

New ways of Polish feature film distribution

KEY WORDS

VOD, distribution, film, new media, film monetisation, piracy

ABSTRACT

The emergence of new internet channels distributing audio-visual content has transformed the traditional models of film distribution. This article presents an overview of internet-based VOD services in Poland (as per April 2016) as well as outlining the main issues for Polish film copyright holders in their attempts to monetise products via the World Wide Web within the wider context of European and global market trends.

The digital revolution in film production and distribution is unfolding before our very eyes. An operator using a mobile phone instead of a camera, or a group of teenagers watching a film on their tablet - a few years ago such scenes could only be seen in a movie, today they are part of our daily life, and in while they may be a thing of the past. New possibilities created by technological development are not to be overestimated in the market perspective. Digitisation considerably reduces the costs of film-making and production of distribution copies in comparison with analogue technology. Moreover, it opens a new, broad field of exploitation, i.e. the internet, which complements or provides an alternative to traditional fields, such as the cinema, TV or home video.

According to the Megapanel PBI/Gemius data, as many as 70% of Poles above 7 years of age, i.e. 24.82 million people, were internet users in 2015, which means an increase by 43% compared with the previous decade¹. Films are one of the most sought-after types of content. A survey conducted by the Internet Industry Employers' Association IAB Polska revealed that in July 2013 full-length films were the fourth most sought-after category (28%

¹ *O ile wzrosła liczba internautów w ciągu dekady?* [What was the increase in the number of internet users over the last decade?], <https://www.gemius.pl/wszystkie-artykuly-aktualnosci/o-ile-wzrosla-liczba-internautow-w-ciagu-dekady.html> [accessed: 17 April 2016].

of internet users), followed by music, videos shot by internet users and entertainment (shows, cabarets, interviews)². In 2015, video content was sought after by over 20 million Poles, and films occupied the fifth place, preceded by information/opinion journalism, lifestyle/manuals, entertainment, culture and sport³. The growing number of internet users and, consequently, the growing demand for online film screenings, is accompanied by the emergence of new devices that enable watching films, such as tablets, smart TVs, smartphones or the phenomenon of multiscreening, i.e. using multiple screens at the same time. Thus, a former cinema or TV viewer can, in technological terms, easily turn into a multiviewer who independently decides whether they prefer to watch a given production on the big screen, or on a smaller one at home, or even start watching a film on their couch and finish on the tram.

“For film business managers, the changes in the systems and methods of distribution mean the possibility of searching for new sources of revenue and reducing the risk associated with film production”⁴. In one of the chapters of his book *Zarządzanie w mediach* [Media management] devoted to film business, Tadeusz Kowalski points to the challenges faced by producers and distributors in connection with the emergence of new possibilities of reaching the viewer. In the traditional system, the financial success of distribution depends on cinematic exploitation, especially on the accompanying marketing activities and the strategy of launching the film into cinemas. It should be kept in mind that “a film production is experimental, its value is not known until it is finished, and the demand reveals itself *ex post* and is hard, if not impossible to predict in practice”⁵. Signals about the demand do not appear until after the premiere screening. Only then can further decisions be made concerning the distribution in cinemas and dates of launching the film onto other markets, such as TV, home video and the internet, respectively. Due to the multitude of non-cinematic ways in which a film can function: television circulation (“terrestrial television, high definition television (HDTV), satellite television, both coded and uncoded, pay-per-view television (PPV), cable television”⁶), home circulation (film rentals, PPV systems, or the internet), the copyright owners gain additional ways of monetising a film beside the traditional revenue from cinema

² S. Chada, *Od pritime do my time* [From prime time to my time] [in:] *Perspektywy rozwojowe wideo online w Polsce*, [Prospects for development of online video in Poland], ed. P. Kolenda, http://www.hbrp.pl/fboan/upload/Perspektywy_rozwojowe_online.pdf [accessed: 17 April 2016], p. 54.

