

## Cinemas - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"The industry as a whole is looking in good stead to continue to grow as more and more innovation from technology and the independent sector keep movie goers keen to visit the cinema."

– **Helen Fricker, Senior Leisure Analyst**

This report looks at the following areas:

- How can cinemas drive footfall?
- How can cinemas increase consumers' additional spend once there?
- How can cinemas use 3D to their advantage?

Although a summer of sport did appear to impact consumer appetite to visit the cinema for the first half of the year, it looks set to end on a more positive note. Blockbusters in the form of Finding Dory, Bridget Jones's Baby, and The Girl On The Train saw the UK box office hit £1bn faster than any other year to date. This has meant that although admissions for the first six months of the year were down on 2015, an extremely strong Q3 has resulted in a 7.5% increase on the same period in 2015 (122.6m in 2015 versus 125.4m in 2016). Total admissions for 2015 reached 171.9m. This reflected the popularity of Star Wars: The Force Awakens, which broke box office records by accumulating £122m at the UK box office. So, as no film released so far this year has made half this amount, it is unlikely that 2016 will be able to repeat this achievement. Therefore, the predicted market value for the year is estimated to be £1.550 billion and is expected to reach £1.765 billion by 2021.

**BUY THIS  
REPORT NOW**

**VISIT:**  
[store.mintel.com](http://store.mintel.com)

**CALL:**  
EMEA  
+44 (0) 20 7606 4533

Brazil  
0800 095 9094

Americas  
+1 (312) 943 5250

China  
+86 (21) 6032 7300

APAC  
+61 (0) 2 8284 8100

**EMAIL:**  
[reports@mintel.com](mailto:reports@mintel.com)

### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

# Cinemas - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### Overview

What you need to know

Covered in this report

### Executive Summary

2016 unlikely to maintain the highs of 2015

Figure 1: UK cinema market, market value and forecast, 2011-21

Independents increasing their share of the market

Cineworld buys five Empire venues

AMC to buy Odeon and UCI

Figure 2: Leading cinema operators in the UK, ranked by number of screens, October 2016

Event cinema projected to grow to £1bn by 2019

Netflix moves into cinematic space

Technology helping increase the gap between cinemas and at-home viewing

Brexit unlikely to have impact on cinema industry

Figure 3: Cinemas visited in the past 12 months, August 2016

3D not grown but these are valuable consumers

Figure 4: Type of film seen on last visit, August 2016

Driving footfall with 'sharing'

Figure 5: Interest in potential new products, August 2016

Previously seen film trailers biggest influence on visiting

Figure 6: Influence on film choice, August 2016

What we think

### Issues and Insights

How can cinemas drive footfall?

The facts

The implications

How can cinemas increase consumers' additional spend once there?

The facts

The implications

How can cinemas use 3D to their advantage?

The facts

The implications

### The Market – What You Need to Know

2016 unlikely to maintain the highs of 2015

Steady growth forecast

Brexit unlikely to have impact on cinema industry

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Cinemas - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Technology continues to develop as 3D becomes 4D  
 Movie goers can 'step inside' with VR headsets and 360 films  
 Cinemas continue to be more than just a place to watch the latest films  
 Social media helps to increase 'buzz' ahead of film releases  
 iBeacon technology allows brands to engage with consumers on a new level

## Market Size and Forecast

2016 unlikely to maintain the highs of 2015  
 Figure 7: UK cinema market, 2011-21  
 Forecast methodology  
 Figure 8: UK cinema market, forecast market value, 2016-21  
 Figure 9: UK cinema market, forecast market volume\*, 2016-21

## Segmentation Performance

Admissions up for the first time in years  
 Figure 10: UK cinema market by segment, 2010-15  
 Film slate more impactful than ever on admissions  
 Figure 11: UK cinema monthly admissions, 2010-15  
 Figure 12: UK cinema monthly admissions, 2010-15

