Abstract – Technology changes the look of the film industry, particularly regarding marketability through online streaming platforms. Online streaming provides a second option for viewers, which has altered Malaysia’s film-viewing culture. This difference is significant between watching movies on TV screens and in cinemas, regulated and filtered by the Film Censorship Board (Lembaga Penapisan Filem, LPF), compared to streaming online via platforms not bound by LPF regulations. Through qualitative and library research methods, this study examined the development and changes in film-viewing culture in Malaysia and the relevant acts. The Culture of the Streaming Model was used as a guide to explore the development and changes in film-viewing culture in the Malaysian film industry. In conclusion, the changes brought about by the advances in technology have significant implications for the film industry, particularly ensuring that inappropriate content does not reach young people.

Keywords: “Lembaga Penapisan Filem”, “Online Streaming”, “The Culture of Streaming”

1. Introduction

An online streaming platform, also known as a streaming service, is a provider of entertainment, such as music, movies, and television (TV) series, which delivers content over the Internet to the user’s device for immediate viewing or listening without the need for downloading. This service allows users to access multimedia content continuously through online or offline media players (Evens et al., 2023).
In the early days, consumption of multimedia content (audio or video) was only possible through stationary platforms, such as television, radio and other devices. Nowadays, the rapid growth of technology has revolutionised the viewing method through the birth of online streaming platforms known as Over-The-Top (OTT) services, for example, Netflix, Amazon Prime, Disney+, among others. These services offer hundreds of thousands of hours of content and are at the centre of the changes in video consumption patterns. OTT services have a significant economic impact, as shown, for instance, by the fact that the global OTT market size was valued at $121.61bn in 2019 and is forecast to reach $1,039.03bn by 2027, growing at a compound annual growth rate of 29.4% from 2020 to 2027 (Friederich et al., 2024).

The abovementioned changes have reshaped the way audiences watch their favourite show, films and other creative content, resulting in an alteration of the film industry’s operation and the film-viewing culture in Malaysia. As Netflix continues to become a dominant OTT provider, the contents provided are constantly updated and trending, possibly creating new opportunities for local filmmakers to deliver their content to be streamed on Netflix. Nonetheless, the quality of the films shown on these platforms could impact them. Studies conducted in the field emphasise that ways of watching and viewer habits are changing. Movies or series are now being watched on mobile phones and computers rather than traditional televisions. Moreover, people binge-watch the seasons of a series in a couple of days. In this context, some series are being shot with big budgets, episode numbers are kept at a minimum and new seasons are being released later. These kinds of approaches also reflect the quality of the series (Ormanlı, 2019).

Online streaming provides a second option for viewers to watch films apart from cinemas, which has changed the culture of film viewing in Malaysian society. With the widespread availability of high-speed Internet and the proliferation of streaming services, Malaysians have embraced a new way of consuming media content. Technological advancements have reshaped how audiences consume content, giving rise to on-demand streaming platforms and altering traditional viewing habits (Peng, 2022). As the Malaysian film industry navigates this potential technological transformation, it is essential to consider the regulatory framework that governs its operations. Rules and regulations play a pivotal role in shaping the trajectory of any industry, and the film sector is no exception (Heydenrych & Luiz, 2018).

Several acts regulate and control the film industry and its content in Malaysia. These acts include the Film and Cyber Acts, which govern information and communication technology (ICT) and the Internet, and The Film Censorship Act 2002, which regulates the content of
films in Malaysia to ensure that they align with societal values and cultural sensitivities. Understanding the provisions of these acts is crucial in examining the cultural perspective of film viewing in Malaysian society. This difference is significant between watching movies on TV screens and in cinemas, which are regulated and filtered by the Malaysian Film Censorship Board, or in Malay, Lembaga Penapisan Filem Malaysia (LPF), compared to watching movies online or through streaming platforms that are not bound by LPF regulations. This regulation disparity raises essential questions about the cultural impact of online streaming in Malaysia.

