BLUE OCEANS IN THE UNITED STATES MOTION PICTURE INDUSTRY: CHRISTIAN ACTION FILMS

by

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A Dissertation Presented in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Business Administration

Capella University

March 2015



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Abstract

Blue oceans as described by Kim and Mauborgne denote industries not yet in existence or the unknown market space. A blue ocean opportunity may exist for producers of Christian action films in the U.S. motion picture industry. Film producers could exclude an unknown amount of Christians desiring to see action genre films and their potential revenue from the theaters. An unknown market may exist for innovative films that methodically exclude profanity, excessive violence, and sexually based content, but exert a relatable plot, intense action, and a subtle underlying Christian message. Christian movie-goer preferences were analyzed with linear regression regarding certain movie components. Movie-goer data was collected in a sample of 200 protestant, non-denominational action movie viewers. The independent variables were ticket price and the likelihood of ticket purchase. The dependent variables were perceived film components including sexual content, profanity, graphic violence, immoral behavior, intense action, strong plot, sermonizing, and entertainment value. The data was collected with a Likert scale. The linear regression analysis results indicated no significant relationships between the independent and dependent variables. However, potential viewers of secular and Christian based films favored strong plot and entertainment value. The data also indicated that sexual content and extreme graphic violence components created unfavorable responses and slightly negative effects on ticket prices. These findings indicated that further study is required to determine potential value innovation in films that combine the favorable components of films and reduced negatively perceived components among patrons of Christian movies.



Dedication

This accomplishment is dedicated to my Lord and Savior, Jesus Christ, my wife Yenia, and my two boys, Melvin IV and Gion. They made this journey worthwhile and achievable.

This achievement is also dedicated to my late father, Mr. Melvin E. Brown, Jr.



Acknowledgments

This undertaking would not have been possible without the strength and resources provided by my Lord and Savior, Jesus Christ. My wife, Yenia and my two boys, Melvin IV and Gion, waited by my side as we sacrificed road trips, neighborhood parties, extracurricular activities, and other normal family functions complete this journey. I cannot leave out my pet Mourning Dove, Chirpy, nor my Siberian Husky, Kenai, as he laid at my feet for the past three years snoozing as I wrote course papers and this dissertation over many nights into the early morning hours. My military career and service coupled with this doctoral journey often stretched the proven fabric of my family and friendships. As with the military, the doctoral journey is not for everyone and at times I thought that definitely applied to me. I want to thank the Lord, my family, my mentor Dr. Judith Blando, committee members Dr. James Morgan and Dr. Gregory McLaughlin, my instructors at Capella, my sponsoring organizations, my cohorts and fellow learners at Capella, and certainly my enrollment advisor who pushed me to get started. I want to thank the U.S. Army for all support required by this immense undertaking. I appreciate this opportunity and hope this research will benefit any reader and expand the knowledge base of blue ocean strategy and value innovation theory.



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CHAPTER 1. INTRODUCTION

Action films are prevalent in the U.S. motion picture industry (Ji & Waterman, 2010). Filmmakers are producing and presenting Christian-based films to a perceived but undefined market in the United States. The hybridized motion picture concept, herein referred to as Christian action films, combines the successful characteristics of the secular action film genre with subtle messages and clean content from Christian-based film.

The movie business is a multi-billion dollar industry involving production crews, marketing crews, actors, directors, distribution companies, movie theaters, and movie rental companies (Topf, 2010). Christian action film producers may reveal and produce a previously undiscovered marketplace in the motion picture industry. The intent of this research was to investigate contributing value components of action and Christian genre motion pictures that create value innovation and reveal a potential blue ocean in the motion picture industry.

Background of the Study

A blue ocean is a new market created by a value innovated product or service that has no or very limited competition (Kim & Mauborgne, 2004). This exploratory research was conducted to determine what market indicators exist for Christian filmmakers to enter the action film genre that earns billions of dollars in annual box office revenues. The film industry provides a myriad of interesting problems for economic contemplation (McKenzie, 2012). The topic of blue oceans in the motion picture industry is of interest to researchers, scholars, and practitioners because the U.S. motion picture industry grossed nearly \$11 billion in revenues in 2012, according to the Motion Picture Association of America (MPAA, 2012).



Enterprise model innovation is the key to competitive advantage for firms (Giesen, Riddleberger, Christner, & Bell, 2010). Despite the successful models of a few blockbuster Christian genre films, the large Christian film market is relatively undefined. This exploratory research was focused on the determination of film characteristics that draw non-denominational, Protestant, evangelical Christian movie-goers to theaters. Dupont (2013) described Christians regarding church attendance on a weekly basis. The box office success of *The Passion of the Christ* underlined that, American conservative Christians, can become a financial asset and niche audience for Hollywood (Dupont, 2013).

The target population for this study was a cross section of protestant evangelical Christians. Six characteristics are typically understood to be universal among evangelical Christians: (a) absolute biblical scripture authority as a source of knowledge of God and how to live a Christian life; (b) Jesus Christ as God incarnate and savior of sinful humanity; (c) existence and lordship of the Holy Spirit; (d) the need to be born again; (e) the need to evangelize both individually and as a church; and (f) the importance of the communion of Christians for spiritual sustenance, fellowship, and development (Edger, 2012). *Evangelicalism* is insistence on the literal interpretation of Scripture, its recognition of stages in God's dealings with humanity, its expectation of the imminent return of Christ to rapture the saints, and its focus on both the apocalypse and millennialism (Sweetnam, 2010).

Eskridge (2011) stated that Bebbington maintained that the term Evangelicalism covers a diverse number of Protestant traditions, denominations, organizations, and churches. The term *evangelical* was used in three senses in the early 21st-century. Evangelical Christians affirm fundamental doctrines and practical emphases. Four specific hallmarks of evangelical religion are conversionism, activism, biblicism, and crucicentrism, that stress the sacrifice of Christ on



the cross. Bebbington's definition has become a standard baseline for most scholars (Eskridge, 2011).

The Christian fiction market segment was studied for potential book sales. Christian fiction is popular among mostly white, females from an evangelical Protestant background but that audience is more diverse (Duncan, 2012). Existing literature and research provides no specific, substantiated reasons for the overwhelming financial success and competitiveness of The Passion of the Christ and The Chronicles of Narnia compared to other Christian and secular genre films. No methodical explanation existed for the success of motion pictures in any genre (Brewer, Kelley, & Jozefowicz, 2009).

Courageous, Fireproof, and Facing the Giants films were substantially more profitable regarding investment budget and revenue generated at the box office than most secular films with significantly larger budgets and film industry notoriety. The U.S. motion picture industry grossed nearly \$11 billion in revenues worldwide and Christian films usually gross less than 1% of the industry's annual revenue as shown in Figure 1 (Box Office Mojo, 2014). Christian based films may have a built-in following because the films are usually family friendly and have a predictable faith-based storyline (McKenzie, 2012). Rolfe (2012) stated that the opinion poll in the Dove 2012 Film Profitability Study included 8 million respondents and 70% indicated that the amount of sex, violence, and profanity in films bothered them. The goal of this exploratory study was to understand if an undiscovered market or blue ocean exists for Christian action films in the U.S. motion picture industry.



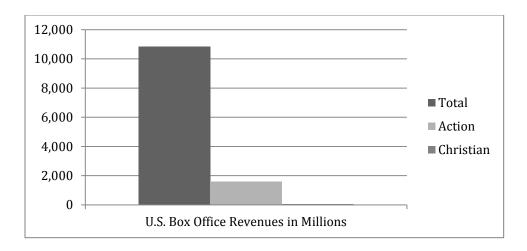


Figure 1. Box Office Mojo 2012 Total Revenues Per Genre

Statement of the Problem

A blue ocean opportunity exists for producers of Christian action films in the U.S. motion picture industry. Blue ocean strategy described how companies gain a competitive edge not by challenging their rivals head-on but by finding uncontested "blue ocean" markets to conquer instead (Ignatius, 2014). Market data reflected that sex, violence, and profanity content steadily increased ranging from 14% to 30% annually in G, PG, PG-13, and R rated films over a fourteen year period through 2008 (Lang & Switzer, 2009). Film producers could exclude an unknown amount of Christians desiring to see action genre films and their potential revenue from the theaters. The relationship between Hollywood studios and the American conservative Christians has always been tenuous as conservative Christians are not an easy audience to satisfy (Dupont, 2013). An unknown market space may await innovative films that methodically exclude profanity, excessive violence, and sexually based content, but exert a relatable plot, intense action, and a subtle underlying Christian message.

Several methods to determine box-office success of motion pictures include total ticket sales of particular movies and the profitability of films (Topf, 2010). Christian filmmakers have not maximized the potential for audience and revenue share of the action film market as



indicated by the Top 200 film list of Internet Movie Database (2011). DeRoss (2009) noted that combining messages that reach common ground with good public relations and marketing is what makes products successful across multiple platforms. Parker (2011) described Christian-based films such as *Courageous* and *Fireproof* as practical application Christian films. These films were popular among Christians and performed well at the box office, with respect to production costs, but did not generate over 10% of the revenues of *Chronicles of Narnia* or *The Passion of the Christ*.

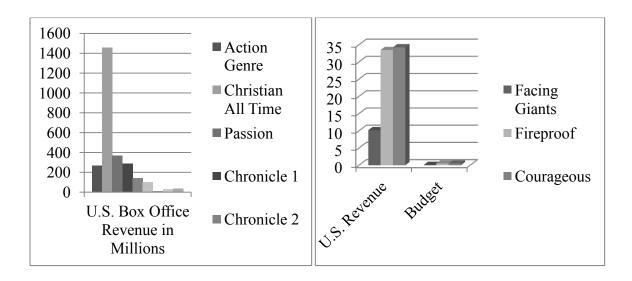


Figure 2. Revenue Comparisons in Christian Based Motion Picture Industry

Product innovation is the primary revenue driver in the motion picture industry (Joshi & Hanssens, 2009). Most Christian based films produce little revenue and profit at the box office according to Box Office Mojo as shown in Figure 2. Christian-based films in many cases tend to sermonize (Nieburg, 1996). Christian filmmakers need to spread their message in relevant, creative and innovative ways to generate competitive revenue and reach a larger audience (DeRoss, 2009). A value innovation in the Christian film genre might increase and sustain revenues for Christian-based filmmakers.



Purpose of the Study

The objective of this quantitative, exploratory research was to investigate the potential value innovation in Christian action films that mimic secular cinematic quality, but eliminate inappropriate, offensive content. Conventional wisdom indicates that family products sell and adult themes limit the customer base because of age restrictions (Terry, Butler, & De'Armond, 2011). Kim and Mauborgne (1997) depicted the concept of the value curve in which the manipulation of certain aspects of a product can elevate that product's value to the point that a new market is identified and created, thus considered a blue ocean.

Kim and Mauborgne (2004) used the value curve to illustrate one method of minimizing certain components of a product while maximizing those of particular interest to certain customers. Elements of hotel services were rated by customer value survey data from guests. The survey results indicated that the most important hotel features were bed quality, hygiene and room quietness. The hotel customers created value innovation through preferences in specific products and services offered by the hotel.

Literature reviews indicated no consensus regarding which factors influence movie success (Ferrari & Rudd, 2008). The decrease in revenues between The Chronicles of Narnia and those of Courageous and Fireproof presented a significant question regarding differences in these films' characteristics. Scholars have devoted little effort to understanding entertainment value or explaining its nature, components, influences, or measurement (Vladica, 2012). An objective of this study was to attribute perceived value to specific components the thematic content of a film as they appeal to Christian movie-goers.

Research about motion picture profitability has been sparse because of limited data availability and the relatively low explanatory power of rate of return models (Karniouchina,



Carson, & Moore, 2010). Further research did provide an explanation for the relationship between cinematic content and the financial success of the aforementioned blockbuster films that contained minimal offensive content. Poor filmmaking disappoints Christian viewers as much as everyone else (Buss, 2009). This study's results indicated dynamics that may affect revenues and success of action films produced with a Christian perspective. Such information may compel Christian-based and secular film producers to further investigate and contribute to this field of knowledge and further innovate the motion picture industry.

Rationale of the Study

The core literature for this study consisted of the researcher's review of value innovation theory (Kim & Mauborgne, 1997) and blue ocean strategy (Kim, 2004). Disruptive technology (Christensen, 2005) was a primary scholarly article for this study regarding market disruption. DuPont (2013), Shen (2010), and Mast (2008) provided core literature for Christian based films and audience effects. Parker (2011) referred to an underserved market of Christian films that Christian filmmakers like Salem Baptist Church and other Christian-based filmmakers could satisfy. Greenaway and Zetterberg (2012) conducted a related study to determine motion picture box office success factors and incorporated a regression model as the primary tool.

Scholarly databases were searched using keywords and phrases including blue ocean strategy, value innovation, disruptive technology, Christian filmmaking, cinematography, action films, and box office revenues. Gaps existed in scholarly literature regarding market data for Christian movie viewership of action films and related value innovation potential. Mast (2008) indicated that statistical analysis detected negative effects on the Christian's worldview from the content of Rated-R films. Blue ocean strategy and value innovation theories were critical for the exploration of Christian action film's potential in the motion picture industry.



Industry leaders and decision makers may gain a better perspective of the Christian action film market through this study. Specific film aspects appeal to movie-goers who do not fit into established or perceived demographic populations. Many aspects of film projects and the film industry present new and interesting puzzles worthy of investigation (McKenzie, 2012). Investigating the demand for Christian action films may reveal knowledge to filmmakers most apt to avail to value innovation and a blue ocean.

Potential value innovation and a blue ocean in the motion picture industry were worth investigation. Evidence indicated that certain value components of movies can be combined to generate substantial revenues at the box office. Ratings are economically plausible factors that predict movie revenues. A specific correlation exists between thematic content, accessibility of young audience members, and revenues. Christian action films could be the bridge between Christian messages and cinematic barriers in secular action films (Ferrari & Rudd, 2008)

The potential blue ocean opportunity for the U.S. motion picture industry was graphically depicted in Figure 3 below. This research was focused on the effects of the combination of value innovated film components introduced to the Christian Movie-goer sample population. The survey instrument in this study included questions designed to detect relationships between Christian participants' ticket purchase decisions and action film components. Kim (1997) depicted the value curve that described the value innovation phenomenon that created a blue ocean opportunity.



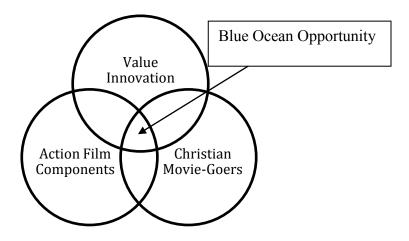


Figure 3. Venn Diagram for Blue Ocean Opportunity Potential

Research Questions

The objective of this research was to investigate the existence of a blue ocean in the U.S. motion picture industry. This blue ocean would consist of action film movie-goers who find added value in films consisting of subtly embedded Christian messages combined with competitive value innovated entertainment components and clean, inoffensive content. The two related research questions were:

- 1. What is the value innovation and blue ocean opportunity among Christians as indicated by ticket purchase decisions for action films that contain a strong plot, intense action, clean thematic content, a significant Christian message, and entertainment value in the U.S. motion picture industry?
- 2. To what extent do the dependent variables of sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior in movie content affect the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States?



Significance of the Study

The investigation of value innovation potential in Christian films expanded existing knowledge of the U.S. motion picture industry for two reasons. First, the research contributed to the conceptual field of blue ocean strategy. Kim and Mauborgne (2004) introduced the concept of blue ocean strategy as a phenomenon that occurred as often as a product, service, or combination of the two revealed a new dimension of a market and previously undiscovered customers. Researching the motion picture industry with a similar lens of opportunity revealed new demographic characteristics of the Christian movie-goer audience.

Second, this research adds to the body of knowledge of value innovation theory. The ability to discern certain aspects of a film's value to the audience member may provide useful information and support to the filmmaker to fill cinema seats and earn more revenue at the box office. Value innovators distinguish factors that deliver superior value (Kim & Mauborgne, 1997). This research provided information for practitioners and scholars to analyze hidden populations in the motion picture industry known as blue oceans.

Third, this research did fill gaps in the body of knowledge pertaining to demand for Christian-based motion picture production and the composition of the Christian movie-going population. DuPont (2013) described one niche component of a Christian movie-goer audience estimated to be at least 90 to 120 million people. Dupont did not explain how specific film components affect ticket purchase decisions and left a gap regarding which aspects of a film attract Christian viewers to the theater. Parker (2011) referred to an undefined market of Christians who are interested in modernized Christian films.

Fourth, Lang and Switzer (2009) indicated that value innovation potential exists in secular or non-Christian based films. Action films can be innovated through the reduction of



sexual content, profanity, and extreme violence without a Christian message. The sample for this study did not directly include the potential audience member for non-Christian based films. Significant markets may exist outside of the targeted sample for this study and may present a gap worth researching in the future.

Definition of Terms

This section is a list of specific and relevant terminology used in this study. These terms reflected the review of scholarly literature and common descriptions of the nature and characteristics of the motion picture industry. The included terms reflected business theories such as blue ocean, value innovation, and business model strategies.

Action film: A film or movie containing numerous scenes in which action is spectacular and usually destructive (Internet Movie Database, 2012).

Blockbuster theory: The belief in a large production cost generating large revenue (Topf, 2010).

Blue ocean: The conceptual state of an undiscovered population of customers for a product or service introduced to that market usually in the form of a disruptive innovation (Kim & Mauborgne, 2004).

Bold retreat: A retreat to a defensible niche or competitive position when a superior product has been introduced to the marketplace (Adner & Snow, 2010).

Christian Evangelical: one who believes in six specific Christian tenets including biblical scripture authority, Jesus Christ as God incarnate and savior of sinful mankind, the Holy Spirit, to be born again, need to evangelize, and communion of Christians (Edger, 2012).

Christian films: Movies produced by Christians that promote or embody their religions (Box Office Mojo, 2014).



Disruptive innovation: The introduction of a product or service to a market that renders existing products or services obsolete and uncompetitive (Christensen, 2005).

Fast second approach: A market approach that targets the newly created market in second position behind a superior product and colonizes that market (Buisson & Silberzahn, 2010).

First mover approach: Entering first into a new market and setting up a strong differentiation strategy, firms can create and dominate a new area in which profits abound-(Buisson & Silberzahn, 2010).

Frame: a listing of the elements used to select the sample. (Anderson, Sweeney & Williams (2012)

G-rated motion picture: rated for general audiences, all ages admitted. A G-rated film's content has nothing in theme, language, nudity, sex, violence or other matters that, in the view of the Rating Board, would offend parents whose younger children view the motion picture. The G rating is not a "certificate of approval," nor does it signify a "children's" motion picture. Some snippets of language may go beyond polite conversation but are common everyday expressions. No stronger words are present in G-rated motion pictures. Depictions of violence are minimal. No nudity, sex scenes or drug use are present in the movie (Motion Picture Association of America, 2013).

