
Gaming IP in Media

The Emergence of a “Cross-Pollination” Effect



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Though not a new concept, adaptations of video games in film and TV series have gained traction in recent years, and the surge in viewership has increased the interest in video game intellectual property (IP). This newfound success can be partly attributed to the “cross-pollination” effect that these adaptations create, wherein gamers are more likely to watch series and films based on video game IP, and in parallel, audiences tend to explore the video game itself based on their recent viewing experiences. This was recently witnessed for animated films like *The Super Mario Bros. Movie* and live-action series like *The Last of Us* and *Fallout*. The value of video game IP has increased as a result, with studios and streamers eager to capitalize on the growing audience for this type of content.



Gaming IP adaptations for the big screen

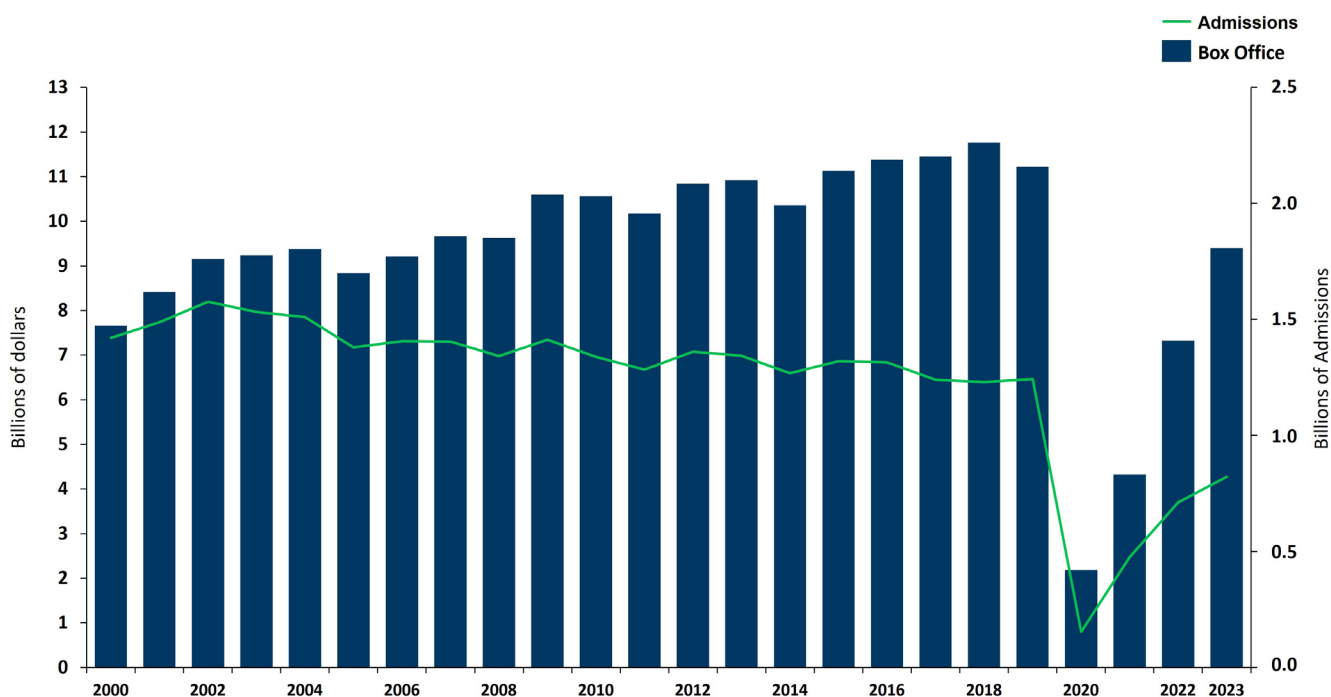
Over the past two decades, major studios have faced declining theater admissions and have struggled to win back audiences. Today, both box office earnings and admissions remain below 2019 levels. Since the COVID-19 pandemic, competition for audiences has been increasingly fierce, and studios have found it challenging to meet their aspirations even for tentpole features.

