

1st EUROPA INTERNATIONAL CONFERENCE
24 November 2012, PARIS

“From *PIPEDREAMS* to *PIPEBUSINESS*”

WITHOUT DEVIATION
FROM THE NORM,
PROGRESS
IS NOT POSSIBLE

- FRANK ZAPPA

EUROPA
INTERNATIONAL

Opening speech

« The aim of this conference organized by Europa International is to create an exchange between experts and sales agents, to gather these professionals in order to find ways to do their jobs better. » **Daniela Elstner**

« I've started my day this morning by twitting this event, and I got 32 answers in 30 minutes! And I know you will all be twitting about this conference before the afternoon. » **Ted Hope**

1st Panel: Social media marketing / Networking & Outreach

Henry LIM (SOCIAL MEDIA MANAGER, CINÉMUR, FR)

Background about Cinémur: It's both a website and a social platform that is devoted to current cinema. They are Facebook marketing experts and developers (the team has been awarded in web design and HTML5 coding).

The website is built upon a huge platform gathering over 100 000 users. This means a large audience to target and to use for reaching new users. That way, they can identify e-users in this large community and know everything about them (friends, interests).

On the Road: "MK2 asked us to make the first trailer go viral on Facebook using our very detailed insights from the communities (literature, jazz, actor's fans)."

Here is the process used in order to release this trailer:

1st step: Create a single page

They have created an official page (one in French, one in English) where people could find/unlock exclusive contents about On the Road thanks to a special app.

2nd step: Facebook ads and PR actions

Then Cinémur had to drive people to this official page. They mixed two different strategies: they identified targeted communities (ex: fans of the book, people who liked Beat Generation's page or Kristen Stewart's page) and launched some PR actions at the same time.

3rd step: Engage the users

When they reached a satisfying numbers of users, they started to engage them by publishing photos and then the trailer. The app made fans able to share Facebook actions to their friends (« *I am watching, I want to see On The Road* »...)

4th step: Increase the visibility of the publications

The interesting point is about influencing friends through sponsored stories using the Facebook algorithm called **the EdgeRank**. "Your friends in their own newsfeeds will see, according to the official Facebook stat, 10% of what you are finding on Facebook". Then the more interactions a content has, the more seen this same content is.

There are **three factors composing this EdgeRank** and boosting the visibility of a publication from a user to his friends:

- How many likes/shares you post is getting = engagement
- How many minutes your post takes for reaching a certain amount of interactions (ex: x likes the first hour)
- The links existing between the creator of the interaction and the user: the more common friends they have, the more visibility the content will have.

Ted Hope: « So, in essence, Cinémur is an audience aggregation platform for people who love Cinema. » / « Word of mouth has always been the best driver for cinema, and it's still true in the digital age. »

Results and Virality

Zero to 60K Facebook fans in 4 days!

4M Facebook impressions for the app only

#OTR went trending topic on Twitter

Tweeted by Katy Perry (2500 RT / 28M followers)

International trailer: 10 000 users in US, 3000 users in Brazil...But the main part remains French.

Post-strategy: « you permanently need to « re-activate » your audience, don't start from scratch! ». How to do that? You have to use some tools for keeping your first users: newsletters about the film and related topics/products (trailer of the new Twilight 5), ads and notifications on Facebook, mobile push...

Dan LIGHT (MANAGER, GLASS EYE, UK)

What it is about? The real power of social media is **the ability to disseminate an idea** with LOW COSTS, very QUICKLY and in a very POWERFUL way.

For *Skyfall*'s release: Glass Eye chose to be focused on the "sexual aspect" of the famous secret agent's adventures, to explore this dimension of the hero. The global idea was to express in different ways the following motto: "every girl, every kiss, every location".

How to show this part of the James Bond 'stories'?

- **Creating a blog** where every new idea/content would be posted. Glass Eye and designers needed to deal with the copyright issues raised by distributors (ex: for the official stills) in order to be really exhaustive. The challenge was to create value with interesting contents without piracy. The 2nd hit launched on the blog was pretty successful: one thousand views the first day.
- **Centralizing the information:** when *Skyfall* finally came out: Glass Eye tried to find all the sites mentioning the movie or things about it. They re-used the found information and content on the blog
- **Selection the right information:** "You have to take something that can travel and make people laugh! Then, they can be **genuinely engaged**..."

