Europa Cinemas Sofia Online Lab Monday 22nd – Wednesday 24th March 2021

Report

The first session of this edition of the Europa Cinemas Sofia Online Lab, on Monday 22nd, was moderated by **Frank Groot** (KINO Rotterdam, Netherlands) together with **Metka Daris** (Kinodvor, Slovenia), and **Mustafa El Mesaoudi** (Rex & Cinema, Germany).

For the second and third sessions, on Tuesday 23rd and Wednesday 24th, **Frank Groot** (from KINO Rotterdam, Netherlands) was accompanied by **Alen Munitic** (Kino Mediteran, Croatia) and **Wiktoria Pelzer** (Stadtkino im Künstlerhaus, Austria).

17 exhibitors from 12 different countries participated in the first session, there were 18 exhibitors from 16 countries in the second one and 14 exhibitors from 12 countries at the third one. The Online Lab was organized in partnership with the **Sofia International Film Festival**.

The team was thrilled to see how many participants subscribed for the Zoom lab, showing the strong ties between European exhibitors in these troubled times. Each participant had the opportunity to introduce him/herself. The Europa Cinemas team showed a map with the participants' countries and their respective opening situation. **Most of European cinemas were closed**, except for Russia, Luxembourg and several Balkan countries, such as Croatia and Bulgaria that were fully open at the time of the online lab. Other nations like Spain, Romania, Norway and Sweden were opened with local closures.

In a survey organized beforehand by Europa Cinemas, the participants had defined the main challenges they were facing:

- Making sure that **everyone feels safe and secure** in cinemas;
- How to **reshape the customer's experience;**
- How to find ways to communicate with the **elderly audience**;
- The fear that arthouse titles will get lost in the **huge marketing influx** expected after the reopening of cinemas;
- Which content will be available when cinemas will reopen?

Metka Daris from Slovenia started the presentations by explaining how her cinema, the Kinodvor in Ljubljana, had successfully built a VOD project in order to reconnect with the audience, and this in collaboration with the Slovenian Art Cinema Association (SACA). Such a project had not really been in the pipes before the second lockdown. **In 2019, as the industry lived one of its best years**, there was no time and need to create a VOD platform. But during the second lockdown, finding new ways to reconnect with the audience became difficult. The idea of a VOD platform was then developed as a self-standing product, with an attractive marketing and a large selection of film titles. But **the concept was wrong**: competing with current VOD platforms was a lost cause, the project was not related to the cinema experience and would have promoted online viewing rather than going to the cinemas, which would have been counterproductive.

As the SACA did not agree with the project draft, which was too costly, the association had to rethink their concept. The main question was: **How to translate the cinema experience to online viewing?** It was thus decided that the platform should remain a service to communicate with the public and to make films accessible in case of emergency, not becoming a product itself. The programming on the platform would then be **mirroring the program of the cinema**, together with events, talks and promotions.

Shift 72 was chosen as the provider and the platform launched on March 8th, 2021 with 7 SACA members at first, but currently 20 out of the 27 members are part of the project. Talks and events are free, but a film rental costs €6.5 which **is not as profitable as a Cinema ticket**, taking in consideration the higher VAT, the costs of the platform (payment services, platform provider...) and the 50/50 share with distributors.

The main lesson of this experience was that **joining forces** is always a good idea. Also, one should not be afraid to change the entire project from the start if needed. It is also important to keep in mind that the **launch of the platform is only the beginning of the work**. It is a tool that needs to evolve. Communicating with online audiences requires more work for less income, which implies having to constantly evolve for more efficiency. But the biggest challenge when creating such a platform is not to forget to **preserve the magic** of the cinema experience, while understanding that the physical and digital parts of the industry are now meant to coexist.

