RECOMMENDATION FOR A MOVIE STUDIO

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Agenda

- Context & Background

- Insights

- Recommendation

- Caveats

- Questions & Answer

CONTEXT AND BACKGROUND

- >10.000 movie studios in the world

- Hollywood is still most dominant location

- Warner Bros. is number one movie studio → box office $46.882 billion and 279 movies produced

- In the last decade, streaming services are entering the market and movie studios are under more pressure than before

What should Microsoft keep in mind when creating your very own movie studio?

Which movie studios & directors are the best?

Which genres are the most successful?

How long should a movie run?

Data Sources

IMDb
↓
Director
Movie Rating
Runtime

Box Office Mojo by IMDbPro
↓
Studio
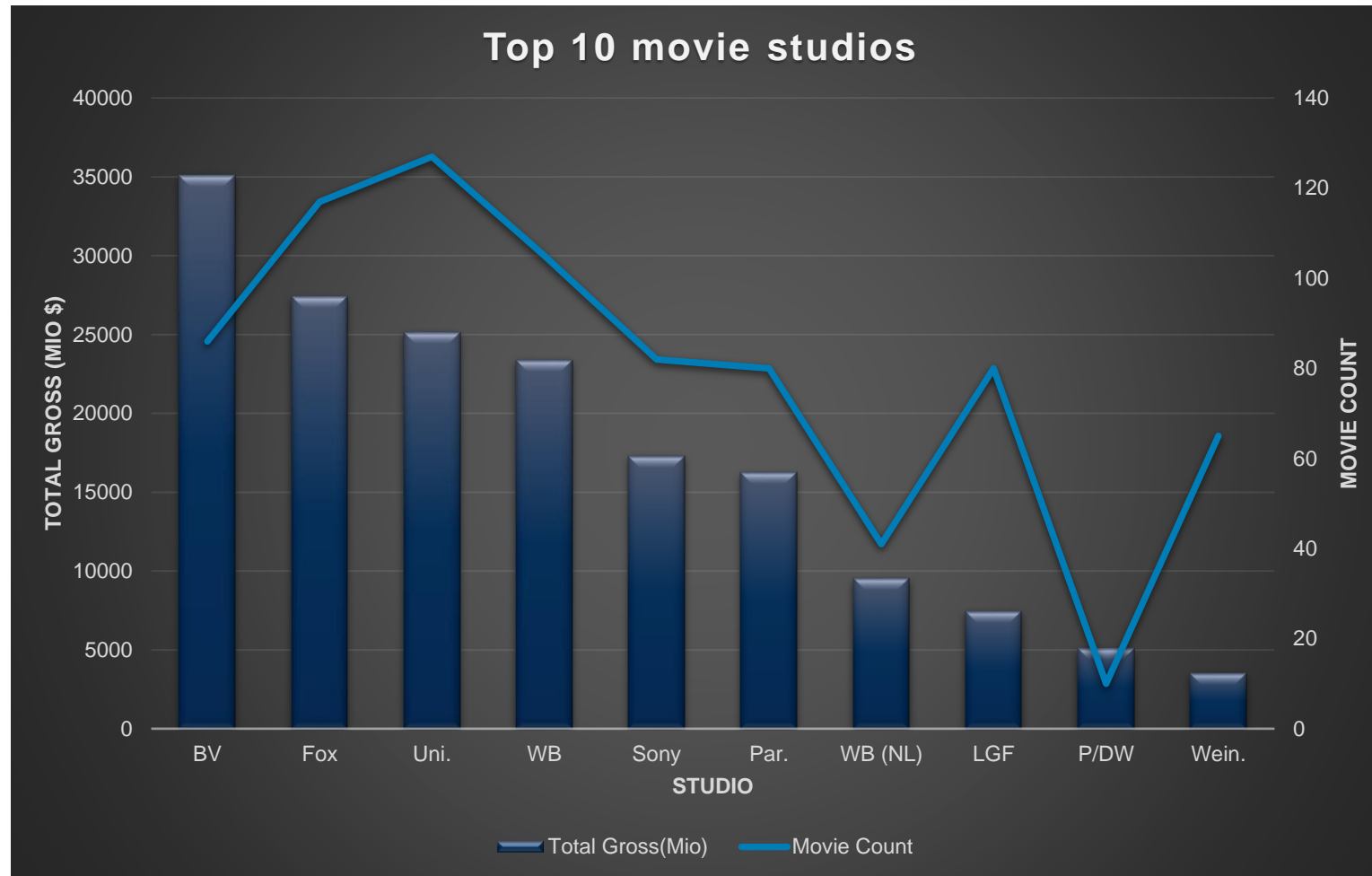Box Office

