

Superhero Movies and Hollywood Decline: The Influence of Economic Environments

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Abstract. This paper explores the historical evolution and current decline of superhero movies in Hollywood, emphasizing the role of economic environments. From their origins during the Great Depression to their peak in the post-2008 financial crisis era, superhero films have reflected societal needs for escapism and heroism. However, recent challenges, including rising production costs, cultural fatigue, and disruptions from streaming and strikes, signal a downturn. Through quantitative analysis and comparative studies, this paper argues that economic factors—such as recessions fostering demand for “safe” entertainment and prosperity leading to genre fatigue—significantly influence the genre’s trajectory. Data from box office trends and regression analysis support this thesis, with implications for Hollywood’s future adaptability.

Keywords: Superhero movies, Hollywood decline, economic influences, box office analysis, cultural fatigue

1. Introduction

1.1. Research background

For more than twenty years now, superhero movies have been a huge part of Hollywood’s blockbuster scene. They’ve captivated audiences everywhere with their epic stories and have been massive box office hits. Think about the Marvel Cinematic Universe’s incredible rise—films like *Avengers: Endgame* [1] pulled in a staggering \$2.79 billion globally. On the other hand, DC’s films have been a bit more of a mixed bag, though still hugely ambitious. There’s no question the genre has left its mark on modern cinema. But something’s shifted since around 2022. We’re starting to see a real decline in how these movies are performing. Take *The Marvels* [2], for example. It only made \$206 million worldwide, which fell short of its \$270 million budget—a pretty stark contrast to the MCU’s earlier, seemingly unstoppable success. This has a lot of people talking about superhero fatigue and the economic pressures at play. This paper digs into the many reasons behind this downturn—looking at historical, economic, cultural, and industry-specific factors. We’re paying special attention to how the broader economic climate has influenced the genre’s path. By weaving together box office numbers, academic research, and industry analysis, we hope to unpack what’s really driving this decline and what it could mean for the future of Hollywood.

1.2. Motivation

So, what got this whole study started was a pretty basic question: Why is the superhero movie, a genre that once ruled the box office, starting to struggle now? It's fascinating, really. These films were practically recession-proof. After the 2008 financial crisis, they did incredibly well, providing a perfect, affordable escape with their classic heroic stories. But the economic world we're in today is a different beast altogether. We're dealing with post-pandemic recovery, inflation, and don't forget the huge Hollywood strikes in 2023—it all creates a new set of hurdles. The financial side is a big part of it. Production budgets have just ballooned. Take *The Flash* [3]; it had a reported budget of \$220 million. Compare that to the original *Superman* from 1978, which would be about \$135 million after adjusting for inflation. When box office returns start to slip, those massive costs put a real strain on studio profits. At the exact same time, the way we watch movies has been completely upended by streaming. Netflix, Disney+, Amazon Prime—these platforms have fractured audience attention. They offer a ton of diverse content you can watch anytime, right from your couch, which directly competes with going out to the theater. To put it in perspective, Netflix alone had over 260 million subscribers in 2023, a number that absolutely dwarfs traditional cinema attendance and has fundamentally changed our viewing habits. This makes you wonder if superhero films can even hold onto their cultural spot in a market that's now dominated by streaming. And then there's the cultural aspect. You might remember Martin Scorsese's comments a few years back, calling these films "theme park" experiences and critiquing their lack of depth. That sentiment points to a potential sense of fatigue. Maybe audiences are simply craving more innovative and substantial stories. Getting a handle on all these moving parts—the economic pressures and the cultural shifts—is crucial. It's not just important for studios trying to stay profitable, but also for anyone studying how these larger forces shape what ends up on our screens.

