



MORINGA SCHOOL

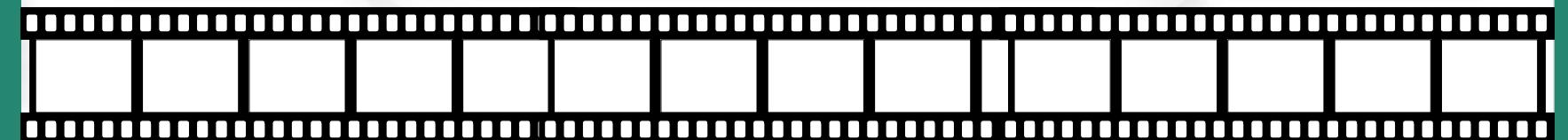
# Insights on the Film & Movie Industry Microsoft Proposal

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# Overview



Introduction  
Business context  
Exploratory data analysis  
Data Interpretation  
Conclusion  
Recommendations  
Evaluation & future improvement ideas





# Introduction

There are numerous companies producing films/ movies every year. Determining what attributes contribute to the success of a film is therefore important before one ventures into the industry.

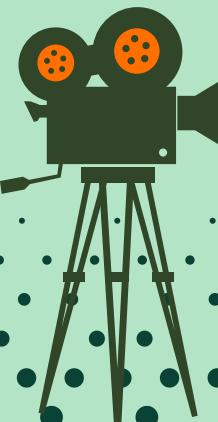
# Business Context

## The problem statement

Microsoft sees all the big companies creating original video content and they want to get in on the fun. They have decided to create a new movie studio, but they do not know anything about creating movies.

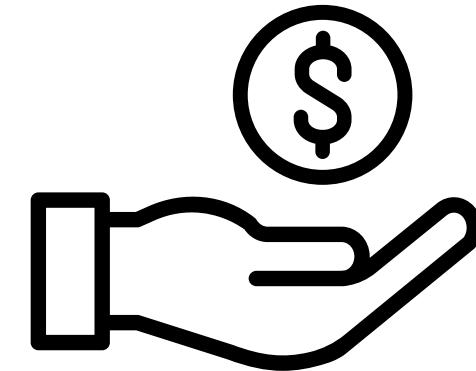
## The main objective

To explore what types of films are currently doing the best at the box office and translate those findings into actionable insights that the head of Microsoft's new movie studio can use to help decide what type of films to create.



# Specific Objectives

Highlight a film genre that :



Returns a profit.



Has a Return on Investments(ROI) of 5:1.



Has an IMDB rating equal to or greater than 7.

