

LUTHER
VANDROSS

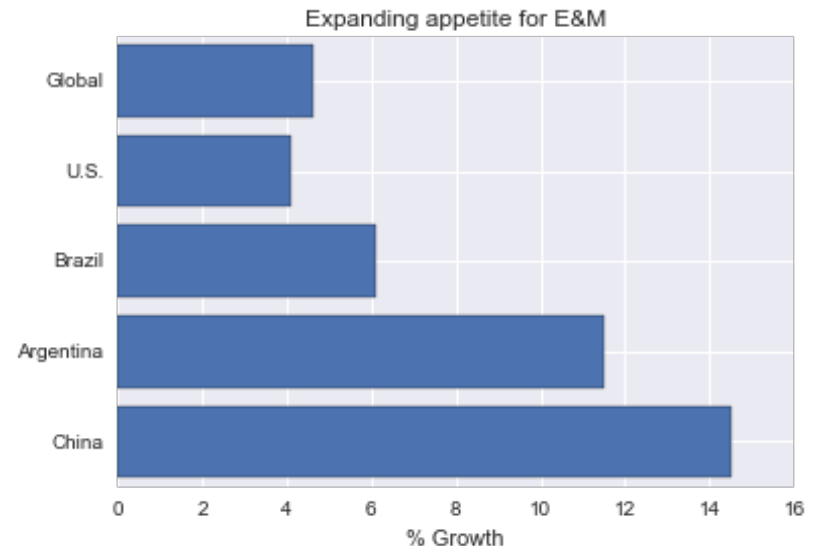
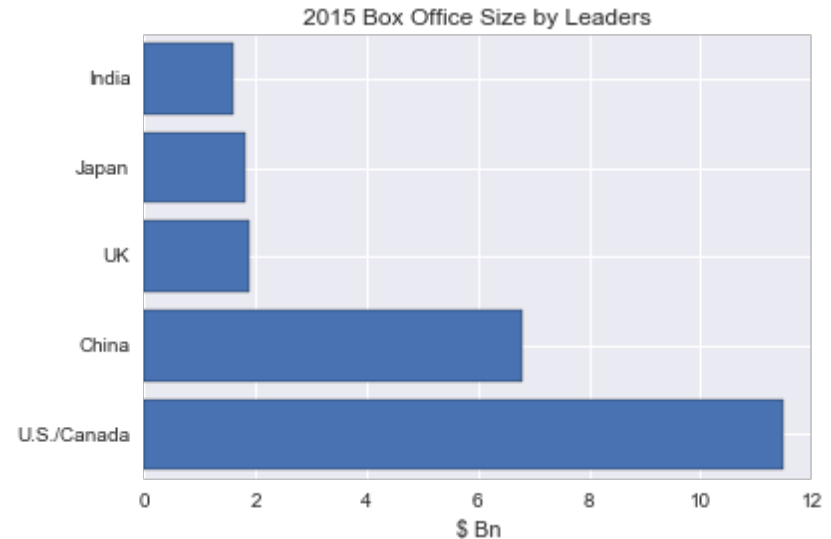


LUTHER

D.H. KIM

THE NARRATIVE

- **Film market is robust despite competitiveness**
 - 600 MPAA rated movies each year
 - 50,000 total films globally
- **Over 80% of movies fail**
 - Growth concentrated in the big “6”
 - 80% market share



PROBLEM TO INVESTIGATE

- Which movies perform well on revenue?
- Rationale: interest for this investigation is not the profitability of studios, but the preference of consumers

DATASET

- **The Numbers**
 - Database of 5321 movies
- **Reservations**
 - Not scaled for FX adjustments or inflation
 - Measuring mistakes
 - Missing values (opted not to impute missing values)

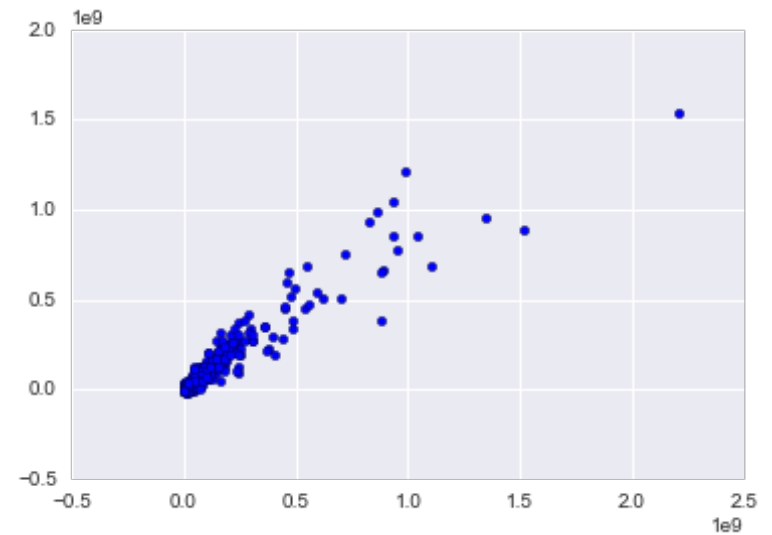
PARAMETERS

- **Regressand** – Box office revenue (more or less ticket sales)
- **Regressors** – Genre, Release Year, Production Budget, ...
and other reliable and measurable parameters by data set
- 3281 data points x 35 parameters

FITTED VS. ACTUAL ON TRAIN



FITTED VS. ACTUAL ON TEST



PERFORMANCE

- CV Scores: 0.8982948 0.89324894 0.91377667 0.91753944 0.90100841
- CV Mean Score: 0.90477365523
- R-squared: 0.785177847709
- Adj. R-squared: 0.633846372
- MSE: 6.4 tr
- AVG Benchmark MSE: 29.8 tr

COMMENTARY...

THANK YOU

<http://www.pwc.com/gx/en/industries/entertainment-media/outlook.html>

<http://www.the-numbers.com/movie/budgets/all>