

DIFFERENT FORMS OF GLOBAL INTEGRATION OF FILM INDUSTRY:
THE CASE OF ISTANBUL

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ABSTRACT

DIFFERENT FORMS OF GLOBAL INTEGRATION OF FILM INDUSTRY: THE CASE OF ISTANBUL

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The aim of this thesis is to explore the different forms of global integration and artistic and economic performance factors in order to explain their contribution to the development of film industry as one of the “core cultural industries” (Hesmondhalgh, 2007, s. 12) accepted as “the driver of local economic development at selected locations like cosmopolitan cities” (Scott, 2004a, p. 463). In this regard, this thesis attempts to explore globalization process of film industry within different forms of integration and artistic and economic success factors for films and film companies. The main hypothesis of the thesis is that globally integrated film industry is the outcome of artistic and economic successes at film, firm, and organizational level and the function of strong local and global networks, different forms of production strategies and social network structures as well as the high level of social, human, and material capital. Thus, while film, firm and organization specific variables and their effects are tried to be examined for economic performances; human, social, and economic capitals are explored for artistic performances.

For the identification of the level of global integration and artistic and economic successes for Istanbul film industry both qualitative and quantitative methods are employed together with social network analysis throughout the thesis. In this way, this thesis describes the types

and levels of integration for the case study area and evaluates its relative successes gained in the domestic market with the perspective of global film market. The analyses show that it is a fast growing industry in Istanbul and has managed to succeed in global market at different levels with different strategies. However, the findings demonstrate that production organization of film industry, which is generating economic growth in domestic market; remain incapable against the changing dynamics of film industry in global market. It is still small scale industrial activity and located on the periphery of global film market. For the global integration and sustainable economic growth, it seems very difficult to maintain the existing dynamics of film production in Istanbul.

Keywords: Film Industry, Economic Development, Global Integration, Artistic and Economic Successes

ÖZ

FİLM ENDÜSTRİSİNDE KÜRESELE EKLEMLENME BİÇİMLERİ: İSTANBUL ÖRNEĞİ

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Bu tezin amacı "kültür endüstrilerinin merkezinde" yer alan sektörlerden biri olan (Hesmondhalgh, 2007, s. 12) film endüstrisinin gelişimin sürecinde öne çıkan küresel eklemlenme biçimleri ve sanatsal-ekonomik performans faktörlerinin sektörün "kozmopolit şehirlerin yerel ekonomik kalkınmasında sahip olduğu büyük rol (Scott, 2004a, p. 463)" düşünülerek araştırılmasıdır. Bu bağlamda, film endüstrisinde yaşanan küreselleşme süreci farklı eklemlenme ve sanatsal-ekonomik başarı faktörleriyle film ve firma düzeyinde sorgulanmaktadır. Tezin temel hipotezi küresel olarak eklemlenmiş bir film endüstrisinin; film, firma ve üretim örgütlenmesi düzeylerinde elde edilen sanatsal ve ekonomik başarıların; güçlü yerel ve küresel ağların; farklı üretim stratejileri ve sosyal ağ biçimlerinin; gelişmiş sosyal sermaye, insan sermayesi ve maddi sermayelerin sonucu olduğudur. Bu temelde, film, firma ve organizasyonel düzeydeki değişkenler ve etkileri ekonomik başarı açısından incelenirken, insan sermayesi, sosyal sermaye ve maddi sermayeler sanatsal başarılar açısından incelenmiştir.

Küresel eklemlenme düzeyi ve sanatsal-ekonomik başarılar İstanbul film endüstrisi için kalitatif, kantitatif ve sosyal ağ analiz yöntemleriyle incelenmiştir. Bu şekilde, bu tez, çalışma alanı için küresel eklemlenme biçimleri ve düzeylerini, sektörün iç piyasada yakaladığı göreceli başarının küresel film pazarında ne anlamda geldiği çerçevesinde

değerlendirir. Analizler film endüstrisinin İstanbul'un en hızlı büyüyen endüstrilerinden biri olduğunu ve farklı stratejilerle farklı seviyelerde küresel pazarda yer aldığını göstermektedir. Ancak, bulgular, film endüstrisinin iç pazarda büyümesini sağlayan üretim organizasyonunun küresel piyasalarda sektörün değişen dinamikleri karşısında yetersiz kaldığını göstermiştir. Türk film sektörü hala küçük ölçekli bir endüstriyel faaliyet olarak küresel film pazarının çeperinde yer almaktadır. İstanbul'daki mevcut film yapım dinamiklerinin aynı biçimde devam ettirilmesi halinde küresele eklemlenme ve ekonomik büyümenin sürdürülebilirliği zor görünmektedir.

Anahtar Kelimeler: Film Endüstrisi, Ekonomik Kalkınma, Küresel Eklemlenme, Sanatsal ve Ekonomik Başarılar

To Yaprak Simge

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LIST OF ABBREVIATIONS

- CEPA: Closer Economic Partnership Agreement
DGA: Director Guild of America
DVD: Digital Versatile Disk
EU: European Union
EXU: Export Union
FA: Foreign Actor
FDI: Foreign Direct Investment
FIPRESCI: International Federation of Film Critics
FIYAB: Film Producers' Professional Association
FP: Foreign Producer
G: Geo-Cultural Resources
GATT: General Agreement on Tariffs and Trade
GDP: Gross Domestic Product
ICC: Istanbul Chambers of Commerce
IMDB: The Internet Movie Database
ISMAMO: Istanbul Chamber of Certified Public Accountants
LQ: Location Quotient
MPAA: Motion Picture Association of America
MPEA: Motion Picture Export Association
NAFTA: North American Free Trade Agreement
NGO: Non Governmental Organization
NRG: National Research Group
NZ: New Zealand
SESAM: Professional Union of Film Producers, Importers, Cinema-owners
SEYAP: Film Producers Professional Association
SIYAD: Turkish Film Critics Association
SPN: Sponsors
SPSS: Statistical Package for the Social Sciences

SSCB: Union of Soviet Socialist Republics
TESİYAP: Professional Association of Television and Cinema Film Producers
TNC: Transnational Cultural Industries
TNCM: Taiwan New Wave Cinema Movement
TUIK: Turkish Statistical Institute
TV: Television
UCINET: Software for Social Network Analysis
UIP: United International Pictures
UK: United Kingdom
UNESCO: United Nations Educational, Scientific and Cultural Organization
US: United States of America
VCD: Video Compact Disk
VCR: Video Cassette Recorder
WB: Warner Bros
WOM: Word of Mouth Mechanism
WTO: World Trade Organization
WWII: World War Two

CHAPTER 1

INTRODUCTION

1.1. Aim of the Thesis

The recession of the 1970s showed an endpoint for the favourable combination of mass production and state interventionism that enabled the rapid economic growth. The basic statement is that capitalist development has entered a phase of the reconstruction of the global economy. In this phase, cultural industries and creative industries become one of the primary units of local economic development. There is some consensus within academic and policy circles on the meaning of the terms cultural and creative industries and in both arenas the term is now widely used as the distinctive economic activity. However, there is no widely accepted agreement on where the boundary lies between cultural and creative industries. Similarly, there is a lack of clarity about whether the terms cultural industry and creative industry are interchangeable or they denote different areas of activity. While Adorno and Horkheimer use the term cultural industry firstly in their critique of mass produced art, French sociologists use the term to highlight the complexity of the sector. On the other hand, the term was first used in policy circles by the Greater London Council in the 1980s. O'Connor suggests that the term creative industry emphasizes the economic value of the products rather than the concept of culture (2000). In this study, cultural industries and especially film industry is analyzed as a primary unit of local economic development as to be said by several urban researchers underlining the central role of culture and the cultural industries on the development of cities in the globalisation process. The issues of cultural production have a crucial role to maintain economic development in the new globally competitive economic order.

The film industry, which is the biggest commercial sector in cultural industries, acts as a focus for the economic restructuring and commercialization of cultural production. It is accepted as catalyst for the economic development and attracted growing interest of academics as well as of urban and economy managers. It is also to be found at the heart of the new economy. So many cities in the world invest heavily on film sector to promote economic development and to be the part of international film production. In this process, film industry has been undergoing profound structural changes towards globalisation, encompassing not only the production process itself, but also organizational and financial models. It is started to be emphasized in the literature that global integration is the most important success factors for film industry. However, little is known about the critical success factors in this globalisation trend influencing economic development of cities. Clustering, networking, labour process, cultural policies, and global interaction are the issues emphasized in the literature on the competitiveness analyses of cultural industries. Despite the growing amount of development literature focusing on the cultural industries and their different dimensions as clustering, networking, policy and labour process, film industry has not been covered enough yet in these debates with its globalisation process. There are many studies focused on the artistic and economic successes of film industry by using econometric analyses but limited number of research focused on the globalisation and global integration process of film industry.

Film industry requires the combination of artistic and economic inputs due to its dual characteristic. They are accepted as very important for the artistic and economic success of films but film industry also requires global integration or strong external linkages compared to the other cultural industries because of the rapid globalisation experienced in the involvement in filmmaking, film production and consumption, and finally the organization of filmmaking especially in the last decade.

In order to understand the growth dynamics and success factors of film industry in this process, the ways developed and used by local film industries to integrate global film market and the different strategies practiced by the local to be a part of the game should be analyzed with the barriers and opportunities in the system.

Main concerns of this study are about the economic development of Istanbul in global economy through film industry as one of the most important cultural industries with its direct

contribution to the urban economy (by triggering multitude of other sectors such as accommodation, catering and transportation) and its impacts on the promotion of cities and countries (by presenting local culture, creating images, and increasing city's potentials to attract tourists) (Enlil et al., 2008). Film industry -as the focus of this study- has a high level of interaction with place and has an important role in incubating the creativity potential in cities. It attracts creative people and contributes to the formation of creative cities (Durmaz et al., 2008). As it is increasingly observed in the last decade, many cities have tried to promote creativity as a driver of economic growth in the global economy. Parallel to this development, interest in the creative or cultural industries has burgeoned after 2000 (Turok, 2003). Cities have promoted creativity by encouraging cultural industries and more specifically entertainment industries. They provide powerful images for cities in this globalised cultural economy.

Turok (2003, p.554) summarizes the impacts of film industry on the local economic development of cities in three ways. Firstly, he suggests that the activities made for local demand have limited impact on the local economy. In this category, production activities are made for local consumption. In the second one, products for the non-commercial purposes are summarized as factual programmes for public services and special features meeting the needs of particular interests. In this category, revenues are limited and producers are not the right holders. Consequently, the economic impact and growth prospects of these activities tend to be modest. Third one is based on the revenues generated beyond the region by certain products such as films and TV series. Producers are the right holders and influence the distribution channels to ensure wider release. Due to the externally traded characteristic of the film products in this category, competition is great and pressure for the quality and cost is more intense. Production is stated as an irregular activity in this group and produce extremely variable commercial successes. In the new globally competitive cultural economy, exportation of the cultural products to other countries is the way of integration into this economy and the way of economic development for cities.

In this respect, the aim of this study is to investigate the place and models of integration of Istanbul film industry into the global film market as a paradigmatic example representing the potentials of the city as a global node in the network based internationally competitive economic system. Artistic and economic organization of the sector producing different

successes and different forms of global integration are the main investigation areas for the city's economic development in global system.

Developments in recent years have showed that artistic and economic successes in both national and international markets has generated huge growth in Turkish film industry with respect to the large numbers of products, firms, and jobs in domestic market, but has not been able to overcome existing problem of one way flow of cultural products from global to local markets. The increasing growth in domestic market does not mean an increase in global market. The development has demonstrated some forms of global integration for Istanbul film industry but could not produce an integration model based on the culture, creativity and high technology. However, as it is emphasized in the literature, cities should be integrated into the global network in order to avoid lock-in situation in the local economic development process and to allow rapid innovation and learning in cities' production systems. For building technological and production capabilities and international competitiveness, integration becomes requirement for cities and their production systems. As it is stated by Scott (1997), cultural economy based on the cultural product industries has always influential role in the development of cities and culture. Global or world cities which are the convergence places of the culture, creativity and economy influence the development of urban culture and economy. Cultural products are not only art, literature, music, theatre, film, but can be extended to other industries such as book publishing, music recording, and multi-media industries (Scott, 1997; McAdams, 2007). Scott and McAdams stated that there are number of cities in the world system dominating the new global capitalist cultural economy. In this economy, cities are pushed to search and adapt new spatial, economic, and cultural systems to ease integration with this new economy based on the intensive collaboration of culture and economy. Art and creativity play an important role in this process as the key growth resources (Durmaz et al., 2008). It suggested that successful cities of the new economy are the ones who developed their capacities for creativity and understand the importance of local cultural values. Cultural industries and especially film industry of a city are very important to cities' future economic welfare and sustainability of development (Scott, 1997). Bayliss argues that "for cities seeking to enhance their competitive position, the use of culture as a driver for urban economic growth is now an established feature of the policy agenda" (2007, p. 889). Cities can easily integrate into the global economy with developed cultural industries by using local cultural values and creativity with advanced

technologies in the production process, and the film industry is one of the most important them all.

As it is stated above, the major cities all over the world are now trying to be integrated into the world city networks with their cultural product industries. They are mostly focused on the policies for competitiveness and integration with the global economy. The importance of cultural industries is underlined in the recent literature as the drivers of local economic development for the selected locations which are generally large cosmopolitan cities (Scott, 2004a). As it is stated in the same study, industrial profile of many countries has changed in the direction of cultural economy over the last decade as the source of expansion for output and employment. The search for competitiveness is the object of urban policies in this period. It originates from the observations of the different performances of cities and regions (Eraydın, 2008). As it is stated by Eraydın, competitiveness contributes to the economic performance of cities in three different ways as; “firstly it increases the attractiveness of places for international capital; secondly it enables local agents to export their products and services all over the world and participate in global value chains; and, thirdly, by gaining global functions that allow them to benefit from the spill-over effects of globally circulating knowledge, information and technology” (ibid, p.1665). In order to discuss the economic performance of cities or regions in terms of increasing income, number of firms, and employment in global economy, competitiveness is used in the literature with different assets such as human capital, creativity, culture, and technology. Competitiveness emerges in the new economic order with the intensive convergence of art, culture, creativity, technology and economy. Cultural industries are the sectors emerge at this convergence points with the combination of these assets and provide competitiveness for cities in global economy. Cities which have developed cultural industries grow faster and increase their shares in the world economy. Culture and creativity as drivers of development are established features of the urban policy agenda. They have become central to stimulate the cultural industries and to promote the city at an international level, attracting investment and the creative class (Bayliss, 2007).

In tracing this development, this study is an attempt to assess film industry as an instrument for the urban and regional economic growth of Istanbul in global economy. In this direction, the study discusses success factors of Istanbul film industry under three groups as artistic, economic, and global integration. It examines the interplay of the artistic and economic

successes of film industry based on the association of culture and creativity and the global integration of cities through film industry using the example of Istanbul, Turkey. It is designed to evaluate existing situation of film industry in Istanbul and to discuss the scale and sustainability of its growth in global film market. Istanbul presents an interesting example with its traditional industry based on economic policies and the global city aims. It has not succeeded to link culture with urban economic development up to this time but recent research has suggested an emphasis on cultural industries with their spill-over effects on the other economic and cultural activities and therefore the development of urban economies. Integration into the world economy with cultural industries and especially film industry is the source of economic growth for cities and Istanbul's integration into the global networks as one of the important nodes in the flows of films or cultural products constitutes the main research subjects of this study.

As it is stated in the literature, integration into the global market is a critical factor for the local economic development. In case of the literature focused on cultural industries and film industry, functional integration into the globalised film industry is accepted as the source of commercial success and international competitiveness. In this context, the thesis is more specifically formulated in parallel with the literature which puts main emphasis on artistic and economic success factors; and the level of global integration.

In the light of these discussions, this study is an attempt to investigate artistic and economic success factors of films and film companies in both national and international markets and to evaluate how different film countries are integrated into the global film markets as well as to describe different integration models into global film markets. Through these investigations, how a feature film cluster, such as Istanbul, can generate artistic and economic successes and international competitiveness is analysed and the potential linkages between the global film markets and the artistically or economically successful film clusters are investigated.

In this regard, the mutual interactions between global integration, artistic and economic success factors, and the artistic and economic success of both films and film companies become the main concerns of the thesis. On this basis, three sided analyses are made in order to investigate these issues in Istanbul case over films and film companies. Firstly, related to the economic success, film, firm, and organization specific factors are analyzed. Secondly, related to the artistic success, aesthetic features of productions and resources such as human,

social, and material capitals are evaluated in terms of seeing their contributions to the success of films and film companies. In the last part, it is attempted to expose how the synthesis of these conditions affects the integration process of local film industry into global film market. In this context, the artistic and economic indexes of film industry and the synthesis of them in which different global integration models emerge are discussed in the case study of the film sector in Turkish metropolitan city; Istanbul.

1.2. The Context of the Thesis

After the end of the economic crisis of 1970s, capitalist development has entered a phase of restructuring of the global economy. The creative or cultural economy has been emerged as a new direction of many countries' economic policy after the end of industrial period. As it is stated by Scott (2004a), industrial profile of many countries has changed in the direction of new creative or cultural economy over the last two decades. In this global competitive economic order, intensive convergence process is experienced between creativity, culture, economy and technology. Multilayered structure emerges between them with the intensive network relations and globalization. Knowledge as the most important economic input has created values system with intellectual capital (as the creativity dynamics), technological innovation, network economy, and cross border cultural interactions in this new economic order. These values move on the networks and are produced in cities. Cities are both the centre of economic activities and cultures. They become production and consumption nodes of the world and increasingly connected to each other. They establish close and intensive relations and become the focal and nodal points of global economy connecting different urban economies. In parallel with the connected economic activities, new city cultures emerge in these cities. They have become the driving power of global economy with these cultures (Uçkan, 2009).

In this highly connected economic order, all cities do not have the same level importance. Some of them move ahead of the others with its competitive advantages such technical and institutional infrastructure, information and communication networks, and skilled labour. In the new global economic system, there is highly connected network structure among cities which are the nodes of production and consumption. And also there are links between these nodes representing the flows of "people, technology, finance, texts, and ideologies" (Appadurai, 2006). Cities are now the focal points of innovation directing global knowledge

economy. They become the incubation centre of creative approaches with spatial organization, cultural infrastructure, “talent, technology and tolerance” (Florida, 2004). It can be observed in the world system by analysing the flows between cities that there are two groups of cities. While the first group cities are generally consuming the cultural products of other cities within one way flow, the others are both selling cultural products and consuming the cultural goods of the first group within a two-way flow. For the local economic development, two-way relationships are needed for cities.

A striking characteristic of the new period is the increasing importance of sectors which produce goods and services whose subjective meaning to the consumer is high in comparison with their utilitarian purposes. The sectors, which are named as cultural industries represent modern cultural economy, are regarded as newly growing sectors which able to solve many of the problems of de-industrialization and unemployment. They are now accepted as one of the important sources of growth in terms of output and employment. The growth of disposable consumer income and the expansion of leisure time in the modern society are the reasons of the growth in the consumption of cultural products and therefore the reason for the increasing dynamism of the sectors producing these products (Scott, 2000b). They have high level of organizational and technological flexibility and produce design intensive outputs. Transaction intensive inter-firm relations are the other characteristics of cultural industries. They are increasingly accepted as the source of local economic development and growth in different countries and become the objects of intense researches in the local economic development literature. In order to be competitive in the new world economy which is named as cultural economy, different sectors have focused and intensified on the design and style of their products. Cultural industries -as the producers of this type of products- are the drivers of local economic development for the locations which are mostly the large cosmopolitan cities like Istanbul. Cultural industries as the producers of cultural products are located in these nodal cities due to their innovation capacities. They can find optimum places for themselves in these cities because of their ecosystem functioning as foci of creativity and innovation. Community of workers, the rapid circulation of information through the social economic networks, the intensity and variety of human contact, and collectivities of human activity are the main points for the cultural industries to locate in these cities (Scott, 2001).

For contemporary development approaches, cultural industries and models based on these industries become critical. So many studies from across a range of disciplines including sociology, geography, business studies, and communication studies (Aksoy & Robins, 1992; Bathelt, 2002; Bathelt, 2004; Bathelt, 2005; Blair, 2001; Gay & Pryke, 2002; Hesmondhalgh, 2002; Hesmondhalgh, 2007; Kratke, 2002; Power & Scott, 2004; Pratt, 1997; Scott A. , 1997; Scott A. J., 2004a; Scott A. J., 2004b) have started to focus on cultural industries' organization at the level of firms, clusters, or sectors due to its increasing importance as vehicles of economic growth and exports.

However, these studies indicate that providing sustainable development in these sectors is really a hard and dynamic process as especially observed in the film sector; the most visible, pervasive and biggest commercial sector in cultural industries. It is an industry exposed to an increased interest with its biggest economic and cultural impact especially in the last decade. As stated by Rosnan et.al (2010) that film industry is accepted in most of the studies as the new dynamic industry in the world trade. This sector has high development costs and also has need a relatively large minimum market size for making a profit. Demand uncertainty and importance of scale economies in the film sector have coerced the conditions for all countries and markets. These characteristics hugely influence the organization of the cultural industries leading a restructuring process in the film sector. As Thiel and Henriques (2000) have mentioned, organizational globalization on the distribution side and fragmentation on the production side are two parts of this restructuring process. These processes take place simultaneously and are mutually dependent. Hence, the development of contact between local production units and global distribution networks seems to be indispensable conditions for the film industry. To survive in the new cultural economy, internationalization or at least an interaction with global markets became essential for local actors. This local-global interaction is now the most important factor of overcoming sectoral difficulties and development in the modern cultural economy.

Approaches to local-global interaction process reflect different positions. While scholars from Frankfurt School criticize the development of cultural economy for the commodification of culture and for causing a cultural homogenization process, others emphasize that using culture to create an opportunity for economic development provides an evolutionary and enriching process for culture itself. As one of the important cultural industry, film industry has also been subjected to three different approaches in this local

global interaction process such as “convergence, differentialism, and hybridization” (Pieterse, 2006a). Assessing cultural industries as the drivers of economic development forces them to accept local-global interaction as a necessity to provide the sustainability of such an economic development in the global market. However, the integration of local actors into global markets in the new cultural economic structure shows different trajectories for different localities. While some film clusters can adjust to the global market conditions (imitating global actors and their strategies) the others can only carve out stable niches to integrate into the global market (Kaiser & Liecke, 2007).

Due to the film industry’s project based non-recurrent organizational structure and dual nature expressed with the artistic creation and economic products, it is very difficult to define success in film industry within global integration perspective. Artistic and economic successes are the two categories having different dynamics for different examples. Owing to the temporary alliances and dynamic and changing relationships in film production for both national and international markets, there is no specific formulation for artistic and economic successes. Global integration is accepted as the third success category for film industry emerged at the intersection area of the artistic and economic successes in this study. Different combinations of the artistic and economic inputs produce different models of global integration. They are balanced with each other in different ways accordance with the general aims of the producers or directors operating in specific film industry clusters. Different forms of integration into the global film market can be realized with the help of externalities provided by the strong local and global networks, and the level of human, social and physical capital at film, firm and organizational levels. It can be deduced from the literature that success for film industries both artistically and economically in national and international markets is achieved and promoted with the help of these different forms of capitals and network relations.

The literature has shown that there can be different types of integration strategies into the global market in film industry. In the light of the information in the literature, I have specified the ways in which local film industry connect to global film market under six different headings. These models emerge with the different combinations of industrial organizations (production, distribution and marketing system), size of home market, labour market conditions, regulatory mechanisms, and contents of the films. First strategy is the integration into the global market with *command functions*, as in the Hollywood examples.

Organizational heterogeneity, internationally appeal film making, powerful distribution and marketing networks give them superiority on global film markets. Second one is related to the use of *runaway productions* as a strategy for one side to integrate world film market and for the other side to benefit from local financial and creative sources. *Co-production* with foreign film companies is the third most preferred strategy for integration, increasingly used by nations based on arrangements performed by governments such as tax incentives-reductions, some procedural advantages, and cheap labour force. Fourth strategy is based on the integration into global market with *adaptation* and cloning of Hollywood's industrial organization and film making styles which are tried to be applied by countries such as Korea and France. Users of this strategy are all criticised by the cinema critics as imitators of the Hollywood. Fifth one is based on the use of *geo-cultural markets* with diasporic films. Cultural similarities are the starting point for this model. The last strategy *niche markets* base on the use of different methods of film making such as dogma strategies of Denmark, technological superiority of postproduction firms of German, Italian strategy of film making with well-known directors, and animation films of Japan. Art-house film making is the preferred way of this integration. In this strategy, integration is based on non-commercial use of films. Although these models for the local global interaction of film industry can be observed and evaluated for different country examples, they are not used together in one specific film industry analysis (Boyd-Barrett & Thussu, 1992; Jackel, 1996; Hancock, 1998; Bolter & Grusin, 2000; Miller, Govil, McMurria, & Maxwell, 2001; Iwabuchi, 2002; Coe & Johns, 2004; Klein, 2004; Bergfelder, 2005; O'Malley, 2005; Fu, 2006; Keane, 2006a, b; Lee & Han, 2006; Kaiser & Liecke, 2007; Jones, Arora, Mishra, & Lefort, 2008).

As it can be understood from these integration models, different film countries use these strategies to integrate into the global markets today. As they can be the user of just one of these methods, they can also be the practitioner of two or more methods at the same time. However, different forms of integration into the global markets have not been adequately captured in the literature which is mainly focused on the endogenous development models except from the Hollywood (US) and Bollywood (Indian) cases. By the effect of globalisation and restructuring process in film industry, national markets, local resources and local networks become inadequate to economic development and integration into global markets. Different strategies and organizational models applied by players within film industry become critical for the competitiveness of industry in the world film market. There is requirement on global integration promoting economic development by transferring

knowledge, technology, talent, and financial sources. In order to be competitive in this process, strong local and global networks, high level connectivity and density in social network and high level of social, human, and economic capital become crucial factors for the film sector.

It can be said for Turkish film industry that it is one of the fast growing industry in the national market. For the economic development of Istanbul, it has gained crucial importance especially in the last ten years. That is why both governments and metropolitan municipalities take cultural industries and film industry as a part of the development policy for cities. It is increasingly observed that internationally successful artistic films and wide released (both national and international markets) popular films have been appeared in domestic market both with their positive contributions to the popularity of Turkish film industry and their high economic returns. Increasing number of non-governmental organizations is the other important development demonstrating the new trend in Turkish film industry. Especially in Istanbul, the only film production centre of Turkey, film companies have started to collaborate and cooperate with foreign film companies and crew for promoting mutual benefits and export capabilities.

Based on the restructuring process in film industry realized as functional integration (on production, finance, technology and labour sides at global scale) and organizational globalization (on distribution and consumption sides), this thesis is an attempt to analyse different forms of global integration and artistic and economic success factors of film industry with reference to Istanbul. Through this aim, different integration models and different combinations of artistic and economic successes in these models are discussed. Different forms of capital (such as human, social and economic) and different levels of factors (film, firm and organization specific) which take important part in the literature on the artistic and economic successes of films and film companies are discussed in detail. In this context, the main hypothesis; which is *“Global integration of film industry which is the outcome of artistic and economic successes of films and film companies (which is measured with box-office, awards, critics and release in foreign markets) is the function of strong local and global networks, different forms of production strategies and high level of connectivity and density in the social network as well as the high level of social, human, and material capital”*; is tried to be verified.

1.3. Research Questions of the Thesis

In the literature, globalisation process is the mostly emphasized issue for film industry which is undergoing a significant transformation towards globalisation. For the economic development and international competitiveness, functional integration into the global film production becomes crucial for film clusters. In order to be competitive in international market, these integrations become central for film producers. Due to the dual nature of film production based on the combination of artistic and economic inputs such as creativity and finance, performances of film industry can be measured in two ways, i.e. artistic and economic successes. However, as it is emphasized in the economic development literature, global integration is accepted as one of the most important success factors for local cultural industries in today's globally competitive cultural economy. In film industry example as the main research area of this study, global integration is defined as the third success category emerging at the meeting point of artistic and economic successes. Artistic and economic successes and global integration are the three success categories mutually interacted and determine the development of film industry in today's global film production networks. In the light of these discussions, the main research area of this thesis can be defined as the mutual interaction of the global integration and artistic and economic successes in the film industry. In this direction, the main questions of the thesis are formulated as follows:

“To what extent is the global integration of film industry mutually interacted with the artistic and economic success of films and film companies?” and “In what ways the global integration of film industry and the artistic and economic success of films and film companies are mutually interacted with each other?”

“To what extent film, firm, and organization specific factors affect the economic performance of films and film companies in both national and international markets?”

“To what extent human, social, and physical capital affect the artistic performance of films and film companies in both national and international markets?”

“To what extent local and global networks and different forms of production affect the global integration of film industries?”

In order to answer these questions, after reviewing the literature focused on the globalisation process and critical success factors of film industry, industrial organization, film, firm, organization specific factors, the level of human, social and economic capitals and different forms of global integration are examined. Variables related to these factors are determined and correlated with each other. After revealing the connections between these variables, existence of the significant relations between them is analysed.

1.4. Overview of the Research Design

This thesis is designed to identify and to explain the artistic and economic success factors and their contribution to the global integration of film industry. By considering this aim, the study is built around the main concepts; global integration models, artistic and economic success factors as important components of the growth in film sector. For the competitiveness of film clusters in global market; film, firm, and organization specific factors, social networks and different forms of capital (human, social and economic) become crucial together with their specific characteristics.

In the film industry researches, there is no study evaluating all forms of global integration together and making an explanation for them with artistic and economic success factors of films and film companies. Little is known about the economic and artistic dimensions of film production affecting the success of films, film companies, and film clusters in both national and international markets beyond Hollywood. The complex process of globalisation of film industry is still under-explored for most of the countries which have different institutions and organizational principles. The growing diversity of strategies and organizational forms aiming to integrate global film market are little explored issues. Moreover, how different film clusters achieve artistic and economic successes and become integrated into global market with the association of these two successes has not been discovered enough yet. In this context, the mutual interaction of global integration with artistic and economic successes becomes the central point of this research. Therefore, artistic and economic success factors are examined at film, firm and organizational levels by an empirical way with a case study and project based analyses. In order to analyse these factors and the level of global integration, film production companies in Istanbul and most successful 200 films are selected for the case study and project based analyses due to the leader position of Istanbul and economic returns of 200 Turkish films.

Due to the only film production centre of Turkey, Istanbul is also selected for the case study area to discuss the relative success of film industry in the domestic market in the context of global integration. Additionally, Istanbul is the only place in Turkey with its nature and cinematographic characteristics based on the blend of East and West. It increasingly attracts foreign filmmakers with these features in addition to the increasing number of educational institutions and associations related to the film sector promoting competitiveness of the industry in Turkey. Moreover, number of production companies and institutions has largely increased in the last ten years.

Data is collected in two steps in the case study. In the first one, field survey is organized with the production companies in Istanbul. As it is observed in the survey data, film producers have generally been separated according to their aims and motivations focused on the artistic merit and economic returns of film projects. In the second one, project based database is constituted with 200 most successful Turkish films made between 1995 and 2009. As it is observed in the project based data, artistically and economically successful films have different characteristics and have been produced with different organizational networks. Artistic and economic successes come together in different forms in specific projects and cause different integration models.

1.5. Outline of the thesis

This thesis consists of six chapters. Following introduction, I attempt to identify globalisation process of film industry with different country examples in the second chapter. Different forms of integration into global film market are presented with the aim of evaluating Turkish film industry in global context. I have focused on the level and degree of global integration for different film countries. The aim is to learn how different film clusters -including all commercial, integrated-disintegrated, large-small scale, state subsidized film countries like US (Hollywood), India (Bollywood), Korea, Denmark, Iceland and France (Lorenzen, 2008)- deal with internationalization and globalization process. In this chapter, I attempt to find out the strategies of local film clusters to produce films for global market, to carve out stable niches for themselves in world markets, to extent their niches and also the dynamics of industrial organization of the sector in this integration process into the global film market. Attention is also paid to the development dynamics of these strategies and the

factors influenced them, such as the size of the home market, government regulation and industrial-organizational structure (Lorenzen and Taeube, 2007).

Six different forms of integration models into the global film market are defined in this chapter. These models emerge with the different combinations of industrial organizations, size of home market, labour market conditions, regulatory mechanisms, and contents of the films. First one is the integration into the global market with command functions. This model is based on the organizational heterogeneity; internationally appeal film making; powerful distribution; and marketing networks. Second one is based on the runaway productions giving opportunity for smaller examples to integrate world film market and for larger ones to benefit from local financial and creative sources. Foreign co-productions constitute the third strategy for integration. There is an increasing trend to use this strategy supported by governments. Regulations about tax and procedural implementations are the base of this strategy. Fourth one is based on the integration to global market with adjusting and cloning of leader's industrial organization and film making styles. The use of geo-cultural markets is the fifth one based on the development of diasporic films. Cultural similarities are the starting point of this model. The last strategy niche markets is based on the use of different methods of film making in order to carve out a stable niches in world film market.

In order to analyse cultural industries and especially film industry in Istanbul, it is expressive to evaluate the development of film industry in historical process in Turkey. Third chapter is related to the internal structure and external connections of Turkish film industry in historical process. Within the perspectives of globalisation process of film industry, I will examine Turkish cinema through four periods in historical process. Establishment (1920-1950), popularization (1950-1980), restructuring (1980-1995), and globalisation (1995-2010) are the names of these periods demonstrating the characteristics of Turkish film industry in mentioned eras. In these periods, the relationships among production, distribution and exhibition organizations and external linkages for them gain importance as the decisive factors in Turkish film industry. General economic structure, policy changes, institutional developments, local global interactions, and changing dynamics of production, distribution, and exhibition organizations will be exposed in the context of these four periods. Foreign linkages or global links of Turkish film industry will be exposed in detail in historical process. Position of Turkish (Istanbul) film industry in world market will be demonstrated with the production, admission, and box-office performance of industry.

After discussing the theoretical framework of global integration and evaluating different world examples, methodology and design of the thesis is explained in Chapter 4. In this chapter, after describing the aim and framework of the research, hypotheses and main questions of the thesis are given. Under the research title, the choice of the case study area, design of the research, collection of database, questionnaire study, and finally the methods of analysis are explained.

In the fifth chapter, success factors of the film industry are studied under three titles. Artistic success, economic success and integration into the world film market are the base of analyses made for the evaluation of current position of the Istanbul film industry in global market. Theoretical framework of the artistic and economic success analysis of film industry is explained in the first part of this chapter. With the analysis of the limited number of research focused on the global integration of film industry, indicators of the global integration and its different categories are explained in the following part. Variables which are used for the artistic and economic success analyses and the level of global integration are separated in two groups as dependents and independents. While dependents are categorized in accordance with the artistic and economic successes and the level of global integration, independents are grouped in three categories as film, firm, and organization specific. They are used for the assessment of different successes. Artistic one is measured with the indicators estimating cultural and artistic value of films with awards, nominations, critics and reviews. On the other hand, economic success of films is measured with box-office results. In the final part, measurement of the integration of film industry into world film market is made with the indicators such as the number of co-productions with foreign companies, use of foreign crews, use of foreign major distributors, and the attendance to and awards in international film festivals.

Finally, a summary of the discussion and interpretations of the findings obtained from the analyses are made in the last chapter. Then, existing situation and place of Istanbul film industry in global film market is discussed with the findings under three different headings contributing to the development theory by empirical results. The difference between the globalisation discourse and reality for film industry are revealed through the case study of Istanbul. Policy implications are also made for economic development policies and strategies focused on the cultural industries and more specifically film industry in Istanbul.

CHAPTER 2

GLOBALISATION OF FILM INDUSTRY AND INTEGRATION MODELS INTO GLOBAL FILM MARKET

After the end of the favourable conditions of mass production and state interventionism in the economic system within the economic crisis of 1970s, capitalist development has entered a phase in restructuring of the global economy. The creative or cultural economy has been emerged as a new direction of many countries' economic policy after the end of industrial period. A striking characteristic of the new period is the increasing importance of sectors which produce goods and services whose subjective meaning to the consumer is high in comparison with their utilitarian purposes. The sectors, which are named as cultural industries, represent modern cultural economy, and are regarded as newly growing sectors which able to solve many of the problems of de-industrialization and unemployment.

So many studies from across a range of disciplines including sociology, geography, business studies, and communication studies (Aksoy & Robins, 1992; Bathelt, 2002; Bathelt, 2004; Bathelt, 2005; Blair, 2001; Gay & Pryke, 2002; Hesmondhalgh, 2002; Hesmondhalgh, 2007; Kratke, 2002; Power & Scott, 2004; Pratt, 1997; Scott A. , 1997; Scott A. J., 2004a; Scott A. J., 2004b) have started to focus on cultural industries' organization at the level of firms, clusters, or sectors due to its increasing importance as vehicles of economic growth and exports. However, these studies indicate that providing sustainable development in these sectors is really an exhausting and dynamic process as especially observed in the film sector; the most visible, pervasive and biggest commercial sector in cultural industries. It is an industry exposed to an increased interest with its biggest economic and cultural impact

especially in the last decade. As stated by Rosnan et.al (2010) that film industry is accepted in most of the studies as the new dynamic industry in the world trade.

Film industry has high development costs and also has need a relatively large minimum market size for making a profit. Demand uncertainty and importance of scale economies in the film industry have coerced the conditions for all countries and markets. These characteristics hugely influence the organization of filmmaking and lead a significant transformation towards globalization by restructuring them.

2.1. Restructuring Process

The film industry has been undergoing strong structural changes in the last decade encompassing not only the production process itself but also distribution, exhibition and financing processes. Literature about the restructuring of film industry can be organized or summarized under two headings following each other: Internationalization and Globalization; two processes affecting the restructuring of film industry. They are generally accepted as qualitatively different from each other. Internationalization is argued as characterizing elements of intense economic exchange based on the extension of already existing activities across national boundaries in an effort to attain economies of scale and scope (Kaiser & Liecke, 2007; Keane, 2006). Lorenzen (2009b) defines internationalization as trade and other relations such as agreements and alliances between nations or nationally based firms. On the other hand, he evaluates globalization as the integration of different nations, firms and organizations into global economic, cultural and some extent political systems. Dicken claims globalization as “the functional integration of internationally dispersed activities” into broader social, cultural, politic and economic realities (1998, p. 5). Internationalization is accepted as a quantitative process, on the other hand, globalization is taken to be more qualitative. Discussion of these two concepts will be very helpful to understand the evolution of film industry and will provide us a developed framework to evaluate and determine the changing strategies in different film countries.

2.2. Internationalization

Internationalization is a process which can be understood as trade and other relations (such as agreements and alliances) between nations or firms and organizations (Lorenzen, 2009b).

Especially in the late nineteenth and early twentieth century, internationalization was one of the key features of cultural production. In the last thirty years, intensification of internationalization has become one of the key developments in all cultural industries (Hesmondhalgh, 2007). Scholars who are doing research on economy, sociology, geography and management field have made observations about the industrial and institutional dynamics of the film industry and pointed out that internationalization is the process in which film industry restructured. Market size for films and demand uncertainty are the two key points effecting the organization of film industry and the triggering points for the internationalization process (Lorenzen, 2007). Film production is a very risky and costly business due to the demand uncertainty and difficulty of predicting success. Eliashberg (et.al, 2006) describes the risks in the film industry in three categories: *completion risk* which emerges due to the needs of high level investment, continuous motivations and relationships between needed talents, producers and financiers; *performance risk* which bases on the unique characteristics of film projects. It emerges owing to the factors such as uncertainty of star performance and attractiveness, and audience preferences. And finally *financial risk* which arises with the increases in production and marketing costs used for creating attractiveness and big scale distribution (2006). In order to cope with these risks, film industry is organized in different ways but at first they need relatively large minimum market size for their films.

The activity of compensating high development costs of films and making a profit requires relatively large minimum market size (Vogel, 2007; Lorenzen, 2007). Lorenzen (2007) gives Europe and Indian cases as examples of small and big home markets for local films to explain the role of home market size on film industry structure and organization. In Europe, acting in small home markets for local films force film producers to hold production budgets down. State subsidies have become the best way to overcome budget problems for most of the films. In Europe case, it can be seen that small sizes of home markets is one of the most important factors affecting the characteristics of film industry organization. Low film budgets and state subsidies become important as the two basic characteristics of the filmmaking industry. In Indian (1132 releases in 2007) case, we can see a country specialized in film production with its vast home audiences. USA (520 releases in 2008), China (400 in 2008) and Japan (418 in 2008) (figures from European Audiovisual Observatory, 2009) are the other examples of countries specialized in film production with their high annual number of non-subsidized film releases. Purchase power is the other

important factor for such specialization. Wealthy US population made Hollywood the world's largest producer of films in the first half of the last century. Consumer preferences are the other factors affecting film industry and its organizations. In India, audience preferences to the local films made Bollywood the world's largest film producers in the second half of the century (Lorenzen, 2007).

Demand uncertainty is another key point affecting the internationalization of film industry. There is a mutually cause and effect relationship between demand uncertainty and internationalization. Consumer preferences are the most important and unpredictable factors for measuring the success and failure of the films at the box office. In order to lessen the effect of demand uncertainty on film performance, scale economies in the production of films become important for marketing of films on mass markets. Internationalization process in both production and distribution can be seen as a solution to overcome these uncertainty problems. Enlargement of the market is the first aim of this internationalization but uncertainty grows with the increase in market size. Using stars, large scale advertising and high production values are the ways used for creating a demand for the films and lessening the demand uncertainty level in the market. Using star power (expensive stars) and high production values are the two strategies to capture mass audiences but not guarantees (De Vany & Walls, 1999). Large scale advertising is the most effective way of overcoming uncertainty problem and of competing against other entertainment forms. However, use of these strategies creates high production costs and requires large market sizes which are ensured by internationalization process of film industry. Thereby, as Lorenzen (2007) stated, demand uncertainty grows with internationalization of the film market.

Organization of the film industry is naturally being affected by this uncertainty and scale economies. Industrial analysis made on Hollywood (USA), Bollywood (India) and European examples has showed that these demand-uncertainty and scale economies have produced organizational heterogeneity in different countries rather than homogeneity. The problems in the industrial organization as a result of these dynamics have produced shifts between horizontal /vertical integration and disintegration within film industry in different countries; in order to reach external markets and enlarge the size of their existing markets.

Horizontal integration is a concept and dimension widely used in industrial cluster analysis. It is used for defining characteristics of the cluster in which so many firms produce similar

products. It provides strong incentives for product differentiation, process optimizing and cost reduction through the opportunities produced by co-location (Bathelt, 2004). Large scale film producer countries such as USA, India and France have developed a high degree of horizontal integration in the beginning of last century especially in the production processes. Large studios in these countries have employed creative and technical labour on the long term basis in order to sustain the power of mass-production over time (Lorenzen, 2008).

We can also observe horizontal integration within the firms, through which they increase their presence in the same activity by mergers and acquisitions generally in order to ensure a substantial market share. The mergers of Columbia Pictures with Tristar Picture - Independent Studio- can be shown as an example of horizontal integration at firm level. (Hoskins, McFadyen, & Finn, 1997)

However, *vertical integration* is the expansion into different levels of the same industry. Through vertical integration firms have the opportunities of compassing the complementary products and competencies. Thus, they gain competitive advantages benefiting from intensive transactions within the cluster and forming networks of traded interdependencies (Bathelt, 2004). The extension of mass producers in countries such as USA or France to the area of exhibition and distribution during the first half of the century was an example of vertical integration targeted to compensate for the effects of demand uncertainty by ensuring the sales of products (Lorenzen, 2008). Sony Corporation's acquisition of Columbia Pictures in order to ensure software for its hardware standards is another example of vertical integration.

However, as can be seen in the case of USA film clusters, these integration strategies may have the potential of complicating the competitiveness and hindering the achievement of targeted aims. In the second half 20th century, mass producers of countries such as USA and France, had abandoned horizontal integration as they found that outsourcing of creative and technical processes of production is more flexible and fruitful for product innovation (Lorenzen, 2008). As with the horizontal integration, intensely appealed vertical integration strategies had their disabilities, too. The Golden Age of Hollywood was associated with vertical integration of the industry from production through distribution and exhibition. Only five major studios had controlled the lion share of the film market (e.g. 73% of domestic cinema rentals). However, this oligopoly in the market created entry barriers for potential

rivals. The following *Paramount Decision* taken by USA Supreme Court in 1948 had blocked monopoly controls in the market (Aksoy & Robins, 1992; Storper, 1989). Just these two examples show that these strategies are appealed to overcome the problems of demand uncertainty and scale economies, however, intensity of one according to the other results with obstacles for competition. Thus, Bathelt (2004) defines a competitive and innovative industry with the trade-off between horizontal and vertical integration; together with the other institutional, external and power dimensions of such a successful industrial organization.

2.3. Globalization

Globalization is a process beyond internationalization as it entails interconnectedness between a multitude of countries, leading to their integration into global networks of economy, culture, policy, etc (Lorenzen, 2007; 2009b). This multidimensional phenomenon is characterized not only by increasing exchange -which refers to the trans-border flows of capital, goods, knowledge, information and services- but also by an interdependence among countries and actors among the world. Thus, extension of existing activities across boundaries is not a sufficient definition for globalization as it strongly includes “the functional integration of internationally dispersed activities” (Dicken, 1998).

After 2nd World War, the internationalization of film industry began as Hollywood studios started to extent their activities in the distribution of films to all export markets in order to overcome the problems of demand uncertainty and economies of scale. Together with penetration of foreign markets with US-made motion pictures in this process, a dramatic change has realized in the relative importance of the world’s main feature film production centres. As this process of internationalization has been advanced qualitatively, film industry became subject to functional integration in production, distribution, finance and technological development at a global scale. The first wave in functional integration in production was *run-away productions* of 1960s; which is the production of film by the producer outside the regional and national borders in order to overcome the increasing cost problems in home regions or countries and benefit from tax advantages of targeted ones. In the same period, production and distribution budgets for films began to be drawn from many international investors. For managing the distribution of films at a global scale, film

industries needed coordinated action within all markets; which managed through the facilitator role of technological development; such as digitalization (Kaiser & Liecke, 2007).

For a better understanding of the processes summarized above, four aspects of globalization exposed by Lorenzen (2007; 2008) will be instructive; that are globalization of (1) involvement in filmmaking, (2) film consumption, (3) film production, and (4) organization of filmmaking. The *first* aspect is related to the increasing film producers in the countries outside the USA. It includes both smaller state subsidized film countries and countries which have large domestic markets and produce huge number of annual releases. Denmark, Switzerland and Iceland can be given as examples of first type of countries with their increasing number of products and their shares in home markets. However, similar developments occur in the countries like Turkey; which have a tendency for increasing film production and home market share in spite of no or very little state subsidies. China and India are the examples of large countries specialized in film production of which driven by growing purchase power and increasing investments in cinemas and other exhibition channels. Together with these, some relatively new film making countries such as Korea, Mexico, Brazil and Nigeria are on the rise. The first two of these countries are growing in art films, while the rest have booming video industries. Globalization's *second* aspect is mainly related with the changing consumption patterns evolving through global consumer taste and global consumption together with newly introduced niches. This means that film export patterns are becoming complex according to its "shifting in nature from being step-by-step internationalization of films produced for home audiences and released in subsequent windows abroad, to being a global phenomenon, where products produced for global audiences are released on many national markets simultaneously (p.353)". New distribution and exhibition forms, such as satellite TV, DVD and internet, provided to reach niche audiences and thus facilitated the globalization of consumption. While Japan is more eager to use new technological developments in distribution and exhibition, Hollywood takes a more slow and conservative position. Nigerian and Indian film industries are the two examples to see how this aspect of globalization operates. Nigerian film industries export their films to geo-cultural markets in Africa, while Indian film producers reach growing Indian Diasporas in UK and USA. 'Film projects crossing national borders' is the *third* aspect of globalization; that is globalization of film production. Despite not being a new production organization, co-productions are representing a recent boom all around the world. This rapid expansion of co-production strategies generally based upon financial and creative

reasons. Film countries trying to connect with the global players and get benefit from their know-how implement this strategy by film promoting policies (film funds, subsidies) and fiscal incentives (tax incentives). This production organization is mostly admitted to be used by Hollywood, however, European and Asian film countries are also scanning to use the advantages of co-production. The European co-productions triggered by Eurimages differ from the others through its motivation: competing with Hollywood and being an important actor in the global film market especially using European cultural synergy. “Runaway” production strategy used by Hollywood can be shown as another kind of globalization of film production. By using this outsourcing strategy, Hollywood film clusters shift some of their actions in the value chain to the film clusters of other countries to take advantages of costs (Coe & Johns, 2004; Scott, 2004b). Inclusion of global linkages in the film production affects film countries trying to maintain and develop their own film production as well as the countries using these strategies providing new development potentials and barriers (Vang & Chaminade, 2007). The fourth aspect, that is global forms of organizations, is best demonstrated by global corporations. In this process, cultural production companies integrated both horizontally and vertically in order to be competitive in many industrial areas (such as publishing, music, TV, cinema, etc.) and reach wider global markets. These multimedia corporations in film industry of countries like America, France and Japan are operating globally in financing, marketing and distribution by the help of their distribution and marketing branches in local markets. They are generally operating in two ways: offering global products to local markets and presenting with local production companies in financing and distributing local products in order to penetrate easily to the local markets. They also scan for distinctive talent and products flourished with local values to bring motivation by innovative products to global market benefiting from dynamics of local markets. Thus, through co-producing with local production companies, they increase their sales potential in both local and global competitive markets. Another form of global organization in film production is based on globally spanning social relations built upon trust between people who know each other from previous projects. It means social relations among film people has now exceeded national borders and gained global characteristics.

As Lorenzen stated, since the 1980s, world’s film countries have been realizing complicated globalization in all stages of film industry: production, distribution and exhibition. The globalization of film business has affected many countries in different ways and changed the relationships between film producer countries. On one side, many countries such as China

(Hong-Kong), Korea, Japan and India which are called in so many studies as the major global players of world film market have successfully responded this trend and developed their indigenous film industries. On the other side, so many countries are still struggling to sustain their indigenous industries. In connection with these emerging developments, it can be said that the effects of globalization on film industry varies between countries. It includes both opportunities and threats. Klein (2004) summarizes this story as integration and denationalization. The boundaries between film countries are partially eroded and intertwining of industries has been reflecting the characteristics of the process in the new era. National frameworks alone are no longer helpful to understand individual films and entire industries.

2.4. Different Approaches to Local-Global Integration

This process of globalization from the point of view of local-global integration is identified with three major paradigms, which question the changes on the cultures around globe: (1) convergence, (2) differentialism, and (3) hybridization (Pieterse, 2006a). The *convergence paradigm* argues the idea that globalization increases the sameness throughout the world. According to this view, cultures are changing in the direction of dominant groups and societies in the world as a result of globalization. This new process from the perspective of domination is generally defined by the term *cultural imperialism*. The supporters of this approach evaluate this integration process as homogenization of world's film culture. Scholars who adopted this approach accept it as the way of dominant actors to use local values and benefit from local markets. Imbalances in the international film trade has been explained and debated by various scholars. Fu (2006) summarizes these approaches in three perspectives: *cultural imperialism*, *cultural studies* and *economic analysis* related to the global film industry. *Cultural imperialism* thesis proposes that powerful actors in the film trades creates cultural hegemony on local markets and push them to peripheral. It also asserts that minds, tastes and consumption pattern in the local markets are becoming more uniform. Domination of Western countries on global flows of television products and global film market constitute the base of this approach. Scholars of *cultural studies* evaluate the problem by focusing on the strategic choice of content. Content is determined by universal themes, cross-cultural values and sense of orientation in order to easily reach international markets. Dominant, sophisticated and specialised actors in the film industry easily adapt their products to new conditions and marketing them to global markets. Finally, scholars making

economic analysis evaluate the global film trade as one way flow from the film countries having large domestic markets to others having relatively smaller markets. Similarly, studies made on global television program flows have verified that “one-way street” with developed countries dominates exportation of TV programs (Rosnan et.al, 2010, p. 327). Big scale of home markets provides advances in export markets by stimulating scope and variety of its film production. It is stated in Rosnan’s (et.al, 2010. p.329) study as an evident reality that most successful film industries achieving export potential are those with huge home-based markets like India, China, and Brazil.

The supporters of the second paradigm, *differentialism*, defend that the differences among cultures are largely unaffected by globalization (Pieterse, 2006a). Through this perspective which is based on the idea that a culture remains much as it has always been, globalization only occurs on the surface and the world is envisioned as the mosaic of largely separate cultures some of which trying to impel others. This process is generally believed to be realized through increased cross-cultural exchange, expanded consumer preferences and aesthetic diversity (Klein, 2004). The key to growth in the global cultural economy is to integrate into the global film market through higher value products (Keane M. , 2006). However, they tend to ignore power inequalities between local and global actors (Klein, 2004). Globalization requires integration of multitude of nations, firms, and organizations into the global economic and cultural system. In order to provide sustainable growth and become competitive in this system, film countries or clusters have to be connected to global networks. Connectivity is the key dimension of globalization. In the film industry, globalization has brought about considerable growth for the markets especially in the last thirty years. In this growth process, film countries have survived by their connection to the global networks (Lorenzen, 2009b). Against the cultural imperialism and homogenization approach, various film production centres around the world establish durable competitive advantages and attack new markets (Scott, 2004a). Globalization has allowed both creating and nurturing of global mass markets for mainstream films, and growing of global niche markets (Lorenzen, 2009b). Scott’s (2004a) schematic representation of global production landscape in audiovisual industries shows a “widening global constellation of production centres”. He states that multiple production centres will continue to exist even if they do not grow.

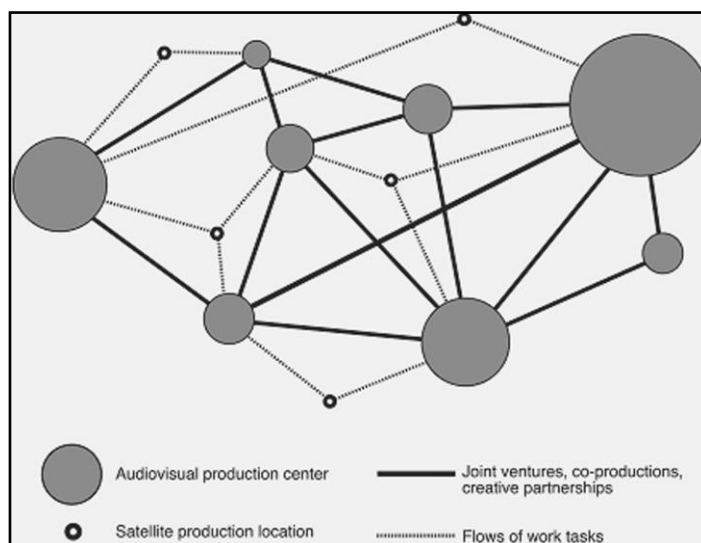


Figure 1. Schematic Representation of a Hypothesized Global Production Landscape in the Audiovisual Industries

Source: Scott, Cultural-Products Industries and Urban Economic Development: Prospect for Growth and Market Contestation in Global Context, 2004a, p.474

Within the globalization process, firms from these production centres have started to compete with multinationals based in US increasingly. Similarly, different film countries or clusters around the world start to work together by co-productions, joint ventures and creative partnerships which accelerate their development process. Multinational corporations generally use collaborative alliances with local firms (Indian, Chinese firms) as a strategy both to penetrate and to tap into the productive capacity of local markets (Scott, 2004a). Contrary to some opinion, he evaluates the globalization process as an opportunity for local production centres. With this process, different production centres around the world can establish competitive advantages and began to act in new markets which in turn will lead to the proliferation of production centres in the future. Bollywood's efforts in the last years, success of Hong-Kong action films and Japanese animations in the international market can be accepted as examples supporting this approach. In the film industry, Hollywood's leadership does not seem to be broken in the near future but other production centres like India, China, Japan, Nigeria etc. will at least build up stable niches for themselves in the global markets. Scott (2004a) hypothesizes that, in the future, global film production system seems to be much more polycentric and polyphonic than the past. All in all, he evaluates the globalization process of film industry as the growth of new production centres and new market niches. Even if one dominant centre leads global markets, there will be other production centres commanding and operating in distinctive niche markets.

Finally, the *hybridization paradigm* highlights the production of new and unique hybrid cultures through the mixture of cultures as a result of globalization (Pieterse, 2006a, b). This process is generally taken as a positive view of globalization as it provides the continuity of heterogeneity in many different locales by creating new cultural realities. In the film industry, hybrid films are mostly used as an effective strategy to overcome demand uncertainty. They mix several different cultural values around the world and thus easily reach global audiences. Hero (Chinese Film), Jackie Chan's Hollywood films and Crouching Tiger, Hidden Dragon (Chinese Film) are evaluated as examples of hybrid films (Klein, 2004). Globalization allows local cultures and productions to be a part of global markets, rather than destruction (Lorenzen, 2009b). Globalization facilitates intertwining of disembedded local cultural values and thus led to the emergence of new hybrid forms of culture and cultural productions. Hybridity, as a prevailing strategy, is the interlacing of different culture from different locations (Tomlinson, 1999). Hybridization is the concept used by Tomlinson (1999) in order to describe and show mutual influences of different cultures and differences of the new products from its origins. It is very popular phenomenon in the literature of local and global integration of cultural product industries. Within the globalization process of which few aspects mentioned above, demand for cultural products is globalized. In this process, local and global players have transformed, adapted, and changed the content of their products and production organizations in order to meet the demand of international audiences or markets. The localization of global products and the globalization of local products are two phenomena come to the fore in this process used by Wang and Yeh (2005) to describe the hybridized characteristics of the developments. In order to reach global audiences, new set of tactics that removes, transforms, redefines, and incorporates the elements of local cultures are started to be used. Most of the scholars evaluate hybridization as a process in which local cultural values are minimized. While Lee (2003, cited in Wang & Yeh, 2005) identifies this process as "delocalization", Iwabuchi (2002) explains it by the concept of "cultural odor". Both concepts explain the neutralization process of the cultural products which refers to the minimization of local elements in the contents of films aiming to reach larger international and diversified markets. However, hybridization is not merely a mix or synthesis of different cultures. As Wang and Yeh (2005) stated there are many faces of hybridization in which "culture generate new forms and make new connections with one another". They also claim that cultural products with hybridized elements are competing more successfully in global markets.

All approaches related to the local and global integration mentioned above have shown that globalization process has undeniably homogenization, heterogenization and hybridization consequences. While globally leader producers are trying to enter new local markets by the help of localization strategies (absorbing, penetrating and negotiating with local), local producers revive themselves by using local values with innovations generated by the global. The local and the global are “mutually constitutive” of one another instead of being opposed entities (Klein, 2004).

In order to summarize the above mentioned paradigms Keane’s (et.al, 2007) study made on TV programme flows provides a good framework. The main ideas related to the trades of cultural products and globalisation process of cultural production industries had been started with cultural imperialism thesis in 1960s. They stated that cultural imperialism thesis had reached a high point in 1980 UNESCO meeting. There was a “one-way flow” between developed countries and developing and third world countries. Studies made on TV programme flows had proved this situation in those years. In 1980s, some of the studies started to challenge this thesis and demonstrated the increasing complexity of relationships. Keane (ibid, p.8) had used the Michael Tracey’s “Patch-work quilt” concept to display the conditions of that period. In 1991, “cultural proximity” and “asymmetrical interdependence” were listed as the determiners of markets. “Local resistance” and “contra flow” in global economic relationships especially on media industries were first used in 1992. Diasporas and “geo-linguistic markets” were targeted in film and programme productions of peripheral centres in the process of creating place in world content markets in 1996. However, in 1990s, cultural imperialism thesis has again adopted with the help of mergers and acquisitions among global media companies. The general acceptance of one-way street view in 1970s had changed in 1980s and 1990s towards Main Street with series of smaller roads. In the last two decades of global economy, “globally networked capitalist superhighways” and “new international division of cultural labour” have emerged (ibid, p.8).

The short historical summary of changing ideas related to the cultural geography and global cultural production flows demonstrates the highly connected structure of today’s countries and regions. The place of local or regional production in global economy is now determined by the degree of integration or connection to these superhighways.

2.5. Film Industry in the Local-Global Integration Perspective

As it can be seen from the discussion above, globalization process in film industry deserves particular attention. Local film industry examples from different parts of the world are now becoming integrated to the global film markets. There is a globalization process under which local and global players adapting new conditions and developing new meanings. The organization of the film industry is undergoing a transformation in this process. Different activities of different film countries are coming together and functionally integrated to each other through the transnationalization of audiences, labour pools, distribution networks, and production capital. In the globalization process of film industries, not only the organizational elements are integrated (“material integration”) between local and global but also the product specific elements such as star persons, visual styles and storytelling mode (“stylistic integration”) are integrated (Klein, 2004). These integration processes are not continuous and not realized easily due to the institutional, cultural and social resistance but film industry in both developed and developing countries are globalizing and organizing in an integrated structure. For example, while Hollywood firms are working with international partners, buying films and scenarios from the other part of the worlds, European Union is trying to strengthen cooperation and promote international joint production among the members by implementing Eurimages and Media programmes.

Studies made on TV field related to the globalisation process provide important inputs for film industries. In the process of selling TV programmes to foreign countries or international markets, “*imitation, localisation, co-productions, and niche programming*” are strategic means of competitiveness for new or small companies against high budget international programming (Keane et.al, 2007, p. 5). These strategies, which are acceptable for also film industries, are used by both transnational corporations with the aim of globalisation and local companies with the purpose of internationalisation. In today’s global competitive economic order, there are strong economic exchanges and cultural translations across cultures. In addition to these strategies, “*cultural transfer, translation, discount, proximity, and compatibility*” are the themes used in the process of selling cultural products to international markets (ibid, p. 5). New international division of labour and cultural production is the means of cultural transfer. While the cultural translation means the localisation of ideas, cultural discount represents the removing process of the non-familiar elements from cultural products for targeted markets or audiences. Keane et.al (ibid) gives the adaptation strategy as an example used to avoid cultural discount problem. Cultural origin of the products cannot

be distinguished by viewers at the end of adaptation process. Cultural proximity refers to the similarity of cultural values and traditions between countries creating parallel consumer preferences on cultural products such as TV programmes and films. Cultural compatibility is the last factor affecting the fate of cultural products in foreign countries. National sensitivities of countries can sometimes be surpassed by the help of cultural compatibilities (ibid.).

These concepts and strategies overlap or meet the dual structure of film industry consisting with industrial and artistic features. The first group refers to strategies which can generally be used in industrial organization of filmmaking. The other group of strategies are related to the artistic or stylistic elements of cultural products such as films and TV programmes.

Theoretical perspectives related to the stylistic group explain the internationalization process as mutual influences of various cultures and eventually different products from its origins. Concepts I have mentioned in the above section as *homogenization*, *heterogenization*, and *hybridization* are indeed discussing these changing characteristics of cultural products in the globalization process.

Tomlinson (1999) uses the concepts of “deterritorialization” and “hybridization” in order to present mingled cultural characteristics of new products and production process. According to Lu (2008), with deprivation of its local characteristics -referring to Tomlinson (1999)-, films can carve a place for themselves in the global markets. Moreover, “cultural discount” theory (Hoskins and Mirus, 1988 cited in Lu, 2008) can be used to explain success factors in global film markets. They argue that Japanese cultural export to international markets bases on the culturally neutral characteristics of products. Cultural products can have very big appeal in its local environment but its attractiveness decreases in other markets due to the difficulty of viewers to perceive the cultural values and characteristics of the product (Iwabuchi, 2002). This theory argues that the local affinities of cultural products are discounted in order to export them to global markets (Lu, 2008). Iwabuchi (2002) evaluates the notion of cultural discount as insufficient to explain the preferences of consumers and he states other misleading point of the neutral character of cultural products as impossible. “Culturally Odorless” is the concept used by Iwabuchi (2002) to characterize exports of Japanese cultural products to global markets. Odorless nature of products is evaluated as the reason of its international popularity based on the idea that neutralized products easily gain

audience perception in foreign countries. On the other hand, “remediation” concept is used by Bolter and Grusin (2000) to describe the characteristics of new media which is the repurposing or reusing of forms and styles from earlier products. In this remediation process, older forms cannot be totally erased. Remediation of the stylistic characteristics of nationally and internationally successful products transforms the original products into new culturally borderless products.

In addition to the above mentioned product-specific explanations of local and global integration process, a different approach is carried out through organization of production in that process. The literature about the production organization of different film industry examples in globalization process indicates that integration to global film market is a necessity to provide sustainable growth and competitiveness in the global market. The integration of local or national film industry into the global markets in the new cultural economic structure shows different trajectories for different localities. Kaiser and Liecke (2007) identify two different strategies for film industry cluster to generate competitiveness and commercial success in international markets: adjustment and market niches strategies. While some local industries are trying to enhance their industrial infrastructure and conditions for international productions, the others can carve out stable niches for themselves in the global markets. Different film countries around the world show that much more strategies are available in this globally competitive film market.

In this changing and transforming network relationship of film industry, different film countries from different parts of the world come to the fore with their own production organization, labour process, and arrangement mechanisms. Especially after 2000, the search for different forms and strategies of integration into global markets has become the object of national industrial policies in parallel with academic studies. Film countries around the world have been trying to adapt changing competitive dynamics of the global film industry. The interest in adaptation strategies originates from the observations of the different performance of film countries in the global market. With the globalization, small film producing countries have started to carve some stable niches for themselves in global film market. While leader producers such as Hollywood are trying to reach different markets and tap their productive capacity by co-productions, joint-ventures, and runaway productions, small film producing countries are creating niches for their films by using local cultural values, geo-cultural markets (culturally similar neighbour markets), and diasporas. Together with these strategies,

government supports are standing out as the remarkable factors frequently mentioned in the literature as the source of success for film industry in both local and global markets. Each country uses different combination of strategies to integrate in global markets. The empirical investigation of film industry in different countries should be based on a model which will give a framework for the analysis of different strategies at film, firm and organizational level for new cases.

In the light of the above mentioned concepts and discussions, I have specified six different types of integration models to the global market in film industry. These models emerge with the different combinations of industrial organizations (production, distribution and marketing system), size of home market, labour market conditions, regulatory mechanisms, and contents of the films. First strategy is the integration into the global film market with command functions, as in the Hollywood examples. Organizational heterogeneity, internationally appeal film making, powerful distribution and marketing networks give them superiority on global film markets. Second one is related to the use of runaway productions as a strategy for one side to integrate world film market and for the other side to benefit from local financial and creative sources. Co-production with foreign film companies is the third most preferred strategy for integration, increasingly used by nations based on arrangements performed by governments such as tax incentives-reductions, some procedural advantages, and cheap labour force. Fourth strategy is based on the integration into global market with adjusting and cloning of Hollywood's industrial organization and film making styles which are tried to be applied by countries such as Korea and France. Users of this strategy are all criticised by the cinema critics as imitators of the Hollywood. Fifth one is based on the use of geo-cultural markets with diasporic films. Cultural similarities are the starting point for this model. The last strategy niche markets base on the use of different methods of film making such as dogma strategies of Denmark, technological superiority of postproduction firms of German, Italian strategy of film making with well-known directors, and animation films of Japan. Art-house film making is the preferred way of this integration. In this strategy, integration is based on non-commercial use of films.

Different forms of integration to global film markets:

1. Film Industry integrating with command functions and production capacities: General trend of corporatizations as the source of domination (Hollywood film industry).

2. Film Industry integrating with cheap labour, tax and locational advantages: Runaway productions, low-cost outsourcing, and off-shoring are the strategies used in the context of this category (Australia, Canada, New Zealand, Brazil, and Ireland)
3. Film Industry integrating with collaboration capacities: Co-productions are the ways of integration (UK, China, France, Germany, other EU countries, Brazil, and Turkey).
4. Film Industry integrating with adaptation capacities: Cloning, imitation, isomorphism, and professionalization are the concepts reflecting the base of this strategy (Korea, China, and France).
5. Film Industry integrating with cultural similarities: Geo-cultural marketing and diasporic films are the strategies used in this model (India, China, Nigeria, Iran, and Turkey).
6. Film Industry integrating with niche markets formed by the help of artistic and creative capacities, and talent: Art house filmmaking, international film festivals, and film markets at these festivals are the sources of competitiveness (Japan, France and Italy)

In globalised film industry, each country tries to define its position with respect to their potentials and advantages. World examples can give us important clues about different production or integration models.

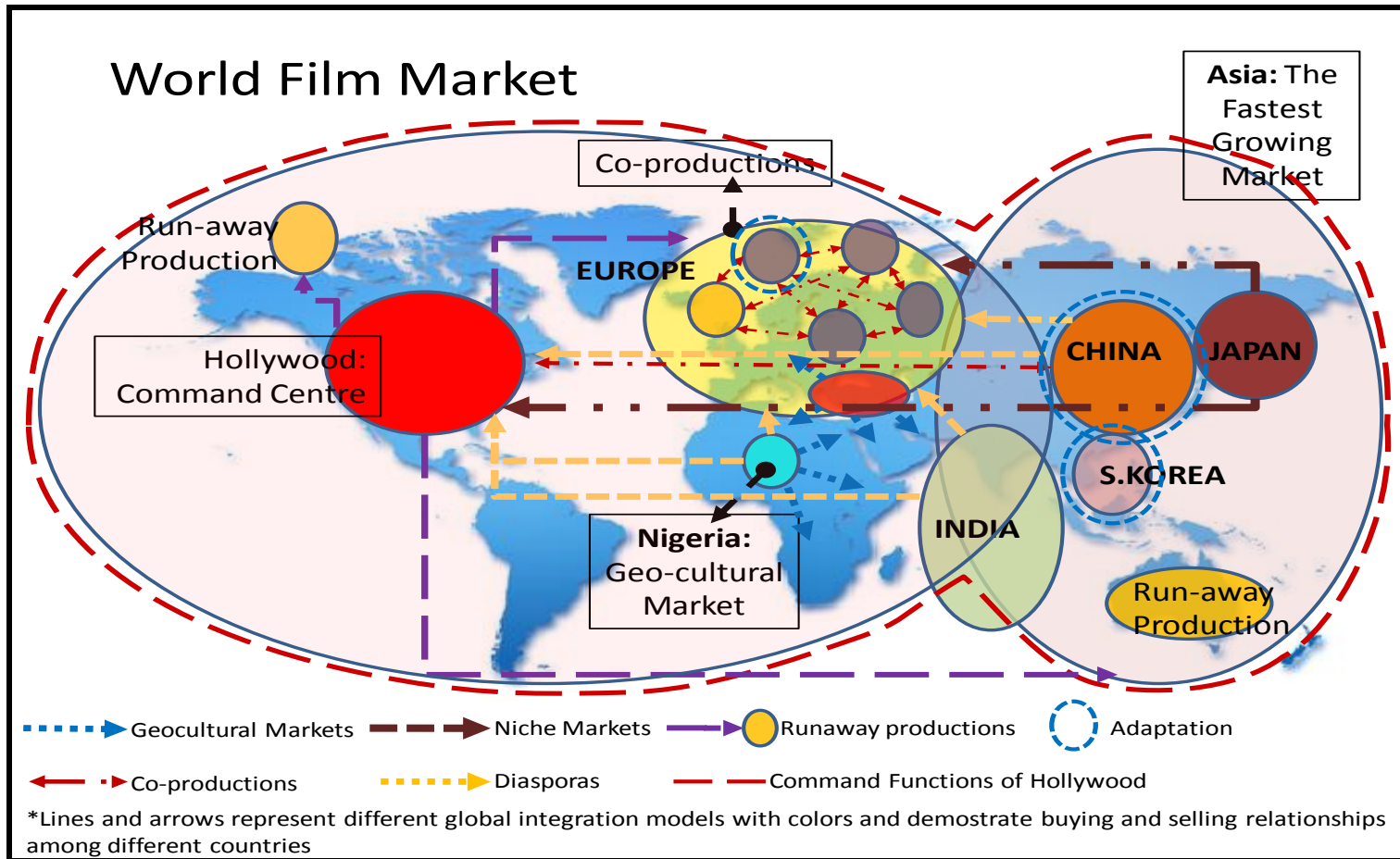


Figure 2. World Film Market and Integration Models
 Adapted from Contents Global Strategy Final Report, 2007, p.19

2.5.1. Command Centre

The first form of integration is related to the possessing **command functions** on world film market. Hollywood is the unique example of this form with its central role. Hollywood has been transformed to an increasingly global industry with the encouragement of factors such as growing worldwide consumer demands; government programming as a facilitator; opportunities provided by foreign film industries; huge demand created by the expansion of TV channels; new technologies; financing and tax incentives from foreign countries; increased film budgets, and increased emphasize on marketing (Connor, 2004).

In addition to these factors, Hollywood film industry has been following some film production strategies to keep costs down and reach foreign markets. “*Rights split deals*” is the first production strategy used in US film industry suggested by David Hancock in 1998. It is based on the arrangements made between two parties such as producer and distributor companies. Co-financing and splitting the distribution rights accordance with the financial input constitutes the base of this model. The second strategy is the “*overseas production sources*” meaning the consideration of local products in the process of distribution release in foreign or overseas market. It is the strategy in which major distributor companies adds local products to their distribution lists or programmes in that product’s country. “*Niche Units*” is the third production strategy used by most of the US major companies. It is generally accepted that US majors use formulaic approach in filmmaking process but they have niche units working on lower budget films at the same time. It is used for the diversification of product range which enhances the image of major companies. “*Independent filmmaking*” is the fourth strategy in Hollywood. There is a trend based on the output deals between independent production companies and majors. Reaching larger financial structure is the motivation of independents in this deal process. Independents have some rights about the fate of project because in the dealing process independents put their own finance on the table. Final strategy is related to the use of “*animation*” as a popular genre. Major companies have focused on the animation production especially in the last ten years and been trying to establish an animation division (Hancock, 1998).

In addition to these strategies, Hollywood has expanded its market with the strategy of *remaking* foreign films generally selected from East Asian countries such as Japan, Korea, Hong Kong and Thailand. *The Ring* (2002), *The Grudge* (2004), *Shall We Dance* (2004), *The Lake House* (2006), and *The Departed* (2006) can be listed as the examples remaked

films (Their original names and home countries are respectively Ringu-Japan 1998, Ju-On-Japan 2000, Shall We Dansu-Japan 1996, II Mare-Korea 2000, Internal Affairs-Hong Kong 2002). The context of this strategy is actually based on “blending cultural and ethnic differences, fusing cinematic styles, and diverse techniques, and homogenizing on-screen performances and off-screen talents” (Lee, 2005, p. 1). With the help of remade films made with stellar casts, Hollywood has expanded American film markets to Asia. In addition to the market expansion advantages, remakes reduce the budgets of filmmaking. Although there are so many economical advantages of remaking, films made with this method are severely criticised with their contextual structure. Lee (2005, p.2) summarized the general complaints as follows; “remaded films are not as rich and deep as original ones; character development is sometimes neglected; plot points are weakened; and the cultural aspect of the film is often lost in transition”. In spite of these criticisms, Hollywood uses this method and hires foreign directors and writers with the aim of dealing with increasing criticisms.

Hollywood increasingly dominates the global film market with the help of these strategies. Additionally, technical superiority of action scenes, higher budget of films, and the explosion of mega-plexes are accepted as the factors providing advantages to Hollywood in competition with local or national film industries (Wolter, 1999).

Most of the studies made on Hollywood have concentrated on industrial organization in order to explain its success in world film market. However, some specific investigations related to the film industry may also provide important clues about the success of Hollywood film industry. Market researches as one of such explorations may be accepted as the factor behind the domination or success of Hollywood on world film market since the earlier years of industry. In the article which Preston Lerner (1999) published in Los Angeles time, market researching is accepted as “shadow force” behind the Hollywood film industry. They are testing film concepts, titles, TV commercials, print advertisements, trailers, and film themselves. Especially in the last two decades, “hundreds of films have been reshaped” as a result of market research company’s reports (ibid, p.1). Market researching in film industry had emerged with the needs of determining or predicting the demand for unreleased films. Uncertainty of demand has been accepted as the major problem of cultural product industries and there are so many efforts to determine this demand in US-Hollywood film industry. These efforts are carried out by market research companies in US who also provides great job opportunities and economic contribution. In the article, National Research Group (NRG)

is given as an example of the market research company in US serving around the world since 1982. The biggest thing about the company is about the number of people working for it. More than 2,000 full-time employees have been working for NRG worldwide (ibid, p.4).

In order to clarify the commanding role of American film industry in world film market, I will also use Scott's studies related to the Hollywood. Scott (2004b) draws the general structure of Hollywood as tripartite production and distribution model consisted with the majors, majors' subsidiaries, and independent companies. This trifurcated system has been practiced in US since 1991 and based on two key assumptions related to the type of films and investment levels made for those films. Scott (ibid, p.50) listed three types of films as; low-budget films for limited audiences; middle range films for wider but selective audiences; and finally blockbusters with sweeping popular appeal. The second assumption is based on the direct proportion between the expected box office returns and the amount of investments made for that film. While majors are accepted as core group of companies, independents are acknowledged as mass of smaller firms. Although, major companies dominate both US and world film market, independents hold important place for the industry by specialising in both production and distribution. Majors' subsidiaries as the third group emerges with the aim of majors to exploit and shape new market niches created by independents. Majors produce these subsidiaries by acquiring or creating smaller affiliated production and distribution companies. Their success is related to the carving out middle range market niches for themselves.

After this general description, I will attempt to demonstrate the reasons of Hollywood's dominance on world film market. Domestic market structure, distribution organizations, export market strategies, and strategic trade elements are the very basic advantages of Hollywood in global film market.

Large size home market is mostly accepted in the literature as the first reason of the dominance of US motion picture industry. In order to evaluate the size of market, box office returns, number of releases, number of screens, and home video sales and rentals in the country must be analysed. Hollywood motion picture industry emerges as a huge industry according to these indicators. Scott (2004b) had emphasized the agglomerated structure of US film industry activities as the generator of massive external economies of scale and scope providing competitive advantages to each individual firm. Scott summarizes the diverse

elements of Hollywood contributing to its competitiveness as; corporate concentration; shifting network of specialised but complementary firms; complicated system of local labour markets; tightly knit institutional fabric; and lastly many-sided human interactions and exchanges of information promoting creativity and innovation.

