GfK. Growth from Knowledge

Cineworld/City Screen Inquiry

A research report prepared for

The Competition Commission

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Provided by: GfK NOP Consumer & Retail

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1 Executive Summary

Background

1. The Competition Commission (CC) has been investigating the acquisition of City Screen Limited by Cineworld. As part of the inquiry the CC commissioned GfK NOP to undertake a research exercise to better understand the effect the acquisition may have on customers specifically in terms of available exact substitutes, and any constraints on the customers either price or non-price related.

2. 10 geographic areas were identified by the CC as being of interest for this research, covering 14 Cineworld and 11 Picturehouse cinemas. Customer lists were provided by the parties from their online database of subscription members and those registered online with the cinema. The contacts were screened to ensure they had visited the cinema of interest in the past six months and had some influence on the decision to go there on the last visit. 21,797 online interviews were conducted in total.

3. In addition to the main online survey, a test was undertaken in two areas to establish whether or not the findings from members and those registered online can be described as representative of all cinema visitors. This test survey was conducted in Brighton and Bury St Edmunds. Interviewing was conducted by telephone, and those who were not either a member of, or registered online with, the cinema were interviewed (with the same questionnaire as for the online survey).

4. The findings in this summary are taken from the online survey, but with a comparison of key results between the online and telephone survey at the end.

Customer Profile

5. More than half (58%) of Picturehouse customers, but only a few Cineworld customers (8%), were subscription members of the respective cinemas. The Picturehouse age profile was markedly older, with a half (50%) aged 50+ years, against only a quarter (26%) of Cineworld customers. There was a near even split by gender across both cinemas. The working status profile differed by fascia in line with the age profile above. Picturehouse customers were more likely to be retired (21% c.f. 8%), and Cineworld customers in full-time employment (65% c.f.

56%). However, there was no difference in household income levels between customers of the two cinemas.

What customers did on their last visit

6. The majority visited the cinema with someone else (93% of Cineworld and 85% of Picturehouse customers). Visits with the family were more prevalent among Cineworld customers, whilst Picturehouse customers were more likely to be visiting as a couple or with friends. Half (50%) of Cineworld customers visited the cinema at the weekend, slightly more than did so among Picturehouse customers (40%).

7. The majority of Cineworld customers had travelled to the cinema by car, whereas Picturehouse customers were more likely to have walked all the way there, or travelled by public transport. However, there was a very marked difference in travel patterns between those visiting a cinema in London and in the Rest of the UK. Outside London over half (60%) had travelled to the cinema by car compared with less than a third (31%) in London.

8. Half of Cineworld and a third of Picturehouse customers did not buy any refreshments. Picturehouse customers were more likely to have purchased an alcoholic drink or a hot drink whilst Cineworld customers were more likely to have purchased snacks (e.g. hot dogs/nachos, sweets, crisps, popcorn etc.) or soft drinks.

Drivers of cinema choice

9. The choice of film available was the most important driver of cinema choice. However, the quality, design and ambience of the building and facilities, and the cinema's loyalty/membership scheme, were much more important considerations for Picturehouse than for Cineworld customers. On the other hand, the ease of getting to the cinema, ease of parking, performance times and value for money were more important to Cineworld customers. Relatively few customers from either fascia thought that the price, quality or range of refreshments at the cinema was very important.

Diversion

10. The diversion section of the questionnaire was customised by whether the last cinema visit was free entry as a member, or with a paid-for ticket (bought at either a discounted or full price). Members with free entry were asked what they would have done in different scenarios at the time of paying for their last membership subscription, whilst those who had paid for their ticket were asked what they would have done on their last cinema visit. Diversion data has been weighted by the number of times the customer had visited the cinema of interest in the last six months, which provides the diversion profile on an admissions basis.

Paid-for Entry

11. In the event of a 5% rise in the price of all fascia cinema tickets, nearly all Picturehouse admissions (92%) would have stayed at the same cinema, as would two-thirds of Cineworld admissions. 6% of Cineworld admissions would have gone to Picturehouse, and 2% of Picturehouse admissions to Cineworld.

12. In the event of all fascia cinemas being closed, most Cineworld admissions would have gone to another cinema apart from Picturehouse, but 15% would have gone to Picturehouse, and 8% would not have gone to the cinema at all. The diversion profile of Picturehouse admissions would have been different, with a quarter not going to the cinema at all, a quarter going to Cineworld, and half going to another cinema.

Subscription members who had free entry

13. In the event of a 5% rise in the price of membership, nearly all Picturehouse member admissions (91%) would have been retained with customers still subscribing and paying the higher fee. The majority of Cineworld member admissions (70%) would have remained intact, but with 20% of admissions the customer would not have taken out any cinema membership. Admissions diversion to the other party membership was low.

14. In the event of all fascia cinemas being closed, most Picturehouse members would not have taken out a subscription, which covers 95% of member admissions. The response from Cineworld members would have been different, with some membership admissions being diverted to either a Picturehouse membership (17%) or to another cinema membership scheme (14%).

Comparison of findings against the telephone survey

15. Comparing the price diversion results, the pattern of response from Picturehouse customers is similar across the two surveys, with most admissions staying with Picturehouse. The telephone survey (non-members/non-registered customers) shows less price diversion of Cineworld admissions to any other cinema than the online survey. However, in both surveys the diversion at Bury St Edmunds Cineworld is most likely to be to the Picturehouse cinema, whilst at Brighton Cineworld it is most likely to be to another cinema.

16. Comparing the forced diversion results, the results were again similar, the main difference being at both the Bury St Edmunds cinemas where diversion to the other party is higher in the telephone survey.

2 Background and Research Objectives

17. The Competition Commission (CC) has been investigating the acquisition of City Screen Limited by Cineworld. As part of the inquiry the CC commissioned GfK NOP to undertake a research exercise to better understand the effect the acquisition may have on customers specifically in terms of available exact substitutes, and price constraints and non-price constraints on customers.

18. The research focused on 10 geographic areas of interest, covering 14 Cineworld and 11 Picturehouse cinemas, as follows:

Table 1: Cinemas of interest

Area	Cineworld	Picturehouse
Aberdeen	Queenslink Leisure Park Cineworld Union Square Cineworld	The Belmont Picturehouse
Brighton	Brighton Marina Cineworld	Duke of York's Picturehouse Duke's at Komedia Picturehouse[1]
Bury St Edmunds	Bury St Edmunds Cineworld	Abbeygate Picturehouse
Cambridge	Cambridge Cineworld	Arts Picturehouse
Edinburgh	Fountain Park Cineworld	The Cameo Picturehouse
Southampton	Southampton Cineworld	Harbour Lights Picturehouse
Solihull	Solihull Cineworld	Stratford Upon Avon Picturehouse
Clapham	Chelsea Cineworld Fulham Road Cineworld Wandsworth Cineworld	Clapham Picturehouse
Greenwich	Bexleyheath Cineworld O2 Cineworld West India Quay Cineworld	The Greenwich Picturehouse
Stratford East	O2 Cineworld West India Quay Cineworld	Stratford East Picturehouse

[1] For the purposes of this survey, the two Brighton Picturehouse cinemas were treated as a single cinema as the customer lists had a lot of overlap

19. The map below shows the locations of these cinemas in relation to each other.

Figure 1: Cinemas of interest

3 Research Design

20. Online interviews were conducted with customers at each of the cinemas of interest. The interviews were carried out amongst customers (aged 16+ years) who had been to the cinema of interest in the past six months, and had some influence on the decision to visit the cinema on their last visit.

21. The sample was taken from customer lists provided by the parties. These lists covered all those who were subscription members or registered online with the parties. Email survey invites were sent out to all these customers, with a reminder email following a few days after the original invite. 21,797 interviews were achieved, this representing a 6% response rate from valid email addresses. A breakdown of the interviews conducted and response rate by individual cinema is shown in the table below. The response rate was consistent overall by fascia and between London and the Rest of the UK. Fieldwork was conducted 14 – 23 June, 2013.

Table 2: Online interviews

	Contacts supplied	Bouncebacks	Valid emails	Click on	Completed survey	Response rate (%)
Aberdeen – CW Queenslink	10,853	95	10,758	882	541	5
Aberdeen – CW Union Square	17,025	127	16,898	1,359	822	5
Aberdeen – PH	9,617	243	9,374	1,007	475	5
Brighton – CW	15,799	57	15,742	1,377	877	6
Brighton – PH	30,092	189	29,903	3,288	1,713	6
Bury St Edmunds – CW	12,958	66	12,892	1,103	702	5
Bury St Edmunds – PH	6,600	33	6,567	1,050	695	11
Cambridge – CW	14,362	67	14,295	1,531	931	7
Cambridge – PH	29,758	222	29,536	4,323	2,285	8
Edinburgh – CW	21,493	124	21,369	2,244	1,361	6
Edinburgh – PH	19,672	182	19,490	2,472	1,056	5
Southampton – CW	5,295	40	5,255	503	289	5
Southampton – PH	16,316	137	16,179	2,448	1,324	8
Solihull – CW	15,414	58	15,356	1,467	963	6
Stratford – PH	8,513	83	8,430	970	508	6
Clapham – CW Chelsea	3,186	12	3,174	306	145	5
Clapham – CW Fulham Road	5,140	16	5,124	523	222	4
Clapham – CW Wandsworth	17,771	87	17,687	1,694	1,034	6
Clapham – PH	34,280	268	34,102	3,588	1,648	5
Greenwich – CW Bexleyheath	9,511	49	9,462	704	423	4
Greenwich – CW O2	15,932	82	15,850	1,490	826	5
Greenwich – CW West India Quay	9,336	39	9,297	960	553	6
Greenwich – PH	28,041	217	27,824	3,513	1,839	7
Stratford East – CW O2	15,932	82	15,850	1,490	826	5
Stratford East – CW West India Quay	9,336	39	9,297	960	553	6
Stratford East – PH	13,758	349	13,409	1,327	565	4

22. Throughout the report any reference to 'the cinema' refers to the cinema of interest which the respondent had visited in the last six months. All responses to the survey were based on the customers' last visit to the cinema. Any mention of 'films' refers to films or screenings at the cinema. Responses have been analysed according to key subgroups: by fascia (Cineworld and Picturehouse), by location (London and Rest of UK), and by individual cinema. Differences in results by fascia and location are statistically significant in most cases due to the large sample sizes and therefore are not commented upon in this report. The Cineworld 02 and Cineworld West India Quay cinemas were of interest to the CC in both the Greenwich and Stratford East areas, and therefore the findings from these two cinemas have been reported in both.

23. The questionnaire design was customised by individual cinema location with a relevant cinema list comprising the 13 closest cinemas by distance plus three 'other' options (Other Picturehouse, Other Cineworld, and Other cinema) to collect information on cinemas visited and diversion behaviours. Different questionnaire versions were used for the diversion section depending upon whether the last visit to the cinema had been free entry as a member or with a paid-for ticket.

24. The findings are reported on an unweighted basis, except in the diversion section where the results have been weighted according to the number of visits made to the cinema of interest in the last six months (weighted on an admissions basis). The weighted results by individual cinema show the weighted sample size and the effective sample size, the latter figure being lower due to the increase in sampling error associated with frequency weighting.

25. In addition to the main online survey, a test was undertaken in two areas to establish whether or not the findings from members and those registered online can be described as representative of all cinema visitors. This test survey was conducted among a representative sample of adults aged 16+ years resident in Brighton and Bury St Edmunds. Interviewing was conducted by telephone, with sample taken from a mix of Random Digit Dialling (RDD) and electoral roll and lifestyle databases to target the younger age groups. Interlocking quotas were set on age (30 years or under, 30-49 years, 50+ years) and gender to ensure that the screening exercise was carried out amongst a sample that was representative of the local population. 500 screening interviews were carried out in each of the two areas, and those who had visited one of the cinemas of interest in the last six months, and who were not either a member of, or registered online with, the cinema were interviewed (with the same questionnaire as for the online survey).

26. The number of interviews completed with respondents who had been to the cinema (of interest) but were not either a member or registered online with the cinema was lower than originally targeted (500) due to a lack of time to conduct more screening interviews. 345 completed interviews were carried out as shown in the table below.

