Rockbuster Stealth

Business Strategy Plan

Online Video Services

14 April 2023

By: Lavinia

"In order to remain competitive, we plan on launching an online video rental service based on our existing movie licenses.."

—Management Team of Rockbuster Stealth

Table of Contents

01

The Movie

Which movies contributed the most/least to revenue gain?

02

The Rental

What was the average rental duration for all videos?

03

The Customers

Which countries have the highest lifetime value customers of Rockbuster?

04

The Financials

Do sales figures vary between geographic regions?

01

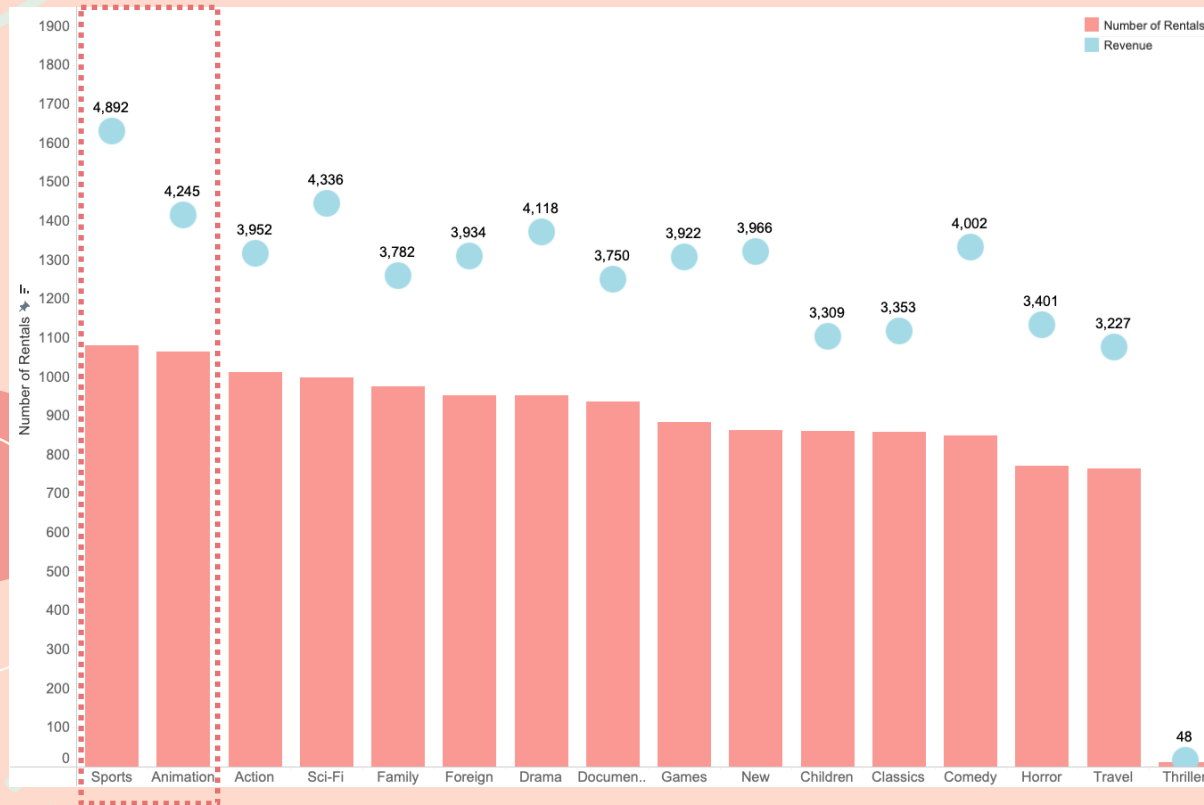# The Movie

Fact Sheet

