

# Movie Industry Analysis

By Jessica Forrest-Baldini

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# Synopsis

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They want to know which films are doing the best at the box office.

So we're going to take a look and find out.

# Methods

What defines box office success?

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What defines box office success?

- Ticket Sales
- Profit
- ROI

# Methods

We're going to look at all three

- ROI
- Ticket Sales
- Profit

# Methods

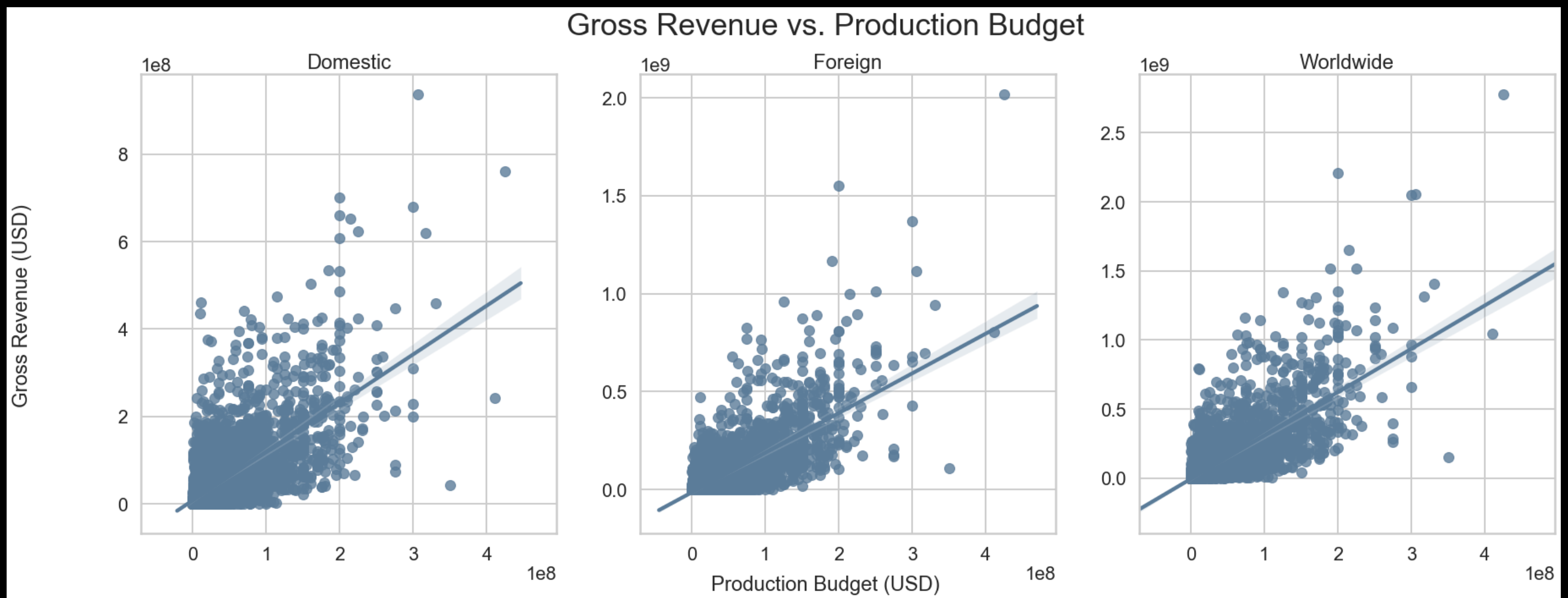
Which genres are the most successful?

What is the best predictor of  
box office success?



# Box Office Ticket Sales

Are ticket sales (gross revenue) correlated with production budget?



