

The Pareto Optimal Analysis of the Marketing Path of Movie Works in the Streaming Media Ecosystem

Ziyi Liao, Zhen Li*, Quanquan Zhang

Anhui Normal University, Wuhu City 241000, Anhui Province, China. Email: 1771274171@qq.com

Abstract: According to consumers' aesthetic habits and preferences, the "AI data + movies" mode can produce works that are very suitable for the market. The social information dissemination ecology constructed by streaming media has also broken through the distribution and marketing channels centered on theaters. The marketing ecology of the film industry is gradually changing from the former "line structure" or "core ring structure" to a "block-chain structure" with equal weight in all links and marketing channels. Based on the Pareto theory, this paper provides some suggestions and ideas to help practitioners find a balance point when facing the game between personal interests and industry interests. At the same time, after the rise of streaming media, what key indicators should film marketing consider? What kind of dynamic data associations are presented between various indicators and box office revenues of different platforms?

Keywords: Streaming Media Ecology; Revenue from Screening Platforms; Ontology; Marketing Influence Factors

1. Introduction

The movie "Lost in Russia" was originally scheduled to be shown in cinemas during the Spring Festival in early 2020, but it was finally selected to be shown for free on online platforms. This move has triggered discussions about the box office revenue and marketing mechanisms of theaters and online movie screening platforms. In the past, film marketing channels could be understood as a "pyramid" structure. Now, due to the data analysis and push functions of streaming media platforms, online movies have gradually entering the public view. This article analyzes the core business modes of these two film marketing channels, and compares them from the perspective of capital gains. At the same time, from the perspective of the stability of the industrial structure, using quantitative analysis methods such as product portraits, establishing a regression mode to analyze which screening channel the film chooses to maximize the revenue.

2. Overview of the ecological environment of film distribution

2.1 Analysis of movie theater distribution and box office split accounting mode

On CNKI.NET, we use "offline movie" as the keyword of literature search, and through literature analysis, we summarize the characteristics of "drama film" into three points: (1) Theater is the carrier of the movie; (2) The supply of fund and movie are related; (3) The screening management mechanism has only one film distributor and several theaters. But the reality is that offline theaters are only the main distribution channel for movies, and the main body of movie distribution has changed from the traditional definition to the "joint distribution" of several film companies. At the same time, the "mainstream" mentioned by the author will be weakened with the emergence of new events in 2020. The figure below shows the time difference of traditional film distribution channels, but it shows the trend of "time dif-

Copyright © 2021 Ziyi Liao *et al.*

doi: 10.18686/fm.v6i1.3271

This is an open-access article distributed under the terms of the Creative Commons Attribution Non-Commercial License

(<http://creativecommons.org/licenses/by-nc/4.0/>), which permits unrestricted non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

ference narrowing” and “changing with time”. At the same time, multi-window projection is changing the ecological pattern of film distribution.

Table 1. Chinese film

Chinese film	
Channel issuance	Issuance time difference (unit: day)
Screen release	The [14,30]
Pirated Internet and audiovisual products	(1,2] or earlier
Overseas market	East Asia synchronization, global issuance cycle [180,730]
Public television station	[30,180]
The internet	After the screen release [30,90)

In the era of channel-based consumption, changing the stereotypes of channels is the main premise of the business mode of movies viewing. In the past, channels was only used as the carriers of commodities, not the commodities themselves, so they did not have consumption attributes, but now the use value of channels is the most important, and the surplus value of channels has been developed. The era of consumption^[1], the advantage of the flow pool of the channel itself and the information asymmetry caused by the “filter bubble” in network information transmission all make people who want to gain flow advantage or try to break the information cocoon to actively consume the channel itself. The original video websites were only used as terminal windows for the sale of movies and TV works, but now these platforms are also developing video storage, transcoding or consumption functions, and publishing personal works based on the user traffic they own. Therefore, the single profit mechanism behind the traditional film distribution mode: “movie tickets + peripheral derivative products” will surely innovate in film commercialization to meet the survival needs of practitioners in the film industry chain.

2.1.1 Theatrical film split account mode

Cinemas buy movie rights and use them as their main business, while derivative products are an upgrade to consumer demand. Taking into account the need for theater profits, movie theaters usually show in theaters 1-3 months before reselling the network. With the iterative upgrade of current streaming media products, online movies on video websites skipped the first sales link of film distribution, and established cooperative distribution accounts with video website platforms. At the same time, the film and television comment blog masters on the short video platform also adopted the form of “spoiler alert”. Users do not need to enter the theater, or even click on any trailer on relevant websites, so they can know the trend of the story. Therefore, the innovation of streaming media ecology allows offline movies to survive in cracks.

