

# Film as a Form of Cultural Medium: Trends of the Film Industry

Yunlin Gao \*

School of Arts, Emerson College, 02116 Boston MA, USA

\* Corresponding author: alysia\_gao@emerson.edu

**Abstract.** As an important form of entertainment, this paper delves into global cinema, analyzing the significant factors that have shaped the patterns people watch and evaluate films in recent years. The paper focuses on three primary dynamics: the COVID-19 pandemic, the diminishing qualities of movies themselves including the proliferating numbers of remakes and sequels, a perceived decline in film quality attributed to Hollywood's emphasis on political correctness, as well as the emergence of streaming services and short video applications. The epidemic has greatly transformed the conventional practice of seeing movies in theaters, expediting the transition to digital platforms. Simultaneously, there is widespread discontent among people over the current standard of movies. The emergence of streaming and platforms for short-form material has caused the audience to become more divided, providing a wide range of options for viewing and posing a challenge to the traditional cinema model. The complex interplay between these forces and their collective influence on the future of film as a cultural and entertainment medium.

**Keywords:** Film industry; cinema; pandemic; Hollywood; streaming media.

## 1. Introduction

Film, as a vital entertainment production in society for hundreds of years, has captivated audiences worldwide with its unique narratives, visual arts, and auditory arts. It is both cultural heritage and artistic expression, which records the value of human history and culture. It not only conveys emotions and, but also carries profound concepts of life. Throughout history, every technological advancement reflects cultural progress and preferences. Such medium has evolved its form over time. From the early days of black and white film cameras to today's digital cameras that capture images in high definition, from cinema to streaming services. Also, the evolution from traditional cinema screenings to streaming services underscores a dramatic change in how films are distributed and consumed, especially in recent years.

Moreover, the enhancement of technology has reshaped how people critique and appreciate films. The flourishing film industry has spawned many excellent films works, hence, allowing people to form certain degrees of aesthetics and having more freedom to choose the film content that aligns with their preferences.

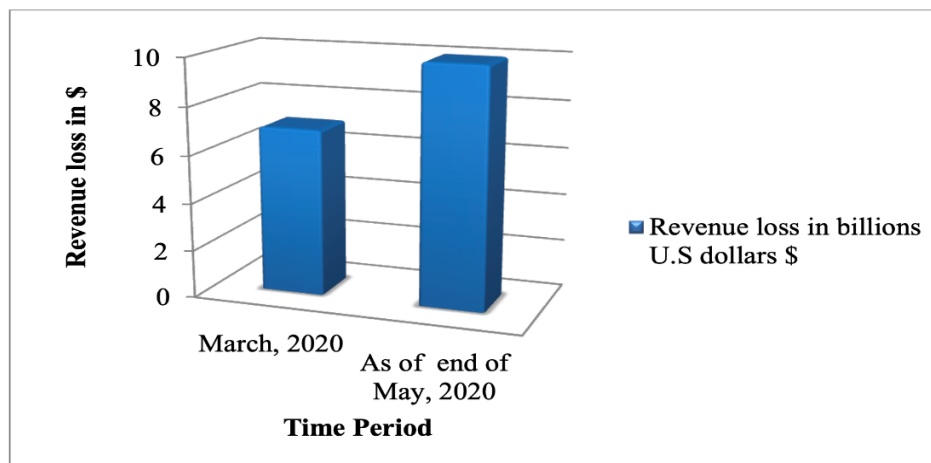
However, in recent years, there seems to be growing speculations about the future of traditional film. The general public enthusiasm for film art is no longer as hopeful as it used to be. This time of uncertainty calls into question the traditional cinema industry's future since it emphasizes how flexible the medium is and how it continues to adapt to shifting audience needs and technology landscapes. Is the traditional film form no longer a form of entertainment or consumption that satisfies the majority of the film audience? People are doubting, Whether the number of people choosing this type of entertainment gradually declining. Is the film industry in decline? Will traditional cinemas adapt their economic models, and provide more engaging, communal experiences to maintain cultural relevance?

