China’s Cinema Watchdogs on the World Wide Web: How Social Networking Sites Weibo and Douban are helping to shape the development of the Chinese film industry

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ABSTRACT
Online communities play an important role in the development of the Chinese film industry in several significant ways. Taking social media as its focus, this article explores three areas of influence: promoting transparency, critiquing and policing. In China, the leaking of private industry documents, such as employment contracts and memos including information about incentives put forth by the State, are shared on social media with the intention of helping to ensure the opacity and integrity of the industry. Furthermore, where State-run media channels in China are heavily censored, film critiques are made possible through less-restricted social media sites such as Douban. Finally, this paper explores the role that users of social media play in policing distributors and cinema chains who are accused of committing box office fraud when Chinese film industry personnel and cinemagoers use social media to call out malfeasance. Thus, this paper contributes to existing research interested in State intervention in the Chinese cinema industry and the consequences of that intervention.

KEYWORDS
China, box office, film industry, social media, censorship, Sina Weibo, Douban

Introduction
Chinese cinema, in line with the country’s economic rise, has experienced a dramatic increase in market share (Frater 2018) and in the sophistication of its infrastructure (Frater 2015a; Beech 2017). In an industry and market that is still dominated by State-censorship and tension between Communist ideology and Capitalist market aspirations, social media technologies offer a platform through which the Chinese film industry and its national audience intersect. The relationship between social media and the development of the Chinese film industry has not been widely documented. Given the size and scale of growth in China’s film market and internet population, the need for academic research in this area seems increasingly important.
since understanding the Chinese market has become a financial imperative not only for the
domestic film industry but for the global film industry at large (Su 2016; Kokas 2017; Beech
2017). China’s box office power is undeniably and foreign film industries, including
Hollywood, recognise the intensifying need to cater to a Chinese audience. As I will
demonstrate, the link between social media and the development of the Chinese film industry
is indeed highly significant as social media services and the online communities comprised
within – in a number of impactful ways – can be viewed as a nexus between Chinese film
audiences, the Chinese film industry and the Chinese government.

In 2008, China surpassed the United States (U.S.) to become the world’s largest internet market
(Barboza 2008) and, as of 2016, more than half the population of China have gained access to
the internet, almost trebling the U.S. in market size (CNNIC 2017). As the Chinese internet
population grows, so too does their strength in numbers of users, as is demonstrated through
social media technologies such Weibo and Douban, which are examples of social media sites
(or social media services) where online communities interact. Scholarly attention has been paid
to the purpose and structure of online communities (Wellman 1982; Rheingold 1993; Hiltz
1985), with more recent research acknowledging the ever-increasing diversity of modalities
and members involved in online spaces as well as the advancements in methodologies for
analysing such communities (Muller et al. 2012). This paper is based on the definition of an
online community as ‘a group of people, who come together for a purpose online, and who are
governed by norms and policies’ (Preece 2000, 11). The definition of social media is taken here
to refer to an online, user-centric space, populated with user-generated content (Obar and
Wildman 2015; El Ouirdi et al. 2014). Social media is comprised of or facilitated through social
media services. The definition of a social media service is also the subject of debate, largely
owing to the velocity of technological evolution, which problematises its definability. This
paper draws upon Obar and Wildman (2015) who define a social media service as a web-based
service that enables users to create and share an individual profile, which others can then view
and interact with, wherein user-generated content is the main attraction and the ‘lifeblood’ of
the platform; status updates; ‘Tweets’, photos and pictures are examples of the user-generated
decisions and contributions that ‘fuel’ social media sites.

In China, where traditional media are highly censored, social media can facilitate debates that
would otherwise not be possible or may not be as open or critical (Rauchfleisch and Schäfer
2015). Censors continue to closely monitor social media sites in China, on the lookout for
‘problematic content’, and are quick and effective in censoring such chatter in most cases
(Bamman et al. 2012; Rauchfleisch and Schäfer 2015). Problematic content in this case
generally refers to a list of keywords or visual symbols associated with sensitive or prohibited
content or any critiques or underlying ideologies that harm the legitimacy of the Chinese Communist Party (CCP)\(^9\) and the State (Hui and Rajagopalan 2013). In practice, users adapt to censorship practices and are able to, at times, successfully circumvent censorship using tools like VPN blockers (Rauchfleisch and Schäfer 2015) or encoding their posts using visual symbols such as memes (Mina 2014) or images to evade censors, such as in the recent examples of Chinese leaders being referenced by characters from Winnie the Pooh (McDonell 2017).

