



Publishing's contribution to the wider creative industries

A report prepared for the Publishers Association | July 2018



Table of contents

| | |
|---|----|
| Executive Summary | 4 |
| 1. Introduction and background | 6 |
| 2. The role of publishing in the creative economy | 8 |
| 2.1 Film | 9 |
| 2.2 Television | 19 |
| 2.3 Theatre | 31 |
| 3. Conclusions | 36 |
| List of Sources | 38 |



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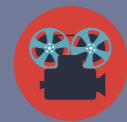
Executive summary

Publishing plays a central role in content discovery for film, TV and theatre, and is one of the leading sources for material for these industries. Films and theatre productions based on books tend to earn significantly more money than ones based on original scripts, and TV book adaptations attract more viewers.



“We invest millions into making a story, and then basically hope”

A prominent UK film and television producer



Film




Television



Theatre

Books are the original source material for:

35%  of all English language films worldwide between 1968 and 2002

43%  of top UK films between 2007 and 2016


40%  of “high-end” (with a budget of £0.5m or more) UK TV productions in 2017

22%  of all dramas screened by the main free-to-air broadcasters between 2013 and 2017

The top 4  longest-running shows on the West End


30%  of West End shows with over 3,000 performances


Book adaptations, compared to original scripts or screenplays, garner on average:

44%  more box office revenue in the UK (+£5.4m per film)

53%  more globally (an extra \$91m per film)

From 2007 to 2016, book adaptations grossed **£1.5bn** in UK box office revenue and **\$22.5bn** globally

58%  higher average viewership (+1.3m viewers per episode)

19%  more ‘reach’ – total distinct viewers throughout a show’s run (+2m total viewers)

130 to 180%  higher revenue per production in plays and family musicals (data only available for outside London)

Nearly three times the ticket sales  of original productions (8,916 vs. 3,129 per production)

An analysis of case studies across the three sectors shows a strong two-way relationship between publishing, screen and stage. Publishing adds value through several channels across the different production stages:



Discovery

- Producing a steady stream of source material to be discovered
- Acting as a filter for polishing and editing quality storytelling
- Investing in authors early and helping develop their careers
- Keeping old works in circulation, sustaining a ‘library’ of stories



Production

- Alleviating some production risk by allowing producers to choose stories which have already engaged audiences
- Helping attract top talent (directors, screenwriters, actors) through literary heft and prestige
- Improving the quality of productions via author involvement



Marketing

- Making it easier to market an adaptation, building on the public profile and existing audience of a book or an author
- Feedback to increased sales of the original book

1 Introduction and background

This report explores the links between the UK publishing sector and the wider creative economy. We focus on publishers of books and academic journals, part of a wider publishing industry that includes newspapers, magazines and software according to different definitions (see Figure 1).

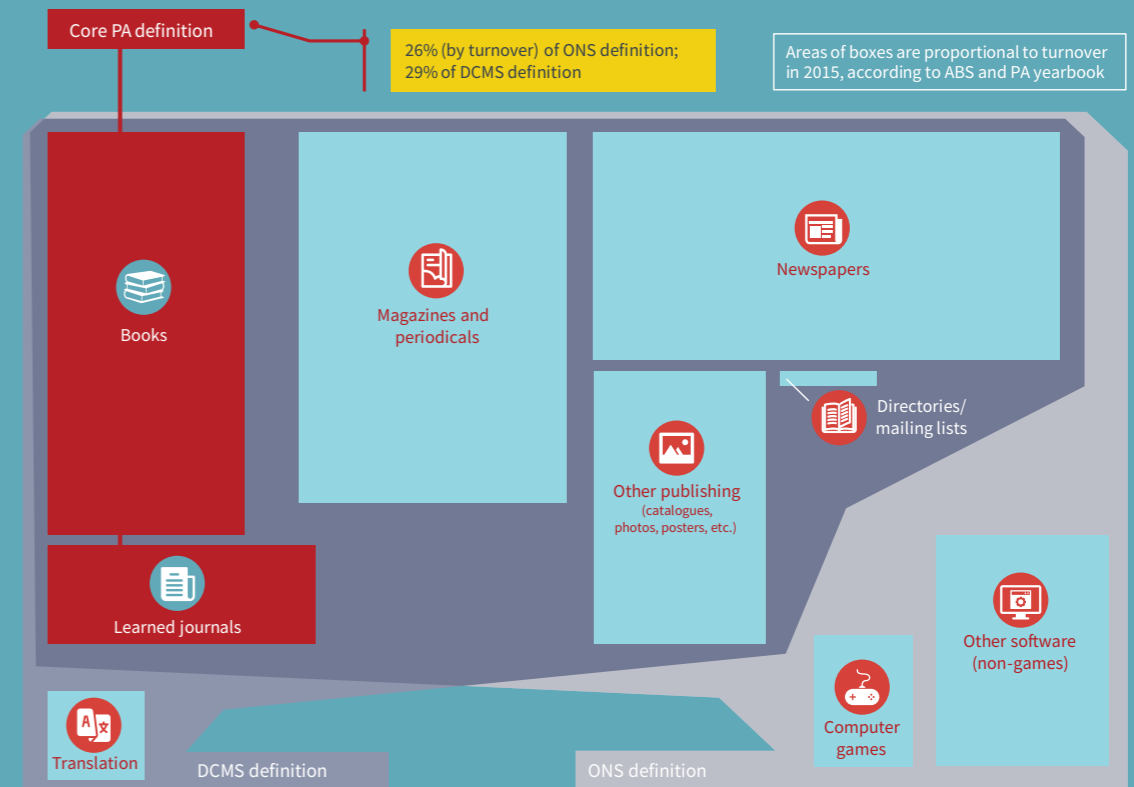
In a companion report,¹ we highlight the direct contribution that UK publishing itself makes to the economy. We estimate that in 2016, publishing accounted for £3.2 billion of UK gross value added (GVA), £2.9 billion of exports and £545 million of investment. Publishing is also a highly productive industry, with an average £113,000 GVA per worker per year, more than twice the UK average. Publishing directly employed 29,000 workers in 2015 (87% of them full-time), and supports thousands of freelancers and very small businesses.

We also highlighted the indirect links that UK publishing makes to other sectors through upstream and downstream links with industries such as paper, printing, retailing and marketing. These indirect effects could roughly double the total economic contribution of the UK publishing sector.

However, even this does not necessarily tell the whole story about how UK publishing adds economic value. Among other aspects, there are some important links between UK publishing and the wider creative industries in particular. This is a link we highlighted in the companion report on the overall economic contribution.

Creative industries are defined in the UK as: **“those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property”**²

Figure 1 Definition of UK publishing used in this report



Sources: Frontier analysis, UK Standard Industrial Classification of Economic Activities 2007, ONS, PA Yearbook, DCMS Economic Estimates
Note: Areas of boxes are proportional to GVA. Books and academic journals GVA estimated using PA Yearbook turnover and ABS GVA/turnover ratio. Other GVA figures directly from ABS. All figures from 2015. Although our definition of publishing includes the publishing of translated books, it excludes translation activities when they are outsourced to translation agencies.

Official figures show that the creative industries are a substantial part of UK economic activity, contributing £87 billion in GVA in 2015 and almost 2 million jobs.³ The recent Bazalgette Review also highlighted the future role of the creative sector in the UK if it is fully integrated into the wider industrial strategy, forecasting possible GVA of more than £128 billion by 2025.⁴

Within the creative industries, publishing has particularly strong ties to the film, television and theatre sectors. Books are often sources of inspiration for characters, stories and ideas and adapted to other formats. Relying on adapted material can help alleviate part of the risk in the creative production process. This happens both through direct engagement between publishers and other creative industries, and through independent discovery of published material. There are then significant feedback loops from the adapted work back into sales of the original books or other material published on the back of successful adaptations (screenplays, tie-ins, and so on).

This report does not aim to quantify the economic value of the links between publishing and these specific creative sectors, which is not practical in a robust way. Instead, we highlight the nature of these links and attempt to assess as

far as we can what would be different for the quality and quantity of output of these other creative sectors in the absence of published source material. We draw on a range of evidence to do this:

- data (both publicly-sourced and provided by creative industry bodies) to examine how far different creative sectors rely on published source material;
- data provided by Nielsen BookScan on sales of books that have been adapted into other formats;
- qualitative interviews with publishers on their links with the wider creative industries; and
- a number of case studies illustrating these links, informed by interviews with those involved in the adaptation process as well as the publishers.

We are extremely grateful to all those who participated in this research or provided data for it, including the British Film Institute, the BBC, UK Theatre, and all the interviewees who volunteered their time for the case studies.

¹ <https://www.publishers.org.uk/policy-research/the-value-of-uk-publishing/>
² DCMS, 2016, Creative Industries Economic Estimates.
³ DCMS Sectors Economic Estimates, 2016 and 2017; these are the creative industries only, and exclude the contribution of those who work in creative occupations in other industries.
⁴ <https://www.gov.uk/government/publications/independent-review-of-the-creative-industries>

2 The role of publishing in the creative economy

There are various definitions of the “creative economy” in the UK. The most important distinction to be made is between creative industries and occupations. For example, an accountant working in the film business is part of the creative industries but not the creative occupations, whereas the reverse is true for a graphic designer working for a pharmaceutical firm.

The Department of Digital, Culture, Media and Sport (DCMS) is in charge of policy across both definitions, and it treats the creative industries as a list of Standard Industrial Classification (SIC) codes covering:

- advertising and marketing;
- architecture, jewellery or specialised design;
- film, TV, video, radio and photography;
- software publishing and computer programming/consultancy;
- publishing;
- library, archive and museum activities; and
- music, performing and visual arts.

While publishing interacts with all of these industries, this report focusses on the screen and stage sectors – film, TV and theatre.⁶ These tend to have a more direct relationship to publishing, and often adapt literary source material.

2.1 | Film

Film production is an inherently risky business. While the industry is profitable overall, most films do not earn back their production budget, and many suffer financial losses in the millions.⁷ The film industry’s economic value is driven to a large extent by a relatively small number of very successful films, which in effect subsidise the production of others.

Films are becoming increasingly expensive to make. The average budget of a UK film in 2016 was £1.6 million for domestic productions and just under of £8 million for all productions (BFI 2017).⁸ This makes producing each individual picture a substantial risk. This risk starts at the production phase, with only one of every five or six films in development in Europe even making it to production (1 in 20 in Hollywood), and continues with marketing, distribution and performance risks.⁹

To alleviate these risks, producers do their best to ensure that they find the right material. One publisher interviewed for this report described the process for finding books to print as launching a multitude of rockets off the ground, only a select few of which will make it to space. The film business was painted by one UK producer in similar, if starker, colours: “we invest millions into making a story, and then basically hope”.

