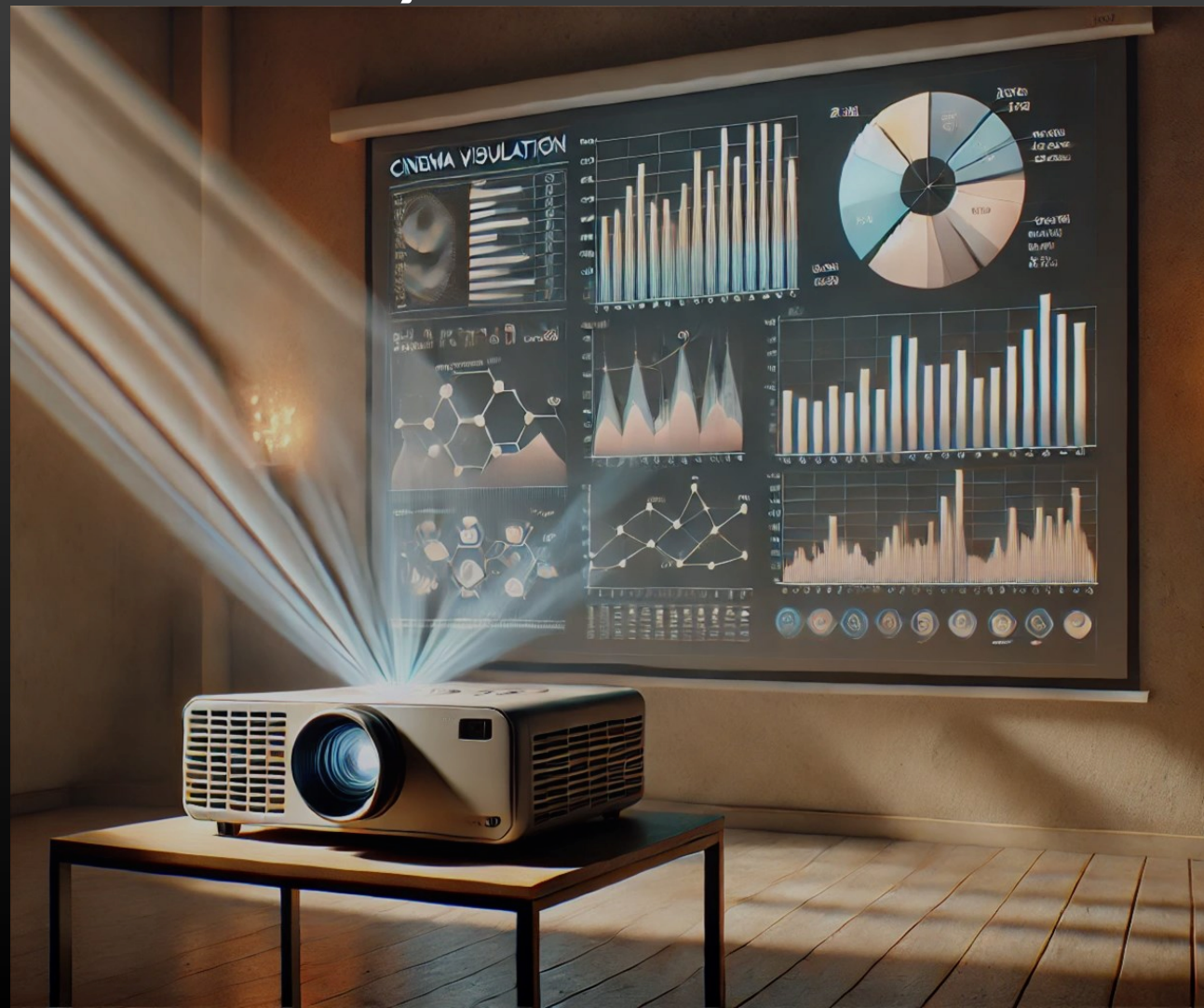
Comprehensive Unit Economics and Profitability Analysis for the Sky Cinema



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Objectives & Goals

Analyze the effectiveness of the monthly subscription model by:

- Evaluating subscription model performance.
- Calculating unit economics to achieve a **25% margin**.
- Visualizing platform movie viewing data for deeper insights.
- Developing a **unit economics calculator** for faster, data-driven decision-making.

