

An empirical study to detect effective factors to increase number of moviegoers

Yasaman Giyahi

Master of Business Administration (MBA), Management and Accounting Faculty, Allameh Tabataba'i University (ATU)

ARTICLE INFO

Article history:
Received October 1, 2011
Received in Revised form
November, 14, 2011
Accepted 30 January 2012
Available online
15 February 2012

Keywords:

Cinema
Cinema Hall
Film Marketing
Moviegoer

ABSTRACT

In this paper, we present an empirical study to detect important factors, which could increase the number of moviegoers. The study distributes a questionnaire among different people at four age groups including 35.2% (men), and 64.8% (women), most of them are single (between 21 to 30 years) living at 3- to 4-member families, holding BA degree with 4 to 7 million Rials monthly salary. Inferential statistics tests, including Kolmogorov–Smirnov, binominal or ratio, Chi Square and Friedman, show that type of story, genre and artists, casts are considered as the most important factors in selection of film while quality of sound, seat comfort, ventilation of cinema hall are regarded as the most important factors in selection of cinema .

In addition, cinema is not predominant pastime or hobby of individuals during holidays and existence of more attractive pastimes than cinema is the most important factor, which hinders individuals from going to cinema. Individuals go to cinema fewer than three times a year, primarily during the afternoon of holidays at the weekend. TV teasers and word of mouth advertisements are the most significant publicity tools for those individuals who intend to go to cinema halls. These two factors, i.e. TV teasers and word of mouth advertisements, are the most significant sources of studying individuals for the selection of film. Individuals almost select their favorite movies before going to cinema and if ticket is finished at the box office of cinema, they suspend watching film in another time and finally, they re-plan watching film. It should be noted that satisfaction of individuals from cinema is much more effective than their satisfaction from film.

© 2012 Growing Science Ltd. All rights reserved.

1. Introduction

The history of cinema in Iran dates back to 110 years ago and in the course of these 11 decades, Iranian cinema has experienced many noticeable developments both in terms of concept and content and also structure and application of filmmaking technology. Many of these developments, especially in the field of contents and themes, have been resulted from social, political and cultural developments in the country (Bichranloo, 2008). Despite high capacity and potential for being turned into a successful film industry, Iranian cinema has faced contradictions in viewpoints and economic problems in filmmaking activity as well (Mokhber, 2011).

* Corresponding author. Tel. +989123764259
E-mail addresses: ysmn.giyahi@gmail.com (Y. Giyahi)

On one hand, assuming that the number of films manufactured within a year and also construction of cinema halls is tantamount to the development are incorrect assumptions and they could not significantly contribute to growth and development of cinema (Goharpour, 2010). On the other hand, Filmmakers and cinema owners believe that renovation of building and equipment of cinema halls are not economical without promotion of film productions quantitatively and qualitatively (Mokhber, 2011). Lack of good investment, unemployment, idleness life and talent of cinema activists, low quality and lack of existence of depth and variety in film productions and unorganized and irregular situation of cinema halls, etc. can be considered as various aspects of crisis in Iranian cinema (Karimzadeh, 2006). Hereunder are regarded as factors of tending to go cinema (Karimzadeh, 2006):

1. Increased worrisome at the industrial civilization,
2. Dire need to pastime and recreation like other requirements,
3. For boosting leisure times.

There are various studies in the field of cinema market, which indicate that four factors of quality of film, location of cinema, screening date and time and quality of cinema hall will influence decision of moviegoer to watch film at cinema (Finney, 2010; Lovell & Gianluca, 2009). Other studies, made in this regard, also approve these results and have shown that two factors help flourishing and promoting cinema market: more and better cinema halls, more effective advertisements and publicity methods. There is no doubt that film content is important, but sales results depend on lengthiness of screening period, sufficiency of number of cinema halls and marketing with appropriate financial support.

The physical aspects of film screening are complicated severely. The activities like being placed in screening cycle, reservation of multiplexes and the most appropriate halls inside them for each film, negotiating for the most suitable contract condition of delivering copies of film to cinemas and exchanging copies between various halls and finally, making calculation with each hall after film screening are considered as physical aspects of film screening. Each of these measures has fundamental influence on success of film (Shoja'Nouri, 2011). In addition, bringing about conditions of getting familiarity, forcing film watchers to be interested in watching film, raising interest of addresses to watch film, etc. are considered as the main objectives of marketing (Mehrabi, 2011). In this paper, we present an empirical study to detect important factors, which could increase the number of moviegoers.

