SEASTUDY

A STATISTICAL OVERVIEW OF independent cinema in southeast asia

WELCOME TO THE 3RD EDITION

SEAStudy is a research initiative launched to assess the general health of independent films in Southeast Asia. By compiling data year to year, the study aims to form as comprehensive a picture as possible of the independent film landscape in Southeast Asia.

Since the revenue cycle of a film is not complete until years after its release, each year's research is focused on films from two years prior. Therefore, in this 3rd edition of SEAStudy, we present the annual report for **films world-premiered in 2018**. The published data uses USD as the standard currency.

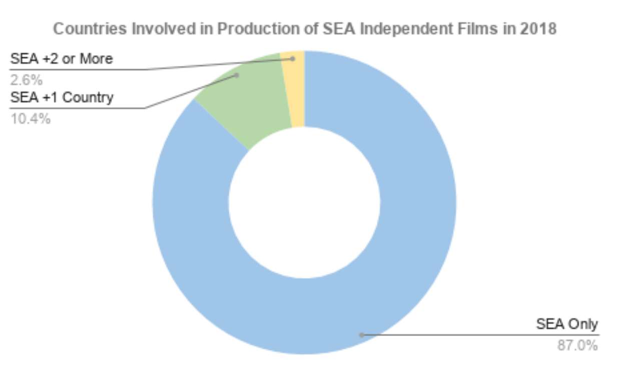
This publication serves as a resource for film professionals in the region and abroad. We hope that you will find it useful. Finally, and most importantly, we thank all the filmmakers who took part in this initiative.

SEA Independent Film: As defined by Purin Pictures, this term refers to Southeast Asian films produced without majority financial investment from major distributor or broadcast companies

TYPES OF PRODUCTION

Approximately 87% of SEA independent films were produced domestically by companies within each country. 13% were international co-productions. The co-production partner countries were from East Asia, Europe and Southeast Asia.

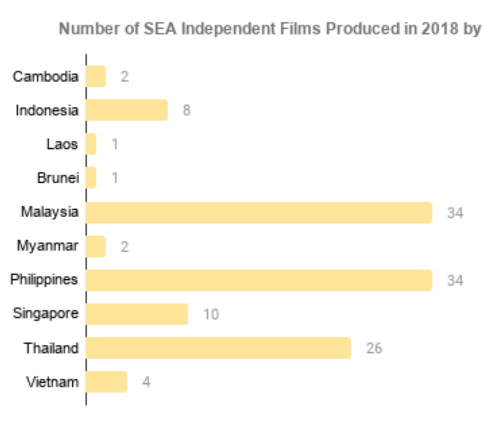
Countries Involved in Production of SEA Independent Films in 2018



NUMBER OF FILMS

An estimated total of **122 independent films** were produced in Southeast Asia in 2018.

Number of SEA Independent Films Produced in 2018 by Country



With the help of delegates from each country, filmmakers were invited to participate in the study. The data on each independent film was gathered directly via submissions from filmmakers. From the estimated total of 122 independent films, the study received **a total of 77 submissions** — a response rate of 63%.

GENRES

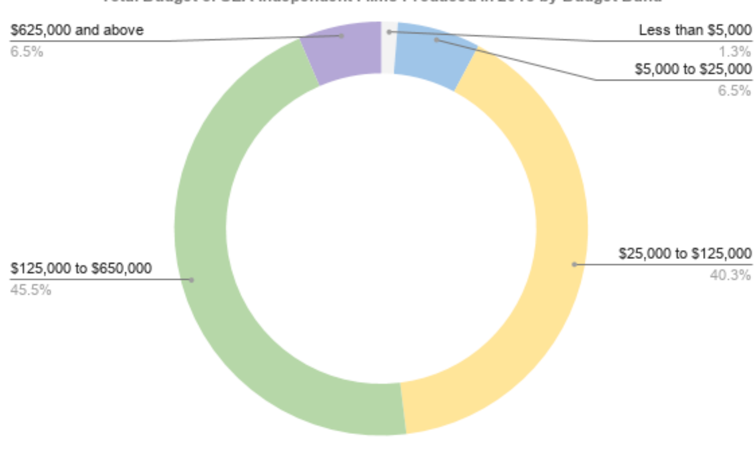
About 48% of SEA independent films produced in 2018 were categorized under one genre, while 52% listed more than one genre. The genres below are ranked by percentage frequency. Drama is the most prominent genre amongst SEA films.