 # Movies : 1,000 titles

Rental Duration : 3 – 7 days

Rental Rate : $0.99 – $4.99

Movie Rating : G, PG, PG-13, R, NC-17

Genres: Sports (74), Foreign (73), Documentary (68), Family (68), Animation (66), Action (64), New (63), Drama (62), Sci-Fi (61), Games (61), Children (60), Comedy (58), Travel (57), Classics (57), Horror (56), Music (51), Thriller (1)
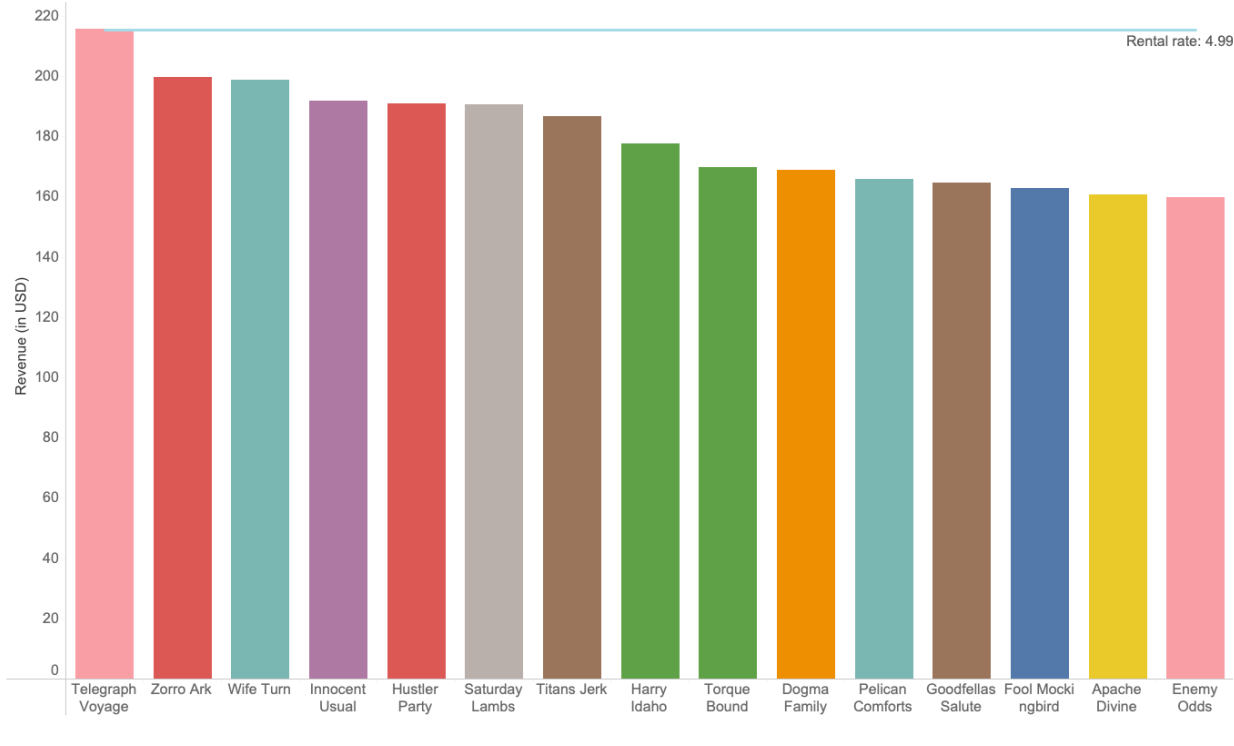
Movie Genres

Sports and Animation are the two most popular[1] movie genres. There is a relatively small gap between the genres based on number of rentals, except for thriller. Each genre generates revenue differently based on the rental rate and rental duration of the movies.

