The social, environmental and community impact of European cinemas

Network Survey 2023

Kino Valli © Pulafilmfestivalarchive

EUROPA CINEMAS NETWORK SURVEY

President:
Nico Simon

CEO – Editor:
Fatima Djoumer

Press:
Charles McDonald
charles@charlesmcdonald.co.uk

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Author: **Michael Gubbins, SampoMedia.org**
Interviewer: **Tara Judah**
Deputy Editors: **Nicolas Edmery, Irene Angel Echeverri**
Graphic Design: ***Hartland Villa***
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Founded in 1992, Europa Cinemas is the first international film theatre network for the circulation of European films.

Europa Cinemas
54, rue Beaubourg
75003 Paris, France
+33 1 42 71 53 70
info@europa-cinemas.org

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Chapter 1

Methodology

This report is based on one of the most extensive ever surveys of Europe independent and arthouse cinemas, at a critical time in the history of film exhibition.

The Europa Cinemas network is struggling with the aftershock of Covid closures and a new wave of economic challenges. But this survey demonstrates that cinemas have and retain a deep cultural and social mission, which they are putting at the heart of their strategies to survive and thrive.

Almost 300 cinemas from 33 countries completed the full survey, representing more than a quarter of the entire membership of the extensive Europa Cinemas network (See Chart 1). Given that the network is responsible for more than half the screenings of European films outside their home countries, the report is significant for the whole film ecosystem.

Those contributing to the survey are based in a range of locations (Chart 2), evenly divided between towns with under 100,000 residents, towns and cities with populations between 100,000 and 500,000, and big cities of more than 500,000 people. The size of the businesses is also representative of the network: 41% of respondents are from single-screen venues and 44% from cinemas with less than four screens.

The overwhelming majority of venues in the survey are in town and city centres (77%), or suburbs (19%), which is important for a report, offering insights into the social and community role of cinema.

The survey was supported by in-depth interviews, allowing more insight into specific challenges, and highlighting differences between businesses and countries. The report was also backed by data and desk research.

The survey was conducted in the shadow of a post-pandemic economic crisis, which had a deep impact on consumer spending and on the priorities and potential investments of network members. All the cinemas in this survey have been seriously disrupted by the unprecedented crises of the last few years.

Perhaps significantly, interviews were conducted in the Summer of 2023, which saw encouraging – and unexpected – signs of admissions recovery in some countries. But there are still many cinemas fighting for their futures in what remains a dangerously volatile economic environment.

CHART 1

Respondents Location

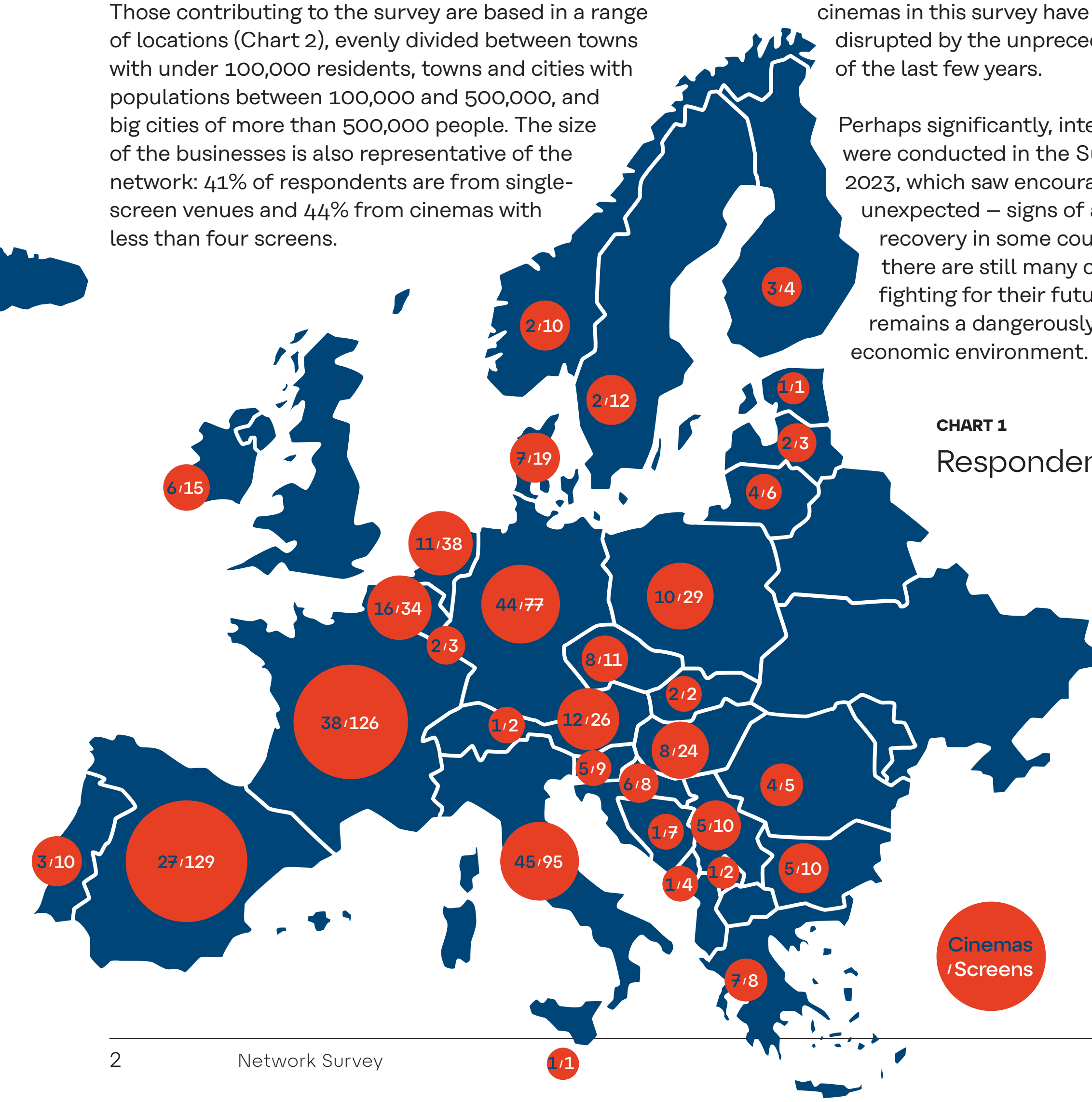
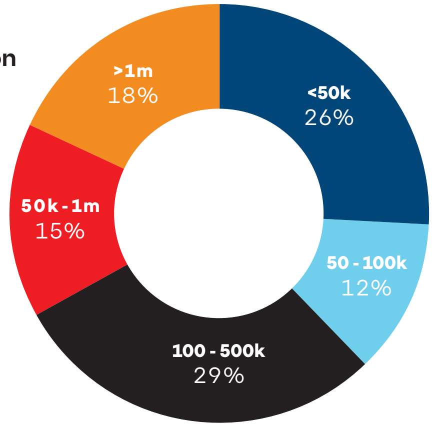


CHART 2

Location Size

Network members by location size



Respondents by location size

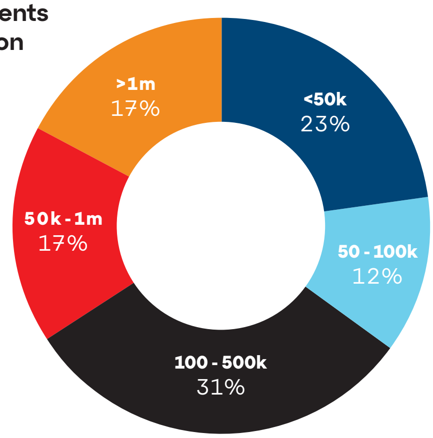
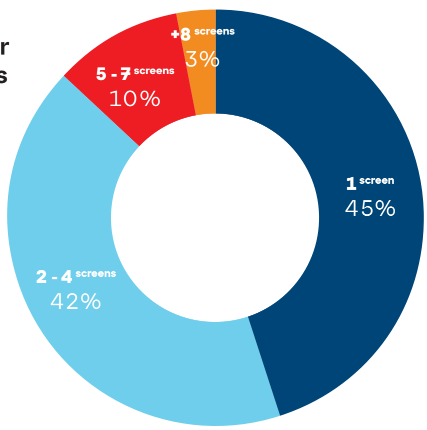


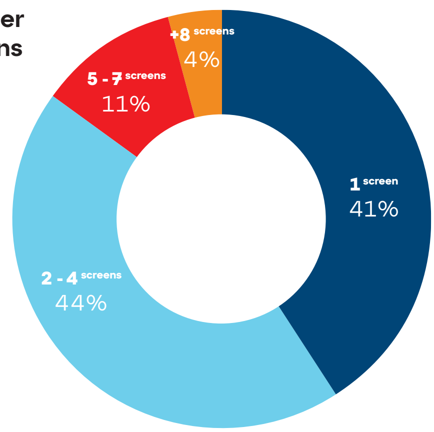
CHART 3

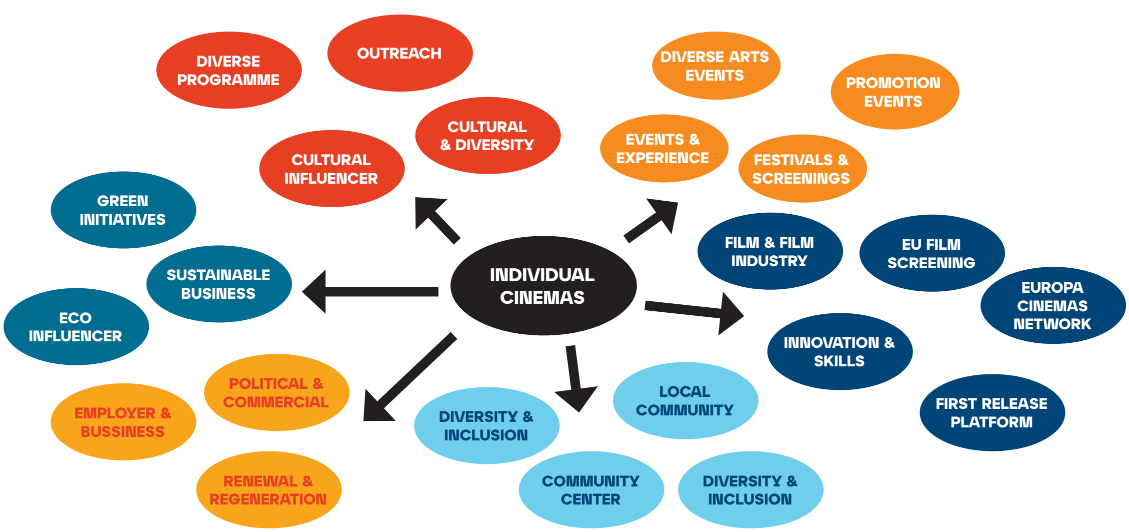
Number of Screens

Network members by number of screens



Respondents by number of screens





Chapter 2
Executive Summary

The following is a summary of the key points emerging from the survey and of the conclusions

This report makes two significant contributions to the debate about the future of cinema.

First, it is a reminder of the social and cultural value of cinemas to the life of European towns, cities and communities. More than 90% of respondents are based in town and city centres and suburbs – and they are integral to those diverse communities.

The loss of any of these social spaces would have a devastating impact, and not just on those who regularly watch films there. Cinemas play an essential role in keeping communities alive, and their presence supports other cultural, social and retail activities. It is also important to remind the broader industry that cinemas are a powerful asset, creating the awareness that drives online success for platforms.

That value is perhaps most appreciated where communities have lost their local cinemas and seen the impact on social and cultural life.

The second theme is that independent and arthouse cinemas are putting social, cultural and environmental innovation at the centre of practical and progressive strategies for recovery and growth. There is no standing still in this report; a wide and diverse network of European cinemas is working collaboratively to build audiences, increase engagement with European films, and to support the full diversity of their communities.

Innovation-led Recovery and Growth

Despite unprecedented challenges during and after Covid, **72% of respondents said they expected cinemas to "survive and thrive"** (with just 5% disagreeing) over the coming years. That optimism is not based on wishful thinking, or on a belief that everything will return to a pre-Covid and pre-streaming norm. The responses to the survey are statements of intent. Recovery and growth will be built on innovation, audience development and new skills, according to respondents.
83% saw audience development innovations as the foundation of their recovery and growth strategies.
A further 64% agreed business innovation was essential, with just 7% disagreeing.

> **"Cinemas need to think out of the box and rethink their programmes and audience needs."**
> Éva Demeter, Tisza Mozi, Szolnok, Hungary

Les Grignoux © C-Thrix

Unprecedented Challenges

Covid ended what had been a decade of relatively stable admissions, including a very strong 2019. The pandemic led to closures that were long enough to seriously damage cinemas and embed the changed audience habits that slowed box-office recovery. The post-pandemic economic crisis – alongside a European war in Ukraine – has in some ways been worse than the pandemic itself, with no clear end in sight and often little or no public funding support. Cinemas need to survive, recover, and finally grow in a volatile business environment. A significant minority of cinemas believe they still face an existential threat - 13% of respondents said they were at 'serious risk of closure' in the next five years, while 20% were (or were considering) closing on some days of the week.

"The main source of confidence for the future is the energy we have put into the recovery. We really want to have a big sort out to think about how we can do things differently, instead of just daily delivering. "

Elise Mignot, Café des images, Caen, France

Rising Costs

80% of respondents said rising business and energy costs were a threat to their business futures. 43% were concerned about rising salaries and 29% about staff retention and recruitment. Rising energy costs have forced some into reducing programmes and opening times, while high interest rates have undermined investment. Even where box-office revenues have recovered, and where new public funding has been won, inflation has reduced its real value. The higher cost of living also means consumers have been shifting their assessment of value for money, meaning cinemas are having to offer more.

"Overall, the mindset of people changed, and how they see cinema, and now they expect more – not just from cinema – but from all events. They want an experience with an addition, or extra things to do."

Nataša Šimunov, Kino Valli, Pula, Croatia

Public Funds

Cinemas recognised that public funds were essential to survival during enforced closures (88% of cinemas were closed for more than 10 weeks in 2020 and 79% were shut again for more than 10 weeks in 2021). Less than half of respondents (47%) said public funds adequately covered the full costs of closure, with 49% saying it supported short-term necessity but not all costs. Public funders are playing a role in supporting change, not least the European Commission Creative Europe MEDIA programme, which has supported innovative projects from Europa Cinemas, including Collaborate to Innovate in recent years. But 93% of respondents said more public funding would be needed to support cinema recovery, with 62% strongly agreeing. Lack of public funds are seen as a serious threat to the social, community and environmental work described in this report.

"It is easier when your programmes are supported, but my programmes are not supported because we are a private cinema and private programmes are not covered for some reason, even though they are not for myself, they are for a public audience."

Marijana Bošnjak, Kino Urania, Croatia

Streamers

The pandemic super-charged the US-based global streamers, giving them a captive market. While there is concern about the impact of streaming on business, only 24% identified it as a "serious threat." Cinema has co-existed with home entertainment for decades and interviews and responses to the survey suggest confidence that cinema's social experience will complement home viewing. **84% of respondents believed cinema success was, and would remain, essential to a film's essential to a film's success on all other platforms**. Some believed more synergies were possible with VOD, through virtual cinema, cinema-branded VOD platforms and online events. More than 60% of respondents though were concerned that recovery would be jeopardised if the theatrical window was further weakened in favour of the US streaming giants.

