Microsoft's New Movie Studio

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Summary

Microsoft have decided they would like to open their own studio to create original content. This project analyzes film data from Box Office Mojo, The Numbers and TheMovieDB to provide insights into which genres of films are the most profitable and highest rated, and which current competitors are the most successful.
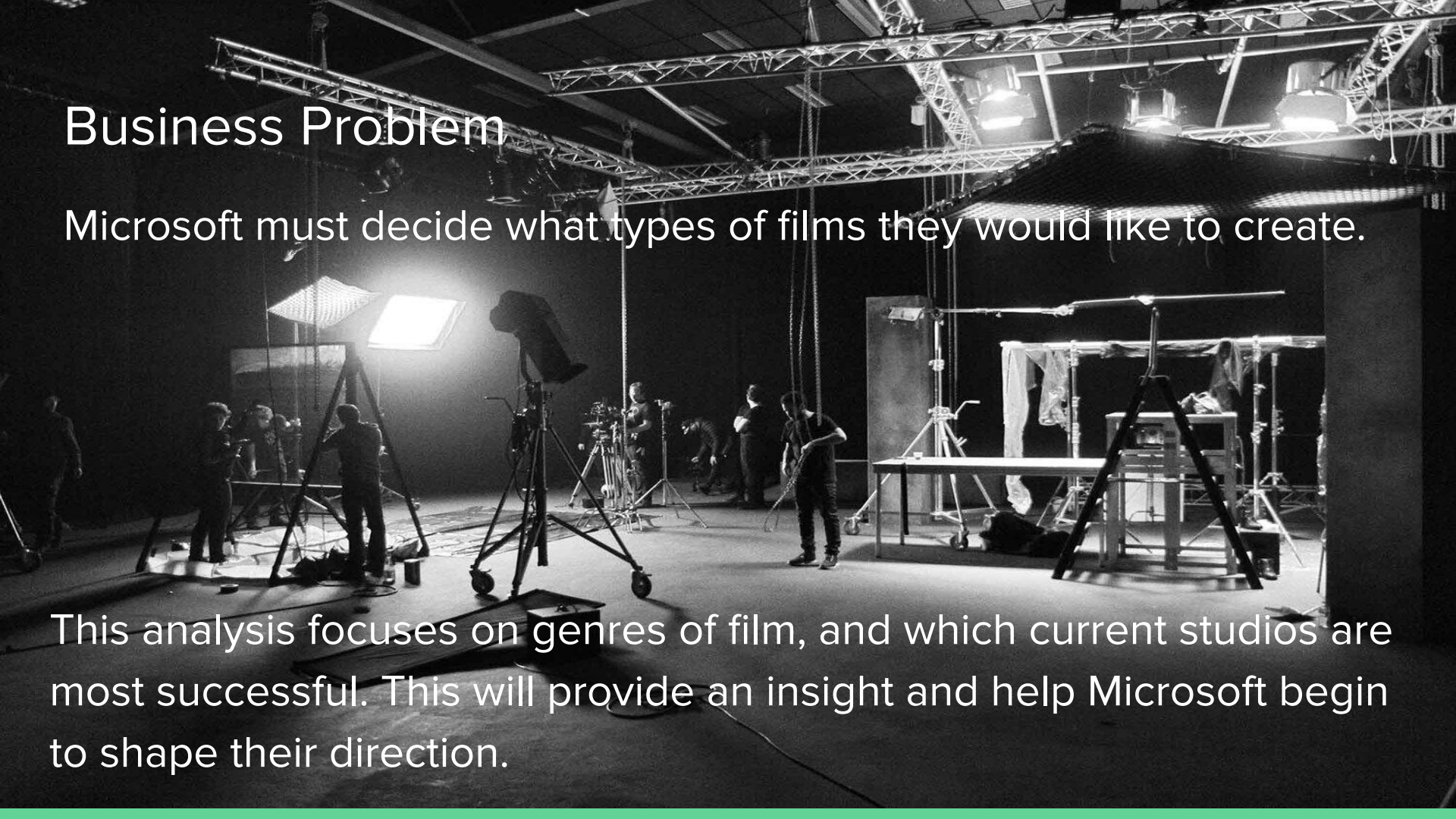
Outline

- Business Problem
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- Conclusions

Business Problem

Microsoft must decide what types of films they would like to create.

This analysis focuses on genres of film, and which current studios are most successful. This will provide an insight and help Microsoft begin to shape their direction.