Much has been written on the role of social media in China, particularly on its role under the influence of censorship (Bamman et al. 2012; Jiang 2010; Fu et al. 2013) but also on its role as a public sphere; enabling open communication, collective action and even protest (Zheng and Wu 2005; Yang 2003) and expanding citizens’ ‘unofficial democracy’ (Yang 2011). Little research has been done on the role that social media plays in shaping the rapidly developing Chinese domestic film industry. I will address that gap by demonstrating the ways in which social media services provide forums where industry-related communication can take place, and where opacity and awareness are promoted, and in doing so, helps to sustain and improve the development of the Chinese domestic film industry. This article focuses primarily on two of the most prominent social media sites in China; Sina Weibo (shortened to Weibo) and Douban. Three key areas of impact will be explored; the leaking of industry documents, social media as a forum for film criticism, and the uncovering of box office irregularities.

**Leaking Documents, Promoting Transparency**

China’s record of censoring and prohibiting access to the internet and social media sites is well documented (MacKinnon 2007; Liang and Lu 2010; Xu, Mao and Halderman 2011; Fu, Chan and Chau 2013) and much discussed, as is their struggle to enforce censorship and prohibition in the face of VPN blockers and other tools that are used to circumvent obstacles. In the wake of the ‘Great Firewall of China’ and the banning of social media sites such as Twitter and Facebook in 2009, Weibo was launched and quickly became wildly popular, overtaking Twitter in market influence and user number in 2017 (Allen 2017; Armstrong and Wang 2017). Weibo is an online forum full of celebrities, athletes, scholars and artists as well as millions of regular users from across the Chinese-speaking world (Ramzy 2011). While social media services such as Weibo do not have State-backing – as is the case of most mainstream media – it is by no means exempt from censorship or government control. In recent years the Chinese government has engaged in a series of crackdowns on social media; imposing fines on social media sites

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\(^9\) This paper prefers the abbreviation CCP for Chinese Communist Party, rather than the CPC abbreviation for Communist Party of China. CCP is the usage most commonly found in Western media and scholarship.
for allowing the spread of information that it deems to jeopardise national security, public safety and social order (Gao 2017); implementing campaigns of intimidation against influential internet users that are seen to spread unappealing messages (Chin and Mozur 2013); and closing sites on a temporary basis to stop the ‘spread of harmful content’ (Hui 2018). Weibo, as one of China’s most popular social media sites, has been at the heart of these campaigns, which have affected the service in significant ways, including increased self-censorship (Gao 2017), and the halting of live video streaming services (Frater 2017). Despite the tricky terrain, social media still presents some viable options for industry watchdogs to help increase transparency and to expose corrupt behaviour. Leaking industry documents on social media, such as reports, internal memos and contracts, is one such technique and is perhaps best demonstrated by the Fan Bingbing scandal of 2018.

In May 2018, Chinese television host Cui Yongyuan took to Weibo to leak details of actress Fan Bingbing’s employment contracts, accusing the actress of being overpaid (Brzeski 2018). ‘Star power’ or the attachment of human capital to projects has long since been one of the ways that studios and investors seek to mitigate financial risk (Wyatt 1994; Wasko 2003; De Vany 2004). As Geoff King (2002, 159) suggests, stars ‘generally represent the most consistently reliable indicators of box office potential’. It makes sense, then, that alongside the dramatic increase in China’s box office and the amount of money invested in the industry, Chinese film stars’ salaries were rapidly escalating. The rate and scale of the escalation became a growing concern for the industry where the disproportionate fees for on-screen talent meant that budgets were being distorted, often with the majority of the budget being spent on talent, leaving a disproportionate and insufficient amount to be spent on the rest of the production (Frater 2016). P. David Marshall (2014, xi) notes the transformative impact that online culture has had on the practices and experiences of popular culture, including film, which has ‘accelerated our access to celebrity culture’ through the ‘instantaneity of celebrity images’ and the ubiquity of contemporary ‘search culture’. This connection between audience and celebrity has been augmented by the ability to ‘follow’ certain celebrities, receiving updates signalled to mobile phones (Marshall 2014). In the age of social media, a star’s influence and audience-base can be seen to be measured, at least in part, by the number of ‘followers’ they have on social media sites. Of course, this number only reflects a specific cross-section of a star’s fanbase, namely internet-users that are active on particular social media sites, but if a celebrity has a significant number of followers it stands to reason that their reach of influence is at least more predictable.

