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MOVIEPASS: DISRUPTION THROUGH SUBSCRIPTION[1]

Ram Subramanian wrote this case solely to provide material for class discussion. The author does not intend to illustrate either effective or ineffective handling of a managerial situation. The author may have disguised certain names and other identifying information to protect confidentiality.

On August 7, 2018, MoviePass Inc. (MoviePass), the New York City–based movie ticket subscription service, announced that it would restore its popular US$9.95[2] per month plan, but in a change from the past, subscribers would be restricted to three movies a month instead of having access to an unlimited number of movies. In announcing the new pricing plan, MoviePass's chief executive officer (CEO), Mitch Lowe, noted that the new plan would reduce MoviePass's cash burn rate by 60 per cent and help make its path to profitability "more manageable."[3]

While the summer of 2018 was the second-best year ever for the movie business, with $4.8 billion in ticket sales,[4] MoviePass faced significant challenges in its role as a disruptor. The first challenge was internal. MoviePass was losing cash at a rate that caused its parent company's auditors to express concerns about its ability to continue operating.[5] The second was external. AMC Entertainment Holdings Inc. (AMC), the world's leading theatre chain, had recently launched its own subscription service to compete with MoviePass. While MoviePass had a massive lead in terms of its number of subscribers, AMC had significant financial advantages in its pricing plan and unit economics.[6]

Lowe had been charged with increasing MoviePass's subscription base to 5 million (from its current 3.2 million), which would enable the company both to offer analytical information about moviegoers' likes and dislikes to theatres and movie studios and to receive a share of theatres' concession and other revenues in return for driving traffic to the theatres.[7] Lowe and his team needed to find a way to reach this subscription goal ahead of the competition and before the company ran out of capital.

THE MOVIE EXHIBITION INDUSTRY

The movie exhibition industry in the United States consisted of businesses that enabled audiences to see movies in indoor, drive-in, and outdoor movie theatres. According to an IBISWorld report, the industry was expected to generate revenues of $17.5 billion in 2018—representing a 2.7 per cent per year growth rate since 2013. However, its annual growth rate was expected to drop to 0.7 per cent due to a variety of industry-specific and external factors, and the average ticket price remained steady at $9.00 in 2018.[8]

IBISWorld noted that consumers aged 40 and older represented 41 per cent of moviegoers and were the largest demographic for the movie exhibition industry; they were followed by consumers in the 25–39 age group (23 per cent) and those aged 18–24 (12 per cent), who had the highest per-person movie average of 6.5 movies a year.[9] In what was seen as a positive trend for the business, the report noted that the 40 and older age group had the largest disposable income of the various groups and was the least likely to be attracted by technology-based substitutes for watching movies in theatres, such as streaming content via Netflix Inc. (Netflix) and other popular services.[10] According to the Motion Picture Association of America, 51 per cent of the population identified themselves as "occasional" moviegoers who saw a theatrical movie less than once a month, 29 per cent were non-moviegoers, 11 per cent were "frequent" moviegoers who saw a theatrical movie once a month or more, and 9 per cent were "infrequent" moviegoers—that is, they saw a movie once in 12 months. In terms of tickets sold, the "occasional" category accounted for 50 per cent, the "frequent" category for 48 per cent, and the "infrequent" category, 2 per cent. In 2016, the average number of tickets sold per moviegoer per year was 5.3, down from 5.6 in 2015.[11]

Moviegoers had a wide array of options in terms of their viewing experience. They could see movies in a traditional two-dimensional (2-D) format that featured a 35-millimetre screen or (when it was offered) on an enhanced 70-millimetre screen. For an additional $3–$5 charge, they could see movies in a three-dimensional (3-D) format (if offered) or on a much larger IMAX screen (if offered). In addition to different screen types and sizes, there were various sound and dining options (e.g., Dolby sound and AMC DINE-IN theatres).[12]

IBISWorld identified two key external drivers for the movie exhibition industry: per-capita disposable income and number of broadband connections.[13] Movie-going was a leisure activity that depended on household disposable income, which in turn depended on employment income, tax rates, and people's general perception of the economy. IBISWorld noted that per-capita disposable income was expected to increase in 2018, indicating a positive trend for the industry.[14] A broadband connection enabled access to high-speed Internet that could be used for a wide variety of purposes, including viewing streamed entertainment content. While there were 7.07 million broadband subscriptions (out of 104.71 million total households) in the United States in 2000, this number increased to 109.84 million (out of 126.22 million households) in 2017.[15] The rising penetration of broadband posed a threat to the industry.