Table 3: Telephone interviews

	Brighton	Bury St Edmunds
Cineworld	146	86
Picturehouse	57	56

27. Telephone fieldwork was undertaken 17 – 26 June, 2013.

28. A comparison of the key diversion results from the telephone survey against those reported in the main online survey is shown in section 4.5

4 Survey Findings

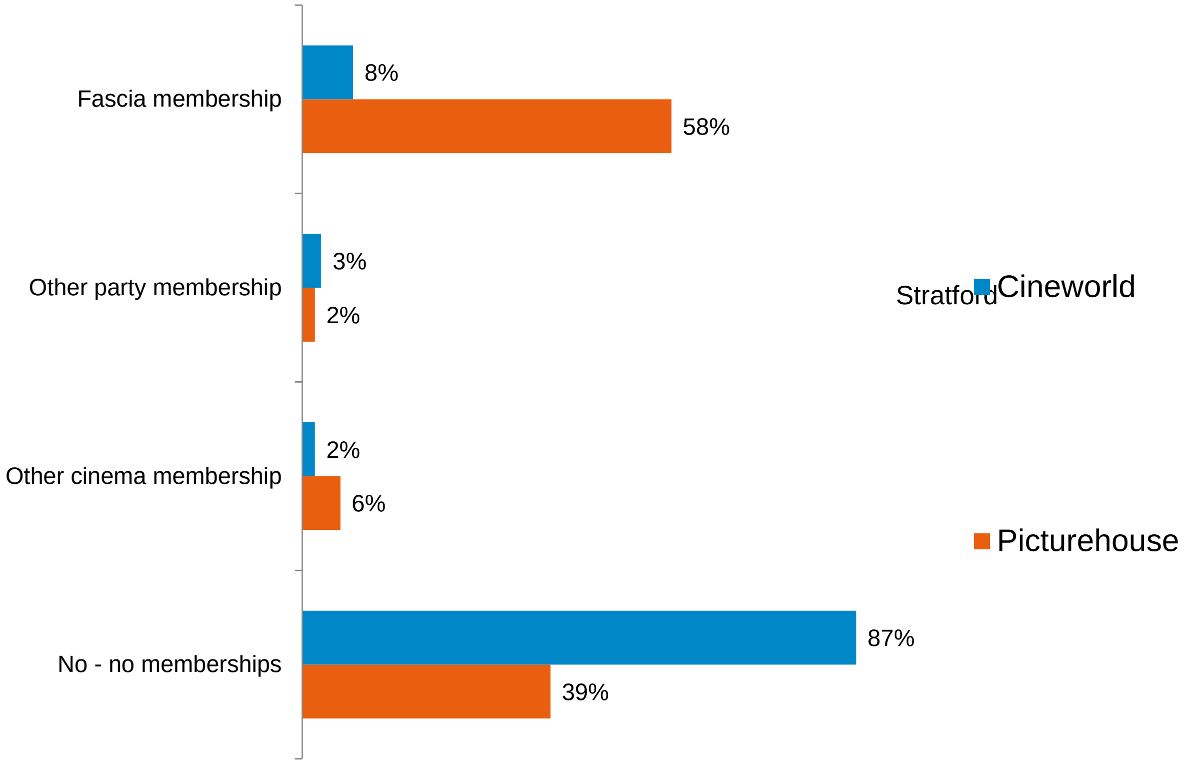
4.1 Customer profile

29. This first section of the report looks at the profile of cinema customers, including whether they were subscription members of the cinema, their frequency of going to the cinema, and their demographic profile.

30. More than half (58%) of Picturehouse customers, but only a few Cineworld customers (8%), were members of the respective cinemas. Very few customers were subscription members of both cinemas.

Figure 2: Subscription membership

B3 Some cinemas offer membership schemes that give access to an unlimited or a set number of free films for a fixed subscription fee. Do you belong to any of the following membership subscription schemes?

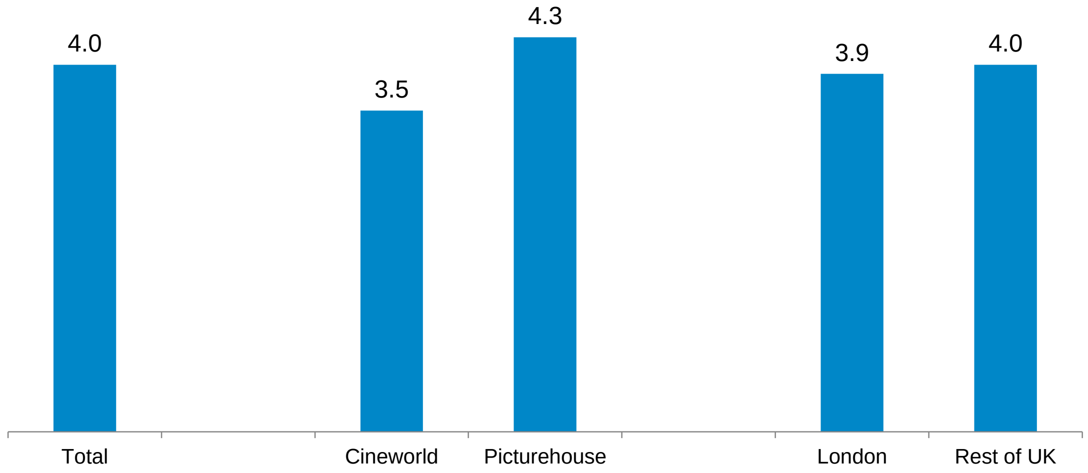


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

31. Picturehouse customers tended to be more frequent visitors to the cinema (of interest) than Cineworld customers. Picturehouse visitors had been to 4.3 films at the cinema in the last six months on average, whilst the equivalent figure for Cineworld was 3.5. There was no difference in the pattern of usage between London and the Rest of the UK.

Figure 3: Average number of visits to the cinema (of interest) in the last six months

B1. How many screenings have you attended at the {cinema of interest} in the last six months?



Base: All (Total = 21,797; Cineworld = 9,689; Picturehouse = 12,108; London = 7,255; Rest of UK = 14,542)

32. Most customers had visited the cinema four times or less in the previous six months, but there was a small proportion who had visited 12 times or more. The average frequency of visits was similar across the Picturehouse cinemas (lowest in Clapham (3.5), and highest in Brighton (5.3)), and across Cineworld cinemas (lowest in Chelsea (2.3) and highest in Edinburgh (4.2))

Table 4: Number of visits to the cinema (of interest) in the last six months

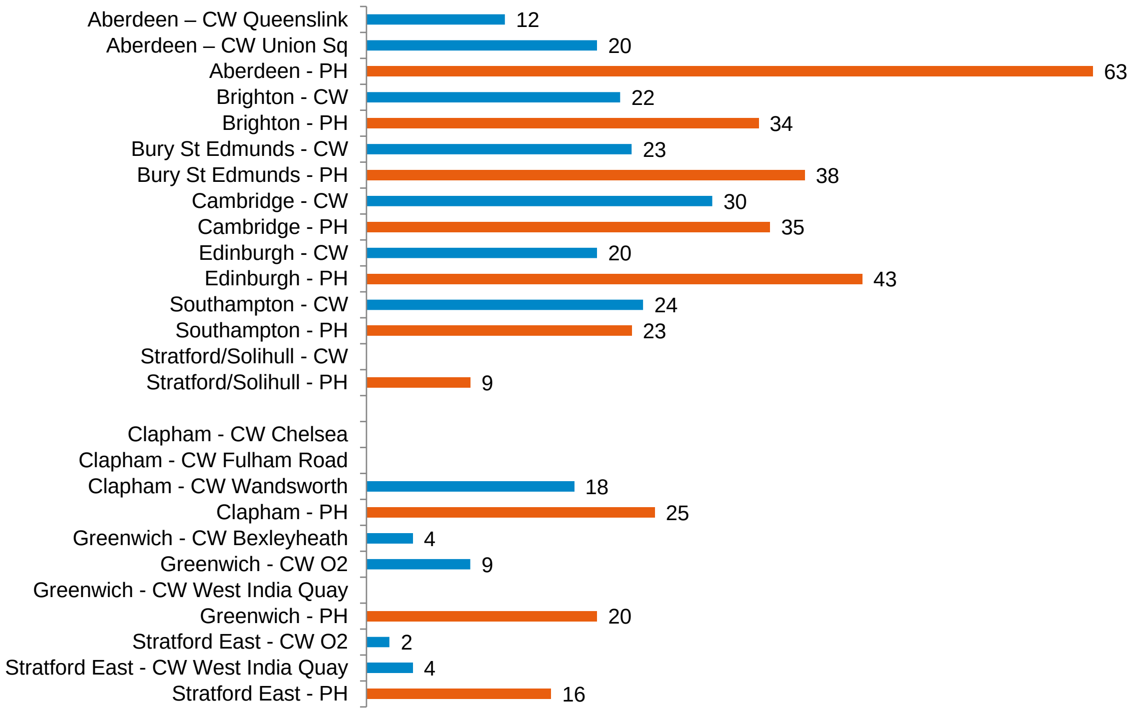
B1. How many screenings have you attended at each of these cinemas in the last six months?

Base: All	Base	%	1-2	3-4	5-6	7-12	More than 12	Average
Aberdeen – CW Queenslink	541	%	55	32	11	2	0	2.7
Aberdeen – CW Union Square	822	%	43	35	17	4	1	3.4
Aberdeen – PH	**475**	**%**	**32**	**34**	**20**	**11**	**3**	**4.5**
Brighton – CW	877	%	54	32	11	2	1	2.8
Brighton – PH	**1713**	**%**	**28**	**27**	**19**	**20**	**6**	**5.3**
Bury St Edmunds – CW	702	%	44	35	16	4	1	3.3
Bury St Edmunds – PH	**695**	**%**	**28**	**36**	**24**	**9**	**2**	**4.4**
Cambridge – CW	931	%	47	32	15	4	2	3.6
Cambridge – PH	**2287**	**%**	**32**	**33**	**22**	**10**	**4**	**4.5**
Edinburgh – CW	1361	%	41	31	18	6	4	4.2
Edinburgh – PH	**1056**	**%**	**43**	**32**	**16**	**6**	**3**	**3.8**
Southampton – CW	289	%	57	29	11	2	1	2.8
Southampton – PH	**1324**	**%**	**36**	**33**	**19**	**8**	**4**	**4.3**
Stratford/Solihull – CW	963	%	41	38	16	4	1	3.4
Stratford/Solihull – PH	**508**	**%**	**42**	**35**	**15**	**6**	**2**	**3.7**
Clapham – CW Chelsea	145	%	66	21	10	1	1	2.3
Clapham – CW Fulham Road	222	%	56	30	9	4	1	2.9
Clapham – CW Wandsworth	1034	%	38	35	18	5	3	4.0
Clapham – PH	**1648**	**%**	**45**	**33**	**17**	**5**	**1**	**3.5**
Greenwich – CW Bexleyheath	423	%	49	32	13	4	2	3.5
Greenwich – CW O2	827	%	45	29	16	6	3	3.8
Greenwich – CW West India	553	%	42	35	16	5	2	3.2
Greenwich – PH	**1839**	**%**	**35**	**33**	**19**	**9**	**4**	**4.4**
Stratford East – CW O2	827	%	45	29	16	6	2	3.8
Stratford East – CW West India	553	%	42	35	16	5	2	3.2
Stratford East – PH	**566**	**%**	**39**	**28**	**19**	**9**	**4**	**4.6**

33. The chart below shows the proportion who had visited the other party cinema in the same location in the previous six months. Results are not available for all cinemas, as the questionnaire only captured information about visits to the 13 closest cinemas by distance from the cinema (of interest), and in a few cases this did not include the other party cinema. There was some variation by geography, with those visiting the cinema in London less likely to have visited the other party cinema than in the Rest of the UK. A higher proportion of visitors to the Picturehouse in Aberdeen had visited the other party cinema than at any other cinema. Looking at results by fascia, Cineworld customers tended to visit the other party cinema less often than Picturehouse customers.

Figure 4: % visited other party cinema in same location in last six months

A1. Which if any of the following cinemas have you been to in the last 6 months?

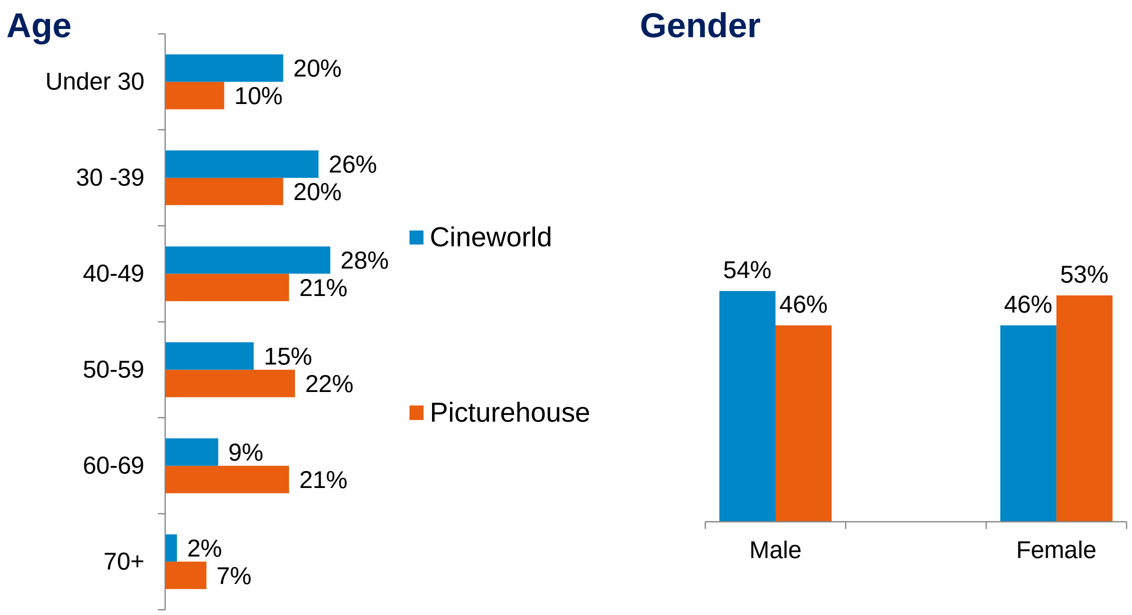


Base: All (Aberdeen CW Queenslink = 541, Aberdeen CW Union Sq. = 822, Aberdeen PH = 475 , Brighton CW = 877, Brighton PH = 1713 , Bury SE CW = 702, Bury SE PH = 695, Cambridge CW = 931 , Cambridge PH = 2285, Edinburgh CW = 1361, Edinburgh PH = 1056, Southampton CW = 289, Southampton PH = 1324, Stratford/Solihull CW = 963, Stratford/Solihull PH = 508, Clapham CW Chelsea = 145, Clapham CW Fulham = 222, Clapham CW Wandsworth = 1034, Clapham PH = 1648, Greenwich CW Bexleyheath = 423 , CW O2 = 826 , CW West India Quay = 553, Greenwich PH = 1839, Stratford East PH = 565)

34. The Picturehouse age profile was markedly older, with a half (50%) aged 50+ years, against only a quarter (26%) of Cineworld customers. There was a near even split by gender across both cinemas, although Picturehouse customers were slightly more likely to be female, whilst the reverse was true of Cineworld customers.

