Shared value required to grow SA film sector

By Wanda Matandela

9 Mar 2017

As the South African film sector transitions from local content in terms of its value as an art, towards where there is a more balance in terms of its sustainable commercial value, it becomes crucial for the sector to align on what 'giving back' actually looks like.

Indeed, the context of shared value in this environment is far more considered. Shared value in the local film market is more than a CSR mechanic – it should rather be the real and deliberate structural efforts to come together as a sector to solve and plan for the future of our industry as a collective.

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A collaborative review of the full production-to-screen value chain and the implementation of structures that ultimately translate into a forum where we are able to come together to close the gaps between artistic and commercial value is a significant step in the right direction. As things currently stand, there are too many assumptions of what is the correct priority for each role player.

Simply put, this is our call to action.

The time has come for our industry to gather as one and agree a way forward that narrows the gap between the art of film and the realistic demands of audiences in theatres. Together (and only together) are we able to resolve and entrench interventions that address five key action pillars for growth. These are:

- ## Pillar 1: Building skills and talent pipelines for the future

  In this area, we are required to meaningfully address both current skills and the skills we need in the future, including commercial acumen. This requires a more formalised partnership between film schools, studios, distributors and theatres to drive value through comprehensive training across the film and cinema lifecycles.

- ## Pillar 2: Innovating the consumer experience value chain

  Exhibitors are well positioned to understand the value of the consumer experience. Delivering on greater depth in this experience requires a more collaborative partnership between studios and theatres to create and activate the movie experience beyond just "bums on seats".

- ## Pillar 3: Commercialising for growth

  The time is now to capitalise on an already strong position for our industry. If we are to address common problems such as engaging new customers and markets, cost savings, sustainable commercialisation and skills development and talent retention over the next five years, then we need to start mobilising the industry now.
  As a sector, we are seeing filmed entertainment revenues on a steady upward curve. According to PwC's 2016 Entertainment review (* correct title), total filmed entertainment revenue in South Africa will reach an estimated R3.9 billion in 2019, up from R3.0 billion in 2014, off the back of an average growth rate of 5.6%. In addition to this, box office figures are showing steady growth and will be worth a forecasted R972 million in 2019 (a CAGR of 3.0%).

  This means that we are well placed to collaboratively grow the size of the pie and incentivise new entrants into our market. However, this will require a partnership between established producers, new entrants and theatres. In September 2014, the Minister of Trade and Industry launched the R1 million threshold 'South African Emerging Black Filmmakers Incentive Programme' and more can be done to bring this to life, while celebrating the success stories to date.

- ## Pillar 4: Leapfrogging technology

  The success of platforms such as IMAX® goes a long way to illustrating the impact of technology on the overall film experience. Entrenching technology and innovation requires greater partnerships between technology producers, studios and theatres. This is especially important as the SA cinema market continues to innovate ahead of the curve.

- ## Pillar 5: Producing content that matters

  We all benefit from a thriving sector that produces commercial quality films and investing in this content makes sense at every level. Our ability to screen quality content that audiences want to watch, creates a virtual loop from which we can continuously invest and grow. Again, this requires greater collaboration between studios, producers, distributors and theatres in how we market the film content and invest in driving a steady consumer demand. We know from history that quality commercial titles grow the pie, attract new audiences and increase performance at the box office. Key to this is the visibility of cast, engagement and marketing from studios, accessibility and an audience experience beyond the screening of the film in theatres.

Ensuring that collaboration happens requires two initial steps. Firstly, the transformation of approach on the production side to create a talent pipeline and a more commercially viable industry; and secondly, how we collaborate in terms of marketing and distribution. Through these, we will be able to measure meaningful impact within the sector, especially as we come together to understand each other's agendas (and suspend our personal agendas) in a partnership for the future. At Ster-Kinekor we welcome this new agenda.

ABOUT WANDA MATANDELA

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