

# Microsoft at the Movies



# Flatiron School

## Phase 1 - Final Project

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## Project Overview

- **Scenario:** Microsoft has decided to start a movie studio
- **Task:** Explore what types of films are doing the best at the boxoffice
- **Deliverable:** Actionable insights on what types of films to develop



## 1. Industry Insight

*What does the market currently look like? What trend are evident?*

> \$80,000,000,000

*Grossed domestically since 2010*

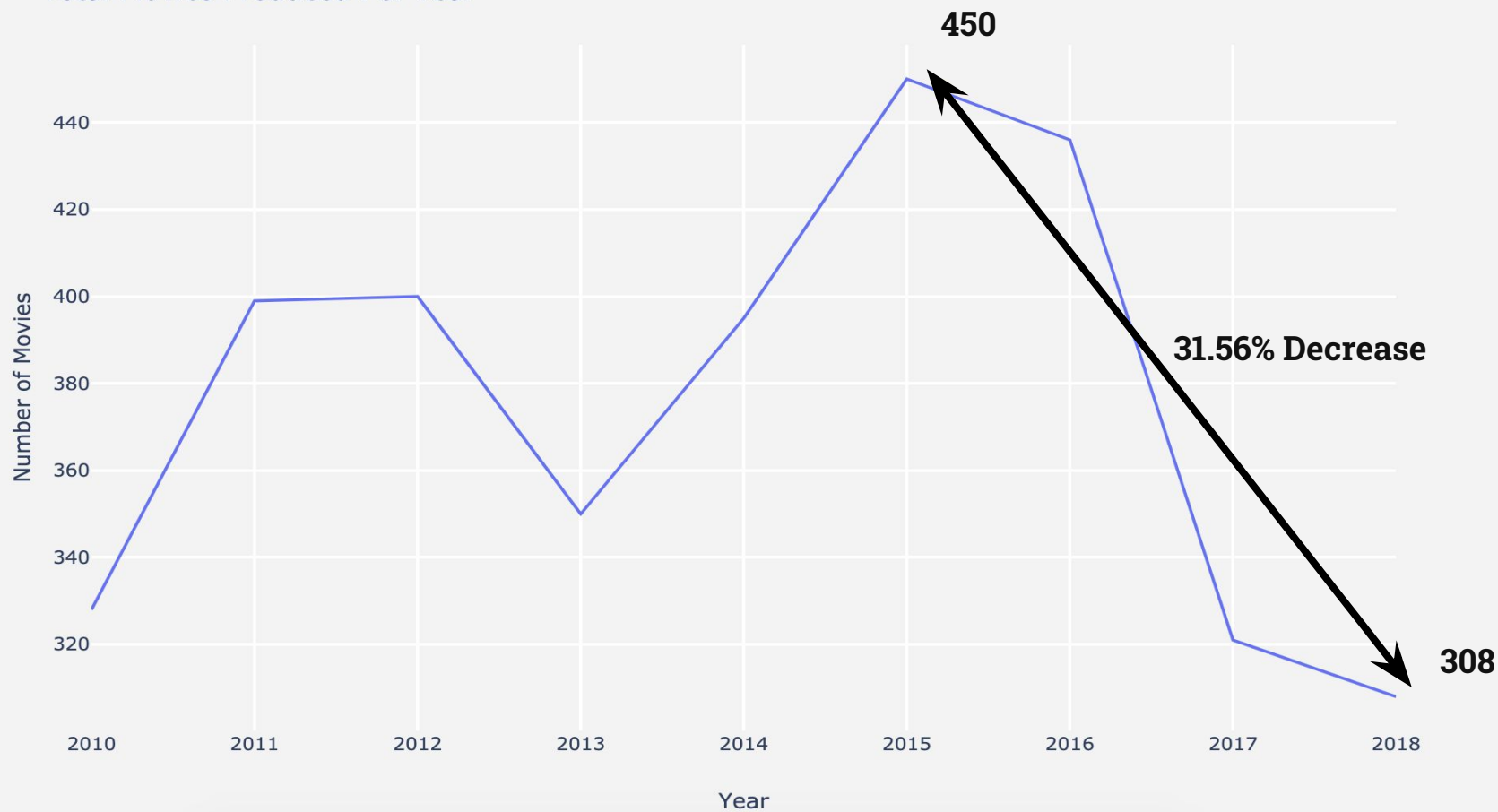
