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MARKETING EFFECTIVENESS IN THE INTERNATIONAL FILM INDUSTRY

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Objectives

The main objectives of this study were ...

- Find out what it takes to attract a film audience so as to grow customer value and profitability.
- Determine how to budget effectively for international film marketing.
- Compare and contrast different marketing strategies in the international film industry.
- An effective approach to the film marketing mix is one of the key goals of the research, given that the most successful marketing activities are dependent on marketing mix methods.

Summary

Marketing in the international film industry is critical to a film's commercial success. Therefore, managers need to know how to select and implement relevant marketing strategies to achieve success. To do that, they need to design and carry out effective marketing campaigns.

Conclusions

It was concluded that effective marketing in the international film industry requires the use of social media (to establish customer perception) and

advertising dedicated to attracting exhibitors (owners and operators of cinemas and movie theatre chains). This research shows that there are many marketing strategies for film companies to select from, each of which has different advantages and disadvantages to be considered.

Keywords: *marketing, strategy, international, film industry, social media, customer, advertising, managers.*

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TABLE OF CONTENTS

1.	INTRODUCTION.....	5
1.1.	Background.....	5
1.2.	Research Problem.....	6
1.3.	Research Questions.....	7
1.4.	Research Objectives.....	7
2.	LITERATURE REVIEW.....	8
2.1.	Overall trends of marketing in the international film industry.....	8
2.2.	Comparison of the countries.....	10
2.3.	International Film Marketing.....	13
3.	CONCEPTUAL FRAMEWORK.....	17
4.	METHODOLOGY.....	19
4.1.	Description of methodology.....	19
4.2.	Evaluation of method choice and a statement of its limitations.....	19
5.	FINDINGS AND ANALYSIS.....	21
5.1.	Independent films.....	21
5.2.	The United States and China.....	23
5.3.	Film trailer advertising.....	25
5.4.	Social media.....	25
5.5.	Star Power.....	27
5.6.	Sequels.....	29
6.	DISCUSSION.....	32
7.	CONCLUSION.....	35
7.1.	Main Findings.....	35
7.2.	Implications for International Business.....	36
7.3.	Suggestions for Further Research.....	36
	REFERENCES	

1. INTRODUCTION

1.1. Background

In the 1890s, the motion picture was invented, and it swiftly grew into a global mass entertainment industry. In the twenty-first century, the media, particularly in Hollywood, had grown into a massive business with great profits (U.S. Department of Labor, 2004, cited in Eliashberg, Elberse and Leenders, 2006).

Correspondingly, academic study of issues related to the motion picture business has increased dramatically for several factors (Eliashberg, Elberse and Leenders, 2006).

First, the industry is extremely important to the world economy. In the United States, the motion picture industry employs more than half a million people (U.S. Department of Labor, 2004, cited in Eliashberg, Elberse and Leenders, 2006). The total amount spent on theater tickets in the United States and Canada was over \$9 billion. In 2004, revenues from outside the United States totaled \$11 billion from auxiliary markets (mostly, but not exclusively, home video) (Standard & Poor's, 2004, cited in Eliashberg, Elberse and Leenders, 2006). The motion film industry is a major contributor to the entertainment products market - the United States' most important export market (Eliashberg, Elberse and Leenders, 2006).

Second, the industry is culturally significant and draws a lot of attention - films have a disproportionately large impact on American and global culture. Weekend box office figures are mentioned in news headlines almost every week, unlike any other commodity (Eliashberg, Elberse and Leenders, 2006).

Third, the industry is particularly intriguing from a research standpoint because of the abundance of excellent data. Many new, one-of-a-kind products, for example, are released in a relatively short time. With data spanning the whole product life cycle, the "cradle-to-grave" scope provides excellent conditions for marketing researchers (Eliashberg, Elberse and Leenders, 2006).

Fourth, industry professionals rely significantly on tradition, conventional wisdom, and basic rules of thumb, which have not always been thoroughly scrutinized, providing an opportunity for academic research to add value to the industry (Eliashberg, Elberse and Leenders, 2006).

Fifth, lessons from the film business may aid in better understanding industries that share similar features, such as the music industry, as well as examining the digital age's relationship between technology and experiential goods (Eliashberg, Elberse and Leenders, 2006).

1.2. Research problem

It takes a lot of effort to come up with a relevant marketing strategy for any film. The managers' decision-making of which marketing strategy to adopt is crucial. The research problem addressed in this thesis is how marketing managers can successfully identify and implement the most effective marketing strategy for a film in the international marketplace. If the chosen strategy achieves desired marketing goals, such as attracting as large of an audience as possible and staying within the budget, then it can be considered successful.

Strategic film marketing will be investigated in this thesis through an examination of current international thought and practice. The research will be focused on the fundamentals of successful film marketing and product development. The strategic approach, which will be addressed in the thesis, must assure success (i.e., meeting goals) from the perspective of marketing managers. Specific attention will be focused on the film marketing mix, which includes the impact of technology on film promotion.

1.3. Research Questions

The main issue that this research will address is effective marketing strategies in the international film industry. This research will focus on answering 3 main research questions:

- **How to achieve marketing success in the international film industry?**
- How do film companies select marketing strategies and what are the key decision criteria?
- What are the major challenges film production companies face when implementing international marketing strategies and how do they solve them?

1.4. Research Objectives

The focus of this thesis is on establishing marketing effectiveness and success in the international film industry. To explore how to do this, this research will:

- Find out what it takes to attract a film audience so as to grow customer value and profitability.
- Determine how to budget effectively for international film marketing.
- Compare and contrast different marketing strategies in the international film industry.
- An effective approach to the film marketing mix is one of the key goals of the research, given that the most successful marketing activities are dependent on marketing mix methods.

