

MOVIE CONSUMPTION AMONG HUNGARIAN UNIVERSITY STUDENTS

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INTRODUCTION

Colleges and universities play an essential role in every society. According to SMRB data, students are considered a target market that watches a vast number of movies each year (young people being more frequent moviegoers is a tendency that can be seen in MPAA statistics as well, where the 18–24 and 25–39 cohorts are the two largest frequent-moviegoing age groups, representing 31% of the US population). Movie theatres and home cinema play a large part in the life of modern societies, especially among the younger generations, as previous studies that aimed to break down the use of free time have shown [Ságvári 2009]. Thousands of new releases every year can be traced to various businesses built upon them. These include shops that primarily offer movies through the general electronic stores and gas stations that run them as side gigs to television stations showing numerous reruns and variety shows featuring movie stars. At the same time, we live in a new age of digital multimedia, one in which movie distribution is facing major changes as well, due particularly to the internet [Deák 2008].

AIM AND METHODS

Because ever-changing media consumption trends hit all forms of cultural consumption and thus movie watching habits as well, the aims of the study are to provide a brief overview of factors that affect consumer behaviours concerning movies, specifically vis-à-vis changes in both in-home and out-of-home movie watching trends; and how attitudes have changed towards the general worth of movies, which is heavily influenced by both group dynamics and the accessibility of content (looking at piracy as a service problem). This is followed by the results of a pilot study conducted with Hungarian university

students, where the main influential information sources and indoor/outdoor movie-related choices are examined.

The quantitative research done for the pilot study was conducted with the aid of questionnaires. The survey took five to ten minutes to complete, contained only closed questions, which were grouped into five sections and covered the respondents' movie viewing frequency, information gathering methods, movie viewing habits, attitudes and demographics. These sections and the exact questions were established based on the results of two focus group sessions', which explored the main attitudes and thought process of university students concerning movies.

The target group was made up of Szent István University students (in Hungary) who watch films, and who seemed appropriate for further examination based on their age and cultural consumption experience. The questionnaires were filled out by 112 respondents, with the total sample pared down to 108 after the data was cleansed. The sample consisted of 67.5% males and 32.4% females; 9.26% of the respondents were younger than 20, while the majority (65.7%) was between the ages of 20 and 24, and the rest of the respondents (categories of people aged 25 and above) comprised 25%. The analysis was done using IBM's SPSS software. Given the method and size of sampling, the study should not be considered representative.

CHANGING CONSUMER TRENDS

University students' movie watching preferences have changed considerably in the past 30 years. It was somewhat unimaginable in 1980 that a university student would watch mainstream movies, but times have changed: along with shopping malls, movie theatre complexes became more common, and movie viewing trends shifted as well [Varga 2005]. This tendency was empowered by the slow shift in location, as more and more people started to watch movies from the comfort of their homes. As a result, art cinemas faltered and even multiplexes endured a temporary crisis, though the yearly gross of Hungarian movie theatres eventually recovered [NMHH 2015]. This was thanks partly to the growing number of more spectacular movies that managed to draw in larger audiences as well as justify having higher prices as 3D films proliferated [Huber 2014].

For home cinema, the greatest change came in the form of the digital revolution, beginning with the lightning-fast spread of the DVD [Lobenwein and Pápai 2000], then later the spread of practically limitless broadband internet. Data from 2016 show that 79.7% of Hungary's population uses the Internet, while the whole of Europe has an internet penetration of 80.1% [WWW 1, WWW 2, WWW 3]. Fast Internet has enabled a slew of legal and illegal methods of obtaining movies (the latter being most often referred to as piracy).

GROUP DYNAMICS AND ATTITUDE

Generally, the behaviour of consumers is greatly affected by their immediate environment, especially those groups one, or would like to be, a member of [Hofmeister-Tóth 2006]. With films too, the need to identify with a group may have an influence similar to the classical choices of products or brands. Sorting by the intensity of group influence

according to Bearden and Etzel [1982], movie watching can be placed in both the visible and the invisible (or hidden) consumption groups. Depending on whether they watch a movie alone or with others, entirely different factors may predominate in consumer choices: while a given group may prefer a certain genre and type of movie, they might prefer something completely different when watching alone at home.

Attitudes have a direct influence on our behaviour, the strength of which depends on the strength of said (positive or negative) attitude, the existence of other attitudes, or the situational aspects of the social environment. The ability to react to any attitude should also be highlighted. It may occur that even though one has a positive attitude towards a movie, one's financial status makes purchasing it impossible. It might likewise happen that a certain possibly long-awaited film somehow gets overlooked by local distributors (or is unavailable for another reason) and the only option left for the consumer is to download it, which might occur in a specifically high number of supplementary downloads [Bodó and Lakatos 2009].