# Exploratory Data Analysis



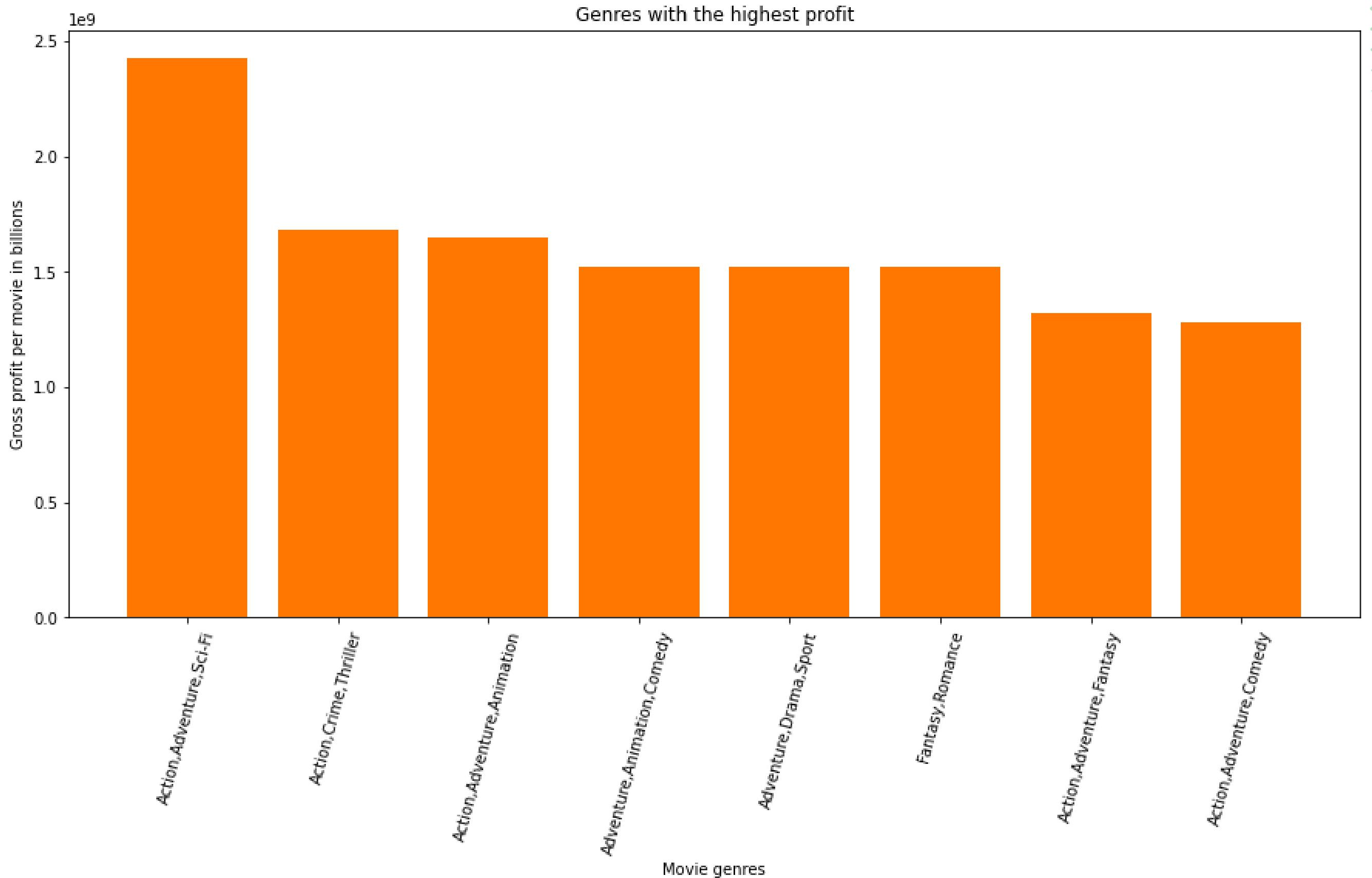


## Genre VS Profit

### a. Highest Profit

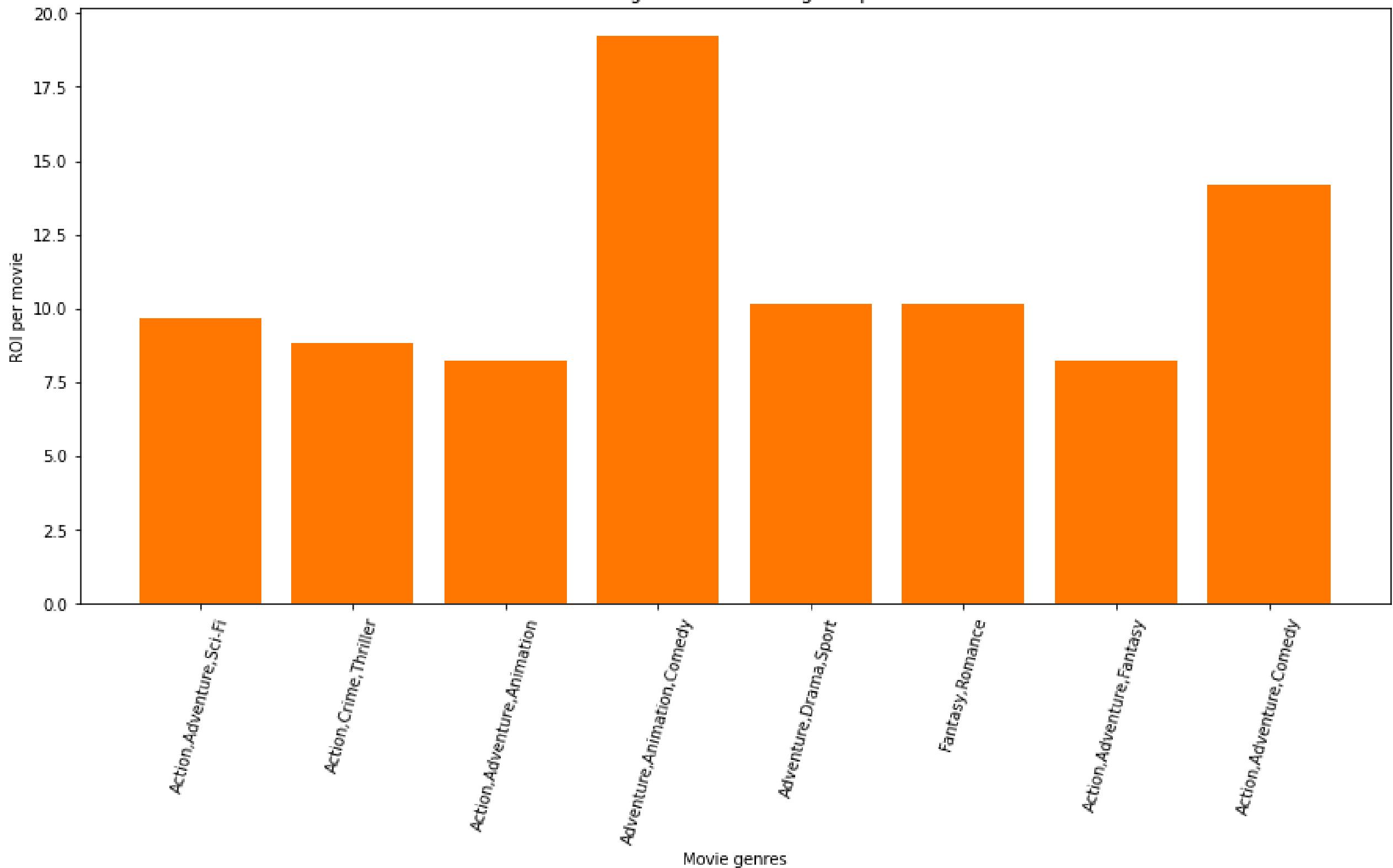
It can be noted that the highest profit is 2,426,949,682 million dollars.

