



Locarno Festival  
2-12 | 8 | 2017

## STEPIN 2017

### CONCLUSIONS

On Thursday August 3<sup>rd</sup>, a group of 50 prominent European independent film industry execs, chosen among various profiles for their experience, assembled for the Locarno Festival's fifth edition of StepIn to discuss the timely topic of "The Theatrical Experience and the Future of Auteur Cinema in the Age of Global Streaming Platforms and Social Networks." Following the recent controversy in Cannes over Netflix's stringent theatrical release policy, Locarno's StepIn think tank provided a forum to take the discussion to a more constructive level. It also offered a glimpse into future developments of a complex, constantly evolving scenario.

Here are the notes from the different round tables.

#### **TABLE 1: How Global Platforms are impacting film Production**

Notetaker: Jaime Romandia (CEO & Founder, Mantarraya Producciones)

- ✓ The immediate danger of global streaming platforms is not clear, since they are still in flux.
- ✓ These new streaming platforms force us, the movie industry, to better focus on theatrical distribution and make the exhibition experience more attractive.
- ✓ These new players work with producers in different ways. Some of them get involved and interfere in the content of the films, and others are not transparent. Netflix, for example, usually is not providing any data, and this is disrupting the way we value films and filmmakers.
- ✓ These platforms should not use their market power to restrict public access to the movies, for example by removing a film from festival distribution, because this is a cultural loss for the public and also for the filmmaker.
- ✓ This new global digital world is still not regulated as needed, for example as it happened with TV players in the past, but hopefully regulations would come soon to guarantee more transparency for the movie industry and more responsibility for the new players.

#### **TABLE 2: Global Platforms and the Theatrical Experience**

Notetaker: Susan Wendt (Director Of International Sales & Marketing, TrustNordisk)

- ✓ Digitilization is pushing the Theatrical to be even smarter, more event driven.

- ✓ Platforms: In the future it will be not just giants like Amazon and Netflix, but smaller and more targeted, specialized platforms. More of these are needed.
- ✓ Data networking is key. Data sharing among indies is important to minimize risk.
- ✓ Investments are still needed to improve the art-house circuit.
- ✓ Specialized platforms give access to better films and inspire audiences to go see art movies in movie theatres.
- ✓ The theatrical experience is important, but is also more expensive. Also the target audience is older. The key question is: will young people see movies in theatres when they are older? What can be done to ensure this?

**TABLE 3: New Strategies of Distribution and Exhibition**

Notetaker: Marc Allenby (CEO, Trafalgar Releasing)

Distribution:

- ✓ Distributors are generally doing a good job, but need to evolve to maintain a sustainable business model.
- ✓ Event theatrical releases are a good strategy. Examples are “Secret Cinema” launches in UK.
- ✓ Also in UK Trafalgar Releasing is disrupting the traditional distribution model with global direct distribution, which works for films and events with clearly identifiable target audiences.

Exhibition:

- ✓ Some theatrical exhibitors have become lazy. They have overlooked their biggest asset: their relationship with customers.
- ✓ There are innovative high-quality cinema chains, like Numax in Spain.
- ✓ Can we work closer with Netflix?

**TABLE 4: Marketing Movies in the Age of Social Networks**

Notetaker: Jon Barrenechea (Deputy Director of Marketing, Picturehouse)

- ✓ Social media marketing is important, vital and growing, but its value is not being maximised and data is not understood and not being utilised efficiently.
- ✓ Social media marketing has different roles for different things: film campaigns, B2Bs, exhibitors, distributors.

- ✓ The challenges are that producers/content providers do not create marketing assets during production - perhaps funders should require marketing materials as part of their funding.
- ✓ Some films lend themselves more easily to marketing campaigns (The Lobster).
- ✓ There are some key data points (Gruvi) that can determine the success of a film and allow us to modify the result based on it - A24 in America are really good at this.
- ✓ A question that came up was about older audiences - how do we engage with them if they're not digitally savvy. Actually older audiences are engaged on Facebook and email.
- ✓ Social media engagement doesn't always translate into ticket sales - especially when there's a celebrity element attached to it.
- ✓ How do we build trust and a brand that people want to be involved with? Criterion and A24, are brands that people trust regardless of the films - they are creating assets that are not related to the campaigns - Picturehouse builds communities, not campaigns.
- ✓ Some territories are more susceptible to social media - Italy apparently is not one of them.
- ✓ We need to create experiences for customers, online and offline. This will drive engagement.
- ✓ Sometimes a vision, and trusting your gut, is more important than data - but combining both is the key.
- ✓ Brands that have typically been B2B are starting to act more like B2C - and should. Bringing social assets to Cannes will allow films to capitalise on the PR to build a brand before you even sell the movie.
- ✓ Social media marketing is as much marketing as traditional publicity and advertising, and takes as much time and energy – companies should not discount it.
- ✓ Ultimately, in this new landscape, nobody knows anything.

#### **TABLE 5: The Role of Film Festivals**

Notetaker: Allison Gardner (Programme Director and Festival Co-Director, Glasgow Film Theatre)

- ✓ Festivals are having mixed experiences with Netflix.
- ✓ Sales companies don't want A-list festivals to show Netflix movies in competition, since they don't need the promotion, but festivals programmers think that they should choose a film based on its artistic merits.
- ✓ Are there too many festivals? Is there too much content? Are we - festival programmers - too obsessed with world premieres?

- ✓ Our job is to help up-and-coming filmmakers and to nurture their future careers. Discovery is one of our most important job. We are the R&D [Research & Development] and testing ground of films for audiences.
- ✓ Should film festivals have their own on-line platforms? Or is it better to work with existing on-line platforms? There are already so many: do we need more?