

A world map with a light beige background. Countries are labeled in a light grey font. A large, dark olive-green rectangular box with a thin black border is centered over the map, containing the title text. The map shows various countries including Greenland, Faroe Islands, Russian Federation, France, Gambia, Sudan, Yemen, India, Sri Lanka, Philippines, Indonesia, Nauru, Tuvalu, French Polynesia, Tonga, New Zealand, Australia, Madagascar, Zambia, South Africa, Argentina, Paraguay, Brazil, French Guiana, and Peru.

# ROCKBUSTER ONLINE VIDEO SERVICE LAUNCH

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# OBJECTIVE

- Help BI department with launch strategy for new online video service
- Key questions:

**Which movies contributed the most/least to revenue gain?**

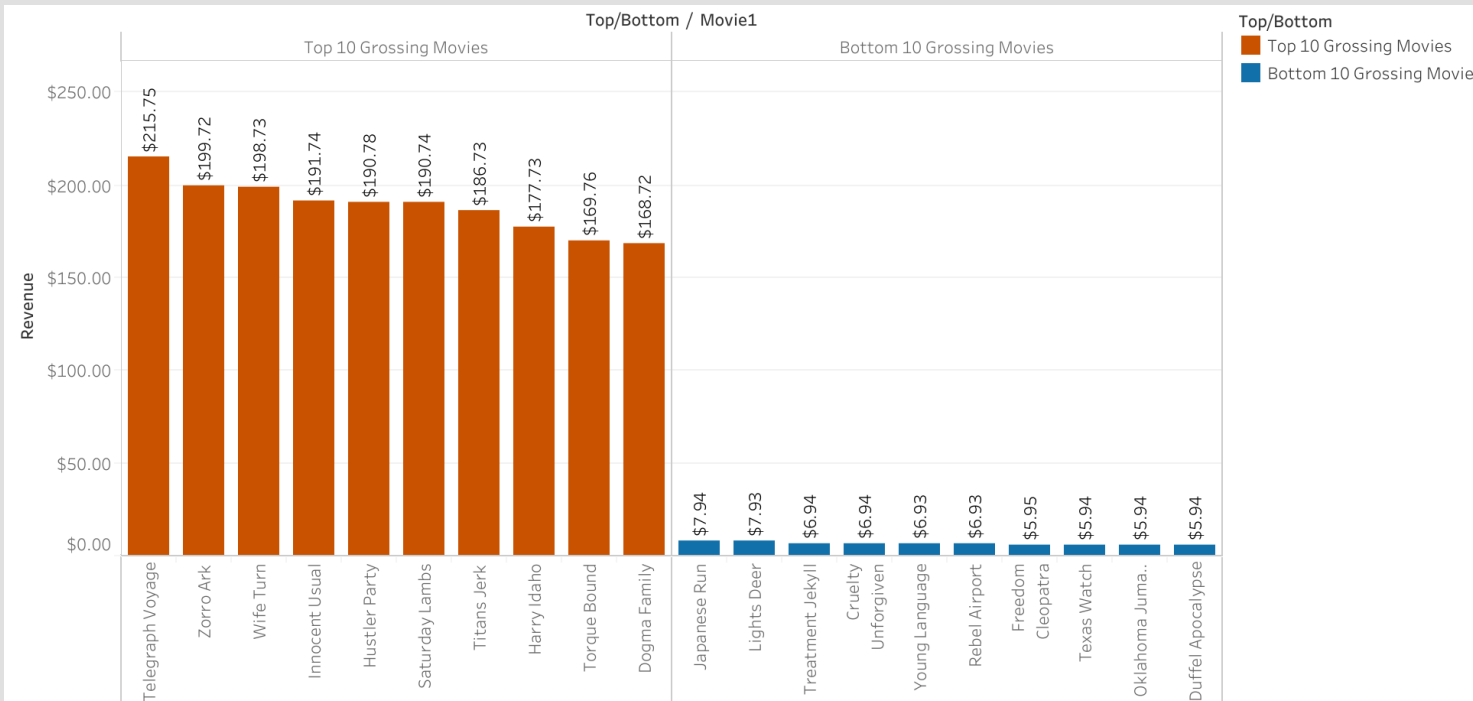
**What was the average rental duration for all videos?**