It is evident that Action and Adventure movies are profitable films.





ROI for genres with the highest profit



## Genre VS ROI

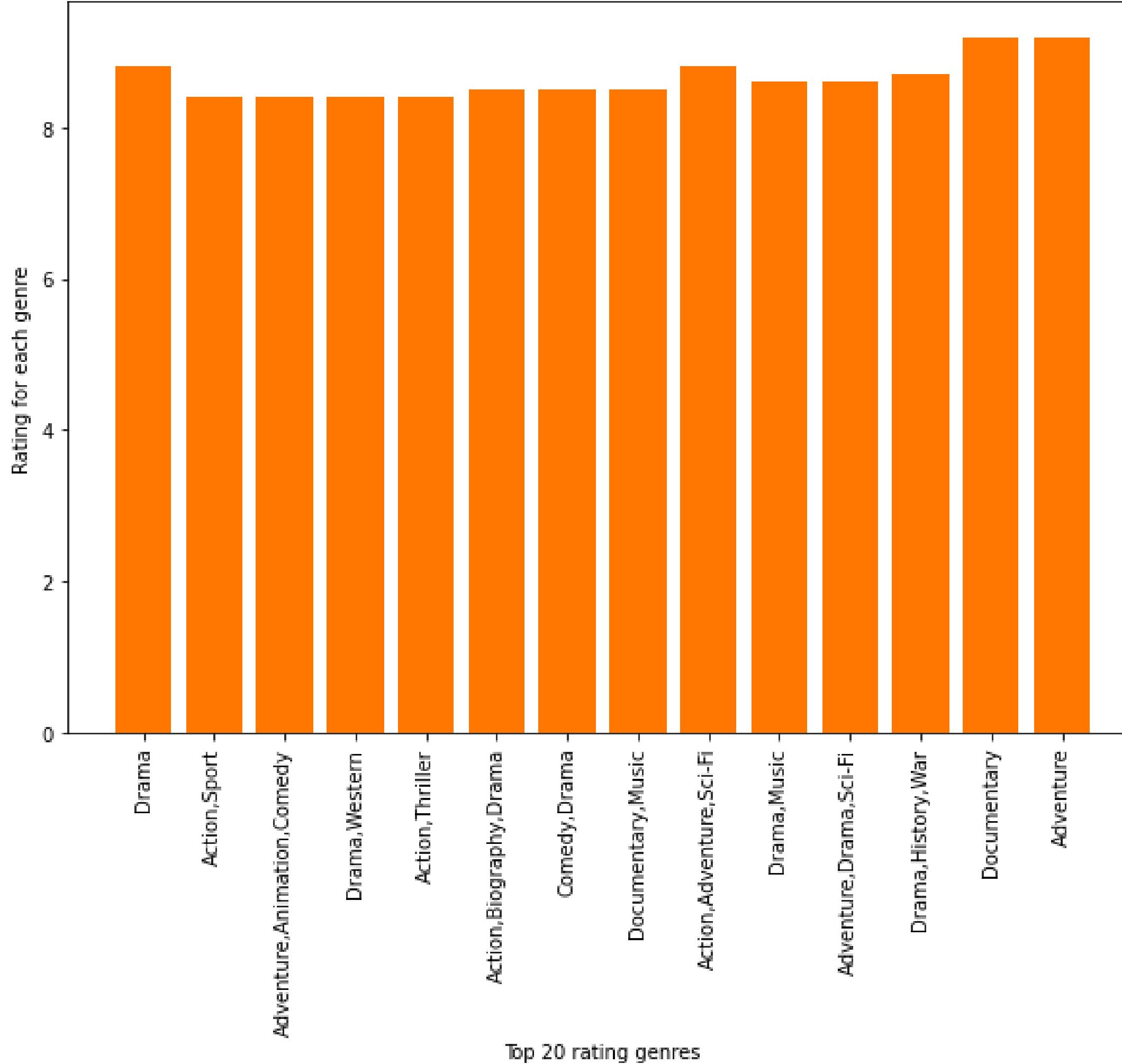
### a. Highest ROI

It can be noted that the highest ROI is 19% for an Adventure film.