2. Literature review

2.1. Cinema

Studying industrial structure of cinema phenomenon will help policy makers of film industry understand possibility of decision making, designing, and adopting operational strategies in all levels (Hossein-nejad, 2011).

As an "industry" which has been turned from cultural and artistic form into a commercial or trade form, cinema should be analyzed with must and must not market. If cinema industry intends to be developed, it will be developed with the same indicators as occurred for each company or other economic enterprise (Goharpour, 2010). Cinema solely is considered as one of various subsidiaries in filmmaking industry and incomes obtained from screening movies is less than video and TV markets. At any rate, on a broader scale, cinema films are the most important means of attaining film market, which depend on the séances of screening film at cinema and way of offering it. The film, which is not displayed publicly is very strange to gain trade success in its other subsequent markets. In other words, film should be careened publicly with the aim of gaining trade benefits. In fact, profitability key of a movie depends on its screening. In other words, if a film is screened in cinema, it will gain more profit (Greenwald & Landry, 2009; Squire, 2006; Levison, 2010).

Movie screening at cinema is to display a film in cinema halls, based on which, the revenue earned as a result of selling ticket at box offices will determine the income obtained from screening film at cinema hall as well. This type of income is called "Income Obtained from Box Office" (Ulin, 2010). Some expert officials and film critics in the film arena believe that cinema should not be classified at the amusement or welfare group. These critics prefer to consider cinema as an art (Lovell & Sergio, 2009). In contrast, other groups of thinkers and activists believe that amusing and pastime performance of cinema are considered as the most important factors for moviegoer to attend cinema for watching film (Razavi & Ehsani, 2010).

However, film displayers need to compete with new technologies available to moviegoers. TV, video tapes, laser discs and DVD, cable and internet networks, all have been considered as growing factors for staying at home and preventing moviegoers from going to cinema and the country of Iran is not exception to this issue.

The results of survey studies in recent years show meager of slight share of cinema at consumption basket of Iranian cultural commodities. There are various reasons that people do not participate in cinema such as high costs of purchasing ticket, high cost of transportation and/or high cost of purchasing nuts and snacks while watching film (Bichranloo, 2010:).

The effective factors on demand of Iranian cinema are classified into two economic (quantitative variables) and noneconomic (qualitative variables) factors, which include age, gender, educational level, marital status, family member combination, employment status, type of activity, income, social class, ticket price, inflation, quality of cinema, number and distribution of cinema halls, hours of leisure time, price and degree of using substituted goods (TV programs, rate of using CD and DVD, degree of using computer programs, internet, satellite, etc.), other pastimes and amusements (like theater, music, gallery, museums, exhibitions, books, magazines, exercise, etc.), lack of having copyright law and easy accessing smuggled CDs, share of cinema at family consumption basket, price of goods complementary to cinema, quality of film, presence of famous casts and actors (actresses), presence of known and leading directors, subject of film and showing courage in handling specific subjects, cultural cumbersome and problems (censorship), policy setting of concerned officials, inattention to the manufacturing of film for all levels and groups, lacking variety of subjects of displayed films, on-time screening of movies, not screening up-to-date foreign films, visual technology and techniques, publicities, social security and political situation of country, film screening period, film screening date (season suitable for going cinema), social circumstances dominant over cinema, side welfare and pastime facilities at cinema halls, days of going to cinema, noneconomic variables, which can undertake more determining role in comparison with the economic variables in many cases (Geraeinejad et al., 2010).

In most cases, Iranian people expect cinema to give them pleasure and a place for passing leisure time. In view of them, the hall, which meets the following criteria can be considered as a suitable hall: cinema hall should be equipped with comfortable chairs, fair ventilation system, high quality of sound and image, etc. (Goharpour, 2010). The following criteria have been taken into consideration in formulation of bylaws of film screening halls:

- Location and place of cinema building, geographical location of hall in terms of transiting easily;
- Safety precautions and conditions against emergencies, and incidents like earthquake, fire and the like;
- Exterior façade of cinema building, display hall, waiting room, lobbies, sanitary installations, welfare amenities, type of seats, fixtures, heating and cooling appliances and other specifications of hall, other parts of building and cinema halls which can be classified into

various grades such as top cinema hall (four stars), first grade (three stars), second grade (two stars) and 3rd grade (one star).

