



## Service Marketing Analysis of Movies in Pakistan

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## Abstract

One of the features of films compared to other cultural products is the possibility of their use for advertising and information activities and influence on the formation of needs and audience preferences, as well as different patterns of consumer behavior. The urgency of this scientific problem is that the sale of cinema products today is impossible without a marketing system. The applications of different marketing strategies depending on the specific tasks allows a differentiated approach to each project and achieve the goals both from the standpoint of contribution to the development of culture, and in terms of obtaining economic effects from the film industry. The main purpose of the study is to substantiate and determine the features of the use of marketing tools in the film industry. The study of marketing services for film production was carried out in accordance with the logical structure of the concept of "7P" (product, promotion, location, price, staff, physical environment and the process of providing services). Recommendations for the marketing of services in the film industry: first, the choice of methods for watching movies depends on the type of media environment (traditional, digital), secondly, the choice of ways to obtain movies depending on their genre and subject, thirdly, in order to effective promotion of content and perception of the film identified the basic requirements for its trailer. The article proves that the marketing of services in the film industry is aimed not only at meeting the socio-cultural needs of the population, but also at the commercialization of the industry, ensuring audience access to films, as well as creating market conditions for its sustainable development. The research materials are the basis for further research on current issues of modern film practice, integration of film production and film consumption.

**Keywords:** Movie consumption; Service marketing; Consumer behavior; Cultural marketing.

## 1. Introduction

Among the other various cultural goods, movies are in a peculiar state as while depending on their appearance, they could be treated as special products, they are much better suited to be referred to by the term 'partly product oriented service'. While [Pavluska \(2014\)](#) already highlighted that the consumption of cultural goods should be considered on the product - service spectrum and especially the service features of cultural goods, we can also find for examples on the marketing management side in the work of [Kotler and és Keller \(2016\)](#) as well as the service marketing aspects of [Veres \(2009\)](#), who particularly regarded entertainment as a service industry, highlighting the arts and media especially. From a movie standpoint we should also highlight [Kenesei and Kolos \(2014\)](#) who used the movie theaters and DVD releases to describe and showcase the molecule model of [Shostack \(1977\)](#), as well as [Kandikó \(2010\)](#), who described movies as both product oriented services and service-product hybrids, for which he considered the IHIP characteristics of services valid as well.

In this paper we treated movie consumption along the lines of service marketing typology, while we will refer to movies as unique service products. In the following among the various factors affecting movie consumption we are going to explore the movie itself as a unique service product, which – depending on its appearance and features – may be considered on either side of the product-service spectrum, but in most case carries characteristics of both.

## 2. Methodology

According to our position in the introduction, movies may be treated as unique service products that carry different characteristics based on how they are viewed. Thus in the following we structured the presentation of movies according to the "7P" interpretation of marketing mix for service marketing. The main structure was created according to these elements, where we collected theoretical and research data concerning the special features of movies.

In the study we collected literary sources and researches for review purposes, where we supplemented the classic marketing literature interpretation of 4P (Product, Price, Place/Distribution and Promotion/Communication)

with the additional 3P (Physical environment, Process and the People involved) of the service marketing. The following chapters disclose the results of our literature review.

### 3. Movies as Service-Products

The Pakistani Central Statistical Office's cultural statistical report defines movies and their production as follows: "Movie production and movie creation starts from the beginning of recording until the production of the first original version of said movie, and includes all of the involved creative, organizing, economic and technical activities and processes." Bárdosi and Lakatos (2005) Ultimately this could mean feature movie (script based artistic fictional movie, or short movie), documentary (reports based on actual events, real personalities, objective by intention, with subjective sorting of facts handled by the creator), animated movies (where drawn or in other means created creatures use the illusion of movement) and other movies (all the rest which did not fit the previous categories, mainly short movies with the aim of propaganda and advertisement).

Another method to overview the different types of movies could be done according to the intended release classification, which is handled by the movie producing or distributing companies themselves. Here, the classifications used on the website IMDb (Internet Movie Database) may be used as a guideline, which differentiates between feature movies (Film with theatrical initial wide release), TV movies (aimed for the television screens that are usually shorter than 240 minute) and the series (distinguishing between miniseries and regular series). It should be noted that due to the large amount of yearly releases (and the frequency of unique cases) even this sorting cannot be generalized to every single movie (which is also highlighted in the database guidebook created by IMDb itself, where there are numerous exceptions listed and detailed).

#### 3.1. Factors Independent From Viewing Method

In the case of movies, apart from the actual content we also have to highlight the factors that contributed to the identity and quality of said movie. Among these, the factors that are independent from the viewing method are especially important, as they appear in every occasion, when one is about to watch a movie.