A few questions were asked and Andre Balzekiene from Kino Pasaka in Vilnius reminded that some distributors are reluctant to give the films for a VOD exploitation before they are released theatrically. Metka responded that, thanks to a close partnership with distributors, they came up to an agreement of a **"double" exploitation** plan for each film. The SACA exhibitors committed to screen each available film of the platform at least once when their cinemas would reopen. Metka reminded that, as the platform "mirrors" a normal physical programming, **the films showed each week are the same as if the cinema was open.** Premieres and talks with directors are also organized on specific hours, which have in fact been the most successful screenings so far.

Mustafa El Mesaoudi from Rex & Cinema in Germany then presented another example of cooperation between cinemas, with the creation of the initiative "**Zurück ins Kino**" (which translates to: Back to cinemas), a marketing idea meant to bring back the audience. The brand was created during the first lockdown, and the idea was to advocate for cinemas and to make sure they were on the political agenda of the Government. During the second lockdown, the audience started to worry

about the cinemas sustainability, and the need to keep communicating with the audience became clear.

The Rex & Cinema team produced videos **staging workers from the cinema** explaining what cinema meant for them or talking about their work and their connection to the audience. Several videos were edited to fit with the social media formats. The reactions that followed their publication were numerous: the videos were **shared significantly**, newsletters had a **70% open rate** and the team received many motivating messages of solidarity from the audience. The voucher sales also increased. The link with the audience was clearly reestablished.

THIS IS NOT JUST A FIGURE AND A PHRASE, IT DOES INDEED TAKE PLACE

The second part of the marketing campaign was called "**Kino leuchtet für dich**" (which translates to: Cinemas smile for you), which has since become a label for many different activities in Germany. A panel of cinema workers **discuss the industry news** and introduce the cinema's upcoming events. The discussion is broadcasted through a Facebook live. Many cinemas also work with the label "Zurück ins Kino", using it in their own way. A similar label was also created in the Netherlands, but the campaign was said to be less successful as it did not result from a strong partnership between the exhibitors, thus preventing a proper follow-up of the initiative. The German partnership from which "Züruck ins kino" originated also created the hashtag "Kino Liebe" (which translates to: Cinema love). For Mustafa, this proves that the cinemas tend to have more control over the marketing they use now, as the subjects no longer come from the distributors or the influencers.

On Tuesday and Wednesday, Alen Munitic shared his experience with the diversity programme of **Kino Mediteran**, a project of revitalization of cinemas in Croatia, started in 2012 as a film festival. Thanks to public support, they have managed to reopen closed cinemas. The network now counts 25 cinemas across the country: 10 of them have their own equipment and 15 depend on the travelling cinema. The main objective of the network has always been to promote European films and to dedicate **40 to 50% of their programming to independent and European films**.

This policy has paid back with great results, notably during 2019. In 2020, when the first lockdown ended, the network quickly realized that new blockbusters would not be released for a while, which brought the need to rethink their strategy. They first **focused on 5 to 6 films** (such as *La Bonne Épouse* & *Corpus Cristi* for instance), created new merchandising items (soaps, notebooks and ashtrays, to mention a few) that they would give for free to the audience and developed new food and drink offers. These new features were accompanied by the programming of one classic film per week and **new partnerships with embassies** in order to show a particular selection of films, such as Israeli or Italian films. **Local short films with interviews** also had their share of success and lured the interest of many viewers. In order for people to feel safe, a **communication campaign** involving the cinema workers was created to prove that the venues were adapted to the safety rules.

The strategy resulted in very good outcome. Some cities among the first ones to join the network (and which had previously applied the program of diversity strategy) **experienced a loss of only 15% to 20%** of ticket sales compared to 2019, which was a particularly good year. Other cities, which did not previously have a diversified programming, experienced a drop of ticket sales up to 70%. This proves that the primary focus on European films helped the cinemas to cope better than others with the pandemic crisis. Alen now feels quite optimistic for the future, especially considering the upcoming summer season.

