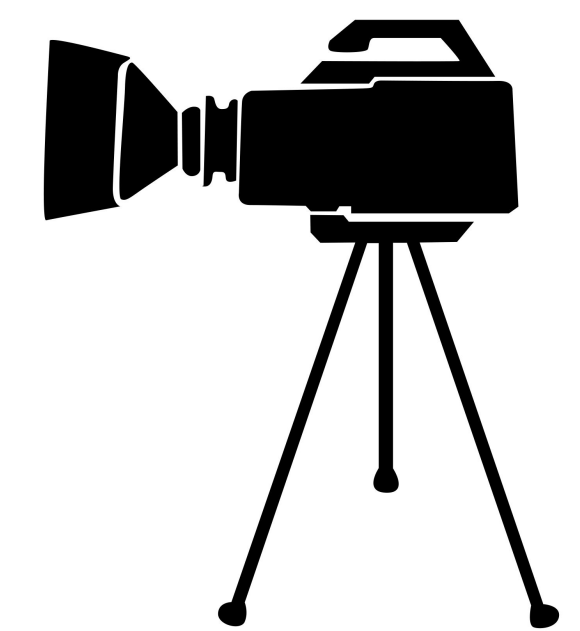




# What drives up the movie ticket price during the Spring Festival?

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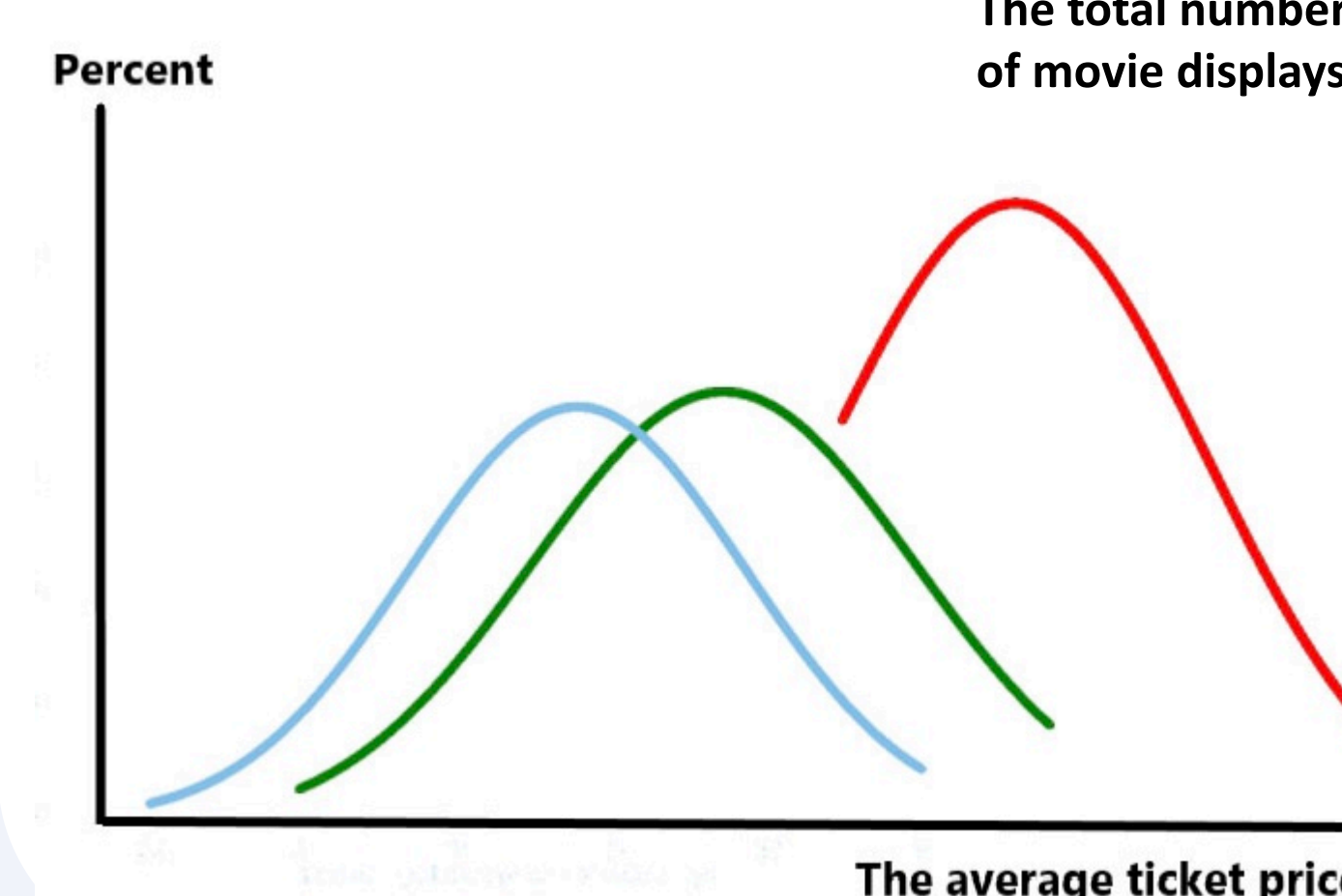
