



Movie Investment Analysis

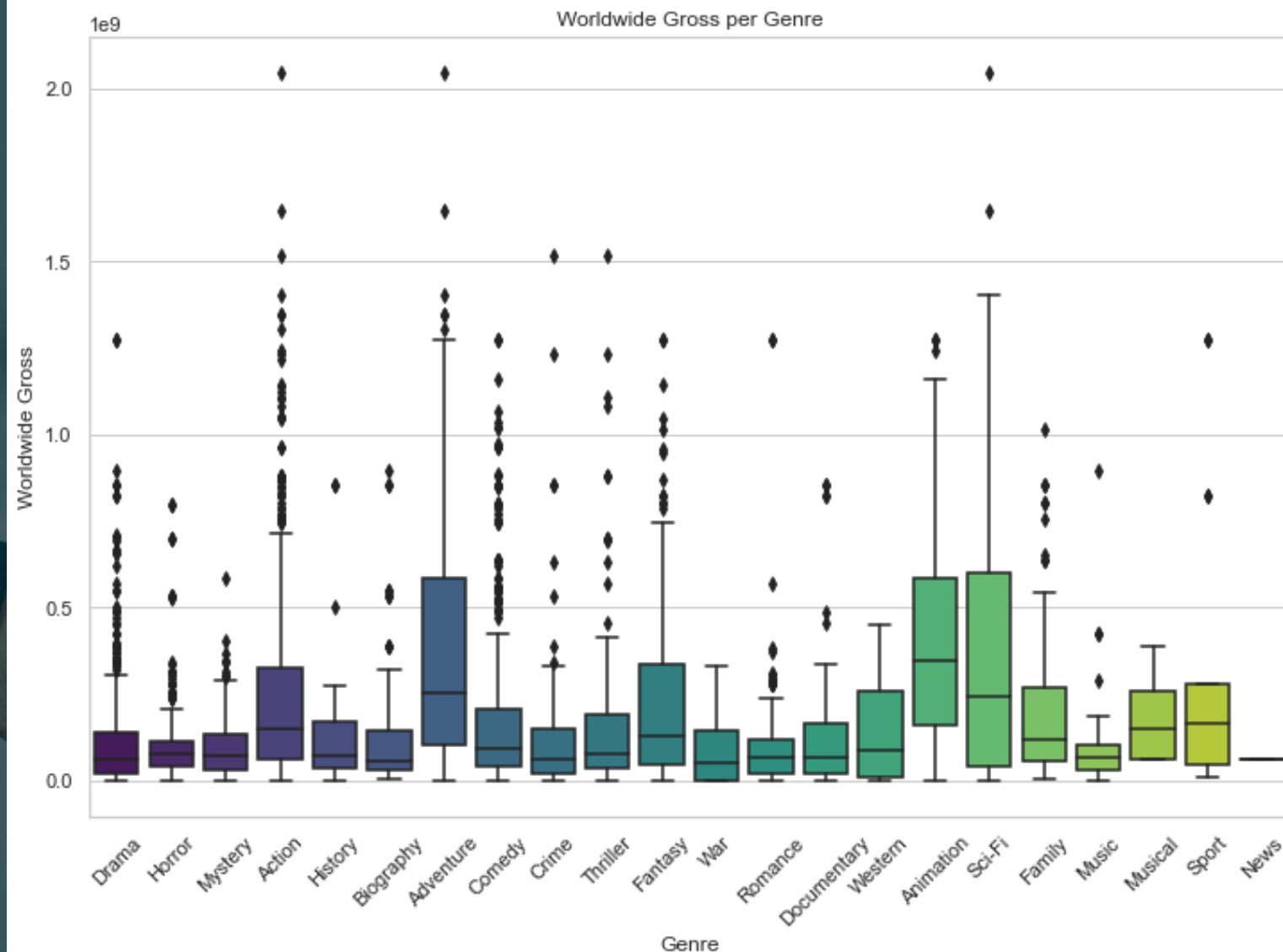
Insights for Success

George Chira
Insights Consulting

Gross Income per Genre

Animation, Sci-Fi, and Adventure:

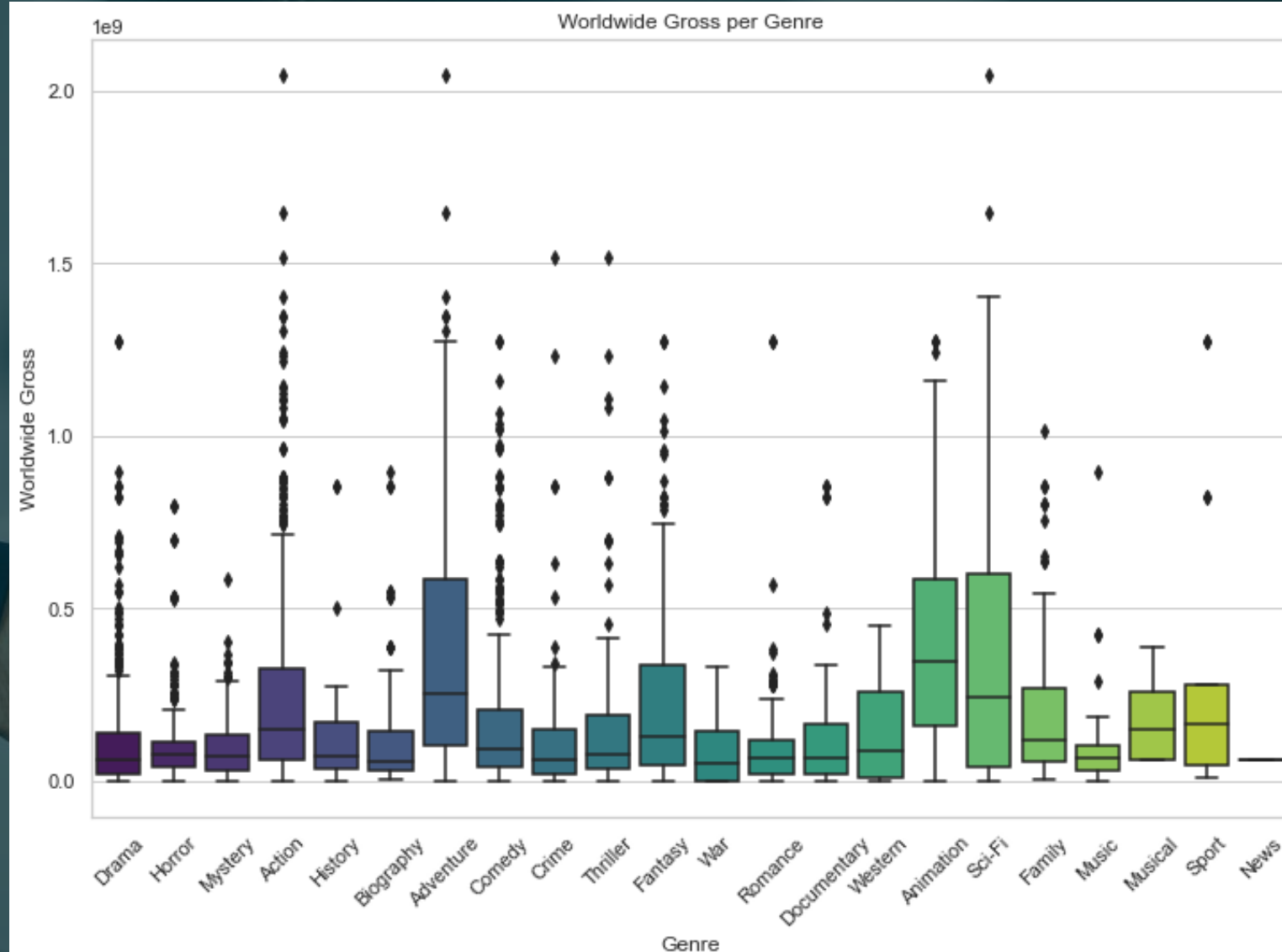
These genres show the highest median worldwide gross, indicating that films in these categories generally perform better financially compared to other genres.



