

Rockbuster Stealth



Business Strategy Plan, Online Video Services

Research conducted by Kirstin Helgeson

“Facing stiff competition from streaming services such as Netflix and Amazon Prime, the Rockbuster Stealth management team is planning to use its existing movie licenses to launch an online video rental service in order to stay competitive.”

- Rockbuster Stealth Management Team**

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1 - Movies: Which movies contributed the most/least to revenue gain?

2 - Rentals: What was the average rental duration for all videos?

3 - Customers: Which countries have the most customers and which countries have the most lifetime value customers?

4 - Finances: Do sales figures vary between geographic regions?

1 - Movies

Background Information



Total # of Movies: 1000

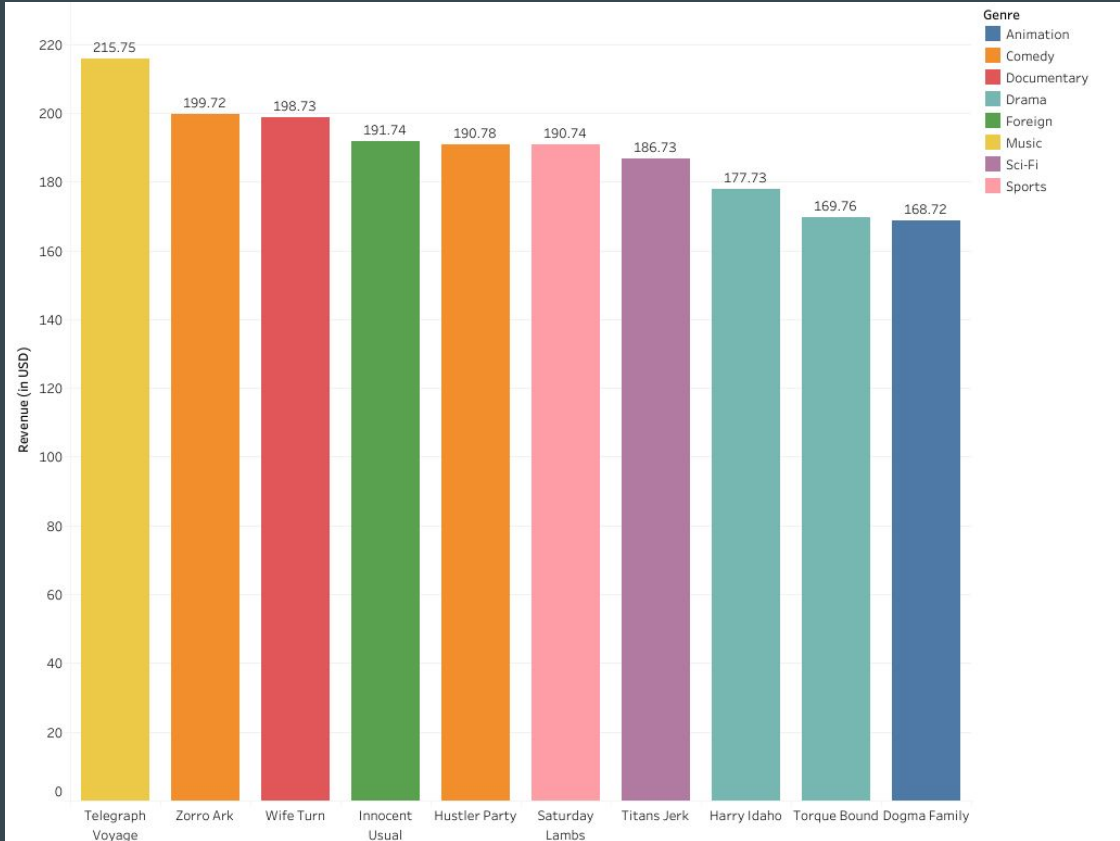
Rental duration: 3 - 7 days

Rental rate: \$0.99 - \$4.99

Movie ratings: G (178), PG (194), PG - 13 (223), R (195), NC-17 (210)

