

The Basic Problem

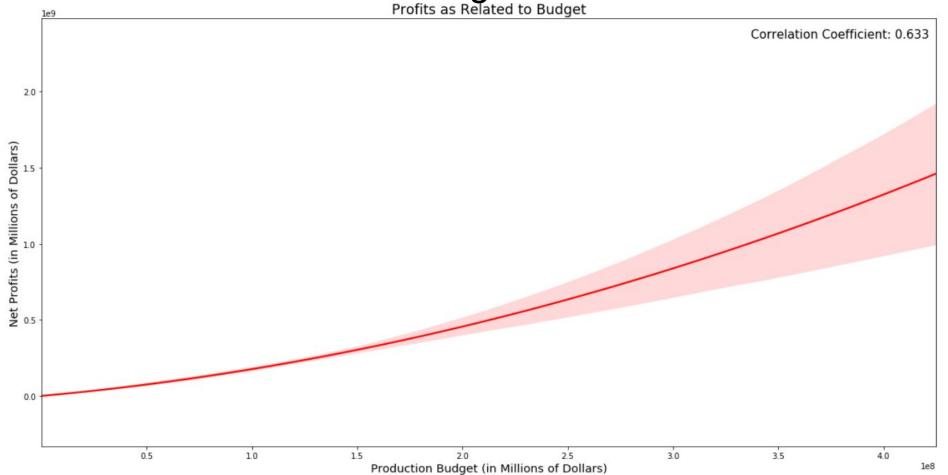
We need to decide what kind of movie to make for our first venture into cinema

The Questions

- 1. What kind of budget should we have?
- 2. Do ratings matter, or can we ignore them?
- 3. What genre of film should we make?
- 4. Who should our director be?
- 5. Who should our writer(s) be?



Question 1 - How does Budget relate to Profits? Profits as Related to Budget



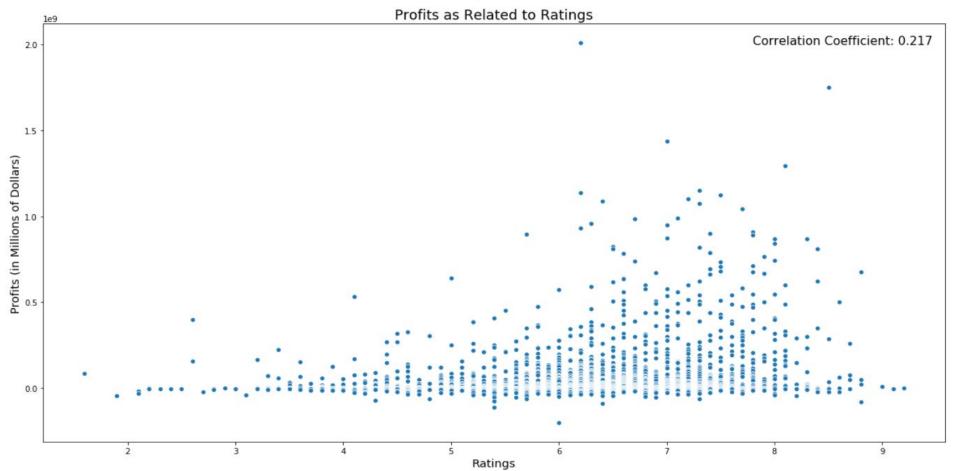
Question 1 Key Takeaways

Bigger budgets mean bigger profits

- Bigger budget means a bigger rate of return as well
 - this is especially true of budgets past \$3M

- We should plan on spending \$4M
 - this gives an expected rate of return between 25-40%

Question 2 - How do Rating relate to Profits?



