MICROSOFT FILMS

Phase 1 – Final Project

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Project Overview

❑ **Problem Statement :**

Microsoft has decided to start a movie studio but they do not have enough insight on the industry.

❑ **Task :**

Explore what types of films are currently doing the best at the box office.

❑ **Deliverable :**

Actionable insights that the head of Microsoft's new movie studio can use to help decide what type of films to create.
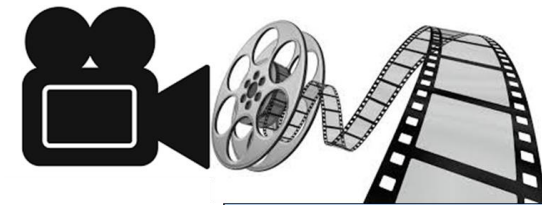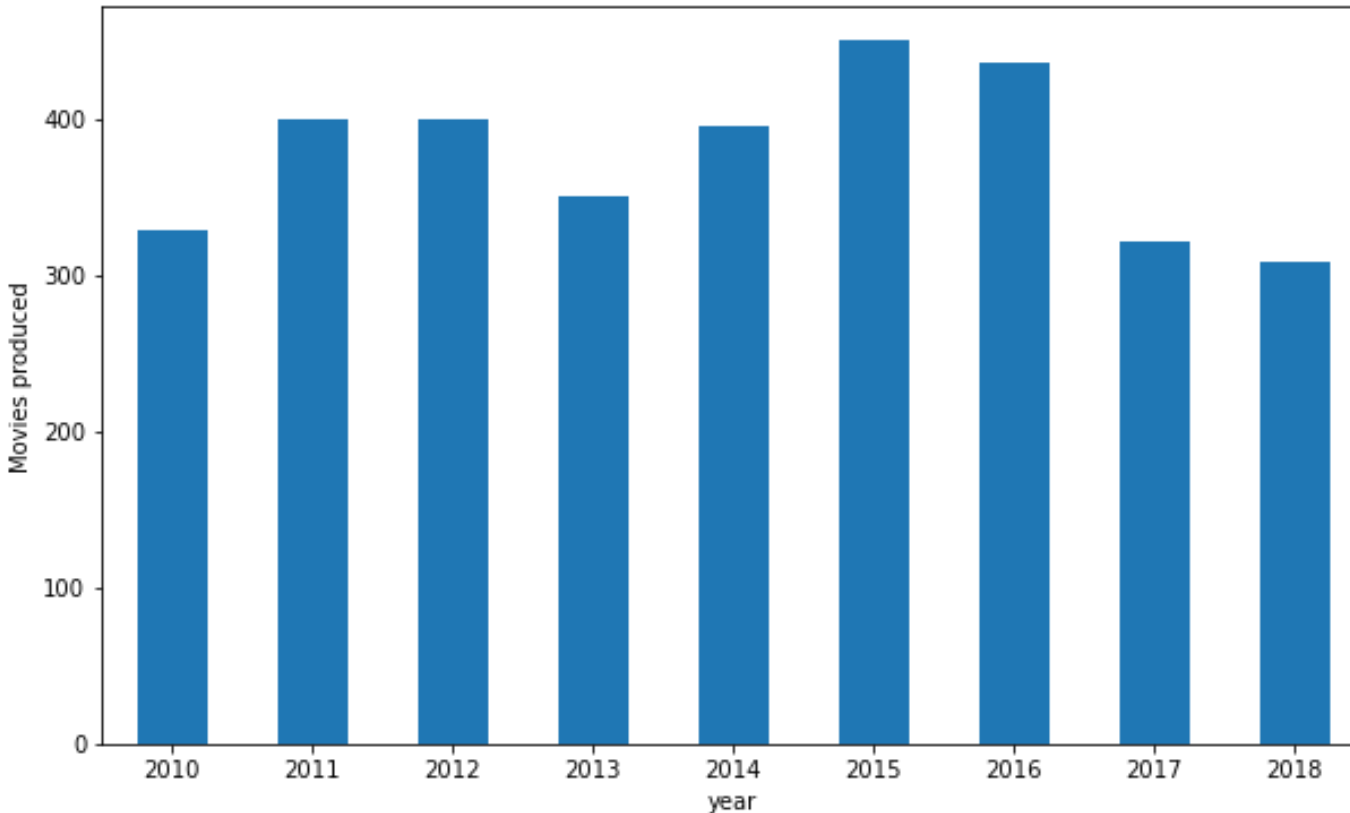
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FILM INDUSTRY INSIGHTS