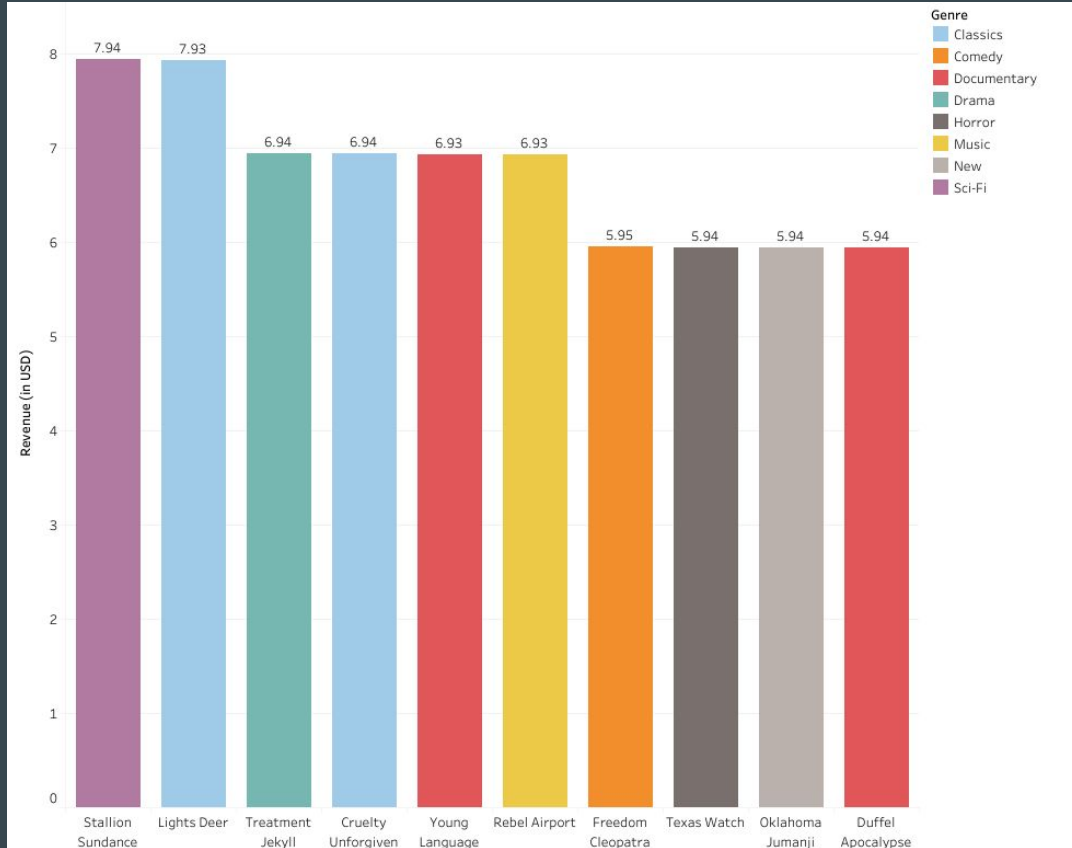
Movie genres: Action (64), Animation (66), Children (60), Classics (57),
Comedy (58), Documentary (68), Drama (62), Family (68), Foreign (73),
Games (61), Horror (56), Music (51), New (63), Sci-Fi (61), Sports (74),
Travel (57), Thriller (1)

Top 10 Movies Ranked by Revenue



The top 10 movies ranked by revenue gain are across different genres and have a \$4.99 rental rate. The most common genres are Comedy and Drama but not as a significant trend.

