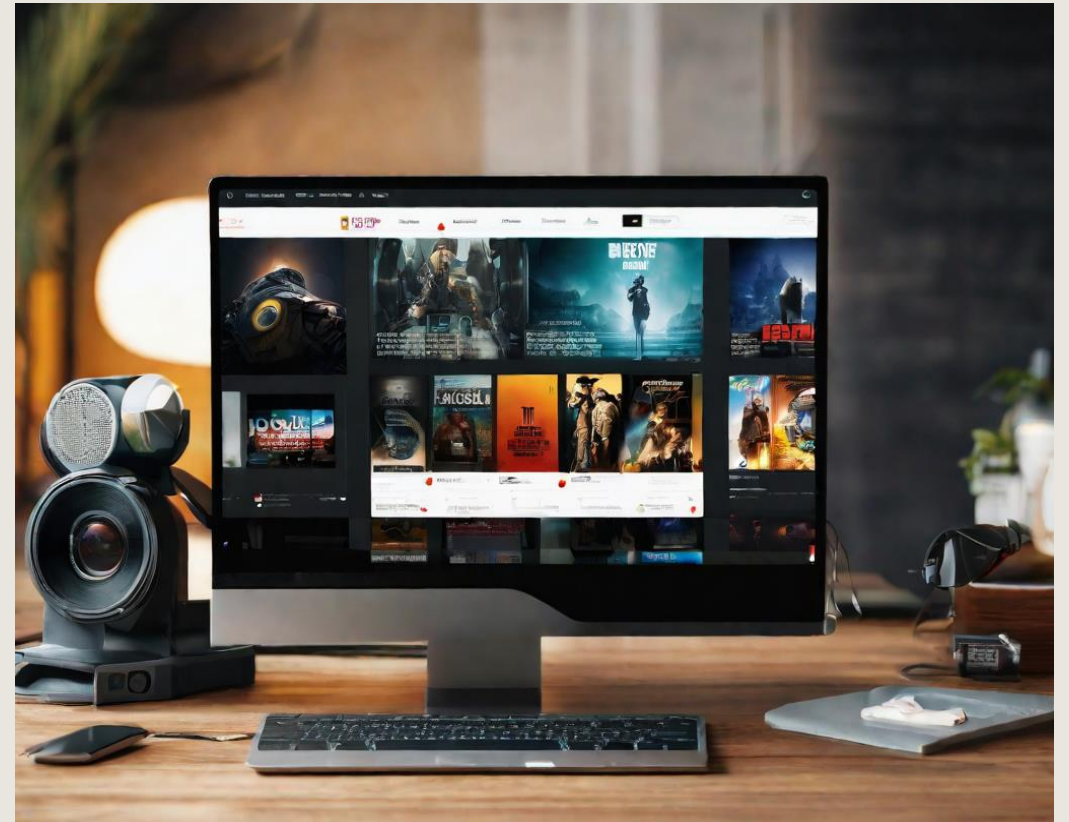


ROCKBUSTER STEALTH

RENTAL SERVICES ANALYSIS & NEW ONLINE VIDEO STRATEGY

Yuna Tomogae



AGENDA

- Objective
- Data Limitations and Constraints
- Analysis Findings
 - Overview of Current Movie Rental Service
 - Customer Presence by Country
 - Top 20 Customers by Historic Lifetime Value
 - Top 10 Films by Revenue and Rental Count
 - Film Distribution by Rental Count
 - Analysis by Film Category
 - Top 20 Actors by Rental Count
- Recommended Actions

OBJECTIVE

- Facing stiff competition from streaming services such as Netflix and Amazon Prime, our management team is planning to use the existing movie licenses to **launch an online video rental service to stay competitive**.
- In this presentation, we'll present the findings of our **analysis on the current movie rental service** and offer **insights into the strategy for the upcoming online video service**.

DATA LIMITATIONS AND CONSTRAINTS

- This analysis exclusively utilizes data from two stores, namely Lethbridge and Woodridge. The suggested actions are developed under the assumption that either only 2 stores exist or that the data from these specific stores reasonably represents the entire store network.
- The analysis is based solely on data from 2005 to 2006. The recommended actions are formulated under the assumption that these specific data sets adequately represent the overall performance of the company throughout the years.
- For 9% of the rental transactions lacking corresponding payment history, missing values are imputed by utilizing the rental rate value.