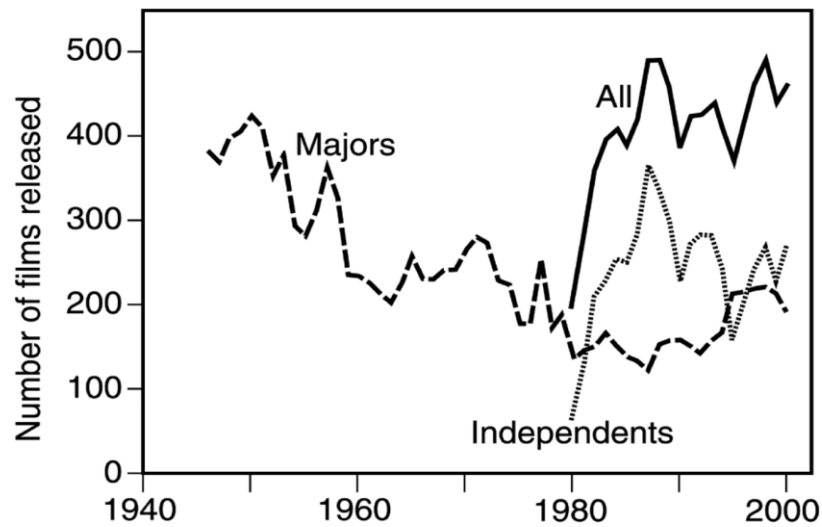


Figure 3. Number of new feature films released annually in the US since 1945

Published data on releases by independent distribution companies are available only since 1980. Note that releases by majors include films released by their subsidiaries; also, releases by majors include films *produced* by majors, their subsidiaries, and independent production companies

Source: Scott, 2004b, p.44

In addition to these domestic market characteristics, I will shortly summarize the distribution organization of Hollywood film industry. It also shows a dual structure based on majors distributing high budget blockbuster films on the one hand and independent distributors distributing small budget films on the other. Major distributor companies are vertically integrated companies implementing massive marketing campaigns worldwide. Branch offices are the main units of major distributors in world film market. They have located to the critical regional markets to facilitate the interaction with local actors to tap their domestic markets. On the other hand, independent distributors constitute the second leg of the bifurcated system and organized with the help of international film festivals. In those festivals, they have interacted with both independent producers and distributors to do business in the market. Scott emphasizes the date of 1980 as the start of the dramatic growth of the number of films released by independents (Figure 4).

The reasons of this development are explained with the “rise of diverse niche markets” and the expansion of video markets and TV broadcasting (ibid, p.44).

The third important explanatory process for the leadership and commanding structure of Hollywood in global film markets is related to the export strategies. Export process is organized by major companies implementing three strategies based on reaching extensive distribution and marketing network. *Multinational operation* is the first method for major companies to directly control the distribution system in all their principal foreign markets. If the majors do not have their own distribution network in targeted country, they enter into *joint ventures* as a second strategy. The last method used by majors is based on the *long term agreements* with local companies to distribute their films in that market.

Strategic trade elements are the last categories used by Scott (2004b) to explain the reason of the dominance of US film industry on global markets. He means the efforts of American government to support export activities. American government has always applied pressure to foreign countries for the opening up their doors to American films in all trade negotiations. Marshall Plan for Europe (1948-51) and GATT negotiations in 1993 can be given as the examples of these processes. The post W.W.II period, with the help of Marshall Plan stipulating the opening of home markets to US films, European countries had opened their home markets for US film exports (Scott, 2004b; Lorenzen & Taube, 2007). American government’s “never ending efforts” (ibid, p.55) have always focused on the interests of Hollywood in all national and international platforms.

In addition to all these characteristic features of Hollywood, discussions concerned with the new tendencies, threats, and opportunities can be accepted as the last advantages of US motion picture industry in global film market. They prepare the industry to possible crises and competitions. Emerging dynamic film industry centres on the world, increasing tendency of runaway productions, and new multinational media corporations emerged in different part of the world are accepted as a new tendencies in those discussions. Moreover, new electronic distribution technologies, development of new delivery systems, and opportunities provided by internet are evaluated as the future developments for film industries.

The above mentioned characteristics of Hollywood demonstrate the competitive structure of motion picture industry. In the urban economy and policy literature, competitiveness is associated with the factors such as “human capital, the quality of technical infrastructure, the standard of living and local institutional and social assets” (Eraydin, 2008, p.1665). In the US film industry example, we can use these factors and interpret the level of competitiveness. Hollywood is accepted as very competitive film industry in the world film market within these factors. It is fully integrated into the global economy and dominating or commanding the global film markets.

Five principle changes including the above mentioned characteristics have tremendously affected the growth of Hollywood and they were summarized in Scott’s earlier study in 2002. According to him, these five changes have directed Hollywood and made it the global film industry centre. Those changes realized especially in the last three decades had been summarized as; increasing tendency of using new computerized technologies; bifurcation or trifurcation of production and distribution systems; geographic decentralization of film shooting activities; increasing number of film markets protecting and respecting intellectual property rights; and finally emerging giant media conglomerates operating in global scale (ibid, p.958).

Hollywood has a unique place with its functional and organizational features in global market. These features had been schematized by Scott as overlapping networks focused on the central role of major firms (Figure 6). Majors, independents and specialized service supply firms constitute the node of this organizational diagram. In addition to these nodal factors, local labour market, institutional environment, and geographic milieu encircle the production organization. In this organizational structure, overlapping networks create positive externalities and provide competitive advantages to Hollywood. Scott (2002) stated that increasing returns to scale & scope and positive agglomeration economies come into prominence as the forms of competitive advantages in US film industry. The reason of the status of Hollywood as the leading centre of film production in the world is that organizational and geographic framework functioning as the birthplace and home of creativity and innovation.

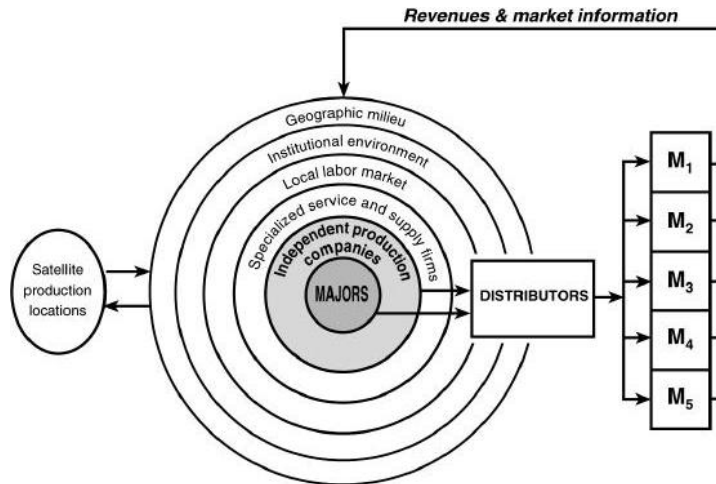


Figure 4. Schema of the Hollywood motion-picture production complex and its external spatial relations

M1, M2, ..., M5 represent markets differentiated by niche and by geography

Source: Scott, 2002, p.964

Above mentioned success factors of Hollywood explain the reason of its leadership in today's world film market. However, in order to understand the resilience of Hollywood against crises in past, we need more clarification. Schematic representation of industrial organization developed by Scott will be very contributing to that point (Figure 4).

Scott identifies three paradigmatic outcomes of industrial systems in this figure as mass production, system houses, and flexible specialisation. While mass production refers to the establishments producing standard output in large scale, system houses represents large scale production companies producing few and complex products like blockbusters. Third paradigm is based on flexible specialisation thesis referring to small number of producers focused on the narrow part of the whole project. Old studio system of US film industry was based on the mass production in 1930s. However, as it can be seen from the figure that there are two organizational changes in film industry. Firstly, studios have transformed themselves into system houses in historical process with the need of being more competitive. Second change affected the film industry is related to emergence of many independent production companies represented as z1, and z2 in that Figure 5.

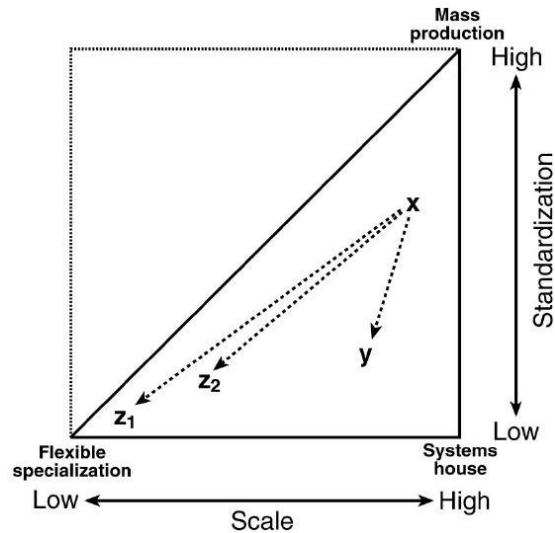


Figure 5. Schema of basic organizational possibilities in industrial systems

x and y represent old- and new-style studios, respectively; z1 and z2 represent common kinds of independent production companies or service suppliers.

Source: Scott, 2002, p.960

As it can be seen from the figure, Hollywood film industry complex has showed a transformation from mass production to system houses and flexible specialization. However, especially after 1980 with the globalization it has showed conglomerating characteristics to control all of the processes of film industry. Exporting films to other markets is the basic motivation of big American conglomerates. Export strategies of Hollywood majors constitute the base of commanding functions of US film industry on global film market. At this point, Mingant (2008) asked the question of how cultural products such as films are exported. She summarized the export strategies of Hollywood's majors under three heading as the *context* in which the films are exported; *economic strategies* dealing with distribution and exhibition; and *cultural strategies*.

Context of the Hollywood film industry is defined with the majors' organizational structure, attitudes and discourses, and foreign market definitions. Within the globalisation process, anti-Americanism is increasingly spread all over the world. In order to prevent this process and reach those markets, majors have adapted themselves to the changing conditions by investing overseas market and changing the discourses as presenting themselves as global firms. Mingant stated that contextual factors seem to be based on "the loss of national roots" (ibid, p.5) but in fact decision making process is still in California and loss of national roots is not in question. Majors already separate their operations as domestic and foreign market.

Economic strategies are explained with conglomeration and alliances process of the film companies in US film industry. All the efforts of film companies aiming to establish and maintain favourable conditions for the distribution of US films are assisted by US government and institutions in all over the world. The most important change in the economic strategy of Hollywood majors is “the evolution from a strategy based on the domination to a strategy based on partnership” (ibid, p.3). After the NAFTA and GATT negotiation crises in the early years of 1990s, majors were forced to change their form of relationships with foreign market. Collaboration and cooperation became the key words of new strategy named as glocalization. Local cultural values and activities were started to be combined with global plans. Hollywood majors have started to be the part of other film industries.

The last export strategy of Hollywood is concerned with the cultural strategies. Cultural elements of target markets have started to constitute the core of majors’ export strategy. Market specificities like audience preferences are taken into account as the main elements of marketing campaigns. In the production stage, cultural diversification became the main strategy of adaptation to targeted markets. “Cultural diversification of majors’ production slates” is the name of Hollywood’s cultural strategy consisting of diverse films in terms of genre, budget and cultural identities. Despite all these changes, Mingant (2008) stated that there is no determined cultural strategy in Hollywood. All of them are the result of adaptation and reshaping strategies of Hollywood to changing circumstances. In fact, cultural core is still in Hollywood. She observes this situation as “an unexpected result of the paradoxical logic of globalization in the area of culture” (ibid, p.6).

2.5.2. International Co-productions

International co-productions are production or business arrangements between organizations from different countries. It is generally discussed in the contexts of two partners but it can involve partners from more than two countries. Co-production has become one of the most popular production organizations for film industries. Canada, Australia and European Countries are leading co-producers. In Western Europe, 225 of the 578 (%39) feature films were co-productions in 1993, while this number was 13 of 35 (%37) for Canada.

International co-productions are alliances formed for individual cinema film and cannot be evaluated as ongoing business entity (Hoskins, McFadyen, & Finn, 1997). It is the favourite

way of film production which can range from co-financing, where one partner's role is provision of cash investment, to full co-production, where all production elements such as creative, artistic and financial issues are equally shared.

There is a tendency of bilateral co-production agreements in today's world between different countries which are aiming to reach global film market and benefit from the partners' advantages such as their large domestic markets, technological and financial superiorities, skilled labor, and advanced working practices. On the other hand, there are some co-production projects which are not based on any treaties that are known as co-ventures. All international co-productions made between countries which have no existing treaty are called by Hoskins et.al (1997) as "non-treaty co-productions".

Film countries from different parts of the world display different characteristics of the co-production organizations. In the globally organized film industry, countries are trying to be connected to this organization with their local industrial, financial, artistic, innovative and institutional capacities. Both big scale and small scale film countries prefer co-production organizations. While countries having big scale film industry prefer co-productions in order to decrease production costs, small scale film countries prefer it to learn from partner and to reach foreign markets. Hoskins (et.al., 1997), explains both advantages (benefits) and disadvantages (costs) of the international co-productions - which are adapted from international business literature to film production - in his book. They thought to be useful to evaluate and understand the dynamics and reasons of the co-production organizations.

First advantage is titled as "*pooling of financial resources*" and focuses on the increasing funds needed for world class production. Co-production provides an opportunity to reach new financial resources from foreign partners. Film producers cannot get enough funds from just domestic markets. International co-productions provide film producers to get this level of funding. Second one is also concerned with financial issues. With the help of co-produced films, film producers can "*access foreign governments' incentives and subsidies*". Due to the co-produced films' domestic content, it is possible to get subsidies and tax incentives from both domestic and foreign markets. "*Access to partner's market*" is the third advantage of co-production. International co-production enables film producers to reach foreign partners' markets by the help of its specific knowledge of internal industrial organization and of its domestic viewers demand. These opportunities provided by partners can help film's

distribution process in domestic market and modification of content. Additionally, if there is a quota application about foreign films, co-productions help foreign partners to exceed these problems. Fourth advantage is about the enlargement of market for the film and titled as “*access to third country market*”. With the help of foreign partner’s advanced knowledge of the distribution system of third country and good network connections with the key players in it, co-produced film project may easily enter the third country market. Motivations of co-production may sometimes be to access a particular project. “*Access to a project initiated by partner*” is the fifth advantage of international co-productions. Sixth advantage is related to the “*cultural goals*”. Films are cultural goods and all film producers cannot have economic goals. They may have nonmonetary cultural goals. “*Desired foreign locations*” which means the places directors aspiring to shoot a film is the seventh advantage of international co-production. With the help of this production strategy, producers may reach the locations which they desire and shoot films. It is also possible without co-production agreements. USA producers use this opportunity through some service agreements with Canadian partners. The other advantage of co-production is about the access to “*cheaper input*” from foreign markets. Service agreement is also providing this opportunity without co-production. The last advantage is based on the “*learning from partner*”. It can be possible, if the partner has experience in film production, marketing and general management.

Pooling of financial sources and access to partner’s market are evaluated as the particularly important advantages by Hoskins et.al (1997). On the other hand, access to a third market is evaluated as important for some but not for all co-productions.

It is very normal that international co-production has some monetary and indirect disadvantages (costs) which can be summarized under the six titles.

First one is related to the “*costs of co-ordination*”. Some costs emerge in the co-production process which can be observed as production and distribution coordination costs, negotiating costs of original deal, and administrative burdens. Second one is the “*costs of shooting*”. Shooting locations of the co-produced films can increase the cost, if both partners involved. The other disadvantage is about the “*loss of control and cultural specificity*”. Character of the international co-produced films may sometimes be deprived of cultural values and creativity of employed talented persons. It may be because of both monetary and non-monetary issues. Some producers undermine the cultural integrity of film and at the end

produce nationally disoriented films which do not provide any external benefits to its producers and national markets. The films generated at the end of this type of approach may not appeal to viewers in both markets. “*Increased costs of dealing with government*” is the fourth disadvantage of international co-productions and it emerges when you applied for the status of co-production treaty. Cheating is the base of other disadvantage. “*Opportunistic behaviour by the foreign partner*” can be seen as providing misleading information about the shared costs and revenues to partners. Because of the project based organization of the film industry, producers abstain from this type of behaviour. Disrepute with cheating in one project will prevent the other new co-production projects. The last disadvantage is related to the creation of competitor. If the learning process can be realized in an international co-production, foreign partners gain expertise and can be a strong competitor in future.

Hoskins et.al (1997) evaluates co-ordination costs and costs related to the loss of control and cultural specificity as major disadvantages of international co-productions. Cheating is not accepted as a major problem by the author because of the organizational structure of the film industry.

2.5.3. Runaway productions

The most popular trend of film production in the globalised film industry is “the shifting away of production location from producers’ country to foreign location” with the emergence of New International Division of Cultural Labour (Rosnan et.al, 2010, p.325).

It is one of the important strategies for film industry in local-global integration process. Runaway productions are growing and very noteworthy issue in today’s global film production system. It is mainly motivated by economic thinking. Hjort (2010) evaluate this type of organization as “*opportunistic transnationalism*” giving priority to economic issues. Transnational partners are determined with economic advantages. It is all about taking the advantage of available economic opportunities at a given moment in time. Variety of incentive programs and efforts are implemented by nations to attract globally leader film producers to their countries. It is an increasing tendency among small scale film producer countries in order to create local jobs. Canada, UK, Germany, Australia, and New Zealand come into prominence as the examples of countries practicing tax credits and many regulations in order to lower the cost of film production and to attract investors. In this strategy, film shooting is practiced in foreign country but the other processes of film

production are actualized in home country. This trend of film production is generally implemented by the US companies. While small scale film producing countries implement tax advantages to US companies by aiming to get some advantages such as learning by working with them, tapping global markets, and creating local jobs, US producers benefit from this strategy as the way of reducing the cost of film making and shooting the films in desired locations. Canada and Mexico are the first two countries for American filmmakers to shoot film and take advantage of low labour cost and other incentives offered by host governments. If we summarize the factors influencing film producers to choose places for film shooting, “availability of cheap labour”, advantageous exchange rates, “attractive location, and tax incentives” are standing out as the remarkable factors (Rosnan et.al, 2010, p. 325).

It is stated in the report of Director Guild of America (DGA) (1999) that there are two types of runaway productions. Creative runaways are the first type of runaway productions based on the production of film in partially or wholly outside the home country with the preferences of director or requirements of script. Economic runaways, as a second type, are based on the production of films in other countries with just the aim of reducing costs. Anglophone countries such as Ireland, New Zealand, South Africa, UK, Australia, and Canada are the countries using this type of production involving the outsourcing process of US films.

Economic runaways have been a very popular strategy for US companies since 1990. While the number of films produced with economic runaway strategy in 1990 was 44, in 1998 it had become 100. However, especially in the last ten years, it is very arguable process in US because of the huge economic impact. Job losses in US film market are the main points for these discussions. It was stated in the DGA report that 20.000 full time employees had lost their jobs in 1998. In addition to job losses, spending losses were accepted and discussed in US film market as a problem area. It was calculated in 1998 that \$ 10.3 billion was the economic impact of economic runaways for US film industry. In spite of all these problems, big major companies have preferred this strategy due to its cost reducing effects.

Canada is the first country for US runaway productions due to the advantages such as proximity, same language, and low value Canadian dollar. 81% of total US economic runaway productions were captured by Canada. UK and Australia are the other countries

following Canada in these processes (Graph 1). Quality of talent, directors, and production crews in those countries constitutes the advantages of location. Working with major companies provides local workers to experience and improve their infrastructure with direct investment. “The ability of local workers to handle larger and complex productions increases” at the end of these processes (Monitor Company , 1999, p. 4). In the runaway production strategy, US companies have benefited from foreign countries’ tax credits, low labour expenses, and government incentives. Their aims generally based on the use of economic runaway strategy. However, it is important to note that countries trying to attract foreign companies have started to change their strategies in order to prevent just exploitation based relationships. Canada emerges as the country using integrated approach to develop its infrastructure and to improve the experience of local production crews, actors, and directors in this process. Hiring local personnel is the requirement of Canada in order to implement a series of incentives for foreign companies. In fact, the basic consideration behind the runaway production for small scale film producer countries is the expansion of production capabilities and at last the development of local film industry.

Toronto is an important film industry city in Canada attracting US film companies with the help of its own advantages such as “long history of media production, highly developed technical infrastructure, high human and social capital, institutional thickness in terms of public financing, and finally well functioning network of suppliers” (Vang & Chaminade, 2007, p. 403). With the help of these factors, Toronto has become the place of US runaway productions. Both *offshoring* and *outsourcing* process are practiced in Toronto based film projects (ibid, p.410). Offshoring is the process in which the above the line works and workers (directors, lead actors, and lead technicians) brought from Hollywood to Toronto. On the other hand, in the outsourcing process, below the line activities and workers (camera, soundmen, and non-star actors) are used by Hollywood from the ones living in Toronto. Vang and Chaminade (2007, p. 411) demonstrated that most of the film projects are outsourced or offshored at the production stage of the film production value chain. In the other stages of film production, value chain like finance, pre-production, post-production, distribution, exhibition, and merchandising, only minor projects are outsourced and offshored. Cost reductions constitute the basic idea of outsourcing and offshoring in Toronto examples.

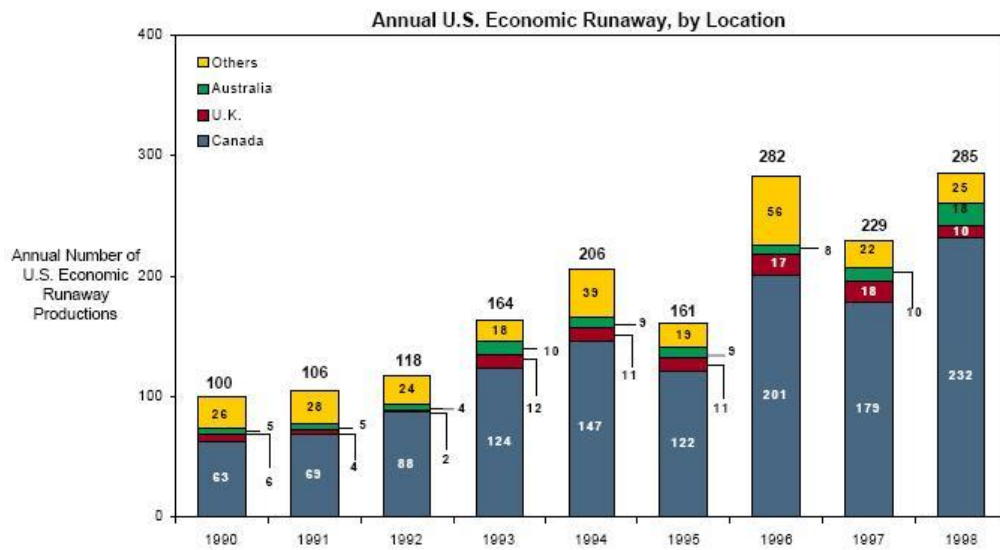


Figure 6. US Economic Runaway by Location

Source: U.S. Runaway Film and Television Production Study Report, Directors Guild of America, 1999, p.9

Vancouver is the other Canadian city benefiting from increasing runaway productions. “Raising capital” and “securing distribution” are explained by Vang & Chaminade (2007, p.407) as the bases of its networks with Hollywood. Geographic, cultural, environmental, and economic advantages have constituted the base of this process for Vancouver. Close location to Los Angeles, being in the same time zone, cultural and linguistic affinities, mild climate, different scenic locations, low value Canadian dollar and lower labour wages are summarized in Coe and John’s study as the advantages of Vancouver in this runaway production process (2004). According to their study, huge cost savings are generated for US companies in there. While 17 to 20 percent cost savings are generated just shooting in Canada, 60 percent savings are created from the use of below the line labour and other production stage facilities such as transportation, catering, and equipment. In addition to the cost reducing affects of runaway productions for US companies, Vancouver’s own film industry started and emerged with the help of this process in global film market. The business and capital flows generated by runaway productions are accepted as the reasons of this emergence with their triggering affects on the development process of film industry. It has been attracted attention in recent years that there is an increasing tendency of “locally controlled or indigenous production” (Coe & Johns, 2004, p. 199). Local firms, which were working with and serving to US companies in the past, have started to finance and produce

their own projects. In order to get the big share of profit, they have tried to secure distribution rights by owning the story rights and using some of the funds from within Canada (ibid.).

However, in spite of these positive developments, Canada has not yet succeeded to be the place of indigenous film clusters in global film market. Beyond some niche markets (Toronto-lesbian and gay films), its film industry has not managed to improve itself in global arena. Economic runaway is not enough alone for the globally integrated film industry. Creative runaways and economic runaways should be organized together. In this way, two way relationships between global and local markets or actors may be achieved.

As it can be seen from the figure, the U.S. runaway production growth is driven overwhelmingly by economic runaways. In 1998, 285 productions were filmed abroad for economic reasons and it had showed 185% percent increase since 1990. But, on the other hand, the number of creative runaways had a modest growth, 5%, in the same period.

Creative runaways and partnerships based on above the line workers may be the important way of integration into global film market in the real meaning. Two way flows and the interaction of local and global dynamics in the runaway production process cause the indigenous industry to benefit from potential spillovers. These potential benefits for local industries direct or encourage so many countries to do regulations in order to facilitate the runaway production. Countries like Hungary and Germany, the non-Anglophone countries, can be accepted as the examples of this strategy implementing this method to integrate global film market. To tap global film markets, to work with global leader companies, to develop infrastructure, and finally to improve the quality of labour constitute the basic ideas of the small scale film producer countries focused on attracting runaway production.

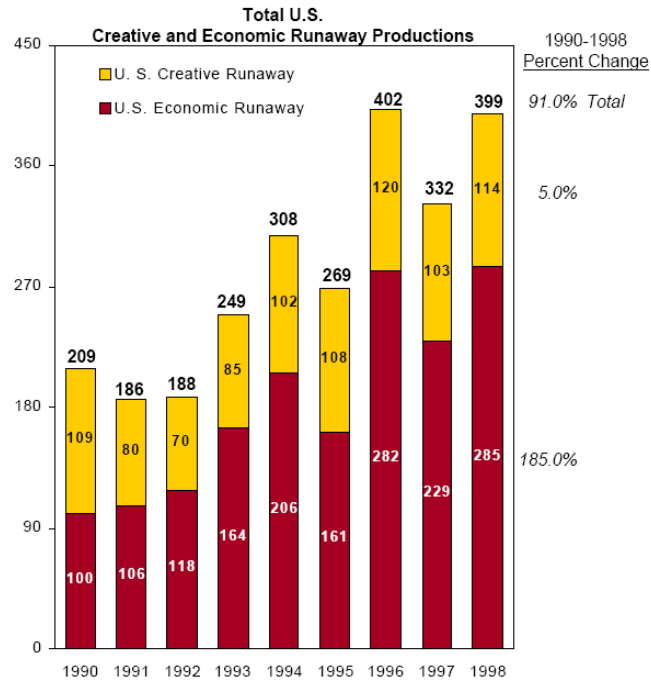


Figure 7. Total Number of US Creative and Economic Runaway Productions between 1990 and 1998

Source: U.S. Runaway Film and Television Production Study Report, Directors Guild of America, 1999, p.7

2.5.4. Adaptation, Imitation, Cloning

This is one of the important strategies for national film industries in the process of integration into global film market. In today’s competitive globalized film market, there is a big pressure on national film industries in the direction of revitalisation. In this direction, some countries such as France and South Korea have started to explore new strategies including alternative production models. Producing films having similar elements with box-office hits constitutes the main points of this model. U.S and other internationally successful Hong-Kong films are the basic formulaic examples of these productions. Vanderschelden (2007, s. 37) stated in her study evaluating transnational French popular cinema that “adoption of various transnational productions and textual strategies have resulted in transnational films”. At the end of this adoption process, films have national and transnational elements at both production and textual levels.

This model is started with the discussion or assumptions of high budget films can make global appeal. Inadequate national financial sources and makes transnational appeal motivates this model. It is based on the assumption that filmmaking must be expensive in order to be successful at the box office and secure viewers. It is widely discussed approach in film studies but so many films produced with this approach can be seen in today's world film production. *Crouching Tiger, Hidden Dragon* is an example of this type of production. It is globalizing transnational film directed by Chinese-Taiwanese-American director and US-China co-production. Striking production values which explain the success of this film are secured in this project through combination of transnational capital flows, Hollywood style techniques, romantic and sentimental genre, remarkable casts, and accession to major distribution networks. Main approach of this globalising transnationalism model bases on the link between high budget and global appeal, and Hjort states that (2010), this link makes this model close relative to the cinematic process producing global cinema.

Basic hypothesis behind this strategy proposes that success in global film markets can be ensured by the use of transnational elements with national cultural specificities. Transferring and transposing transnational elements (stars, personnel, funds, genres, and film styles) to national film production processes provide advantages for them against the challenges of globalization (Vanderschelden, 2007). However, the globally successful films produced with this strategy are generally criticised in their home markets with their non-nationalized identities. They are seen as the imitation of US films. "Post-national" film is the term used in these discussions to describe films' characteristics as having limited national references (ibid, p.40).

Although there are discussions about the characteristics of those films, they may start to export booming and gain international successes at box-office. Transnational strategies of these films such as being international co-production, filmed in English, made with international casts and personnel, and realized through alternative production models are the factors building international successes. Vanderschelden (2007) had stated some of the features of alternative production models in France as international co-productions, pre-sales of the rights, mixing genres, international casts, and use of high technology and visual effects. Another film country practicing this strategy is Brazil in which films are made bilingual or entirely in English. Hollywood style filmmaking based on the representation of universal story in a local context and exoticism is the way of obtaining transnational fund for

Brazilian film producers. In order to get these funds as stated by Santo and Trigo (2004, p.2) that “filmmakers has to adapt the film to the tastes of a somewhat abstract global audience”.

Another study analysing the globalisation process of both US and Asian film industries has demonstrated that there is a material and aesthetical adaptation process to global film markets. Experienced developments in the material field of film industry as transnationalisation of audiences, labour pool, distribution networks, and production capital can be accepted as the facilitator of the adaptation process to global film market. Moreover, in stylistic process, use of Hollywood style star persons, visual methods, and mode of storytelling are the strategies preferred by Asian film industries in the adaptation process to global film market (Klein, 2004).

In Asian context, it is accepted that international recognition especially in cultural field is needed for progress. Cultural mechanisms are used in the process of transformation of Hong Kong city into world city status. South Korean film industry implemented this model as government based initiatives. Creation of film festival and clear intention to promote a form of film culture particularly interest to omnibus film projects are the strategies used in this example in order to see South Korean cinema in the international film culture. South Korea is a very good example for this strategy with its comprehensive revitalisation of film industry. In addition to the government regulations on film sector such as screen quota and direct support, directors and script writers have adopted stylistic elements of Hollywood and Hong-Kong films.

In the production organization field, producers have allocated big funds for marketing, as it is in Hollywood. Chaebols (big conglomerates) are the global scale companies of South Korea directed by government to enter film industry in the early 1990s. They were aiming to revive Korean film industry with the help of Chaebols by observing the major companies and conglomeration process in US. Chaebols firstly succeeded to buy distribution rights of US films in Korea. Wide release and vertically integrated strong distributors were accepted as the ways of development for film industry. In 1990s, Korean film industry had demonstrated big growth with the help of these developments. Mix of Hollywood-style blockbuster and local themes in Korean films produced very positive results. The quality and box office returns of those films are accepted by audiences as comparable to Hollywood films. Depending on the reviving characteristics of film industry, Korean films have also

achieved a great success in the regional markets (Joo, 2005). Imitation of Hollywood is the title of criticisms to Korean film industry, but the strengthening process is the reality for Korean cinema which cannot be ignored. Expansion of the markets in Asia for Korean popular films, wide release strategy, films having local Korean values, and finally “advance of Korean films in regional and global markets” (Joo, 2005, p.25) are the developments facilitating this strengthening process.

As it can be seen from the above mentioned examples, this strategy accepts the dominance of material and stylistic features of Hollywood in global film market and targets to tap, use, and imitate these characteristics. Following the way of Hollywood may provide positive results for so many countries. The sentence used in Joo’s (2005, p. 19) study referencing the comments of famous Korean director summarizes the main idea of this strategy very well: “The only way to stand up against U.S. films is to take on Hollywood at its own games”.

2.5.5. Geo-cultural markets and Diasporic Films

Geo-cultural Markets: The theorization and explanation studies of international flow of media products have been very controversial issues for critical scholars. Studies especially related to the TV productions in the world have demonstrated that cultural imperialism and dependency thesis “have missed much of the complexity of change in industries, genres, and audience receptions in the developing or peripheral nations” (Straubhaar, 2006, p. 682). Globalization of culture is the most popular issue analysed in today’s capitalist world economy. However, seeing the world in the process of becoming single world society who has more standardized and uniform characteristics cannot produce correct results.

More sophisticated interpretations of globalization are needed in this discussion process. The rise of new TV production flows emerged in the different parts of the world markets has showed the necessity of new sophisticated thinking. In this process, Sinclair (et.al, 1996) had introduced the concept of “geo-linguistic regions” in order to capture the complexity of international flows. Geo-linguistic regions were stated in that study as the regions having cultural, historical and linguistic connections. Hesmondhalgh (2007) had stated that these regions may be located geographically close areas, but, in many cases, the relationships and connections among them might be cultural rather than physical proximity. Long histories of transnational contact are used as the explanation of the reasons of these cultural relationships. English and Spanish speaking countries are given as the most important

examples of geo-linguistic regions in Hesmondhalgh's book. USA, Canada, UK, Ireland, Australia and New Zealand constitute the geo-linguistic region based on the English speaking countries and sharing Christian cultural traditions. Spanish speaking countries in Latin America and Spanish speaking immigrants in USA are the base of the other geo-linguistic regions in the world sharing Hispanic language and culture.

“Geo-cultural markets” are the modified term of the geo-linguistic region. It is more complicated term than the other demonstrating multi dimensional structure of cultural connections between places and people. Language is just the one dimension of cultural connections. Hesmondhalgh (2007) gave the example of East European and former USSR countries as one of the geo-cultural markets sharing Soviet histories and Christian traditions but there is no shared language (p.220). In addition, the term of region represents the geographical proximity but market term can be used for cultural connections transcending physical proximity. Another important point related to the geo-cultural markets is about the possibility of multi belongings of countries to more than one geo-cultural market. The base of this idea is the possibility of people having multiple cultural identifications in one country.

Above mentioned *Geo-cultural markets* come into prominence as the place of new interactions or flows in today's global economy. They have started to become regional production centres in global TV and film productions. Brazil and Mexico for Latin America, Egypt for Arab world, Turkey for both Arab and Turkic Republics, Nigeria for Anglophone African countries, Hong Kong and Taiwan for Chinese speaking populations in Asia, and finally India for the Indian populations in Europe, Africa and Asia are the film and TV production centres exporting their products to these mentioned regions which are linked by geographically, culturally, and linguistically. However, as I have stated above, these culturally and linguistically similar markets do not need to be geographically continuous. Geo-cultural markets can also be made with the audiences living in countries sharing similar histories, languages and cultures. Migrated communities in the diaspora contribute the constitution of geo-cultural markets (Osei-Hwere & Osei-Hwere, 2008). So, these production centres also export to countries in Europe and America having diasporic communities.

Integration into global markets with geo-cultural marketing is also named as “*affinitive transnationalism*” in Hjort’s (2010) work which is focusing on the communication with similar elements. These similarities are based on ethnicity, historical interaction and partially overlapping languages. With these similarities, it is aimed to make cross-border collaboration cost-efficient, favourable, and effective. Hjort has grounded this new model of transnationalism on ethnic, cultural, and linguistic affinity. This model does not only include the collaboration based on cultural similarity. It can also arise with common problems and commitments. Some of the collaborations realised with the motivation of common problems and challenges can facilitate the awareness of new cultural commonalities.

Shared language (providing linguistic connection), immigrant communities in foreign countries (diasporas), and film genres exceeding cultural and linguistic barriers come to the fore as the advantages for film industries in geo-cultural markets. The hypothesis of geo-cultural market strategy is based on the acceptance that “exports develop among countries sharing similar language and culture” (Sinclair et.al., 1996, p. 26).

Diasporic Films: It is one of the strategy making inroads in the international film markets. Diaspora is explained in Roush’s (2008) study as a migration beginning with trauma, rupture, and coercion and involving scattered people located outside their homeland. In her study, diasporas are listed by their general characteristics as victim/refugee diasporas, labour/service diasporas, trade/business diasporas, imperial/colonial diasporas, and cultural hybrid diasporas” (2008, p. 77). “Culturally hybrid cinema” constitutes the base of diasporic films and locates itself between Hollywood and local market. Diasporas cannot be evaluated just a consumer markets for locally produced films, it can also provide trained and skilled labour for film industry. With the help of directors and writers living in developed countries such as UK, U.S., and Canada, local cultural characteristics can be represented in and integrated into global film markets in an objective manner.

Hjort (2010) summarize these developments under the title of “*cosmopolitan transnationalism*”. It is the model stated at the end of his evaluation of independent Chinese filmmaking defined by the cosmopolitanism of the filmmakers who have executive control over filmmaking process. They can have multiple belongings related to ethnicity and migration and these belongings build up the base of this transnationalism. They may be born, educated and worked in different countries. Films as the productions of these filmmakers or

directors reflect the movements of them and the mixture of national, transnational, and postcolonial commitments and opportunities.

Making films for Diaspora markets is the moneymaking ventures. Different types of migrations between countries are the key factors for the emergence of diasporic films. India, China, and Nigeria as a growing film markets have very spread Diaspora on the world. America and European countries are central locations for these Diasporas. They create new markets for film companies. With the help of Indian diaspora in UK and US, Indian films can take place in the top ten film lists of these countries. Large domestic and Diaspora markets are both the general characteristics and advantages of India, China, and Nigeria in global markets. In spite of their large domestic market, the real money is come from rich OECD countries where the Diaspora located. Therefore, having Diasporas in rich countries represents large income for local films in global film market. In addition to income factor, diasporas cause the integration of films, local cultural characteristics, and film crews into globalised film market.

At this point, explanation of the characteristics of diasporic films will be meaningful. Roush stated the dominating aspects of diasporic filmic production as its “interstitial character arises from the particular type of journeys their authors undertake” (ibid, p.77). “They cross many borders and engage in many deterritorialising and reterritorialising journeys, which take several forms, including home-seeking journeys, journeys of homelessness, and homecoming journeys. Cultural hybridism is the key concept describing diasporic films.

Nigeria is one of the leading film industry countries in terms of the number of films produced per year. English speaking countries in Africa provide enormous contribution for Nigerian films in this process. Those countries are not only accepted as the markets for Nigeria but also the African diaspora across the world generates potential huge markets. In just UK, two million Nigerians live and create high demand for local products (Chowdhury et.al, 2008). Turkey is the other country has diaspora in Germany. It provides large market for Turkish film industry. Especially in the last ten years all Turkish films have started to be released in Germany at the same time to Turkey. Famous Turkish directors born and living in Europe as Fatih Akin and Ferzan Özpetek provide very big contribution for Turkish Cinema. As the products of cosmopolitan transnationalism, their projects generally win awards at international film festivals. Iran is the other example has directors and writers

living in Europe. Iranian diaspora are in a very important position for the promotion and development of their countries film industry in global film market.

2.5.6. Niche Markets

It is the strategy based on the development of international niches on film markets with some specific factors such as cultural specificity and auteur films. *Auteurist production* is the model evaluated with the instances of omnibus filmmaking. Individual directors, who decide the type of collaboration with transnational actors, are main drives of the auteurist production. This model arises in a punctual and ad-hoc manner after this particular collaboration decided. Auteurs are the central figures of starting process, and also they are very decisive figures for executive phase. *Eros* is the omnibus film given by Hjort (2010) as an example of auteurist transnationalism which involves thematically interconnected contributions of three writers and directors from different countries. It is written and directed by Wong Kar-wai, Steven Soderberg, and Michelangelo Antonioni. Hjort also stated that apparent collaborations do not produce transnationality which the project seems to require. Genuine artistic collaborations are needed in these auteurist attempts.

In Europe, it became popular strategy for some countries (France, Denmark) in order to carve out niches for themselves on global film market (Vanderschelden, 2007). Diversified specialisation based on the market niches has started to be the main strategy of low cost film clusters in global markets due to the less competitive characteristics of niches. This type of production is based on the process of exposition of the cultural commonalities and the process bringing unrecognised shared culture into public awareness. Nordic countries use this strategy by the help of Nordic Film and TV Fund created in 1990 in order to strengthen Nordic commonalities. Response of Hollywood to this strategy in the early 1990s was the globalizing strategies, especially with the ultra high budget films. This strategy was aiming to create monetary resources and to stimulate mutual awareness of common interest by using intersecting national heritage in relevant films (Hjort, 2010).

French cinema is the prominent cinema in global market trying to challenge Hollywood's hegemony. It has created niches for itself in global market based on art films. Auteur cinema concept demonstrates the main approaches to French cinema in foreign markets. The strength position of this cinema in world markets comes from its artistic characteristics.

Denmark is the other country providing a good example of niche market development. Limited budget film making is the general characteristics of Danish film industry. However, they have developed particular filmmaking strategy named as Dogme. Some specific rules had been accepted as a manifesto for this strategy and had been followed by all Dogme filmmakers (Vang & Chaminade, 2007). It is manifesto driven and rule governed approach for film making. In this strategy, films are produced with the rules dictated by “Vow of Chastity” which provides realistic solutions to the problems of small national cinemas related to the cost and competition (Hjort, 2007, p. 34). Cost-intensive practices are rejected in this model. Creative values and pragmatic understanding of making films under economic constraints are combined within the Dogme strategies. Hjort stated this situation as “creativity under constraint and the stimulation of creativity through the imposition of constraints” (2007, p. 34). Integrally connection of creativity and limited budgets constitutes the main points of this strategy.

Scotland is the country in which the new production model experienced. Hjort explained this model with the “Advance Party Project” (2010); a rule-governed, collaborative, and low budget project involve the shooting of three films in Scotland. It is an attempt to develop artistic, innovative and economically viable film project as a strategy of small nations against to the Hollywood style globalization. It specifically aims to develop film milieu with some constraints in Scotland. There is a systematic link between constraints and milieu development. Requirements of being the first film of director, the Scottish location requirement, limited budget, limited time for shooting, and collaborative dimension are the examples of the constraints of this Advanced Party project. The creativity under constraints approach is accepted by all small nation practitioners as a crucial philosophical principle. It is the basic feature of both Dogme 95 (Lars Von Tries’ project implemented in Denmark forms the basic aim of Advance Party Project) and Advance Party project. The model explained with the Advance Party Project is based on the transnational collaborations producing joint solutions to particular problems.

Japan is another example using niche strategies to integrate global markets. Animation based film production carries them to global arena. Their de-Japanized or non-Japanese cultural characteristics are accepted as the most impressive feature. Universal elements used in those animations and multi-faceted cultural politics applied in Japan constitutes the popularity of them in global market. They have succeeded to carve a unique path to international markets

(Lu, 2008). “Cultural discount” theory based on the removal of cultural barriers is accepted by Lu in order to explain the reasons of international popularity (ibid, p.174). The concept of “cultural odor” posed by Iwabuchi (2002) can be used for Japanese animations pointing their neutralised characteristics.

Iran is the other country having place on global markets with its “ascetic and semi-documentary cinema”. Qualified film production and demographics of immigrant in foreign countries are the advantages of Iran in global film market (Ammann, 2006).

2.6. Conclusion

It is very obvious that film industry is experiencing globalization process especially in the last two decades. Production, consumption, and organizational structure of filmmaking are globalized in today’s competitive cultural economy. Different film industry centres are emerging in and integrating into the world film market with the help of these processes facilitated by cheaper production technologies, new distribution forms, and new exhibition channels. Reaching new niche audiences around the world is much easier than the past. Satellite TV, DVD and internet are the facilitators in this process. In the course of time, we are witnessing new struggles from different film country examples trying to carve out stable niches for themselves in global film market.

In all of these processes, runaways, co-productions, diasporic films, geo-cultural markets, art films, and imitation-adaptation strategies become prominent as the ways and strategies of different film clusters in the integration process into global film market. As the sources of information for different country examples, table 2 demonstrate the main characteristics of different examples within the scope of integration models, production strategies, breaking points, supportive organizations, development dynamics (with initiatives and drivers of restructuring), advantages and disadvantages. Different film clusters do not need to use just one model, they may use range of models at the same time. Artistic and economic successes and the level of global integration are the fields needed to be investigated for the positions of Turkish film industry in this complicated system. In the following chapters, I clarified the positions and strategies of Turkish film industry with artistic and economic successes and the level of global integration. At first glance, it is seemed that Turkish film industry is the practitioner of the three global integration strategies. *Co-productions* with European

countries, exporting films to *geo-cultural markets* consisting of the Middle East, Balkan States, and Turkic countries, and marketing and distribution of Turkish films to Europe for the *diasporas* are the ways exporting Turkish films to foreign countries. Although there are some positive developments in Turkish film industry towards global integration in the last ten year, it has still small portion of export growth and limited revenue from foreign markets. When it is compared with Hollywood and other film clusters such as UK, France and Japan, it still remains very small scale industry. In order to represent the position of Turkish film industry comparatively to other film countries in global film market, some statistical indicators are collected in table 1. According to the table, Turkish film industry can be categorised with the small scale film countries such as Ireland and Denmark according to the number of films, home market size, admissions, market shares, number of screens, and gross box-office revenues.

Table 1. Structure of Selected National Film Markets in 2009

Different Forms of Integration	2009	Number of films	Population (million)	GDP per capita (\$)	Admissions (million)	Number of Screens	Market shares by national films (percent)	Market shares by US films (percent)	Average Ticket Price (\$)	Gross Box Office Revenues (Million Dollar)
Command Centre	US	677	307.4	45.55	1.364.0	39028	91.8	-----	7.18	9.629
Co-productions	France	230	64.7	39.922	200.9	5522	36.8	*63.2	8.53	1.7
Co-productions	Germany	220	81.9	37.307	146.3	4734	27.4	*72.6	9.28	1.4
Co-productions	Italy	133	59.8	33.253	111.2	3208	24.4	*75.6	8.46	940
Co-productions	Spain	186	46.1	30.251	109.5	4083	16	84	8.48	929
Adaptation	UK	116	61.2	32.798	173.5	3696	16.5	*83.5	8.49	1.472
Adaptation	China	456	1.334	3.622	217.8	4723	56.6	*43.4	4.16	906
Adaptation	South Korea	138	48.7	14.946	156.8	1996	48.8	*51.2	5.73	854
Geo-cultural Marketing	India	819	1.207	982	2.900.0	10120	92	*8	0.57	1.86
Geo-cultural Marketing	*Nigeria	872	152	2.4		*4871				
Runaway Productions	Australia	38	21.6	34.974	90.7	1989	5	95	9.29	848
Runaway Productions	Canada	75	33.6	36.589	108	2833	0.8	91.8	8.01	863
Runaway Productions	Ireland	34	4.5	49.096	17.7	442	0.2	*99.8	9.81	173
Niche Markets	Japan	448	127.6	39.119	169.3	3396	56.9	*43.1	13	2.2
Niche Markets	Denmark	30	5.5	52.815	13.9	397	17.3	*82.7	13.78	192
	Turkey	69	70.4	7.84	36.9	1575	50.9	*49.1	5.37	198

Source: World Film Market Trends, Focus 2010, European Audiovisual Observatory

*Include both US and other country films, *Nigeria: UNESCO Institute for Statistics, 2005

Table 2. Different Forms of Global Integration and Country Examples

INTEGRATION MODELS		COMMAND	RUNAWAY		CO-PRODUCTIONS
COUNTRIES		HOLLYWOOD	CANADA	NEW ZEALAND	CHINA-HONG KONG
		(Scott, 97,00b, 02, 04b)	(Scott & Pope, 2007 and Vang & Chamnade, 2007)	(Connor, 2004)	(Lim, 2006)
categories of integration		Dominating world film market	Shooting activities (decentralised from Hollywood), Labour outsourcing	Association of international finance and local places and directors	transnational collaborations-Global Production Networks
integration area of local-global		distribution, marketing, exhibition, festivals, finance, shooting	finance, production	finance, production	production, finance, distribution, exhibition, festivals
production strategy		1-Rights split deals, 2-overseas production sources, 3-Niche Units, 4-Independent filmmaking, 5-animation	co-productions with Hollywood	Complex partnership between Hollywood studio and National government of NZ)	1-co-productions 2-Local socio-cultural film contents
breaking point		1948 Paramount Decisions, Marshall Aids, GATT negotiations	changing governmental policy in 1995	1-Policychanges 2-Lord of the Rings (Finance from Hollywood, Director and location from NZ)	1-1984 reforms 2-Sovereignty of Hong-Kong from UK in 1997 3-Closer Economic Partnership Arrangement(CEPA) between China and Hong Kong
supportive organizations		MPAA, MPEA, Labour Unions, NGOs, Marketing Research Companies	governmental incentives	government	private sector
Development dynamics	initiatives	Motion Picture Association of America 1922 (MPAA), a lobbying organization that represents their interests worldwide	governmental intervention	government policy changes	1-Government policies 2-Sovereignty of Hong Kong
	drivers of restructuring	1948 Paramount decision, Increasing costs, Conglomeratization	decentralization of Hollywood	Brand NZ slogan (Promotion of NZ as a location for global production capital)	1-Withdrawal of the financial backing of state owned film studios in 1984 2-Permission for independent film making in 1988 3-Arrangement between Hong Kong and China
Advantages	comparative advantages	Big Budgets, Skilled labour, Dense Network Relations	quality of local facilities, availability of supply and labour, quality of human and social capital, existing tolerance and openness	unique filmic stories	1-Excellent shooting locations 2- Huge home market 3- Cultural similarity of neighbourhood countries 4- Ethnic Chinese communities in the region
	sources of competitiveness	Large Home Market, Institutional Thickness, Cluster Formation, Technological Superiority, Government Supports	low production costs, subsidies, tax allowances	Government regulations	1-Sizeble local pool of film workers 2-Pool of financiers 3-Venture capitalists 4-Availability of lower operation cost 5-new wave of artistes and directors
disadvantages		Cheap Production Locations around the world and Developing Technologies: Internet and new distribution opportunities	lack of distribution system, lack of strategy for canadian filmmaking	1-Commercially constructed model 2-independent film industry (national cinema) is neglected (core-periphery model)	1-Has no distribution network 2- lack of piracy control, distribution rights

Table 2. (Continued)

INTEGRATION MODELS		GEOCULTURAL		
COUNTRIES		BOLLYWOOD		KOREA
		(Lorenzen&Tacube, 2007)	(Pillania, 2008)	(Kim, 2005)
categories of integration	1-Marketing to Culturally similar markets with its own film type 2-integration with diistribution and finance	1-Making a film for the diaspora market 2-Co-productions 3-International distributors	Use of cultural similarity	
integration area of local-global	finance, distribution, marketing, exhibition	production, distribution, niche markets	film distribution, marketing	
production strategy	1-commercial base 2-two filmmaking strategy: big and low budget niche films 3-marketing efforts 4-professionalism in production 5-alliances 6-working with stars 7-masala (song-dance) type films 7-social relations-networks (trust) between directors-producers, actors and financiers	1-co-productions 2-Local themes 3-Working with Indian origin directors in foreign countries (they have international revenues)	Blockbuster hits with high production quality, fewer projects having high commercial value, low level of diversity in film production	
breaking point	Government's policy changes in the last decade (1998-2007)	Globalization process (1990s)	Deregulations in 1990s	
supportive organizations	government	government	government	
Development dynamics	initiatives	1-Government regulations: allowance of FDI, tax reductions	A series of government deregulation over 1990s: 1-eased the zoning restrictions for new theater construction in the residential areas 2-allowed multiple prints of a title to be released simultaneously	
	drivers of restructuring	1-Home market developments 2-Industry structure: social network structure	Corporatization	1- Diffusion of multichannel TV and VCRs (Large conglomerates saw the business potential and enter the business) 2- Increasing screens and multiplexes 3- Increasing leisure time and film spending 4- Producton quality
Advantages	comparative advantages	1-its own brand-styles of the films-genre 2-big size home market 3-Cultural advantage on Asian and African market	1-Growth of Brand India 2-Indian diaspora 3-Consumer spending habits 4-Indian themes films(unique local cultural values)	Cultural similarity of neighbour countries
	sources of competitiveness	1-Horizontal integration in distribution and finance and scale economies (companies) 2-social networks in film industry 3-government subsidies 4-abundance of film school 5-Rapidly rising GDP 6-new exhibition channel (tv) 7-handful of vertically integrated firms	1-Organized, systematised structure 2-regulations that allow FDI 3-Import of Technology 4-Famous Hindi stars	1-Big commercial films 2-Market growth of Korea and its neighbourhood countries
disadvantages	1-entertainment tax 2-Lack of official status: lack of financial sources 3-absence of large conglomerates	1-Piracy 2-Lenght of film (too long) 3-Weak distribution and marketing system		

Table 2. (Continued)

INTEGRATION MODELS		ADAPTATION-IMITATION		
COUNTRIES		BRITAIN	FRANCE	
		(J. Kim, 2003)	(Danan, 2000)	(Scott, 2000a)
categories of integration		funding and distribution	construction of a new complex way: Postnational cinema	Both independent-art-house film and big budget- blockbuster film
integration area of local-global		production, finance, distribution, exhibition	finance, production	festivals, distribution, finance, production, exhibition
production strategy		localized products with diversified financial sources and public private alliances between local and international firms(localization and commercialization)	Hollywood mode of production, international stars and French style films	Two tier production system 1- Distinctive, small budget film producing, auteur film 2- Commercial, large budget, majors production 3-Big film production company 4-Producing internationally attractive film
breaking point		1-Decentralization of funding allocation in 1990s (1-preference for films that had potential to get distribution deal 2-emphasis on the commerciality of films) Subsidies supervised by Regional art councils 2-Channel Four's success in 1980s(alliance between tv and cinema about finance and distribution, joint venture with Hollywood companies) 3- Withdrawal from Eurimages body(because of the lack of support for international distribution deal), Increase of US co-productions, pre-sale deals with US majors (1997)	Legislative changes in the late 1980s	1-1993 GATT negotiations (exempt audiovisual product from free international trade)
supportive organizations		Public-private funding, TV channels	Government	1-government 2-EU
Development dynamics	initiatives	1-TV funding and exhibition(Channel Four) 2- Decentralized funding allocation	Measures of Government(late 1980s): 1-tax incentives to co-productions and 2-allowance and subsidies of the use of English	1-strong policy interventions (Government regulatory)
	drivers of restructuring	1-Regional art councils' tendencies(1-establishing a localized infrastructure 2-encouraging the exhibition of films on festival circuit) 2-Public funding to commercially promising films(public funding focusing on securing the distribution of films through an alliances with private investors) 3-TV channels's financial support	TV channels programming strategy(French programming for international audiences), Unifrance(official body): promoting French films outside France	1-Governmental institutions' (CNC) financial-labor-training policies and implementations 2- emergence of vertically integrated large firms 3-existence of very flexible and fast-moving independent firms 4-Eurimages
Advantages	comparative advantages	1-production funding structure(British Screen Finance, Lottery funding, public private alliances for securing distribution)	French film culture, authors, directors	1-tradition of cinematography 2- Government policy 3-division of labor and agglomeration 4- Images and lifestyles of Paris
	sources of competitiveness	1-developed local infrastructure(studio complexes) 2- vertically integrated tv channels(tv funding) 3-public private alliances in production and distribution	government's dual policy: postnational and auteur films (strategy of balance between transnational projects and nationally based productions)	1-employer and worker organizations-unions (informal social regulatory units)
disadvantages			strong resistance to globalization process of film industries	1-Imitation of Hollywood (critics) 2-low level of employer and worker unionizations 3- dependence on government's financial support 4-lack of commercial and technical innovation 5-lack of marketing and distribution 6-non-existence of economies of scale

Table 2. (Continued)

INTEGRATION MODELS		ADAPTATION-IMITATION		
COUNTRIES		FRANCE	GERMANY	BOLLYWOOD
		(Vanderschelden, 2007)	(Keiser&Liecke, 2007 and Bathelt, 2002)	(Zacharias&Parekh)
categories of integration		Postnational cinema: mixture of auteur films-cultural specificity and transnational elements 1-Preserving the diversity of French film 2- Open up successful transnational avenue by means of transfers and transpositions	post-production, dig.labs, equipments	local cultural values with international finance
integration area of local-global		all stage of film production: finance, production, distribution, marketing	technology, co-financing, festivals, subsidiaries of Hollywood companies	finance
production strategy		1-co-productions 2-working with foreign directors 3-actors 4-Filmed in English 5-working with international cast and personnel 6-alternative production model	limited functional integration to Hollywood blockbuster films	1-corporatization 2-professionalism
breaking point		Found of EuropaCorp production company in 2000	Local leader (Kirch group crises) and advertising crises	Acceptance of film sector as an industry by government in 2001
supportive organizations		government	private film financing funds, public agencies, EU funds	government
Development dynamics	initiatives	EuropaCorp Film Company, 2000, Luc Besson: vertically integrated film company, aiming at linking French funds and personnel with an international cast and hybrid mainstream genres and forms	regional policy measures, state intervention (provision of infrastructure service and direct financing)	1-government's entitlement of bank finance to film industry
	drivers of restructuring	Preferences of TV channels(film: large budget with limited artistic risk taking) and development of new satellite film channels(development of links with American companies), reduction of TV channel support to film industry	flexible specialization, cooperation of public agencies and small group companies, increase in the number of small and medium sized young enterprises, establishment of centers for incubation, establishment of public broadcasting services	1-permission to %100 foreign direct investment in the film industry 2-venture financing 3-legally binding contracts 4-copyright law of government
Advantages	comparative advantages	reputation of French films and directors: art-house cinemas and Luc Besson	closely interconnected small group of companies and public agencies, dense network relations between small group of technology producing companies, focus on national culture, existing infrastructure, public laws, institutional infrastructure, existence of dual broadcasting system	1-abundance of talent 2-diversity of cinema 3-culture of professionalism
	sources of competitiveness	1-mixing genres and aesthetic implications: familiar genres and transnational elements, exploiting new technologies, new visual style 2-big company: distribution and marketing mechanisms	technology clusters, media clusters, institutional cooperations, distinct local identity, training program and industry-university cooperation	1-government facilitating policies 2-diversity and abundance of funds 3-Indian government's tax incentives policies
disadvantages		critics and battle over produced films' specificity and national identity	Weakness of production and distribution facilities, weakness of external linkages; overembeddedness	1-Lack of international business and legal practices 2-piracy 3-censorship guidelines 4-procedural hurdles (exchange law)

Table 2. (Continued)

INTEGRATION MODELS		ADAPTATION-IMITATION			NICHE MARKET
COUNTRIES		KOREA		ARGENTINA	SCOTLAND
		(S.K.Kim, 2005)	(Jin, 2006)	(Falicov, 2000)	(Turok, 2003)
categories of integration		Mixture of foreign filmic forms-conventions and styles with local materials-nationalistic stories	1-foreign investment 2- Transnational corporations 3- Buying-out film companies(Chaebols) 4-venture capital firms 5- Netizen funds 6-Financial banks	mixture of commercial-popular film production type and unique Argentina culture	representational, international consumption, production for TV
integration area of local-global		distribution, marketing, exhibition, festivals	finance, distribution	finance, festivals, marketing, distribution	festivals, production stage: shooting locations
production strategy		global technics with local values	blockbuster style with new financial sources	blockbuster style with unique local cultural values	art house cinema
breaking point		Financial crises in 1998	cultural policy of newly democratic government in 1993	1-Collapse of military dictatorship in 1983 2- Beginnig of the President Menem Government in 1989 3-Neoliberal policy and reforms 4-1994 Film legislation to secure the industry's financial survival (avenues of funding directed towards national cinema:home video rental tax, tv advertisement tax, tax on film box office receipts)	BBC's increasing its broadcasting to full day by 1980s
supportive organizations		Government	government	State film institute, private tv stations	funds established by local public agencies, higher education institutions, international tv channels, national production funds, Scottish screen (integrated organizations)
Development dynamics	initiatives	1-Financial crises 2- Deregulations(abolishment of censorship and entry barriers in 1993-97) and industrialisation	1-government's neoliberal cultural policy	1-governments neoliberal policy 2-government forced tv channels and large national conglomerates to invest in film business(tv-film partnership) 3-Liberalisation of media ownership(sale of governments tv channels)	pressure of devolution, public funding, establishment of film offices, BBC offices:local incubator
	drivers of restructuring	1-Nationalistic sentiments after crises 2- Glocalization 3- Audiences' local expectations 4- Chaebols started to invest in this sector from the mid 1990s	1-entrance and influence of transnational cultural industries(TNC) 2-tax breaks 3-financial supports	1-abolishment of censorship(83-89) 2-financial support of state to both small independent producers and large conglomerates(89-99) 3- co-production with tv channels(some of them are partly owned by international companies) and advertisement firms 4-Hollywood style film 5-Relaunch of international film festivals in 1995	government regulations(incentives), institutional restructuring, independent TV channels(chanel 4)
Advantages	comparative advantages	Local cultural materials in films		Government policies	locational look(natural and urban landscapes). Sizable advertising and publishing sectors. Local Narratives
	sources of competitiveness	1-young talented university students 2-Promotional film policies	1-Korean government invested in the film business	Encouragement of both commercial and art-house films(especially commercial films)	local infrastructure; suppliers of services and equipment, pool of technical skills and talent. Urban image. Support organizations. Long running film festivals

Table 2. (Continued)

INTEGRATION MODELS	ADAPTATION-IMITATION			NICHE MARKET
COUNTRIES	KOREA		ARGENTINA	SCOTLAND
	(S.K.Kim, 2005)	(Jin, 2006)	(Falicov, 2000)	(Turok, 2003)
disadvantages	1-criticism of Korean blockbuster as a mimicry of Hollywood 2-Dependence on government support	1-criticism of Korean films as a standardization of cultural expression 2-dependence on government support	Criticism of films whether they are argentine film or non-argentine (dilemma) (how national are these films?)	public funding reliance, insufficient services, limited recycling of surpluses, lack of control over distribution
INTEGRATION MODELS	NICHE MARKET			
COUNTRIES	JAPAN	ITALY	SPAIN	RUSSIA
	(Japan Economic Monthly, May and Lee 2002)	(Guiseppe&Alessandro, 2005)	(Kogen, 2005)	(Dzieciolowski, 2006)
categories of integration	animation film production	art house film- italian genre	art house film	Famous Russian directors working with Hollywood firms
integration area of local-global	remaking rights, festivals, distribution of animations	festivals	festivals	festivals, production (Russian directors)
production strategy	artworks, animations	reputation based mechanisms /artistic and economic reputation of directors	1-production of cultural films, 2-use of new technology in all stages of film production	blockbuster style (big budget) with local cultural issues
breaking point	abolishment of government restrictions in the early 1990s		1-1986 entry into EU 2-1984 Establishment of Cinema Institutions	Vladimir Putin came to power in 2000
supportive organizations	private sector	government and EU funds	government	government
Development dynamics	initiatives	increasing consumer film spendings, large and wealthy home market, film policies	awards	governmental intervention
	drivers of restructuring	development of domestic film industry infrastructure, possibility of foreign equity ownership on cable TV	directors	Government fund for film subsidies(finance based on the cultural criteria)
Advantages	comparative advantages	unique film contents, reputation of directors, type of films:animations	reputation	1-Common socio-political culture with Western Europe 2- Common language with the majority of Latin America
	sources of competitiveness	local infrastructure	strength of ties	1-Existence of talented people 2-Internationally famous directors and actors
disadvantages	late arrangements of supportive sector (cable-TV deregulation)	1-small size of domestic market 2-small size of broadcast tv and video media companies	1-dependence on state subsidies 2-poor economies of culturally similar countries 3- migration of talented and famous persons into US 4- financial support to cultural films, not commercial ones	Censorship (limit to the artistic freedom)

Table 2. (Continued)

INTEGRATION MODELS		NICHE MARKET			NICHE MARKET AND CO-PRODUCTIONS
COUNTRIES		TAIWAN		DENMARK	GERMANY
		(Chiang)	TAIWAN	(Busines School, 2005)	(Halle, 2006)
categories of integration	local cultural values with international finance		art house film making	1-art-house films 2-sales agent	modification and internationalization of art-house German film with universal styles
integration area of local-global	festivals, co-productions		festivals, distribution	festivals, co-productions(Eurimages), distribution (sales agent)	festivals, co-productions(distribution)
production strategy	1-Festival oriented art-house film making, 2-reputational base(directors) 3-Co-production(combination of global capitals and local characteristics)		1-Festival oriented art-house film making, 2-reputational directors' art films 3- subcontract : investment from foreign distributors to internationally famous directors 4- incorporation : film directors incorporated into international film corporations (they are recruited and direct Hollywood art film)	1-high profile co-productions 2-animated films 3-tv series 4-dogma strategies (filmmaking with hand camera and new rules)	1-first step: art-house film 2-second step: renewal of the film by international styles-themas-adding new scenes 3-Co-productions (with global distributors)
breaking point	1989 Removal of restrictions (entrance of Hollywood film into domestic market)		1-WTO-2001, 2-Abolishment of import quota by government		Policy changes in 1990 (from high cultural didactic system to market oriented system)
supportive organizations	governments		government	Government, EU	EU programs, Government
Development dynamics	initiatives	Policy changes	Directors	Danish film institute	Establishment of German Export Union (ExU)
	drivers of restructuring	1-State subsidized funding policy 2-Auteurism	TNC movement (Taiwan New Wave Cinema)	1-Vertically integrated Danish distribution companies (they are buying their own cinemas, investing film production) 2-increasing number of cable and satellite tv channels 3-struggle of large Danish firm for making pre-sale and distribution agreement with the major players 4-modernization of programmes in cinemas and creation of multi and megaplexes	1-Co-productions agreements (Eurimages assists) 2-German-France Partnership: Establishment of European Film Academy in 2000(train and support film makers-serving as a coordinating forum for film industry leaders)
Advantages	comparative advantages	Native culture, its own style		1-large mass of talent in artistic and technical areas of film production(writer-director) 2-good educational level(film school) 3-Danish film institute	Film industry culture
	sources of competitiveness	1-Famous directors 2-Cultural similarity of Asian countries	1-Famous directors 2-Subsidy program for domestic film production	1-High Artistic standart of Danish films 2-Severall funding and consultancy mechanism	1-Strategies of export union 2-Existence of global media conglomerations
disadvantages	Lack of market power		1-lack of advanced film technologies and skills 2-inappropriate film policies 3-alienation from local audiences 4-Films are not related to Taiwanese society and not shown in Taiwan(just festivals) 5-runaway capital (foreign investors removed capital from local production to invest another profitable places) 6-major distributors' domination	1-Dependency of public funding 2-Short term Project culture, no continuous company culture 3-Highest unemployment rate 4-Lack of support to specialized work tasks 5-fragmented film market	Criticism of films whether they are made for Germans or made in Germany (dilemma) (how national are these films?)

Table 2. (Continued)

INTEGRATION MODELS	CO-PRODUCTIONS and ADAPTATION	ADAPTATION, CO-PRODUCTIONS, and NICHE	ADAPTATION and NICHE	GEO-CULTURAL, CO-PRODUCTION, MARKETING, CO-NICHE	
COUNTRIES	CHINA	HONG KONG	AMERICAN INDEPENDENTS	TURKEY	
	(Keane, 2006)	(Chiang)	(Wyatt, Chapter 5 2006)	Turkey	
categories of integration	international finance with local culture and innovation	use of unique local cultural issues	1-Pre-sale agreements 2-merging with major (major independents)	diasporic films, co-productions, auteur films	
integration on area of local-global	finance	finance, co-productions	festivals, distribution, finance	finance, markets including Turkish diaspora, niche markets	
production strategy	Reaching international finance	distinctive cinematic style, adrenalin pumping action, finance by co-productions	1-diversification of production (gay film, ideologic films) 2-working with the directors (majorlerle iş yapmış ama başarısız yönetmenler, eleştirel kişiler) 3-Affiliation 4-franchises 5-aggressive marketing	Reputation based mechanism: use of popular actors and directors, use of Eurimage funds, Turkish origin director films, films made by internationally awarded Turkish directors	
breaking point	1-Entry into WTO in 2001 2-Asian financial crises in 1997	Government initiatives after Asian crises	merger movements (1-first wave in 1980s 2-second wave started in 1993: involve cable and network tvs) (1993-Mergers between Disney and Miramax, Turner and new line)	box-office success of two films in the mid-1990s (Eşkîya-The Bandit and İstanbul Kanatlarının Altında-Istanbul Beneath My Wings),	
supportive organizations	government	government	filmmakers cooperative	government (small proportion), TV channels	
Development dynamics	initiatives	governmental intervention	1-governmental intervention (combating piracy) 2-Establishment of Film Development Fund in 1999	1-1948 paramount decree 2-recession in 1970 3-group of filmmakers' anti-hollywood approach	increasing collaboration between advertising and film industry, emergence of the new generation of young Turkish directors
	drivers of restructuring	1-Allowance of non-state investment (private investors) by government in 1995 2-Partial privatization of film Chinese leading film studios in 1997 3-Emergence of TV conglomerates	Government funds	1-Mergers between independents and majors 2-Video and cable boom	Development and collaboration of TV series and advertising industry
Advantages	comparative advantages	1-Deep reserves of tradition 2-Large consumer base 3-state owned enterprises 4-culturally similar neighbourhood countries	1-Unique film locations 2-Existence of distinctive Hong Kong genres	style of the films	strong domestic market (51% market share of local films)
	sources of competitiveness	1-reputation of directors 2-art-house successes 3-government's direct supports, tax breaks 4-advertising companies: brokering of services	Cultural proximity of neighbour countries	1-making a film related to the taboos of the society	TV series industry
disadvantages	1-Vast size of home market (little incentive for domestic producers to target international) 2-the fragmentation of national market into provincial empires 3-protectionist policies	Low marketing power in home entertainment options (DVD, VCD)		Piracy, weak marketing system, disjointed structure of auteur and popular film networks	

CHAPTER 3

HISTORICAL PROCESS OF TURKISH FILM INDUSTRY WITHIN THE PERSPECTIVE OF GLOBAL INTEGRATION

The growth of Turkish film industry has displayed fluctuated characteristics over the years due to the social, economic, and political factors. After a weak start, it showed a big development within the domestic market after 1950. Although it has reached a big production capacity in the '50s and '60s, it could not sustain its development in the '80s. Beginning with 1970s, it nearly came to a standstill in parallel with the problems in economic, social, and political structure of Turkey. However, after 1990s, Turkish film industry has entered a recovery process. The restructuring period for Turkish film industry started in those years in parallel with the globalisation process. In all of these historical processes, external relations of Turkish film industry are generally based on the one-way flow as the import of films from foreign countries and distribution and exhibition of them in domestic market. Although it has weak relationships with foreign markets since the beginning of cinema in Turkey, new ways of integration into global or foreign markets have emerged in the last two decades. Production, distribution and exhibition stages (triads) of film industry have different dynamics in this integration process. In order to present the local global relations of the Turkish film industry in historical process, all these three stages will be analysed in this chapter. However, as the basic research field of this thesis, production stage will be more emphasized.

The diagram (Figure 8) displaying historical developments of Turkish film industry will be used to examine the changing dynamics of Turkish film industry in historical process within local-global interaction perspectives. In its comprehensive structure beginning with 1896,

this historical flowchart demonstrates all important economic, politic, and sectoral developments related to the Turkish film industry. As it is shown in the figure, the developments within Turkish film industry will be analyzed in four major periods, which will help to examine the triad of film industry within the perspective of internationalisation and global integration: 1) Establishment period between 1896 and 1950, 2) Growing domestic market and popularisation period between 1950 and 1980, 3) Restructuring period between 1980 and 1995, and 4) Globalisation period after 1995.

The figure does not only display the general characteristics of each period, but also the important events and breaking points within the history of Turkish film industry. In order to distinguish different types of developments in the historical process, different colours are used for different incidents. The *firsts* of Turkish film industry has shown with blue dots while all the unions and organizations related with cinema have been indicated by purple dots on their establishment dates. The diagram also demonstrates first two research reports on Turkish film industry by green dots; first of which was made by US researchers. Yellow and red dots display more specific data on Turkish film industry. While yellow dots express the statistical data on audiences, cinema houses and seats, the red ones are on the institutional and legal regulations. Through the remaining parts of the diagram, the important happenings and general characteristics of the Turkish film industry is expressed together with the time periods related to these developments. As any historical process cannot be examined through a linear perspective, the diagram shows overlapping events all of which affect each other on the road. Thus, despite the fact that using four separate periods for the examination, the diagram puts forward the continuities between them. And for a more comprehensive evaluation, the general context in which the Turkish film industry operates is also taken into consideration. This general context affects all the developments and the restructuration of the Turkish cinema. Thus, while making the evaluation regarding the historical process, the general economic and politic structure, socio-cultural environment and cultural policies of Turkey are kept in mind together with the movements in the world cinema (See Appendix F).

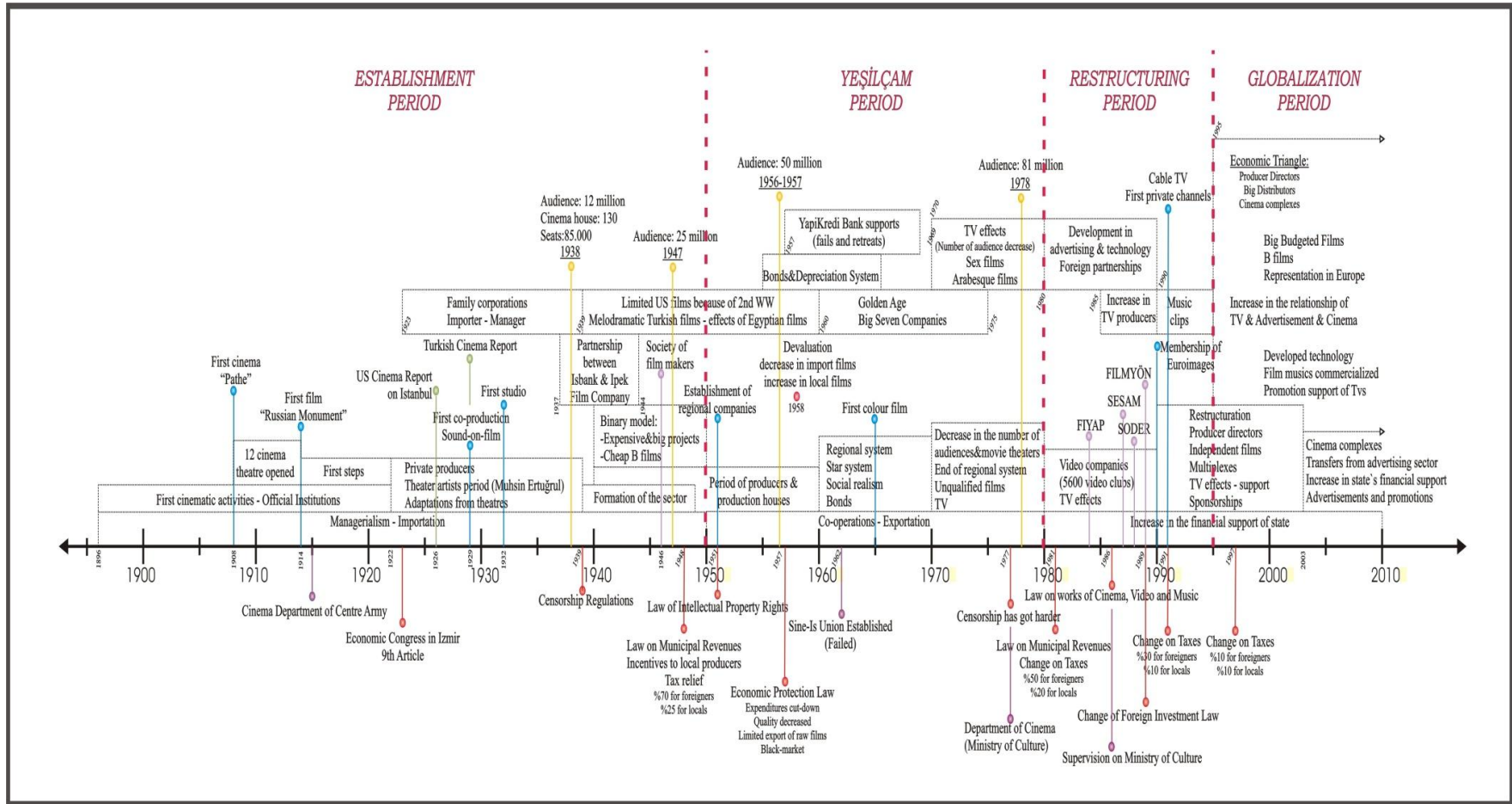


Figure 8. Developments in Turkish Film Industry in Historical Process

However, understanding how the film sector operates is not possible only analysing the historical processes or only the components of the triad. Below, these periods will be discussed in detail within the perspective of local-global integration of Turkish film industry through the production, distribution and exhibition stages referring to the historical data on the diagram. But, before the analysis of the history, the general properties of the triad in the Turkish film industry will be presented briefly.

3.1. General structure of the industry – properties of the triad

Film industry has a complex production system consisting of six different stage and activities. As it can be seen in the Figure 9 representing the production system of the film industry as the range of inter and intra organizational network relationships, so many actors from different but related activities come together in a very short time for the one film project. In the film production system, process starts with the initial idea and constitution of story, and follows the way from scriptwriting, shooting, directing, editing, distribution, and screening of the finished product. In this first stage, “the rights to an idea are acquired, funds are raised and certain key individuals may be contracted to the project” (Coe & Johns, 2004, p. 192). Producer and screenwriter are generally the key persons in the emergence of the idea. Second stage includes three phases as pre-production, production, and post-production referring the actual production of the film. In the pre-production stage, budgets, scriptwriting, casting, planning, and scheduling activities are made. Spatial and casting preferences are specified and related equipments are obtained. Then, the production stage starts with the shooting activities in which supportive sectors are mostly included. It is “the most capital and labour intensive phase” in which all related elements come together (ibid., p.192). Afterwards, post-production stage begins with the technical processing of raw films which is needed before the distribution stage. Activities transforming film footage into the finished products are made in this stage. At the end of this process, prepared films are needed to promotion to increase the number of audiences. Through advertising and media, finished products are promoted and distribution stage begins. National and international distribution is the fifth stage of the film production system in which films are sent to cinema theatres to meet the audiences. Finally, films are exhibited through the appropriate outlets such as cinema, TV network, cable TV, and video (ibid). Although six stages are defined in the diagram, there are three main stages in film industry as production, distribution, and exhibition. These three phases are accepted in the film studies as the main stages of film

production. As it is figured in the diagram, three stages have dense relationships with the sub-sectors. As it can be understood from the togetherness of the different sector in each film project, film industry supports many sectors and creates new labour force. Before the periodical analysis of Turkish film industry, triadic (production, distribution, and exhibition) structure and its general characteristics will be shortly summarized in the following section in the four major periods with global integration perspective. Although triadic nature of the film production is the mostly emphasized issue in the film industry analysis, production stage is the main focus of this research due to its decisiveness on the global integration process. Moreover, the relationships with the distribution and exhibition stages are not ignored in this section in order to fully understand the changes in the production stage.

