# New Cinema

# Conference on the future of cinema

30 — 31 October 2019 Eye Filmmuseum, Amsterdam

Conference report

by Film Research

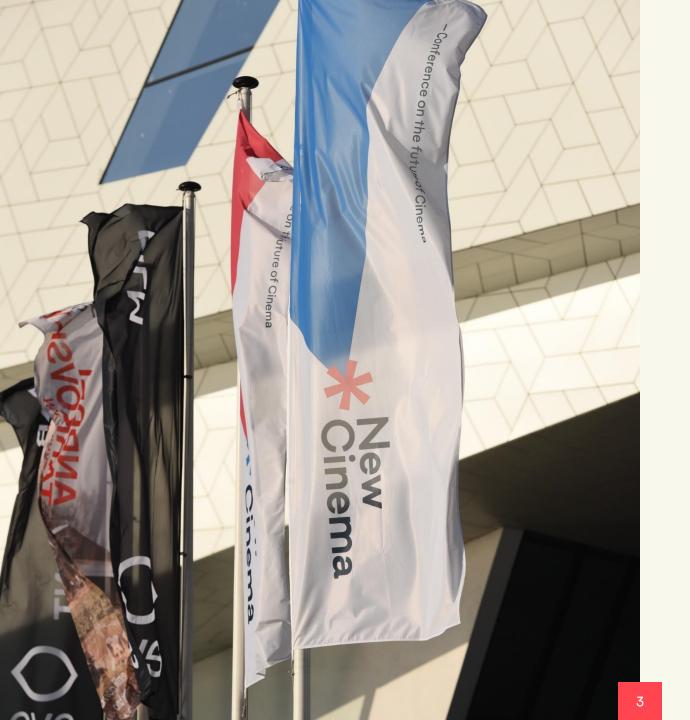
Netherlands

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#### **About**

In a close collaboration with <u>Film Distributors Netherlands</u> (FDN), <u>Eye Filmmuseum</u>, <u>Film Research Netherlands</u> and <u>Holland Film News</u> (HFN), the <u>Dutch Exhibitors Association</u> (NVBF) organised a conference on the future of cinema titled New Cinema. The conference took place on October 30th and 31st 2019 at the Eye Filmmuseum and was partly inspired by the success of Cinema2020 (a previous edition of this conference).

The overarching goal of the conference was threefold: 1) to brush up on innovation in the field of digital cinema, both from the perspective of cinema exhibitors and film distributors, 2) to discuss international trends in areas such as alternative content, big data, online platforms and changing business models that offer both opportunities and challenges for the Dutch film industry to better reach, hold and increase audiences and 3) to offer networking opportunities to film professionals.

At New Cinema, players in the entertainment industry were given the floor to show a variety of good practices and to discuss vision(s) versus reality. International developments were related to the Dutch cinema industry. Over the course of the conference, attendees had plenty of opportunities to strengthen their network.



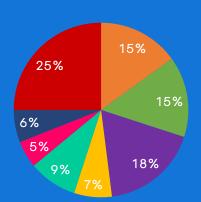
"Everyone in the film industry continues to face the same challenges: to move along with rapid changes in digitisation and consumption patterns. Everyone, too, has the same interests: to strengthen the Dutch film industry and culture and to seize opportunities and realise innovations. This requires flexibility and cooperation."

#### The Audience and Interaction

Audience participation was an important part of New Cinema. <u>Sendsteps</u>, an Amsterdam-based company, enabled attendees to interact with speakers and moderators. Through the use of their mobile devices, attendees could ask questions, participate in a quiz and express their opinion on a variety of topics during all sessions. Responses were anonymised and shown on screen during special Sendsteps sessions, which were led by Master of Ceremonies Robert Daverschot. Results from these sessions are presented throughout this report and can be identified via the Sendsteps logo.



#### Who's in the room?



- Exhibition chair
- Exhibition independent
- Exhibition arthouse
- Distribution major
- Distribution independent
- Production / filmmaking
- Third-party supplier
- Other (researchers, journalist, student etc.)





# The (New) A to Z of Global Cinema: from Alibaba to Zoo Palast

A keynote speech by Patrick von Sychowski

To shine a light on the 'bigger picture', Patrick von Sychowski used his keynote address to present the audience with 26 topics from the world of international and Dutch cinema. Each topic referred to an important, interesting or relevant trend (e.g. blockchain), person (e.g. Yu Xin) or company (e.g. Alibaba).