61% DRAMA
27.3% COMEDY
13% ROMANCE
10.4% ACTION/ADVENTURE, DOCUMENTARY
9.1% EXPERIMENTAL, THRILLER/SUSPENSE
7.8% CHILDREN/FAMILY
6.5% BIOGRAPHY/HORROR
5.2% EPICS/HISTORICAL, LGBTQ
SCIENCE FICTION

PRODUCTION BUDGET

The total budget of SEA independent films produced in 2018 is classified by budget band. Budget bands are employed as a method to standardize the data collected as well as to provide consistency for further analysis. The average production budget was $220,000.

Total Budget of SEA Independent Films Produced in 2018 by Budget Band



AVERAGE PRODUCTION BUDGET

$220K

AVERAGE PRODUCTION BUDGET
(77 OF 77 FILMS)

SOFT VS. MARKET MONEY

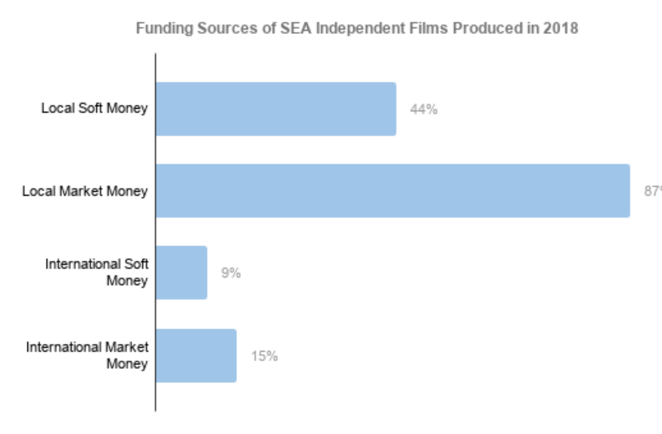
Soft Money is financing that is given as a grant and does not buy ownership in the completed film.

Market Money is financing that is an investment that buys ownership in the completed film.

FUNDING SOURCES

SEA independent films produced in 2018 were financed by various sources. Approximately 44% of films received soft money from local sources, while 87% received market investment from local sources. About 9% received financial support from international soft money, while 13% of films received market investment from abroad.

Funding Sources of SEA Independent Films Produced in 2018



FINANCING AMOUNT RATIO BY FINANCING TYPE

9:1

LOCAL VS. INTERNATIONAL FINANCING AMOUNT RATIO

3:1

MARKET VS. SOFT MONEY FINANCING AMOUNT RATIO

TOP INTERNATIONAL FUNDS

ASIAN CINEMA FUND (3)
CINÉMA DU MONDE (3)
HUBERT BALS FUND (2)
JUSTFILMS FORD FOUNDATION
PURIN PICTURES
RÉGION GRAND EST
STRASBOURG EUROMÉTROPOLE

$52K
AVERAGE LOCAL SOFT MONEY
(OF FILMS THAT RECEIVED LOCAL SOFT MONEY)

$187K
AVERAGE LOCAL MARKET MONEY
(OF FILMS THAT RECEIVED LOCAL MARKET MONEY)

