



national film and video foundation
SOUTH AFRICA

an agency of the
Department of Arts and Culture

South Africa's Box Office Report, first half (H1) 2017



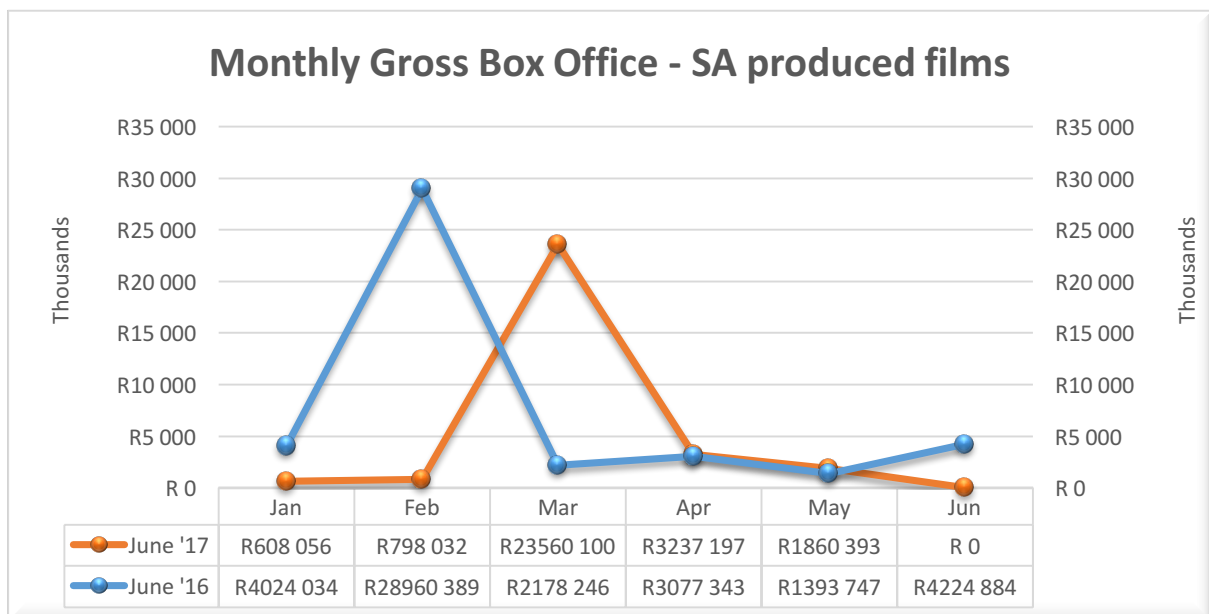
Executive Summary

- ❖ The total South Africa's (SA) box office receipts in the first half of 2017 were R568.1 million, down 3% compared to 2016;
- ❖ A total of 106 films were released in South African cinemas, out of these only 10 were SA produced;
- ❖ Of the 10 SA produced films, 40% (4) of the films were partially NFVF funded earning R22.9 million in total at box office;
- ❖ The box office share of SA produced films was 5%, down from 7% in 2016.
- ❖ The top earning releases in 2017 were Fast and Furious 8, Beauty and the Beast, as well as Fifty Shades Darker;
- ❖ Action was the most popular genre among SA cinema-goers in 2017, followed by Action/Adventure and Animation. Drama films had the highest proportion of releases;
- ❖ A total of 23 3D/4DX/IMAX format films were released in 2017, up from 18 in 2016; their earnings accounted for 65% of the box office revenues, up from 54% in 2016;

