Strategy for Entry into the Film Production Market

C-H FILM PRODUCTIONS

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TEAM

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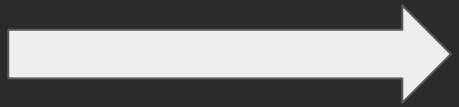
C-H Film's Proposal

Limited Experience



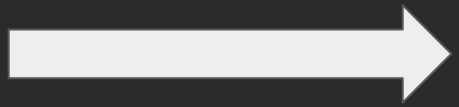
Initially, allocate smaller production budgets

Still Lots of Profit to be Made!

C-H Film's Proposal

Genres
- Horror
- Thriller

Within $10MM budget



High ROI

Critical Acclaim

Partner with successful and experienced writers / directors in these genres and in this budget range.

AGENDA

1. **Business Problem**
2. **Data Source**
3. **Methodology**
4. **Data Analysis**
5. **Results**
6. **Further Steps**

BUSINESS OBJECTIVE

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Market Analysis:

- ➔ What movies are making large amounts of money?
- ➔ Can we create profitable movies without giant budgets?
- ➔ What movies should we focus on making to maximize industry success?
- ➔ Are there specific writers we should hire?

SOURCING DATA

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1. **Internet Movie Database**
   (IMDB)
2. **Box Office Mojo**
   (BOM)
3. **The Numbers**
   (TN)
4. **The Movie Database**
   (TMDB)
5. **The Academy Award Database**
   (OSCAR)

METHODOLOGY

CUSTOM METRICS

Financial Ratio:

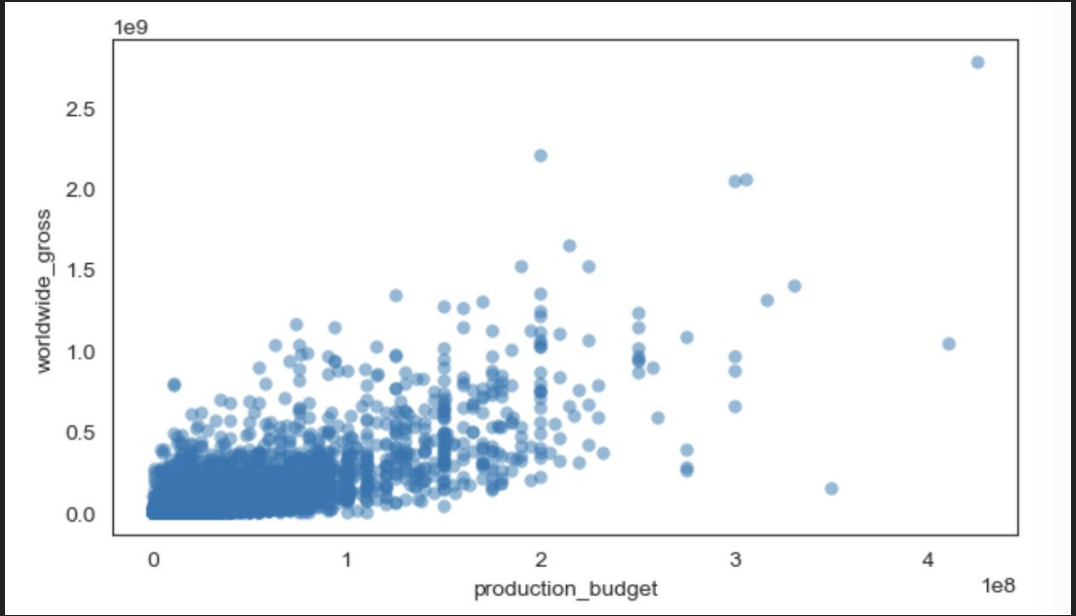
How much did a movie make relative to the production cost? (ROI)

ROI = (Worldwide Gross - Budget) / Budget x 100

DATA ANALYSIS

DOES BUDGET MAKE A DIFFERENCE?