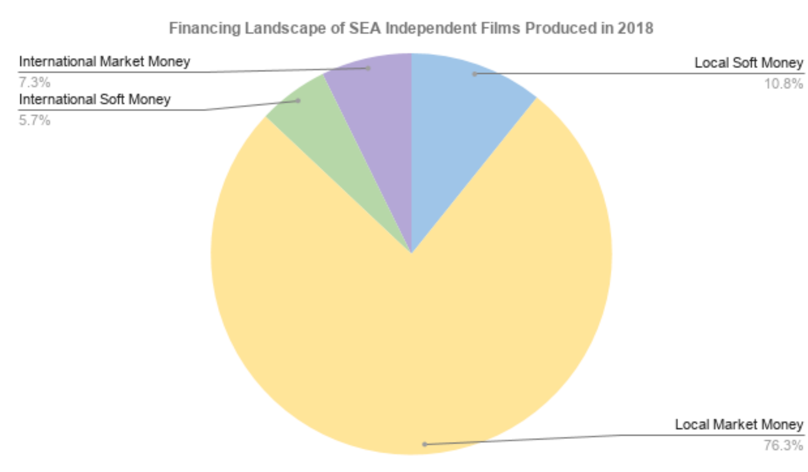
$129K
AVERAGE INTERNATIONAL SOFT MONEY
(OF FILMS THAT RECEIVED INTERNATIONAL SOFT MONEY)

$106K
AVERAGE INTERNATIONAL MARKET MONEY
(OF FILMS THAT RECEIVED INTERNATIONAL MARKET MONEY)

OVERALL FINANCING LANDSCAPE

SEA independent films produced in 2018 received varying amounts of financing from both soft money and market money sources, locally and internationally. Though different films had different financing strategies, looking at the overall financing landscape (the total financing in all the films together) reveals certain trends. The chart below displays the percentage of the total financing amount by financing type.

Financing Landscape of SEA Independent Films Produced in 2018

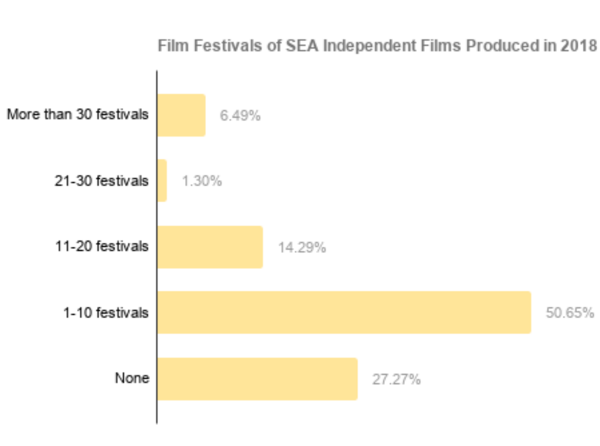


76.3% of the total financing of SEA independent films produced in 2018 were from local market money, a majority of which were investments from the producer or the production companies themselves. While on average the financing amounts from international sources was relatively high per film, the number of films that received any international financing at all was low, leading to an overall percentage of only 7.3% for international market money and 5.7% for international soft money respectively.

FILM FESTIVALS

About 73% of SEA independent films produced in 2018 world premiered at film festivals across the world in three main regions: Asia, Europe and North America. Approximately 51% of films attended 1-10 film festivals, while 7% were screened at more than 30 film festivals.

Film Festivals of SEA Independent Films Produced in 2018



A trend particular to the Philippines is that many independent Filipino films received funding from local film festivals in exchange for the world premiere of those films. Some of these festivals are part of larger media companies that also own the IP (intellectual property) rights of those films.

BUSAN INTERNATIONAL FILM FESTIVAL (4 FILMS)
QCINEMA INTERNATIONAL FILM FESTIVAL (5 FILMS)

71% ASIA
WORLD PREMIERE
22% EUROPE
6% NORTH AMERICA

INTERNATIONAL FILM FESTIVAL ROTTERDAM (2 FILMS)

FILM FESTIVALS WHERE A NUMBER OF FILMS HAD ITS WORLD PREMIERE

VENICE INTERNATIONAL FILM FESTIVAL (2 FILMS)