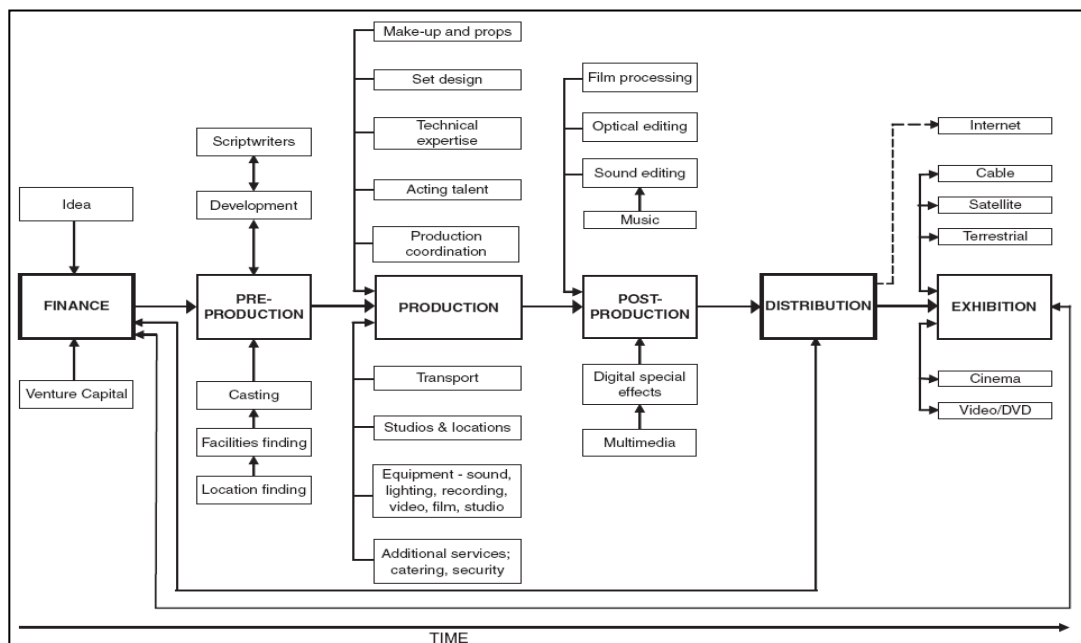


Figure 9. Film Production System

Source: Coe and Johns (2004, p.193)

3.1.1. Production

In the production process, there have been always problems in Turkish film industry related to the global integration. The connections between the local and international actors and markets have remained limited to the distribution and exhibition of foreign films in domestic market up to the globalisation period (1995-onwards). Although there were some efforts to produce films with foreign partners and to export Turkish films in Yeşilçam period, they

remained limited and could not produce good results in economical terms. At the end of the Yeşilçam period, big scale production companies were closed and turned into small scale ones with the negative developments in the market. After the Yeşilçam era, restructuring period started and organized with the effects of TV, Eurimages¹, and the entrance of foreign distributors to Turkish market. And in the last period with the rapid globalisation process, separation between independent and popular filmmakers becomes more evident and different actors are included into the production system.

In all of these processes, financial Sources of the producers have also changed depending on the different types of market structures. Especially in the last period, financial resources have been diversified with the contributions of TV channels, sponsors, state supports, and Eurimages (Yılmazok, 2010). Film market experienced a transform through a distribution-oriented market to producer oriented ones. There are also positive changes in the audience preferences. While the number audiences for foreign motion pictures had decreased, the number of them had increased for the local productions in this development period of Turkish cinema.

3.1.2. Distribution

In the distribution stage, there have always been local global interactions in Turkish film industry from the beginning. However, it has always based on the one way relationship from foreign producers to local market. Until the entrance of the foreign major distributors to Turkish market in 1989, foreign films were brought by local producer and distributor companies. Within the opening of branch-offices of the foreign distributors in Turkey, majority of the market share have passed to their hands. In the periods following Yeşilçam era, there have been 3 main film distribution companies in Turkish film market. While UIP and WB are the foreign distributors, Özen Film is the Turkish company established with local capital. The number of distributors in the local market has showed an increase in the last ten years with the establishment of independent companies focused on the import and distribution of independent films in domestic market. In the study of Sayman and Kar (2010), number of distributors in Turkish film industry is stated as 28 (See Appendix H). Markets shares of the companies in the last three years showed that two foreign distributors

¹ “Eurimages is the Council of Europe fund for the co-production, distribution and exhibition of European cinematographic works. Set up in 1988 as a Partial Agreement it currently has 35 Member States. It aims to promote the European film industry by encouraging the production and distribution of films and fostering co-operation between professionals (official website of the Council of Europe)”.

(UIP and WB) and three local companies (Özen, Medyavizyon, and Tiglon) are the major distributors in Turkish market (See Appendix J). While these majors generally work with big production companies and distribute their high budget popular films, the others generally work with independent ones. Number of audiences for the films distributed by these companies shows that there is big separation between the two category of distributors While films distributed by major companies reach high number of audiences, independent ones remain low.

After this general introduction to the situation of the distribution sector in Turkey, its organization will shortly be explained here. Both foreign and local (major) distributors work with different production companies operating in US market. Selection and import decision of foreign films require monitoring the first-three-day box office figure of the film and project strength is the most important factor in the selection of a locally produced motion picture for distributors. Distributors act very selectively, since they engage in a certain risk in terms of cost of copies, and promotional expenditures. Following this selection, the number of motion picture copies is organized for the local market. After these procedures, promotional materials of the film are ordered from abroad, and then, films are either dubbed or subtitled in the local market. Dubbing is an important product attribute for foreign and local motion pictures, because it enables a motion picture to be exhibited in a much broader geographical area (Anapa, 1999).

3.1.3. Exhibitors

Exhibition as the last stage of film production system was started first in Turkey with the leadership of Levantines. They were living in Beyoğlu district of Istanbul and started to show foreign films in this place. There have always been local global interactions in the exhibition stage over the demonstration of foreign films in Turkish market. Exhibition business carried out by the Levantines in the beginning had spread all over the Turkish market in the Yeşilçam period. While there were 209 normal and 19 open-air-cinemas in Turkey in 1948, it became 1420 and 1534 in 1969 (Tunç, 2006). With the crises years of the Turkish cinema in the late 1970s, most of the screens had closed. However, number of screen has started to increase in the last fifteen years again. While the number of screen reached to 516 in 1999, it became 1575 in 2009 (Tunç, 2006; European Audiovisual Observatory, Focus 2010). After the entrance of the foreign distribution companies to Turkish market, all cinema theatres had to renew their complexes with the new technologies

(such as Dolby digital) having positive impact on the exhibition quality of motion pictures. In order to add popular US films to their programs, they have renewed their cinema theatres. Multiplexes emerged at the end of this process.

In today's Turkish exhibition market there exist both major and independent exhibition companies; the examples of majors can be sequenced as, AFM group, Cinemars, Cinemall, TÜZE group, Özen, and CineCity group (See Appendix K). The scale and qualifications of the exhibitor are the important points for distributors in the determination process of the type of films (blockbusters and others) to be exhibited. Large scale exhibitors who operate in a vertically integrated structure have flexibility to accommodate the type of motion picture to their movie theatres according to the demands of the distributor. A motion picture which is exhibited in large scale movie theatres, later shifts to smaller scale movie theatres. The average time of exhibition for each motion picture varies between three to four weeks (Anapa, 1999). In the last decade, monopolization process emerged in exhibition sector. With the acquisition of AFM cinemas by Mars Entertainment Group in 2010, 71 percent of the movieplexes in Turkish exhibition market has passed the hegemony of one firm (Çolak, 2011). As it is stated by the ministry of Culture and Tourism, this monopolization may cause the hegemony of US films in Turkish market again.

Main financial source for movie theatres is the revenues derived from ticket sales. Expenditures are subtracted from income derived from ticket and buffet sales. Exhibition business became profitable only for larger scale chain exhibitors. Thus, a growth trend in this direction emerged in Turkey especially in the last two decades. Most of the independent exhibitors have second businesses or they survive with special supports such as the exhibition support of Eurimages.

3.2. Periodical Analysis of Turkish Film Industry within the Perspective of Global Integration

In this section, historical analysis of the Turkish film industry will be carried out with the different periodization demonstrating general characteristics of the industry in the perspectives of global integration. Four major periods were determined for the all history of Turkish cinema as the establishment period showing the emergence and establishment of the cinema sector in Turkey; Yeşilçam period demonstrating huge growth of industry in

domestic market; the restructuring period representing the revival of the industry; and finally the globalisation period implying the complex relationship networks emerged in the sector both nationally and internationally.

In the establishment period of Turkish cinema, commanding functions of the US film industry was started to be felt in world film market. Especially with the affects of the world wars on the European cinema, it became the major film exporter in the world. In this period, there were no developments in Turkish film industry in terms of global integration except from the exhibition of foreign films in domestic market but it cannot be evaluated as one of the forms of global integration. Local global interaction is the right word to explain the situation of Turkish cinema in that era. In the second period named as Yeşilçam era in the literature, the strategy of co-production with foreign company emerged in Turkish film industry. In order to compete with increasing costs in the filmmaking process, Turkish companies preferred to use this strategy. With the increasing interests of foreign companies to Turkish film industry arising from the huge growth realized in the domestic market in this period, co-productions and the use of foreign actors and post-productions services could be possible. Companies from the geo-cultural markets such as Iran, Iraq, Egypt and Greece gained importance as co-producers in this process. In addition to the co-production trend, exports of Turkish films to these countries were achieved in this period. As a global integration model, geo-cultural marketing was used in Turkish film industry firstly in this period. Restructuring era as the third period of Turkish cinema had witnessed the renewal of industry with the supports and demands of Eurimages, TV, and foreign distributors. Emergence of the artistically successful film directors on international scale and Eurimages supported films (co-productions) were the global integration areas of the industry in that period. With the globalisation period, Turkish film industry has entered a new phase in which different actors are included in the production system. Co-productions with national and international companies and geo-cultural marketing are the bases of global integration in this period. Additionally, use of new techniques are observed in some films made in this period which can be evaluated in the context of the adaptation strategy (stylistic) as one of the global integration forms.

3.2.1. Establishment Period (1896-1950)

The life of cinema on the movie screen starts with the beginning of using some cinematographic instruments out of the laboratories at 1895. The first cinema presentation

open to the public was made by Lumiere Brothers in Paris on the last days of 1895, which has resulted with the deep interest from all over the world. Despite having no precise evidence, there are some stories telling that Turkey has met with cinema between the end of 1896 and the beginning of 1897 through the first film presentations made at the palace. However, the cinema has entered the life of Turkish society with the first public presentation made at the pub Sponeck at Istanbul. After the establishment of first movie theatre, Pathe, on 1908, totally 12 movie theatres were opened until 1912. All these enterprises were operated by minorities or the foreigners until the entrance of Turkish people to film industry by 1914. The first Turkish film dated 1914 and named “The Demolition of the Russian Monument” had been planned to be a propaganda film directed by a film producer in Austria-Hungary. However, the beginning of the war has resulted with the beginning of Turkish film history with this documentary film by a Turkish producer. Until the first private producers emerged in 1922, the first steps of Turkish film industry were taken within the army imitating the European –especially German- army. And the manager of the film department of the army, Weinberg, had been the first exhibitor of Turkey who had provided the development of Turkish cinema in these first years. (Özön, 2010; Erkiş, 2003; Işığın, 1998; Tunç, 2006)

In the early periods of Turkish cinema, film directing had been a driving force which determined the types of motion pictures produced and have initiated the establishment of first motion picture production companies such as Kemal and Ipek Film; which were transferred to production from exhibition at 1921 and 1928 respectively (Özön, 2010; Tunç, 2006).

However, the lack of government support has been a major dynamic in shaping the situation of Turkish film market between 1920 and 1950. Turkish film industry has received the moral support of army and Atatürk at the time of the establishment of Turkish Republic. However, during the period of changing governments, a consistent cultural policy wasn't established. And due to the ongoing war economies, the development of film market hasn't been a priority for the government, and therefore the market did receive neither moral nor financial support except from a tax reduction in 1938². Thus, investments in Turkish film market have always been made by individual efforts in the private sector which haven't been satisfactory for building a market infrastructure. These conditions resulted with the closing up of the first production company, Kemal Film, which has returned to exhibition and importation of

² Atatürk decreased the 33% tax reduction taken by municipalities from each ticket to 10%.

foreign films at 1924. Even so, the investments of these first firms had provided the continuous flow of cinematic activity until the middle of Second World War (Erkılıç, 2003; Işığın, 1998).

Basic characteristic of the sector in this period was not only the constitution of the market by the exhibition of imported films; it was also foreign industries which were the pioneers of the formation of market. As it was stated in the US cinema report on Istanbul –the first report on Turkish film industry dated 1926- the American and European films were imported only through foreign importer companies. During this establishment period, distributors and exhibitors were the dominant actors; and the connections between local and international actors were carried out over the import and exhibition of foreign films in the domestic market (Erkılıç, 2003; Tunç, 2006).

The increase in the cinematic activities resulted with the increase in the number of Turkish production companies and studio investments between 1930 and 1950. These first movements were targeted to reach as much broad audience as possible. Thus, despite a few companies focused on youth, the producers generally aimed the family audiences. The shift from salient film technology to sound film with the first co-produced³ sound-on-film “Istanbul Sokaklarında” in 1931 had accelerated the development of Turkish film industry (Özön, 2010). Additionally this period was subject to the development of several different film genres in Turkish film market such as suspense, war, historical, melodramas, comedies and cottage film genres. All these developments resulted with 12 million audiences and 85000 seats in totally 130 cinema houses in 1939 (ibid, p. 225).

However, in spite of all the positive developments regarding film industry and its infrastructures in Turkey, the industry was still managed by individual efforts. Not only the films produced by individual investments, the cinema houses of the period were also owned and managed by these individual producers or independent parties. And there was only an inward flow into the sector with the foreign films. Thus, by 1935, the leading firm in the sector, İpek film, had a break in its activities showing the inability to export any films to foreign markets as a reason (Anapa, 1999; Tunç, 2006).

³ This film was directed in Istanbul with the co-production between Turkey, Greece and Egypt and dubbed in France.

The developments in the last two years before the Second World War had deeply affected Turkish film industry. By 1938, Turkish film industry made a quantum leap by producing two films, but the conditions before the war had hindered this progress and by 1940 there produced only five Turkish films. And by 1944 rapid slowdown started in the film industry. However, the war not only affected the film production but also the import and exhibition of foreign films, too. While American and European films were represented equally in the Turkish market before the war, in the early periods American films began to be represented much more as it was acting impartial. On the other hand, the Egyptian films began to enter the Turkish market in this period together with the US films imported via the only open door, i.e. Egypt, because of the war. The impact of these Egyptian films on both the audience and the producers is very important for the development of Turkish film industry. The audiences loved Egyptian films so much because of the common culture of these days; similar dressings, similar life styles arising from the same religion, etc. On the other hand, the affect on producers was a new trend towards direct melodramatic films like the Egyptian ones in order to attract more audiences. In despite of all the negative effects of war conditions, the number of audiences was more than double in 1947 (25 million) with respect to 1939 (Özön, 2010, p. 225; Tunç, 2006; Erkıılıç, 2003).

Another point mostly emphasized in the literature about the establishment period of Turkish cinema is the theatres artists' hegemony on the film industry in the years between 1923 and 1939. Although the end of their hegemony on cinema is showed as 1939, 1949 is the year in which theatre and cinema is exactly separated with the Ömer Lütü Akad's film "Vurun Kahpeye" (Özön, 2010). In this period, Turkish cinema took the first steps with the leadership of theatre artists among whom Muhsin Ertuğrul⁴ was the leading figure. He was the theatre artist and all the cinematic studies were made under his management in those years. Castings were also selected from the artists in the city theatre. On the basis of the hegemony of theatre artists in those years, this period was named as "theatres artists' period" in the literature.

In the figure 10, establishment period is schematized with the relationships in the film sector among the actors of production, distribution, and exhibition stages. Within the framework of this schema, local-global interactions are evaluated for Turkish cinema in the establishment period. Although this period is accepted as the entrance of cinema to Turkey, it was the

⁴ Muhsin Ertuğrul was a Turkish theatre artist and director founding Turkish Theatre.

period for its entrance only to Istanbul and especially to the Beyoğlu district (Pera) in which the cinema firstly met Turkish people. In that period, audiences were generally the minorities living in Pera district. Fliers and advertisings for the cinematic demonstrations were prepared in many languages such as French, Armenia, Romaic, and German. All cinematic shows were made by minorities in those years by reflecting their openness to the innovations and technological developments (Tunç, 2006). First cinema theatres in Istanbul were all opened and managed by minorities. Before 1914, all of them were located in just Beyoğlu district of Istanbul and in the hands of minorities importing and showing foreign films. There were representatives of the foreign film companies in Istanbul bringing these films to the city such as Sigmund Weinberg (representatives of French Company “Pathe”) and Telemakos Spiridis (representatives of French Company “Gaumont”). In the following years, Turkish companies were established and started to be the representatives of the foreign film companies in Turkey. They were generally operating movie theatres with the films (foreign) of these companies. Related to the film production, there were just two films made as international co-production in the establishment years of the Turkish cinema. Export of films to foreign markets as the representative of the two-way relationship between national and international market was very low level in that period. According to the Tunç’s study (2006), while some of the Turkish films were exported to Cyprus, Egypt, Greece, and France in 1946 by producing revenue of 19.000 TL, it increased to 55000 TL in 1947. However, export figures were remaining very low when it was compared to the import figures. Therefore, it can be said for Turkish cinema related to the establishment years that it was foreign-dependent industry.

As it can be seen in the figure, there were no specialized distributor companies in that period. Limited number of production companies (Kemal Film, İpek Film, Ha-Ka Film, Ses Film, İstanbul Film, Halk Film, Atlas Film, And Film, Ankara Film, Sema Film, Elektra Film, Şark Film, Erman Film, Ömay Film, Azim Film, Güneş Film, İyi Film, and Milli Film) was carrying out film distribution and exhibition at the same time. As it emphasized in the Turkish film industry literature, there was operator based film industry in Turkey up to 1950 in which operators were acquiring and distributing foreign feature films. They were vertically integrated companies doing production, distribution, and exhibition of the films at the same time as it was in Hollywood film industry. Connection with the foreign film markets was carrying out with the import, distribution, and exhibition of foreign films in

domestic market. One-way relationship between international and national actors was the bases of global interactions in the establishment years.

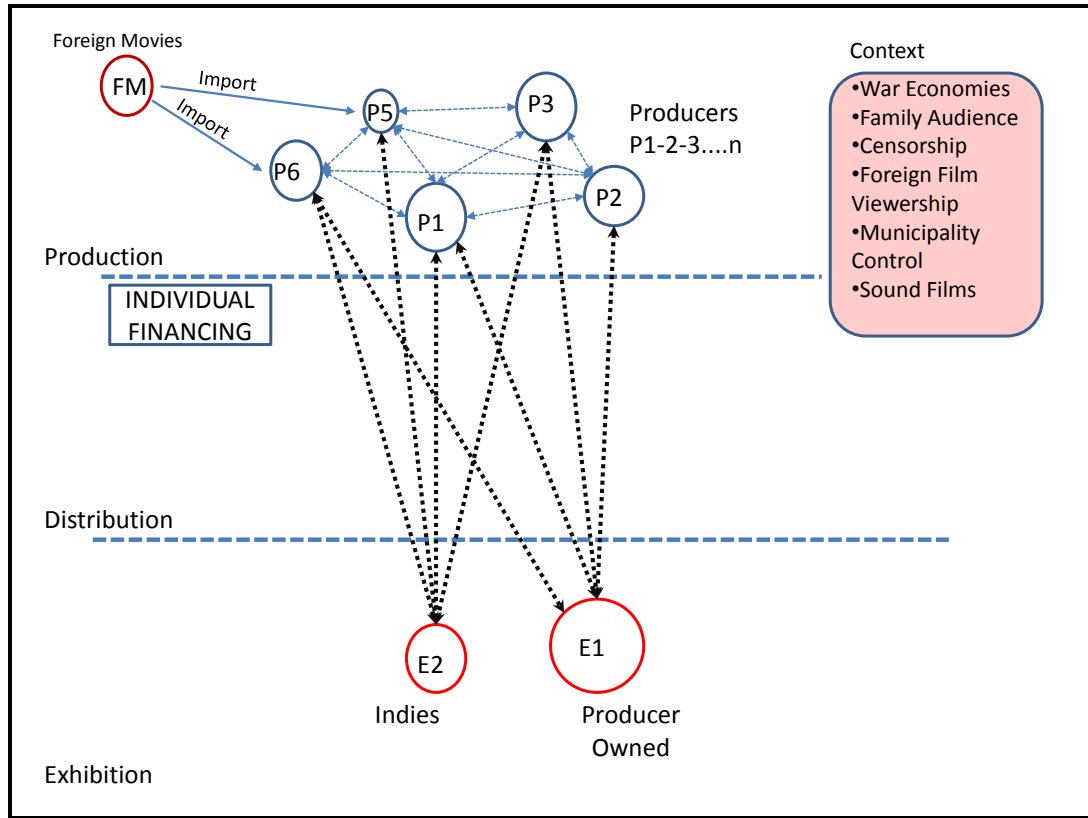


Figure 10. Establishment Period of Turkish Film Industry 1896-1950

**The figure is prepared with the inspiration from Anapa's study (1999, p. 83).*

3.2.2. Growing with Domestic Market and Popularization Period (1950-1980)

After 1950, Turkish films began to be popular in the domestic market. This development provided the growth of the industry within the years 1950-1980 which is called Yeşilçam Era. This period had witnessed so many transformations in the Turkish film industry, including all production, distribution and exhibition sectors. Turkish films began to gain international awards in the 1950s, which is called the period of big masters. And with the increasing co-productions with varying countries, the recognition of Turkish film industry in international market is also increased in this period (Anapa, 1999; Tunç, 2006).

While there were only 12 production companies at the end of 1950, new 25 companies were established in just 1979. At the end of 1950, production companies have started to make their own studio investments. However, co-operations (both between local firms and the foreign ones) have also increased in this period due to the increasing costs and risky environment of the sector. By time local firms had created alternative areas for themselves with the impact of western style on Turkish film industry. However, with the growth of Turkish cinema, the existing structure of the sector, based on foreign distributors and exhibitors, came across a challenge of local firms. Thus, a new system began to regulate the sector by 1950 and was effective until 1990 (Tunç, 2006; Erkiçi, 2003).

This new regional distribution system called “leg system” was constituted from six regions that are Istanbul, Izmir, Ankara, Adana, Samsun and Zonguldak. Different from the previous period, this system was based on mutual relationship, integrity and trust. By the second half of 1950s, a new financial system based on bonds began to operate the sector. Producers were not working with cash and they were giving bonds to the actors and actresses. Regional firms were also giving financial supports to producers in the exchange of bonds and motivating them to make films. Thus, the leg system regulated the relations between producers, regional distributors and movie theatres. In this system the revenues were shared between distributors and exhibitors by a 50-50% formula, and then distributors share their own revenues with producers over a certain pre-determined percentage. This system worked differently in Anatolian markets due to the increased risks. In Anatolian markets, distributors charge exhibitors with a certain fix advance payment, and leave the ticket revenue to the exhibitor. However, Istanbul region was distinct from the Anatolian ones. With the rapid increase in the numbers of audiences and the cinema theatres Istanbul region had switched to the “combined-system” through which exhibitors and distributors make annual agreements with producers. In this system, cinema theatres were grouped due to their qualities regarding the qualities of the films shown in there. And some producers (Erman film) were making arrangements directly with the exhibitors through a “percentage system”, based on sharing the profits due to a percentage defined beforehand (Tunç, 2006; Erkiçi, 2003; Anapa, 1999; Işığın, 1998).

Especially by the mid 1960s, regional distributors, who were acting like a commission merchant between producers and exhibitors, were dominant in the sector. They were buying the films with cash or bonds beforehand and were operate them in their regions with 25%

commission. The leg system provided these regional distributors to be in close contact with public, enabling them to reflect a wide spectrum of audience demands to the producers regarding the types of films being produced. This power enabled distributors to make decisions on film acting through ordering producers certain types of films and also certain star films such as Ayhan Işık, Zeki Müren or a Türkan Şoray film. This led each region has specific types of films in this period. The new competition between production companies motivated them to bid for the stars. A star rating system was developed with the initiatives of ‘Star Magazine’ which had run contests for actors and actresses in 1951. These contests have created a base for the establishment of a “star system” worked well within the regional distribution system (Anapa, 1999; Erkıılıç, 2003; Tunç, 2006).

The leg system which was worked well in the beginning has later affected the production costs in an upward trend. By 1958, the deduction of import of foreign films encouraged local firms to produce more films. While only 70 or 80 films were produced during 1950s, this number increased to approximately 200 films per year with 1960s⁵. Thus, the years between 1960 and 1975 were the “Golden Age” of Turkish cinema, when the big seven companies had emerged (Kemal Film, Acar Film, Ugur Film, Er Film, Erman Film, Erler Film, ve Arzu Film). However this production volume couldn’t be organized to build on an infrastructure enhancing the quality of films and also the stars. One of the reasons was that money earned from cinema was invested to areas other than cinema. However, the tremendous increase in number of film productions started to harm the sector itself. As the numbers of cinema theatres were limited, the films did not find any chance to be shown for longer periods. And the producers working with advance payments were forcing them to finish the films in limited times, restrain them to increase the quality. At last, by 1965, producers began to shoot multiple films within the same set at the same time even with the same camera. The cost and availability of actors and actresses have also affected the volume of motion picture production. The inflationary environment of Turkish economy between 1970 and 1990 impacted both the cost of production and the purchasing powers directly. Thus, while profit margins were increasing considerably, this general situation in the economic structure caused a decrease in production volume by 1970 (Anapa, 1999).

⁵ Between 1965 and 1975, a total of 2000 motion pictures were produced.

However, the decrease was not limited with the number of productions. Turkish film market has lost its audience between 1972 and 1983. Audience was the middle class families in the productive periods of Turkish film market as the end of 1950. And by the second half of 1970s, with the spread of TV had affected cinema sector profoundly as with the whole world. Television, as an alternative entertainment technology, has changed the film watching habits of spectators in the beginning of 1970s, and decreased their visit frequency to movie theatres. This was reinforced both by the decrease in the purchasing powers and by the chaotic situation occurred at the end of 1970s, and effected the number of film audience negatively. The producers in the foreign markets overcame this problem by making special programmes aimed at TVs, and in some of them television channels sponsored cinema industry. However, this was not possible in Turkey in those years. Thus, the economic situation and the decrease in the number of audiences in 1970s resulted with the decrease in the number of movie theatres (Anapa, 1999; Tunç, 2006; Erkişiç, 2003).

Most of the movie theatre owners had second businesses, since they considered exhibition business not profitable enough in Turkey. Although distribution business was more profitable compared to motion picture production companies in the sense that there was a certain level of continuation of income, all of the distribution companies had diversified their business into video market (Anapa, 1999; Erkişiç, 2003).

In 1974, together with the economic situations, the arising political factors due to Cyprus War affected the distribution business profoundly. Due to the financial crises, individual distributors have not been able to pay their debts to American production companies. These developments have resulted with major American producers like Universal Fox, Paramount and Metro Golden Mayer put an embargo on Turkey's foreign motion picture import. Therefore, the distributors have come up with an alternative strategy directing the distribution of foreign motion picture to Northern Cyprus market, which led them receive cash flow through Cyprus market (Anapa, 1999; Erkişiç, 2003; Tunç, 2006).

The Egyptian films and the Turkish ones inspired from them were the most popular films of 1950s. However, the types of films had varied in this period due to the co-productions with foreign countries. 1950s and 1960s were the years of co-productions with Egypt, Greece, Iraq and Germany. And by 1970, Turkish producers began to co-produce with Iran and Italy, too. The exportation was also important in this period. While Turkish films were exported to

Middle East and the Balkans in 1960s, by 1970s, export market of Turkish films had expanded with the entrance of some European markets (Germany, Belgium, and Austria), USSR, Pakistan, and Afghanistan. However, exportation always had problems in Turkey. Low technical quality, dubbing problems, deficiencies in the legislation about exportation and competition in foreign markets are just some of them. Due to the already existing problems in exportation, Turkish film industry was very sensitive to the political issues and economic issues. Turkey lost some of its foreign markets due to some political affairs at 1970s. The Greece market had closed due to the problems with Cyprus, while Egypt and Middle East markets were lost after the wars between Israel and Arabia and the Iranian market after the overturning of Shah. Finally, the economic crisis of 1978 threw the Turkish cinema industry into the crisis, too (Erkılıç, 2003).

In this period, Turkish film industry grew in domestic market with the increasing interest. The number of films, production companies, and audiences had increased too much in this golden age of Turkish cinema. In 1966, Turkey was the fourth position in the world according to the number of film productions. 241 films were produced in that year and there was 1350 cinema theatre in Turkey. Paralleled with this growth, there were big efforts to export Turkish films to foreign markets in this period. While totally 89 films was exported in 1973, it reached to 119 in 1975 (Erkılıç, 2003). Emigration was accepted as the most important reason of the increase in the number of exported films and countries. Balkan and Middle East countries, Germany, Belgium, Austria, Afghanistan, Pakistan, and SSCB were the countries where Turkish films were sold. In addition to the growing film exports, there were also increasing number of international co-productions in Turkish market. Because of the increasing costs in the filmmaking process, co-productions became the formula for film production. In the 1950s and 1960s, while there was limited number of co-produced films generally made with Egyptian, Iraqi, and German partners, number of co-productions had increased in 1970s with the Iranian and Italian partners generally working with specific companies such as Erman and Erler film (Tunç, 2006; Erkılıç, 2003).

In the figure 11, most important dynamics of the Turkish cinema in the Yeşilçam era is represented with the linkages with external actors and markets. As it can be seen in the figure, there were both big and independent production companies in the production stage making external linkages via the co-productions with foreign film companies (FP) and the use of foreign actors (FA) in the film crew. Total number of 26 feature films was made with

foreign companies as co-productions in the years between 1950 and 1980 (Yılmazok, 2010). In the distribution stage, leg system was the dominant model providing finance to producers and determining their film genres and casts. Exhibitors had also connections with these distributors in order to fill their demonstration program with the popular films in that region. It can be said for this period of Turkish film industry that connections with foreign markets had increased by the co-productions and film exports. However, when these developments are considered and compared with the total number of film productions, it was remaining small scale in both domestic and foreign markets. Additionally, as it is stated in the Erkılıç's study (2003), not only internal dynamics but also the developments in the world markets became decisive for the international co-productions and film export. As it is stated above, Cyprus operation, Israel and Arab war, and overturning of Iranian Shah negatively affected the exportation of Turkish films. While these negative developments were happening in foreign markets, Turkish cinema was also struggling with the problems in domestic market such as increasing costs, lack of raw film stocks, piracy, TV effects, and terror. At the end of 1970s, Turkish cinema experienced big fall because of these developments. After the 1980 military intervention, it almost came to a standstill position.

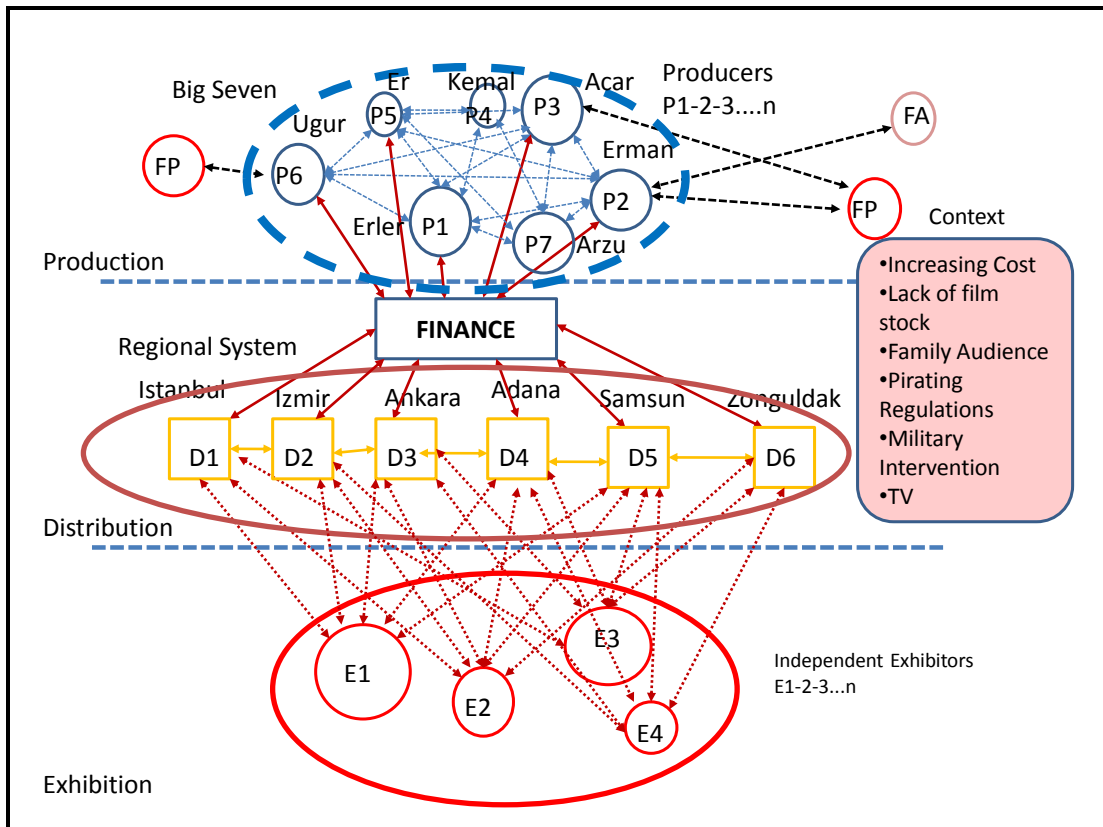


Figure 11. Yeşilçam Period of the Turkish Cinema 1950-1980

**The figure is prepared with the inspiration from Anapa's study (1999, p. 84).*

3.2.3. Restructuring Period (1980-1995)

The years between 1980 and 1995 were the general crises and restructuring years of the film industry. In this period, relations between Yeşilçam firms and regional distributors had weakened due to the decline of the number of audiences and the closing up of the cinema theatres. Together with the economic crisis of late 70s in the whole world and the military intervention in 1980 resulted in the interruption of activities in the film industry. Civil organizations stopped their activities; the leg system of the previous period lost its power to support film industry and the relations in the value chain of the film industry changed extremely hardening the crisis of the sector. However, by the second half of 1980s, Turkish cinema began to recover with the emergence of video business. The entrance of foreign distributors to the Turkish market at the end of 1980s also accelerated the restructuring process by dominating the sector. By then, production, distribution and exhibition chain

which were constituted by local producers, big foreign distributors and cinema centres (complexes) became the dominant economic triangle of the sector. New production approach emerged with the transformation of the production method based on the star based regional films into the films made for both national and international markets after the close of the regional leg system. New producers, which can also be the directors at the same time, emerged in this period making films with their own budgets and being successful at the national and international film festivals (Anapa, 1999; Erkılıç, 2003).

By the beginning of 1980s production efforts have been negatively affected because of both the financial problems of producers and increase in the video sector. Meanwhile, production companies have started producing sex and arabesque films. The lack of specialization in screenplay field, the weakness of Turkish motion picture production in terms of raw materials, accelerated this process. While there have been successful examples in American and European markets in terms of screenplay, Turkish film market wasn't able to create its dynamics for a source of screenwriter and maintain the existing ones within industry. Demotivated audiences have reacted negatively and shifted to video consumption. These developments resulted with a decline in the number of productions (Anapa, 1999).

Technological developments together with the entrance of coloured TV to Turkish market also led the improvement of video productions in the second half of 1980s. The closure of regional firms by 1985 resulted with the substitution of them by video firms which provided the relief for film industry by offering new opportunities. By 1987, filmmaking has become more profitable, since production companies have started to make films for video companies. Existing screenwriters also shifted to video production. Producers began to make agreements with video firms in return for advance payments. However, producers were assigning their video rights, too. In this period, beginning by 1987, the costs of film production were financed by video firms (40% from local video distributors, 25-30% from foreign video distributors and the remaining as debt that will be paid after display). Tremendous spread of video clubs (totally 5600 video clubs were established in this period) altered the film production style (Tunç, 2006, p. 72; Erkılıç, 2003). There emerges two types of film production one of which aims directly to the video market, while the other was still aiming the cinemagoers. However, the second type of films was passing to the video market after their display. Producers made video productions in which the tendency was producing

personal films in this period. However, as these films weren't directed to a mass audience; half of the producers had losses after a short time.

There were some big video companies, who were the initiators of video film production, aiming to reach Turkish people living in Europe. They wanted to buy the video rights of old Yeşilçam films by aiming their release in Europe. Most of the big production companies sold all of the rights of their films aiming to overcome their financial problems. Due to the lack regulations about intellectual property rights in Turkey, producers were not aware of the losses they will encounter in the future. The number of video clubs had continuously risen up in the process and video companies engaged in direct import of videotapes from foreign markets. High utilization of video device in Turkish market has encouraged distributors to enter Turkish video market in 1988. However, by the end of 1980s, the video market entered a deadlock due to the extreme saturation and changing monetary policies (changed from cash advance system to bond papers) in the sector (Anapa, 1999; Işığan, 1998; Tunç, 2006).

With change of Foreign Investment Law at 1989, foreign firms had the right to open branches in Turkey. The entrance of foreign distributors, Warner Bross and United International Pictures, to Turkish market in 1989 both stimulated competition and created monopoly; and thus deepened the problems for that period. Foreign distribution companies have expanded the film market by implementing different distribution and marketing strategies. They have encouraged expanding exhibition market by increasing the number of films they import, and circulate in the local market. Increased motion picture variety caused a decrease in the average exhibition time period and, thus, an increase in the number of foreign motion pictures exhibited. As part of their strategy, they were making annual agreements with the exhibitors and forcing cinema theatres to renovate. By time, they have attracted the attention of audience to foreign films and altered their preferences. Increasing intervention of foreign firms showed a situation in which the balance between national and foreign films has changed on behalf of the foreign firms' in this general crises period. They were started to control capital flows in the domestic market and obligated cinema theatres to themselves with the yearly contracts. Disintegration of production, distribution and exhibition chain of Turkish film industry accelerated this process. Due to lack of investment in distribution network, a significant number of motion pictures could not be exhibited between 1989 and 1996 (Tunç, 2006; Anapa, 1999; Erkıılıç, 2003).

Table 3. Production volume versus exhibition volume (1985-1995)

Year	No. of Films Produced	No. of Exhibition
1989	99	13
1990	74	25
1991	33	17
1992	39	10
1993	82	11
1994	82	16
1995	37	10

Source: Erkiş, 2003; Tunç, 2006

As the result of all, the number of local productions has been very low within this period and foreign films have started to dominate Turkish film market again. However, with the end of 1980s, the number of audiences watching local and foreign films decreased in different ratios. Even so, as it can be seen from the table 4, loss of local film audiences was more than the foreign ones.

Table 4. Number of audiences of local and foreign films between 1989 and 1994 (million)

Year	Local Film	Foreign Film
1989	7.1	13.9
1990	5.6	13.5
1991	4.1	12.3
1992	3.1	10.1
1993	3.3	9.1
1994	1.2	9.2
1995	1.5	7.8

Source: Erkiş, 2003; Tunç, 2006

As an important development in this period, the entrance of the foreign firms to the local market especially to the distribution network facilitated the domination of US films. Agreements between foreign distributors and exhibitors in the metropolitan regions decreased the market share of the local films. Another development affecting this situation was the increasing tendency to transform one screen cinema theatres to cinema complexes having so many screens. They increased the requirement of number of films to show at the same time. This trend was accelerated due to the decline of number of audiences and increasing competition within the sector. However, as the Turkish film industry was in the

crisis, the vacant screens could only be charged with foreign films. This strategy of exhibitors to overcome the crisis unfortunately deepened the crisis for the local producers who were at a disadvantageous position versus foreign firms. Thus, the distortion of the relations between local producers and exhibitors after the entrance of foreign distributors to the Turkish market raised the difficulties of local producers to survive (Anapa, 1999).

However, despite all the negativities in this period, the developments in advertising sector supported film industry later on. Advertisers began to work with foreign teams as they made agreements with foreign firms. At the end of this process, advertising sector started to reach world class level technical infrastructure and had a very high rate of capital accumulation. As it is stated in Tunç's study (2006), Turkish advertising industry has achieved to be a developed sector with its labour force, technical infrastructure, and economic power. Inherently, the growth of advertisement sector led the renovation of the studios and labs in Turkey, which then lead the development of film production qualities. Especially in the promotion and advertising processes of feature films, advertising sector provided big contributions. In the following process, advertising companies started to make feature films and provide financial sources to film companies (Erkılıç, 2003; Tunç, 2006).

The membership of Turkey to Eurimages resulted with positive improvements for the development and internationalization of Turkish film industry. This fund was established in 1989 to provide financial contributions for the member countries' film productions through co-production, distribution and exhibition in order to spread European culture. With this membership, Turkey seized the chance of making co-productions with European film industries and meeting the new technologies used by them. Turkish productions received the support of Euroimages in this period can be exemplified as 'Mavi Sürgün ' by Erden Kıral and 'Seni Seviyorum Rosa' by Işıl Özgentürk in 1991, 'Şahmaran' by Zülfü Livaneli in 1992, 'İstanbul Annendir Çocuğum' by Ali Özgentürk in 1994. Co-production agreements made between production companies both help to distribute the financial risk in film financing and make production of higher budget motion pictures possible. All production companies have been working with co-production partners due to the advantages provided by these relations. In this period, Eurimages fund formed an important source not only for the film production, but also for distribution and the exhibition legs of the value chain of the industry. As some of the local films had the chance of distribution in some European countries, some of the cinema theatres also benefited from this fund. According to the

requirements of the fund, the firms distributing European films in Turkey had to provide the display of at least 27 films per year. Depending on this condition, some of the cinema theatres in Ankara and Istanbul had benefited from Eurimages supports, too (Erkılıç, 2003; Tunç, 2006).

Additionally, the establishment of private television and cable TV channels in 1991 enhanced the technical conditions of film making. Therefore, motion picture production companies have become able to have access to this technical hardware including visual effects and quality editing. A few successful examples (Eşkiya, Ağır Roman) were made by utilizing this technical hardware. It is producer's common view that technological elements such as digital effects are complementary factors for a motion picture. Therefore, technological elements can make a motion picture competitive if used properly. However, the effect of TV was not limited with the technological enhancement. The private channels bought the broadcasting rights of the old films and they supported the production of new ones through the method of initial sale. The screenwriters have also started to work for TV productions. Moreover, until the end of 1990s, the market structure was shaped by foreign distributors. Despite the production of more than 400 motion pictures between 1989 and 1996, 386 of them were not been able to be exhibited. This increased the power of TV channels as all of these films were sold to them. Thus, Turkish film industry began to be directed by private TV channels with the 1990s (Erkılıç, 2003; Tunç, 2006).

Another important actor in Turkish film industry in that period was the distributors. In 1993, the structure of Turkish film market was dominated by higher numbers of distributors and lower numbers of exhibitors. This structure then changed as Turkish distribution market had gained a monopolistic structure. In 1999, 75% of all motion pictures were distributed by two foreign distributors (UIP, WB). This limited number of distributors, which exhibitors work with, decreased the elasticity of demand for motion pictures in terms of exhibitor's preference. Thus, distributors became the decision makers of exhibition field. The consequences of this monopolistic structure can be observed in distribution of same motion pictures to multiple exhibitors that are located in same regions, leading to high profit margins maintained by distributors. However, in order to be afloat, some of the exhibitors utilized expansion strategies such as product splitting; initiated by Özen film in 1985. This strategy provided movie theatres to exhibit more than one film within multiple movies theatres by dividing them into units. The target was the audiences who haven't been visiting movie

theatres due to military intervention, and now became wide spread in the market. Product splitting has three advantages such as enabling exhibitors to work with multiple distributors, distributing their financial risk therefore, tie up their capital with more than one film, and finally offering the audience more product variety (Anapa, 1999).

Government did not have a cultural policy and could not provide continuity in financial support of the film market. Thus, government contribution had always been minor to Turkish film market. In 1989, Ministry of Culture supported the industry by contributing to the production of 29 films, each with 200 million TL along with purchasing the TV viewing rights. By 1992, Ministry of Culture gave away a credit amounting to 500 million TL per film with the conditions of 50% donation, 50% with per year maturity and 15% to be charged with interest. In spite of the high quantity of this credit, only a few production companies were able to utilize this source. When the governmental supports to Turkish cinema was analysed in historical process, it was seen that the state had supported Turkish film industry in a limited way (Arslan, 2011). In addition to the direct financial supports, there were some ineffective efforts in the Turkish cinema history related to the state support. In the late 1980s, "Off-shore Media Projects" was developed in order to attract US film companies to Turkey to make films. It was aiming to provide tax advantages to US companies if they built film studios in Turkey. With this project, it was aimed that technical infrastructure would be developed and distribution of Turkish films to foreign markets would be facilitated by the co-productions with US companies. However, this project could not be legislated due to the reactions in the public opinion (Tunç, 2006).

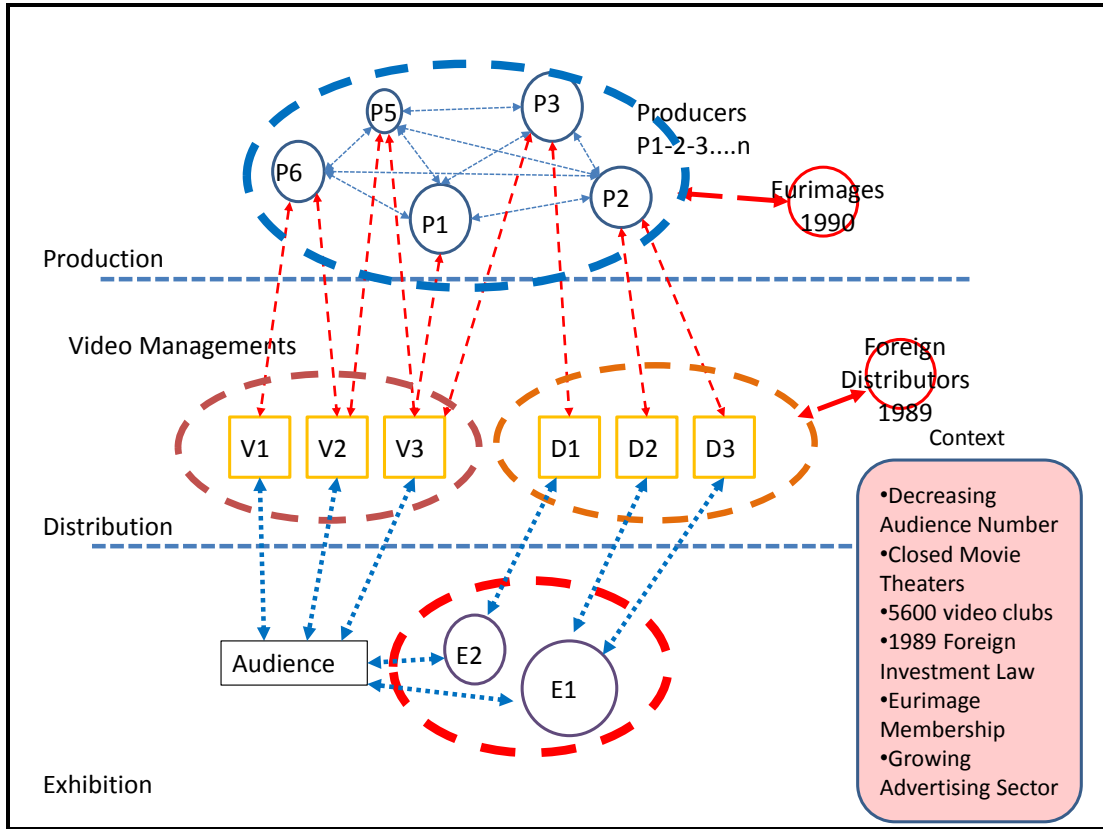


Figure 12. Restructuring Period

**The figure is prepared with the inspiration from Anapa's study (1999, p. 85).*

Table 5. Eurimages Supported Films (1990-1995)

Title	Director	Year of Support	Year of Release	Support Amount (€)	Admission (people)
Ciplak	Ali Ozgenturk	1990	1994	304.898	9.847
Robert'in Filmi	Canan Gerede	1990	1991	228.674	24.198
Ates Ustunde Yurumek	Yavuz Ozkan	1990	1991	198.184	12.200
Seni Seviyorum Rosa	Isil Ozgenturk	1991	1992	228.674	17.678
Mavi Surgun	Erden Kiral	1991	1993	457.347	28.325
Sahmaran	Zulfu Livaneli	1992	1994	213.429	39.444
Ask Olumden Soguktur	Canan Gerede	1993	1995	304.898	21.445
Mektup	Ali Ozgenturk	1994	1997	152.449	87.899
Istanbul Kanatlarimin Altinda	Mustafa Altioklar	1995	1996	182.939	474.574
Kusatma Altinda Ask	Ersin Pertan	1995	1997	182.939	20.022
Sen de Gitme	Tunc Basaran	1995	1998	213.429	2.105
Hamam	Ferzan Ozpetek	1995	1997	123.484	200.440

Source: (Yılmazok, 2010)

In the figure 12, fifteen years of the Turkish cinema was named as restructuring period due to the revival of the industry from its collapse in the late 1970s. In this period, local global interactions of Turkish film industry had increased paralleled with the globalisation process in the world economy. Most important developments were the Eurimages membership of Turkey and the entrance of the foreign distributor companies to Turkey. Related to the production stage, Eurimages membership was demonstrated in the figure with red circle. There were many film projects in Turkey realized with financial supports of Eurimages. As it can be seen in the table 5, the films produced with this fund were generally low budget and commercially unsuccessful films in the first years of the membership. In contrast to the low level of commercial success, they were generally artistically successful B films in both national and international markets. It can be said for the period within the local-global interaction perspective that there was integration into the global market with artistically successful films especially in European markets. In the distribution stage, there was a connection with international markets over the branches of foreign major distributors as a one way relation based on the distribution of US films in Turkish market. One way relation also existed in the exhibition phase as the flow of foreign films to local cinema theatres by the help of international distributors.

3.2.4. Globalization Period (1995 onwards)

After 1995, the restructuring process began to produce positive results for Turkish cinema. In the world film market, the complex and dense relationships between local and global actors become important tools of development for film industry in these years. All stages of film production have displayed important changes with the increasing connections with international markets and actors. In parallel with these developments, Turkish film industry has substantially changed. TV and film industry have developed intensive relationship based on the productions of TV series and feature films. At the end of these intensive relationships, TV became the biggest supporter of Turkish cinema. In the production stage, new generation of producers become the main actors by bringing new production methods to the film sector (Tunç, 2006). Two groups of producers emerged in this period as independent producers and producer-directors. They make films with very different dynamics. Independent producers generally make films with their own scenario and are the producer, director, editor, actor, and screen director of the film at the same time. They control all filmmaking process by themselves. In the second category, there are producer-directors (such as Sinan Çetin, Yavuz

Özkan, and İrfan Tözüm) making just their own films without the restrictions and directions of any other persons. In addition to these producers, sponsorships and co-productions are the two supporting mechanisms become important in this period related to the production stage. When the produced films are analysed, they can be grouped in three categories as commercially successful films, artistically successful ones, and hybrid films. While commercially successful films (such as Hababam Sınıfı, Vizontele, and GORA) are star based popular films, artistic ones (such as Uzak, Mayıs Sıkıntısı, and Kader) are the qualified ones but they were not favoured by the audiences. Hybrid ones (such as Eşkiya, Gönül Yarası, and Babam ve Oğlum) are both commercially and artistically successful films. As it is stated in Tunç's study (2006), separation between auteur and popular cinema has deepened in this period of Turkish cinema. As the technical level, Turkish film industry has adapted itself to the standards of the world class. Paralleled with the changes in the production stage, distribution and exhibition stages have also showed changing characteristics in this period.

In 1998, marketing strategies of distributors changed in Turkey. They started to use two types of entry strategies to the market. One of these strategies required distribution of all motion picture copies to movie theatres at the same time. The second entry strategy was making the motion picture available in movie theatres gradually. The usage of these strategies varied depending on the quality of motion picture and expectations tied to a motion picture. Distributors also began to work with multiple advertising agencies (promotion, TV advertising, and print advertising) to help carry out the marketing activities in the local market. Foreign distributors made agreements with movie theatres that led the exhibitors become dependent to a single distributor. During this period, sales increasing promotions were tailored for some movie theatres by distributors. However, distributors believed that movie theatres should have independent marketing budgets. This stimulated exhibitors to split their movie theatres into units to be able to work with multiple distributors. The distributors' strategy to increase the number of independent pocket movie theatres in the market caused the distribution of same motion pictures to multiple movie theatres located close to each other resulting in increasing profits of distributors (Anapa, 1999).

These developments led Turkish film industry to have an oligopolistic structure in this period, as the film market experienced a transform through a distribution-oriented market between 1989 and 1999. At 1998, there were mainly four distributors operating in the industry whose market shares are presented in table 6. In spite of the rapid increase in the

number of distributors in recent years, as they are generally importing independent films they cannot change this oligopolistic structure. This structure commanded by foreign distributors affected the market shares of domestic and foreign films displayed in the Turkish market in the first years of the period. While the number of foreign motion pictures had increased, the number of local productions had decreased in this era. However, the number and market shares of the Turkish films have increased in the last ten years of this period. With this development, Turkish film producers have the opportunity to work with many distributors (ibid.).

Table 6. Market Shares in Turkish Film Market

Market shares of Distributors* (August 1997-Jan1998)		Market shares of films by origin**		
Distributor	(%)	Film Origin	1995 (%)	1997 (%)
Warner Bross	43,9	Domestic Films	2	6.8
United International Pictures	29,0	European Films	11	15.7
Özen Film	19,7	US Films	85	76.1
Umut Sanat	7,9	Other	2	1.5

Source: * Anapa, 1999

** European Cinema Yearbook, 1998

The oligopoly in distribution was not the only reason for this unbalanced situation in film origins shown in the table. The geographical monopolization of exhibition in certain big cities also triggered this condition. In 1999, there were two types of investments in exhibition market; Independent exhibitors and mall exhibitors, which increased parallel with mall investments. The rate of investments in Anatolian market was low. The only investments were made by large movie theatre chains which are generally dependent to foreign distributors. They were reinvesting their revenues derived from movie theatre investments in order to develop company and be more powerful against distributors. Independent exhibitors were not as financially strong as the chain exhibitors (ibid.).

Together with these relationships, the governmental decisions on decreasing the municipality entertainment tax for foreign motion pictures from 25% to 10% in 1997 enabled Turkish exhibition market attract foreign investments. The increase of this tax rate for local productions up to 10% brought a financial burden to movie theatres. Thus, local exhibitors

had to build partnerships with foreign investors. These foreign partnerships enabled them to have access to foreign sources and follow developments. Therefore, flow of foreign capital to the market brought quality and initiated competition in the exhibition market, made this market more dynamic and marketing oriented (ibid.).

However, this structure in the exhibition market made producers more sensitive to the location, quality and size of the movie theatres; which in turn affected the market structure to contain producer oriented vertical integrations. This vertical integration enabled producers and distributors to own different types of movie theatres and to manipulate the exhibition of different types of films (a blockbuster or an art house film) (ibid). In today's Turkish film industry, vertically integrated producers control many movie theatres in different size and locations (i.e. Avşar film has 18 movie theatres while Özen has 4 theatres in 2011).

Within the current market structure, even though distributors (foreign and local) and exhibitors generally agglomerated in Istanbul, regular visits were made to Anatolian market, and strong communication channels built between distributors and local exhibitors. This helped the distributors to stretch the boundaries of distribution areas according to the demands of audience. Audience profile may even have impact on shaping distribution strategies in regard to certain films as it was for 'Eşkiya' which was distributed to Southeast market of Turkey (ibid.).

As it was discussed earlier, technological developments always affected the film industry due to the tremendous alterations in the entertainment preferences. Television had been an alternative technology to motion pictures by the beginning of 1970s, which followed by the entry of video technology to market after 1980s. Both of them had changed the development process of film industry profoundly. However, after the establishment of private channels together with the increasing usage of digital video technology (DVD) in Turkey, Turkish film industry had to experience another restructuration with the second half of 1990s (ibid.).

Producers' financial sources have changed depending on different types of market structures in the historical process. In the last period, financial resources of the film industry have been diversified in parallel with the growth of the sector. TV channels, government supports, sponsorships, and Eurimages are the new financial sources supporting filmmakers in this period (Yılmazok, 2010).

With the beginning of 2000s, TV series started to be a new and increasing source for film production. The developments in TV series industry led the increase in the number of mediator companies operating between national and international companies. Through the operations of these mediators, geo-cultural marketing model began to be functional for the integration of Turkish TV and cinema industry. They were buying and selling the international rights of the films, TV series and programmes and also selling Turkish TV series to culturally similar markets. By time, this model became to be very important both for the TV and film industries. While TV films were being exported to a range of \$30-\$50 for per-episode in the first years of 2000s, nowadays they can be exported to \$20.000. In 2010, as stated by Firat Gülgen who is the owner of one of the mediator companies, the export of TV series exceeded \$50 million in Turkey (Gülgen, 2011). As it can be understood from this change, TV series industry of Turkey has showed increasing development process since 2000. The growth of TV series industry has affected the growth of other sectors such as music, advertising, and tourism. Many other sectors are also affected by its growth through sponsorships. Some of these sectors can be sorted as estate agents, rent a car companies, furniture industry, jewellery, and textile. Through this process based on social network relations, Turkish film industry is supported by these sectors in terms of skilled labour, finance, and know-how.

TV series industry had a size of 1 billion TL economies with approximately 150.000 employees and 50 producer companies in 2008 (ISMMMO, 2010). Lack of skilled labour is one of the biggest problems of both TV series and the film industries. However, long lasting TV series generally acts like a school for the actors, directors, writers and other members of film crew which in turn helps to provide skilled labour to the film industry. New actors and directors generally transferred to film industry from TV industry. The increasing recognition and fame of these actors also acts as an important factor for the success of feature films.

Export potential of TV series in Turkey is increasing a little more in each day due to the advantages of culturally similar markets. Geo-cultural marketing model is the first option for Turkish TV series industry in the integration process. In this model, Middle East, Balkan, Caucasian, and Turkic republics are the markets most applied for the export of TV series. Due to the close relationships between TV and cinema industry, geo-cultural marketing

realized with the TV series will provide export opportunities to Turkish motion picture industry.

To sum up, it can be said that there is positive relation between TV and film industry in Turkey. Related to the relationship between these two sectors, producers working in both of these sectors can be given as an example. In this last period, there were three types of producers, one of which is the group of old producers. However, there is another group of producers making big budgeted films owing to their earnings from TV and advertising sector. As mentioned before, advertising sector has developed so much that the budgets of ads reach huge numbers. And the increasing sensitivity for the quality results with the search for new technologies and professionals from foreign countries. Thus, this endless renovation of the infrastructure in advertisement sector influences film industry, too. And at the end, some of the advertisement companies such as Filma-cass, IFR, Atlantik Yapım and Haylaz Production tended to produce films. These firms generally gain success as they concentrate on marketing and promotion. Another subgroup of producers makes money for their films through TV series production. These developments resulted with the emergence of producer-directors in this period. Directors who want to make their own films generally finance themselves, and thus producing their own films. These producer-directors stated that this method provided them to move more freely through all the stages of film making. These developments provide new and young directors to make films in spite of all the negative factors in this period. Independent producers, as the third type of producers, are generally from this young generation trying to overcome the hegemony of Hollywood making generally artistic films. However, their films generally cannot attract audiences although they gain awards from the international festivals.

In the figure 13, the last period of the historical analysis of the Turkish film industry is named as globalisation period. As it can be seen in the figure, relationships between national and international actors have become more complex and intense than the previous periods. In the production stage, partnerships with the US and European partners can be observed in today's Turkish cinema but they are both limited number and commercially unsuccessful films at global scale. Important point for the production stage of this period is the increasing diversity of financial sources as it is showed as Eurimages funds, governmental supports, sponsorships, TV channels, and film companies from geo-cultural markets. Although it seems as if there are two way relations between local and global producers, it is just in the

field of auteur film production not for the economically successful films. In the distribution stage, local-global interaction is carried out by both the foreign and national major companies and independent distributors. While major foreign distributors are generally the distributors of commercially successful Turkish and US films in domestic market, major local distributors are the distributors of both artistically and economically successful films in national market.

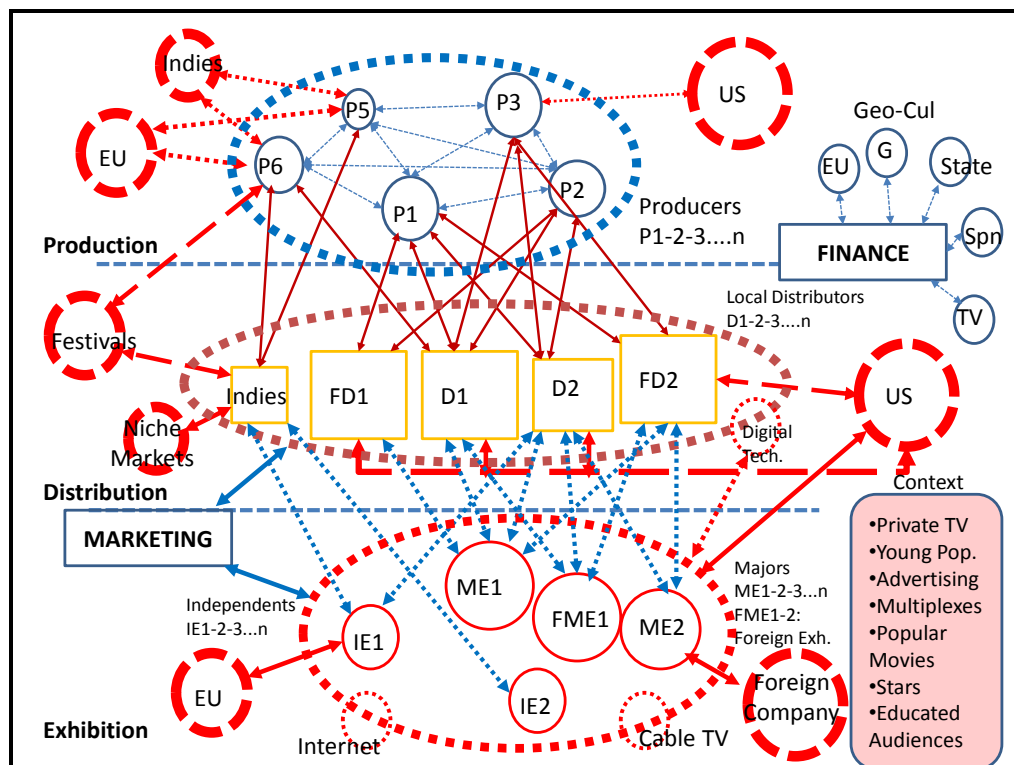


Figure 13. Globalisation Period

Film festivals has become one of the important fields in which national and international actors come together in the film markets organized in these festivals. In the exhibition stage, Eurimages supported exhibitors and foreign exhibition companies in Turkey are the interaction points for the local and global actors. They work with the contracts with foreign distributors to show their films in domestic market. Although there is one way relation between local and global actors in the exhibition field based on the flow of foreign films to domestic market and their demonstrations in cinema theatres, films can easily be exhibited in

foreign markets without the contracts with exhibitors in the near future with the technological developments such as cable TV and internet.

As the last point in this period, I will mention the establishment of Turkish Film Council in 2005 in LA. It is one of the important integration effort observed in Turkish film industry in the last decade. “It is an organization established to assist on location film and video production, and contribute to the development of Turkish film industries, providing useful information to filmmakers planning to shoot in Turkey”⁶. Four aims have been defined for this organization framing the roles as mediator between local and global film markets. Establishing connections between Turkish film professionals and their counterparts abroad is the first aim of this council. Second one is based on the presentation of unique locations of Istanbul and Turkey to foreign filmmakers. Turkish film industry’s high production value is the third point needed to be present for foreign film professionals. The last aim is based on providing information for filmmakers who will shoot film in Turkey. The tasks stated in the website of council are the other important factors demonstrating integration efforts. Providing contacts to foreign visiting filmmakers, communicating the needs of filmmakers to institutions, co-ordinating all related actors for visiting filmmakers, and serving as mediator in disputes are the tasks of this council which are also showing increasing awareness about the globalisation of film industry in Turkey. When we analyse the aims and tasks of Turkish film council within the framework of different integration models, it emerges as strategy based on co-productions.

When the characteristics of Turkish cinema are summarized for the last period with the global integration perspective, co-productions, international film festivals, and geo-cultural marketing become important. With the developing TV and advertising sectors, Turkish film industry has benefited from their skilled labour, technical infrastructures, and financial power. The number of annual feature film production has increased with these developments after 2000 (See Appendix G). As it can be seen in the figure 14, there are three periods in which Turkish film industry increased its number of productions as Yeşilçam, video cassette, and globalisation periods. The growth of the TV series industry in the last decade provides an opportunity to Turkish cinema to benefit from the geo-cultural markets in which Turkish TV series are very popular. Diasporic audiences are the other opportunities for Turkish films and started to be used in this period. Co-productions are the other interaction area for the

⁶ www.turkishfilmcouncil.com/about

local and foreign actors and become popular in Turkish market coinciding with the developments in global film market. Aims of increasing film budget, decreasing risks, and reaching foreign markets are the bases of the rise of co-productions. Both national and international co-productions become popular in the last period. As it can be seen in table 7, co-productions with the foreign partners as one the global integration ways has increased more than twice in the last period. The other important point in the last period is the bipartite structure of production network in film industry. Independent and popular filmmaking can be more easily separated in this period. While popular films are generally made for domestic and diasporic markets, artistic ones are made for the international film festivals. Popular films are commercially successful ones in just domestic market whereas independents are artistically successful in both domestic and foreign markets. While popular films are widely distributed films succeeded in a short time, independents are generally showed in limited number of screens. They can sometimes be demonstrated firstly in the film festivals.

Table 7. Number of International Co-productions

Periods	Number of Films
1896-1950	2
1951-1980	26
1981-1995	32
1996-2006	69

Source: Sayman & Kar, 2010

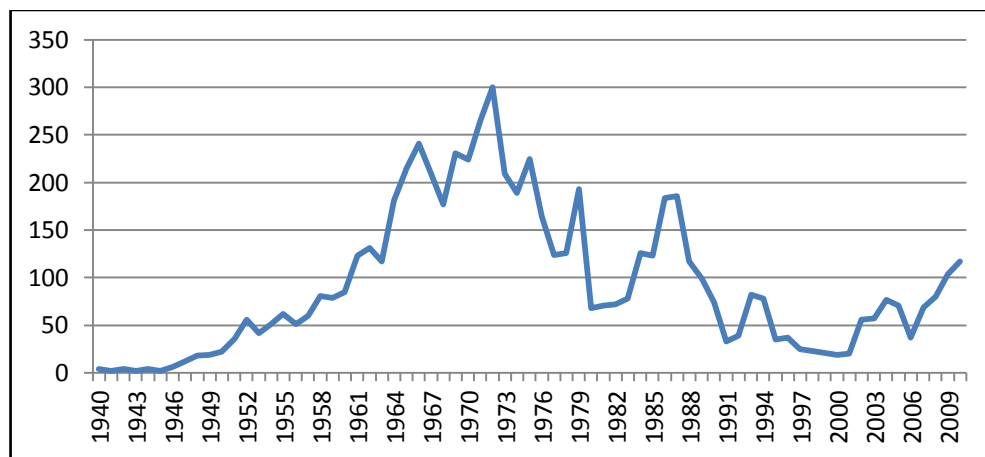


Figure 14. Annual Number of Film Production (1940-2010)

Source: Tunç, 2006; sinematurk.com; boxoffice.com

CHAPTER 4

METHODOLOGY

4.1. The Aim of the Research

In the previous chapters, different forms of integration into global film market, which are based on the strategies such as commanding, outsourcing, adapting, runaway, niche marketing, and finally geo-cultural marketing, were described. Although the studies related to the local global interaction of film industry are separately made and evaluated for the examples of different countries, they are not used together in one specific film industry analysis (Boyd-Barrett & Thussu, 1992; Jackel, 1996; Hancock, 1998; Bolter & Grusin, 2000; Miller, Govil, McMurria, & Maxwell, 2001; Iwabuchi, 2002; Coe & Johns, 2004; Klein, 2004; Bergfelder, 2005; O'Malley, 2005; Fu, 2006; Keane M., 2006a, b; Lee & Han, 2006; Kaiser & Liecke, 2007; Jones, Arora, Mishra, & Lefort, 2008). Additionally, there is not enough empirical researches describing and explaining the different forms of organization in feature film industry aiming to integrate into global film market. And also, there is lack of research for countries other than Hollywood and India which are the biggest film producer countries. Film industry, which is in the process of globalisation in the last two decades with its economic and artistic dimensions, is the field of different and emerging strategies providing competitiveness to different countries. In this process, different strategies and global integration models are observed in different countries around the world. However, there is no study evaluating all forms of integration together and making an explanation for the artistic and economic success of films and film companies within this perspective. Little is known about the economic and artistic dimensions of film production affecting the success of films, film companies, and film clusters in both national and international markets. The complex process of globalisation of film industry is still under-

explored for most of the countries which have different institutions and organizational principles. Except from the Hollywood and Bollywood models, little is known for the growing diversity of strategies and organizational forms aiming to integrate global film market. Moreover, how different film clusters achieve artistic and economic successes and become integrated into global market with the association of these two are little explored.

In the light of these information, the aim of this thesis is to investigate artistic and economic success factors of films, film companies and film clusters in both national and international markets and to evaluate how different film clusters are integrated into the global film markets as well as to describe different integration models into global film markets. Through these aims, how a feature film cluster, such as Istanbul, can generate artistic and economic successes and international competitiveness will be analysed together with the potential linkages between the global film markets and the artistically or economically successful film clusters.

Film industry analysis made within the success and global integration perspectives is not an easy process due to the industry's project based non-recurrent organizational structure. Such an organizational structure requires new formulations, new associations, and innovations in each project which means a new beginning for all related actors. Moreover, the dual nature of film production expressed with the terms of "artistic creation" and "economic product" make the dual analyses essential. Owing to the temporary alliances and dynamic and changing relationships in film production for both national and international markets, a set of methods are required in the analysis process. Two types of analyses are used in the context of this study, which are econometric analysis and industrial geography analysis. While the former is focused on the success factors of the films, the latter investigates the production organization of film industry with interviews and surveys. With econometric analysis, films or film projects are investigated with their reflective features displaying production and marketing organization, human resources and social network characteristics, and other specific factors effective on films', film companies', and film clusters' successes. Then, production companies -as the coordinators and decision makers of the film production- are interviewed within industrial geography analyses.

Film projects and production companies are the primary units of analysis in this thesis. While the film projects are evaluated referring to their human resources, social network

structures, and material capital properties, the production organizations are investigated within their networking relations, partnerships, and external linkages as well as financial, institutional, and labour relations. Istanbul is chosen as the case study area for being the only film cluster of Turkey. The main focal points of the analyses are the critical factors relating artistic and economic success of film production, and the ways of integration into the global film market. The findings of the analyses will help to explain the role of human, social, and physical capitals on artistic and economic successes of films and film companies in both national and international markets; the role of film, firm, and organization specific factors on artistic and economic successes of films and film companies; and finally the role of the local and global networks on the integration process of films, companies, and clusters into the global film market. Additionally, the findings will shed light on the inconsistencies between discourse and reality related to globalisation process of the film industry and the opportunities offered to local film clusters towards global integration.

4.2. The Framework of the Research

The analyses made in the context of this thesis are based on the dual nature of film production stated as artistic creation and economic product. Forms of integration into the world film market, which is the main point of this study, have displayed different characteristics for different countries and regions referring to this dual nature. Creativity related to artistic nature of film production is balanced with contextual factors in different ways for different countries (Lorenzen, 2007). In fact, there is a synthesis of artistic and economic factors in film production process and all film countries make their productions using different formulations of this synthesis. In order to understand different filmmaking models in the global film market, a research on industrial organization and an analysis based on projects are made both for artistic and economic success factors.

While success is defined in two separate categories (artistic and economic) for the film industry regarding on its dual nature, success on global integration is not emphasized in the literature. However, the success on global integration is determined by a synthesis of artistic and economic indexes made by the producers or directors within the process of film production. Externalities provided by the strong local and global networks, and the level of human, social and physical capital at film, firm and organizational levels are the factors affecting global integration of films, film companies, and film clusters. It can be deduced

from the literature that success for film industries both artistically and economically in national and international markets is achieved and promoted with the help of these different forms of capitals and network relations.

In this part of the thesis, the research outline is defined in the diagram with the aim of setting a framework for the case study analysis. Artistic and economic success factors and the forms of global integration for Istanbul film industry at film, firm, and organizational levels are stated as the levels of analyses. The diagram below demonstrates different success categories and variables decisive on them.

It must be noted before the diagram that there is a lack of formal statistical data about the production companies and their activities in Turkish film industry. Additionally, there is also a lack of data at the film project level. Due to the statistical problems; deep interviews, field survey, and internet browsing related to the film projects are used as the ways of creating original data for this thesis.

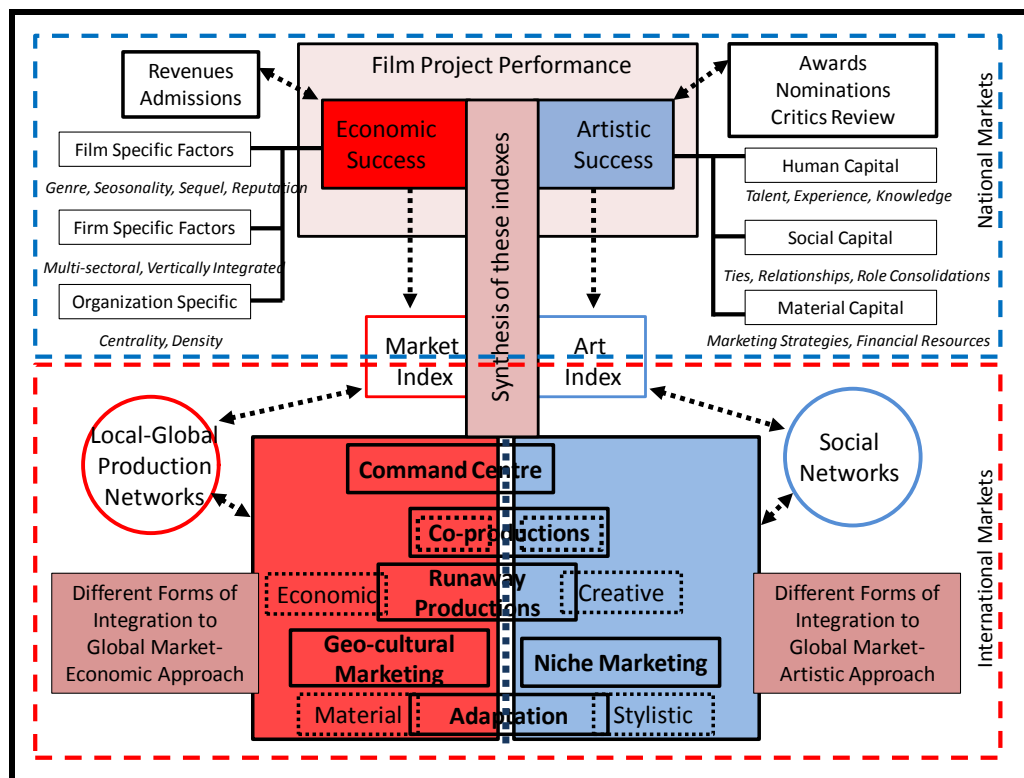


Figure 15. Representation of Research Outline

**The diagram is prepared with the inspiration from Boccadelli et al.'s (2008, p.6) study.*

In the diagram, a tripartite model is demonstrated for the performance analysis of film industry. Three types of successes are accepted and demonstrated for film industry in this diagram. As it was mentioned above, economic and artistic successes are the most emphasized two categories in the film industry researches focused on the econometric analysis. In addition to these analyses, national and international markets are separated in two fields in which films and film companies achieve artistic and economic success. While admissions and revenues in both national and international markets are the indicators showing economic success; awards, nominations, and critics' review are the determinants of artistic success. In terms of economical success; decisive factors are specified in three categories as film, firm and organizational level. For film specific factors, production strategy as in the form of sequels and star-based productions, genre, release strategy, and length of run are accepted as indicators. On the other hand, for firm specific factors, horizontal and vertical integration of companies and their multi-sectoralities are questioned. Finally, organization specific factors are analysed with the centralities and density of the networks among filmmaking team members. In terms of artistic success, while the ability of human capital is measured with experience, flexibility, and talent; social or relational capital is evaluated with role consolidations, social ties, and relationships. And finally, financial resources and marketing strategies are examined as material capital effective on the performances of the films and film companies.