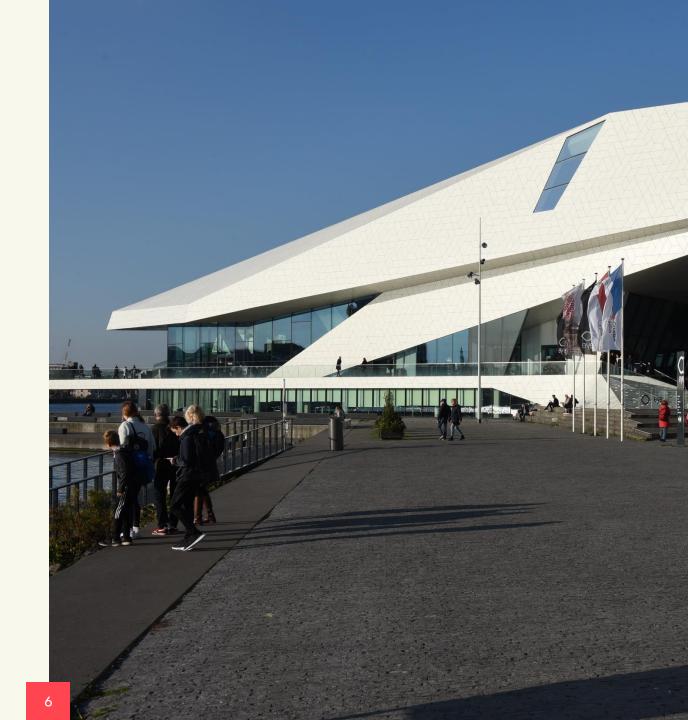
One example of such an interesting trend is the hashtag. Given how '#flygskam' (flight shame) has seriously impacted the revenue of the airline business in Scandinavia, Sychowski cannot help but wonder if there will ever be a situation in which cinemas await a similar fate. Finding out which things the industry can solve today before someone creates a hashtag and begins to shame people is, then, of utmost importance. Another noteworthy example is Berlin-based cinema Zoopalast. According to Sychowski, the cinema (and, by extension, the cinema economy in Germany) perfectly illustrates what exhibitors should focus on right now: investing in the infrastructure of cinema. A lack of investments was partly to blame for the sharp drop in attendance (-14%) in Germany last year.

Sychowski believes that keeping up with the times is an important way to keep cinema-going relevant. Given how parties like Pathé and Vue innovate, Dutch exhibitors seem to be on the right track.

"Don't blame Netflix for killing cinemas, blame people for not going to see well-reviewed, midbudgeted movies anymore"



Following the keynote, a number of brief presentations (good practices) introduced the themes of next day's conference programme. Each presentation addressed an inspiring – and potentially controversial – future development, such as ecological cinema and blockchain platforms for film.





#### Sustainability in Cinema

#### Carmen Slijpen

A 'green' roof, plenty of bike storage and a ground source heating pump... for <u>Depot Cinema</u> in Lewes (UK) the possibilities of running a cinema in an environmentally friendly way are endless and of the utmost importance. According to Carmen Slijpen, founder-director of the cinema, there are a variety of quick and easy steps cinemas can take to achieve what she describes as sustainability: meeting the needs of the present without compromising the ability of future generations to meet theirs. This is a shared responsibility for cinema owners.

Carmen presented five goals of the UN Sustainable Development Goals which are especially helpful for cinemas and can be applied in a different way. These goals are: decent work and economic growth; sustainable cities and communities; responsible consumption and production; climate action; and partnerships for these goals. In accordance with these goals, Depot Cinema has implemented the following measures: offer more jobs, equal pay and opportunities for everyone; no longer consider third-party suppliers solely from a money-driven perspective; re-think the things they do and promote sustainability wherever possible; screen films and documentaries with an environmental focus; replace commercials with information regarding important issues; and work together with local action committees.

Carmen argued that cinemas need to find a new and sustainable way to move forward, a way from capitalism. By the looks of it, she seems to have found one already.

"The future is not bleak. At all. It's just different"

#### A Blockchain Ecosystem

#### Anurag Kashyap

Streaming platforms are very closed off when it comes to sharing information regarding the performances of specific titles, even with their respective directors. When it comes to the revenue, too, there is a lot of uncertainty. According to Anurag, the money that a film makes doesn't go to the artist, nor does it go back to funders: "it disappears somewhere in between." Some films also 'disappear' after they've won awards and cannot be seen anywhere.

A new blockchain-powered, global entertainment video-on-demand (VOD) platform called MyNK aims to fix this by providing filmmakers with information regarding the performances of their films and tools which they can use to create their next feature. On MyNK, in addition to library offerings from sales agents, distributors and filmmakers, directors can upload their own films and determine a price. Once the film can be seen by consumers, they are presented with a real-time dashboard in which they can see exactly how the film performs, where people watch it, where people drop out etcetera. Customers are able to pay per film (TVOD) and have access to a wide variety of movies and documentaries. All parties (creators, rightsholders, consumers, support functions, investors and regulators) are tied together into a tight entertainment community through blockchain.

"There is a whole lot of cinema out there, waiting to be seen"

Anurag Kashyap is a distinguished Indian filmmaker, known for his critical and commercial success in Hindi Cinema. He is a director and producer of more than twenty films and is a jury member of – among others – the International Film Festival of Venice and the Sundance Film Festival. Anurag is a film industry advisor for MyNK.





# 3.0: Merging Online and Offline Worlds

**Arwind Gajadien** 

Movie marketing has changed a lot over the past few years. According to Arwind Gajadien, founder of <u>Brand MKRS creative agency / BMCA</u>, immersive storytelling using new technologies such as augmented reality (AR) is a great way to reach audiences beyond a standard video on Facebook. When crafting a campaign, Arwind explained, two things are very important: captivating people's attention and combining online and offline experiences. When it comes to immersive storytelling in relation to film, BMCA approaches marketing from a variety of angles.

For example, Arwind partnered with Universal Pictures to create an event in which Universal Pictures went 'live' on Instagram Stories to launch the new trailer for Charlie's Angels. Followers of Universal Pictures would get a notification on their phone and were invited to join the stream and watch the trailer together. Other examples include location-based marketing (geo-fencing), trailers that feature the opinions of actual, unpaid patrons and special GIFs and stickers available on Snapchat, WhatsApp and Instagram.