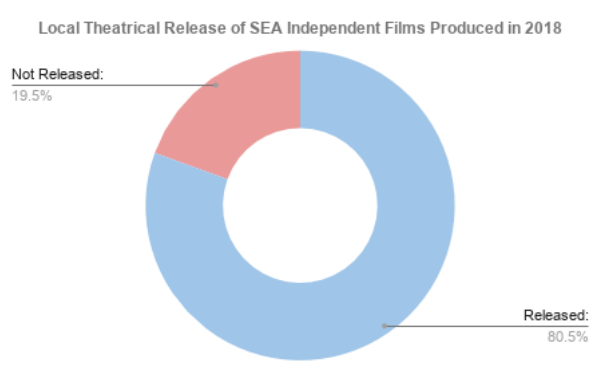
73%
PREMIERED AT FILM FESTIVALS
(56 OF 77 FILMS)

$3K
AVERAGE SCREENING FEES
(16 OF 77 FILMS)

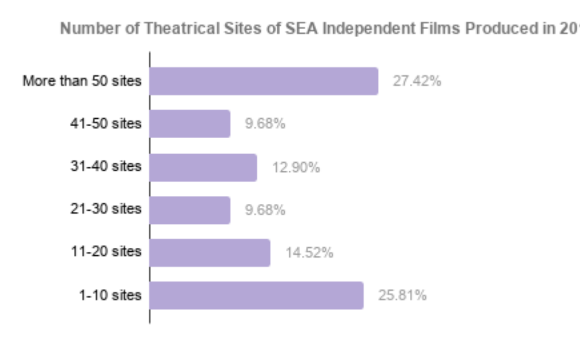
LOCAL THEATRICAL RELEASE

About 80.5% of SEA independent films produced in 2018 were theatrically released in their respective countries. Approximately 25.8% of films held their releases in theaters for the window of 2 weeks. About 27.4% of the films were released in more than 50 theatrical sites — most of which were from Malaysia.

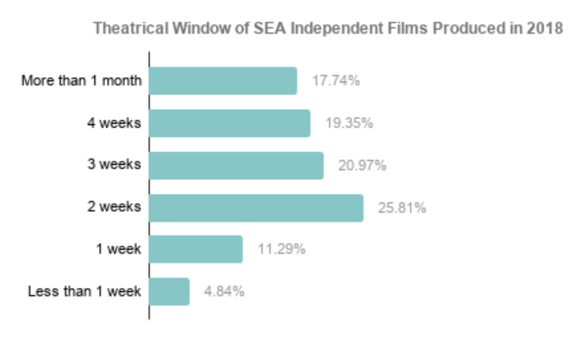
Local Theatrical Release of SEA Independent Films Produced in 2018



Number of Theatrical Sites of SEA Independent Films Produced in 2018



Theatrical Window of SEA Independent Films Produced in 2018

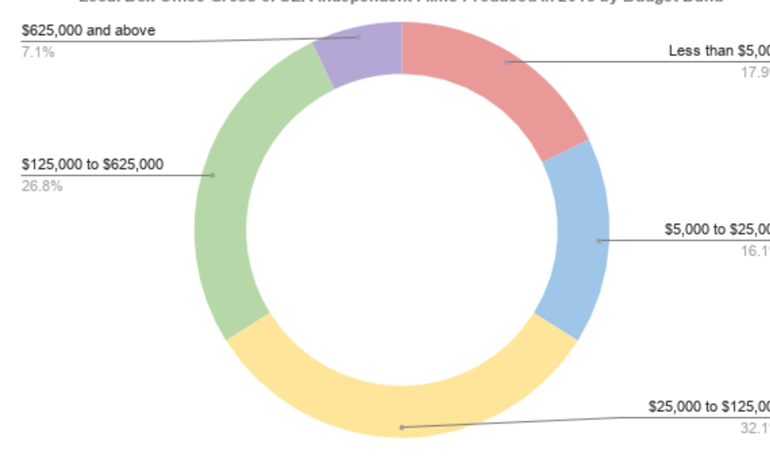


LOCAL BOX OFFICE

The local box office ranged drastically with films that grossed less than $5,000 to films that grossed over $625,000. The largest percentage of films grossed between $25,000 to $125,000 from the local box office. On average, 45.2% of the total gross from the local box office was earned back to the production company, though the returns vary country by country.

