

Factors Impacting Consumer Decision Making In A Cinema Context

Šljivo, Jasmin

Undergraduate thesis / Završni rad

2021

Degree Grantor / Ustanova koja je dodijelila akademski / stručni stupanj: **RIT Croatia / RIT Croatia**

Permanent link / Trajna poveznica: <https://um.nsk.hr/um:nbn:hr:229:621023>

Rights / Prava: [In copyright](#) / [Zaštićeno autorskim pravom.](#)

Download date / Datum preuzimanja: **2024-03-04**



Repository / Repozitorij:

[RIT Croatia Digital repository - Rochester Institute of Technology](#)



Factors Impacting Consumer Decision Making In A Cinema Context

Jasmin Šljivo

HSPT 490 – Senior Capstone Project

Hospitality and Tourism Management - RIT Rochester Institute of Technology, Croatia

Mentor: Milena Kužnin

Instructor: Rebecca Charry

May 3, 2021

Abstract – This paper focuses on determining factors impacting consumer decision making in a cinema context. The literature review indicates the important factors that affect visitors decision while choosing a movie before going to cinema: marketing communication (advertising, publicity), neutral information source (film review, word of mouth), film characteristic (genre, director, remake production, country of origin, actor, adaptation works, production house, title), content (story, objectionable content, technology), ease (screening schedule, title). (International conferences on business, 2012 Dubai) In this paper we can see what are the three most important factors and three most important sub-factors from these 5 main factors.

Keywords – *decision making, cinema context, purchase decision, movie, consumption.*

INTRODUCTION

Ever since the foundation of the existence, people have been discovering various ways of amusement and leisure, and one such finding is the Cinema, as the presiding entertainment of the modern age of the 21st century. With the help of the Cinema industry, people are enabled to – at least for a short time - run away from their everyday struggles and relax in the company of their loved ones, which is why it is true to say that the Cinema has become most favored pastime to great amount of the World's population. Therefore, Cinema has left a great impact on the development of the society and had, simultaneously, influenced numerous people and individuals in countless different ways. Residents of Croatia, precisely the Dubrovnik region, are blessed with quite a lot of movie theatres, compared to the size of the territory, which proves just how important film industry really is for them. Some of the greatest worldwide releases can be seen at several cinemas located in Dubrovnik. The largest size cinema, and also the one with the biggest option of movies is the Cinestar cinema, placed in Lapad. Additionally, movies are also regularly displayed at the Cinema 'Sloboda', located in the Old Town, just below Dubrovnik's prominent bell tower, next to which is found a billboard indicating daily film screening times. Both of these cinemas display films throughout the entire year, while in summer Dubrovnik finally welcomes outdoor cinemas as well. Looking at the size of the city, and comparing it with the given data on cinemas found in it, it is easily concluded that the people of Dubrovnik truly enjoy visiting cinemas, which is why it is important to carry out detailed analysis on key factors which influence their decision making when it comes to behavior linked with the cinema industry.

Generally, the last two decades have been marked with various researches based on the rapid-growing film industry, and there are several causes responsible for the encouragement of those researches (Holbrook and Hirschman, 1982). First and foremost, the movie industry significantly evolved at the time of economic globalization. The reason for that was

increasing work force and sales revenue in the film industry all around the planet. Secondly, movie industry is crucial for its cultural capability to attract valid attention to films, which promotes cultural advance among the population and, simultaneously, encourages the importance of creating movies, as such. Finally, film industry is certainly the one which offers quite a lot of data and information crucial for the implementation of these numerous researches (Eliashberg, Weinberg and Hui, 2006). Along with said, existing traditions connected to cinema population researches are econometric model and behavioral model. Economic approach comes with the help of researches who create ideas and project them based on monetary performance, product traits and guest's behavior later gathered by an agency or behavioral industry.

In addition to this, cinema guest's behavior is associated with online reviews, debates, movie duration and products traits, while financial data is linked to movie sales charges made during the first seven days of production, advertising cost and so on (Reinstein and Snyder, 2000). The second perspective of the research is based on established on behavioral approach, with the help where the author highlights and focuses on specific individual studies (desire, purchasing resolution, beliefs, viewpoints, condition, etc.) of the film industry consumers (Austin, 1981; Austin, 1985; Eliashberg, 2006).

