CHAPTER 6: FINDINGS, CONCLUSIONS AND RECOMMENDATIONS
6.1 SWOT ANALYSIS OF THE MARATHI FILM INDUSTRY

For developing a sound strategic plan for the film industry mainly for the marketing of movies, first a detailed analysis is required to be done. For this reason, a SWOT analysis of the Marathi film industry is done below:

6.1.1 STRENGTH

1. Good quality of content in Marathi films

Marathi films have good quality of content which includes various aspects such as a logical script and a rational explanation. The Marathi films such as Shwaas, Vihir, Harishchandrachi factory, Vaalu etc have proved that the Marathi films are extremely strong on the content quality. The Marathi film makers have consistently created a balance between creativity and commercial pursuits. There has been never a compromise for content in relation to commercial success.

2. Support from the Government agencies in the form of subsidies provided

The Government of Maharashtra has been a very strong support for the Marathi film industry and the film fraternity. The application of the subsidies system is a strong motivation for the industry to survive in stiff competition. The government has a cultural department which has been very active in the past few years to give bureaucratic help to the industry to expand in a positive way.

3. Reservation of shows in Multiplexes in Mumbai as per High court order

The High court order has come as a strong legal backing for the Marathi film industry to sustain itself in the competition. Since Mumbai is a battleground for Hindi and various different regional cinemas like Bhojpuri, Gujarati, Tamil, Malayalam, Punjabi etc the support derived from the High court order removes the hurdles for exhibition since the legal verdict gives reservation for exhibition of the shows in Multiplexes.

4. Good quality actors and actresses/technicians

Marathi film industry has been blessed with amazing talent in technical and non-technical area of movie production. There are so many talented actors who have made it big not only in Marathi films but in Hindi industry too. We can find most of the supporting star cast of Hindi films coming from Maharashtra on the basis of pure talent. The creation of award winning films in the recent decade has been credited to outstanding talents of the actors in the industry. The technicians who are the backbone of any production process are also in abundance in Marathi film industry.
5. **Music component**

Music component is vital for the success of a commercial venture in the entertainment field. Music adds lot of charm to a film thereby portraying the creativity in better perspective. Marathi film industry has been having musicians, music directors, singers etc of high standard. The recent decade has seen so many talented music directors creating a strong presence on the national scene. The movie ‘Natrang’ of this year has created lot of excitement in the masses due to an interesting subject of rural Maharashtra art form called ‘Tamasha’

6. **National awards and recognitions**

Marathi film industry has been in the forefront of awards and recognitions due to its quality standards. In the national awards given for various categories such as best film, best actor/actress, Music and in different categories, Marathi films have shined on the national and international scene. The industry was revived due to an amazing film ‘Shwaas’ which was nominated for the Oscar awards in the best film international category. This was a simple film on a subject of a grandfather and a grandson who is to be operated for some fatal eye operation. The film caught the imagination of people who appreciated the simplicity of the subject.

7. **Number of Marathi channels**

Marathi audience has today an option of a host of channels on the television scene. We have Doordarshan Sahyadri, Zee Marathi, Star Pravah, Mi Marathi, ETV Marathi, and SAAM as the main channels showcasing Marathi films, serials, songs and shows. While on the news front we have Star Maaza, IBN lokmat, etc. These channels have created a huge market for the marketing of Marathi films at different levels. The presence of so many channels has led to increase in the production of Marathi films who after a considerable time of release can be released on the television medium by the way of sale of satellite rights. The fact that Zee Marathi started a separate channel named Zee Talkies to show Marathi movies displays the growing importance of Marathi films on the television business.

8. **Start of Marathi songs on FM channels**

The recent times have seen the rise of the radio industry which was stagnated for some time. The start of the FM channels has cultivated an audience which likes to hear songs on the radio medium giving them the mobility to work or do travelling and also indulge in listening activity. The FM channels are like Radio Mirchi, FM Gold, and Red FM which have decided to give proper time to play Marathi songs and to promote Marathi culture on the radio. This gives lot of strength for the Marathi music which is composed of film and non-film content. The playing of songs on the FM channels reinforces the Marathi film brand value and sustains its utility in the long run.

9. **Bollywood supporting the Marathi causes**

Bollywood is the big brother of the Marathi film industry. The Hindi film industry is dominant in India and commands lot of attention worldwide due to catering to global Indian Diaspora. Bollywood is based in Mumbai which is the capital of the state of Maharashtra, thus the support of Bollywood is crucial for the Marathi film industry. We find that Bollywood superstars such as Amitabh Bachan, Amir Khan, Shahrukh Khan, and Salman Khan have been supporting the cause of the Marathi film industry by an active role.
10. Government assistance

For any industry to sustain and function effectively, the role of the Government is critical. The Government of Maharashtra has been actively involved to help the Marathi film industry sustain itself in the competitive environment. Since the revival and sustenance of the industry has been equated to the cause of the sons of the soil theory, it has become important for the government functionary to support the Marathi film industry.

11. Foreign Investment:

The growing importance of Mumbai as the commercial destination has led to inflow of lot of capital in the state of Maharashtra. There are various international inflows in capital investments which are being utilized for infrastructure development of the city and the state, this acts as a strong indicator for the industry to grow at a fast pace. The Marathi film industry also has a support various Maharashtra mandals across the globe that would be willing to invest in the industry since they have an affinity for the language.

12. Legacy:

The Marathi film industry has a legacy of the stalwarts like Dadasaheb Phalke who have given birth to the cinema movement in India. Industry people like Bhalji Pendharkar, V.Shantaram, Srijam Lagoo, and Baburao Painter have contributed immensely not only to the Marathi film industry but to the mainstream industry popularly called as Bollywood. The strong foundation of the industry has with stood the various phases of depression for the Marathi films in the last few decades. The historical foundation of the Marathi film industry gives it the necessary credibility in the market.

13. Digital Technology:

We are living in the Digital age where the differentiation is based on the digital medium. The advancement of the digital medium is extremely critical for the Marathi film industry since the entertainment industry has to compete with the pace of digital growth in order to keep the audience interest intact Marathi film business has shown lot of advancement in the use of digital medium for the film business purpose.

14. Educated Marathi middle class who are technosavvy and having surplus income

Maharashtra is a leading state in India in terms of growth and development. The emerging middle class of Maharashtra has characteristics of being educated, technosavvy and having surplus income at disposal. This forms a very strong consumer base which acts as a ready market for the Marathi film industry as a source of entertainment.

15. Rise of the young Turks

Marathi film industry has seen in the recent decade a rise of the young Turks in the way of fresh blood being injected into the system. An effort of stalwarts like Mr Mahesh Manjerekar who has been instrumental in the formation of MIFTA shows the emergence of fresh ideas which have lot of potential in the future. In the Marathi film music field we have dynamic people like Ajay-Atul, Aadvhoot Gupte who have made a remarkable impact on the way songs have been composed and arranged. This ultimately reflects in the raising of the standard of the Marathi film industry.
16. Acceptance for innovative themes among masses

Marathi audience is very receptive to topics which are different from the mainstream areas. There have been movies like ‘Shwaas’ ‘Tingya’ ‘Jogwa’ etc which are all very different topics from the point of view of commercial cinema. The fact that the audience has accepted them shows the maturity of the Marathi audience. There is widespread appreciation for the maturity of the Marathi people to accept diverse issues and even controversial thought provoking topics.

6.1.2 WEAKNESSES OF THE MARATHI FILM INDUSTRY

1. Quality of films.

Marathi films have shown degradation of content which has led to its downfall comparison with other regional cinema variations. The focus of most of the films is the stereotype masala formula for commercial gains. This has led to abundance Marathi films which do not rank in high order on the scale of content. The quality of the films is weak from the point of view of all the production aspects of film making.

2. Dependence on Box Office Sales mainly

The success or failure of any industry depends on its capacity to grow and sustain itself in the long run. Since Marathi films commercial success is mostly based on the box office revenue collections, they become gullible to manipulation in case the movie does not do well on the theatre sales. The credibility is lost making the product difficult to sell on the basis of any future satellite rights deals with various channels. Dependence on one aspect of profitability makes it a major weakness from commercial angle. Various new areas for revenue generation like DVD, video sales, video rentals are still not explored. Most of them depend only on box office sales.