This includes all relevant production conditions (the size of the production budget, whether it is on-site or in-studio shooting, how long it takes, how much influence the studio heads have in the project etc.), as well as the filmmakers themselves: starting from the screenwriters (and in many cases rewriters) through the director and cinematographer all the way to the actors, whose creative work, talent and harmony are the main traits that define the movie. All the while branding, which is a key part of product marketing already appears at this stage: the very notion of particular filmmakers often already carries a certain guarantee of quality that may inspire confidence in the consumers, long before the official communication campaigns about the movie even began.

Choosing the right title for the movie is also extremely important, which also appears as a kind of brand name in the minds of consumers, and can already aid in the creation of certain attachment points (for example *The Hunger Games: Catching Fire* leaves no question what movie series it belongs to, but we can feel the same way about certain numbered titles or other ones that include the name of a character). On the other hand, the title, may trigger the formation of attitudes by itself, even with no prior knowledge (for example, the titles *Scream* or *Psycho* have a good chance of positioning these movies in the minds of the viewers even if they have never heard of them before). Another interesting question is what effect or response did the creators want to achieve with the title, as from time to time we can see that their choice is seemingly unrelated to the actual work (for example, it's pretty hard to explain how *Knight and Day* relates to the secret agent story based action comedy, or to decipher the meaning of *Cloverfield*'s title, and how it connects to the various supernatural phenomena in the film series). In addition, the translation of the movie title has a similar significance in international distribution, which may also affect the perception of the movie, especially when based on the local distributing company's decision localized title has a different meaning than the original one (Bajomi, 1980). There are many examples of this; from minor discrepancies and possible misunderstandings, to complete reinterpretation (which sometimes completely miss the mark (Oaster, 2017). Apart from the translation of titles, localization itself, the degree of linguistic accessibility of movies is worth mentioning as well.

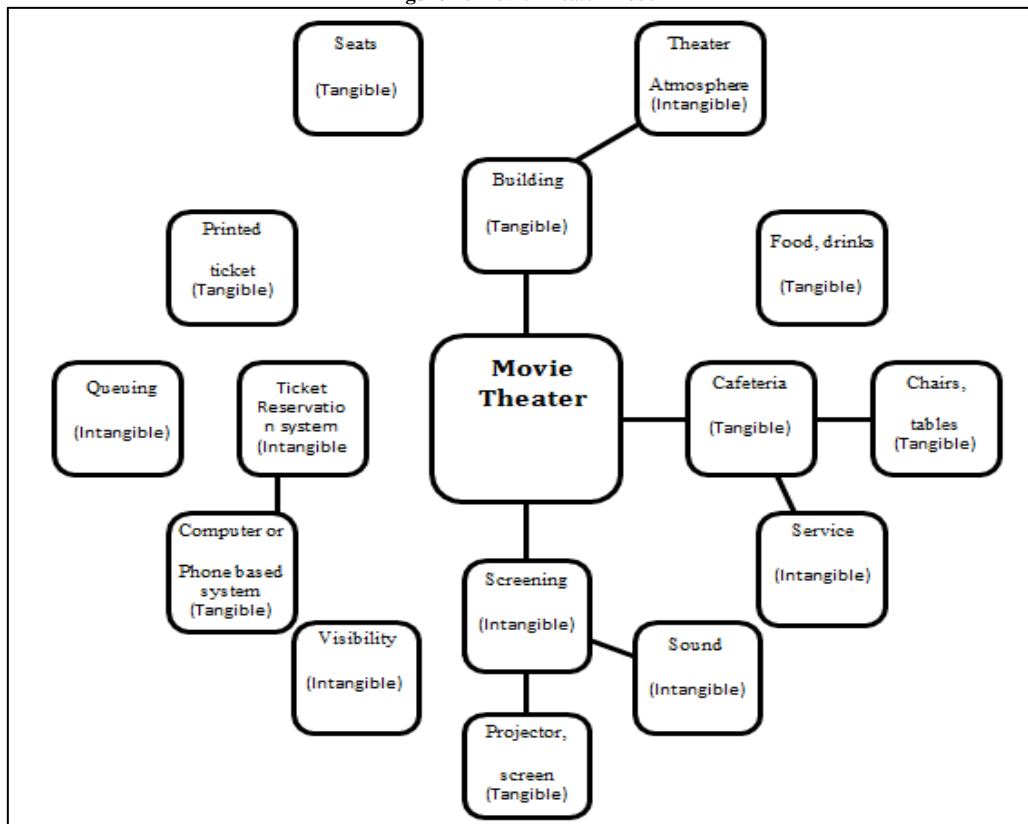
The majority of Pakistani film consumers are primarily looking for dubbed versions of movies, while a narrower (typically higher-educated, foreign-speaking) segment clearly tries to avoid them and, if possible chooses the original language instead (Nevelös, 2013). These consumers are usually faced with another decision: 'Watch the movie with or without subtitles?' Of course, depending on language skills, this is not always a matter of choice. The quality of the translation however is extremely important, especially since, unlike dubbing, the subtitles are often not made by official translators, but by enthusiastic fans in homebrew conditions (often containing uninterpretable and incorrect translations, or grammatical errors). In certain cases there is also the possibility of using a subtitle in the same language as the audio, whose positive effects on language learning have long been studied (Gorjian, 2014; Rokni and Ataee, 2014; Shang-Ikeda, 1994; Wang and Liu, 2011). On the topic of subtitles we should also mention the ones that were made mainly for accessibility purposes, mainly for the deaf and hard of hearing. These subtitles draw attention to not only spoken sentences, but also particular background music or certain sound effects that carry importance during a scene. Interestingly, many people use this feature with perfect hearing as well. The research of Ofcom (2006), for example, found that out of the approximately 7.5 million British people who watched TV shows with subtitles enabled only one-fifth were hearing impaired. They hypothesized that this ratio was mainly due to the use of smart devices during daily commuting, where the annoyance of external noise could be somewhat offset by the use of subtitles (having greater focus was also a popular response to 3Play Media's social media research in the