1. Box Office

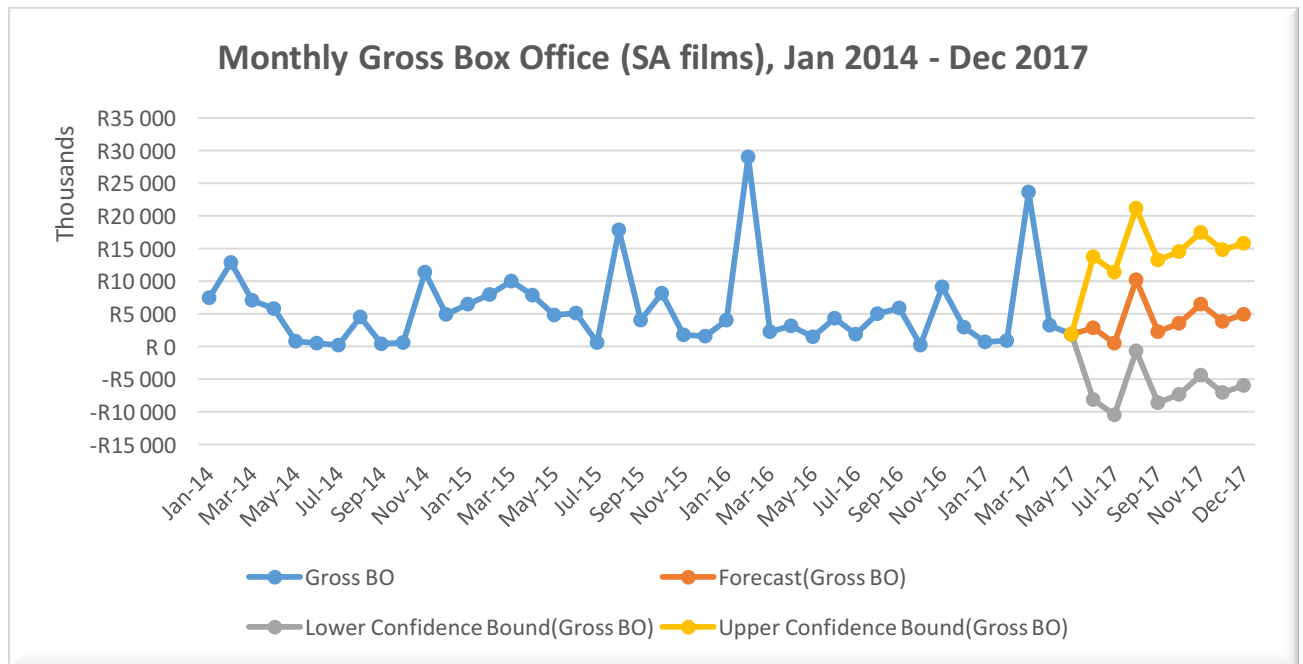
South African films' performance at box office was very sluggish in the first half of 2017. Only 10 local films were released in the first six months with a total box office taking of R30 million, down by 31% on the same period in 2016. The month of January always has the lowest earnings given the fact that it's a back to school month. A significant upsurge in box office earnings was recorded in the month of March with higher earnings of *Keeping up with the Kandasamy's* raking in more box office revenues; and an average of R1.4 million was recorded weekly. After March 2017 monthly earnings dropped significantly, taking a monthly gross box office of less than R3.5 million. In June there was no local film released. In comparison to previous year same period, a noticeable increase was recorded in February and thereafter box office revenues fell below R5 million.

Figure 1: Monthly Gross Box Office in SA H1, 2017



As depicted in figure 2 below, the data points are stationary and mean reverting around R5 million. The confidence intervals means, there is 95% chance that the future revenues will lie between the lower and the upper bound. Thus theatrical revenues are expected to rise by the end of 2017.