Producing a film based on a published work undoubtedly mitigates some of this risk, if the published source has already proven popular, or the underlying story sparks ideas for adaptation.

The next two sections provide an overview of:

- the (relatively limited) body of existing evidence comparing films’ success based on the source material; and
- the evidence from an analysis of UK film data.

30%

Original stories among the highest grossing films of all time

True originality is rare at the very top end of the film industry. Of the 20 highest-grossing films of all time, only six are original stories; four are based on books, five on comics, two on fairy tales, two on TV series, and one on a historical event. Strikingly, only one of the “originals” is a non-sequel.⁵

⁵ <http://www.boxofficemojo.com/alltime/world/> as of April 2018.

⁶ Theatre is part of the music, performing and visual arts SIC code.

⁷ See Simonton (2005a) for an overview.

⁸ All productions include inward investment, e.g. US-produced films partially shot in the UK, which account for 24% of projects and 85% of total spend.

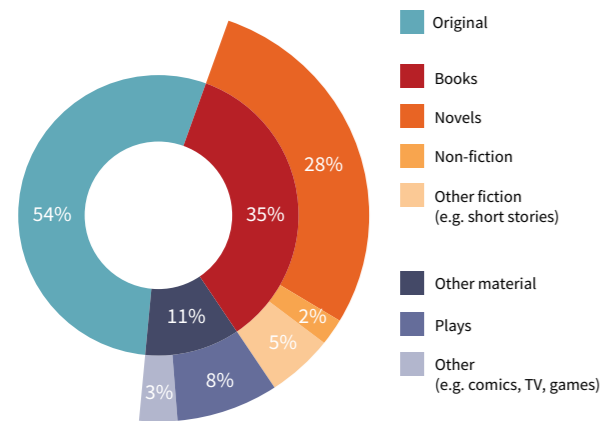
⁹ See Finney (2014).

2.1.1 The existing evidence on film adaptations

There is an existing, largely academic, evidence base exploring the relationship between film and publishing – specifically, the relative success of films adapted from other sources.

Novels seem to be a particularly rich source of material for filmmakers. Simonton (2005b) analysed a sample of English language films released worldwide between 1968 and 2002. Almost half (46%) were adaptations of one type or another, and more than one-third (35%) were adapted from books (Figure 2).

Figure 2 Source material for English-language cinema, 1968 to 2002



Source: Adapted from Simonton, 2005b

Note: Based on a sample of 1,435 English-language narrative films released in the relevant time period

Research has explored differences in the performance of films adapted from books and those with original screenplays (or adapted from other sources). Different studies vary in two main ways:

- The methods used to make comparisons: some papers look simply at raw ‘correlations’ between performance and source; while others use statistical tools to try and isolate the impact of source from other drivers of performance such as genre, runtime, and whether the film is a sequel.
- The measures of success, focusing on one or several of:
 - financial performance, like total or opening weekend box office gross;
 - critical acclaim, such as average reviews; or
 - award nominations and wins.

On the financial measures of success, a number of studies have found evidence that adapted films are more successful, though not always with full statistical confidence often owing to relatively small sample sizes for analysis:

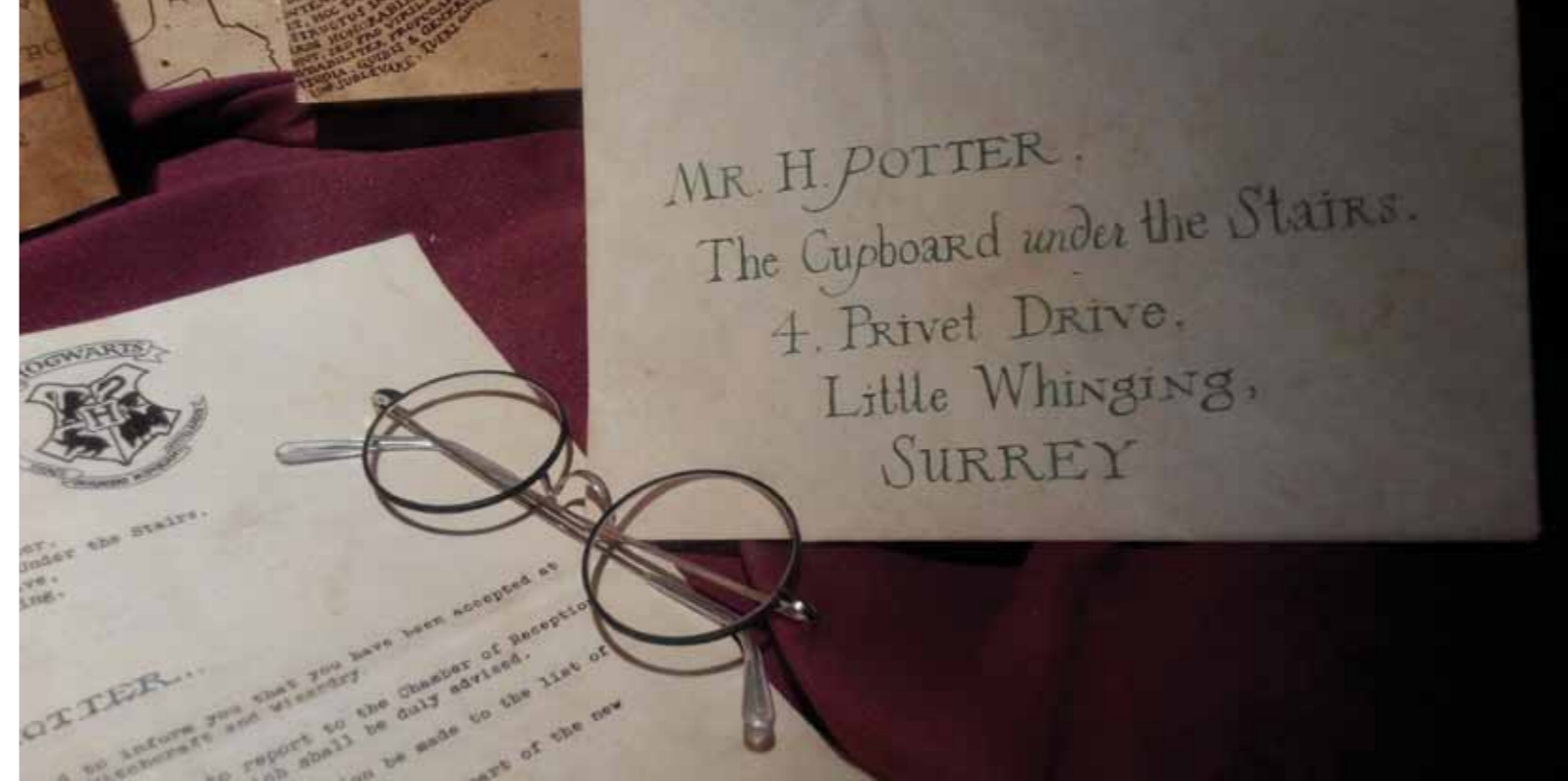
- Joshi and Mao (2012) find that films based on books outperform non-book films on the opening weekend, with a box office gross of \$12.9 million on average compared with \$10.1 million for non-book films. They find a similar effect for overall revenue (\$40.7 million on average for book-based films, to \$37.1 million for non-book films), but this difference is not statistically significant.
- Němec and Dvorakova (2017) finds that the box office revenues of a film adapting pre-existing content (mostly films based on books) are, on average, around one-third higher than similar films with an original screenplay. This takes into account factors like genre, timing of release and IMDB user rating.¹⁰
- Hunter, Smith, and Singh (2016) also find adaptations as a whole have better opening weekend box office grosses than original screenplays – about 20% higher, after taking into account factors like the film’s genre and MPAA rating.¹¹ However, they are not able to say with confidence that this effect is statistically significant – in part because of their relatively small sample of 170 films.
- Simonton (2005a), and Chang and Ki (2005) similarly find no statistically significant source effects when looking at total box office, opening weekend box office or length of run as success metrics.

There is, however, a much stronger evidence base that films based on books do better in terms of critical acclaim and awards.

Simonton (2005a) finds that critically-acclaimed films are more likely to be adaptations. On a 5-star rating scale, adapted source material (play, book, comic or TV series) adds between half a star and a full star, depending on the critical metric used. The effects are strongest for best-selling novels, literary classics and adaptations of non-fiction books.¹²

Adaptations of novels are also significantly more likely to win Oscars (and less likely to win “Razzies”, awarded to the worst films each year). In particular, research (Simonton, 2005a, 2005b, 2009a) shows that adapted films have a higher probability of receiving nominations and awards:¹³

- in the “best picture” category;
- in the dramatic categories like screenplay, direction and acting; and
- in the visual categories like cinematography and costume design.



However adapted films are somewhat less likely to win technical awards like visual effects and sounds mixing or editing.

The academic research offers two main explanations for why adapted films perform better, particularly in terms of critical success:

- First, **films can leverage the popularity of bestselling or well-known books**. If there is an existing audience for the book (those who have read it, or at least are aware of it) then it is then easier both to produce the film to begin with and then to market it afterwards.
- Second, one of the important aspects of a film is its story. **Films adapted from books tend to have a richer, more fully-developed story** to draw on, thus increasing the probability that the plot of the film is captivating for audiences.

These explanations stem from analysis of consumer attitudes, mostly in the form of surveys. Some researchers focus on the branding and memory aspect, and identify the positive attitudes cinema-goers harbour towards books and the way in which they improve their expectations and perception of a film (see Shiv and Huber, 2000). Others emphasize the importance of story as a crucial determinant of movie quality and appeal, and highlight novels as dependable sources of good storytelling (Aurier and Guintcheva 2014; Redondo and Holbrook 2010).

Limitations of the literature

The main drawback of this literature is that, except for one paper (Němec and Dvorakova 2017), it focuses on US-specific data and metrics, rather than a British, European or global view. An additional limitation is that most of the published work in this field is from the mid-2000s, so is somewhat dated today.

On a methodological level, there is no established consensus as to what exactly constitutes an adaptation. The main examples for these discrepancies are the treatment of sequels for films based on books (e.g. 2017’s “Blade Runner 2049”), original films centred around characters first introduced in a book (e.g. James Bond films), adaptations of fairy tales or folk stories, and films based on stories or characters from comics or graphic novels. For the purpose of the analysis below, we split out films based on comic books and graphic novels and treat them separately, as this is a popular and commercially important genre in its own right. For sequels and films series, we treat a film as a book adaptation if the central setting, story or character were first introduced in literary form (e.g. James Bond).

¹⁰ The Internet Movie Database (IMDB, www.imdb.com) is an online database of films and TV programmes. Each has a user-generated rating based on average scores given by visitors to the site.