Arwind posited that as part of these activities, one should think about both the touchpoints ('where' to communicate 'what') and people's motivations for going online. From a data-driven perspective, these new forms of marketing enable parties to measure the success of a campaign in a much more detailed manner.

"We need to be in the world of our user, our visitor, our viewer: which platforms does our audience use at what moment?"

Interested in an impression of New Cinema? Click here to see a video made by Brand MKRS creative agency / BMCA.



#### The Bigger Picture

Jan Runge

Moderator Jan Runge opened Thursday's programme by reflecting on Patrick von Sychowski's keynote speech while also exploring the current positioning of Dutch cinema and the essential role of local, international and alternative content for the future

According to Jan, there are six key trends people in the industry should be aware of: internationalisation, consolidation, changing consumer expectations, changing perceptions of the term 'premium experience', 'eventisation' of the industry and technological advancements. In relation to these topics, he believes that the Netherlands is doing very well, which is reflected by both the number of admissions per capita as well as the reach of cinemas. In fact, the growth of the past few years outpaces what one would expect based solely on screen growth.

Still, Jan identified one worrisome trend: admissions to Dutch films. Whereas the Dutch film sector seems to be ahead of other territories, this appears to be the one aspect that could use improvement.

"Cinema in the Netherlands is a top of mind activity"

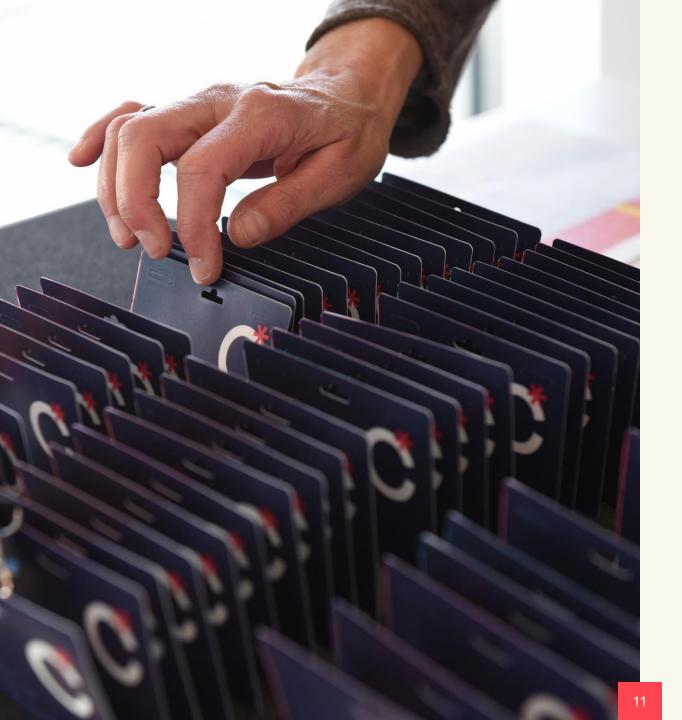
The audience's opinion on the future of Dutch content

Will the market share of Dutch films show signs of stable growth between now and the next five years?

31% Yes 69% No







# Audience Insights & Engagement

This session explored cinema-going habits in the Netherlands as well as across Europe, which are increasingly shaped by social media, mobile services and competing streaming offers. Speakers looked into the role of major technology platforms in marketing the cinema experience and explored the needs of young audiences in various territories. Together, they tried to answer the following question: how can we engage increasingly fragmented audiences in a highly competitive environment for cinemas and film distributors?

# Young Audiences and the Cinema-going Experience

Laura Houlgatte Abbott

Laura came to New Cinema to discuss one specific demographic: young audiences. But why should cinema exhibitors and distributors care? According to Laura, there are two main reasons: (1) they tend to actually go to the cinema and have time, but (2) in a number of countries (e.g., Germany) their level of attendance is decreasing.

To gain more insight into the motivations of this audience, the International Union of Cinemas (UNIC) followed up on a study done by GfK and identified six reasons why young people go to the cinema. These reasons, which range from cinema being a rewarding experience to having access to the most recent films, were then used to identify four key needs of young people when it comes to going to the cinema: socialise, have fun, wellbeing and learning. These needs, however, are age-dependent, Laura explained.

Laura also took some time to discuss the cinema-going habits of young people, the barriers they experience (and ways to take these barriers away) and the importance of film literacy. She argued: "If you don't get young people to enjoy cinema from a young age, you're very likely to lose them when they get older." Still, Laura warned attendees to not forget other demographics. Older people, for example, tend to have more time as well as more money, she explained.

"Content is key"





# Facebook EMEA movie-going insights

Vanessa Bakewell

At New Cinema, Vanessa presented the results of a study <u>Facebook</u> conducted on the movie-going habits of 80.000 people across the EMEA region. Each result was carefully translated into implications, opportunities and challenges for movie marketers. What can they do to convey a sense of urgency when it comes to going to the movies?

According to Vanessa, there are three important steps they can take: optimise content for mobile, re-think targeting strategies and critically evaluate the frequency of sharing content. Data from the Facebook study suggests that mobile is at the heart of the discovery and planning of movies. Content that is shared on mobile, however, is not always tailor-made for this medium. As such, there's a lot of ground to be won in this regard (e.g. offering captions and giving users the ability to rotate video content).

When it comes to targeting, Vanessa argued that marketers should take the bias out of marketing and look at broader reach: just because niche targeting is available does not automatically mean it is the best option. Instead, marketers should cast their net as wide as they can with the investment that they have got. Finally, frequency relates to how often one is posting what content. According to Vanessa, this depends on – amongst other factors – whether or not there is pre-existing awareness surrounding a film. She closed her presentation by highlighting two other important strategies: capitalising on bad weather and focusing more on localised content.