3. Number and Quality of Theatres:

The quality and availability of theatres for screening is a major weakness experienced by the Marathi film industry. The theatres are divided into the single screens and the multiplexes. The single screen theatres are mostly not of good quality standards which makes it difficult for the uptown audience to have a visual experience. The prices in these theatres are low but the standards are also of poor value. The multiplexes are of a better standard with lots of amenities and services being provided. But the problem is the affordability of the audience which makes it unviable for many to have a visual experience. The quantity of the theatres is limited and the release dates of many Marathi movies at the same time compound the problem. In Mumbai since the regional cinema competes with the mainstream film business the Marathi films find it difficult to get screen availability at their affordable costs.

4. No access to Indian Diaspora excluding Marathi people

The major weakness of the Marathi film industry is its regional character which makes it difficult for the non Marathi people to understand. There can be critical acclaim for the film but there cannot be a massive appreciation in terms of commercial gains if the language is not understood. The overseas market which has lots of potential is therefore completely untapped for the Marathi films.
5. Marathi industry centred in Mumbai than Kolhapur

The existence of the Marathi film industry is based in Mumbai which has its major weaknesses. The fact that Bollywood is based in Mumbai makes it very difficult for small regional players to operate. The competition from Bollywood for resources makes it very difficult for Marathi film industry. The Marathi film industry was earlier based in Kolhapur which had its own benefits. The people from the industry were close to the rural markets thus making the communication between the audience and the producers easy and mutually beneficial. The fact that Mumbai is the centre for both industries has an adverse effect on the Marathi film industry which has to experience the concept of Bollywood hangover on the Marathi film production process.

6. Dominance of Bollywood as a competitor in release venues

The dominance of the Bollywood industry has a negative impact on the release process for a Marathi movie. It has to compete all on fronts with the Hindi film releases which are given preference due to the massive scale of Hindi film promotion. The availability of screens becomes a problem since major prime locations are secured by the Hindi films. Thus the Marathi films then are left with the venues which are not commercially viable; this leads to huge losses for the producers who find it difficult to recover their investments.

7. Difficulty with exhibitors on venues

The weakness of the Marathi film industry is its bargaining power with the exhibitors who prefer Bollywood films more than the regional cinema. The exhibitors go for the lucrative offers from Hindi films since the response to the Bollywood movies is any time more than the regional cinema variations. This leads to problems of exhibition deals between the distributors and the exhibitors.

8. Low margins in distribution negotiation

Since the exhibitors give first preference to Bollywood movies, the Marathi film producers and distributors are prone to a raw deal on the distribution front. The major strategy FSS (Friday Saturday Sunday) fails to click since the exhibition deal does not allow the mobility for the Marathi film exhibited. A low margin ultimately drives the distributor away from the potential venues leading to losses.

9. Lack of proper analysis and estimation of box office records

Marathi films suffer due to lack of market analysis study. There is no scientific methodology derived to have an assessment of the market or the success potential of the product. The utter lack of any authentic methodology makes it a game of chance. The revenue generation becomes a matter of luck than any well calculated plan of action.

10. Alteration of released schedules/many releases on the same date

The release dates are not scientifically derived on the basis of any calculation making it very difficult. There is no method to calculate the timing of the release, this leads to problems such as multiple Marathi movies releasing on the same day, thereby eating into each other’s revenue. This is highly undesirable as the final loss is of the Marathi film industry rather than any particular film.
11. Piracy and Leakages

Piracy has become a major problem for the Marathi film industry. Piracy is a theft of the product which leads to massive damage to the commercial viability of the movie. The act of piracy literally kills the hard work put by the entire team involved in the production process. Piracy leakages has been highly damaging for the Marathi industry due to leaks on the internet making the access very easy for any internet user. This leads to loss for huge amounts to the producers and making the product lose its charm before the release. Pirated DVD’s, CD’s, MP3’s have made the Marathi industry lose lot of money which ethically and legally is theirs.

12. Risk Sharing Issues

Risk sharing is a problem in the Marathi film industry since there is no coordinated effort from the various stakeholders in the production process. The producers, financiers, distributors and the exhibitors work in contradiction creating problems in the value chain.

13. Lack of transparency in financial matters

There is very less transparency in financial dealings making the industry less reliable from financial point of view. The box office disclosures are not authentic thus creating discord between the producers and the financiers. There are no official interactions on financial matters creating conflict situations for the people involved in the management process of film making. The existence of unaccountable capital makes it more difficult to track the flow of money in the industry.

14. Lack of market research and pre market survey

Market research is fundamental for the survival and growth of any business today. Absence of market research is a major weakness of the Marathi film industry which believes in decision making by chance than on scientific basis. There is no planned approach during the conceptualisation of a film or during the initial process of a film. The audience interest is not taken in to consideration using a proper consumer study or buying behaviour analysis.

15. Absence of documented contracts with stake holders

The Marathi film industry mostly works on the word of mouth and the basis of trust is most important than any documentation. These concepts lead to lots of issues and conflicts between various parties involved in the business. The absence of documentation makes it difficult for applying any legal process in terms of any conflict situation. This leads to situation were illegal elements play a role of peace maker than the legal process.

16. Producers are first timers

The major weakness for the Marathi film industry is the situation where most of the producers are first timers who have entered the film business for variety of reasons. One reason is the glamour component of the industry in which people want to be associated with celebrities. These producers make one or two movies and then quit the film making business, this leads to problems were the industry faces lots of ups and downs with people coming and going. There are also various people like builders/construction magnets, Bureaucrats, people in illegal activities having lots of black money, these elements enter the industry for their own reasons such as gaining respect in the society , converting black money to white money, glamour, subsidies from the government etc They quit after a short span creating a vacuum.
17. Producers have a subsidy centric attitude

Many producers look towards film production from only the commercial point of view and not as a creative reflection. These producers get in to the production process to extract the subsidy from the government. They thus create a sub standard product which is not feasible to be marketed due to its poor standard. This attitude of being subsidy centric actually makes the industry poor in content.

18. Films are rural based and do not deal with urban sensitivities

Most of the Marathi movies are based on rural subjects. This trend has been going for many years in the Marathi film industry. But, with the urbanisation there is an urgent need to create Marathi films which address the urban topics and matters of concern or interest. The lack of urban based movies makes the urban audience lose interest and thus move towards Bollywood or other forms of entertainment.

19. Events are low key in comparison with Bollywood

Marathi film industry has very low focus on event marketing as a mode of promotion. There are very less events in comparison to the Hindi film industry. Event marketing is usually low key in the Marathi film business. This makes the film business appear less glamorous for the audience who takes the glamour quotient of the entertainment industry very seriously. The government sponsored events are also low key where we find political overtones much prominent than promotion of Marathi movies. The award ceremonies also reflect the hegemony of Bollywood business over the Marathi film business.

20. Negligence or secondary treatment to Marathi film fraternity

Despite the fact that the Marathi film industry is based in Mumbai which is the capital of Maharashtra, we find that there is a secondary treatment being given to the Marathi film industry in comparison with the mainstream Bollywood industry. While the various film industries in south India such as Tamil, Kannada, Malayalam, and Telagu enjoy a prime importance in their respective states, the Marathi film industry is subject to negligent treatment in the hands of the government and also the film trade associations and groups.

21. Low Finance

The Marathi film industry suffers from problems of low finance. The overall value chain of the business suffers due to the problem of inadequate financial support. All the functions suffer due to problem of low capital. The various departments have to cut down their inputs due to low financé which mars the quality standards of the output.

