



PRICE SENSITIVITY AND CINEMA ATTENDANCE: A STUDY OF AUDIENCE BEHAVIOUR IN VIJAYAWADA THEATRES

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ABSTRACT :

This research investigates how raising the price of movie tickets affects audience behavior in Vijayawada. It examines the connection between movie ticket pricing, price elasticity, cinema attendance, willingness to pay, consumer spending and the choice of entertainment options. The study also looks at how demographic factors such as age, income and occupation influence audience behavior when movie ticket pricing rises. A questionnaire will be. Given to the audience in Vijayawada. The data gathered will be analysed with statistical tools. The research also considers price sensitivity and the effect of price sensitivity on cinema attendance. The research aims to understand how an increase in ticket prices impacts audience behavior.

Keywords: Movie Ticket Pricing, Audience Behaviour, Price Sensitivity, Consumer Behaviour, Cinema Attendance, Willingness to Pay, Vijayawada.

INTRODUCTION :

Vijayawada is one of the cities in Andhra Pradesh and going to the movies remains a popular form of entertainment. Students leave school for first-day shows office workers book weekend slots and families plan outings around releases. For people a trip to the theatre is not only about the film; it is also about the crowd, the big screen and the special feeling that a phone or a television cannot provide.

However, that outing has become more expensive. A single trip now includes a ticket (with GST) travel and usually food and the total cost has become a factor in the decision to go. People do not all react in the way. Some pay without thought some check the price before choosing a show some wait for a discount day and some decide that the film can wait for an online release. The strength with which a person reacts to price is what economists and marketers call price sensitivity.

The main question of this paper is simple: how price-sensitive are cinema audiences in Vijayawada. Does that price sensitivity change how often they go to the theatre? The study uses a questionnaire completed by 76 people who watch films in Vijayawada theatres. It describes their cinema attendance habits and attitudes to pricing. Then tests statistically whether price sensitivity is linked to cinema attendance whether it differs between income groups and how much of the variation in cinema attendance it can explain. Knowing this matters to theatre owners, who must set prices without driving audiences and to anyone interested in how a mid-sized Indian city is adjusting to rising entertainment costs and the growing presence of streaming alternatives.

REVIEW OF LITERATURE :

Twelve studies, published between 2000 and 2025, were reviewed for this paper. Seven come from outside India and five from within it. Read together, they fall into four broad themes.

Financial bases for how tickets are priced

Previous research has attempted to explain why cinemas have the pricing structure they do. Courty (2000) reviewed practice and theory in entertainment industry pricing, and demonstrated that prices could justifiably fluctuate as a function of demand, the type of production and the buyer's profile. Orbach (2004) described how the perennial flat price film pricing structure reflects market power, structure and legal constraints, rather than viewers' attitudes to price. Orbach and Einav (2007) advanced this idea by noting how demand varies substantively over time, film type and release age, and that dynamic pricing could increase revenues. These papers give a good account of the supply side of the market, but they leave unexplained how the audience react to market price increases.

Demand, attendance and price response

A third set of studies considers demand. Collins, Hand and Ryder (2005) established how attendance is affected by time costs, net of travel time and distance, reporting that cinema visits are related to demographic factors such as income, age and class, and that multiplex customers face higher time costs than those who attend other cinemas. Fernandez-Blanco, Orea and Prieto-Rodriguez (2013) identify the causal impact of average prices on demand and conclude that demand is negatively affected by ticket prices.

De Roos and McKenzie (2014) reveal that the demand for cheap night time tickets were more price elastic, encouraging a proposition for concessions to increase demand, which suggests that certain cinema audiences display robust price sensitivity.

Br, Rasch, Strohmenger and Kurscheidt (2025) find that price-sensitive audience members exhibit demand responses to weekly discounts and that dynamic pricing yields greater seat utilisation.

Willingness to pay

Grisolia and Willis (2011), working with live theatre, identified large divergences among consumers in willingness to pay and in value (including reviews and word of mouth). Their point is audiences are not one and the same bunch of people - an important reminder when reading anything on a single average.