## 2. Variables Affecting Alterations in Film Companies and Film Consumption Modalities

### 2.1. COVID-19 Pandemic and Economy Environment

Undoubtedly, the COVID epidemic has paused the development of the world, which had an unprecedented impact on it. It has stagnated and slowed down the development of all kinds of industries and fields, including the film industry. It could be argued that, in the past five years, the hardest hit to film industry was by the epidemic.

Due to the coronavirus, movie theaters and film companies have suffered heavy losses in revenue. Before the epidemic began, the Chinese film market was developing rapidly. In the early 2010s, the number of movie screens in the country surpassed that of the United States [1]. Therefore, experts anticipated that China would have become the world's largest film industry in 2020 [1]. However, audiences stopped going to theaters due to fears of the spreading virus, all theaters were closed, and, hence, all film projects were terminated. What followed was the closure of movie theaters around the world and the suspension of operations in the film industry. According to Fig.1, Even the most traditional cinemas worldwide projected that the financial loss would amount to billions of dollars. The global film industry experienced a significant decline in box-office income, with an estimated loss of 10 billion US dollars during the first half of 2020, primarily attributed to the impact of the coronavirus pandemic.



**Figure 1.** Estimated Revenue of Global Film Industry Losses [2]

Significantly, the epidemic has impacted the efficacy of film project development. The industry had to alter its approach to film promotion and marketing. The restrictions on offline activities have prevented movies from being promoted on a large scale as before.

Prior to the pandemic, offline movie promotion methods were diverse, such as film festivals, premieres, and roadshows where leading actors and key crew members, like directors and writers, would engage with moviegoers. Some popular IPs held fan meetings to maintain audience interest. However, affected by COVID, the industry had to shift its focus to digital platforms and social media. In response to this challenge, filmmakers and distributors have increased their presence on social platforms like Instagram, Twitter, and YouTube, utilizing them for trailers, live interviews with cast and crew, and interactive events with audiences. Additionally, traditional red-carpet premieres have been replaced with virtual events, cast members, directors, and producers participate from their homes and engage in live discussions, thus making the events accessible to a global audience. The audience's focus is constantly shifting during that period, rendering these methods less effective. As a result, people's interest in watching movies has shifted to streaming services like Netflix and Disney+. This has led to a potential loss of interest in movies.

On the other hand, business models have changed dramatically post-pandemic. The economic climate was unfavorable, with a significant number of strikes occurring in Hollywood. As the most essential positions in the film industry, directors and writers, followed by actors, are demanding better working

conditions, which encompass shorter working hours and improved on-set conditions. They also seek to ensure that their long-term benefits (residuals) from streaming services match the value of their work. As of the end of 2023, the writers' and actors' strikes are expected to result in a national economic downturn of more than 5 billion US dollars due to halted production, reduced consumer spending, and layoffs [3]. The strikes are expected to have the greatest impact on states with large manufacturing industries, such as California, which is expected to lose roughly 3 billion US dollars, and New York, which is expected to lose 1.3 billion US dollars [3].