Gross Income per Genre

Genres with Moderate Earnings:

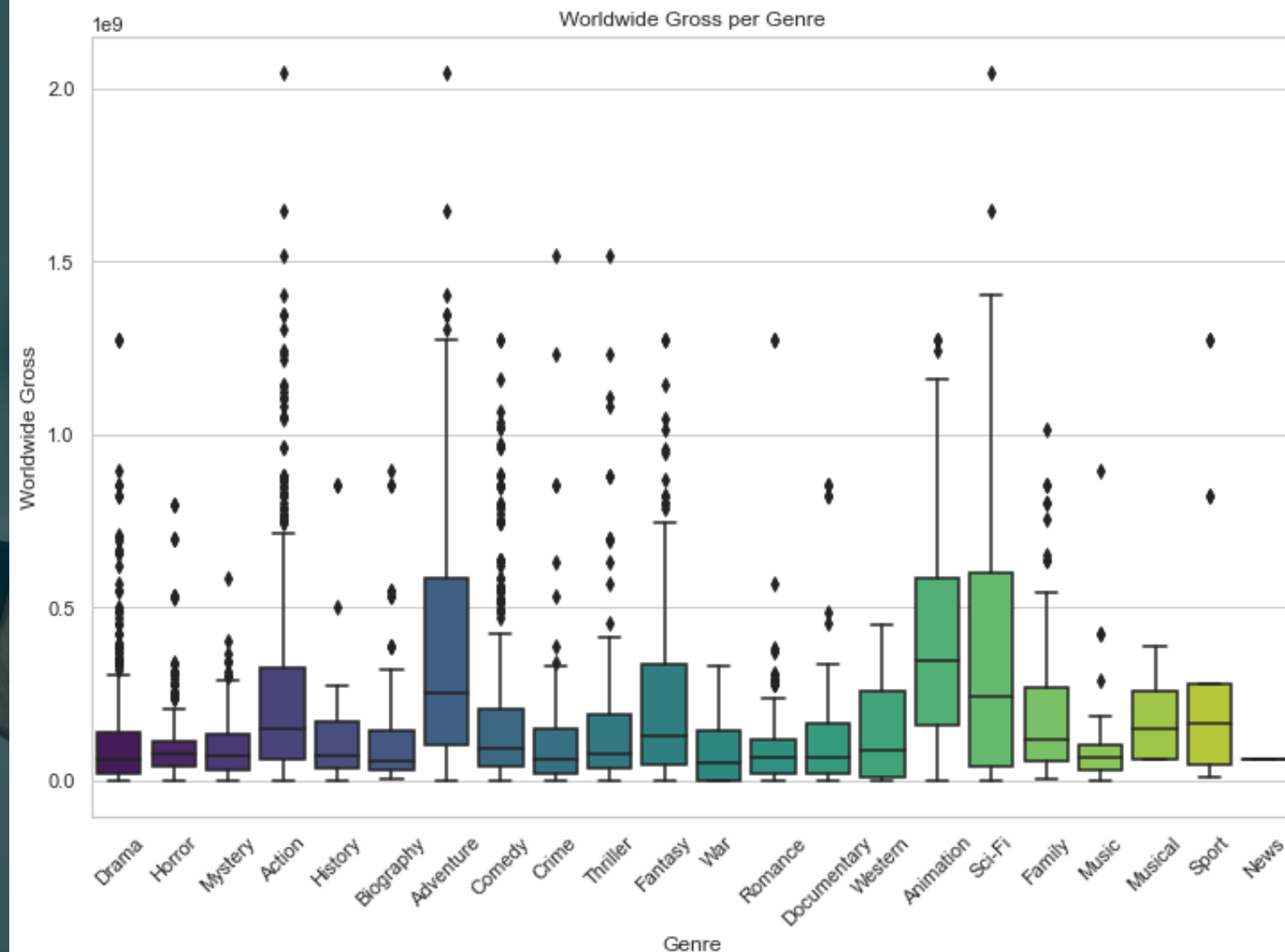
Biography, Action, Fantasy, and Family genres have a moderate median worldwide gross. This indicates a consistent, albeit lower, performance in terms of revenue.



