



# Movie Industry Business Case

*Lights, Camera, Action: Setting the  
Stage for Success*



# Introduction

Our company is exploring the opportunity to enter the movie industry by establishing a new studio. With major companies investing in original content, we see strong potential but lack experience in film production. To ensure success, we are analyzing box office trends to identify the most successful film types. These insights will guide our leadership in making strategic decisions on the genres and content to produce, positioning our studio for success in a competitive market.

# Objectives

This project aims at:

- ❖ Analyze Market Trends – Research current box office performance to identify the most successful film genres and audience preferences.
- ❖ Develop Strategic Insights – Translate findings into actionable recommendations for the company's new movie studio.
- ❖ Guide Decision-Making – Provide data-driven guidance to help leadership determine the types of films to produce for market success.

# Deliverables

- ❖ Extraction of relevant box office data from reliable sources.
- ❖ Accurate analysis of data to get insights.
- ❖ Clear identification of high-performing film genres.
- ❖ Presenting clear and actionable insights.

# Data content & Source

The analysis focuses on analyzing multiple datasets sourced from industry databases below. These datasets provide information on movie budgets, box office earnings, critical ratings, and audience scores. The datasets include:

- IMDb SQLite Database – Metadata on movies, including genres, directors, and release years.
- Box Office Mojo (CSV) – Domestic and international box office revenue.
- Rotten Tomatoes (TSV) – Movie reviews, critics' ratings, and audience scores.
- The Movie Database (TMDb) (CSV) – Movie details and ratings.
- The Numbers (CSV) – Budget vs. revenue comparisons.

# Data Analysis

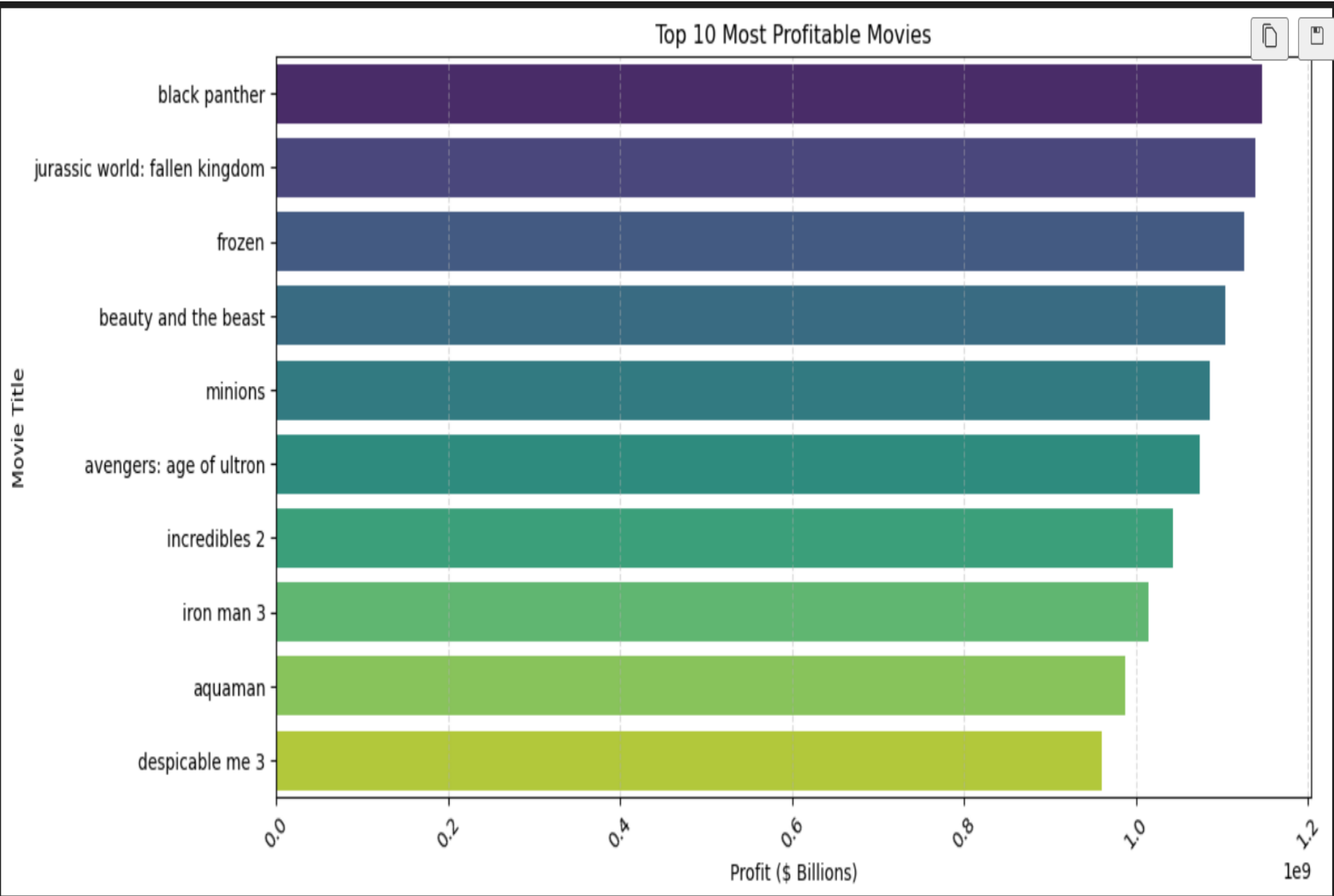
The data is analyzed using Python libraries including:

- ❖ Pandas: Data manipulation and analysis
- ❖ Matplotlib: Data visualization
- ❖ Seaborn: Statistical plotting
- ❖ NumPy: For numerical operations
- ❖ SQLite3: For managing and querying structured data
- ❖ SciPy: For statistical analysis and hypothesis testing.
- ❖ Statsmodels: For advanced statistical modeling and trend analysis

# Data Visualization

Hereunder are the graphical presentation of our findings:

The chart highlights the top 10 most profitable movies

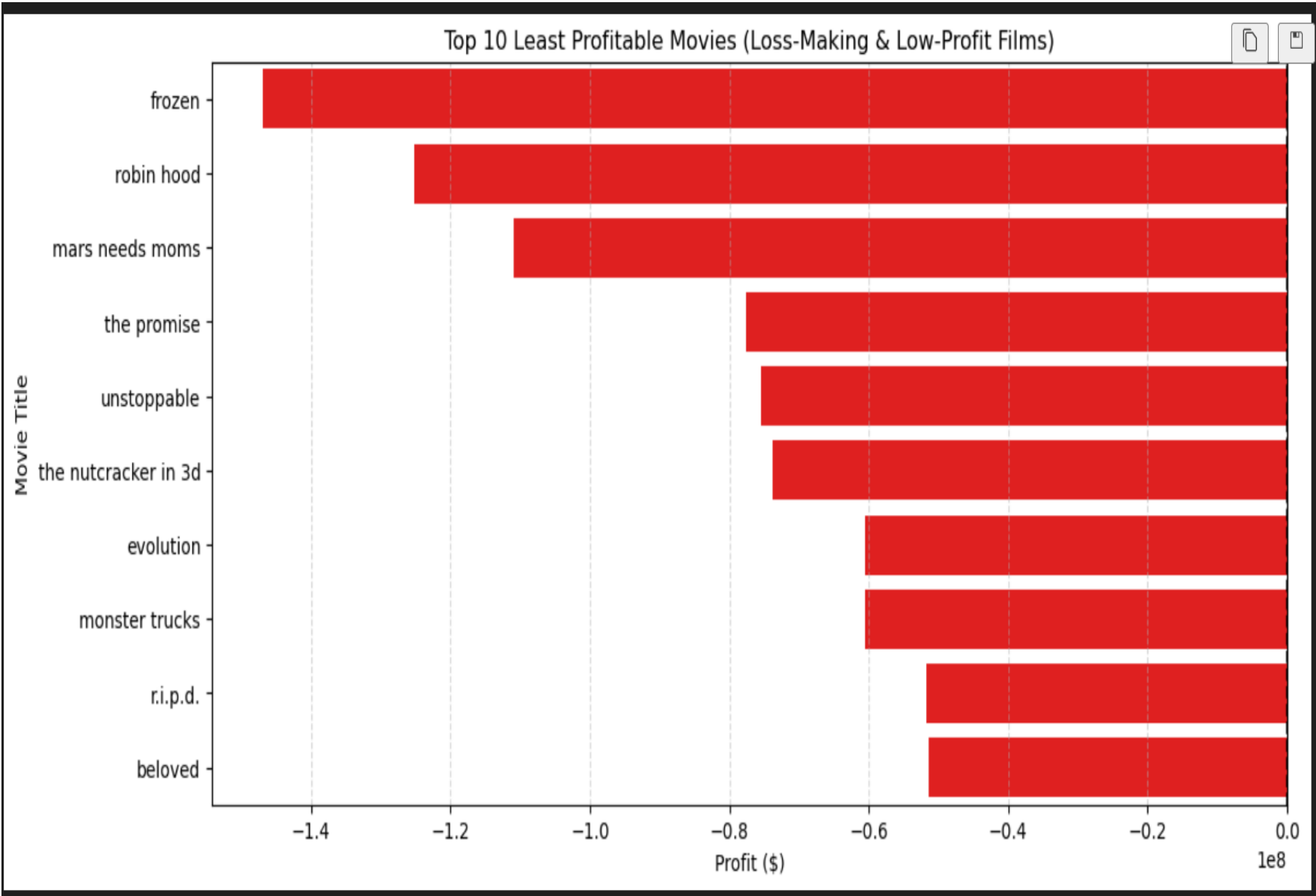


**Key Takeaways:**

- *Black Panther* leading, followed by *Jurassic World: Fallen Kingdom* and *Frozen*.
- *Disney* and major franchises dominate the list, particularly superhero (*Black Panther*, *Iron Man 3*, *Aquaman*) and animated films (*Frozen*, *Minions*, *Incredibles 2*)