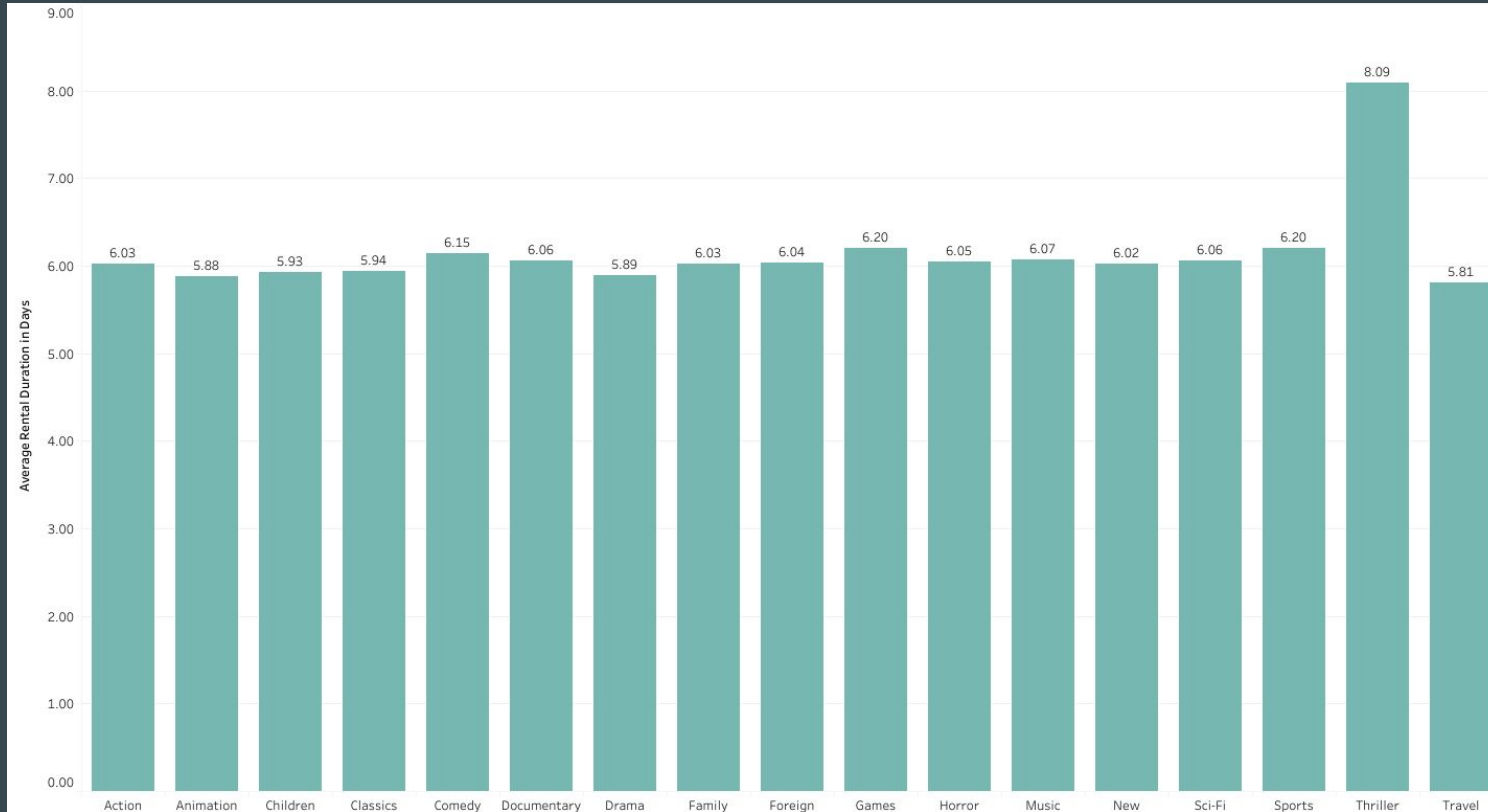
Bottom 10 Movies Ranked by Revenue



The bottom 10 movies ranked by revenue gain are across different genres and have a \$0.99 rental rate. The most common genres here are Classics and Documentaries but not as a significant trend.

2 - Rentals

Rental Duration by Genre



Average Rental
Duration: 6.03 days

Rental duration
varies with each
genre but Thrillers
are rented for
notably longer.