Over the same period, studios have released major streaming plays in an effort to outspend on content in an ever-growing competition for eyeballs. Tapping

into preexisting fanbases was one strategy that was attempted to achieve this goal. The evidence is seen through the plethora of sequels, prequels and spinoffs that have inundated theaters and streaming services over recent years.

Video game IP was found to be another way to expand the universe of content while also enabling the monetization of large and engaged fanbases. Between 2016 and 2023, U.S. domestic box office gross for video game adaptations increased from an average \$70 million to \$356 million — an increase of 410%. Recent examples include *The Super Mario Bros. Movie*, which grossed a record-breaking \$575 million domestically and a total \$1.4 billion worldwide.¹

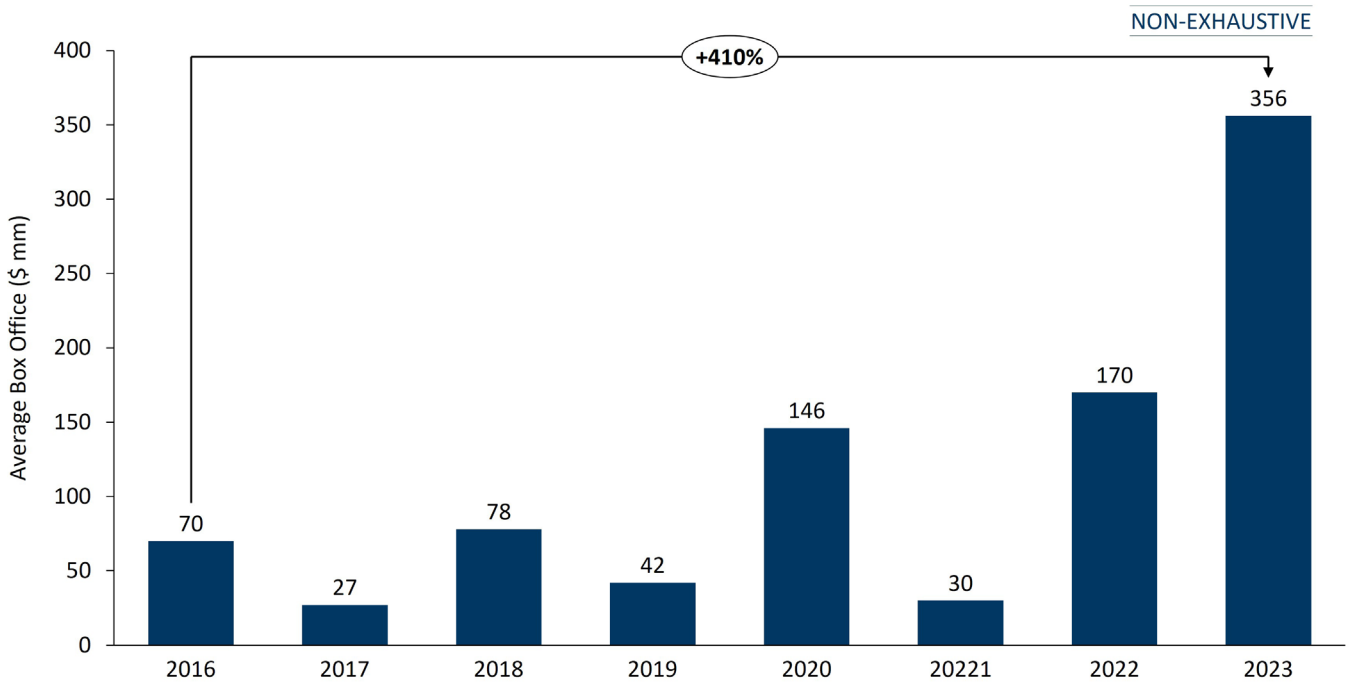
FIGURE 1: U.S. DOMESTIC BOX OFFICE AND ADMISSIONS 2000-2023