Advances in technology have changed the Malaysian film-viewing culture. With the emergence of the Internet of things (IoT), online streaming provides opportunities for viewers to choose and watch movies. It offers an alternative channel for watching films apart from visiting cinemas. This changing phenomenon revolves around how online streaming methods have transformed and provided a second option for Malaysian viewers to watch their preferred films. The question that needs to be answered in this research is: What are the provisions of the film and cyber acts in Malaysia regarding the cultural perspective of film viewing in Malaysian society? This research focuses on the changes in film viewing in Malaysia due to technological advances. This study used qualitative and library research methods to examine the development and changes in the film-viewing culture in Malaysia and the relevant acts. The Culture of the Streaming model was applied as a guide to explore the development and changes in film-viewing culture in the Malaysian film industry.

2. Literature Review

The literature review is structured into three distinct areas of focus. The first scope delves into the debates on online streaming channels exclusively in Malaysia, elucidating the benefits of online streaming platforms and the impact on online streaming platforms and streaming platforms in entertainment and education. The second scope centres on Malaysian film and cyber acts, highlighting the film industry’s contemporary issues and obstacles when dealing with real-time online streaming platform applications. Lastly, the third scope pertains to the evolution and transformations in the culture of film viewing within Malaysia.

2.1. The Online Streaming Platforms

Özgün and Treske (2021) defined online streaming platforms as digital platforms that deliver audio and video content over the Internet to users’ devices in real time. These platforms offer diverse entertainment options, including movies, TV shows, music and live events, accessible to users from anywhere with an Internet connection. These streaming services
have a global reach, enabling individuals to enjoy content from their country and other parts of the world (Eugene et al., 2012). This development is linked to IoT’s broad acceptance, which has significantly changed our interactions with technology and the way we consume digital material due to the huge range of online streaming services that are available both domestically and internationally.

The proliferation of online streaming platforms has revolutionised the media landscape, prompting scholars to its multifaceted impact on various aspects of society. Scholars have extensively analysed the economic ramifications of online streaming platforms, shedding light on their disruptive effects on traditional media business models. Johnson (2018) and Zhang and Wang (2021) highlighted how streaming services have altered revenue streams, leading to declines in advertising revenue and cord-cutting trends, while also creating new revenue opportunities through subscription-based models. Additionally, research underscores the implications of market competition and pricing strategies within the streaming industry.

Online streaming platforms are pivotal in shaping societal norms, cultural narratives and consumption behaviours. Lee and Kim (2019) discussed how these platforms facilitated cross-cultural exchange and challenged hegemonic representations in traditional media, fostering diversity and inclusivity. Furthermore, Kim and Park (2020) examined the psychological and sociocultural impacts of binge-watching behaviours, revealing positive and negative effects on leisure practices, social interactions and mental well-being. Moreover, scholars explored the roles of streaming platforms in community engagement, identity formation and the dissemination of alternative narratives.

Robust policy frameworks are necessary due to the numerous legal and ethical considerations that mark the regulatory landscape surrounding online streaming platforms. Smith (2019) examined the tension between content regulation and freedom of expression, emphasising issues, such as censorship, copyright infringement and cultural sensitivity. Moreover, Chen et al. (2020) delved into the regulatory challenges posed by data privacy concerns, consumer protection and market dominance, advocating for proactive measures to safeguard user rights and ensure fair competition.

### 2.1.1. The Impacts of Online Streaming Platforms in Malaysia

The rise of online streaming platforms has introduced a challenge to the traditional television landscape in Malaysia. Respected TV channels like Astro, Media Prima and Radio
Televisyen Malaysia (RTM) have experienced the impact of the growing popularity of video streaming services. Despite a 49% increase in viewership during the Movement Control Order (MCO), well-known platforms, such as Netflix, Viu, Disney+ Hotstar, Amazon Prime TV, iFlix and iQiyi, have consistently garnered a larger audience share, overshadowing conventional TV in Malaysia (Low, 2022; Nielsen, 2020).