This implies that for every dollar spent in the production of the movie, revenue of 19 dollars was generated



Genres with the highest rating



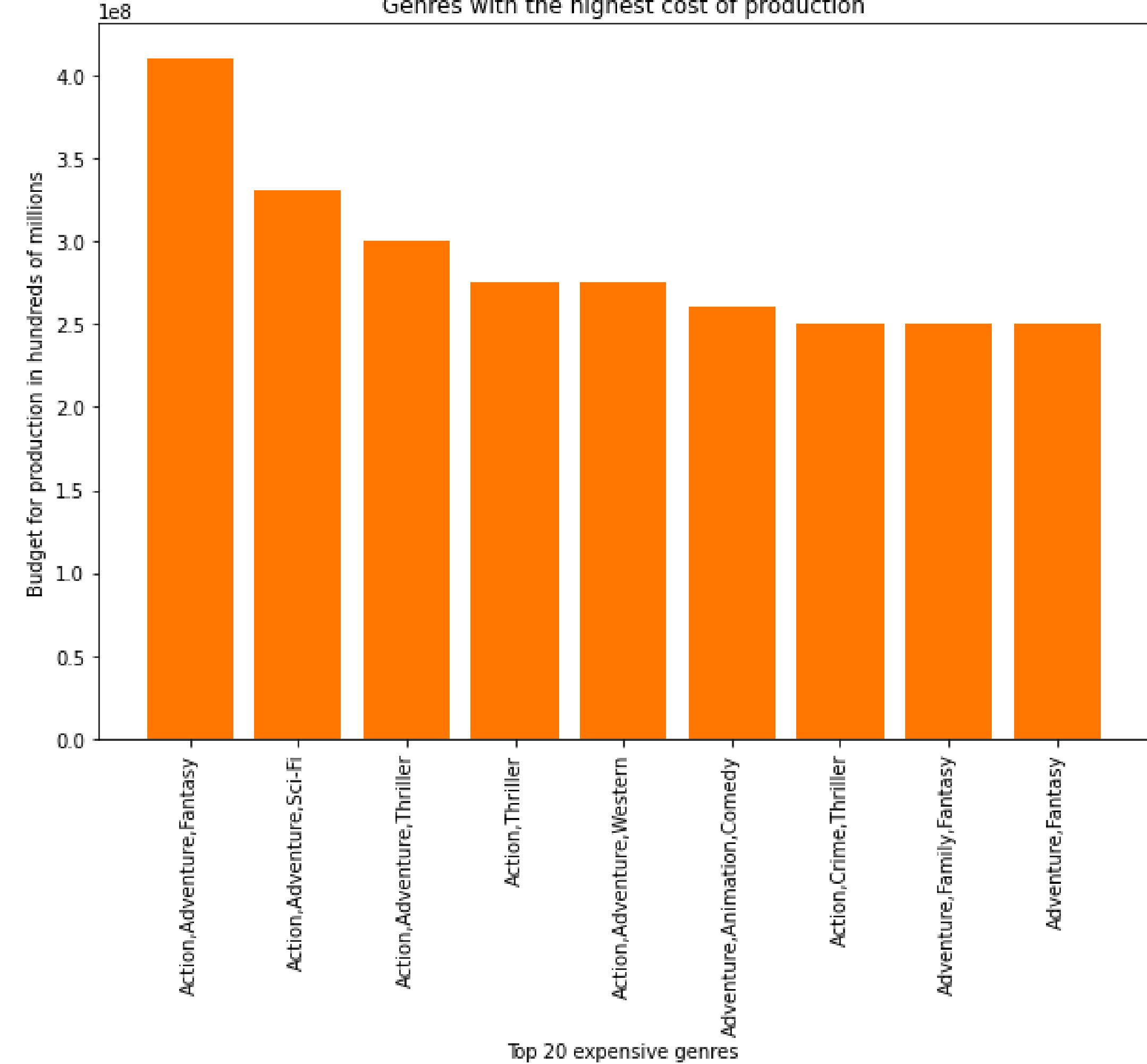
## Genre VS Rating

### a. Highest rating

Documentary and Adventure ranks highest at 9.2. However, the mode in terms of genre among the top 20 highly rated is Drama followed by Action and Adventure.



Genres with the highest cost of production



## Genre VS Budget

### b. Highest budget

It can be noted that the highest budget is 410 million dollars.

Action movies show up most frequently, suggesting that making a film in this genre is expensive.

