

# [An overview of the the indian film industry media essay](https://assignbuster.com/an-overview-of-the-the-indian-film-industry-media-essay/)

Every year, 1000 films are released in India, which are watched by 3 billion movie goers. India is the world’s largest film producer, volume-wise. However, factors such as poorly developed revenue stream, excessive reliance on domestic box office collections and inefficiencies prevalent across the value chain, have resulted in poor revenue collection for the industry. As a result, the Indian Film Industry accounts for only 1% of global film industry revenues. However, in the past 3-4 years, the industry has undergone major alterations bringing positive results. Due to the availability of organized funding, advent of multiplexes and increasing overseas collections, the film industry now stands at a better position. The provision of 100% foreign direct investment has made the Indian film market attractive for foreign enterprises such as 20th Century Fox, Sony Pictures, and Warner Bros. (1)

Over the past years the business of film making has changed due to corporatization, increasing production costs, spiraling actor fees and high acquisition costs for content. With the recent economic showdown, the film industry is witnessing earlier some of the earlier excesses being brought down to a more realistic level playing field. (1)

## Components of the Indian film industry

The 20th century saw commercialization of the business of film making. The Indian, Chinese and American film industries became global enterprises. Our film industry found markets in over 90 countries. If we bifurcate the Indian Film Industry, we have various Regional Film Industries. The most prominent and popular amongst them at is the Hindi Film Industry, which is based in Mumbai. Other industries are Marathi, Punjabi, Urdu, Bhojapuri, Telugu, Bengali, Oriya, Kannada, Malayalam and Tamil. These industries enjoy monopoly in their respective regions. For example, Keralites will prefer Malayalam movies over Kannada movies. Regional choices greatly influence the marketing strategy for the promotion of a film or a product. The cultural variety that the Indian Film Industry offers is what that makes it unique from every other film industry in the world. Its varying range is its identity.

## Citation

## FICCI-KPMG Media Entertainment Industry Report-2009 http://www. scribd. com/doc/24474505/FICCI-KPMG-Media-Entertainment-Industry-Report-2009

## Total Number of Films censored in 2009 by CBFC: 1288

## \*Source: Central Board for Film Certification

## Bollywood

In 2009, out of the 1288 films released in India, 235 were Hindi films. This means 19% of the films released in India in 2009 were Hindi films. Hindi film industry is the largest producer of films in India, of which Bollywood is a major part. In fact, Bollywood is referred as the Hindi Film Industry. Out of the 200-plus Hindi films made in India each year, around 150 are made in Bollywood. Bollywood films are the only films in India that enjoy a national audience. Along with that, they also enjoy overseas audience. (2) Since Bollywood films enjoy maximum viewership, they also account for over 40 percent of the total revenues of the overall Indian film industry. The total revenue that Bollywood earned in 2008 was Rs 10, 900 crore with an overseas collection of Rs 977 crore. Bollywood today is one of the biggest money making industries in India which provides employment to over 6 million people. (3)

## Citation

## 2. Central Board for Film Certification, Annual report 2009 http://cbfcindia. gov. in/html/uniquepage. aspx? unique\_page\_id= 30

## 3. The Viewspaper, voice of the youth, www. wordpress. com http://theviewspaper. net/brand-bollywood/

## Regional Films

The Southern film industry is the major regional film industry followed by Bengali and Punjabi. The market size of the Tamil and Telugu segment is ` 7. 7 billion, the Malayalam segment is ` 1. 4 billion and the Kannada segment is worth ` 0. 5 billion. Percentage wise, Telugu and Tamil account for 45% revenue each, Malayalam accounts for 8%, whereas Kannada accounts for 2% revenue of the southern film industry. However the regional market is under tapped, the non-theatrical revenue is lesser as compared to the Hindi film industry and the southern film industry is poorly propagated amongst the international sector. (4)

## Application of the concept of 4ps to the Film Industry of India

The 4Ps: 1) Product 2) Place 3) Price 4) Promotion

Product

Citation:

4. Indian Entertainment Down South: From Script to Screen, 2009, Report, FICCI & Ernst & YoungA product is an article or substance that has been manufactured and refined for sale. In this case a film is a product. This product has major components. If we take Bollywood into consideration, it’ll be safe to call it a highly competitive zone. For the producers, movie making is like a business, where they are selling their product, ie the movie. So in order to make that product the talk of the town, their aim would be to get maximum visibility for their product. Every movie has its own target audience. There are many factors on the basis of which the audience choose to watch a particular movie. They could be ranging from the talent (film stars), genre (comedy, drama, action, thriller, romance), storyline, music and the presentation of a movie. For example, the movie Aisha scored big amongst young girls, teenagers and women (Aged 15-35 years), while it was highly criticized by men. The women chose Aisha because its packaging was in feminine colours like pink and orange, the story was based on a Jane Austen novel Emma about a young girl who likes match making, and primarily, the movie revolved around beauty, women and fashion. According to the oxford dictionary a film is defined as a   story or event recorded by a camera as a set of moving images and shown in a cinema or on television. A movie product on the other hand is the intellectual property of various individuals who are involved in it and is distributed in the form of theatrical exhibits, non-theatrical exhibits, CDs & DVDs, film or tape, internet and television broadcasting through cable or sometimes without cable.

