Abstract

The Study is designed to investigate the changing role of Marketing of (Bollywood) films and its impact on box office collection in opening weekend. This paper consists of research design as descriptive because it is structured with clearly stated hypothesis, investigative questions and discovery of association among variables. The study helped to explore Bollywood film industry in detail and helps the researcher to find out new and innovative ways to promote the 'credence goods' like films. The study also helps to reach into logical conclusion that there is significant impact of Marketing of films on Box office collection in Opening Weekend. The findings of this can provide some relevant scope for Marketers to have good budget for promotion and publicity for films, eventually that lead into successful box office collection in opening weekend itself.

Keywords: Film, Box-Office, Opening Weekend, Bollywood

Introduction

India, a population of 1300 million and still counting, having diversified the cinematic culture of Andhra Pradesh, Gujarat, Karnataka, Kerala, Mumbai, Punjab, Tamil Nadu, Uttar Pradesh and West Bengal in languages especially Telugu, Gujarati, Kannada, Malayalam, Hindi, Punjabi, Tamil, Bhojpuri and Bengali respectively. Film Industry is a key and perhaps the
most vibrant industry of the Indian economy. The number of films produced annually is higher than that produced in any other country including Hollywood, USA. While Hollywood produces around 550 movies a year, the Indian film (movie) industry produces more than 1000 movies every year (Krishnan & Sakkthivel, 2010). Around four million Indians 'go to movies' on any given day, and this number swells during festivals and holidays (Krishnan & Sakkthivel, 2010). The Hindi film making industry in India that is based out of Mumbai, referred to as 'Bollywood' by the media, is largest film producing centre in the country (Sarkar & Nayak, 2009).

Review of related literature:

To examine impact of marketing expenditure on box office collection (Zufryden, 1996) indicates that the model sequentially links planned advertising expenditures for a new film introduction to awareness, intention to see the film, as well as projected ticket sales at the box office. MOVIEMOD is another model designed to generate box-office forecasts and to support marketing decisions for a new movie after once movie has been produced (or when it is available in a rough cut) but before it has been finally released (Eliashberg, Jonker, Sawhney & Wierenga, 2000). The author conducted the studies to examine that Can good marketing carry a bad product? Evidence from the motion picture industry reveals those relative roles of marketing actions and product quality in determining commercial success of movies (Henning, Houston & Sridhar, 2006). The role of buzz marketing on box office collection (Mohr, 2007) indicates that it pertains to six movie differentiation strategies (differentiation with cosmetic movie features, differentiation to reach market segments, growing a movie segment, positioning to support the movie image, positioning to extend the movie image, and differentiation via non-traditional channels) and offers steps for its successful implementation. The study attempt to identity that Marketing of movies is an age-old practice but with change in time and audience preferences and advancements in technology marketing of movies today is transforming into a multiple faceted medium of creativity in marketing (Garikaparthi, 2008). The results showed that the emergence and proliferation of inexpensive VHS video tape recorders have led to the growth of video-based movie production in several African countries especially in Nigeria that result into Nollywood and the home video revolution: implications for marketing video film in Africa (Evuleocha, 2008). Empirical evidence is that Marketing Strategies of Bollywood Movies in India and Overseas: (Rao & Kannan, 2008), indicates that the different marketing channels, which can be used to create not just awareness but also increase the sale ability of the finished product. Films or movies are cultural goods defined as 'non material good' directed at public consumers for whom they generally serve an aesthetic or expressive, rather than clearly utilitarian function (Hirsch, 1972). Cultural goods derive value from the subjective experiences, perceptions and emotions of consumers, all of which are idiosyncratic and do not have predictable patterns such as utility curve. Moreover, consumer not only judge cultural goods from their own experience but are also influenced by what others perceive about these goods (Ramchandran & Mukherji, 2010). As a result, Movies are classified as 'credence goods' as
opposed to search goods, where quality can be assessed before purchase, or experience goods where quality can be learnt after use. For credence goods, quality can only be partially assessed during experience because the perception of quality is significantly influenced by what other people think about it (Kretschmer, Kimis & Choi, 1999).