Main factors which impact the consumer's choice in order to watch the movies in cinema are advertisements, online reviews, movie stars power and the cost. Each of them is represented as the components that consumers observe before determining to visit cinemas (Neelamegham, 1999). Moreover, some other factors proposed in this study include: genre, formation quality (attraction of filmmakers' and actors', production value, the country of origin, movie's time span, language, etc.), communication with the audience (advertising, exposure, film review, honours, etc.) and so on (Basuroy, 2003).

Based on the issue recognition above, the key inquiry in this study is found in: (1) Which main factors influence the consumer decision-making process while choosing a movie before going to Dubrovnik cinemas? (2) Which support factors do consumers from Dubrovnik region consider as the supreme ones? Moreover, the primal purpose of the study is to explore and develop detailed and valid conclusions on which key factors affect cinema's consumer decision-making behavior.

The study is developed into few parts which contain of Introduction, Methodology, Results, and Conclusion. In each of those chapters the author will be discussing and identifying the key points of the study mentioned above.

LITERATURE REVIEW

1. Purchase Decision Model

The purchase decision process can be explained through many various models, but primarily this process is divided into two different types which are represented as a rational (RM) and emotional model (EM), in which a rational decision model offers precedence mainly to the cognitive characteristics of functional causes (Assael, 2004), while the EM highlights that the procedure of decision making purchases of clients is significantly shaped by the inner, emotional circumstances.

In the purchase decision model, sensory aspects, such as vision, taste, smell, hearing and touch, delivered by the operators throughout marketing scheme and game plan affect the consumer (Holbrook dan Hirscham, 1982a). Through the years, some authors suggested a certain idea which transformed data-proceeding perspective, as well as both emotional and hypothetical view (Holbrook and Hirscham, 1982a). A valid recognition of both of these consumer decision-models offers an exceptional grant to the analysis of marketing. Primarily,

marketing specialists pay attentive awareness to outcomes, such as arts and amusement experience. Along with said, in the last few years marketers have also been undertaking to finally give notice to the affectionate feature in the procedure of utilization of goods consumption and various favors. (Holbrook and Hirschman, 1982; Caru and Cova, 2003).

This research paper will especially pay attention to the utilization of the experience outcome, precisely cinema.

2. Experience Product Consumption

Authors Arnould, Price, Caru and Cova highlighted that experience product consumption is separated into four different phases (Arnould and Price, 1993; Caru and Cova, 2003: 271), whose detailed description is given in the sequel. Four experience outcomes were defined as: entertainment, education, evasion and aesthetic. In accordance with that, the first stage explains how prior experience, the one that took place before consuming, involves looking for process, arrangement and imagining experience that will be gained. The second stage states that the buying experience can be seen as an outcome of the implementation of option, payment, packaging, feel service and environment. The third stage includes the vital consumption experience elements, such as feeling the sensations, satisfaction or dissatisfaction, enjoyment or displeasure, and so on. Finally, the fourth stage includes recollection of consumption experience by glancing through old photos, talking about experiences with close ones and so on, in order to finally sort out the memories (Bassi, 2010).

Holbrook and Hirschman (1982) highlight that there are various characteristics of consumer product experience, which include multisensory consumption, which itself entails symbols and perceptions. What is more, Mano and Oliver (1993), as well as Bassi (2010), teach that consumers use intuitive basis when choosing, while authors Lacher and Mizersky (1994) call

attention to the fact that consumers value the process itself more than the time of purchase. If a hedonic consumption outlook is used, then the product isn't classified as an objective system, but rather as a subjective ideogram. Moreover, the feedback of consumer emotion is the primary focal point, rather than the physical product, which means that consumers, while consuming products, can experience certain emotions (Havlena and Holbrook, 1986).

3. Movie as Experience Product

Movie is usually interpreted as a product that gives its consumers a certain emotional experience. While enjoying visual activity of watching, consumers rely on a film to bring them particular feelings, which include love, happiness, grievance, sadness, fear and such like (Fowdur, Kadiyali and Narayanet, 2009).

