Consulting Proposal

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April 8, 2020

Overview

Using data from over 1,000 random movies, we have identified trends from movies with a high return on investment.

We chose ROI (Return on Investment) over actual profits, as a better indicator for companies that are newly breaking into the sector. Newly starting companies generally begin with a lower budget and rely on ROI to build a solid foundation and to afford maximum reinvest.

The Three Areas of Analysis

Runtime

Movies that fall into a certain range of runtimes are more likely to result in a sale. When they run outside of these times, consumers may be more hesitant to watch.
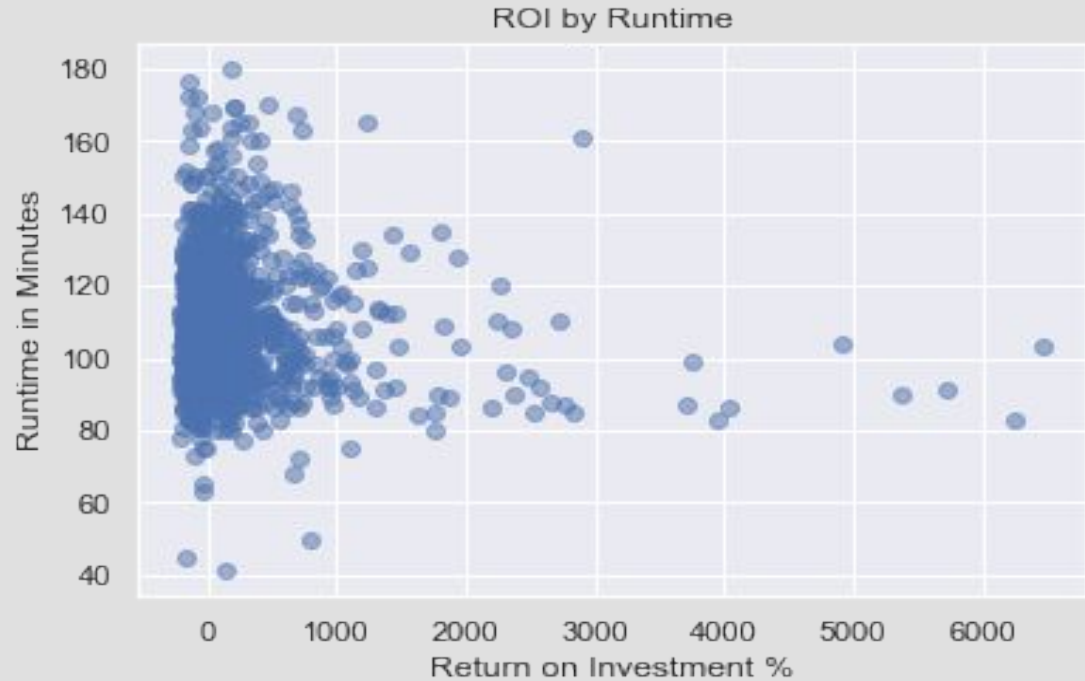
Genres

Genres describe the movie and what the type of story the consume will be watching. There are many genres and more than one can be used to describe a production.

Month of Release

Month of release is a factor of season, holidays, weather, and culture and a consumer's likelihood of watching a movie during that time frame.