As a matter of fact, each film display hall is considered as a place for offering and selling film to customer (Shoja'Nouri, 2011). Staff and personnel, as providers of services, are important factors in terms of attracting more customers. In other words, working personnel at the cinema halls play a leading role in boosting the number of customers to watch favorite film. This issue is much more importance especially with regard to the individual like ticket seller at the box office who have direct relation with customers (Mudie & Pirrie, 2006).

2.2. *Movie Marketing*

Cultural commodity especially cinema products is facing a competitive market due to mass production and supply limitation. At this market, apart from known factors like quality of goods, innovation and publicity, identification of marketing official in charge from social, cultural, political and economic issues of every community are other important factors (Atebaei, 2002, 2003). Although significance of marketing in success of selling a film has not been widely supported, this process has not been recognized accurately and academically. More studies carried out in this regard have discussed studying effective factors on the success of a film. Other studies have concentrated on influence of criticism with regard to a film. The last group has concentrated on industrial structure and its role at marketing (Kerrigan et al., 2004).

According to Kerrigan (2010), marketing film can be defined as the aim of encouraging consumers to consume their films and it is something beyond marketing communications at the film industry. Marketing film initiates at new production stage in line with processes of marketing management in other industries and it continues forming ideas through production and display. Various actors or actresses are involved in numerous activities of marketing ranging from marketing an idea or a plan with producing company and marketing film is continued at cinemas on DVD, cable TVs and TV networks. Then, it defines marketing film to any type of activity aimed at accompanying the film in reaching to target addressee at anytime of its life (Kerrigan, 2010).

Target addressees of each film are income source of that film. Film viewers allocate sublime status between effective factors at cinema industry to themselves, because, such industry will not exist without their presence. For this reason, producers should know target addressees for each of their productions and should evaluate their films by considering target addressees and the story of the films. They also need to embark on continuation of making film based on extant dynamisms among addressees (Shoja'Nouri, 2011). Customers are continuously studying opportunities and issues at domestic and foreign resources and this process requires spending more time, energy and financial expenses. These research resources can include previous experiences of the very individual, personal resources like friends and relatives, independent resources like newspaper and magazines and informed individuals, news media, marketing resources like various types of publicities and websites (Hawkins et al., 2007).

Creative method of planning and way of marketing, designing poster and making investment for advertisement of a film play essential roles in success of the film. Principally, marketing a film will raise public awareness and willingness of film viewers for watching it and remarkable sales of the film at the first weekend of film display. After this issue, oral or word of mouth publicity of a cinematic work and other types of publicities for the film such as posters, interviews with filmmakers and casts (actors and actresses) at magazines and media can result in success of film when it is displayed at the cinema hall (Squire, 2006).

Since almost all films are based on creativity, publicizing messages should introduce the film with its appropriate genre, aimed at finding that film easily by advocates or fans of films. These messages should be designed appropriately to increase target addressees. Marketing research activities, customs of addressees must be identified to design suitable material based on the data obtained from research activities (Marich, 2009).

In designing film advertisements, the prize where a film receives at film festival has economic advantages. Winning prize by a top film will boost status and rank of director, producer and casts of the film, details of which would help more exposure of a film. In addition, successes are mentioned at posters of film and it can attract more film viewers and introduce the film as an artistic work. Attention of filmmaking industries and other mass media groups has been concentrated on the important festivals, the festivals which could establish possibility of press interview and also written interview of the first criticisms and also can overshadow international film festival (Thompson & Bordwell, 2010).

Thus, film distributors normally allocate an appropriate budget for the dissemination of film to magazines, periodicals, various media for being publicized through online, trailers, teasers, posters and advertisement of film at the festivals and film markets, based on what moviegoers can get necessary information with its content before going to cinema hall. All the mentioned factors are effective for purchasing film ticket (Atebaei, 2003).

3. Methodology

In this study, after studying theoretical basics, effective factors, which attract individuals to cinema halls are polled from moviegoers within the framework of a field study. Accordingly, this study is applied type in terms of objective and is classified at the category of survey- descriptive study in terms of method.