- Many of these movies achieved nearly \$1 billion in profit. showcasing the strong financial success of blockbuster films, especially animated ones with broad global appeal



The bar chart presents the Top 10 Least Profitable Movies, highlighting films that incurred significant financial losses



Key Takeaways:

*Top 5 least profitable movies:*

- 1. Frozen*
- 2. Robin hood*
- 3. Mars needs moms*
- 4. The promise*
- 5. Unstoppable*

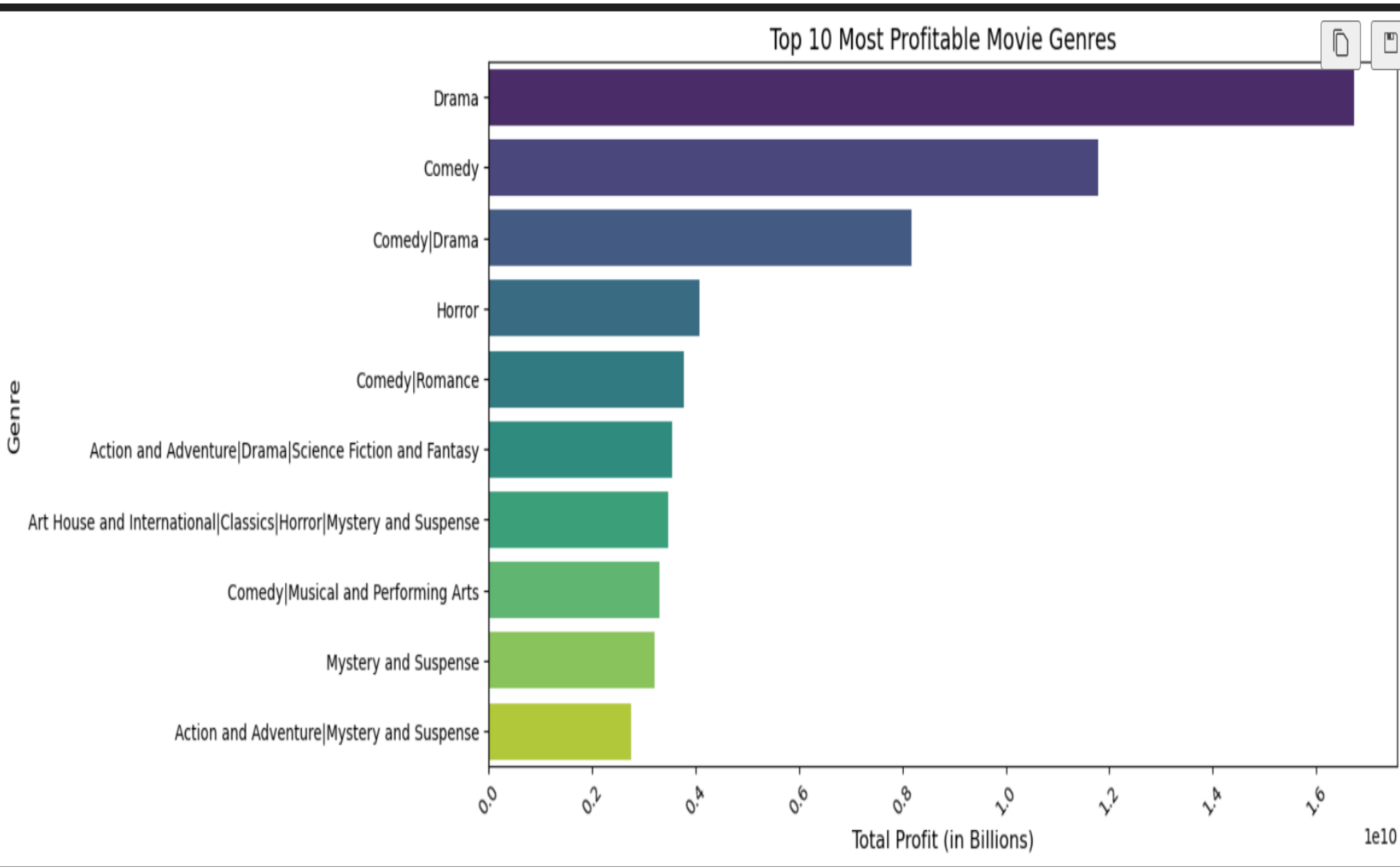
*The negative profits suggest high production and marketing costs that were not recovered through box office earnings, emphasizing the risks of big-budget films failing to attract audiences*