Metascores: Scores that tabulate reviews from movie critics examined factors that measure the quality of a movie's story (Ferrari & Rudd, 2008).

Movie ratings: the Motion Picture Association of America movie ratings provide parents with advance information about the content of movies to help them determine what movies are appropriate for their children at any age (Motion Picture Association of America, 2013).



NC-17-rated motion picture: No one 17 and under admitted. An NC-17 rated motion picture is one that, in the view of the Rating Board, most parents would consider patently too adult for their children 17 and under. No children will be admitted. NC-17 does not mean "obscene" or "pornographic" in the common or legal meaning of those words, and should not be construed as a negative judgment in any sense. The rating simply signals that the content is appropriate only for an adult audience. An NC-17 rating can be based on violence, sex, aberrational behavior, drug abuse or any other element that most parents would consider too strong and off-limits for viewing by children (Motion Picture Association of America, 2013).

PG-rated motion picture: "Parental Guidance Suggested. Some material may not be suitable for children. A PG-rated motion picture should be investigated by parents before their younger children attend. The PG rating indicates that parents may consider some material unsuitable for their children, and parents should make that decision. The more mature themes in some PG-rated motion pictures may call for parental guidance. There may be some profanity and some depictions of violence or brief nudity not deemed so intense that parents be cautioned beyond the suggestion of parental guidance. No drug use content is in a PG-rated motion picture." (Motion Picture Association of America, 2013).

PG-13 rated motion picture: "Parents are strongly cautioned that some material may be inappropriate for children under 13. A PG-13 rating is a sterner warning by the rating board to parents to determine whether their children under age 13 should view the motion picture, as some material may not be suited for them. A PG-13 motion picture may go beyond the PG rating in theme, violence, nudity, sensuality, language, adult activities or other elements, but does not reach the restricted R category. The theme of the motion picture by itself will not result in a rating exceeding PG-13, although depictions of activities related to a mature theme may



result in a restricted rating for the motion picture. Any drug use will initially require at least a PG-13 rating. More than brief nudity will require at least a PG-13 rating, but such nudity in a PG-13 rated motion picture generally will not be sexually oriented. There may be depictions of violence in a PG-13 movie, but generally not both realistic and extreme or persistent violence. A motion picture's single use of harsher sexually-derived words, though only as an expletive, initially requires at least a PG-13 rating. More than one such expletive requires an R rating, as must even one of those words used in a sexual context. The Rating Board nevertheless may rate such a motion picture PG-13 if, based on a special vote by a two-thirds majority, the Raters think that most American parents would believe that a PG-13 rating is appropriate because of the context or manner in which the words are used or because the use of those words in the motion picture is inconspicuous." (Motion Picture Association of America, 2013).

R-rated motion picture: "R Restricted. Children Under 17 Require Accompanying Parent or Adult Guardian. An R-rated motion picture may include adult themes, adult activity, hard language, intense or persistent violence, sexually-oriented nudity, drug abuse or other elements, so that parents are counseled to take this rating very seriously. Children under 17 are not allowed to attend R-rated motion pictures unaccompanied by a parent or adult guardian. Parents are urged to find out more about R-rated motion pictures to determine their suitability for children. Generally, parents should not bring young children with them to R-rated motion pictures." (Motion Picture Association of America, 2013).

Secular: Denoting attitudes, activities, or other characteristics that have no religious or spiritual basis. (New Oxford American Dictionary, 2013).

Sexual content: Nudity, sexual enactments, suggestive sensuality, or physical contact between characters in a film promoting sexual relations (MPAA, 2012).



Smut: The undesirable, offensive content of film including sexual scenes, profanity, and obscenity (Mast, 2008).

Underserved markets: Markets in which more demand exists for a product or service than is supplied (Parker, 2011).

Value curve: the graphic depiction of variable components of value in a product or service regarding aspects and degree of appeal to customers (Kim & Mauborgne, 1997).

Value innovation: The concentration or focus on the enhancement of specific aspects of a product or service, while minimizing others in a way that enhances the value of such product or service to a specific market or customer (Kim & Mauborgne, 1997).

Assumptions and Limitations

The first assumption was that churchgoing Christian participants in the study answered questions truthfully and accurately. Every participant filters information no matter how well intentioned he or she is and a participant may not want to report fully and fairly (Cooper & Schindler, 2010). Another assumption was that the participants would not be biased because of the subject matter. The researcher did not cause biased responses. Third party administration of survey instruments eliminated bias and a pilot study of the survey was administered using the Qualtrics[©] website. The separation of the researcher from the participants eliminated influence or obligation to participate in this study or respond in a particular manner.

A major limitation of self-administered surveys is the type and amount of information collected (Cooper & Schindler, 2010). Time and participants were limited for this research compared to the action genre audience size in the United States and worldwide. Another limitation was the availability of data regarding relevant demographics such as income levels and familial status which were not collected or analyzed. Participants will generally refuse to



cooperate with a long or complex mail, computer-delivered, or intercept survey unless a personal benefit is perceived (Cooper & Schindler, 2010). Computer-generated surveys were accessed via e-mail links to a designated Qualtrics[©] internet site and the surveys were completed in less than ten minutes.

Potential ethical concerns were minimized or eliminated during the research. First, participants' identities were kept anonymous. Researchers provide anonymity using e-mail surveys (Cooper & Schindler, 2010). The purpose of the research was presented clearly to those participating in surveys. Participants were provided an informed consent form prior to commencement.

This study involved a relatively undefined proposed product, Christian action films.

Little data supported success and profitability in this particular genre of film as the concept differed from the practical application Christian films *Facing the Giants, Fireproof*, and *Courageous*. Time and resource constraints created difficulty in providing an upfront explanation to research participants exactly what a Christian action film was. Access was also limited and restricted to faith-based and secular filmmaking companies that do not wish to reveal sensitive industry and corporate information pertaining to marketing strategies and production techniques.

Nature of the Study

The nature of this study was to build upon the existing marketing theory known as value innovation by analyzing blue ocean strategy regarding the motion picture industry. Value innovation is the concentration or focus on the enhancement of specific aspects of a product or service while minimizing others in a way that enhances the value of the product or service to a specific market or customer (Kim & Mauborgne, 1997). Most blue oceans are created from



within, not beyond, the red oceans of existing industries. Incumbents often create blue oceans within their core businesses (Pritchette, 2014). The primary research strategy incorporated analysis of related literature and sample data collected from potential audience members of Christian action films. This research was a quantitative, exploratory study of the potential demand of a new product in an existing motion picture market depicted in Figure 4 below.

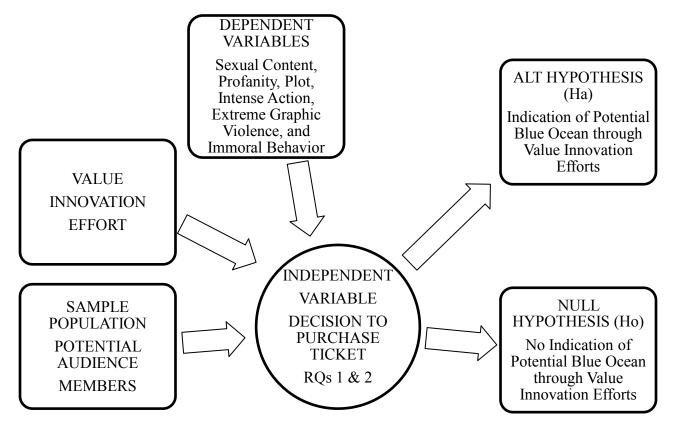


Figure 4. Theoretical Framework of Variables, Theory, and Research Interactions

The value curve is a model for Christian action film components (Kim & Mauborgne, 1997). Kim and Mauborgne depicted The Four Actions Framework that included the interchangeable value actions of reducing, raising, creating, and eliminating value factors to create a new value curve. This process is applicable to film features containing a perceived value to the consumer. The survey included questions about dependent variables of this study that pertained to demand levels for various movie components such as action, sexuality,



profanity, and plot. Data analysis from testing presented in Chapter 4 revealed which of these components created a new value curve for potential audience members.

The research included sampling techniques including surveys conducted in sample populations from identified and willing organizations (Creswell, 2009). The Qualtrics[©] Survey Company administered the surveys and collected the participants' data. Qualtrics[©] was better for this research than Survey Monkey[®] and ZoomerangTM, because Qualtrics[©] guaranteed sample panels and collection of responses. Qualtrics[©] also allowed structuring of survey questions and data capture that was easily converted into data for analysis and testing. Qualtrics[©] provided telephone support for technical assistance and sample management. The survey was purposive and homogeneous. The Institutional Review Board of Capella University for structure and content approved the proposed technique.

Organization of the Remainder of the Study

Chapter 1 was an introduction to the purpose and nature of this study. The research problem and research questions were introduced and described in this chapter. The quantitative method was selected because it was most applicable to the theoretical research and data needed to investigate the potential for a blue ocean and value innovation in the motion picture industry. Definitions of fundamental terms, assumptions, and limitations were also included in Chapter 1 to establish the framework for this study.

The goal of Chapter 2 was to describe and analyze a review of the literature for this study. Seminal and supporting works were used to determine the research method and provide the core research to guide the data collection and sample characteristics in Chapter 3. Seminal works examined included blue ocean strategy, value innovation theory, and disruptive innovation



theory. Alternative viewpoints were presented and evaluated in Chapter 2 for consideration of merit and influence on the research in this study.

The movie-goer population, sample, and data collection method were explained in Chapter 3. The preservation of anonymity, protection of participants and ethics were described in Chapter 3. The method and expectations of the study were described in detail in Chapter 3. Chapter 3 included the research questions, associated hypotheses, and the dependent and independent variables tested. The purpose of Chapters 4 and 5 was to describe and explain the results of the data collected and analyzed in the study and conclusions pertaining to the potential for value innovation and a blue ocean in the motion picture industry for Christian based action films.



CHAPTER 2. LITERATURE REVIEW

The Literature's Influence on Methodology and Research Questions

Justification of Quantitative Method to Meet Research Objective

A large section of the literature surrounding the film industry is qualitative, rather than quantitative, focusing on the theoretical underpinnings of a film's success rather than conducting a specific econometric regression on the subject (Greenaway & Zetterberg, 2012). A significant amount of the literature in this study was quantitative that pertains to motion picture trends such as Mast (2008), Shen (2010) and (Terry, Butler, & De'Armond, 2011). This research incorporated the quantitative method to achieve the objective of determining if specific relationships existed between dependent and independent variables described in Chapter 3. This study was influenced by value innovation theory, blue ocean strategy, and motion picture trend literature. I incorporated sample data collection and linear regression analysis that measured dependent and independent variable pertaining to Christian movie-goer preferences that may be influenced by value innovation to indicate a potential blue ocean.

The Literature's Influence on Research Questions

The literature review on the topics of motion picture industry trends, Christian films, and blue ocean strategy yielded articles that presented variables that helped formulate the two related research questions of this study. The first research question pertained to the value innovation and blue ocean opportunity among Christian movie-goers as indicated by ticket purchase decisions for action films that contain a strong plot, intense action, clean thematic content, a significant Christian message, and entertainment value in the U.S. motion picture industry. A gap existed in scholarly literature regarding a blue ocean opportunity. DuPont (2013) and Parker



(2011) described estimated and undefined Christian audience sizes but could not explain the difference between blockbuster revenues of the *Chronicles of Narnia* and those of *Fireproof* and *Courageous*. Figure 5 below depicted 2012 box office revenue comparisons between action genre film revenues and the most successful Christian based films including *The Passion of the Christ, The Chronicles of Narnia* trilogy, *Facing the Giants, Fireproof,* and *Courageous*.

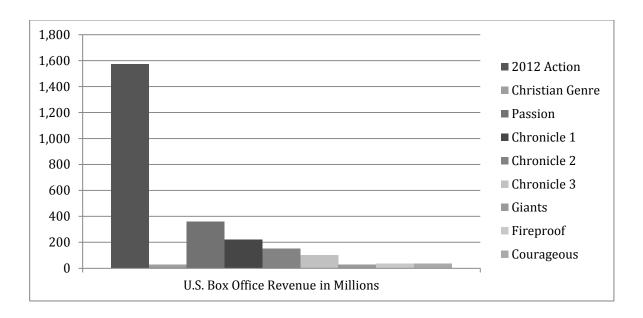


Figure 5. Box Office Mojo Revenue Comparisons for Action, Christian, and Blockbuster Films

Question 2 pertained to the extent that the dependent variables of sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior in movie content affected the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States. Lang and Switzer (2009) and Mast (2008) provided evidence that some of the dependent variables such as sex, profanity, and violence in Research Question 2 had adverse effects on Christian and secular audience members and affect demand for motion pictures ticket purchases. Specific population sampling provided data that indicated specific film aspects that appealed to Christian audience members and evoked potential ticket purchases.



Research Population and Proposed Sample Size

DuPont (2013) described a Christian movie-goer market of 90 to 120 million people from different church denominations that attend church once a week. A 2010 Church Census indicated that more than 12.2 million protestant, non-denominational church members in 35,496 congregations and 2665 counties in the United States (Association of Statisticians of American Religious Bodies, 2012). The proposed target population for this study was 200 protestant, non-denominational participants who attended church once a month and watched a movie once every three months and an action movie at least once per year. Vladica (2012) presented research consisting of 100 participants in the sample population to investigate entertainment value components. Mast (2008) included 219 participants in the study population. Three protestant, non-denominational Christian churches participated in the research.

The literature review was organized, integrated, and presented in a way that aligned and connected the findings logically to the problem and purpose statement (Cooper & Schindler, 2010). The concept of Christian action films required explanation and clarification. Christian action films involve fusion of proven factors that appeal to theatrical audiences and strategy and innovation theories discussed in this literature review. The core literature review depicted in Figure 6 below included an extensive search of scholarly databases for keywords and phrases including blue ocean strategy, value innovation disruptive technology, Christian filmmaking, cinematography, action films, and box office revenues. Influential literature described in this chapter pertained to strategies and approaches applicable to the motion picture industry and Christian filmmakers.



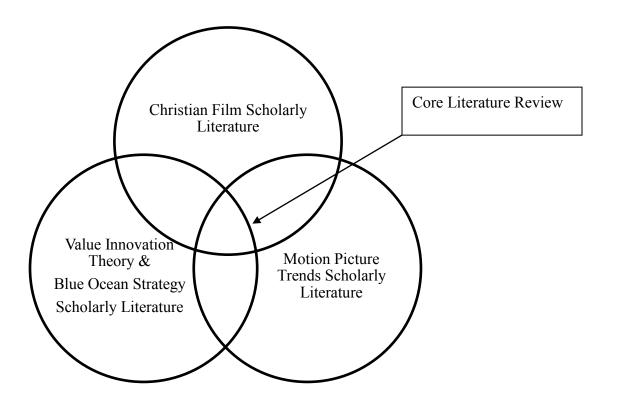


Figure 6. Core Literature Review

Organizational Theory

Seminal Works

Blue ocean strategy was developed and described by Kim and Maughorgne (2004). Blue ocean strategy was based on earlier value innovation theory (Kim & Maughorgne, 1997). Kim and Mauborgne (1997) depicted the concept of the value curve. The value curve literature illustrated how the manipulation of specific aspects of a product can elevate that product's measurable value to certain consumers in various industries including hotels and theaters. Christensen (2005) described disruptive innovation, which is closely related but distinguishable from the value curve. These strategies and theory incorporated descriptions of market effects on customer and consumer habits when new or superior products and services are introduced to the



marketplace. The strategies vary in the scope and scale of market effect and consumer participation.

Blue Ocean Strategy. Kim and Mauborgne (2004) described the base strategy for this research pertaining to Christian action films. Blue ocean strategy and value innovation theories are critical for the exploration of Christian action film's potential in the motion picture industry. Kim and Mauborgne presented research to support the blue ocean strategy. A blue ocean is a new market created by a new or existing entity that has innovated a particular product or service to the point of no or very limited competition. Companies that create blue oceans usually reap the benefits without credible challenges for 10 to 15 years, as was the case with the Canadian circus company Cirque du Soleil that value innovated the circus industry (Kim, 2004).

Value innovation theory. The base theory of this research was value innovation and specifically how it related to the aforementioned blue ocean strategy. Kim (2004) presented a theoretical article about value innovation. Value innovation is a process concerned with identifying which common features and characteristics of a product or service appeal the most to customers and offering the new or radically improved products and services that meet those needs. Kim and Mauborgne (1997) depicted value innovation graphically with the value curve. The authors considered a certain number of the most important elements of a product or service with a certain level of perceived value to its customers.

Vermeer (2008) was specifically related to value innovation in Christian film making and marketing. Vermeer focused on value innovation theory that preceded blue ocean strategy and relates specifically to processes that Christian films require isolating value components of film making necessary to attract customers in a potential blue ocean. The literature review was organized as a sequential review of articles and value innovation research from 1994 to 2008.



The review had a scope of topics that was either supported or linked to value innovation including "strategic innovation, "blue ocean strategy" and "value innovation.

Vermeer (2008) identified implications and stated recommendations regarding value innovation theory. Implications were that the research shows continued opportunity to further define and research value innovation in goals at the corporate level. Vermeer suggested that firms should identify specific types of innovative projects and evaluate them for risks and implementation and provided in a five-step format: first that firms have a clear value innovation mission and vision statement. Second, he recommended that companies develop key organizational values and a culture that drive value innovation. The third recommendation was to set objectives and targets and describe how to reach them with select projects. Fourth, Vermeer suggested when developing any blue ocean, management needs to consider the 'casino factor' addressing the risk factors involved in investing in a risky concept. Fifth, collaboration helps companies to achieve more than they can on their own (Vermeer, 2008).

Specifically, Vermeer (2008) called into question the Kim (2004) *Blue Ocean* article regarding how effective the strategy is in industries in which competition easily followed the leader into the new blue ocean. Vermeer made two recommendations relevant to the Christian film industry's success in the action film genre. Vermeer addressed the posture that a business should adopt for innovation and competitiveness in a changing environment. First, leaders should develop a culture that drives an organization toward the goal of value innovation in the specific product. Second, leaders should set objectives that propel them toward meeting that goal in their market (Vermeer, 2008).

Faith-based motion picture producers need to value innovate their products to compete with secular movie producers in the motion picture industry. New markets emerge because of



the manipulation of product value through various feature enhancements. Cirque du Soleil innovated value in the circus industry by shifting the buyer group from children to adults. Cirque du Soleil capitalized upon the distinctive strengths of alternative industries to offer a new set of utilities to more mature and higher spending customers (Kim, Maugborne, Bensaou, & Williamson, 2009).