same topic, where the better understanding of strong accented speakers was the other main contender for the use of subtitles (Edelberg, 2017).

### 3.2. Factors Depending on Viewing Method

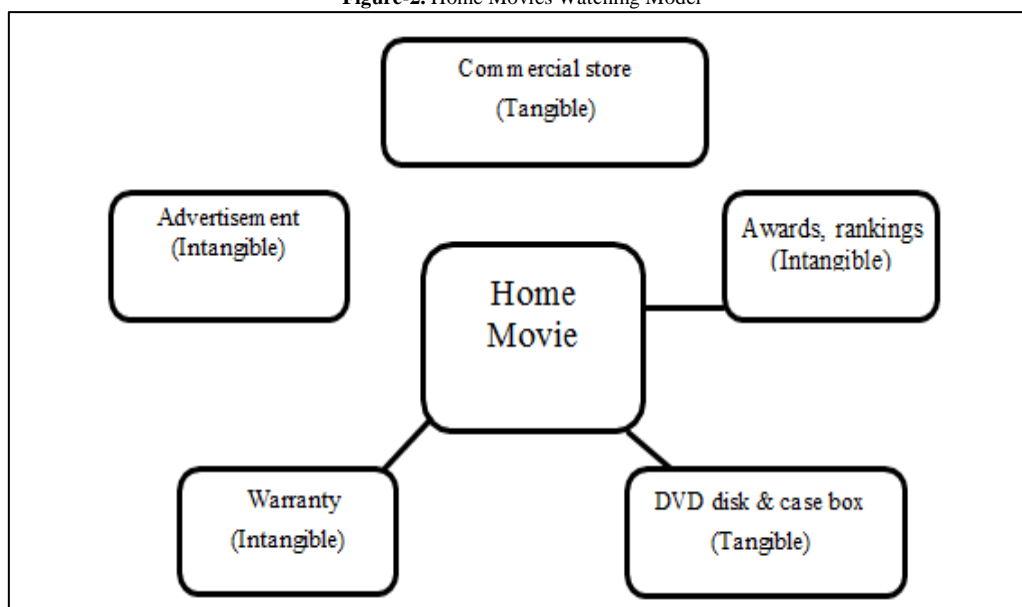
Depending the different viewing methods, movies carry additional objectified and intangible elements. These were demonstrated using Shostack's molecule model (1977) on the example of watching a movie in either a movie theater (as seen in Figure 1) or at home (as seen in Figure 2) with DVD discs by Kenesei and Kolos (2014).

Figure-1. Movie Theater Model



The essence of the model is to separate the tangible and intangible elements, displaying the entire service product while also facilitating the further design of the service. It should be emphasized that based on the various objective and intangible factors we can distinguish the quality of content from the quality of execution (the latter of which can at most degrade the former, but cannot elevate it). A film will not be perceived good or bad because the seats in the cinema were uncomfortable or the purchased DVD disc was damaged, instead these much rather affect our attitude towards the cinema or distributor providing the service (Kandikó, 2010).

Figure-2. Home Movies Watching Model



Although other access possibilities for watching movies, such as television broadcasting and digital access, were not mentioned in the list above, all other elements, with the exception of the actual playback device (or its physical accessories used for playback) can be considered intangible. We will get back to these elements (and further) in the subchapter concerning the physical environment.

