

Sample report on bollywood: a business of film in global media

[Business](#), [Industries](#)



The Business of Global Media

Introduction

Bollywood represents a new movement in film that reflects greatly on the new age forms of media to gain prevalence for its creations. Since the majority of India's 1.2 billion people do not watch films, the legacy and infamy of Bollywood movies is rather far spread internationally (Ghosh, 2013). In some ways, Bollywood can be compared to Hollywood as a film center and icon generating industry in Asia.

However, the financial aspects of Bollywood pale in comparison. Similarly, the audience size and methods for creating value are different compared to the west and is reflected in the overall worth of the industry. The purpose of this report is to provide an overview of the Indian film sector and the various businesses operating within it. After giving a brief overview of the sector this research will explore the differences and similarities between Hollywood and Bollywood. It will also delve into the financials of how Bollywood secures its investments, pays its laborers, and creates value in society. Ultimately trends of globalization have proven to increase the likelihood of Bollywood films being purchased and sought after. This will only continue to increase in the future as will costs for creating movies. Overall this industry is growing, but should still be looked at as a small yet significant part of the world entertainment sector. Since it is growing in prominence the future outlook based on this analysis provides significant findings that there will be growth from both Indian audiences on the subcontinent and those outside of the India. Further, it is not out of the norm to expect significant changes in the populations of people interested in this topic in non-Indian countries as well.

<https://assignbuster.com/sample-report-on-bollywood-a-business-of-film-in-global-media/>

Analysis

The greatest way that Bollywood produces value is by maintaining distribution of their films to a vast audience both inside and outside of India. By creating musicals and universally relatable messages through film, song and dance, the engaging films are sought after in many countries where there may or may not be Indian audiences.

In 1945, India's Prime Minister received a complaint from women about overly promiscuous behavior in the film industry. They wanted to limit the sexual nature of kissing displayed in films, which continued well after India's Independence. In this case Bollywood has tacitly gone along with governmental regulations despite the false sense of culture or ethnic identity (Ghosh, 2013).

One commonly perceived competitor of Bollywood would be Hollywood. While Hollywood represents a place as well as the American film industry, Bollywood merely refers loosely to the compilation of Indian films released over time. Hollywood is known for its extensive creative production, high-quality graphics and cinema. Its films are also distributed amongst 40, 000 cinema venues. This is much greater than India's 13, 000 venues (Ghosh, 2013).

Ultimately the amount of money that Hollywood produces and pays its actors is on a far grander scale than that of Bollywood. The exclusivity is also much more prevalent and recognizes this difference. For example, the most prestigious Indian film event requires a simple ten to fifteen thousand dollar purchase. This can hardly be compared to Hollywood's Oscars, where slightly over 3, 000 guests are invited personally (Gadsden, 2014). Bollywood has

expanded the ways it raises capital over the past decade. Specifically since 2006 there has been a significant change in the way that Bollywood movies are financed. Many films cost as little as \$1.5 million dollars to complete. This is far less than Hollywood films and requires fewer investors of funding sources.

Film Maker Bobby Bedi of Kaleidoscope Entertainment took out a bank loan at 5% interest, a greatly diminished annual rate that allowed the film to be created with relatively low risk. Another prominent source of funding mentioned by this film maker and others is the use of high-asset private investors. Many of these are Indians who may live abroad or chose to finance particular movies or initiatives. Overall, Hollywood is the highest grossing film industry while Bollywood is the third greatest (Difference, 2014). This is partially because of the variety of ways that Bollywood raises funds for their productions. Aside from private investors and loans, they also utilize investments from large studios such as Yash Raj films, crowd funding, and the reselling of distribution rights internationally. While distributors do not pay directly, they do offer agreements that serve as collateral to potential loans (A, 2013).

In 2009, the average cost to create a Bollywood movie was thirty to thirty-five crore rupees. This is a relatively high figure, but reflects the labor costs of trained film technicians, actors, set development and other related workforce expenses (A, 2013).

Unfortunately, there is a great disparity in the way that actresses are paid versus actors in Bollywood. Some top male stars may garner as much as 16 million dollars per movie while actresses can make only 1 or 2 million dollars

(Ghosh, 2013). Several actresses have made public statements about the topic. This disparity in the labor wages for people working in Bollywood has been documented for some time.

Forecast for the Future

The greatest forecast that can be predicted for Bollywood is the continuation of using the developing model to fuel international acceptance of films and to pave the way for identity-based films that tell stories from within. Because of globalization, Bollywood will continue to utilize its subsidized work forces and the newly emerging forms of film distribution to create success in the box office and beyond. Further, this industry will be seen to develop formulas for film and entertainment endeavors that create lasting impressions on their viewers and resonate with capital that may not have been accessible before globalization (Lorenzen, 2009).

In conclusion, Bollywood can be compared in some respects to Hollywood, but should be looked at in the perspective of a much smaller sector of entertainment that is a 'small fish in a big pond'. There is tremendous expected growth due to rising interest internationally and the ability for mass media distribution channels. However, these aspects are tempered by Bollywood's ability to make films that are universally appealing. This is affected by changing communication and technologies that regulate the means of distribution and consumption throughout the entertainment industry.

References

A, Sailesh. How Bollywood Movies Raise Funds | Bollywood Celebden. (2013, August 1). Retrieved October 17, 2014.

Difference between Hollywood and Bollywood. (2014, February 10). Retrieved October 17, 2014.

Gadsden, S. (2014, January 8). Hollywood or Bollywood? A head to head comparison. Retrieved October 17, 2014.

Ghosh, P. (2013, May 13). Bollywood At 100: How Big Is India's Mammoth Film Industry? Retrieved October 17, 2014.

Lorenzen, M. (2009, April 1). Go West: The Growth of Bollywood - Copenhagen Business School. Retrieved October 17, 2014.