

Understanding the
Theatrical
viability of original IP





The burgeoning entertainment landscape

Content seekers have more choice, are more promiscuous and have a higher entertainment IQ than ever before. From the big to the small screen, the proliferation of easy access, high quality content has caused a shift in viewing patterns. The pandemic only exacerbated this trend. A trend which continues to see box office numbers shifting to big event, franchise titles.

Original titles, that offer fresh stories, are finding it even harder to attract a level of audience to help justify a theatrical release. An immersive experience and a chance to shut off from the outside world are common themes that continue to present themselves as key drivers for cinema, and the surge in premium ticket sales post-pandemic has fueled the notion that large scale IP is becoming a pre-requisite for a cinema occasion.

There have however been several examples of original stories that have succeeded at the Box Office since the pandemic. 'Belfast',

'House of Gucci', 'Bullet Train' & 'The Lost City' have all hit decent theatrical returns, well on-par with pre-pandemic takings, suggesting that there is still an appetite for original IP if the title and campaign can hit certain notes.

However, spotting those solid theatrical performers from the pack is critical if studios and distributors are going to spend marketing dollars wisely, backing the right titles with the right release strategy. For that, understanding whether they have a property that can compete with the increasing quality that is on offer at home, studio execs must be able to decipher the theatrical appeal of a prospective cinema release well in advance.

Here, Amir Jalaly from MetrixLab will explain how studios can get a better sense of the theatrical viability of original IP, identify the original titles that are on course to succeed at the box office, and what the early warning signs that would indicate a change of strategy are.





The importance of Theatricality

Historically it has been the case that box office performance for new IPs has been very hard to predict up until the last two-to-three weeks before release and awareness of the title is building, the campaign is in full swing and word-of-mouth starting to take effect. Unfortunately, at this point, the campaign is in full-swing and it's too late to adapt and adjust strategy, pull back or dial up marketing spend.

However, MetrixLab have more recently observed across 100s of titles that it's possible to diagnose and gauge theatrical prospects well in advance of release. In fact, MetrixLab can empirically evidence that 'Theatricality' can be accurately

gauged early enough to give studios and distributors increased confidence in eventual likely box office performance before major marketing is expended. It can also signal when a change of marketing tract might be needed and even signal early-on where a title may be better suited for a shorter theatrical run or an SVOD release.

This breakthrough comes from shifting focus away from audience awareness and intent in isolation and overlaying specific diagnostic measures which are correlated to box office performance much further out from release. This has proven successful in highlighting which titles are destined to succeed and those which are going to be a tougher sell for moviegoing audiences.