THE NUMBERS®
↓
Production Budget
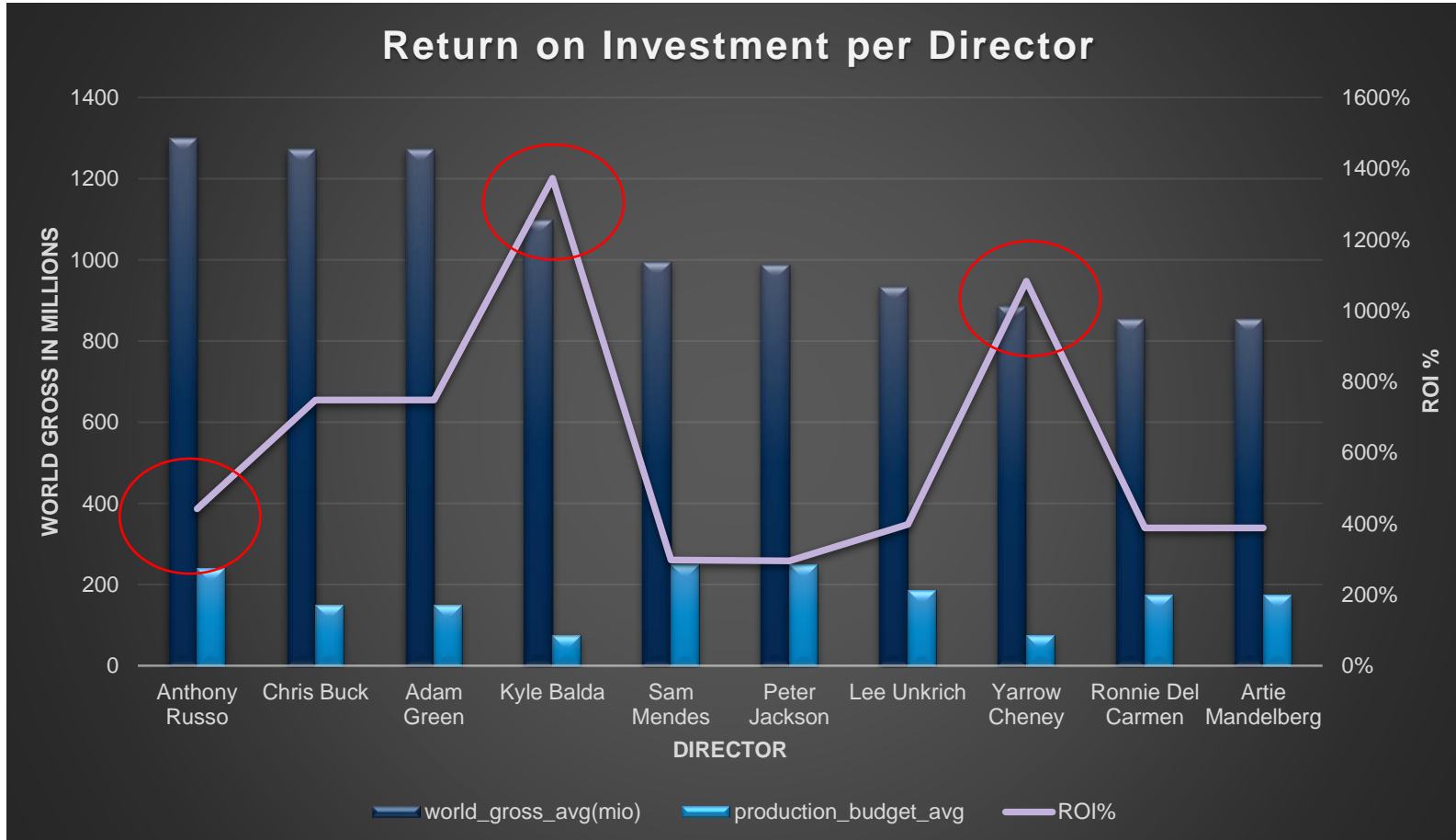Worldwide Gross

TMDB
↓
Genres

Highest grossing movie studios (Box Office Mojo)

- From 2010 – 2018 Buena Vista studio had the highest absolute gross*

- With around 80 movies, they grossed more than 35 billion USD.

