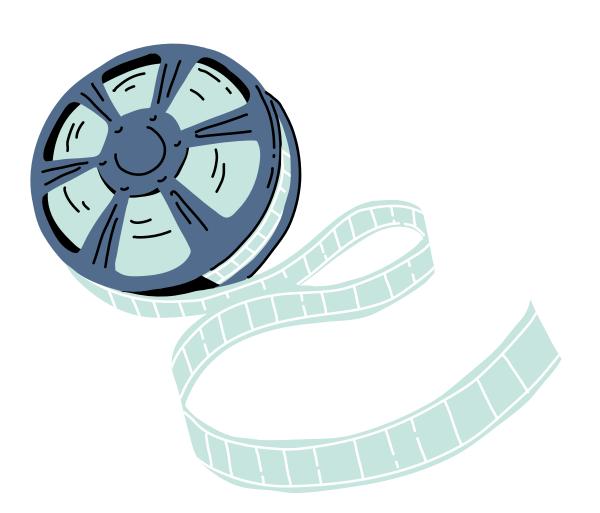
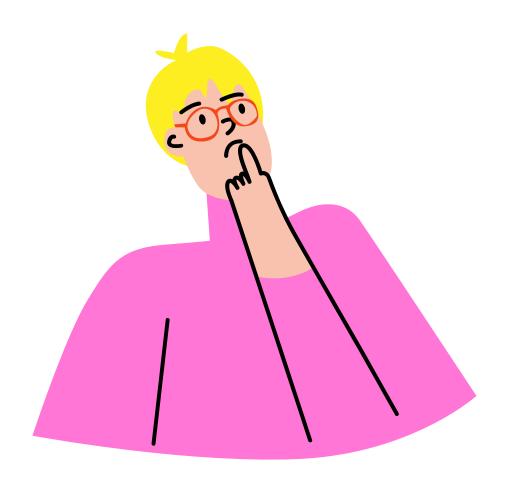


# Microsoft



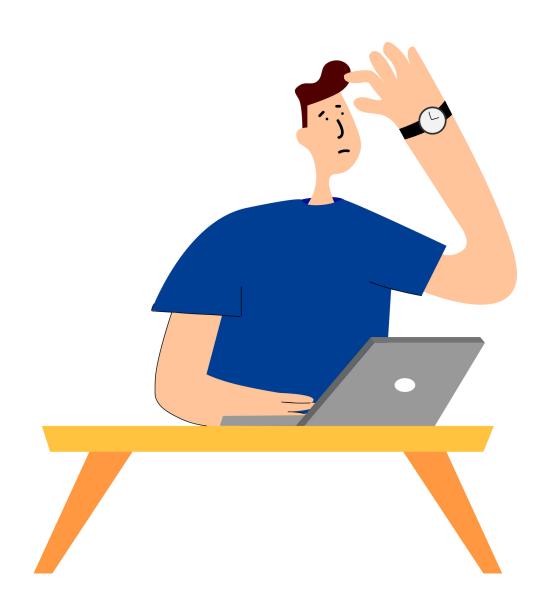
#### Introduction

In its effort to expand, Microsoft wants to get into the action and establish a movie studio. Well, its a good idea as the industry is on recovery mode from the pandemic and demand for films is on the rise. According to Film and Music Global Market Report 2021; the global film and music market grew from \$289.13 billion in 2020 to \$308.97 billion in 2021 at a compound annual growth rate (CAGR) of 6.9%.



The Film industry is very notorious for being unpredictable at times. Therefore, it is very important to have a good understanding of the current trends and opportunities in the industry before making a decision on putting up a movie studio.

Lucky for us, we have Data!



Using a combination of statistical techniques and visualization, we will uncover the "hidden secrets" that will help Microsoft make viable decisions as it tries to enter the maket.