> **"There are good series but maybe people are overloaded with this kind of entertainment. We will find an equilibrium."**
> Michalis Zeis, Trianon, Athens, Greece

Events and Outreach

Events and festivals have become integral to film releases. They have an increasingly strategic role helping differentiate the cinema experience from home viewing. **74% of respondents said they aimed to create more events around new releases**, including Q&As with cast and directors for new releases. Almost 70% aimed to create more festivals and special screenings. Some are experimenting with simultaneous digital transmissions that will allow an event held in a big cinema to be broadcast in smaller ones.

> **"Particularly with family audiences, who may be slower to return, we just concentrate on what will really make our events stand out above and beyond everything else that is going on. It's the films but also the extra bits and pieces."**
> Alicia McGivern, Irish Film Institute, Dublin, Ireland

The Heart of the Community

The majority of Europa Cinemas network members are literally at the heart of the community: 77% of respondents are based in a town or city centre with another 19% based in suburbs. More than one-in-10 said they were based in a declining area with high levels of shop and services closures. The survey shows that cinemas make big contributions to the life of communities, offering a social space beyond just film screenings.

> **"We offer community, a human presence, the handmade feel of cinema and that will make people want to come, to get a great experience. And it is affordable to everyone."**
> Andres Kauts, Elektriteater, Tartu, Estonia

Diversity and Inclusion

Diversity and inclusion are firmly on the agenda of most respondents – 52% said they had become more conscious of the need for diversity in all aspects of their business and 72% said it had become a bigger priority in the post-Covid environment. 98% of respondents were planning to maintain their current level of investment and 38% were looking to increase it. The survey demonstrates a commitment to serving the fullest diversity of the community, with investment in access, awareness and participation for people with disabilities; social initiatives and discounted prices to widen the demographic and social make-up of audiences; and screening events and festivals to champion the work of film-makers from under-represented groups.

> **"I try to communicate with audiences, to make them feel secure and welcome in the neighbourhood."**
> Erdmann Lange, Atlantis and Odeon Kinos, Mannheim, Germany

Environmental Sustainability

The environment has become a major priority for network cinemas: 55% of respondents were planning to increase spending on green activities and the rest aimed to maintain investment at current levels, despite the challenges of the post-Covid economy. 83% believed greener business was both essential and would help long-term economic growth and this report shows a wide range of initiatives, in areas such as recycling, reducing energy costs and shrinking the carbon footprint. There are cases of highly-advanced projects but the infrastructure and support for green activities varies from city to city and country to country – and many cinemas are based in historic buildings. Nonetheless, investment is taking place despite the harsh economy.

> **"The first step is always reuse and reduce, and in the end you pay for, or offset what you can't reduce or reuse."**
> Hannele Marjavaara, Kino Tapiola, Espoo, Finland

Demanding New Audiences

There are signs of new younger audiences coming to the cinema, replacing older customers who, for a variety of reasons, did not return after the Covid lockdowns. This new audience wants the social experience, but has different expectations of service and marketing, which can be challenging for independent and arthouse venues. They expect instant service, fast, smart online marketing and the highest technical standards. Cinemas may need to go back to basics in selling the value of European film and social cultural spaces to a non-cinephile group. The aim will be to build long-term loyalty, and there are emerging tools and practices that can help.

> **"There are two tiers: cinema for the usual audience and cinema for the new communities. We are trying to figure out and negotiate that path."**
> Maeve Cooke, access>CINEMA, Dublin, Ireland

Communications Challenge

Communication and marketing are difficult in an increasingly fragmented market. The new younger audiences have different expectations – or perhaps demands – than older ones. It is not possible to reach the full range of demographic and social groups with a single social media platform, or through once reliable booklets or traditional media advertising. Events are proving more effective at bringing together communities, and online video marketing is having an impact too. But all these approaches require skills, data, training and resources.

> **"Before and after the pandemic, it has become more and more complicated to address the very specific target groups you have. That is something we could get much better at."**
>
> Matthias Damm, Filmkunsttheater Casablanca, Nuremberg, Germany

Collaboration and Skills

The ambition to put sustainable audience and community innovation at the centre of recovery and growth creates serious challenges. Cinemas need the skills and knowledge to support change. Cooperation and collaboration will be indispensable to essential reforms and innovations – and it cannot be achieved one small cinema at a time. Europa Cinemas is recognised by respondents as a key hub with a range of opportunities for learning and development, and for sharing ideas and innovations with others across Europe.

> **"Collaboration between cinemas allows the emergence of common needs, to make new projects and initiatives, and to offer new useful solutions to all."**
>
> Marianne Tinant, Les Grignoux, various locations, Belgium

Think Global, Act Local

Cinemas value the sharing of ideas, experience and intelligence across national boundaries but there can be political, economic, social and cultural gulfs between nations. Making changes at a local and community level requires more local dialogue and partnership, so that skills, knowledge and training can be adapted to local need. The Europa Cinemas network is leading the way in these areas, helping create integrated and coordinated initiatives, from local 'boot camps' to collective international schemes, such as Collaborate to Innovate, that can create data, knowledge and adaptable innovations for the whole of Europe.

> **"Even for small groups, or cinemas like myself, it's helpful to know that there are other people dealing with the same issues. It's helpful to go to the labs and conferences and get new ideas."**
>
> Nina Milošič, Mestni Kino, Ptuj, Slovenia

Chapter 3
The Economic Context

Cinemas faced unprecedented challenges with forced closures during the pandemic. Now they are confronted with new threats to social, cultural and environmental investment, from inflation, a cost-of-living crisis and war.

CHART 4

Number of Admissions in Europe (million)

SOURCE: EUROPEAN AUDIOVISUAL OBSERVATORY

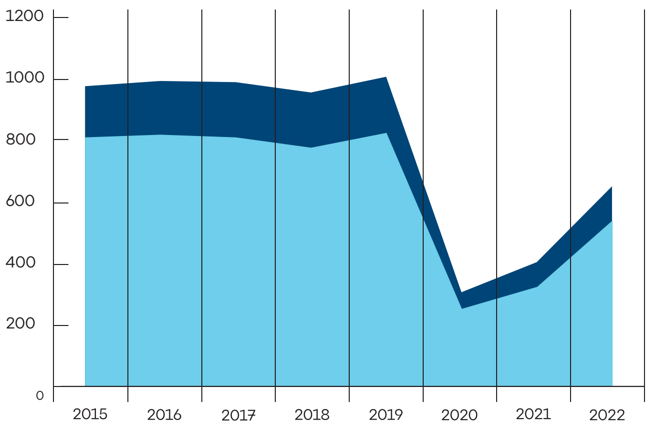
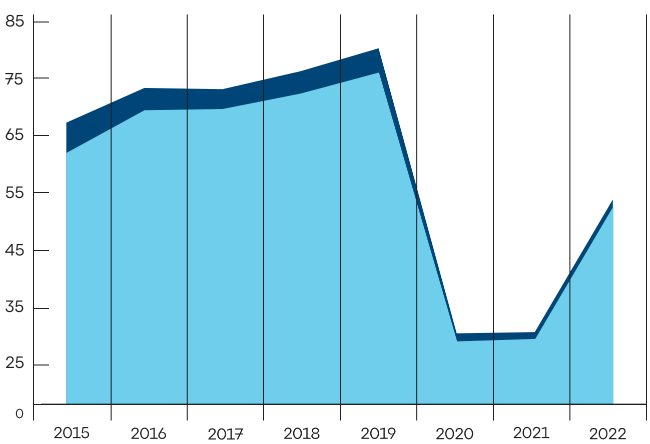


CHART 5

Number of Admissions in the Network (million)



With UK cinemas
Without UK cinemas

It is often suggested by commentators and analysts that Covid did not really change anything, it merely accelerated already existing trends. It is one of those cliches repeated so often that people forget to question whether it is true. European cinema was not in serious decline before the pandemic. In fact, it was remarkably stable.

2019, the year before mass closures of cinemas, saw more than 1 billion admissions in Europe, the highest since the *Harry Potter/ Shrek/Lord of the Rings* boom year of 2004. Average admissions in Europe for the 10 years before the pandemic were the highest in decades at 956 million.

It was also a record year for European admissions in the Europa Cinemas network – 42.2 million, 53% of total admissions.

Covid had an unprecedented and devastating impact on cinemas, with little or no time to prepare – 97% of cinemas were closed for more than five weeks in 2020, and 88% more than 10 weeks. 79% were shut again for more than 10 weeks in 2021. Just 1% of respondents avoided any closures in 2020 and just 12% in 2021.

> **"Sharp increases in energy prices have had a strong impact on revenues, thus casting strong doubts on the years to come. It's difficult to make long-term forecasts, there are too many variants at play."**
>
> Stefano Marasà, Cinema Loreto, Pesaro, Italy

Elektriteater © Ruudu Rahumaru

The pandemic itself was just the beginning. Europe has been suffering from a post-Covid economic downturn that has pushed up business costs, driven down the value of public funding and investment, and created a credit crunch for consumers. At the same time, for a variety of reasons, not least fear of a return to new strains of Covid, older audiences did not immediately return to cinemas after lockdown.

Cinemas have been caught in a perfect storm of reduced revenues and rising business costs, inflation and with high interest rates, holding back investment. And there is no clear end in sight.

Andres Kauts, of the Elektriteater in Tartu, Estonia said admissions to his cinema had returned to pre-pandemic levels but inflation meant the value of each ticket had fallen in real terms.

The impact of the crisis is not evenly spread in terms of business size and geography.

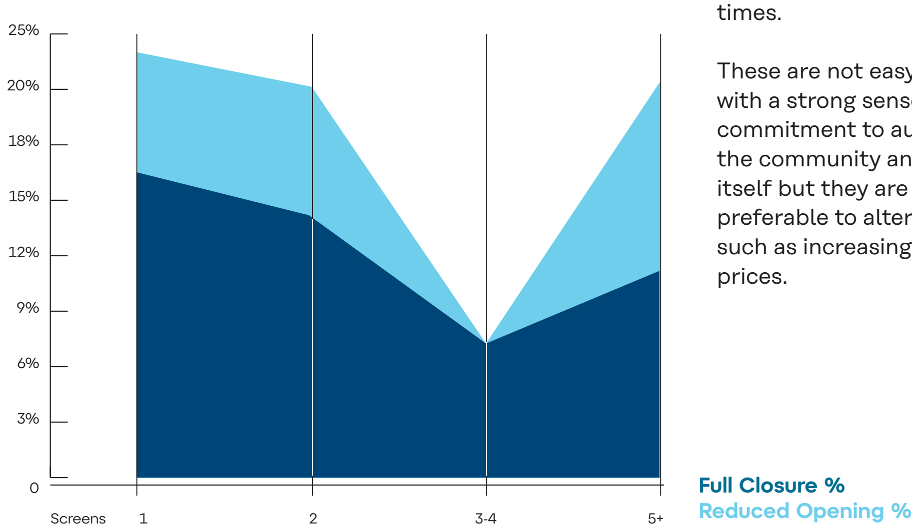
There are clear signs of recovery for some but others are fighting for survival – 13% of respondents said they were at serious risk of permanent closure in the next five years. Almost three-quarters of those feeling most at risk are one or two-screen venues. In terms of geography, the fear of closure is strongest in central, eastern and southern Europe. The highest number (seven) of at-risk venues was in Germany and Italy.

Many others are making uncomfortable cuts: Nearly one-in-five cinemas said they had either reduced the number of screenings and opening times, or were considering doing so, normally because energy costs had made them uneconomic. Again, smaller venues were most vulnerable with more than 22% of one-screen venues forced to take action. Around 18% of bigger venues with more than five screens had also considered reducing screenings at quiet times.

These are not easy decisions, with a strong sense of commitment to audiences, the community and film itself but they are seen as preferable to alternatives, such as increasing ticket prices.

CHART 6

Threat of Closures and Reduced Opening



Streamers

The big winners during the pandemic were the global streaming platforms, such as Netflix, Disney + and Amazon Prime, which had a captive market. It was an extraordinary boost to platforms and turbo-charged the launch of Disney+ in 2020.

That domination of the home film scene included growth among older demographic groups, which had been the backbone of the European arthouse scene. According to researcher Truelist, more than half of Netflix subscribers are now over 45, and 33% over 55*.

* truelist.co/blog/netflix-statistics/

"Weak consumer demand for European, national, independent and arthouse films will be a problem only if we keep ourselves tied up by self-imposed restrictions. That does not mean we would shift to mainstream titles, but we need to be more creative and open to new ideas in terms of programming and niche audience groups. We already know the ones looking for run-of-the-mill European arthouse films will not be returning - certainly not in the numbers which would make focusing on them a sustainable programming strategy."

Jiří Flígl, Kino Aero, Prague, Czech Republic

All survey respondents believed streaming would have some impact on their business, but only 24% of respondents identified it as "strong threat" – well behind those concerned about rising business costs (40%) or cuts in consumer spending (27%).

Home viewing is perhaps accepted as a fact of life – and cinema survived and indeed grew during the boom years of VHS, DVD and cable/satellite TV. The problems isn't really streaming in itself, said Gerardo De Vivo, of Naples-based Multicinema Modernissimo, "it's streaming plus the pandemic because people were obliged to purchase streaming. It wasn't a want, it was an obligation."

As this report shows, cinemas can have a constructive relationship with VOD – some have experimented with their own branded home viewing platform, or worked with 'virtual cinema' partners (see Page 42). Events and investment in improved facilities, sound, projection, programming and comfort have also helped cinemas position themselves as a unique social experience, contrasting with home and mobile viewing.

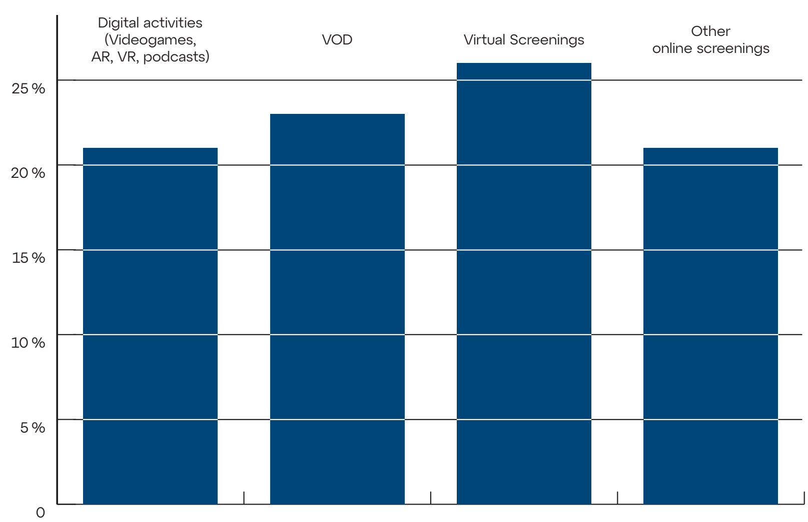
Streamers, pushed by quotas and legal obligations, have created a production boom in parts of Europe. There has been industry concern about over-production, capacity issues and quality.

But for cinemas, the biggest worry has been the weakening of the theatrical window between cinema and VOD release. More than half rated it as a significant challenge and 29% believed closing windows could have a strong impact.

CHART 7

Share of Europa Cinemas Members Engaging with Digital Activities

SOURCE: EUROPA CINEMAS MEMBER ZONE



84% of respondents said theatrical release should remain at the heart of film strategy, not just for the welfare of cinemas but in the interest of European films on other platforms. Streamers themselves seem to be returning to the idea that a big cinema release adds value - Apple gave its *Napoleon* epic a major theatrical launch before releasing it on its platform; and Amazon opted for a cinema release for its Nike documentary *Air* before platform release.

