



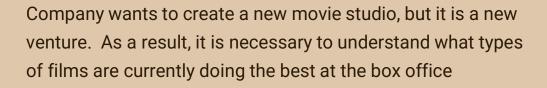
Agenda

- 01 Introduction
- **02** Data
- **03** Modeling
- **04** Recommendations and Conclusions
- **05** Next Steps

Introduction



Company Expansion





Relationships

Examined the following linear relationships:

- Runtime vs. Production Budget
- · Runtime vs. Net Profit
- Production Budget vs. Net Profit

Data



- · Sources of the Data
 - 1 Internet Movie Database (IMDb)
 - 2 Box Office Mojo
 - 3 Rotten Tomatos
 - 4 The Movie Database
 - 5 The Numbers

- Sources of the Data
 - 1 Internet Movie Database (IMDb)
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- Winners
 - IMDb → Runtime Minutes
 - The Numbers → Production Budget, Domestic Gross, Worldwide Gross

Data Preparation

- Step 1: Merged the IMDb and The Numbers datasets together
- Step 2: Created a new variable Net Profit
 - Worldwide Gross --- Production Budget = Net Profit

Data Preparation

Descriptive Statistics

Runtime (Minutes)	
Count	1,521
Mean	106.72
STD	19
Minimum	4
25%	94
50%	105
75%	117
Max	180

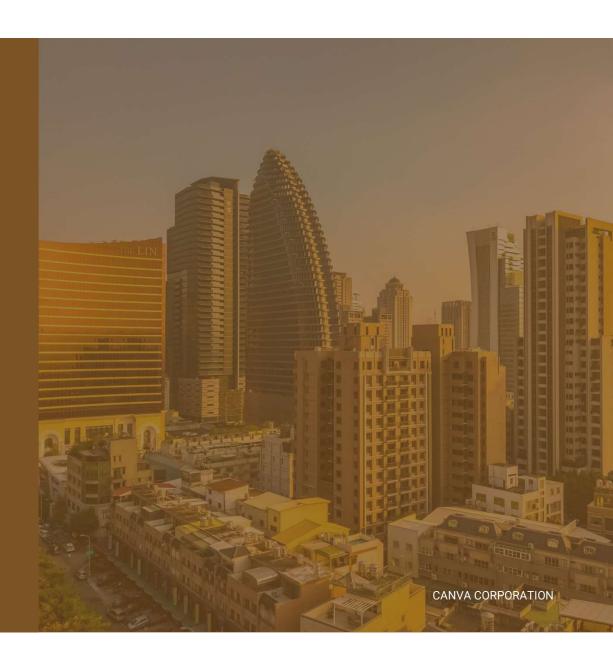
Budget (Dollars)	
Count	1,521
Mean	44,813,700
STD	56,119,070
Minimum	15,000
25%	8,000,000
50%	22,000,000
75%	55,000,000
Max	410,600,000

Net Profit (Dollars)		
Count	1,521	
Mean	96,452,060	
STD	192,729,600	
Minimum	-200,237,600	
25%	-736,060	
50%	22,651,860	
75%	105,763,400	
Max	1,748,134,000	

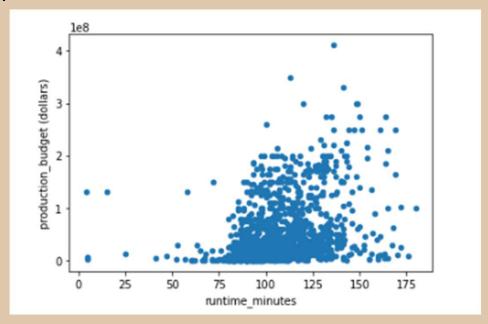
Budget = Production Budget

STD = Standard Deviation

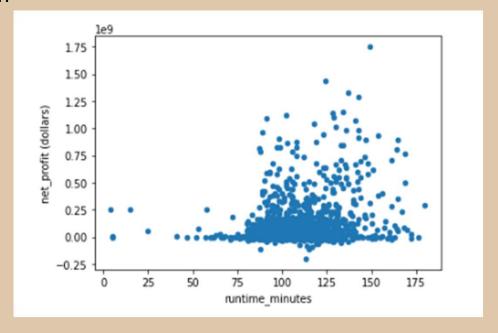
Modeling



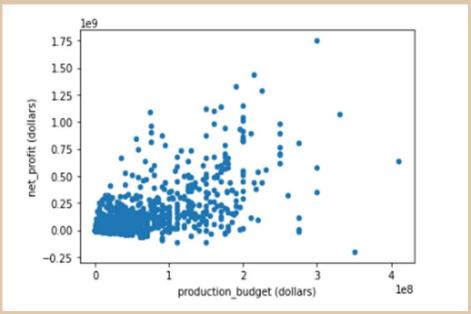
- Runtime vs. Production Budget
 - Weak Correlation



- Runtime vs. Net Profit
 - Weak Correlation



- Production Budget vs. Net Profit
 - Strong Correlation



- Production Budget vs. Net Profit
 - Model

• Net Profit = 2.2875 (Production Budget) + -5,300,000

Recommendations and Conclusions



Recommendations and Conclusions

• 1 - Runtime vs. Production Budget

• 2 - Runtime vs. Net Profit

• 3 – Production Budget vs. Net Profit

Next Steps



Next Steps

1 - Refine Financial

Metrics

- DVD Sales
- Streaming Sales
- Multiple Releases
- Intangible Assets

2 - Other Attributes

- Genre
- Movie Studio
- Language

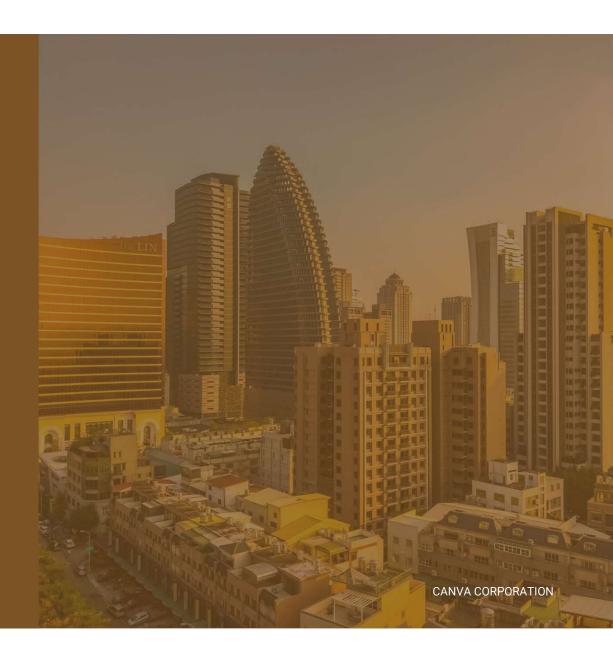
3 - Other Relationships and Models

• Logistic Regression





Appendix



Appendix

- What is the Most Profitable Movie Ever? What Is the Most Profitable Movie Ever? (hollywoodreporter.com)
- Blade (Wikipedia) Blade (franchise) Wikipedia
- Internet Movie Database (IMDb) IMDb: Ratings, Reviews, and Where to Watch the Best Movies & TV Shows
- Box Office Mojo Home Box Office Mojo
- Rotten Tomatos Rotten Tomatoes: Movies | TV Shows | Movie Trailers | Reviews | Rotten Tomatoes
- The Movie Database <u>The Movie Database (TMDB) (themoviedb.org)</u>
- The Numbers The Numbers Where Data and the Movie Business Meet (the-numbers.com)