In China, Weibo, akin to Twitter, operates an open platform communication model whereby even non-account holders can access it and posts are public by default, as are reposts, comments and ‘likes’, leading to a tremendous level of potential exposure.
The dramatic increase in actor’s fees led to a disproportionate pay-scale, in which on-screen talent could expect a similar compensation for a single television appearance as for a role on a feature film that would require weeks of their schedule, leading to ‘bidding wars’ and an increasing problem of securing talent (Frater 2016). There are few better examples of this expenditure disparity than Fan Bingbing, who ranked 5th in Forbes’ ‘World’s Highest-Paid Actress’ list in 2016 (Forbes 2016). Bingbing is one of China’s most famous and successful actresses, regularly featured in the highest-grossing domestic films and acting as an ambassador for global brands such as L’Oreal and Louis Vuitton, all of which is shared with the world via a meticulously created and maintained public image (Ming 2015). It is thus unsurprising that Cui Yongyuan chose to single out Bingbing, accusing her exorbitant fees of ‘harming the industry’ (Brzeski 2018).

The documents leaked by Yongyuan appeared to reveal two significant points: firstly, that Bingbing appeared to have been paid excessively ($1.56 million for four days work) and secondly that she appeared to have been paid twice for the same work through a contracting system known in the industry as ‘dual contracts’ (yiyang hetong), reportedly employed as tax evasion techniques (Brzeski 2018). The reaction to this leak was momentous; as an article in Variety reported at the time, ‘Cui's allegations exploded across Chinese social media over the weekend, with the hashtag “Cui Yongyuan bombarding Fan Bingbing” viewed over 38 million times on Weibo’ before it was removed by censors (Brzeski 2018). The authorities appeared likewise to react quickly, ordering tax bureaus to investigate and leading Chinese film companies, as well as those associated with Bingbing, saw their shares drop (Brzeski 2018) thus demonstrating the scale of the power and reach of social media communities.

However, the same example served simultaneously to demonstrate the danger of bestowing such power to ‘netizens’. False news and rumours are commonplace online and can spread rapidly before they are able to be quashed or rectified. In Fan Bingbing’s case, it was established shortly after the leak that the second contract did not belong to her (Brzeski 2018). With the dramatic growth and reach of social media sites such as Weibo, the sheer speed at which information travels online makes it virtually impossible to stop a rumour in its tracks (Reuters 2011). The Chinese government has launched ‘antirumour campaigns’ in a bid to curtail the issue (Chin and Mozur 2013). According to said campaigns, any post based on rumours or ‘false information’ that is shared more than a certain number of times will be liable for defamation charges (Kaiman 2013). This kind of truth scrutiny is likely to encourage self-censorship, while at the same time providing the government an additional means to silence dissidents (Kaiman 2013).
Despite the misleading nature of the Fan Bingbing contract leak, the Chinese government responded by launching an investigation into tax practices in the entertainment industry (Chow and Frater 2018). Not long after, in July 2018, Bingbing ‘disappeared’ from the public eye and social media, reappearing three months later having been presumably detained by the Chinese government, and issued to pay a tax bill of $129 million (RMB 883 million) for back taxes and fines (Chow and Frater 2018). Upon her reappearance Bingbing issued an open letter apology via her Weibo account, which has been ‘liked’ more than two million times and re-posted nearly 350,000 times (Weibo 2018). Based on the comments and blogs relating to Bingbing’s post, Variety reported that fans ‘generally agreed with the authorities but also declared their love and support for the actress’ (Chu and Chow 2018). Weibo can, in this instance, be seen to play the role of arbitrator throughout the Fan Bingbing scandal. This case, along with the runaway escalation of talent remuneration, prompted the Chinese government to intervene; issuing a cap on film stars’ salaries (40% of the total film budget) and laying blame on the entertainment industry for promoting ‘money worship’ and ‘distorting social values’ (Frater 2016; Kuo 2018). The example of Bingbing’s leaked employment contracts thus provides an illuminating example of how social media services provide a platform from which its users, acting as industry ‘watchdogs’, can promote transparency within the industry. In addition to promoting industrial transparency, online communities also use social media sites to promote film criticism. In the following discussion I will demonstrate this using the example of Douban.