The Indian context

Indian flavourings include: Dewani (2020) who used market research to demand-forecast a multiplex in the tier-2 city of Kota and found both price elasticity and demographics influence movie-ticket purchasing; Kapoor (2023), in a report for Ormax Media, who found demand for event movies was relatively stable when prices rose moderately but sharply at certain pre-identified price points (such as when the ticket crossing the 100 mark or the 300-400 range), implying the price-sensitivity of audiences varied across the spectrum; Mukherjee and Xiao (2024) who successfully forecasted multiplex demand across India and its correlation with the macro-economic scenario and concluded that hard times have a positive effect on demand for escapist fare and that demand with higher in areas where cinemas are a status symbol; and Nandhini and Afraa (2025), who conclude high prices for food and beverages are a disincentive for many moviegoers, discounts and perceived value add meaningfully to the purchase decision, and the influence of OTT. Collectively, the literature confirms that pricing is a strategic tool; that attendance tends to decline as prices increases; that audiences are heterogeneous in their willingness to pay; and that concessions and OTT options increase the complexity and the cost-benefit calculations. But the literature does not provide an explanation of how viewer behaviour has manifested in a specific city, say, Vijayawada.

RESEARCH GAP

A number of research papers have been written on movie ticket pricing, price elasticity of demand, willingness-to-pay, pricing strategies and movie theatre visiting in Indian and world contexts. But there are hardly any location-based studies and hardly any on the extent of moviegoers' price sensitivity in Vijayawada and the connection it has with their frequency of visits.

Previous research has all been conducted at the macro market level, on pricing strategies or cinema economics, or using revenue/ box-office data, rather than the audience. Those closest to this one have addressed a different city (Kota), on a Hindi-film audience, on concessions instead of tickets, on discounts instead of price increases. Not one of them have addressed the frequency of visits to the theatre, the shift to OTT, and willingness to accept additional price increases on Vijayawada audiences. This paper seeks to address this gap by examining a new sample of 76 Vijayawada moviegoers and testing the association between price sensitivity and frequency of visits using chi-square, ANOVA, and regression analysis.

PROBLEM STATEMENT

The cost of a cinema ticket is one of the determinants which might determine the frequency of one's visits to a theatre. When prices increase, more often than not, audiences tend to go less, pick the lesser-priced movie, forgo their visits altogether or resort to other entertainment options. What remains to be seen is the extent to which the Vijayawada cinema audiences are price-elastic and whether it has a bearing on their behaviour.

The problem therefore is to analyze the level of price elasticity in the case of cinema audiences of Vijayawada and its impact on the buying cinema attendance patterns of the said customers.

RESEARCH OBJECTIVES

1. To measure the level of price sensitivity among cinema audiences in Vijayawada.
2. To examine the cinema attendance behaviour and frequency of theatre visits among moviegoers in Vijayawada.

3. To determine whether there is a significant association between price sensitivity and cinema attendance among moviegoers in Vijayawada.
4. To test whether price sensitivity differs significantly across attendance groups and income groups.
5. To estimate how far price sensitivity can predict the frequency of cinema attendance.

HYPOTHESIS

Null Hypothesis (H_{01}): There is no significant association between price sensitivity and cinema attendance among moviegoers in Vijayawada.

Alternative Hypothesis (H_{11}): There is a significant association between price sensitivity and cinema attendance among moviegoers in Vijayawada.

- **H_{02} :** There is no significant difference in mean price sensitivity across groups with different levels of cinema attendance.
- **H_{03} :** There is no significant difference in mean price sensitivity across monthly family income groups.
- **H_{04} :** Price sensitivity does not significantly predict the frequency of cinema attendance (the regression slope is zero).

RESEARCH METHODOLOGY

Methodology and design: This is a quantitative study, since it requires observations that can be expressed numerically for subsequent analysis and t-tests (attendees' price sensitivity as measured by their willingness to attend the game) and coded. Descriptive research design was used: "the primary goal...is to provide a picture of the variables of interest...without manipulating them."

Sampling: Due to the lack of any formal cinema crowd register for Vijayawada, we employed convenience sampling using a non-probability sampling technique. Respondents were located in theatres, colleges and workplaces, and through online searches. Only people who had seen a film in a theatrical setting in Vijayawada city limits were included. Initially, the sample frame included 150 respondents, fieldwork (from 24 September to 07 October 2026) resulted in 76 valid cases and no missing values in the coded variables. All the analysis presented below is based on the 76 cases.

Data collection: Primary data collected via structured questionnaire in face to face interviews and a Google Form. The questionnaire, comprised 29 items: the respondent's name, 27 closed and one open-ended (suggestions). The questions dealt with age, sex, education, work, income and marital status, frequency of visits before and after the recent price increase, type of theatre, type of show, time of the show and choice of seats, opinions on ticket prices, what consumers would do when faced with higher prices and overall satisfaction. Attitudinal questions used five levels of agreement scale from 1 (Strongly disagree) to 5 (Strongly agree). Questions regarding frequency asked for responses coded 1 (Rarely or once a year), 2 (Once a month), 3 (Once a fortnight), 4 (Once a week), 5 (More than once a week).