ONLINE BLACK MARKET AND PIRACY

In Hungary, traffic at download sites is growing alongside the spread of broadband. In the past couple of years, Hungarian torrent sites' user base has grown consistently (though thanks to their private nature, the pace is quite slow). University students are now accustomed to file sharing, ultimately becoming choosier consumers in the process, as they are more likely to base their value calculations and purchases around the availability of free content and previewing media via file sharing [Jones 2002]. It is clear that in recent years, not paying and illegally downloading or using other free sources (as may be observed in the proliferation of ad-supported websites offering movies among other completely free content) has become the standard means of obtaining movies. After all, the reasoning behind piracy is that "everyone is doing it", while the physical aspect of actually owning content is no longer considered a motivator [Bothun and Lieberman 2010].

As a previous study has pointed out, free access to content raises interest in cultural products, ultimately widening the industry [Oberholzer-Gee and Strumpf 2009]. Adapting to modern culture consumption trends proves to be quite a challenging task for media industries. The main approach is to minimise losses (see Disney's recent decision to halt Blu-ray editions in Hungary) and to fight an unwinnable battle against pirates (where even after a long and tiresome court case and eventual shuttering of the challenged pirate site, another three will instantly fill the void it leaves behind). The challenge, however, is not unreasonable as there are multiple positive examples (like the music or gaming industry) already up and running with methods that could help turn the phenomenon into an advantage by providing competitive alternates to illegal downloads. This is where the various forms of legal online movie distribution systems could enter the picture, though they would still have to overcome many obstacles. Among them is the fact the price of a legal download is identical to that of movies sold in brick-and-mortar stores, even though the physical data carrier (together with all of the costs associated with their production) is removed from the equation [Bodó and Lakatos 2009].

RESEARCH RESULTS

The following results come from the quantitative research done in the pilot study. When it comes to watching movies in cinemas, most respondents indicated they go with their friends and significant others (73 and 56%, respectively) – Figure 1.

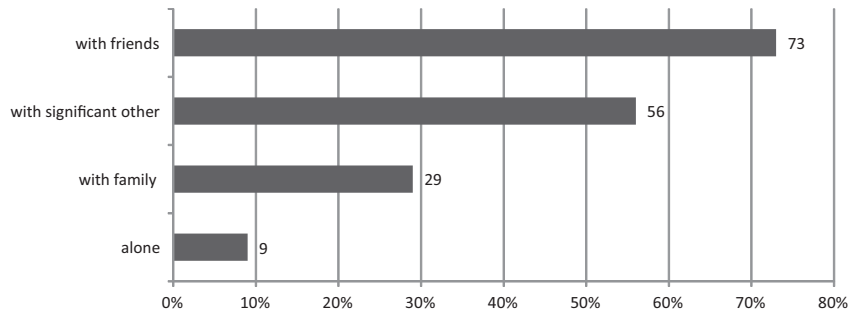


FIG. 1. Companionship in movie theatres

Source: the authors.

The results support the notion that movie-going is a communal experience – an “event” where having one’s friends along for the ride adds another element to the already unique feel of the movie theatre. Moreover, only a fraction of people (10%) goes to movie theatres alone.

To take a more interesting angle on the frequency of movie theatre visits, SPSS was employed to narrow the entire sample down to those stating they watch movies at home at least once a week. This resulted in a smaller sample of $N = 78$, which revealed that 87% of all respondents watch movies at home quite often. The distribution is shown in Figure 2.

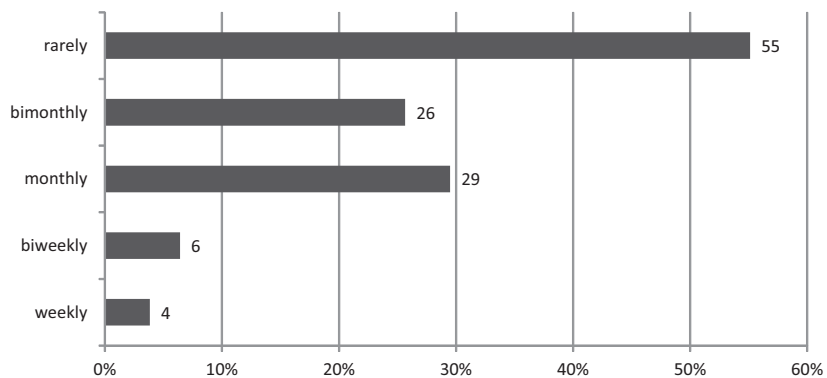


FIG. 2. Frequency of movie theatre visits

Source: the authors.

