



# MICROSOFT MOVIE STUDIOS

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# Business Problem

As a newbie into the movie industry, Microsoft is going to face a lot of high competition from already established firms with far more experience like Disney, Comcast, Sony, Netflix and many others. And to add on this, its tech competitor Amazon opened Amazon studios in 2010 and the Amazon streaming service (PRIME) to produce its own content and acquired MGM studios in 2022 along with its entire movie catalogue. In order for Microsoft to compete, millions upon billions in capital will have to be invested in order to even stand a chance of being competitive. Amazon alone spent \$8 billion on original in just 2022 alone.



# Data Understanding

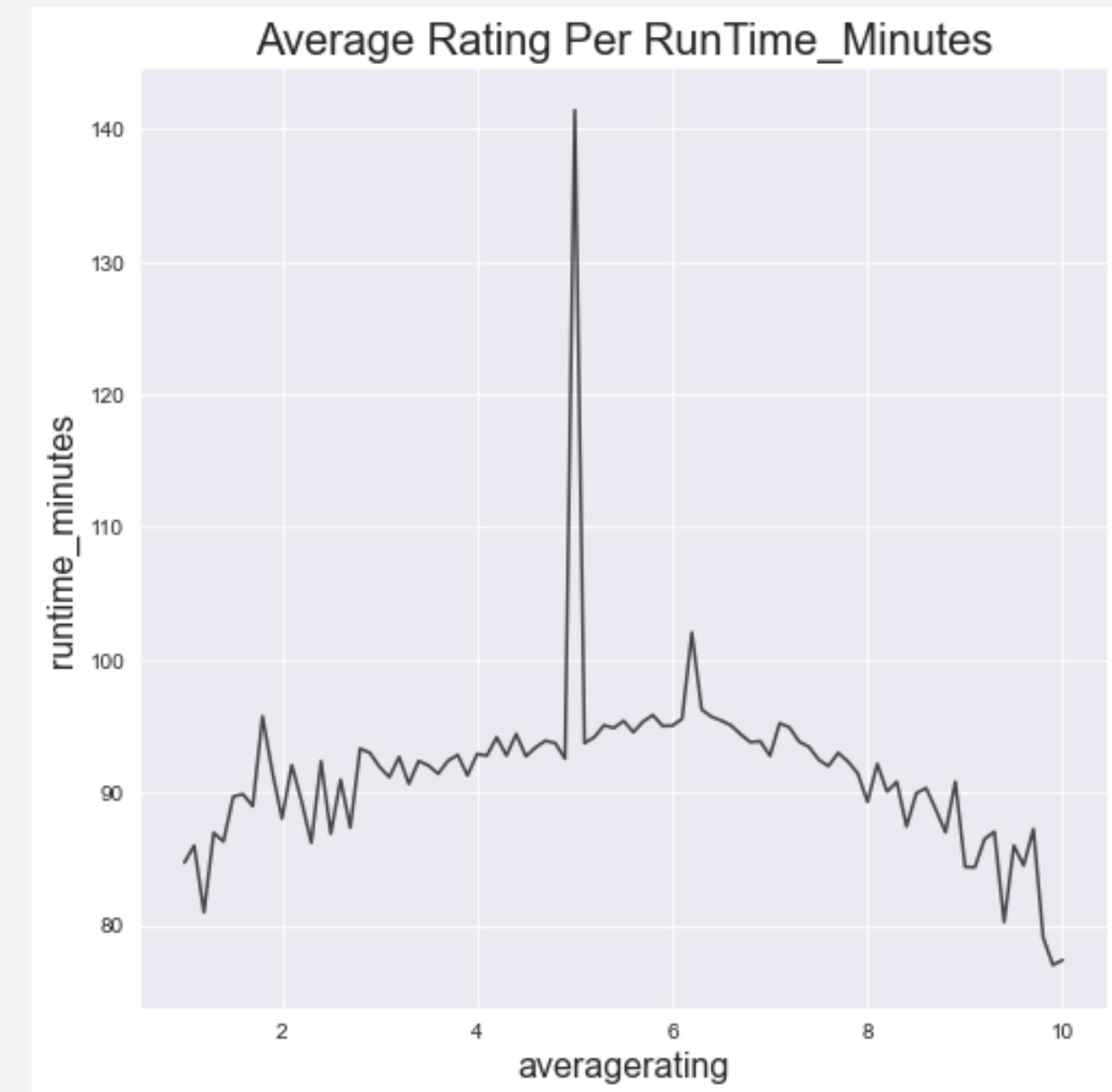
**This project explores data on the movies that have been produced over the years to come up with insights and recommendations for the head of Microsoft's new studio that can be used to decide what type movies to create. The data has been collected from various movie websites such as IMDB, RottenTomatoes, Box Office Mojo, The Movie Database and The Numbers all provided by Moringa School.**





# First Analysis

From this linechart , it is observed that movies with with large runtimes are unpopular among movie going audiences. Therefore it's recommended that movies produced should have an average runtime of 90 minutes as they are less expensive to put together and therefore less of a financial risk considering audience ratings play a role on people deciding on whether to go watch a film or not as one simply has to look at the imdb ratings listed on a specific movie.