Calculate unit economics and propose adjustments to the automated calculator parameters to achieve a **25% margin**.

Unit Economics Calculator

Meitrics	AS-IS	changes	TO-BE
Retention	80,60%	18,0%	95,10%
LT	5,15		20,42
Price of unit	317,47 ₽	30,0%	412,71 ₽
Base price	350,00 ₽		385,86 ₽
Discount volume	9,29%	-30,0%	6,51%
LTR	1 636,15 ₽		8 429,38 ₽
CAC %	138,60%		26,90%
Fixed Costs %	47,3%	0,0%	47,29%
CAC_avg	2 267,63 ₽		
CAC per unit	440,00 ₽		
Fixed Costs per unit	150,12 ₽		
Margin	-85,88%		25,81%

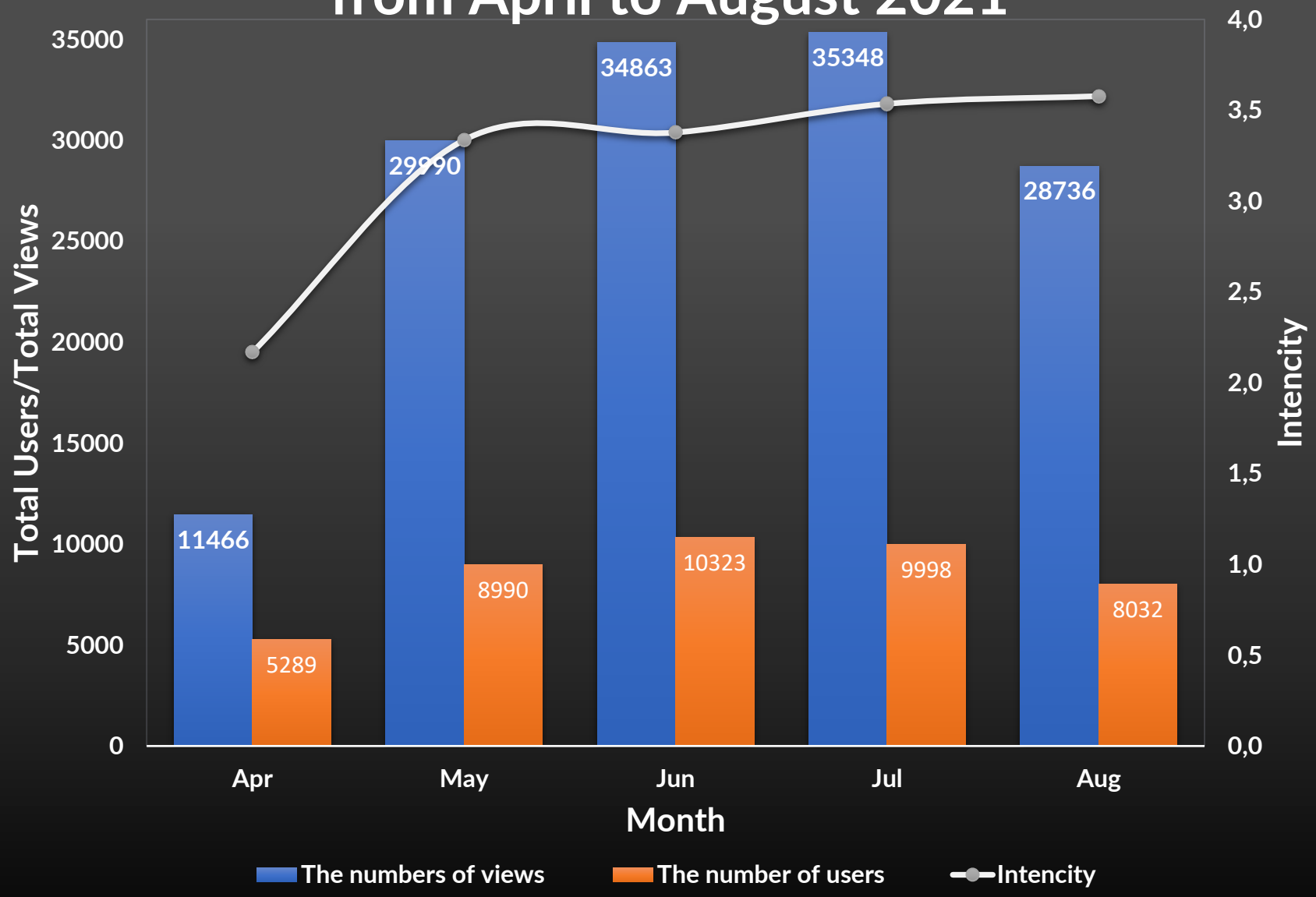
Adjusting the key metrics of unit economics for the online cinema demonstrates the potential to achieve a margin exceeding 25%.

