

From Cinema to Small Screen: The Revolution of Film Distribution with OTT Streaming

Muhammad Edi Irfandianto¹, Azzahra Qubais Suprpto², Irwansyah³

^{1,2}Student, Department of Communication, University of Indonesia

³Lecturer, Department of Communication, University of Indonesia

ABSTRACT

The development of digital technology has brought significant changes to the audiovisual industry, particularly in film distribution, which has now shifted to online platforms. This change not only makes it easier for customers to access content but also allows them to choose content according to their preferences. For example, Netflix has emerged as one of the largest service providers in the world, changing the way films are distributed by offering various content that can be accessed anytime and anywhere. However, despite the peak popularity of streaming platforms, the industry still faces several serious challenges. One of these is the phenomenon of illegal streaming, which not only harms official service providers but also negatively impacts the film industry as a whole by reducing the revenue that should be received by filmmakers and official distributors. Additionally, the dominance of a few large platforms like Netflix creates challenges in the film distribution business, where the market becomes less competitive and it is harder for smaller platforms to compete. This study uses a literature review method based on the PRISMA 2020 standards to identify the transformation in film distribution through digital streaming platforms. The results of this study show that topics such as streaming platform services, Netflix, and film distribution dominate existing research. However, there is a lack of in-depth research on other aspects such as the media industry as a whole, the algorithms used by streaming platforms for content recommendations, and the role of social media in promoting and distributing films. Therefore, future research is expected to focus more on various film distribution channels and the dynamics of the media industry, as well as deepen the understanding of how film distribution services are promoted. This is important both globally and in Indonesia to ensure that the film industry can develop sustainably and fairly for all industry players. With more comprehensive research, better insights can be provided to help address the challenges present in this industry.

Keywords: Audiovisual, Film, Online Streaming Platform, Netflix, Film Distribution

INTRODUCTION

Audiovisual is the result of combining the words "audible," which refers to the ability to be heard by humans, and "visible," which refers to the ability to be seen (Munandar & Tambunan, 2018). Therefore, audiovisual refers to media that use sound and visual elements together, such as films, videos, and multimedia presentations (Manovich, 2001). With these advantages, audiovisual allows for more dynamic and effective information and storytelling, creating a stronger impact on the audience. According to Jim Stinson, the audiovisual era began when the first films emerged, followed by television, which was used as a medium to broadcast various programs, both live from studios and pre-

recorded in the form of films or video recordings (Anderson et al., 1985). Some well-known audiovisual media include television, film, the internet, mobile phones, and other platforms that serve as audiovisual distribution devices (Kroon, 2010).

Building on this, the variety of media used to distribute audiovisual content has evolved along with technological advancements. Additionally, the advent of media convergence has made audiovisual distribution more diverse, with digital methods such as video streaming, social media platforms, and virtual reality technology becoming prominent. This shift has had a significant impact, leading to rapid changes in modern culture, influencing how people learn, communicate, and entertain themselves (Giannetti, 1982). The development of digital technology in the era of globalization has fundamentally changed the landscape of the audiovisual industry. One of the most notable changes is the shift in film distribution, which now heavily involves online platforms distributed digitally, as opposed to traditional distribution methods (Vodičková, 2022). This transition occurs because digital distribution is considered more accessible, allowing customers to curate content according to their preferences (Lotz, 2017).

In traditional ways, film distribution was centralized in cinemas or physical media such as DVDs and Blu-Rays (Ulin, 2019). However, with the advent of the internet, traditional distribution methods have become less favored, shifting to more instantaneous methods through platforms to provide a different experience. With the increasing number of devices that support digital media and faster internet access, consumers can interact anywhere without concerns about content limitations and activities they can engage in (Jones, 2009).

A film, also known as a motion picture, can be defined as a series of images projected on a screen to create the illusion of moving images (Dixon, Wheeler Winston Foster, 2018). A film is a work of art that has a presentation mode tailored by textual features and can be explained through a textual framework of images. Thus, filmmaking is very complex, requiring contributions from many other art skills such as sound recording, photography, writing, etc. (Andrew et al., 2024). Film first appeared in the 19th century with cinematography technology by the Lumière brothers, then became popular in the 20th century, evolving into a large industry as a medium for conveying messages and entertainment (Thompson & Bordwell, 2010). Seeing this potential, films eventually began to be monetized because of their advantages in conveying information and entertaining the masses. Monetization is divided into three sectors: production, distribution, and exhibition (Adamczak, 2020).

Film distribution started in the early 1900s when several developed countries in Europe built film centers as distributors in the form of theaters (L. C. Harris, 2018). A decade later, cinemas were established as venues for scheduled film screenings using tickets. Cinema distribution became increasingly trendy and peaked for several decades. Additionally, distribution also occurred through storage media such as DVDs and VCDs, but it began to decline with the advent of television. People tended to prefer television because it did not require them to go downtown to watch films (C. L. Harris, 2013). With the advent of the internet and the digital era, film distribution also felt its impact. The term Video On Demand (VOD) emerged, allowing consumers full control to choose their favorite films without scheduling, using the internet for easy access and use (Cunningham et al., 2010). Pioneers in film distribution through this platform included Netflix, Hulu, Amazon, and Blockbuster. Gradually, several film production companies like HBO and Disney also started similar businesses, becoming the mainstream way to watch films in this disruptive era.