³ J. Ciemniowska, *Rynek wideo online* [Online video market] [in:] *Raport 2016. Konsumpcja treści online a marketing* [The 2016 report. Consumption of online content and marketing], eds. P. Kolenda, http://iab.org.pl/wpcontent/uploads/2016/04/Raport_Konsumpcja_tresci_online_20161.pdf [accessed: 17 April 2016], p. 30.

⁴ T. Kowalski, *Zarządzanie w mediach* [Media management], Warszawa 2013, p. 244.

⁵ *Ibidem*, p. 241.

⁶ *Ibidem*, p. 243.

tickets, and “it has become one of the main challenges for managers to achieve a synergy between a film and the possible fields and areas of its exploitation”⁷.

Thanks to the multiplication of distribution channels, the product, i.e. the Polish feature film, has the opportunity to reach more screens, as a result of which it can potentially generate a larger revenue for the distributor and producer. However, the reality is very different from the model. Due to the low proportion of Polish titles in legal VOD services in comparison with the offer of pirate competition, and the attachment to traditional, chronological paths of distribution, Polish digital revolution is visibly evolutionary in terms of supply and generates (for the time being) rather losses than profits.

In his article entitled *Film production in the digital age. What do we know about the past and the future*, Abraham Ravid draws attention to an important historic pattern. It is not the first time that an easier access to intellectual property has forced the market to search for new legal solutions and business models. Probably the first such conflict was the White-Smith versus Apollo case of 1908, which ended in the American Supreme Court. On behalf of composer Adam Geibel, the White-Smith company, a publisher of sheet music, sued Apollo, a manufacturer of player pianos, for illegal use of his works in its instruments. The Supreme Court dismissed the complaint and released Apollo from the necessity to pay Geibel. Nevertheless, in the following year provisions were introduced to protect authors in the face of a new medium. Similar lawsuits took place also later - cases were brought against phonograph producers and radio stations, film studios filed suits against television and video tapes producers. “In each case, the long battle in court led to the creation of new legal framework and price models allowing both parties to divide the profit”⁸. We are most probably witnessing another such “(r)evolution”.

An overview of VOD services in Poland

At present, Polish viewers have access to several dozen legal VOD⁹ (Video on Demand) services which enable them to view their selected films, series and TV programmes in any place and at any time. However, there are only a few players that matter in the market. According to the report drawn up by IAB Polska¹⁰ based on the data collected until November

⁷ Ibidem, p. 244.

⁸ S.A. Ravid, *Film production in the digital age. What do we know about the past and the future* [in:] *A concise handbook of movie industry economics*, ed. C.C. Moul, New York 2005, p. 53.

⁹ <http://legalnakultura.pl/pl/legalne-zrodla/filmy> [accessed: 04 April 2016].

¹⁰ J. Ciemniowska, *Rynek wideo online* [Online video market] [in:] *Raport 2016. Konsumpcja treści online a marketing* [The 2016 report. Consumption of online content and marketing], ed. P. Kolenda,

2015, the most popular website in this category is VOD.pl which belongs to the Onet-RASP Group and is monthly visited by one in five internet users (4.5 million users). It is followed by VOD sites operated by TV broadcasters: player.pl (TVN – 2.4 million), IPLA (Cyfrowy Polsat – 2.3 million), VOD TVP (1.5 million).

The list of highest ranking VOD services remained the same in February 2016, as can be seen from the report prepared by the wirtualnemedi.pl website¹¹ based on the GemiusAudience data for desktop computer users: VOD.pl (3.1 million), player.pl (2.1 million), Ipla (1.3 million), VOD TVP (0.7 million).

The fifth power mentioned by Wirtualne Media is Kinoplex.gazeta.pl established in 2011, with an audience of only 35 thousand, which recorded an over 80% decrease in the scope of coverage and the number of views. According to wirtualnemedi.pl, this decline was caused by the decision of the website's owner, Agora SA, to gradually withdraw the content, which led to the closure of the site due to "its low popularity and insufficient profits"¹². Another proof of the VOD market being a challenging one is the case of the Iplex.pl service that is not related to any TV broadcaster or media group. In 2010, two years after it was launched, the website was the first in Poland to provide free, legal access to films online. By the end of 2014, however, it declared bankruptcy which, according to the owners of the Iplex SA company, was "due to the poor results and difficulties in obtaining the capital needed for its further functioning and growth"¹³. Iplex.pl was closed, despite being overtaken in 2015 by the Project VOD company which announced "the building of a strong, Polish VOD service"¹⁴. However, the Iplex.pl service is still inactive.

