

# Exploring Transnational Film Distribution: The Impact of Chinese Films on the Malaysian Film Market

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## Abstract

2025 marks the 51st anniversary of the establishment of formal diplomatic relations between China and Malaysia, their film cooperation can be traced back to the 1920s. The work of film distributors plays a crucial role in promoting exchanges between the two countries, but it is also the least theorised aspect of film study. This study aims to critically examine the transnational distribution of Chinese films in the Malaysian film market by analysing existing literature, market data, and policy contexts. It assesses the role and positioning of Chinese films and identifies theoretical frameworks that can guide future academic research on film distribution in developing countries. This study adopts a critical review approach, drawing on scholarly literature, industry reports, and box office data to assess the current state and challenges of Chinese film distribution in the Malaysian market. Overall, this study argues that with the expansion of China-Malaysia film cooperation and the continuous development of the film industries of the two countries, the role of film distributors becomes essential, a complete film industry chain is being built through the study of film distribution.

**Keywords:** Chinese Films, Film Distribution, Film Market, China, Malaysia

## Introduction

2025 is an important year for China–Malaysia relations since it celebrates 51 years of diplomatic relations. Cultural exchange between both countries has been deep-seated, and film increasingly represents an important avenue for strengthening such exchange. One example was the success of *Ne Zha 2*, an animated film from China which was released on January 29, 2025 during the Chinese New Year. It gained worldwide recognition by becoming the highest-grossing animated film and ranking fifth in the worldwide all-time box office ranking with USD 2.194 billion worth of earnings (Dengta Pro, 2025).

Malaysian films have also conquered American blockbuster films at the box office for the past three years in the domestic market. This trend reflects broader trends throughout Malaysia's

dynamic film market. For example, *Mat Kilau* (2022), *Polis Evo 3* (2023), and *Sheriff: Narko Integriti* (2024) all led at the national box office, demonstrating increasingly strong popularity for local films among local audiences (Xie, 2022, 2024; Sin Chew Daily, 2025).

However, most such box offices are still national-focused, revealing the need for rising developing countries like Malaysia and China to engage more actively transnational film distribution to both enhance cultural penetration and enhance market profitability.

Against this changing background, film distribution stands forth as an important but missing link of the world film economy. For some time, researchers have commented on how distribution was among the most overlooked sectors in film scholarship (Lobato, 2007, 2009), and especially for developing countries. As an important intermediate link in the film industry, film distribution plays a connecting role and has an undeniable influence on film communication and should be given more attention and understanding (Zhong, 2024; Liu, 2021; Ji, 2023). Whereas some of the previously conducted study on Chinese film tend to deal with Southeast Asia at large, very few deal with Malaysia at all, and even fewer examine mechanisms of film distribution. These prioritize audience reception, cultural identity, and film texts over industrial processes which are used for cross-national flows.

This review paper bridges that gap through a critical analysis of the Malaysian film market's transnational distribution of Chinese films. It integrates published literature and statistics to consider the market presence of Chinese films in Malaysia and examines distribution's influence on that presence. Focusing on Chinese film distribution/circulation in Malaysia, this study contributes to the broader field of film distribution research in developing countries. It offers a critical lens for understanding how cultural products move across borders, and how policy, infrastructure, and market dynamics shape that movement. Accordingly, this study critically examines two core dimensions: the market presence and positioning of Chinese films within Malaysia's film landscape, and the role of film distribution in shaping and sustaining that positioning in a competitive, multicultural environment.

This study offers important insights for both scholars and practitioners by consolidating existing research on the transnational distribution of Chinese films within the Malaysian context. Through a thematic analysis of literature, industry data, and national film policies, the study highlights not only the expanding role of Chinese films in Malaysia's multicultural film ecosystem but also the structural and strategic challenges surrounding their distribution. The narrative review approach adopted in this study allows for a critical synthesis of empirical trends, policy directions, and theoretical contributions, making it easier to identify key gaps in the current body of knowledge and propose directions for future investigation.

## **Method**

This study uses a qualitative content analysis, specially in the form of a critical review approach and industry data review using secondary data, synthesising insights from both academic literature and industry evidence to examine the transnational distribution of Chinese films in the Malaysian market. Relevant sources were identified through keyword-driven searches—such as “Chinese film distribution,” “Malaysian film marketing,” and “film distribution”—across academic databases including Web of Science, Scopus, and CNKI (China National Knowledge Infrastructure), as well as industry platforms like FINAS (National Film

Development Corporation Malaysia), MPA (Motion Picture Association), IMDb (Internet Movie Database), Maoyan Pro, and Dengta Pro. The search process combined targeted database queries to broaden the coverage of relevant materials.

