# **Expanding Into the Film Industry**

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### **Analysis Overview**

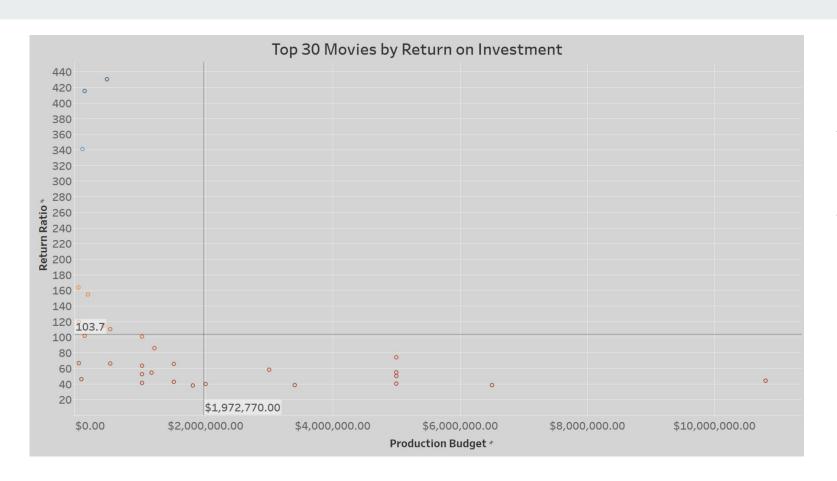
Exploring genre performance in lower budget films

Franchising

Revenue
Analysis
Across Age
Rating

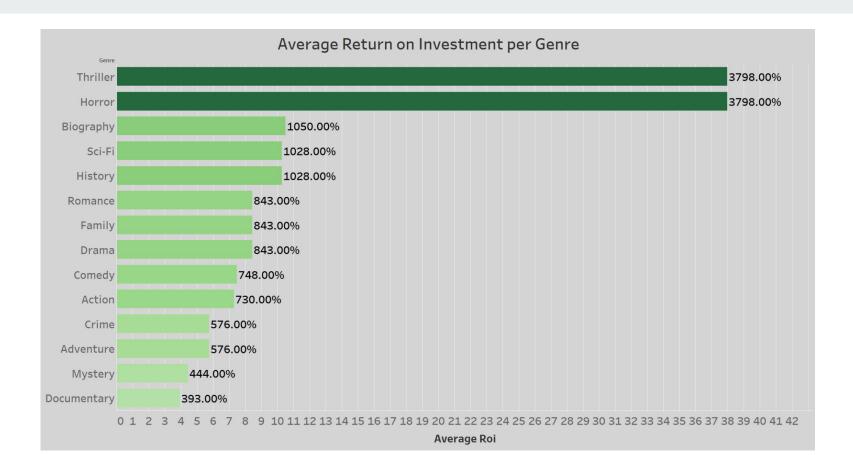
This project analyzes which metrics are associated with well performing movies, and turning those into practical findings the company can act on in its first foray into the film industry.

## **Exploring Genre**



Average ROI of ~100

Average budget of ~2 million



#### Recommendations

- Stay within smaller budget and focus on higher ROI for first film(s)
- With a budget of 2 million dollars, thrillers and horror films perform the best with a nearly 4000% return on investment