#### Sources of data



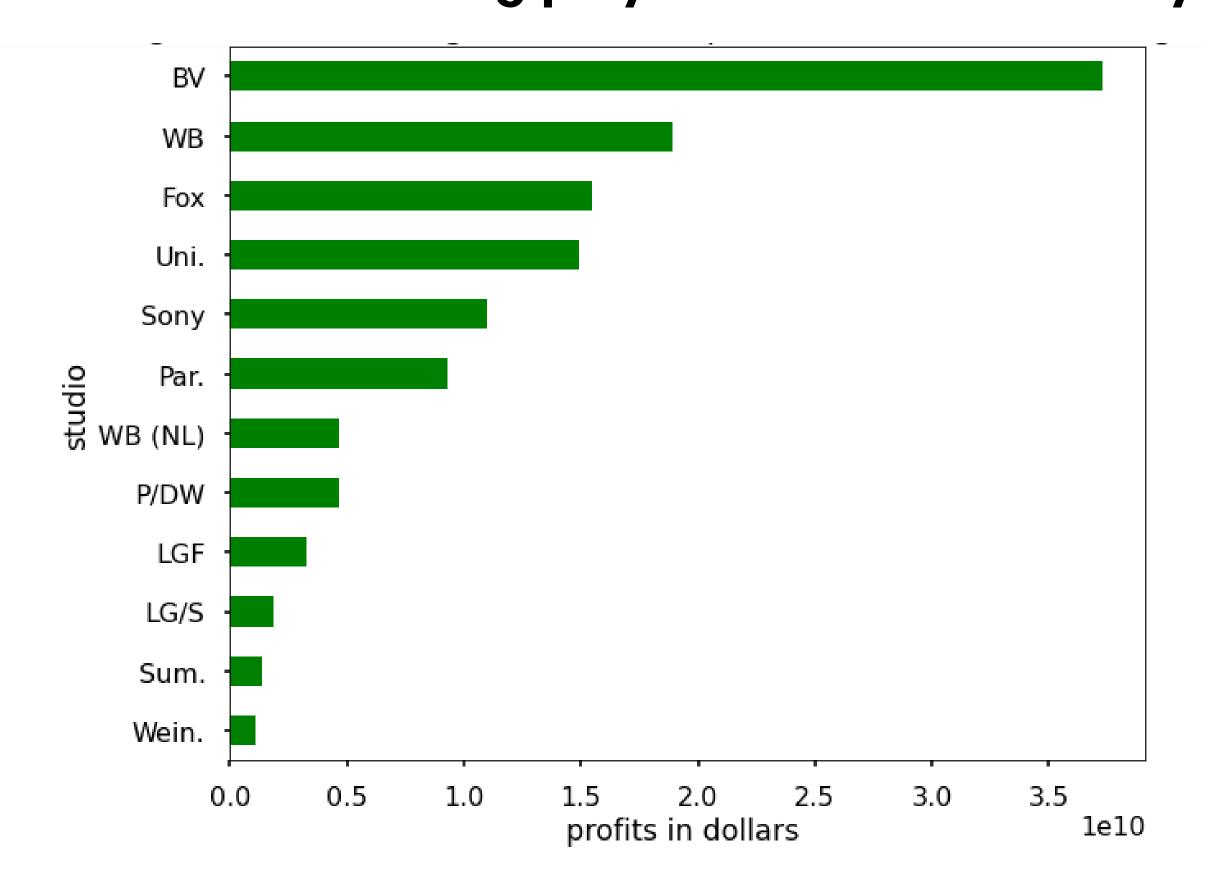
- Bommovie dataset
- Movie\_info dataset
- IM.db database



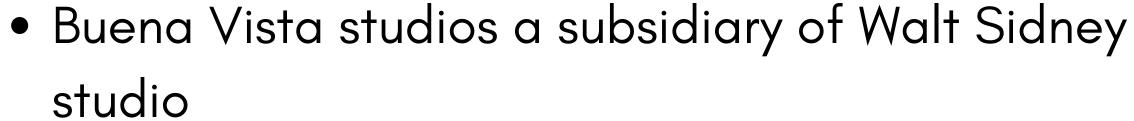
#### Hypotheses to investigate

- Who are the current the big players in the film industry?
- Is the foreign market larger than the domestic market?
- Which are the top ten highest earning genres in the boxoffice?
- How does the runtime of a film affect its average rating?
- Which are the top ten highly rated genres?