1.3. Research question

This paper examines the significant drop in superhero movie ticket sales since 2022. It asks two main questions: First, what mix of historical, economic, cultural, and industry factors are causing this decline? Second, how do these factors affect how audiences feel about these movies and, ultimately, how much money studios make? Historically, this genre has done well during tough times. Characters like *Superman*, who came about during the Great Depression, and the return of *Batman* after 9/11, show how these stories have given people hope and a sense of heroism. Economically, recessions often make people want familiar, "safe" entertainment, while good times lead to more diverse tastes. Culturally, people seem to be getting tired of the same old plots and constant reboots, which is making them less excited about these movies. These problems are made worse by recent industry issues, like production delays from labor disputes and the impact of streaming services, which have made going to the movies less special. A study of box office numbers and economic growth from 2000 to 2024 shows a clear negative link ($r^2 = 0.68$, $p < 0.05$) [4], meaning superhero movies lose ground when the economy is doing well. By looking at all these different factors, this study hopes to offer a more detailed understanding of how popular genres change over time and how Hollywood adapts [5].

1.4. Significance

This research is really important because it brings together economics, culture, and a look at what's happening in the industry. To understand what's going on now, the study uses lots of different

sources, like a recent report from the Milken Institute and academic papers about superheroes. The goal is to help movie studios figure out the best way forward, like whether to try new things, mix genres, or make smaller movies. As Hollywood deals with streaming services and money problems, it's super important to understand these things. This helps us guess where movies are going and keeps the industry strong in the future.

2. Historical overview

2.1. Period (1938–1945)

The superhero stories started during the hard times of the Great Depression. Superman came out in 1938. People liked him because he gave them hope when things were tough. It was a cheap way to feel good. Captain America came along in 1941. He was made to help with the war. The comics cost ten cents. They were a way to have fun when there wasn't much money.

2.2. Golden age (1946–1985)

After the Second World War, the Cold War gave superheroes a sense of right and wrong, like in X-Men, which talked about civil rights and arguments between different ideas. In the 1970s, when money was bad, the superhero stories got darker, like when Batman changed to be more serious, which showed how people felt sad about things.

2.3. Modern revival (2000–2019)

Following the events of 9/11, there was a greater need for stories about heroes. Christopher Nolan's Batman movies, which dealt with the emotional impact of the attacks, are a good example. The 2008 financial crisis made the Marvel Cinematic Universe (MCU) popular. It was a cheap way to have fun, and it made money by using connected stories.

Table 1. Key superhero films and their context

Movie Title	Year	Background	Box Office (Global, Unadjusted)	Buzz & Sequel Notes
Superman (Serial)	1941	Great Depression, WWII; escapism, patriotism	~\$1M (est.)	High buzz; multiple serials
Captain America (Serial)	1944	WWII propaganda; morale boost	~\$0.8M (est.)	Moderate buzz; serial continuations
Superman	1978	Post-Vietnam, stagflation; hope, nostalgia	\$300.2M	High buzz (iconic Reeve, VFX); sequel (Superman II)
Batman	1989	Cold War end	\$411.5M	High buzz (Burton's vision, Keaton); sequel (Batman Returns)
X-Men	2000	Post-9/11; civil rights allegory	\$296.3M	High buzz (ensemble cast); sequel (X2)
Batman Begins	2005	Post-9/11; gritty realism	\$374.2M	High buzz (Nolan's approach); sequel (The Dark Knight)
Iron Man	2008	Post-2008 financial crisis; MCU launch	\$585.2M	High buzz (Downey Jr., MCU model); sequel (Iron Man 2)
The Avengers	2012	Post-crisis recovery; shared universe	\$1.52B	Massive buzz (crossover event); sequel (Age of Ultron)
Avengers: Endgame	2019	Post-crisis prosperity; MCU peak	\$2.79B	Massive buzz (event cinema); no direct sequel (culmination of 22-film saga)

2.4. Conclusion: factors contributing to popularity

The interest in superhero movies across these eras emerges from their alignment with societal needs, economic circumstances, and cultural highlights, compounded by deliberate innovation within the sector. During the Origins Period, the Superman and Captain America serials provided inexpensive forms of escapism during the Great Depression and World War II, fulfilling a collective need for optimism and patriotism during an economic and geopolitical crisis. The quiet flow of these movies during the world war made their limited box office performance seem modest. In the Golden Age, Superman [6] and Batman [7] embraced anxieties rooted in the post-Vietnam and Cold War periods, infusing nostalgia into the darker, more relatable storyline. The stunning special effects provided in Superman with the performance of Christopher Reeve alongside the gothic and disillusioned society during Batman's gothic aesthetic by Tim Burton earned the movie great success. The buzz surrounding the movies from these two periods made their success iconic and triumphed the start of superhero movies as box office hits.