The necessary changes include:

- ✓**Retention rate**: An increase of 18% 📈.
- ✓**Unit price**: A growth of 30% 💲 .
- ✓**Discount volume**: A reduction of 30% ✂️.

These adjustments highlight the critical areas of focus for improving profitability and achieving sustainable growth.

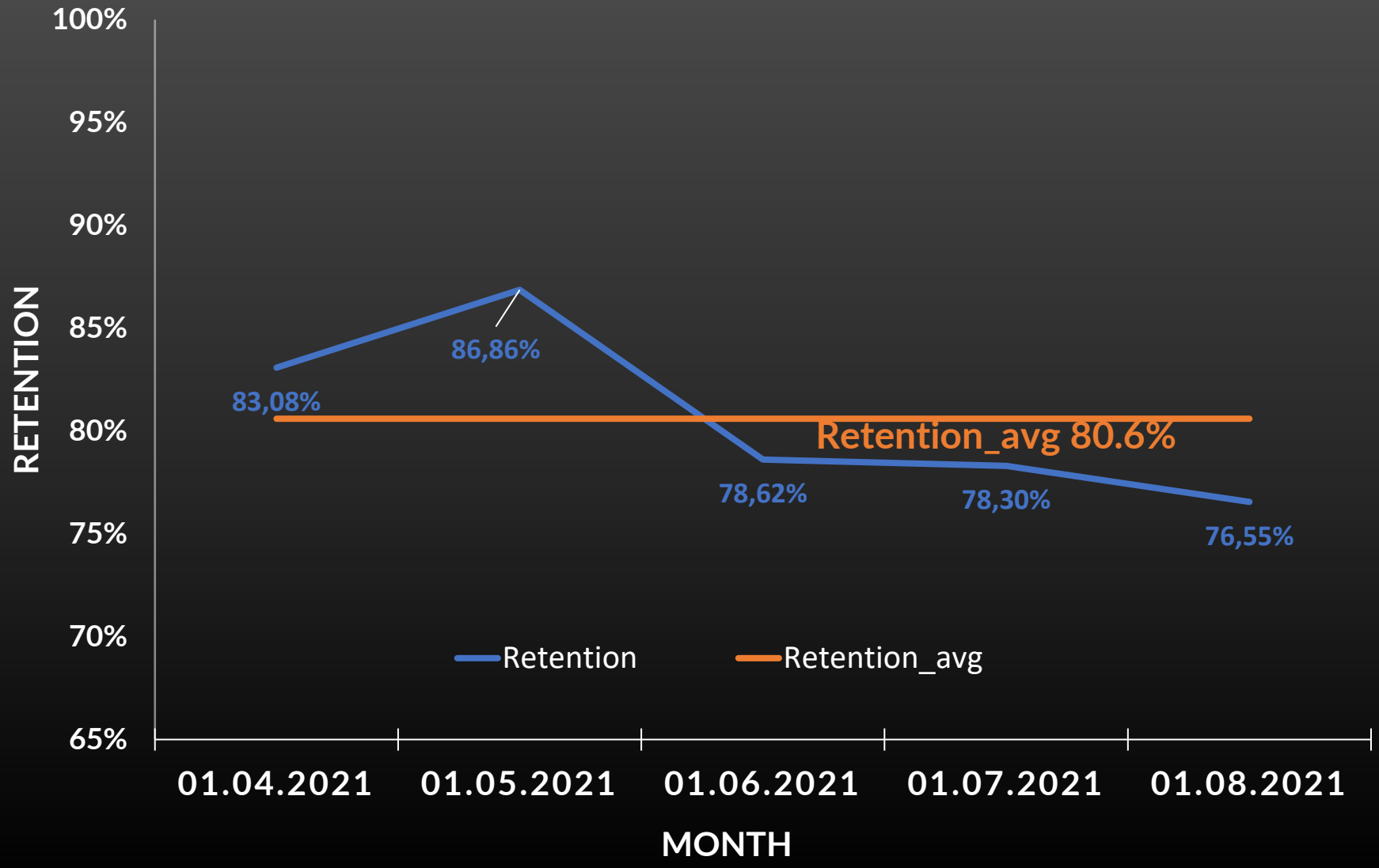
Analysis of Viewing Intensity Trends from April to August 2021



