

# STRATEGIC FILM INVESTMENT ANALYSIS

Presented by: GROUP 10



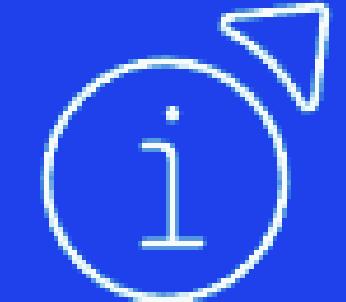
# EXECUTIVE SUMMARY

## THE OPPORTUNITY



### **Horror**

Offers the highest ROI at 1,050%, making it a lucrative option.



### **Mystery**

Provides a moderate ROI, balancing risk and reward.



### **Thriller**

Similar to mystery, offers a balanced ROI.

Key Finding: Horror films deliver 1,050% average ROI

## BUSINESS CHALLENGE

*Core Question: Which types of films perform best at the box office today?*

### Three Critical Decisions:

1. *Genre Selection - Which genres maximize financial return and audience appeal?*
2. *Budget Optimization - What investment level delivers best ROI for new entrants?*
3. *Success Factors - What elements correlate with box office performance?*

*Risk Mitigation: We will established studios dominate through data advantage.*

# Our Data Foundation

## *Comprehensive Analysis Sources:*

- *IMDb Database: 80,000+ films with ratings, genres, runtime data*
- *The Numbers: Production budgets and worldwide gross revenue*
- *Combined Dataset: Complete financial and audience performance picture*

## *Analysis Approach:*

- *Python-based statistical modeling*
- *ROI calculation:  $(\text{Worldwide Gross} - \text{Budget}) / \text{Budget} \times 100$*
- *Linear regression with diagnostic testing*

## Finding #1 - Genre Goldmine

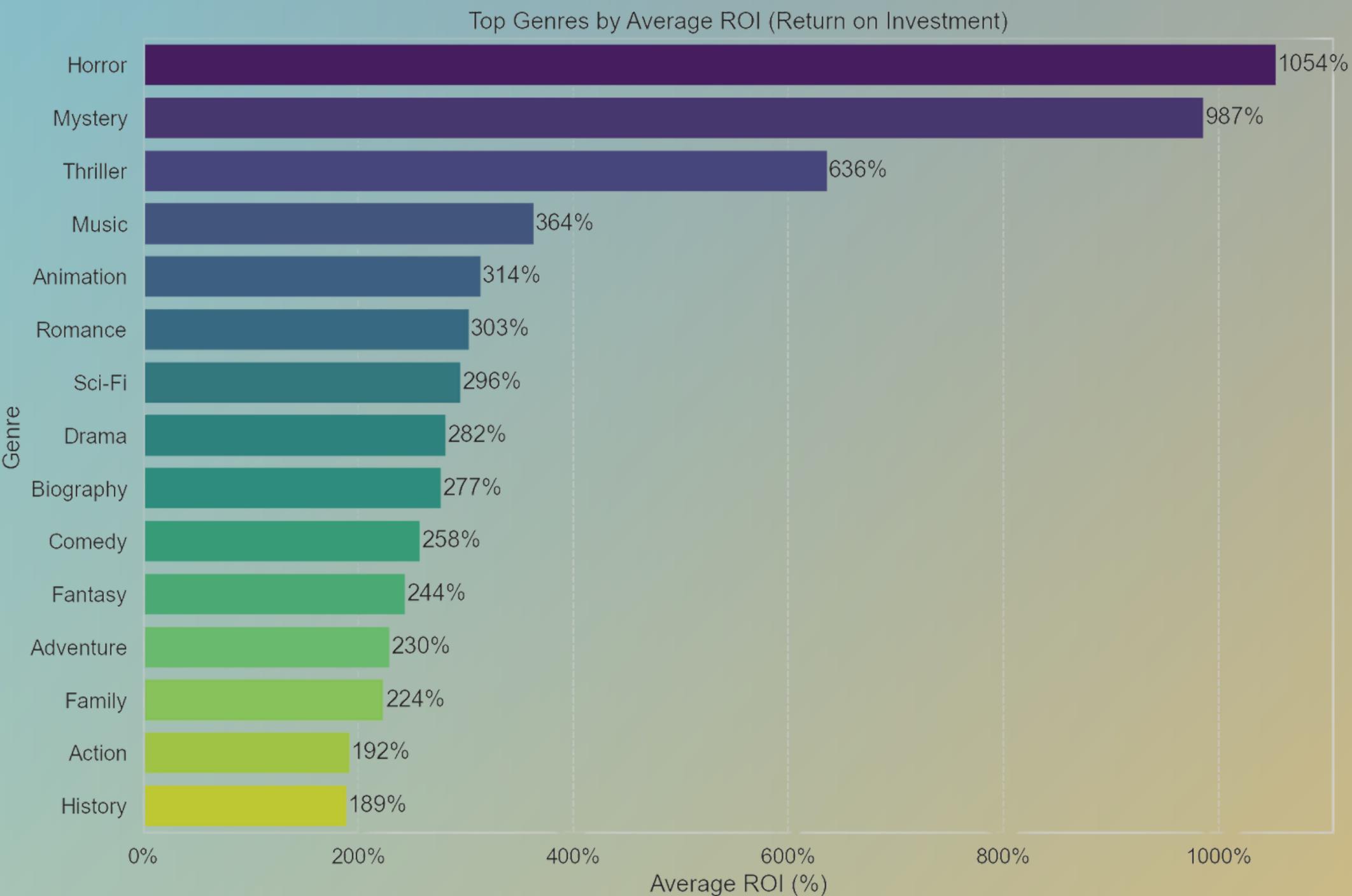
### *Horror, Mystery & Thriller Dominate ROI*