Figure 5: Demographic profile (1)

A2. What age are you? A3. Gender

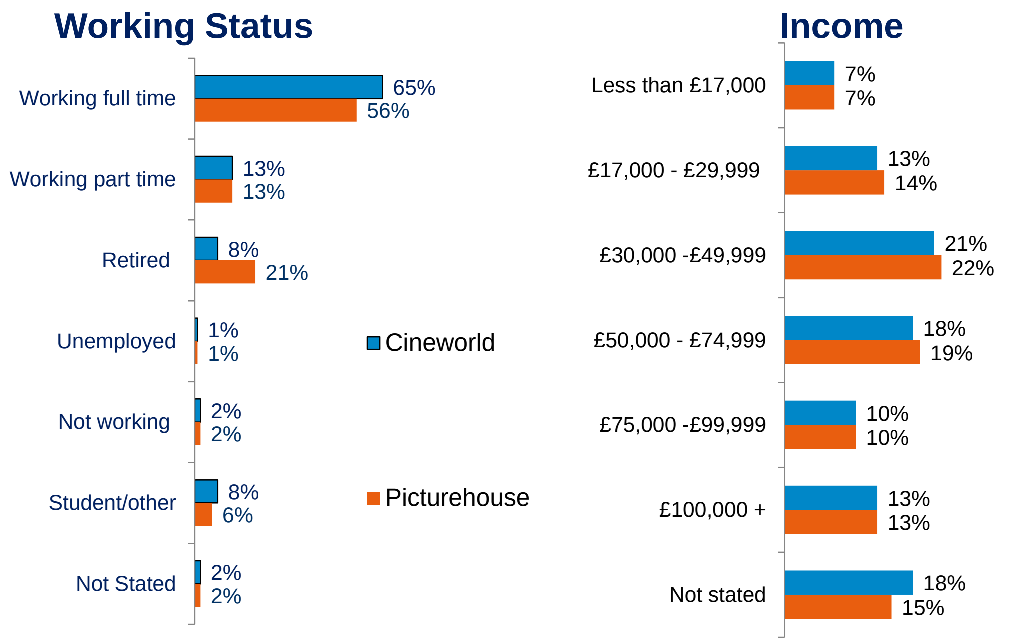


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

35. The working status profile differed by fascia in line with the age profile above. Picturehouse customers were more likely to be retired (21% c.f. 8%), and Cineworld customers in full-time employment (65% c.f. 56%). However, there was no difference in household income levels between customers of the two cinemas.

Figure 6: Demographic profile (2)

E1. Which of the following best describes your working status? E3. What is your total annual family household income before taxes?



Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

36. Looking at results by individual cinema, the profile in London tended to be slightly different to that found in the Rest of the UK. Visitors to London cinemas tended to be younger, were more likely to be in full-time employment, and more likely to be male. This was particularly true at Cineworld O2 and Cineworld West India Quay. Income levels tended to be higher at certain cinemas, notably at the Cineworld cinemas in Chelsea and Fulham, and at the Picturehouse cinema in Clapham.

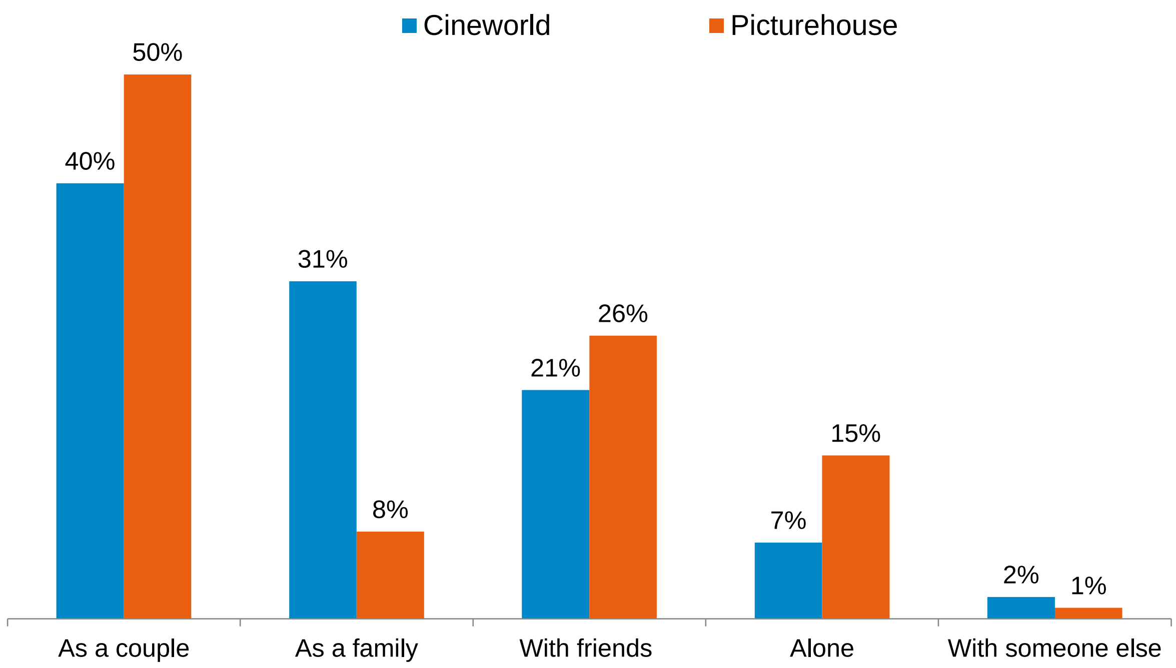
4.2 What customers did on their last visit

37. This section looks at behaviours on the customer's most recent visit to the cinema: who they visited with, the day of the week visited, where they travelled from, how they travelled to the cinema, and the refreshments bought at the cinema.

38. The majority visited the cinema with someone else (93% of Cineworld and 85% of Picturehouse customers). Visits with the family were more prevalent among Cineworld customers, whilst Picturehouse customers were more likely to be visiting as a couple or with friends.

Figure 7: Group composition

A4: Did you visit the cinema ….

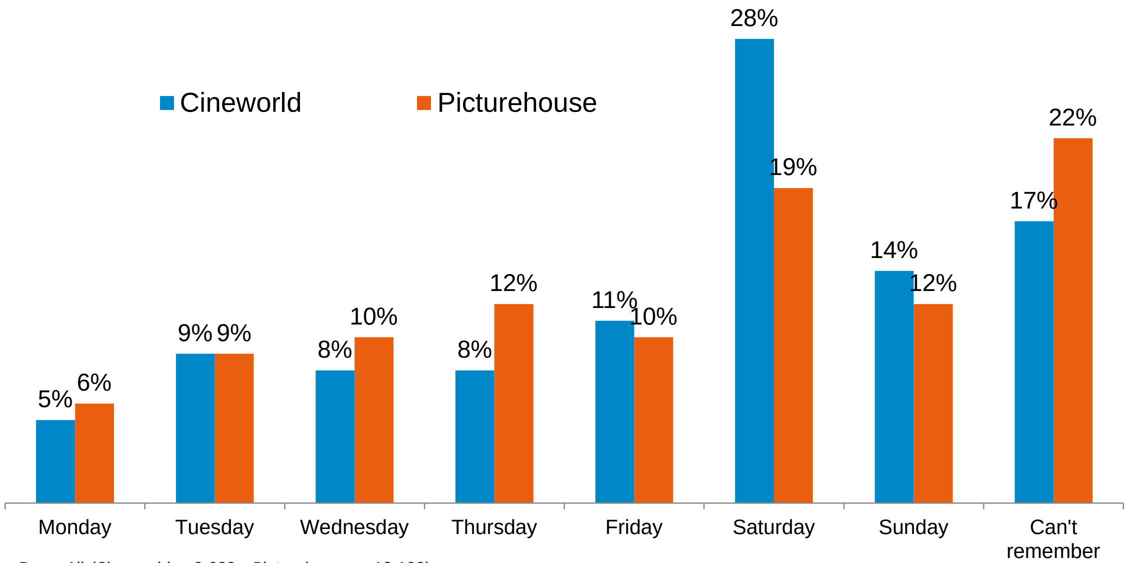


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

39. Half (50%) of Cineworld customers (who could recall the day of their visit) visited the cinema at the weekend, slightly more than did so among Picturehouse customers (40%). Visits on other days of the week were fairly evenly spread, with the exception of lower visits on Mondays, and marginally higher on Fridays.

Figure 8: Day of the week visited cinema

C1: On what day of the week did you go?

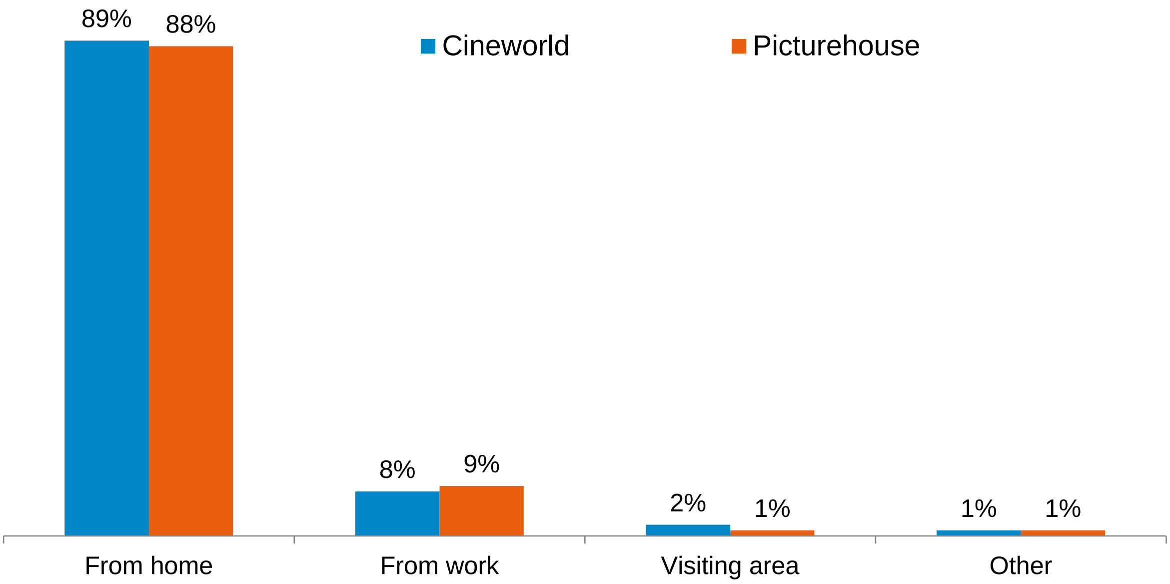


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

40. The great majority travelled to the cinema from their home, and this was true in both London and the Rest of the UK.

Figure 9: Where people travelled from

C2. Did you travel to the cinema from your home or workplace in the local area, or were you visiting the area on a trip away?

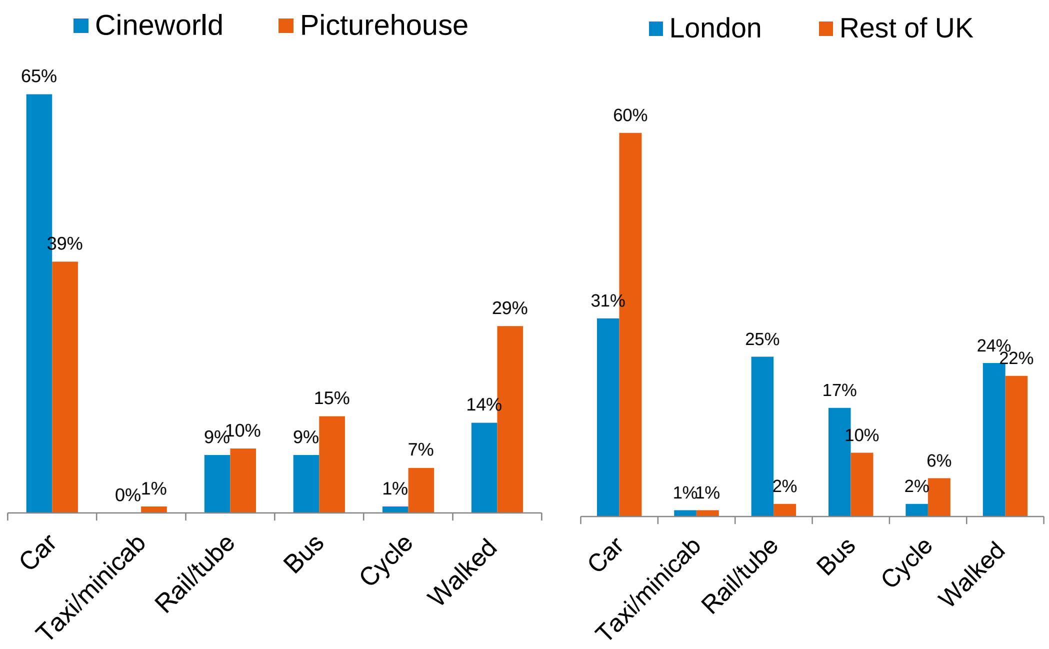


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

41. Respondents were asked how they had travelled to the cinema. The majority of Cineworld customers had travelled there by car, whereas Picturehouse customers were more likely to have walked all the way there, or travelled by public transport. However, there was a very marked difference in travel patterns between those visiting a cinema in London and in the Rest of the UK. Outside London over half (60%) had travelled to the cinema by car compared with less than a third (31%) in London. Conversely a quarter of those travelling to London cinemas had used rail or tube whereas only 2% outside London had done so.

