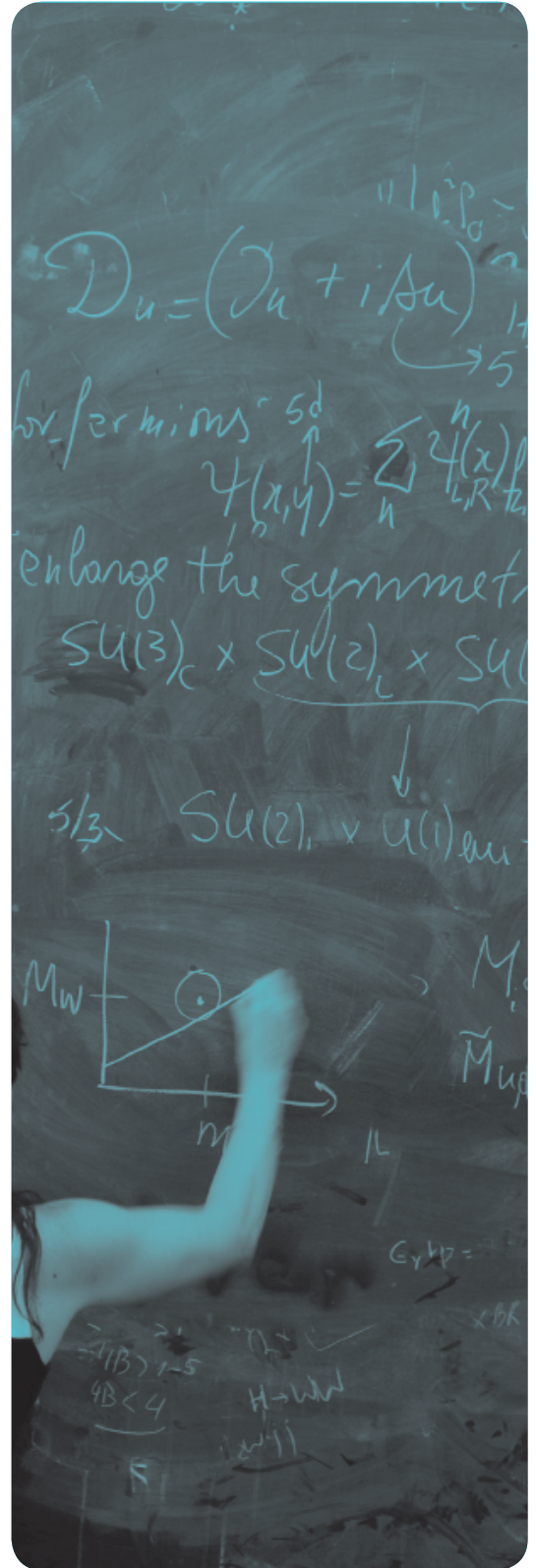
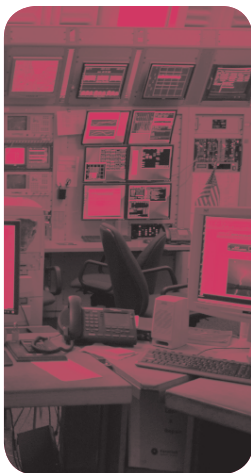
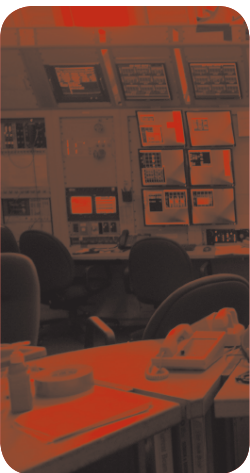




DIGITAL SURVEY 2009

A Report on the Practices and Personal Perspectives of Independent Producers

April 2010



[ITVS] Digital Survey 2009

SURVEY TOPLINE

Most documentary filmmakers continue to hold onto their digital rights, according to the 2009 ITVS digital survey of 942 independent producers, but a growing percentage are accepting new media licensing deals. Key findings of the extensive second annual survey included:

- **35 percent of respondents said they had licensed their digital rights** to a third party, with most signing with television and home video distributors—a 15 percent increase over 2008.
- **Only one in five respondents generated any revenue from digital distribution**, and those who did reported income in the low four figures.
- **Less than a quarter of respondents were “satisfied” or “very satisfied”** with the terms of their new media rights deals.

