Rockbuster Stealth Data Analysis Project for Company Strategy in 2020

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Setting the Scene

Background

▶ Rockbuster Stealth LLC is a movie rental company that used to have stores around the world.

Challenge

▶ The Rockbuster Stealth management team is planning to use its existing movie licenses to launch an online video rental service.

▶ This is to stay competitive against other streaming service providers such as Netflix and Amazon Prime.

Project Objective

To answer the business questions from the Rockbuster Stealth Management Board for the company strategy in 2020.
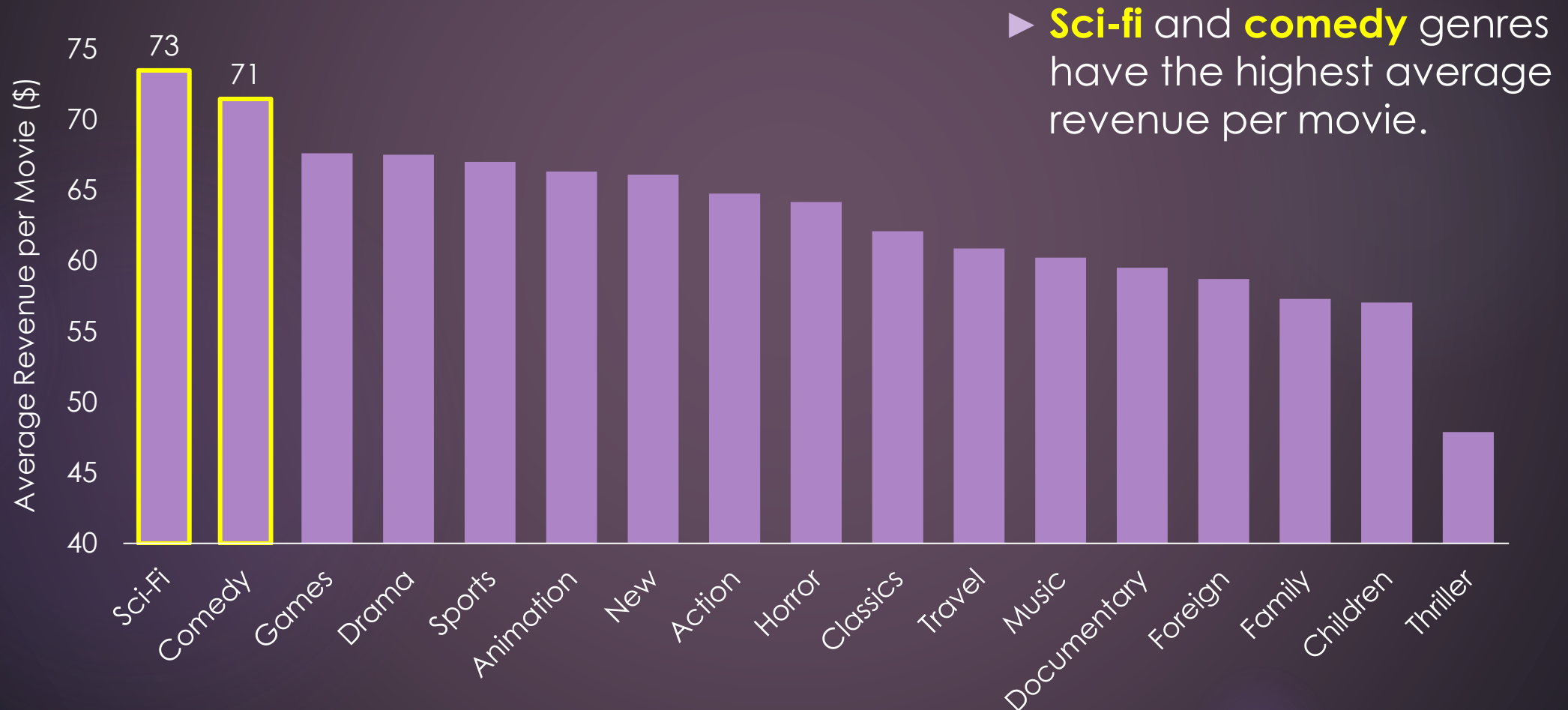
1) Which movies contributed the most/least to revenue gain?