On the other hand, in January this year, Netflix, the world's largest provider of VOD content, began to offer its long-awaited services in Poland. The website's starting offer, however, remains far from satisfactory, and disappointment is a common reaction among the users and the sector's media. It is still not clear what position will be held in the Polish

http://iab.org.pl/wp-content/uploads/2016/04/Raport_Konsumpcja_tresci_online_20161.pdf [accessed: 17 April 2016], p. 29.

¹¹ *Top serwisów VOD* [Top VOD services], <http://www.wirtualnemedi.pl/artykul/vod-pl-i-player-pl-na-czele-w-dol-kinoplex-gazeta-pl-top-serwisow-vod> [accessed: 17 April 2016].

¹² *Ibidem*

¹³ M. Kozielski, *Właściciel serwisu Iplex.pl w upadłości z powodu złych wyników* [The owner of the Iplex.pl service goes bankrupt due to poor results] http://www.press.pl/badania/pokaz/47752,Wlasciciel-serwisu-Iplex_pl-w-upadlosci-z-powodu-zlych-wynikow [accessed: 19 April 2016].

¹⁴ *Z Netflixem nie wygramy. Iplex będzie oferował ambitne, intelektualne kino* [We will not win against Netflix. Iplex to offer ambitious, intellectual cinema], an interview with Bartek Gola conducted by Kaja Grzybowska, <http://interaktywnie.com/biznes/artykuly/biznes/z-netflixem-nie-wygramy-plex-bedzie-oferowal-ambitne-intelektualne-kino-250841> [accessed: 19 April 2016].

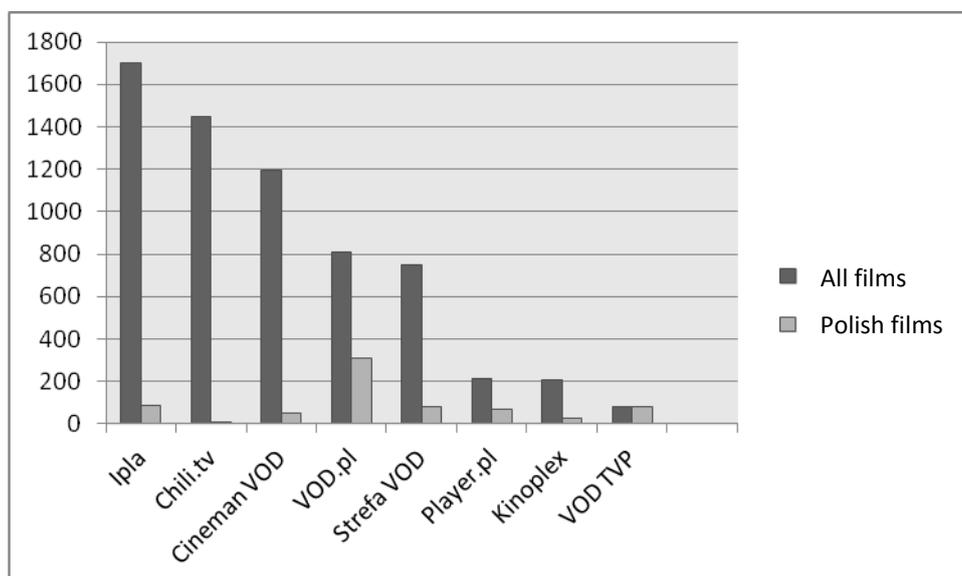
market by the player who was expected to achieve rapid success and hegemony. So far, those forecasts have not come true.

Other services that are worth mentioning include: Italian-owned Chili.tv which has quite a large library of foreign films in the Polish language version, and the services linked to Polish distributors, such as Cineman VOD (owned by Monolith Films) and Strefa VOD (with 51% of shares owned by Kino Świat).