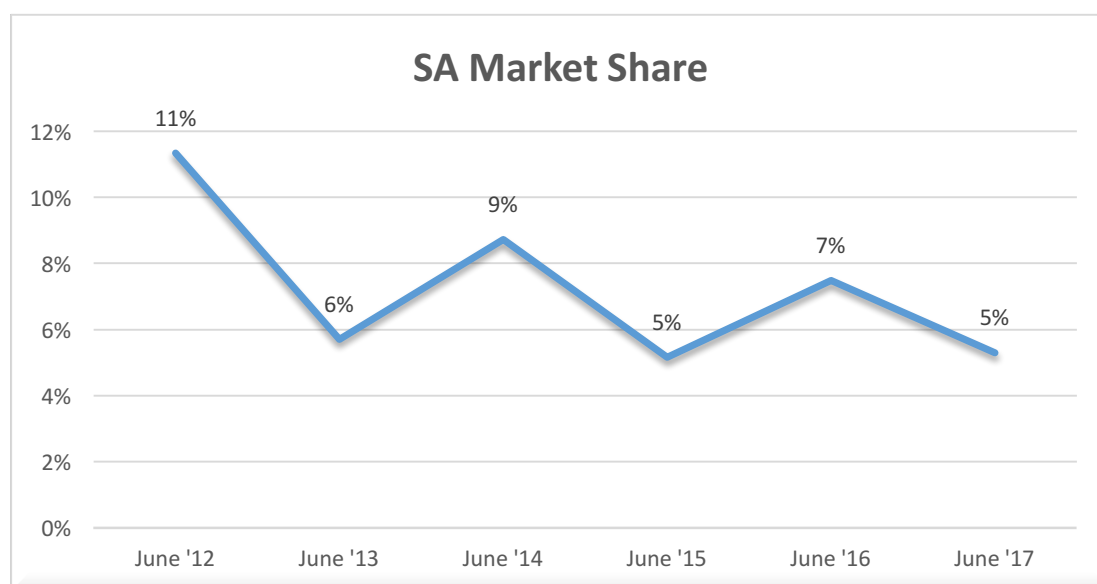
Figure 2: Forecast data



2. Market Share

The fluctuating pattern of SA market share is highlighted in Figure 2 below with the half yearly figure dependent on a small number of high grossing titles. At 5%, the market share for SA produced films in 2017 was down from 7% in 2016. This figure market share represent a total of 10 films release with box office earnings of R30.0 million from a total of R568.1 million (up to 10 July 2017).

Figure 3: SA Market Share



2.1 Market share by distributor (International + local)

Films released through Ster Kinekor earned the largest share of South Africa's box office in 2017 (38%) with a gross taking of R214.1 million. Another large share (26%) was taken by Times Media Film with a box office gross of R150.1 million. Conversely, UIP also accounted for 26% of the box office earnings taking R148.6 million. Black Sheep, Crystal Brooke, Indigenous Film and Forefront Media were the lowest.

Table 1: Market Share by distributor (total)

Market Share by Distributor			
Distributor	Number of Releases	Gross Box Office	Market Share
Black Sheep	5	R18 435 011	3,24%
Crystal Brook	4	R10 016 701	1,76%
Forefront Media Group	1	R216 266	0,04%
Indigenous Film Distr.	4	R26 428 429	4,65%
Ster-Kinekor	37	R214 149 236	37,69%
Times Media Films	39	R150 198 382	26,44%
UIP	16	R148 667 648	26,17%
Total	106	R568 111 673	100,00%