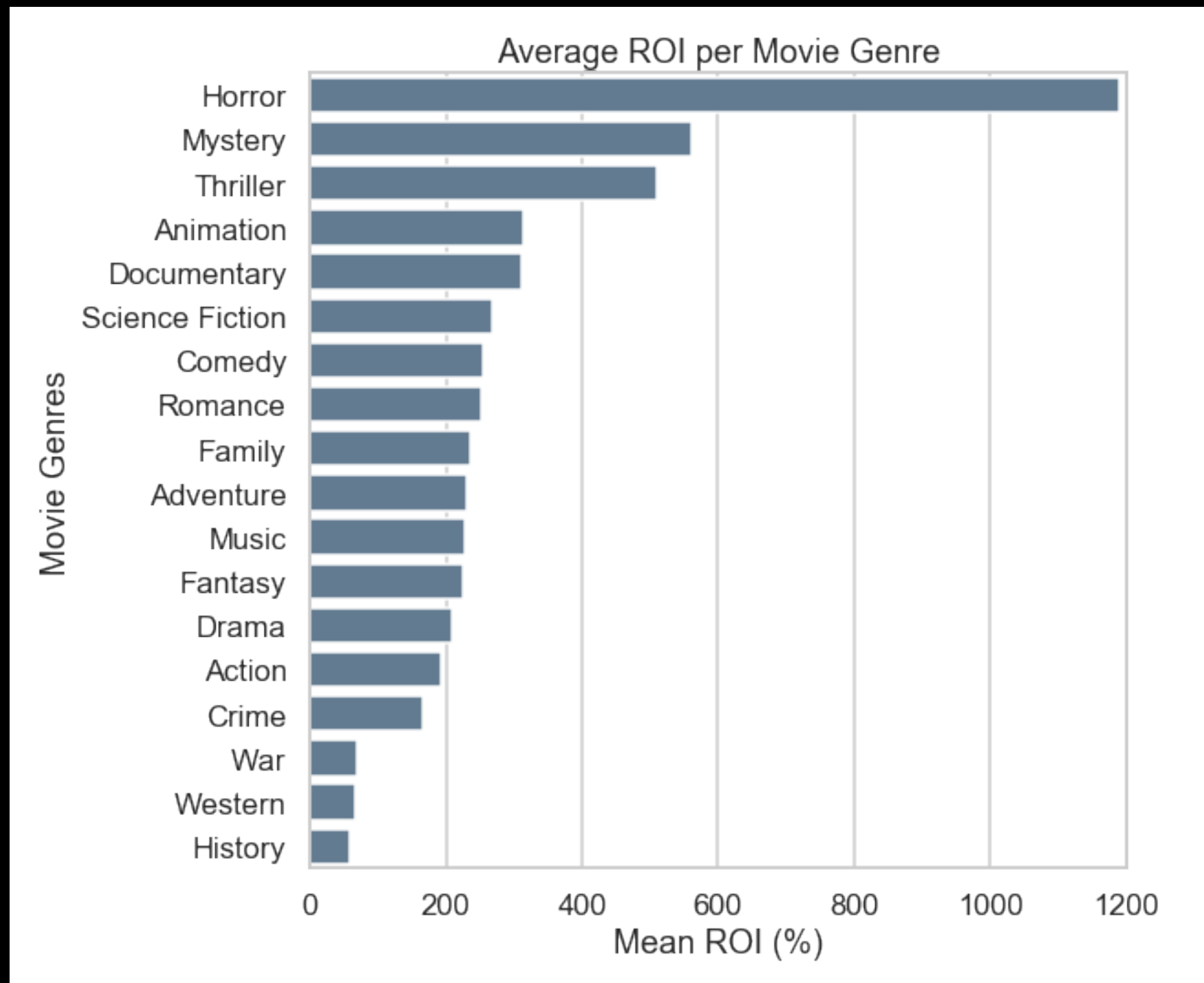
We can see there's a positive correlation between ticket sales (gross revenue) and production budget.