22. Low glamour quotient of celebrities:

Marathi film personalities do not command the aura and glamour of a Bollywood celebrity. This fact depreciates the glamour quotient of the industry. The Marathi film celebrities do not enjoy the brand value which can be realised in the form of advertisement assignments or promotional campaigns. This is because they do not consider themselves as stars or they o not create the aura around them of stardom.
6.1.3 OPPORTUNITIES

1. New ventures

Marathi film industry is poised for lots of new ventures for the future. We find that lot of shooting schedules are being planned and executed abroad at exclusive locations. Film releases are being planned at various locations in Singapore, USA, and Europe. This opens up new untapped markets to promote the Marathi cinema.

2. Events abroad to target the Marathi Diaspora

Various events are being organized to boost the Marathi film industry at international levels. Marathi films are being showcased at different film festivals across the world. This would ultimately generate interest about Marathi films abroad. The latest event of MIFTA in Dubai is an example of globalisation of the Marathi film industry where we have events to celebrate Marathi culture and films. The fact that the event was opened by Mr Amitabh Bachaan was a highlight of the potential of Marathi films for the future.

3. Growing middle class with surplus income to spend

The middle class growth in Maharashtra has a huge potential for the rise of Marathi film industry. The middle class has a sizable strength and commands huge resources at disposal. The emergence of Information Technology avenues have created consumer hubs at various locations in Maharashtra which can be tapped for the entertainment industry. The effect of globalization and the percolation of the positive effects of it to the masses have created lots of spending opportunities in the form of services industry. The entertainment industry which is a part of the services sector is witnessing a rapid growth. The middle class belong to a group of strong linguistic attachment to the Marathi language. This opens up a huge demand for Marathi linguistic films in the future.

4. Funds from Non-Resident Indians

The Diaspora of Marathi people abroad have been taking lot of interest in Marathi film promotion abroad. The holding of Marathi cultural assembly in the USA has generated lot of hype about the potential of Marathi films. The NRI’s have been taking lot of interest in financing of Marathi movies which is a very encouraging sign. The exchange rates calculations are so much favourable for the NRI’s that they can do a lot of change with smaller investments in dollars or pounds. The NRI’s also heavily contribute in the ticket sale of Marathi movies in the developed countries, thus making the involvement of NRI’s very profitable in the long run for the Marathi film industry.

5. Corporatisation

The involvement of the corporate world in the Marathi film industry has a huge potential. Mr Amitabh Bachan’s company ABCL private limited supported the Marathi movie ‘Vihir’ which was critically acclaimed in the Berlin film festival and also did good business in the theatres. Many companies like Reliance group have been taking lot of interest in Marathi movies. UTV productions have been very supportive for new scripts dealing with contemporary issues.
6. Tax Incentives to Multiplexes:

In metro cities the rise of multiplexes has changed the overall commercial dynamics of the entertainment industry. The government has been very supportive about the multiplex revolution and is encouraging the growth at the cost of single screen theatres in the state. The multiplexes are being utilized as a overall shopping experience and thus making the customer enjoy a host of services under one roof. The rise of multiplexes will eventually boost eh Marathi films as the revenue generated at the multiplexes is very high as compared to the single screens. The tax structure is being made more reasonable for the multiplex owners who have been demanding more incentives and tax cuts.

7. Music component

Music component is being converted in to the digital medium thus opening up of a lot of opportunities in the future. The rise of web sharing sites which deal with entertainment business will help the progress of the Marathi film music. Websites like www.tunecore.com, www.youtube.com, www.itune.com, have made remarkable changes in the way Marathi music is being marketed. The growth of 3G services in the coming days would revolutionize the way Marathi music has been heard.

8. New Channels in Marathi TV and Radio

Technology enabled viewing has made lots of channels to operate in the way of different viewing mediums. Many Marathi channels on air make the viability of the Marathi movies much more feasible, The Marathi film industry gets various options to market it and this helps in promotion of a Marathi movie. Awareness is generated about the product and this makes the sales process more simplified.

9. Events Marketing in Maharashtra

Event marketing has become very important for the marketing process in the Marathi film making process. Different agencies are today starting lots of events which are strategically used to market a movie. BIG FM started the event to promote the Marathi film music this year, these kind of events make the industry profile to rise and the overall development of the industry is appreciated by the fraternity and the masses leading to overall growth.

10. Changes in Regulatory Environment

The growth in the Indian economic structure has created lots of changes in the regulatory system of the country. The stringent regulations for the services industry are being phased out, making it more conducive for the business fraternity to function. The government has become much more sensitive to the needs of the Marathi film industry due the granting of the industry status to it since the year 2002. The changing global situation will also facilitate the movement of the Marathi film industry in a positive direction.

11. Changing Distribution Scenario

Changing distribution scenario is strength for the Marathi film industry since the new systems created on the basis of digital medium have made things conducive for the Marathi film producers, distributors and the exhibitors of Marathi films. The changed distribution system is cost effective and based on professional management systems. The professional management systems have contributed to a better understanding between the producers, the distributors and the exhibitors in relation to the distribution business. The various channels of
distribution are becoming streamlined for a smooth delivery from the producer to the consumer.

12. Animation

Animation industry has emerged as a strong industry in the entertainment arena. Many movies are being produced by using the animation medium. This is happening due to the changes in the digital creativity practised by professionals. This has lots of opportunities for Marathi film makers who can use their talent to bridge the language gap and venture in to untapped terrains. The fact that Marathi films have a very strong talent pool and logical base of a script opens up huge opportunities for Marathi films in the future.

13. Vertical integration

In order to achieve economies of scale and scope of large scale operations it is inevitable to have consolidation in both the distribution and the content segments in the Marathi film business. This will lead to management of costs in an effective manner. This would eventually lead to weaker players weeding out of the business and result in formations of large media conglomerates as the trend prevalent globally.

14. The IMAX experience

IMAX experience has created a revolution in terms of viewing habits of the masses. These kinds of new systems a creative experience leads to huge potential for the future of Marathi film industry. Technology such as three dimensional visual experience leads to consumer satisfaction which is vital for any form of service today.

15. Foreign collaboration

Foreign collaboration in business ventures brings about a synergy effect. Many business groups are eying the Indian markets due to its potential and definitely the Marathi film industry would have huge benefits due to these changes. The foreign collaboration involves better technology and managerial expertise which is critical for the growth of the Marathi film industry. New horizons

16. Bundling of strategic alliances

At present the Marathi film industry is extremely fragmented with a large number of industry players providing various services across the value chain. In the long run we will find various players who would bundle their services efficiently and form strategic alliances with cross media players with complementary skills sets to connect better with the consumers and thereby with the market.

17. Creativity

Creativity is the differential factor between success and failure for a product in the entertainment industry. Content continues to be the most critical importance and there is a need across various sectors of the industry to focus on making content more appealing to the customers while striking the right balance with the commercial potential. An effective management of creativity is extremely important for the Marathi film industry to harness the talent on one side and operations and product marketing on the other.
18. Possible corporate models (studio model variance)

The way Marathi films are being created is on a significant shift since we have changing models of film production. The earlier model of production houses which had all the essential elements for the production process are reviving itself. These systems have all inbuilt equipments which make the process faster and more effective. This facilitates the speed of production and also helps in cutting down of costs to be incurred to a substantial level.

19. Increasing importance of satellite rights and home video segments

The role of satellite rights and the home video segments have increased due to massive penetration of television media in households. The product life line for a Marathi film has increased as the transition of the Marathi movie from theatre exhibition to other form of delivery platforms has become easier. This had added value to the Marathi film as a product and service in the long run.

20. Reducing dominance of the main stream Bollywood genre

The domination of Bollywood over the entertainment industry is on the wane due to changing times. The different avenues of the entertainment industry have given enough space for the consumer to experiment. The rise of the internet based entertainment options have contributed to opportunities for various media’s of forms which are innovative enough to command audience attention. Bollywood no longer would remain as the only face of the Indian entertainment industry.

6.1.4 THREATS TO THE MARATHI FILM INDUSTRY

1. Threat of Rivalry

Marathi film industry suffers from internal rivalry which is highly detrimental for the overall growth of the industry. Rival factions in the industry clash for the resources which are highly scarce in the form of talent pool, technology, distribution, etc these conflicts make the stakeholders to go for unethical means.