Movie exhibitors were part of an industry value chain consisting of studios, which created and produced content, and distributors, who acted as intermediaries between the studios and the exhibitors (see Exhibit 1). Distributors were responsible for marketing movies and handling the administrative tasks of networking between studios and exhibitors (e.g., supplying movie prints and collecting a share of ticket sales). Six major studios—the Walt Disney Company (Disney), Warner Bros. Entertainment Inc. (Warner Brothers), Twenty-First Century Fox Inc. (21st Century Fox), Universal Pictures, Sony Pictures Entertainment Inc. (Sony), and Paramount Pictures Corporation (Paramount)—dominated the industry in terms of both the number of movies produced (e.g., 88 out of 144 widely released movies in 2018) and the market share in tickets (77.23 per cent of wide releases in 2018).[16] The six major studios were also vertically integrated players—that is, they controlled both the process of movie creation (e.g., Disney owned the Marvel, Pixar, and Disney studios) and distribution (Disney's distribution arm was Buena Vista Pictures).[17]

Ticket price revenue was split roughly 50:50 between exhibitors on the one side and distributors and studios on the other. Exhibitors made about two-thirds of their total revenues (66.8 per cent) from their share of ticket sales, 21.1 per cent from concessions, 10.9 per cent from parking and theatre rentals, and 1.2 per cent from advertising.[18]

Movie exhibitors negotiated with studios for favourable theatrical release windows. Within this window—usually the first three to four months after a movie's release—theatres were the exclusive channel for exhibiting a movie. This time window protected movie theatres from competition from other forms of exhibition such as online streaming, premium cable channels, and digital video disc (DVD) sales or rentals. The theatrical release window was a bone of contention between the studios and the theatres[19].

Three players—AMC, Regal Entertainment Group (Regal), and Cinemark Holdings Inc. (Cinemark)—accounted for over 60 per cent of the market share in the movie exhibition industry.[20] With a 29.4 per cent market share, AMC, owned by the Chinese conglomerate Dalian Wanda Group, was the largest player in the world.[21] It owned 906 theatres with 10,558 screens (including 196 IMAX screens) in the United States and Europe and reported operating income of $266.82 million on revenues of $5.137 billion in fiscal year (FY) 2018.[22] However, with 7,267 screens (96 IMAX screens) across 561 theatres in the United States and a market share of 18.5 per cent, Regal was the largest domestic player. Regal reported operating income of $335.20 million in FY 2018 on revenues of $3.234 billion.[23] Cinemark, with a market share of 13.6 per cent, operated 539 theatres with 5,998 screens (15 IMAX screens)[24] and reported operating profits of $341.08 million on revenues of $2.37 billion in 2018.[25]

THE SUBSCRIPTION ECONOMY

Following the Great Recession of 2008–09, a few pioneering companies in the industry attempted to overcome growth roadblocks by persuading customers to join subscription plans.[26] While leasing cars and renting homes had been common practices since long before the economic downturn, these companies sought to convince customers to subscribe to products and services that they had not previously thought of as being subscription-based. Two basic tenets drove the popularity of the subscription economy[27]. First, the subscription model had the advantage of overcoming consumers' reluctance to make a big investment upfront. For a small monthly payment, subscribers could use the product or the service, which they would not have had access to in the absence of such a model. Second, subscriptions enabled consumers to access state-of-the-art products and services as and when they became available. For example, software clients could afford the latest version of software because they had no legacy costs with respect to outdated products.

