Microsoft Studios New Movie Recommendation
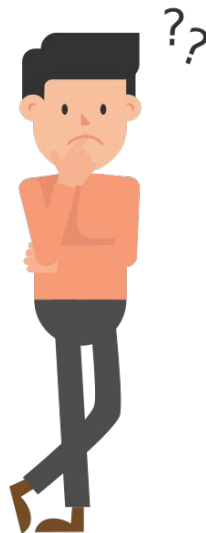
The Basic Problem

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?

Profits as Related to Ratings

Correlation Coefficient: 0.217
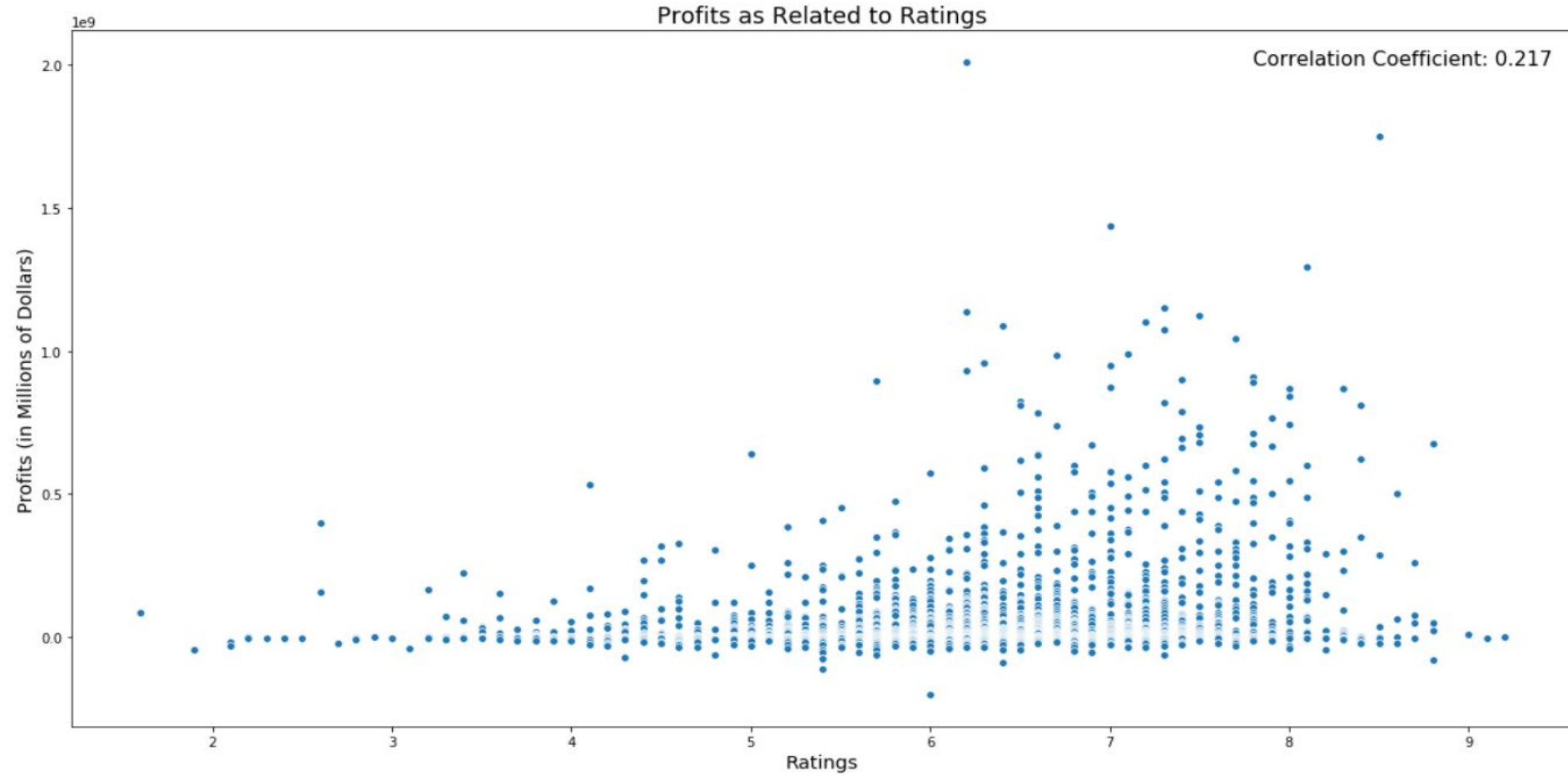
Question 2 Key Takeaways

- 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.