Data

- Data from Box Office Mojo and The Numbers provides insight into costs and profits
- The Movie Database provides a look into genres and ratings

Results

Average Profit per Film
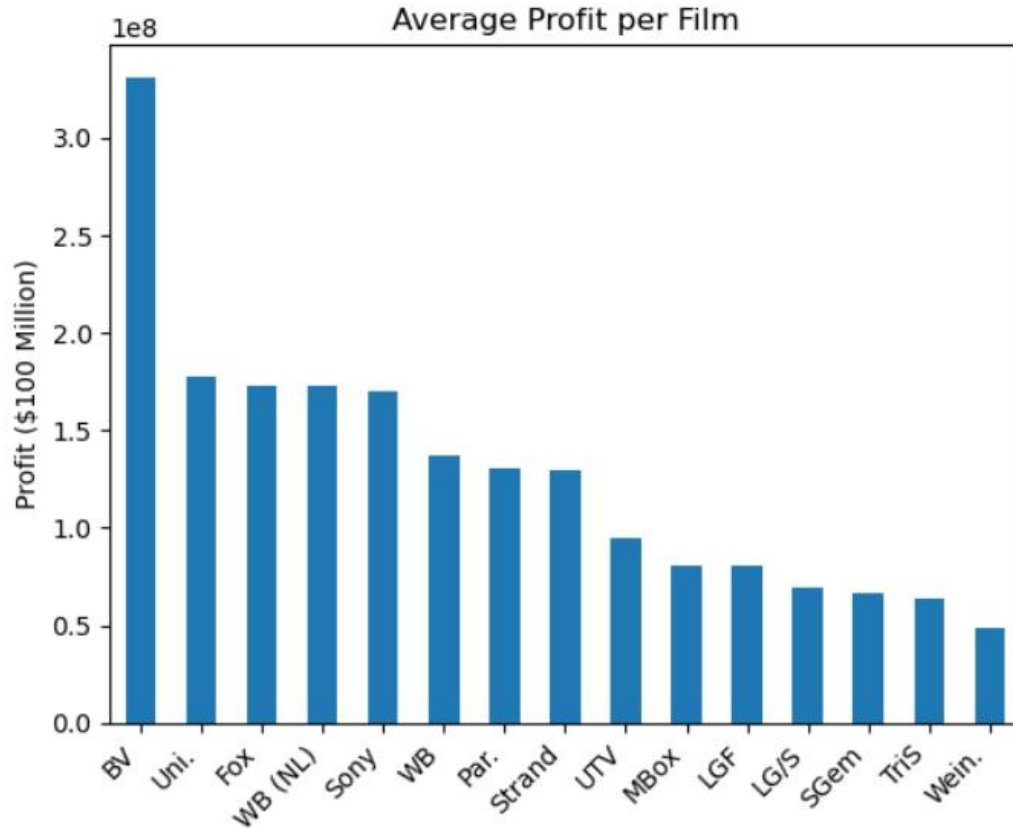
- Firstly, we can we can see that the top competitors are making on average over $100 million per movie, showing that Microsoft are certainly right in wishing to pursue diversification into this industry.

- Disney/BV are making the most profit per film by far, at over $300 million. If we look at our second graph, we can see an insight into why.

Profit by Genre
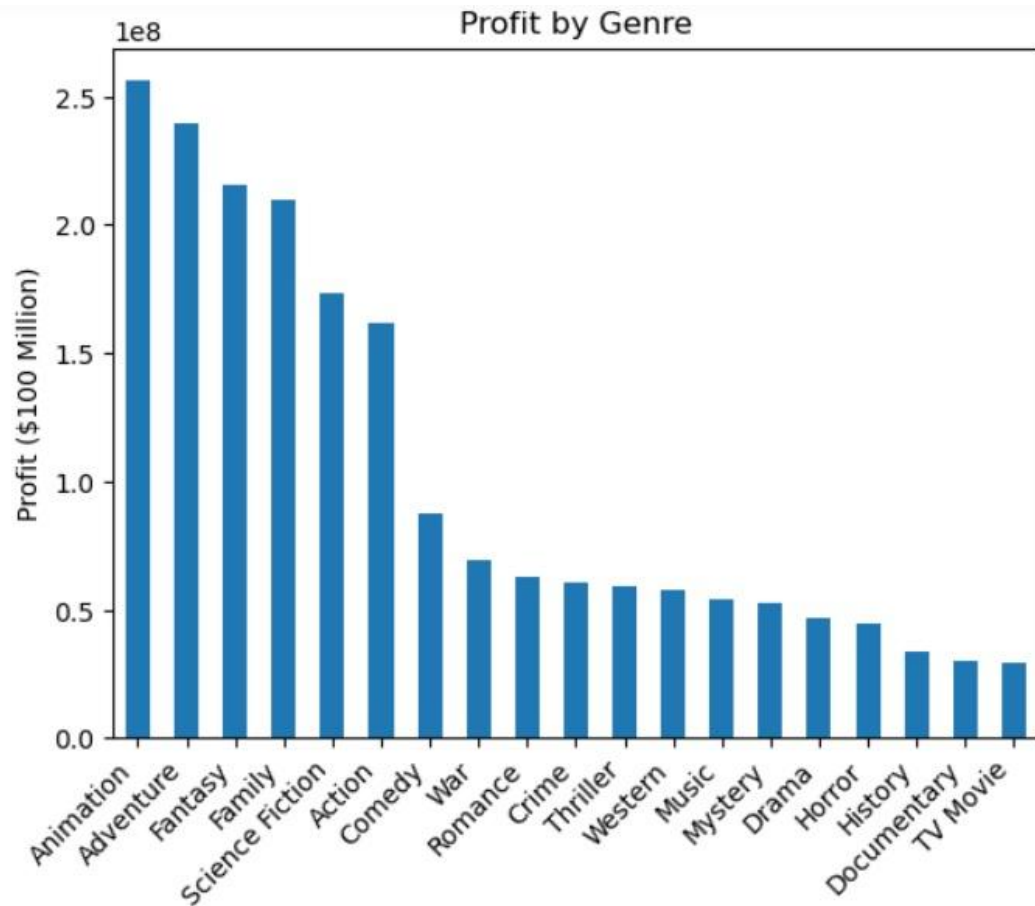
- The top 4 most profitable genres are animation, adventure, fantasy and family. Almost all Disney films fall into these categories.