## 4. Channel and Access to Movies

In case of the various channels the consumers may use to access movies, the primary grouping criteria is the place of viewing. Out-of-home movie watching has traditionally been represented by the movie theater, and in-home movie watching by the television, and with the development of technology, additional solutions and screens have emerged for everyday (in-home or out-of-home) use. In the following chapters we examine the different viewing options, focusing on their access (distribution) functions.

### 4.1. Movie Theaters

Movie theaters are usually run as service businesses, which mean that visitors are able to attend their showings for a ticket purchase. It often targets a well-defined audience with a program tailored to their liking. Nyíró (2013) distinguished between single- and multi-screen movie theaters (also referred to as multiplexes, often containing 10+ viewing halls in a single location), and further grouped them primarily on the basis of screened films: art-class movie theaters, feature film based movie ones; multiplex cinemas; and nostalgia movie theaters playing classical features. He also highlighted some of the more specialized solutions that often appear as variations of the above grouping, such as outdoor (sometimes drive-in theater) movie theaters; IMAX theaters; and other so-called “4D cinemas” that potentially enhance the movie experience.

From the ones listed above, the multiplex movie theaters stand out in terms of attendance, their main goal being to serve consumers at a high level, thus their visitors may find suitable movies at any time of the day (from a broader selection that they can keep showing for a significantly longer period, than other, smaller theaters). In terms of access, it is important to highlight the parking facilities provided by the shopping malls that commonly host these multiplex movie theaters as well as the their above average approachability (whether by car or public transport), which is due to their location in busy junctions. The importance of multiplexes was further demonstrated by Nyíró (2013), when he pointed out that the majority of movie-goers select the film prior to the movie theater, which clearly favors the ones that offer a broader selection.

### 4.2. In-Home Movie Consumption

The quantity and quality of works broadcasted in television depend primarily on the channels that are offered by cable providers. While there are certain television channels where only movies are shown for 24 hours a day (sometimes these are offered in special packages at a surcharge in return for not being interrupted by commercial breaks), most commercial channels still use the programming structure of pre-defined movie blocks, with several interruptions in-between (be it advertisement or news coverage). The drawback of such fragmented movie watching experience as well as the strict daily scheduling which may conflict with consumers' own laid the foundation for the success of the various recording and playback devices.

Enter the most popular physical mediums of today: the aging VHS video cassettes, which were replaced by the DVD (with superior picture and sound quality as well as increased durability), and then the appearance of Blu-ray (a sort of enhanced version of DVD, with even greater storage capacity). The digital mediums typically carried multiple audio and subtitle tracks, and often included various extra content to take advantage of their storage space (such as audio commentaries recorded by filmmakers who provide narration with ‘behind the scenes’ information and anecdotes; or deleted scenes that were left out of the final cut for one reason or another).

The distribution of DVD and Blu-ray releases broadly follows traditional forms of product sales. They are often found in various larger commercial retailers as well as smaller specialty stores. As these are well-sealed and standardizable products, their online sale (or home delivery) can also be easily solved (Kandikó, 2010). In terms of appearance, the home releases are treated as quasi second-line sales, usually two to four months after their initial theatrical run has ended (further delays could be detrimental to the revenue (Lehmann and Weinberg, 2000)).

### 4.3. Alternate Movie Watching Methods

The greatest limiting factor in watching digital movies is primarily the (lack of) access to the playback devices or internet subscriptions (with adequate bandwidth). Once these conditions are in place, the next entry barrier for consumers is subscribing to the digital content providers (when they wish to obtain the content legally), or amassing enough knowledge and experience for illegal opportunities. Apart from these, however, due to the nature of the online world, additional physical barriers to access no longer appear and digital service providers continuously working to further reduce any and all existing constraints as well (like streaming sites offering download options to avoid the more expensive use of mobile data on portable devices).

In the case of digital ‘Video-On-Demand’ (VOD) and streaming services, which also define home and alternative movie watching, it is should be highlighted that that the available content for access is continuously becoming more and more extensive. This applies to works that previously have not available in domestic distribution (through the traditional channels), or archived content (older silent movies, old recordings) that are available once again, or certain movies that were specifically produced by and for their respective service provider.



We can also witness the re-emergence of various previously neglected and niche content, which was made available to this new way of content distribution. New trends in film genres, like the sudden rise of well-produced documentaries and documentary series were able to reach wider audiences once again via the Internet (after their television decline in the past years). Similarly, various crowdfunding movie content (movies that have their production costs covered by the prepaid revenue of the 'early bird' customers) should be mentioned (such as the Veronica Mars movie, originally based on a television series, made from a 6 million USD budget, raised by more than 90,000 supporters of the idea (Rappaport, 2014)).

