The Theory of Planned Behavior in Applied Research: An Examination of the Location Selection Decisions of Independent Filmmakers in the USA

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Abstract

In spite of the historical contributions of the U.S. film and television industry to the national and the global economy, and the significance of location selection to a production’s success, to date, there has been a paucity of research regarding the influences which ultimately affect the location selection decisions of film industry management. Utilizing the Theory of Planned Behavior (TPB) and applied research methods, this study explored the phenomenon of location selection for six (6) independent motion picture productions throughout the contiguous United States, with implications for further study of this phenomenon.

Key words:
Film Industry, Theory of Planned Behavior, Applied Research, Independent Film, Location Branding

1. Introduction

In 2011, the global box office receipts for the motion picture industry reached over $32 billion worldwide, and while there was a 4% decrease in North America (to $10.2 billion), the international box office receipts reached $22.4 billion (Motion Picture Association of America, 2012). In the USA, the motion picture and television industry contributed over $175 billion in revenue to the national economy, resulting in over “$15 billion annually to federal and state coffers” (MPAA, 2012), and boasted over 11 billion in trade surplus (Motion Picture Association of America, 2009). The industry in the U.S.A over the past seventeen years has become decentralized around the traditional filming locations (Hollywood) California, (New York City) New York, and (Chicago) Illinois.

Increasingly, the establishment of film commissions in 35 of the 46 remaining contiguous U.S. states, and in Hawaii has spurred increased competition amongst states for motion picture and television investment dollars. Those states who are successful in attracting film, television series’, and their related production companies experience a substantial “ripple effect,” as they reap secondary, tertiary, and even quaternary economic benefit (p.1).

Additionally, as the proliferation of film commissions has increased across the USA, researchers have increasingly borrowed from traditional location and destination marketing literature, in order to establish both brand awareness and product differentiation of their respective states from their competitors, all vying for the final location decisions (and subsequently, the production dollars) of these projects.

Firms must select locations that will give them a competitive advantage in the (global) marketplace, and the film and motion picture industry is no exception. Decker and Crompton (1993) noted the shift in American businesses over thirty years ago, as companies began to exercise increasing flexibility in their location selection decisions (p.70). In like fashion, the motion picture and television industry in the USA has demonstrated greater flexibility in its location selection decisions for its individual film and television projects.

Einev (2002) indicated the importance of film industry distributors’ release dates to a film’s box office revenues (p.5). There has also been study revealing the causal relationship between a film’s delay cost during production, the negative effects of an increase in the amount of time taken to bring the finished product to screen and the film’s resultant box office revenue (Afanasyev, 2008 p.6). Consequently, timely decision-making with regard to the shooting location increases the likelihood of timely release date, and subsequently, box office success.

There are many different explorations of aspects of dynamics within the film industry in America (Storper & Christopherson, 1986; Young, Gong, Van Der & Stede, 2010; Kim & Richardson, 2003;
Hennig-Thurau, Houston, & Sridhar, 2006; Pope, 2008; Scott, 1986, 1998, 2002). Theories regarding agglomeration economies (Scott, 2002; Pope, 2008), have also been explored. Both marketing/sales (Afanasyev, 2008; Hennig-Thurau et al, 2006; Einev, 2002; Eliashberg, Jonker, Sawhney, & Wierenga, 2000) and the industry’s historical progression from vertical integration to flexible specialization (post-fordist models) have also proved valuable.

2. Initial Review of Literature

In spite of the extensive literature devoted to the artistic, marketing, and sales aspects of the film industry in the USA, there has not been extensive peer-reviewed literature which examined the management decision-making aspects of location selection in the filmmaking production process. The exception to this dilemma can be found in Alfred & Lambert (2012). The location selection decision is a management function which is critical to both the feasibility of producing a film, and to the financial success of the film.

The vertical disintegration of the film industry (Einev, 2002, p.5) with what has been referred to as “satellite locations” (Scott, 2002, p. 965), and the ever-growing states’ film commissions around the USA has resulted in the expansion of the industry into other states (i.e., outside of the traditional locations: Hollywood, CA, Chicago, Il. and New York, NY), revitalizing local economies, and in many cases (as in Louisiana, Georgia, and New Mexico) fostering economic “rebirth”. Over the course of the literature review, one theory emerged which would drive the theoretical construct of the study —The Theory of Planned Behavior: Ajzen, 1991).

3. The Theory of Planned Behavior

The location selection decision of management in the film industry results in a sequence of planned or intended behaviors, as management embarks upon producing a film project. As intention precedes action, the antecedents to this location selection are the critical components in this decision-making process. Consequently, Ajzen’s (1985) Theory of Planned Behavior (TPB) is an essential construct in the examination of the location selection decision phenomena.