1. Movie Trends

The film industry has been producing an estimate of 300 movies each year since 2010 with the highest record of 460 movies in 2015.
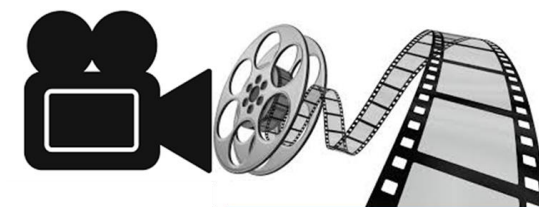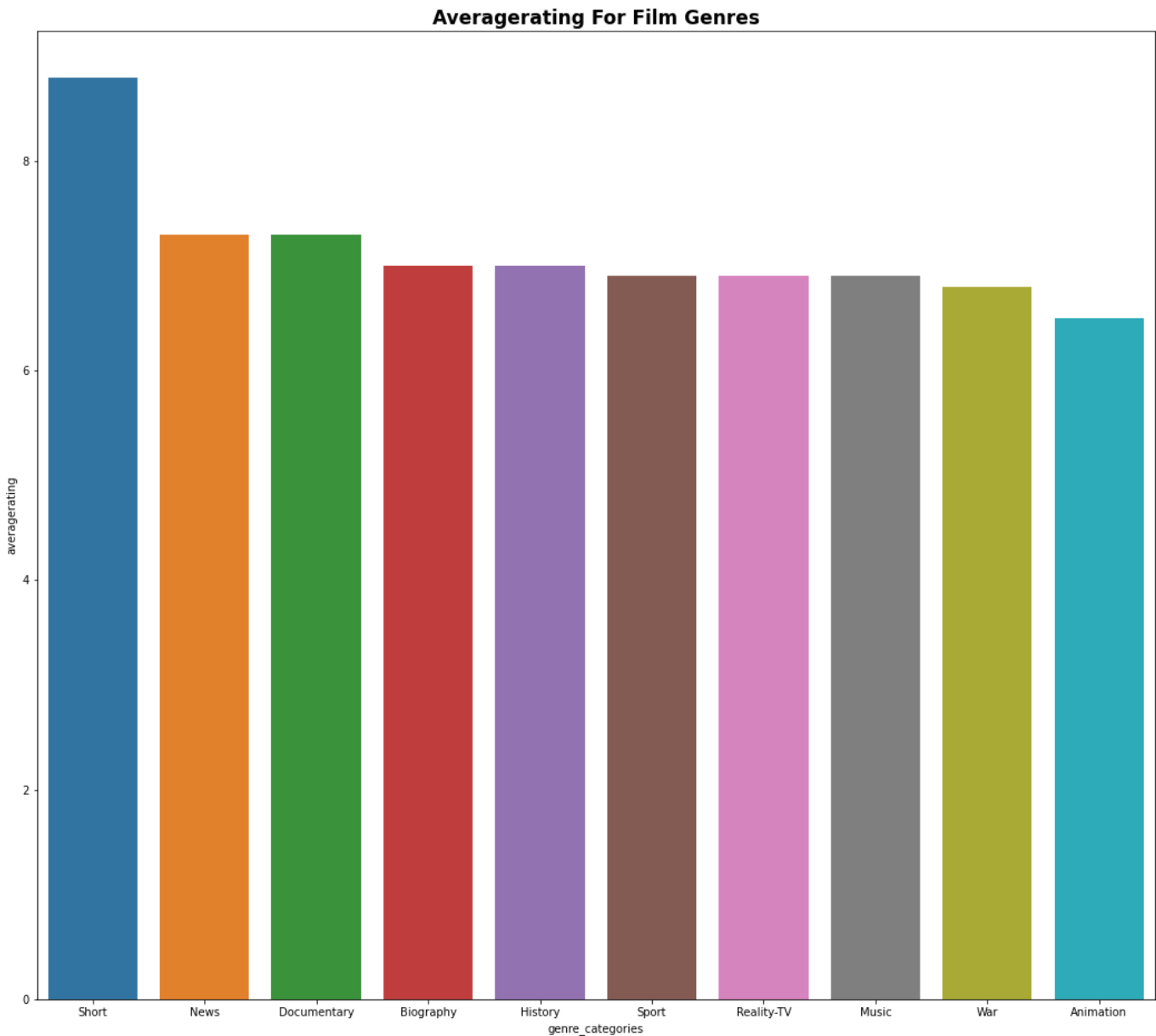