Wiktoria Pelzer gave valuable insights on a survey that the Stadtkino im Künstlerhaus in Vienna conducted in 2020. This survey originated from a prior need of the cinema to **know its customers better**, even before the pandemic. But this unfortunate event gave the team the time and the opportunity, as viewers were also more available than before, to run the survey.
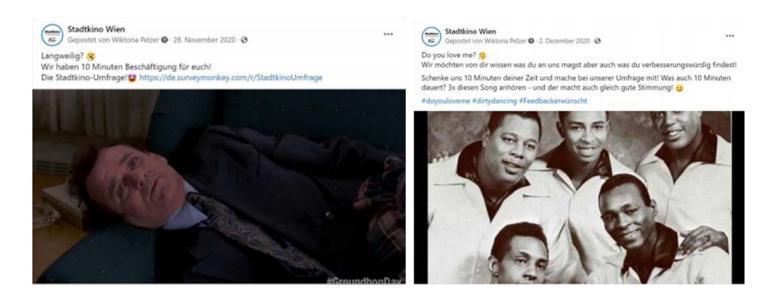
According to Wiktoria, the two main questions one must ask themselves before creating the survey are: "What do I want to know" and "What do I want to do with the data". It is crucial to get feedback on the questionnaire beforehand and to take a considerable amount of time to choose the right questions before publishing the survey. There are many software available (Google Form, Survio, SurveyMonkey, for instance) and they will all likely require a fee if one wants to use all the features correctly. Wiktoria's team chose **SurveyMonkey**. Once you get to know the chosen tool, the questions and the form of the survey are likely to change.

How can one communicate efficiently about a survey? Stadtkino's team used partnerships with local radios, posts on social media and newsletters. Wiktoria stretched the importance of communicating in a funny and sympathetic way. They, for instance, used the song "Do you love Me" that, according to the marketing campaign, could be played three times while answering the survey. In the end, 567 people answered the **34 questions for an average response time of 9 minutes**.

Wiktoria told that the most interesting part for them was learning of the main reasons why people choose one cinema over another (geographical proximity, programming) and on the main age brackets among children for which people consider cinema to be important. The outcome of the latter question was counterintuitive, as children over 14 came out to be the most important target

for the cinema. Questions also related to the way people learn about the films in programme (cinema website, Google) and other specific matters. The survey highlighted, for instance, the viewers' strong interest for events such as "Film and wine" or for having an annual pass. The survey also proved the strong motivation of viewers to return to cinemas.

It is important to note that surveys are not only a good way to collect data. They are also a **very good marketing tool**. In the case of the Stadtkino, many people started following the cinema on social networks, and the survey gave the team more subjects to talk to on their accounts. Wiktoria also reminded that, once the data has been analyzed, it is important **to pick maximum two to three lessons from it**, lessons which will lead to a limited number of changes, in order to be more effective.

Each day, after a few questions and exchanges on the presentations, the participants were split into three groups for an in-deep conversation on a topic selected in the preliminary questionnaire.

On Monday the topics were:

- Rethinking our communication / Audience development strategies with specific target groups;
- Devising programming strategies: challenges and opportunities for theatrical content;
- Developing strategies to bring your audiences back after long closure.

The first group worked on rethinking their communication and audience development strategies and was **facilitated by Metka Daris** from Kinodvor in Slovenia. The group addressed the problematic of defining the different groups you need to communicate with. It is crucial to define those groups and identify the platforms they are using in order to use separate communication channels for each group. Using a different communication medium also means using a distinct language for each category. It is also important to focus on a more detailed contact with the audience and to listen to their ideas. Curating a programme for those audiences will help to create trust between the cinema and the moviegoers. Local productions and artists are also strong assets for communication. Communication should emphasize the physical cinema experience, the idea of shared emotions and the community that cinemas represent.

