
Business Analysis for Movie Production

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Overview

- Data
- Methods
- Analysis
- Conclusion



Data

- Sources
 - IMDB
 - The Numbers
- Variables
 - Genre
 - Return on Investment
 - Production cost
 - Run-time
 - Release date



Objectives

My aims are to provide actionable insight, supported by data driven evidence in order to maximize profits in the movie production industry.



Methods

The data analyzed was normalized using on Return on Investment (ROI)

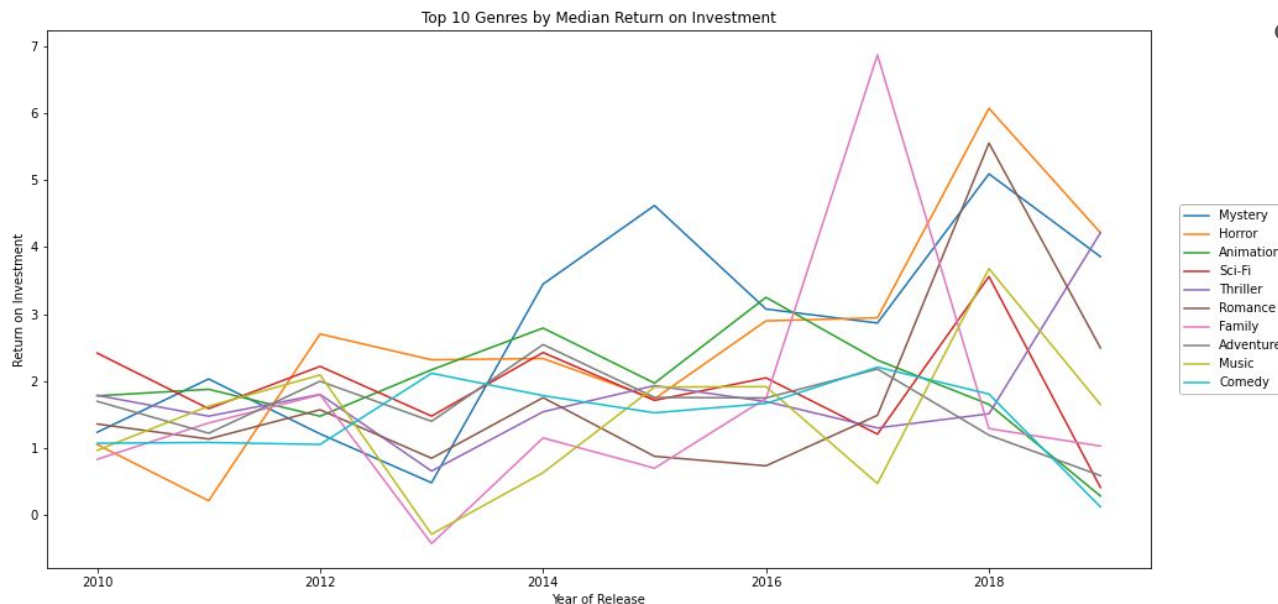
$(\text{Gross Revenue} - \text{Production Cost}) \div \text{Production Cost} = \text{ROI}$

Ex. ROI = 0, (Revenue = Cost)

Ex. ROI = 2, (200% return on investment)