CONCLUSION: "If you create something that **people WANT to share and LIKE sharing** with others because it's funny and cool, then you will reach out new people."

Yan VIZINBERG (CHIEF CONTENT OFFICER, CINECLIQ, US/UK)

Cinecliq is a mix between a social network and a video platform: It is like a common VOD platform but linked to Facebook. In other words, "you can choose your movie from your Facebook, you can pay for it from Facebook thanks to PayPal."

Whenever a Cinécliq user is watching a moving through his Facebook account, all his friends will see it on their own Facebook newsfeeds. This way, they can "clique" on it and watch the movie too.

What are the tools used by Cinécliq that help to make people actually watch a film thanks to their Facebook accounts?

1. **The Facebook page of the film:** nowadays, it's a real step in the production process.
2. **An app for the film:** it contains the whole movie + all the promotional materials like an e-store, some press reviews or photo galleries... By putting this app on the official Facebook page, Cinécliq makes the user able to clique directly on the link for paying in order to watch the film.

To sum up: **Cinécliq activates the community linked to the film page**, the one that is following the movie and socializing there because they already like the film. This community has now an access to the film without having to know about a VOD platform they have never heard of.

BUT this core audience is not enough. You can also post and **put the app on multiple pages**. Example: if this app is set up for a documentary related to human rights on the Amnesty International Page which has 55 millions of fans, the film could reach a really big and diversified community. This is also working for actors 'pages, musicians 'ones...

Conclusion: **"It's all about exploiting niches."**

Benoît VIDAL (INFORMATION ARCHITECT, MFG LABS, FR)

My Warner Empower Communities is a new big project redefining the Warner Bros strategy regarding loyalty.

Warner Bros had quite a simple need: **they wanted to decrease the media budget and increase their media impact.**

Warner Bros is all about multiple licenses but it is not a so well known brand for people. They don't know that huge successes like Harry Potter, Gossip Girl, Batman or Game of Thrones are actually hiding this big company.

How to make them aware of that? You have to process in two main steps:

1. **Encourage interactions with contents to build awareness.** Small Icons on Facebook letting user's friends know that "he likes this content related to this movie, he has seen it, he both liked and watched it, and he bought the DVD..." materialize such a strategy.
2. **Build contests for sharing and social spread.** This is implemented thanks to an innovative but simple system: the user creates a "Warner sheet" and designs his own kind of badges. By liking Warner Bros "products", those same badges will make him able to win points and then to receive e-gifts after reaching a certain amount of points.

The brand actually needs to be seen as a platform where game is everywhere. In this aim, contests are a good way to engage the audience. The pattern of the **"gratification grid"** is easy to draw: "I can publish a photo of an article I read in a magazine about a Warner Bros film, I can earn points

and then gifts, and at the same time, by playing with friends, I create socialization within and about the brand, I am part of a community. "

Conclusion: this project is not just about social networks, mobiles, or digital contents and data, is about the **combination of all these elements into a platform** that organizes the interactions between Warner Bros and its fans.

Rose Kuo (EXECUTIVE DIRECTOR, LINCOLN FILM CENTER, US)

"It is sad to say for film criticism but pier to pier recommendation are much way more efficient than any reviews."

It is quite recent that the Film Society of Lincoln Center is allowed to have an official Facebook or Twitter account. Before that moment, most of the staff members were used to use their own page for publishing content about the FSLC.

When Rose Kuo arrived at the head of the FSLC, they had only a few hundred of fans and followers on Twitter and Facebook. **In two years, they grew to 35000 followers and 21 000 facebook fans and reached a hundred thousand visitors a month on the official page.**

At that time, the FSLC was in such a transition time that they were able to hire 20 more people; one of the most important questions for every new candidate was: *"was he/she on twitter and/on Facebook?"* Indeed, still now, all the contents published on the site and the pages are actually **driven by individual staff members putting personal takes on these contents.**

Example of this strategy: At the NYFF in 2011, 6 to 8 young film critics had to write about the films screened during the festival and the challenge was to post and twit about them on Twitter and Facebook in the most intelligent way possible.