The bar chart presents the Top 10 Most Profitable Movie Genres

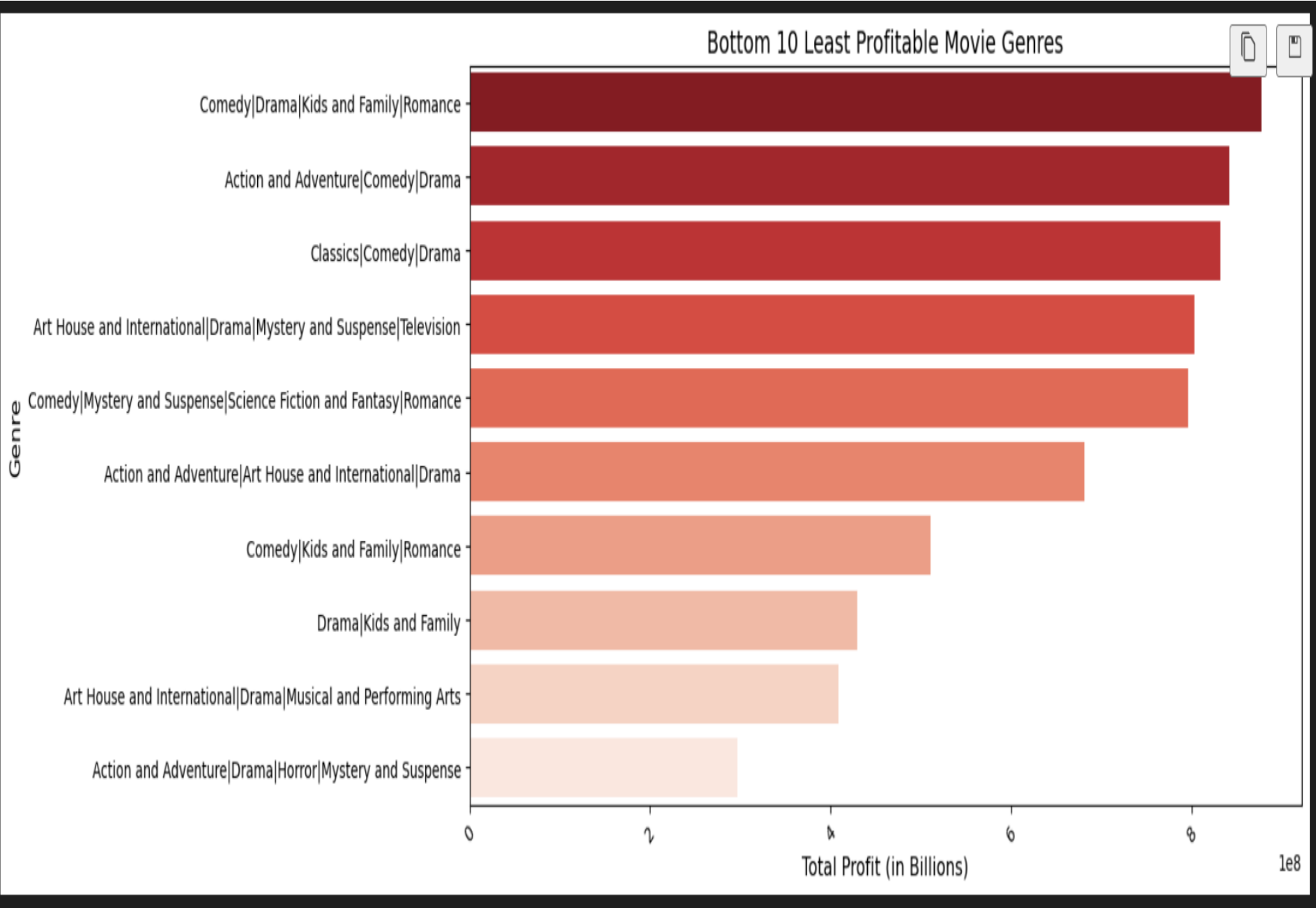
## Key Takeaways

1. *Drama recorded the highest profits, followed by Comedy* The strong

2. The profitability of Horror suggests high returns despite typically lower budgets



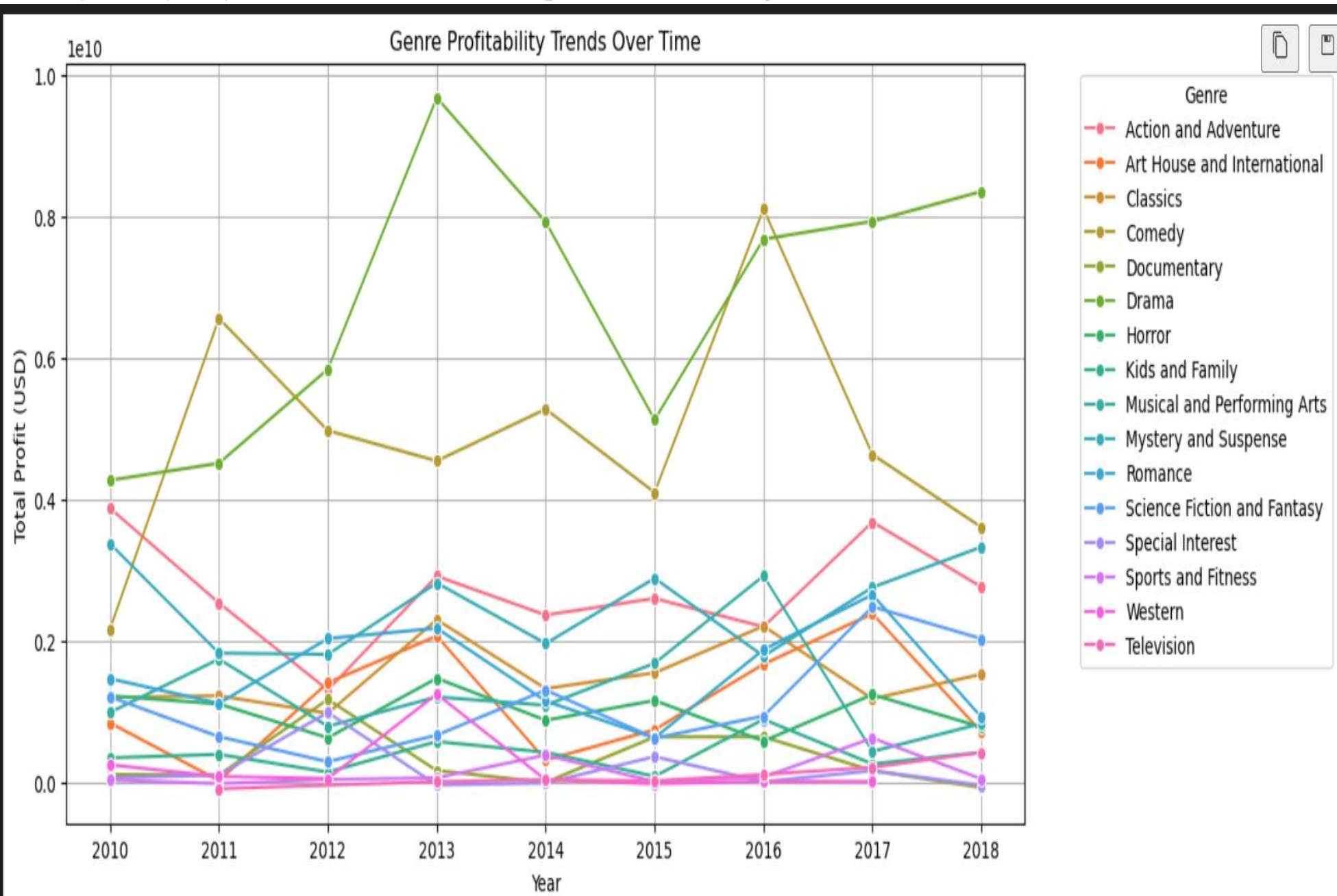
The bar chart presents the Bottom 10 Least Profitable Movie Genres



Key Takeaways:

- *Comedy, Dram, Kids and Family, Romance recorded the least profitability*
- *The lower profitability suggests that these genres faced challenges in attracting large audiences or recovering production and marketing costs*