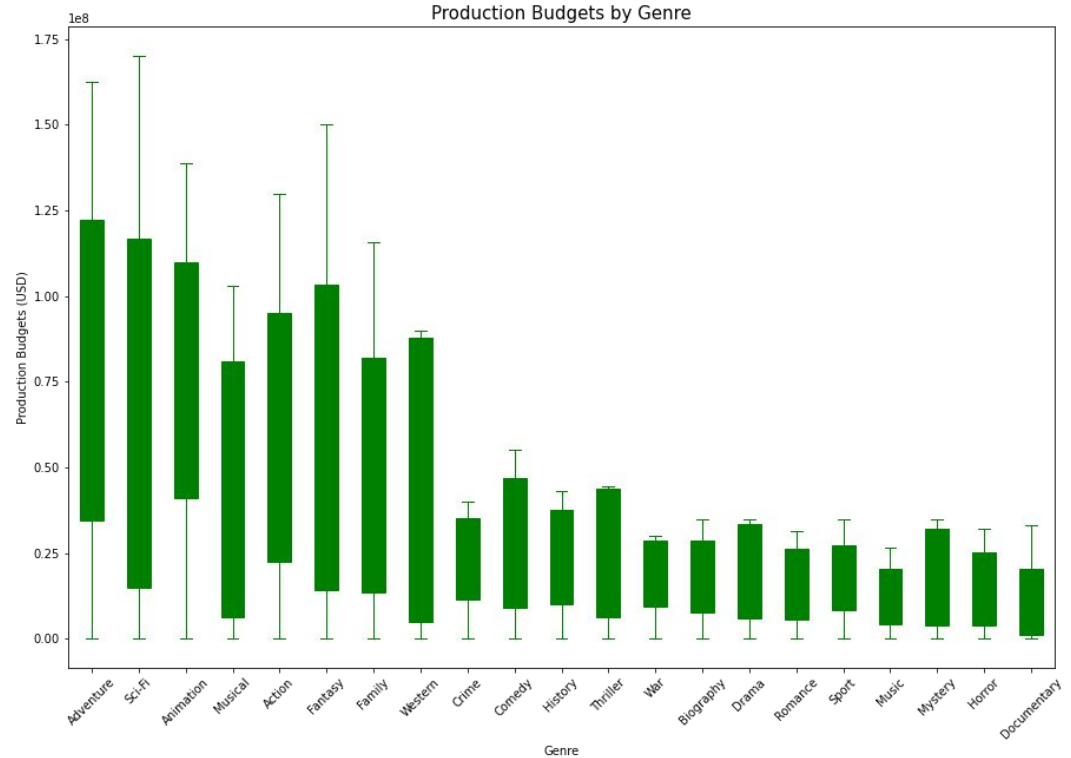
What Genres are Trending?



- What genres have become more profitable recently?
 - Horror
 - Mystery
 - Thriller
 - Sci-Fi

Production Costs

- More expensive
 - Sci-Fi
 - Action
 - Animated
- Less expensive
 - Horror
 - Mystery
 - Thriller
 - Comedy



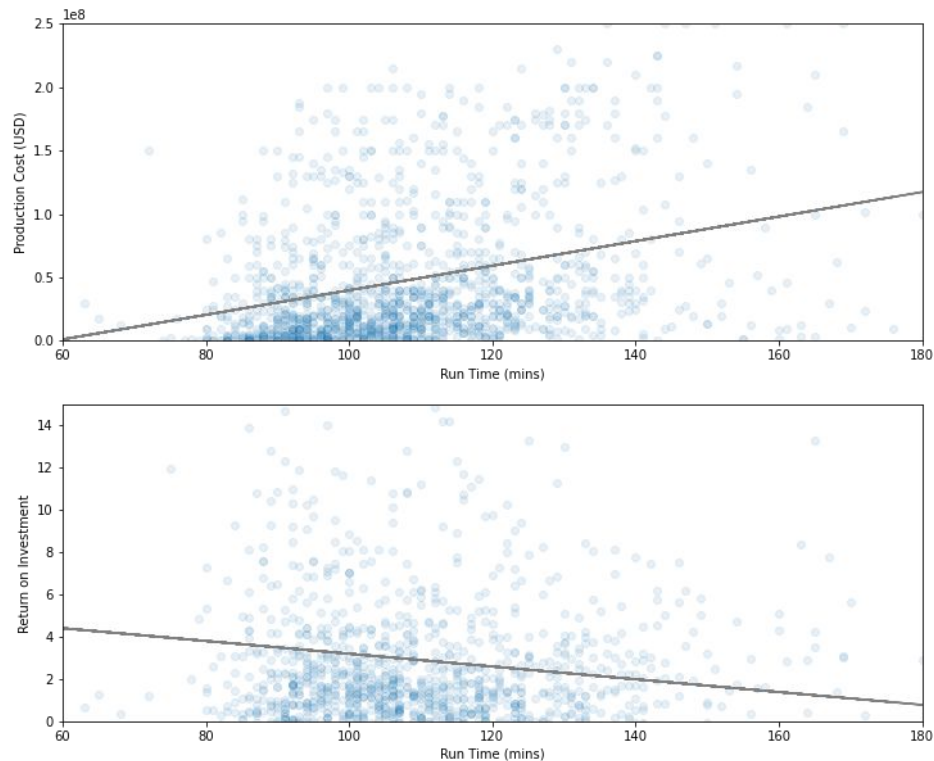
Optimizing the Budget

How does the length of the movies affect its profitability?

