Rockbuster Stealth

Translating Rental Trends into Insights for a

Successful Streaming Launch
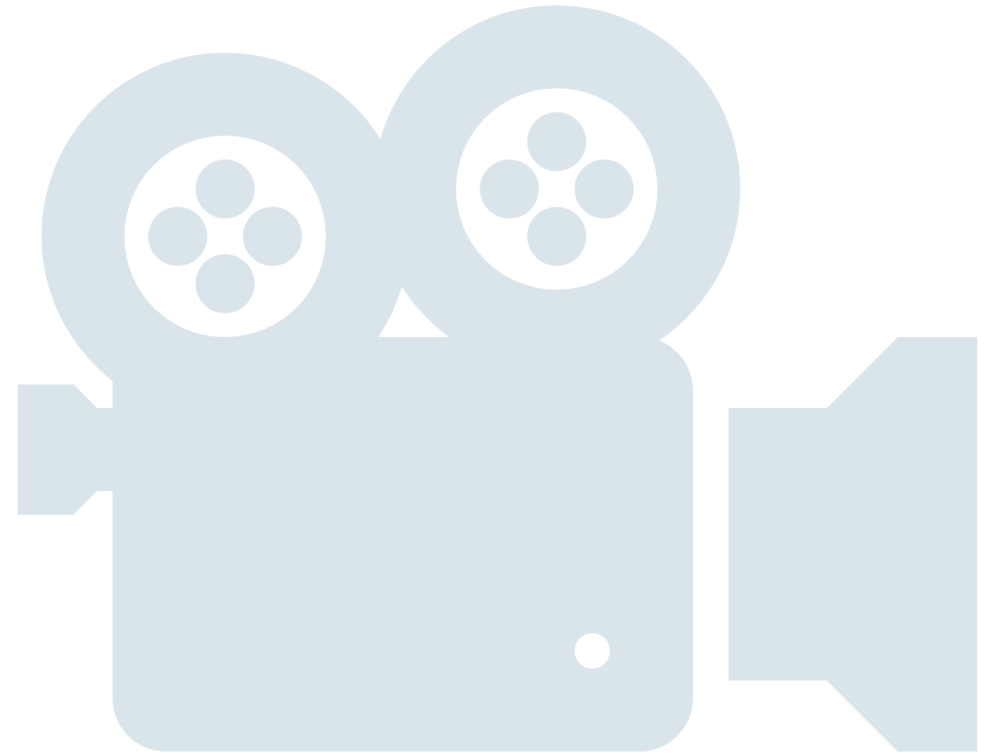
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In response to rapidly evolving consumer preferences and intensifying competition from major streaming platforms, Rockbuster Stealth LLC