Bassi (2010:58) stated that the emotional part is highly appraised in the use and assessment phase. The author noticed, drew while observing the movie experience, that the contentment will be acquired if the movie has an ability to offer a certain level of surprise and at the same time attract notice. If the movie can produce powerful emotions, it will catch consumer's attention and give maximum satisfaction. Furthermore, the most extensive model was established by Thureau (2001), who suggested a model which describes main components that impact service alteration success, especially for cinema, which include: Film characteristic, structure quality and film communication. Film characteristics incorporate genre and symbolization, while the structure quality is set on the opinion of the people involved in the entire process (such as, director, actors, producers), cost, country of origin, duration and language. Film communication, includes elements such as advertising, publicity, film review, award and word of mouth. To sum up, however, it is important to highlight that Thureau's

model still hasn't given any valid support with the help of empirical evidence (Thurau, Thorsten, Walsh and Wruck, 2001.)

4. Movie in Dubrovnik Cinema

The history of Dubrovnik cinemas and film in Dubrovnik is closely connected with history theaters, out of which the most important would certainly be, the almost 150-year-old "Bond" theater, in which the first film performance was held in 1906, since when, at the time when the famous movie maker Gigante serves as a guest at the cinema, the people of Dubrovnik have been faithful guests at the Bond Theater, as they most often went to their temple in Italy to watch movies. At first, these were programs of traveling cinemas, and since 1910, the theater often rented to owners of permanent cinemas. Later on, in the period between the two world wars, people of Dubrovnik no longer visited the Bond Theater, but so called "tone cinema" has become quite domesticated, with frequent performances of Dubrovnik amateur groups (Račić, 2016).

At the turn of 1907/1908, the first prefabricated cinema was built, and only a half year later the permanent cinema called Admirinda was established as well. What is more, at the end of the World War One, the Grande electro-cinema, with as many as 200 seats opens, was assembled. Immediately after the Second World War, a specific cinema began operating in the area of Luža, and it is still operating today as well, and that is Sloboda cinema. In 1988, after the rehabilitation of the certain blocks of the cinema, cinema Sloboda was once again opened in today's look. Until 1998, all cinema-locations were managed by the social cinema company Dubrovnik, and, finally, since 1998, a public institution in culture, known as Kinematografi Dubrovnik, has been established as the legal successor of the company, and its owner and founder is the City of Dubrovnik. In 1957, the Youth cinema opened at the Center

for Non-Army Education, in Pile, as well as The Adriatic Open Air Cinema, which was opened on May 24, 1957. In the year 1958 Slavica open-air summer cinema was brought up, with with the most modern canvas of enormous dimensions designed by Slavomir Benić, as well as a winter cinemas with 400 seats on the ground floor and on the balcony was established (Račić, 2016).

Modern age of film in Dubrovnik is established through various film festivals, movie theaters and corporations with foreign film industry and individuals.

The most famous, Libertas Film Festival in Dubrovnik, began in 2005 with the idea of expanding city's festival cultural offer to include film. The festival takes place during the summer, and the reporter shows feature and documentary films of independent productions dedicated to the promotion of freedom from countries around the world. In the competition part, the selected films compete for the Dubravka Award, which are awarded by an expert jury in the section of best feature film, best documentary and best short film. The movie best rated by the audience receives a special audience award. Screenings take place at Dubrovnik's Sloboda cinema, Marin Držić's city theater, the renovated Jadran summer cinema within Dubrovnik's city walls and the summer cinema on the roof of the Revelin fortress. Furthermore, Dubrovnik International Film Festival is an international film festival that has been held in Dubrovnik since 2003. The project was started as an initiative of the international organization Dubrovnik Film Institute and the festival itself is of a competitive nature. The expert jury awards DIFF prizes in the feature, documentary and short film categories. In addition to these awards, the audience award for the best film of the festival, the Libertas award for lifetime achievement and the Argosy award for outstanding individual contribution in the field of filmmaking, are also given.

The city today offers a great amount of film spots choices, with the Cinestar cinema multiplex as the primary choice. Cinestar Dubrovnik is the largest size cinema, and also the one with the longest choice list of movies, placed in Lapad. Movies in Dubrovnik are also regularly displayed at the cinema ‘Sloboda’, located in the Old Town, just below Dubrovnik’s prominent bell tower, next to which is found a billboard indicating daily film screening times. Both of these cinemas display films throughout the entire year, while in summer Dubrovnik exposes to its citizens and tourists some outdoor cinemas as well. The most impressive outdoor cinema of the city is ‘Slavica’, located in the Boninovo area of Dubrovnik, while another outdoor cinema of the city is known by the name ‘Jadran’, and is located in the heart of the Old Town.