In addition to the artistic and economic success categories, global integration is defined as the third success category for film industry in this thesis. It is the performance category in which artistic and economic successes come together and produce global integration models with different combinations. In terms of integration into the global film market, local and global networks and social network structures are evaluated in this study. Each film is made with the different combinations of artistic and economic success factors and integrates into the world market through them. Different combinations of the artistic and economic factors coincide with the six models of integration which are based on the restructuring trend of film industry realized in the form of both "functional integration on production side and organizational globalisation on distribution and consumption side" (Henriques & Thiel, 2000). While niche marketing strategy can be accepted in the category of artistic integration model, geo-cultural marketing can be admitted in the economic integration side. On the other hand, the other four integration models (based on the commanding functions, co-

productions, adaptation strategies, and runaway productions) contain both artistic and economic factors in themselves at the same time.

In the light of artistic and economic nature of film production and different forms of integration into the global film market, this study can be located at the intersection point of artistic and economic successes in which different forms of global integration emerges. In the following section, hypotheses focused on the critical factors affective on these issues will be stated.

4.3. The Hypotheses of the Case Study

The hypotheses of the case study are formulated with the global integration perspective based on the view that sustainable economic development for cities is the outcome of globally integrated cultural industries and more specifically film industries. Being nodal or focal point in global economy, which represents the central place in the global network controlling and directing the flows of people, commodities, technologies, capital, information and images, requires global integration with the combination of culture, creativity and high technology. As it is stated by Eraydn, there are different forms of integration for cities in the global economy (2008). Integration with *command functions, knowledge and innovation capacity, production capacities, technological capabilities, traditional and new functions*, and finally *cheap labor and natural resources* are the six different forms of integration in the global economy. However, among these, integration with knowledge and innovation capacity and technological capabilities are the more effective forms of global integration for sustainable growth. In this regard, cultural industries become central for cities with their culture, creativity, and technology based organizational structure. Especially in the last two decades, cities become nodal points in global economy with their film industries. Integration in the global economy with cultural industries is the most important way of economic development for cities. In this process, some cities are more successful than the others and different performance factors become decisive on their level of successes.

In this context, hypotheses are defined as main and sub-hypotheses categories with the help of theoretical studies focused on the performance measures of film industries specifically based on the division of artistic and economic success factors as well as different forms of integration into the global film markets.

Main Hypothesis

“Global integration of film industry which is the outcome of artistic and economic successes of films and film companies (which is measured with box-office, awards, nominations and release in foreign markets) is the function of strong local and global networks, different forms of production strategies and social network structures as well as the high level of social, human, and material capital”.

Sub-Hypothesis Focused on Artistic Success

“Artistic success of films and film companies in both national and international markets (which is measured with the awards, nominations, and critics review) is the function of human (consist of talent, experience, and knowledge) and social capital (comes from interpersonal relationships, role consolidations and ties) as well as the physical capital including marketing strategies and financial resources”.

Sub-Hypothesis Focused on Economic Success

“Economic success of films and film companies in both national and international markets (which is measured with the box-office and revenues) is the function of film (marketing and distribution strategies based on sequels, specific genre, star power, wide release, seasonality, and number of week) and firm specific factors (defined as multi-sectoral and vertically integrated) as well as organizational dynamics displaying central and dense network characteristics”.

4.3.1. Main Questions of the Thesis

“To what extent is the global integration of film industry mutually interacted with the artistic and economic success of films and film companies?” and “In what ways the global integration of film industry and the artistic and economic success of films and film companies are mutually interacted with each other?”

“To what extent film, firm, and organization specific factors affect the economic performance of films and film companies in both national and international markets?”

“To what extent human, social, and physical capital affect the artistic performance of films and film companies in both national and international markets?”

“To what extent local and global networks and different forms of production affect the global integration of film industries?”

Research Questions

In order to analyze the film industry considering the framework of the hypotheses and questions above, a few more questions are organized under the titles of artistic success, economic success, and integration into the world film market with the aim of deepening this research.

Analysis of artistic success:

- To what extent does the human capital influence the artistic performance of films?
- To what extent foreign (above the line) workers affect the artistic success of films?
- What are the roles of international festivals for film industry clusters trying to integrate global film market?
- To what extent do the co-produced films effect the artistic integration of local film clusters to global?
- To what extent does the migrated human capital (foreign-born directors) affect the performance of films on global markets?

Analysis of economic success:

Organizational dynamics:

- To what extent do the foreign distributor companies have an effect on the performance of local film projects?
- What are the roles of network characteristics on economic success of projects?
- To what extent the level of local and global networks affect the success of film companies?
- What are the drivers of filmmaking to reach international market? How does the film industry organize itself to reach international market?
- How do film producers manage to develop films that can reach global markets?

- How do the transnational organizations such as Eurimages influence the film industry?

Proximity dynamics:

- What are the mechanisms behind the spatial agglomeration of related firms in the film industries?
- What are the differences and similarities in the spatial character of the producers in film industry?

Analysis of integration into the global film market:

- What are the characteristics of the interplay between local and transnational firms in the film industry? Complementary or competitive?
- What are the roles of co-productions on the success of films in foreign markets?
- To what extent do foreign workers affect the success of film projects in foreign markets?
- To what extent do the foreign distributors affect the success of film industry cluster?
- To what extent do the international film festivals affect the success of films in world market?
- To what extent do the internationally well-known directors affect the success of films in both local and global markets?
- How do the emerging international patterns of value chains, patterns of outsourcing, co-productions, geo-cultural and niche marketing, and strategic alliances within the film industry affect the strategies of producers?
- How does the interplay between the transnational firms and local followers in the film industry influence the production strategies of them? Whether this interplay will cause integration into world film industry by adding a territorial dimension?

4.4. The Research

In this part of the thesis, research process is explained in four steps. While the reasons for the selection of the case study area are explained in the first step with statistical facts, research design is made in the second step within the framework of descriptive and econometric analyses. In the third stage, the process of the creation of the database needed for the two analyses is expressed with the problems encountered in the study. In the last step, survey

process is discussed with the persuasion of producers and completion of the questionnaires with all their extents.

4.4.1. The Choice of the Case Study Area

The main determinant for the selection of the case study area is the high level of specializing on feature film production, distribution, and exhibition. Istanbul is selected as the case study area since it is unique and the only centre of cultural production in Turkey with all of its historical and cultural values, and financially central characteristics. Thus, Istanbul, together with all its global or world city characteristics and visions, is also the only centre for film industry providing an opportunity to evaluate the position of growing Turkish film industry within global market or in the process of globalisation of film industry. In addition to the effects of Istanbul -as a cosmopolitan city- on the film industry in globalisation process, the sector makes big contribution to the integration of Istanbul into global economy.

Before the research design of the case study, I will explain the transformation of the economy in Istanbul. It is one of the largest agglomerations in Europe with its more than 12 million populations and a rapid growing economy (Eraydın, 2008, p. 1670). Istanbul as the core of the national economy has been deeply affected by the economic transformation based on the deregulation and liberalisation of the national economy since 1980s. In this process of economic transformation, being partner in the global economy becomes central for cities with all their competitive assets (ibid). Eraydın (2008) explains the economic performance and increasing competitiveness of Istanbul with four indicators which are also the outcomes of past economic processes in the city. In first place, increasing importance of the global economic functions in Istanbul's economy is emphasized. Istanbul -as it is stated in so many studies- is at the centre of national economy and an important international node. It is a city having global functions and evaluated in different studies in different global city categories (Beaverstock et al., 1999; Taylor, 2001, 2003; Taylor and Walker, 2001). As it is also displayed by these studies, the composition of the economy of Istanbul has changed in the last three decades with the increasing role of financial and banking services. The share of working population in banking and finance has increased and additional jobs have been created. Eraydın shows the increase in workforce as from 5.6 percent to 8.7 percent between 1980 and 2000 and gives the number of 200 000 as additional jobs (2008). Secondly, she gives the availability of human capital and infrastructure facilities and also the quality of life as the accelerator of the foreign investment in Istanbul. Foreign capital inflow has

accelerated in these years and the number of foreign capital firms has showed paralleled increase. Availability of qualified labour, low wages and the quality of life are the major assets in Istanbul to attract foreign companies. Thirdly, Istanbul has increasingly attracted migrants from several countries and from different parts of the Turkey. The migration of the scientific and technical labour to Istanbul from both different parts of Turkey and abroad has made the city attractive for foreign investors. Istanbul becomes the centre of high quality labour and technical skills for Turkey. The number of technical and scientific personnel has increased more than twice between 1980 and 2000. New educational opportunities are explained as the source of this growth. Fourthly, the export of Istanbul has increased in these years with the existing competitive manufacturing capacity based on the labour intensive production. In addition to the manufacturing industry which is still generating big employment opportunities, relatively higher technology production activities such as automobile and home electronics become the main export sectors. Istanbul has a dual structure on the export based production activities which consists of on the one side low-technology manufacturing industries (i.e. textile) and on the other relatively higher technology production activities (i.e. automotive industry). They have equally important roles in the export markets of Istanbul. However, low technology group of activities generates more employment opportunities and still important for Istanbul with also their export potentials. Higher technology group of production activities are very difficult to follow due to their innovative and knowledge based characteristics. They are not the focus of economic policies in Istanbul (ibid). As it is emphasized by Eraydın, income and value added generated in low-technology production sectors are much lower than high technology production activities. An increase in the total income stays limited if the city tries to use its advantages in labour markets.

It can be said in the light of information provided by Eraydın (2008) that it is focused on the “low-road” development in Istanbul with the aim of increasing employment. However, it does not guarantee sustained economic prosperity for individuals and bring a systematic change. Benefits can only be increased with the well established links with international firms. Integration into the global economy with creativity, culture, innovation, and technology is the most important way of overcoming the problem of low-road development which needs a systematic change at the same time. Small number of cities can achieve to become innovative and knowledge based territories. “The high-road type of development and policies are strongly recommended, but hardly anticipated (Eraydın, 2008, p. 1686)”. In

Istanbul, there is still the hegemony of traditional industry. Moreover, policy makers at all levels still insist on the globally accepted old methods based on implementation of mega projects improving physical infrastructure, and also the facilitation of the entry of international capital in real estate market. With the low road development model, Istanbul can passively integrate into the global economy. It takes place in the global system as big scale importer and small scale exporter and additionally it cannot be global node in this economic system. One way flow is the central characteristics for this type of cities. However, in order to be in a better position in global economy, cultural industries as the production activities of high road development are focused by policy makers. As it is stated by Kratke (2003), global nodes, which represent world cities, are the places where certain lifestyle images and cultural products are “filtered out” from the local living and working worlds and distributed globally via the culture industries. Istanbul is selected as the case study area in this thesis with the aim defining the place of it in global economy through film industry which can bring its position to a better place in this global economy. In the following part, Istanbul’s central position for cultural industries and especially for film industry will be demonstrated with the help of quantitative data.

Since the emergence of Turkish film industry, Istanbul has been the major place of film production in Turkey. Nowadays, 72 percent of the film production companies and 81 percent of the employment in the sector in Turkey are located in Istanbul according to the results of General Census of Industry and Establishments made by TUIK in 2002. Location quotient analysis of the cultural sector including film production, distribution and exhibition activities shows high level density in Istanbul for film production (See Appendix D). While the number of film production units in Turkey is 281 with 1082 employment, it is 201 companies with 881 employments in Istanbul according to the data from 2002 general census. Location quotient (LQ) analysis shows that while LQ results of film production activity in Istanbul is 3.0 for the number of firms; it is 2 for the employment. Central position of the Istanbul in terms of production companies can also be observed in distribution and exhibition activities. While the LQ analysis of the distributor companies in Istanbul shows highly central characteristics, exhibition firms have relatively less centrality in Istanbul. When the number of film production units and employment of Istanbul is compared to the other regions of Turkey, it can easily be observed that Istanbul is the only centre of feature film production in Turkey (See Appendix D).

Istanbul is the organically developed cultural production centre of the Turkey and provides cultural facilities through three core districts Beyoğlu, Beşiktaş, and Şişli. Istanbul and these three districts have some important characteristics related to the centralities of cultural or creative production. While the creative human resources, large labour market, tertiary educational facilities related to the creative industries, growing job opportunities for creative class, existence of so many social associations, rich technical and social infrastructure, and finally the high organizational capacity are the advantages and important characteristics of Istanbul (Durmaz et al., 2008); historic, authentic, and cosmopolitan structure, high level of tolerance, accommodation opportunities, vibrant nightlife, proximity to commercial and cultural centres and the other creative industries, and rich social life are the important characteristics of these three districts (Durmaz et al., 2009). Beyoğlu is the historic central area of cultural and economic life (figure 16). Nowadays, it is still the central place of both feature film and other cultural productions. But especially in the last fifteen years, new tendencies have emerged in the form of relocation towards Beşiktaş and Şişli from Beyoğlu.

Survey questionnaire made with film companies and project based database confirms the centrality of these clusters. They emerge as the most agglomerated film clusters of Istanbul when the numbers of production companies taken into account for all districts.

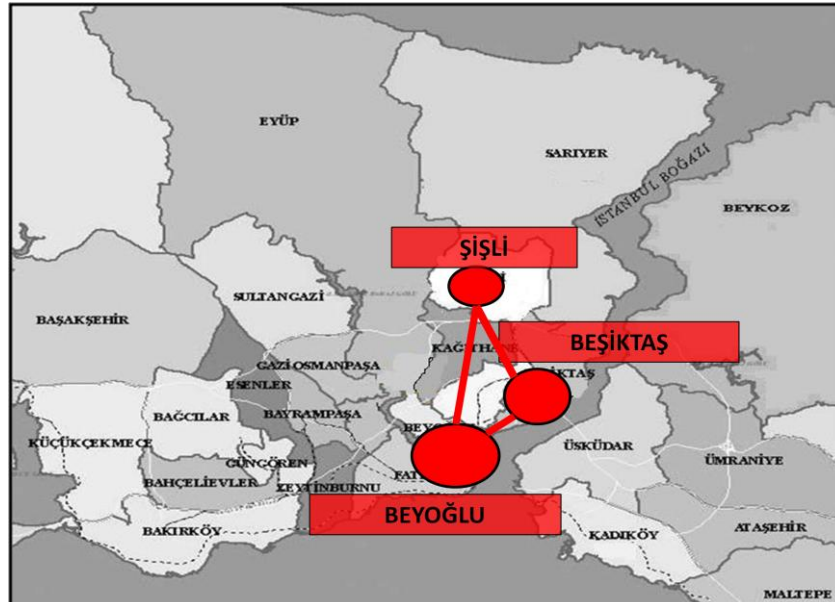


Figure 16. Central Districts of Film Industry in Istanbul

After the decision of the case study area, the units for the analyses are determined as production companies of different sizes and artistically and economically successful and unsuccessful films. In order to reveal industrial organization of film industry, producers are defined as the first unit of analysis. They are the main actors of film industry organizing all of the film production processes. However, due to their central position, they are the most difficult actors to reach especially with the aim of making a questionnaire. Furthermore, different size and type of film companies were included into the analyses because of their explanatory characteristics related to the artistic and economic concerns of filmmaking. The project based nature and temporary relationships of film production have required the analysis to be made over film projects. In order to explore the importance of local and global networking, artistic and economic success factors, and film, firm, and organization specific factors for the integration of local film industries to global film market, multi-sectoral major and independent companies, and artistically and economically successful and unsuccessful films are included into the analyses. Moreover, this dataset is used as it demonstrates the interdependence between different actors. Social network structure of film production can be seen with the help of films data. In this context, the units of analyses are defined as producers/production companies and films. In the first stage, both major and independent production companies were questioned, while two-hundred films were analysed with their actors, and production and marketing characteristics in the second stage.

4.4.2. Research Design

In order to investigate key success factors (both artistic and economic) in the Turkish film industry with a focus on the global integration as the driver of international competitiveness, different types of analyses has been used ranging from descriptive analyses, correlations, regressions and social network analysis in Istanbul case. As it can be understood from the type of analysis, both dependence techniques (regression analysis) and interdependence techniques (network analysis) are used in this study in order to add more than one dimension to the analysis.

Heterogeneity of the performances in film industry necessitates the analyses made with different perspectives as in the industrial organization researches and social network analysis. The roles of film, firm, and organization specific factors on the different performances and the level of global integration become important in this process. They are investigated with the help of correlations, regression models, and network analysis.

In order to represent artistic and economic success factors behind the fast-growing Turkish film industry in the recent years and to define the role of these factors on the global integration of film sector, two-stage study is designed in the context of this thesis as it is stated above. In the first stage, functional and organizational features of Turkish film industry in domestic market are investigated with questionnaire study made with producer companies as the central actors in the film sector. Local labour market, institutional environment, spatial organization, external linkages, partnerships, and network relations encircling the production organization are also questioned in the survey as the factors creating artistic and economic successes, and positive externalities, and providing competitive advantages. As the reason of the growth of Turkish film industry in the last decade, organizational and geographical features are analysed in this stage of the study as the sources of creativity and innovation. 45 companies are interviewed in the survey process in order to demonstrate production organizations in the context of network relations, external linkages, and partnerships. After the data of the production organization of film industry has been obtained from the questionnaire study, descriptive analysis (frequencies) and correlation and regression analyses are used to determine the features of the production organization in Turkish film industry. By using SPSS software, general characteristics of the production organization are statistically analysed. And also, Ucinet software is used to demonstrate the network relation among production companies related to the different topics.

In the second stage, project based analysis is carried out for Turkish film industry in order to represent the artistic and economic success factors and the level of global integration in the last fifteen years. Most successful 200 films (See Appendix A) are selected from the total number of 351 films produced in these years and the data including all the information about these films is created. With the correlation method, the factors or variables affective on the performances of these films and their film companies in both national and international markets are defined in the first step. Then, the relations between variables and their explanatoriness on the performance differences are analysed with the help of stepwise regressions. According to the results of regression models, positive and negative effects of the variables on the artistic and economic performances and the level of global integration are defined.

Social network analysis is also used as a tool for revealing the pattern of relationships among film production team and their impacts on the performances. In project based industries, organizational forms may be decisive on the creativity and innovation both of which are principle reasons of the success and failure in film industry (Meiseberg & Ehrmann, 2008). Social network measures such as density and centrality provide a means to analyse the social structures and pattern of network member relationships. With the help of the software of Ucinet, linkages among the filmmaking crew can be defined and interpreted mathematically with the social network analysis. Producer and directors are selected as the central actors of filmmaking team and analysed with the social network measures in this study. In the terminology of social network analysis, nodes refer to actors who can be people, groups or organizations. Ties may be the collaboration and common membership and represented with the lines connecting the points or actors. Network analyses provide opportunities to analyse the patterns of ties between actors which have big influences on artistic and economic performances, and global integration.

According to the social network analysis explained above shortly, quality of linkages in the filmmaking team network is evaluated for the contributions to films artistic and economic performance in both national and international markets. By using these techniques, social network characteristics of production team of films are separated into artistic and economic success categories for both national and international markets. Social network characteristics were evaluated for the selected number of films made in Istanbul from the two-hundred film database. In addition to the definition of social network characteristics, production strategies and networks promoting films' and firms' artistic and economic successes at both national and international markets are evaluated by using regression analysis made via the SPSS software.

4.4.3. Database

In the light of the above mentioned concepts, hypotheses and questions, databases needed for the analyses of production organization of film industry and artistic and economic success factors of both films and film companies are constituted in two-stage. In order to analyse the industrial organization of film industry within the perspective of global integration, a questionnaire is designed for the production companies in the first stage. Due to the lack of statistical data about the agents and films in Turkish film industry, a survey is designed in the first stage to collect information. It is prepared for the producers due to their prevailing

structure in the film sector with the aim of understanding production organization and the external linkages of Turkish film industry. Before the questionnaire study, the needed database is constituted from the related sources. In the second stage, project based analyses are carried out over two-hundred economically and artistically successful films with econometric methods. This project based database consists of two-hundred films made in and after 1995 which was the year pointing the start of a new beginning for Turkish film industry.

4.4.3.1. Collection of Database for Questionnaire Study

To begin with, a list of producers in Istanbul tried to be acquired. However, exact information about the numbers of film producer could not be obtained from the related institutions and organizations. Inconsistency was the other problem area emerging after the collection of limited information from these sources. And also, the content of the databases gathered from these institutions and organizations (such as State Institute of Statistics and professional organizations) did not match each other. Therefore, in order to analyze production networks of film industry at local and global level, the data was collected through the field survey.

The research on creating a producers list for Turkish film industry was started by getting in contact with film producer associations. Four producer associations -SESAM⁷, SEYAP⁸, TESİYAP⁹, FİYAB¹⁰- were confirmed in the film industry field from the website of “The Ministry of Culture and Tourism: Directorate General of Copyrights and Cinema”. In order to build a production company database, member lists of these associations are analysed and integrated. Before the confirmation of the company lists used in the questionnaire, these associations’ aims and tasks are defined.

Fiyab (Film Producers’ Professional Association) is established in 2005 in Ankara with the aim of gathering filmmakers in order to ensure the development of Turkish film industry in both national and international markets. Two groups of aims are defined in the websites of the association. In the first group, the protection of the filmmakers’ common interests and rights and the provision of the collection of charges from and distribution of them to the right

⁷ SESAM: Professional Union of Film Producers, Importers, Cinema-owners

⁸ SEYAP: Film Producers Professional Association

⁹ TESİYAP: Professional Association of Television and Cinema Film Producers

¹⁰ FİYAB: Film Producers’ Professional Association

owners are defined, while the enhancement of filmmakers, increasing their recognition in the society, and the development of production techniques are defined in the second group. While the association had 95 members in 2007, it has more than 250 members in 2011 including not only feature film producers but also the media service companies, cast agencies, companies making TV series, advertisers and etc.

Se-yap is another professional association of the film producers established in 2007 with the same objectives. It aims to develop production techniques in Turkish film industry; and to increase the recognition of filmmakers in the society. Protection of the common interests and rights of filmmakers, the collection of the charges, compensations, and royalties and distribution of them to right owners are the services provided by the association to its members. While there were just 38 members in the beginning, the number of members has reached 165 in 2011.

Tesiyap (professional association of television and cinema film producers) is established in 2003. It aims to protect the rights of producers of TV series and cinema films and also to make a contribution to the formation of professional standards in the film sector. Moreover, exhibition, replication, and publication /broadcasting of films from both TV and cinema are the other points of interest. Enhancement of the regulations related to these issues is the other field of interest for Tesiyap. It makes studies to enhance legislative regulations and protection methods related to the producer rights. It works not only in the field of the protection of the rights for its members but also works for the formation and development of professional standards. Its number of members increased from 48 to 60 since 2007.

Se-sam¹¹, the oldest professional association appealed for this thesis, is established by the state in 1987 as a semi-official association. It has members from producer companies, foreign film importers, exhibitors and video distributors. It was established for the protection of filmmakers, exhibitors, and video-cassette distributors. It is the only association responsible to the state about filmmaking and located in the connection point between state and filmmakers. All festival and mass exhibitions organizations in Turkey are needed for the approval of Se-sam. Moreover, it makes the organization of the attendance to the international film festivals and it is the only authority to open a stand in these festivals for

¹¹ Professional Union of Film Producers, Importers, Cinema-owners

Turkish films. While there were 135 members in 2008, the number of its members decreased to 128 in 2011.

It was noticed that there were 215 film producers active in Istanbul due to the member lists of these three associations. Nevertheless, at the end of a detailed analysis of the lists, it was observed that some of the producers were members of the two associations at the same time. Especially, the members of SESAM were the members of other associations, too. In order to decide an exact list of production companies needed for the survey, the members list of SESAM with its 135 members was selected. When the phoning and emailing process in order to get appointment for the survey began, it was seen that most of the producers in the list were not active in those days. In the pre-interview stage of the survey which will be explained in the following section, it was noticed that the addresses of producer firms stated in the members list were not accurate and up-to-date.

Afterwards, popular films and producers which were frequently mentioned in printed and visual media were analyzed by the help of internet websites. It was interestingly seen that they were not the members of above mentioned producer associations. Thus, the exact numbers of film production companies could not be determined at the end of these processes.

In order to move on to the next step, an e-mail was sent to Istanbul Chambers of Commerce (ICC) asking for the number of registered film production companies. Unfortunately, their reply was containing the list of members from all film related activities such as advertising, theatre, film importers, exporters, and film theatres. 7434 was stated as the number of members in ICC's list and there is no specific information about film producers. It was a very large number when we compare it with the lists of producer associations and it was not possible to verify the companies' activity areas with the information acquired from ICC.

Then, the Ministry of Culture and Tourism Secretariat of Cinema and Copyright, the state institution providing financial aid to film producers, was applied with the request of feature film producer list in Turkey. Unfortunately, there is no such list for producers. They were using the lists of cinema associations. In the period when I was trying to reach the exact number of film producers, Turkish Statistical Institute did not declare any data about film sector. In 2007, they announced the results of 2002 general census of industry. According to that data, the establishments containing the numbers of film producers in Istanbul were 201.

It could be very useful to re-evaluate the sample group in the survey processes but the institution was not sharing any information about the names and addresses of film companies in parallel with the institutional policy. At the end of these processes, lists of SESAM, SEYAP, TESİYAP, and FIYAB were combined and totally 182 film companies were determined.

Table 8. Number of Members of Associations in 2011

	Number of Member Companies	Number of Interviewed Companies
SESAM	129	20
SEYAP	165	11
TESİYAP	54	6
FIYAB*	290	3

Source: Official websites of the associations

*Fiyab is the only association established in Ankara (the others established in Istanbul) and its members are generally not the producers of feature films.

Although member lists of these associations have showed big differences between the survey periods and today, there are still film companies who are not the member of any of these associations.

In addition to these associations, the report about film industries' spatial preferences in Istanbul, prepared by Metropolitan Municipality's Cultural Industries -Culture and Tourism-Research Group, was analyzed and specified that there were 162 film production companies in Istanbul. When the source of information was analyzed in that report, it seemed that the member lists of SESAM and FIYAP had been used. Therefore, the number 162 cannot be accepted as the exact number of producer companies in Istanbul.

4.4.3.2. Collection of Database for Econometric Analysis

In the second stage of the analysis, a project based database was constituted in order to evaluate the artistic and economic success of films in both national and international markets, and the integration capabilities of films and film companies into the foreign markets. In order to fully understand the production organizations of the films in the global integration perspective, project based analyses are needed because company owners cannot provide full information about their old film projects. For the dataset, most-successful 200

films were chosen from the box-office result lists of Turkish films after 1995 with the help of data provided by different websites. Some of the films in the first 200 were excluded and replaced with new films because of the lack of data. Box-office results of Turkish feature films for all time were drawn from the sinematurk website which is also the data provider of European Audiovisual Observatory for Turkey. Production and marketing specific factors such as co-production company, distributors, release month, number of screen, and length of run were added to list for each specific film. In addition, financial and human capital involved in the production of each film was added to the database. For social network analysis, eight key roles (producers, directors, screenwriters, art-directors, screen-directors, editors, actors, and musicians) in the film production process were defined in the data for each film projects. Information about the eight key roles was added as the participation of that role to specific film project.

On the other hand, variables related to the both artistic and economic performance of films such as awards, critical reviews, admissions and revenues were included in the dataset. Moreover, information about the box-office results and number of screens for all films in both EU and Turkey was included to dataset. Furthermore, wide range of characteristics were added to data from both local website and IMDB (International Film Database) such as genre, star power, director reputation, ratings, critical reviews, seasonality, and distributor characteristics. Although, some more information about the budget and advertising expenses were tried to be added, it could not be possible due to the lack of data about these areas in Turkey.

It can be said for the data that three categories of information were collected from different websites related to the project based database. Internal and external factors of film production and information about the artistic and economic performances of films were brought together in this dataset. As it is used in Boccardelli et al.'s study, technical and artistic roles /resources as an internal factor affecting the success of films in both national and international markets were analysed with the data displaying “experiences, specializations, successful professional resources, and awards” (2008, p.5). As external factors, distribution and marketing strategies were evaluated with the information about the resources such as tie with major distributor, seasonality and star based system. Performance oriented factors were analysed in the context of this database as artistic (critics review and awards) and economic (admissions) factors, and the level of global integration (use of

foreign workers, foreign partners, international co-productions, release in foreign markets, Eurimages supports, and box-office results in foreign markets). Moreover, “social network and ties within the artistic and technical communities” of film production were analysed with the help of this data as important success factors in the film industry.

4.4.4. Questionnaire

All the efforts up to this point can be accepted as the preview of the informal structure and relationship networks of film industries and also the preview of the difficulties which will be encountered in the following processes. In order to understand the structure of Turkish film industry and reliability of survey questionnaire, a pilot study was made with eight producers to test and finalize the survey form in Istanbul in March 2007. In the period of April to June 2007, final form of questionnaire was determined.

When the invitation and persuasion process of film companies for the questionnaire began, very hard and tiring process emerged. Due to the absence of systematic firm data, field study had become the only way to get information about the production organization of Istanbul film industry. Telephone, survey via internet, and questionnaire were the methods in the field study for collecting information. Additionally, limited number of face-to-face in-depth interviews had been made at the beginning of the survey processes. These interviews had provided general idea about the production organizations, producers’ visions, strategies, future expectations, anxieties, and their views about co-productions and international markets for Turkish film industry.

In the beginning of the process of survey questionnaire, phone numbers and e-mail addresses of the companies in the member lists of associations were checked and it was observed that most of the companies were not active or in service. Phone numbers were not correct and there were no such companies at the stated addresses. Cinema associations were not following the validity of information stated in the member lists. In order to get an appointment for the questionnaire, all 182 companies in the list of producers were called and e-mailed. At the end, only 75 company owners were achieved to get in contact with. However, there was any formal information about the contemporary status of other 107 companies whether they closed their companies or changed their addresses and phone numbers. In the forthcoming days of survey process, some of the film producers had stated that many of the companies in especially SESAM’s list had stopped their production.

Additionally, interesting information was obtained from the in-depth interviews with sector representatives about the production organization of certain companies that some of the companies were established to realize specific film project or projects and then they were closed.

While 58 of the 75 contacted companies were accepted to participate in survey, 17 firms had rejected to participate by showing excuses such as having no spare time, being very busy, and scepticism about the positive effects of this type of researches. However, eleven firms had not arranged any time for questionnaire in the following six months. Two answered questionnaire were invalidated due to their partially completed condition. At the end only 45 film companies accepted and answered all of the questions in the survey form. The share of the completed questionnaires was twenty-two percent (22%) if the total number of cinema film producers were accepted as 201 from the Turkish Statistical Institute data. When we calculated this ratio with the contacted companies (75), the result was 60 percent sample size.

After the determination process of production companies in Istanbul, appointments and completion of survey has taken a long time. While the first appointment was realized in July 2007, it was only possible to conduct all of the surveys at the end of January 2008. Forty-five companies completed the questionnaires in approximately six months period but it was not easy to persuade the company owners to participate in the survey. At the beginning, a private research company was authorized to make questionnaires. However, when they contacted to film producers with the survey request, they were rejected. Just five firms directly accepted to answer the questions in the survey form and five other companies were persuaded with the help of known companies. Totally ten questionnaire were completed with the mediation of research company. The remained 35 companies were persuaded to participate in the survey with my long-term efforts. Internet, phone calling and e-mailing, and phone calling through familiar company owners were the tools of persuasion in this process. Six firms declared their participation by replying an e-mail including the letter of invitation. Additionally, eight firms were called with the aim of explaining the theme of this study and the context of questionnaire sheet. The rest of the surveys (21 firms) were conducted through countless phone calls.

In this long period, some presumptions about the structural characteristics of the Turkish film industry have emerged. So many firms were one man companies having no institutional characteristics. All the related jobs in filmmaking process were carried out by these persons and in connection with this modus operandi. It was very hard to reach and persuade them in their offices. Even if they had accepted to answer the questionnaire, they could not spare enough time to answer all questions.

Table 9. Response Rates in the Questionnaire Study

Within all firms	Firms	
	#	%
Contacted Firms	75	37
Firms cannot be contacted	126	63
Total	201	100

Within contacted ones	Firms			Firms		
	#	%		#	%	%
Acceptees	58	77	Completed	45	78	60
			Incompleted	13	22	17
Rejectees	17	23	Rejectees	17		23
Total	75	100	Total	75		100

Source: Calculated from the thesis data

In the survey period, connections with filmmakers were organized in three different ways. First one was basically related to the chance factor, because phone calls were fortunately coinciding with the times when the producers were in their offices. Second one was based on the e-mailing with producers. Although some of the filmmakers replied request e-mail at the end of two and three weeks, their answers, connections and production experiences facilitated other connections and provided important information about the structure of film industry in Istanbul. The last and most useful way of connection with film producers was obtaining their mobile phone number from their friends who answered the questionnaire before. They were more easily accepting to participate in this survey when I said their friends answered these questions and gave their mobile phone number. Trust and competition between filmmakers were the two things observed in Istanbul film industry in the survey period.

Indeed, film companies got in contact with these ways were mostly hesitating to accept the interview. They did generally not believe such a sectoral research. Their claim was based on the idea that the results of these researches do not properly represent the sector. Additionally, some of the filmmakers had interesting prejudices about the researchers from disciplines not directly related to the cinema such as city and regional planning. They have believed that this type of studies made by researchers from other disciplines cannot evaluate all variables related to the sector.

15 of the 45 surveyed companies were one-man firms which had no institutional record about previous projects. Company owners generally had an agenda or notebook including all valuable information about their previous projects such as budgets and expenses. These agendas also contained the list of mobile phone numbers of film producers in Istanbul. Unprofessional structure of these companies was one of the important points complicating the survey process. The other 30 film companies were more organized and institutionalized. They were making film projects every year, employing more people, and achieving better score at box-office. They were generally doing business in different segments of audiovisual industry. However, the problem of the absence of systematic record and archive of the past projects was appeared for these companies, too. Due to this problem, questionnaire sheets had to be answered by company owners who were the masters and decision makers of all film making processes.

Due to these problems, the survey process had taken a long time than expected. The owners of bigger production companies are men or women who cannot be reached at every time. They generally run their business with the help of their personal assistants. Interestingly, one of the assistant reached by phone had said that even she cannot reach her boss. Another interesting point experienced in the survey process is that one of the interviews had been realized in two months period although the company owner accepted the answer questionnaire at first dialogue. At the end of this two months period, interview could be made with the assistant on the telephone.

The survey questionnaire was prepared with the aim of revealing the structure of film companies, production organizations, and sectoral relationships. The questionnaire sheet (see Appendix B) filled by the producers is composed of three main parts as general information

about the company, production organization of film industry, and other relations including financial, labour, institutional, and sectoral relations.

In the first part, multi-sectoral structure, experiences, past and present dynamics of companies, national and international co-productions, and way to establish partnerships were questioned. In the second part, three sub-categories were defined in order to understand the *relationship networks*, *external linkages*, and *partnerships*. Under the relationship networks heading, companies' relations with other firms and institutions both nationally and internationally were questioned for all stages of film production over their last film projects. Finance, pre-production, production, post-production, and distribution are the five main stages of film production examined in this section. Under the heading of production organization; density, frequency, and satisfaction were questioned for the companies' networking relationships. Moreover, the terms coming from local economic development literature about the industrial organizations as competitiveness, creativity, clustering, and knowledge flow were interrogated for Turkish film industry with the help of producers in the production organization section of the questionnaire sheet. In the parts of partnerships and external linkages; the reasons and ways of producers going into partnerships for national and international co-productions -the important tendencies in film industry after 1990s- were analysed for Turkish film industry. Release in foreign markets, integration into global film market, film export, and strategies to reach foreign markets are the issues questioned in the context of this survey.

And finally, in the third part, financial resources, spending items, labour processes, institutional relationships, and other supportive sectors were examined over the last film projects of companies with the aim of deepening the research on the industrial organization. The survey included dichotomous, open-ended, multiple choice, and five point likert-scale questions. Moreover, five-point scale ranging from the most important (5) to the least important (1) was used in the questionnaire.

4.5. Methods of Analysis

In order to reveal artistic and economic successes and the level of global integration for the Turkish film industry, four-step analyses are designed in this thesis. Firstly, descriptive analyses are carried out through the questionnaires and project based database to evaluate the

theoretical discussions over the case study area. In order to represent the existing situation of the case study area in the context of theoretical discussions, frequencies and cross-tabs are produced in this step before starting with any advanced analysis. It is good to see the characteristics of the data and to evaluate these characteristics with theoretical discussions. These methods are used for revealing the levels of successes (artistic and economic successes and the level of global integration) and changing trends in Turkish film industry. In the questionnaire study, production organizations of the film company, relationship networks, external linkages, co-productions, international film festivals, and other financial, institutional, and labour relationships are analysed. In the econometric analysis (made with project based database), film, firm, and organizational level factors as well as human, social and physical capitals are analysed with frequency distribution to evaluate the affects of these factors on the performances.

Secondly, correlation analyses are made with the aim of revealing the relations between variables. In order to specify and evaluate the degree, strength, intensity, and directions of the relations between two variables, correlation analysis is made with the help of SPSS software. The variables influencing artistic and economic performances and the levels of global integration for films and film companies are correlated with each other and the existence of the higher autocorrelation among these variables are tested. The variables having higher autocorrelation are evaluated and excluded from the study because of their decreasing effects on the reliability of analysis. With the value of correlation coefficient, significant relations among the success factors are evaluated with the direction of the relationships, either positive or negative. A positive correlation coefficient means that as the value of one variable increases, the value of the other variable increases; as one decreases the other decreases. A negative correlation coefficient indicates that as one variable increases, the other decreases, and vice-versa.

Thirdly, multiple regression analyses are made in film, firm, and organizational levels with the aim of investigating the total affects of independent variables (more than one) on the artistic and economic success (dependent) of films and film companies as well as their level of global integration. To explore what extent film, firm and organization specific factors are affective on the artistic and economic performances in both national and international markets, stepwise regression analyses are conducted for the project based database. Variable providing biggest contribution to R^2 is included in the model first in these stepwise

regressions. While the number of awards is treated as dependent variable for the artistic performance analysis, box-office result is accepted as dependent variable for economic performance analysis.

Finally, social network analyses are made with the Ucinet6 software in the context of centrality and density measures. It is a tool used for modelling the relationships between actors and tool for defining the relationships in filmmaking team. The effects of these network measures on the performances of films and film companies are investigated within network relations and positions of the members in filmmaking team. With the social network analysis, these relationships and flows are measured and mapped with the opportunity to include network characteristics to the analyses of artistic and economic performances and the level of global integration. By favouring innovation and creativity, organizational forms have always been accepted as the important factors affecting performances of films and film companies.

CHAPTER 5

SUCCESS FACTORS OF FILM INDUSTRY: ARTISTIC AND ECONOMIC EXPLANATIONS TOGETHER WITH THE DEGREE OF GLOBAL INTEGRATION

There are so many studies focused on the factors affective on the performance of films in the literature. However, it can easily be observed that there are no clear indicators related to the success factors. Multidimensional evaluation strategy is the basic way of research for product performance in cultural industries. We can group all these studies in two success categories related to the artistic and economic nature of cultural products. However, global integration, which is less emphasized in the literature, is the third success category in today's globalised film industry and must be added and evaluated in this study. For film industry, success is no longer the higher box-office performances and festival awards obtained in domestic market. It is also the level of global integration as well as artistically and economically good international performances. In order to analyse success factors for Turkish film industry, tripartite model is used in this study which evaluates relevant factors regarding artistic and economic successes, and the level of global integration. As a cultural product, films simultaneously have twofold dimensions as "economic product and artistic creation" (Delmestri et al, 2005, p. 975). On the one hand, films have the characteristics based on "creativity, innovation, and authenticity", on the other they are the centre of attraction for audiences, economic efficiency and effectiveness related to the economic nature of products. For the global integration, films use different combinations of these characteristics. Paralleled with this information, films' performances cannot be measured with single methods. They can be assessed with the number of admissions on the one hand, and the quality of their cultural content on the other. And also the international festival awards and box-office results (revenues) can be used for the analysis of the degree of global integration. In the light of this two-fold nature of film production within the global

integration perspective, performance of films and film companies can be measured with artistic and economic success criteria (Boccardelli et al., 2008) and the level of global integration. In the literature, while awards, nominations, critics, and reviews are accepted as the indicators of artistic performance and innovation or as the “signals of creativity and artistic quality” (Delmestri et al., 2005, p.977; Baker & Faulkner, 1991), audience number and box-office revenues are admitted as the critical factors of economic performance. Although there is lack of research and data evaluating performance of films and film companies at global scale except from Hollywood, both artistic and economic success factors can be used for the evaluation of the performance at global scale with their results obtained in international markets.

5.1. Theoretical Framework for the Analysis of Success

In this part of the thesis, tripartite success model which was mentioned in the previous chapters will be examined in detail. Theoretical studies in the literature focused on the artistic and economic success analysis based on the two-fold nature of film production will be evaluated together in the first part. However, as the thesis mainly focuses on the global integration -the third success category for film industry-, it will be discussed in more detail under a different heading.

5.1.1. Artistic and Economic Success Analyses of Film Industry

Andersen’s (2008) study will be the starting point for this part of the thesis which identifies the performance criteria of film industry with three dimensions: art and business relationships, national and international focuses, and finally creative and specific tasks in the film production process. Under the art versus business heading, both creative and financial dealings of the film production were explained. While creative part of the film production is unpredictable and needs creativity, economic aspects of film production require predictability.

Paralleled with the art and business or creative and financial dealings of film production, there are two groups in film industry producing commercially successful mainstream films on the one side and lower-budget niche films on the other. While relatively stable community of producers make these high budget films, larger group of producers make

niche films with more ambition and less funding (Lorenzen & Taeube, 2007). Although isolation between these two groups is stated as a reality with the analysis of US film industry example, there can be different practices in different country examples. In Bollywood (Indian Film Industry) example, Lorenzen and Taeube (2007) stated that companies producing mainstream films are not significantly different from peripheral firms in the sense of size, finance, distribution, horizontal, and vertical disintegration. On the contrary, in US example, integrated media companies produce mainstream Hollywood films being isolated from the niche film producer companies. In the light of this information, it will be right to evaluate different country examples within their specific conditions.

Andersen tries to explain art and business characteristics of films by using the relationships between film production team members. He emphasizes vertical and horizontal ties between the team members in the film production network by referencing Delmestri's study (2005). Delmestri stated that while horizontal relations of cooperation in the production process contribute to the creative and symbolic side of filmmaking, vertical relations between the main actors of film production such as directors, financiers and distributors determine the economic structure of film production. In the film industry, these vertical and horizontal relations are intertwined (2005). In fact, both Delmestri (2005) and Andersen (2008) emphasize the role of social network relations for the good performance of films.

Contradictory relationship of art and business in the film industry relies on the complex temporary characteristics of film production system which requires well blended cultural, financial, and material factors (Yamashita & Yamada, 2004; Baker & Faulkner, 1991). Film production proceeds on the contradictory relationship of art and business sub-systems. While a matter of art implies the involvement of artistic vision to film production, business part includes the financial issues such as the generation of budget and marketing strategies. In the literature, collaboration between art and business is explained with the project networks across many actors. As Yamashita et al. (2004) stated human networks are essential for the connection between art and business in the creation process of films. In the film production team members, directors and producers are emphasized as the coordinators of respectively the creative and business side (Baker & Faulkner, 1991; Yamashita & Yamada, 2004; Delmestri, Montanari, & Usai, 2005). They are accepted as the bottlenecks of cooperative activity in film production process integrating art and business (Yamashita et al., 2004). When we analyse the changing dynamics of film industry in the last ten years, directors'

changing positions emerge as an important development. They have started to enhance their power by concurrently performing in two or more field of film production value chain such as writers and producers. By considering the recent developments related to the changing positions of directors in film industry, it can be said that directors are now located to central position integrating art and business sub-systems.

The second criterion of performance is related to the distinction between national or international focus of film production. Paralleled with the target market, film production organizations displays different characteristics. According to this view, genre and film language can be different for national and international market. Andersen (2008) emphasizes the role of genre categories for international and national success by comparing the comedy films' high box-office successes in domestic and poor performance in foreign markets. Language is the other important elements of international success as stated in the same study. "English speaking films is more or less a precondition for international success" (ibid, p.5). Language is not only a success factor for films, but also, it is an important criterion for actors and directors in the film production network. Although, actors and directors do not have the same level of barrier, language can be accepted as an important criterion of international career and success.

When we consider the Turkish film industry, it can be seen that national and international success can generally be achieved with different types of films and organizations such as popular and auteur films. While popular films reach higher box-office results in domestic market, they cannot be able to get these results in foreign markets. These films are mostly comedy films casting popular actors from TV sector. This is also the case for other European countries (Andersen, 2008). If we try to demonstrate the differences between national and international focus for Turkish films, it can easily be seen that international recognition is achieved with the help of both auteur films and famous Turkish directors born and raised in foreign countries in the last ten years. However, these types of films which are mostly drama films have relatively lower box-office return in both domestic and international markets. On the contrary to weak box-office performance, they have gained many awards and nominations at both national and international film festivals. Related to the distinction between national and international focus, even though directors and producers do not have these different aims in Turkish case, different organizations and characteristics have emerged at film level.

In the light of the above mentioned concepts, genre, language, production organizations, and social networks can be defined as critical factors influencing success of films in both local and international markets and can be used as independent variables for the film industry performance analysis in both markets.

The differences and formulations of creative and specific tasks in the film production process are the last performance criteria of films. Director, producer, and screenwriter are the key and coordinator roles in the film production directly affect the creativity and popularity of the films. On the other hand, the remaining film crew perform in more specific tasks of production. Andersen explains the difference in task orientation and combinations of roles in film production as the source and criteria of success. While three main roles consist of director, producer, and screenwriter have more effects on the narrative elements of the films, the others (art-director, editor, screen director, musician) doing more specific tasks have less effects.

With the perspectives of the last performance criteria, we can say that combinations, consolidations, relational intensities, vertical, and horizontal ties among filmmaking team members create different results at box-office and festivals. Strength of “vertical and horizontal ties” between economic and artistic sub-group of project team, “role consolidations” between directors, producers and screenwriters, and finally “relational intensities and exclusiveness” are accepted and evaluated as success factors for both auteur and popular films in the literature (Boccardelli, Brunetta, & Vicentini, 2008; Baker & Faulkner, 1991; Usai, Delmestri, & Montanari, 2001)

In the light of Andersen’s three different performance criteria of film industry, it can be said that each film starts with the dualities of these criteria. In the film industry, each product is prototype and needs different combinations of artistic and economic factors. They have to be “non-recurrent” and creative by employing diversified artistic and technical staff such as film directors and lightning directors (Boccardelli et al., 2008). Project based organization is the way of production for film industries encouraged by the prototypical and non-recurrent nature of industry. The other factor directing film industry to project based organization is the “high rate of uncertainty on the economic returns” related to the uncertainty of demand

(ibid, p.2). These factors emerge as strategic industrial factors for film industries in the evaluation process of performance.

Paralleled with the theoretical summary, success factors and relations among them are modelled in a diagram. In this figure, both dependent and independent variables are demonstrated for the analysis of Turkish case. For artistic and economic success and the level of global integration for films and film companies, these variables and relations will be decisive for Turkish case. As it can be understood from the diagram, in one film project artistic and economic inputs come together in different combinations and produce different types of successes for both films and film companies. In each film industry country, these successes converge in different forms and produce different global integration models which are explained in the second chapter with the titles of command centre, runaway productions, co-productions, adaptations, niche and geo-cultural marketing.

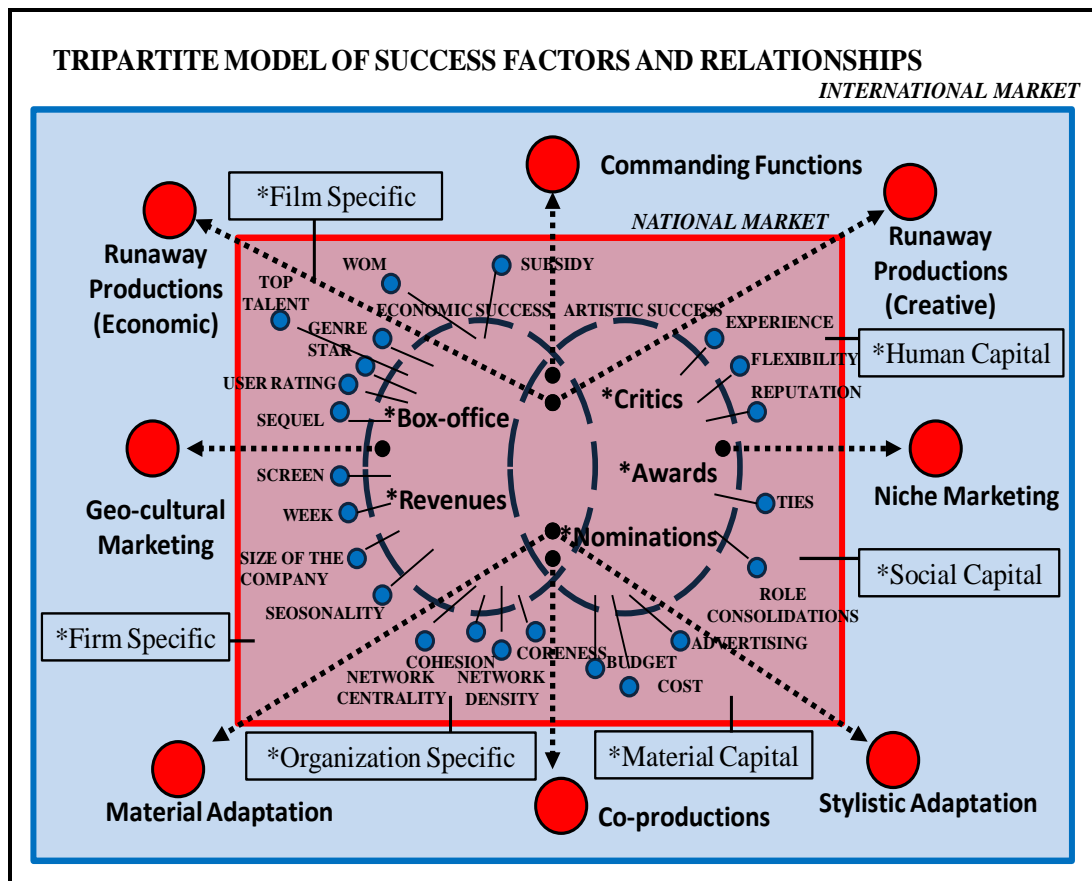


Figure 17. Tripartite Model of Success Factors and Relationships

In this model, all success related analyses and discussions are attempted to be summarized for film industry. Dualities based on the art and business characteristics, and national and international focuses of film industry are included in this model. In addition to the dual nature of film industry analysis in literature, tripartite model of success factors is suggested in this diagram. Artistic and economic successes as the categories emphasized separately in the literature are demonstrated as two intersecting areas in this tripartite model. Although they are generally evaluated independently, each film contains economic and artistic features at the same time. The other issue neglected or less emphasized in the film industry literature about the growth or development of the sector is related to the success in foreign markets. By considering this point, national and international markets are demonstrated in two interbedded categories paralleled with the main concerns and hypotheses of the thesis. As it can be seen in the figure, box-office results, revenues, critics, awards, and nominations are located in central position in parallel with the literature investigating economic and artistic successes of the film industry. Within these perspectives, all other variables are grouped in parallel with the different levels of analysis and different types of capital (social, human, and physical capital) stated in the hypotheses.

In order to make analyses for Turkish film industry, success factors are grouped in three categories as artistic, economic, and integration for film industries within film, firm, organizational level. While artistic success factors are evaluated with the awards, nominations, and critics' review as dependent variables in the literature, economic factors are assessed with the admissions and revenues. On the other hand, the success of integration into the global film markets is examined with the release and box-office results in foreign markets. These dependent variables are tested with so many independent variables at film, firm, and organizational level. Nature of human, social (relational), and physical (material) capital; production, distribution and marketing strategies; the level of local-global networks and finally the structure of social networks are accepted and used as the factors affecting these success categories.

However, this brief introduction on types (artistic & economic) and locations (national & international markets) of the success is not sufficient for a full identification of the model. Thus, the model should be detailed in three parts to be well understood. In the first part, the variables are listed for the measurement of economic success in film industry. As it can be seen in the figure, admissions (box-office) and revenues are represented as the two main

indicators for the economic success of films. They are mostly accepted as dependent variables for the analyses. In addition to these dependent variables, some other independent variables are needed for the investigation of economic successes. Three levels of analyses are observed in the literature as film, firm, and organizational levels and represented in the figure with film, firm, and organization specific factors. While genre, star power, user rating, word-of-mouth mechanism, sequel, and subsidies represent film specific factors, the size of company, screen and week number, and seasonality present firm specific factors. As organization specific factors, cohesion, density, centrality, and roles and positions in the filmmaking team networks are evaluated in this study. As a film specific factor, genre represents the capability of film to attract audiences in both national and international markets. Star power is the other important issue influencing the level of attraction for films. User rating is the variable having limited effect on the choices of audiences due to the limited number of people considering these ratings before the decision. Word-of-mouth (WOM) mechanism is the other audience related factor effective on the performances of films. After the release of a film, number of audiences can increase in each week with the help of audiences' positive reviews. If the audience number of the film increase in each week, it shows the existence of functioning word-of-mouth mechanism. Sequel is the most guaranteed and popular strategy for the success of films. If the previous project has reached high box-office returns, the same filmmaking team come together and make a sequel. Use of subsidies in filmmaking process can provide some information about the characteristics of films. There can be significant relationship between subsidized films and economic successes. As firm specific factors, size of the production company comes first. Number of employee and produced projects, and the yearly experience show the size of companies and may be decisive for the success of these companies. Number of screen and week demonstrate release strategy of company about film projects and directly affect the box-office results. Seasonality, which shows the timing of film release, is the other firm specific issue decisive on the economic performance of film companies. In determination of the release times, the peak periods for cinema (such as Christmas and semester holidays) are considered in order to benefit from the increasing number of audiences at these periods. For the organization specific factors, centrality and density measures are emphasized in the literature. Centrality shows the actor who have more ties to other actors. They have more advantages than the others because they have many ties and alternative ways to satisfy their needs. They are less dependent on other individuals. Moreover, they can access to more resources in networks.

Another organization specific factor having substantial influence on the performance of films is density which displays the cohesion/unity of the filmmaking team.

In the second part, artistic merit or success of films will be evaluated. As it is stated above, awards, nominations, and critics' review are located in central position as the major indicators of artistic success. In the tripartite model, variables emphasized in the literature related to the artistic success of films are categorized in three parts as human capital, social capital, and physical capital. When we consider the artistic success factors within human capital perspective, experience, flexibility, and reputation of the filmmaking team members become important. Social capital is accepted as a second category in the artistic success section and evaluated with the relationships among film production team members. Ties, relations, and role consolidations among film crew are stated as the variables demonstrating the characteristics of social capital and accepted as the decisive factors for the artistic performances of films. In the third category, material or economic capital is defined with the budget and costs variables. They influence the performance of films in highly uncertain markets. Although, they are stated as important factors for the film industry in the literature, they cannot be used in the analysis due to the lack of data in Turkish case.

In the third part, the level of global integration will be tested within the perspectives of global integration models. The intersection areas between artistic and economic successes are the location for the emergence of different models. Different types of trade-off between artistic and economic factors become important in this area. Artistic and economic inputs come together and produce different success stories. Six different integration models, which are demonstrated with red nodes in figure, have different film production strategies based on the different combinations of artistic and economic input in their filmmaking processes. Local and global networks at film and firm level are the sources of success in these models. In the first global integration model, film industry has globally commanding functions. It produces high budget blockbuster films and reaches higher box-office results at global scale. In general meaning, commercial sides of film production are more important than the other fields of film production. However, it cannot be said that artistic and creative processes are ignored. Global sourcing or global exploitation (they buy and sell products from all over the world) is the major trend in this model of film production. In order to increase existing audiences and reach new markets, new talents, technologies, methods, and innovations are immediately included in the production system. In sum, artistic and economic inputs are

evaluated together in this model but in general meaning economic concerns are more dominant. In the second integration model, co-production strategy is explained. It is a form of film production in which two or more film producers from different countries agree to collaborate and share their financial resources to produce a film project. In fact, co-productions do not need the involvement of producers from different countries but in the context of this thesis the term co-production refers to international co-productions. In general meaning, as it is stated in Morawetz's et.al study, there are three types of co-productions (2007, p. 426) that are (1) "co-productions driven by creative reasons"; (2) "co-productions driven by search for finance (industry driven)"; and (3) "co-productions driven by international capital (capital driven)". First category is generally carried out in Europe by the help of Eurimages fund. They generally produce low budget artistically successful films of which creative elements come from different countries. For Turkish film industry, it is mostly used production strategy for filmmakers working generally in the side of auteur film production. Industry driven co-productions is the second category in which producers look for the pooling of financial sources from different countries and produce low and medium budget films. Third one is capital driven co-productions aiming to reach international audiences and produce high budget films. Exploitation of tax incentives is the main motivation for this production method. Apart from the first one, Turkish filmmakers cannot benefit from other strategies due to the size of their companies and lack of institutional regulations. When we analyse the co-productions within artistic and economic success perspectives, creative and finance-capital driven co-productions emerges as strategies. As a third integration model, runaway production becomes central with its economic and creative motivations. First film industry country in the world using this strategy is US and their main aim is to decrease the production costs. It is the film production method in which some parts or all parts of the film shoot in foreign location with foreign crew. Two types of runaway productions are explained in literature as creative and economic runaways. While in the former one, creative considerations are the reason; the main motive in the latter one is the lower production cost. In this global integration model, artistic and economic inputs are balanced in different forms and productions are generally made with economic concerns. Fourth global integration model is based on adaptation strategies. In this model, superiority and hegemony of films and film production strategies of Hollywood are admitted and new strategies are developed in parallel with this view in relatively small scale film producing countries. For big size film countries, adaptation strategy is used with the aim of reaching and tapping new markets as well as the creation of niche markets. Two types of adaptation

strategies can be observed in the literature as material and stylistic adaptations. They are based on the exploitation of the successes in other markets and use of material and stylistic elements in foreign markets. As it was explained in Klein's study (2004) with examples of Hollywood and Chinese films, while US films absorb many Asian elements including workers, stars, styles of action and stories in order to become more globally marketable, Asian film industries become less Chinese, Japanese, or Indian in order to reach global markets and producers become more powerful players in local production, distribution, and exhibition as in the Hollywood. They appropriate and indigenize Hollywood conventions. As it can be understood from the figure 16, this model can be placed in the intersection area of artistic and economic successes. However- as it is explained in Hollywood and Chinese cases- in comparison with artistic concerns, the economic successes and returns are the main concerns in this integration model. Fifth model is based on the geo-cultural marketing which means the use of geographically proximate and culturally similar markets. Language, shared history, religion, diasporic communities are the advantages in this model. China, India, and Nigeria are the main film countries benefiting from this strategy. Although Turkish film industry has not benefited from this model for feature films, TV series export to geo-cultural markets has reached a big scale in the last five years. In this model, the use of cultural similarity for economic return is the main point. In the final integration model, niche marketing will be explained with its creativity and innovation based production strategies. Main point of this model is the creation of niche audiences for new products. If we look at the model within Hollywood film industry perspective, it displays different characteristics. All big film studios in US have niche units working on lower budget films and acquiring foreign and niche films (Hancock, 1998). However, for other film countries, it means new opportunities and possibilities to reach new markets. New strategies or production models like animation films in Japan and Dogme 95 strategy in Denmark are the production methods based on the niche marketing. They were using their creativities and innovations to create new markets for their films outside of the main competitive film markets. In this new created area, they become the main producers and take the advantage of being first. By considering the creativity and innovation components of film production process, niche marketing can be accepted as an integration model with artistic success. In conclusion, it can be said with the help of demonstration in the figure that all these integration models carry artistic and economic factors and emerge with the combinations of different successes.

In the figure, three types of successes are defined. In this model, global integration accepted as a success category for film industry due to the developments in the last twenty years in addition to the artistic and economic successes. Despite the grouping of success factors into different categories in the figure, all of these factors influence both artistic and economic success of films and film companies, and also the level of global integration. By considering this fact, all of these factors will be tested in all kinds of success analyses for Turkish film industry.

In order to clarify the variables and demonstrate the number of approaches from different disciplines, Table 10 was prepared with the summary of existing empirical and conceptual studies addressing success factors in film industries. In the following table, existing literature is briefly reviewed through the categories of film, firm, and organization specific factors.

As it can be seen in the table, there are so many theoretical and empirical studies in the literature trying to analyse success factors of film industry. Although most of them carried out in Hollywood which is the commanding centre of world film market, I will briefly summarize the literature in the following part with the help of the summary made in Boccardelli's study (2008).

As it can be seen in the table, there are so many theoretical and empirical studies in the literature trying to analyse success factors of film industry. Although most of them carried out in Hollywood which is the commanding centre of world film market, I will briefly summarize the literature in the following part with the help of the summary made in Boccardelli's study (2008).

Table 10. Summary of Researches on Success Factors in Film Industry

Group	Success Driver	Indicators	Film Studies that use these drivers in the success analyses
Film Specific	Box-office	Admissions	Delmestri, Montanari, & Usai, 2005; Bagella & Becchetti, 1999; Lampel & Shamsie, 2003; Hennig-Thurau, Houston, & Walsh, 2006; Andersen, 2008; Soda, Usai, & Zaheer, 2004;
	Weekly box-office results	Opening box-office	Holbrook & Addis, 2008; Hennig-Thurau, Houston, & Walsh, 2006;
	Total Revenue	Overall market earning of a film (amount of money)	Lampel & Shamsie, 2000; Boccardelli, Brunetta, & Vicentini, 2008; Ravid, 1999; Holbrook & Addis, 2008; Sharda & Delen, 2006; Desai & Basuroy, 2005; Uzzi & Spiro, 2005; Faulkner & Anderson, 1987;
	Weekly revenue	Weekly market earning of a film (amount of money)	Basuroy, Chatterjee, & Ravid, 2003; Elberse & Eliashberg, 2003;
	International revenue	Overall market earning of a film in foreign market (amount of money)	Ravid, 1999; Andersen, 2010; Andersen, 2008; Terry, Butler, & De'Armond, 2005;
	Critics' review	Positive, negative, mixed; Film guide ratings (1 to 5)	Lampel & Shamsie, 2000; Boccardelli, Brunetta, & Vicentini, 2008; Delmestri, Montanari, & Usai, 2005; Ravid, 1999; Simonton, 2004; Holbrook & Addis, 2008; Hennig-Thurau, Houston, & Walsh, 2006; Desai & Basuroy, 2005; Sochay, 1994; Elberse & Eliashberg, 2003; Prag & Casavant, 1994; Andersen, 2008; Meiseberg & Ehrmann, 2008; Uzzi & Spiro, 2005;
	Awards	Number of award	Basuroy, Chatterjee, & Ravid, 2003; Boccardelli, Brunetta, & Vicentini, 2008; Delmestri, Montanari, & Usai, 2005; Ravid, 1999; Simonton, 2004; Lampel & Shamsie, 2003; Holbrook & Addis, 2008; Hennig-Thurau, Houston, & Walsh, 2006; Sochay, 1994; Smith & Smith, 1986; Prag & Casavant, 1994; Andersen, 2008; Meiseberg & Ehrmann, 2008; Cattani & Ferriani, 2008; Faulkner & Anderson, 1987;
	Number of reviews in first week	Positive, negative, mixed	Basuroy, Chatterjee, & Ravid, 2003;
	Nominations	If any member nominated for award	Basuroy, Chatterjee, & Ravid, 2003; Lampel & Shamsie, 2003; Sochay, 1994; Cattani & Ferriani, 2008; Faulkner & Anderson, 1987;
	Top10	Any member participation in topten films	Basuroy, Chatterjee, & Ravid, 2003
	Star Power	Won award (actor and director); Reputation (director)	Basuroy, Chatterjee, & Ravid, 2003; Delmestri, Montanari, & Usai, 2005; Walls, 2005; Bagella & Becchetti, 1999; Hennig-Thurau, Houston, & Walsh, 2006; Sharda & Delen, 2006; Desai & Basuroy, 2005; Sochay, 1994; Elberse & Eliashberg, 2003; Prag & Casavant, 1994; Meiseberg & Ehrmann, 2008; Faulkner & Anderson, 1987;

Table 10. (Continued)

Group	Success Driver	Indicators	Film Studies that use these drivers in the success analyses
Film Specific	Genre	Advantageous ones (Comedy:1, others:0)	Delmestri, Montanari, & Usai, 2005; Walls, 2005; Bagella & Becchetti, 1999; Simonton, 2004; Sharda & Delen, 2006; Desai & Basuroy, 2005; Prag & Casavant, 1994;
	Sequel	If it is sequel 1, if not 0	Basuroy, Chatterjee, & Ravid, 2003; Ravid, 1999; Walls, 2005; Hennig-Thurau, Houston, & Walsh, 2006; Sharda & Delen, 2006; Prag & Casavant, 1994;
	Flexibility of the director	Participation in different genres	Boccardelli, Brunetta, & Vicentini, 2008;
	Experience of the director	Number of projects realized	Boccardelli, Brunetta, & Vicentini, 2008; Meiseberg & Ehrmann, 2008;
	Flexibility of the actor	Playing various roles; Participation in different genres	Boccardelli, Brunetta, & Vicentini, 2008;
	Experience of the actor	Number of films performed in	Boccardelli, Brunetta, & Vicentini, 2008;
	Parental Rating	Permission for viewers; Restriction	Delmestri, Montanari, & Usai, 2005; Ravid, 1999; Walls, 2005; Bagella & Becchetti, 1999; Simonton, 2004; Sharda & Delen, 2006; Sochay, 1994; Prag & Casavant, 1994;
	User rating	Imdb rating; Consumer perceived quality	Boccardelli, Brunetta, & Vicentini, 2008; Holbrook & Addis, 2008; Hennig-Thurau, Houston, & Walsh, 2006; Andersen, 2008;
Firm Specific	Pattern of release	Number of opening screens	Lampel & Shamsie, 2000; Basuroy, Chatterjee, & Ravid, 2003; Walls, 2005; Holbrook & Addis, 2008; Sochay, 1994; Elberse & Eliashberg, 2003; Lee & Han, 2006;
	Word-of-mouth communication	Revenues per screen in the previous week	Elberse & Eliashberg, 2003;
	Staying power	Number of weeks	Holbrook & Addis, 2008; Lampel & Shamsie, 2000; Sochay, 1994;
	Budget	Level of production budget (\$)	Lampel & Shamsie, 2000; Basuroy, Chatterjee, & Ravid, 2003; Ravid, 1999; Walls, 2005; Holbrook & Addis, 2008; Elberse & Eliashberg, 2003; Meiseberg & Ehrmann, 2008;
	Subsidy	Amount of subsidies; Subsidised films	Bagella & Becchetti, 1999;
	Production Cost	Actual production cost of a film	Hennig-Thurau, Houston, & Walsh, 2006; Prag & Casavant, 1994; Robins, 1993;
	Advertising expenses	Actual expenditures for advertising	Hennig-Thurau, Houston, & Walsh, 2006; Elberse & Eliashberg, 2003; Prag & Casavant, 1994;
	Profit	Revenue – (production costs+advertising expenses)	Hennig-Thurau, Houston, & Walsh, 2006;
	Major production company	Average box-office (market share of company); Level of output (number of films it produced)	Bagella & Becchetti, 1999; Lampel & Shamsie, 2003; Wakabayashi, Yamada, Yamashita, Nakamoto, & Nakazato, 2010;
	Major distribution company	Presence of major distributor (Big distributor companies according to market shares)	Bagella & Becchetti, 1999; Sochay, 1994; Elberse & Eliashberg, 2003;

Table 10. (Continued)

Group	Success Driver	Indicators	Film Studies that use these drivers in the success analyses
Firm Specific	Co-productions	Absence or participation of foreign co-production	Bagella & Becchetti, 1999;
	Year	Release year of the film	Lampel & Shamsie, 2000; Smith & Smith, 1986; Robins, 1993;
	Release Date	Seasonality; Timing; Advantageous Months (high, medium, low)	Basuroy, Chatterjee, & Ravid, 2003; Delmestri, Montanari, & Usai, 2005; Ravid, 1999; Walls, 2005; Simonton, 2004; Hennig-Thurau, Houston, & Walsh, 2006; Sharda & Delen, 2006; Sochay, 1994; Elberse & Eliashberg, 2003; Lee & Han, 2006;
	Domestic and foreign release	Time lag between domestic and foreign release	Elberse & Eliashberg, 2003;
Organization Specific	Strenght of vertical economic ties (between producer, director, and distributor)	Frequency of collaboration (how many time together); Repeated ties (between producer and distributor)	Delmestri, Montanari, & Usai, 2005; Cattani, Ferriani, Negro, & Perretti, 2008;
	Strenght of horizontal artistic ties (between director, actor and writer)	Frequency of collaboration (how many time together)	Delmestri, Montanari, & Usai, 2005;
	Role combinations (producer, director, screenwriter)	Consolidations of roles (PD/S, PDS, PS/D, P/DS, P/D/S)	Baker & Faulkner, 1991;
	Social network measures	Centrality; Closeness; Betweenness; Eigenvector; Structural holes; Effective size; Efficiency; Constraint; Hierarchy; Ego betweenness; Cluster coefficient; Number of ties	Andersen, 2008; Meiseberg & Ehrmann, 2008; Wakabayashi, Yamada, Yamashita, Nakamoto, & Nakazato, 2010; Wakabayashi, Yamada, Yamashita, Nakamoto, & Nakazato, 2010; Miller, 2010; Wakabayashi, Yamashita, & Yamada, 2009; Soda, Usai, & Zaheer, 2004; Cattani & Ferriani, 2008; Uzzi & Spiro, 2005;
	Level of centralization	Degree centrality	Boccardelli, Brunetta, & Vicentini, 2008;
	Brokering degree	Betweenness	Boccardelli, Brunetta, & Vicentini, 2008;

**The table is prepared with the inspiration from Hennig-Thurau et al.'s (2006, p.36) study.*

Chisholm (1993) and Lampel & Shamsie (2003) explain the success of Hollywood by making an analysis on the different periods of US film industry. Studios and flexible specialisation eras are the two periods following each other detached by the Supreme Courte Decision in 1948. End of the studio ages in Hollywood film cluster was the start of flexible organizations. While Chisholm (1993) describes the characteristic feature of first period as long term contractual arrangements, she evaluates flexible contracts as the important feature of second period which can also be accepted as the source of success for Hollywood film

industry. While Lampel and Shamsie sees “transforming capability” as the most relevant factors affecting project performance in the first period, they evaluate “mobilizing capabilities” as distinctive factors in the second period. The first “transforming capabilities” comprises routines that drive and regulate the process of using the bundle of resources to obtain a finished product of a desirable quality”. The second “mobilizing capabilities” consists of routines needed to identify and commit most of the resources, particularly in the form of various forms of creative talent such as producer, director, writer, and stars” (ibid., p.2191).

Concerned with the firm level success factors, Finn et al.’s study (1994) provides important contributions with the evaluation of the performance of cultural industries with marketing and business management perspectives. In that study, marketing is accepted as a crucial factor for the economic viability of many cultural products. In the case of the film industry, marketing research is seen as a necessity but there are some difficulties about the implementation of this research. Lack of available data, prototypical nature of film project, and volatility of market because of the fashions are the reasons for the lack of marketing research. Although there are some problems in film industry related to the marketing research, different type of researches are carried out in the literature such as marketing programs identifying different target markets, consumer researches, customer satisfaction and service quality researches. Segmentation and positioning are the other marketing methods dividing total market into sub-groups and positioning the products into different segments of total market. With the help of firm level analyses, the existence of these specific marketing methods and their positive or negative effects on box-office performance can be examined in specific film industry case. Product management based on the star and style based cultural products is the other way of marketing aiming to reduce inherent uncertainty in the demand side. In motion picture industry, uses of star-power and specific genres are the methods preferred with the aim of increasing box-office performances. Existence of star actor in films and genre can be tested as success factors for film industry. Distribution strategy based on the release pattern, seasonality, and internationality of a distributor company is one of the important factors determining and affecting the size of the potential audiences and film performances. Wide release, release month, and distribution through international companies are the variables which can be deduced from these factors.

In another study, Robins (1993) explained the commercial performance of film companies with economic efficiency and innovation concepts. Economic efficiency based explanations referring cost efficiency was made with the analysis of organization in terms of sourcing and selling relationships of products. Production cost is accepted as the most important point of economic efficiency for companies. Strategies aiming to decrease costs become important in this explanation. For film industry, “disaggregation of film production” was explained as the strategy decreasing transaction costs and providing economic efficiency for larger film companies (ibid, p.105). On the other hand, innovative capacity of firms was explained with the ways of the organization of production. It was stated that “small autonomous producers may be better equipped than larger organizations to create new types of goods and services” (ibid, p.106). Two types of research as industrial organization and organizational behaviour researches were summarized in that study with their interests on the relations between market structure and innovation. While industrial organization researches are associating firm size and innovation, works on organizational behaviour make an analysis of complex relationships among size, structure, control, and innovation. It is stated as a key idea in these studies that larger organizations associated with complex division of labour are better for routine tasks than innovation. Within the framework of innovation and economic efficiency concepts, production cost, distributors’ gross revenue, firm size, and years of the production are suggested and used as variable in that study.

Other contributions to success analysis have focused on the role of talented resources like directors and technicians, and relational factors between external and internal community of professionals (Miller & Shamsie, 1996; Ravid, 1999; Basuroy et al., 2003; Lampel and Shamsie, 2000 and 2003; Boccardelli et al., 2008). Miller and Shamsie (1996) use resource based view of the firm for Hollywood analysis. They had stated that firms can be successful if other firms unable to imitate their resources. They made categorization for resources under two titles as “property based” and “knowledge-based resources” which means respectively the form of long term contracts with stars and theatres helping financial performances, and the form of production, coordinative talent, and budgets boosting financial performances. While property rights are based on the ownership of valuable resources that cannot be legally imitated by rivals, knowledge based resources depend on “the form of particular skills: technical, creative, and collaborative” (p.522). While Lampel and Shamsie had described the concept of “momentum” as the representatives of the capability of films to attract audiences and to the start of “word-of-mouth mechanism” in 2000, later on, they had analysed the

organizational forms and focused on role of talented actors on box-office performance (2003).

Additionally, while Ravid (1999) explored the role of stars on box-office performances, Basuroy et al. (2003) examined how critics affect box-office performances. Critics, star power, and budgets were the variables used in the success analysis of films at box-office.

Related to the evaluation of artistic performances of films, critics, awards and nominations are identified as indicators in the literature. Innovation is stated as a need for both economic and artistic success of films and measured with awards in the first time in Faulkner and Anderson's study (1987). In 1991, Baker and Faulkner used awards as an appropriate measure of innovativeness for modern film industry. Afterwards, critical acclaim was started to be used with awards in the evaluation processes. Critics' reviews are accepted as an important factor affecting performance of films both economically and artistically (Eliashberg & Shugan, 1997; Lampel J. &., 2000; Basuroy, Chatterjee, & Ravid, 2003; Boccardelli, Brunetta, & Vicentini, 2008; Delmestri, Montanari, & Usai, 2005). In these studies, the role of critics on consumers' decisions is positively or negatively defined as significant. It is stated in Basuroy et al.'s study (2003) that critics can serve many functions in film industry such as providing advertise and information for films; creating reputations; constructing a consumption experience; and influencing preferences.

In the literature, critics are discussed within two different perspectives. Critics as an "influencers" and "predictors" are the two different perspectives stated in Eliashberg et al.'s (1997) and Basuroy et al.'s (2003) studies. They can also be evaluated together in performance analyses (Basuroy et al, 2003). While in the first idea critics influence the audiences and consequently the commercial box-office performance of films in the early weeks of run, in the second one it could be predictors of audiences for entire run (ibid, p.71). Due to the lack of weekly box-office data for selected films in Turkish case, cumulative box-office results will be correlated with the critics as predictors.

Another contribution was made by Delmestri et al. (2005) to the film performance analysis. They used the characteristics of relationship between filmmaking team members as the success factors. For the explanation of a film performance, consolidated and stable relations based on the previous collaboration in other projects are accepted as an important element

(Boccardelli, Brunetta, & Vicentini, 2008). Delmestri summarized the organizational studies focusing on the relational patterns and stated that there are two different views about the effects of relational patterns on performance and innovation. According to first view which is based on the traditional industrial district analysis, the presence of strong ties of knowledge and reciprocal trust are the reason of success. On the other hand, these strong ties can be evaluated as the reason of “strategic blindness in the case of contextual changes” (Delmestri, 2005; p.982). On the one hand, the stability of relational patterns produces commercial success, on the other hand, the weakness of strong ties provide innovativeness. Delmestri introduced two concepts in order to overcome inconsistency problem of two different views: vertical and horizontal ties between filmmaking team members. While vertical ties linking directors to producers and distributors were analysed for the economic nature of film production, horizontal ties with the other members of the production team were investigated for the creative and artistic character of filmmaking. To what extent the strength of these relations may influence film performance is the question tried to be answered in that study. The authors analyse the strength of ties as the source of success with the indicators such as the frequency of collaboration of director with the other members of team.

In addition to these studies, similar measures are used and analysed in different studies concentrated on Hollywood film industry such as Sorensen and Waguespack (2006) and Ferriani et al. (2005) which are also summarized in Boccardelli et al.’s (2008) study. While in the first study the effects of prior relationships between film producers and distributors on box-office performance were analysed, in the second one, collaborations and interpersonal ties between project participants were analysed. As Sorensen and Waguespack define film budgets, promotions, number of opening screens, and release timing as dependent variables in the analysis of the effects of relationships between producers and distributors on box-office performance, they use number of direct ties to the distributors, past performance average, and film ratings (content suitability for certain audiences) as independent variables. On the other hand, Ferriani et al. (2005) used relational variables to understand organizational learning and knowledge accumulation in film industry. They claimed that collaborative ties emerging in the process of continuous organizational formation between film crews act as a bridge between film companies and cause learning and knowledge accumulation processes over time.

In the other study organized by Cattani et al. (2008), structure of interactions in the network connecting audiences and feature film producer organizations is examined for the success of film industry. They made an analysis on U.S. film industry and traced “the inter-organizational network between feature film producer organizations (candidates) and distributor organizations (the audience) and its influence on producer organizations’ exit rates over the period 1912–1970” (p.145).