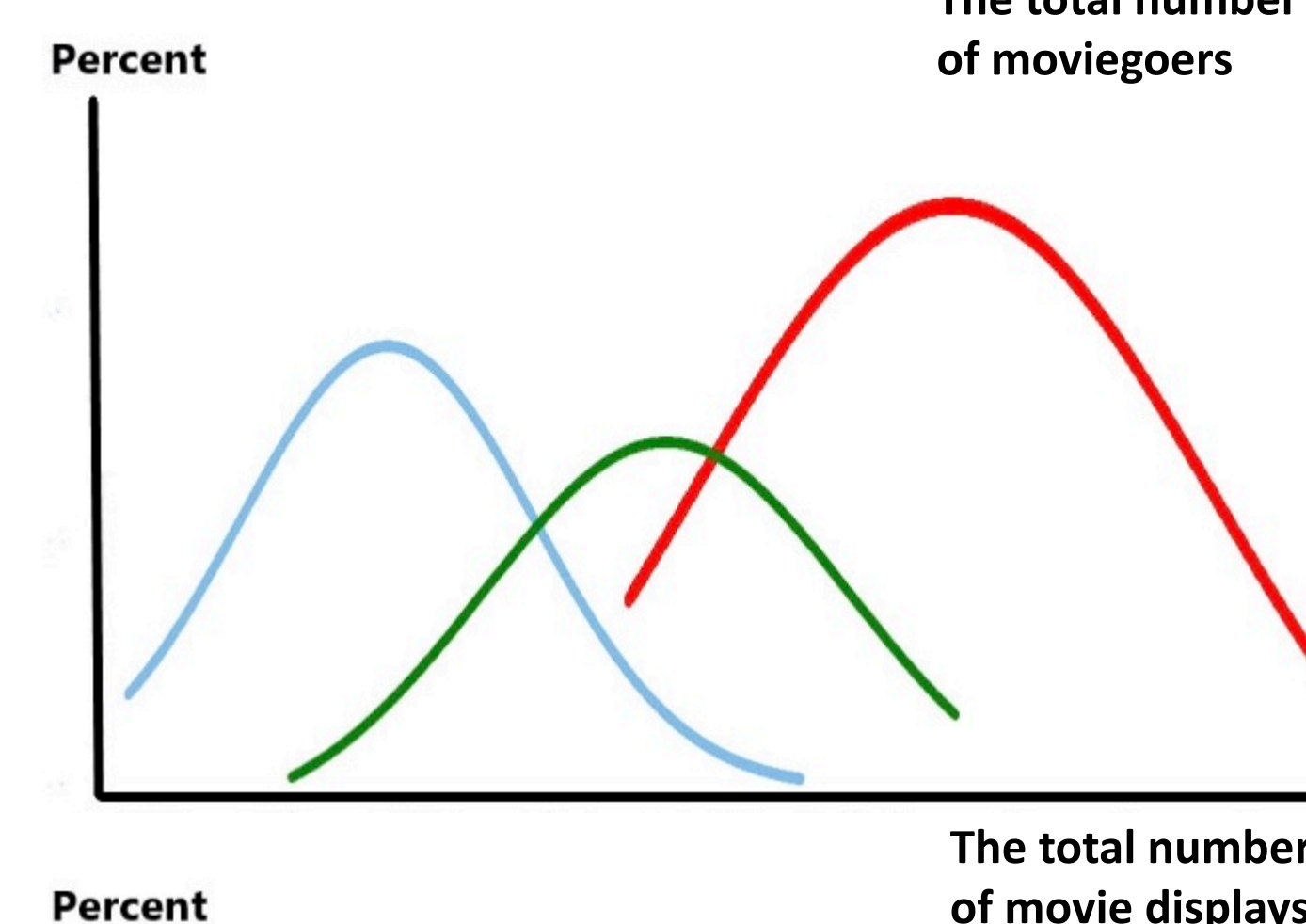
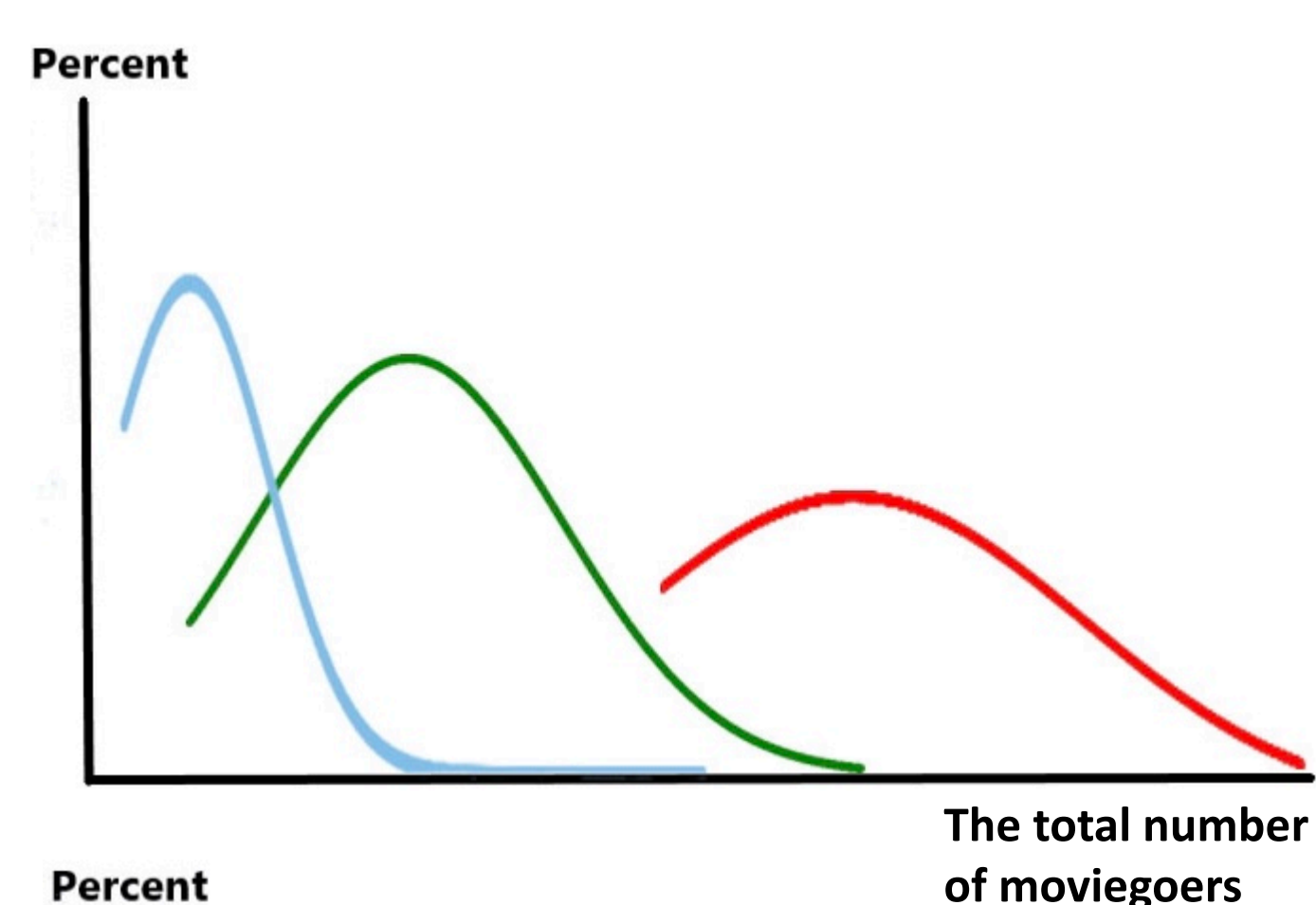
## BACKGROUND

