### Movie Analysis for Microsoft

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### Why I'm Here



### **Questions to Answer:**

- 1. What Movie Types are Successful?
- 2. How do we measure that Success?
- 3. What Movie Types Should Microsoft Make?
- 4. How much should Microsoft Budget?



### Answering the Questions

**Define Success** 

Measure recent movies by Success.

Find the genres associated with Success.



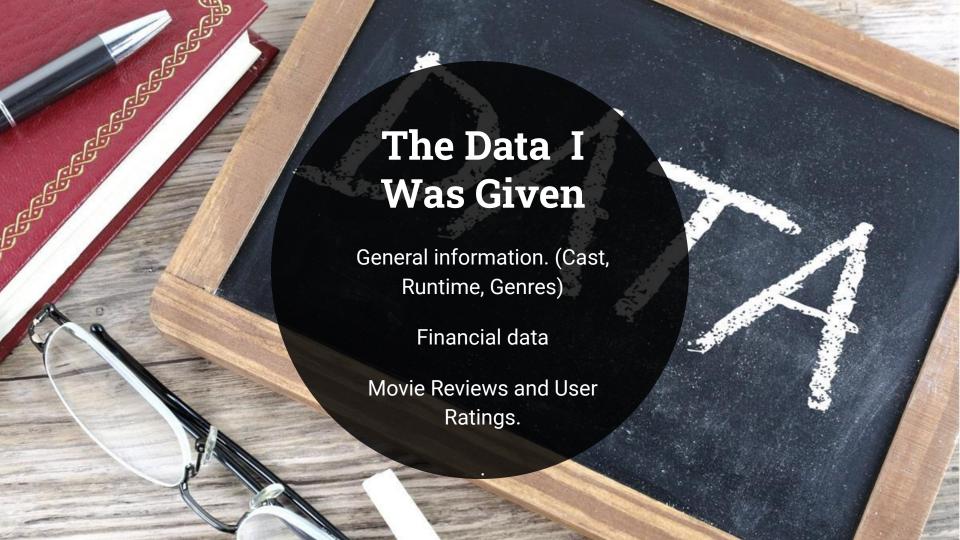
### This is Success

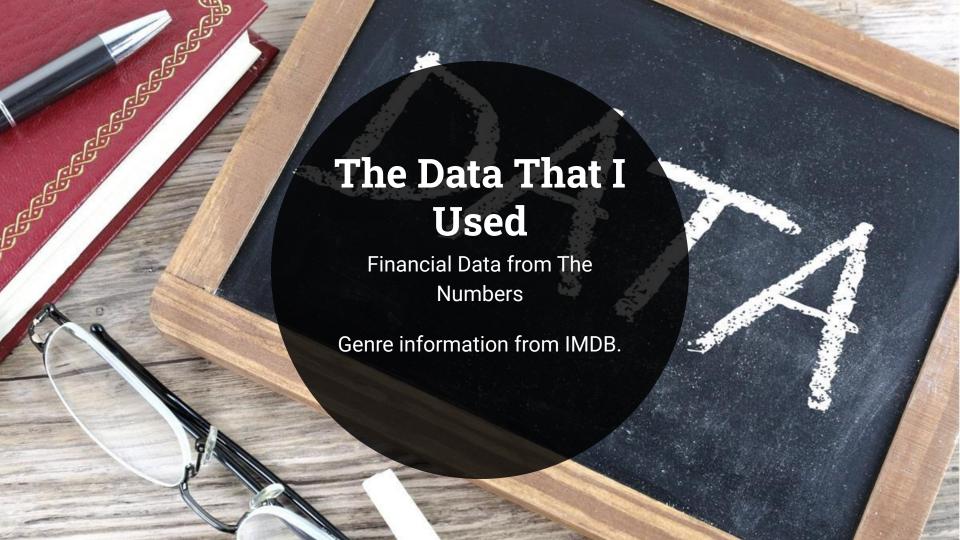
#### **Solid Floor**

Movies that have a very high probability of breaking even.

