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From movie to event theatre – Assessing the value of a cinema ticket.

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J'autorise la consultation de ce mémoire

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Abstract

The following research paper's prime objective was to establish the value of a cinema ticket by assessing the willingness to pay (WTP) of the visitors. Moreover, as today's multiplexes are increasingly offering different forms of events (that go beyond screening films), the article introduces the concepts of customer experience, offer diversification, WTP, and dynamic pricing to present notions that have an impact on customer's perceived value of a cinema ticket.

The reason why it was considered to be important to analyse the WTP of cinema visitors was linked to four problems that were identified as part of the literature review: the number of visitors that stagnates in developed countries, ticket prices that constantly increase, cinema exhibitors that are faced with a reduced window of exclusivity to screen the films, and a threat of substitution by distributors and customers (for example through streaming services).

To overcome these issues, the notions of customer experience and offer diversification were presented in this paper. First, as for the former, incorporating a customer journey that constantly interacts with the customer through many different touchpoints and dimensions (e.g., emotional, affective, social, and sensorial) helps to increase the visitor's satisfaction and loyalty towards the multiplex. This will then have a positive impact on the experience which influences the WTP. The other concept, offer diversification, which was primarily made possible through the digitisation of cinema, has enabled the personalisation of content and to propose film and non-film related content to customers in order to increase the potential that every visitor finds an offering that suits him or her. While it can be achieved through specific technologies, such as IMAX, it mainly relates to alternative content such as concerts or opera. That being said, findings of the literature review suggest that the impact on the revenues of a multiplex is currently at most marginal.

Nevertheless, both concepts help to increase the WTP of visitors. Finally, differentiated pricing techniques and dynamic pricing were elaborated to present tools that help to match different levels of WTP. On the one hand, current literature suggests that cinemas today employ mostly uniform pricing (only minor differences are incorporated at certain multiplexes when it comes to technology (e.g., 2D/3D) or the specific day and hour of the week), although they highlight that there is a potential to increase profits through more differentiation. Dynamic pricing, on the other hand, which would include different prices for films and customers (e.g., individual promotions), is often considered a questionable technique as it could raise a feeling of unfairness for customers while it does not ensure higher returns.

In the following sections of this paper, these findings were then confronted with the data collected as part of this article. In fact, this data included publicly available information about

multiplexes in Germany, Belgium, and Luxembourg concerning their price policy and offerings, interviews with exhibitors of major multiplex chains in the aforementioned countries as well as a survey conducted with visitors of different multiplexes. In total, the paper conducted 4 interviews and received 371 responses from the survey. The aim was to answer 3 research questions through this data. Firstly, whether there is a different perception between exhibitors and customers concerning the competition. Secondly, a difference between the actual price of a cinema ticket and the perceived price. Third, whether differentiated or dynamic pricing could increase the profits of a cinema.

Through the data analysis, it was able to prove that exhibitors only see different kinds of leisure activities as their competitors while 85% of the customers also see streaming services as an alternative to their visit to the cinema. The results of the second question were more nuanced: the optimal price range of a cinema ticket, as perceived by customers and established through Van Westendorp's price sensitivity meter, is between 9.20€ and 11.80€. Comparing these results with actual prices shows that the range is below the price of a ticket in Belgium while the Luxembourgish price is close to the upper end. In Germany, however, the baseline ticket price is below the range, although it is more difficult to make a final assessment there as ticket prices vary a lot in terms of demand (differentiation with films and seat rows for example). Finally, as for the last question, the results were very insightful. Contrary to the findings during the literature review, which highlighted that cinemas mainly employ uniform pricing, the analysis shows that multiplexes, in fact, differentiate a lot. Several price differences are made through reductions for certain age groups, premiums for add-ons that increase the experience as well as special offers for regular visitors. While German multiplexes also incorporate different price levels depending on the type of film, seats (e.g., front rows are less expensive than those in the back), and days of the week (more expensive on the weekend), such differentiation is currently rejected by exhibitors in Luxembourg and Belgium. The interviews revealed that especially a differentiation based on films would be very subjective and hard to justify. Moreover, none of the multiplexes currently offers individual promotions as they deem it difficult to realise without creating a sense of unfairness. The results of the survey, on the other hand, show that most of the respondents would actually accept individual promotions, they are willing to pay more for experiential features and are particularly fond of measures that increase the level of comfort (e.g., cosy seats). As for a price differentiation that is linked to the demand, approximately half of the participants responded that they would prefer uniform pricing in that case. In the end, with regards to alternative pricing techniques such as pay-what-you-want, findings reveal that visitors are willing to pay, on average, 8€ for a visit to the cinema.

The results of this paper enlarge the current state-of-the-art research which is rather limited at the moment. It is the first article that analyses the WTP for a cinema ticket and links concepts that were until now only analysed separately. Moreover, it provides exhibitors with interesting insights in terms of behaviours, interests, and price perception of their customers. As such, the findings of this paper help to make decisions about the pricing policy of exhibitors and how they can experiment with certain differentiation and dynamic pricing tools to increase their revenue and meet different WTP levels. Moreover, as the actual price is above or close to the upper end of the optimal price range (that was established in this paper), exhibitors can analyse the level of satisfaction of their customers to find out how they can further increase that satisfaction which will positively impact the WTP.

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1. Introduction

Over the last decades, the number of competitors the cinema is faced with has increased significantly. As well as home entertainment like free tv or DVDs which have existed for a long time, consumers now have many subscription-video-on-demand (SVOD) services at their disposal to which they can subscribe at a relatively low rate compared to a cinema ticket. Moreover, the industry is faced with challenges like stagnating visits in developed countries (MPA, 2022), reduced exclusivity to screen the films (Joo, 2020), and the threat of substitution by distributors (Oler, 2020). In addition, exhibitors argue that leisure activities like bowling or nightclubs ought not to be neglected and should be considered as their main competitors (Gibbs, 2016; Weinberg, et al., 2021). The research paper will therefore introduce the concepts of *customer experience*, *offer diversification*, *willingness-to-pay (WTP)*, and *dynamic pricing (DP)* to showcase different attributes that potentially help to overcome these problems.

While the literature review suggests that scientists mainly agree concerning the importance and the precise components of *customer experience* as well as the utility to understand, match and increase the *WTP* of customers, they have different opinions when it comes to the utility of *DP*. These findings are explained in detail during the literature review. Moreover, the paper will also present in detail how exhibitors incorporate these concepts and also highlight why the cinema industry still mainly uses uniform pricing structures. Overall, all the concepts that are introduced should contribute to increase the value of a ticket and help to match the *WTP* of customers.

As such, the objective of the following research paper is to assess the value of a cinema ticket from the customer's point of view to document, on the one hand, consumers' opinion on the pricing structure of a cinema ticket, and on the other hand, to define the standing of the cinema (from a price perspective) compared to its competitors to justify whether SVOD, leisure activities or both are competitors of the cinema. Moreover, rather than focusing on the industry in general, the paper chose to analyse multiplex cinemas due to their event character (Hanson, 2007), one attribute that differentiates them from traditional or independent cinemas.

1.1. *Aim of the study*

The research paper's ambition is to provide, on the one hand, scientific research with findings that were not yet presented, and on the other hand, to present to the professional world the *WTP* of their customers and enumerate offers that they are most interested in. As such, the paper will answer the following research questions:

- *There is a different perception between exhibitors and customers in terms of competition.*

- *There is a discrepancy between the actual price and the perceived price.*
- *Dynamic or differentiated pricing can potentially increase the profits of a cinema.*

Identifying the main competitors from the customer's point of view helps to contextualise their *WTP* and whether it aligns with the actual price. Moreover, asking customers about *DP* will help to argue whether it would be accepted by the public and therefore offers a possibility to increase the revenue of a cinema. As a matter of fact, current literature does mention the impact of certain attributes, important factors (such as the social aspect of a visit to the cinema), the success of diverse content and *DP* as possibilities to increase the *WTP*. However, none ask customers directly about their *WTP*.

1.2. *Relevance of the study*

The underlying study is relevant inasmuch as the cinema industry is still insufficiently researched in many areas from a scientific point of view. Current literature is limited to the research of important factors that influence the experience (Acland, 2003; Tefertiller, 2017), the significance of the social aspect when visiting a cinema (Weaving *et al.*, 2020), technological attributes that nurture the experience and the offering (Silver and McDonnell, 2007; Ethis, 2018) as well as the appearance of diverse content (Elberse, 2013). In addition, some researchers like Tyron (2009) and Sun *et al.* (2021) explain how these attributes positively influence the *WTP* while other researchers focus on *DP* as promising mechanisms to increase revenues (Orbach and Einav, 2007; de Roos and McKenzie, 2014; Ho *et al.,* 2018).

The following paper will contribute to the current state-of-the-art by considering these concepts in order to ask customers directly about their *WTP*, their opinion on specific attributes, and how they feel towards *DP*. In addition, the article stands out as it provides not only quantitative data (through the survey), but also qualitative data collected through interviews with exhibitors to compare the findings with current business practices. In addition, as most of the studies were conducted in the US, Asia, and some in Latin America, only a few focused on Europe (e.g., Laas (2013) and Hofmann (2016) for the German market). As such, this paper provides insights for the European, and especially the German and Benelux market. Finally, next to the scientific contribution, the article also has managerial relevance as the findings are beneficial for exhibitors when establishing their prices and to understand what their customers are most interested in.

1.3. *Structure*

First, the paper will contextualise current problems within the cinema industry and present some insights deemed as important to understand the current situation cinemas are in. Then, section three will include the literature review which analyses the concepts of *customer experience*, *offer diversification*, *WTP*, and *DP* to highlight current findings and divergent opinions. Afterwards, the research model will explain how these concepts relate to the research of this paper in order to present the methodology in the fifth section which highlights what data is needed and how it will be collected. The next section will analyse and present all the findings and provide an answer to the research questions before ending with a conclusion that will enumerate some managerial implications and limitations.

2. Foundation of the study and contextualising current problems within the cinema industry.

The objective of this section is to provide readers who would not describe themselves as being connoisseurs of the cinema industry with some simplified insights. As such, it will briefly introduce the standing and evolution of the cinema through recent history as well as the appearance of the multiplex movie theatre (on which the research paper focuses) in contrast to independent cinemas. In addition, it will mention how the distribution of films, in general, works and how it changed over time to enunciate current issues the cinema industry faces with regards to its customers and its partners.

2.1. *Emergence and characteristics of multiplex cinemas*

Although the cinema has been able to attract visitors for over a century, entertaining them with a vast array of films, it was not spared from several crises. For a long time, the movie theatre was fortunate enough to be the only medium where people were able to see motion pictures. In fact, until the 1950s and 1960s, it had an important competitive advantage over other forms of entertainment as it was not only the sole medium where one could watch a movie but also where one could see it on a wide screen (a standing they were able to maintain until recent improvements in home-video technology) (Silver and McDonnell, 2007). The advantage over the former, however, changed dramatically when the television was introduced as this innovation was primarily responsible for a significant decrease of movie theatre visitors in the 1970s (Le Diberder, 2019). After that, the appearance of VHS in the 1980s was another challenge for exhibitors as it was the first overlap with cinema and television as people were able to watch films at home (Aveyard, 2016).

Nevertheless, producers and exhibitors were able to oppose these threats with two developments. The former started distributing so-called blockbusters in the 1970s, movies that were highly anticipated due to commercial campaigns and the participation of renowned actors who were able to attract people to the cinema (Oler, 2020). Exhibitors, on the other hand, reinvented themselves with the launch of the multiplex. Many researchers nowadays agree that its introduction (e.g., 1982 in Belgium; 1985 in Britain) was able to shift the fortunes of the cinema by sustaining the medium as a mass form as it was able to reinvent the experience of the cinema (Hanson, 2007; Hanson, 2013; Aveyard, 2016). In Germany, for example, the success of multiplexes led to a reduction in the total number of cinemas and an increase in the total number of available screens (Hofmann, 2016). As such, while most countries saw a reduction in the total number of cinemas, the financial success of multiplexes was unambiguous. In 2015, 2034 cinemas existed in France out of which 209 multiplexes accounted for approximately 60% of the cinema revenue (Ethis, 2018). Moreover, in most countries, these multiplexes nowadays belong to big corporations who dominate the market (Hanson, 2013).

Afterwards, the industry received a major technological boost with the introduction of digital screening. This not only opened the possibility for alternative and premium content like concerts or 3D (Acland, 2003; Weinberg *et al*., 2021), but it also significantly reduced costs as it was less expensive than the distribution of film reels (McDonald, 2013). That being said, Le Diberder (2019) argues that the cinema industry was able to increase its number of visitors again in the 1990s and 2000s with the help of these multiplexes and digital screens.

As to the characteristics and definition of a multiplex, several aspects need to be considered. With regards to their size, there is no general definition: some researchers argue that these purpose-built cinemas have at least five screens (Hubbard, 2003) while others define them with at least eight screens (Hofmann, 2016; Pinto & Mary, 2021), with other leisure activities that are generally included inside a multiplex (Laas, 2013). Due to these adjacency offerings, Acland (2003) even argues that the cinema has morphed into an entertainment centre with offerings such as miniature golf, restaurants, and arcades. Hanson (2007) shares the same opinion, stating that the multiplex has less in common with a cinema and is nowadays closer to a shopping mall or leisure centre.

The fact that multiplexes are often referred to as lifestyle centres is also linked to where they used to be located in the past. Appearing in the US during a phase when people started moving to rural areas, the multiplex became an important cornerstone for the development of these districts (Hanson, 2013). Later, in the 1990s and 2000s, when people started to relocate back to the cities, multiplexes increasingly also opened in cities (Hanson, 2013).

Next to its location, one of the most important factors that make people visit a multiplex is what awaits them inside the auditorium. Generally speaking, the ambition is to provide customers with a visual and sound experience that they are not able to find anywhere else (Weinberg *et al.,* 2021). Therefore, in order to improve the overall moviegoing experience, comfortable seats, good sound, curved screens, and much more are essential parts of a multiplex (Acland, 2003). Other important factors also include a wide range of concessions, air conditioning, often free parking (Hubbard, 2003) and an elevation of each row to ensure that every customer has an ideal view on the screen (Epstein, 2012).

Moreover, their offering is another important factor that differentiates them from traditional cinemas. Not only do they generally have a very large offering, but they also propose many different screening times (Chantepie and Paris, 2021). In addition, multiplexes often do not limit their offering solely to movies. This particularity will be analysed later during the literature review concerning *offer diversification.*

Last but not least, the multiplex also characterises itself by the segment of people that mostly visits them. Weinberg *et al.* (2020) argue that the value proposition of a multiplex has three components: feature film and physical condition (as discussed above) as well as shared consumption. People enjoy visiting a movie together to share the experience with someone else.

Comparing the multiplex with the positioning of a traditional cinema would certainly go beyond the scope of this article, however, it is clear that the general customer of a multiplex differentiates themselves from the classic movie-goer. In fact, the most basic difference is that multiplex operators try to increase the overall experience as much as they can to attract people to their cinema, moving away from a product-based decision the customer takes ("intention to watch a particular film") towards a lifestyle decision (e.g., going out in the evening) (Hanson, 2007). As such, even though customers are still able to watch independent or artistic films inside a multiplex at certain times, the appearance of the last-named has created a clear distinction between his value proposition and the one of an art house cinema (Kerrigan, 2017).

To some extent, distinguishing between traditional cinema and the multiplex also means differentiating between "film auteur" and "commercial/mainstream cinema" that not only distinguish themselves through budget but also by the type of audience they try to address (Pinto and Mary, 2021). The variety of film choices of these independent cinemas is also one of the key aspects that distinguishes them from a multiplex (Creton, 2013).

As such, although the multiplex is still a cinema, there are several differences compared to the traditional cinema when it comes to its customers or its offering which is why this paper chose to focus only on the first named in its research, survey, and interviews with professionals.

2.2. *A new era of movie distribution*

As mentioned above, the cinema was, for a long time, the unique channel to distribute films. This, however, has changed considerably and every new channel that is introduced (e.g., TV, pay-tv, internet) represents a new source of revenue for producers and intensifies the competition (Chantepie and Paris, 2021). In order to reduce conflicts and avoid major confrontations, the distribution of films was structured and regulated following a sequential screening where each channel had temporarily exclusive distribution rights over a particular film. This release strategy is implemented through a so-called “window-system” and was structured the following way for a long time: theatrical release, home video (VHS, DVD, Blu-Ray), PPV/VOD (pay-per-view and video-on-demand), Pay-Tv and Free-Tv (Kerrigan, 2017) (Figure 1).

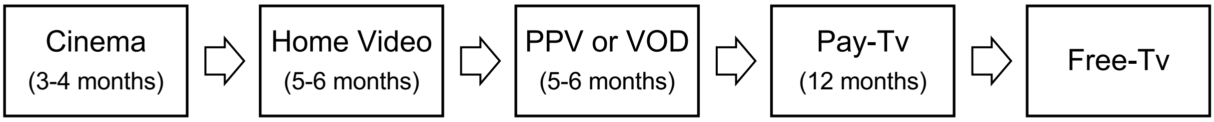


Figure 1: Traditional window system based on Kerrigan (2017) prior to SVOD, and durations taken from Ethis (2019). These figures are based on those published by CNC (centre national du cinema) in France. Home video and PPV/VOD are released almost at the same time.

While some channels, like the cinema were able to maintain their position so far (Ethis, 2018), other channels were less fortunate. Contributing with around a third of the revenues for distributors and producers in 2000, DVD and Blu-Ray are now close to extinction due to the success of other channels (Le Diberder, 2019). One new channel in particular, namely SVOD, is accountable for these recent developments and is questioning the entire system. Not only are these streaming services responsible for the disappearance of some channels, but they are also responsible (at least to some extent) for shortening the exclusive period of each window (Kerrigan, 2017). Netflix, for example, introduced innovative strategies that disrupted the window system by starting to offer films exclusively, simultaneously, or shortly after the release in a cinema (Joo, 2020). As such, the shortening of the exclusive window may indeed become a severe issue for the cinema as it reduces the period where they are able to receive a revenue for a film (Hofmann, 2016).

From the distributor’s and producer’s point of view, these developments do make sense. On the one hand, the longer a movie stays in the cinema, the longer they need to share the profits with the exhibitor (Kerrigan, 2017). On the other hand, purely relying on box-office would be a loss-making business for them and with the extinction of the highly lucrative DVD market, they need to rely on new channels such as SVOD to increase their revenue (Tyron, 2013).

Still, as mentioned above, the cinema was mostly able to maintain its position as the first window. This fact is due to a couple of reasons. First and foremost, the cinema remains a good indicator of how the film is accepted by the public (Ulin, 2019). Secondly, the cinema also helps to raise awareness (Ulin, 2019) and establishes the brand of the movie (Silver and McDonnell, 2007).

That being said, exhibitors need to share the revenue they get from each movie with the distributors. While many different deals exist (the illustration of those would go beyond the scope of this article), a good rule of thumb is that the spilt is often more or less 50/50 (Ulin, 2019). Nevertheless, for highly anticipated movies and blockbusters, distributors often have a bargaining power and may move the share to their favour (Ulin, 2019). As such, Disney was able to increase its share to 65% for the release of its franchise movie *Star Wars: The last Jedi* (Oler, 2020). Nevertheless, some professionals also argue that the contraction of the window also often means that the split moves in favour of the exhibitor (Epstein, 2012). In France, for example, the revenue of the average ticket price in 2019 was shared the following way: after deducting taxes, the average base price was 8.28€ with 4.24€ going to the distributor and 4.04€ retained by the exhibitor (Chantepie and Paris, 2021).

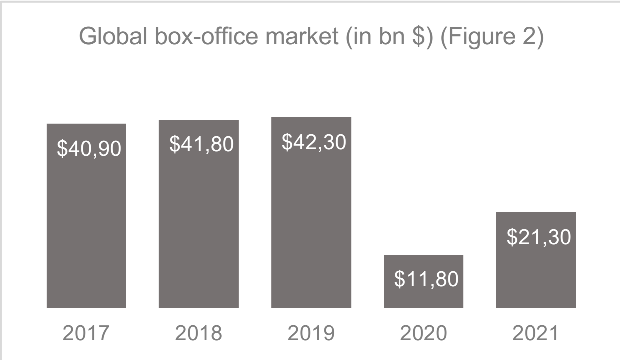
Overall, the market is faced with new trends concerning the distribution of movies, especially related to the window-system, SVOD, and the place of the cinema within it. As such, digital distribution has changed the possibilities of how, when, and where people want to watch movies with digital libraries allowing consumers to watch content at their own convenience (Tyron, 2013).

Moreover, companies like Apple, Amazon, Google, and Netflix, who were once outsiders mainly responsible for providing the infrastructure, later became distributors, and now even produce their own content (Le Diberder, 2019). Not only do these companies not need exhibitors to promote their content, but they are also less under pressure to produce solely profitable films as their income is based on a subscription-fee (Joo, 2020).

On the other hand, the success of SVOD also had an impact on production companies' business strategies. Companies such as Disney, Warner, or Universal are all launching their own platforms, questioning the traditional window-system (Joo, 2020). As such, the pandemic enabled production companies like Universal and Disney to circumvent the theatrical window by releasing their films such as *Onward* or *Mulan* immediately on their platforms (Oler, 2020).

2.3. *Current challenges for exhibitors*

These developments (mentioned above) have faced exhibitors with some challenges, first and foremost with regards to their customers. The new competitive landscape means that the cinema is not the dominant consumption preference anymore as the choice is made by customers based on the type of movie, convenience, preference, and external situations (Chantepie and Paris, 2021). The main consequence that the cinema is facing is that the number of visitors is only growing at a low rate (Figure 2). Especially in developed countries such as Europe (Parlow and Wagner, 2018) or the US, attendance is stagnating (Le Diberder, 2019). This also has an influence on the relative importance of the cinema: while it contributed around 55% of the total revenues of the studios in 1980, it only represented 20% in 2007 (Epstein, 2012), and nowadays only accounts for around 6% (Figure 3).



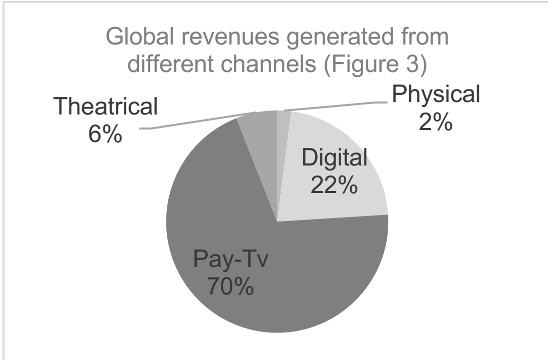


Figure 2: Evolution of the global box-office market as per the Motion Picture Association (MPA, 2022).
Figure 3: Average distribution of the revenues per channel of a film in 2021. In 2019, prior to COVID-19, cinema box-office accounted for 13% of global revenues (MPA, 2022).

Nevertheless, two factors help to explain why the global box-office market is still able to increase slightly and why exhibitors in developed countries are still producing profitable figures. First of all, in emerging countries, research has observed a positive correlation between the increase of the GDP and the visits to the cinema (Chantepie and Paris, 2021). One country in particular, namely China, has recently become very important to assure promising box-office returns (Kerrigan, 2017; Weinberg *et al.*, 2021). As such, Ulin (2019) argues that China has become the most important market outside the US, offering more theatres than any other country with a market that grew from $1.5bn in 2010 to $9bn in 2017. Table 1 highlights the impact of the Chinese market on box-office returns.

2011			2021		
1	Harry Potter and the Deathly Hallows: Part 2	$1,342m	1	Spider-Man: No Way Home	$1,901m
2	Transformers: Dark of the Moon	$1,124m	2	The Battle at Lake Changjin	$903m
3	Pirates of the Caribbean: On Stranger Tides	$1,046m	3	Hi, Mom	$822m
4	The Twilight Saga: Breaking Dawn – Part 1	$712m	4	No Time to Die	$774m
5	Mission: Impossible Ghost Protocol	$695m	5	F9: The Fast Saga	$726m
6	Kung Fu Panda 2	$666m	6	Detective Chinatown 3	$686m
7	Fast Five	$626m	7	Venom, Let There Be Carnage	$507m
8	The Hangover Part II	$587m	8	Godzilla vs. Kong	$468m
9	The Smurfs	$564m	9	Shang-Chi and the Legend of the Ten Rings	$432m
10	Cars 2	$560m	10	Sing 2	$411m

Table 1: Top 10 films in terms of box-office revenue in 2011 and 2021. While 2011 only counted Hollywood productions, 2021 includes three Chinese productions with limited or no release in the US and Europe (IMDb, 2012; IMDb, 2022).

Secondly, with stagnating ticket sales in developed countries and low occupancy rates inside cinemas, for example 15.8% in Germany in 2009 (Hofmann, 2016), profits are mainly able to increase because of rising ticket prices (Le Diberder, 2019). Table 2 exemplifies the ticket price increase in Germany from 2010 to 2019. Even though it depends on whom the cinema wants to compete with (as discussed later on in this article), it becomes evident that it is expensive compared to the purchase of a DVD or a SVOD subscription (Epstein, 2012). To face these challenges, cinemas and multiplexes need to find ways to diversify themselves by creating, for instance, new and improved experiences (Chantepie and Paris, 2021) in order to attract non-traditional audiences (Silver and McDonnell, 2007). These possibilities will also be further analysed in the literature review.

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Price	7.90 €	7.98 €	8.27 €	8.53 €	8.72 €	9.06 €	9.06 €	9.29 €	9.18 €	9.14 €

Table 2: Evolution of the ticket price for a film on average in Germany (FFA).

Apart from challenges related to the visitors, the multiplex also faces challenges with regards to its distributors. These are mainly related to the reduced exclusive window for the cinema. With the growing power of companies such as Disney and Warner Bros, they have the possibility to distribute their films directly on their own platform (Chantepie and Paris, 2021) which significantly reduces their marketing costs to the detriment of the exhibitor (Kerrigan, 2017). As such, the COVID-19 pandemic allowed studios to experiment with new release strategies. *Cruella, Black Widow,* and *Raya and the last Dragon* from Disney all received a simultaneous release on *Disney*+ and in the cinema (Romanchick, 2021), same for *Wonder Woman 1984* from Warner Bros with its simultaneous release on their streaming platform *HBO Max* (Alexander, 2020), and even now after the pandemic, blockbuster movies like *The Eternals* or *The Batman* only received a 45 days exclusive theatrical window (Dick, 2021; Garbutt, 2021). As such, Silver and McDonnell (2007), who analysed the cinema industry through Porter's five forces model, argue that suppliers (who are the distributors and producers) nowadays have an overwhelming power over exhibitors as they have an abundance of channels at their disposal.

Especially for multiplex movie theatres, the blockbusters distributed by these studios are highly important as a revenue stream. In 2012, the top 20 box-office movies accounted for around 45% of the total revenue of a multiplex in France (Creton, 2013), a figure that has probably risen even further. In addition, exhibitors need these films as they have a positive influence on concessions sales (Elberse, 2013). Therefore, multiplex exhibitors need to ensure that distributors still have an interest to screen these blockbusters in a cinema.

3. Literature review

After enunciating what a multiplex movie theatre consists of, its standing in the distribution chain of films as well as current challenges it faces with regards to its visitors (ticket price increase and stagnating visits) and its partners (reduced exclusivity and threat of substitution), the following literature review wants to highlight the most important concepts to ensure that the multiplex cinema remains competitive and attractive. As such, *customer experience* and *offer diversification* are concepts that ought to increase the satisfaction of customers and attract a more diverse audience. Then, the article will analyse the impact these concepts may have on the *willingness to pay* of their visitors and whether research believes that *dynamic pricing* techniques might help to increase the profits of a cinema.

3.1. *Customer experience*

In order to understand *customer experience* and how it relates to the cinema, the paper first analyses the characteristics of the concept in general. Lemon and Verhoef (2016) define *customer experience* as a “multidimensional construct focusing on a customer’s cognitive, emotional, behavioural, sensorial, and social responses to a firm’s offerings during the customer’s entire purchase journey” (Lemon and Verhoef, 2016, p.74). As such, it becomes evident that each organisation needs to have profound knowledge about its customers. Aliekperov (2021) includes marketing concepts such as Levitt’s “marketing myopia” which encourages businesses to move beyond their narrow vision by focusing on customers’ requirements rather than the product or service itself as well as “direct marketing” by Wunderman that puts attention to the creation of individual relationships to define *customer experience*. In addition, Berry’s “relationship marketing”, which focuses on maintaining customers, helps to increase satisfaction, loyalty, and trust, factors that positively influence *customer experience* (Aliekperov, 2021). As such, Gentile *et al.* (2007) argue that classic economic theories that focus on price and the product itself are no longer enough to achieve a competitive advantage as consumers are not rational and do make decisions based on emotional factors. Therefore, a memorable experience encouraging a good relationship and personal interaction with the customers throughout the journey are essential (Gentile, Spiller and Noci, 2007).

To address customers on several dimensions (e.g., sensorial or emotional), as enunciated by Lemon and Verhoef, companies need to establish the key points of the customer journey that will ensure a promising experience. Although the contact points between organisations and customers are increasing (Gentile, Spiller and Noci, 2007), they can be simplified into three main stages: pre-purchase, purchase, and post-purchase (Lemon and Verhoef, 2016) (Figure 4). The idea behind this is that companies should not only make the buying process as easy as possible, but also the decision as obvious as they can (Lemon and Verhoef, 2016). Bolton *et al.* (2018) also acknowledge that firms need to have a comprehensive view of their customer's engagement over time to increase the overall experience which is often very subjective and therefore even more complex.

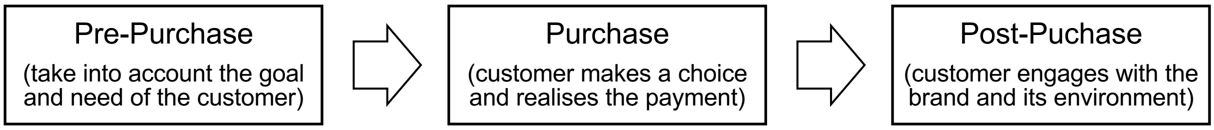


Figure 4: Three most important phases of the customer journey. Guiding a customer successfully through these stages increases the customer experience (Lemon and Verhoef, 2016).

In the end, paying attention to all the dimensions a customer might respond to throughout his or her journey will lead to several promising effects. The most important ones that are mentioned repeatedly are satisfaction and loyalty (Lemon and Verhoef, 2016). In fact, Gentile *et al.* (2007) explain that a positive experience increases the probability that the company is able to create a bond between them and their customers which will result in customer loyalty. Nevertheless, while Aliekperov (2021) agrees that customer retention and loyalty are very important (which is the essence of relationship marketing), he believes that the conception of an adequate product or service is still equally important.