2.2 Analysis of online movie distribution mode

2.2.1 Online movie distribution mode

The business mode of traditional video websites is “platform + content + derivative products”, and its core profit mode is “advertising fees + user demand fees + self-produced dramas”. Now, its business mode has not changed substantially, but its profit mode has been adjusted. First, the source of product content on video sites has changed from the original “production and screening” mechanism to passively receiving products, actively expanding the scale of the “self-made drama” platform according to user preferences, and actively promoting screen film and television works through the data analysis market, thereby Complete the construction of network cinema. Second, all three links in the original mode are constantly improving the income branch, that is, the tentacles of the profit channel are also expanding. Therefore, if film distributors want to achieve online distribution and obtain user support must first consider whether their product content can meet the profit requirements of video websites, and whether they can effectively convert user needs. A domestic video website has launched six cooperation modes between the platform and film producers: buyout, guarantee + super-guaranteed on-demand sharing, copyright procurement + pure on-demand sharing, etc. Different dis-

tribution cooperation modes are analysis of the commercial value of movies.

2.2.2 Online movie screening platform sharing revenue mechanism

There are two business modes for online movies: one is similar to a traditional commercial cinema, which transfers offline viewing channels to online, retains and strengthens the management of key information of movie screenings, and realizes that one movie ticket corresponds to one movie. Film screening means that the film’s screening revenue will also be shared by the film producer, distributor and projector in separate accounts; the second is the box office mode segmentation mode, which uses pay-per-click and other indicators. The proceeds will be shared by film producers, distributors and projectors. Since the online movie box office segmentation modes of the three video platforms A, T and Y in 2021 are basically the same, this article only introduces the movie box office segmentation mode of platform A.

Table 2. Video platform A

Video site	Movie level	Business mode	Cooperation the way	Unit price (yuan) +advertising split	Ledger cycle Unit: months	Remarks
A	A	Split	exclusive	2 .5+	6	The unit price is the effective paid on-demand volume
	B	Split	exclusive	2 .0+	6	
	C	Split	exclusive	2 .0+	6	
	D	Split	Non-exclusive	1 .5+	3	
	E	Split	Non-exclusive	0 .5+	3	
User-on-demand sharing mode (PVOD): member viewing split account mode + advertising split account mode (SVOD+AVOD)						

The advantage of the mobile commercial film mode is that it not only cultivates the habit of users to continue paying for content, but also cultivates the habit of users to continue to pay. At the same time, the generated box office data are also recorded in the box office data of Chinese movies. From the perspective of the construction of national film and television cultural image, the latter has a more comprehensive range of influence. However, due to the complexity of streaming media platforms users, the limitations of information security technology and the convenience of information dissemination, copyright protection or movie encryption measures cannot prevent the privacy leakage of some film and television works. Therefore, many online movie platforms use indicators such as pay-per-click to build online movie box office revenue sharing modes.

3. Overview of streaming media application ecology

3.1 Analysis of the causes of streaming media application ecology

Streaming media is a media format played by streaming media on the Internet. Compared with new media, it is closer to the nature of network information dissemination. The former is a technical explanation of information dissemination and interaction, while the latter is just an innovative information carrier. Therefore, it is more accurate to summarize the application ecology of streaming media on video websites, short video platforms and social media. The emergence of this ecological environment has broken the limitations of the original information dissemination method and broke the monopoly of public opinion by information masters. Under this ecological structure, the spiral effect of silence is diluted. In the process of social development, the gap between the rich and the poor tends to be balanced gradually, social wealth has steadily increased, and the horizons and areas of social concern have been continuously expanded and improved. Therefore, the consciousness of “freedom of speech free of time and space” is rooted in the hearts of the people. According to Husserl, the world is built in pure consciousness, not proven by the outside world. The objectivity of anything is not a problem of external existence, but a problem of consciousness itself. Assuming that Husserl’s point of view is correct, then constructing society by consciousness is a true proposition. The essence of soci-

ety is the sum of complex social relations, and capital is one of them. Marx once said: “All products contained in capital are commodities, including material products and exchange value^[2].” Therefore, an analysis path can be proposed: Because of the value of information exchange, streaming media is regarded as Capital has become a complex communication relationship that constitutes society. It can be concluded from this that consciousness is the foundation of the application ecology of streaming media. The essence of the film industry’s reliance on the application ecology of streaming media is to meet the subconscious needs of some people, that is, to watch movies at low cost anytime, anywhere. This kind of people’s demand for movies is not high-quality physical and psychological enjoyment, but to improve the adaptability between individuals and social groups by following social hot topics.