2) What was the average rental duration for all movies?

3) Which countries are Rockbuster customers based in?

4) Where are customers with a high lifetime value based?

5) Do revenue vary between geographic regions?

Question 1:

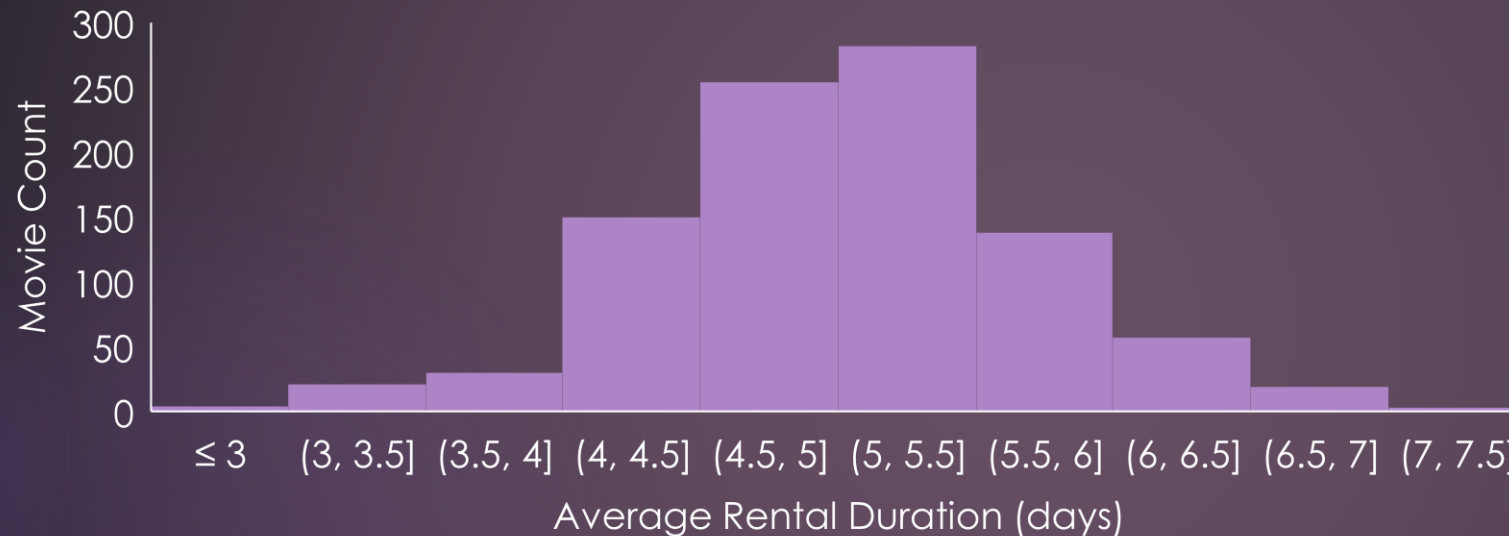Which movies contributed the most/least to revenue gain?

Question 2:

What was the average rental duration for all movies?

Average Rental Duration of Movies

Min Average Rental Duration: **approx. 2.0 days**

Max Average Rental Duration: **approx. 7.5 days**

▶ Majority of the movies have an average rental duration of 4.5 to 5.5 days.

▶ However, a longer average rental duration could affect the availability of a movie.