That being said, developing a successful journey is very complex and involves several factors. One possibility is to look at raw data (such as service quality, price image, and brand) to identify key drivers that will be linked to the desired outcomes (generally being loyalty and long-term relations) (Lemon and Verhoef, 2016). These long-term relations can also be achieved by considering three levels, namely: financial (price), social (communication with the customer), and structural (unique value proposition) (Aliekperov, 2021). Bolton *et al.* (2018), on the other hand, believe that customer experience has its beginning in the physical realm (cognitive and sensory responses), then goes over to the social realm, focusing on the interaction with the customer, and finally the digital realm where data is collected and analysed to create a competitive advantage.

After a short insight into marketing theories in general, it is interesting to analyse how cinema-related literature deals with customer experience and what it actually consists of in their industry. In essence, the objective of increasing the experience and how it is done remains the same. Providing a customer with pleasure he or she is looking forward to will influence the experience and increase satisfaction and loyalty (Laas, 2013). Moreover, studies have shown that maintaining relationships and creating a sense of belonging help to promote visits to the cinema (Aveyard, 2016). Pine and Gilmore (2011) argue that due to an intensified competitive landscape, the cinema is moving, like other industries as well, from a service economy to an experience economy. While people went to the cinema in the past to watch a film, they nowadays look for a memorable experience. According to them, this is precisely what defines an experience: “Whereas commodities are fungible, goods tangible, and services intangible, experiences are memorable” (Pine and Gilmore, 2011, p.17). The cinema has to engage with its visitors to create a memory that makes them come back. Therefore, Allen (2011) argues that the experience mostly does not start when customers purchase a ticket, nor when the lights go out, nor does it end when the credits appear, in fact, it often starts based on memories people have in their mind.

In order to define what makes a memorable experience, exhibitors can look at different factors. Tefertiller (2017), for instance, argues that visitors look for cognitive, social, and affective gratifications. Although cognitive aspects might play a role when people decide to watch a particular film, his study found out that it actually had very little impact on the overall experience. As a matter of fact, affective gratifications were by far the most important reason to watch a movie at the cinema as it creates deep emotions. Llamas-Rodriguez (2019) defends the same point of view saying that affective capabilities of an exhibitor are vital nowadays. This also aligns with Pine and Gilmore (2011) who found out that the sensorial dimension is the most important one as it has the biggest influence on the creation of a memory. Moreover, as films are nowadays accessible on many devices, the only way for a cinema to differentiate itself from its competition is through emotional experiences that create strong individual responses (Laas, 2013).

Nevertheless, when referring to customers and memorable experiences in the context of the cinema industry, one aspect in particular, namely the social component, is mentioned repeatedly. Even in the past, when mostly short films were shown, people went to the cinema no matter if they had seen it already as the intention was predominantly to socialise and experience the event together (Allen, 2011). Not much has changed since then. Many researchers agree that the social practice highly influences the experience and is often even more important than the film itself (Hubbard, 2003; Vijver, 2017; Weaving *et al.,* 2020). This dimension is even more important for mainstream films as they are preferred to be consumed collectively in contrast to film enthusiasts who consider their visit to the cinema less as a social experience (Kerrigan, 2017). This highlights the importance of this dimension for multiplex theatres that mostly address an audience for mainstream movies.

While affective gratifications, emotions, and the inclusion of a social component are the most important dimensions to create a memorable experience, these factors need to be included throughout the journey to increase the overall experience. First of all, the buying process has seen considerable improvements in recent times. Not only does online ticket purchase makes the process more convenient and attractive (Weinberg *et al.,* 2021), but smartphone applications also help to access useful information, select seats, split costs with friends, pre-purchase concessions, and get rewards (Ulin, 2019).

After that, when people arrive at the cinema, other features help to increase the experience. The multiplex in particular helps to fulfil these desires. As such, it often provides people with free parking facilities as well as the proximity to other establishments (e.g., restaurants, video game parks) and commercial malls (Ethis, 2018; Pinto and Mary, 2021).

In order to provide visitors with a real form of immersion, directors like James Cameron advocate to build an experience that goes beyond what is happening on the screen by offering food and drinks that are linked to the world of the film (Tyron, 2013). Concessions are indeed a very important feature for multiplexes, not only because of the vast offering, but also because visitors expect the sensation and smell they get from it (Wasson, 2016).

Next, during the screening, the cinema is able to offer a vast array of sensorial and affective components to increase the experience. Customers are attracted by the dimming light, advertisement for new film releases, opening curtains at times, and the appearance of famous logos from production companies (Chantepie and Paris, 2021). In terms of seating, cinemas try to increase their experience by reducing the size of their auditoriums. In France, for example, the number of seats was reduced by 1.4 million seats over the past 50 years although the number of screens has remained almost constant (Ethis, 2018). In addition, many visitors describe comfortable seats, often called cosy seats, as one of the most important characteristics (Hubbard, 2003; Vijver, 2017; Ethis, 2018; Pinto and Mary, 2021).

Another important feature that enables cinemas and multiplexes to differentiate themselves from any other experience is their sound technology. With the invention of “Stereo” and “Dolby” in the 1990s, multiplexes were able to create a new upgrade in terms of quality (Chantepie and Paris, 2021). The guarantee of high sound quality is indeed what defines multiplex theatres nowadays (Tefertiller, 2017; Ethis, 2018; Pinto and Mary, 2021; Weinberg *et al.,* 2021).

Apart from sound, image quality was the next big upgrade that increased the experience with high-quality images that were projected on the screens. Especially the digitisation mentioned in the previous section facilitated the creation of new operational experiences with technologies such as 3D or 4D and laser projectors that are able to project even sharper images (Hancock, 2014). Furthermore, Hancock (2014) argues that these new technologies create a clear distinction from any home experience, ensure the viability of the cinema, and justify price premiums.

More recently, specific cinemas and multiplex theatres have also inaugurated new forms of luxury screening. This may include particular large screens such as IMAX (Hancock, 2014), although in most cases, the luxurious aspect goes further. As such, premium cinema often includes lounges to wait in, service at the seats, reclined seats with footrests, and much more to offer a gastronomic, visual, and affective form of experience (Llamas-Rodriguez, 2019).

Finally, after the screening, as mentioned above, a successful experience should lead to higher satisfaction and loyalty. However, in order to ensure long-term viability and sustain their competitive advantage, cinemas need to be able to collect and analyse all the data they can get from their visitors to continuously increase the value and experience of their offering (Weinberg *et al.,* 2021).

Last but not least, multiplexes increasingly embody the term 'event cinema' to market their experience. As the average moviegoer in the US visits a cinema 5-6 times a year (a figure which is even lower in Europe), exhibitors start to adopt event strategies to attract potential visitors (Elberse, 2013). In fact, today's competition is often not only coming from other cinemas and home-media entertainment (Tefertiller, 2017), it is often also coming from other leisure and entertainment offerings (Weaving *et al.*, 2020). Vijver (2017) found out in his studies that participants often linked the multiplex to particular events, findings that are supported by Llamas-Rodriguez (2019) who argues that a visit to the cinema is often associated with other events that precede or complement the screening. In order to create the sense of event cinema, distributors and exhibitors work with posters, trailers, merchandise, and cast announcements on different channels to create a cultural sensation that is shaped further through the participation and excitement of their fan audience (Moulton, 2021).

That being said, current literature suggests that customer experience is mainly achieved through the consideration of certain dimensions (adaptable to each industry) throughout the customer journey. The most important impacts for business are satisfaction and loyalty.

3.2. *Offer diversification*

Nowadays, cinemas are often establishments that propose a diverse offering that is not reduced to solely showing films. In fact, *offer diversification* helped to transform the traditional multiplex into a multipurpose venue where visitors can enjoy theatre, opera, concerts, 3D, and much more (Ulin, 2019). Weinberg *et al.* (2021) argue that the main reasons that led to this diversification were that multiplexes wanted to improve the cinemagoing experience through more customisation and more efficient use of their facilities as the occupancy rate is especially low during certain days (and hours) of the week. Moreover, the trend towards smaller auditoriums also allows to propose more diverse content (Ethis, 2018). That being said, multiplexes not only want to increase their experience, but they also want to adapt to the needs of their visitors and attract new customers. As such, the success of certain events already shows that exhibitors are able to attract new niche audiences and that people are not necessarily visiting the cinema just to watch a film (Kitsopanidou and Pisano, 2013). Furthermore, *offer diversification* helps to adapt to changing demographics and the diversification of the revenues (Ulin, 2019).

One factor in particular was responsible for the introduction and development of these diverse offerings. As such, the digitisation of films, which enabled the projection of films digitally rather than via a film reel, has provided exhibitors with reduced costs and increased image quality (Ulin, 2019) as well as increased their flexibility in terms of when and what they want to project (Weinberg *et al.,* 2021). In 2014, over 90% of all cinemas (around the world) were digitised, marking this adoption one the biggest changes the industry has seen over the past decades (Hancock, 2014). Therefore, exhibitors nowadays are able to propose a plenitude of new offerings such as operas, ballet, concerts, sport events, and conferences to their visitors (Tryon, 2009; McDonald, 2013; Chantepie and Paris, 2021). Furthermore, this development has changed the distribution of art and culture. Not only multiplex exhibitors, but also opera, theatre, and sport event managers are looking forward to cooperating with cinemas to access new markets as well (Kitsopanidou and Pisano, 2013).

In terms of content, cinema's *offer diversification* can be achieved via two channels. First, exhibitors may increase their offering by reverting to specific technologies. A good example that is mentioned repeatedly is the so-called IMAX technology, which offers an above-average screen size that occupies the entire peripheral vision of the visitor (Silver and McDonnell, 2007) and ideal sound, factors that could never be replicated at home and therefore confirm the price premium (Silver and McDonnell, 2007). Another example would be 3D, which became incredibly popular with the distribution of James Cameron's *Avatar* and helped to revive theatrical attendance through the new offer (Tyron, 2013). In recent times, laser projection which offers incredibly sharp images is being introduced although it is very expensive and exhibitors experience more difficulties to communicate the price premium (Ulin, 2019).

Next to technology, *offer diversification* is, in most cases, referred to the inclusion of more diverse content. The most prominent offer which is usually referred to is the screening of operas as it was among the first non-film screenings that was provided to customers. In 2006, the Met Opera was the first institution to broadcast its performances to the big screen in order to make its art available to the mass market and attract new audiences (Elberse, 2013). As such, visitors were able to witness a whole new experience as different cameras were able to capture facial expressions and were offered backstage interviews during the break (Elberse, 2013). Furthermore, this also led to a democratisation of the opera as people are able to purchase a ticket at an affordable price and do not need to dress up to conform to a certain dress code (Radigales, 2013). Apart from the opera, theme nights are also becoming more popular as well as theatre screenings and sports events (Weinberg *et al.,* 2021). The versatility of the cinema has also caught the interest of the music industry. The US band *Red Hot Chili Peppers*, for example, promoted the release of their new album through concert screenings inside cinemas across several countries (Kitsopanidou and Pisano, 2013). Nevertheless, although multiplexes become very creative in terms of new content they want to offer, which may even include gaming and religious events, opera remains the dominant force and accounts for around 40% of the global non-film box office in 2010 (Kitsopanidou and Pisano, 2013).

Even though most multiplexes nowadays offer non-film-related content, many researchers believe that the overall impact on their revenue remains marginal. On the positive side, studies have shown that these events help to increase their visitor numbers, especially those of older people who are underrepresented and people with lower incomes (McDonald, 2013). Moreover, people often said that they felt a deeper emotional connection during the screening as they were shown many different camera angles (McDonald, 2013). In addition, the diversification has helped movie theatres to fill their seats for specific events during days of the week that are marked by a low occupancy rate (Tyron, 2013).

On the other hand, these offerings generally represent only a niche market and do not manage to create significant returns (Kitsopanidou and Pisano, 2013; McDonald, 2013). As such, the case where multiplexes show football World Cup games and video game competitions remain the exception (Tyron, 2009). Financially speaking, all these offerings represented 1-2% of the global box-office market in 2010, or $112 million, a figure that is even lower than the box-office of most blockbusters (Kitsopanidou and Pisano, 2013). Moreover, some offerings such as 3D, which started as a success, lost its peculiarity when it became practice which meant that people were less willing to pay the surcharge in the end (Tyron 2013).

3.3. *Willingness-to-pay and value-based pricing*

As explained above, customer experience and proposing a diversified offer are two concepts that help to create satisfied customers. The goal is, like with any other business, to increase the *willingness-to-pay* (WTP) of each visitor. Therefore, many businesses have now start to consider other factors to determine the price of their goods and services. In fact, broadly speaking, pricing approaches are often differentiated into three groups: cost-based pricing, competition-based pricing, and customer *value-based pricing* (VBP) (Liozu, 2017). The latter one in particular is often characterised as being superior (Hinterhuber, 2008).

Nevertheless, even though researchers agree that *VBP* tends to be the best choice to assess the ideal price, it is the least used by organisations. In fact, Hinterhuber (2008) found out in his study that only 17% of the examined companies employed *VBP*. He argues that although *VBP* best addresses the needs and requirements of their customers, it is often difficult to assess the value and communicate it, compared to cost-based and competition-based pricing where data is more easily available. Dholakia (2016), on the other hand, argues that the main reason why *VBP* is poorly used in practice is that the concept is often heavily misunderstood which is why he offers the following definition: “Value-based pricing is the method of setting a price by which a company calculates and tries to earn the differentiated worth of its product for a particular customer segment when compared to its competitor” (Dholakia, 2016, p.2). As for the cinema, applying Dholakia’s model means that exhibitors should focus on a segment, compare their offer or business to the next best alternative (which relates to defining their main competitor as exemplified in section 2), highlight the uniqueness of their offer, and monetize this differentiation. While Dholakia (2016) proposes a conjoint analysis to monetise the differentiation, the following paper will resort to Van Westendorp’s price-sensitivity meter to establish the *WTP* of their visitor.

Needless to say, it becomes evident that *VBP* might be a promising source for any business to establish a competitive advantage. Hinterhuber and Liozu (2014) argue that it is indeed as important as product or business model innovation. Furthermore, they believe that companies should move away from a “one-size-fits-all” approach towards multiple value configurations that reflect customers with different *WTP* levels. As such, *dynamic pricing* (DP) and specific techniques like pay-what-you-want (PWYW), where the customer takes full control of the price, help to address the advantages of *VBP* (Liozu, 2017).

That being said, *VBP* is a concept that is also often related to the *WTP* of any customer as it puts the customer at the centre of the decision-making process when assessing the price. Therefore, while value-based research has revealed several frameworks, the pricing method that is mostly discussed relates to customers’ *WTP* (Yip, 2012). Essentially, the *WTP* of a customer is the maximum amount that he or she is willing to pay for a specific product or service (Homburg, Koschate and Hoyer, 2005). To establish that amount, it is important to understand its relationship with other values that influence the price of a product or service. First, the “exchange value” is mostly an economic amount that considers all the costs that have occurred as well as the margin that the business wants to get (Yip, 2012). Next, establishing the “perceived value” is a promising incentive to further increase the profits. Achieved at least to some extent through efficient marketing and education of the potential benefits, the goal is to consider the individual needs of any customer to justify a price that reflects the quality he or she perceives (Yip, 2012). Moreover, while Yip (2012) acknowledges that it is often complicated, time-consuming, and difficult to justify the "perceived value", determining how much a customer is willing to pay by asking them or by observing the prices that have been paid helps to assess the "perceived value" (Yip, 2012; Liozu, 2017). Therefore, while the "perceived value" is generally always above the "exchange value", practitioners aim to match the former with the customer's *WTP*. However, as the customer will always remain the one to define the *WTP*, this amount can, on the one hand, be lower than the "perceived value", but on the bright side also be higher due to certain situations, circumstances or changing behaviours (Yip, 2012). Additionally, as this paper focuses on the cinema industry and introduced several forms of offers and experiences, it is important to consider that incorporating *VBP* does not mean that businesses need to consider the *WTP* of each feature as this would not only be too difficult, but also very time-consuming (Dholakia, 2016).

Furthermore, the paper wants to introduce two notions that can help to increase the *WTP* of any customer. First, emotions and satisfaction are important means to increase the *WTP*. As such, satisfaction is linked to how a customer perceives that his or her expectations are met when evaluating the performance and, therefore as a consequence, a satisfied customer perceives a higher quality and is willing to pay more for the good or service (Homburg, Koschate and Hoyer, 2005). Londoño, Prado and Salazar (2017) come to the same conclusion saying that satisfaction is the principal determinant to influence the intention to pay. This influence becomes even more significant at the extreme (where customers are highly satisfied) and might offer interesting options in terms of pricing strategies, like offering premiums for these customers (Homburg, Koschate and Hoyer, 2005). As for the art industry, one of the key drivers that influences the level of satisfaction are emotions (Londoño, Prado and Salazar, 2017). These emotional connectors, like "feeling a sense of well-being" or "feeling a sense of belonging", vary between each customer and vary throughout the customer journey, but they are highly important to increase their *WTP* (Magids, Zorfas and Leemon, 2015). Furthermore, Magdis, Zorfas and Leemon (2015) also argue that fully connected customers are 52% more valuable than highly satisfied customers, meaning that rather than turning unsatisfied customers into satisfied ones, businesses should focus on the extreme by transitioning already satisfied customers into fully connected ones.

Next, the experience of the product or service is another important means that helps to increase the *WTP*. If the expectations that the customer has are met, it has a positive influence on the perceived experience which induces him or her to repurchase the goods or services (Londoño, Prado and Salazar, 2017). Pine and Gilmore (2011) argue that next to commodities, goods and services, today's business environment is characterised by people who are willing to pay for a particular experience. As such, they provide the example of Starbucks which are able to increase the *WTP* of their customer simply by creating a unique ambiance and sense of theatre unmatched by their competitors. In fact, the unparalleled character of any experience is what helps companies to distinguish themselves from competitors and ask for premium prices that customers are willing to pay for as they are often connected to certain memories they have in mind (Pine and Gilmore, 2011).

Same is true for the cinema industry which actively tries to increase the *WTP* of their visitors by focusing on satisfaction and experiences customers can connect with. This emphasis has become even more important as today's *WTP* for a classic movie ticket tends to be lower due to the rapid movement of films through several platforms which reduces the need to watch a movie at the cinema (Tyron, 2013). Often, event marketing campaigns like trailers, posters, songs, premieres, and talk shows are key not only to raise awareness, but also to increase the *WTP* of visitors (Sun, Zhai and Yang, 2021). In terms of experiential features, exhibitors can refer, for example, to 3D, 4D, and IMAX to justify price premiums and increase the *WTP* of their customers. Studies have shown, for instance, that IMAX has a positive influence on the perceived value which is recognized as being superior compared to classic multiplex screens and therefore has, in general, a higher *WTP* (Silver and McDonnell, 2007). As for 3D, people initially recognised the upgraded experience while watching films like *Avatar* and were therefore willing to pay a surcharge (Tyron, 2013). This however changed, when badly produced 3D films overwhelmed the market causing visitors to rebel and are today less willing to pay a premium for (Tyron, 2013). In the end, it depends on whether the attribute is able to increase the perceived value as the customer has the last say when it comes to defining his or her *WTP*.

3.4. *Dynamic pricing and Pay-What-You-Want for cinemas*

As explained above, the *WTP* is very subjective as it is different for each customer and potentially varies with changing circumstances. *Dynamic pricing* (DP) is a pricing technique much discussed in practice and research that could help overcome the issue of different *WTP* levels. Essentially, the objective is to adjust prices in order to respond to certain market situations (with uncertain demand) and individuals with different *WTP* levels to create an improved balance of offer and demand that will reduce costs and increase revenues (Seele *et al.*, 2019). Today, it is employed in different industries. While it may include flights, car rentals, or hotels, *DP* is often linked to industries with high fixed costs and different levels of demand (Faruqui, 2010). Hinterhuber and Liozu (2014) argue that *DP* can be applied to industries with different consumer segments, variable demand, fixed capacities, low variable cost and predictable demand.

Nevertheless, there are still questions regarding the justness of employing *DP*. Some argue, while referring to the work of Pareto, that *DP* should only be incorporated if it benefits at least one customer, and no other will suffer from it (Faruqui, 2010). In addition, there remains the discussion of fairness and whether it is ethically correct. As such, a customer might perceive to be treated unfairly when he or she becomes aware of price differences or will feel some ethical wrongfulness because the company is tracking his privacy and preferences (Seele *et al.*, 2019). Haws and Bearden (2006) also argue that fairness is an important factor that should not be neglected as customers feel a sense of unfairness if they have to pay a different price to someone else. Therefore, it is paramount that companies have the consent of their customers to adopt *DP* (Faruqui, 2010) and include them (if possible) in the price-setting process (Haws and Bearden, 2006).

Many studies have also dealt with *DP* in the context of the cinema industry. In fact, ticket prices are a subject that is repeatedly dealt with in research. Vijver (2017), for example, shows through his survey that many visitors complain about the costs of a visit to the cinema and often considered the ticket price as being too expensive. As such, although *DP* could be a technique to address the issue of high-cost perception, some researchers argue that it is not an option for the cinema. Traditionally speaking, the cinema has always had an almost uniform pricing scheme and made little to no differentiation in terms of day and hour of the week or type of film (e.g., cast, story, or genre) (de Roos and McKenzie, 2014). Minor differences may only include the price premium for 3D compared to 2D (Ho *et al.,* 2018), discounts for students or seniors as well as matinee screenings (Orbach and Einav, 2007) and price premiums for the weekend at some cinemas (Mendes, 2017).

However, exhibitors almost exclusively do not differentiate between certain movies. Orbach and Einav (2017) found out during interviews with cinema managers that exhibitors deliberately do not want to differentiate the prices of films, one of the reasons being that they do not want customers to feel any unfairness. Next to the risk of arbitrage cost setting, an agency problem between distributors and exhibitors might also cause unnecessary troubles as the former one would see their profits reduced while the latter one could potentially benefit, for example, through increased concession sales (Mendes, 2017). Another reason that supports uniform pricing is that the cinema is often faced with an uncertain demand which makes it more difficult to predict different prices for different movies (Orbach and Einav, 2007). That being said, Chen (2008) argues that uniform pricing is a deliberate choice made by most exhibitors not only to reduce the previously mentioned agency problem, but also because not enough event movies hit the theatre and because exhibitors are still able to realise significant revenues through concessions.

Nevertheless, many researchers defend *DP* and acknowledge the potential profit increase by incorporating that pricing technique. Ulin (2019) argues that cinemas need to become more innovative in the future in terms of revenue generation. The most obvious differentiation that is widely implemented in most cinemas is based on technological features. As such, a differentiation between 2D and 3D can potentially increase profits by 65-75%, same for IMAX as customers understand the price premium which highlights that such a differentiation offers much potential for profit increase (Ho *et al.*, 2018).

In addition, *DP* is already at times employed with regards to specific days and hours of the week to solve the issue of low utilisation rate. In Australia, for example, exhibitors utilise the price sensitivity of visitors and offer a discount (of approximately 40%) on an adult ticket price every Tuesday and are able to significantly increase their revenues (de Roos and McKenzie, 2014). Next, exhibitors could differentiate between certain days of the week that are more preferred. As such, the weekend and evenings often have a higher occupancy rate (Orbach and Einav, 2007) and rather than increasing the prices for these screenings, exhibitors could also offer special off-peak prices for other days and hours (de Roos and McKenzie, 2014).

Next, some researchers however argue that exhibitors should introduce *DP* when it comes to certain types of films. The argument of perceived unfairness could be avoided by communicating high production costs for blockbusters to justify the price premium (Orbach and Einav, 2007; Chantepie and Paris, 2021). Moreover, attributes such as star power, industry awards, genre, and sequels are other economic factors that help to justify a price premium (Mendes, 2017). The same way, reduced ticket prices for films with a more elastic demand (e.g., documentaries) would also not be perceived as unfair, even more so as customers generally accept a discount more easily than a surcharge (Orbach and Einav, 2007). Ho *et al.* (2018), on the other hand, argue that the profit increase for full differentiated pricing, with different prices for each film is not worth the operational challenges (distribution conflicts and negative reactions from visitors).

In the end, exhibitors need to be aware that their customers are very price sensitive (Mendes, 2017; Ho, *et al.,* 2018) which confirms that *DP* and price discounts could have beneficial impacts for exhibitors (Orbach and Einav, 2007; Chen, 2008). Unfortunately, there are no articles that analyse the impact of differentiation and *DP* based on types of visitors (e.g., regular and sporadic visitors) apart from Chantepie and Paris (2021) who mention subscription-based offers for cinemas as promising. Moreover, while Ho *et al.* (2018) argue that real *DP* would also mean varying ticket prices over time, no article analyses the potential of such price adaptations.

As several articles introduce *pay-what-you-want* (PWYW) as a promising price-setting technique in the context of the cinema, the article would like to exemplify the current standpoint.

Generally speaking, *PWYW* is considered an extreme pricing mechanism (even more than name-your-own price) as the price determination is delegated to the customer (Hofmann, 2016). Nevertheless, studies have shown that in industries such as restaurants or cinemas, businesses were able to increase their profits even though the average amount given was lower as the overall demand was able to increase (Hinterhuber and Liozu, 2014). Furthermore, although visitors theoretically have the possibility to give 0€, people feel generally bound to a certain social behaviour and do not want to violate social norms and are therefore willing to give higher amounts (even more so if they are able to compare the offer with other substitutes) (Kukla-Gryz and Zagórska, 2018). Therefore, a study conducted in Germany found out that *PWYW* offers more advantages than disadvantages as people were willing to pay on average 5.15€ for a ticket and indicated that they would visit the cinema more often which would positively influence the utilisation rate (Hofmann, 2016). Moreover, applying *PWYW* only on certain days could increase profits during periods with less visitors, increase the overall satisfaction, and improve the perception of fairness as the customer is included in the decision-making process of the ticket price (Hofmann, 2016).

Nevertheless, even though some researchers defend the potential of *PWYW* (especially in the context of the cinema), it still remains, until now, a theoretical concept whose viability is also questioned at times. Kim *et al.* (2009), for instance, believe that *PWYW* might not work in practice because the average price of 6€ they found out through their study would probably be too low to cover the costs. Moreover, a key aspect is that every business that wants to adopt a *PWYW* mechanism needs to ensure that information asymmetries concerning costs are very low as customers tend to overestimate profits and underestimate costs (Greiff, Egbert and Xhangolli, 2014).

4. Research model

The contextualisation of the cinema industry has highlighted current challenges and problems that cinemas and multiplexes face. On the one hand, the number of visits has stagnated in recent years and visitors are faced with rising ticket prices. On the other hand, cinemas face a shortage of their “window” which reduces their exclusivity and are faced with an intensified competition that increasingly creates threats of substitution.

The article also tried to exemplify through certain concepts how exhibitors can potentially overcome these issues. As such, *customer experience* was introduced as one of the most important and much written about concepts. Research also mainly agreed that it impacts the whole customer journey from the decision-making process to customer retention and data collection to ensure that the offer is constantly readapted. Practitioners can refer to several dimensions to address their customers, mainly being social, emotional, sensorial, and memories for the movie theatre industry.

Next, *offer diversification* through technology and more diverse content can help to increase visitors and revenue. Nevertheless, researchers all have the same standpoint that the (financial) effects for cinemas are until now at most marginal.

That being said, the paper addressed the notion of *WTP* to highlight how impacts from an ideal *customer experience* (that creates satisfaction, loyalty, and emotions) help to increase the *WTP* of each visitor. Therefore, a price structure that builds upon *VBP* and considers the competition while paying attention to the *WTP* of each customer can help to meet the right needs and most importantly increase the revenues.

Finally, the concepts of *DP* and *PWYW* were briefly introduced to showcase which mechanism could help to adapt to different segments, a variable offer and demand as well as different *WTP* levels to increase overall revenues. While research collectively agreed that *VBP* is the superior pricing method, the impact of *DP* was more under debate with some researchers doubting its feasibility and success in practice.

The following article wants to build upon these concepts in its research and data collection to answer three research questions.

First, during research, it became evident that current literature and non-scientific articles link the cinema to a very diverse number of competitors. While some people argue that the cinema is currently being challenged a lot by new SVOD providers that could significantly impact its profitability, practitioners believe that today's competition is more associated with other leisure activities and has to compete with bars, restaurants, fitness, and other activities. Although the latter ones need, without a doubt, to be seriously considered, the article believes that customers actually primarily see SVOD as the main competitor of the cinema. Therefore, research question one states:

RQ1: *There is a different perception between exhibitors and customers in terms of competition.*

Secondly, many research articles dealt with all the different (technological) attributes and analysed how these were perceived by customers and whether they can potentially increase overall revenues. However, the question of expensiveness was more nuanced. Many researchers focused on strategies, add-ons, and incentives that help, on the one hand to increase the *WTP*, and on the other hand to justify price premiums because customers approved them (Silver & McDonnell, 2007; Tryon, 2013). Nevertheless, only a few papers addressed the question of expensiveness (Vijver, 2017), and none tried to assess the price perception of a traditional film ticket to showcase how the *WTP* differs or not from the actual price. As such, this research paper wants to assess the *WTP* from customers and believes that it is below the actual price. Therefore, research question two states:

RQ2: *There is a discrepancy between the actual price and the perceived price.*

Third, some scientists have analysed the potential of differentiated or *DP* as well as mechanisms like *PWYW* on potential profit increase. As explained above, results often diverged in terms of impact. Therefore, as literature is scarce and not united, this paper tries to assess how potential customers feel about dynamic price mechanisms and whether they are perceived as unethical or unfair. This paper believes that *DP* is able to increase the profits of a cinema. Therefore, research question three states:

RQ3: *Dynamic or differentiated pricing can potentially increase the profits of a cinema.*

In order to give answers to these research questions or statements, the article will collect data through a survey with potential customers and visitors of a multiplex, conduct interviews with multiplex managers as well as collect publicly available data to reflect current prices.

5. Methodology

5.1. *Public information from cinemas*

In the following sections, the research paper will present publicly available information that was collected from cinemas in order to showcase what is done and offered in practice. This enables not only to establish a comparison with what has been demonstrated as important or characteristic with regards to a multiplex and its interaction with visitors, but also to compare this data with the findings from the interviews and the survey. Indeed, this data collection will present, for example, current ticket prices, their offering, and whether they already use differentiated pricing mechanisms. Next, these findings will help to demonstrate, for instance, whether visitors' price perception and *WTP* for specific features align with the current market situation.

As such, the article will collect public information from the major multiplex cinema chains in Germany, Belgium, and Luxembourg. These are *Kinepolis*, *UGC*, *CineStar* and *UCI.* The collected data will be gathered through information found on their websites.