3 - Customers

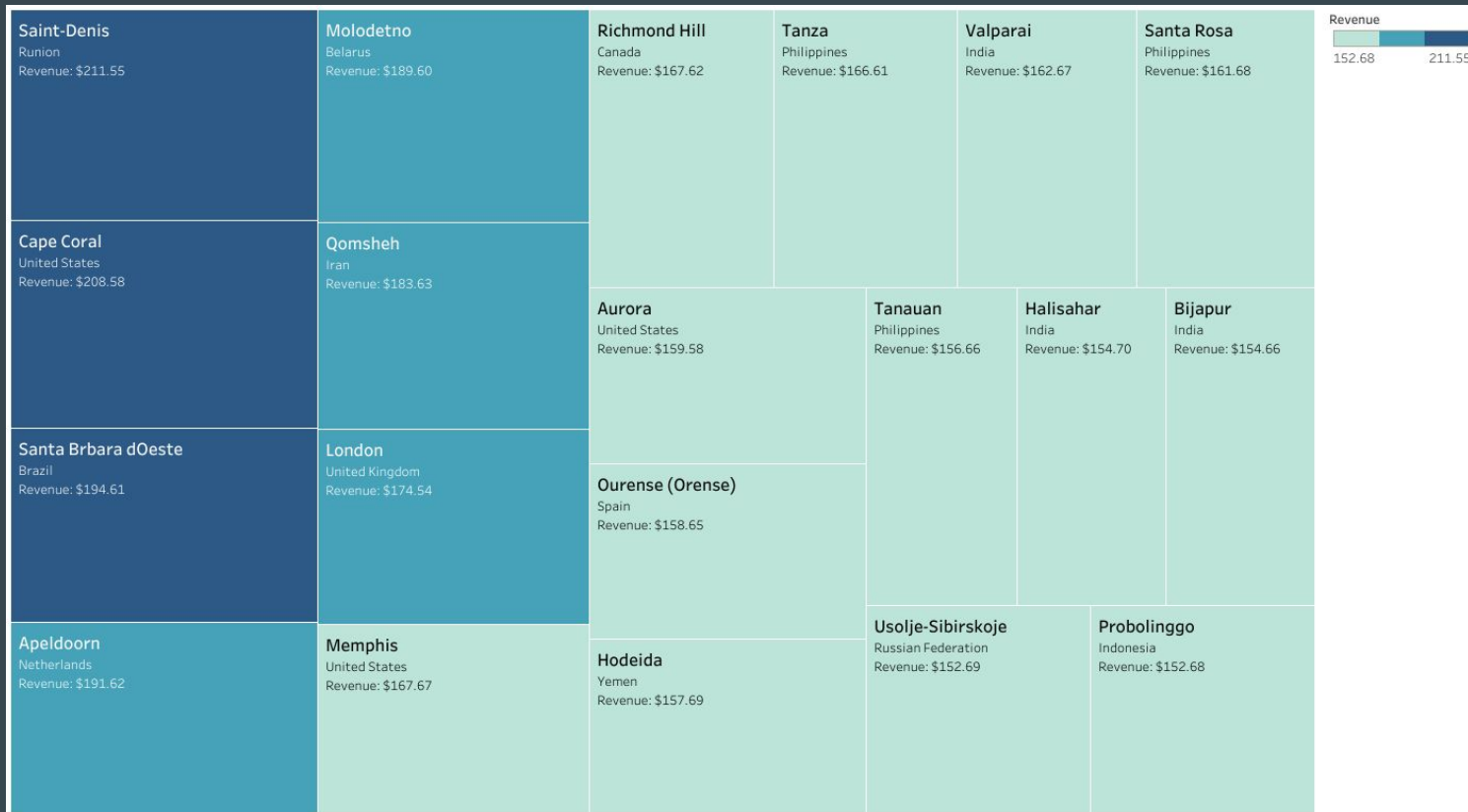
Geographic Distribution



Country	Customer Count
India	60
China	53
United States	36
Japan	31
Mexico	30
Brazil	28
Russian Federation	28
Philippines	20
Turkey	15
Indonesia	14