is poised to transition its successful global video rental business into the digital streaming market. Leveraging our extensive movie licensing portfolio and rich customer data, this presentation outlines critical insights to drive an informed launch strategy.
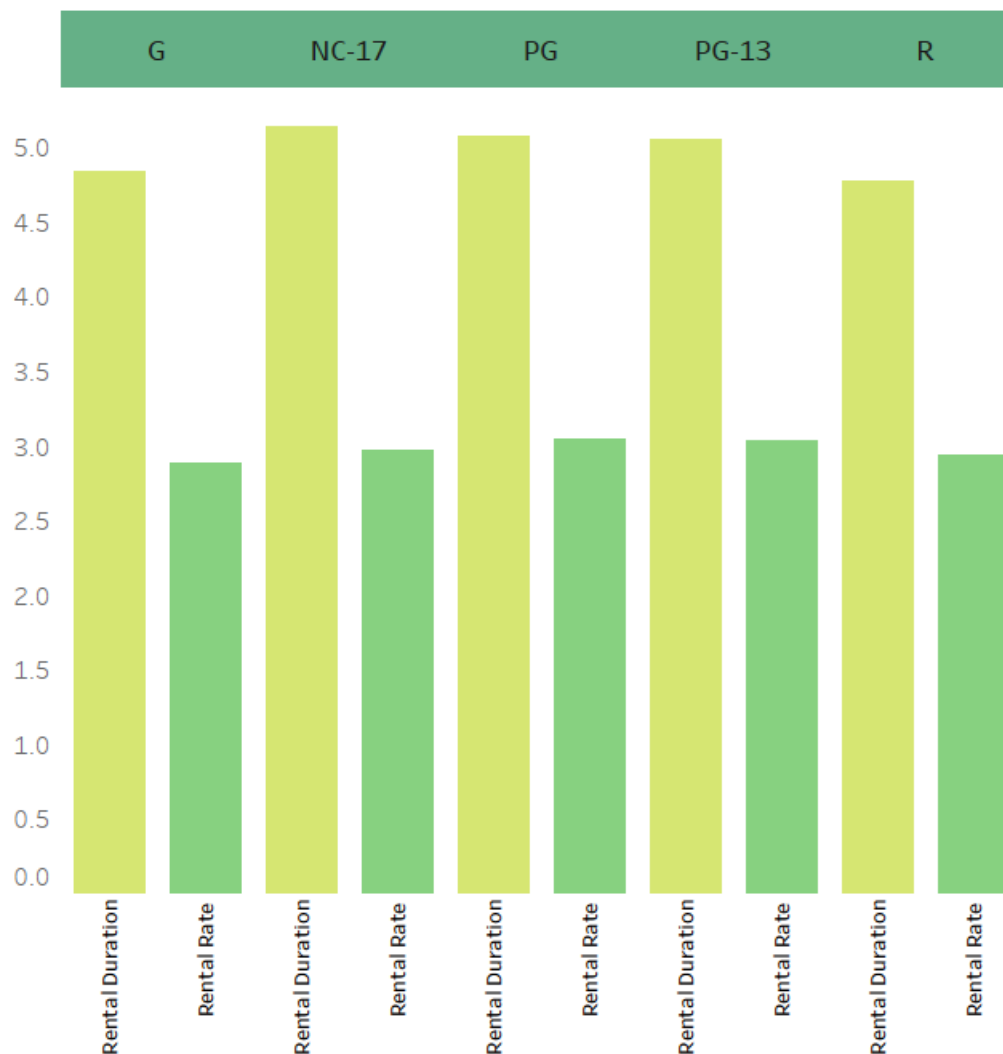
Key Business Objectives