According to a report from Research Dive titled “Global Over-The-Top (OTT) Market...” (2022), the global video streaming platform market is anticipated to generate a revenue of $438.5bn by 2026, with a Compound Annual Growth Rate (CAGR) of 19.1% from 2019 to 2026. Notably, iQiyi, a leading video streaming platform in Malaysia, has witnessed substantial growth in its active user base, with a 1.8 times increase from January to December 2020 and a reported 78% of daily active users in the first half of 2021 (Gomes, 2022). Furthermore, an impressive 80% of iQiyi’s users prefer content consumption through mobile devices, indicating a prevailing trend towards mobile-based media consumption.

The surge in video streaming platforms is largely attributed to the accessibility and widespread availability of the Internet, as emphasised by Sadana and Sharna (2021). Kemp (2022) reported that 29.55 million Malaysians, constituting 89.6% of the total population, have Internet access. Additionally, there has been a notable improvement in Internet speeds in Malaysia, with the median Internet speed for mobile data reaching 24.56 Mbps—a 50.4% increase compared to 2021. Similarly, the fixed median Internet speed has reached 74.84 Mbps, indicating a 44.1% increase during the same period. Consequently, the challenge of accessing content from video streaming platforms has significantly decreased for Malaysians, given the seamless access to the Internet.

The enhanced viewing experience offered by video streaming platforms has generated discontent with traditional TV (Menon, 2022). Conventional television has observed a decline in its subscriber numbers, and this pattern is expected to persist from 2021 onwards. Subscribers reached a peak of 7.65 million in July 2021 but witnessed a substantial drop to 6.75 million by September 2021 (MCMC, n.d.). Astro, Malaysia’s largest TV station, reported a 9% decrease in subscription revenue during the fourth quarter of 2020, along with an 18% reduction in TV advertising revenue (Tan, 2020).

Previous studies have investigated the influence of video streaming platforms on altering consumers’ viewing patterns and their impact on pay-TV subscriptions in South Africa (Udoakpan & Tengeh, 2020; Tengeh & Udoakpan, 2021), as well as the consumer preference for video streaming platforms versus conventional TV in India (Sadana & Sharna, 2021; Sahu, Gaur & Singh, 2021). There is a noticeable scarcity of research within the
Malaysian context. Malaysia’s market dynamics, characterised by a distinct TV culture, a smaller number of TV stations and a relatively compact market size compared to countries, such as South Africa and India, could introduce unique factors influencing consumer behaviour.

2.2. Malaysian Film Acts and Cyber Acts

The first session of LPF on 1st June 1981 marked the official establishment of Perbadanan Kemajuan Filem Nasional (FINAS) under the Malaysian Film Development Corporation Act 1981 (Act 244). FINAS plays a crucial role in formulating legislation designed to foster the development of the local film sector (Fatimah et al., 2020). As Ahmad Safwan Hamsi et al. (2015) highlighted, the collection of Cyber Law Acts encompasses multiple computer-related legislation that imposes stringent penalties to address computer misuse offenses, including Internet love scams.

The government’s introduction of the Film Censorship Act 2002, aimed at regulating the influence of films to ensure national security and maintain harmony within Malaysia’s diverse society, involves the establishment of mechanisms, such as the Film Censorship Board (LPF), to oversee media content in alignment with governmental objectives (Noor et al., 2022). Under the provisions of the Film Censorship Act 2002 (Act 620), LPF’s responsibilities encompass the scrutiny of film content and promotional materials distributed physically to the Malaysian public. This scrutiny is guided by the 2010 Film Screening Guidelines, which consider public safety, religious sensitivities, sociocultural elements, order and morality (Irwan et al., 2023).

As articulated by Aaron Rao in 2013, film censorship remains highly pertinent, serving as a vital safeguard for society, particularly the younger generation, as a preventive measure against inappropriate content. This effort underscores the importance of meticulous adherence to guidelines to preserve the essence of films and recognises the narrative significance of specific instances of violence or nudity within cinematic works.

