

**ANALYSIS OF DOMESTIC THEATRICAL COLLECTION OF HINDI BOLLYWOOD
INDUSTRY OF INDIA****Sandeep Rajendra Sahu, Ph. D.**

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Abstract

The Bollywood Industry is estimated to be worth INR 126.4 billion in 2014. Though the share of other revenue streams is on the rise, domestic theatrical (i.e. box office or ticket window) collection is dominating one i.e. 74% of overall revenue generation in 2014. Bollywood is a powerful medium that provides useful and entertaining information on history, civilization, variety of cultures, religions, socio-economics and politics in various regional languages. India boasts of more than 12,000 screens enjoying a weekly admission of about 100 million people or 5000+ million per year. Indians view cinema as an important part of their lives. It also provides them, with its universal appeal, an alternative from the monotony and the hustle and bustle of their daily lives. In recent times, few films have performed like never before in terms of collection. In fact, in the recent past, the export sales of many Indian movies were higher than the domestic sales. This research paper attempts to find out the trend of domestic theatrical collection of Hindi bollywood industry. It also attempts to identify the weekend collection rate, successful quarter and success rate of Hindi bollywood industry for the last four years from 2011 to 2014 for the purpose of this research. After the analysis of the study, researcher suggests that bollywood industry (i.e. hindi cinema) and also the regional cinema has favourable climate, at present, in India. Nearly 50% of the cost is covered in the first weekend itself from the box-office. But for the long term success of the film, it is the script department where focus is needed.

Key Words: *Bollywood Industry, Hindi Movies, Domestic collection, Theatrical Revenue*



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Introduction: In 2000, Atal Bihari Vajpayee government conferred the title of 'industry' on the filmmaking business. Thereafter in 2001, a tax holiday was announced for converting single screen real estate hoarding theatres into multiplexes. This was extended again in 2011. So, now backed with nearly 12,000 theatre screens, 400 production houses and a huge viewership, India has world's largest film industry in terms of number of films produced and ticket size. But there has been only 7 screens per million population in India as compared to 13 screens per million in China and 125 screens per million in U.S.A. In recent times, many films are crossing the hurdle of box office collection of 100, 200 or even 300 Rs. crores easily at ticket window and making their presence felt not only in India but at global level. Not only hindi movies but regional movies also crossing that limit in terms of collection. The explorations in this paper are limited to mainstream/popular Hindi cinema better known as 'bollywood' because such cinema is seen to exercise widespread influence over people and enjoys mass appeal.

Indian Bollywood Industry:

Table 1: Sources of Revenue of Indian Bollywood Industry

Revenues (INR Billion)	2011	2012	2013	2014	2015 (P)	2016 (P)	2017 (P)	2018 (P)
Domestic Theatrical	68.8	85.1	93.4	93.5	99.9	113.6	123.5	133.7
Overseas Theatrical	6.9	7.6	8.3	8.6	9.6	10.9	11.9	12.9
Home Video	2.0	1.7	1.4	1.2	1.0	0.9	0.8	0.7
Cable & Satellite Rights	10.5	12.6	15.2	14.7	15.5	17.6	19.2	20.8
Ancillary Revenue Streams	4.7	5.4	7.0	8.4	10.3	12.5	15.4	18.3
Total	92.9	112.4	125.3	126.4	136.3	155.6	170.7	186.3

P - Projected

Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2015, p. 67.

In terms of revenue from all streams, Indian bollywood industry earns 92.9 Rs. crores in 2011 which increases to 126.4 Rs. crores. It earns from multiple sources but domestic theatrical accounts for larger portion of income.

Review of Literature: With 1041 films in 2005 in all languages, India is the world's largest film producer (for comparison, USA released 535 films in 2005. But bollywood completely dominates the production of films in the Indian national language, Hindi. (Lorenzen M. and Florian Arun Taeube, 2007). One of the major reasons for a large number of films being produced and released is stated to be the proliferation of quality film exhibition infrastructure