2. Threat of Bollywood

Bollywood has such aura that it emerges as the biggest threat to the regional cinema, especially the Marathi films as both the industries are based in Mumbai. They both fight for the same consumer group who has a cosmopolitan background. The dominance of the Hindi film industry is overbearing on all the aspects of the management process. The celebrity status of the Bollywood stars have a huge negative fallout on the Marathi stars. This threat is very realistic since many regional cinemas have been wiped off due to Bollywood predominance.

3. Threat of Substitutes

Film based entertainment has a threat from the various other forms of entertainment which are as popular as film viewing. In many situations we find that emergence of any other form of entertainment eats into the share of the earlier one. For example the rise of the cricket league IPL in India has completely changed the entertainment situation in India. Today we find that during the IPL season there are no movie releases and whatever releases happening
have to face low turnout. Substitutes are fighting for the same ground making the competition stiff and very challenging. The rise of mobile telephony with its

4. Cosmopolitan environment

The imminent urbanisation and intermingling of various cultures creates a cosmopolitan environment. This situation removes the linguistic dominance and makes a consumer more acceptable to global impacts. The consumer tastes and preferences become uniformed which might not have any basis of language, religion, caste or community based. This is a threat from the point of view of a Marathi film business since the dilution of the consumer preference would affect the value of the delivery of the visual experience. This might create a situation where a consumer demands the quality standards of Bollywood or even Hollywood from Marathi film business, which might be difficult to satisfy.

5. To many films released making the consumers confused

The situation of the Marathi film industry today is unique with a large number of Marathi movies getting released in a very short duration. This upsets the demand and supply equilibrium causing the price factor to fall. The release of many films creates confusion in the minds of the audience who find it difficult to take a decision easily. The loss is ultimately of the Marathi industry since a consumer would invest his money for one movie and would not be able to watch many others due to shortage of time and money at his disposal. This impending threat can cause lot of damage since the situation is not conducive for the Marathi film business.

6. Advent of digital medium

The advent of digital medium is a threat for the Marathi film business as it would directly affect the movement of the audience to the theatres. The Marathi film business is mostly dependent of theatre sale and this would be affected since the consumers would prefer to enjoy a movie at home on a digital pattern. The entire business suffers when the consumer takes a decision of not going to the theatre since he is not going to go alone for a Marathi movie but would be taking his family or friends along with him. The growth of digital media is an imminent threat to Marathi film theatre business.

7. Degradation of quality standards due to stagnation

Quality and quantity do not go together. The situation where we have extreme quantity of Marathi films being produced and exhibited might eventually lead to stagnation in all the fields of film making form the production to the exhibition stage. The producers would find themselves cash starved since the financiers would not support so many projects at the same time. The distributors would find it difficult to distribute many movies at the same time at the most effective price. The exhibitors would find it difficult to allocate space due to unhealthy price negotiations. This all would lead to stagnation for the film business leading the industry into a phase of depression.

8. Political issues relating to linguistic divisions

There is always an impending threat of political motives overlapping the objective of regional cinema. Maharashtra based political outfits have consistently used the concept of language as a political weapon to arouse passions in Maharashtra. The life of a political movement is always based on the prevailing political situation. Thus the fate of the Marathi film business is related to the fate of the issue of Marathi language and its natural progression in the
coming years. The changing face of the political situation can be a liability for the regional cinema industry like the Marathi film industry.

9. **Actors and actresses getting into rival formations for better prospects**

Marathi film business has become a profitable venture in recent times due to good commercial success achieved by few projects. This situation of profit assurance can fragment the Marathi film industry into rival formations where some group decides on the course of action on personal calculations than professional acumen. This trend is visible in the Bollywood business where we find rival camps being created who work against each other to promote their own interests. This trend in the Marathi film industry can be quite damaging considering the fragile nature of the Marathi film business.

10. **Changing consumer psyche in terms of interest and preferences**

Marathi film audience as a potential consumer have been showing inconsistent behaviour since many years. We have witnessed a depressive stage of business in the 1980’s where the survival of the industry was at stake. After the success of few movies in the 1990’s onwards we find the revival of interest and the extraordinary success of Marathi films in the 2000’s generating so much enthusiasm in the audience. But this is a extremely dangerous situation considering the decline of the Marathi theatre business which was doing so well few years back. Thus taking the consumer for granted is a huge threat for the Marathi film business.

11. **Language problems**

Marathi film industry is based on the basis of Marathi language. The evolution of digital medium is slowly changing the way people communicate, for example many youth are found to be very fluent in typing on their mobile phones than writing in the conventional sense. The role of language has to undergo a change which is amazing to understand. In a situation of Marathi language losing its relevance we might have direct impact on the Marathi film making business. If language as a differential factor changes, then there is no exclusivity for any form of interface.

12. **Movement of producers from Marathi industry to Hindi**

Marathi film producers have a tendency to explore ventures in Hindi film industry after they taste success in the Marathi film business. This trend is a huge threat as the movement of the producers into the bollywood business creates a loss for the Marathi industry in terms of productivity. There have been several instances where people have migrated in to bollywood and settled there forever.

13. **Entry of dubbed and crossover films/Hollywood films**

Marathi films are different due to content being in Marathi language. The emergence of cross over movies or the dubbed movies form Hollywood has created a strong threat for the regional cinema producers. For example the movie Spiderman was dubbed in various Indian languages such as Guajarati, Bhojpuri, Malayalam, etc this created lot of revenue for the Hollywood movie which are created on huge investments at a high level professional expertise. There cannot be a comparison between the Marathi film industry and Hollywood industry. This is a big threat for the future of Marathi film industry.
14. Threat of animation and new technology enabled content

There are situations in new inventions on the technology front which pose as a threat for the Marathi film industry. There are possibilities of technologies which can have interface of language between different linguistic groups more feasible. If the barrier for language is removed then there can be no exclusive status of any regional film industry. If the exclusivity is lost for the Marathi film industry, then we might have the inevitable command of Bollywood over the entire film making business in India excluding the south Indian states.

15. Problem of censor board

The Marathi film business has an imminent threat from the side of the delays in the procedure of the censor board to get necessary approvals for the release of the movie. The censor board has a critical role in passing the Marathi films on the determined guidelines and suggesting necessary cuts if required. Changing socio economic considerations have a effect on the way a censor panel reacts. This is a threat since the Marathi film business is at the mercy of various political considerations before a decision is taken. The government also determines the compliance of procedures to be followed and the changes in the administrative policies of the government ultimately has a huge impact on the Marathi film business.

6.2 CONCLUSIONS OF THE STUDY

1. GROWTH OF THE MULTIPLEXES IN MUMBAI CITY

Coming up on the ranks of the single screen cinema halls and rapidly gaining in consumer preference are the glitzy multiplexes. We find these new avenues of movie screening flaunting their corporate and financial strategies. A host of services are being offered to the consumers in the form of credit card purchase, computer tickets, professional managers overseeing different aspects of the visual experience and an ambience lets you believe that you are watching your choice of a movie in a 5 star comfort. From the advent of Indian cinema, films have been made to cater to mass audiences. The audience was perceived as composed of family nits and therefore single screen large theatres had huge infrastructures having 1000-5000 seats.

The question was that whether these large cinema halls could continue to support the kind of films made for all these years, for which audience support was clearly on the decline. It was also difficult to dish out large films at a regular rate for the film industry to fill up the seating capacity in the theatres. The answer is reflected in the growing popularity if multiplexes which have been able to attract the audience by way of providing customized viewing solutions. In Mumbai city, we find that multiplexes are also gaining increased acceptance from producers and distributors. Earlier it was very difficult for the producers or distributors to verify the ticket sales or revenue collections of cinema halls. They had to rely on information from the exhibitor who might not give authentic information. This problem has been taken care by professional systems in multiplexes where the producers, the distributors, and the exhibitors work in tandem so that the delivery mechanism is smoothly operated. A successful model for multiplexes involves setting up a chain of family entertainment centres which cater to individual demand of every member of the family. This multiplex model is
based on the concept of umbrella entertainment built around a primary anchor which is movies. The income generating channels in a multiplex revolve around box office collections and food and beverages. It is imperative that a steady stream of movies is provided with quality content so that the audience is attracted creating a steady flow of footfalls.