2.3. The Transformation of Viewing Culture in Malaysia

Before the advent of streaming technology, earlier societies were closely associated with traditional performances, such as Wayang Kulit, Mak Yong, Menora and Rodat, as a primary entertainment platform (Hatta, 1997). Nevertheless, the culture of watching these traditional theater performances began to wane in the hearts of the local populace in Tanah Melayu (Malaya) with the introduction of black-and-white cinema technology brought by the British
in 1897 at the Selangor Club, Kuala Lumpur. Hollywood films, primarily silent and black-and-white films featuring legendary actors like Harold Lloyd and Charlie Chaplin, were screened to the public (Hatta, 1997).

Hassan, in his article titled “120 Years of Cinema in Malaysia: From Shadow Play to the Silver Screen,” stated that the local community at that time was so captivated by the film technology that some viewers even tried to watch it from behind the screen, thinking it was a traditional shadow play. As a result, the culture of watching black-and-white films in Malaya began to win over the local population.

The culture of watching black-and-white films grew even more among the people of Malaya in the 1930s with the emergence of the first Malay film titled “Laila Majnun” (1933), directed by B. S. Rajhans. The film produced by S. M. Chisty successfully captured the hearts of the local population because it featured a cast of local talents and used the Malay language in its dialogues. This formula effectively fostered a stronger connection between the audience and the film “Laila Majnun” (1933), leading film producers to create other Malay films (Hatta, 1997).

The success of the film “Laila Majnun” (1933) significantly impacted the film-watching culture in the country. Traditional theater performances were increasingly forgotten, and the demand for watching black-and-white films grew, prompting an increase in the production of Malay films and the emergence of various film production companies, such as Malay Film Production, Cathay Keris Production and Tan and Wong Film Company. During this period, the country also witnessed the arrival of talented film directors specially invited from India, such as L. Krishnan, S. Ramanathan, B. N. Rao, K. M. Basker and Phani Majumdar, to direct Malay films to meet the local population’s desire for dramatic films. Local cinemas became crowded when a lineup of great actors like Hj Mahadi, P. Ramlee, Aziz Sattar, S. Shamsuddin, Mariani, Saadiah and Saloma emerged as the darlings of the audience. The glory of Malay cinema peaked in the 1950s and 1960s, making this era the Golden Era of the Malay film industry (Hatta, 1997).

When television technology first became available in 1963, it started to have an impact on the culture of film-watching. Urban residents were among the earliest to abandon the habit of watching films and started to shift towards television. Meanwhile, rural residents gradually began to leave the cinema after being introduced to television technology. People began watching imported television shows like High Chaparral, Combat, The Man from UNCLE and Gunsmoke. The advent of television significantly impacted the local film-
watching culture and production. Audiences preferred television over watching local Malay films in cinemas. They only entered cinemas to watch foreign films from Hollywood, Hong Kong, India and Indonesia. This shift had a negative impact on Malay film production companies like Malay Film Production (MFP) and Cathay Keris Production, which eventually led to their closure in 1967 and 1973, respectively (Hatta et al., 1997).

The overwhelming response to the culture of watching television led Malaysia’s government-run television system to introduce the RTM1 (TV1) network in 1963 and RTM2 (TV2) in 1969 as free-to-air options (Dewi Ratna, 2014). TV1 programming primarily consisted of local educational content in Malay, while TV2 focused on entertainment, featuring films in English, Tamil and Chinese (Wawarah Saidpuhin, 2017). Continuous demands steered the government to introduce TV3 with a privatisation policy under the leadership of Tun Dr. Mahathir (then Prime Minister), encouraging media practitioners to produce commercially oriented programmes (Dewi Ratna, 2014). This initiative gave rise to Media Prima, which spearheaded free entertainment media platforms like NTV7, 8TV and TV9 (Wawarah Saidpuhin, 2017).