Price Sensitivity: For the current study, a Price Sensitivity Index (PSI) was constructed as the average of four five-point measures of price sensitivity (importance of total cost of a night out at the movies, checking ticket prices before the night out, agreement with the statement that cinema attendance has diminished with rising prices and agreement with the statement that the prices of OTT platforms makes them more attractive) which demonstrated acceptable internal consistency (Cronbach's $\alpha = 0.727$). For the chi-square test, PSI was classified as Low (below 3.0), Moderate (3.0 to below 4.0) and High (4.0 and above). Current cine attendance was classified as Rare (once in 2-3 months or less), Occasional (once a month) and Frequent (more than once a month).

Analysis tools: Frequencies, percentages described the sample, mean, median and standard deviation the scale items. The association between price sensitivity and attendance was tested with a chi-square test of independence and Cramer's V. Mean sensitivity was compared across attendance and income groups with a one-way ANOVA, and the effect of sensitivity on frequency of attendance was assessed with simple and multiple linear regression. All tests were 5% significant. Calculations were made in a formula-driven Microsoft Excel workbook, verified with statistical software (Python, SciPy and statsmodels) and exactly agreed with each other; this approach can be mimicked in SPSS.

DATA ANALYSIS

Profile of respondents

Table 1 shows who answered the survey. The sample is young and student-heavy: nine in ten respondents are aged 18–30 and four in five are students. This reflects the convenience method and should be kept in mind throughout.

Table 1: Demographic profile of respondents (n = 76)

Characteristic	Category	Count	%
Age group	18–30 years	69	90.8
	31–45 years	4	5.3
	46–60 years	3	3.9
Gender	Male	61	80.3
	Female	15	19.7
Education	Undergraduate	56	73.7

Characteristic	Category	Count	%
	Graduate	17	22.4
	Postgraduate / Others	3	3.9
Occupation	Student	61	80.3
	Employed (private/government)	10	13.2
	Business, homemaker, others	5	6.6
Monthly family income	No income	32	42.1
	Below ₹25,000	7	9.2
	₹25,001 – ₹50,000	8	10.5
	₹50,001 – ₹1,00,000	15	19.7
	Above ₹1,00,000	14	18.4
Marital status	Single / Married	70 / 6	92.1 / 7.9

Source: Primary data.

Descriptive statistics: mean, median and standard deviation

Table 2 reports the mean, median and standard deviation of the main scale items and of the Price Sensitivity Index. On the five-point scales, a mean above 3 indicates leaning towards “agree”, “important” or “high”.

Table 2: Descriptive statistics of key variables (n = 76)

Variable	Scale	Mean	Median	SD
Importance of overall outing cost	1–5	4.04	4.0	0.99
Rating of current ticket prices (1 = very low, 5 = very high)	1–5	3.53	4.0	0.89
I carefully check ticket prices before going	1–5	3.61	4.0	1.17
Rising prices have reduced my interest in theatres	1–5	3.33	3.0	1.18
High prices make me prefer OTT over theatres	1–5	3.37	3.0	1.27
Satisfaction with current ticket pricing	1–5	3.07	3.0	1.00
Discount days would increase my visits	1–5	3.89	4.0	0.99
Attendance frequency before the price rise	1–5	3.88	4.0	1.31
Attendance frequency at present	1–5	3.67	4.0	1.31
Skipped a film because of price (1 = never, 4 = frequently)	1–4	2.79	3.0	0.90
Prices affect group plans (1 = not at all, 3 = significantly)	1–3	2.09	2.0	0.68
Price Sensitivity Index (PSI)	1–5	3.59	3.5	0.86

Source: Primary data; calculations in Microsoft Excel (AVERAGE, MEDIAN, STDEV).

Respondents are, on the whole, moderately to highly price-conscious. The Price Sensitivity Index has a mean of 3.59 and a median of 3.50, and 30 respondents (39.5%) fall in the High group, 32 (42.1%) in the Moderate group and only 14 (18.4%) in the Low group. Figure 1 compares attendance before and after the recent price rise.