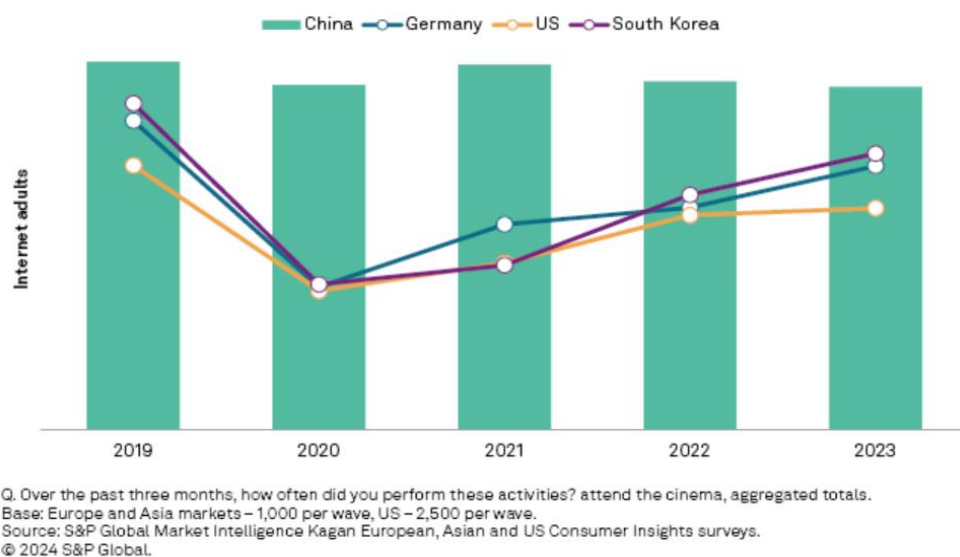
Consequently, the filming progress of nearly all film crews has been significantly impeded. This has led eager audiences to enter a new cycle of prolonged waiting for their desired content following the epidemic, which resulted in large amounts of disappointment and complaints. It also raises audience concern for the film qualities.

## 2.2. Film Content Itself

### 2.2.1. Originality and quality.

Though the pandemic is a crucial cause that affects the box office, compared to before the pandemic, there are signs that the frequency of people going to movie theatres is much less often after the reopening of cinemas, especially in the US. Global cinema attendance is in decline. According to Fig.2, while movie theatres are opening regularly, the level of cinema attendance in China, Germany, South Korea, and the US is not back to that of attendance before movie theatres closed [4]. The cinema attendance rate among adult audience in South Korea decreased from 84% in 2019 to 79% in 2023 [4]. At the same time, 68% of audience in Germany and 57% of audience in the US attended the theater, indicating a fall of 11% compared to 2019 [4].

**Trends in cinema attendance — Regional examples(%)**



**Figure 2. Trends in Cinema Attendance [4]**

Filmmaking technology continues to develop, Cameras, editing software, rendering times, and effects are all advancing. Nevertheless, the quality of movies is not necessarily improving.

According to Rasmussen Report research from 2023, 42% of Americans think the quality of movies has declined [5]. Classic IP film sequels like Mission: Impossible, and Transformers: Rise of the Beasts all saw much lower box office returns in 2023 than expected. A major reason for such an interpretation is that movies in recent years have gradually become homogeneous, and the audience has become more discerning post-pandemic.

In the film industry, especially in Hollywood and within large film studios like Disney, there has been an increasing number of remakes and sequels of existing IPs, which are favored over original content

by filmmakers these years. They are picking quantity over quality. As a result, there are fewer and fewer innovational new IPs. For instance, the 3D remake of *The Lion King* in 2019. It not only catered to the new generation of Disney audience but also met the standards of adults who have seen and fallen in love with the original work. The original 2D animation was released in 1994, which was a huge commercial success and has left a long-lasting cultural impact on audiences worldwide. For film studios, remaking an existing successful movie saves costs and development time. These projects rely on the nostalgia and established fan bases of the original IPs, securing a ready-made audience that is less likely to be disappointed, thereby ensuring steady, if not spectacular, returns.

On the very contrary, the creation of original movies is considered high-risk. In 2019, the United States and Canada generated less than 13% of global box office income. Over 70% came from the overseas market, influencing studio decisions [5]. Filmmakers adapt their works to appeal to a worldwide audience, frequently at the sacrifice of innovation [5]. Largely due to economic pressures after the epidemic, the increased fear of failure made production companies evade creative projects. Hence, remakes and sequels can greatly reduce the cost of trial and error.

Though the remake of *The Lion King* is an undeniable success, most of the post-pandemic remakes and sequels have flopped in terms of both box office and reputation. Most of the movies lack innovation and creativity within the industry, with the audience finding them outdated and boring. *The Flash*, *Mission Impossible: Dead Reckoning*, and *Aquaman and the Lost Kingdom* all underperformed their box offices within high audience expectations. Why? Ultimately, there is lack of innovation. Similar content bores the audience.