David Zaslav, CEO of Warner Bros said in April, 2023: '"Direct-to-streaming movies were providing really no value to us. As films moved from one window to the next, their overall value is elevated, elevated, and elevated."*

Another threat that has still not disappeared is piracy. More than half believed piracy would have an impact on cinema recovery with 10% seeing it as a severe threat, perhaps concerned that it may increase as pressure on consumer spending grows.

A report for the European Union Intellectual Property Office suggested that piracy increased by 17 % in 2022 compared to 2021 but overall piracy growth seems to be flattening with an EU27 average of 1.1 accesses to pirated content per internet user per month**. The report suggests greater adoption of legal streaming services during the pandemic may have helped reduce film piracy in some countries but it adds that factors, such as inequality, population structure and youth employment are ever-present dangers in increasing copyright theft.

* Jake Coyle, AP News (APnews.com, April 20, 2023)

** Online copyright infringement in the EU (2017-2022), European Union Intellectual Property Offiice, September 2023

Cinema remains essential

Given all these pressures, it is perhaps surprising that 72% of respondents believed that cinemas would "survive and thrive" over the coming years, with just 5% disagreeing. And two-thirds of cinemas (68%) believed they would be back to pre-pandemic levels of business within the next five years.

Such optimism is not built on wishful thinking or guesswork. Cinemas see audience trends as they develop in real time and they gauge consumer sentiment in hundreds of conversations with people in their communities. While far from universal, there are signs of cautious but growing belief that cinemas can return to pre-pandemic admissions. Some countries may do so in 2023. But a clearer sentiment emerging from the report is confidence that cinema remains relevant and important to audiences.

Gerardo De Vivo, of Multicinema Modernissimo, Naples, said what was lost in the pandemic was "socialisation" – the experience of sharing experiences and human interaction. A return to those shared moments will be key to recovery, he suggested.

That unique position is at the centre of this report and explains why so many cinemas do not see the future as a battle with home viewing.

"People do not *just* attend the cinema," said De Vivo, "We do not have to fight streaming, we have to accept streaming - maybe even consider the possibility of streaming inside the cinema. We have to deal with change, not be afraid of it."

The majority of respondents are also quietly confident of their position in relation to the multiplex chains. Just one-in-four respondents were concerned about the impact of multiplexes on recovery and growth, with only 9% fearing it could have a strong impact.

Claus Malta Nielsen, of Parkteatret in the Danish town of Frederikssund, said its local commercial cinema competition had initially been "kind of aggressive" but they came to realise that they were operating very different models with their own unique strengths. "Now we are living in peace and harmony, knowing that we show only a few of the same films; they have all the action, animation and things like that, and we have the arthouse quality."

Les Grignoux © Dominique Houcmant I Goldo

European film prospects

Respondents remain confident that cinema is the natural and essential home of European film.

Just one-in-five respondents believed audiences only wanted to watch the biggest, mainly US, blockbusters on the big screen, pushing European and arthouse works onto VOD, and only 6% held that view strongly. There was a little more concern (25%) that film talent might be lost to online series with a long-term impact on quality – but again only 3% held that view strongly, while 40% disagreed.

Cinemas remain convinced of the cultural relevance of European film watched in cinemas. This report demonstrates how event screenings and festivals are helping cinemas deepen ties between films and their communities.

"It is important to recognise that box office recovery is far from universal across Europe and even where there have been signs of growth, there was no room for complacency, said Alicia McGivern, of the Irish Film Institute. "In terms of sustaining growth, we can't always hope for *Barbenheimer* (the releases of *Barbie* and *Oppenheimer*). It's still about trying to hold onto our audiences and reach new ones. We had huge surge because of those two films, and now we're back to more normal times".

The feelgood factor is also tempered by the fact that the box-office success of two US films has driven up the box office (and obviously not all Europa Cinemas network members screened those blockbusters). More optimistic contributors to the survey point out that while the films were not European, they were *auteur* titles – and *Oppenheimer* was a three-hour epic essentially about what happens when theoretical physics meets the real world.

Confidence about European films though was mixed but again there were signs of increasing confidence. A generally disappointing 2022 was attributed, at least in part, to the disrupted release of quality European works with an expectation of better films to come. In the survey, more than half of respondents said access to high quality European film would not be an issue or only a minor one (and only 5% feared it would have a "strong impact)."

For some, the initial post-Covid releases were weak but the flow of quality of works has increased since.

Andres Kauts, of the Estonian Elektriteater said: “When we talk among ourselves, we feel the content is very strong, that filmmakers had time to prepare, and that a lot of good things were pushed back, so there’s lots of good content coming out, that’s had more time to polish.”

Others are less certain: “We have too many films that are neither remarkable, nor bad. They are mediocre.” said Elise Jalladeau, of the Olympion in Thessaloniki, Greece. “If a film is radical, you get all the trendy young people; or if it is audience-oriented like *Barbie* or even a Woody Allen film, it will work fine. But there are too many in between, neither radical nor commercial, neither bad nor good, that leave the public indifferent”

Europa Cinemas network members are clearly not planning to programme more US blockbusters as a short-term fix for admissions. Just 11% said they were considering showing more mainstream content.

Some members have been working to support films which have slipped through the cracks in the distribution system. Michalis Zeis, of the Trianon Filmcentre in Athens has established a festival, featuring Greek films that failed to get a release. “Last year was the first edition. It started with seven but now features 14 movies. There is an audience vote and the winner of the festival gains at least one week of distribution from our company and one solid week of screening in our cinema. Other cinemas may take the film. Admissions were good.”

“I fear distributors will no longer have the money and the courage to buy minor films that sometimes reveal the true soul of European cinema.”

David García, Cinemes Verdi, Barcelona, Spain

Olympion © Vassilis Ververidis

Kino Tapiola © Juuda Tamminen

"Our audience enjoys watching arthouse films, so even if some of them choose to wait for content to become available online, there will always be new customers who find us, and who will enjoy watching a quality film in a friendly, yet cool neighbourhood cinema. I do believe those people will always exist, even if they are a minority."

Hannele Marjavaara, Kino Tapiola, Espoo, Finland

Distribution, marketing and loyalty cards

There are concerns about European film distribution and marketing.

Independent distributors have been at least as badly affected by the pandemic and post-pandemic economy as exhibitors. VOD revenues are often significantly lower than those that used to come from DVD. And the market has been severely disrupted.

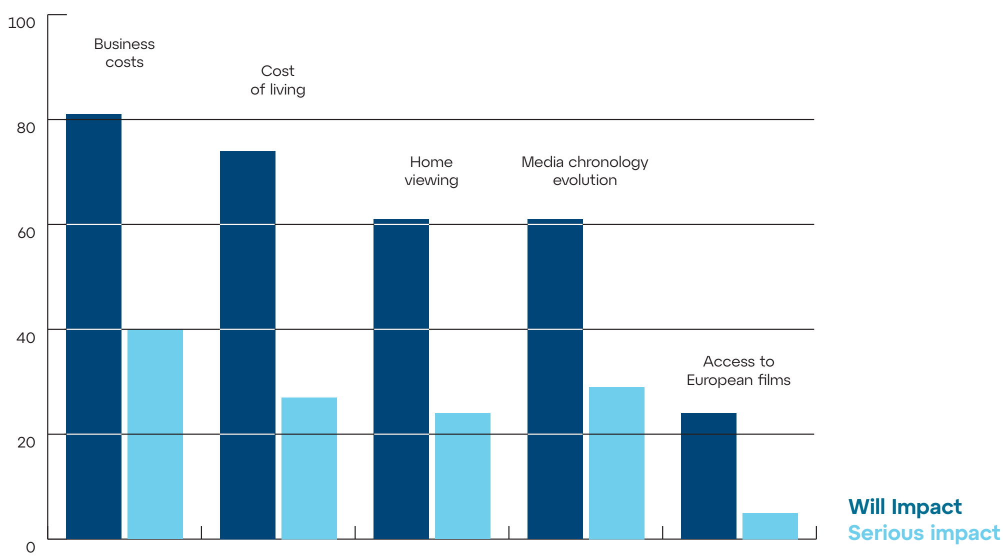
There was a perception among respondents that marketing campaigns have been weaker, and that some distributors were having to make more conservative choices in what films they buy.

Maeve Cooke, of Dublin-based access>CINEMA said: "I do think that (public) support is needed for exhibitors in partnership with distributors to ensure arthouse films can have a higher profile and better marketing and audience development support to connect films with audiences."

Marketing is not just an issue for cinemas. Cinemas have to be ambassadors for the cinema experience and for European film as a whole.

CHART 8

Threats to Recovery and Growth



Chapter 4

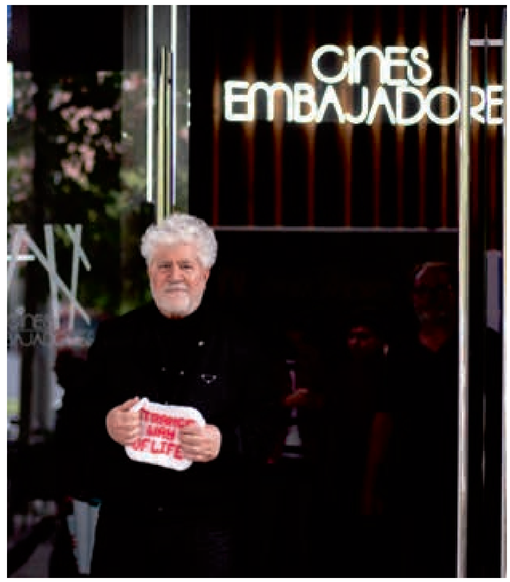
The Heart of the Community

Cinemas play a great role in creating the dynamism of a city or a neighbourhood. They help to create social links, and events, which maintain, build and sustain vibrant and diverse communities.

The majority of the Europa Cinemas network members are literally at the heart of the community – 77% of respondents are based in a town or city centre, with another 19% based in suburbs.

More than one-in-10 said they were located in a declining area with high levels of shop and services closures and 5% said they were contributing to the regeneration of their once-neglected community.

Others play a central role in keeping districts of cities and towns vibrant, alongside bars, clubs and restaurants. Wulf Sörgel, of Moviemento in Berlin, for example, talks for many in describing its location as a "rough, but hip area of a big city, rundown since ages, but still alive."



Cines Embajadores © Patricia Velasco

Mestni kino Ptuj © Albin Bezjak

More than 10% of respondents said their cinema was the only arts or cultural institution in their community. Others offer scarce community resource in seasonal economies based on high levels of tourism. The importance of cinemas to those communities should not be under-estimated but unfortunately it is often best demonstrated by seeing the impact of closure. The Atlantis and Odeon cinemas are based in a district of the German city of Mannheim, which since the pandemic has lost numerous shops, businesses and restaurants, and an eight-screen multiplex. The disappearance of a competitor might seem like good news for an arthouse venue "but it's not that simple," said programmer Erdmann Lange, "We really have a problem in the inner city of Mannheim."

Les Grignoux © Hélène Legrand

Urban decay breeds social problems like crime and litter. "It is a political problem," said Lange, "but it affects me directly because we get feedback from our visitors that they don't feel safe coming here by train at night or going home after the cinema. And there are no restaurants and bars close to the cinema anymore where they can go for a glass of wine after they have seen a movie. So, instead of developing strategies for the future, I have to struggle with all those topics."

As in Mannheim, cinemas often play a critical role in holding back decline – but they are also agents of change and renewal. Gerardo De Vivo, of Modernissimo in Naples said the city had been through some very difficult times: "It used to be dangerous to come to the cinema in the night 20 years ago. People had a lot of problems, you could be mugged or attacked, but this cultural place is like a ray of light in the city. The people want it."

"I will offer even more meetings around films, with moments where people meet, far from the loneliness induced by the platforms."

Nicolas Milesi, Cinéma Jean-Eustache, Pessac, France

Atlantis Kino © Atlantis Gmbh

Many cities will recognise the same scenario even if the situation is less extreme. Venues take their responsibilities as social and cultural beacons in the community seriously. It isn't just about financial returns. Less than half of respondents (47%) believe investment in social and community programmes will bring direct financial advantages. But cinemas are emotionally, socially and culturally committed to their communities.

Cines Embajadores in Madrid actually launched during the pandemic and quickly put down deep local roots, said Cesar Clemente Gomez: "What happened in the pandemic was that people wanted to be near the cinema. They took it very personally. We really are a neighbourhood cinema now." Others clearly have the same need. "We are opening at least two more cinemas, probably four more around Spain," said Gomez "We have a lot of people asking us to recover the 'neighbourhood cinema'. It's personalised attention and it is working very well. It's no mystery, it's traditional cinema. We know people by name, most people know our names."

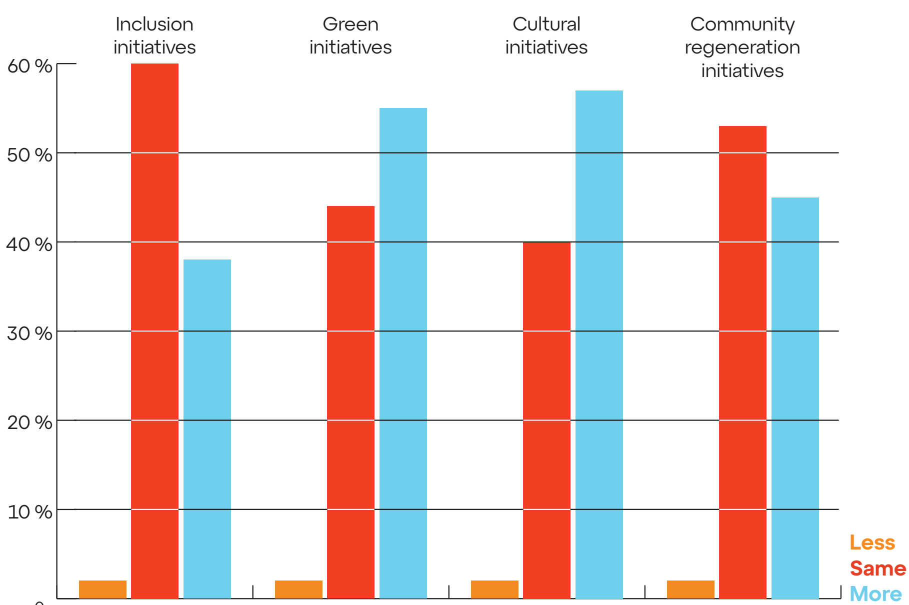
The survey shows the range of investment in social, cultural and community initiatives, with most opting to retain, or increase current levels, despite the challenging economy. (See Chart 9 and detailed analysis in coming chapters.)

Mestni kino Ptuj

Mestni kino Ptuj © Albin Bezjak

CHART 9

Investment Plans



Events

Respondents recognise that cinema needs to constantly renew relationships with audiences. The pandemic showed how a few months of isolation can change habits. A study published in the *European Journal of Social Psychology* suggested that on average it takes 66 days for a new habit to become automatic* – and nearly 80% of cinemas in the survey were closed for more than 70 days.

In other words, cinemas need to win back audiences, who had been a captive audience for streamers during the pandemic. Cinemas need to remind even former customers what is so great about the cinema.

At the centre of that endeavour, the survey suggests, are events, emphasising the social strengths of cinemas:

— 74% of respondents said they aimed to create more events around new releases, such as Q&As with cast and directors.

— 69% planned to create more festivals and special screenings.

— 57% were planning to increase investment in cultural initiatives.

* **James Clear (jamesclear.com, "How Long Does it Actually Take to Form a New Habit"). Publications/2023/UNIC_Annual_Report_2023.pdf**

Cultural investments included, film festivals and arts events, collaborating with local partners. 97% said they would at least keep the current levels of investment. During the pandemic, some cinemas became experts in outdoor screenings and the trend has continued.