Place

After making a product which is worth selling, comes the time to find a “ place” where this product will be sold. In this case a place can be anything ranging from cinema halls, multiplexes, broadcast media centres like radio and television, homes, internet, mobile phones (caller tunes, my song), games and news. Distribution takes place through theatres, rental stores; sell-through stores, catalogues, non-theatrical groups, the Internet, cell phones etc. However one of the biggest challenges that our industry is facing is Piracy. According to industry sources piracy is a 20 billion market and its share of the total video market is increasing day by day. (1)

Price

If we take a bird’s view of the industry, it appears to be uniformly priced, but the reality is something else. Currently India has 1000 multiplex screens which are supposed to become 1800 by the end of 2010 (1). The advent of the multiplex audience has definitely resulted in revenue hike for the producers, but it is important to realise that single screen movie halls are still in a majority and as compared to multiplexes, tickets are priced keeping in mind the average Indian. For example: A PVR cinemas ticket costs somewhere around `150- 300 depending upon the location, day and time, whereas a balcony seat i. e the most expensive seat in a single screen theatre like Vishal Cinemas (In Rajouri Garden, West Delhi) costs `90.

A distribution contract can be structured in many ways that result in very different returns for the producer, the key creative talent, and even the distributor. Elements that are negotiated include

Movie Release Date ex: Releasing a movie around Diwali is more profitable than releasing it on a normal day.

Territories and market segments ex: A crossover film like Bend it Like Beckham will only do well in metros and not in tier-II and tier -III cities.

Splitting of the profit, means of payment and percentages

Final budget for promotion (digital, grassroot, print, outdoor

The spending capacity of people has increased in the last few years. According to the PWC report, the Indian film industry is projected to grow by 11. 5% in the next five years, reaching 184. 7 billion in 2018 from 107 billion in 2008. Domestic box office segment is expected to grow at a cumulative rate of 10. 2% over the next 5 years to reach an estimate of 132 billion in 2013 from present size of 82 billion. (1) The issue of pricing has become a global issue. Producers are careful to strategize the release of the DVDs at such a time, that it doesn’t interfere with the theatrical release of the movie as it is the main source of revenue. However, the piracy industry has created such havoc in the home video market, that the producers are incurring huge losses. In order to curb this nuisance, the producers have come up with cheaply priced DVDs so that the rising phenomenon doesn’t become a thorn in their flesh.

Promotion

Promotion is a powerful marketing tool, not only during the premier of a new product, but throughout its lifecycle. Producers create the end-product for the consumer, but they seldom market that product directly to the consumer. They market their story to investors and distributors. Distributors market to exhibitors, retailers and sub-distributors. The theatre exhibitors, retailers, store clerks, and Internet strategists market to the end consumers. And then, to top off this complex stew, some consumers even market to other consumers – their family, friends and co-workers.

## STATEMENT

To study the effectiveness of digital promotion in the box office response of Hindi films

Today’s Bollywood presents a very different scenario. With over 1000 films releasing in a given year, all of them fighting for a common goal i. e. the box-office success, the multiplex domination – it has become a necessity for those involved, to do whatever it takes to enforce that “ must-watch” feeling among the masses in order to win this very competitive rat-race. I want to find out how big a role does the internet play in promotion of a film.

SIGNIFICANCE OF THE RESEARCH

The internet is increasingly emerging as a profitable medium to create hype and promote a new film. There are approximately 30-40 million internet users in India today. Internet as a medium to promote a film is a viable option as it offers a wide platform of activities like reviews, trailers, bulletin boards, email, and blog for marketing movies which in turn creates a buzz about the film. Industry experts believe that the cost effectiveness of the online medium is one of the reasons for its popularity.

An online campaign on the other hand costs only one-tenth of the amount a producer will spend advertising the film in the print medium. A recent survey conducted by the Internet & Mobile Association of India (IAMAI) says that close to 90% internet users surf the net for movie related information and 42% of the surfers use the net for this purpose more than once a week. The survey also found that 54% of the net users watched at least one movie per month.

Among the first studios to have started off promoting films on the Net was Yashraj Films. Their Mujhse Dosti Karoge went on to win the prestigious ABBY Gold award for its Internet marketing initiative in 2004. To promote Kabhi Alvida Na Kahna, the entire song Where’s the party tonight was featured on MSN’s desktop TV. MSN also designed a theme pack on Messenger based on the film’s characters. RDB’s characters wrote interactive blogs; Anthony Kaun Hai ran an online contest with winners meeting the stars. Lage Raho Munnabhai’s promotion on MSN India consisted of video clips from the film aired on desktop TV airs, and a web link to the official movie website with storyline, information on cast, crew, music, photos and screensavers, trailers, contests and interactive features. Online promotions also enable filmmakers to tap the overseas market. NRIs are also passionate about movies and like to download wallpapers, ring tones and take part in celebrity chats.

If we look at our latest internet publicity successes, Ghajini is a very good example.

Geetha Arts launched a computer game based on Ghajini, called “ Ghajini The Game”, developed by Hyderabad-based “ FX LABS”. Its a3-D PC console game which was built at a cost of Rs 30 million & it attracted a lot of fans.

UTV owned Indiagames had also developed five mobile based games on Ghajini which was a huge success

Aamir also kept up the internet marketing of Ghajini, with his blog and the new Ghajini site, which invites journalists to register on the site, upload their photos, and receive personal notes

from him.

Websites like www. rememberghajini. com; www. findghajini. com and www. wallofsuspects. com were built to drive curiosity levels around the movie and provide a movie like experience on the Internet.

These are just a few examples. There are many more which will follow.

Gone are those days when plastering a few posters on the walls and hand-painted Billboard signs were the only means available for a film’s publicity; Actors barely promoted their films, film-makers never ventured in-front of the camera and our main stream media couldn’t care less. However the internet has shaken things up and revolutionized the way movie publicity is done.

OBJECTIVES

To find out how much of a role does internet play in the promotion of Hindi films.

To find out examples where internet played a huge part in a film’s promotion. Ex: Ghajini

To spread awareness of the use of internet among the masses.

To make people realise how useful, economic and great is the internet.

HYPOTHESIS

Internet is emerging as a hotspot for a low cost promotion.

The internet is not an effective means for promotion in the box office response of hindi films.