The Theatricality Score in Action

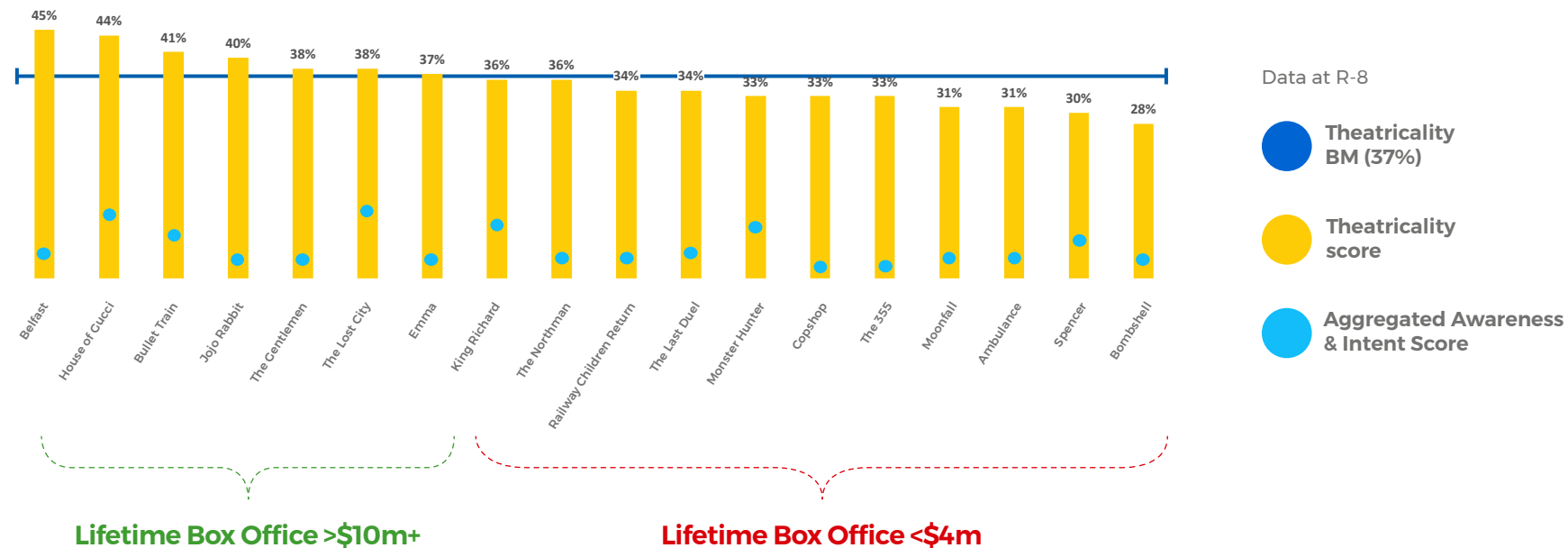
By looking across a selection of original titles that had a theatrical release pre- and post-pandemic, we can get a sense of how the Theatricality score can be used. Relying on traditional tracking measures such as awareness and Intent for the sake of original titles does not provide enough insight or direction in terms of future box office performance, as most of the titles were tracking below average on those conventional measures.

There was little evidence at R-8 to suggest the titles in question would differ much at the box office.

By overlaying a diagnostic profile to create the Theatricality score, titles with a better chance of theatrical success start to pull away from the pack. Those titles who score at benchmark (37%) and above tend to achieve at least \$10m lifetime box office and conversely

those below benchmark should adjust expectations accordingly.

The relationship between Theatricality and box office performance is well evidenced in MetrixLab's historical data and only improves closer to release. So, whilst at R-8 this can act as an early warning system, it is important that we monitor Theatricality through to release, especially once the campaign kicks in.





Setting expectations for Bullet Train (UK)

The summer 2022 slate concluded with Brad Pitt returning to the big screen in David Leitch's action comedy, *Bullet Train*. Audience Awareness and Intent-to-View 8 weeks out was at benchmark however the title was demonstrating strong Theatrical appeal (perceptions of 'good quality' stood out in particular). The early signs were that it would do well at the box office, but how well?

Awareness and Intent for *Bullet Train* was marginally, but consistently above *Uncharted* (\$6m OW) through to release. Despite *Uncharted* having some baked in fandom, it was not an established theatrical IP, which allowed for a useful benchmark for *Bullet Train*.

Based on awareness and intent alone, studios may have expected a similar opening weekend performance to *Uncharted*. *Bullet Train* indeed had a strong cast and had a strong campaign, but one key thing was also consistent - *Uncharted* had a consistent advantage in terms of its 'Theatricality'. At 8 weeks prior to release the gap was 4pts in *Uncharted*'s favour, and by the time of release there was a 6pt gap.

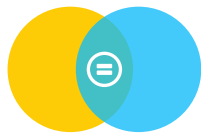
An accurate assessment of *Bullet Train*'s Theatricality was key in setting box office expectation as early as possible - *Bullet Train* opened to \$3.5m in the UK and went on to take \$11.4m. Despite similar levels of Awareness and Intent, assessment of the title's 'Theatricality' gave early warning that it wouldn't break into franchise territory and achieve the \$6m+ OW/\$30m lifetime that *Uncharted* managed.

