

## Enhancing customer experience & leveraging service as a key differentiator for Cinema Exhibition Business

### A nascent industry developing into a complex and competitive playing field



Indian entertainment and media industry is poised to grow at 19 per cent compounded annual growth rate (CAGR). The revenue within the sector is expected to reach Rs 83,740 crore by 2010 from the current Rs 35,300 crore.

The Indian film exhibition sector can be divided into two segments: single and double screen cinemas and multiplex cinemas, i.e., a cinema complex with three screens or more. As of March 2005, there were approximately 12,000 cinemas in India of which 73 were multiplexes with a total of 276 screens. In 2004, the sector earned revenues of Rs 34 bn. This is expected to jump to Rs153 bn by 2010 with a CAGR of 18%

### A leading Cinema exhibition player appointed ECS to enhance its operations & customer service processes

With number of cinemagoers rising every year, the competition within the sector is intensifying; new and focused players are entering into the market. As companies are indulging in a dog-fight for the market pie, they are devising various expansion plans and aggressive marketing strategies. With increasing sources of income within the sector, one very important area that needs a lot of attention is cinema operations & customer servicing. ECS worked with the client to bring in the best international practices in service and operational efficiency by implementing breakthrough ideas.

### CEO's dilemma

- To enhance the customer experience of existing property and become the most preferred entertainment location
- Define operational excellence parameters for key business processes
- Create service as a differentiator; replicate the service delivery process across locations
- Leverage IT and enhance effectiveness of all channels
- Establish scalable processes

### Project Vision

We believe that highly effective, highly efficient cinema operation can be accomplished by blending existing best service models with out-of-the-box process solutions. In order to achieve this, a four point formulae was conceived which helped ECS Limited come up with a new servicing model for cinema operations

- Define standards that work logically & business-wise
- No design, process, constraints, etc. must impede the pleasure of watching movies
- Move from individual based approach to a process dependent, scalable approach
- Keep the solutions simple

### ECS designed and implemented improved Standard Operating Procedure

### Benefits achieved

- A 10 % Increase in F&B sales through alternate channel and hence 5% increase in APC for the Cinema
- Suggested Flexi Manpower model capacitize an improvement in productivity by upto 50%
- Cost per transaction for the tickets issued through alternate channel was reduced by 20%

dedicated team of ECS consultants and client members representing all functions worked on the following processes:

Property Level:

- Box Office
- Concessions
- Guest Relations
- Projections
- Alternate Channels
- Maintenance & Engineering
- Admin
- Sales & Marketing
- Finance

Corporate Level

- Premiere Event
- Programming & Scheduling
- Screening & Trailoring
- Corporate HR
- Cinema Opening

**Final Deliverables from the assignment were:**

- A standard operating procedure for above mentioned processes
  - Description of Process & Procedures
  - Standards & Policies
  - Process Maps
  - Roles & Responsibilities
  - Process Metrics
- Identified & implemented key operation changes in the following areas
  - Box Office
  - Concessions
  - Call Center
  - Guest Relations
- Data Collection format for each of the above mentioned processes
  - Process Metrics
  - PQIS
  - Audit Checklist
- A flexi manpower model for the cinema
- Management review process

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**Contact for details**

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**ECS** is a premier management-consulting firm in India. Its consulting practice covers **Services, Strategy, Operations and Human Resources, Full value Spend**

**Experience in Media, Entertainment & Retail Segment**

ECS's pioneering work in the **Media, Entertainment & Retail sectors** has resulted in significant improvements in **Operations and Customer Service** while substantially reducing **costs** in the areas of:

**Cinema Exhibition**

Cinema Operations, Programming & Scheduling, Marketing, Cinema Opening and Premier event

**Retail**

Customer attraction, servicing & Retention, Supply Chain Management and Support processes

We partner all our clients from concept to implementation. Typical results of implementation have been a significant reduction in turnaround time and cost along with increased productivity and reliability of business processes.

Some of our leading partners include **Adlabs Cinemas, Shoppers Stop, and Globus Stores**

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