Source: Kagan, FTI Delta analysis

¹Box Office Mojo

FIGURE 2: AVERAGE U.S. DOMESTIC BOX OFFICE FOR VIDEO GAME ADAPTATIONS



Source: Kagan, FTI Delta analysis

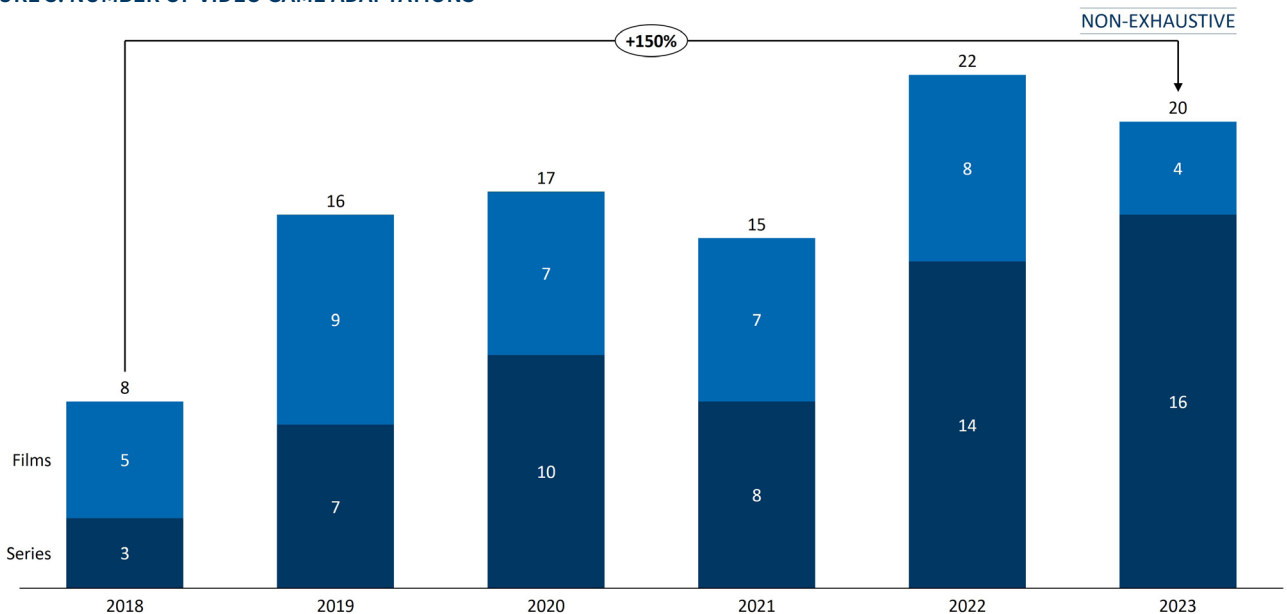
Gaming IP adaptation for the small screen

Guided by their work with fiction, nonfiction and comic book IP adaptations, studios started to notice the passionate fandoms that come with gaming IP and bringing beloved game characters to life. The success with gaming IP adaptation was not confined to wide-release feature films, as some series have also proven that gaming IP can achieve commercial and critical

successes. This was the case with *Fallout* (IMDb: 8.4/10, Rotten Tomatoes: 93%), which had 65 million viewers² within the first 16 days after its release, and then became Prime Video’s second-most watched title on the platform.

This has resulted in a growing number of adaptations of this type of content over the past five years. In 2023, the number of films and series based on gaming IP was 150% higher than in 2018, showing rapid developments in this space.