ON AVERAGE,
45.2% OF
THE TOTAL GROSS FROM
LOCAL BOX OFFICE
WAS EARNED BACK TO
THE PRODUCTION COMPANY

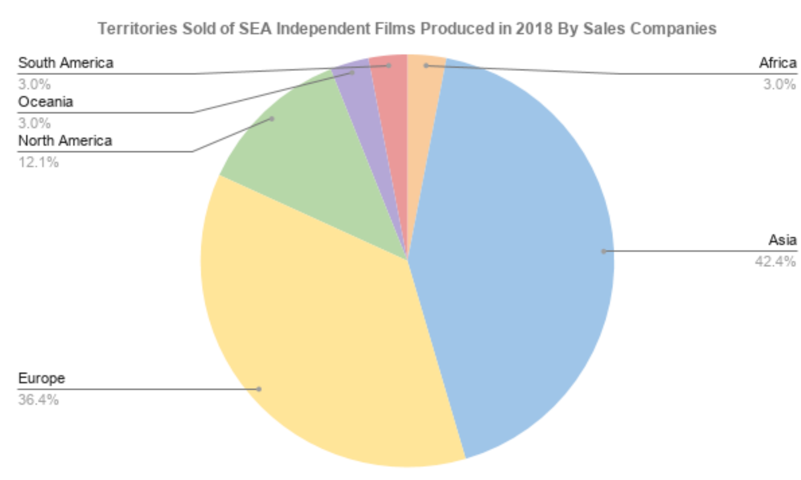
Local Box Office Gross of SEA Independent Films Produced in 2018 by Budget Band



SALES COMPANIES

Approximately 18% of SEA independent films produced in 2018 secured representation from sales companies. Through sales companies, the films were sold to various countries around the world. The region with the highest number of countries sold by sales companies was Asia, followed by Europe and North America.

Territories Sold of SEA Independent Films Produced in 2018 By Sales Companies



The average sales revenue by sales companies was $76,000, while the average earnings back to the production company was $34,000. Out of the films that secured representation from sales companies, only four films received a minimum guarantee, which averaged $22,500 per film.

18%
REPRESENTED BY SALES COMPANIES
(14 OF 77 FILMS)