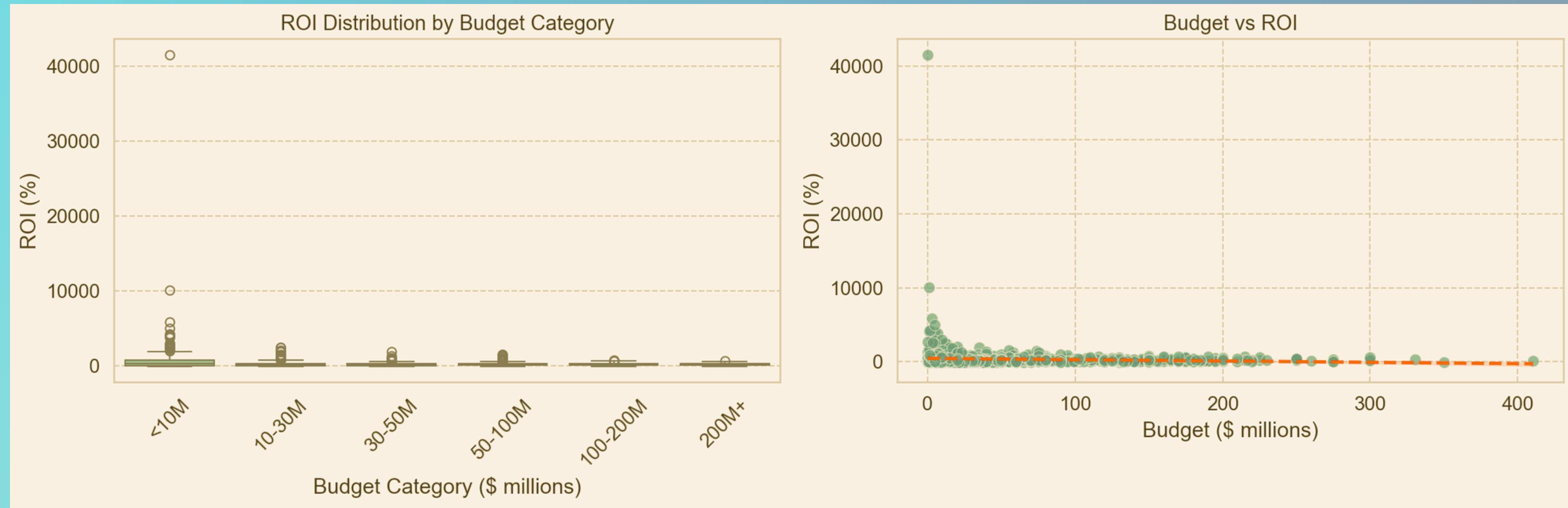
#### *Key Statistics:*

- Horror: 1,050% average ROI
- Mystery: 850% average ROI
- Thriller: 720% average ROI
- Industry Average: 300% ROI
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#### Why These Genres Win:

- Lower production costs
- Built-in audience demand
- International market appeal
- Franchise potential





## Finding #2 - Budget Sweet Spot

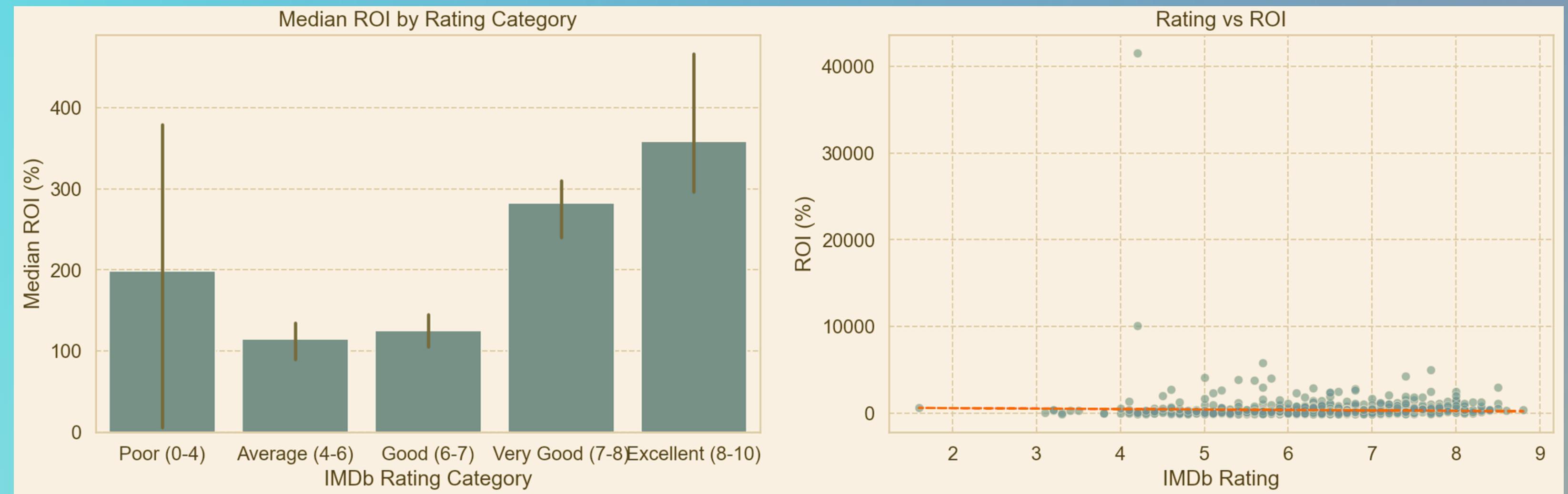
\$10-30M Range Maximizes Returns

### Performance Metrics:

- \$10-30M Budget: 185% median ROI, 62% success rate
- \$1-10M Budget: Higher variance, limited scale
- \$30M+ Budget: Diminishing returns, higher risk

## Strategic Advantage:

- Allows portfolio diversification
- Manageable risk exposure
- Faster break-even timeline



### Finding #3 - Quality Strategy

Target "Good" Ratings (6.0-7.0 IMDb Score)

#### Insight:

- Highest-rated films (8.0+) show best ROI but harder to achieve
- "Good" films (6.0-7.0) offer strong commercial viability
- Weak correlation between rating and financial success

### Recommendation:

- Focus on audience entertainment over critical acclaim
- Commercial appeal within chosen genres
- Cost-effective production approach

