CHAPTER ONE

A24

From indie distributor to industry darling

An independent film and television company based in the US, A24 is the entertainment force behind a string of indie hit films, from *Everything Everywhere All at Once* to *Hereditary* and *Lady Bird*. It has also produced the television series *Beef* and *Euphoria*. In just over a decade, A24 has evolved from a small distribution business into a cinematic powerhouse that is so popular with its army of fans that it is said to have cult status.

The A24 story

A24 (originally named A24 Films) was founded as an independent film distributor in 2012 by entertainment industry veterans David Fenkel, David Katz and John Hodges.

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Rather unglamorously for a movie studio, the company is named after the Italian highway Autostrada 24 because Katz was driving to Rome when he had a 'moment of clarity' about starting the business.[1] The plan was to launch a distributor that would focus on telling the bold and unique stories that bigger studios were likely to overlook.[2] In 2016, the company's name was shortened simply to A24.[3]

In the entertainment world, distributors buy the rights to finished films, market those films and connect with exhibitors, such as cinemas, that show the films to audiences. When A24 was founded, it aimed to discover outstanding indie films for which it could buy the distribution rights. The company based itself in New York and began releasing films in 2013.

A24's first release was *A Glimpse Inside the Mind of Charles Swan III*, starring bad-boy actor Charlie Sheen as a graphic designer who plays out unusual fantasies in his head after he's been dumped by his girlfriend. The Critics Consensus on review website Rotten Tomatoes describes the film as 'tiresomely self-indulgent and lacking any storytelling cohesion'.[4] Nevertheless, it got the fledgling distributor officially up and running.

Not long after, A24 enjoyed its first hit with *Spring Breakers*, a comedy crime film about four college girls who hold up a restaurant. The film, which featured Disney stars Selena Gomez and Vanessa Hudgens, stood out for its striking artistic vision, provided by director Harmony Korine. It also had memorable sequences and the neon colour palette that has since become a familiar staple of A24 films. Over its opening weekend, the film set pre-screen attendance records and was the biggest premier of a

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movie in limited release that year.[5] US culture magazine *Esquire* later described the movie as a 'masterpiece' and 'one of the finest neo-noirs of this millennium'.[6]

Encouraged by this early success, A24 signed deals with video-on-demand platforms DirecTV Cinema and Amazon Prime Video to distribute films via their channels. It then went on to distribute a string of other successful indie movies, becoming known for its distinctive 'edgy' style.

One of A24's most defining movies was the 2014 science fiction thriller *Ex Machina*, a movie that explored relationships between humans and artificially intelligent beings. To encourage attendees to go and see the movie during the 2015 South by Southwest (SXSW) conglomeration of film and music festivals in Texas, A24 set up a fake account on the dating website Tinder for Ava, the lead female character played by Swedish actor Alicia Vikander. Thanks to a chatbot, Tinder users who matched with Ava on the app were able to converse with her using text messages and she directed people to an Instagram page that promoted the film.

Another major hit was *Room*, based on the bestselling book by Irish-Canadian writer Emma Donoghue. The 2015 movie followed the survival story of a woman and her son who had been held captive for many years. As well as being critically acclaimed, *Room* was a box office hit, grossing over $36 million in revenues.[7] Another movie that went down a storm with movie-goers was *The Witch*, a supernatural horror film set in 1600s New England. The Critics Consensus on Rotten Tomatoes says of the movie: 'As thought-provoking as it is visually compelling, *The Witch* delivers a deeply unsettling exercise in slow-

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building horror that suggests great things for debuting writer-director Robert Eggers.'[8]

In 2016, A24 branched out beyond distribution, officially becoming a production studio when it fully financed *Moonlight*, a coming-of-age drama about a young black man's journey from childhood to adulthood. The movie was directed by Barry Jenkins, who was later named on the annual *Time 100* list of the most influential people in the world.

That same year, A24 won its first Academy Awards, with Brie Larsson taking the best actress award for *Room*, *Ex Machina* landing the best visual effects award, and *Amy*, a documentary about award-winning jazz artist Amy Winehouse, being named best documentary feature film. The combination of these two developments further enhanced the studio's brand and helped to take it to the next level within the entertainment business.