through multiplexes since 2001. Development of multiplexes has in fact revived the lifestyle of theatre going. (Singh Tulika, 2013). Factors like rising consumerism, increase in disposable income, lower penetration of multiplexes within the country and boom in retail sector throw up excellent opportunities for the multiplex sector in India. Now this has led to the film industry earning a huge amount of money. (Singh Tulika, 2013). Tere N. S. (2012) in her research paper 'Gender Reflections in Mainstream Hindi Cinema' suggested that cinema's only end is not to entertain. It must begin a quest for social change through entertainment. As a media product, identified to accelerate the process of modernity, cinema should not stick to the formula film. It should come up with more progressive representations of women. Such portrayals would do justice to women and their role in the society. Barathi C., Balaji C. D., Ibohal Meitei C. H. (2011) in their research article 'Trends and Potential of the Indian Entertainment Industry- an Indepth Analysis' concluded that the increasing number of Indian diaspora, growing popularity of Indian culture and the Indian way of life among foreigners has contributed to the better acceptance of Indian movies in foreign markets, specially movies in Hindi language. Pillania R. K. in his research article 'The Globalization of Indian Hindi Movie Industry' concluded that brand India is slowly gaining share in the global market. However, Bollywood's share in the global movie market is still relatively insignificant and the movie industry therefore needs to put in a lot of effort and money in distribution and marketing in particular if it wants to succeed in the global market. Sardana M. M. K. (2012) in his research paper 'Bollywood on the Wings of Technology and its Contribution to Economy - Hundredth Year of Indian Cinema' concluded that bollywood as well as regional cinema have the potential to be the star performers in the Indian Economy and they would do wonders once they improve upon their techniques of storytelling through better scripting and thus cater to a global audience which has capacity to reward the film industry immensely—but this vast potential has been virtually untapped to date.

Objectives of the Study:

Following are the objectives of the study.

to analyse the trend of box office (domestic theatrical) collection of hindi bollywood industry.

to find out the successful quarter of hindi bollywood industry.

to examine the ratio of weekend collection to its rest of the life-time collection.

to find out the success rate of hindi bollywood industry.

Scope of the Study: For the purpose of this study, only movies released or dubbed in hindi language are taken as sample. In other words, hindi movies are representing the entire bollywood industry in the study. The Period of the undertaken study is **year 2011, 2012, 2013 and 2014.**

Limitation of the Study: The present study has some limitations such as:

It is restricted to only movies released or dubbed in hindi language.

The study is based entirely on secondary method of data collection.

Research Methodology: This research study is mainly based on secondary method of data collection such as koimoi site, KPMG report etc. All the data and information are properly classified and arranged in tabular form and simple percentage method is used as statistical tool for this study.

Analysis and Interpretation of the Study

Table 2: Number of Major Hindi Movies Released and Total Net Box-office Collection (Rs. crores)

	2014		2013		2012		2011	
	No's	Revenue	No's	Revenue	No's	Revenue	No's	Revenue
January	8	197	4	165	2	152	4	126
February	5	178	8	224	4	78	4	101
March	8	159	9	149	6	140	5	124
April	6	214	5	108	5	188	6	119
May	10	102	6	312	4	105	4	52
June	5	300	4	175	7	286	4	185
July	7	359	8	228	4	256	5	303
August	4	279	5	411	5	281	2	183
September	5	170	9	236	5	323	6	129
October	5	456	6	372	9	157	4	160
November	7	124	6	197	6	380	2	124
December	3	400	3	348	2	228	3	222
Total	73	2,938	73	2,925	59	2,574	49	1,828
Average		40		40		44		37
Successful		4th		4th		3rd		3rd
Quarter								

Total Net Box-office Collection (Revenue) means Gross Collection - Tax

- Source:** 1) <http://www.koimoi.com/box-office-bollywood-films-of-2014/>
 2) <http://www.koimoi.com/box-office-bollywood-films-of-2013/>
 3) <http://www.koimoi.com/box-office-bollywood-films-of-2012/>
 4) <http://www.koimoi.com/box-office-bollywood-films-of-2011/>

It can be understood from the table 2 that there has been increasing trend in box office (domestic theatrical) collection of hindi bollywood industry since 2011 to 2014. But the average box office collection per movie has been around Rs. 40 crore. In terms of successful quarter in bollywood industry, it is found out that there has been maximum collection in third quarter (July-September) in the years 2011 and 2012. But the trend has been shifted to fourth quarter (October-December) in the years 2013 and 2014.