Gross Income per Genre

Lower Performing Genres:

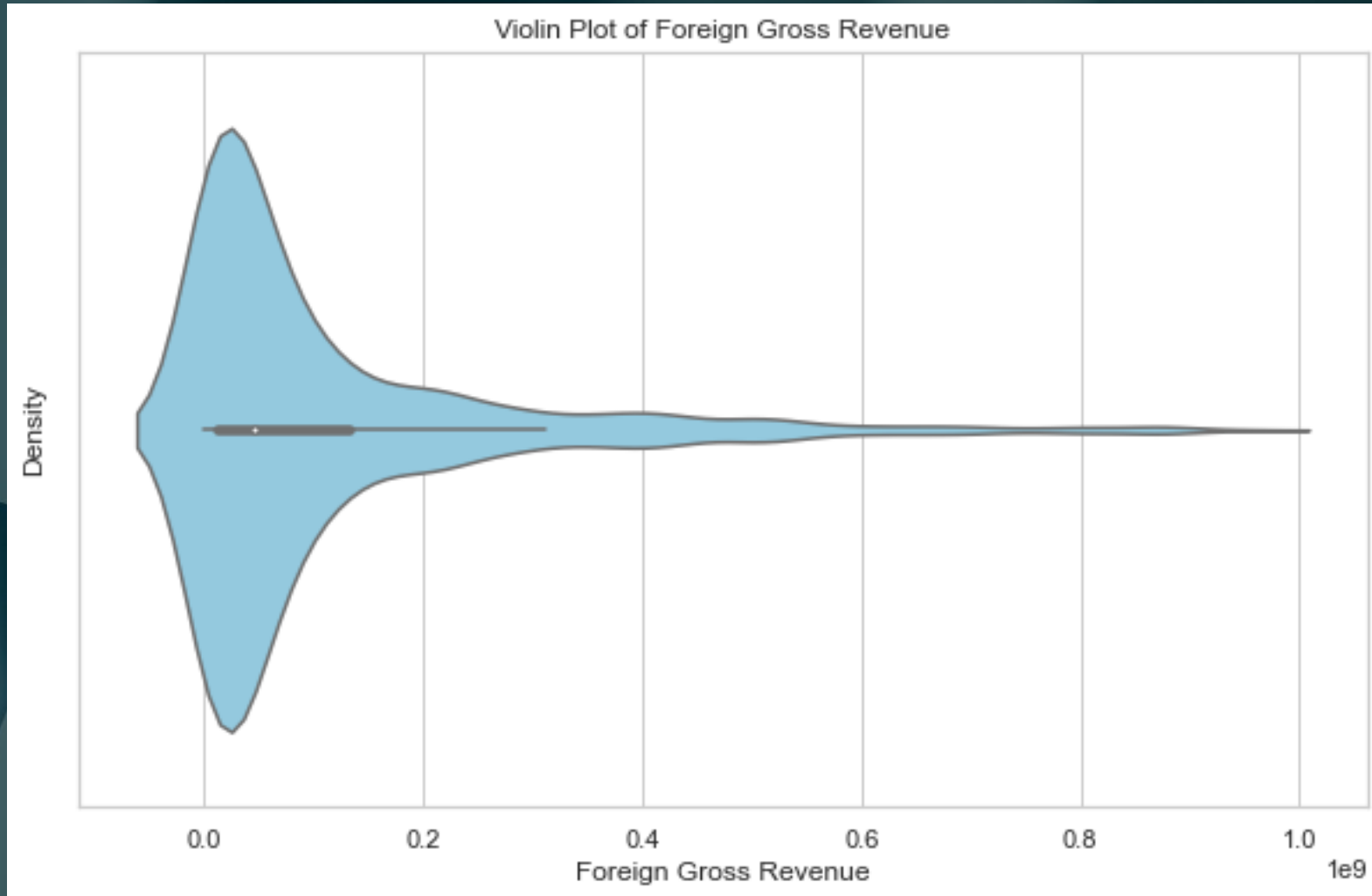
Genres such as Drama, Horror, Mystery, Romance, and Documentary tend to have lower median worldwide gross values.



Foreign Gross Revenue

The bulk of the foreign gross revenue values are concentrated below \$200 million, as indicated by the width of the plot in this range.

This suggests that most movies earn less than \$200 million from foreign markets.