And the Academy Awards success didn't end there. The following year, *Moonlight* won three Oscars for best picture, best supporting actor and best adapted screenplay. Famously, the movie became embroiled in controversy when the awards presenters, Warren Beatty and Faye Dunaway, incorrectly named romantic musical *La La Land* as best picture after Beatty was handed the wrong envelope. A couple of minutes later, the error was corrected and Jenkins gave a brief acceptance speech. Later, the director admitted that he had been speechless when the result was altered, saying: 'I've never seen that happen before.'[9]

Further successes followed. The studio's standout movies included *Lady Bird*, a 2017 coming-of-age drama,

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and the 2018 psychological horror film *Hereditary*, starring Australian actor Toni Collette. *Hereditary* has been described as 'arguably the movie that put A24 on the map' since it was the studio's first major movie to reach a wide audience.[10] The year 2018 also brought a major commercial win, when A24 signed a multi-year agreement with Apple to produce films for the tech giant.

Another notable release was *Midsommar*, a 2019 folk horror film starring Florence Pugh and Jack Reynor as a dysfunctional American couple who travel to a Swedish midsummer festival. There was also *Uncut Gems*, a 2019 crime thriller about a jeweller with a crime addiction, starring Adam Sandler.[11]

Highs and lows

A24's most successful movie to date is *Everything Everywhere All at Once*, starring Malaysian actor Michelle Yeoh. The 2022 multiverse adventure wowed cinema goers and critics alike, grossing box office revenue of more than $110 million, making it the studio's highest-grossing movie ever.[12] Meanwhile, the Critics Consensus on Rotten Tomatoes described the movie as 'an expertly calibrated assault on the senses'.[13]

A24 swept the board at the 2023 Academy Awards, landing the coveted Oscar statuette nine times. It secured seven awards for *Everything Everywhere All At Once* – for best picture, best director, best actress, best supporting actor, best supporting actress, best film editing and best original screenplay. Meanwhile, Brendan Fraser won best

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actor for another A24 production released in 2022, *The Whale*. Directed by Darren Aronofsky, *The Whale* is the story of a morbidly obese English teacher who tries to reconnect with his estranged teenage daughter. Thanks to the transformation that Fraser needed to play his role, the film also landed an award for makeup and hairstyling.[14]

Building on this success, an A24 movie called *The Zone of Interest* was named best international feature film at the 2024 Academy Awards. A Holocaust movie about Auschwitz commandant Rudolf Höss, *The Zone of Interest* was directed by Jonathan Glazer. It also won the award for best sound.

As well as its film production and distribution business, A24 has a television division that was founded in 2015. It produced the sitcoms *Playing House* and *The Carmichael Show*, as well as *Beef*, a Netflix mini-series about a feud between two drivers following a road rage incident, and the Emmy-winning teen drama series *Euphoria*.

Over the years, the studio has helped to launch and nurture the careers of a string of directors including Ari Aster, Bo Burnham, Robert Eggers, Jonah Hill, Daniel Kwan and Daniel Sheinert (with the latter two being known as 'The Daniels'). Through *Lady Bird*, it also provided a solo directorial debut for actor-turned-director Greta Gerwig, who went on to direct the 2023 comedy fantasy *Barbie*, a global box office hit that earned more than $1 billion worldwide.[15] A24 also has a reputation for nurturing acting talent, and for assembling talented casts that feature both rising stars and established actors. Oscar winners Denzel Washington and Joaquin Phoenix are among the stars who have featured in A24 productions.

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Of course, not every A24 film or television series has been a spectacular hit. There have also been some spectacular flops along the way. The studio's least successful horror movie was *The Blackcoat's Daughter* (2015). Even though it starred Emma Roberts, the film only grossed around $38,000.[16] Meanwhile, *Revenge of the Green Dragons* (2014), a story about Chinese immigrants to New York, was widely panned by critics.