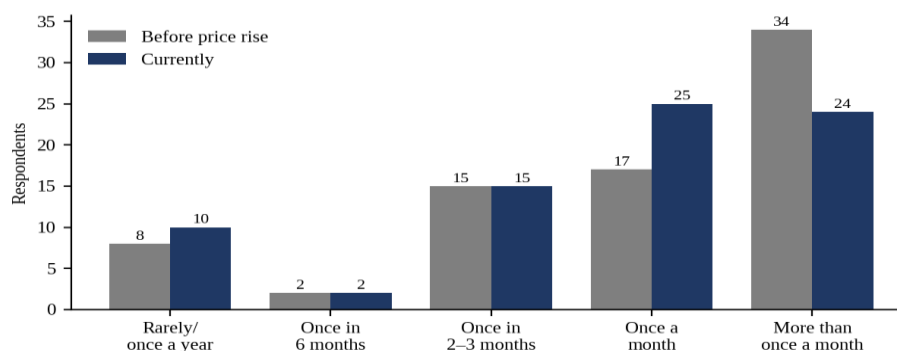


Figure 1: Frequency of theatre attendance before the price rise and at present

Average attendance slipped from 3.88 to 3.67 on the five-point frequency scale. A Wilcoxon signed-rank test on the paired responses was marginally significant ($p = .048$), whereas a paired t -test was not ($t(75) = 1.75, p = .084$), so the evidence of a real decline in measured attendance is suggestive.

rather than conclusive. Most respondents (51 of 76) stayed in the same frequency band; 19 moved down and 6 moved up.

Chi-square test of independence

To test H_{01} , price sensitivity level was cross-tabulated with current attendance level (Table 3).

Table 3: Price sensitivity level × current attendance level – count (row %)

Price sensitivity	Rare	Occasional	Frequent	Total
Low	5 (35.7%)	4 (28.6%)	5 (35.7%)	14
Moderate	9 (28.1%)	12 (37.5%)	11 (34.4%)	32
High	13 (43.3%)	9 (30.0%)	8 (26.7%)	30
Total	27	25	24	76

Source: Primary data.

Table 4: Chi-square test results

Test	χ^2 value	df	p-value	Cramér's V	Decision at 5%
Price sensitivity × attendance level (H_{01})	1.755	4	.781	.107	Fail to reject H_0
Price sensitivity × reported change in visits (supplementary)	34.060	2	< .001	.669	Reject H_0

Note: For the main test, 3 of 9 cells (33.3%) have expected counts slightly below 5 (lowest 4.42). The p-value is so far from .05 that this does not affect the conclusion.

The main test gives $\chi^2(4) = 1.755$, $p = .781$, so the null hypothesis is retained. Cramér's V of .107 indicates a very weak association. As a supplementary check, price sensitivity was also cross-tabulated with respondents' own report of whether their visits have decreased (11 + 29 = 40 respondents) or stayed the same/increased (36 respondents). Here the link was very strong: 28 of the 30 High-sensitivity respondents reported a decline, against only 2 of 14 in the Low group, $\chi^2(2) = 34.06$, $p < .001$, $V = .669$. Because both variables come from the same questionnaire and one PSI item concerns reduced interest, this result is partly built-in and is best read as a strong self-perceived link rather than independent proof.

One-way ANOVA

Two ANOVAs were run on the Price Sensitivity Index, first by attendance group (H_{02}) and then by income group (H_{03}). Income groups below ₹50,000 were combined because of small cell sizes. Levine's test supported equal variances in both cases ($p = .408$ and $p = .491$).

Table 5: Mean Price Sensitivity Index by group

Grouping variable	Group	n	Mean	SD
Attendance level	Rare	27	3.75	0.81
	Occasional	25	3.54	0.79
	Frequent	24	3.45	0.97
Monthly family income	No income	32	3.49	0.80
	Up to ₹50,000	15	3.85	0.86
	₹50,001 – ₹1,00,000	15	3.92	0.77
	Above ₹1,00,000	14	3.16	0.94

Source: Primary data.

Table 6: ANOVA summary

Comparison	Source	SS	df	MS	F	p	η^2
PSI by attendance level	Between	1.237	2	0.618	0.837	.437	.022
	Within	53.957	73	0.739			
PSI by income group	Between	5.499	3	1.833	2.656	.055	.100
	Within	49.695	72	0.690			

Note: Non-parametric Kruskal–Wallis tests agreed with both results ($p = .334$ and $p = .072$).