2. ADVENT OF DIGITAL TECHNOLOGY

In March 2002, the government of India reduced the basic duty on certain elements of studio equipment and digital projection. This was in recognition of the fact that digital cinema is an area of potential growth. Digital cinema encompasses the production, delivery and projection of full length motion pictures, trailers, advertisements and other audio–visual cinema quality programmes to theatres using digital technology. The digital cinema system uses a store and forward concept to distribute motion pictures which have been digitised, compressed, encrypted, and delivered to theatres using either physical media distribution such DVD ROMs or through electronic transmission methods such as satellite network. Technicolor digital cinema simultaneously meets the goals of distributors, exhibitors, the creative community and movie going audiences. It has an effective interface with utilisation of existing screens and sound systems on the basis of digital transition. The benefits of digital technology are available for Marathi film producers, directors, distributors and exhibitors. By way of

a. Perfect copies- films have a limited lifeline and image of the opening night will not look the same 5 weeks later. Digital copies guarantee perfect duplication offering consistent quality or multiple locations. This however requires the theatre equipment to be maintained properly taking advantage of computer and communication technologies.

b. Improved time to market- the use of satellite technology effectively transfers films across the globe removing all problems of physical distribution. Thus a film could be potentially screened around the world at the same time, thus making it a wonderful marketing strategy. Digital medium also helps to tide over the cost of print which is not affordable for the mid-level producer. Care should be taken to have superior level conversion to digital format thus eliminating any damages to the quality aspect.

c. Reduced piracy- use of digital technology with solution such as end to end encryption, digital finger printing have made things easier for the film fraternity since they put a significant dent into the problem of piracy. Most of the piracy issues have been related to the stage of film development from negative to positive at film laboratories. This mode of piracy has been put to an end due the use of digital formats.

d. Cost issues- the economic model of the digital cinema system shifts the main theatre variable cost driver away from the cost of the print itself and towards the cost of procuring new capital equipment. The main cost component is the electronic projection equipment based on the size of the screen. As more multiplexes are built, the most popular motion picture can be shown on more screens with the reduction in the cost of prints.

e. Film distribution model- the economics which drive the digital cinema are significantly different from those of the typical distribution model. The film based distribution model as it exists today is the variable cost driven that means the cost of the system is dependent on the cost of the print multiplied by the no of copies. The more the no of prints required
the more is the cost. Digital cinema changes the entire economic model where rather than having high variable cost associated with the number of prints; the primary expense in conversion to the digital format is the one time capital expense.

3. ROLE OF BRANDS IN MARATHI FILMS

Marathi films are a source of mass entertainment and hence any effective way of increasing brand visibility to capture consumer mind space. Over the last 3-4 years brand owners and advertisers have increasingly sort product placement opportunities and co-promotion associations with leading Marathi films. Product placement is a form of advertising wherein brands, products, services or names of companies are positioned in motion pictures and television programmes. Product placements can be through verbal mention, signage, actual use of the product itself or visual display of corporate logo. By virtue of its usage in a very effective and a strong visual medium such as films, product placements and related brand promotions have the potential of influencing public opinions and consumer responses to products or brands displayed in feature films or in the marketing of such films.

The producer’s perspective is that since films have become more expensive to produce as both above the line and below the line cost continue to increase due to increase in cast and crew and production expenses. Cost of marketing has gone up and the need to spend on marketing is based on ever rising consumer expectations. Products placements help lower the production and marketing cost of the film. Thus it is a golden opportunity for a Marathi film producer to compensate the heavy investment put into the film business.

The brand owner’s perspective is based on the ability of the visual medium to target audience at a wider scale. Use of brands in product placement is a cost effective major where brand visibility awareness reaches mass audience at an affordable price. Since the movies eventually migrate to television and home video distribution platforms in domestic and international markets, such opportunities also offer an added advantage of association with celebrities without spending on huge endorsement fees.

4. REASONS BEHIND THE DECLINE IN MARATHI CINEMA

There is more than one reason that was responsible for the decline. While Marathi theatre was doing quite well and earning recognition nationwide and state wide, Marathi cinema was consistently failing to make a mark. Firstly, the proximity to the Hindi Film Industry popularly known as ‘Bollywood’ was a major reason. ‘Bollywood was encroaching on the identity of Marathi Cinema. These Hindi films with their larger budgets, more known faces and larger than life screenplay were obviously the more attractive option for masses. Also, with the limited number of halls for distributing and exhibiting Marathi films, people were not being able to experience this regional cinema. Obviously, when one does not experience something he cannot demand it, and this lack of demand posed as a negative motivator for Marathi producers. Lack of marketing, minimal or no Public Relation activities, small budgets, repetitive star cast, over stressing of a particular genre (releasing a number of films of a particular genre in a short span of time resulting in the audience feeling bored of the genre and gradually shifting to other cinema) and the privatization of TV channels are other major reasons. Lobbying is said to be very important when it comes to nationalizing and promoting regional films. Marathi Cinema lacked this power unlike the Bengali Film Industry and South Indian Cinema.

Historical factors too have their contribution to make in Marathi films not doing well. As we know it, Bombay had spread its distribution territory over three language zones; the market
for Marathi films was now almost confined to western Maharashtra alone. On the flip side, costs of production of Marathi films had steadily been raised due to the advent of better-paying television jobs as also the regional cinema’s geographical proximity to the more lucrative all-India Hindi film industry.

5. DISTRIBUTION OF MARATHI FILMS

Place refers to the place where the product can be finally viewed by the audiences. The place refers to firstly the single screens that run Marathi films and also the multiplexes that screen them. Single screens like Apsara, Glory and Alankaar in Mumbai and Thane have been releasing Marathi films since the last 3-4 decades and continue doing so. Multiplex culture now also entails Marathi films. PVR, Fun Cinemas, Big Cinemas and Cinemax all exhibit Marathi films for due to Government compulsion, profit motive and protection and preservation of culture. The film industry mainly undertakes multilevel marketing (mlm) wherein the product (movie) is sold through distributors. Other names for mlm are network and matrix marketing. The mlm concept is based on a promise from a company that if a person signs up to sell their products, they will pay a commission on all sales generated by that person as well as other distributors the person recruits. It is either sold at a fixed price where the distributors have to bear all the loss and in case of profit they don’t have to share with the producers; or it is at MG (minimum guarantee) basis. In MG basis risks are shared by both, the producer as well as the distributor. Nowadays MG method is prevalent. Decisions regarding the number of prints required in each territory and the number of languages it needs to be dubbed is also needed to be taken on time so that distribution can take place smoothly. Also the various other mediums through which the movie can be released, satellite, video CDs, and other such mediums are to be considered. The release pattern of the movie affects the movie market. A wide release is preferred. With a wide release, the producers and distributors can realise revenues to recoup their investment in a shorter time period (provided that the film is successful). Thus a timely distribution of the movie plays a very important role in its success.

6. MARATHI FILM FINANCE

Today, the Marathi Film Industry is a great sector for foreign investment by corporate entertainment companies but it has yet to be tapped. The Marathi film industry is said to be growing at 30% per annum which is commendable. But the trend is that only 5-6 films out of the 85-100 films released do well commercially. Though risks are high on a per-movie basis, the risk can be spread out by corporate houses, similar to what happens in Hindi films. The Marathi film industry to a large extent is disorganized and informal and lacks professionalism. But the positive trend is that big players like UTV Motion Pictures and Zee Talkies is investing quite heavily in Marathi films and showing confidence in them. Some of the well known production houses of Marathi films are Zee Talkies, UTV Motion Pictures, AB Corp. Limited, Ujjwala Arts, Golden Plaza and Jai Shankar Movies and Satya Ashwami Films.