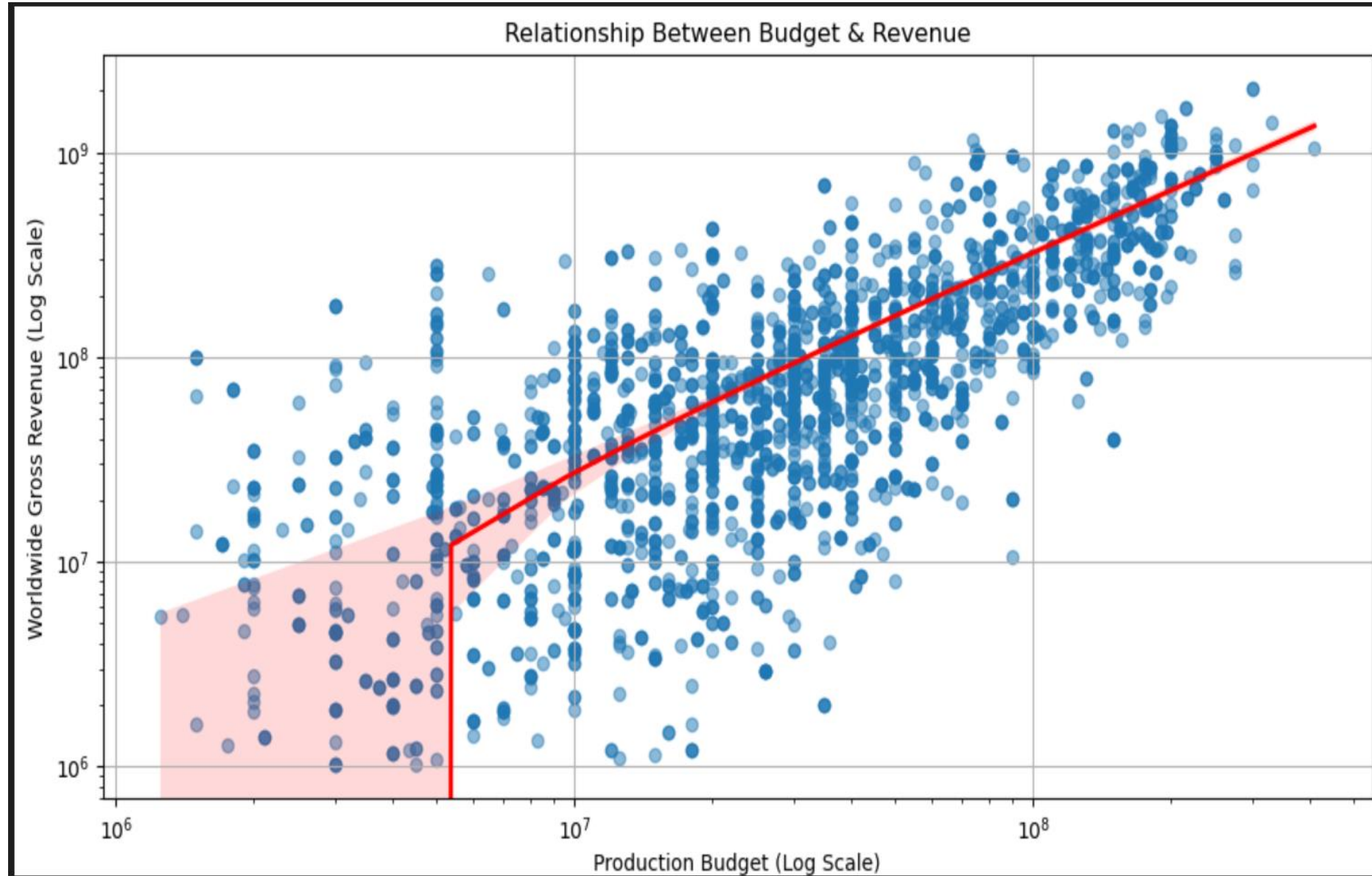
The line chart illustrates Genre Profitability Trends Over Time (2010-2018) in (USD) for various movie genres annually.



Key takeaways:

- *Comedy and Drama have consistently generated high profits*
- *Niche genres like Special Interest and Westerns might be riskier investments as they show minimal financial success*
- Horror and Kids and Family genres experienced fluctuations
- Steady Low Performers includes Special Interest, Sports & Fitness, Western, and Television