The other factor defined as influencer on the performances of films is reputation. Studies made for Italian film industry emphasize the importance of director reputation for the success and popularity of Italian films in both national and foreign markets. Delmestri et al. (2005) emphasized that reputation influence directors’ working ability with professionals which at the end influence the performance of films. He also stated that past performances are the decisive factors for the team members coming together in a film project. Reputation is very important for both individual and organizational level. For individual level, higher reputation increases the value of worker in both internal and external labour market. The capability and the knowledge of film team members have positive and negative effects on films success, “but not all roles have the same importance” (ibid, p.979). While director reputation is very important for independent films as in the Italian and Turkish film industry, producers have more prominent role for popular mainstream films in both Hollywood and Turkey. For organizational level, reputation is a fundamental resource. Good reputation creates favourable results for firms by “enabling them to charge premium price, attract better applicants, and enhance their access to capital markets” (ibid, p.978). When we compare the firms having good and poor reputation, well reputed ones become prominent with competitive advantageous within their industries. Reputation of both filmmaking team members and production companies have positive or negative effects on the artistic and commercial success of films.

In another study, Usai et al. (2001) have made a contribution to performance analysis by introducing human and social capital concepts. As paralleled with the other Italian film industry researches, directors’ roles are investigated in this study with the concepts of human and social capital. Basic hypothesis was stated that human and social capital of entrepreneurs significantly affects the performance. Artistic and economic nature of film industry has reflected on the performance analysis in that study within two categories such as artistic and economic performances of films. Box-office results and critics are the two dependent

variables used for the analysis of economic and artistic performances. While human capital is measured with economic and artistic reputation of director, social capital is evaluated with the strength of economic and artistic ties between director and other economic (producer-distributor) - artistic sub-groups (screen directors-writer-leading actors/actresses) of project team. Additionally, seasonality, film genre, and film ratings (parental rating) are used as control variables for performance analysis.

Uzzi and Spiro's (2005) study focuses on the relationships between collaboration and creativity. They analysed "the small world network" of the creative artists who are the performers of the Broadway live entertainment musicals. Small world network is the form of social organization which has an ability to influence creativity and performance. It is a network structure locally clustered and has a short path length. They have stated that network of artists affect their creativity in terms of economic and artistic performance of the musicals. Additionally, it is emphasized that there is a threshold for the increasing performance after which positive effects reversed (p.447). In that study, relational analyses are sophisticated not only with the estimation of the direct ties among couple of actors, but also with the help of small world networks based on bipartite affiliations. Through these methods indirect ties in the networks can be defined. Specifically the presence of structural holes and brokerage in the social network of musicals are accepted as methods help to understand "the selection mechanism of the specialized resources to use for a specific project around a key central node". When we look at the main hypothesis used in that study, it is defined that small world networks, which have higher level of connectivity and cohesion, positively affect the performance of creative projects. It is also stated that "the influence of this connectivity becomes negative beyond a certain limit" (Boccardelli et al., 2008, p. 5).

Lorenzen (2008) stated the importance of social network theory on the analysis of industrial evolution. The influences of social structure on industry evolution consisted by the spread of new organizational firms and transmission of new practices within a population of firms can be interpreted with the social network analysis. In the film industry literature, growing interest to the social networks and their effects on the organizational performance and industrial change have been observed (Baker & Faulkner, 1991; Cattani et al., 2008; Lorenzen & Taube, 2007; Lorenzen & Taube, 2008 a; Miller J. , 2010; Uzzi & Spiro, 2005; Wakabayashi et al., 2009; Yamashita & Yamada, 2004; 2005; Wakabayashi et al., 2010). As Lorenzen summarized, two important dimensions of social network structure can be seen in

this literature. “Short average path length” (2008, p.288) is the first observation of social network characteristics demonstrating the average number of degrees between any two agents in the network. It is accepted as a good for transmission of new practices and learning from each other. Contacting to other actors in the sector and mobilizing information and other resources are the practices which can easily be transmitted in the social network structure which have short path length. With the help of this formation enabling the development of social trust, reciprocity and reputation effects, transaction cost can be reduced among the members of film network. Second observation is based on the social network with short path lengths and “a high degree of clustering” (p.288). High degree of clustering displays the density of interconnectedness in the network which can be inhibitive for the spread of new organizational forms and can be blocks for new entries (Lorenzen & Taube, 2008).

Finally, Meiseberg and Ehrmann’s (2008) study will be analysed. They have combined economic approach and social network perspective for the analysis of performance in German film industry. In this study, success factors are categorized as product inherent and product induced factors. While creative sphere and financial resources are accepted in product inherent categories, marketing support and competition are evaluated in product induced categories. Experience of the team members and existence of star actors and actresses are the factors located in creative sphere effecting the success of films. On the other hand, budget and funds are evaluated in financial resources part as decisive success factors. Under the heading of marketing support in product induced categories, critics’ reviews and awards are used as indicators. In competition part, they have emphasized the existence of the range of available alternative films. The number of alternative films (number of films released at the same time) is the factor positively or negatively effecting the performances of films. Network structure as an important point of this study are accepted as decisive factors for the success of films and measured with connectivity and density analysis. Basic point is the importance of the filmmaking team for the success of film. Vertex degree and structural holes are the social network measures used and tested in that study according to their influences on the performances of films. Vertex represents an actor in network diagram and connected with lines indicating any social relations. “The degree of a vertex is the number of lines incident with it.” Meiseberg and Ehrmann explain vertex degree concept with social relations among filmmaking team members. Contacts between team members helps to spread of knowledge within the network. Creativity and know-how emerge at the end of both

individual talent and social system allowing information share. Problem solving, innovation, and aesthetics in a films are the results of creativity emerged at the end of knowledge sharing. Distinct relationships between team members helps to meet consumer interests and make films more attractive to the audiences. In short, it can be said that vertex degree is the measure demonstrating the number of the contacts among filmmaking team members and giving chances to them to reach creative input and know-how. On the other hand, structural hole is exist in the ego network of vertex if two of its neighbours are not directly connected. In this situation, “the vertex can build on more diverse knowledge and obtain ideas from creative personnel that is not in turn directly influenced by one another” (ibid, p.357). With this way, it differentiates films from its competitors and naturally influence the performance of films.

In the light of information mentioned above, it can be said that artistic and economic success factors are the two fields mostly used in film industry analysis. Independent (auteur or b type) films on the one hand and popular (mainstream or blockbusters) films on the other represent the dual nature of film industry with their different organizational dynamics, characteristics, and role combinations. Producers and directors targeting the national and international markets realize their projects with different dynamics and role combinations according to their preferences related to the artistic quality and box-office results. When we consider the different forms of integration to global film market with the perspectives of artistic and commercial success, it can easily be determined that there are two main types of integration to global film market: artistic and economic. If we categorize the six models of integration into two main fields, three groups emerge as commercial, artistic, and finally both artistic and commercial. While first group contains geo-cultural marketing strategies, second group includes niche marketing strategies. Third group contains commanding centre, runaway productions, co-productions and adaptation strategies.

5.1.2. Global Integration of the Film Industry

Up to this point, all success factors defined in the film industry researches are summarized to develop a framework for the analysis of Turkish film industry, carried out in the case of Istanbul. However, it is observed that the level of global integration is emphasized in the literature less frequently. There is limited number of research focused on the success within global integration perspective. As a main point of this thesis, indicators of global integration for film industry were summarized in table 11 with the inspiration from Öztürk’s study

(2008, p.169). In that table, different forms of global integration are analysed in the context of artistic and economic success categories and the six recommended integration models. The table also describes the variables (together with the appropriate measures) that will be used to evaluate the level of global integration for different countries. And also, the existence of the data needed for the analyses in question are specified for Turkish case. Before the descriptive analysis of the success factors, theoretical studies mentioning the globalisation process of film industry will be explained.

There are limited numbers of research analysing the level of global integration and the success of films in international markets (Neelamegham & Chintagunta, 1999; Elberse & Eliashberg, 2003; Andersen, 2010; Kaiser & Liecke, 2007). However, debates on the globalisation and internationalisation process of film industry have defined the process in fourth categories as the globalisation of the involvement of filmmaking, film consumption, film production, and finally the organization of filmmaking (Lorenzen, 2007). While the first one refers to the global structure of the filmmaking activity and the development of the new film countries in global markets, second one means the rise of global consumer tastes and consumption. Expanding global mass markets and the ability to create niche audiences are the new possibilities in globalised film industry. Global film productions express the involvement of different actors from different countries in film production as in the co-productions and runaway productions. The last category of the global forms organization states the emergence of global forms of organization such as global corporations.

The categories mentioned in the literature related to the global integration are not clearly defined for films and film companies. In fact, the concept of global integration expresses the growth of film industry at global scale with the development of the ability of companies to leverage the skills and capabilities of a global workforce. It means for companies to integrate filmmaking operations globally and successfully manage the distribution and exhibition processes. In the global integration process, foreign creative talents integrate into the local talent networks and create new externalities attracting both producers and audiences. By considering this definition, global integration can be analysed in five categories. *Global forms of organization, serving to global markets, existence of global functions, global productions and global involvement in film production* are the categories summarized as different forms of integration in the following part by regarding Turkish case.

Table 11. Indicators of Global Integration for Film Industry

Forms of Integration	Integration Categories	Model	Variable Descriptions	Measures	Evidences for Turkish Case
*Global forms of organization	Economic	Command Centre (Global Corporations)	*Export rates	*The share of Box-office results in foreign countries to domestic market.	No evidence
			*Release in Foreign Markets	*Number of films released in foreign market	Yes
			*Employee	*Number of jobs /size of the labour pool	Yes
			*Revenue	*Turnover of the companies	No
			*Self Sufficiency ratio	*Home Market Share	Yes
			*International Enterprises	*Multi-media conglomerates	No
* Serving to global markets (global consumption-niche audiences)	Artistic	Niche Marketing	*International Festival Awards	*Number of awards	Yes
			*Critics	*Critics' review	Yes
		Geo-cultural Marketing	*Diasporic films	*Content and genre	No
			*Foreign filmmaking crew	*Use of foreign workers in film production value chain	Yes
Existence of global function (Functional Integration)	Economic	Runaway Productions	*Cross-border organizations	*Major blockbuster films shot in different locations	Limited
			*Outsourcing	*Involvement of local firms in foreign blockbuster films at different stages such as financing, production, post-production, and distribution	No
		Material Adaptation	*Multinational Corporations	*Number of vertically integrated multinational corporations	No
			*Off-shoring	*The number and share of films shoot in foreign location	No
	Artistic	Stylistic Adaptation	*Global films (Odorless films)	*Number of films released in foreign markets	Yes
				*Number of markets in which a film released	Yes
			*Network structure of organizations	Density and centrality measures of globally integrated films' social networks	Yes

Table 11. (Continued)

Forms of Integration	Integration Categories	Model	Variable Descriptions	Measures	Evidences for Turkish Case
Global productions (Relation with foreign capital and employees)	Economic	Co-productions (Cross-border)	*Global financing	*The number of co-productions	Yes
			* Outsourcing	*The number of foreign films benefited from tax incentives or any other regulations	No
	Artistic	Co-productions	*Special funds	*Transnational productions in which foreign crew (below the line) have been involved	Limited
				*Eurimages support	Yes
Global involvement in filmmaking (Political Connections)	Economic	Runaway Productions	*Government assistance and direct involvement (Tax incentives)	*Number of films shoot in foreign markets by using incentives	No
	Artistic	Co-productions	*Institutional Relationship (memberships)	*European Audiovisual Observatory Eurimages membership	Yes

Under these categories, six different integration models, which are explained in the second chapter, are organized with their artistic and economic emphasizes.

5.1.2.1. Five Categories of Global Integration in Film Industry

While commanding centre Hollywood film industry is dominating world film market with its *global forms of organization* carried out by global corporations, in niche and geo-cultural marketing models, producer companies *serve global markets* by creating niche audiences with their film projects. In the runaway and adaptation based integration models, *existence of the global function* is the basic point of departure. Functional integration is carried out over the different stages of film productions. On the other hand, co-productions as the main integration model for some countries require *global productions* including the use of foreign capital and employees. As the last category, *global involvement in filmmaking* refers to political connections and comprises runaway and co-productions with all facilitative regulations.

In order to analyse the level and type of global integration for different film countries, variables can be grouped under the global integration categories. According to this categorisation, total revenues, number of employees in film sector, releases, home market share, export rates, and the number of international multimedia conglomerates are the indicators for countries having *global forms of organization* and command functions. When we analyse and compare Hollywood with other film countries according to these indicators, command centre characteristics can easily be observed for US film industry.

Revenues of the film companies is the direct way of measuring national or regional economic performances as it is stated in Lorenzen's study (2009a). He stated that Hollywood film cluster collects half of the world's box office and its multimedia conglomerates are the top performers in the world in terms of revenue collection. Employment and the number of jobs in the film industry are the other indicators displaying economic performances for film sector. Hollywood is the major film producer in the world with its number of jobs and size of labour pool. Releases can also be used as an indicator in order to show performance of film industry in terms of competitiveness, developed home markets, and revenues. Releases cannot demonstrate all these different performances by itself but it "reflects market size in terms of exhibition infrastructure (number of screen), cinema attendance, and purchase power" (Lorenzen, 2009a, p.5). Home market share is the other indicator demonstrating

competitiveness and economic performance of the film industry. Home market share can display the ability of filmmakers to touch local cultural values in their film contents and their ability to compete imported films in domestic market. On the other hand, it may show the protected position of home market through trade policies or language barriers. Moreover, it may demonstrate the competitiveness in terms of marketing and distribution capabilities (Lorenzen, 2009a). Big home market share may be the sign of economic development for home market through film industry but purchase power of the home market is more decisive for the development as it can easily be observed in Indian case. It has big home market share but in terms of revenue it cannot reach big results paralleled with this share. Export is the most important indicator for the globally integrated film industry. It shows the economic development potential by capturing revenues and reaching new markets. As Lorenzen (2009a) stated, competitiveness of a film cluster can be measured with exports in several dimensions. It may show both the competitive content of the films and film cluster's cultural competitiveness in terms of film narratives, aesthetics, and simply language. As a third dimension Lorenzen emphasized that export reflects the capabilities of film clusters. Good marketing and strong global distribution network are the essential factors for the export in film industry. Exporting film clusters have the capabilities of global marketing and distribution. When we look at the admissions in foreign markets with the aim of observing exports, US films take first places. 536.7 million people watched US films in the world in 1999 (Lorenzen, 2009a, p.9). In spite of all these positive factors, a high export rate cannot demonstrate developed film clusters in terms of content, cultural preferences, and capabilities. However, even without these developments; export of films can be the result of government supports and regulations for the export of films in some countries and strategic decisions in international negotiations such as GATT and Marshall Aid.

In the table 12, comparison of twelve important film countries demonstrates the leadership of US film industry with number of film and screen, market share, admission and revenue indicators. As it can easily be understood from the table, it is very big scale film producer country commanding world film market. It dominates world film market with its films, technologies, production strategies, talents, and government policies. "Advantages of the English language, extensive distribution networks, market maturity, and economies of scale are the other features of Hollywood's global dominance in film industry (Keane, 2006, p. 835)". When we consider the Turkish film industry with these indicators, it is still one of the small scale film producers in the world film market and is far away from commanding

functions. As it is stated by one of the Turkish film producers during the interview (case study, 2009), Turkish film industry creates an economy of totally 500 million USD by adding advertising sector. Whereas, just one US blockbuster film “Avatar” (2009) has created 2.7 billion USD worldwide grosses.

Table 12. Comparison of the Twelve Film Countries, 2009

Countries	Number of films	Home Market Share %	Number of Screen	Film Admissions (Million)	Revenues (Million \$)
U.S	677	91.8	39028	1420	9629
China	456	56.6	36682	217.8	906.3
India	819	92	10120	2900	1860
Japan	448	56.9	3396	169.3	2200
Canada	75	0.89	2833	108	863
Australia	38	5	1989	90.7	848.4
England	116	16.5	3696	173.5	1472
Germany	142	27.4	4734	146.3	1357
France	230	36.8	5522	200.9	1710
Italy	133	24.4	3208	111.2	940.1
South Korea	138	48.8	1996	156.8	854.4
Turkey	69	50.9	1575	36.9	198

Source: European Audiovisual Observatory, Focus 2009, 2010, World Film Market Trends

Serving to global markets is the second forms of global integration in the table which can be evaluated in artistic integration categories with the niche and geo-cultural marketing strategies. Creation of the niche audiences in world market and reach films to the large masses and global consumption are the strategies constituting the base of this category. In order to examine the existence and use of niche marketing strategies in selected film market, international festival awards and critics’ review can be used as variables. On the other hand, diasporic films; which can be described with the contents and genre of films, and foreign crew; which can be tested with the existence of foreign workers in any stage of the film production value chain, are the variables that can be used for testing whether geo-cultural strategies are preferred. For the Turkish case, niche and geo-cultural marketing strategies are the methods used for selling Turkish films to foreign markets. Award and critics’ review variables demonstrates that Turkish films which are multi-awarded and having high scores on critics are distributed and exhibited in foreign markets and preferred by niche audiences.

Besides, geo-cultural marketing is the very popular strategy for Turkish case with the existence of the culturally similar markets. For feature films, Germany is the first market with its huge number of Turkish migrants and it can easily be seen in the box-office results of Turkish films. Balcanic, Middle East, and Caucasian countries are the geo-cultural markets for Turkish films but there is no clear result for feature films release in these markets. However, especially in the last ten years, popular Turkish TV series have been sold to these countries. It is stated by one of the exporter company owner (Firat Gülgen-Calinos Holding) in Turkey that TV series are very popular in these markets and the prices for per episode increased from 20-30\$ to 500-20000\$ in the last ten year. TV series industry has been in a huge development process with its all handicaps after 2000 and positively affecting film industry in terms of finance, technology, and talent. However, due to the lack of data about the number of exported TV series, exported countries, and prices, geo-cultural marketing strategy cannot be examined through TV series.

The existence of global function is the third integration form in the table than can also be assessed as functional integration for film industry in both economic and artistic integration categories using the runaway productions and adaptation strategies. Outsourcing as the base of runaway productions providing cost advantages to film producers is the most preferred strategy for biggest film producer countries in the world such as US and UK. They generally use foreign locations for film shooting with the aim of lowering production costs and benefiting from the incentives such as tax relief, location fees, subsidies and equity investment in those countries. In order to examine whether this strategy is used for the global integration in the selected country, shooting locations of films and involvement of foreigners in filmmaking process can be used as variables. For Turkish film industry, runaway production is not a referred strategy. There is no data about the existence of Turkish films shoot in foreign locations by using foreign filmmaking crew at any stage. On the contrary, since 1920, totally 23 films were shot in Turkey (Çalışkan, 2011). However, they were generally the films using just a few local actors or actresses and cannot be evaluated in the runaway production category.

Adaptation strategy is the other integration method for film industry including both material and stylistic adjustments. Material and stylistic adaptations mean follow the leader practices and successful (high box-office result) films. Government policies are the other field in this category implying the pressures to conform production methods and characteristics.

Existence of the multinational corporations in film sector is one of the important indicators for the globally adapted film industry. Number of vertically integrated multinational corporations can be a good demonstrator for some countries such as US, Japan, and South Korea in the globalisation process of film industry but for Turkish case there is no data related to the number of multinational companies. Off-shoring can be accepted as the other indicator for materially adapted film industry. It is “the movement of part of a production process to foreign locations. It refers to the location of production and used interchangeably with outsourcing” (Chase, 2006). When we consider the Turkish films in this context, there is no clear data about the films whose one or more part is shot in foreign markets.

Stylistic adaptation is the other strategy referring the change in the content of the films and production networks. Odorless is the concept generally used for the content of global films such as blockbusters. Number of films released in foreign markets and number of markets in which a film released can be used as indicators for the globally integration over adaptation strategies. Social network characteristic of the production team of globally integrated films is another indicator demonstrating the adaptation in production networks with density and centrality measures. For Turkish film industry, stylistic adaptation is not an applicable strategy yet. 92 films in the 200 film database were not distributed and exhibited in foreign markets. The data of the number of distributed markets for Turkish films showed that films were released in limited number of foreign country such European countries.

Relation with foreign capital and employee constitute the base of *global productions* in film industry. It implies the co-productions as production method for the global integration with its artistic and economic aspects. Co-productions are one of the most important trends in globalised film production in today’s competitive economic order. As it is explained in the chapter on integration models (chapter 2), co-productions are carried out in two ways in the world film market.

On the one side, co-productions are realized with the leadership of firms aiming to increase financial resources and to decrease the risks in the exhibition stage derived from demand uncertainty. In the literature, two types co-production are stated as national and international co-productions but in this thesis the term co-production refer just international co-productions. In this form of co-production, at least two producers from different countries come together and realize their film projects.

On the other side, co-productions are made with the help of the positive contributions of special programmes and fund such Eurimages Media Programmes. In this method, main aim is to protect local cultural values against globalisation and to protect local filmmakers against the dominance of Hollywood film industry. It aims to promote European film industry by supporting production (by fostering co-operation), distribution, and exhibition companies. It is stated in the website of “Council of Europe, European Cinema Support Fund” that Eurimages has supported 1383 European co-productions for a total amount of approximately 417 million Euros since its establishment in 1988. It has supported 60 Turkish initiative co-productions with 12.8 million Euros by the end of 2009. Moreover, there are 27 film projects in which Turkish filmmakers are the minority co-producers (Yılmazok, 2010). As co-producer film countries for Turkish films, France, Greece, and Hungary emerge as the most preferred partners (figure 18). As it is stated in Yılmazok’s study, cost advantages, legal environments, cultural similarities, geographical proximities, developed infrastructures, and the scale of the film industry can be the reasons to co-operate with producers form these countries (2010).

By considering these two types of co-production organizations, existence or use of global or international financing and outsourcing can be used as indicators for the global integration. The number of internationally co-produced films and the existence of foreign involvement in filmmaking process are the measures which can be used for the analyses of Turkish case. However, except from the Eurimages supported projects there is no Turkish film made with international partnerships. The data of 200 most successful Turkish films used in this study showed that 31 films had benefited from the Eurimages supports approximately equal to 6.5 million Euros. Co-production as one of the global integration model in film industry provides good opportunities for film producers in different parts of the world. In the globalisation process of film industry, Turkish filmmakers are using co-production strategy through Eurimages and government supports. Due to the limited number of internationally co-produced films and releases in foreign markets, Turkish film industry can be evaluated in the artistically integrated categories with co-productions.

Global involvement in filmmaking is the last form of integration in the table based on the political connections. Institutional relationships (memberships) and government assistances are the indicators for the artistic and economic integration categories. Co-productions can

also be considered in the artistic side of this model with the Eurimages supports used in the production process. Since, the use of Eurimages supports requires the membership of the government to European Audiovisual Observatory. The other production strategy in this integration model is runaway productions. In this production strategy, projects need government assistance through tax reductions and incentives. The number of films shoot in foreign markets by using these types of incentives is an important indicator in this integration model for most of the countries but it could not be a model and strategy for Turkish films.

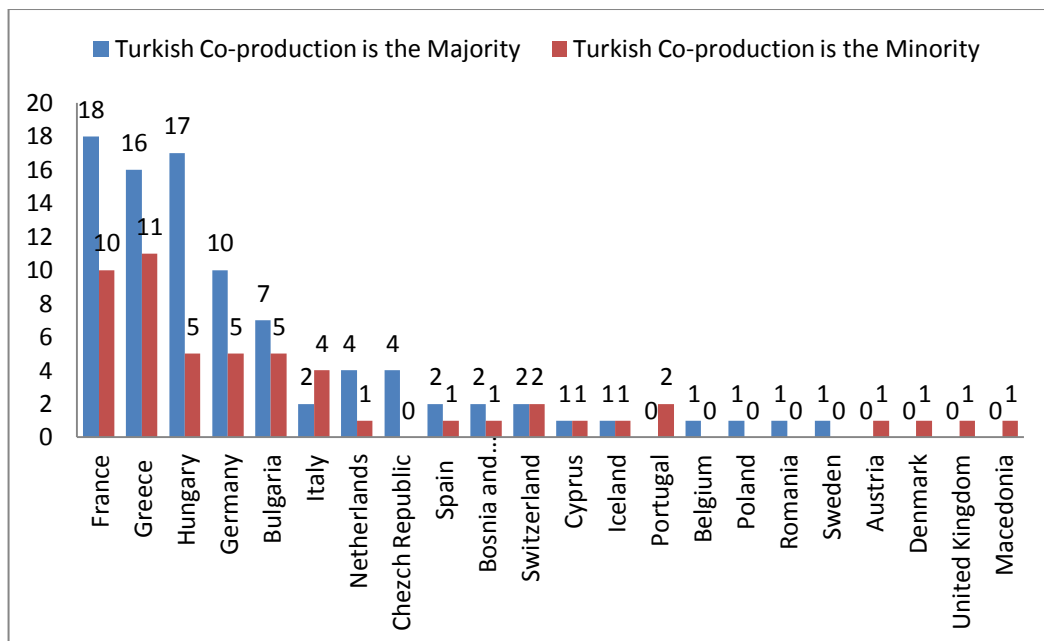


Figure 18. Number of Co-produced Films According to Partner Countries in Turkey
(Eurimages Supported Films)

To sum up, variables related to the tripartite model are grouped in three categories as film specific, firm specific, and organization specific factors with the aim of evaluating all these variables together. As it can be seen in the table 13, depending on the analysis in the existing studies as well as theoretical debates of the variables that explain economic and artistic success and the level of integration into the global markets are listed in three columns. Tripartite model based on the artistic and economic success factors and the level of integration into global film market is the framework for the case study analysis held in Istanbul.

Variables stated in table 13 can be grouped in three categories by demonstrating the availability of knowledge about these variables for Turkish films. First category shows the variables applicable in this study with all related information. In the second and third categories, lack of data and limited information are showed with one and two asterisks. In order to display differences among variables, these two asterisks are used in this table. While one star show the lack of data about the variables indicating that there is no reliable data on Turkish films, two stars represents having limited knowledge on Turkish films related to that variable. They cannot be used in the analyses as variable but in order to demonstrate general structure of Turkish film industry related to that variable, they will be used in the descriptive analyses. In order to reach information about these variables for Turkish films, different sources of information are used such as Imdb, sinematurk, sinemalar, boxofficeturkiye, boxofficemojo, and antraktsinema websites as well as film and film company websites.

Table 13. Variables of Success at Film, Firm, and Organizational Level

	ECONOMIC SUCCESS	ARTISTIC SUCCESS	GLOBAL INTEGRATION (Artistic & Economic)	
DEPENDENT VARIABLES	Box-Office Revenue**	Awards Nominations* Critics' Review**	International Awards Release in Foreign Market (EU Box-office)	
INDEPENDENT VARIABLES	Genre	Genre	Eurimages supported films	FILM SPECIFIC FACTORS
	Sequel	Role (director-producer-writer) consolidation	Foreign creative staff	
	EU Box-office (27)	Director Experience (Number of film)	Exhibition in Foreign Markets	
	Number of Voters	Director (Artistic) Reputation (best director award)	Major international distributor	
	Star power	Flexibility of director (genre diversity)	Director (Artistic and Economic) Reputation	
	Rating (user)	Flexibility of actor (genre diversity)	<i>Adaptation (stylistically)</i>	
	TV Related Roles (Director-Writer-Producer)	Top Talent (Key Creative Individuals)	<i>Geo-cultural Marketing</i>	
	Partial Role Consolidation (Director-writer)	Director Experience (Yearly)	<i>Outsourcing-Runaway Production</i>	

Table 13. (Continued)

	ECONOMIC SUCCESS	ARTISTIC SUCCESS	GLOBAL INTEGRATION (Artistic & Economic)	
INDEPENDENT VARIABLES	Director (Economic) Reputation (average box-office and director of film in the first 35 over 1 million)	Director flexibility (working in different fields of audiovisual industry)	<i>Niche Marketing</i>	FILM SPECIFIC FACTORS
	First Week Viewership**	User rating, Number of voters		
	Average Box-office Performance of Company	International Co-productions Number of Co-producers	Foreign co-producer	FIRM SPECIFIC FACTORS
	Producer-distributor tie	Agglomeration	Major international distributor	
	Distributor (Major or Independent) (national-international)	Distributor firm (Major or Independent) (National-International)	Eurimages supported Distributors	
	National Co-productions Number of Co-producers	Producer-distributor tie	<i>Adaptation (materially)</i>	
	Agglomeration	Number of screen**	<i>Co-production</i>	
	TV-Related Company	Eurimages Support (€)		
	Major producer (Number of Films in 200)	Length of Run- Week		
	Release Month			
	Release Year			
	Number of screen**			
	Length of Run- Week**			
	Degree Centrality	Efficiency	Role Consolidations	ORGANIZATION SPECIFIC FACTORS Network Structure
	Betweenness	Effsize	Disjointed network	
	Closeness	Density	Highly connected network (density, centrality)	
Eigenvector	Constraint	<i>Adaptation (vertical integration)</i>		
Density	Hierarchy	<i>Niche Marketing</i>		
	Ego-betweenness			
	Brokerage			

5.2. Case Study research: Variable sets for the Analyses of Turkish Film Industry

5.2.1. The Research

The developments in the Turkish film industry in the last ten years have showed the signs of restructuring process that implies the changing production organization and the changing roles of directors. While the number of film produced in 2000 was 15, it has reached 40 in 2010 (See Appendix L). Furthermore, admissions and box-office results have displayed the same growth in those years. When we analyse the number of firms registered to Istanbul Chamber of Commerce as film, advertising, and theatre firm, it showed paralleled development between 2000 and 2007 by increasing from 614 to 1062 firms. Unlike the Yeşilçam era's producer oriented Turkish cinema, directors are the main actors in today's film production process who are generally actors/performers and producers in the filmmaking process at the same time. There are two groups of people in film sector working with artistic concerns on the one side and economic concerns on the other. Their films can also be evaluated with artistic merit and economic performances in line with the main concerns of directors and producers. As it is stated in the literature, it is very difficult to define and separate films as artistic and popular and also difficult to say that some directors made films with just artistic concerns. However, when the films are analysed with artistic and economic success factors, the differences between these concerns can be seen easily. In this part of the thesis, it is aimed to evaluate artistic and economic success factors in Turkish film industry within the perspectives of global integration at film, firm, and organizational level. Economic and artistic successes of Turkish films gained in both domestic and foreign markets especially after 1995 are tested with the data including 200 Turkish films in the context of global integration.

5.2.2. Variables Used in the Study

Variables will be explained in this section within the framework of tripartite model. With the help of SPSS and Ucinet (Social Network Analysis) Software, film project performances will be evaluated with the analyses of regression, correlation, and social network methods for the 200 most successful films made after 1995; the year pointing the start of a new beginning for Turkish film industry. In the first category of analysis, artistic success will be defined and tested with the variables of human, social, and material capital. In this section, talent, experience, and knowledge of the filmmaking team member will be analysed as an important

factor affecting the performances of films. On the other hand, ties and relationships among team members and role consolidations among director, producer and screenwriter will be used as variables influencing the film performances. Marketing strategies and financial resources are the other variables used in this section. For the economic success analysis, film, firm, and organization specific factors will be defined and tested for 200 films. While genre, seasonality, sequel, and reputation based organizations are analysed in film specific factor categories, multi-sectoral and vertically integrated characteristics of firms are evaluated in firm specific factors. As organization specific factors, centrality and density in the social networks of film production will be tested. In the third section of this tripartite model, global integration will be defined as success category in which artistic and economic successes come together and produce different global integration models. Local and global production network and the social network structure of these films will be analysed in the context of the six different forms of global integration.

5.2.2.1. Descriptive Analysis of the Variables

In the first stage of the case study analysis, dependent variables are organized according to the tripartite model. The level of global integration is added to the economic and artistic success analysis of film industry. In the literature, box-office results and number of awards are emphasized as dependent variables for the performance analysis arise from the artistic and economic nature of film industries. As it is explained in methodology chapter, 200 Turkish films made after 1995 are used for the success and integration analysis. In order to measure and evaluate success factors for Turkish film industry, three groups of variables are defined.

a. Indicators of Economic Success

Paralleled with the literature, box-office results and revenues are described as the measure of economic performance. However, revenue cannot be used as a variable for Turkish case due to the lack of data about the revenues of old films. Therefore, number of admission is defined and used for the economic performance analysis of Turkish films. It is the number shows the ability of films to attract audiences and generated returns in domestic market for those films over the course of their theatrical run. The data of the box-office results for Turkish films (the number of audiences) were obtained from the “sinematurk”, “siyad”, imdb, and “boxofficeturkiye” websites which are providing box-office results for all Turkish films. According to the data obtained from these websites (table 14), most successful Turkish

films reach nearly four million audiences and generate approximately 30 million TL as revenue. On the contrary, least successful films in the thesis data (200 films) reach 20.000 audiences and create nearly 150.000TL revenue at box-office. When we look at the least successful Turkish film (Joenjoy) for all time listed in sinematurk website, it is seen that 93 people watched this film and totally 739 TL revenue was generated. As it can be understood from the results, there is a big gap between commercially successful and unsuccessful Turkish films. They are not just the films different according to box-office results. Their production organizations are also very different. It can be said that there is a dual structure in Turkish film industry in which some of producers work with limited budget and possibilities on the one side and some producers work with big budgets, stars, and distribution opportunities on the other.

Table 14. Box-Office Information of Most and Least Successful Films

No	Film Title	Year	Admissions	Revenue (TL)
1	Recep İvedik 2	2009	4.322.166	33.493.326
2	Recep İvedik	2008	4.301.641	30.172.530
3	Kurtlar Vadisi Irak	2006	4.256.566	27.434.893
5	Babam ve Oğlum	2005	3.837.876	36.644.880
6	AROG	2008	3.702.604	25.463.034
191	Beş Vakit	2006	24.340	178.866
194	Çinliler Geliyor	2006	23.890	152.367
195	Son Cellat	2008	23.882	170.637
199	Janjan	2007	21.595	157.095
200	Çocuk	2008	21.414	155.372

*Revenue information of some of the films in the first and last five films of the data cannot be given due to the lack of information for them. Thus, the table is completed to fives with the films come after and before them.

b. Indicators of Artistic Success

Related to the evaluation of artistic performances of films, critics' reviews, awards and nominations can be used as indicators in Turkish case in paralleled with the studies in the literature. Award can be used as the indicators for both economic and artistic successes. It can be used as an appropriate measure of innovativeness for film industry. Critical acclaim is also used with awards in the evaluation processes of artistic success. It is added to the analysis due to its roles on consumers' decisions as positively or negatively. It is added because it can serve many functions in film industry such as providing advertise and information for films; creating reputations; constructing a consumption experience; and influencing preferences. It has a big influence on box-office performance of films according

to its positivity and negativity. Additionally, there is a parallelism between artistic performance of films and critics' review. In fact, it can be evaluated that there is a big difference between Hollywood and other film countries related to the roles of critics on artistic and economic performances of films. While critics' review can be a shadow force for the performances of films in Hollywood film industry, it has very limited effect for the economic performance of films in Turkish case due to the limited number of audiences following the critics' review in Turkish case. However, it can be said that critics' review has relatively big influence on the Turkish audiences preferring to watch auteur films. In order to measure the role of critics' review on the performance of Turkish films, it will be correlated with both awards and box-office results.

In order to integrate critics into this study as a dependent variable, SİYAD (Turkish Film Critics Association which is the member of the International federation of Film Critics-Fipresci) data were used. However, it was observed that they have not reviewed all of the selected 200 films. Due to the lack of data, 119 films were selected from the list and matched up with their critic scores (between 0 and 4). For the artistic performance analysis of Turkish film industry with critic's review, the data of 119 films will be used in this chapter. According to the data, there are limited numbers of Turkish films getting high score. As it can be understood from the table 15, while 40 percent of films get lower score, nearly 4 percent of them obtain higher score from critics.

Table 15. Frequency of the Critics Note

Critics' Review	Number of Films	Percentage (%)
Low (1-2)	79	39.5
Medium (2-3)	33	16.5
High (3-4)	7	3.5
Total	119	59.5
Missing	81	40.5
Total	200	100

Source: Calculated from the thesis data

The correlation between critic's reviews and films' box-office performances (table 16) has showed the insignificant relationship between critical acclaims and economic success of films. It can be said by considering this fact that economic success of Turkish films cannot

be affected from critics' reviews. And also it shows, Turkish people's film preferences do not overlap with the critics' thoughts.

Table 16. Correlation Matrices of the Critics' Review and Box-office Performances

		Box-office
Pearson Correlation	Critics' Review	0.010
	Critics' Review Three Group (Low,Medium, High)	0.008

Source: Calculated from the thesis data

The other dependent variables of artistic success as awards and nominations were added to project based database (200 films) from different sources. First of which is Imdb website (the internet film database) providing information about the number of awards and nominations for Turkish films. Secondly, Cinetürk website, the website established for making Turkish Cinema a part of the communication network for the European and world cinema with the support of Ministry of Culture and Tourism and the Association of Film Directors, was used for the number of international award of Turkish Films. All the information provided in this website related to the Turkish Cinema was collected in a book named "Basic Database of the Turkish Cinema, 1996-2006" (Sayman & Kar, 2010). Today, the data of international award of Turkish films can be obtained only from this book as the website is closed. Thirdly, festival websites were used for award numbers. In the data collection process, three most appreciated international Turkish film festivals¹² were selected and used. They were selected because they all have been in existence for more than twenty years including the last period of Turkish cinema; and they have granted annual awards in most of the categories. Finally, SİYAD and Fipresci awards were added to the film database with regard to their uniqueness in Turkey. They are the just two organizations in Turkey both providing critical reviews and organizing award ceremonies. And also, their award categories are consistent with the other festival categories. In the table 17, all the award data sources are gathered and compared for selected Turkish films. The table has demonstrated that the majority of Turkish films are generally artistically unsuccessful films according to the percentage of awarded films.

¹² International Istanbul Film Festival; <http://film.iksv.org/tr>, International Antalya Golden Orange Film Festival; <http://www.aksav.org.tr>, Ankara International Film Festival; <http://www.filmfestankara.org.tr>

Award and critic's review as the two most important indicators of the artistic success of films are correlated with each other and box-office results. It is observed that while there is significant relationship between award and critics' review (table 18), there is no relation between artistic factors and economic success. As it can be understood from the table, the higher critic's note positively affects the artistic success of films measured by the number of awards.

Table 17. The Number of Awarded Turkish Films According to Different Databases

Databases	Number of Awarded Films	Percentage
Imdb	74	37 %
Cineturk (International Festival Awards)	42	21 %
Selected Ones (Three Festivals and Two Critics- author Association)	55	27.5 %

Source: Calculated from the thesis data

Table 18. Correlation Matrices of the Award and Critic's Review

		Critic's Review	Award-Imdb	Award-Selected	Award-Cineturk	Box-office
Pearson Correlation	Critic's Review	1	0.532**	0.675**	0.317**	0.010
	Award-Imdb	0.532**	1	0.729**	0.836**	-0.031
	Award-Selected	0.675**	0.729**	1	0.422**	-0.050
	Award-Cineturk	0.317**	0.836**	0.422**	1	-0.018
	Box-office	0.010	-0.031	-0.050	-0.018	1

**Correlation is significant at the 0.01 level

c. Indicators of Global Integration

The level of global integration is the other important category in this study which will be analysed both artistically and economically with the dependent variables such as release in foreign markets and gained international awards. Product and market specific information are used in performance analyses. In order to measure international performances of films, country specific variables can be used as indicators. Weekly observations of film performances in different countries can present country specific factors in the global integration process. Number of screens, number of weeks, viewership, the influence of word-

of-mouth mechanism, presence and absence of stars, and genre are the variables displaying the characteristics of different country examples in order to understand the differences of the impact of different mixes of product and market specific variables in each market. These variables can be the good indicators of global integration, if it is available to reach this information in foreign markets. However, there is lack of information about the films released in foreign markets except from US films.

Table 19. Correlation Matrices of the Number of Released Foreign Markets and Awards

		Number of foreign market a film released	The number of award (Imdb database)	The Number of International Award (Cineturk database)
Pearson Correlation	Number of foreign market a film released	1	0.514**	0.607**
	The number of award (Imdb database)	0.514**	1	0.856**
	The Number of International Award (Cineturk database)	0.607**	0.856**	1

**Correlation is significant at the 0.01 level

When the data of 200 Turkish films is analysed with the release in foreign market variable, it is observed that 94 films were released in European countries. 47 percent of total number of film is an important result for Turkish film industry and imply important clues for the characteristics of production and marketing organization. The correlation (table 19) between the number of released foreign markets and gained awards displayed that artistically successful Turkish films are distributed and exhibited in more countries. There is significant relationship between the number of awards and the number of released foreign markets. However, higher number of released markets did not reflect in the box-office results of these films in both domestic and foreign markets. Their commercial performances are still very low. It shows that limited number of people is watching these films and they are generally the cinema lovers concerned with the artistic side of filmmaking. Therefore, it can be said that artistically successful Turkish films and film companies are integrated into European film network through niche marketing but it is still not possible to state that there is integration on a global scale for them.

An interesting point emerged in the data about the two films (*Duvara Karşı* and *Yaşamın Kıyısında*) directed by Fatih Akın a Turkish director born in Germany. They are the most widely distributed commercially successful films. They were released in 23 and 25 countries and reached approximately one and half million people at box-office in foreign markets. They can be both accepted as artistically and economically successful films in international markets. For the global integration of Turkish film industry, the directors having Turkish origin can be a good opportunity. The directors such as Fatih Akın and Ferzan Özpetek are very popular and known directors in Europe film industry and their popularities can be one of the important facilitator for the distribution and exhibition of Turkish films in European Markets.

On the other hand, as it is stated in the literature, films' higher domestic market performance and short time lag between a film's domestic and foreign release are the dynamics positively affect the performances in foreign markets. However, there is no evidence about this hypothesis. Performance analysis made for Hollywood film industry in international markets may verify this suggestion with the help of different data sources by emphasizing its "*commanding centre*" characteristics. However, it cannot be possible for other countries due to the lack of data such as Turkey. Except from the European Audiovisual Observatory data about the number of audiences (admissions) for Turkish films in European markets, there is no data about the revenues and opening week results of Turkish films in foreign markets. With the help of data provided by this European public service, the data of which Turkish films released in Europe and how many people watch them can be reached. Internationally co-produced and released Turkish films made with the support of Eurimages are the unique examples of "*co-production*" type of integration model. 31 films in the thesis data which is equal to a share of 15.5 percent are co-productions made with the financial support of the Eurimages ranging from 67.000 € to 487.000€. It became one of the important financial sources of artistically successful author films in Turkish film industry. Co-productions, one of the global integration models, are carried out in Turkey with the help of Eurimages funds, a fund of Council of Europe which supports the cinema of the member countries who have to make yearly contributions for the generation of that fund.

Additionally, number of admissions reached in both domestic and foreign markets can be used as indicator for global integration. National and international distribution companies and languages of the films are the variables emphasized in the literature for the performance

analysis of the films in foreign markets. Based on this information, distribution companies were added to project based database (200 films) within groups such as national (as independents and majors) and international distribution companies. Language and content of films are the factors affecting performances of films in foreign markets and can be involved in the “*geo-cultural*” marketing type of integration models. In the table 20, existence of the significant relationship between the performances of films and distributor companies (international) is tested for Turkish films. In the data, if the film was distributed by internationally operating company, it took a value of “3”. If it is a national big company, the value is “2” in this case. Independent distributors took a value of “1”. As it can be seen in the table 20, while 26 percent of films were distributed by independent distributors, 74 percent of the films were distributed by both nationally and internationally major companies.

Table 20. Number and Percentage of Films Distributed by Different Companies

Distributor Company	Number of Films	Percentage (%)
Independent Distributors	52	26
Major Distributors in National Market	87	43.5
Major Distributors in Global Market	61	30.5
Total	200	100

Source: Calculated from the thesis data

When we look at the relationship between distributor companies and artistic and economic performances, significant relationship cannot be observed for Turkish films (table 21). Language and content of the films cannot be used as variable in the analysis of the geo-cultural marketing strategies for Turkish film industry due to the limited number of films shoot in different language. However, when we look at the films released in foreign market, the strategy of the distribution of films to geo-cultural markets can be observed. Although, there are no diasporic films constituting the core of geo-cultural marketing model, all popular films in the domestic market are distributed to foreign markets hosting Turkish minorities. Germany is the biggest foreign market for Turkish films with its Turkish minorities. The analysis of the commercially most successful twenty Turkish films showed that they are distributed, on average, in five different countries starting from Germany, Austria, and Netherland and reached an average 275.000 viewers. As it is in the Indian and Chinese film industry, Turkish filmmakers and distributors started to target diasporic markets especially after 2000.

Table 21. Correlation Matrices of Distribution Companies, Number of Released Foreign Markets, and Box-office Results

		Distributor Company (International, National Major, and Independent)	Number of Foreign Markets a Film Released	Box-office	Award (Imdb)
Pearson Correlation	Distributor Company (International, National Major, and Independent)	1	0.008	0.018	0.047
	Number of Foreign Markets a Film Released	0.008	1	-0.032	0.514**
	Box-office	0.018	-0.032	1	-0.089
	Award (Imdb)	0.047	0.514**	-0.089	1

**Correlation is significant at the 0.01 level

Shooting location of the feature films and the involvement of national companies in different stages of the production of commercially successful foreign films are the two indicators demonstrating the degree of global integration for film industry. Functional integration into the production network of global blockbuster films is the most important and profitable way of global integration but there is no Turkish film that can be evaluated in this category. Integrating location, technology, and distribution networks into the global production organization of blockbuster films are the fields of interactions. While integrating location into global film market coincides with the “*run-away*” production strategies, integration into the world film market with technological developments and distribution networks corresponds to the “*adaptation*” strategies. When we analyse the Turkish case within this perspective, it can be seen that there are limited numbers of Hollywood films shot in Turkey such as “The World is not Enough” directed by Michael Apted (1999), “The Accidental Spy” directed by Teddy Chan (2001), and “Empire of the Wolves” directed by Chris Nolan (2005). When we analyse the different stages of the Turkish film industry in this integration process, it is observed that Turkey is used as a location in limited number of foreign films while there is no integration at production stage. Although, existence of the branches of global distributor companies in Turkey imply an important advantage for the global integration of Turkish films through distribution networks, they act in a one-way flow from US to Turkish market. They only operate within the borders of Turkey by distributing both the foreign and Turkish films, and do not distribute Turkish films in foreign markets; which

cannot be thought as a two-way integration model we search for. Although there are some integrated fields of Turkish film industry, they cannot be evaluated in the analysis of the integration of Turkish film industry into global markets due to the lack of reliable and satisfactory data about the films made with international partners in Turkey except from Eurimages supported co-productions.

In the light of above mentioned concepts and explanations, the number of audiences in foreign markets and the number of awards won in international film festivals were accepted as the two indicators for this study and added to 200 films database. They will be used as dependent variables for international success.

5.2.2.2. Independent Variables

In this part of the thesis, set of other variables effective on the artistic and economic performances are grouped in three categories as firm, film, and organization specific.

a. Firm Specific Variables

There are so many different perspectives investigating performance criteria for film companies. The role of “firm specific factors” on the different performances has been the emphasized issue especially after 1980s. “Human capital” and “knowledge based resources” are the highlighted ones in the firm specific factors. As a decisive figure, film companies specify distribution and promotion processes (distribution strategy and advertising expenses) as well as the relational capital characterising film industry and empowering the capability of selecting independent professionals.

When the production companies analysed in the thesis data, it was observed that the most successful 200 films were produced by 118 different companies. An analysis on the table 22 below shows that, while only one film for each of 75 firms were submitted in the list, there are 9 firms having 4 and more films and just 1 firm with its 9 films in the list. A deeper analysis of these 9 major firms demonstrates that they have produced 50 films in the list and their films have also success over the others with their box-office performances. While the average box-office result of 200 films is approximately 580.000, average number of admissions for these fifty films is 1.200.000. Release year of the fifty films stated in the table 23 has showed that 84 percent of the films were produced after 2000. It demonstrates that there is an important development trend in Turkish film industry in which major production

companies are emerging. One of the important points related to these major companies is that they are generally operating in more than one audiovisual area and can be accepted as multi-sectoral companies. Five of the nine major companies are the producer of TV series at the same time. As it can be understood from the table 24, major 9 firms are vertical integrated companies in the audiovisual sector.

Table 22. Number of Film and Producer Firms in the Thesis Data

Films Produced by One firm	Firms	Total Films
1	75	75
2	27	54
3	8	24
4	2	8
5	2	10
6	2	12
8	1	8
9	1	9
Total	118	200

Source: Calculated from the thesis data

Table 23. Release Year of the Films Produced by Major Companies

Release Year	Frequency	Percent
1995-1999	8	16%
2000-2004	12	24%
2004-2009	30	60%
Total	50	100

Source: Calculated from the thesis data

Table 24. Activity Areas of the Nine Major Companies

	Plato Film	BKM Film	Avşar Film	Aksoy Film	Fida Film	Filma Cass	ANS Yapım	Özen Film	Arzu Film
Establishment Date	1986	1994	1984	1995	1965	1986	1992	1941	1964
Production	✓	✓	✓	✓	✓	✓	✓	✓	✓
Distribution			✓		✓			✓	
Exhibition			✓					✓	
Advertising	✓				✓	✓	✓		
TV	✓	✓	✓			✓	✓		
Theatre		✓							
Studio and Equipment Renting Service						✓			
Publications	✓								
Organizations and tours		✓							

Source: Collected from company websites

The analyses on the production, distribution, and exhibition organizations of the fifty films demonstrate some common characteristics for major companies. Genre analysis displays that comedy and drama are the two favourite types of genre for major film companies. 84 percent of the fifty films are made as comedy and drama films (table 25). When the seasonality of film releases analysed, it is observed that major companies prefer to release their films in most advantageous months. As it is displayed in the table 26, 70 percent of the films were released in the peak periods of the year. When analysing the distributor companies for these films, it is determined that major film companies work both with national and international distribution companies. As it can be seen in the table 27, four major distributors hold 90 percent of the market share.

Table 25. Frequency Analysis of the Genres for Major Company Films

Genre	Frequency	Percent
Action	5	10%
Adventure	2	4%
Comedy	29	58%
Drama	12	24%
Romance	1	2%
Thriller	1	2%
Total	50	100

Source: Calculated from the thesis data

Table 26. Release Months of the Major Company Films

Months	Frequency	Percent
November, December, January, and February	35	70
September, October, March, and April	15	30
Others	0	0
Total	50	100

Source: Calculated from the thesis data

Table 27. Distributor Companies of the Major Company Films

Distributor Companies	Frequency	Percent
WB, UIP, Özen, and Kenda	45	90%
Others	5	10%
Total	50	100

Source: Calculated from the thesis data

New product development is emphasized as a necessity for the success of film companies in the literature. Short life-cycle of cultural products is showed as the reason of this explanation. And also it is stated that pre-launch market tests are very effective on the box-office performances of these new products. It can be valid for Hollywood film industry but there are no researches and research companies about this field in other film countries such as Turkey. Therefore, it cannot be possible to add pre-launch marketing researches to the success analysis of film companies. On the other hand, accounting information is stated as an important factor for the productivity and success of film industries. However, it could not be possible to reach this type of information in Turkish case as small scale film countries.

Finance is the other key area affective on film performances. Existence of the different financial resources is the key motive for both national productions and international co-productions. Production with the financial supports of TV channels and distribution companies can positively or negatively be effective on box-office performances. International coalitions become the important strategy in the last two decades for the success of films and film companies at global scale. Additionally, niche strategy is accepted as the source of success for film industries. Documentaries or animations are the examples of niches in global film market used and filled by different film countries and production companies. Due to the lack of information about the financial sources and total budgets of Turkish films, they cannot be used as variable for the analysis of Turkish case. It cannot be said for the global integration and economic success of all films that production companies needs big budgets. However, the analyses of the most successful fifty films in the world markets for all time showed that they were all made with the budgets over 100 million USD.

As it can be understood from the sample of film budget (table 28), Turkish film industry is a very small scale industry (average film budget is 2.028.872 TL or nearly 1.300.000 dolar-1\$=1.52TL) in comparison with Hollywood blockbuster films. Turkish film industry lags behind in the market compared to the US film industry in terms of the film budgets and financial sources. However, Turkish film industry has revealed a rapid development process after 1990s. New sources of financing for films were emerged in those years. As it is stated in Yılmazok's study, there are four type financial sources emerged in this process in addition to the companies' own budgets such as "TV channels, the Ministry of Culture (national support), sponsorship of business companies, and Eurimages" (2010, p. 88). While TV channel supports and sponsorships of business companies generally go to economically

successful mainstream films, Ministry's and Eurimages's supports go to artistically successful films. It can be said by considering global integration that the second group's financial supports have positive impacts on film companies to make international co-productions.

Table 28. Sample of Film Budget

	Budget (TL)
Scenario	158300
Production Team	227250
Actors/Actresses	473950
Production Expenditures	21870
General Performer Expenditures	24320
Pre-production	905690
Production Design	53690
Set Building	59175
Lighting Team	16930
Set Decoration	34990
Accessories	13480
Costumes	74350
Make up and Hair Styling	24770
Electricity	10270
Camera Team	32550
Audio Production	8020
Transportation Services	60070
General Production Team Expenditures	197120
Film Laboratory	52020
Special Effects	18900
Production	654485
Editing	36350
Post-production Film Laboratory	12260
Dubbing	56500
Post-production	105110
General Management Expenses	109604
Insurance and Taxes	69540
Statutory and Mandatory Expenses	179144
Total Budget	1844429
Completion Guarantee (10%)	184443
Grand Total	2028872

Source: Ildr, 2010

As a firm specific success factors, production and distribution companies can also be used as the determinants of box-office performance. The number of screens and distribution strategy are the other firm related factors influence viewership of films. In the world film market, the number of screens on which a film is released has a big influence on viewership. When Turkish film industry is evaluated with these variables, it is observed that there is significant relationship between the number of screen and number of viewers as well as the distribution strategy and box-office revenue. This is corroborates by the reality that top performing Turkish films are generally wide released films. As it is mostly emphasized in the other film country researches in the literature, the impact of screen numbers on film success is strong in Turkish case. It is a significant predictor of box-office revenue. In the light of this information, number of screen will be used in this study as an independent variable.

Table 29. Average Number of Screens for the Top 20 U.S Blockbusters and the Top 20 Turkish Blockbusters in Turkey

Blockbusters	2005	2006	2007	2008	2009
U.S	121	133	147	156	172
Turkish	145	179	148	214	269

Source: Box Office Türkiye website

As it can be seen in the table 29, while five years average of the number of screens for 100 US films is 146, it is 191 for Turkish films in the same years. And also, percentage of screen data has demonstrated that most of these Turkish films are released over one-hundred screens.

Table 30. Percentage of Screens of Turkish Films, 2005-2009

Number of Screen	2005	2006	2007	2008	2009
Less than 10	13.8 %	5.9 %	7 %	13.7 %	15.7 %
11to 50	24.1 %	35.3 %	25.6 %	19.6 %	28.6 %
51 to 100	20.7 %	17.6 %	34.9 %	27.5 %	15.7 %
101 to ...	41.4 %	41.2 %	32.6 %	39.2 %	40 %
Number of Films	29	34	43	51	70

Source: Box Office Türkiye website

On the basis of this information, the number of screens variable was added to this analysis. However, the number of screen data could be obtained for only 148 of 200 films due to the lack of data especially for films released before 2000. Examination of the release pattern of these films showed that there were two different groups of companies implementing wide distribution strategy on the one side and exclusive distribution on the other side. Pattern of release is also very critical for the performance of films. As it is explained in the literature, two patterns of release can be observed in Turkish case as wide and exclusive (Lampel and Shamsie, 2000). While wide release expresses the opening of films in hundreds of locations at the same time, exclusive one represents the initial release in a few selected locations on a limited number of screens which is then followed by gradual expansion to further screens due to the increasing demand.

On average, the films in the thesis data, which shows 148 films released between 2000 and 2009, opened on 116 screens. Number of screen data was obtained from the website of "boxofficeturkiye" and films' own official websites. Through the wider pattern of release, production companies aim to reach big number of audiences in a very short time. In the second method, emergence of the strong word of mouth mechanism is expected. While first fifty films in the data were exhibited on average 217 screens, last fifty films were displayed in 62 screens.

In order to measure the performances of films with economic efficiency and innovation concepts suggested by Robins (1993), production costs, distributors' gross revenue, the difference between cost and gross, the organizational status of the production (firm size), and the year of production are used as variables. In Turkish case, it is not possible to evaluate firm size as a variable due to the lack of data about the number of employee for these companies. TUIK (Turkish Statistical Institute) data provides that most of the companies in film industry are small and medium size companies. In terms of decreasing costs and being innovative, small sized firms can be accepted significant in Turkish case but it cannot be used as variable in performance analysis due to the lack of data. Major and independent characteristics of Turkish film companies related to firm sizes were added to the project based database with the number of productions, average box-office results, and multi-sectoral structure of companies (a value of 2 for companies making both TV programs and feature films and a value of 1 if they make just feature films). In the thesis data, total numbers of 200 films were produced by 118 different companies and the analysis of the year

of the first project of these companies showed that 79 firms in the list accounting 67 percent were established after 1995 (table 31) paralleled with the growth of film industry in those years. Additionally, experience of the firms measured with the total number of projects was displayed in the table 32. According to this table, majority of firms in Turkey were the producers of small number of film projects. While each of the 73 film companies has produced one to five projects in total, 24 of them are the producers of six to fifteen films. On the other hand, just three of the film companies are the producer of too many films generally made in Yeşilçam period. Totally 12 of the 118 film companies in the thesis data are still continuing their activities. When it is looked for the film companies' TV relationship demonstrating multi-sectoral structure, it is observed that 22 of them are operating in both TV and cinema field. Relationship between the performance of the films produced by these companies and their experience and multi-sectoral structure is tested with the correlation matrices. According to correlation results, there are significant relationships between these variables (table 33).

Table 31. Years of the First Projects

Years	Frequency	Percent
1950-1979	14	11.9
1980-1994	25	21.2
1995-2009	79	66.9
Total	118	100

Source: Calculated from the thesis data

Table 32. Number of Film Projects

Number of Films	Frequency	Percent
1-5	73	61.9
6-15	24	20.3
16-50	18	15.3
51-350	3	2.5
Total	118	100

Source: Calculated from the thesis data

Release month is the other worthwhile variable affecting the performance of films. Basic idea is that a high-attendance-period release (school terms / Christmas) is good at box-office and a lower-attendance-period is bad for revenue. There are some other peak points throughout the year and seasonality should be used as a measure. While November,

December, January, and February are the peak times in a year getting value of “3” in the data, September, October, March, and April get a value of “2” as a second category. Seasonal fluctuation is added to analysis in this way. In the above section, it was analysed for the major company strategies but here it will be made for the whole data for the analysis of the positive relationship between release pattern and box-office performance. As it is showed in the table 34, most of the successful Turkish films were released in high attendance period. Correlation analysis made with the variables of box-office and release month demonstrated that there is significant relation between them with a value of 0.275** (**Correlation is significant at the 0.01 level).

Table 33. Correlation Matrices of Box-office, Multi-sectoral Structures, and Company Experiences

		Box-office	TV and Cinema Connection	Experience
Pearson Correlation	Box-office	1	0.230**	0.242**
	TV and Cinema Connection	0.230**	1	0.589**
	Experience	0.242**	0.589**	1

**Correlation is significant at the 0.01 level

Table 34. Advantageous Months for Film Releases

Release Months	Frequency	Percent
November, December, January, February	112	56%
September, October, March, April	80	40%
Other Months	8	4%
Total	200	100

Source: Calculated from the thesis data

b. Film Specific Variables

They are related to the prototypical nature of film projects made by emotional, cultural and experiential characters (Boccardelli et al., 2008). Each project is unique and has specific characteristics. In fact, all film projects are grouped in two categories according to their artistic content and intensity of special effects. While films in the first group can be called as auteur films, B films, and independent films, second group of film are called mainstream,

popular, and blockbuster film. Bagella and Becchetti (1999) evaluates first group of films with their low level of capital intensity, labor intensive nature, and higher artistic merit. On the other hand, popular films are accepted as capital intensive and technologically superior films.

In the light of these information, success factors of films should be analysed in two categories as artistic and economic. Film specific attributes are investigated in order to analyse or determine the artistic and economic success factors of these films. Genre, which is defined with the aims of satisfying the consumer tastes in both national and international markets, is the first variable affecting box-office performances. It is one of the important factors for the global integration of films due to the similarity of genre preferences between different countries. In the light of this information, genre of film can be accepted as an important determinant of the success for films in both national and international markets. Popularity of director and actor is the other important variable determining the success of a film in both markets. Subsidization is the other field questioned in some of the studies focused on Italian film industry as a factor effective on box-office performance and therefore revenue. Genre, popularity of filmmaking team member, and subsidies are the effective factors on the performance of films. When the genre was analysed for Turkish case through the thesis data, it is seen that drama, comedy, and action are the most preferred genres for Turkish films. While drama is the most common genre in the list with 88 films, comedy is the second popular genre among Turkish films with 66 films (table 35) in the most successful 200 films list. As it can be understood from the table, there is positive relationship between some of the genres and box-office performances.

There are some differences as well as similarities between the genres of films successful in national and international markets. Genres of artistically and economically successful films in domestic and international markets can be different. While comedy films reach good scores at box-office in Turkish domestic market, drama films achieve artistic success in both national and international markets.

The relationship between the artistic and economic popularity of human inputs and the performance is another focus of this study. Reputation of directors, both artistically and economically, affect the performance of films (Bagella, 1999). The interaction between talented film making team members generates positive externalities, and consequently,

reputation of directors and actors positively affects the performances of films (Bagella, 1999). For Turkish film industry, directors have come to an important position especially after 2000. They can be both producer and director of films and deciding all the filmmaking processes by themselves.

Table 35. Genre Distribution of Most Successful Turkish Films

Genre	Frequency	Percent
Drama	88	44%
Comedy	66	33%
Action	14	7%
Adventure, Crime, Documentary	18	9%
Others	14	7%
Total	200	100

Source: Calculated from the thesis data

In the thesis data, artistic and economic reputation of directors are determined with the number of best director award gained in the festivals and the existence of the films rated by more than one million viewers. For artistic reputation (*A_Reputation*) of director, the number of best director awards gained in four different organizations (Antalya, Istanbul, Siyad, and Ankara) was collected. In order to measure the economic reputation (*E_Reputation*) of directors, films having more than one-million viewers were selected and if the director has a film in this group the variable gets a value of “1”, if not “0”. On the other hand, average box-office performances of directors were calculated and used as a variable in order to demonstrate the economic reputation of them. However, there are some directors who have/not both artistic and economic reputation at the same time. In order to evaluate this measure in performance analysis, a new variable was formulated with the name of *Reputation*. The value of “0” was given for directors having no reputation, while the value of “1” is given for artistic reputation, “2” is given for economic reputation and “3” is given for the directors who are both artistically and economically popular.

The table shows the number of films directed by the directors having artistic or economic reputation. According to this table, while most of the films in the data were directed by directors who do not have a reputation for artistic and economic success, eight films were directed by the reputed ones.

Table 36. Director Reputation

Reputation	Frequency	Percent
No Reputation	115	57.5%
Artistic Reputation	22	11%
Economic Reputation	55	27.5%
Both Artistic and Economic	8	4%
Total	200	100

Source: Calculated from the thesis data

Star based production system is the other important strategy for filmmakers aiming to reach more viewers. It is also one of the most preferred methods in Turkish film industry. When it is calculated by using the data of 200 most successful Turkish films (1995-2009), it was observed that 158 films were made with star actors or actresses. Popularity of actors has always been important for the commercial success of films. Both in Yeşilçam and current periods of Turkish cinema, star system has been preferred strategy. While star actors and actresses were selected from the beauty contests organized by the magazines in Yeşilçam era, nowadays, they are gained their fames through TV series.

Star power is the mostly emphasized variable in the literature as an important factor effecting box-office performance. Hollywood is stated as the first example in the literature with star based-system. Award winning actors and directors are key success factors of US films. However, in some film country examples, empirical results for the effects of star power on box-office performance have produced conflicting results. In some of the studies such as Wallace (1993) and Sochay (1994), the presence of stars in films' cast has been showed as a positive factor for box-office performance, in Litman's (1983) study it is observed as ineffective.

By considering this information, it can be said for the star power that it has both positive and negative (neutral) effects on films' commercial performances. In Turkish case, star power has been an important factor for the decisions of audiences. In the last two decades of Turkish cinema, star based system has become very popular again with some differences. While star actor and actresses were popular in Yeşilçam Period, star directors have become popular in the last period in addition to actors.

Star directors are the reality of contemporary Turkish cinema in both independent and mainstream filmmaking fields. In order to measure both artistic and economic success of films as well as the level of global integration, star power variable will be added to analysis for both directors and actors.

For star power, actors and actresses who had won at least one “best actor” or “best actress” award at selected festivals have been identified. Based on this measure, it is calculated that 33 of the 200 films have star power with the measure of best actor and actresses awards. On the other hand, 17 films have star power with the best director awards. However, only 10 different films in the list have the advantages of featuring both the star actors and directors. When the relationship between the star power and film performance is examined with correlation matrices, it is clearly seen that while there is no significant relationship between star power and economic success, artistic success (measured with awards and critics’ reviews) is highly correlated with star power.

Relationship between subsidies and box-office performance is the other emphasized issue in the literature. Due to the lack of information about the subsidized films in Turkish film industry, detailed analysis cannot be made for the thesis data. According to the information provided by the Directorate General of Copyrights and Cinema related to the financial supports, Ministry of Culture has provided, on average, 200.000 TL for selected films from the applicants after 2005 (table 37). With “the regulation of supporting cinema films” realized in 2004 (Law Number 5224), state supports was regulated for the first time in the history of Turkish cinema. State subsidies were increased in the following years of this regulation. As it is stated in the directorate website, supported films are mostly artistically successful films winning awards at different festivals. On the other hand, Eurimages is the other source of information for Turkish films related to the subsidies. According to the European Audiovisual Observatory database, an average of approximately 200.000 € Eurimages funds were paid to the 31 films in the thesis data as financial support. While there is no significant relationship between Eurimages supports and commercial performances, artistic successes of the films are positively affected from Eurimages subsidies.

Table 37. Number of Supported Films

Year	Number of Supported Films	Amount (TL)
2005	15	2.450.000
2006	26	6.109.000
2007	38	8.627.000
2008	27	5.910.000
2009	34	6.060.000

Source: Directorate General of Copyrights and Cinema

For the artistic and economic performance analyses of the films, genre, reputation, subsidy, and star actor were correlated with box-office results and award numbers. According to results displayed in the correlation matrices (table 38), there are significant relationships between these factors and artistic and economic performances. As it can be seen in the table, while film genre, director reputation, and star actors are effective on the economic performances, subsidies are very influential on the artistic performances of films.

Human capital as a driver of competitiveness is one of the key success factors in film industry. Variety of professionals taking part in the development and production of film projects represent the human capital of project. There are so many different figures in film production process but not all of them have the same importance for the realization of production. In the analysis of the role of human capital in Turkish film industry, directors were selected from group of professionals paralleled with their strong impacts on films' artistic and economic performances. Experience and flexibility of directors are the variables added to the performance analysis of films in this context.

Director experience as the important factor influencing the performance of films is measured in this study in two different ways. With *Yearly-Experience* variable in the "project-based database", the number of years between first and last project of directors was shown. It is calculated by using the data from the Sinematürk website which shows the first and last project years of directors. And the *Num-Film* variable in the same database shows the total number of feature films made by directors. In the thesis data, a total of 200 films were directed by 116 different directors. While 63 of them have up to ten years experience with a share of 54 percent, 30 directors have twenty years experience with a share of 26 percent.

And also, 23 directors have been working in this sector more than twenty years. According to the total number of feature film data, 85 directors have produced less than five films throughout their professional life. It shows that approximately 73 percent of the directors are inexperienced ones. However, they become prominent names in the film sector in the recent years of Turkish cinema. When the relationship between film performances (artistically and economically) and director experiences is analysed, it is seen that there is no significant relationship between them in Turkish case.

Table 38. Correlation Matrices of Film Specific Variables and Artistic-Economic Successes

		Box-office	Award	Eurimages Subsidies	Popular Genres	Director Reputation	Star
Pearson Correlation	Box-office	1	-0.089	-0.121	0.170*	0.550**	0.287**
	Award	-0.089	1	0.297**	0.037	0.076	-0.79
	Eurimages Subsidies	-0.121	0.297**	1	-0.082	-0.031	-0.006
	Popular Genres	0.170*	0.037	-0.082	1	0.049	0.198**
	Director Reputation	0.550**	0.076	-0.031	0.049	1	0.247**
	Star	0.287**	-0.79	-0.006	0.198**	0.247**	1

*Correlation is significant at the 0.05 level

**Correlation is significant at the 0.01 level

Source: Calculated from the thesis data

Flexibility of directors is the other measure of performance analysis. The number of TV series directed by these directors and different roles they committed in the filmmaking process are accepted as the measure of flexibility in this study. Directors who are working in both TV and film industry have the flexibility of working with new filmmaking crew and producers. New filmmaking team members and new financial sources provide directors more creative resources. On the other hand, the ability of directors to work in different part of the filmmaking process with different roles shows directors' filmmaking characteristics. The analysis of the number of different roles directors committed in their professional career demonstrated that 106 directors have been acting in more than one role (director) in filmmaking process; i.e. director, producer, writer, editor, cinematographer, and actor. In addition to flexibility issue, diversity measure is added to analysis related to the director. Directors' genre diversity is the measure demonstrates the number of different genre films directed by these directors. An analysis of TV series shows that 44 directors have not worked

in the production of any TV series. However, 72 directors have a connection with TV industry. Based on this information, it can be said that there is a significant connection between Turkish feature films and TV industry over directors and other filmmaking team members. Genre diversity of directors in the data shows the capacity of them to direct newer types of films and displays the role of human capital on the performances of films. An analysis on genre diversity of directors throughout their profession life shows that 106 of them are directed different genre films. However, within the thesis data 82 of them are the directors of just one genre category films while only 34 of them directed two and more different genre films in the list. It shows that directors have genre flexibility in Turkish film industry but they are not able to enter successful film list with all their films.

The variable *Top15* was created as the measure for the economic performances of films. In this variable, the roles taking place in filmmaking team of top 15 grossing films after 1995 has been showed by the value of 1. The analysis of the top15 variable in the data showed that while 33 of the 200 films in the data possess popular directors, 35 of them have popular screenwriters (include top 15 films). Additionally, 48 films have commercially successful producers, while 59 films possess popular actors and actresses.

Sequel is the other variable related to the characteristics of films. It reflects whether a film is sequel or not. If the film is a sequel, the variable gets the value of “1”, if not it gets the value of “0”. There are 15 sequels in 200 films database having on average approximately 1.9 million audiences. Correlation matrices of sequel films and box-office performances showed that there is significant relationship between higher box-office performance and sequel films in Turkish film industry.

Different combinations of roles is the other factors effective on the resources for the film industry’s different production strategies such as blockbuster and independent films. Producer (P), director (D), and writer (W) are the three key roles in filmmaking process bridging commercial and artistic domains within different combinatorial patterns. In conventional role theory, division of labor relies on certain combinatorial form in which different persons carry out different roles. In figure 19, five distinct role combinations in the production system are described for film industry. In the first one defined as “role separation”, each position is filled with different roles. All of the three roles are separated into different positions. As a second form of combination, “full role consolidation” can be

explained with the unified position of one person on different positions. In addition to these combinatorial forms, three forms of “partial role consolidation” can be observed in the filmmaking process (Baker & Faulkner, 1991, p. 282). While two of them bridge business and artistic domain, the third one separates them.

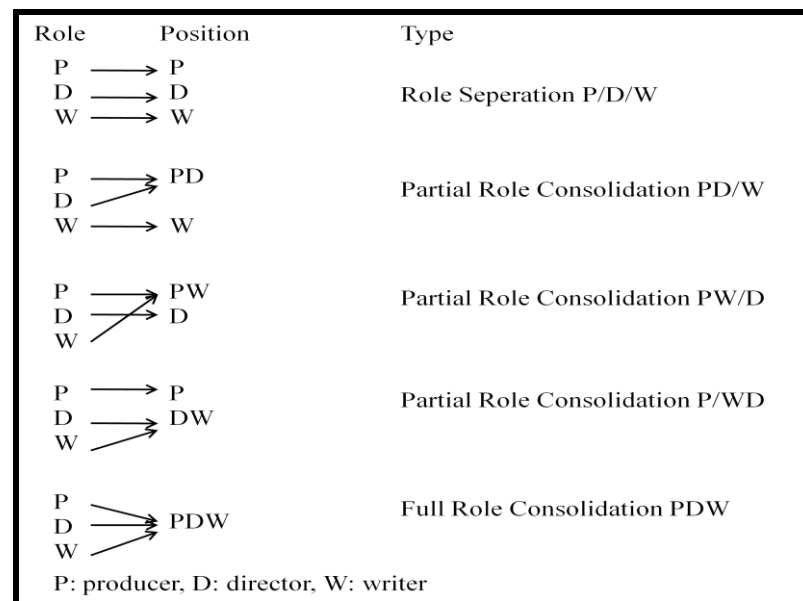


Figure 19. Different Forms of Role Consolidations

Source: Baker & Faulkner, 1991, p. 282

Through the division of labour based on these role combinations, blockbuster filmmaking strategy of Hollywood and its successes can be analysed. Blockbusters become the rationale for filmmakers in order to promote projects, attract financiers, and persuade talent. Nowadays, blockbusters are very popular and created with the different combinations of roles. In Hollywood example, two forms of combinations are seen as “the rise of the specialised producer with the increasing separation of business and artistic domains (P/DW, P/D/W), and the increasing consolidation of artistic roles (DW)” (Baker and Faulkner, 1991, p.290). In order to evaluate the success factors for Turkish films through division of labour perspective, different combinatorial form of role consolidations and separations were added to 200 films database. As shown in the figure, Turkish films have similar forms of role consolidations (specialised producers and consolidated artistic roles) to US films. It is seen with the help of initial project level analysis that popular Turkish films, which are

commercially successful, are the products of partial role consolidations based on the specialised producers on the one side and consolidated artistic roles on the other, while artistically successful films are generally produced with full role consolidations. The analysis on role consolidation and separation within Turkish films shows what type of combinatorial forms preferred as the formula for artistic and economic successes. It is observed with the analysis of 200 films in Turkish case (figure 20) that full and partial role separations have been general trends in feature film production since 1995.

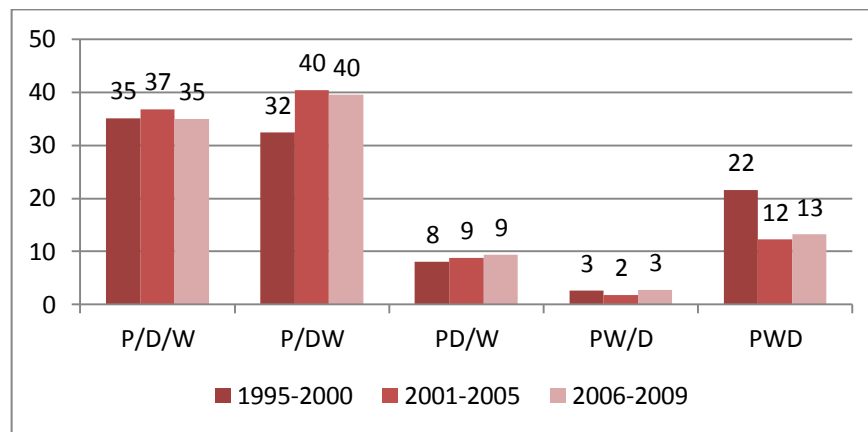


Figure 20. Percentage of Films per Period

Source: Calculated from the thesis data

In Yamashita and Yamada’s studies focused on both film and company level analyses (2004; 2005), human resources are accepted as essential and vital for the success due to their coordinator roles between artistic and economic fields of filmmaking. Cooperation between director and producer determine the artistic and economic side of filmmaking. For both artistic and economic success of films and film companies, coordination of talented human resources is needed. Human capital and talented professionals as the sources of success is not always possible for films. “Interpersonal networks” is described as an essential issue for the collaboration of talented professionals needed in filmmaking process (2005, p.3). The effects of network on performance can be different for independent and major companies and films. In order to cope with uncertainty of demand problem in the film industry which is generally the main concerns of producers concentrated on the economic success, major companies encourage division of labour and specialisation. They externalize their production function and obtain good results. On the other hand, independent companies cannot overcome the

problem of uncertainty. Division of labour is very limited option for them in production process (Yamashita & Yamada, 2005). Paralleled with the different organizational structure, they produce different type of films which can be named as independent and blockbuster films. In order to evaluate division of labour and performance relationship for both independent and popular films in Turkish case, sixty films were selected from the project based database (200 films) sorted by box-office results as multi-awarded, most successful, and mid-success level films. As it can be seen in figure 21, for both most and medium level successful films, P/DW combination (specialised producers and consolidated roles of directors and writers) and role separation are the general strategy of production. On the other hand, for multi-awarded twenty films having highly artistic and low entertaining nature, full role consolidation and P/DW combination become the main strategies.