Purpose of Analysis:
To analyze trends in viewing intensity, uncover patterns of user engagement, and identify key drivers behind increased platform activity despite a declining user base.

The viewing intensity remained relatively consistent from May to August. However, in August, a peak in viewing intensity was recorded, even though the total number of users decreased during this period. This suggests that the remaining user base engaged more actively with the platform, compensating for the reduction in overall users.

User Retention Trends: April–August 2021

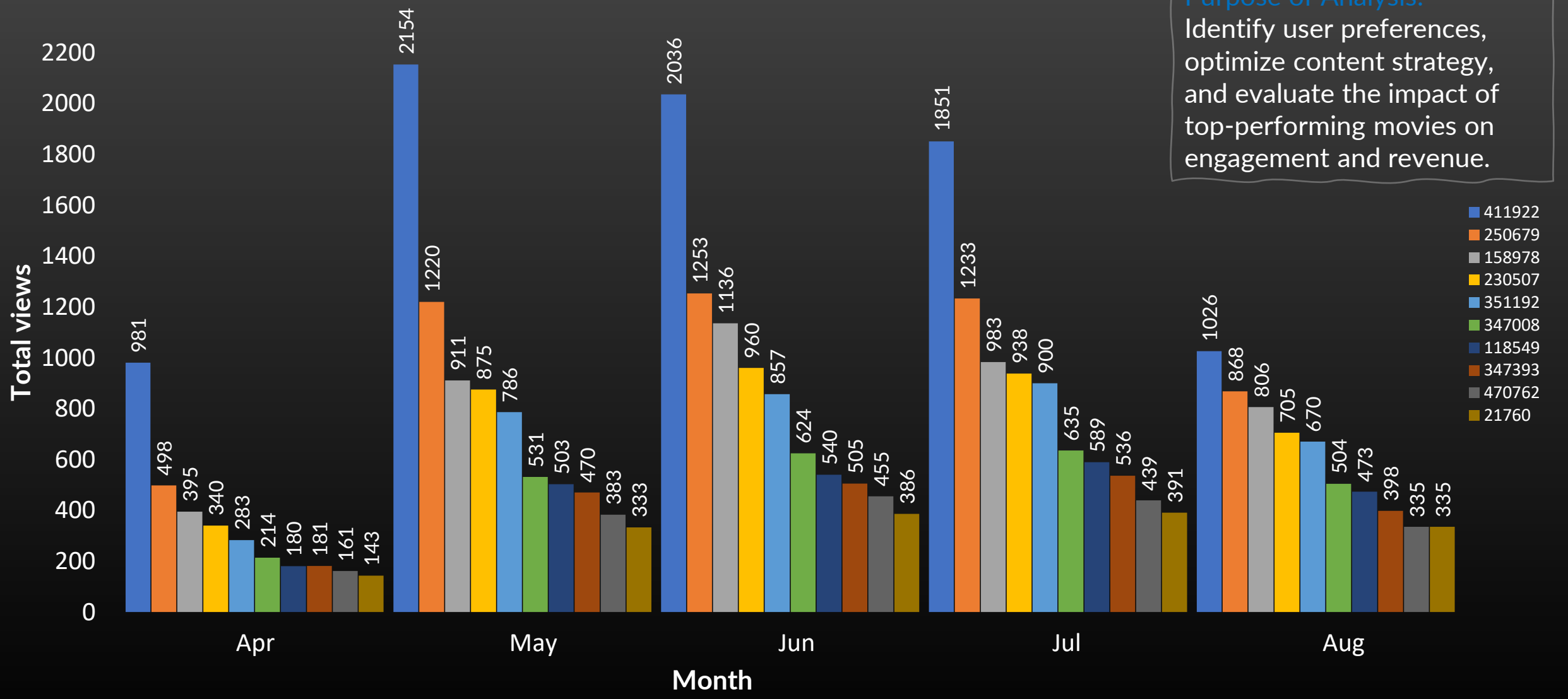


Purpose of Analysis:
To evaluate user retention trends over the analysed period, identify key periods of retention decline, and provide insights for developing strategies to improve long-term user engagement and retention.

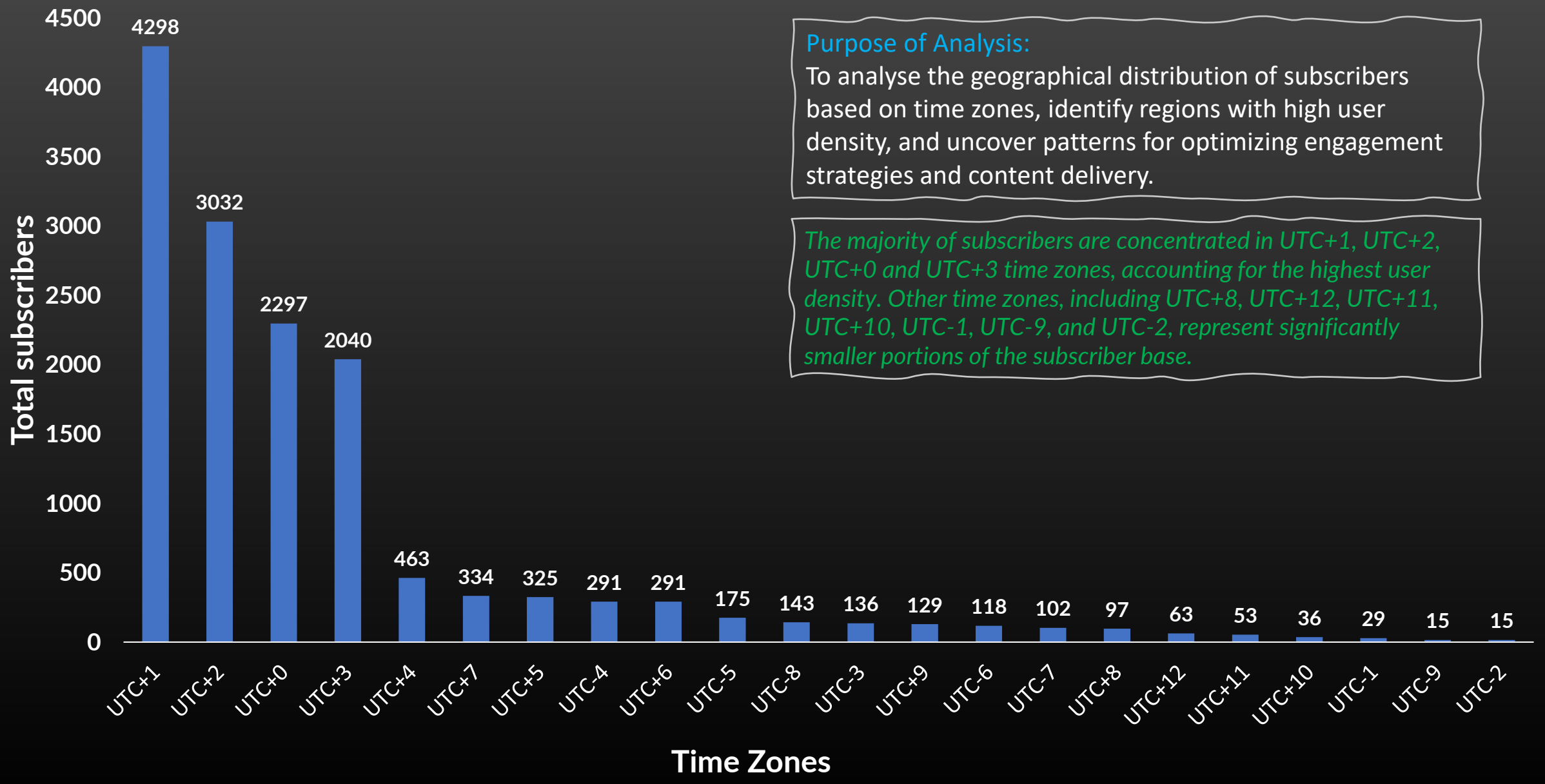
The retention rate peaked in May at 86.6%, followed by a significant decline to approximately 76.6% by August. This trend indicates a notable decline in user retention, suggesting the need for improved engagement strategies.