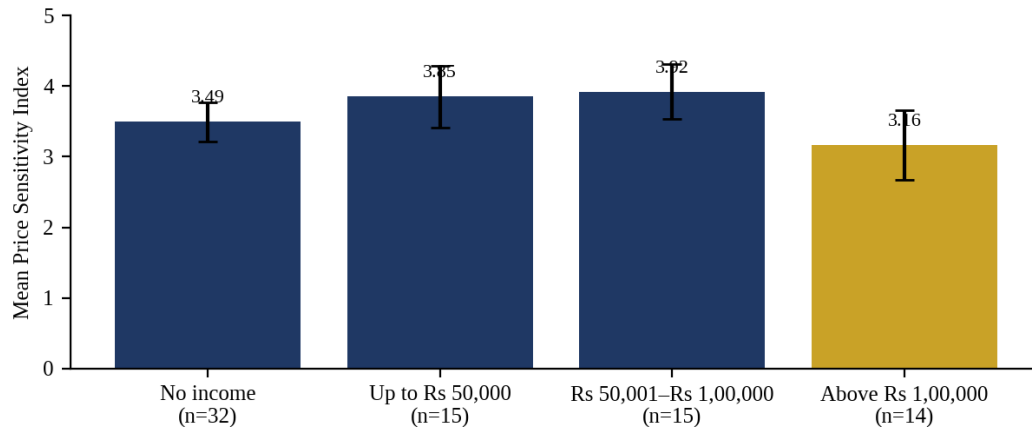


Figure 2: Mean Price Sensitivity Index by monthly family income group (95% CI)

Neither ANOVA is significant at the 5% level. Attendance groups differ only slightly in sensitivity ($F(2, 73) = 0.837, p = .437$). The income comparison comes close ($F(3, 72) = 2.656, p = .055$) with a medium effect size ($\eta^2 = .10$), and its pattern (Figure 2) is interesting: sensitivity is highest in the two bands between ₹1 and ₹1,00,000 and lowest among families earning above ₹1,00,000. A further ANOVA showed that current attendance did not differ significantly across Low, Moderate and High sensitivity groups ($F(2, 73) = 1.351, p = .265$). Independent-samples t -tests found no significant sensitivity gap between students and non-students ($p = .131$) or between men and women ($p = .133$).

Linear regression

To test H_{04} , current attendance frequency (Y) was regressed on the Price Sensitivity Index (X). Two extended models then checked whether the effect survives once income and gender, and finally earlier attendance habits, are taken into account.

Table 7: Regression results (dependent variable: current attendance frequency)

Predictor	Model 1 B (SE)	Model 2 B (SE)	Model 3 B (SE)
Constant	4.913 (0.637)***	4.156 (0.741)***	1.454 (0.708)*
Price Sensitivity Index	-0.346 (0.173)*	-0.273 (0.170)	-0.099 (0.136)
Income level (0–4)	–	-0.140 (0.090)	-0.062 (0.072)
Gender (male = 1)	–	0.899 (0.368)*	0.279 (0.304)
Past attendance frequency	–	–	0.631 (0.094)***
R ² / Adjusted R ²	.051 / .039	.140 / .104	.475 / .445
F (df) and p	4.009 (1, 74); .049	3.895 (3, 72); .012	16.03 (4, 71); < .001
n	76	76	76

Note: * $p < .05$, *** $p < .001$. B = unstandardized coefficient; SE = standard error. Model 1 is the simple regression (also reproduced in the Excel workbook).