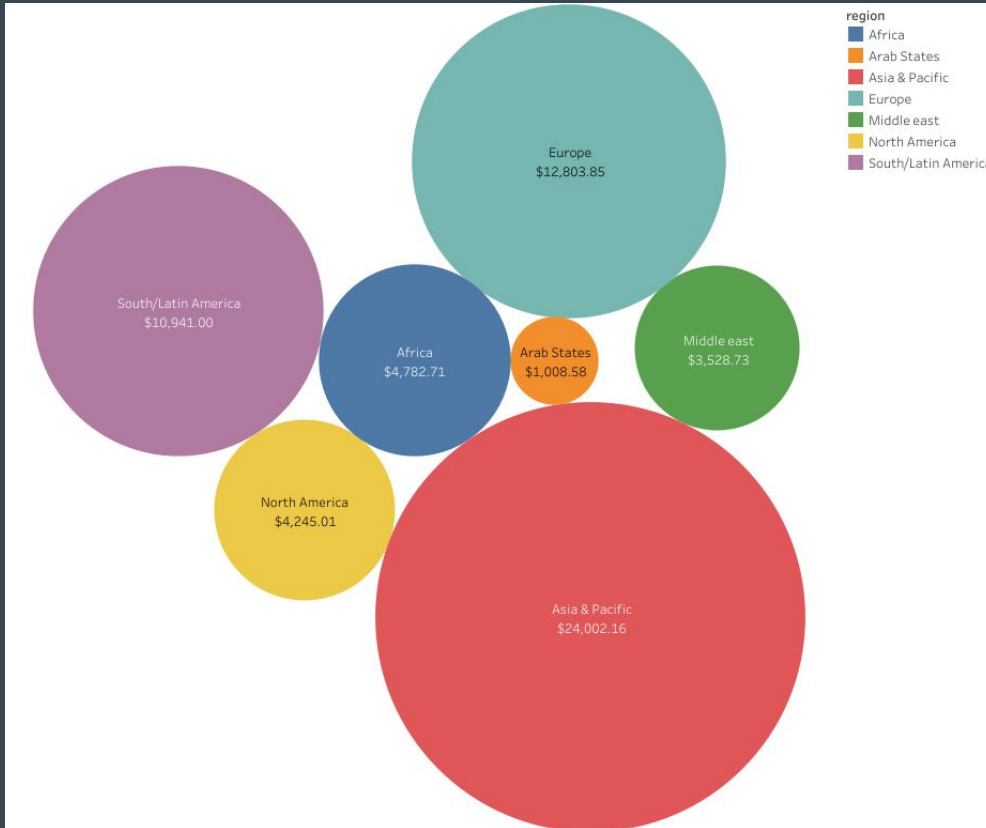
Top 20 High Lifetime Value Customers by City and Revenue

The top 5 cities with the most lifetime value customers are not all located in the top 5 countries where most customers live.



4 - Finances

Sale Totals Across Geographic Regions



Most of Rockbuster's revenue comes from Asia & Pacific, Europe, and South/Latin America.

Conclusions

- Rockbuster has mostly Sports and Animation movies in stock. Thrillers are rented for longer than other genres. The revenue generated by each genre is dependent upon rental rate and rental duration.
- The top 10 movies by revenue vary across different genres and are priced at a higher rental rate of \$4.99.
- The bottom 10 movies by revenue also vary across different genres and are priced at a lower rental rate of \$0.99.
- The average rental duration over all genres is 6.03 days.
- The top 5 countries with the majority of customers are India, China, the United States, Japan, and Mexico.
- The lifetime value customers contributing most to Rockbuster revenue are not always located in the countries with the majority of Rockbuster's customers. For example, Reunion, the Netherlands, and Belarus.
- Revenue for Rockbuster primarily comes from Asia & Pacific, Europe, and South/Latin America.

Recommendations

- Online rental movies should focus on specific movie titles with high demand rather than genres since there is no evidence to show that specific genres do better than others. Consider removing movies that do not generate as much revenue.
- Introduce a new pricing strategy in which shorter rentals (6 days or less) have lower pricing and longer rentals (more than 6 days) have higher pricing in order to maximize revenue while also encouraging customers to rent more often.
- Expanded loyalty programs or other personalized offers for Rockbuster's lifetime value customers, and maybe expand advertising to reach other regions since there are many lifetime value customers in cities that are not located in the countries that generate the most revenue.
- For our existing major market in Asia & Pacific, Europe, and South/Latin America, services should be tailored to better connect with these customers such as offering more language subtitle options and localized content.

Thank you for your time!

Tableau Visualization Link:

https://public.tableau.com/app/profile/kirstin.helgeson2221/viz/visuals_for_rockbuster_project/sales_by_region

Any additional questions or concerns can be sent to
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