It is quite normal for everyone to be kind of reluctant to expose his personal life on twitter, what we are doing or watching, but posting about general marketing information like a release date or an event time is not efficient, nobody really cares about that. *"You need to engage people by asking questions they want to answer to, like Ted did before coming to this event!"*

Ted Hope's tweet

"I am going to a social media workshop, tell me about best practices in social media for films!"

Here are the answers:

1. Personal Tweets
2. Go behind the scenes
3. Robert Pattinson seating in the audience at the theater

Additional advice by [Rose Kuo](#):

- Develop **a unique hash tag**: use all the time the same one
- Use **actors 'blogs**, they have huge communities of followers

Questions & Answers

“Social media and Facebook are they really helping Art House films too or are they only helping the mass media marketing movies gaining attractions on the platform?” (Emmanuel Cocq from European Commission)

Ted Hope: What social media had shown is that **the art of communication on filmmaking is the one that needs to encompass all the aspects of it.** For years, we relied on the most obvious ways to promote a film, i.e. trailers and posters and a media campaign launched at least six weeks prior to the release date. Now it is question to use the contents of the whole production process sometimes more than a year before the film release. By designing anything, all this content, promoting a film is also now about **how to keep this movie alive** even after its release date. It is about **making a film becoming like the glue** which gathering people who have common esthetics and artistic interests together. For such a reason, Art House films are commonly the films that really succeeded to become the cement of a community, more than commercial movies.

Dan Light: Art House Cinema is about disseminating ideas. So now, **social media space is kind of the “new cinema café”** and people use it as a way to build a community and engage themselves through it.

“Is English going to become the language of European film industry and community and of films in general at the digital age?” (Daniela Elstner, Doc&Film)

It's going to be both: **some films can't travel and don't need to travel** because they are dealing with a very specific cultural aspect of the country they are made in, they can be very popular within this country but not outside. For other films, for those who are made for travelling, they will have to use English. Plus, **social media is not forgetting the original language:** now you can activate an option on Facebook redirecting the user directly from the English official page to his own language page. This is what Starbucks does for example.

2nd Panel: Shaping new front for sales / Platforms and VoD distribution

Ram MURALI (EXECUTIVE SALES, CINETIC INTERNATIONAL, US)

« There is so much that has still to be formed, how to use the energy moving around for 10 years and how to preserve a certain type of film culture? »

Observations and perspectives about film industry at the digital age

- Sales agents are wondering **how to monetize all this new platforms and possibilities**.
- There is **a tension existing between a community sharing contents and curators** such as film festivals and critics. How can they work together? How to define the value of content and agree on this definition? How do you keep the film curators involved in the whole social media dynamic?
- We need to **explore different models** in order to know which one is viable. If we know what question to ask, we need to try to get an answer now.

Marieke JONKER (MANAGING DIRECTOR, WE WANT CINEMA, NL)

We Want Cinema won the Cine Europe digital award in 2012 and the Global Creative Business Cup 2012.

- **Why to create such a project?**

International trend: **Crowd decides everything today** (crowd funding, crowd sourcing), so crowd ticketing had a reason to be created. Theaters still have a lot of investments to do to adapt themselves to digitalization. The question was **to help to optimize the screen**. Indeed the filmmakers who can't find a distributor would obviously like to see their movie at least once on a big screen. Why do not make that happen in theaters on a Saturday or Monday morning, at the time where regular films are not screened? Plus, the consumer interested in those films can, thanks to this new system, have an access to them.

- **What is happening?**

The consumer **can select a film, a cinema, and also a day and a screening time**, he just buys the first ticket for the event he creates. After this first step, **the creator can make the promotion of his event** as he wants. He can create an event on Facebook, e-mail his friends. Then, when enough of his friends or other people have bought a ticket, the event will simply take place. It is actually "**Cinema on Demand**". Interesting use: organizations can use these screenings in a more global event.

- **What is the business model of We Want Cinema?**

First the cinema gets a guaranteed fee, the content owner too, and WWC has also a small fee since it is necessary to refund people when the screening does not take place. These three elements together make "**the critical mass**". When this critical mass is reached after a certain amount of tickets, the tickets sold from that moment are **divided equally in three parts** for the three actors of the deal. It is a very clear system and this is what makes the project growing so fast and negotiations going easy.

Question by the audience: **What happens if you don't have an access to the film that people want to screen?**

Marieke Jonker: We also propose a service offering a search of the desired title, we use all the possible means for finding it.