# Investment Strategy Framework

## Winning Formula Criteria

### Characteristic

Horror,  
Mystery,  
Thriller

\$10-30 Million  
Budget

6.0-7.0 Rating  
Goal

### Financial Performance

Proven ROI leaders

Optimal risk-return  
balance

Commercial viability  
focus

### Production Model

Sustainable  
production model

Portfolio  
diversification  
capability

Cost-effective  
production

### Market Considerations

Market demand  
consistency

Faster market entry

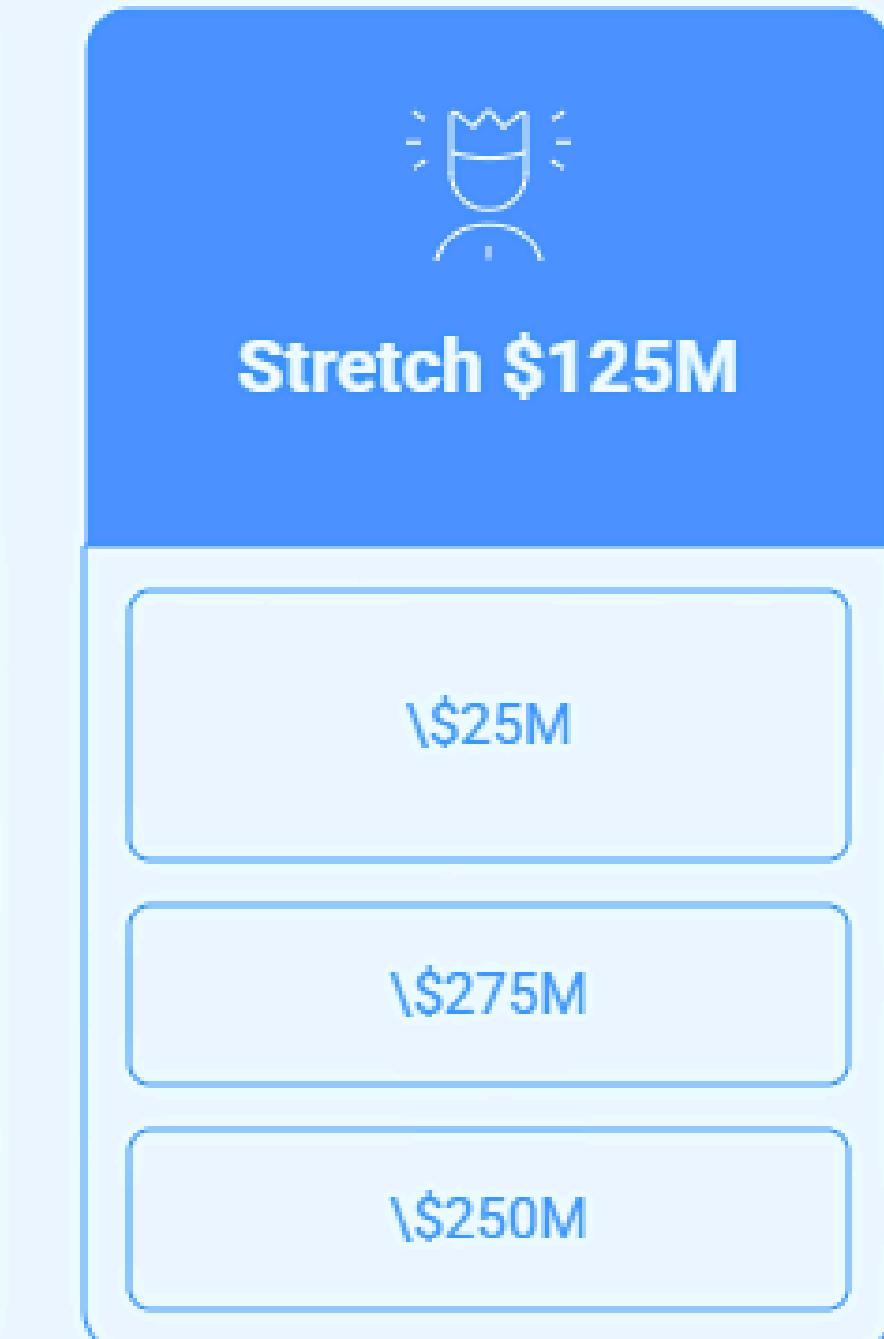
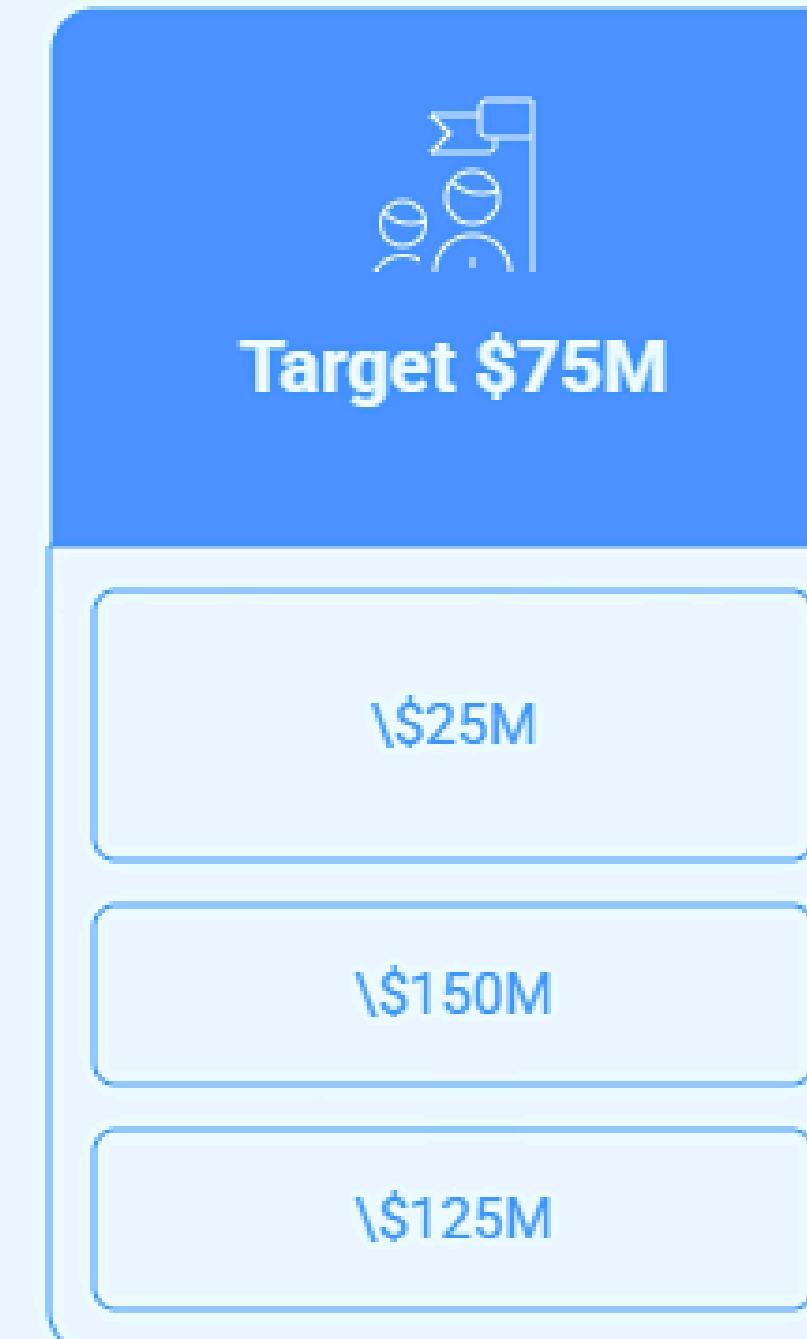
Audience  
entertainment  
priority