1 — Analyze customer rental behaviors to understand engagement and optimize content availability windows.

2 — Identify top-performing and underperforming titles to inform content curation and licensing priorities.

3 — Map the global customer footprint to target marketing efforts and regional service deployment.

4 — Evaluate regional sales performance to prioritize high-potential markets for launch.

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6 — Segment and locate high LTV customer groups to tailor retention and upselling strategies.
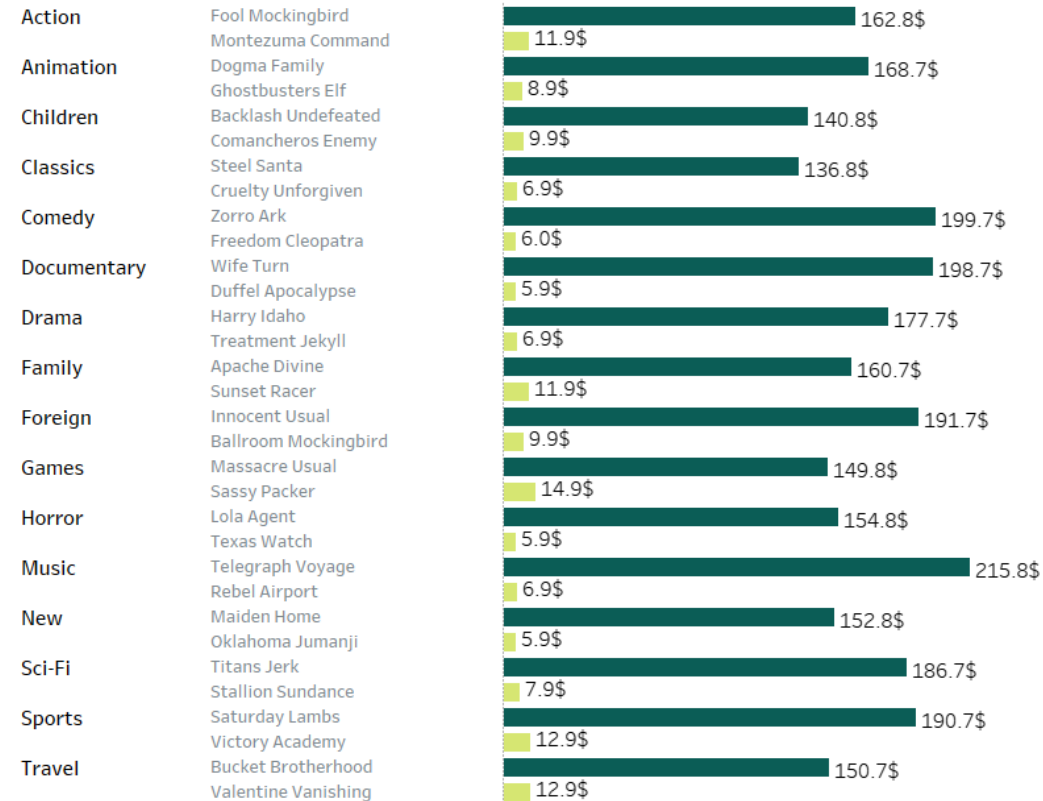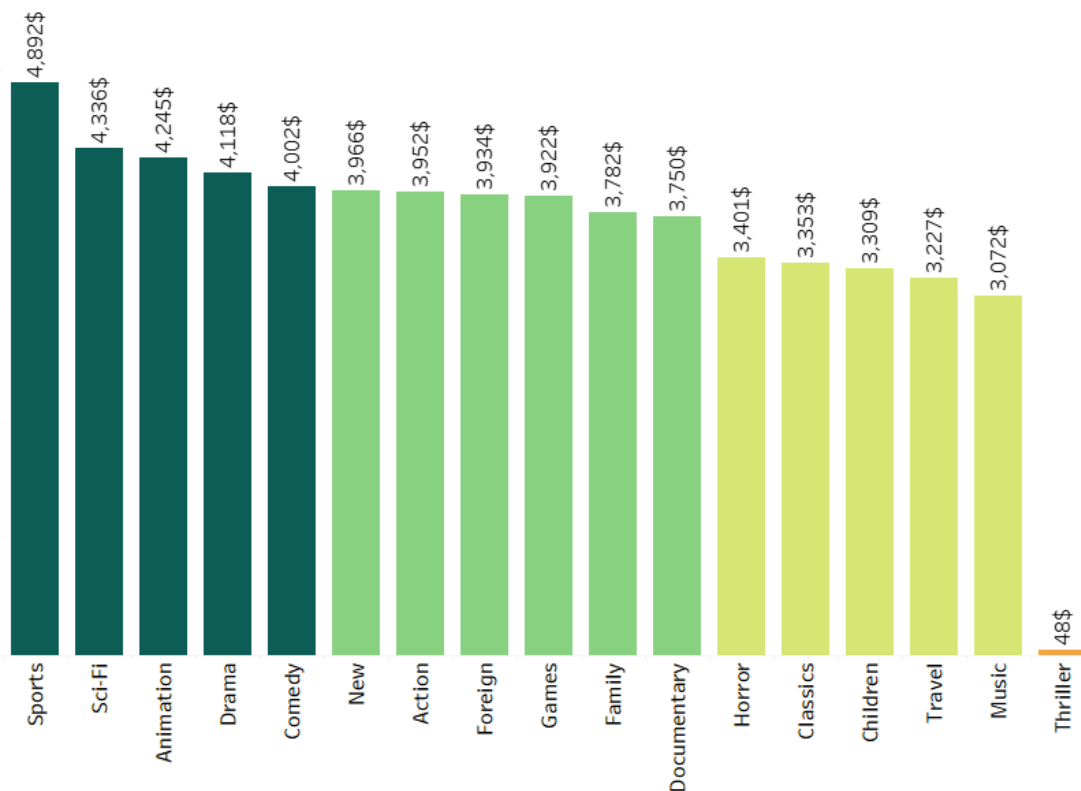
1 **Initial Movie Rental Statistics**

Consumer behavior appears predictable and rating-independent:

- Movies are typically rented for an average duration of 4.77 to 5.14 days indicating consistent customer engagement across all content ratings.