In late 2023, it was reported that A24 was considering a strategy shift, moving away from a focus on arthouse films towards the production of more commercial, blockbuster movies.[17] This presents risks to A24's business model, especially if it doesn't succeed in making films that are commercially successful. 'In a short space of time, the studio has managed to forge an identity and find a niche in the movie market,' says Andrew Taylor, a professor of culture and US civilization at Audencia Business School in France. 'So far, these achievements have come thanks to being different. If A24 now wants to make blockbusters there is a very real danger that the loyal fan base will see this as selling out or, worse still, an act of treason.'

Secrets to success

In May 2023, an article on the American news and opinion website *Vox* commended A24 for making 'some of the most distinct and interesting movies and TV shows of the past 10 years'.[18] So, how did it branch out from its roots as a tiny distribution company to become an indie powerhouse that has taken on Hollywood?

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Initially, A24 developed its brand by focusing primarily on film distribution rather than production. From a strategic perspective, this was a smart decision since it is much cheaper to buy a film and distribute it than it is to make a film from scratch. In this way, A24 was able to establish itself as a champion of independent cinema, and build up a reputation in the entertainment industry, before it moved directly into the riskier – and more expensive – business of film production.

A24 was founded on two fundamental principles, according to Nate Jones, senior writer at entertainment news website *Vulture*. The first was that it would give filmmakers almost unprecedented creative freedom. This principle has resulted in the production of some unique and distinctive films. It also makes the studio attractive to talented up-and-coming directors who want to work with a production company that will allow them to experiment and support their artistic vision.

To ensure that filmmakers could take creative risks, A24's second fundamental principle was that it would forgo traditional marketing channels, such as billboard adverts, and instead exploit cheaper forms of marketing, such as viral marketing and word of mouth.[19] Hence the studio uses social media to create buzz and engagement around upcoming movies, releasing enigmatic teasers and trailers across a variety of social channels.

The fake Tinder account set up for Ava, the AI robot in *Ex Machina*, was a stroke of marketing genius since it generated a lot of excitement about the movie and secured free headlines for the A24 brand. Previously, the studio had enjoyed viral social media success when it posted on

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Facebook an image of *Spring Breakers* star James Franco, along with other cast members from the film, in a composition that evoked Leonardo da Vinci's mural, 'The Last Supper'. The photo got 600,000 likes – an impressive tally back in 2013. Such was the success of the campaign that it led to *Spring Breakers* being described as the 'first social-media promoted film' by Gary Faber, founder of marketing consultancy Entertainment Research & Marketing.[20]

As well as being experimental with social media, A24 has pioneered other marketing approaches to raise awareness of its brand. For example, it sends gifts to bloggers, journalists and fans – a good example being the *Lady Bird* gift set that contained stickers and buttons. To promote the 2014 horror film *Tusk*, the studio partnered with a cannabis retailer in Los Angeles (where cannabis is legal) to create two specially branded strains of marijuana.[21]

When setting its marketing strategy, A24 makes use of data and analytics. In particular, it analyses audience behaviour and conducts market research to identify trends and preferences. Based on its research, the studio can then make business-critical decisions about release dates, promotional strategies and even which projects it takes on in the first place. This data-driven approach to marketing enables A24 to stay ahead of rival studios in the ultra-competitive film industry.

As well as making waves with its marketing strategy, A24 has also hit the headlines through its philanthropic endeavours. In 2023, it auctioned off costumes and props from *Everything Everywhere All at Once*, raising over $550,000 for three charities selected by the film's directing duo, The Daniels.[22]

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A24 adopts a high-volume, low-budget approach to film production. This enables the studio to take greater risks, which could theoretically lead to higher profit margins. On average, A24's budget is $15–$20 million per movie and the studio releases between 18 and 20 movies per year. In comparison, Disney released 16 movies theatrically in 2022, while Warner Brothers only released 15. The highest-grossing movie of 2022, *Avatar: The Way of Water*, which earned over $2.3 billion, had an estimated production budget of $250 million. Unlike more established studios, which need most of their films to be profitable, A24 only needs one or two commercial hits per year to balance its books.[23]

They might not be to everyone's taste, but A24 films are recognized for being consistently high in quality – so high, in fact, that they have landed prestigious awards, including Academy Awards. A24 also works with a diverse range of actors and directors, which helps to ensure that its films connect with a large and diverse audience. The studio is sensitive to current cultural trends and helps under-represented voices to be heard. It also engages with important social issues – including abuse, homophobia and racism – and tackles these issues in a thought-provoking way.