**Which countries are Rockbuster customers based in?**

**Do sales figures vary between geographic regions?**

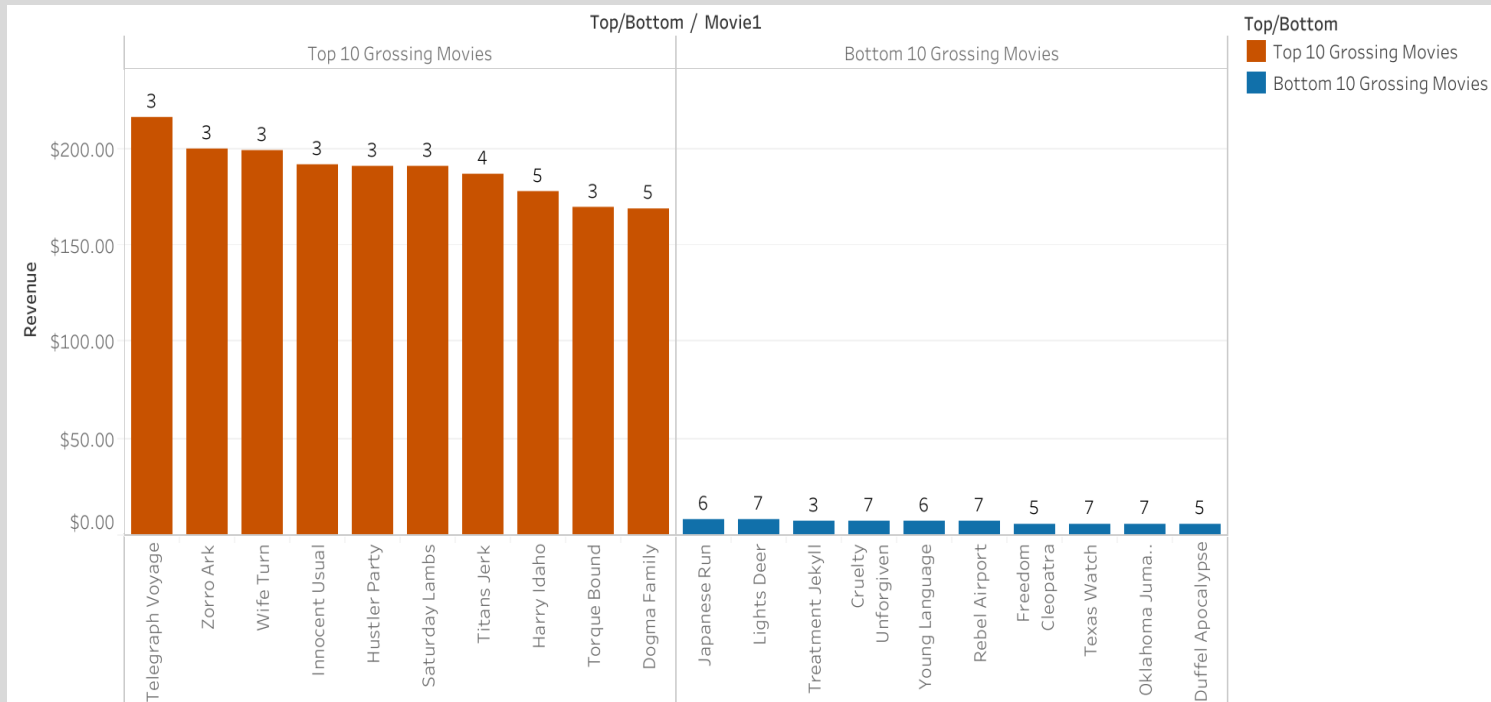
**Where are customers with a high lifetime value based?**

