

COMPETITIVE ADVANTAGE: THE GLOBALIZATION OF DIGITAL CINEMATIC EXPRESSION

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ABSTRACT

Regardless of the driving mechanisms behind the production of a film work, it has a great impact on society. Society responds by continuing to invest in film production, simply because people need the products of the film industry. It is because of this that the film industry is on par with any other industry that offers entertainment or caters to similar consumer needs. This speaks of the universality of the mechanisms for building a competitive advantage - regardless of whether they are of a corporate, or of a cultural-artistic and entertainment nature. The satisfaction achieved when consuming the products of film production determines its place in the economic system. What we call "economics", in its most rudimentary form, is a model of how people use the financial resources available to them. The development of creative industries and the expansion of new media represent an environment from which threats to productions arise. Film productions must be proactive in their expression - creating film forms in step with the digital age. The vast source and choice of content, the metamorphosis of media and film forms, are increasingly available at the click of a button. Long-term cultural trends affect the "economic health" of production houses as well. The globalization of information technologies and the internationalization of cyberspace require the concepts of culture and creativity to be re-examined and placed at the center of global socio-economic and political mechanisms. Hence, there is a need to fundamentally understand and implement the mechanism of the relationship between film forms, and not about formats – something that is absurd with the current development of cinematography.

KEYWORDS Production, film, digital media, strategy, globalization

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1. INTRODUCTION

When talking about the digital expression of the new media, it is important to define the term "new media" itself. In a colloquial sense, this category usually includes the Internet, web pages, computer multimedia, computer games, DVD, Blu Ray, etc. With the taxative exclusion of television programs (digitally recorded video recorded on a computer), feature films (also digitally recorded and edited), feature films with digital compositing, etc., the popular definition of the new medium is identified with the method of distribution and exposure, and not with the method of production.

The new media is the convergence of two separate historical trajectories: computing and media technologies. The relationship between new media and cinema is useful to observe through the prism of two vectors: the first vector moves in the direction from traditional cinema to new media, and the second moves in the opposite direction - from computer technologies to cinema.

An essential aspect of the new media is convergence - a methodology that implies a new and exciting set of rules that are used and broken in the quest to tell the story. The language of new media transcends form, so whether it is a feature film or a documentary, the technology and artist's skill of creating a film work, all these dimensions are strongly influenced by the fusion between film, television, computer capabilities and the Internet.

Astruc's *Caméra stylo* "anticipates" the digital age: cameras are getting smaller, lighter and more affordable.

Progressive filmmakers and cinematographers are using the flexibility of new cameras to capture images and situations unimaginable with previous technology. Modern technology is constantly developing new techniques of moving the camera through space. Whether it's a camera attached to an actor, a crane, a cable, a drone, a Steadicam, authors are constantly finding new ways to represent space. The digital camera-pen represents an active collaboration of several participants in the creation of the film work.

2. THEORETICAL ASPECTS

Editing is a visual grammar from the very beginning of the film. The dynamism of the "digital cut" is much more a feature of marketing response than of aesthetics. Taking this perspective into account, simply because of the technical possibility alone, it essentially offers an aesthetic enrichment of the spectrum. Hence, the new approach to filming made possible by technology affects the direction itself.

In the digital world of computers, editing is easy, because manipulation of frames in software is easy to do. What was previously considered special effects is now organic. Modern film production processes are facilitated and irresistible to innovative authors due to digital technologies.

The mechanisms behind the film industry are at a high level, in the context of scientific support. The film is the largest commercial cultural industry and is thus the subject of interest for a multitude of social sciences. Thus, the dynamics of the film industry are treated through the lens of film market size and internationalization.

The film industry has a relatively large minimum market in which to make a profit. It is characteristic that productions from the region are dependent on state support, primarily due to market capacities. From the perspective of globalization, the need of the audience remains an essential parameter. This creates a triangle between the size of the market, the economic stability of the audience in an economic segment and the most important thing - the needs of the audience.

On the other hand, with the growth of the market, the instability in demand also grows, and in parallel, the importance of the economy of scale. Hence, success is also the most difficult to predict. What is significant about films typical of a regional market is that films with a typified aesthetic vary within expected limits and fluctuations in small segments can be more easily predicted. In the broad segments, due to their size, the profit margins themselves are larger, but with that the uncertainty in the market itself grows.

Internationalization is credited for the expansion of the film market, thus allowing development potentials for countries that produce smaller projects. The impact of the economy of scale has increased due to the even greater volatility of demand, which in turn is caused by increased exports. This is because the taste of the audience in a diverse global export segment is even more unpredictable than the domestic one, so the obligations arising from foreign influences under the guise of aesthetic diversification and language barriers are enormous. In addition, globalization is often defined as a process that goes beyond the scope of internationalization. In short, it imposes the interconnection of several countries, leading to their integration into one (or more) global economic, cultural, and even political systems or networks. Several aspects of film globalization are considered in the paper: involvement in film production, rate of consumption (of film), and organization of film production.