3,387

*Movies released to theaters*

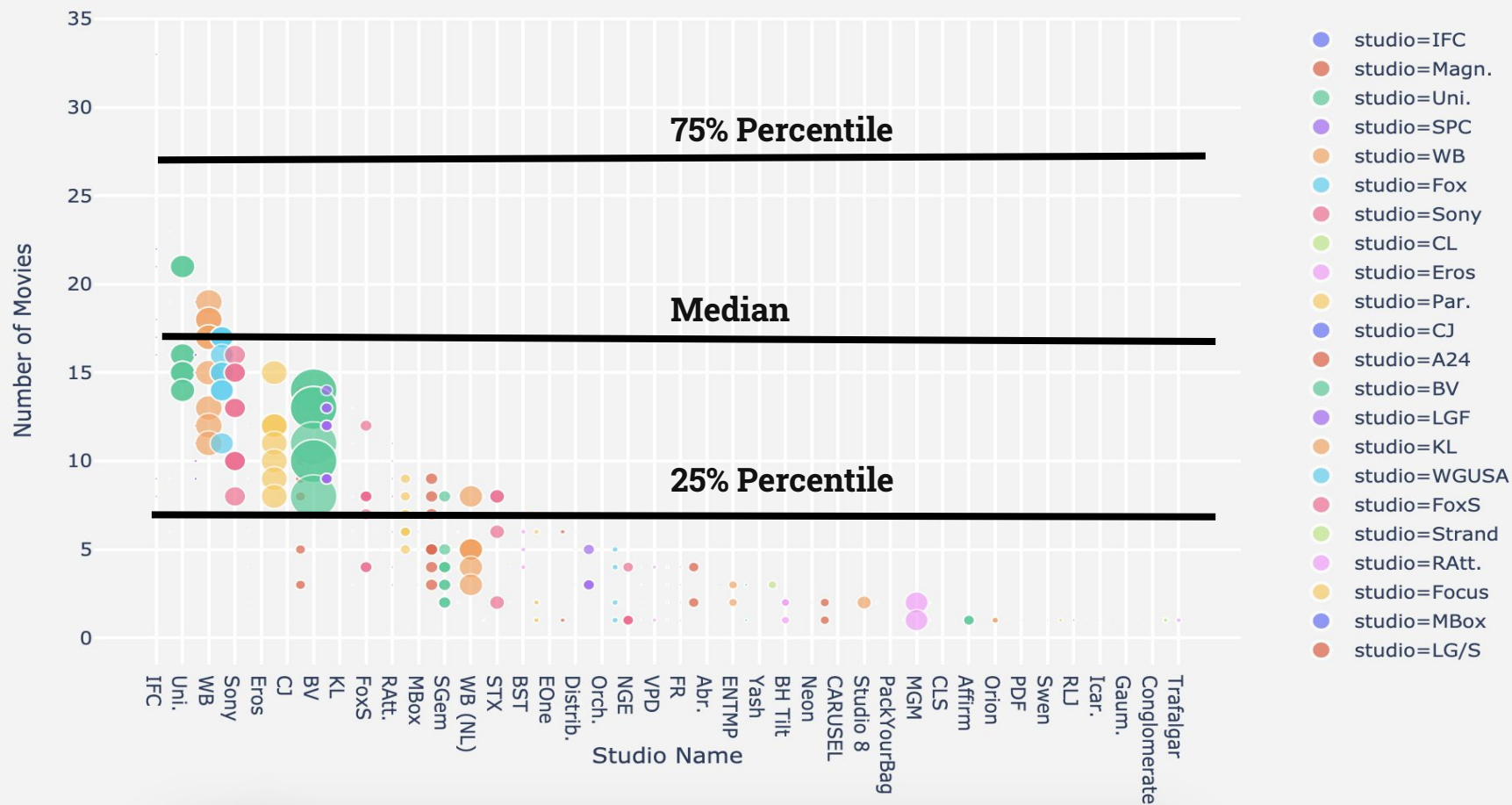
258

*Movie production studios*

Total Movies Produced Per Year



## Movies Produced Per Studio: Sized By Domectic Gross



## Analysis:

### Insight 1:

The majority of studios produce between 7 & 17 movies per year

### Insight 2:

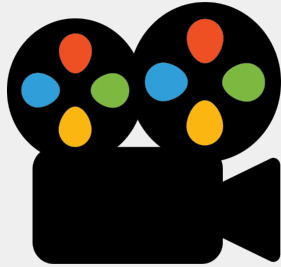
The total number of movies released in a year has declined



Recommendation:



As a new studio, Microsoft should produce **10 movies** year one to establish themselves in the market.