5.2. *Interviews with multiplex cinema managers*

The research paper already highlighted current challenges of the movie theatre industry and presented interesting concepts about their positioning, their offering, and pricing techniques. Therefore, qualitative data through interviews with multiplex managers was collected to confront practitioners' opinions with the main findings from the literature review to document their standpoint. In addition, their opinion concerning the research questions was considered to answer them. As such, the paper will be able to compare these findings with the survey to discover potential alignments and discrepancies.

In order to conduct the interviews, the main multiplex chains were contacted (*Kinepolis, UGC Belgium, UGC France, CineStar, UCI, Cinemaxx and Filmpalast*). In order to increase the viability of the interviews, the objective was to contact employees with a deep knowledge of the organisation's positioning and the industry situation. As such, potential interview partners primarily worked for communication, marketing, or senior management departments. Out of 7 intended interviews, 4 organisations agreed for an interview (57,14%) while 3 organisations (*UCI, Cinemaxx, and Filmpalast*) did not respond.

In terms of content, interview partners were first asked to give their opinion on the competitive landscape, the future development of the industry, and the vision of their organisation. The next section mainly focused on their visitors, the objective being to collect information about their most important segments, current trends, their perception of *customer experience*, and concession sales. Then, the third section concentrated on the phenomenon of *offer diversification*, asking participants to illustrate how their chain becomes more diverse through content, how it impacts the number of visitors, and how it is perceived by them. Finally, the last section confronted them with their current pricing policy, the distributor's average share for a film ticket and their opinion on *DP*. Altogether, these interviews, which were conducted at distance through Microsoft Teams, took approximately 45-60 minutes.

5.3. *Data collection through a survey and Van Westendorp's price sensitivity meter*

The most important part of the research paper, however, was the quantitative data collection through a survey. As the research questions primarily addressed consumers' understanding of the competitive landscape, their *WTP*, and their perception towards *DP* techniques, questions were developed that best responded to these concepts. In total, the survey incorporated 18-19 questions, depending on the choice of answer.

In order to increase the willingness to participate and the motivation to complete the survey, four mechanisms were employed to increase the number of participants. First, the decision was taken to limit the number of questions, not only to facilitate the data analysis, but also to ensure that the length of the survey was approximately 5 minutes. Secondly, *Typeform* was chosen as the software to compute the survey as it provided an interface that was playful, clean, professional, and easy-to-handle to induce people not to abandon the survey. Next, all the questions were written in English, French, and German to ensure that people were able to understand the questions. Lastly, a competition was included to increase the extrinsic motivation of participants. As such, they could volunteer to win 2x2 cinema tickets after completing the survey.

The survey asked the following questions: two demographic variables (age and gender) as well as one geographic variable (residence) were retrieved at the beginning. The idea was to identify potential (significant) differences between generations, countries, and gender. Afterwards, questions regarding the number of visits, the social component, price premiums for certain features, and diverse offerings were asked to assess the impact of *customer experience* and *offer diversification* on visitors.

Then, questions 10.A.-10.D. (appendix A), which are the cornerstone of this research paper, helped to identify the *WTP* of the visitor to compare their price perception with the actual one. Van Westendorp's price sensitivity meter (PSM) was chosen as a promising method to achieve the results. Even though researchers tend to recommend indirect approaches to establish the *WTP*, direct approaches are mostly used in practice because they are straightforward, the PSM being one of the most popular (Löffler, 2015). The aim of the PSM is to define an acceptable price range for consumers (Larson *et al.*, 2014). To establish this range, the PSM asks consumers 4 questions:

1. At what price would you consider this product so expensive that you would not consider buying it? (Too expensive).
2. At what price would you consider the price of this product so low that you would question its quality? (Too cheap).
3. At what price would you consider the product is starting to get expensive; not out of the question, but you would need to give some thought to buying it? (Expensive).
4. At what price would you consider the product to be a bargain, a great buy for the money? (Cheap). (Dominique-Ferreira & Antunes, 2020, p.171)

Afterwards, these questions were adapted to our industry to establish the price range for a cinema ticket. To provide a clearer overview, table 3 visualises all the questions, variables as well as their interconnection and their relation to the research questions to summarise the methodology of this article. Moreover, links to the literature review and the interviews are presented. Appendix A also recaps all the questions that were asked of the participants.

To conclude, the survey asked 6 more questions to establish how open people were towards *DP* mechanisms and how much they were willing to pay if they had the choice (*PWYW*).

The online survey was distributed using two different channels. First, the questionnaire was shared through social media to get a first insight. Second, flyers (appendix B), containing a QR code (with a link to the survey) were distributed inside selected cinemas. The intention was, on the one hand, to increase their motivation through the personal interaction and, on the other hand, to get as many responses as possible from people who actually visit a multiplex. Due to an agreement with *Kinepolis* and *CineStar*, it was possible to distribute the flyers in their multiplex cinemas (in Luxembourg, Brussels and twice in Berlin) to people before they entered the auditorium (where they were able to fill out the survey before the film began).

Literature Review				
Problem	*Customer exp.*	*Offer div.*	*WTP*	*DP + PWYW*
Ticket price increase. Visits are stagnating. Reduced exclusivity. Threat of substitution.	Throughout the journey. Many dimensions.	Through technology. Through diverse content.	Consideration important to increase revenues.	Promising concepts to increase revenues.
		Confrontation **Interviews** *Confrontation* **Survey** d_1: Age? d_2: Gender? g_1: Residence?		
RQ1			**RQ2**	**RQ3**
v_1: Which offers consider as an alternative to cinema?	v_2: How often visit cinema per year? v_3: Would you visit cinema alone? v_4: Which offers willing to pay more for?	v_5: Which events buy ticket for?		v_6: Cheaper prices for following attributes? v_7: Pay more for following attributes? v_8: Individual promotions films? v_9: Regular visitors pay less? v_{10}: Visit cinema more often if less expensive? v_{11}: How much pay if had choice?
			u_1: At what price would it be too EXPENSIVE? l_1: At what price would it be too CHEAP? u_2: At what price would you call it EXPENSIVE BUT STILL BUY IT? l_2: At what price would you consider it a GREAT BUY? (=PSM)	

More insights and possible correlations:		
$v_1 + d_1$: general differences	$v_2 + d_2$: geographic differences	PSM + d_1: age differences
$v_2 + v_3$: correlation	$v_2 + v_5$: correlation	PSM + g_1: geographic differences
$g_1 + v_{11}$: geographic differences	d_1 + v5: age differences	PSM + v_2: correlation

Table 3: Summary of the survey questions, how they connect to the research questions and links to the literature review and the interviews.

6. Data analysis

6.1. *Findings through public information and interviews*

First of all, after gaining a first insight into the baseline ticket price of different multiplex chains, it emerged that all of them had individual ticket prices for each city they were present in. Hence, the decision was made to focus on those cities where the survey was also distributed (Berlin, Brussels, and Luxembourg). Moreover, some chains like UCI have different types of multiplexes such as “UCI Luxe” that requests high prices justified through a luxurious experience. As high-end multiplexes were considered to be significantly different from traditional multiplexes and featured their own field of research (e.g., Llamas-Rodriguez (2019)), the paper focused only on traditional multiplex theatres to allow comparisons between the pricing structures of the different establishments.

Table 4 summarizes the ticket price for each multiplex as of 2022, price reductions that are offered to certain groups of people as well as premiums asked for different attributes. While the volume indices of GDP per capita for Luxembourg (277.0) was more than double that of Germany (119.0) and Belgium (121.0) in 2021 (Eurostat, 2022), it has little influence on the baseline ticket price. In fact, Belgium has the highest ticket price of over 12€, followed by Luxembourg with 11.40€, whereas Germany has a much cheaper ticket price of approximately 8€. Although this ticket price is lower than the average ticket price in Germany (9.14€) presented at the beginning of this paper, UCI and CineStar request customers to pay premiums for certain movies. They do not explicitly explain how this premium is calculated; however, a short analysis of their booking system reveals that it is most likely linked to films with high demand and possibly long duration. As such, CineStar and UCI may charge up to 2.50€ and 2.00€ respectively for certain films.

Furthermore, although the baseline ticket price is higher for Kinepolis and UGC, they offer higher price reductions for certain groups of people. While UCI only offers discounts for children and CineStar does slight adjustments for teenagers and students, Kinepolis offers, on average, higher discounts for those and also includes a price reduction for the elderly. In addition, UGC is the only cinema chain that also offered a significant price reduction for films shown before midday during public holidays and on Sundays.

Next, apart from UGC, all the multiplex chains were very creative when it comes to charging customers for features and attributes that ought to increase their experience. While Kinepolis offers seats with superior comfort (“cosy seats”) against a price premium, UCI and CineStar differentiate between seats with low and high demand. Moreover, they charge 2€ and 1€ respectively for visits between Thursday and Sunday, probably due to higher demand. As for technological attributes, the German chains primarily limit themselves to 3D while Kinepolis also offers enhanced (and more expensive) experiences with “Laser Ultra” technology and “4Dx”. Last but not least, CineStar is the only multiplex chain that requests customers to pay an online booking fee for each ticket.

	Kinepolis (Lux.)	**Kinepolis** (Brussels)	**UGC** (Brussels)	**CineStar** (Berlin)	**UCI** (Berlin)
Ticket price	**11.40 €**	**12.50 €**	**12.50 €**	**8.50 €**	**7.90 €**
Price Reductions					
<12	-2.80 €	-0.50 €	-1.35 €	-3.00 €	-1.00 €[1]
12-18	-2.00 €	-0.50 €	-1.35 €	-1.00 €	
Student	-2.00 €	-3.40 €	-1.35 €	-1.00 €	
>60	-0.50 €	-0.50 €	- €	- €	
Cheap day	-2.00 €				
Matinee	- €	- €	-4.85 €		
Add-ons					
Weekends	-	-€	- €	+1.00 €[2]	+2.00 €[2]
Long duration	+1.00 €	+1.00 €	- €		
Seats with high demand				+1.50 €	+2.00 €[3]
Cosy seats	+2.50 €	+3,00 €			
Laser Ultra	+2.50 €	+2.50 €			
3D	+1.50 €	+1.50 €	+1.00 €	+3.00 €	+3.00 €
4Dx	+7.00 €	+7.00 €			
Dolby Atmos, iSense	- €	+1.50 €			+2.00 €
IMAX		+5.00 €			
IMAX 3D		+7.00 €			
Online booking	- €	- €	- €	10%[4]	- €

Table 4: Summary of all the ticket prices, reductions and add-ons from the multiplexes that were analysed. Information was gathered from their website (CineStar, 2022; Kinepolis, 2022a; Kinepolis, 2022b; UCI, 2022; UGC, 2022).

Apart from price reductions for certain groups of people, none of the multiplex chains analysed in this paper offer individual promotions for visitors. However, all of them offer bundled advantages for regular visitors. These may include a “movie card” (Kinepolis), “UGC 5”/”UGC 7” or “5 Sterne Ticket” (CineStar) where customers purchase several tickets to benefit from a cheaper price or membership cards provided by UCI and CineStar to collect points, receive special offers and get a discount on the film of the week. Furthermore, UGC and UCI also offer subscription-based offers to regular visitors that enable them to watch as many films as they want for a fixed fee (charged monthly).

[1] <15 for UCI cinemas
[2] Thursday-Sunday
[3] +3,00 € for tickets with very high demand
[4] 10% of the ticket price

Finally, all the multiplex chains also increasingly aim to differentiate their offering with non-film-related screenings. While it was not possible to examine all the prices for these screenings (as they were not always shown on the company's respective website), they are generally more expensive than a traditional film ticket but cheaper than the entry price for the actual event. As such, a concert screening from "André Rieu" at Kinepolis in August 2022 costs 15.95€ while tickets for the live event start at 65€ (André Rieu Productions BV, 2022). Moreover, all the offerings presented in Table 5 include those found on the multiplex chains' websites.

As mentioned during the literature review, opera was the first offering included by cinemas with ballet, theatre, and concerts following soon after. Consequently, these are also the events that are mostly included in the agenda of the multiplex chains. Nevertheless, apart from UGC, all of them propose many forms of entertainment from themed evenings such as "Horror nights" or "Ladies at the movies" to gatherings such as sports games or e-sport tournaments. Kinepolis in particular offers many different events and seems to experiment most with these new forms of entertainment and diversification for cinemas.

Kinepolis (Luxembourg)	**Kinepolis** (Belgium)	**UGC**	**CineStar**	**UCI**
Opera	Opera	Opera	Opera	Opera
Ballet	Ballet		Ballet	Ballet
Theatre	Theatre			
Horror nights	Horror nights			
Film previews	Film previews	Film previews	Film previews	Film previews
Cine Breakfast				
Concerts	Concerts	Concerts	Concerts	Concerts
Anime	Anime			Anime
Sport events	Sport events		Sport events	Sport events
Art exhibitions	Art exhibitions			
Ladies at the movies			Cine Lady	Woman's night
Film marathons	Film marathons			
E-sports	E-sport			Cinegaming
Private rent	Private rent		Private rent	Private rent
Family events	Family events		First cinema visit	
		UGC Kult		
			Best of cinema	
				Midnight movie

Table 5: non-film offerings proposed by the multiplex cinema chains that were analysed in this paper. This information was collected through their website.

All in all, the multiplex chains that were analysed do not differ too much between each other. In terms of pricing structure and offering, UGCs business model is probably still closest to a traditional cinema while the other chains move closer to what is now called event cinema. Figure 5 recapitulates their lowest and highest ticket price with regards to price reductions and add-ons presented in Table 4. Although Kinepolis is more expensive, prices between each chain do not differentiate to a great extent.

While premiums for certain films and demand-related add-ons are only charged at the German multiplex chains, all of them utilise a vast array of technological features to increase the experience and the price. Nevertheless, none of them offers individual promotions, although they provide bundled packages and subscriptions for regular visitors. As for the offerings, every exhibitor is experimenting with them and proposes non-film-related screenings.

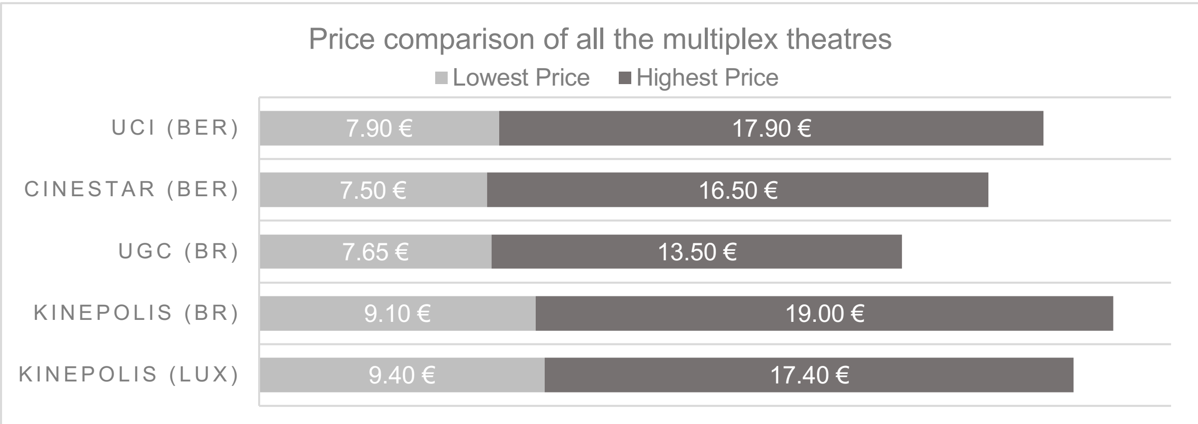


Figure 5: Highest price and lowest price considering different reductions and add-ons for each multiplex theatre. Information gathered from Table 4 excluding IMAX, 4Dx, and ticket price for children.

Concerning the interviews that were conducted with exhibitors, the aim was to get their view on current challenges, recent developments as well as what has been established during the literature review. A transcript of all the interviews can be found in appendix D. Firstly, interview partners were asked to give their opinion on the competition of the multiplex and its recent standing. A summary of every answer from that section is recapitulated in Table 6. Exhibitors more or less agreed that the COVID-19 pandemic accelerated the development of streaming services. As such, even though people revisit the cinema after the pandemic as they want to live the experience, SVOD has restructured the market. In essence, one of the main challenges for cinemas today is to maintain a certain period of exclusivity. Nevertheless, all of the exhibitors highlight that SVOD is not a competitor of the cinema, or, as one exhibitor claims:

> *« Une sortie au cinéma n'a rien à voir avec le prix d'un abonnement de Netflix parce que c'est une expérience tout à fait différente et ce n'est pas la bonne comparaison. »*
>
> *(An evening at the cinema has nothing to do with the price of a Netflix subscription because the experience is completely different and therefore not a good comparison.)*

On the other hand, all the interview partners also agree that a visit to the cinema is a social gathering where people decide to leave their homes to meet other people. Hence, the main competitor of the cinema is free time and therefore all sorts of leisure activities. As such, the multiplex needs to ensure that it remains an attractive leisure activity even though it takes a lot of time compared to other activities and is less flexible because of its fixed schedule as noted by one manager. This standpoint confirms why exhibitors identify SVOD as a competitor of TV:

> *« Le streaming n'est pas un ennemi du cinéma et par contre ça l'est particulièrement pour la télévision qui aujourd'hui va suivre un bouleversement phénoménal. »*
>
> *(Streaming is not an enemy of the cinema, however, it is television that will face a substantial overturning of its business.)*

Therefore, in order to stay competitive, multiplexes must be able to offer the right content and be given an exclusive period to screen those films. Exhibitors also agree that the theatrical window was impacted through SVOD. While the exclusivity lasted several months in the past, 45 days will probably now become the new standard for many films. However, they still remain optimistic with regards to future developments as they believe that the cinema will remain important (as a revenue stream for distributors due to the difficulty to substitute that income solely through SVOD). Moreover, the cinema is an important platform to determine the success of a film and to resell it to other platforms. Nevertheless, as the multiplex is primarily about sharing an experience with peers, the notion of event cinema will probably become more important in the future.

Summary of each interview concerning the competition and recent standing of the cinema				
Question	**Kinepolis (Bel + Lux)**	**UGC (Bel)**	**UGC (Fr)**	**CineStar (Ger)**
New competitive landscape	SVOD gained importance but mainly a competitor of TV. Challenge is to keep exclusivity.	SVOD little influence on revenues but restructured the market. Their main competitor is TV.	SVOD, social media etc. were able to monopolise available screen time of people. Less time available for cinema.	SVOD gained importance, however, people visit cinema again after COVID. Different experience.
Main competitor	Good weather, bars, restaurants etc. Cinema is a social event.	Leisure and entertainment activities.	Leisure activities. Human time is not infinite, cinema occupies a lot of time.	Leisure activities, cinema is less about the film, more about going out.
Future of cinema in the entertainment industry	Reduction of exclusive period, 45 days becomes new standard. Cinema remains important as a revenue stream.	Impact on theatrical window. Distributors need the cinema. Substitution through SVOD is difficult.	Industry is interconnected and parties benefit from each other. Have an interest that cinema remains successful.	Cinema will remain important but change. Reduced exclusivity and gained importance of alternative content.

Vision or mission of the chain	Event cinema. Provide people with an experience they can share together.	Provide people with an experience. Meeting and sharing it with people.	Phase of transition to define UGC. Important to align with expectation of customers.	Providing an event with a unique experience. Targeting events for more groups of people.

Table 6: Summary of all the responses concerning the "problem section" of the interview. Detailed answers are available in appendix D.

Afterwards, the second section of the interviews focused on their customers and the importance of customer experience (Table 7). Discussing the most important visitors of UGC reinforces that they are actually less of a traditional multiplex chain. Present mainly in cities, their aim is to propose a diverse offering that also appeals to a more educated audience. Nevertheless, in rural areas, their key visitors are young people and families, groups that are also among the most important ones for the other multiplex chains. Still, exhibitors fairly agree that even though their core audience might be 25-49 years old, it is important to offer content for every age group and different types of people. Same goes for blockbusters: although they are their most important films and their fans are a crucial target group, exhibitors constantly try to reduce their dependency towards them.

> *« Évidemment, on est dépendant des grands blockbusters parce qu'il représente 80% de notre chiffre d'affaires au total mais il est quand même important de faire en sorte que notre offre est diverse et qu'on attire les autres aussi. »*
>
> *(Of course, we depend on big blockbusters as they represent 80% of our profits. However, it is important to ensure that we have a diverse offering and that we also attract other people.)*

In terms of current tendencies, exhibitors agree that ticket sales are stagnating in recent years. Apart from COVID-19, responsible for a major drop in visitors, they expect to reach the same level again compared to before the pandemic in 2023. UGC and CineStar also highlight that nowadays, people live in a video content era with platforms such as social media, Twitch, or Discord. In the future, the cinema needs to refine which place it occupies in this world.

Nevertheless, even though the number of visitors is stagnating, Kinepolis, for instance, acknowledges that profits are still able to increase as ticket prices are repeatedly elevated. Furthermore, they claim that these price increases are justified as exhibitors are able to constantly improve their (customer) experience. In essence, every multiplex chain has more or less the same opinion towards their experience. They agree that an ideal experience includes comfortable seating and perfect image and sound quality, however, it does not stop there and goes much further. It includes the whole customer journey where a visitor makes the effort to leave his or her place, the decision-making process as well as the purchase of the ticket. All the steps have to align with each other to create a sleek experience. Moreover, data collection, as well as interaction with the customer, helps to bond with him or her to induce a revisit, increase satisfaction and send individual ads. As one exhibitor puts it, this experience will increasingly be executed digitally, however, physical channels will also continue to exist:

> *„Wenn sich der Kunde dann in der Customer Journey bei CineStar befindet, dann muss ein einheitliches Erlebnis geschaffen werden. Das kann rein digital stattfinden, aber es wird auch zusätzlich weiterhin natürlich den klassischen Verkauf vor Ort geben, selbst wenn es natürlich eine Entwicklung und Transformation Richtung digitale Prozesse geben wird."*
>
> *(When a customer finds himself inside the journey of CineStar, a uniform experience has to be created. This can happen digitally, however, we will also ensure that physical ticket sales will remain possible even though developments will move towards digital processes in the future.)*

Summary of each interview concerning their customers and customer experience				
Question	**Kinepolis (Bel + Lux)**	**UGC (Bel)**	**UGC (Fr)**	**CineStar (Ger)**
Most important segments	Blockbuster fans and families. However, important to target other groups to reduce dependency.	Depends on the region. Urban more diverse. Rural mainly families and teenagers.	Present mainly in cities. Diverse offer, more educated audience. Target every age group.	Core audience 25-49 years old (families, couples, and singles), but offer something for everyone.
Notable trends for the future	Ticket sales are stagnating. But profit increase due to higher ticket prices.	Number of visitors remains constant. In 2023, same level as prior to COVID expected.	People spend a lot of time on screens. Cinema needs to position themselves in this environment.	Enter video content era (Twitch, Discord, etc.). Cinema needs to find its place in it.
Components of customer experience	Comfort with seating. Increase experience through perfect sound and image.	Comfort of the rooms. Online ticketing systems, easiness is important. Data collection to communicate better and individually. After the film, interact with customer to induce him or her to come back.	Reduce effort of people to leave the house. Make choice as easy as possible (decision, purchase). High comfort, perfect sound, and image. Everything has to be fluid and easy. Motivate them to come back.	Experience starts before the film. Important to build a community and interact with customers. Personalised ads. After the film, communicate with them to stay in the community.

Table 7 : Summary of all the responses of the interviews concerning their customers and their opinion on customer experience. Detailed answers are available in appendix D.

Next, exhibitors were asked to give their opinion on alternative content and how significant it is or will be as part of their business model (Table 8). As for their customers, they all aim to attract new customers as well as existing ones through *offer diversification*. Moreover, CineStar also claims that it is about staying attractive for new and future generations. Then, with regards to specific content that they are offering, strategies differ. UGC, for instance, is more conservative towards alternative content. Like all other multiplexes, their first offer was opera. On the one hand, it has the advantage of being less expensive and more accessible than a visit to the opera hall. On the other hand, it is also a form of art similar to the cinema:

> *« Alors, l'opéra a été considéré pour nous comme un contenu naturel de diffusion dans le cinéma puisque l'opéra est un peu les grands-parents du cinéma. »*
>
> *(For us, opera is considered to be a logical content to distribute in the cinema as it is, to some extent, like the grandparents of the cinema.)*

As such, other contents like ballet, theatre, or concerts might also be considered and included in the agenda as long as it is a form of art and is produced to a high standard. In other words, UGC does not want to transform the cinema into a giant TV where people can watch, for instance, football games. Other multiplex chains, though, appreciate all sorts of alternative content as this diversification helps to reduce their dependency and allows them to experiment what forms of content might appeal to their customers.

Nevertheless, all multiplex chains agree that the significance of alternative content remains marginal at the moment. Kinepolis, for example, claim that opera accounts for 2% of their total turnover and that all contents put together probably only have a minor significance. UGC also believes the financial relevance will most likely remain small in the future.

That being said, offering alternative content and moving away from showing exclusively films has pushed exhibitors closer to what they now call event cinema. This enables cinemas to increase their prices as they are offering more experience to their customers. Kinepolis claim that their visitors are willing to spend more money for events such as themed *James Bond* or *Harry Potter* evenings as they like to be grouped with peers who share the same interests. In addition, they document that people express higher satisfaction and therefore justify that pricing is currently not an issue. Yet, exhibitors like CineStar not only try to increase their price through more experience, but also offer different price levels to customers to consider different levels of price sensitivity. Hence, they offer different packages (with add-ons for more experience and reductions for regular visitors) to different groups of people. Again, UGC is the chain that makes the smallest differences in pricing as they want to offer stable prices that do not penalise any customer.

Summary of each interview concerning their opinion on alternative content				
Question	**Kinepolis (Bel + Lux)**	**UGC (Bel)**	**UGC (Fr)**	**CineStar (Ger)**
New and more customers with alternative content	It is the objective. Started opera 10 years ago and managed to attract new customers. Diverse content helps	New and existing customers. Opera made sense as it is close to the cinema. Alternative content has to be close to an art and be a good	Good to attract new customers. Opera present for a long time. Cinema also less effort than going to a concert or theatre. Also tried	Aim to attract new audiences and generations. Important to connect with customers to improve events and choose the best ones.

	to reduce dependency over blockbusters.	production. Cinema should not become a giant TV.	series but avoid going to deep into event cinema.	
Significance and potentially increasing importance	Opera contributes with 2% of total turnover. Altogether this content has minor significance.	Little alternative content. Hence, little impact.	Not significant at the moment. Will probably remain small.	Difficult to estimate. Important also to experiment and to find out what is successful.
How to increase ticket price? Offer or experience?	People are willing to pay more if they have an experience that goes beyond the film. Event cinema will become more important.	Ticket prices stagnate and do not vary much. Mostly about seeing a film.	Do not want to vary in terms of comfort, experience, or anticipation. Stable prices to not penalise certain people.	Prices also increase because of economic circumstances. Target is to offer price packages for everyone. More experience justifies a higher price.

Table 8: Summary of all the responses of the interviews concerning their opinion of offer diversification and alternative content. Detailed answers are available in appendix D.

Finally, the last part of the interviews dealt with their pricing policy (Table 9). First, concerning the split of the revenue generated from ticket sales, Kinepolis and UGC confirm that distributors and exhibitors, in most cases, get approximately 50%. Still, UGC points out that the conditions vary and that each film is negotiated to establish its own terms linked to several factors related to the movie. Generally, if a cinema gets less weeks of exclusivity, the conditions are more favourable for the exhibitor.

Furthermore, concerning the price of a ticket, CineStar highlights that a visit to the cinema is in fact not that expensive when compared to other leisure activities. As such, the experience customers get is what justifies the price. Kinepolis share the same standpoint, claiming also that they do not want to communicate through their price (e.g., best offer), but rather through their experience.

Last but not least, opinions differ when it comes to differentiated pricing. Kinepolis and UGC both believe that asking premiums for certain movies is not an option. Such a differentiation is against their values as each film is shown under the same circumstances with the same experience. Moreover, choosing certain movies to be more expensive is a subjective process. However, as seen in the previous section, German multiplex chains like CineStar have a different opinion as they already employ this type of differentiation.

As for their visitors, all of them prefer to reward regular visitors with bundled packages at a fair price or with membership cards. In addition, they agree that *DP* is currently not an option for them even though reflexions have already been made. The main reasons are that they do not want to penalise certain visitors, that it is difficult to justify the differentiation and that the implementation is challenging.

Summary of each interview concerning pricing techniques				
Question	**Kinepolis (Bel + Lux)**	**UGC (Bel)**	**UGC (Fr)**	**CineStar (Ger)**
Share of ticket sales with exhibitors and distributors	Always depends but is often close to 50%.	Tendency to say 50% but it varies. Each film is negotiated on its own. Varies with length, anticipation, quality of the film and number of exclusive weeks.	Was not elaborated.	No comment, company secret.
Expensiveness of the ticket	Communication is based on experience they offer, not the price. Intention is not to be the cheapest.	Stable prices. Reward regular visitors with bundled packages or unlimited cards.	Was not elaborated.	Although cinema might seem expensive, it is actually cheap compared to other leisure activities.
Dynamic pricing as an opportunity	Differentiating films contradicts their beliefs as each film is shown under same circumstances. Also, who should make differentiation? Dynamic pricing not considered so far.	Against policy to discriminate certain films as it is very subjective. Same for dynamic pricing.	Every customer should be treated fairly. Egalitarian approach.	Ongoing discussion, currently against introduction as logistically challenging. Also, customer prefers price transparency. Difficult to make the decision.

Table 9: Summary of all the responses of the interviews with regards to pricing techniques and dynamic pricing. Detailed answers are available in appendix D.

6.2. *Data collection through a survey*

As previously explained during the methodology, the survey was structured with 18-19 questions that should provide an answer to the research questions as well as give an insight to each of the four notions that were described during the literature review. Overall, it was possible to receive 371 submissions, achieving a completion rate of 83.6%. On average, it took participants 5:31 minutes to complete the survey. In order to limit the number of graphs presented in this paper, the decision was made to show only the most insightful figures during the data analysis. Appendix C, however, recaps all the other graphs that were established as part of this survey.

First, participants were given two demographic and one geographic question in order to get more insight about them and to be able to group them according to certain characteristics. As for their age, no participant was younger than 12 years. In fact, most people were part of the 25-49 years old age group (48%), followed by 19-25 (29%), then 50-65 (12.4%) and 13-18 (9.2%), with only 1.6% of the participants being older than 65 years (see appendix C, figure I).