These results highlight that home cinema is the more frequently used option, while trips to the cinema are rarer and therefore constitute special occasions or “events”.

Another aspect was how satisfied the respondents were with the pricing of movie tickets, especially those who go to the cinema at least once a month. The sample was narrowed to these people (31% of all participants), who indicated whether they agreed with the statement: “I am fully satisfied with movie ticket pricing”. A 1-to-5 scale was used, 5 being complete agreement with the given statement. The mean value was 3.15 with a standard deviation of 1.15. This shows they merely accept or “settle for” the current pricing.

The 3D movies have become an important trend at theatres, as almost all high grossing movies of recent years have used the format and the higher prices it often commands. Related to this trend, respondents were asked if they had the chance to watch a certain movie in 3D for the same price, would they take it. The mean value of the response was 3.39 (with a standard deviation of 1.58). They were also asked if they were willing to pay more for 3D, a prospect which returned a score of 2.75 (with a std. deviation of 1.28). With a value of 0.661, the Pearson correlation showed a strong connection between the results for the two questions.

To further test the relations between how favourably people regarded 3D movies and the willingness to pay more to see them, we tested the distribution of residuals and heteroskedasticity. Initial results confirm the correlation analysis, with a moderate coefficient of determination ($r^2 = 0.436$), a low SEE value of 0.97, and both t- and F-test having a significance below 0.05, further bearing out the connection. While the standardised residuals showed normal distribution (confirming with the least method as the mean is close to $9.02E-17$ and a standard deviation is close to 1 with 0.995), the scatterplot yielded the following results (shown in Figure 3), which suggested slight heteroskedasticity.

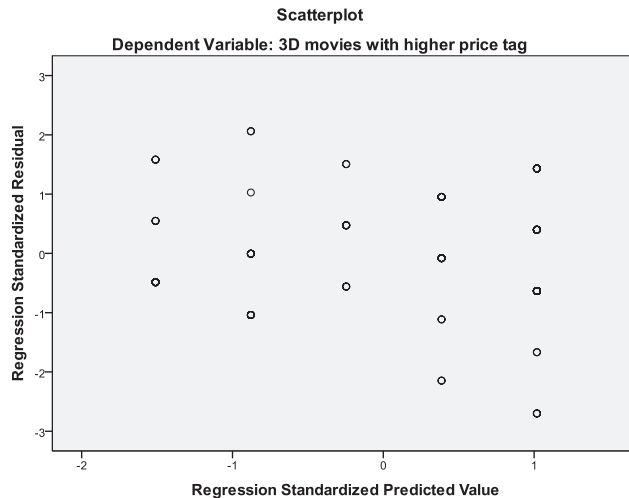


FIG. 3. Sources of information
Source: the authors.

Together with the aforementioned correlation analysis, these results mean that people who are more interested in the 3D technology itself (as they have already agreed with the first statement) are willing to pay an even higher price for it. Current pricing trends in movie theatres actually demand this of them, though some movie theatres are more cost-efficient by allowing attendees to keep the 3D glasses they have purchased in order to reuse them later, saving some money in the process.

The participants were next asked about the most common sources of information they use to familiarize themselves with movies (they were allowed to mark multiple answers). Figure 4 presents the results.

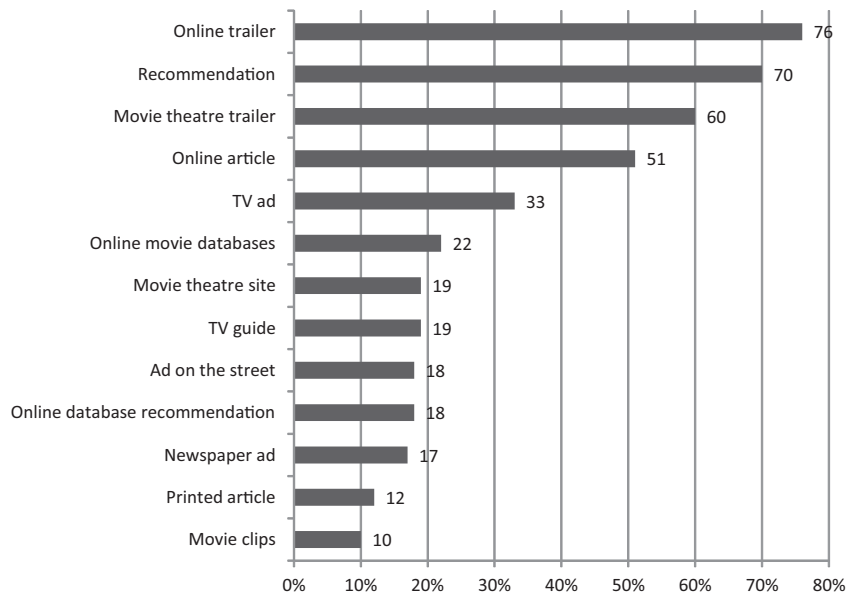


FIG. 4. Sources of information

Source: the authors.