Ryan WERNER (SVP THEATRICAL AND HOME ENTERTAINMENT MARKETING, IFC FILMS, US)

Introduction remarks

- VOD is becoming much popular and accessible in the US. Now, each platform that got 10 films two years ago has today a couple of hundred of films.
- Having a 'big profile' for and on a VOD platform is more and more important for a film
- There are so many different ways to have an access to VOD nowadays from the classic TV cable channels from the growing Netflix platform. It's becoming harder and harder to get people in theaters.

Ted Hope: "it's been said to me that **VOD is a platform of "compromise"** because people decide to watch VOD instead of going to the theater for certain films but still go there for other films. How to better know this articulation? "

In other words, we know now that certain films get the best traction in theaters: for instance, it is the case of the romantic thriller, the one that pleases to both genres stereotypes. While, at home, films that are preferred are often the ones having really pure gender stereotypes into it like titles of drugs, sex, and local crime...

Some updates about the current state of VoD release

- The vision of sales agents, distributors, and producers has changed and this participates helping VoD growing up for two years.
- There are now **two different types of VoD** releases that are used by the film industry:
 1. **Day and Date distribution**: movie released on all the platforms and places (I-tunes, cable channels, Netflix, theaters) on the same day → 7 dollars a film
 2. **Early VoD release**: movie coming out on the VOD platforms one month before its release in the theaters → 10 dollars a film. *Magnolia Pictures* and *IFC* use this one for movies that may not play well in the US.

Concrete examples

- **Melancholia** doubled his theatrical revenue by being released on VOD platform earlier than in theaters. We are now realizing that VOD release is good for indie films.
- **Margin Call** is an interesting and successful case to study.
VOD release: **5 millions** of dollars / Theatrical release: **3 millions** of dollars

Why can we say that choosing a VoD release for Margin Call was an incredible opportunity?

Because of a **perfect combination** of all the elements:

1. It was premiered at Sundance during the winter
2. Early VoD release happened after Sundance
3. Screened for the first time in NY at the New Directors/New Films Festival in the Spring
4. Watched by the **Occupy Wall Street** community during the summer in theaters and on VoD.

The fact that the movie was available on VoD considerably increased the conversation about it on social media, and then a large audience has been built that way in a short time. This same audience came also to theaters for watching the movie and for participating to the special Q&A's lasting sometimes hours. There was a real debate around the film alimented by the VoD possibility.

Mark COSGROVE (HEAD OF PROGRAMME, WATERSHED ARTS TRUST, UK)

What is Waterhshed?

It is an independent Cinema in Bristol that has been running now for 15 years. They are screening movies such as *Amour* or *Alps* but the specificity of the theater is **the way the space around the screening rooms is occupied**. There is a really popular cinema café and also a research space. This digital and creative real platform brings together a network of artists, technologists and academics to explore the future of new media.

The audience can then feel they have **many opportunities coming to this place**: they can drink, watch a movie, attend a conference or know about what local start-ups are doing.

Some figures

- Turnover is about 4,9 millions euros a year
- 130 000 admissions a year for the cinema
- The Watershed Arts Trust has 12000 followers on Twitter, 15000 newsletter subscribers and a 3 millions web pages presence.

Mark Cosgrove: "Social media is a tool to use for encouraging people to come and see the movies". They have to be used **as a voice, a way to create a dialogue**. Some strong films actually don't get released in the UK because of distribution issues, but as an independent organization and cinema, Watershed can offer all the movies the audience desires. For that, it's necessary to create and develop our network, to be able to answer to the following question: "**How do I get back to my audience in a meaningful way?**"

Eugene HERNANDEZ (DIRECTOR OF DIGITAL STRATEGY, LINCOLN FILM CENTER, US)

Is VOD gaining power and audience?

- This year, **home entertainment** grew up about 3%. It is still increasing but less than the other years. Are we touching the end of the bottle?
- **Transactional VOD** (buying a movie on I-tunes) grew up about **11%** this year and it will continue to increase.

- The really huge number: **Subscription VOD** (Netflix, Amazon) grew up of **440%** in a year!

What's going on with subscription VOD platform?