Cinemas are often venues for other arts and cultural activities. Event Cinema screenings, chiefly of theatre, opera, and ballet, are now a well-established part of the programme of 50% of venues. Others have been experimenting with VR and non-film arts offerings (though only 24% were considering expanding those programmes).

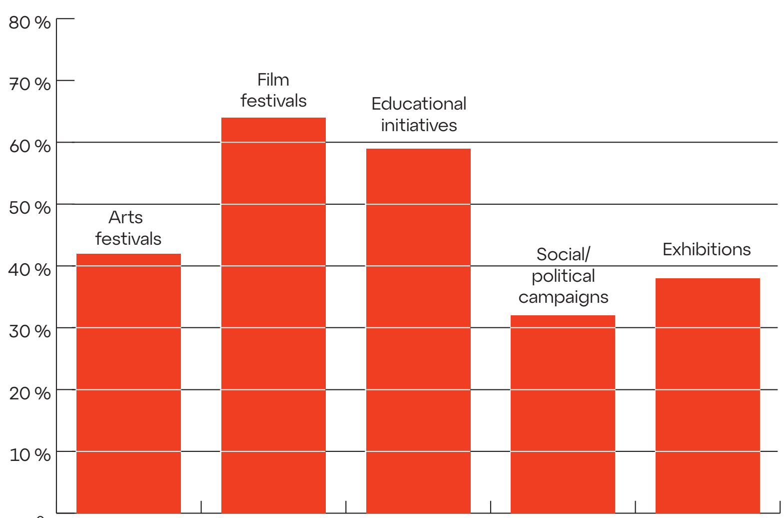
The responses to the survey show a wide range of other options, including live music, quizzes, poetry, comedy, exhibitions, creative workshops, book clubs, arts interviews, photography. A number of respondents said they had established exhibition areas and mediatheque facilities.

Diversification is important to the business model and may become more so as inflation squeezes the value of film ticket sales. A third of respondents were planning to give more attention to food as a key component of the cinema experience.

Andres Kauts of the Elektriteater in Tartu, Estonia, said: "We want to keep arthouse film as the main cinema experience, and we want to keep tickets affordable – not to start showing commercial movies. That means looking at extra activities, renting out the venue, or helping with festivals, or going out of the cinema with our equipment, things like that."

CHART 10

Community Events



Arts activities are seen by many, not as competition to film but as an asset. Film-lovers are also often lovers of music and theatre.

Hannele Marjavaara, of Kino Tapiola in Espoo (Finland) said a different approach to screenings could set the tone – and the demographics – of a venue:

“We started doing Friday and Saturday evening screenings where you can have a drink, such as a cocktail, that you can take to your seat, and that’s been very, very popular. Before, our audience base was two-thirds 55+ women and now, for the drinking screenings, they’re in their 30s. We’re very much a jazz cinema, with jazz playing. It's a very cool-looking ‘50s cinema and architecture, so it’s not where teenagers and young people are going to come. We only have one screen so we can’t be everything, but we focus on doing our thing to the highest quality in very beautiful surroundings.”

A challenge is to take these activities into communities outside the big cities or affluent suburbs.

Maeve Cooke, of Ireland’s access>CINEMA voiced the frustration of many when she said that for much of the film industry: “Dublin is the centre of the world and nothing else exists outside of it. Any premieres tend to happen in Dublin. Even for Irish films, it can be difficult to get the ‘talent’ to travel with their films.”

Elise Jalladeau, of Thessaloniki’s Olympion cinema said the same problem applied to Greece: “There is too much centralisation in Greece. When you release a French film in France, the team is travelling and organising 30 premieres to meet with audiences in all the French small cities. In Greece, even for the Greek films this is not done. There are no film crew/audience encounters further afield than the suburbs of Athens. Since distributors don’t pay much attention to small/middle size cities, maybe the network of cinemas outside the big cultural centres could work on promotion, co-ordination of premieres and marketing.”

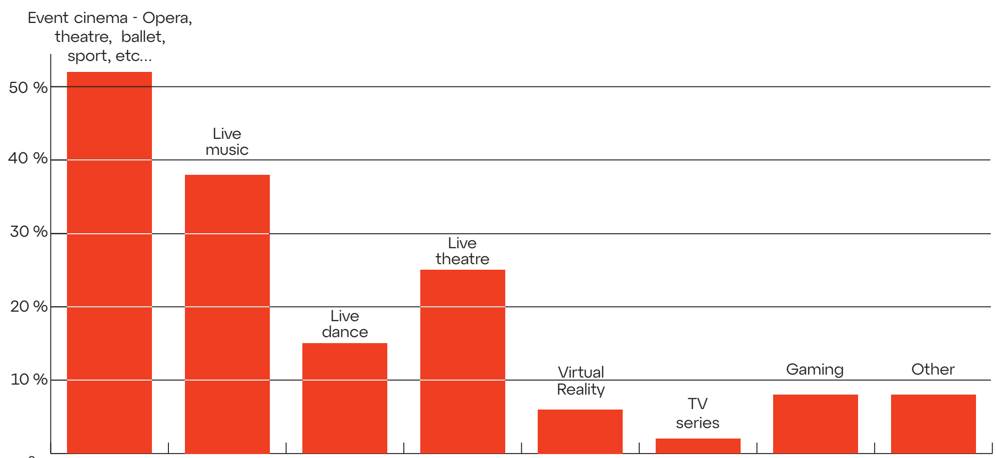
‘We work with active associations in our city to organise events and projections around the films with social subjects. We have many partners: We have an education programme for schools, and we make also special “fun” events. We also have a café and brasserie joined to the cinema to propose concerts, exhibitions, etc.

Marianne Tinant, Centre Culturel Les Grignoux, Belgium

There are potential technical solutions to the issue. Some are experimenting with simultaneous digital transmission of events, allowing talent Q&A events in one cinema to be broadcast elsewhere. A number of successful projects in Europa Cinema’s Collaborate to Innovate scheme have piloted live streaming options, including Project Viridiana, and Streaming Technology in Movie Theatres in Spain, Live Stream Collaboration Network in Austria, Hybrid Futures for European Cinemas in the Netherlands. (See page 21)

CHART 11

Diversified Content



Collaborate to Innovate

Acting together to solve common issues

Project Viridiana
Spain

"Viridiana" project is an initiative aimed at strengthening the presence of European cinema across Spain through a series of film screenings broadcast simultaneously in every partner cinema.

By studying the calendar of film releases in Spain, the partners select the European films they wish to support. These films receive the "V" label of the "Viridiana" project and get special treatment in the programming slots of partner cinemas, allowing distributors to develop a marketing strategy.

Cast members or directors from each selected movie are present in one of the cinemas to introduce the movie to the audience. The screenings and the Q&As are broadcast in all the cinemas that are part of the project.

Streaming Technology in Movie Theatres
Spain

"Streaming Technology in movie theatres" is a project based on a new technological approach: the exploitation of the possibilities and versatility of streaming in movie theatres.

This technology allows cinemas to have their own digital platform, which can be customised according to the editorial line of each cinema or programmed jointly by several cinemas.

In addition to events produced outside the cinemas, such as operas, concerts or plays, theatres can produce and broadcast their own events to audiences at home or to other theatres.

Live Stream Collaboration Network
Austria

The project creates a network of cinemas sharing content and events through live streaming.

The project allows live events and Q&As to be shared between cities, increasing the reach and effectiveness of new film promotion.

The live stream collaboration network can also improve accessibility for disadvantaged audiences.

Hybrid Futures for European Cinemas
The Netherlands

"Hybrid Futures for European Cinemas" is a project run by film theatres around the Netherlands, working collectively with a common technical system (The Container) that includes multiple online tools to increase audience engagement with live, online and interactive film events.

This project also provides a common basis for closer cooperation between cinemas and film festivals by giving cinemas the possibility to offer part of the programming of partner festivals to their local audience.

Outreach

The vast majority of cinemas have made outreach programmes an important part of their offer allowing them to access different, often under-represented parts of the community. Often these events are run in partnership with local, national or international organisations.

Reaching young audiences is a common focus of outreach activity. **The survey shows that 91% run school screenings**, while around half run community screenings or outdoor events.

These outreach offerings reflect the cultural and social concerns of communities – and are often created in partnership with relevant organisations. There has been an expansion of festivals and thematic screenings. Responses to the survey often proudly mention work with an internationalist perspective, building relationships with different nationalities in the community.

Many cinemas run events raising awareness of issues directly faced by many citizens including mental health (47%), poverty (31%), dementia (30%), drug problems (28%) and homelessness (22%).

Documentaries, which have boomed in recent years, are often a key part of such programmes.

Marijana Bošnjak, of Kino Urania (Croatia) said: "We have different types of programmes – more than 18 outreach programmes for young audiences, aged 4 to 25. We have a lot of thematic programmes. For example, we ran a tough series of events on drug abuse and addiction, with five film screenings of different film titles, all connected to the topic, with five different panellists for each subject. And at the end of the programme we had a stand-up show from someone who was addicted for years communicating about the serious things that had happened to him in a funny way."

CHART 12

Awareness Programmes

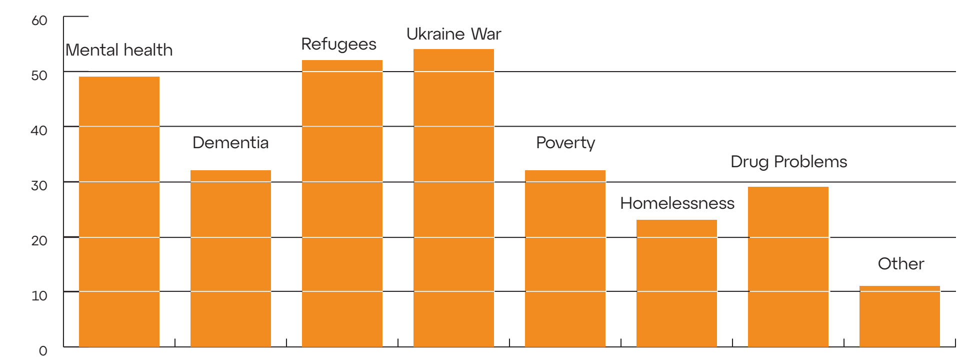
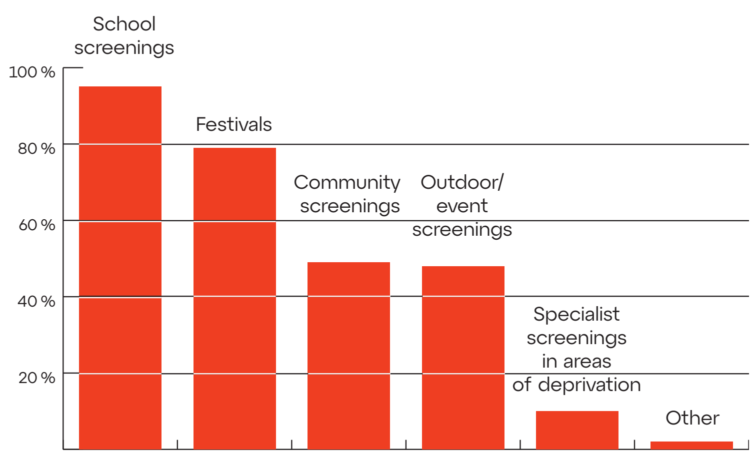


CHART 13

Outreach Programmes



Cinema as a destination

The business model of cinemas is shifting towards personalised service.

Gerardo De Vivo, of the Multicinema Modernissimo cinema in Naples said film ticket sales alone would not support growth. “I am looking for people to stay in the cinema for three or four hours – two hours for a film and another two hours to drink a coffee and take the opportunity to meet other people.”

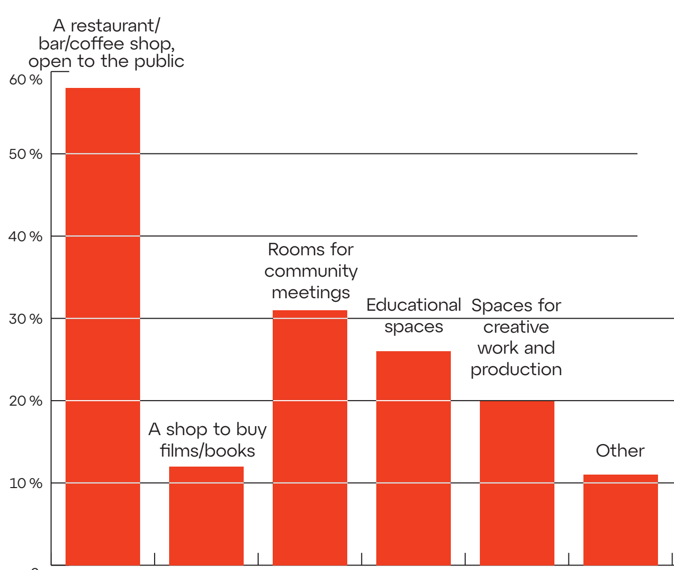
Cinema needs to be what marketers call “a destination” in its own right – somewhere you want to go to, even if not for a specific film.

De Vivo said design and architecture played an important role in that mission. He has been working with students at the architectural university in Naples on a project to renew the post-pandemic cinema space: “We are asking: Which are the places we have to improve? What are the possibilities for visitors in these places? It’s not just a question of space, but also of time: How much time do people spend in the cinema? What do they do there? And how much will this time mean in terms of money for us?”

Many cinemas have already expanded their social facilities (See Chart 14). More than half (55%) have a restaurant, bar or coffee shop open to the public. 30% have rooms for community meetings and 25% have educational spaces.

CHART 14

Community Facilities



Maeve Cooke, of access>CINEMA in Dublin said post-Covid these social spaces had become more important. “The idea of communities coming back together is very important. It’s not always about the films, it could be about the cup of tea beforehand. It might be the one time of the week, or the month that certain people in the community are venturing out.”

Elise Mignot’s Café des images in the French city of Hérouville-Saint-Clair/Caen has been expanding the use of its social spaces to appeal to a variety of community needs. “We have a ‘repair café’ once every three months on Sunday where volunteers of Generale Marabille help try to repair devices. And there is a polyglot café where people can speak in different languages. There is a chess club every week, there’s a food market, a fruit and vegetable market, all of which make the place really lively.”

This use of space goes alongside a “personal approach” to communities, said Nataša Šimunov, of the Kino Valli cinema in the Croatian city of Pula. “Since Covid we’ve forgotten to see each other and socialise and people need that social connection. At the matinees for seniors, they love to see me as Cinema Manager and talk to me after the screening."

These community activities bring people to the venue and, as Šimunov said, it is hoped that visits for social events will spark an interest in film. But the value of a social space is important in its own right.

Éva Demeter, of Tisza Mozi in the Hungarian city of Szolnok said it was important to be visible to the audience and the community: “Our cinema is a family business, and we are standing there at the entrance when they come out so we can ask them how they felt about the film. We share a glass of wine and talk. Laughing and crying together is what differentiates the art cinemas from the multiplexes and the streaming platforms.”

Financing change and public funds

Cinemas are working hard to build new models around events and social spaces, but they often find their efforts undermined by economic reality.

88% believe their community commitments are now more important than before. And they are trying to maintain investment in social schemes, even in the face of severe financial threats.

But 89% of respondents said rising costs and inflation would have an impact on their work, with 56% saying it would be a strong impact or a serious challenge. 83% warned they might have to prioritise core business activity over outreach and social action, with 36% suggesting it could have a strong or serious impact.

Nearly 90% were concerned about the lack of public funds to support activity.