When it comes to foreign cooperation, the most famous milestone in Dubrovnik's film history was certainly the city's partnership with the famous American television network, known as HBO. Dubrovnik was one of the most important cities while filming GoT. In the series, Dubrovnik was fictional city called King’s Landing. GoT is based on fantasy novel known as “A Song of Ice and Fire”. Many people who were passionate about the series come to visit Dubrovnik. It became an extraordinary experience to see the Old City combined in the setting of the Game of Thrones.

METHODOLOGY

Method for this research paper used a quantitative research method which usually deals with numbers and statistics. A quantitative method is used by making an online survey format via Google document, where the respondents had 18 questions which were divided into demographic and scale rate types of questions.

The survey was conducted during April 2021, and at the end of a certain time, the results of a total of 35 participants were obtained.

The main purpose of this research paper is to determine what aspects related to cinema context impact consumer decision making. The goal of this survey is to find out the most important factor, out of 22, that affect visitors the most while choosing a movie before visiting Dubrovnik cinemas.

First of all, it was necessary to find out which aspect is the most important out of top 5 (marketing communications, film characteristics, ease, source of neutral information and content). Once we find out which factor is the main one, the next step will be to reveal its sub-factor. By discovering the sub-factor, we would be certain to say the most important factor that influences visitors choosing a movie before visiting Dubrovnik cinemas.

The focused population were citizens of Dubrovnik, young people and cinema visitors. The questionnaire was distributed through Google Documents and divided into two parts. The first one was followed by 13 scale questions and a few demographic questions.

RESULTS

The plan was carried out using quantitative method application, which usually uses numbers and statistics kind of results. The purpose of quantitative research is to create knowledge and to understand the topic we are researching, more precisely which factors influence visitors while choosing a movie before going to the cinemas.

The research was conducted through a survey developed in an online format, during which respondents (a total number of 35) were asked to choose answers they've found the most compatible with their own views and opinions, considering the given topic.

The aim of this study was to find out what factors affect moviegoers' of the city of Dubrovnik decision while choosing a movie before going to cinema. Precisely, research aimed its focus on residents of Dubrovnik who usually tend to visit movie theatres, with 54.3% of respondents being in the age range of 18-25 and 40% being 25-34 years old, as well as 54.3% of them were female, while 45.7% of them were male. The largest share of respondents declared as holding an academic degree, following the 34.4% of respondents who hold a high school degree, while only 8.6% of respondents holds a Master's degree.

The first question's goal was finding out about an individual's habits of going to the cinema (before the Covid-19 pandemic), on which 48.6% of respondents answered by saying that they usually visit cinema once a month, 28.6% once in 3-6 months, 17.1% once in 6 months or more, while only 5.7% admitted visiting cinema once a week. Furthermore, 91.4% of respondents expressed that they usually always know which movie they will be seeing before going to the cinema, while only 8.6% of them admitted selecting the movie just at the moment of arriving in the cinema.

Following the survey, respondents were then asked to rank by importance the aspects by which they choose movies they want to see when going to Dubrovnik cinemas, and the first place was taken by the aspect known as the Content of the Film, which consists of the three main components: story (plot, setting, acting, music), objectionable content (severity, sexuality) and technology (animation, visual effects, 3D).

Furthermore, respondents decided that the factor known as Film Characteristics should hold the second place as the second most important factor affecting decisions when choosing a film in theaters, and in this category we find elements such as genre, film director, country of origin, production house and so on. The third place was taken by the factor known as Source

of Neutral Information, which consists primarily of movie reviews given in newspapers, magazines, on social networks, through direct communication and so on.

Finally, according to respondents, the two least important factors when choosing movies in cinema were Marketing Aspects (such as, advertisement and publicity) and Ease (or Facilitating Aspect; such as screening schedule and titles).