So, let's correct for production budget and look at ROI (return on investment)

$$\text{ROI} = \frac{\text{Profit} - \text{Investment}}{\text{Investment}} \times 100$$

# ROI

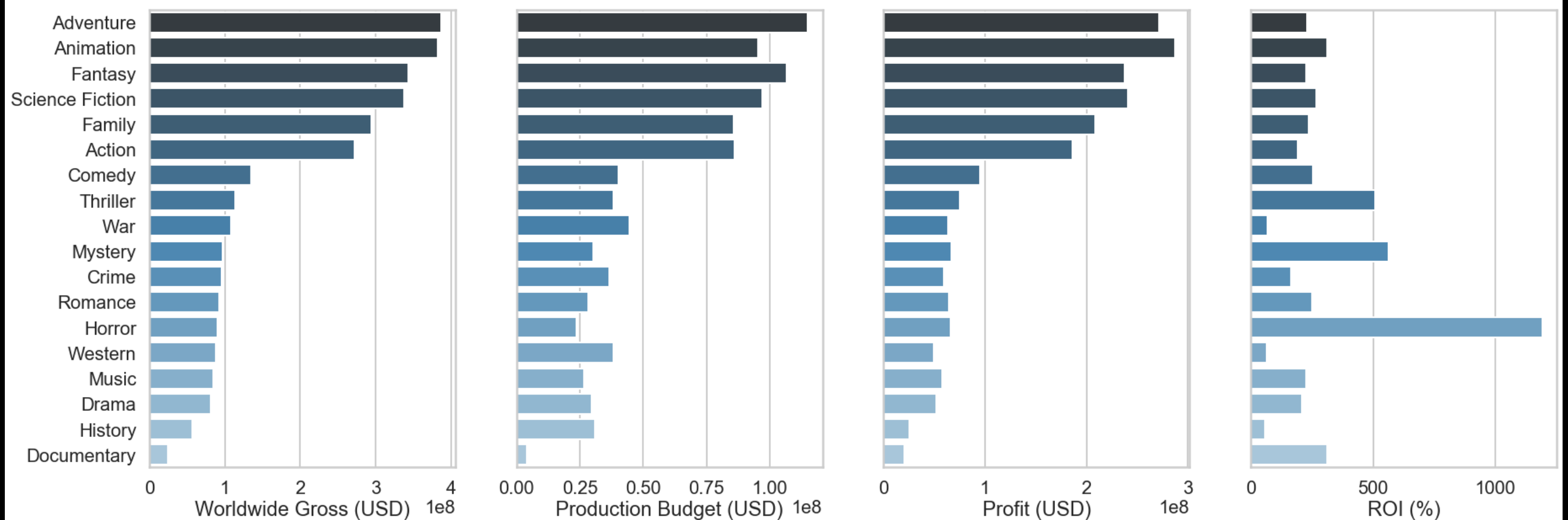
Which genres have the highest ROI?



# Ticket Sales

Which genres have the highest ticket sales?  
We can see they're not the one's with the highest ROI