Public funding is a difficult issue for cinemas. **Nearly 90% of respondents received support from public funds during the crisis**, making a vital contribution to their survival, as it did for many other business sectors.

But less than half of respondents (47%) said public funds adequately covered the full cost of closure, with 49% saying it supported short-term necessity but not all costs.

Governments and public funds may recognise the importance of cinema to communities but an overwhelming number of cinemas said they needed more help. More than 93% said they would need more support from public funds to help them through the post-Covid economic threats – with 62% strongly agreeing.

> **"The entrance hall allows us to adapt space to multiple activities: coffee, school workshops, concerts, library, exhibitions, tastings, and so on."**
> Luz Delgado, Cines Van Dyck, Salamanca, Spain

Les Grignoux © Hélène Legrand

Kino Tapiola

Partnership

Partnership and collaboration are critical to the community, social, cultural and environmental missions of many of the cinemas in the survey.

All the respondents are members of a major network in Europa Cinemas, and most are also members of local and national cinema and film associations.

Partnerships extend into the community. Many cinemas are also active in local organisations: 35% are members of local business and community groups, and 29% are active participants in community campaigns.

Those formal partnerships exist alongside many community relationships that can be important in driving initiatives.

Universities are an important partner for some with a mutual interest in analysing data and researching society and markets.

Erdmann Lange, of the Mannheim-based Atlantis and Odeon cinemas, has cooperated with the university in his home city on a variety of topics, though he warns it can be challenging because university projects are time limited and students come and go. "You start from scratch every year because you never talk to the same person twice. It changes very quickly and it's a question of manpower in the end, to start from zero every time. It doesn't matter if I work with history students or communications students, or political science or whatever; every year I have to find a new contact person."

One big area of activity for some cinemas is regeneration and renewal of communities, which has become a more pressing priority for local government and community campaigns after the enforced shutdown and subsequent economic crisis. Town and city centres have seen many shops, pubs and restaurants closed. A 2020 survey during the pandemic showed that 42,000 restaurants shut down in eight European countries in just three months.*

Cinemas are often key to urban renewal and 45% said they intended to increase investment in community renewal and only 7% said they might have to reduce spending. Initiatives mentioned in the survey were also frequently focused on improving engagement across social classes and working with other neighbourhood associations.

Elise Mignot, (Café des images, Caen, France) said her cinema was prioritising "renewal and reinvention" of relationships with NGOs and community organisations for joint activities, suggesting that cinemas could bring an "independent spirit" to areas of mutual concern.

* **CHD-Expert**
chd-expert.com, September 1, 2020

Cinema Embajadores © Raúl Forcada

Chapter 5

Diversity, Inclusion and Participation

Cinemas are in the front line of European diversity and inclusion policy. While film funds and producers are now more focused on expanding the diversity of people in key creative positions in films, it is cinemas who connect those works with audiences.

Diversity for cinemas is not an abstract idea, it means engaging with the realities of the communities in which they operate.

Diversity and inclusion are firmly on the agenda of most respondents – **52% said they had become more conscious of the need for diversity in all aspects of their business** and 72% said it had become a bigger priority in the post-Covid environment.

There is one particularly pressing need to address audience diversity: A strong sense emerges from the report that the older cinephile audience, which has sustained most arthouse venues did not return in the same numbers after the pandemic; and the audience that it is hoped will replace them have different social attitudes and expectations. 46% of respondents said they had seen an increase in audience awareness and expectations of social responsibility and inclusion.

Just under half of cinemas in the survey believe investment in diversity and inclusion has become "essential" to their business.

"The notion of broadening our audiences is just more important than ever said Alicia McGivern, of the Irish Film Institute. "How do we engage with different communities? We do that through schools, but, it's more difficult to engage people individually."

"We shouldn't continue in the way that we always did," she added, "Any initiative that can enable us to reach a more diverse audience – be that through subsidised tickets, or through community events – is kind of essential, I think."

Most do not expect diversity and inclusion work in the community to yield strong financial returns in the short term. Rather, they are focused on a sustainable model, built on renewing and retaining audiences, which is why 60% of respondents are planning to maintain the current level of investment in diversity and inclusion and 38% are looking to increase commitment.

That commitment will be severely tested in the current economy. 83% believe rising business costs will have an impact on their social and diversity programmes with more than half (52%) fearing they could have a strong impact or become a "serious challenge."

More than 80% also recognise they may be forced to focus on other serious short-term priorities in the current economic climate – and 87% believed lack of (or cuts to) public funds may have an impact on their plans.

Commitment has not yet necessarily translated into a specific strategy. Only 40% of cinemas said they had an audience diversity strategic plan. Two thirds of respondents also do not monitor the diversity of their audiences. Those that do collect data to support their strategies collect figures on gender (25%), disabled people (19%), social class (18%) and ethnicity (16%).

Respondents do often collect at least some data on age groups in order to provide young audience development programmes but data and shared experiences may become more important to the development of diversity strategy.

Diverse communities

Cinemas have been leading the connection of diverse works with audiences: 40% of respondents said they ran specialist programming that champion work by women directors, and another 40% support works by LGBTQ+ film-makers. 27% have programmes to screen works by people with disabilities and 23% films by directors from under-represented ethnic minorities.

Some of those works are also part of specialist programmes aimed at particular sections of the community, which have become increasingly common (see Chart 15).

Some screening programmes can be imaginative and ambitious. The Trianon Filmcenter in Athens, for example, is working on a project called Hope On The Big Screen (and supported by Europa Cinemas' Collaborate to Innovate), which plans to include screenings for asylum seekers in government holding facilities.

Others have worked with the community to create programmes for special interest groups. Andres Kauts of the Elektriteater (Estonia) said "Someone might do screenings for vegetarians, or featuring geology and rocks, or a Hungarian language club – you have a lot of local interest groups that are welcome here. It is actually a big struggle because there are so many of them, but in a sense this is the main thing we do."

People with disabilities

European Commission statistics suggest one in seven people have some form of disability and cinemas have been working hard to provide services for disabled people, in terms of access, programming and other kinds of active participation.

CINEMAS INCLUDE FACILITIES FOR:

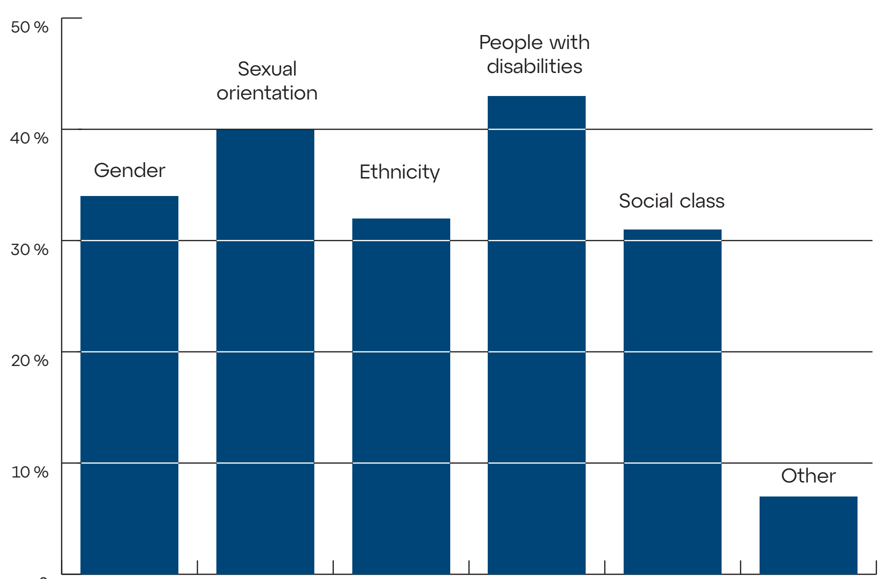
Wheelchair users

Many cinemas make provision for different kinds of disability. **More than 60% of respondents had already installed ramps and lifts for wheelchair access** more than five years ago. A further 19% added access facilities in the last five years. For those in historic buildings, there are significant challenges to installing ramps and lifts but 22% intended to install facilities in the next two years, meaning the vast majority of cinemas will be equipped.

> **"We are in a cultural heritage building and such investments as ramps are not possible, so we use modern technology to fill the gap and provide programmes for those audiences. We organise inclusion screenings twice a month."**
>
> Marijana Bošnjak, Kino Urania, Osijek, Croatia

CHART 15

Programmes Aimed at Disadvantaged or Under-represented Groups



Hearing-impaired people

Supporting hearing-impaired audiences is an area of growing innovation and respondents have been experimenting with a range of apps and services, including:

— Hearing loop systems (offered by 33% of respondents), sending a signal from a source directly to hearing aids on the hearing loop setting.

— Infrared systems (so far available in 2% of venues), offering a more sophisticated hearing loop system, where the cinema provides an infrared neckloop receiver to be used with a hearing loop setting, which reduces potential interference from other sound sources.

— Subtitles for hearing-impaired audiences are offered by 56% of venues. These come in two forms:

- Open captions – on-screen text describing action in words, as well as subtitles for dialogue.
- Closed captions – the same service where captions are transmitted to a private device

6% have provision for sign language interpretation.

Sight-impaired people

For blind and sight-impaired people, there has again been an increase in innovations, particularly in terms of audio description. 37% have introduced services for sight-impaired people and a further 25% have plans for the next two years.

Cinemas have been taking advantage of the growth of apps with services for sight-impaired and/or hearing-impaired people. Among those cited by survey respondents were German company Greta & Starks, French service Twavox, Italy MovieReading from Italy, and Danish spoken subtitle service SubReader. More than 65% of respondents had invested in such services in the last five years and a further 29% intended to do so in the next two years.

Many cinemas run screening programmes and events aimed at people with disabilities and 27% of cinemas have also championed works by film-makers with disabilities.

Cinemas have also found ways to support other people with special needs in the community. Screenings for people with dementia and carers have become well established at some venues.

And there have been some innovative approaches to sometimes hidden or misunderstood problems. With support from the Croatian Ministry of Culture, Kino Valli in Pula created a screening programme for children dealing with sensory problems, or some forms of autism, who struggle with screenings in the dark, certain visual effects and loud sounds.

"We work closely with welfare and social organisations to offer a diverse program, such as a dementia-friendly film. In addition, every year in November, we have an *As Equals* festival around equality, with films, debates, art and theatre, where inclusion and participation are important."

Anita Smeets, Stichting Filmtheater De Nieuwe Scene, Venlo, The Netherlands

The difficulty for cinemas is making these programmes a permanent feature. Éva Demeter, of Hungarian cinema Tisza Mozi said: "Projects and people keep coming back and asking for more but we have had to say sorry, we don't have the funding for that.'"

Irish Film Institute

Young audience development

Young audiences have long been the focus of cinema programmes. Building the audiences of tomorrow is still among the most critical diversity issues for the film industry; and it is essential to the social inclusion mission of cinemas.

Europa Cinemas, through the support of the European Commission's Creative Europe MEDIA programme, offers incentives for schemes supporting young audience development.

And most venues have relationships with local schools and universities, often running education programmes. These schemes are valuable but they do not always translate into increased younger audiences for European films.

There has been a push in recent years towards encouraging more active participation from young people in film-making, cinema programming and other aspects of the industry.

A good example is Europa Cinemas' 27 Times Cinema programme, in which 27 young film lovers, selected from young audiences of network cinemas, attend the Venice Film Festival and award the Giornate degli Autori Jury prize of €20,000 for the best film of the year's selection.

Many cinemas have been building their own schemes, encouraging young people to make and screen their own films.

50% of respondents were running film-making or film appreciation classes and one-in-five offered film-making activities.

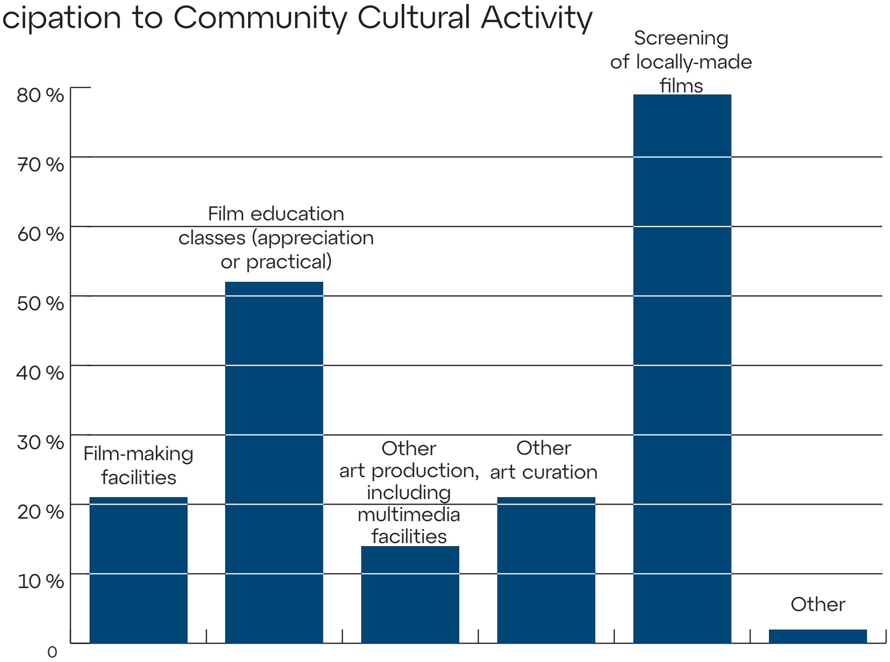
Nataša Šimunov said her Kino Valli cinema in Pula, Croatia, has introduced a scheme called Youth Made For Youth, which has given young people space, facilities and mentorship to make and show films. Others have given young people the opportunity to curate programmes.

Some have a vision for youth development, such as Andres Kauts of the Elektriteater in Tartu, Estonia: "What I dream of is that we would be a gathering space which can be like a first film school, where you can have animation lessons and learn how to make your own first short movie, and to learn what film culture is and how to watch movies." Such an approach, he suggests, would help develop both the talent and the audiences of tomorrow.

The Atlantis and Odeon cinemas in Mannheim have been venues for the regional Girls Go Movie scheme, where girls and young women between 12 and 27 are mentored and coached by professionals to make short films that are then screened in a festival. It is one of several events offering technical and creative training, alongside screenings.

CHART 16

Participation to Community Cultural Activity



The participation culture extends beyond young audiences into a wide range of activities. There is a broader philosophy which suggests that cinemas are about doing things with, not for, communities. **75% of respondents had screened locally-made works**.

> **"Everyone who can't afford our regular fee of €10 pays €7 – not depending on their social status, but on their own assessment of their own financial situation. Works a charm!."**
> Cara-Lynn Bauer, 3001 Kino, Hamburg, Germany

Participation, coaching and mentoring schemes are increasing but these are not necessarily firmly established, not least because of a lack of finance, resources and staff.

There is some hope that the current European film and series production boom could create momentum behind increased training.

Maeve Cooke, of access>CINEMA in Dublin said: "There's conversation, at least in Ireland, around getting people into the cinema business through mentorship programmes, and they could be placed with cinemas around the network, which would potentially benefit cinemas with resources and staff members in the long term."

> **"People became unaccustomed to going to the cinema (during the pandemic) and do not recognise the price of the ticket as appropriate, despite the fact that it is increasingly lower due to discounts and various conventions."**
> Giuseppe Fraccalvieri, Cinema Splendor, Bari, Italy

Les Grignoux © Hélène Legrand

Europa Cinemas Network Charter
Diversity and inclusion commitments

1. Using the unique place of cinemas in communities across Europe to promote diversity, inclusivity, respect, equality.

2. Creating and sharing measurable and effective business practices across all countries, recognising different local challenges.