Need for the study:
Further, from literature review and related work, there is a lack of research in the Indian context specifically relationship between Marketing expenditure and box office collection in opening weekend, exploring the changes in trend of marketing of films in India and to identify from viewers how they come to know about of releasing the movie. In such scenario, systematic research aimed at measuring the relationship exists between box office collection and marketing expenditure. Moreover, new trends emerge in marketing of films that has also accounted in this paper. However due to intensity of large number of films produced in a year especially country like India, shelf life of films are becoming shorter and shorter. Henceforth, it is need of hour, to create more awareness of film and create sense of urgency or desire to consume for movies before it is released and to get maximum return of investment in the opening weekend itself.

Research Objective:
- To explore changing role of marketing of Bollywood films.
- To determine the impact of Marketing of films on Box office collection of a films in Opening Weekend.
- To identify from viewers how they come to know about releasing the films.

Research Methodology:
To explore changing role of marketing of a Bollywood films: Researcher investigate this objective through secondary data. In order to determine the second objective “to determine the impact of Marketing of films on Box office collection of films especially in Opening Weekend” is carried out from the secondary data and formulated the hypothesis to test the relationship is exist or not.

Formulation of Hypothesis:
- There is no significant impact of marketing expenditure of Films on box office collection in opening weekend.
- There is a significant impact of marketing expenditure of Films on box office collection in opening weekend.
Films selection:

The Opening weekend of film means from Friday to Sunday (Drake, 2008) because most of time new film would release on Friday. Every time, producer or director expect huge box office collection of a film in opening weekend itself, that means they could easily recover even break-even or beyond that i.e. profit. Moreover, due to short shelf life of film and unpredictable in nature, a film whose opening weekend success that possibly resulted to be commercially successful i.e. blockbuster and perhaps even having longer shelf life than other films. So, the commercial success of film in opening weekend will largely decide the overall box office collection of a film and success of various Right i.e. Satellite Right, DVD sales etc. The researcher took the films which has highest box office collection in opening weekend from (2008 to 2012).

Sampling method and determination of sample size:

The population for this study consisted of 30 films which has highest box office collection in opening weekend till date. The sample for the study was selected from the population by convenience sampling method. Further, Researcher took box office collection especially in opening weekend as a dependent variable and Marketing expenditure of a film as an independent variable. Researcher has explored to find out any relationship is exists between Marketing expenditure and box office performance in opening weekend collection. Henceforth, Researcher took Box office collection in Opening weekend as dependent variable and Marketing expenditure as independent variable.

Diagrammatic representation of independent variable and dependent variable:

In order to investigate the third objective, Research conducts the primary research from audience. The researcher took primary research from 245 respondents through questionnaire to find out how they come to know about releasing of films. The findings help to know which effective medium for Marketer to promote the films from the questionnaire. The sample for the study was selected from the population by convenience sampling method. The structured questionnaire was prepared with help of likert scale. The Researcher has kept five point scales. The number indicates the value to be assigned to each possible answer, with 1 Not at all important and 5 the Very Important. Finally, the researcher got 245 responses who filled questionnaire and are also from different demographic segment.
Finding and Analysis:

Finding of the first objective: Marketing of movies in the earlier time was mainly through hand-painted billboards and posters. In fact billboard and poster painting was a main source of income to many renowned artists like M.F.Hussain. These days the facets of film marketing have changed drastically and marketing has more method than earlier. Marketing in film industry falls basically into two categories 'marketing of films' as products and 'marketing of other brands in films' i.e. product placement. However, this paper focuses on marketing of films as products and not on in-film marketing. New movies like any other new product need to be advertised or promoted to inform people about its existence and persuade them to go to the theatres to see it. The objective of marketing is to enhance the audience for the film and in turn boost the earnings of the film. The way in which a film is promoted would have an enormous effect on its success or failure at box office. Theoretically speaking Bollywood is a part of entertainment industry and falls into the category of pure services. Film is a product and also a medium of communication. Though the perception is that films are relatively easy to promote, it is not so. All the promotions for the film no matter however well planned (scientifically or otherwise) are all till the first Friday, which becomes either the boom or doom day. Films are a purely perishable product that too has shelf life. Loyalty Branding that is possible in other forms of product and services is highly impossible in films. Purchase of a film ticket is based on the marketing or promotions that the customer is exposed to and all the marketing that can be done is exclusive for one film at a time. The span of customer's interest is for a very short time and loyalty is as long as the movie works and changes swiftly with every passing Friday. Of course the loyalty can be extended to the brand as long as it lasts where customers may buy other film merchandise like CDs, DVDs, t-shirts, books etc. With every new movie, the producer or the production house has to start with the scratch and create a new brand and in turn new marketing and promotion campaigns. One of the concepts of attempting to extend brand loyalty in west, the famous Hollywood, is by trying to produce sequels where all movies then more or less fall into the same brand category and are comfortable to market as the audience has already been exposed to the same successful brand earlier. The series of Spiderman, Superman, Star Wars, Batman, Mission Impossible and many others are only using the basic marketing philosophy of brand extension. To some extent this was attempted by the Indian counterpart, but with very few success stories like Dabbang, Race, Golmaal, Munnabhai, and Dhoom etc. Here is little exemplary evidence in recent times like film Bodyguard which was released on Wednesday Aug 31 2011, has set a new record for first day's box office collections (the NDTV. 1st September 2011). The movie's co producer, Reliance Big Picture, which spend Rs 22 cr on marketing, (the economic times 26th August 2011). Print and advertising costs (P&A) have gone up substantially over the past few years. Today nowadays, Promotion cost constitutes around 35-40% of the total budget and even in some case more than 50% also, which was not happened in the past in film industry. Some new Marketing technique is employed in time of release of film like Bodyguard which was released on eve of Raksha Bandhan Festival in India in 2011; the market is abuzz or flooded with innovative Bodyguard 'rakhis' everywhere (Bollywood Hungama News Network on 13th August 2011).
Further, the producers of Ra.One set a record marketing budget of around 52 Cr making it the highest ever for a Bollywood film (The economic times 28th Oct 2011). Online promotions accounted for 15 Cr of this budget. The producers spent up to 10 Cr while tie-up partners covered the remaining marketing costs. The film's extensive promotion and marketing campaign were described as "the most comprehensive and all-pervasive among people's lives" and a "promotional blitzkrieg" (box office India).

Another example is Don 2, the first theatrical trailer of the film and its poster were released along with Zindagi Na Milegi Dobara. A trailer was released online on 24 October. The first look of the film was unveiled at the Dubai International Film Festival. The trailer was the most watched video in India on YouTube in 2011. With Don 2, the use of technology for film marketing has gone noticeably high (savedhistory.org). The makers tied up with Google and YouTube for its new media initiatives. Viewers could watch songs from the film in 3D on their computers using 3D glasses. The film has associated with McDonalds and Café Coffee Day in 20 cities to provide free Internet access using Wi-Fi in their outlets. The filmmakers also tied up with Microsoft India to launch a "Meet the Don: Mission Berlin" contest that offered the chance to meet Khan, in addition to a free trip to Berlin. To popularize the contest, Microsoft planned a 360° marketing campaign which included a television commercial, radio advertisements, digital banners and retail collaterals. The filmmakers released a toy version of Don as merchandise. Another example is Agneepath. The first official trailer of Agneepath was launched at a press conference in Mumbai on 29 August 2011. Dharma Productions the event lives on the production house's Channel. The event was attended by the entire cast: Roshan, Kapoor, Dutt and Chopra. The trailer of the film was the third most watched trailer in India (box office India), behind the films, Don 2 and Ra.One. The film associated itself with McDonald's to provide a discount of Rs 50 to customers buying a meal at the joint (box office India). Additionally, few winners were offered a chance to win a lunch date with superstar Hrithik Roshan.