Case Study: Bullet Train

Theatricality diagnostics provide a more accurate and nuanced guide to likely box office performance



R8 + R1



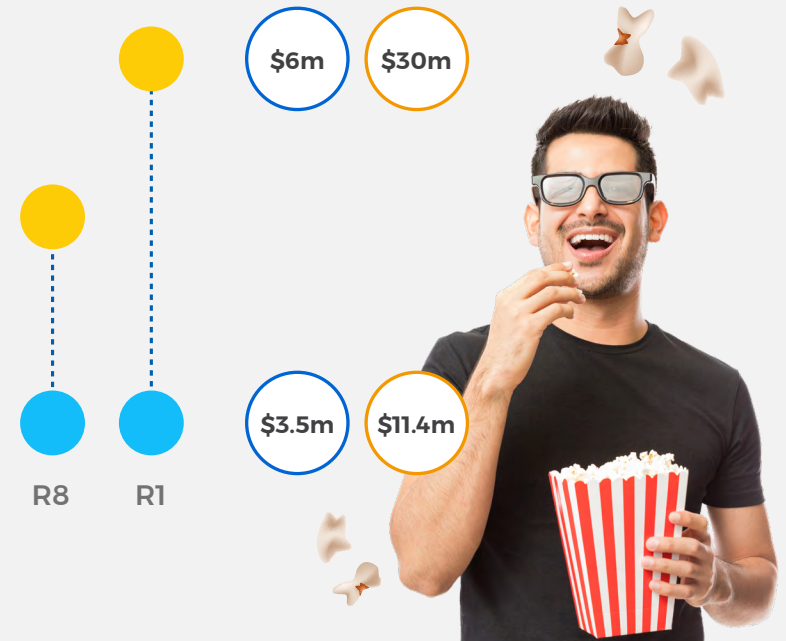
R8 + R1



R8 + R1



R8 + R1



● Uncharted ● Bullet Train ○ OW Box Office ○ Lifetime Box Office





Spencer (UK)

In 2021, Pablo Lorrain brought us a new story about Princess Diana. A psychological twist to a fateful weekend spent at Sandringham, starring Kristen Stewart.