## Results and Discussion

### *National Policy and Film Diplomacy*

#### *Chinese Film Market Seeking Overseas Cooperation*

In recent years, the Chinese film market has developed rapidly. In 2019, the Chinese film market maintained its position as the world's second-largest film box office market (MPA, 2020). In 2020, the COVID-19 pandemic raged around the world, affecting the entire global film market, and many cinemas were forced to close. Despite the severity of the pandemic, the Chinese government implemented proactive prevention measures that eventually allowed cinemas to reopen progressively. This has enabled film enthusiasts to return to cinemas. According to global box office data compiled by the MPA, the Chinese film market rose to become the world's largest box office market for two consecutive years in 2020 and 2021, during the pandemic period from 2020 to 2022 (see Table 1). Although this is related to the decrease in the number of imported films affected by the COVID-19 pandemic in the Chinese film market, it is also closely related to the improvement of the production quality and distribution of Chinese films (Chen & Fan, 2021, 2022).

Table 1

*Top 3 Global Box Office Market During the COVID-19 Pandemic in 2020 and 2021*

Year	Global	First	Second	Third
2020	\$12.0	China \$3.0	U.S./Canada \$2.2	Japan \$1.3
2021	\$21.3	China \$7.3	U.S./Canada \$4.5	Japan \$1.5

*Note:* All Films (U.S. \$ Billions)

*Data Source:* MPA (2021, 2022)

In recent years, the production quality of Chinese films has improved significantly. The industry output has recorded steady growth and quality blockbuster films that have struck a strong chord among audience (Xin, 2022). Diversity on Chinese film genres also increased over time, covering adventure, comedy, fantasy, animations, and socially oriented dramas. The diversification of film genres indicates an openness on the part of an industry to diverse tastes among audiences (Liu & Ren, 2024). According to Zhang (2018), the development of genre films serves as a critical indicator of the film industry's level of industrialization. It suggests that Chinese film is progressing toward greater industrial maturity.

Box office earnings also reveal China's domestic film market strength. Domestic films generated CNY 25.511 billion in 2022, which represented 84.85% of China's total box office earnings (China Film Association & China Federation of Literary and Art Circles [CFLAC] Film Art Center, 2023). Such dominant market leadership has gained domestic films a solid entrance into the world market. As cultural products, films are constantly caught between cultural diplomacy and economic market laws, and hence their global distribution is both a cultural imperative and a market demand (Liu, 2021; Wu, 2023; Zhan, 2018).

Against this background, China's government has promoted the internationalization of its film sector through strategic policy planning, notably through its official release of the Belt and Road Initiative (BRI) in 2015. The BRI calls for Chinese films to produce international co-productions with BRI-route countries, especially Southeast Asia, to promote cultural exchange and reciprocal development (National Development and Reform Commission, People's Republic of China et al., 2015). Rollout of the BRI has also opened new avenues for worldwide distribution for Chinese films, marking an emphasis on more orderly and region-specific expansion plans (Li & Wang, 2020; Huang et al., 2016; Zhao, 2016).

From the overseas market research sight, Asia, especially Southeast Asia, was significant for China's export of films outward (Zhao, 2016). Among them, Malaysia stands out as a leading market performer for China's films at the box office (Kang et al., 2021; Huang et al., 2017). This shows how significant Malaysia's film market is for China's overall promotion of its cinematic influence externally. Given Malaysia's strategic geographic location and its rich multicultural landscape, the country has become a key for cinematic exchange across Asia.

#### *Market Infrastructure and Structure in Malaysia*

Film can promote cross-cultural dialogue in a multi-cultural society (Balakrishnan, 2022). As an international and multi-cultural country, Malaysia can serve as the pivot of Asia both culturally and geographically, this advantage not only promotes exchanges between different countries and civilizations in the East and the West but also enhances Malaysia's national cultural soft power and international influence (Yusoff, 2023).