"Are we just putting TV ads on mobile?"

#### Interaction with the audience

How can cinemas 'bind' young audiences and have them continue to visit the cinema as they age?



#### Laura Houlgatte Abbott

We have to make sure to accompany people during all stages of their life. This doesn't only relate to content: the experience also matters. We have to cater specifically to demographics who find it challenging to go to the movies (for example by offering screenings during which young parents can bring their baby). I believe that if people started going to the cinema on a regular basis, chances are they will continue to go to the cinema on a regular basis if we continue to offer them a great experience.

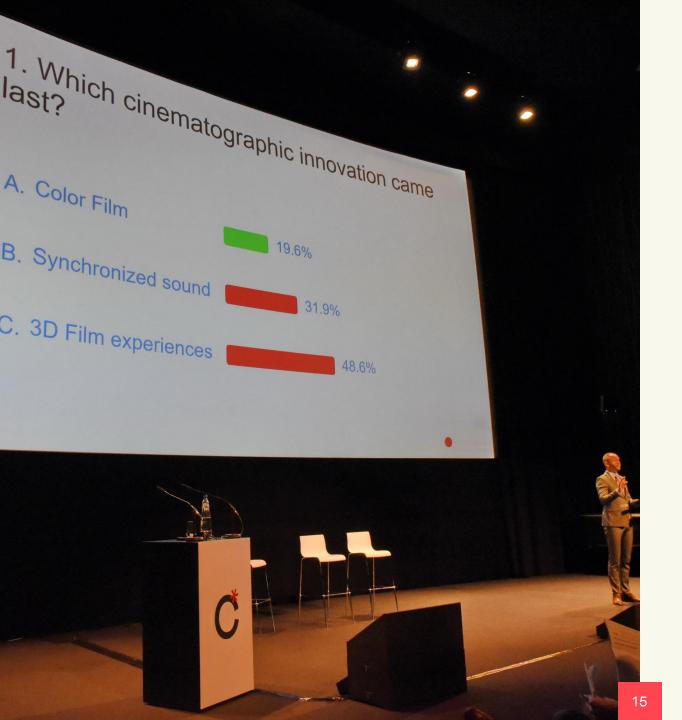
According to the Facebook study, the results of which you just presented, 88% of people who wanted to go and see a certain film in the cinema ultimately ended up not going. Have you found any reasons as to why this is the case?



#### Vanessa Bakewell

It's less about people deciding not to go, it's more that they forgot to go. There's a lot that movie marketers can do to in this regard, especially when it comes to the release of the first trailer. In many cases, it comes out so early! Someone once said to me: as an industry, we market a product when people can't buy it and once they can, we stop marketing it. I think that's true. I find it interesting to see more experimentation in this regard.







# Diversifying the Cinema Experience

This session looked at the 'eventisation' of the cinema-going experience in relation to different formats, theatre designs and successful programming strategies in a time of content abundance and attention scarcity. Each topic revolved around one of the following three questions: how to upgrade the cinema-going experience, which type of programming will engage different audiences and what are the best technological and design solutions to provide premium experiences to audiences?

## The Next Step: Refocusing on Content

Eric Meyniel

As international content director, it is Eric's job to select and plan content for Kinepolis cinemas across a number of territories. According to Eric, he maps films using three indicators: awareness (marketing), experience (atmosphere) and social dimension (collective experience). When doing so, he sees himself as a chemist, tasked with creating a perfect molecule comprised of three atoms: audience, cinema and content.

At New Cinema, he explained how each atom relates to the others. First of all, Eric noted the lack of a correlation between the number of films released in a year and the annual level of admissions. This means that bookers have to make choices and that targeting becomes more important: as the average 'life span' of a film decreases, films should reach their respective audience(s) as soon as possible. Where audiences choose to watch a certain movie also matters. Eric argued for a diversity in terms of cinemas, as different cinemas attract different types of audiences.

Finally, Eric argued that local content can make a huge difference in box office. He also highlighted the importance of more different types of films (especially mid-sized): given that not everyone goes to see a film like Avengers: Endgame, other types of films have the capacity to attract other types of audiences. As a next step for the Dutch film sector, Eric hopes to see an increase in the diversity of Dutch films. "We have to look beyond comedies," he concluded.

"When an audience doesn't like a movie, they don't blame the movie maker... they blame us"





# Customer Expectations – What Makes a Difference?

John Sullivan

"Cinema magic to me," John stated, "is when product, technology and delivery all align." In his presentation, he looked back at the history of cinema and discussed how product, technology and delivery have changed over time – starting with Greek theatre. According to John, this form of theatre was already highly technical. As time went on, it underwent a number of changes: the Romans added audience participation and its focus moved away from gods and onto 'real' people (which gave people the ability to identify with what they saw on stage). Vaudeville theatre would ultimately lead to the silent film. The addition of sound gave way to picture palaces, which, in turn, made cinema-going more involving. The invention of the television put a dent in the success of the cinema, but, with the help of CGI, it managed to survive. Ever since then, everything has gotten bigger: from the movies themselves to theatres they're screened in.

But what's going to be the next step? According to John, cinema owners are not embracing the fact that technology is moving to other realms. He posited: "We've got this massive wave of technology, but I don't think we're using it in the way that we could be using it." One thing, however, seems to be certain: people are longing for experiences. Where that's going to lead us, remains still unclear. But the fact that something is happening seems undeniable.