## 2. Industry Top Performers

*An earnings-driven analysis of movie market shares*

\$11,091,209,899

*Total domestic gross of films in 2018*

**2,740,238,359\$**

*Domestic Gross of Top 5 Earners (2018)*

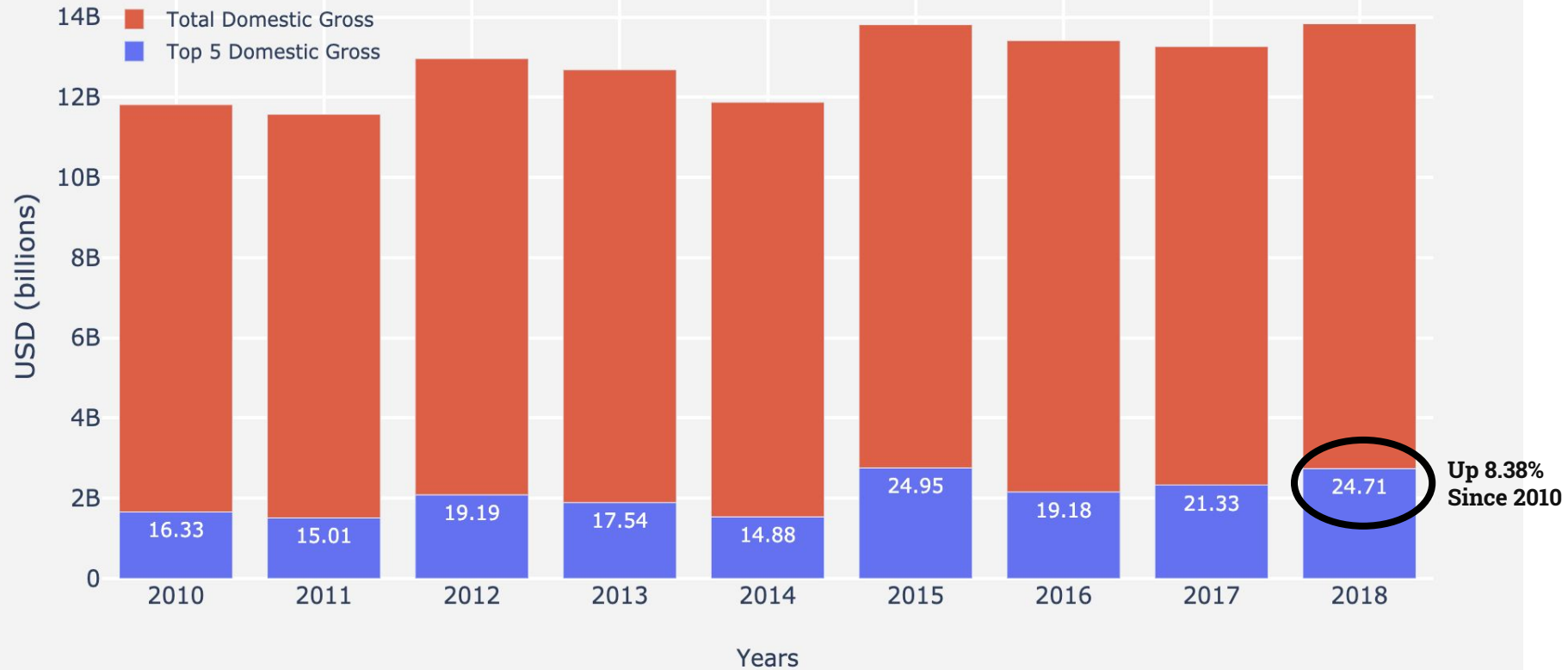
**5 movies**

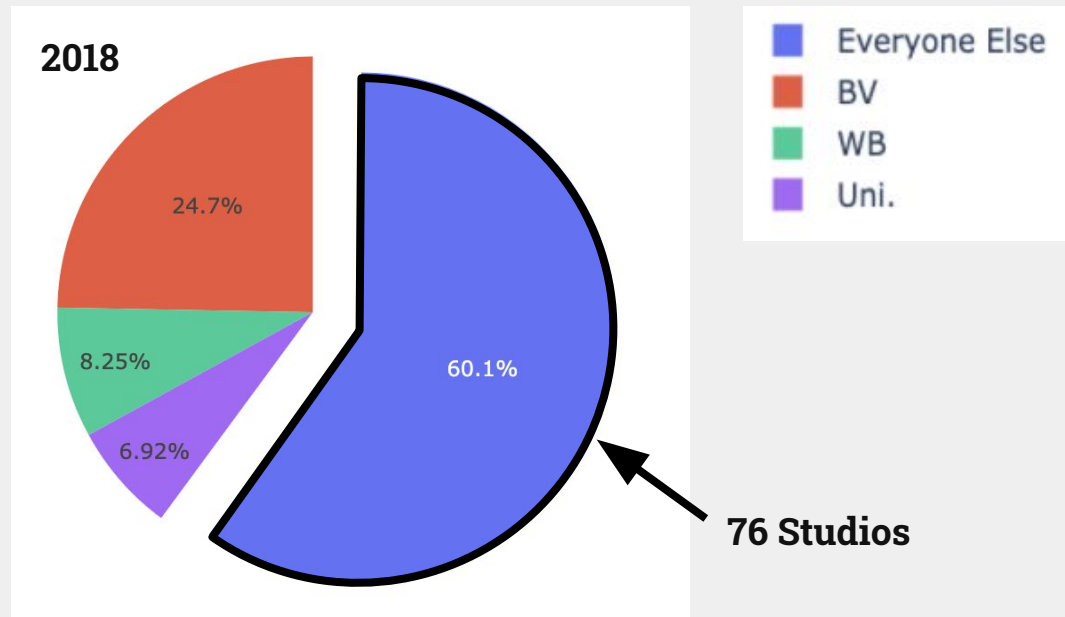
*Produced by three studios*

**24.71%**

*Percent of the market*

## Domestic Movie Gross: Top 5 Earners As A Percentage of Total Earnings





Total Domestic Earnings of Studios That  
Produced Top 5 Movies vs Other Studios

## Analysis:

### Insight 1:

The top five highest grossing movies represent an increasing percentage of the market

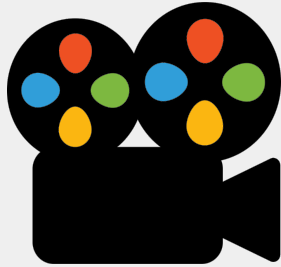
### Insight 2:

Studios that do not produce a top five earning movie account for less than 1% of total domestic gross

## Recommendation:

→ In order to optimize profit potential, Microsoft should emulate the top five highest earning movies in at least **half** of their first-year productions.





