

Public Policies for Cinema in Portugal: The non-commercial film exhibition sector

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Dissertation

- Research project *

“Non-commercial Film exhibition in Portugal”

Developed by the Faculty of Economics (FEP) and CITCEM, with the collaboration of the Portuguese Institute of Cinema and Audiovisual (ICA)



The **Film Industry** is acknowledged for its **strong impact** and **economic reach**

Under this scenario, **Film exhibition** is essential when it comes to culture

Objectives (and motivation)

Adding knowledge to the non-commercial film exhibition "sector" in Portugal, its characteristics and contextualization under European cultural policies – Due to the scarcity of information regarding the sector, especially concerning the **non** and **semi-commercial circuits** or **alternative exhibition**, and lack of investigation around the existing information

Comparing different European models and the effects public policies have on cinema, especially in the European Union - Considering recent changes concerning **cinema and audiovisual policies** (especially **digitisation** and **traditional theatrical exhibition**, as it is being reconsidered)

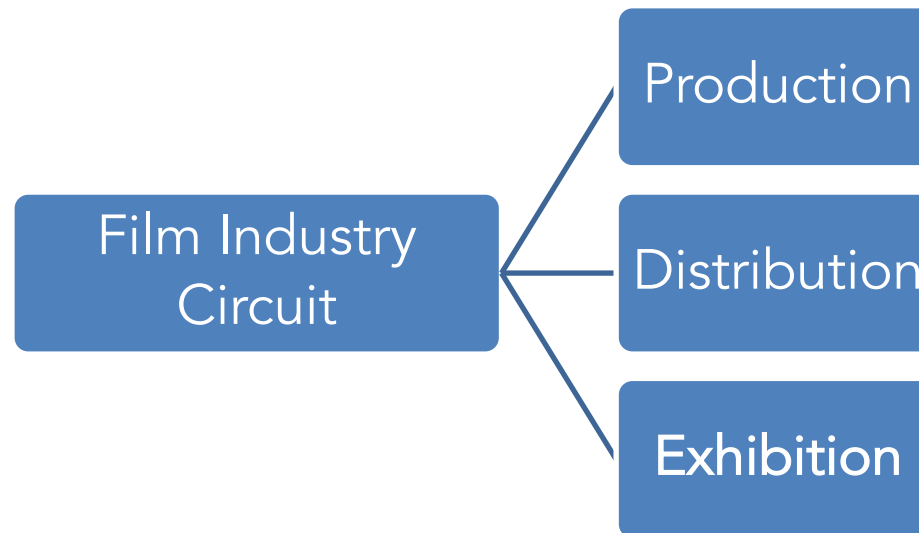
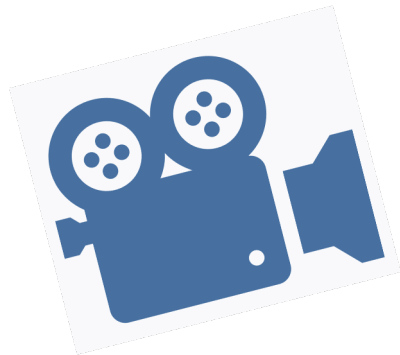
Cultural Capital Throsby (2001)

“An asset which embodies, stores or provides **cultural value** in addition to whatever **economic value** it may possess”*

- Characterizes each country
- Driver of competitive advantage
- Fosters global relations

Public policies must be encouraged in order to avoid an unbalanced development between regions, especially in Portugal due to the vulnerability of the national cultural policies

Economics of movies



EXHIBITION

COMMERCIAL SECTOR

Mostly located at shopping malls

Exhibition rooms which contribute to a larger consumer and entertainment culture

SEMI-COMMERCIAL SECTOR

Alternative filmographies exhibited in a commercial basis, although mostly public funded

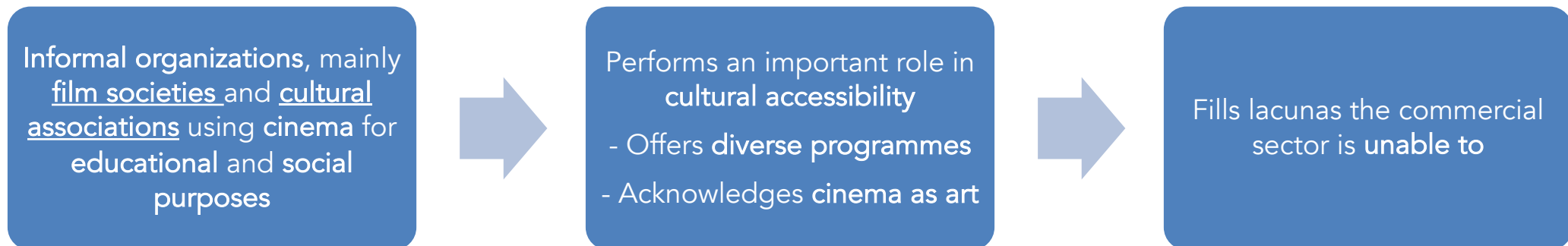
Europa Cinemas network (European Commission and Centre National du Cinéma)

