Chapter 19

Film Marketing: The Impact of Publicity Activities on Demand Generation

Figen Öcal
Istanbul University, Turkey

Süphan Nasır
Istanbul University, Turkey

ABSTRACT

Since promotional activities are highly important for attracting moviegoers to a new movie, producer companies engage in marketing promotional activities to increase box office revenue. The main goal of this study is to identify and analyze impact of marketing promotion activities on creating preference for moviegoers to watch the film as well as the opening weekend box office revenue of that film. This paper starts with reviewing the literature about the film marketing and continues with outlining the facts about movie industry in Turkey. Finally, it ends up with analyzing the impact of publicity activities on attracting moviegoers’ to watch a film and the opening weekend box office performance of the film in the context of Turkey. 41 Turkish movies that were released in 2010 – 2014 are analyzed with the purpose of revealing the relationship between the publicity activities and box office performance. As a result of regression analysis, media coverage (the number of publicity news) exhibited strong predicting power of tickets sold at the opening weekend (the number of audience).

INTRODUCTION

Service industry has been increasingly growing and achieving the highest share in the Gross Domestic Product (GDP) of industrialized countries. Entertainment industry captures wide variety of sub-industries that devote to entertain consumers. The film industry is one of the sub-industry of entertainment industry. The global film entertainment market is estimated to grow at a Compound Annual Growth Rate (CAGR) of 3.1% during 2013-2017 to reach USD 100.6 billion in 2017 from USD 88.6 billion in 2012 (Team Interface, 2013).

DOI: 10.4018/978-1-5225-0143-5.ch019
Film Marketing

The movies and entertainment market comprises video retail, box office, and music sales. Box office is the largest segment of the global movies & entertainment market, accounting for 42.4% of the market’s total value (Marketline, 2015a). According to the Marketline (2015a) report on Global Movies & Entertainment, the global movies & entertainment market grew by 0.6% in 2014 to reach a value of $90.1 billion and CAGR of the market in the period 2010–14 was 1.9%. The Americas region accounts for the majority of revenues in the global market, with a 42.4% share. While Europe accounts for a further 31.9% of the global market, Asia-Pacific’s share accounts 24.3% of the global movie & entertainment market. However, by 2019, it is expected that the Americas market share will drop to 40.8%, while Asia-Pacific’s share of global revenues will increase from 24.3% in 2014, to 29.6% by 2019. The performance of the market is expected to reach a value of $102.2 billion by the end of 2019 with an increase of 13.5% since 2014. (Marketline, 2015a). The United States accounts for 35% of the global movies & entertainment market value. Although, The US movies & entertainment market has been fluctuating in recent years, in 2019, the United States movies & entertainment market is expected to be $33 billion with an increase of 4.9% since 2014. In United States, the Box office segment accounts 32.8% of the market (Marketline, 2015b).

The movies and entertainment market is an integral part of popular culture, and has a large number of buyers and investment. Entry to movies and entertainment market is increasingly possible on a small scale, due to easy access to technological improvements such as digital cameras. However, such entrants have to compete with Hollywood movie industry that has extremely large marketing and production budgets. On the other hand, emerging economies like Nollywood in Nigeria and Bollywood in India create films for a wider market. It is important to note that having a big production and marketing budget film does not always guarantee success at the box. The Lone Ranger (2013) can be given as an example for the loss-making films of recent times, which had a production budget of around $225 million and a $150 million marketing budget but resulted loss of $190 million (Marketline, 2015a).

As the number of film releases has been increasing over the years, film market has become crowded. In this competitive market, the scale of success and failure has increased enormously. Now it’s more challenging to get the attention of moviegoers and make them watch the film. In order to reduce the risk of loss and increase the success as well as the profitability of the film, marketing promotional strategies have become more and more important (Eastman & Billings, 2000). Therefore, to create awareness and attract moviegoers to new films, film production companies should focus on marketing communication. Since the promotion is among the marketing mix tools and is responsible for the communication of the value of offer to its target audience, film production companies need to use appropriate marketing communication tools and channels for the success of a film. The promotion of a new film includes pre-release media introduction, interview with film star actors and actresses on magazines and newspapers, appearance at the news headlines and high rating TV news and shows. There are also other publicity activities such as, utilizing social media promotions and purchasing other direct advertisement services. Thus, the aim of this study is to discuss the impact of marketing publicity activities on first weekend box office revenue as well as the number of audience in Turkish film industry.

TURKISH FILM INDUSTRY

Turkish film industry has been growing dramatically in the new millennium and Turkish films have gained increasing recognition from the international film industry. According to the General Directorate
Related Content

Developing an Elastic Cloud Computing Application through Multi-Agent Systems
www.igi-global.com/article/developing-elastic-cloud-computing-application/78519?camid=4v1a

CLEVER: A Cloud Middleware Beyond the Federation
www.igi-global.com/chapter/clever-cloud-middleware-beyond-federation/66235?camid=4v1a

Performability Evaluation of Web-Based Services
www.igi-global.com/chapter/performability-evaluation-web-based-services/55521?camid=4v1a

An Improved Genetic Algorithm for Document Clustering on the Cloud
www.igi-global.com/article/an-improved-genetic-algorithm-for-document-clustering-on-the-cloud/213987?camid=4v1a