2. LITERATURE REVIEW

2.1. Overall trends of marketing in the international film industry

“The goal of film marketing is to maximize the audience for a film and, by extension, its earning potential” (Durie, 1993, cited in Kerrigan and Özbilgin, 2004). The emphasis is frequently placed on the "marketing campaign". The marketing campaign is sometimes confused with the marketing process, even though it relates to the final steps of presenting a film to the media's attention. Part of the problem in the marketing of independent European films stems from a less comprehensive view, with marketing efforts perceived as something that happens at the end of the process rather than something that needs to be considered all the way through (Durie, 1993, cited in Kerrigan and Özbilgin, 2004).

2.2. Advertising

Advertising is an essential part of the film marketing mix. The film advertising sector was worth about \$670 million in 2013 (Cinema Advertising Council, 2014, cited in Karray and Debernitz, 2016). On average, 65 percent of a film's entire budget is committed to production, with the remaining 35 percent going to marketing and distribution (Investopedia, 2011, cited in Karray and Debernitz, 2016). 'Frequent new product releases and short product life cycles contribute to extraordinarily high amounts of promotion in the film business,' suggest Rennhoff and Wilbur (2011, cited in Karray and Debernitz, 2016).

The majority of a film's advertising expenditure is spent before its theatrical release, or in the pre-release period (Elberse and Anand, 2007, cited in Karray and Debernitz, 2016). During this time, advertising is critical in teaching audiences about the film's characteristics and signaling to investors the possibility of studio success (Joshi and Hanssens, 2009, cited in Karray and Debernitz, 2016).

Film trailers

In the pre-release period, film previews, or trailers, are the most extensively utilized technique of film advertising (Faber and O'Guinn, 1984; Eastman, Bradbury, and Nemes, 1985; Kernan, 2004, cited in Karray and Debernitz, 2016). They are usually one to three minutes long and display sequences from the film to raise anticipation for its arrival in theaters (Eastman *et al.*, 1985; Wasko 2004, cited in Karray and Debernitz, 2016). According to the Motion Picture Association of America (2007, cited in Karray and Debernitz, 2016), 54 percent of moviegoers watch the trailer before watching the film, and the average advertising spend for a film is \$36 million (MPAA, 2007, cited in Karray and Debernitz, 2016), with the majority of these funds going to trailer advertising (CBC, 2012, cited in Karray and Debernitz, 2016). As a result, trailers are expensive and crucial influencers of film selection habits, and they may have a significant impact on the box office success of a film after it has been released in theaters.

Social media

Social media serves a variety of purposes, including amplifying marketing messages, assisting in the monitoring and gathering of consumer feedback, and boosting customer involvement. Facebook and Twitter, for example, provide unrivaled access to communities of individuals that share comparable demographic, geographic, and psychographic features. Marketers have had access to many sorts of social media advertising in recent years. These kinds of advertisements leverage the advantages of social media platforms. Effective social media management necessitates not only a broad understanding of what social media can accomplish in general, but also an understanding of how social media platforms vary; each social media platform has its own set of benefits that marketers should know about, but it also has its own set of limitations (Keller and Swaminathan, 2020).

Overall, social media provides film marketers with a great opportunity to engage with their customers, gain feedback and thoughts, and request comments on their goods. However, only some of the customers desire to connect with only some of the companies. Some customers may see a company's social media presence as

obtrusive and invading their privacy. Film companies should keep an eye on their social media presence to make sure it is suitable and well-received by customers. Even the most popular social media sites all have the benefits and drawbacks of marketing films on these platforms (Keller and Swaminathan, 2020). Using social media to its maximum potential may draw attention and encourage moviegoers to spread the word about a film they enjoyed (Zhang, 2016).

A film's success depends not only on the quality of its production but also on its advertising. To have effective marketing, competent marketers should examine all of the stages, from audience targeting to implementing unique marketing tactics, from script development to final filming (Zhang, 2016).

2.3. Comparison of film marketing across countries

India

The distribution dynamics of Hindi films have evolved in the modern world. Theatrical revenue was the principal source of money for Hindi films before the new century; however, new distribution platforms and revenue streams have emerged. Home videos, satellite rights, pay-per-view, subscription-based services, and internet streaming platforms are among these sources. As a result, a film's theatrical release window has been reduced to no more than 2 to 3 weeks. Any further delay would jeopardize the film's profitability on other platforms, including television channels, home video, and internet streaming services like Hotstar, Netflix, and Amazon Prime. Having a longer theatrical release window also leads to the problem of piracy. The rise of peer-to-peer file-sharing websites like "torrent" and "The Pirate Bay" is to blame. Shorter release windows became a rule for the Hindi film industry in the twenty-first century, both to discourage plagiarism and to maximize profits from alternative distribution outlets (Barat, 2020).

There are 185 public relations agencies (including individuals) and cine advertisers working in the Hindi film industry as of 2011. These firms' responsibilities include developing an integrated marketing strategy and promoting a film via a variety of

media outlets, including newspapers, magazines, television, events, and internet platforms (Barat, 2020).

China

Chinese film marketing tactics are continually being perfected as Chinese films gain traction in the international film industry. In today's international online environment, marketing platforms are many and complex. In the digital era, China's primary film marketing approach is social media marketing. In general, YouTube, Twitter, Weibo, WeChat, and Facebook are the most popular international social media channels for quickly spreading films and Chinese culture to a larger number of targeted customers. As a consequence, film marketing and exporting via these social media platforms might reach these viewers, achieving the objective of promoting films and building good views of China (He and Du, 2018, cited in Huang, 2019).