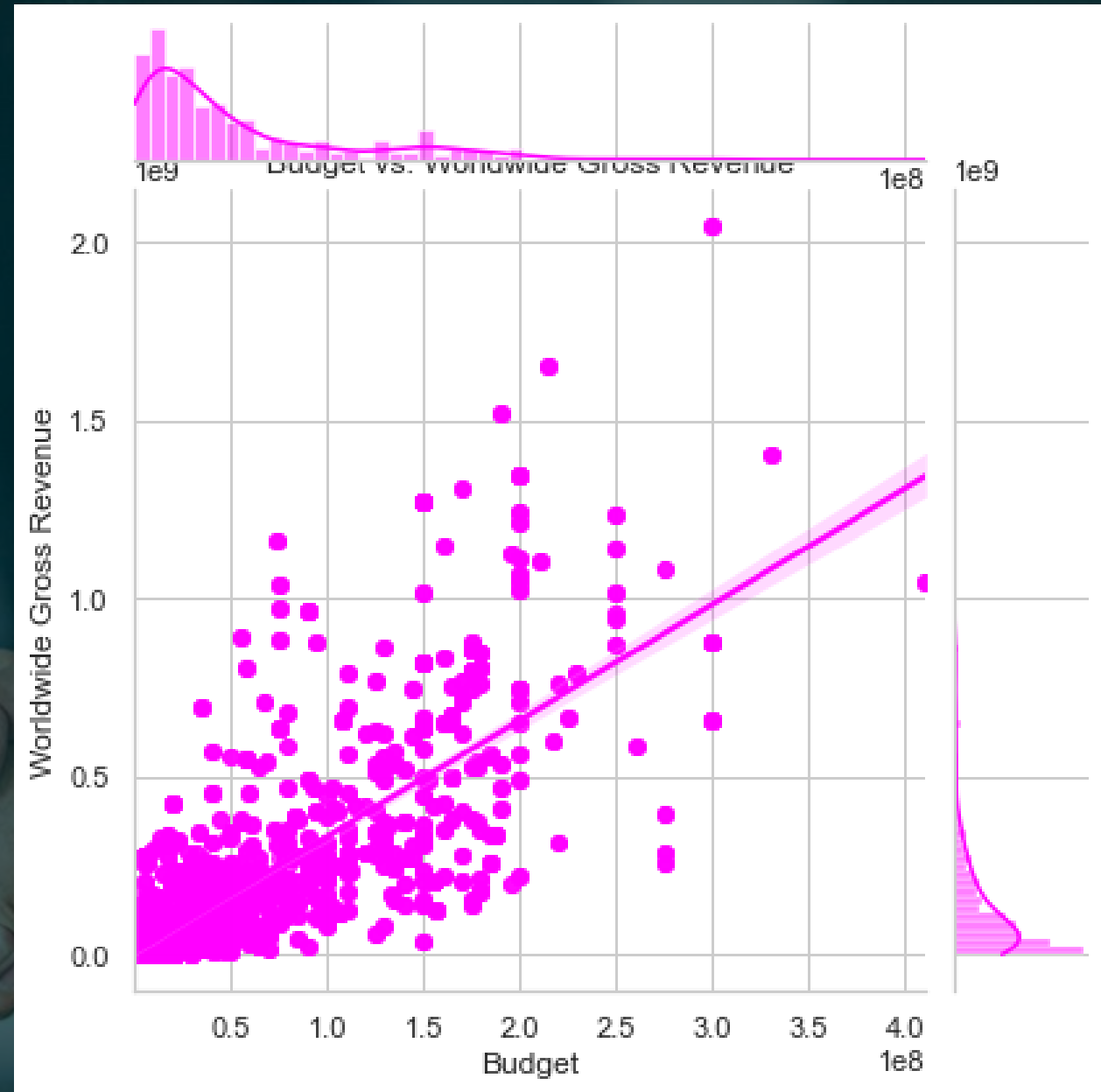
Budget Allocation

Positive Correlation:

Clear positive correlation between budget and worldwide gross revenue. Higher-budget films tend to generate higher revenues.