## 5. Price Creation

When examining pricing, it is important to present the main perspectives of filmmakers/distributors as well as consumers. Pricing most clearly determines producers' revenues, but setting the price properly (and having the consumers' acceptance) is not an easy task at all. While judging from a cost-based pricing perspective, it is particularly difficult to estimate how much it costs to create and distribute a feature movie; most estimates tend to use the double of the published filming budget. This amount already includes all the marketing activities related to the release of the film, and the production studios (and distributors) can also plan the expected return based on this.

The pricing strategy of skimming which is often applied in the case of cultural service providers is most noticeable in the case of movie theaters, as their ticket prices are generally high (although eastern European countries are still in a relatively favorable position in this respect, according to the WorldAtlas report (Burton, 2017)). This is due to the fact that the number of seats is limited (important in cases of new releases with high attendance), while the fixed costs related to the screening apply even in the case of semi-empty screenings. From a certain perspective the supply of films in this case could even be said to be somewhat scarce, as their time spent in movie theaters is limited and they only appear on the home platforms after a delay.

Digital streaming service providers, on the other hand, are particularly well placed to adopt a penetrating pricing strategy, where they can attract many subscribers with a relatively low price. Their offering primarily is the access to the content itself; thus they are not bothered by the common limitations of supply amount which usually occurs in other cultural markets (Kandikó, 2010). As they gain newer and newer subscribers, they only need to pay attention to develop and expand their services at the right pace, meanwhile increasing the load-bearing capacity of their servers (thus ensuring that both existing subscribers and new entrants have a pleasant and carefree user experience).

Both movie theaters and in-home options have numerous opportunities for price differentiation. Movie theaters have the option to differentiate by quality (use of optical or digital projectors, or 3D screenings being more expensive compared to 2D ones), extra services (such as VIP tickets for unlimited snacks and private screening possibilities), customer base (student tickets being lower) and time (certain days selected for discount screenings, or having matinee showings early in the afternoon). In the case of in-home movie watching, the main difference is provided according to quality. In terms of physical media, DVDs and Blu-ray movies are available in different prices often in accordance to consumer expectations and financial constraints. Meanwhile streaming providers typically offer subscription packages of vastly different quality and price range (where the penetration pricing mentioned earlier refers to the final price of the lowest package).

## 6. Communication Movie Related Promotion

Movie related communication and promotional methods include traditional forms of ATL and BTL advertising, building strong public relations (often actively carried out by distributors in addition to filmmakers), and certain other promotional tools (such as the transfer of corporate identity). Among the various options, the need for integrated marketing campaigns as unified and coordinated communication stands out (Kandikó, 2010). On the other hand, it can clearly be seen that movie is a medium where all the different options of communication and integration can only be made in accordance with the promotional flagship, that is the movie trailer. Accordingly, when discussing communication related to movies, we should primarily focus on movie trailers and their different variations over the years.

The history of movie trailers traces back to the introduction of cinema itself, the movie industry as a whole is unimaginable without this form of advertisement. Movie trailers, which can be seen as free previews of coming attractions, are commonly placed before the start of a feature film in a movie theater or online (as these two serve as the main focus points with the greatest consumer reach for trailer releases). As Kernan (2004) points out trailers display certain fragments from a specific feature film to assert its excellence, ultimately becoming the "Film we want to see", making movie trailers appear as a hybrid form of advertising and cinema, as an art form. This aligns with today's heavily commercialized cultural forms that make art and marketing increasingly indistinguishable.

While advertisements are usually treated only with tolerance from the consumers' side, trailers on the other hand are perceived positively and are actually sought out by most movie-goers. Furthermore the various forms of trailers that appear before the release of a new movie are responsible for a sizeable chunk of all online video data transmission (behind news and user created contents). Visitors of movie related websites and blogs get their first impression of a movie here, which is often the sole reason behind their decision whether to watch it at a movie theater or not (Baski, 2010). Naturally not all trailers are praised, sometimes both the general public and movie critics lash out, with the main concerns being that they spoil too much of the narrative, showcase only the spectacular parts or even flat out lie in their advertising (or use footage not included in the final cut of the movie).

## 6.1. Movie Trailer Types and Distribution

There are many different ways how trailers can differentiate from one another in their style, content, purpose or where they were screened, with many different subcategories further refining what we think about trailers (with new ones appearing ever so often as marketers find new ways to use social media, word of mouth etc.). In [Table 1](#) we can see the main types of movie trailers, among which the primary distinguishing features are their release timing (what stage of the movie production they are created and shown to the world), their length, and the content (montage, full scene or separately shot scenes) they showcase ([Dornaletche, 2012](#); [Kernan, 2004](#)).