¹¹ The Motion Picture Association of America film rating system is used to establish a film’s appropriate audience, e.g. 13 years and older, 16 and older and so on.

¹² These results should be taken with caution, as not all of the differences at this level of granular detail are statistically significant.

¹³ These results do not have a straightforward numerical interpretation, as Simonton combines nominations and awards to achieve one combined score. However, the order of magnitude for this effect is that being based on a book is equivalent to approximately a 10% chance of being nominated for an award. The effect is strongest for the visual categories, followed by the dramatic categories, and then the best picture category.

2.1.2 Film adaptations in the UK

Books as a source material for film

The literary world is just as rich a source for film material in the UK as it is in Hollywood, if not more so. We analysed the top 20 (by domestic box office gross) UK-produced films in the last decade (2007 to 2016): 43% of them were based on books, with a further 9% based on comic books. In short, published material is the basis of 52% of top UK films in the last 10 years, and accounts for an even higher share of revenue from these leading performers, at 61% of UK box office gross and 65% of worldwide gross. This share changes somewhat over time: in some years such as 2011 and 2015, two-thirds of the highest-grossing UK-produced films were adapted from published material.

DEFINITION OF A UK FILM

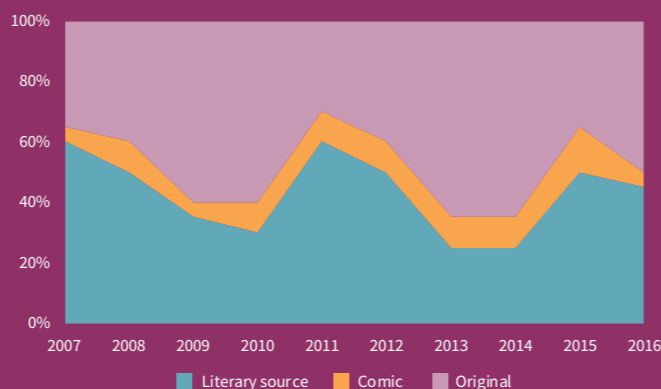
“UK-produced films” refers throughout to the BFI’s definition of films qualifying for UK tax relief. These can be either British productions or part of an official co-production.¹⁴

To a large extent, these films represent foreign investment in the UK. While data on budgets is not available, 80% of the films in the sample are co-productions, and these films account for 95% of total worldwide box office gross (Figure 4).

+44 to 53%

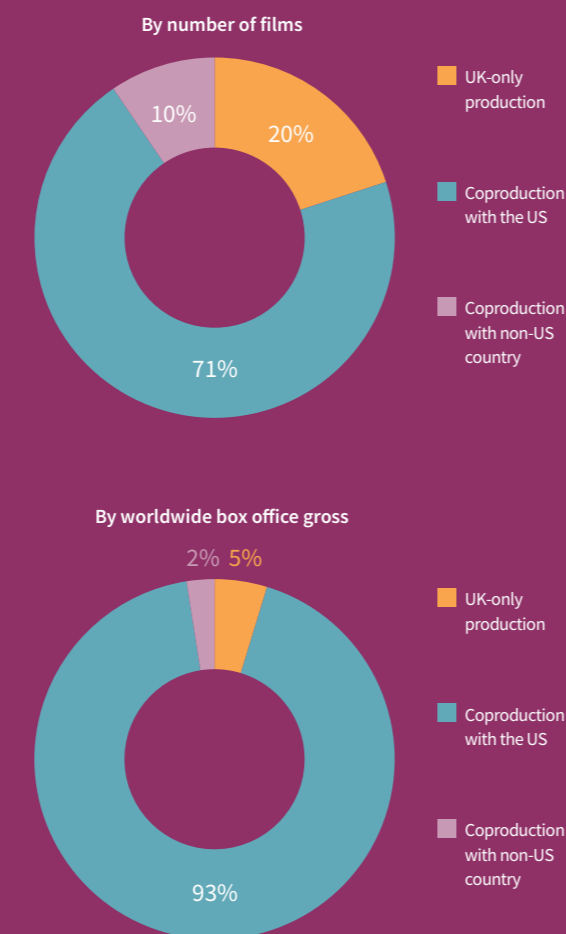
Book adaptations historically earn 44% more money in the UK (an extra £5.4m per film) and 53% more globally (an extra \$91m per film) than films based on original screenplays.

Figure 3 Share of top-grossing films by origin material



Source: Frontier Economics analysis of BFI data
 Note: Sample is the top 20 UK films in each year by UK box office gross; “original” includes adaptations from non-literary sources (e.g. TV, plays)

Figure 4 Production category for top UK films, 2007-16



Source: Frontier analysis of BFI and Box Office Mojo data

The commercial performance of films based on books

As described above, academic research from the US finds a mixed picture in terms of the relative box office performance of adapted compared with original screenplay films. Our analysis of data for UK-produced films (as defined above) suggests that **films based on literary source material tend to have substantially higher grosses than those based on original screenplays** (see Figure 5). Even

ignoring comic-based films, book adaptations earn 44% more money in the UK and 53% more globally.

Our analysis is based on a sample of the best-performing 20 UK films in each year, rather than on reviewing all UK-produced films over this period. However, the film industry is very top-heavy and the top films account for a large share of overall revenue in the sector. For instance, in 2016 the top 20 films in the UK accounted for 53% of the total box office gross for that year.¹⁵

Figure 5 Average box office gross for UK-produced films by source material, 2007-16



Source: Frontier Analysis of BFI data

Source: Frontier analysis of Box Office Mojo data

Over time, literary adaptations (even excluding comic books) add up to substantial financial sums. Over the last decade (2007 to 2016), book adaptations have accounted for £1.5bn in UK box office sales and \$22.5bn in global sales. It is not possible to robustly quantify how much of that gross can be attributed to the fact these films had literary sources, as there are too many differences in genre, distribution and other factors for the data to capture. However, using the above uplifts can give an indicative order-of-magnitude estimate – an additional gross of £462m in the UK alone and \$7.8bn globally. This assumes that these films, on average, would have similar grosses to films based on original screenplays had they not been based on a literary source. Even if only a fraction of the uplift is attributable to the films being adapted, this still represents significant value added.

These averages are driven partly by a small number of very successful films. In the ten-year period of interest, the top five films alone account for \$7 billion (~£5 billion) in revenue – only one of which (Star Wars: The Force Awakens) was based on an original screenplay, and a

sequel at that. However, these results are broadly hold also when analysing sub-samples of the dataset. For instance, removing the top 10% most successful films leaves book adaptations with a +21% uplift in the UK market (+65% internationally); alternatively, removing the 10% least successful films results in an uplift of +36% domestically and +35% internationally.

We described above how one value of adapted material is to reduce commercial risk. This is somewhat borne out from the data here: while there are examples of more and less successful (by gross) films based on books and comics among the top-grossing UK-produced films of the last five years, adapted material is concentrated among high-grossing films. Of the 40 lowest-grossing films in the sample (bottom quintile), only 20% are based on books or comics, compared with 50% of the highest-grossing 40 (top quintile).

¹⁴ See <http://www.bfi.org.uk/supporting-uk-film/british-certification-tax-relief/cultural-test-film>

¹⁵ BFI Statistical Yearbook 2017

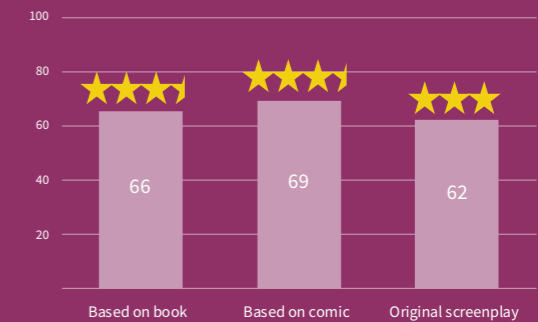


The critical performance of films based on books

Consistent with the academic evidence, we also find that UK-produced film adaptations have, on average, higher critical acclaim. For the same sample of top-grossing productions between 2007 and 2016, we took an average of the film's Metacritic score (an average of critic scores), IMDB rating (an average of viewer scores) and Rotten Tomatoes score (the share of critics giving the film a positive review). The rank of categories (comics > books > original) is the same for critical performance as it is for financial success, although with smaller gaps. Comic book films tend to have the highest average ratings, with book-based films slightly lower on average, but higher than films based on original screenplays (Figure 6). As with the revenue data, we are not here attempting to adjust for any other differences between adapted and non-adapted films.

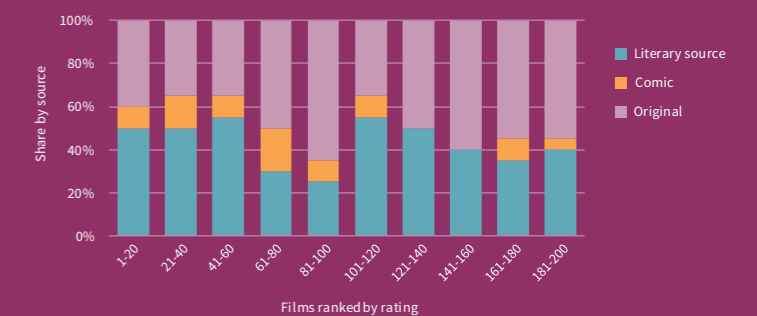
Unlike commercial success, the distribution of critical reception for films based on books is more evenly distributed. There is a similar share of book adaptations in the high-review range, the mid-range and the low-range (see Figure 7).

Figure 6 Average critical rating by source material (out of 100), 2007-16



Sources: Frontier, Metacritic, Rotten Tomatoes, IMDB
Note: Top 20 UK-produced films from each year between 2007 and 2016. Rating is an average score from the three sources, all reweighted to a scale between 0 and 100; IMDB scores did not exist in some cases and the average is only Metacritic and Rotten Tomatoes

Figure 7 Distribution of films by critical rating



Source: Frontier Economics analysis of BFI, Metacritic, Rotten Tomatoes and IMDb data
Note: Rating is an average score from the three sources, all reweighted to a scale between 0 and 100; some films did not have IMDb scores the average reflects only Metacritic and Rotten Tomatoes scores

2.1.3 The role of publishers in the adaptation process

Creatively, storytelling is at the core of both publishing and film-making. As explored above, books are often the inspiration, the source material or the starting point for a film idea. While publishing houses are rarely directly involved in the long process of bringing a film to life, they contribute indirectly through their investment in authors, development of manuscripts, and getting novels to publication.

Our qualitative interviews with publishers and other organisations in the creative sectors highlighted how publishers assist the film business in three main stages.

- **At the discovery phase:** When film producers are looking for source material for screenplays, published material

is often a helpful starting point. Published works help show that a story or characters can spark some audience interest, and novels or non-fiction books that are particularly successful also help reduce the perceived risk for filmmakers in showing that they have a potential mass market appeal.