- ❖ According to the data released by the National Radio and Television Administration, the **total box office** in 2018 was 319686.79 million yuan, taking up 0.36% of the GDP (CEIC).
- ❖ As the data showed, the box office of **domestic films** reached 37.897 billion, accounting for 62.15% of the total box office with an increase of 8.31% over 2017.
- ❖ Meanwhile, the number of high-rated domestic films on ranking institutions rose significantly compared to previous years.



## STATISTICS

- The interval estimator is at **95% confidence** for population (the whole movie market of the mainland China) data.
- Choose the week of the Spring Festival and randomly select another 13 weeks out of 52 weeks in 2018.



I. Collect the data of the total number of moviegoers, the total number of movie displays, and the average ticket prices of the 13 weeks and the Spring Festival.

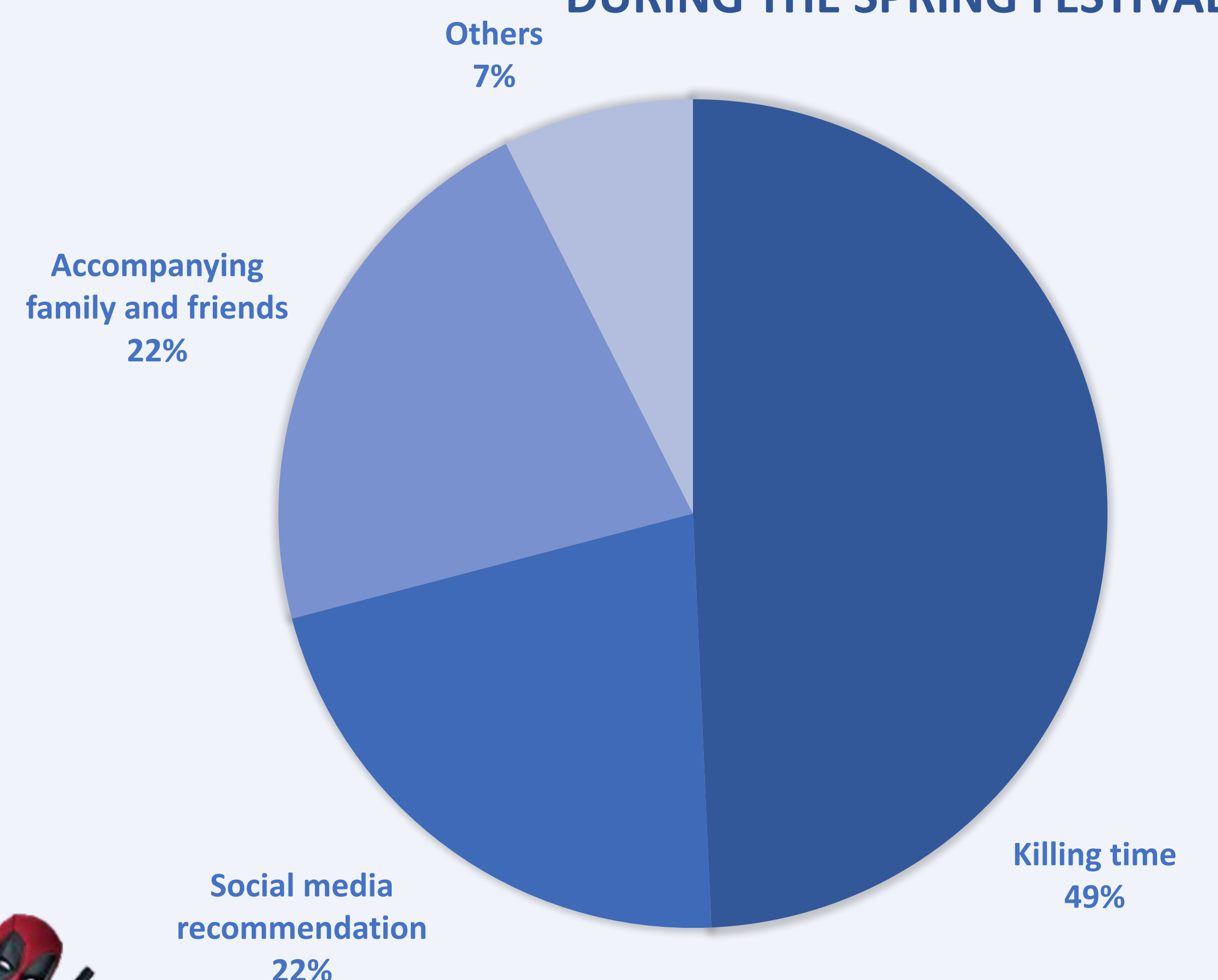
II. Draw normal distribution curves of weekdays, public holidays and the Spring Festival.