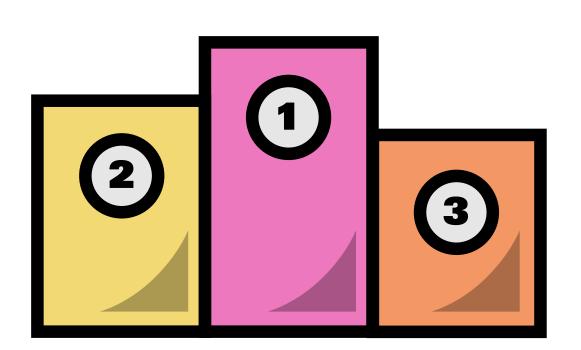
Competition
Who are the current the big players in the film industry?



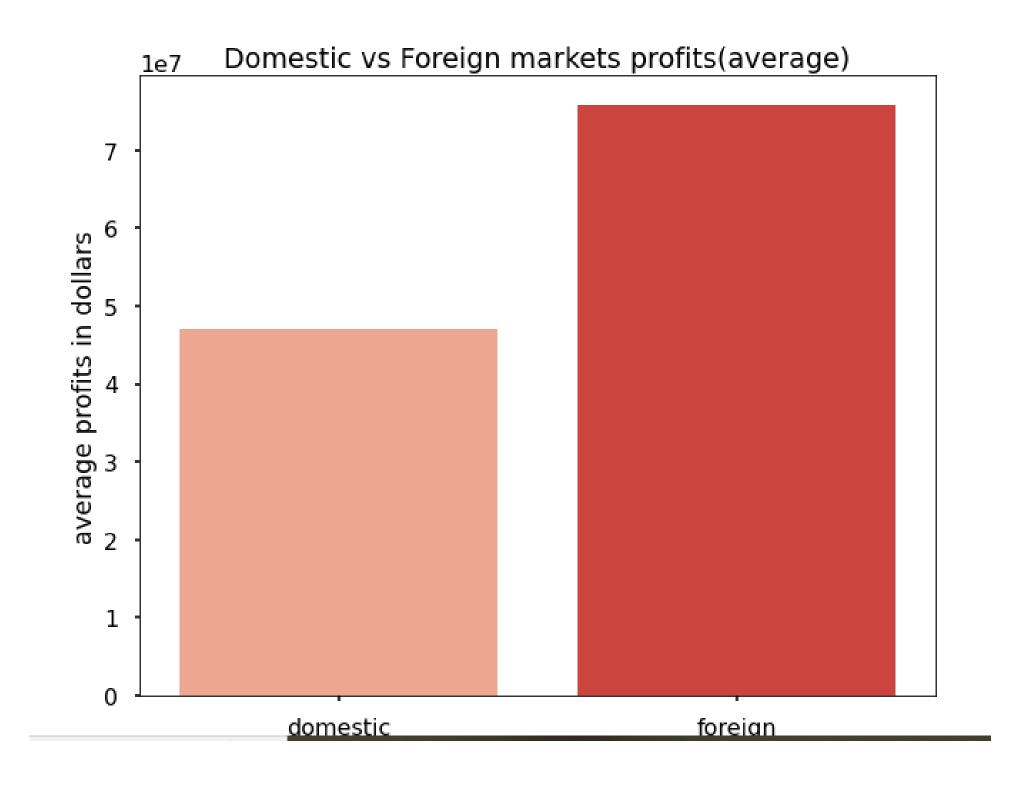




- Warner Bros
- Universal studios
- Fox studios
- Sony pictures
- Paramount pictures
- Lions Gate
- Dream Work pictures