As for their gender, 55% were women and 45% were men while only 2 people identified themselves as diverse (see appendix C, figure II). Moreover, Luxembourgish respondents represented 56.1% as the survey had less participants in Germany (23.5%) and Belgium (12.9%) (see appendix C, figure III). The reason for the difference is that the survey was distributed for one day inside different multiplexes and was, therefore, dependent on the number of visitors that day. As such, Luxembourg was rather successful as it collided with releases of *Top Gun: Maverick*, *Elvis* and *Jurassic World Dominion* that attracted more visitors compared to Belgium and Germany where the only major new release was *Minions: The rise of Gru*.

In the first section of the main part, people were asked to mention which forms of entertainment or leisure activity they would consider as an alternative to their visit to the cinema. Graph IV in appendix C presents the ranking of 10 different activities. The most promising option is *streaming* as 85% of all participants specify that they consider SVOD as an alternative to their visit to the cinema. Other leisure activities such as restaurants (40%) or concerts (39%) follow afterwards. Interestingly, other mediums that show films such as TV and DVD/Blu-ray are behind with only 32% and 28% respectively. In order to get a deeper insight into the preferences of different age groups, figure 6 represents 5 dominant activities and their importance relative to the different groups. Firstly, what becomes evident, is that streaming is extremely important no matter the age. Interestingly, while SVOD even scores 91% in the 19-25 age group, TV is primarily important for older generations with 39% of the participants over 50 years old mentioning it as an alternative (even 50% of the people above 65 years). This indicates that the medium TV is becoming less important compared to its competitors. Even though restaurants and bars are considered an alternative for each age group, it is particularly important for older age groups, which may be linked to more disposable income.

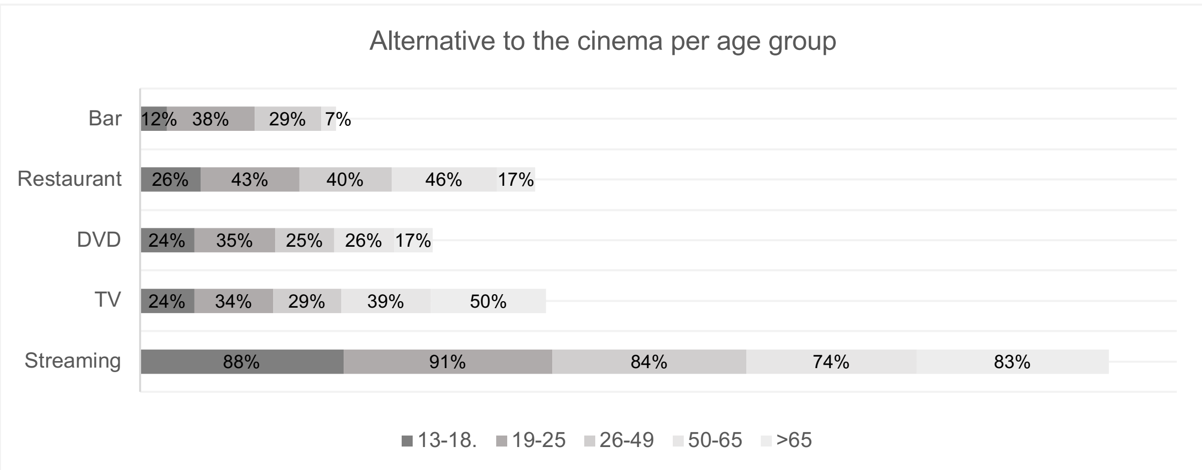


Figure 6: Most important activities with importance relative to each age group.

Next, the aim was to get a deeper insight into what type of customers the participants are and how important the social aspect (repeatedly mentioned by other researchers) is for them. As such, they were asked how often they visit a cinema per year to establish whether there are differences between sporadic and regular visitors. As figure 7 shows, most people indicate that they visit a cinema approximately 5 times per year. Moreover, while 56% indicate that they would visit a cinema at most 5 times, 44% mention that they visit it at least 5 times with the majority of them attending the cinema 10 times per year. As some people mentioned very high figures, the overall average is 8 times per year. Compared to other statistics, which show, for example, that Germany had 1.43 cinema visits per inhabitant in 2019 (Weidenbach, 2022), present data has significantly higher figures. This may be due to the fact that this data was collected inside multiplexes, which reduced the number of people who barely visit a cinema and increased the number of respondents who are regular visitors and film enthusiasts. In addition, the average only minimally varied per country (average of 7, 8, and 9 in Belgium, Luxembourg, and Germany respectively).

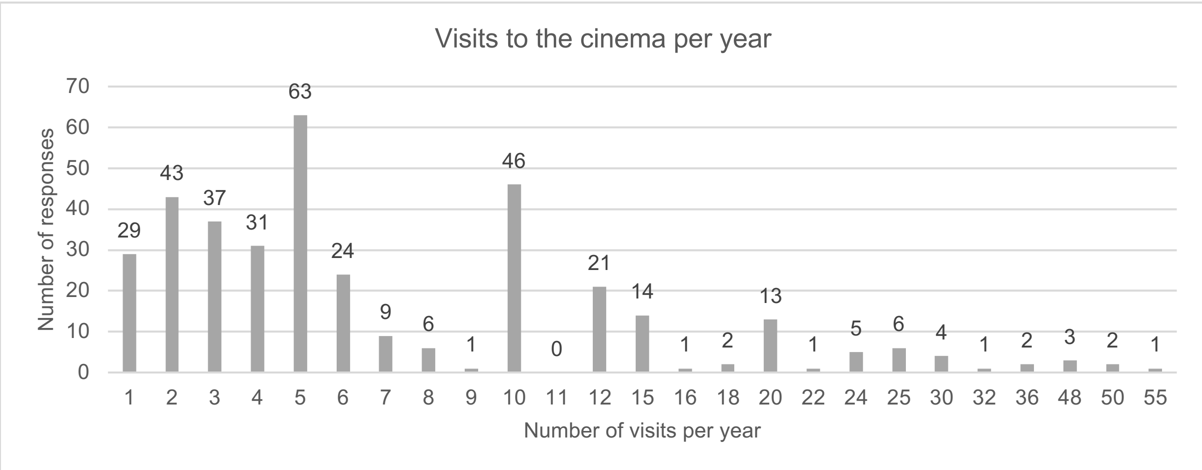


Figure 7: Representation of responses regarding the number of visits per year to the cinema.

As for the social aspect, people were asked if they would visit a cinema alone or not. Although theory suggested that a visit to the cinema is mainly a social event where people go to in groups, our results show that 55% would actually visit a cinema alone while only 45% responded with “No” (see appendix C, graph V). To examine whether there is a correlation between the number of visits and the willingness to go alone, figure 8 shows the results of a point biserial correlation model. Interestingly, the model shows a positive correlation of 0.22 which indicates that people who would go alone to the cinema also visit the cinema more often (regular visitors). Moreover, the p-value is 1×10^{-5} which is below the confidence level of 0.05 and confirms that the correlation is also significant. Finally, as for sporadic visitors who prefer to watch films in groups, graph VI in appendix C recaps with whom those people most likely will visit the cinema with. The results show that friends are the most important group, followed by partners and family.

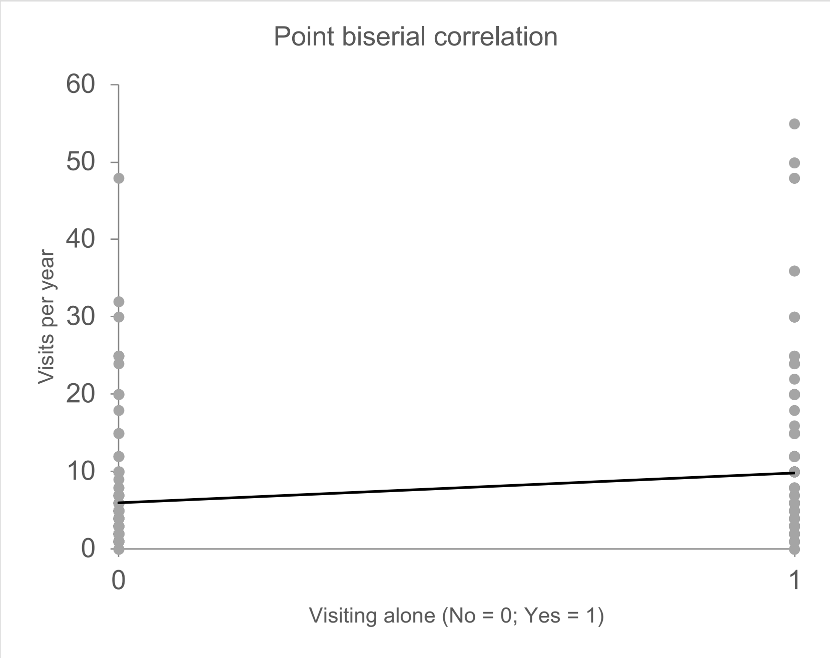
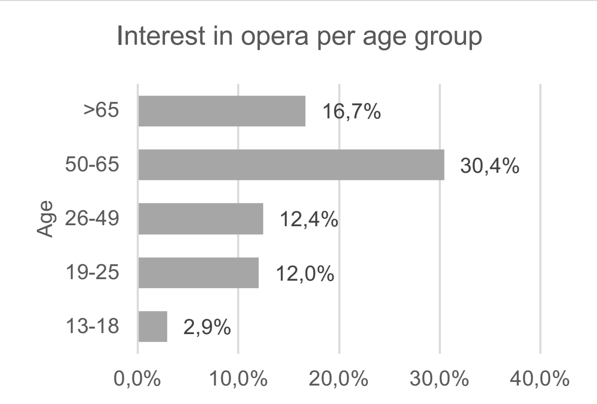


Figure 8: Graph that visualises the correlation between the willingness to visit the cinema alone and the number of visits per year.

Afterwards, participants were asked to choose out of 14 possibilities which forms of alternative content would interest them to identify how multiplexes can ideally diversify their offer. Graph VII in appendix C highlights the results of the question and shows that *film marathons* are the most successful form as half (50.4%) of the respondents claimed that it would interest them. Next, *previews* (47.7%) and the screening of *old films* (46.4%) are what respondents are most fond of. As such, results suggest that visitors still mainly connect the cinema with a place to watch a film as non-film-related forms of alternative content are less popular. *Sports events* and *opera*, for instance, only scored (15.6%) and (13.7%) respectively. Nevertheless, as indicated during the interviews, *opera* is the form of content that is mostly included by exhibitors. Figures 9 and 10 show that *opera* is mostly chosen by older age groups while younger people preferred *film marathons,* which suggests that exhibitors might benefit from moving beyond the screening of *opera* with content that also appeals to younger age groups in order to offer content that appeals to every age group. Finally, the question was also raised as to whether the number of visits per year is linked to the interest in alternative content. Unfortunately, it was not possible to prove a significant correlation (p-value 0,12 > 0,05) (graph VIII, appendix C).



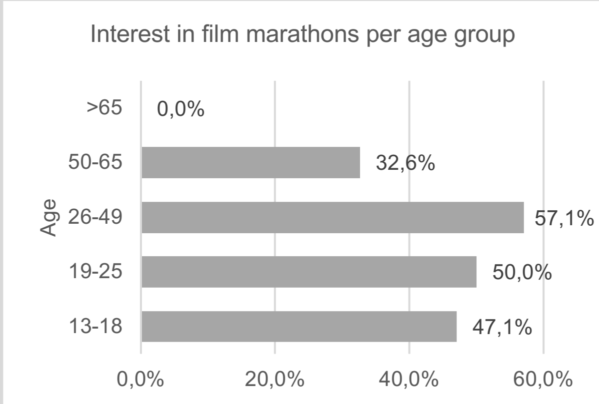


Figure 9 and figure 10: Representations of 'film marathon' and 'opera' and their interest rate for each age group.

The main part of the research paper, however, was to establish the value of a cinema ticket and how much people are willing to pay for their visit in order to document whether it aligns with the actual price. As explained above, the price sensitivity meter (PSM) was chosen to determine the optimal price range for a ticket. The results of this model are shown in figure 11 where each of the 4 curves represents one of the questions of the model. The intersection of the curves "Too cheap" and "expensive" marks the point of marginal cheapness whereas the intersection of the curves "Too expensive" and "A great buy" marks the point of marginal expensiveness. The corresponding values are 9.20€ and 11.80€. Hence, the optimal price for a cinema ticket should be in between these two values. Moreover, the indifference price point is 11.40€ and the optimal price point is 10.20€. That being said, exhibitors might have the possibility to increase the value through add-ons, better experience, and other features, though these results allow practitioners and researchers to make a first assessment. In addition, the paper tried to establish whether there is a correlation between the number of visits and perceived expensiveness for visitors (graph IX, appendix C), the intention being that the regular visitor might be less price sensitive and therefore be willing to pay more. Unfortunately, with a supposed correlation of 0.01, it was not possible to demonstrate a significant link.

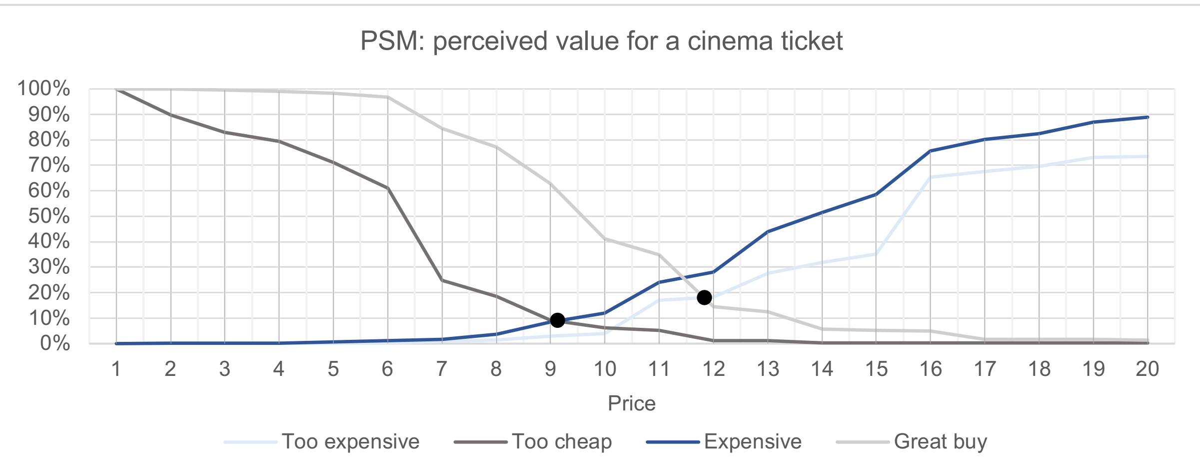


Figure 11: Visual representation of the price sensitivity meter from Van Westendorp for a normal cinema ticket.

Moreover, table 10 presents the results of the PSM for each country, though it was only possible to detect minor differences as the optimal price range was almost the same for each country. The graphs X, XI, and XII in appendix C visualise the findings.

	Overall	Luxembourg	Germany	Belgium
Point of marginal cheapness	9.20 €	9.00 €	9.60 €	9.40 €
Point of marginal expensiveness	11.80 €	12.20 €	12.30 €	11.80 €
Indifference price point	11.40 €	11.30 €	11.50 €	11.40 €
Optimal price point	10.20 €	10.20 €	10.60 €	10.40 €

Table 10: Comparison between each country concerning the price sensitivity meter.

Finally, the paper also analysed how participants' responses changed with age. As such, the average result of each age group for every question was computed. The results, which are presented as graph XIII in appendix C, show that variations do exist, but they do not exceed a couple of euros. In essence, the *WTP* generally increases with age as older age groups state higher figures for "Expensive", "Too expensive", and "A great buy" as well as a lower figure for "Too cheap". This may be linked to the tendency that people have more income at their disposal when they get older. Astonishingly, however, the youngest generation (13-18 years old), has the highest value for what they consider as too expensive while the other results are also closer to the figures of the older age groups. This may be due that children and teenagers, in most cases, do not have their own income and rather purchase their tickets with money they received from other people (e.g., parents) and they have less experience on the market and therefore have a different perception of expensiveness.

As said, exhibitors might be able to increase their ticket prices beyond the optimal price range through premium offerings that elevate the experience. Therefore, participants were asked to indicate which features they were willing to pay more for. Figure 12 ranks several add-ons in terms of how many respondents stated their interest to pay for these features. Findings show that comfort has a significant importance for visitors as 45% claimed that they enjoyed "Cosy Seats" and would pay more for them. Next to comfort, experiential features linked to technology are deemed as interesting components to increase the *WTP*. However, "3D", which is offered at most multiplexes, is only an option for 21.8% of the participants while more expensive investments like "IMAX" and "4D" are more successful. That being said, it is also important to mention that exhibitors are able to ask for higher premiums for the latter ones.

Finally, the justification for "Laser Ultra" and "Overlength" is potentially more difficult and therefore less popular. As such, customers might struggle to understand the additional value they get from "Laser Ultra" as its terminology is more vague while "Overlength" might be considered as a feature that is not their responsibility, nor their fault.

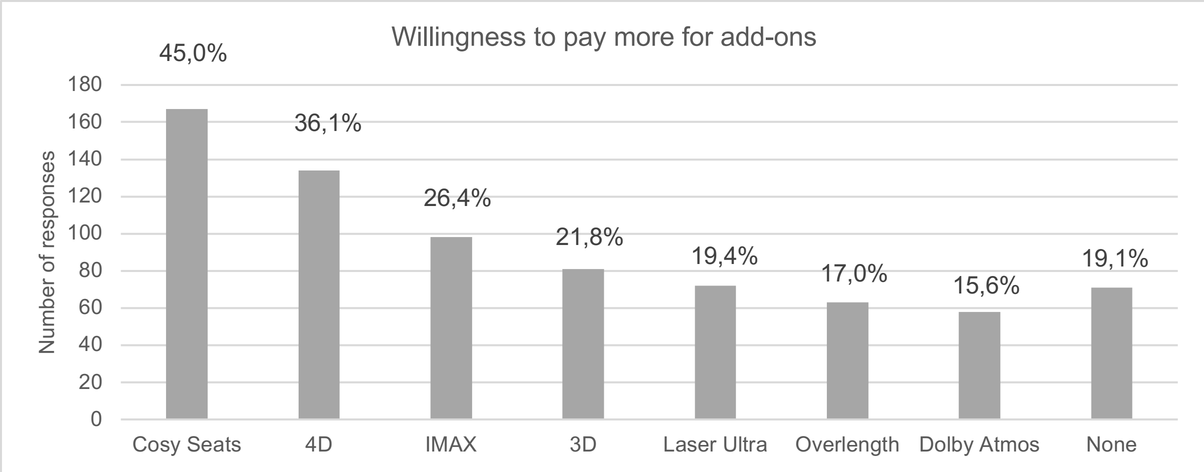


Figure 12: Representation of different features and how many respondents are willing to pay more for these add-ons.

Apart from add-ons that help to increase the *WTP* of customers, the survey also tried to give a brief insight into whether differentiated and dynamic pricing offer opportunities for exhibitors to elevate their revenue. To start with, participants were asked to indicate if they appreciated reductions for some features (the idea being to choose attributes with lower demand). Then, the other way around, people were asked which attributes they were willing to pay more for. Figures 13 and 14 visualise the results of both questions. Firstly, both questions revealed that customers actually do prefer uniform pricing (46% and 51% respectively). As for reductions, people would especially welcome cheaper matinee screenings (34.5%), though lower prices for less famous films (28.8%) and unpopular seats (31.5%) received a similar number of votes.

Price increases, on the other hand, were less well perceived. Apart from “Seats with high demand”, where 32.1% of the respondents favoured such a categorisation, participants' responses show that price increases at the weekend, in the evening, or for blockbusters are far more difficult to justify which tends to confirm that visitors have a more conservative view when it comes to differentiated pricing (that goes beyond experiential features). However, offering reductions seems to be the better strategy compared to asking for premiums.

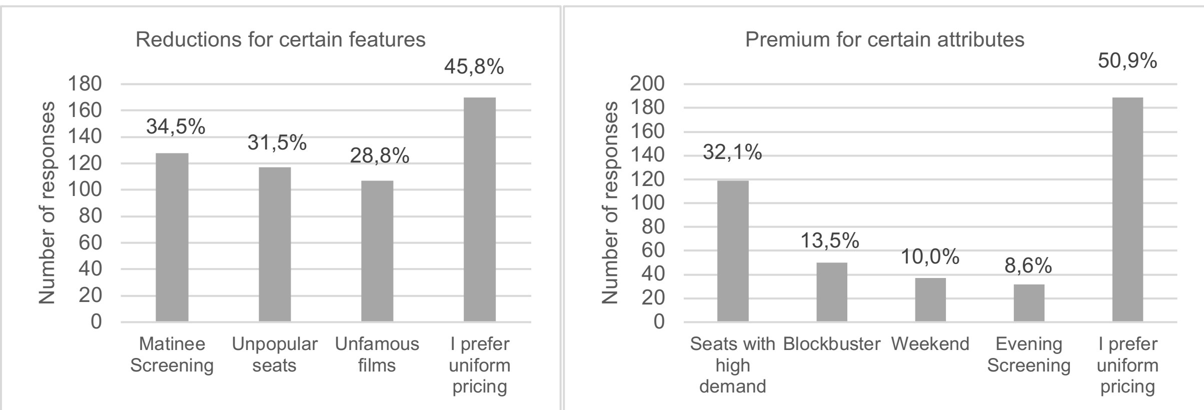


Figure 13 and figure 14: People were asked to respond whether they were willing to pay more or welcomed reductions for certain attributes.

Next, as for *DP* and individual promotions for certain customers, the intention was not to establish deep-reaching conclusions but rather to give a brief insight into whether it makes sense to make more reflexions and research into that area. In fact, compared to the previous questions where approximately half of the people stated that they preferred uniform pricing, figure 15 actually shows that visitors have a differentiated view when it comes to individual promotions. Almost 70% of respondents indicated that they would accept individual promotions (which is an important feature of *DP*). Moreover, even more customers (83.8%) would accept price reductions for regular visitors, highlighting that a pricing strategy that favours regulars and induces people to increase their number of visits makes sense.

Finally, 75.2% of the participants also indicated that they would visit the cinema more often if it was less expensive. As such, it might make sense for exhibitors to experiment with individual promotions and price reductions for features with less demand - as both are accepted by their customers - to overcome the pricing issue and motivate people to come more often. On the other hand, experimenting with comfortable seats and categorising seats in different classes might be an interesting path to differentiate and optimise the pricing policy as they are well perceived by customers.

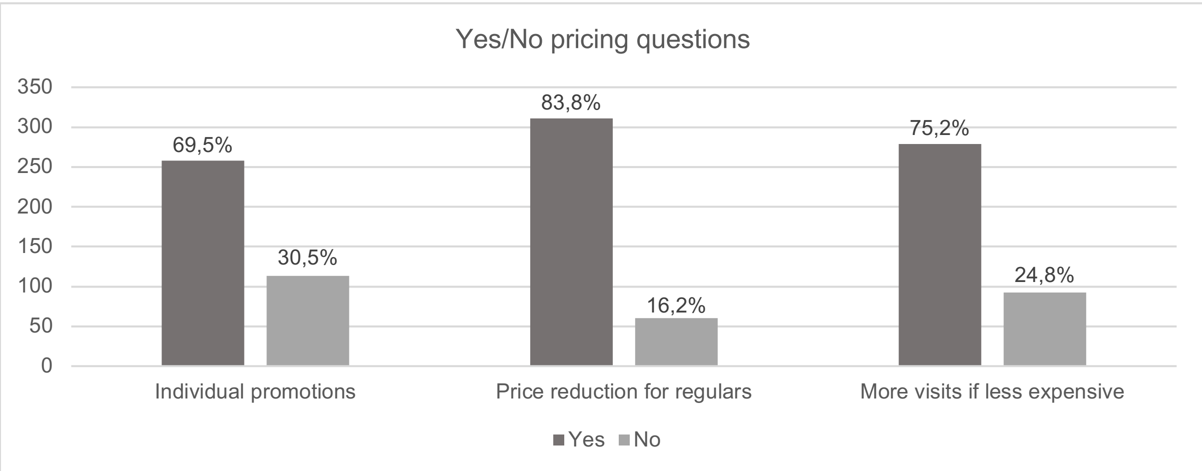


Figure 15: Questions regarding the acceptance of DP models as well as the price perception of a film ticket.

Last but not least, the paper asked participants how much they were willing to pay for a cinema ticket if they were given the choice. The intention was to get a short insight into other pricing techniques, especially PWYW, to find out how promising this technique might be for future research and potentially for exhibitors. Figure 6 presents the distribution model from all of the answers. The standard deviation being 2.93, the graph shows that the majority of people are willing to pay approximately 8€ for a cinema ticket. The distribution is almost normal, but with a positive skew of 0.98, it is not perfectly symmetrical and has a slightly longer tail to the right. In addition, although people theoretically have the possibility to give only 0€, only 3 out of 371 people gave that response.

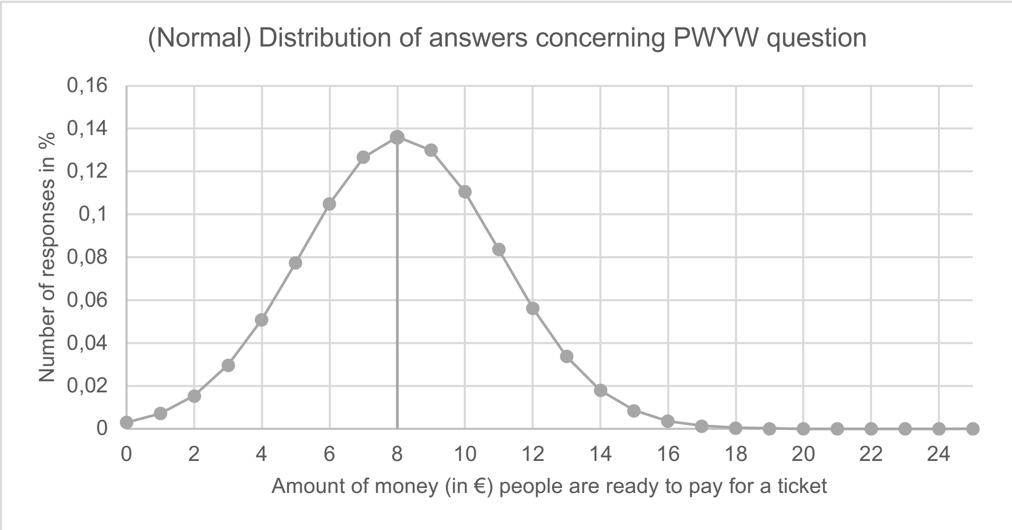


Figure 16: Distribution model when people were asked how much they would pay for a cinema ticket if they had the choice.

Moreover, table 11 presents differences between each country. As such, the median for each country is 8€, while the mode for Belgium is higher with 10€. As for the average, Germany has a slightly lower value with 7.86€, whereas Luxembourg and Belgium both have a mean of 8.27€.

Finally, the paper also analysed whether the number of visits is positively or negatively correlated with the willingness to give more or less money. Graph XIV in appendix C, however, shows that it was only possible to prove a low correlation of 0.09 which was not significant as the p-value was 0.07. Nevertheless, the results are interesting inasmuch as they raise the question as to whether it could make sense for exhibitors to include their customers more into the pricing policy, especially as visitors expressed that they would visit the cinema more often if it was less expensive.

	Luxembourg	Belgium	Germany
Mean	8.27€	8.27€	7.86€
Median	8.00€	8.00€	8.00€
Mode	8.00€	10.00€	8.00€

Table 11: Results for each country when participants were asked to indicate how much they were willing to pay for a ticket if they had the choice.

6.3. *Answers to the research questions*

RQ1. The first question the paper wanted to answer was whether there is a different perception between exhibitors and customers concerning the competition that the cinema faces. First, the answers from the interview partners were relatively clear and aligned with each other. Without any doubt, the COVID-19 pandemic has impacted the market and SVOD was, in particular, able to develop itself. The main challenge they now have is to maintain an interesting window of exclusivity where they are able to screen the films. However, they do believe that the cinema is able to regain its place as distributors also benefit from their success. Therefore, they declare that SVOD, like Netflix, is not a competitor for the cinema. In fact, multiplexes' main competitors are all kinds of leisure activities, such as restaurants, as it is mostly about sharing an experience with other people during their time off.

Nevertheless, the answers from the survey are more nuanced. As a matter of fact, 85% of the respondents claim that they consider streaming as an alternative to their visit to the cinema. Leisure activities such as restaurants and concerts are also present, but they follow afterwards. In addition, it is the same for every age group. This highlights that customers do see SVOD platforms as a competitor of the cinema, even if exhibitors do not acknowledge that.

Moreover, 55% of all respondents indicated that they would go alone to the cinema. As such, compared to other leisure activities where one might assume that it is indeed primarily a social event (e.g., restaurant or bar), the visit to the cinema is not necessarily purely to socialise.

To conclude, the paper therefore argues that there are indeed differences when it comes to the definition of the cinema's competition. Exhibitors might assume that their competitors are solely leisure activities and therefore defend that the price of a visit is rather cheap compared to other activities. Nevertheless, this assumption might eventually collide with the perception of their visitors who potentially see it differently and make different reflexions when it comes to price comparisons and potential alternative activities during their free time.

RQ2. The second question embraced potential discrepancies between the actual price of a cinema ticket and the perceived value or price as seen by potential customers. The analysis of the public information revealed that a standard cinema ticket costs 11.40€ in Luxembourg and 12.50€ in Belgium. German multiplexes in Berlin had lower baseline ticket prices at 8.50€ and 7.90€ respectively. As prices of the latter one, however, increase with demand (films and seats with high demand are more expensive), they are often close to the prices of the other countries.

That being said, exhibitors acknowledge that ticket sales (even prior to the pandemic) were stagnating. Profits, however, are still able to increase as ticket prices are elevated repeatedly. According to them, those rises are justified as multiplexes are also able to increase the level of experience they are offering to their customers and their price is still lower than the price of most other leisure activities.

Through Van Westendorp's PSM, the paper was able to calculate the optimal price range for a cinema ticket. As the range only showed minor differences between the countries, the overall result shows that the perceived value from customers for a cinema ticket is between 9.20€ and 11.80€. Of course, as will be explained during the answer to the next question, this value is able to increase through premium offers and experience. However, this result allows to give an insight into how customers value their visit.

While the ticket price in Belgium is above the optimal price range, the actual price in Luxembourg is close to the upper end. As such, both exhibitors (Kinepolis and UGC) need to be aware that the strategy of countering stagnating visits by increasing prices might not work in the future if they are unable to increase the perceived value for their customers. As for exhibitors in Germany, their baseline price lies below the optimal range. Nevertheless, it would be interesting to know how many tickets are actually sold at that rate with film and seat-specific price premiums.