**Douban and Film Criticism**

Film criticism plays an important role in the qualitative analysis and performance of cinema and in the development of national (and international) cinemas. Film critics provide information on and advertisement of new releases as well as aiding in creating or reinforcing reputations of stars and filmmakers, and influencing preference (Cameron 1995). The relationship between film reviews and box office success has been demonstrated in numerous studies (Litman 1983; Litman and Kohl 1989; Ravid 1999; Gemser, Van Oostrum and Leenders 2006). Eliashberg and Shugan (1997) were the first to propose the role of film reviews as influencers on film behaviour (leading audiences toward or away from certain films) and predictors (a reflection of the ultimate success of a film). It is a well-documented fact that the mainstream media in China is propagandist in nature (Latham 2007; Zhang 2012; Johnson 2012). Open film criticism in China is thus limited to platforms that exist outside of the mainstream media, namely magazines, conferences and forums that are not affiliated with the CCP. The most ‘visible’, accessible forums exist online via social media services.
Writing in 1994, Mayfair Mei-Hui Yang considered the existence of a public sphere in China by way of the example of film discussion, concluding that, at that point in time, there was no evidence of a public sphere in China. Notions of the public sphere refer to the discussion of public opinion and social criticism by way of public debates that are independent of State and market domination (Habermas 1989). Sites like Douban provide a platform for China’s intelligentsia to talk about books, music, and films and feature a review aggregator similar to Rotten Tomatoes (Brzeski 2016) but there is a distinct absence of professional film criticism (Wang 2011). The opportunities for film criticism in China suffer on three key fronts. Firstly, there is the influence of the State-censorship, which, as well as providing incentives to inflate domestic performance, also puts a stronghold on any films deemed to reflect negatively on the CCP or their concerns. Secondly, the Chinese film industry, and Chinese culture in general, is built upon personal connections (guanxi), which can stifle a negative review if the reviewer has met the director or someone involved with the production (Sebag-Montefiore 2012). Lastly, corruption and bribes play a large role in determining critical opinions of films, with bribes for positive reviews customarily ‘handed out’ at movie premieres (Sebag-Montefiore 2012). In light of these conditions, it is unsurprising that Chinese consumers do not pay as much attention to reviews as markets like the U.S., and seemingly choose to see films ‘at random’ (Sebag-Montefiore 2012).

Social media services can be seen to re-balance the power dynamic between audience and industry by promoting audience agency. The role that Douban plays in facilitating film criticism is a perfect example of this. Though Douban is by no means exempt from censorship. Similar to Weibo, Douban is closely monitored by the CCP.

The power and impact that film critiques on review aggregators such as Douban have on the domestic film industry is perhaps best demonstrated by their conceived role during the downturn in China’s box office figures in 2016. Chinese social media users took to sites like Douban to proclaim the downturn a reflection of the low quality of domestic releases (Ryan 2016), as was demonstrated by the ‘critical consensus’ of low scores and negative reviews on sites such as Douban (Brzeski 2016). In this sense, social media users can be seen to continually monitor the relative quality of domestic films. Chinese state media also blamed the low quality of domestic films for the drop in box office numbers, while the CCP’s official media representative, People’s Daily, blamed the critics themselves, accusing sites like Douban of publishing excessively negative reviews to boost their own ratings and even suggesting that the site may have been hacked (Brzeski 2016). Despite the odds stacked against an openly critical film culture in China, there is cause for optimism. Mayfair Mei-Hui Yang suggested in 1994 that the structuring and institutionalisation of film discussion groups would help to
establish a public sphere and might even be used to deflect or neutralise state discourses owing to the selective and creative appropriation of filmic texts and their historical and cultural contexts. The presence of online film criticism and debate can be seen to achieve this, with the relative ‘freedom’ that it enjoys and within the collective communities through which information is shared and discussed.