Citing the US market research company Forrester Research Inc., author Tien Tzuo provided a strong rationale for the growth of the subscription economy:

> Forrester sees a broad, systemic shift in capital models pivoting toward serving a newly empowered generation of customers who have the ability to price, critique, and purchase anytime, anywhere. . . . Customers have new expectations. . . . They want the ride, not the car. The milk, not the cow. The new Kanye music, not the new Kanye record.[28]

A McKinsey report identified three types of subscription models: replenishment, curation, and access. Replenishment subscriptions such as Dollar Shave Club and Amazon Subscribe & Save enabled customers to automate the purchase of regular items such as razors or packaged goods. A curation subscription such as Birchbox (cosmetics) or Blue Apron (meal kits) gave customers a regular selection of carefully selected items. Access subscribers obtained lower-priced or members-only goods from services such as NatureBox, which offered cookies and dried fruits (see Exhibit 2). The subscription economy generated more than $2.6 billion in revenues in 2016, a growth of more than 100 per cent a year since 2011. The typical subscription customer was 25–44 years old and had an annual income of $50,000–$100,000.[29]

The subscription model offered a number of benefits for supplying firms. It allowed them to build deeper relationships with customers by analyzing their buying preferences. As Tzuo pointed out, the interaction between traditional businesses and their customers ended the moment the transaction took place:

> Ninety percent of all Americans live within twenty minutes of a Walmart store. Walmart . . . serves more than 140 million shoppers a week. . . . This is a company with decades of institutional experience with supply chains, transport logistics, inventory management. It knows how to buy and sell products. . . . But what was the last thing you bought at Walmart? They certainly couldn't tell you. To Walmart, you're basically just a vehicle for dispensing inventory. Once you pass the cash register, you vanish off the map.[30]

In contrast, subscription companies maintained ongoing relationships with their customers, which enabled them to catalogue customers' preferences using data analytics and to offer customized marketing messages in addition to products and services. In addition, unlike inventory for sale companies, which essentially started each fiscal year with zero sales, subscription companies carried over revenue from continuing subscribers from year to year.

MOVIEPASS'S BACKGROUND

In 2011, Stacy Spikes, a movie marketing executive, had the idea for a subscription model for movie-going—a Netflix of movie theatres—and started a company called MoviePass with his partner, Hamet Watt. The fledgling entrepreneurs' first two attempts were not successful. In their first attempt, 19,000 people in San Francisco signed up for their offer of one 2-D movie a day for a flat monthly fee, but theatre owners pushed back and refused to honour the tickets. MoviePass had purchased the tickets in bulk from a third-party supplier, and they were unable to implement their plan. Their second attempt also failed when both moviegoers and theatre box office operators balked at the cumbersome processes that required moviegoers to print out individual tickets and box office operators to manually key in long lists of numbers. Their third iteration involved a smartphone application (app) and a debit card. For $29–$34 a month, each moviegoer downloaded the MoviePass app, input their details, and received a debit card to use at the theatre. When a patron was in the vicinity of a movie theatre, the Global Positioning System (GPS)-enabled MoviePass app displayed the choice of nearby movie theatres and movies and unlocked the debit card for 30 minutes to enable the purchase of a ticket. Within this 30-minute time frame, MoviePass loaded the patron's debit card with enough funds to buy a regular-priced ticket.[31] Since an average ticket price in 2011 was around $8, MoviePass would start losing money from the patron's fifth movie ticket[32]; Spikes and Watt convinced early investors of the validity of their business model:

> We've studied this and similar subscription businesses for a while and have conclusive data that reinforces our strong subscription model that includes incremental revenue streams. . . . We believe the best way to have a successful business model is to have multiple revenue streams. This model is very similar to that of a studio that is focused on more than just box office ticket sales. . . . Apart from the subscription service, we have three planned revenue streams: advertising, sell-through and data. It's definitely not a one-trick pony.[33]

The founders reiterated the importance of data and revenue from data analytics as key components of their business model:

> But what's really the beauty of this is the data. Just like Google can measure analytics online, we can do that for movie theatres. Ninety-six percent of movie ticket transactions are walk-ups; they're the equivalent of cash transactions that don't leave data trails. Our technology lets us say, "This is the type of people who are going, this is when they went, this is what time of day it was." We can break it up by age, by race, by sex. The only thing we can't tell you is what they ate for lunch and what their blood type is.
>
> We've met with some of the studios and the chains. Right now, they know what their gross numbers are and some generalities about their demographics, based on which theatres customers visit and how many tickets were sold. They don't really know more than that. But we do.[34]

MoviePass's traction was adversely affected by a lack of co-operation from the theatre chains. However, in late 2014, AMC, the number-two chain in the United States, behind Regal, reacted to the 5 per cent drop in movie attendance by agreeing to co-operate with MoviePass. The agreement enabled a patron, for $45 a month, to see any number of movies, including 3-D and IMAX films.[35]