- Animation, adventure, fantasy, family, science fiction and action are the most popular genres. There is a steeper drop off after this. These genres are have the most universal audience. The genres that come after this will often have a more niche audience.

Genre by Average Rating
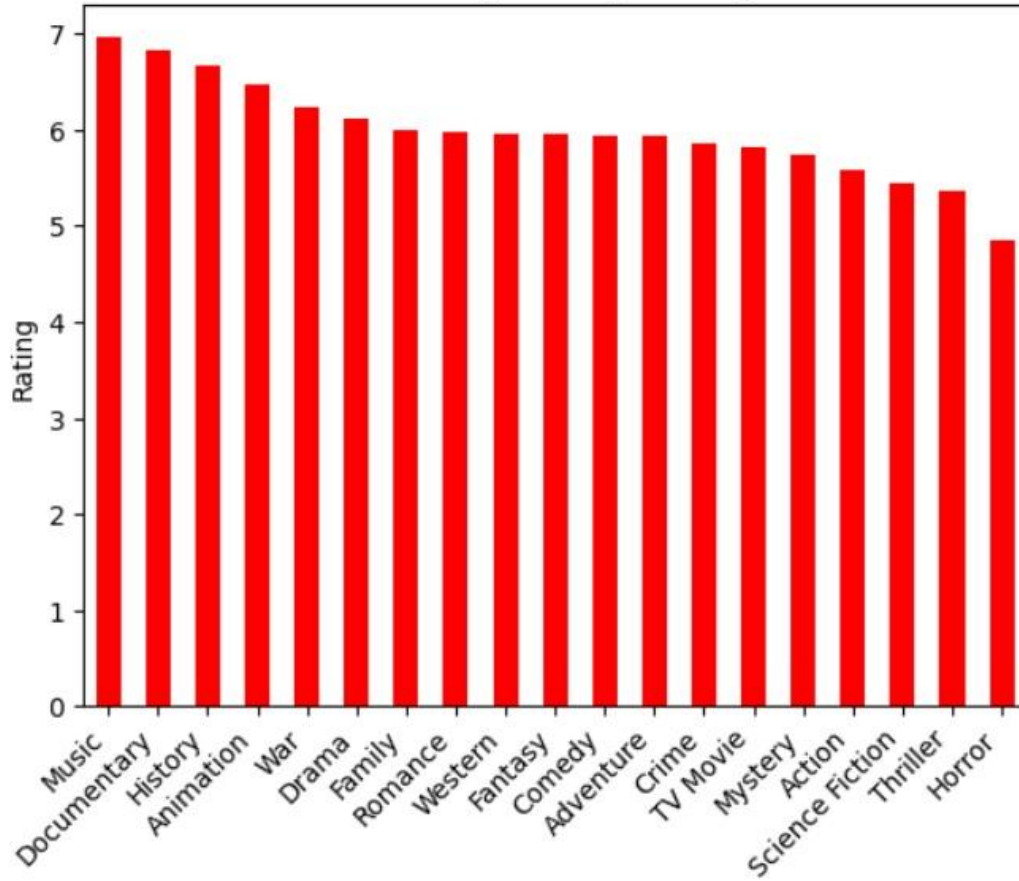
- With a standard deviation of only 0.5, you can see that the average ratings don't vary too massively based on genre, with horror being the lowest scoring. The three highest scoring genres are music, documentary and history. Interestingly, these genres aren't particularly commercially successful.

