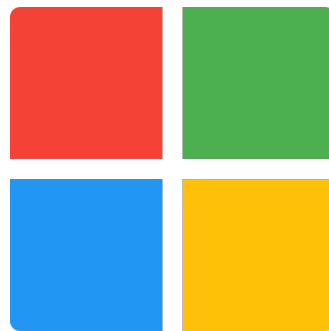




# Microsoft Movie Recommendations

---



JAE HEON, KIM

# Situation

---

- Microsoft plans to launch a streaming platform.
- Streaming platforms have two types of contents:
  - Original Contents
  - Purchased/Rented Contents
- Microsoft asks guidance for strategic approach towards creating original contents.

# Objective

---

- Get the necessary data. Clean it, study it, make observations and make visualizations.
- Based on finished work, find insights and make recommendations on how Microsoft needs to create original contents.

# Approach

---

- Among many attributes of successful original contents, this study is particularly interested in how the budget can impact overall financial success of studio business
- Budget's relationship with other factors such as ROI, runtime, genres will be studied to make meaningful observations.

# Budget Categories

---

 Super Low: ~ 25<sup>th</sup> percentile

 Low: 25<sup>th</sup> ~ 50<sup>th</sup> percentile

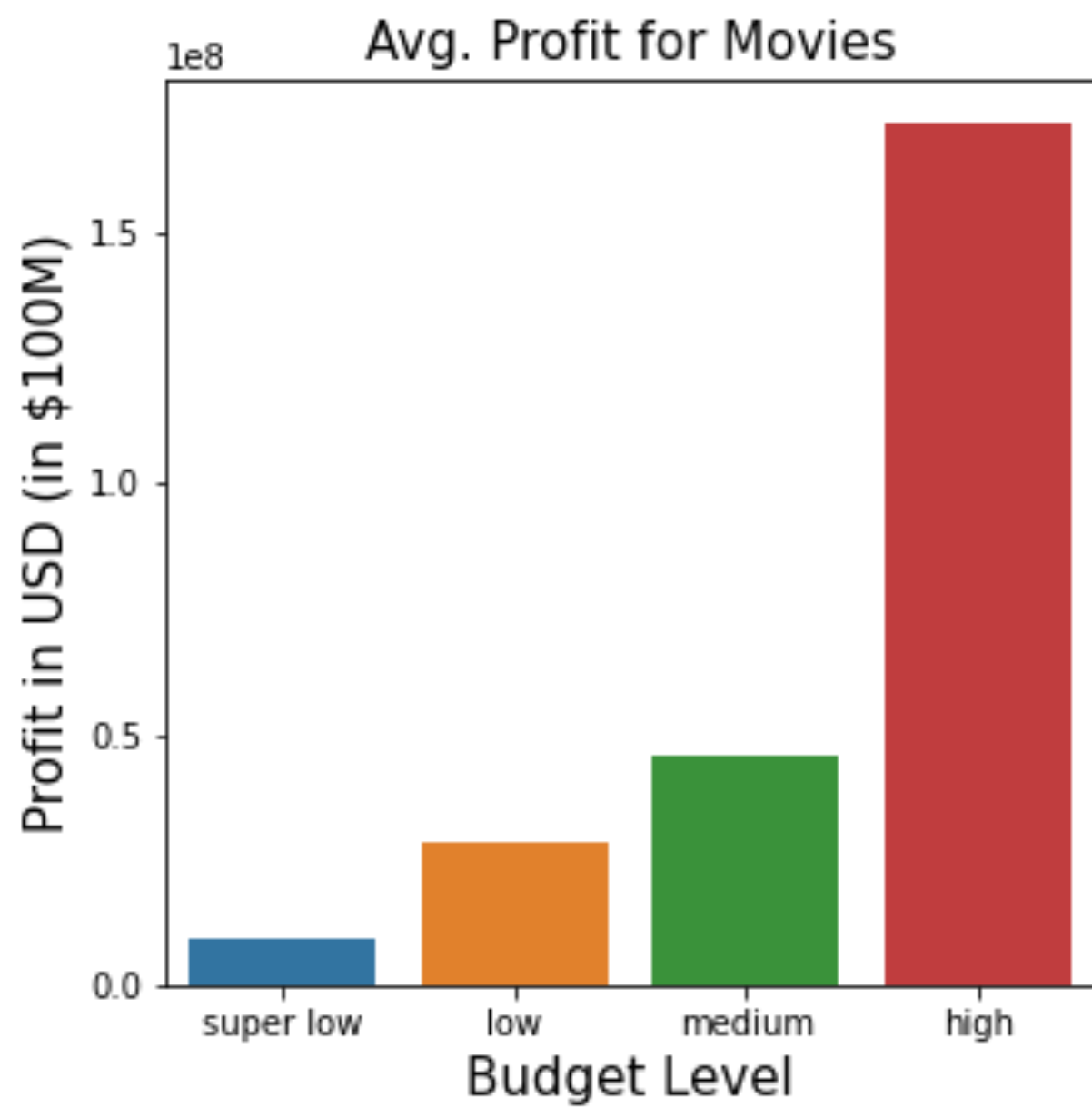
 Medium: 50<sup>th</sup> ~ 75<sup>th</sup> percentile