# Data Interpretation



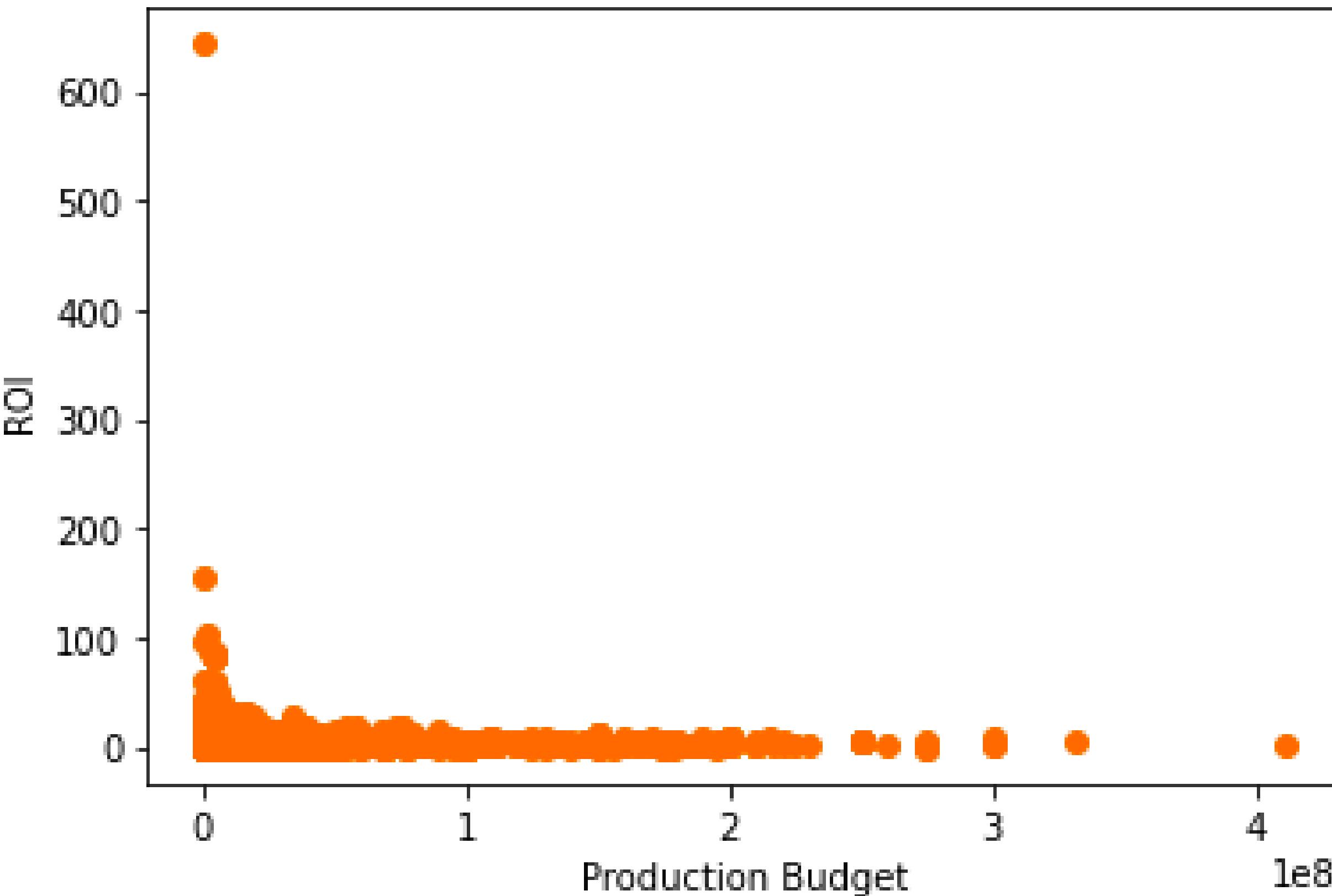
# The Pearson correlation coefficient

This is the most common way of measuring a linear correlation to establish relationships between variables.

The correlation coefficient for each data set was analyzed before reaching a conclusion.