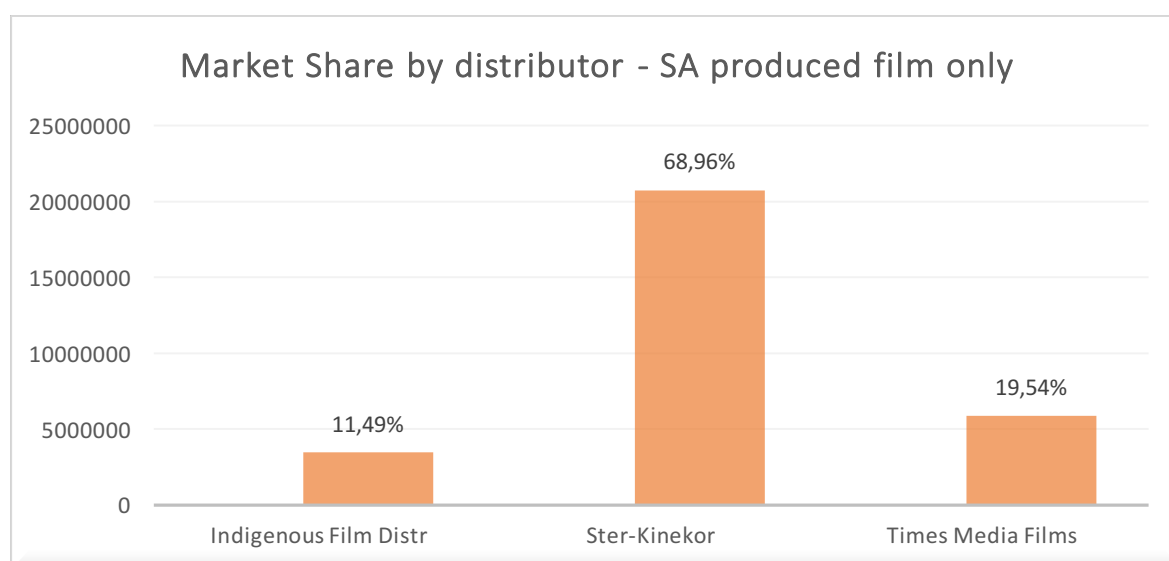
Source: NFVF

Box Office Gross = Cumulative gross up to 10 July 2017

2.2 Market share by distributor (SA only)

Again, Ster Kinekor was the leading distributor for locally produced film with 5 titles distributed, earning R20.7 million, and accounting for 69% market share. Times Media distributed 3 titles, earning R5.9 million and accounting for 20% market share. In third place was Indigenous Films distributing 2 titles, earning R3.5 million, and taking 11% market share.

Figure 4: Market share by distributor (SA only)



3. Top Films

Table 2 below lists the top earning movies based on gross box office during the first half of 2017 (up to 10 July). The top three films were: *Fast & Furious 8*, earning R72.8 million. The second highest earning film was *Beauty and the Beast*, earning R37.8 million. *Fifty Shades Darker*, took R32.9 box office gross making it the third highest grossing film. *Keeping up with Kandasamy's* was the only local film that made it to the Top 20, taking R16.3 million box office gross.

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Table 2: Top 20 Films in SA

Top 20 Films released in SA, H1 2017			
Movie Title	Country of Origin	Cumulative GBO	Distributor
Fast & Furious 8 (incl IMAX & 4DX)*	USA	R72 885 515	Ster-Kinekor
Beauty and the Beast (incl. 3D, IMAX & 4DX)	UK/USA	R37 864 712	UIP
Fifty Shades Darker	USA	R32 978 908	UIP
Boss Baby (incl. 3D)*	USA	R26 825 281	Times Media Films
XXX: The Return of Xander Cage (incl 3D, Imax & 4DX)	USA	R22 953 642	Indigenous Film Distr
Guardians of the Galaxy (incl. 3D, IMAX & 4DX)*	USA	R20 230 142	Ster-Kinekor
Kong: Skull Island (incl. 3D & IMAX)	USA	R19 635 780	Times Media Films
Wonder Woman (incl. 3D, IMAX & 4DX)*	UK/USA	R17 952 379	Times Media Films
Smurfs: The Lost Village	USA	R16 716 678	Ster-Kinekor
Pirates of the Caribbean: Salazar's Revenge (incl. 3D, IMAX & 4DX)	UK/USA	R16 558 452	Ster-Kinekor
Keeping up with the Kandasamy's	SA	R16 348 848	Ster-Kinekor
Logan: The Wolverine (incl. 4DX & IMAX)	USA	R15 835 689	Times Media Films
Baywatch*	USA	R15 252 704	UIP
Despicable Me 3	USA	R14 615 751	UIP
Transformers: The Last Knight (incl. 3D & IMAX)*	CHINA/UK/USA	R13 619 844	UIP
John Wick: Chapter Two	USA	R12 831 200	Ster-Kinekor
Cars 3 (incl. 3D)*	USA	R12 751 748	Ster-Kinekor
The Mummy (incl. IMAX)	UK/USA	R11 625 551	UIP
The Great Wall (incl. 3D & IMAX)	CHINA/USA	R9 336 276	Crystal Brook
The Lego Batman Movie	DEN/USA	R8 453 718	Times Media Films