Profit and Average Rating by Genre
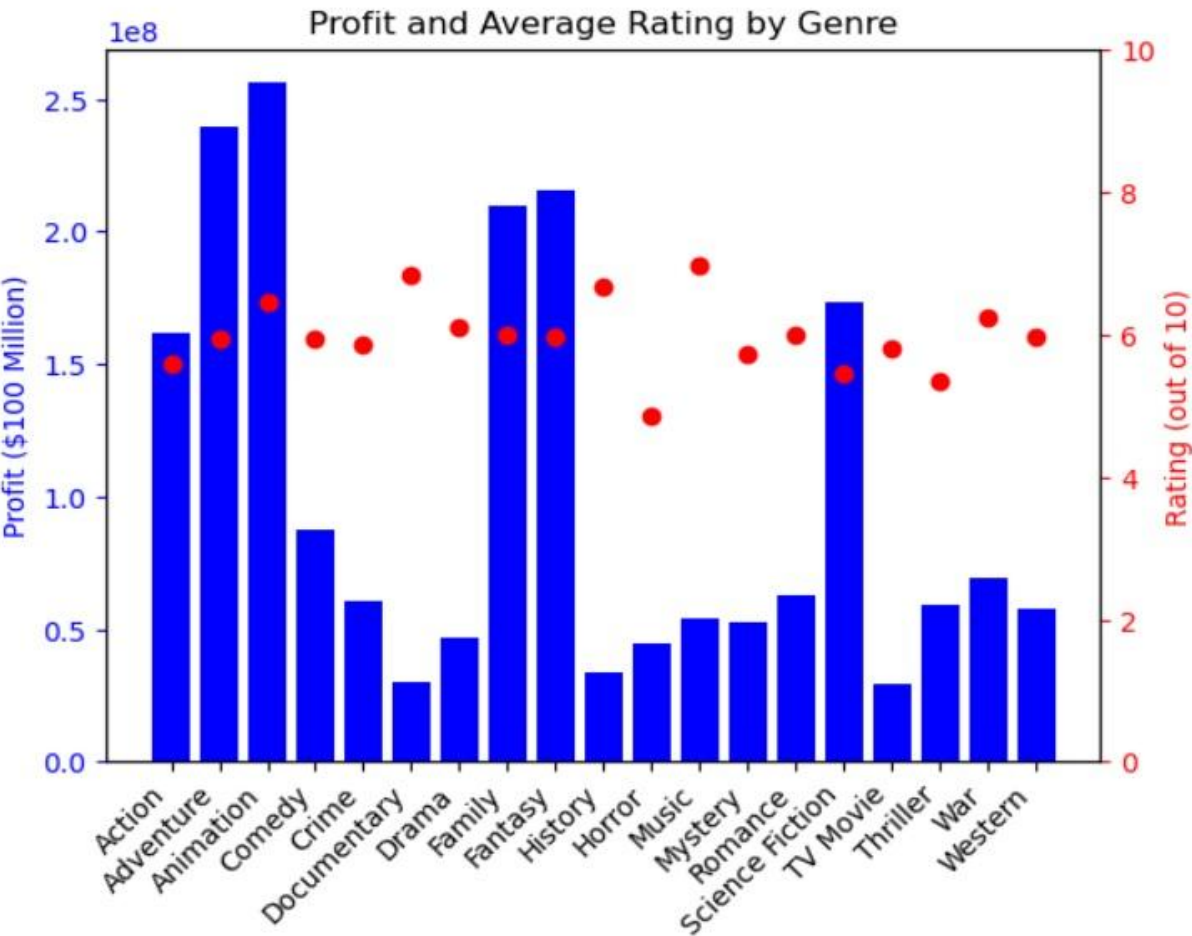
- From the final graph, we can see there is not a direct correlation between the average profit a genre will give, and it's average rating. For example, films about music have the highest ratings on average(6.95). However they make roughly 119 million less than the average sci-fi film, which has a rating of (5.44).

Conclusions

- We can clearly see that film is a lucrative industry and should certainly be pursued.

- It is clear that animation, adventure, fantasy and family are the most profitable genres with the widest appeal. I recommend focusing on these.

- I have provided a brief analysis into the most successful studios, but additional analysis is recommended. I would suggest more research into how these studios operate, what directors and writers they work with.

- It is worth noting that the advertising budget and strategy has not been considered, this could play a big impact on how successful a studio is. I recommend further study into this

Thank You!

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