When considering the importance of these marketing, as well as facilitating aspects, with emphasis on the screening schedule and titles, most of respondents (37.1% and 34.3%) agreed on valuing them as "number 3" on the scale of 1 to 5 (with 1 being the least important, and 5 being the most important), or neutral (neither important, neither non-important) when choosing a film in cinema. Publicity aspect (composed of the trailer, synopsis, news, etc.), however, showed to be quite important when choosing a film, with a solid 40% of respondents choosing "number 5" on the scale of 1 to 5 for this aspect. What is more, while grading the importance of the Source of Neutral Information Aspect, respondents (40% of them) highlighted the Word of Mouth as the most crucial one when choosing a movie in cinema. (Appendix 4)

Finally, respondents were then asked to decide how important do they find certain characteristics of the film while choosing films when going to Dubrovnik cinemas, and 68.6% of respondents agreed on finding the Genre of movie incredibly important, putting it on the top of the scale as the "number 5". (Appendix 3) Additionally, the Country of origin was also found to be quite important, with 37.1% of respondents marking it as the "number 4" on the scale, as well as Actors, with 51.4% of respondents also giving it the "number 4" on the scale. On the other hand, Film Director showed to be the least important for the involved respondents when choosing movies in theatres, with 28.6% of them putting this aspect on "number 1", as well as 31.4% of them marking it as the "number 3" on the scale of 1 to 5.

To conclude the results, the most important thing we could get from this research we were looking for is to find out which is the most important factor and under the factor that affects visitors of Dubrovnik cinemas. The most important factor was the content, the most important under the Content factor is "Story" where as many as 68% of respondents said that under the "Content" factor, "Story" factor is an extremely important when choosing movies before going to the cinema. (Appendix 3)

DISCUSSION

During the comparison of the primary and the secondary research, it was evident that the results were completely the same, when taking into the consideration the main factors and the support factors. In the primary and the secondary research we found out that the main factor affecting cinema visitors while choosing a movie before going to the cinema is the content and its essential support factor is story. When it comes to the least important factor, according to the results, ease factor is the least important in both, in the primary and in the secondary research.

The differences between these two researches are that an online survey via Google document was used in the primary research, while in the secondary research a discussion type of research was used, where groups of 6-7 people were brainstorming and discussing. In the end they used SPSS type of gathering data.

Unique factors as per primary research are definitely a younger participants being from Dubrovnik area who frequently go to cinema to watch movie.

Limit to study for this research paper was that there were not as many respondents as hoped for. Moreover, the number of 35 respondents was also sufficient to conduct research on the

topic of factors influencing visitors while choosing a movie before going to Dubrovnik cinemas.

Answer to the question, “What factors and support factors affect visitors while choosing a movie before going to cinemas” was obtained at the end of the research and it came up that the most important factor is content and its support factor is story. Second place is held by film characteristics with its support factor genre, and on the third place is source of neutral information with word of mouth being its support factor. (Appendix 1)

Suggestion for the further research is definitely sending out survey template of finding out the most important factors influencing the choice of film before going to cinema, to specific cinema company, so they can more precisely and with more respondents come up with idea of main factor, support factor, and a sub-factor for the support factor. This idea would definitely help cinemas to realize and understand the way cinema visitors think when choosing movies and to discover through what factors they can attract as many visitors as possible to their cinemas.

REFERENCES

Arnould, E. J. and Price, L.L. (1993.). *River Magic: Extraordinary Experience and the Extended Service Encounter*. Journal of Consumer Research. 20: 24-45.

Assael, Henry. (2004.). *Consumer Research: A Strategic Approach*. Boston: Houghton Mifflin.

Austin, B. A. (1981.). *Film Attendance: Why College Students choose to see their most recent film*. A paper presented at The Annual Meeting of the Western Communication Association. Pittsburgh.