**Table-1.** Movie Trailer Types

Type	Release	Length	Content
<i>Teaser trailer</i>	During production	30-90 seconds	Title, short cuts
<i>Standard trailers</i>	In the year leading up to the premiere	2-3 minutes	Montage, characters and plot
<i>Creative trailers</i>	In the year leading up to the premiere	2-5 minutes	Separately shot
<i>Featurettes</i>	During production	5-10 minutes	Behind the scenes look
<i>Clip trailers</i>	Months leading up to the premiere	2-5 minutes	Scenes grabbed from the finished movie
<i>TV spots</i>	Weeks before and after the premiere	30-60 seconds	Montage

Source: Own elaboration (2020)

The question arises, where and how can and should movie distributors place their trailers to reach their target audience. While advertising in the same medium is generally noted to generate higher influence and usage ([Vollans, 2014](#)), the most natural habitat to the trailers of today are the video sharing websites. The internet revolutionized the trailer consumption behaviors, while the format itself has barely changed (so far). The change of venue came naturally, the short length, video-montage style and fast pace are all associated with YouTube to begin with. Previously it was a question of chance to see a certain trailer – or in case of movie theaters, the particular selected movie was the defining factor –, now they can hardly ever be avoided, as thousands of movie related websites, blogs and forums all base essentially their whole operation on showcasing them ([Baski, 2010](#)). Even if one does not follow these sorts of sites, social media buzz with friends sharing the videos not to mention their inclusion of "pre-video" ad-spots all guarantee that they get to their audience one way or another.

While lacking the instant availability and intimacy that the internet provides, movie theaters operate with their biggest advantage, which is the setting and atmosphere, where the consumers are allured into the best possible attitude to receive advertising, without most common outer distractions that could stain the experience. Movie goers are generally allowed to enter the theater half an hour prior to the start of the movie, during which they are shown local advertisement and short commercials, then usually approx. five trailers (taking up 10-15 minutes) before the start, which all contribute to their cinematic experience as an entertaining pre-show.

## 6.2. Effects of Movie Trailers on Consumer Expectations

Consumer reaction is a process that normally follows the consumption of a good or service, anticipation may be generated in advance to the release with the aid of promotional hype, media coverage and public discussion. The various movie trailers, promising pleasure, spectacle and imagination may give the opportunity for numerous people to form and express their own hopes, expectations and anxieties. All of this may lead to movies be partially interpreted, appreciated and hyped up way before they are even released ([Gray, 2008](#)).

While it is a common understanding that advertisement does not always cover all aspects of its subject, still movie goers still get fazed from time to time by not getting what the trailers promised to them. The potential disappointment comes from the misinterpretation of these videos, as the concept of free sample is too widely adopted ([Vollans, 2014](#)). Their true purpose however is rather to position the movie and persuade the target consumers into action. Sometimes trailers also have to reposition, as sometimes the test views show bad results on certain aspects of the plot, like to tone down the tragedy plotline in a dramedy movie to focus more on the comedic aspects. This reorganization of the films narrative is done to serve its economic role, but it is also a creative action ([Johnston, 2009](#)). While they do not wish to fully mislead the audience, heavy persuasion, shifting expectations and small scale manipulation are all essential parts of creating trailers, which creates many risks and side effects for the consuming audience ([Baski, 2010](#)). One of these risks is the potential of spoilers, the less certain a studio is about the success of a movie the more they want to reveal in the trailer ([Kernan, 2004](#)). Another is the aforementioned creative use of footage as well as scenes not included in the final movie, as thanks to YouTube and the like the consumers may not only see trailers of upcoming movies but also past releases' trailers are available to compare as well, which aids to expose all the small shifts and false promises ([Vollans, 2014](#)).

An interesting implication of the over-reliance on trailers to market the movies is the studios being somewhat forced into having several set piece sequences (especially in the case of blockbuster movies). As movies and the competition between studios have grown to be more and more spectacle based, these marketable (and trailer compatible) moments in their movies with little regard if they make any sense plotwise ([Huber, 2014](#)). Ultimately some of these scenes might end up on cutting floor and their absence may or may not be noticed by the movie audiences, with the former case rightfully generating sour taste for many.