NON-COMERCIAL FILM EXHIBITION SECTOR

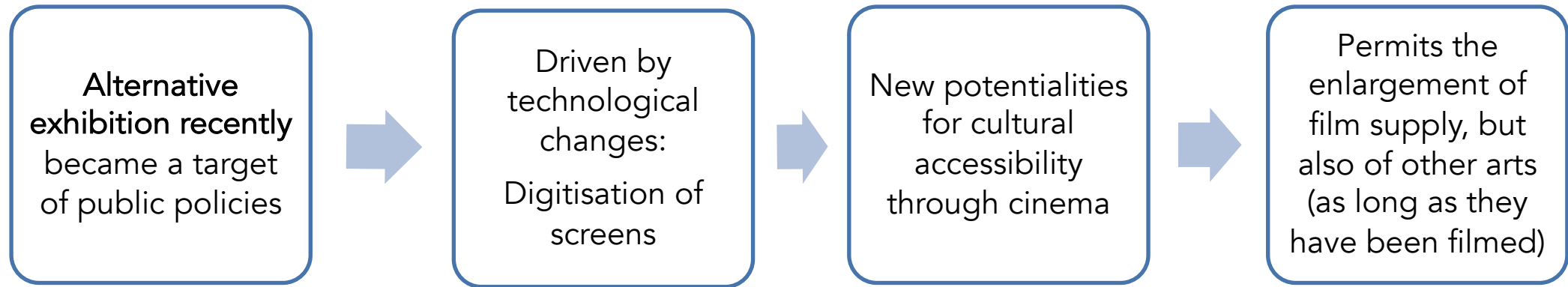


NON-COMMERCIAL SECTOR

“Traditional film societies screening films to members with a common interest in film appreciation, to pop-up screening events in non-traditional venues and village hall screening programmes offered by local groups for social and recreational purposes.” (Barratt & Jones, 2014)¹



¹Barratt, J., & Jones, S. (2014). Rural community film exhibition in Wales. *Bigger Picture Research*.



Due more to economic performance than cultural value

What justifies these interventions?

- High global competition (Hollywood)
- Cultural relevance
- Preservation of European Cultural Identity and values (heritage)
- To promote cultural consumption