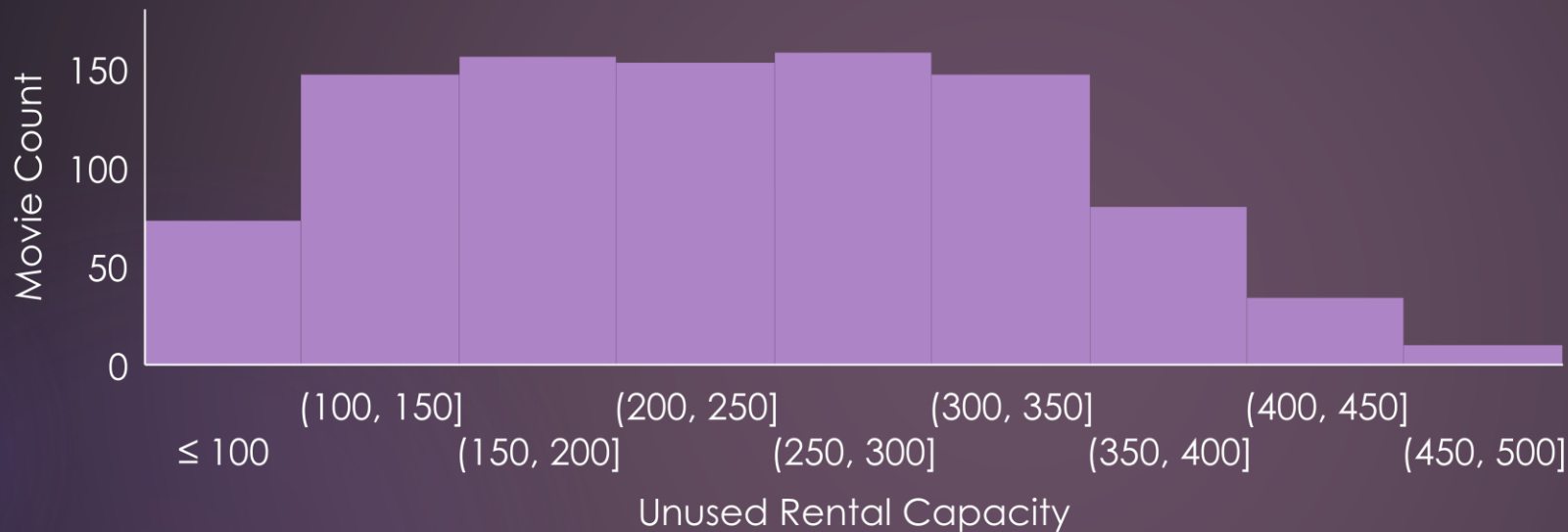▶ So, **is our movie inventory adequate for the demand?**

Movie Inventory vs Demand

▶ **Our movie inventory is adequate for the demand.**

How to know this?

▶ The unused rental capacity is calculated for each movie.

▶ Basically, it is the result of the maximum rental capacity deducting the number of actual rentals of a movie.

▶ If the unused rental capacity of a movie is close to zero, that means it is reaching its rental capacity limit. It's time to increase its inventory for the demand.