The Theory of Planned Behavior (TPB) is the product of Fishbein & Ajzen’s (1975) seminal work: the theory of Reasoned Action (TRA), plus “goal directed behaviors over which an individual has only limited volitional control” (Ajzen, p.12).

This theory is comprised of attitude toward the behavior (behavioral beliefs), subjective norm (normative beliefs), and perceived and actual behavioral control (control beliefs). It is believed that these three constructs are the antecedents to the intention, which precludes the behavior.

The first predictor is the attitude toward the behavior and refers to the degree to which a person has a favorable or unfavorable evaluation or appraisal (Ajzen, 1991, p. 188). Within the context of the location selection decision-making process, attitude can be affected by Word-of Mouth (WOM) behaviors, or by management’s previous production experiences in a particular state. The second predictor is a social factor termed subjective norm, which refers to the perceived social pressure to perform or not to perform the behavior (Ajzen, 1991, p. 188).

An example of subjective norm could be pressure from investors or the studio to film in a certain location due to costs, or refusal to film in a location due to public pressures (e.g., public protests). The third predictor of intention is the degree of perceived (or actual) behavioral control (Ajzen, 1991, p. 188). This is the degree of the perception of ease or difficulty of performing the behavior and according to Ajzen (1991) it is” assumed to reflect past experience” (p.188). Some examples of this antecedent in the location selection decision-making process could be prior instances of
positive working relationships within a given state, or perceptions of advantage of filming in one state (versus other potential locations).

Conversely, anticipated impediments (e.g., finding experienced local crew in a particular state/location) and obstacles (e.g., securing permits, logistical challenges) also affect perceived or actual behavioral control. These predictors or antecedents work together (there are instances where one or two of the three components factors more prominently) to determine intent, the resultant of which is behavior.


Through immersion (action) research, the researcher became involved in one Hollywood (California, USA) film and television producer’s business for over three and a half years.

From this vantage point, the researcher moved along the immersion continuum, from a position of “omnipotent observer” at the study’s inception, to a position of “full reflexivity,” where the responses “represented the voices of those who shared the experience and no one voice was privileged” (Riley & Love, 2000, p. 173).

In the development component of the filmmaking process, the researcher was privy to and participated in discussions regarding locations. Issues of script, proposed budget, tax incentive programs, Word-of-Mouth (WOM) within the industry, and prior professional relationships were discussed. Lambert (2009) used this approach to gain familiarity with the business of law firms in the USA.

Concerning action research techniques, Lambert (2009) maintains: “action research techniques allowed the researcher to immerse within the specific domain of the business” (p. 3). Similar positions on the validity of action research techniques are found evident in Coghlan (2004), Baker (2000), Susman and Evered (1978), and Sadler and Barry (1968).

5. Propositions Emerging from the Literature

Based upon the theory of planned behavior (TPB), three basic propositions emerged from the literature: (1) Attitude will influence the location selection decision; (2) Subjective Norm will influence the location selection decision; (3) Perceived (or Actual) Behavioral Control will influence the location selection decision. Subsequent survey instrument questions supported either (or in some cases all) of the propositions suggested.

6. Case Studies

Drawing heavily upon TPB, (and due to the exploratory nature of the study), the researcher developed six (6) case studies from film projects in various stages of production.

Each film was treated as its own case study, in accordance with each projects’ registration with the secretary of state’s office as limited liability company (LLC). Of note, Hedges (1985) asserted, “In practice four to six groups…form a reasonable minimum (number of case studies) for a serious project” (pp. 76-77).

This phase of the study was operationalized through the deployment of an open-ended testing measurement instrument, comprised of seventeen questions. The three propositions which emerged from the literature review were the basis of the instrument. The phenomena were exam-
ined throughout the researcher’s three and a half year experience with one motion picture and television production company.

6.1 Case 1

As an assistant to the producer, the researcher worked on development of a horror film, to be produced in Louisiana. Reportedly, the script was developed with New Orleans/Louisiana supernatural lore as the backdrop for the project. It is important to note that Louisiana was the production’s first (and only) location consideration.

The (below-the-line) crew, who once lived in Hollywood, had now moved to Louisiana due to the industry’s success. Additionally, native Louisianans served in key crew positions. Of note, there are cases in which location selection affects the below-the-line crew (electricians, carpenters, etc.) in instances where a state may not possess sufficient numbers of experienced crew. One consequence of bringing in below-the-line crew from other states is that it may substantially increase production (budget) costs. When budgets are (more than) adequate, hiring outside of the selected state becomes less of a (financial) concern. In this case, hiring experienced crew was simpler after the location selection decision. Additionally, the availability of local talent afforded the production the opportunity to cast some principal roles with local actors.