### 3. Targeting Success

*Identifying trends in recent past top performing movies*

71%

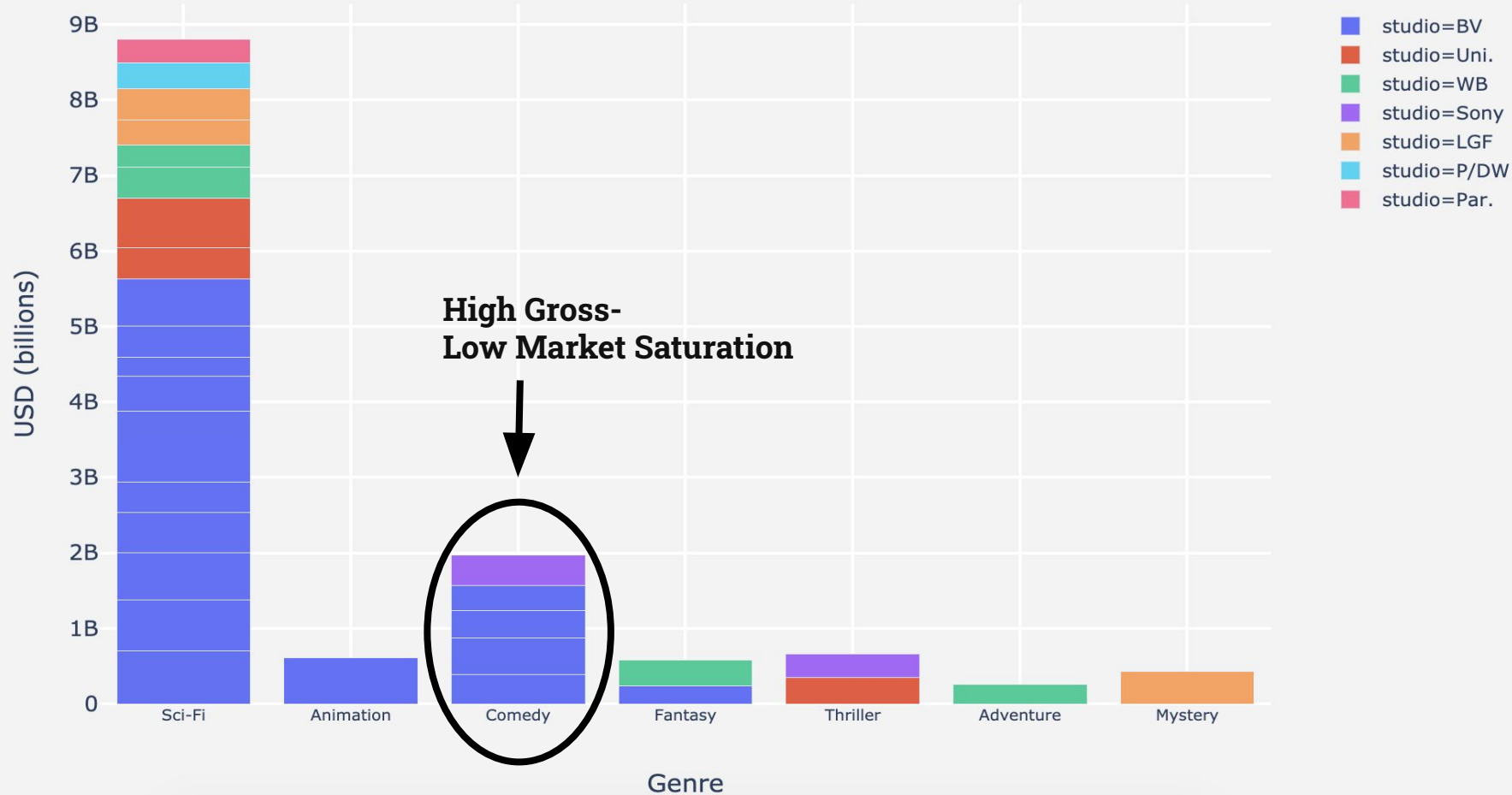
*Top 5 domestic gross were from the “action” genre*