The blend of shifted culture and emotion after 9/11, economic recovery after 2008, and Marvel's groundbreaking shared universe model led to the superhero genre's explosion in popularity during the modern revival period. The genre was given a makeover with social discrimination issues in X-Men [8] which broadened the target audience. Batman Begins also used social psychology with a hero narrative which was deeply favored after the 9/11 attacks. Iron Man and the Avengers hit it big, thanks to the way the Marvel Cinematic Universe (MCU) told its stories and Robert Downey Jr.'s star power, especially during the tough times of the economic crisis. This led to a huge success, including the record-breaking Avengers: Endgame. The MCU's method, using connected stories, characters crossing over, and getting fans excited, created a system where people kept wanting more and more, which brought in lots of money. These movies were really good at understanding the feelings and money problems people were dealing with, and they did a great job of it. People wanted to escape reality during the recession, and the movies gave them that, while also showing more complex heroes. But, some of the later MCU movies have become too focused on big special effects and following a set pattern, which can make things feel boring. To keep families and kids interested, you need to find a good balance between trying new things and sticking to what works. The movies' success came from being easy to watch, staying relevant to what people cared about, and changing the stories over time. However, since 2022, things have slowed down, showing that they need to try new things to stay popular in a world where streaming is everywhere and things have changed since the pandemic.

3. Analysis of current issues facing the industry

3.1. Market performance

While 2019's Avengers: Endgame marked a major milestone for Marvel, grossing over \$2.79 billion and solidifying their dominance in the film industry, the golden era of superhero films may be coming to an end. The Marvel Cinematic Universe (MCU) [9] has experienced a shift, marked by a sharp decline in box office performance, noticeable in the \$206 million gross box office earnings for The Marvels [10] film in comparison to the genre's previous accomplishments. This demonstrates an even steeper loss and decline in audience turnout considering the film's production budget of \$270 million. In the same year, DC's The Flash [11] faced financial loss, straggling just past the break-even mark at \$271 million in gross earnings against a \$220 million budget, not considering marketing costs. The declining superhero genre is in stark contrast against older films celebrating

the genre's inception with Superman [12] shattering box office records, earning \$300.2 million globally with a budget of \$55 million (around \$135 million adjusted for inflation) [13]. It's plain to see that the sharp economic decline coupled with an ever-changing production landscape caused by the 2023 Hollywood strikes has brought a tangible shift in the industry. The mounting economic pressures, greatly influence spending in CGI demand coupled with rising A-list talent, have amplified risks. The reduced profitability in the production of superhero films, once considered "safe bets" will no longer be applicable in the current fiscal environment.

3.2. Cultural fatigue

Fatigue with culture is becoming one of the more important reasons for the decline of the genre as the audiences feel bored with the storytelling actually revolves around super heroes. The critique of Martin Scorsese in 2019 in which he compared the movies with the "theme parks" for focusing on the spectacles with no emotional or intellectual underlying reason is gaining more and more popularity now. The audience and critics China ago The Marvels with the 62% Rotten Tomatoes score which comes on the "content is king" Sandeep rule of "super content" and the violent movies. While the over used tropes of the multiverse are more and more frequent, for Ant-Man and the Wasp: Quantumania [14] which got a 46% score from the critics. The repetition of super hero movies seems to "superhero fatigue" and for the mark of social media buzz, the post the mark of social media buzz, with the mark of social media buzz, The Marvels got 40% fewer X posts than Avengers: Infinity War [15].

This is indicative of the fatigue and boredom felt by audiences. The mark of social media buzz, "superhero fatigue" is on the decline and the boredom with brand familiarity as used in widespread rebooted. emphasized the overuse of nostalgia, interconnected universes, or overdone ideas to simply the audiences. Streaming platforms combined with diverse or high pg. quality content, profound cuties, logical content and pacing, capped with the fast and heavy spectacles of super heroes are over powering.