Even with a first-mover advantage and the agreement with AMC, MoviePass's subscriber growth was slow. In June 2016, with fewer than 20,000 subscribers, founders Spikes and Watt sought help and recruited Lowe to be the company's CEO.[36] Lowe had been a co-founding executive at Netflix and president of Redbox Automated Retail LLC prior to becoming first an adviser and later the CEO of MoviePass.[37]

Lowe and the MoviePass team spent much of 2016 and the first half of 2017 experimenting with various pricing models. Meanwhile, on August 15, 2017, the company announced that Helios and Matheson Analytics Inc. (HMNY) had bought a majority stake. On the same day, MoviePass launched its $9.95 per month price.[38]

HMNY was a big data firm headquartered in New York City. It had undergone a number of ownership and name changes (e.g., it was known as A Consulting Team in the early 1980s) and had grown via acquisitions. A key acquisition, in November 2016, was Zone Technologies, a GPS-driven, real-time crime and navigation map app. Following this acquisition, Zone Technologies's CEO, Ted Farnsworth, became HMNY's CEO and chair of its board. To fund the MoviePass acquisition and help finance its growth, HMNY sold $150 million of stock at a discounted price of $2.75 a share (reduced from its previous market closing price of $3.83).[39]

MOVIEPASS'S BUSINESS MODEL

Customers went through a series of steps to use MoviePass to watch movies. The first step involved signing up for the service, either the monthly "pay as you go" plan or an annual plan. The customer was then mailed a zero-value MasterCard debit card that needed to be activated prior to its use.[40]

Using the Card

The customer used the MoviePass app, available on both Android and iOS interfaces, to search for movies and theatres. Once customers were within 90 metres (100 yards) of a theatre, they could use the app to activate their debit card. When activated, MoviePass loaded the debit card with the exact value of a single full-price ticket, and the debit card could then be used to purchase a ticket at the theatre box office.[41]

MoviePass customers had some restrictions: each customer could use the debit card only to buy a single ticket for a 2-D movie; 3-D and IMAX movies were not included. While customers could see multiple movies or the same movie multiple times, they could see only one movie a day. The card was not transferable and could not be used for concession purchases, parking, or for any other activity. Customers were not allowed to use the cards to make advance reservations. However, there were no blackout dates.[42]

Pricing

For the first five years of its existence, MoviePass offered subscribers a monthly price of $29–$34 (depending on the subscriber's location). In August 2017, the price was dropped to $9.95 a month—$7.95 a month plus a $19.95 processing fee for an annual subscription. This move resulted in the breakup of the alliance with AMC: the theatre chain posted signs in its theatres saying that MoviePass users were "not welcome here."[43] However, the pricing move was quite popular and prompted 150,000 subscribers to sign up in the first two days and a million in the first four months. The company indicated that millennials made up 75 per cent of its subscriber base.[44]

By April 2018, MoviePass's subscriber base was around 3 million. However, customers were complaining about significant delays in the delivery of membership cards and other service issues, and the parent company's auditors expressed "substantial doubts about its ability to continue as a going concern."[45] In an effort to control the significant net cash outflows, the company changed its pricing plan in July to $14.95 a month and limited subscribers' access to blockbuster movies (i.e., those that opened on 1,000 or more screens). The company started by introducing "surge pricing"—adding a surcharge above the subscription price for blockbuster movies—and then it revealed a plan to block subscribers' access to blockbuster movies during their first two weeks, starting with Paramount Pictures' *Mission: Impossible—Fallout*. As the surcharge rose to $8 a ticket in cities such as New York and Los Angeles, the company's daily subscription cancellation rate doubled. After studying customer responses to the pricing change and analyzing the cancellation rates, MoviePass announced in early August that its subscription price would return to $9.95 a month and that blockbuster movies would no longer be subject to surge pricing. However, the new plan would restrict subscribers to three movies a month. The company announced that subscribers would receive discounts of $2–$5 for any tickets purchased through the MoviePass app after their three films each month[46] (see Exhibit 3).