OVERVIEW OF CURRENT MOVIE RENTAL SERVICE

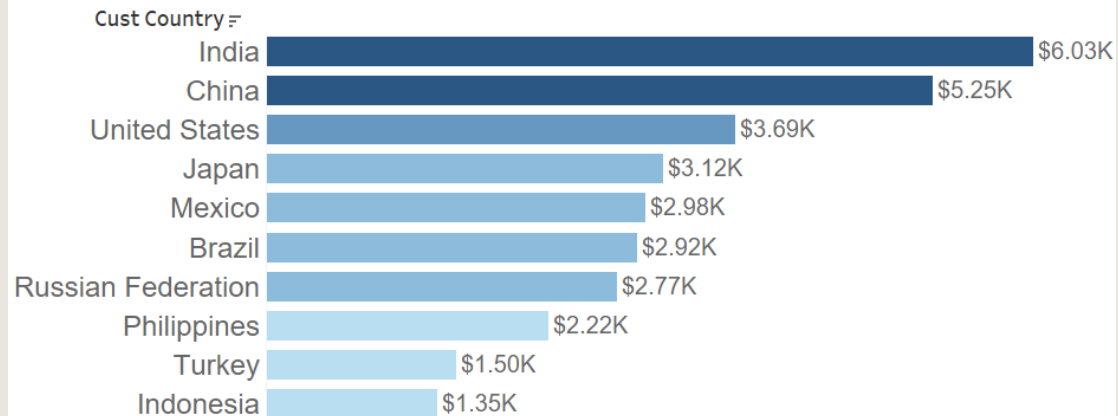
- Our movie rental services currently offer a selection of **1000 films exclusively in the English language**, spanning across **17 different categories**.
- All films are **released in 2006**.
- Films with a **PG-13 rating** held the highest rental record.

	Average	Minimum	Maximum
Rental rate	\$2.98	\$0.99	\$4.99
Rental duration	5 days	3 days	7 days
Film length	115.3 min	46 min	185 min
Replacement cost	\$19.98	\$9.99	\$29.99

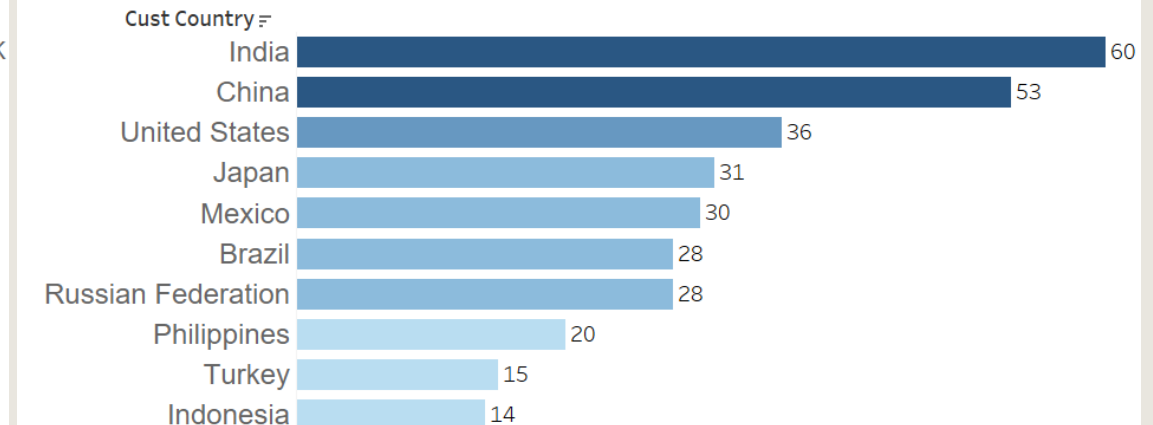
CUSTOMER PRESENCE BY COUNTRY

- Our current rental service has the **largest market base in India and China.**
- Selecting the top-ranked countries as **pilot locations** for launching the new online video service **increases the likelihood of gaining popularity** in these regions. Achieving success in these pilot countries will serve as a foundation for success in subsequent countries.
- **Expanding our movie selection to include local languages in India and China,** in addition to our current English offerings, has the potential to **broaden our customer base** in these two countries.