In addition to the websites that are open to anyone who makes a one-time or subscription payment (or free of charge, usually in exchange for watching commercials), there are also restricted portals directed at the subscribers of other services, e.g. pay TV (nc+, HBO GO), cable TV, (Multimedia VOD, Vectra VOD), mobile telephony (Orange VOD).

Polish films in VOD services

Despite the development of VOD websites in Poland, the legal access to Polish productions still remains limited. The VOD services mentioned in this article offer between several to several dozen Polish films (Graph 1). The VOD.pl site is the only one to offer more than a hundred Polish titles (307 out of 812), which accounts for 38% of its entire library. At the other end of the spectrum is Chili.tv with only one Polish film among its 1,446 titles. An entirely Polish repertoire is offered by VOD TVP. However, it only consists of 80 films, and lacks new releases. The libraries of VOD sites change dynamically, depending on the duration of particular licences, so the total numbers will also change. However, it remains uncertain whether the proportions will change, especially in view of the fact that there are no regulations concerning that matter.



Graph 1. Content offered by selected VOD services, limited to full-length feature films (where two or more versions exist, the film is counted as a single item)

Source: own work based on the websites of the services listed (accessed: 04 April 2016).

By way of comparison, cda.pl, currently the most popular service in Poland, in whose “waiting room” pirated content can be watched, has nearly 18,000 full-length films in its library, 1,200 of which are Polish productions¹⁵. This is about four times as many as VOD.pl and nearly twice as many as all the websites listed in Graph 1.

Illegal sources

The cda.pl site, which operates as a social network in a manner similar to youtube.com., now ranks 14th most popular on the internet in Poland, with a coverage of 27.18% and a visible upward tendency¹⁶.

The history and business model of that service was outlined by Sylwia Czubkowska in her article¹⁷. It appears that the 12-year-old website operates perfectly legally, despite the fact that a lot of its content infringes upon the intellectual property right. It is, however, possible to get around those restrictions by resorting to the *notice and takedown* principle which releases the platform’s owner - the host, i.e. cda.pl - of responsibility for the content published by its users, on the condition of complying with the rules laid down in Chapter 3 of the Act of 18 July 2002 on Providing Services by Electronic Means¹⁸. The platform’s owner is obliged to remove the illegally posted content at the request of the copyright holder, which cda.pl. does very efficiently by providing a special mechanism to facilitate reporting such content. The problem is that the producer or distributor have to report every illegal link, and a removed link is often immediately replaced with several new ones. Continuous monitoring of the Internet in search for pirated content is beyond the capacity of even the biggest Polish producers and distributors. However, cda.pl does not break the law. Moreover, it performs very well and is, in fact, the largest Polish VOD service. As reported by the author of the article, “in 2012, the company achieved a revenue of only PLN 55,000 and a net profit of PLN 44,000. A year later, it generated a revenue exceeding PLN 1.956 million, and a net profit of PLN 1.498

¹⁵ See <http://www.cda.pl/> [accessed: 17 April 2016].

¹⁶ See <http://www.audience.gemius.pl/pages/display/witryny-zasieg> [accessed: 19 April 2016].

¹⁷ S. Czubkowska, *CDA.pl konkurencją do YouTube. Pirackie wersje filmów oglądają nawet prezesi firm. Zupełnie legalnie* [Cda.pl as a YouTube competitor. Pirated versions of films are watched even by CEOs. Perfectly legally], *Gazeta Prawna.pl*, 31 October 2015, <http://serwisy.gazetaprawna.pl/media/artykuly/902516,cda-pl-filmy-online-legalnosci-pirackie-werjsefilmow.html> [accessed: 19 April 2016].

¹⁸ *Journal of Laws* 2002, No. 144, item 1204.

million. In 2014, it reached a revenue of PLN 4.1 million and a profit of PLN 3 million”¹⁹. In the business model pursued by the Cwmedia company, the user does not pay for watching a film, but has to watch advertisements before the movie session. The revenue from advertising goes to the host which - because it “is not able to control” the content posted by users - does not need to worry about copyrights, licences and royalties.