Overall profits
relative to budget



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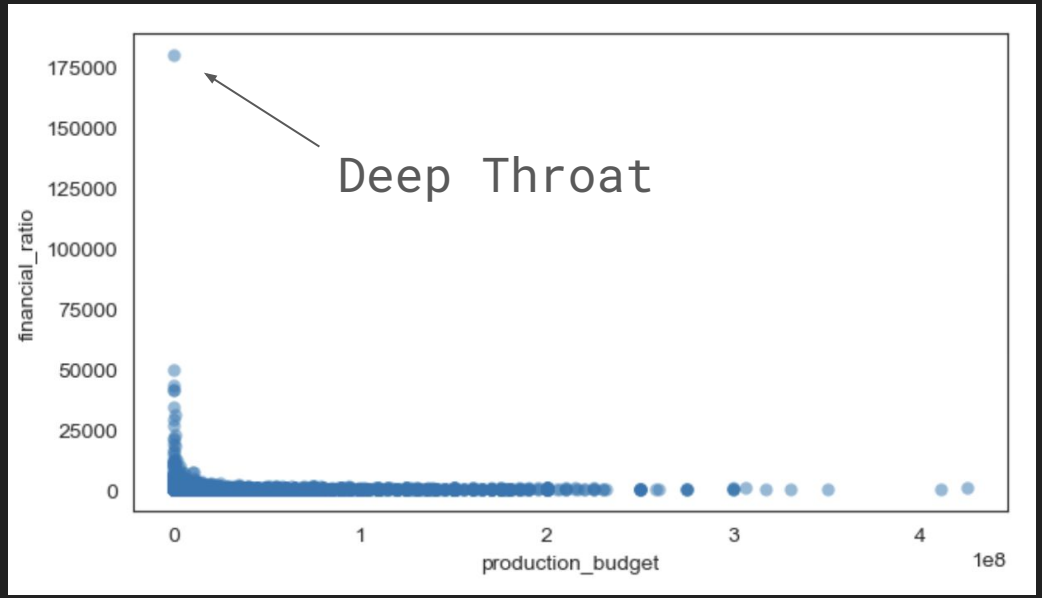
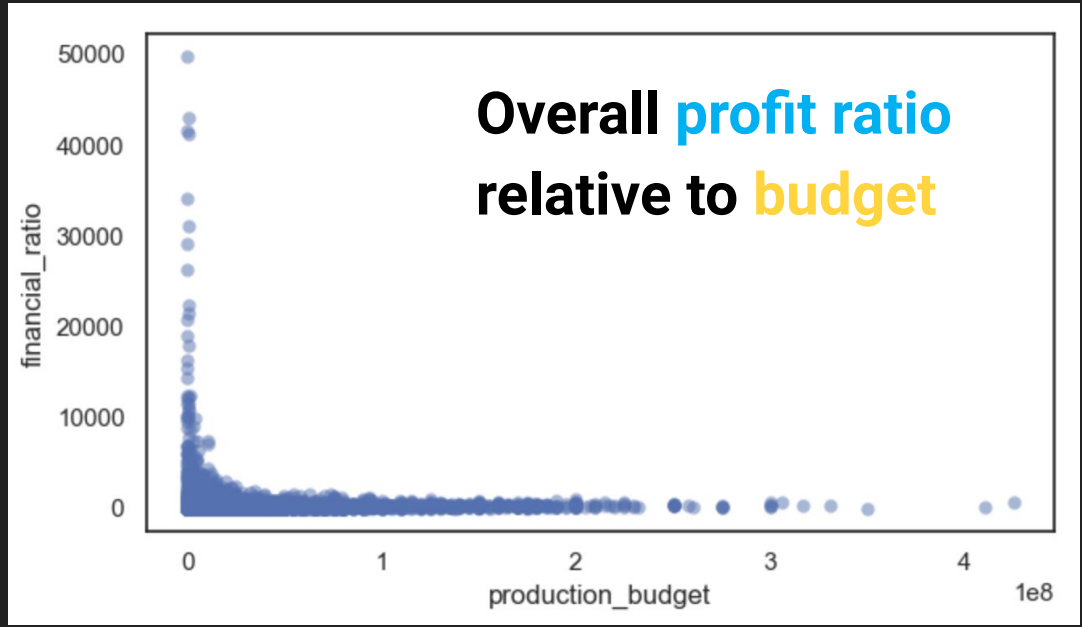


DOES BUDGET MAKE A DIFFERENCE?