Top 10 Countries by Revenue



Top 10 Countries by Customer Count



TOP 20 CUSTOMERS BY HISTORIC LIFETIME VALUE

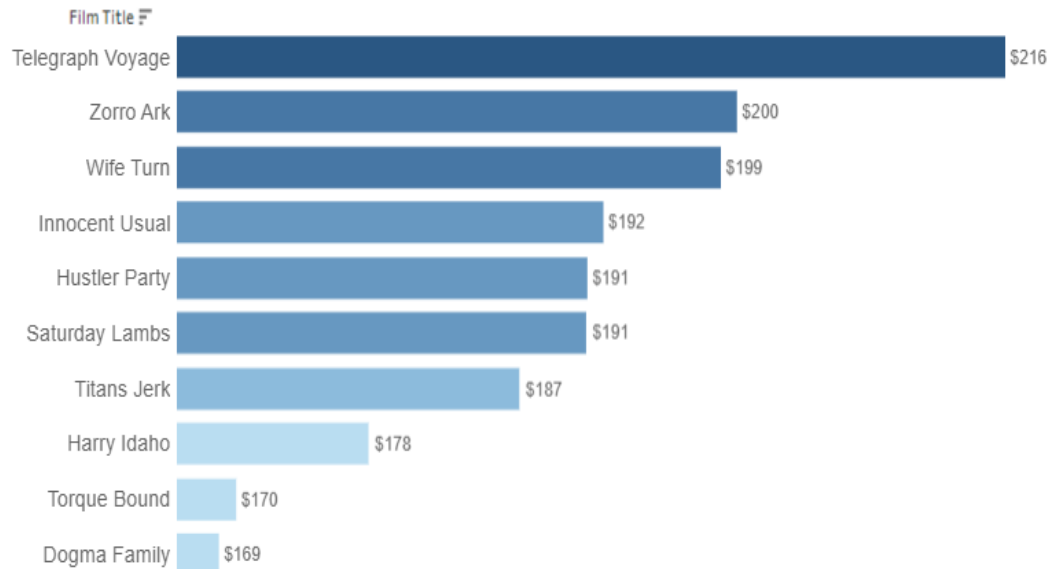
Name	City	Country	Lifetime Value
Mike Way	Valparai	India	\$163
Tim Cary	Bijapur	India	\$155
Lena Jensen	Halisahar	India	\$153
Guy Brownlee	Zhoushan	China	\$152
Tonya Chapman	Bhilwara	India	\$148
Stacey Montgomery	Fuyu	China	\$147
Margie Wade	Lengshuijiang	China	\$143
Lori Wood	Rae Bareli	India	\$142
Helen Harris	Bhopal	India	\$135
Sue Peters	Changzhou	China	\$134
Jessie Milam	Binzhou	China	\$133
Brett Cornwell	Siliguri (Shiliguri)	India	\$131
Regina Berry	Jinchang	China	\$130
Roberto Vu	Yinchuan	China	\$129
Glenda Frazier	Qinhuangdao	China	\$129
Bradley Motley	Purnea (Purnia)	India	\$126
Carrie Porter	Liaocheng	China	\$125
John Farnsworth	Parbhani	India	\$124
Milton Howland	Vijayawada	India	\$122
Cheryl Murphy	Mysore	India	\$120

- These are the **top 20 customers from the top two countries, India and China**, determined based on their lifetime value.
- **Targeted marketing** efforts should be directed towards these **potential users**.

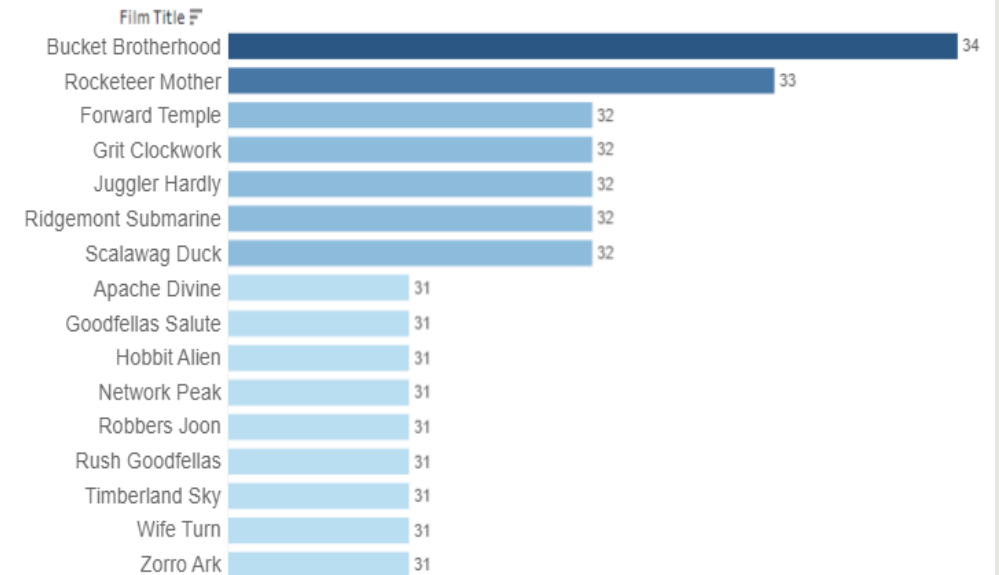
TOP 10 FILMS BY REVENUE AND RENTAL COUNT