3Idiots happens to be the biggest grosser of all times in Bollywood. The film has so far made Rs 335 crore (Rs 3.35 billion); overseas, it has grossed $16 million (Rs 71 crore). Meanwhile, the budget for the film, which released in December 2009, was Rs 35 crore (Rs 350 million) (business standard August 07, 2010). The 3 Idiots team gave equal importance to Tier-II cities, overseas markets, where full 360-degree campaigns took off covering digital, outdoor, brand partnerships, public relations and merchandise. The All Is Well-Reliance Life Insurance campaign broke across television channels, radio stations and hoardings featuring the lead actors of the film. The ad used the proposition, 'Jab hai saath Reliance Life Insurance, All Is Well', to convey its messages to the masses (business standard Aug 5, 2010). Outdoor campaign includes innovations on hoardings, bus shelters, bus backs, platform signages and mobile vans. Prime site has executed the outdoor campaign by creating cut-outs of the star cast, which have been put up across Mumbai, Delhi, Kolkata, Hyderabad and 500 towns across India. As part of another innovation, stickers reading Capacity: 3 Idiots were pasted on
the back of 10,000 auto rickshaws that moved in cities such as Mumbai, Hyderabad, Jaipur, Kota, Lucknow, Kanpur, Patna, Kolkata, Bhopal, Indore, Bangalore, Chennai and some cities of Gujarat. (Business Standard March 7, 2010)

**Finding of the second objective:**

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Films</th>
<th>Year of Release</th>
<th>Net Collecton (Rs)</th>
<th>Total Budget (approx) (Rs)</th>
<th>Mkt Budget (approx) (Cr Rs)</th>
<th>% of Approx Mkt exp to overall exp (Cr Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ra. One</td>
<td>2011</td>
<td>52.93</td>
<td>177</td>
<td>52</td>
<td>29.38</td>
</tr>
<tr>
<td>2</td>
<td>Bodyguard</td>
<td>2011</td>
<td>52.62</td>
<td>64</td>
<td>22</td>
<td>34.38</td>
</tr>
<tr>
<td>3</td>
<td>Dabangg</td>
<td>2010</td>
<td>48.82</td>
<td>42</td>
<td>22</td>
<td>52.38</td>
</tr>
<tr>
<td>4</td>
<td>Don 2</td>
<td>2011</td>
<td>46.33</td>
<td>92</td>
<td>22</td>
<td>23.91</td>
</tr>
<tr>
<td>5</td>
<td>Agneepath</td>
<td>2012</td>
<td>45.66</td>
<td>75</td>
<td>19</td>
<td>25.33</td>
</tr>
<tr>
<td>6</td>
<td>Ready</td>
<td>2011</td>
<td>42.23</td>
<td>58</td>
<td>18</td>
<td>31.03</td>
</tr>
<tr>
<td>7</td>
<td>Three idiots</td>
<td>2009</td>
<td>37.98</td>
<td>50</td>
<td>15</td>
<td>30.00</td>
</tr>
<tr>
<td>8</td>
<td>Tees Maar Khan</td>
<td>2010</td>
<td>36.59</td>
<td>43</td>
<td>15</td>
<td>34.88</td>
</tr>
<tr>
<td>9</td>
<td>Golmaal 3</td>
<td>2010</td>
<td>34.81</td>
<td>38</td>
<td>8</td>
<td>21.05</td>
</tr>
<tr>
<td>10</td>
<td>Raajneeti</td>
<td>2010</td>
<td>33.62</td>
<td>60</td>
<td>15</td>
<td>25.00</td>
</tr>
<tr>
<td>11</td>
<td>Rockstar</td>
<td>2011</td>
<td>31.46</td>
<td>60</td>
<td>15</td>
<td>25.00</td>
</tr>
<tr>
<td>12</td>
<td>Housefull</td>
<td>2010</td>
<td>30.97</td>
<td>45</td>
<td>10</td>
<td>22.22</td>
</tr>
<tr>
<td>13</td>
<td>My Name is Khan</td>
<td>2010</td>
<td>30.63</td>
<td>63</td>
<td>25</td>
<td>39.68</td>
</tr>
<tr>
<td>14</td>
<td>The Dirty Picture</td>
<td>2011</td>
<td>30.17</td>
<td>28</td>
<td>10</td>
<td>35.71</td>
</tr>
<tr>
<td>15</td>
<td>Singham</td>
<td>2011</td>
<td>29.64</td>
<td>20</td>
<td>5</td>
<td>25.00</td>
</tr>
<tr>
<td>16</td>
<td>Ghajini</td>
<td>2008</td>
<td>29.62</td>
<td>50</td>
<td>15</td>
<td>30.00</td>
</tr>
</tbody>
</table>
From above table 1, it is inferred that there is high degree of correlation between marketing expenditure and net collections (box office collection) of the movie. The calculated R value (0.748) shows that Net collections (box office collection) are positively correlated with marketing expenditure. The regression equation is as follows $\hat{y} = a + bx$, where $\hat{y}$ = estimated value of y (box office collection). $a$ = constant value; $b$ = coefficient of x; x = marketing expenditures. $\hat{y} = 21.685 + 0.0745x$
The above table 2 portrays that the regression analysis performed by keeping box office collection as the dependent variable and marketing expenditure as the independent variable. The regression model is significant as F value 35.657 and p value (0.000). The r² value found to be 0.560 (table 1) which means there is 56% chance of the box office collection variable being explained by the marketing expenditure. Moreover, the significant value of 0.000 in table 3 is also less than 5% (0.05) level of significance which shows that marketing expenditure have significant impact on box office collection of the movie.

