

# FOREIGN EXPERIENCES IN THE DEVELOPMENT OF AUDIENTIFICAL MARKETS IN UZBEKISTAN

<sup>1</sup>Mukhamedov Umarkhon Sobitovich, <sup>2</sup>Salaydinov Bakhtiyor Shavkatovich,

<sup>3</sup>Zakirova Sayyora Abdulhakovna, <sup>4</sup>Zunnunova Umida Gulomovna

**ABSTRACT**--*This paper investigates foreign experiences in the development of audientifical markets in Uzbekistan. On this case, foreign experience of audio and audientifical markets in Uzbekistan has been discussed as the whole. In conclusion, comparisons of the foreign experience and Uzbek conditions were illustrated and vivid results were stated.*

**Keywords**--*Audio, market, distribution, audientifical market, Uzbekistan,*

## I. INTRODUCTION

In the system of world art culture, audiovisual art plays its own role. Audiovisual art is a collection of technical and artistic creations. Technical progress is actively influencing the development of audiovisual art. Popularity, democracy, and circulation are characteristics of screen art (film, TV, video, multimedia products).

Audiovisual culture is a multifunctional phenomenon that has taken a prominent place in the social system. Audiovisual culture is characterized as one of the key factors of the information age. The informational function of audiovisual culture is a system of information and communication tools that serves as a means of social information. With the help of audiovisual culture, society has been able to collect and increase information. The role of information function in audiovisual culture is enhanced by computer technology. Thus, modern audiovisual culture is the basis of the information provision of society. The communicative function of audiovisual culture is related to the information function. As a result of the communication function being used as a means of communication between the government and society, various countries, peoples, and social groups, it has led to the rapid development of the social network. Development of forms and methods of communication is one of the most important aspects of human cultural activity. As a result of human development, humanity has acquired a way of absorbing and transmitting information.

The priorities of modernization of Uzbekistan, as envisaged in the strategy of action, require improvement of audiovisual art, as well as creating new opportunities for the industry, as well as in all spheres and sectors. To this end, the Resolution of the President Sh.Mirziyoev “On Measures for Further Development of National Cinematography” dated August 7, 2017 serves as an important legal document for the consistent development of

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<sup>1</sup> senior lecturer, Department of Informatics and management, National Institute of fine art and design named after K. Bekhzod

<sup>2</sup> senior lecturer, Department of Organisation and management of culture and art organization, Uzbekistan State Art and Culture Institute

<sup>3</sup> associated professor of Informatics and management, National Institute of fine art and design named after K. Bekhzod, PhD Techniques

<sup>4</sup> associated professor of Informatics and management, National Institute of fine art and design named after K. Bekhzod

cinema and cinematography in the country, strengthening its material and technical base, training highly qualified personnel. is doing

## II. THEORETICAL BACKGROUND

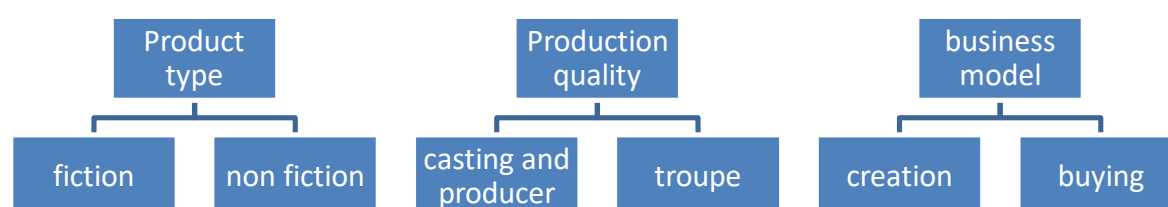
On December 29, 2017, under the chairmanship of the President of the Republic of Uzbekistan Shavkat Mirziyoev was held a meeting dedicated to the analysis of the ongoing work on the development of national cinema and cinema industry and the resolution of existing problems. The President pointed out a number of shortcomings in the film industry. In particular, the relevant officials were given specific instructions on the establishment of cinemas in the regions and districts. It was also criticized that the system of filmmaking is unsatisfactory, which limits the possibility of regular screening of the films being created, in other words, expanding the scope of film services to the population. The number of private studios is also increasing today. This can be seen as a positive thing. However, it was emphasized that without the professional knowledge of the field, it is impossible to achieve the desired results in this field and to create a separate system for this.

For example, film industry is the largest sector in the audiovisual industry. And many researchers are interested in the US film industry, which today dominates the world film industry. For example, in their research, Kerrigan and Özbilgin commented on the question of why America prevails: “Global cinema industry has been the source of much research and has provided much evidence that Hollywood has a high-income product. In recent years, such luck has been lauded for South American and Indian films. But their success is unmatched by US financial gains. The problem that many film industry faces is the lack of entrepreneurial mindset, the lack of desire for most viewers to watch films created in Hollywood other than Hollywood, and the lack of industry structure ”(Kerrigan and Özbilgin, 2003). Many of the audiovisual industry experts are interested in the details of how the Hollywood studio system can be formed and what is driving the global film industry.