## 7. Physical Environment Atmosphere

The intangible nature of services means that any attachable tangible external feature plays a very important role in building trust. [Kandikó \(2010\)](#), emphasized that in the case of certain cultural institutions, such as movie theaters, the hosting venue should be treated as an extended characteristic, therefore the cultural enterprise (movie theater) should be also involved in improving the surrounding of their premise, which often means the shopping mall that serves as a host. This may include the external condition and maintenance of the building as much as the interior of the movie theater area. In case of the latter special care should go towards the used furniture (as damaged, or uncomfortable seating can be troublesome for longer periods of time), cleanliness (a quick cleaning is usually done at the end of each screening) and also the structure and organization shared space. These open hallways and corridors should be easy to navigate (using proper information signs, screen hall and seat numbering), with immediate and reasonable access to restrooms as well as the screening halls. Additionally having cloakrooms present (especially in certain seasons) may be well received by the moviegoer public as well. The design of screening halls also includes the dimensions of the film screen itself (having a larger screen can often have a greater impact on consumers [\(Reeves et al., 1999\)](#) the angle of inclination of the halls (it is particularly important to ensure that spectators sitting in front of one another do not obscure each other's view on the screen); and the design of the most comfortable movie seats possible. To truly create the unique feeling of movie theaters there is a need for a number of atmospheric elements beyond the venue, such as the often standardized work clothes of the cinema staff, various promotional materials placed on the grounds of the movie theater (posters of upcoming movies, molinos, sculptures and stands), lighting, background music or the fresh popcorn scent near the buffet.

In the case of in-home or alternative movie watching, there are significantly fewer opportunities to display the physical appearance and atmosphere. Purchased physical mediums like DVD-s and Blu-ray discs come with their own boxes (in which they package the discs), which do carry a level of quality (we can see relatively significant differences from the special metal covers of collector's editions through traditional plastic containers to sealed paper cases). In the case of the digital space, due to its nature, we cannot encounter physical appearance, but the clarity (as well as the complete denial of external advertisements) and usability (and localization) play a big role in creating the proper atmosphere of the digital service companies.

## 8. Process

Both in- and out-of-home film consumption can be broken down to three main components regarding their process features: ensuring the highest possible quality of the screened movie content, the (perceived) convenience of the processes related to watching movies, and the overall speed of the process (and how they can solve waiting management).

### 8.1. Quality

To achieve and guarantee the highest possible quality that is expected by the consumers of this day and age, various quality standards have to be implemented. In the case of movie theaters, such were the transition to digital projectors [\(Nyíró, 2013\)](#), the continuous improvement of sound systems, as well as the introduction of the IMAX format (which requires a unique combination of sound and image standardization). In the home environment we could see that as technological advances were coming out swiftly their image and playback quality continuously rose as well. Meanwhile many of the required equipment (like the more extreme sound system configurations, similar to those used in the movie theaters, or the growing size of television screens) became more affordable over time. Playback quality itself took large steps ahead as well by introducing a variety of new compression and encoding methods that have been able to provide a consistently improving image quality over the past few years, all the while using less and less storage (the key measure in this case is the amount of information loss compared to the original uncompressed video).

### 8.2. Convenience

Looking at how convenience appears in the framework of movie theaters, we can think about the conditions of buying a ticket for a feature movie, whether in person at the box office or online (after which admission to the screening hall is based on QR codes, with tickets printed at home, in the cinema kiosks or presented on the phone screens). It is also worth distinguishing between pre-order tickets, where the purchase is essentially a mere formal appearance of payment for the service (which can often also be done with the aid of vending machines, commonly located in the premise of multiplex movie theaters, which lacks any form of human contact whatsoever), and traditional purchases when all the important details are selected in person, on location, like the particular feature movie chosen watch, the start time and the particular row and number of seating as well.

On the digital movie watching side, however, we talk of a different kind of convenience, which instead manifests through the usability of streaming service providers' pages and applications. This includes, for example, features that improve the quality of life, such as playback settings (having a greater control over playback speed, or language settings), or preserving the position within a given playback session (automatic resuming from the point of stopping). The system should also take special care to handle the different user intentions of searches to the best of its knowledge. The importance of having good search results (and aiding in user discovery in particular) may be further enhanced by the fact that the "spontaneous" results found during the process (which are actually offered by algorithms running on a huge database running in the background), can often further strengthen consumer loyalty to

a given streaming service provider (Evans, 2016; Fouladirad *et al.*, 2018; Mäntymäki and Islam, 2015; Varga, 2019).