The low-budget status of the film resulted in the producer wearing many hats over the course of the production process. Both producer and director worked on additional locations for filming finally deciding on a small town—approximately 75 miles west of New Orleans.

The producer’s familiarity with the small town and its people resulted in the production using family-owned properties as shooting locations. The town’s administrators were eager to provide services (permits, accommodations, etc.) for the film in order to make the production as welcome as possible. The producer indicated that prior professional and personal relationships, infrastructure, and available crew were all advantages to filming in Louisiana. However, the film did not meet the minimum requirements for tax credit consideration, due to its low-budget status.

6.2 Case 2

Principal cast and location considerations were labored over for years, as investor groups would change back and forth, each group (or individual) having specific interests regarding stars and prospective locations.

Besides Louisiana, Georgia, Michigan, Puerto Rico, and Canada were other possible locations. Some prospective investors applied pressure upon the production company to select specific states to ensure the highest returns in the shortest amount of time. Some investors even threatened to destroy the project, due to the amount of pressure they were placing on the production team to choose their state in which to shoot the film. In the end, factors which resulted in the selection of Louisiana included, but were not limited to: the script (post-Katrina New Orleans); the availability of experienced below-the-line crew; experienced local talent; experienced local crew; tax incentives and infrastructure.

6.3 Case 3

Case 3 was a hip-hop, love story, set in New York City. The film was initially intended for release on the small screen, as a Movie of the Week (MOW). However, both the producers and the investors determined to turn this “MOW” into a feature film, with a $4 million dollar (U.S.) budget.

A Veteran director was tapped to helm the project, and the production secured a major feature film and television actor to star. Additionally, the script played an essential role in the eventual location
selection. Rap music (hip-hop) in the 1980’s was central to the plot of this film and as such, this uniquely New York “born-and-bread music” played an essential “character” in the film. The added importance of various iconographic locations in New York City (i.e., NYU and Washington Square Park) further cemented New York as the location of choice.

The writer/producer, with an extensive resume, in stage, television, and film was also known to refer locations to colleagues in the industry, based on his positive experiences (he also noted that he was frequently referred by others).

The ease with which he had filmed other projects in New York and in New Jersey, and the relationships he had formed with cast, crew, and staff made him reasonably confident about the feasibility of filming the project in New York.

It was common knowledge in the industry that New York City’s below-the-line personnel had been second in number only to Hollywood, California. The Mayor’s Office of Film, Theatre, and Broadcasting’s (MOFTB) also offered tax credits of 30% on production expenditures (MOTFB, 2012).

The production team could have chosen from amongst a number of states with more competitive tax incentive packages. However, the production team believed that the script and the authenticity of the locations called for filming in New York. As hip-hop officiandos, the target market for this film (urban, African-Americans and Whites ages 12 to 45, 53% male and 47% female, 35% college-educated) would not consider the film to be “authentic” if an alternate location was chosen.

6.4 Case 4

The film in question was an adaptation of a William Shakespeare classic, set in post-hurricane Katrina, New Orleans. With an Academy award-nominated actor to co-produce and star in the film and with an ensemble cast of veteran actors, the film was believed to be a great artistic and financial success. The film would go through multiple prospective investor groups, with each group seeking potential financial advantages from specific states they had “targeted” for filming. Location had no measurable impact upon casting— the selection of Louisiana was based upon: the script and the technical and logistical advantages found by filming in Louisiana. The state of Michigan offered higher tax credits, but it was clear that the tax incentives would be secondary to artistic and to infrastructural benefits of selecting Louisiana. Additionally, Louisiana would still qualify the production for the state’s tax credit incentives, based upon the film’s $8.5 million production budget.

6.5 Case 5

There would be numerous changes in investment groups for Case 5, but only three considerations for film locations. Los Angeles (California) was originally pegged by the writer as the place to film; however, the producer had a number of films slated for filming in Louisiana at that time. Because Jazz music was central to the script of the film, and because New Orleans (Louisiana) was well known for its reputation as the birthplace of Jazz, the producer initially felt that Louisiana might be the best choice for the film.

However, the numerous changes in prospective investors directly impacted the location selection decision. In this case, one of the investors proposed (Detroit) Michigan as the best location. Investors were interested in recovering a portion of their initial investment before the sale of the film. With the state of Michigan’s 42% tax incentive rebate program, and a provision whereby the production could take advantage of a 30% wage and salaries expense credit “for below-the-line crew members hired from outside the state who do not make up the creative talent of the production” (Miller & Adulkadri, 2009, p.1), Michigan was seen as a more (financially) rewarding prospect.