$76K
AVERAGE INTERNATIONAL SALES REVENUE

$34K
AVERAGE EARNED BACK TO PRODUCTION COMPANY

LIST OF SALES COMPANIES

108 MEDIA
ASIAN SHADOWS
CJ ENTERTAINMENT
FILMS BOUTIQUE

GOLDEN SCENE
GOODMOVE MEDIA
JOUR2FÊTE
MAPPEAL

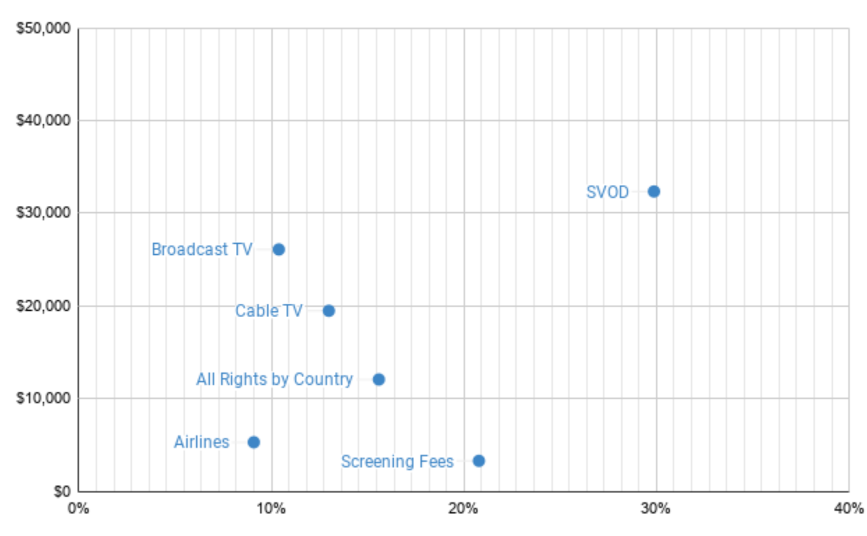
MK2 PRODUCTIONS
MM2 ENTERTAINMENT (2)
REEL SUSPECTS
VISIT FILMS

DISTRIBUTION CHANNELS

On average, 87% of SEA independent films produced in 2018 were sold to distributors by a sales company or directly by the production company itself (including the local theatrical release). The remaining 13% that did not receive any commercial distribution at all were films from Singapore and the Philippines; the films did screen at 1-10 film festivals, but did not generate any revenue. The data points below display the percentage of films and the average sales amount per distribution channel.

87% OF FILMS WERE DISTRIBUTED

Average Sales Amount of SEA Independent Films Produced in 2018 by Distribution Channel



AVERAGE EARNING BY DISTRIBUTION CHANNEL

ALL RIGHTS BY COUNTRY	16%	$12,000 AVG.
BROADCAST TV	10%	$26,100 AVG.
CABLE TV	13%	$19,500 AVG.
SVOD	30%	$32,400 AVG.
SCREENING FEES	21%	$3,300 AVG.
AIRLINES	9%	$5,300 AVG.

Looking at the distribution channels for SEA independent films in 2018, we can see several trends. First, films that were represented by sales companies tended to have overall higher sales revenue, because they were sold to more territories. This is understandable, as sales companies have a much wider network than the production companies themselves. However, the All Rights sales by country, which is the traditional way that sales companies sell, earned less per sale on average than the production company did selling Cable TV, Broadcast TV, and SVOD rights on their own.

SVOD has become the dominant distribution channel for SEA Independent films in both frequency and amount per sale. From the previous year, we have observed a more diversified list of subscription video-on-demand (SVOD) services, a number of which were newly established services based out of Southeast Asia and Asia. This demonstrates the region is adapting to the rise of international over-the-top (OTT) media services by creating their own to target local audiences. Finally, physical media (DVD) is no longer a viable distribution channel.

TOTAL REVENUE

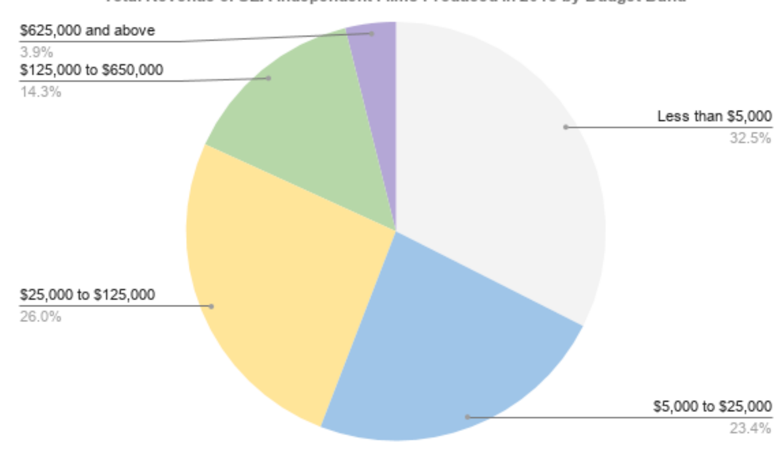
The total revenue is the gross amount earned from all revenue sources before the sales companies and distributors have taken their cut. The total revenue of SEA independent films produced in 2018 is classified by budget bands. 87% of films earned revenue, the remaining 13% had no revenue.