- **At the production phase:** While this is difficult to quantify, there is a perception that a published work provides a certain proof of literary heft and helps attract quality talent – be it directors, actors or screenwriters.
- **At the marketing phase:** for some very well-known authors or best-selling books, the original creation itself is tied in to the marketing of the film and helps create an initial audience interest. Opening-weekend box office gross is a particularly important metric of success in the film industry, so having a dedicated (even if relatively small) core fan-base can be quite important. This audience engagement can work whether it is a direct impact (“I’ve read this book”) or an indirect cue (“I’ve heard of this book”).¹⁶

¹⁶ See Joshi and Mao (2012).

CASE STUDY | MY COUSIN RACHEL

My Cousin Rachel is a 1951 mystery-romance novel by British author Daphne du Maurier, set primarily on an estate in Cornwall. It has been adapted in several different ways in recent years; most recently into a 2017 film starring Rachel Weisz. We have collected information about the film and novel online and via Nielsen, as well as from the publishers at Little, Brown Book Group (owned by Hachette).

The book and the adaptation(s)

My Cousin Rachel is Daphne du Maurier's tenth novel. She was already a well-known and established author at that stage, especially after the substantial commercial success of one of her earlier works, *Rebecca* (1938), which sold nearly three million copies and inspired many adaptations, including an Academy Award-winning version directed by Alfred Hitchcock in 1940. It was published as a Virago Modern Classic in 2003, when Little, Brown first began to publish Daphne du Maurier's work.

The book, like several of du Maurier's other novels, saw several adaptations throughout the years – a film in 1952, a television series in 1983, a radio adaptation in 2011, a play in 2012 and another film in 2017. Roger Michell, who directed the most recent film adaptation, noted in an interview in 2017 that the book is very “film friendly”, and that the author was known for writing “wonderful” source material for cinema.¹⁷ He also commented on the novel's somewhat timeless appeal, citing its central figure as being “a modern character in an old book”.

The director himself discovered the book by chance three years before making the film, when he came across an old 1963 edition owned by his mother.¹⁸ In the introduction to a tie-in edition by Virago, the director cites the narrative, the deep character development and the strong visual writing as reasons he was intrigued and keen to work on this film. The film's star, Rachel Weisz, also cites the depth of the character of Rachel as something that drew her to the project, and says she read the novel in preparation for her role.¹⁹

The publisher's involvement in the adaptation

According to the publishers, the production company Fox Searchlight worked closely with Little, Brown in promoting the film. They were keen for writers, fans of the author and literary journalists to view early screenings and contribute contacts and ideas. Fox Searchlight explicitly desired to use du Maurier's reputation as a platform for promoting the adaptation, for instance producing a boxed hardback set of the author's other works that were turned into films, organising prize draws via the Telegraph and other channels, and using the box set to try and create a “buzz” with potential influencers.²⁰

The adaptation's impact

The film was released in June 2017 and was a commercial success with an opening weekend gross of just under \$1 million,²¹ accumulating \$9.2 million (£6.9 million) of worldwide revenue as of October 2017.²² The film was successful in the UK, with a total gross of \$3.44 million, accounting for around one-third of its global box office, and opening in fifth place in the UK box office rankings in its opening weekend in June 2017. Information on the production budget has not been released by Fox Searchlight. The film received generally positive reviews, with multiple critics praising Weisz's performance, and a Metacritic rating of 63.

The film's release increased sales of the book substantially. My Cousin Rachel is one of du Maurier's best-known books and has sold well over time, but this adaptation gave Little, Brown an opportunity to produce a special film tie-in, with an introduction by the director, and reach a new audience. In addition, the publishers already had several existing editions on the shelves, and sales of all three increased

substantially. In the course of 2017, the various editions of the novel sold 19,226 copies and generated £162,694 in sales; for comparison, 2,287 copies were sold in the entirety of 2016, accounting for £20,427 of revenue. All in all, the sales of the book in 2017 alone accounted for nearly a quarter (23%) of all sales since 1992, both in terms of copies and of revenue.

The jump in sales started a few weeks before the film's premiere, suggesting that the marketing campaign had already had an effect (Figure 8). Sales of the movie tie-in edition fell away in the weeks after the release, but sales of other versions saw a stronger and more persistent uplift, continuing to sell over 200 copies per week through to August, compared with typical sales of under 100 copies per week before the movie marketing began.

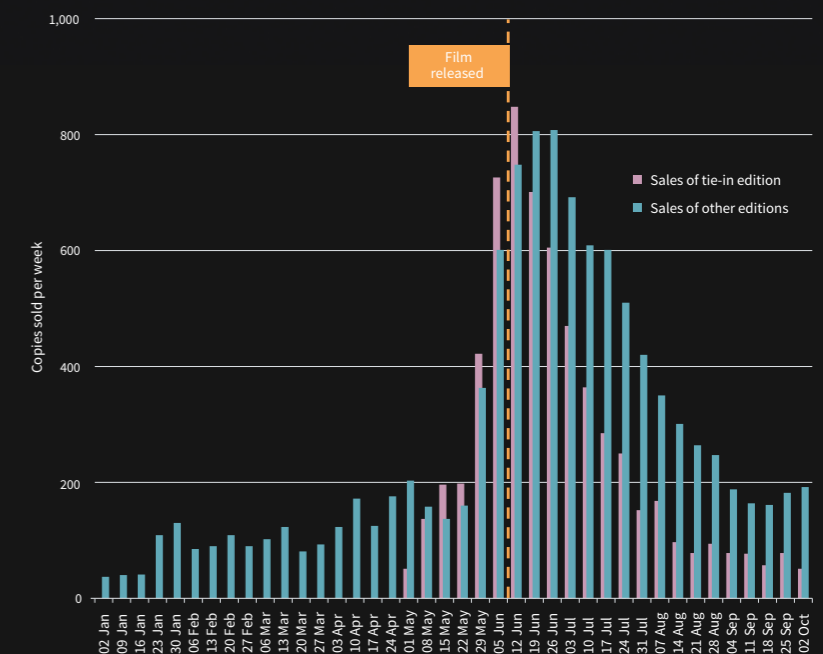
This clearly evidences the reciprocal relationship between books and film and the spill-over effects are clear between formats.

The contribution of publishing

This case study provides good examples of the contribution of publishing to the film-making process across all three stages mentioned above:

- The author's reputation as a producer of good cinematic source material, as well as the director's pre-existing interest in the book, suggest that the existence of the novel and its continuing circulation were instrumental in bringing the story to the attention of producers.
- The interviews with the director and star of the film suggest that the source material's narrative, tone and characterisation were helpful in getting them on board and attracting them to the project.
- The direct involvement of the publishing house, as well as the tagline “based on the novel by Daphne du Maurier” which appears on the film's posters, indicate that the story's literary origin was a central part of its marketing campaign.

Figure 8 Sales of physical copies of My Cousin Rachel during 2017



Source: Nielsen sales data

Note: “Other editions” include a paperback, a hardback, an “intermediate reader edition” and a play. Data excludes e-book sales.



¹⁷ <http://www.ramascreen.com/interview-director-roger-michell-talks-to-me-about-my-cousin-rachel/>

¹⁸ <https://www.virago.co.uk/wp-content/uploads/2017/06/My-Cousin-Rachel-intro.pdf>

¹⁹ <http://www.indiewire.com/2017/06/my-cousin-rachel-star-rachel-weisz-feminism-gothic-thriller-1201839971/>

²⁰ <http://www.telegraph.co.uk/films/my-cousin-rachel/premiere-prize-draw-terms-and-conditions/>, <https://www.facebook.com/notes/fox-searchlight-pictures/my-cousin-rachel-daphne-du-maurier-boxset-collection-twitter-competition/1346598615420993/>; the Telegraph also published articles in other sections to coincide with the film's release – see <http://www.telegraph.co.uk/property/uk/inside-dream-gardens-inspired-daphne-du-maurier/>

²¹ <http://www.indiewire.com/2017/06/box-office-specialty-beatriz-at-dinner-my-cousin-rachel-1201840205/>

²² <http://www.boxofficemojo.com/movies/?id=mycousinrachel.htm>



2.2 | Television

2.2.1 The existing evidence on TV adaptations of books

Recent academic work relating to TV adaptations of books has come in a series of papers by Professor Starling Hunter (Carnegie Mellon University Qatar) and colleagues in 2016 and 2017. His work focuses on the drivers of success of US TV series.

This strand of the literature groups all book adaptations together with other “non-original” television series, which also include remakes of foreign TV series, spin-offs, sequels or remakes to pre-existing shows, and adaptations from films, comics or fairy tales. The researchers then systematically compare this large group of “non-originals” with everything else (“originals”). The share of “non-originals” tends to be between 35 and 50% depending on the list of channels examined.

The studies suggest that “non-originals” outperform originals on some metrics (like a lower probability of being cancelled after one or two seasons), but underperform on others (like viewership and number of episodes). Since the results do not specifically compare book adaptations with other source material it is hard to draw too much from this new literature on the drivers of success in TV programming, but it appears to be a growing avenue of interest among researchers.

2.2.2 Prevalence of adaptations in UK television

Broadcasts

The major free-to-air TV channels carry a wide variety of programming across genres. Literary adaptations are a common presence in the broadcasting schedules of British television channels, as they make up a significant proportion of the “dramas” category of broadcasts, the

second most-viewed genre, with 16% of the audience share in 2016 according to the Broadcasters Audience Research Board (BARB).²³

Using data initially collected by BARB and provided by Digital.i, we have been able to analyse the broadcasts of all dramas on the four major free-to-air UK TV networks between 2013 and 2017.²⁴ Of the unique drama properties broadcast, across mini-series, soaps and single-broadcast features, 22% were based either directly or indirectly on literary sources.²⁵ Figure 9 shows the frequency of different types of source material across the sample period, categorised by number of episodes.²⁶ While **22% of dramas were based on books**, this overstates the proportion of broadcast slots accounted for by literary-based properties since they tend to have fewer episodes. For example, 55% of literary dramas were broadcast 4 times or fewer, while the same can only be said of 41% of original dramas. Programmes based on original screenplays are also disproportionately among the very long-running shows, with 6% of original dramas broadcast over 100 times. This may well be driven by the large share in that category of soap operas and procedurals, which are less likely to be based on literary material.