Support is often unbalanced

Mostly directed towards production activities

Funding models and amounts granted differ across countries

It's hard to make comparisons

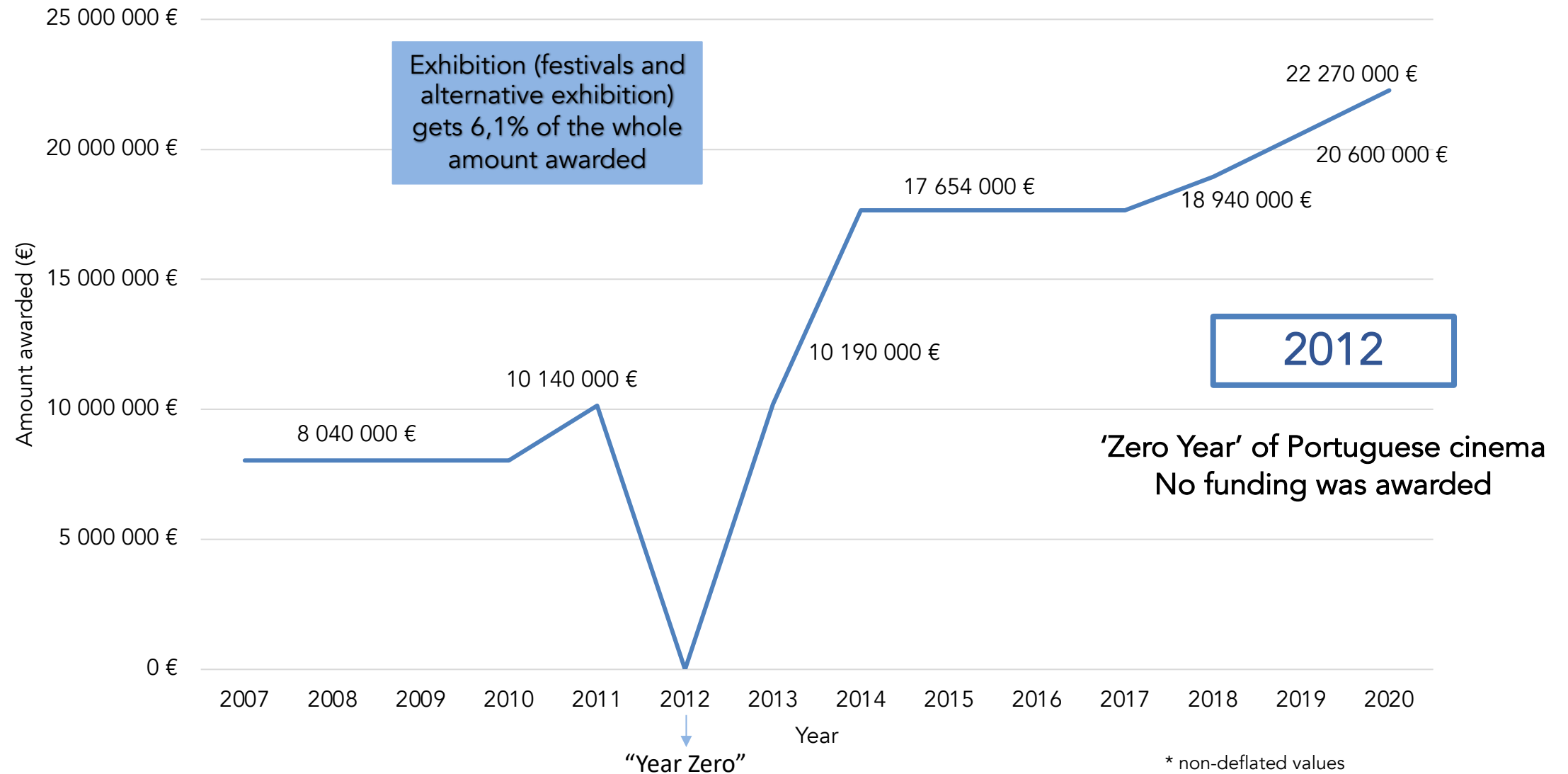
It was necessary to manage data concerning the Film and Audiovisual sector and Public Policies

European Audiovisual Observatory
(1992)

In Portugal
Instituto do Cinema e do Audiovisual

- Institution responsible for the development of cinematographic and audiovisual activities
- Indirect administration by the state, with administrative and financial autonomy

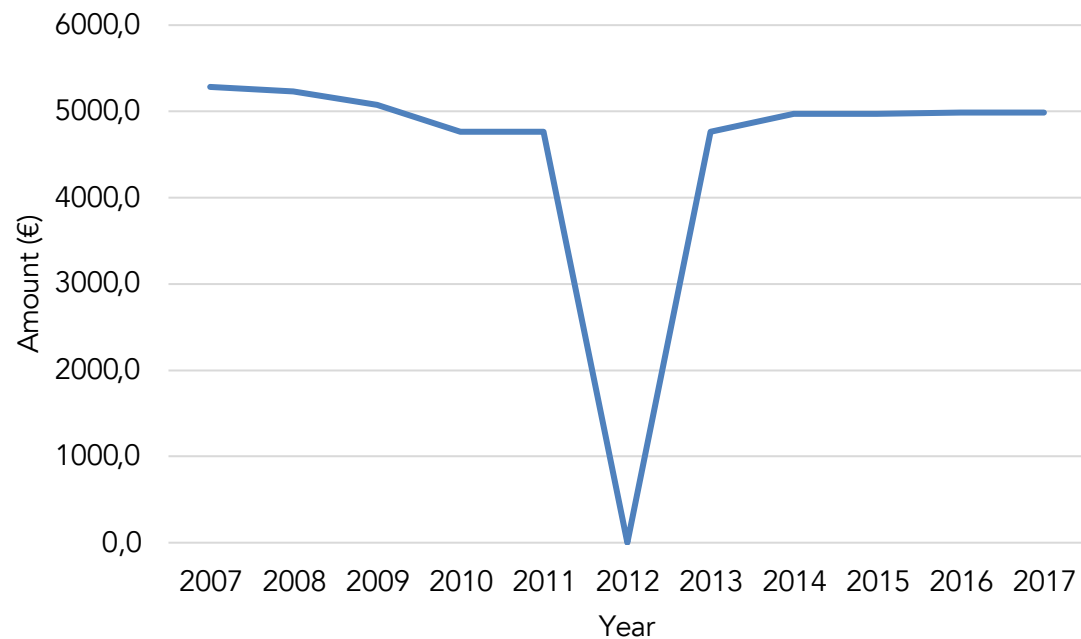
Amount of Public support to the cinema and audiovisual sector between 2007 and 2020*