Disruptive innovation. The Christian action film approach combines Kim et al. (2004) Blue Ocean strategy and Christensen (2005) disruptive innovation. Disruptive innovation is the discovery of more efficient techniques that do the customer's job in a way not previously experienced (Christensen, 2005). Blue oceans are undiscovered markets that emerge when companies introduce disruptive products and technologies to an industry (Kim, 2004). In the case of Christian action films, the degree of discovery of such markets depends on the significance of the product offered by Christian filmmakers in the action film market. One goal of this research was to discover if potential audience members value the proposed components of Christian action films and to what extent.

Theory/Strategy	Description	Scope
Blue Ocean Strategy	New Market Creation or Discovery	Entire Marketplace
Value Innovation	Value Component Exploitation	Particular Facet of Market
Disruptive Innovation	Existing technology obsolete	Product or Service Segment
Business Model Innovation	Core competencies redefined	Company or Firm
Open Innovation	Collaborative product improvement	Interdepartmental, Industry

Figure 7. Primary Elements of Innovation Theories

Innovation is a main source of technological progress and economic growth and radical innovation refers to major shifts in product lines and processes or developing entirely new goods (Kantabutra & Avery, 2011). Disruptive innovation worked extremely well for Red Box. The Red Box rental video kiosk business model offered inexpensive, convenient DVD rentals that



practically eliminated Blockbuster Video. The leaders of Cirque du Soleil discovered a blue ocean. An underlying market of circus goers were willing to pay overwhelmingly to see unique and innovative performances versus status quo acts like Barnum & Bailey Circus. The innovation theories were presented graphically above in Figure 7.

The motion picture marketplace. Lang and Switzer (2009) presented information pertaining to the U.S. motion picture industry's sex, violence, and profanity (SVP) levels across G, PG, PG-13, and R rated films. SVP ratings increased annually from 1993 to 2007. Sexual content did not detract from value in film revenues and contributed positively among adults and students. Profanity negatively affected revenues across the industry and violence added to the value at the PG-13 rating level. This information reflected the potential of Christian action films from a combinatory perspective.

Dupont (2013) described the reasons the producers and distributors of The Chronicles of Narnia took advantage of the American Christian evangelical audience. The Chronicles producers collaborated with American Evangelicals, who welcomed a high-profile opportunity to spread God's word. Dupont demonstrated that a globalized movie industry contained a niche market in American conservative Christians that can be manifested by the right product or service. Regular church attendees were identified as among the 25% to 40% of Americans who attend a church weekly and 41% were occasional movie-goers with children under 12 and 36% were families with teenagers. Dupont also described the relationship between Hollywood and conservative Christians as 'tricky' and Christians as not an easy audience to satisfy. The substantial box office success of *The Passion of The Christ* film demonstrated that even conservative Christians have the potential to be a blue ocean or a niche audience for Hollywood given the right product or service.



The seminal works influenced this study as the literature described the phenomenology of blue oceans and value innovation theory in various industries to which the motion picture industry could be compared. Dupont (2013) revealed a potential market to target for the specific value innovation of Christian films to include action and clean thematic content. Christensen (2005) described the phenomenon of disruptive technology and indicated its effects in the marketplace. The Christian action film may be a genre successfully introduced to the motion picture market in a similar manner as the *Chronicles of Narnia*. The seminal works of this literature review also led to the further develop and expansion of the respective bodies of knowledge in the following supporting works.

Supporting Works

Shen (2010) examined a critical aspect of Christian film making through cross-cultural effects of the film *Bruce Almighty*. The movie was not a traditional Christian film, but some aspects of Christianity were depicted. Shen defined the terms Christian ideology and Christian message films in the research. The related research indicated that many Christian filmmakers produce films with a Christian worldview and desire to unite their faith with entertainment.

A Christian message film includes elements that reflect and support Christian ideology (Shen, 2010). Shen's study included students at a university in Taiwan who saw the film *Bruce Almighty* to determine how particular variables affected viewers. Shen used the T-test to compare the mean scores of two different groups who answered questions about the effects of certain messages in scenes from the movie from the five McGuire's persuasive effects variables. Shen's work was significant and relevant to Christian action film potential because it demonstrated how a secular market film could incorporate subtle Christian messages and affect its viewers differently depending on their background.



Stewart (2003) analyzed the effects of modernism and post modernism on the arts and clearly illustrated the connections between culture, art, film, and worldviews. Modernism and post-modernism both focused on the roles of humanity and inclusiveness in shaping culture, worldviews, and the arts. Specifically, these works illustrated how modernism and post modernism affected film and the U.S. motion picture industry. As a result, motion pictures began to drift from traditional religious worldviews to multiple perspectives in society.

Mast (2008) addressed three major issues related to the topic of Christian films, First, the Christian worldview was defined as a perspective that places Christian values in conflict with the secular film industry. Second, Mast identified issues pertaining to Christians consuming secular films along with secular counterparts. Finally, statistical analysis indicated that desensitization occurred and negatively affected the Christian's worldview because of repeated viewing of R-rated films. The findings indicated a significant negative relationship between the amount of smut a Christian viewer consumed, and the lack of adherence to a biblical worldview as smut content and viewing frequency increased, the state of worldview decreased (Mast, 2008).

Mast (2008) introduced terminology and acronyms to describe inappropriate thematic content. This work encapsulated important concepts and terms such as smut, which encompassed nudity, gore, immorality, and other offensive aspects of motion picture production. Mast presented three main research objectives which were to gain an accurate reflection of the film viewing habits of a sample Christian audience, to determine those sampled viewers' adherence to a Christian worldview, and to examine the relationship between the apparent homogenization of Christian and secular worldviews from consumption of films containing high levels of smut. The conclusion of Mast's research indicated that restricted film content did cause



erosion of the Christian worldview and perspectives of Christian viewers. Most of these films were action genre or popular films in the motion picture industry over a ten year period.

Researchers developed models that explored the potential determinants of motion picture box office performance (Terry, Butler, & De'Armond, 2011). Litman's linear regression model was developed to attempt prediction of the financial success of films. Litman's model provided evidence that various dependent variables such as production costs, critics' ratings, genre, major distributor, release dates, and awards were significant determinants of the success of motion pictures (Terry, Butler, & De'Armond, 2011). The regression model consisted of dependent and independent variables intended to indicate relationships among various value components of motion pictures and appeal to potential customers.

Alternative Viewpoints

Lang and Switzer (2009) presented evidence to support profitability in R-rated films versus revenue competitiveness with PG-13 and below rated movies in two ways. First, the research indicated an international market demand and substantial revenues for R-rated films. Second, R-rated films generate less than rated PG-13 and below combined revenues, for combined box office revenues and post-theater digital versatile disk (DVD) sales.

PG-13 and below rated films outperform rated-R films (Rolfe, 2012). Christian-based films rarely exceed a PG-13 rating according to the Motion Picture Association of America. One exception was *The Passion of the Christ*. Because of the nature of action films, Christian action films would contain some violent content, intense action, and conflict, but would not need gore and other content that requires an R-rating.

Film has become a popular form of entertainment among teenagers and provides images from which teens model behaviors and form attitudes (Callister, Stern, Coyne, Robinson, &



Bennion, 2011). Callister et al. studied the portrayal of teen and adult sexual behaviors in teen-centered films from 1980 to 2007 and analyzed the frequency, nature, character portrayals, and consequences of sexual behavior. The research indicated that teen-centered films were replete with passionate kissing and sexual dialogue but contained a slight amount of implied intercourse and intimate touching. Research results indicated that teen-centered films, as a source for sexual socialization, were relatively impoverished compared to responsible messages of abstinence, safe sex practices, and the health risks associated with sex (Callister et al., 2011).

Ji and Waterman (2012) presented evidence that high technological content and special effects are very profitable. The mini-series film The Bible was aired on the History Channel in 2013 and viewership was at record levels for a documentary film. Action genre films contain stunts and special effects to varying degrees. High technological content and special effects may be combined with a Christian message to generate larger audiences for documentary films such as Son of God and Noah released in 2014.

Developments in Modern Evangelical Films

Blockbusters

Blockbuster Christian films are rare. Ferrari and Rudd (2008) examined determinants of gross revenues of movies and correlations between critical elements of movies and their contribution to revenues and found that a relatable plot positively contributes to a motion picture revenues. *Passion of the Christ* and *Chronicles of Narnia* contained high levels of special effects and intense graphical depictions. These films exhibited highly recognized cast members and masterfully developed plots and story lines.



The Passion of the Christ film was financially successful despite low expectations. The \$30 million R-rated production became a tremendous success and produced \$370 million in American box offices staying in cinemas for 22 weeks (Dupont, 2013). Box Office Mojo (2014) published a list of 83 Christian genre films marketed since 1980. The Passion of the Christ was the only rated 'R' film on the list because of the bloody and graphic depictions of Jesus Christ's persecution and crucifixion. The rest of the films were rated 'PG' in various sub-categories. The Passion of the Christ was the top film in its genre followed by the three Chronicles of Narnia films grossing a combined \$537 million.

Church Movement and Practical Application Films

The difference between a sermonizing film and a Christian action film is the reduction of preaching to or sermonizing the audience (Nieburg, 1996). The potential exists for value innovation and discovery of a blue ocean in Christian action films. Rick Santorum as Chief Executive Officer (CEO) of Echolight Studios stated faith-based films tend to be disappointing suggesting that Christians use the platform of modern popular culture to produce quality Christian-themed films with popular appeal (as cited in McDermott, 2013).

Parker (2011) described films such as Facing the Giants, Courageous, and Fireproof as practical application Christian films. In these films, viewers recognized Christian aspects of the main characters but the focus of the film is on the situation and how the characters address and solve a given problem set. These films succeeded regarding positive return on investment (ROI), but did not compete well for industry market share or in a large number of theaters. Courageous and Fireproof both made the top 10 in the Christian film list grossing \$34 and \$33 million respectively.

Disruptive Innovation Strategy Approach



Disruptive innovation theory was critical for this research. When a new technology emerges, incumbents often try to defeat or copy it. An alternative option is to retreat to a defensible niche, also known as a bold retreat (Adner & Snow, 2010). Adner and Snow described another approach in which bold reinvention uses the same or similar technology with new uses as opposed to trying to invest resources to compete with the new disruption.

Markides (2006) presented a significant theory concerning business model innovation. A primary component of a Christian-based filmmaking company's posture is to present a disruptive business model to its industry through value enhancing components of Christian film. Markides stated that business-model innovation is the discovery of a fundamentally different business model in an existing business.

Competitive environments are difficult to predict regarding new product releases (Calantone, Yeniyurt, Townsend, & Schmidt, 2010). Industries must time product entry with extreme accuracy and understand the market's competitive environment and potential defensive reactions to innovative products including motion pictures. Calantone et al. (2010) presented the model of classifying competition by order of entry. The concept of order of entry considers the role of both incumbent and new products. Disruptive innovation will be met with effective competition or imitation. Christian action film producers might encounter strategies from secular movie producers to compete for Christian audiences as well.

Competitive knowledge management is critical in a competitive environment and should be received by management on a regular basis (Hall & Lundberg, 2010). Competitive knowledge is not effectively provided to management. This condition places a competing company at risk of making poor or no decisions at critical times. The U.S. motion picture



industry needs competitive knowledge and Christian filmmakers must become the subject matter experts in the industry to compete with secular filmmakers.

Skarzynski and Rufat-Latre (2011) concluded that a wide spectrum of disruptive innovators revealed three critical capabilities drive game changing success. The first ability is to anticipate and act on market discontinuities and unmet customer needs with a particular focus on the business model. The second ability links incremental and breakthrough innovation efforts by focusing on one shared aspiration. The third ability is a mindset that expects opportunities for disruptive innovation to inform strategy and for strategy to inform the search for disruptive innovation opportunities.

Market entrants with disruptive innovations tend to succeed by combining a business model tailored to the needs of a relatively less attractive market or the entrants' foothold (Raynor, 2011). Oftentimes, incumbents cannot replicate the product or service improvements quickly. Raynor offered four basic rules for potential innovators or market disrupters. First, an incumbent that launches a sustaining innovation (one intended to meet the needs of its current customers) can expect to succeed. Second, an incumbent that seeks to disrupt its markets can expect to fail. Third, an entrant that launches a sustaining innovation that targets the most valuable segments of an established market can expect to fail. Finally, an entrant that launches a disruption can expect to succeed (Raynor, 2011).

The Economist (2011) included a review of Christensen (2005). The focus of the Economist's review was to elaborate on five habits of mind that characterize disruptive innovators: associating, questioning, observing, networking, and experimenting. The anonymous author also listed a glossary of established drivers of innovation including company outlooks, alignment and realignment of systems and processes, tools and techniques to innovate, diversity



to help spark new ideas, forums and platforms for interaction and slack from regular activities to experiment and develop new ideas.

Buisson and Silberzahn (2010) analyzed the first mover approach and suggested firms create and dominate a new area in which profits abound by entering first into a new market and setting up a strong differentiation strategy. The fast second approach contends, on the contrary that companies should not try to become pioneers, but should rather target the newly created market in second position, and colonize this market. Firm decision makers contemplating imitation of a competitor's innovation face a dilemma to either imitate a new, unproven offering, or forego imitation and potentially miss the next market success (Semadeni & Anderson, 2010). Success and failure rates of innovators and imitators often vary. Christian filmmakers must develop core competencies to defend against industry imitators.

Adner and Snow (2010) suggested that when a new technology emerges, incumbents often try to defeat or copy its success. An alternative option is to retreat to a defensible niche. Adner and Snow referred to this reaction as a bold retreat. Firms using a bold retreat introduce the same or similar technology with new uses as opposed to trying to invest resources to compete with the new disruption.

Business Model Innovation

Three primary business model lessons are the ability to anticipate and act on market discontinuities and unmet customer needs, the ability to link incremental and breakthrough innovation efforts by focusing on a single, shared aspiration and to recognize that disruptive innovation can inform strategy just as strategy can inform disruptive innovation (Skarzynski & Rufat-Latre, 2011). Film industry technology and techniques might make existing processes obsolete if innovative and disruptive. The implication from this article is that companies that fail



to innovate in any industry may be replaced by others or become obsolete. Christian filmmakers must adapt, become innovative, and compete against industry rivals to avoid industry failure.

Ghezzi, Balocco, and Rangone (2010) described 10 valuable points about what not to do when planning strategically. Two of the 10 mistakes described are mistakes six and nine. The premise of mistake six indicates that failing to assess the endowment of internal resources and link them to critical success factors. The identification and assessment of internal resources and competencies is a milestone of internal strategy and financial analysis. Ghezzi et al. specified that mistake nine indicated the importance of leaving the business value proposition unstated. A clear value proposition statement declares how the company desires to create value for its customers as well as how to capture and internalize a share of that value (Ghezzi et al., 2010).

Firms usually ignore or dismiss early evidence that a business model is in trouble because top people succeeded with the current model (Cliffe, 2011). Countering the demise of a business model is very difficult when not recognized. Cliffe indicated that one sign of business model decline includes the first clear stage that next-generation innovations offer smaller and smaller improvements. Christian filmmakers should investigate potential business model weaknesses. Minimal return on investment and outreach on existing films may be a sign that business model innovation is required.

Constant Refinement and Persistence

Increased competition dramatically shortens many product life cycles and offers people new, innovative products and services (Sicco, 2005). Sicco indicated that competitors with other brands reacted to product innovation by improving offers to customers. Apple offered innovative products like the iPod, iTunes music service, and the Mac Mini. Christian action films may offer value innovation in the film industry, but the Christian filmmaker is most apt to make



this discovery through market research and experimentation with known successful components in the motion picture industry.

The most fertile questions focus the mind on valuable overlooked possible improvements (Coyne et al., 2007). Usually, a team member does not respond well to the coined phrase 'think outside the box' when seeking fresh, innovative ideas. Most people expect certain constraints to creative thought processes and most managers and professionals are quite capable of thinking effectively with established constraints (Coyne et al., 2007). Coyne et al. questioned if managers and aspiring innovators are asking the right questions of those expected to generate and contribute innovative ideas.

Innovation is a main source of technological progress and economic growth and radical innovation is a major shift in product lines and processes to develop entirely new goods (Kantabutra & Avery, 2011). Coinstar Incorporated combined innovation efforts with numerous companies such as Starbucks and Seattle's Best to offer innovative products. Kantabutra and Avery stated that incremental innovation entails continuous, small-scale improvements to processes and products to enhance quality. Gathering ideas from the organization, suppliers, customers, and other partners is a systematic approach to innovation (Kantabutra & Avery, 2011).

Sustainability

Corporations and their leaders are under increasing pressure to achieve sustainability of the firm (Nguyen & Slater, 2010). Sustainable enterprises minimize harmful environmental effects, are socially responsible, and create shareholder value. A viable corporation compares the financial performance of recognized sustainability leaders to that of carefully selected competitors. Nguyen and Slater (2010) suggested that sustainability leaders outperform their



competitors. Christian motion picture producers must successfully face sustainability challenges regarding predictability, reliability, and quality of products supplied to the customer.

Decisions on product or process innovation within a company require integrating technical, economic, environmental, and social aspects of activities (Vavra, Munzarova, Bednarikova & Ehlova, 2011). The customer drives product innovation decisions. Overlooking the customer may jeopardize the sustainability and profitability of a company. Christian-based films are no exception as producers should research and know the true customers.

To sustain high performance, leaders must build the capacity to learn and keep changing over time (Keller & Price, 2011). The concept of organizational health involves adaptability sustain the company over time. Cultures that do not promote this practice tend to extinguish themselves. Longevity and survival of an organization depend heavily on the ability to adapt to change and be competitive (Keller & Price, 2011).

The Management Innovation Exchange (MIX) is a web-based open-innovation project dedicated to catalyzing the creativity of thinkers and practitioners interested in reinventing management (Hamel & LaBarre, 2011). The concept broadens the responsibility of organizational improvement and projects the responsibility of such onto each member. The goals of MIX encourage team members to think collectively outside the box to solve problems and elevate the level of corporate knowledge. The MIX is a collaborative platform both to surface bold ideas and make progress on a set of difficult challenges (Hamel & LaBarre, 2011).

Strategic Alliances for Christian Film Industry Success

Alliances

Strategic alliances are strategic actions based on the cooperative activities of two or more otherwise independent firms (Ybarra & Turk, 2011). Many Fortune 1000 companies, such as



Samsung and Walmart, form strategic alliances with others in either direct competition or those in the same ecosystem. Samsung and Sony were in direct competition with each other and formed a research and development alliance to share technological breakthroughs in the electronics industry. Small and medium enterprises (SMEs) engage in different types of strategic alliances for innovative marketing purposes to achieve two different outcomes: first, to achieve different organizational goals, and second, to overcome inherent challenges such as a lack of resources (O'Dwyer, Gilmore, & Carson, 2011).

Companies shifted from innovation initiatives centered on internal resources to those that center on external networks (Nambisan & Sawhney, 2011). The resulting analysis revealed that network orchestration processes reflected a combination of innovation and network design.