From a policy standpoint, the Malaysian government recognizes film as a key component of its cultural and creative industries and has demonstrated ongoing support for its development (Aziz et al., 2014). This includes promoting international collaboration, particularly with countries such as China, as highlighted by Malaysia's former Communications and Multimedia Minister, Tan Sri Annuar Musa (Khoo, 2022). Additionally, policy measures have been implemented to facilitate the import and distribution of high-quality foreign films from various regions (Rosnan & Abdul Aziz, 2012).

The Malaysian government also exercises strict regulation through an established censorship framework for films. This guarantees that both local and foreign films are up to standards culturally, morally, and legally before such films are publicly released (Balakrishnan, 2022). Two primary instruments of regulation are used for all films that are classified and approved for viewing in Malaysia: namely, the *Film Censorship Act 2002 (Act 620)* and the *Film Censorship Guidelines 2010* (Wood et al., 2022). Only films approved formally pursuant to such guidelines are allowed for public release and display, demonstrating the government's seriousness about protecting cultural values while promoting development for the sector.

Table 2

*List of Cinemas in the Malaysian Film Market (Update 13.01.2023)*

State	Cinema Number	Screen Number	Seat Number
Johor	19	148	23890
Kedah	7	48	7177
Kuala Lumpur	20	182	28685
Purtajaya	2	21	3451
Melaka	5	47	8576
Negeri Sembilan	4	32	4999
Pahang	4	30	5147
Perak	14	93	15043
Pulau Pinang	11	79	12605
Sabah	12	72	10141
Sarawak	9	66	8759
Selangor	36	277	42543
Terengganu	3	21	3312
Total	146	1116	174328

*Data Source: FINAS (2023)*

The film exhibition infrastructure also registered notable contributions. Malaysia currently has a population of approximately 34 million (Department of Statistics Malaysia [DOSM], 2025), and it is also well-endowed with an growing cinema network of 146 cinemas, 1,116 screens, and over 174,000 cinema seats (see Table 2) (FINAS, 2023), translating to approximately one cinema seat for every 200 inhabitants and rather high screen densities for an developing market. Such infrastructure not only contributes connectivity to both local and international films but also encourages strong cinema-going habits among Malaysian citizens, and these still have strong leanings towards in-cinema viewing experiences (Zhou & Zhang, 2015, 2019). These all contribute towards an appropriate environment for receiving and distributing foreign films, including Chinese films.

Table 3

*The Ranking List of Top 20 Films in the Malaysian Film Market in 2022*

Country or Region (Number of Films)	2022 Ranking / Top 20 Films (Genres)
U.S. (United States) (5)	No.2: Avatar: The Way of Water (Action, Adventure, Fantasy, Sci-Fi); No.3: Doctor Strange in the Multiverse of Madness (Action, Adventure, Fantasy, Sci-Fi); No.6: Black Panther: Wakanda Forever (Action, Adventure, Drama, Sci-Fi); No.7: Top Gun: Maverick (Action, Drama); No.13: The Batman (Action, Crime, Drama, Mystery, Thriller).
U.S. Co-productions (4)	U.S., China, Malta co-production: No.4: Jurassic World: Dominion (Action, Adventure, Sci-Fi, Thriller); U.S. - France co-production: No.8: Minions: The Rise of Gru (Animation, Adventure, Comedy, Crime, Family, Sci-Fi); U.S., Canada, New Zealand, Hungary co-production: No.10: Black Adam (Action, Adventure, Fantasy, Sci-Fi); U.S. - UK (The United Kingdom of Great Britain and Northern Ireland) co-production: No.18: Fantastic Beasts: The Secrets of Dumbledore (Adventure, Family, Fantasy).
Malaysia (4)	No.1: Mat Kilau: Kebangkitan Pahlawan (Action, Adventure, Drama, History, Thriller); No.5: Mechamoto Movie (Animation, Action, Adventure, Comedy, Family, Sci-Fi); No.9: Air Force The Movie: Selagi Bernyawa (Action, Adventure, War); No.11: Abang Long Fadil 3 (Action, Comedy, Thriller).
India (3)	No.14: Ponnaiyan Selvan: Part One (Action, Adventure, Drama); No.15: K.G.F: Chapter 2 (Action, Crime, Drama, Thriller); No.17: Vikram (Action, Crime, Drama, Thriller).
Indonesia (2)	No.12: KKN di Desa Penari (Horror, Mystery, Thriller); No.16: Pengabdian Setan 2: Communion (Drama, Horror, Mystery).
Japan (1)	No.19: One Piece Film: Red (Animation, Action, Adventure, Fantasy).
South Korea (1)	No.20: Emergency Declaration (Action, Drama, Thriller).