# MOVIES CONTRIBUTING MOST AND LEAST TO REVENUE



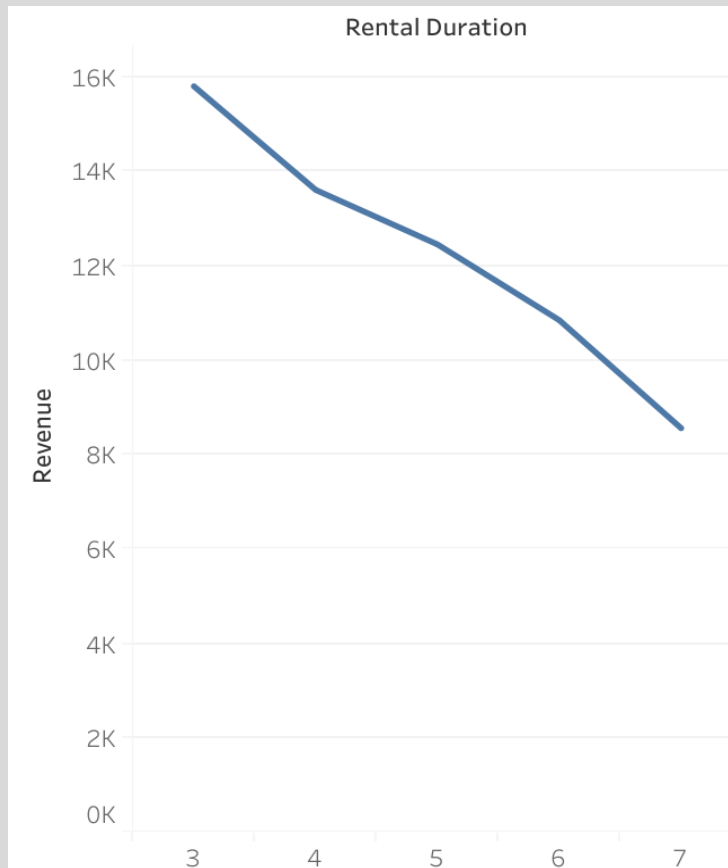
- Bar chart showing the most and least profitable movies in Rockbuster database
  - 959 movies total
- Movie genre and rating don't seem to be the driving factors affecting revenue
- What could be causing the difference in revenue?

# AVERAGE RENTAL DURATION OF HIGH VS. LOW GROSSING MOVIES



- Average rental duration across all rentals is **4.98 days**
  - Average across top grossing movies is 3.5 days
  - Low grossing movies average 6 days
- Could be due to disinterest from customers not watching film in one sitting

# LONG RENTALS COULD BE COSTING



- Low grossing movies have longer rental periods
- Longer rentals are impacting profits

Depending on subscription strategy, Rockbuster should start invoking rental extension fees after 4 days.

# WHERE ARE ROCKBUSTER'S CUSTOMERS?

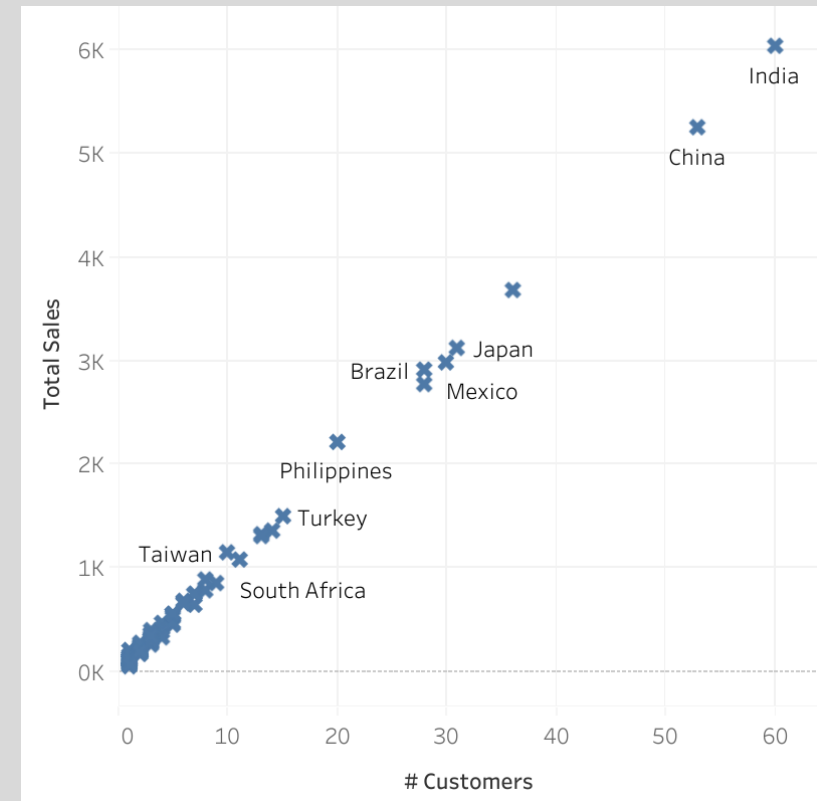


- Customers in 109 countries
- **Sales figures vary by region**
- India, China, and United States are Rockbuster's most profitable countries