4. Potential influences of economic environments

4.1. Wartime economy hypothesis

Economic cycles have traditionally impacted the development of the superhero genre, with periods of scarcity elevating its popularity. These hypotheses further analyze the factors driving the most recent decline. Economic insecurity has always created a demand for a certain genre of superhero films, fulfilling "safety needs" as aspirational heroism. During the Great Depression and World War II, the economy fueled the creation of comic books and serialized content as low-cost entertainment, creating superheroes like Superman in 1941. Superhero films surged again in popularity during the 2000s after the events of September 11, 2001 and in 2008 after the economic crisis, with The Dark Knight [16] addressing popular cultural fears. The following decade has transformed after the pandemic, recovering with shifts in economic positioning and a decline in geopolitical tension. The pandemic has caused a change in the way people consume films, leading to a preference for heavily branded introspective or "prestige" content which has deep cultural or historical significance, heavily criticizing and reflecting on the world we live in, like Oppenheimer [17] which earned \$975 million worldwide. This shift indicates that the audience dealing with multi-layered global dilemmas would want to work through those challenges using introspective stories rather than blockbusters, reducing the cultural appeal of superheroes.

4.2. Entertainment substitution effect

Superhero films, as noted by, underwent a sharp decline in viewership in the 1990s as audiences shifted their attention to indie films and rom coms. This period marked a time of cultural optimism and disposable income. The trend is a sharp contrast to today, where services such as Netflix that subscribe on a video to demand (SVOD) [18] model, Netflix having 260 million subscribers as of 2023, offer dynamic content for on demand viewing during the Netflix and chill hours. Netflix's *The Gray Man* [19] and Amazon's *The Rings of Power* [20] to name a few, stream competing to on demand viewing. The allure of viewing super- hero movies at home, and the rising costs of inflation, makes other forms of entertainment replace box office spending. The substitution effect makes it clear that technological innovations and the antivirus pandemic greatly weaken the genre's dominance.

5. Additional considerations influencing the decline trend

5.1. Psychological changes

Changes in society's psychology, such as moving from the idealized version of heroes such as Superman to anti-heroes like Deadpool reflects society's acceptance of flawed and complex characters in times of economic and social turbulence. Deadpool [21] grossed \$782 million and the character's irreverent and self-aware humor resonated with audiences. However, anti-hero characters often portray the same traits and therefore lack creativity. This lack of creativity plays a role in audience disconnection.

5.2. Global comparisons

The same decline can be observed in Japanese tokusatsu films such as Godzilla and Ultraman. Their decline post the 1990s economic bubble burst is in parallel with Hollywood's superhero fatigue. The films shifted from large scale to small scale, reflecting a shift to low budgets. The same can be observed in Hollywood where high budget films are scrutinized, forcing studios to rescind their creative ambitions.

5.3. DC's strategic blunders

The failures of DC's reboots, primarily stemming from the inconsistent output of the DC Extended Universe, can be attributed to the chaos that followed the merger of Warner Bros. Discovery. They initiated spending freezes alongside leadership shifts, and releasing films like *Black Adam* [22] which earned \$393 million even while projected to cost \$195 million to make, revealed economic chaos and strategic disorder.

5.4. Industry-specific disruptions

A regression analysis of box office data against GDP growth for the years 2000 to 2024 indicates a negative correlation: for each 1% GDP growth, the share of superhero films diminishes by 0.5% ($r^2 = 0.68$, $p < 0.05$) [23]. Superhero films faced greater economic constraints after the 2023 Hollywood strikes which included the WGA and SAG-AFTRA. Productions like *Captain America: Brave New World* were both delayed and had their costs increased by approximately 15% which strains the

superhero film franchises. These events underscore the interrelationship of economic concerns and labor disputes which intensifies the financial difficulties facing the genre.

6. Conclusion

Superhero films thrive in crises but falter amid prosperity, streaming competition, and disruptions like the 2023 Hollywood strikes. Economic stability ($r^2 = 0.68$) [24] correlates with declining market share, while repetitive narratives fuel cultural fatigue, and rising costs strain profitability. Studios must innovate with bold, genre-busting stories or smaller-scale films and embrace hybrid distribution to survive in a streaming-dominated world. Limitations include regional omissions in regression analysis, limited audience studies on fatigue, and a Hollywood-centric focus.

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