Senior professionals on the resilience of the European film industry: a media industry perspective

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How do senior professionals reflect on the changes and consistencies in the European film industry (EFI) over recent decades? What was their experience of the impact of digitization on film production, distribution, and exhibition? Has Hollywood's dominance in the European film market become more systemic than ever? How effective were European film policies in strengthening a solid EFI? How do key witnesses perceive changes in the competitiveness of the EFI? These and many other important questions are central to the historical research of the REBOOT project. Together with colleagues at UCM and UW, the UGENT team has been conducting a large set of interviews with senior professionals in the European film sector.

The UGENT team split the interview waves in two, one being a Flemish wave and the other being a pan-European wave. For the Flemish wave, twenty-five interviews have been conducted so far. For the European wave, the count is fifteen. The interviews have been evenly distributed across various segments of the sector, as well as in terms of gender representation and individuals' roles within the industry. We conducted interviews with important stakeholders in the Flemish film production, distribution, and exhibition sectors, as well as scholars, policymakers, and film critics. On the European level, we interviewed people at the policy level, but also representatives of film funds, pan-European film trade and other organisations.

Overproduction

When asked about the primary drivers of change in the European Film Industry (EFI), most interviewees highlighted digitization processes and the rise of streaming platforms. According to them, these transformations affected various subsectors. In film production, major companies have shifted focus towards creating content tailored for these platforms, reflecting a broader trend of adapting to evolving viewer preferences and consumption habits. However, this shift has resulted in a complex ownership structure within the EFI, with foreign-owned entities exerting significant influence over traditional television production and streaming content creation. A recurring observation among interviewees was the concern about overproduction in the industry, potentially impacting the quality of produced films. as the head of an important public film fund argues: “Currently, there is an overproduction of films in Europe, with an estimated 2,400 feature films slated for production this year. However, many of these films are not necessarily based on their artistic or commercial merits but rather on their potential to generate economic activity in specific regions. This approach undermines the quality and cultural value of European cinema, leading to potential long-term repercussions.”

Systemic Hollywood

In interviews, the changing role of the US filmed entertainment industry emerges as a recurring topic. Many interviewees discussed Hollywood's dominance over the European film industry, with some suggesting that this dominance may now be more entrenched than ever due to its mass promotion strategies and substantial budgets. This poses challenges for European films, which often rely on subsidies and struggle to compete on a global scale. The president of a pan-European producers’ association highlighted various aspects of this US dominance, including the control of major US companies over the streaming business, their increasing investments in European production, their “huge financial power” and their “lobbying power which is incredible.”

Even though policy efforts to counteract this dominance did not seem to be able to reduce Hollywood's presence on the European audiovisual market, interviewees were rather quite positive about the long-term impact of European, national, and regional film policies. Or as a consultant and data specialist in the European film industry argued: "The European Union, being a union of different markets, has not transformed into a single entity like the US. While studios dominate, it is debatable whether we want a European equivalent of Disney, which would be as significant as a country. Europe has been successful in its own right, producing successful films and significantly more content than the US."

More movies in catalogues and on the theatrical market

Many interviewees also talked about major changes in the distribution of European films, and about changes in competitiveness, for instance in the direction of the growing competition for content between traditional cinema distribution channels and streaming platforms. Additionally, as the revenue model relying on DVD sales has nearly disappeared, traditional distributors can be put in precarious positions if a film underperforms in cinemas. However, some witnesses underline how the advent of digitization significantly reduced the costs associated with film distribution to cinemas. An important nuance here is that general costs have not necessarily been reduced but are now simply allocated differently with more focus on promotion. Another trend in this altered distribution model is that more films are now on the market, both in distributors' catalogues and in cinemas. Distributors flooding cinemas with numerous films and quickly withdrawing them, assuming sufficient supply. Consequently, an oversupply of films presents challenges for both cinemas and distributors. Some professionals underline that because of these shifts the traditional distinctions between first, second, and third-run circuits may be blurring, or as the head of a European distributors' association said: "It seems that the traditional first, second, and third-run circuits may have amalgamated."

Resilience after the pandemic

One of the most important statements when talking about the EFI deals with the resilience of the theatrical film market. The pandemic was a disaster for cinemas, and the old trope of the end of the cinema was heard in the industry again, but the most recent figures indicate the continuing attraction of the film theatre, as well as the theatrical film market's resilience. New programming and curatorial tendencies emerged or were strengthened like a move toward multi-programming, audience and community building, and stressing events. Or as a former data-analyst of an important pan-European exhibitors' association said: "A lot of those smaller independent cinemas are doing very well and are making more money than before COVID. Cinemagoing is not dead. People of all age are attracted to it if you give them the content and experience that they expect. Cinemas that fail to innovate in programming and events struggle to survive."

Further steps

These are just a few of the findings from our initial set of interviews with key experts in the EFI. These interviews, lasting between 60 and 90 minutes, were conducted either in person or digitally and recorded for transcription. We then completed the transcription and conducted an analysis using NVivo, a software package commonly utilized in qualitative research for interview analysis. Currently, the analysis is in its early stages, focusing on broad initial and open coding.

The UGENT team aims to finalize these interviews before attending the Cannes film festival and the upcoming REBOOT consortium meeting. During this meeting, UGENT will collaborate with UW and UCM. Subsequent discussions, scheduled for June 6-7, 2024, in Madrid, will focus on the report's structure and potential alternative forms of scholarly and other publications.

ILLUSTRATION 1

Alexander Vandeputte of the Belgian Lumière Group after the interview with the UGENT team. In 2022, Alexander and his partner Jan De Clercq received the Europa Cinemas Award for Best Entrepreneur in Paris. Besides producing feature films, shorts, documentaries and television series, Lumière is also active as a distributor and a film exhibitor, mainly in the Belgian art-house film sector. [photo copyright Daniel Biltereyst]

The Ghent team conducted interviews with the CEO of the Kinepolis Group and with the head of Kinepolis Film Distribution (KFD). Kinepolis holds a strong position in the Belgian theatrical market and is active in the Netherlands, France, Spain, Canada, and other territories. The group is Europe's third-largest cinema chain. [photo copyright Daniel Biltereyst]

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Daniel Biltereyst is a Full Professor in Film and Media Studies at Ghent University, Belgium. He is the Director of the Centre for Cinema and Media Studies (CIMS), an elected member of the Academia Europaea, and linked to the HoMER network. His work focuses on film and media history, cultural media studies, and various projects related to cinema history and censorship. He recently published *Cinema in the Arab World* (2023, with I. Elsaket and Ph. Meers), and co-edited a theme issue on European cinema for the film and media studies journal *Cinéma & cie* (with E. Gipponi and A. Miconi, 2023)

Engelart Willems obtained a master's degree in Communication Sciences from Ghent University, specializing in Film and Television Studies. His Master's thesis focused on film censorship in the Belgian Congo during the 1950s. As of September 2023, he is a 100% researcher at Ghent University, taking part in the European H2020-project "Reviving, Boosting, Optimising, and Transforming European Film Competitiveness (REBOOT).

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