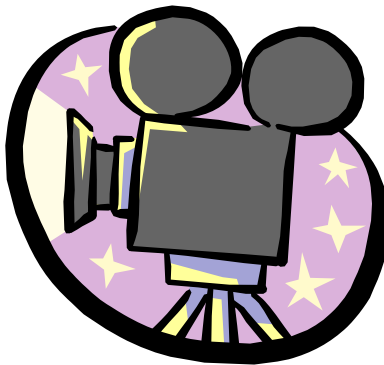


## Entertainment Industries and Markets



In terms of its economic, business strategy and marketing dimensions, outline and evaluate the launch of a single major media production that took place in 2003.



*Media Event:*

**London Film Festival 2003**

*Date of media event:*

**22nd October – 6th November 2003**

### Entertainment Industries and Markets

In terms of its economic, business strategy and marketing dimensions, outline and evaluate the launch of a single major media production that took place in 2003.

---

2003 saw The Times Bfi 47<sup>th</sup> London Film Festival (LFF) take place between 22<sup>nd</sup> October and 6<sup>th</sup> November. It was The Times' first year as title sponsor, with usual main sponsorship coming from American Airlines, Berkmann Wine Cellars and Orange, sole sponsors of Film on the Square.

To get background information about LFF 2003, I surfed their website ([www.lff.org.uk](http://www.lff.org.uk)) exhaustively. I e-mailed the very helpful, Stephen Cowburn, Marketing Assistant for the LFF and got much inside information from him. I contacted The Times, title sponsor, but they were not willing to help at all. I did, however, get free copies of Empire magazine, which the LFF was advertised in. Empire is a media partner of The Times, so the LFF got a good deal on advertising. I contacted all the companies who sponsored LFF 2003. The Guardian and The Independent were both very helpful, sending me articles they ran on LFF this year, most of which I had already found on their websites.

The economic world meets that of the film world when the experience of going to the cinema is thought of as a business transaction, not just popcorn and stained seats. Filmmaking involves creating a product, distributing it and retailing it. These three phases are known as production, distribution and exhibition.

The LFF 2003 was mainly involved in the exhibition of the films, as the filmmakers deal with the production and the film's distribution company, or the filmmakers themselves if the film is relatively independent and experimental, deal with the distribution.

The LFF 2003 was a microeconomic market, as it was formed from a collection of individual products and firms coming together. Without advertising their festival, the LFF would not have reached as many people as it did. 'To advertise means 'to draw attention to something' or to notify or inform someone of something' (Dyer, 1982 cited in Branston & Stafford, 1999, p377).

The motivation behind the LFF advertising was primarily to inform. They are not in the business of retaining an audience like a television channel, or preventing rivals entering their sector of the media world, but they did want to inform film fascinated society about when and where and what is going on at the festival. 'Broadly speaking, the more competition that is present in a market, the greater the need to advertise' (Doyle, 2003, p.41). In regards to this quote from Doyle, while the LFF is running, there is not another film festival taking place in the UK, so the competition is not that high. However, there are films being shown at cinemas during the LFF, but the hardcore film fan and film academics would, of course, rather go to a LFF screening any day.

According to Picard (1989) media economics is 'how media operators meet the informational and entertainment wants and needs of audiences, advertisers and society with available resources'. The LFF 2003 meets the informational wants, and needs, of their audience by advertising what films will be shown, where and when. The LFF give talks on filmmaking; there are lectures by directors and film stars. The entertainment comes from the films themselves. In LFF's case, sponsors needs are met by the LFF organising a great array of films to make the festival a success, a talking point and the sponsors get their logo on all the promotional materials for the festival, seen all over London and further a field (during the LFF on tour which happens in the weeks after the main festival in London) before, throughout and probably after the festival.

Albarran (1996) believes media economics to be 'how media industries use scarce resources to produce content...to satisfy various needs and wants.' The LFF does this by bringing together many otherwise unseen (in the UK) films, and hosting them in a festival. The needs of filmmakers to have their work seen internationally is dealt with, the wants of Brits serious about film are catered for and the sponsors needs and wants are tended to by all promotional material for the festival being plastered in their logos.

