

Observation, Insight & Recommendations

Observation:

The seasonal bar chart shows that there is variation in the average profit across different seasons. Summer stands out with the highest average profit at about \$121 million. Winter has the lowest average profit at about \$85 million. This suggests that the season has a notable impact on the profitability. Fall and Spring both have similar profits which range from \$98-\$105 million, which suggests that certain business factors or consumer behaviors are consistent between these two seasons. The monthly chart shows variations in average profit with the main standouts being the month of August and November. The summer season is the highest performing yet August is one of the worst performing months in terms of average profit. November is the second highest performing month yet it's within an average performing season in terms of average profit.

Business strategy: Since their movies tend to make higher profits in the summer, an increase in marketing budget may be a good investment and during the Winter (April, August) the focus could be on cost saving measures.

Factors such as customer behavior, market trends, competition, and product/service offerings can play a significant role. Exploring these factors can help the company make informed decisions and optimize its business strategy.

The monthly bar chart shows fluctuations in average profit. The highest profit occurred in June while the lowest in April. Different months have a substantial impact on the profitability. June and July have notably higher average profits, indicating a summer peak in activity. In the winter months January and February have lower average profits.

November had a higher average profit which can be attributed to the holiday season.

High performing movies during specific seasons can be successful to add to the service within the same season.

Note: Get outside sources explaining why the observation occurred.

Movies tend to make more profit in the summer due to a few reasons:

- **Blockbuster releases:** Summer is a popular time for studios to release their big-budget films. [These films often have high production and marketing costs, but they also have the potential to bring in substantial revenue¹².](#)
- **Increased audience:** [With school holidays and vacations, more people have free time to go to the cinema during the summer months³.](#)

As for why movies make less profit in winter, it's primarily due to the following factors:

- **Dump months:** January and February are often referred to as the “dump months” in the film industry. [This is when studios release films that they don't expect to do well at the box office⁴.](#)
- **Competition from other forms of entertainment:** [Winter sports and other seasonal activities can draw potential viewers away from the cinema⁴.](#)

Regarding higher profits in November, it could be due to:

- **Holiday season:** The start of the holiday season can lead to increased cinema attendance. People may have more free time and be more willing to spend money on entertainment.
- **Oscar buzz:** [Films released in November might be fresh in the minds of Oscar voters, which can lead to increased publicity and ticket sales⁵.](#)

Please note that these are general trends and individual movie performance can vary based on a multitude of factors.

The movie industry typically sees a dip in profits during August for a few reasons:

- **End of summer:** By August, the summer blockbuster season is winding down. [Many of the big-budget films have already been released earlier in the summer, and studios may hold back their major releases until the fall or winter¹.](#)
- **Competition from other forms of entertainment:** [As the summer comes to an end, people may be taking advantage of the last warm days to engage in outdoor activities rather than going to the cinema¹.](#)

- [Back to school: In many regions, August is when students return to school, which can lead to a decrease in cinema attendance¹.](#)

It's important to note that these are general trends and individual movie performance can vary based on a multitude of factors.

Step 1: Observation

Step 2: Insight

Step 3: Recommendation

Insights:

Reason for why Movies may make higher profits in the summer:

Summer is a popular time for studios to release their big-budget films. Increased audience from school vacations, which means more people are free to go to the cinema.

Reasons for why Movies may make less profit in the winter:

January and February are often referred to as "dump months" in the film industry. This is when studios release films that they don't expect to do well at the box office.

Reasons for Higher profits in November:

The start of the holiday season can lead to an increase in cinema attendance.

Reasons for Low profits in August:

August is the end of summer which means many big budget films have already been released and many studios may choose to hold back until fall or winter.

In many regions August is the month many students are back in school which can lead to a decrease in attendance.

Recommendation:

Based on my insights, here are some recommendations for Netflix:

1. Summer Blockbusters: Given that movies tend to make more profit in the summer, Netflix could consider releasing its big-budget films during this period. This could attract a larger audience who have more free time due to school holidays and vacations.
2. Avoid Winter Releases: As movies make less profit in winter, it might be beneficial for Netflix to avoid releasing important films in January and February. Instead, they could focus on other forms of entertainment such as winter sports-themed content.

3. **Leverage the Holiday Season:** November seems to be a profitable month for the movie industry. Netflix could take advantage of this by releasing films that are likely to generate Oscar buzz, thereby increasing publicity and ticket sales.
4. **Strategize for August:** Since there's a dip in profits during August, Netflix could hold back their major releases until the fall.
5. **Cost-Saving Measures:** During the less profitable months like August and winter, Netflix could consider licensing cheaper, yet quality movies. This could help maintain a steady stream of content for viewers while also reducing costs. Additionally, they could explore partnerships with independent filmmakers or film festivals to acquire low-cost, high-quality content. This approach not only provides a platform for emerging talent but also diversifies the content library, potentially attracting a wider audience.
6. **Invest in Premium Content:** During the more profitable months like summer and November, Netflix could consider licensing more expensive, high-profile movies. These films often attract a larger audience and could potentially bring in substantial revenue.
7. **Original Content Creation:** Another strategy could be to invest in creating original movies specifically for release during these profitable periods. Original content not only helps in building the brand image but also allows Netflix to have complete control over the release timing. This could help in maximizing the viewership and revenue during these peak periods.

Remember, while these strategies could potentially increase profits, they also involve higher investment and risk. Therefore, it's important to carefully evaluate the potential returns and the preferences of the target audience.

Remember, these are just recommendations and the actual results may vary based on various factors such as the type of content, marketing strategies, and audience preferences.

Conclusion:

The Season and the specific month a movie is released can play a crucial part in a movie's success and profitability.

The timing of a movie's release, both in terms of season and specific month, can be impactful on determining its potential for success and profitability.

Sources

"Dump Months: The Worst Times Of Year To See A New Movie." Game Rant, 23 Sep. 2021, www.gamerant.com/dump-months-worst-times-of-year-see-new-movie/.

Methodology:

Created new columns: Month Release, and Seasons release.

Tableau to create visuals