Marloes Den Hoed from LantarenVenster (Netherlands) led the group focused on devising programming strategies. The group defined the kind of programming that worked between the lockdowns. Special events, such as "Folk" or horror festivals, sing along screenings or films linked to a partnership with embassies have been working particularly well. Open air screenings also generally resulted in successes, added with a good atmosphere. When the cinemas reopen, the programs should not and cannot remain as they have always been. Special features such as introductions, interviews or the possibility of cocktails for instance can be good motivations for audiences to come back. Cinemas can then recover their status of a "trendy meetup place". Another interesting example reflecting this change was setting up benches marked "Sit here if you want to discuss the film", inviting people to meet others around a discussion. The relation between cinemas and distributors was also addressed, as some exhibitors fear that the strict rules in some countries will prevent the smallest films to find their place in the programming, especially in countries where distributors require a certain number of screenings over a certain number of weeks to provide the films. It was agreed upon that exhibitors should require more flexibility from distributors.

The last group, which worked on developing strategies to bring the audience back after a long closure was facilitated by Mustafa El Mesaoudi. As the mass media generally give the feeling that cinemas are unsafe, communication from the cinema owners themselves is crucial at a time when it has never been easier to communicate with the viewers. Local governments have already established reopening strategies with Arthouse cinemas. This is the case in Lithuania, where the Government has offered to pay 1 free ticket for each person that returns to the cinema. The discussions are still going on, but it has been suggested that these tickets could be distributed as "coupons".

Communication is critical for the opening. As Mustafa pointed out based on his own experience, communication about the cinema itself and its team can gain much more engagement than posts on movies. It was suggested that the arthouse cinemas emphasize the human size of their venues. The participants also shared their experience of working with VOD platforms, mentioning many technical issues, the lack of trust from older customers for the websites, and the very mixed results in the ways these VOD platforms were used.

On Tuesday, the chosen topics for the group discussions were:

- Devising programming strategies: challenges and opportunities for theatrical content;
- Developing strategies to bring your audiences back after long closure;
- Collaboration with and distinguishing from online screening platforms and social media.

The first group discussed the programming strategies with the guidance of **Alen Munitic**. The discussion revolved around the VOD platforms and open-air cinemas. Paul Brewster from Kiln Theatre & Cinema (United Kingdom) mentioned that everyone who had experienced the use of VOD platforms agreed its main positive side was maintaining the relationship with the audience members. Natlab Cinema in the Netherlands had some difficulties in managing the technical challenges their elder audience members faced in order to maintain a smooth relationship with them. Elektra Bio in Sweden experimented with hybrid screenings where the same screening takes place simultaneously inside the cinema and on the VOD platform, and the audience members can decide which way to participate. Everyone agreed that the desire to watch films online is diminishing and that people would like to support the local cinemas by coming to see the films on a big screen. Most exhibitors in this group had experimented with open-air cinemas in 2020, and agreed that the

successful summer openings gave hope that people will return to cinemas. Cinema Palma in Italy had an outdoor cinema that shared the same venue with a bar and a concert organizer, and this resulted in younger audience members attending their screenings.

The second group focused on the strategies to bring the audiences back after closure, and this with the help of **Wiktoria Pelzer**. The discussion came out with an overview on the current situation that Tessa Helmink from Filmhuis Zevenaar in the Netherlands presented. Each exhibitor had found different ways to reach their audiences and everyone hoped these actions would pay back once the theatres open. Some of the actions were: VOD platform for children (Caravana TIFF, Romania) and exclusive screenings during in order to see which movies get positive reactions and should be screened after lockdown (Pasaka, Lithuania). Cinemarine in Kosovo set a kiosk outside the cinema during a few days to draw attention of the passers-by with free popcorn and trailers, and managed to have 30 % higher ticket revenue for those days.

They all agreed that putting up a collaboration with other organizations (like restaurants, libraries and museums), and thus promoting the cinema in unusual places, was a good strategy. All exhibitors stretched the importance of keeping in touch with the audience and letting them know that the cinema staff misses them. The same goes for the employees and volunteer workers; maintaining the team spirit can come from simple gestures (like sending the volunteer workers small gifts by regular mail).