Top 10 Most Viewed Movies (01.04.21–01.08.21): Insights into User Preferences

Purpose of Analysis:
Identify user preferences, optimize content strategy, and evaluate the impact of top-performing movies on engagement and revenue.



Subscriber Distribution Across Time Zones

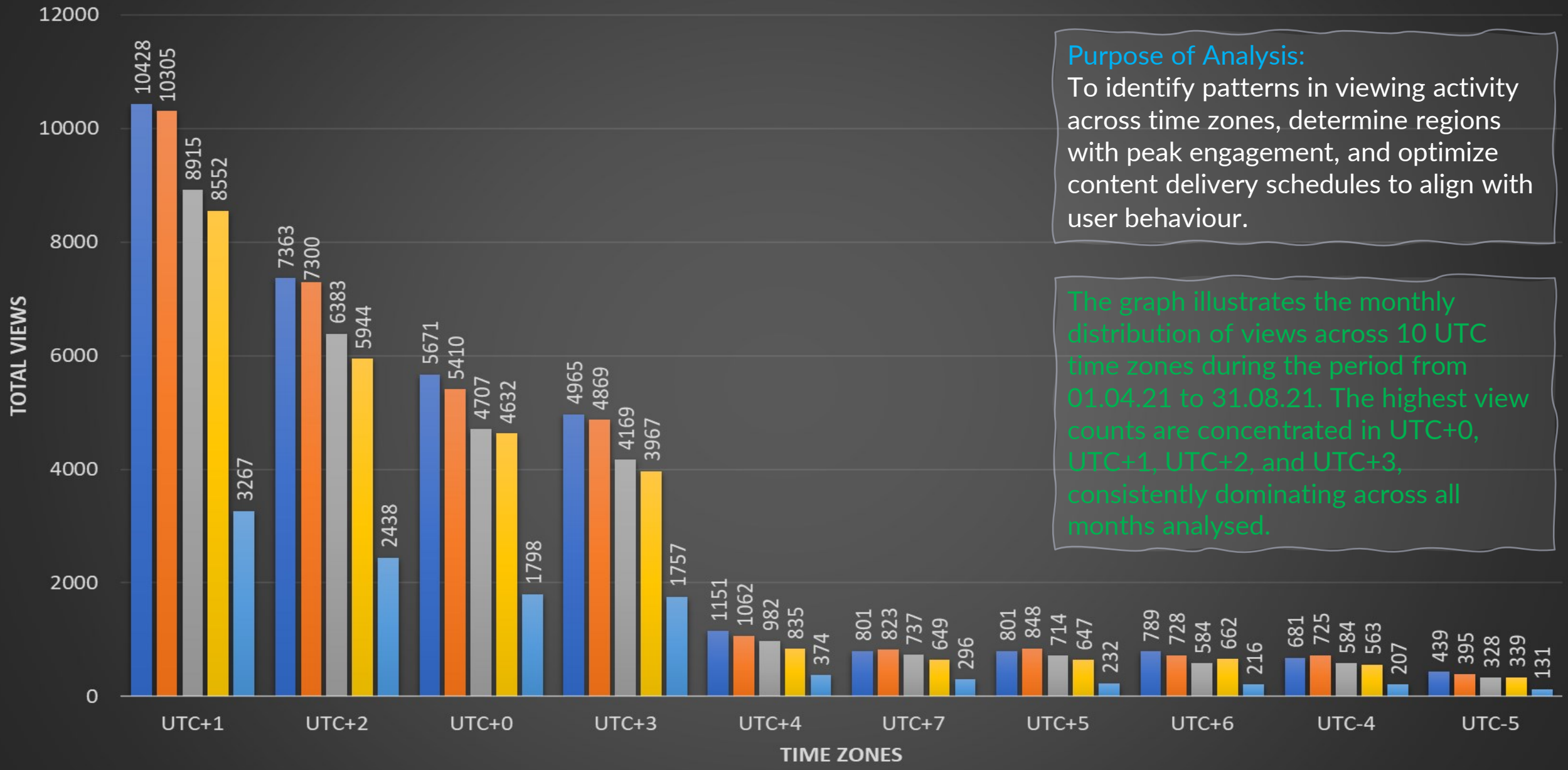


Purpose of Analysis:

To analyse the geographical distribution of subscribers based on time zones, identify regions with high user density, and uncover patterns for optimizing engagement strategies and content delivery.

The majority of subscribers are concentrated in UTC+1, UTC+2, UTC+0 and UTC+3 time zones, accounting for the highest user density. Other time zones, including UTC+8, UTC+12, UTC+11, UTC+10, UTC-1, UTC-9, and UTC-2, represent significantly smaller portions of the subscriber base.