FIGURE 3: NUMBER OF VIDEO GAME ADAPTATIONS



Source: Omdia, FTI Delta analysis

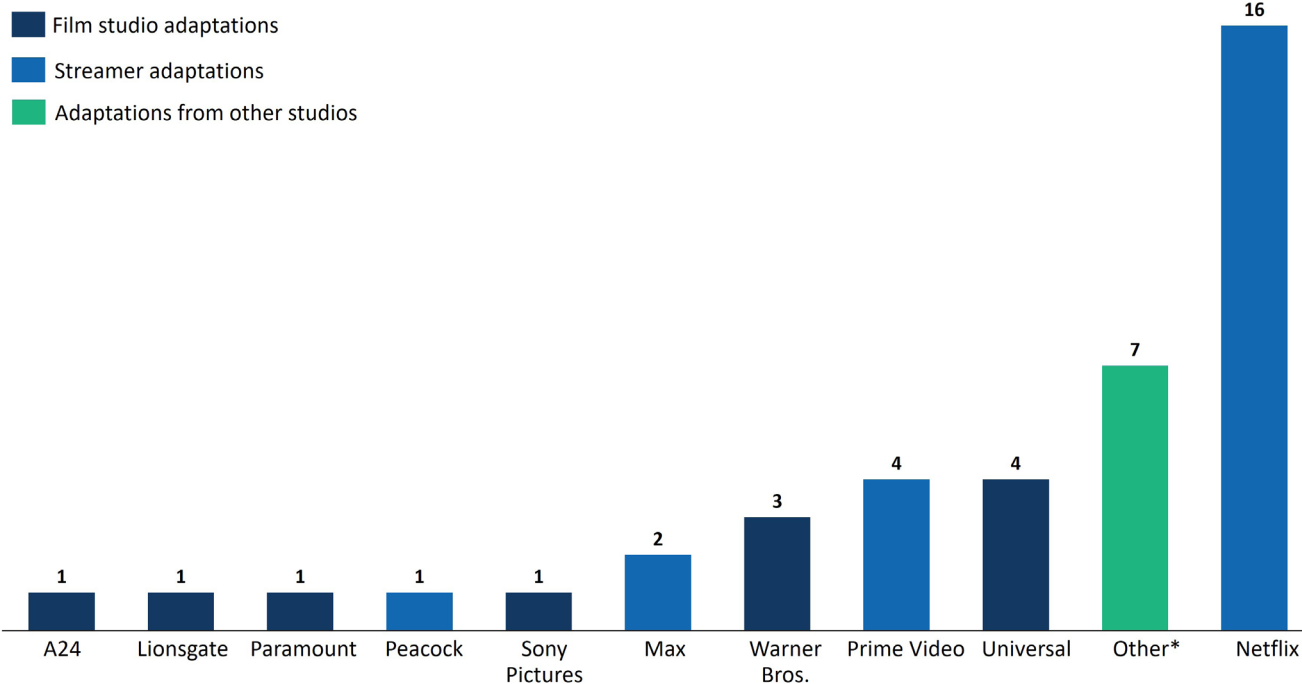
² <https://variety.com/2024/tv/news/fallout-amazon-series-ratings-1235985817/>

Historically, most video game adaptations were feature-length films, but this has evolved in recent years with some streaming services' productions shifting to the small screen. Before 2020, series constituted around 40% of total gaming IP adaptations on average. Since then, studios have

released 48 series, making up 65% of all gaming IP adaptations. This growth was fueled by an increased spend on original content over the past few years. Among streaming services, Prime Video and Netflix have announced four and 13 upcoming adaptations through the end of 2024 and beyond.

FIGURE 4: PLANNED VIDEO GAME ADAPTATIONS AS OF 2H24

NON-EXHAUSTIVE



Source: Omdia, IGN, Cinema Blend, FTI Delta analysis
*Includes adaptations where the studio has not yet been disclosed