The location was not considered to be an essential element of the story, because the plotline and the relational dynamic (elements considered distinct from the musical elements of the film) be-
between the lead characters were not grounded in a specific “place.” Relationship was also an important factor, due to the trust amongst those involved in the location selection process (producer, location scout, and production manager). Referral to locations where there had been positive experiences was common practice and it was believed that there were advantages in filming where there was familiarity with the local professionals and the infrastructure. Tax credits were considered important due to the investor’s ability to recoup a percentage of the investment within a shorter timeframe.

### 6.6 Case 6

Case 6 was a biography about a renowned pastor, and his rise to notoriety through serving the Houston’s inner-city community.

However, the production team determined that the tax incentives in Louisiana and prior productions in Louisiana meant that principal photography would be done in (New Orleans) Louisiana. It is important to note that the respondent indicated location was not central to the story. Location was noted to have a direct affect upon the composition of available local crew. She added that her crews were always combination of local and out-of-state personnel. She maintained that the local casting potential was plentiful, so that casting based on (this) location did not pose a significant concern.

The producer also maintained that there were relational dynamics which influenced the final location selection decision. This producer wore multiple “hats” in the production team, and as a result, was required to utilize prior professional relationships in order to address technical and logistical challenges in the production. Trust was noted as a key factor in these relationships, and Word-of-Mouth (WOM) behaviors were noted as a normal part of this producer’s relationships with fellow producers and directors, when considering locations. The producer also indicated that Louisiana’s tax and infrastructural investment incentives were highly competitive and that prior relationships and Louisiana’s support for productions would result in lower operating costs.

## 7. Analysis of the Data

The impressive achievement of SEZs in Malaysia cannot be separated from the eminent role of The data from the test measurement instrument was gathered and coded according to the case number and corresponding instrument items (See Table 1).

<table>
<thead>
<tr>
<th>Questions</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case 1</td>
<td>A</td>
<td>INF/CS</td>
<td>N</td>
<td>Y</td>
<td>LICS</td>
<td>AE</td>
<td>B</td>
<td>BD</td>
<td>Y</td>
</tr>
<tr>
<td>Case 2</td>
<td>A</td>
<td>INF/CS</td>
<td>Y</td>
<td>Y</td>
<td>LICS</td>
<td>SIA/TCN</td>
<td>B</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Case 3</td>
<td>A</td>
<td>INF/CS</td>
<td>N</td>
<td>Y</td>
<td>LICS</td>
<td>SIAE</td>
<td>LC</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>Case 4</td>
<td>ALT</td>
<td>INF/CS</td>
<td>Y</td>
<td>Y</td>
<td>LIBD</td>
<td>AE</td>
<td>B</td>
<td>Y</td>
<td>N</td>
</tr>
<tr>
<td>Case 5</td>
<td>ALT</td>
<td>INF/O/CS/LC</td>
<td>Y</td>
<td>Y</td>
<td>LICS</td>
<td>TX/IAE</td>
<td>B</td>
<td>Y</td>
<td>N</td>
</tr>
<tr>
<td>Case 6</td>
<td>A</td>
<td>U</td>
<td>N</td>
<td>N</td>
<td>LICS</td>
<td>SIAE</td>
<td>LC</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>75% A</td>
<td>83% INF</td>
<td>50% Y</td>
<td>83% Y</td>
<td>83% L</td>
<td>100% AE</td>
<td>75% B</td>
<td>50% Y</td>
<td>50% Y</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Breakdown of Survey Instrument
Due to the reciprocal nature of antecedents in TPB, there is some measure of overlap amongst survey instrument questions and antecedents. Figure 1 presents an adaptation of Ajzen’s (2006) model of TPB, with survey instrument questions indicated to depict the relationship between the questions and the antecedents to the location selection decision.