Finances

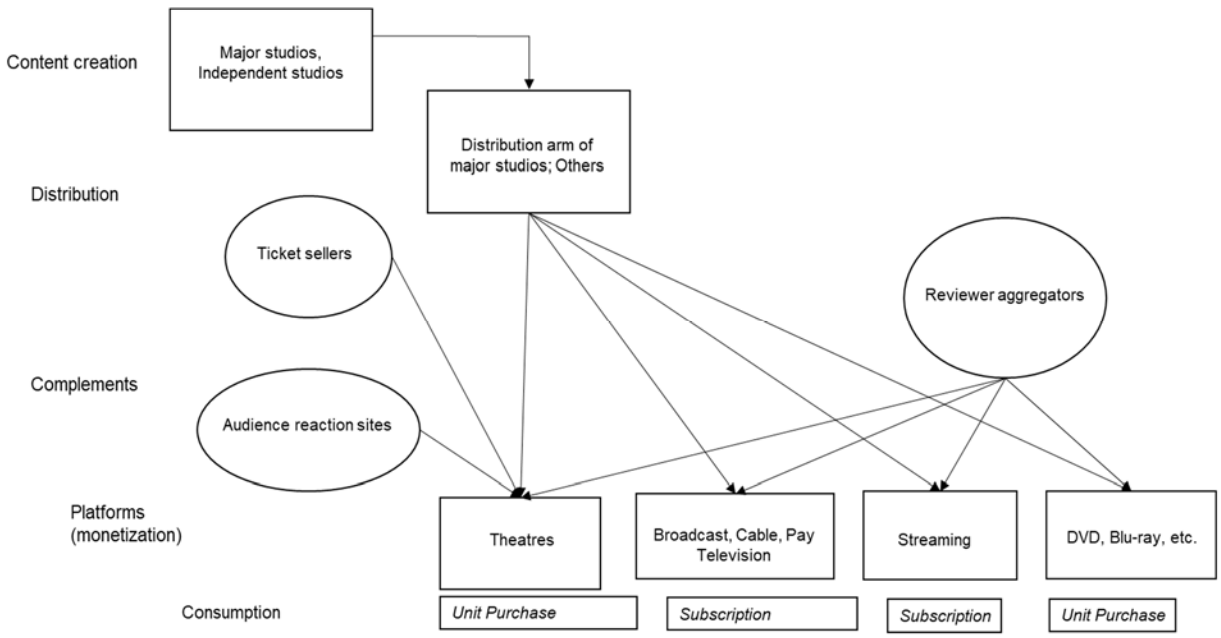
Soon after HMNY, bought a 53.71 per cent stake in MoviePass for $28.5 million in August 2017, MoviePass increased its valuation to $210 million. From August 2017 to February 2018, HMNY loaned the company a total of $90.5 million and subsequently converted the loans to equity. Since MoviePass's valuation had decreased during this time, HMNY was in the end able to acquire 91.8 per cent of the company for a total of $119 million. The remaining stake in MoviePass was purchased by telecommunications company Verizon Communications, which had telephone, wireless, Internet, and cable television businesses, and used a secondary stock offering to fund the MoviePass purchase.[47]

On August 1, 2017, HMNY's closing stock price was $2.80.[48] As its stock price continued to fall, HMNY was in danger of being delisted from the NASDAQ stock exchange.[49] To prevent a delisting, on July 25, 2018, HMNY announced a reverse stock split of one share for every 250 shares previously held. NASDAQ had given HMNY until December 18, 2018, to meet the two mandatory minimum requirements for a stock listing: a market capitalization of $10 million (HMNY was above this threshold on August 7, 2018) and a stock price of $1.[50]

On May 8, 2018, the company announced that MoviePass was running a cash deficit of $20 million–$21 million per month and had a cash balance of $43.4 million. The company also announced that it expected its cash burn to decrease by at least 35 per cent due to a series of measures it had planned, including restrictions on sharing MoviePass subscriptions and changes to the pricing plan.[51] The subsequent pricing change, in August 2018, was expected to decrease the burn rate even more. MoviePass bought tickets at full price from theatre chains and sought to minimize its overhead by employing a small staff and spending very little on marketing and related expenses.[52] The company delayed filing its mandatory financial disclosure forms (e.g., Form 8-K and a quarterly financial report) with the US Securities and Exchange Commission (SEC)[53] (see Exhibit 4).

