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Data, Intellectual Property and Distribution: Strategic Configurations and the Future Dominant Logic of the Global Film Industry

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Abstract. The world of motion pictures is changing with streaming, reusable intellectual property (IP), and shifting distribution networks. This research uses a comparative case study of Netflix, Marvel Studios, and Legendary Entertainment to discuss three models: data-driven, IP-driven, and partner-driven distribution. The analysis focuses on where they create value, how they gain control of the audience, how easily they can expand, and the limitations of risk and time. The Netflix advantage is having a direct platform and continuous feedback from the audience, which facilitates better matching and learning – but it also has data opacity and creative-convergence risks. Marvel's portfolio value has been gained by leveraging its integrated franchise IP, while fatigue and rising continuity costs have taken a toll. Legendary enjoys great rewards of high-quality event films and worldwide exposure, but has the disadvantages of high investment requirements and a reliance on distribution networks. The results indicate that platform logic may become the most prevalent way of coordinating the next decade, but it is not a self-contained model of coordination. It is more of a hybrid structure, where data platforms structure the relationships with the audience, reusable IP gives them the difference, and theatrical release gives them premium event value. The paper suggests algorithmic transparency, modular franchise development, and improved risk sharing to enhance the sustainability of each model. The framework offers industry-specific suggestions for strategy and serves as a foundation for continued research on film-industry transformation.

Keywords: Film Industry, Platform Logic, Intellectual Property, Distribution Strategy, Hybrid Business Model

1. Introduction

1.1. Industry context and structural transition

The world of movies is witnessing a change in the structure of the industry, where streaming services, reusable IP, and global distribution networks vie for shaping value creation and value capture. According to Omdia, by the end of 2025, total online-video subscriptions had reached 2.24 billion, and online-video revenue exceeded pay-TV revenue for the first time, reaching USD 176

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billion [1]. The commercial importance of theater exhibition still remains. The global box office (BO) in 2025 was around USD 33.55 billion, still about 21% less than the record of USD 42.3 billion recorded in 2019 [2]. In 2025, Netflix had 325 million paid memberships and an audience of nearly one billion people worldwide [3]. These changes point to three different strategic directions. Netflix is a data and platform model based on direct audience access and continuous behavioral feedback. Marvel Studios is an IP-centric approach that continues to expand the character and universe. Legendary Entertainment is an event-film model developed through the concept of huge production and worldwide distribution collaborations. The point of strategic control is different for each path, and it reflects the capital allocated to the path, the bargaining power of the players, the risk, and the relationship with the audience. The central research question is then which of these three models is most likely to shape the dominant logic of the motion picture industry over the next decade.

1.2. Theoretical framework and literature synthesis

Recent studies increasingly portray streaming as a platform business that relies on global scale, network effects, and new monetization models. But they also show that data does not substitute creative judgment [4, 5]. Streamers have more detailed audience information than most production partners [6]. At the same time, Hollywood has moved toward reusable IP, which enables cross-media expansion, but can also lead to franchise fatigue and higher entry barriers [7-9]. More recent studies of project economics have revealed that release timing remains contingent upon market conditions, and that return on investment may be more informative than gross box office [10-12]. But there is limited comparative work on the future dominance of industries.

The current research generally deals with streaming platforms, IP exploitation, and release strategy as three separate issues. There are few studies that compare data ownership, IP scalability, and distribution access as competing sources of strategic control, and direct comparisons of Netflix, Marvel Studios, and Legendary Entertainment are rare. Future dominance does not rest only on subscriber scale or box office. The more important question is which one learns more quickly, captures value more directly, distributes risk more effectively, and adapts more effectively to the changing behavior patterns of its audience? This study fills that void with a comparative case study.

1.3. Analytical framework and methodological approach

This comparative case study uses a common framework for three strategic archetypes. It compares the cases on their key resource, audience data ownership, scalability of IP, and control of distribution. The analysis then examines recurring revenue, bargaining power, creative flexibility, project risk, and organizational learning. Evidence is taken from peer-reviewed studies, company filings, industry data, and official announcements. The aim is not to identify a universal causal law but to discover the strategic configuration likely to best organize value creation over the next decade.