Movie Production Trend

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Insight 1:

Movie production per year declined since 2015

Recommendation:

As a new studio, Microsoft should produce few Movies to first understand the industry dynamics

2. AVERAGERATINGS

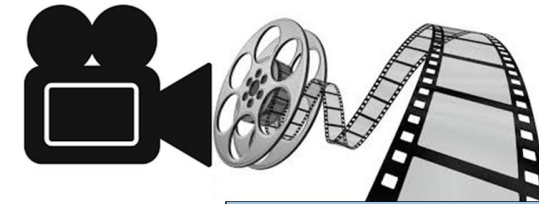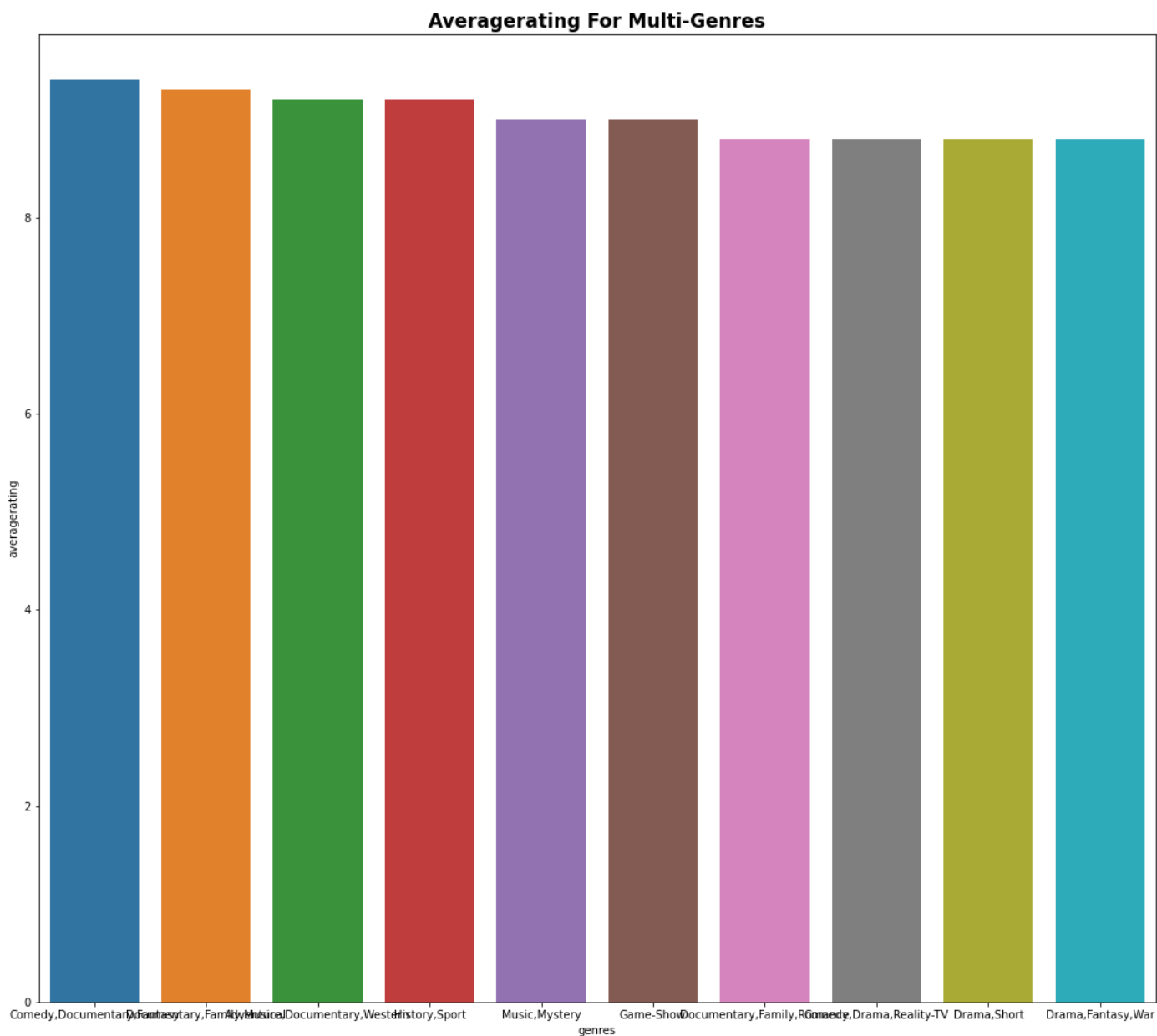**Averagerating For Film Genres**