3.2 Analysis of the inevitability of the ecological development of streaming media applications

Explaining the inevitability of the ecological development of streaming media applications is not to prove the correctness of its development, but to explore its necessity. The discussion of necessity can be understood as the inherent operation principle of streaming media application development, that is, the existence of value accepted by the market. When all the principles in the world can be defined as principles, it means that they are expressed through group consciousness. In other words, if there are so-called principles outside the collective consciousness, there will be two problems, one is that there is only an empty shell and no connotation; the other is that it has no value. If we analyze the profit ecosystem layer of its products with the platform channels of streaming media as the core of the ecology, it can be summarized as “channels + products”. Products, that is, after using streaming media technology to build a platform, the multi-dimensional design and release of products will trigger users’ needs and profits. Nowadays, the profit weight coefficient of the platform product has been declining. Turning channels into commodities and traffic as a capital seeking tool can better prevent users from being sensitive to products prices. For example, putting advertisements on the TikTok platform or establishing links with online e-commerce platforms can be profitable through cooperation with third-party organizations and become the driving force behind profitable projects. For streaming media application, it is much easier to use channels for B2B than to create a B2C mode that can satisfy the audience, and greatly saves production costs. At the same time, after streaming media applications builds the information dissemination network, the marginal cost of increased production costs is almost zero. Because the market price of a commodity is always higher or lower than its production cost, the rise and fall are complementary to each other^[2]. Therefore, when the focus of streaming media channel costs is not the unit price but the number of partner institutions, for film production companies, it is more cost-effective to choose network entities than offline movie theaters for screenings and save film distribution costs. At the same time, in the face of the “zero-day” and “multi-window distribution” modes that may emerge in the future, film producers have broader profit channels. Under this trend, it will be difficult for physical theaters to make a profit if they still use the original film accounting mechanism.

3.3 Analysis of micro-screen products in the streaming media application ecosystem

By assuming that users of ordinary products with streaming media application ecology have demand for film and television works, the author will create a product portrait of a film work that can stimulate the effective needs of users, and use this as a basis. Platform split revenue is an explanatory variable, and different distribution channels (physical theater, online theater) are defined as dummy variables to analyze whether movie distribution channels have a significant impact on movie box office revenue.

3.3.1 Short video content portrait-taking D platform as an example

Short film content portrait: On the short film platform, users are allowed to “pay directly to watch a movie”. F1: Cannot watch the movie commentary video in full. F2: You can watch the movie review video in full, but there is no act of watching the movie. F3: Able to fully watch movie reviews, but unable to provide effective click-through rate or unable to pay to watch movies through official video website channels. F4: Watch movie review videos and provide effective click-through rates and pay for watching movies through official video website.

Table 3. Features and behavior categories of D platform

Feature E/ Behavior Category F	F1	F2	F3	F4
Social reputation (E1)	21	4	6	84
Marketing Exposure (E2)	29	5	8	99
Subject (E3)	50	13	9	140
Plot (E4)	56	12	9	142
The main creative team (E5)	62	8	6	135
IP familiarity (E6)	68	11	12	115
Marketing topic interest (E7)	65	13	10	102
Film production cost (E8)	59	12	10	108
Movie release schedule (E9)	35	2	6	35

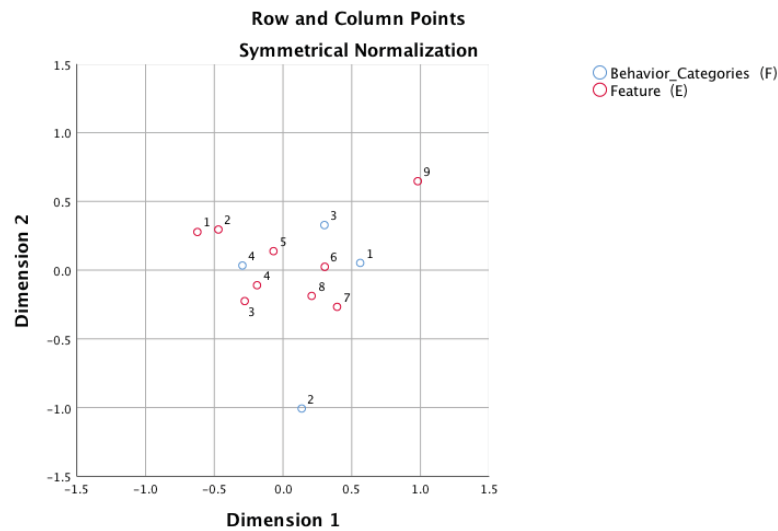


Figure 1. Statistics analysis of D platform.

The SPSS Statistics output can be obtained conclusion:

(1) Using the marketing method of short video commentary of movies can effectively change the behavior of paying for watching movies. The user behavior categories of F2 and F3 in the figure have certain acquired inertia, so the content characteristic factors of E1-E9 are relatively weakly related to these two types of behaviors.

(2) If you want to reduce the behavior category of F1 and upgrade users in this category, you first need to make a good choice of movie IP popularity, movie marketing hotspots, and production cost characteristics when choosing a commentary movie. You must stimulate the user’s sense of resonance and curiosity.

(3) If you want to convert users into the ideal user behavior category of F4, the core of the short film explanation is to highlight the advantages of the film itself, the plot, themes and the main creative team. At the same time, the film owner should strengthen the film’s exposure in the user group through multiple channels degree.