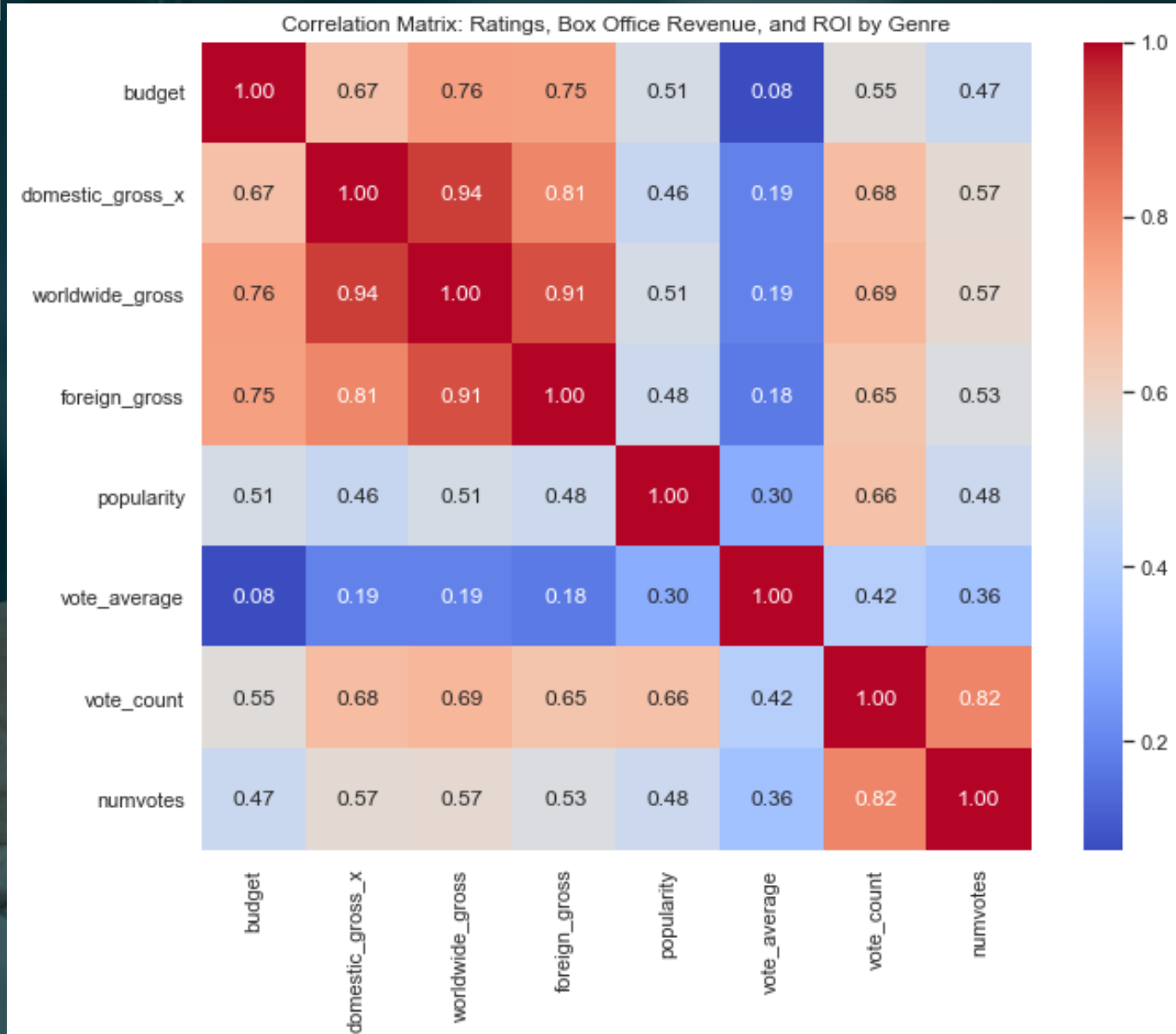
Distribution of Data Points:

Many films have lower budgets (< \$100 million) and lower revenues. High-budget films (> \$200 million) are fewer but often exceed \$500 million in revenue.