Insight 1:

Highest Single-genre films have an average rating ranging between 6.5 and of 7.3

Recommendation:

As a new studio, for single genre, Microsoft should focus on documentaries and biographies

2. AVERAGERATINGS

Averagerating For Multi-Genres
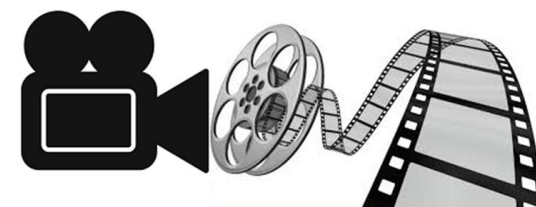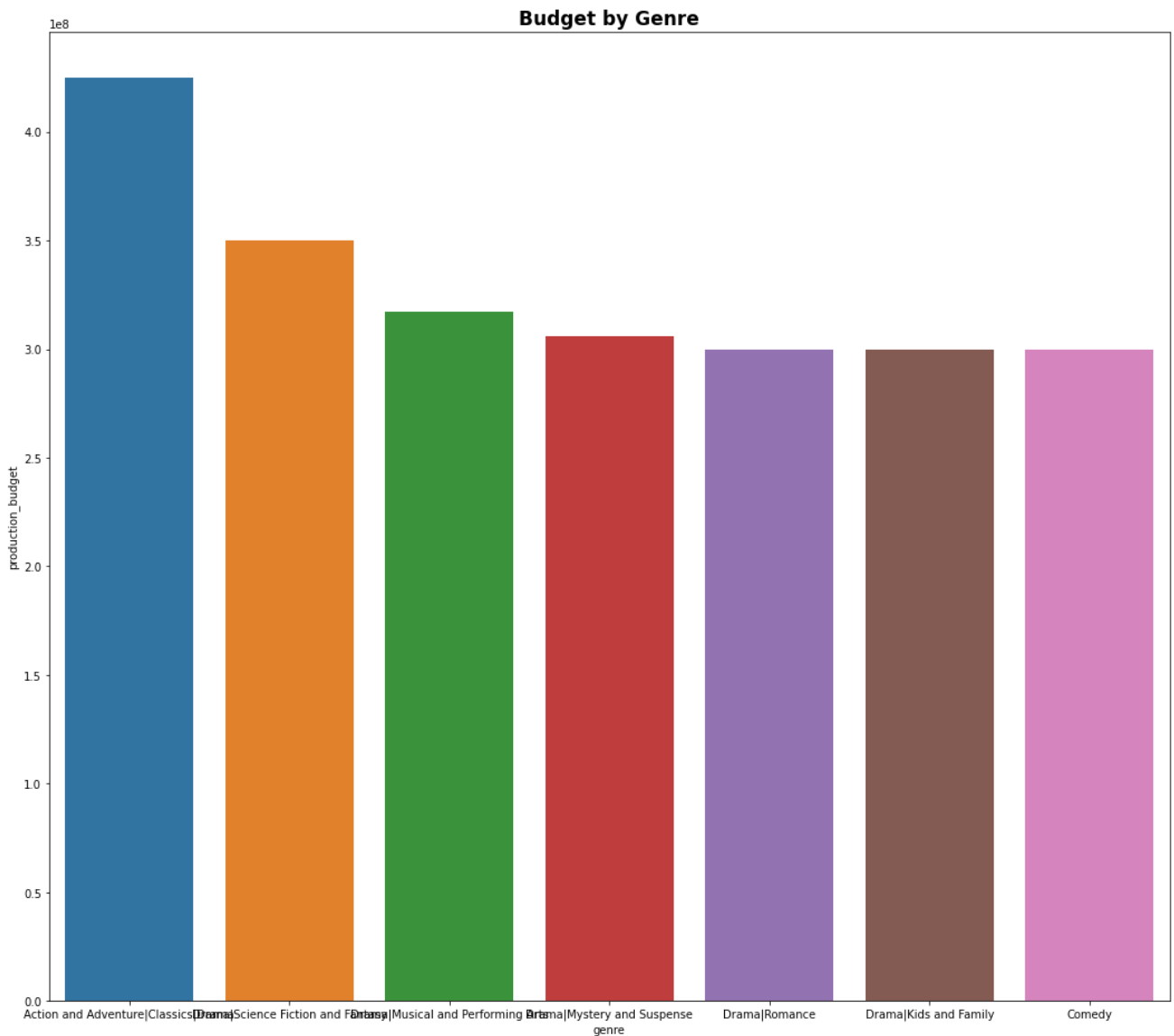