As the Chinese film market continues to grow, the appetite for films ever increasing along with it, the industry continues to develop; production values increase, practices become institutionalised and studios mature. It seems fair to hold confidence that film criticism will develop likewise. As I have previously demonstrated, the leaking of industry documents on social media can be seen to promote industrial transparency and, in the same way, the existence of film criticism on social media sites can be seen to hold films themselves to certain quality expectations. In addition to holding the industry to account in these ways, social media users can also be seen to act as watchdogs; policing the industry on the lookout for malfeasance, such as in the case of box office manipulation, as I will demonstrate in the final section of this paper.

**Box Office Manipulation**

There are tremendous incentives for China to demonstrate and develop its film market from a political, economic and cultural perspective. It is therefore perhaps unsurprising, even unavoidable, that irregularities have been observed in Chinese box office reporting. The Chinese government seek to capitalise on their growing market force power, to further increase opportunity for economic growth (Rosen 2012; Su 2016) and to extend the global influence of Chinese cinema; to rival Hollywood and to achieve ‘cultural prominence’ comparable to their ‘economic significance’ (Curtin 2012, 195) and the ever-increasing size of the Chinese film market is a significant bargaining chip in their ongoing content and access-related disputes with the U.S. (Lang and Maddaus 2017). There are, of course, also significant reasons for China to promote its domestic films locally and encourage domestic filmmaking. China has long used cinema as a ‘means to counter growing political turmoil and reinforce positive images of the CCP and its leaders’, a tool for advancing patriotism and socialist ideals (Geltzer 2017, 131) and for discouraging capitalism and individualism (Su 2016). China also has incentive to limit or dissuade viewing of Western, especially American, films that spread the influence of foreign capitalist values and raise concerns regarding the erosion of Chinese national identity (Geltzer 2017). Hollywood has a strong track record of dominating film markets worldwide and, in doing so, promotes or at the very least communicates American values and culture (Miller et al. 2005; Mirrlees 2013). Beyond limiting foreign influences, the Chinese government wants to harness the power of cinema to help advance socialist values and a sense of national identity.
and social unification, as outlined in the 2016 Film Industry Promotion Law provisions (SAPPRFT 2016; China Law Translate 2016). These aspirations are jeopardised by the spreading of capitalist values and American culture via Hollywood (Su 2016). To this end, significant incentives exist for Chinese cinemas to ensure that domestic films out-perform foreign imports, such as rewarding cinemas for showing Chinese films rather than foreign imports (Shoard 2016) and offering financial incentives for achieving box office quotas for Chinese films (Brzeski 2015a). To mitigate these incentives, there exists within the Chinese film industry a myriad of techniques used to skew or augment the country’s box office figures.

China has had a long history of box office irregularities; from distributors skimming profits, to ticket-doctoring, where tickets for domestic releases are issued and the title is then crossed out and the name of another film (usually a foreign import) written over the top (Lang and Maddaus 2017). In another tactic, film companies bulk buy tickets for their own films to boost box office figures and create a ‘buzz’ (Burkitt 2016). These ‘ghost screenings’ are an ‘under-the-radar’ marketing strategy widely used in China, according to Chinese film industry insiders, and help to keep foreign films at a disadvantage (Burkitt 2016). Bulk-buying tickets is considered a ‘short term’ strategy, and one that is more cost-effective than advertising due to the tickets often being resold to online discounters, thus recouping the distributors’ outlays (Burkitt 2016). In addition, there are claims that the box office returns of foreign films are under-reported, so as to avoid paying incumbent taxes or revenue shares (Burkitt 2016). Distortions of ticket sales can even go so far as to falsify tickets entirely by selling more tickets than there are seats (Brzeski 2015b) and by scheduling ‘faux-performances’ in the same screen to start fifteen minutes apart from one another (Shaffer 2015). All of these tactics are only made possible by the loopholes afforded by online ticketing.