The LFF 2003 did all of its own design, they even had a huge in-house printer on which they produced some materials, but everything else was printed at out of house printers. The main outlets for LFF 2003 advertising were The Times, Empire

magazine, Time Out magazine, The Guardian, The Independent, The Observer, The Mirror(!), National Film Theatre had big displays for the LFF 2003 and Leicester Square had displays during the festival period. On the opening day of the festival, anyone on the LFF e-mail mailing list was sent an e-mail saying that subscribers to their mailing list were able to get discount tickets to some of the 'best films of the festival'. This was direct marketing, to people who have already expressed an interest in the LFF.

The LFF 2003 was advertised primarily in printed media, newspapers mainly. This is connected to an interesting point in newspaper history, what is called 'The Revenue Revolution' in *The Entertainment Marketing Revolution* by Al Lieberman (2002, p.156). In the late 20<sup>th</sup> century there were many changes in the newspaper industry, the biggest of all was the increase in revenues from advertising. 'The advertising revenues of newspapers increased from \$2 billion in 1950 to \$36 billion per year by 1995' (Lieberman, 2002, p156). 15% of most newspaper revenue comes from advertising. This is based on the American market, but British newspapers can not be too different from this formula. The LFF being sponsored by The Times suggests this, as why else would a newspaper be interested in being connected to a film festival. It is a money driven choice, as The Times is able to reap the rewards of having their logo all over promotional material and targeting a cultural audience.

Magazines are able to distinguish into niches far more than newspapers. The LFF was only advertised in Empire, a film magazine and Time Out, a trendy, 'young people in

London' magazine. Advertising provides magazines with most of their revenue. The rule of thumb for magazine format is a 40% advertising to 60% editorial split.

Although LFF gets some funding from the Government, which comes from the UK Film Council and small grants from the Mayor's Office, many cultural organisations and foundations, the majority of funding comes from sponsorship. Sponsorship is part of the 'promotional mix' along with advertising, point-of-sale, word of mouth, merchandising, public relations and more. All these elements working together make for a successful 'marketing communications mix'.

As earlier mentioned, The Times was title sponsor this year with a host of other sponsors on the LFF 'boiler plate'. The LFF also receives 'in kind' sponsorship, meaning they give quantities of their product rather than financial support. One type of in kind sponsor the LFF had this year was from the Sofitel, St. James hotel, who put up all the filmmakers and most 'flown in' people involved in the festival. Without this sponsorship, the LFF simply could not run.

The LFF 2003 could be said to be at the end of the vertical supply chain, dealing mainly in the distribution phase, as they organise an event to distribute mostly international films to a mainly British audience. However, if looking at the festival itself, there are production and packing phases also.



*(Taken from Doyle, 2003, p.18)*

The production phase of the LFF 2003 would be booking the venues, organising films to be exhibited at the festival. The packaging phase would be the advertising, the PR, the marketing of the festival, the selling of tickets.

The LFF 2003 can be discussed in terms of the four C's.

#### 1. CONTENT

The content of LFF 2003 were the films themselves, the talks that were given by filmmakers and other people in the business and the opening and closing night gala parties.

#### 2. CONDUIT

The delivery of the films was in various cinemas around London.

#### 3. CONSUMPTION

The consumer was only able to see the film once, unless they paid to see them again. The consumers saw films they wanted to see by paying for each one individually. There was no product to take home, just the experience of viewing the film or listening to the talks.

#### 4. CONVERGENCE

Consumers were able to purchase tickets for the films and talks online. This is merging cinema and the Internet. Reviews of the films and information about the festival was available on the website.

The 7 P's marketing theory seems advantageous to sum up the economic, business strategy and marketing dimensions of the 47<sup>th</sup> London Film Festival 2003. The products were the films themselves. The prices charged for tickets ranged from £25 a ticket for opening and closing night galas to £8 for National Film Festival screenings. The place was London, at many venues over the city. Promotion was mainly advertising in newspapers and the LFF website. There were many people involved in the LFF, from the filmmakers of the exhibits to the Artistic Director. The process was, put very simply, book some venues, get some films to exhibit, sell

tickets to get audiences and show the films at the right times at the right venues.

The physical evidence were the venues, the films, the website and the adverts in the newspapers and magazines.

I personally think the LFF 2003 was a very successful media event. I think it is very important that there is a main British film festival run yearly. This not only gives international filmmakers a chance for their work to be seen in Britain, but also for the people of Britain to experience films other than those offered by the mainstream cinema chains nationwide. It is reassuring that so many companies see this importance and therefore sponsor the London Film Festival year after year, as without them, it simply would not happen.