Finding of the third objective: The 87% of respondents have still agreed that trailer of films especially in theatres help them to know about release of film in the market in advance. The 66% of respondents have concluded that positive word of mouth about films that led to know about release of film. The 71% of respondents have said that merchandising of films has helped to know about release of films in advance. The 91% of respondents have told that Release of songs in advance before films are released have helps them to know about releasing the films and also to increase the curiosity about watching the films. The 77% of respondents have said Participation of characters i.e. actor or actress in prominent Reality show prior to release of films have help them to know about release of films. The controversy some time shaped to create the hype about the films before it is released, so more and more audience can tempted to watch the films especially in opening weekend. The 91%, 73%, 58% and 77% of respondents with the respect to advertisement in television, in print, in radio and in internet have said that it helped to know about release of films. The 85% of respondents have told that Participation of characters i.e. actor or actress for interview or talk show in different channels on television or radio through internet have helped them to know about release of films. The 71% of respondents have said healthy discussion in social media network particularly through like Facebook, Orkut, LinkedIn and twitter have helped them to
know about release of films in the market. The 75% respondents have said appearance of actor, actress, and other characters in Films Festivals or carnivals in prior to release of films have help them to know about release of films in the market. The 78% respondents have said impact of date of releasing the films have important factor for knowing about release of films and curious enough to make them to watch the movie. The particularly festival dates are crucial for releasing the movie. The 67% of respondents have said promotion tour of characters of films in the metro, mega or Cosmo cites have help them to know about release of films. The 58% respondents have said stand alone website of each film in internet has helped them to know about release of films and its features. The 70% respondents have said Participation of characters in Fashion show in capacity of participants or judge in the event prior to release of films have help them to know about release of films in the market. The 60% of respondents have said SMS that received through Mobiles phone prior to release have helped them to know about release of films in the market. The Researcher have asked specific question in questionnaire about most effective medium that help them to know about release of movies. The trailer count highest with 96 respondents has agreed that trailer especially in theatre has most effective medium that help them to know about release of films. Release of songs in advance has come second behind of trailer with the 40 respondents agreed to it. Third most agreed medium was of internet, where 20 respondents express their views. The remaining respondents express their choice of the different medium evenly.