In 2016, the Chinese government enacted the highly anticipated ‘Film Industry Promotion Law’, which addressed the problem of box office reporting along with other issues (SAPPRFT 2016). In order to understand why the Chinese government issued these laws at this time it is necessary to address the complex relationship between the government and film industry in China. Yingchi Chu (2002, 45) notes that ‘any attempt to understand Chinese cinema must start from film policy’. Chu (2002) and others (Xia 1987; Kokas 2017; Wang 2013) note that the role of cinema in China has been characterised by government intervention and framed by Communist ideology, utilising cinema as a tool for educating the masses and promoting Socialist values. During the Maoist era, the Chinese film industry was fully financed by the Communist Party and made only propaganda films to further the ideologies of the time. Following Mao’s death and the consequent economic reforms under Deng Xiaoping’s ‘open door policy’, the government distanced itself from the film industry by withdrawing funding.
for State-owned film studios, but issues of State-control and censorship remained in effect (Chu 2002; Su 2016). Underinvestment and competition from television and a thriving pirate video market put tremendous strain on the Chinese film industry (Zhao 2008) and Hollywood imports were seen as the most feasible option to revitalise the domestic film market (Su 2016). Thus, in response to economic strife, a ten-film quota for revenue-sharing foreign imports was implemented in 1994 (Rosen 2002; Su 2016; Kokas 2017). In 2006 the Chinese Film Bureau released a set of reforms under a new guiding principle that all foreign film imports should serve China’s national interests and goals (Su 2016) and would remain relatively unchanged until 2016 when the Chinese Film Promotion Law was passed.

The 2016 Film Industry Promotion Law of the People’s Republic of China was passed on November 7th 2016, to take effect on March 1st 2017 (SAPPRFT 2016, China Law Translate 2016) and can be seen to be a response to the ongoing pressure that the U.S. government had been putting on China to comply with the stipulations of their agreement to enter the World Trade Organisation (WTO). In 2012 the ‘Memorandum of Understanding [MOU] between the People’s Republic of China and the United States of America Regarding Films for Theatrical Release’, also known as the US-China Film Agreement, forced China to increase the film quota and stipulated the agreement be reviewed in 2017 (Kokas 2017; U.S. Department of State 2012). In this ‘understanding’ China agreed to certain provisions, including an increase to the quota system to allow in an additional fourteen ‘enhanced format’ films, and increasing the U.S. gross box office revenue share for revenue-sharing films in the twenty-film quota from 13 to 25% (U.S. Department of State 2012). The MOU also made the provision for privately-owned Chinese businesses to distribute foreign films, thus ending the previous State monopoly (EntGroup 2013). The provisions of the MOU appeared to give way to allow for more control over foreign imports, but in practice the process of gaining exhibition in China was obscured by too few slots on the quota, continued State-owned distribution monopolies, opaque censorship processes, and issues with release dates problematised by blackout periods, all of which the U.S. continually lobbied violated the WTO agreement (Frater 2013; Kokas 2017). One of the objectives of China’s 2016 Film Promotion Law was to set out penalties for inaccurate box office reporting, as well as to allow U.S. and other foreign studios to audit the box office receipts for their films (Canaves 2016), following on from an accord agreed ‘in secret’ in 2015 between the Motion Picture Association of America (MPAA) and Xi Jinping during his first state visit to the U.S. in September 2015 (Brzeski 2015c).

The motivation for China to augment its box office figures has been well established by now, but there are also many reasons why inaccurate box office reporting is harmful to the development of the Chinese film industry. Irregularities in box office reporting skew the market
and render analyses flawed. Perhaps most significantly, by misreporting box office figures it makes understanding the Chinese market that much harder, since box office returns do not accurately portray the Chinese market behaviour. Film markets are highly unpredictable by nature and forecasting is complicated by an ever-changing set of variables (De Vany 2004). Box office revenues are one way in which the industry attempts to know its audience and these figures provide valuable information about audience likes and dislikes, which in turn inform industry contract clauses affecting ‘prices, careers, bookings and compensation’ (De Vany 2004, 3). By compromising this insight into the market, the Chinese industry analysts and filmmakers are denied crucial information, which is detrimental to the development of the industry.