- The average rental price ranges from $2.88 to $3.05 per movie showing limited price sensitivity based on content rating.

➤ An optimal rental period of approximately 5 days is appropriate.

➤ Differentiated pricing by rating may not be required. Instead, rental prices can be adjusted based on factors like *rental count, regional popularity,* and *Revenue*.

Top and Bottom Genres by Revenue

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Genre	Top Film	Revenue	Bottom Film	Revenue
Action	Fool Mockingbird	162.8$	Montezuma Command	11.9$
Animation	Dogma Family	168.7$	Ghostbusters Elf	8.9$
Children	Backlash Undefeated	140.8$	Comancheros Enemy	9.9$
Classics	Steel Santa	136.8$	Cruelty Unforgiven	6.9$
Comedy	Zorro Ark	199.7$	Freedom Cleopatra	6.0$
Documentary	Wife Turn	198.7$	Duffel Apocalypse	5.9$
Drama	Harry Idaho	177.7$	Treatment Jekyll	6.9$
Family	Apache Divine	160.7$	Sunset Racer	11.9$
Foreign	Innocent Usual	191.7$	Ballroom Mockingbird	9.9$
Games	Massacre Usual	149.8$	Sassy Packer	14.9$
Horror	Lola Agent	154.8$	Texas Watch	5.9$
Music	Telegraph Voyage	215.8$	Rebel Airport	6.9$
New	Maiden Home	152.8$	Oklahoma Jumanji	5.9$
Sci-Fi	Titans Jerk	186.7$	Stallion Sundance	7.9$
Sports	Saturday Lambs	190.7$	Victory Academy	12.9$
Travel	Bucket Brotherhood	150.7$	Valentine Vanishing	12.9$

The highest grossing revenue are in **Sports** and **Sci-Fi** films, followed by **Animation, Drama**, and **Comedy** categories, while **Thrillers** generated the lowest revenue.

However, **New**, **Action**, **Foreign**, **Games**, **Family** and **Documentary** fall in the mid-range and offer opportunities for growth and strategic investment.

Rockbuster Revenue by Customer & Location

China, India, and **USA** remain the largest markets in terms of customer base and revenue.

A cluster of countries including **Russia**, **Philippines**, **Japan**, **Mexico**, **Brazil**, **Indonesia**, and **Turkey** also show strong potential for expansion.

These markets clearly demonstrate interest in the business and possess substantial potential to achieve the success. Thus, the marketing team need to prioritize these countries for customer acquisition and growth initiatives.