The diversity of programmes on television stations further strengthened the culture of watching on the television platform. In 1996, Malaysia witnessed the emergence of a private entertainment media platform known as Astro to compete with Media Prima. MEASAT Broadcast Network Systems created this entertainment media as the main competitor to Media Prima. Astro further heightened Malaysia’s audience interest in television by offering a wide range of programmes that made it the top choice for viewers in Malaysia. Viewers could choose from various domestic and international programmes, all delivered with high-definition technology. Some international programmes that attracted viewers include National Geographic, Discovery, HBO, ESPN, AXN, MTV, Star World and CNN. Astro Ria, Astro Awani and Astro Oasis programmes are among the local choices for viewers (Wawarah Saidpuhin, 2017; Dewi Ratna, 2014).

The rise of television-viewing culture with Astro led Telekom Malaysia (TM) to introduce the first Internet Protocol Television (IPTV) service in Malaysia in 2010. This service marked another transformative moment in the entertainment landscape for film enthusiasts in Malaysia as the broadcasting system switched to digital television services delivered via the Internet. HyppTV, now known as Unifi TV, was introduced by TM as a leading channel for entertainment, giving viewers in Malaysia access to an extensive range of global programmes (Qishin Tariq, 2018).
With the advent of Internet protocol technology, the culture of watching films among the population in Malaysia began to shift towards online streaming. Additionally, unifi TV emerged as the leading platform, reshaping Malaysians’ viewing preferences towards online streaming. It simultaneously offers numerous streaming applications, such as Netflix, Disney+ Hotstar, beIN SPORTS CONNECT, SPOTV NOW and BBC Player (Unifi TM, 2023). Astro also kept pace with advancements in IPTV technology by creating Astro B.yond, which offers various online streaming entertainment options to Malaysian viewers through Astro Fiber (Astro, 2023).

The convenience of Internet technology has made it increasingly simple for viewers in Malaysia to access film content. Viewers now have the freedom to watch films without third-party control and can select the content they wish to view, a concept commonly referred to as OTT media. Prominent OTT applications in this context include Netflix, Amazon Prime Video, iflix and Viu. The accessibility of smartphones and Internet packages without limitations has further propelled the popularity of OTT platforms among the Malaysian population. This technology has effectively revolutionised traditional television entertainment, liberating viewers from the constraints of conventional systems and granting them the freedom to access entertainment, information and the current global reality on their terms (Asma Md Isa et al., 2021).

3. Methodology

This study was based on fundamental research, with qualitative research as the research design. Two types of data were gathered and collected using library studies as the primary references, namely online reading materials and printed materials. The online reading materials included authorised websites, online theses, papers, journals, conference papers and newspapers. The printed materials comprised theses, journals, conference papers and newspapers.

In this conceptual study, the researchers combined ideas to investigate the rapid change of film-viewing culture in Malaysian society due to the advancement of technology. The research period was from 1930 until the 2000s. Within this duration, the study investigated the changes in the film-viewing culture change in Malaysian society and the impact these changes have on Malaysian audiences.

This study applied The Culture of Streaming model (Velocity Creative Strategy and Cultural Intelligence, 2021) to examine changes in the marketing and media planning perspective. The model was employed to investigate changes in the Malaysian film industry, including
changes in streaming audience attitudes, marketing strategies and media planning. The study is relevant to the current situation as it examined the changing dynamics of film distribution through video streaming in Southeast Asia during COVID-19. The Culture of Streaming model highlights three streaming landscapes, and the landscape was branded as the new rules of media planning:

1) Refocus targeting borderless identities: The explosion of streaming content, personalised algorithms and accessible media has opened the gates for identity-driven exploration.
2) Connect with quality, culture-defining programming: As technological developments are still shaping our society, individuals seek content to satisfy their nostalgic desires. Re-watching familiar videos has become popular after the COVID-19 outbreak because repetition and recognised outcomes can provide much-needed reassurance.
3) All screens, at scale: Audiences are no longer passive consumers of TV shows but rather active participants who engage with content in various ways, such as creating memes, quoting epic lines, commenting on threads and following stories. This engagement creates community through shared references and strengthens existing relationships.