Discussion and implication:

The study helped to explore Bollywood film industry in detail. The study helps the researcher to find out new and innovative ways to promote the 'credence good' like films. Marketing of movies in the earlier time was mainly through hand-painted billboards and posters. These days the facets of film marketing has changed drastically, with every new movie, the producer or the production house has to start from the scratch and create a new brand and in turn to new marketing and promotion campaigns. Of course the loyalty can be extended to the brand as long as it lasts, where customers will buy other film merchandise like CDs, DVDs, t-shirts, books etc. From global tours, to graphic novels, to digital marketing, to brand alliances, to presence on reality shows, to innovative merchandises, to physical toys, to digital games for iPods/iPads, to YouTube channel, to Google plus pages and Facebook etc marketing is all way to promote the films. It is planned a 360° marketing campaign which included a television commercial, radio advertisements, digital banners and retail collaterals, outdoor, brand partnerships, public relations and merchandise. The cast with the director and producers embarked on a multi-city tour across India as a way to promote the film in the country.

The study helps to reach into logical conclusion that there is significant impact of Marketing of films on Box office collection especially in Opening Weekend. There is evident from secondary data, for those films which had good marketing budget is able to garner good box office collection even in opening weekend itself. That results into start making profit even in opening weekend, which was not the case in past. Since films are perishable product means shorter shelf life. The shorter shelf life happens due to more production of films in a year, as
result it is now need and necessity of every producer and Marketer to reap more and more box office collection in opening weekend itself, which was not the case in past. Moreover, the study observed that the calculated R value 0.748 shows that box office collection is positively correlated with marketing expenditure. The r2 value found to be 0.560 that means there is 56% chance of the box office collection variable being explained by the marketing expenditure. Henceforth, Marketer should effectively utilizing promotion campaign in order to increase the box office collection of a film especially in opening weekend. The Study further investigates to identify from viewers how they come to know about release of films. The result indicates that majority of respondents are in favor of Trailers that help to know about release of films, whereas good number of respondents are in favor of releasing the song of films in advance that helps them to know about release of films. Another good number of respondents are seen that internet is the medium that helps them to know about release of films and in internet especially social media networks like Face Book, YouTube, Google+ etc. Still Marketer cannot ignore the other mediums also, to promote the films because substantial number of respondents expresses their own opinion about awareness of releasing the films. Henceforth, Marketer should effectively utilize promotion campaign in order to increase the box office collection of a film especially in opening weekend in near future.

**Limitation and Suggestion for future research:**

Like virtually any study in the tradition form which the present research emerges, our findings are subject to various limitations and caveats. For example, our results pertain to the Top 30 Bollywood films only which are highest box office collection in opening weekend. Possibly some new film may be added or deleted from the list if one looks for highest box office collection in opening week, monthly, yearly etc. Future research should address the generalizability of our findings across time periods and geographical settings. The researcher has taken into consideration of various ways of marketing of films, even though there may be also other way of marketing i.e. the list is certainly not inclusive.

Future research can incorporate more and more innovative way or method of promoting the films after drawing the questionnaire from people to get view about awareness of releasing the films in market. Future research can benefit by incorporating more films which have highest box office collection in opening week, months, yearly etc and its Marketing expenditure. In sum, all the caveats and limitations just enumerated support the need for future investigations of using data from multiple time periods, multiple countries and multiple reviewers. Refreshingly, we note, the availability of movie-and entertainment-related data on the Internet and elsewhere has grown by leaps and bounds in recent years. This progress augurs well for the potential feasibility of future studies aimed at addressing the issues just raised. Though it is proposed that further research needs to be done for the validation of findings of this study, there are some findings which could be of interest to marketers that there is significant impact of Marketing of films on Box office collection especially in Opening Weekend. There is also evident from secondary data, for those films which had good marketing budget is able to garner good box office collection even in opening weekend itself. That leaves the huge scope for Marketers to have good budget for promotion and publicity for
films, eventually that lead to successful box office collection in opening weekend itself. Such good opening of a film enable producer to recover the break even or profit within few days after release of film.

Reference:


- Report of India Entertainment and Media Outlook 2012