People may communicate with each other with far more flexibility and choice on these platforms than they could previously, increasing the importance of word-of-mouth marketing. The film marketing channels have been greatly expanded in the latest phase, from 2011 to the present, which has accordingly changed the film marketing strategy and preference. Audiences are given the greatest amount of input and involvement privileges at every level of the filmmaking process. Through the use of social media, viewers may completely participate in marketing efforts. The new aspects of social media platforms in Chinese film marketing are that they are social, local, and adaptable (Huang, 2019).

Nigeria

While it is common knowledge that America's "Hollywood" and India's "Bollywood" are large filmmakers, the Nigerian film industry of the twenty-first century (hereinafter referred to as "Nollywood") produces around 2,000 films per year, putting it in third place on the international film circuit (Gray, 2003; Evuleocha, 2008, cited in Madichie, 2010) – although not necessarily in terms of marketing competence (Madichie and Katwalo, 2005; Madichie and Ibeh, 2006, cited in Madichie, 2010). Nollywood has also been asserted to be the second greatest income earner in

modern-day Nigeria (Okome, 1993; Haynes, 1995; Haynes and Okome, 1998; Madichie and Ibeh, 2006, cited in Madichie, 2010), with revenue of about 9 billion Nigerian nairas (US\$72 million – based on July 2009 interbank prices). Nollywood films are a multibillion-dollar business. As a result, it is argued that the sector has grown into a huge enterprise deserving of not only management study but also public policy consideration. Nollywood also generates a diverse range of narratives, some of which are not easily apparent in films from other regions of the world. Nollywood, on the other hand, is still regarded as a budding business (Barnard and Tuomi, 2008, cited in Madichie, 2010).

Nollywood's informal, intuitive, and opportunistic marketing has led to low product and production quality, despite what has been described and portrayed as the birth of a new wave in low-budget films raking in millions of dollars. Furthermore, Nollywood products' disorganized and largely unstructured distribution and marketing communications have contributed to what has collectively been the industry's development and international recognition's bane (Smyth, 1989; Stollery, 2001; Madichie and Katwalo, 2005; Madichie and Ibeh, 2006, cited in Madichie, 2010). The viable African film industry of Nollywood's stature needs a re-evaluation of marketing techniques (product/production, price, location, and advertising) in light of technological advancements, customer awareness, globalization, and, more recently, the accessibility of satellite broadcasting (Madichie, 2010).

Overall, film marketing across the aforementioned countries has been developing. The Chinese and Indian film industries are adapting to today's international online environment by recognizing the relevant roles of social media marketing and internet streaming services. Nollywood, however, is behind and needs to reevaluate its marketing techniques to catch up with the new technologies.

2.4. International Film Marketing

Globalization and the Film Industry

Most of the literature seems to agree that the process of globalization has infiltrated the film industry a long time ago. The increase of global consumer tastes and consumption is one facet of globalization: not only are global mass markets continually increasing, but filmmakers can now target specialized audiences—whether art enthusiasts, kung fu specialists, Manga fans, or ethnic Diasporas—in many nations at the same time. This indicates that film export is evolving from step-by-step globalization of films made for domestic audiences and released in later windows abroad to an international phenomenon in which goods made for global audiences are released concurrently in many national marketplaces. Even if Hollywood tries to take the initiative in this process, it increasingly involves film producers from other countries. Even though it remains to be seen if the overall growth in exports from India and China is sustainable, and whether the occasional export triumphs of Korea and Spain, for example, signal any long-term promise, film export patterns are gradually becoming more complicated. New distribution and exhibition modalities (satellite TV, DVD, Internet) that may reach specialized audiences throughout the world have aided the globalization of consumption. Unlike art, kung fu, and Manga films, which increasingly reach cult audiences beyond demographic lines, Indian films live on being able to reach the rising Indian Diasporas in the United Kingdom, the United States, and Canada. Film-producing countries like Japan and India have been more active than Hollywood in embracing new technologies for marketing and screening. As a result, globalization of consumption is eventually spurred by film firms from a variety of nations finally sinking sufficient expenses into production, marketing, and distribution, thereby catching up to Hollywood's early investments and scale economies (Lorenzen, 2007).

Marketing Films in Domestic vs Foreign market

First, news about a film's domestic success is likely to leak to viewers and exhibitors (owners and operators of cinemas and movie theatre chains) in international

countries, for example through word-of-mouth or press exposure. In the event of a consecutive release, this results in a significant differential in the access to information, which is likely to result in different diffusion patterns in both markets (Putsis, 1997, cited in Elberse and Eliashberg, 2003). On the one hand, the home market might operate as a quality filter, revealing a media product's genuine desirability. Success-breeds-success notions, such as herds, cascades, superstars, and positive feedback effects that are not always tied to a product's fundamental quality, might also play a major role (Arthur, 1989; Rosen, 1981; Bikhchandani, 1992; Frank and Cook, 1995, cited in Elberse and Eliashberg, 2003). Thus, there is a theory that the initial performance disparities in the lead market can trigger a virtuous cycle (Shapiro and Varian 1999, cited in Elberse and Eliashberg, 2003) that stimulates later performance, first in the local market and then in the foreign market. This process is fueled by several factors, including moviegoers jumping on board of films that have been successful in other countries, media organizations giving popular films undue attention in their reportage of film markets, and exhibitors and producers generating a positive information flow by giving successful films more publicity. Such processes are likely to stretch across national borders (Elberse and Eliashberg, 2003).