To conclude, the paper argues that the discrepancy is apparent. Luxembourg just manages to be inside the range while Belgium is the only country whose value lies above it. As for Germany, results suggest that there is no discrepancy although the high amount of price variation makes it more difficult to generalise actual prices and make a final assessment.

RQ3. The final question wanted to assess whether dynamic or differentiated pricing could increase the profits of a cinema. The analysis of public information from the cinemas revealed that differentiated pricing is, in fact, already present in every multiplex. While Germany is the only country that makes a differentiation based on different films and seats with more or less demand, they all offer premiums for comfort and technological add-ons that increase the experience. Moreover, they all propose reductions for certain groups of people (e.g., students) and regular visitors (e.g., unlimited cards). On the other hand, none of the multiplexes employ dynamic pricing with individual promotions for their customers.

When exhibitors were asked to give their opinion on differentiated and dynamic pricing, opinions differed slightly. They agreed that differentiation should primarily be realised through experience. However, differentiation based on films, as it is done in Germany, is rejected by both Luxembourgish and Belgium exhibitors as this sort of differentiation would be very subjective according to them. Moreover, as every film gets the same experience inside the multiplex, it is difficult to justify the differentiation. As for dynamic pricing, all the exhibitors are currently against it, primarily as they believe that it is hard to justify in front of their clients. As such, they prefer to focus on price reductions for regular visitors.

When customers were asked to give their opinion on differentiated and dynamic pricing during the survey, it became evident that comfort was of major importance for customers and that 45% are ready to pay more for higher comfort (e.g., cosy seats). Next, technological features such as 4D or IMAX are also very popular. Therefore, add-ons that should increase the level of experience are favoured by participants. On the other hand, price reductions and premiums that are linked to demand are less popular. Close to half of all the participants indicated that they would prefer uniform pricing. Nevertheless, a differentiation according to a seating plan would be best accepted by customers. Moreover, more research into dynamic pricing could be insightful as 75% of respondents said that they would accept individual promotions. Also, 84% indicated that they acknowledge price reductions for regular visitors.

To summarise, it becomes clear that all multiplexes already differentiate, in most cases based on the level of experience. Moreover, as only 19% of all respondents stated that they are not willing to pay more for experiential features, the paper concludes that differentiated pricing helps to increase the profits of the cinema as most people would pay more for certain features.

7. Conclusion

7.1. *Discussion*

The analysis of the cinema industry identified four challenges that movie theatres are currently faced with. As such, exhibitors are faced with a new competitive landscape where customers' convenience with SVOD (Chantepie and Paris, 2021) and the presence of other leisure activities (Weinberg *et al.,* 2021) play an important role and are responsible, at least to some extent, for stagnating visits. Moreover, prices for a ticket are getting more expensive (Vijver, 2017) and the traditional window system is currently questioned which challenges the exclusivity of films that cinemas need to have (Kerrigan, 2017, Le Diberder, 2019). Finally, cinemas are also faced with a threat of substitution as the cinema only accounted for 13% of global film revenues in 2019 (MPA, 2022) and companies such as Disney now have the possibility to distribute their films directly onto their platform (Chantepie and Paris, 2021).

Nevertheless, interviews with exhibitors which were conducted for this paper showed that managers are aware of stagnating sales but justify price increases because they are also able to provide more experience. They also acknowledge that they need to adjust to a new window of exclusivity (closer to 45 days) but are optimistic that the cinema will remain successful as it is an important revenue stream and marketing tool for distributors. Moreover, they believe that their competitors are all kinds of leisure activities but not streaming (which is primarily challenging traditional TV).

However, the survey of this paper was able to prove that visitors have a different opinion and that 85% of them see streaming as an alternative with other leisure activities such as concerts or bars scoring lower. Moreover, 75% said they would visit the cinema more often if it were less expensive. As such, rather than focusing solely on other leisure activities to determine their competition, it would potentially make sense for exhibitors to include streaming into their pricing and marketing strategy to align with the perception of their customers.

The paper then identified *customer experience* as essential to overcome current problems and increase the satisfaction of cinema visitors. Studies from Lemon and Verhoef (2016) define *customer experience* as a multidimensional process, which includes sensorial, behavioural, and cognitive dimensions for the cinema among others, and which have to be applied throughout the customer journey to create a memorable experience for every visitor (Pine and Gilmore, 2011). For simplicity, the paper only focused on the experience inside a multiplex although the journey also includes phases such as purchase and post-evaluation. In the end, incorporating an ideal *customer experience* should lead to higher loyalty and satisfaction.

The interviews revealed that exhibitors have the same opinion towards *customer experience*, including sound, image, and comfort as key elements. In addition, they also consider the whole journey before and after the visit as equally important to ensure a sleek experience. To increase the success rate, personal interaction with their customers becomes even more important. As for their customers, the survey limited questions regarding the experience and their perception of it. However, premium features that increase the experience during their visit were very popular as shall be elaborated subsequently.

Offer diversification then was included in the research as it can also help to increase the experience through more diverse content that offers an event for everyone. According to Weinberg *et al.* (2021), its emergence came when exhibitors wanted to increase customisation and optimise their capacity rate which became possible due to the digitisation of films. The screening of alternative content started with opera (Elberse, 2013), although exhibitors have become very creative in recent times when it comes to introducing alternative content. Nevertheless, although content and the success of it increases, the impact remains, at most, marginal (Kitsopanidou and Pisano, 2013).

When analysing different multiplexes and conducting the interviews, it becomes evident that some chains invest more time into diversifying their offer than others (e.g., UGC). Offerings may be linked to art, such as opera and theatre (proposed at most multiplexes); to events such as concerts and sports games; to alternative content such as e-sport tournaments. In addition, film-related events like previews, film marathons, and horror nights are also increasingly offered. Exhibitors state that diversifying their content is also important in order to offer, on the one hand, content for everyone, and on the other hand, to reduce their dependence on blockbusters. Nevertheless, they also agree that the financial impact currently is marginal.

Potential customers showed great interest in alternative content during the survey. However, omnipresent opera was less successful compared to film-related events. In particular, film previews, the screening of old films and film marathons are very popular with younger age groups. Therefore, it might be interesting for exhibitors to experiment more with alternative content. The success of opera helps to offer content for older generations while new (film-related) events might help to attract younger generations for alternative content. In addition, these events are also very interesting from a financial point of view as they are generally more expensive than a normal cinema ticket as the analysis of the multiplexes has shown.

Next, the paper also focused on *VBP* to introduce a pricing technique that helps to increase the value of the product or service and thereby increases the *WTP* of customers (Dholakia, 2016). Moreover, the *WTP* of customers is able to increase through satisfaction (Homburg, Koschate and Hoyer, 2005) which is realised through an ideal experience and content offering. While businesses should try to match their price to the *WTP* and perceived value of their customer (Yip, 2012), Tyron (2013) argues that the *WTP* for a cinema ticket might be lower today as customers have a vast number of other platforms at their disposal.

The interviews revealed that exhibitors feel less concerned about the *WTP* of their customers and do not believe that their price is an issue as they are able to provide more experience to their visitors and believe they are less expensive compared to other leisure activities. The results of our survey showed that the optimal price range for a cinema ticket should be between 9.20€ and 11.80€, the optimal price point being 10.20€. When comparing this range to the actual prices, it shows that Belgium actually has a baseline price which is above the range while Luxembourg is close to the upper end. Only Germany has in theory a price below the price range, although they are differentiating more in terms of their demand. Hence, it would be interesting to know how much they are asking, on average, for a ticket. That being said, two reasons may explain why the *WTP* of cinemagoers is not higher. Firstly, visitors may not be entirely satisfied with the offer or the experience that they are receiving from the cinema. As was established during the literature review, providing customers with an experience that they are expecting or even surpassing it has a positive influence on satisfaction which increases the *WTP*. Secondly, visitors also assess other options they have at their disposal to establish how much they are willing to pay for their ticket. As such, it could be possible that visitors compare the cinema with low-priced competitors such as streaming which was proven to be an alternative for them.

Finally, differentiation and *DP* were elaborated to establish how it is perceived by customers and how successful it could be to increase the revenues of a cinema. Literature review actually showed that research believes that the cinema is a business that still mostly employs uniform pricing with only minor differences at times for technological features or reductions for certain groups of people (Orbach and Einav, 2007; de Roos and McKenzie, 2014; Ho *et al.,* 2018). Furthermore, although some researchers like Ulin (2019) believe that cinemas need to become more innovative with pricing and Chantepie and Paris (2021) believe that blockbusters could, for instance, justify price premiums, *DP* is mostly rejected by research as they argue that it could be perceived as unfair and unethical by customers and would not contribute significantly to the overall revenue (Orbach and Einav, 2007; Ho *et al.,* 2018).

On the other hand, the following analysis has shown that uniform pricing does not exist anymore, and that cinemas differentiate a lot. Multiplexes increase prices through experiential add-ons, make differences for different age groups and are, at times, more expensive on the weekend. German multiplexes even differentiate in terms of demand (seats and films) although none of the multiplexes currently offers *DP* with individual promotions for people. Nevertheless, they offer incentives for regulars with bundled packages and membership cards.

Furthermore, the survey has shown that differentiation based on demand is less well perceived by customers. Therefore, exhibitors should be careful with decisions in that regard. As participants deemed the comfort of their seats as particularly important and would also more easily agree with a differentiation based on seats, such a pricing strategy is potentially a promising source to further increase revenues even more so as investments, for example in "cosy seats", are less capital intensive than investments in technological features. As a last note, the paper concludes, in contrast to exhibitors' opinion, that *DP* and individual promotions are another promising source to increase revenues as most people would accept it.

As a last note, it needs to be said that every cinema chain follows its own strategy. While *Kinepolis* and *CineStar*, for instance, increasingly focus on what they call event cinema, *UGC* is still closer to screening films as a form of art. Nevertheless, the paper was able to assess the value of a cinema ticket and showed that multiplexes increasingly shift from a movie to an event theatre as it allows them to increase their offering, their revenues, and the satisfaction of their customers. As the perceived value customers have for a cinema ticket is today at times lower than the actual price, technological premiums, more comfort, or alternative content such as film marathons or film previews are concepts where customers are willing to leave more money on the table as it provides them with a unique experience. As such, it is potentially beneficial to increase the number of event offerings in the future.

7.2. *Managerial implications and consequences for research*

The following paper is relevant and significant, as literature in this field of study (and industry) is rather scarce. Moreover, as the cinema industry has changed a lot in recent times through digitisation and digitalisation, older literature is often not up to date. In addition, recent literature is often not peer-reviewed. The paper was able to provide the scientific world with new findings as it is the first paper that calculates the *WTP* of customers for a cinema ticket. Moreover, it has linked concepts from other papers such as *DP*, alternative content, and the impact of certain attributes and features (e.g., experience or social aspect) to show how they relate to each other.

Future research could for example conduct the same experiments in Europe as existing research is often linked to the US or Asia and establish the *WTP* through a conjoint analysis to confirm the present results. Next, it would also be interesting to include the whole customer journey to establish the level of satisfaction of the visitor and to assess how much it impacts the *WTP.* Last but not least, none of the research currently deals with the notion of *screen time* with regards to the cinema. As mentioned by two exhibitors, the fact that consumers today live in a video content era where people spend a lot of time in front of a screen, it would be interesting to analyse how it impacts the cinema and its place in this world.

As for cinema managers, the paper deems it important to include SVOD into their strategies as a form of competitor as their customers consider it as one. As competitors impact the *WTP*, it is important to include streaming services into their pricing strategies or into marketing campaigns to ensure that potential customers compare their visit to the cinema to other leisure activities rather than SVOD in order to justify their price. Also, as current prices exceed or are close to the upper end of the price range that was established in this paper, the paper recommends focussing even more on the level of satisfaction of their customers to see how it impacts their *WTP*. Finally, with regards to differentiation and *DP*, present data shows that people may, in fact, be inclined towards *DP*, which suggests that incorporating it into ticket price determination could be fruitful, even more so as today's data would allow the establishment of individual prices more easily. Differentiation linked to demand, however, is more questionable as visitors are less inclined towards it. However, experiential features, and especially comfort, are very interesting as results show that people are willing to pay more for "cosy seats". Moreover, such an investment is relatively low, compared to "laser ultra" or "4D" technology. Finally, experimentations on certain days with other pricing techniques, such as *PWYW* could help to attract more customers as findings show that people are willing to pay a decent amount of money for a film.

7.1. *Limitations*

As a last note, the paper would also like to mention some limitations it was confronted with and that need to be considered when analysing the results. Firstly, the survey was, for simplicity, only distributed in Berlin, Brussels, and Luxembourg. Therefore, when discussing the results of Germany, Belgium, and Luxembourg, it actually only includes the results of their main cities. Results might have been different if rural areas were also included, as prices are different there and the cinema has fewer leisure activities to compete with. Next, the survey received 371 responses with most of them coming from Luxembourg. Whilst it allowed a fair insight into the price perception of customers, a higher number of participants (from each country) would have strengthened the results. Lastly, as it was very challenging to convince multiplex managers to give an interview, the paper was only able to present four interviews. Indeed, it would have been interesting to have had more responses in that regard.

Appendix

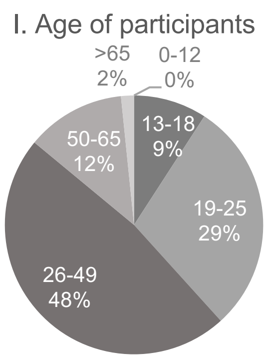
Appendix A – Survey questions

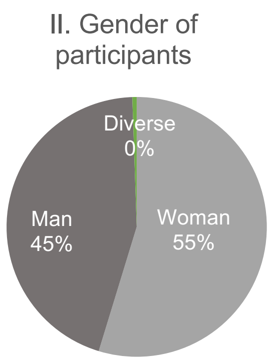
1. Your age:									
< 12	13-18	19-25	26-49	50-65	> 65				
2. Your gender:									
Man	Woman	Diverse							
3. Your residence:									
Luxembourg	Belgium	Germany	Other						
4. What would you consider as an alternative to the cinema?									
Streaming	TV	DVD	Restaurant	Bar	Club	Concert	Sport	Fitness	Other
5. Cinema visits per year:									
Open answer									
6. Would you visit a cinema alone?									
Yes	No								
7. If "No": Who would you take with you?									
Family	Friends	Partner	Colleague	Other					
8. Which offers are you willing to pay a surplus for?									
Cosy seats	3D	4D	Dolby Atmos	Laser Ultra	IMAX	Overlength	None		
9. Which events would you buy a ticket for to watch them at the cinema?									
E-sport	Theatre	Opera	Ballet	Film marathon	Old films	Art exhibition			
Women's night	Men's night	Sport events	Concert	Preview	Horror nights	Gaming			
Please now consider a movie that you would like to watch in a cinema:									
10. A. At what price would the ticket be too EXPENSIVE? (Open answer)									
10. B. At what price would the ticket be too CHEAP? (Open answer)									
10. C. At what price would the ticket be EXPENSIVE BUT STILL A BUY? (Open answer)									
10. D. At what price would you consider the ticket A GREAT BUY? (Open answer)									
11. Would you appreciate if prices were lower for the following attributes?									
Unfamous films	Matinee screenings	Unpopular seats	I prefer uniform prices						
12. Would you consider paying more for the following attributes?									
Blockbuster	Weekend	Evening screening	Best seats	I prefer uniform prices					
13. Would you accept if people received individual promotions?									
Yes	No								
14. Would you accept if regular visitors paid less for their ticket?									
Yes	No								
15. Would you visit a cinema more often if ticket prices were cheaper?									
Yes	No								
16. How much would you pay for a ticket if cinemas gave you the choice?									
Open answer									

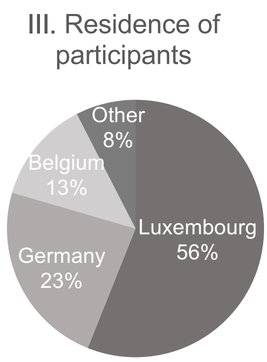
Appendix B – Flyer

Appendix C – Survey results, selected graphs

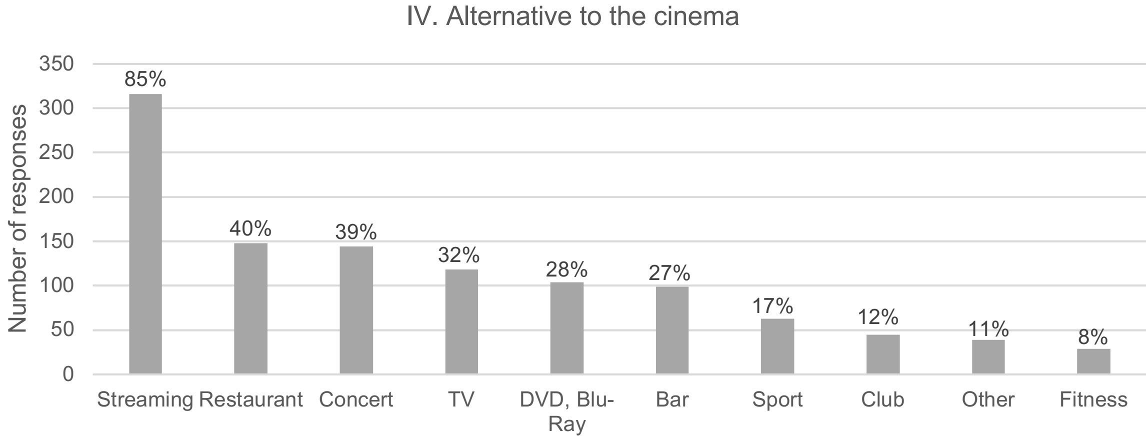
- **Demographic and geographic questions**



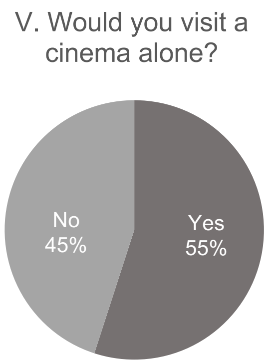


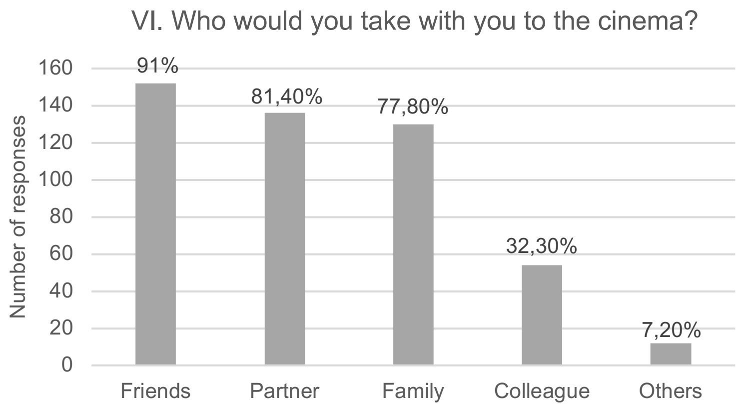


- **Alternatives to the cinema per age group**

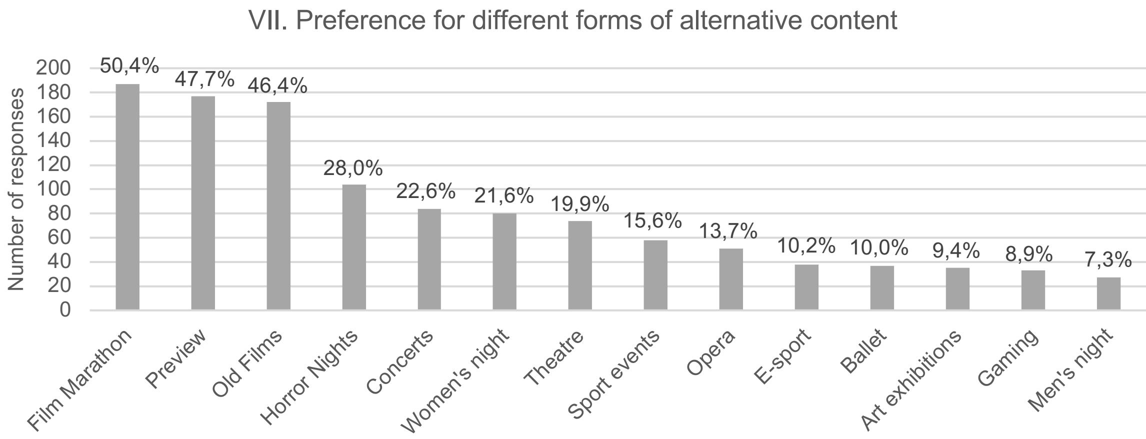


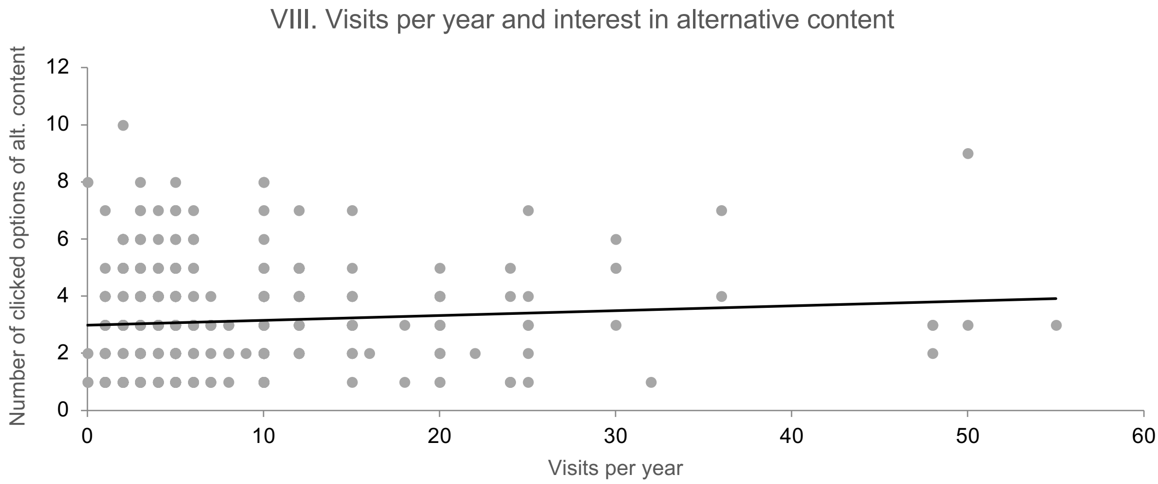
- **Visiting a cinema alone or who do visitors like to take with them**



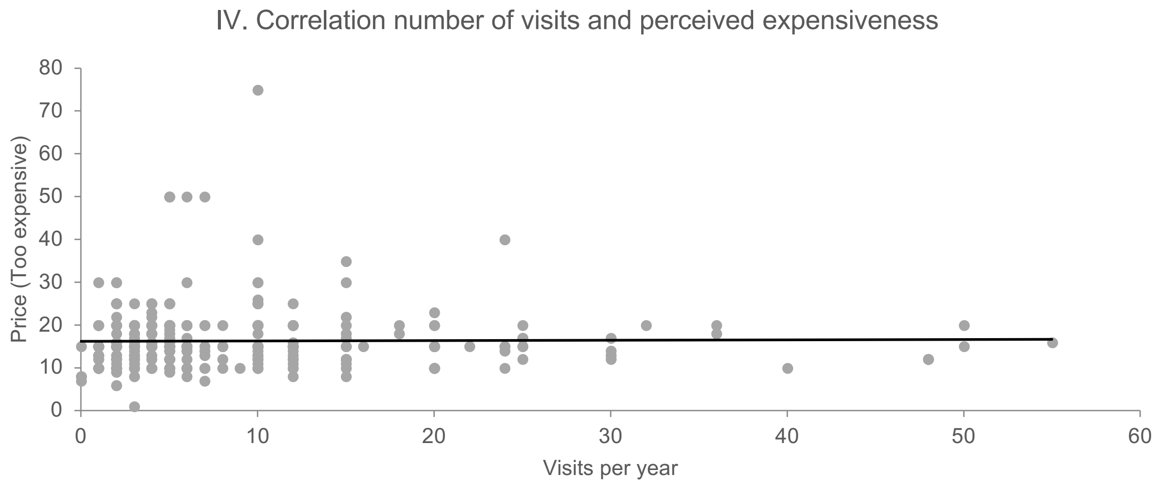


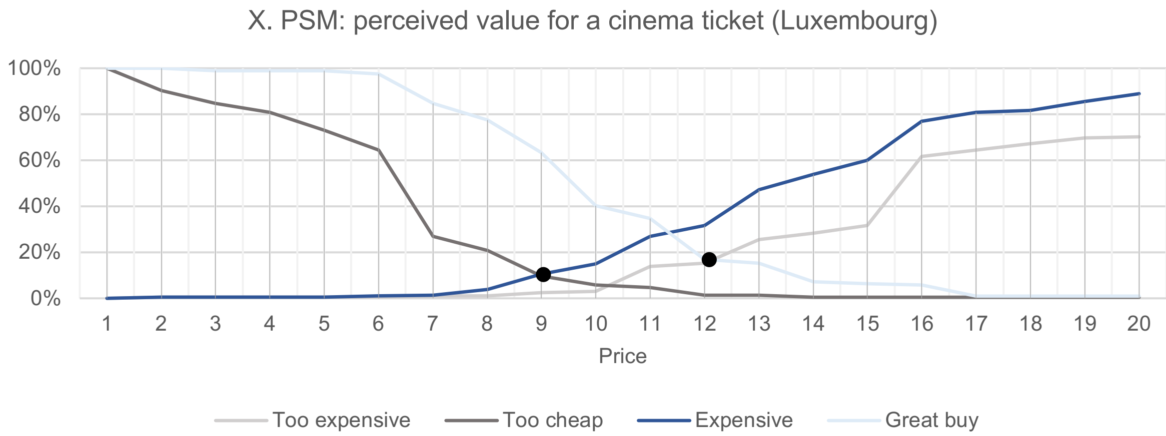
- **Preference for different forms of alternative content and correlation in terms of visits per year and interest for alternative content.**



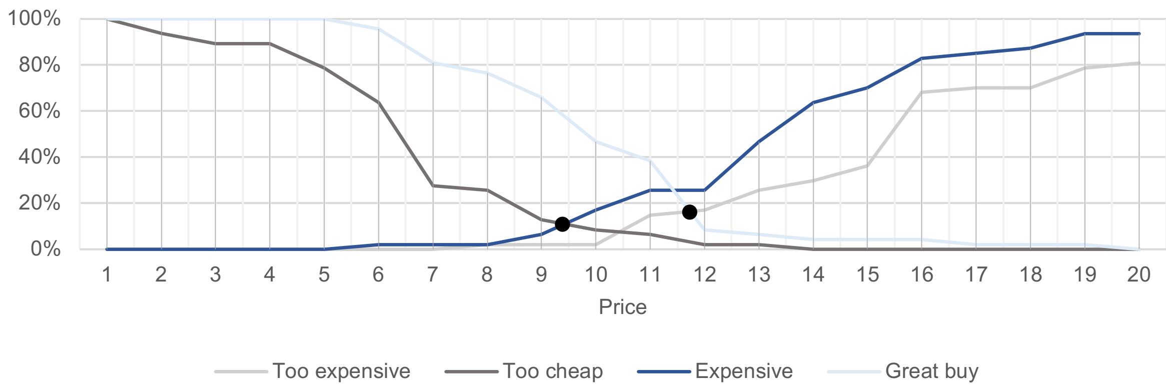


- **Price sensitivity meter (PSM) and perceived value**

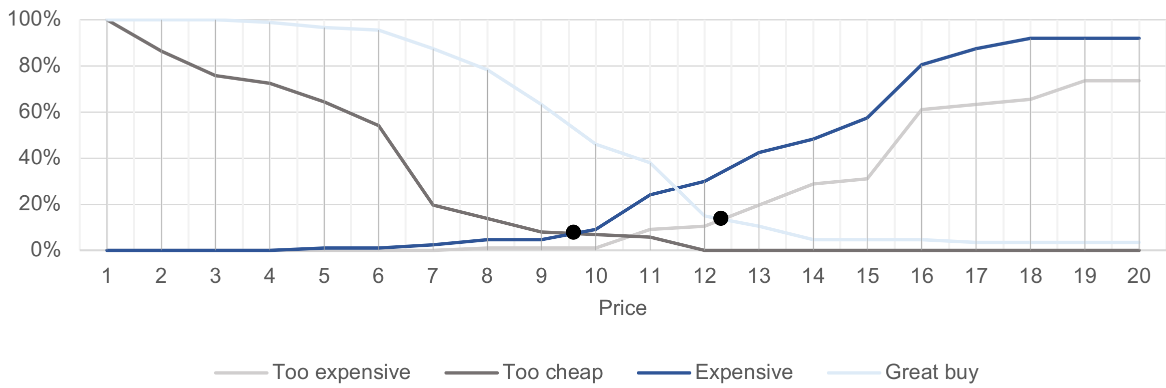




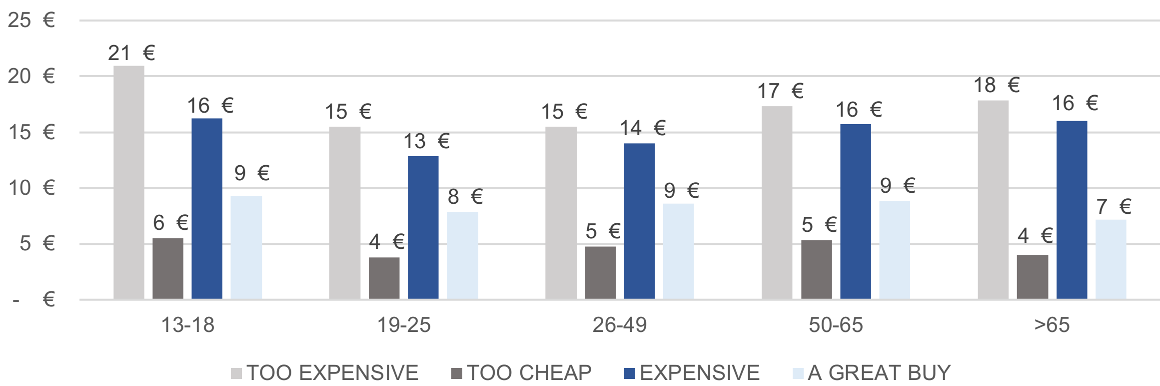
XI. PSM: perceived value for a cinema ticket (Belgium)



XII. PSM: perceived value for a cinema ticket (Germany)

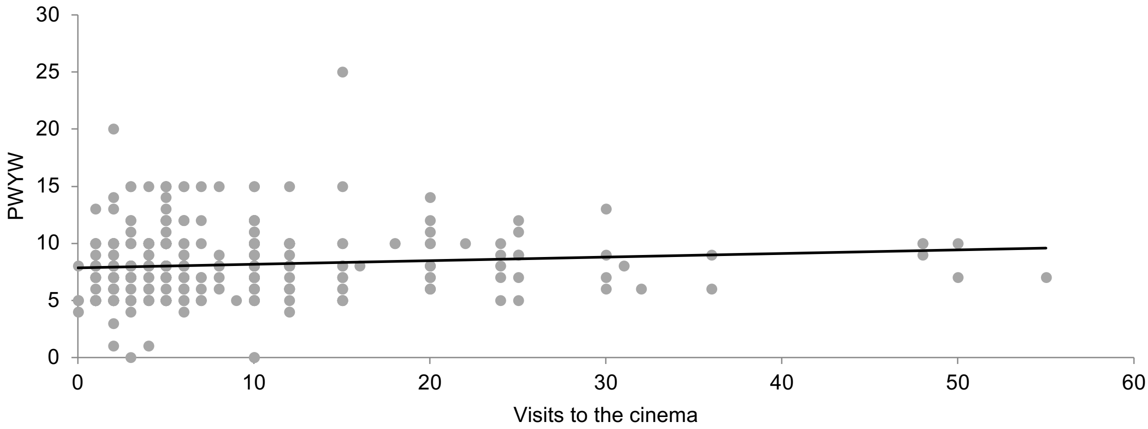


XIII. Average for each question from PSM per age group



- **Correlation between visits to the cinema per year and PWYW question**

XIV. Correlation PWYW and visits to the cinema



Appendix D – interviews with cinema managers

- **Interview with *Kinepolis* (Corporate Communication Manager)**

1. Qu'est-ce que vous en pensez de la nouvelle compétition, en particulier le streaming ?

Évidemment la pandémie a eu un impact sur le secteur et sur nos activités. Le divertissement à domicile a connu une grande croissance parce que tout le monde devait rester à la maison. En même temps, nous restons convaincus que le streaming est en concurrence, en premier lieu, avec la télévision linéaire et que nous ne sommes pas leurs premiers concurrents. Une sortie au cinéma n'a rien à voir avec le prix d'un abonnement de Netflix parce que c'est une expérience tout à fait différente et c'est pas la bonne comparaison. C'est une expérience fondamentalement différente. Vu que le contenu est devenu très accessible et par suite de la croissance de l'offre, la concurrence est plutôt l'aspect de l'exclusivité du contenu.