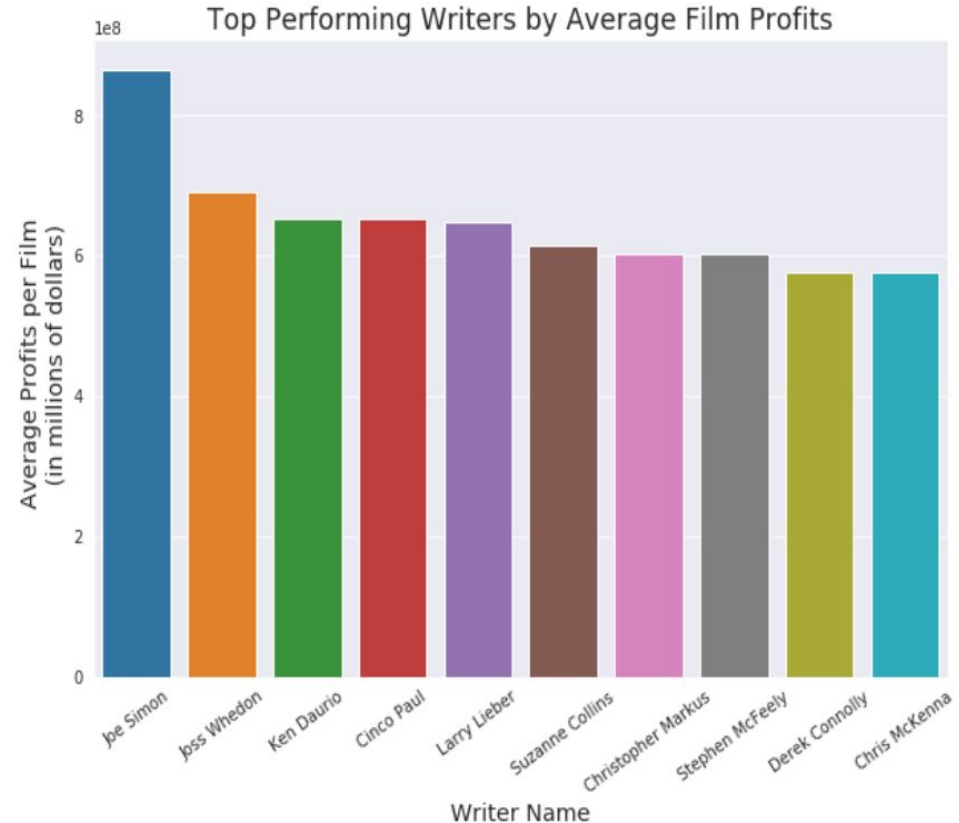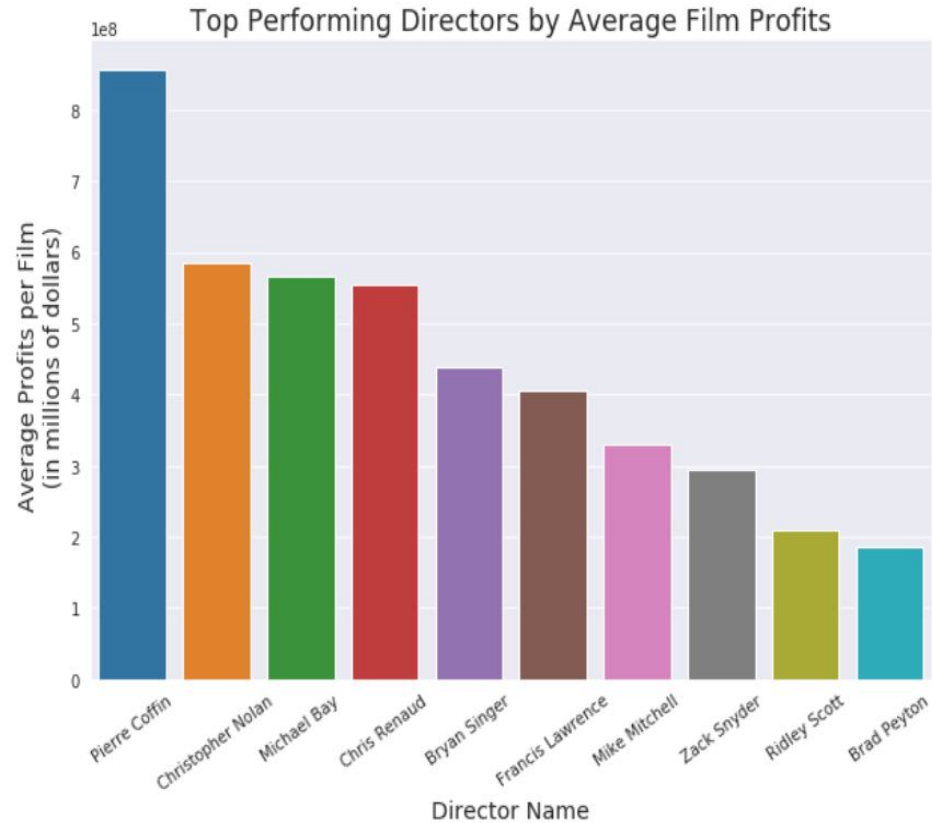# Question 3 - What Genres are most Profitable?