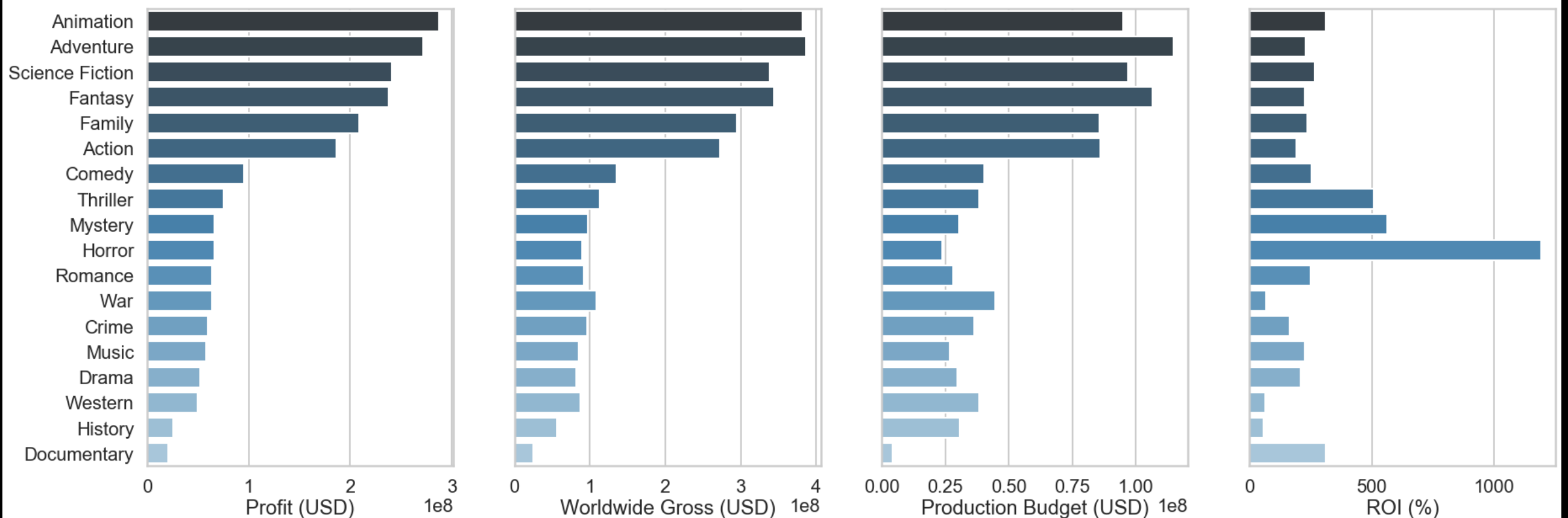
Average Box Office Sales per Genre Compared to Budget, Gross & Profit



# Profit

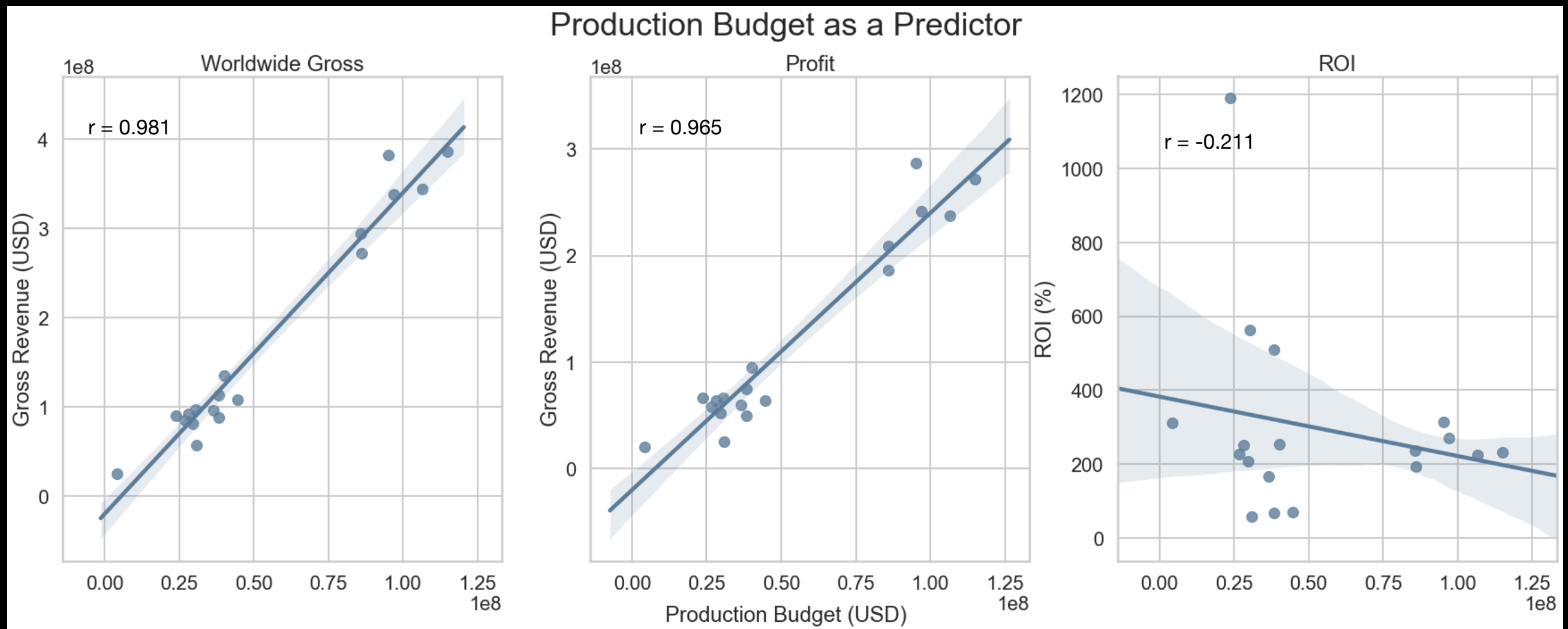
Which genres have the greatest profit?  
Also not the same as ROI, but correlated with gross