2. Qui est-ce que vous identifiez comme compétition ?

En fait, le cinéma, c'est une sortie, c'est quelque chose de social, quelque chose qu'on fait avec des amis, avec la famille et donc pour nous, notre premier concurrent c'est plutôt le beau temps ou ce qu'on peut faire en terrasse ou un événement sportif : quelque chose qu'on peut faire ensemble.

3. Quelle est votre avis sur le futur de l'industrie ? Est-ce que le cinéma en fait toujours partie ou est-ce qu'il est de plus en plus ignoré par les distributeurs et producteurs ?

La croissance et le succès du divertissement à domicile a eu un impact sur le raccourcissement de la période d'exclusivité des cinémas. En fait, c'est une tendance qu'on

voit déjà depuis 25 ans, depuis l'émergence des chaînes de divertissement à domicile payants. Il y a 20 ans, les cinémas avaient 5 ou 6 mois d'exclusivité et finalement, cette période a été raccourcie à plusieurs reprises. Déjà avant la pandémie, il y avait une pression mais cette tendance s'est encore accélérée à cause de la pandémie. Avant, c'était presque un tabou pour les distributeurs de faire des expérimentations avec le « theatrical window » tandis que la pandémie a permis maintenant aux distributeurs d'expérimenter avec, par exemple, des « day-and-date release » et le « premium VOD ». Donc oui, il y a un impact bien qu'on a toujours été convaincu de l'importance de ce « theatrical window » et de l'exclusivité du cinéma.
En vérité, la plus grande valeur monétaire ou la plus grande partie des revenus se fait pendant les trois premiers mois où le film est accessible au public. Ainsi, pendant la pandémie, les distributeurs se sont demandé comment maximiser leur revenu. Maintenant, ils voient quand même qu'on ne peut pas ignorer le cinéma quand on parle du potentiel économique d'un film justement parce que cela représente une grande partie des revenus d'un film et qui n'est pas facile à compenser par une sortie directement sur les chaînes de divertissement à domicile.
Aujourd'hui, on est dans une époque post-corona et on voit quand même un retour au « theatrical release » semblable à la situation avant la pandémie. Mais c'est vrai que la période sera raccourcie et sera souvent d'environ 45 jours. Avec Netflix, par exemple, on a négocié une période d'exclusivité d'une semaine. C'est vraiment pour des films où l'équipe de programmation estime que ce film doit être vu sur un grand écran
Donc en vérité, bien que la période ait été raccourcie, ce sont surtout les médias qui aiment beaucoup polariser la problématique car finalement, c'est une discussion financière parce que si on a moins d'exclusivité, on payera moins pour le film. C'est évident qu'on ne va pas déduire le même pourcentage pour un film pour lequel on avait avant 3 mois d'exclusivité et maintenant que 45 jours, 1 mois ou même 2 semaines. En vérité, ce ne sont pas des pourcentages fixes, c'est vraiment négocié par film et donc pour nous le principe c'est qu'il doit y avoir un équilibre entre la période d'exclusivité et les termes financiers du contrat. Moins d'exclusivité doit donc se traduire en des termes financiers plus favorables.

Cela étant, je pense que ça va dépendre aussi du film parce que le choix doit être fait par le distributeur et par le producteur quant à la meilleure manière pour sortir un film et pour le rendre accessible au public dans une perspective de potentiel économique. Pour les grands blockbusters, par exemple, on a vu que les films ont été reportés pendant la pandémie pour avoir une sortie au cinéma à un moment plus favorable. C'est différent pour quelques films d'animation qui sont sortis directement sur les plateformes streaming, notamment Disney. Donc, c'est possible que, dépendant du genre de films que différents choix seront faits par rapport à la sortie et du type de plateforme. C'est vrai qu'il existe trop de films pour les sortir tous au cinéma et les distributeurs n'ont pas le temps pour faire la même promotion auprès du public pour chaque film.

4. Qu'est-ce qui est la vision du Kinepolis ? Est-ce qu'elle va au-delà du pur cinéma ?

C'est au-delà du cinéma, donc ce n'est plus le simple fait de regarder un film. L'aspect de l'expérience est devenu beaucoup plus important. Aujourd'hui, les gens ont accès au contenu à la maison sur leur téléphone et ils ne viennent au cinéma pas seulement pour voir un film mais vraiment pour vivre quelque chose, pour vivre une expérience ensemble. C'est un des points les plus importants de notre stratégie.
On offre aussi déjà des événements de sport et des concerts ce qui marchent très bien et ce qu'on appelle « event cinéma ». Ce n'est plus lié à la sortie d'un film mais c'est vraiment un événement sur un grand écran où on rassemble les gens.

5. Quelles sont les segments de votre clientèle et quelles sont les plus importants ?

Les segments les plus importants en termes de chiffre d'affaires, ce sont les familles et les fans de blockbuster, les grands blockbusters donc les Marvel et tout ça. Mais ça ne veut pas dire que les autres groupes cibles ne sont pas importants. C'est justement d'avoir un équilibre et de faire en sorte qu'on attire plusieurs grands groupes cibles et qu'on n'est pas trop dépendant d'un groupe. Évidemment, on est dépendant des grands blockbusters parce qu'il représente 80% de notre chiffre d'affaires au total mais il est quand même important de faire en sorte que notre offre est diverse et qu'on attire les autres aussi.

6. Quelles sont les tendances futurs des clients (tickets, visiteur,…)?

C'est vrai que le cinéma n'est pas un marché en croissance. Je dirais en termes de fréquentation, en fait, si on ferait une évolution historique à partir de la 2ième Guerre Mondiale, le marché est plutôt en baisse. À l'exception de quelques années par exemple 2019, qui a été une année grand cru pour le cinéma, la fréquentation n'est pas en croissance bien que le marché au niveau du chiffre d'affaires l'en est. Donc ça veut dire que le prix du ticket moyen est plus élevé. Mais ça se traduit aussi par plus d'expérience. Disons que le marché est en croissance au niveau du chiffre d'affaires et au niveau de la fréquentation, il est plutôt resté stable.

7. Comment est-ce que Kinepolis essaie d'augmenter la customer experience ? Quelles sont les moyens les plus importants ?

Depuis des années, on investit dans tout ce qui est technologie de son (son de tous les cotées) et image (laser) pour qu'il y a vraiment une intensification avec l'expérience en salle. De plus, de nouveaux concepts de sièges inclinables ou des « cozy seats » pour deux personnes ont été introduit.

8. Quelles personnes achètent surtout des boissons et snack ? Y-a-t-il un % en général ?

Oui c'est important. Pour nous cela fait 30% de notre chiffre d'affaires. Pour beaucoup de gens, ça fait partie intégrante de l'expérience quand ils viennent au cinéma. La plus grande consommation de snacks ou de boissons, on peut dire que c'est le public pour les grands blockbusters et les familles, donc une famille avec des petits enfants qui viennent voir les films d'animation et les blockbusters. On les appelle les films pop-corn parce que là on voit tout de suite que si on a un Spiderman ou un James Bond, cela a un impact positif sur la consommation de pop-corn tandis que les films d'auteurs, les films locaux, ce n'est pas que les gens ne consomment pas mais c'est moins. Pour les évents, on utilise des formules spéciales, pour l'opéra ils ont un verre de crémant, je pense, et c'est dans la même atmosphère effectivement.

9. Est-ce que des offres comme opéra, marathon, … aident d'acquérir non seulement plus, mais aussi différents clients ?

Oui, c'est certainement le but. En fait, il y a 10 ans, on a introduit l'opéra au cinéma aussi et ça c'est un exemple d'un public qui normalement ne venait pas au cinéma. Cela nous a permis d'attirer un nouveau groupe cible et ce sont toujours les mêmes gens qui achètent des abonnements pour l'opéra au cinéma. C'était une des premières initiatives en termes de contenu alternatif comme on l'appelle mais on a fait la même chose avec des expositions d'art. C'est comme une tour guidée dans un musée, par exemple à New York, où ils font des interviews et des introductions spécialement pour le cinéma pour les gens qui viennent le voir au cinéma. Mais aussi ballet, théâtre, oui en fait il y a toute sorte de contenus qui permettent effectivement d'attirer aussi un autre public.

Mais en fait, au niveau du public, notre ambition a toujours été d'avoir quelque chose pour chacun à tout moment, donc, on a des multiplexes avec beaucoup de salles et donc nos équipes de programmation essaient toujours que n'importe quel groupe cible trouve quelque chose à son goût. Donc il y a toujours un film de famille, toujours une sorte de comédie, plutôt un film léger, un film d'horreur, mais on est aussi dépendant de l'offre. Les films d'auteurs, ou les films plutôt locaux attirent plutôt un public plus âgé tandis que les blockbuster d'Hollywood, eux, attirent souvent un public plus jeune à qui on répond donc de cette manière.

On a vraiment fait la transition d'une programmation plutôt passive vers une programmation active dans laquelle nous recherchons nous-mêmes activement des contenus pour faire un complément aux blockbusters internationaux et donc c'est là où les films locaux, les films d'auteur, les contenus alternatifs comme je viens d'expliquer l'opéra, le ballet, même des films pour des minorités culturelles (par exemple dans les grandes villes à Gans, à Bruxelles et au Luxembourg c'est plutôt des contenus portugais je pense mais à Bruxelles et dans les autres grandes villes belges on projette des films turcs blockbuster et des films polonais. On a expérimenté également avec des films chinois et des films japonais qui sont très populaires pour le moment. Aussi, par exemple à Madrid, on a deux grands cinémas et apparemment il y a une grande communauté japonaise et donc là aussi on programme des films japonais de temps en temps). Donc c'est vraiment un travail continu et d'apprendre à connaître le public du cinéma et le public de la région afin de voir comment on peut donner une offre aussi diverse que possible. Évidemment, on tient compte de l'offre et de la demande et si on a des grands blockbusters et des blockbusters très populaires, c'est clair qu'une grande partie de la salle est réservée pour ce blockbuster parce que le public le demande. Mais on ne peut pas faire en sorte que nous nous dépendons uniquement de ce genre de blockbuster parce qu'il y a également des périodes où il n'y a pas ces grands blockbusters. Donc il faut essayer de faire appel à un public aussi large que possible à tout moment de l'année.

10. En termes de revenue, quelle % du revenu total est lié à des offres non-cinématographique ? Est-ce que ça va augmenter dans le futur ?

C'est difficile. Si on parle du purement culturelle, disons opéra, par exemple là, le pourcentage c'est 2% de notre revenu total. Mais pour tout le contenu alternatif, je ne sais pas mais sans doute c'est que quelques pourcentages, ce n'est pas 20 ou 30%.

11. Est-ce que vous essayez volontairement d'augmenter le prix des tickets par le biais de l'expérience et des offres hors du commun ? Comment est-ce que le client perçoit ces prix ?

On essaie vraiment rassembler des fans de certains genre ou d'un film pour qui on peut organiser des événements exceptionnels. Maintenant, par exemple, avec la sortie des « Fantastic Beasts » on fait des événements autour de l'univers d'Harry Potter ce qui marche très bien. Également, pour la sortie du nouveau James Bond en octobre on a offert une formule VIP où à 40€, les gens ont du champagne et des goodies avec une inscription de James Bond qu'ils pouvaient garder. Après, ils avaient aussi la possibilité de faire des photos et tout le monde était demandé de venir en costume afin de se retrouver dans une atmosphère James Bond. L'événement était sold-out au Luxembourg et en Belgique ce qui nous incite à répéter ce genre de chose parce qu'on entend le feedback positif des clients. Les gens ne vont pas payer 40€ pour un film et une photo, donc c'est important de faire en sorte qu'ils vivent vraiment une expérience et qu'ils sont contents car sinon ils ne vont pas revenir pour ce genre de formule.

A l’avenir, on ira encore plus dans cette direction. On offre aussi déjà des événements de sport et des concerts ce qui marchent très bien et ce qu'on appelle « event cinéma ». Ce n’est plus lié à la sortie d'un film mais c'est vraiment un événement sur un grand écran où on rassemble les gens. De plus, c’est aussi plus accessible, aussi financièrement, qu’un concert classique.

Quelque chose qu'on surveille de près, c’est la satisfaction de nos clients. En fait, les résultats sont analysés chaque jour par le cinéma dans chaque pays. Donc, du moment qu'on aurait vraiment un problème de prix cela doit se traduire par ces résultats. Ainsi, c'est quelque chose qu'on surveille de près et c'est un des principaux indicateurs de performance. À côté tout ce qui est résultat financier et commerciaux, c’est de voir la satisfaction des clients et la satisfaction de nos employés. En plus, on voit que les gens sont vraiment disposés à payer plus pour avoir plus d'expérience parce que pour le premium, donc les salles pour lesquels on demande un supplément par exemple pour IMAX, pour le laser ultra ou les, les cosy seats, le 4DX, en fait là on voit que la satisfaction du client est plus haute que dans une salle normale. Pour nous c'est vraiment un signe que les gens même s'ils doivent payer un supplément en fait le score le prix qualité est plus haute que dans une dans une salle normale. Donc cela nous rassure en fait au niveau de la voie adoptée ces dernières années.

12. Comment est-ce que Kinepolis partage, en général, le box-office avec les distributeurs ? (Charges compris)

Pour un ticket de cinéma, environ 50% du revenu passe aux producteurs tandis que pour les autres chaînes, donc le divertissement à domicile, souvent ce n'est que 10-15%.

13. Pourquoi est-ce que vous ne diminuez pas le prix des entrées, incitant les visiteurs d’acheter plus de snacks (marge plus élevée) ? Ou des offres qui incorporent le ticket et des boissons/snacks ?

À vrai dire, je ne sais pas pourquoi. Mais, ce que je peux dire, c'est quand on parle de la stratégie de Kinepolis et de la vision du CEO, on ne veut pas communiquer sur le prix et on ne veut pas être le plus bon marché. Être le meilleur pour nous, c’est donner le plus d'expérience. Donc, on n’a pas du tout une stratégie de prix dans ce contexte-là et en fait on doit faire attention à la perception de valeur d'une sortie au cinéma. Si, à un moment donné on dit qu’on ticket coûte 8,00€ et quelques jours après c'est à 12€, dans l'esprit des gens une sortie au ciné vaut alors 8€. Une sortie au cinéma n'a rien à voir avec le prix d'un abonnement de Netflix parce que c'est une expérience tout à fait différente et c'est pas la bonne comparaison. C’est une expérience fondamentalement différente.

14. Comment est-ce que Kinepolis va essayer d'augmenter la valeur du ticket encore plus ? Plutôt par le biais de l'expérience et des offres uniques ou peut-être par du dynamic pricing, donc des prix spécifiques pour chaque types clients ?

Les cinémas ont les données de nos visiteurs et on peut communiquer directement au consommateur basé sur leurs préférences. Ainsi, on envoie, par exemple, des recommandations basées sur leurs préférences de film et d'acteur ou on les laisse compléter leur profil sur internet. C'est important pour les cinémas en termes de sélection de contenus qu'on doit avoir des promotions plus ciblées parce qu'on ne peut pas communiquer tout à tout le monde vu qu'il y a trop de films et que ça va trop vite.

15. Pourquoi est-ce que Kinepolis n'introduit pas dynamic pricing pour différents films et clients ?

Non, ce n'est pas dans notre conviction parce que pourquoi un film dans les mêmes circonstances avec la même expérience aurait moins de valeur qu'un autre. On ne voit pas trop et comment tirer la ligne alors ? Là on donne vraiment une sorte de cotation à un film tandis que ça dépend de la personne.
Quant au dynamic pricing, ce n'est pas une réflexion qu'on a faite pour le moment.

- **Interview with *CineStar* (Senior Project Manager (Marketing))**

1. Was ist Ihre Meinung zur (neuen) Konkurrenz (z.B. SVOD)?

Also wir nehmen schon die Konkurrenz war, ich weiß nicht hast du einen Blick in die FFA Studien gelegt? Die machen jedes Jahr ein Panel zum Thema Kinobesucher. Die für 2021 ist noch nicht da, die für 2020 ist da und da sieht man eine Abwanderung ganz klar in den Bereich Streaming. Also das hängt natürlich auch stark mit Corona zusammen, die Kinos hatten nicht offen. Klar sehen wir, dass die Abwanderung dahin stattfindet, aber was wir auch sehen und wahrnehmen ist, dass die Kunden sobald die Öffnung wieder da ist auch zurückkommen. Jetzt stellt man auch fest dass wir im Winter natürlich eher verhaltenen Besuch haben und auch wenn wir jetzt in Deutschland geöffnet haben, hatten wir zum Teil wieder kurze Schließzeiten. Und da steht dann eben auch in diesen Studien drin, dass das mit dem persönlichen Angstgefühl sich anstecken zu können zusammenhängt und dass man sich einer Gefahr aussetzt. Und natürlich hängt es auch damit zusammen, dass bestimmte Filmstarts einfach zurückgehalten werden. Das hat die Kinobranche sehr mitgenommen in den letzten 2 Jahren und was wir erleben ist eben, dass die Kunden zurückkommen und auch Lust auf Kino haben einfach weil es ist (und ich glaube das kann man auch privat verstehen) noch mal was anderes sich einen Film im Kino anzusehen. Klar gibt es ein zunehmendes Wachstum bei Netflix und

Co. und die haben ja hohe Abonnentenzuwachse gehabt, aber es ist eben noch etwas anderes, wenn man jeden Abend zu Hause sitzt und Fernsehen schaut. Es geht beim Kino um das Rauskommen, sich mit Menschen treffen, das Erleben und das sehen wir immer wieder. Es geht halt sozusagen nicht um das Konsumieren eines Films an sich, sondern es geht um das Erlebnis, das Miteinander sein. Das ist ähnlich, wenn wir ins Restaurant gehen: natürlich kann man zu Hause kochen und es könnte günstiger sein zuhause, aber es geht darum dass man in einem Raum sitzen will mit anderen Menschen, dass man wahrnehmen will, dass man zu einer Gesellschaft gehört und das Miteinander. Ich glaube deswegen ist es so, dass wir eher sozusagen dieses Erlebnis „Freizeitgestaltungsprogramm" sind und dass ein Streamingdienst das am Ende nicht übernehmen kann.

2. Wen identifizieren Sie als Ihre Konkurrenz (z.B. TV, SVOD, Restaurants, Sport…)?

Ich, also CineStar, selber nimmt das so wahr, die Hauptkonkurrenz ist eigentlich, also wenn ich meinen Freitagabend plane, dann kann ich ja diese Zeit nur einmal verwenden und wenn ich entscheide „ich gehe heute Abend weg ich will etwas erleben" dann ist ja die Entscheidung „geh ich essen", „geh ich ins Kino", „gehe ich bowlen", „gehe ich minigolfen", was auch immer man in seiner Freizeit gestalten kann. Und das sind unsere direkten Konkurrenten. Das heißt alternative Freizeitgestaltungsmöglichkeiten sind die Konkurrenz. Es ist nicht die Konkurrenz, ob ich zuhause esse, zuhause Fernsehen gucken oder mit Freunden zu Hause esse. Ob eine Familie heute entscheidet ein Kinoerlebnis mit ihrer Familie im Kino zu haben oder in den Freizeitpark zu gehen am Sonntag, das ist die Konkurrenz, die wir am stärksten sehen. Du hattest ja auch das Thema Sport aufgenommen: den sehen wir nicht sehr intensiv als Konkurrenz, denn das sind richtige Fans in der Regel. Wenn jemand Fußball begeistert ist und die Bundesliga schaut dann wird es kein anderes Ereignis geben, dann wird man ihn auch in der Zeit nicht in ein Restaurant bekommen außer das Restaurant überträgt Fußball und er darf lauthals mitjubeln dann ist das möglich. Wenn es um so große Sportveranstaltungen geht, dass sie Übertragungsfähig sind, dann ist das Kino sogar wieder ein Ort zum Übertragen. Die WM und EM übertragen wir dann ja auch und genau also, soweit es sozusagen ein großes Erlebnis wird in dem man gemeinschaftlich dann dieser Sportveranstaltung dann frönen kann.

3. Was ist Ihr Urteil bezüglich der Zukunft des Entertainmentbereichs? Spielt das Kino darin weiterhin eine wichtige Rolle oder wird es immer mehr umgangen von den Produzenten und Distributionsfirmen (z.B. kürzere "release Windows")

Ja, also wir sind der Meinung, dass das Kino immer existieren wird. Also es wird sich verändern, aber es wird nicht aussterben, unter anderem weil es eben wie gesagt ein Ort ist, an dem man gemeinschaftlich ein Filmerlebnis hat. Wir haben natürlich das klassische Kinogeschäft auf der einen Seite und das wird unseres Erachtens auch nicht aussterben, weil

Filme einfach begeistern und man möchte diese Begeisterung einfach teilen. Und das mag auch von Markt zu Markt anders sein, aber es gibt halt einfach ein Interesse, wenn ein neuer Star Wars rauskommt oder ein James Bond, den wollen die Menschen auf der großen Leinwand sehen und den wollen sie auch mit der Klangakustik und mit dem Geruch von Popcorn in der Nase erleben. Auch nicht jeder hat zu Hause die Riesenleinwand, auch wenn es zugenommen hat.

Und zum anderen haben wir ja diesen ganzen alternativen Content Bereich, der auch bei uns stark wächst. Das heißt da übertragen wir wirklich von der Metropolitan Opera bis zu eSport Veranstaltungen. Die erfreuen sich natürlich bei sehr bestimmten Zielgruppen über hohe Beliebtheit. Und da merkt man eben dieses Potential in bestimmten Sachen wie den „Singalong“ Versionen, das heißt diese Angebote bei zum Beispiel Mamma Mia wo man mitsingen kann oder bei Pitch Perfect, die funktionieren super. Das heißt da merkt man es geht dann auch einfach darum, das Kino mal anders zu erleben. Das würde jetzt nie bedeuten, dass man den klassischen Film weglässt. Denn jetzt nicht jeder ist so extrovertiert, dass er jetzt unbedingt laut mitsingen will, aber es gibt eben die die sagen ich will gerne noch mal Mary Poppins gucken und gleichzeitig dabei die Lieder von Disney mitschmettern dürfen. Man merkt ganz klar, da ist der Markt für da. Man kann sich natürlich zu Hause alleine hinsetzen, aber es ist genauso wie bei der Karaoke Bar und wenn man sich zuhause so eine Karaoke Anlage holt: man will ja irgendwie gemeinschaftlich mitmachen und so muss man das glaub ich wahrnehmen.

[Theatrical Window]

Ja, das variiert stark vom Film. Also da kann man jetzt nicht fest sagen. Also früher war das ja klassisch 2 - 4 Jahre, das war so der Zeithorizont. Das hat sich schon deutlich verkürzt und wir sind teilweise bei gleichen Startzeiten. Wir haben ja auch schon eine Kooperation zum Beispiel mit Netflix gehabt wo wir sozusagen die Premiere quasi im Kino stattgefunden hat und dann 2 Tage später bei Netflix selber die Produktion gestartet ist.

4. Was ist die aktuelle Vision von CineStar? Geht diese über das reine Kino/Filmschauen hinaus?

Genau. Es bleibt Kino zum Erlebnis zu machen und weiterhin sozusagen das als Event zu betrachten und nicht als „hier kriege ich einen Film geboten und dann gehe ich wieder nach Hause“, sondern das ganze Packet drum rum. Es soll immer Spaß bringen, ein Event Charakter haben und wir sind natürlich in Zukunft weiterhin daran interessiert immer wieder neue Produkte zu schaffen, um eben für die Zielgruppen attraktiv zu bleiben und da werden wir sicherlich deutlich kleinteiliger werden.

Also das ist ja jetzt schon, wenn man betrachtet, dass man eben in der CineLady oder die Action Heroes oder mein erster Kinobesuch unterschiedliche Zielgruppen anspricht. Wir sehen natürlich ganz klar, dass zum Beispiel bei der Metropolitan Opera, da haben wir Kunden, die gehen auch wirklich nur zum Metropolitan Opera, die gehen dann vielleicht noch mal in einen anderen Film aber die kommen hauptsächlich deswegen ins Kino, weil sie sich das Abo holen und begeisterte Opernfans sind. Und auch die finden ihren Ort bei uns, das ist ja nicht so, dass wir sagen „also wenn du nur die Oper guckst dann finden wir dich als Kunden nicht spannend“, sondern sagen ganz klar dann ist es doch toll wenn er das gemeinschaftlich bei uns findet und sich eine Oper in einer tollen Klangakustik anhört. Dann haben wir alles gewonnen und alles richtig gemacht und er transportiert hoffentlich das Erlebnis, das er bei uns hat positiv weiter.

5. In welche Segmente unterteilt CineStar seine Kunden und was sind die wichtigsten Gruppen?

Ja, also Kino hat ja wirklich den Vorteil muss man sagen gegenüber manch anderen Produkten, dass Kino von 3 - 99 Jahren funktioniert. Das ist also eine besondere Luxussituation, dass das Produkt selbst jede Zielgruppe erreichen kann. Dann geht es natürlich dann darum die einzelnen Zielgruppen zu bedienen. Unsere Hauptzielgruppe, oder sagen wir es mal andersrum, unsere Kernzielgruppe ist 25 - 49 Jahre, das sind Familien, Singles und Pärchen. Aber, natürlich je nach Genre kann man auch nochmal stärker unterteilen. Da kann man in kleinteilige Personas vorrücken: wir haben zum Beispiel eine sehr starke Horror Community, also Horrorfilme laufen extrem erfolgreich mit einer festen Kernzielgruppe. Ich glaube vor 2 Jahren haben wir „mein erster Kinobesuch“ gegründet. Da kriegt man ein wirklich attraktives Preisangebot und ein kleines Popcorn und auch die Eltern dürfen diesen Vorteil genießen. Die Veranstaltungen sind enorm gefragt. Wir haben auch „Best of Cinema“, um die Klassiker zu zeigen. Die Kernzielgruppe ist sicherlich jetzt nicht der 18-Jährige, der weiß vielleicht nicht mal, dass es Titanic gegeben hat aber jemand mit 50 mag sich daran erinnern, dass er sein erstes Date bei Titanic hatte und will den Film gerne nochmal erleben. Genauso würde ich sagen, dass wir die Segmentierung, also entsprechend dessen mit dem Zielgruppenprogramm versuchen jeden zu bedienen.
Außerdem haben wir ein sehr erfolgreiches Bindungsprogramm, über das wir natürlich Daten generieren können und wo sich die Kunden bereit erklärt haben die zur Verfügung zu stellen. Darüber können wir natürlich klar sehen, welche Kunden was gucken und eine Altersstruktur darüber erstellen. Wir können erkennen an welchen Tagen gehen sie gerne ins Kino, welche Genres interessiert sie und darüber gewinnen wir viel Inside und können die Produkte daraufhin natürlich nochmal optimieren.

6. Was sind aktuelle Trends für die Zukunft (z.B., Besucher, Ticketverkäufe, ältere Besucher)?

Wir nehmen zum einen den Trend war, dass wir jetzt nach der Bildcontent Ära in der Videocontent Ära sind, allgemein was sozusagen die Social Media Kommunikation angeht und das ist natürlich eigentlich für das Kinogeschäft ein Segen. Wir bedienen Videocontent und da sehen wir natürlich ein extremer Trend den wir gewinnen können. Ob das jetzt Metaverse, Twitch oder Discord ist, all diese Sachen wo man sagen kann die Menschen treffen sich in virtuellen Räumen. Die Frage ist natürlich kann Kino dieser Raum sein wo Menschen sich in der Realität treffen? Sportveranstaltungen sind ja im Endeffekt schon so ein Beispiel dafür, dass Menschen sich treffen, um dann eine eSport Veranstaltung sich im Kino anzuschauen. Darüber kann man sicherlich noch hinausgehen, wieso kann Kino als Raum nicht Teil dessen sein?

Genau, also da denke ich sind nochmal sehr spannende Faktoren für uns und dann muss man sagen die Digitalisierung an sich ist natürlich für das Kinogeschäft extrem spannend was da an Möglichkeiten geschaffen werden. Da transformieren wir uns vor allem im Kaufprozess, um zu sagen wie kann ich möglichst schnell und kurzfristig auch mein Ticket oder mein Snackprodukt kaufen und wie kann ich Freunde gleich einladen und sagen „guck mal ich hab dir ein Ticket reserviert, das kannst du jetzt kaufen“, damit ich auch sicherstellen kann, dass ich neben dir sitzen kann ohne den Nachteil zu haben, dass der Platz vielleicht weg ist oder ich am Ende fragen muss „kannst du mir das Geld dann zurückgeben. Da ist sicherlich noch viel Potential was gerade eben die Digitalisierung des Kaufprozesses angeht aber sicherlich, auch wenn du sagst die Bevölkerung wird älter muss Kino sich natürlich auch die Frage stellen „wie können wir altersgerecht werden“? Viele unserer Kinos sind mit Treppen verbunden und auch da sind wir an einer Lösung dran.