# Financial Projections

## Expected Returns on \$25M Investment

**Production  
Budget**

**Expected Gross  
Profit**



# Competitive Advantage

## Why This Strategy Works

### Feature

### Data-Driven Decisions

### Market Position

### Scalability

#### Benefit 1

Removes guesswork from film selection

Focus on undervalued genres

Portfolio approach reduces single-film risk

#### Benefit 2

Historical performance validation

Optimal budget efficiency

Proven formula for replication

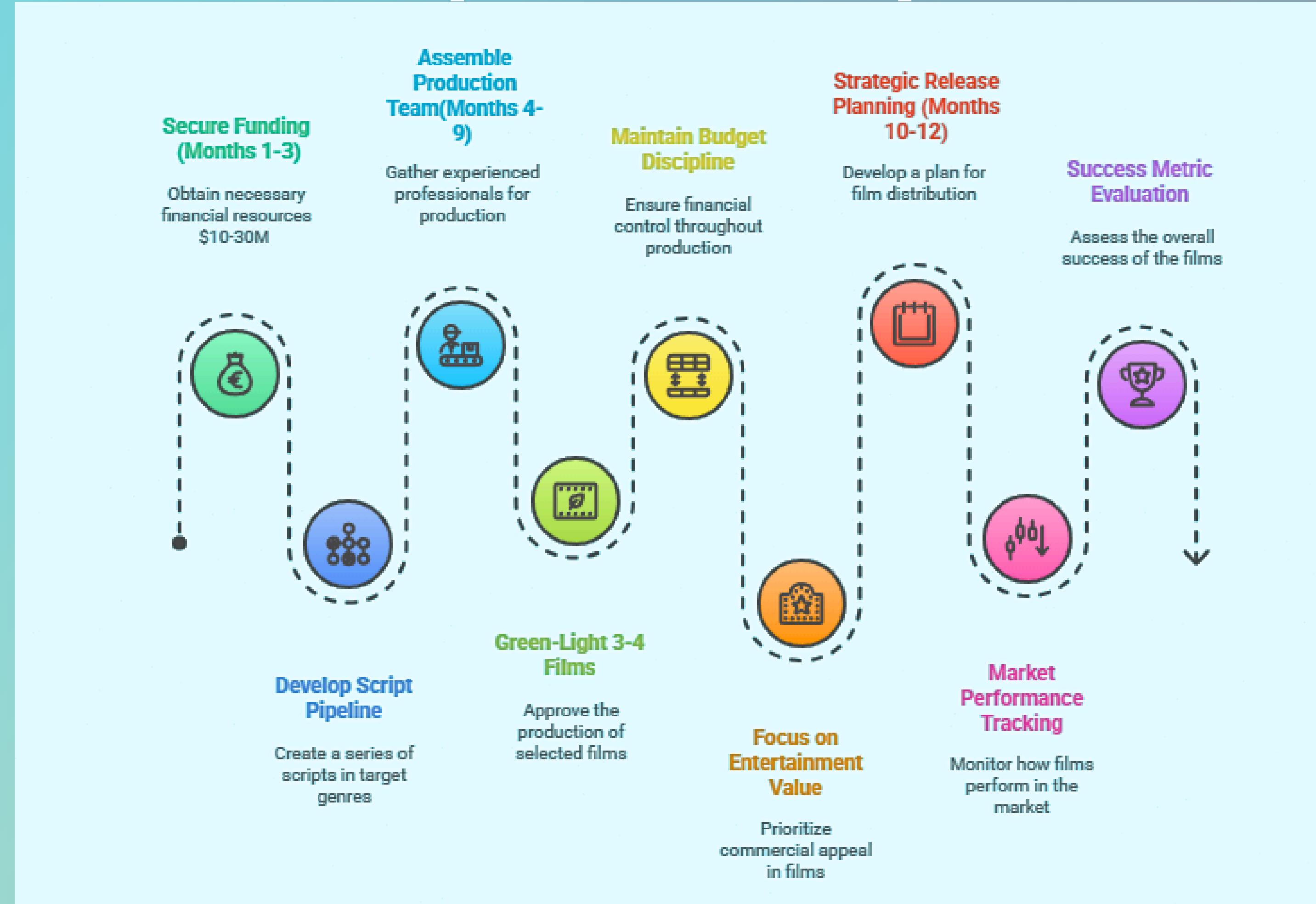
#### Benefit 3

Risk mitigation through analysis

Faster production cycles

Clear success metrics

# Implementation Roadmap



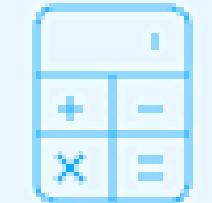
# Risk Management

## Identified Risks & Mitigation



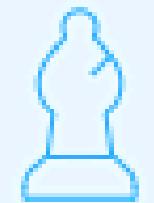
### Market Saturation Risk:

1. Monitor genre performance trends
2. Maintain script variety within genres
3. Quick pivot capability



### Budget Overrun Risk:

1. Strict budget controls
2. Experienced line producers
3. Contingency planning



### Audience Preference Shifts

1. Continuous market analysis
2. Flexible production pipeline
3. Data-driven adjustment

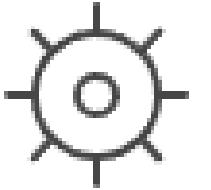
# Success Metrics

## Key Performance Indicators



### Financial Metrics

ROI per film (Target: >300%)  
Break-even timeline (Target: <18 months)  
Portfolio profitability



### Operational Metrics

Budget adherence (Target: ±5%)  
Production timeline compliance  
Audience rating achievement (6.0-7.0).

