Differentiated Production and the Differentiated Film Market System*

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The relationship between the differentiated production and the differentiated film market system is paid more attention to. The paper clarifies how to explore “extended screening” and “differentiated screening”, how to give art films a place to survive and thrive, and how to give audiences a variety of choices. Some effective suggestions are given from three dimensions. The differentiated low and mid-budget films are tower base and trailblazer. It is also necessary to comprehensively promote the development of a differentiated film market system in order to make differentiated, localized and genre-based productions that are competitive in the market.

Keywords: difference, production, film market system

Introduction

In 2015, the Chinese film market showed a trend of rapid and even accelerated development in the construction of movie theaters. 8,035 new screens were added. As of the end of 2016, the total number of screens nationwide reached 41,179, making China the country with the largest number of film screens in the world. All movie theaters now use digital technology for film projection, and almost all county-level urban areas now have their own movie theaters. Regrettably, despite the rapid development of the domestic film market and the record-breaking box office performance of a series of films, the development of movie theaters is still homogenized, and almost every theater is showing the same films. Questions about how to explore “extended screening” and “differentiated screening”, how to give art films a place to survive and thrive, and how to give audiences a variety of choices instead of only one type of films they are stuck with remain unsolved.

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Analysis

It can be said that when the number of screens was only 10,000 or 20,000, the opportunities and space for Chinese films to have differentiated operations in the market is limited. However, as the number of screens has grown to more than 30,000, the space and opportunities for differentiated operations have increased. China's film industry started with 1,800 screens and has more than 30,000 screens today. In the past 13 years, the domestic market's scale and capacity for film projection has grown exponentially. However, the expansion of the market's screening capacity has not resulted in more low and mid-budget films being able to enjoy the benefit. Many films have difficulty in getting relatively fair access to movie theaters, and the diversity of films that can match the expansion of the market has not materialized. This is surely not what movie theaters or filmmakers originally intended (Liu, 2015). The business and profit models of the existing mainstream commercial theaters are similar and homogenized. Without differentiated management methods and business strategies, as well as policy support and protection, it is difficult for low and mid-budget films to gain access to mainstream commercial movie theaters. Even if they are screened at the movie theaters, they are often taken off the screen shortly after and can only play a nonessential role in the film market.

Because the box office pressure and financial pressure that low and mid-budget films are under are less high, low and mid-budget films have greater freedom to explore artistically and creatively, and can let filmmakers give free rein to their artistic imagination. Therefore, low and mid-budget films can demonstrate greater creativity and sociocultural value, as well as higher artistic quality and stronger artistic appeal. In the past, our support for low and mid-budget films tended to focus on production and the public opinion. If small and mid-budget films receive more market-related attention and support, they are also likely to perform better in the market. Because there are no distinctive and differentiated movie theaters, a large number of low and mid-budget films that are noteworthy, thoughtful, honest, passionate, with heartfelt and romantic sentiments, cannot find a larger audience, which inevitably leads to the misconception, misinterpretation and misjudgment about Chinese films as a whole.

In 2009, the Opinions on Expediting the Development of the Film Industry issued by the State Council proposed to promote the development of distinctive and differentiated movie theaters. As early as 2011, some scholars wrote an article on comprehensively promoting the development of the differentiated film market system (Rao, 2011). In March, 2014, the Opinions of the State Council on Further Promoting the Integrated Development with Relevant Industries of Cultural Creativity and Design Services clearly stated that by 2020, "the leading role of cultural creativity and design services will be strengthened...A number of cities, population centers and new towns with integrated development will be developed." It can be said that seizing the moment to promote distinctive, differentiated theater chains and movie theaters in an effective and orderly way is the key measure and step for putting the new concept of "innovative, coordinated, green, open and shared" development of Chinese cinema into practice, and it is also the key measure and step for China cinema to evolve from a major power to a great power in world cinema. We now have more than 40,000 screens, and the number continues to grow. It can be said that "everything is ready, except the momentum is missing." In other words, now is the moment to comprehensively adjust the structure the film market system, and there is no time to waste. If we wait any longer, we may not only lose a great opportunity but may even regret it later.