3.3.2 Video website product portrait-taking A platform as an example

Website video portrait: Enable users to “pay separately or open VIP rights for this” product portrait. F1: The behavior of the user not providing a valid click-through rate or paying for the movie they plan to watch. F2: Users will use regular video websites to provide effective click-through rates for movies they intend to watch, but they will not pay for

watching movies. F3: Users will use regular video websites to watch the movies they intend to watch, and they will have consumption behavior on movies.

Table 4. Features and behavior categories of A platform

Feature E/ Behavior Category F	F1	F2	F3
Social reputation (E1)	12	34	82
Marketing Exposure (E2)	17	28	107
Subject (E3)	41	50	134
Plot (E4)	32	54	137
The main creative team (E5)	44	43	144
IP familiarity (E6)	43	45	101
Marketing topic interest (E7)	44	45	108
Film production cost (E8)	40	37	91
Movie release schedule (E9)	17	19	31

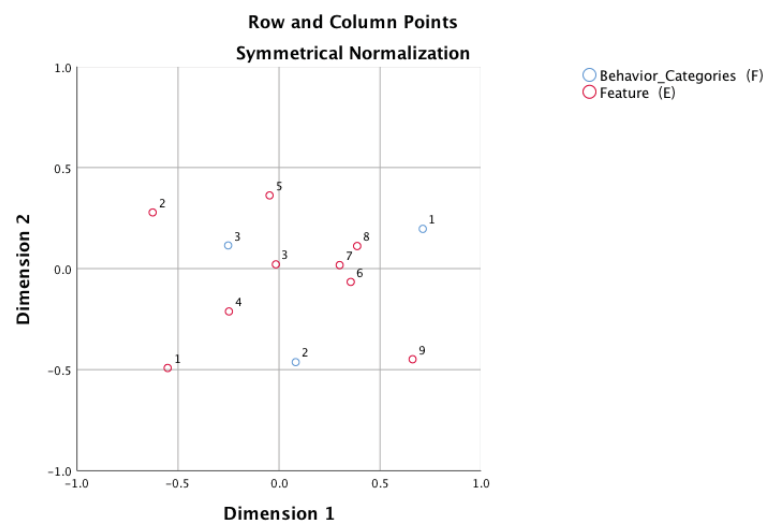


Figure 2. Statistics analysis of A platform.

The following conclusions can be drawn from the output of SPSS Statistics:

(1) When a user directly chooses to watch a movie on a video website, the user does not pay much attention to external word-of-mouth evaluation, market exposure, and movie release time. Therefore, these three elements are the key factors to attract consumers to understand the movie, but they are not directly related to whether they directly affect the consumption of users.

(2) F3 is an ideal category of user's behavior. The core elements that can effectively change the paying behavior of movie viewers are the movie theme, plot and main creative team, because these three dimensions define whether the product segment is broad.

3.3.3 Product portraits on social platforms-take W platform as an example

Product portraits on social platforms: Content portraits of film and television official accounts that can cause users to pay. F1: Users who have not followed the WeChat official account of the film and television or cannot read the tweets

of the film and television completely. F2: Will watch TV tweets completely, but not watch movies completely,. F3: Due to the introduction and recommendation of related film and television tweets in the WeChat public account of Film and Television, users who will choose to watch the film through an informal video website. F4: Users who choose to watch the movie through regular video websites due to the introduction and recommendation of the movie and TV tweets in the WeChat public account.

Table 5. Features and behavior categories of W platform

Feature E/ Behavior Category F	F1	F2	F3	F4
Social reputation (E1)	53	17	83	18
Marketing Exposure (E2)	41	17	36	35
Subject (E3)	34	17	101	17
Plot (E4)	52	18	54	44
The main creative team (E5)	35	11	110	32
IP familiarity (E6)	55	7	69	44
Marketing topic interest (E7)	46	12	121	31
Film production cost (E8)	40	13	99	43
Movie release schedule (E9)	34	3	67	31

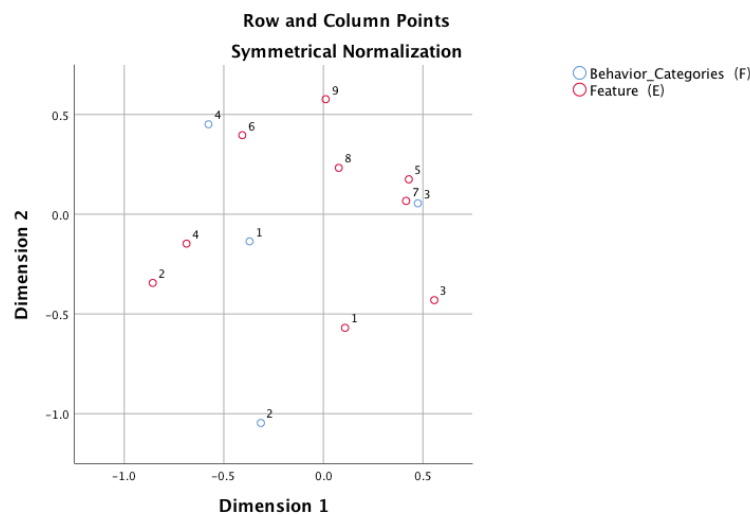


Figure 3. Statistics analysis of W platform.