Source: NFVF, Ster Kinekor, Box Office Mojo

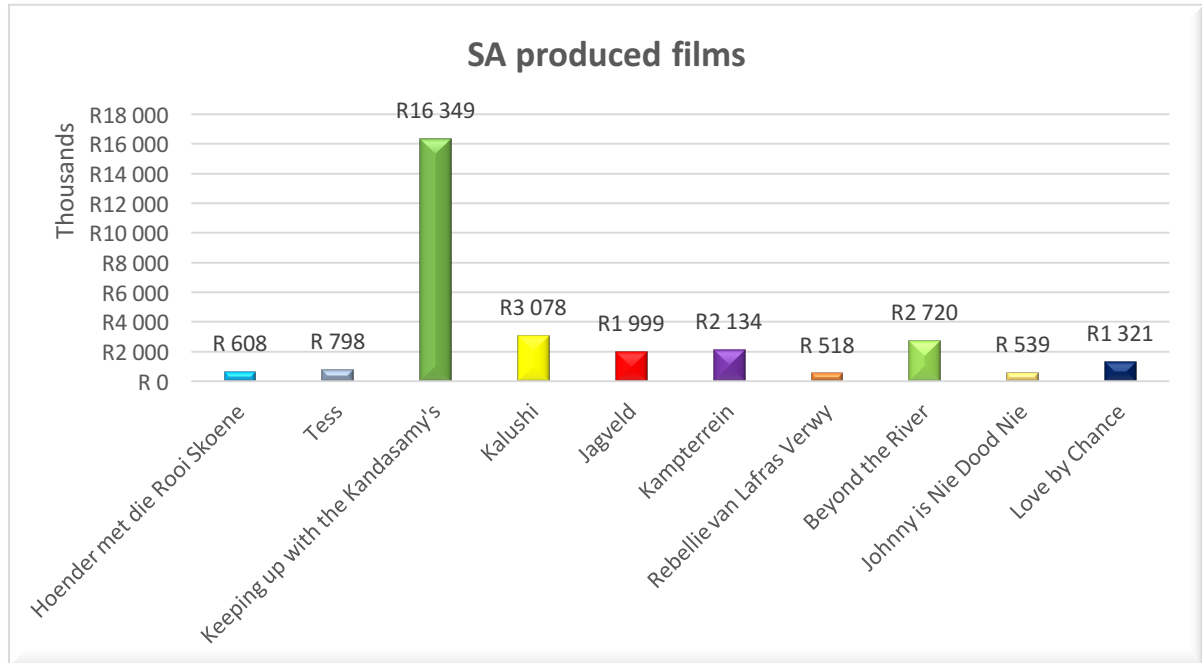
Box Office Gross = Cumulative gross up to 10 July 2017

Films with an asterisk (*) were still being exhibited on 10 July 2017

3.1 Performance of SA films

Given the depressing economic outlook, weak domestic economic growth, and job losses have left consumers vulnerable. As a result of weak economy, consumers have less disposable income to spend as the cost of living has become very expensive. Consequently consumers will spend more on essential items and less on entertainment; therefore it is likely that cinema goers will experience contraction in spending of movie tickets. Figure 5 below shows performance of SA produced films in the period under review. Box office gross for locally produced films dropped significantly by 31% to R30.0 million (down from R43.8 million same period last year). Most local films had a tough time at the box office, as a result not performing very well, their earnings were even below R3.5 million. From the 10 local films released, 4 of them were NFVF funded. One local film managed to perform quite well, *Keeping up with the Kandasamy's* earning R16.3 million.