Most people chose online movie trailers as their primary source of information. This was due mainly to the Internet being so widely accessible, putting everyone just a few clicks from the full description and trailer of any movie. Anytime someone sees news about an upcoming movie or when a friend recommends a title, one's first step is often to search for the trailer. The other high values are mostly related to friends' recommendations or online articles that may be accompanied by movie trailers, with trailers shown in movie theatres acting as a form of self-impulsive process as they show spectacular tidbits on the big screen.

To expand on the recommendation, respondents were asked how likely they were (on a scale of 1 to 5) to recommend a movie they liked to friends. The mean value of the responses was 4.56 with a standard deviation of 0.66. This result highlights the importance of word-of-mouth marketing, where the recommendations of satisfied spectators may have a huge impact (just reflect on the main sources of information gathering). When it

comes to sharing negative experiences (“If I didn’t like a certain movie, then I warn my friends about it”) the mean values are somewhat lower (3.82 with a 1.15 standard deviation), which shows that people are more reluctant (though not by much) to share bad experiences with their friends.

On a semi-related note, the respondents were also asked how they felt about movie awards, which are generally a highly regarded measure of quality that generates a great deal of media buzz. The results were somewhat shocking, as participants showed little interest, grading (on a scale of 1 to 5) the question about checking the list of awarded movies after a ceremony a mean value of 2.29 (with a standard deviation of 1.37). Worse still, the question about checking whether a given movie received any awards returned a mean value of 1.88 (with a standard deviation of 1.08), implying that movie awards are not a defining factor in viewership.

When it comes to watching movies at home, a main issue is to what extent piracy influences home cinema and how commonly legal channels are actually used. Figure 5 shows the results.

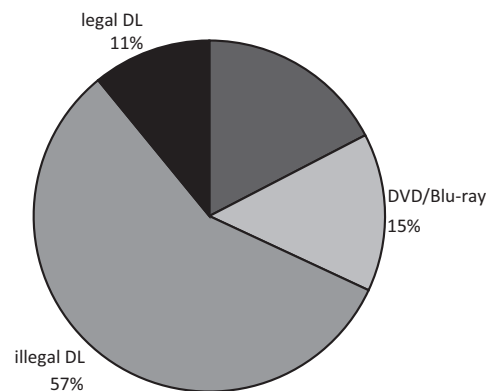


FIG. 5. Repartition of home cinema

Source: the authors.

In the accompanying question, the respondents were asked divide their total at-home viewing by the various means of viewing a movie. Figure 5 presents the mean values of their answers, which indicate that, unsurprisingly, home cinema mostly features pirated versions of movies (57%). Seemingly ever-accessible free content is far ahead of both the “free” television-aired movies (that are continuously interrupted with ad breaks and are not necessarily aired in the right time slot for everyone) and those which are purchased, either online or in brick-and-mortar stores.

An interesting related question was whether the participants preferred Hungarian or foreign download sites, if they had a preference. The Hungarians came out ahead with a mean value of 3.21 (with a standard deviation of 1.3), while foreign sites lagged behind with a mean value of 2.81 (with a standard deviation of 1.28). This is all the more noteworthy considering that Hungarian download sites are closed to the general public and only work by invitation (meaning that it is far more complicated to access them than most

foreign sites, which are all open to all visitors). This may be because on foreign sites the movies are usually only available in their native language (for which, if needed, a separate subtitle file should be searched for), while on Hungarian sites the dubbed versions are commonly available as well, which could be preferable to many.

As pirated movies appear to be so ubiquitous, what would be the ideal price tag for new movie releases university students would find acceptable? Figure 6 has the precise answers to this question (with the percentages showing the relative distribution of the respondents as they could only select one option).