The following conclusions can be drawn from the output of SPSS Statistics:

(1) In marketing channels such as movie tweets and other marketing channels mainly based on text marketing, the ability to convert audiences to watch movies is weaker than short video marketing. At the same time, it is difficult to grasp the core influencing factors of ideal user behavior categories among the existing content characteristics of works.

(2) For the F3 crowd, if you want to transform it into the ideal F4, you need to focus on introducing some factors, such as the main creative team, the marketing theme of the movie itself, and the social adaptability and popularity of the movie tweet. By improving the interaction between the article and the audience, it stimulates the audience’s sense of

resonance and allows users to pay for the “resonance”.

4. Strategic analysis of movie works + streaming media marketing

Italian economist Vifredo Pareto put forward the concept of Pareto optimality in the study of economic efficiency and income distribution. English name is “Pareto Optimality”, which means that absolute efficiency does not exist, but the relative optimal efficiency point is found based on fairness.

4.1 Define Pareto optimal

In order to simplify the problem, the author referred and adjusted the analysis of the deer hunting game. First, the author assumes that there are only two movie marketing channels (offline movie theaters and online movie theaters), and the common purpose of these channels is only one, that is, converting users to pay. From the perspective of a film production company, the two distribution channels have different business modes, and the corresponding market segments, so the profit mode is different, and the combination of channels can maximize marketing efficiency. From the perspective of the existing movie screening channel platform, if offline cinema is the first link in the marketing of movie works without cooperating with other marketing channels, assuming that the expected revenue of the movie is MRP (Movie Revenue Forecast), the box office income of the next theater is BOP (box office profit), the box office income of online cinema is OBO (online box office), and the number of effective user clicks (clicks). The user’s effective clicks volume can be converted into twice the revenue, that is, $OBO = 2NOT$. The online marketing profit formula can be derived: $OBO = 2NOT = MRP - BOP$.

It can be seen from this formula that with the expected income unchanged, an increase in the number of offline viewers will directly lead to a decrease in the effective online click-through rate, and vice versa. Therefore, when there is a time difference in film marketing, the interests of the two channels have a “seesaw” dynamic relationship. Therefore, the behavioral decision-making of “choose marketing channels and arrange them in an orderly manner” has become a game, and the direct benefit of the game is the direct beneficiary of the channel or platform.

Through the above analysis, we can get the definition of “Pareto optimal” in the film industry: industrial fairness is the guiding principle of behavior decision-making. On the premise of not reducing the profit of filmmakers, and regardless of the box office income brought by unique derivative products of different marketing methods, the income of physical cinemas and online cinemas in film distribution can be relatively balanced.

4.2 The main influence of movie distribution method on channel division

The first chapter of this article describes the mechanism of movie revenue sharing. Among them, the linear accounting model makes the revenue from distribution channel positively correlated with the total box office revenue of the movie. The film industry has three high attributes of “high investment, high risk, and high return” and three low attributes of “low investment, low risk, and low return”. Therefore, the film production cost is directly proportional to its box office revenue. At the same time, according to the film product portraits on the three platforms D, A and W in Chapter 2 of this paper, the theme of the film, the popularity of the production team members and user’s payments are directly related. Therefore, the following multiple linear regression model was established:

$$Y_t = \beta_0 + \beta_1 X_{1t} + \beta_2 X_{2t} + \alpha_1 D_{1t} + \alpha_2 D_{2t} + \alpha_3 D_{3t} + \alpha_4 D_{4t} + \mu_t$$

In the formula, Y_t is Box office revenue of mainstream film distribution and projection platforms, abbreviated as (BOP); X_{1t} is Film production cost (FPC); X_{2t} is Sum up the topic discussion amount of the main creative team members (STDM). D_{1t} 、 D_{2t} 、 D_{3t} 、 D_{4t} is Dummy Variable (DV), with 0 and 1, where 0 is the base type, a comparative type, which D_{1t} is Distribution Channels (DBC); D_{2t} to Release the Schedule (RSE); D_{3t} as Film Themes (FMT); D_{4t} as Release Date (RLD).

$$D_{1t} = \begin{cases} 0 & \text{(Cinema release)} \\ 1 & \text{(Network publishing)} \end{cases} \quad D_{2t} = \begin{cases} 0 & \text{(Release schedule isn't popular)} \\ 1 & \text{(The release schedule is popular)} \end{cases}$$

$$D_{3t} = \begin{cases} 0 & \text{(Movie theme is youth, romance)} \\ 1 & \text{(Non – youth, romance movies)} \end{cases} \quad D_{4t} = \begin{cases} 0 & \text{(Released before 2020)} \\ 1 & \text{(Released in 2020 and beyond)} \end{cases}$$