Table 2: Breakdown of Survey Instrument: Questions 10 thru 17

<table>
<thead>
<tr>
<th>QUESTIONS</th>
<th>PROPOSITIONS</th>
<th>ATTITUDE</th>
<th>SUBJECTIVE NORM</th>
<th>PERCEPTIONS OF BEHAVIORAL ADVANTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16</td>
<td>1</td>
<td>55/78</td>
<td>70.51%</td>
<td>INFLUENCES</td>
</tr>
<tr>
<td>12, 13, 14, 15, 16</td>
<td>2</td>
<td>24/30</td>
<td>80.00%</td>
<td>STRONGLY INFLUENCES</td>
</tr>
<tr>
<td>4, 5, 7, 8, 9, 11, 14, 15, 17</td>
<td>3</td>
<td>40/64</td>
<td>74.07%</td>
<td>INFLUENCES</td>
</tr>
</tbody>
</table>

Figure 1: The Theory of Planned Behavior & Survey Instrument Questions

With the unit of analysis determined to be the location selection decision, and the antecedents to intention/behavior: Attitude, Subjective Norm, and Perceptions of (Actual) Behavioral Control, the data shown in Table 2 shows the relationship between the questions of the survey instrument, and their corresponding propositions.
PROPOSITION 1:
Attitude will influence the location selection decision 70.51% INFLUENCES—ACCEPTED. All but three of the survey instrument questions had some affect upon attitude. Respondents gave strong indications that location, crew, casting, infrastructure, tax incentives, relationship, etc. affected their attitude toward selecting a given state.

PROPOSITION 2:
Subjective Norm will influence the location selection decision. 80.00% STRONGLY INFLUENCES—ACCEPTED. While corresponding to less survey instrument questions than propositions 1 and 3, subjective norm was found to have the highest response rate of the three, at 80.00%. Ajzen (1985) noted subjective norm is directly affected by relationship, and as such, three of five of the questions in this area had a 100% response rate in the affirmative.

PROPOSITION 3:
Perceived (or Actual) Behavioral Control will influence the location selection decision. 74.07% INFLUENCES—ACCEPTED. Over half of the survey instrument questions corresponded to perceptions of behavioral control (or actual behavioral control). Perceptions of advantage from selecting a given location were believed to be driven by the relational factors of respondents, as well as by infrastructural factors, such as local crew, local cast, and the expectation of return business.

8. Summary of the Research
Six case studies were developed, based on internal research through three and a half years working experience with a Los Angeles-based film and television production company (action research). A comprehensive analysis of the data gathered from the testing measurement instrument was completed.

For decades, the motion picture (film) and television industry in the United States has been a primary participant in a multi-billion dollar global film industry. Over the years, other countries (e.g., France, England, India, China, and Korea) have either established or further developed significant film and television production industries which continue to make their mark on a global scale as well. These are but a few of the reasons for having given the subject of location (brand) selection serious academic examination.

The study of the decision-making process of film industry managers (in the U.S.A.), considering locations for their productions is a critical, yet heretofore, under-studied phenomenon. By recognizing the benefit this study to the film industry in the U.S.A. (and the global film industry), to state and local governments, and to academia, this research has given context and definition to the process, with implications for further study. The evaluation of the initial findings indicated that the Theory of Planned Behavior: attitude, perceptions (or actual) behavioral control, and subjective norm are all antecedents which hold relevance within the context of the film industry location selection, and as such, deserve further examination.

9. Conclusion
This exploratory study sought to utilize an applied research approach to considering the role of the theory of planned behavior (TPB) in the location selection decision processes of motion picture industry management. The researcher’s experiences in production and product development for an
The independent film production company provided the platform for the examination of this phenomenon.

The results of this study make the case for further exploration of theories like the theory of planned behavior (TPB), and the degree to which this theory influences location selection behavior. Further qualitative study could expand the case study model, to incorporate more cases. More in-depth examination of the dynamic nature of attitude, subjective norm, and perceptions of control by film industry managers could be brought to the fore. Alternatively, the nature of the research could be examined from a positivist paradigm, with data analyzed from a quantitative standpoint. The survey instrument could be reformatted (e.g., Likert-scale format) and a sample size generated to the extent that a “different” focus may be brought to the phenomena in question.

Management practitioners may find this study intriguing, due to the paucity of research regarding the location selection decision-making of film industry managers.

Given the importance of the motion picture and television industry in the USA, and the significance of this industry to the global film industry, this type of study does not go without merit.

Finally, the global film industry, with its substantial growth in recent years, prompts the significance of this study (and its potential for generalizability). Increasingly, investors in the motion picture and television industry are not necessarily from the countries which produce the content (or the state in which the film is being shot). As such, these, and other economic factors are causing increased competition for film investment dollars by competing departments of economic development, and their respective film commissions around the world.

The existence of the Association of Film Commissioners, International (AFCI) is but one example of the preeminence of the film industry in the global marketplace, and the extent to which this particular type of location marketing can affect a country's bottom-line. With preexisting examples of “economic rebirths” in US states such as Louisiana, Georgia, and New Mexico, there may be an impetus for developing countries (who may not have embarked upon this course of action as yet) to act in like fashion.

References