Table 3: Total Box-office (Life-time) Collection and First Weekend Collection (Rs. crores)

	2014		2013		2012		2011	
	Rev.	Weekend	Rev.	Weekend	Rev.	Weekend	Rev.	Weekend
January	197	101	165	85	152	82	126	58
February	178	100	224	98	78	37	101	42
March	159	63	149	84	140	58	124	62
April	214	85	108	81	188	69	119	53
May	102	45	312	127	105	50	52	18
June	300	144	175	75	286	122	185	78
July	359	148	228	118	256	114	303	110
August	279	145	411	226	281	173	183	105
September	170	87	236	110	323	116	129	70
October	456	265	372	191	157	73	160	117
November	124	78	197	105	380	234	124	63
December	400	213	348	139	228	100	222	97
Total	2,938	1,474	2,925	1,429	2,574	1,228	1,828	873
Weekend %	50%		49%		48%		48%	

Source: 1) <http://www.koimoi.com/box-office-bollywood-films-of-2014/>
2) <http://www.koimoi.com/box-office-bollywood-films-of-2013/>
3) <http://www.koimoi.com/box-office-bollywood-films-of-2012/>
4) <http://www.koimoi.com/box-office-bollywood-films-of-2011/>

Table 3 exhibits the weekend collection and life-time box office collection of movies. It is cleared that weekend collection constitutes larger part of life-time revenue generation of a movie. It can be understood from the above table that weekend business has been showing increasing trend from 48% in 2011 to 50% in 2014, which is remarkable sign for the industry.

Table 4: Number of Movies declared to be Superhit/Hit, Average and Flop

	2014			2013			2012			2011		
	S/H	Avg.	Flop	S/H	Avg.	Flop	S/H	Avg.	Flop	S/H	Avg.	Flop
January	1	2	5	0	3	1	1	0	1	1	3	0
February	0	4	1	3	2	3	0	2	2	1	1	2
March	2	0	6	1	2	6	2	1	3	1	2	2
April	1	2	3	2	3	0	2	0	3	0	2	4
May	0	3	7	2	3	1	2	0	2	1	2	1
June	2	0	3	1	3	0	2	3	2	1	2	1
July	2	1	4	1	1	6	3	1	0	2	2	1
August	1	2	1	1	3	1	1	3	1	1	0	1
September	4	0	1	2	1	6	3	1	1	0	3	3
October	0	4	1	1	0	5	2	0	7	0	2	2
November	0	1	6	1	1	4	5	0	1	0	1	1
December	1	0	2	1	1	1	1	1	0	1	2	0
Total	14	19	40	16	23	34	24	12	23	9	22	18
Success %	45%			53%			61%			63%		

Success % means Hit/Superhit + Average

Hit: Film which doubles the investment; **Super-Hit:** Film which more than doubles the investment by additional 50%; **Average:** Film which recovers investment & yields some profit; **Flop:** Film which loses its investment.

- Source:** 1) <http://www.koimoi.com/box-office-bollywood-films-of-2014/>
 2) <http://www.koimoi.com/box-office-bollywood-films-of-2013/>
 3) <http://www.koimoi.com/box-office-bollywood-films-of-2012/>
 4) <http://www.koimoi.com/box-office-bollywood-films-of-2011/>

It can be seen from the table 4 that success rate is 63% in the year 2011, 61% in 2012, 53% in 2013 and only 45% in the year 2014. So, it can be said that success rate of hindi bollywood industry has been showing decreasing trend since 2011 to 2014, which is alarming sign for the whole bollywood industry.

Conclusion and Suggestions: It is concluded that there has been increasing trend in domestic theatrical movie collection in India with each passing year. And now interestingly, last quarter i.e. October-December turns out to be a major contributor in box office collection. Weekend business constitutes nearly 50% of overall box office collection due to releasing the movies in large number of screens and increasing the marketing and promotional cost for creating pre-release buzz. As the number of movies is growing with each passing year, the success rate is decreasing which is an alarming sign for the whole bollywood industry. There are number of key

challenges for less success rate such as piracy, managing cost (mainly star cost and promotional cost), tax and regulatory framework, infrastructure problem (less availability of screens) etc. Lessons can be learnt from china which has emerged one of the largest film industry in the world contributing over 10% of global box office, second only to U.S., due to growing attention of Chinese government on cultural industries and gradually extending the number of screens. Indian government also, on its part, should remove impediments by providing necessary fiscal incentives towards modernisation and reducing the rates of taxation. Film Producers and investors, on their part, should pay more attention on better script instead of relying on heavy star cast. Bollywood industry (i.e. hindi movies) and also the regional cinema industry has favourable climate, at present, for all of them in India—be its regulations allowing foreign investment, the impetus from economy, the digital life style and spending habits of consumers, and windows of revenue earnings enabled by advances in technology. Cash growth potential is tremendous and there are opportunities for all the languages of movies to take advantage of it.

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