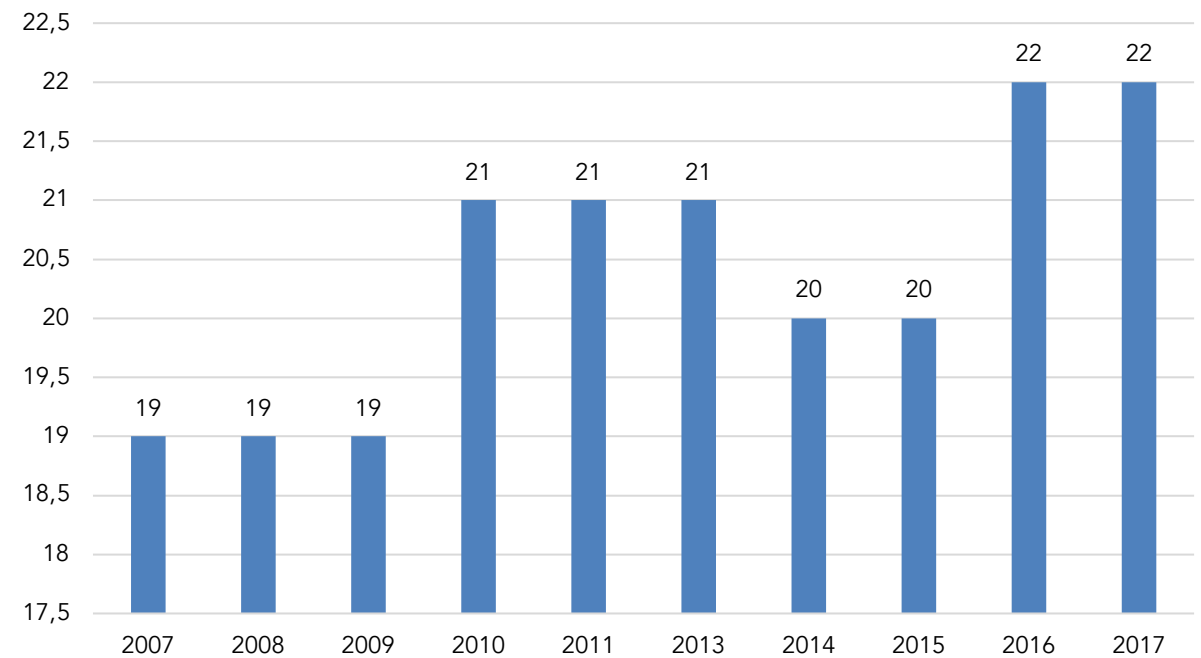
Non-commercial film exhibition sector: Public Policies

- Funding is usually awarded through bi-annual contests since 2014
- Values around 5000€
- An average of 20 entities received funding

Average amount of funding awarded to the alternative sector per entity and per year (2007-2017)*



Number of financed entities (2007-2017)