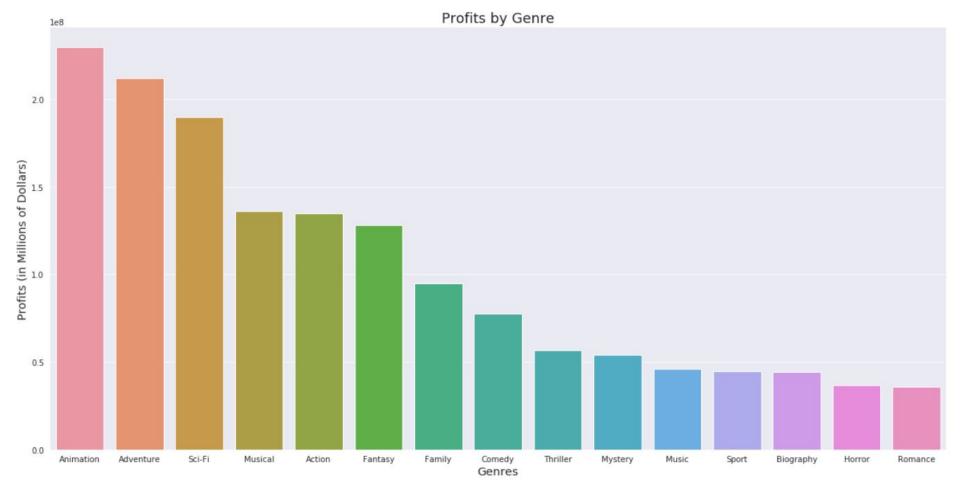
Question 2 Key Takeaways

- There is no meaningful connection between ratings and profits

- Any movie with a rating above 6 can turn a good profit

We don't have to worry about making the next masterpiece, just a solid film.

Question 3 - What Genres are most Profitable?



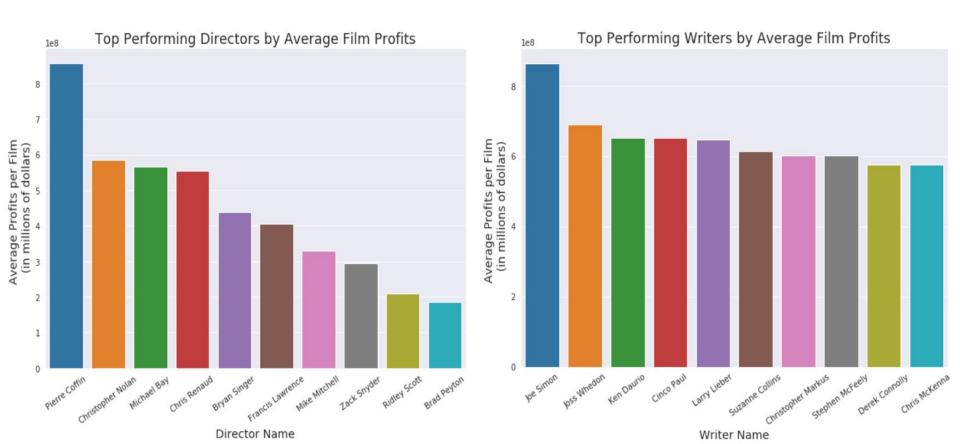
Question 3 Key Takeaways

- Animation, Adventure, and Science Fiction are the most profitable genres

We should make an animated science-fiction adventure

This plays into our strengths as a technology company - perhaps a film about Microsoft in the year 3000??

Question 4 & 5 - Who should our Director/Writer be?



Question 4 & 5 Key Takeaways

- The charts show the average profits of experienced writers and directors

- As director, we recommend Christopher Nolan or Michael Bay
 - Pierre Coffin has a higher average, but his work centers on children's movies

- As a writer, we recommend Joe Simon or Joss Whedon
 - both are experienced and work in the right genres

Summary and Next Steps

- Our movie in brief:
 - \$4M budget
 - Animated Sci-Fi Adventure
 - Directed by Christopher Nolan
 - Script by Joe Simon

Next Steps

- Look at social media data to see if social media influence of crew members impacts profitability, especially if they are not otherwise affiliated with cinema
 - if yes, let's get Bill Gates involved
- Look at social media data to investigate whether or not movie buzz needs to be positive to increase productivity. Adjust marketing strategy accordingly.