2. Case profiles: strategic archetypes in the film industry

Netflix has a global direct-to-consumer platform and first-party data from more than 325 million paid memberships, which allows Netflix to allocate content based on data and not traditional theatrical windows [3]. Marvel is into reusing franchise IP and story tie-ins, allowing sequels and crossovers, plus broader cross-media monetization [7]. Legendary is partnership-based, and it's a

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funding and production entity for big-budget films, but the films have to be sold to other distributors, such as Paramount and Warner Bros. Its films have earned nearly USD 21 billion at the worldwide box office [13]. Table 1 compares the three cases.

Table 1. Comparative strategic configurations of the three industry archetypes

Case	Core strategic resource	Primary value logic	Distribution architecture	Main risk
Netflix	First-party audience data + platform	Recurring engagement and data-informed allocation	Owned a global direct-to-consumer platform	Market maturity; data opacity; content commoditization
Marvel Studios	Reusable franchise IP + shared universe	Brand extension and cross-media monetization	Disney's theatrical and streaming ecosystem	Franchise fatigue; continuity complexity
Legendary Entertainment	Large-scale production + partner network	Event-film economics and global reach	External studio distributors: Legendary East in China	Capital intensity; partner dependence; title volatility

3. Comparative analysis: mechanisms, challenges and strategic trade-offs

3.1. Value creation mechanisms and industry contributions

3.1.1. Platform model: algorithmic matching and continuous feedback loops

Perhaps the most important advantage for Netflix has been the constant feedback loop between content strategy and distribution. A DTC platform can now gain insights on what audiences begin, end, re-watch, search for, and drop out from across markets. These data streams do not make creative outcomes totally predictable, but they help to compress feedback cycles, thereby speeding up organizational learning.

Streaming is not only for a few theaters, but there can be a lot of segments to match a lot of shows. The streaming giants distribute their content investments over territories, notes Chalaby [4]. Van Es notes that Netflix's current strategic identity is not analytics-driven; it's data and human judgment [5]. Direct interface helps retention and experimentation, too. Netflix is free to experiment with artwork, recommendations, release cycles, and content in local languages and receive immediate feedback from the behavior of users. As Rasmussen shows, streaming companies have full access to the audience data, whereas production partners do not [6]. Personalization is not the only thing involved in industrialization. It's when distribution, measurement, and decision-making are all within one organization, with reduced information lag times and more targeted investments.

3.1.2. IP-centric model: narrative universes and portfolio synergies

Marvel adds value in a different manner. It is not audience data that is its main resource, but a library of characters that can be used again and again in movies, series, and products. According to Lee, today's film slates are created based on IP, not on a particular actor [7]. Each MCU release also serves as a promotion for the next one. Post-credits scenes, crossovers, and a shared cast of villains tie together different films into the same storyline, and the popularity of one film rubs off on others. Echauri calls this an infinite paradigm: a media world that is designed to grow rather than die [8].

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The same IP then receives revenue from Disney's theatrical and streaming outlets. So the value is added at the portfolio level rather than in individual titles.

3.1.3. Partnership model: global distribution networks and eventized content

Legendary takes the third route. It doesn't have a streaming service or a shared universe quite like Marvel, but it's making and investing in big event movies, and relying on its partners to get them into the world market. These films are dependent on spectacle, big screen, and social viewing, which cannot be fully replicated at home. Partnership allows Legendary to share distribution expenses and use existing release infrastructure, such as Paramount's distribution outside of China and Legendary East's distribution in China [13]. The timing of release is important as well. Sharma et al. demonstrate that the optimal release date is a function of movie and market attributes, and experienced distributors are better placed to choose this timing [10]. In the movie industry, a handful of hits generate the bulk of the revenue, so a firm that produces fewer but bigger films can reap significant benefits from a single triumph, McKenzie says [11]. Legendary thus adds value by focusing on high-quality theatrical events and using the reach of others.