- **Leveraging presently popular movies** can be an **effective approach for marketing** our online video streaming service to our existing customer base.
- The top 10 films, ranked by revenue and rental count, do not entirely align due to variations in rental rates among films. It is crucial to consider the leading films from both perspectives when formulating marketing strategies.

Top 10 Films By Revenue

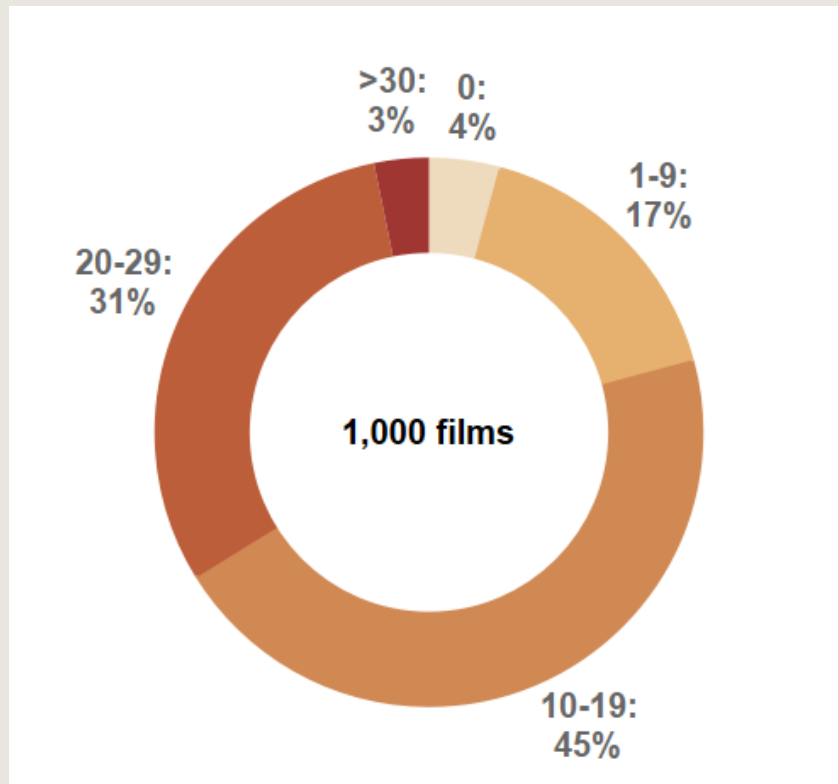


Top 10 Films by Rental Count



FILM DISTRIBUTION BASED ON RENTAL HISTORY

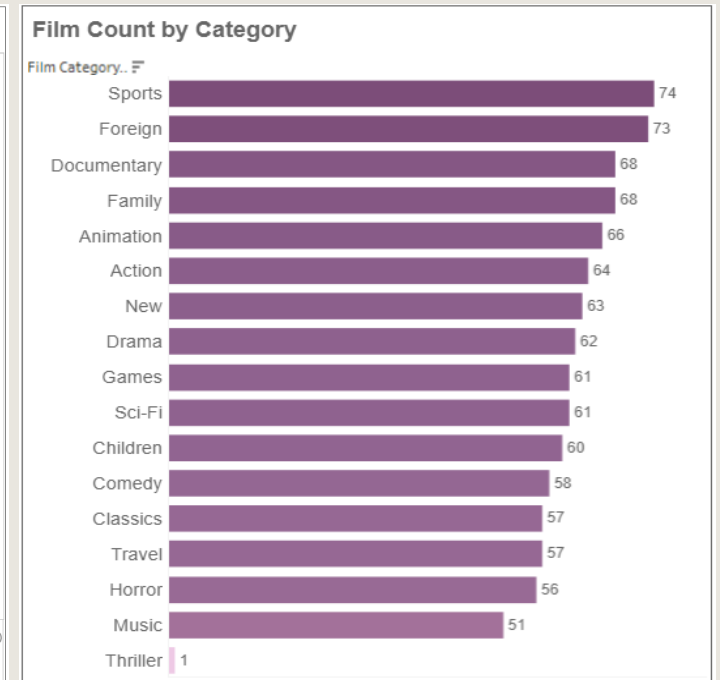
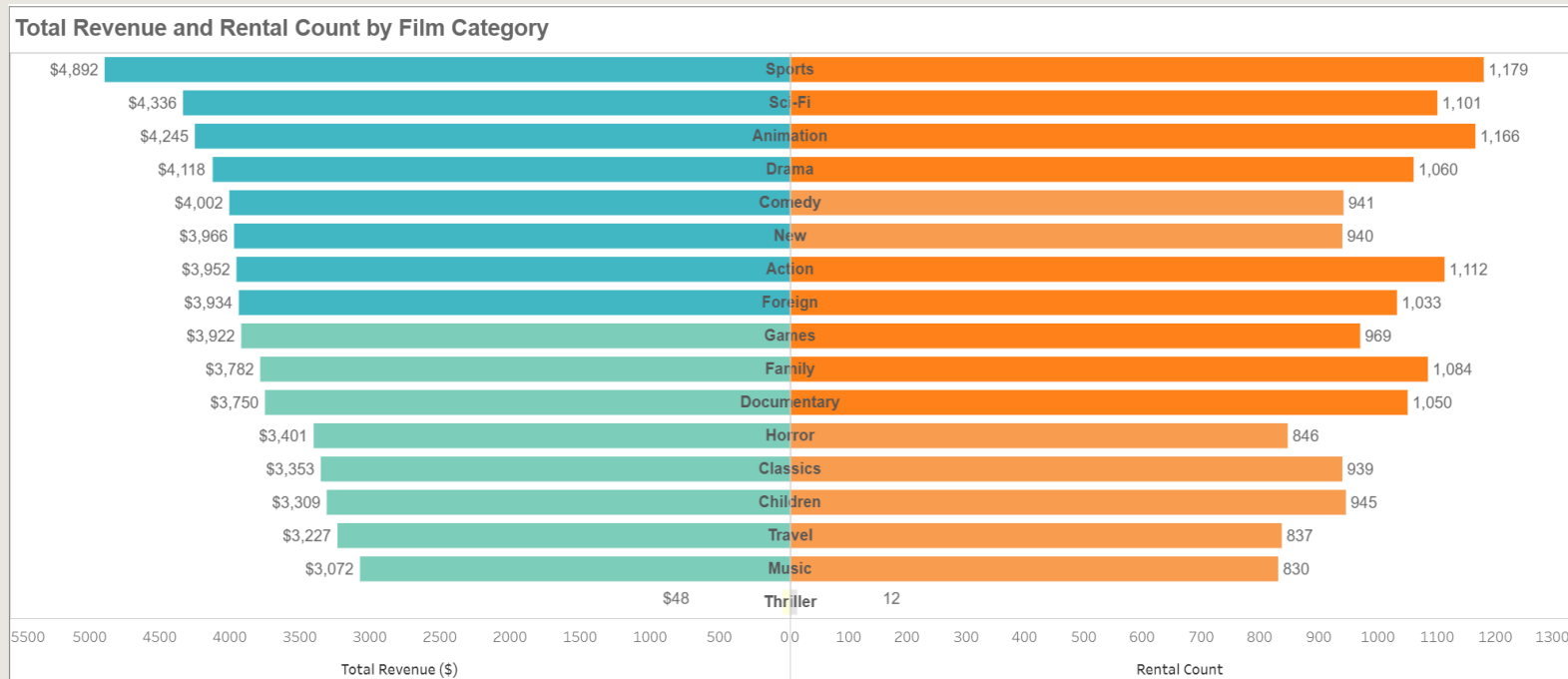
Distribution of Films Based on Rental Count