"Tired, old multiplexes aren't the future"

#### Interaction with the audience

In some cases, big cinema chains are returning to city centers with new, smaller offers. Do you think this is going to pose a threat for independent cinemas, who are already there?



#### Edna Epelbaum

You know, big chains aren't stupid, of course. If they're thinking about returning to city centers, they're likely to run some financial calculations first. And when there's already a well-established independent exhibitor located there, they have two options: go in and kill the other one or don't because it's not worthwhile. I mean, it's all about finding a balance: somehow, everyone has to survive financially and in the end you will always need each other.

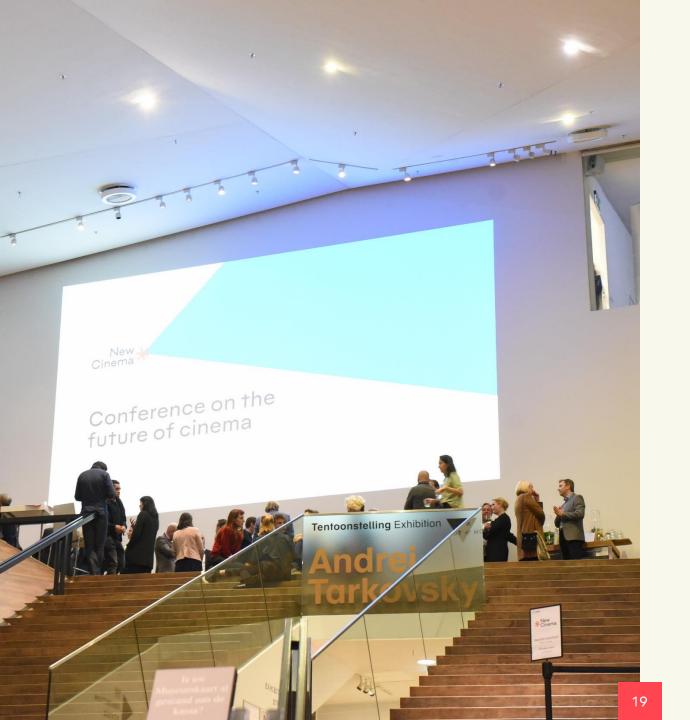
What can arthouse cinemas do that's easy to apply and that also has a high impact? Do you have any tips that they can implement, let's say, next week?



#### Edna Epelbaum

What cinemas can do, regardless of whether or not they have a huge budget, is talk to the customers. Get your people into the cinema and simply strike up a conversation! And I don't mean talking to them on a superficial level ("Hi! How was it? We love you and please come back soon!"); try to figure out what they expect from a visit.







### Investment & Growth

This session looked at key economic and technological trends in digital cinema from both a Dutch and international perspective. Among the topics discussed were the end of VPFs, the diversification in terms of offers, release windows and the role of VOD platforms. The session included a discussion of future development scenarios between Pablo Carrera (IHS Markit) and moderator Jan Runge. Key questions were: what's next for digital cinema, how and where to invest and which issues affect financing and planning in the post-VPF era?

## Cinema trends in a European context

Pablo Carrera

At IHS Markit, Pablo is responsible for tracking multiple cinema metrics in a variety of markets. He came to New Cinema to share his insights related to three topics: box office and attendance, cinema technology and home entertainment and audiences. In his presentation, he covered a lot of topics, ranging from franchises to Premium Large Formats (PLFs) and Netflix to dynamic pricing. According to Pablo, the success of franchises at the box office provides an opportunity for cinemas to screen more 'original' films to serve audiences. If they don't and studios continue to take less risks, the diversity and choice for audiences will disappear, he warned.

In terms of premium formats such as PLFs, 4D and Immersive Motion Seating, Pablo believes that there are opportunities related to the promotion of films. That doesn't mean, however, that these premium formats work well with every genre: action movies, for example, can benefit from immersive sound and 4D, but more character-driven independent films or dramas do not.

Pablo also took some time to discuss a study conducted by IHS Markit Technology, now part of Informa, on SVOD, the results of which suggest that people that watch films at home and people that do so in the cinema are actually the same. Still, he argued that knowing your audience is key: a one-size-fits-all approach does not work. Dynamic pricing is also a strategy that requires a more tailor-made approach. For example, people that are interested in paying more for a special experience (i.e. a premiere) can do so while everyone else can come in later, at a lower price. Pablo sees a whole range of opportunities.

"The bigger films are getting bigger and bigger"



#### Interaction with the audience

What drives the success of PLFs?



#### Pablo Carrera

Content is key. The availability of content that's made specifically for a format can either kill it or turn it into a success. 3D is a good example of how not to do it: the wrong content and technology did a lot of harm to the format. Barco Escape, too, didn't make it because there simply wasn't enough tailor-made content available.

#### Jan Runge

I think that the filmmakers have a huge role to play. Think, for example, about HFR or 3D: both formats rose to prominence because filmmakers started to push them (Ang Lee and James Cameron, respectively). We also shouldn't underestimate the power of the technology companies, as they work with the creative community to push certain technologies. They literally equip them with what they need.

There are a lot of cinemagoers who are also game console owners. Do you think that cinemas should embrace e-gaming more?