* non-deflated values

- The databases permitted to characterize the sector in Portugal



More than 60 variables



Agents involved



Place of exhibition



Films exhibited



Resources used and funding amounts

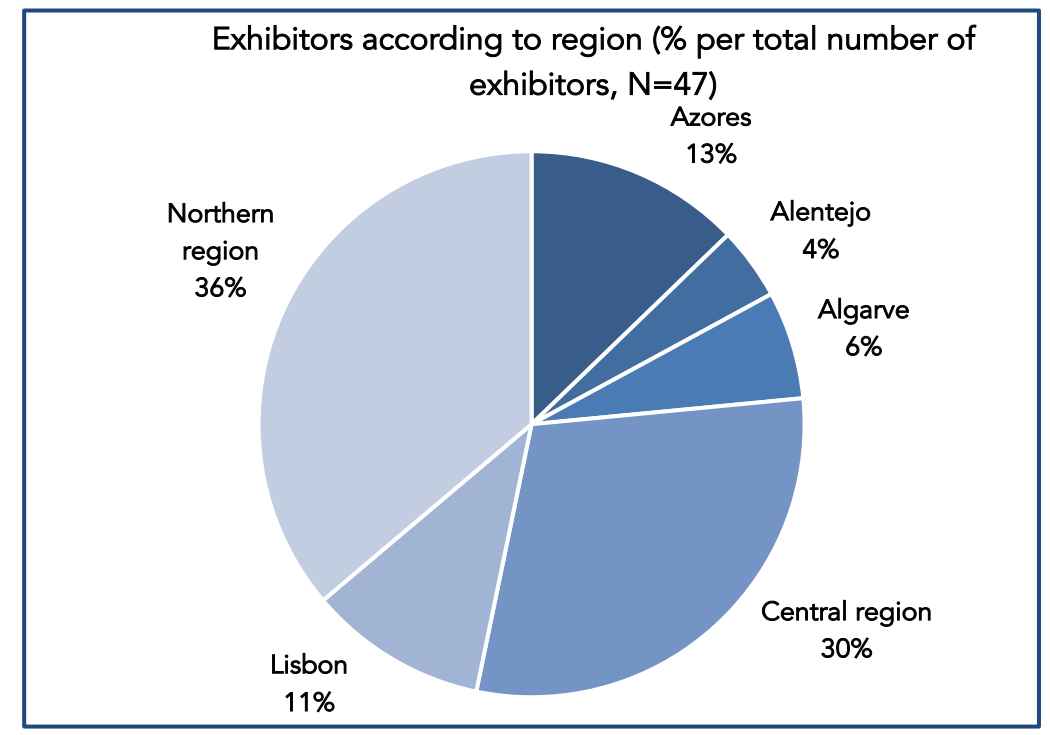
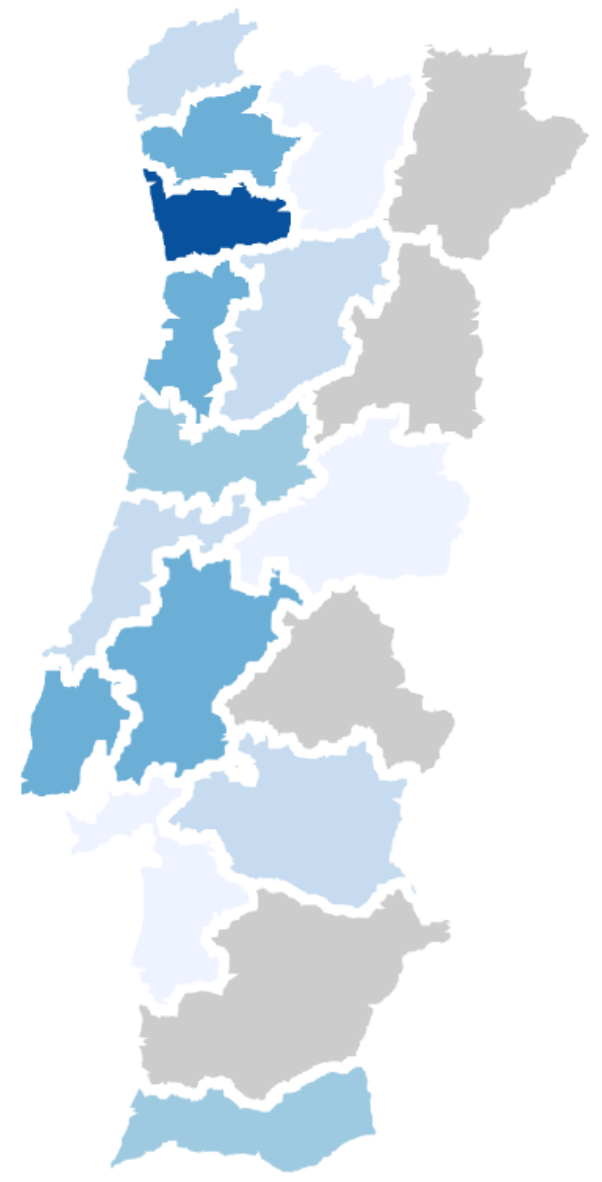
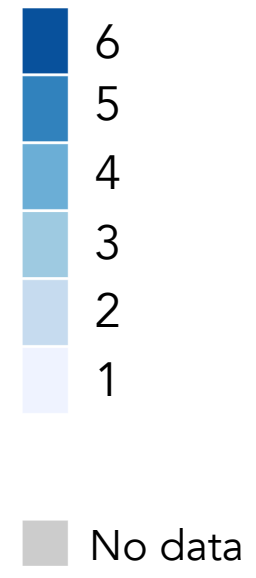


