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# Business Analysis for Movie Production

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# Overview

- Methods
- Analysis
- Conclusion



## Methods

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

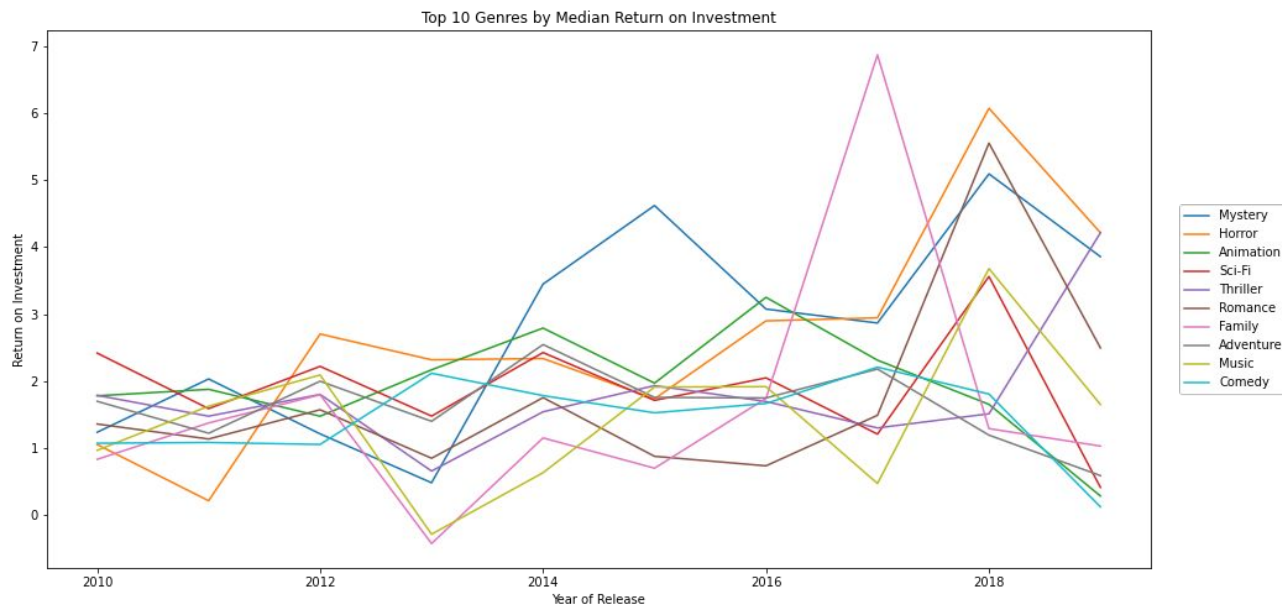
$(\text{Gross Revenue} - \text{Production Cost}) \div \text{Production Cost} = \text{ROI}$

Ex. ROI = 0, ( Revenue = Cost)

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



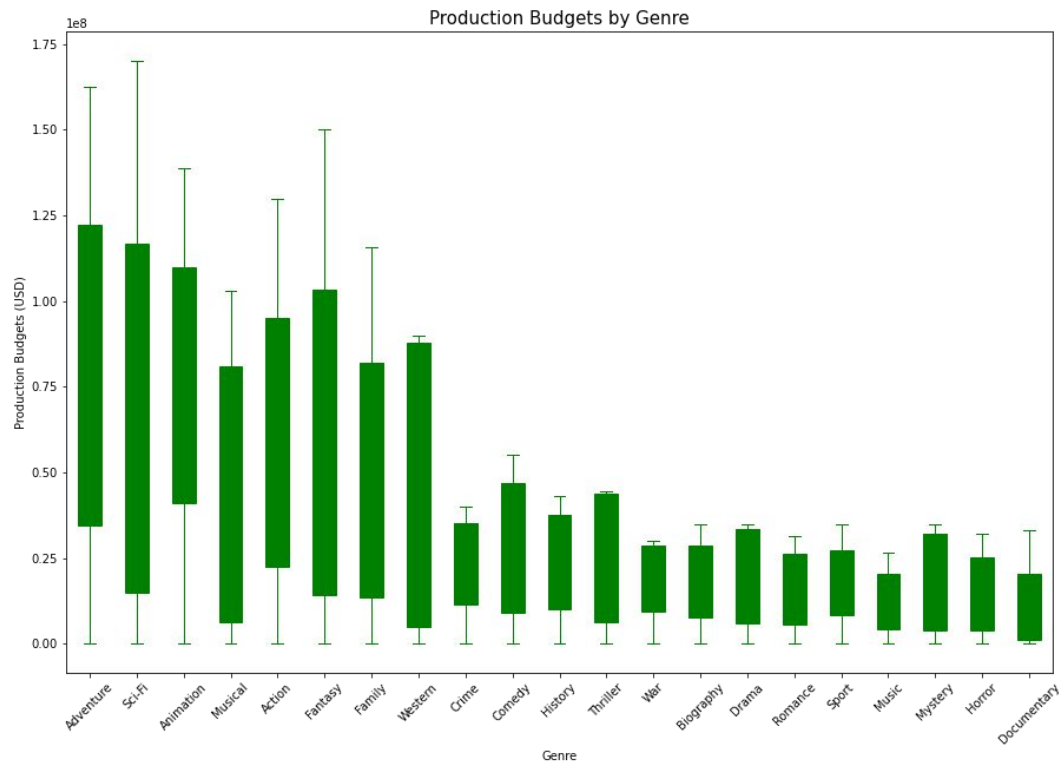
# What Genres are Trending?



Following trends in profitability gives insight to consumer behavior.

# Production Costs

Genre of movies has a substantial impact on the production cost.