Suggestions

Undoubtedly, the urgent task of the current Chinese film is to promote the building of distinctive, differentiated theater chains and movie theaters, make the differentiated film market system a reality in the shortest time possible and gradually improve it, and effectively provide films with diverse genres and formats with outlets and opportunities.

In terms of production, the pattern of variety and diversity is gradually taking shape. Films with excellent artistic quality and rich sociocultural content are constantly emerging, but it is difficult for these films to effectively access the film market and find a broader audience since there are no differentiated theater chains. We must strategically design a plan for building differentiated theater chains, apply a marketing method different from what is used by commercial films to explore potential markets, and fine-tune and improve the pattern of variety and diversity through the implementation of measures for film circulation. In particular, on the basis of the top-level design, we will promote the building of the differentiated film market system in a multilevel approach through government promotion, business operation, social participation and public engagement. This also includes a diversified high-tech film circulation system and an inclusive film evaluation system that incorporates such perspectives as people, history, artistry and aesthetics.

From the academic and theoretical perspectives, films that are relatively less competitive in the market, such as documentary films, films based on the cultures of ethnic minorities, Chinese opera films, films with rural themes and *cinéma-vérité* films require more attention and support. Only in this way can the Chinese film market become more rational, the ecosystem more optimized, and the development of the mark more balanced, inclusive and sustainable. With the rise of new media platforms such as the internet, film circulation channels have been more diverse and flexible. TV broadcasting, internet-based distribution and the development of related products may revolutionize the development of the film circulation system, and also provide new opportunities for the building of differentiated theater chains. Low and mid-budget films usually have lighter themes, with a focus on reality and topicality, they can actively reflect the current social sentiment, and they are more grounded. Therefore, they are more likely to resonate with the audience. The main audiences of the current low and mid-budget films are the so-called “net generations”—post-80s, post-90s and even post-00s generations. They are deeply influenced by “internet thinking” and even have internet thinking in their DNAs, and their quick acceptance of new things directly provides the driving force and space for film innovation.

From a broader perspective, the young audience, internet thinking and its ecosystem are highly integrated. How to effectively deal with these structural changes in Chinese cinema is an unprecedented challenge and test for Chinese films and every Chinese filmmaker. However, as the Chinese film industry continues to mature, some viewers who care more about art and their aesthetic needs begin to set themselves apart, gradually mature and grow in numbers, which will directly bring more market opportunities and space for niche art films. In the past two years, a large number of art films have emerged, such as *Kaili Blues* (2016), *Mountain Cry* (2015), *Crosscurrent* (2016), *Mr. No Problem* (2016), *Duckweed* (2017), *Angels Wear White* (2017), bringing a breath of fresh air to Chinese cinema.

With attentions to reality and reflections on humanity while exploring the various approaches to marketization, these films have become a new horizon of Chinese cinema with rich cultural content. Right now,

the Chinese film industry has to enter a “new era” and create more outstanding realism-based works to drive the growth of cinema and answer the call of our time, while the development of low and mid-budget films will present new historical opportunities for improvement, transformation and the discovery of new depth.

Conclusion

So the differentiated low and mid-budget films are tower base and trailblazer. It is no exaggeration to say that low and mid-budget films are the base of the foundation for the entire film industry, and they are the indispensable base of the film ecosystem. If this foundation is not strong, the entire film ecosystem may start to collapse. In fact, low and mid-budget films are also differentiated as so-called genre films and art films. People tend to pay more attention to the latter while ignoring the diversity of low and mid-budget films that has a variety of genres and types. Liu Haodong has done analysis from the perspective of market and industry and concludes that “low and mid-budget films can be mainstream and non-mainstream films, art films and commercial films. There are films that are circulated through movie theaters and films that are headed to the film festival circuit. It is difficult to propose some kind of production and marketing strategy for different types of films” (Wang, 2011). This means that low and mid-budget films need to have clarity for how they should be positioned in the market and also artistically. It is also necessary to comprehensively promote the development of a differentiated film market system in order to make differentiated, localized and genre-based productions that are competitive in the market.

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