Contemporary practices in the film industry emphasize the fact that film, along with all its forms, is an integral part of the culture. Because of this, the film industry is on par with any other industry that offers entertainment or satisfies similar consumer needs. The vast source and choice of numerous contents, the metamorphosis of media and film forms, are increasingly available at the click of a button.

The inseparability of technical-technological development and the global market deeply affects film as a medium. The mechanisms of technical-technological development and globalization dictate the development of platforms through which film is distributed. More and more people are talking about film forms, and not about formats, because the format implies uniformity and strict adherence to standards – something that is absurd with the current development of cinematography.

If it is taken into account that the market on which the film performs is the consumer, then the conclusion inevitably follows those modern practices in the film production are based on the optimization of production processes. The optimization of the production processes under the pressure of the economic segment and the production capacities, influence the strategic determination of the organization.

The aesthetic dimension is subject to a strategy of differentiation in order to achieve specific results in specific

economic segments. Adequate positioning gives results through modern distribution channels that enable the development of technology and the divergence of the film for small productions to reach the world market.

The modern methodology of film production is sublimated to virtual production. The scope of the term "virtual production" is broad and encompasses a multitude of techniques for the production and visualization of film production - as a reflexive reaction to film technology and technique.

Traditional film production encounters certain challenges, the answer to which is a constantly evolving search - in an artistic and technological sense. Most blockbusters and TV series currently being filmed use some form of virtual production. It may imply the so-called "previs" "techvis" or "postvis" - terms that are explained at length. The problem with traditional production is that it takes too long to respond appropriately to feedback.

2.1. Competitive advantage strategy of the film “Andromeda Galaxy”

The strategic approach of the film "The Andromeda Galaxy" is based on *the focused strategy*. It overcomes the absence of a strategic decision while confronting the economic factors that limit the exploitation of the film. The local context provides a situation in which the competitive strategy is absent, as one reacts spontaneously to the market circumstances. The production of The Andromeda Galaxy, therefore, re-examines the context of the creative industries, treating production (of film) as a set of different types of business practice, work models and organization - in which creativity is exercised and examined.

The purpose of the analyzes in this paper is to reject the arbitrary entries for the creative industry and the creative economy, and to offer an applicable and usable definition of the competitive advantage in film production not only in Macedonia, but also in the region.

"The Andromeda Galaxy" overcomes unfounded concepts of creativity that are not coherent with the processes themselves. The optimized strategy for a specific segment indicates that the final form implies a film whose content is current and suitable for distribution to a niche audience. Engaging storytelling and visual narrative create a unique concept recognized by audiences in need of new, bold films that transform them from within.

The small budget at first impression suggests a strategy of low costs. The potential of the script is translated into an aesthetic that composes all the elements for a contemporary audience that recognizes originality. Additionally, the format makes the film accessible and particularly attractive to festival audiences. This realization suggests that the strategy implements the essential aesthetic elements towards the precise creation of a feature film work, and the same realization is good to apply in future productions.

In order for the production of "Galaxy Andromeda" to achieve the effects of strategic positioning, aesthetic approaches and values are non-exclusive (or: mandatory, necessary). The skill of Racha (director) and Sekulovski (director of photography) refers to the creation of a compact visual-narrative context, which shows that the "established" directions are universal landmarks in the decoding of the visual narration and are carriers and establish a clear perception of the author's intention among the viewers.

To maintain the creative aspects in conditions of the budget deficit, it is necessary to adjust and find solutions that enable a rational, efficient, and effective production phase, without concessions in the creative component. That is why, in the pre-production phase, many directorial and screenwriting solutions are defined/redefined, which, according to the author's expectations and observations, to the greatest extent the director of photography and the director, need to influence the visual-narrative component.

The management processes in this project are not immune to the paradox typical of complex works of art. The system of standardized tools for the creative process is evident. The acquisition of skills from the corporate industry that are structured in film production is significant. This is significant for regional and Macedonian production from the aspect of choosing a market segment. Hence, in the case of the "Andromeda Galaxy", the segment of the so-called "festival audience". Considering the talent of the director, her affinities and aesthetic predispositions, it is not at all a matter of discussion which strategic approach is the most appropriate. Racha's biggest film asset is exactly that - to accurately recognize the needs of the audience that visits film festivals, but also the affinities of the jury who are part of them.

To be clear, the producers recognize these qualities in the director, in addition to this - the director of photography offers a visual-narrative language that ideally conveys Racha's vision to the audience. The strategy is not imposed on the work, but it is an integral part of the form itself. Or vice versa, the form of the film work "The Andromeda Galaxy" is an integral part of the theological aspects of building a competitive edge in film production.

The deductive approach to the creative aspects for optimal recording of the script and telling the story, in the future will contribute to the producers to recognize the development direction of the script and accordingly provide the most optimal conditions for its realization. Fragments that leave a strong narrative impression are aimed at a finely segmented audience. To this end, the audience approach includes the entire value chain, not just marketing activities in market segmentation.