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Insight 1:

Multi-genre films have higher average ratings (8.8-9.4) compared to single-genre films

Recommendation:

Microsoft should produce multi-genre films

averagerating

genres

Comedy,Documentary,Fantasy Drama,Family,Musical Adventure,Documentary,Western History,Sport Music,Mystery Game-Show Documentary,Family,Romance Comedy,Drama,Reality-TV Drama,Short Drama,Fantasy,War
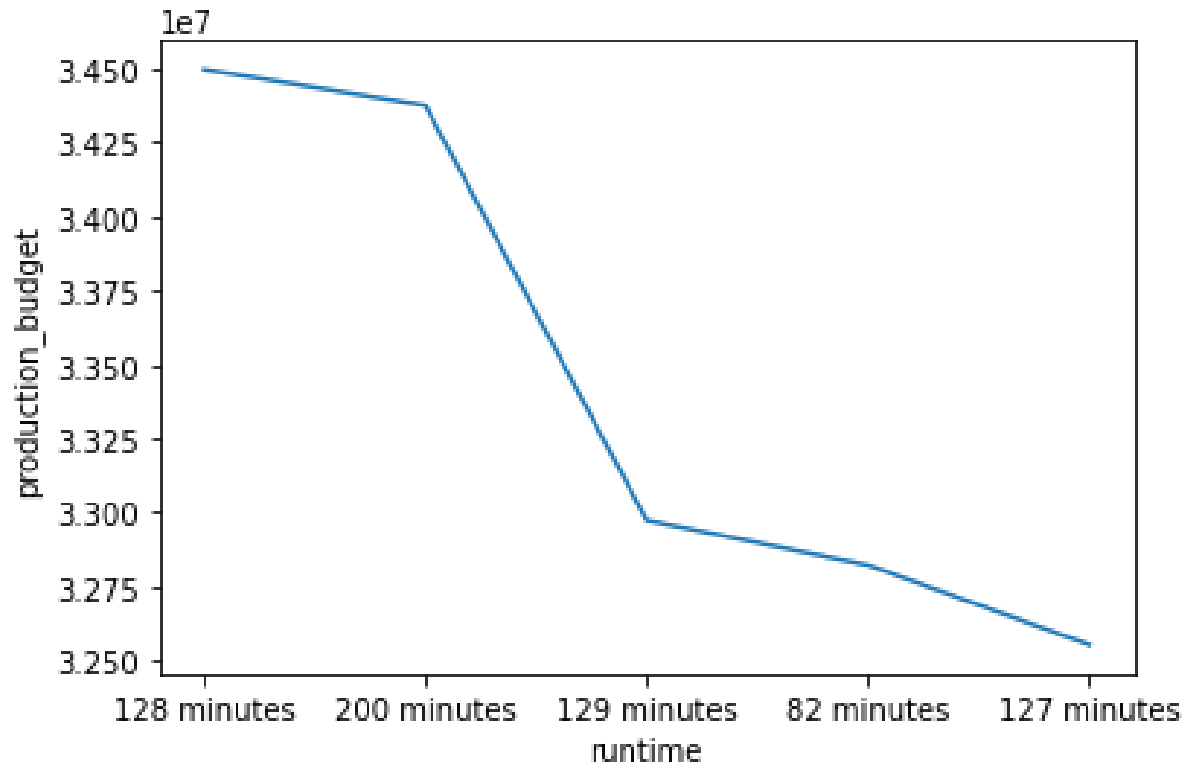
3. Production Budget