- Buena Vista are known for their animated, family movies and Action/Adventure/Sci-Fi movies such as Black Panther or Avengers
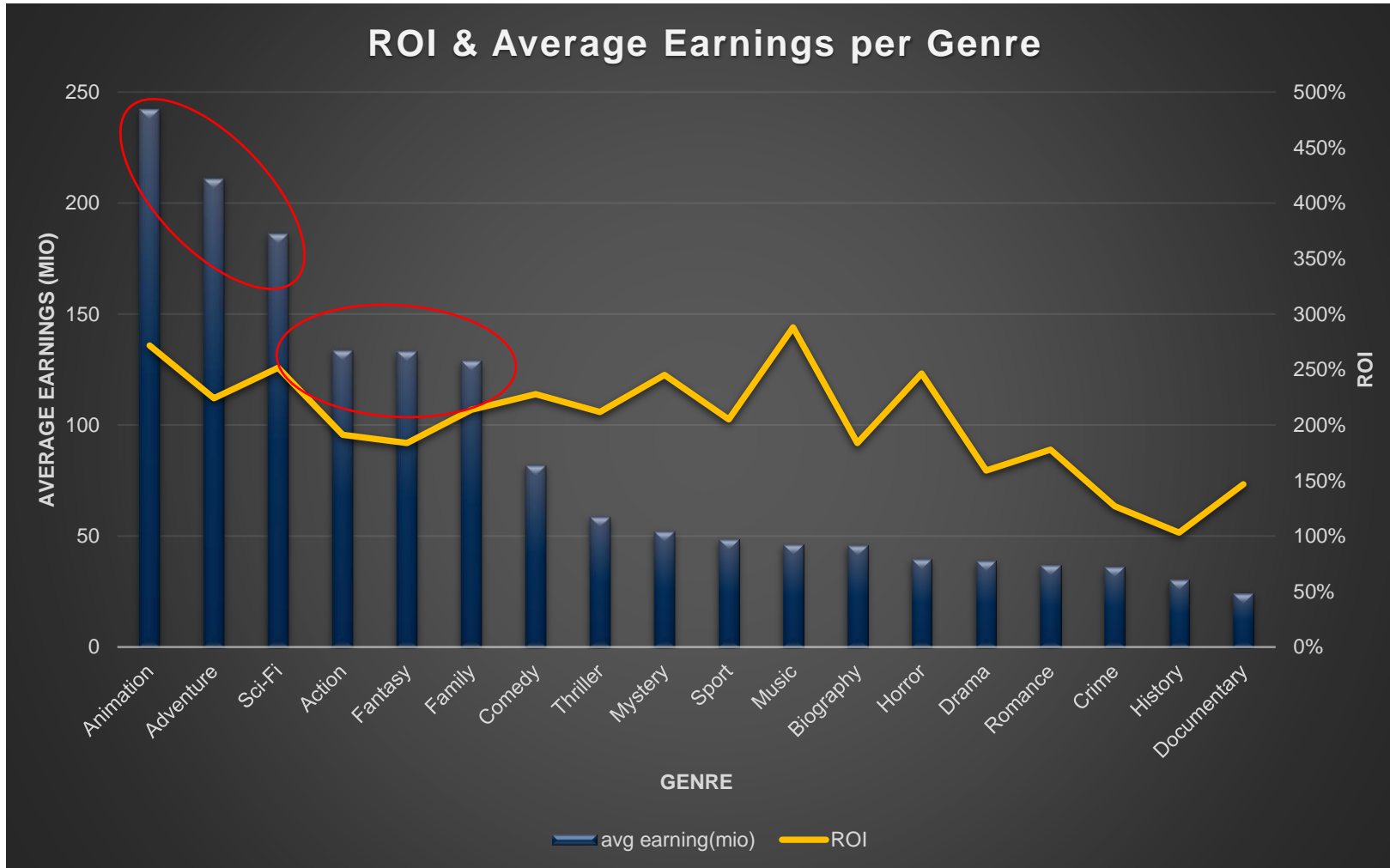
*limited data available (only ~300 titles per year)

TOP 10 DIRECTORS FOR HIGH ROI AND EARNINGS (IMDB)

- Kyle Balda (Minions, Despicable Me) is a recommendation for Animation genre. Comparably low investment and highest ROI (>1400%). Same applies for Yarrow Cheney.