People have developed new preferences for enjoying films, one of which is through online streaming platforms. This emergence was triggered by the development of Industry 4.0, Web 3.0, and 5G

technology, making people more comfortable using digital electronic devices (KOÇ, 2019). Online streaming platforms refer to accessible internet sites offering unlimited access to thousands of films and TV series, allowing users to enjoy content anytime and anywhere through their digital devices (Hayes et al., 2019). These streaming platforms are often called over-the-top (OTT), meaning that consumers can watch video content on various devices without needing a cable TV connection or broadcast (Adjust, 2020). These platforms employ a subscription system, so consumers only pay once upfront and can enjoy unlimited films.

Some popular online streaming platforms include Netflix, Disney+ Hotstar, WeTV, Viu, HBO, Iflix, MolaTV, and many others. Consequently, with more platform choices available, people tend to prefer using these platforms over traditional methods like cinemas, DVDs/VCDs, or even television because they are simpler, more flexible, and interactive (Changsong et al., 2021). For film producers, online streaming platforms also offer conveniences such as localization strategies, content differentiation strategies, partnership strategies, revenue enhancement strategies, etc. (Devaki & Dinesh Babu, 2021). However, with this advancement, the phenomenon of illegal streaming also emerges, threatening the sustainability of the film distribution industry (Leung et al., 2020). Additionally, there is a monopoly in the film distribution business, making it difficult for smaller platforms to thrive. These obstacles can be anticipated through strengthening regulations and oversight to minimize such practices.

This transition is also facilitated by the presence of over-the-top (OTT) film streaming platforms like Netflix, Disney+, Airtel Xstream, Switch TV, and many more. OTT film streaming platforms combine various streaming services transmitted via the internet, adjusting their media services to suit any device, enabling content providers to reach audiences worldwide (Ramachandran, 2023). The popularity of OTT streaming platforms in recent years has peaked, even rivaling traditional distribution methods like cinemas, DVDs, and television (Mulla, 2022). This is validated by findings that film streaming platforms can generate revenue of US\$788 million or Rp12.2 trillion from the Indonesian app market in 2023. This figure increased by 20% from the revenue in 2022 (Suhartanto, 2024).

The high growth of film streaming platforms indicates that the distribution transformation has been successful, indirectly changing consumer viewing habits. This transformation affects not only consumers' habits in accessing films but also the film industry as a whole, considering convenience, preferences, flexibility, cost benefits, and related policies. Thus, online film streaming platforms present new challenges and opportunities for stakeholders in the film industry, particularly in distribution. Given the popularity of online streaming platforms in the film industry, it is very interesting to observe the development of research related to the transformation of film distribution using digital streaming platforms. Furthermore, the preference for research is also important to discuss to identify current trends and effectively find research gaps to provide recommendations for future researchers.

RESEARCH METHODOLOGY

The research method used in this study is a literature review based on PRISMA 2020 standards. PRISMA 2020 is a guideline on techniques for searching, analyzing, and synthesizing studies, consisting of 27 elements with the aim of following 5 phases: identifying criteria, determining information sources, designing a search strategy, conducting the selection process, and performing data collection (Irwansyah & Ernungtyas, 2023).

Phase 1 of this study involves determining the eligibility criteria for the literature. These criteria are based on three areas that form the research questions. The research questions organized in this study

include (a) journals indexed by Scopus; (b) the development of film distribution transformation using digital streaming platforms; (c) preferences in research to observe current trends.

Phase 2 involves determining the eligibility criteria for information sources. This includes English-language articles published in scientific journals between 2019 and early 2024 that include the terms "audiovisual film" or "streaming services" in their titles, abstracts, or keywords. The search for information sources also includes theoretical and empirical studies using quantitative or qualitative methods. The search is limited to studies identified as journal articles.

Phase 3 involves determining the search strategy. Elsevier (Scopus) is used for article selection because Scopus is a globally recognized index with the most renowned reputation. The publication date of journal articles is limited to five years, from 2019 to early 2024. This is because some journals in Indonesia require references for journal articles to be the most relevant and recent (from the last 5 years).

Phase 4 involves the selection process of studies. The initial search in Scopus yielded 103 articles. Researchers then evaluated these 103 articles based on their titles, abstracts, and keywords. After the second selection stage, 46 journal articles remained. These 46 articles were independently reviewed by the researchers in full text, and a decision was made to eliminate 57 journals. An additional 57 journals (n=57) were included to meet the information source requirements for this literature review. Finally, phase 5 involves data collection. In collecting data, two researchers worked independently, using Mendeley to organize the bibliography. Additionally, VOS Viewer was used to analyze the conceptual network (Irwansyah & Ernungtyas, 2023).

