

# Win The Streaming Wars By Minimizing Production Risk

Data-backed content investment strategy for Microsoft.

AMA Productions | Data Science Division



Microsoft



AMA  
PRODUCTIONS



# Executive Summary

**Descriptive analysis of films guides a de-risked content investment strategy**

- Invest most of your budget in “blockbuster” films
- The “romance” genre is best insulated from the risk of bad reviews
- Pick directors with a record of high-quality blockbusters



# Business Problem

Win The Streaming Wars With a De-Risked  
Content Investment Strategy





# Competing With Netflix Requires a Large Investment In Original Films

## Original Content Budget

## Original Films



\$5 Billion (proposed budget)

100 (proposed title production)



\$17 Billion (2021 budget)

153 (2021 original titles)



# You're Entering a Risky Business

Failed Streaming Platforms



Original Film Failure Rate

37% (fail to return investment)



# Win The Streaming Wars With a De-Risked Film Investment Strategy

Your competitors have vast content libraries, budgets, and experience.

You can't afford to miss on these key decisions

Budget

1

Genre

2

Director

3



# Data & Methods





# **An Extensive Analysis of What Makes a Film Successful**

This project uses descriptive analysis of thousands of films.

We analyzed many aspects of a film including; budget, box office return, genre, director, and reviews.

This provides a broad look at the aspects of a film that lead to it being successful for flopping.





# +70K Films Used In Analysis

- Film budgets & box office returns
  - 5,781 films from 1915 to 2020
  - Sourced from [the-numbers.com](https://www.the-numbers.com)
- Film details & ratings
  - 73,856 films from 2012 to 2017
  - Sourced from IMDB
- Film directors
  - 47,775 directors
  - Sourced from IMDB

