

THE FUTURE OF

# ***Microsoft***<sup>®</sup> FILMS



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Blog post URL: <https://github.com/SerranoEvan/dsc-phase-1-project-v2-4>

# Ready for your closeup?

In a crowded,  
uber-competitive,  
ever-changing film industry,  
content is KING

But what content should  
Microsoft Films pursue?



# **QUIET ON THE SET!**

## **BUSINESS UNDERSTANDING**

The U.S. film industry plays a crucial role in the American culture as well as the economy. In fact, Hollywood is still the number one film industry in the world. Netflix and Amazon Prime have also become major players. Still, the COVID-19 Pandemic continues to have a major impact on the industry.

North American Film Industry Box Office Revenue:

**2019: \$11.32B**

**2020: \$2.09B**

(per Zippia Research)

# Cast & Crew

## Data Understanding

- **ROI(Return on Investment)**

$(\text{Revenue} - \text{Costs}) / \text{Revenue} * 100$

Starting at 2014 to present to account as best as possible for recent trends . Which movies are most profitable based on budget? Budget and revenue data from [TheMovieDB.org](https://www.themoviedb.org).

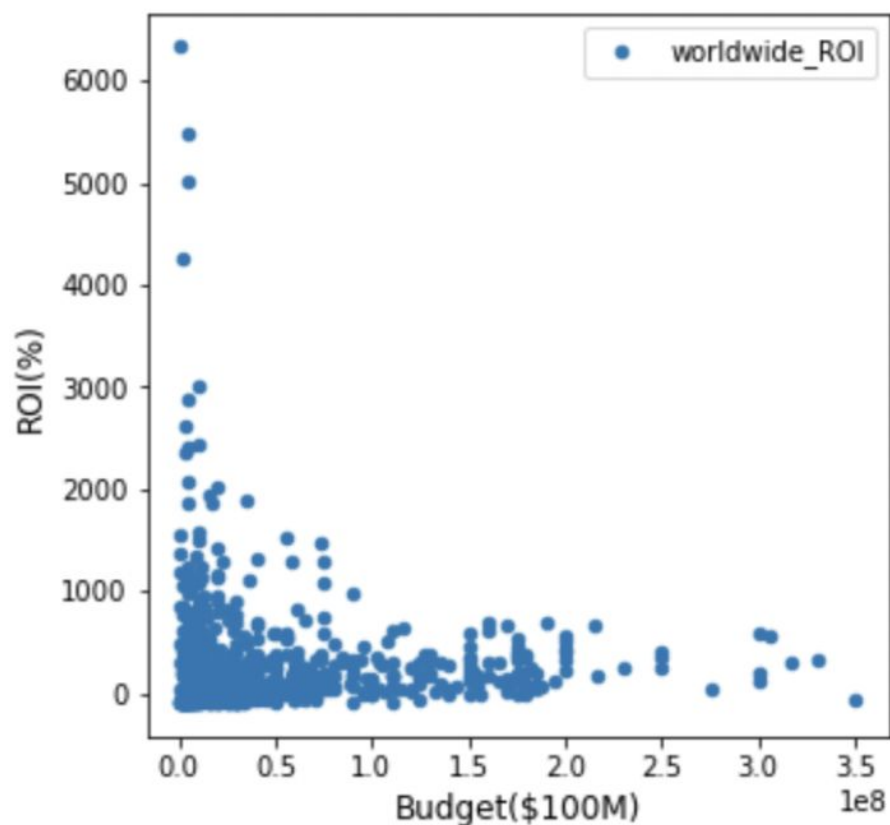
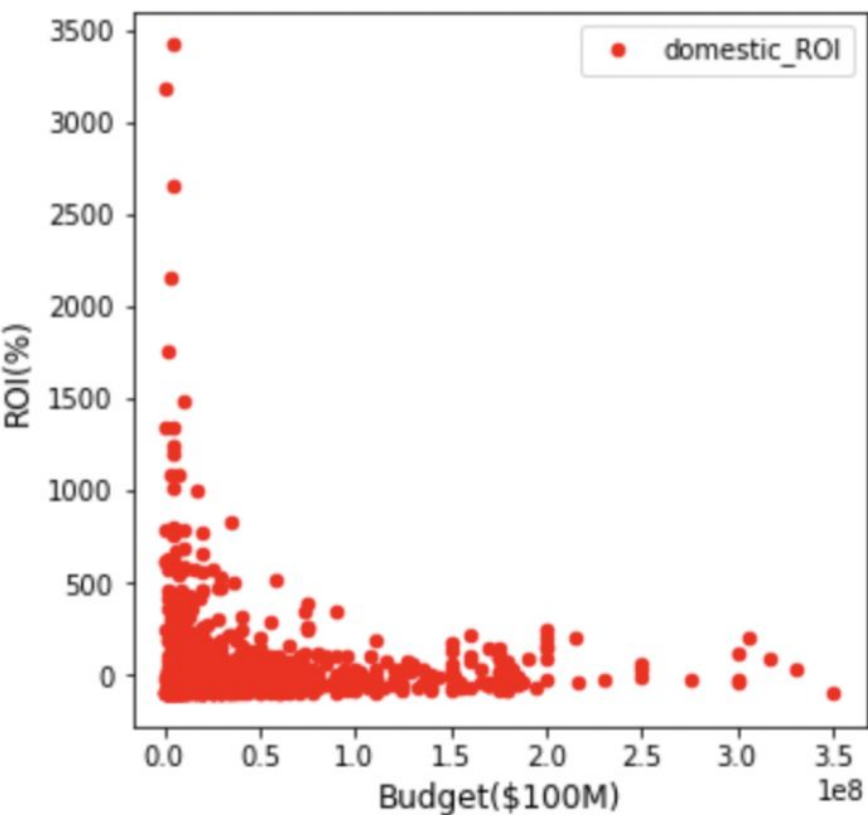
- **Genre**

