

The background features a stylized illustration of a person in an orange shirt and dark pants, holding a large magnifying glass over a computer monitor. The monitor displays various data visualizations, including a bar chart, a line graph, and a pie chart. The entire scene is set against a light blue and white background with a subtle grid pattern. A solid red rectangle is positioned in the top right corner.

Navigating the Cinematic Landscape:

A Strategic Analysis for Microsoft's Movie Studio

By Collins Chumba



OUTLINE

1. Business Problem
2. Business Understanding
3. Data Understanding
4. Data Analysis/Visualization
5. Recommendations



Business problem

- ▶ The business problem is Microsoft's entry into the film industry without prior experience. The challenge is determining the most lucrative and audience-friendly film genres, optimizing movie runtimes for international markets, and strategically allocating budgets to ensure the success of their new movie studio.



The factors that I looked into include;

- ✓ Genre Performance
- ✓ Runtime Impact
- ✓ Budget-Profit Relationship

❖ These factors provide valuable insights for Microsoft's movie studio to make informed decisions regarding genre selection, runtime optimization, and budget allocation.



Business Understanding

The business understanding involves Microsoft's foray into the film industry through a new movie studio. The focus is on leveraging data-driven insights to inform decisions on lucrative film genres, optimal movie runtimes for international appeal, and strategic budget allocation for profitability, addressing Microsoft's lack of experience in the sector.

The background of the slide features a soft-focus image of a clapperboard and a cup of popcorn. The clapperboard is on the left, showing fields for 'PROD.NO.', 'SCENE', 'TAKE', 'ROLL', 'CO.', 'SOUND', and 'MAN'. The popcorn is in the center, spilling out of a cup with yellow and white stripes. A solid red rectangle is positioned in the top right corner.

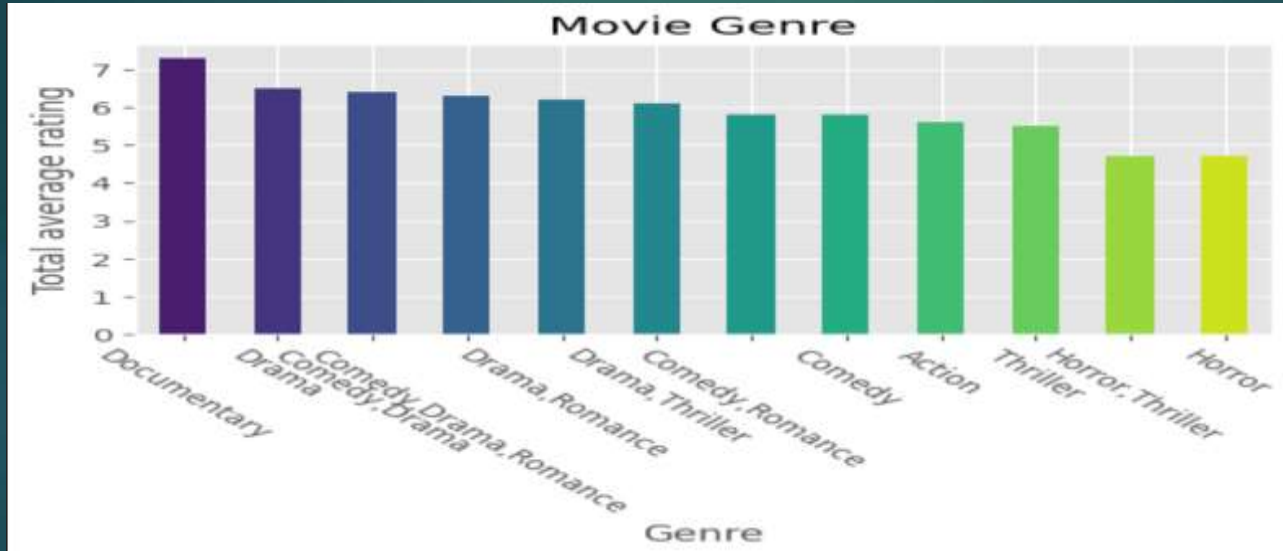
Data Understanding

For this project, I utilised the following data sources:

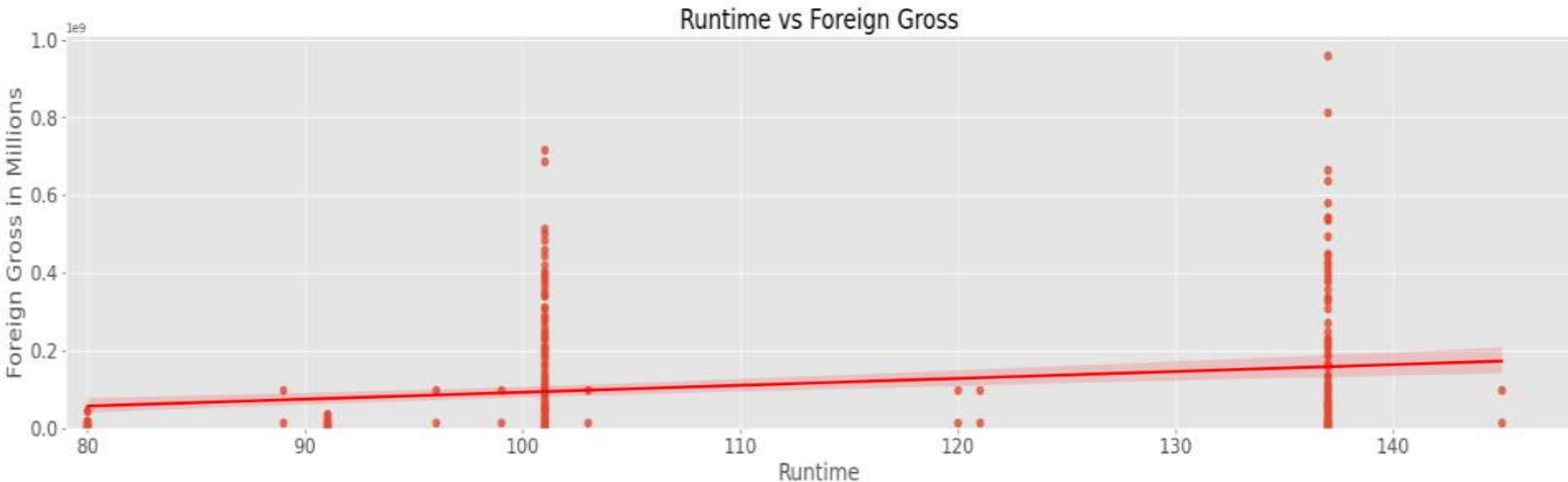
- **Box Office Mojo**
- **IMDB**
- **Rotten Tomatoes**
- **TheMovieDB**
- **The Numbers**