Unused Rental Capacity of Movies

Min Unused Rental Capacity: **63 times**
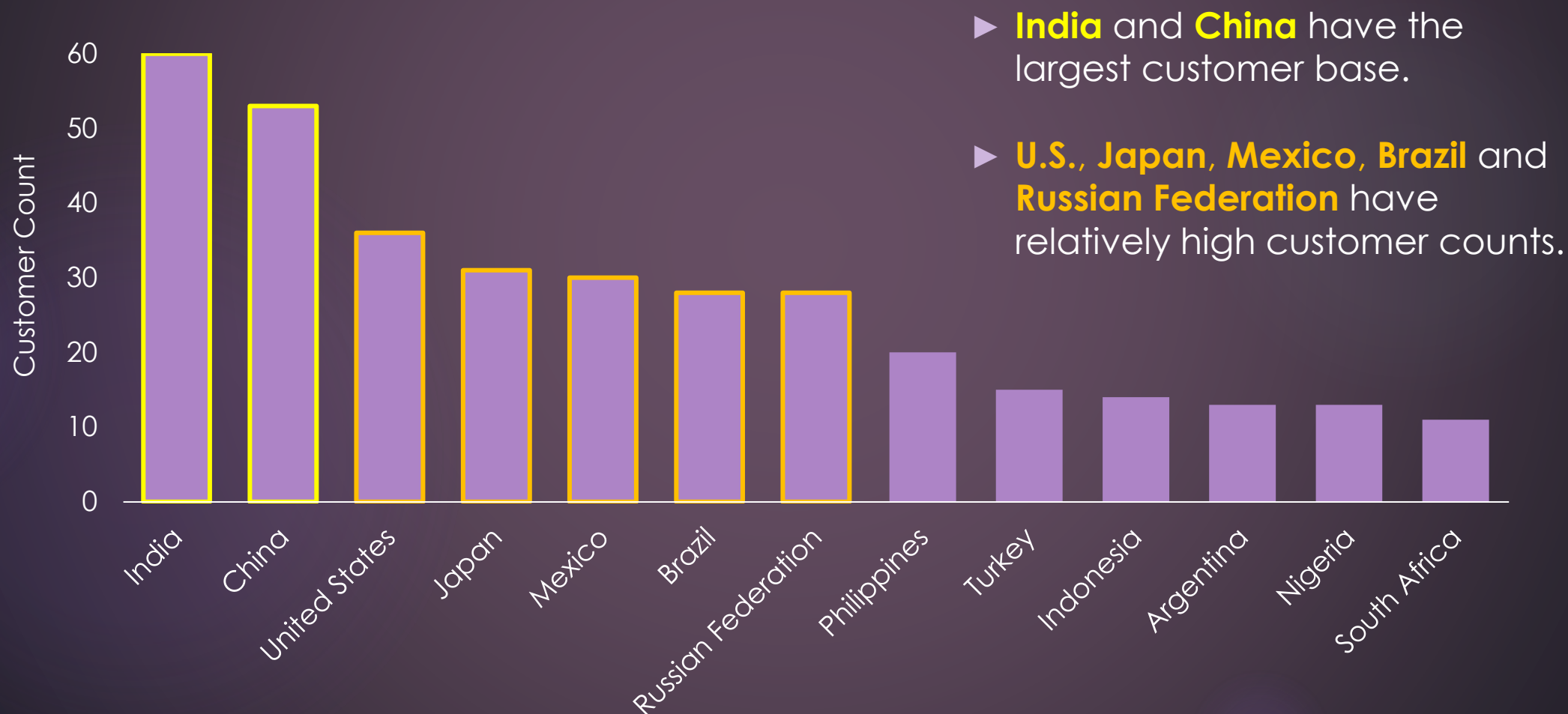
Max Unused Rental Capacity: **488 times**

▶ The unused rental capacity of movies ranges from 63 times to 488 times.

▶ **No movie has an unused rental capacity close to zero**, which means they are not reaching their rental capacities yet.

▶ Thus, our movie inventory is adequate for the demand. **No action is needed.**

Question 3:

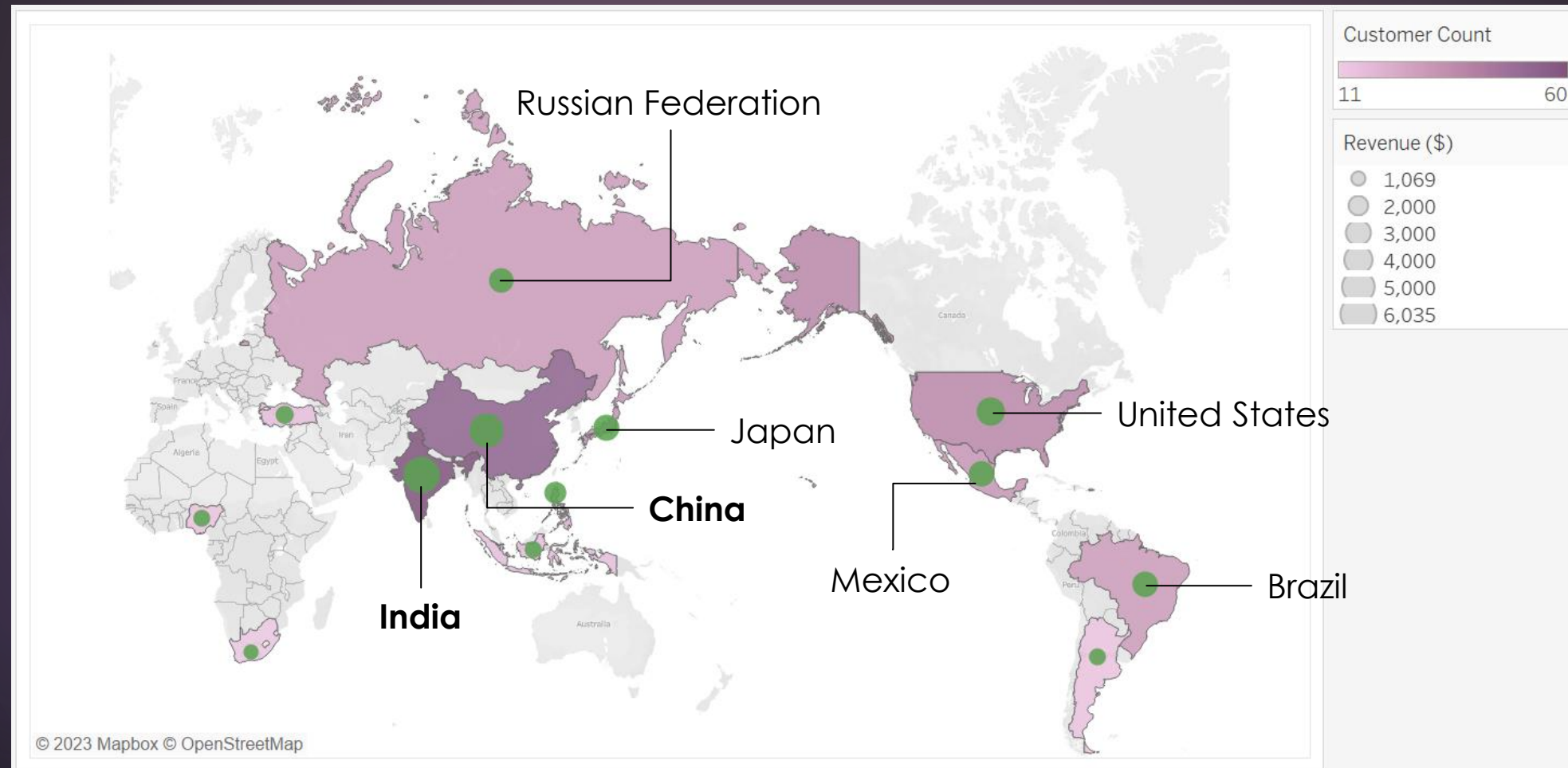# Which countries are Rockbuster customers based in?

Countries with More Than 10 Customers

▶ **India** and **China** have the largest customer base.

▶ **U.S.**, **Japan**, **Mexico**, **Brazil** and **Russian Federation** have relatively high customer counts.

