

Microsoft Movie Studio: A Romance to Make Millions

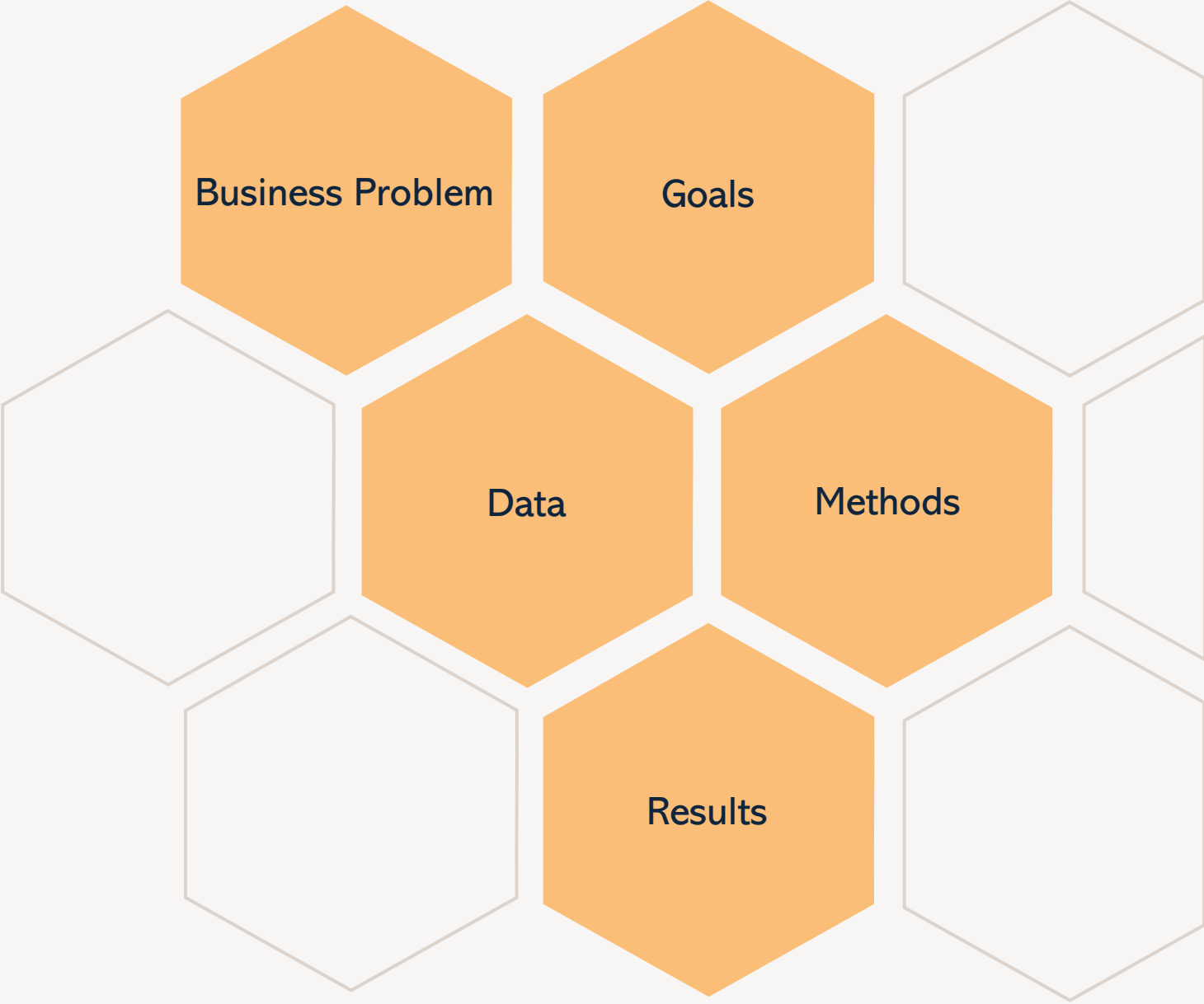
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Agenda

Presentation Title



Business Problem

Microsoft is interested in entering the movie business but with little experience. Our job is to help them figure out how can they best approach making a studio in order to ensure a profit.





**BIGGEST
RETURN ON
INVESTMENT**

Primary goal

The Data



Box Office Mojo

An American website that tracks box-office revenue in a systematic, algorithmic way

Gross Income
Years
Production Budget



The Numbers

Provides detailed movie financial analysis, including box office, DVD and Blu-ray sales reports, and release schedules

Gross Income
Years



Rotten Tomatoes

An American review-aggregation website for film and television.