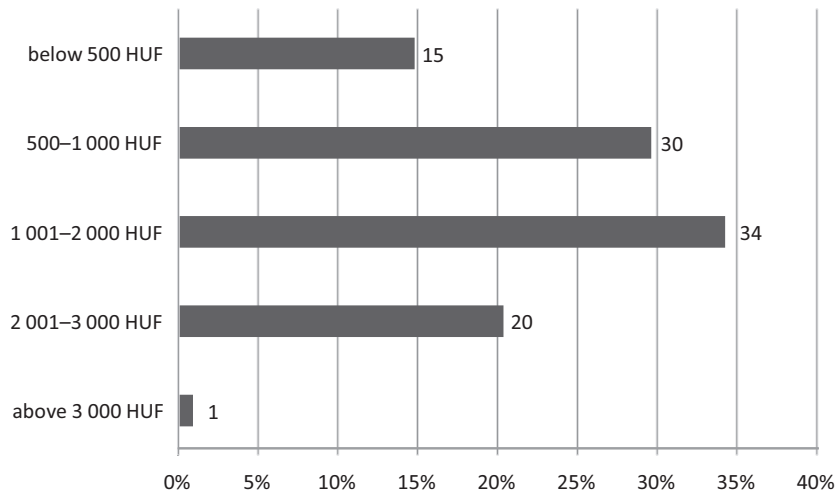


FIG. 6. New release price ranges for purchase

Source: the authors.

Figure 6 shows that most respondents are attached to the “magical” 1,000 HUF price tag. Close to the price of a ticket at the cinema (at least with a student discount card), that price point serves as a general reference, though numerous respondents were willing to pay twice that in the 1,001–2,000 HUF category. The clearest result, however, is that the current pricing of new DVD releases priced between 3,000 and 4,000 HUF are considerably higher than the accepted price ranges (to say nothing of Blu-ray releases and the 4,000–10,000 HUF they can fetch).

CONCLUSIONS

Movie trailers are the primary source of information used in film selection. The search for these is often the first step that follows hearing about a new title, be it in a news article from some movie-related website or from a friend. The latter information source is also decisive in nature, as university students are still greatly influenced by groups and opinion leaders. This is reflected in both the continuous information exchange between friends (mostly in the form of suggesting positively viewed movies to each other) and the film critiques and other movie-related articles found in various media, though particularly online.

That most university students do not visit movie theatres alone (rather they go with friends and their significant others) is clear evidence of the influence of groups. Though going to the cinema is a relatively rarer occasion than watching a movie at home – which is something they tend to do alone – it can be described as a special event. Aside from the group aspect of visiting movie theatres, another appealing feature is the large screen and the use of various kinds of spectacle-enhancing technology. Technology of 3D has been a main trend of recent years, one people are willing to pay more for, thus proving the value of the theatres that offer it.

In the main, university students are clearly not satisfied with the current pricing of movies. At the same time, the high prices and subpar features available in home cinema led to illegal downloads (with a special mention to seemingly free television as another movie viewing platform, though viewers pay a price with the constant disruptions of ad breaks and the strict schedule of TV stations, which may differ from the viewers' personal preferences. In any case, time is a hugely important resource here as well).

In the case of legal downloads, it seems natural to lower the prices of individual movies, as they come free of a number of costly elements that attend traditionally distributed movies, including manufacturing, transporting, and storage costs (as after purchasing the rights to an online download, providers' only concern in providing access to the content is the cost of the bandwidth, which gradually rises as they reach for higher revenue). Companies should constantly strive to improve the experience and accompanying features of their systems, working towards enabling viewers to legally watch a film "with the click of a button". This would make it possible to battle piracy on the service level by ultimately offering customers, who expect high value for their money, a better deal.

As the popular slogan "Vote with your wallet!" proves more and more valid, we can see a slow shift in the film distribution industry as well (though sometimes in the form of a complete retreat), with premium content provider giants like HBO changing up their model (making their online on demand HBO GO a stand-alone system that does not require users to subscribe to the TV channel itself) and streaming companies like Netflix entering Europe.

Future studies with higher sample sizes should delve further into the reasoning behind why university students might still prefer illegal methods of obtaining movies when legal alternatives are presented as well (apart from pricing). What as yet unimplemented and tested features may be desirable could also be examined. This could help elevate home cinema services above piracy, as has been done in other industries. Additionally, the reasons for viewer behaviour and views on the general worth of movies, lifestyle and general attitude towards movies (and other forms of related media) could be taken into consideration.

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Summary. In recent years, movie theatres have again found their footing, managing to grow audiences with exciting releases and new technologies. However, uncertainty remains as to how consumers obtain information and make decisions (be it the choice of a particular title or by what means it's watched). While thwarting piracy still proves a great challenge, the issue could be approached from a different point of view: as a service problem to be solved by offering better alternatives. Following a brief look at some of the relevant literature, this paper analyzes a pilot study conducted with university students, who were asked about their movie consumption habits, focusing on the various influences and sources of information that have an effect on their decisions.

Key words: consumer behaviour, culture consumption, decision making, movie download

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