## Correlation between Production Budget and ROI

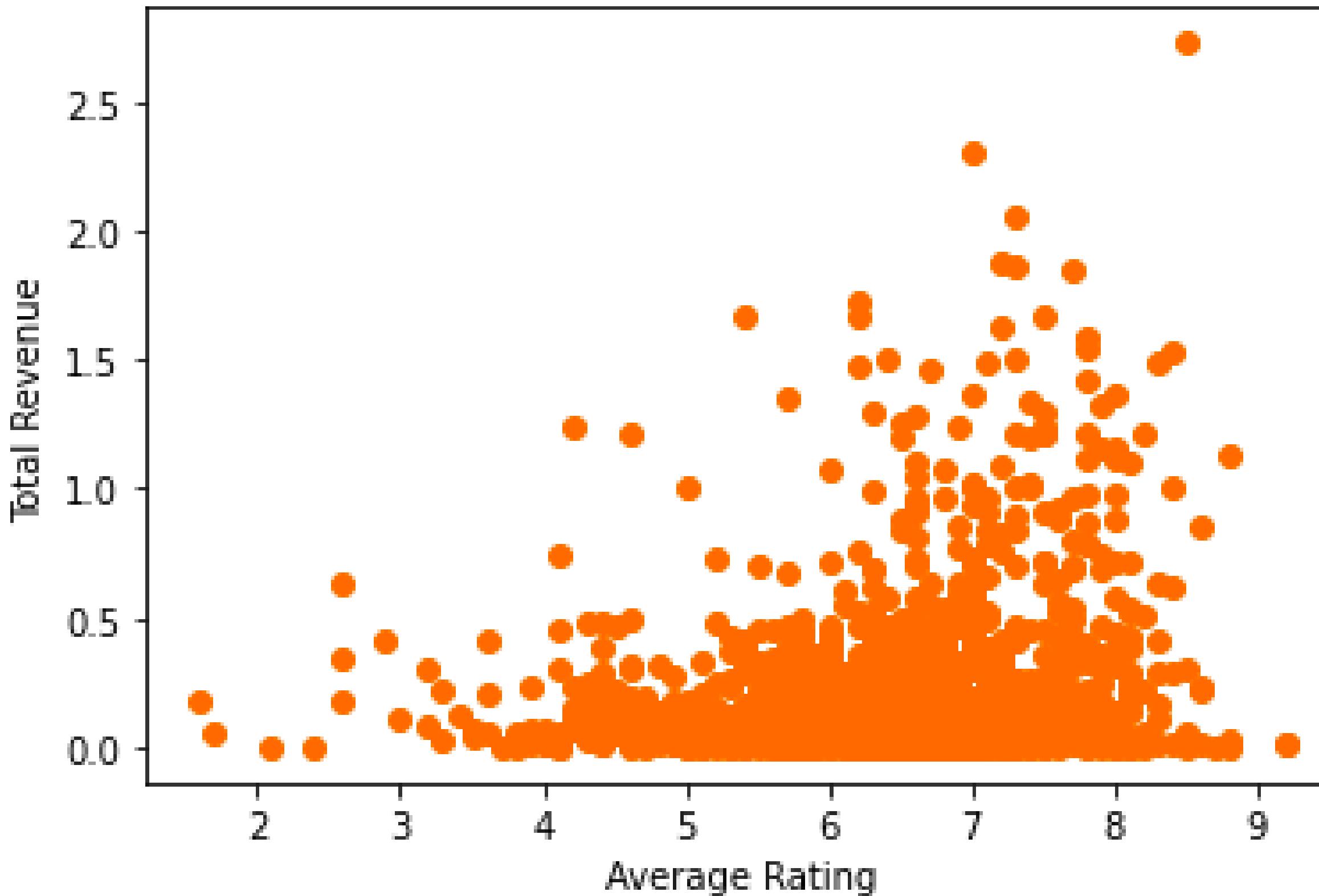


### Negative Correlation

- a. Production budget vs ROI

There exists a weak negative relationship between the production\_budget and ROI of -.088. This is not a material amount and implies that when the production\_budget increases, the ROI decreases by a very minimal amount.

