

# Microsoft Movie Studios

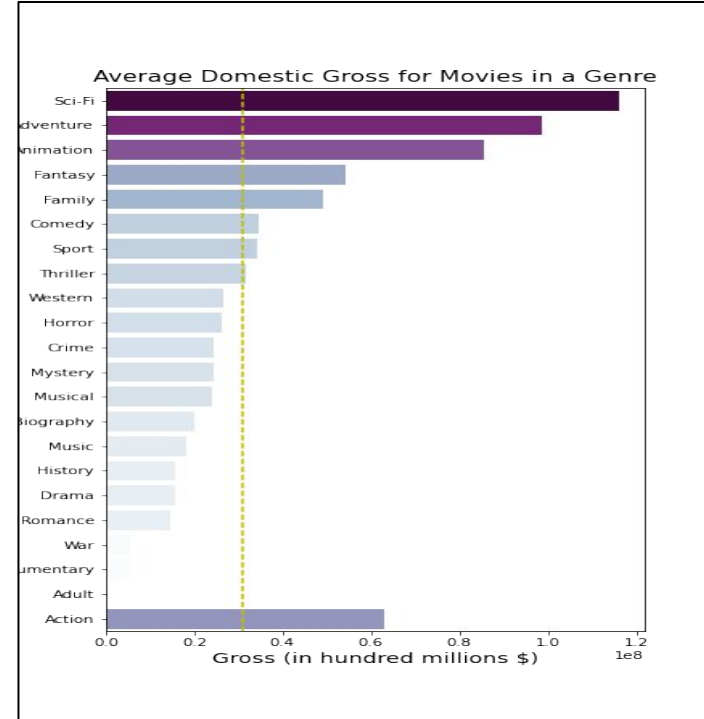
What makes a successful movie?

# Business Problem

- Making movies and shows is a risky business.
- Through diagnosing genre, profit margins, and critic scores I am able to form a risk assessment; what to do and what not to do.
  - Making the right investments

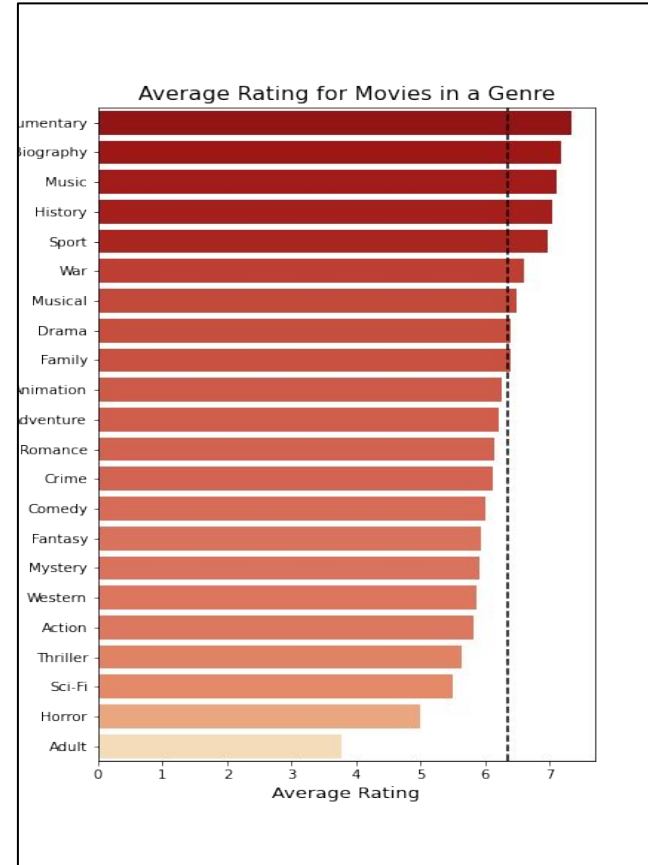
# Overall gross (domestic) per genre

- In film and television, genres are important because they create expectations.
- For a comedy we expect to laugh and for a horror we can expect to be scared.
- Each film genre creates its own emotion and set of expectations in the audience's mind.
- As seen in this chart, Sci-fi is the highest grossing film category.
  - Sci-fi – intellectual engagement through ideas that could be theoretically possible through science . (movies)
- Ultimate takeaway - Something that is exciting but also stimulating and thought provoking.
  - This doesn't exclude adventure, animation, or action. But it does indicate what to focus on.
  - Genre matters