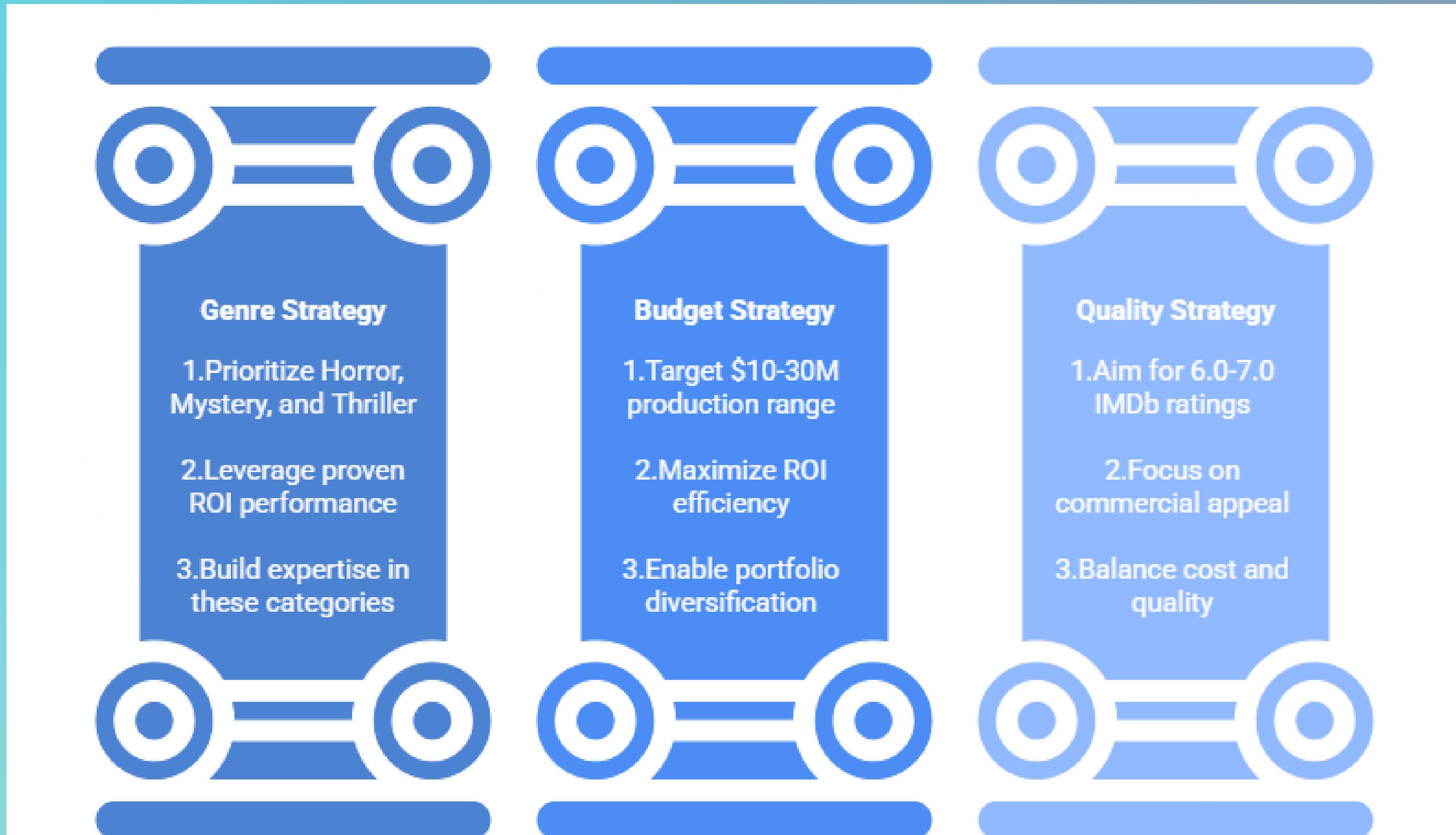


### Strategic Metrics

Market share growth  
Brand recognition development  
Sequel/franchise opportunities