Figure 10: Mode of transport used

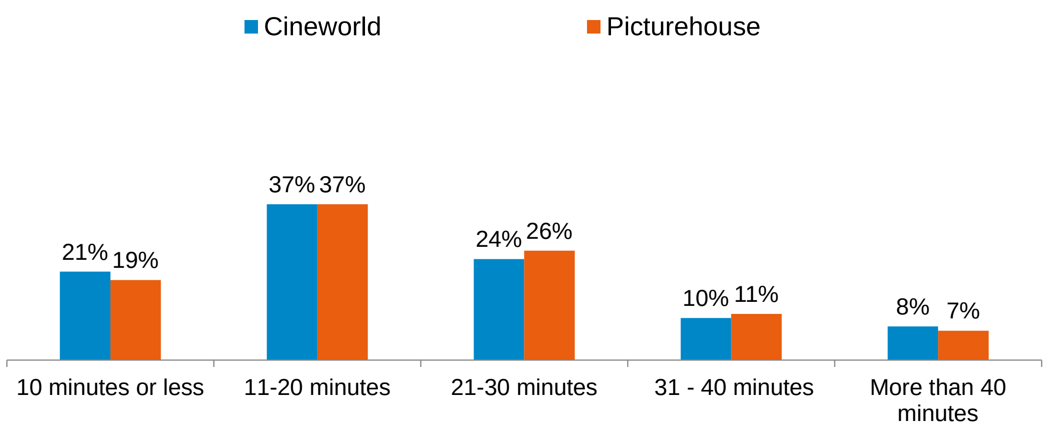
C3. How did you travel to the cinema?



42. The average journey time to the cinema from the place where they had started the journey (home, work or the place staying at whilst visiting the area) was just over twenty minutes, and this was true of both Cineworld and Picturehouse customers. For one in five the journey time was 10 minutes or less, whilst a similar proportion took over 30 minutes to travel to the cinema.

Figure 11: Journey time to the cinema

Q5. How long did the journey take from your home or other place of departure (e.g. office)?

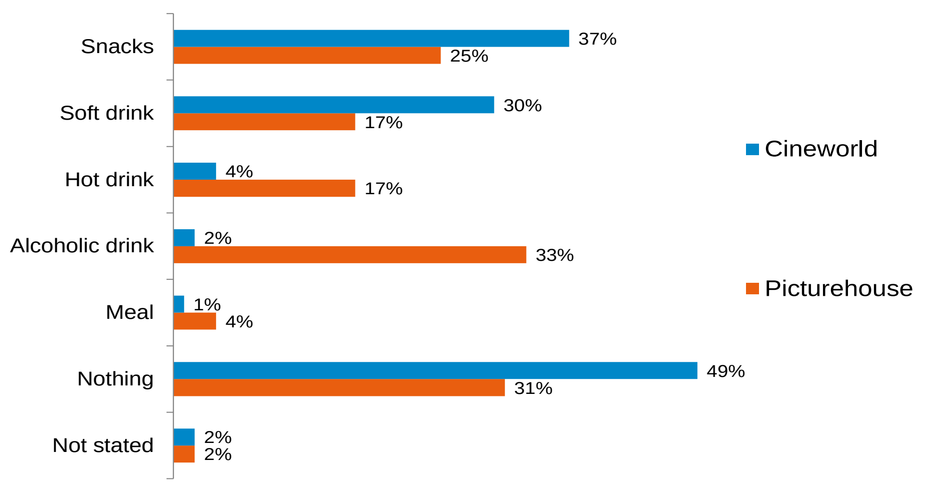


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

43. Respondents were asked about their purchase of food and drink at the cinema for themselves (excluding anything spent on others in the travelling party). Half of Cineworld and a third of Picturehouse customers did not buy any food or drink. Picturehouse customers were more likely to have purchased an alcoholic drink or a hot drink whilst Cineworld customers were more likely to have purchased snacks (e.g. hot dogs/nachos, sweets, crisps, popcorn etc.) or soft drinks.

Figure 12: Refreshments bought (for yourself)

C5. Did you buy any food and drink for yourself?

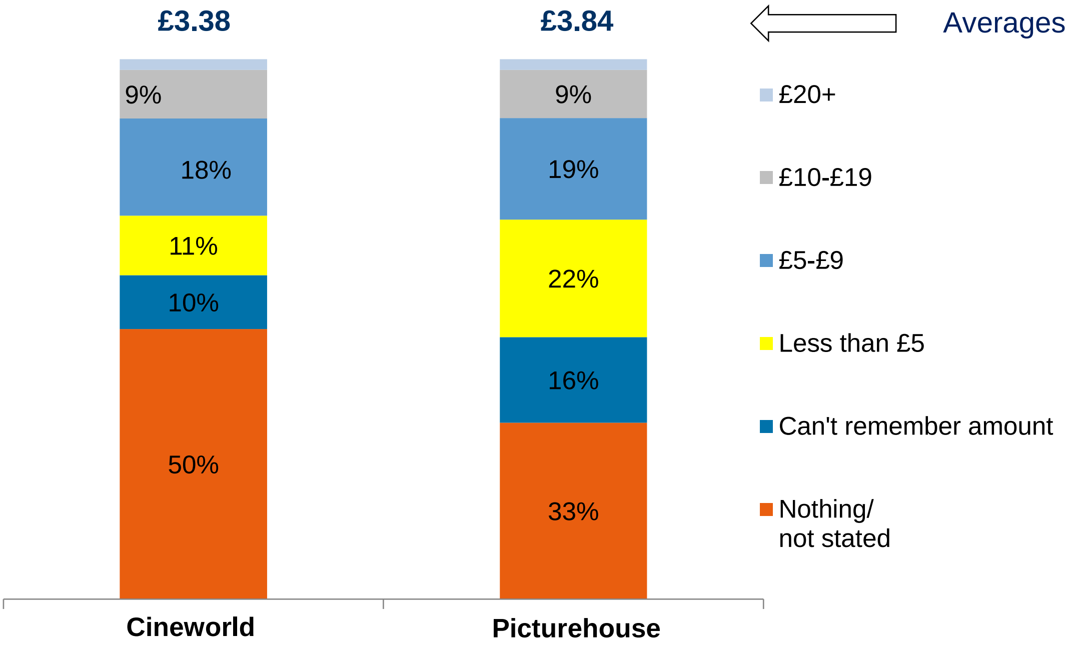


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

44. The claimed spend on food and drink was higher among Picturehouse customers (average of £3.84 per person c.f. £3.38 for Cineworld customers).

Figure 13: Amount spent on refreshments (£)

C6. And how much did you spend on food and drink for yourself?

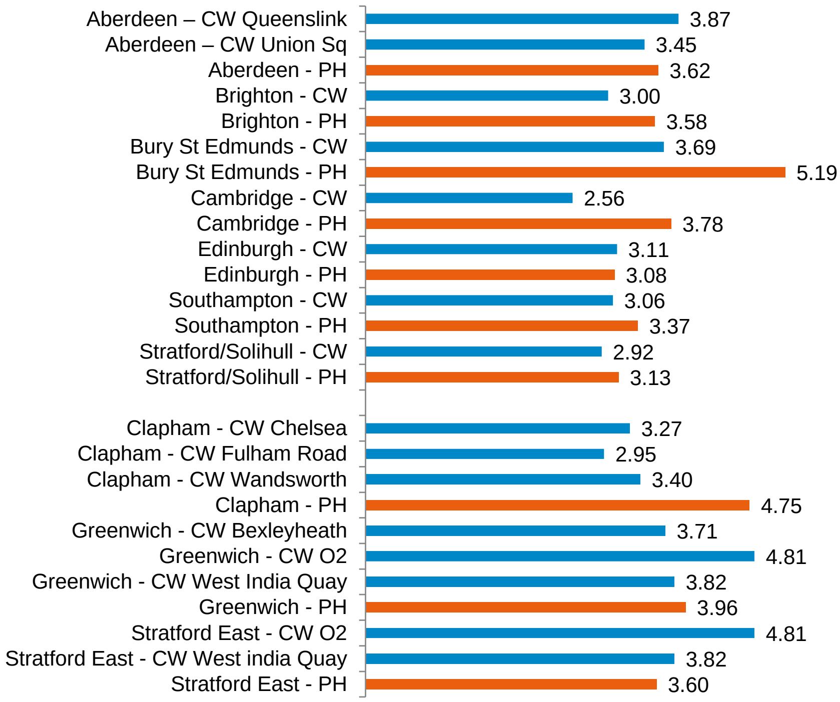


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

45. There was little variation in spend by individual cinema within each fascia. The chart below shows the average amount spent on food and drink per person by cinema. The highest spend was at Bury St Edmunds Picturehouse, the lowest at Cambridge Cineworld.

Figure 14: Average spend on refreshments (for yourself) - in £

C6. And how much did you spend on food and drink for yourself?



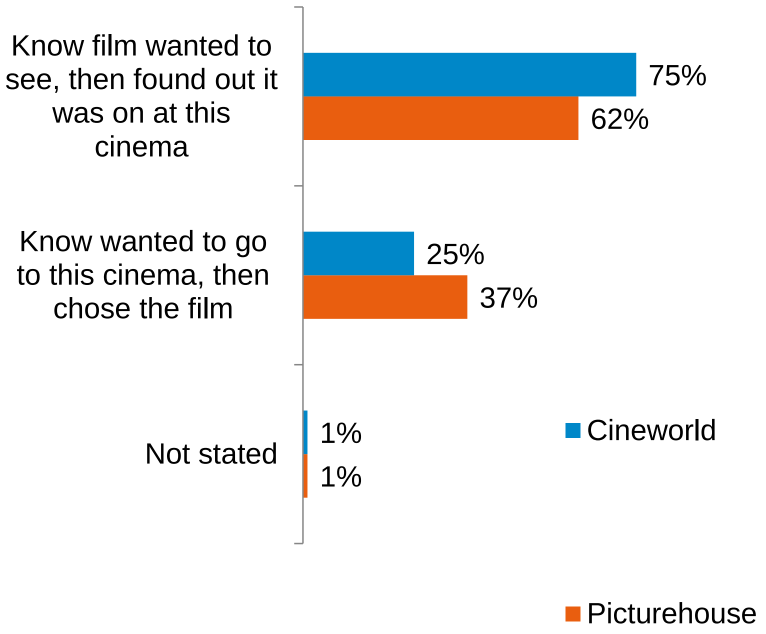
Base: All (Aberdeen CW Queenslink = 541, Aberdeen CW Union Sq. = 822, Aberdeen PH = 475 , Brighton CW = 877, Brighton PH = 1713 , Bury SE CW = 702, Bury SE PH = 695, Cambridge CW = 931 , Cambridge PH = 2285, Edinburgh CW = 1361, Edinburgh PH = 1056, Southampton CW = 289, Southampton PH = 1324, Stratford/Solihull CW = 963, Stratford/Solihull PH = 508, Clapham CW Chelsea = 145, Clapham CW Fulham = 222, Clapham CW Wandsworth = 1034, Clapham PH = 1648, Greenwich CW Bexleyheath = 423 ,
CW O2 = 826 , CW West India Quay = 553, Greenwich PH = 1839, Stratford East PH = 565)

4.3 Drivers of cinema choice

46. Customers were asked whether it was the film or cinema that was more important in their decision to visit the cinema (of interest), with a question about which of the following two options described their last visit: 1) they knew the film they wanted to see and found out it was on at the cinema or; 2) they knew they wanted to go to the cinema, and then chose the film. The majority said the key factor was the film rather than the cinema, although Picturehouse customers were more likely than Cineworld customers to say that the cinema was the key factor.

Figure 15: Choice of film or cinema

C8. When you made the decision to go the cinema (of interest), did you …

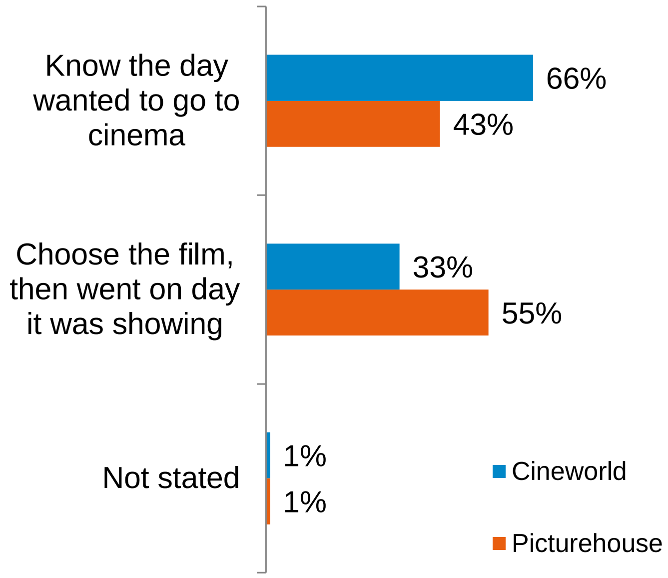


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

47. A similar type of question was asked to establish whether it was the the day of week or the film that was the key factor in their decision, the two options being: 1) they knew the day they wanted to go to the cinema or; 2) they chose the film and then went on a day it was showing. The majority of Picturehouse customers said the key factor was the film, whilst it was the day of week for most Cineworld customers.