Target demographic



Non-commercial film exhibition sector in Portugal 2007-2017

Number of Exhibitors

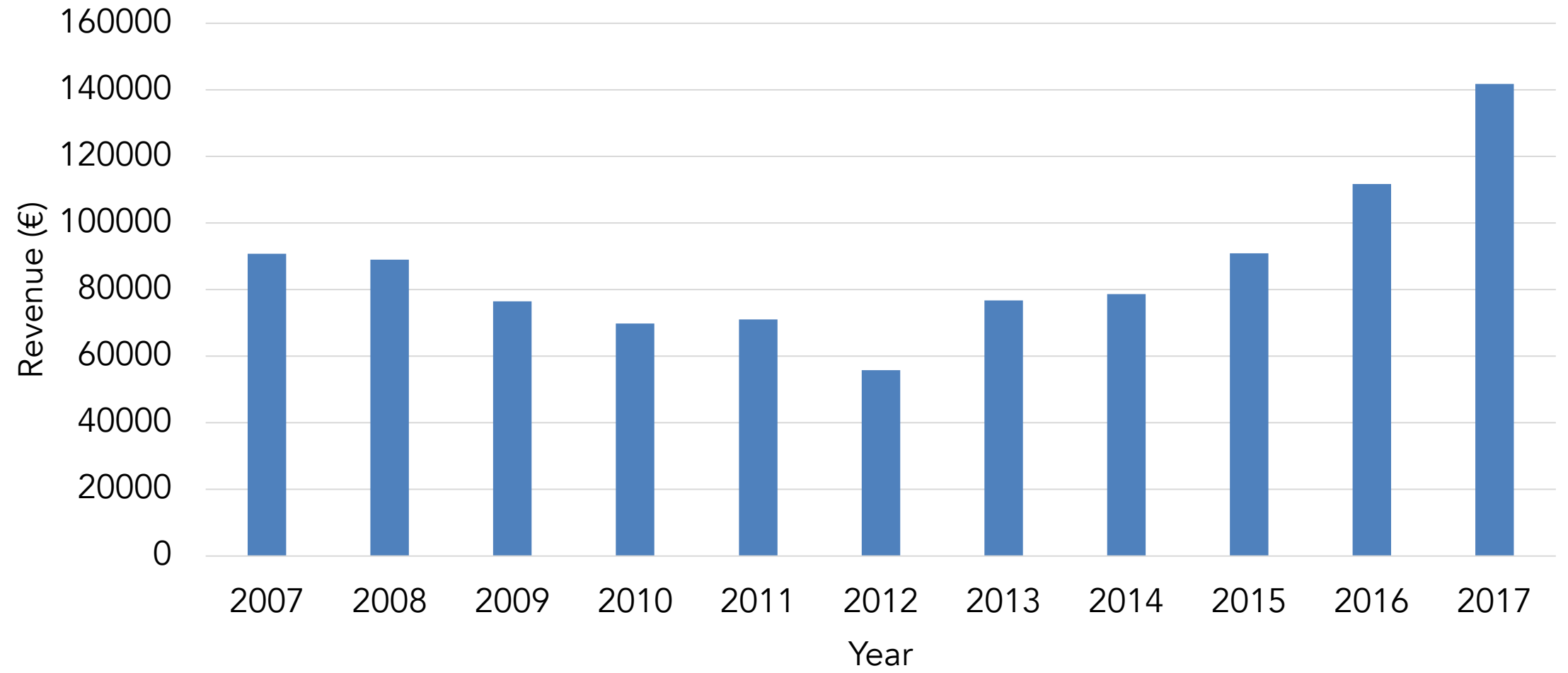


High territorial asymmetry

Non-commercial film exhibition sector in Portugal 2007-2017

Region	N° of sessions	N° of sessions (%)	Total n° of spectators	Total n° of spectators (%)	Average number of spectators
North (excl. PMA)	2048	13,9	168991	24,7	83
Azores	562	3,8	38318	5,6	68
Lisbon Metropolitan Area (LMA)	1104	7,5	66436	9,7	60
Porto Metropolitan Area (PMA)	2363	16	128242	18,7	54
Alentejo	1217	8,3	58716	8,6	48
Algarve	1771	12	67801	9,9	38
Center	5677	38,5	156293	22,8	28
Total	14742	100	684797	100	46