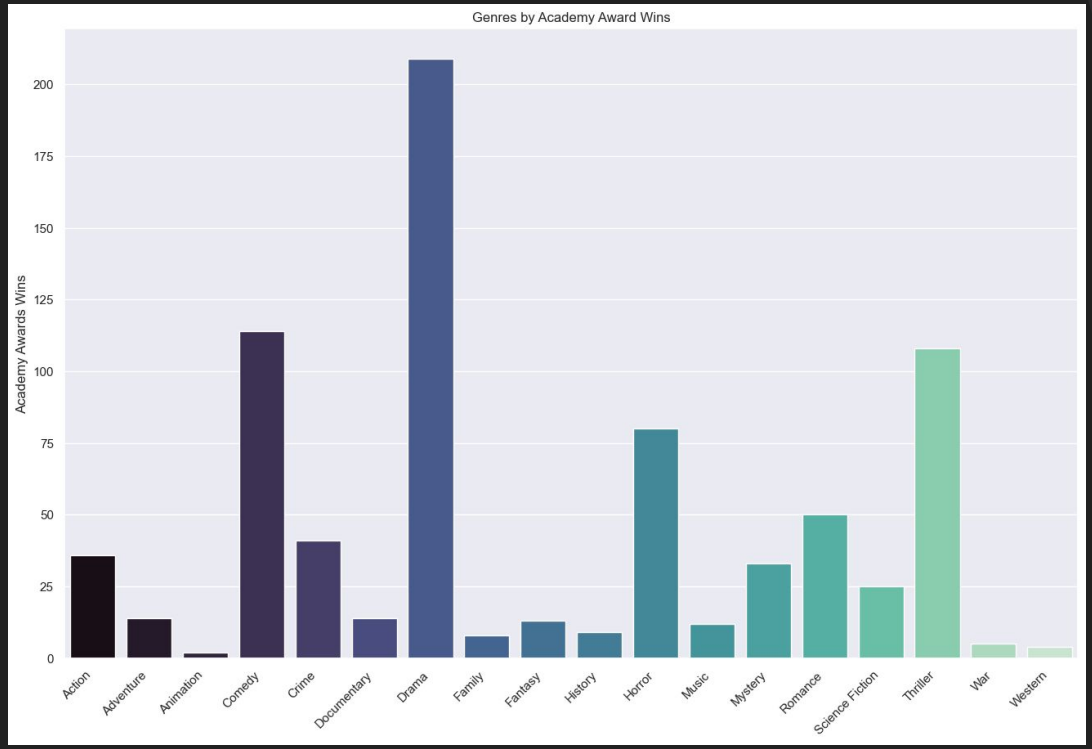
NO!

- Low correlation between budget and financial ratio metric.
- Lower budget have as much or more ROI.
- Focused on films with budgets < $10MM