Figure 5: Performance of SA produced films



4. Genre classification

Table 2 shows the relative popularity of different genres at the box office in SA. The pattern of box office by genre each year is usually determined by a small number of high grossing releases. Action was the top earning genre in 2017 with a combined gross of R114.9 million. Action/Adventure was the second highest earner with a gross of R114.5 million and animation was third with R103.8 million. Drama films had the highest proportion of releases (30 releases) but earned only 7% (R41.9 million) of the total box office gross.

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Table 3: Top performing films by genre

Top 20 Films Released in SA by Genre			
Genre	Number of Releases	Gross Box Office	Top Performing Title
Action	7	R114 981 132	Fast & Furious 8 (incl IMAX & 4DX)*
Action/Adventure	8	R114 541 212	XXX: The Return of Xander Cage (incl 3D, Imax & 4DX)
Animation	9	R103 811 656	Boss Baby (incl. 3D)*
Adventure	3	R60 743 095	Beauty and the Beast (incl. 3D, IMAX & 4DX)
Drama	30	R41 906 224	Lion
Romance	2	R33 482 646	Fifty Shades Darker
Comedy	8	R28 885 224	Keeping up with the Kandasamy's
Action/Sci-fi	2	R16 874 850	Transformers: The Last Knight (incl. 3D & IMAX)*
Comedy/Drama	8	R8 932 367	A Dog's Purpose
Musical	1	R8 260 035	La La La Land
Action/Comedy	3	R7 471 743	Monster Trucks
Crime/Drama	3	R4 487 327	Sleepless
Horror	3	R4 110 215	Get Out
Drama/Thriller	4	R3 592 886	Kalushi
Sci-fi	1	R2 963 685	Alien: Covenant (incl. IMAX)
Horror/Thriller	2	R2 933 588	Split
Romantic/Thriller	1	R2 528 087	Allied
Sci-fi/Thriller	1	R1 928 902	Life
Thriller	1	R1 456 804	Unforgettable*
Adventure/Sci-fi	1	R1 120 773	The Space between us

Source: NFVF, Ster Kinekor, Box Office Mojo

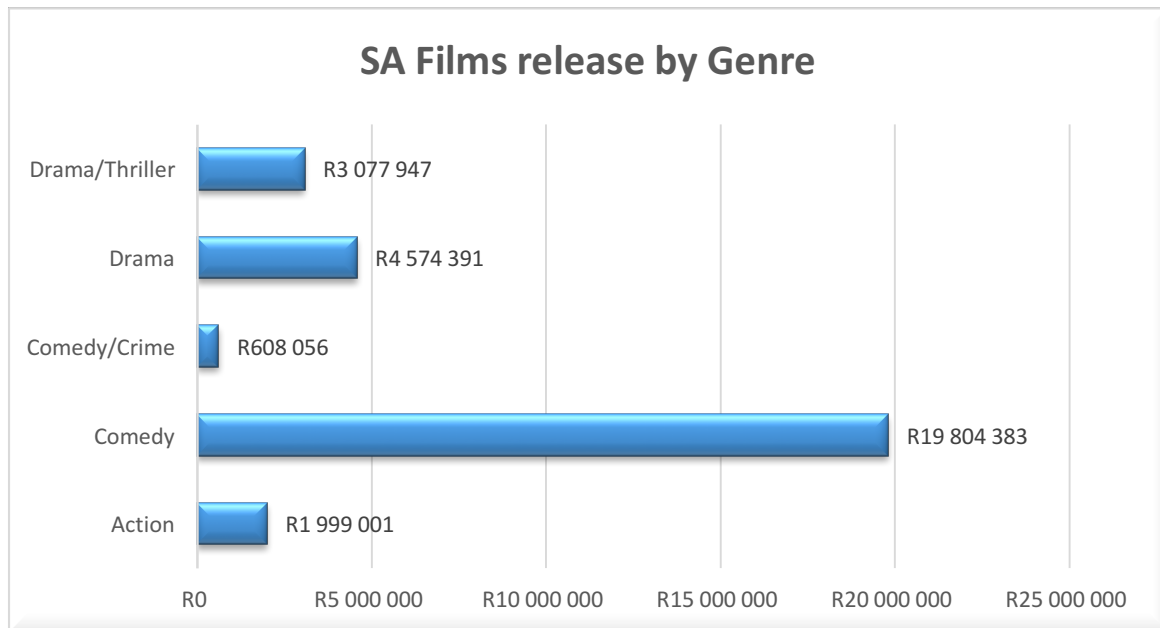
Box Office Gross = Cumulative gross up to 10 July 2017