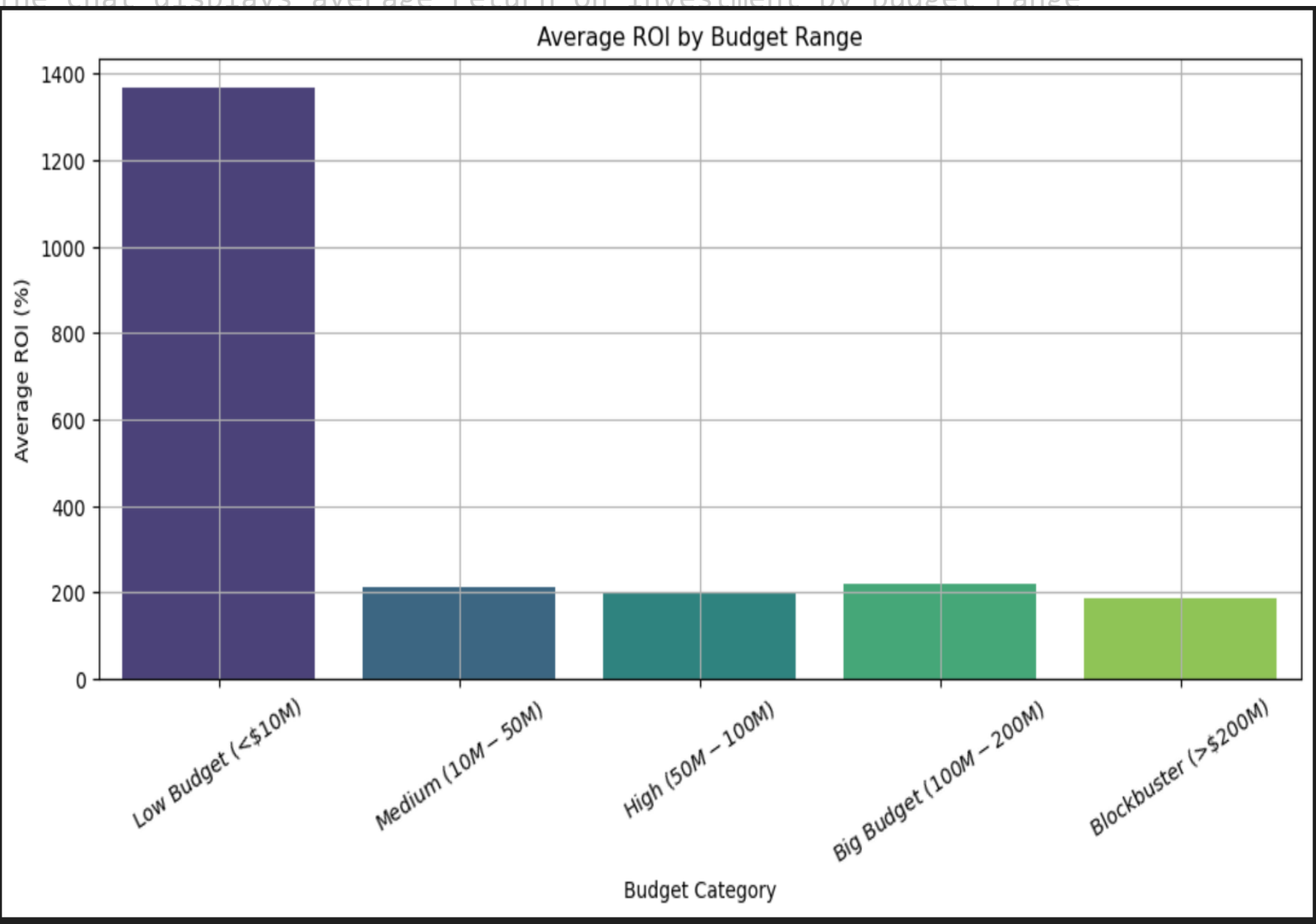
The scatter plot displays a positive correlation between production budget (x-axis) and worldwide gross revenue (y-axis), that is, as production budgets increase, movies tend to generate higher revenue



## Key Take Away:

- *small-budget films have highly varied success, while larger budgets tend to yield more predictable box office returns.*
- low-budget films have unpredictable success, while mid-to-high-budget films follow a more stable revenue pattern.
- investing in very low-budget films might be riskier