3.1. Statistical Population, Sample Volume and Sampling Method

At the present study, all moviegoers in Tehran city are the subject of study. Since subject of study is unlimited, the following formula was used in calculation of sample volume:

$$N = \frac{Z_{\alpha/2}^2 P(1-P)}{\epsilon^2}, \quad (1)$$

where

"P" is percent of success at society,

" α " is sample volume error level and " ϵ " is estimation precision. Thus, sample volume is obtained 384 samples.

3.2. Questionnaire

Content credit method was used for the evaluation of validity of the questionnaire. In addition, Cronbach's Alpha method was used for the studying reliability of questionnaire. The rate of Cronbach's Alpha coefficient as obtained 0.848 for whole questionnaire.

3.3. Research Questions

- What is the most important effective factor on the selection of film by moviegoer?
- What is the most important effective factor on selection of cinema by moviegoer?

- What is the role of cinema in holidays and filling leisure time of individuals?
- What are the most important factors, which prevent individuals from going to cinema?
- How many times do individuals refer to cinema for watching film during a year? How often do they prefer cinema for watching film during weekend?
- What is the most important publicity tool for feature-length movies?
- What is the most important research source for moviegoers in selection of film?
- When do individuals make their own decision to select their favorite film?
- Does satisfaction of individuals from cinema affect their satisfaction on the film?

3.4. Data Analysis Method

In this study, the data obtained from questionnaires were analyzed through the application of SPSS software package at confidence level of 95%. Descriptive statistics are used for the analysis of demography. Kolmogorov – Smirnov Test, Binominal Test or Ratio Test, Chi Square and Friedman Test are also used with the aim of analyzing research data and statistical inference.

4. Research Results

The way of statistical sample distribution is first discussed in terms of variables like age, gender, marital status, number of family members, educational level, and income of answerers.

Moviegoers participate in this survey at four age groups including less than 20 years (8.3%), 21 to 30 years (51%), 31 to 40 years (19.3%) and over 40 years (21.4%). 35.2% of them are men and 64.8% of them are women. 57.8% are single and 41.7% of them are married.

19.8% of participants lived in 1-2 member families, 53.9% of them in 3-4 member families and 25.8% of them in over 4 member families. In terms of educational background, 23.4% had fewer than 12 years of education, 15% maintained 14 years of educational background, 45.1% of the participants hold bachelor degree and 15.9% had master degree or more. In terms of their income, 26.6% earned less than 4 million Rials, 37.8% earned between 4 to 7 million Rials, 17.4% maintained a salary between 7 to 10 million Rials and 11.5% maintained more than 10 million Rials. Table 1 shows details of our findings. As it is observed in Table 1, since significance level of one-way test (ANOVA) for the one group indicators exceeds 0.05 error level, zero hypotheses is not rejected. Namely, the said indicators are not so much effective in pulling individuals to the cinema halls. For other indicators, since significance level is smaller than 0.05 errors amount, zero hypotheses is rejected. Namely, these indicators are effective in pulling individuals to the cinema halls.

With regard to taking opinion poll on the statement "Cinema in Iran is an expensive hobby or amusement." zero hypothesis has been rejected. Namely, individuals in Iran believe that cinema is an expensive hobby in this country. The results show that type of story, genre, casts, history and background of director, film received prizes at both domestic and foreign festivals, text music, film shooting, appropriateness of film for all age groups at family, stage design, special effects, film production cost and film producer are effective factors in selection of film in sequence. Therefore, type of story, genre, and casts are the most important factors, participants consider in selection of film.

Film sound quality at cinema hall, air ventilation system at cinema hall, seat comfort at cinema hall, possibility of reservation of ticket (personal reference, via telephone and internet), quality of display curtain at cinema hall, variety of séances of screening a film, location of cinema (accessing easily), politeness of personnel of cinema, offering discount to the specific groups like university students, the retired, etc. by cinema management, existence of parking lot, observing security rules and regulations (openness of doors and exist lobbies and equipped with fire extinguishing cylinder),

anticipation of demand for film by management of cinema (anticipation of quantity), film viewer and anticipation of number of personnel required for rush hours for watching film, sanitary services of cinema, tidiness of personnel of cinema, interestedness of personnel of cinema (with regard to their job), existence of buffet, coffee shop and restaurant are effective factors in selection of cinema in sequence. As the results show, cinema hall specifications have more importance than other specifications of cinema like parking, personnel and buffet. 73 percents of participants said that their satisfaction from cinema usually affect degree of their satisfaction from a film.