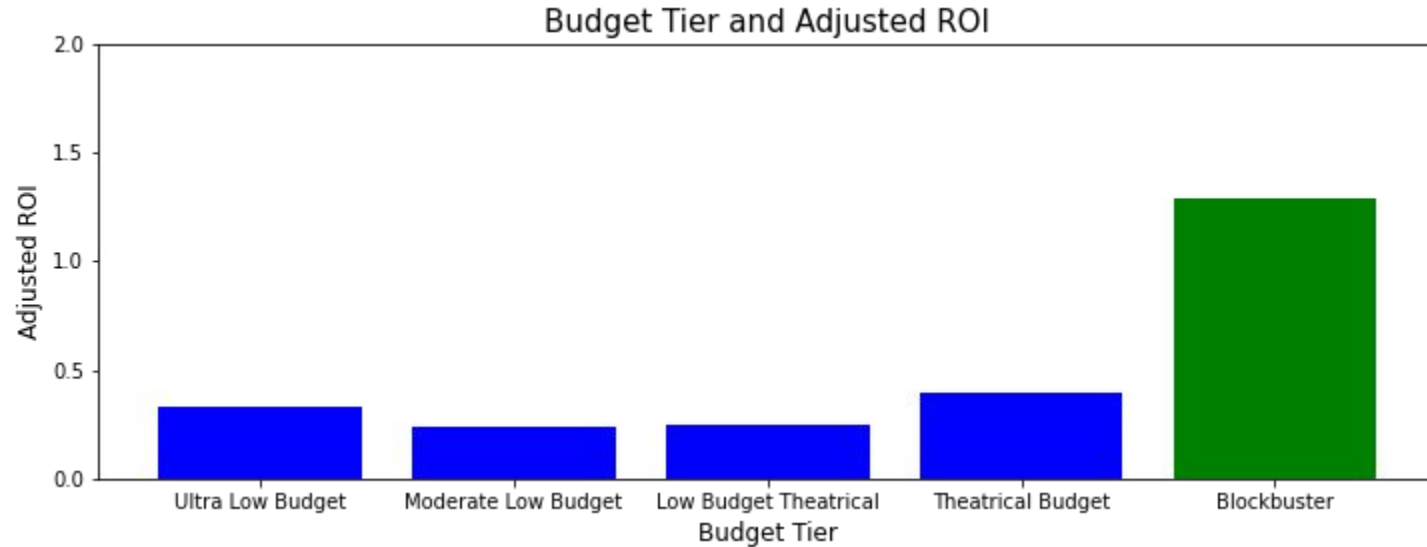




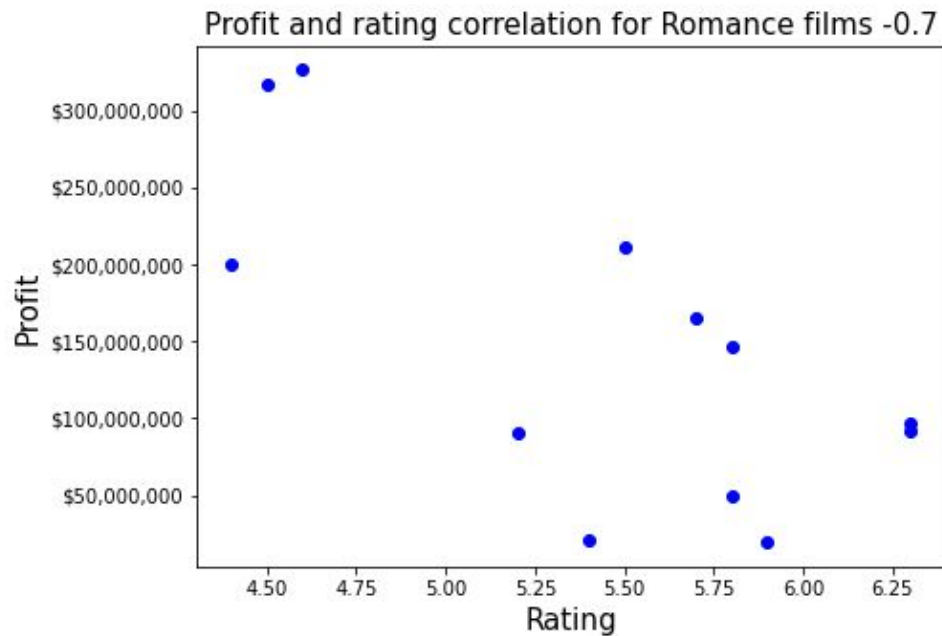
# Proposals



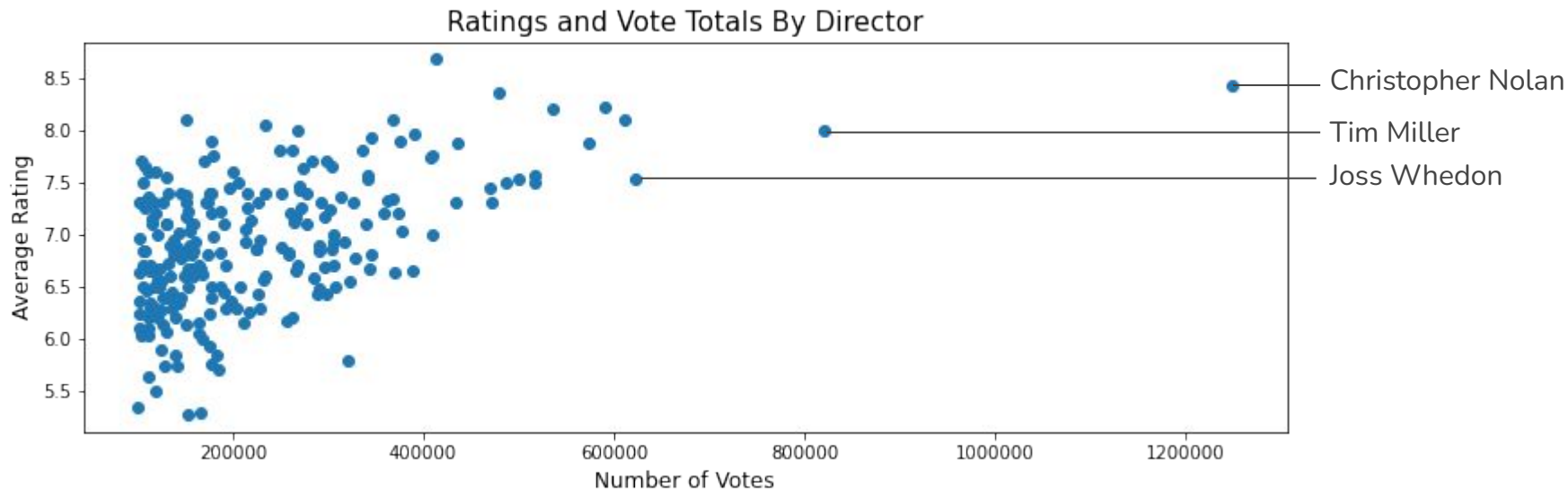
# Blockbuster Films Produce The Highest Risk Adjusted Return On Investment (ROI)



# Invest in Romance Genre Because Even Poorly Reviewed Films Return Profit



# Pick Directors With a Record of High-quality Blockbusters





# Follow These Guidelines To De-Risk Your Content Investment

- Invest in blockbusters because they produce de-risked ROI
- Invest in romance films because even the critical failures return a profit
- Select a director who creates high quality, “buzz” worthy content

# Thank You

Any questions?



## Next Steps

Further examine genre and director performance produce hiring priorities for each of our proposed budget tiers

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