The third group's discussion about VOD platforms was facilitated by **Frank Groot**. Julia Weckerle from Filmcasino (Austria) highlighted that the group discussed mainly the pros and cons of online platforms. The positive outcome of VOD platforms were for example the possibility to keep in touch with the audience and a possible increase in diversity (the audience members might watch films they would not necessarily go and see in the theatre). Kino Kadr (Dąbrowa Górnicza, Poland) had experimented with interactivity, offering the possibility to follow lectures and workshops online in addition to the films in VOD.

The group agreed upon VOD being a (necessary) form of survival during the past year, but was also afraid that the cinemas would lose money in the future if the distributors decided to reach out to their audiences directly and no longer via the exhibitors. Frank Groot mentioned a survey in Netherlands according to which 90% of the arthouse movie-goers prefer cinema to VoD, and this even if arthouse VOD services would continue to exist after the reopening.

On Wednesday the groups discussed the following themes:

- Rethinking our communication / audience development strategies with specific target groups in mind;
- Devising programming strategies: challenges and opportunities for theatrical content;
- Developing strategies to bring your audiences back after long closure.

The first group, discussing audience development strategies, was facilitated by **Frank Groot**. Constanze Oedl from Stadtkino Wien in Austria said that the main topics were using Facebook and reaching some of the target audiences. All the participants found Facebook challenging, mainly because it is hard to reach the audience without having to pay extra fees to promote your activity. What came out of the discussion was a certain revival of the direct marketing, such as sending

regular mail and newsletters. The group also discussed solutions to reach out to elder people who are not necessarily on social media. The proposed solutions were to communicate with their grown up children on Facebook, talk to NGO's for elder people and a film club for retired people.

Many of the exhibitors found reaching the teenagers to be particularly challenging. Some of the solutions offered were: direct marketing (flyers to schools), collaboration with teachers, film club for teenagers and, like it was done by Janosik cinema (Żywiec, Poland), an activity book on film analyze and introduction to movie theaters. The main takeaway was that one should target directly the young people (and not their parents). Other participants added that younger audiences did not necessarily want to see films for teenagers but a wider film selection.

The second group, facilitated by Alen Munitic, discussed the programming strategies. Jan-Willem Van Eemeren from Cinema Cartoon's (Belgium) pointed out that their discussions were divided in two parts as some of the cinemas had been able to stay open and others were currently closed. Cinemas that were able to stay open had found several solutions for the lack of recent films: movie classics, special retrospectives for children, smaller independent films and event-based screenings. Some of them had also offered a VOD service to complete their programming, but for example in Obala Meeting Point (Bosnia & Herzegovina) the films that were released in both ways worked much better in cinemas than on VOD.

Cinemas that had stayed closed had mainly offered the VOD platforms as a way to keep showing the films and keeping in touch with the audiences, although speaking strictly in numbers none of them had had a real success. The positive outcome had been getting confirmation on movie-going being an *experience* and that VOD cannot replace it.

Like on Tuesday, **the third group facilitated by Wiktoria Pelzer discussed the strategies to bring back the audience after closure**. Ana Ribeiro from CGR Lapérouse (France) presented the different strategies the participants had put in place recently: communicating on the safety in cinemas, special pricing (youth tickets, ticket combos, partnerships), starting to work with schools again, engaging and involving the audience via social media and during the online events, working with local press and offering private screenings for groups, to mention but a few. All these initiatives had one thing in common: trying to find a personal "arthouse" note to distinguish oneself in the communication towards the audience members.

Ana reminded that the biggest challenge is that nobody knows the conditions of the reopening and when it might happen. However, the participants suspected that they might be overwhelmed with the amount of films available when the grand reopening day arrives. Among the main suggestions that came up in this group regarding the opening was to be strategic about the programming and find new approaches. Perhaps one solution could be going from showing each film 7 times a week for 5 weeks to other strategies, for example once a week and for a longer period of time.

The wrap-up session on Wednesday brought up two new themes: getting social media experts' help to find the best communication strategies and developing the relationship with the distributors. For the latter, the group discussed the importance to join the forces with other arthouse cinemas in order to engage discussions with distributors. It was agreed upon that these could be interesting subjects for a future Innovation Lab.