Figure 9 Source material by number of episodes

| Source | 1 | 2-4 | 5-7 | 8-12 | 13-24 | 25-48 | 49-100 | 101+ | Total |
|----------|-----|-----|-----|------|-------|-------|--------|------|-------|
| Literary | 15% | 41% | 10% | 10% | 10% | 10% | 1% | 1% | 22% |
| Original | 16% | 25% | 14% | 14% | 13% | 7% | 5% | 6% | 73% |
| Other | 30% | 25% | 0% | 10% | 10% | 10% | 15% | 0% | 5% |

Source: Frontier Analysis of BARB Data on BBC1, BBC2, ITV and CH4 dramas, 2013-2017

²³ <http://www.barb.co.uk/trendspotting/analysis/share-by-genre/>

²⁴ BBC1, BBC2, Channel 4 and ITV

²⁵ Categorisation of franchises by source material was done by Frontier. Restriction to the genre of drama uses BARB categorisations.

²⁶ It is not clear from the data whether these are additional episodes or rebroadcasts

Production

A TV production, much like a film, is a risky endeavour. An hour of television can cost millions for an ambitious series, or £700,000 to 800,000 for a typical primetime drama.²⁷ The BBC's tariff for suppliers cites £130,000 to £400,000 as a (wide) range for a mid-cost hour of television.²⁸ So while most series (like most books) will not succeed, the cost of such a failure to those who invest in it is one or two orders of magnitude higher.

We drew on data provided by the BFI on high-budget TV series in the UK (defined as having a budget of £0.5 million or more). An analysis of this data reveals that books are not only a popular source for television material, but in fact are the single most common such source. Out of the 35 high-end series produced in the UK in the period between January and September 2017:

- 14 are based on books;
- 7 are based on true stories or historical events;
- 5 are based on pre-existing films or TV stories; and
- only 9 are original stories.

This split is similar for domestic productions and for co-productions or inwards investments (non-UK companies producing or shooting a series in the UK).

2.2.3 Viewership of TV adaptations in the UK

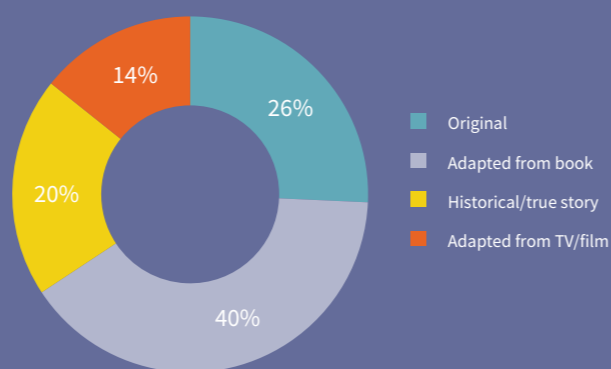
TV shows based on books are regularly produced and broadcast in the UK, and the success of a TV show can be most immediately seen in the number of viewers it attracts. Across any of the common measures of viewership, **book adaptations on average outperform shows based on original scripts** or on comic books and other sources (e.g. films, other TV shows). They attract 1.3m viewers more, on average, than original-script TV shows (56% higher), and 1.9m more on average than other adaptations (98% higher). Drawing on viewership figures collected by BARB, we look at the success of different series on the four main free-to-air British television channels: BBC1, BBC2, ITV and Channel 4. Restricting broadcasts exclusively to dramas,²⁹ 387 distinct shows have been broadcast in the five years between 2013 and 2017 on the channels in question. They range from one-episode feature-length TV movies to soaps such as EastEnders and Coronation Street that were broadcast over 1,000 times during the sample period.

40%

high-end TV shows adapted from books

As well as 22% of all drama shows broadcast on the four major free-to-air broadcasters.

Figure 10 Source material for high-end TV series under production in the UK, January to September 2017



Source: Frontier, BFI
Note: "High-end" defined as having a budget upwards of £0.5 million

+58%

viewers

On average for book adaptations compared to shows based on original scripts (an additional 1.3m viewers per episode).

Each programme was associated with a form of source material – e.g. book, comic or original screenplay – which allows analysis on how these different sources may impact popular reception. The data available from BARB provides the following audience metrics:

- **Average viewership:** the average number of people watching a show during its run;
- **Peak viewership:** the highest number of viewers watching (during a three minute interval); and
- **Reach:** the total number of viewers who have watched the programme at some point.³⁰

Each of these metrics reveal different aspects of success for a TV show broadcast over several years. Average viewership could be seen to measure the consistent audience of the show being broadcast, whereas peak and reach viewership measure a single point in time and broad cultural visibility respectively. The metrics tend to be correlated but there are many exceptions – some may have high peak or reach viewership but low average viewership. This can happen for a number of reasons: re-broadcasts during the day might push down average viewing despite successful prime-time broadcasts; effective advertising for a poor production may mean that many people tune in to a show but few stay to watch; or a long-running show may reach many people at some point but never attracted a large, consistent viewing audience. These variations, as well as the wide range of budgets, episode counts and more mentioned above, make it difficult to identify a single measure on which to compare those shows based on books and those that are not. We therefore explore each different measure to get a rich understanding.

Of the top 100 dramas broadcast (by reach) in the UK between 2013 and 2017, book-based shows accounted for 30% of productions and 37% of viewership. This is higher than the 22% share of book adaptations in the entire dataset, indicating that they are over-represented among more prominent shows; this holds for any measure of viewership – average, peak or reach.

Figure 11 shows the relative reach, peak and average audience numbers for each group of source material. Productions with literary origins, on average, attract an additional 1.3m viewers per episode compared to those based on original stories, and reach 2m more people throughout their run.

Figure 11 Viewership by source material

| Original material | Productions | Averages per group (millions): | | |
|-----------------------|-------------|--------------------------------|---------------|-------------|
| | | Average audience | Peak audience | Reach |
| Literary source | 86 | 3.7 | 5.0 | 12.6 |
| Original | 281 | 2.4 | 3.5 | 10.6 |
| Comics/ adapted other | 20 | 1.9 | 2.7 | 8.6 |
| Total/average | 387 | 2.7 | 3.8 | 10.9 |

Source: Frontier analysis of BARB data collated and provided by Digital.i
Note: Dataset includes all shows classified as "dramas" broadcast on BBC1, BBC2, Channel 4 and ITV in 2013-17; "adapted other" includes adaptations from films, plays and other television productions

²⁷ <http://www.radiotimes.com/news/2017-03-23/british-drama-global-budgets-how-co-productions-are-changing-the-way-tv-gets-made/>

²⁸ http://downloads.bbc.co.uk/commissioning/site/tariff_prices_for_independents.pdf

²⁹ As defined by BARB; other genres like Reality, Comedy or Gameshows are unlikely to be based on books, therefore including only dramas allows like-for-like comparison

³⁰ Further information on all collected metrics is available on the BARB website: <http://www.barb.co.uk/about-us/frequently-asked-questions/>

So as not to overstate the importance of reach – which is significantly higher than the other measures as it is a cumulative measure – each value has been shown relative to the viewership figures for all shows (not categorised by source material). In other words, a value above 100 means that shows with that source material are outperforming the average on that measure. In each form of measurement, Figure 12 shows levels of viewership for television with a literary source higher than those based on original screenplays. For example, average audience for shows with literary source material is 40% higher than for the typical programme and 58% higher than for original shows.

In the previous section, it was noted that programmes based on different source material tend to have very different numbers of episodes and broadcasts. It is therefore important to ensure that estimates of source material impact are not determined largely by episode number differences. Figure 13 shows the same measure as the average audience cluster of Figure 12, but with programmes split out by the number of episodes broadcast in the BARB data. From this simple distinction it is clear

that, even when controlling for episode count, viewership of literary-based television programmes outperforms the typical show. Indeed, the outperformance of literary-based programmes is often greater, reflecting the evidence above that original programmes often have longer runs.

The reason for the success of adaptations of literary material in UK television could be explained by various factors, and the case studies in Section 2.2.5 provide qualitative evidence for the ways in which a book origin can help a production in practice. In short, some of these reasons may be due to a pre-existing fanbase for adapted franchises, due to a more reliable quality of output or due to a greater ease in attracting talent for “prestige” literary productions.

Finally, it is important to note that this analysis does not capture growth of streaming platforms like Netflix and international hit shows like Game of Thrones, potentially understating the impact of literature on television.

2.2.4 Critical reception of TV adaptations in the UK

While the primary concern of broadcasters is the time viewers spend watching programmes, a complete assessment of cultural impact requires an assessment of whether viewers enjoyed what they were seeing. TV quality is subjective, difficult to measure and conditional on a variety of personal and demographic qualities. Nevertheless, critics’ awards and online aggregators of ratings provide a window into how different television shows are received.

The two most prominent TV awards ceremonies in UK and globally are the BAFTAs and Emmys, respectively. Both organisations give out a wide range of awards for different technical and performance achievements, but the most direct measure of the overall quality of a production is the award for best dramatic series. For the BAFTAs, we have analysed the recipients since 2010 of the Best Drama award and for the Emmys we have included recipients in the same time period for Outstanding Drama and Outstanding Limited Series. A number of notable, high-profile series based on books have won or been nominated for these awards, such as *The Handmaid’s Tale* (based on the book of the same name) and *Game of Thrones*, based on George R. R. Martin’s fantasy series and produced out of Belfast.

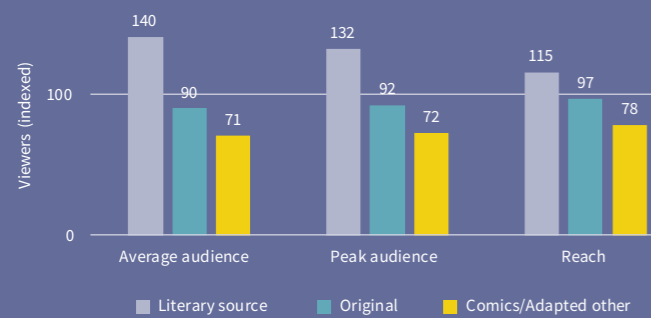
Shows based on a literary source have received 25% of the Best Drama BAFTA awards and 57% of the relevant Emmy wins.

Awards shows represent a specific cultural and demographic view of quality, however establishing audience reaction outside of viewership and awards is difficult since no representative surveys on this are taken. Internet Movie Database ratings (IMDb) are one online proxy for this, and data on viewer ratings on the website can be broken down by source material. Overall, literary-based series get slightly lower average ratings (7.19) than original ones (7.26), but a consistently higher number of votes (13,700 against 10,300). However, these differences are relatively small, and the values are global ratings of a sample of UK-aired shows, so further research is needed to understand the true cultural success of different types of productions or more specific UK viewer ratings.