Profits by Genre
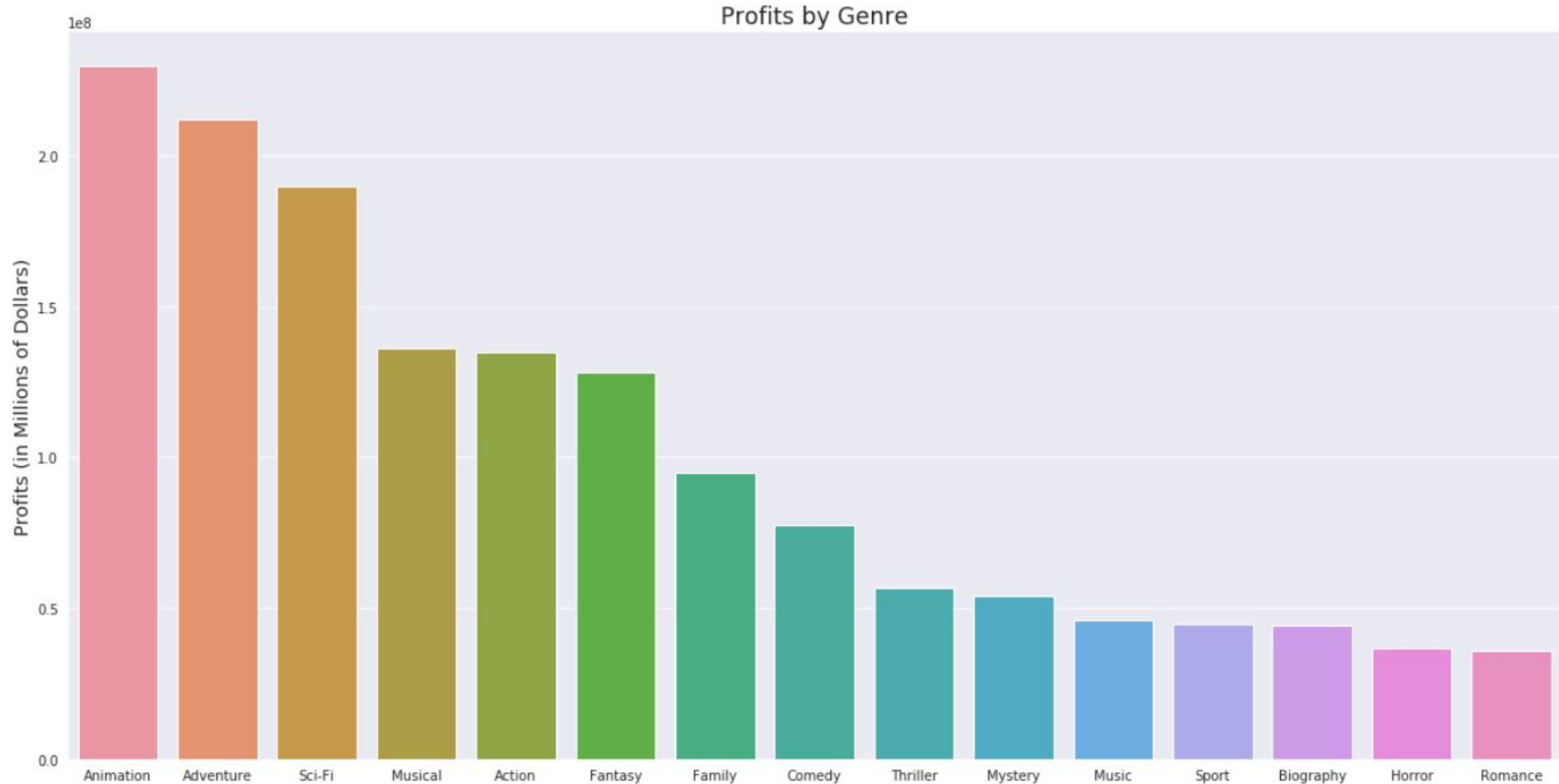
Question 3 Key Takeaways

- 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?

Top Performing Directors by Average Film Profits
Top Performing Writers by Average Film Profits

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.

Thank you