7. Wie erhöht CineStar ihre Customer Experience und was sind die wichtigsten Aspekte? Auch, wo startet die Experience (z.B. bereits beim Kauf)? Geht diese über das eigentliche Filmschauen hinaus (Ticketkauf, Treue, Zufriedenheit)?

Da sind wir gerade so ein bisschen in der Transformation das nochmal neu zu denken oder weiterzuentwickeln. Klar ist also natürlich, dass der Start der Customer Experience außerhalb vom Kino liegt. Es gab eine ganz lange Zeit in der quasi, ich sag mal klassisch, das Bushäuschen mit dem Werbeplakat ausgestattet war.

Natürlich ist der Ansatz auch das was wir am Anfang besprochen hatten, wie kommt man stärker in die Community rein und wie kann man einen Austauschpartner auf Augenhöhe werden. Und nicht sozusagen klassisch Werbetreibender und sagen „so hier ist der Film“, sondern quasi das Erlebnis Kino schon viel früher stattfinden zu lassen. Wir müssen sagen, „ich setze an dieser Freude über Filme, über Regisseure, über Schauspieler und das Erlebnis

Film an. Wenn sich der Kunde dann in der Customer Journey bei CineStar befindet, dann muss ein einheitliches Erlebnis geschaffen werden. Das kann rein digital stattfinden, aber es wird auch zusätzlich weiterhin natürlich den klassischen Verkauf vor Ort geben, selbst wenn es natürlich eine Entwicklung und Transformation Richtung digitale Prozesse gibt.
Unser Kundenbindungsprogramm ist da schon sehr weit vorne um eine Personalisierung stattfinden zu lassen. Wir erleben, dass das eben auch sehr erfolgreich ist und auch zu einem erhöhten Umsatz führt. Der Kunde merkt auch, dass er wertgeschätzt wird. Er kriegt attraktive Angebote auf der einen Seite und auf der anderen Seite ist es halt so, dass wir wahrnehmen, wer er ist. Wir haben durch Content Kampagnen die Möglichkeit zu sagen, „so du kriegst jetzt diesen Film ausgespielt, weil wir wissen dass dir der am meisten Freude bereitet oder wir wissen dass du von Harry Potter bis hin zu Phantastische Tierwesen jeden Film geschaut hast, deswegen bieten wir dir beim Vorverkauf an, dass du ihn 10 Minuten exklusiv kaufen könntest“. Die Idee ist sozusagen den Kunden abzuholen und natürlich auch nochmal am Ende zu sagen „so und jetzt bewerte doch den Film oder teile deine Gedanken zu dem Film“. Das werden in Zukunft natürlich auch nochmal Maßnahmen sein, die man ergreifen kann und dann wickeln wir das sozusagen in einen einheitlichen Prozess der sich dann wieder an dem Anfangspunkt findet, da wo die Community sich austauschen kann.

8. Wie wichtig sind Snacks für die Kunden von CineStar und wer kauft wieviel?

Also „concessions“ ist für uns ein sehr wesentlicher Bestandteil des Kinogeschäftes. Ich glaube auch, dass man sagen kann, dass Kino und Popcorn zusammengehören. Es gibt Menschen, die mögen jetzt kein Popcorn aber der Geruch von Popcorn und wenn er im Kino fehlt, dann ist Kino schon nicht mehr so viel Kino. Das ist einfach eine sehr intensive Verknüpfung die auch kognitiv stattfindet. Wir erleben natürlich, dass wir Kinobesucher haben, die kommen jede Woche und die kaufen sicherlich nicht jedes Mal dann ein Snackprodukt. Das kann man auch nachvollziehen. Aber auf der anderen Seite ist es ja so dass der durchschnittliche deutsche Kinobesucher im Schnitt 2,4 mal ins Kino geht. Also nicht nur bei uns, sondern der allgemeine deutsche Kinobesucher. Das heißt, dass in dem Moment, wo ich mich zweimal-dreimal im Jahr entscheide ins Kino zu gehen, dann ist es wirklich dieser Erlebnis-Eventcharakter und da ist natürlich ein deutlich höherer Anteil an Snackkäufen zu verzeichnen. Bei diesen Kunden ist natürlich dann einfach auch, dass die zum Film dazu noch ein schönes Getränk haben wollen. Das sehen wir ja an unsere „Cine Lady“, da gibt es ja nicht nur die Vorpremiere zu einem besonderen Film, sondern auch ein Glas Sekt. Das ist dann schön, man ist mit der Freundin oder mit den besten Freunden da und man trinkt zusammen und dann erlebt man das Kinoerlebnis und geht und tauscht sich nochmal aus.

9. Schafft CineStar es mehr und neue Kunden zu erreichen durch eine Diversifikation des Angebots (z.B. Oper, Marathons, …)?

Genau. Also das Business Ziel wir immer sein wieder neue Zielgruppen zu erreichen oder auch neue Generationen von uns zu überzeugen. Also man kann jetzt sagen auf der einen Seite hat man die Bewegung, dass immer mehr Freizeit auf den Social Media Plattformen verbracht wird. Auf der anderen Seite ist es schon immer so gewesen und sie wird sich nicht ändern: das erste Date findet selten an der Kochinsel statt. Also natürlich gibt es das auch, aber man will halt ja irgendwie zusammen ein nettes Date erleben und das will man manchmal auch auf neutralem Raum machen, wo man gemeinschaftlich mit anderen ist und diese Orte die wird es immer geben. Also das wird unseres Erachtens eine virtuelle Welt nicht aufhalten und da setzen wir an und möchten immer wieder für die nächste Generation uns als Aufenthalts- und Freizeitort identifizieren und ein anderes attraktives Angebot bleiben.

10. Wie erfolgreich (und signifikant) sind diese Angebote?

Es gibt Veranstaltungen, die sind ausbaufähig in dem Sinne, dass das Kino und auch CineStar mehr in die zielgerichtete Bewerbung gehen muss, indem sie die Zielgruppe dort erreicht, wo sie ist. Nehmen wir zum Beispiel mal eine Superbowl Übertragung: die ist dann manchmal an manchen Standorten sehr gut besucht an manchen Standorten weniger gut und variiert von Jahr zu Jahr. Das hat jetzt auch viel mit Corona zu tun und ist immer grad leider so eine Superblase oben drüber die man leider immer wieder beachten muss, aber da merkt man ganz klar man muss einfach mehr in die Plattformen gehen mit der Bewerbung des Angebots, wo sich die Zielgruppe auch findet, damit dort dann auch die Wahrnehmung stattfindet. Gerade bei Angeboten, die nur einmalig stattfinden merkt man halt, dass die Informationsdurchdringung teilweise leckt. Wir müssen uns der Frage widmen „wie findet denn der Kunde am Ende die Information überhaupt“, dass wir dazu was machen, weil zur Zeit haben wir in bedingten Angeboten die Situation dass nur derjenige der sucht auch das Angebot findet und ganz entgegen muss es ja so sein, dass wir den Bedarf wecken und der Kunde dann das Gefühl hat er findet das Angebot bei uns und da ist noch Ausbaupotential.
Dann gibt es wiederum Angebote, wir hatten jetzt „Seventeen Power of Love: The Movie“, diese K-Pop Veranstaltung, die sind dann so erfolgreich, dass wir sogar Zusatztermine machen und das liegt daran, dass sich die Community selbst extrem vernetzt hat. Das heißt, die sind wiederum auf der Suche nach diesen Veranstaltungen und kriegen das mit und vernetzen sich untereinander und sind dann sozusagen als Communitytreiber so weit, dass sie die Säle selbst befüllen, ohne dass wir ein besonders großes Zutun leisten müssen. Und das hat eben viel damit zu tun wie schnell dringt die Information durch und gar nicht so viel mit der Attraktivität des Angebotes.

11. Welchen Anteil nehmen diese Angebote am globalen Einkommen ein? Wird dieser Anteil in Zukunft noch steigen?

Das kann ich dir jetzt nicht aus dem Stehgreif sagen also da kann ich keine Aussage zu treffen. Aber was wir feststellen ist, dass der Raum selbst weiterhin attraktiv ist. Also klar, man muss eben auch wenn man den klassischen Kinobereich neu erfinden will oder ein Zusatzprodukt schaffen will eben auch mal austesten. Wenn wir nicht austesten, werden wir nicht feststellen, ob es erfolgreich ist. Und dann muss man sich immer wieder die Frage stellen, warum hat es dann nicht funktioniert? Ist es, weil es nicht attraktiv ist oder weil der Preis zu hoch war oder wegen der falschen Zeit oder war es vielleicht einfach, weil es gar nicht wahrgenommen wurde und wenn es nicht wahrgenommen wurde wie kann man daran Steuern und das verändern damit das Produkt dann besser ankommt.

12. Probiert CineStar bewusst die Preise durch mehr Experience und bessere Angebote zu erhöhen (value-pricing)? Wie kommt diese Strategie bei den Kunden an?

Zum einen ist es so, dass Preiserhöhungen natürlich durch die wirtschaftliche Entwicklung stattfinden. Wir haben jetzt zum Beispiel in Deutschland die Anhebung des Mindestlohns und das müssen wir natürlich irgendwo in den Preisen widerspiegeln. Das heißt, das sind Einflüsse auf den Preis bei denen wir gar nicht viel Handlungsspielraum haben. Uns ist natürlich auch bewusst, dass Kino jetzt kein Schnäppchenprodukt dauerhaft ist, aber wir versuchen eigentlich die unterschiedlichen Zielgruppen auch abzuholen und ich sag mal für jeden Geldbeutel etwas anzubieten. Wenn man sich zum Beispiel für die Kundenkarte entscheidet, da haben wir dann den Film der Woche, da kann man also an einer Woche einen festgelegten Film für 5€ schauen. Da haben wir ein Angebot für einen Kunden der sehr Preissensibel ist. Auf der anderen Seite haben wir natürlich aber auch Produkte wie jetzt zum Beispiel in Augsburg: da haben wir einen Sitz verbaut, der ist mit einem sehr hohen Sitzkomfort verbunden, der ist aus Leder, bei denen kann man sich hinlegen und dieser Komfort hat natürlich einen höheren Preis. Aber die, die sich für dieses Produkt entscheiden, die sind dann auch bereit dieses Geld auszugeben. Aber natürlich gibt es den gleichen Film im gleichen Kino mit der gleichen tollen Akustik eben auch für einen niedrigeren Preis. Wir haben halt handelsangebote das heißt also Ticket und Snack oder auch Getränk in einem Package und da haben wir dann zu ausgewählten Filmen Bundleangebote, da dürfen die Kunden für zum Beispiel 15€ den Film gucken und haben dabei dann schon ein Getränk und ein Popcorn oder ähnliches dabei. So versuchen wir für die gesamte Zielgruppe quasi Angebote zu schaffen damit jeder das Erlebniskino nutzen kann.

13. Wie teilt CineStar allgemein das Box-Office Einkommen mit den Distributionsfirmen?

Da muss ich dir sagen, da treffen wir keine Aussage zu. Das ist ein Geheimnis unter Verschluss.

14. Kinos haben bekanntermaßen die beste Marge auf Snacks und Getränke. Wieso reduziert CineStar nicht die Eintrittspreise, um den Konsum zu unterstützen (oder Kombi-Tickets)?

Man muss halt sagen, auch wenn man das Gefühl hat, vielleicht, dass die Preisstruktur für manche zu teuer ist, dass wir im Vergleich zu anderen Freizeitangeboten, die man so in Betrachtung zieht (Großkonzert) im Ranking verhältnismäßig ganz gut sind. Man darf es eben nicht mit dem Supermarktpreis vergleichen. Das ist dann halt der falsche Vergleich. Man muss sich halt anschauen „was zahlt der Kunde in anderen Freizeiteinrichtungen, in denen er seine Zeit verbringt" und da ist Kino nicht überdurchschnittlich teuer. Ganz im Gegenteil, also gerade, wenn man eben dann an die Angebotsstruktur, die wir anbieten denkt, dann gibt es ja schon Angebote um sparen zu können.

15. Neben Add-Ons für 3D, Überlänge usw. Wieso bietet CineStar in Zukunft nicht Dynamic Pricing an mit individuellen Preisen für Kunden/Filme?

Sowas wird bei uns auch schon seit Jahren immer wieder diskutiert und es gibt ja auch total viele Vorteile, die dafürsprechen. Bisher haben wir uns immer dagegen entschieden, weil wir auf der einen Seite ein wöchentlich wechselndes Produkt haben mit teilweise hohem technischem und manuellem Pflegeaufwand, gerade bei den unterschiedlichen Standorten und Preisen können wir jetzt nicht einfach sagen wir geben 15%, denn die sind überall anders. Das heißt, da hängt ein extremer Logistikaufwand und Pflegeaufwand dahinter.

Auf der anderen Seite gibt es diese andere Bewegung, die sagt, dass ein Kunde Transparenz wahrnehmen möchte und wissen will, wie teuer es ist. Das kann dann auch wieder zu Unmut und Verärgerung führen, wenn jemand anderes weniger zahlt als du. Auf der einen Seite ist es schön jemanden dafür auch zu belohnen, wenn er häufiger ins Kino kommt und zu sagen „Mensch wir sehen ja du bist ein regelmäßiger Gast. Warum dich nicht belohnen?", oder auch zu sagen „wir wissen Dein Geldbeutel ist ein bisschen schmaler als der von dem anderen". Natürlich wollen wir jedem die Möglichkeit geben ins Kino zu kommen, aber es wäre doch vermessen zu sagen, dass wir diese Entscheidung treffen dürften. Deswegen haben wir uns am Ende statt dieser Art der Mechanik dafür entschieden, ein Kundenbindungsprogramm zu schaffen bei dem der Kunde Punkte sammelt und die dann in ein Ticket einlösen darf. Das heißt, dass der Kunde der regelmäßig ins Kino kommt dann ja viel schneller eine Freikarte holen kann als derjenige der weniger oft geht.

- **Interview with *UGC Belgique* (General Manager)**

1. Qu’est-ce que vous en pensez de la nouvelle compétition, en particulier le streaming ?

Aujourd'hui, effectivement, le marché s'est ouvert à des nouveaux opérateurs tels que Netflix qui sont des plateformes de streaming et ça a bouleversé le marché avant qu’il a retrouvé un certain équilibre. Ce bouleversement a été accentué avec la crise de la COVID, mais les fondamentaux globalement restent les mêmes.
Des streamings comme Netflix sont justes des diffuseurs et sont très légèrement producteurs et quand ils sont producteurs ils sont producteurs minoritaires. Ils ne fonctionnent pas comme Disney ou comme Warner parce qu’ils n'ont qu'une seule activité. Les studios ont des multiples activités sur l'ensemble du métier et donc, ils n'ont pas du tout la même logique industrielle.
Alors maintenant, est-ce que le les opérateurs de streaming ont fondamentalement bouleversé l'équilibre du marché du cinéma à savoir des recettes qui sont générées par une salle par rapport à des recettes qui sont générées par d'autres médias ? Aujourd’hui, ça reste à peu près la même chose encore une fois si on annule la particularité qui était liée à la crise sanitaire.

2. Qui est-ce que vous identifiez comme compétition ? (Télé, bar, restaurant, sports, SVOD…) ?

Pour revenir encore une fois sur la première question, c'est que le streaming, qui boulverse certains opérateurs sur le marché, c'est essentiellement contre la TV linéaire. Le vrai bouleversement majeur du 21e siècle avec le streaming c'est la télévision. C’est essentiellement ça et c'est toujours là-dessus d'ailleurs que ça va se battre. Donc il ne faut pas se tromper d'ennemi : le streaming n'est pas un ennemi du cinéma et par contre ça l'est particulièrement pour la télévision qui aujourd'hui va suivre un bouleversement phénoménal. Donc aujourd'hui les opérateurs de streaming notamment comme Netflix vont avoir pour principal opérateur en face d'eux les comptes médias qui ont des télévisions. Et il y aura des dégâts collatéraux. Alors, je pense que le cinéma va rester très marginalement attaqué dans ce duel.
Maintenant, quelles sont les principaux points d'intention du cinéma et évidemment il y en a. D'abord, l'offre générale du leisure & entertainment et ça ce n’est pas une nouveauté, elle l'a toujours été et ça reste fondamental. C'est quelque chose qu'on connaît depuis un certain nombre d'années et duquel d'ailleurs le cinéma s'est souvent relevé. Je citerais par exemple le modèle français. Quand il y a eu la libéralisation de la télévision et quand il arrivait Canal+ dans les années 80, le cinéma était au plus mal. Ce n’est pas nécessairement à cause forcément de la télévision mais ça en faisait partie. Pourtant, à l’époque, aux alentours des années 83, 84, 116 millions d'entrées par an ont été compté. Depuis le début des années

2000, on a plus de 200 millions d'entrées par an. C'est pour vous dire que le la concurrence en fait a fait que les opérateurs de cinéma se sont renouvelés et le cinéma est reparti plus belle. Donc tout ça pour vous illustrer le fait que des crises de l'offre là en tout cas le cinéma en a déjà eu et très largement traversé au bénéfice.

Et puis l'autre point d'attention qui va avec c'est que le cinéma, c'est une **industrie de l'offre**. Donc on dépend beaucoup de la qualité des productions, ça c'est indéniable et c'est là-dessus qu'il faut qu'on soit extrêmement vigilant à ce que la qualité de la production réponde aux besoins du public et aux envies du public. C'est important et ça, alors je parle pour UGC, on a l'avantage d'être producteur, distributeur et exploitant, donc on essaie d'avoir à travers ces trois métiers une vision assez pertinente des besoins du public en matière de production et on essaie d'orienter la production vers ça.

Un 2ième point essentiel est ce que j'appellerais **l'animation des salles.** Donc un opérateur de cinéma est comme un libraire ou un éditeur et est là aussi pour alimenter l'envie à travers sa ligne éditoriale. C'est ce que j'appelle les animations, le choix des films qu'on fait. On reste quand même un lieu qui reçoit du public, donc il est très important pour nous de faire des avant-premières, de rencontrer le public avec les équipes de films etc. Donc ça, c'est un caractère essentiel. Si on doit faire une analogie avec la musique on est un peu ce que sont les concerts dans l'industrie du disque.

3. Quelle est votre avis sur le futur de l'industrie ? Est-ce que le cinéma en fait toujours partie ou est-ce qu'il est de plus en plus ignoré par les distributeurs et producteurs ?

Disney a toujours besoin des salles. Je vous rappelle qu'avant la crise sanitaire en 2019, Netflix existait déjà mais Disney a encaissé à peu près un $1,3 milliard de box-office en salle en 2019. Imaginez bien qu'ils ne peuvent pas passer une telle valorisation sur leur produit. Autre phénomène qui est totalement indispensable est également pour les Majors c'est le fait qu'une franchise ou un film au début d'un démarrage commence toujours dans une salle de cinéma. Et quand vous lisez non pas des expertises scientifiques de Deloitte mais par contre des discours des patrons des Majors ou quand vous lisez Hollywood Reporter, du coup vous comprenez bien que les Majors aujourd'hui insistent très lourdement sur le fait que les salles sont totalement indispensables à leur business parce que ce sont les salles qui qualifient un film avant de pouvoir être vendu sur d'autres plateformes. Dis autrement, sans les salles, la valeur d'un film n'est pas la même.

Alors effectivement, il y a eu pendant la période de COVID des fenêtres de sortie qui était plus courte ou des sorties en day-and-date. Je reste encore sur l'exemple de Disney vu que c'est eux qui ont commencé à faire ça. Mais encore une fois, si vous écoutez le patron de Disney, c'était pour une raison qui était conjoncturelle. Premièrement, il y avait beaucoup de films sur les étagères. Donc, il fallait les sortir. Et qu'en plus de ça, à l'époque, il y avait les sorties en cinéma qui comptaient à peu près 1/3 du marché du cinéma qui était fermé. Et puis, il y avait des choses qu'il ne dit pas mais qu'on sait, c'est que par ailleurs, il avait besoin de ça pour lancer des abonnements de Disney+ pour atteindre une certaine assiette qui leur permettrait de concurrencer directement avec des plateformes comme Netflix.

4. Qu'est-ce qui est la vision d'UCG? Est-ce qu'elle va au-delà du pur cinéma ?

Si on prend le mot expérience qui est un terme qui est pris des anglo-saxons, il faut d'abord définir le terme. Il y a toujours eu, je dirais de **2 catégories de cinéma** : il y a le **cinéma de Méliès**, cinéma du sensationnel dans le sens où il essaie d'utiliser tous les sens dont nous sommes dotés pour pouvoir attirer le public et puis le **cinéma de Chaplin** qui est le cinéma qui joue sur ce qu'on appelle en français la corde sensible. Ces deux orientations ont défini le cinéma depuis leur naissance quasiment et existent toujours. Et c'est pour ça que le terme d'expérience, il faut le prendre dans les deux sens et dire que vous aurez probablement une expérience intimement aussi forte en allant voir un film de Chaplin dans une salle remplie que dans un film à la Méliès en 4DX par exemple.

Donc voilà pour moi, l'expérience, il faut la déterminer. C'est très particulier. Le fait de se déplacer en salle de cinéma, de **se retrouver à plusieurs** et à rire à plusieurs autour d'une scène devant un écran, c'est une expérience très forte. Appelez-vous des souvenirs d'enfance qui sont liés au fait que vous ayez été amené par vos parents dans la salle. Vous êtes sorti de chez vous, vous avez vu plein de gens, vous allez partager la vision d'un film avec plein de gens. C'est ça l'expérience qui touche au plus profond des individus et c'est la raison pour laquelle le cinéma, le théâtre, l'opéra, les concerts existent toujours et existeront toujours.

Pour nous l'expérience, effectivement, elle va de Méliès à Chaplin. Donc il faut qu'on trouve un juste milieu qui puisse offrir ces 2 catégories de sensation forte quand on se déplace dans une salle.

5. Quelles sont les segments de votre clientèle et quelles sont les plus importants ?

Ça dépend beaucoup des régions dans lesquelles sont implantées les cinémas. Alors une grande ville comme Bruxelles ou Anvers n'a pas la même fréquentation qu'un cinéma en province. Et un cinéma à Bruxelles n'a pas la même fréquentation que le cinéma à Anvers. Donc, ça dépend, on a une clientèle qui est différente d'un cinéma à l'autre parce que la sociologie des villes ne sera évidemment pas la même.

Sur Bruxelles, c'est extrêmement particulier puisqu'on est dans une ville très cosmopolite, c'est la ville la plus cosmopolite d'Europe. Donc ça nous oblige d'avoir une attention toute particulière compte tenu de cette particularité bruxelloise. Donc on a un public qui est très diversifié, qui est international, qui a une approche et qui est un public qui a une éducation plutôt supérieure à la moyenne ce qui entraîne un taux de curiosité si je puis dire qui est

supérieur à la moyenne. Donc on doit répondre à ces critères. A Bruxelles, il faut proposer une offre qui est très large et qui va du Blockbuster jusqu'au film relativement pointu alors que sur une ville comme Anvers, où on a plutôt une catégorie de population qui est beaucoup plus proche de la culture anglo-saxonne, il y aura une prédominance pour les films américains qui sera un peu plus forte qu'elle ne l'est à Bruxelles. Voilà on fait à peu près 75% de nos entrées avec le film américain à Anvers alors que sur Bruxelles, on est plutôt à 60%.
Et sur les villes de province, on a un public très jeune et très familial.

6. Quelles sont les tendances futurs des clients (tickets, visiteur,…)?

Là aujourd'hui, on a une situation post-crise sanitaire très particulière. Nous, on considère qu'on va récupérer le marché tel qu'il existait avant la crise en 2023. Plusieurs raisons à ça : la première raison c'est que l'offre de films n'est toujours pas optimum. Aujourd'hui, puisqu'on ne peut pas oublier que pendant les deux années de crise, notamment les studios hollywoodiens ont eu des retards assez conséquents sur les productions, des films qui sortiront essentiellement les prochaines années. Donc on a aujourd'hui un approvisionnement de film qui est quand même très limité cette année encore, une raison pour laquelle cette année on ne retrouvera pas encore notre niveau 2019.
La seconde raison, c'est qu'on a une frange de la population qui n'est pas encore revenu au cinéma, principalement les 40-60 ans, tandis que les autres sont revenus dans le cinéma aujourd'hui. Par contre, il faut qu'on étudie encore la raison pour laquelle cette tranche de population n'est pas encore revenu. C'est probablement lié au premier point que j'ai cité tout à l'heure, c'est à dire qu'il y a une catégorie de films américains qui ne sont pas produites et des films d'ailleurs européens qui ne sont pas encore sorties et qui sont en post-production encore cette année.
Donc voilà tout ça pour vous dire qu'on considère que 2022 est encore une année de transition et à partir de 2023, on retrouvera un niveau équivalent à celui de 2019 qui était un niveau extrêmement correct. Pour donner un repère, depuis Titanic en 99, on est sur des niveaux d'entrée qui sont relativement stables, donc aux alentours des 19 millions en Belgique, 200 millions en France et 160 millions en Grande-Bretagne. Les conditions des niveaux d'entrée, qui sont relativement élevées et sur un plateau. Ce qu'on a perdu depuis 2020 à cause de la crise sanitaire, on estime pouvoir retrouver à partir de 2023.

7. Comment est-ce que UGC essaie d'augmenter la customer experience ? Quelles sont les moyens les plus importants et où est-ce qu'elle commence ?

Il y a évidemment le **confort de la salle** sur lequel nous continuons d'investir mais il y a au-delà des moyens marketing qui sont mis en place de manière très intensif chez nous. On peut les résumer en 2 mouvements : le premier d'abord c'est qu'on a adapté le système de vente aux usages des consommateurs d’aujourd'hui. On a mis en place des **systèmes de vente de billetterie** de réservation sur téléphone avec la dématérialisation des billets. Voilà, donc maintenant, il y a une facilité d'achat des billets qui s’est surtout adapté je veux dire aux nouveaux modes de consommation des consommateurs. L'image traditionnelles de la caissière derrière une vitre avec une salle d'attente derrière pour acheter le billet est une tendance qui est à la disparition totale en tout cas chez nous. On avait d'abord dans un premier temps des ATM, des bornes et maintenant, on s'oriente vers l'achat directement avec le téléphone ou sur internet éventuellement. C'est ce qu'on a mis en œuvre pendant la crise sanitaire et qu'on a développé et on est en train de mettre en place en ce moment. Aujourd'hui, on se rend compte que plus de la moitié des billets sont achetés avec des téléphones et c'est extrêmement important parce qu’évidemment la facilité d'achat est aussi une forme de confort qui doit faire public. C’est surtout une manière de nous adapter aux nouveaux usages des consommateurs.

La seconde chose que l'on fait et ça c'est d'un point de vue marketing, c'est qu’on **utilise beaucoup des données** pour comprendre mieux les habitudes de nos consommateurs et de nos clients et donc de leurs attentes. Depuis deux ans, on a mis en place un système capable d'avoir des données beaucoup plus fines et beaucoup plus détaillés sur un consommateur. Ça nous permet de mieux communiquer avec eux, d’être plus proche et donc d'avoir d'abord une forme de promotion et de publicité beaucoup plus fine et ensuite d'avoir des données suffisamment pertinentes pour pouvoir faire des campagnes marketing intelligents.

Chez nous, l’expérience inclut aussi quand le visiteur sort du cinéma et nous donne sa réaction de manière qu'on puisse se réinviter où lui redonner l'envie après de revenir au cinéma. C'est l'expérience effectivement et ça ne se limite pas je m'assois dans mon fauteuil et je regarde le film. C'est l'ensemble de l'action qui consiste à dire je vais au cinéma.

8. Quelles personnes achètent surtout des boissons et snack ? Y-a-t-il un % en général ?

Je ne pourrais pas vous donner le pourcentage car c’est un secret d'affaires mais bon ça reste quand même un chiffre d'affaires accessoire par rapport à la billetterie.

Je reviens à ce que je vous ai dit tout à l'heure, ça revient aussi à répondre à une demande du public qui n’est pas la même d'une ville à une autre. L'offre alimentaire pour le public flamand est importante, c'est une demande, donc on y répond le mieux qu'on peut. C’est un public qui a des caractéristiques plus proches des anglo-saxons que des latins et aller au cinéma sans popcorn est quelque chose qui leur paraîtrait anormal. C'est un réflexe qui est moins présent à Bruxelles, en tout cas pour l'instant et qui est moins ancrée.

C'est vrai que l'offre alimentaire en fait partie de plus en plus de l'expérience, en tout cas c'est une évidence absolue et je pense que ça va devenir beaucoup plus important. Donc on a

attaché beaucoup d'importance à l'offre alimentaire parce que pour le public ça fait quand même partie aujourd'hui intégralement de l'expérience.
Ainsi, il faut aussi qu'on adapte nos installations à cette demande au niveau de contenu de l'offre et du mobilier. Pour vous donner une caricature sur les 20 ans, il y avait un vendeur qui passait dans les salles avec un panier qui vendait des glaces. Après on a eu des compteurs avec des agents derrière qui vendait des produits et aujourd'hui on est plutôt sur des modes de shop. C'est pour vous dire aussi que l'évolution suit l'évolution des modes de consommation du public.