[1]The figures are based on the company's rental data from '20050524' and '20060214'
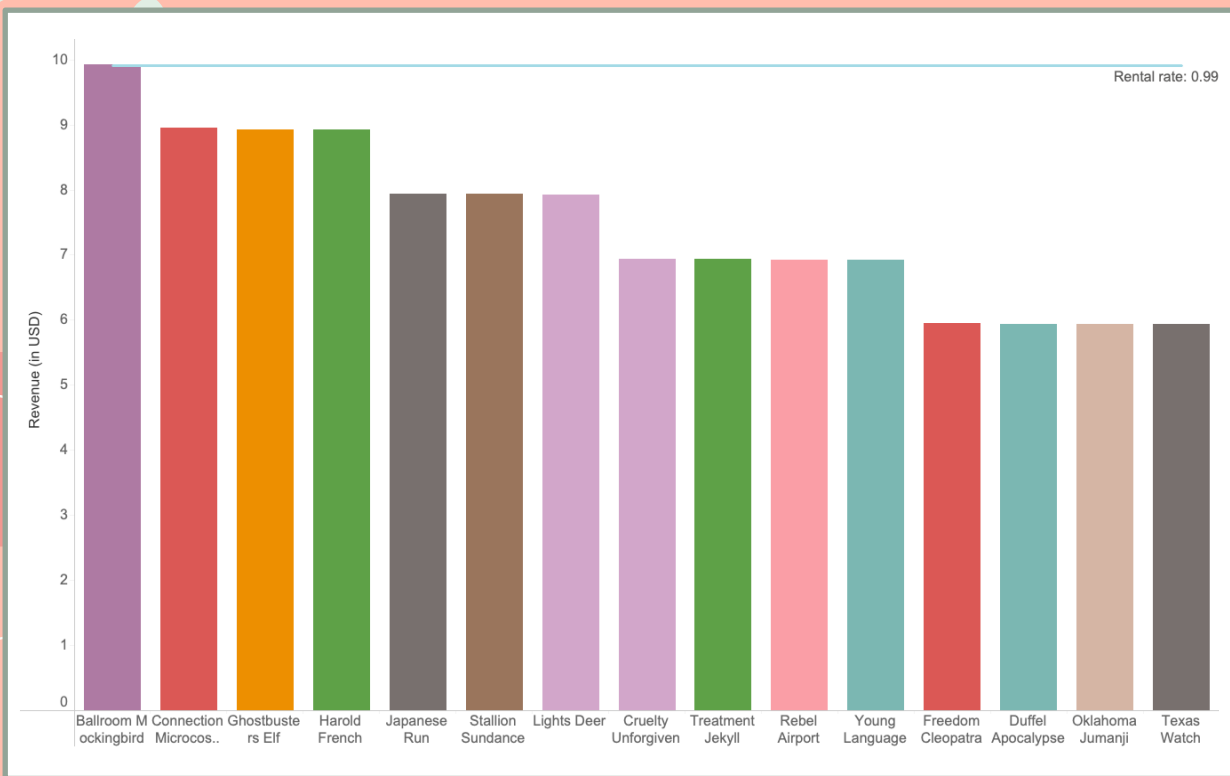
Top 15 Movies Ranked by Revenue[1]

Ranked by revenue gain, the **top 15 movies** are across different genres and priced at $4.99 rental rate. The number of rentals and rental duration cause the revenue figures to differ.

¹The figures are based on the company's rental data from '20050524' and '20060214'

Bottom 15 Movies Ranked by Revenue[1]

Rental rate: 0.99

Revenue (in USD)

Legend:
- Animation
- Classics
- Comedy
- Documentary
- Drama
- Foreign
- Horror
- Music
- New
- Sci-Fi

X-axis labels: Ballroom Mockingbird, Connection Microcos.., Ghostbusters Elf, Harold French, Japanese Run, Stallion Sundance, Lights Deer, Cruelty Unforgiven, Treatment Jekyll, Rebel Airport, Young Language, Freedom Cleopatra, Duffel Apocalypse, Oklahoma Jumanji, Texas Watch

The bottom 15 movies with least revenue are **across various genres and priced at $0.99 rental rate**.

[1]The figures are based on the company's rental data from '20050524' and '20060214'

02

The Rental

The Rental Duration[1] Based on Genres

Avg Rental Duration (in Day)

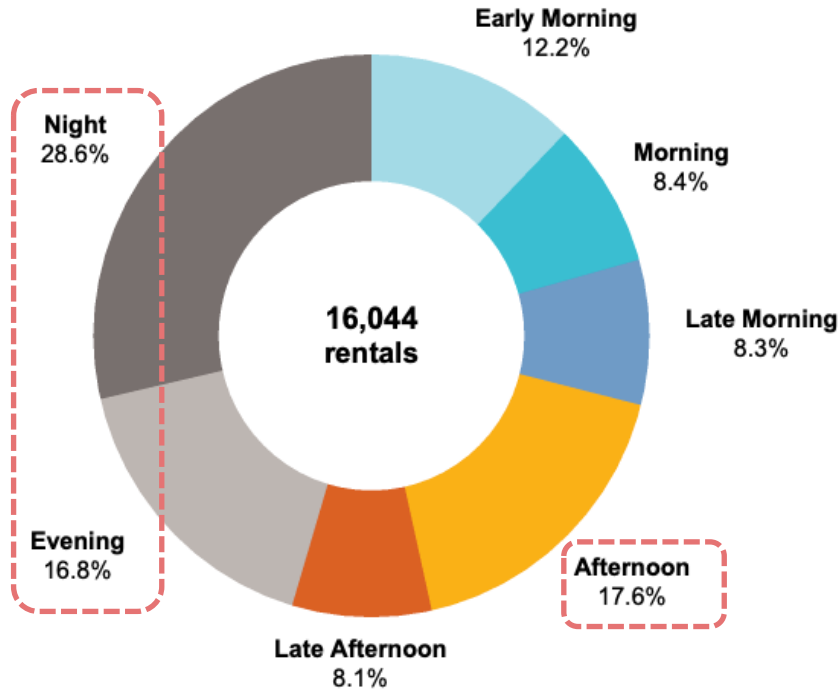| Genre	Value
Thriller	8.10
Sports	6.21
Games	6.20
Comedy	6.20
Music	6.08
Docume..	6.07
Family	6.07
Sci-Fi	6.06
Horror	6.04
New	6.03
Foreign	6.03
Action	6.01
Classics	6.00
Animation	5.92
Drama	5.90
Children	5.89
Travel	5.83