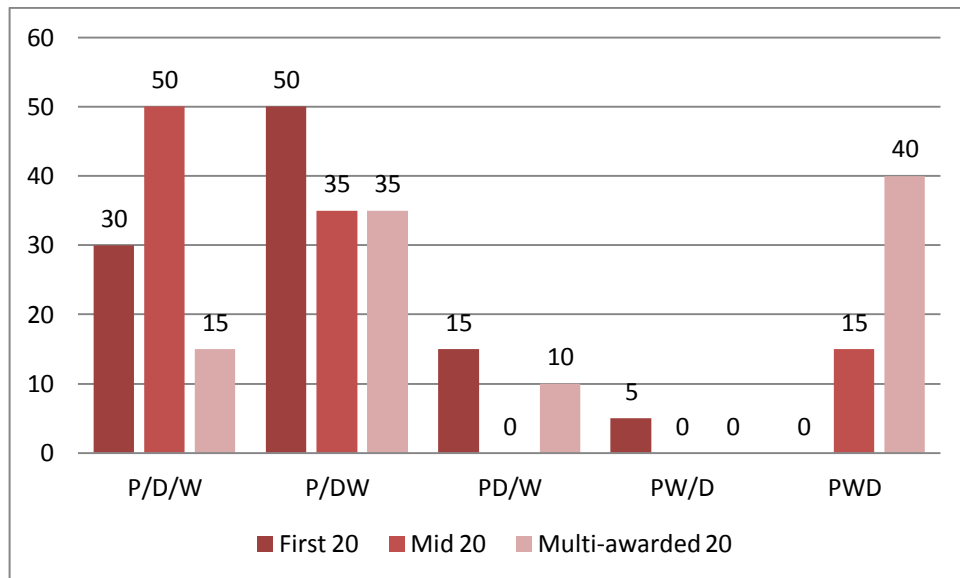


Figure 21. Percentage of Role Combinations for Different Film Groups

Source: Calculated from the thesis data

The other variable used in the performance analyses of Turkish films is concerned with the evaluative judgments of consumers (user ratings) and the level of buzz among these audiences (number of votes and word of mouth mechanism measured with weekly box-office results). It can be deduced from the Holbrook and Addis's study (2008) that consumer evaluations and buzz were very effective factors for both artistic and economic success of films. In order to measure the success of 200 Turkish films within this perspective, different

websites were used as the sources of information such as imdb and sinematurk. The data of the overall evaluations of films can be obtained from these websites as grades. Ten point scales from “0” to “10” was added to the project base-database and used as the measure for the performances of films. The level of buzz which is the factor effective on the diffusion of innovations and the spread of ideas was analysed with the number of votes inserted to the project-based database from imdb and sinematurk websites. According to data constituted from these websites, number of votes for Turkish films show big variability with the scores ranging from 11 to 18000 votes. The analysis of the user ratings has displayed parallel results ranging from 1.4 to 8.9. In the correlation matrices (table 39), existence of the significant relationship between the film performances, and the number of votes and user ratings were tested. As it can be seen in the table, while there is significant relationship between higher artistic performance and user ratings as well as the number of votes, the economic performances are highly correlated just with the number of votes in Turkish case.

Table 39. Correlation Matrices of User Ratings, Number of Votes, and Film Performances

		Award (Artistic)	Box-office (Economic)	User Rating	Number of Votes
Pearson Correlation	Award (Artistic)	1	-0.089	0.367**	0.453**
	Box-office (Economic)	-0.089	1	0.116	0.524**
	User rating	0.367**	0.116	1	0.301**
	Number of Votes	0.453**	0.524**	0.301**	1

**Correlation is significant at the 0.01 level

Source: Calculated from the thesis data

On the other hand, word-of-mouth mechanism was tried to be analysed with the help of first and other week viewership of films as a measure of performance. For Turkish case, word-of-mouth mechanism cannot be evaluated for all 200 films database due to the lack of weekly box office performances of all films. However, 134 films were selected and organized for the word-of-mouth mechanism analysis for the Turkish case with the data provided by boxofficemojo website operating in US as an affiliation of Imdb Company. It includes films from all success categories (top, mid, least) made after 2000.

When we analyse the opening week revenues and total box-office results of 134 films in Turkey, it is observed that Turkish films, on average, gets 25 percent of total revenue in opening week. In the light of this information, the functionality of word-of-mouth communication mechanism is tested with the films reaching ten percent of total gross in opening week. Six films were identified with the scores lower than ten percent. There are huge differences between their first week scores and total grosses for these films. It may be the indicator of the well functioned word-of-mouth mechanism. However, when we compare the number of these films in total 200 films, it gets very low score as 3 percent and cannot be taken into account for Turkish cases. The list displaying the percentages of opening week revenue in total grosses have signalled interesting point for the two films. “Issız Adam” (2008) and “Babam ve Oğlum” (2005) are the films reach higher box-office results with the help of word-of-mechanism. They are interestingly both directed and written by Çağan Irmak who started his career by shooting short-films and working in TV series industry. Both of the films were made with different producers and distributed in small number of screen. They played in high season of the year and remained on display for a long time. These two examples showed that Çağan Irmak as a director has created a place for himself in Turkish cinema with the style of films and the distribution and marketing strategies.

c. Organization Specific Variables

All the variables summarized in the first two categories have produced conflicting results in different examples up to this time. Some of the studies in the literature see the director’s popularity as the source of success; the others evaluate presence of stars as important. Additionally, reviews or critics and awards are evaluated and analysed as the source of success in many studies. There are some factors still missing in these analyses. Filmmaking teams’ joint potential is very crucial for the performance of films because they provide creative input and know-how for film creation. There are many studies in the literature focused generally on the positive influences of the social network structures on the film performances (Wakabayashi, Yamada, Yamashita, Nakamoto, & Nakazato, 2010; Wakabayashi, Yamashita, & Yamada, 2009; Yamashita & Yamada, 2005; Yamashita & Yamada, 2004). In order to fill this missing point in performance analyses, social network analysis will be added to the analysis of Turkish case. With the aim of the analysis of artistic and economic success and the level of global integration for Turkish film industry, social network analysis will be used in this section.

Organization specific factors defined as the production activities which are highly specialised and non-recurrent temporary organizations of different professionals have specialised competencies. Relational capital is the key term which can be used for the success of films in organizational level. Know-how as the source of competitiveness and development is frequently spread in film production through these social networks of professionals from different community of artists. Crucial point is the capability of quick reconfiguration of different competencies into specific projects (Boccardelli et al., 2008; Lampel & Shamsie, 2000 and 2003). As an important success factors for specific films at organizational level, intangible assets can be addressed by the analysis of film projects produced in one specific film cluster such as Turkey. Films are “the collective creation of a large number of separate individuals, each contributing their creative input, unique talents, and technical expertise to the project” (Ferriani & Corrado, 2005, p. 264). It can be said for film industry with this information that creativity needed in the filmmaking process emerges at the end of collective processes in the film production. The contributors to the creative production process of films include directors, screenwriters, actors, art-directors, screen-directors, editors, composers, and even producers. Their diverse contributions are very influential in film’s success. Additionally, social network structures demonstrating the collective process operationalised in filmmaking have become one of the decisive factors for the artistic and economic successes and global integration. For the explanation of the export growth of film industries, social networks are accepted as critical with their problem solving and reflective capacities about the complexity of creativity and industry structure relationships. In this context, social network characteristics are added to the analysis of Turkish case as one of the success factors.

There is a significant relationship between network characteristics of the film projects and their performances. Network centralities and brokering were the two measures calculated with Ucinet software and used as critical success factors in the film project performances. While degree of centrality showing the centrality of crew members is accepted as positive factors for both artistic and economic performances, betweenness as the brokering function of each node demonstrating the capability to activate relations with professionals and artists is accepted as significant for just commercial performances.

In order to measure the artistic and economic performances of Turkish films in both national and international markets, relational data has been defined for selected films making reference to the certain members of these projects. The members of the filmmaking team taken in consideration in this analysis are the producers, directors, screen-writers, actors, art-directors, screen-directors, editors, and musicians whose roles accepted as important for the realization of film production in the literature. In the first stage, network data has been collected in matrices. Members get a value of “1” in the case of their membership in the project, and “0” in the other way round. Through the Ucinet software, square matrix has been produced for selected films in the data such as the fifty films produced by the big nine Turkish production companies. And also, social network characteristics of the selected films are visualised with the help of NetDraw software (Network Visualisation Software in Ucinet). As it can easily be understood from the figure 22, highly connected and collaborated network structure is preferred by the big production companies. In addition to the statistical social network analysis, some interpretations can be made with the help of these network diagrams.

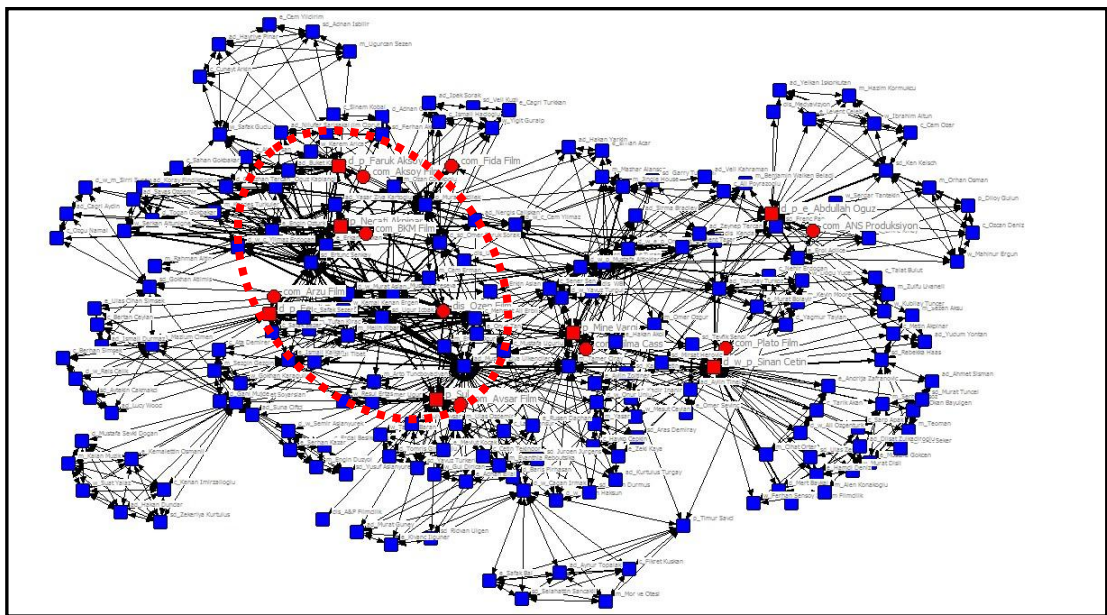


Figure 22. Representation of the Social Network Structure of Big Nine Production Companies and Their Fifty Projects

In the figure, nine big companies in Turkish film industry and their production organizations are demonstrated with their fifty projects' social networks. Although they are still very small scale companies when we compare them to American film corporations, their advantages in Turkey are come from multi-sectoral industrial structure as it is stated in above section. Although all these companies can be classified as big, they are operating in a very different network structure. While BKM, Avşar, Arzu, Fida, and Aksoy film companies generally prefer to work with the same actors in different film projects, the others (Filmacass, Özen, ANS, and Plato) choose the way of production based on the working with different partners. Whereas the former strategy produces commercially successful films which are generally sequels and comedy films, the latter generates both box-office successes and failures.

It can be said for Turkish film industry by analysing this network diagram that strengths of ties among the actors of film production team create economically positive results in domestic markets. However, films produced within this network structure do not have box-office potentials in global markets. Innovation and creativity as the most important points of success in both local and global markets could not be achieved by this type of production. Stable core crew team with closed networks, low mobility and highly shared culture produce series of films with similar ideas and tastes in Turkish example. However, the problem of over-embeddedness emerges with this strategy, while the strategy of working with the same provides important advantages for companies such as cost-reduction and trust among the actors. So, to a certain extent the strategy of working with the same actors can create positive results at box-office. An interpretation can be made for Turkish film industry with this network figure that highly popular commercially successful sequel films in the domestic market such as "Recep İvedik" are the products of highly collaborated and closed networks.

In project based industries, creativity and innovation as the sources of attraction for audiences are provoked by network type of organizational forms. Access to the creative ideas and know-how are both positively and negatively affected by filmmaking team's position in the industry's network (Meiseberg & Ehrmann, 2008). At this point, social network analysis provides an option to analyse network ties among filmmaking team members who are stated as an "actor" in the network analysis literature. Meiseberg and Ehrmann stated that "the term actor may refer to people, groups or organizations" (2008, p.350). In this part of the thesis, the term actor will be used as a reference to "film actors" who are the members of filmmaking team. Actor and actresses taking place in the

filmmaking team are also added to the analysis with the term actor. On the other hand, ties may represent friendships, collaboration, and common memberships of actors in network analysis. The patterns of these ties can be analysed and interpreted with the help of the methodology of network analysis. Social ties have an influence on the performance of creative actors in the film production network. Before the determination and description of social network measures, I will make an explanation about the actor-film network database constituted with Ucinet software. In figure 23, the top row of the model represents different films, and the middle row represents the fully linked cliques of actors formed by films. The bottom row represents the network emerges from the separated filmmaking teams. Network structure emerges when the actors of one filmmaking team is also the member of other teams. In this way, fully linked cliques are connected to each other through the actors of multiple team memberships.

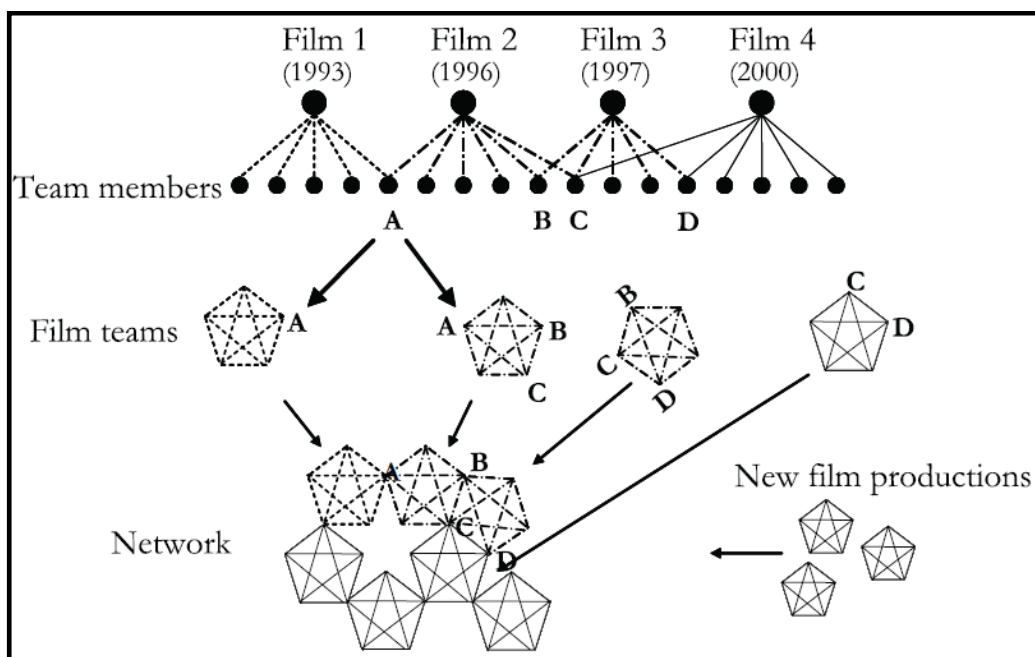


Figure 23. Schematic representation of an actor-film network

Source: Uzzi & Spiro, 2005, p.457; Meiseberg and Ehrmann, 2008, p.352

Small world network, the term explained in the first part of this chapter, is the form of social organization influencing creativity and performance in cultural industries. Network structures can be accepted as decisive factors for the performances of cultural products.

Diverse contacts are accepted as the source of creative success. The level of connectivity and cohesion among actors are the measures for the performance analysis. While intense connectivity can homogenizes the pool of material available to different groups, high cohesiveness provides opportunity of sharing of common information. There is U-shaped relationship between a small world network and performances. Positive influences of small world on performance turn to negative if connectivity and cohesiveness exceeds the threshold. Small world network and performance relations were measured with *cluster coefficient* and *average path length* in Uzzi and Spiro's study (2005). While cluster coefficient measures the average fraction of an actor's collaborators who are also collaborators with one another, average path length measures the average number of intermediaries between all pairs of actors in the network. High and low level of network typology negatively affects the performance, while medium level network increases the artistic and economic performance of production. In addition to connectivity and cohesion, team network is analysed with the aim of controlling production team's ability to reach talent in the global network. In Wakabayashi et al.'s (2010) study which is based on the analysis of Japanese film industry after the revival of domestic films in Japanese market (after 2000), performance of film industry is stated as increasing with the transfer of knowledge and resources by development of alliance networks of companies. Cohesive and bridging ties are the two measures in network analyses demonstrating respectively "high rate of transfer and sharing of knowledge, and the acquisition of new heterogeneous knowledge and the creation of nouveau knowledge" (ibid, p.2). In Japanese case, both of these measures produced commercially successful results. Acquiring know-how and detailed knowledge, access to new capability, learning, and new access to talent, resources, and funding are the advantages emerged with the alliance networks in film industry. In the context of the film industry, *cohesive ties* enable partnerships with trust; give an opportunity to share homogenous vision of filmmaking and access to common resources and talent. Innovativeness is the other success factor of films affected from network characteristics. In order to examine the network characteristics strongly affecting film performance, *cluster coefficient* was defined as independent variable and calculated in the success analyses. As an important success factor, clustering coefficient displays *cohesive ties* and shows how dense the links in ego network of actors. In order to measure success for films, this network variable is added to the analysis. With the help of Ucinet software, clustering coefficient is calculated for the social network analysis of Turkish films.

Closeness centrality is the other measure calculated for each member of team in network. High centrality of actor demonstrates the central position of that actor in a network and the ability to reach greatest number of other artists. *Closeness centrality* measure will be added to the analysis of Turkish case as important factor on the success of films. Correlation matrices of the cluster coefficients and closeness centralities of directors and producers in the social networks of sixty films¹³ in the thesis data have showed that there are significant relationships between producer and directors' closeness and box-office performances (table 40). Centralities of producers and directors in the social networks positively affect the box-office performances while cluster coefficient values do not have any significant relation.

Table 40. Correlation Matrices of Cluster Coefficient, Closeness Centralities, Box-office, and Award Performances

	Award	Box-office	Director_cluster_coefficient	Director_closeness_centrality	Producer_cluster_coefficient	Producer_closeness_centrality
Award	1					
Box-office	0.344**	1				
Director_cluster_coefficient	-0.208	0.221	1			
Director_closeness_centrality	-0.086	0.318**	-0.305*	1		
Producer_cluster_coefficient	-0.194	0.153	0.501**	-0.035	1	
Producer_closeness_centrality	-0.103	0.381**	-0.033	0.827**	-0.132	1

**Correlation is significant at the 0.01 level (2-tailed)

*Correlation is significant at the 0.05 level (2-tailed)

Source: Calculated from the thesis data

Density, repeated ties, and structural equivalence are the social network measures used in the analysis of the local cohesion of production team (Uzzi & Spiro, 2005). *Local density* is the first measure in that study looking at the fraction of each member's ties. It is calculated to measure the density of each artist on the team. *Ties* as the second measure displays the importance the connections between individuals. It shows the number of collaborative relationships of actor in a network and repeated collaborations with other team members

¹³ Twenty films from each three categories: economically most successful films, artistically most successful films, and the films having moderate success.

enhance the chances of future success. It is stated in Wakabayashi et al.'s study that actors having strong ties "communicate more deeply than usual and share specific content with each other" (2009, p. 41). Third measure calculates the *structural equivalence* score for each team member. Degree of similarity among production team members is measured with structural equivalence. If it has high score, it means that past collaborations exist between artists. Cohesiveness and familiarity in the production networks are increased with the existence of past collaborations and positively affect the performances of cultural products such as feature films.

Structural holes is the other measure used in social network analysis in the literature. It is used as a measure in network analysis demonstrating filmmaking team's ability to reach easily the talents of diverse artists. The *density* of the ego-network of each film is measured with Ucinet to demonstrate the proportion of structural holes in the actor's relations. Main hypothesis behind the structural hole analysis is based on the positive influences of high number of structural holes on film performances. Structural hole is present in the ego-network of a actor if two of its neighbours are not directly connected (figure 24). In the case of full connection, norms and information are shared by all members of filmmaking team. By this way, they start to behave like a group. In this case, homogenisation process of information emerge between fully connected actors. Creative input, know-how, and information may be less valuable for actors because of this homogenization process.

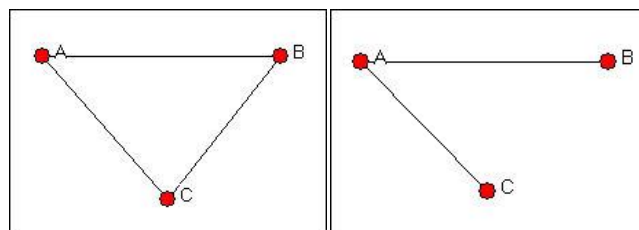


Figure 24. Representation of Actor Network with Full Connection and Structural Hole

In the case of structural hole, actor can reach more diverse knowledge and obtain ideas from creative personnel which are not directly connected. In this way, films can easily be differentiated from the competitors and therefore increase their chances to reach high performances.

In order to evaluate the organization specific success factors for Turkish film industry, small world network analyses will be carried out with the measures of density and repeated ties calculated via Ucinet software. Density and ties are calculated for the producers and directors in the social networks of films as the important factors of the economic and artistic successes. According to the correlation matrices result, ties of the director and producers have both significant relations with award and box-office performances (table 41). Density measure did not display any significant relation with artistic and economic performances of films.

Table 41. Correlation Matrices of the Density and Ties of Directors, Producers, and Box-office and Award Performances

	Award	Box-office	Density (Director)	Ties (Directors)	Density (Producers)	Ties (Producers)
Award	1					
Box-office	-0.344**	1				
Density (Director)	-0.137	-0194	1			
Ties (Directors)	-0.257*	0.459**	-0.391**	1		
Density (Producers)	-0.135	-0.242	0.447**	-0.002	1	
Ties (Producers)	-0.274*	0.477**	-0.040	0.653**	-0.417	1

**Correlation is significant at the 0.01 level (2-tailed)

*Correlation is significant at the 0.05 level (2-tailed)

Source: Calculated from the thesis data

In Meiseberg and Ehrmann's (2008) study commercially successful films was analysed with both economic approach and social network perspective. It is stated that the team is the real star for the success of films. Team's joint potential is decisive for production process by contributing creativity, talent, and innovation which are stated in the same study as the resources crucial to success. For the social network analysis, *degree centrality* of an actor in filmmaking team is used as an independent variable. It represents the number of ties that each node has with others. It also implies the variety of information sources. Connection with many different actors help ideas and information to spread within the network. In this social network, creativity and know-how spread in whole network and contribute to film making process by assisting innovation, aesthetics, and problem solving. Therefore, more contacts enhance the probability of actors to reach creative input and know-how. With the help of the combinations of relationships, filmmaking team's joint potential is provoked and

competitive advantage emerges. Thus, films are made more consumer oriented and attractive for the audiences. As it can be understood from this study that the level of degree centrality positively or negatively affects the success of films. When it is analysed for the social networks of the selected sixty films in the thesis data, it is observed that degree centralities have positive influence on the economic success of films.

Table 42. Correlation Matrices of the Degree Centrality of Directors, Producers, and Box-office, and Award Performances

	Award	Box-office	Degree Cent. (Director)	Degree Cent. (Producer)
Award	1			
Box-office	-0.344**	1		
Degree Cent. (Director)	-0.145	0.351**	1	
Degree Cent. (Producer)	-0.178	0.412**	0.498**	1

**Correlation is significant at the 0.01 level (2-tailed)

Source: Calculated from the thesis data

Creativity is one of the crucial issues affected from social networks in film industry. As stated by Cattani and Ferriani (2008), films as creative products are the products of momentary collective processes. They are the products of social creativity resulted from the interaction between one or more individuals. Creative outcomes like films are generated with creative individuals placed within a network of interpersonal relationships. Cattani and Ferriani analyse the performance of films with the “creative performance” of individuals located in core and peripheral position in social network of filmmaking team (ibid, p.827). Actors located in core positions in social network tend to more closely share ideas and habits. They have dense connections with other actors and act as network coordinators. Conversely, actors in peripheral position have less connection and relatively less visibility in social network. Core actors have great exposure and access to different sources of support, however, it is very difficult for them to refresh ideas and go beyond the established norms. On the other hand, peripheral actors can add fresh perspectives to the network but they do not have necessary support and visibility to increase the recognition of their products. It is stated in this study with the help of the analysis of Hollywood films that individuals occupying intermediary position between the core and the periphery of the network show higher creative performance, while “coreness” of individuals and team in social network inversely affects the creative performance of them (ibid, p.827). Within this perspective of

creativity and social network relation, coreness variable measured with the core and periphery procedure available in Ucinet is added to project based database of selected sixty films (the top and mid success level forty films and twenty multi-awarded films, See Appendix N) for producers and directors in the analysis of Turkish case. The analysis of the relationship between the coreness of the directors and producers in the selected films' social networks and their artistic and economic performances showed that there is significant relationship between the coreness of directors and producers and economic performances of films in Turkish case.

Table 43. Correlation Matrices of the Coreness of Directors, Producers and Box-office, and Award Performances

	Award	Box-office	Coreness (Director)	Coreness (Producer)
Award	1			
Box-office	-0.344**	1		
Coreness (Director)	-0.149	0.397**	1	
Coreness (Producer)	-0.143	0.332**	0.916**	1

**Correlation is significant at the 0.01 level (2-tailed)

Source: Calculated from the thesis data

Network position is the other important factors effective on performance differences in film industry and can be used as a variable for the performance analyses. With the help of Ucinet 6 software, a social network analysis program, network position and centrality of the actor in the filmmaking team is measured with *eigenvector centralities*. In this analysis, centrality is measured with closeness of each actor to all other members of the network. Network position measured with eigenvector can be used for the performance analysis of films in both national and international markets. Eigenvector centralities of the directors and producers in the selected sixty films' social networks are correlated with both artistic and economic performances of films. As it can be understood from the correlation matrices (table 44), there are significant relationship between eigenvector centralities and film performances in Turkish case.

Table 44. Correlation Matrices of the Eigenvector Centralities of Directors, Producers and Box-office, and Award Performances

	Award	Box-office	Eigenvector Centrality (Director)	Eigenvector Centrality (Producer)
Award	1			
Box-office	-0.344**	1		
Eigenvector Centrality (Director)	-0.330*	0.497**	1	
Eigenvector Centrality (Producer)	-0.315*	0.490**	0.872**	1

**Correlation is significant at the 0.01 level (2-tailed)

*Correlation is significant at the 0.05 level (2-tailed)

Source: Calculated from the thesis data

The special quality, position and structure of the social networks of actors in filmmaking team are the source of creativity, innovation and performance (Wakabayashi et al., 2009). Creativity and performance of films is positively or negatively affected from the content and configuration of networks stated as social capital for the filmmaking organization in that study. With the Hollywood based research, “open, sparse, and far reaching” network characteristics are defined as a good social capital for large scale US films due to its enabling role for the assemble of novel ideas and talent (ibid, p.32). However, social networks can have different characteristics in different examples. As the different types of social capital in filmmaking process, “degree centrality; bridging ties; repeated and trusted networks; and cohesive networks” are analysed with the consideration of their influences on artistic and economic success of films. With the help of Ucinet software, all these four network variables can be calculated from the actor networks of films. In the above section, three types of social capital were defined and tested with related measures. With the *closeness centrality* measure, the closeness of actors to the others is measured with Ucinet software. It implies the capability for an actor to access variety of resources and talent enhancing creativity. All these network variables demonstrate different types of social networks shaping the practices of actors in filmmaking process. Thus, creativity and performance are normally affected from these social networks functioning as a special type of social capital. In order to analyse the role of social network on the artistic and economic performance of Turkish films, closeness centrality variable will be added to the analyses for selected sixty films consisting of artistically and economically most successful and moderate success level twenty films. The table shows that while the closeness centralities of both the directors and producers have effects on the economic success of films, there is no such relation for their artistic successes.

Table 45. Correlation Matrices of the Closeness Centralities of Directors, Producers and Box-office, and Award Performances

	Award	Box-office	Closeness Centrality (Director)	Closeness Centrality (Producer)
Award	1			
Box-office	-0.344**	1		
Closeness Centrality (Director)	-0.086	0.318*	1	
Closeness Centrality (Producer)	-0.103	0.381**	0.827**	1

**Correlation is significant at the 0.01 level (2-tailed)

*Correlation is significant at the 0.05 level (2-tailed)

Source: Calculated from the thesis data

Before the statistical analyses of the success factors and their effects on Turkish film industry, I will shortly explain the social network structure of Turkish film industry in the last five years with the help of network diagrams.

Social network structure among the producers and other key roles in filmmaking team defines the type of production model and accordingly the integration model into the global market. Within this framework, the question of what kind of social networks produce what kind of integration models becomes important. Turkish filmmaking model has both similarities and differences from the other countries and its social network structures demonstrate these points influencing industrial evolution. While the relations in the social network do not display restrictive characteristics on vertical integration for production companies, they limit horizontal integration for production stage in which creative process and intensive relationships are needed. It is clearly observed that while Turkish film industry shows vertically integrated structure for major companies, it displays horizontally disintegrated structure in general meaning. The analysis made with production companies shows that both informal and formal social relations have been at the centre of Turkish filmmaking model. Whereas the informal social relations were the basic way of filmmaking in Yeşilçam era, formal relations have been incorporated to film industry by the help of multi-sectoral film companies especially after 1990s. These companies which can be named as majors for Turkey are generally vertically integrated audiovisual companies and doing business with their scale and popularity advantages rather than informal social network

relations. Paralleled with the growth of TV industry in Turkey after 1990s, they have started to be active in different but related fields such as TV series, music clips, advertisings, and show programs. On the other hand, there are also some companies which are horizontally disintegrated and realize their projects with intensive relations in social network structure. On the contrary to majors, they have more artistic motivations. One man coordinated small group of network is the basic characteristics of these companies and their filmmaking models.

The analysis made on the network structure of commercially or economically most and least successful films demonstrated that social network structure in Turkish film industry has a dual nature consists of on the one side intensive and collaborated network of commercially successful filmmakers and on the other side separated and disjointed network. Although, Turkish film industry demonstrates different characteristics from Hollywood, it displays similar features with the European model.

In this part of the study, network structure of the production organizations of both popular and unpopular films in the last five years will be analysed. Two networks were created for the purpose of this research. The first network consists of production links among the main actors of film production: producers, directors, screenwriters, art and screen directors, musicians, editors, and finally distributors. The first five top-grossing films were selected for each year from 2005 through 2010 with their box-office results in Turkey. In this way, sixty films were selected as the sample and can be seen in Appendix M.

Twelve production companies were identified as the main producers of these thirty high-grossing films. The second network again consists of thirty films but in this time they have lowest box-office results between the same years. In this network, 28 production companies were identified as the producers of thirty least successful films. Social network diagrams of these two networks were produced with the help of UCINET software as in figure 25. In order to facilitate the analysis of structural differences between these two types of film networks, they have been merged in one network with this software. As it can be understood from the figure, while network among the actors in popular mainstream films are more collaborative and complex, unsuccessful film production networks shows disjointed structure. Disjointed network structure was also observed in the social network diagrams of multi-awarded artistically successful films. Different from the least successful films network,

there are some people in intermediary position connecting different film networks. However, in general meaning, there is sparse and unconnected structure in the social networks of artistically most successful films.

With the help of this representation (figure 25), dual structure of Turkish film industry can be seen easily especially for the last five years coinciding the booming period of cinema. As it can be understood from the network schema, there is no partnership between these networks. And also we can say that there are no partnerships between large and small independent companies which are respectively producing commercially successful and unsuccessful films at box-office.

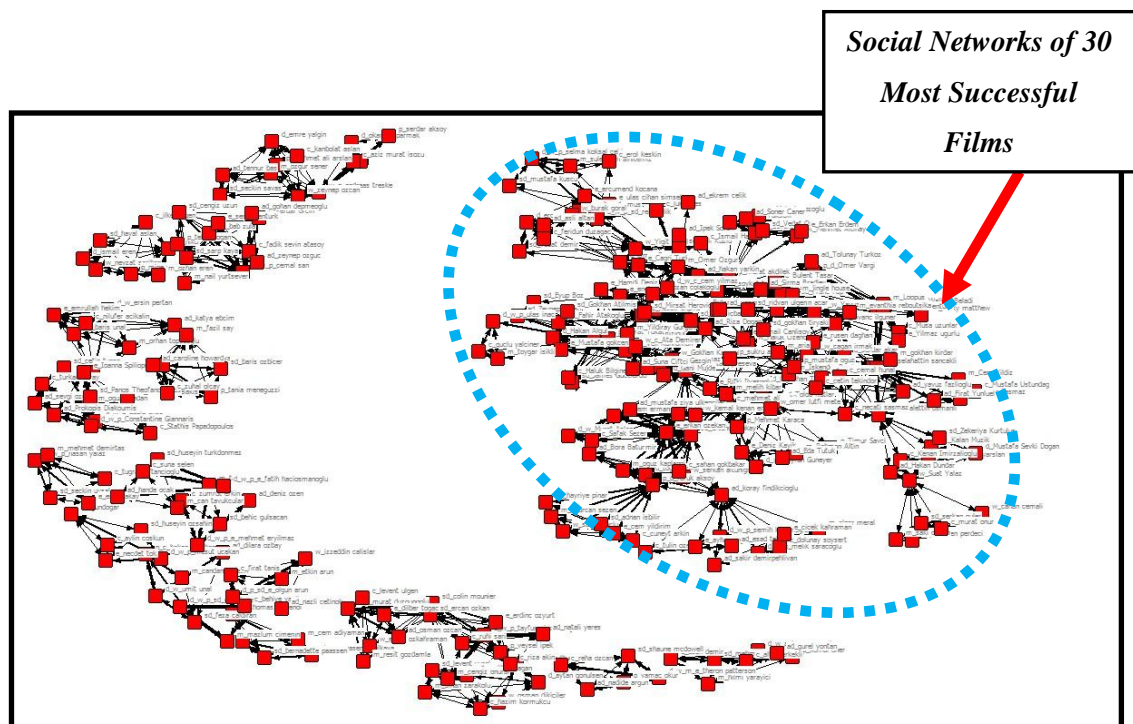


Figure 25. Representation of the social network structure of 30 most successful and 30 least successful films completed between 2005 and 2010

Source: Produced from the thesis data

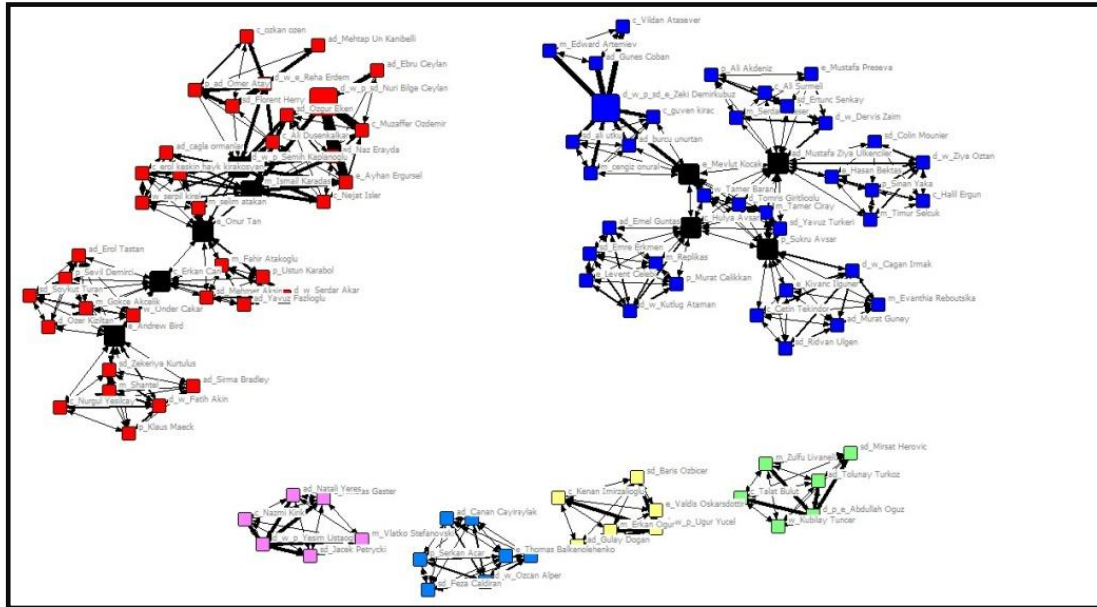


Figure 26. Representation of the social network structure of 20 multi-awarded artistically successful films in the thesis data

Source: Produced from the thesis data

On the left side of the figure, it is seen that separated group of actors are making films which are generally least successful in accordance with the box-office results. Similarly, the social networks of multi-awarded films in the figure 26 showed that separated group of actors have produced artistically successful films. Although these films are commercially unsuccessful, they are generally well known films at both local and international festivals and community of reviewers. Art film, auteur film, art house film, and independent film are the very controversial names generally used for this type of films in the literature. As the detailed picture of the actor network characteristics of these films shows, directors are the most important actors who are at the same time the producer, writer, actor, and editor of the films. One man coordinated structure is the most important observed characteristic. One of the interesting point emerged for these companies in questionnaire study process is the absence of offices and internet websites for their companies. When the producers decide and start to film project, crew come together through a few phone calls by demonstrating the trust based relationships between related actors. Production strategies of this group are not based on the large scale films, instead, they concentrate on small-scale films shown at small theatres. In short, they produce films characterised as qualified films trying to be successful at festivals. The other point displaying the characteristics of these films is that producers and directors made generally films of their own scenarios. If we analyse the thirty commercially

unsuccessful films between the year 2005 and 2010, drama emerges as the most popular genre for these productions with 76% share. Distribution is the most problematic area of this production. If the producers or directors are well-known or internationally awarded men/women, major distributors work with them with limited number of screen distribution. On the other hand, the other unknown or unpopular producers and directors work with independent distribution companies. In the world cinema, there are some countries make names with this type of production. French cinema is the most important representatives of this production. They made films mostly represented at festivals with their determining characteristics of cinematic styles. And also, Iran and Balkan countries can be listed as the other examples of this type of production. With the perspectives of different forms of local-global integration in film industry, this type of production can be accepted in the scope of niche marketing and co-production models. Turkish film industry is an important example for this type of integration into global film market.

On the right side of the figure 26, it can be seen that commercially successful or popular films with their specific production type are based on the intensive social network relationships among the actors taking part in the production process. As the coordinators of these productions, famous characters gained their reputation from TV, theatre, stand-up, and other related sectors. As the producers of popular films, people who are doing business in different fields such as TV, advertising, and music videos (clip) become decisive. Analyses and results of the *eigenvector centrality* (shows the centrality of actor in a network) of the directors and producers in this social network confirm that commercially successful films are made or directed by popular peoples who are actively the part of the different lines of audiovisual industry. They generally make similar films with the same crew. Sequels are the first strategy used by these producers if the earliest project had got a good score at box-office. Hollywood and Hong Kong film industries are the first examples coming to mind as the practitioner of this type of production in general meaning.

Commercial cinema is the controversial name in the literature used for this group of productions. In fact, they are mostly known as “blockbuster films” in world literature arising from Hollywood but we cannot use this name for other countries’ productions due to their scale in terms of the size of budget and extensiveness of distribution. “Popular film” is the name which will be used for commercially successful Turkish films in this study. Films produced with these characteristics generally make big profits in a very short time. As it is

summarized in Miller's study (2010, p. 6) for blockbuster films, these films are made with big production budgets and produce high returns. "Heavy TV advertisements in advance", "very wide release to a large number of theatres on opening weekend", and finally performing stars in the film are the basic characteristics of these films. Additionally, distribution is in the hands of small group of big companies which are called as majors in the literature. When we analyse the content and genre characteristics of these productions, quality is not the primary consideration and comedy is the most popular genre. Marketing strategies based on the release in semester holiday period aiming the young audiences and based on the distribution of them to as many theatres as it can be.

Turkish mainstream film industry based on the production of popular films is dominated by small number of producers. It can be observed from the data containing the most successful thirty films made in between 2005 and 2010 that twelve companies had produced these films. Quick glance at the production companies displayed that major companies and co-productions among them are the main way production in this popular filmmaking field. It can be observed that there is no connection between majors and independent companies in Turkish film industry. On the contrary, Hollywood's major studios releases co-productions made with network of smaller production companies. In order to be innovative, creative, and competitive, major studios always look for a partnership with small independent companies.

When we analyse the production organizations of mainstream filmmaking with the perspectives of local-global integration, Hollywood emerges as the first and dominating examples. It is the first place of blockbuster film production dominating world film market with the command function. Integration into the global markets with these films is the most important advantage of Hollywood enabling its command centre position. The other forms of integration into the global film market with these types of films (such as runaway productions and adaptations) are the ways of film production used by different countries. In Turkish film industry, this type of production organization are used and become commercially successful at domestic market but it cannot be said for international markets.

When the general characteristics of commercially successful and unsuccessful Turkish films and their production networks are summarized (table 46), it is observed that different and disjointed production organizations are the main trend.

Table 46. General Characteristics of Independent and Mainstream Filmmaking

	Independent Films	Popular Films
Network Structure	Disjointed	Highly Connected / Collaborative
Co-production	Half of the projects and mostly with the same producers including foreign companies	Half of the projects and generally between big production companies
Relations with Firms	Individual and Personal Level	Firm Level and Contract Base
Genre	Drama	Comedy
Firm Structure	One Man Coordinated	Multi-segmented
Distributor	Local Majors and Independents	Local and Global Majors
Integration Model	Co-productions	It is not valid for Turkish Cinema but Command centre, Adaptation, and Runaway production are the strategies in world market
	Niche Marketing	Co-productions with EU countries and Geo-cultural Marketing to Balkan Countries, Middle East, and Turkic Republics via TV series exporting

Social network characteristics are the social capital shaping both of these production organizations. In order to represent detailed structure of social networks for both organizations, two network visualizations were made with Ucinet as it can be seen in figure 27 and 28.

As it can easily be understood from the network diagrams, different social network characteristics produce economically different results. While commercially successful films are the ones produced in the form of strong network relations and locally repeated ties and co-productions, commercially unsuccessful films are the ones produced in the form of disjointed network structure. Moreover, social network characteristics of these popular and independent films are measured with degree centrality and density analyses in this section. According to the results, network centralization of the commercially successful or popular films' production networks is higher than the independent ones'. Dispersed networks of workers produce independent films. When the density analysis is carried on both networks, sparse network characteristics can be observed. However, commercially successful films' network (density: 0.09) is denser than independent ones' (density: 0.05). It shows that the entrance of new players into the independent film network is relatively more than the popular film networks.

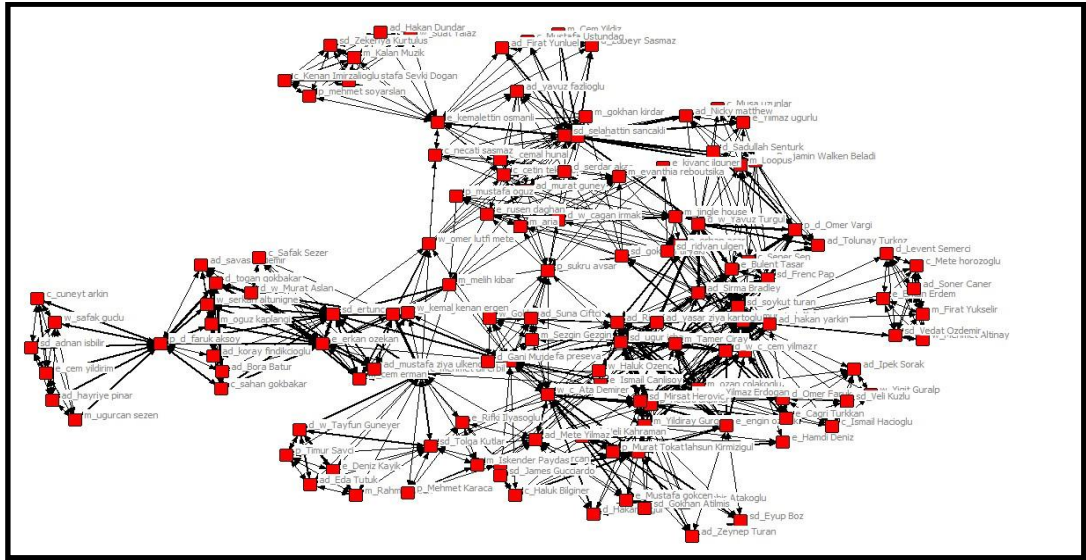


Figure 27. Representation of the social network structure of 30 most successful films completed between 2005 and 2010

Source: Produced from the thesis data

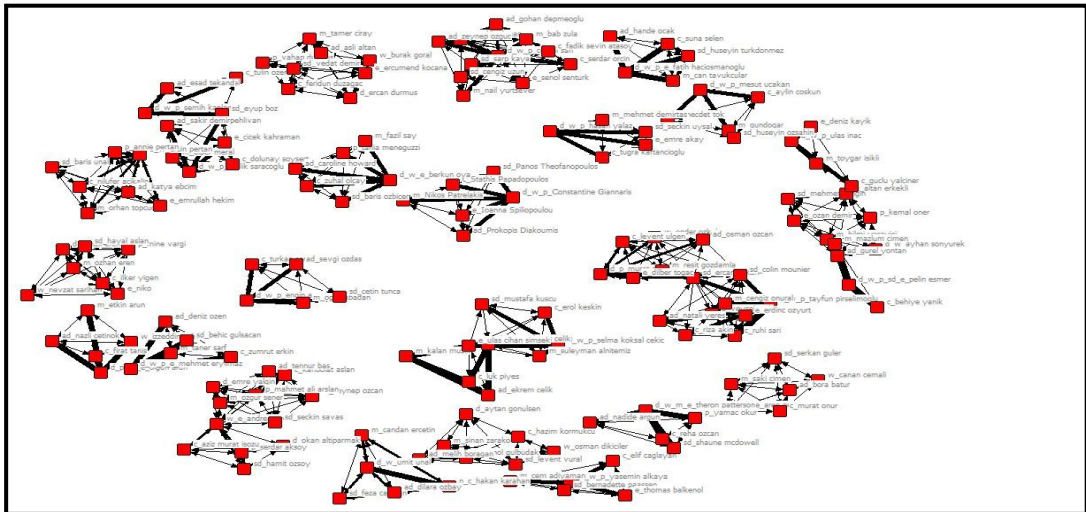


Figure 28. Representation of the social network structure of 30 least successful films completed between 2005 and 2010

Source: Produced from the thesis data

By considering all these explanations and facts, variables will be grouped and described in three categories with their data sources in the next section. Each hypothesis stated in methodology chapter will be tested with these variables through the use of correlation and multiple regression analyses. In order to measure artistic and economic success and the level

of global integration for film industry, variable sets are constituted and categorised in three parts.

In the first stage, correlation matrices are produced with the aim of seeing all variables together and testing them for the high values of auto correlation decreasing the reliability of analysis (See Appendix O). If there is high value auto correlation between variables, it means that there is a usage of redundant variable. In this respect, variables having higher auto correlations are excluded from the analyses because they both convey essentially the same information. When they are used together, they contribute to the result a lot but in the other case in which one of them is not included, the result is more reliable.

According to the results in the correlation matrices, there some highly correlated (>0.8) variables in the list. Although there is a strong correlation between these variables, they are not excluded from the model because they contribute to the R square values and are used in different analyses as film and firm specific analyses.

After the correlation analysis, nine different linear regression models are performed in the next step for identifying the variables effective on artistic and economic successes as well as global integration of films and film companies. In the regression analysis, nine different models are produced with Spss software in order to test and verify the main and sub-hypotheses.

5.3. Importance of Film Specific Factors for the Artistic and Economic Success and the Global Integration of Films: The Linear Regression Model

In this part of the thesis, the roles of human, social and physical capitals on the artistic performance of films and film companies in both national and international markets are examined with the linear regression model. Owing to the availability of data including all these factors, project based analyses are made. In order to eliminate the cause of high correlations and misinformation, correlation matrices were performed at first step. The variables used in the linear regression analysis were obtained from the project based database consist of 200 Turkish films made and released between 1995 and 2009.

In table 47, all film specific variables are listed with respect to the success categories. On the basis of the availability of data for measuring artistic, economic, and integration performances, influences of these factors on films will be revealed in this section. As it is stated in the previous part, characteristics of the human, social and physical capital are the decisive figures for the artistic and economic performances of films. In order to measure artistic performances, critics' reviews and awards are used as dependent variables. Artistic success of films is positively affected from some other variables such as role consolidations (PDW, P/D/W...). The variables included in the analysis were obtained from project based database created with the inspiration from the literature focused on the success factors in film industry. While box-office results were used as dependent variable for the economic performance analysis, number of admissions in foreign markets was used as a variable for the global integration analysis. Beside these characteristics, other variables may affect the success of films. As it is emphasized in the literature, human capital has big influence on the success of films. Directors, writers, actors, and producers are the decisive figure for the performance of films. Artistic (A_REPUTATION) and economic reputation (E_REPUTATION), experience (Y_N_EXPERIENCE), genre diversity (D_GENRE), and flexibility (FLEXIBILITY) of director may positively affect the success of films. And also, TV related producers and directors (TV-RELATED), star power (STAR) and top talented producers, writers, actors, and directors (TOP15) positively influence the success of films. Demand side variables such as user ratings (RATING) and number of votes (VOTES) may have big influence on the success of films. Seasonality (RELEASE), sequel (SEQUEL), genre (GENRE), EU supports (EU-SUPPORTED), foreign partners (F_PARTNER) and foreign crew (F_WORKER) are the other variables influencing performances.

After the definition of all available variables, the model questioning three different successes is conducted at film level. In parallel with the hypothesis, human and social capital measures are added to the regression analysis. The first model analysing the economic success of films by including the variables stated above is significant at 0.000 level and R square values seem to be high. In fact, the results of the analysis questioning the economic success of films are quite satisfactory in terms of both high levels of R-squared and significance of the variables.

Table 47. Film Specific Variables for the Artistic and Economic Success of Films and Film Companies in National and International Markets

Category	Dependent Variables	Description	Measure	Data sources
Economic Success	BOX-OFFICE	Overall box-office admission	Number of admissions	www.sinematurk.com , www.boxofficeturkiye.com
	Revenue	Overall box-office revenue	Revenue	No evidence
Artistic Success	TOT_AWARD	Total number of awards won at five selected organizations	Number of awards won in International Antalya, Istanbul and Ankara Film Festivals, SIYAD, and FIPRESCI	www.siyad.org , www.fipresci.org , www.filmfestankara.org.tr , www.film.iksv.org , www.aksav.org.tr
	AWARD	Number of awards won at film festivals	Total number of awards	www.imdb.com
	CRITICS	Critics' review	Reviewers' note on a 4 point scale	www.siyad.org (data for only 119 films)
Integration	EU-27	Box-office admission in EU	Number of admissions in EU-27 Countries	www.lumiere.obs.coe.int
	Independent Variables	Description	Measure	Data sources
	RATING	User ratings	On a 10 point scale	www.imdb.com , www.sinematurk.com
	VOTES	Total number of users	Number of users voting films	www.imdb.com
	A_REPUTATION	Director reputation (artistic)	Best director award get value of 1, "0" for others	www.siyad.org , www.fipresci.org , www.filmfestankara.org.tr , www.film.iksv.org , www.aksav.org.tr

Table 47. (Continued)

Category	Dependent Variables	Description	Measure	Data sources
	E_REPUTATION	Director reputation (economic)	Directors of films exceeding one million viewers (a value of 1 and 0)	www.sinematurk.com
	REPUTATION	Director reputation	A value of “0” for no reputation, 1 for artistic, 2 for economic, 3 for both artistic and economic reputation	www.siyad.org , www.fipresci.org , www.filmfestankara.org.tr , www.film.iksv.org , www.aksav.org.tr , www.sinematurk.com
	Y_EXPERIENCE	Director experience	How many years of experience	www.sinematurk.com
	N_EXPERIENCE	Director experience	Total number of directed films	www.sinematurk.com
	D_GENRE	Genre diversity: the ability of directors to work in different genre films	Number of directed films having different genre	www.sinematurk.com
	FLEXIBILITY	Flexibility of directors	Total number of directed TV series	www.sinematurk.com
	STAR_A	Star power	Awarded actors/actresses (best actor category)	www.sinematurk.com
	TOP15	Number of producer, director, writer, and actor taking part in the top 15 films	If a film has one of these four actors from top15 films, it gets a value of 1. Values of 2, 3, and 4 are given for more actors	www.sinematurk.com
	PDW; P/D/W; PD/W; PW/D; P/DW	Division of labour	Full and partial consolidations and combinations of roles as PDW, P/D/W, PD/W, PW/D, P/DW. (D:director, P:producer, W:screenwriter)	www.sinematurk.com , www.sinemalar.com ,
	SEQUEL	Being a sequel	If the film is sequel, it gets a value of 1, if not “0”	www.imdb.com , www.sinematurk.com , www.sinemalar.com ,

Table 47. (Continued)

Category	Dependent Variables	Description	Measure	Data sources
	GENRE	Film genre	Advantageous genres (A value of 4 for comedy; 3 for drama; 2 for action; 1 for adventure, crime, and documentaries; and 0 for other genres)	www.imdb.com , www.sinematurk.com ,
	RELEASE	Timing / Seasonality	Release month (advantageous periods: a value of 1 for May, June, July, and August; 2 for January, February, March, and April; and 3 for September, October, November, and December)	www.imdb.com , www.sinematurk.com , www.boxofficeturkiye.com
	TV-RELATED	Producers and directors working in both cinema and TV industry at the same time	If a film's both producer and director works in cinema and TV, film gets a value of 2. If it has just one of them, it gets a value of 1. A value of "0" is given for a film directed and produced by individuals who does not work in TV sector	www.sinematurk.com , Company websites
	EU_SUPPORTED	Use of fund from Eurimages	If support is used, film gets a value of 2. Otherwise "1"	www.obs.coe.int
	F_PARTNER	Co-productions	Existence of foreign partner (If a film is produced with foreign producer, it gets a value of 2. If not, it gets 1)	www.sinematurk.com
	F_WORKER	Outsourcing	Existence of foreign worker (If a foreign worker takes part in a film, it gets a value of 2. If not, it gets 1)	www.sinematurk.com

Table 48. Model Summary for the linear regression analysis on economic success of films

R	0.857
R Square	0.735
Adjusted R Square	0.704
Std. Error of the Estimate	484835.123
F Change	23.516
df	21
Sig. F. Change	0.000

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-338688.023	286722.831		-1.181	.239
U_RATING_IMDB	44457.636	18968.397	.109	2.344	.020
VOTES_IMDB	124.898	18.268	.325	6.837	.000
A_REPUTATION	-356969.637	121131.676	-.143	-2.947	.004
E_REPUTATION	355754.563	114845.886	.186	3.098	.002
Y_EXPERIENCE	2426.397	5090.637	.031	.477	.634
N_EXPERIENCE	-1899.971	3242.625	-.034	-.586	.559
FLEXIBILITY_GENRE	-23163.971	59774.605	-.020	-.388	.699
FLEXIBILITY_N_TVSERIES	-17866.686	7894.750	-.104	-2.263	.025
STAR_ACTOR_5	-105700.916	107851.093	-.044	-.980	.328
TOPTALENT_4	275012.656	36609.561	.404	7.512	.000
PDW	-13084.860	112122.412	-.005	-.117	.907
PD/W	-43678.661	135701.285	-.014	-.322	.748
PW/D	101794.309	233763.921	.018	.435	.664
P/D/W	154891.565	92432.492	.083	1.676	.096
SEQUEL	653255.892	148656.041	.194	4.394	.000
GENRE	29824.272	31312.754	.039	.952	.342
RELEASE_M_GROUP	86045.814	64831.252	.056	1.327	.186
TV_RELATED_DIR_PRO	51175.724	57634.302	.042	.888	.376
EU_SUPPORTED	330233.090	180262.884	.134	1.832	.069
F_PARTNER	-340091.901	173212.635	-.153	-1.963	.051
F_WORKER	-79759.579	77063.073	-.045	-1.035	.302

Dependent Variable: boxoffice

As it can be seen in the table 48 that there is a statistically significant positive relationship between the defined variables and economic success of feature films which also indicates the importance of these factors on the economic successes. R square value demonstrates that this regression model has high explanatory power with the value of 73.5 percent. However, as it can be understood from the coefficients table, eight variables are sufficient to explain the economic successes of films in this model which are showed as bold in the table. Moreover,

two variables are excluded from the model because of the collinearity problem which means that the model fits the data well, even though the variable has no statistically significant impact on predicting the economic performances of films.

The model demonstrates that human capital in the filmmaking team is the most important factor on its economic success. The use of talented film crew, which is measured with the awarded personnel, has also big influence on the economic returns of films. Director of the film is the decisive factor on the economic performances with his or her artistic and economic reputation and flexibility. On the other hand, demand side factors have big effects on the results such as user ratings and number of voters for the films. Sequel is the other variable highly contributing to the result of this regression model and significant at 0.000 level. According to the result of economic performance analysis based on film specific variables, directors and their reputations are the sources of economic successes for feature films in Turkey as it is the same in the Italia (Delmestri et al., 2005).

In the second model, artistic success of films is questioned with the regression analysis. This model is also significant and has explanatory power on the artistic performances of films with the value of 0.573 R square.

Table 49. Model Summary for the linear regression analysis on artistic success of films

R	0.757
R Square	0.573
Adjusted R Square	0.522
Std. Error of the Estimate	2.634
F Change	11.369
df	21
Sig. F. Change	0.000

As it can be seen in the model summary table 49, there is a statistically significant positive relationship between the defined variables and artistic success of feature films indicating the importance of these factors on the artistic performances. R square value demonstrates that this regression model has high explanatory power with the value of 57 percent. However, as it can be observed in the coefficients table, six variables are sufficient to explain the artistic successes of films in this model. This model demonstrates that directors are the decisive actors on the artistic performance of films. Their reputations become the central point for this

performance. The uses of talented film crew and star actor/actresses, which are measured with the awarded personnel and the number of awards, have also big influence on the artistic returns of films measured with the awards. Role consolidation -as in the forms of PDW representing the full consolidation of producer, director and writer in a film project- is the important factor for the artistic performances as differently from the economic performance variables. On the other hand, number of voters as a demand side factors has big effects on the artistic results of films. Genre (drama films) is the other variable highly contributing to the result of this regression model and significant at 0.014 level. According to the result of artistic performance analysis based on film specific variables, directors and full role consolidations are the sources of artistic successes for feature films in Turkey.

Table 50. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-2.884	1.557		-1.852	.066
U_RATING_IMDB	.092	.103	.053	.898	.371
VOTES_IMDB	.001	.000	.439	7.265	.000
A_REPUTATION	3.065	.658	.288	4.659	.000
E_REPUTATION	-.394	.624	-.048	-.631	.529
Y_EXPERIENCE	.024	.028	.070	.861	.390
N_EXPERIENCE	-.015	.018	-.061	-.838	.403
FLEXIBILITY_GENRE	-.485	.325	-.098	-1.493	.137
FLEXIBILITY_N_TVSERIES	.024	.043	.033	.571	.569
STAR_ACTOR_5	2.093	.586	.204	3.572	.000
TOPTALENT_4	-.580	.199	-.199	-2.915	.004
PDW	1.419	.609	.131	2.331	.021
PD/W	.355	.737	.027	.482	.631
PW/D	.035	1.270	.001	.027	.978
P/D/W	-.199	.502	-.025	-.396	.692
SEQUEL	.114	.807	.008	.141	.888
GENRE	.423	.170	.130	2.486	.014
RELEASE_M_GROUP	.223	.352	.034	.633	.527
TV_RELATED_DIR_PRO	-.181	.313	-.035	-.579	.563
EU_SUPPORTED	-.013	.979	-.001	-.013	.990
F_PARTNER	1.333	.941	.140	1.417	.158
F_WORKER	-.038	.419	-.005	-.092	.927

Dependent Variable: imdb_award

In the third model, global integration is evaluated as one of the important success factors for films. Although there is limited information about the Turkish films exported to and released in foreign markets, global integration is questioned in the regression analysis with the data of European Union demonstrating the box-office results of Turkish films in twenty-seven countries except from Turkey. According to the results of regression analysis, this model is also significant and has explanatory power on the global integration performances of films with the value of 0.658 R square.

Table 51. Model Summary for the linear regression analysis on global integration of films

R	0.811
R Square	0.658
Adjusted R Square	0.618
Std. Error of the Estimate	111730.639
F Change	16.310
df	21
Sig. F. Change	0.000

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	79622.636	66075.504		1.205	.230
U_RATING_IMDB	-3161.476	4371.282	-.038	-.723	.470
VOTES_IMDB	56.297	4.210	.722	13.372	.000
A_REPUTATION	7936.712	27914.891	.016	.284	.776
E_REPUTATION	25676.283	26466.326	.066	.970	.333
Y_EXPERIENCE	1907.236	1173.141	.118	1.626	.106
N_EXPERIENCE	-516.877	747.265	-.045	-.692	.490
FLEXIBILITY_GENRE	-18134.928	13775.105	-.077	-1.317	.190
FLEXIBILITY_N_TVSERIES	-2414.429	1819.351	-.070	-1.327	.186
STAR_ACTOR_5	-37280.143	24854.370	-.077	-1.500	.135
TOPTALENT_4	-2017.941	8436.702	-.015	-.239	.811
PDW	-12942.202	25838.699	-.025	-.501	.617
PD/W	-6841.570	31272.469	-.011	-.219	.827
PW/D	51728.188	53871.081	.045	.960	.338
P/D/W	-6292.596	21301.141	-.017	-.295	.768
SEQUEL	119147.035	34257.903	.174	3.478	.001
GENRE	10860.855	7216.049	.071	1.505	.134
RELEASE_M_GROUP	-16165.598	14940.414	-.051	-1.082	.281
TV_RELATED_DIR_PRO	-23875.147	13281.871	-.096	-1.798	.074
EU_SUPPORTED	-177094.017	41541.725	-.356	-4.263	.000
F_PARTNER	152117.640	39916.989	.338	3.811	.000
F_WORKER	-17534.698	17759.246	-.049	-.987	.325

Dependent Variable: eu_27

The model summary table shows that there is a statistically significant positive relationship between the defined variables and global integration of feature films. R square value demonstrates that this regression model has high explanatory power with the value of 66 percent. However, as it can be observed in the coefficients table, four variables are sufficient to explain the global integration of films in this model. This model demonstrates that sequels are more advantageous films than the others related to global integration. Geo-cultural marketing constitutes the basis of this positive result. The decisive factor on the global integration of sequels is the diaspora living in target markets. Eurimages as the financial source of internationally co-produced films promote the integration of films into the global markets. International co-productions is the other variable highly contributing to the result of this regression model and significant at 0.000 level. On the other hand, number of voters as a demand side factors has also big effects on the global integration of films. According to the result of global integration analysis based on film specific variables, foreign partner companies and the use of EU supports are the sources of global integration for feature films in Turkey.

5.4. Importance of Firm Specific Factors for the Artistic and Economic Success and Global Integration Degree of Film Companies: The Linear Regression Model

For the artistic and economic success and the integration performances of film companies, the linear regression analyses will be made in this section. Due to the availability of data including all firm related factors, project based analyses are made. As it is stated above, the variables used in the linear regression analysis were obtained from the project based database consist of 200 Turkish films made and released between 1995 and 2009.

In table 52, all firm specific variables are listed with respect to the success categories. On the basis of the availability of data for measuring artistic, economic, and integration performances of film companies, Turkish film companies will be examined in this section. As it is stated in the previous part, film company strategies are the decisive figures for the artistic and economic performances of films. In order to measure artistic performances, critics' reviews and awards are again used as dependent variables. Co-productions (CO_PRODUCTION), number of co-production companies (NUM_CO-PRO), and major

characteristics of companies (MAJOR_COM) are the other variables have big influence on the artistic performances. The data needed for the firm specific analysis is obtained from project based database. For the economic success of companies, box-office results were used as dependent variables. In order to test economic success, some other variables related to the company strategies are used as independent variables such as the seasonality of film release (displayed as RELEASE), marketing strategies demonstrating the number of screen (SCREEN), and the length of run (WEEK). Sequel is the other strategy followed by companies with the aim of reaching high level of performances at box-office (SEQUEL). As it is mostly stated in the literature, distribution companies have big influences on the performance differences. Major distribution companies (MAJOR_DIST) and national-international character of these companies (L-G_MAJOR_DIST) are the independent variables added to this analysis. The ties between production and distribution companies (TIE_PRO-DIS) and Eurimage supported distribution companies (EU_DIST) are the other firm specific variables evaluated for the success of Turkish film companies. For the evaluation of the degree of global integration, film companies are examined with their films made via national and international co-productions (L_G_CO_PRO). Average ranking points (RANK) and box-office performances (A_BOXOFFICE), TV related (TV_CONNECTION) and agglomerated companies (AGGLOMERATION), and the producers of top fifteen films (TOP15_COM) are the independent variables added to the analysis with their effects on the performances of film companies.

Table 52. Firm Specific Variables for the Artistic and Economic Successes in National and International Markets

Category	Dependent Variables	Description	Measure	Data sources
Economic Success	BOX-OFFICE	Overall box-office admission	Number of admissions	www.sinematurk.com , www.boxofficeturkiye.com
Artistic Success	TOT_AWARD	Total number of awards won at five selected organizations	Number of awards won in International Antalya, Istanbul and Ankara Film Festivals, SIYAD, and FIPRESCI	www.siyad.org , www.fipresci.org , www.filmfestankara.org.tr , www.film.iksv.org , www.aksav.org.tr
	AWARD	Number of awards won at film festivals	Total number of awards	www.imdb.com
	CRITICS	Critics' review	Reviewers' note on a 4 point scale	www.siyad.org (data for only 119 films)
Integration	EU-27	Box-office admission in EU	Number of admissions in EU-27 Countries	www.lumiere.obs.coe.int
	Independent Variables	Description	Measure	Data sources
	WEEK	Number of week	Length of run	www.sinematurk.com
	SEQUEL	Being a sequel	If the film is sequel, it gets a value of 1, if not "0"	www.imdb.com , www.sinematurk.com , www.sinemalar.com ,
	SCREEN	Marketing clout	Number of opening screen	www.boxofficeturkiye.com
	RELEASE	Timing / Seasonality	Release month (advantageous periods: a value of 1 for May, June, July, and August; 2 for January, February, March, and April; and 3 for September, October, November, and December)	www.imdb.com , www.sinematurk.com , www.boxofficeturkiye.com
	MAJOR_DIST	Major distributors	Top four distributors in domestic market are represented with the value of 2. Others get a value of 1	www.sinematurk.com ,

Table 52. (Continued)

Category	Independent Variables	Description	Measure	Data sources
	L-G_MAJOR_DIST	National and international distribution companies	While foreign big distributors are represented with a value of 3, local big distributors get a value of 2. And finally, local independents get “1” as a value.	www.sinematurk.com , www.boxofficeturkiye.com
	MAJOR_COM	Major production companies	Companies represented with their number of projects in 200 film list (A value of 1 is given for company which have one film project in the list. 2 is given for two project and 3 for three and more project)	www.sinematurk.com ,
	MAJOR_COMPANIES	Size of the companies according to the number of their projects	Total number of companies’ feature film productions (Values of 1, 2, 3, and 4 are used respectively for project groups that are 1-5, 6-15, 16-50, and 51-350)	www.sinematurk.com ,
	TIE_PRO-DIS	Ties between producers and distributors	Number of projects in which producer works with the same distributor (in 200 films). A value of 1 is given for one project, 2 for two, and 3 for three and more projects.	www.sinematurk.com ,
	EU_DIST	Eurimages supported distributors	If distribution company is supported by Eurimages, it gets a value of 1. If not, it is “0”	www.coe.int/t/dg4/eurimages
	RANK	Average ranking points of companies	Top ten films were selected for each year between 1995 and 2009. Values from 1 to 10 scales are given to these films according to their ranks in top ten (such as 10 for most successful film, 9 for second one). For average ranking points of companies, arithmetic means are calculated from the scores of films produced by these companies	www.sinematurk.com ,

Table 52. (Continued)

Category	Independent Variables	Description	Measure	Data sources
	A_BOXOFFICE	Average box-office performances of companies	Arithmetic means of the box-office results for all films of one specific company within the 200 films database	www.sinematurk.com
	TV_CONNECTION	Companies doing business for both cinema and TV industry	If a company doing business in cinema and TV, it gets a value of 2. If it works for just one of them, it gets a value of 1	www.sinematurk.com , Company websites
	TOP15_COM	Companies which are the producers of top 15 films	If a company is the producer of one of the top15 films, it gets a value of 1. Otherwise it gets "0"	www.sinematurk.com
	AGGLOMERATION	Agglomerated companies	If a company located in Beyoğlu, Beşiktaş, and Şişli, it gets a value of 1. Otherwise "0"	www.se-sam.org , www.se-yap.org.tr , www.tesiyap.com , www.fiyab.org.tr , Company websites
	CO_PRODUCTION	Film production in collaboration with other companies	If a film is co-production, it gets a value of 2. If not, it gets 1	www.sinematurk.com , www.sinemalar.com , www.imdb.com , Film websites
	NUM_CO-PRO	Number of co-producers	Number of co-production companies in a film	www.sinematurk.com , www.imdb.com , www.lumiere.obs.coe.int , Film websites
	L_G_CO_PRO	Co-production with local and foreign companies	Existence of foreign and local partner (If a film is co-produced with foreign company, it gets a value of 2. If it is made with local company, it gets 1. For the films which are not a co-produced, the value becomes "0")	www.sinematurk.com , www.lumiere.obs.coe.int , www.coe.int/t/dg4/eurimag es

In this group of analyses, all of three success categories are evaluated at firm level. After the definition of all available variables, the model questioning three different successes is conducted at firm level. In parallel with the hypothesis, firm specific variables are added to the regression analysis. The first model analysing the economic success of firms by including the variables stated above is significant at 0.000 level and R square values seem to be high (0.774). In fact, the results of the analysis questioning the economic success of firms are quite satisfactory in terms of both high levels of R-squared and significance of the variables.

Table 53. Model Summary for the linear regression analysis on economic success of firms

R	0.880
R Square	0.774
Adjusted R Square	0.734
Std. Error of the Estimate	552930.856
F Change	19.045
df	18
Sig. F. Change	0.000

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-976695.634	572887.291		-1.705	.091
WEEK	29842.275	5718.037	.313	5.219	.000
SEQUEL	102135.211	209622.153	.032	.487	.627
SCREEN	2800.128	620.948	.338	4.509	.000
RELEASE_M_GROUP	19809.126	110002.207	.010	.180	.857
L_G_MAJOR_DIST	-30837.552	167370.957	-.020	-.184	.854
MAJOR_DIST	37610.768	246418.641	.015	.153	.879
MAJOR_COM_TOTAL-N	2271.808	4610.382	.043	.493	.623
MAJOR_COM_TOTAL-N_GROUP	-71382.751	119465.966	-.060	-.598	.552
TIE_PRO_DIST	-50721.371	82574.936	-.039	-.614	.540
EU_DIST	6884.519	139183.299	.003	.049	.961
AVERAGE_RANK_COM	-322.558	32693.703	-.001	-.010	.992
AVERAGE_BOXOFFICE_COM	.635	.161	.502	3.942	.000
TV_CONNECTION_COM	123093.154	155458.542	.056	.792	.430
TOP15_COMPANY	-21962.394	250932.987	-.009	-.088	.930
AGGLOMERATION	9962.952	175822.317	.003	.057	.955
CO_PRO	86417.632	286234.826	.040	.302	.763
N_CO_PRO_COMPANY	89024.471	112859.397	.076	.789	.432
L_G_CO-PRO	-102780.577	219754.136	-.072	-.468	.641

Dependent Variable: boxoffice

As it can be seen in the table 53, there is a statistically significant positive relationship between the defined variables and economic success of firms. R square value demonstrates that this regression model has high explanatory power with the value of 77 percent. However, as it can be understood from the coefficients table, three variables are sufficient to explain the economic successes of films which are showed as bold in the table.

The model demonstrates that previous success of film companies is the most important factor on their economic successes. The ability of companies related to the marketing of film projects is the other factor decisive on the economic performance of firms. The number of screen in which a film displayed is the other success factors. On the other hand, number of week -a film stayed on the display- has also big influence on the economic returns of films and significant at 0.000 level. According to the result of economic performance analysis based on firm specific variables, the characteristic of production companies and marketing strategies become central for the economic successes of film companies in Turkey.

In the second model of this category, artistic success of firms is questioned with the regression analysis. This model is also significant but it has less explanatory power on the artistic performances of firms with the value of 0.380 R square.

Table 54. Model Summary for the linear regression analysis on artistic success of firms

R	0.617
R Square	0.380
Adjusted R Square	0.269
Std. Error of the Estimate	2.831
F Change	3.407
df	18
Sig. F. Change	0.000

As it can be seen in the model summary table 54, there is a statistically significant positive relationship between the defined variables and artistic success of film companies indicating the importance of these factors on the artistic performances. R square value demonstrates that this regression model has explanatory power with the value of 38 percent. However, as it can be observed in the coefficients table, four variables are sufficient to explain the artistic successes of films in this model. This model demonstrates that major companies (measured with the total number of film products) are the advantaged firms for the artistic

performances. Nationally and internationally co-produced films have also big influence on the artistic returns of film companies measured with the awards. On the other hand, number of week a film stayed at cinema theatres has big effects on the artistic results of firms. According to the result of artistic performance analysis based on firm specific variables, co-productions (both national and international) are the sources of artistic successes for film companies in Turkey.

Table 55. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.026	2.933		.691	.491
WEEK	.064	.029	.219	2.198	.030
SEQUEL	.316	1.073	.032	.295	.769
SCREEN	-.001	.003	-.054	-.439	.661
RELEASE_M_GROUP	-.024	.563	-.004	-.042	.966
L_G_MAJOR_DIST	-1.115	.857	-.238	-1.301	.196
MAJOR_DIST	1.027	1.262	.132	.814	.417
MAJOR_COM_TOTAL-N	-.039	.024	-.242	-1.658	.100
MAJOR_COM_TOTAL-N_GROUP	1.322	.612	.358	2.161	.033
TIE_PRO_DIST	-.291	.423	-.073	-.688	.493
EU_DIST	-.319	.713	-.048	-.447	.656
AVERAGE_RANK_COM	-.130	.167	-.121	-.777	.439
AVERAGE_BOXOFFICE_COM	2.431E-7	.000	.062	.295	.769
TV_CONNECTION_COM	-.628	.796	-.092	-.789	.432
TOP15_COMPANY	-.033	1.285	-.004	-.026	.980
AGGLOMERATION	.683	.900	.071	.759	.450
CO_PRO	-3.683	1.466	-.554	-2.513	.014
N_CO_PRO_COMPANY	.855	.578	.236	1.479	.142
L_G_CO-PRO	3.091	1.125	.702	2.747	.007

Dependent Variable: imdb_award

In the third model, global integration is evaluated as one of the important success factors for firms. Global integration is questioned in the regression analysis with the data of European Union demonstrating the box-office results of Turkish films and film companies in twenty-seven countries except from Turkey. According to the results of regression analysis, this model is also significant and has explanatory power on the global integration performances of firms with the value of 0.595 R square.

Table 56. Model Summary for the linear regression analysis on global integration of firms

R	0.772
R Square	0.595
Adjusted R Square	0.523
Std. Error of the Estimate	122682.244
F Change	7.846
Df	18
Sig. F. Change	0.000

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-154680.917	128672.190		-1.202	.232
WEEK	3093.564	1284.288	.196	2.409	.018
SEQUEL	46453.433	47081.759	.087	.987	.326
SCREEN	491.574	139.467	.357	3.525	.001
RELEASE_M_GROUP	-23414.330	24706.823	-.072	-.948	.346
L_G_MAJOR_DIST	15173.528	37592.015	.060	.404	.687
MAJOR_DIST	-43143.798	55346.360	-.103	-.780	.438
MAJOR_COM_TOTAL-N	-761.436	1035.506	-.088	-.735	.464
MAJOR_COM_TOTAL-N_GROUP	63909.895	26832.411	.323	2.382	.019
TIE_PRO_DIST	-11415.318	18546.576	-.053	-.615	.540
EU_DIST	47534.150	31260.983	.134	1.521	.132
AVERAGE_RANK_COM	-12801.451	7343.103	-.221	-1.743	.084
AVERAGE_BOXOFFICE_COM	.076	.036	.363	2.104	.038
TV_CONNECTION_COM	-43712.762	34916.451	-.119	-1.252	.214
TOP15_COMPANY	-11627.079	56360.295	-.029	-.206	.837
AGGLOMERATION	-5148.238	39490.215	-.010	-.130	.897
CO_PRO	-61451.864	64289.193	-.172	-.956	.341
N_CO_PRO_COMPANY	167670.848	25348.556	.861	6.615	.000
L_G_CO-PRO	-75385.983	49357.433	-.319	-1.527	.130

Dependent Variable: eu_27

As it can be seen in the model summary table (table 56), there is a statistically significant positive relationship between the defined variables and global integration of film companies. R square value demonstrates that this regression model has high explanatory power with the value of 60 percent. However, as it can be observed in the coefficients table, five variables are sufficient to explain the global integration of firms in this model. The ability of companies related to the marketing of film projects is the factor decisive on the global integration of firms. The number of screen in which a film displayed is the other success factors. On the other hand, number of week -a film stayed on the display- has also big

influence on the global integration of film companies and significant at 0.018 level. This model demonstrates that co-productions and major companies have big influences on the global integration. According to the result of global integration analysis based on firm specific variables, co-productions are the sources of global integration for film companies in Turkey.

5.5. Importance of Organization Specific Factors for the Artistic and Economic Success and Global Integration Degree of Films and Film Companies: The Linear Regression Model

In this section, as an organization specific factors social network structures of film production are evaluated with the success and integration factors via the linear regression model. Local and global networks in filmmaking process among film crew and different forms of production strategies are also assessed within the scope of social network analysis. Due to the availability of project based data, social network measures were calculated with the help of Ucinet software over the selected film networks. Correlation matrices were performed at first step in order to eliminate the cause of high correlations and misinformation. The variables used in the linear regression analysis were obtained from the project based database consist of 200 Turkish films made and released between 1995 and 2009.

In table 49, all organization specific variables are listed with respect to the success categories. On the basis of the availability of data for measuring artistic, economic, and integration performances, Turkish film production networks are examined in this section regarding the network positions of directors and producers. As it is stated in the previous part, social network structures have big influence on the artistic and economic performances of films and film companies. In order to measure artistic, economic and integration performances, critics' reviews, awards, and box-office results in both national and international markets are used as dependent variables. In order to test these dependent variables in regression analysis, independent variables were defined with the help social network measures calculated by Ucinet software. Central positions of the producers and directors in the network (measured with CLOSENESS) were added to the analysis as independent variables due to their capability to show the ability of actor to reach greatest

number of talent in global network. Cohesion of the production team, which is measured with density (DENSITY), is the other important variable influencing performance of the filmmaking team. As the source of creativity and innovation and therefore the general success, number of lines connected to the actors in the film making team network was added to the analysis with degree centrality measure (DEGREE). Another centrality measures such as betweenness (BETWEENNESS) and eigenvector (EIGENVECTOR) were also used in this analysis with their capacity to display the network positions and the capability of actors to activate relations with different professionals. In order to add cohesiveness, similarity, and familiarity in production networks to the success analysis, structural roles and positions were calculated with the name of STRUCTURAL_EQUIVALENCE. An ability of actor to reach diverse talents and knowledge was measured with STRUCTURAL_HOLES and used in the analysis as positive success factors. Cluster coefficient (CLUSTER_COEFF) displaying cohesive ties and density of links in ego network, structural constraint (STRUCTURAL_CONSTRAINT) showing the actors who lacks bridging ties, number of ties (NUM_TIES) demonstrating the collaborative relationships of actor in network, coreness of the actor (CORE_PERIPHERY) influencing the creativity and performance of actors, and finally the cut-points (CUTPOINTS) in the production networks displaying the capability of actor to reach wider and open networks were added to the analysis as independent variables with their effects on the performances.