Average Profit per Genre Compared to Budget, Gross & Profit



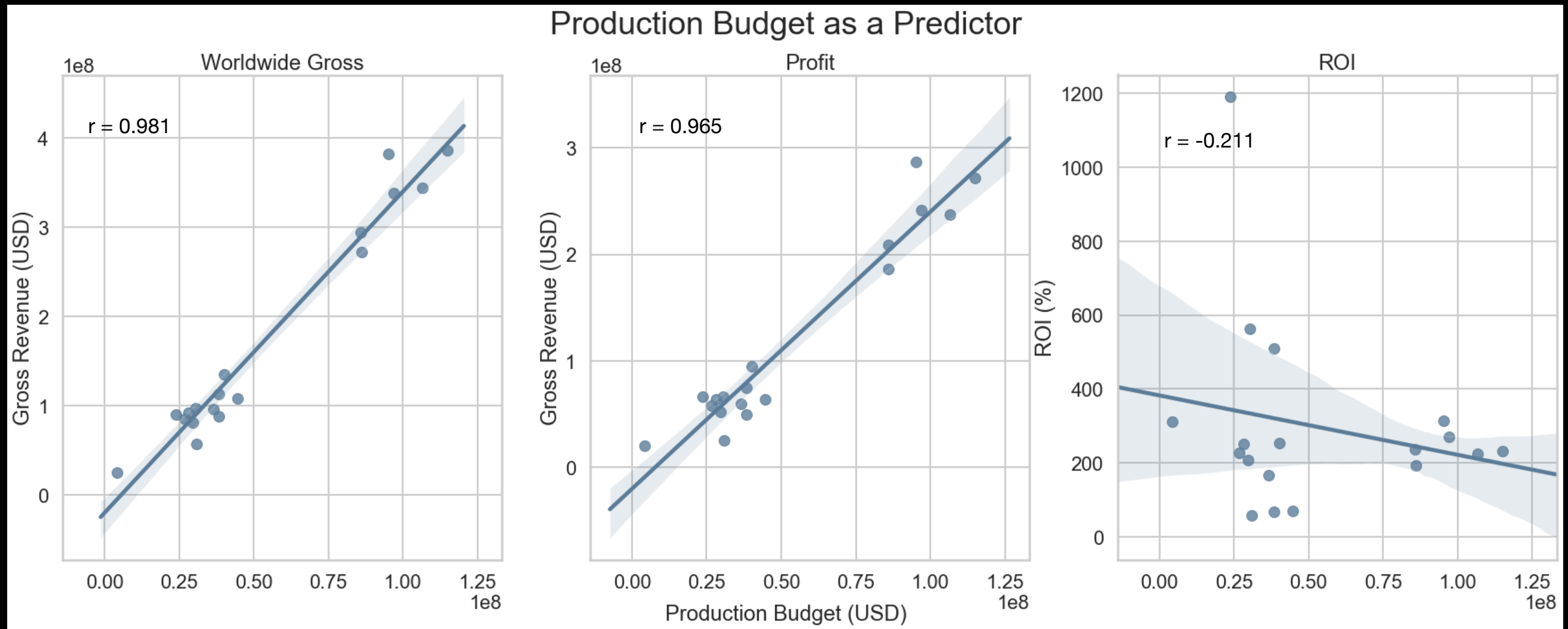
# Production Budget

We can see here, production budget seems to be a good predictor of ticket sales (gross revenue) & profit



# Production Budget

And not ROI... Why?