Films with an asterisk (*) were still being exhibited on 10 July 2017

4.1 SA films released by genre

A wide range of selection from different genres was available to the South African audiences. As depicted in figure 6 below comedy was the top earning genre earning R19.8 million of box office gross. Drama was the second top earning genre, with only 4 titles, taking R4.5 million. In the third place was drama/thriller earning R3.0 million with 1 title released under that genre.

Figure 5: SA Films released by Genre



4.2 3D/4DX/IMAX Format

Table 4 shows box office revenues in 3D format, which gives a good indication of how 3D/4DX/IMAX perform in the market. The 3D/4D/IMAX releases recorded a significant 65% of the box office gross in the first half of 2017 taking R368.2 million. There were only 23 titles released this year. The top three popular releases with highest gross was *Fast and Furious 8*, *Beauty and the Beast*, and *Boss Baby*.

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Table 4: 3D, 4D and IMAX Format

3D, 4DX & IMAX Films Released in SA			
Movie Title	No# of Weeks	No# of Screens	Cumulative GBO
Ballerina (incl. 3D)	13	89	R7 356 729
Monster Trucks (incl. 3D)	11	82	R5 112 208
XXX: The Return of Xander Cage (incl 3D, Imax & 4DX)	12	108	R22 953 642
Resident Evil: The Final Chapter (incl 3D & Imax)	4	70	R3 255 006
The Lego Batman Movie (incl. 3D)	7	100	R8 453 718
The Great Wall (incl. 3D & IMAX)	10	96	R9 336 276
Logan: The Wolverine (incl. IMAX & 3D)	10	115	R15 835 689
Rock Dog (incl. 3D)	6	71	R5 840 533
Kong: Skull Island (incl. 3D, 4DX & IMAX)	8	119	R19 635 780
Power Rangers (incl. 4DX)	5	78	R6 119 645
Smurfs: The Lost Village (incl. 3D)	7	114	R16 716 678
Ghost in the Shell (incl. 3D & IMAX)	8	90	R8 021 571
Boss Baby (incl. 3D)*	13	99	R26 825 281
Beauty and the Beast (incl. 3D, 4DX & IMAX)	10	133	R37 864 712
Fast & Furious 8 (incl IMAX)*	12	113	R72 885 515
Guardians of the Galaxy (incl. 3D, IMAX & 4DX)*	9	122	R20 230 142
King Arthur: Legend of the Sword (incl. 3D)	5	97	R6 319 931
Alien: Covenant (incl. IMAX)	3	90	R2 963 685
Pirates of the Caribbean: Salazar's Revenge (incl. 3D, IMAX & 4DX)	6	113	R16 558 452
Wonder Woman (incl. 3D & IMAX)*	5	107	R17 952 379
The Mummy (incl. IMAX)	4	102	R11 625 551
Cars 3 (incl. 3D)*	3	114	R12 751 748
Transformers: The Last Knight (incl. 3D & IMAX)*	2	112	R13 619 844