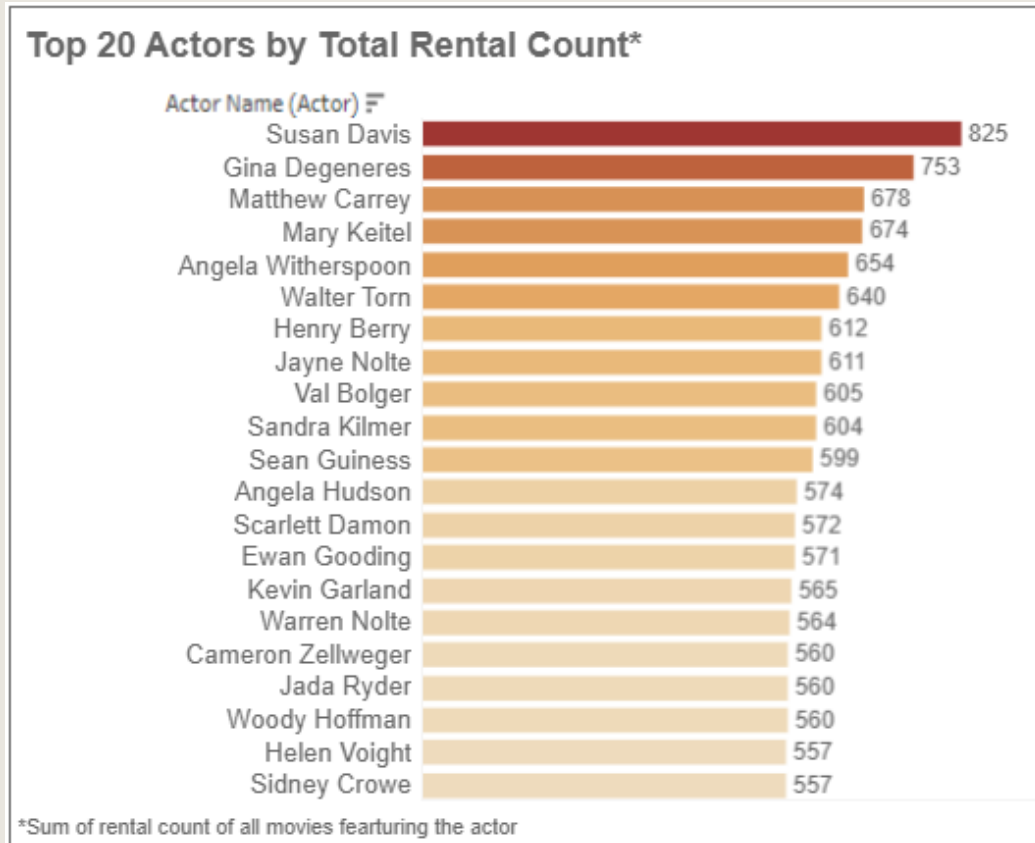
- 4% of the 1000 films in our collection were **not rented at all**.
- Only 3% of the films were **rented more than 30 times**.
- These insights will act as a guide in choosing films for our online video service.
- **Regularly monitoring this distribution** will also enable us to **reevaluate film selections** during license renewal, optimizing our cost performance.

ANALYSIS BY FILM CATEGORY

- The film category making the most revenue are **Sports, Sci-Fi and Animation**.
- The film category having the highest rental count are **Sports, Animation and Action**.
- **Thriller movies** appear to be the least popular among all categories, with an exceptionally low rental count and revenue. This is attributed to the limited availability of only one thriller movie for rental.



TOP 20 ACTORS BY TOTAL RENTAL COUNT



- **Top actors**, ranked by the cumulative rental count of all the movies featuring them, can **provide a guide to the selection of additional movies** for the new online video service.
- Movies featuring these actors are more like to attract a larger customer base.

RECOMMENDED ACTIONS

- Choosing **India and China**, which boast the largest customer bases, as **pilot countries** for the launch of our online video streaming service is a strategic move to maximize the probability of gaining a substantial market share in these regions.
- **Expanding our movie selection to include local languages in India and China**, in addition to our current English offerings, has the potential to **broaden our customer base in these two countries**.
- **Leveraging presently popular movies** can be an **effective approach for marketing** our online video streaming service to our existing customer base.
- When **selecting additional movies**, it's advisable to consider the **top-ranked film categories such as Sports, Sci-Fi, Animation, and Action**, along with **prominent actors**. This approach ensures a strategic movie selection that aligns with popular genres and features well-regarded actors.
- To **reduce costs on movie licenses**, consider **discontinuing current movies with minimal or no rental history**. This approach ensures a more efficient allocation of resources by focusing on movies that have a higher rental demand.
- **Regularly assess the distribution of movie rental counts within the online video service** to reevaluate film selections during license renewal. This ongoing monitoring allows for the optimization of cost performance by adjusting the content library based on actual rental trends.
- Examining our historical data primarily yields insights into our current customer base. As our next strategic step, it is imperative to conduct a **comprehensive analysis of the overall movie market to effectively appeal to and attract new customers**.

THANK YOU!

[Link to the Tableau Storyboard](#)