Many Christian films are considered small budget films costing \$15 million or less. (Internet Movie Database, 2013) Christian film producers could collaborate and form networks for intellectual and financial capital to produce the types of motion pictures that attract desired audiences.

Not all alliances succeed. Evidence indicates that not all alliances create value for the intended partners and alliance failure rates are high (Ybarra & Turk, 2011). Ybarra and Turk cited failure rates between 40%-70%. Failure is the premature breakdown of the alliance or financial damage to parties of the alliance (Ybarra & Turk, 2011). Some alliances end in a hostile manner with lawsuits and injunctions because of copyright and other intellectual property infringements. Christian production companies need to establish clear goals and mutual reasons for forming alliances.

Collaboration



A company may develop a proper collaborative strategy by identifying an effective portfolio of designers (Dell'Era & Verganti, 2010). Diverse perspectives and collaboration can bring about innovation and be the driving factor of a design. Abele (2011) recommended not collaborating with others in the organization because of antiquated thinking and refusal of others to think outside the proverbial box. Dell'Era and Verganti discussed the need for innovation and collaboration as one approach for a firm's success. Abele described collaboration as a dangerous process if the collaborators join in antiquated or wrong thinking that stifles innovation. Dell'Era and Verganti described collaboration that ensures openness to other than internal perspectives that can narrow focus and attempts to garner as much external perspective as possible to approach innovation.

Wilson and Doz (2011) addressed the ability of organizations to access technological knowhow and opportunities for innovation externally. Expanding such an innovation portal allows a firm to participate in a process that promotes innovation and brings about positive change in an industry. The failure to do so may be detrimental to a firm and the entire industry. The potential customers of such innovation are at risk of being denied a better product or service. Christian filmmakers can also reach across corporate boundaries to gain better ideas and produce better products. Producers could also collaborate with the potential audience. Walden Media, the producers of The Chronicles of Narnia initially collaborated with American Evangelicals who made extensive use of modern methods of communication and welcomed such high-profile opportunities to spread God's word (Dupont, 2013).

Innovative Climates

The deliberate management of a climate supportive of innovation is a primary challenge for those who lead and manage organizations (Isaksen & Ekvall, 2010). Isaksen and Ekvall



described nine dimensions of an innovative organization. Involvement examines the level of personal involvement in daily operations, long-term goals, and visions. Freedom is the degree of independence in which high levels imply the ability for individual discretion.

Trust concerns emotional safety and comfort in sharing ideas. Idea-time involves specific time when members of the organization share and develop new ideas. Playfulness and humor are an interesting concept and combination. Many people foster relationships and organizational climates that reduce stress and encourage fun in the workplace as it contributes to organizational goals and team building (Isaksen & Ekvall, 2010).

Leadership sometimes fosters conflict, which is often negative. Favoritism displayed toward some creates a detrimental culture as lines are drawn and members engage in interpersonal warfare, slander, gossip, and plotting against each other. These actions are both harmful and toxic and can stifle a firm's innovation, hinder its goals, and destroy the organization (Isaksen & Ekvall, 2010).

Idea support is the way new ideas are treated and received in an attentive and professional manner. Debate encourages the analysis of ideas from differing perspectives to weight merit and potential. Risk-taking refers to a tolerance for uncertainty and ambiguity. Firm members can make critical decisions without the necessary information and certainty with leaders' support (Isaksen & Ekvall, 2010).

Forward Thinking

McGrath (2011) suggested that an organization should learn from failure in conditions of uncertainty through a designed process. Capozzi, Dye, and Howe (2011) suggested overcoming orthodoxies. Outdated beliefs and refusal to embrace new ideas allows the competition the opportunity to innovate and do so uncontested by those organizations stifling innovation



opportunities because of stale cultural practices. Innovative capability is the probability of creating an innovation concept of collaborative research and development to ensure that two or more firms remained fully engaged in their industry by sharing costs and resulting technological advantages (Mukherjee & Ramani, 2011).

Out of the Box Thinking

Tuulenmäki and Välikangas (2011) compared and contrasted two processes, planning-driven development versus rapid execution innovation. Company leaders should learn to practice high-speed innovation experimentation from ideation to operational execution to offer products and services with unique customer benefits (Tuulenmaki & Valikangas, 2011). Cummings and Letcher (2011) presented the project network concept. This concept allows people across a firm to network together to solve problems and generate ideas. Noncore team members congregate to spawn innovation and achieve the desired results of the company. Christian filmmakers must emulate out-of-the-box thinking in the innovation of movies.

Innovation Clustering

Innovation is generally understood to accelerate when in proximity groupings known as clusters of innovation (COI) (Engel & del-Pacio, 2011). Engel and del-Pacio defined COI as an environment that favors the creation and development of high potential entrepreneurial ventures. Heightened mobility of resources, including people, capital, and information characterize COI (Engel & del-Pacio, 2011). Additionally, network clusters of innovation and super clusters develop from clusters becoming dependent upon each other in a unique way (Engel & del-Pacio, 2011). The Silicon Valley and other technological clusters are good examples of how innovators can converge upon innovation.

Open Innovation



Scholars have energetically discussed open innovation in literature, but few corporations have institutionalized the practice (Rufat-Latre, Muller, & Jones, 2010). Open innovation opens a corporation to the outside world and provides a pathway to innovation. Open innovation allows collaboration among corporations for research and development efforts (Rufat-Latre, Muller, & Jones, 2010). Christian filmmakers could benefit from collaboration of ideas across corporate boundaries to be competitive in the motion picture industry. Rufat-Latre et al. described four common chronic conditions that explain the gap between the promise and reality of open innovation in organizations. The first condition is the unwillingness to change comfortable habits and practices with regard to sharing intellectual property outside the organization (Rufat-Latre et al., 2010). The second condition is the battle for market-share mentality. The third condition is the organizational and incentive structure that promotes exclusive use of internal resources for high value-added activities. The fourth is the mindset that open innovation is a one time or new product only proposition versus an integral part of ongoing strategy (Rufat-Latre et al., 2010).

Innovator's DNA

Dyer, Gregersen, and Christensen (2009) suggested that the habits of Steve Jobs, Jeff Bezos, and other innovative CEOs reveal much about the underpinnings of their creative thinking. Five discovery skills distinguish the most innovative entrepreneurs from other executives. Six types of analytics could help companies answer critical talent questions from the simple to the more sophisticated (Davenport, Harris, & Shapiro, 2010). Davenport et al. elaborated on and stipulated that these skills consist of questioning, observing, experimenting, networking with individuals from diverse backgrounds, and thinking.



These patterns of action together help innovators associate to cultivate new insights.

Davenport et al. presented various ways to identify, describe, and explain various traits and characteristics of innovative people and how to exploit that potential at the organizational level.

Companies use the concepts described to try to improve recruiting practices and guide their companies to a more innovation-oriented composition of human resources. Christian filmmaking companies must seek innovators and calculated risk takers to fill leadership roles.

Innovation is a competence for generating profitable growth opportunities and improving the organization's competitiveness (Chen & Muller, 2010). Competence is fundamental in an innovation driven world. The rapid and changing marketplace insists that customer needs be met and even reshaped by innovation. Chen and Muller stated that a holistic measurement system needs performance, strength of competence, and strategic application of the competence.

Many explanations exist regarding why large companies do not innovate such as culture, disincentives, and risk-averse behavior (Mullins & Komisar, 2011). Arguably, infatuation with open innovation is a reflection of this fact. Companies may abandon innovating internally and buy outside innovations like Cisco and Procter and Gamble do very successfully. Mullins and Komisar (2011) stated that effective use of a dashboard means empirically testing a few life-ordeath assumptions to make course corrections quickly and conserve resources.

Customer Focused Orientation

Customer Value and Market Orientation

The primary objective of market orientation is to deliver superior customer value (Kumar, Jones, Venkatesan, & Leone, 2011). Value is customer and competitor derived from studying dynamics in the market and related processes (Kumar et al., 2011). Ignoring the customer can be detrimental to a firm. Competitors in touch with customer needs will fill the



product or service void. Customers value a product or service that does the required job in the timeliest, least painful, and least expensive manner possible (Christensen, 2005). Either Christian filmmakers will fill voids in the Christian motion picture industry or secular counterparts will. Dupont (2013) demonstrated that in a globalized movie industry ruled by market shares and profits, Hollywood's overtures to the American conservative Christians cannot be limited, as Christians remain a niche audience.

A sustained advantage exists for firms that develop a market orientation early (Kumar, Jones, Venkatesan, & Leone, 2011). Kumar et al. further stated that these firms gain more in sales and profit than firms developing a market orientation later. Proper and timely market orientation seems to affect the firm's bottom line positively. A true understanding of the Christian entertainment market potentially provides an advantage to those meeting its demand.

Dynamic Capabilities

Barreto (2010) defined a dynamic capability as the firm's potential to solve problems systematically. A dynamic capability is formed by the propensity to sense opportunities and threats, to make timely and market-oriented decisions, and to change its resources (Barreto, 2010). Barreto performed a literature review that attempted to sort and codify the field of information contained in the concept of dynamic capabilities. Sebestová and Rylková (2011) defined dynamic capability as a multidimensional construct because this construct refers to four distinct but related dimensions or facets (e.g., the propensities to sense opportunities and threats, to make timely decisions, to make market-oriented decisions, and to change the firm's resource base) treated as a theoretical concept. Sebestová and Rylková suggested a competency model called 5C (care, competitiveness, communication, clarification of relationship, culture). This model could serve in the future as a metric of the knowledge network.



New Products

Sandmeier, Morrison, and Gassmann (2010) presented additional support for the incorporation of open innovation into an organization's new product development (NPD). The integration of customer contributions in NPD leads to a higher degree of product newness, reduced innovation risks, and more precision in resource spending. A producer or provider in touch with its customers and market is better able to predict and control product or service release, quantity, and availability to them (Sandmeier, Morrison, & Gassmann, 2010). Christian filmmakers must introduce new products to the marketplace with confidence and a profound understanding of the customer base.

People Factor

People who drive innovation have specific personal characteristics, to fulfill designated roles in innovation management (Mansfeld, Hölzle, & Gemünden, 2010). Mansfeld et al. referred to these roles as expert, power, process, or relationship promoter as well as champion. The identified personal characteristics exhibit a distinctive pattern in their combined occurrence for each role. The proper identification of specific traits and characteristics in hiring decisions leads to a better chance of harnessing and developing attributes of innovation within the company.

Factors Affecting Motion Picture Value

A Good Story and Quality

Ferrari and Rudd (2008) examined factors that measure the quality of a movie's story and referred to metascores that tabulate reviews from movie critics. Ferrari and Rudd evaluated meta-score effects on movie revenue and indicated that a good story line or plot explained 6.9% of the variance in residual revenues, or 10.3% if genre effect is initially removed. The



implication is that a relatable plot is a value contributor to a movie's revenues and adds tangible value regarding what the audience will pay to see. Christian films with no relatable purpose to sizable and diverse audiences may explain some of the competitive struggles Christian films faced. A successful message must be relatable to the intended audience. Zhuang, Babin, Xiao, and Paun (2014) developed and empirically tested a new framework that showed how different signals of movie quality and primary control variables affect consumers' post-consumption evaluations, critics' reviews (CR), and movie box office revenues.

The data set consisted of 332 movies released from 2000 to 2008 and regression was used to test the study's hypotheses. The results suggested that the three signals of movie quality exhibit different effects on movie performance measures. Peripheral quality signal was positively related to movie-goers' evaluations and critic's reviews. Star performance quality is positively related to both movie-goer's evaluations and critic's reviews yet quality signal does not display any influence on movie performances (Zhuang, Babin, Xiao, & Paun, 2014). The findings suggested that consumers and critics evaluate movie qualities based on various movie quality signals but quality of the film was not significant compared to star power. Movie studios may consider these findings to produce better movies (Zhuang, Babin, Xiao, & Paun, 2014).

Worldviews, Religious Perspectives, and Motion Pictures

Modernism is the search for a unifying screen through which to view the world. Post modernism evolved from this concept (Stewart, 2003). The theory delineated mankind's perspective between what can and cannot be seen (Stewart, 2003). Universalism evolved from these predominant worldviews and reflected in the affected cultures of art, media, and film. Modernism, like post-modernism, was philosophical and influenced the arts created in that time as the predominant worldview (Stewart, 2003). Directors produce post modernistic films that



seem to be channeled toward the common goal of providing and morphing a mix of various religions and philosophies into one.

The movie *The Matrix*, as Stewart indicated, consisted of a mix of Eastern and Christian beliefs throughout the film (Stewart, 2003). The main character, Neo, is the chosen one killed by an agent who rises from the dead to lead the human race out of darkness. Neo becomes the one who provides a new hope and world outlook for human beings. *The Avengers* grossed more than \$1 billion at the box offices worldwide (Internet Movie Database, 2013). Arguably, two of the film's most powerful superheroes are *Thor*, the son of a god, and the *Hulk*, a man who transforms into an extremely powerful man similar to Samson in the Holy Bible. The depiction of biblical characters with similar film making techniques and biblical scenarios presents another business model for Christian and secular filmmakers.

Stewart (2003) described how post-modernistic films attempt to depict the world as post-modernistic. People see films from various perspectives and with differing value sets in a global society. Regarding biblical principles, post-modernistic derived films are produced to exhibit themes that attempt to mimic those of the Holy Bible. For example, an individual or a mystical force aiding universal heroes in critical missions to save the world mimic what the Holy Bible describes to be Jesus and the Holy Spirit of God.

Post-modernistic artists borrow from biblical principles (Stewart. 2003). In contrast, modern Christian filmmakers tend to avoid proven successful aspects of modern filmmaking incorporated in secular film making models. Producers could make films with plots involving fighting evil elements of global society such as terrorism, human trafficking, and the drug trade with a clean delivery platform that eliminates offensive content that detracts from a film's value.



Combining messages that reach common ground and effective marketing equal success in the film industry (DeRoss, 2009).

Artists could combine biblical themes and principles depicted in the lives of heroic Christians on film as applied to situations and world platforms in daily life. DeRoss (2009) stated that although the Christian and secular markets do not appear to blend borders, the success of the products that enable the combination of the two separate markets should be examined. The problem in blending Christian and secular products is identifying and employing the techniques of successful action films, simultaneously embedding a Christian message, and filling seats in movie theaters with mixed viewers. As long as society has common ground with religion, the books, and other commodities dealing with these topics will be a profitable industry (DeRoss, 2009).

Christian Film Characteristics

A Christian message film includes elements that reflect and support Christian ideology (Shen, 2010). Historic motion picture box office revenues indicate that films produced within the rating of PG, , and family oriented movies consistently and overwhelmingly outperform restricted or R-rated films as rated by the Motion Picture Association of America. Box Office Mojo (2014) defined Christian films as movies produced by Christians that promote or embody their religions. In 2012, the MPAA reported that G, PG, and PG-13 films grossed 72.4% of box office revenues as opposed to 27.1% grossed by R-rated films.

Sex and violence are not the only ways to sell a movie (Pomerantz, 2003). Films containing higher volumes of sexual content, profanity, and graphic violence generate less box office revenues than those without these elements (Internet Movie Database, 2012). The aforementioned market data indicates an opportunity for Christian filmmakers. Christian films



historically are rated PG and below with few exceptions (Box Office Mojo, 2014) and predisposed to minimize or eliminate offensive content. The challenge is to discover the market demand for films targeting audiences that find value innovation in the combination of inoffensive content, intense action, and a relatable plot.

A Christian Action Film's Business Model

The consensus among the experts in business theory is that a successful business model is fundamental to competitive advantage (Johnson, Christensen, & Kagermann, 2008). Johnson et al. focused on the elements of a successful business model and its analysis and constant refinement. The Christian action film is a business model. Like any model, similar components exist specific to its industry and specific to a particular product.

The role of business models is to provide a set of generic level descriptors of how a firm organizes itself to create and distribute value in a profitable manner (Baden-Fuller & Morgan, 2010). A Christian filmmaking company should possess certain inherent characteristics and competencies not easily replicated by secular filmmakers. The incorporation of a highly profitable aspect of the motion picture industry, particularly action films, should not detract from these values in the production of Christian action films.

The four interlocking elements of a business model are the customer value proposition, profit formula, key resources, and key processes such as personnel, equipment and procedures (Johnson, Christensen, & Kagermann, 2008). The Christian action film model represents a hybrid between a film a practical application film like Courageous and a secular action genre film. A Christian would be the main character or central focus. The plot would be a relatable life situation. The films exclude explicit language, sexual content, and gore and depict only necessary violence to sustain intense action scenes but do not accentuate the violence itself



Lang and Switzer (2008) explained that the presence of violence in PG and PG-13 rated films contributed more to revenues than in R-rated films with the same level of violent content. The value proposition for the Christian action film audience is reliability that no offensive cinematic content exists within the movie. Value innovation occurs with the standardization of film components that consistently compel ticket purchases from targeted customers. Dupont (2013) described how conservative Christian leaders and movie producers were able to collaborate to ensure acceptable film content was presented to consumers.

Giesen et al. (2010) addressed the need to innovate a business model. One point academic literature repeats is improve or revamp a business model even when nothing appears wrong with the model. ROI is one way to determine profitability of a film (Ferrari & Rudd, 2008). The typical flaw in the Christian based film's business model is low revenues as Christian filmmakers primarily seek an audience to spread Christian values. Effective outreach depends upon public turnout at the box office.

New Product Development and Planning

Successful product innovation is the outcome of integrating customers into the new product development (NPD) process (Sandmeier, Morrison, & Gassmann, 2010). A product or service needs a customer. Successful planners find a certain job that needs to be met for a customer and develop the product to meet that need. Christian based filmmakers need to focus primarily on entertaining customers by introducing quality films to the marketplace.

A primary lesson regarding disruptive innovation is the ability to anticipate and act on market discontinuities and unmet customer needs (Skarzynski & Rufat-Latre, 2011). Customer satisfaction in the motion picture industry lies in action and adventure components that maximize entertainment value. Christian filmmakers should understand that customer satisfaction is the



primary planning factor because revenues depend on it (Ferrari & Rudd, 2008). The R-rated film decline and empty seats at many Christian film debuts point to an unmet need in the Christian film genre.

Competitive Advantage and Market Approaches

Business model focus is the consensus of modern literature but business model descriptions vary. Money can be earned by differentiating from competition in a manner that serves customers better and more profitably (Zook & Allen, 2011). Christian action film producers may differentiate by depicting biblical principles through relatable events and circumstances in film. Such differentiation should be achieved without the perception of directly preaching to the audience or sermonizing.

The Chronicles of Narnia represented the meeting point between different points of view about films (DuPont, 2013). For the studios, the aim was to increase the box office of expensive films by adding a potential niche audience to their regular one. Walden Media shared that goal and wanted to educate the audience and spark their imagination entertaining with moral, uplifting, and Christian subtext. For the conservative Christian community, and more particularly for the Evangelicals, the films represented an opportunity to spread the word of Christ as made clear by the evangelical Mission Coalition America.