The article draws attention to an important side effect of the business model pursued by cda.pl. Namely, with 130 million views of audiovisual content per month, Cwmedia’s annual revenue of PLN 4.1 million is ridiculously small compared to how much the producer, distributor and platform’s owner could jointly earn from legal exploitation of a film. A single view does not even generate 1 grosz (PLN 0.01).

Piracy can have a negative impact on the entire economy, not just on the film industry. According to the model developed by PwC Polska in the report entitled *Analysis of the impact of video content piracy on Poland’s economy*, “in 2013, the overall impact on the economy in the form of additionally generated GDP would reach between PLN 500 and 700 million, which accounts for 0.04% of Poland’s total GDP, of which between PLN 170 and 250 million would go directly to the State Treasury”²⁰. It is estimated that in 2018, the GDP losses due to the growing scale of piracy will reach between PLN 1.8 and 6.1 billion²¹. Under the worst-case scenario for the industry, where all advertisers and customers switch to pirate websites, the producers, authors, distributors and other entities will lose their source of financing²². In such an extreme situation, however, nobody would benefit from providing a new content. I therefore tend to agree with the hypothesis put forward by already-quoted Ravid, concerning the cyclical transformations of business models taking place in line with technological development, as a result of which the owners of copyrights finally find a way to monetise them. The future will most likely bring legislative and economic solutions which will cater for the interests of copyright owners.

At present, between 30% and 63% of Polish internet users use illegal film streaming sites²³. There are, obviously, more such websites. For example, the “VOD sites ranking” drawn up by Megapanel PBI/Gemius in March 2015 lists 5 legal VOD sites and 17 illegal

¹⁹ S. Czubkowska, *CDA.pl konkurencja...*, op. cit.

²⁰ *Analiza wpływu piractwa treści wideo na gospodarkę w Polsce* [Analysis of the impact of video content piracy on Poland’s economy], http://www.pwc.pl/pl/publikacje/piractwo/analiza_wplywu_zjawiska_piractwa_tresci_wideo_na_gospodarke_w_polsce_raport_pwc.pdf [accessed: 19 April 2016], p. 32.

²¹ *Ibidem*, p. 41.

²² *Ibidem*, p. 9.

²³ *Ibidem*, p. 26.

ones²⁴. Additionally, an internet user who does not need a Polish language version can opt for foreign VOD services, and pirated content is available online much faster than through legal channels, sometimes even before it is released in cinemas, as was the case with *Hateful eight* by Quentin Tarantino.

Cash flow

In the currently used monetisation models, the costs of an online film session are covered by the advertiser or the viewer. Table 1 compiles the models used by popular Polish VOD services which usually combine various ways of making films available for viewing. Viewers can choose to watch an advertising segment before and sometimes also during the film (advertising VOD), buy a temporary access to the film without advertisements (transactional VOD), buy a temporary subscription for a particular library of titles (subscriptional VOD), and in some cases even to watch a film free of charge (free VOD).

Table 1. Business models of Polish VOD services

website/model	TVOD	SVOD	AVOD	FVOD
cda.pl		X	X	X
VOD.pl	X	X	X	
player.pl	X	X	X	
Ipla	X	X	X	
VOD TVP			X	X

Source: own work based on the websites of the services listed (accessed: 04 April 2016).

The models used are adjusted to the diversity of products. The latest, most awaited titles are only available with subscription. The cost of a monthly subscription does not exceed PLN 20 (packages in VOD.pl, Ipla and a premium access in cda.pl cost PLN 19.90), and promotional prices are below PLN 10 per month (PLN 9.99 for Player Plus). By way of comparison, the cheapest package offered by Netflix costs about PLN 35 a month. The prices in a transactional model also vary depending on the product freshness - from PLN 4.80 for temporary (usually 48 hours) access to older content to PLN 9.90 for new releases. In the AVOD model, the viewer has to play an advertising block before watching the film (usually

²⁴ *Ranking serwisów VOD* [VOD sites ranking], <https://www.gemius.pl/wydawcy-aktualnosci/ranking-najpopularniejszych-serwisow-vod.html> [accessed: 19 April 2016].

up to 3 minutes); some materials (player.pl) are also interrupted with commercials. The oldest and most widely disseminated titles are usually available free of charge.