In contrast to MoviePass, a theatre-based competitor such as AMC would have inherent cost advantages because it would not pay the retail price for tickets whenever subscribers cashed in. In addition, AMC could advertise its subscription in its theatres and offer concession discounts to its subscribers.[54] The advantage for a stand-alone subscription company such as MoviePass was that its subscribers had more theatres to choose from and were not restricted to the issuer's theatre network. But how could Lowe and his team parlay the company's first-mover and wider network advantages to profitability?

EXHIBIT 1: THE MOTION PICTURE INDUSTRY ECOSYSTEM



Note: The Major Studios are comprised of the Walt Disney Company, Warner Bros. Entertainment Inc., Twenty-First Century Fox Inc., Universal Pictures, Sony Pictures Entertainment Inc., and Paramount Pictures Corporation (Paramount).; DVD = digital video disc.
Source: Created by the case author with information from Anna Miller, *IBISWorld Industry Report 51213, Movie Theaters in the U.S.*, 3, 7, April 2018, accessed August 23, 2018

EXHIBIT 2: THE SUBSCRIPTION ECONOMY MODELS

Type of Model	Description	Key Value Proposition	Share of Total Subscriptions (%)	Key Acquisition/ Continuation Triggers	Key Churn Triggers
Replenishment	• regular replenishment of the same or similar items (e.g., Dollar Shave Club) *Primary Categories:* • razors, food ingredients, vitamins	• savings of time and money • convenience (not having to remember to keep stock)	32	*Acquisition* • financial incentive • recommendation *Continuation* • convenience • value for money	• dissatisfaction • preference for buying when needed
Curation	• carefully selected items with a wide array of levels of consumer involvement and decision making (e.g., Birchbox, HelloFresh, Blue Apron) *Primary Categories*: • apparel, food, beauty products	• outsourcing the selection process to experts in the field • exposure to products one may not have heard of	55	*Acquisition* • chance to try something new • recommendation *Continuation* • personalized experience • surprise and delight	• value for money • dissatisfaction
Access	• exclusive access to products and/or services (e.g., Amazon Prime, NatureBox, Thrive Market) *Primary Categories:* • food, apparel	• access to what is not available to the public at large • cost savings	13	*Acquisition* • recommendation • chance to try something new • financial incentive *Continuation* • personalized experience • convenience	• value for money • dissatisfaction • preference for buying when needed

Note: Amazon Prime provided access, while Amazon Subscribe & Save provided replenishment.
Source: Adapted from Tony Chen, Ken Fenyo, Sylvia Yang, and Jessica Zhang, “Thinking Inside the Subscription Box: New Research on E-Commerce Consumers,” McKinsey & Company, February 2018, accessed September 7, 2018, www.mckinsey.com/industries/high-tech/our-insights/thinking-inside-the-subscription-box-new-research-on-ecommerce-consumers; “Schumpeter: The Subscription Addiction,” *Economist*, April 7, 2018, 58.

EXHIBIT 3: COMPETITIVE COMPARISON OF SELECTED MOVIE SUBSCRIPTION PLANS

	Number of Subscribers	Pricing Plans (US$)	Restrictions
Sinemia Turnkey-based start-up that entered the United States in early 2018; present in several European countries	Unavailable	• $3.99/month for one movie • $14.99/month for three movies	• no restrictions on 3-D or IMAX movies • no initiation fee for annual billing • $19.99 one-time fee for monthly billing • accepted in more than 4,000 theatres.
AMC Stubs A-List Launched in summer 2018 by world's largest theatre company	260,000	• $19.95/month for three movies	• subscription can be used only in AMC theatres
Cinemark Movie Club Launched in late 2017 by the number-three theatre company in the United States	350,000	• $8.99/month for one movie • unused tickets roll over • 20 per cent off on concessions • additional tickets can be purchased at $8.99 each	• subscription can be used only at Cinemark theatres • 2-D movies only
MoviePass First mover (launched in 2011); owned by Helios and Matheson Analytics Inc. since August 2017	3.2 million	• $9.95/month for three movies • $2–$5 discount on additional tickets purchased via MoviePass app	• accepted in more than 5,200 theatres • 2-D movies only

Note: All rates as of August 23, 2018.
Sources: Compiled by the case author based on data from Sinemia, "Watch More | 2D/3D Movies | Any Theater," accessed August 23, 2018, www.sinemia.com/new-plans; AMC, "AMC Stubs A-List," accessed August 23, 2018, www.amctheatres.com/amcstubs/alist; cinemark.com/movieclub; MoviePass, "Go See It All," accessed August 23, 2018, www.moviepass.com/; Shen Lu, "MoviePass vs. Sinemia vs. AMC Stubs A-List vs. Cinemark Movie Club," Magnify Money, August 7, 2018, accessed August 23, 2018, www.magnifymoney.com/blog/news/moviepass-amc-cinemark-sinemia-best/.