Strategic Marketing Techniques

Resource-intensive products have long lead times including motion pictures. The point of release for resource intensive products can be difficult to predict in a competitive marketplace (Calantone, Yeniyurt, Townsend, & Schmidt, 2010). The understanding and anticipation of potential defensive reactions to newly introduced products is critical in a competitive



environment. Christian action film producers should be prepared to saturate the market with new products.

Buisson and Silberzahn (2010) described the first mover approach to market innovation and product introduction. The first mover enters a new market and sets up a strong differentiation strategy. A first mover Christian action film consists of a profound spiritual message with value innovated film components. Christian action films are differentiated from life application films (Parker, 2011) that overtly present a Christian message and values.

Willingness to Imitate Successful Models

Firm decision makers contemplating imitation of a competitor's innovation face a dilemma to either enter a market and risk failure or do nothing and risk missing success (Semadeni & Anderson, 2010). Christian action would be required to embrace certain components of successful secular action films. The *Chronicles of Narnia* represented the opportunity to create a cinematographic franchise that followed in the footsteps of *The Lord of the Rings* based on the books written by J. R. R. Tolkien, a fellow-professor and friend of C.S. Lewis (Dupont, 2013). If Christian filmmakers do not explore opportunities in proven components of value, the filmmakers may continue to struggle regarding market share and box office revenues in the United States and worldwide.

Sustainability and Product Loyalty

Corporations and their leaders are coming under increasing pressure to achieve sustainability (Nguyen & Slater, 2010). Sustainable enterprises minimize harmful environmental effects, are socially responsible, and create shareholder value. Some academic literature such as Mast (2008) addressed the gradual desensitization of audiences because of harsh or offensive language and scenes in secular R-rated films. Christian action films have the opportunity to be



socially responsible for clean cinematic content and to create shareholder and stakeholder value in the process of cleansing cinematic content in action films.

Alliances for Risk Distribution and Product Collaboration

Ferrari and Rudd (2008) pointed to severe capital expenditure rates and disparities between them and revenues at the box office. Quality motion pictures and blockbusters frequently have high production costs. Christian filmmakers should consider combining talent, resources, fund raising capabilities, and production efforts with strategically aligned companies in the industry. The lack of filmmaking knowledge and capital hinders revenues (Ferrari & Rudd, 2008).

Strategic alliances are a means of accessing knowledge a firm does not have and can be an effective medium of knowledge transfer and integration (Phelps, 2010). Phelps stated that two complimentary theoretical bases, re-combinatory search and social capital, influence the firm's exploratory innovation. Firms search for solutions for problems and combine the knowledge gained from those processes embodied in organizational routines. Christian based filmmakers could seek alliances with other Christian based and secular firms to generate venture capital and acquire subject matter expertise in the motion picture industry. Walden Media sought and collaborated with Walt Disney Pictures to co-produce and distribute *The Chronicles of Narnia: The Lion, the Witch and the Wardrobe* (Dupont, 2013).

Christian action filmmakers and strong secular partners could combine resources to explore the motion picture industry for the existence of undiscovered markets. Ferrari and Rudd (2008) also stated that 'R' ratings underperform by restricting younger audience members.

Christian actions films with PG-13 ratings may address the issues regarding younger audiences



through less restrictive content. Combining value innovated components with Christian-based thematic content may expand a blue ocean to a younger audience as well.

Purpose of the Research

The objective of this quantitative, exploratory research was to investigate the potential value innovation in Christian action films that mimic secular cinematic quality, but eliminate inappropriate, offensive content. The literature in this study indicated that there was not enough literature that explained what factors attract or repel Christians in the cinematic marketplace. The literature also indicated that certain components of movies have adverse and repelling effects on audience members regardless of religious affiliation or background. The marketing theory literature of value innovation and blue ocean strategy may be a bridge between these two microcosms in that value innovating both Christian based message films and action genre films may create a Christian Action Film market. This study was intended to explore the potential for such a market by testing for indicators of demand through DV and IV analysis.

Summary

Chapter 2 was a literature review of articles related to strategy and innovation theories, the motion picture industry, and Christian film viewer demographics and characteristics relevant to the Christian film industry. The literature review was focused on blue ocean strategy and value innovation theory that influenced the development of this study's research questions and hypotheses. Kim and Mauborgne (2004) contributed blue ocean strategy as an explanation for the phenomenon of a newly created or discovered market space. Value innovation theory includes an explanation of adjusting value components to the extent that an existing product or service seems new and improved to the customer. Disruptive innovation is the introduction of a new product to the marketplace that replaces existing methods of customer satisfaction.



Existing literature had a gap in the explanation of Christian film success and failure rates. At the box office, Christian filmmakers' attempts to combine a Christian message with action had been met with comparative failure in the face of blockbuster secular films of similar thematic content. The exceptions were the three *Chronicles of Narnia* movies and *The Passion of the Christ*. According to Internet Movie Database (2011), the other major Christian films on the Top 200 list grossed less than \$30 million each, and in most cases, much less compared to investment levels, many were relatively successful financially. The method and research design are detailed in Chapter 3.



CHAPTER 3. METHODOLOGY

Research Design

The research was designed to relate the conceptual research problem to relevant and practicable empirical research and that research design provided the framework for data collection and analysis (Creswell, 2009). The goal of this chapter is to present and explain the quantitative research design of this study and thoroughly describe each aspect of conducted. This research added specific knowledge to value innovation and related theories of business strategy and innovation. Quantitative research is a means for testing objective theories by examining the relationship among variables. Data collected from the population sample were analyzed and compared for relationships between variables related to the research questions and hypotheses of this study.

Research Questions

The objective of this research was to examine the existence of a blue ocean in the motion picture industry. This blue ocean would consist of action film movie-goers who find added value in films consisting of subtly embedded Christian messages combined with competitive, value innovated entertainment components and clean, inoffensive content. Creswell (2009) explained that quantitative research questions inquire about the relationships among variables that the investigator seeks to know. The two related research questions for this study were:

(1) What is the value innovation and blue ocean opportunity among Christians as indicated by ticket purchase decisions for action films that contain a strong plot, intense action, clean thematic content, a significant Christian message, and entertainment value in the U.S. motion picture industry?



(2) To what extent do the dependent variables of sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior in movie content affect the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States?

Sample Population

Survey research provided a quantitative description of, attitudes and opinions of this study's population (Creswell, 2009). Sampling includes cross-sectional studies using surveys or structured interviews for data collection. DuPont (2013) described a Christian movie-goer market of 90 to 120 million people from different church denominations that attend church once a week. A 2010 Church Census indicated that more than 12.2 million protestant, non-denominational church members in 35,496 congregations and 2,665 counties in the United States (Association of Statisticians of American Religious Bodies, 2012). The population for this study was 200 protestant, non-denominational participants who attended church once a month and watched a movie once every three months and an action movie at least once per year. I created Figure 8 that graphically depicts the population segmentation strategy for this research.

Vladica (2012) presented research consisting of 100 participants in the sample population to investigate entertainment value components. Mast (2008) included 219 participants in the study population. The study's sample contained two subcomponents of participant groups. Three protestant, non-denominational Christian churches agreed to participate in this research and provided the sponsoring organization forms. Participants initially identified themselves as churchgoers and movie-goers in accordance with related screening questions in the survey.



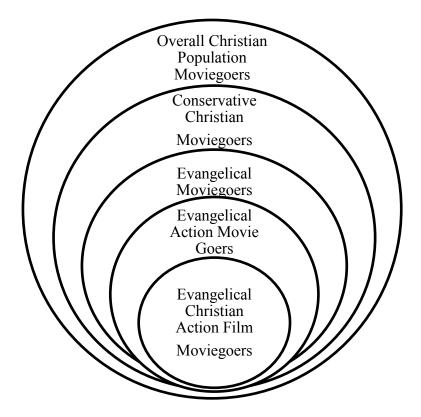


Figure 8. Christian Population Segmentation for Sample

Sponsoring organization representatives sent potential participants an internet hyperlink to the Qualtrics[©] website to anonymously take the survey online at no cost. The survey was available for 30 days on the Qualtrics[©] website. The Qualtrics[©] staff tallied the sponsoring organizations' completed surveys and determined how many additional participants were required through the fee-based Qualtrics[©] panel search. The goal was to receive 200 completed surveys within 30 days from the start date of July 9, 2014 in the IRB 2014-859 approval letter. The sponsoring organizations generated and completed 33 surveys. The Qualtrics[©] staff charged a per survey fee of \$4.00 for the 167 completed and collected surveys generated by a panel search meeting the below parameters.

The parameters for targeting the sample participants included:



- 1. Participants must meet the definition of a movie-goer. For this study, a movie-goer goes to a U.S. movie theater and purchases a ticket to see a movie at least four times in one calendar year.
- 2. The participant must also view at least one action genre movie each year.
- 3. The participants must claim to be familiar with Christian films and preferably have seen at least one such film in the last 5 years.
- 4. The participant must be an attending member of a protestant, evangelical, nondenominational Christian church and attend church services in person at least once per month.

These preconditions were listed at the beginning of the survey instrument. The research was relevant to understand the motion picture industry's Christian and action-genre oriented audience better. The study of a cross section of the larger non-denominational protestant Christian church's movie-goers was intended to collect data that may indicate demand for Christian based action films.

Data Collection

Sampling Strategy

Anderson, Sweeney, and Williams (2012) defined the term *frame* as a listing of the elements used to select the sample. The sampling strategy incorporated random identification and surveying participants of a sample population of Christian movie-goers. The method included quantitative, non-experimental research and no data were manipulated. The frame of this sampling process consisted of participants, who were movie-goers, Christians, and sensitive to movie composition.



The desired sample size was 200 and the desired confidence interval of 95% was met when 132 surveys were completed and returned. The significance level for each variable was .05. Reminder e-mails were sent to the three sponsoring organizations 15 days after the survey start date and again on day 25. Potential survey participants were not contacted directly by the researcher, nor were any participants' anonymity compromised because Qualtrics[©] did not request or collect any identifying information from the participants. The survey records have been electronically stored on a universal serial bus device and secured in a locked safe. The results were detailed in Chapter 4.

Third Party Survey Administration

Creswell (2009) referred to the importance of the internal validity or trustworthiness of the collected data from participants. Qualtrics[©] is the online survey service that provided two services to this research effort. First, the Qualtrics[©] staff provided a free basic survey design and collection platform that allowed specific development of the intended data collection instrument including the survey questions and pre-screening criteria. The second service was panel development and response collection of up to 200 surveys incorporating the designated sample frame of Christian movie-goers. Response collection was a per-unit, fee-based service that engaged potential, targeted participants generating a \$4.00 fee upon receipt of a completed survey. Qualtrics[©] staff sought and acquired 167 anonymous participants using designated criteria for panel members and collected all surveys on the website.

Survey Instrument

The research plan consisted of thorough consideration of the instrument's development, reliability, and validity (Creswell, 2009). The research instrument, shown in Appendices A and D, was a three-section questionnaire presented to participants with Likert scale response options.



The accuracy of the data collected reflected the clarity of the questions and how well those questions addressed the research questions. Mast (2008) used a similar effective instrument to collect data about the effects of R-rated films on a Christian's worldview.

The survey instrument resembled but did not copy the content of the instrument used by Mast (2008). A new, original survey was used in this research that generated responses and data from participants pertaining to potential ticket purchase decisions for action genre and Christian based action films. A field test was conducted among a panel of doctors and experts in the field of Business Administration. Related comments and suggestions were implemented to the proposed survey instrument for this study as shown in Appendix A.

Section 1 consisted of questions regarding ticket purchase decision factors for action movies. The specific questions pertained to the dependent variables in Research Question 1 and the independent variable, which was ticket price. Section 2 consisted of questions regarding ticket purchase decisions for Christian based films. The specific questions pertained to the dependent variables in Research Question 2 and the responses indicated the independent variable, which was the likelihood of ticket purchase. There were predicted effects for each of the proposed questions and related dependent variables based on Mast (2008) and Lang and Switzer (2009) study outcomes. The analysis of the collected data revealed if the predictions were correct or not as analyzed.

Instrument Validity and Reliability

Field Test

Capella University required a field test for all new survey instruments. The pre-field test survey instrument in Appendix A was modified with suggestions from the field study. The



combined cover letter, study summary, and proposed instrument were sent to solicited panel members. The research plan was to examine the interval data collected with a Likert-type scale survey designed to test the relationships between the independent variable, the likelihood of ticket purchase for Christian and secular based action films, and the dependent variables including profanity, sexual content, extreme, graphic violence, Christian message, sermonizing, intense action, and a strong, relatable plot.

The validity of the survey was established using a panel of experts and a field test (Radhakrishna, 2007). I conducted a field test of the two page, three-section survey instrument proposed for this research. Five doctors in the field of business and one doctor in organizational leadership provided feedback that assisted in rephrasing survey questions and instrument alignment with the research questions of this study. The panel members returned feedback in the form of corresponding comment bubbles that were included with the survey text. The revised instrument was placed in Appendix B and reflected feedback from six panel members. The feedback led to significant changes for clarity, simplification, and ease of taking the survey.

Chronbach's Alpha Test

An instrument's reliability is critical to provide valid data and results from a sample of a population. Chronbach's alpha test was used to measure the internal consistency and reliability of attitude instruments that use the Likert scale. Chronbach's alpha is usually used for scores that fall along a continuum (Siegle, 2013). The Likert scale is a commonly used attitude instrument to collect data about perceptions about specific topics and variables.

The closer Chronbach's alpha coefficient is to 1.0 the greater the internal consistency of the items in the scale (Siegle, 2013). The Chronbach's alpha coefficient of internal consistency



of the six questions included in the survey for research question one was .850. The Chronbach's alpha coefficient of internal consistency of the six questions included in the survey for research question two was .851. Both Chronbach values indicated that the survey questions were not redundant and were equally useful to produce data for this research.

Pilot Study

The survey instrument was subjected to a subsequent pilot test with three leaders from the sponsoring organizations and those surveys were excluded from the 200 collected and analyzed in this study. Pilot testing provided sufficient information and feedback about the survey experience and understanding of purpose and questions (Cooper & Schindler, 2010). The sponsoring organization leaders indicated that the survey was easily understood and took from 5 to 10 minutes to take. The sponsoring organizations began soliciting survey participants immediately after completion of the pilot tests.

Variables

The independent variables were ticket price and the ticket purchase decision to see a movie. I used the 2014 ticket price average of \$8.12 (Box Office Mojo, 2014) to develop the multiple linear regression equations in both research questions. The dependent variables were based on the ordinary least squares regression model (Greenaway & Zetterberg, 2012). The eight dependent variables were the components of a film that separately influenced the purchase decision. Dependent variables were (a) sexual content; (b) profanity; (c) relatable plot; (d) intense action; (e) extreme graphic violence; (f) sermonizing; (g) subtle Christian message; and (h) immoral behavior. Analysis in Chapter 4 indicated that the combination of multiple,



distinguishable, independent variables influenced ticket price and purchase decision in varying degrees (Anderson, Sweeney & Williams, 2011).

Relationships between variables were tested and explained using linear regression analysis. Anderson et al. (2011) described how the correlation coefficient measures the positive or negative linear association between two variables, x and y, and these values are always between -1 and +1. Negatively influential dependent variables would have detracted from the potential movie-goer's perceived value of a film and negatively affect the linear relationship with the independent variables of ticket price and purchase decision. Variables positively influencing the movie-goer's decision to purchase a ticket and ticket price would have resulted in a positive linear relationship. The results of variable analysis were described in Chapter 4.

Hypotheses

Creswell (2009) noted that quantitative hypotheses are predictions the researcher makes about the expected relationships among variables or numeric estimates of population values based on data collected from samples. The hypotheses of this study reflected the two research questions. Hypotheses play a major role in research and imply assumptions or beliefs can be tested (Ghauri & Gronhaug, 2011). The purpose of testing this study's hypotheses was to determine if relationships existed between the dependent and independent variables.

Two types of errors in the testing of hypotheses are (a) reject the null hypothesis when true (Type I error) or (b) accept the null hypothesis when false (Type II error) (Ghauri & Gronhaug, 2011). Data collected from survey questions including ordinal values from 1 to 5 in a Likert scale for eight dependent variables for analysis of the potential blue ocean opportunity for Christian action films. A positive or negative linear relationship between the dependent



variables of thematic content and the independent variable of the likelihood of participant ticket purchase determined potential value innovation in Christian films.

Based on research questions one and two, null and alternative hypotheses were:

Research Question 1. What is the value innovation and blue ocean opportunity among

Christians as indicated by ticket purchase decisions for action films that contain a strong plot, intense action, clean thematic content, an underlying Christian message, and entertainment value in the U.S. motion picture industry?

H₀ 1: There is no difference in ticket prices for Christian based films with a strong plot, intense action, clean thematic content, an underlying Christian message, sermonizing, and entertainment value.

H_a 1: There is a difference in ticket prices for Christian based films with a strong plot, intense action, clean thematic content, an underlying Christian message, and entertainment value.

Research Question 2. To what extent do the dependent variables of sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior in movie content affect the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States?

 H_0 1: There is no linear relationship between the dependent variables of sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior and the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States.

H_a 1: There is a linear relationship between the dependent variables of sexual content,



profanity, plot, intense action, extreme graphic violence, and immoral behavior and the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States.

Data Analysis

I used XL Stat for Mac[©] software to display the descriptive summary and statistical analyses. Descriptive statistics graphically illustrated the results of the participants' responses. XL Stat for Mac[©] had statistical software programs with analytical packages and ease of use for compiling and performing tests on collected data sets. Regression analysis, histograms, distribution data, and coefficients of variation were used to describe independent and dependent variable relationships.

Regression Model

Model building is the process of developing an estimated regression equation that described the relationship between an independent variable and one or more dependent variables (Anderson, Sweeney, & Williams, 2012). In this study for the two research questions, the independent variables were ticket price and the decision to purchase a movie ticket (TP) which indicated the potential of a blue ocean among Christian movie-goers. Value innovation in Christian film involves several dependent variables identified in this study. The proposed regression model for Research Question 1 was:

$$TP = \alpha 1 + \beta 2(SP) + \beta 3(IA) + \beta 4(CC) + \beta 5(CM) + \beta 6(PS) + \beta 7(BE).$$

The proposed regression model for Research Question 2 was:

$$TP = \alpha 1 + \beta 2(SC) + \beta 3(PR) + \beta 4(SP) + \beta 5(IA) + \beta 6(EGV) + \beta 7(IB).$$



The null hypothesis for the independent variables is that the coefficient is equal to 0. The alternative hypothesis is the relationship between the dependent variables and the independent variable is not equal to 0.