Of the concerns expressed by many producers about earning significant revenue online, the greatest obstacles cited were creating awareness online and clearing rights. Many international producers viewed the lack of connectivity in their home countries as a barrier. Half of all respondents voiced concerns about online piracy, but only 28 percent said that combating online piracy was “very important.”

ABOUT THIS REPORT

This report includes an extensive summary of the findings, covering a wide variety of topics and including anecdotal data in the form of representative survey respondent quotes detailing first-hand experience and personal perspective on the digital environment.

HIGHLIGHTS

- **Broadcast is still king.** More producers in 2009 ranked television broadcast first or second in order of importance among six venues, up 11 percent to 65 percent, while the percentage identifying DVD as first in importance fell 10 percent from 2008.
- **Social media rising.** Most producers report using social media one to three hours per week, with 35 percent reporting four hours or more.
- **Internet drives revenue.** Nearly half of all producers reported the Internet continues to drive revenue opportunities such as speaking engagements and merchandise sales.
- **Nonexclusive digital rights essential.** Over 93 percent consider nonexclusive digital distribution rights as “important” or “very important” to their success.
- **Public television must lead.** The percentage of respondents who rated public television leadership as “important” or “very important” rose to 80 percent, a five percent gain over 2008.

ABOUT THE SURVEY

In 2008, ITVS published the results of its first digital survey of the domestic independent documentary filmmaker field. The data and narrative feedback from 400 U.S. producers showed that very few were profiting from digital sales and that many were hesitant to experiment in the digital marketplace. But many respondents also expressed optimism about the Internet as a tool to level playing field for distribution and audience engagement.

ITVS revisited some of these same issues in the 2009 survey, and introduced new topics related to the changing digital landscape. This time we focused on both domestic and international producers, contacting a population pulled from our database of applicants and funded producers. Our response rate of about 13 percent (942 of 7,500) gave us an unprecedented look at the practices and concerns of media makers across the globe. Of the 942 respondents, 635 were domestic and 307 international, with an even split of males and females. About 60 percent were between the ages of 34 and 55, with 52 percent reporting more than nine years' experience as a producer and nearly 60 percent having produced three or more long-form films. The majority had never received ITVS funding.



KEY FINDINGS

Social Media

Most producers utilize social media, with nearly three-quarters citing Facebook and YouTube as tools. Many said they use social media to begin building audiences with a specific interest in the film subject matter. Nearly 40 percent of producers have a blog, and 35 percent of domestic producers use Twitter, compared to 23 percent of international producers. In terms of time spent on social media, 65 percent of respondents said they invested one to three hours per week, while 35 percent put in more than four hours per week.

Distribution Venues

The percentage of producers who rated television broadcast as the “most important” venue increased 11 percent over 2008, to 65 percent of all producers, with many commenting that it proved critical to the success of other distribution streams (e.g., DVD and online sales). Meanwhile, 37 percent rated DVD distribution as “most important,” a 10 percent decline from 2008. The Internet’s value in relation to other distribution venues fell slightly in 2009, but in a separate question, 55 percent of respondents ranked it “very important” to distribution, a 10 percent gain. Nearly 50 percent reported that the Internet had facilitated other revenue opportunities such as speaking engagements and merchandise sales.

filmmaker COMMENTS

Starting early

I created a site for my film from the first day of shooting and partnered with a large portal in order to get to the widest audience possible. To date, more than 45,000 have been already exposed to my work and the film is not yet finished.

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Is it worth it?

The biggest challenge for me is that all of this online work takes away from my creative time, leaving me very frustrated, and hasn’t resulted in the financial returns of a magnitude that would make it worth the creative sacrifice.

Streaming? How?

Paradoxically, by extending our free streaming on the P.O.V. site, by making our film available free, we have increased our DVD sales. We are trying to experiment with free and pay, using social networks.

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The biggest challenge—selling a film for much less than you would on DVD—can also be a major strength, reaching more people, having a bigger impact, capturing the long tail, and over time having both fewer costs and smaller revenues for distribution. In a fragmented world, it can be challenging to “rise above” the thousands of films being released at any time. Raising money for engagement and outreach is always difficult.



filmmaker COMMENTS

Streaming potential

I worry about potential buyers streaming in the classroom instead of buying the film in educational market.

