

BBS
BROWN BAG SEMINARS

NOELINE SOMME

LIGHTS, CAMERA, SUBSIDIES - ANALYZING THE IMPACT OF SUBSIDIES FROM THE WALLONIA-BRUSSELS FEDERATION ON THE FINANCIAL PERFORMANCE AND QUALITY OF BELGIAN FILMS

Using data on admissions and global box office revenues and two quality scores based on a principal component analysis, this paper investigates the impact of production aids granted by the Centre du Cinéma et de l'Audiovisuel (CCA) on the financial performance and perceived quality of Belgian films released between 2010 and 2019. The study shows mixed results depending on the origin of the film initiative: Belgian-initiated, Flemish-initiated, and foreign-initiated films. Subsidies for Belgian- and Flemish-initiated films slightly increase local admissions, possibly reflecting alignment with local cultural identity or enhanced regional promotion. However, subsidies for Belgian-initiated films have a negative impact on global box office revenues, likely due to cultural and linguistic differences and increased competition. Subsidies for foreign-initiated films show no significant financial effect, suggesting that they serve non-commercial purposes. Film quality is largely unaffected, except for Flemish-initiated films, which show improved overall quality. The overall better performance of subsidies for Flemish-initiated films is attributed to a "double filter" effect, as these films are first evaluated and supported by the Flemish Audiovisual Fund before receiving CCA fund"