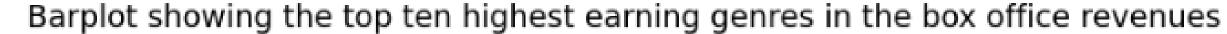


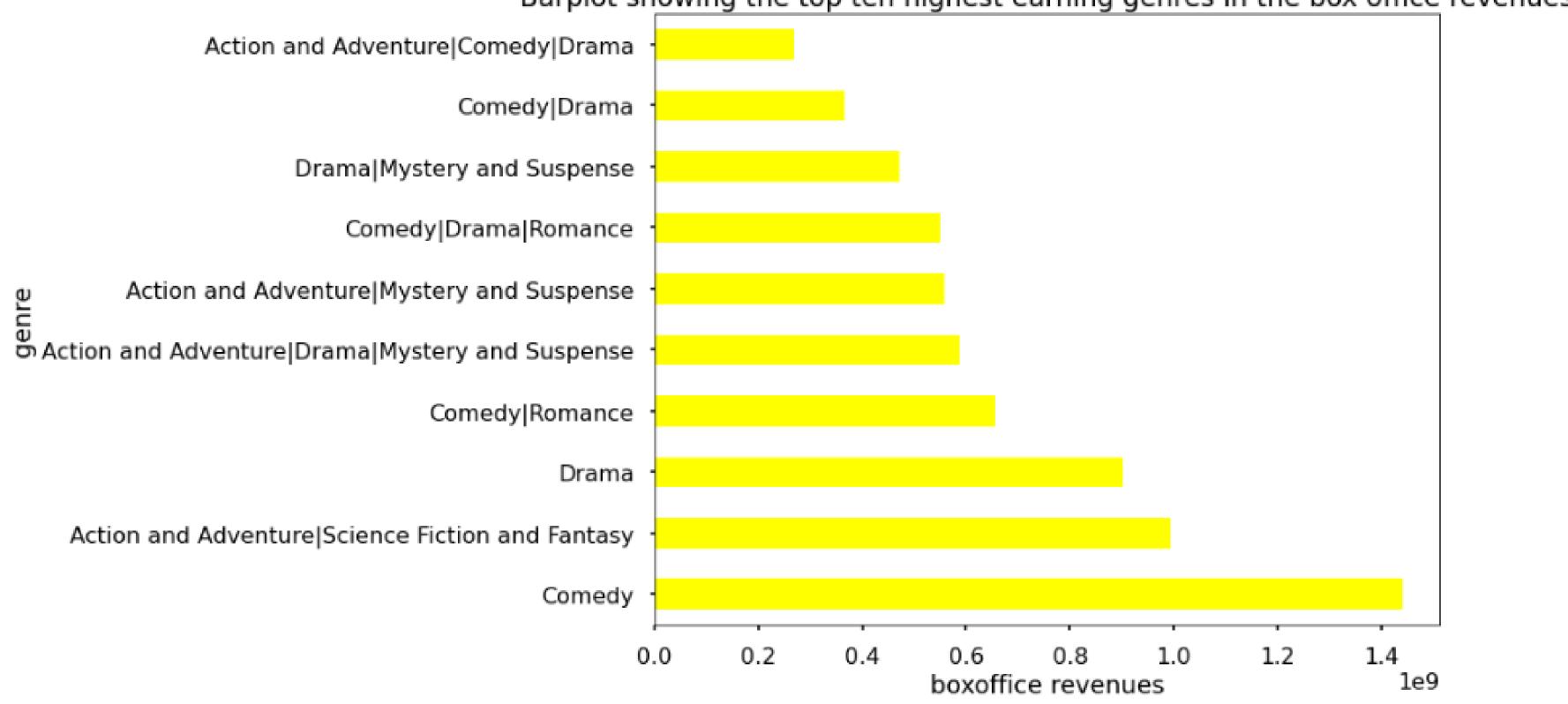
### Is the foreign market larger than the domestic market?



The foreign market is bigger than the domestic market. However, it is good to note that both markets provide an avenue for good returns. However, it is important to point out that foreign market calls for big investment as huge funding is required for marketing purposes. Additionally, films need to be done well to attract the attention of foreign markets. On top of that, most of films that break even in the foreign market are mostly science fiction movies that usually require a lot of money to produce. On the postive side, foreign markets have the obvious advantage of reaching new areas and exploring new untapped opportunities.