Article 34 of the 2016 Film Act attempts to address the problem of box office reporting by stipulating that theatres and distribution companies ‘truthfully keep statistics on ticket sales and provide truthful and accurate statistical data [...] must not use fake transactions, falsely concealing tickets or other unjust methods to trick or mislead audiences, disrupting order of the film marketplace’ (SAPPRFT 2016; China Law Translate 2016). Article 51 sets out financial penalties for those who break the law (SAPPRFT 2016; China Law Translate 2016). Where Chinese regulators fail in enforcing these rules, however, social media communities step in, acting as watchdogs over their own industry, ready to decry and, importantly, document malfeasance. The role of social media as a monitor of box office irregularities is perhaps best demonstrated in a series of high-profile cases in 2015.

**Uncovering Box Office Irregularities**

In the spring and summer of 2015 these irregularities came into the forefront after a succession of exposures and embarrassments for Chinese box office reporting. In April 2015 *Furious 7* (2015) stormed the Chinese market, obliterating records on its way. It opened in April and scored the highest ever single day debut, $68.6m (Child 2015). Though this will have substantially rewarded both U.S. and Chinese parties financially it also caused concerns; Chinese filmmakers like Feng Xiaogang suggested that the economic success of *Furious 7* set the bar unreasonably high for future domestic releases (Frater 2015b). Chinese domestic cinema was already struggling at this point to match the revenue of U.S. releases, and the huge success of *Furious 7* only made this disparity more evident.

In August 2015 *Terminator: Genisys* (2015) was the first Hollywood title allowed into China following the summer blackout period and became the weekend box office winner (Frater 2015b). However, it was also a high-profile victim of box office fraud, with Chinese film company Chief Executive Officers taking to social media to call out the misconduct (Brzeski
2015a). The film opened in Chinese cinemas on August 23rd and took $27.4 million on its opening day; the fourth-biggest opening day for a U.S. release in China (Lang 2015). A week later, on August 28th, *The Hundred Regiments Offensive* (*Baituan dazhan* 2015), a propaganda film produced by state-owned film companies to commemorate the anniversary of World War II, was released and appeared to knock *Genisys* off the top spot (Brzeski 2015a). The Chinese government claimed this unexpected success was down to patriotism but after an essay titled ‘Entertainment Capitalism’ was published anonymously shortly after *Regiments*’ release, cries of foul play by industry personnel in China’s private film companies claimed that box office irregularities were occurring (Brzeski 2015a). It was alleged by the anonymous author of ‘Entertainment Capitalism’ that major cinema chains in China were ordered by the China Film Group distribution arm to meet specific box office targets for *Regiments*, and in doing so would benefit from one hundred percent of the box office revenue (rather than the customary sixty-seven percent) in addition to tax reimbursements, thus providing a powerful financial incentive to sell as many tickets for *Regiments* as possible (Brzeski 2015a; Papish 2016a). According to a cinema chain manager in China who spoke anonymously to *The Hollywood Reporter*, the claims made in ‘Entertainment Capitalism’ were accurate (Brzeski 2015a). Cinemagoers began circulating photos of tickets for *Regiments* with the title scribbled out and another title written in and some even filmed the process as evidence of ticket doctoring (Brzeski 2015a).

Around the same time the domestic film, *Monster Hunt* (*Zhuoyaoji* 2015), shocked the industry by overtaking *Furious 7* as the biggest box office yielding film in China, which, on paper, was an impressive feat. However, *Monster Hunt* was given twice the run of *Furious 7* and was released during the summer blackout period with no foreign competition (Tartaglione 2015). In addition, allegations came to light that cinema chain Broadway Circuit, operated by *Monster Hunt*’s producers EDKO Films, had been inflating its box office returns and underreporting the sales of *Furious 7* (Brzeski 2015b). After the Chinese state broadcaster CCTV reported on the issue, EDKO admitted giving away $6.2 million worth of tickets, which it claimed were for ‘public welfare screenings’ but widespread reports from cinemagoers revealed that ‘sold out’ screenings were often nearly empty (Brzeski 2015e). In addition, showings were said to be playing every fifteen minutes on the same screen. This inconsistent and inaccurate reporting from the Chinese box office prompted *Box Office Mojo* to refuse to count *Monster Hunt* in its box office records and to no longer update Chinese box office results due to an absence of consistent and accurate data (Child 2016).