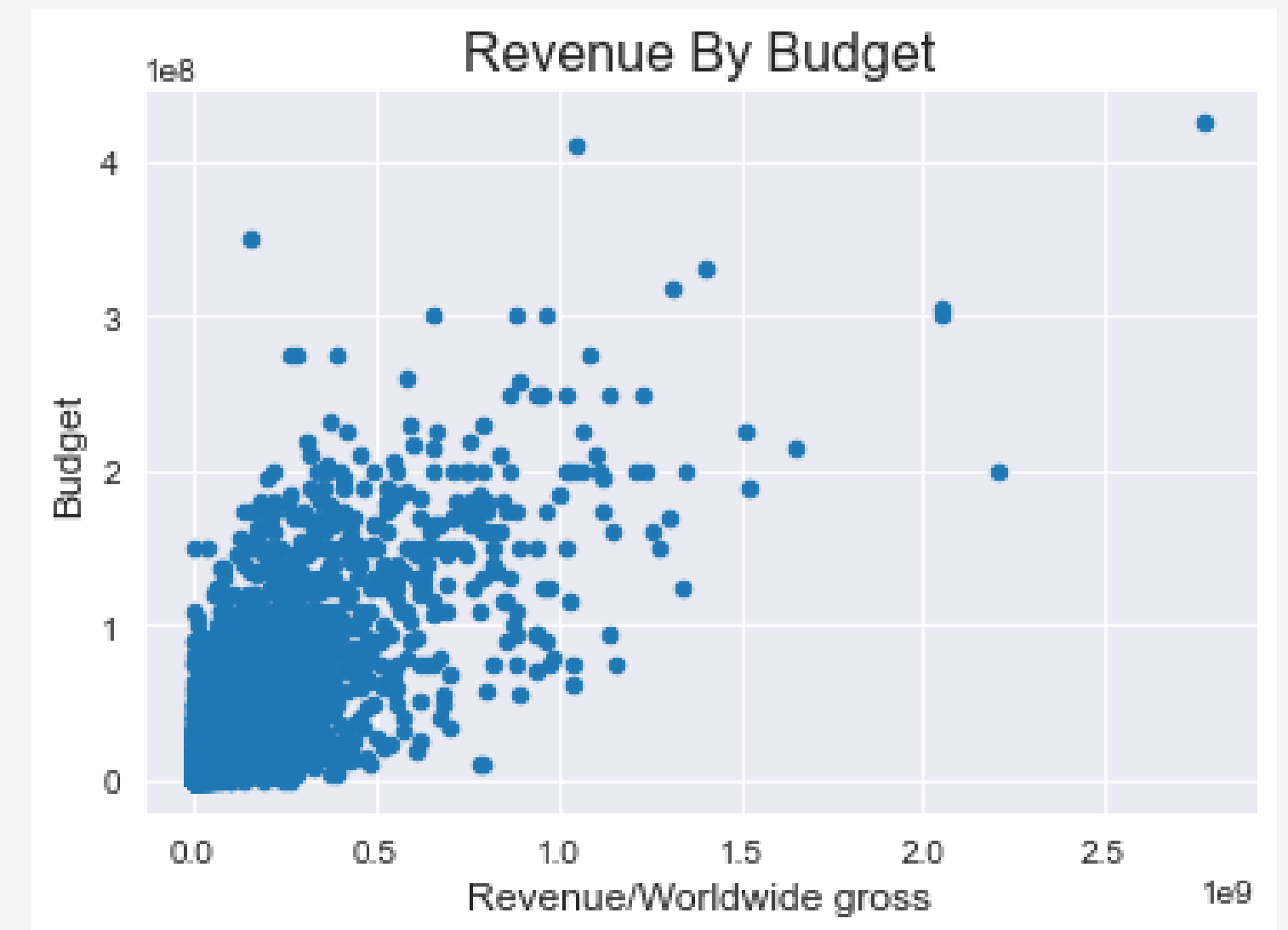


# Second Analysis

For the scatter plot it shows a positive correlation between budget and revenue/worldwide gross however as the saying goes, the correlation doesn't equal causation. In simple terms, this means that what is being observed is that two figures are correlated and no clarity on what is causing it and why.

According to the above analysis it indicates the following;

- Budgets lead Box office. Because the audiences want to see big films therefore pay more or go more often to watch them.
- Box office leads budget. Because the industry makes films in response to market demand, thereby avoiding films too costly for their likely revenue returns.
- Other factors are leading both budget and box office. Such as the level of confidence the industry has in a movie project, which raises both the budget and the marketing spend before it reaches theaters.



# Recommendations

Start off with low budget and indie films to gauge the market as it takes into account its startup capital. Unless Microsoft has the budget to adapt one of their large popular gaming franchises into movies e.g. Gears of war and Halo that have a large loyal fanbase into a guaranteed money making juggernauts like Disney and WarnerBros have done with Marvel and DC then that will pose less of a financial risk.

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# Thank You!

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