Source: NFVF, Ster Kinekor, Box Office Mojo

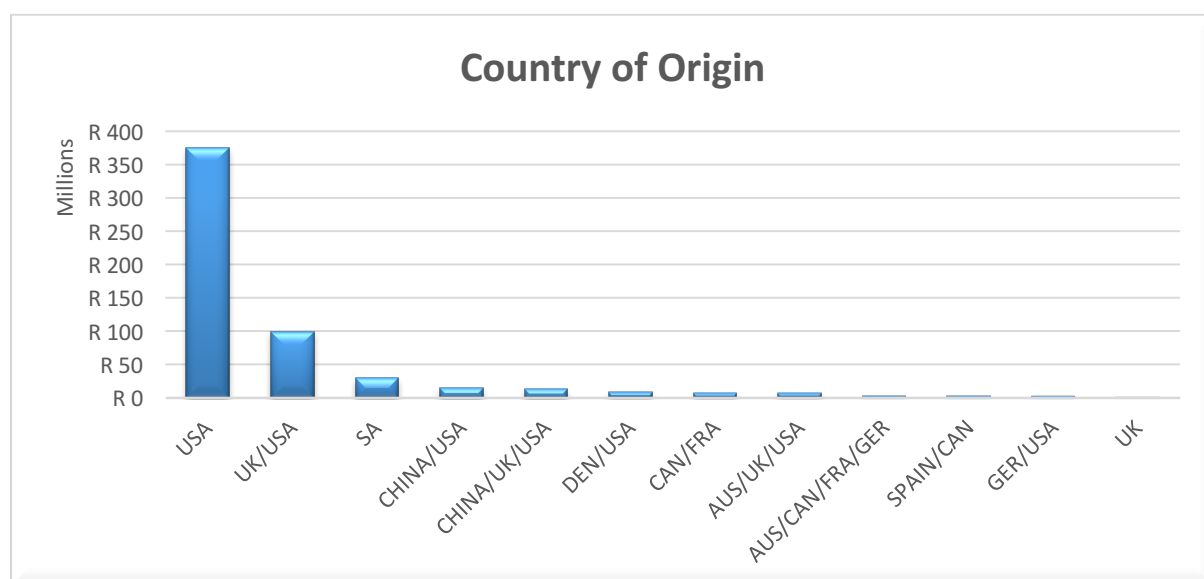
Box Office Gross = Cumulative gross up to 10 July 2017

Films with an asterisk (*) were still being exhibited on 10 July 2017

5. Country of Origin

As figure 6 shows, most of films released in SA in 2017 were of USA origin and these films accounted for 66% (R373.9 million) of total box office earnings. UK/USA films, had 13 films released and accumulated a share of 18% of the box office revenue. SA had 10 films released and accounting for 5% of the box office.

Figure 6: Country of origin



6. Indigenous Language

Afrikaans language films are the most popular at cinema with a release of 6 titles in the first half of 2017. 3 film were released in English with the, top earning local comedy, *Keeping up with the Kandasamy's*. There was only one film in IsiZulu/English, *Beyond the River*.

Table 6: Indigenous language

Indigenous Language		
Language	Count of Language	Cumulative GBO
Afrikaans	6	R6 596 169
English	3	R20 748 026
IsiZulu/English	1	R2 719 583
Total	10	R30 063 778

Source: NFVF

Box Office Gross = Cumulative gross up to 10 July 2017

7. Conclusion

The performance of local films at box office was very weak, reflecting a gloomy picture in the first half of 2017 with most of the local films earning less than R3.5 million. This could be attributed to the weak economic growth and depressing economic outlook. Foreign film performed quite well with only 1% decline from previous period. There have been no major highlights or any new trends that have emerged during this period. However, based on the forecasted data we expect a positive growth on theatrical revenues by the end of 2017. A list of local films the audience can look forward to, are as follows: Nul Is Nie Niks Nie, Van Der Merwe, The Wound, Krotoa, Finders Keepers, Nommer 37, Pop, Lock 'n Roll, Vaya, Liewe Kersfeesvader.

Notes:

1. Gross box office data supplied by Ster-Kinekor and Box Office Mojo
2. Country of Origin as supplied IMBD for the purpose of analysis
3. Genre Classification as supplied by Box Office Mojo and IMDB for the purpose of analysis

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