They are more competitive in terms of costs for the consumer. Netflix only pays **flat licenses fees** (they don't pay per view). Plus, they pay **the same price than exhibitors pay for acquiring a movie**. But this is currently only happening in the US and Netflix would like to use this system in European territories what is impossible right now. These countries should nonetheless think about it because this system could allow the sales agents to **share the media rights** between subscription VOD platform and the exhibitors.

Questions & Answers

Ross FITZSOMONS (DIRECTOR OF STRATEGY & BUSINESS DEVELOPMENT, ARTIFICIAL EYE, UK)

Artificial Eye has been doing Day & Date releases for five years. It is for them a really positive experience in terms of global results even if sometimes one film doesn't have great results.

Concrete examples

- **Le Havre** (2011) has been released in D&D and it was the best theatrical release they have never had for an Aki Kaurismaki's film! As the release of the film was planned on VoD platforms, the **media partners** of these same platforms communicated about the film.

- **The Edge of Heaven** (2008) was the first Artificial Eye's movie to experience the D&D release. Thanks to the VoD networks, the organization was able **to communicate the film to many more people**, for instance right across the whole UK and Ireland where they did not have cinema coverage. Thanks to this kind of release, **the film can really travel and be accessible to anyone**.

Ross Fitzsomons: "With VOD release, you can reach isolated people. **We need to use the technology to get the films to people** and this questioned the legitimacy of the chronology idea dominating the European film industry."

Do you have any ideas of how to convince cinema owners, the exhibitors, they need to embrace the VoD trend instead of struggling with it? (Susan Wendt, TrustNordisk)

Ted Hope: "We have to re-engage audiences and the great promise of digital is to make us able to **decide how to disseminate the information**. We can now **FIND the fans** and cinemas can't only do it by their own, they just don't have the means for that. So, the answer is quite simple: **future is about working together and SHARE the information**."

CONCLUSION: HOW TO DESIGN A WINNING DISTRIBUTION STRATEGY?

Véronique BEAUMONT (COO DIGITAS AND RAZORFISH, FR)

« Brands need to market for consumers and not to consumers. »

- Now, Marketing intends to **earn attention of the consumers and to create value for them**, it is not about sending them messages anymore.
Brands are now able to **feed people's passions and interests** through contents. Thanks to social networks, they can know what these interests are and better defining them by analyzing the "words" used by potential consumers. It's easier on social platforms to get an idea of the people's feelings, of the positivity of these feelings.
- Today, brands use Cinema in a new way (it is not about placing a product in a movie) for having a better impact on people. Indeed, Cinema can highlight a product, advantage a brand. This is materialized either by the commercials looking like short movies and sometimes made by great figures of filmmaking (For Yves Saint-Laurent, Cartier, Chanel...) or by the presence of famous actors in these commercials.

In conclusion: "*We need to go beyond these first experiences*" by **thinking more social and integrating technology and interactivity within the story telling** in order to invent new content formats.

Richard LORBER (CEO, KINO LORBER, US)

"We are all in the same business: we don't have films taking millions of dollars in the box office, we are supporting a fragile and precious artwork. "

It is important to know each actor's situation in order to figure out where we are all going. Kino Lorber is composed of 66 people, has a high-value release schedule, releases 24 films a year theatrically and about 70 films digitally but cash flow is still always tight.

"As no money is coming in, we see that the pie is not getting bigger and bigger but is going to be divided in many smaller pieces." Indeed, the key thing to keep in mind is that **there is no real money coming in the cinema ecosystem anymore, especially for Art House cinema**. The current decrease of the 20 billion dollars home video market is not made up by having a 300% growth in VoD, the reason is not there and this combination is far from happening.

Film industry is **constantly facing to technologic evolution** that is questioning the model the industry is working with for a certain time.