Figure 16: Choice of film or cinema

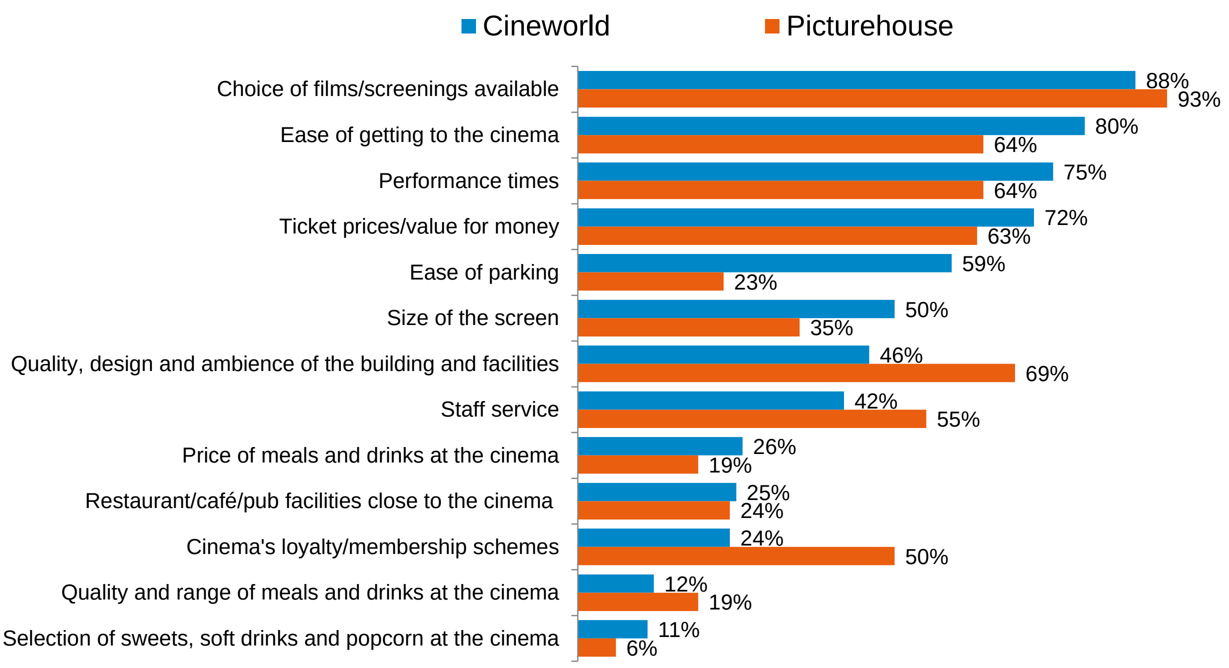
C8. When you made the decision to go the cinema (of interest), did you …



48. Customers were asked to rate the importance of various features as a reason for visiting the cinema (of interest) rather than another cinema, using a four-point 'Essential/Very Important/Quite Important/Not important' scale. The chart below shows the proportion considering each feature as 'Essential' or 'Very Important'. The choice of film available was the most important driver of cinema choice. However, the quality, design and ambience of the building and facilities, and the cinema's loyalty/membership scheme, were much more important considerations for Picturehouse than for Cineworld customers. On the other hand, the ease of getting to the cinema, ease of parking, performance times and value for money were more important to Cineworld customers. Relatively few customers from either fascia thought that the price, quality or range of refreshments at the cinema was very important.

Figure 17: Reasons for cinema choice (prompted)
- % indicating Essential/Very important

B2. I am going to read out a number of features, and for each I'd like you to tell me how important it was as a reason why you visited the {cinema of interest}, rather than any other cinema.

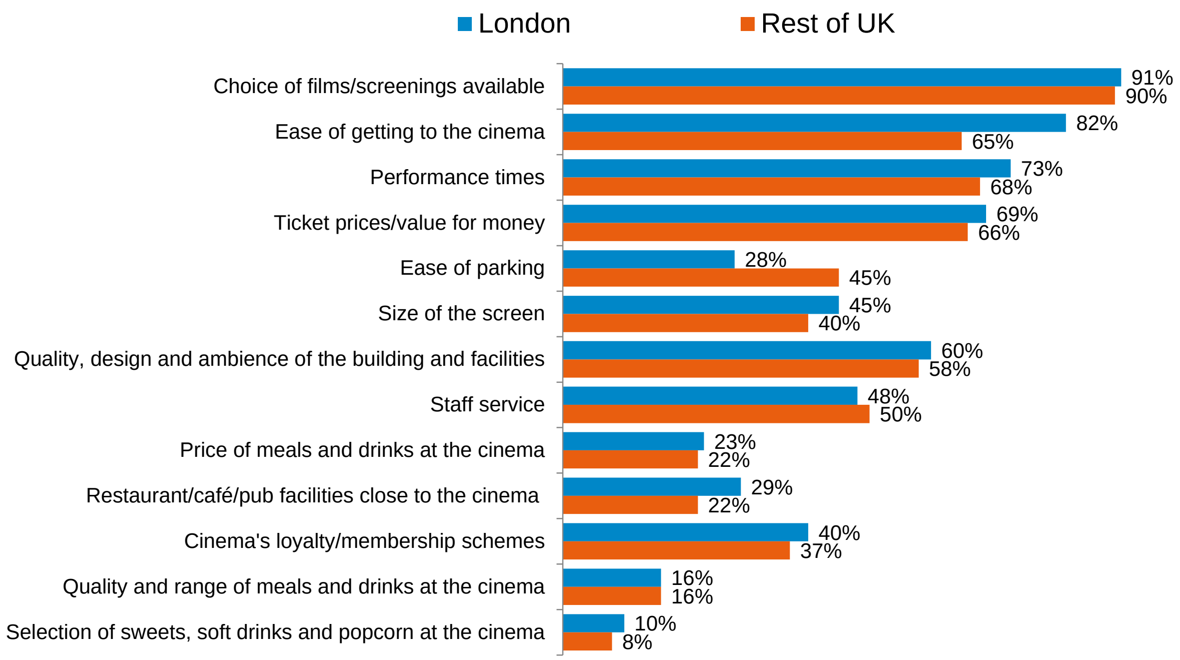


Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

49. Those visiting the cinema in London placed a greater importance on the ease of getting to the cinema, whilst customers outside London thought that the ease of parking was relatively more important (than those in London). This reflects the greater reliance on the car as a means of transport to the cinema outside London.

Figure 18: Reasons for cinema choice (prompted)
- % indicating Essential/Very important

B2. I am going to read out a number of features, and for each I'd like you to tell me how important it was as a reason why you visited the {cinema of interest}, rather than any other cinema.

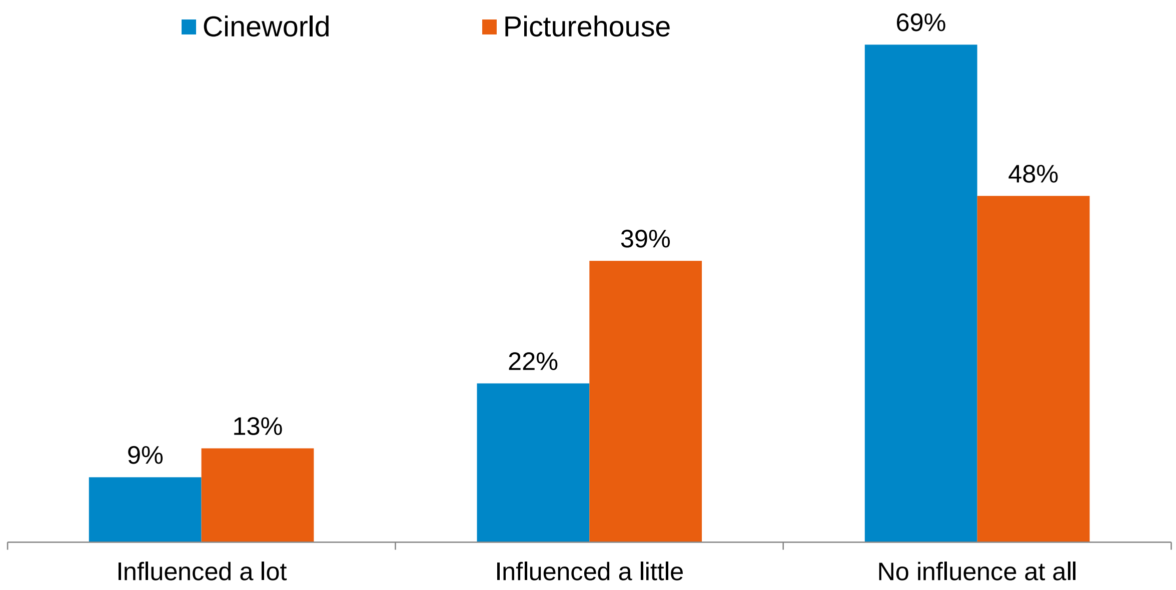


Base: All (London = 7255, Rest of UK = 14,542)

50. The influence of refreshments on the choice of cinema was also evaluated by asking customers to say whether the price, range and quality of food and drink at the cinema had influenced their choice of cinema to visit. About two-thirds of Cineworld and half of Picturehouse customers said it had no influence at all, and only a small minority from either fascia said it influenced them a lot.

Figure 19: Influence of refreshments on choice of cinema

C7. Did the price, range and quality of food and drink at {cinema of interest} influence your choice of cinema to visit?



Base: All (Cineworld = 9,689 ; Picturehouse = 12,108)

4.4 Diversion

51. The diversion section of the questionnaire was customised by whether the last cinema visit was free entry as a member, or with a paid-for ticket (bought at either a discounted or full price). Members with free entry were asked what they would have done in different scenarios (described below) at the time of paying for their last membership subscription, whilst those who had paid for their ticket were asked what they would have done on their last cinema visit.

52. The scenarios presented to respondents were (what they would have done) if:

<u>Paid-for ticket</u>
Prices had increased by an amount equivalent to 5%[2] at all the fascia cinemas
All fascia cinemas had been closed

<u>Free entry as a member</u>
The membership subscription price had increased by 5%
All fascia cinemas had been closed

53. If a respondent who had bought a ticket on the last visit said they would have gone to another cinema, they were presented with a list of the 13 closest (by distance) cinemas plus three 'other' response options ('Other Cineworld', 'Other Picturehouse' and 'Other'), and asked which cinema they would have gone to instead.

54. The order of the priced and forced diversion questions was rotated between interviews, and analysis showed no differences in results due to order effect.

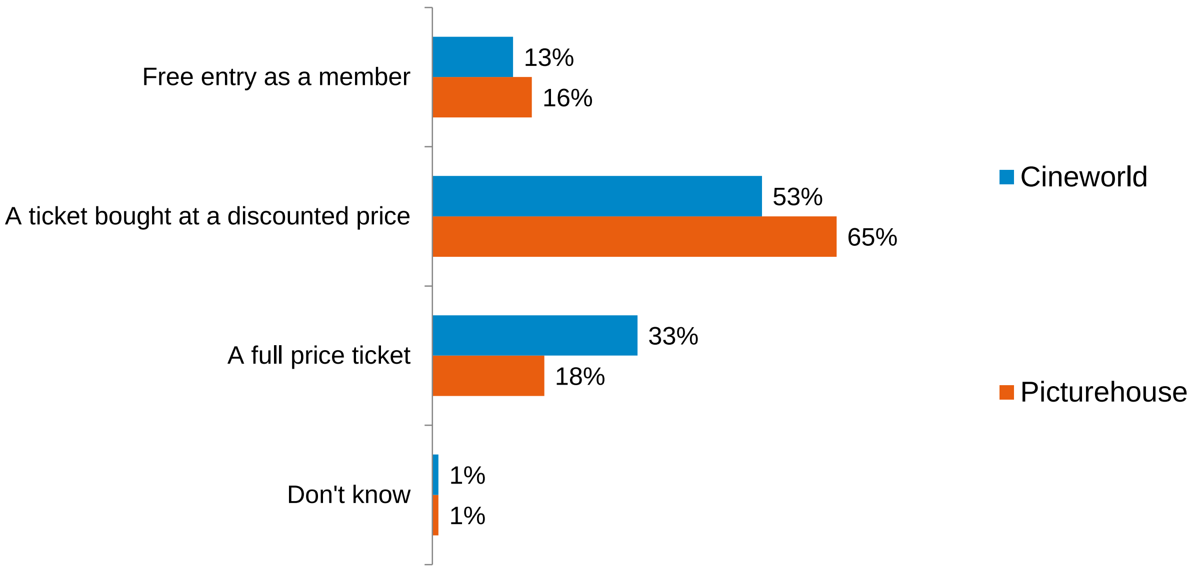
55. The results in this section are based on data weighted by the number of times the respondent had visited the cinema (of interest) to see a film in the last six months. This provides the diversion profile on an admissions basis. When data is weighted in this way the effective sample size is reduced, as the responses from a relatively small number of frequent visitors contribute in greater part to the total. Some care should be taken therefore when interpreting the results at an individual cinema level in those cases where the effective sample is relatively low. (A description of the confidence limits associated with the data for various effective sample sizes is shown in Appendix B).

[2] The price increase was calculated according to whether it was a visit to a cinema in London or the Rest of the UK, and whether the respondent had bought a discounted or full priced ticket: London full-price = 75p, London discounted = 50p, Rest of UK full-price = 50p, Rest of UK discounted = 30p.

56. Member admissions with free entry accounted for only a minority of admissions (13% for Cineworld and 16% for Picturehouse). About half of Cineworld and two-thirds of Picturehouse admissions were with tickets bought at a discounted price. Only a third of Cineworld and less than one fifth of Picturehouse admissions were with a full-price ticket.

Figure 20: Admissions profile

D1. On the last occasion you visited the {cinema of interest} did you have free entry as a member, a ticket bought at a discounted price, or a full-price ticket?