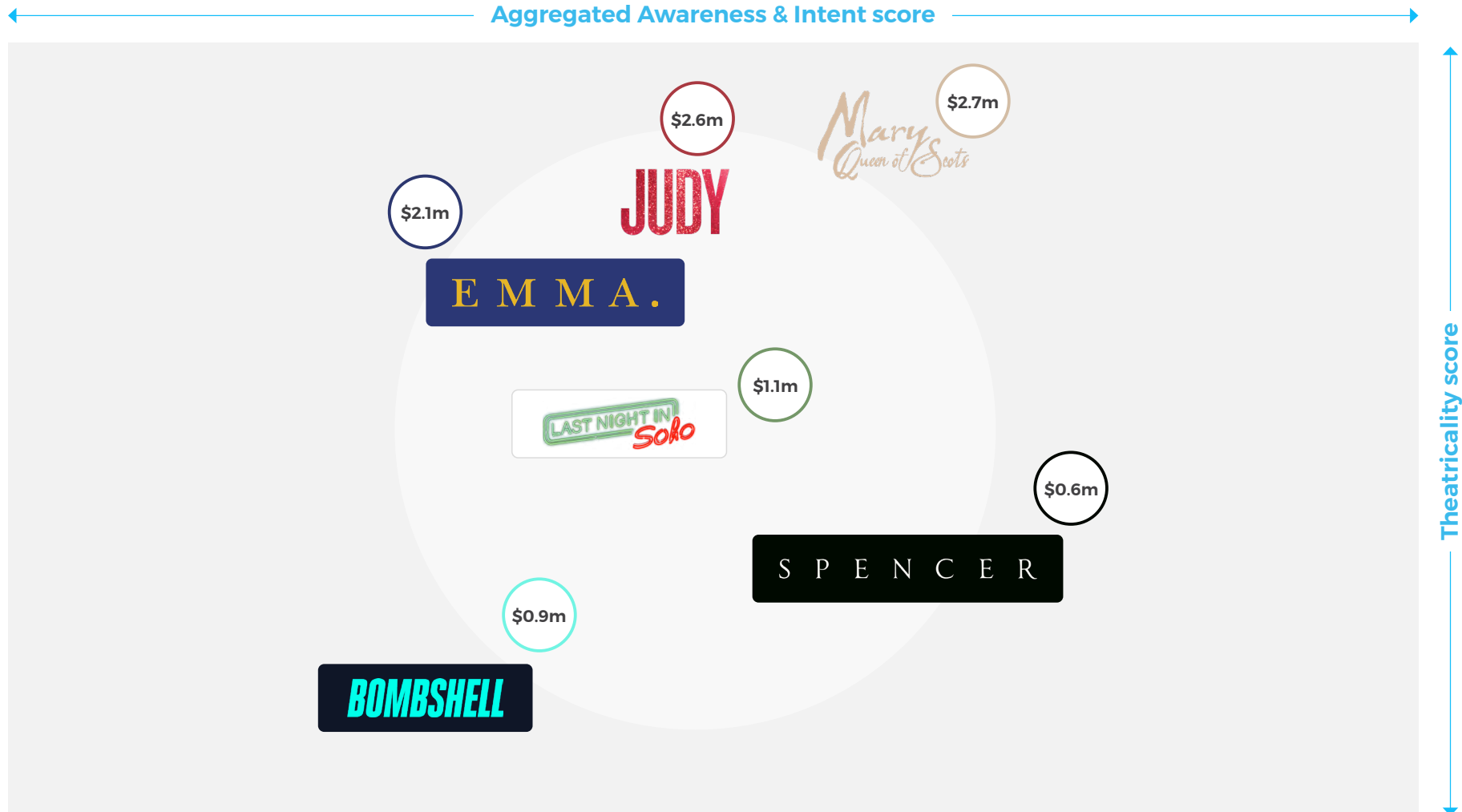
The title started tracking with strong audience awareness scores. Some early campaign activity at the BFI London in 2021 boosted Spencer's position to sit above other recent original IP and akin to Mary Queen of Scots on Awareness and Intent-to-View in cinema. Based on this alone, false expectations could be set for the sake of the potential box office results.

Digging deeper into Spencer's diagnostics, it was scoring well below average across its diagnostic profile, with a clear gap to comp titles (Mary QoS in particular), raising some serious concerns ahead of its release. The Theatricality score was in the bottom 2 of recent original IP and with moviegoer sentiment towards the film not improving with the campaign, Spencer approached its release date with a double-digit deficit vs an all-movies benchmark on Theatricality. In the end, Spencer opened to \$0.5m, and reached a somewhat disappointing \$3.8m lifetime number.

Despite having some above average levels of Awareness throughout its tracking cycle, early assessment of its 'Theatricality' highlighted serious concerns from start to finish and expectations could be set well in advance of a sub \$1m opening weekend.

Case Study: Spencer (UK) R-8

Theatricality diagnostics provide a more accurate and nuanced guide to likely box office performance