On the basis of this model, the author selected 60 film samples on the Maoyan (Professional Edition) platform, including 30 online movies and 30 movies shown in physical theaters. Based on SPSS Statistical software, a descriptive statistical analysis of movie box office revenue, movie production costs, and the volume of topic discussions of major creative teams on mainstream movie distribution and screening platforms:

Table 6. Descriptive statistical analysis

	N	Mean	Std. Deviation	Maximum	Minimum
FPC	60	11602.1333	15752.5567	55000.00	398.00
BOP	60	46186.0967	69450.6602	278100.00	26.00
STDM	60	5819.1383	30205.5063	232358.90	0.10

The following table shows the quantity statistics of the type variables that meet the requirements introduced in the model:

Table 7. Quantity statistics

	Distribution channel	Release schedule	Movie theme	Release year
0	30	43	13	15
1	30	17	47	45

The following figure shows the output result of views:

Table 8. Output result of views

Variable	Model (1)	Model (2)
DBC	-89054.49 (-4.362066)	-29843.49 (-1.630058)
FPC	0.583212 (0.967592)	1.037236 (2.217195)
STDM	-0.227931 (-1.075958)	-0.045658 (-0.276678)
RSE	11991.16 (0.815571)	12944.20 (1.148214)
FMT	51,359.81 (2.958274)	35,572.71 (2.625422)
RLD		-86981.63 (-6.234491)

In the model (1), $R^2 = 0.561609$, the modified coefficient of determination is $\bar{R}^2 = 0.521017$ known: The model fits the sample fairly. At the same time, it can be seen that when only the three variables are controlled, such as distribution channel, release schedule and movie theme, the distribution channel selected by movies has a significant impact on the box office distribution of its channels, which can be further understood as the channel choice has a significant impact on the film's revenue. Consideration to 2020 of the Public Health Crisis of the force majeure, I will add a movie based on the original model of the year was released as a dummy variable, reducing its potential impact on video

marketing channel box office split the proceeds. In model (2), the $R^2=0.747088$ modified coefficient of determination $\bar{R}^2 = 0.718457$ can be obtained. The model fits the sample well. It can also be seen that the movie marketing channel has no significant impact on the channel's movie box office revenue. In the model (1) the reason why there was a significant influence is because the 2020 public health crisis that began in the theater for the entity under the line of impact, resulting in a large part of the film being forced to leave the theater screen, chose a TV, a class of small cell phone screen was screened. Therefore, after excluding the impact of the temporary exogenous variable of the public health crisis, it can be concluded that the choice of online video website screening or offline theater distribution has no significant effect on the box office revenue of these two types of channels, that is, the movie itself has no significant impact on box office revenue.

5. Pareto improvement of movie works + streaming media marketing

5.1 Differentiated positioning of marketing channels

In the second chapter, the author described the content of the movie marketing content, which can effectively change the consumption of users in the three mainstream streaming media application channels, and collected 936 valid questionnaires. Using SPSS statistical cross analysis mode to analyze the three results, we can get the following conclusions:

Results-oriented, that is, to successfully convert users to watch movies, it can be found that film marketing through video images is more effective than text-based marketing. Therefore, when the movie budget is limited, investors should develop according to the movie's own situation and consumption. The trend is to allocate marketing funds reasonably, and the funds evenly distributed across channels cannot obtain an ideal investment returns.

The movie theme, plot and main creative team are the core elements of direct payment for users, but the social reputation evaluation of the movie, the frequency of marketing exposure, and the resonance between the marketing theme and users determine whether users are willing to learn more about the movie theme, plot and creative team prerequisites.

For users who often use informal video website platforms and watch movies for free, if they want to change the behavior of such users, it is necessary to strengthen the psychological hints to users, so that the identity of the movie can break through the limitations of commodity attributes, so that the audience can also break through limitations of payment status. Film producers can increase the interaction between potential audiences and films by allowing as many audiences as possible to participate in derivative activities around the theme of the film in the early stages of film screening.

5.2 Analysis of the issuance trend based on the saliency of reviews and ontology theory

Through the econometric models (1) and (2), it is concluded that before the outbreak of the public health crisis in 2020, the film distribution channel did not constitute significant film revenue. Therefore, from the perspective of capital chasing profit, the return on investment of a movie has no significant relationship with whether the distribution channel is online or offline. It is worth considering only the objective conditions of different movies, which channel has the lower opportunity cost.

