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EXPLAINED: THE GROWING CLOUD OF IN-CINEMA ADVERTISING

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There is no denying the fact that Bollywood has been for long one of the most influential media platforms that we have known. The unmatched power and reach of this medium has over the years been harnessed by marketers through in-film and in-cinema advertising, so much so that the pie of in-cinema advertising has already crossed the Rs 500 crore mark as per KPMG estimates.

From coffee, chocolate, instant noodles to health drinks, in-cinema advertising is the perfect place for brands to create visibility for themselves, claims a 58-page elaborate report compiled by GroupM owned Interactive TV, the largest player in theatre advertising of cinemas in the country. The propensity to purchase is higher in theatres, claims the report titled, At a Theatre Near You.

The report cites industry sources and claims that with a growth rate of 25 per cent in 2016, the sector has made it imperative to have a monitoring tool like CAM to strategically assist the advertisers. The report cites another GroupM report – This Year, Next Year – which found that in-cinema advertising has been growing year on year by 20 per cent over the last three years.

Power of in-cinema advertising:

One of the reasons for the fast growth of in-cinema advertising has been the effective targeting through captive audiences, unlike TV, Digital and Print. The fact is that marketers always worry about the consumer switching channels, closing a browser or choosing the YouTube ad skip button, but in-cinema advertising guarantees better attention span for the message to be communicated convincingly. This in turn has resulted in developing a great eco-system for brands to communicate with the audiences in the most impactful way.

Experts believe that the in-cinema advertising in India is currently approximately at 1% of the total ad-spends and it could grow at 20% to 25% per annum over the next five years. However, innovation and Experiential Marketing will be key drivers for its growth. They also believe that as film content becomes more compelling and footfalls increase, there will be a clear need for brands to capture the in-cinema audiences.

A number of brands are increasingly using in-cinema advertising to reach potential customers and all this is because of the sheer scope and range that in-cinema advertising offers

marketers, unlike traditional mediums. Apart from the ads that are shown on screen, the off-screen space, offers plenty of options ranging from seats, lobby, lift, staircase, washroom and interactive zones, ensuring that the message of the brand is not missed by the customers.

Explaining how in-cinema advertising has allowed exhibitors to look at a new revenue stream, Siddharth Bhardwaj, Chief Marketing Officer - Head of Enterprise Sales, UFO Moviez, said, "In cinema advertising has grown tremendously in the last few years. Currently it is a Rs 600 crore market which is slated to grow further. The best part about in-cinema advertising is the fact that brands get a captive audience and with the release of big starrer films, there is huge scope for brands to use this platform. Currently, UFO Moviez has over 3,670 screens, with an aggregate seating capacity of approximately 1.75 million viewers and a reach of 1,892 locations across India. Our in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. Our in-cinema advertising platform also allows small exhibitors who otherwise are not able to effectively monetize their

advertising inventory due to their limited scale and reach to receive a greater share of advertisement revenue than they are able to using traditional advertising methods."

You may have to think twice to recall the first movie you saw in a cinema hall, but the Vicco Turmeric ad that played out during every movie remains fresh in the memory. Such is the power of in-cinema advertising, a sector that saw a phenomenal growth of 25 per cent in 2016 alone.

Experts also believe that this steady growth rate has made in-cinema advertising a big talking point amongst the media agencies which are now betting high on the sector.

Factors leading to the boom

Experts believe there are many factors leading to the boom, but primarily it is the increase in the number of multiplex screens. Also, there has been an awakening in the advertising and media buying community that in-theatre advertising offers a proper target audience which is captive during the time ads play out.

"This means that cinema advertising has a good chance of creating recall value in the minds of potential consumers. As the multiplex segment offers different pricing to attract different segments, ads can also be diversified to reach different segments cleverly. The relatively lower costing of theatre advertising as opposed to other media is also something that adds to its effectiveness at the moment," says Rahul Puri, Managing Director of Mukta Arts for Mukta A2 Cinema.

More from the report 'At a Theatre Near You'

The report that goes deep into the minds of the audiences claims that brands placed during intervals have a higher recall value compared to the ads aired before the movie. Interestingly, 50-60 per cent of the respondents interviewed for the report claimed that they paid

more attention to in-cinema ads and that they find them more interesting than TV ads.

Another reason that makes in-cinema advertising a hot spot is that an average consumer reaches the movie hall 15 minutes before show time, which allows enough and more branding opportunities for the advertisers to engage with consumers who are also digitally savvy.

The report further claims that 71 per cent of these cinemagoers are in the 15-24 years age group. Also, 61 per cent of the total moviegoers come from the affluent class. Interestingly, it's not the popularity of a movie or stars that attracts moviegoers to the screens anymore. Movie-going has become a habit for many families and 61 per cent people go to the screens out of habit or to spend time with their families.

Keeping the growth story intact

With the proliferation of multiplexes, the ticket prices have soared considerably which in turn can have an impact on overall footfalls and thus in-cinema advertising. Underlining the need for a more affordable approach to movie watching experience so that the footfalls keep witnessing an upward trend, Atul Mohan, Editor, Complete Cinema said, "The audiences at movie theatres are very different from the TV and Print and Digital platforms. Firstly they have paid to watch the ads and secondly it is a captive audience which makes the communication more targeted. However, the critical thing to keep in mind is the cost of the movie tickets, especially in multiplexes, which directly impacts the footfalls. It is important for multiplex and theatre owners to keep the affordability factor in mind so that the footfalls for in-cinema advertising keep increasing."

"In cinema advertising is largely driven by major box office clashes. Even factors like



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demonetisation, which affected ad spends in other domains, did not have any impact on in-cinema advertising. The point is that increasingly the cinema is becoming an alternate and reliable channel for the brands to interact with audiences," commented filmmaker Ajay Arora.

Highlighting how brands have increased their spends on in-cinema advertising over the years, Bhardwaj is hopeful that this platform will continue to witness robust growth in the time to come. "The best part about in-cinema advertising is the fact that it caters to a unique audience and allows us to advertise in select geographies with different propositions. As far its scope in the coming time is concerned, I believe it is going to play a significant role as brands have increased their spends on in-cinema advertising given the impact that it generates and the trend is likely to continue," he added.