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My films are often too long to be streamed in countries where the Internet access is slower. So, the net has to be used as a means of promoting DVD use.

Looking for impact

We have been able to create a global conversation about international criminal justice via ijcentral.org and a geo-located Twitter feed at that site. We have streamed the feature-length documentary for free. We have created short educational modules for high schools, and they are online and free to teachers.

[Educational non-profit] Facing History and Ourselves is doing a two-week online workshop using Ning Network, and the only entrance requirement is to see our film first online. We have created micro-docs, three-minute films online that bring the voices of the victims into places where they might not be able to go (i.e., academic conferences, policy meetings).

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Social media and action tools have allowed us to hugely increase our reach and impact, control of our work, and increased revenues. After 25 years of making documentaries, we have bid good riddance to the old and dysfunctional theatrical distribution model.

KEY FINDINGS

Online Tools

Many producers said they used the Internet as a tool to reach funders and engagement partners in the development phase. Almost half reported that they relied on the Internet during the production phase.



filmmaker COMMENTS

Building early partnerships

We recruit filmmakers to help make the films with us using opensourcinema.org

A film website is a must during production. ... I begin building alliances with organizations and helpful people as I am shooting and meeting people and encourage them to become part of the filmmaking process. The website and blog is a point of connection where people can meet.

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New ways of working

I held a screening of the rough cut with a collection of short Pacific Islander films and a short hula show. I then started a Facebook fan page [where I] post updates and other tidbits. I also have made the work sample cut available for professors and teachers at universities to use in Pacific Island Studies lectures. So far there have been two screenings. I encourage the students to ask questions on my Twitter account and my Facebook fan page, but so far that hasn't really taken root.

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The web allows me to work in two cities (Dhaka+New York) seamlessly.

KEY FINDINGS

Looking Ahead

Many producers said they were excited by the Internet's promise with respect to distribution and directly reaching fans, but many also feel overwhelmed by the multiple touch points online required with social media and nervous about whether their digital efforts will pay off. In terms of what producers see as successful future strategies, over 90 percent said, as they did in 2008, that targeted online promotion, multiple distribution partners, and a strong independent brand would be "important" or "very important." Eighty-three percent believed that "great online tools that support do-it-yourself strategies" would be "important" or "very important" to their success in the next five years.



filmmaker COMMENTS

The decline of television

I'm still working on a traditional hour-long PBS doc, but it's looking more and more like television is going to be rather antiquated soon and with the Internet it's way too easy to connect with a targeted audience. The problem is there are so many voices out there now it's going to be a lot harder to stand out without a concerted marketing push. I think in some ways it will get a lot less expensive to market a film, but it will require much more of a time commitment trying to build a homegrown buzz and hoping the project is worthy so it can take off on its own.

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Income versus audiences and art. It's easier than ever to find your audience. But it also means more work, more expense, and it's not clear to me that any of these new methods allow producers to make a living as an independent. I believe we'll all still need day jobs.

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I hope that—because the evolving model creates the opportunity for a more DIY approach—it translates, for me, into a genuine sense of being closer to the audience (i.e., fewer organizational gates to pass through) and, in turn, engenders in me a greater confidence to produce honest work and a willingness to take risks.

KEY FINDINGS

Wish List

For the first time, the ITVS survey explicitly asked if producers wanted increased acceptance of nonexclusive and hybrid distribution models. Over 93 percent saw such acceptance as “important” or “very important” to their success. Respondents also said they want more distribution via online retailers such as iTunes and Netflix. (Many stated that download-to-own and download-to-rent sites provided more revenue than streaming, advertising-supported sites.) Ninety-one percent of producers ranked educational online distribution as “important” or “very important” to their success in the next five years. The percentage of respondents who rated public television leadership as “important” or “very important” rose to 80 percent, a five percent gain over 2008.

Many producers expressed concern about funders continuing to support long-form film in the digital environment. Respondents said they were optimistic about online opportunities to find funding, but also want funders to continue supporting the “craft” of filmmaking.



CONCLUSION

This year, a few key trends have emerged:

Fewer producers are taking a wait-and-see approach to digital distribution. Over the course of 2009, ITVS witnessed significant growth in the number of independent producers who licensed their digital rights and are participating in digital distribution. At the same time, revenue concerns remain high, especially as social media and other online activities devour producers' time. Despite the growth in activity around digital, television remains the most important distribution venue for independents.