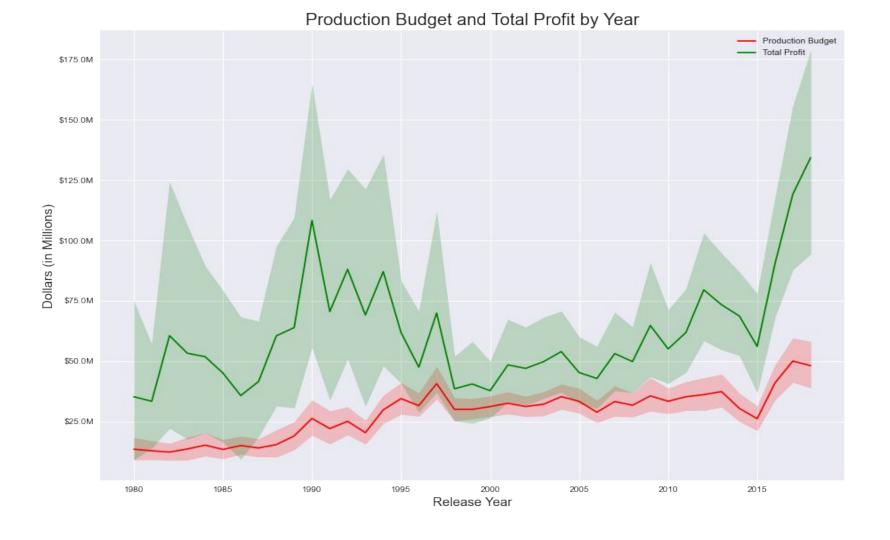
### **High Ceiling**

Movies with a very high potential of making large profits and/or a significant return on investment.









### What Types of Movies Were Made? SCENE **ROLL TAKE** DATE SOUND PROD.CO. **DIRECTOR CAMERAMAN**

#### **Most Common Genres**

Drama

Comedy

Action

Adventure

**Thriller** 

Also Top 5 for Profit & ROI

## Learn from the Best and the Worst





**Do This** 

Emulate The top 500 Most Profitable Movies.

**Avoid This** 

Avoid the mistakes of movies that lost money.

### **Contrast of Top 500 Profit Performance and Profit Loss**



## What Happens when We look at Success Rates per Genre?

# Of Animation Films Break Even

Of Animation Films
Were in Top 500 Profit

# Of Adventure Films Break Even

Of Adventure Films
Were in Top 500 Profit

### Other Genres to Consider

	<u>% in Top 500</u>	Break-Even Rate
Sci-Fi	60%	68%
Fantasy	58%	74%
Action	56%	68%
Family	53%	73%
Comedy	49%	70%
Mystery	45%	69%

### Recommendation #1

**Primary Focus on Animation & Adventure.** 

Secondary Focus: Fantasy, Family, Comedy, Mystery, Sci-fi, and Action

### **Budget**

**Low Budget** 

Avg. Budget Range: \$3M to \$5M

Avg. Profit: \$22M to \$42M

**Avg. ROI: 8x - 15x** 

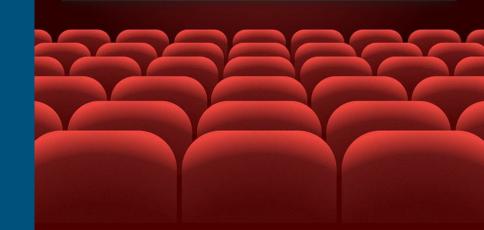
**Big Budget** 

Avg. Budget Range: \$110M - \$170M

Avg. Profit: \$500M - \$750

Avg. ROI: 4x - 6x





### Recommendation #2

Focus on Big Budget Movies

### Recommendation #3

Strategically Use Low Budget Movies to Diversify your Genres

### **Top Low Budget Genres**

	Top 500 Rate	Break-Even Rate
Comedy	49%	70%
Mystery	45%	69%
Thriller	39%	61%
Romance	34%	65%
Horror	30%	56%
Drama	26%	57%

### Summary

- 1. Primary Focus on Animation & Adventure.
  - Secondary Focus: Fantasy, Family, Comedy, Mystery,
     Sci-fi, and Action

- 2. Primary Focus on Big Budget Movies
  - Avg. cost \$110M to \$170M

- Strategically Use Low Budget Movies to Diversify your Genres
  - o Comedy, Mystery, Thriller, Romance, Horror, & Drama

Thanks for listening!

Any Questions?