The Marketing mix for International Film Marketing

Film exhibitors are owners and operators of cinemas and movie theatre chains. Elberse and Eliashberg's (2003) research shows that exhibitors control the most important predictor of a film's box office earnings during its run: screen space. The challenge for distributors in getting huge audiences for their films is to create a marketing mix that resonates with both consumers (pull strategy) and exhibitors (push strategy). In international markets, where more opening screens go synonymously with higher returns, providing support to push marketing is very vital. Advertising is a critical component of such a plan. Indeed, anecdotal data suggests that producers tend to overpay for advertising, which might be rationalized by the necessity to persuade exhibitors of a film's viability. Another way to attain higher opening week screens and earnings is to produce big-budget films with famous stars. Naturally, these activities raise the expenses of film production and promotion,

raising the risk for producers. Elberse and Eliashberg's (2003) study also emphasizes the influence of a film's traits compared to those of other films on launch, rather than its absolute features. It is critical to carefully manage the date of a film's release, taking into account the expected competitive situation during the duration of its run.

When distributors want to release a film in international markets, the gap between the domestic and foreign releases has significant ramifications for producers and exhibitors. It implies that the buzz that a film might generate in the home market (for example, through word-of-mouth or media coverage) will swiftly dissipate or wear out over time. This means that if a film does well in its home market, it is recommended that the film's overseas releases be scheduled as close as possible to its domestic release. The longer a film's international distribution is postponed, the worse it will be able to maintain the momentum it gained in the home market (Elberse and Eliashberg, 2003).

Major Challenges for International Film Marketers

Dupont and Augros (2013) describe how marketing became a significant component of the film industry. The authors include some interesting quantitative data to provide examples that demonstrate how the bond between films and marketing had developed. It is important to emphasize that they mention Europe and the United States as the places where the topic of marketing in the film industry is discussed because the thesis is about international marketing strategies. Then, the authors propose a definition of the concept of marketing. They make a point that each film that is produced is unique. However, it is not enough to attract customers because the competition is quite high. Therefore, every film requires a marketing approach.

There is a particularly interesting statement about people who go to the cinema and the difficulty of film marketing in general. It is said that usually, viewers go to the cinema intending to relax and enjoy the experience, not to see a certain film. The challenge for marketers is rather intimidating because of this. They basically must fight for the viewers' urge to watch a movie, trying to create interest within a short

period of time. This might be useful for the thesis because the marketers' challenge is one of the problems that influence the success of the film production company.

The authors also mention the human aspect of marketing which very often takes place. That is why it cannot always be clear which advertising methods are most suitable. This is exactly what makes the film industry so distinct from others. Even though it has achieved the level of mass production, it is not able to apply the same marketing techniques as other industries. This journal article is very relevant because it raises several key issues with the film industry's marketing, such as creating interest within a short period of time and the human aspect of marketing, which open ways for further research.

After adopting those strategies, marketers start implementing a marketing campaign with the intent to bring to the film as many people's attention as possible. Marketing success is dependent on both customer perception and exhibitor acquisition.

Forming customer perception is a long process. As marketers spread a lot of information up until the film's release (sometimes even after), the product stays fresh in people's minds, which makes the customer perception much stronger. These variables in the conceptual framework and the relationships between them lead directly to the ultimate goal - marketing success.

4. METHODOLOGY

4.1. Description of methodology

Secondary data analysis was chosen as the methodology for this topic. There are several studies on marketing strategies in the international film industry and its different subtopics that have been published. It provided a chance to read and evaluate the necessary data. The secondary data gathered was used to develop a broad grasp of the subject. Furthermore, this research cited real-life examples and cases from scholarly sources. These examples were utilized to allow for data comparison during the study of the topic. The purpose of this thesis is to use secondary data to highlight all facets of the issue and categorize the many domains that make up the international film industry's marketing strategies. Some of the most fundamental sources that have been used include Kerrigan and Özbilgin (2004), Eliashberg and Elberse (2003), and Keller and Swaminathan (2020). They all have been extremely helpful with identifying the inner relationships between the marketing campaign, customer perception, exhibitor acquisition, and marketing success. I have been able to analyze their findings and come up with a conceptual framework based on them. After the analysis, I realized that both pull strategy and push strategy are crucial for marketing effectiveness in the international film industry.

4.2. Evaluation of method choice and a statement of its limitations

This research looks at effective marketing strategies in the international film industry and the most important research question is how to succeed (achieve marketing goals) with these strategies. Therefore, the main perspective of the research belongs to the managers who operate in the film industry. Unlike the opinions of the customers that can be obtained through surveys and interviews, the information on the marketing side that would be particularly useful for professionals is difficult to access. That is why I have chosen the secondary data method.

The cost-effectiveness of secondary data analysis is one of the most evident benefits. I do not have to commit any money, time, or extra work to the data gathering aspects of their project because others have previously done so. While I may need to acquire secondary data to utilize it in a study, the costs are usually always less than what it could cost to produce the identical data collection from zero. Furthermore, the material from a secondary information collection is often already cleansed and saved in a digital form, allowing me to spend more time evaluating the data rather than preparing it for analysis. The huge amount and range of data that is generally accessible today is another advantage of using secondary sources rather than gathering and analyzing original information. Utilizing findings from the international film industry studies offers access to a quantity of data that would otherwise be hard to get. At this size, longitudinal data is particularly useful.