Budget by Genre

Insight 1:

Action|Adventure|Classic|Drama have highest production budget of close to half a billion $.

Recommendation:

As a new movie studio, should set aside approximately $ 400,000,000 to be able to produce films within high rated genres.

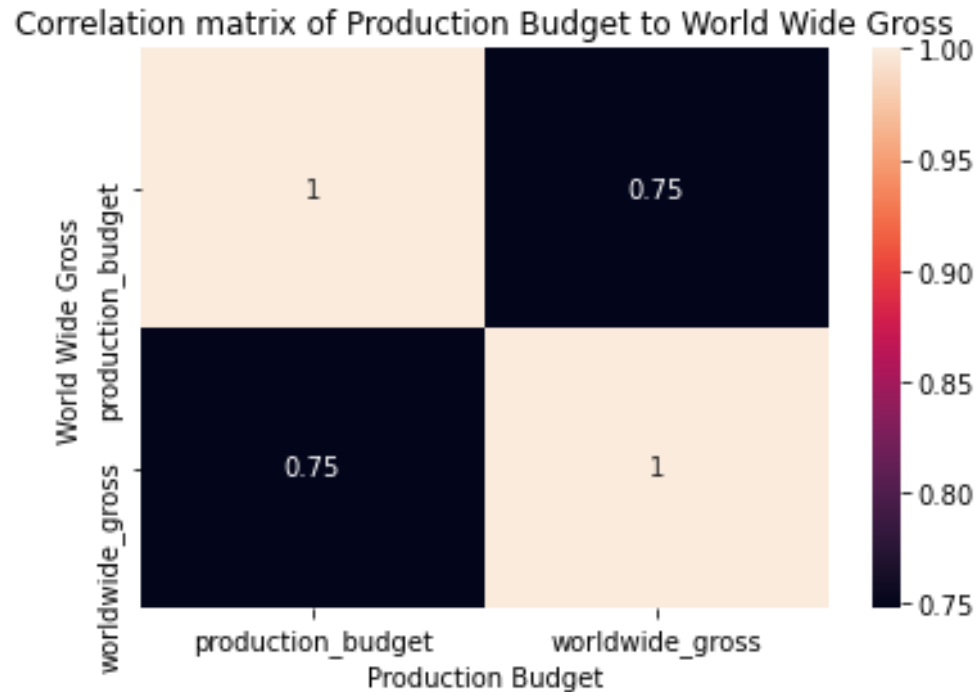# 4. Production Budget & Runtime Correlation

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Insight 1:

Hight production budget does not really equal runtime of the film and vice versa

Recommendation:

Production budget for film should not be capped based on runtime and vice versa

5. Production Budget & Gross Correlation

Correlation matrix of Production Budget to World Wide Gross
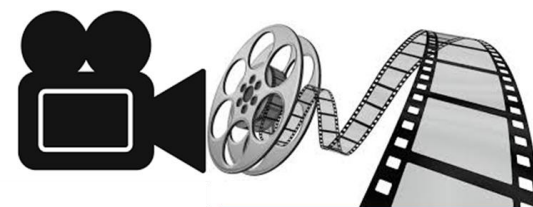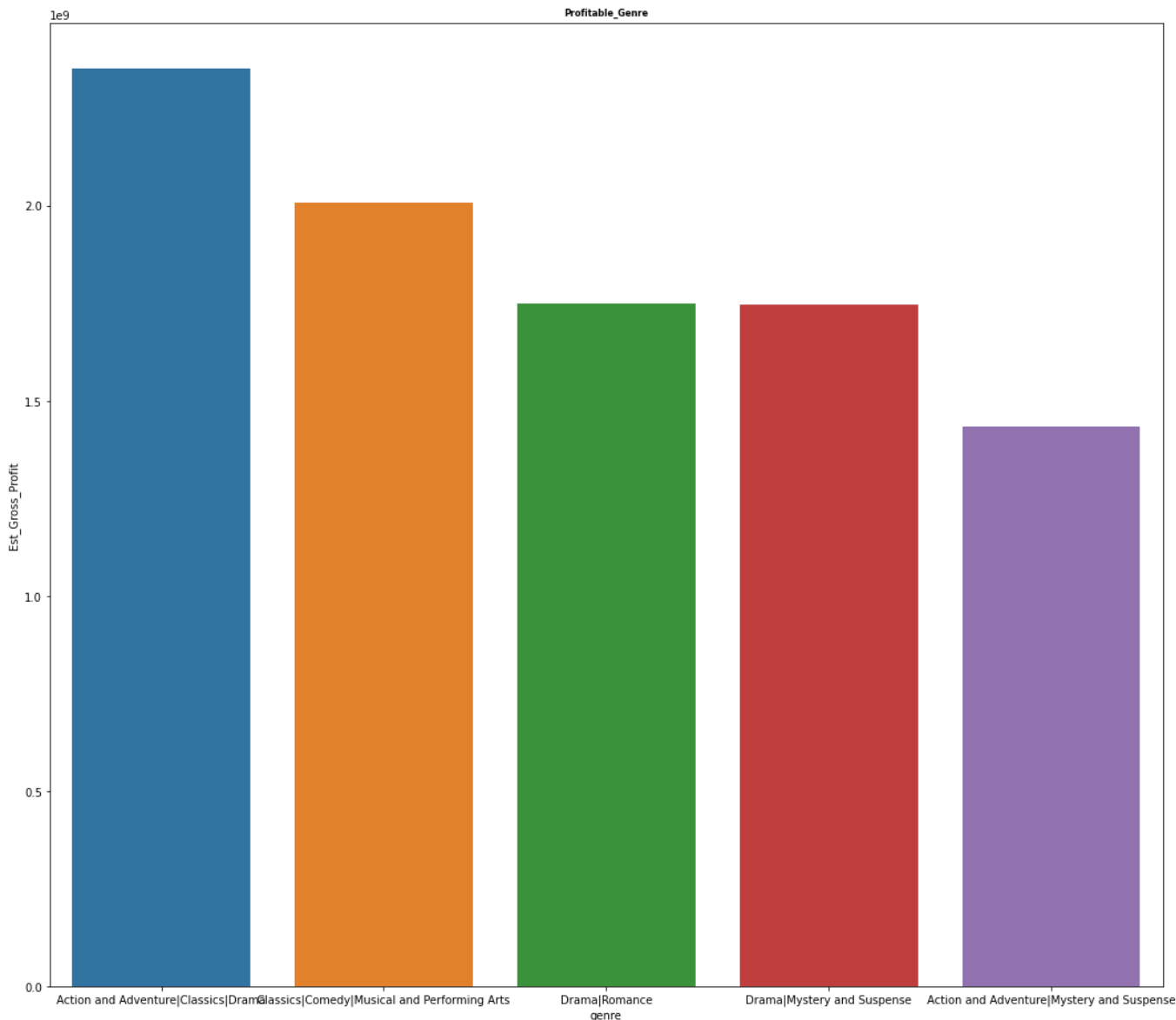
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Insight 1:

There's a strong correlation between production budget and Gross profit

Recommendation:
High Production budget translates to high gross profits. E.g. Action|Adventure|Classics|Drama has the highest production budget and estimated gross profit
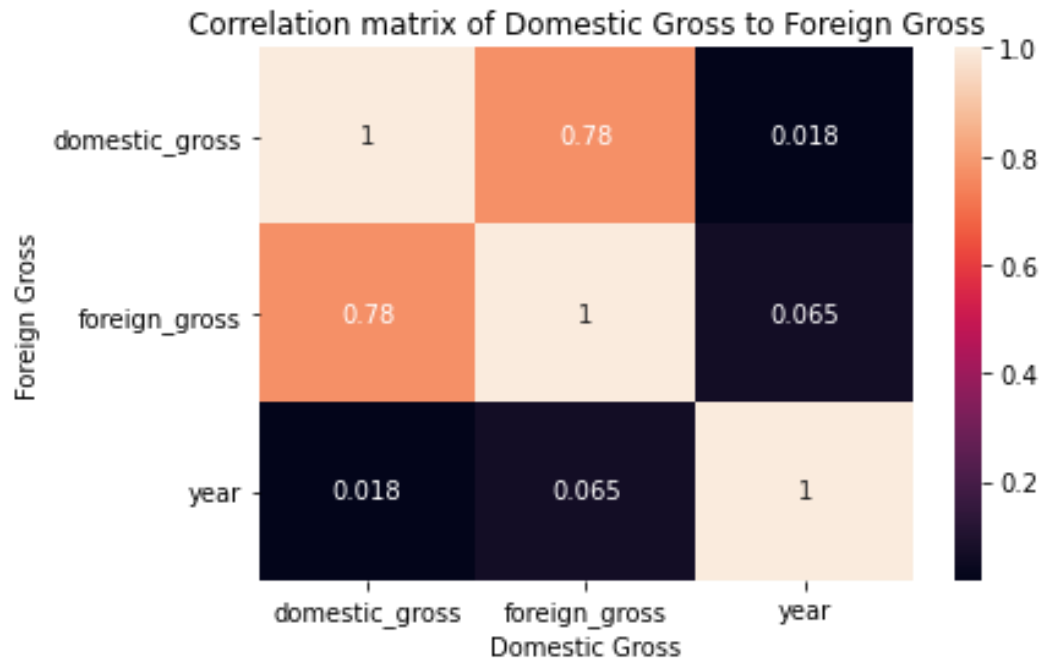
6. Profitable Genres

Insight 1:

Action and Adventure|Classics|Drama had the highest estimated gross profit of $ 235,1345,000

Recommendation:
Microsoft should focus on films within the Action|Adventure|Classics|Drama genre. As observed earlier this genre had also the highest production budget.

Correlation matrix of Domestic Gross to Foreign Gross

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Insight 1:

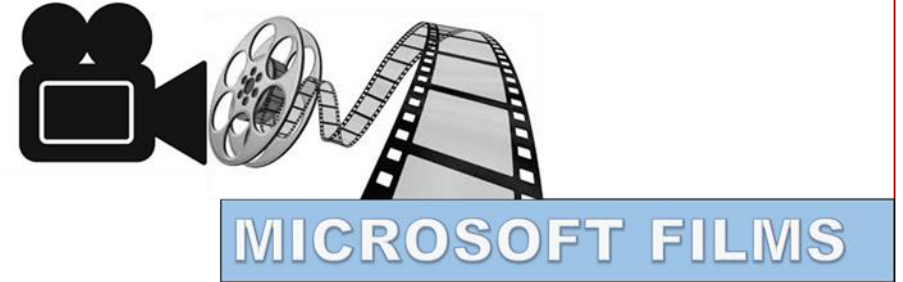There's a strong linear relationship between domestic and foreign gross

Recommendation:
A movie performing well domestically should be an indicator that it will perform well internationally

Conclusion

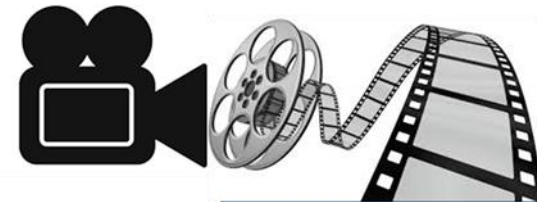**Key Takeaways:**

✓ Multi-genre films perform well than single-genre films

✓ Action and Adventure|Classics|Drama had the highest production budget and estimated gross profit

✓ There's no relationship between runtime for a film and production budget and vice versa

✓ Films that perform well domestically will perform well internationally

✓ There's a positive correlation between production budget and gross profits

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Further Work

❖ Compare studio productions and identify those that have successfully done low-budget films with high grossing

❖ Analyse how many movies Microsoft should produce per year

❖ Analyse the best time of the year (month) to release different film genres

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