Marathi Film Distributors usually pay 50 per cent of the film-making cost and leave it to the producer to get the rest of the finance from other sources. These ‘other’ sources are usually:-

A. The conventional moneylenders who lend at an interest rate of 33-42 per cent annually;
B. Non-conventional but corporate resources...
C. Promissory note system, known as ‘Hundi’ system: this is the most widely prevalent source, and

D. Underworld money: about 15 per cent of the movies are suspected to be financed by these sources.

E. Increasingly, Marathi films are also being funded by Maharshtrian politician’s and political parties. For instance, there was news that Shikshanchya Aaicha Gho and Lalbaug Parel produced by Mahesh Manjrekar were funded by Raj Thackeray, MNS chief.

F. Corporate houses like BIG Entertainment (Reliance) is also looking at Marathi Films as an area of investment and has signed a multi crore, 5 film deal with Mahesh Manjrekar. According to inside sources BIG Entertainment is going to invest Rs.96 crores in Marathi films between 2010 and 2014.

At the start of 2002, the average Marathi film was budgeted at approximately Rs 50 lakhs but today due to awareness of quality among the producers and consumers, the average Marathi film is budgeted at Rs 1 crore. Marathi film producers have now understood the importance of technology and are becoming quality conscious about their product. A low budget Marathi film can be made for even as low as Rs 35,00,000. Unlike Hindi films in which ‘stars’ charge exorbitant sums, in Marathi films the Director charge the highest sums. Actors usually charge less than the directors and then music directors, editors and high end technologies and foreign locations are expensive in that order.

7. BOX OFFICE TRENDS IN THE RECENT YEARS

Marathi film business has seen an upward trend since the year 2000. Various factors have contributed to the dramatic rise of the box office collections for Marathi films. The revenue generated has been substantial considering the level of competition within the Marathi film industry and other related film industries. The Marathi film industry has been able to create a niche for itself in the face of threat from Bollywood which is a more dominating industry especially to Mumbai city. The recent trends for the last few years have shown considerable returns on the investments put in. We have seen Marathi movies like Natrang, Vaalu, Tingya, Shikshnaya cha aicha gho, Zenda really doing well in the theatres in Mumbai. The surprising trend has been the good response the Marathi movies have been getting at the multiplexes across the Mumbai city. The trends have been that in the last five years we find that 70 to 80 films every year have been cleared by the censor board for release. In them we find that actually around 30 to 40 films have actually witnessed a release in a theatre. This means that around 40% to 50% of the Marathi films cleared by the censor board do not get released on professional lines. They might have a small release in a rural place or at a theatre in Kolhapur or Satara etc. This means that the Marathi movies are not actually reaching the audience in a way they should. This clearly reflects on the revenue collections of the Marathi film industry because despite having a situation where we have so many releases we find very less impact on the box office collections. Due to the problems of exhibition in the city of Mumbai due to high rates of exhibition we find that on a year basis 20 to 30 Marathi movies are released on a professional basis in the city of Mumbai. This means that on a monthly basis we have 4 to 5 Marathi films being released every month in Mumbai city which is very low on count. This has an adverse effect on the box office collections of Marathi films in the Mumbai city. The revenue collections of few movies in the last year have been pretty outstanding even surpassing many Hindi films collections at few theatres, but this trend is only visible at a limited level and does not have any mass scale.
8. THE RESURGENCE OF MARATHI FILMS

The resurgence of the Marathi film industry has been dramatic considering the fact that the Marathi industry was facing depressive trends in the 1980’s and 1990’s. We find during that time so many problems thereby affecting the overall quality of the Marathi movies. The Marathi film industry lost consumer loyalty since the quality was not good enough. This phase was responsible to create an image that showed the Marathi films in poor light thus forcing many talented people in the industry to migrate to more lucrative destinations. The industry lost its credibility due to lack of professionalism and trust.

The new lease of fresh air came when the movies Shwaas was released in the year 2000. This Marathi movie was a low budget venture and the story line was a simple one about a young boy from rural place and his grandfather. The boy is about to lose his eyesight due to some serious problem and his grandfather brings him to the city doctor for treatment. The grandfather allows the child to enjoy one day of fun and frolic since he is about to be submerged in darkness due to his failing eyesight. The Doctor in the movie talks very scientifically and the grandpa talks about sensitivity and the essence of life. This amazing story not only gave success, name and fame to the movie but it actually gave life to the Marathi film industry. The nomination of the Marathi movies for the Oscars in the best foreign film category gave the needed confidence to Marathi filmmakers to rejuvenate. The consumer confidence which was eroded due to a bad patch was reignited and the consumers felt a happy factor to again watch the Marathi films. We find the overall media giving lot of critical acclaim to the movie boosting the status of not one movie but of the entire industry. The other Marathi film makers realised that if the venture comprising of multiple producers can succeed then it was surely they have a chance to prove themselves in the field of creativity and commerce. The success of the film of the film gave Marathi films the entry in the multiplexes arena which was till then only reserved for Hindi film business.

We can see that post 2000 there has been a huge rise in the number of Marathi film ventures on the floor. The financiers have reignited their interest in the industry again by funding various projects. The role of corporatisation has gained entry in to the Marathi film business due to resurgence of the concept of a Marathi film to be a good product to be delivered to an eager audience.

9. MARKETING PROCESS OF A MARATHI FILM

The Marathi Film Industry on an average today churns out 90-95 films a year. Bollywood, in contrast, alone churns out around a thousand films a year, making it the second largest motion picture industry in the world. The Marathi film industry, just like the Hindi film industry does not give enough importance to marketing. Depending on the total budget of the film, budget for marketing is decided. And accordingly the time of beginning marketing is also decided. Between 2004 and 2009 the Marathi film industry industry spent only around Rs.18.5 crores on film and music promotions. While a producer ideally must invest 20 to 25 percent of the total production budget on marketing and promotions, which should actually have been Rs 48 crores. Much remains to be done in terms of marketing to realise their full potential. Bollywood superstar Amitabh Bachchan has said Indian film industry requires more "discipline" and needs to emulate the west to market its products and find a larger global audience”.

For the longest time, Marathi producers have been inconsequential in the marketing of films to consumers. As a result, a number of good films like HarsihchandrachiFactory and
MeeShivajirajeBhosleBoltoyetc. due to low-profile marketing failed to pull audiences to theatres even though they were much stronger in content as compared to other Hindi movies running in the theatres at that time. Later, it was only through word of mouth that the movie got a response. Yet, there have been instances of average films doing well because of the smart marketing strategies employed by its producers and distributors just before the release of films. It is a proven fact that good marketing can even make a mediocre film do well commercially. Hindi films produced by Dharma Productions like Kaal and My Name is Khan were not very well received by the critics but they were marketed and promoted so well that they both had net revenues of Rs 18 crores and Rs 72.14 crores. Marketed well with the peg on an ‘item number’ by Shah Rukh Khan and Malaika Arora did the trick for Kaal and the Shiv Sena controversy (which sources say was planned) did the trick for My Name is Khan.

By this we can conclude that marketing is essential and more of the film’s budget must be put into promotional activities, brand building and PR activities. Marathi films need to become more market oriented and producers must understand that only a strong product is not enough to ensure success good marketing is also a must.