## III. MAIN PART

Costs and revenues of TV products. The following plot is used to determine the relationship between the TV product's typology, its artistic quality, its production model, and cost.

Audiovisual markets can be divided into: TV, cinematography and web market.



**Figure 1:** Audiovisual markets can be divided into: TV, cinematography and web market.

When we look at the product typology with regard to costs, the distinction between thought and superstition is clearly visible. While the costs of fiction products are generated through the production process (pre-production, artistic production, technical production, post-production), the pre-production and post-production costs for

nonfiction products are negligible. Low pre-production costs mean that there is no creative element in nonfiction products. Typical direct transmission of nonprofit programs reduces post-production costs. In some cases, this product generates pre-production costs, for example, when purchased from a third party, the acquired right is a major component of pre-production costs.

The high budget for the product budget is spent on artistic and technical production. Their percentages depend on the artistic element rather than the type of program. The involvement of famous and well-known directors and actors can increase the budget of thought products. But the presence of a respected journalist in news broadcasts can increase costs.

The cost of programming also depends on the production model used by the television company. In order to meet the demand for new programs, the TV company creates or buys them by itself, that is, one of the following:

- a. own production: TV company creates and finances the product;
- b. coproduction: TV participates in the production of the company and raises some of the total costs;
- c. Authorized third party: production is contracted to an independent producer but is funded by the TV company;
- d. buy: TV company buys programs from other producer / broadcast companies.

The above alternatives differ in terms of cost and scope.

In its own production and reproduction, the television company directly or indirectly covers all or part of the production costs. All third party costs, including executive producer costs, are covered by the TV company. The two options differ from each other in terms of level of control: the first is direct and free control, and the other is indirect control, which depends on the executive producer. TV companies usually set a limit on production costs, so a third-party producer must keep track of the costs, or any extra costs will be borne by them.

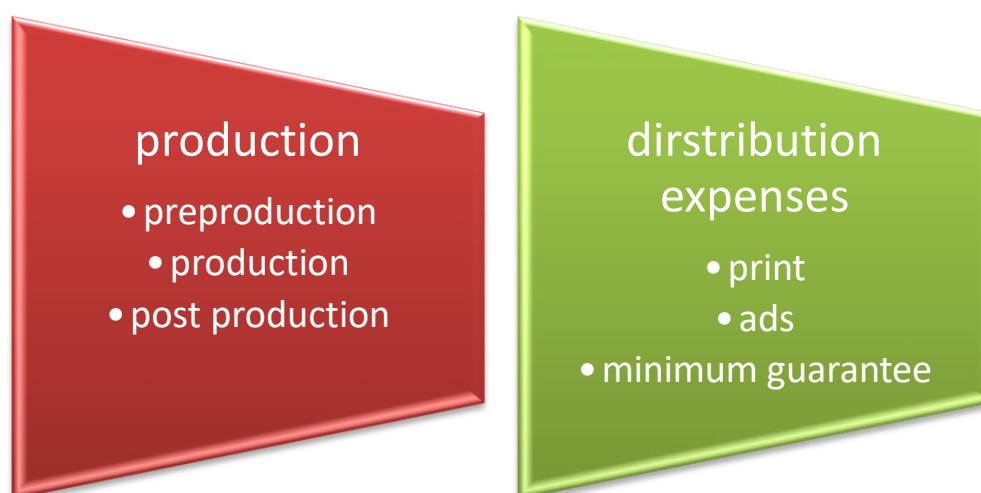
When purchasing a program, the cost of the product is reflected in the purchase price, which is not associated with the cost of the purchase. Cost and price factors for TV products are important in the value of audiovisual products. Choosing a business model for a TV product is actually based on editorial and strategic variables. From an editorial standpoint, they choose their own production model for company-branded programs or to keep track of program content. Typically, the deduction is made for the news program. This approach is justified by the strategic framework. The decision to attract external resources is a medium and long term strategy as it affects the structure and balance of the entire company.

The TV market in Uzbekistan is characterized by a few private and state-owned TV companies and virtually no competition.

Expenses and income of cinematographic products. When it comes to cost and revenue, it is necessary to distinguish cinematography products from traditional thinking products, cartoons and documentaries.

The four production costs analyzed for TV products are the same. There is a slight difference in the cost item, especially in the distribution costs.

Therefore, the costs of cinematographic products are categorized into two types: direct production and distribution costs.