Avg: 6.03 days

Avg: 6.03 days

The rental duration varies slightly across genres, except for thrillers.

[1]The figures are based on the company's rental data from '20050524' and '20060214'

Daypart Analysis

16,044 rentals

- Night 28.6%
- Early Morning 12.2%
- Morning 8.4%
- Late Morning 8.3%
- Afternoon 17.6%
- Late Afternoon 8.1%
- Evening 16.8%

- **Early Morning** 5 to 8am
- **Morning** 8 to 10am
- **Late Morning** 10am to 12pm
- **Afternoon** 12 to 16pm
- **Late Afternoon** 16 to 18pm
- **Evening** 18 to 22pm
- **Night** 22pm to 5am

The **highest** number of rentals are found during the **afternoons, evenings, and nights**.

03

The Customers

Geographic Distribution

"A total of **599 customers** are spread across **108 countries**".

Top 10 Countries

Country	# Cust
India	60
China	53
United States	36
Japan	31
Mexico	30
Brazil	28
Russian Federation	28
Philippines	20
Turkey	15
Indonesia	14

Customer Number
1   60

Top 20 Cities - High Lifetime Value Customers

Saint-Denis
Runion
Revenue: $ 212
Avg Check: 4.7

1

Cape Coral
United States
Revenue: $ 209
Avg Check: 5.0

2

Santa Brbara dOeste
Brazil
Revenue: $ 195
Avg Check: 5.0

3

Apeldoorn
Netherlands
Revenue: $ 192
Avg Check: 5.0

4

Molodetno
Belarus
Revenue: $ 190
Avg Check: 4.7

5

Qomsheh
Iran
Revenue: $ 184
Avg Check: 5.0

London
United Kingdom
Revenue: $ 175
Avg Check: 3.8

Memphis
United States
Revenue: $ 168
Avg Check: 5.1

Richmond Hill
Canada
Revenue: $ 168
Avg Check: 4.4

Tanza
Philippines
Revenue: $ 167
Avg Check: 4.3

Valparai
India
Revenue: $ 163
Avg Check: 4.9

Santa Rosa
Philippines
Revenue: $ 162
Avg Check: 5.1

Aurora
United States
Revenue: $ 160
Avg Check: 3.8

Tanauan
Philippines
Revenue: $ 157
Avg Check: 4.6

Halisahar
India
Revenue: $ 155
Avg Check: 5.2

Bijapur
India
Revenue: $ 155
Avg Check: 4.5

Ourense (Orense)
Spain
Revenue: $ 159
Avg Check: 4.5

Hodeida
Yemen
Revenue: $ 158
Avg Check: 5.1

Usolje-Sibirskoje
Russian Federation
Revenue: $ 153
Avg Check: 4.9

Probolinggo
Indonesia
Revenue: $ 153
Avg Check: 4.8

Interesting fact: The top 5 cities with the highest lifetime value customers **do not all reside** in the top 5 countries where the majority of customers reside.