2.2.5 Case studies of television adaptations

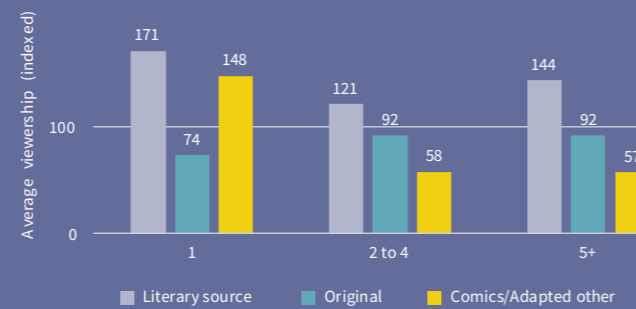
As with film adaptations, interviewees suggested that literary origins assist TV adaptations throughout the discovery, production and marketing stages. This section contains two case studies illustrating the way in which this can happen.

Figure 12 Viewership measures by source category



Source: Frontier analysis of BARB data collated and provided by Digital.i

Figure 13 Average viewership by source category and episode count



Source: Frontier analysis of BARB data collated and provided by Digital.i



CASE STUDY | THE NIGHT MANAGER



The Night Manager is a 1993 spy novel by John le Carré, adapted into a six-part mini-series in 2016. To inform this case study, we have collected publicly available information, examined Nielsen data and interviewed a producer closely involved in the adaptation process.

The Night Manager is a spy novel by John le Carré, published by Hodder in 1993 as part of a standalone book deal. People in TV and film consider The Night Manager to be a very cinematic book; two previous attempts have been made to adapt it into a film, but they did not take off due to the story seemingly being too rich and detailed to easily squeeze into two hours or so.

The production company involved noted that novels tend to be one of the main channels through which content is procured, accounting for approximately half of projects. With the rising television budgets and creative aspirations of the last few years (what's often called "the golden age of television"), the producers felt the time was ripe to adapt the story, and that a TV mini-series was the right format.

While the publishers were not directly involved in the adaptation process (the author's agents held the rights), they did matter very much in having created the story to begin with. According to the producers, any indication that a story has a potential audience is extremely valuable. A book that has sold well is considered a good predictor of a television production's success, albeit not a perfect one. In addition to giving a signal as to a story's appeal, a successful book also provides a core audience in the form of the book's readers. According to the producers, early reception of manuscripts directly from publishers can be valuable, but is relatively rare.

According to the producers, the literary origins of The Night Manager (and other book-based productions) play an even more important indirect role in attracting talent. This can be true even when the readership itself is small or when the book is quite old, due to the perception of quality attached to literature and because the fundamental narrative aspects of novels tend to be strong.

The fact that the series is based on a le Carré book was featured prominently in marketing, both in the UK and abroad. According to internal audience research, this was the third most common reason for viewers wanting to watch the series, behind the appeal of its high-profile lead actors, Tom Hiddleston and Hugh Laurie.

The adaptation of The Night Manager was an enormous critical and commercial success, winning 11 awards, including two Emmy Awards and three Golden Globes. Data from BARB show that almost 10.2 million viewers watched the first episode in the UK when it aired in February 2016, making it the second-most viewed programme that week.³¹ Viewing figures continued to run to almost 10 million in subsequent weeks, with the sixth and final episode watched by 9.9 million in March 2016, making it the most-watched programme that week. Some estimates also suggest it reached 60 to 70 million viewers worldwide, including over 44 million views alone on the Chinese-language streaming site Youku.com.³² The producers consider it successful in building a brand and in producing an engaging "world", ripe for further work. A second series was commissioned in March 2017.³³

“

Screenwriters, directors and actors want to work on stories that have 'literary chops'.

A film and TV producer

The show was also an enormous critical hit, rating 93% 'fresh' on Rotten Tomatoes, and receiving an audience average review score of 8.2 on IMDB.

As in the other case studies, the airing of the adaptation also drove increased sales of the original book, as well as bringing in substantial revenue from a tie-in edition. In fact, while the novel has been in circulation for over 25 years, 82% of the copies it sold have been in 2016 and 2017 alone. Sales of the standard (non-tie-in) paperback edition have remained strong even after the series has gone off the air, and were nearly ten times higher a year later (2017) than the year prior to airing (2015).

Figure 14 Sales of "The Night Manager" in print

| Year | Hardback copies | Paperback copies | Tie-in copies | Total sales |
|-----------------------|-----------------|------------------|---------------|-------------------|
| 2015 | 3 | 1,790 | 0 | £15,115 |
| 2016 | 2,210 | 52,458 | 55,318 | £783,002 |
| 2017 | 1,137 | 15,002 | 2,315 | £150,399 |
| Lifetime sales | 6,943 | 94,696 | 57,739 | £1,153,338 |

Source: Nielsen data

This case study serves to further illustrate the various ways in which the literary source of a television series can contribute to its success.

- **Before** the adaptation, the book was considered strong source material, and used as an origin for discovery.
- **During** the adaptation process, the book's appeal reassured the producers about the potential audience for the miniseries, and helped attract top talent.
- **After** the adaptation, the novel and author were used in marketing and promotion to increase viewership and boost book sales over time.

Image: The Ink Factory

³¹ Including on demand and catch-up viewers.

³² As of October 2017; see <http://www.soku.com/detail/show/XMTixOTQ0OA==?spm=a2h0k.8191407.0.0> (enter address into Google Translate for English)

³³ <http://www.nme.com/news/tv/night-manager-second-series-confirmed-2006572>

CASE STUDY | APPLE TREE YARD



Apple Tree Yard is a 2013 novel by Louise Doughty, recently adapted into a four-part BBC series starring Emily Watson, which premiered in 2017. To inform this case study, we have collected information online, inspected Nielsen book sales data and interviewed senior executives at the Faber & Faber publishing house and Antony Harwood Ltd literary agency.

What is the story of the book?

Apple Tree Yard is a psychological courtroom thriller, following the downward spiral of a successful middle-aged female scientist, told in the first person through the eyes of its protagonist.

It is Louise Doughty's sixth novel. Her first four were published with Simon & Schuster, and the fifth and sixth by Faber & Faber. The ties between authors and publishers tend to be quite personal and relationship-based; the author's agents indicated that the publisher contributed to the development of the novel by providing valuable editorial support and making a "massive" push in marketing, promotion and distribution. More generally, they described the public perception of publishers as being a "gatekeeper" for quality, ensuring that the finished books pass a certain bar in terms of story, structure and polish.

Faber & Faber are the ones who put together the details of the marketing and promotion plan. Marketing for Apple Tree Yard began about 9 months before publishing, to try and engage audiences ahead of time. This included a social media campaign as well as enlisting the help of other writers, and participation from booksellers. After the hardback sold well (just under 5,000 copies in 2013, according to Nielsen sales data), booksellers could be more easily convinced to "push" the paperback strongly, for example by giving it a prominent position in stores, adding to promotions (like the "Richard and Judy book club" at WH Smith) and ensuring a large stock.

The paperback was subsequently a substantial commercial success, with total UK sales of 133,358 in print (according to Nielsen data) and approximately a further 100,000 in e-book form (as estimated by the publishers), as well as substantial

overseas sales. It was also considered a literary success, for instance being shortlisted for the Crime Writers' Association Dagger Awards. The novel also won praise from readers, with an average 4.2 (out of 5) rating for the paperback version on Amazon UK.

How was it adapted?

People familiar with the manuscript report having "a good feeling" about it once it landed. Often an author or agent would then wait for publication and literary reviews, but in this case the sense was that the story is strong enough as it is and the process started once the book was edited and the manuscript was complete. The author's agents submitted the novel to a large group of producers, including the BBC, and the rights were acquired by Kudos Productions, who then took the project to the BBC.

8.23m

viewers

| Episode | Air date | Viewers |
|----------------|-------------|--------------|
| 1 | 22 January | 8.80m |
| 2 | 29 January | 8.08m |
| 3 | 05 February | 8.11m |
| 4 | 08 February | 7.93m |
| Average | | 8.23m |

The involvement of Faber & Faber at this stage was mostly in a supporting role, as they did not hold any film or TV rights. Producers are often encouraged by a story having been bought by a publisher, and want to know who is going to publish a novel. Faber & Faber report having good relationships with industry scouts, who often ask about the book's sales volume and commercial success. This is done both via formal channels and one-to-one conversations, but often also occurs in industry gatherings, book fairs and the like. Both the publishers and the agents in this case say that there was a buzz from scouts and producers, and the story sparked interest from multiple producers.

The example of Apple Tree Yard also helps inform the answer to an old and somewhat elusive question – what makes a good story for the screen? In this case, the story toed the line between the literary quality of a mature, psychological novel and the commercial appeal of a taut thriller. It was also a new entry in an existing genre, "recognisable but fresh".

More generally, most people in the industry consider a "nose" for good adaptations more of an art than a science. They say that linear stories with few characters tend to be very filmable, compared to complex narratives with multiple points of view (although Game of Thrones is a notable recent counterexample). In any case, books allow screenwriters a fully-formed canvas to create on, in arriving pre-packaged with a rich story and developed characters. Other interviewees suggested that producers are increasingly looking for serialisation and "world-building" opportunities, and that novels offer a particularly rich source for that type of storytelling.

What was the adaptation's impact?

The TV series was a success with viewers, reaching an average audience of 8.23 million people, with 8.8 million watching the premiere,³⁴ making it the fourth most-viewed programme that week. This is a good illustration of the differences in audience reach: as a best-selling book, it reached around 250,000 people but around 30 times as many saw the TV adaptation in the UK.

The show was also a critical success among audiences, with an average rating of 7.1 on IMDb.



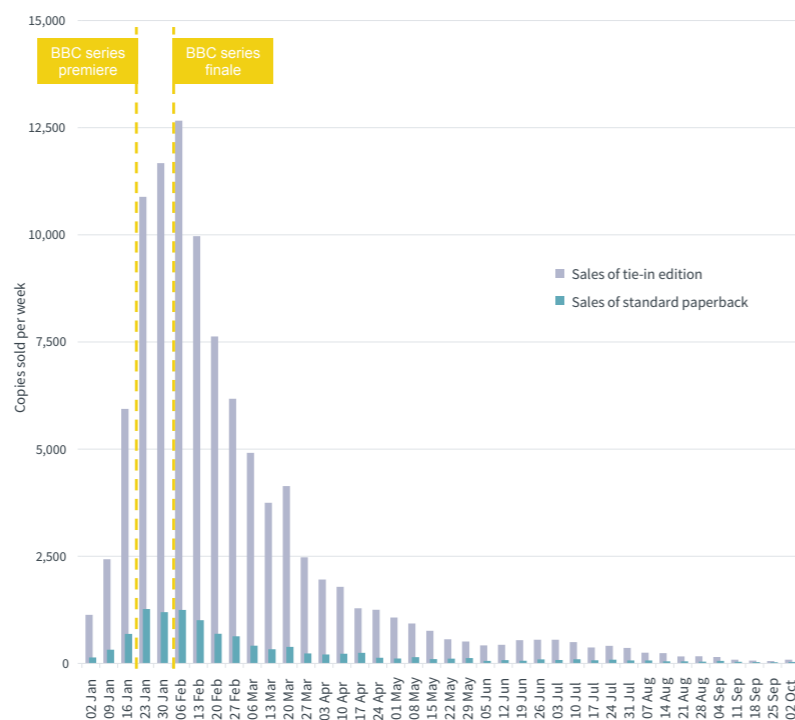
Image: Nick Briggs/Kudos

³⁴ Figures include catch-up and on-demand viewers.