The most significant drawback of secondary data analysis would be that the secondary information may not fully answer a unique research question to the extent that the study had intended. A collection of secondary data may not have the exactly specified information that allows answering a certain question. Similarly, finding valid secondary sources can be challenging, since the data may not have been obtained within the duration I am looking for, or in the proper geographical location, etc. Another problem is that despite how well I analyze secondary data collection, I might never know how the data was gathered or how properly that approach was carried out. It is unlikely to know the full extent to which the researchers who obtained the information went to ensure credibility and relevancy, or if they encountered issues like low response rates or respondents misinterpreting what a question was trying to ask. Simply said, I have no power over the secondary data because I am not the one who gathered the data. Overall, secondary data analysis is a useful and effective tool for addressing complex questions on a big scale.

5. FINDINGS AND ANALYSIS

The following findings prove there is a lot to consider in the international film industry regarding marketing. First, independent films are a significant part of the industry. Thus, independent film marketers need to know the most effective marketing strategies applicable to them. They include crowdfunding and guerilla marketing, which are entirely different from the main trends. What makes them different and how effective they can be is examined. Second, the two major film industries - The United States and China. By looking at them, the film companies of the other countries try to repeat the success. It is necessary to analyze why American and Chinese film companies are the leaders in the industry. Finally, the main marketing mix tools are social media (pull strategy) and advertising for exhibitors through trailers, star power, and sequels (push strategy).

5.1. Independent films

Crowdfunding

Crowdfunding marketing is a plan for promoting a crowdfunding campaign before, during, and after it has ended. Rather than asking a few wealthy investors for greater donations, crowd funders ask a huge number of individuals to fund their projects with modest payments (Braet, Spek and Pauwels, 2013).

Guerilla Marketing

Independent filmmakers are obliged to grasp and adopt low-cost non-traditional techniques of marketing because they lack access to the promotional and marketing funds of major studios and distributors. This type of marketing is sometimes referred to as "Guerrilla Marketing," and it focuses on innovation, strategic thought, and narrowly targeted promotional efforts (Barnwell, 2018).

Interestingly, although the future of independent films is sometimes both unpredictable and terrifying, the business has begun to consolidate around two profitable extreme points (Barnwell, 2018).

The major studio films are on one side of the market. Studio films have budgets ranging from \$25 million to \$200 million or more. These films' global marketing and advertising expenditures (also known as "print and advertising" or "p&a" costs in industry parlance) will often account for half or more of the film's overall production costs (Barnwell, 2018).

Considering these expenditures, studios will devote their resources to fewer "blockbuster" films centered on validated widespread genres focused on superheroes (such as Spider-man, Batman, and Iron Man, as well as less obvious "superheroes" like Jason Bourne and James Bond) and their sequels (Barnwell, 2018).

Independent films with production budgets of \$250,000 to \$2.5 million or less are on the opposite side of the market (even though some established independent production firms, like Blumhouse Productions, have had success with films with budgets as large as \$2.5 million–\$5 million). These films are known for their narrow genre concentration, minimal production, marketing expenditures, and dependence on lucrative digital distribution methods (Barnwell, 2018).

Beyond these two extreme points, only a few films in the \$5 million to \$25 million range can be made successfully. First, the film budgets on this level are too low to make the p&a required to sustain a significant theatrical release, whether locally or internationally. Second, for films without the help of a significant national or international p&a campaign, the profit possibilities inside non-theatrical distribution channels are unable to both pay production expenses and fairly recompense producers and their sponsors (Barnwell, 2018).

Thankfully, feature films with budgets ranging from \$250,000 to \$2.5 million are suitable for indie filmmakers. While the majority of films in this price range continue to rise substantially, only a small percentage of producers can deliver the production value that today's audiences expect, as well as advertise their films in a way that

creates a devoted and engaged following. The vast bulk of independent production companies and their films will fail if both variables (marketing and production value) are absent (Barnwell, 2018).

Every filmmaker's picture may be their last if it does not make a profit. Sponsors will only support producers if they are reasonably certain that they will not only recoup their investments but will also make a sufficient profit to reward them for the significant risks associated with investing in indie films. Efficient and comprehensive marketing of a picture helps to ensure that independent films are profitable and future films will have fast access to investors.

Every filmmaker must define a set of calculable strategic and marketing goals, arrange those objectives into a selection of measurable activities, and evaluate the outcomes of those operations against the filmmaker's initial goals and expectations to assess the success of a marketing campaign.

Plenty of the following can be included in such objectives:

1. Achieve certain sales targets for the film and promotional products.
2. Accomplish specific expected profitability levels.
3. Produce and release a certain number of feature films in a certain amount of time (one, two, or three years).
4. Earn a targeted annual pay as a result of your filmmaking efforts.
5. Establish a network of professional connections in the film industry and a community of active viewers.

5.2. The United States and China

The American film business may work more closely with some ticketing websites or apps, such as IMDb, that are specifically created for film marketing. The film industry may work with ticketing portals to provide activity tickets. As a result, there would be more people purchasing tickets, resulting in increased revenue for filmmakers and

cinemas. IMDb and FANDANGO are great film websites but it would be much better if they provided cheaper group fees or special deals for films (Zhang, 2016).

Usually, Hollywood films are distributed all over the world. They have large budgets, thus their marketing efforts are not limited to North America. China is a country with a massive potential film market due to its large population and quickly rising film industry. As a result, if Hollywood films were distributed well in China, they might earn a lot of money.

When marketing in China, managers should be aware of the Chinese people's favored techniques and social platforms. When foreign films are released in China, the promotion is generally handled by Chinese marketing teams (Zhang, 2016). When marketing in China, Hollywood film producers might want to arrange a contract with Chinese marketers, allowing them to make their input. If the Chinese practice of hiring a competent marketing team is followed, the producers will obtain a higher box office reward.