Thanks to their original take on different topics, A24 films have been praised for offering an imaginative alternative to the formulaic plots often found in Hollywood movies. The studio aims to strike a delicate balance between commercial and critical success. By moving into television production, A24 has further cemented its presence in the television industry.

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Audencia Business School's Andrew Taylor believes that A24's success may be the result of the studio being 'in touch with the zeitgeist' (spirit of the times) and its ability to 'target a very specific cinema-going public'. He also points to A24's commitment to diversity, highlighting, in particular, the breakthrough success of *Everything Everywhere All At Once*.

'It features ethnic-minority actors at a time when Hollywood is trying to prove itself a sector that recognizes diversity,' Taylor explains. 'One of the film's co-directors, Daniel Kwan, is also an American with an Asian background. Add to all this the fact that the film has dialogue not just in English, but also in Mandarin and Cantonese, it becomes an almost perfect movie for Hollywood to honour at this time.'

Taylor notes that *Everything Everywhere All At Once* 'can perhaps be seen as a product of the TikTok generation'. He explains: 'We often hear that young people today have a very limited attention span, partly due to exposure to short videos on platforms like TikTok or, to a lesser extent, YouTube. *Everything Everywhere All At Once* embraces this notion and serves a film that is edited so rapidly, and with so many changes of place and time, that it is almost possible to watch it in TikTok segments. In this way, it moves away from the traditional editing of classic Hollywood and serves a film designed for Gen Z.'

Risk-taking lies right at the heart of A24's success. Since inception, the studio has been willing to take risks on unconventional and innovative projects that more established Hollywood studios might be inclined to shun. It understands that not every project is going to be a winner,

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but if it takes enough calculated risks, some of them will pay off. For that reason, its catalogue of movies inevitably includes some spectacular flops, along with critically acclaimed box office hits.

An important reason why A24 is a cultural phenomenon is the sheer bravery of its artistic endeavours. It is known for pushing the boundaries of taste by making films that are 'different' in some way – perhaps because they are offbeat, quirky, or perhaps even a little weird. A24 movies are also visually stunning and a feast for the eyes. It is this distinctive brand appeal that helps to lure crowds into cinemas, even as audiences have declined, especially among younger age groups.

Today A24 is not just a highly successful film and television production company, it is also a well-recognized and much-loved lifestyle brand. It has achieved this status by developing its own merchandise, including T-shirts, hoodies and caps, which help to boost its brand loyalty among film lovers. There are even A24-branded gift wrap and mugs, as well as leashes and collars for dogs. Much in the same way that popular actors and directors built up loyal followings in the past, A24 has successfully built up a cult-like status among its present-day fans.

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HOW HAS A24 DEFIED THE NORM TO ACHIEVE SUCCESS?

- **Take risks to foster creativity**. Innovation is synonymous with risk-taking. To achieve extraordinary things, businesses must be willing to take risks and learn from them.

- **Celebrate creativity**. A24 is known for supporting the artistic vision of its directors. By putting its faith in directors, it is inviting them to unleash their full creative potential.
- **Embrace diversity of thought**. The A24 brand is supported by a wide audience because it is closely entwined with diverse communities and perspectives.
- **Prioritize quality**. Within five years of launch, A24 was distributing films that won Academy Awards. It was able to achieve this thanks to its relentless focus on quality filmmaking.
- **Bring your brand to life in unconventional ways**. On the surface, your brand may not seem to have anything to do with dog collars. But is there a way you can make it front and foremost of your customers' lives, every single day?

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