One immediate action the author and publishers took was printing a tie-in edition of the book to coincide with the TV series airing. This edition sold 100,120 copies in the UK in 2017, with a large spike in sales following the series airing and a lingering effect in the following months (see Figure 15). Alongside this edition, the non-tie-in paperback also saw a sharp rise in sales.

All in all, the print versions of the book accounted for over £559,000 in UK revenue in 2017, nearly matching the total sales in 2013 and 2014 combined. Tie-in edition sales account for 42% of the novel's UK sales to date.³⁵ In addition to its strong commercial performance in the UK, the edition also sold well internationally, selling over 21,000 copies abroad, approximately one fifth of this accounted for by the tie-in edition alone.

Figure 15 Sales of Apple Tree Yard (print version) in 2017



Source: Nielsen. Does not include e-book sales.

What was the contribution of the publisher?

The publishers did not hold the TV rights of the story in this case (as is typical), and did not directly take part in the adaptation process. However, the people involved highlighted the role of the publisher as the gatekeeper in this case, as a filter and signal-booster for finding a good story. Adaptations from self-published authors exist, but they are rare, and are considered by industry experts as the exception rather than the rule.

In addition, a publisher's sign-off and support was somewhat helpful in the process of selling the manuscript to producers, although it is difficult to measure this effect.

Finally, Doughty's success as an author offered her opportunity to be more directly involved in the process in this instance, securing an associate producer role, with the aid of her agents. We are not aware of the exact details of her involvement in this case, but there seems to be a general perception that the author often has a better grasp of the intricacies of the story than the screenwriter, and can be an asset on set.

35 Source: Nielsen sales data.





2.3 | Theatre

2.3.1 The existing evidence on stage adaptations of books

A small number of papers have examined the characteristics associated with the success of theatre productions, but no research that we are aware of has rigorously analysed the success of plays and musicals adapted from books.

The nearest example to considering the success of adaptations is a study that analyses musicals adapted from films, and finds that all else being equal, these tend to have higher weekly sales than musicals not based on films (Gates, 2013). In monetary terms, the author finds that a musical based on a film can expect an increase of \$112,732 in median weekly gross sales. One of the reasons suggested is that musicals based on a film have an already established brand which may assist their marketing efforts. If this is true, a similar premium for works based on books may be expected; however there is no current quantitative evidence for this.

2.3.2 Stage adaptations in the UK

Theatre in London

Theatre in London – concentrated in the West End – is a centuries old and world famous institution. It attracts prominent actors, draws in substantial domestic and tourist audiences and launches many productions that go on to garner international acclaim. The revenue generated by these theatres is significant: data from the Society Of London Theatres (SOLT) for 2016 show total box office sales of almost £645 million, from over 14.3 million tickets. This places the revenue for London theatres alone at around half the total cinema box office gross (£1.3 billion) across the entire UK in that year.

Assessing the financial success of West End productions is difficult, as this data is not publicly available. The length of a production's run is a simple metric of its cultural

and financial impact, and **the four longest running productions in the UK are all based on literary sources:**

- St Martin's Theatre has been host to Agatha Christie's *The Mousetrap* since March 1974. As of 2018, it has conducted over 27,000 performances, and is the longest-running production in the world.
- The second longest-running production is the musical *Les Misérables*, which currently takes place in the Queen's Theatre. The English version opened on the West End in 1985 and it has since become a successful international phenomenon, inspiring an Academy Award-winning film.
- The third and fourth longest-running productions in the West End, *The Phantom of the Opera* and *The Woman in Black*, each of which are based on successful novels.

The longevity and dominance of book-based theatrical productions in this part of the theatrical world shows the importance of published material to commercial success in the theatre industry. Book-based productions account for 7 of the 24 shows that have run for 3,000 performances or more in the West End.³⁶

While financial data for West End shows is private, the equivalent revenue figures for Broadway are published weekly. Over the year 2016, data was made available for 75 separate Broadway shows, including their cumulative gross revenue.³⁷ Of the top 50 largest productions by cumulative gross, 14 (more than a quarter) were based on books – a similar proportion to those for long-running West End shows.

The top 4

...longest-running shows in the West End are all based on literary sources.

³⁶ The four listed above along with *Cats*, *Wicked* and *The 39 Steps*

³⁷ <https://www.broadwayworld.com/grossescumulative.cfm?year=2016>

Theatre across the UK

Theatre in the UK is far from restricted to London. The Theatres Trust estimates that there are over 1,300 active theatres across the UK.³⁸ UK Theatre (formerly the Theatrical Managers Association) is an industry body for performing arts professionals, venues and production companies outside London who collect data on the productions put on by their members. Their published reports for 2016 detail the financial outcomes for 5,496 productions with a total box office income of £470 million.³⁹

UK Theatre provided further breakdowns of theatre revenue based on their genre and source material (for example books, film or original work). This allows us to look at how important adapted material is to the non-London UK theatre sector as a whole, and how productions adapted from books performs compared to original productions or those adapted from other sources. We focus on three genres – family musicals, musicals for adults, and plays – that make up the majority (56%) of UK Theatre’s recorded revenues.

Figure 16 shows the number of plays and musicals produced by UK Theatre members in 2016 alongside their overall capacity and take (both for ticket numbers and revenue). Notably, plays account for a far higher volume of productions with a significantly lower level of revenue per show.

2.3 to 2.8 times

Book-based family musicals make 2.3 times more money on average than originals; plays based on books make 2.8 times more than original plays.

Figure 16 UK Theatre Revenue and Tickets

| | Productions | Capacity | | Take | |
|------------------------|--------------|---------------|-----------------|---------------|-----------------|
| | | Tickets | Revenue | Tickets | Revenue |
| Family Musical | 220 | 4.3 m | £144.8 m | 3.0 m | £101.4 m |
| Adult Musical | 214 | 4.5 m | £134.3 m | 2.7 m | £84.6 m |
| Plays | 1,518 | 6.8 m | £150.2 m | 3.7 m | £78.1 m |
| All Productions | 5,496 | 31.2 m | £770.5 m | 19.0 m | £470.0 m |

Source: UK Theatre Sales Data Reports 2016

Note: “All Productions” include genres like stand-up comedy, pantomime and musical concerts, which are not storytelling in the same way as plays and musicals and are not likely to be adapted from other source material; we have focused on plays, musicals and children’s theatre to allow a like-for-like comparison.

In each genre, adapted material makes up a substantial portion of the shows put on – Figure 17 shows the number of productions and associated revenue for each source of adaptation. Productions adapted from books account for 12% of family musical revenue and 16% of play revenue in 2016, the figure for adult musicals is negligible. A large proportion of revenue in both categories of musical is shows adapted from film. These have become extremely prominent in recent years especially, with popular shows such as Sister Act, Hairspray and many more.

Figure 17 UK Theatre Adaptations

| Source Material | Family Musical | | Adult Musical | | Plays | |
|--------------------|----------------|----------------|---------------|---------------|--------------|----------------|
| | Prodns. | Rev. | Prodns. | Rev. | Prodns. | Rev. |
| Children's Books | 15 | £7.06m | - | - | 23 | £3.19m |
| Other Books | 12 | £5.26m | 8 | £0.84m | 88 | £9.54m |
| All Books | 27 | £12.32m | 8 | £0.84m | 111 | £12.72m |
| Films | 47 | £61.40m | 24 | £25.84m | 12 | £4.54m |
| Plays | 1 | <£0.01m | 1 | £0.13m | 24 | £4.34m |
| Other | 6 | £0.15m | 6 | £1.29m | 12 | £0.49m |
| All Adapted | 81 | £73.9m | 39 | £28.1m | 159 | £22.1m |
| Not Adapted | 139 | £27.5m | 175 | £56.5m | 1,359 | £56.0m |
| Total | 220 | £101.4m | 214 | £84.6m | 1,518 | £78.1m |

Source: Data provided by UK Theatre, using adaptation categories provided by Frontier⁴⁰

There are two main commercial metrics for comparing productions based on books to others – the revenue per production and the capacity filled. Revenue per production indicates the overall financial success of a run of shows in a venue. The higher a production’s gross revenue, the more successful it has been. This reflects the quality of the show through demand to see performances, however there may be factors which limit performance numbers or capacity that are unrelated to demand. Figure 18 shows the difference in mean revenue per production across genres and adaptation categories.

³⁸ <http://www.theatrestrust.org.uk/discover-theatres/theatre-faqs/167-how-many-theatres-are-there-in-the-uk>

³⁹ This is not a complete survey of national theatre as they only have data for members, but is nonetheless an extensive picture of the country’s theatre industry outside London.

⁴⁰ UK Theatre keeps internal data on which productions are adapted and which are not. Frontier manually categorised every adapted 2016 production into the following categories: Children’s books; Other books; Films; Plays; Fables and fairy tales; Other.

As suggested by Figure 17, film-based adaptations are overwhelmingly successful in every genre – a family musical based on a film, for instance, draws over 6 times the revenue per production as one based on a book. **Productions based on books are more successful than original productions for both plays and family musicals.** An original play achieves an average revenue of £41,000, while a play adapted from a literary source averages a revenue of £115,000 (a 180% increase). Family musicals based on books take in an average of £456,000, a figure 130% higher than the expected take for original family musicals (£198,000). Conclusions regarding adult musicals based on books are not necessarily very robust, as there were only 8 such productions recorded in 2016, however they perform worse than original musicals at £104,000 to £322,000 (a 68% decrease).

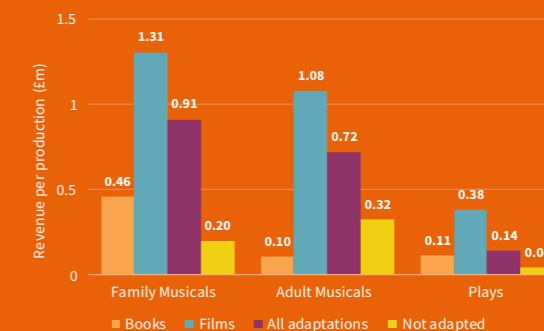
These trends hold when analysing the number of tickets sold, as seen in Figure 19. Film adaptations sell the most tickets by far, and book adaptations sell nearly three times as many tickets on average as non-adapted productions.