**98% of the Action Genre**

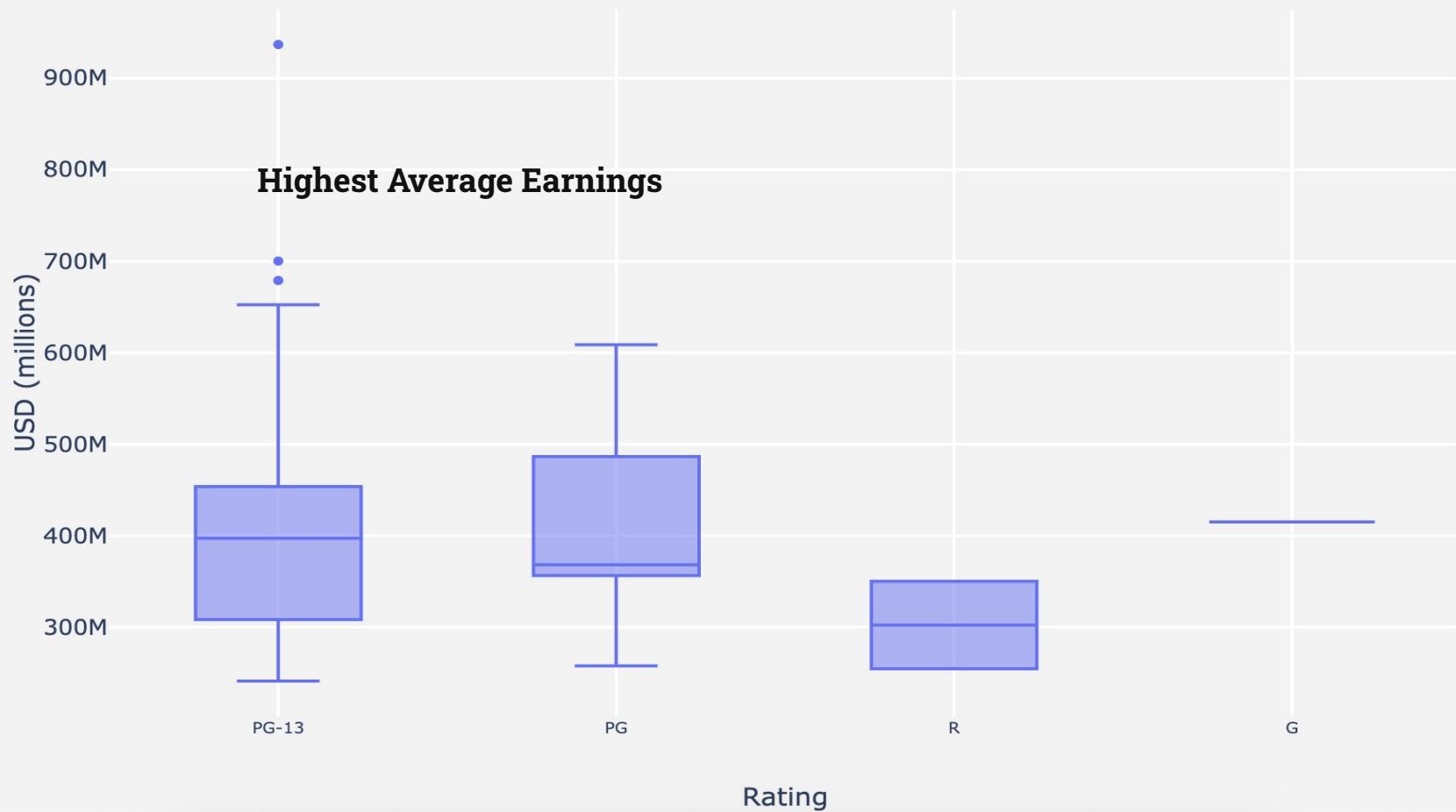


**56% of the Adventure Sub Genre**

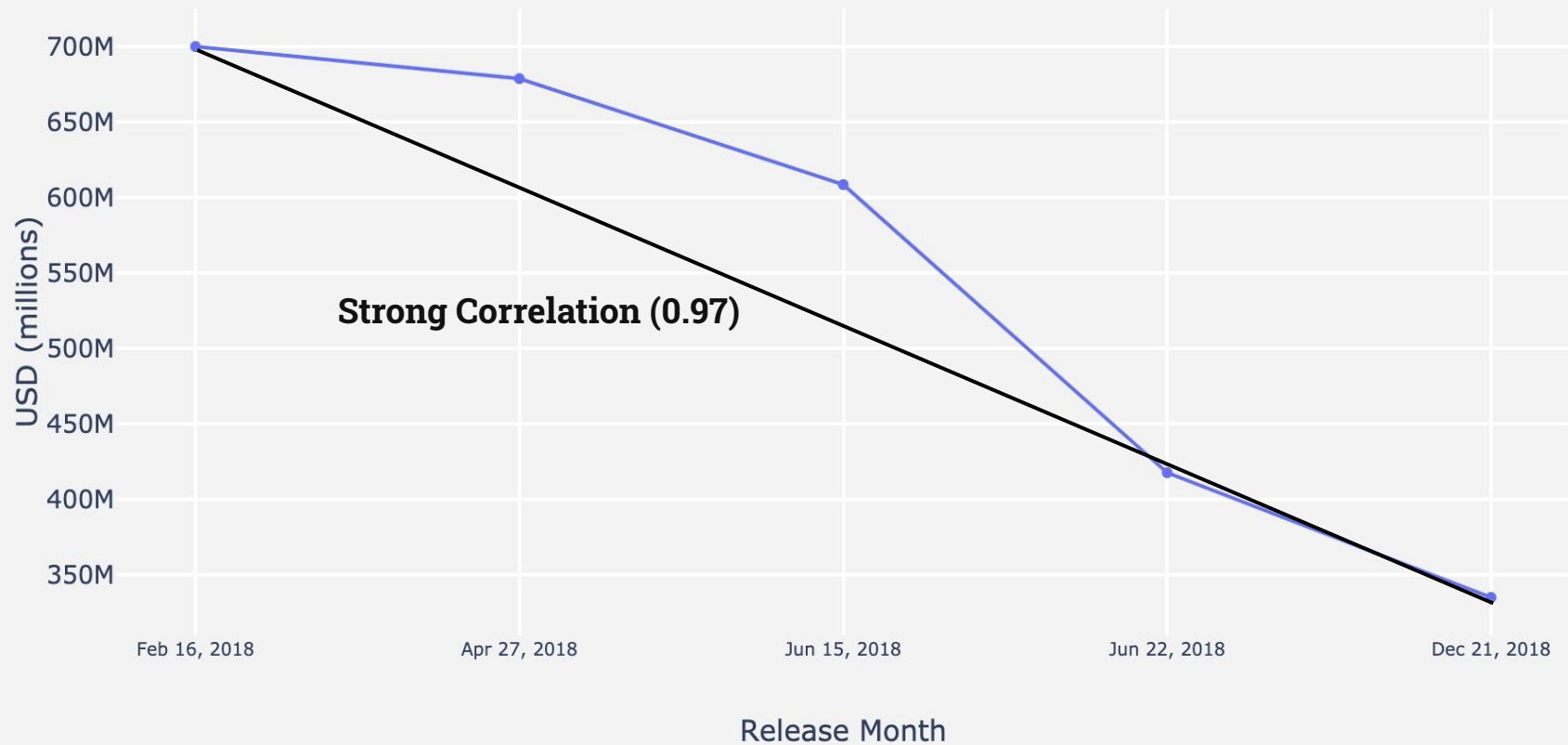
## Domestic Gross By Genre



## Domestic Gross By Rating



## Domestic Gross By Release Date



# Analysis

## Takeaway 1:

The Comedy sub-genre of Action-Adventure is not saturated and trends towards high earnings.

## Takeaway 2:

PG & PG-13 ratings earned a larger percentage of the domestic gross.

## Takeaway 3:

The strong correlation between movie date and gross indicates early-year release dates will fare better.

Recommendation:



Microsoft should produce an  
**Action-Adventure Comedy** with a **PG Rating**  
and a **mid-February** release.



*Differentiator Recommendation.*  
**Hire a female director.**



## Future Work

### Foreign Gross:

Analyze the foreign markets by genre, country, rating, and release date to better understand global trends.

### Sentimentality:

Measure the sentimentality of Rotten Tomatoes and other reviews and explore relationship to movie gross.

### Art House Films:

Look at successful low-budget movies to make an indie film recommendation to Microsoft.

thanks!

**Any questions?**

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