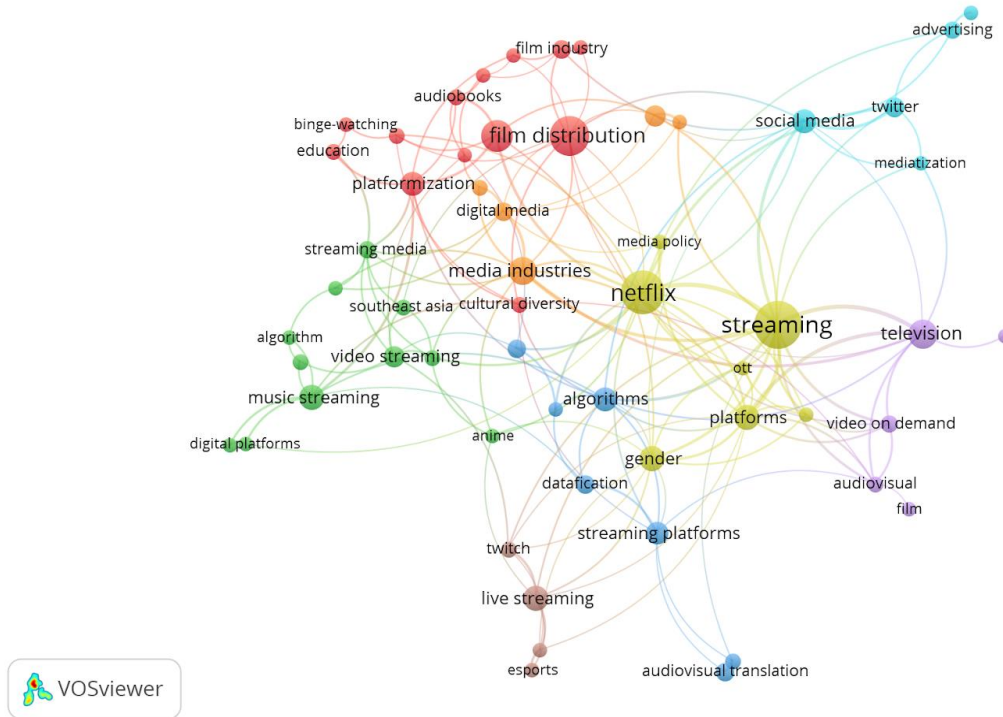
RESULTS AND DISCUSSION

KEYWORD CLUSTERS ON AUDIOVISUAL FILM OR STREAMING SERVICES

This analysis identified several keywords derived from the co-occurrence of keywords in journal articles. The keyword "Netflix" is connected with the terms "streaming," "platform," and "gender," identified as the first cluster with the color yellow. The second cluster, marked in red, identifies the keyword "film distribution," which is connected with the terms "platformization," "film industry," and "audiobooks." The third cluster, marked in green, identifies the keyword "video streaming," which is connected with the terms "music streaming," "digital platform," and "streaming media." The fourth cluster, marked in dark blue, identifies the keyword "algorithms," which is connected with the terms "datafication," "streaming platforms," and "audiovisual translation." The fifth cluster, marked in orange, identifies the term "media industries," which is connected with the term "digital media." The sixth cluster, marked in light blue, is identified with the term "social media," which is connected with the terms "Twitter," "mediatization," and "advertising." The seventh cluster, marked in purple, is identified with the term "television," which is connected with the terms "video on demand," "audiovisual," and "film." The final cluster, marked in brown, is identified with the term "live streaming," which is connected with the terms "Twitch" and "esports."

Figure 1. Keyword clusters about Audiovisual films or Streaming Services

Source: Author



DEVELOPMENT OF FILM DISTRIBUTION TRANSFORMATION

The transformation of film distribution has now shifted to streaming platforms. Streaming platforms are widely used because they offer online-based services, making it easier for audiences to access films for entertainment. This is also evident from the conceptual analysis, where the keyword “Netflix” is one of the main keywords. Netflix is one of the leading streaming service providers in the world, with 238.39 million users globally (Annur, 2023). The keyword “Netflix” is also connected with other keywords from various clusters, including the term “streaming” which illustrates the main function of Netflix, the term “film distribution” which reinforces Netflix's role as a platform aimed at distributing films to audiences, and the term “social media” which highlights one of the ways Netflix promotes its services.

RESEARCH PREFERENCES

Research preferences are interpretations of conceptual analysis visualized through the density visualization feature in the VOSViewer application. In VOSViewer, the base colors of each generated visualization are red, green, and blue (RGB), and using these colors, we can identify areas in the visualization where many nodes are closely connected or related to each other (Setiyani & Rostiani, 2021).

Areas with yellow-colored nodes, such as the keywords “Netflix,” “streaming,” and “film distribution,” indicate that these keywords have become well-researched topics, whereas topics or keywords surrounded by green, such as “media industries,” “algorithms,” “social media,” “live streaming,” and “television,” are topics that have not been extensively studied.

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