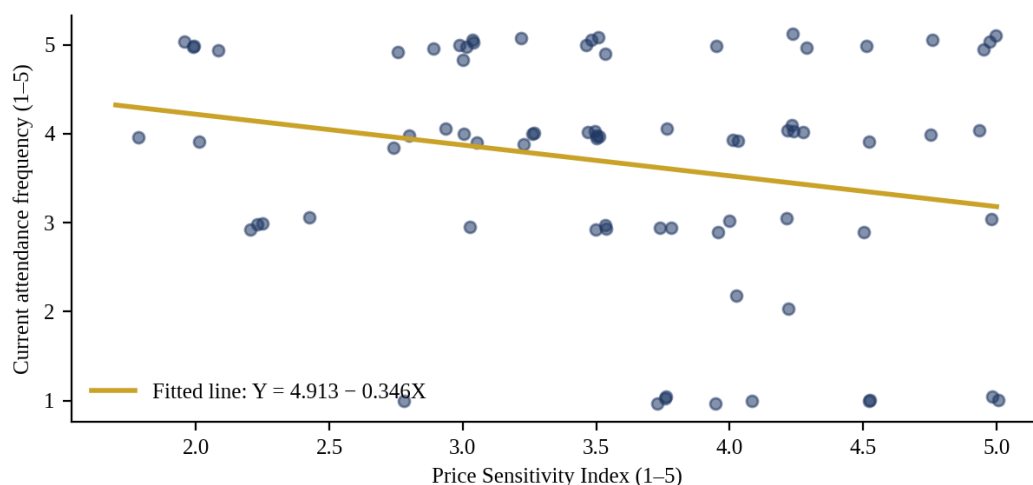


Figure 3: Price Sensitivity Index and current attendance frequency, with fitted line

As Figure 3 shows, the points are widely scattered around a gently sloping line. The simple regression equation is **Attendance = 4.913 – 0.346 × PSI**, with $R = -.227$, $t = -2.00$ and $p = .049$ (95% CI for the slope: -0.691 to -0.002). In plain terms, each one-point rise in price sensitivity goes with a drop of about a third of a step on the five-point frequency scale, but the model explains only 5.1% of the variation in attendance. The effect holds only narrowly. When income and gender are added (Model 2), the sensitivity coefficient is no longer significant, and when past attendance is added (Model 3), the coefficient shrinks to -0.099 ($p = .472$) while past attendance alone is a very strong predictor ($B = 0.631$, $p < .001$). Residuals in Model 1 departed mildly from normality (Omnibus $p = .036$), so the result should be treated with caution.

Table 8: Summary of hypothesis testing

Hypothesis	Test	Result	Decision
H ₀₁ No association between PSI and attendance	Chi-square	$\chi^2(4) = 1.755$, $p = .781$	Not rejected
H ₀₂ No difference in PSI across attendance groups	ANOVA	$F(2, 73) = 0.837$, $p = .437$	Not rejected
H ₀₃ No difference in PSI across income groups	ANOVA	$F(3, 72) = 2.656$, $p = .055$	Not rejected (marginal)
H ₀₄ PSI does not predict attendance	Regression	$F(1, 74) = 4.009$, $p = .049$	Rejected (weak effect)

Source: Primary data analysis.

DATA INTERPRETATION

The respondents - They are young, single men who are students. 42.1% do not have any personal family income. This is relevant in that their theatre ticket money is more likely to originate as pocket allowances than it would if they had salaried income – so they are likely to experience the price of a ticket more acutely. The results are at their most valid for the 18-30 student audience that this group actually comprise in reality.

Price is perceived, and for the most part perceived as expensive. Four out of five (82.9%) say that prices have increased in the past two to three years and fully half (51.3%) rate current prices as high/very high, but opinion is not uniformly negative: 4 out of 10 (42.1%) describe them as reasonable, and, while less than two thirds (61.8%) say they are mostly or definitely worth the money, the figure is not dramatically below the midpoint on the scale (3.07). People are willing to accept the price, provided they feel they are getting their money's worth; if not, they grow irritated. The open-ended responses read like a lament for value.

It counts - Across attitude items, the factor which had the highest mean (4.04, median 4) was the importance of overall outing cost and 68.4% of audiences said it was very important or important. Audiences take into account the 'price of the whole outing'-including ticket, snacks and travel-rather than just ticket price.

Behaviour is pulling back more than it is falling over. Average attendance has only fallen back slightly (3.88 to 3.67) and, while only 51 out of 76 respondents are still in the same band, there remain a significant number (17) who have reduced their attendance figures already. This said, 68.4% have had to miss a film, at least sometimes, for price reasons, 81.6% state that prices influence their plans with family or friends, and 52.6% say they have reduced their visits. Of those who have made adjustments, 50.0% claim to be more reliant on OTT, 48.7% watch only blockbusters or event films, and 21.1% avoid premium formats. With price rises of 50-100%, over 50% would give up visits altogether and switch to OTT, while another 50% would sustain the current level and 16% would work their way up to 50, and 16% would simply stop altogether; audiences are clearly becoming more discriminating, the film has to earn the ticket.

