To get on that list of 41 film imports, studios will produce multiple versions of the same film. For instance, Disney's Marvel Studios produced two versions of the box-office hit *Iron Man 3*. One version of the film was produced for general release, and the other version was produced specifically for the Chinese market. This version included bonus footage of scenes shot in Beijing and guest appearances by Chinese movie stars. Producers edited *Mission Impossible III* and *Skyfall* for the Chinese market as well, cutting scenes that Chinese censors believed portrayed China in a negative light.

Some critics assert that Hollywood's accommodating of Chinese preferences amounts to pandering. For instance, in *The Martian*, NASA is depicted as seemingly pleading with its counterpart, the China National Space Administration, to supply a classified booster rocket that would carry payload to Mars and thus allow NASA (which did not have such an advanced rocket at its disposal) to rescue one of its stranded astronauts. Although this pleading scene is included in the namesake book by Andy Weir, on which the movie is based, critics still saw it as pandering.

The Great Wall (released in China in 2016 and the United States in 2017) marked a new level of U.S.-China collaboration in movie production. *The Great Wall* marked a distinct change in strategy for Hollywood studies as the movie was co-produced by both Hollywood and Chinese studios. The movie is directed by Zhang Yimou, a well-known Chinese filmmaker who garnered international recognition for choreographing the opening and closing ceremonies of the 2008 Beijing Summer Olympic Games. *The Great Wall* co-stars Matt Damon and Jing Tian. Damon plays a European mercenary who joins forces with a Chinese commander (played by Jing Tian) to fight mysterious invaders at the Great Wall. With a mega-budget of $150 million, *The Great Wall* is the most ambitious co-production between Hollywood and Chinese film studios to date. It is also the most expensive movie ever shot exclusively in China.

The hope was that *The Great Wall* as a transnational movie would be a blockbuster in both China and the United States. Although the movie grossed $335 million, it flopped in the United States where it made only $35 million. But in the Chinese market, it grossed $300 million. While not *Avatar* or *Avengers* territory, the movie achieved respectable commercial success, further underscoring the importance of the Chinese market for big-budget movies. In the meantime, Hollywood movie executives continue to highlight the huge market opportunities in China and emphasize that they will soon find the right formula to make movies that are attractive to both American and Chinese audiences alike.

DISCUSSION QUESTIONS

1. How has the global environment changed for U.S. (Hollywood) movie studios since 2000? Explain.
2. Apply the *integration-responsiveness framework* (see **Exhibit 10.8**) to describe which global strategy Hollywood studios followed originally, and how their strategic positioning has changed over time. Explain how and why.
3. Given the economics of the now global movie industry, what are the strategic implications for Hollywood studios? What are some opportunities, and what are some threats? How should Hollywood movie studies take advantage of these opportunities, while mitigating the threats?