Richard Lorber: "There is no way to know if your film is really going to be seen and this is truer in the specialized cinema world. **The only way to deal with this mystery is to make a film available everywhere.**"

On the base of this statement, it is possible to build a more efficient strategy:

1. Try to get the film on **all the available platforms**
2. **Consider cumulative tactics** as the most important ones: something that works in the real world can also work in the digital world. For instance, distributors need to make sure that a film poster will be good both on a bus and on an I-tunes page.
3. **Collaborate with competitors** for VoD releases. *"They know things we don't know and we have cinema, i.e. a space to offer them."*
4. **Keep an eye on all the contents** you produce for new media: do not forget any contents, posts, products, it's necessary to stay updated constantly

WORK SESSIONS

WORK SESSION 1: AUDIENCE, A “FRIEND” FOR SOCIAL MEDIA AND AN “ENEMY” FOR PIRACY

Moderated by **Ted Hope**

Problematic

- We have tried to understand the psychology of the audience and of those who distribute intellectual property content for free.
- We have also looked at the design and economics of the illegal sites, we quite understand what it is happening either in the positive or in the negative way. Such a problematic is really relevant in Europe where it is much complicated to set a Day & Date continental release.

What are the solutions?

We discussed a collaborative approach and a trans –media approach generating contents that could be used to help reinforcing the audience's engagement. For instance, how to use the music with films? The answer has to make us capable of preventing films from piracy by creating a deeper relationship between the audience and the artist.

“How can we recognize in age of superabundance and total access that we are still using a business model from the time where content was totally under control?”

When Consumers, audience members, on line communities are facing 50 000 films a year, they are really aware they won't have the time to do it all: then, they are valuing their time and how they are spending their money (buying tickets or not). In such a context, how to convince people to go to cinema? Youth has been growing up in the time of world collapse and doesn't want to “lose money and time”. How to deal with the engagement of future “film goers”?

1. We need to think about a lower price
2. We need to amplify the story around the movie

European territories

- The nature of subsidies is creating some issues to think about (“What should I pay your movie? I have already paid for it through taxes”)
- A link exists between financial collapse (Crisis in Spain, Italy, Greece...) and Piracy

WORK SESSION 2: DAY & DATE, FROM EXPERIMENTAL STRATEGIES TO INNOVATIVE BUSINESS MODELS

Moderated by **Rose Kuo**

“Day & Date is a real puzzle involving theaters, cable companies, VoD companies like Netflix.”

- 90% of films require exclusivity of window and at the same time cable TV channels ask distributors to release a film in 10 markets
- Day&Date model is generally made for a demographically younger audience and which have an interest for specific genre movies while VoD release model are usually English titles and star driven cast.
- The entry of Europe in this model: This space is very political and complicated.
 1. Theaters owners doesn't want this model to happen

2. Governments are also involved in terms of subsidies and are so linked to theaters.

Conclusion: What strategy do we have to imagine for dealing with all these obstacles and differences of interests?

The example of USA? D&D still driven by the major cable companies because 90% of the Americans have cable channels while only 20 millions of people are currently using Netflix. D&D remains attached to cable channels.

WORK SESSION 3: MARKETING AND PROMOTION: TRADITIONAL TOOLS VS NEW FRONTS

Moderated by **Eugene Hernandez**

It is an area going under tremendous change. Similar changes are being faced by every organization. Things are not « clear » anymore for everybody. Selling a movie is different today than before: there is a desire to engage and connect not only audience but also buyers and countries. « [Postcards don't work anymore](#) ».

1. The need to create a new role, a new job: it's necessary to have a new department within each organization for managing the social media strategy
2. How do you create your own brand on these media platforms? Among Youtube, DailyMotion, Pinterest, Tumblr... Each one required a lot of investments and time.
3. We also talked about how Internet can make things harder:
 - It is hard to quantify success on a lot of platforms, kind of mysterious effects...
 - How to use SEO for achieving success when you are on such a platform?
 - Great challenge: changing this idea that a sale company is the same than before. Companies and agents have to redefine themselves?
 - "Directors becoming brands" = a really hot issue.
 - How do you market Art? We have to look at what other organizations outside of the film industry are doing right now (Opera, Jazz, Dance, Politics, Music?)

WORK SESSION 4: DIGITAL SINGLE MARKET, AN APPROPRIATE EUROPEAN POLICY

Moderated by **Florian Hensel**

We have been discussing different issues linked to our topic such as:

1. Licenses Issue: How to modify licenses with European Commission for encouraging the development of a unique European market?
2. Music Industry: source of inspiration → they have all (Sony, I-Tunes, Microsoft) a common database in order to get the office information and to do the artwork. The sales agents must do the same thing.
3. The Single Market Issue: it means, at the very end, that one language version of a movie should be accessible in any other country. What legal framework for reaching this state?