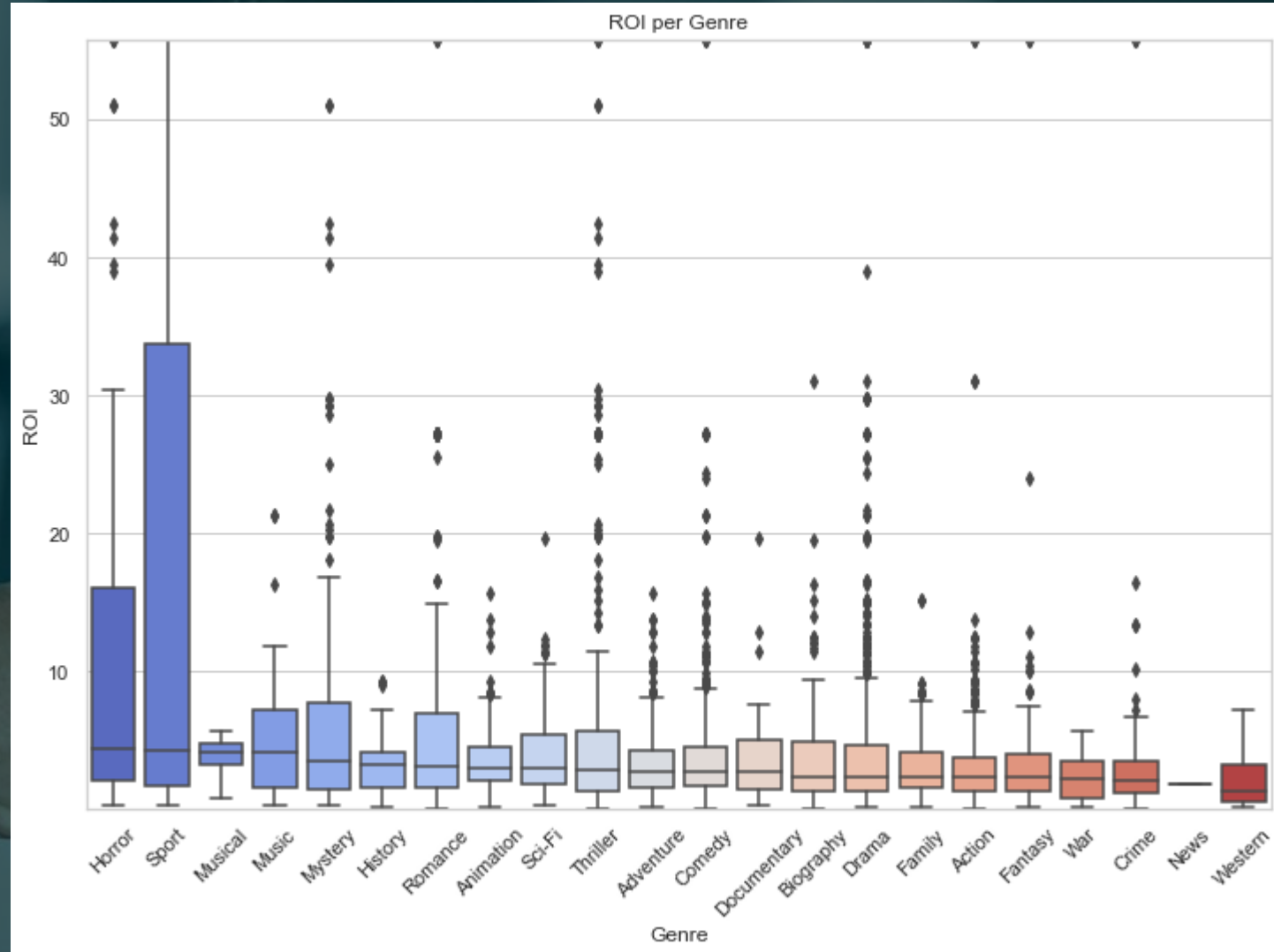
Budget Allocation

- Movies with high budget have strong correlation with Returns on Investment and profitability
- Such have high domestic and worldwide returns