Capacity filled reflects how successful a production has been at filling the seats available at a venue. Figure 20 shows the different levels of capacity filled, by genre and source material. In family musicals, these figures tell a similar story to the revenue-per-production statistics: film adaptations perform better than book adaptations which in turn perform better than original material. However, that pattern is changed in plays, where those based on books are the most successful in a context where fewer seats are filled generally. A play based on a book has a mean filled capacity of 53%, while those based on films achieve only 46%. Once again, there are too few book-based adult musicals to make robust conclusions, but their 70% capacity achieved figure is significantly better than the 60% figure for original adult musicals.

Overall, our analysis of UK Theatre data suggests that productions adapted from books form an important part of the nationwide theatre industry. **We find that plays and musicals based on literary sources accounted for over £25 million in revenue in 2016** outside London (£37 million if pantomimes and family theatre are included). Across metrics and genres, adaptations of books outperform original material – sometimes quite significantly – though not film adaptations.

Ultimately, choices of venue, production and length of run are themselves a response to expectations of demand, so robust conclusions are difficult to draw. Nonetheless, the data suggest that shows based on books draw more money and fill out more seats.

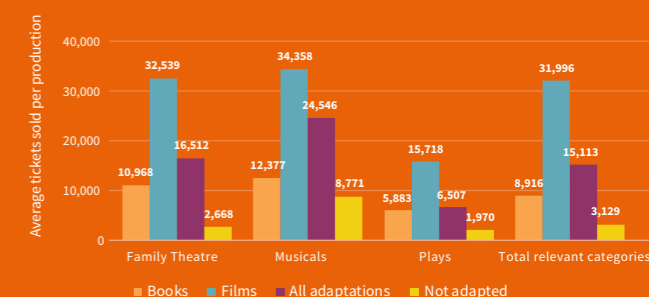
Figure 18 Revenue per production by source material



Source: Frontier analysis of UK Theatre data

Note: Categorisations by source material were done by Frontier and implemented by UK Theatre

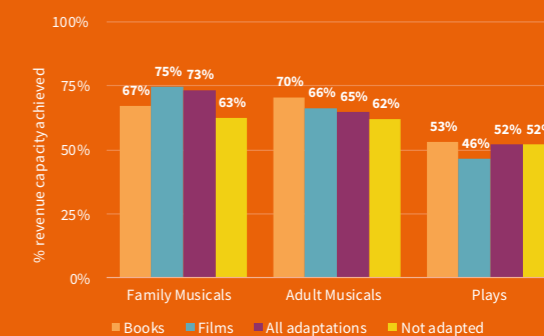
Figure 19 Average tickets per production by type



Source: Frontier analysis of UK Theatre data

Note: The total includes plays, musicals and family theatre, and exclude less relevant categories such as concerts, stand-up and pantomimes.

Figure 20 Theatre capacity filled by source material



Source: Frontier analysis of UK Theatre data

Note: Categorisations by source material were done by Frontier and implemented by UK Theatre

CASE STUDY | WAR HORSE



War Horse is a British children's novel by author Michael Morpurgo, published in 1982. It was first adapted for the stage in 2007, followed by a film adaptation in 2011. We have collected publicly available information as well as data from Nielsen, and talked to executives at Egmont, who currently hold the publishing rights for the book.

War Horse is one of author Michael Morpurgo's early works, published in 1982, and sales were very modest initially. Some of his later works became much better known, and in fact War Horse itself was at danger of not being kept in cycle. However, the author's affinity for his early work and the publishers' decision to keep an entire bundle of back-catalogue works ensured that the novel was kept in print despite not being commercially viable on its own.

Many years later, Tom Morris, who would go on to direct the stage adaptation of War Horse at the National Theatre, was looking for a story with an animal hero. He had seen a South African puppeteering group in action and wanted to stage a play where their skills could come to life. From the theatre's point of view, they were looking for a story that would appeal to both adults and children. Coincidentally, Morris's mother had heard Morpurgo talking about his book on the radio, read it, and recommended it to her son. The two then got in touch directly and kicked off the process of adapting the book.⁴¹ While the publisher did not have the rights to the story, Morpurgo himself was directly involved – taking the puppeteers to a farm, answering the cast's questions and making some script suggestions.⁴²

The play was staged at the National Theatre in 2007 and became exceptionally successful, winning several awards, spawning a West End run, a Broadway version, and tours and productions in seven other countries. On Broadway, War Horse grossed almost \$75 million over 751 performances, and was seen by more than 726,000 people between 2011 and 2013.

One of the members of the audience to see the play in London in 2009 was Kathleen Kennedy, a top Hollywood producer. She encouraged her long-time collaborator Steven Spielberg to see the play as well, leading to a live-action film adaptation in 2011.⁴³ The film was shot

entirely in England and premiered in November 2011 to positive reviews and commercial success, earning twice its production budget with \$156m in box office revenue.⁴⁴

Unlike some of the other case studies in this report, the book did not see much commercial success before the adaptation, and so the popularity of the book was driven to a large degree by the success of the play and film. The publisher did not hold film or play rights, and in this case the literary origin of the play and film did not feature prominently in marketing. In any case, Egmont saw a large spike in sales in 2007 when the National Theatre production debuted, with sustained commercial success since.

For instance, the book had sold 16,000 copies across several editions accounting for £88,000 in sales in 2005 and 2006 combined. It then went on to sell 23,000 copies for £135,000 in 2007 alone. Nine years after the first stage adaptation, the book was still selling well, with 20,000 copies accounting

“

The puppets are what makes the show unique, but... it's the heart of Michael Morpurgo's story that people connect to.

Tom Morris, director of War Horse

Image: Brinkhoff/Mogenburg

for £121,000 in revenue in 2016 according to Nielsen data. It is Morpurgo's best-selling work to date with total sales of 912,218 in the UK as of April 2018, excluding export and translation sales in 38 languages.

The synergy between the original story and the stage adaptation reaches beyond the productions themselves, and into merchandise, toys, and wider cultural touchpoints. For instance, a recent successful exhibition showcasing Morpurgo's archives and the original life-size puppet from the West End War Horse adaptation is being exhibited in London in 2017-18, after a successful run in “Seven Stories”, the National Centre for Children's Books in Newcastle upon Tyne.⁴⁵ The exhibition received 256,336 visitors in London, and an additional 57,106 people have visited the Seven Stories museum while it was showcased there. As of the time of print, the exhibition is being showcased in Taunton in Somerset and is due to tour in Leeds and in Kilmarnock, Scotland until autumn 2019. This further illustrates the cultural reach of Morpurgo's work, and the way in which literature can engage the public in various parts of the country.

In addition to the continued publishing of the book, part of the ongoing contribution that the publisher makes is to repackage that backlist every two to three years to “keep it fresh” – designing new covers, choosing new photos and reformatting the text. Egmont has also issued several illustrated colour editions, as well as special editions for different markets, following the adaptation's success. While not involved in the adaptation process, the very fact that the publishers kept Morpurgo's entire back catalogue in print seems to have been crucial to the book's discovery and subsequent adaptations. While we have referred here mostly to the direct impact the book has made on the adaptations, the museums example above illustrates that further contributions can often be made (especially for children's stories) through toys, merchandise, events and other forms of economic and cultural impact.

⁴¹ See <https://www.theguardian.com/stage/2014/aug/19/how-we-made-war-horse>, <https://www.list.co.uk/article/57300-interview-director-tom-morris-on-bringing-michael-morpurgos-war-horse-to-the-stage/>
⁴² This was also the case for other adaptations of his work - see <https://www.theguardian.com/culture/2010/aug/21/michael-morpurgo-on-stage-adaptations>
⁴³ <http://www.independent.co.uk/arts-entertainment/films/news/europes-finest-join-up-for-war-horse-2004779.html>
⁴⁴ <http://www.the-numbers.com/movie/War-Horse>
⁴⁵ <https://www.sevenstories.org.uk/news/latestnews/michaelmorpurgo>, <http://www.vam.ac.uk/moc/exhibitions/morpurgo/>



3 Conclusions

The picture emerging from the academic evidence, the quantitative evidence and the case studies is clear: there is a strong two-way relationship between publishing and the wider creative economy, in particular the screen and stage industries.

The existing evidence and data seem to suggest that films based on published works do somewhat better than original screenplays, both in terms of commercial and critical success, and television shows based on books attract more viewers. The evidence regarding stage adaptations is that plays and musicals based on books take in more revenue and fill more seats.

Publishing plays a central role in content discovery for film, TV and theatre, and is one of the leading sources for material in these industries. While often not involved in the adaptation process directly, publishers add value through a variety of indirect channels.

- In producing a steady stream of works of fiction and non-fiction, publishers act as a repository for stories to be discovered by producers, agents and scouts looking for ideas.
- Publishers act as a filter for quality storytelling and help polish and edit manuscripts into fully formed, engaging stories.
- Publishers invest in authors at the start of their careers and sustain long-term relationships with them, allowing them to develop work that may mature to adaptations many years down the line.

- Publishers keep old works of literature in circulation, helping sustain a library of potential source material.
- Publishers alleviate some of the inherent risk of a screen or stage production by taking the risk on themselves at the publication stage, allowing producers to choose stories which have already shown the ability to engage audiences.
- The literary heft and prestige offered by published works help attract top talent (directors, screenwriters, actors and others) to film and stage adaptations.
- The readership and public profile of a book can make it easier to market an adaptation, using the original's brand as a starting point.
- The direct involvement of the author can sometimes improve the quality of adaptations, due to their deep understanding of the story and characters.

Finally, the book and film or stage worlds clearly have a reciprocal relationship, wherein a successful adaptation often has spill-over effects and gives a substantial boost to the sales of the original book. This can lead to synergies between the industries – a book spawning a screen or stage version, leading to increased sales of the book, increasing an author's likelihood of writing more stories, which could then potentially be adapted themselves. This is only part of the story of publishing's overall economic contribution, but is an important one.

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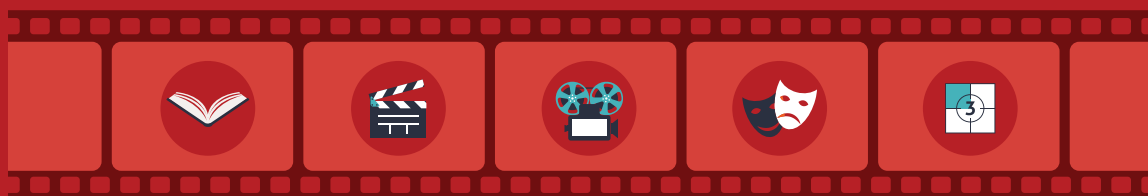
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