*Data Source:* Own elaboration based on the Ranking and Film data by Xie (2022), & Genres and Country or Region from IMDb (manually retrieved through individual searches from [https://www.imdb.com/?ref\\_=nv\\_home](https://www.imdb.com/?ref_=nv_home)).

The Malaysian film market is characterised by an extremely competitive and increasingly globalised market where local and international films from all over are shared and consumed together. Though Malaysian films have proven considerable box office success over the past years, such as *Mat Kilau's* all-time high RM97 million earnings from 2022—the market is still dominated to a significant degree by transnational films, especially from America, and then India, Indonesia, Japan, and South Korea also performed well (see Table 3) (Chen, 2020; Xie, 2022).

Table 4

*The Ranking List of Top 10 Chinese-language Films in the Malaysian Film Market in 2022*

Ranking	Film	Genres	Country or Region
1	Detective vs. Sleuths (神探大战)	Action, Crime, Mystery, Thriller	Chinese Mainland - Hong Kong Co-production
2	Table for Six (还是觉得你最好)	Comedy, Drama, Romance	Hong Kong
3	New Kung Fu Cult Master (倚天屠龙记之九阳神功)	Action, Fantasy	Hong Kong
4	Don't Forget I Love You (不要忘记我爱你)	Drama, Romance	Chinese Mainland
5	Man on the Edge (边缘行者)	Action, Crime, Thriller	Chinese Mainland - Hong Kong Co-production
6	Come Back Home (搜救)	Adventure, Drama, Thriller	Chinese Mainland - Hong Kong Co-production
7	My Best Friend's Breakfast (我吃了那男孩一整年的早餐)	Comedy, Romance	Taiwan
8	Wolf Pack (狼群)	Action, Thriller, War	Chinese Mainland
9	Moon Man (独行月球)	Comedy, Sci-Fi	Chinese Mainland
10	Breakout Brothers 3 (逃狱兄弟 3)	Action, Comedy, Crime	Hong Kong

*Data Source:* Own elaboration based on the Ranking and Film data by Xie (2022), & Genres and Country or Region from IMDb (manually retrieved through individual searches from [https://www.imdb.com/?ref\\_=nv\\_home](https://www.imdb.com/?ref_=nv_home)).

Against such competitive backdrop, Chinese films have made a quite low-key but significant entrance. As shown in Table 4, among the top 10 Chinese-language films in the Malaysian market in 2022, three were from Chinese mainland and three were co-productions with Hong Kong. These eventually points, on the one hand, the appeal of Chinese films among Malaysian audiences particularly among Malaysian-speaking populations of the Chinese diaspora, but also to the effectiveness of distributive processes which bring them into local multiplex cinemas. Chinese films have thus become a relevant player in Malaysia's multilingual film landscape, contributing to box office revenue while navigating the structural challenges of a market saturated with both Hollywood and regional content.

*Film Distribution Mechanism: Mediator and Channel*

Malaysia and Chinese films are becoming increasingly connected, both sharing in the broader development of regional film exchange. Distribution plays its central role to such connection, serving as a primary device at its centre of the supply chain of films for transporting content

beyond national borders and connecting audiences and producers (Provost, 2025; Liu, 2018, 2019; Chen, 2015).

Realizing distribution's strategic importance, Malaysia's government also began to prioritise increasingly that side of the business. Branding and marketing of films are just as much for driving Malaysia's cultural and creative industries forward as production and development, contended Datuk Kamil Othman, FINAS Chairman of the National Film Development Corporation Malaysia. He also pointed to the overdependence on local distribution and promoted the development of overseas reach (Mardhiah, 2023). Favouring such a view, other scholars have held that insufficient and forward-thinking planning for distribution stands against an industry's sustainability to an enormous degree where it depends largely on subsidies from the central government (Hamzah, 2020; Ariffin, 2020).

As Malaysian local film standards continue to improve and as films from other countries continue to fill out the Malaysian market, there exists a serious necessity for strategic and effective distribution. Within a changing environment such as this, the development and refinement of distribution mechanisms are extremely important for promoting the awareness of Malaysian local films as well as for paving the way for the entrance and emergence of foreign films, such as those coming from China. Moreover, as a central component of the film industry chain, film distributors function as critical gatekeepers in the communication and circulation of cinematic content. Without effective distribution strategies and agents, even high-quality films may fail to reach audiences or achieve their full market potential (Lobato & Ryan, 2011). Thus, the role of distributors is fundamentally to optimise, expand, and modernise the entire film industry ecosystem.

As previously mentioned, the year 2025 marks the 51st anniversary of formal diplomatic relations between China and Malaysia, a relationship that also holds deep historical roots in the cinematic domain. For instance, cultural exchanges through film between China and Malaysia can be traced back to the 1920s, notably with the activities of the Shaw brothers—pioneering Chinese entrepreneurs from Ningbo, Zhejiang who played a vital role in shaping the film industry in then-British Malaya. Their enterprises spanned film production, distribution, and exhibition, significantly contributing to the early development of film culture and cross-border media flows between China and Malaysia (Shaw Theatres, n.d.).

In the present day, while multiple distribution channels have emerged due to technological advancement, commercial cinema distribution remains the foundation of the film industry's operational model. Cinematic release continues to serve as the primary channel for overseas distribution and revenue generation for Chinese films. It constitutes the most significant avenue through which Chinese films reach international audiences, including those in Malaysia, and remains critical to sustaining profitability and cultural impact abroad (China Film Association & CFLAC Film Art Center, 2023; Liu, 2021; Chen & Zhang, 2023; Wu & Gong, 2019; Zhan, 2018; Zhao, 2016).

In Malaysia, companies that distribute Chinese films can be divided into two categories: those that operate their cinema chains and those that merely act as distribution agencies. Individual firms keep track of the distribution of Chinese films, whilst FINAS publishes performance data for local works. Due to a lack of centralised reporting, it is difficult to assess the full influence

and reach of Chinese films in Malaysian market.

In Chinese mainland, Chinese films rely largely on external foreign distributors to reach overseas markets, there is lacks a strong internal network of outbound film sales organisations (Zhan, 2018). Thus, identifying and optimising overseas distribution channels, as well as regional market entry tactics, is critical to increasing Chinese film's global footprint (Zhao, 2016).

#### *Market Proportion and Positioning of Chinese Films*

Malaysian film market is a vibrant media ecosystem dominated by Hollywood productions, strong Malaysian local films, and a range of regional imports. To assess the impact of Chinese films in Malaysia's multicultural and competitive film market, it is essential to examine not only their box office performance but also the proportion, genre preferences, and audience positioning.

The implementation of the *Closer Economic Partnership Arrangement* (CEPA) in 2003 triggered a wave of co-productions between the Chinese mainland and Hong Kong, leading to increasing integration of the two film industries. Today, most Hong Kong films are co-productions with Chinese mainland, and it is the latter that now leads the international communication of Chinese-language films (Chen et al., 2022; Zhan, 2018).

Table 5

*The Ranking List of Top 10 Chinese-language Films in the Malaysian Film Market in 2023*

Ranking	Film	Genres	Country or Region
1	No More Bets (孤注一掷)	Crime, Drama	Chinese Mainland
2	A Guilty Conscience (毒舌律师)	Comedy, Crime, Mystery, Thriller	Chinese Mainland - Hong Kong Co-production
3	Ride on (龙马精神)	Action, Comedy, Drama	Chinese Mainland
4	The King of Musang King (猫山王中王)	Comedy	Singapore
5	Abang Adik (富都青年)	Crime, Drama	Malaysia - Taiwan Co-production
6	Sakra (天龙八部之乔峰传)	Action, Adventure	Chinese Mainland - Hong Kong Co-production
7	What! The Heist (发财联盟)	Comedy, Crime	Malaysia-Singapore Co-production
8	Lost in the Stars (消失的她)	Crime, Drama, Mystery	Chinese Mainland
9	The White Storm 3: Heaven or Hell (扫毒 3: 人在天涯)	Action, Crime, Drama	Chinese Mainland - Hong Kong Co-production
10	The Goldfinger (金手指)	Action, Crime, Drama	Chinese Mainland - Hong Kong Co-production

*Data Source:* Own elaboration based on the Ranking and Film data by Xie (2024), & Genres

and Country or Region from IMDb (manually retrieved through individual searches from [https://www.imdb.com/?ref\\_=nv\\_home](https://www.imdb.com/?ref_=nv_home)).

Table 5 shows among the top 10 Chinese-language films in Malaysian film ranking list in 2023, 3 films are from Chinese mainland, 4 films are co-productions between Chinese mainland and Hong Kong, 1 co-production between Malaysia and Taiwan, 1 co-production between Malaysia and Singapore, and 1 Singaporean films. It shows that films from Chinese mainland films and their co-productions account for the majority of titles consumed in Malaysia's Chinese-language segment. This dominance suggests the effectiveness of existing distribution networks and points to a strategy of leveraging regional partnerships to enhance reach. The film genres from the Chinese mainland films are mainly action, crime, drama, and comedy, which are very popular and easy to accept in Malaysia.

Table 6

*The Ranking List of Top 10 Films in the Malaysian Film Market in 2023*

Ranking	Film	Genres	Country or Region
1	Polis Evo 3	Action, Adventure, Comedy, Crime, Thriller	Malaysia
2	Fast X	Action, Adventure, Crime, Mystery, Thriller	United States, China, Japan
3	Transformers: Rise of the Beasts	Action, Adventure, Sci-Fi	United States, Canada, United Kingdom, New Zealand, Hungary, Peru, China
4	Malbatt: Misi Bakara	Action, Drama, History, War	Malaysia
5	Aquaman and the Lost Kingdom	Action, Adventure, Fantasy, Sci-Fi	United States, United Kingdom, Canada, Australia, Iceland
6	Meg 2: The Trench	Action, Adventure, Horror, Sci-Fi, Thriller	United States, China, United Kingdom
7	Ant-Man and the Wasp: Quantumania	Action, Adventure, Comedy, Sci-Fi	United States, Australia, Canada
8	Mission: Impossible - Dead Reckoning Part One	Action, Adventure, Thriller	United States
9	No More Bets	Crime, Drama	Chinese Mainland
10	Guardians of the Galaxy Vol. 3	Action, Adventure, Comedy, Sci-Fi	United States, New Zealand, France, Canada

*Data Source:* Own elaboration based on the Ranking and Film data by Xie (2024), & Genres and Country or Region from IMDb (manually retrieved through individual searches from [https://www.imdb.com/?ref\\_=nv\\_home](https://www.imdb.com/?ref_=nv_home)).

In Table 6, *No More Bets* achieved RM20 million at the box office by placing ninth in Malaysia's top 10 box office rankings in 2023, a list predominantly occupied by Hollywood franchises and Malaysian locally produced hits. As detailed in the ranking, the Malaysian market favored

action-driven blockbusters such as *Polis Evo 3* and *Fast X*, as well as sci-fi and fantasy-heavy titles like *Transformers: Rise of the Beasts* and *Aquaman and the Lost Kingdom*. Within this competitive landscape, *No More Bets*—a Chinese-language crime drama—stood out not only as the highest-ranking Chinese film of the year but also as the sole Chinese-language entry among the top ten. Its performance is particularly significant given the genre diversity and multinational origins of the films on the list, emphasizing the film's crossover appeal and effective positioning in a competitive market.

This is not the highest record for Chinese films in Malaysia. *Ip Man 4*, which was released as early as 20th December 2019 in Malaysia, has undoubtedly left a profound impression with the box office of RM37 million and has always been the holder of the record for the highest-grossing Chinese film in Malaysia (DM, 2020; Lotus Group, 2020). Until the release of Chinese animated movie *Ne Zha 2* in 2025, with a box office of over RM50 million in Malaysia, it once again broke the historical records of Chinese films and became the new No. 1 Chinese film and No. 2 animated movie in Malaysia for the box office (Hsia, 2025a, 2025b).

But Malaysia has long been leading the overseas box office of Chinese films, which is inseparable from the Malaysian Chinese, who are an important audience group for Chinese films (Kang et al., 2021). However, if Chinese films want to truly go global, they need to face a wider audience group.

#### *Pressures and Solution for Chinese Films in Overseas Markets*

The Malaysian film market is highly competitive and internationalised. An examination of the above data reveals that the cinematic collection has indeed a very wide variety of national origins, comprising America, Malaysia, China, India, Indonesia, Japan, South Korea, the United Kingdom, etc. This plurality not only contributes to the cultural permeability of Malaysian film market but also intensifies competition and serious challenges among all the various competing film industries.

For most countries in the world, their film markets are basically composed of three parts: influential American films with mature film industry and film distribution mechanisms, represented by Hollywood films; local films that are easily accepted and well-known by the local audiences; and imported films from other countries or regions (Zhan, 2018). These imported films make up the so-called "overseas film market," which is a narrow and fiercely competitive market for most countries. This poses a common problem for all non-English and non-Hollywood films, as they have to fight for attention and market share in a field dominated by mainstream productions from around the world (Zhan, 2018).

Beyond the pervasive dominance of Hollywood franchises, all the imported films must contend with a robust Malaysian local film industry and an array of well-received productions from other film markets. In such a saturated environment, mere cultural affinity or shared language with segments of the Malaysian population is insufficient. Success increasingly hinges on delivering high-quality storytelling, competitive production standards, and flexible marketing approaches tailored to regional markets.

Zhao (2016) also commented that, in the overseas film markets, facing fierce market competition, the way to improve competitiveness is to do a good job in the overseas

commercial cinema distribution of Chinese films, the exploration of distribution channels and regional markets are two important aspects, and only in this way can a complete film industry system be built.

As an important part of the cultural and creative industries, Movies, as a significant component of the cultural and creative industries, not only contribute significantly to the economic growth of Malaysia but also to the expansion of global trade. As a global, multicultural nation, Malaysia imports a lot of films from other nations and areas, and it has enough advantages to research their distribution methods to compete with them. Furthermore, China is one of the developing nations that exports the most goods from the creative industry (Bernama, 2020). The issues and pressures faced by Chinese films in the distribution process in the Malaysia will also provide a certain reference for the development of the film industry in other developing countries.

The cooperation between Chinese films and Malaysia has a long history. With the rapid development of the Chinese and Malaysian film markets nowadays, the film cooperation between China and Malaysia is also increasing. As a bridge of exchange between the two countries, more and more scholars have begun to pay attention to film distribution. However, whether in China or Malaysia, there is still a lack of research on film distribution, including the exploration of distribution channels and regional markets, which are two important factors in improving the competitiveness of Chinese films in overseas markets (Zhao, 2016). These two aspects are very essential in the research process of film distribution and warrant a scholarly attention.

#### *Theoretical Foundations and Conceptual Approaches to Film Distribution*

The absence of a solid theoretical framework has created some real hurdles for research in film distribution. When there's no clear model or methodology in place, studies in this field can easily become disjointed, inconsistent, or overly narrow. Plus, the connection between film distribution studies and the wider realm of film research is still pretty limited. There's also a noticeable lack of theoretical work that focuses on distribution as a key part of the film value chain (Lobato & Ryan, 2011).

In the past, research on Chinese films within the Malaysian context has mostly taken a broader Southeast Asian view, often focusing on how audiences receive films and the overall film culture, rather than diving into the nitty-gritty of distribution methods; other studies usually treat film as a text or medium, missing out on how it actually moves through commercial and cultural channels; in economic terms, some studies on film distribution have often been overly focused on profit, which limits our understanding of its structural, communicative, and transnational aspects (Huang et al., 2016, 2017, 2021; Kang et al., 2021; Lobato, 2007, 2009). This fragmented and disjointed body of research has made it tough to establish film distribution as a solid academic field, even though it plays a crucial role in shaping global film flows. We really need a more comprehensive and systematic approach to tackle this issue.

In this context, Lobato (2007) provides a valuable theoretical foundation by outlining four key guidelines for grasping the complexities of global film distribution:

- Distribution means dollars – this highlights the financial aspects that underpin distribution;
- Distribution frames reception – it points out how distribution strategies influence how

audiences access and interpret films;

- Distribution inscribes cultural difference – this acknowledges that distribution processes carry and convey cultural meanings;
- Studying distribution means thinking globally – it encourages us to view film circulation through transnational and cross-cultural lenses.

These principles prompt researchers to see distribution as not just a logistical task but as a rich, multi-faceted process that involves economic, cultural, and communicative elements. They serve as a conceptual framework for scholars aiming to explore the structure and effects of film distribution beyond just local or commercial viewpoints.

Having a solid grasp of film distribution is crucial. It's one of the three main pillars of the film industry—alongside production and exhibition—and it plays a vital role in connecting creators with their audiences. The process usually involves three key steps:

- (1) Licensing, which is all about negotiating rights between producers and exhibitors;
- (2) Marketing, where promotional strategies are crafted to appeal to specific demographics;
- (3) Delivery, ensuring that films make it to cinemas or other platforms for everyone to enjoy (Provost, 2025; Liu, 2018, 2019; Chen, 2015).

Film distributors play a crucial role as intermediaries, managing everything from logistics to rights, while also crafting the marketing story and influencing how audiences perceive films. Their involvement is key to whether a film succeeds or flops, either at home or abroad.

Interestingly, while American films often utilise extensive marketing strategies, Chinese films have traditionally focused more on production than marketing and post-film products (Kai, 2011). Since film is a cultural product that blends artistic and commercial elements, effective marketing is essential for its success. Researchers like Liu (2021), Liu (2023), Chen (2021), Dong (2019), and Ulker-Demirel et al. (2018) advocate for incorporating marketing theory into the study of film distribution, as this approach can improve practices in the industry and deepen academic understanding.

## **Conclusion**

This study provides a critical assessment of the transnational distribution of Chinese films in the Malaysian film market, focusing on two interconnected aspects: Chinese films' market presence and positioning, and the strategic role of distribution in facilitating their visibility and competitiveness. By analysing industry data, audience trends, and collaborative practices, the study highlights how Chinese films have established a noteworthy presence in Malaysia, while also emphasising the crucial function of distribution networks in shaping their reception and expanding their reach in a diverse and competitive media environment.

As for the transnational film flow measurement dimension (market positioning), Chinese movies and films are among the most visible, particularly at the box office within the Chinese-language screening segment in Malaysia. Long-term cooperation between Chinese and Malaysian stakeholders has supported their visibility, as certain films in genres such as action films, crime films, dramas, and comedies have proved to be popular among Malaysian consumers. However, this popularity is mostly among Chinese-Malaysians, and outside this market, the Chinese film has received a very limited audience. Therefore, if Chinese films are

to reach their full potential for transnational distribution in the Malaysian market, they must adapt themselves to reach a more diverse audience. This pattern is one that all films outside of English-speaking and Hollywood industries face when they enter competitive and multicultural overseas markets.

From the perspective of transnational film circulation, this study reaffirms the pivotal role played by film distributors in facilitating cross-border film exchange and shaping market accessibility. Without the role of film distributors, cross-border film exchanges will not take place. In addition to issues of access, distribution is also a key to position Chinese films as a viable alternative or addition to the media ecosystem in Malaysia. However, due to the lack of research attention and academic research on the distribution pattern between Chinese and Malaysian distributors, this project was unable to offer a full and integrated picture. This problem presents a pressing need for research into the roles and impacts of film distribution in the Chinese market.

Most previous studies on film distribution take fragmented approaches, focusing on culture, audience reception, film texts, media analysis, or economic considerations, resulting in a disparate corpus of research. Lobato's (2007) guiding principles, on the other hand, takes a more comprehensive approach, identifying four main characteristics of film distribution: finance, audience reception, cultural heterogeneity, and globalisation. These guidelines serve as a solid framework for analysing distribution outside discrete disciplinary lenses. Furthermore, scholars have increasingly emphasised that film distribution entails more than just licensing and delivery; it also includes marketing techniques, which are critical to maintaining a properly operational film industry chain.

Accordingly, future research should place greater emphasis on exploring concrete distribution channels and regional market strategies, particularly in the context of overseas commercial cinema distribution of Chinese films. A comprehensive analysis that synthesizes Lobato's theoretical model with marketing perspectives would provide a more holistic understanding of how distribution functions within the transnational film ecosystem.

In conclusion, this study offers an analytical contribution to the field by examining transnational film distribution using Chinese films in the Malaysian film market as a case. In addition to expanding knowledge of the dynamics of international film distribution, it helps to provide an understanding of the dynamics of collaboration and growth between the Chinese and Malaysian film markets.

From a theoretical standpoint, the study extends Lobato's framework on film distribution by contextualising it within the cross-border flow of Chinese films to Southeast Asia, incorporating marketing perspectives to bridge industrial and cultural dimensions. Contextually, the study offers valuable evidence about Chinese cinematic circulation in Malaysia, showing how historical relationships, language, and audience communities shape market reception and distribution dynamics.

It also synthesises existing scholarship, evaluates the status and positioning of Chinese films in the Malaysian market as well as identifies key gaps and trends. By proposing a guiding theoretical framework, the study lays the foundation for future research and contributes to

building a stronger film industry chain in developing countries while enriching global discussions on international film distribution.

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