United States
36 customers
$ 3,685 in payments

China
53 customers
$ 5,251 in payments

India
60 customers
$ 6,035 in payments

Genre Trends in High-Value Customer Markets

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While **animation** leads in **China** with 415$, **sports** dominates in both **India** and **the United States**, with revenues of 460$ and 312$ respectively.
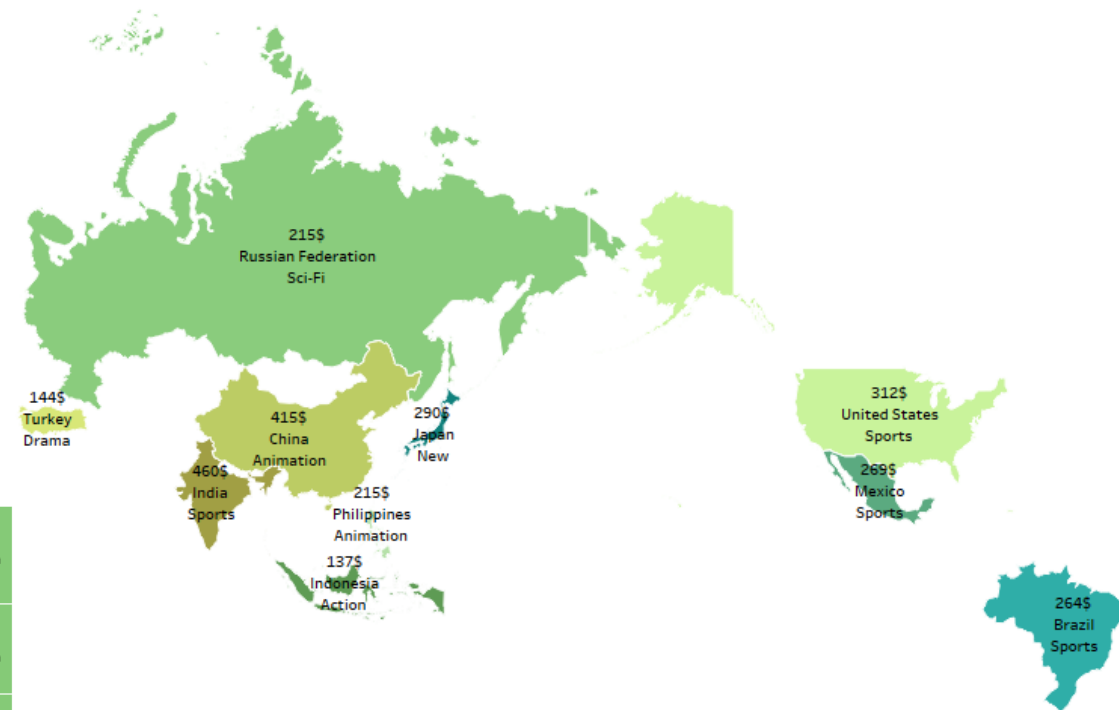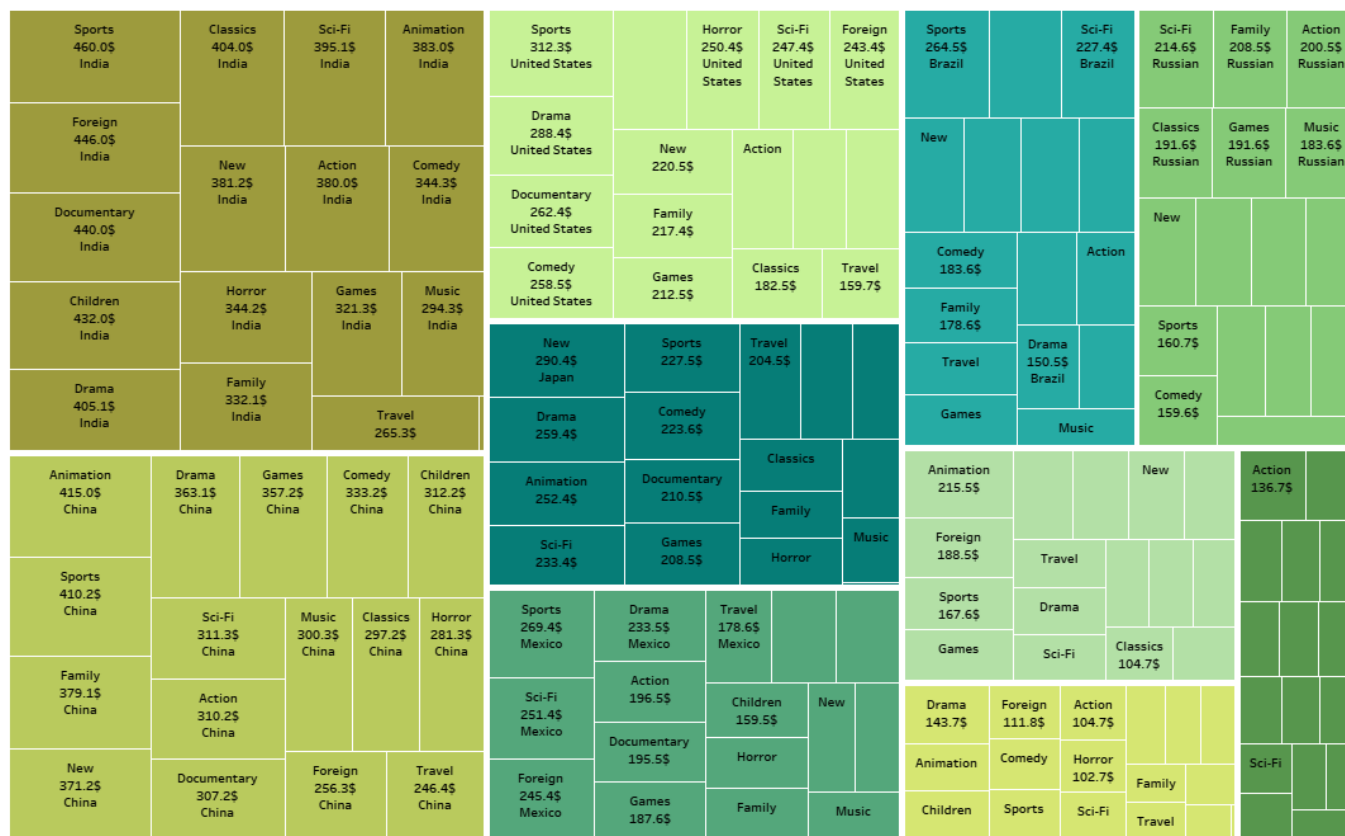
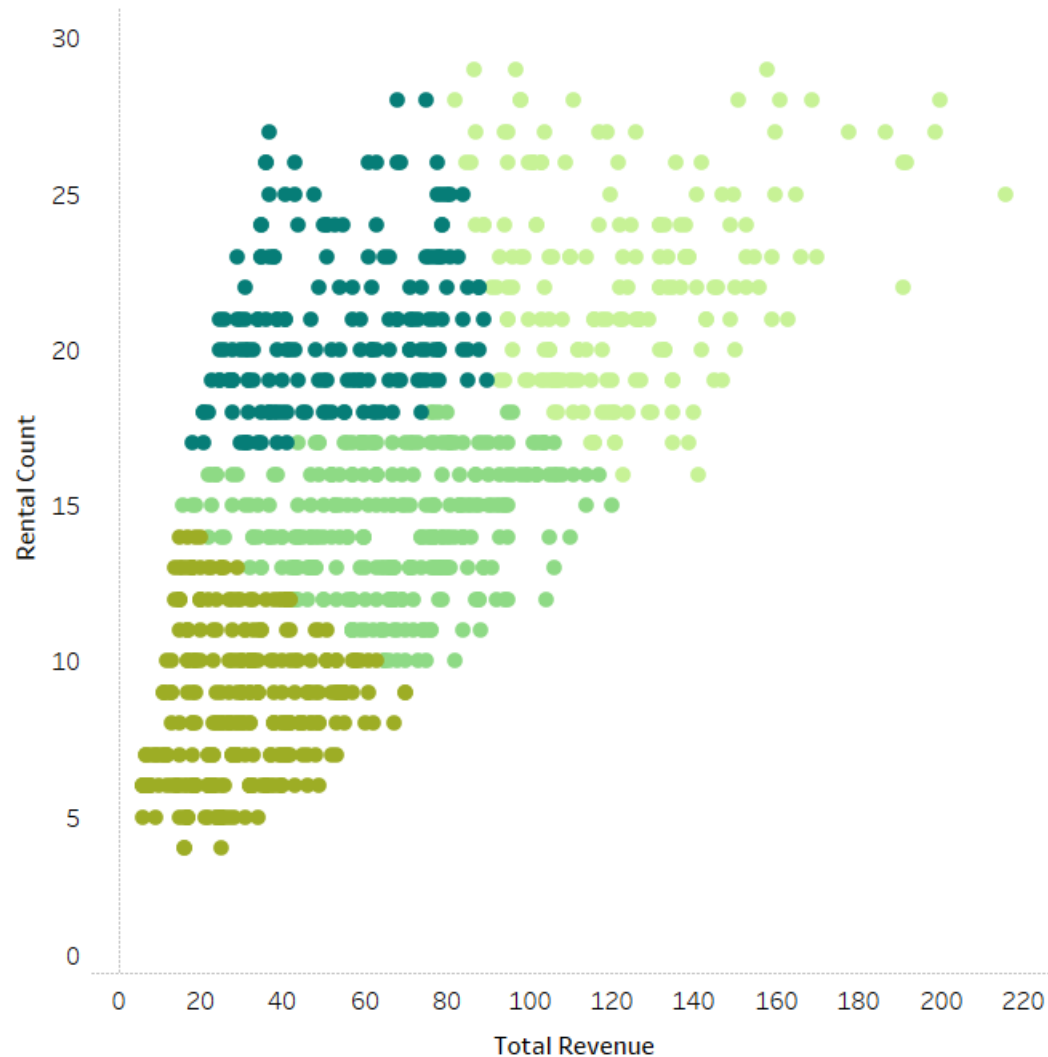**Mexico** ($269) and **Brazil** ($264) are dominated by **Sports**.