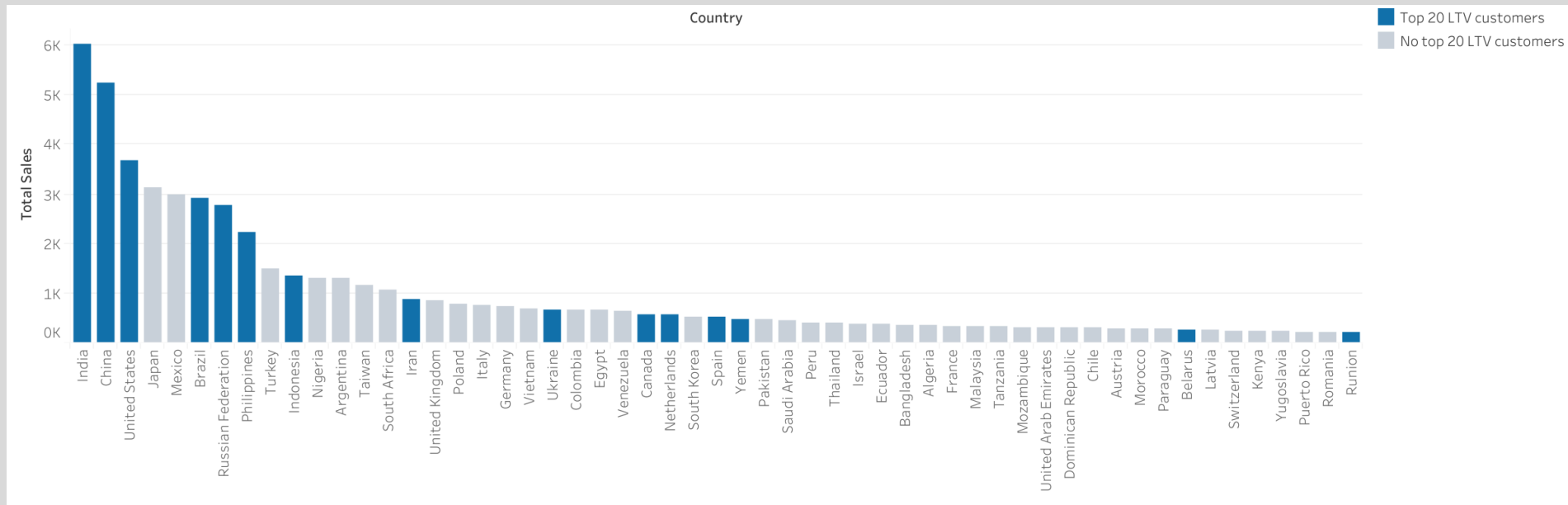
# ROCKBUSTER'S CUSTOMER BASE

- As number of customers increases, so do total sales
  - Total sales and # customers are positively correlated
- Room for growth even in most profitable regions

Prioritize marketing activities and budget on countries with more established customer bases



# WHERE ARE HIGH LTV CUSTOMERS?



- Neither sales or number of customers in certain countries seem to influence number of high LTV customers
- Many top 20 LTV customers exist in less profitable countries



## ROCKBUSTER'S TOP 5 LTV CUSTOMERS

Name	Country	City	Lifetime Value	Country Sales Ranking
Eleanor Hunt	Runion	Saint-Denis	\$211.55	55
Karl Seal	United States	Cape Coral	\$208.58	3
Marion Snyder	Brazil	Santa Barbara d'Oeste	\$194.61	6
Rhonda Kennedy	Netherlands	Apeldoorn	\$191.62	26
Clara Shaw	Belarus	Molodetno	\$189.60	48

- Only 2/5 top LTV customers live in top 25 grossing countries
- These high value customers are an asset to Rockbuster

Kickstart growth in smaller markets by offering referral incentives to high LTV customers in lower grossing countries.

# RECOMMENDATIONS

- As Rockbuster transitions online, there is lots of room for growth
- 3 main recommendations to focus on:

Depending on subscription strategy, Rockbuster should start invoking rental extension fees after 4 days.

Prioritize marketing activities and budget on countries with more established customer bases.

Kickstart growth in smaller markets by offering referral incentives to high LTV customers in lower grossing countries.

THANK YOU!

See following slides for Appendix...

## APPENDIX: SUMMARY STATISTICS

Quantitative summary statistics for films in database:

Column	Minimum	Maximum	Average
Rental duration	3	7	4.98
Rental rate	0.99	4.99	2.98
Length	46	185	115.27
Replacement cost	9.99	29.99	19.98