The payment system in VOD services is diversified. The viewer can pay online, via a text message or credit card. The diagram of flows can be presented as follows:

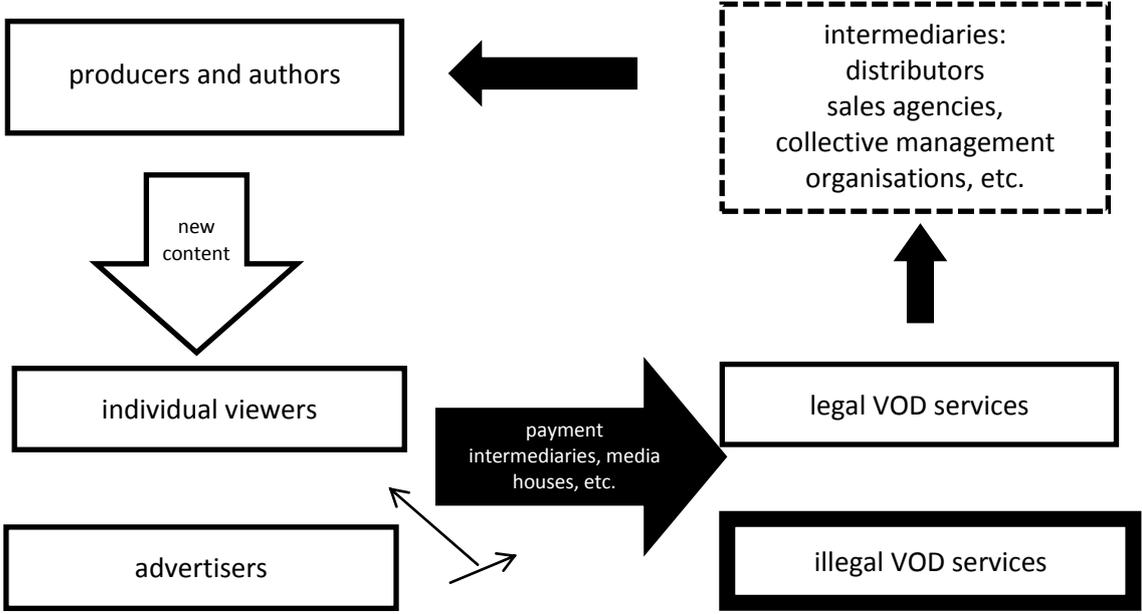


Figure 1. VOD market - basic diagram of material flows
Source: own work

The funds from viewers and advertisers go to legal or illegal services. Irrespective of the direction, intermediaries always benefit from the situation.

As for websites streaming illegal content, irrespective of whether they operate within the law or break it blatantly, it is the service owner that benefits, and the advertiser can reach the greatest number of viewers possible under the existing conditions. This is where the flow ends; the capital does not return to copyright owners.

As regards the sites which respect copyright, the profit is shared with the website owners, usually indirectly, by companies and organisations specialising in copyright management, although a film can also be distributed online directly by the producer. An important issue is the division of revenue from VOD exploitation. Separate studies should be carried out to determine what proportion of the generated amount actually reaches/can reach the producer. An advertiser that supports only legal sources will reach a smaller number of

viewers (although it can use this fact to build a positive image of its brand). Since the funds to some extent to the author and producer, they will probably result in the creation of new content, which gives the flow the character of an open circulation.

Czubkowska notes a bizarre fact: “advertising support is provided to the website by the advertising network IDMnet which is part of the ZPR Group (the holding company of ZPR Media, and Time SA which includes Radio WAWA and Radio Eska). Technical support for those advertisements is provided by Ad Player which belongs to Agora”²⁵. The companies in media industry should be interested in supporting legal content but, as was explained by an anonymous employee of a media house, (...) “clients are not able to fully control to whom on the internet media houses sell their advertisements. What matters is good pricing of one potential recipient of that advertisement. And CDA has a large group of viewers who are ideal consumers and can be sold by the package, so the pricing is highly favourable. Highly”²⁶. The chaos on the market and lack of consumer awareness are clear signs that we are going through a transformation process.