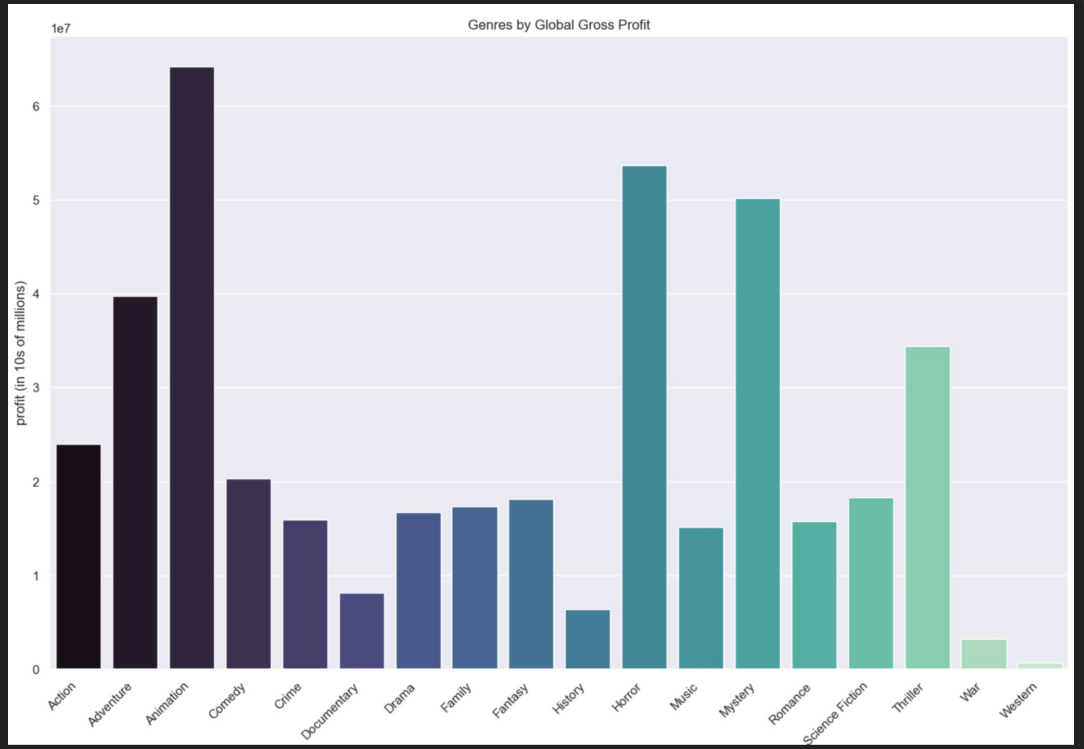
GENRE - AWARDS

Overall award wins relative to genre in reduced budget class



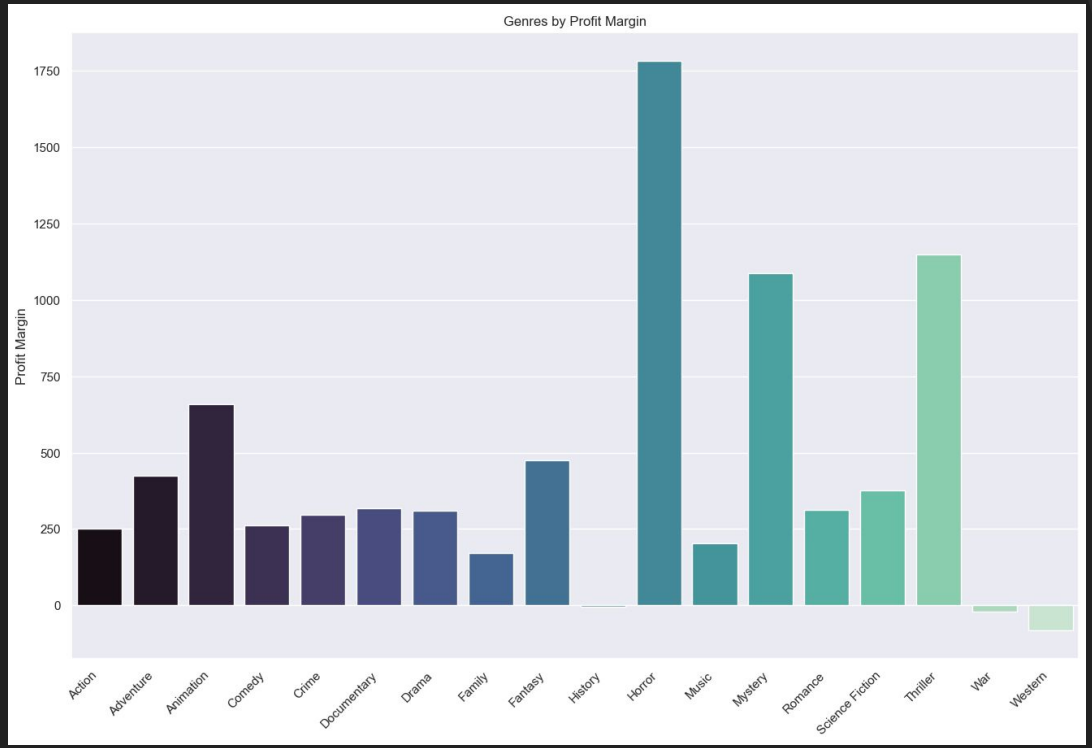
GENRE - PROFIT

Overall profits relative to genre in reduced budget class



GENRE - PROFIT MARGIN

Overall ROI
relative to genre in
reduced budget class



CONCLUSIONS

Conclusions

- An assessment of market data indicated low to no correlation between budget and ROI.

- This drove the decision to limit our budgets to $10MM or less to mitigate risk of high expenditure while also providing ample opportunity for ROI.

Conclusions

- Within this budget class, the company should focus on the Horror and Thriller genres. They have a high ROI and a high proportion of critically acclaimed films.

Conclusions

Work with WRITER - DAMIEN CHAZELLE

Highest ROI with experience in horror and thrillers

Oscar Wins include ‘The Last Exorcism Part II’

Experienced working within our budget

primary_name	winner	nominations	Major_Noms	Minor_Noms	Major_Win	Minor_Win	Total_Wins	production_budget	worldwide_gross	financial_ratio	avg_rating	title	category	job
Damien Chazelle	3.0	5.0	2.0	3.0	0.0	3.0	3.0	4100000.0	5.756806e+07	1227.608675	6.6	10 Cloverfield Lane	writer	screenplay by
Damien Chazelle	3.0	5.0	2.0	3.0	0.0	3.0	3.0	4100000.0	5.756806e+07	1227.608675	6.6	The Last Exorcism Part II	writer	screenplay
Damien Chazelle	3.0	5.0	2.0	3.0	0.0	3.0	3.0	4100000.0	5.756806e+07	1227.608675	6.6	Grand Piano	writer	written by

NEXT STEPS

NEXT STEPS

1. **Quality Index of Box Office Films**

2. **Which staff should you pick for oscar wins?**

3. **Ideal movie release dates.**