3. Encouraging broad and inclusive audience engagement with culturally-diverse European films.

4. Leading research, creating innovation and sharing best practice.

5. Creating welcoming, respectful and inclusive social spaces.

6. Encouraging audiences of all ages and social backgrounds to engage with film and European culture, with a particular focus on passing on a diverse cinema legacy to younger people.

7. Encouraging production and distribution of diverse and inclusive film, with particular emphasis on gender balance, through screening and curation of appropriate works.

8. Building fair and balanced representation and participation from cinemas in all European countries.

9. Promoting cross-border cooperation and sharing of ideas, practices and processes.

10. Supporting international films and language diversity

Europa Cinemas will turn principles into action across the full diversity of the network through:

— Cross-border cooperation on best practice, recognising national and regional differences.

— Curation and programming films that further the mission of this Charter

— Encouraging audience engagement with European film and cinemas across all age groups, with a special focus on young audiences.

— Helping create and encourage welcoming shared social spaces, and sharing best practice.

— Transparently measuring progress of actions and activities

— Creating and upholding rules on gender balance and inclusivity in Europa Cinemas' activities.

— Developing incentives to encourage activities and actions in support of this Charter.

— Sharing best practice in developing diverse and inclusive teams and businesses.

— Education initiatives and communication with diverse audiences

Chapter 6
A Sustainable Future

Cinemas are committed to their responsibilities to the environment and have all made changes to create more sustainable businesses. But there are big differences in capacity, infrastructure and investment across Europe, which create obstacles to change.

The environment has become a major priority for network cinemas: **55% of respondents are planning to increase spending on green activities** and the rest aim to maintain investment at current levels, despite the challenges of the post-Covid economy.

Each cinema takes its responsibilities to support sustainability seriously and all have signed up to the Europa Cinemas Network Green Charter (See page 36).

Sustainable growth is now seen as both an obligation and a business mission. While 36% of investment was made to comply with local, national and regional laws, 69% said they opted for green reforms as a business and ethical decision.

The survey demonstrates, however, that practical change comes with enormous challenges. And it exposes big divides between different kinds of venues and different countries:

— Many established arthouse venues are in old buildings where any change can be very expensive and sometimes impractical, certainly without the support of public funds.

— There are also limitations to what can be done to venues that do not own their own building. They may be tied by contracts with landlords and commercial property owners.

— Some European regional and national governments are considerably more advanced than others in offering support for activities. Action on climate change is often a major dividing line between political parties. And, of course, support for eco programmes is often easier in richer nations.

Members of the Europa Cinemas network therefore cannot move at the same pace on environmental reform. Just 38% of respondents had a specific green/ sustainability strategy.

What unites all is a commitment to progress. **83% of survey respondents said greener business was essential and would help long-term economic growth**. That mission will be severely tested in the current economic climate.

83% said rising business costs were likely to have some impact on their green ambitions and nearly 40% said it could have a strong impact or become a “serious challenge.” Similar numbers said other short-term business necessities might have to be prioritised over long-term eco investment.

A significant number of cinemas were concerned that government and public bodies were putting a brake on progress. 78% said lack of public funds would have impact on sustainability initiatives – 33% saw it as having a strong impact, and 18% as a “serious challenge.”

There were also concerns from half of venues about a lack of internal and community skills and knowledge in developing effective green practices.

Practical steps

While medium and long-term strategies for change are not yet in place for all, network members have introduced practical changes in recent years.

1. Paper
A common step with immediate impact has been a reduction in the use of paper, which can be intensive, with booklets and posters. 60% of the respondents had taken steps to use less paper (often by scaling back or ending the printing of paper booklets).

Les Grignoux © Hélène Legrand

22% had taken steps to offset paper use through a carbon offset scheme, though just 7% had a carbon offset strategy.

2. Transport

A significant part of the carbon footprint of cinemas comes from customers' cars. Most of the cinemas in the survey are based in residential areas, so there are at least some alternatives to driving, compared to many multiplexes based in out-of-town retail parks. 45% of respondents have taken one practical step by increasing options for cycling, particularly secure parking spaces.

3. Recycling

Cinemas are enthusiastic recyclers, according to the survey, with **72% offering recycling facilities**. Those who do not are generally held back by a lack of recycling infrastructure and provision in their region. Recycling of paper and plastics is most common, often as part of a more general policy of reduced use.

64% of cinemas had reduced use of plastic. Many cinemas, for example, have decided to end the use of all plastic straws or plastic containers for drinks. Reusable takeaway coffee cups have been encouraged and single-use items phased out where possible. Some cinemas offer tap water, rather than bottled water. 60% said lack of local recycling infrastructure was a concern.

4. Energy use

Energy use is a big issue for cinema. Cinemas are energy intensive, from projection and lighting to heating and air-conditioning.

Respondents to the survey wanted to make changes. There was recognition that investment in greener energy could bring significant financial savings, particularly at a time when energy costs are so high.

With high interest rates and soaring business costs, however, financing investments with medium and long-term returns can be difficult, if not impossible. Local, national and European government policy has become more stringent in recent years – nearly a third of cinemas said they had been subject to an energy audit. So the immediate priority tends to be legal compliance.

There are complicating factors in making structural improvements, particularly where the building is old, or where it is not owned by the cinema, nonetheless, money is being found for some changes: 13%, for example, have invested in improved insulation. Some respondents have installed solar panels and many have researched eco-friendly options for heating, lighting and screening equipment. Rising energy costs may inspire long-term investment in laser projection, solar power, LED lighting, etc.

Carbon neutrality

There are some highly advanced cinemas, often supported by more far-sighted governments.

Finnish network member Kino Tapiola, from Espoo, audited its energy use through a professional company and set up a carbon offset scheme, which made it the first "carbon neutral" cinema in Finland. Hannele Marjavaara said the scheme took some reskilling but said the process was less complicated than some imagine, even if it might initially look like 'Mount Everest'.

"We always had green electricity, and we don't find it too expensive, even now, as we have a set price until November. We had already gone far with no plastics and recycling. The only sort of rubbish any customer produces is the carton for popcorn which is then folded and recycled."

"It only actually costs us €500 a year to offset the footprint that we produce but we cannot lower it any further because our building is heated by remote heating, which is still not carbon neutral, but even that will be done, in about three years' time."

Not everyone has the knowledge or financial means to follow such a lead at this stage. There are pockets of public support and some business opportunities. Cesar Clemente Gomez, of the Cines Embajadores in Madrid worked with a private company on a pilot scheme that allowed it to affordably measure its carbon footprint.

"Since last year, in June or July, we've been doing a monthly reading of the carbon footprint and we are now about to receive the results of the full year. It has been useful on one side, but, on the other, there is a limit to the amount of things we can do. And I'm not so sure how viable it is for other cinemas. We all want to keep expenses as limited as possible."

It is clear from responses to the survey that there is a willingness to make changes but fundamental reforms and investments require financial resources that are not always available. That may be why only 7% of venues have a specific carbon offset strategy.

Éva Demeter, of Hungarian cinema Tisza Mozi said while big, expensive initiatives require time and money, the accumulation of small steps could make a significant difference.
She highlighted improvements, including online delivery of digital prints and smartphone digital tickets. She said paper use had been reduced by more use of an online programme (though a limited print run was still needed to reach older audiences and to avoid a digital divide.)

Audience demand

There is evidence audiences both expect and appreciate green initiatives. 20% of respondents said audiences had influenced their green reforms.

Almost half of respondents (49%) said improvements to the sustainability of cinemas had been "recognised and welcomed." Just 5% report negative reactions.

Perhaps inevitably, a significant percentage of the audience, will simply not notice changes. 46% or respondents said their customers had not noticed environmentally-friendly changes.

The immediate economic returns on green and healthy investment may sometimes be modest too.

Green influencers

Cinemas have taken a leading role in screening films that raise environmental awareness. The number of films and festivals with green themes has increased dramatically in recent years.

The Locarno Film Festival Green Project, for example, launched in 2022, aimed at supporting films tackling ecological issues. It sits alongside established events, such as the Green Screen Wildlife Film Festival in Eckernförde, Germany, the Cinémaplanète Festival in Metz, and the Innsbruck Nature Festival. Cinemas have been running local events and festivals. Marijana Bošnjak, of Kino Urania (Croatia) ran a series of films and events under the banner

Go Green on the Screen – partly out of frustration with the lack of action in her home city.

"We organise a lot of film screenings and conferences with the Scandinavian countries' governments, and they are coming and supporting the NGOs working in green protection."

The growth in theatrical documentary has also created more programming options for cinema. Several interviews for this report mentioned French film-makers Laurent Charbonnier and Michel Seydoux's wordless nature documentary *Heart of Oak* as an example of how to make an engaging work that can still inspire eco-awareness.

But there are challenges in programming eco-aware works. Alicia McGivern, of the Irish Film Institute said: "It's such a huge issue now, and there are a lot of relevant films but we keep coming up with the same challenge - how to create an event that is positive - because there is the feeling that a lot of the green-themed films are very pessimistic and hard to get audiences."

Creating more engaging work should be a mission for the whole industry, she suggests.

Healthy options

More than half of respondents have introduced healthier and more environmentally-friendly food options. In 74% of cases, the decision was taken for business reasons, though 14% said they made changes to comply with local or national regulations.

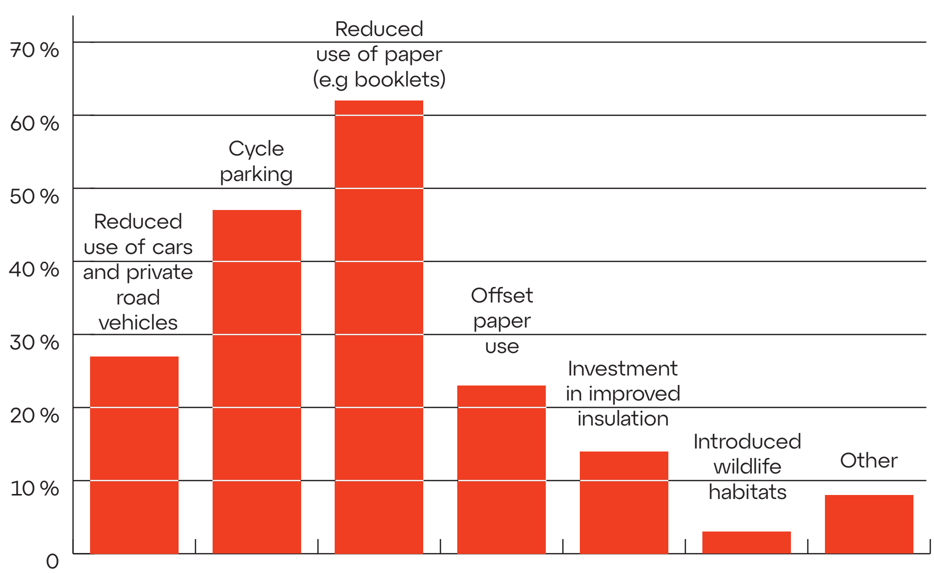
In 34% of cases, the main change was the introduction of fair-trade items, such as coffee and chocolate; 27% had moved to healthier food options, with lower salt or sugar; and 24% had made a commitment to more organic food.

Healthier food options are a long-term commitment that do not necessarily bring immediate rewards. Just 12% of those who have introduced new options said they were reacting to audience demand. Encouragingly, there has been a generally positive response to changes to healthy food offerings. 61% of respondents said audiences had noticed and appreciated changes. Just 5% reported some negative reaction.

The economic advantages of the switch to healthy options was less clear. While 37% of respondents believed they would see business returns, just 13% of cinemas who have introduced healthier, environmentally-friendly food options said it had improved sales. Just over 40% said it had made no immediate impact on sales.

CHART 17

Green Initiatives



Europa Cinemas Network
Green Charter commitments

1. Reduction of waste and reuse and recycling of materials.

2. Sustainable growth and reducing the network's carbon footprint.

3. Consideration of environmental impact in decision-making processes.

4. Sharing knowledge and practical advice among all network members.

5. Encouraging understanding of environmental issues through programming and curation.

6. Setting transparent goals for activity and working to engage audiences in green initiatives.

Europa Cinemas will turn principles into action across the full diversity of the network through:

— Creating transparent and achievable pathways and targets for all members within their own countries and regions.

— Creating and promoting transparent measurements to assess impact.

— Disseminating best practice and practical ideas throughout the network.

— Sharing data and knowledge on environmental impact and effective action.

— Encouraging collaboration and collaborative innovation between cinemas across borders.

— Offering a positive influence in the broader film value chain.

— Developing incentives to encourage green activity.

— Creating and sharing programmes and labels to support green films.

— Encouraging audiences to share and build on green goals.

— Creation of business, government, community and technical partnerships.

— Active engagement and partnership with industrial and European green initiatives.

Chapter 7

The Changing Audience

The challenge for the network's social, cultural and business goals is that they are trying to hit a constantly moving target. Audience habits shift and communities transform, but never at the speed of the last three years.

In the immediate post-Covid period, it was clear that older cinephiles, who had formed the backbone of the cinema audience in most countries, was not returning at the hoped-for levels, for a variety of reasons, including fear of new strains of infection. Others may have switched their film-watching habits.

Ampere Analysis Principal Analyst Minal Modha said: "We can see the pandemic's impact as older audiences turned to Netflix for entertainment during the numerous lockdowns. As we emerge from the pandemic, it's the younger demographics who are spearheading the return to the cinema in search of a more social viewing experience."*

The survey and interviews for this report offer evidence of that prediction coming to fruition. Cinemas across Europe said they had begun to see admissions grow, thanks to young, digital-savvy and highly-demanding new audiences

"We have become a cool place for 22–35-year-olds," said Matthias Damm, of the Filmkunsttheater Casablanca in Nuremberg. "We have an international audience – much more than before – we have a lot of people speaking English at our box office now."

Elise Mignot, of Café des images in the French city of Hérouville-Saint-Clair/Caen, said a period focusing on younger audiences had proved a success and people under-26 made up 37% of the audience in 2022.

Attracting younger people to replace those older ones lost to Covid looks like good news, with the potential of building long-term relationships. But interviewees warn the new audience has different expectations and interacting with them requires new skills.

Marijana Bošnjak, of Kino Urania (Croatia) suggests new audiences have been bought up in the digital era of instant gratification and have high expectations of instant service, personalised communication and the highest technical quality.

Bošnjak said online reservations and ticketing systems were now a business necessity.

The survey also suggests new approaches to communication are needed for a group, who do not come from a cinephile culture and some suggest have a short-attention span.

Sometimes, cinemas need to get back to basics in marketing, with renewed promotion of the venue and film itself. Nataša Šimunov, Kino Valli, based in Pula, Croatia said: "People who have lived for many years in our city know of Kino Valli, but the new people coming to the city are not aware of us. Wherever they go, there are multiplexes. So, we need to educate and to reach audiences who are not even aware of our cinema."

She said there was an expectation of "added value" in screenings with events and gimmicks: "10 years ago, it was enough just to put the films in the programme and to advertise, but now you need to do more. Within our team, and as a public institution (17 employees), we focus more on projects and events – we have some flexibility, but it's not easy."

There is little or no public funding to support this change of marketing, or to build events, but Šimunov suggests there is no choice. "Programming cannot exist without the marketing. I can do marvellous programming, but if I don't have marketing, I have nothing."

* https://www.digitaltveurope.com/2021/10/14/netflixs-core-user-base-is-getting-older/

Added value screenings need more marketing and more time and Šimunov hopes the audience will eventually settle down: "I would like to keep the primary thing as the cinema. I think that people, after all of the online and cinema at home, will come back to basics."