Table 57. Organization Specific Variables for the Artistic and Economic Successes in National and International Markets

Category	Dependent Variables	Description	Measure	Data sources
Economic Success	BOX-OFFICE	Overall box-office admission	Number of admissions	www.sinematurk.com , www.boxofficeturkiye.com
Artistic Success	TOT_AWARD	Total number of awards won at five selected organizations	Number of awards won in International Antalya, Istanbul and Ankara Film Festivals, SIYAD, and FIPRESCI	www.siyad.org , www.fipresci.org , www.filmfestankara.org.tr , www.film.iksv.org , www.aksav.org.tr
	AWARD	Number of awards won at film festivals	Total number of awards	www.imdb.com
	CRITICS	Critics' review	Reviewers' note on a 4 point scale	www.siyad.org (data for only 119 films)
Integration	EU-27	Box-office admission in EU	Number of admissions in EU-27 Countries	www.lumiere.obs.coe.int
	Independent Variables	Description	Measure	Data sources
<i>Social network measures are calculated and added for just producers and directors</i>	CLOSENESS	Central position of actor in network (demonstrate the ability of actor to reach greatest number talent in global network)	Closeness centrality (Ucinet Software calculation)	Network of Most Successful Twenty Films (Ucinet Diagrams)
	DENSITY	Cohesion of production team	Density measure in cohesion group (Ucinet Software calculation)	Network of Least Successful Twenty Films (Ucinet Diagrams)
	DEGREE	Number of lines connected to actor in film network (It shows the connection with many different actors causing creativity and innovation)	Degree centrality (Ucinet Software calculation)	Network of Multi-awarded Twenty Films (Ucinet Diagrams)

Table 57. (Continued)

Category	Dependent Variables	Description	Measure	Data sources
	CLUSTER_COEFF	Displays cohesive ties and density of links in ego network	Clustering coefficient measure in cohesion analysis (Calculated with Ucinet Software)	Network of Most and Mid success level forty films and multi-awarded twenty films (Ucinet Diagrams)
	NUM_TIES	Number of ties shows the collaborative relationships of actor in network	Basic ego-network measure (Calculated with Ucinet Software)	
	CORE_PERIPHERY	Coreness of actor in network (influence the creativity and performance of actors in network)	Core/periphery analysis make with continuous option (Calculated with Ucinet Software)	
	EIGENVECTOR	Network position and centrality of members in filmmaking team	Centrality measure: eigenvector centrality (Calculated with Ucinet Software)	
	BETWEENNESS	It shows the brokering degree of each node and capability of them to activate relations with professionals	Centrality measure: betweenness centrality (Calculated with Ucinet Software)	

In this group of analyses, all of three success categories are evaluated at organizational level for directors and producers. In the first stage, after the definition of all available variables, the model questioning three different successes is conducted at organizational level for directors. In parallel with the hypothesis, social network measures are added to the regression analysis. The first model analysing the artistic success of films by including the social network variables (for directors) stated above is not significant at 0.000 level and R square values seem to be low (0.305). The results of the analysis questioning the artistic success of firms with social network measures are not satisfactory in terms of low levels of R-square and significance of the variables. For the producers, the model is significant with the value of 0.039 but it has limited explanatory power on the artistic performance of films with the value of 39 percent. Both producer and directors have central characteristics in the social network structure of film production team but as it is showed by the regression analysis their positions in the network have limited effects on the artistic performances. Coefficient tables displaying the insignificant relation between social network position of producer and directors and artistic, economic and global integration performances of films are stated in appendix p. As it can be understood from the model summary tables, a social network characteristic of the filmmaking team which is represented in this study with the directors and producers does not have big influences on the performances of films. However, the model showed that social network characteristics of producer and director have positive effects on the economic performances of films.

Table 58. Model Summary for the linear regression analysis of the organization specific factors for the directors on artistic success of films

R	0.553
R Square	0.305
Adjusted R Square	0.089
Std. Error of the Estimate	5.177
F Change	1.413
df	14
Sig. F. Change	0.187

Table 59. Model Summary for the linear regression analysis of the organization specific factors for the producers on artistic success of films

R	0.620
R Square	0.385
Adjusted R Square	0.194
Std. Error of the Estimate	4.872
F Change	2.011
df	14
Sig. F. Change	0.039

Table 60. Model Summary for the linear regression analysis of the organization specific factors for the directors on economic success of films

R	0.760
R Square	0.578
Adjusted R Square	0.447
Std. Error of the Estimate	1031672.9
F Change	4.408
df	14
Sig. F. Change	0.000

Table 61. Model Summary for the linear regression analysis of the organization specific factors for the producer on economic success of films

R	0.651
R Square	0.424
Adjusted R Square	0.244
Std. Error of the Estimate	1206170.184
F Change	2.362
df	14
Sig. F. Change	0.015

Table 62. Model Summary for the linear regression analysis of the organization specific factors for the directors on the global integration of films

R	0.411
R Square	0.169
Adjusted R Square	-0.089
Std. Error of the Estimate	245418.2
F Change	0.654
df	14
Sig. F. Change	0.804

Table 63. Model Summary for the linear regression analysis of the organization specific factors for the producer on the global integration of films

R	0.477
R Square	0.227
Adjusted R Square	-0.013
Std. Error of the Estimate	236668.528
F Change	0.946
df	14
Sig. F. Change	0.520

CHAPTER 6

CONCLUSION

In this thesis, the forms of global integration are explored for the case of Istanbul film industry. Istanbul as the most important candidate in Turkey to become one of the central nodes in global network by controlling the flow of the cultural products (films, music, and magazines), information, technology, people, and capital has to give priority to competitive assets in cultural industries in the process of economic transformation aiming to be successful as a partner in the global economy. Integrating with film industry based on the use of local cultural values, technology, and creativity is the most important way of being the global node in globally competitive cultural economy for Istanbul. The place of Istanbul in this economy is still based on the traditional industry which can be separated in two groups equally important in the export markets as on the one side low-technology manufacturing industries especially textiles and ready-made clothing production and on the other side the automotive industry and the electrical and non-electrical machinery sectors (Eraydın, 2008). As it is stated by Eraydın, these industries are labour intensive and vital for generating employment and export for Istanbul and Turkey, however, the other way based on the innovative and knowledge based economy is still not the priority in the economic policies of Istanbul (2008). Film industry, which needs continuous creativity, network relations, and knowledge sharing, will carry Istanbul to a better position in global economy. In this process, industrial organization and critical success factors for film industry become important. In this respect, I have attempted to explore industrial organization and artistic and economic success factors of films and film companies in both national and international markets and to evaluate how different film countries are integrated into the global film markets as well as to describe different integration models into global film markets. Moreover, forms of global

integration and the role of artistic and economic success factors on these integration models, which is not available in greater part of the literature, are empirically identified in the case of Istanbul film industry. Through these studies, how Istanbul feature film cluster generate artistic and economic successes and international competitiveness is illustrated by using qualitative and quantitative techniques. Thus, the framework for the performances of films and film companies and their organizational networks are discussed and defined with the characteristics of industrial organization, artistic and economic factors, and global integration models which are started to be emphasized increasingly in the literature especially in the last two decades.

In this concluding chapter, it is aimed to provide an explanation about the findings in the analysis of the case study and to explore the different case beyond Hollywood with the conceptual openings for the discussions in local economic development literature focused on cultural industries and especially film industry. Basic discussions defined under the hypotheses of this thesis are based on artistic and economic successes of films and film companies in connection with the different forms of global integration. Critical findings emerging in this thesis are evaluated under two subheadings to discuss the role of film industry in Istanbul's economic development within the global integration perspective. The subheadings are based on the production organization of the industry and factors effective on the performance of film industry which are investigated as artistic and economic success factors and the level of global integration. Moreover, the outcomes of the analyses in this thesis contribute to or challenge the dominant understanding of the film industry and its roles on global cities. Istanbul film industry -as the laboratory of different and emerging strategies in building or sustaining competitiveness at firm, regional and national level (Lorenzen and Vang, 2006)- promote new discussion areas in film industry development, its sustainability, and its roles on the economic development of cities in global network.

There have been considerable interests and activities in recent development debates about the cultural industries and film industry and their roles in the development process of cities in global economy. In this context, production organization -with network relations, external linkages, associations, and other sectoral relations- and artistic and economic performance factors and the forms of global integration are taken as important factors for defining competitiveness of film sector in world film market. In the local economic development literature, the cultural industries are taken as catalysts for local development. So many

studies from across a range of disciplines including sociology, urban planning, geography, business studies, and communication studies have started to focus on cultural industries' organization at the level of firms, clusters, or sectors due to its increasing importance as vehicles of economic growth and exports. Many cities have increasingly focused on film industry for the sustainable economic growth in global economy, however, little is known about the critical success factors beyond the Los Angeles (Hollywood) and Mumbai (Bombay-Bollywood) examples.

Restructuring process based on the globalisation of film industry is the most important factor for the competitiveness of film industry in global market. In the literature, there is no study evaluating different and emerging strategies for film industry in the context of this restructuring process in different markets. International co-productions, adaptation and geo-cultural marketing strategies, creation of niche products, and runaway productions are the strategies developed with the aim of being integrated in the global film market. These different integration models emerge in different industrial organizations with the combinations of artistic and economic performance factors. Globalisation process and external linkages have particular importance for film industry and need high level human, social, and material capital and their associations at film, firm and organizational levels. Strong global networks are the other important factors for the development of film industry in global film market. In this context, industrial organization, artistic and economic performance factors, and different forms of global integration are evaluated in this thesis for explaining the position and competitiveness of Istanbul film industry in the global film market.

The production organization of film industry

The first thing which should be mentioned here is about the perception of filmmakers for the global integration of film industry. It is observed in Istanbul case that the global integration for the sustainable growth and future economic development is not accepted as an important problem in Istanbul film industry by film producers. Up to the last five years, there was no effort to evaluate the position of the industry in global market and to develop new strategies for the global integration. Small steps have started to be taken in this direction in the last years such as the establishment of Film Industry Development Association and Turkish Film Council.

When the industrial organization of the film industry is analysed, two groups of producers can be observed in Istanbul. First group of actors are the producers of big budget popular films and multi-sectoral companies operating in different fields of the audio-visual industry due to the high risky environment of the film sector and to benefit from the high returns obtained from the other audio-visual industries. The other groups of actors are constituted with the small scale companies generally producing low budget auteur films. Nearly, half of the companies in the thesis data are multi-sectoral companies generally working in advertising and TV sectors at the same time. When the vertical integration is analysed over production companies, it is observed that there are limited number of companies (5/45) both active in the distribution and exhibition stages of film production. They can be accepted as major companies in Turkish film industry with their vertically integrated structure and big budget film productions. As the indicator of this very dynamic industry, number of new firms is high in Turkey. Nearly half of film production companies (19/45) interviewed in the survey process were established after 1995 which is the year representing the new start (globalisation period) for Turkish film industry after the big collapse and restructuring period in 1980s. The number of closed and registered firms (film making, advertising, theatre, cinema, and film exporter companies) in the Istanbul Chamber of Commerce data (2007) supports this view. While the number of closed firms in this category of industrial activities is 6870 between 1995 and 2007, number of registered firms is 9964 for the same years.

The other important point for the production organization of film industry is the intensive relationship networks gathering so many actors in each film projects. Production of films in a very short time with the collaborations of so many different actors is the basis of film industry and questioned in the survey process. There is a very complex network structure in the film production value chain of Istanbul. According to the results of survey questionnaire related to the actors with whom producers are connected in the production process, the network diagram is produced for Turkish film industry (See Appendix R). As it can be stated in the previous chapters, finance, production (include three sub-stages), distribution and exhibition are the main stages of production gathering all related actors. In the funding stages, producers, TV channels and Eurimages become central as the financial resources. When the film budgets are questioned in the survey process, it is seen that nearly 69 percent of companies (31/45 company) are producing films with budgets up to 2 million dollars. This also shows that the scale of Turkish film industry is still very small compared to Hollywood. In the production process, directors and producers are the main decisive actors. While the

major national and international distribution companies are the dominant actors in the distribution stage, multiplexes, cinema chains and film festivals gain importance in the exhibition stage. In addition to the actor networks in the production process, local-global relationships are included into the diagram as the main film production centres representing Hollywood, Europe and Asian Countries (mainly China, India and Japan) and flow of films from these centres to national markets. Besides, different forms of global integration are represented as the co-productions with European counterparts, geo-cultural marketing of both diasporic films and TV series, and finally the niche marketing of artistically successful films.

As it is stated in the literature, clustering is one of the important competitiveness factors in film industry. The analysis of the Istanbul film industry clearly shows clustering or agglomeration of film companies on certain locations in Istanbul. 42 of the total number of 45 companies (interviewed in the survey process) are located in Beyoğlu, Beşiktaş and Şişli triangle. Beyoğlu as the historical centre is still the major place for Turkish film companies. However, spatial preferences of the production companies have started to change in the last decade as the transportation from historical core to new prestigious regions as Beşiktaş (Levent) and Şişli (Maslak) in order to be near financial resources as TV channels. Higher accessibility of these places and bigger offices are the other advantages stated by film companies to prefer these locations. When the reasons of spatial preferences are questioned in detail, it is seen that nearly half of the companies states being closer to cultural amenities, professional bodies, other production companies, and public and private services as the main reasons of their spatial preferences.

Small size production companies are emphasized in the literature as the sources of competitiveness and creativity. When the number of employees in film companies is questioned in Istanbul, it is observed that half of the companies have less than 10 workers. In the film production process, the number of employees increases with the freelance workers. Major companies in the sector, which are generally vertically integrated multi-sectoral companies, employ more than ten workers and can be accepted as big size companies for Turkish film industry. As one of the most important trend in world film industry, co-productions are rising in Turkey. 62 percent of the companies (28/45) have made co-production film projects and 42 percent of them (19/45) made internationally co-produced films. Foreign partners in these projects are generally from European countries and made

projects with limited budgets obtained from governmental sources and special funds such as Eurimages. The ways of setting up partnership with foreign partners are stated as international film festivals, director reputation and acquaintanceship from past projects in the questionnaire.

In order to understand the level of satisfaction for the partner companies, technological competence, creativity and quality of labour are questioned for production, post-production, distribution and exhibition stages. While companies are generally satisfied with the other service provider firms' technology, creativity and labour characteristics in the production stage, the satisfaction level decrease in the post-production stage. However, they are also satisfied with the post-production companies in general meaning. Distribution and exhibition stage activities also show similar results for production companies. The exchange of information as the source of creativity and innovation is carried out between firms and institutions, associations, TV channels and Universities.

For the competitiveness in the film sector, production companies see the international co-productions and marketing of films in foreign markets as the most important factors. The use of newer technologies and star actors (national and international actors), big budget films and new filmmaking styles are the other factors emphasized by producers as the source of competitiveness. Creativity as the important success factor providing competitiveness for the production companies in film industry is questioned in the survey with producer firms. They evaluate screenwriting stages as the most important problem area in the filmmaking process due to the lack of creativity. Financial deficits are the other problem area in the sector for the producer firms. Lack of the quality of labour is the other emphasized issue for the creativity problem in Istanbul case.

Co-productions as the way global integration become central strategy in Turkish market. When the characteristics of these co-productions are analysed, it is seen that production, funding, marketing and distribution are the main motives of these co-productions. Nearly 70 percent of companies state these factors as the reasons of co-productions. Producers prefer co-productions in order to fund film projects, to decrease risks, to benefit from the supports and to realize big scale film projects. When the reasons of international co-production are questioned, Eurimages rules, financial advantages and the quality of film project become

important. Additionally, creativity is stated by producers as the most important effects of these co-production projects on film companies.

The results of the survey have showed that there is only a limited connection with national and international actors in Turkish film industry. It cannot be said that it is globally integrated film industry in real terms. In order to understand and evaluate the views of producers about the global integration, the reasons of the current position of industry is questioned. According to the results, producer firms see the state as the most responsible actor in this process with its lack of specialised cinema institution and supports. Shortcomings in the distribution and marketing networks are the other emphasized problems for global integration. Inadequacy of sponsors, disadvantaged tax system and the lack of capital are also defined as important factors for the problem of global integration. When the solutions of this problem is questioned to producers, it is observed that the language of the film, the size of the budget, international co-productions and the use of foreign actors are mostly defined as the factors positively affect the global integration of film industry.

As it can be understood from the characteristics of industrial organization, there is a dual structure in Turkish film industry. On the one side, well connected big scale production companies make films with big budgets, star actors and crowded film crew, while on the other side small scale independent producers make generally auteur films with limited budgets and film crew. Their answers to the questions show different characteristics in parallel with their positions in the film market.

The Artistic Success Factors

After the examination of the industrial organization of film industry, I will focus on the success factors of films and film companies in Istanbul case. As it is seen in the correlation and regression analysis, there are so many independent variables effective on the artistic performances of films and film companies. As it is emphasized in the literature, award a film gained in the festivals is accepted as the artistic performance measure in this study. Director is the most significant factor on the artistic performance of films in Istanbul case. The use of creative and talented actors and workers in the production chain also positively affect the artistic performances of films. Role consolidations between director, producer and writer are the main observation in artistically successful Turkish films. They are generally the products of one man coordinated production networks. Genre is the content based factor decisive on

the performance of films and drama is the most popular genre in these artistically successful films. When the performance analysis are carried out at firm level, it is observed that number of week a film is on the display and national and international co-productions are the sources of artistic success. Eurimages become the central actor in Turkish film industry with its direct contributions to the artistically successful films. Directors and producers -as the main actors of film production team- are analysed with organization specific factors and seen that there is no direct relation between the social network position of the directors and producers in the filmmaking teams and artistic performances of films. Artistically successful Turkish films are generally internationally successful films. They mostly win awards in international film festivals and their directors have reputation in foreign film markets. For the global integration of Turkish film industry, the directors having Turkish origin are good opportunities. Fatih Akın and Ferzan Özpetek are very popular and known directors in Europe film industry and their popularity is an important facilitator for the distribution and exhibition of Turkish films in European Markets.

The Economic Success Factors

The other performance category of film industry is related to the economic successes of films and film companies based on the dual nature of film production as both artistic merit and commercial product. Director reputation and flexibility are the important factors for the economic success of films. The use of talented workers, sequels and productions with foreign partners positively affects the economic performance of films. When the firm based analyses are made, number of screen and week and companies having high average box-office results become the main determinants of economic successes. Popular films made as comedy and major film production companies are the two groups of actors economically successful in Turkish case. Social networks of the production team of economically successful films have more central and intensive characteristics. Directors and producers as the main actors of film production teams are analysed with organization specific factors and seen that there is no direct relation between the social network positions of them and economic performance of films. Economically successful Turkish films are domestically successful and cannot be distributed to the foreign markets except from the markets in which crowded Turkish Diaspora live. They are mostly the products reaching high results at box-office in domestic market. Their producers are active in different fields of the audio-visual industry. For the global integration of Turkish film industry, these films cannot provide big

contributions. However, as the producer of TV series at the same time, major production companies sell their films (TV series) to geo-cultural markets.

The Global Integration

As the main point of this thesis, global integration is measured with the box-office results of Turkish films in foreign markets. According to the results of correlation and regression analyses, sequel and EU supported films and internationally co-produced films are the films succeeded to be integrated into the world film market. Number of votes for these films has significant relation with the global integration. Firm based analyses display that number of week and screen, major production companies and the number of co-producer companies positively affect the global integration of firms. Social network characteristics of the globally integrated film projects (35/200) display connected network structure in general meaning. However, when the social network structure in the film production team is analysed, there are some actors (who are generally the directors) being in the mediator position connecting two or more film project networks. Centrality and density measures in the social networks of integrated films produce different results when they are compared to most successful film networks. Centrality in the integrated film production networks (3.67%) is higher than the economically most successful films (3.30%) in the last five years in domestic market. On the other hand, density is measured in both of these production networks as the average strength of ties across all possible (not all actual) ties. The economically successful film network (0.09) is two times more intense than the globally integrated film network (0.05). It shows that the strength of ties in successful film production network is high and producers and directors in these networks generally prefer to work with the same crew and actors. Centrality as one of the important measures in the social network analysis shows that actors who have more ties to other actors take advantaged position. Higher centrality of director is the most important observation in the globally integrated film production networks. Both of centrality and density measures can create negative results when they exceed the certain threshold values as it is emphasized in the literature. Lock-in situation in the economic development is the most observed results for cities and regions with the high centralities and densities in production networks. In Istanbul case, film industry has a threat in both economically successful and globally integrated film production networks due to their central and dense characteristics.

All in all, it can be said for Istanbul film industry that it is partly integrated into the global film market. According to the results of the industrial organization research and econometric analyses built for identifying the artistic and economic success factors and the level of global integration for films, film companies and film clusters, it can be said that while human, social and material capital are decisive on the artistic performances, marketing and distribution strategies, and the centrality and density in film production network are critical for the economic performances. For the artistically successful films and film companies, talent as a human capital characteristic, role consolidations as social capital feature, and limited budget and number of screening as the features of material capital and marketing strategies become central factors in Istanbul case. Films and film companies having less central production networks, full role consolidation and international co-productions managed to increase the artistic success more than other films and film companies. Internationally co-produced films are the ones which have artistic successes in world film market. For the economic success of films and film companies, marketing and distribution strategies and the characteristics of production companies are the decisive factors. Organizational dynamics displaying central and dense network characteristics are the other factors influencing the economic performances of film and film companies. For the global integration, international co-productions and Eurimage supports gain importance in Istanbul case by supporting the idea that global networks positively affect the global integration of films and film companies. According to the results of models operated in the analyses, it can be claimed that the findings supported the main hypothesis of the thesis indicating the importance of artistic and economic success factors on the global integration of films and film companies. International partnerships and co-productions are the most important ways of global integration for Istanbul film industry case.

Istanbul film industry –as a paradigmatic example representing the place and position of the city in global economy- has partly integrated into the world film market. Although there is increasing development in the last decade in terms of the number of film projects, film companies and revenues in the domestic market, the main problem of global integration still continues in the sector. The increasing growth in domestic market does not mean an increase in the global market. Istanbul cannot be accepted as a global node in the international film production networks. It is still more concentrated on traditional industries and economic policies instead of knowledge and innovation based industries such as film industry. Although some studies (made by Istanbul Metropolitan Municipality) relating to the cultural

industries emerge in the last years, they are more concentrated on the urban renewal potentials created by these industries. However, cultural industries are accepted as the most important tools for the sustainable economic development of cities in globally competitive economic system. In order to be the part of this economic structure, Istanbul needs a globally integrated film industry that can be achieved with the “talent”, advanced “technology” and “tolerance” or openness in the society (Florida, 2005a). In today’s conditions, Istanbul cannot be accepted as a global node due to its small scale cultural industries. For the sustainable growth in the global economy, policy makers in Istanbul should concentrate on the cultural or creative industries. Existing policy context of the city shows that there is a missing link in the city’s future economic and cultural policies. Promotion of cultural industries is a very new issue for policy makers in Istanbul with its direct contributions to the city and its regional competitiveness and direct economic benefits. Attraction of the creative people to the city as the most important factor for the development of these industries should be the main aim for these actors. Istanbul should be a “cultural, dynamic and tolerant metropolis” in the global economy (Bayliss, 2007). Cultural and economic environment in the city should be provocative for the talent and technology with its tolerance capacity. As it is summarized by McAdams (2007, p.157), there are some factors making a city a cultural producer in the world economy; “an established and well-connected international market; a place where different cultures and ideas vibrantly mix; an urban environment which is encourages interaction; and significant infrastructure (i.e., high speed Internet connections) and highly skilled labour force” are the factors facilitating the creation of cultural goods. All these conditions are also important for the film sector. In order to be resilient against to the crises periods or shocks, global integration becomes central in film industry. As it can be seen in the historical process, Turkish film industry is vulnerable against to the shocks.

Although all of the emphasized factors in the literature are prepared or ready in the city, they may not be able to promote the cultural industries in all cities. There should be right climate for innovation and creativity. Global networks can be the “open gates” for cities in this process of knowledge creation and information flows which support cultural industries (Eraydın, 2008). Global integration is a process and Istanbul is still on the first stages of this process. It should be the “global talent magnet” with its economic and socio-cultural environment (Florida, 2005b, p.10). However, as it is stated by Eraydın (2008), policy makers still insist on the globally old methods evaluating mega projects as the way of

improvement for physical infrastructure and the entry of the international capital to the real estate market as the sources of economic growth.

There is a developing global network in the world market and cities become the command centres in this structure by directing the global economy and culture. World culture is rapidly changing in this process with the advanced communication networks and technology. In parallel with the developments in technology field, the role of cities has changed. They are functioning as the cultural transmitter in world economy (McAdams, 2007). Cities which are located outside of the networks are primarily the receivers of culture and technology. Istanbul as the case study area is not in the list of international centres of culture. It is still a receiver position in the world economy and culture. Film industry analysis has showed that it can be accepted as in the first stage of being transmitter of world culture through artistically successful films.

Future Research

Film industry is a paradigmatic example representing the potentials of Istanbul as a global node in the network based internationally competitive economic system. The analysis of film industry shows that Istanbul is located on the peripheral position in this global economic system. Although it has demonstrated an increasing development trend in national economy with film industry in the last decade, it has limited connections with the world film market. The analyses focused on the industrial organization and more specifically the production networks of film projects have demonstrated that there are two groups of organization in Istanbul film industry case. On the one side, major companies are producing big budget popular films and distributing them to diaspora markets. They are big scale multi-sectoral companies and generally follow similar production methods in their films. Highly connected network structure can be observed in the production networks of these films. The global integration is not a priority in their production systems. On the other side, independent firms are operating with limited possibilities. Auteur films are the products of these companies. It is interestingly observed that they have more connection with the international actors and produce artistically successful films in foreign markets.

In the first stage of empirical study, the industrial organization of Istanbul film sector is investigated. Due to the lack of statistical data on the film sector, the analysis lasted longer than expected. The research showed that there is an opportunistic behaviour of film

production companies in Istanbul. They neglect the importance of infrastructure investments, local global interaction and also the changing dynamics of world film market. Their main focus is generally based on the exploitation of domestic market. Creativity is evaluated as an important problem in the sector by nearly the half of interviewed companies. Lack of supporting institutions (state cinema institutions), weak network relations (in the production organization) and weak linkages between national and international actors are the main problem areas observed in the empirical analysis. Due to the lack of data, misinformation and time constraints; the survey has to be limited with 45 production companies.

In the second stage of the analyses, performance measures are grouped in three categories as artistic and economic success factors and global integration. They are investigated at film, firm and organizational levels. It is seen that different forms of global integration emerges with the different combinations of artistic and economic successes. Artistically successful Turkish films are the products released in foreign markets and can be evaluated under the niche marketing model of global integration. On the other hand, commercially successful films in the domestic market are the products released in limited number of countries in which so many Turkish people are living (diaspora). Geo-cultural marketing is the model for commercially successful Turkish films. In addition to these models, international co-productions can be accepted as a model due to the increasing number of internationally co-produced films. Although there are some forms of global integration which operate well for other film countries, they are not sufficient for the global integration of Istanbul film industry. The analysis shows that it still remains very small scale in global market compared to other film countries. Social network characteristic as an organization specific factor is also analysed in the empirical study through directors and producers. According to the results of social network analysis, it can be said that directors are the main actors in the film production value chain. They are the central actors determining all the production processes in the Turkish case.

Finally, all these findings demonstrate the place of Istanbul in the global network of film industry. As all other cultural industries, film industry is one of the fastest growing industries promoting the integration of cities into the global economy as global nodes controlling the flows of capital, people, technology and information. However, the analysis of globalisation process of film industry through different countries emphasize that the future economic development of film industry is highly related to the sustainability of its competitive

advantages. It can be enabled with the provocation of the creativity both in the society and all of the stages of production organization. The analyses of the thesis search for the affects of factors on global integration of film industry for Turkish case. Findings show that industrial organization together with the artistic and economic success factors at film, firm and organizational levels have big influences on the global integration of film industry. However, they do not reveal sufficient information about the creativity within the film sector as the source of international competitiveness. Thus, the logical next step should be related to the inquiries about the determinants of creativity in the film sector and socio-cultural environment of the cities. Finding out the unique determinants for Turkish case will further provide economic growth not only for the film industry but also for all other creativity related sectors. Thus, future analysis on film industries should be more focused on creativity issue in selected locations.

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Appendix A: Most Successful 200 Films at Box-Office (1995-2009)

Table A.1. Most Successful 200 Films between 1995 and 2009

No	Title	Year
1	Recep Ivedik 2	2009
2	Recep Ivedik 1	2008
3	Kurtlar Vadisi Irak	2006
4	GORA	2004
5	Babam ve Oglum	2005
6	AROG	2008
7	Vizontele	2001
8	Vizontele Tuuba	2004
9	Issiz Adam	2008
10	Organize Isler	2005
11	Hababam Sinifi Askerde	2005
12	Eskiya	1996
13	Gunesi Gordum	2009
14	Kahpe Bizans	2000
15	Muro	2008
16	Hababam Sinifi 3.5	2006
17	Beyaz Melek	2007
18	Kabadayi	2007
19	Asmali Konak Hayat	2003
20	Hokkabaz	2006
21	O Simdi Asker	2003
22	Hababam Sinifi Merhaba	2004
23	Osmanli Cumhuriyeti	2008
24	Komser Sekspir	2001
25	Gule Gule	2000
26	Maskeli Besler Irak	2007
27	Hersey Cok Guzel Olacak	1998
28	Propaganda	1999
29	Sinav	2006
30	Mustafa	2008
31	Son Osmanli Yandim Ali	2007
32	Neredesin Firuze	2004
33	Deli Yurek Bumerang Cehennem	2001
34	120	2008
35	Keloglan Karaprense Karsi	2006
36	Hirsiz Var	2005
37	Cilgin Dershane Kampta	2008
38	Gonul Yarasi	2005
39	Agir Roman	1997
40	Abuzer Kadayif	2000
41	Okul	2004
42	Cilgin Dershane	2007
43	Maskeli Besler Kibris	2008
44	Maskeli Besler Intikam Pesinde	2005
45	Hemso	2001
46	Cumhuriyet	1998
47	Son	2002
48	O Cocuklari	2008
49	Gelibolu	2005
50	Rus Gelin	2003

No	Title	Year
51	Hacivat Karagoz Neden Olduruldu	2006
52	Egreti Gelin	2005
53	Dondurmam Gaymak	2006
54	Kutsal Damacana	2007
55	Dongel Karhanesi	2005
56	Mutluluk	2007
57	Guz Sancisi	2009
58	Dabbe	2006
59	Ulak	2008
60	Kadrinin Goturdugu Yere Git	2009
61	Vali	2009
62	Istanbul Kanatlarimin Altinda	1996
63	Yol	1999
64	Dunyayi Kurtaran Adamin Oglu	2006
65	Beynelminel	2006
66	Balalayka	2000
67	Yesil Isik	2002
68	Avanak Kuzenler	2008
69	Kucuk Kiyamet	2006
70	Sans Kapiyi Kirinca	2005
71	Pars Kiraz Operasyonu	2007
72	Amerikalilar Karadenizde	2007
73	Gonderilmemis Mektuplar	2003
74	Ask Tutulmasi	2008
75	Salkim Hanimin Taneleri	1999
76	Takva	2008
77	Eve Giden Yol 1914	2006
78	Semum	2008
79	Mumya Firarda	2002
80	Musallat	2007
81	Durusma	1999
82	Duvara Karsi	2004
83	Yasamin Kiyisinda	2007
84	Mavi Gozlu Dev	2007
85	Beyzanin Kadnlari	2006
86	Ilk Ask	2006
87	Yazi Tura	2004
88	Insaat	2003
89	Hoscakal Yarin	1998
90	Destere	2008
91	Dansoz	2001
92	Omercip	2003
93	Ayakta Kal	2009
94	Sinir	2000
95	Barda	2007
96	Eve Donus	2006
97	Sellale	2001
98	Seytanin Pabucu	2008
99	Umut	2009
100	Harem Suare	1999

Table A.1. Continued

No	Title	Year
101	Plajda	2008
102	Polis	2007
103	O Simdi Mahkum	2005
104	Is	1995
105	Abdulhamit Duserken	2003
106	Hamam	1997
107	Anlat Istanbul	2005
108	Super Ajan K9	2008
109	Kisik Ateste 15 Dakika	2006
110	Gen	2006
111	Avrupalı	2007
112	Romantik	2007
113	Vicdan	2008
114	O Kadın	2007
115	Hayatimin Kadınının	2006
116	Emret Komutanım Sah Mat	2007
117	Devrim Arabaları	2008
118	Sonbahar	2008
119	Karisik Pizza	1998
120	Dar Alanda Kısa Paslaşmalar	2000
121	Filler ve Cimen	2001
122	Buyuk Adam Kucuk Ask	2001
123	Bay E	1995
124	Isıklar Sonmesin	1996
125	Uc Maymun	2008
126	Banyo	2005
127	Araf	2006
128	Duvar	2000
129	Eylul Firtinasi	2000
130	Seytan Bunun Neresinde	2003
131	Mum Kokulu Kadınlar	1996
132	Son Ders Ask ve Universite	2008
133	The Imam	2005
134	Pardon	2005
135	Bayrampasa Ben Fazla Kalmayacagım	2008
136	O da Beni Seviyor	2001
137	Gulum	2003
138	Dava	2001
139	Oyunbozan	2000
140	Ademin Trenleri	2007
141	Asansor	1999
142	Balans ve Manevra	2005
143	Mustafa Hakkında Hersey	2004
144	Nihavend Mucize	1997
145	Kirpi	2009
146	Zincirbozan	2007
147	Sicak	2008
148	Hititler	2003
149	Mektup	1997
150	Gunese Yolculuk	2000

No	Title	Year
151	Neseli Genclik	2007
152	2 Genc Kiz	2005
153	Kolay Para	2002
154	Mevlana Aski Dansi	2008
155	Uzak	2002
156	Gunesin Oglu	2008
157	Fasulye	2000
158	Sis ve Gece	2007
159	Cenneti Beklerken	2006
160	Firtina	2008
161	Sozun Bittigi Yer	2007
162	Bana Sans Dile	2007
163	Yagmurdan Sonra	2008
164	Masumiyet	1997
165	Deli Deli Olma	2009
166	Girdap	2008
167	Gomeda	2007
168	Bir Kadının Anatomisi	1995
169	Hicbiryerde	2002
170	Bir ihtimal Daha Var	2007
171	Golgesizler	2009
172	Peri Tozu	2008
173	Istanbul Hatirasi Kopruyu Gecmek	2005
174	Son Bulusma	2008
175	Iklimler	2006
176	Yumurta	2007
177	Avcı	1998
178	Eski Acik Sari Desene	2003
179	Korkuyorum Anne	2006
180	Miras	2008
181	Sir Cocuklari	2002
182	Herkes Kendi Evinde	2001
183	Hayattan Korkma Sacayagi	2008
184	Sifir Dedigimde	2007
185	Kader	2006
186	Dinle Neyden	2008
187	2 Super Film Birden	2006
188	Anka Kusu	2007
189	Cennet	2008
190	Pandoranin Kutusu	2009
191	Bes Vakit	2006
192	Fotograf	2001
193	Mayis Sikintisi	1999
194	Cinliler Geliyor	2006
195	Son Cellat	2008
196	Ayin Karanlik Yuzu	2005
197	Melekler Evi	2000
198	Otostop	1996
199	Janjan	2007
200	Cocuk	2008

Appendix B: Questionnaire

1. FİRMAYA İLİŞKİN BİLGİLER

2. ÜRETİM ÖRGÜTLENMESİ

2.A. İLİŞKİ AĞLARI

Kümelenme

Rekabet

Yaratıcılık

2.B. DIŞ BAĞLANTILAR

Festivaller

2.C. ORTAKLIKLAR

3. DİĞER İLİŞKİLER

3.A. Finansman İlişkileri

3.B. İşgücü İlişkileri

3.C. Kurumsal İlişkiler

3.D. Sektörel İlişkiler

1. FİRMAYA İLİŞKİN BİLGİLER:

Firmanın adı:

Semt:

Görüşülen kişinin görevi:

	Doğum tarihi	Doğum yeri	İstanbul'a geliş tarihi	İstanbul'a geliş nedeni
Firma Sahibinin				

1. Firmanın Kuruluş Tarihi:

Semti:

2. Hangi iş kollarında faaliyet gösteriyorsunuz?

Yapım	Dağıtım	Gösterim	Dublaj-altyazı	Efekt stüdyosu	Müzik	Basın-yayın	Reklamcılık	Diğer

3. (Eğer farklı alanlarda çalışıyorsa) Neden farklı alanlarda çalışma gereği duyuyorsunuz?

.....

4. Şirketinize ait genel göstergeler:

(Firmanız eğer Yeşilçam döneminde kurulmadıysa kurulduğu dönemi ve şimdiki durumu cevaplayınız)

	Yeşilçam dönemi	1980 sonrası	Şimdi
Toplam çalışan sayısı 1) 1-10 Çalışan 2) 10-25 Çalışan 3) 25-.... Çalışan			
Ortalama film bütçesi 1) 0-1 Milyon \$ Arası 2) 1-2 Milyon \$ Arası 3) 2-...Milyon \$ Arası			
Yılda çekilen film sayısı (film çekim periyodu-2yılda bir vs)			

5. Başka film şirketleriyle ortak yapım projeniz var mı? Evet Hayır

Eğer hayırsa. 9. soruya geçiniz..... (Üretim Örgütlenmesi bölümünde ortaklıklarla ilgili soruları cevaplamayınız)

6. Yabancı bir film şirketiyle ortaklık kurdunuz mu? Evet Hayır

7. Yabancı film şirketiyle yaptığınız son ortak yapım projeniz nedir?

Filmin Adı	Yılı	Bütçesi	Ortak Firma veya Ülke Adı	Ortaklık kurma yolu (Aşağıdaki Seçeneklerden İlgilileri belirtiniz, A,B,C,D,E,F,G)	Yurtdışında gösterildi mi? (işaretleyiniz)

Ortaklık Kurma Yolu

A	Dernekler vasıtasıyla
B	Festivallerde tanıştığımız firmayla
C	Başka firma aracılığıyla (Yerli-Yabancı)
D	Devletin aracılığı ve yönlendirmesiyle
E	Ortak firmaya kendi başvurunuzla
F	O firmanın size başvurusuyla
G	Diğer(Açıklayınız.....)

8. Tamamen yerli ortak yapım olan son projenizin:

Filmin adı	Yılı	Bütçesi	Kar-zarar durumu	Yurtdışında gösterildi mi? (işaretleyiniz)

2. ÜRETİM ÖRGÜTLENMESİ

2.A. İLİŞKİ AĞLARI (9., 10. ve 11. sorular çekilen SON FİLM düşünülerek cevaplandırılacaktır)

Filmin Adı:

9. Hangi iş grubundan kaç firma ve kaç kurum ile ilişki içindedesiniz?

	Sayı	Yabancı firma varsa		Yerli firmalar için
		İşaretleyiniz	1. ülke	Semti (en az biri)
FİNANS	Özel şirketler – Sponsorlar			
	TV kanalları			
	Bankalar			
	Devlet kurumları			
	Euroimages	-----		
	Dağıtımçılar			
	Gösterimciler			

		Sayı	Yabancı		Yerli firmalar için
			İşaretleyiniz	1. ülke	Semti (en az biri)
PRE- PRODUKSİYON AŞAMASI	Telif hakları				
	Muhasebe				
	Hukuk				
	Casting				
	Belediye				
	Valilik				
	Yönetmen	-----			-----
	Senaryo	-----			-----

		Sayı	Yabancı		Yerli firmalar için
			İşaretleyiniz	1. ülke	Semti (en az biri)
PRODUKSİYON AŞAMASI	Stüdyo				
	Kayıt stüdyosu				
	Set tasarım – kostüm				
	Işık – ses				
	Makyaj				
	Catering				
	Nakliye				

		Sayı	Yabancı		Yerli firmalar için
			İşaretleyiniz	1.ülke	Semti (en az biri)
POST- PRODUKSİYON AŞAMASI	Montaj				
	Müzik				
	Efektler				
	Altyazı				
	Dublaj				

		Sayı	Yabancı		Yerli firmalar için
			İşaretleyiniz	1. ülke	Semti (en az biri)
DAĞITIM İLİŞKİLERİ	Film çoğaltma				
	DVD				
	Dağıtım				
	Reklam				
	Pazarlama ilişkileri				

10. Birlikte iş yaptığımız yerli firmalardan memnun musunuz?

	Teknolojik yeterlilik		Yaratıcılık		Detaylar hassasiyet		Eleman /İşgücü Kalitesi	
	E	H	E	H	E	H	E	H
Prodüksiyon								
Post-prodüksiyon								
Dağıtım								
Gösterim								

11. Bilgi alışverişinde bulunduğunuz kurum ve firmaları işaretleyiniz.

	İşaretleyiniz	Yabancı		Yerli firmalar için
		İşaretleyiniz	1. ülke	Semti (en az biri)
BİLGİ ALIŞVERİŞİ	Rakip firmalar			
	Lider firmalar			
	Kurumlar: dernekler, meslek birlikleri			
	Alt yükleniciler			
	TV'ler			
	Üniversite			

2.a.1.Kümelenme

12. Firmanız mekansal olarak yer değiştirdi mi? Evet Hayır
Kaç kere?.....
Kuruluş yeri (semt):

Taşınma Yılı	Nereden- nereye (semt)	Neden

13. Firmanızın kuruluş yeri için mekansal tercihinizin nedenleri nelerdir?

Firmanız için hangi faaliyetlere/kurumlara yakın olmak önemli?

	1	2	3	4	5
Kültür endüstrileri, medya ve müzik şirketlerine yakın olma					
İlgili mesleki kurumlara yakınlık					
Birlikte çalıştığımız diğer film şirketlerine yakınlık					
Birlikte çalıştığımız firmalara yakınlık (mobilya, kostüm, ışık,ses)					
Kültürel aktivitelerinin yoğunluğu (müze, sergi, galeri, vs)					
Hizmetlerin yoğunluğu (sinema, tiyatro, bar, restoranlar)					
Kamu hizmetlerinin yeterliliği					
Fiziksel mekanın kalitesi					
Erişilebilirlik					
Diğer (Belirtiniz):.....					

14. Sektörünüzdeki diğer firmalarla bir arada bulunmanın avantajları nelerdir?

	1	2	3	4	5
Aynı bölgede olmak birlikte çalışmayı kolaylaştırır					
Yüz yüze ilişkiler geliştirmek					
Benzer şartlarda çalışıyor olmak					
Güven ortamı					
Diğer (Belirtiniz):.....					

2.a.2.Rekabet

15. Sektörünüzde sizi öne çıkaracak ve güçlendirecek stratejileriniz nelerdir?

	1	2	3	4	5
Yerli film şirketleriyle ortak yapım					
Yabancı film şirketleriyle ortak yapım					
Çok film çekmek					
Büyük bütçeli film çekmek					
Yurtdışına pazarlamak					
Farklı tarzlara yönelme (örn. Aksiyon, korku)					
Yeni teknolojileri satın almak					
Tanınmış oyuncu oynatmak					
Yabancı oyuncu oynatmak					
Diğer (Belirtiniz):.....					

16. Filmlerin için belirli bir izleyici grubu hedefiniz var mı?

(Firmanız eğer Yeşilçam döneminde kurulmadıysa kurulduğu dönemi ve şimdiyi cevaplayınız)

İzleyici Kitle	Yeşilçam Dönemi	1980 Sonrası	Şimdi
Gençler			
Orta Yaşlılar			
Entellektüeller			
Hepsi			
Diğer (Belirtiniz):.....			

2.a.3.Yaratıcılık

17. Türk sinema sektöründe yaratıcılık konusunda yaşanan en büyük problemler nelerdir?

	1	2	3	4	5
Senaryo					
Finansal yetersizlikler nedeniyle yaratıcı projelerin Gerçekleştirilememesi					
Teknolojik altyapının projeleri gerçekleştirmek için yetersiz oluşu					
Sektörde dinamizm eksikliği					
Yurtdışı bağlantıları gerçekleştirmede yaşanan sorunlar					
Kaliteli eleman eksikliği					
Diğer (Belirtiniz):.....					

2.B. ORTAKLIKLAR (Ortak Yapımlar - Dış Bağlantılar)

Eğer başka bir firmayla ortak film çekmişse (yerli ve /veya yabancı).....

18. Bugüne kadar kaç projede, hangi alanlarda ilişki/işbirliği kurdunuz?

	Yerli firma sayısı	Memnuniyet		Yabancı firma sayısı	Memnuniyet	
		Evet	Hayır		Evet	Hayır
Yapım amacıyla						
Finansman sağlamak için /finansal ortaklık						
Dağıtım-pazarlama amacıyla						
Gösterim amacıyla						
Hizmet alımı						
Teknoloji desteği						
İşgücü						
Diğer (Belirtiniz):.....						

Memnun kalmadıysanız sorun neydi?.....

19. Ortaklık ve işbirliği kurma nedenleriniz nelerdir?

	1	2	3	4	5
Desteklerden faydalanmak					
Finansman sağlamak					
Maliyetleri düşürme					
Dış pazara ulaşmak					
Teknoloji ve işgücünü paylaşmak					
Know-how sağlamak (yapabilme bilgisi)					
Daha büyük projeler gerçekleştirebilmek					
Diğer (Belirtiniz):.....					

20. Ortaklıkları/işbirliklerini nasıl kuruyorsunuz?

	1	2	3	4	5
Dernekler vasıtasıyla					
Festivallerde tanıştığımız firmayla					
Başka firma aracılığıyla (Yerli-Yabancı)					
Devletin aracılığı ve yönlendirmesiyle					
Ortak firmaya kendi başvurunuzla					
O firmanın size başvurusuyla					
Diğer (Belirtiniz):.....					

Bugüne kadar Yabancı bir firma(yapımcı, dağıtımçı, gösterimci, efekt stüdyosu...vs) veya kişiyle(yönetmen, kameraman, sesçi, ...vs) çalışılmamışsa, 25. soruya geçiniz.....

21. Yabancı firma veya kişilerle çalışmanızın nedenleri nelerdir?

	1	2	3	4	5
Yerli firmaların ve işgücünün yeterince ihtisaslaşmamış olması					
Üretim ve dağıtım organizasyonlarının profesyonelleşmemiş olması					
Yerli firmaların teknolojik yetersizliği					
Yetenekli ve donanımlı işgücü eksikliği					
Dış bağlantıların sunduğu yeni dışsal bilgiler					
Yerli firmaların ortak projelere karşı çekingenliği					
Diğer (Belirtiniz):.....					

22. Hangi konularda yabancı firma veya kişilerle çalıştınız?

	İşaretleyiniz	Bu işbirliklerinin filminize olumlu etkisi oldu mu? (Bu etki nedir? Kar/yurtdışına erişim/yaratıcılık vs)
Kamera		
Casting		
Işık-ses		
Özel efekt		
Müzik		
Stüdyo		
Dublaj-altyazı		
Görsel efektler		
Film dağıtım		
Film çoğaltma		
Gösterim		
Eğitim projeleri		
Diğer (Belirtiniz):.....		

23. Dış bağlantılarınızı nasıl kuruyorsunuz?

	İşaretleyiniz
Dernekler vasıtasıyla	
Festivallerde tanıştığımız firmayla	
Yerli ortaklıklar aracılığıyla	
Ortak yapım film market aracılığıyla (co-production film market)	
Yurtdışındaki ilgili tanıdık firmalar aracılığıyla	
Devletin aracılığı ve yönlendirmesiyle	
Euroimages aracılığıyla	
İnternet yoluyla ortak firmaya kendi başvurunuzla	
O firmanın size başvurusuyla	
Diğer (Belirtiniz):.....	

24. Yurtdışından firmalarla ilişkiler sizin diğer yerel firmalarla ilişkilerinizin yoğunluğunu nasıl etkiler?

Etkilemez Artırır Azaltır

25. Herhangi bir filminiz yurtdışında gösterildi mi? Evet Hayır

Evetse, hangi yolla ve nerede?

	Ülke
Festival aracılığıyla	
Dağıtımçı firma bağlantısıyla	
Yurtdışındaki dağıtımçıyla (sales agent) doğrudan ilişki kurarak	
Ortak yapım ilişkisi kurduğunuz yabancı film şirketi aracılığıyla	
Diğer (Belirtiniz):.....	

26. Sizce Türk sinema sektörünün dış piyasalara açılmamasının nedenleri nelerdir?

	1	2	3	4	5
Sinemada uzmanlaşmış bir kurumsal bir yapının olmaması					
Dağıtım ve pazarlama ağlarındaki yetersizlik					
Yeterli sermaye büyüklüğünün olmaması					
Devlet desteğinin olmaması					
Vergi sistemi – Yasal mevzuat					
Sponsor yetersizliği					
Ara kademede eleman eksikliğinin yarattığı nitelik problemi					
Diğer (Belirtiniz):.....					

27. Sizce dış piyasalara ulaşmak için uygulanması gereken stratejiler nelerdir?

Stratejiler	1	2	3	4	5
Yabancı aktör oynatmak					
Yabancı firmalarla çalışmak					
İngilizce film çekmek					
Farklı ülkeleri ilgilendiren film çekmek					
Büyük bütçeli film çekmek					
Diğer (Belirtiniz):.....					

3. DİĞER İLİŞKİLER

3.a. Finansman İlişkileri (Son filminiz için-yukarıdakilerle aynı)

Filmin adı:.....

28. Finansman kaynaklarınız nelerdir? (yüzde olarak)

	Oran (%)	Önceki dönemlere göre değişim (azaldı/arttı/değişmedi)
Bakanlık		
Euroimages		
TV Kanalları		
Ortaklıklar		
Sponsorlar	Yerli	
	Yabancı	
Bankalar	Yerli	
	Yabancı	
Dağıtımıcılar	Yerli	
	Yabancı	
Gösterimciler	Yerli	
	Yabancı	

29. Harcama kalemleriniz nelerdir? (yüzde dağılım)

	Oran (%)	Önceki dönemlere göre değişim (azaldı/arttı/değişmedi)
Pre-produksiyon (senaryo/yönetmen)		
Produksiyon (teknik ekip/oyuncular)		
Post-produksiyon		
Dağıtım		
Diğer (Belirtiniz):.....		

3.b. İşgücü İlişkileri

30. Son filminizde çalışanlara ait genel bilgiler:

Görevi	Yerli		Yabancı	
	Devamlı çalışan	Geçici çalışan	Devamlı çalışan	Geçici çalışan

31. Birlikte iş yaptığınız alt yüklenici firmalarda çalışanların ortalama yaşı nedir? (genç-orta yaşlı-yaşlı)

Yeşilçam dönemi	1980'ler	Şimdi

3.c. Kurumsal İlişkiler

32. Yaptığınız çalışmalarda aşağıdaki kurumlarla hangi konularda ilişkide bulunuyorsunuz?

	İşaretleyiniz	Mali konular	Hukuki konular	Yapım süreci ile ilgili konular	Dağıtım süreci ile ilgili konular	Gösterim süreci ile ilgili konular	Bilgi alışverişi	Eğitim projesi	Kültürel Etkinlik	Diğer
Sinema Telif Hakları Gnl. Müd.										
Meslek Birlikleri										
Dernekler										
Belediyeler										
Bankalar										
Üniversiteler										
Özel eğitim kurumları										
İlgili uzmanlar										
Sektördeki büyük film şirketleri										
Euroimages										
Yurtdışı firmalar										

33. Üye olduğunuz dernek /meslek birlikleri varsa, üye olma amacınız nedir?

	1	2	3	4	5
Üye olmanın sağladığı avantajdan yararlanmak					
Sunduğu hizmetler					
Bilgi alışverişi					
İş bağlantısı					
Çok sayıda üyesi olması					
Önde gelen firmaların üye olması					
Rekabet ettiğimiz firmaların üye olması					
Diğer (Belirtiniz):.....					

34. Öğrenci projelerine yardım ediyor musunuz?

Evet

Hayır

Evetse, hangi konularda yardım ediyorsunuz?

	İşaretleyiniz
Staj olanağı	
Senaryo geliştirme	
Oyuncuya erişme	
Gerekli teçhizatın sağlanması	
Stüdyo sağlanması	
Yardımcı personel	
Finansman	
Diğer (Belirtiniz):.....	

3.d. Sektörel İlişkiler

35. Sizde aşağıdaki sektörler sinema sektörünü hangi konularda destekliyor?

Konular \ Sektörler	Destekleyenleri işaretleyiniz	Finansman	Know-how (Yapılabilir bilgi)	Teknolojik yenilikler	Gündemi takip etme	Tartışma alanı oluşturmak	Diğer:
Reklamcılık							
Bankacılık							
Televizyon							
Müzik							
Medya							
Diğer. (Belirtiniz):.....							

Appendix C: Statistical Classification of Economic Activities-NACE

Revision 1.1

Table C.1. Economic Activities – NACE Rev.1.1

Code	Description
92	Recreational, cultural and sporting activities
92.1	Motion picture and video activities
92.11	Motion picture and video production
92.12	Motion picture and video distribution
92.13	Motion picture projection
92.2	Radio and television activities
92.20	Radio and television activities
92.3	Other entertainment activities
92.31	Artistic and literary creation and interpretation
92.32	Operation of arts facilities
92.33	Fair and amusement park activities
92.34	Other entertainment activities n.e.c.
92.4	News agency activities
92.40	News agency activities
92.5	Library, archives, museums and other cultural activities
92.51	Library and archives activities
92.52	Museums activities and preservation of historical sites and buildings
92.53	Botanical and zoological gardens and nature reserves activities
92.6	Sporting activities
92.61	Operation of sports arenas and stadiums
92.62	Other sporting activities
92.7	Other recreational activities
92.71	Gambling and betting activities
92.72	Other recreational activities n.e.c.

Appendix D: Location Quotient (LQ) Analysis of Cultural Sectors in Istanbul

Table D.1. LQ Analysis of Cultural Sectors in Istanbul

Nace	Number of units in Istanbul	Number of units in Turkey	LQ	Employment in Istanbul	Employment in Turkey	LQ
9211	201	281	3.0	881	1 082	2
9212	8	11	3.1	(**)	89	*
9213	85	321	1.1	794	2 121	1
9220	84	637	0.6	2 154	3 956	2
9231	185	600	1.3	443	1 497	1
9232	144	357	1.7	618	1 246	1
9233	33	95	1.5	476	989	1
9234	498	1 788	1.2	1 391	4 544	1
9240	51	348	0.6	1 845	3 255	2
9252	2	4	2.1	(*)	**	*
9261	169	973	0.7	997	3 169	1
9262	689	2 789	1.0	2 870	8 752	1
9271	697	1 957	1.5	1 236	3 865	1
9272	1 169	6 740	0.7	4 028	14 899	1
total	4 015	16 901		17 733	49 464	

Source: Tuik, 2002, General Census Of Industry And Establishments

Table D.2. The Number of Film Production Units and Employment in Turkey

Number of Local Units and Employment	Nace 9211		Nace 9212		Nace 9213	
	Units	Employment	Units	Employment	Units	Employment
TR -Türkiye	281	1082	11	89	321	2121
TR1 (İstanbul)	201	881	8	0	85	794
TR51 (Ankara)	21	54	0	0	27	279
TR31 (İzmir)	16	45	1	0	25	142
TR5 -Batı Anadolu	23	56	0	0	31	329
TR3 -Ege	22	61	1	0	48	218
TR2 -Batı Marmara	1	0	0	0	21	83
TR4 -Doğu Marmara	9	23	1	0	28	174
TR6 -Akdeniz	17	37	1	0	37	203
TR7 -Orta Anadolu	1	0	0	0	11	53
TR8 -Batı Karadeniz	2	0	0	0	23	75
TR9 -Doğu Karadeniz	2	0	0	0	13	53
TRA -Kuzeydoğu Anadolu	0	0	0	0	4	0
TRB -Ortadoğu Anadolu	2	0	0	0	8	25
TRC -Güneydoğu Anadolu	1	0	0	0	12	98

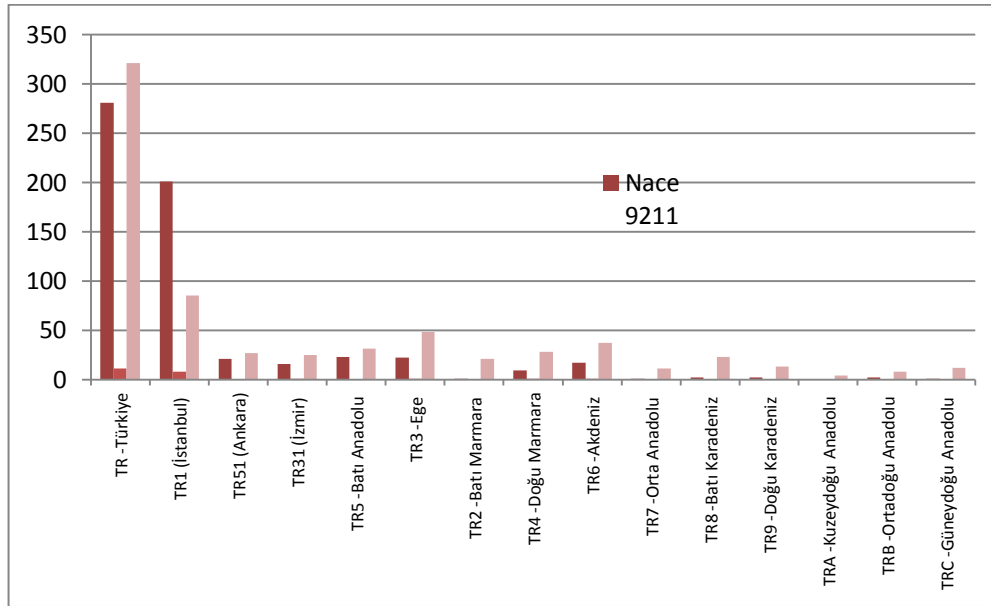


Figure D.1. Number of Local Units and Employment for Film Production, Distribution, and Exhibition Activities

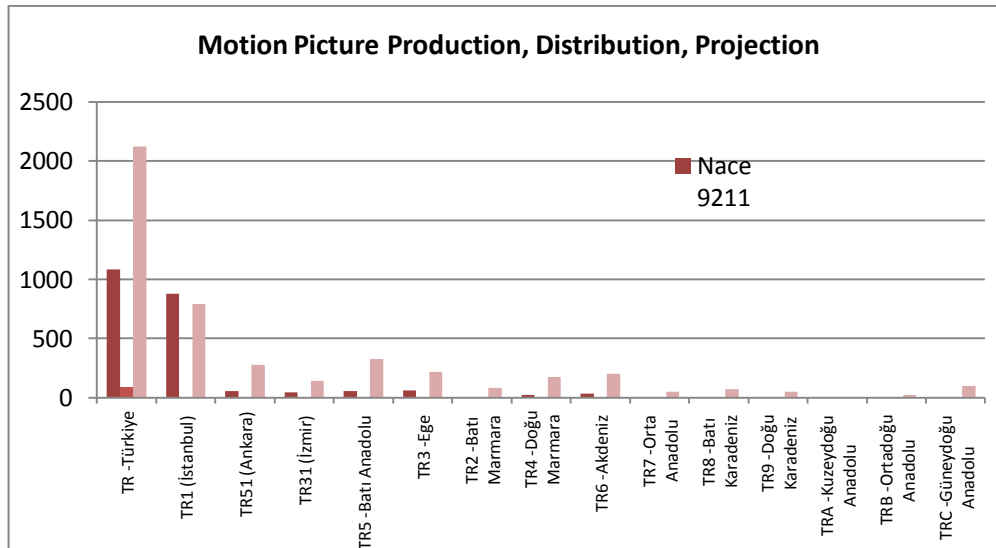


Figure D.2. Number of Employment in Film Industry

Source: Tuik, 2002, General Census Of Industry And Establishments

Cultural sector used in this table are determined with the help of report prepared by European Cluster Observatory¹⁴ in the name of “Priority Sector Report: Creative and Cultural Industries” (2010). The first three rows in the table shows motion picture and video activities with 92.11, 92.12, and 92.13 NACE¹⁵ codes.

¹⁴ It is the most comprehensive database on clusters, cluster organisations, and cluster reports in Europe funded by the European Commission’s Directorate General for Enterprise and Industry.

¹⁵ Statistical classification of economic activities in European Union

Appendix E: Social Network Measures

Social Network Measures (Wasserman & Faust, 1994)

Degree Centrality: It shows that actors who have more ties to other actors take advantaged positions. Because they have many ties, they may have alternative ways to satisfy needs, and hence are less dependent on other individuals. Because they have many ties, they may have access to, and be able to call on more of the resources of the network as a whole. Actors who display high out-degree centrality are often said to be influential actors. The original degree centrality approach argues that actors who have more connections are more likely to be powerful because they can directly affect more other actors. It is argued in the literature that one's centrality is a function of how many connections one has, and how many the connections the actors in the neighborhood had. He also argued that being connected to others makes an actor central, but not powerful. The more connections the actors in your neighbourhood have, the more central you are. The fewer the connections the actors in your neighbourhood, the more powerful you are.

Ego Networks (neighborhoods) used in the network analysis is a very useful way of understanding complicated network graphs, is to see how they arise from the local connections of individual actors. An ego network is the set of actors who are connected to a focal actor, along with the relations between ego and the alters, any relationships among the alters. They are defined for each film project to reveal the networks of artistically and economically successful and unsuccessful films in their neighbourhood. While including all of the ties among all of the actors to whom ego has a direct connection, neighbourhood network gives us key clues on the nature of networking among filmmaking team and companies.

Centrality: A measure of the degree centralization of each node based on the number of nodes adjacent to the node in a symmetric graph.

Closeness: The farness of a node is calculated as the sum of the lengths of all the geodesics paths to every other node, the closeness centrality measure is the reciprocal of farness.

Betweenness: Betweenness is a measure of the number of times a node occurs on a geodesic path. The normalized betweenness centrality is the betweenness divided by the maximum possible betweenness expressed as a percentage.

Eigenvector: The eigenvector measure calculates the centrality of each node based on the centrality of the nodes they are connected to.

Structural Holes: A measures based on redundancy and constraint.

Effective size: This measure is developed by Ronald Burt to analyse the effective size of ego's network. For each ego this is calculated as the number of alters minus the average degree of alters within the ego network, not counting ties to ego.

Efficiency: The above mentioned measure of effective size divided by the number of alters in ego's network to calculate the efficiency of the network – the outreach per tie.

Constraint: This measure is also developed by Ronald Burt to analyse the constraints in ego's network measured as the extent to which ego is invested in people who are invested in other of ego's alters.

Hierarchy: An adjusted measure of constraint which is also developed by Ronald Burt. This measure analyse the extent to which constraint on ego is concentrated in a single alter.

Ego Betweenness: This measures capture the share of ego's alters which must pass through ego in order to connect to each other

Appendix F: Socio-cultural, Economic and Political Changes in Turkey in Historical process

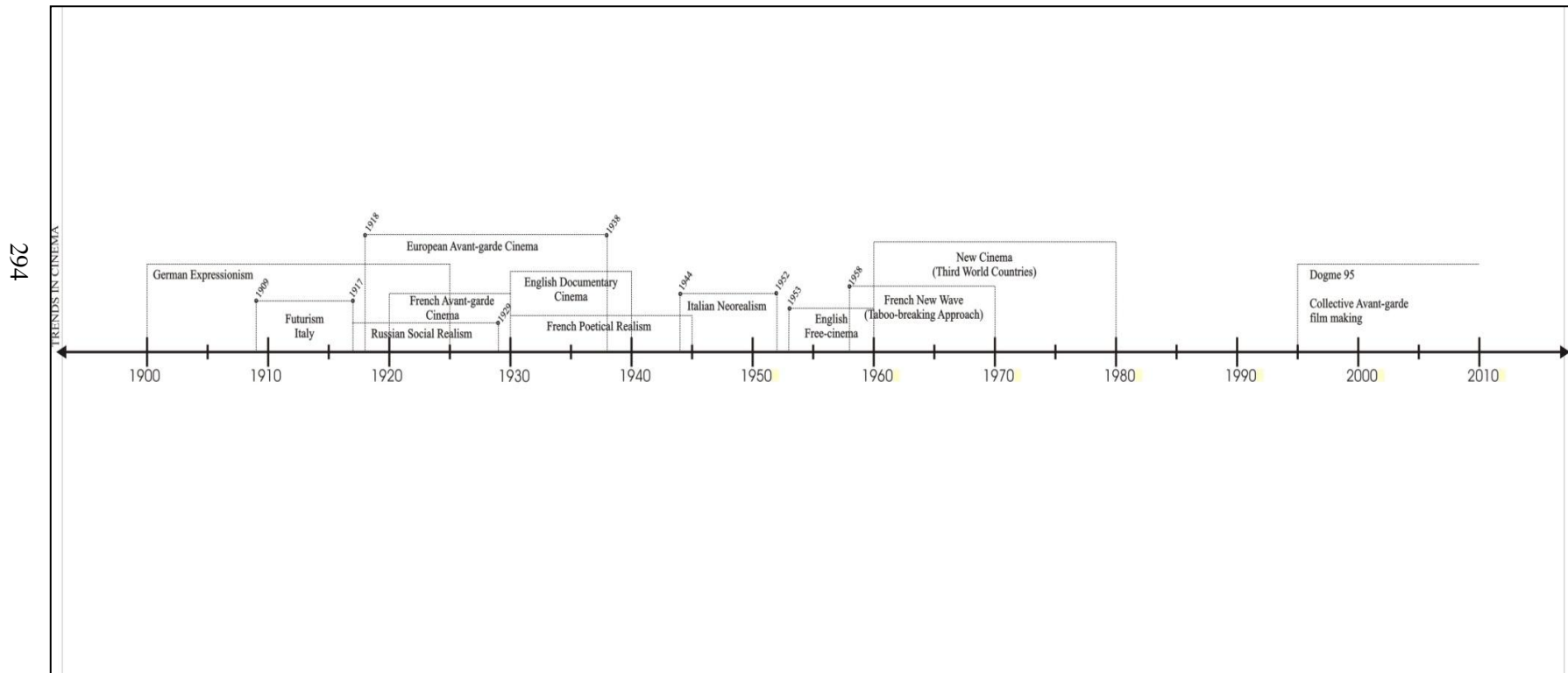


Figure F.1. Movements in World Cinema (Styles of Film)

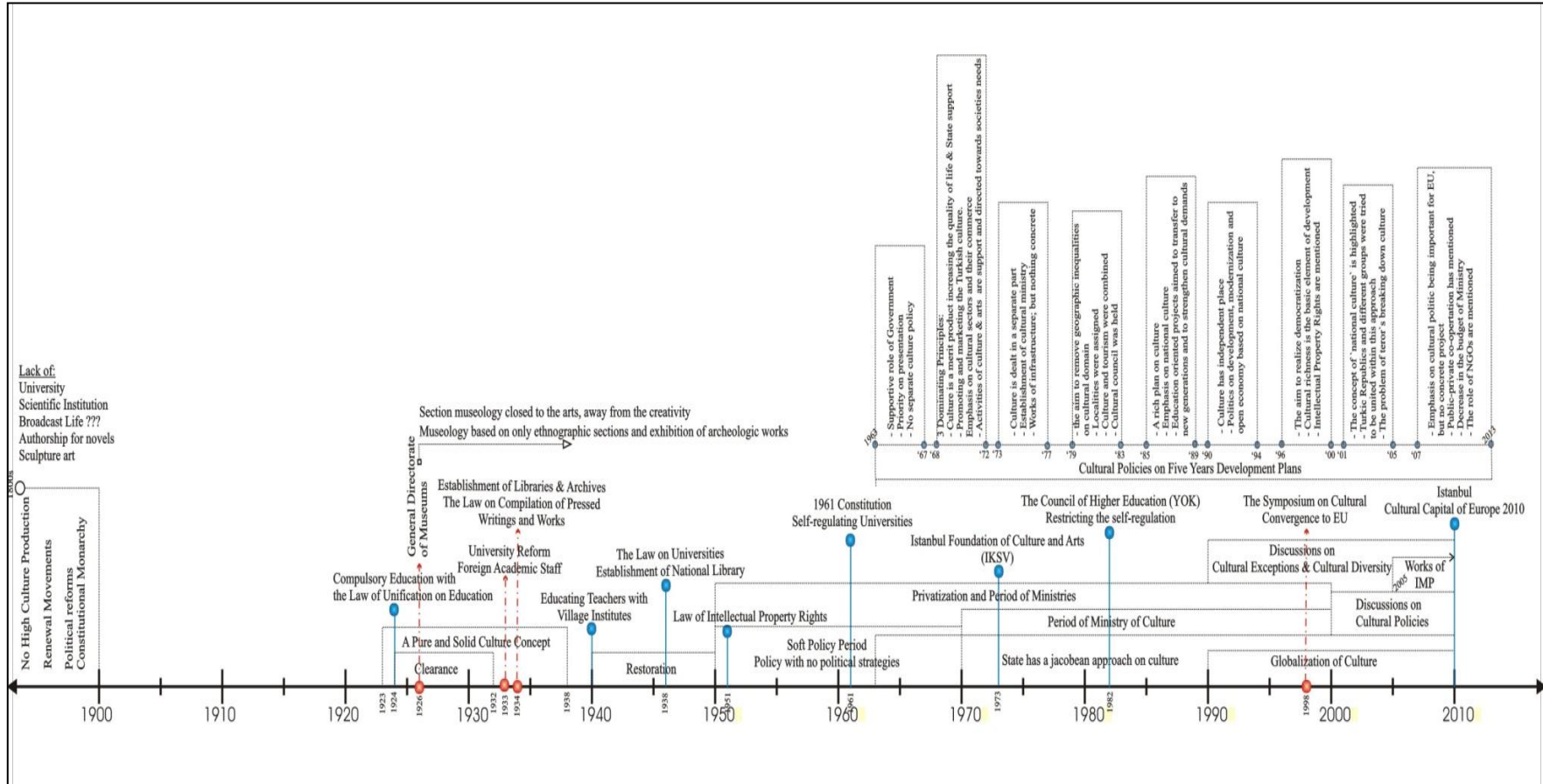


Figure F.2. Cultural Policies in Turkey

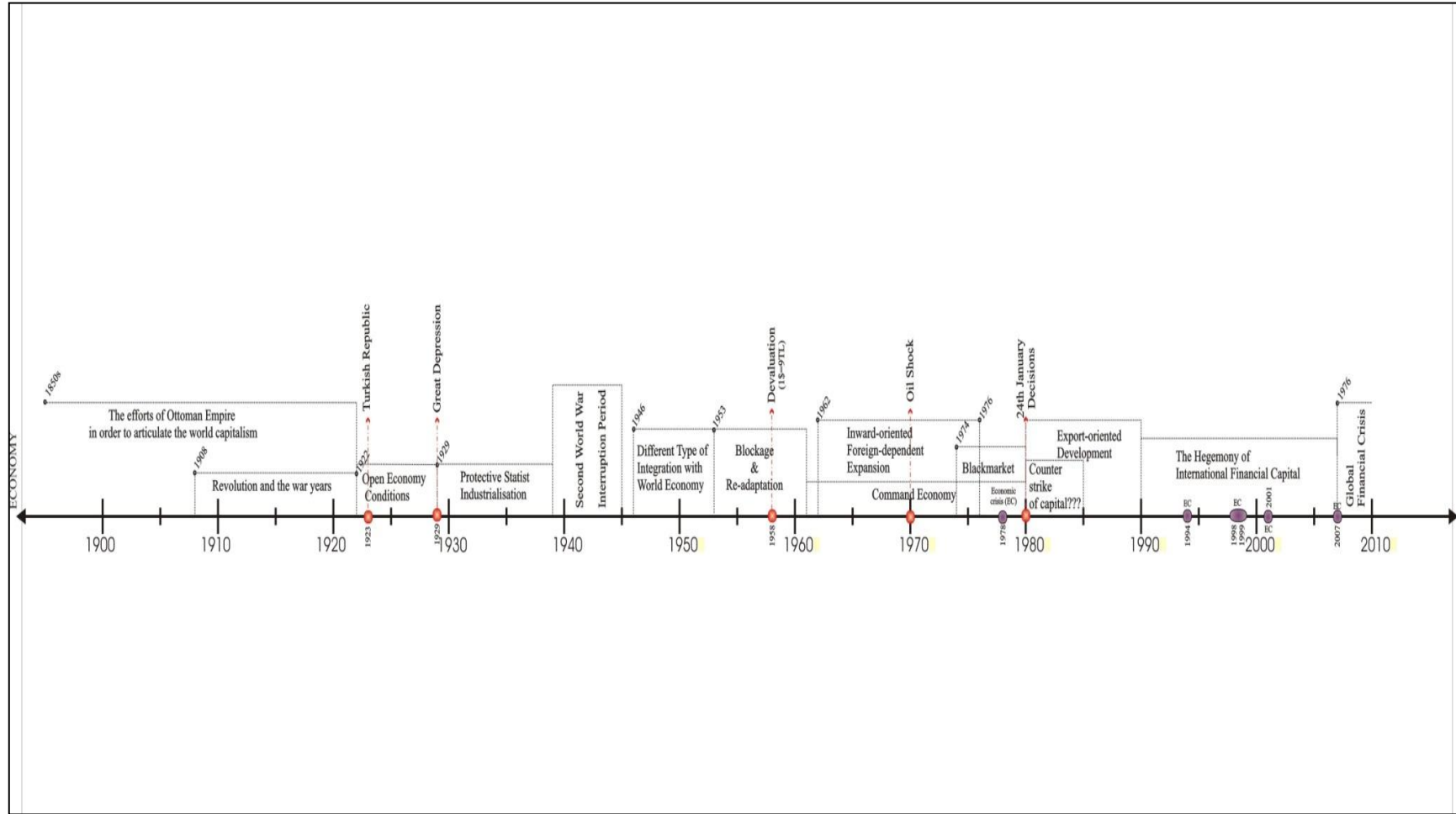


Figure F.3. General Economic Structure of Turkey in Historical Process

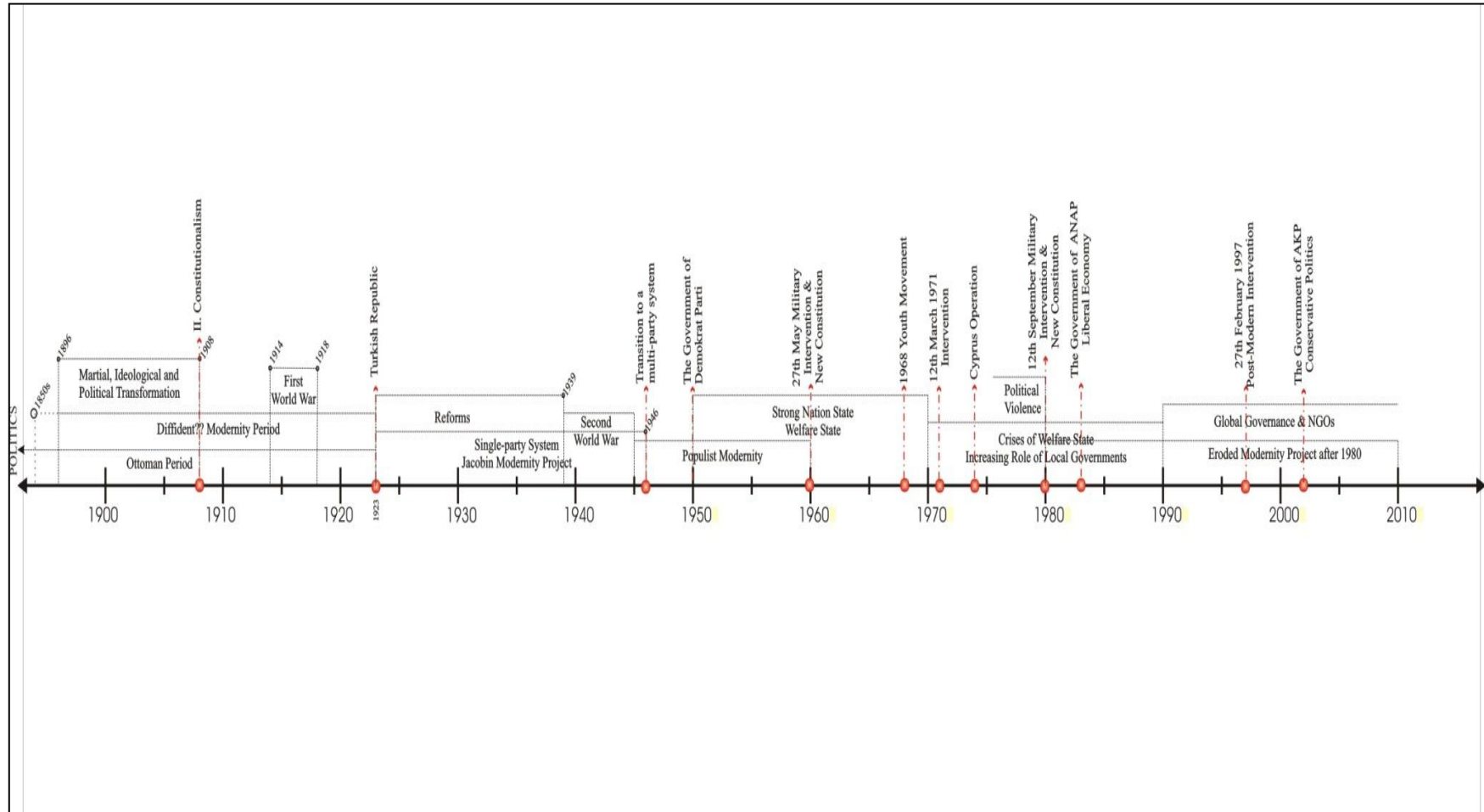


Figure F.4. General Politic Structure

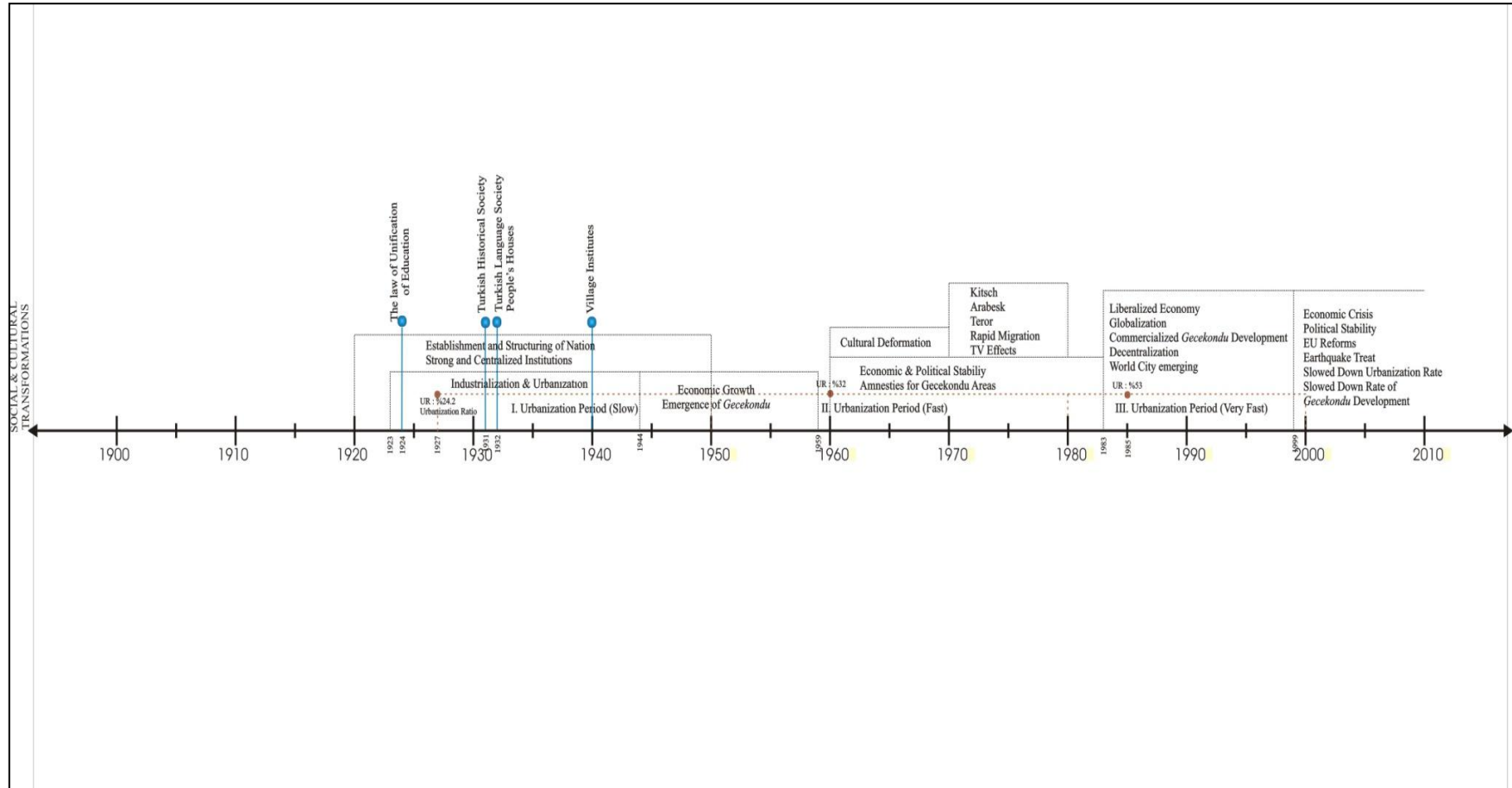


Figure F.5. Socio-cultural Environment in Turkey in Historical Process

Appendix G: Annual Film Productions in Turkey between 1940 and 2010

Table G.1. Number of Produced Films in Turkey between 1940 and 2010

Year	Number of films	Year	Number of films	Year	Number of films	Year	Number of films
1940	4	1960	85	1980	68	2000	19
1941	2	1961	123	1981	71	2001	20
1942	4	1962	131	1982	72	2002	56
1943	2	1963	117	1983	78	2003	57
1944	4	1964	181	1984	126	2004	77
1945	2	1965	215	1985	123	2005	71
1946	6	1966	241	1986	184	2006	37
1947	12	1967	209	1987	186	2007	69
1948	18	1968	177	1988	117	2008	80
1949	19	1969	231	1989	99	2009	104
1950	22	1970	224	1990	74	2010	117
1951	36	1971	265	1991	33		
1952	56	1972	300	1992	39		
1953	42	1973	209	1993	82		
1954	51	1974	189	1994	78		
1955	62	1975	225	1995	35		
1956	51	1976	164	1996	37		
1957	60	1977	124	1997	25		
1958	81	1978	126	1998	23		
1959	79	1979	193	1999	21		