The Internet has increasingly become a 360-degree tool for independents. Many rely on the web for all phases of their projects, from fundraising to distribution, and many producers see hope in web revenue prospects outside of distribution, from cultivating production funding to booking speaking engagements.

Producers have become more active social media users. Yet many wonder how to best measure its impact, and whether time spent engaging online communities will pay off. The ITVS survey data indicate that producers who use social media four or more hours per week (high users) respond more positively than others to questions about the Internet's revenue generating potential.

Little generation gap exists for producers' activities online. Older producers were just as active as younger one in tapping social media and other online tools to promote their projects. Older producers were just as likely as younger producers to stream longer clips for free online. Attitudes toward the Internet's effect on independents' success varied according to how much time producers spent online and experimented with distribution and promotion, but age was not a factor.

MORE HIGHLIGHTS

- Producers over 55 used social media for the same amount of time as producers under 35; 65 percent of over 55's use social media one to three hours per week, and 35 percent reported using social media four or more hours per week, nearly identical to producers 35 or younger.
- Facebook was the most popular social media site for both young and older filmmakers, but Twitter was nearly twice as popular among younger filmmakers as older filmmakers.
- Older filmmakers were just as likely to experiment with putting longer clips and excerpts from their film online as younger filmmakers.
- Younger filmmakers were less concerned about combating piracy than older filmmakers.
- More older filmmakers had licensed their digital rights to their most recent projects to third parties than younger filmmakers; 38 percent of older filmmakers had licensed their digital rights, compared to 31 percent of younger producers.

CONCLUSION (continued)

A generation gap does exist. Theatrical exhibition ranked far more important to younger filmmakers than older filmmakers, with 27 percent under 35 rating it the most important distribution venue, versus 11 percent of filmmakers over 45. Inversely, educational distribution was more important to older filmmakers, with 27 percent rating it “very important,” compared to eight percent of younger filmmakers.

International producers are among the most eager digital participants. For many non-U.S. producers, the Internet offers a great opportunity to reach international audiences. However, connectivity remains an obstacle in many countries.

Television remains the most important distribution venue and drives digital activity. Many see television as the major event or wave that drives most other activities, including digital distribution and engagement. The majority of producers who spent the most time online using social media—over seven hours per day—ranked television as the “most important” distribution venue.



MORE HIGHLIGHTS

- Of the producers who responded that they had generated revenue from digital, 37 percent had licensed their digital rights to a third party.
- Of the producers who responded that they had licensed their digital rights to television broadcasters, 30 percent reported that they had earned revenue from their digital rights, compared to 20 percent of producers who had licensed their digital rights to home video distributors and the average. Also, 27 percent of producers who had licensed their digital rights to television distributors reported that they were “satisfied” with the terms of their deal, compared to 24 percent for home video distributors and the average.
- Theatrical exhibition ranked far more important to younger filmmakers than older filmmakers, with 27 percent under 35 rating it the most important distribution venue, versus 11 percent of filmmakers over 45. Inversely, educational distribution was more important to older filmmakers, with 27 percent rating it “very important,” compared to eight percent of younger filmmakers.

STILL MORE HIGHLIGHTS

Domestic producers ranked six venues in order of importance (percent represents those who ranked the venue first or second), as follows:

- » 62 percent Television Broadcast
 - » 41 percent DVD
 - » 31 percent Educational Sales
 - » 25 percent International Broadcast
 - » 25 percent Theatrical
 - » 18 percent Internet Distribution
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- Producers who spent the most time online using social media, over seven hours per day, ranked television as the “most important” distribution venue.
 - High (four hours or more per week) social media users responded “yes” more than the average to the following questions:
 - » Are you generating revenue from digital rights? (five percent higher)
 - » Has the Internet helped facilitate other revenue opportunities? (19 percent higher)
 - » Has the Internet helped increase international sales? (18 percent higher)
 - Nearly three times as many high (four hours or more per week) social media users believed mobile/wireless distribution would be “very important” in the future that the lower strata of social media users.
 - Nearly 40 percent of international producers had licensed digital rights, compared to 35 percent of domestic producers.
 - For international producers, an “international television broadcast” outside of their home country ranked as more important than DVD distribution. For U.S. producers, international television broadcast ranked lower than DVD distribution in terms of distribution venue.



