**BUSINESS UNDERSTANDING**

1. Business background
2. Business operations
3. Problem statement
4. Questions to answer
5. Success criteria
6. Stake holders

### **Business Background**

The film industry is an industry that deals with the creation, production and showing of films or movies, which involves different personnel. It is ever-growing from traditional studios, streaming platforms, and independent filmmakers.

#### It is characterized by:

* High upfront investment with uncertain returns.
* Global and local market reach.
* Revenue from multiple channels, including:  
  + Box office ticket sales
  + Streaming
  + DVD/Blu-ray sales

Our company here has traditionally operated outside the entertainment industry but is looking to enter the film industry by launching its own movie studio.

### **Business Operations**

* Film Production: Developing, directing, and producing films from script to screen.
* Budget Allocation: Deciding how much to invest in different genres or types of movies.
* Marketing and Distribution: Planning the timing, channels, and regions for movie releases.
* Revenue Monitoring: Tracking earnings through ticket sales (box office performance).
* Strategic Decision Making: Determining what types of films to invest in, based on available data.

### **Business Problem Statement**

What types of films based on genre, budget, release timing, and other production characteristics should the company invest in to maximize box office success and minimize financial risk as it launches its new movie studio?

### **Business Questions (To Answer)**

1. Which genres generate the highest revenue
2. What is the ideal budget range for a financially successful film?
3. What release months or seasons correlate with higher box office returns?
4. Do sequels outperform original films?
5. Which directors, actors, or production companies are associated with high-performing films?
6. Does movie rating (PG, PG-13, R) affect financial performance?
7. How do critical scores (IMDB, Rotten Tomatoes) relate to box office success?
8. Are there geographical patterns in box office success (domestic vs international)?

**Business Success Criteria**

#### Strong Box Office Performance

#### Market Penetration & Audience Reach - Films should perform well across domestic and international markets

#### Brand Recognition

#### Consistently producing quality, successful content (either be high expenditure or low)

#### Having different revenue Streams beyond box office earnings, the studio should generate revenue from: Streaming rights, Merchandising, Licensing and syndication, Home media (DVD sales)

#### Films should receive favorable reviews and ratings on platforms like IMDb, Rotten Tomatoes, and Metacritic.

#### Awards and Industry Recognition

### **Stakeholders**

1. Studio executive - Primary decision maker
2. Marketing team - Plan on promotions and time for release
3. Finance team - Budget planning
4. Production team - content creation
5. Data analyst - Provide insights to the business