This series of events brought to the forefront the problem of legitimate Chinese box office reporting, which presented the U.S. with a bargaining chip against which they were able to push for stricter rules in the 2015 Memorandum of Understanding (MOU) and the Film
Production Law including new auditing policies outlined in the agreement with Xi Jinping (Brzeski 2015d; Dresden 2015). Despite the spotlight and scrutiny that Chinese exhibitors then found themselves under, the problems persisted. In March 2016 following the release of *IP Man 3* (Yewen 3 2016) the film’s thirteen distributors were accused of bulk buying tickets and setting up ghost screenings to boost box office sales on its opening weekend (Papish 2016a; 2016b). The State Administration of Press, Publication, Radio, Film and Television (SAPPRFT), which was at that time China’s media and entertainment regulatory body, asked to see ticketing contracts between Dayinmu Film Distribution - the film’s distributor - and online ticket sellers on the presumption of box office fraud and the China Film Group acknowledged cases of overlapping, ‘invalid’ screenings and said it would ‘punish’ the theatre owners (Burkitt 2016). An audit for the Motion Picture Association of America (MPAA) found that ticket sales were under-reported in 2016 to the tune of 9%, or more than $40 million, discovering among the irregularities ‘revenue categorized as concession rather than ticket sales, screenings that went unreported and audience sizes that were under-reported’ (Ma 2017). In 2017 the Chinese media regulators charged more than 300 cinemas with box office fraud as part of a bid to usher in a ‘new legal era’ for the Chinese film industry (Clover and Ju 2017). This series of events, brought to the forefront and documented online by Chinese cinema watchdogs, is yet another demonstration of the powerful role that social media plays in the development of the Chinese film industry.

**Conclusion**

With the seemingly exponential growth of the internet market in China, and the film market along with it, the role of online communities is only increasing in importance. As this paper has shown, using several examples as demonstrative, social media sites like *Sina Weibo* and *Douban* play significant roles in the shaping of the domestic film industry in China. As illustrated through the case study of the Fan Bingbing scandal, ‘industry watchdogs’ hold studios and distributors to account on *Weibo*, where industry personnel, celebrities and studios communicate, some striving for transparency, others fighting against it. Censorship continues to stifle creativity in the arts, and film criticism along with it. However, as the example of *Douban* has demonstrated, alongside the rapidly growing market, understanding and mastery of, and appreciation for the film industry and its facets is increasing. Live blogging and video streaming have enabled fraudulent behaviour to be documented in ways that would otherwise not be possible in such a highly-censored, top-down media culture as has been exemplified by the series of events of uncovering box office irregularities in summer 2015. In a political and industrial climate that seeks to balance the contradictory aims of capitalist growth and
communist values, online communities such as those on social media sites like Weibo and Douban, act as a means to promote communication, opacity and awareness and in doing so, help to sustain and improve the development of the Chinese domestic film industry. In China, social media technologies and their governance are continually developing. This ongoing state of flux lays bare a wealth of opportunities for future scholarship. Taking this paper as a starting point, a more detailed examination of the emergence of a discipline of online film criticism would be of great value to Chinese film scholarship. While I have alluded to the notion of social media ‘followers’ as determinants of the market value of film actors, a more detailed study is required to explore in detail the complex relationship between film stars and their social media fanbase, as well as the role that that relationship plays in the context of film marketing and distribution. An analysis of the impact of social media reviews and ratings on box office performance would be a valuable topic for future research. The ongoing increase in the size of the Chinese film market and the sophistication of the Chinese film industry will only make this area more relevant. Through the examples of Weibo and Douban this paper has identified the significant means by which social media is impacting upon the development of the Chinese film industry, demonstrating the complex ways that social media services enable interaction between audience, industry, and government and detailing the wide-ranging and ongoing implications of this crucial intersection.

References


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