 High: 75<sup>th</sup> ~ 99<sup>th</sup> percentile

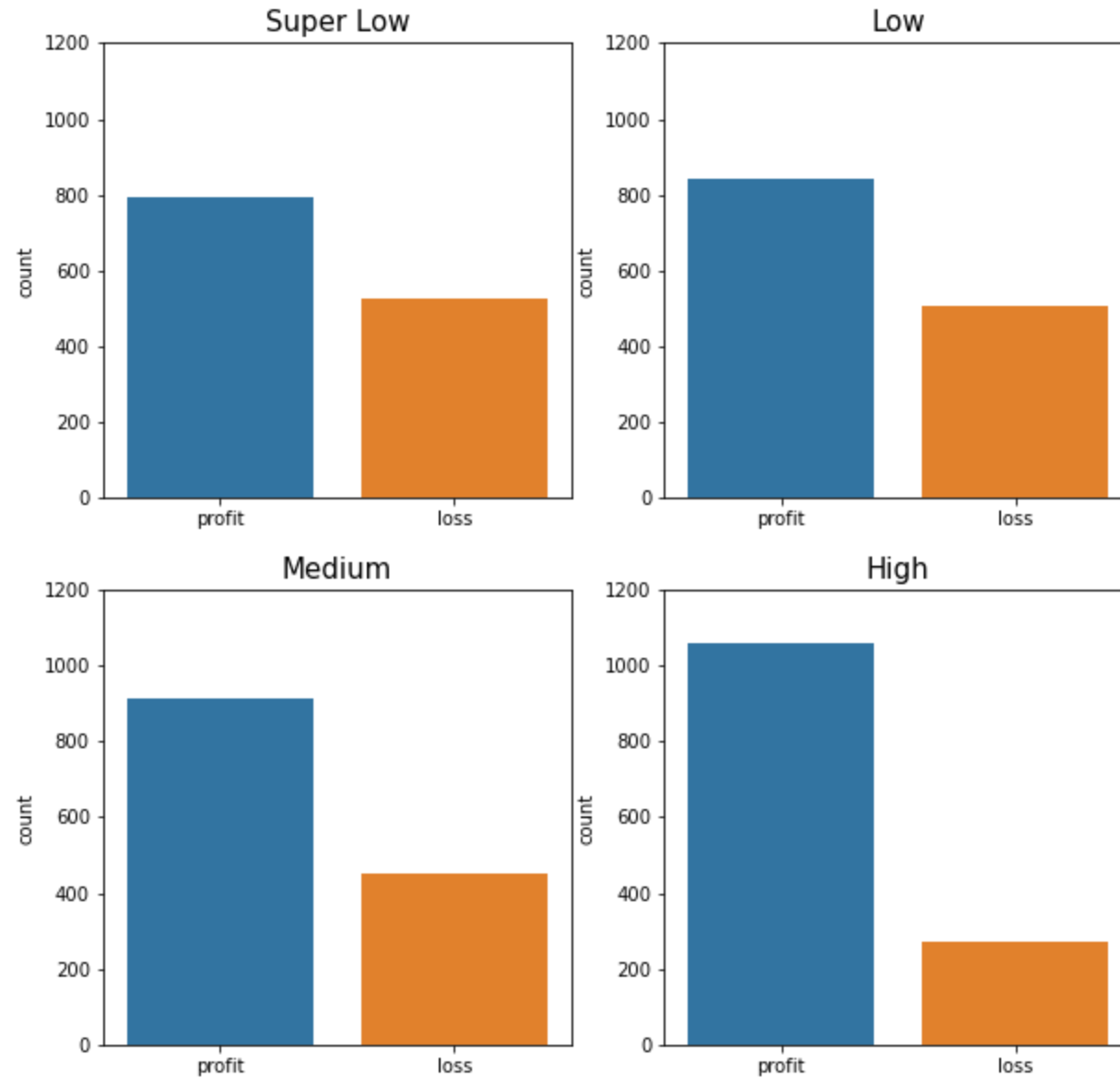
# Return on Investment

---

$$\text{ROI} = \frac{\text{Profit(or Loss)}}{\text{Budget}}$$

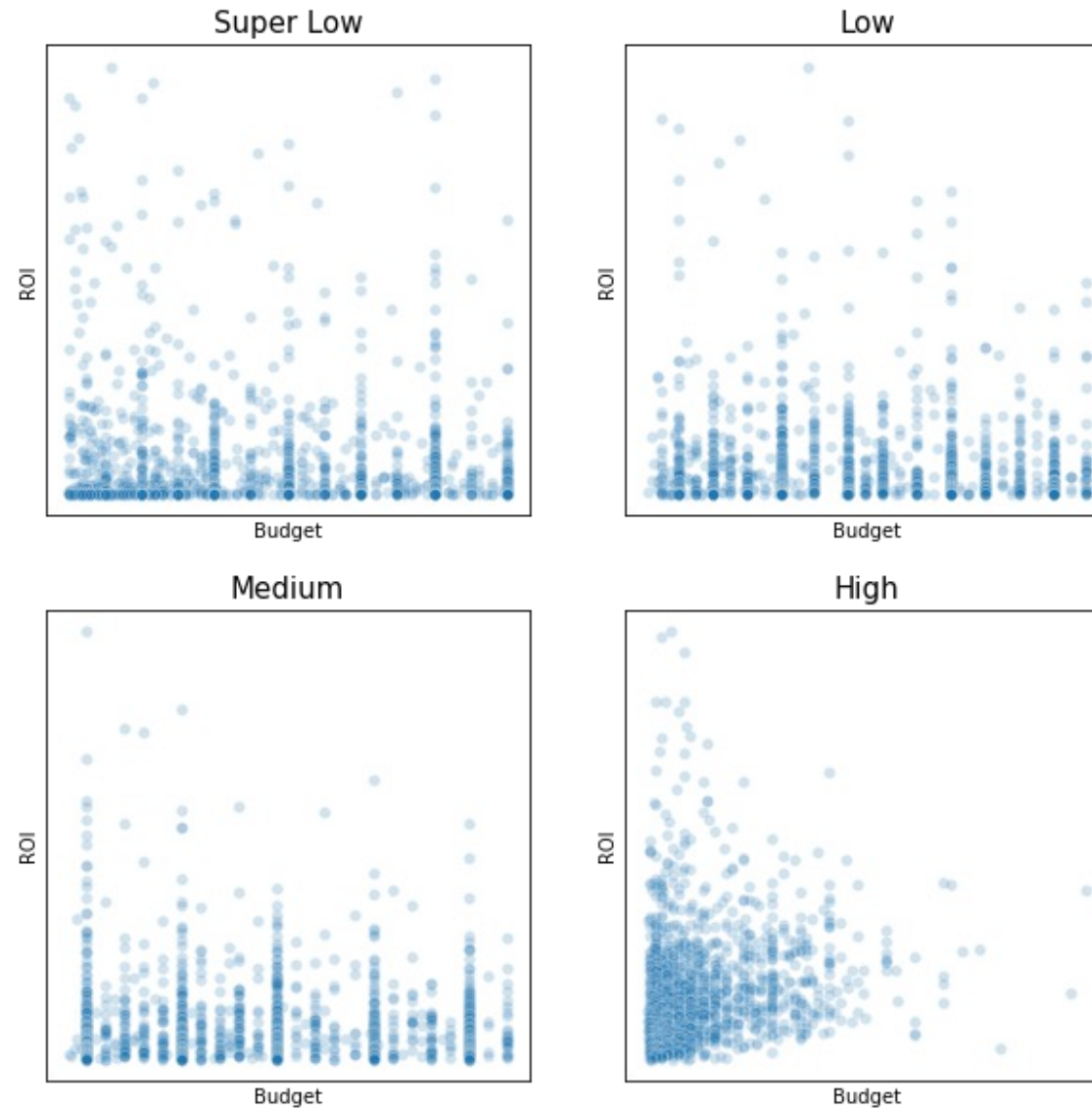


## Count of Profit/Loss Movies (on different budget classes)



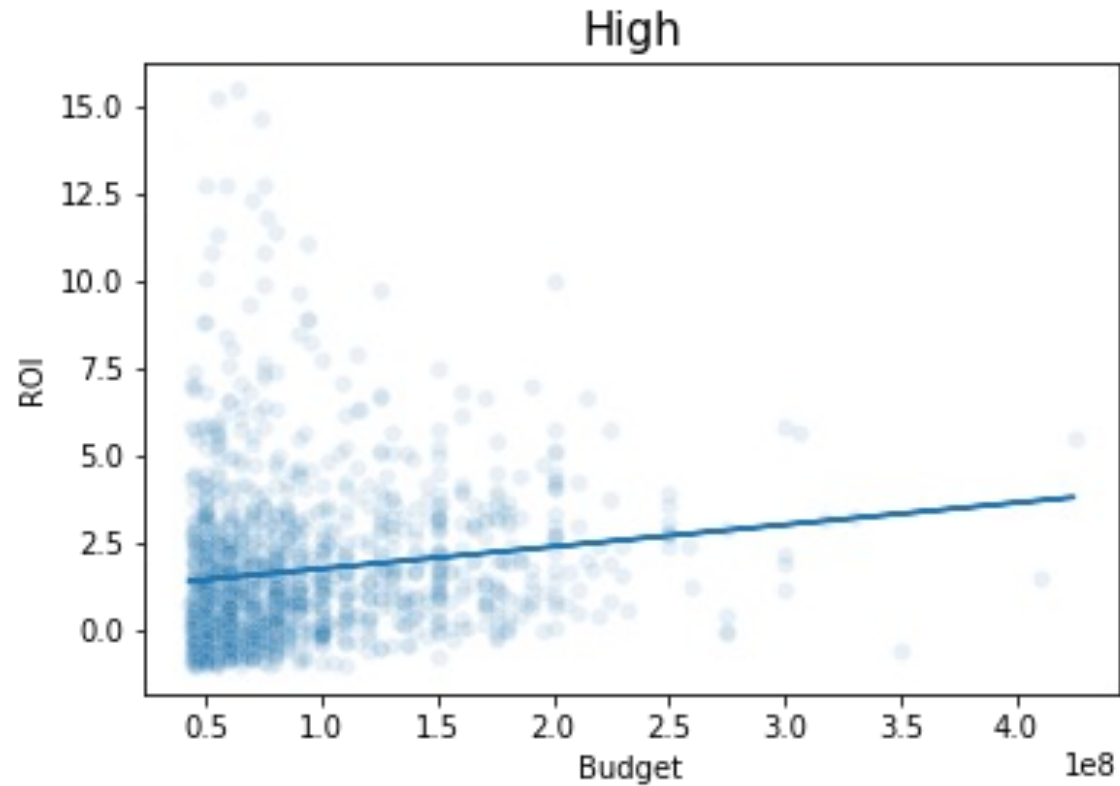