Base: All (Cineworld = 33,973 ; Picturehouse = 52,266)

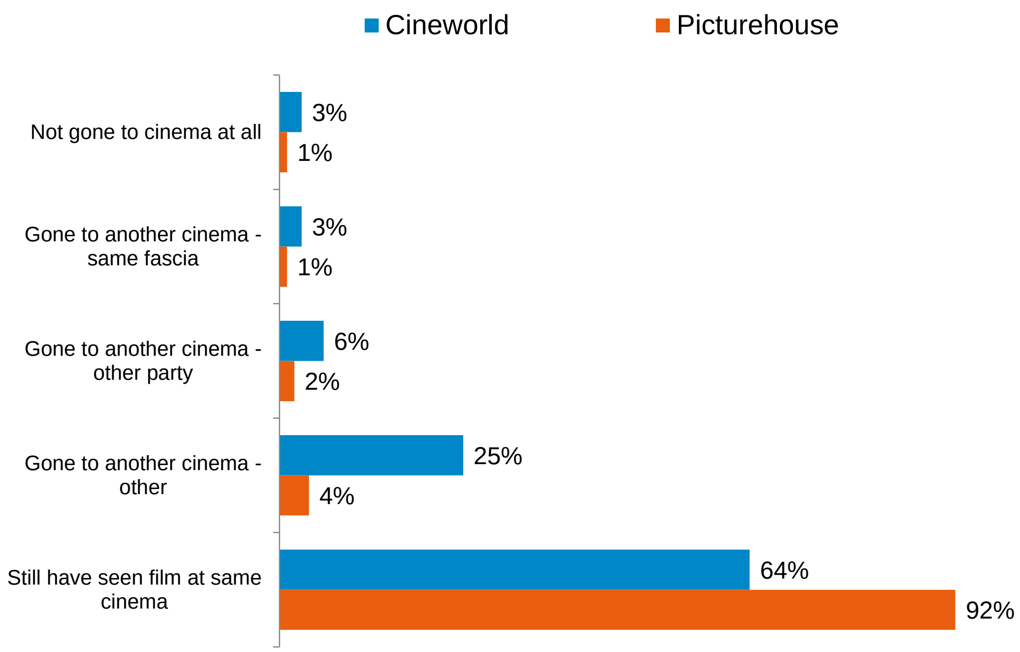
Paid-for Entry

57. The chart below shows the response to a 5% rise in the price of all fascia cinema tickets. Nearly all Picturehouse admissions (92%) would have stayed at the same cinema, as would two-thirds of Cineworld admissions. 6% of Cineworld admissions would have gone to Picturehouse, and 2% of Picturehouse admissions to Cineworld.

Figure 21: What would have done if cinema prices had gone up by 5%

- Those who bought a ticket

D2/3. Suppose you had known beforehand that tickets at all {Cineworld/Picturehouse} cinemas had gone up by (amount equivalent to 5%), and the price of all other cinemas had stayed the same. Would you have ....



Base: Admissions from those whose last visit was NOT free entry as a member (Cineworld = 25,667, Picturehouse = 40,027)

Note – respondents who said they would have gone to another cinema but 'not sure which' have been re-allocated proportionately to the three other "gone to another cinema" categories.

58. The pattern of response varied by individual cinema, as shown in the table below.

Table 5: What would have done if cinema prices had gone up by 5% - Those who bought a ticket

D2/3. Suppose you had known beforehand that tickets at all {Cineworld/Picturehouse} cinemas had gone up by (amount equivalent to 5%), and the price of all other cinemas had stayed the same. Would you have ....

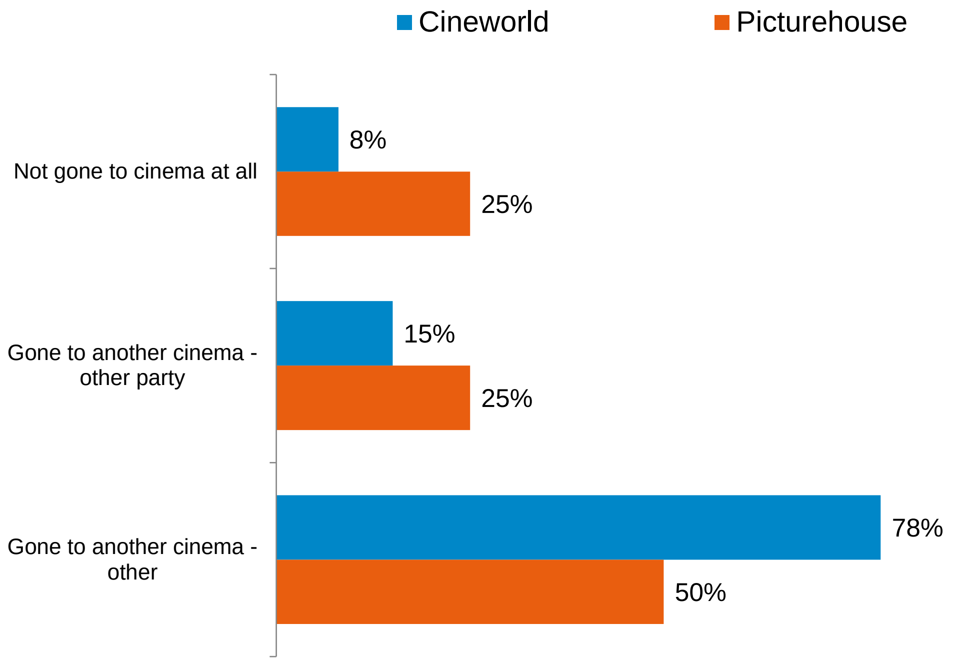
Base: Admissions from those whose last visit was NOT free entry as a member	Base	Effective base		Not gone to cinema	Gone to another cinema			Same cinema
					Same fascia	Other party	Other cinema	
Aberdeen – CW Queenslink	1,242	346	%	2	9	7	16	66
Aberdeen – CW Union Square	2,179	484	%	1	7	6	24	62
Aberdeen – PH	1,706	193	%	0	0	3	1	96
Brighton – CW	2,072	517	%	2	1	7	30	61
Brighton – PH	6,933	720	%	1	1	1	3	94
Bury St Edmunds – CW	1,853	417	%	4	3	19	11	63
Bury St Edmunds – PH	2,458	327	%	2	0	3	0	95
Cambridge – CW	2,453	322	%	3	2	10	27	59
Cambridge – PH	7,969	947	%	1	0	2	3	94
Edinburgh – CW	3,953	677	%	2	0	4	25	70
Edinburgh – PH	3,012	388	%	1	0	3	8	88
Southampton – CW	671	145	%	4	0	4	30	63
Southampton – PH	4,357	498	%	1	0	1	3	95
Stratford/Solihull – CW	2,807	596	%	5	0	0	20	74
Stratford/Solihull – PH	1,462	211	%	1	0	1	6	92
Clapham – CW Chelsea	305	65	%	0	1	3	25	71
Clapham – CW Fulham Road	541	112	%	1	10	1	19	69
Clapham – CW Wandsworth	2,977	560	%	4	1	5	27	63
Clapham – PH	4,094	647	%	3	4	3	3	87
Greenwich – CW Bexleyheath	1,117	218	%	4	2	1	34	59
Greenwich – CW O2	2,099	327	%	3	3	4	38	51
Greenwich – CW West India Quay	1,398	309	%	3	7	4	22	64
Greenwich – PH	6,078	706	%	1	0	2	6	90
Stratford East – CW O2	2,099	327	%	3	3	4	38	51
Stratford East – CW West India Quay	1,398	309	%	3	7	4	22	64
Stratford East – PH	1,958	188	%	1	1	2	7	89

Note – respondents who said they would have gone to another cinema but 'not sure which' have been re-allocated proportionately to the three other "gone to another cinema" categories.

59. The chart below shows the response from those who bought their ticket to the scenario of all fascia cinemas being closed. Most Cineworld admissions would have gone to another cinema apart from Picturehouse, but 15% would have gone to Picturehouse, and 8% would not have gone to the cinema at all. The diversion profile of Picturehouse admissions was different, with a quarter not going to the cinema, a quarter going to Cineworld, and half going to another cinema.

Figure 22: What would have done if all fascia cinemas had closed
- Those who bought a ticket

D6/7. Suppose you had known beforehand that all {Cineworld/Picturehouse} cinemas had been closed for refurbishment for one year. Would you have ....



Base: Admissions from those whose last visit was NOT free entry as a member (Cineworld = 27,584, Picturehouse = 37,837)

Note – respondents who said they would have gone to another cinema but 'not sure which' have been re-allocated proportionately to the two other 'gone to another cinema' categories.

60. The pattern of response varied by individual cinema as shown in the table below.

Table 6: What would have done if all fascia cinemas had closed

- Those who bought a ticket

D6/7. Suppose you had known beforehand that all {Cineworld/Picturehouse} cinemas had been closed for refurbishment for one year. Would you have ....

Base: Those whose last visit was NOT free entry as a member	Base	Effective base	%	Not gone to cinema	Gone to another cinema	
					Other party	Other cinema
Aberdeen – CW Queenslink	1,270	357	%	10	16	75
Aberdeen – CW Union Square	2,352	522	%	5	22	73
Aberdeen – PH	1,553	180	%	35	48	17
Brighton – CW	2,210	551	%	8	16	76
Brighton – PH	6,485	670	%	28	17	55
Bury St Edmunds – CW	2,014	443	%	16	49	35
Bury St Edmunds – PH	2,123	293	%	40	54	6
Cambridge – CW	2,726	374	%	6	27	66
Cambridge – PH	7,320	869	%	36	31	33
Edinburgh – CW	4,336	742	%	3	8	89
Edinburgh – PH	3,064	396	%	8	13	79
Southampton – CW	720	160	%	8	16	77
Southampton – PH	4,014	449	%	24	27	50
Stratford/Solihull – CW	2,833	604	%	18	0	82
Stratford/Solihull – PH	1,449	221	%	28	10	62
Clapham – CW Chelsea	308	68	%	3	1	96
Clapham – CW Fulham Road	581	126	%	3	0	97
Clapham – CW Wandsworth	3,234	595	%	6	19	75
Clapham – PH	4,085	665	%	15	33	52
Greenwich – CW Bexleyheath	1,196	236	%	11	2	88
Greenwich – CW O2	2,268	354	%	6	11	83
Greenwich – CW West India	1,536	327	%	6	5	89
Greenwich – PH	5,828	664	%	20	15	65
Stratford East – CW O2	2,268	354	%	6	11	83
Stratford East – CW West India	1,536	327	%	6	5	89
Stratford East – PH	1,916	190	%	12	12	76

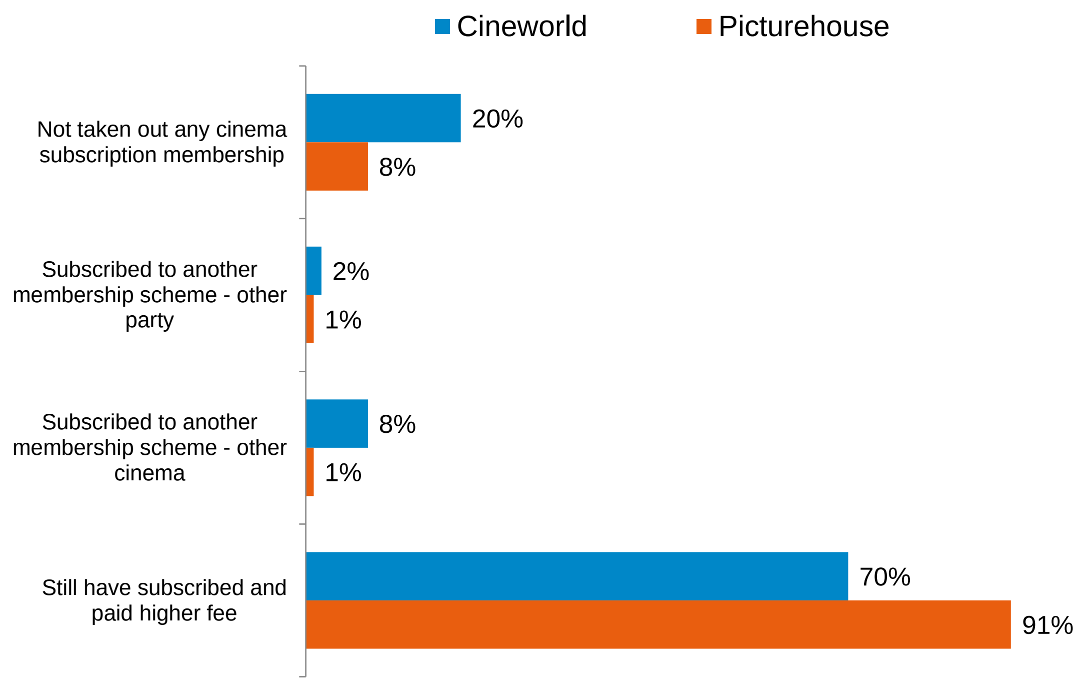
Note – respondents who said they would have gone to another cinema but ‘not sure which’ have been re-allocated proportionately to the three other “gone to another cinema” categories.

Subscription members who had free entry

61. The chart below shows how members would have responded when they were last taking out a subscription if the price of their membership subscription had increased by 5%. Nearly all Picturehouse member admissions (91%) would have been retained with customers still subscribing and paying the higher fee. The majority of Cineworld member admissions (70%) would have remained intact, but with 20% of admissions the customer would not have taken out any cinema membership. Admissions diversion to the other party membership was low.

Figure 23: What would have done if subscription membership price had gone up by 5% - Subscription members who had free entry

D4/5. Thinking about the last time you came to pay your subscription, suppose the price had gone up by 5%. Would you have ....



Base: Admissions from those whose last visit was free entry as a member (Cineworld = 3,512 Picturehouse = 6,278)

Note – respondents who said they would have taken out another subscription but ‘not sure which’ have been re-allocated proportionately to the two other ‘taken out another cinema subscription’ categories.

62. The chart below shows results by individual cinema, although care should be taken with interpretation as the effective sample size is low in many cases.

Table 7: What would have done if subscription membership price had gone up by 5% - Subscription members who had free entry

D4/5. Thinking about the last time you came to pay your subscription, suppose the price had gone up by 5%. Would you have ....