Source: Tunç, 2006; sinematurk.com; boxoffice.com

Appendix H: List of Distributor Companies

Table H.1. Distributor Companies in Turkey

No	Distributor Firm	District	Date of Establishment
1	AVŞAR FİLM	Beyoglu	1984
2	BARBAR FİLM	Beyoglu	----
3	BELGE FİLM	Beyoglu	1982
4	BESTLINE PICTURES	Besiktas	1989
5	BİR FİLM	Beyoglu	2002
6	CHANTIER	Besiktas	2001
7	DENK FİLM	Ankara	1998
8	DORUK FİLM	Beyoglu	1986
9	ERLER FİLM	Beykoz	1960
10	FİDA FİLM	Besiktas	1965
11	FONO FİLM	Fatih	1967
12	İNCİ FİLM (SİNİTEL)	Beyoglu	-----
13	İRFAN FİLM	Beyoglu	1961
14	KENDA	Besiktas	2004
15	MAXXİMUM SİNEMA	Besiktas	2001
16	PI FİLM	Beyoglu	2000
17	ÖZEN FİLM	Beyoglu	1941
18	35 MILİM	Beyoglu	2004
19	R FİLM	Besiktas	1992
20	WARNER BROS	Sisli	1989
21	TMC	Sisli	1993
22	U.I.P.	Sisli	1989
23	U.N.P.	Besiktas	2006
24	UMUT SANAT	Besiktas	1974
25	ERMAN FİLM	Beyoglu	1946
26	LIMON FİLM	Besiktas	2003
27	SUGARWORKZ	Beyoglu	2003
28	TIGLON	Beyoglu	1999

Source: Companies' own websites; Sayman and Kar, 2010

Appendix J: Market Shares of the Distributor Companies in Turkish Market

Table J.1. Market Shares of the Distributor Companies in Turkish Market (2008)

No	Distributor	Total Number of Film	Total Number of Audiences	Market Share %
1	UIP	68	13.341.927	34.62
2	Özen Film	52	10.284.362	26.69
3	WB	45	5.465.074	14.18
4	Cinefilm	1	2.012.205	5.22
5	Medyavizyon	28	1.891.299	4.91
6	Tiglon	28	1.407.783	3.65
7	35 Milim Filmcilik	27	964.049	2.5
8	Bir Film	58	817.243	2.12
9	Pinema	25	723.463	1.88
10	SMA	1	712.991	1.85
11	Chantier	16	505.222	1.31
12	Özen-Umut Sanat	8	156.779	0.41
13	Bestline	8	140.349	0.36
14	R Film	1	52.934	0.14
15	Kenda	5	17.806	0.05
16	Umut Sanat	6	14.971	0.04
17	Barbar Film	3	9.316	0.02
18	Yerli Film	1	6.605	0.02
19	Erman Film	1	1.680	
20	UNP	1	391	

Table J.2. Market Shares of the Distributor Companies in Turkish Market (2009)

No	Distributor	Total Number of Film	Total Number of Audiences	Market Share %
1	Özen Film	41	7.157.322	19.77
2	WB	43	6.704.719	18.52
3	Tiglon	101	6.585.288	18.19
4	UIP	66	5.264.783	14.55
5	Medyavizyon	38	4.480.638	12.38
6	Pinema	26	3.236.627	8.94
7	Cinefilm	6	2.231.947	6.17
8	Chantier	9	352.278	0.97
9	Cinegroup	4	57.966	0.16
10	Duka Film	3	48.338	0.13
11	Sinetel	2	43.305	0.12
12	Özen-Umut Sanat	5	23.915	0.07
13	Umut Sanat	5	4.587	0.01
14	Erman Film	2	2.652	0.01
15	Barbar Film	1	697	
16	Medyaevi	1	554	
17	Belge Film	1	86	

Source: *sinematurk website*

Table J.3. Market Shares of the Distributor Companies in Turkish Market (2010)

No	Distributor	Total Number of Film	Total Number of Audiences	Market Share %
1	UIP	37	7.333.516	33.49
2	Özen Film	21	4.688.373	21.41
3	Tiglon	73	3.976.768	18.16
4	Medyavizyon	23	2.401.673	10.97
5	WB	23	1.541.499	7.04
6	Pinema	18	942.202	4.3
7	Cinefilm	4	931.467	4.25
8	Chantier	4	19.787	0.09
9	Nar Film	1	19.196	0.09
10	Cinegroup	3	18.982	0.09
11	Duka Film	4	12.568	0.06
12	Avşar Film	1	5.271	0.02
13	Wega Film	1	2.848	0.01
14	Belge Film	1	1.279	0.01

Source: *sinematurk website*

Appendix K: Market Shares of Exhibitor Companies in Turkey

Table K.1. Market Shares of Exhibitor Companies in Turkey in 2006

Cinema Theatres in Turkey			
	Number of Screen	Market Share of Majors %	Share in Total
AFM	157	39.2	11.6
Cinemars	86	21.4	6.4
Tüze Group	78	19.5	5.8
Cinemall	27	6.7	2.0
Özen Film	28	7.0	2.1
CineCity	25	6.2	1.9
6 Major Exhibitors	401	100	29.7
Other Exhibitors	950		70.3
Total	1351		100

Source: Gedik Yatırım, 2006

Appendix L: Growth of the Turkish Film Industry After 1995

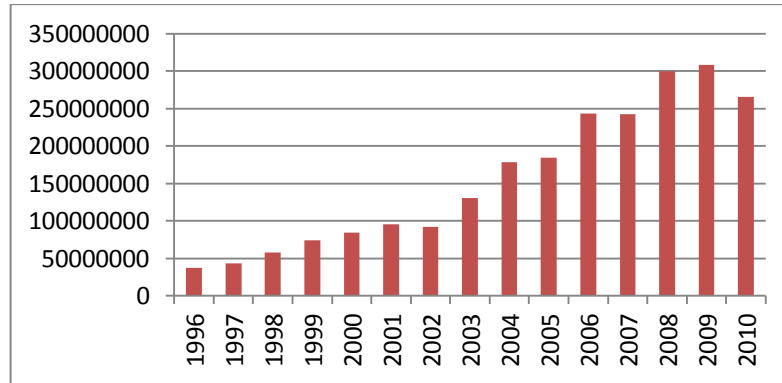


Figure L.1. Total Box Office

Source: Gathered from www.boxofficeturkiye.com, *Annual World Film Market Trends Reports* (European Audiovisual Observatory Publications, 1998-2010), www.sinematurk.com and different thesis studies (such as Erkalıç, 2003 and Anapa, 1999)

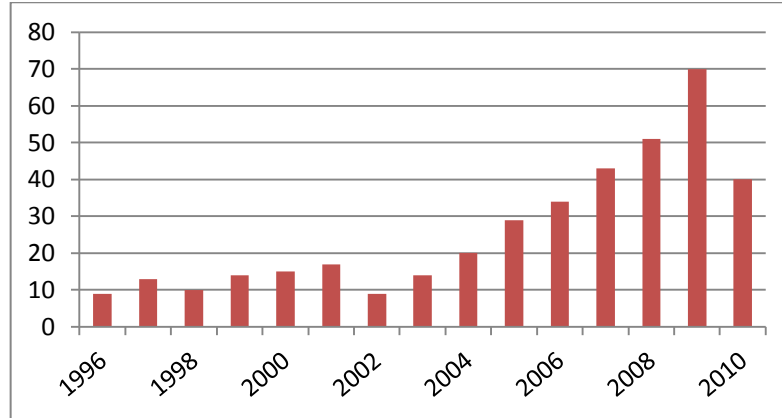


Figure L.2. Number of Films

Source: Gathered from www.boxofficeturkiye.com, *Annual World Film Market Trends Reports* (European Audiovisual Observatory Publications, 1998-2010), www.sinematurk.com and different thesis studies (such as Erkalıç, 2003 and Anapa, 1999)

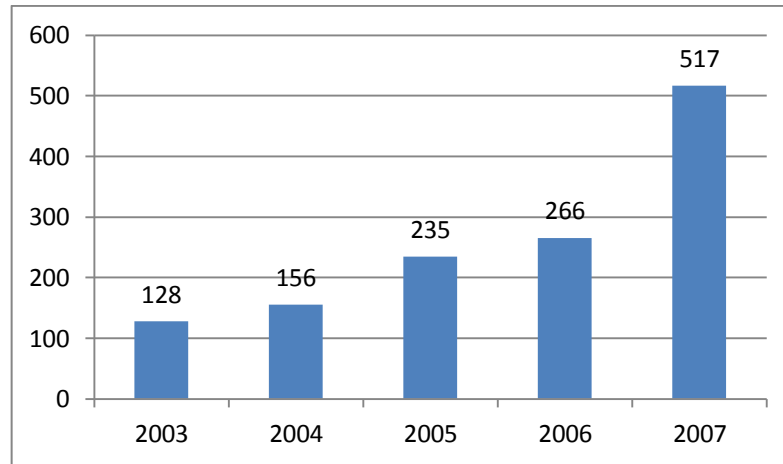


Figure L.3. Dispersion of Producer Sheet

Source: Directorate General of Copyrights and Cinema, 2010

**Appendix M: Most and Least Successful Sixty Films between 2005
and 2010**

Table M.1. Most and Least Successful Sixty Films between 2005 and 2010

No	Title	Year
1	Recep Ivedik 2	2009
2	Recep Ivedik 1	2008
3	Kurtlar Vadisi Irak	2006
4	Babam ve Oglum	2005
5	AROG	2008
6	New Yorkta Bes Minare	2010
7	Recep Ivedik 3	2010
8	Issiz Adam	2008
9	Organize Isler	2005
10	Hababam Sinifi Askerde	2005
11	Gunesi Gordum	2009
12	Eyvah Eyvah	2010
13	Nefes	2009
14	Yahsi Bati	2010
15	Muro	2008
16	Av Mevsimi	2010
17	Hababam Sinifi 3.5	2006
18	Beyaz Melek	2007
19	Kabadayi	2007
20	Hokkabaz	2006
21	Osmanli Cumhuriyeti	2008
22	Maskeli Besler Irak	2007
23	Sinav	2006
24	Son Osmanli Yandim Ali	2007
25	Neseli Hayat	2009
26	Keloglan Karaprense Karsi	2006
27	Hirsiz Var	2005
28	Gonul Yarasi	2005
29	Kurtlar Vadisi Gladio	2009
30	Cilgin Dershane	2007

Table M.1. Continued

31	Anne yada Leyla	2006
32	Unutulmayanlar	2006
33	Oyun	2006
34	Gece 11-45	2005
35	Turev	2005
36	Takim Boyle Tutulur	2005
37	Melegin Dususu	2005
38	Kardan Adamlar	2006
39	Suna	2007
40	Zeynepin Sekiz Gunu	2007
41	Iyi Seneler Londra	2007
42	Hayatin Tuzu	2009
43	Yasam Arsizi	2009
44	Tramway	2006
45	Orada	2009
46	Multeci	2008
47	Fikret Bey	2007
48	Bahti Kara	2010
49	Kaptan Feza	2010
50	Alinin Sekiz Gunu	2009
51	Pus	2010
52	Teslimiyet	2010
53	Senlikname Bir Istanbul Masali	2010
54	Hazan Mevsimi Bir Panayir Hikayesi	2008
55	Riza	2008
56	Yanlis Zaman Yolculari	2007
57	Eve Donerken	2005
58	Mazi Yarasi	2009
59	Tas Yastik	2008
60	Bir Tugra Kaftancioglu Filmi	2008

Appendix N: Most and Mid Success Level Forty Films and Multi-awarded Twenty Films

Table N.1. Most and Mid Success Level Forty Films and Multi-awarded Twenty Films

No	No in the Database	Title	Year
1	1	Recep Ivedik 2	2009
2	2	Recep Ivedik 1	2008
3	3	Kurtlar Vadisi Irak	2006
4	4	GORA	2004
5	5	Babam ve Oglum	2005
6	6	AROG	2008
7	7	Vizontele	2001
8	8	Vizontele Tuuba	2004
9	9	Issiz Adam	2008
10	10	Organize Isler	2005
11	11	Hababam Sinifi Askerde	2005
12	12	Eskiya	1996
13	13	Gunesi Gordum	2009
14	14	Kahpe Bizans	2000
15	15	Muro	2008
16	16	Hababam Sinifi 3.5	2006
17	17	Beyaz Melek	2007
18	18	Kabadayi	2007
19	19	Asmali Konak Hayat	2003
20	20	Hokkabaz	2006
21	56	Mutluluk	2007
22	75	Salkim Hanimin Taneleri	1999
23	76	Takva	2008
24	83	Yasamin Kiyisinda	2007
25	87	Yazi Tura	2004
26	90	Destere	2008
27	91	Dansoz	2001
28	92	Omercip	2003
29	93	Ayakta Kal	2009
30	94	Sinir	2000

Table N.1. Continued

31	95	Barda	2007
32	96	Eve Donus	2006
33	97	Sellale	2001
34	98	Seytanin Pabucu	2008
35	99	Umut	2009
36	100	Harem Suare	1999
37	101	Plajda	2008
38	102	Polis	2007
39	103	O Simdi Mahkum	2005
40	105	Abdulhamit Duserken	2003
41	106	Hamam	1997
42	107	Anlat Istanbul	2005
43	108	Super Ajan K9	2008
44	109	Kisik Ateste 15 Dakika	2006
45	110	Gen	2006
46	111	Avrupali	2007
47	118	Sonbahar	2008
48	120	Dar Alanda Kisa Paslasmalar	2000
49	121	Filler ve Cimen	2001
50	122	Buyuk Adam Kucuk Ask	2001
51	150	Gunese Yolculuk	2000
52	152	2 Genc Kiz	2005
53	155	Uzak	2002
54	164	Masumiyet	1997
55	176	Yumurta	2007
56	179	Korkuyorum Anne	2006
57	182	Herkes Kendi Evinde	2001
58	185	Kader	2006
59	191	Bes Vakit	2006
60	193	Mayis Sikintisi	1999

Appendix O: Testing Variables by the Auro-Correlations

Table O.1. Testing Variables

	NUM_RELEASED_M ARKET	AWARD_IMDB	NOMINATION_IM DB	INTERNATIONAL_A WARD	F_WORKER	F_PARTNER	L_G_CO-PRO	CO_PRO	N_CO_PRO_COM PANY	EU_SUPPORTED	EU_SUPPORTED_€	NUM_F_PARTNER_CO UNTRY	EU_27_ADMI SSION	EU_DIST
NUM_RELEASED_M	1													
AWARD_IMDB	.514*	.514	.675	.607*	.143	.304	.330	.302	.556	.128	.127	.331	.753	-.057
NOMINATION_IMDB	.675*	.764*	1	.856*	-.167	.382	.324	.200	-.393*	.207*	.293*	.373	.475*	.011
INTERNATIONAL_AWARD	.607*	.856*	.848*	1	.090	.266	.220	.136	.419*	.094	.084	.258*	.650*	.026
F_WORKER	.143	.167	.136	.090	1	.235	.222	.159	-.185	.133	.121	.180	.068	-.462*
F_PARTNER	.304*	.382*	.351*	.266	.235*	1	.852*	.674	.688*	.822*	.764*	.874	.121	-.049
L_G_CO-PRO	.330*	.324*	.301*	.220*	.222*	.852*	1	.899*	.822*	.745*	.694*	.780	.185	-.035
CO_PRO	.302*	.200*	.190*	.136	.159	.574	.899*	1	.798	.514	.479*	.539	.207*	-.011
N_CO_PRO_COMPANY	.556*	.393*	.510*	.419*	.185*	.688*	.827*	.799*	1	.531*	.502*	.656*	.443*	-.046
EU_SUPPORTED	.128	.297*	.189	.094	-.133	.822*	.743*	.514*	.531*	1	.933*	.921	-.081	-.043
EU_SUPPORTED_€	.127	.293*	.201*	.084	.121	.764	.694	.479*	.502*	.933*	1	.849	-.080	-.033
NUM_F_PARTNER_COUNTRY	.331*	.373*	.364	.258*	.180	.874	.780	.539*	.656*	.921*	.849*	1	.101	-.061
EU_27_ADMISSION	.753*	.475*	.673	.650*	.068	.121	.185	.207*	.443*	-.081	-.101	.1	1	-.007
EU_DIST	-.057	.011	.007	.026	-.462*	-.045	-.035	-.011	-.046	-.043	-.033	-.061	.007	1
L_G_MAJOR_DIST	.099	.047	-.020	.584	.074	.127	.133	.074	.072	.072	.101	.086	.041	-.471*
OPEN_W_REVENUE	.515*	-.126	-.064	-.014	-.035	-.161	.067	.207	.080	-.142	-.138	-.141	.878*	-.063
OPENTOTAL_REVENUE	-.351*	-.223*	-.161	-.133	.077	-.113	-.182	-.200	-.208	-.190	-.191	-.184	-.168	-.092
REVENUE	.586*	-.053	-.014	-.073	-.173	.038	.109	.064	-.140	-.135	-.139	.865*	-.008	
BOX-OFFICE	.269*	-.089	-.103	-.057	-.020	-.168	-.011	.120	.000	-.121	-.121	-.119	.434*	-.031
AVERAGE_RANK_COM	-.153	-.030	-.047	-.021	-.072	-.101	.073	.122	.072	.084	.105	.188*	-.091	
AVERAGE_BOXOFFICE_COM	.227*	-.105	-.102	-.077	-.078	-.206	-.059	.070	-.045	-.148	-.137	-.154	.335	-.059
SCREEN	.259*	-.202*	-.184*	-.112	-.069	-.246	-.056	.106	-.062	-.230*	-.229*	-.246*	.401*	-.136
MARKET_SHARE_COM	.170	-.098	-.105	-.022	-.178	-.041	.071	-.048	-.101	-.103	-.126	.225	-.078	
TV_CONNECTION_COM	-.045	-.082	-.094	-.100	.165	-.049	-.045	-.049	-.101	-.035	-.062	-.064	.016	-.170
MAJOR_COM_200	.039	.056	-.062	.046	-.179	-.092	-.016	-.092	-.113	-.103	-.137	-.141	.068	-.048
MAJOR_COM_TOTAL-N	-.079	-.041	-.065	-.061	.126	-.037	-.051	-.056	-.077	-.077	-.076	-.088	.002	.031
MAJOR_COM_TOTAL-N_GROUP	-.068	-.048	-.041	-.064	.121	-.075	-.066	-.080	-.098	-.098	-.098	-.076	.122	-.016
TIE_PRO_DIST	-.119	-.041	-.013	-.064	-.168	-.064	-.039	-.045	-.055	-.102	-.055	-.130	-.136	.018
MAJOR_DIST	.061	.087	-.002	-.009	.285*	.082	.135	.146	.055	.084	.108	.065	.018	-.118
AGGLOMERATION	-.086	.101	.027	-.009	-.097	.036	-.002	-.037	-.005	-.107	-.107	.067	-.055	-.044
RELEASE_M_GROUP	-.034	-.027	-.124	-.024	-.086	-.083	.000	.077	-.023	-.027	-.062	-.083	.032	.072
RELEASE_YEAR	.002	-.128	-.058	-.097	-.141	-.230	-.155	-.058	-.122	-.244*	-.229*	-.318	.040	.080
WEEK	.172*	.141	.047	.095	.155	.051	.078	.070	.023	.039	.045	.214*	.070	
WEEK_GR	.205*	.158	.101	.139	.168	-.014	.039	.073	.067	.001	.027	.031	.241*	.045
VOTES_IMDB	.660*	.453*	.507*	.545*	.145	.126	.186*	.196*	.374*	.009	-.006	.739*	-.096	
U_RATING_SINEMATRK	.013	.164	.102	.087	.073	.081	.089	.076	.002	.058	.064	.095	.039	.079
U_RATING_IMDB	.215	.367*	.250	.247	.211	.280	.247	.156	.217	.230	.228	.258	.132	-.082
N_EXPERIENCE	-.009	-.007	-.016	-.026	-.002	.162	.181	.166	.118	.173	.134	.197*	.021	-.044
FLEXIBILITY	-.147*	-.084	-.084	-.109	-.024	-.135	-.129	-.093	-.137	-.072	-.074	-.120	-.093	-.008
Y_EXPERIENCE	-.058	.066	.008	.133	.279*	.266	.217*	.199*	.312*	.233*	.327*	.093	-.059	
A_REPUTATION_5	.421*	.536*	.416	.399*	.176	.315	.238*	.134	.292*	.207*	.232*	.245	.228	-.059
E_REPUTATION_OVER1million	-.118	-.126	-.140	-.114	.046	-.178	-.010	.135	.046	-.112	-.112	-.116	.220	-.164
REPUTATION	.269*	.076	.019	.037	.108	-.054	.077	.177	.150	.031	.022	.020	.292*	-.177
DIRECTOR_AGE	.105	-.030	-.068	.071	-.179	-.189*	-.168	-.133	-.076	-.269*	-.208*	-.263*	.146	.062
TV_RELATED_DIR_PRO	-.008	-.147	-.182*	-.158	.093	-.207*	-.146	-.060	.037	-.198*	-.195*	-.195*	.146	-.176
PDW	.037	.228*	.092	.190*	-.063	.078	.074	.061	.092	.098	.098	.104	.095	.039
P/DW	.052	.047	.087	.052	-.015	.144	.060	-.033	-.069	.059	.038	.090	.108	-.066
PDW	-.079	-.037	-.059	.054	.041	-.070	-.045	-.049	-.041	.010	.003	-.011	.054	
P/DW	-.048	-.056	-.051	-.044	.035	-.080	-.083	-.068	-.072	-.069	-.064	-.072	-.009	.042
STAR_ACTOR_5	-.019	-.176	-.146	.025	-.136	-.061	.040	-.090	-.090	-.116	-.088	-.139	-.045	-.008
TOPTALENT_4_5FEST	-.050	.380*	.091	.090	.211*	.182	.147	.088	.095	.256*	.267*	.176	.093	-.095
TOP15_DIR	.184*	-.091	-.178	-.105	-.002	-.149	-.045	.062	-.030	-.133	-.133	-.140	.292*	-.120
TOP15_WRT	-.165*	-.049	-.120	-.082	-.032	-.121	-.060	.013	-.060	-.116	-.101	-.130	.256*	-.068
TOP15_PRO	.152	-.046	-.128	-.063	-.030	-.132	-.058	.017	-.052	-.125	-.110	-.139	.295*	-.065
TOP15_ACT	.197*	-.076	-.142	-.098	-.036	-.105	-.036	.150	.053	-.047	-.031	-.041	.240*	-.060
TOP15_MUS	.069	-.108	-.163	-.096	.090	-.132	-.059	.018	-.054	-.126	-.164	-.098	.161	-.192*
TOP15_AD	.134	-.053	-.111	-.073	-.081	-.109	-.061	-.004	-.068	-.062	-.048	-.081	.240*	-.062
TOP15_EDT	.189*	-.050	-.051	-.052	-.046	-.063	.052	.165	.118	-.029	-.032	-.038	.210*	-.070
TOP15_COMPANY	.127	-.076	-.087	-.116	-.082	.012	.080	.127	.104	.083	.095	.074	.155	.034
SEQUEL	.133	-.094	-.081	-.050	-.013	-.142	-.029	.071	-.047	-.122	-.114	-.128	.261*	-.070
GENRE	.075	.037	-.002	.038	-.071	-.034	-.043	-.064	-.062	-.060	-.062	-.060	.086	.028
CRITICS	.227*	.490*	.319*	.290*	.247*	.310*	.212	.082	.186	.300*	.316*	.286*	.072	-.121
TOT_AWARD_5	.123	-.709*	.285*	.987*	.187*	.225*	.160*	.057	.075	.267*	.269*	.213*	.000	-.046

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Table O.1. Continued

	L_G_MAJOR_DIST	OPEN_W_REVENUE	OPEN/TOTAL REVENUE	REVENUE	BOX-OFFICE	AVERAGE_RANK_COM	AVERAGE_BOXOFFICE_COM	SCREEN	MARKET_SHARE_COM	TV_CONNECTION_COM	MAJOR_COM_200	MAJOR_COM_TOT AL-N	MAJOR_COM_TOT AL-N_GROUP	TIE_PRO_DIST
NUM_RELEASED_MARKET	.099	.515*	-.351*	.586*	.259*	.153	.227	.259*	.170	-.045	.039	-.049	-.005	-.119
AWARD_IMDB	-.047	-.126	-.225*	-.053	-.089	-.030	-.105	-.202	-.099	-.082	-.056	-.071	-.046	-.041
NOMINATION_IMDB	-.002	-.064	-.161*	-.074	-.103	-.077	-.102	-.164	-.110	-.094	-.065	-.041	-.072	-.072
INTERNATIONAL_AWARD	-.020	-.014	-.153	-.014	-.057*	-.047	-.077	-.112	-.105	-.100	-.062	-.061	-.064	-.013
F_WORKER	.584**	-.035	.077	-.073	-.020	.021	-.078	-.069	-.022	.155	.046	-.121	-.064	-.064
F_PARTNER	.074	-.161	-.113	-.173	-.168	-.010	-.206*	-.246*	-.178*	-.049	-.179	-.037	-.073	-.166
L_G_CO-PRO	.127	.067	-.192	.039	-.011	.073	-.059	-.056	-.041	-.045	-.092	-.051	-.066	-.064
CO_PRO	.133	.207	-.200	.069	.120	.122	.070	.106	.071	-.049	-.016	-.056	-.060	.039
N_CO_PRO_COMPANY	.072	.080	-.206	.164	.000	.047	-.045	-.082	-.048	-.101	-.123	-.077	-.096	-.049
EU_SUPPORTED	.074	-.142	-.190	-.140	-.121	.072	-.148	-.230	-.101	-.035	-.103	-.077	-.058	-.099
EU_SUPPORTED_€	.101	-.138	-.191	-.135	-.121	.084	-.137	-.229	-.103	-.062	-.137	-.076	-.082	-.102
NUM_F_PARTNER_COUNTRY	.086	-.141	-.184	-.139	-.119	.105	-.154	-.246	-.126	-.064	-.089	-.076	-.130	-.130
EU_27_ADMISSION	.041	.874**	-.168	.865**	.494*	.189**	.335**	.401*	.225*	.016	.068	.002	.122	.136
EU_DIST	-.471**	-.063	-.092	-.008	-.031	-.091	-.059	-.136	-.078	-.170	-.048	.031	-.016	.016
L_G_MAJOR_DIST	1	.125	.071	.066	.090	.186	.055	.069	.184	.138	.154	.056	.127	.230
OPEN_W_REVENUE	.125	1	-.083	.884*	.880*	.537	.716	.469*	.469*	.116	.314*	.046	.227*	.344*
OPENTOTAL_REVENUE	.071	-.083	1	-.264	-.261	-.281	-.270	-.161	-.267	-.131	-.129	-.043	-.122	-.184
REVENUE	.066	.884*	-.264*	1	.989*	.624	.812	.733	.550	.179	.318*	.053	.259	.344*
BOX-OFFICE	.090	.880*	-.261*	.989**	1	.532	.807	.646*	.573	.230*	.303*	.057	.242*	.331**
AVERAGE_RANK_COM	.186**	.537**	-.281**	.624**	.532**	1	.658*	.467*	.532*	.207*	.322*	.196*	.326*	.306*
AVERAGE_BOXOFFICE_COM	.055	.716*	-.270*	.812*	.807*	.658*	1	.616	.710	.285*	.376*	.070	.300	.340*
SCREEN	.089	.805*	-.151*	.733	.646*	.467*	.616	1	.545	.058	.310	.158	.182	.371**
MARKET_SHARE_COM	.184*	.469*	-.267*	.550*	.573*	.532*	.710*	.545*	1	.351*	.663*	.124	.456*	.656**
TV_CONNECTION_COM	.138	.116	-.131	.179	.230	.207	.285	.058	.351*	1	.378*	.194*	.589	.189
MAJOR_COM_200	.154	.314*	-.129	.318*	.303*	.322*	.376*	.663*	.376*	1	.194*	-.194*	.457*	.716*
MAJOR_COM_TOTAL-N	.056	.046	-.043	.053	.057	.196*	.070	.156	.124	.194*	1	.626	.077	
MAJOR_COM_TOTAL-N_GROUP	.127	.227*	-.122	.259*	.242*	.326*	.300*	.182*	.456*	.589*	.626*	1	.307*	
TIE_PRO_DIST	.230*	.344*	-.184	.344*	.331	.306	.340	.371	.656	.189	.716*	.077	.307*	1
MAJOR_DIST	.818	.174	-.034	-.137	-.118	-.180	.091	.051	.214	.057	.202	.048	.152	.312*
AGGLOMERATION	-.063	-.120	-.025	-.094	-.110	-.017	-.144	-.033	.162	-.163	.215	-.101	-.003	.210
RELEASE_M_GROUP	.014	.228*	-.217*	.272*	.273*	.173	.255*	.130	.225*	.083	.194	-.137*	.011	.191
RELEASE_YEAR6	-.248*	-.029	-.023	-.005	.049	-.451*	.064	.221*	.027	-.039	.027	-.171	-.088	.020
WEEK	.185	.195	-.381**	.412*	.464*	.330	.297*	.025	.296*	.175	.231*	.149	.190*	.228*
WEEK_GR	.209*	.268*	-.351**	.400*	.433*	.304	.324*	.063	.259*	.166	.217*	.134	.183	.185
VOTES_IMDB	-.107	.525*	-.283*	.728*	.524	.187	.340	.258	.222	.131	.121	-.047	.059	.171
U_RATING_SINEMATRK	.061	-.030	-.095	.057	.043	.031	-.038	-.078	.065	.117	-.012	.012	.125	-.072
U_RATING_IMDB	.058	.054	-.242**	.156	.116	.028	-.026	-.083	-.004	.164	-.012	-.041	.034	-.107
N_EXPERIENCE	.057	-.044	-.047	-.041	-.053	.037	-.090	-.076	-.131	-.097	-.117	-.026	-.032	-.057
FLEXIBILITY	-.064	-.037	-.124	-.035	-.004	-.043	-.019	-.004	-.082	.139	-.108	.041	.087	-.093
TV_EXPERIENCE	.155	-.108	-.051	-.124	-.108	.046	-.178	-.239	-.148	.036	-.106	.125	.050	-.102
A_REPUTATION_5	.057	-.042	-.065	.065	-.050	-.094	-.089	-.196	-.147	-.057	-.089	-.076	-.068	-.068
E_REPUTATION_OVER1million	.205*	.500*	-.245*	.576*	.600*	.380	.513*	.486*	.500*	.222*	.419*	.020	.202*	.416*
REPUTATION	.215*	.451**	-.271**	.555**	.550*	.326*	.453*	.394*	.421*	.190*	.377*	-.014	.164	.369*
DIRECTOR_AGE	-.247*	.067	.044	.099	.057	-.185	.065	.140	.050	.010	.069	-.156	.006	.066
TV_RELATED_DIR_PRO	.168	.226*	-.136	.310*	.369*	.337*	.407*	.276*	.397*	.456*	.352*	.031	.281**	.180
PDW	-.076	-.163	-.012	-.179	-.189*	-.151	-.207*	-.228*	-.176*	-.080	-.107	-.074	-.065	-.096
P/DW	-.014	-.038	-.059	.038	.043	.051	.036	.043	.141	.010	.055	-.008	.030	.065
PD/W	-.028	.019	.190	.032	.018	.047	.071	.046	.091	-.050	.110	.037	.094	.042
PW/D	.029	-.009	-.010	.019	.079	.079	.089	.035	-.044	-.033	-.109	-.034	-.006	-.073
P/DW	.078	.139	-.024	.059	.078	.005	.045	.089	.051	.093	-.007	.037	.002	.002
STAR_ACTOR_5	.125	-.163	-.224**	-.082	-.084	-.090	-.108	-.193*	-.037	-.084	.037	-.084	.036	.079
TOPTALENT_4_5FEST	.158	.624*	-.278*	.758*	.730*	.495*	.729*	.592*	.620*	.247*	.365*	.079	.266*	.361*
TOP15_DIR	.070	.547*	-.242*	.671*	.650*	.438	.652*	.480*	.448*	.156	.263*	.010	.166	.214*
TOP15_WRT	.102	.552*	-.200	.668	.658	.382	.564	.471	.440	.193	.257	.083	.210	.223*
TOP15_PRO	.173	.521*	-.307*	.655*	.609*	.562	.759*	.559*	.809*	.201	.493*	.047	.277*	.522*
TOP15_ACT	.185*	.453*	-.138	.524*	.460*	.257*	.395*	.444*	.309*	.255*	.195*	.222*	.212*	.522*
TOP15_MUS	.062	.466*	-.198	.566*	.611*	.388*	.571*	.415*	.409*	.144	.177*	-.014	.210*	.249*
TOP15_SD	.074	.466*	-.225*	.559*	.527*	.349	.481	.403	.410	.099	.175	-.006	.129	.322*
TOP15_AD	.045	.432*	-.187*	.508	.457*	.352	.396	.270	.307*	.134	.191*	.083	.176	.135
TOP15_EDT	-.067	.474*	-.107*	.556*	.525*	.324	.547*	.461*	.461*	.116	.245	.008	.161	.250*
TOP15_COMPANY	.142	.574*	-.257*	.707*	.684*	.569*	.823*	.583*	.813*	.252*	.451*	.067	.319*	.470*
SEQUEL	-.103	.572*	-.038	.485*	.434*	.239	.394*	.514*	.292*	-.107	-.184*	-.103	.276*	.255*
GENRE	-.007	-.141	-.099	.187	.170	.166	.171	.206*	.245*	.081	-.172	-.027	.003	.174
CRITICS	.050	-.073	-.188	.015	.008	-.051	-.048	-.136	-.015	.049	-.054	-.084	-.002	-.098
TOT_AWARD_5	.092	-.160	-.170	-.088	-.117	-.059	-.140	-.263	-.095	-.024	.001	.046	-.006	-.076

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Table O.1. Continued

	MAJOR_DIST	AGGLOMERATION	RELEASE_M_GRO UP	RELEASE_YEAR	WEEK	WEEK_GR	VOTES_IMDB	U_RATING_SINEM ATRK	U_RATING_IMDB	N_EXPERIENCE	FLEXIBILITY	Y_EXPERIENCE	A_REPUTATION_5	E_REPUTATION_ OVER1million
NUM_RELEASED_MARKET	.061	-.086	-.034	-.002	.172	.205	.660	.013	.215	-.009	-.147	-.056	.421	-.128
AWARD_IMDB	.087	.101	-.027	-.128	.141	.158	.453	.164	.367	-.027	-.084	.066	.536	-.126
NOMINATION_IMDB	-.002	-.027	-.124	-.058	.047	-.101	.507	.102	.250	-.016	-.081	.029	.416	-.140
INTERNATIONAL_AWARD	-.009	-.081	-.024	-.097	.095	-.139	.545	.087	.247	-.028	-.109	.008	.399	-.114
F_WORKER	.285	-.097	-.086	-.141	.155	.168	.145	.073	.211	-.002	-.024	.133	.176	.046
F_PARTNER	.082	-.036	-.083	-.230	-.001	-.014	.126	.081	.280	.162	-.135	.279	.315	-.178
L_G_CO-PRO	.135	-.002	.000	-.155	.051	.039	.186	.089	.247	.181	-.129	.266	.238	-.010
CO_PRO	.146	-.037	.077	-.058	.078	.073	.196	.076	.156	.166	-.093	.217	.134	.135
N_CO_PRO_COMPANY	.065	-.005	-.023	-.122	.070	.067	.374	.002	.217	.118	-.137	.199	.292	.046
EU_SUPPORTED	.084	.107	-.027	-.244	.023	.001	.009	.058	.230	.178	-.072	.312	.207	-.112
EU_SUPPORTED_E	.108	.119	-.062	-.229	.039	.027	-.006	.064	.228	.134	-.074	.233	.232	-.112
NUM_F_PARTNER_COUNTRY	.065	.067	-.063	-.318	.045	.031	.150	.095	.258	.197	-.120	.327	.245	-.116
EU_27_ADMISSION	.018	-.055	.032	.040	.214	.241	.739	.039	.132	-.021	-.093	.040	.228	.220
EU_DIST	-.118	-.044	.072	.099	.070	.045	-.096	.079	-.082	-.044	.008	-.059	-.059	-.164
L_G_MAJOR_DIST	.818	-.063	.014	-.248	.185	.209	.107	.061	.058	.057	-.064	.155	.057	.205
OPEN_W_REVENUE	.174	-.120	.229	-.029	.195	.268	.525	-.030	.064	-.044	-.037	-.108	-.042	.500
OPENTOTAL_REVENUE	.034	.025	-.217	-.023	-.381	-.351	-.283	-.095	-.242	-.047	-.124	-.051	-.142	-.245
REVENUE	.137	-.094	.272	-.005	.412	.400	.728	.057	.156	-.041	-.035	-.124	-.065	.576
BOX-OFFICE	-.118	-.110	.275	.049	.464	.433	.524	.043	.116	-.053	-.004	-.108	-.050	.600
AVERAGE_RANK_COM	.180	-.017	.179	-.451	.330	.304	.187	.031	.028	.037	-.043	.046	-.094	.380
AVERAGE_BOXOFFICE_COM	.091	-.144	.255	.064	.297	.324	.340	.038	.026	-.090	-.019	-.178	-.089	.513
SCREEN	.051	-.033	.130	.221	.025	.063	.258	-.078	-.083	-.131	-.004	-.238	-.196	.486
MARKET_SHARE_COM	.214	.162	.225	.027	.296	.259	.222	.065	-.004	-.097	-.082	-.148	-.147	.500
TV_CONNECTION_COM	.057	-.163	.083	-.039	.175	.166	.131	.117	.164	-.076	.139	.036	-.057	.222
MAJOR_COM_200	.202	.215	.154	-.008	.231	.217	.121	-.012	-.012	-.117	-.108	-.056	-.419	.119
MAJOR_COM_TOTAL-N	.048	-.101	-.137	-.174	.149	.134	-.047	.012	-.041	-.026	.041	.126	-.089	.020
MAJOR_COM_TOTAL-N_GROUP	.152	-.003	.011	-.088	.190	.183	.059	.125	.034	-.032	.087	.050	-.076	.202
TIE_PRO_DIST	.312	.210	.191	.020	.228	.185	.171	-.072	-.107	-.057	-.093	-.102	-.068	.416
MAJOR_DIST	1	-.054	.046	-.168	.225	.253	.084	.029	.054	.039	-.051	.130	.077	.209
AGGLOMERATION	-.054	1	.168	-.035	.036	.025	-.068	.087	.014	-.009	-.198	-.105	-.006	-.046
RELEASE_M_GROUP	.046	.168	.188	.111	.210	.188	.101	-.051	-.046	.029	.016	-.041	-.088	.211
RELEASE_YEAR	-.169	-.035	.111	1	-.150	-.111	.031	-.135	-.106	1	-.170	.065	-.335	1
WEEK	.225	.036	.210	-.150	1	.915	.449	.185	.308	.028	.049	.062	.020	.325
WEEK_GR	.253	.025	.188	-.111	.915	1	.402	.212	.312	.069	.046	.066	.003	.247
VOTES_IMDB	.084	-.068	.101	.031	.449	.402	1	.106	.301	-.032	-.038	-.080	.341	.299
U_RATING_SINEMATRK	.029	-.087	-.051	-.135	.185	.212	.106	1	.359	-.061	-.073	-.048	.101	-.016
U_RATING_IMDB	.054	.014	-.049	-.106	.308	.312	.301	.359	1	-.053	-.022	-.010	.335	.048
N_EXPERIENCE	.039	-.009	.029	-.170	.028	.069	-.032	-.061	-.065	1	.148	.708	-.049	.002
FLEXIBILITY	-.051	-.198	.016	.065	.049	.046	-.038	-.073	-.022	.148	1	.291	-.085	.139
Y_EXPERIENCE	-.130	-.108	-.041	-.335	.062	.056	-.080	-.048	-.010	.708	.291	1	.010	.038
A_REPUTATION_5	.077	-.006	-.089	-.020	.020	.003	.341	.101	.335	-.049	-.085	.010	1	-.044
E_REPUTATION_OVER1million	.209	-.046	.211	.038	.325	.247	.299	-.016	.048	.002	.135	.038	-.044	1
REPUTATION	.226	-.047	.168	.029	.314	.235	.407	.022	.168	-.016	.097	.039	.323	.931
DIRECTOR_AGE	-.263	-.064	-.064	.383	-.145	-.161	-.130	.034	.040	-.446	-.196	-.717	-.086	.005
TV_RELATED_DIR_PRO	.104	-.059	.192	.005	.217	.234	.162	-.012	.009	.070	.231	.021	-.053	.381
PDW	-.013	-.035	-.101	-.090	-.091	-.111	-.056	-.010	.068	-.031	-.095	.056	.225	-.096
P/DW	-.040	.217	.125	.022	.033	-.015	.136	.114	.119	-.160	-.214	-.249	-.128	.083
PD/W	-.024	.115	-.072	.000	-.020	-.026	-.027	-.002	-.133	.065	-.060	.071	-.083	.088
PW/D	.017	.188	.078	-.023	.043	.060	-.069	.032	-.007	-.030	.017	-.045	-.067	-.040
P/DW	.059	-.203	-.035	.052	.028	.088	-.059	-.118	-.089	.157	.181	.224	-.053	.053
STAR_ACTOR_5	.129	.125	.043	-.067	.076	.040	.045	.105	.329	-.053	-.043	.092	.266	-.069
TOPTALENT_4_SFEST	.136	-.035	.210	.038	.337	.319	.383	.051	.062	-.067	-.003	-.112	.078	.576
TOP15_DIR	.066	-.013	.184	-.124	.269	.269	.357	.009	.085	-.116	-.071	-.195	.191	.482
TOP15_WRT	.111	-.097	.156	.084	.303	.283	.366	.081	.111	-.062	.069	-.107	.175	.538
TOP15_PRO	.186	.061	.286	-.017	.265	.231	.275	.097	.030	-.092	-.115	-.140	-.039	.476
TOP15_ACT	-.103	-.078	.083	-.070	.275	.273	.259	-.026	.027	.053	.079	.071	-.026	.364
TOP15_MUS	.062	-.091	.152	.046	.229	.188	.299	.017	.004	-.067	.020	-.111	.052	.425
TOP15_SD	.143	.051	.109	-.008	.210	.217	.265	.032	.028	-.087	-.003	-.107	-.021	.443
TOP15_AD	-.076	-.022	.123	-.149	.181	.159	.207	.067	.030	-.070	-.005	-.058	-.057	.325
TOP15_EDT	-.027	-.074	.132	.156	.155	.094	.214	.060	.000	-.452	-.024	.231	-.011	.365
TOP15_COMPANY	.141	.031	.244	.018	.282	.249	.312	.082	.031	-.090	-.123	-.157	-.070	.441
SEQUEL	.119	-.146	.205	-.121	.084	.106	.137	-.052	-.175	-.037	.147	-.073	-.066	.297
GENRE	.014	.063	.034	.000	.050	.044	.007	-.008	-.040	.028	-.048	-.048	-.109	.094
CRITICS	.061	.066	-.059	-.021	.099	.105	.231	.131	.424	.056	-.162	.152	.454	-.072
TOT_AWARD_5	.128	-.110	-.011	-.145	.019	.012	-.123	.192	.372	-.074	-.099	.050	.551	-.134

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Table O.1. Continued

	REPUTATION	DIRECTOR_AGE	TV_RELATED_DIR_PRO	PDW	P/DW	PD/W	PW/D	P/DW	STAR_ACTOR_5	TOPTALENT_4_5FEST	TOP15_DIR	TOP15_WRT	TOP15_PRO	TOP15_ACT
NUM_RELEASED_MARKET	.269*	-.105	-.008	.037	.052	-.079	-.048	-.019	-.050	.184	.165*	.152	.197*	.069
AWARD_IMDB	.076	-.030	-.147	.228	.047	-.037	-.056	-.176	.280*	-.091	-.049	-.046	-.076	-.108
NOMINATION_IMDB	.019	-.056	-.182	.092	.087	-.059	-.051	-.105	.091	-.120	-.126	-.142*	-.163	-.036
INTERNATIONAL_AWARD	.037	.071	-.155	.190	.052	-.054	-.044	-.146	.090	-.062	-.063	-.063	-.098	-.036
F_WORKER	.108	-.179	.093	-.063	-.015	.041	.035	.025	.211	-.002	-.032	-.030	-.036	.090
F_PARTNER	-.054	-.189*	-.207*	.078	.144	-.070	-.090	-.136	.182	-.149	-.121	-.132	-.105	-.132
L_G_CO_PRO	.077	-.168*	-.146	.074	.060	-.045	-.083	-.061	.147	-.045	-.056	-.058	.036	-.059
CO_PRO	.177	-.133	-.060	.061	-.033	-.049	-.068	.040	.068	.062	.013	.017	.150*	.018
N_CO_PRO_COMPANY	.150	-.076	-.130	.092	.069	-.041	-.072	-.090	.095	-.030	-.050	-.052	.053	-.054
EU_SUPPORTED	-.031	-.269*	-.198*	.098	.059	.010	-.069	-.116	.256*	-.133	-.116	-.125	-.047	-.126
EU_SUPPORTED_€	-.022	-.208	-.195*	.104	.038	-.013	-.064	-.086	.267*	-.133	-.101	-.110	-.031	-.164
NUM_F_PARTNER_COUNTRY	-.020	-.263	-.195*	.094	.090	-.072	-.139	.176	.130	-.130	-.139	-.139	-.071	-.098
EU_27_ADMISSION	.292*	-.146	.037	-.075	.108	-.011	-.009	-.045	-.093	.292*	.295*	.240*	.161	.161
EU_DIST	-.177	.062	-.176	.039	-.066	.054	.042	-.008	-.095	-.120	-.068	-.065	-.060	-.192*
L_G_MAJOR_DIST	.215	-.247*	.168	-.076	-.014	-.028	.029	.076	.125	.158	.070	.102	.173	.185*
OPEN_W_REVENUE	.451*	.067	.226*	-.163	-.038	.019	-.009	.139	-.163	.624*	.547*	.552*	.521*	.453*
OPEN/TOTAL_REVENUE	-.271	.044	-.136	-.012	-.059	.190	-.069	-.024	-.224	-.278	-.242	-.200	-.307	-.138
REVENUE	.555	.099	.310*	-.179	.038	.032	.010	.059	-.082	.758	.671	.668	.655	.524
BOX-OFFICE	.550*	.057	.369*	-.189	.043	.018	.019	.078	-.084	.730	.650*	.658	.609	.460
AVERAGE_RANK_COM	.326*	-.185	.337*	-.151	.051	.077	.079	.005	-.090	.495*	.438*	.382*	.257*	.257*
AVERAGE_BOXOFFICE_COM	.453	.065	.407*	-.207*	.036	.071	.089	.045	-.108	.729*	.652*	.564	.759*	.395*
SCREEN	.394	.140	.276	-.228*	.043	.046	.005	.089	-.193*	.592*	.480*	.471	.559*	.441*
MARKET_SHARE_COM	.421	.050	.397*	-.176	.141	.091	-.044	-.054	-.037	.620	.448	.440	.809	.309
TV_CONNECTION_COM	.190	.010	.456*	-.080	.006	-.050	-.033	.093	.037	.247	.156	.193	.201	.255*
MAJOR_COM_200	.377	.069	.352*	-.107	.055	.110	-.109	-.007	-.084	.365	.257	.263	.493	.195
MAJOR_COM_TOTAL-N	-.014	-.156	.031	-.074	-.008	.037	-.034	.051	.036	.079	.010	.083	.047	-.117
MAJOR_COM_TOTAL-N_GROUP	.164	.006	.281*	-.065	.030	.094	-.006	-.037	.079	.266*	.166	.210	.277*	.222*
TIE_PRO_DIST	.369*	.066	.180	-.096	.065	.042	-.073	.002	-.146	.361*	.214*	.223*	.522*	.212*
MAJOR_DIST	.226*	-.263*	.104	-.013	-.040	-.024	.017	.059	.129	.136	.066	.111	.186	.103
AGGLOMERATION	-.047	-.064	-.059	-.035	.217*	-.115	-.188	.203	.125	-.035	-.013	-.097	.061	-.076
RELEASE_M_GROUP	.188	-.064	-.182	-.101	.125	-.072	.073	-.035	.043	.210	.184	.158	.286*	.083
RELEASE_YEAR3	.029	.383*	.005	-.090	.022	.000	-.023	-.067	-.067	.084	.124	.054	-.017	-.070
WEEK	.314	-.145	.217*	-.091	.033	-.020	.043	.028	.076	.337*	.269	.303	.265	.275*
WEEK_GR	.235*	-.161*	.234*	-.111	-.015	-.026	.060	.088	.040	.319*	.269*	.283*	.231*	.273*
VOTES_IMDB	.407*	.130	.162	-.056	.136	-.027	-.069	-.058	.045	.383*	.357*	.366*	.275*	.259*
U_RATING_SINEMATRK	.022	.034	-.012	-.010	.114	-.002	.032	-.118	.105	.051	.009	.081	.097	-.026
U_RATING_IMDB	.168	.040	.009	.068	.119	-.133	-.007	-.089	.329*	.062	.085	.111	.030	.027
N_EXPERIENCE	-.016	-.446*	.070	-.031	.065	-.030	-.030	.157	-.055	-.067	-.116	-.062	-.092	.053
FLEXIBILITY	.097	-.196	.231*	-.095	-.214	-.060	.017	.318	-.043	-.003	-.071	.069	-.115	.079
Y_EXPERIENCE	.039	-.717*	.021	.056	-.249*	.071	-.043	.184*	.092	-.112	-.195*	-.107	-.140	.071
A_REPUTATION_5	.323*	.086	-.053	.225*	.129	-.083	-.067	-.084	.266*	.078	.191*	.175	-.039	-.026
E_REPUTATION_OVERTmillion	.931	.005	.381*	-.096	.083	.088	-.040	-.053	-.069	.576*	.482*	.538*	.476*	.364*
REPUTATION	1	.036	.342*	-.009	.125	.053	-.062	-.132	-.031	.574*	.526*	.573*	.436*	.335*
DIRECTOR_AGE	.036	1	-.019	.003	.229*	-.069	.025	-.203	-.140	.011	-.116	.045	.007	-.102
TV_RELATED_DIR_PRO	.342*	-.019	1	-.159	-.030	-.054	.127	.139	-.086	.400	.379*	.402*	.244	.244
PDW	-.009	.003	-.159	1	-.326*	-.130	-.066	-.306	.085	-.172	-.107	-.115	-.132	-.173
P/DW	.125	.229*	-.030	-.326*	1	-.249*	-.127	-.587*	.064	.090	.091	.068	.085	.074
PDW	.053	-.069	-.054	-.130	-.249*	1	-.050	-.233	.048	.040	.048	-.007	.069	.026
PW/D	-.062	.025	.127	-.066	-.127	-.050	1	-.119	.015	.013	.015	.011	-.013	.037
P/DW	-.132	-.203	-.139	-.306	-.587*	-.233	-.119	1	.011	.006	-.048	.016	-.025	.024
STAR_ACTOR_5	.031	-.140	-.086	.085	-.064	.048	.015	-.161	1	-.014	-.016	-.027	-.029	.037
TOPTALENT_4_5FEST	.574*	.011	.400*	-.090	.040	.040	.013	.006	-.014	1	.852*	.864*	.764*	.717*
TOP15_DIR	.526	.116	.379*	-.107	.091	.048	.015	-.048	-.016	.852*	1	.823	.570	.421
TOP15_WRT	.573*	.045	.402*	-.115	.068	-.007	.011	-.016	-.027	.864*	.823*	1	.542*	.481*
TOP15_PRO	.436*	.007	.291*	-.132	.085	.069	-.015	-.025	-.029	.764*	.570*	.542*	1	.355*
TOP15_ACT	.335*	-.102	.244*	-.173	.074	.026	.037	.024	-.037	.717*	.421*	.355*	.481*	1
TOP15_MUS	.422	.104	.371*	-.160	.126	-.060	.089	-.004	-.038	.692	.551	.526	.456	.398
TOP15_SD	.412	.041	.271*	-.143	.079	-.024	.050	.045	-.041	.532	.482	.425	.376	.376
TOP15_AD	.329	.028	.162	-.098	.109	-.054	-.015	-.001	-.003	.468	.394	.368	.370	.330
TOP15_EDT	.341	.189*	.231*	-.136	.027	.024	-.017	.063	-.003	.546*	.467*	.472*	.469*	.320*
TOP15_COMPANY	.393*	.029	.293*	-.206*	.118	.105	.000	-.031	-.020	.750*	.586*	.526*	.890*	.417*
SEQUEL	.257	.095	.147	-.117	-.030	.109	.076	.027	-.127	.329*	.283*	.269*	.284*	.232*
GENRE	.049	-.038	.119	-.160	-.070	.060	-.010	.163	.003	.138	.072	.029	.202	.090
CRITICS	.090	-.117	-.019	-.111	.231	-.150	-.017	-.223	.557	-.029	.018	-.003	-.015	-.064
TOT_AWARD_5	.074	-.099	-.138	.225*	.036	-.032	-.060	-.164	.656*	-.070	-.042	-.042	-.051	-.068

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Table O.1. Continued

	TOP15_MUS	TOP15_SD	TOP15_AD	TOP15_EDT	TOP15_COMPANY	SEQUEL	GENRE	CRITICS	TOT_AWARD_5
NUM_RELEASED_MARKET	.134	.189	.127	.119	.223*	.133	.075	.227	.123
AWARD_IMDB	-.053	-.050	-.076	-.096	-.036	-.094	.037	.490	.709*
NOMINATION_IMDB	-.111	-.051	-.087	-.136	-.130	-.081	-.002	.319	.285*
INTERNATIONAL_AWARD	-.073	-.062	-.116	-.096	-.082	-.050	.008	.290	.387*
F_WORKER	-.081	-.046	-.082	-.117	-.015	-.013	-.071	.247	.187*
F_PARTNER	-.109	-.063	.012	-.227*	-.156	-.142	-.094	.310	.225*
L_G_CO-PRO	-.061	.052	.080	-.119	-.025	-.029	-.064	.212	.160*
CO_PRO	-.094	.165	.127	-.002	.091	.071	-.003	.082	.057
N_CO_PRO_COMPANY	-.068	.116	.104	-.050	-.038	-.047	-.064	.186	.075
EU_SUPPORTED	-.062	-.029	.083	-.180	-.111	-.122	-.082	.300	.267*
EU_SUPPORTED_€	-.048	-.032	.095	-.198	-.112	-.114	-.060	.316	.269*
NUM_F_PARTNER_COUNTRY	-.081	-.038	.074	-.184	-.121	-.128	-.100	.286	.213*
EU_27_ADMISSION	.240*	.210*	.155	.206*	.282	.261*	.086	.072	.000
EU_DIST	-.062	.070	.034	.023	-.070	.036	.028	-.121	-.046
US_MAJOR_DIST	.062	.074	.045	-.067	.142	.103	-.007	.050	.092
OPEN_W_REVENUE	.466	.466	.432	.474	.574	.572	.141	-.073	-.160
OPEN/TOTAL_REVENUE	-.198	-.226	-.187	-.107	-.257*	-.038	-.099	-.188	-.170
REVENUE	.566	.559	.508	.556	.707	.485	.187	.025	-.088
BOX-OFFICE	.611*	.457*	.525*	.525*	.664	.434	.170	.008	-.117
AVERAGE_RANK_COM	.388	.349	.352	.324	.569	.239	.166	-.051	-.059
AVERAGE_BOXOFFICE_COM	.571	.491	.396	.547	.823	.394	.171	-.048	-.140
SCREEN	.415	.403	.270	.461	.583	.514	.206	-.136	-.263
MARKET_SHARE_COM	.409	.410	.307	.461	.813	.292	.246	-.015	-.095
TV_CONNECTION_COM	.144	.099	.124	.116	.252	.107	.081	.049	-.024
MAJOR_COM_200	.177	.175	.191	.245	.451	.184	.172	-.054	.001
MAJOR_COM_TOTAL-N	-.014	-.006	.083	.008	.067	.103	-.027	-.084	.046
MAJOR_COM_TOTAL-N_GROUP	.210*	.129	.176	.164	.319	.276	.003	-.002	.006
TIE_PRO_DIST	.249	.322	.135	.322	.470	.255	.174	-.098	-.073
MAJOR_DIST	.062	.143	.075	-.027	.141	.119	.014	.081	.128
AGGLOMERATION	-.091	.051	.002	-.074	.031	-.146	.063	.066	-.110
RELEASE_M_GROUP	.162	-.109	.123	.132	.244	.205*	.034	-.059	-.011
RELEASE_YEAR6	.046	-.008	-.149	-.156	.018	.121	.000	-.021	-.145
WEEK	.229*	.210*	.141	.125	.282	.084	.050	.099	.019
WEEK_GR	.188	.217	.159	.091	.249	.106	.044	.105	.012
VOTES_IMDB	.299	.265	.207	.214	.312	.137	.007	.231	.123
U_RATING_SINEMATRK	.017	-.032	.067	.060	.082	-.052	-.008	.131	.192*
U_RATING_IMDB	.004	.028	.038	.000	.031	-.175	-.040	.424	.372*
N_EXPERIENCE	-.067	-.087	-.070	-.152	-.090	-.037	.028	.056	-.074
FLEXIBILITY	.020	-.003	-.005	-.024	-.123	.147	-.048	-.162	-.099
Y_EXPERIENCE	-.111	-.107	-.058	-.231*	-.157	-.073	-.048	.152	.050
A_REPUTATION_5	.052	-.021	.059	.011	-.070	-.066	-.109	.454	.551
E_REPUTATION_OVER1million	.425	.443	.325	.365	.441	.297	.094	-.072	-.134
REPUTATION	.422	.412	.329	.341	.393	.257	.049	.090	-.074
DIRECTOR_AGE	.104	.041	.028	.189	.029	.095	-.038	-.117	-.099
TV_RELATED_DIR_PRO	.371*	.271*	.162	.231*	.293	.147	.119	-.019	-.138
PDW	-.160	-.143	-.098	-.136	-.206	-.117	-.160	-.111	.225*
P/DW	-.126	.079	.109	.027	.118	-.030	-.070	.231	.036
PDW	-.060	-.034	-.054	.024	.105	.109	.050	-.150	-.032
PW/D	-.089	-.020	-.015	-.017	.000	.075	-.010	-.017	-.050
P/DW	-.004	.045	-.001	.063	-.031	.027	.163	-.223	-.164
STAR_ACTOR_5	-.038	-.044	.003	-.003	-.020	-.127	.003	.567	.656*
TOPTALENT_4_5FEST	.592	.532	.468	.546	.750	.329	.138	-.029	-.070
TOP15_DIR	.482	.482	.381	.467	.586	.283	.072	.018	-.042
TOP15_WRT	.526	.425	.388	.472	.526	.269	.029	-.003	-.042
TOP15_PRO	.456	.423	.370	.488	.890*	.284	.202	-.015	-.061
TOP15_ACT	.398	.376	.330	.320	.417	.232	.090	-.064	-.068
TOP15_MUS	.1	.401	.305	.417	.502	.304	.190	.039	-.053
TOP15_SD	.401	.1	.423	.360	.482	.269	.163	.088	-.084
TOP15_AD	.305	.423	.1	.333	.363	.151	.062	-.009	.038
TOP15_EDT	.417	.360	.333	.1	.500	.323	.232	-.061	-.042
TOP15_COMPANY	.502	.482	.363	.500	.332	.1	.226	-.039	-.074
SEQUEL	.304	.269	.151	.229	.332	.1	.064	-.141	-.115
GENRE	.130	.163	.062	.232	.226	.064	.1	.075	.071
CRITICS	.039	-.088	-.009	-.061	-.039	-.141	.075	.1	.677*
TOT_AWARD_5	-.053	-.084	-.038	-.042	-.074	-.115	.071	.677	.1

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

**Appendix P: Coefficients of the organization specific factors
for the directors on artistic success of films**

Table P.1. Coefficients of the organization specific factors for the directors on artistic success of films

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-25.264	48.262		-.523	.603
director_coreness	-1.172	5.839	-.032	-.201	.842
dir_cluster_coefficient	-2.011	5.566	-.113	-.361	.719
director_degrecentrality	17.094	16.277	4.120	1.050	.299
director_closenesscentrality	.212	.322	.146	.656	.515
director_betweennesscentrality	-.305	.849	-.083	-.359	.722
director_eigenvectorcentrality	-.307	.268	-.301	-1.145	.258
dir_density	-43.518	27.369	-1.969	-1.590	.119
dir_effsize	-7.577	5.560	-4.852	-1.363	.180
dir_constraint	76.963	50.401	1.786	1.527	.134
dir_hierarchy	-63.404	49.717	-.484	-1.275	.209
dir_egobetweenness	.212	.197	.954	1.075	.288
dir_brokerage	-.026	.377	-.149	-.070	.945
dir_ties	-.116	.290	-.615	-.399	.692
dir_efficiency	21.769	31.069	.798	.701	.487

Dependent Variable: imdb_award

Table P.2. Coefficients of the organization specific factors for the producers on artistic success of films

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.525	63.443		-.008	.993
producer_coreness	10.172	11.424	.177	.890	.378
pro_cluster_coefficient	.844	5.599	.042	.151	.881
producer_closenesscentrality	.463	.325	.326	1.422	.162
producer_betweennesscentrality	-.063	.642	-.024	-.098	.923
producer_eigenvectorcentrality	-.498	.249	-.479	-1.996	.052
pro_density	-58.718	54.362	-1.794	-1.080	.286
pro_effsize	-9.665	12.281	-5.211	-.787	.435
pro_constraint	65.997	65.468	1.252	1.008	.319
pro_hierarchy	-76.949	81.106	-.475	-.949	.348
pro_egobetweenness	.022	.103	.129	.214	.831
pro_brokerage	.456	.508	2.174	.897	.374
pro_size	4.931	9.697	3.033	.509	.614
pro_ties	-.206	.454	-.857	-.453	.653
pro_efficiency	10.928	37.718	.285	.290	.773

Dependent Variable: imdb_award

Table P.3. Coefficients of the organization specific factors for the director on economic success of films

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-7705948.273	9617344.963		-.801	.427
director_coreness	575761.248	1163593.051	.061	.495	.623
dir_cluster_coefficient	3302393.059	1109098.935	.727	2.978	.005
director_degrecentrality	3011958.619	3243596.822	2.838	.929	.358
director_closenesscentrality	39801.546	64252.264	.107	.619	.539
director_betweennesscentrality	212469.018	169243.189	.225	1.255	.216
director_eigenvectorcentrality	-30995.895	53394.806	-.119	-.581	.564
dir_density	-4469139.293	5453938.115	-.791	-.819	.417
dir_effsize	-478009.796	1107949.463	-1.197	-.431	.668
dir_constraint	4880557.024	10043664.790	.443	.486	.629
dir_hierarchy	-8885841.639	9907346.262	-.265	-.897	.375
dir_egobetweenness	-23092.204	39231.262	-.407	-.589	.559
dir_brokerage	-39251.087	75172.768	-.869	-.522	.604
dir_ties	-24404.653	57811.948	-.507	-.422	.675
dir_efficiency	3622478.073	6191250.989	.519	.585	.561

Dependent Variable: boxoffice

Table P.4. Coefficients of the organization specific factors for the producer on economic success of films

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-2721529.639	15708229.157		-.173	.863
producer_coreness	-1689472.619	2828612.578	-.115	-.597	.553
pro_cluster_coefficient	1303767.573	1386159.563	.253	.941	.352
producer_closenesscentrality	-21228.192	80522.056	-.058	-.264	.793
producer_betweennesscentrality	87294.909	159000.018	.129	.549	.586
producer_eigenvectorcentrality	58526.307	61770.233	.220	.947	.348
pro_density	-2313816.459	13459726.552	-.276	-.172	.864
pro_effsize	620849.890	3040667.499	1.309	.204	.839
pro_constraint	2835180.347	16209520.776	.210	.175	.862
pro_hierarchy	-2249546.887	20081315.476	-.054	-.112	.911
pro_egobetweenness	13956.911	25477.985	.319	.548	.587
pro_brokerage	-109397.452	125755.261	-2.040	-.870	.389
pro_size	-9188.360	2400990.629	-.022	-.004	.997
pro_ties	52851.440	112516.623	.860	.470	.641
pro_efficiency	926928.248	9338752.251	.095	.099	.921

Dependent Variable: boxoffice

Table P.5. Coefficients of the organization specific factors for the director on global integration of films

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-1665750.542	2287810.539		-.728	.470
director_coreness	74978.982	276799.933	.047	.271	.788
dir_cluster_coefficient	383324.275	263836.666	.498	1.453	.153
director_degreecentrality	-299889.070	771599.129	-1.668	-.389	.699
director_closenesscentrality	2961.903	15284.573	.047	.194	.847
director_betweennesscentrality	906.129	40260.212	.006	.023	.982
director_eigenvectorcentrality	-2304.989	12701.759	-.052	-.181	.857
dir_density	860441.173	1297403.509	.898	.663	.511
dir_effsize	236703.003	263563.226	3.497	.898	.374
dir_constraint	756732.311	2389225.118	.405	.317	.753
dir_hierarchy	-1281357.736	2356797.149	-.226	-.544	.589
dir_egobetweenness	-.131	9332.482	.000	.000	1.000
dir_brokerage	-14660.691	17882.384	-1.916	-.820	.417
dir_ties	9559.734	13752.526	1.171	.695	.491
dir_efficiency	866952.929	1472798.295	.733	.589	.559

Dependent Variable: eu_27

Table P.6. Coefficients of the organization specific factors for the producer on global integration of films

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-1046520.677	3082188.164		-.340	.736
producer_coreness	-261469.218	555015.853	-.105	-.471	.640
pro_cluster_coefficient	30939.524	271985.120	.035	.114	.910
producer_closenesscentrality	-7473.951	15799.625	-.121	-.473	.638
producer_betweennesscentrality	-42799.561	31198.168	-.373	-1.372	.177
producer_eigenvectorcentrality	983.640	12120.238	.022	.081	.936
pro_density	4129624.738	2640998.514	2.911	1.564	.125
pro_effsize	1044361.026	596624.182	12.989	1.750	.087
pro_constraint	-1715804.882	3180549.034	-.751	-.539	.592
pro_hierarchy	3083866.459	3940252.734	.439	.783	.438
pro_egobetweenness	10395.697	4999.160	1.403	2.079	.043
pro_brokerage	-53693.586	24675.052	-5.907	-2.176	.035
pro_size	-698600.997	471110.068	-9.914	-1.483	.145
pro_ties	44602.467	22077.435	4.285	2.020	.049
pro_efficiency	173143.457	1832402.072	.104	.094	.925

Dependent Variable: eu_27

Appendix R: Production Network in Turkish Film Industry

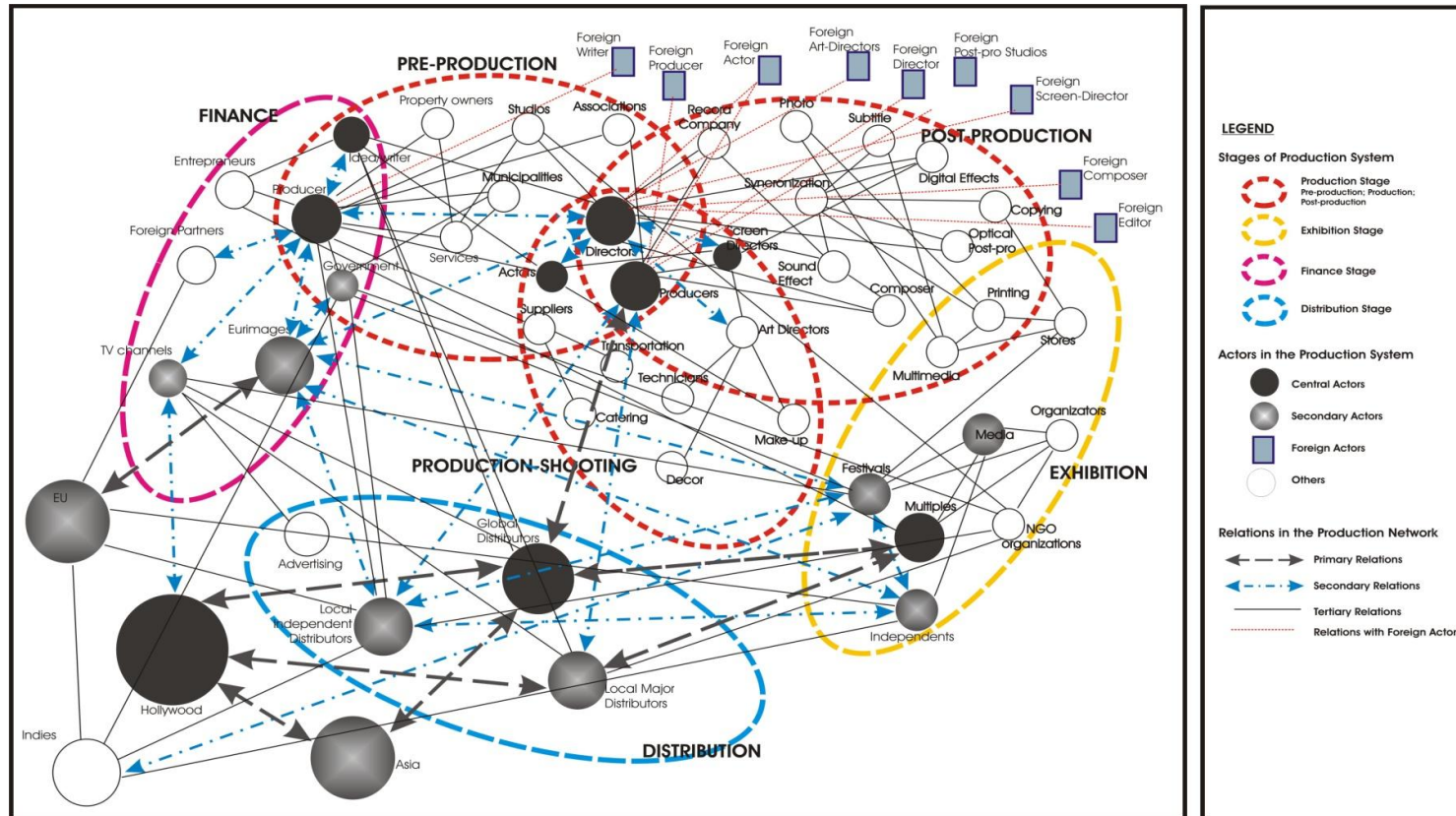


Figure R.1. Production Network in Turkish Film Industry

Source: Produced from the survey data

CURRICULUM VITAE

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EDUCATION

2008-2009 Visiting PhD Student at University of Leeds, UK
2003-2007 PhD (PhD on BA) student (completed all courses, thesis pending) in City and Regional Planning, Middle East Technical University, Ankara - Turkey
2001-2003 Attended courses of MS program in Urban Design, Middle East Technical University, Ankara - Turkey
2002-2003 Attended Urban Planning studies in Pogradec-Albania
1995-2001 Bachelor's Degree in City and Regional Planning, Gazi University, Ankara - Turkey

PROFESSIONAL EXPERIENCE

September 2008-June 2009 : Participation in organization committee for “3rd Annual PhD Conference, Institute of Communication Studies”, University of Leeds, UK
July – September 2000 : Internship in Planevi Planning Agency
June – July 1999 : Internship in Municipality of Canik, Samsun
July – August 1998 : Internship in Bank of Provinces, Ankara

TEACHING EXPERIENCE

- 2004 -2005** : Research Assistant in CRP101- CRP102 Planning Studio Courses
CRP101: Basic design principles through university (METU) campus
CRP102: Basic design on urban texture (Cappadocia region)
- 2005 -2006** : Research Assistant in RP 501-Regional Planning Studio Courses (Ms)
RP501: Cultural Industry as a local economic development strategy; Case study of Region of Yeşilirmak River Basin
- 2006 -2007** : Research Assistant in RP 501(Ms) - CRP302 Planning Studio Courses
RP501: City region analysis in Antalya Region: Local economic dichotomy between coastline of a city-region and its rural hinterland
CRP302: Urban Planning Study in Kayseri province (Scales: 1/25000, 1/5000) Urban design studies in selected housing areas.
- 2007-2008** : Research Assistant in RP 501: Regional Planning Studio Courses- CP 524 Computer Applications of Advanced Statistical Methods to City and Regional Planning
RP501: Social Cohesion and urban competitiveness through globalization process in Izmir case
CP524: Operative studies of Statistical program (SPSS)

PUBLICATIONS

Full paper presented at and published in the proceedings of a refereed conference regularly held by an national and international organization:

Dursun, Doğan, 2010, “*Cultural industries and clustering: the case of Istanbul film industry*”, TÜCAUM VI. Ulusal Coğrafya Sempozyumu 2010, Ankara, Turkey – Nov 03-05, 2010

Dursun, Doğan, 2010, “*Cultural Policies of Turkey and the Missing Link in the Chain: Cultural Industries*”, International 21st Urban Design and Implementations Symposium, Istanbul, Turkey – Oct 13-14, 2010

Dursun, Doğan & Dursun, Defne, 2008, “*Borders as Functional Tools of Regional Development: Cross-Border Cooperation through Turkish Border Regions*”, 2st AESOP Young Academic Meeting: looking beyond one’s nose, St. Petersburg, Russia – Feb 06-08, 2008