In 2020, Warner Media announced that in 2021, the company will simultaneously show new films on HBOMAX when they are released^[3]. This officially opened the future trend of "zero-day difference" and "multi-window distribution". The existence of various distribution channels must be reasonable. But how high is the opportunity cost of reason? From the perspective of ontology, the author will discuss the influence of the distribution ecology established by multi-dimensional distribution channels on the stability of the industrial structure under zero "zero time lag". The essential reason for being reasonable is that existence produces value. When two things cannot exist at the same time, there are two situations. One is that the existence of B destroys the existence of A; the other is that A chooses to self-destruct in order to fulfill B. The former is to deny that existence has value, and the latter is to endow existence with irreducible

and irreplaceable absoluteness. As Hume pointed out, of course, (existence) can't (ought exist), but one kind of existence can prove that other existences have value, that is, one kind of existence gives absoluteness to another kind of existence^[4]. Therefore, the question of whether the theater's auditorium will be gradually replaced by network distribution can be reduced to two hypotheses. Hypothesis one is: due to the existence of online network cinemas, the existence value of physical theater distribution is destroyed; hypothesis two is: physical cinemas choose to self-destruct through the development of network cinemas. According to the conclusions of the econometric model, we can extend the analysis to the conclusion that the form of online movie screening has existed for many years, but its positioning is different from the movies released by the physical theater, and it will not directly affect the destruction of the physical theater, so Hypothesis one was rejected. If hypothesis two is true, it means that the existence of network cinema itself is irreversible and irreplaceable, but it is obvious that the movie projection effect that physical cinema can achieve exceeds the network cinema carrier-electronic medium and small screens. Therefore, reject hypothesis two. The "zero time difference" parallel screening mode has exacerbated the contradiction between the two distribution channels. This contradiction is different from the contradiction between the world and mankind. The stability of the world existence makes human beings have to change themselves to adapt to the world, but the establishment and use of distribution channels are based on human subjective initiative, which further provides a new industry for the society, and industry practitioners play a role in the social structure. Stability plays an inestimable factor. However, when online distribution and physical theater distribution go hand in hand, with the steady increase in video platform clicks, fewer and fewer people will enter the physical theater, and the reduction in demand will further cause the industry to shrink. When the quantity and quality of film products decline, this decline will further reduce the market demand for high-end projection environments such as cinemas, and vicious closed-loop behavior will seriously affect the quality of the film industry and the industrial economy.

5.3 Thinking about Pareto's improvement of network cinemas and physical cinemas

Marketing theory is usually regarded as beginning in the early 20th century. The core of its theoretical development process is nothing more than focusing on discrete and independent links in the industrial chain to implementing the development strategies after integrating supply and demand. The theoretical existence of each stage must conform to the present situation of social development. The product concept that people initially put forward is actually the development of human needs. People's needs are not created by products, but they will certainly be inspired by products to be externalized. If they cannot play a stimulating role, it means that the product has no value to people and is therefore not accepted by the market.

Both online cinemas and physical cinemas can exist because they have a wide range of mass-based existence values. Dating back to the origin of movies, does the movie first have the need to watch, or is it the first to have a way to watch and therefore the need to watch? The answer to this question seems to prove the value of the existence of two distribution channels, but in fact, the answer is unimportant. Empiricism and factual evidence tell people that they are eternal. In the second chapter, the author analyzes the reason for the existence of network cinema in the streaming media application ecology and the inevitability of development. In the third chapter, from the perspective of seeking capital profits, it is proved that the choice of distribution channels has no effect on the rate of return on investment; In this chapter, from the perspective of the stability of the industry structure and the quality of development, it analyzes what kind of influence physical cinema will be affected. Therefore, thinking about how to improve channels is more valuable than worrying about the fate of channels. The "zero time gap" parallel screening mechanism must meet two prerequisites at the same time: First, there is a public health crisis, and the background is a large-scale outbreak, that is, more than 80% of the labor force is working online; There is no requirement for screening equipment, the way of so-called technical streaming movies or works that can bring audiences an audiovisual feast will be cancelled. The production team only pays attention to the plot and theme of the movie, thus satisfying the basic needs of watching movies. Obviously, the above two assumptions will not appear in the current social environment. Therefore, channel parties should consider how to improve their own profitability while stabilizing the industry structure. The box office splitting mode of

online theaters has no substantial contribution to the box office of Chinese movies, and the online movie ticketing plan that is to be implemented, corresponding to the one-time viewing mode cannot get rid of the thorns of technology. When the above two problems cannot be solved, the existence of physical cinema is necessary. As the output carrier of the film industry, it can not only provide exquisite packaging and high-end retail places for products, but also fulfill the social mission of the film industry. According to the “McKinsey China 2020 Consumer Survey Report”, as the “overall rising” trend of consumer groups develops towards “individualization and differentiation”, products and marketing strategies should be segmented, and the focus should be shifted from horizontal coverage to vertical coverage in-depth training^[5]. Therefore, industry practitioners should focus on their subjective initiative to create the first market demand of the contemporary film industry, that is, refined and personalized viewing channels.