## Relationship between Budget and ROI (on different budget classes)



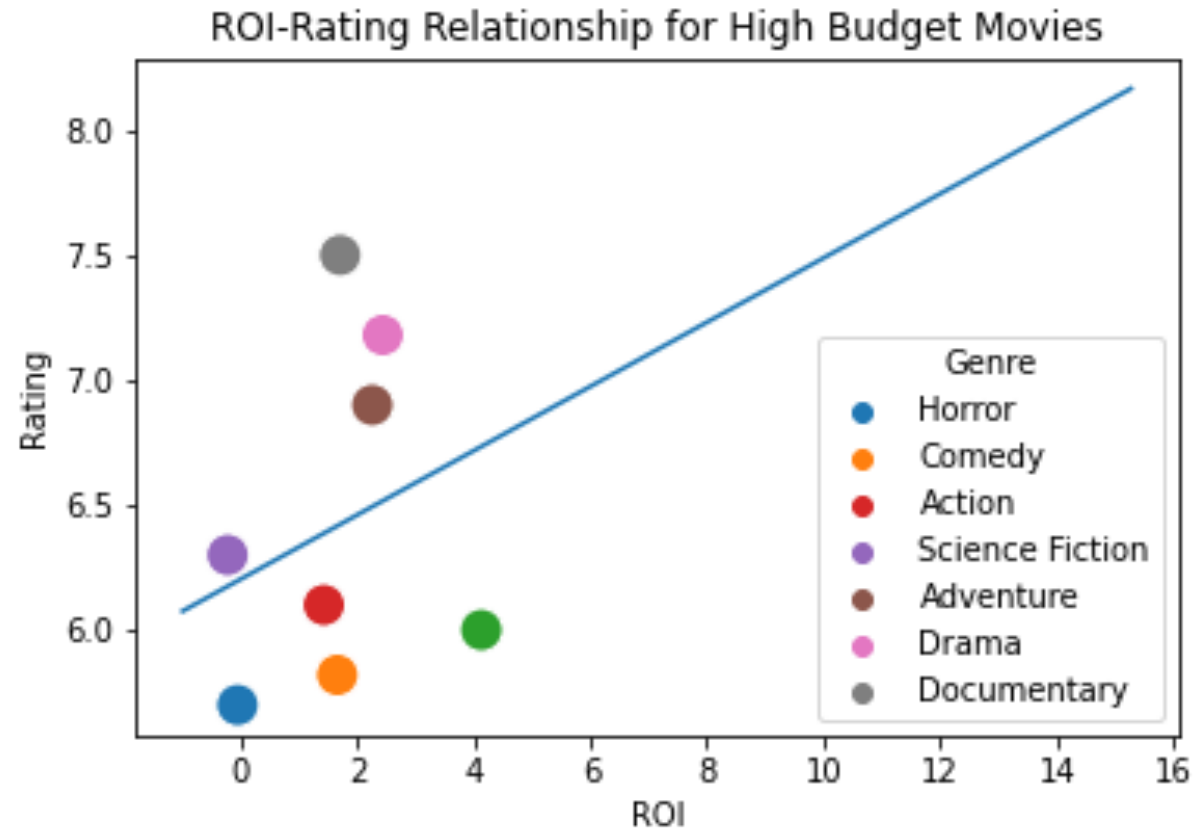
# Only Positive Correlation

---



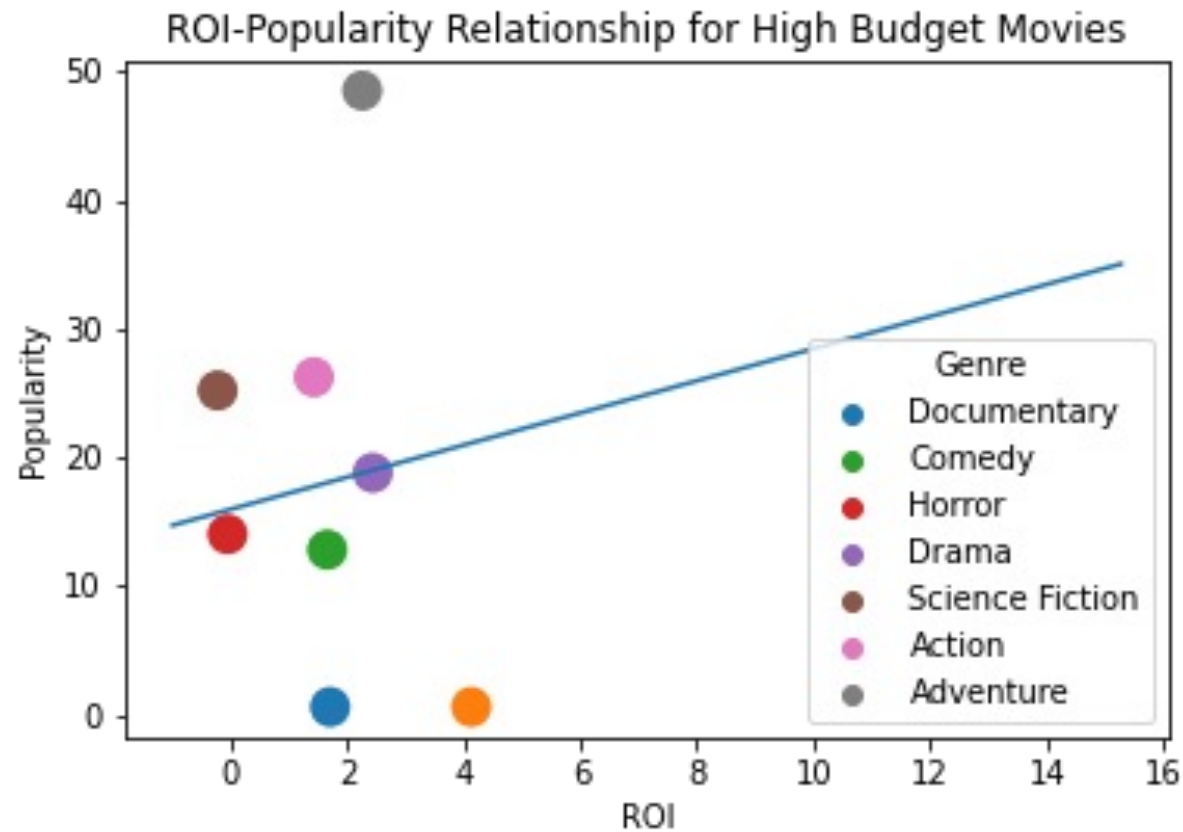
# What Genre is an investment?

---



# What Genre is an investment?

---



# Recommendations

---

- Focus only on making high-budget original contents because size of success will be far greater while risk of failure are significantly lower.
- Within high-budget contents, increasing budget generally yields greater return ratio. When faced with a decision of making more investment for clear better content, go for it.

# Recommendations (contd.)

---

■ Success and failure of a movie in a streaming platform cannot be measured by collection individual financial performances alone. Some high-quality contents can satisfy viewers and build loyalty without making much money. Documentary is an example of such category. See it as a form of investment despite poor ROI.

# If I had more time..

---

 Explore more data

 Netflix Originals, and original contents from other platforms such as Hulu or Disney+

**Questions?**



# Thank you for your time

---

■ E-mail: [jaeheonk817@gmail.com](mailto:jaeheonk817@gmail.com)

■ LinkedIn: <https://www.linkedin.com/in/jae-heon-kim-5a9b88148/>

■ Blog URL: <https://medium.com/@jaeheonk817>

■ Github: <https://github.com/jaeheonk817>