3.2. Structural constraints and strategic vulnerabilities

3.2.1. Platform dependencies: algorithmic bias, creative homogenization and market saturation

The data-driven model does have governance concerns as well. Metrics are great for measuring behavior that has been observed, but creative breakthroughs could be ideas with little history of precedent. Without careful consideration, short-term engagement metrics can encourage managers to select designs that are easy to understand and implement. Van Es writes that Netflix's image as an all-knowing data company has its limits, and that Netflix is starting to put a greater emphasis on human expertise [5]. It is better to use data for supporting decisions than for providing a theory of taste. The second structural issue is information asymmetry. Rasmussen provides examples of how streamers can withhold important audience metrics from screen workers, yet still use the metrics internally [6]. This might diminish the negotiating power of creators and may impact the ability to challenge performance assessments. The third is market maturity. Platforms are now concerned with optimizing their content investments for retention and profitability, as subscriber growth has eased. The long-term risk is that content becomes a commodity. Efficiency is achieved through recommendation, but individual films can be substituted when platform identity is more important than title identity. If so, data is a good distribution channel – it doesn't provide an effective means to differentiate creatively.

3.2.2. IP exhaustion: franchise fatigue and diminishing creative autonomy

Marvel's IP can become a liability when continuity becomes a burden. The more connections, however, the more information the viewers are expected to know. Qiu notes the MCU's interwoven nature and how that may repulse some audiences looking to discover the franchise for the first time, while also pointing to the diminishing interest of some fans in the franchise due to the repetition and less compelling storytelling since Endgame [9]. Narrative universes run the danger of not being loyalty rewards but consumption commitments. The interdependence of brands increases the risk of contagion as well. Just a few weak releases can damage the reputation of the entire franchise.

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Echauri's interpretation of the constant growth of media might help to explain why the pressure to extend successful media can be self-reinforcing [8]. Moreover, Lee warns that the higher the percentage of existing IPs in a portfolio, the less likely it is to contain original standalone projects [7]. The main difficulty is that the marginal value of extension is decreasing. Every new release must be distinguished in creative ways, yet follow a greater chain of continuity. When growth outpaces audience attention, Marvel might face higher coordination costs, less flexibility to develop new ideas, and weaker differentiation between releases. IP is valuable. However, an excess of IP prevents the finding of the next generation of valuable IP.

3.2.3. External reliance: high-variance economics and bargaining power asymmetry

Legendary's model is the most exposed to project-by-project finances. A big-budget movie requires big world revenues, but what movies are going to do is not easy to predict. There's a lot of uncertainty involved in the economics of movies, as McKenzie shows [11]. Erdoğan et al. also mention that production in the movie industry is a capital-intensive process and do not equate box office size with the efficiency of investment [12]. A film that is culturally important can be visually ambitious and yet not perform as well as perhaps it should, given its production and marketing costs. The second weakness is that the bargaining power is unevenly distributed. Paramount has distribution rights for some titles outside China, and Warner Bros. has distribution rights for some franchises. The network has reach, but Legendary does not control all consumer touchpoints, decisions about what content to release, or audience data. Partner strategy, including the timing, marketing, revenue sharing, access downstream, and other aspects, is subject to change.

Netflix is the most likely dominant industry logic of the three, as it is a company that has a global presence and learns continuously from its audience [4, 5]. There is some scope for differentiation here with reusable IP, but Marvel's IP faces fatigue, and Legendary's capital-intensive business does not scale easily, which suggests a hybrid future.

4. Strategic optimization and a hybrid industry model

4.1. Enhancing platform governance through transparency and creative experimentation

Netflix's service does not require less data. It requires a greater delineation of the data that can be measured from those decisions made in creative judgment. The platform might also offer creators certain audience metrics that aren't commercially sensitive, like those that represent segments where viewers have finished a video or watched multiple times. This would help combat the informational asymmetry, but would not give away the entire recommendation system. More fundamentally, Netflix should have a formal creative-tolerance mechanism. Those projects that do not have strong early metrics but instead have artistic or cultural significance may be given a longer evaluation period, may be given limited test budgets, and/or may be promoted in editorial selections outside of algorithmic considerations. Data can also be used to look for niches that are not being served, not just to mimic a successful format. This would preserve Netflix's edge in learning, while minimizing creative convergence and content commoditization.