Genres
Ratings
Critic Rating

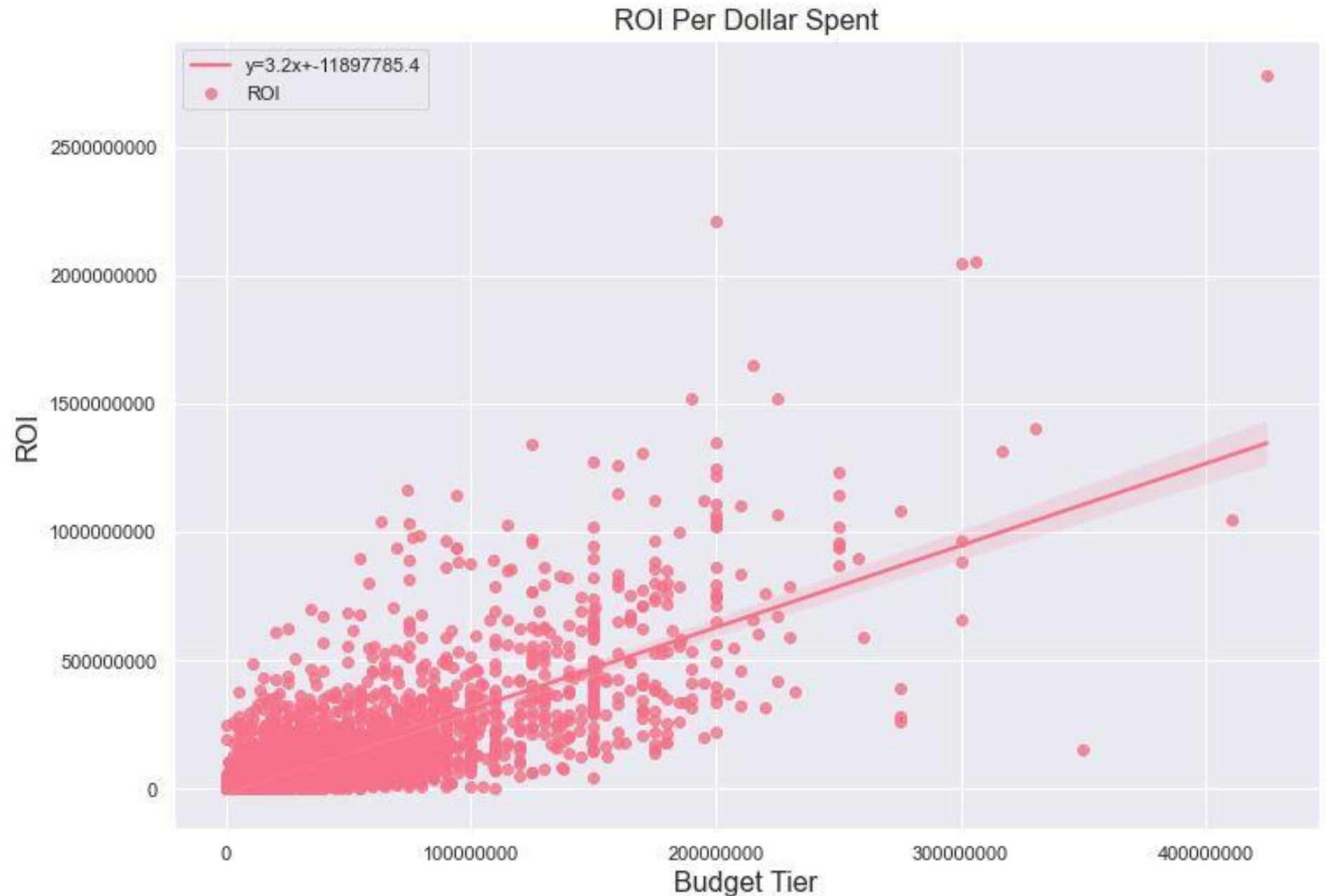
ROI

Appears to be correlation between production budget and gross income

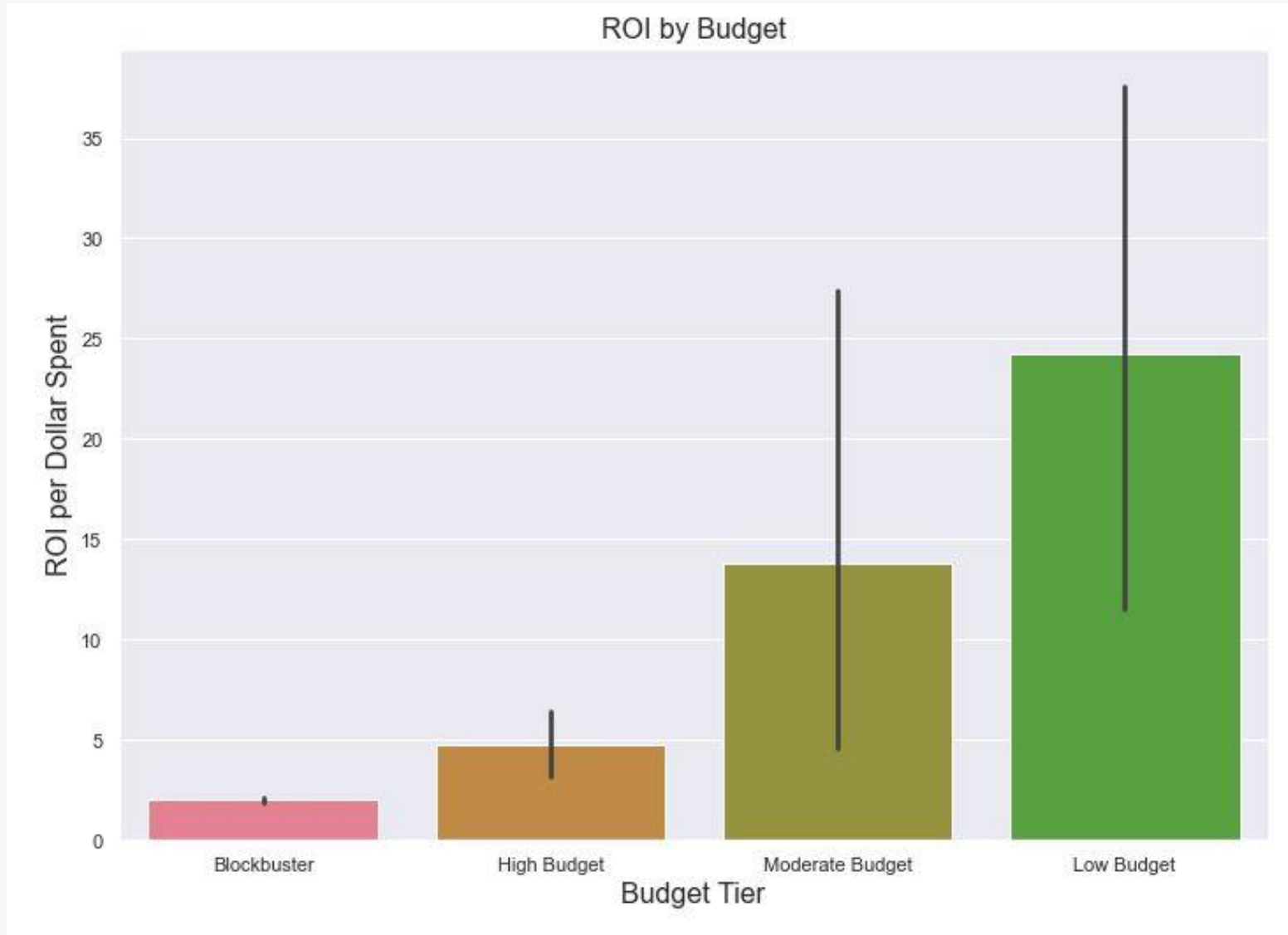


ROI on Dollar Spent

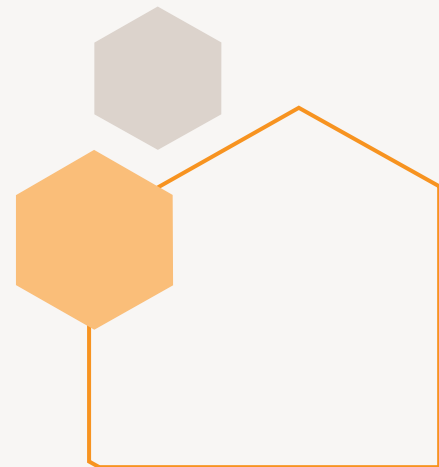
Linear regression indicates that for every dollar spent on budget, expect 3.2 dollars in return.