Base: Admissions from those whose last visit was free entry as a member	Base	Effective base	%	Not taken out any membership	Subscribed to another membership scheme		Still taken out membership
					Other party	Other cinema	
Aberdeen – CW Queenslink	47	6	%	9	0	13	79
Aberdeen – CW Union Square	178	17	%	34	0	4	62
Aberdeen – PH	278	32	%	2	0	0	98
Brighton – CW*	89	4	%	8	3	3	87
Brighton – PH	920	127	%	8	0	1	90
Bury St Edmunds – CW*	150	9	%	32	*	*	59
Bury St Edmunds – PH	342	79	%	6	2	0	92
Cambridge – CW	352	14	%	19	17	0	64
Cambridge – PH	1,261	185	%	8	1	0	91
Edinburgh – CW	1,017	37	%	14	0	9	76
Edinburgh – PH	448	59	%	8	2	1	88
Southampton – CW	35	3	%	0	0	0	100
Southampton – PH	808	106	%	7	0	0	93
Stratford/Solihull – CW	80	5	%	20	0	0	80
Stratford/Solihull – PH	177	25	%	1	0	0	99
Clapham – CW Chelsea*	33	6	%	55	*	*	27
Clapham – CW Fulham Road	42	4	%	7	0	0	93
Clapham – CW Wandsworth	405	24	%	20	0	16	65
Clapham – PH	744	137	%	12	1	1	85
Greenwich – CW Bexleyheath	178	6	%	12	0	0	88
Greenwich – CW O2	578	39	%	21	1	13	65
Greenwich – CW West India Quay	328	24	%	33	0	8	59
Greenwich – PH	974	159	%	11	0	1	88
Stratford East – CW O2	578	39	%	21	1	13	65
Stratford East – CW West India Quay	328	24	%	33	0	8	59
Stratford East – PH	326	29	%	4	0	1	95

Note – respondents who said they would have taken out another subscription but not sure which have been re-allocated proportionately to the two other ‘taken out another cinema subscription’ categories.

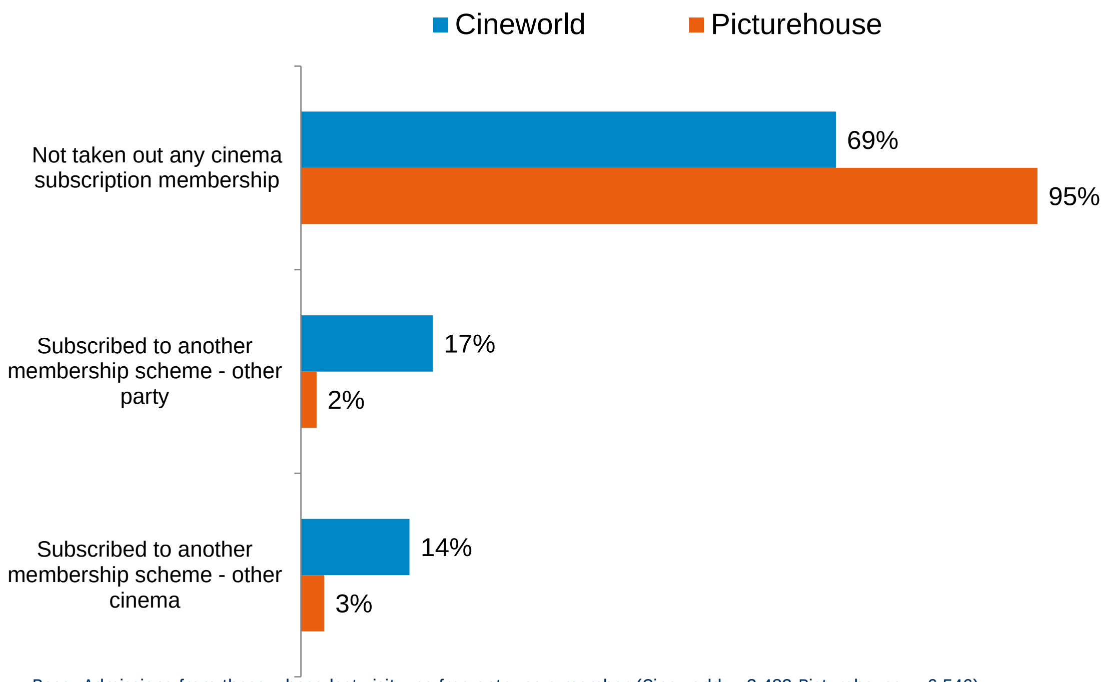
Where there is no mention of the other two categories (i.e. nobody has identified another cinema membership they would have subscribed to, but some have said they would subscribe to another membership scheme, but didn’t know which), figures have not been reallocated and this is shown with an asterisk in the chart.

63. The chart below shows how members would have responded when they were last taking out a subscription if all the fascia cinemas had been closed. Most Picturehouse members would not have taken out a subscription, which covers 95% of member admissions. The response from Cineworld members would have been different, with some admissions being diverted to either a Picturehouse membership (17%) or to another cinema membership scheme (14%).

Figure 24: What would have done if all fascia cinemas had closed

- Subscription members who had free entry

D8/9. Thinking back to the last time you came to pay your subscription, suppose you had known beforehand that all {Cineworld/Picturehouse} cinemas had been closed for refurbishment for one year. Would you have ....



Base: Admissions from those whose last visit was free entry as a member (Cineworld = 3,482 Picturehouse = 6,546)

Note – respondents who said they would have taken out another subscription but not sure which have been re-allocated proportionately to the two other 'taken out another cinema subscription' categories.

64. Care should be taken when looking at the individual cinema results (below), as the effective sample sizes is low in many cases.

Table 8: What would have done if all fascia cinemas had closed - Subscription members who had free entry

D8/9. Thinking back to the last time you came to pay your subscription, suppose you had known beforehand that all {Cineworld/Picturehouse} cinemas had been closed for refurbishment for one year. Would you have ....

Base: Admissions from those whose last visit was free entry as a member	Base	Effective base	%	Not taken out any membership	Subscribed to another cinema membership scheme	
					Other party	Other cinema
Aberdeen – CW Queenslink	66	10	%	80	0	20
Aberdeen – CW Union Square	162	15	%	100	0	0
Aberdeen – PH	252	32	%	85	15	0
Brighton – CW	105	6	%	45	34	22
Brighton – PH	1,081	158	%	98	0	2
Bury St Edmunds – CW	150	10	%	86	14	0
Bury St Edmunds – PH	411	93	%	96	4	0
Cambridge – CW	355	10	%	75	24	1
Cambridge – PH	1,366	209	%	98	1	1
Edinburgh – CW	898	33	%	63	21	16
Edinburgh – PH	430	59	%	75	2	23
Southampton – CW	35	3	%	100	0	0
Southampton – PH	791	141	%	97	2	1
Stratford/Solihull – CW*	110	7	%	84	*	*
Stratford/Solihull – PH	201	30	%	98	0	1
Clapham – CW Chelsea*	21	4	%	57	*	*
Clapham – CW Fulham Road	40	3	%	100	0	0
Clapham – CW Wandsworth	558	32	%	70	26	5
Clapham – PH	789	154	%	94	2	4
Greenwich – CW Bexleyheath	184	7	%	74	0	26
Greenwich – CW O2	513	38	%	58	16	27
Greenwich – CW West India	285	23	%	62	12	26
Greenwich – PH	1,008	171	%	98	0	2
Stratford East – CW O2	513	38	%	58	16	27
Stratford East – CW West India	285	23	%	62	12	26
Stratford East – PH	217	26	%	92	3	5

Note – respondents who said they would have taken out another subscription but not sure which have been re-allocated proportionately to the two other ‘taken out another cinema subscription’ categories.

Where there is no mention of the other two categories (i.e. nobody has identified another cinema membership they would have subscribed to, but some have said they would subscribe to another membership scheme, but didn’t know which), figures have not been reallocated and this is shown with an asterisk in the chart.

4.5 Comparison of findings against the telephone survey

65. The diversion results amongst those who paid for their ticket at the last visit have been compared across the two surveys (the effective sample sizes for the telephone survey are relatively low and therefore the comparison should be made with care).

66. Comparing the price diversion results, the pattern of response from Picturehouse customers is similar, with little evidence of any substantial admissions diversion away from Picturehouse. The telephone survey (non-members/non-registered customers) shows less price diversion of Cineworld admissions to any other cinema than the online survey. However, in both surveys the diversion at Bury St Edmunds Cineworld is most likely to be to the Picturehouse cinema, whilst at Brighton Cineworld it is most likely to be to another cinema.

Table 9: What would have done if cinema prices had gone up by 5%
- Those who bought a ticket on last visit

D2/3. Suppose you had known beforehand that tickets at all {Cineworld/Picturehouse} cinemas had gone up by (amount equivalent to 5%), and the price of all other cinemas had stayed the same. Would you have ....

Base: Admissions from those whose last visit was NOT free entry as a member	Base	Effective base		Not gone to cinema	Gone to another cinema			Same cinema
					Same fascia	Other party	Other cinema	
ONLINE								
Brighton – CW	2,072	517	%	2	1	7	30	61
Brighton – PH	6,933	720	%	1	1	1	3	94
Bury St Edmunds – CW	1,853	417		4	3	19	11	63
Bury St Edmunds – PH	2,458	327	%	2	0	3	0	95
TELEPHONE								
Brighton – CW	324	77	%	1	0	5	13	81
Brighton – PH	143	32	%	0	9	3	2	86
Bury St Edmunds – CW	284	33	%	8	0	8	2	81
Bury St Edmunds – PH	106	30	%	0	0	4	1	95

Note – respondents who said they would have taken out another subscription but not sure which have been re-allocated proportionately to the two other 'taken out another cinema subscription' categories.

67. Comparing the forced diversion results, the main difference is noted at both the Bury St Edmunds cinemas where diversion to the other party is higher in the telephone survey.

Table 10: What would have done if all fascia cinemas had closed

- Those who bought a ticket on last visit

D6/7. Suppose you had known beforehand that all {Cineworld/Picturehouse} cinemas had been closed for refurbishment for one year. Would you have ....

Base: Those whose last visit was NOT free entry as a member	Base	Effective base	%	Not gone to cinema	Gone to another cinema	
					Other party	Other cinema
ONLINE						
Brighton – CW	2,210	551	%	8	16	76
Brighton – PH	6,485	670	%	28	17	55
Bury St Edmunds – CW	2,014	443	%	16	49	35
Bury St Edmunds – PH	2,123	293	%	40	54	6
TELEPHONE						
Brighton – CW	311	82	%	17	15	68
Brighton – PH	141	31	%	11	25	64
Bury St Edmunds – CW	279	32	%	22	70	9
Bury St Edmunds – PH	97	31	%	15	79	5

Note – respondents who said they would have taken out another subscription but not sure which have been re-allocated proportionately to the two other ‘taken out another cinema subscription’ categories.

Appendix A – Questionnaire

CINEMA SURVEY

COMPETITION COMMISSION – ONLINE QUESTIONNAIRE
FINAL: 31 May 2013

A ONLINE INVITE AND SCREENER

Please give us 5-10 minutes of your time to help us with this important survey

{Cineworld/Picturehouse} has been asked to send you this survey by the Competition Commission, which is an independent public body carrying out an Inquiry into how cinema services are supplied in the UK.

The information will be used by the Competition Commission for the purposes of its Inquiry. Please be assured that any publication or disclosure of data by the Competition Commission will ensure that no responses are identifiable to you individually. Nor will there be any attempt to sell you something as a result of this research.

You can access the survey by clicking once on the hyperlink below, or pasting the url into your browser. This will take you to a site hosted by GfK NOP (an independent market research company).

[Link to survey]

We would be grateful if you completed the survey by Wednesday 19 June.

For more information on the Competition Commission and its Inquiry, please click here.

If you have any questions with regard to this survey, please click here.

NOTE – A1 MAY BE PRECEDED BY AN EXTRA QUESTION, THE SAME AS A1 BUT ASKED OF THE 25 CINEMAS OF INTEREST, IF GENERIC EMAIL INVITE IS USED. THIS WOULD BE A LANDING PAGE THAT PROVIDED THE VERSION FOR THE REST OF THE QUESTIONNAIRE.

A 1 Which if any of the following cinemas have you been to in the last six months?
PLEASE TICK ALL THAT APPLY

1. Add list of local cinemas
2. None of these

CLOSE IF HAVE NOT VISITED <SAMPLE CINEMA> IN LAST 6 MONTHS.

NOTE TO SCRIPTWRITER: LIST CUSTOMISED FOR EACH AREA, PRECODES TO INCLUDE FASCIA AND STREET

NOTE TO SCRIPTWRITER: <SAMPLE CINEMA> TEXT OVERLAY READS AS: “FASCIA” CINEMA IN “LOCATION”. THE LOCATION DESCRIPTION INCLUDES STREET AND NAME OF TOWN E.G. STATION ROAD, ABERDEEN

A 2 Into which of these age bands do you fall?

1. Under 16
2. 16-17
3. 18-19
4. 20-29
5. 30-39
6. 40-49
7. 50-59
8. 60-69
9. 70 or more
10. Prefer not to say

CLOSE IF AGED UNDER 16 OR AGE NOT STATED. REST GO TO A3

A 3 Are you ….

1. Male
2. Female
3. Prefer not to say

CLOSE IF GENDER NOT STATED. REST GO TO A4

A 4 On your last visit to the <SAMPLE CINEMA>, did you go ….

PLEASE TICK ONE BOX

1. By yourself
2. As a couple
3. With friends
4. As a family
5. Other

ASK A5 IF VISITED WITH OTHERS (CODES 2 – 5 AT A4). REST GO TO A6

A 5 Did you have some influence on deciding which cinema to visit, or was the decision taken entirely by someone else in the group?

1. Decided myself
2. Some influence on decision
3. Decision taken entirely by someone else

CONTINUE IF DECIDED/HAD SOME INFLUENCE (CODE 1 OR 2 AT A5). REST THANK AND CLOSE.

A 6 Which film or show did you see on your last visit to <SAMPLE CINEMA>?

WRITE IN

NOTE TO SCRIPTWRITER. ADD A TICK BOX BELOW THE FREE TEXT BOX:
“Did not see a film/screen show”

CLOSE IF DID NOT SEE FILM/ONSCREEN CONTENT

B BEHAVIOUR AND INFLUENCES

B 1 How many screenings (films or screen shows) have you attended at each of these cinemas in the last six months?