10. MARKETING MIX FOR A MARATHI FILM

A combination of marketing elements used in the sale of a particular product, the marketing mix is centred on combining elements of the seven P’s of marketing: product, price, place, and promotion, physical evidence, process and people. These marketing mix components must be combined in an optimal manner depending on the nature of the products and services. In determining the marketing mix, one should carefully define the marketplace, the product positioning, and the unique selling proposition. The target market and market requirements have to be decided too based on the Test Marketing analysis. A plan is made looking at the sets of audiences whom the film appeals to the most, & accordingly marketing budgets are allocated & publicity campaign is planned and launched, e.g. according to test data, the film is intended to appeal to Marathi-speaking, college-going groups, then marketing & publicity campaigns are focused on such segments. The objective is to target the right audience & to derive maximum mileage from promoting & exploiting the product. For example, director Mahesh Manjrekar’s ShikshanachyaAaichaGho was targeted towards the young generation of Maharasthra so all its marketing was specific to youngsters. “Marketing attitude” behind each of these critical elements of engaging people in the exchange of entertainment and enlightenment for the greenback is discussed below. Marketing is being done consciously and unconsciously at each stage in a film’s life cycle. Right from the time the story is thought and the cast is selected, the marketing process begins. Directly and indirectly, the news that is spread about the movie tells the customers about it thus promoting the movie. The marketing team is vast consisting the strategists, negotiators, publicists, photographers, graphic designers, sales representatives, film writers, media producers and announcers, editors, radio jockeys and many more specialists who move the product from a script through the industry system into the consumer system. Marketing a movie involves a roll-out calendar that first reaches out to industry channels: distributors, theatrical exhibitors, sales reps, producers’ reps, and the industry media.
11. MARATHI FILM AS A PRODUCT

Product of a film mainly refers to the final film that is released in theatres or exposed to consumers in any other medium and in the condition they will watch it. The product in Marathi film needs to be very strong as we realize that due to the encroachment of Marathi films by Hindi films, the demand for Marathi films is going down and only the very strong Marathi films manage to garner profits and critical acclaim while the mediocre or poor quality films fail.

Between 2000 and 2009 approximately 850 Marathi films released out of which only about 90 did well commercially. These 90 films were the high budget, strong content films and did well as the producers had done certain primary research to gauge as to what the consumers were looking for in the respective time periods. A movie product also consists of intellectual property than can be ported to a variety of deliverables: theatrical exhibit, non-theatrical exhibit, video tapes, DVDs, CDs of the soundtrack, collectible editions, television and cable broadcast, Internet-served, and then there is the split dimensions of domestic, foreign, and niche markets. Not to mention ancillary products such as clothing, toys, games, posters and even restaurants for successful franchises. And then there are the franchise rights, endorsements, product placements and a host of offshoots that are bought and sold, leased and rented.

12. FILM DISTRIBUTION AND EXHIBITION

Distribution and exhibition are the key elements in the value chain of the film industry. The present distribution system across India is territory based system. The country is geographically divided into distribution territories and producers tend to sell the distributing rights for each territory. The distributor could then sell his rights to sub distributors who cover certain sections in a territory. The entire market for Indian films is divided into 7 physical territories, 6 in India and 1 comprising the overseas market. Not all the territories are the same, there are major territories and minor territories depending on the market size of the audience for films there. The Mumbai territory which is the most lucrative one since it has a huge market comprising of several linguistic sections of the audience who belong to a group with substantial surplus to spend.

1. Film distribution business is a relatively risky business. The nature of the business of film distribution is based on risk taking. There is no pre determined

2. Physically distribute the product

3. Reduce risk by providing minimum guarantee to producers.


13. RISK PROFILE OF THE INDUSTRY

The risk profile of the film industry can be segmented into

1. Business risk
   a. Demand projections are difficult to make and success is highly uncertain
   b. Film making is time consuming, as the process is highly disorganised with no commitment to schedules.
c. Cost over runs affecting project profitability.

2. Industry risk
   a. Lack of corporate structure as majority of film producers are still proprietorship concern or partnership concerns.
   b. Impact on ticket sales by alternative mediums of entertainment like T.V.

3. Finance risk
   a. Lack of transparency at all levels in operations.
   b. Reluctance to reveal exact figures.
   c. High entertainment tax.
   d. Problems of film insurance

6.3 RECOMMENDATIONS OF THE STUDY

A. PRE PRODUCTION

1. Finalisation of the complete script prior to commencement of filming-

   On the interaction with the Marathi film fraternity the researcher feels that a professional managerial perspective is important for smooth functioning. The conception stage of any Marathi film is based on a script. The script works as a foundation for the overall progress and completion of the filming process. It is extremely important to have a professional attitude towards the scripting stage as is it the first level of the managerial process which is the planning stage. A complete script makes things very transparent for the producer so that he can utilise his production team for proper scheduling and budgeting. All necessary allocations of resources with proper budgets can be allotted to respective departments. By this way the entire production unit knows what is expected from them, at what cost it is expected and what is the process by which it is going to be completed. This defuses any doubt in the minds of the production team thereby making them more effective and efficient. All the departments of the Marathi film production team know what resources they are going to utilise and at what cost. The people element in the production process is through to a situation of complete transparency and accountability. A complete systematic script can be scheduled into a plan of action on the basis of day or timings. This leads to optimum utilisation of resources at disposal.
2. **Availability of the complete script with the concerned film actor or actress**

Marathi film stars would be highly benefited if a complete script is made available to them before the production process starts. It is extremely important for the Marathi film stars to allocate their dates for filming to respective production houses. In situations where there are delays and confusion, they suffer due to dual dates given to production houses or overtimes leading to loss of valuable time and money. The overall managerial process is affected due to this confusion and chaos. It is strongly recommended to make available the script with a proper plan of action to all the stakeholders in the production process. This will simplify the problems in the Marathi film production process whereby all conflict situations can be curtailed in advance. A Marathi film actor/actress would then know how many dates he has allotted to a respective Marathi film producer and on the basis of that prepare his yearly or monthly schedule. The overall Marathi film industry would be benefited if all the production schedules are amalgamated into a single line of action. This will save wastage in resources and thereby enhance productivity and efficiency.

3. **Finalisation and communication of the production schedules**

In a managerial process, communication is extremely important. Marathi film management process should have a systematic approach towards the rule of communication in the system. The production manager should keep all the departments and units involved in the production process properly communicated. This will help to avoid any miscommunication and confusion in the process. This implies that the people involved in the filming process know what they are required to do and at what cost. Communication errors have been resulting into delays of production schedules which will be eventually be minimised due to proper communication. The Marathi film production houses should practice both internal communication which is within the production team and external communication which is to keep others outside the production team informed about the various happenings. All the golden rules of communication to be put in place avoid confusion and thereby enhance productivity.

4. **Signature on the terms of contract**

Marathi film business should implement strict legal procedures in terms of contract matters. After finalisation of agreements with the different stakeholders such as the production team, the Marathi film actor/actresses, the technicians etc. a legal document specifying all the requirements of a valid contract should be incorporated the terms of the agreements should be very clear and transparent so that both the parties know exactly the repercussions of non-compliance. This will save money and resources in terms of any conflict situation between parties concerned bring about transparency and credibility in the functioning.

5. **Time and cost budgeting of the entire process**

Marathi film business should have a professional attitude towards the budgeting aspect of financial management. The entire process of a Marathi film from the production to the exhibition stage should be calculated all the parameters of time and cost. This professional attitude of management can check if there is any deviation from the proposed allocation. Even in case of any deviation proper corrective actions can be taken to avoid lapses and delays in the functioning.
6. Determining the revenue potential of the film

A proper research is extremely important for a Marathi film to find its revenue potential. The film producer or a production house must know on a scientific basis the expected returns of the Marathi film. More technical angle should be taken to ascertain the expectations rather than having an unscientific attitude.

7. Involvement of distributors in product planning to enable drawing up of effective distribution strategies- alignment of production values with marketing strategies

The marketing process of a Marathi film should be integrated keeping in mind the entire distribution line from the producer to the consumer. The role of the distributors and the exhibitors acquire critical significance since they are the people who the pulse of the audience. Due to their close encounters with the audience, they are in a position to assess the tastes of the consumers. It is in the interest of the film producers to integrate all the channels of distribution in the production process. This will add value to the final output which is a Marathi film.

B. FINANCING

1. Legal and conventional sources of financing through banks, financial institutions or Individuals

The Marathi film business should rely on legal and conventional sources of finance. This aspect is most critical since procuring finance from unconventional sources eventually creates problems for the producers. We find that lot of unaccountable wealth gets into the Marathi film business leading to unhealthy situations. The Marathi film producers should talk to banks and financial institutions or individuals who can provide them adequate funding on legal basis. Since now the film industry has been given industry status, Marathi film producers should not hesitate approach the legal sources of finance. Many cooperative banks have recently shown interest in the film business, the Marathi film producers should negotiate with them.