## Correlation between Average Rating and Total Revenue

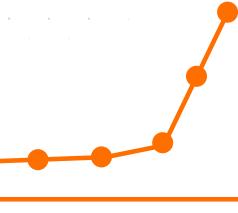


### Positive Correlation

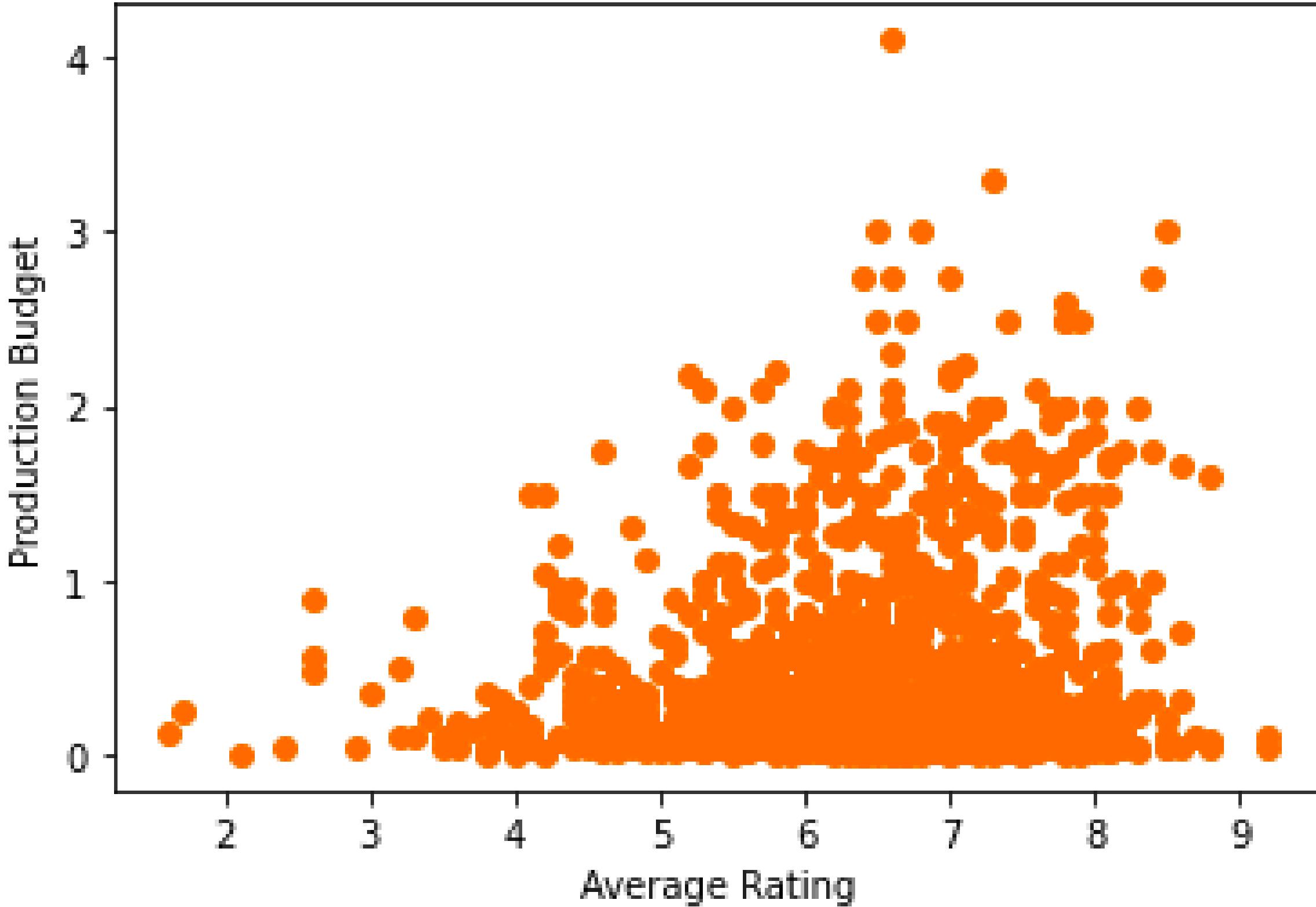
#### a. Average Rating vs Total Revenue

There exists a weak positive correlation between the average rating and total revenue of 0.12.

This means when the rating increases, the revenue slightly increases.