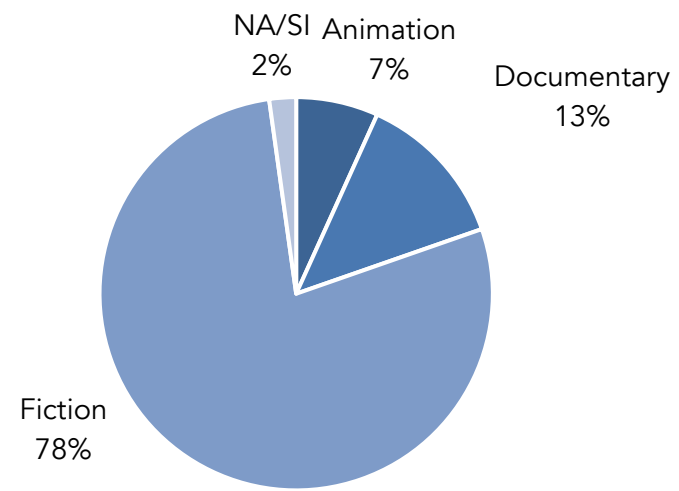
Box-office revenue per year



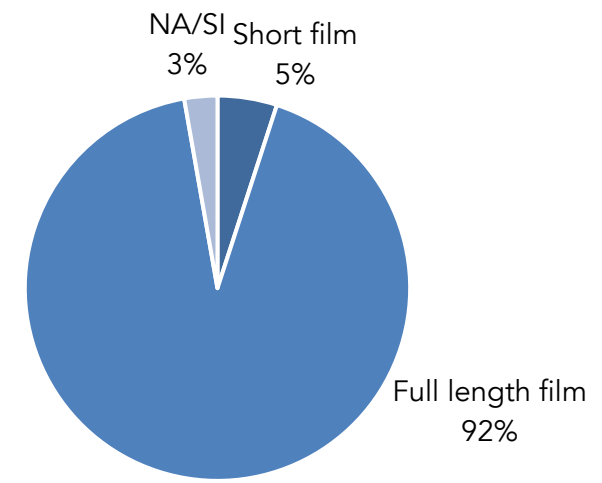
- Some exhibitors operate without charging ticket fees often relying on volunteer work and memberships in order to share the 7th art

Non-commercial film exhibition sector in Portugal 2007-2017

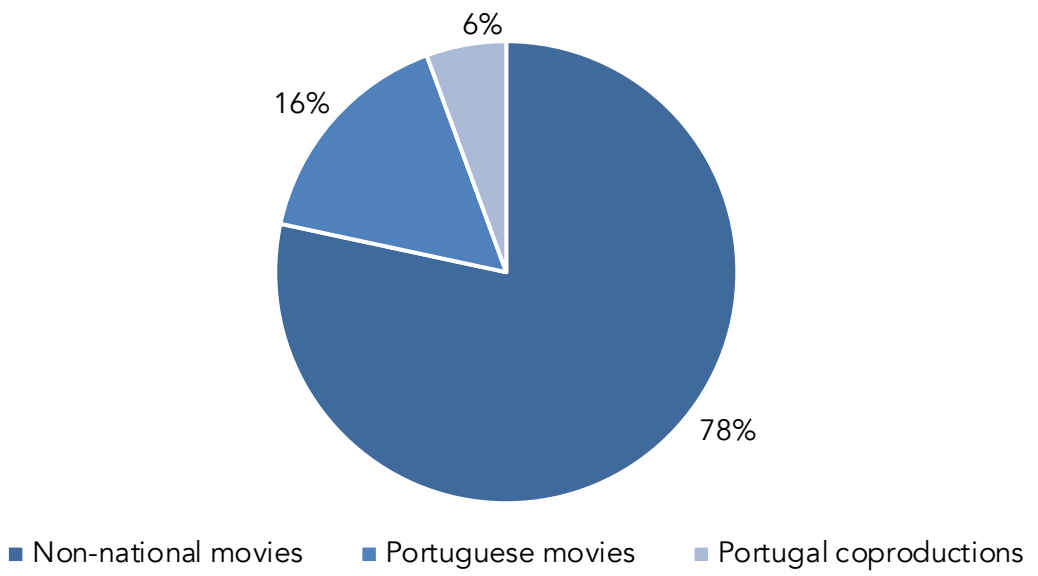
Type of film (% per total number of sessions, N=14742)