The figures are based on the company's rental data from '20050524' and '20060214'

04

The Financials

Sales Across Geographic Regions
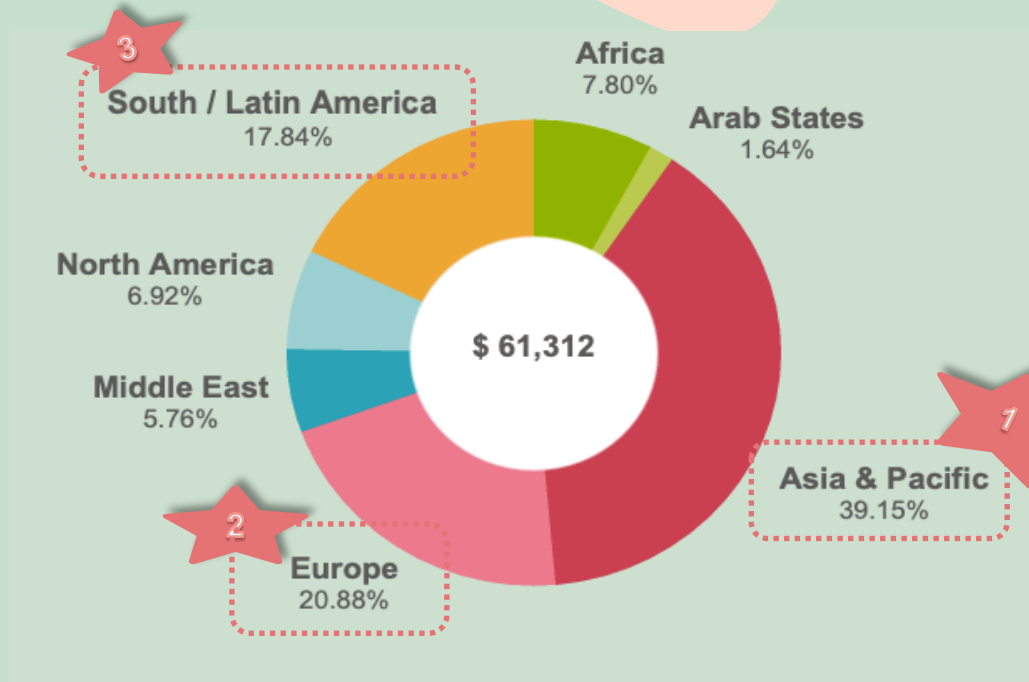
The majority of Rockbuster's total revenue comes from **Asia**, followed by **Europe and South / Latin America**

Conclusions

- The two most popular movie genres are **sports and animation**, There is a relatively **small difference** between the genres based on **rentals number,** except for thriller. **Rental rate and rental duration** affect the revenue generated by each genre.

- **The top 15 movies** by revenue gain are Telegraph Voyage, Zorro Ark, Wife Turn, Innocent Usual among others. The movies are **across different genres and priced at higher rental rate of $4.99 .**

- **The bottom 15 movies** with least revenue gain are Freedom Cleopatra, Duffel Apocalypse, Oklahoma Jumanji, Texas Watch among others. The movies are **across various genres and priced at lower rental rate of $0.99.**

- The average rental duration across genres is **6.03 days**.

- The **most** rentals occur in the **afternoons, evenings,** and at **nights.**

- A total of existing **599 customers** are spread across **108 countries**. The top five countries with the majority of customers are **India, China, United States, Japan, and Mexico**.

- The high lifetime value customers **are not always based in** the country where Rockbuster's majority customers are located, for instance Runion, Netherlands, and Belarus.

- The revenue is primarily generated from **Asia & Pacific, Europe, and Latin America**.

Recommendations

- Focus more on movies, not on specific genres. The online rental movies can prioritize **titles with high demand and revenue** and may consider removing movies that do not generate much revenue.

- Adjusting our **pricing strategy** based on the duration of rentals. A **lower pricing tier for short rentals,** to encourage customers to rent more frequently, and a **higher pricing tier for long rentals,** that more than 6 days, to maximize our revenue.

- Creating **promotional pricing packages** that are tailored to certain times of day, such as **"Happy Hour" pricing**, **Late Night Specials**, or **loyalty rewards** to customers who rent frequently during these peak periods.

- Expanding our reach beyond existing major market, targeting **countries/cities with high average checks but low customer numbers** by establishing an online presence, offering attractive pricing and promotions, and improving customer experience in those countries/cities.

- Implementing **loyalty programs, personalized offers, or targeted marketing campaigns** to retain and engage high lifetime value customers.

- Tailoring our services to meet the needs and preferences of our customers in **Asia, Europe, and Latin America** through **localized content, pricing, payment options, and language subtitles** to better connect with customers and drive revenue growth moving forward.

Thanks!

Tableau Link:
https://public.tableau.com/app/profile/lavinia7445/viz/Rockbuster_Stealt
h/RevenuebyGenre?publish=yes