Data Analysis

1.1 Top performing movie genres according to genres average ratings.



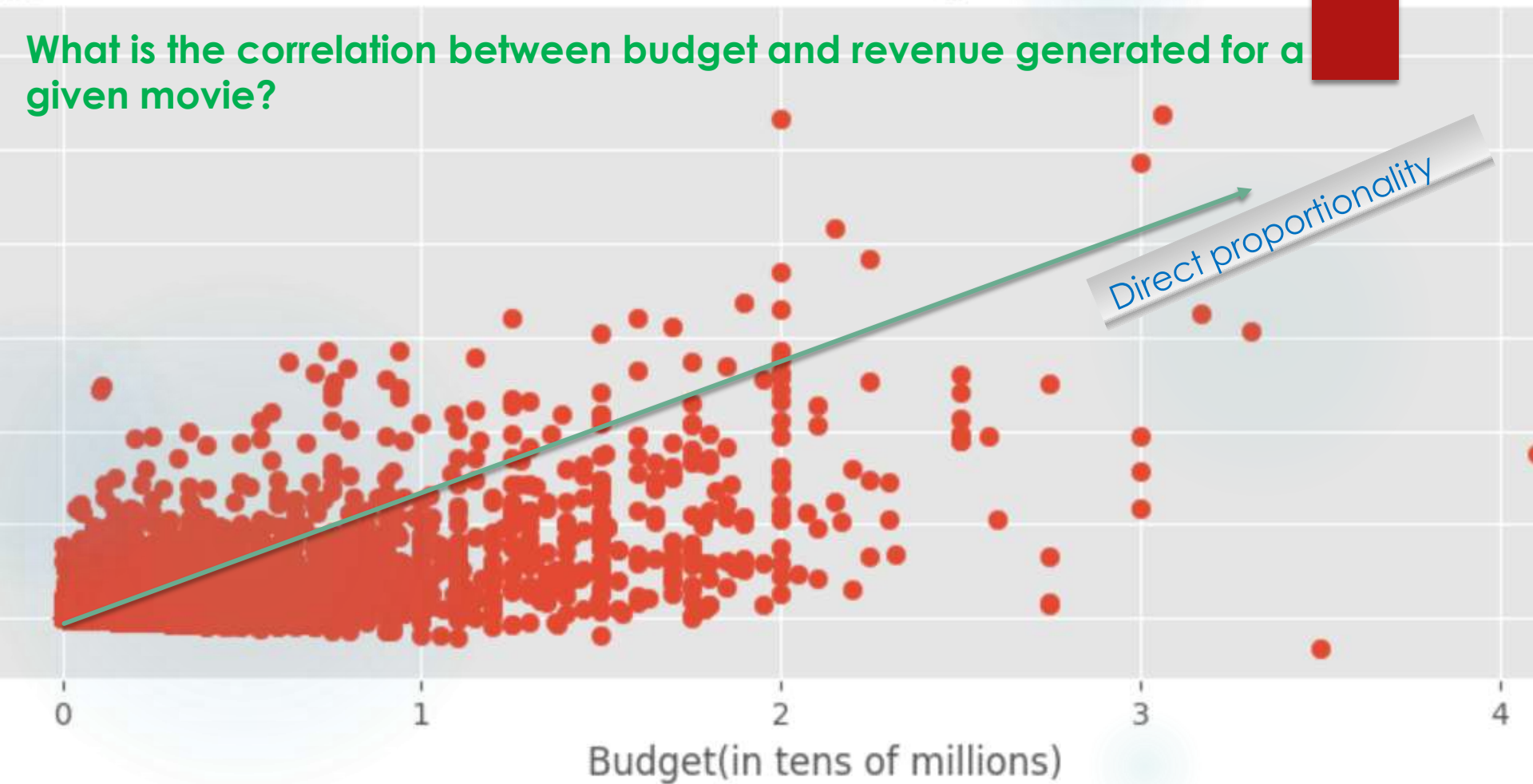
The genres of documentary and drama emerge as the top performers, boasting average ratings surpassing 6. It is strongly recommended to prioritize genre consideration when deciding on movie production, ensuring alignment with the desired target ratings and optimizing business outcomes for the studio.



The regression line reveals a positive correlation between movie runtime and foreign gross. Basically, most movies have a runtime of 101 and 137 minutes, this exhibits the potential for a foreign gross of around 0.7 and 0.8 million respectively. Microsoft's Movie Studio should hence concentrate on the same time-length.

Profits Vs Budget

What is the correlation between budget and revenue generated for a given movie?



Recommendations:

1. Genre Selection for Optimal Ratings:

Based on the analysis, it is recommended to prioritize the production of documentary and drama genres, as they have consistently demonstrated high average ratings exceeding 6. This strategic genre selection aligns with the goal of achieving favorable viewer reception and can contribute to the success of Microsoft's movie studio. However, it's essential to further explore and understand the target audience preferences within these genres to tailor content accordingly.

2. Optimizing Movie Runtimes for Foreign Gross:

Considering the positive correlation between movie runtime and foreign gross, it is advisable to carefully manage the duration of movies to maximize international revenue. The analysis suggests that movies with a runtime of around 101 minutes may yield a foreign gross of approximately 700 million, while those with a runtime of 137 minutes could potentially achieve around 800 million. Therefore, the movie studio should aim for an optimal balance in runtime, taking into account audience engagement and international market dynamics.



3. Strategic Budget Allocation for Profit Maximization:

The observed direct proportionality between the budget assigned to movie production and the generated profits emphasizes the importance of strategic budget allocation. To maximize returns, Microsoft's movie studio should carefully consider and allocate resources effectively, ensuring that the budget aligns with the expected scale and requirements of the movie. Additionally, exploring cost-effective production methods without compromising quality can contribute to increased profitability.

In summary, by strategically selecting genres with high average ratings, optimizing movie runtimes for international markets, and strategically allocating budgets, Microsoft's movie studio can enhance its chances of producing successful and profitable films in the dynamic and competitive movie industry.

Thank
You