New ways of distribution in the global context

The participants of the conference entitled “New ways of distribution”²⁷, held in Warsaw on 29 October 2015, highlighted several facts which are important from the perspective of European markets and Europe as a market.

In 2014, there were 2,900 VOD services in 28 EU member states. According to the data presented by Christina Grece from the European Audiovisual Observatory²⁸, the online supply of films is huge, as a result of which viewers’ attention becomes a limited resource for which market participants have to compete. National VOD services increasingly face direct competition from international providers who benefit from economies of scale, and national or even European content represents a minority share in comparison with American content (similar to traditional ecosystem). Despite the presence of many players, the market is dominated by several companies and shows a trend towards the formation of oligopolies. Moreover, film monetisation in an online world is lower than in a traditional distribution model. The predominant trend among advertisers is to move from traditional media (which commonly finance the production of new content in Europe) to online services. On the other

²⁵ S. Czubkowska, *CDA.pl konkurencja...*, op. cit.

²⁶ Ibidem

²⁷ *New ways of distribution*, <http://kreatywna-europa.eu/new-ways-of-distribution-2/> [accessed: 20 April 2016].

²⁸ Ch. Grece, *The market for on-demand audiovisual services in the EU. Overview & trends*, http://kreatywna-europa.eu/wp-content/uploads/2015/10/2.-RYNEK-VOD-W-EUROPIE_Christian-Grece_EAO.pdf [accessed: 20 April 2016].

hand, certain countries experience the so-called Netflix effect, i.e. a considerable increase in the popularity of SVOD services among viewers and the accompanying emergence of national sites based on that business model (although this does not yet represent a major competition for Pay TV).

Gábor Böszörményi, member of the board of Europa Distribution, in addition to emphasising the need to search for new forms of promotion and education of young audience who depart from the cinema, also calls for international cooperation (e.g. simultaneous presale and agreements covering many territories). He also raises the issue of introducing a digital single market (DSM) in Europe²⁹. The opponents of a Digital Single Market claim that it will bring end to many smaller, national distributors. The DSM advocates, on the other hand, see it as a way of withstanding the hegemony of American content.

The practical solutions presented at the conference included the Austrian VOD service called Flimmit which operates as a social network, with a library containing over 5,000 films and film series (60% of which represent European content), as well as The TIDE Experiment, a distribution project based on the cooperation of an international group of industry coordinators, sales agents and distributors (including the Polish company Against Gravity) in the implementation of the day-and-date distribution model. The model involves simultaneous premiere screenings of films in cinemas and in a paid VOD service in several, or several dozen territories. The day-and-date distribution reduces the costs of licence purchase, marketing and P&A; it allows maintaining the homogeneous visual identification of a film and promotion at the international level. In this way, the TIDE Experiment put into distribution such titles as: *White Shadow*, *Dior and I*, *The Visit*. The main conclusion drawn here concerns the need for further cooperation and experimenting in order to find diversified distribution models for diversified products³⁰.

The traditional value chain used in film exploitation, which was based on release windows, i.e. first the premiere screening in cinemas, then in Pay TV, then home video, television and finally the internet, has undergone (or is continuously undergoing) permanent transformation. Keith Kehoe and John Mateer³¹ give an example of a very successful release of the low-budget film entitled *A field in England* which took place in Great Britain on many platforms simultaneously. The success was partly attributable to BFI's policy which

²⁹ G. Böszörményi, *Trends in Europe*, http://kreatywna-europa.eu/wp-content/uploads/2015/10/1.-TRENDS-IN-EUROPE_Gabor-Boszormenyi_Mozinet.pdf [accessed: 20 April 2016].