- Austin, B.A. (1985.). *Motivations for movie attendance*. A paper presented at The 76th annual meeting of the eastern communication association. Providence. RI.
- Bakker, G. (2008): *The Economic History of the International Film Industry*. Retrieved from Encyclopedia: <https://eh.net/encyclopedia/the-economic-history-of-the-international-film-industry/>
- Bassi, Francesca. (2010.). *Experiential Goods and Customer Satisfaction: An Application to Film Quality Technology and Quantitative Management*, 7(1): 51-67.
- Basuroy, Suman. Chatterjee. Subimal. and Ravid. Abraham. S. (2003.). *How critical are critical review? The Box Office Effects of Film Critics. Star Power and Budget*. The Journal of Marketing, 67 (4):103-117.
- Caru, Antonell and Cova, Bernard. (2003.). *Revisiting consumption experience: a more humble but complete view of the concept*. Marketing Theory, 3(2): 267-286.
- Cultural events*. Retrieved from Faro Travel:
http://www.farotravel.com/en/kulturne_manifestacije/
- Dubrovnik Film Festival 2006*. Retrieved from Culture net:
<https://www.culturenet.hr/print.aspx?id=21762>
- Eliashberg, Jehoshua.. Elberse, Anita. and Leenders, Mark. A.A.M. (2006.). *The Motion Picture Industry: Critical Issues in Practice. Current Research and New Research Directions*. Marketing Science, 25(6): 638-661.
- Fowdur, Lona.. Kadiyali. Vrinda.. dan Narayan, Vishal. (2009.). *The Impact of Emotional Product Attributes on Consumer Demand: An Application to the U.S Motion Picture Industry*. The Social Science Network Electronic Paper Collection.

Herlina, D. H. S. (2012). *International conferences on business economics management and behavioral science* (Vol. 5).

Havlena, William. J. and Holbrook, Morris. B. (1986.). *The Varieties of Consumption Experience: Comparing Two Typologies of Emotion in Consumer Behavior*. The Journal of Consumer Research, 13(3): 394-404.

Holbrook, Morris B. and Hirschman, Elizabeth C. (1982a.). *Hedonic Consumption: Emerging Concepts, Methods and Propositions*. The Journal of Marketing, 46(3): 92-101.
King's Landing Dubrovnik. Retrieved from King's Landing Dubrovnik:
<https://www.kingslandingdubrovnik.com>

Kino Sloboda. Retrieved from Moj Film; Hrvatski filmski portal: <http://www.mojfilm.hr/kino/info/sloboda/>

Lacher, Kathleen T. and Mizerski, Richard. (1994.). *An Exploratory Study of the Responses and Relationships Involved in the Evaluation of and in the Intention to Purchase New Rock Music*. The Journal of Consumer Research, 21(2): 366-380.

Libertas film festival. Retrieved from Moj Film; Hrvatski filmski portal: <http://www.mojfilm.hr/festival/info/libertas/>

Neelamegham, Ramya. and Jain, Dipak. (1999.). *Consumer Choice Process for Experience Goods: An Econometric Model and Analysis*. Journal of Marketing Research, 36(3): 373-386.

Račić, D. (2016): *Stotinu godina od prvog kina u Dubrovniku*. Retrieved from Kinematografi.org: http://kinematografi.org/kino/wp-content/uploads/2016/11/o_nama1.pdf

Reinstein, David A. and Snyder, Christopher M. (2000.). *The Influence of Expert Reviews on Consumer Demand for Experience Goods: A Case Study of Movie Critics.*

Department of Economics George Washington University.

The importance of film industry in the modern world. Retrieved from Morocco Film

Equipment rental & Services: <https://mfers.co/the-role-of-film-in-society/>

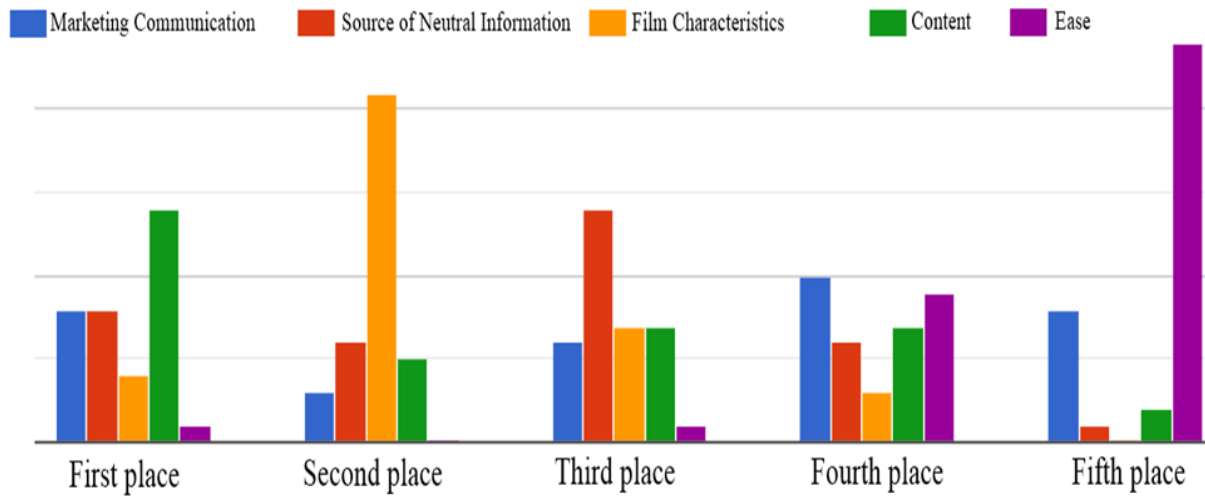
Thurau, Hennig. Thorsten., Walsh, Gianfranco. and Wruck, Oliver. (2001.). *An Investigation into the Factors Determining the Success of Service Innovation: The Case of Motion Picture.* Academy of Marketing Science Review, 6: 1-23.