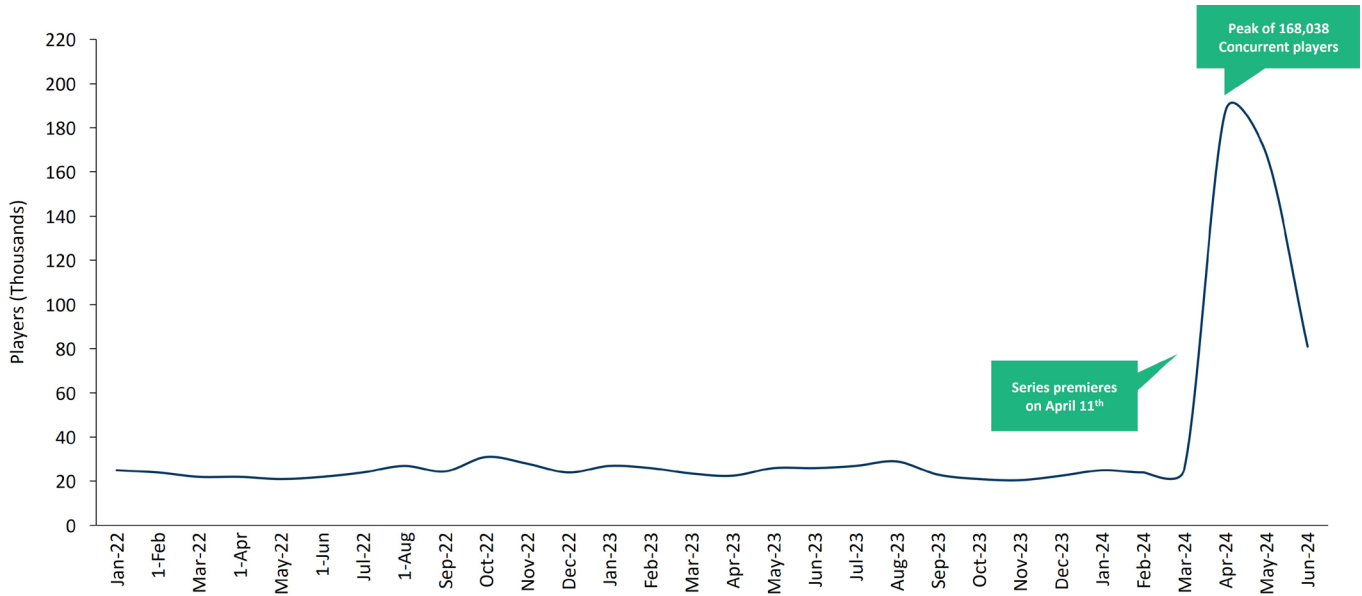
The “cross-pollination” effect

The “cross-pollination” effect can be defined as the mutual benefit created from video game adaptations when gamers tend to watch the series/films based on gaming IP and, in parallel, TV/film audiences

are inclined to play the video games based on their recent viewing experiences. One recent example is Amazon Prime’s *Fallout* series, which was released in April 2024. The release of the series coincided with a significant increase in sales and active players in *Fallout 4* and *Fallout 76*, the two most recent games in the *Fallout* universe.



FIGURE 5: MAXIMUM CONCURRENT *FALLOUT 4* PLAYERS ON STEAM OVER A 24-HOUR PERIOD



Source: SteamDB, FTI Delta analysis

Soon after the premier of *Fallout*, Video Games Europe (the European Union’s video games industry body), reported that *Fallout 4* saw a 7,500% week-on-week increase in sales, topping the European charts. Other titles (*Fallout 76*, *Fallout: New Vegas* and *Fallout 3*) all made it to the top-ten list soon after the series launched.³

A similar impact was witnessed with *The Last of Us* (IMDb: 8.7/10, Rotten Tomatoes: 96%), a series released by HBO in 2023, which had 40 million viewers⁴ for its first episode within the first week and then became the most-watched show in Europe and Latin America in HBO Max’s history. Upon the release of the series, both the original and sequel to the game saw a spike in both active players and sales, with sales of *The Last of Us Part 1* jumping 322% following the series’ premiere in January 2023.⁵

These recent series based on video game IP have demonstrated the existence of the “cross-pollination” effect. Both high-profile series have been renewed for additional seasons, achieving critical and commercial success. However, this success was only witnessed with recent games and productions and was not seen in the 1990s and early 2000s with movies such as *Mortal Kombat* (IMDb score of 5.8/10) and *Lara Croft: Tomb Raider* (IMDb score of 6.3/10), which were not able to increase fan engagement.

Although not a guaranteed recipe for success, streamers and studios have increasingly championed video game adaptations based on some of their past commercial success. In parallel, game studios are able to benefit not only from licensing their IP for film and TV, but also from increased sales and number of players. These recent adaptations, where both parties benefit while engaging newfound audiences, have unlocked new potential for cross-media storytelling.

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³ GamesIndustry

⁴ <https://variety.com/2023/tv/news/the-last-of-us-season-1-finale-ratings-viewers-1235551465/>

⁵ Verge



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