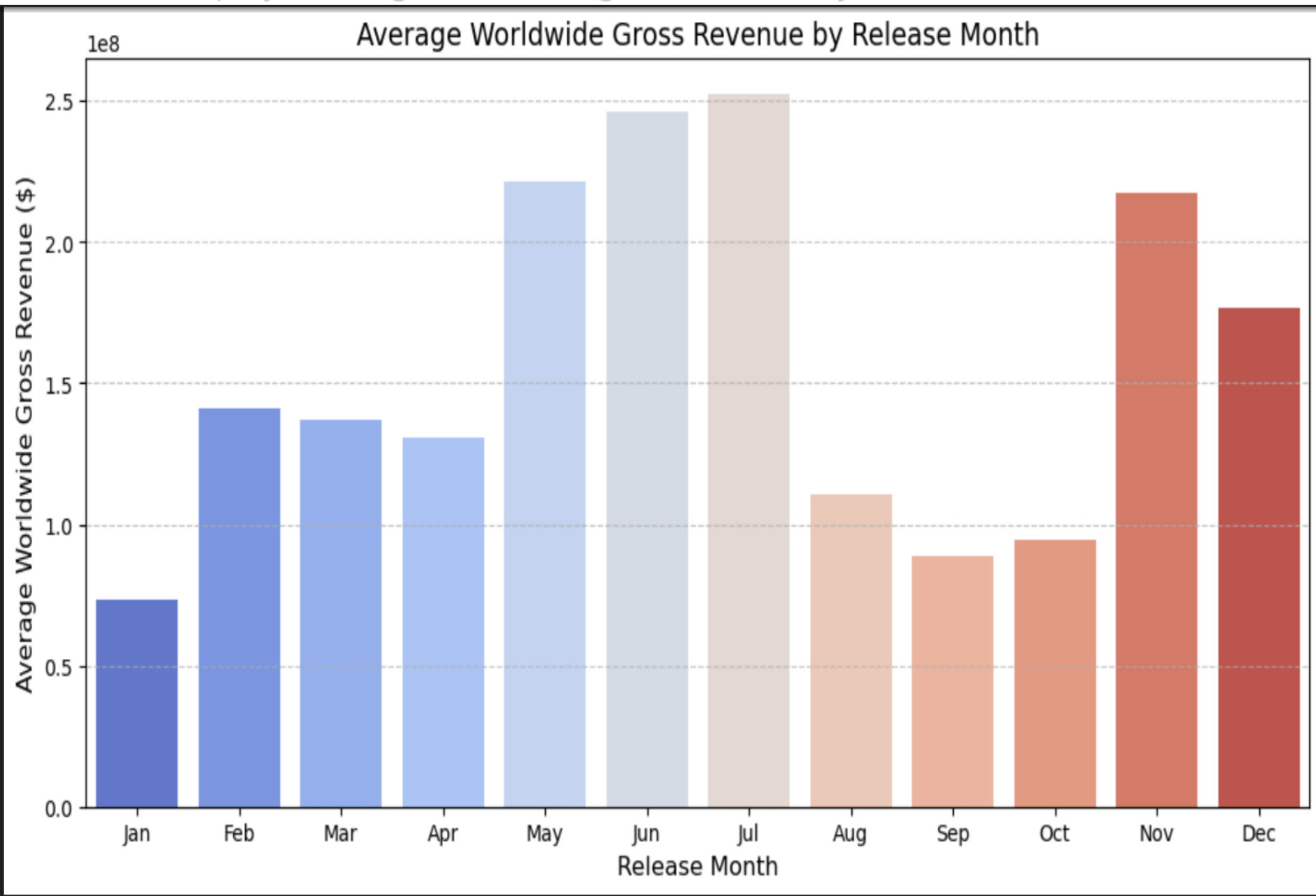


Key Takeaways:

- *Movies with budgets below \$10M achieved the highest Return on Investment (ROI).*
- *Films with budgets between \$10M and \$200M show significantly lower ROI.*
- *Despite massive worldwide box office numbers, blockbuster films have the lowest ROI, slightly under 200%. This is due to their high production and marketing costs, which eat into the profits*

The chart displays average worldwide gross revenue by release month

Key Takeaways:



- June and July have the highest average worldwide gross revenue.
- January, September and October have the lowest revenue
- Best Time to release Action-packed, superhero, big-budget films and Blockbuster is in Summer (June & July)

# Recommendations

From the analysis we recommend the following:

- Invest in High-Profit Genres – Prioritize Comedy, Drama, Action & Adventure, and Sci-Fi & Fantasy films based on consistent profitability.
- Optimize Budget Allocation – Balance high-budget blockbusters with cost-effective genres like Horror to maximize returns.
- Leverage Ratings for Success – Focus on quality storytelling, strong casting, and audience engagement to enhance critical and commercial performance.
- Expand Global Reach – Target international audiences with globally appealing genres and localized content strategies.
- Adapt to Industry Shifts – Explore hybrid release models (theatrical + streaming) to navigate changing audience consumption trends.
- Strategic Movie Releases – Schedule blockbusters in peak months (June, July, November, December) and optimize release timing for mid-level films



# Next Steps

- Deep dive into market data by conducting further analysis on emerging trends and audience preferences.
- Develop a strategic investment plan outlining budget allocation and risk assessment for different film genres.
- Engage industry experts like filmmakers, producers, and market analysts for insights.
- Finalizing business strategy by presenting findings and recommendations to leadership for decision-making.

# Appreciation

We would like to thank the industry databases that provided valuable datasets for our analysis. The insights derived from these sources made this business case possible.

## Question?

We would love to hear your take on this! Please feel free to get in touch.

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