Which genres are most popular? Popularity data from [TheMovieDB.org](https://www.themoviedb.org).

- **Director**

For the chosen genres, which Directors should MicrosoftFILMS pursue based upon box office success. Data obtained from [Rotten Tomatoes](https://www.rottentomatoes.com).

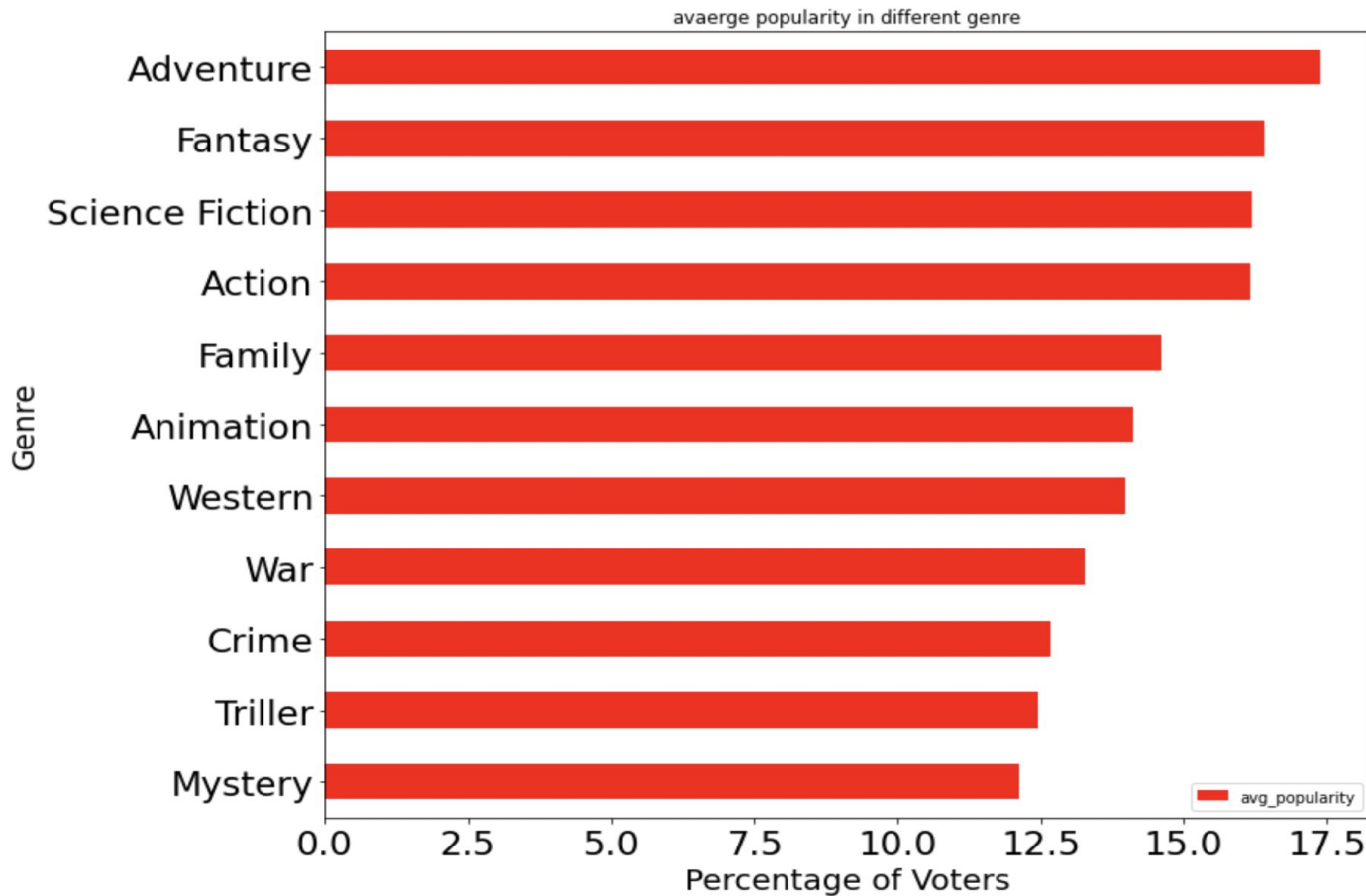
# Data Analysis (ROI)



