

A short note on UK cinema admissions during recessions, 1970 to 2007

Research and Statistics Unit, UK Film Council
16 September 2008

The UK saw a rapid decline in cinema attendance in the early 70s. Admissions fell to the lowest level at 54 million in 1984. Since then, admissions rose steadily until a plateau began to emerge in recent years (Figure 1).

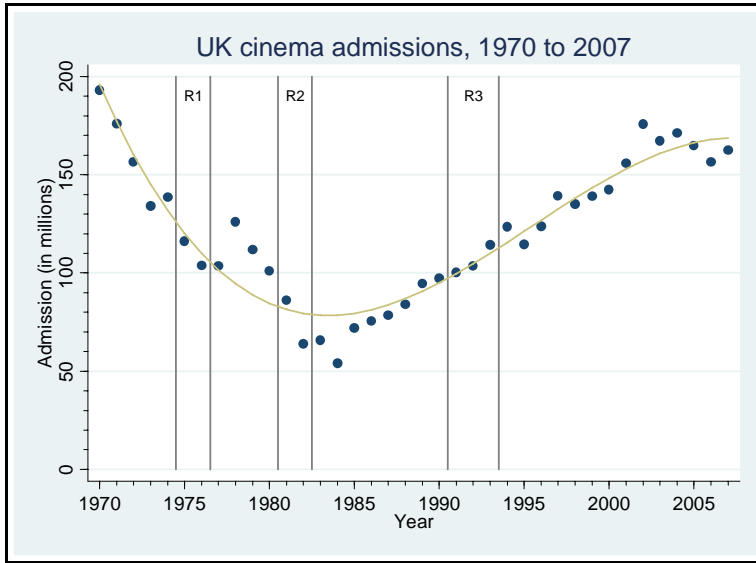
Over these three decades, the UK experienced recessions in 1974–76, 1980–82 and again in 1990–93, as Figure 1 and Table 1 show. An underlying admission trend has been estimated and superimposed in Figure 1 to aid visual inspection. Admissions hovered closely to its trajectory, except for the late 70s and mid 80s.

To comprehensively study the effect of recession on cinema admission would require the modelling of admissions using factors known to be predictive of admissions. This is beyond the scope of this brief note.

However the point to note is that in recessions R1 and R3 cinema admissions did not dip below the trend line, suggesting cinema admissions may be recession-resistant. In R2, admissions did dip, but they continued to dip during the following years of economic recovery, suggesting again that other forces were at work (this coincided with the advent of VHS).

Since 2001 there have been further deviations from trend – a plateau in admissions – but this was not driven by an economic downturn.

Figure 1. UK cinema admissions, 1970 to 2007



Sources: Admission data: BFI, CAA, Nielsen EDI, Screen Finance. GDP data: HM Treasury

Notes: R1 to R3=Recession periods 1 to 3. Trend line is given by fractional polynomial model of degree 3.

Table 1. Constant GDP, 1970 to 2007

Year	Constant GDP	% change from last year
1970-71	5,843	3%
1971-72	5,992	3%
1972-73	6,274	5%
1973-74	6,529	4%
1974-75	6,515	0%
1975-76	6,473	-1%
1976-77	6,659	3%
1977-78	6,817	2%
1978-79	7,022	3%
1979-80	7,228	3%
1980-81	6,967	-4%
1981-82	6,979	0%
1982-83	7,120	2%
1983-84	7,403	4%
1984-85	7,549	2%
1985-86	7,851	4%
1986-87	8,143	4%
1987-88	8,571	5%
1988-89	8,920	4%
1989-90	9,113	2%

1990-91	9,077	0%
1991-92	9,028	-1%
1992-93	9,049	0%
1993-94	9,343	3%
1994-95	9,726	4%
1995-96	9,993	3%
1996-97	10,253	3%
1997-98	10,605	3%
1998-99	10,932	3%
1999-00	11,341	4%
2000-01	11,712	3%
2001-02	11,933	2%
2002-03	12,234	3%
2003-04	12,608	3%
2004-05	12,910	2%
2005-06	13,210	2%
2006-07	13,644	3%
2007-08	13,990	3%

Source: HM Treasury

Notes:

1. Constant GDP = Money GDP / GDP deflator at market prices of reference year
2. Reference year: 2007-8
3. Periods of recession highlighted in shades.

(end)