Russia ($215) leads with **Sci-Fi** , while **Philippines** ($215) is strong in **Animation**.

Turkey ($144) shows a preference for **Drama** , and **Indonesia** ($137) for **Action**.

For **Japan** ($290), the leading genre is categorized as **"New"** .

Optimizing Movie Rental Pricing and Inventory Based on Cluster Analysis

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This scatter plot shows the relationship between the number of movie rentals and the revenue generated.

Cluster 1: These movies have high rental volumes but generate less revenue than expected. Raising their rental prices can boost income without hurting demand, as their popularity suggests customers are willing to pay more.

Clusters 4: Prices for this cluster should stay stable since their current pricing aligns well with their rental and revenue patterns.

Cluster 2: These titles show low demand and revenue. Reducing their stock or phasing them out can free up resources. The savings could be reinvested in promoting new, high-demand movies to maximize future revenue.

6 **High Lifetime Value Customers**

These customers represent the **ideal demographic** , as they are the top-paying customers within the top-performing countries.

			Value
Casey	Mena	Turkey	130.68$
Sara	Perry	Mexico	128.70$
Leslie	Seward	Indonesia	123.72$
Alan	Kahn	China	119.75$
Clinton	Buford	United States	98.76$

- Given their high spending, these customers can be prime candidates for upselling (premium tiers) and cross-selling (complementary products and services).

- By analyzing the specific needs and preferences of these ideal customers, such as their consistently purchased products, future development can be directly informed and deepened.

Conclusion

1. Best performance categories are Sports and Sci-Fi films. Followed by Animation, Drama, and Comedy.

2. The least popular categories are Music and Thrillers.

3. It was found that the number of customers per country was in direct relationship with the country's total revenue

4. The highest spending customers are in USA, India, China, Russia, Philippines, Japan, Mexico, Brazil, Indonesia, and Turkey.

5. Differentiated pricing by rating may not be required.

6. Rental prices should be adjusted according to rental volume and popularity to maximize revenue, while low-demand titles require inventory reduction to improve resource allocation.

Key Strategic Recommendations:

LOCALIZATION IS CRUCIAL:

Tailor content and marketing to local genre preferences, moving away from a one-size-fits-all approach.

GENRE-SPECIFIC MARKET ENTRY:

Focus efforts on specific genres with proven high value in particular markets, rather than broad entries.

DEEP CUSTOMER INSIGHT & LOYALTY:

Conduct informational interviews with top customers to gain qualitative insights into preferences. Develop a loyalty program to reward these customers, incentivizing continued spending.

DYNAMIC RENTAL PRICING:

Review and adjust movie rental costs based on total revenue, number of rentals, and popularity within different regions and genres.
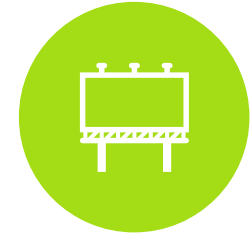
TARGETED MARKETING:

Implement marketing and promotion campaigns in major markets that show growth potential based on demographic analysis.

For Further Questions and Details:

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