#### Which are the top ten highest earning genres in the boxoffice?



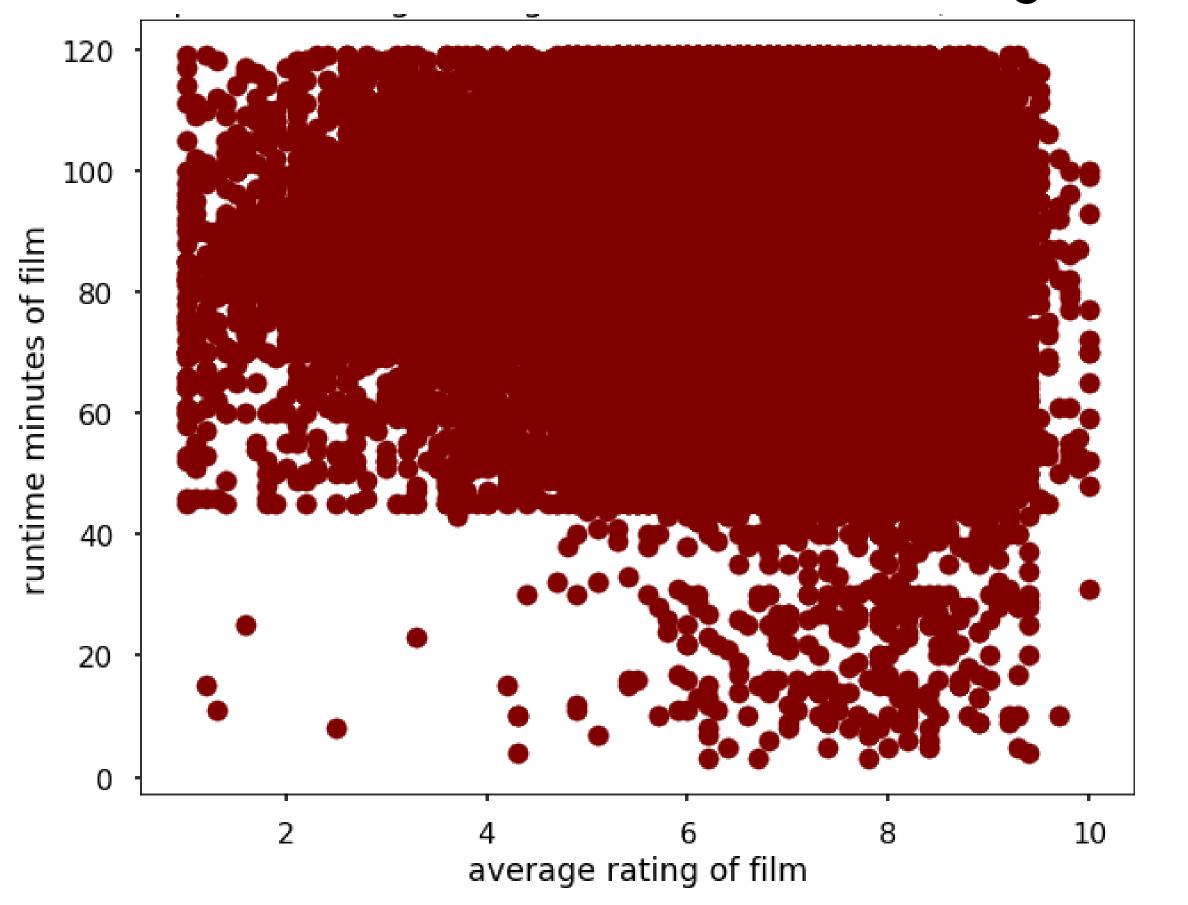


Leading the way in box-office revenues are comedy films.

Comedy films are popular and sell well and have the obvious advantage of blending into other genres. Secondly, comedies require less marketing as they are lovable as individuals are more likely to refer friends and family to watch them.