A mixed economy

If the task were simply a switch to a completely new strategy for an entirely fresh audience, it would be tough enough. But the reality is that cinemas must serve a fragmented and diverse market with widening social and generation gaps. Communication for one social group is now entirely different to another.

Even the tactics for retaining older audiences is harder than before Covid. Cesar Clemente Gomez, from Madrid's Cines Embajadores cinema said "the worst thing" was that the traditional marketing and awareness-building structures supporting a new film, such as newspaper reviews, disappeared during the pandemic and had not returned to the same level of influence.

And social media habits changed at an even more rapid pace. Facebook remains overall the biggest social platform for consumers and marketers and is still overall the most used service, ahead of Instagram. But the core Facebook audience is getting older and the time spent on the site is falling as other services rise.

User-generated online video is becoming a major driver of a changing social media landscape, led by TikTok. The Chinese service now claims 150 million users in the EU, mostly young and spending around 90 minutes per day on creating and watching videos.

Changes in social media use have created a new dynamic."Before, our policy was to have direct communication with the audience, but now the audience actually seeks less and less communication with us: they just want to come to the cinema, watch the film and leave," said Bošnjak, "They are less and less on Facebook and Instagram, more and more on TikTok."

"They expect short videos, shorter than 10 seconds – three seconds, actually, is perfect – and that's challenging us with a new task, which challenges with the competency of our employees. Are they able to create that content? Or do we outsource and find support from other companies or teams?"

Kino Valli © Pulafilmfestivalarchive

She suggests a generation gap is growing, which makes it impossible to have one strategy for the whole audience. Kino Urania has created podcasts which appeal to older audiences, but they have been experimenting with short-form, catchy video content for younger audiences – "funny, stupid films but more honest than any critics."

Others are also concerned that social media recommendations and IMDb or Rotten Tomatoes reviews exert too much influence.

"One detail I noticed is that audiences, more and more, rely on the IMDb ratings, and lately they have been quite bad for the majority of art titles," said Nina Milošič, of Slovenian cinema Mestni Kino Ptuj.

"The films themselves are not bad, they sometimes have lower ratings than they deserve and that affects our audience; I talk to them and this rating is all the information they actually seek before they go to the cinema. The new generation have a shorter attention span, they don't read film critics, they just want short pieces of information, and unfortunately it's IMDb in our case."

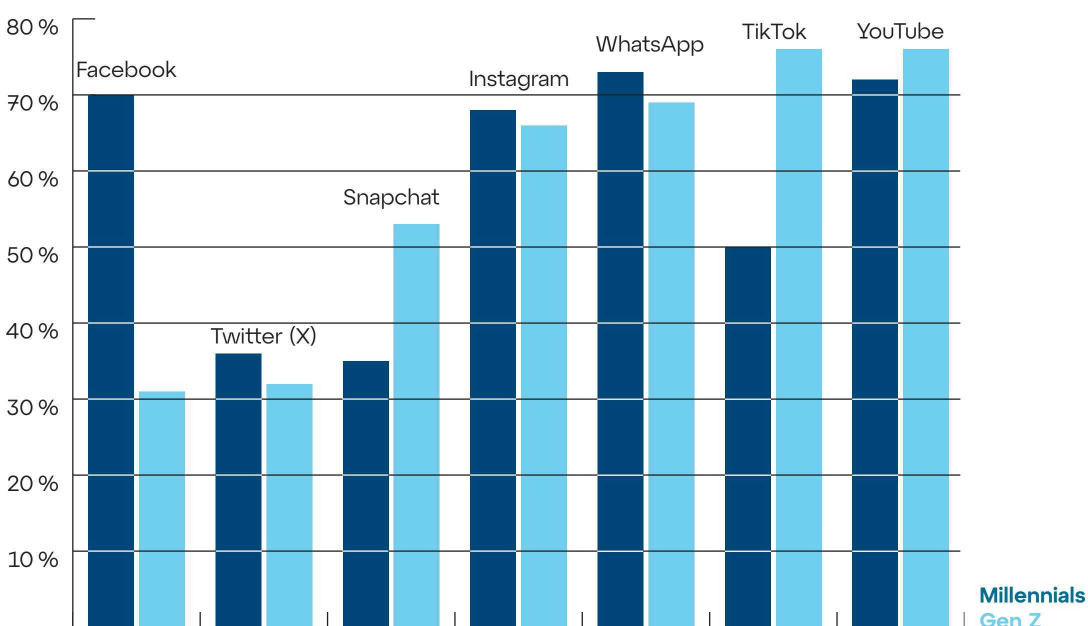
Elise Jalladeau of Thessaloniki-based Olympion fears the "cinephile doesn't exist anymore. Half of them never came back after Covid. Now we have very young audience. They really need to identify the film and be told about the film. We need a narrative behind the films for them to want to go to the cinema. They have so many occasions to be entertained. So, we are not talking about culture anymore, we are talking about entertainment and we really need to make an effort."

Milošič, suggests "diversification is the answer. We notice the same need to address each smaller and smaller group separately. They need different screening times, different films and different types of events, different types of communication, of course. What this means is that everything is becoming more labour intensive."

CHART 18

Social Media Use Europe 2023

SOURCE: YPULSE.COM



Price

Price is seen by some as a critical issue in trying to build socially and demographically diverse audiences.

Cinemas believe they offer value for money and many offer discounts.

But value for money is a matter of perception – and pressure on the cost of living can shift perceptions. With less money to spend, consumers might more frequently compare the price of a cinema ticket with the cost of staying at home and watching a streaming platform.

And there is a sense that big streaming corporations have been able to offer unrealistically low monthly fees to capture subscriptions before inevitable increases. Between 2014 and 2022, the 'standard' Netflix package in the UK rose by 84% from £5.99 a month (7 euros) to £10.99 (13 Euros). Netflix and the other streamers are also taking action to reduce password sharing, believing up to 100 million households worldwide are illegally sharing passwords.*

* *Variety*, April 19th, 2022

Cinemas want to operate on a level playing field, where corporate giants do not have all the advantages. That applies to price and to release windows, or media chronology. Some are also worried that a quicker online digital release leads to more piracy.

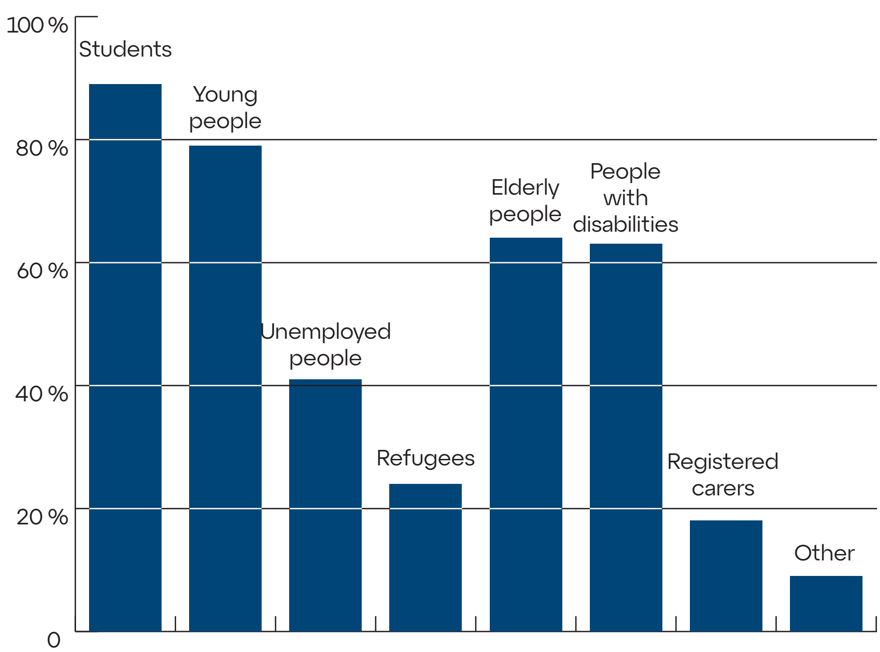
Keeping prices down is seen as a vital commitment by many cinemas who view increases as a last resort, even at a time of economic pressure on their businesses.

Almost all cinemas have ticket discount schemes – 85% have reduced prices for Students, 76% for young people, 62% for senior citizens, 60% for people with disabilities, 39% for unemployed people and 23% for refugees.

Others offer more radical social options including "suspended tickets" or "social rates" for those who cannot afford to pay. Hannele Marjavaara said Kino Tapiola in Espoo, Finland had been pioneering a ticket system for people in lower income brackets: "The city gives them a certain ticket and then they can come to the cinema to get free tickets for themselves and for two under 16-year-old kids. Unfortunately, most distributors won't allow free ticketing to be linked to their films – all the studios ban it – so it is only the smaller distributors involved. I love the idea that we have a way of helping people who can't afford to come to the cinema to come and watch beautiful arthouse content."

CHART 19

Discounted Tickets



Elektriteater © Ruudu Rahumaru

Loyalty

Long-term sustainability requires turning new casual and occasional customers into loyal audiences and the survey suggests it takes time and effort.

There are tools and processes that can help create more regular and consistent cinema going. These include the creation of events to support new releases - and the use of digital technology to broadcast those events live to smaller towns.

Another increasingly important tool is the loyalty card. There are a number of different schemes, each of which offer season tickets at lower prices depending on how often it is used; priority access to events; and often discounts on food and drinks.

Europa Cinemas' Collaborate to Innovate has been instrumental in expanding one loyalty card model, pioneered by Cineville in the Netherlands, but now running in Germany, Austria and Belgium.

The scheme creates a film community among participating cinemas, increasing interaction and cinema-going.
Cineville in the Netherlands boasts 60,000 members and 55 cinemas.

Olympion © Nikos Ververidis

Some cinemas have been experimenting with 'virtual cinema' models, which recognise that even regular cinemagoers will watch some films at home. The model is that cinemas apply their branding to home screenings of films they are also showing on the big screen. Among the pioneers mentioned in survey responses is Dutch company Picl.

The pandemic helped create some traction around the virtual cinema approach, although its long-term prospects for wide European expansion are not yet proven. Europa Cinemas partnered with Picl and Medialoc on a survey of virtual cinema in 2022, which offers valuable insights on the trend.*

In some cases, cinemas run their own VOD service, which allows them a degree of control over releases and windows of films they are showing. This is particularly effective where the cinema company is also a distributor, such as Curzon in the UK. It is not simple or cheap to operate on-demand platforms, and the survey shows that only 4% are planning to create or expand a VOD service.

Some interviews suggest the key to loyalty is to build programmes in tune with the lifestyles of different parts of the audience. That might mean different screening times, targeted marketing models, or more audience participation in curation.

Some are also looking to break the pattern of recent years, which has meant films in an overcrowded live or die by performance in a single weekend. Some great films take longer to build word of mouth.

Hannele Marjavaara, of Finnish cinema Kino Tapiola, has been trying a different approach, by giving films a longer run: "All small arthouse films are premiered but we might also show them once a week for many, many, many, many weeks. People really like being able to catch the screenings later. We always put on our weekly flyer: "audience request or rerun." So, there's a lot of dialogue all the time, of people asking for screenings of films and I will always answer them back."

* https://reachm.eu/reachm-publishes-study-on-virtual-cinema-in-europe/

Metsni Kino Ptuj

Chapter 8

Collaboration, Skills and Innovation

European cinemas are increasingly seeing recovery and growth in collective terms. Local, national and international collaboration is now recognised as a driving force for change.

Cinemas recognise there are limits to what can be achieved by individual small businesses in a complex, fragmented and fast-moving European audiovisual environment.

And there is growing recognition of the potential of aggregating the skills, know-how and ideas of an entire network into a participatory, sharing Knowledge Economy. (Europa Cinemas' 2019 survey on The Knowledge Economy is available as a free download on its website.)

In truth, the survey suggests, there is little choice, given the scale of the challenges faced. If the future is to be built on sustainable innovation to support audiences and communities, collaboration is indispensable.

The mechanisms for building effective cooperation are increasing. Through focus groups, workshops and meetings, the Europa Cinemas network has been reshaping its work, becoming a collaborative and knowledge hub.

The network has grown strongly in recent years and in 2023 consists of 1,279 cinemas with 3,160 screens in 38 countries and 786 towns and cities. With the support of the European Commission's Creative Europe MEDIA programme, it has built a range of activities that bring together the full diversity of European cinemas.

Among the most ambitious and successful of recent initiatives is Collaborate to Innovate. The €1.5m annual scheme supports projects, in which cinemas cooperate to create, or significantly adapt and improve innovative approaches to shared problems. Collaborate to Innovate is a Research And Development (R&D) scheme, testing ideas that are then shared with the rest of the network, allowing for further replication and adaptation.

After just three years, 68% of respondents now consider it an important, or very important (31%) programme for them, and less than 2% believing it is not relevant to their work.

Responding to the needs of the network, Europa Cinemas has created a coordinated set of projects and schemes at local, national and international level.

The survey stresses two core issues: skills and knowledge.

Skills

The need for internal skills and know-how is recognised in all the areas of work highlighted in this report:

— 88% said lack of internal skills could have an effect on social and community initiatives, with 16% calling it a serious challenge

— **61% believed skills could have an impact on inclusion and accessibility work**

— 50% said it could hold back green projects

Among the scarce or missing skills identified in the report are marketing and social media, audience development, customer relationship management, data analysis, IT, digital innovation and digital business management.

Finding those skills locally can be very difficult. Skills shortages are common across all industries and cinemas can find themselves competing for expertise.

The experience of Maeve Cooke, of access>CINEMA in Dublin reflects concerns elsewhere: “Across the cinema and arts world here in Ireland, finding staff – new staff or good staff – is hard. Because of Covid, combined with the cost-of-living crisis, low wages and people leaving work, many mixed programme venues are very short staffed. Staff wages aren’t particularly strong within the arts, unfortunately. Its an ongoing issue, that’s been highlighted by the current situation.”

Kino Urania © Zoran Macakanja

Knowledge

The new film economy is powered by data. The domination of the streaming giants is driven by Big Data, refined through AI-driven algorithms into engines to shape audience demand. The fragmented European film industry is not close to matching that kind of data and insight.

The cinemas in this report do have some advantages in terms of audience knowledge by being a part of the communities they serve. They build personal relationships and often ask for feedback, and of course they have the benefit of real-time evaluation of audience reactions based on admissions for each screening.

Cinemas generally know what is inspiring and exciting local audiences at any given time but data for long-term strategic decision-making is much scarcer. Respondents to this survey generally recognise the need for further investment in data analysis and Customer Relationship Management software but finding finance in the current business environment is a struggle for most.

Europa Cinemas is playing a part by sharing information in more systematic ways – building reports and case studies as a requirement when applying for schemes, such as Collaborate to Innovate. It also produces regular network reports and surveys, including the annual Network Review, published at the Cannes Film Festival.

The data debate has a dimension that may become more important in the coming years. Film funds are beginning to recognise the need to bring audience development into the early production stages of projects. Understanding how audiences react and interact with films in cinemas is valuable when assessing the potential of film projects.

Elise Mignot, of Café des images in Hérouville-Saint-Clair/Caen is involved in a national scheme working with film professionals through SCARE. “We are working on what we want to do about data. Our competitors use data a lot. We don’t.“

“We want to promote a new way of using data, in a cooperative way, so we need to be all together in this struggle, in order to reinforce independent cinemas.
It means working with people locally but also nationally with the stakeholders of the sector.”

Local cooperation

Cinemas often find their most valuable partners during the practical development of projects and initiatives in their home communities or regions, including local governments, business associations, NGOs or community groups.