4. Findings and Discussion

In the 1950s, cinema was the primary platform for showcasing films, and it remains so today. Nevertheless, the presence and advancement of technology have opened up new opportunities for film enthusiasts to watch their favorite movies, influencing the culture of film-viewing in society. There is a significant difference between watching films on TV screens and in cinemas, which are regulated and filtered by LPF, and watching movies online or through streaming platforms like Netflix and Hulu, which are not bound by LPF regulations. However, there are several acts related to the country’s film industry. These acts and subsidiary legislation are under the purview of the Ministry of Communications (KK) and the Ministry of Home Affairs of Malaysia (KDN). Under the roof of these two ministries, several acts are introduced, such as Perbadanan Kemajuan Filem Nasional Malaysia Act 1981 (FINAS) (Act 244) (maintained in Malay), Communications and Multimedia Act 1998 (Act 588), Malaysian Communications and Multimedia Commission Act 1998 (Act 589), Digital Signature Act 1997 (Act 562), Postal Services Act 2012 (Act 741), Personal Data Protection Act 2010 (Act 709), BERNAMA Act 1967 (Act 780), and Film Censorship Act 2002 (Act 620). Of all these nine acts, four precisely touch on Malaysian film or digital content. Nevertheless, no act investigates
streaming platform content, especially explicit content that the young audience can access and watch.

Malaysia is moving towards developing digital era 4.0, and the presence of streaming platforms has changed marketing strategies. This effort is an essential consideration for regulatory bodies in Malaysia, as it has the potential to increase sales in the film industry through digital platforms.

According to Velocity Creative Strategy and Cultural Intelligence’s marketing plan for 2021, three things have changed the marketing landscape, especially after the COVID-19 pandemic. The three points were refocusing targeting and borderless identity, connecting via visuals to fulfil nostalgic desires, and the audience no longer a passive consumer but an active participant. These marketing strategies imply that audiences of all ages have access to any films, the audience can watch their favorite films repeatedly and the audience may imitate or use any line or act in the film in real life.

These changes have also affected film production and marketing strategies, which Malaysia needs to consider. Digital marketing is a business strategy that refers to all marketing efforts through digital channels. With increasing Internet users, offline marketing is no longer the only strategy to drive sales. The best digital marketers understand how each digital marketing campaign supports their overall goals. Marketers can support more extensive campaigns through their free and paid channels depending on their marketing strategy objectives. The law and enforcement should be imposed on Malaysian audiences, particularly young users, to prevent the negative impact of explicit content on young audiences.

Furthermore, another crucial aspect to consider is how these online streaming platforms manage users’ personal data. Take Netflix, for instance; it gathers personal data and user preferences about the movies or series they watch or dislike. Following The Culture of Streaming Model, one highlighted element is borderless identities, indicating that the content available on online streaming platforms has the potential to influence users’ identities and perspectives.

Consequently, this serves the marketing strategies of these platforms, allowing them to closely track users’ preferred content and simultaneously collect their personal data for future marketing endeavours. Nonetheless, in the long run, overseeing or imposing limits from responsible entities is essential to ensure that the data and algorithms are not misused for improper purposes.
5. Conclusions

The online streaming platforms have instigated a profound transformation within the film industry. This shift has fundamentally impacted how movies are created, distributed and consumed, with far-reaching consequences that demand a delicate equilibrium. Striking the right balance involves embracing technological progress, upholding content regulation and safeguarding individuals’ data privacy. This intricate interplay underscores the vital role of government intervention in addressing emerging challenges. It is crucial to enact robust regulations that fortify IoT security, establish clear organisational responsibilities within the industry and shield against the dissemination of inappropriate content.

Amidst this transformative journey in the film-viewing culture of Malaysia, it is increasingly evident that adaptation to technological advancements must coexist with the preservation of cultural values and societal sensitivities. This nuanced equilibrium is essential to ensure that the Malaysian film landscape remains pertinent, accessible and respectful of its diverse audience. Ultimately, navigating this evolving terrain demands a multifaceted strategy that harmonises innovation, governance and cultural preservation, envisioning a future where technology enhances rather than compromises the cinematic experience.

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