Budget Tier Variability

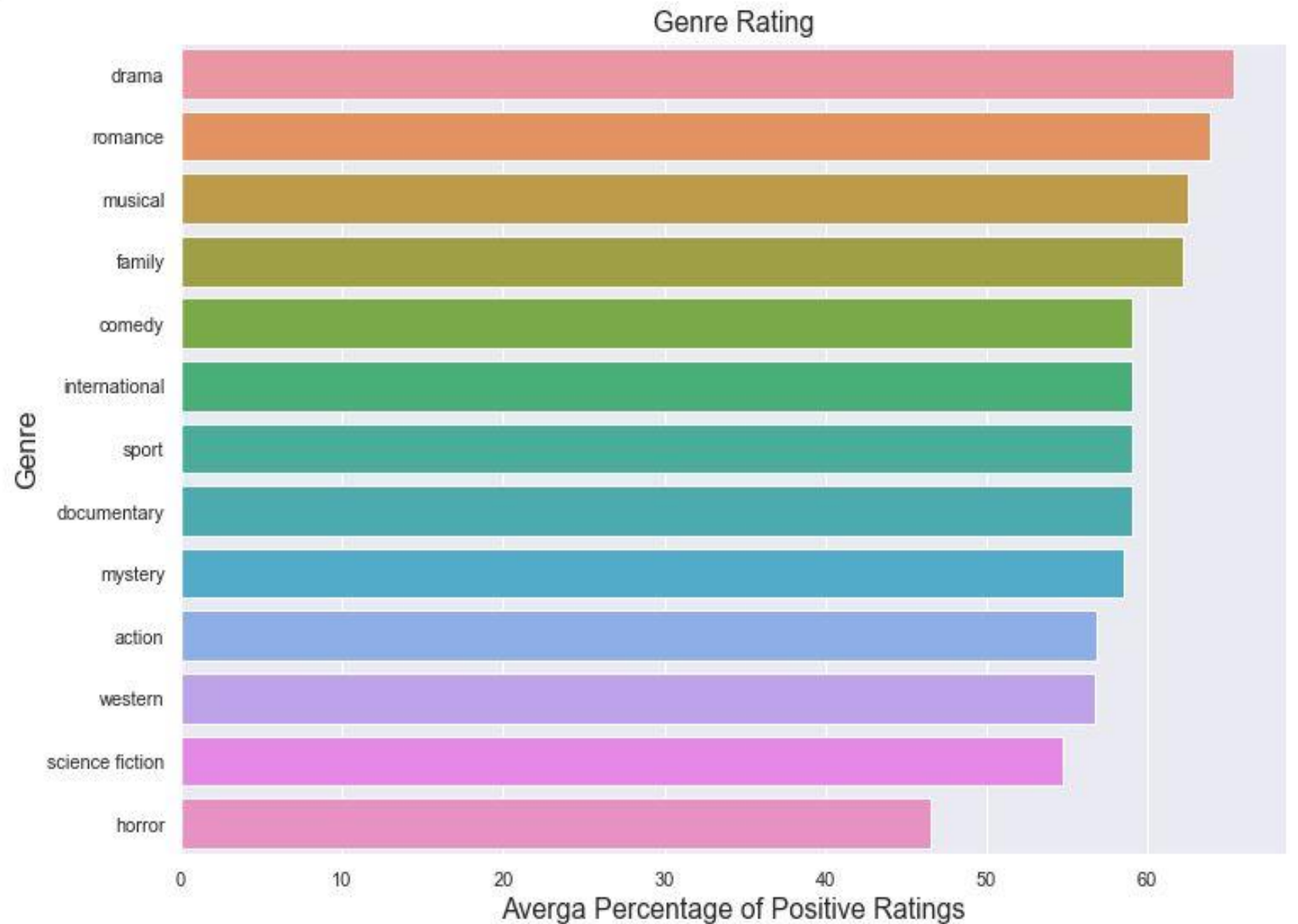


Smaller budget films have a higher risk/reward than larger budget films



critic_rating	
rating	
NR	8
G	19
PG	27
R	36
PG-13	45

Pg13 films, and the genres of drama, romance, musical, and family see, to be the highest rated.



Results



ROI

- The more money spent on production, the better the return on investment.
- Minimize financial risk by:



Budget Tiers

- Focus the majority of the spending budget on making large theatrical productions, “blockbuster” films.
- Feel free to sometimes take risks on smaller production films.
- Guarantee people will want to see the films by:



Critic Ratings and Genre

- Focus primarily on PG-13 and R rated films
- Focus primarily on the genre's of Drama, Comedy, and Musical

Summary

While we happily trust our analysis on the budget production, return on investment, and film tier, we are suspect of the conclusions involving genre. This is due to lack of data set. Given time constraints, we were not able to access a data set that connected genre, production budget, and gross income, which means we cannot actually draw any correlation between genre type, critical review, and ROI.





Thank you

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