Jan Runge

It's a huge opportunity, but I believe that it requires a willingness from cinemas to be a bit more flexible in terms of the release models that they work with. The release model for esports is totally sponsorship-driven and it would therefore be very hard to acquire the rights for an e-sports event that you can screen exclusively in cinemas. It's possible, sure, but you're likely to miss the exclusivity.

#### What Dutch Cinema-goers Want

**ABN AMRO** 

During the conference, speakers shared their ideas about the latest developments in cinema. But what do Dutch cinema-goers think? On the second conference day, the Dutch bank <u>ABN AMRO</u> published the results of a quantitative study on more than 1,000 Dutch respondents regarding cinema-going habits in the Netherlands. Film Research Netherlands assisted during the research. Sonny Duijn, sector economist at ABN AMRO, highlighted the most significant findings from the study during New Cinema, presenting findings from the ABN AMRO report 'Netflix drives innovation in cinema'.

According to Sonny – given that the study shows that frequent VOD-users are also the most frequent cinema-goers – VOD services can stimulate watching movies in the cinema. They are, however, also a competitor and the reason why theatrical windows keep shortening. In fact, some people are less motivated to go the cinema if a movie is available on VOD at the same time, according to the study.

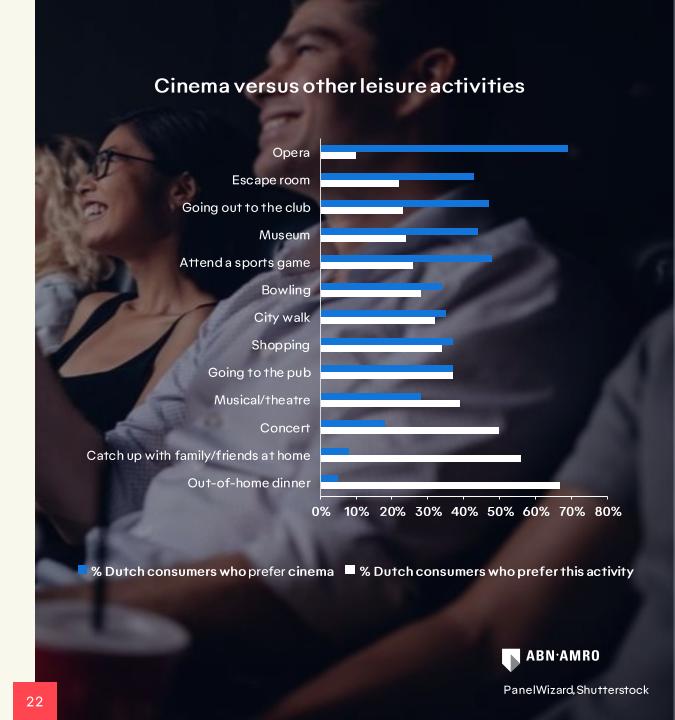
Sonny pointed out that innovations are important to keep audiences engaged, given that cinema competes with a wide variety of other leisure activities (see right). One of those innovations is dynamic pricing, something that's still rarely used in Dutch cinemas. The study shows, however, that some people are willing to go to the cinema more often if they can book tickets more than a week in advance or if less preferable seats (e.g. in the front row) are cheaper.

#### The audience's opinion on the atrical windows

7% We should collectively hold on to long release windows

73% We should experiment more with the length of release windows







# An Introduction to Buzz or Business

Alex Stolz

Alex introduced the session Buzz or Business by giving his take on themes and lessons he learned on innovation from the many interviews he conducted for his podcast platform <u>Film Disruptors</u>. He discussed, among other topics, the role of fragmentation and convergence (not only in relation to VOD but also in general) and ways to engage people in today's, in his words, "crazy attention economy." Given how Fortnite and Netflix are at consumers' fingertips, cinema is challenged more and more.

Innovation (related to production) is also an exciting and relevant trend. For example, virtual production tools, similar to the ones used to create Fortnite, enable people to create their own film world in VR before shooting a single frame. This gives professionals the opportunity to shoot an unlimited number of frames from an unlimited number of angles. Alex sees this as an incredibly democratising opportunity for future filmmakers. He nonetheless warned that we shouldn't be too closeminded about what innovation is: according to Alex, innovators are not just white, male entrepreneurs.

"When the technology making games, technology making VR and technology making film is the same, what's that going to lead to?"



The last session of New Cinema revolved around the touchpoint between film and technology. Each presentation was followed by a critical discussion on the 'hypes and high potentials' of film and technology. The following questions were addressed: how will VOD and immersive storytelling (VR, MR, AR and XR) evolve and impact cinema, which projects have achieved major milestones (or failed attempting to do so), who are the visionaries and what are their big visions?





# The more things change... VOD in cinema universe

Wendy Bernfeld

Netflix might be the biggest VOD player in town, but that doesn't mean they're the only one. Wendy differentiates between five different types of VOD services: TVOD (transactional), AVOD (ad-supported), SVOD (subscription-based), PVOD (premium VOD) with a different approach to windows (e.g. Picl) and cross-platform VOD that incorporates VR and XR (such as the partnership between Fandango and Oculus).

Within this 'sea' of platforms, Wendy identified three trends that are of interest to cinemas. Firstly, the competition amongst VOD players can influence the position of cinemas. In France, for example, public broadcasters have teamed up to launch one platform (Salto) where customers can watch all local content, instead of having to subscribe to multiple services. By joining forces, they are trying to counterweigh the bigger players. Secondly, more and more customers seek out passions and (genre) niches. The successes of services like Shudder (and others in horror), which are relatively cheap but offer an extensive catalogue of content related to one specific topic, exemplify this trend. Thirdly, the experimentation with "flex formats" - including short-form episodic – keeps increasing. Although this content is mostly targeted towards millennials, there are examples of short-length series for more mature audiences that have found great success as feature adaptations in the US.