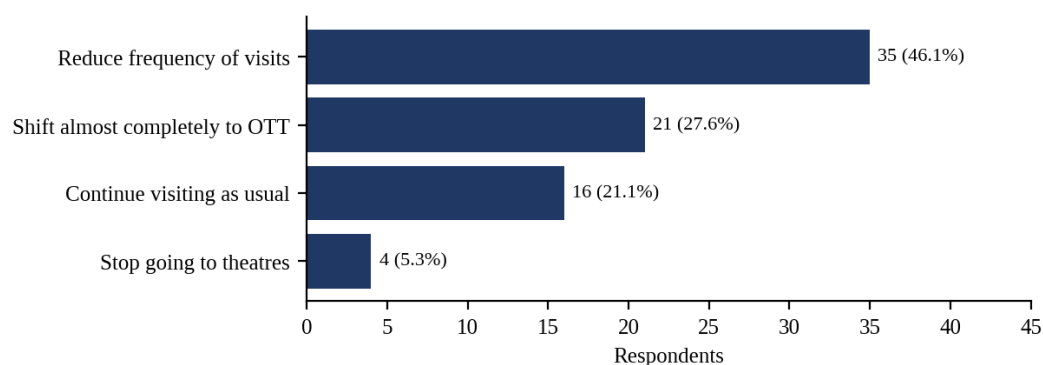


Figure 4: Likely response if ticket prices rise by a further ₹50-100

Why the chi-square is not significant: The non-significant result ($p = .781$) is not indicative of a null result where price is unimportant. It indicates that the proportion of the population that is very sensitive to price does not yield a clean division between frequent and infrequent theatre-goers. The sensitive group is only slightly more likely (43.3% vs 35.7%) than the low-sensitivity group to be a rare attendee, and nearly 27% of the High-sensitivity group

still visits more than once a month. I suspect that another factor or factors plays a role in determining frequency of visit, such as habit, social activity, or the draws of a favoured program, such that a true cinephile may be both highly price-sensitive and a frequent visitor; they complain about the price but show up to their usual frequency. This is further supported by the high supplementary association with declared change in visits: sensitive viewers think that they are reducing their theatre attendance, but their baseline frequency band is not very different from that of the low-sensitivity group.

Income and attendance groups: Sensitivity is quite similar for attendance groups according to the ANOVA. Again, a slightly more sensitive attitude for rare attenders (3.75) compared with frequent ones (3.45) is in the expected direction, but little can be made of the phenomenon, given the sample. The income pattern is far more interesting. The respondents in the lowest income group of up to 1,00,000 seem to be most sensitive (3.85 and 3.92), with the highest income group least sensitive (3.16), with the no income group in-between (3.49), as one would expect. Respondents who are getting their parents to pay for their culture are partly cushioned against price increases in that the more money they have, the less sensitive they are. The p-value of .055 just misses the $\alpha=0$ threshold, so here too, the evidence is suggestive and should be tried with a larger sample.

What the regression does: Simple regression shows the direction of the effect, more sensitive viewers do seem to go to the movies slightly less often, but the effect is weak (.051). When past attendance is taken into account, the positive effect of sensitivity is no longer statistically significant. Attendance is mostly due to people's existing habits, while price-sensitivity accounts for some of the variance on the margins. One interesting point to note in the second model is that men did report higher attendance rates than women, though there is a small sample of females (15).

The opportunity for discounts: One conclusion that is useful in a practical sense is that 64.5% of respondents would go more frequently if they found lower prices on Tuesdays or special discount days, and only 5.3% did not say they would respond. This supports the Cheap Tuesday evidence from Sydney (de Roos & McKenzie, 2014) and the German results for price-sensitive customers (Br et al., 2025).