Very often, the initial financial construction imposes key development decisions. Movies of the caliber of "The Andromeda Galaxy" are good to see through the prism of the audience. So, what the focus strategy implies is a cheaper adaptation to a certain segment. This is extremely important, considering the market environment of the Macedonian film.

All the findings from the immediate surroundings in the region indicate that a film of the size of "The Andromeda Galaxy" cannot expect significant success at the box office. Simply, no strategy is functional in conditions of weak market development and stunted segments.

From all that has been elaborated so far, it can be concluded that the mechanism of supply and demand exploits the convergence of form, in terms of how generic strategies for building a competitive advantage in film production affect the scale of distribution. The strategic approach to distribution depends on the aesthetics of the film work and in that context, it is important to consider digital (aesthetic) trends. Analyzing contemporary distribution trends, it is easy to perceive, and identify the influence of digital aesthetics. Digital aesthetics facilitates packaging in its many aspects: from budget facilitation to digital expression suitable for presentation through different media to a specific audience.

What the distribution statistics of the films indicate, in general, speaks of the regularity between market fluctuations and the potential for exploitation. Hence, average budgets vary widely between countries. Not surprisingly, average budgets are higher in larger markets and lower in countries with more limited box office potential.

Similarly, the differences in the range of budgets depending on the size of the market are significant: the larger the market, the greater the share of films that fall into the category of high-budget films. Regarding the presented statistical data, the "Andromeda Galaxy" does not belong to any of the statistical groups established by the European Audiovisual Observatory. This clearly indicates the capacity (or rather the absence) of films typically produced in the region. Hence, it can be seen that films from the region, first of all on the European and then on the world market, must, should, appear together in the form of co-productions.

Considering the budget amounts of the average European film, but not essentially starting there, the extent of distribution is significantly determined by co-productions. After all, the essence of co-productions is in the networking of strategic partnerships of several production companies, and not just simply closing the budget frames to produce the film projects. The goal of co-productions is sublimated in access to a larger market than just the domestic one.

The distribution success of "The Andromeda Galaxy" is due precisely to networking. Initially, the project started in Kosovo. Through the partnership with Macedonia, the film reached the renowned film festival in San Sebastian. After the full completion of the film, a contract was signed with a distributor from Italy, which covers the rest of the world's regions in terms of distribution.

A lucid authorial approach in the context of the initial budget contributes to the previously elaborated generic strategy. That generic strategy, through the festival vision, evolved into a distribution network for the feature film "The Andromeda Galaxy".

From the presented data, it can be concluded that generic strategies for building a competitive advantage in film production, in order to increase the volume of distribution, should be directed towards VOD platforms. The general trend in theatrical release is stagnant, while digital distribution platforms are expanding. According to these market movements, the digital film expression supported by an appropriate strategy has a great distribution potential. The distribution of "The Andromeda Galaxy" is most widespread through digital channels.

This research indicates that contemporary film is a balance between the artistic dimension and management and marketing theories. The strategy that "stands" behind "The Andromeda Galaxy" confirms this as it is in the context of maximizing artistic capacities - both in a scientific context and in the artistic sphere. Correlation between the content of the film work and management and marketing theories is incarnated through the scientific methodology which, in turn, emphasizes the aesthetic dimensions.

The basic theses of this research confirm that the applicability of methodological principles and theoretical aspects for building competitive advantage in film production are used to achieve maximum pressure on the market. If the very object of research is the shaping process of the film, the starting point for the final competitive strategy for "The

Andromeda Galaxy" is the content of the film itself.

"The Andromeda Galaxy" differentiates itself from its competitors through a precise strategy, which markets film narratives to the audience through the modern digital language, which it skillfully recognizes. This is crucial, because today's audience, which is literally "bombarded" with various content, has a keen taste for its needs and is ruthless about its own selection.

3. CONCLUSION

From the point of view of marketing positioning, the conclusion is that it is closely related to the principle of segmentation, and the goal is: to offer consumers who belong to a certain segment a product that will best satisfy their needs. From the case of the "Andromeda Galaxy" it can be concluded that it would be much more effective for the productions if they would address a determined segment, a precise target group while considering the aesthetic aspects as an integral part of the product itself. Practically, the marketing mix integrates the aesthetic dimension, form, and strategic planning - which are elementary to the value chain. Hence, targeting, as the third function of segmentation, represents a process through which producers go through, in order to direct the action of production in the context of the full realization of strategies for building competitiveness through efficient and effective implementation of segmentation.

The cost advantage in the "Andromeda Galaxy" stems in part from the shape itself. The entire film with its aesthetic capacities is the basis of the digital form - more precisely of the modern digital language. Efficient filming is a source of differentiation, because all processes in the production of the film are equally important in the value chain, and therefore in relation to content and management and marketing theories.

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