Table 1

Binominal Test Results of Research Indicators

Indicator	Test Result	
Type of story	Rejection of Zero hypothesis in Significance Level (0.05)	
Genre (subject of film)		
Background of film director		
Casts		
Film received prizes at domestic and foreign festivals		
Quality of display curtain of cinema hall		
Sound quality of film at cinema hall		
Ventilation at the cinema hall		
Comfort of seats at the cinema hall		
Location of cinema (accessing easily)		
Observing security rules and regulations (openness of doors and exist lobbies and equipped with fire extinguishing cylinder)		
Politeness of staff and personnel of cinema		
Possibility of reservation of ticket (personal, telephone and via internet)		
Variety of séances of screening a film		
Offering discount to specific groups like university students, the retired, etc. through cinema		
Agreeing with the following statement: "Cinema in Iran is an expensive hobby or amusement.)		
Film producer		Non-rejection of zero hypothesis in significance level (0.05)
Special effects		
Film shooting		
Text music		
Stage design		
Film production cost (expensiveness of film)		
Appropriateness of film for all age groups at family		
Existence of parking lot		
Sanitary services of cinema		
Existence of buffet, coffee shop and restaurant		
Tidiness of staff and personnel of cinema		
Interestedness of personnel of cinema (with regard to their job)		
Anticipation of demand for film by management of cinema (anticipation of quantity), film viewer and anticipation of number of personnel required for rush hours for watching film		

Participants prefer to go to park and welfare centers at first and watching film at home (household cinema) is their second preference. Going to restaurant and going to cinema are in third and fourth place in sequence.

First, existence of more attractive pastimes and second, time span needed for going to cinema are the most important factors prevent participants from going to cinema. Ticket price of cinema, side costs like cost of transportation, eating food and beverage, food and existence of entertainment cheaper than cinema are other obstacles.

They mostly go to cinema for watching film fewer than three times a year. Others go to cinema more than three times a year. They often go to cinema in the evening mostly in weekend holidays, and then in days of a week, half-price days and occasional vacations. Few participants go to cinema in the morning in these days. 40 percents of participants said that sometimes, films have been in contrast with their expectations in recent years, 34 percents said usually, 16 percents said rarely and just 1 percent said almost always.

TV advertising or making publicity at amusement programs and word of mouth advertising and social margins are the most effective advertisements for films in sequence. Urban and environmental advertisement is in third place. Advertising at internet site, advertising before starting films at the cinema halls and advertising at newspaper and magazine are the least effective advertisements for films in sequence.

85 percents of participants usually study for making decision on watching a new film. The addressees who always go to the cinema, relatives and friends and critics and articles of papers and magazines are the most important sources they use. TV programs and internet sites or message boards are the least important sources. 87 percents of them decide to watch their interested movies before they go to cinema. Only 3 percents decide at box office and others go to cinema accidentally. As a result, when they go to cinema and understand that ticket of their favorite film was already finished, postpone their plan, purchase ticket for the next séances or change their mind, completely. Just 17 percents of them, prefer to watch other film.

5. Conclusions

In this paper, we have presented an empirical study to find important factors influencing people for taking part in watching Iranian movies in cinemas. As we have considered in this paper, there are literally various factors influencing people for watching a movie in Cinema such as type of story, genre, casts and history and background of director, etc. The results of our survey show that TV advertisements and word of mouth advertisements can increase the probability of choosing a film by moviegoers, significantly.

Cinema owners and cinema managers should concentrate more on upgrading cinema hall specifications, provide different methods of ticket reservation and increase the variety of séances of screening a film. Moviegoers' satisfaction from cinema usually affects the level of their satisfaction from a film. Cinema is forth priority during holidays for spending leisure time. While, watching film at home is the second priority. Therefore, the problem is to attract people to cinema, whenever they are interested in watching film. Offering discount to the specific groups like university students, the retired, offering different prices for various rows of seats at the cinema halls and setting volatile or variable price for ticket on the evening and morning séances and also in weekend holidays, days of a week and occasional vacations can reduce problems in economic aspect.