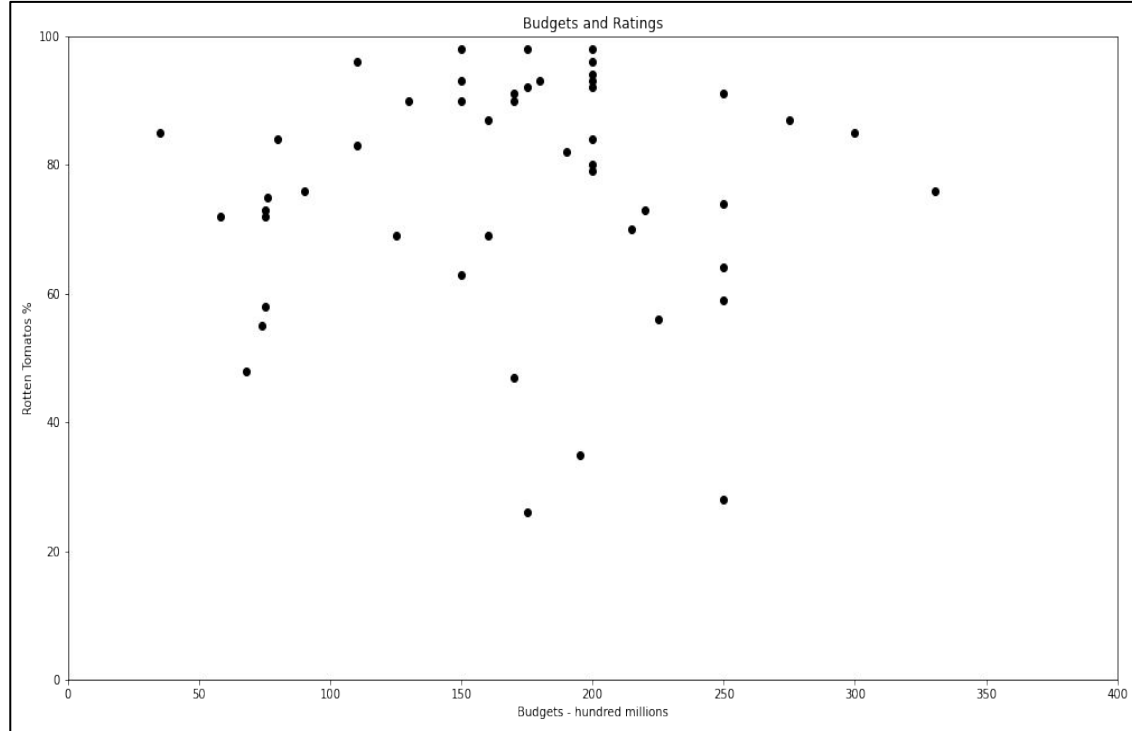
# Popular genres - ratings (based off imdb scale)

- Popularity can come from two different characteristics in films.
- One being popularity based of gross revenue.(big name movie)
- Then the other being critically acclaimed.
- When both are achieved it makes for a memorable movie that is widely known and appreciated.
- For this chart, Documentaries and Biographies are the highest rated. Even though they do not produce much profit, they can still be very entertaining.
  - They serve as powerful tools that bring important topics to the table in a captivating way that also sparks conversation.
  - Even though movies achieve popularity and high gross margins , they often times don't achieve as much depth as a documentary or a Biography can.
- For streaming platforms such as Amazon and Netflix, you can look at their array of options. It is both movies as well as shows, and documentaries.
- Options and diversity keep an audience entertained, ultimately contributing to customer loyalty and enjoyment.



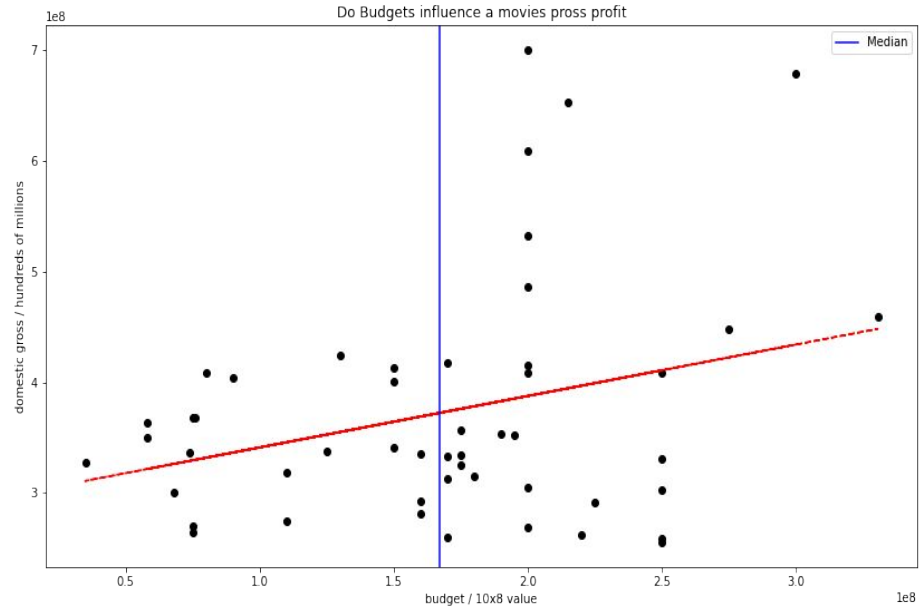
# Can budgets influence Rotten Tomato scores? \* based on top 50 highest grossing films.

- Overall, there are a lot of characteristics that can influence the success of the rating of a movie
  - Some being writers, directors, and movies studios.
  - all of these sprout from the budget of the movie.
- Only 10% (5) of these movies fall short of a fresh or certified fresh rating. (which is below 50%)
  - So it can be inferred that a budget does play a role in profitability.
- Another thing to point out is that a big portion of these movies are tied to successful franchises that are tied to huge budgets. (movies)
- Takeaway - With a colossal budget, it's important to be knowledgeable when hiring your writers, directors, and studio. These play a big role with not only profitability but also when considering ratings.



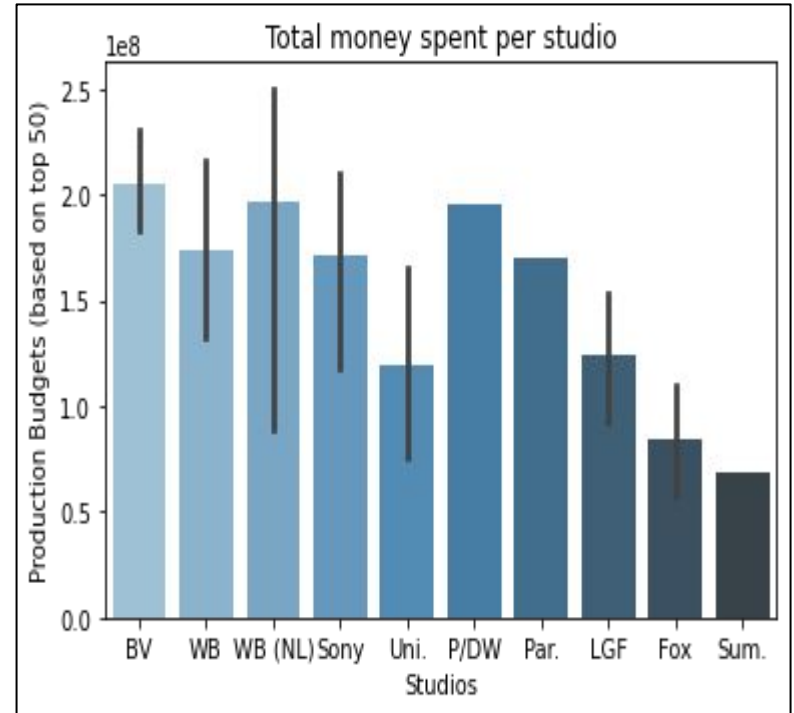
# Can a budget influence (domestic) gross profit? \* based on top 50 highest grossing films.

- 80% of these films have a budget exceeding 100 million.
- Around 12% of the movies listed on the graph lost profit. So this means 88% made profit.
  - This can be a good indicator that a big budget does influence your overall profit.
- But, when using your budget for your given movie, it's important to get your eggs in a row.
  - This can be finding the Director, writers, actors, and so forth.
  - There are more variables than just a budget, but your budget is generally the base building block.



# Movie companies and their accumulated expenditures

- Assuming that you are willing to take that step to become a movie/entertainment powerhouse, picking the right studio(s) is important.
- A studio that has the best chance at executing your vision.
  - Buena Vista, Warner Bro. are top choices. They invest the most, and generally have the best returns.
- A studio choice isn't always a make or break but nonetheless something that is important to pay attention to.



## Final Thoughts

- There are a lot of variables that can make or break a movie.
- But if your money is plentiful and your willing to take a risk then the possibility of success gets that much higher.
- Do not throw money blindly and hope to succeed.
  - Set a plan of action based on the information given to you.