### **2.2.2. Political Aspect.**

Meanwhile, the flop in audience reputation of movies like *The Little Mermaid* indicates another rising problem in the Hollywood movie industry, which also bothers the audience frequently. While people appreciate diversity and racial equality, the extreme political correctness in Hollywood is raising dissatisfaction. People are arguing that diversity is good, but only when it comes naturally, not intentionally. The incorporation of politically correct elements into Hollywood films has become a customary practice. However, at times, the integration of these elements appears too heavy-handed or even inappropriate, resulting in narratives that are perceived as simplistic and lacking depth, thereby failing to resonate with audiences [6]. For instance, the decision to cast a black actress as Ariel in *The Little Mermaid* was interpreted by many viewers as an attempt to conform to domestic political correctness, thus diverging from the cherished childhood memories associated with the original character [6]. Despite its considerable success in the domestic market, with a box office revenue of \$280 million in the United States, the performance was not ideal on a global scale in other markets such as China, South Korea, and even the Netherlands.

Even classic Hollywood productions are not immune to the imperative of adhering to perceived political correctness. For instance, *Gone with the Wind* briefly faced removal from streaming platforms due to concerns about perpetuating racial prejudice, while the Oscar-winning Disney musical *Song of the South* has never been made available on Disney's streaming platform owing to its depiction of racism [6].

These instances underscore the tension between promoting diversity and maintaining artistic integrity in the face of public displeasure with heavy-handed political correctness in Hollywood blockbusters.

## **2.3. Tendency of the Digital Era**

### **2.3.1. Streaming Services.**

As mentioned earlier, another significant factor impacting the film industry is the increasing popularity of mobile devices and streaming media services. With the proliferation of content from streaming services during the pandemic, such as Netflix, HBO Max, and Amazon Prime Video, movie theatres and film remakes are facing unprecedented competitive pressure. These days, audiences have a wider range of choices and are no longer constrained by a limited selection of movies and television.

Currently, Netflix boasts a global subscriber base of around 260 million, with the United States and Canada accounting for over 80 million of these members [7]. Netflix has acquired a large number of movie and TV rights globally in recent years, enriching its content with detailed categorization of genres, and its intelligent recommendation features have attracted many subscribers. Based on users' viewing history and feedback, Netflix recommends user's preferable content. Such viewing experience and unlimited access to digital content have given rise to a growing trend known as "binge-watching". The consumption of multiple episodes of a show in one sitting. For instance, Nielson has reported that 361,000 Netflix subscribers have seen all nine episodes of *Stranger Things* season 2 in one sitting within 24 hours of its release [8]. The numbers continue to grow, especially now that people are quarantined in their homes due to the COVID-19 pandemic [9]. During movie hall closures and lockdowns, adults dedicate a cumulative duration of 1 hour and 11 minutes to streaming services daily [10].

Due to Netflix's acquisition strategy, the streaming service trend continued after the pandemic. One dominant reason is that Netflix is adept at capturing global trends. For example, Korean pop culture is gradually entering the view of Western audiences nowadays. In 2020, South Korea's film and television industry gained worldwide recognition following the winning of the Oscar for the movie *Parasite*. Netflix observed such an international trend, then it announced in 2021 that it would invest 500 million US dollars in Korean films and TV shows [11]. For Netflix's investment in Korean content, huh notes that the persistent power of Korean video content based on K-stories is projected to continue, fueled by low costs and large profitability [12]. Not only Korean content, but Netflix also demonstrates adeptness in other global film and television trends all over the world and effectively attracts large amounts of subscribers.

Additionally, with many movies only available in cinemas in limited regions, streaming services provide a solution to such a problem. The rate at which theatrically released films are now available on streaming services is increasing, with many films even premiering simultaneously with their theatrical releases during the post-pandemic period. Furthermore, the majority of Oscar-winning films from 2021 to 2023 are readily available on Netflix. At the same time, with the incremental production costs, movie tickets are becoming more and more expensive. Therefore, compared to movie tickets, a monthly subscription to streaming services seems to be a lot more convenient and cost-effective. Subscribers have the freedom to watch their desired movies at any time and from any location they want. As a result, an increasing number of people are opting to watch movies at home using a television or computer.