While 85 percents of participants usually study for making decision on watching a new film, advertising campaign can be concentrated on these resources by producing word of mouth. 87

percents of them decide to watch which film before going to cinema therefore; film promotion should be performed before going to cinema. As 17 percents of moviegoers just choose another film if ticket of their favorite film has been finished at the box office, there is a little chance to change moviegoers' decision in the cinema by advertising.

Acknowledgment

The authors would like to put on record their appreciation for the two anonymous referees and the Editor for their valuable suggestions, which has significantly improved the quality of the paper.

References

- Atebaei, M. (2002). Considerations on Fajr film market and world marketing for Iranian film: The arduous way that should be roamed. *Film special of 20th Fajr Film Festival*, 281, 91-92.
- Atebaei, M. (2003). Statistical report from economic situation of world cinema in 2002, Cinema saving strategy: multiplex. *Film*, 298, 130-131.
- Bichranloo, A. (2008). Study of international participation of Iranian cinema from cinema activists and experts point of view. *Cultural-Research Letter*, 9(4), 71-93.
- Bichranloo, A. (2010). Iranian cinema in contrast to video, TV and satellite. *Cultural-Research Letter*, 11(9), 9-34.
- Finney, A. (2010). *The International Film Business: A Market Guide beyond Hollywood*. Rutledge, New York
- Geraeinejad, G.R., Hadinejad, M. & Bakhtiari, A. (2010). Study and analysis of effective factors on Iranian cinema demand. *Cultural-Research Letter*, 11(9), 147-179.
- Goharpour, H. (2010). Development of Cinema, is not a unidirectional development. *Ayneh Khiyal*, 12, 80-86
- Greenwald, S. R. & Landry, P. (2009). *The Business of Film*. Lone Eagle, New York
- Hawkins, D. L. & Mothers Baugh, D. L. & Best, R. J. (2007). *Consumer Behavior: Building Marketing Strategy*. Mc-Graw Hill, New York
- Hossein-Nejad, M. A. (2011). More Comprehensive Outlook to the Subject of Economy and Cinema. Farabi Cinema Foundation Quarterly (Economy and Cinema), 17th, 2, 66 (Spring), 7-20
- Karimzadeh, A. (2006). Multiplex. MA student of Architecture, Islamic Azad University of Mashhad Branch
- Kerrigan, F. & Fraster, P. & Ozbigin, M. (2004). *Arts Marketing*. Butterworth – Heinemann, Oxford.
- Kerrigan, F. (2010). *Film Marketing*. Butterworth – Heinemann, UK
- Levison, L. (2010). *Filmmakers and Financing: Business Plans for Independents*. Focal Press, USA
- Lovell, A. & Gianluca, S. (2009). *Cinema Entertainment: Essays on Audiences, Films and Film Makers*. Mc-Graw Hill, New York
- Marich, R. (2009). *Marketing to Moviegoers: A Handle Book of Strategies and Tactics*. Southern Illinois University Press, USA
- Mehrabi, Z. (2011). Marketing film, each film requires its own specific marketing. Farabi Cinema Foundation (Economy and Cinema), 66, 123-136.
- Mokhber, M. (2011). Prerequisites of development of film industry and Iran visual products. Farabi Cinematic Foundation Quarterly (Economy and Cinema), 66, 63-72.
- Mudie, P. & Pirrie, A. (2006). *Service Marketing Management*. Butterworth – Heinemann, USA.
- Razavi Tousi, S.M. & Ehsani, M. (2010). Study of Welcome of People to the Best-Selling Films of History of Iranian Cinema. *Cultural-Research Letter*, 9, 89-113.
- Shoja'Nouri, A. (2011). How wheel of cinema industry revolves?. Farabi Cinema Foundation (Economy and Cinema), 66, 73-92
- Squire, J. E. (2006). *The Movie Business Book*. Simon & Schuster, USA

Thompson, K. & Bordwell, D. (2010). *Film History: An Introduction*. Mc-Graw Hill International Edition, Singapore

Ulin, J. C. (2010). *The Business of Media Distribution: Monetizing Film, TV and Video Content in an Online World*. Focal Press, USA.