IP is Intellectual Property, a source of a film adaptation. There are a large number of IP films in the United States. From 1989 to 2000, Batman had six distinct films; Harry Potter had eight films from 2001 to 2011; The Hunger Games had four films from 2012 to 2015; Transformers had four films from 2007 to 2014; Fast & Furious had seven films from 2001 to 2015. In comparison, there are only two IP names in the top ten Chinese films: Tiny Times had four films from 2013 to 2015, and the Lost series had three films from 2010 to 2015. In contrast to the Chinese film industry's usage of IPs, Hollywood has a rich IP history and a strong IP development framework. "The real IP can be everlasting. The present IP in China cannot be called IP, but only brand. A brand has a life period, it will vanish at a specific time, but the IP will not", stated McDaniel, the former head painter of Marvel Entertainment (Yu, 2015, cited in Zhang, 2016). In the Chinese market, most of a film's IP is separated or reliant on the participation of celebrities (Zhang, 2016).

To strengthen Chinese film IP marketing, first and foremost, Chinese marketers must recognize the profound value of IP material and build a mature IP. Second, they must cultivate a dedicated fan base and sustain the brand's reputation. To create a diverse business IP model, Chinese filmmakers should research Hollywood and concentrate on the content, connecting with literature, animation, gaming, and other cross-border areas.

5.3. Film trailer advertising

The narrative of the film, as disclosed in the trailer, has a big impact on trailer results. This is due to the fact that the trailer represents a preview of the film, and investors and film exhibitors may use it to analyze the film's quality. Exhibitors respond favorably to a film trailer that features an engaging story. They would also respond favorably to trailers that hide some of the aspects of the plot that pique interest, building pre-release excitement for the film (Karray and Debernitz, 2016).

Trailers featuring a high amount of sexual, violent, or hilarious moments have greater returns than those with less. Considering that films are hedonic goods and are primarily judged on the basis of the emotional reactions they elicit, such as enjoyment, pleasure, excitement, and fun, film exhibitors favor components of the trailer that offer viewers a pleasurable viewing experience (Dhar and Wertenbroch, 2000, cited in Karray and Debernitz, 2016).

Adding too many scenes to the trailer might make it appear more complicated, resulting in reduced recall and, as a result, lower predicted earnings and returns from the film. However, if the extra scene has violent, sexual, or hilarious material or a mix of these characteristics, the detrimental impact can be mitigated.

5.4. Social media

For a long time, marketing has been regarded as the most effective method of reaching the target consumer. Since the beginning of the filmmaking process, a

variety of marketing tactics have been utilized. Rather than posing a danger to previous technologies, new marketing mediums strive to work in tandem with them, energizing the entire system to capture the attention of the viewer, which is the true purpose of advertising and marketing. This is not an exception in the case of social media. It simply stimulates the film marketing process by increasing its range by giving a bigger, user-friendly channel, much like other traditional media. According to recent blockbusters, social media marketing serves as a crucial accelerator in raising awareness about every facet of a film and assisting users in building hype across their online social acquaintances, leading them to purchase tickets. Previously, the success of a film was determined by the number of days it was shown in a theater; presently, it is defined by the first week. Today's films are released in over 3000 copies, and the weekend box office determines the film's destiny. The hype, updates, and debate on social media about a certain film all help estimate box office receipts in practice (Bhattacharyya and Dasgupta, 2014).

Fake reviews and purchased likes are two common social media negative effects that go together with the advantages of social network film marketing. Between 10% and 15% of ratings and reviews would be fraudulent and paid by the end of 2014, compared to 1% to 2% currently (Kanupriya, 2012, cited in Bhattacharyya and Dasgupta, 2014). Facebook is a social networking site that enables users to communicate through images, videos, links, and textual postings. While account holders have the final say over what appears on their profile page, they have limited say over who posts content or what that material contains. In the case of films, there is a strong probability that someone will form an opposing group and post unpleasant remarks about the film, resulting in a negative reaction (Bhattacharyya and Dasgupta, 2014).

Competitors might easily copy market strategies implemented through Facebook. Opposing company owners can simply impersonate "friends" or "fans" to acquire entry to their competitor's material. Users can simply obtain and duplicate pictures, artworks, and other materials published on the website, and they may appear in all kinds of places. Facebook usually lacks official material but is mostly loaded with

official photos of the casts. It may be valuable for individuals who are already familiar with the film, but not for those who wish to learn more about the plot (Bhattacharyya and Dasgupta, 2014).

Because limitations are a natural part of the creative process, social media should be used in the right way to surpass them. Despite bogus fan sites, unpleasant tweets, and postings, it should be noted that the social media network has allowed film fans the opportunity to communicate in such a large way about a film. In rare cases, post-release advertising might even help a film earn more money. The more individuals who like a film page, the more likely their friends are to visit it (Bhattacharyya and Dasgupta, 2014).

Because of its engaging nature, social media is now recognized as a disruptive technology instead of a fleeting trend. In the area of communication, the convergence of several media sectors is a contemporary trend. Merging old media with new digitalized communication aids in achieving a more successful audience response. Many new efforts to convey, share, and seek information beyond previously limiting physical borders have sprung up as a result of digitalization. Diversification in communication activities is a crucial element. Because the scope of communications technologies is so vast, predicting its future in terms of film marketing is a difficult assignment at the moment. Still, it is worth noting that, in keeping with technological developments, social media has revitalized the sector of film marketing (Bhattacharyya and Dasgupta, 2014).

5.5. Star Power

Across sectors, the concept of superstars and star power is pervasive (Adler, 1985, cited in Liu, Liu and Mazumdar, 2013). The roles and effects of famous actors have long been a source of contention in the film industry. Stars are regarded to be an important part of a film's success. Celebrities are continually sought after by studios for participation in film marketing. However, the actors' enormous incomes

sometimes raise questions about whether they really earned the money and how much they influence the success of films (Liu, Liu and Mazumdar, 2013).