³⁰ *TIDE: Experimenting new ways of distribution*, http://kreatywna-europa.eu/wp-content/uploads/2015/10/5.-TIDE-EKSPERYMENTALNE-MODELE-DYSTRYBUCJI_Muriel-Joly_IPEDA.pdf [accessed: 20 April 2016].

³¹ K. Kehoe, J. Mateer, *The impact of digital technology on the distribution value chain model of independent feature films in the UK*, "International Journal on Media Management", Vol. 17 (2015), pp. 93-108,

encouraged national distributors to experiment with alternative distribution models. The film had its premiere on 5 July 2013 simultaneously in cinemas, on VOD, on DVD and through free terrestrial broadcast. *A field in England*, one of the first titles distributed through that scheme, generated a level of interest usually associated with high-budget productions, although the authors of the article point out that one should take into account the viewers' greater interest in the innovative solution. It is particularly interesting that 77% of the film viewers decided to pay for the access on one of the platforms, despite being aware of the possibility of watching the film for free. "This suggests that the assumption that the theatrical market will be completely undermined by multiplatform release is flawed. It also suggests that two audiences can exist for consuming film product: Those who enjoy the cinematic experience and those who prefer to control when, where, and how they watch films³²". The authors point out that multiplexes, which represent 75% of screens in Great Britain, are not willing to participate in multiplatform activities that shorten the window of theatrical distribution³³. They formulate the hypothesis that "as new business strategies are adopted, the market may develop in two directions: one for independent distributors based around multiplatform releases, the other for Hollywood studios that continue to use models centered on traditional mechanisms³⁴".

Summary

Polish feature films legally available online have to compete for viewers' attention against their pirated copies and the abundance of foreign content. Moreover, their unsatisfactory supply in legally streaming services reduces their chance of reaching the consumer who would be prepared to pay for the product. Viewers should be continuously educated in using licensed content, with an emphasis placed on the fact that it is in their interest to support - through monetary contributions or watching advertisements - the authors of the films they choose. The education should, however, be accompanied by growing supply.

At the same time, an increase in legal supply should be accompanied by legislative action to enable the monetisation of unlicensed content. A situation where an unaware internet user buys a premium access to pirated content in the mistaken belief that they support the culture is not an isolated case. Solidarity within the industry would also be desirable, as even advertisers who are, in fact, negatively affected by piracy, use it as a channel for reaching the

³² Ibidem, pp. 102-103.

³³ Ibidem, pp. 104-105.

³⁴ Ibidem, p. 105.

consumer. This vicious circle could be broken with the help of initiatives such as *Legalna kultura* (Legal Culture) or *Reklamuj świadomie* (Be a conscious advertiser) - an initiative for honest advertising launched by IAB Polska. However, they will not replace the measures available to the legislator. The viewers' attention becomes a limited resource that is the object of competition between many products. Therefore, the way in which those products are promoted and the strategies for generating interest are becoming even more important than in the traditional distribution model. Experimenting, implementing solutions such as day-and-date, or ultra VOD (online premiere before the premiere in cinemas) in Polish film industry, and monitoring how those solutions behave in our market will lead to interesting conclusions. We are, however, still lacking this type of initiatives and institutional encouragement for them. Under the market conditions, it might be necessary to improve international cooperation because, as a popular truism goes, global competition requires global solutions.

From a research perspective, we are currently in a very interesting moment of market r(e)volution. This may be, as postulated by the American researcher, Ravid, a complete transformation, but the changes might also develop in two directions, as suggested by the Brits, Kehoe and Mateer. Whatever the course of changes, it is not possible to reverse the impact of digitisation, and consequently of globalisation, on the participants of the feature film production and distribution market. In order to make the correct business decisions, it is necessary to further monitor the transformations taking place on the Polish, European and global scale, and the formation of new and operation of old mechanisms. Will Poland experience the Netflix effect? Will the prices permanently decrease as a result of the fact that a single view of a film on a website like cda.pl does not even generate 1 grosz for the site's owner? Is it possible, and if yes, how, for the Polish producers and distributors to benefit from monetisation of their products online? The answers to that and many other questions might be provided by the nearest future, on the condition of transparency and access to data.