4.2. Sustaining franchise value through modular storytelling and renewal

Marvel has a problem with its universe, but not because it has one; it's because it is too tightly interconnected. Modular storylines can help to maintain brand consistency while allowing for more

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independent titles. A title ought to be understandable to new viewers without them having to watch a few movies or shows before. Limited story arcs or spin-offs and standalone stories can be easier for people to get into the story, and give the director some flexibility. Release volume should also be based on quality control, not a steady stream of franchise content. A release should give narrative, visual, or character value, rather than just continuity. There is a need for renewal on a generational basis, too, so as to preserve the value of the franchise in the long run. Marvel can slowly introduce new characters, try them out in various formats, and take a break with tired, overused properties. This would move IP management from perpetual expansion to lifecycle management, protecting the brand equity and providing room for the next level of scalable brands.

4.3. Risk allocation and selective vertical integration

Event movies have a tendency to be volatile, which is difficult to change, but Legendary can manage it more effectively. Co-production, rights pre-sales, and diversified financing can help reduce the risk of the capital invested in a specific title. More clarity in negotiations can also be achieved with longer-term distribution deals, as there are more specific terms for release windows, marketing, data sharing, and downstream income. However, complete vertical integration might be cost-prohibitive, and it would reduce the partnership's flexibility. Legendary can keep project development, creative supervision, and top-quality production, and share or contract capital-intensive distribution systems. It can also develop a small internal audience insight capability, based on test screening, digital campaign data, and analysis after release. This would not have the same amount of data as Netflix, but would enable learning to take place between the various projects. The ultimate goal is to create a more flexible model that can be used worldwide, but with less pressure from single title profit targets and partner requirements.

4.4. A hybrid ecosystem: platform coordination, IP differentiation and premium release

The comparison suggests that the future may well be a blended model – neither of the pure models is in the ascendancy. It is best to place the platform logic at the center of the system coordination, because it directly connects distribution, measurement, and monetization. Reusable IP can then serve as a differentiation layer to focus attention in a content-rich environment. Theatrical release is still valuable for some films that can take advantage of scale, spectacle, and social viewing. In practice, this means a three-layer set-up: data platforms organize audience relationships, IP anchors brand demand, and cinemas create peak value events. Audience data can help determine where to test new IP and how to market it. Strong IP can reduce the acquisition uncertainty across the streaming and theatrical windows. Event releases can generate cultural visibility that later drives digital consumption. In this set-up, the most likely coordinating center is Netflix's platform logic, but the long-term strength of this depends on the combination of data with durable IP and flexible theatrical distribution.

5. Conclusion

5.1. Key findings

Data, IP, and distribution all provide strategic control at a different point in the motion picture value chain, according to this comparative case study. The biggest coordinating advantage that Netflix enjoys is direct access to the audience, continued relationships, and rapid feedback. However, the

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same model can also lead to opacity, convergence of creativity, and pressure from market saturation. The Marvel system turns reusable IP into high value for the portfolio and high demand in multiple markets, but can make entry harder for new viewers and reduce creative flexibility. With high-budget production and partnerships around the world, Legendary faces the threat of high capital needs and pressure from bargaining as a premier event movie company. Platform logic will most likely become the key organizing principle for the next decade, but not as a replacement for the other logics. Audience learning, long-lasting IP, and selective premium theatrical release form a more sustainable set-up. The proposed strategies are: Data transparency for Netflix, Modular storytelling for Marvel, and Risk sharing and selective integration for Legendary.

5.2. Theoretical and practical contributions

The study offers a shared language for comparing the data ownership, IP scalability, and access to distribution of streaming, franchises, and theatrical release, without the separate discussion of these issues. In industry terms, the framework assists platforms and producers in identifying the 'sweet spots' in the value chain, as well as the sources of risk, and therefore who should own or partner to gain access to the necessary capabilities. It is also a social issue: the efficiency of the distribution should not be at the expense of creative variety and market access. The results can thus inform corporate strategy and policy on fair contracting, cultural diversity, and sustainable investment in film.

5.3. Limitations and future study

This study has a few limitations. The data is mostly secondary data, and for three large companies that are known to the world, so the results may not necessarily be directly applicable to smaller studios, local industries, or emerging markets. Comparative design is used to look for patterns, not cause-and-effect relationships. Interviews with producers, creators, and distributors, audience surveys in various markets, and piloting the framework with a larger set of firms could be considered for future studies. Additional research might also investigate the impact of the emergence of generative AI, virtual production, and immersive media on the value of data, IP, and distribution resources.

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