Greenaway and Zetterberg (2012) used an ordinary least squares regression model. The research results indicated that source material, critical reviews, number of screens, release date, and a PG rating were statistically significant and positively contributed to a film's domestic revenue (Greenaway & Zetterberg, 2012). The authors looked for consistently significant variables with the most explanatory power. The linear regression model was useful for this study. The research questions contained a proposed independent variable in this study very similar to the Greenaway and Zetterberg study that pertained specifically to potential ticket purchase and price.

Assumptions

Two assumptions of linear regression for this study were normal distribution of data and independence of observations (Osborne & Waters, 2002). Other assumptions were linearity, reliability of measurement, and homoscedasticity. An assumption of regression analysis is that variables are normally distributed. Non-normally distributed variables, highly skewed variables, or variables with substantial outliers did not occur in this study (Osborne & Waters, 2002).

Risks of Type I and II Error

Type 1 error was subject to occur if the null hypotheses were rejected when true and Type 2 if a false hypothesis was accepted. The null hypotheses in both research questions stated that significant linear relationships existed between the independent and independent variables.



Both research questions had six dependent variables. If the relationships between the independent and dependent variables were not linear, the results of the regression analysis would have indicated no significant relationship between the variables (Osborne & Waters, 2002). The results of hypotheses testing were described in Chapter 4.

Homoscedasticity

Homoscedasticity means that the variance of errors is the same across all levels of the dependent variables. When the variance of errors differs at different values of the dependent variables, heteroscedasticity is indicated. Slight heteroscedasticity has little effect on significance tests; however, when heteroscedasticity is substantial it can lead to serious distortion of findings and seriously weaken the analysis thus increasing the possibility of a Type I error. This assumption was checked by visual examination of a plot of the standardized residuals (the errors) by the regression standardized predicted value. Most modern statistical packages include this as an option.

Significance Testing of Regression

An F test was conducted to calculate for the significance of the regression model results between the independent and dependent variables. The F test mean square regression (MSR) was SSR/p and the mean square error (MSE) was SSE/(n-p-1). The F test indicated that the linear regression relationship was significant as shown in the summary statistics. Subsequently, a t test was conducted to determine the significance of linear relationships between the dependent and independent variables as described in Chapter 4 (Anderson, Sweeney, & Williams, 2012). The desired level of significance was .05.



Ethical Considerations

I carefully managed the sponsoring organization relationship to ensure clear and concise instructions were provided to participants without researcher interaction. Ghauri and Gronhaug (2011) presented a checklist of eight ethical issues including (a) preserving participants' anonymity; (b) exposing participant to mental stress; (c) asking participants questions detrimental to their self-interest; (d) use of special equipment and techniques; (e) involving participants in research without their consent; (f) use of deception; (g) use of coercion to obtain information; and (h) depriving participants of their rights. I used this checklist as a guide during survey design and as criteria to solicit feedback from the field test. The pilot study incorporated asking the sponsoring organization leaders for specific feedback concerning perception of participant exposure to mental stress, detriment to self-interest if truthful answers were contrary to Christian beliefs, and if the questions or parameters of the study were deceptive or coercive. The sponsors provided positive feedback concerning the survey instrument and indicated no concerns for the safety of potential participants.

Anonymity

Survey administration and data collection was impersonal because the researcher made no direct contact with the participants. The sponsoring organizations and Qualtrics[©] staff did not directly administer the surveys or have direct contact with the participants and anonymity was preserved through an impersonal survey method (Cooper & Schindler, 2010). The sponsoring organizations and Qualtrics[©] staff acted as a separate entity from the researcher and ensured that the participants responded without researcher observation. Two hundred solicited participants accessed the specified link on the Qualtrics[©] website and completed the surveys without



providing any personal or identifying information. There was no grouped or associated participation in the survey as participants could only access the Qualtrics[©] link individually.

Qualtrics[©] did not provide personally identifiable information of any participants in this study. This survey was intended to collect data from respondents pertaining to potential demand for a conceptual product called the Christian action film. The data was collected solely for the purpose of analysis of dependent and dependent variable relationships. Participant identity was anonymous and no personally identifiable information was divulged or released as a result of participation. The collected data was stored confidentially on a flash drive and will remain locked securely in a safe for 7 years. After 7 years, the data will be securely deleted from electronic media without divulging identity or personally identifiable information.

Mental Stress and Detriment to Self-interest

The focus of this study pertained to the entertainment value of specific components of cinematic content in action films among Christian viewers. The survey included an explanation of its purpose in a statement at the top of the first page. Participants could terminate the survey process at any time without any negative ramifications but none did. This process minimized the opportunity for potential mental stress related to this survey as described by Ghauri and Gronhaug (2011).

Use of Special Equipment and Techniques

Qualtrics[©] used its website to administer the study's survey. The surveys were completed online through the Qualtrics[©] secure and protected website. The protection of human subjects regulations require institutions to retain records of IRB activities and certain other records frequently held by investigators for at least seven years after completion of the research.

Qualtrics[©] staff will electronically store and secure consent forms and surveys electronically and



will purge the research data from this study upon the researcher's request. I will securely delete the collected data after seven years with the MacKeeper[©] Shredder program and by smashing the USB thumb drive with a hammer rendering it useless. No personally identifiable information was collected from participants.

Consent, Deception, Coercion, and Depriving Participants of Rights

Each participant retrieved the survey instrument and the informed consent form after accessing the hyperlink to the Qualtrics[©] website. At no time did I directly approach, threaten, deceive, coerce, or promise compensation to the sponsoring organizations or potential participants in this study (Ghauri & Gronhaug, 2011). I did not directly or indirectly approach potential participants. The sponsoring organizations and Qualtrics[©] staff directly engaged potential participants and identified individuals willing to participate in the survey process.

Summary

In Chapter 3, the method and procedures used to conduct this study were explained. Upon completion of data collection, analysis was conducted to determine if the results indicated a correlation between the dependent and independent variables. The demand for Christian action films was examined based on the evidence from research and analysis of collected data. The demand for various components of motion pictures is detailed in Chapter 4 using sample data from Christian movie-goers. The results of the data analysis are in Chapter 4. Evidence to prove or disprove the existence of a blue ocean in the motion picture industry is described in Chapters 4 and 5.



CHAPTER 4. RESULTS

The purpose of this research was to determine if relationships existed between movie ticket purchase decisions and motion picture components among protestant, non-denominational Christians. The survey consisted of two different scenarios of movie viewing. The first scenario was a Christian deciding to purchase a ticket to watch a secular produced action film. The second scenario was a Christian deciding to purchase a ticket to watch a Christian based film. The objective of this quantitative, exploratory research was to investigate the potential value innovation in Christian action films that mimic secular cinematic quality, but eliminate inappropriate, offensive content.

Validity and Reliability of Instrument

The validity of the survey was addressed using a panel of experts and a field test (Radhakrishna, 2007). This research contained a new, original survey to generate responses and data from participants pertaining to ticket purchase decisions for action genre and Christian based action films. A field test was conducted among a panel of doctors and experts in the field of Business Administration. The expert panel's related comments and suggestions were implemented to the proposed survey instrument for this study.

Capella University required a field test for the new survey instrument in this study. The pre-field test survey instrument was modified with suggestions from the field study. The combined cover letter, study summary, and proposed instrument were sent to solicited panel members for their input and feedback. The research plan was to examine the interval data collected with a Likert-type scale survey designed to test the relationships between the independent variable, likelihood of ticket purchase for Christian and secular based action films,



and the dependent variables including profanity, sexual content, extreme, graphic violence, Christian message, sermonizing, intense action, and a strong, relatable plot.

The survey's validity was established using a panel of experts and a field test (Radhakrishna, 2007). I conducted a field test of the two page, three section survey instrument proposed for this research. Five doctors in the field of business and one doctor in organizational leadership provided feedback that assisted in rephrasing survey questions and instrument alignment with the research questions of this study. The panel members returned feedback in the form of corresponding comment bubbles with the survey text. The revised instrument was placed in Appendix B and reflected feedback from six panel members. The feedback led to significant changes for clarity, simplification and ease of taking the survey.

Pilot Study

The pilot study provided sufficient information about the process of taking the survey prior to data collection for the final study (Cooper & Schindler, 2010). Three leaders from the sponsoring organizations provided feedback from the pilot study. They provided verbal feedback about the questions and their experiences taking the survey. The leaders reported no ambiguous questions and anticipated no problems with their organizational members taking the survey

The sponsoring organization leaders also reported that the survey took less than five minutes to complete and that it was easy to read and understand the informed consent form.

Both the online survey and adult consent form. The participants' names, survey results, and specific organizational information were not published. The online survey was issued to field test panel members and subsequently to participants because of IRB stipulations. The pilot study



surveys were not counted in the population of participants used to generate statistical analysis and study results.

Field Test

Capella University required a field test for all new survey instruments. The pre-field test survey instrument was modified with suggestions from the field study (see Appendix A). The combined cover letter, study summary, and proposed instrument were sent to solicited panel members. The research plan was to examine the interval data collected with a Likert-type scale survey designed to test the relationships between the independent variable, likelihood of ticket purchase for Christian and secular based action films, and the dependent variables including profanity, sexual content, extreme, graphic violence, Christian message, sermonizing, intense action, and a strong, relatable plot.

Chronbach's Alpha Test

Chronbach's alpha test was used to measure the internal consistency and reliability of attitude instruments that use the Likert scale. Chronbach's alpha is used for scores that fall along a continuum (Siegle, 2013). The Likert scale is a commonly used attitude instrument to collect data about perceptions on specific topics and related dependent variables. The closer Chronbach's alpha coefficient is to 1.0 the greater the internal consistency of the items in the scale (Siegle, 2013). The Chronbach's alpha coefficient of internal consistency of the six questions included in the survey for research question one was .850 and .851 for the six questions in research question two in Section tow of the survey. Both Chronbach values indicated that the survey questions were exclusive and useful to produce data for this research.

Data Collection



Sampling included cross-sectional studies using surveys for data collection (Creswell, 2009). Quatrics© staff collected surveys from 200 protestant, non-denominational Christians persons pertaining to movie-goer tendencies regarding action films. An informed consent form accompanied the surveys and contained the criteria for survey participant eligibility. The participants were instructed to read the informed consent form and criteria prior to proceeding to the survey link https://qtrial2014.az1.Qualtrics.com/SE/?SID=SV_72KhKIISGT9JTDv at the bottom of the page. Qualtrics® Surveys facilitated the entire data collection process and provided the tabulated data in Microsoft Excel.

The sponsoring organizations' participants provided 33 responses from congregations in Northern Illinois, South Florida, and Central Virginia. Qualtrics[©] Surveys staff solicited and received 167 responses nationwide. All participants met the same inclusion and exclusion criteria specified in the survey instrument and informed consent form. The data for this study was collected from July 11 through August 8, 2014.

Sample and Demographics

Anderson, Sweeney, and Williams (2012) defined the term frame as a listing of the elements used to select the sample.

The inclusive criterions were:

- 1. Participants must meet the definition of a movie-goer which means that you go to a theater and purchase a ticket to see a movie at least 4 times a year.
- 2. The participant must also view at least one action genre movie each year.
- 3. The participants must claim to be familiar with Christian films and preferably have seen at least one such film in the last five years.



4. The respondent must attend a protestant, non-denominational church service at least once per month. The exclusive criterion was participants had to be at least 18 on the day the survey was taken.

Survey Responses

Computer-generated surveys accessed via e-mail links to internet sites have time limitations to complete once started (Cooper & Schindler, 2010). Participants completed the surveys between July 11 and August 8, 2014. Qualtrics[©] staff facilitated the collection and storage of 200 surveys over the internet. Qualtrics[©] Surveys generated 167 completed survey responses on a fee basis. The sponsoring organizations generated 33 responses from congregation members through distribution of e-mails containing flyers directing potential participants to the Qualtrics[©] hyperlink and website.

Data Analysis and Findings

Research Questions and Hypotheses Tested

Based on research questions one and two, null and alternative hypotheses are as follows.

Research Question 1. What is the value innovation and blue ocean opportunity among

Christians as indicated by ticket purchase decisions for action films that contain a strong plot, intense action, clean thematic content, an underlying Christian message, and entertainment value in the U.S. motion picture industry?

H₀ 1: There is no difference in ticket prices for Christian based films with a strong plot, intense action, clean thematic content, an underlying Christian message, and entertainment value.



- H_a 1: There is a difference in ticket prices for Christian based films with a strong plot, intense action, clean thematic content, an underlying Christian message, and entertainment value.
- Research Question 2. To what extent do the dependent variables of sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior in movie content affect the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States?
- H₀ 1: There is no linear relationship between the dependent variables of sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior and the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States.
- H_a 1: There is a linear relationship between the dependent variables of sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior and the independent variable of the likelihood of movie ticket purchase among protestant, non-denominational, Christian movie-goers in the United States.

Proposed Regression Models Tested

Model building is the process of developing an estimated regression equation that described the relationship between a independent variable and one or more dependent variables (Anderson, Sweeney, & Williams, 2012). In this study for both research questions, the independent variables were ticket prices of protestant, non-denominational Christians to view a secular film in scenario one and a Christian film in scenario two. Ordinal response levels to dependent variables were used to estimate the decision to purchase a movie ticket (TP). Survey



responses indicated the potential of a blue ocean among Christian movie-goers. Value innovation potential in Christian films was tested through the dependent variables identified in this study.

The proposed regression model for Research Question 1 was:

$$TP = \alpha 1 + \beta 2(SP) + \beta 3(IA) + \beta 4(CC) + \beta 5(CM) + \beta 6(PS) + \beta 7(EV).$$

The proposed regression model for Research Question 2 was:

$$TP = \alpha 1 + \beta 2(SC) + \beta 3(PR) + \beta 4(SP) + \beta 5(IA) + \beta 6(EGV) + \beta 7(IB).$$

The null hypothesis for the dependent variables was that the correlation coefficient (r) was equal to 0. The alternative hypothesis was the relationship between the dependent variables and the independent variable was not equal to 0. As previously stated, the variables were tested to determine correlation coefficient values between 1 and -1. The regression model calculated ticket price as an estimated value attributable to survey question 6 and the influence of the six specific dependent variable effects as indicated from sample data.

An assumption about the linear regression calculation was that participants who selected "sometimes buy" for perceived negative components did so despite the component's presence. The participant might have made the selection because of unknown variables such as the presence of an actor, director, or genre. Another distinct possibility was that some participants selected 'always buy' because of that component's presence for various reasons. The interpretation that negative values were associated with negatively perceived film components was caused by the assumption that research had properly indicated protestant, non-denominational Christian movie-goers resented or were repelled by such content.



Findings

Summary Statistics

The P Plots in Appendix C indicated no significant violations of the assumptions of normal distribution. Normal distribution of data is a tenet of linear regression. Two assumptions of linear regression for this study were normal distribution of data and independence of observations (Osborne & Waters, 2002). XL Stat for Mac[©] software analysis indicated that the data distribution was not normal for offensive variables as shown in Appendix D.

Independent Variables

The independent variables for this study were ticket price for Research Question 1 and 'Likelihood of Ticket Purchase' for Research Question 2. The data for the independent variables are responses to survey question 6. The researcher used the 2014 ticket price average of \$8.12 (Box Office Mojo, 2014) to develop the multiple linear regression equations in both research questions. Equal portions of the ticket price were assigned and applied to the Likert scale responses to question 6 on a scale from 1 to 5 with 1 being most likely to purchase a ticket to see a Christian action film and 5 was least likely. One cannot assume that the difference between responses is equidistant even though the numbers assigned to those responses are (Sullivan & Artino, 2013).

The ticket price intervals were \$8.12, \$6.49, \$4.87, \$3.24, and \$1.62 for the independent variable ticket price. The differences between interval data responses can be calculated and the numbers do refer to measureable data (Sullivan & Artino, 2013). I used the relative value scale method to convert the Likert scale responses to incremental dollar values used in the multiple linear regression calculations. The ticket prices had to be estimated using this method because



no tickets were actually sold during the research process. The y-axis was ticket price in increments of \$1.627. The prices were incremental data from the five point Likert scale surveys as shown in the following results.

Research Question 1 Dependent Variables. The six dependent variables for Research Question 1 were sexual content, profanity, plot, intense action, extreme graphic violence, and immoral behavior. The participants in the study indicated in the survey responses that preferences were strongly against offensive variables including sexual content, profanity, and immoral behavior. There were predicted effects for each of the proposed questions and related dependent variables based on Mast (2008) and Lang and Switzer (2009) study outcomes. The data was collected on a 5-point Likert scale for each variable. The questions consisted of the dependent variables and the extent to which an individual was likely or not likely to view a film with 1 as never buy most likely to 5 as least likely and the composite data collection spreadsheet in XL Stat for Mac[©] software analysis compiled by Qualtrics[©] Surveys.

Research Question 2 Dependent Variables. The dependent variables for Research Question 2 were plot, intense action, clean content, Christian message, sermonizing, and entertainment value. XL Stat for Mac[©] software analysis indicated that the data distribution was not normal for plot, and clean content. The participants preferred were very concerned about plot and clean content. The data was collected on a 5-point Likert scale for each variable. The questions consisted of the dependent variable and the extent to which an individual was likely or not likely to view a film with 1 the most concerned to 5 the least concerned. The statistical summary indicated the data were normally distributed based on the survey responses for Section 2 of the survey instrument.

Linear Regression Analysis of Dependent Variables



Linear Regression was conducted on each of 12 dependent variables with six variables per research question. The results and related analysis are described below. Research question 1, hypothesis 1 consisted of one independent variable and six dependent variables. The variables were analyzed individually using simple linear regression. The x-axis represented the dependent variables that were designated movie components. Table 1 below shows the Summary Statistics and for Research Question 1 dependent variables. The null hypothesis could not be rejected in this case because no significant relationship existed between the dependent and independent variables

Six Variables from Research Question 1

Table 1.

Summary Statistics for RQ1 Dependent Variables

Variable	Obser- vations	Obs. with miss data	Obs. without miss data	Minim	Maxim	Mean	Std. dev
Sexual Content/ Nudity	202	0	202	1.000	5.000	3.653	1.092
Profanity/ Vulgarity	202	0	202	1.000	5.000	3.455	1.075
Good/Relatable Plot	202	0	202	1.000	5.000	1.866	0.913
Intense Action	202	0	202	1.000	5.000	2.035	0.911
Extreme/ Graphic							
Violence	202	0	202	1.000	5.000	3.158	1.131
Immoral Behavior							
(Adultery, Drug Use)	202	0	202	1.000	5.000	3.426	1.006

Sexual Content/Nudity. The predicted outcome for the sexual content was a negative effect on the independent variable of ticket price. The below summary statistics indicated a mean of 3.653 with a range value of 1 to 5. For Section 1 of the survey, the value 1 represented "always buy" and 5 "never buy" and the data indicated that the majority of survey participants



attributed less value to the variable sexual content and nudity. The regression model indicated that a significantly smaller amount of film component value was attributed to this variable than others in the linear regression model for research question one. The regression equation was Ticket Price \$ = 7.60276666391344-0.173104154621293*Sexual Content/ Nudity and the model demonstrated a significant negative linear relationship. The correlation coefficient (r) computed form data in Table 2 below indicated that only 13.78% of the dependent and independent variable relationship was explained by the equation. The null hypothesis is not rejected because no significant relationship existed between the dependent and independent variables.