## SURVEY RESULTS

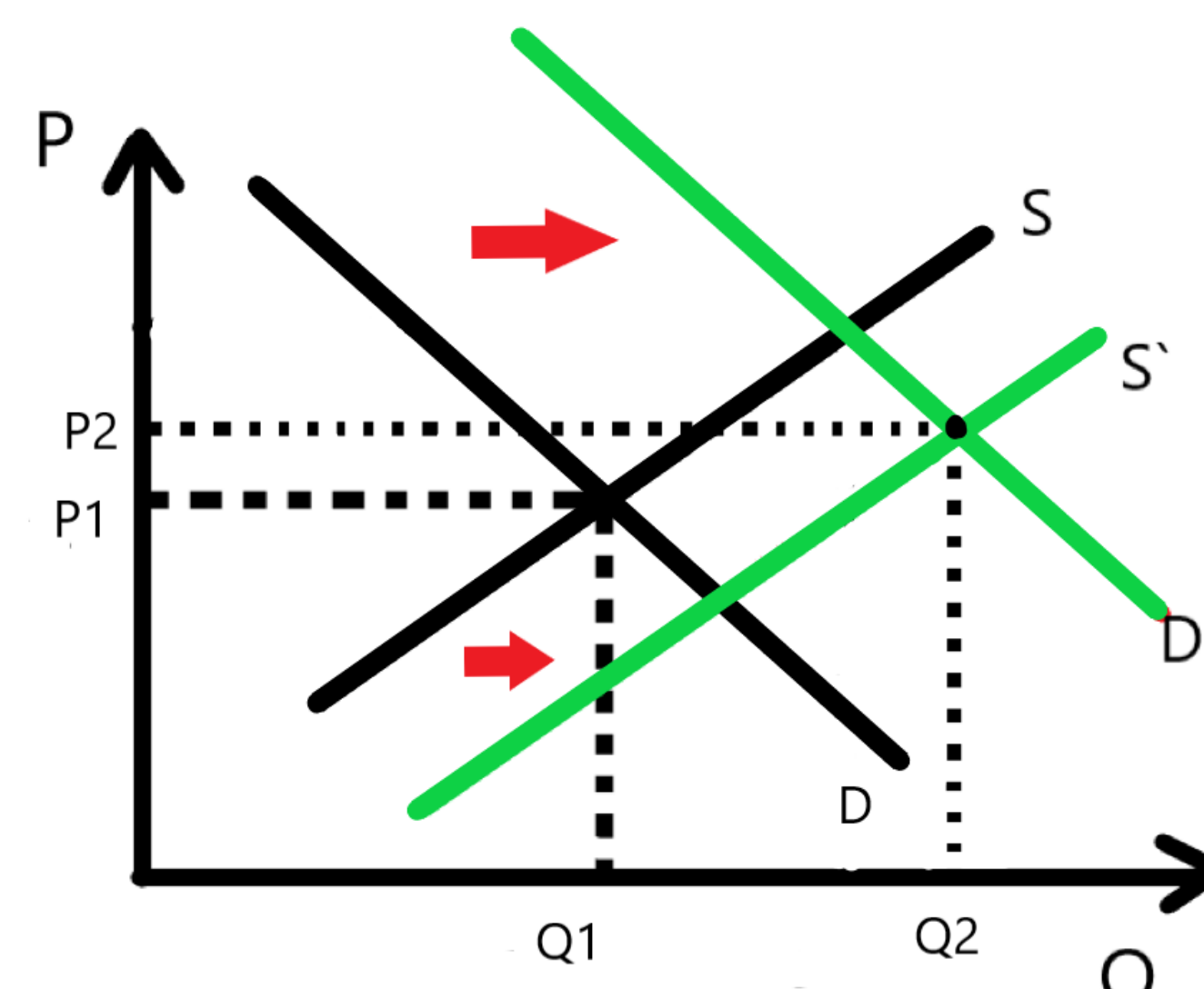
**70.5%** of the respondents went to the cinema during the Spring Festival

**67.5%** of the respondents noticed the price-rising of movie tickets

### WHY PEOPLE WENT TO MOVIES DURING THE SPRING FESTIVAL



## THEORY : How it happens in Economics



- The intersection of demand and supply denotes the **equilibrium price** and **quantity**.
- According to our research, the increase of demand is about **20 times** more than that of supply.

- Extra leisure time, traditional culture, social recommendation increase the people's willingness to go to the cinema, which leads to **the demand curve shifting to the right**.
- The cinemas increase the quantity of movie display per day, which causes **the supply curve to shift upward**.
- The shift of these two curves will cause the **movement of the equilibrium price and quantity**.
- Because the demand increases to a greater degree than the supply does, the **equilibrium price and quantity are both higher** than the original ones.

## Conclusions and Limitations

- The higher price of the movie ticket during the Spring Festival is a result of the combination of the large increase in the demand and the limited increase in the supply.
- The main factor affecting the demand is the traditional Chinese culture, although the growing leisure time and social recommendation also play a role.
- There are some limitations in our research, we hope future research can pay more attention to the effect of diverse movie categories and the seasonal character of the movie market.