Visitor's guide to Dubrovnik: Cinemas. Retrieved from Dubrovnik Digest: from:

<http://dubrovnikdigest.com/en/nightlife/cinemas>

Appendix 1

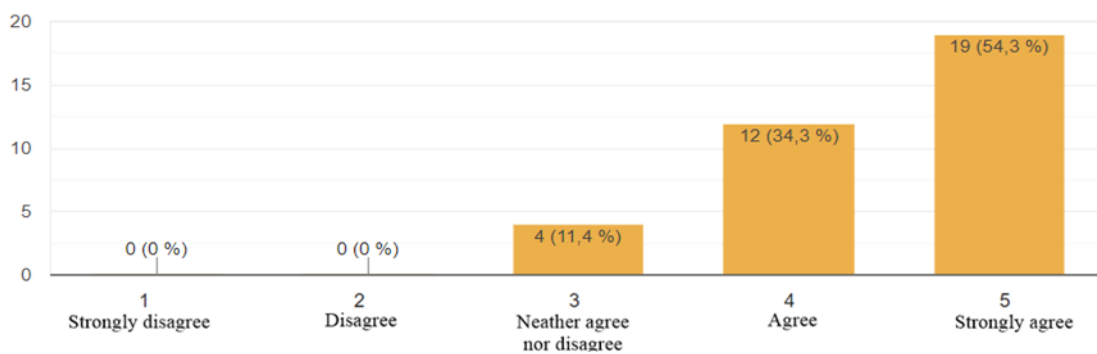
Rank the aspects by importance that affect the choice of movies before going to the cinema.



Appendix 2

Story (Plot, Setting, Acting, Music)

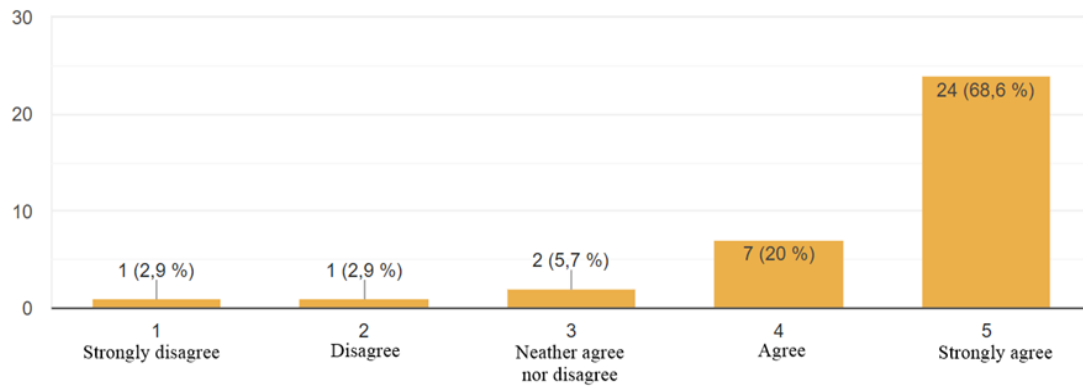
35 respondents



Appendix 3

Genre (Action, Comedy, Horror...)

35 respondents



Appendix 4

Word of Mouth (Direct talks, Social networking, Discussion forum)

35 respondents