ABOUT INDIESLAB

The IndiesLab (formerly the Independent Digital Distribution Lab) was launched in 2008 after the Paley Center for Media and ITVS convened a set of national meetings for members of the independent filmmaking community with digital distributors, commercial and public television broadcasters, and educational and home video distributors to explore the potential of new technology and digital distribution platforms to increase audiences and revenue.

ITVS launched IndiesLab in partnership with PBS to provide leadership in the digital arena for independent producers and public television. At its core is a spirit of experimentation and testing new models to ensure that independent documentaries successfully transition to digital platforms without negatively impacting traditional distribution models. Through IndiesLab, ITVS brings programs to online platforms such as iTunes, Hulu, SnagFilms, Cove, and Amazon under the new “PBS Indies” brand, and uses social media platforms such as Twitter and Facebook to reach audiences online. IndiesLab conducts surveys and commissions studies to help navigate the swiftly changing media environment and reflect trends and data to the field and the public media system.

The IndiesLab is one of several innovative digital initiatives supported by ITVS. Others include Project 360, supporting producers in new media production; FUTURESTATES, an online short narrative series; and Beyond the Box Blog, one of ITVS’s many strategic social media platforms.

RESOURCES

Films, Distributors, Partners, and Sites Mentioned by Producers

Films

The Age of Stupid
Spirit of the Marathon
I.O.U.S.A.
The Way We Get By
A Powerful Noise
Zeitgeist: The Movie
The Corporation
Shark Water
Pray the Devil Back to Hell
Made in LA
Four Eyed Monsters
Calavera Highway
Children of Invention
No Dumb Questions
RiP!: A Remix Manifesto
Trust Us, This is All Made Up
King Corn
Anvil! The Story of Anvil
Head Trauma
Soy Andina
The End of the Line
La Domination masculine
Helvetica
Women Behind the Camera
America the Beautiful
Paranormal Activity
The Story of Stuff
Made in America
Ape Genius
Heat
Collateral
An Inconvenient Truth
Rethinking Afghanistan
Stingray Sam

TV and Online Series

FRONTLINE/WORLD
NOW on PBS
PBS Video
POV
e² Series
The Guild (web series)
Girltrash! (web series)
Ripper Hockey (web series)
Joss Whedon's Dr. Horrible (web series)

Curated Online Video

Hulu
Netflix
We Live in Public (documentary film)
Halo-8
Jaman
Asia Pacific Film Institute
Re:frame
SnagFilms
The Auteurs
MOVEMEDIA
Vimeo
Funny or Die
iTunes

Broadcasters and Production Houses

MediaStorm
KQED
WGBH
Magnolia Pictures
e²
Yash Raj Films
Discovery Education
Skylight Pictures
Deca.TV
Electric Farm Entertainment

Distribution and Related Services

New Day Films
Re:frame
OpenIndie
IndiePix
IndieFlix
Amazon's CreateSpace
ioda
NeoFlix
Withoutabox
Kickstarter
From Here to Awesome

Nonprofits and Foundations

BAVC
Facing History and Ourselves
Reel Community Action
AFI Digital Content Lab
NALIP
NATV
NPR
Chicago Urban League
Working Films
Media Working Group
NapTV
George Lucas Educational Foundation
Sundance Foundation

Outreach and Promotion

Active Voice
Blue State Digital
Hurt Locker's promotion campaign
"Trust Us, This is All Made Up" promotion campaign
NWF's Forest Justice outreach campaign
Sterlin Harjo's website for BARKING WATER
www.bloodinthemobile.org online campaign

Social Media

Facebook
Twitter
Tumblr
WordPress
Ning
YouTube
Vimeo
Meetup
foursquare

Other

Forum at RIDM

Multimedia coop (<http://makila.tv/>)

Thomas Allen Harris project "Through a Lens Darkly" (www.throughalensdarkly.tv)

Strong Bad/ Homestar Runner site

Nintendo episodic games based on content

Studiosdaily.com

SXSW

Sundance

Pandora Radio

Rushing for Life TV (RFLTV)

DIY Days events

Brain Storm at MediaStorm

The New Rules of Marketing & PR : How to Use News Releases, Blogs, Podcasting, Viral Marketing and Online Media to Reach Buyers Directly (book) by David Meerman Scott

Fathom Events

Real Girls/Reel Change Conference – Seneca Falls clip

AGH Media Group

SurveyMonkey