Star power has a direct impact on film exhibitors but it has a lesser impact on the media outlets and moviegoers. When it comes to new product development, investors, distributors, and exhibitors are more at danger when estimating demand capacity. This is because they are not only in the initial phases of the product creation when there is minimal demand indication, but they also have a larger financial interest in the film than either the media outlets or the moviegoers (Liu, Liu and Mazumdar, 2013).

Even while stars impact investors and film exhibitors, they give importance to different criteria of star power. The reasoning is based on the idea that celebrities and their credentials aid in the risk management of certain stakeholders. Financial risk is taken by both investors and exhibitors, but the basis of their selections differs (Liu, Liu and Mazumdar, 2013).

The investors are the ones who are most exposed to financial risk when determining whether and what amount of money to invest. As a result, a star's financially important trait should be highlighted, and those who have had better box office performance are considered more appealing and "bankable." Such trustworthiness aids the film's potential to acquire funding, be "green-lit," and be produced on a larger scale (Vogel, 2007, cited in Liu, Liu Mazumdar, 2013). It is worth noting that, since investors want stars with better box office performance to lower financial risk, these celebrities often have larger salary demands. This also adds to the film's greater production costs (Liu, Liu and Mazumdar, 2013).

The financial condition, on the other hand, has no direct impact on the number of exhibitors. They gain from the investors' choice to fund and produce a film. To put it another way, they can concentrate on other aspects of star power (such as genre fit) to assess the potential sales. The news outlets and spectators are less at risk since they are at the end of the film value chain, where their judgments are influenced by

the actions of previous stakeholders, and stars impact them indirectly. According to the multitude of perspectives of star power, studios should utilize specific techniques to promote the star(s) and the film. For example, when pitching a film idea to potential producers, it is important to stress the performers' previous box office performance. When pitching the celebrity to distributors, however, the production company should emphasize how popular the actor has been in the genre (Liu, Liu and Mazumdar, 2013).

These findings suggest a means to evaluate how celebrities impact ticket sales. Various stars will be selected for films depending on the risk preferences of producers, marketers, and distributors, resulting in varying financial outcomes. Early decision-makers might incorporate the effect of celebrities on audiences. As a result, even if the direct influence is little, celebrities nevertheless matter to viewers.

5.6. Sequels

Making sequels - follow-ups to successful previous films is one method that studios have learned to minimize risk in marketing investing. Producing sequels and establishing film franchises, according to industry leaders, is a recipe for great box office performance. Between 2000 to mid-2005, 19 of the top 50 American film successes were sequels (Standard & Poor's, 2007, cited in Gong, Van Der Stede and Young, 2010). Sequels have less demand uncertainty since audiences are familiar with the narrative, characters, and general appeal of the original picture (Gong, Van Der Stede and Young, 2010).

Because so few films succeed at the box office, producers are urged to generate ideas that potentially lead to one or more sequels. According to the interviews conducted by Gong, Van Der Stede, and Young (2010), the bulk of today's sequels are prepared at the time the first film is released. As a result, from the very start of the marketing planning process of an original picture, producers have a business strategy in mind. To be precise, sequels and initial films are not co-marketed, and the first film's marketing expenditures are not expressly shared with the second. Each

sequel necessitates the writing of a different story, the construction of new sets, and the selection of new locations, all of which directly influence the marketing campaign. Each sequel has its distinct marketing plan (Gong, Van Der Stede and Young, 2010).

As a consequence, sequels may be viewed as a growth opportunity built into the first film's assets. Many sequels are conceived at around the same moment as the first film, however, the expenditures of the sequel, such as marketing, are sometimes done a couple or a few years later (Gong, Van Der Stede and Young, 2010).

Original films have greater marketing expenses (Luehrman, 1992, cited in Gong, Van Der Stede and Young, 2010). Film companies fully comply with a growth opportunity when developing an original picture, spending more money on marketing for original films with sequels in comparison to films without sequels. That is why, production companies prepare the initial picture with the possibility of a sequel in consideration, although the sequel may not be realized. To generate a desire for the sequel, producers intend for the first picture to be as captivating and popular as possible (Gong, Van Der Stede and Young, 2010).

The sequels' marketing expenditures will also be greater for the companies. This claim is underpinned by the principle of uncertainty minimization. That is the data collected about the first film's performance caused management to conclude that the chance of a proven franchise failing is mitigated. As a result of the decreased risk perception, managers are less hesitant to commit to larger expenses. "Sequels are more expensive than the originals, [but] they are less risky and usually more successful," says Coleman (n. d.), president of DreamWorks Animation (Marr, 2007, cited in Gong, Van Der Stede and Young, 2010). Consequently, when film companies use their growth opportunity to make another film, they are ready to allocate even more resources to the sequel's marketing campaign than they did to the first film, in the hopes of earning better profits than they would on non-sequels (Gong, Van Der Stede and Young, 2010).

Most of the sequels fall into one of three genres: action-adventure, science fiction-fantasy, or horror, which all need costly software graphics and/or impressive stunts not only for production but also for marketing. One other reason why sequels may be more expensive to advertise is the cost of reuniting the previous film's actors. It is common knowledge that the lead cast and other prominent characters often seek and frequently get, more money to return for the sequels (Marr, 2007, cited in Gong, Van Der Stede and Young, 2010). Actors might hold production companies captive in this way if they regard the sequel as a chance to use their assumed bargaining power (Gong, Van Der Stede and Young, 2010).

