Chapter 28

Relationship between Movie Industry and Marketing with Respect to Cultural Economy

Elif Ulker Demirel
Trakya University, Turkey

ABSTRACT

Today, culture and art industry have expanded and diversified thanks to the increasing interest and demand for culture and art products in the world. As a result, a structure, which comprises conventional components of marketing, has emerged in order to fulfill this demand and bring together the products of art and their target market. As an element of the culture and art industry, cinema industry constitutes an important part of everyday life. Cinema has gone through technological advancements and has become an industry, which feeds many different lines of business. This chapter examines the movie industry, which has an evolving and diversifying structure and which is considered an important element of the art and culture industry. The aim of this research is to create a theoretical structure between the relationship of marketing and the movie industry, especially at the point where the movie industry brings the audiences together.

INTRODUCTION

Cinema, which has existed in human life over a century, feeds by the dynamics of life and takes place to reflect this dynamism as a branch of art. Cinema is one of the fundamental elements of daily life, which diversifies people’s social life and benefits from conditions related with life and many branches of art. Along with social and technological structural improvements throughout the history of cinema, it has occupied an important place in the daily life with different forms and developments, and it has become a big industry and economical frame that sustains many sub sectors at the present day. This study examines the relations of the movie industry with marketing according to the structure on the elements that create the marketing mix, and aims at a theoretical perspective for the marketing process that comes after producing a film.

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BACKGROUND

The growing importance of culture is closely connected to the changing economic trends. First of all, the expansion of the cultural sector is related to an evolution in societies from economies based on manufacturing industries to economies based on the service sector. Second, changing lifestyles and the increase in leisure time spurred demand for various cultural and recreational activities. The cultural sectors assume an intermediary role in the strengthening and diversification of the bonds between cultural life and cultural economies (Enlil, Evren, & Dincer, 2011, p.169).

Substantial contributions on the cultural economy were caused by cultural industry improvements. In conjunction with varying economic conditions, it turns out that people are more dominant at the point where the demand of culture and art products are determined. People are searching for different ways and different point of views on cultural perspectives, and expecting to see various approaches. Demand on culture and art products are going up with variations at the point of the supply side. This process which differentiates the market according to the people who demand art itself (art lovers-followers) and art creators (artist), makes feasible the existence of a market that provides fast circulation.

Cinema became an important factor that comes out after all other traditional art branches and with reference to this specification has been called the “seventh art” (Özön, 2008, p.8). Cinema has existed for more than a century and takes place in people’s daily lives. Cinema is an element of art just like any other arts, but covers everything and because of popular nature, reflects the changes on society more than other arts (Monaco, 2013, p.222).

When the cinema industry revelation is an issue, talking about only an invention will not be enough. This process that begins with the “Kinetoscope” which is an invention of Thomas Edison became a rapidly improving and growing industry with on-going combination of various entrepreneurs and distinctive technological improvements.

In addition to that historians indicate the beginning of cinema as the experimental show of Louis and Lumière brothers at 21 March 1895 to a minor crowd or first open public show at 28 December 1895, which occurred at Grand Café in Capucines Boulevard at Paris. Most important specification of “Cinematograph” which invented by Lumière brothers is the ability reflect picture to the wall (Güral, 2013, p.3). Key innovations in the emergence of the film industry can be seen in Table 1.

MOVIE INDUSTRY AND MARKETING

Basically, movie production process covers three stages. These are preproduction, production and post-production. Film producing steps can be seen particularly in Figure 1. Fundamental steps on this process are qualified as introductory and it’s not possible to say this process can be applied directly to all kind of movies. This diagram is introductory and is meant to include only the fundamental stages that are included in the film producing process.

Post-Production process, along with completion of technical points intended for the film, is corresponding to a process that is the beginning of marketing and distribution efforts. At the point of meeting the audiences and the film production process ended, with the effects of Internet technologies, substantially intense marketing efforts are defined as crucial elements for presenting the movie that will be in theatres.

On the basis of the traditional marketing mix, which comprise of product, price, promotion and place the relationships to movie marketing are examined in this study. In addition, it is intended