Top figure: Longer movies cost more to produce.

Bottom figure: Shorter movies tend to be more profitable.

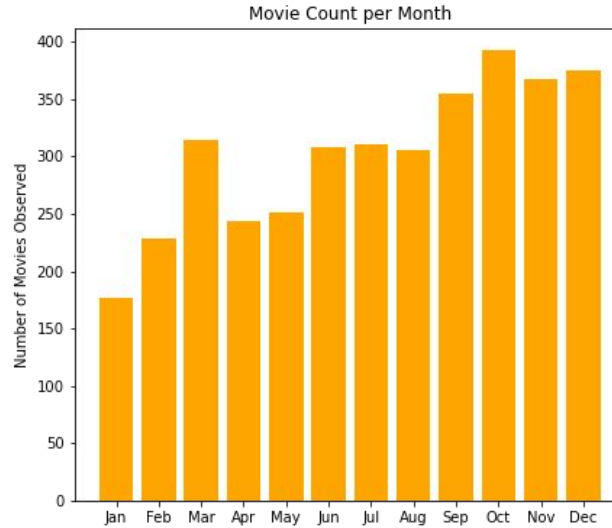
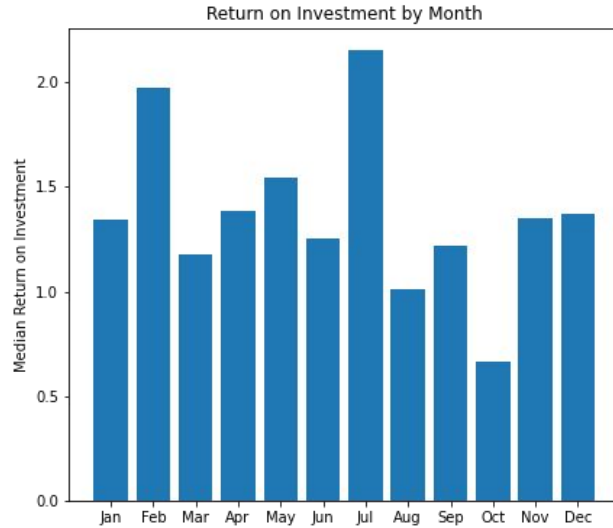
Movie Length Analysis





Time of Release

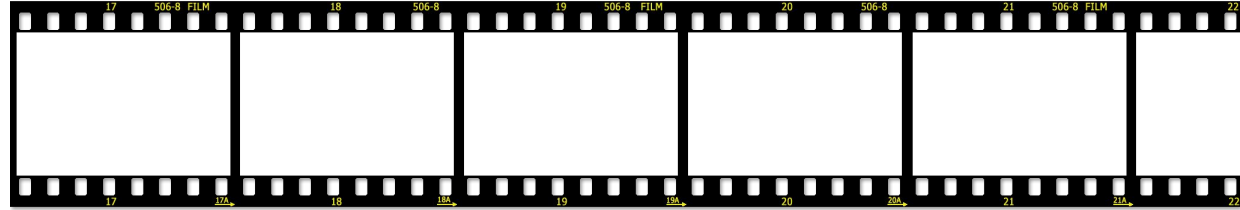
Movie Performance based on Month of Release



- Good Release Months
 - July
 - February
- Poor release Month
 - October



Conclusion



- Genre selection
 - High Budget (>\$50 mil USD): Sci-Fi
 - Low Budget (<\$50 mil USD): Horror, Mystery, Romance, Music, and Thriller movies.
- Reduce Runtime
 - Keeping the runtime at 100 mins or less decreases the production cost, resulting in better returns.
- Release Date
 - Historical Data shows movies released in February and July are more profitable.
 - Avoid release in a film in October.



Questions?

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Thank You!

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