GRID - CINEMAS VISITED IN LAST SIX MONTHS (FROM A1) DOWN THE SIDE AND NUMBER OF SCREENINGS ATTENDED ALONG THE TOP

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6
7. More than six (WRITE IN NUMBER)

B 2 Below you will see a list of features, and for each one I'd like you to tell me how important it is as a reason for you choosing to visit the <SAMPLE CINEMA>, rather than another cinema. Please use the following scale in giving your answer.

SCALE
Essential
Very important
Quite important
Not important

GRID: SHOW STATEMENTS DOWN SIDE, THE SCALE ALONG THE TOP.
ORDER RANDOMISED BETWEEN INTERVIEWS

- Ease of getting to the cinema
- Choice of films/screenings available
- Price of meals and drinks at the cinema
- Quality and range of meals and drinks at the cinema
- Restaurant/café/pub facilities close to the cinema
- Selection of sweets, soft drinks and popcorn at the cinema
- Staff service
- Quality, design and ambience of the building and facilities
- Size of the screen
- Performance times
- Ease of parking
- Ticket prices/value for money
- Cinema's loyalty/membership schemes

B 3 Some cinemas offer membership schemes that give access to either an unlimited or a set number of free films for a fixed subscription fee. Do you belong to any of the following membership subscription schemes?

1. British Film Institute
2. Cineworld
3. Curzon
4. Filmhouse
5. Picturehouse
6. Other (WRITE IN)
7. No – not a subscription member

C LAST VISIT

These next questions are about the last occasion you visited the <SAMPLE CINEMA>

C 1 How did you travel to the cinema?

IF MORE THAN ONE METHOD USED, PLEASE INDICATE THE ONE METHOD USED FOR LONGEST PART OF JOURNEY

1. Car
2. Taxi/minicab
3. Rail
4. Bus
5. Motorbike
6. Cycle
7. Walk
8. Other
9. Don't know/can't remember

C 2 How long did the journey take from your home or other place of departure (e.g. office)?

1. 10 minutes or less
2. 11-20 minutes
3. 21-30 minutes
4. 31-40 minutes
5. 41-50 minutes
6. 51-60 minutes
7. More than one hour
8. Don't know/can't remember

C 3 Did you buy any food or drink at the cinema for yourself (i.e. your own consumption)?

PLEASE TICK ALL THAT APPLY

1. Meal
2. Alcoholic drink
3. Soft drink
4. Hot drinks
5. Snacks (e.g. hot dogs/nachos, sweets, crisps, popcorn, ice cream)
6. No – did not buy anything for myself
7. Don't know/can't remember

ASK C4 IF BOUGHT ANY FOOD/DRINK (CODES 1-5 AT C3). REST GO TO C6

C 4 Approximately how much did you spend on food/drink for yourself (please exclude anything you spent for others in your party)?

WRITE IN AMOUNT IN £s

NOTE TO SCRIPTWRITER: ADD A "DON'T KNOW/CAN'T REMEMBER" TICK BOX UNDERNEATH

C 5 Did the price, range and quality of food and drink at <SAMPLE CINEMA> influence your choice of cinema to visit?

Influenced a lot
Influenced a little
No influence at all
Don't know/can't remember

ASK ALL

C 6 When you made the decision to go to the <SAMPLE CINEMA>, did you …….

PLEASE TICK ONE BOX

1. Know the film/screen show you wanted to see, and then found out it was on at this cinema
2. Know you wanted to go to this cinema, and then chose the film/screen show
3. Don't know/not sure

C 7 Did you …

PLEASE TICK ONE BOX

1. Know the day you wanted to go to the cinema
2. Choose the film/screen show and then went on a day it was showing
3. Don't know/not sure

D DIVERSION

D 1 On the last occasion you visited the <SAMPLE CINEMA> did you have…..

1. Free entry as a member
2. A ticket bought at a discounted price
3. A full price ticket
4. Don't know/not sure

NOTE TO SCRIPTWRITER: SPLIT SAMPLE SO THAT IN HALF THE INTERVIEWS D2-D5 ARE ASKED FIRST, AND IN THE OTHER HALF D6-D9 ARE ASKED FIRST (BEFORE D2 – D5).

ASK D2-D3 IF BOUGHT A DISCOUNTED OR FULL PRICE TICKET OR DON'T KNOW (CODES 2-4 AT D1). REST GO TO INSTRUCTIONS BEFORE D4

D 2 Suppose you had known beforehand that tickets at all {Cineworld/Picturehouse} cinemas had gone up by ……(INSERT AMOUNT FROM BELOW), and the price at all other cinemas had stayed the same. Would you have ….

PLEASE TICK ONE ANSWER.
NOTE TO SCRIPTWRITER: RANDOMISE PRECODE ORDER BETWEEN INTERVIEWS (BUT ALWAYS END WITH DK/NOT SURE)

1. Chosen not to go to the cinema at all
2. Gone to another cinema to see this or another film
3. Still have seen the film at the same cinema
4. Don't know/not sure

NOTE TO SCRIPTWRITER: INSERT PRICES AS FOLLOWS

London, Full-price ticket = 75p
London, Discounted ticket = 50p
Outside London, Full-price ticket = 50p
Outside London, Discounted ticket = 30p

ASK D3 IF WOULD HAVE CHOSEN TO GO TO ANOTHER CINEMA (CODE 2 AT D2)

D 3 Which other cinema would you have gone to instead?

PLEASE TICK ONE ANSWER

RANDOMISE ORDER (EXCEPT "OTHER" AND "DK" AT END).

1. List of local cinemas from A1 (except sample cinema)
2. Other cinema
3. Don't know/not sure

NOTE: PRECODE LIST INCLUDES ANY OTHER CINEMA FROM SAME FASCIA IN THE LOCAL AREA, IF RELEVANT

ASK D4 IF HAD FREE ENTRY AS A MEMBER (CODE 1 AT D1) AND IS A MEMBER OF <SAMPLED CINEMA> SUBSCRIPTION SCHEME (AT B3)

D 4 You mentioned that you subscribe to the {Cineworld/Picturehouse} membership scheme. Thinking about the last time you came to pay your subscription, suppose the price had gone up by 5%. Would you ..

PLEASE TICK ONE ANSWER.
NOTE TO SCRIPTWRITER: RANDOMISE PRECODE ORDER BETWEEN INTERVIEWS (BUT ALWAYS END WITH DK/NOT SURE)

1. Still have subscribed and paid the higher fee
2. Subscribed to another cinema membership scheme instead
3. Not taken out any cinema subscription membership
4. Don't know/not sure

ASK D5 IF WOULD HAVE SUBSCRIBED TO ANOTHER MEMBERSHIP SCHEME (CODE 2 AT D4)

D 5 Which other cinema membership scheme would you have joined instead?

PLEASE TICK ONE ANSWER

RANDOMISE ORDER (EXCEPT "OTHER" AND "DK" AT END).

1. List of membership schemes at B3 (except sample membership)
2. Other cinema
3. Don't know/not sure

ASK D6-D7 IF BOUGHT A DISCOUNTED OR FULL PRICE TICKET OR DON'T KNOW (CODES 2-4 AT D1). REST GO TO D8

D 6 Suppose you had known beforehand that <u>all</u> {Cineworld/Picturehouse} cinemas had been closed for refurbishment for one year. Would you have ….

PLEASE TICK ONE ANSWER
NOTE TO SCRIPTWRITER: RANDOMISE PRECODE ORDER BETWEEN INTERVIEWS (BUT ALWAYS END WITH DK/NOT SURE)

1. Chosen not to go the cinema at all
2. Gone to another cinema to see this or another film
3. Don't know/not sure

ASK D7 IF WOULD HAVE CHOSEN TO GO TO ANOTHER CINEMA (CODE 2 AT D6)

D 7 Which other cinema would you have gone to instead?

PLEASE TICK ONE ANSWER

RANDOMISE ORDER (EXCEPT "OTHER" AND "DK" AT END).

1. List of local cinemas from A1
2. Other cinema
3. Don't know/not sure

NOTE: LIST AT D7 DOES <u>NOT</u> INCLUDE ANY OTHER SAME FASCIA CINEMAS

ASK D8 IF HAD FREE ENTRY AS A MEMBER (CODE 1 AT D1) AND IS A MEMBER OF THE <SAMPLED CINEMA> SUBSCRIPTION SCHEME (AT B3).

D 8 You mentioned that you subscribe to the {Cineworld/Picturehouse } membership scheme. Thinking about the last time you came to pay your subscription, suppose you had known that all {Cineworld/Picturehouse} cinemas had been closed for refurbishment for one year. What would you have done instead?

1. Subscribed to another cinema membership scheme instead
2. Not taken out any cinema subscription membership
3. Don't know/not sure

ASK D9 IF WOULD HAVE SUBSCRIBED TO ANOTHER MEMBERSHIP SCHEME (CODE 1 AT D8)

D 9 Which other cinema membership scheme would you have joined instead?

PLEASE TICK ONE ANSWER

RANDOMISE ORDER (EXCEPT "OTHER" AND "DK" AT END).

1. List of membership schemes at B3 (except sample membership)
2. Other cinema
3. Don't know/not sure

E CLASSIFICATION

E 1 Which of the following best describes your working status?

PLEASE TICK ONE BOX

1. Working full time (30 hours or more per week)
2. Working part time (8-29 hours per week)
3. Retired/not working with private pension or means
4. Retired with state benefit/state pension only
5. Student
6. Unemployed
7. Not working with state benefit only
8. Not working living on private means
9. Other
10. Prefer not to say

E 2 Please write in the first half postcode of your home address (this will be used for analysis purposes only).

TYPE IN OR TICK “PREFER NOT TO SAY” BOX

E 3 What is your total annual family household income before taxes?

1. Up to £9,999
2. £10,000 - £16,999
3. £17,000 - £22,999
4. £23,000 - £29,999
5. £30,000 - £39,999
6. £40,000 - £49,999
7. £50,000 - £74,999
8. £75,000 - £99,999
9. £100,000 or more
10. Not sure

E 4 Have you completed any other similar research survey about cinemas in the last six months or so?

1. Yes
2. No
3. Don’t know/not sure

E 5 Thank you very much for your help that is the end of the interview. We may be conducting further research on this subject. Would you be willing to be re-contacted about this research if it were necessary?

1. Yes
2. No

Appendix B – Data confidence limits

Confidence intervals are a measure of reliability around a survey estimate. The smaller the margin of error, the more confident you can be about the reliability of your survey estimate.

The diversion analysis is based on data weighted by admissions, so those visitors who visit frequently contribute more to the overall result. When weighting is involved the standard confidence interval formula is amended to reflect the impact on the margin of error. To accommodate this impact, the value used for the sample size is instead the effective sample size.

The diversion results by individual cinema therefore show two base sizes: 1) the frequency weighted admissions base and; 2) the effective sample size.

The chart below shows the confidence limits on the survey estimates at different effective sample sizes. This chart shows the upper and lower limits on a survey estimate when tested for significance at the 95% level. So, for example, with an effective sample size of 400 admissions, and a survey estimate of 20%, the actual figure will be in the 16.1% – 23.9% range (95 times out of 100).

Great care needs to be taken when effective sample sizes are <50.

Effective base	%	Confidence Interval	Lower	Upper
50	2	3.9	0	5.9
50	5	6.0	0	11.0
50	10	8.3	1.7	18.3
50	20	11.1	8.9	31.1
50	30	12.7	17.3	42.7
50	40	13.6	26.4	53.6
50	50	13.9	36.1	63.9
100	2	2.7	0	4.7
100	5	4.3	0	9.3
100	10	5.9	4.1	15.9
100	20	7.8	12.2	27.8
100	30	9.0	21.0	39.0
100	40	9.6	30.4	49.6
100	50	9.8	40.2	59.8
200	2	1.9	0.1	3.9
200	5	3.0	2.0	8.0
200	10	4.2	5.8	14.2
200	20	5.5	14.5	25.5
200	30	6.4	23.6	36.4
200	40	6.8	33.2	46.8
200	50	6.9	43.1	56.9

Effective base	%	Confidence Interval	Lower	Upper
300	2	1.6	0.4	3.6
300	5	2.5	2.5	7.5
300	10	3.4	6.6	13.4
300	20	4.5	15.5	24.5
300	30	5.2	24.8	35.2
300	40	5.5	34.5	45.5
300	50	5.7	44.3	55.7
400	2	1.4	0.6	3.4
400	5	2.1	2.9	7.1
400	10	2.9	7.1	12.9
400	20	3.9	16.1	23.9
400	30	4.5	25.5	34.5
400	40	4.8	35.2	44.8
400	50	4.9	45.1	54.9
500	2	1.2	0.8	3.2
500	5	1.9	3.1	6.9
500	10	2.6	7.4	12.6
500	20	3.5	16.5	23.5
500	30	4.0	26.0	34.0
500	40	4.3	35.7	44.3
500	50	4.4	45.6	54.4

Effective base	%	Confidence Interval	Lower	Upper
600	2	1.1	0.9	3.1
600	5	1.7	3.3	6.7
600	10	2.4	7.6	12.4
600	20	3.2	16.8	23.2
600	30	3.7	26.3	33.7
600	40	3.9	36.1	43.9
600	50	4.0	46.0	54.0
750	2	1.0	1.0	3.0
750	5	1.6	3.4	6.6
750	10	2.2	7.8	12.2
750	20	2.9	17.1	22.9
750	30	3.3	26.7	33.3
750	40	3.5	36.5	43.5
750	50	3.6	46.4	53.6
1000	2	0.9	1.1	2.9
1000	5	1.4	3.6	6.4
1000	10	1.9	8.1	11.9
1000	20	2.5	17.5	22.5
1000	30	2.8	27.2	32.8
1000	40	3.0	37.0	43.0
1000	50	3.1	46.9	53.1