digital music sales. At 65,000 digital track sales, "Harry Potter and the Sorcerer's Stone" has been the most popular soundtrack.

DVD/Video sales (Nielsen VideoScan)

According to Nielsen VideoScan, all three Harry Potter DVDs/videos "Sorcerer's Stone, Chamber of Secrets, and Prisoner of Azkaban" debuted at #1 and remained the #1 family film for the first 3 weeks of each release. "Harry Potter and the Prisoner of Azkaban" (Warner Home Video, released 11/23/04) was the #1 selling family video, and #4 video regardless of category, in all of 2004. "Harry Potter And The Chamber Of Secrets" (Warner Home Video, released 4/11/03) was the #4 selling video in 2003 and the #3 family video in 2003. "Harry Potter And The Sorcerers Stone" (Warner Home Video, released 5/28/02) was the #3 selling video in 2002 and was the #2 family video in 2002.

TV ratings (Nielsen Media Research)

The Harry Potter movies have been telecast on U.S. television a total of 366 times since 2002 on four cable networks (Disney, ABC Family, Cinemax and HBO) and one broadcast network (ABC). In 2007, two Harry Potter movies aired on the Disney Channel averaging approximately 2.8 million viewers. The last broadcast network (ABC) to carry a Harry Potter movie was "Harry Potter And The Sorcerer's Stone" on 4/21/07, with approximately 4.2 million U.S. viewers.

(See chart "Most Viewed Harry Potter Movies on U.S. Television" in full PDF download of this release).

Moviegoer Profile (Nielsen Cinema)

Findings from a recent Nielsen Cinema survey show 51% of persons age 12+ in the U.S. are aware that the new book is coming out next month. Twenty-eight percent of persons 12+ in the U.S. have read one or more of the previous Harry Potter books, and 15% have read all six previous Harry Potter books.

More than half (53%) of the people who have read at least one of the Harry Potter books indicated they plan on reading "Harry Potter and the Deathly Hallows," with nearly 40% planning to read it as soon as it is released.

While the Harry Potter books are wildly popular in the U.S., the movies are even more so. More than one quarter of Americans 12+ claim to have seen all of the previous Harry Potter movies. In the U.S., the box office audience for the last two Harry Potter movies "Prisoner of Azkaban and The Goblet of Fire" is made up primarily of children and teens. While not quite a majority, over 40% of the box office audience for the last two movies is 2-17 years old, with girls making up just over 50%. Other findings from Nielsen Cinema include:

59% of persons age 12 and older are aware that the fifth movie in the series, "Harry Potter and the Order of the Phoenix," is coming out this month.

57% of persons 12+ have seen one or more of the previous Harry Potter movies.

(See chart "Audience Breakdown of Last Two Harry Potter Movies" in full PDF download of this release).

Consumer Package Good Sales (ACNielsen)

According to data from consumer research company ACNielsen, more than \$11.8 million has been spent by U.S. consumers on Harry Potter-licensed trademark cookies, candy and gum products since June 2002.

(See chart "Sales of Harry Potter-Licensed Trademark Cookies, Candy, Gum" in full PDF download of this release).

ACNielsen data also shows that sales for Harry Potter-licensed cookies, candy and gum products peak the week a Harry Potter movie or book launches, showing almost \$900,000 in sales for Harry Potter-licensed goods the week of the 11/5/02 movie premiere of "Harry Potter and the Chamber of Secrets" and \$650,000 in sales the week of the 11/18/05 movie premiere of "Harry Potter and the Goblet of Fire".

Candy products licensed from the Harry Potter series can be a little unconventional. Some favorites include: Cockroach Clusters, Jelly Slugs, Ice Mice, Chocolate Frogs, Fizzing Whizbees, and of course Bertie Bott's Jelly Beans, including ear wax and dirt flavors.

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