Table 2.

Regression Analysis for Sexual Content

	Sexual Content/	Ticket
Variables	Nudity	Price \$
Sexual Content/ Nudity	1.000	-0.140
Ticket Price \$	-0.140	1.000

Regression of variable Ticket Price \$:

Goodness of fit statistics:

statistics.	
Observations	202.000
Sum of weights	202.000
DF	200.000
R ²	0.019
Adjusted R ²	0.015
MSE	1.807
RMSE	1.344
MAPE	20.455
DW	1.909
Ср	2.000
AIC	121.527
SBC	128.143
PC	1.000
Press RMSE	1.358



Profanity/Vulgarity. The profanity/vulgarity variable was tested and the predicted outcome was within expectations. Mast (2008) and Lang and Switzer (2009) explained that profanity negatively affects demand for ticket purchase and movie viewership. Similar to sexual content, the mean value for the profanity variable, shown in Table 3 below, was high at 3.393 for Likert scale responses that ranged 1 to 5. The regression model indicated a negative slope and the Ticket Price \$ = 7.01558024059381-0.0130934220629641*Profanity/ Vulgarity.

Table 3.

Regression Analysis for Profanity/Vulgarity

Summary

statistics:

Variable	Observations	Obs. with missing data	Obs. without missing data	Mini mum	Maxi mum	Mean	Std. dev
Ticket Price \$	202	0	202	1.624	8.120	6.970	1.354
Profanity/ Vulgarity	202	0	202	1.000	5.000	3.455	1.075

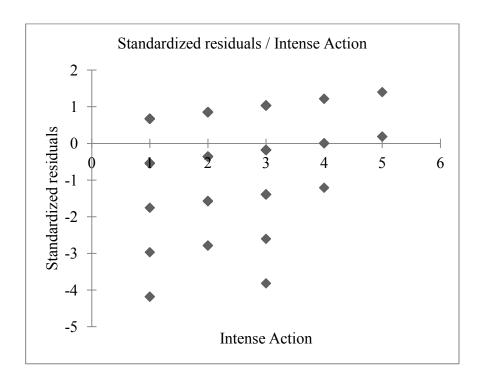
Intense Action. Intense action was a primary variable observed. It was difficult to predict the performance of this variable as it could be construed as violence prone and difficult to differentiate between extreme graphic violence. The action component was a primary tenet of the potential blue ocean described in this study. It was significant that the outcome was substantially positive in the regression model shown in Table 4 below because research question 1 dealt with Christians viewing secular based films. The mean for the intense action variable of 2.03 was significantly lower toward the "always buy" Likert scale value than sexual content and profanity variables. The mean ticket price was significantly higher at \$6.97 in the regression



model but the correlation coefficient indicated that only 16% of the relationship between the dependent and independent variables was explained by the regression equation.

Table 4.

Regression Plot for Intense Action



Extreme Graphic Violence. The extreme graphic violence variable outcome was expected to be similar to sex and profanity. Lang & Switzer (2009) and other research suggested that extreme violence would have a similar effect on potential ticket purchase. The mean ticket price was \$6.97 and the mean Likert scale value was 3.15, which was slightly lower than sex and profanity respectively. The correlation coefficient was 3% and there was a slightly negative effect on the linear relationship as depicted in Table 5 below that indicated a value of \$-.04 effect on the ticket price.

Table 5.

Regression Model Parameters for Extreme Graphic Violence

Model parameters:

Source	Value	Standard error	Lower bound (95%)	Upper bound (95%)		
Intercept	7.097	0.284	24.999	< 0.0001	6.537	7.657
Extreme/ Graphic Violence	-0.040	0.085	-0.474	0.636	-0.207	0.127

Good Relatable Plot. The plot variable was unique because it was included in both research questions. The expected outcome was expected to be significant. Ferrari and Rudd (2008) indicated that plot accounted for about 6% of the explanation of the variance in residual revenues in the meta-score analysis study. The mean ticket price was \$6.58, which was significantly competitive to other film components. The mean Likert scale value was 1.87, which tested better than the intense action variable. The correlation coefficient in Table 6 below was .125 and there was only a slightly positive linear relationship between good plot and ticket price.

Table 6.

Correlation Matrix for Good Relatable Plot
Correlation matrix:

Variables	Good/Relatable Plot	Ticket Price \$
Good/Relatable	1.000	-0.125
Ticket Price \$	-0.125	1.000

Immoral Behavior. The regression model ticket price for the immoral behavior variable was \$6.97 per Table 7 below. The mean value for the Likert scale plot was 3.42 on the scale of 1 to 5. These values were consistent with expectations and mirrored performance of sexual content and profanity and vulgarity. The slope was negative in the regression model and the correlation coefficient was .07. The immoral behavior variable performed similarly to sexual content and profanity.

Table 7.

Summary Statistics for Immoral Behavior

Variable	Observations	Obs. with missing data	Obs. without missing data	Mini mum	Maxi mum	Mean	Std. dev
Ticket Price	202	0	202	1.624	8.120	6.970	1.354
\$							
Immoral	202	0	202	1.000	5.000	3.426	1.006
Behavior							
(Adultery,							
Drug Use)							

Six Variables for Research Question 2

Table 8.

Summary Statistics for RQ1 Dependent Variables

Variable	Observations	Obs. with missin g data	Obs. without missing data	Mini mum	Maximum	Mean	Std. deviation
Plot	202	0	202	1.000	5.000	3.678	1.226
Intense Action	202	0	202	1.000	5.000	3.079	1.203
Clean Content	202	0	202	1.000	5.000	3.317	1.378
Christian Message	202	0	202	1.000	5.000	3.381	1.352
Sermonizing/Preaching	202	0	202	1.000	5.000	3.005	1.248
Being Entertained	202	0	202	1.000	5.000	3.713	1.284

Correlation Matrix for RQ1 Dependent Variables

Plot. For Section 2 of the survey, the five possible responses ranged from 1 "not concerned to 5 "extremely concerned" and pertained to Christians viewing Christian based films as opposed to secular films as shown above in Table 8. The data indicated that the majority of survey participants favored plot as a film component. The mean Likert scale value was 3.67 and the mean ticket price attributed to plot was \$6.97. As shown below in Table 9, the regression equation was Ticket Price \$ = 7.02995244260173-0.0162077973156782*Plot and the model demonstrated a significant positive linear relationship. The correlation coefficient (r) indicated that only 7% of the relationship between the dependent and independent variables was explained by the data in the equation. The mean ticket price was \$6.97 for the plot variable in question 1 of the survey.



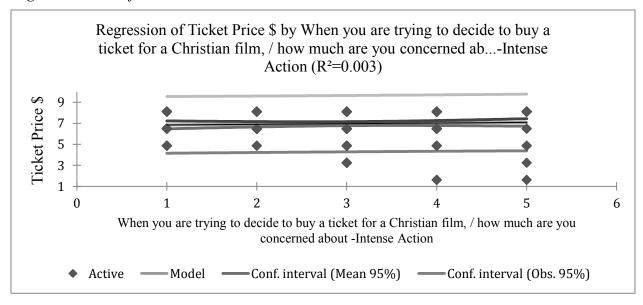
Table 9. *Model Parameters for Plot*Model parameters:

		Standard			Lower bound	Upper bound
Source	Value	error	t	Pr > t	(95%)	(95%)
Intercept	7.030	0.303	23.221	< 0.0001	6.433	7.627
Plot	-0.016	0.078	-0.208	0.836	-0.170	0.138

Intense Action. The model's ticket price for the intense action variable was \$6.97 and the mean Likert scale value was 3.075. Intense action was also a variable in survey question 1 and pertained to secular based films. The mean for the intense action variable of 2.03 in question one for secular films was nearly equal to Christian based film results. The variable's correlation coefficient was 5% and the linear relationship with ticket price was positive as shown in Table 10. As intense action was added to the movie content, the response level of the potential viewer became more favorable.

Table 10.

Regression Model for Intense Action



Clean Content. The clean content variable offset the sex, violence, and profanity questions in the Christian based portion of the survey questions in section two and revealed a significant favorable data set. The clean content variable rendered .045 as shown in Table 11. This variable was expected to yield the most favorable results of all variables for Likert scale mean and contribution to model ticket price. Clean content's Likert scale mean was not the highest at 3.328 and its regression model ticket price was \$4.02. The regression model equation was 0.7721853930807*Clean Content and the independent variable relationship was positive.

Table 11.

Correlation Matrix for Clean Content

Correlation matrix:

Variables	Clean Content	Ticket Price \$	
Clean Content	1.000	0.045	
Ticket Price \$	0.045	1.000	

Regression of variable Ticket Price \$:

Goodness of fit statistics:

Observations	202.000
Sum of weights	202.000
DF	200.000
\mathbb{R}^2	0.002
Adjusted R ²	-0.003
MSE	1.839
RMSE	1.356
MAPE	20.695
DW	1.930
Ср	2.000
AIC	125.100
SBC	131.716
PC	1.018
Press RMSE	1.371



Christian Message. The outcome for the Christian message variable was expected to be higher and possibly skew the data. The mean Likert scale value was 3.383 and the model's ticket price was \$3.87. The correlation coefficient was .04 with a slightly positive linear relationship. Clean content did not outperform plot and entertainment value, which had significant implications for this study. The results implied that Christians want to be entertained and that was as important if not more than clean content.

Sermonizing. The dependent variable sermonizing (Nieburg, 1996) or preaching as part of the message as a film component was analyzed. Research predicted the outcome would be that sermonizing or preaching would have a negative effect on ticket prices and likelihood of a Christian purchasing a ticket because of its presence. The sermonizing variable's mean value was 2.995. The slope of the regression was positive which contradicted the expected outcome in the sample.

Entertainment Value. The variable of entertainment value was expected to be a highly significant indicator of blue ocean potential. Per the below summary statistics in Table 12, the mean value was 3.716. The correlation coefficient indicated that 11% of entertainment value related to the independent variable of likelihood of ticket purchase. The entertainment value regression plot indicated a positive relationship between entertainment value and the likelihood of ticket purchase. The regression model also indicated a positive effect on ticket price. The entertainment value was significant compared to other study dependent variables including intense action and strong plot. The results of analysis were also significant because they indicated that entertainment was a fundamental reason that the participants were interested in going to see a Christian based movie.



Table 12.

Entertainment Value Statistical Summary
Summary
statistics:

Variable	Observations	Obs. with missing data	Obs. without missing data	Mini- mum	Maxi- mum	Mean	Std. dev
Ticket Price \$	202	0	202	1.624	8.120	6.970	1.354
Being	202	0	202	1.000	5.000	3.713	1.284
Entertained							

Research Questions Multiple Linear Regression Analysis

Research Question One. The tested multiple linear regression equation for research question one was Ticket Price \$ = 8.00682206330548-0.803520165755247*Sexual Content/
Nudity+0.664827340911227*Profanity/ Vulgarity-0.0618241030694336*Good/Relatable Plot0.790925016234837*Intense Action-0.054897403471999*Extreme/ Graphic
Violence+0.47226313130317*Immoral Behavior (Adultery, Drug Use). The tested multiple regression model for research question one indicated the null hypothesis is true that little or no relationship exists between all dependent and independent variables. There was not a significant linear relationship between each dependent variable and the independent variable of ticket price based on the model shown in Table 13.

The ticket price or value for the research questions was calculated for this study based on the national ticket price average of \$8.16 per ticket. The model and tested linear regression equation resulted in an estimation of a positive or negative linear relationship between the dependent and independent variables. The inference from this data is that there is only a slight linear relationship between the independent variable of ticket price and each of the dependent



variables. The F-test value was 97.99 and the null hypothesis cannot be rejected because no relationship existed between the dependent and independent variables.

Table 13.

Multiple Linear Regression for Research Question One Dependent Variables

Correlation matrix:

Variables	Sex /	Prof/	Good	Intense	Extr.	Imm.	Ticket
	Nudity	Vulg	Plot	Action	Graph	Behav	Price \$
					Vio-		
					lence		
Sexual Content/ Nudity	1.000	0.809	0.208	0.312	0.577	0.737	-0.079
Profanity/ Vulgarity	0.809	1.000	0.235	0.370	0.669	0.754	0.015
Good/Relatable Plot	0.208	0.235	1.000	0.592	0.209	0.203	-0.148
Intense Action	0.312	0.370	0.592	1.000	0.516	0.391	-0.218
Extreme/ Graphic	0.577	0.669	0.209	0.516	1.000	0.715	-0.048
Violence							
Immoral Behavior	0.737	0.754	0.203	0.391	0.715	1.000	0.010
(Adultery, Drug Use)							
Ticket Price \$	-0.079	0.015	-0.148	-0.218	-0.048	0.010	1.000

Regression of variable Ticket Price \$:

Goodness of fit statistics:

Observations	202.000		
Sum of weights	202.000		
DF	195.000		
\mathbb{R}^2	0.091		
Adjusted R ²	0.063		
MSE	7.330		
RMSE	2.707		
MAPE	44.092		
DW	1.874		
Ср	7.000		
AIC	409.255		
SBC	432.413		
PC	0.975		



Research Question Two. The model's equation was Ticket Price \$ = 7.03545390151096+0.00563801839226376*Plot + 0.0961191665281377*Intense Action + 0.0459520959695007*Clean Content + 0.0243650875776959*Christian Message + 0.08221020792221*Sermonizing/Preaching - 0.23261295023344*Being Entertained. The correlation matrix for research question 2 was shown in Table 14 below. The results indicated the null hypothesis is true because little or no relationship exists between all dependent and independent variables.

Table 14.

Multiple Linear Regression for Research Question Two Dependent Variables

Correlation
matrix:

Variables	Plot	Intense Action	Clean Content	Chris- tian Message	Sermon/ Preach	Being Enter- tained	How interested in CAF
Plot	1.000	0.534	0.485	0.392	0.372	0.570	0.015
Intense Action	0.534	1.000	0.462	0.431	0.371	0.440	-0.051
Clean Content	0.485	0.462	1.000	0.757	0.537	0.468	-0.045
Christian	0.392	0.431	0.757	1.000	0.639	0.456	-0.046
Message							
Sermonizing/	0.372	0.371	0.537	0.639	1.000	0.405	-0.061
Preaching							
Being	0.570	0.440	0.468	0.456	0.405	1.000	0.116
Entertained	0.01.5	0.051	0.045	0.046	0.061	0.116	1 000
How interested	0.015	-0.051	-0.045	-0.046	-0.061	0.116	1.000
would you be							
in seeing a Christian							
Action film							

Regression of variable Ticket Price \$:

Goodness of fit statistics:

Observations	202.000
Sum of	202.000
weights	
DF	195.000
\mathbb{R}^2	0.038
Adjusted R ²	0.008
MSE	1.819
RMSE	1.349
MAPE	19.879
DW	1.890
Ср	7.000
AIC	127.719
SBC	150.877
PC	1.031
Press RMSE	1.392

There was an inference that the data indicated the likelihood of positive and negative influence on ticket purchase potential directly attributable to each dependent variable in research question two. The model and tested equation resulted in an estimation of a positive or negative linear relationships between the dependent and independent variables. The inference from this data is that a significant linear relationship exists between the independent variable of likelihood of ticket purchase and each of the dependent variables. The *F-test* value for the statistics in research question 2 was 122, which suggested not rejecting the null hypothesis because no relationship existed between the independent and dependent variables

Summary of Findings

I presented the results of the sample data analysis in Chapter 4. The purpose of this chapter was to determine if significant linear relationships existed between movie ticket prices, purchase decisions, and motion picture components among protestant, non-denominational



Christians. The data indicated low and relatively insignificant correlated values between the dependent and independent variables and were only slightly negatively or positively related according to regression analysis of the specific film components. The mean values indicated that the perceptions of the potential viewers in the sample were consistent with predicted outcomes based on studies analyzed in the literature review including Lang and Switzer (2011) and Mast (2009).

The objective of this study was to investigate the potential value innovation in Christian action films. Participants responded to the study's survey questions used to assess their willingness to view secular and Christian based films with specific components. The results indicated that the independent variables of ticket price and ticket purchase decision could be enhanced or diminished by the presence of individual and combined dependent variables. The results in Chapter 4 provided support for the conclusions in Chapter 5 that specific components of film can be combined, enhanced, or diminished in a manner that creates the potential for value innovation.



CHAPTER 5. DISCUSSION, IMPLICATIONS, RECOMMENDATIONS

Method

This research incorporated the quantitative method to achieve the objective of determining if specific relationships existed between proposed dependent and dependent variables described in Chapter 3. This study was influenced by value innovation theory, blue ocean strategy, and motion picture trend literature. The study incorporated sample data collection and linear regression analysis that measured independent and dependent variable relationships pertaining to Christian movie-goer preferences that may be influenced by value innovation and indicate a potential blue ocean. Creswell (2009) described quantitative research as a means for testing objective theories by examining the relationship among variables. Data was collected from a population sample of 200 anonymous participants. The data was analyzed and compared to provide answers to the two research questions and associated hypotheses of this study.

Summary of Findings

Results indicated no significant relationships between the attributes of entertainment and ticket prices. Correlation coefficients and regression analysis showed no significant differences and the variable correlations were at, or near, zero for independent and dependent variables. The F Tests and t test results indicated relationships between the independent and dependent variables in this study shown in Appendix E. The F-Test value was less than the significance level of .05 and indicated a relationship between the independent and dependent variables. Plot and intense action produced the most favorable data interpretations of the variables in both section one and two of the survey and data analysis. Clean content was a significantly valued variable at 3.328 Likert scale mean but it did not outperform the "plot" and "being entertained"



variables in the study sample at 3.716 and 3.766 respectively which indicated the strongest favorable data of the variables in this study.

The findings also revealed that SMUT described by Mast (2008) and offensive content or sex, violence, and profanity described by Lang and Switzer (2009) performed poorly under statistical analysis of data collected from the sample of 200 participants in this study. The expected outcomes for sexual content, profanity and extreme violence were consistent with the study's findings. These variables indicated lower ticket prices, lower Likert mean scores, and lower intercept points in the regression model as well as negative linear relationships with the independent variable of ticket price. Sex, extreme violence, and profanity data in the first survey question pertained to Christian movie-goers viewing a secular based film. The coefficients of variance indicated that the study's variables did not explain more than 15% of any relationships between the study's dependent and independent variables. The correlation matrices indicated that no significant correlations were found between individual offensive and positive dependent variables and the independent variables.

Significance and Implications

Clean content did not outperform plot and entertainment value, which has significant implications for this study. The results imply that Christians want to be entertained and that was as important if not more than clean content. Sermonizing and preaching results were contradictory to the expected outcome of negative effect on the independent variable ticket price. That result implies that Christian movie-goers either expect or are not averse to overt messages in Christian based films.