Wendy concluded that the cinema sector can learn multiple lessons related to innovation from the development of VOD; differentiate, consolidate, and integrate audience engagement/reward systems, for example. The opportunities seem endless.



**№** sendsteps

The audience's opinion on Netflix

It's only a matter of time before Netflix will start her own cinema chain

# A failed attempt to re-imagine the cinema of the future?

Erwin M. Schmidt

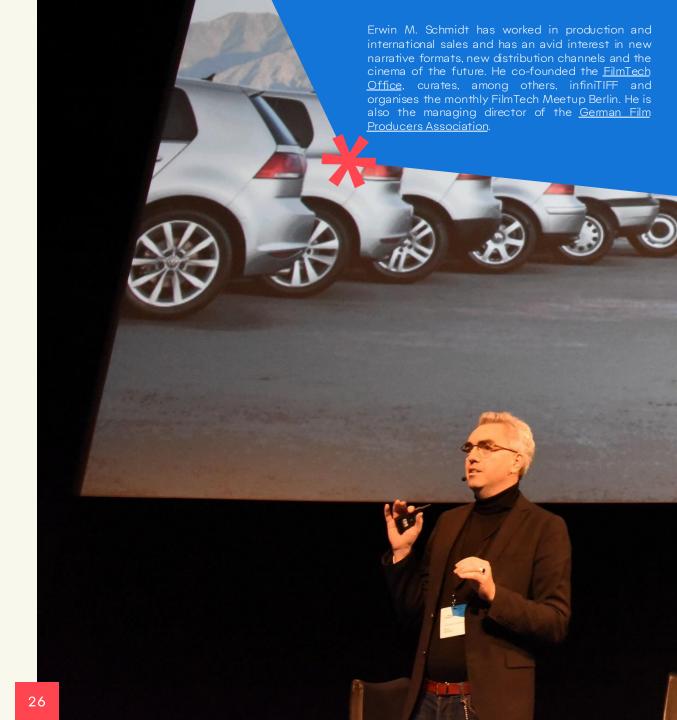
When it comes to failed projects, Erwin has got a few insights. In 2016, he organised a project that aimed to design a new cinema experience. Working with the results from a survey, conducted on cinema-goers and revealing that they're mostly interested in engagement, experience and a sense of community, he gathered a team of 25 experts from different backgrounds to design five prototypes of the cinema of the future. In spite of the inspiring, open source results of this so-called <u>Cinemathon Workshop</u>, the project suffered from a lack of ownership for the five prototypes. Nevertheless, the project kickstarted a conversation among major industry players about how to structure a much-needed innovation process, which methodologies to use and who to involve. The experience with this project subsequently led Erwin to co-found the <u>Propellor FilmTech Hub</u>, a European platform for business innovation. This unfortunately never came to full fruition due to a lack of sufficient financing.

These two experiences have influenced Erwin's thinking about how an industry can innovate when there are no processes in place for structured innovation and R&D (research and development).

In his presentation, Erwin pointed out two current trends which, in his opinion, are especially noteworthy: the growing success of short-form content (Quibi) and the rise of data-driven personalisation (BBC and Bandersnatch).

In response to these trends, Erwin believes that cinemas should re-write the storytelling of the cinema-going experience and re-invent reasons why audiences should watch a film collectively.

"What can cinema deliver to audiences that they don't get elsewhere?"





## To Be AND Not to Be – The Use of VR in Cinema

Michel Reilhac

Although some disagree, Michel Reilhac believes that VR and the cinematic experience are cut from the same cloth. He believes that it's not a matter of 'if', but of 'how fast' VR is going to happen. At the moment, VR is a growing business that's expected to be worth around \$45 billion in 2024. Two related trends within VR, the mirror world and digital twinning, are of interest to cinema. The mirror world refers to a digital dimension that consists of copies of our physical reality, in which our avatars are free to move and explore. Digital twinning encapsulates the process by which people design how they look and act in the mirror world, thereby re-building their identity. This makes 'who we are' no longer something that is given to us by birth, but a choice. Given that people can use their digital twin to interact with others inside the mirror world, VR will no longer be a lonely or isolated experience.

Right now, in VR, the collective cinema experience is already being copied. For example, in a space like 'Big Screen,' people can invite their friends and pay for the screening of a film, which can then be enjoyed collectively by up to 150 digital twins. Afterwards, they can interact and discuss the film. Given these trends, Michel argued, VR should not be considered as something 'on the side' that contradicts the cinema experience. After all, cinema theatres are not just brick and mortar businesses: they're also virtual spaces.

"The digital dimension of our lives is going to become more and more realistic"

#### Film Disruptors – Podcast

In this conversation, Alex looked ahead to the next 5 years and explored the challenges and opportunities for cinema over that time. Drawing upon the wide-ranging experience and backgrounds of Wendy, Anurag, Michel and Erwin, he discussed the innovations that could benefit the industry and how it can prosper in the wider context of the shifts in VOD, production, story telling and immersive media. The entire podcast can be found here.

