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Outperforming Cinema Markets

An enduring point of interest in researching cinema markets is why visiting cinemas is more popular in some places than others. An important factor is consumer incomes, especially since the modernisation of the industry via the multiplex has generally raised ticket prices. The availability of appropriate product is probably second most important.

The highest-attending markets, with between 2.7 and 4.5 vists per person annually, are made up of English-speaking nations; city states or near city states like Hong Kong, Singapore and Iceland; France and South Korea. Both these have strong film industries. In Korea spending on cinema relative to national income is the highest anywhere. Spending on movie tickets is equivalent to 0.11% of per capita GDP, nearly twice as much as the United States.

High Frequency Markets

	Visits	GDP	Ticket
Iceland	4.50	42871	8.52
Singapore	3.99	52065	7.24
South Korea	3.90	22659	6.65
USA	3.90	51704	7.96
Australia	3.75	67270	13.57
Canada	3.40	52255	8.90
Hong Kong	3.37	36675	8.30
Ireland	3.36	45963	9.08
New Zealand	3.31	38219	9.53
France	3.21	41204	8.25
UK	2.73	39385	10.16

Note: all data is per capita, US$ and 2012

A second group, made up mostly of advanced economies, is dominated by Western Europe.

Medium Frequency Markets

	Visits	GDP	Ticket
Denmark	2.44	56438	13.38
Norway	2.41	99626	15.81
Luxembourg	2.34	106357	9.64
Switzerland	1.99	78880	16.65
Belgium	1.98	43595	9.18
Spain	1.98	28657	8.36
Austria	1.98	46621	10.01
Mexico	1.95	10075	3.56
Malaysia	1.93	10382	3.47
Sweden	1.92	54850	14.60
Netherlands	1.82	45990	10.29
Italy	1.66	33100	8.17
Germany	1.65	41846	9.83
India	1.59	1527	0.70
Finland	1.55	45614	12.06
Israel	1.53	33433	8.04
UAE	1.37	43777	9.99
Portugal	1.30	20028	6.90
Slovenia	1.27	22090	5.87
Japan	1.22	46713	15.77

Among this group the annual frequency of visit runs from 1.2 to 2.5, while GDP per capita is mostly above $20,000. The exceptions are Mexico, Malaysia and India, where cheap tickets compensate for low incomes. Interestingly spending on cinema tickets relative to GDP in all three outperforming countries is higher than other countries in this group, as well as being higher than in four of the high-attending markets, including the USA.

The last group comprises markets where frequency of visit ranges only up to 1.2, and per capita GDP is under $20,000. Only Taiwan and Greece measure higher than this income. In both these cases faulty collection of admissions data could be the root cause.

Low Frequency Markets

	Visits	GDP	Ticket
Russia	1.21	11080	5.63
Chile	1.16	15413	6.01
Taiwan	1.14	20422	9.16
Argentina	1.14	11624	6.05
Hungary	1.08	12663	4.91
Czech Republic	1.06	18654	5.84
Peru	1.03	6643	4.00
Poland	1.00	12690	5.66
Venezuela	0.99	12924	7.76
Croatia	0.92	12850	4.95
Greece	0.90	22062	9.27
Colombia	0.88	7931	4.49
Brazil	0.75	11377	5.64
Slovak Republic	0.64	17000	6.57
Turkey	0.59	10507	5.34
Bulgaria	0.58	7009	5.30
South Africa	0.46	7537	4.57
Thailand	0.42	5421	4.69
Romania	0.39	7943	5.00
China	0.39	6080	5.16

What conclusions to draw from all this? First that outperforming markets are found disproportionately in Asia (two of them covered in our reports on **South Korea** and **South East Asia** published in February).

Second, affordable ticket prices may be a better way to maximise revenues from markets where consumer incomes are relatively low. The share of national income going on cinema tickets in Brazil and Turkey is about half that in Mexico and Malaysia, despite income levels being very similar.

Finally and obviously, very low levels of attendance in big markets like China, Turkey and Brazil suggest that cinema markets still have huge potential to grow.

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