## Market Drivers

Box office continues to be reliant on blockbusters  
 Figure 13: Top films by gross box office in the UK, 2010-16\*  
 Site numbers at all time high  
 Figure 14: UK cinema key metrics, 2010-16  
 3D and IMAX remain a small proportion of the market  
 Figure 15: Trends in the number of digital and digital 3D cinema screens in the UK, 2010-14  
 Event cinema projected to grow to £1bn by 2019  
 Netflix continues to dominate streaming and increases movie roll out

## Key Players – What You Need to Know

Cineworld buys five Empire cinemas  
 AMC to buy Odeon & UCI  
 Independents increasing their share of the market  
 Netflix brings films to the big screen  
 Advertising expenditure shows signs of decline  
 Spend comes from the same players  
 Technology is the helping increase the gap between cinemas and at-home viewing

## Market Share

Independents increasing their share of the market  
 Figure 16: Cinema operators in the UK, by number of sites and screens, ranked by number of screens, October 2016  
 Figure 17: Cinema operators in the UK, by number of screens, 2015-2016

BUY THIS  
 REPORT NOW

**VISIT:** [store.mintel.com](http://store.mintel.com)  
**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094  
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300  
 APAC +61 (0) 2 8284 8100 |  
**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Cinemas - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Cineworld buys five Empire cinemas  
AMC to buy Odeon & UCI

## Brand Communication and Promotion

Advertising expenditure shows signs of decline

Figure 18: Recorded above-the-line, online display and direct mail advertising expenditure for UK film distributors and cinemas, 2011-15

Spend comes from the same players

Figure 19: Recorded above-the-line, online display and direct mail advertising expenditure by film distributors, by distributor, 2016

## Launch Activity and Innovation

Technology continues to develop as 4D hits the mainstream

Movie goers can 'step inside' with VR headsets and 360 films

iBeacon technology allows brands to engage with consumers on a new level

Dinner and a movie becomes dinner at the movies as cinemas continue to be more than just a place to watch the latest films

Event cinema the fastest growing sector at the box office

Smartphones and social media continue to add hype to film releases

3D cinema looks to lose the glasses

## The Consumer – What You Need to Know

In the wake of Brexit consumers are still keen to visit the cinema

Booking still done on day but slight increase in advance methods

3D not grown but these are valuable consumers

More consumers are buying food and drink in the cinema

Driving footfall with 'sharing'

Previously seen film trailers biggest influence on visiting

## Cinema Visitation

In the wake of Brexit consumers are still keen to visit the cinema

Young males continue to make up the majority of cinema audience

The main cinema audience is the least loyal

Figure 20: Cinemas visited in the past 12 months, August 2016

## Ticket Booking Method

Booking still done on day but slight increase in advance methods

Smartphones under-utilised for booking tickets

Figure 21: How cinema tickets were booked on last visit, August 2016

## Type of Film Seen

3D not grown but these are valuable consumers

Kids movies are key for 3D

Figure 22: Type of film seen on last visit, August 2016

## Activities Done on Last Visit

More consumers are buying food and drink in the cinema

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

## Cinemas - UK - November 2016

**Report Price:** £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Operator differences

Parents of younger kids a prime target for food and drink purchases

Introduce healthy food alternatives to increase non-ticket spend

Older customers less willing to spend

Figure 23: Activities done on last visit, August 2016

Younger males most likely to drink alcohol at the cinema

Cinema is a different occasion for females

Figure 24: Activities done on last visit, August 2016

### Interest in Potential New Products

Driving footfall with 'sharing'

Figure 25: Interest in potential new products, August 2016

Opportunity for location specific developments

There is a place for premium food and drink

Figure 26: Interest in potential new products, August 2016

### Film Choice Influence

Previously seen film trailers biggest influence on film choice

Figure 27: Influence on film choice, August 2016

Men and women influenced in different ways

Figure 28: Influence on film choice by gender, August 2016

Empire attracting a different type of consumer

### Appendix – Data Sources, Abbreviations and Consumer research methodology

Data sources

Abbreviations

Consumer research methodology

### Appendix – Market Size and Forecast

Figure 29: UK cinema market, value forecast scenarios, 2016-21

Figure 30: UK cinema market, volume\* forecast scenarios, 2016-21

Fan chart forecast

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)