FINDINGS

1. Of 76 respondents, 90.8% are aged 18–30, 80.3% are students and 80.3% are male. The findings therefore apply mainly to young, student theatre-goers.
2. The Price Sensitivity Index averages 3.59 (median 3.50, SD 0.86). 39.5% of respondents have high sensitivity, 42.1% moderate and 18.4% low.
3. Overall outing cost matters to 68.4% of respondents (mean 4.04). 82.9% believe prices have risen and 51.3% rate them as high or very high, though 61.8% still consider tickets at least mostly worth the money.
4. Attendance has slipped slightly (mean 3.88 before, 3.67 now); the decline is marginal in the Wilcoxon test ($p = .048$) and not significant in the paired t-test ($p = .084$).
5. Price has already changed behaviour for many: 68.4% have skipped a film because of cost, 52.6% say their visits have decreased, 50.0% prefer OTT and 48.7% watch only selected big films.
6. If prices rise by a further ₹50–100, 46.1% would reduce visits, 27.6% would shift almost completely to OTT and 5.3% would stop going; only 21.1% would not change.
7. The chi-square test found no significant association between price sensitivity level and attendance level ($\chi^2 = 1.755$, $df = 4$, $p = .781$, $V = .107$). The null hypothesis H_0 is therefore not rejected.
8. Price sensitivity is strongly associated with the reported decrease in visits ($\chi^2 = 34.06$, $p < .001$, $V = .669$), so sensitive viewers perceive that they are going less.
9. ANOVA shows no significant difference in sensitivity across attendance groups ($p = .437$) or income groups ($p = .055$); the income result is marginal, with the bands up to ₹1,00,000 the most sensitive.
10. Regression shows a weak negative effect of price sensitivity on attendance ($B = -0.346$, $p = .049$, $R^2 = .051$), which is no longer significant once past attendance is included ($p = .472$). Past attendance is the dominant predictor.
11. 64.5% would visit more often if weekday or special-day discounts were offered, and open-ended comments focus on lower ticket and snack prices, better seating, hygiene, sound and screen quality, and loyalty offers.

CONCLUSION

The findings can be summarized as: Willingness and tendency to purchase is clearly influenced by price sensitivity. An overwhelming number of respondents feel prices have increased; many consider the entire price of an outing before deciding, while many others have already stopped watching films altogether, or have increasingly turned to OTT, or have recently become choosier in what they watch in theatres. However, the price sensitivity levels do not explain the frequency of film attendance. On performing chi square, one finds that there is no association between attendance levels and price sensitivity ($p = .781$); similar results are obtained on ANOVA (no difference between income and attendance groups) and on regression (small effect, which disappears once their past attendance pattern is taken into account).

The most generous interpretation is that audiences in Vijayawada have 'co-opted' instead of abandoning local cinemas. They still go but with more restrictions: avoiding most premium formats, waiting for discounts, and keeping up with OTT as a backup. But the ultimate test is in the future: 44% of audiences said they'd reduce visits and 27% said they'd almost fully switch to OTT if ticket prices increased by another 50-100 rupees.

Limitations and future scope. The sample size (76/150) is small and not representative of all Vijayawada movie-goers because of age, gender, and sampling bias. Attendance and attitude scores were self-reported and the categories of attendance used are broad. A few of the chi-squares had expected counts close to 5 and the normality of regression residuals was slightly borderline. A larger, more representative sample including more working people

and families could be used in future research and more factors could be examined such as type of film, availability of concessions, and OTT subscription status.

SUGGESTIONS

In light of the above and the 40 comments made in the open-ended question, the suggestions made to the theatres' operators and managers at Vijayawada are as under. Approximately 12 comments made an appeal for better seats, hygiene, sound, screens and maintenance; approximately 8 comments made an appeal for cheaper tickets; approximately 6 comments made an appeal for cheaper foods and beverages, and approximately 5 comments made an appeal for offers such as 'buy one get one free' and other discounts.

Offer regular discount days: 64.5% say they will come more if there are fixed weekday discounts; empty seats on popular days can be filled with concession pass-days and BOGO movies with poor attendance.

Pricing by film and demand: While a few disagreed with sharp increases for star-studded films that will eventually return to normal, an open and more demand-oriented pricing structure with more transparency can maintain the integrity of the consumer's trust and safeguard revenue (see Orbach & Einav, 2007).

Give your premium pricing its moment: We found that only where the experience levels justified it did respondents agree to pay a higher price. Investment in seating, hygiene, projection and sound will make consumers far more comfortable accepting higher prices and premium formats can be optional.

Rethink the price of food and drink: Snacks were talked about constantly; overall cost of going, not just the ticket, is what makes people want to go or not. Combo deals and affordable are key to affordability (Nandhini & Afraa, 2025).

Reward loyalty: The majority of the market is made up of young people, so introducing a points-based loyalty scheme, birthday specials, student savings could motivate them to return.

Compete with OTT with experience: As a respondent's half dependency on OTT, theaters must sell what a living room cannot the big screen, immersive sound, celebrations by fans and special event screenings.

Small step ticket increases: If a 50-100 increase would lead many to cancel a trip, increases should be modest, incremental and piloted, rather than banked on a large scale, and recorded against psychological price points (Kapoor, 2023).

Investigate more: The researcher should do the survey with a larger and more diverse sample and examine the pattern of income more accurately as the ANOVA test for income was only on the edge of significance.

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