6. DISCUSSION

The findings provide many answers to the research questions. Independent films answer the question of the major challenges film production companies face when implementing international marketing strategies and how they solve them. Social media and sequels address how film companies select marketing strategies and the key decision criteria. The United States and China provide insight on how to achieve marketing success in the international film industry.

6.1. Overall trends of marketing in the film industry

The policy has had a very limited influence on marketing and the exhibition industry. What remains to be explored regarding narrowing the gap between film marketing policy and practice is the language that is utilized to highlight the industry's challenges. Rather than focusing on cultural preservation, concerns of identity, and artistic license, which highlight the local character of the sector, authorities should focus on the commercial basis for backing film marketing and exhibition.

6.2. Independent films

Independent production firms submit their pictures to festivals to obtain attention from the potential audience.

The film business, like others, is driven by high initial marketing expenses. Because a crowdfunding approach has shown to be pretty effective in other sectors, such as the music industry, the business-modeling prospects for a film crowdfunding campaign are highly promising. Crowdfunding is not only about money. Every film requires viewers, and crowdfunding brings artists and their audiences together quickly and at a low cost. Supporters can become immersed in the process of a film's creation by following postings on social networks and looking for notifications of festival premieres or theater showings.

One of the most difficult tasks for an independent filmmaker is to convince people to view their film. Film producers must use their imagination to compensate for a lack of a significant promotional budget. Independent filmmakers have been able to get their films known with the help of guerrilla marketing.

Although the practice of indie film marketing might be time-consuming sometimes, the benefit is that creators have complete control over the final product. They do not depend on distribution executives anymore who may not understand their viewpoint, or who may wish to make modifications to their picture to make it all more marketable. Producers can make a profit on their films more quickly than they could with distribution companies because they do not have the responsibility to earn back huge amounts of money invested in marketing just to break even.

6.3. The United States and China

The US and China are the two biggest markets in the film industry by the box office. There are several distinctions and similarities in the marketing methods used by the United States and China. There are also some aforementioned recommendations for both sides that American and Chinese film companies have to consider. They would make them better competitors and as a result, improve the outcomes of the marketing process.

6.4. Social media

Film companies, producers, and filmmakers have been able to use the internet and information technology to not only promote their films digitally but to do so by calling out to a large audience across geographies and engaging with people who are and might be their prospective audience. However, one factor to bear in mind is that social media is changing rapidly. Film advertisers are using relatively new social networking platforms such as Instagram, Snapchat, Tumblr, Vine, and others for their promotion as tools to publicize their films as a supplement to Facebook, Twitter, and YouTube.

6.5. Sequels

The cost of marketing changes depending on a film's first performance in cinemas, implying that studio executives observe a film's success before investing in the further promotion. Film companies frequently choose the expansion strategy when producing the original picture since originals with sequels have greater development and marketing expenditures than films without sequels. Sequels have greater production expenses and lower marketing expenditures than their non-sequel counterparts. Despite the greater expense, the payoff for sequels is larger than for non-sequels.

7. CONCLUSION

The thesis answers all three research questions in correlation with the conceptual framework. Acquiring film exhibitors through advertising and attracting an audience with social media both are crucial parts of the marketing campaign. The many challenges film production companies encounter, and possible solutions have been listed. It is now clear how and based on what criteria film companies select marketing strategies. Ultimately, the question of achieving marketing success in the international film industry is answered.

7.1. Main Findings

The main goal of this research was to identify how to achieve marketing success in the international film industry. The key features of the investigated issue were identified using the information supplied in the preceding sections. The literature review component is the most important part of the subject analysis. The latest marketing techniques in the international film business, as well as the numerous means for implementing them, were investigated. These aspects are critical in the discussion of marketing tactics in the international film business, as stated earlier. Globalization was also discovered to play a significant role in this. According to one of the preceding section's studies, not only are global mass markets growing, but filmmakers may now target specific demographics when building marketing strategies. It was also discovered that film studios must compete for the viewers' desire to see a picture, attempting to pique interest in a short amount of time. The key points of this research were disclosed through the literature review. The influence of globalization was examined, as well as variances in tactics employed in different nations, measuring the efficiency of trendy marketing strategies. Large subjects were split down into manageable subpoints and analyzed. It was concluded that the marketing process consists of the use of social media (intending to establish customer perception) and special advertising (dedicated to attracting investors and exhibitors). As it was found out, there are many opportunities for film companies to come up with marketing strategies, which have different advantages and

disadvantages. The most common problems that filmmakers usually encounter were recognized and possible ways of solving them were suggested.

7.2. Implications for International Business

The purpose of this thesis is to provide information about marketing methods used in the international film industry. Furthermore, this research includes recommendations for film company managers and producers who work with marketing. Ideas are based on research, which includes studied examples. This study provides marketing tactics for attaining customer perception and exhibitor acquisition, resulting in marketing success. The findings may be utilized to help marketers in the international film industry become effective or boost their effectiveness. Ultimately, marketing is and will always be crucial for film studios all over the world. Managers and producers may struggle to achieve marketing success; hopefully, this study will assist them.

7.3. Suggestions for Further Research

I would highly recommend investigating a lot more countries in terms of how they market their films and what kinds of peculiarities they have in comparison to each other. The influence of globalization could bring more insights and implications for marketing into the international film industry. The relationship between domestic and foreign markets is another essential aspect when it comes to film marketing and further research could look at their influence on each other and how it affects marketing strategies. Regarding star power, the issue of several stars in a film could be addressed in future studies. A lot of things in this work could be changed or looked at differently. Nevertheless, this thesis leaves space for a lot of different opportunities for future research.

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