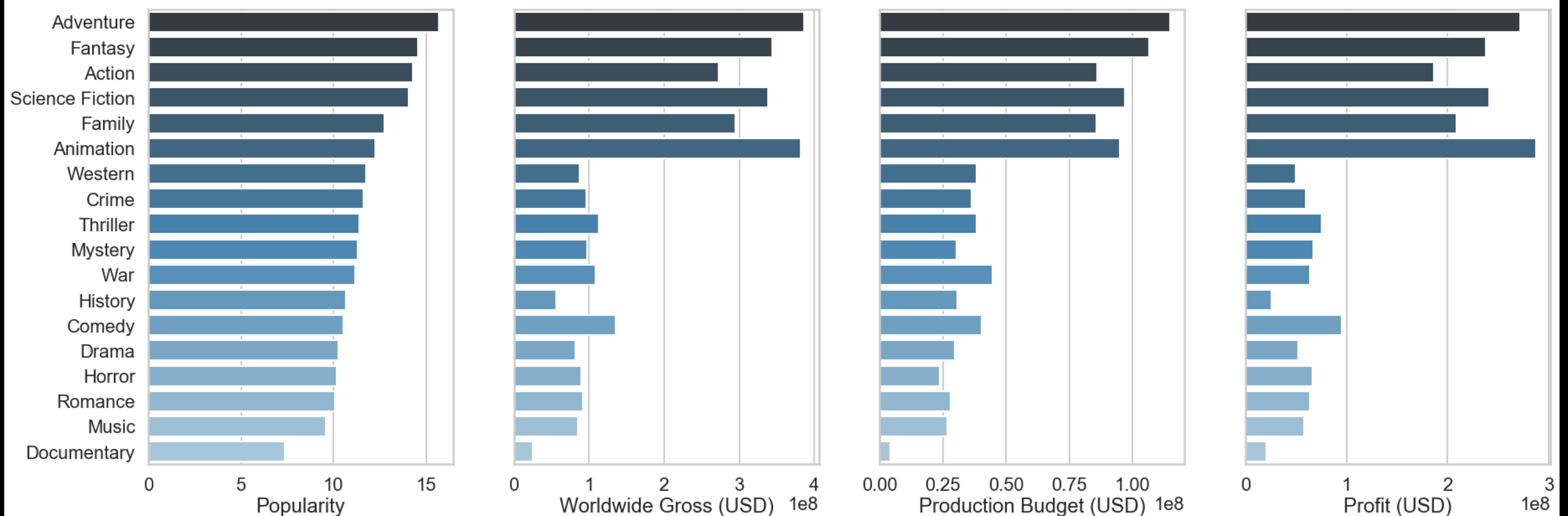


# Production Budget

And not ROI... Why?

Popularity

Average Popularity per Genre Compared to Budget, Gross & Profit





# Conclusion

- The highest ROI genres are not the most popular and are also on average low budget
- The genres that have the biggest box office successes (highest ticket sales & gross revenue) also have the highest on average profit and production budget
- Higher production budget equates to higher quality talent and film
- The highest grossing films are generally a combination of 3-4 genres with 2-3 coming from the highest grossing genres

# Recommendations

- If budget is low, invest in the highest ROI genres:
  - Horror
  - Mystery
  - Thriller
- If budget is high, invest in the most popular box office genres, which have the greatest ticket sales & profit:
  - Adventure
  - Animation
  - Fantasy
  - Sci-Fi
- With additional genres of:
  - Family
  - Action

# Further Research

- Which combinations of genres are the most popular at the box office (gross revenue/ticket sales)
- What makes some movies with high production budgets flop?
- Look at how many famous lead actors there are
- Look at any trends in release dates

**Thank you!**