## Correlation between Production Budget and Average Rating



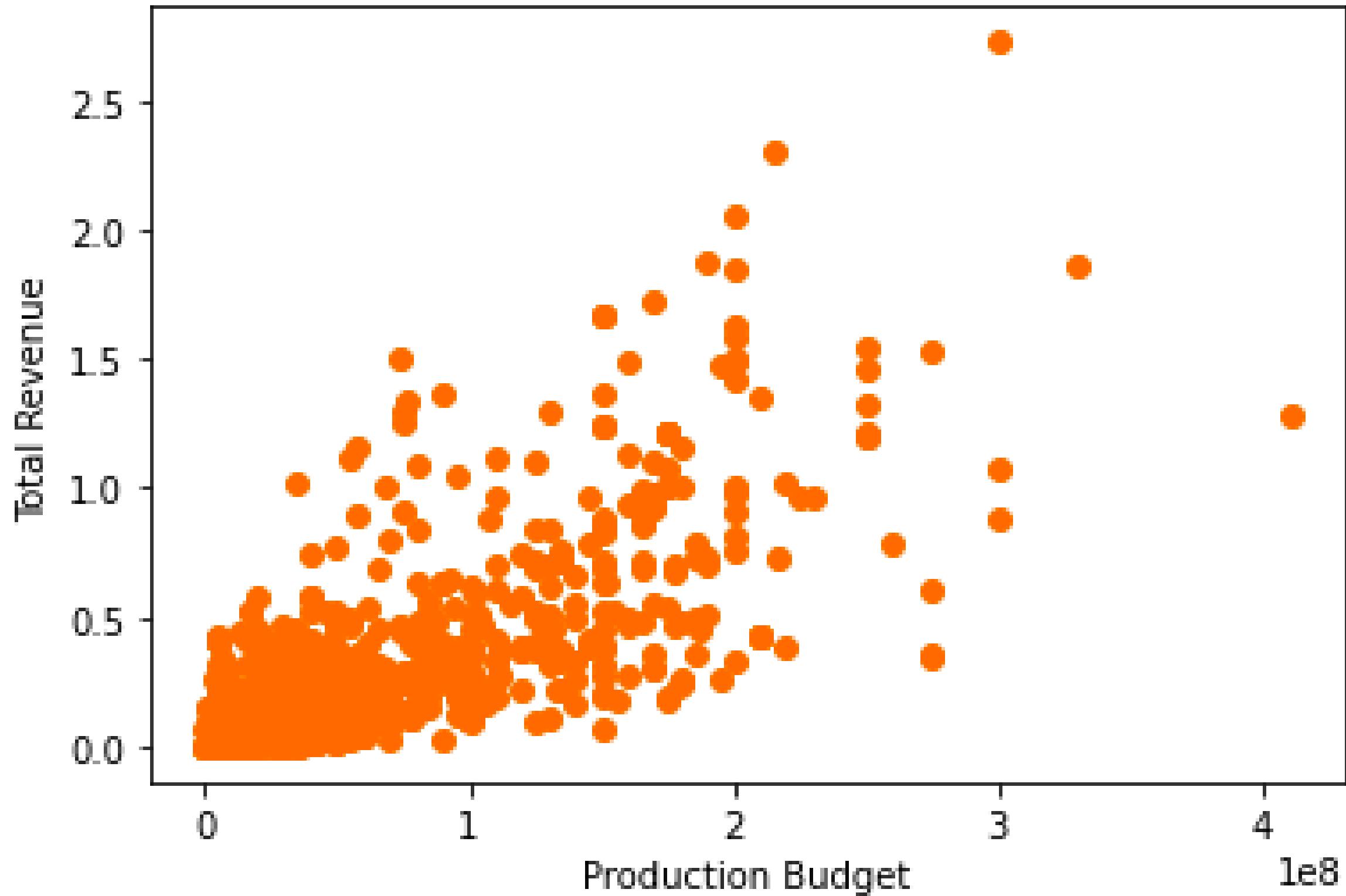
### Positive Correlation

#### b. Production Budget and Average Rating

There exists a weak positive correlation between the average rating and the production budget of 0.19.

This means the higher the production budget is, the higher the rating for the movie.

## Correlation between Production Budget and Total Revenue



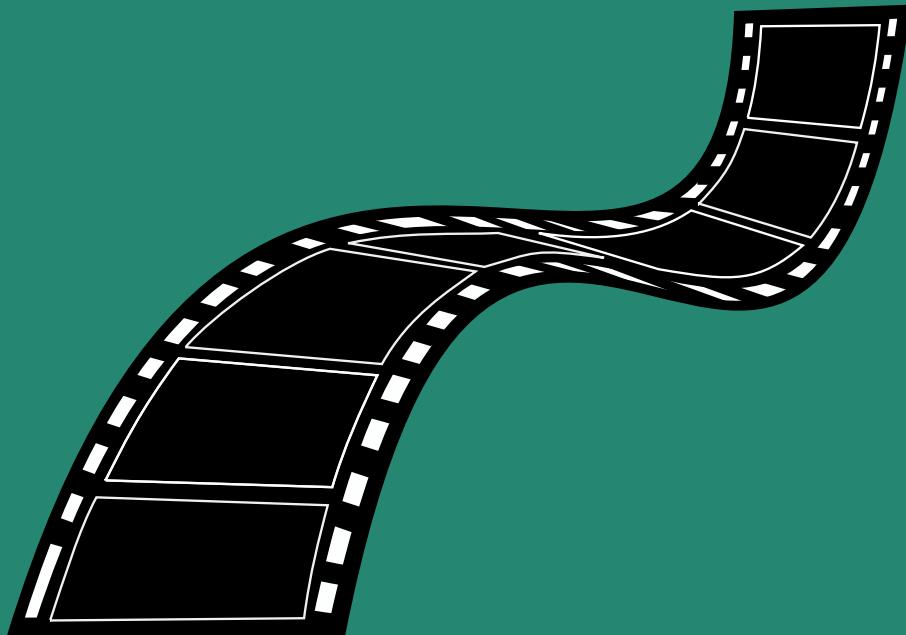
## Positive Correlation

### c. Production Budget vs Total Revenue

There exists a strong positive correlation between the total revenue and the production budget of 0.76.

This indicates that for every positive increase in the production\_budget, there is a positive increase of a fixed proportion in the revenue

# Conclusion and Recommendations



# Conclusion



A high production budget would lead to high revenue generated



A high ranking would lead to higher revenues.



A high production budget leads to higher ratings.



The budget has little to no impact on the ROI.

# Recommendations



Microsoft should produce Action and Adventure movies as they check the various metrics and would be successful venture.

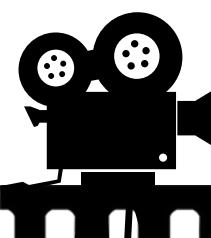


While doing so, the company should hire expert writers, actors, producers and directors. Despite this being costly, the returns will be much greater.

# Evaluation & future improvement ideas



While the three metrics give some insights into which genre will be a worthy venture, it would be important to establish if other factors such as runtime, period of production and the studio producing the film impact the success of a film.



# Any Questions?



# Get In Touch



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