5.4 Regulate industry supervision and establish works support funds

The essence of standardizing industry supervision is to reduce the moral hazard caused by information asymmetry. The definition of moral hazard in economics is that when a party has a competitive advantage, because one party has information that the other party does not understand, the party with a comprehensive information advantage can maximize its own interests while making unfavorable behaviors against others. The definition is narrow. From a philosophical point of view, after adding the external influencing factor of “human survival needs” to the definition, a broad definition of moral hazard can be found: Information asymmetry should also be divided into objectively induced or subjective choices, that is, to a certain type turn a blind eye to the information. The former contains a narrow concept, while the latter is a collection of behaviors that use all information with the same validity and can filter effective information based on subjective initiative to maximize benefits. Therefore, industry regulation can be compared with the “invisible hand” in the market economy. The lack of strong supervision will lead to a high degree of market liberalization in the capital-intensive film industry, increasingly fierce competition and the continuous expansion of oligarchs. The high-profile entry of Internet giants is a catfish effect for the traditional film industry. What matches capital investment is the return on income. In the current era when traffic represents income returns, traditional film and television companies rely on technology to flow and algorithmic data to a high degree. Therefore, in the short-term technology monopoly, it is normal for the income imbalance of various production links in the industry. However, when all film participants enter the embrace of the network theater under the banner of avoiding risks, it will only be a matter of time before the physical theater exists as a form of film art itself. In the era of rapidly changing media environment, in order to maintain the purity of film art, it is necessary to adhere to the practice of the cinema itself^[6]. Therefore, the supervision of the film industry by industry regulatory agencies will extend the focus from the control of movie themes to the supervision of distribution and screening channels. According to the feature portraits of film products in different screening channels before the public health crisis, standardize the management of the screening channels of film works. At the same time, referring to the design of the venture capital activity section of large-scale film festivals, the film industry should also be equipped with professional film and television project appraisers and project support funds to avoid the impact of force majeure on the production of works.

5.5 Regulate the industry financial system and avoid systemic risks

The subprime mortgage crisis that swept the world in 2008 vividly explained the systemic risks of the financial industry. In today’s age of advocating economies of scale, the film and television city, Hengdian immersive scene experience, IP park construction, and the electrical, electronic, medical care, and new integrated service industries built within the Hengdian Group are all developing rapidly^[7]. In the industrial park, more and more professional vertically integrated companies, financial investment, completion guarantee and other film and television financial services have also been expanded. Enter keywords such as “film production cost” on the Internet, so-called websites that specialize in film and television investment and financing services are complicated. But where does their internal data on film production and sales come from, and how will they affect investors? Internet BAT giants have participated in the investment and financed of the film industry, such as Baifa Youxi launched by Baidu and Yubao from Alibaba. Compared

with other traditional industries, the film industry is still young. Young industries have unlimited possibilities, but weak industrial supervision will directly lead to industrial economic bubbles, triggering a domino effect and surging industrial systemic risks.

6. Conclusion

Media tools are necessary, which are the carriers of movies to realize their commodity attributes, and the only way to realize their survival value (social attributes). The streaming media ecology in the media environment is only a product of the present era. In the future, there will be an unpredictable media ecological environment, such as A media and B media. What mankind needs to do is not to passively and repeatedly think about whether the emerging media will lead to the demise of traditional physical cinemas under the wave of media revolution, nor to rack their brains to prove that traditional movies are irreplaceable, because the fundamental purpose of existence is to forever. Film knows no borders, and its core artistic value forms a powerful centripetal vortex. In the vortex of artistic value and capital profit rate, the essence will be absorbed to promote the development of the industry, and the impurities will be continuously precipitated and filtered. Pareto improvement does not use mechanized data to find out which value can balance the interests of the industry, but to complete epoch-making innovations time and time again in continuous innovation and trial and error, and finally achieve Pareto optimality. However, all of this is not only about the industry, but also about the Pareto improvement of everyone in the industry.

References

1. Luan Y, Liu H. Channels, media and scenes: the approach to media productization (in Chinese). *Modern Communication (Journal of Communication University of China)*, 2018; 40(11): 129 - 133.
2. Marx KH. *Employment of Constant Capital*. Beijing: People's Publishing House, 2018
3. Sina Technology. Warner Bros. announced the cancellation of the theater window period: Next year online and offline movies will be released simultaneously [Internet]. Available from: https://www.sohu.com/a/436155132_100117963, 2020-12-04
4. Zhao T. *The Pivot of the First Philosophy* (in Chinese). Beijing: SDX Joint Publishing Company, 2013.
5. Hou D, Pu R, Zhou J, *et al.* *China consumer report 2020: The many faces of the Chinese consumer* [Internet]. McKinsey & Company 2020. Available from: <https://www.mckinsey.com/featured-insights/china/china-consumer-report-2020-the-many-faces-of-the-chinese-consumer#>
6. Pan H, Li Y. *Ontology of Cinema in the Internet Age* (in Chinese). *Modern Communication (Journal of Communication University of China)* 2019; 41(06): 93 - 98.
7. Wang C. The reform force of digital economy and the strategic opportunity of Chinese traditional film enterprises (in Chinese). *Film Art* 2021; (01): 155 - 160.