"Young millennials are still loving cinema, but they approach it differently" – Wendy Bernfeld

"I would love to go to screenings when the filmmaker is there. I want that interaction" – Anurag Kashyap

"The one thing that I find lacking in cinemas is that feeling of warmth. As long as going to the cinema will feel like going to a shop, I think it has no future" – Michel Reilhac

"Cinemas need to re-write the arguments for audiences to leave their comfy homes and go to the movie theatre"

- Erwin M. Schmidt

Moderator: Alex Stolz
Wendy Bernfeld
Erwin M. Schmidt
Michel Reilhac
Anurag Kashyap





#### Patrick von Sychowski

The most transformative cinema development in the next five years will be the complete personalisation of the cinemagoing experience. This means personalised marketing, tailormade promotional offers, more targeted film selections, but also crowd-sourced programming and on-demand films, as well as the growth of private cinemas.

#### Carmen Slijpen

Our challenge is to finally start looking seriously at ways of operating our exhibition venues sustainably. We must look at all aspects of our business, including buildings, staff and supply chains. We need to share our operating models and best practices. We can do this together by pushing for creative and durable solutions.

#### Arwind Gajadien

I believe that the future of cinema lies in expanding stories on various platforms and taking your audience by the hand in a digital journey towards the summum: the cinematic experience. But your audience needs authenticity to believe that they need to see a movie. That authenticity comes from other audience members on social media channels, microreviewing the movie that they've just seen and being an ambassador for it and not necessarily from influencers.

#### Anurag Kashyap

One thing is that people will access films simultaneously at their homes. Filmmakers will start catering to people on demand directly in their homes. The consumer and the artist will control the market: they will have a direct relationship with each other. Another thing is that short films are going to be very big. The attention span of people is reducing, and now that short films can be monetised, they're going to become huge.

#### Jan Runge

I'm today more confident than ever in the ability of cinemas to re-invent their offer and to provide cutting-edge experiences to their guests. What will remain critical is the challenge to remain a top of mind leisure activity at a time when the next digital distraction is only a fingertip away, especially for teenagers. Better and more collaborative audience engagement is the key to the future.

#### Laura Houlgatte Abbott

We have to continue to show that the cinema experience remains special and unique. Nothing will ever match watching a film on the big screen, laughing and crying together with an audience.

#### Vanessa Bakewell

Cinema's biggest challenge over the next few years is to drive a greater sense of urgency into cinema for younger audiences. How do we do this? Drive a sense of urgency via the channels that are directly in the hands of the movie going audience - mobile. Creatively - to discover movies - big changes need to happen to the trailer marketing process and delivery. We have to grab people's attention faster and hold it in a mobile world.

# Speakers' Statements (2/2)

# \*

#### Eric Meyniel

The change and challenge for cinema did already start with the consolidation among the industry actors and the rise of streaming services that are to re-draw the cinema landscape.

#### John Sullivan

E-sports is undoubtedly the most exciting development, while the biggest challenge for cinema is change and the inability of management to move with it. Cinemas are increasingly becoming the attraction - and the focus is now on the experience they provide with the film as an 'add on'.

#### Edna Epelbaum

The biggest challenge in our industry is content. As long as good content is shown exclusively in cinemas, we can continue to work with the beauty of the cinema. We will face new challenges when the distribution of content starts to change (windows, streaming etcetera), which makes it even more important to offer our audience films of quality.

#### Michel Reilhac

The most disruptive change that is going to occur is the immersive realistic interactive nature of entertainment overall where experience is going to become the goal. In that sense, escaping reality and/or everyday physical life will be done in many different ways. The fact that different identities for the self can be activated simultaneously or successively will lead to major challenges of identity management.

# What do you consider to be the most exciting or disruptive challenge for cinema in the coming 5 years?

#### Alex Stolz

Cinema's challenge is not just to remain relevant in an era of ondemand interactivity and fast innovation, but most of all to compete successfully in the multibillion-dollar battle being waged for consumerattention.

#### Erwin M. Schmidt

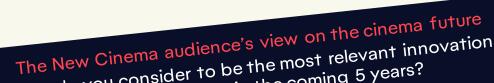
I expect the most exciting challenge for cinemas in the coming years to be to re-write the storytelling of the cinema-going experience and to re-invent reasons why audiences should watch a film collectively outside of their home rather than at home. In this context cinemas will need to offer much more than the 4S (screen, sound, seat and service).

Wendy Bernfeld

The most exciting developments concern the infinite possibilities of reaching audiences – many of whom are either not near a local cinema or not interested in more traditional cinema experiences anymore. The challenge for cinema is to embrace the digital evolution and to complement rather than compete, i.e. to morph and flex more nimbly along with the digital on-demand sector, firm in its trust that there is still no substitute for the magic of the big screen... but also realising one must act fast, adapt and grab those diverse and especially niche audiences by also offering other iterations and experiences.

#### Pablo Carrera

The biggest challenge for cinema exhibitors will be the second stage of the transition to a technology business. After the digitisation of cinemas in the last 10-15 years with the assistance of the VPF, exhibitors now need to factor into their business models the full ongoing investment cycle in technology.



What do you consider to be the most relevant innovation related to cinema in the coming 5 years?





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Layout & final editing Koen de Groot | Film Research Netherlands

Branding & design Mels Broekman & Sim Kaart | Eiland

Photography Jeroen Hiemstra | Jeroen Hiemstra Fotografie

Audience responses Olivier Croll | Sendsteps

Audio recordings ACS

We would like to thank all speakers and collaborators for their kind contributions to the content of this report.

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