The data distribution for the dependent variables was generally bell shaped with tails only occurring in data analysis of intense action and strong plot. The statistics indicated that the



survey participants favored action, good plot, clean content, and entertainment value as predicted. The results consistently indicated a corresponding increase in ticket values for intense action, strong plot, and entertainment value. The results also indicated decreasing values when offensive content was introduced to the regression model in both research questions.

Conclusion

Limitations

Delimitations are restrictions or boundaries that researchers impose to focus the scope of a study (Mitchell & Jolley, 2010). Some areas that might be addressed might relate to limited geographical location, brief period to collect the data. The results from this research indicated that the protestant, non-denominational Christian participants in the sample consistently preferred clean but entertaining content in both secular and Christian based films. One limitation of this study was access to movie producers and their related perspectives to the demand for action films in both secular and Christian based film markets. Another limitation was lack of denominational Christian data, and lack of separately collected non-Christian and Christian sample data for analysis of variance.

A major limitation of self-administered surveys is the type and amount of information collected (Cooper & Schindler, 2010). The time allowed to collect the surveys was thirty days. Participants were limited for this research to three churches in the United States and to a sample size of 200 compared to the estimated Christian audience size of 13 million in the United States according to Dupont (2013). The study was also limited to protestant, non-denominational Christian movie-goers and did not include denominational and non-Christian movie-goers who may share similar preferences. My budget was limited to pay for the study's related expenses such as survey administration and in-person visits to distant sponsoring organization sites.



Another limitation of this study was that limited initial questions and no follow up questions were asked to the participants because of stipulations to preserve.

Recommendations

One recommendation for future studies is to conduct a comparison between Christian and secular movie goer survey results for the dependent variables in this study. Analysis of variances in the dependent variables in this study among samples of Christian and secular audience populations may reveal interesting results pertaining to clean content implications for secular and Christian based films. Another recommendation is to seek a partnership with a major movie theater chain to conduct surveys at openings of Christian films to ascertain data pertaining to Christian and non-Christian movie viewers. Another useful study may be the analysis of existing market data of both secular and Christian based film revenues and audience member composition versus genres and ratings.

Researchers could combine or isolate a smaller number of some of the dependent variables of this study and focus research questions and survey instruments more intently on the effects on ticket price or likelihood of ticket purchase. This study incorporated regression analysis of a calculated ticket price and the linear relationships created by the presence of specific dependent variables. Compartmentalization of the dependent variables within a composite ticket price may produce useful data to filmmakers in which study participants can assign a film component a specific monetary value on a sliding scale. Finally, Christian and secular based film production companies could sponsor similar research as opposed to church based sponsoring organizations and study either potential profitability of action films with clean content or Christian based films with enhanced action content.

Implications



There were leadership and corporate culture implications for ideation and innovative processes in the Christian film industry for out of the box and forward thinkers. Company leaders should learn to practice high-speed innovation experimentation from ideation to operational execution to offer products and services with unique customer benefits (Tuulenmaki & Valikangas, 2011). The data indicated that some elements of Christian based films retained value among Christian film viewers such as Christian message and clean content. Research data indicated that other film components such as plot and entertainment value were important to potential viewers. The potential for success in the Christian film industry may depend on innovative capabilities of firms to create innovation concepts through collaborative research and development (Mukherjee & Ramani, 2011).

Body of Knowledge

This research filled gaps in the body of knowledge pertaining to demand for Christian-based motion picture production and the composition of the Christian movie-goer population.

DuPont (2013) described one niche component of a Christian movie-goer audience estimated to be at least 90 to 120 million people. The research also contributed to the conceptual field of blue ocean strategy. Kim and Mauborgne (2004) introduced the concept of blue ocean strategy as a phenomenon that occurred as often as a product, service, or combination of the two revealed a new dimension of a market and previously undiscovered customers.

Summary

The 200 protestant, non-denominational, Christian movie-goers sampled in this study provided data and evidence to support the conclusion that a blue ocean exists for Christian action films. Predicted outcomes for the variable relationships in this study were derived from seminal works in the literature review in Chapter 2 and supported by the data analysis in Chapter 4.



Relationships between the dependent variables of movie components and the independent variables of ticket prices and the likelihood of Christian movie-goer ticket purchases were explained in this study. The amplification of favorable movie components such as a strong plot and intense action combined with the incremental reduction or elimination of offensive content referred to as *smut* in Mast (2008) created value innovation in a motion picture for the participants in this study. The 200 participants in this study were a significant reflection of a blue ocean in the United States motion picture industry.



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APPENDIX A. Christian Movie-Goer's Survey (Pre-Field Test)

Christian Movie-Goer's Survey (Pre-Field Test)

This survey is intended to collect data from respondents pertaining to a product called the 'Christian Action Film'. If there is a market for such a product or not, the collected data will be analyzed and utilized solely for the purposes of this study as part of a dissertation in partial fulfillment of the Degree of Doctor of Business Administration at Capella University. Your identity will remain anonymous and no personally identifiable information will be divulged or released as a result of your participation. The collected data will be stored confidentially and securely for up to seven years and then securely destroyed without divulging your identity.

Participant Criteria/Sample Frame:

- 1. Participants must meet the definition of a movie-goer which means that you go to a theater and purchase a ticket to see a movie at least 4 times a year.
- 2. The participant must also view at least one action genre movie each year.
- 3. The participants must claim to be familiar with Christian films and preferably have seen at least one such film in the last five years.
- 4. The respondent must be an attend a protestant, non-denominational church service at least once per month.

Thank you for your time and participation!

Section I. Ticket Purchase Decision Factors for Action Movies.

Please read each question and select your response from 1 to 5.

Always Buy	Often Buy	No Effect	Seldom Buy	Never Buy
1	2	3	4	5

1. How do the following film components affect your decision to buy a ticket for an action movie in the cinema?

	(Always Buy)	(Often Buy)	(No Effect) (Seldom B	uy) (Never Bı	ıy)
Sexual Content/Nudity:	1	2	3	4	5	
Profanity/Vulgarity:	1	2	3	4	5	
Good/Relatable Plot:	1	2	3	4	5	
Intense Action:	1	2	3	4	5	
Extreme/Graphic Violence:	1	2	3	4	5	
Immoral Behavior (Adultery, Drug Use, etc.)): 1	2	3	4	5	

Please answer the following questions on a scale from 1 to 5 where 1 is least concerned and 5 is most concerned.



These screening criteria are presented as pre-conditions at the beginning of this survey because such participants can provide significant and relevant insight to the better understanding of the motion picture industry's Christian and action-genre oriented audience.

Section II. Ticket Purchase Decision Factors for Christian Movies.

Please read each question and select your response from 1 to 5.

1. When you are trying to decide to buy a ticket for a Christian film, how much are you concerned about the following?

9	Not Concerned	Somewhat	Marginal	Very	Extremely
Plot:	1	2	3	4	5
Intense Action:	1	2	3	4	5
Clean Content:	1	2	3	4	5
Christian Message:	1	2	3	4	5
Sermonizing/Preaching:	1	2	3	4	5
Being Entertained:	1	2	3	4	5

Section III. Potential Demand for Christian Action Films.

Please answer the following question on a scale from 1 to 5 where 1 is least and 5 is most.

1. How excited are you about upcoming Christian films to be released in theaters?	1	2	3	4	5
2. How often do you watch Christian Films when they come out in theaters?	1	2	3	4	5
3. How appealing are Christian based films to you compared to secular films?	1	2	3	4	5
4. How interested would you be in seeing a Christian Action film as described in the beginning of this survey?	1	2	3	4	5

Demographics. (Optional)

1. Please circle your gender.

Male Female

2. Please circle your age group.

(16-17) (18-25) (26-35) (36-45) (46-55) (56-65) over 65

3. Please circle your race/ethnicity.

Asian Black Hispanic Native American White Other



Appendix B. Christian Movie-Goer's Survey (Post Field Test Feedback)

Christian Movie-Goer's Survey (Post Field Test Feedback)

This survey is intended to collect data from respondents pertaining to a product called the "Christian Action Film." If there is a market for such a product or not, the collected data will be analyzed and utilized solely for the purposes of this study as part of a dissertation in partial fulfillment of the Degree of Doctor of Business Administration at Capella University. Your identity will remain anonymous and no personally identifiable information will be divulged or released as a result of your participation. The collected data will be stored confidentially on electronic media such as a CD or Flash Drive and locked securely in a safe for 7 years. After 7 years, the data will be securely deleted from electronic media or destroyed without divulging your identity.

Participant Criteria/Sample Frame:

- 1. Participants must meet the definition of a movie-goer which means that you purchase a ticket to go to a theater and see a movie at least 4 times a year.
- 2. The participant must view at least one action genre movie in a theater each year.
- 3. The participants must claim to be familiar with Christian films and preferably have seen at least one such film in the last 5 years.
- 4. The respondent must attend a protestant, non-denominational church service at least once per month.

These screening criteria are presented at the beginning of this survey because as such participants may provide relevant insight into the movie going preferences and behaviors of the motion picture industry's Christian and action-genre oriented audience.

Section I. Ticket Purchase Decision Factors for Action Movies.

Please read the following questions and select a response ranging from 1 "Always Buy" to 5 "Never Buy"

Always Buy	Often Buy	Sometimes Buy	Seldom Buy	Never Buy
1	2	3	4	5

1. How do the following film components affect your decision to buy a ticket for an action movie in the cinema?

	(Always)	(Often)	(Sometimes)	(Seldom)	(Never)	
Sexual Content/Nudity:	1	2	3	4	5	
Profanity/Vulgarity:	1	2	3	4	5	
Good Plot: Intense Action:	1 1	2 2	3 3	4 4	5 5	
Extreme/Graphic Violence:	1	2	3	4	5	



Immoral Behavior (e.g., Torture, Drug Abuse) 1 2 3 4 5 Please read the following question, and select a response ranging from 1 "Not Concerned", to 5 "Extremely Concerned" with respect to movie ticket purchase decisions.

Section II. Ticket Purchase Decision Factors for Christian Movies.

1. When you are trying to decide to buy a ticket for a Christian film, how much are you concerned about the following?

Plot:	Not Concerned 1	Somewhat Concerned 2	Marginally Concerned 3	Very Concerned 4	Extremely Concerned 5	
Intense Action:	1	2	3	4	5	
Clean Content:	1	2	3	4	5	
Christian Message:	1	2	3	4	5	
Sermonizing/Preaching:	1	2	3	4	5	
Being Entertained:	1	2	3	4	5	

Section III. Potential Demand for Christian Action Films.

Please answer the following questions on a scale from 1 to 5 where 1 is least and 5 is most.

1.	How excited are you about upcoming Christian films in theaters?	1	2	3	4	5
2.	How often do you watch Christian Films when they come out in theaters?	1	2	3	4	5
3.	How appealing are Christian based films to you compared to secular films	?1	2	3	4	5
	How interested would you be in seeing a Christian Action film as describe the beginning of this survey?		2	3	4	4

Demographics. (Optional)

1. Please circle your gender.

Male Female

2. Please circle your age group.

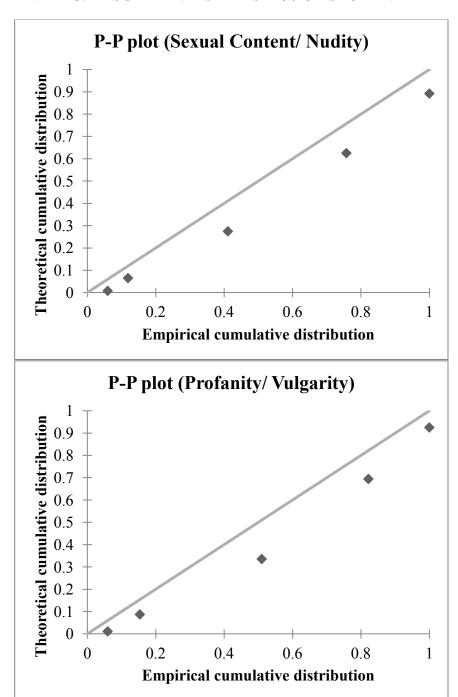
(13-17) (18-25) (26-35) (36-45) (46-55) (56-65) over 65

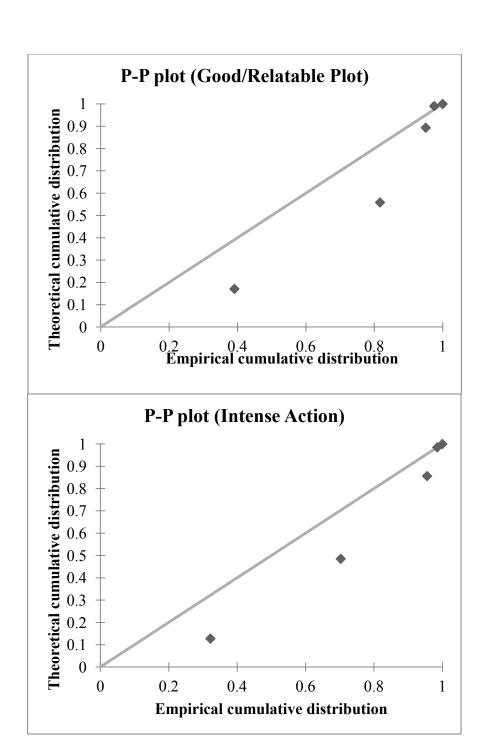
3. Please circle your race/ethnicity.

Asian Black Hispanic Native American White Other

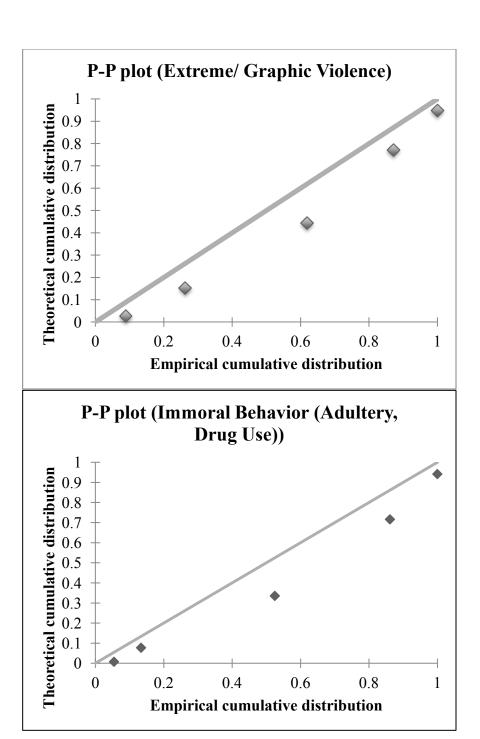


APPENDIX C. DESCRIPTIVE STATISTICS OF STUDY VARIABLES









APPENDIX D. NORMAL DISTRIBUTION TESTS

Summary statistics:

Variable	Obser-	Obs.	Obs.	Mini-	Maxi-	Mean	Std.
	vations	with	without	mum	mum		dev.
		missing	missing				
		data	data				
Sexual Content/ Nudity	202	0	202	1.000	5.000	3.653	1.092
Profanity/ Vulgarity	202	0	202	1.000	5.000	3.455	1.075
Good/Relatable Plot	202	0	202	1.000	5.000	1.866	0.913
Intense Action	202	0	202	1.000	5.000	2.035	0.911
Extreme/ Graphic	202	0	202	1.000	5.000	3.158	1.131
Violence							
Immoral Behavior	202	0	202	1.000	5.000	3.426	1.006
(Adultery, Drug Use)							

Summary statistics:

Variable	Observations	Obs. with missing data	Obs. without missing data	Mini- mum	Maxi- mum	Mean	Std. dev.
Plot	202	0	202	1.000	5.000	3.678	1.226
Intense Action	202	0	202	1.000	5.000	3.079	1.203
Clean Content	202	0	202	1.000	5.000	3.317	1.378
Christian Message	202	0	202	1.000	5.000	3.381	1.352
Sermonizing/Preach	202	0	202	1.000	5.000	3.005	1.248
ing							
Being Entertained	202	0	202	1.000	5.000	3.713	1.284



APPENDIX E. REGRESSION ANALYSIS OF DEPENDENT VARIABLES F & T TESTS RQ1 - Analysis of variance:

Source	DF	Sum of	Mean	F	Pr > F
		squares	squares		
Model	6	32.861	5.477	3.181	0.005
Error	195	335.758	1.722		
Corrected Total	201	368.619			

Computed against model

Y=Mean(Y)

RQ1 - Standardized coefficients:

Source	Value	Stand. error	t	Pr > t	Lower bound (95%)	Upper bound (95%)
Sexual Content/ Nudity	-0.432	0.124	-3.496	0.001	-0.676	-0.188
Profanity/ Vulgarity	0.286	0.132	2.162	0.032	0.025	0.546
Good/Relatable Plot	-0.026	0.087	-0.295	0.768	-0.196	0.145
Intense Action	-0.189	0.098	-1.929	0.055	-0.382	0.004
Extreme/ Graphic Violence	0.013	0.111	0.113	0.910	-0.206	0.231
Immoral Behavior (Adultery, Drug Use)	0.161	0.122	1.318	0.189	-0.080	0.402

RQ2 - Analysis of variance:

Source	DF	Sum of squares	Mean squares	F	Pr > F
Model	6	13.933	2.322	1.277	0.270
Error	195	354.686	1.819		
Corrected Total	201	368.619			

Computed against model

Y=Mean(Y)

RQ2 - Standardized coefficients:

Source	Value	Standard error	t	Pr > t	Lower bound	Upper bound
					(95%)	(95%)
When you are	0.005	0.095	0.054	0.957	-0.182	0.192
trying to decide to						
buy a ticket for a						
Christian film, /						
how much are you concerned abPlot						
When you are	0.085	0.088	0.972	0.332	-0.088	0.259
trying to decide to	0.002	0.000	0.572	0.552	0.000	0.25)
buy a ticket for a						
Christian film, /						
how much are you						
concerned ab						
Intense Action	0.047	0.114	0.410	0.683	-0.178	0.272
When you are trying to decide to	0.047	0.114	0.410	0.083	-0.1/8	0.272
buy a ticket for a						
Christian film, /						
how much are you						
concerned ab						
Clean Content	0.004	0.100	0.000	0.020	0.010	0.061
When you are	0.024	0.120	0.203	0.839	-0.212	0.261
trying to decide to buy a ticket for a						
Christian film, /						
how much are you						
concerned ab						
Christian Message						
When you are	0.076	0.093	0.812	0.418	-0.108	0.260
trying to decide to						
buy a ticket for a Christian film, /						
how much are you						
concerned ab						
Sermonizing/Preach						
ing						



When you are	-0.221	0.091	-2.424	0.016	-0.400	-0.041
trying to decide to						
buy a ticket for a						
Christian film, /						
how much are you						
concerned ab						
Being Entertained						