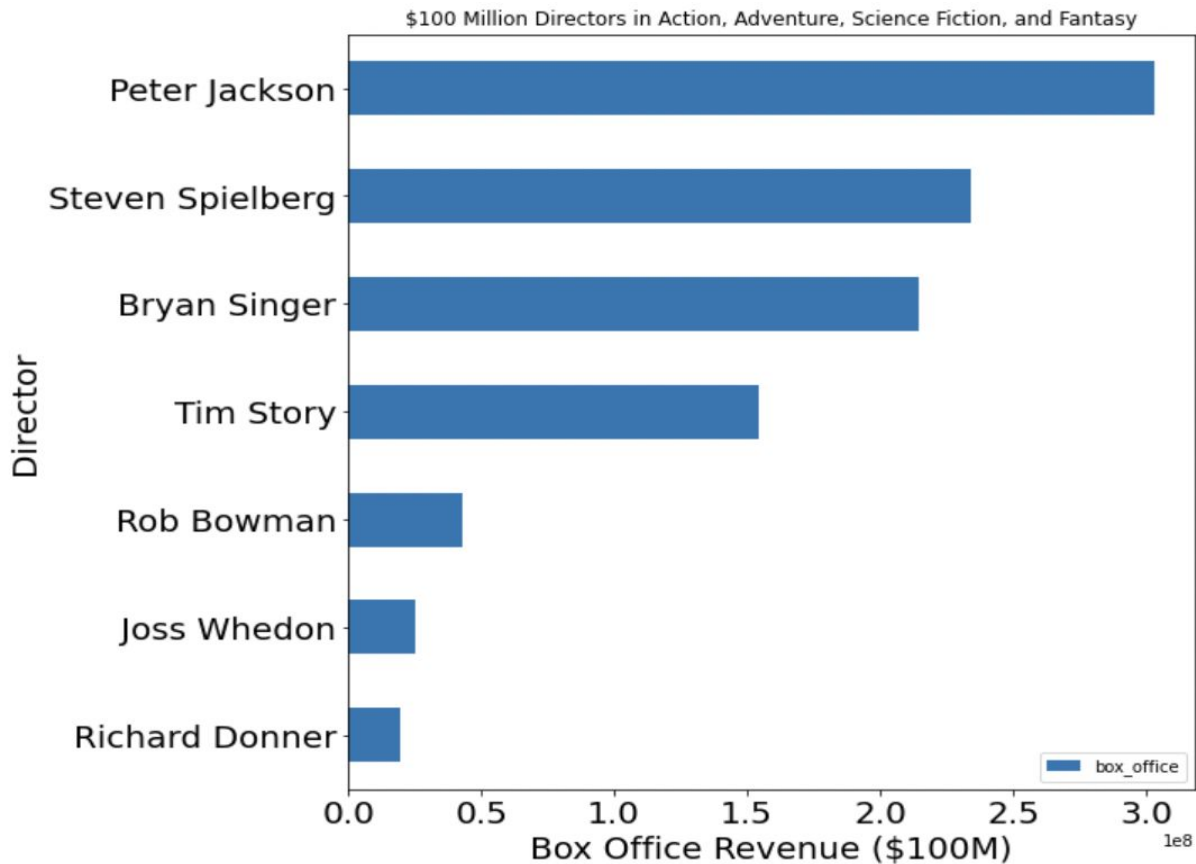
# Data Analysis (ROI)

- Domestic returns mirror Worldwide returns
- Small negative correlation between budget and ROI  
(worldwide =  $-.063$ , domestic =  $-.151$ )
- Higher Budget  $\neq$  Higher Profit

# Data Analysis (Genre)



# Data Analysis (Director)





# Recommendations

- **Adopt relative low cost strategy (sub-\$200M) . No evidence of increased profit as budgets increased.**
- **Pursue the more lucrative Adventure, Fantasy, Science Fiction, Action segments. Leverage existing gaming presence using IPs that are already owned**
- **Retain most successful directors based on box office numbers for our chosen genres**

**...and CUT!**