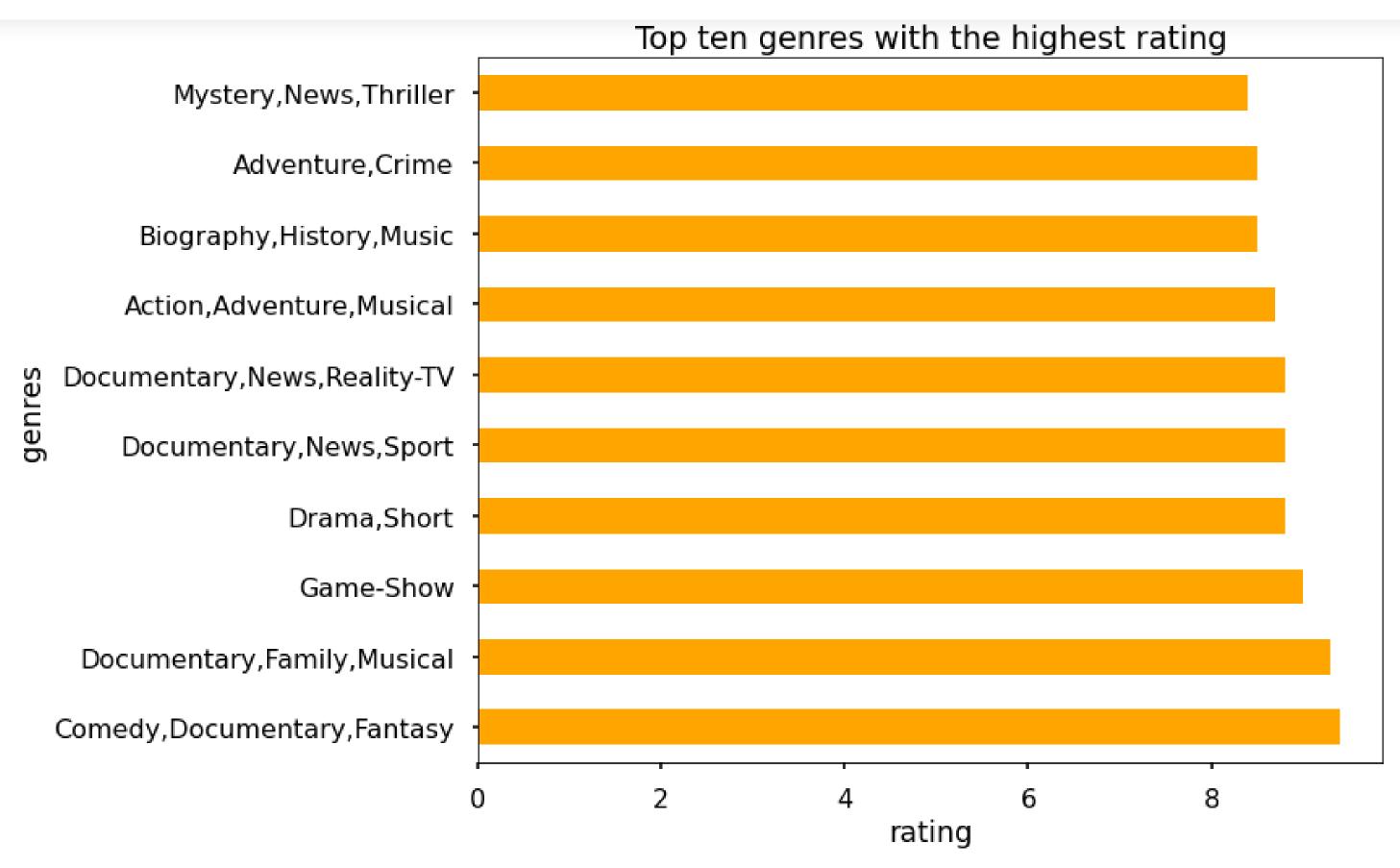
Following closely are cross-genre science fiction films. Although they have considerable budgets, science fiction films are known to return top dollar and especially because they provide other avenues for revenue generation such as merchandising.

#### How does the runtime of a film affect its average rating?



The scatterplot shows that films that are popular last between 60 minutes to 120 minutes. The high concentration of points on the upper right corner is proof enough that films should last approximately 90 minutes to have a chance of being popular with audiences.

### Which are the top ten highly rated genres?



The preceding bar charts indicates that documentary cross-genre films are quite popular as shown by the high ratings.

Documentaries provide an obvious advantage due to the fact that they cost less to produce compared to other types of films.

Additionally, documentaries require little marketing as they are mostly based around people who already have a huge following or on historical events that most people are aware of.

#### Recap of recommendations

Foreign markets provide more opportunity to maximize profits than the domestic market. However, they require huge investments in marketing.

Comedy films are very popular. They have two obvious advantages of being low cost and highly versatile that they can be integrated into other genres.

A film should last approximately 90 minutes (60 min – 120 min) to ensure that viewers maximize utility.

Documentaries provide an easy opportunity to enter into the market as they are low cost and require less marketing as they are based on individuals who already have a following or are based on events that most people are familiar with.

# Thank you!

Presented by

## Francis Kyalo



**Data scientist**