RUNTIME

ROI by Runtime

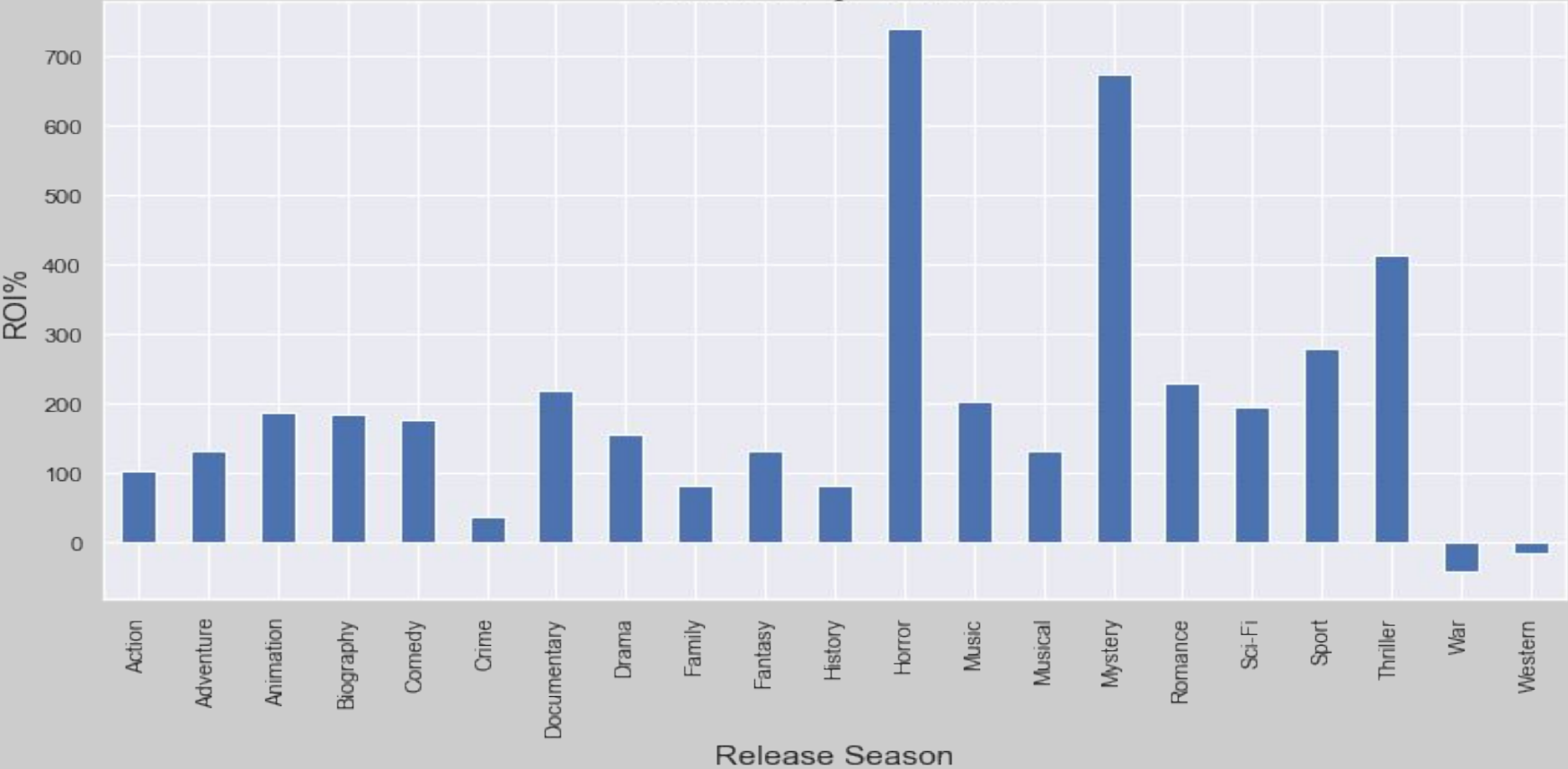A very high majority of the most profitable movies fall between **80 and 140 minutes.**

RUNTIME

It does not guarantee a profitable movie, but it does lower the chance of it not being profitable.

People pay to be entertained for a certain amount of time, but too long and they might be hesitant to see it.

Genres

ROI% by Genre

Genres

Top Genres

- Horror
- Mystery
- Thriller

*We assume this is because the consumer demand stays high, while the cost to produce these movie types is usually low.

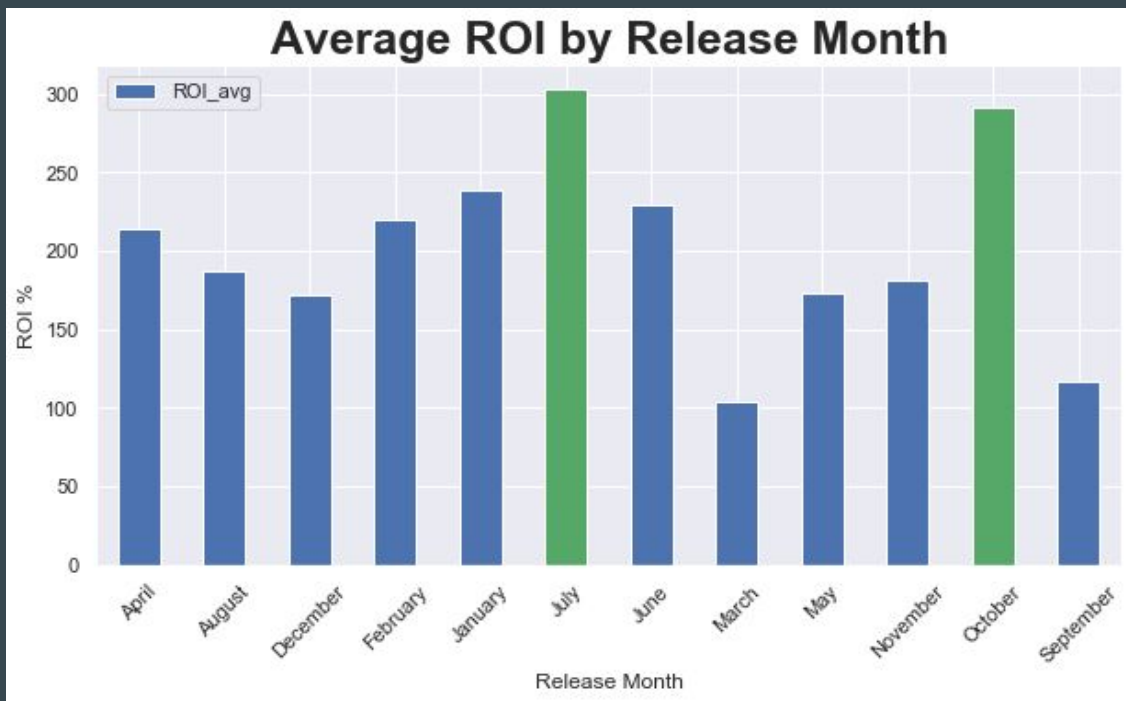*Combine* genres for a better chance of success