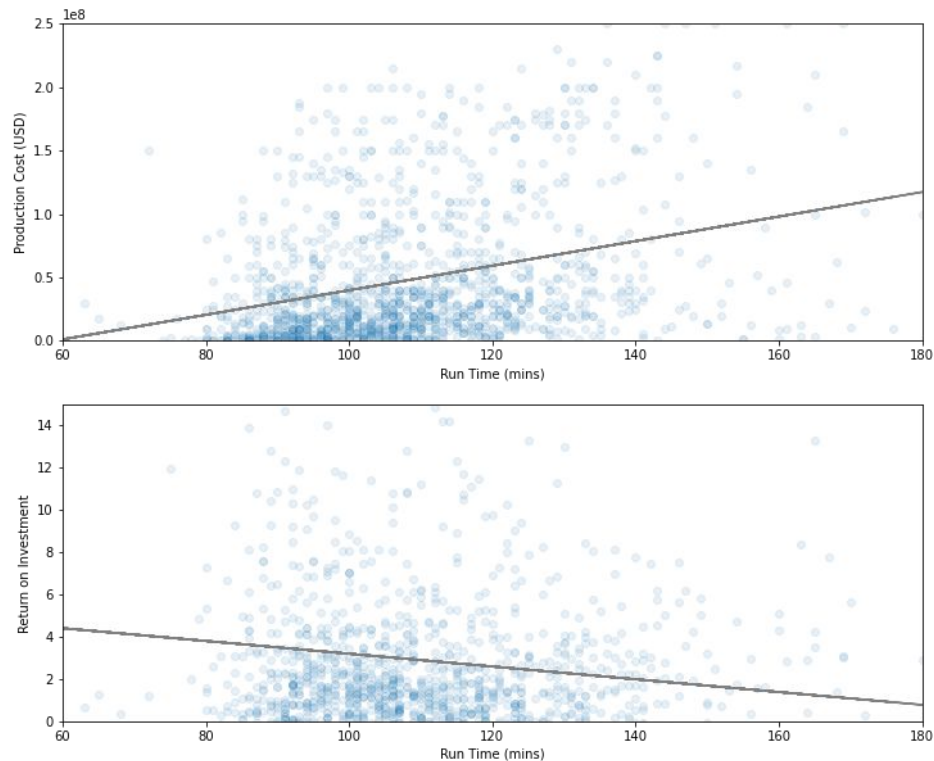
# Optimizing the Budget

How does the length of the movies affect its profitability?

**Top figure:** Longer movies cost more to produce.

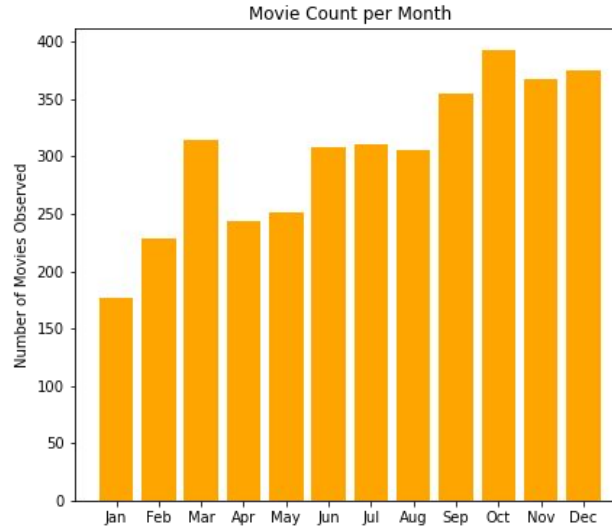
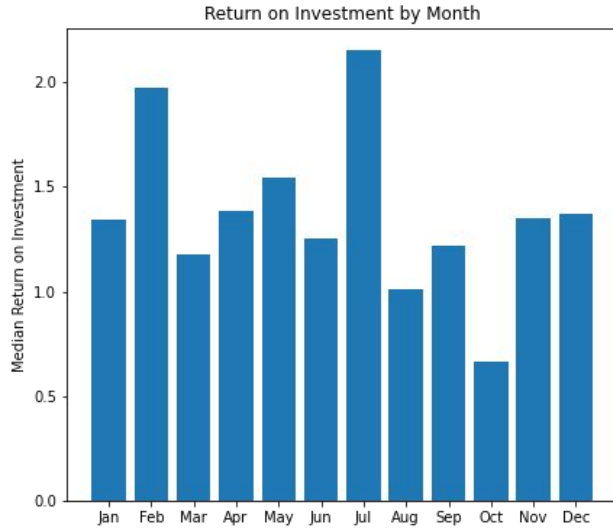
**Bottom figure:** Shorter movies tend to be more profitable.

Movie Length Analysis



# Time of Release

Movie Performance based on Month of Release

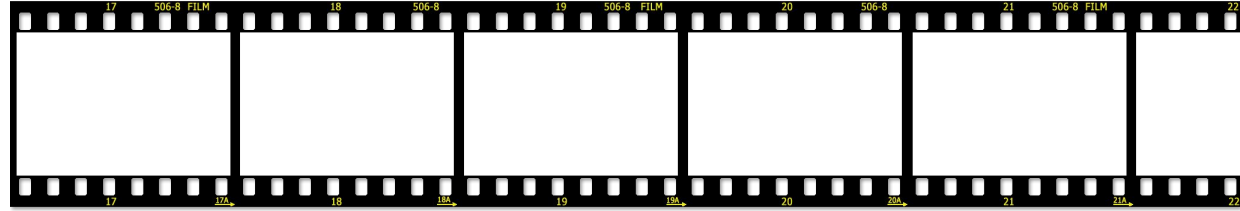


Timing the release is an important factor in reaching a wider audience.

Movies released in July tend to be considerably more profitable compared to ones released in 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.