Monthly View Distribution Across UTC Time Zones



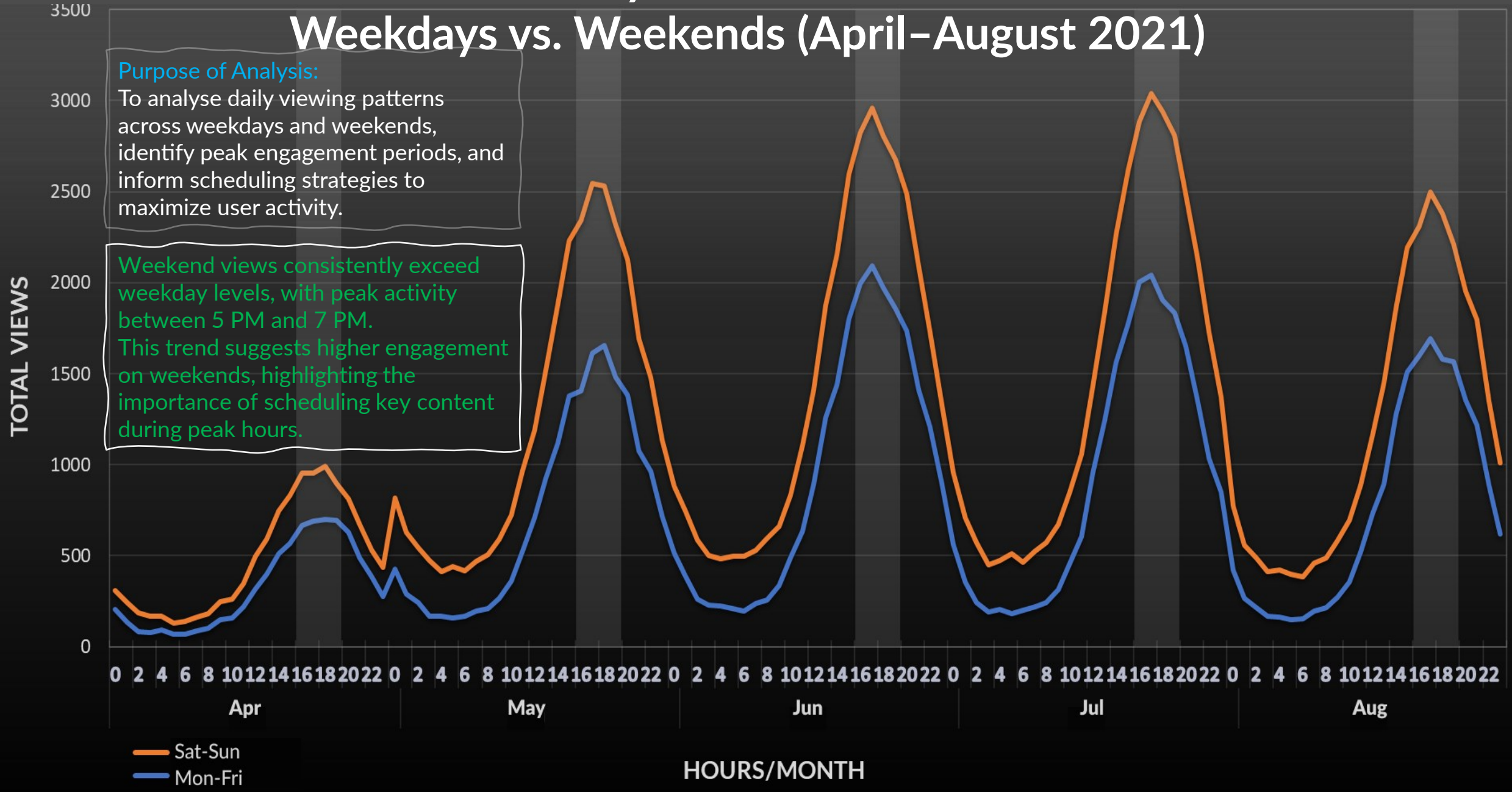
Purpose of Analysis:
To identify patterns in viewing activity across time zones, determine regions with peak engagement, and optimize content delivery schedules to align with user behaviour.

The graph illustrates the monthly distribution of views across 10 UTC time zones during the period from 01.04.21 to 31.08.21. The highest view counts are concentrated in UTC+0, UTC+1, UTC+2, and UTC+3, consistently dominating across all months analysed.

Daily View Patterns: Weekdays vs. Weekends (April–August 2021)

Purpose of Analysis:
To analyse daily viewing patterns across weekdays and weekends, identify peak engagement periods, and inform scheduling strategies to maximize user activity.

Weekend views consistently exceed weekday levels, with peak activity between 5 PM and 7 PM.
This trend suggests higher engagement on weekends, highlighting the importance of scheduling key content during peak hours.



Summary

The analysis reveals key insights into user behaviour and platform performance for the online cinema:

- ✓ **Unit Economics:** Achieving a 25% margin requires improving retention by 18%, increasing the unit price by 30%, and reducing discount volumes by 30%.
- ✓ **Viewing Intensity:** Engagement remained stable from May to August, with a peak in August despite a declining user base, indicating increased activity among active users.
- ✓ **Retention Trends:** Retention peaked in May but declined significantly by August, suggesting a need for targeted engagement strategies to maintain user retention.
- ✓ **Content Preferences:** Identifying top-performing movies allows for optimizing content strategies to drive engagement and revenue.
- ✓ **Geographical Distribution:** The majority of users are concentrated in UTC+0 to UTC+3, emphasizing the need to focus on these regions for engagement strategies.
- ✓ **Viewing Patterns:** Weekends exhibit higher engagement, with peak activity between 5 PM and 7 PM, highlighting the importance of scheduling high-value content during these periods.

These findings provide actionable insights to enhance user engagement, optimize content delivery, and improve the platform's overall profitability.