87% OF FILMS EARNED REVENUE

TOTAL REVENUE
MEAN: $224,000
MEDIAN: $30,000

NET EARNINGS
MEAN: $109,000
MEDIAN: $15,000

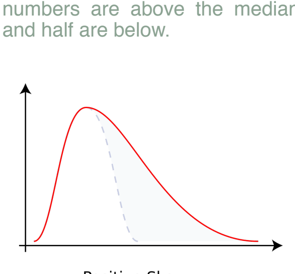
Total Revenue of SEA Independent Films Produced in 2018 by Budget Band



The average mean of the total revenue of SEA independent films produced in 2018 was $224,000, while the average median was $30,000. The discrepancy between mean and median show a positively skewed distribution. Since the mean is sensitive to outliers, the mean is skewed by a few relatively high values.

MEAN & MEDIAN

Mean and median are different measures of center in a data set. The **mean** is the sum of all the numbers in the set divided by the amount of numbers in the set. The **median** is the middle point of a number set, in which half the numbers are above the median and half are below.



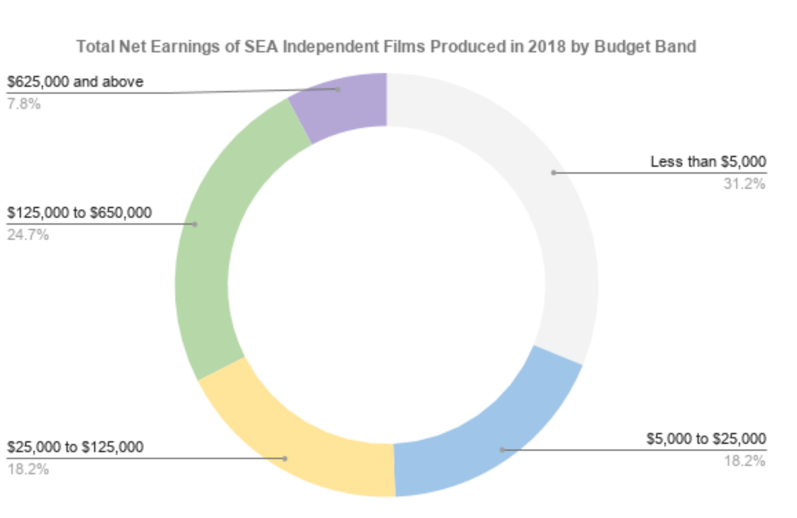
Positive Skew

A positively skewed distribution means the mass is concentrated in the left side of the distribution, and the mean is usually greater than the median.

NET EARNINGS

Net earnings is the amount earned back to the production company after the sales companies and distributors have taken their cut. The net earnings of SEA independent films produced in 2018 are classified by budget bands. Approximately 9.1% of films earned back more than $625,000, while 31.2% of films earned back less than $5,000.

Total Net Earnings of SEA Independent Films Produced in 2018 by Budget Band



The average mean of the net earnings of SEA independent films produced in 2018 was $109,000, while the average median was $15,000. Similar to the distribution of total revenue, the discrepancy between the mean and median shows a positively skewed distribution. The mean is skewed by the few relatively high values of the outliers.

OUTLIERS

From the data analysis, we have observed a number of outliers that stood out from the pool of SEA independent films produced in 2018. These outliers generated a total revenue averaging $1.7 million and received total net earnings averaging approximately $784,000. The films share certain commonalities that are worthy of attention.

First, the outliers were produced with an average production budget of approximately $507,000. This is considered relatively high for Southeast Asia. The majority of these films were financed with market money, primarily from local sources with a few notable international investors.

Second, the outlier films tended to have limited exposure at film festivals, with more than half not being screened at any film festival. This points to the trend that the more commercial SEA independent films targeting local audiences do have less appeal to international film festivals.

Third, the outlier films grossed an average of over $1.1 million in local box office, more than half of which were theatrically released in more than 50 sites and had a theatrical window of more than 1 month. The majority of outlier films continued to have successful theatrical releases in neighboring countries in Southeast Asia. This demonstrates that while the films' overall financial success relied heavily on local audiences, the audiences' tastes tended to be similar across Southeast Asia as a region.

Purin Pictures is a film fund that supports independent cinema in Southeast Asia.
This research was conducted by Purin Pictures in the years 2020 - 2021.

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