9. Est-ce que des offres comme opéra, marathon, … aident d'acquérir non seulement plus, mais aussi différents clients ?

Oui, c'est ce qu'on appelle des contenus alternatifs. Alors, l'opéra a été considéré pour nous comme un contenu naturel de diffusion dans le cinéma puisque l'opéra est un peu les grands-parents du cinéma. Donc il nous apparaît tout à fait naturel de pouvoir mettre en place ce type de diffusion d'autant plus que, comme vous le savez, l'opéra est un art qui est assez peu vu par le grand public dans la mesure où d'abord, il y a peu de salles d'opéra et ensuite, ils offrent des prix qui sont assez peu démocratiques. Et bien sûr à la fois les opérateurs d'opéra, enfin les grandes maisons d'opéra, et nous, on a décidé effectivement de s'associer pour pouvoir promouvoir sur un plus large public cette art. Ensuite, il s'est mis en place assez rapidement des productions, c'est à dire des équipes pour filmer les opéras d'une manière très professionnelle. Très rapidement, l'opéra est devenu effectivement un contenu alternatif qui s'est retrouvé assez naturellement en salle de cinéma. En ce qui concerne UGC, on a très rapidement signé des accords avec des producteurs qui tournaient avec l'Opéra de Paris.
Alors après, nous avons une certaine exigence qui est qu'on ne veut pas transformer la salle de cinéma en espace de TV grand public. On veut vraiment avoir des contenus alternatifs qui restent très proches du mode du cinéma. Ça, c'est une ligne sur laquelle on ne peut pas sortir et je dis ça parce que diffuser des matchs de football par exemple dans les salles de cinéma ce n'est pas trop notre truc. Faire des diffusions des pièces de théâtre ou de concerts filmé, ça ce sont des options sur lesquelles nous travaillons actuellement.
Un autre critère qui est très important pour nous c'est la qualité de production parce qu'il y a beaucoup de choses qui ont été faites où la qualité ne pouvait pas répondre d'abord aux attentes du public qui vont dans une salle de cinéma parce que quand on projette un concert ou une pièce de théâtre par exemple en opérant une salle comme à Bruxelles, il faut qu'on ait une qualité de son qui soit irréprochable et une qualité d'image sur un écran de 200 m² qui soit également irréprochable. Alors ça n'a pas toujours été le cas sur les productions passées. Cette semaine, on va diffuser par exemple le concert de Nick Cave qui est un concert qui a été tourné dans des conditions techniques qui sont vraiment optimum. Donc quand on a ce

genre de qualité de production, on est dans les deux lignes : il faut avoir une projection qui soit irréprochable, qui soit corollaire avec nos équipements de diffusion et qui soit proche d'un spectacle de cinéma.
UGC considère qu'il ne faut pas non plus transformer une salle de cinéma en une salle de spectacle parce que ça existe et là on va donc entrer en concurrence avec des grandes salles de spectacles qui ont des capacités en plus qui sont largement supérieurs. Ça n'a aucun intérêt de concurrencer avec un genre de salle qui peut accueillir 1500-1600 personnes. En plus, on ne veut pas non plus être concurrencé à la télévision enfin en tout cas faire des économies TV.

[Gagner quelle type clients : existent ou nouveau ?]
Les deux. Avec l'opéra, on a des abonnés d'opéra qui allait systématiquement à l'opéra et pas au cinéma. J'espère qu'aujourd'hui, ils vont un peu plus souvent au cinéma.

10. En termes de revenue, quelle % du revenu total est lié à des offres non-cinématographique ? Est-ce que ça va augmenter dans le futur ?

[Pas demandé vu que c'est peu abordé par UGC.]

11. Est-ce que vous essayez volontairement d'augmenter le prix des tickets par le biais de l'expérience et des offres hors du commun ? Comment est-ce que le client perçoit ces prix ?

[Pas demandé vu que c'est peu abordé par UGC.]

12. Comment est-ce qu'UGC partage, en général, le box-office avec les distributeurs ? (Charges compris)

Alors pour la répartition du box-office, il faut d'abord enlever les taxes qui sont pas mal et puis effectivement la recette est partagée entre le distributeur et l'exploitant. On a l'habitude de dire que c'est 50/50 alors que ce n'est pas tout à fait juste parce que c'est une règle qui évidemment change en fonction des négociations qu'on a avec le distributeur.
Le pourcentage évolue en fonction de plusieurs conditions : l'attente du film, la notoriété du film, la durée et le nombre de semaines d'exploitation du film. Le plus longtemps le film est exploité, le plus les pourcentages diminuent. Il y a des variables qui sont liées à plusieurs indicateurs qui sont négociés toutes les semaines par nos bookeurs.
Si la durée, pour reprendre le sujet qui a été évoqué tout à l'heure, de sortie des films est plus courte entre la sortie en salle et sur la plateforme du site Disney+ par exemple, les pourcentages sont évidemment moins élevés pour le distributeur.

13. Pourquoi est-ce que vous ne diminuez pas le prix des entrées, incitant les visiteurs d'acheter plus de snacks (marge plus élevée) ? Ou des offres qui incorporent le ticket et des boissons/snacks ?

Encore une fois, les recettes alimentaires sont des recettes annexes, les pourcentages n'ont rien à voir. Je veux dire la proportion n'est pas la bonne. Si effectivement les recettes alimentaires étaient suffisamment importantes pour pouvoir faire un essai pour trouver une sorte d'équilibre avec la place ça peut être un raisonnement théoriquement faisable mais les recettes alimentaires sont quand même disproportionnellement plus faibles par rapport à cette guichet qui reste quand même la valeur essentielle qui fait que les équilibres économiques fonctionnent.

14. Pourquoi est-ce qu'UGC n'introduit pas dynamic pricing pour différents films et clients ?

D'abord, ce n'est pas juste parce que ça fait discriminer des catégories de films. Et puis pourquoi discriminer tel film par rapport à tel ou sur quel côté, ça reste complètement subjectif et donc indéterminable. Ça nous exposera même à des discussions avec le distributeur à n'en plus finir donc ce n'est pas possible.

La dynamique de prix se fait non pas sur le film, sa qualité ou son potentiel mais elle doit se faire sur les habitudes du consommateur. Il faut privilégier les consommateurs réguliers par rapport aux consommateurs qui vont au cinéma une fois par an ou une fois tous les 2 ans. C'est surtout ça qu'il faut mettre en place, il faut privilégier certains consommateurs plus que d'aider certains films parce que là-dessus on n'a pas de jugement objectif. Nous on a des produits pour privilégier les consommateurs qui ont une habitude régulière de la fréquentation des salles. On a l'abonnement UGC unlimited qui est l'abonnement façon Netflix avant que Netflix est arrivé si je puis dire. C'est un abonnement mensuel qui permet aux gens de voir autant de films qu'ils veulent à moins de 20€ par mois. Donc c'est un abonnement qui reste extrêmement agressif en termes de tarifs puisque on est à 11,35€ dans certaines salles. En moins de deux fois vous avez rentabilisé votre abonnement mensuel. C'est vraiment typiquement le type de produit qui est destiné aux gens qui vont très régulièrement au cinéma et qui a d'ailleurs un succès relativement important.

Et puis il y a des abonnements intermédiaires, donc des cartes sur lesquelles sont préchargés des places de cinéma avec des prix aux alentours de 8€ par film. Ceci reste aussi extrêmement compétitif par rapport au plein tarif. Donc notre approche tarification encore une fois elle cible plutôt les clients réguliers et semi-réguliers. Pour moi, il ne serait pas normal qu'un film art essaie coûte moins cher qu'un blockbuster.

Je trouve que l'approche de catégoriser les par leur type est une très mauvaise approche. En plus, ça pénalisera des films qui sont sur des modèles économiques qui sont déjà tendues. Et puis, on propose aux distributeurs d'avoir une valorisation du billet au box-office qui soit moins élevé. Ça réduira la diversification de l'offre qui est quand même fondamental pour le cinéma qui ne vit pas qu'avec des blockbusters. Le cinéma va vivre avec toute une catégorie de films, des films qu'on appelle les films du milieu, des comédies, des films nationaux qui sont très importants etc.

- **Interview with *UGC France* (Customer Experience Director)**

1. Qu'est-ce que vous en pensez de la nouvelle compétition, en particulier le streaming ?

Alors, tout d'abord, elle n'est pas très simple en tenant en compte des compétiteurs qui se mettent en face du cinéma. Il existe autres propositions qui n'ont pas existé auparavant. Si on revient sur UGC, on est venu d'un moment où il y avait 3 ou 4 chaînes selon les pays à un moment où il y a le **DVD** qui est arrivé et finalement les premiers streaming (sauf qu'il fallait acheter à l'unité les produits). Globalement, c'est le même principe aujourd'hui, c'est-à-dire chez vous, vous pouvez regarder les films qui étaient au cinéma auparavant.
Ensuite, il y avait toutes les chaînes de cinéma et les chaînes thématiques de cinéma qui ont permis de voir plein de films avec un bouquet de films de cinéma. Derrière ça, on a eu les **plateformes de type Netflix, Amazon** etc. qui ont de nouveau proposé des films qui étaient potentiellement des films de cinéma sauf qu'eux, la grande différence par rapport aux acteurs précédents, c'est qu'ils ont créé des contenus qui n'existaient pas sur les plateformes types DVD qui offraient les mêmes produits. Donc ils ont créé leur propre contenu en renforçant leurs exigences de qualité par rapport au contenu qu'ils produisaient en proposant des films, des séries, du feuilleton, des films plateformes exigé par les consommateurs d'une qualité équivalente.
Et ils ont aussi créé des moments de cycle. Donc lorsque vous êtes sur la série, vous aller potentiellement avoir la possibilité de voir tous les épisodes ce qui va monopoliser donc le temps du consommateur, donc ce **temps d'écran** qui peut représenter 100h. Et ça sera faite au détriment de la salle de cinéma, puisque le temps humain n'est pas extensible vu que les gens regardent de plus en plus de chose sur leur écran que ce soient les réseaux sociaux, leurs mails en dehors des heures de travail etc. Finalement leur temps d'écran a explosé. Nous, la proposition du cinéma consiste à faire encore du temps sur écran sauf que l'écran est beaucoup plus grand, mais qui reste quand même une proposition de valeur sur un écran. Ceci dit, quand vous avez passé votre temps de travail sur un écran et en plus votre temps libre sur des plateformes ou votre téléphone, vous pouvez vous dire que le temps qui vous reste pour faire une activité, vous allez peut-être vouloir consommer quelque chose qui soit sur autre chose qu'un écran pour pas passer toute la vie sur des écrans. Ainsi, aller au restaurant se différencient plus qu'aller au cinéma.

2. Qui est-ce que vous identifiez comme compétition ? (Télé, bar, restaurant, sports, SVOD…) ?

Tous les temps **de loisirs**, les gens vont décider comment ils vont découper leur temps de loisirs qui est potentiellement du temps que vous ne passez pas avec votre famille ou vos amis parce que c'est du temps beaucoup plus individuel. Donc le sport, par exemple, n'est pas quelque chose qui est pratiqué avec tous vos amis vu que les gens avec qui vous allez pratiquer du sport, ça peut être des gens qui ne sont pas des vrais amis où vous faites du jogging. Donc vu que le temps humain n'est pas extensible, vous allez quitter votre bureau et il vous reste le temps en soirée ou le weekend et c'est finalement la disponibilité horaire qui va définir quel type de loisir sera choisi. Donc, vous pouvez faire un jogging en 20 minutes. En revanche, si vous allez voir un film au cinéma, il vous faut le temps du film (et les films sont de plus en plus longs), ce qui est un sujet vu que dans une soirée, si vous devez placer un film de 2h30 plus l'aller-retour, finalement de votre soirée ça va vous mobiliser 3h de votre temps. Si vous allez au restaurant, ça va vous prendre 1-2 heures et si vous allez faire un jogging, ça va vous prendre 30-45 minutes. Donc dans votre **temps disponible**, vous dites que dans une soirée, vous avez peut-être envie de faire plusieurs choses vu que les gens ont maintenant l'habitude de faire du jogging et voir une série, si vous placez un film qui fait, comme beaucoup de film aujourd'hui 2h30 vous avez même plus le temps pour placer votre restaurant avec la visite au cinéma. Ça vous prend tout votre créneau.

Ainsi, il y a déjà beaucoup d'exploitants qui demandent que les durées des films soient moins longues, surtout si vous ajoutez le temps de l'avant film (la partie bande-annonce, publicitaires).

Et en plus avec le **cinéma**, il a un **horaire imposé**. Donc votre jogging où votre restaurant doit pivoter autour du cinéma. Donc sur une logique de liberté individuelle, le cinéma est moins bien placé, même moins que le restaurant vu que là vous pouvez dire quand vous êtes fatigué « allez, on rentre ». Vous êtes plus flexible. Donc la sortie dans le cinéma a un côté un peu plus contraignant et il y a plus d'effort à faire : il faut sortir de chez soi, il faut aller au cinéma versus une plateforme où il n'y a pas d'effort ressenti.

3. Quelle est votre avis sur le futur de l'industrie ? Est-ce que le cinéma en fait toujours partie ou est-ce qu'il est de plus en plus ignoré par les distributeurs et producteurs ?

De toute façon, c'est un **écosystème où tout le monde est lié**, c'est-à-dire les gens qui produisent les films et les gens qui distribuent les films et des gens qui les proposent dans les cinémas. Donc il faut pour pouvoir continuer à proposer ces films sur les écrans avoir des gens qui les produisent et ceux qui les distribuent. Donc la chaîne déjà fait qu'on est tous lié. Après, tout le monde profite de l'autre, c'est-à-dire nous, c'est sur les entrées qu'on va rémunérer les autres. Évidemment, plus nous on va faire des entrées, plus nous on va prendre une partie du gâteau et plus les distributeurs et les producteurs seront servies. On a tous intérêt à ce que les films fonctionnent, parce que les entrées réalisées vont permettre de rémunérer les distributeurs et producteurs qui eux-mêmes ont dans certains pays, par exemple comme la France et autres pays européens, vont aussi avoir un financement par des chaînes de télévisions.

Les **chaînes de télévisions**, elles vont financer des produits pour ensuite assurer que ces produits vont être proposés sur leurs propres chaînes, et puis commercialiser des espaces publicitaires. Mais les chaînes de télévisions, notamment en France, vont financer des films pour des gens qui vont regarder la télévision linéaire classique, donc sur une tranche d'âge qui n'est pas des personnes de 25 ans puisque ces gens regardent beaucoup moins la télévision classique. Donc vous avez des films qui sont produits localement par l'intermédiaire de la chaîne de télévision produit pour un public plutôt mature et de l'autre côté vous avez les grands studios américains qui produisent des films type Marvel qui s'adressent plutôt à un public jeune.

Donc on a aujourd'hui dans l'offre de film en fin de compte une répartition des films à ce qu'on a les films qui s'adressent à un public jeune qui ont toutes les informations et savent que ces films vont sortir. Ils font en quelque sorte le job pour assurer que la promotion du film avant qu'il sorte via les réseaux sociaux, les échanges, elle se fait elle-même. A la différence des films qui s'adresse à des gens qui sont plus âgés ou là les gens sont moins exposés à la promotion de ces films. Donc sur les jeunes, le marché tient très bien pour le moment, et pour le public qui a 35-40 ans plus, c'est là où la circulation d'information sur les films qui vont sortir doit être renforcé pour que la notoriété des films qui vont être à l'affiche soit plus élevé pour inciter à aller les voir.

4. Qu'est-ce qui est la vision d'UCG? Est-ce qu'elle va au-delà du pur cinéma ?

Après, je pense qu'on va aller dans une réflexion à virage etc. Donc il va falloir voir aussi en termes d'usage des clients, finalement, eux qu'est-ce qu'ils attendent, qu'est-ce qu'ils valorisent etc. Je pense que tous les acteurs du marché abordent tous ces chantiers de réflexion de ce que les clients attendent aujourd'hui et ce que doit leur offrir une visite dans le cinéma. Nous on a eu des sessions d'échange avec plein d'autres acteurs européens et tout le monde est justement dans cette forme de réflexion de dire « quel est l'attende du client ».

Je pense qu'il va y avoir beaucoup d'explorations qui vont être faites de toutes sortes de choses justement pour aller trouver « c 'est quoi le Graal ». Est-ce, par exemple, d'avoir des avant-premières avec des équipes qui reprennent le côté plus événementielles un peu comme quand vous allez voir un concert. Est-ce que c'est ça qui va donner aux gens l'envie ? Ou est-ce la sensation avant le film avec les autres, est-ce que c'est parce que vous allez pouvoir

avoir une combinaison d'une offre alimentaire sur place ? Aujourd'hui, il y a des cinémas, par exemple, américain qui offrent un repas sur un plateau.
Je vous confirme, il y a plein de pistes que les acteurs explorent et tout le monde ne retiendra pas les mêmes parce que tout le monde n'a pas le même public l'exploitation.

5. Quelles sont les segments de votre clientèle et quelles sont les plus importants ?

Pour UGC, nous on a deux caractéristiques, c'est qu'on a plutôt des cinémas citadins, donc on s'adresse plutôt à des gens qui sont des citadins et donc qui apprécient peut-être aussi un certain type de films différents de la part du marché classique. Et également, comme nous on propose quasiment que de la VO, on s'adresse à un public qui apprécie ce type de produit, donc ça peut être des étudiants, ça peut être des personnes qui maîtrisent l'anglais ou qui aiment regarder des films de la diversité qui peuvent être des films de toutes les nationalités (nous on a 80 nationalités de film différentes).
Donc on a cet objectif de faire découvrir le cinéma du monde entier. Donc ça tire un petit peu plus vers des personnes éduquées parce que les gens qui vont regarder des films un peut pointu coréen etc. ne sont pas nécessairement le même public que ceux qui vont voir des comédies populaires françaises.
Donc par rapport à la moyenne, on va dire on est plus citadins et plus cinéphile que la moyenne et donc avec cette approche-là, on peut avoir aussi bien un public d'étudiants qu'un public de personnes actives que des retraités. Sur l'âge, nous en tant que UGC, on va cibler tous les âges puisque ce profil là il peut exister que vous ayez 35 ans ou 24.

6. Quelles sont les tendances futurs des clients (tickets, visiteur,…)?

[Déjà abordé dans d'autres questions.]

7. Comment est-ce que UGC essaie d'augmenter la customer experience ? Quelles sont les moyens les plus importants et où est-ce qu'elle commence ?

Alors le pratique sur l'expérience lorsque vous allez au cinéma, déjà c'est que comme je vous le disais, c'est le fait de **sortir de chez vous**. Finalement ça constitue un effort, le fait d'avoir un horaire imposé auquel vous devez vous plier donc il faut qu'on réduise au maximum l'effort du client lorsqu'il sort au cinéma pour justement réduire cette perception comme quoi Netflix c'est l'effort « j'appuie sur un bouton et je ne me suis pas levé et je l'ai tout de suite » ne sois pas la panacée en termes de que le cinéma soit considéré comme le plus grand effort. Pour moi, le jogging est par exemple le pendant du Netfliix pour le cinéma. C'est consommer où faire une même activité que celle que vous avez bien encadré mais en levant les efforts. Donc il faut qu'on réduise au maximum cette sensation d'effort pour que les gens viennent au cinéma. Ça passe par toute la partie qui va solidifier votre parcours jusqu'au cinéma et au sein du cinéma. Ça passe par toute la partie confort que vous allez vivre là-bas, qui va faire que vous allez ressentir une différence majeure avec votre expérience Netflix où vous êtes sur votre canapé. Si jamais les conditions dans lesquelles vous voyez le film vous vous dites « non mais ça n'a justement rien à voir », si vous avez vraiment cette perception que la qualité du confort, la qualité du son, la qualité de l'image, c'est incomparable par rapport à votre expérience maison, vous allez la valoriser.

En fin de compte, votre expérience commence du moment que vous allez vous renseigner sur un film, ensuite le moment vous allez acheter votre billet, ensuite le moment où vous allez au cinéma. Il y avait un, on va dire, un petit pic de bonheur quand vous choisissez votre film parce que là vous êtes plutôt dans le choix positif en disant « je souhaite aller voir le film en question », donc là on est dans les émotions plutôt très hautes. Il y a le plaisir de choisir un film pour aller au cinéma. Ensuite, il y a le moment où vous **réservez votre billet**, il faut que le parcours soit très fluide et que ça soit comme un achat sur Amazon où les parcours d'achat sont fluides. Après, vous avez l'effort d'aller au cinéma qui est vraiment assez haut mais c'est le même quel que soit l'endroit où vous vous déplacez toute façon. Après, il y a **l'expérience quand on arrive à la salle** avant de vivre l'expérience cinéma, tu peux soit acheter des produits dans la confiserie, participer à un photo shoot, ça peut être toutes sortes d'animations qu'on peut vous proposer dans le cinéma pour compléter votre expérience du film comme par exemple croiser des acteurs connus parce que vous êtes venu à une avant-première.
Ensuite, il y a le **visionnage du film**, où potentiellement l'émotion dépendra plutôt de qu'est-ce que vous avez aimé ou pas dans le film mais également de la manière dont vous vous êtes interpellé dans la salle. Donc, il y a un paramètre qui dépend de l'exploitant cinéma et votre confort dans la salle et il y a un paramètre qui est totalement indépendant de l'exploitant de cinéma. Si j'ai ici un Morbius, par exemple, qui était considéré comme un très mauvais film superhéros, oui tout le monde est d'accord que votre expérience cinéma est raté.
Après, il y a ce que vous proposez **à la sortie du cinéma** ou à la sortie du film qui peut être le débat, des conférences, des animations, en tout cas des choses qui vont compléter votre parcours et surtout qui vont faire que ce que vous vivez quand vous allez au cinéma, vous ne l'aurez pas sur une plateforme, donc le fait de pouvoir proposer des expériences complémentaires. Ceci va devenir vraisemblablement hyper important parce que c'est ça justement qui fait que votre expérience elle ne peut pas être comparée. C'est comme le concert et l'achat du disque, c'est-à-dire que le concert avec le live, avec le fait que je puisse danser, avec le fait que je vois les chanteurs devant moi et j'écoute le disque sont des expériences différentes.

8. Quelles personnes achètent surtout des boissons et snack ? Y-a-t-il un % en général ?

Par exemple sur le marché français, UGC va avoir moins de consommation de confiseries que ceux qui ont une surreprésentation du public famille ou du public populaire et le public d'une comédie ou d'un Marvel qui va effectivement consommer davantage.

9. Est-ce que des offres comme opéra, marathon, … aident d'acquérir non seulement plus, mais aussi différents clients ?

Nous, on a fait quelques propositions, alors nous on propose déjà une certaine palette depuis longtemps comme l'opéra et des représentations de théâtre en se disant si vous n'êtes pas amis de la comédie françaises ou autres, il y a des propositions culturelles auxquelles vous n'avez pas accès. Par exemple pour l'opéra de Lyon, il faut aller jusqu'à Lyon. Donc l'effort pour aller là-bas devient nettement supérieur au fait d'aller voir votre opéra dans une salle de cinéma. Et donc, dans cette question d'effort, vous êtes très largement gagnant par rapport au fait que la personne va dépenser de l'argent pour aller à Lyon etc. Donc ça attire effectivement des clients qui sont attirés par le produit mais qui ne veulent pas faire l'effort ou qui n'ont pas la possibilité de le voir sur le site. Donc ça, c'est valable aussi pour des concerts, nous on ne le fait pas encore mais il y a des acteurs qui le font déjà. Mais nous on fait donc de l'opéra, du théâtre et on a déjà fait quelques expérimentations sur des épisodes de série avant qu'elle soit à l'écran, sur des séries qualitatives comme les premières épisodes de la dernière saison de Game of Thrones sur un très grand écran avec 250 personnes. Voilà, et donc ça vous donne un écran majestueux pour des séries qui ont un niveau de décor et de détails très élevé. Donc cela permet d'attirer un public qui aime ce genre de propositions.
Après, il y a des acteurs qui sont allés plus loin à l'étranger en proposant des compétitions d'eSport par exemple. Soit de la retransmission des compétitions d'eSport, soit carrément proposer aux gens de venir au cinéma pour jouer au eSport avec leur propre mannette etc.
Donc c'est comment est-ce qu'on utilise les salles pour proposer en plus du cinéma d'autres choses, ça c'est une réflexion mondiale. Les anglo-saxons appellent ça l'event cinéma. Parce que c'est plus événementialisé en fin de compte. Donc vous venez pour le concert de quelqu'un, par exemple, il y a des choses qui marchent extrêmement bien en France, c'est André Rieu au cinéma. Voilà le concert d'André Rieu au cinéma vous donne des scores absolument invraisemblables.

Le gros avantage du cinéma, c'est que les gens qui n'y vont vraiment pas du tout, ça n'existe quasiment pas. Donc il y a les ultra-occasionnelle qui vont y aller une fois par an pour voir soit l'Avatar ou le James Bond mais ils auront (à part s'ils habitent à 40 ou 150km d'un cinéma) aucune interaction avec le cinéma et c'est très difficile d'entrer en contact avec eux car le niveau d'effort d'aller au cinéma par rapport à d'autres plateformes ou loisirs et très élevé.

Donc effectivement, ces personnes-là ne vont pas au cinéma parce qu'on leur propose un autre contenue. En revanche, ceux qui habitent à une demi-heure d'un cinéma, il y a une 95% chance que vous les ayez 1 fois par an, hormis une personne enceinte ou avec des petits enfants car l'effort sera très élevé.
En effet, c'est beaucoup plus difficile d'inciter quelqu'un à venir au cinéma qui vient 2 fois par an. Mais l'idée de tous les acteurs du marché, c'est de se dire si on arrive à doubler ou faire 1,5 fois la fréquentation des gens depuis la réouverture en suscitant l'envie d'aller au cinéma d'avantages, on va multiplier ceux qui viennent une fois viennent 2 fois, ceux qui viennent 15 fois viennent 20 fois. L'avantage des films, c'est aussi qu'aucune personne de la population peut se dire « il y a aucun film pour moi ». Tout le monde peut se retrouver dans l'humour d'un film etc. Pas pour tous les films mais tout le monde a les capacités pour voir un film au cinéma. De la même manière que tout le monde a la capacité d'aller manger dans un restaurant. Mais il y aura des gens qui n'aiment pas la cuisine moléculaire, des gens qui n'aiment pas le Japonais etc. mais avec toute la diversité de restaurant qui existent sur la terre, il n'y aura personne qui pourra dire « Ah non il y a aucun restaurant qui me plaît ». Pour moi, le cinéma est pareil, il n'y a aucune proposition qui exclut tout le monde et donc chacun doit trouver au minima une séance.

10. En termes de revenue, quelle % du revenu total est lié à des offres non-cinématographique ? Est-ce que ça va augmenter dans le futur ?

Ce n'est pas significatif pour le moment. Après, ça dépend de ce que les gens veulent quand ils vont au cinéma. Si ça se démocratise, imaginons que tous les concerts serons transmis à un moment dans les salles de cinéma parce que les gens adorent voir les concerts dans les cinémas, mais le souci que vous avez quand vous proposez des contenus alternatifs au film dans les salles, c'est que vous avez des gradins et des fauteuils. Et pour regarder ces genres de choses dans les cinémas, la configuration des salles ou vous êtes plus ou moins assis, vous n'allez pas nécessairement pouvoir boire de la bière, au final, ce n'est pas nécessairement dans la manière où c'est conçu se prêtent à ce que les gens vont sauter dans tous les sens. Alors que quand vous voyez ce qui se passe dans un pub lors d'un match de foot, ce n'est pas du tout ça. Les gens ont besoins d'extérioriser, d'être debout, et c'est un peu pareil quand vous regardez un concert.
Donc peut-être les concerts vont se retrouver à un moment dans les cinémas mais ce sont les cinémas qui devront se réaménager d'un point de vue organisation de l'espace pour que les gens qui sont des passionnés de concerts puisse vivre l'expérience de la façon comme ils veulent, c'est-à-dire en sautant, en criant etc.
Mais voilà, ce que je vous donne, ce n'est pas au nom d'UGC, je vous le donne plus comme moi je vois l'évolution du marché.

11. Est-ce que vous essayez volontairement d'augmenter le prix des tickets par le biais de l'expérience et des offres hors du commun ? Comment est-ce que le client perçoit ces prix ?

Nous on n'est pas dans cette logique. Nous on a des prix relativement stables. On a un programme d'abonnement qui propose que si vous allez au moins 2 fois au cinéma par mois, vous rentabilisez votre abonnement.
Et puis nous avons également des cartes 5 places qui vous donnent des places à environ 8€ par séance. Donc vous pouvez aller au cinéma à un prix qui n'est pas trop élevé.
Ensuite il y a des questions, et il y a des pays qui sont entrés là-dedans, c'est le yield management, c'est-à-dire que votre tarif que vous allez proposer, il peut dépendre du jour, il peut dépendre du film, il y a des pays qui ont proposé Spider-Man plus cher que d'autres films, il y a ceux qui dans une salle vont proposer des sièges où vous aller payer plus cher, donc ils vont variabiliser le prix en fonction du degré de confort que vous avez envie d'avoir dans la salle. Ce que nous observons en tous cas, c'est que le prix unique sur la séance de cinéma varie de plus en plus du degré de l'expérience que vous aimez avoir dans le cinéma ou le type de film que vous aimez voir.
Nous on n'est pas du tout sur cette logique, nous on suit la logique qu'on veut inciter les gens un maximum d'aller au cinéma, donc on ne crée pas une barrière où on a l'impression d'être pénalisé si on va voir tel ou tel film. Donc ça, ce n'est pas du tout la stratégie d'UGC. Nous on est dans le mode «il faut qu'on donne envie aux gens d'aller dans le cinéma ». Donc, on ne différencie pas du bon moment pour aller au cinéma par rapport au mauvais moment.

12. Pourquoi est-ce que vous ne diminuez pas le prix des entrées, incitant les visiteurs d'acheter plus de snacks (marge plus élevée) ? Ou des offres qui incorporent le ticket et des boissons/snacks ?

La question qui se pose, c'est le taux de captage. Vous n'avez évidemment pas le même taux des gens qui vont dans le cinéma qui consomment de l'alimentation ou des boissons. C'est plutôt le public famille ou le public jeune ou sur certains films, vous avez des publics qui n'achètent pas des popcorn (comme l'opéra ou le théâtre).
Donc tout dépend effectivement de la stratégie. Ce qu'on appelle en gros, ce qu'on va vendre en confiserie, ça vous fait un montant par spectateur qui s'additionne au prix du billet et donc après selon l'enseigne et le positionnement, vous allez pousser plus ou moins à cette consommation en ayant des parcours proches comme dans un magasin d'actions. Vous passez nécessairement les points de vente en attendant dans la file et vous êtes exposé aux articles en permanence et à une tentation. Ceci fait, en général, nettement augmenter le taux d'achat et les gens sont moins réfractaire au prix vu qu'ils achètent par tentations. Dans

certains cinémas, ils essaient de pousser les gens d'acheter en leur mettant des files d'attente haute où la tentation est permanente.

13. Pourquoi est-ce qu'UGC n'introduit pas dynamic pricing pour différents films et clients ?

Il y a toujours eu une logique chez UGC de traiter tous ses clients de la même manière pour attirer un maximum de gens et leur donner envie d'aller au cinéma. On a une logique égalitariste de traiter les clients.

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Statement of independent work

I, Max Welter, confirm that the work for the following master thesis with the title: "From movie to event theatre – Assessing the value of a cinema ticket" was solely undertaken by myself and that no help was provided from other sources as those allowed. All sections of the paper that use quotes or describe an argument or concept developed by another author have been referenced, including all secondary literature used, to show that this material has been adopted to support my thesis.

Date: 08.08.2022 Signature: