THE ROLE OF CUSTOMER RELATIONSHIP MANAGEMENT IN THE ENTERTAINMENT SERVICES MARKET IN ROMANIA

Adrian-Costinel Tănase [1]*, Florența-Diana Tănase [2]

[1] Babes-Bolyai University, Faculty of Economics and Business Administration
Traian Vuia Square, No. 1-4, Resita, Romania
[2] Babes-Bolyai University, Faculty of Political, Administrative and Communication Sciences
Traian Vuia Square, No. 1-4, Resita, Romania
* Corresponding author: E-mail: adrian.tanase@ubbcluj.ro

Abstract: The entertainment industry represents a dynamic global sector with a significant impact on consumer well-being, characterised by diversity, accelerated digitalisation, and transformations driven by technological developments and changes in consumer behaviour. In this context, the success of companies increasingly depends on their ability to understand audience preferences, integrate emerging technologies, and continuously adapt their offerings to the demands of a competitive and interactive market.
Keywords: Consumer, entertainment services, recreation, customer relationship management.

1. Introduction

Experiencing unprecedented growth and exerting a significant impact on the global economy, the entertainment industry generates trillions of dollars worldwide, while evidently contributing to the enhancement of consumer well-being [1].

Entertainment services are closely associated with the harmonious use of leisure time [2], essentially representing activities oriented towards recreation, culture, or amusement, designed to satisfy the need for relaxation and escape from everyday routine. These encompass a wide range of forms, from live events (concerts, theatre performances, festivals) to digital entertainment (online films, video games, virtual reality, and content streaming).

Entertainment constitutes a source of competitive advantage for a broad range of entrepreneurs, particularly for operators within the leisure and hospitality sectors [3].

Interestingly, beyond its recreational function, entertainment content increasingly assumes roles traditionally associated with information and journalism, contributing to the shaping of public opinion and the cultural development of large audience segments [4].

Entertainment is inherently linked to the human dimension, being closely connected to the way individuals respond to sensory stimuli that capture attention and engage them both physically and emotionally [5], which explains the wide variety of entertainment forms available.

The classification of entertainment services may be carried out according to several criteria.

Thus, depending on the delivery medium, they can be divided into:

- Offline: performances, cinema, sports events, exhibitions, visits, theatre.
- Online/digital: streaming platforms, video games, podcasts, virtual events.

The distinction between offline and online services is particularly important, especially in certain contexts. For instance, during the COVID-19 pandemic, companies reliant on physical venues and synchronous content distribution were severely affected, whereas online activities experienced significant growth during lockdown periods [6].

On the other hand, depending on the purpose of the activity, entertainment services can be classified into:

- Cultural-educational: theatre, art exhibitions, classical concerts.
- Recreational: films, amusement parks, outdoor activities.
- Interactive: video games, escape rooms, VR tours.

Within the entertainment industry, the audience plays a decisive role, as consumers select content based on their preferences for particular programmes or celebrities and quickly abandon what does not appeal to them. Consequently, the relationship between entertainment providers and the public has become essential, as the former require constant feedback in order to adjust and optimise their projects [7].

The rapid expansion of communication and entertainment devices, alongside the development of smartphones, smart televisions, and tablets, has created a context in which users can access precisely the type of content they desire at any time. At the same time, social media platforms have introduced an interactive dimension to the traditional media consumption experience, and the success and audience reach of television programmes are

increasingly influenced by opinions, reviews, and reactions expressed online [8].

Operating within a volatile and increasingly challenging environment [9], entertainment businesses - particularly digital ones - must remain highly dynamic in order to maintain consumer engagement, especially given the short life cycle of many such products [10]. To remain competitive in this market, characterised by increasing interaction, companies are compelled to develop their own marketing models [11].

The entertainment industry has undergone profound transformation in recent decades, under the influence of technological developments [12] and changes in consumer behaviour.

The performance of digital entertainment is not determined solely by the development of robust systems capable of delivering competitive technologies and engaging content over the long term, but also by a thorough understanding of how users adopt and utilise these platforms [13], as ultimately consumers determine the success or failure of any such product.

Undergoing transformation at an unprecedented pace, the entertainment industry is currently characterised by several trends:

- Content digitalisation: Services such as Netflix, Disney+, HBO Max, and YouTube have revolutionised access to entertainment.
- Gamification and interactivity: Audiences are increasingly attracted to interactive forms of entertainment, such as video games, live streaming, and virtual reality.
- Mobile and on-demand consumption: Users prefer content that can be accessed anytime and anywhere through mobile applications.
- Personalisation of experience: Recommendation algorithms provide users with content tailored to their preferences, thereby increasing platform loyalty.
- Hybridisation of experiences: An increasing number of events are organised in hybrid formats (online and physical), particularly following the COVID-19 pandemic.

A significant proportion of consumers show interest in emerging technologies (e.g., virtual reality, artificial intelligence), and many are open to changes in traditional consumption habits (cinema, theatre, etc.), confirming broader global trends:

- AI and personalised recommendations: Services such as Netflix and Spotify utilise artificial intelligence to personalise user experiences.
- VR and virtual events: Music festivals, museum tours, and interactive online performances are becoming viable alternatives for modern consumers.
- AR in mobile entertainment: Games such as Pokémon Go and augmented reality experiences in modern museums transform consumption into immersive experiences.

Considering all these aspects, Customer Relationship Management (CRM) becomes an essential tool for companies in the entertainment sector, as it enables the transformation of occasional interactions with audiences into stable relationships, built upon an understanding of preferences, personalised communication, and the creation of long-term value [14]. In an industry where consumers can rapidly migrate to alternative platforms, events, or content formats, CRM supports organisations in collecting and interpreting data on audience behaviour, anticipating their needs, and adapting offerings accordingly [15].

In the case of digital entertainment, the role of CRM is even more significant, as the relationship with users extends beyond the moment of purchase or content access, continuing through personalised recommendations, notifications, loyalty programmes, online communities, and continuous feedback. Thus, companies can enhance both consumer satisfaction and loyalty, as well as the economic value of these relationships through retention, engagement, and repeated consumption [16]. In the media and entertainment sector, CRM also contributes to understanding fragmented audiences and to the development of relevant, interactive experiences tailored to each segment of the public [17].

2. Research on the Entertainment Market in Romania

The entertainment market in Romania is characterised by a high level of adaptability to digital trends, a rapid increase in the consumption of online and mobile content, as well as the continued interest in traditional events (festivals, concerts, performances). This reflects a hybrid structure, influenced both by globalisation and by local cultural specificities.

2.1. General Framework of the Research

The research was conducted using the survey method, based on an online questionnaire, which facilitated its dissemination through social media and thematic online groups, as well as the rapid and efficient collection of responses. The sample consists of 311 respondents from Romania, originating from urban (63.67%) and rural (36.33%) areas, with a diverse distribution in terms of age, gender, and level of education. The aim was to obtain a balanced overview of consumer behaviour regarding entertainment services among the population.

In order to achieve the research objectives, of the 20 questions included in the questionnaire, 5 were designed to identify the socio-demographic profile of the respondents (age, gender, area of residence, level of education, and monthly net income per family member), while the remaining 15 addressed aspects relevant to the research topic.

This research was based on the assumption that individual preferences represent a determining factor in shaping consumer behaviour. In this respect, a distinct

section was included within the research instrument, aimed at testing a set of hypotheses formulated in accordance with the study objectives:

I1: There is a significant relationship between consumers' age and their preference for a particular type of entertainment service.

I2: Individuals with higher incomes consume paid entertainment services more frequently compared to those with lower incomes.

I3: Gender influences the type of entertainment services preferred (for example, men are more inclined to choose video games, while women tend to prefer cultural events).

I4: Promotions and significant discounts increase the likelihood of impulsive consumption among users of entertainment services.

I5: The level of education influences preferences for certain forms of entertainment (e.g., preference for theatre versus film streaming).

The main objective of the research is to investigate the behaviour of Romanian consumers with regard to the use and perception of entertainment services.

The secondary objectives are:

SO1: Identifying the main types of entertainment services used by consumers (e.g., cinema, streaming, performances, live events, video games, etc.).

SO2: Analysing the frequency and motivations of entertainment service consumption.

SO3: Evaluating the influence of socio-demographic factors (age, gender, area of residence, education, income) on consumption preferences.

SO4: Determining the impact of promotions and discounts on the purchasing decision of entertainment services.

SO5: Exploring the tendency towards impulsive behaviour in the context of commercial offers.

SO6: Investigating the role of online channels (social media, streaming platforms, digital advertising) in the consumption decision for these services.

2.2. Results and Discussions

The results obtained from the interpretation of the questionnaire responses provide a relevant overview of the profile of the Romanian consumer of entertainment services.

With regard to gender distribution, of the total number of respondents, 60.45% were male and 38.91% female. It should be noted that 0.64% of respondents stated that they preferred not to answer this question.

Over 50% of respondents are under the age of 35, and approximately one quarter are between 36 and 45 years old. At the opposite end, individuals over 65 years old account for up to 5% of the sample.

Regarding the area of residence, 63.67% of respondents belong to urban areas, while only 36.33% are from rural areas.

In terms of educational attainment, approximately half of the respondents reported having completed secondary education, while the other half possess post-secondary qualifications. Thus, 8% have post-secondary education, 22% are bachelor's degree graduates, 16% have completed a master's degree, and 3% hold a doctoral degree.

When analysing the preferred forms of entertainment among Romanians (Table 1), watching films ranks first, accounting for 28.3%, followed by outdoor activities at 19.29%, sporting events at 16.4%, and video games at 13.83%. Unfortunately, the lowest percentages are recorded for attending theatre performances (3.86%) and art exhibitions (2.57%).

Tab. 1. Preferred Form of Entertainment

Response Option	**Percentage (%)**
Watching films	28.30
Theatre	3.86
Music concerts	7.40
Sporting events	16.40
Video games	13.83
Art exhibitions	2.57
Board game evenings	6.75
Outdoor activities / amusement parks	19.29
Other	1.60
Total	100

With regard to the frequency of participation in entertainment activities, similar percentages - around 30% - are observed for individuals who engage in such activities on a weekly basis (32.72%) and those who participate only a few times per year or even less frequently (31.63%). It is worth noting that 11% of respondents engage in entertainment activities on a daily basis, particularly video gaming or film viewing.

In terms of satisfaction levels regarding the variety of entertainment options available in respondents' localities, 34.34% report a moderate level of satisfaction, while only 20.21% consider themselves very satisfied with the range of entertainment opportunities available locally. At the opposite end, only 6.1% of respondents report being very dissatisfied with the availability of entertainment options in their city.

When analysing the factors considered highly important in choosing a form of entertainment (Table 2), the quality of the performance or show ranks first (33.11% of respondents), followed by location (18.97%) and comfort (18.01%). Reviews and recommendations also account for a relatively high proportion (14.15%), while ticket cost is considered the most important factor by 6.43% of respondents. The least influential factors include the timing of the event (4.5%), the ease of ticket purchase (3.86%), and other aspects (0.96%).

Tab. 2. Factors Influencing the Choice of a Form of Entertainment

Response Option	Percentage (%)
Quality of the performance/show	33.12
Location	18.97
Ticket cost	6.43
Ease of ticket purchase	3.86
Reviews / recommendations	14.15
Timing of the event	4.50
Venue comfort	18.01
Other	0.96
Total	100

With regard to the question concerning the existence of negative experiences in the field of entertainment, approximately 35% of respondents reported that they had occasionally or rarely encountered such experiences, while only 1% stated that they had frequently had negative experiences in this domain.

The preferred response regarding the main source of information about entertainment events indicates that more than half of the respondents (52.11%) rely on social media, while slightly over one-fifth (21.34%) reported that they primarily obtain information from friends and family. At the opposite end, the lowest percentages were recorded for traditional mass media and websites, each accounting for only 7.58%.

The question concerning the possibility of replacing traditional forms of entertainment (such as cinema or theatre) with virtual tours or events received a positive response from approximately 70% of respondents.

In terms of preferred company during leisure time, approximately half of the respondents (49.56%) stated that they usually spend their free time with family, while around 45% prefer spending it with friends. However, approximately 6% of respondents indicated that they prefer to spend their leisure time alone.

When asked whether they benefit from sufficient leisure time, 31.18% reported having very little free time, while 17.22% stated that they enjoy a considerable amount of leisure time. The majority of respondents (51.6%) indicated that they have a sufficient amount of free time—neither too much nor too little.

The dominant response to the question regarding whether leisure time may also have negative effects was that it depends on the individual and how it is used, with over 70% supporting this view. More than 20% considered that leisure time has only positive aspects, while slightly under 10% believed it has exclusively negative effects.

With regard to the usual way of spending holidays or vacations (Table 3), more than half of the respondents (51.05%) indicated that they adopt a relatively balanced approach, combining time spent at home, visiting relatives or friends and travelling.

Only 7.79% reported that they spend their free time exclusively visiting relatives or friends, while 9.65% stated that they spend most of their time at home. It is noteworthy that 31.51% of respondents expressed a strong preference for travelling, dedicating the majority of their leisure time to such activities.

Tab. 3. Usual Way of Spending Holidays / Vacations

Response Option	Percentage (%)
Spending more time at home / in my locality	9.65
Visiting relatives / friends more frequently	7.79
Travelling more frequently	31.51
A relatively balanced combination of the above options	51.05
Total	100

A total of 47.91% of respondents consider that emerging technologies (e.g., virtual reality, artificial intelligence) will change the way in which entertainment is consumed, bringing both advantages and disadvantages to a similar extent (Table 4). On the other hand, 27.33% believe that these changes will be positive, while 16.4% perceive them in a more pessimistic light.

Tab. 4. Perception of Changes Brought by Emerging Technologies (e.g., Virtual Reality, AI)

Response Option	Percentage (%)
In a positive manner	27.33
In a negative manner	16.40
With both advantages and disadvantages to a similar exten	47.91
Do not know / cannot express an opinion	8.36
Total	100

In summary, it can be argued that there is a need for public education and for the balanced integration of new technologies into the entertainment offering. The modern entertainment consumer is generally young, digitally connected, rational in their choices, and open to innovation. The quality of the experience and social recommendations represent key factors in participation decisions.

Social media constitutes the primary channel of influence, while emerging technologies represent a promising direction for future development. At the same time, there is a clear demand for the diversification of local offerings and for the personalisation of the services provided.

3. Conclusions

Following the conducted research, the following conclusions can be drawn regarding the behaviour of consumers of entertainment services in Romania:
- A high level of interest in entertainment activities is evident, with the majority of respondents displaying a moderate to high degree of attraction towards such services, indicating the existence of stable market demand.
- The predominant consumer profile consists of young individuals from urban areas, with a relatively high level of education and an active presence in the online environment, factors which enhance their receptiveness to digital communication and modern forms of entertainment.
- Consumer preferences include both traditional forms (such as watching films or participating in sporting activities) and outdoor activities, highlighting a balance between digital consumption and the need for direct social interaction.
- The main factors influencing consumption decisions are service quality, location, level of comfort, and reviews, confirming the importance of the overall experience in the process of customer retention.
- The level of satisfaction with the existing offer is relatively moderate, suggesting opportunities for development through diversification and adaptation of services to emerging consumer requirements.
- Social media and opinions expressed online exert a significant influence on consumer behaviour, constituting an essential component of marketing strategies.
- There is a high degree of openness towards the adoption of emerging technologies (such as virtual events or augmented reality), particularly among younger individuals, which creates favourable conditions for innovation.

Based on these findings, the following strategic directions may be proposed for stakeholders within the entertainment industry:
- The introduction of hybrid formats that combine physical and online experiences;
- The development of niche events targeting under-served market segments;
- The personalisation of content according to consumers' preferences and interests;
- Enhancing service quality through investments in infrastructure, human resources, and content;
- The digitalisation and simplification of the purchasing process (online platforms, mobile applications);
- Maintaining accessible pricing levels, particularly for younger consumers;
- Active promotion on relevant platforms (social media);
- Collaborations with influencers to increase visibility and credibility;
- Monitoring and effectively utilising user feedback;
- Integrating VR and AR technologies into the experiences offered;
- Developing proprietary digital platforms for streaming or event participation;
- The use of artificial intelligence for personalisation and the optimisation of marketing activities;
- Promoting education and responsible consumption;
- Conducting campaigns highlighting the positive impact of entertainment on mental health;
- Encouraging balanced consumption, oriented towards active and interactive experiences.

All these aspects support the idea that entertainment services must be accessible, interactive, of high quality, and effectively promoted within the digital environment in order to meet contemporary consumer demands. In a continuously evolving society, dominated by technology and the need for rapid and personalised experiences, audiences are no longer attracted solely by the content itself, but also by the manner in which it is delivered. Accessibility allows a broader audience to benefit from these services, interactivity fosters engagement and loyalty, while quality ensures satisfaction and repeat consumption. At the same time, effective digital promotion becomes essential for visibility and competitiveness. Therefore, the success of entertainment services depends on their ability to continuously adapt to emerging trends and to integrate technology in a creative and relevant manner for the modern audience.

4. References

[1] Foutz N. Z.: "Entertainment marketing", Foundations and Trends® in Marketing 10.4, pp. 215-333, 2017.
[2] Stoian A., Epuran G.: "Entertainment services marketing", Bulletin of the Transilvania University of Brasov. Series V: Economic Sciences, pp. 57-64, 2017.
[3] Dobni D.: "Entertainment value: The concept and its dimensions", Journal of Hospitality & Leisure Marketing 15.4, pp. 5-23, 2007.
[4] Palokangas T.: "The public service entertainment mission", From Historic Periphery to Contemporary Core. Teoksessa Greg Lowe ym.(toim.) From Public Service Broadcasting to Public Service Media. Göteborg: Nordicom, pp. 119-132, 2007.
[5] Moss S.: "An introduction to the entertainment industry", The entertainment industry: An introduction, pp. 1-18, 2010.
[6] Ryu S., Cho D.: "The show must go on? The entertainment industry during (and after) COVID-19" Media, Culture & Society 44.3, pp. 591-600, 2022.
[7] Duan H.: "Evolution of Distribution Channels in Entertainment Industry", 2021 International Conference on Social Development and Media Communication (SDMC 2021). Atlantis Press, 2022.
[8] Ahuja V.: "Transforming the media and entertainment industry: Cases from the social media marketing world". Journal of Cases on Information Technology (JCIT) 23.4, pp. 1-17, 2021.

[9] Anmadwar R., Kulkarni P., Pasomba J.: "Role of big data analytics in media and entertainment industry" AIP Conference Proceedings. Vol. 2736. No. 1. AIP Publishing LLC, 2023.
[10] Basaran D., Ventura K.: "Exploring digital marketing in entertainment industry: A case of a digital music platform", Journal of Management Marketing and Logistics 9.3, pp. 115-126, 2022.
[11] Hu X.: "Analysing the new marketing model for entertainment companies: A case study of SM. entertainment", SHS Web of Conferences. Vol. 181. EDP Sciences, 2024.
[12] Putra A., et al.: "Media technology innovation in the transformation of the entertainment industry", Journal of Information Technology, computer science and Electrical Engineering 1.2, pp. 60-62, 2024.
[13] Das S., Gochhait S.: "Digital entertainment: The next evolution in service sector", Springer Nature, 2021.
[14] Payne A., Frow P.: "A strategic framework for customer relationship management", Journal of Marketing, 69(4), pp. 167–176. American Marketing Association, 2005.
[15] Chen I. J., Popovich K.: "Understanding customer relationship management (CRM): People, process and technology", Business Process Management Journal, 9(5), pp. 672–688. Emerald Group Publishing Limited, 2003.
[16] Reinartz W., Krafft M., Hoyer W.D.: "The customer relationship management process: Its measurement and impact on performance", Journal of Marketing Research, 41(3), pp. 293–305. American Marketing Association, 2004.
[17] Ryu S.: "Customer relationship management in media and entertainment organizations. In Media and Entertainment Industry Management: How to Integrate Business and Management with Creativity and Imagination". Routledge, London/New York, 2024.