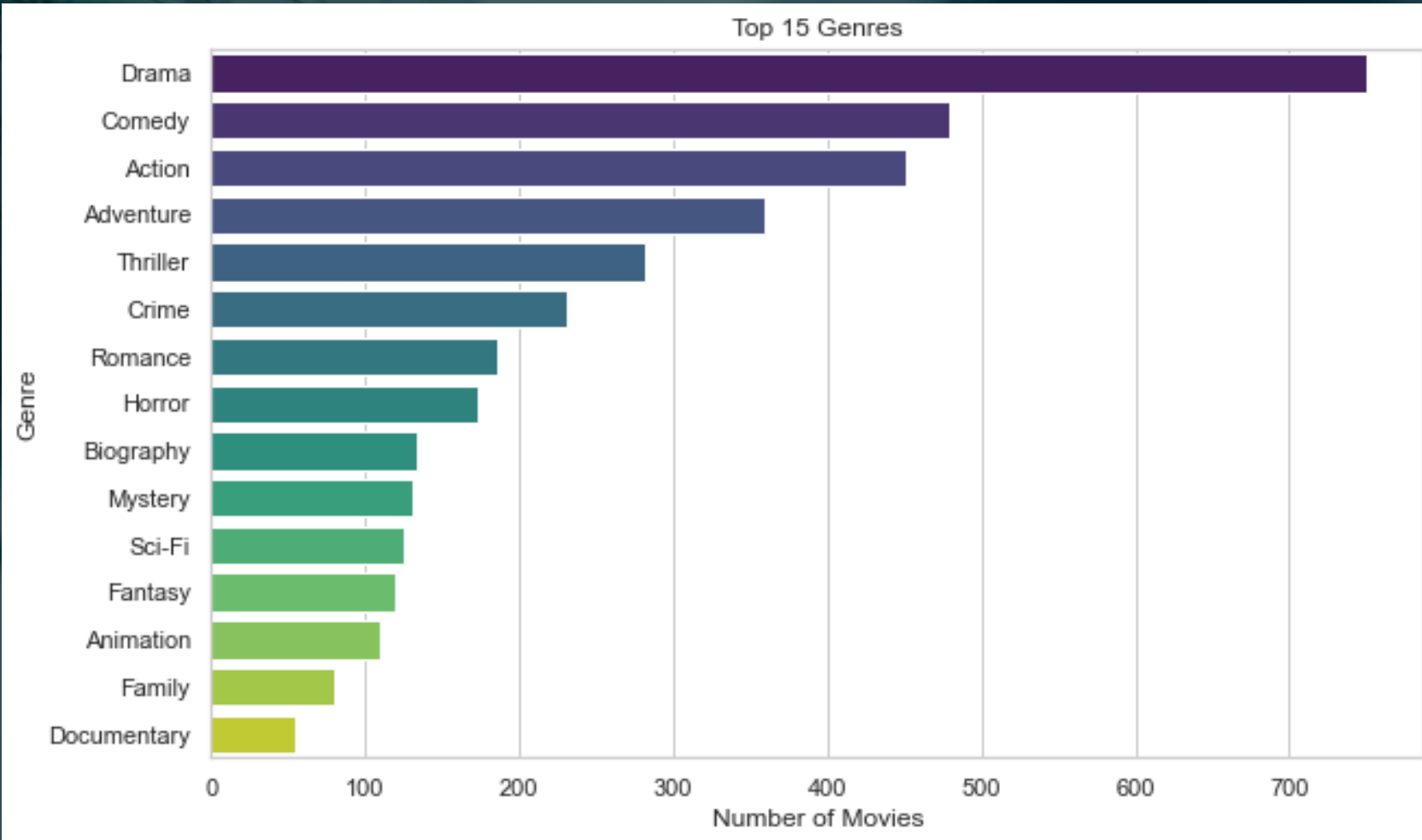


Returns on Investment

- Returns on Investment Vary significantly by genre
- Sports and Horror have high variability
 - Horror movies is a High-risk, high-reward investment
 - Sport, Musical, and Music: High median ROIs with less variation



Most popular movies



The film industry tends to focus heavily on Drama, Comedy, and Action genres, likely due to their broad audience appeal and consistent performance.

Recommendations

- **Investment Strategy:**
High-Performing Genres: Focus investments on Animation, Sci-Fi, and Adventure genres for higher potential returns.
- **Risk Management:**
Acknowledge the variability and outliers within genres to effectively manage financial risks.
- **Diversification:**
Maintain a diverse portfolio with a mix of high-risk/high-reward genres and stable, moderate-earning genres to balance financial outcomes.

Recommendations

- **ROI Optimization:**

High ROI Genres: Prioritize genres with the highest return on investment (ROI), such as Sport, Music, Horror, Romance, and Animation.

Optimal Budget Range: Invest in movies with budgets between \$50M and \$150M to balance risk and reward, achieving substantial box office earnings without excessive financial risk.

Recommendations

- **Project Selection Criteria:**

Movie Ratings: Use high ratings from IMDB as key criteria for selecting projects, as there is a positive correlation between high ratings and box office success.

- **Marketing Strategy:**

Enhanced Marketing for High-Rated Films: Allocate more marketing resources to films with high initial ratings to maximize their box office potential and profitability.

THANK YOU!



George Chira