Length (% per total number of sessions, N=14742)



Portuguese movies (% per total number of movies, N=4753)



General model

$$spectators_{it} = \beta_1 + \beta_2 ticket_{price_{it}} + \beta_3 portug_{it} + \beta_4 anim_{it} + \beta_5 fict_{it} + \beta_6 full_{it} + \beta_7 funding_{it} + \mu_{it} \quad (1)$$

Variables

Spectators	is the total number of spectators per exhibitor and year of exhibition
Ticket_price _{it}	is the ratio between total revenue and number of spectators, in euros, obtained by exhibitor i during year t
Anim _{it}	is the percentage of animation films exhibited by exhibitor i during year t
Docum _{it}	is the percentage of documentary films exhibited by exhibitor i during year t
Fict _{it}	is the percentage of fiction films exhibited by exhibitor i during year t
Short _{it}	is the percentage of short films exhibited by exhibitor i during year t
Full _{it}	is the percentage of full-length films exhibited by exhibitor i during year t
Portug _{it}	Is the percentage of Portuguese movies exhibited by exhibitor i during year t
Funding _{it}	assumes the value "1" if exhibitor i received public funding during year t, and "0" otherwise

Dependent variable = spectators

	Exhibitors who charge ticket fees	Exhibitors who do not charge ticket fees
c	2211,92**	5966,405***
Ticket_price	-292,92**	-
Portug	-1444,52***	-4534,70***
Anim	1751,90	939,43
Fict	295,09	236,17
Full	259,23	-1030,14
Funding	463,03**	115,6
R^2 (weighted statistics)	0,10	0,19
R^2 (unweighted statistics)	0,09	0,37
N (observations)	217	50
N (exhibitors)	41	9

	Exhibitors who charge ticket fees	
	Porto/Lisbon	Other municipalities
c	2488,06***	4183,10**
Ticket_price	-840,23***	-255,81*
Portug	-2671,70***	-2136,14***
Anim	-15906,31**	1495,29
Fict	-1345,56	91,88
Full	2434,61**	-1281,71
Funding	2293,92***	81,11
R^2 (weighted statistics)	0,44	0,11
R^2 (unweighted statistics)	0,44	0,12
N (observations)	36	181
N (exhibitors)	8	33

***, ** and * identify the variables that are significant at 0.1 (p<0.1), 0.05 (p<0.05) and 0.01 (p<0.01), respectively

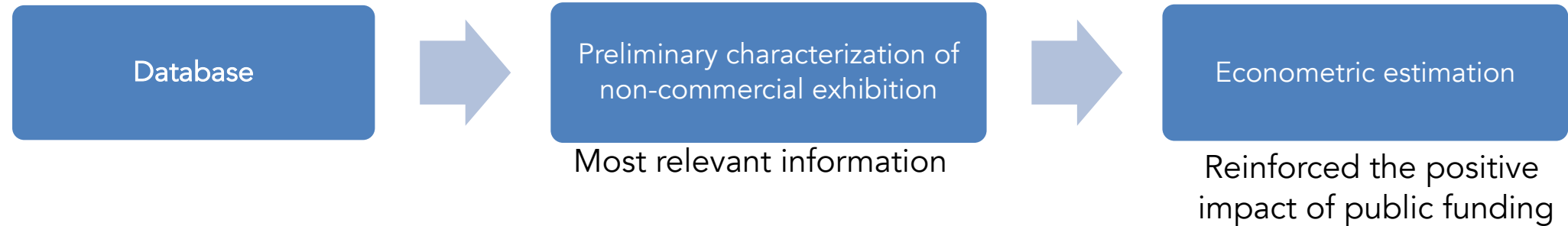
Non-Commercial
Exhibition Sector

FRAGILE

Promotes

- Cultural Diversity
- Dissemination of the 7th art to isolated areas
- Portuguese films

- Necessary to reinforce the need for public policies
- In **Portugal** funding amounts are still insufficient



To sum up...

Culture and Cinema are relevant to the enrichment of the economy and society

Public support granted to **film exhibition** (especially non-commercial) is still **insufficient**

A blue-tinted photograph showing a person from the side, holding a vintage-style video camera. The camera is pointed towards a large, empty auditorium with rows of seats. The scene is captured from a high angle, looking down the length of the seating area. The text "Thank You" is overlaid in the center of the image.

Thank You