Opening Weekend Box Office



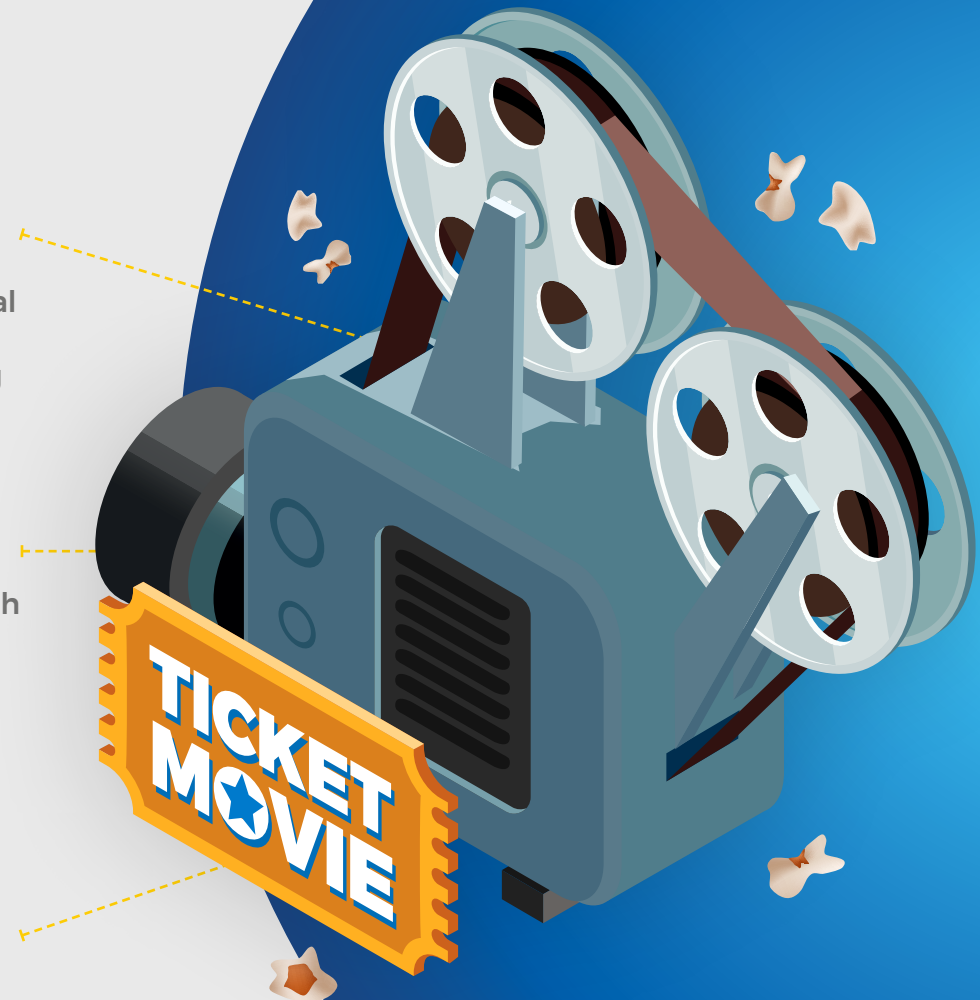
Theatricality has never been more important

COVID-19 has accelerated the proliferation of entertainment options that content seekers have access to. Instant on-demand access to any content from any device has meant that a cinema visit is coming under more scrutiny than ever before.

But the opportunity for a theatrical release still offers the best chance of ROI for some original IP titles, and the audience can still turn out. The task now for Studios is to better spot which titles are best suited for a theatrical release compared to those who's best chances of return sit amongst the plethora of small screen viewing options.

As we have seen, there have been several successful non-franchise titles in the past 18 months but ascertaining Theatrical viability early on is always the challenge. By monitoring specific diagnostics that determine a title's 'Theatricality', we can:

- **Identify** which titles are primed for a theatrical opening before significant marketing spend is deployed
- **Understand** which movies are likely to break through wider entertainment distractions and capture audience share and;
- **Optimize** distribution across theatrical and digital platforms based on empirical data collection





About MetrixLab

MetrixLab provides consumer insights that drive smarter business decisions. A truly global digital research agency, we pioneer new technologies and integrate multiple data sources to push the boundaries of research. This enables our experts to provide high-quality insights at scale, at speed and for an unparalleled value. In just one decade, we've grown rapidly and now work with more than half of the world's top 100 brands.

Our expertise, passion and solutions enable our clients to succeed at product innovation, brand engagement and customer value in over 90 countries. MetrixLab is part of the Macromill Group.

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