## Franchising

#### Franchise Film Performance by Budget Tier Analysis of ROI, Revenue, and Production Costs

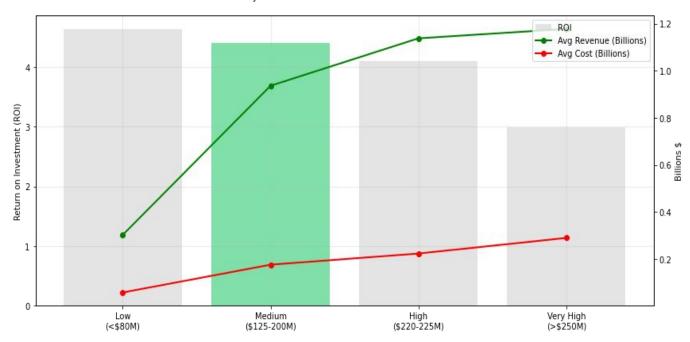
**Budget Tiers:** 

Low: Under \$80M

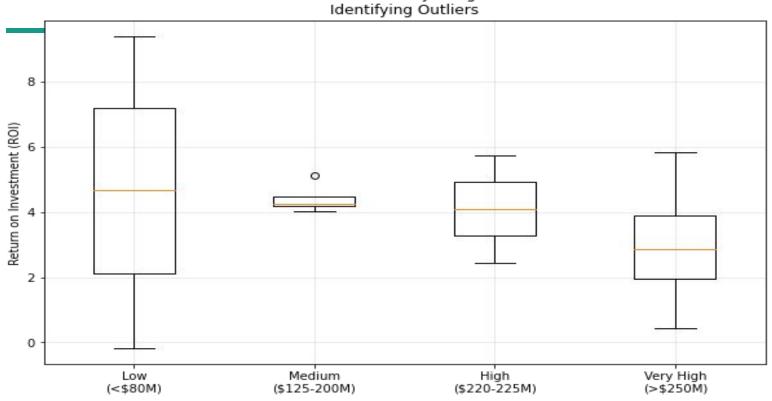
Medium: \$125M-\$200M

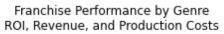
High: \$220M-\$225M

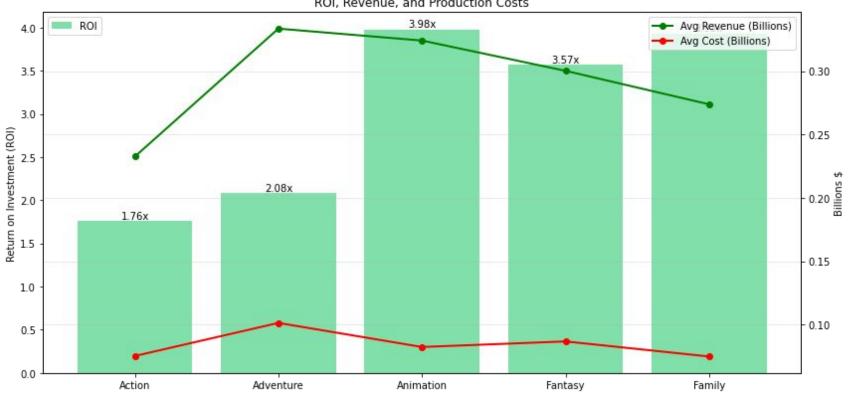
Very High: Above \$250M



### ROI Distribution by Budget Tier Identifying Outliers



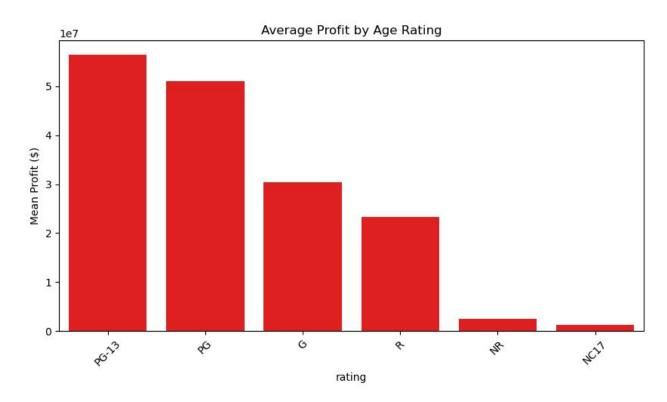




#### Recommendations In regards to Franchising

- 1. Focus on medium-budget films (\$125-200M) which offer:
- Nearly the same ROI as low-budget films
- Significantly higher revenue potential
- Consistent, predictable returns
- 2. Target Animation/Family genres because they show:
- Highest ROI (3.98x and 3.8x respectively)
- Strong revenue with lower production costs
- Proven franchise sustainability

## Revenue Analysis Across Age Rating



- PG-13 and PG movies yield the highest profits.
- Broader audience appeal drives greater profitability.
- R-rated, NR, and NC-17 movies generate significantly lower revenue.
- Non-R-rated movies generate significantly higher earnings potential.

#### Business Recommendation: PG 13 / PG > R / G

- PG-13 & PG movies offer the best balance of accessibility and profitability.
- Expanding audience reach leads to stronger financial performance.
- R-rated & G-rated movies face revenue limitations due to audience restrictions.
- Studios should prioritize PG-13 & PG films for sustained box office success.

#### **Next Steps**

- Exploring other datasets to see how streamed movies compare to movies that come out in theaters.
- Explore if there is a strong correlation between a large advertising budget and a movie performing well

#### **Questions?**