Life is fast-paced in today's digital world, and people's patience is dissipating little by little. Estrin states that, though Gen-Z loves going to the cinema, they find the experience of watching movies at home to be much more liberating [13]. They can pause, fast forward, and watch at double speed anytime and anywhere. They think that people who go to the cinema now are the ones who genuinely love art films [13]. Otherwise, sitting in a movie theater for 2 to 3 hours straight is an uncomfortable experience [13]. Although some of them acknowledge that they support the movie industry, they still express a strong preference for the comfort and flexibility of home viewing [13].

### **2.3.2. Short video platform.**

When it comes to the impact of social media platforms, TikTok stands out. The number of TikTok users around the world continues to expand year by year, becoming a fashion trend among young people. From short videos of more than ten seconds at the beginning, longer and higher-quality video content has gradually begun to appear in the past few years. Such formats of short videos have progressively spread to platforms like Instagram, Twitter, and various social media platforms, which have occupied an integral part of people's entertainment lives.

In 2022, a fervor for watching serial soap operas on Douyin, the Chinese version of TikTok, was initiated in China and quickly spread worldwide. Notwithstanding the cheesy plots, unknown actors, and flubbed lines, there is a notable popularity among the US audience. This phenomenon underscores the entrenched dominance of vertical screen viewing and highlights people's inclination

towards soap operas, suggesting a modern proclivity towards impatience and restiveness fueled by the overwhelming influx of information from the Internet. In this fast-paced digital era, content that requires little mental exertion or analysis could captivate large audiences.

To elaborate, most of these dramas are created and uploaded to an app called ReelShort. Launched in August 2022 by the Chinese digital publishing company COL Group, ReelShort quickly gained popularity. The app exclusively features serialized soap operas with brainless and simplistic plots and is often advertised on Douyin and TikTok. The first few episodes are always free, and the following episodes will be charged. The narratives are super predictable, familiar, and cliché yet bizarre stories designed to hook the audience with titles like “The Double Life of My Billionaire Husband” and the vampire story “Love Me, Bite Me.” [14]. Although these contents are considered trashy and lowbrow by some, the audience acknowledges its attractiveness. The uncomplicated, Mary-Sue-like plots and romantic storylines have made many users deeply involved and unable to resist watching. From launching in August 2022 until December, ReelShort has made 22 million US dollars in revenue [14]. It even ranked over TikTok to become the top 10 downloaded apps on App Store many times.

Both streaming services and short video platforms signify a change in the ways people appreciate screen work in contemporary times. They provide a vast selection of content alternatives, allowing subscribers to access a variety of episodes, movies, and videos at their leisure. This contrasts with traditional movies and television, where audiences had limited options and had to stick to strict timetables. The growth of mobile technology has made it easier for consumers to access these platforms at any time and from any location, which has increased their popularity and challenges the film industry.

### 3. Conclusion

In conclusion, it is imperative to acknowledge that each factor is inextricably linked. One aim of examining these variables is to investigate strategies for the film industry to sustain its prominence and uphold high-quality standards. All developments in movies are a combination of cultural, political, and economic issues at a profound level. The question then arises: why is it significant if movies go back to the golden age? Films transcend entertainment. They are a pivotal part of cultural fabric. The tales they develop significantly impact audience perceptions and emotional responses. If the business rejects uniqueness in favor of a formulaic model, they risk turning film into a commodity. The core of filmmaking lies in its capacity to venture into the unknown, challenge existing paradigms, and celebrate the beauty of imperfection. It is this willingness to take chances that enhances film. Accepting mediocrity in artistic endeavors may not only degrade the quality of art produced but can also initiate a detrimental cycle that diminishes cultural vitality and innovation.

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