Sometimes, local and regional cinemas work together, even when competing. Mignot, of Café des Images, for example, said her venue had been working with three other venues to create a podcast series:

“We had the opportunity to train our teams to define a common editorial line and common subjects we want to work together on. We produced 15 episodes - five each. Step two will be to gather other cinemas and to continue producing the series.”

The work on that project allowed staff to learn other related skills, inspiring a Collaborate to Innovate project, *Cinémas sur écoute*, which built an international reach.

The ability to work with other cinemas and to adapt, or replicate working initiatives is a major asset.

“What I like about our industry is that it doesn’t really matter if we copy an idea that colleagues are doing in another city. These connections with colleagues are very important for us,” said Matthias Damm, Filmkunsttheater Casablanca in Nuremberg.

Copying ideas has become part of the culture (“replication and adaptation” are core to Europa Cinemas’ Collaborate to Innovate scheme).

Nataša Šimunov, of Croatian cinema Kino Valli said: “It’s very hard to have new ideas, but it doesn’t always have to be a new idea, it can be something that others have introduced, and it can work for your community. We need to share, we don’t always have to be revolutionary.”

Collaborative initiatives are often most effective at a very local level. Conditions on the ground for cinemas and levels of development and infrastructure can have very wide variations.

Erdmann Lange, of Mannheim’s Atlantis and Odeon cinemas, Germany, said case studies, workshops and data on a pan-European level were useful but “I don’t really think that the solution to my actual problems is on a European level. For a very concrete way of dealing with very specific problems, mini

Café des Images © Murielle Ancillon

networks on the regional level are the ones that will help me most."

Feedback from the network has led to the development of more localised initiatives, ensuring that skills, best practice and knowledge are widely shared across the network. If the European independent and arthouse cinema network is to emerge unscathed, there needs to be a systematic approach to bringing everyone up to a benchmark level of skills and knowledge, while encouraging advanced cinemas to work together on innovations, which are then shared and adapted to local need.

Europa Cinemas has already established popular annual workshops and labs in Italy, Spain and Bulgaria. And it has programmes, such as Next/Change, which allows for cinemas from one region to visit another and consider what can be learned and applied at home. Europa Cinemas also encouraged the launch of 'mini networks' 15 years ago, some of which have become well established, such as in Sweden, Ireland, Slovenia or Italy.

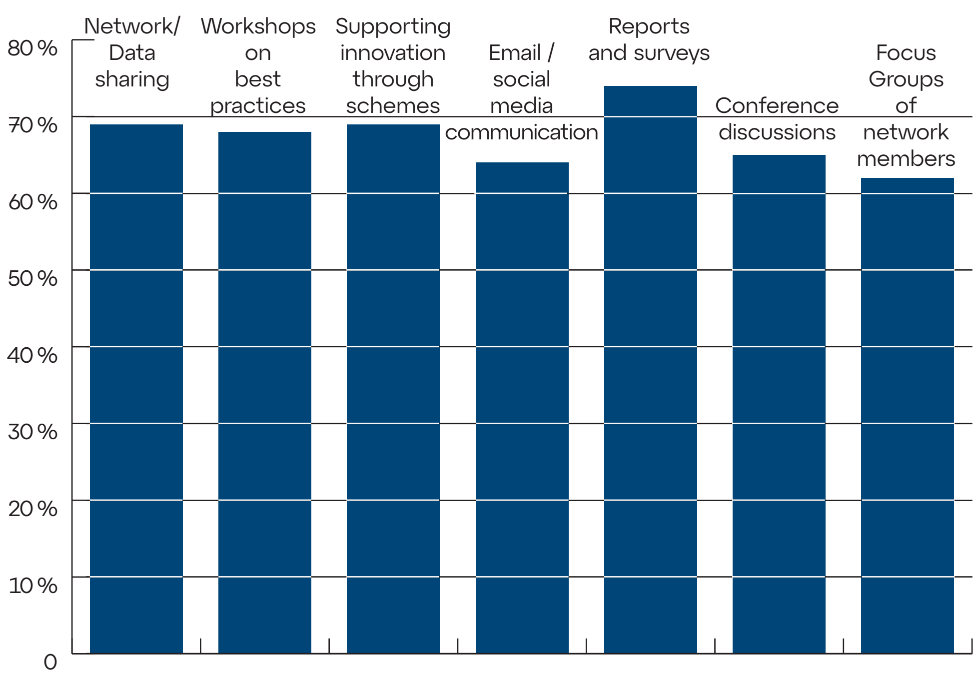
Now, Europa Cinemas is developing a 'boot camp' approach, which will help develop training, skills and innovation at a local level. This combination of a big picture, strategic thinking, lessons from the most advanced cinemas, and strong local access to knowledge and skills is invaluable now to many.

Filmkunsttheater Casablanca © Matthias Damm

"I don't see Europa Cinemas as a network, I see it as a family. With Europa Cinemas you can feel the unity."
Marijana Bošnjak, Kino Urania, Croatia

CHART 20

Most Important Europa Cinemas Activities



Chapter 9
Conclusions

The most challenging period in the history of cinema has concentrated the minds of the network. The commitment to its social, cultural and environmental mission is in some ways stronger than ever but it is also looking at new ways to deliver it in a fast-changing ecosystem.

The most telling statistic in the survey may be that 83% of respondents see audience development innovation as the foundation of recovery and growth.

European independent cinemas recognise it is not possible to turn back the clock to easier times. The future will be built on hard work, creative and collaborative innovation and access to skills and data. And it will be rooted in partnership with audiences and communities.

The tasks ahead of cinemas in the fight for audiences and communities could hardly be more urgent. These may be the most challenging conditions in cinema history.

There is a need to defend core values. New approaches do not mean abandoning the value and importance of European film, but there is also a need to embrace change and to demonstrate the continued relevance of both the cinematic art form and of social cultural spaces.

Cinemas have always had to adapt to survive and innovation may never have been more pressing. But the fresh approaches highlighted in this report – events, loyalty schemes, outreach initiatives, etc. – all play to the strengths of cinema as a social space, as a cultural curator and as a welcoming and personal hub for community activity.

Getting to grips with new realities can expose opportunities. There is growing evidence that a younger post-Covid audience is emerging. It is not a uniform development across all countries but it is widespread and points to a future that all may have to embrace.

The new audience brings serious challenges. A number of respondents offer anecdotal evidence that new cinemagoers are more demanding than older ones, suggesting they are digital natives expecting high levels of instant service and fast, snappy marketing to whatever device they choose.

Cinemas know that those audiences need to be won and converted into long-term loyal cinema lovers. Winning them over may require new skills and innovations, built on significantly better market intelligence as well as online, and offline, interaction.

There will, of course, be a vanguard of forward-thinking cinemas, who stay ahead of the game but it is essential that emerging skills, best practice and an innovation culture become embedded in the approach of the whole European independent and arthouse cinemas sector.

This process of change will need willing and active partners.

The survey is very clear that more support will be needed from public funds, at a time when there are many other demands for help from a wide range of sectors.

It may be necessary to go back to government and public partners to make the case again for the essential and wide-ranging role that cinemas play in communities.

But the vision of the future in this report is essentially built on a collective response to the world. Cinemas are working with partners in their communities; they are working with each other on a local and regional level to build skills and best practice they are sharing ideas and innovations across borders, not least through Europa Cinemas.

European cultural diversity and the life of diverse communities, need collaborative and collective effort to succeed.

Contributors

Interviews

- **Hannele Marjavaara**, Kino Tapiola, Finland
- **Nataša Šimunov**, Kino Valli, Croatia
- **Elise Jalladeau**, Olympion, Greece
- **Maeve Cooke**, Access>CINEMA, Ireland
- **Marianne Tinant**, Les Grignoux, Belgium
- **Michalis Zeis**, Trianon, Greece
- **Éva Demeter**, Tisza Mozi, Hungary
- **Cesar Clemente Gomez**, Cines Embajadores, Spain
- **Gerardo de Vivo**, Multicinema Modernissimo, Italy
- **Marijana Bošnjak**, Kino Urania, Croatia
- **Nina Milošič**, Mestni Kino Ptuj, Slovenia
- **Andres Kauts**, Elektriteater, Estonia
- **Matthias Damm**, Filmkunsttheater Casablanca, Germany
- **Claus Malta Nielsen**, Parkteatret, Denmark
- **Elise Mignot**, Café des images, France
- **Erdmann Lange,** Odeon and Atlantis, Germany
- **Alicia McGivern**, Irish Film Institute, Ireland

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La Ferme du Buisson, Chassé Cinema, Stichting Filmtheater De Nieuwe Scene, Le Concorde, Utopia Saint Siméon, Cinema House, Café des images, Le Cigalon, Studio des Ursulines, Utopia, Les Varietes, Aventure, Opéraims, Mermaid Arts Centre, Cinema Petar Slabakov, Multicinema Modernissimo, Kino Bize, Herri Antzokia, Arenan, Cinema im Ostertor Bremen, Zentralkino, Studio 43, Lux Caen, Kino Lucerna, Øst for Paradis, Atelier, Bambi, Cinema, Metropol, Souterrain, Filmforum , Moviemento, Cinéma Studio, Vester Vov Vov, Bel Air, Atrium57 Centre Culturel, Corso, Espace Jean Vilar, Anteo Palazzo del Cinema, Ariosto, SpazioCinema, Anteo Capitol spazioCinema, Cinema Odissea, Kino Urania, Filmladen Kassel e.V., Alhambra, TISZApART Mozi, Kinodvor, Nuovo Eden, Cultural Centre G8, Gallia Théâtre Cinéma, KIZ RoyalKino, Cinema Galliera, François Truffaut, Parrochia San Carlo Cinema Solaris, Comoedia, Tuckwood, Katorza, Plaza Arthouse Cinema, Olympion, Apothiki, Cinema Edison Granollers, Cinema De Kern, GIGANT, Eurocinema Subotica, Kino Sloboda, Kolossaion, L'Atalante, Stadtkino Grein, Cadmus Budva, Mestni kino Ptuj, Fenomen, Golem Yamaguchi, Golem Madrid, Golem Alhóndiga, Kaunas Cinema Centre Romuva, Arta by Cityplex, NUMAX, Omnia Republique, Echo, Cines Florida-Guridi, Cinema Jolly, Klingenberg, Saga, Cultural Center Cacak, Splendid Palace, Cinemes Verdi, Verdi Park, Verdi Madrid, Humle Bio, Jean-Eustache, La Coursive, Cinema Delle Provincie d'Essai, Ideal, Kino Lund, Zita Folkets Bio, Itsas Mendi , Alexandros, Sala R.C. Loreto, Vittoria, TAP Castille, Moviemento, City-Kino, Art-kino, 3001 Kino, Dieppe Scène Nationale, Kino Tapiola, Parc, Churchill, Sauvenière, Caméo, Cinéma Marcel Pagnol, Kino Valli, Zlatna Vrata, CinéStarlight, Cinéma Le Méliès, Forum22, Luna Filmtheater, Cines Broadway, Cines Manhattan, Quai10, Terminale Cinema, Cinema Lumière, Atelier am Bollwerk, Delphi Arthaus Kinos, Folkets Bio Umeå, Filmhuis Mechelen, Cinemax Bantry, Cinema City Alvalade, Belvarosi Mozi, Kino Vrhnika, Kino '30.svibnja', Sokół, Kino Film Europe, Visionario, Centrale, Arlekinas, Sofia Film Fest on the Road, Leokino and Cinematograph, CineCiutat, Skino, Light House, Palas, Cultural Center of Novi Sad, Kino Metro 70, Gdyńskie Centrum Filmowe, Kadr, Spindulys, Cinema Paradiso, Cinema Esbarjo, Le Louxor Palais du Cinéma, Kino in der Brotfabrik, UNION-Studio für Filmkunst, Universum Filmtheater, Cinema Ariston, Kino im Kloster Alpirsbach, Kino im Kurhaus Freudenstadt, Subiaco Schramberg, ECI Cultuurfabriek, Kino Aero, Cines Embajadores, Odeon, Astra-Theater & Luna, Eulenspiegel Filmtheater, Filmstudio, Capitol Filmkunsttheater, Cinema Amstelveen, Elvire Popesco, Rosebud, CINEBAIX, Kino Nostalgia, George Pal Filmszínház, Kino Cafe, Muvesz, Puskin, Taban, Toldi, Cinema Oberdan, O Cinema da Villa, Spazju Kreattiv Cinema, NI Center of Culture Bitola, Le Rio, Cinema Orion, Cineclub Greenwich d'essai, Heerenstraat Theater, Ariston, Kino Pod Baranami, Kino Art, Bali, Cinema Ateneu, Rejs, Kinoteka Multiplex, Kino Panorama, Vatra, Tartu Elektriteater, Filmkunsttheater Casablanca, L'Entrepot, Filmcasino, Filmhaus am Spittelberg, Teatro Supercinema, Parkteatret, "Lucky" - Home of cinema, La Vénerie (cultural center), Beltrade, Gentofte Kino, Kino Engel, Mal Seh'n Kino, Filmkunst 66, Ciné Utopia, Alhambra, Victoria, Bioskop Vilin Grad doo, City Kino Steyr, Les Toiles, Kino Deli, Filmhuis Bussum, Admiral Kino, Stadtkino, Le Relais, Les Montreurs d'Image, Lichtwerk, Kamera, Avenida 5 Cines - UCC, Kinostar Arthaus Kinos, ZOOM Kino, Cineteatro Manzoni, Cinema King, Grand Teatret, Lux Messina, Caligari-Kino, Luna Lichtspieltheater, Orfeo-Kino, SchlachthofKino, Cinema Don Zucchini, Gran Sarria Multicines, Aribau Multicines, Codex Cinema, Kino Velenje, Edera, Intrastevere, Eliseo, Nazionale, Romano, Castillet, Louis Hartlooper Complex, Folkets bio Roxy, Irish Film Institute, endstation.kino, Aavora, Atlantis, Odeon, Kino AMOK, Kino 35, Wolf Kino, Verdi, Roxy, DUPLEX Cinema, Cinema Atlas, Kino Kichdorf, Cine Centre, Cinema l'Etoile, Stockel, Pandora, Mk2 Cine Paz, Cinema Centrale, Cinema Italia, Cinema Mariani, Cinema Sarti, Le Sélect, Ideal, Divina Provvidenza, Cinestudio d'Or, Splendor, Athinea, Lux Palermo, Luxor, Stichting Haags Filmhuis, Cc Strombeek, Gloria Biograf, Cinema Roma d'essai, Rambla de l'Art-Cambrils, Cinecitta, Tibur, Kultura, Cineplexx Palas, Traum Kino, Spazio Uno, Cultuurcentrum Zwaneberg, Diana, Cines Van Dyck, Multicines 7, Löwenlichtspiele, Tipperary Excel, Lichtblick-Kino Berlin, Balmes Multicines.

EUROPA CINEMAS

38 COUNTRIES
786 CITIES

1,279 CINEMAS
3,160 SCREENS

Michael Gubbins
Author of the Survey

Michael Gubbins and his company SampoMedia have originated, researched and written dozens of reports on cinema, film and the changing audiovisual ecosystem. This report is the fourth in a series for Europa Cinemas on cinema strategy.
He has also led and moderated more than 500 industry panels, workshops and think tanks in more than 30 countries. He was the chair of the Welsh film agency Ffilm Cymru Wales for seven years and has served on numerous media and creative bodies in the UK, Europe and beyond. He is an experienced journalist and writer and the former editor of titles, including Screen International, Screen Daily, and Music Week.
See www.sampomedia.org for more.

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The commitment, creativity and innovation of Europa Cinemas network has greatly contributed in making the objectives of MEDIA a reality for European audiences.

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