Release Month

Findings

- July
- October

Are the MOST PROFITABLE months to release a movie
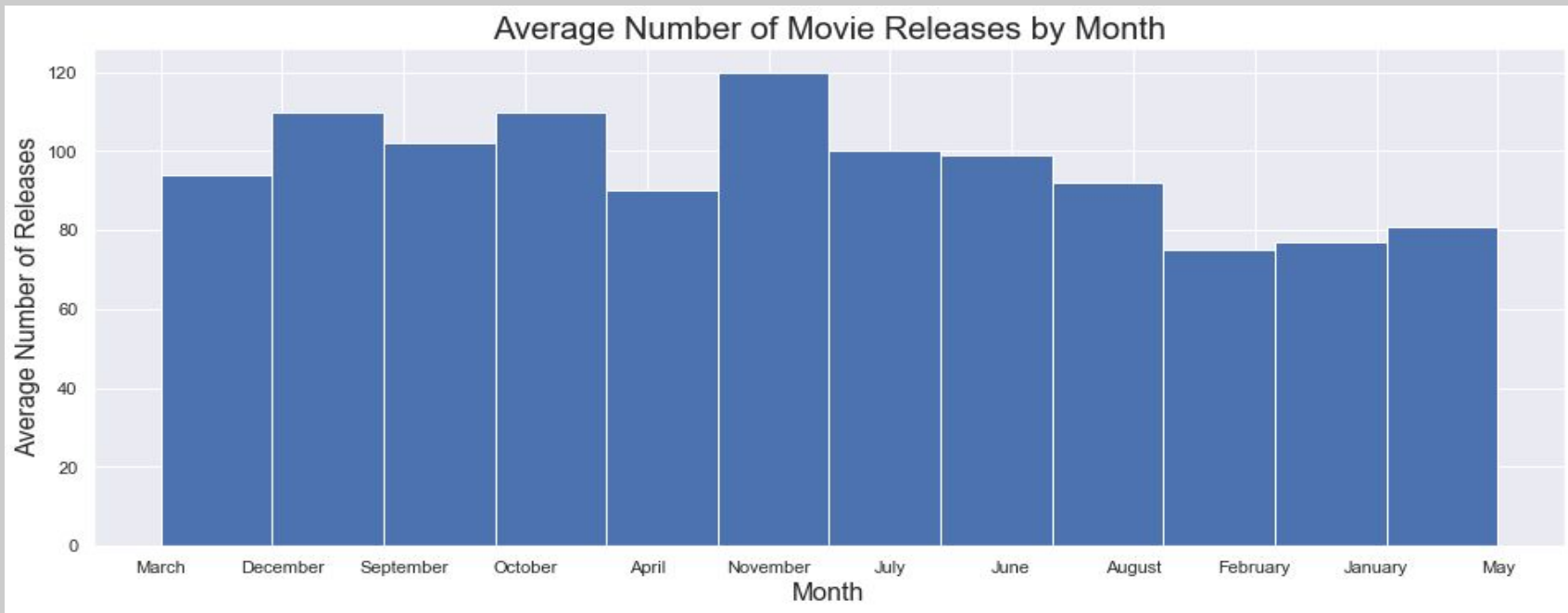
- March
- September

Are the WORST months

Average ROI by Release Month

Release Month Competition

October, November, and December are the most competitive.

February, January, and May are the least competitive.

Average Number of Movie Releases by Month

Summary

Runtime	• Between 80 - 140 minutes
Genres	• Horror, Mystery, Thriller • Similar genres can be combined
Release Months	• July and October - best months • March - worst month

Suggestions

- Stay in between the recommended runtimes, aiming closer to the **midpoint**.

- Create a movie with a **combination** of the top three genres (**Horror, Thriller, Mystery**), so it hits on all three, which will appear enticing to a broader range of consumers.

- If you are looking to start with a **lower budget**, I recommend releasing a title in **January** which has a high ROI and low competition.

- If you intend to make any combination of **horror** and are starting with a **large budget**, schedule the theater release of this movie in **October** (as you will be more competitive).

Thank You, Microsoft!

I thoroughly enjoyed analyzing potentials for you future endeavors. I look forward to another opportunity to work with your company.

-   Kimberly Humphrey