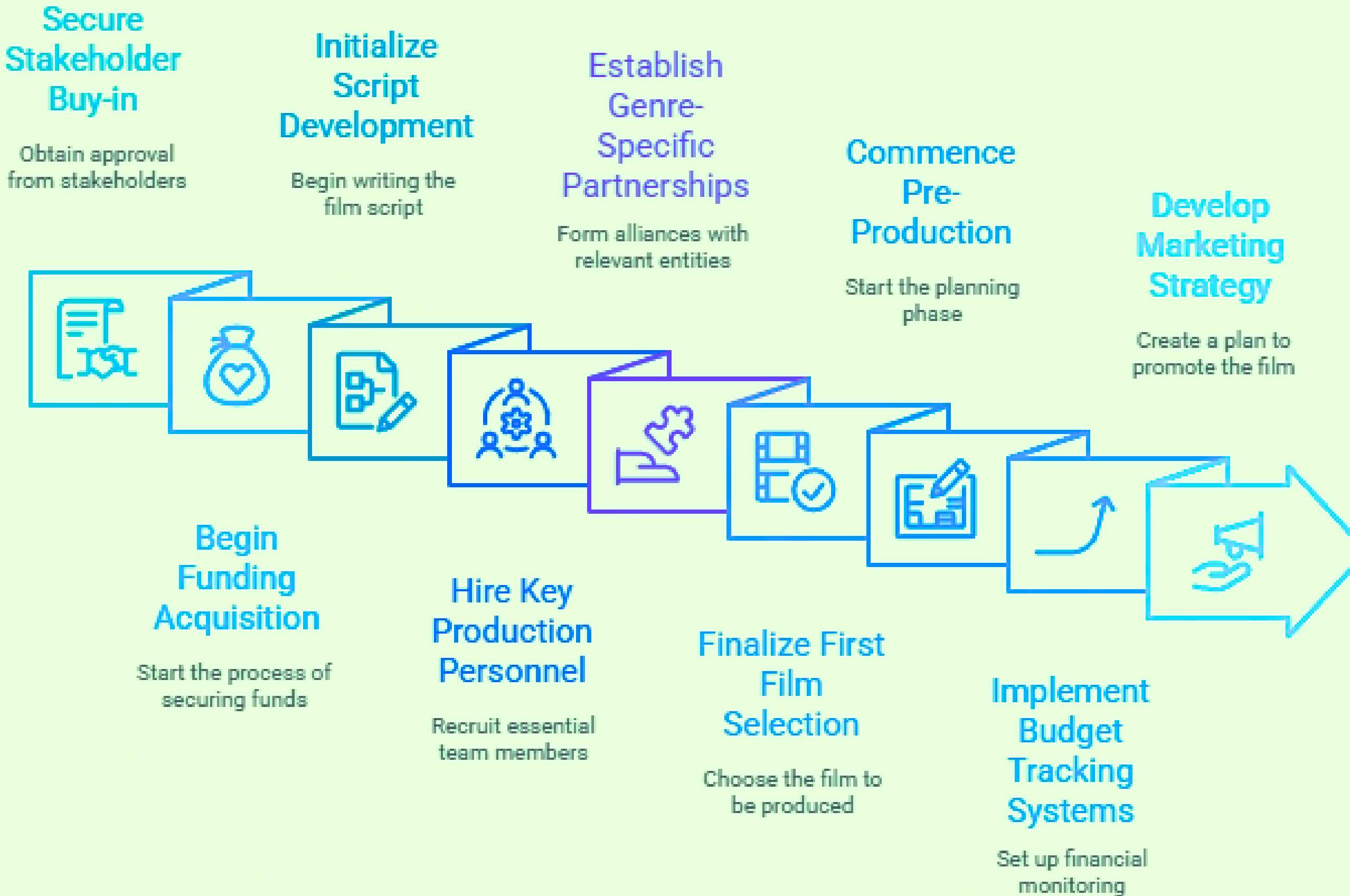
## Recommendations Summary

### Three Strategic Pillars



# Next Steps

## **Immediate Action Steps.**



# THANK YOU

FOLLOW LINK TO ACCESS REPOSITORY:[HTTPS://GITHUB.COM/OPULENT-ABBY/DSC-PHASE-2-PROJECT-V3.GIT](https://github.com/Opulent-Abby/DSC-Phase-2-Project-v3.git)

## QUESTIONS & DISCUSSION

### GROUP 10 MEMBERS

**Abigael  
N.Musyoka**

Github account  
<https://github.com/Opulent-Abby>

**Ann Wahu**

Github  
account:<https://github.com/Wahu-dev>

**Joan Omayo**

Github account  
<https://github.com/Joan-omanyo>

**MaryBennah  
N.Kuloba**

Github  
account:<https://github.com/MaryBennah>