**Figure 2:** products are categorized into two types: direct production and distribution costs.

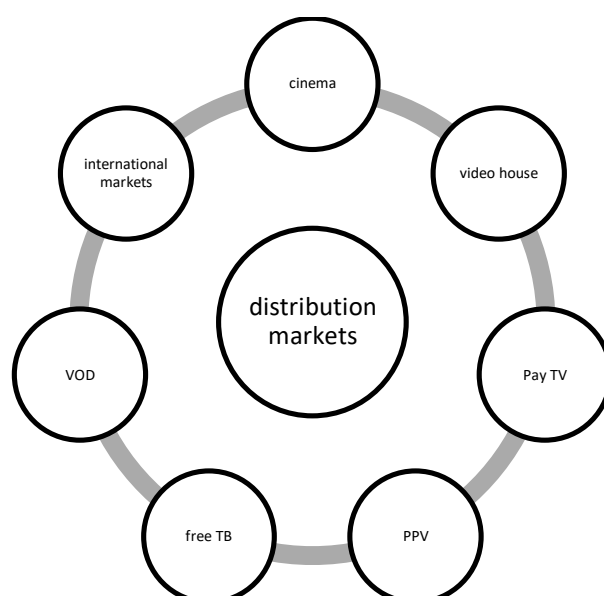
Production costs: Like TV products, they are divided into pre-production, production, and post-production time.

The average cost of a feature film is far greater than that of an animated, documentary or short film. However, large-scale animated films and low-budget feature films can be exemplified. More than the cost item is the director and casting, creative and technical team, lab costs. Lack of cost for actors in documentary and animated films reduces the cost of artistic production, and post production increases. Short films are the cheapest budget because they are made with the participation of young artists.

Distribution costs are attributed to the cost of all the activities associated with going to the cinemas. Distribution costs include the costs associated with filming on a large screen in a given area, in particular access rights (the so-called "minimum warranty"), and the costs of distribution, advertising and marketing to distributors.

Daromd Cinema Products depends on the availability of different distribution markets. There are differences between feature, animated, documentary and short films. Fiction films are one of the most complex and structurally profitable types, with access to different distribution markets. In fact, a feature film can be used in all forms of its use in various markets. Documentaries are mainly broadcast on television and video, with only a few full-length documentaries reaching the cinema. Short films screening will be held as part of special festivals.

The modern distribution model takes into account the differences between products for a particular and universal market. The first type is looking for a channel for a specific market, and the second is circulating the entire distribution chain. Both types of products may not rotate along the line of distribution windows, but will be consistent with the distribution strategy and audience needs.



**Figure 3:** distribution markets

According to a 2011 study by the European Commission, 77% of European film revenues were from cinemas, 14% from video and DVDs, 3% to Pay TV and 5% to free TV. In the US, 34% are from cinemas, 41% from home video and DVD, 17% to Pay TV and 8% to free TV. These figures may not be as relevant today as each product has its own unique potential for accessing different markets.

When it comes to distribution in Uzbekistan, this mechanism still does not work. Costs of audiovisual web products are similar to those of TV and cinema products. The production process is neither isolated nor timed. Pre-production, production and post-production costs also apply to web products.

However, the cost varies slightly depending on the specifics of the web product and the manufacturers. In the traditional model, the author and producer are represented by one person or group of people. The Web product is the result of the work of a well-known author who has done all the stages of the production process and is now known as a "filmmaker". Thus, the filmmaker is a person who performs both original artistic functions and production and distribution. Filmmaking in general is based on teamwork and mutual interest. Control over the whole process allows filmmakers to calculate initial product costs. Because most filmmakers are young and talented freelancers, for the first time, web products are generally low-budget. The costs are mainly due to the technical costs of the authors and the technical costs of the filmmakers themselves. Distribution costs are almost zero. Web products are intended for distribution only on the Internet.

Cost estimates also depend on product duration. The web series consists of episodes that last from 30 seconds to 20 minutes.

Today, media player products, including fashion films and branded web series, are both marketing and communications. These products are supported and funded by media players to expand their content or to promote their brand. Filmmakers have to play the role of "executive filmmaker" and post a specific message on their product in a special way approved by sponsors. Product budget is much higher and depends on sponsors.

Income. Web products bring in less revenue than other types of audiovisual products. Since it is focused exclusively on the web, its distribution channel is also the web. Revenue may come from exercising the right to

use the web platform. The source of revenue, like TV products, is advertising space. If TV products are broadcasted through SWOT, it also includes subscription fees from viewers.

#### **IV. CONCLUSION**

In the case of sponsors' products, including movie films and branded web series, the royalty paid by the filmmaker can also be counted as income.

Hollywood film industry is an example for others as a movie production system with powerful private film studios, strong agents, active professional guilds, world cinema, advanced secondary markets combined with bank capital and diversified capital. So far we do not have such a system. The basic elements in the structure of modern film business are the same for all developed countries. Here it is necessary to pay attention to a separate mechanism of financing.

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