### 8.3. Rapidity and waiting Management

When designing the system of the movie watching process, one must also pay attention to create a smooth, fast process which should also properly handle waiting. If we look at movie theaters, we can see that the way they usually create the area leading up to and surrounding the screening halls in a way that ensures that the entrances and exit ways are spacious enough and that viewers leaving the hall do not get in the way or hold up the newly arrived attendees. Similarly, special attention was given to setting up the time schedule of showings, thus it is common practice that a movie starts in every interval of 15–30 minutes. This ensures that the spontaneously arriving consumers (who want to decide and purchase a ticket on the spot) can find a movie that fits their liking and at almost any time they arrive (Nyíró, 2013). In cases when a larger number of attendants want to buy tickets locally at the same time (which is a typical occurrence in the evenings of weekends), separate rows are formed for them (to aid proper queuing without cramming up on one another). In such entrance halls we can also often see television displays scattered near the cash registers, which constantly play trailers of films currently showing and others releasing in the near future. Advance reservations may speed up the purchase process, but in this case a system has to be placed to deal with costumers who do not end up buying their tickets, creating empty seats. Most movie theaters usually demand that attendees must purchase their reserved tickets no later than half an hour before the start of the film, otherwise the system will release the reserved status and anyone can buy them on the spot. For highly anticipated fresh movie releases it is also a common solution to simply disallow reservation in the first few weeks with only full purchases made available (which often happens at the premiere of new episodes of highly successful film series such as *Star Wars* or the *Jurassic Park*).

In the case of digital movie watching, the rapid availability of content is a basic demand of consumers, so apart from having the best aforementioned compression technology and proper server background the focus shifted on other additional features of digital movie consumption. One of these was to find solutions to bridge even the lag periods between different contents, where the new content (the next feature movie the system recommends, or in the case of a series, the next episode) starts immediately after the end of previous. However, in terms of search speed, it is important to know that a significant proportion of consumers use their television to access streaming services, and searching on television, with the aid of a remote controller, is significantly slower and more complicated than searching on a PC or mobile devices. To facilitate this, an instant search system has been introduced on most sites, where the system tries to list results instantly and continuously, based on the already typed characters and unfinished words and phrases (with more or less success), the main focus here is on the speed at which results appear (Lamkhede and Das, 2019).

## 9. People Human Environment

Movies as unique service products do not have the creators themselves personally appear in the movie consumption process, but through the service staff we can still talk about the importance of the human factor in the same way as we would in regular services. The cashiers, ushers, security guards in the movie theaters, and the people in charge of various back office support for other means of movie watching all contribute in this process and the various condition of the staff (be it the fatigue, mood etc.) may all greatly affect the quality of the received movie experience.

Due to the personal nature of the human environment, movie theaters where direct connection is close to inevitable are given a much greater emphasis. Attending consumers expect to be treated politely, to receive an appropriate level of information and to professionally handle any questions, concerns or complaints they might have. Proper customer management can even alleviate possible shortcomings in production, or otherwise it can magnify organizational or creative errors (Kandikó, 2010). In the case of multiplex movie theaters, it is worth mentioning that the overall service experience may be influenced even by external human factors, over which the movie theater operators have only an indirect influence, such as the shopping mall's operating rules and independent employees (at the mall information desks, in the car park etc.). The same is true, albeit more distantly, for human interactions related to activities loosely associated with the movie theater experience (such as pre-film meals, or going shopping).

For in-home or alternative movie watching, the human environment is somewhat pushed into the background, as external human intervention is only required from consumers during movie watching if some error or problem occurs. In such cases, depending on the nature of the problem, the consumer will contact the customer service representative of the content provider (be it the television, internet or digital content company). Such human interaction is handled typically online (through the service's own interface or through a social media channel) or by telephone (which is an option uses less and less frequently nowadays), while the emphasis is on the efficiency and the promptness of handling the complaint and solving the issue the consumers may have. During these exchanges the consumers expect polite and clear communication, the same as if they were facing the company representative face to face.

## 10. Conclusions

In our article, we presented that both the marketing mix approach for traditional products (4P) and the supplementary elements of the marketing mix related to services (+3P) can be applied to movies as unique service products. We have also shown that this approach is supported by several authors and studies in the literature when



examining consumer behavior in relation to movies, and then we have described the different main aspects that arise for each element:

Approaching from a product perspective, we identified the main differentiating grouping options for movies, and examined in more detail the factors independent (which occur every time someone watches a movie) and ones dependent on the viewing method, both of which may affect the movie watchers. In the case of the channel, we described the main options for watching movies at home and outside the home, as well as other alternative forms of watching movies, which often appear as a transition between the two (since in the digital world, film consumers are no longer tied to physical space). Through pricing, we presented the different aspects of filmmakers and distributors according to the triple breakdown described in the channel chapter. Exploring communication and film promotion, we presented movie trailers (that have a special significance in the role of leading all the other communication tools), briefly explored their history and their different characteristics and impact on consumer expectations compared to other forms of advertising. We also followed the differences according to the main channels in the presentation of physical environment and the processes, as well as the related quality, convenience and speed aspects. Finally we described the characteristics of the service staff who conduct primarily background tasks (since the filmmakers themselves do not usually appear in person for the process of consumption) of varying degree for the out-of-home, in-home, and alternative movie watching methods.

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