- For Anthony Russo (Avengers – Infinity War) who has the highest gross, the investment is also comparably high (>200 Mio USD)
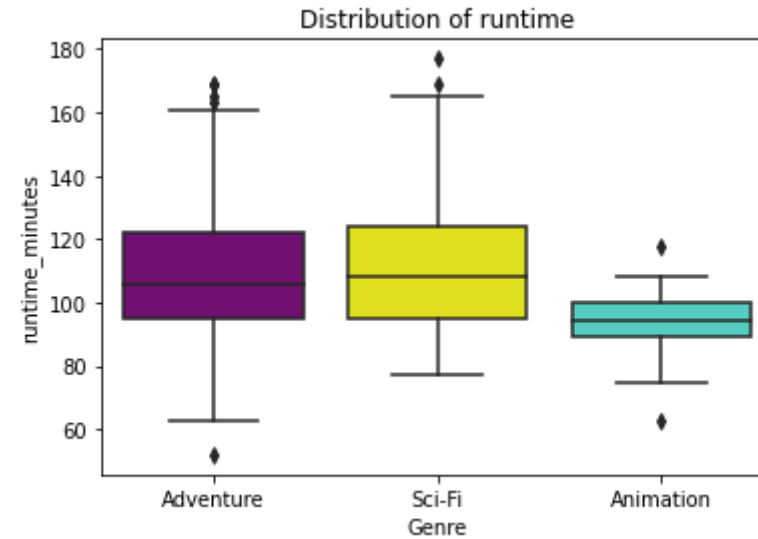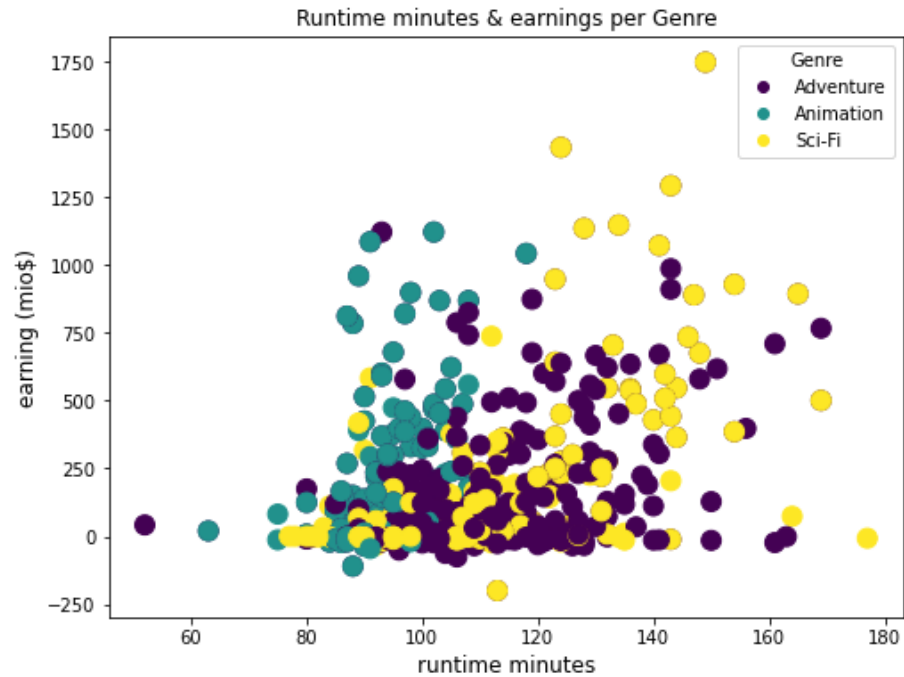
Animation, Adventure and Sci-Fi movies generate the highest earnings

ROI & Average Earnings per Genre

- On average, the animation genre* creates the highest earnings, closely followed by Adventure and Sci-Fi.

- Next group is Action, Fantasy and Family

- Documentaries are the lowest genre in terms of earnings

- Ratings and earnings of a movie only have a weak correlation (.25) → other factors seem to be more important than the rated quality of the movie.

*only genres included with more than 30 movies

Is the runtime important for the success of a movie?

- For the top 3 genres, there is only a weak correlation (.37) between movie runtime and earnings, the runtimes differ depending on the genre

- Animation has smaller variance in runtime compared to Adventure and Sci-Fi

- Recommendation is around 100 minutes for Animation and between 120 and 140 minutes for Sci-Fi

Recommendations summarized

➡️ Movie studios can be extremely profitable but also require large budgets.

➡️ The genres of Adventure, Sci-Fi and Animation are the most promising. Avoid producing documentaries at first.

➡️ The genres of Adventure, Sci-Fi and Animation are the most promising in terms of revenue and ROI

➡️ Choose your director wisely. Pick someone who is familiar with the genre you are choosing.

➡️ Adapt your runtime accordingly.

Future research and limitations

These recommendation are mostly based on data from until 2018. In the past four years, some aspects might have changed (Covid, streaming etc.)

Many movies have a genre mix. This analysis looks at single genres

Analysis of best actors per genre to help pick Microsoft best actors

Text analysis of ratings to find out what critics like or dislike

Region analysis to understand which types of movies work best depending on country or culture

THANK YOU

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