2. Credit enhancements through insurance and completion guarantees

Since the credit requirements of a Marathi producer are flexible to change due to circumstances, he should apply the component of insurance to the film making activity. The support of insurance companies would give Marathi film producer the necessary leverage to do business. Given completion guarantees would enhance the credibility of a Marathi film as a product and also make funds available in situations of critical importance.

3. All payments through cheques and drafts

The Marathi film producers should make all the payments through cheques and drafts. This would bring transparency in financial dealings making all the parties accountable. The Marathi film business needs to become professional in financial matters thereby using legal tenders of exchange. Use of cheques and drafts would assure the receiving parties the credibility’s of the Marathi film producing house. By this way it would become easy to trace the source of any monetary movement and also track it if needed so.
C. PRODUCTION

1. Adherence to pre decided schedules and strict compliance with time and cost schedules to avoid overruns

Marathi film business should have strict compliance with determined schedules. The process of management needs to be followed in latter and spirit. On the basis of pre decided schedules which are prepared at the planning stage the execution department should comply with it. Many Marathi films run into trouble because of lapses with time and cost schedule. This leads to loss of revenue and delays ultimately affecting the pre decided releases of a Marathi film. A Marathi film producer should create systems in place to monitor any deviation and devise corrective measures.

D. POST PRODUCTION

1. Emphasis on technical aspects including dubbing, editing etc resulting in higher post production costs

Marathi film business has to develop itself on the basis of benchmark setup by Hollywood and Bollywood. The Marathi film business should give lot of importance to technical aspects in the post production stage. This requires lot of innovations and applications of emerging technologies in Marathi films. They should involve professional editors to do the editing function even if it adds to the cost incurred. Components like dubbing are very important since they enhance the production value of a Marathi film. These are all aspects that need to be considered very seriously since ultimately they are responsible for a quality product to be delivered to the consumers.

2. Development of an integrated plan of action spanning across communication media

Marathi film business consisting of all the elements in the marketing process should formulate an effective communication media mix. The promotion mix involving different forms of media should be structured in an integrated manner with a single focal of action. In today’s business, marketing operations have become extremely important and the promotion activity is the cutting edge of marketing. A Marathi film producer or distributor should see to it that the real message delivered to the audience in the most effective manner. He also has to consider the calculation of time and money factor in devising the communication mix. All necessary advanced marketing tools need to be implicated in order to have the necessary impact on the audience. The impact created on the basis of integrated communication mix for a Marathi film is going to eventually get the consumer as the audience in a theatre.

E. DISTRIBUTION AND PROMOTION

1. Development of integrated film distribution plans including release in theatres, satellite and video and others

Marathi film business needs to create an integrated film distribution plan involving all the functionaries in the film business. They need to understand the dynamics of a film release
since the timing of the Marathi film release is most important for recovery of money invested. In a competitive environment the right timing of release makes or breaks a Marathi film. The release date should be meticulously selected on the basis of a well researched plan and industry instinct. The overall recovery of a Marathi movie is not only dependant of theatre sale but it is today dependant on factors such as music rights, satellite and cable rights, internet rights, DVD/VCD rights etc. thus a Marathi film producer should see to it that all the varied opportunities of making business are totally utilised. Thus a Marathi film producer needs to plan his Marathi film release along with a suitable release date of other related avenues of distribution.

2. **Development of an comprehensive marketing and promotion strategies**

Marathi film business needs to effectively use model marketing strategies. Today’s audience has ample of opportunities vying for limited audience attention. This situation needs to very intelligent marketing. Corporate tie ups, sponsorships and merchandising are the new trend of exploring multiple windows available for Marathi films to monetize content in otherwise cash strapped market. This trend originated from Hollywood and slowly has caught the imagination of the Bollywood industry. This part of the marketing mix is the most important in determining whether a film is successful or not. For most Marathi movies aimed at a mass audience, the opening weekend is crucial to its box office performance. If it does not open well (Friday to Sunday) then it is likely to be a flop. Therefore most of film promotion is designed to open a movie big and then hope that positive word of mouth will kick in afterwards.

But there have also been many circumstances in which Marathi films like HarishchandrachiFactory picked up slowly after the first Monday after release due to very positive word of mouth publicity, critical acclaim in media and good PR. Promotion involves advertising, publicity and sales promotion techniques. Advertising consists of paid for space (in a magazine for instance) or time (on television and radio). Publicity includes the reviews of the movies but as it can be negative also it cannot be considered as publicity completely.

It also includes interviews and profiles on a film's actors and, sometimes, the director even though this takes place only in Marathi newspapers and magazines. This would also be 'free of charge' to the film's distributors (who are responsible for the marketing) and will be positive. In addition, newspapers, magazines, radio and television programmes may carry stories about the making of the film; most of which would be positive. Distributors can be confident that coverage will be positive because of the nature of the 'publicity circus'. In Marathi film industry, the film analyst’s relationship with the producer, distributor or film actors influences the reviews. The promotion must be affective in two ways: (a) it must give the right impression about the film (b) to the appropriate audience. For this reason, promotion has to be well planned and should begin as early as possible. If ad space is taken in magazines or newspapers or else banners and hoardings are put up on billboards, BEST buses or on bus stops, it must be made sure that ‘visibility factor’ is taken into consideration.

**F. PRICING**

Movie making is an art as well as commerce. Producers, Directors, actors and other all involved in creating the movies are nothing less than the artists. Artists should treat their art as art and take the process of making it as seriously as anyone takes their chosen profession. Great skill and insight are required in order to create truly original art (movie). Each movie-maker perceives his product (movie) as an excellent piece of work but has an extremely
difficult time convincing the distributors (his buyers) and justifying the amount he wants to get for it. Usually the Marathi film producers distribute their own films. Nowadays, large corporates like UTV Motion Pictures are increasingly buying Marathi films. Pricing of the movie should be done realistically, understanding and respecting the movie business. Sometimes, a large number of players exist in the distribution segment, each operating in one or two territories. Since there are only a few national players, a producer generally sells his film to more than one distributor, who bears the marketing, publicity and print costs with the producers. Differential pricing of rights for different territories is the general norm as the revenue earning potential of different territories varies widely due to diverse consumer preferences. The distributors almost always compare the work with the others. Thus pricing of movies is cost as well as market based.

G. TRAINING AND DEVELOPMENT

It is imperative that in Marathi film industry strengthens advertising training infrastructure in order to ensure adequate availability of requisite creative and technical skill sets. This is necessary to induce professionalism and raise work standards to global levels. The state owned film and television institute of India (FTII) at Pune remains the only national level institution for film making in the country. This institution also needs up gradation of its infrastructure and equipments. Moreover, the focus of FTII is not only limited to Marathi film industry, but it caters to Bollywood. There is also a shift to mainstream Hindi cinema from experiment or parallel cinema. There is a need for the private sector to bring about new initiatives in terms of institution building. The institution created by Subhash Ghai named whistling woods in Goregoan; Mumbai is a leading example for other private parties.

H. CORPORATIZATION

Corporatization would enhance the value of Marathi film making business. Due to corporatisation Marathi film makers will increasingly outsource functions or processes in order to control costs and to concentrate on aspects of core film making. Corporatisation would lead to a greater focus on product marketing for a Marathi film producer. There will be a concerted effort among producers, distributors, exhibitions and owners of other rights (including music and satellite) to draft an appropriate marketing strategy before the release of Marathi film as a product. This trend would largely be visible for pre launched marketing campaigns undertaken for Marathi movie. The aspect of corporatisation would enable the Marathi film industry to significantly step up its marketing efforts to help it move into the global arena. Marathi films will release the potential of merchandising and in film advertising which has been untapped until now. Concepts like brand creation would become a reality for Marathi films if corporatisation is put into place. Corporatisation will also facilitate availability of adequate of reasonable financing for the industry. The transformation towards corporatization is not only structural from individual to corporate entities but it will encompass incorporation of the best practices in the gamut of processes such as talent management, pre and post production of content, retail marketing of Marathi films, music, radio and television and organisation of mega events relating to Marathi film business.