EXHIBIT 4: HELIOS AND MATHESON ANALYTICS INC. SUMMARY FINANCIAL STATEMENTS (IN US$)

Summary Income Statement	**3 Months Ending March 31, 2018**	**3 Months Ending June 30, 2018**
Revenues:		
Consulting	839,503	829,606
Subscription	47,162,447	72,403,640
Marketing/Promotional Services	1,440,910	935,488
Total	**49,442,860**	**74,168,734**
Cost of Revenue	135,968,976	178,766,719
Gross Profit (Loss)	(86,526,116)	(104,597,985)
Operating Expenses:		
Selling, General, Administrative	19,709,831	20,508,528
Research & Development	224,771	154,693
Depreciation and Amortization	1,271,275	1,377,653
Total	**21,205,877**	**22,040,874**
Operating Profit (Loss)	(107,731,993)	(126,638,859)

Summary Balance Sheet (in US$)	**June 30, 2018**
Current Assets	53,527,304
Other Assets	121,766,285
TOTAL	**175,283,589**
Current Liabilities	138,425,945
Long-Term Liabilities	311,705
Stockholders' Equity	36,555,939
TOTAL	**175,283,589**

Summary Cash Flow Statement (in US$)	**June 30, 2018**
Cash Flow from Operations	(219,209,083)
Cash Flow from Investing	(1,171,098)
Cash Flow from Financing	210,972,318
Opening Cash	24,949,393
Ending Cash	15,512,810

Source: Helios and Matheson Analytics Inc., *Form 10-Q: Quarterly Report for the Quarterly Period Ended June 30, 2018*, United States Securities and Exchange Commission, accessed September 7, 2018, http://mysec.hmna.com/MYSEC/documents/html/hmny20180814_10-Q.htm.

ENDNOTES

[1] This case has been written on the basis of published sources only. Consequently, the interpretation and perspectives presented in this case are not necessarily those of MoviePass Inc. or any of its employees.
[2] All currency amounts are in US dollars unless otherwise specified.
[3] Ben Fritz, "MoviePass Has Fresh Plot to Right the Ship," *Wall Street Journal*, August 7, 2018, B1, B2.
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[9] Ibid.
[10] Ibid.
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[12] Case writer's analysis based on industry trends in Miller, op. cit.
[13] Miller, op. cit.
[14] Ibid.
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[16] Miller, op. cit.
[17] The Walt Disney Company, "About", The Disney Company, accessed September 10, 2019, www.thewaltdisneycompany.com/about/.
[18] Miller, op. cit.
[19] Tom Huddlestone, Jr., "Movie Studios Are Thinking of Shrinking Theatrical Release Windows – Again," Fortune, August 18, 2017, accessed September 12, 2019, https://fortune.com/2017/08/18/warner-bros-universal-apple-comcast-movie-theaters/
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[21] Ibid.
[22] AMC Entertainment, "Corporate Overview," accessed November 14, 2018, www.investor.amctheatres.com/#.
[23] Regal Entertainment Group, "About Regal," accessed November 14, 2018, www.regmovies.com/static/en/us/about.
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[27] Ibid.
[28] Tien Tzuo, *Subscribed: Why the Subscription Model Will Be Your Company's Future—And What to Do About It* (New York: Penguin Random House, 2018), 17.
[29] Tony Chen, Ken Fenyo, Sylvia Yang and Jessica Zhang, "Thinking Inside the Subscription Box: New Research on e-Commerce Consumers," McKinsey & Company, February 2018, accessed November 14, 2018, www.mckinsey.com/industries/high-tech/our-insights/thinking-inside-the-subscription-box-new-research-on-ecommerce-consumers.
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