Countries with More Than 10 Customers and Their Revenues
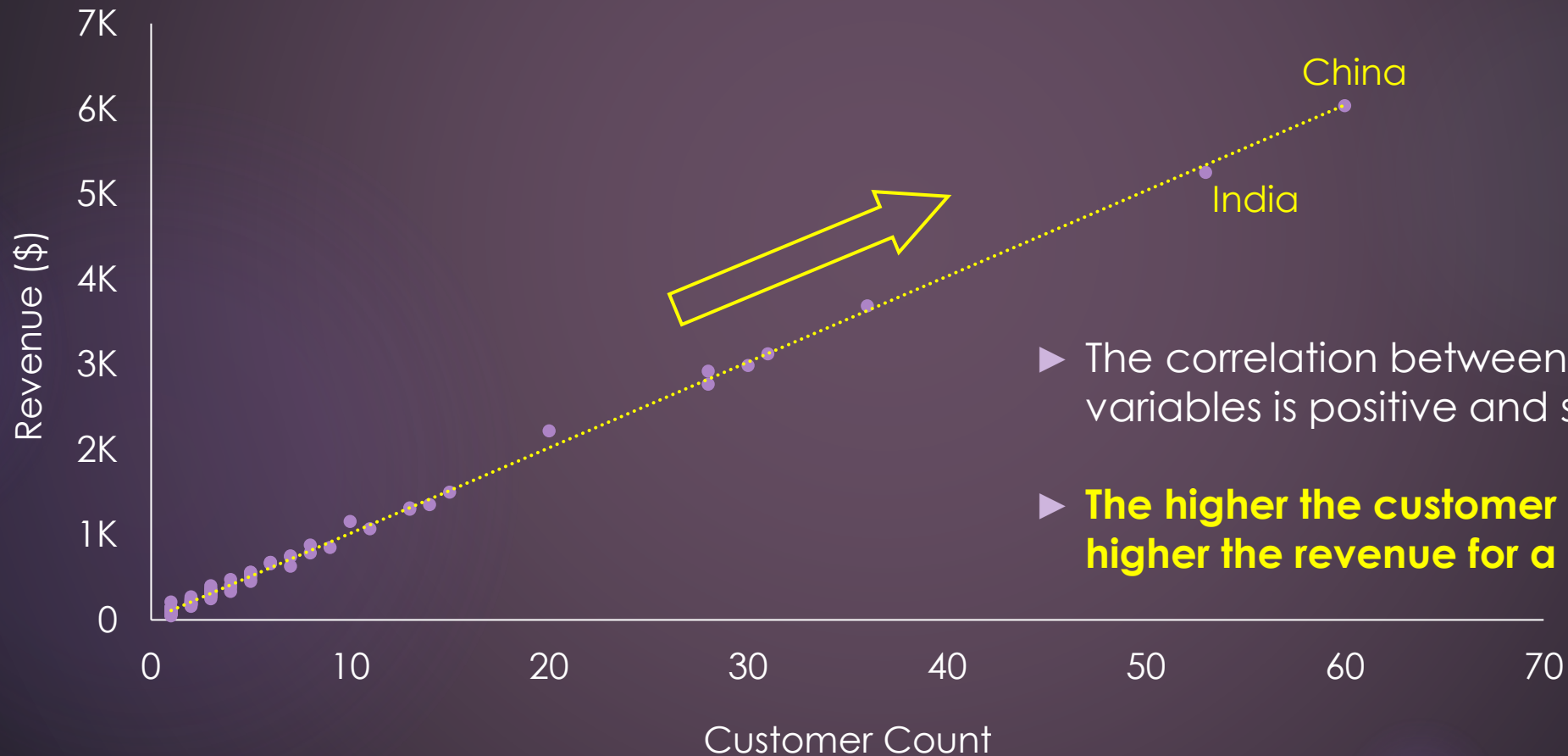
Question 4:

Where are customers with a high lifetime value based?

10 Countries with The Highest Average Spend per Customer

| S/N	Country	Customer Count	Average Spend per Customer ($)
1	**Réunion**	1	212
2	**Holy See (Vatican City State)**	1	147
3	**Nauru**	1	144
4	**Sweden**	1	140
5	**Belarus**	2	136
6	**Thailand**	3	134
7	**Czech Republic**	1	133
8	**Moldova**	1	128
9	**Turkmenistan**	1	127
10	**Latvia**	2	125

► The customers of these countries spent a lot on average.

► However, these countries have a **very low customer count**.

Question 5:

Do revenues vary between geographic regions?
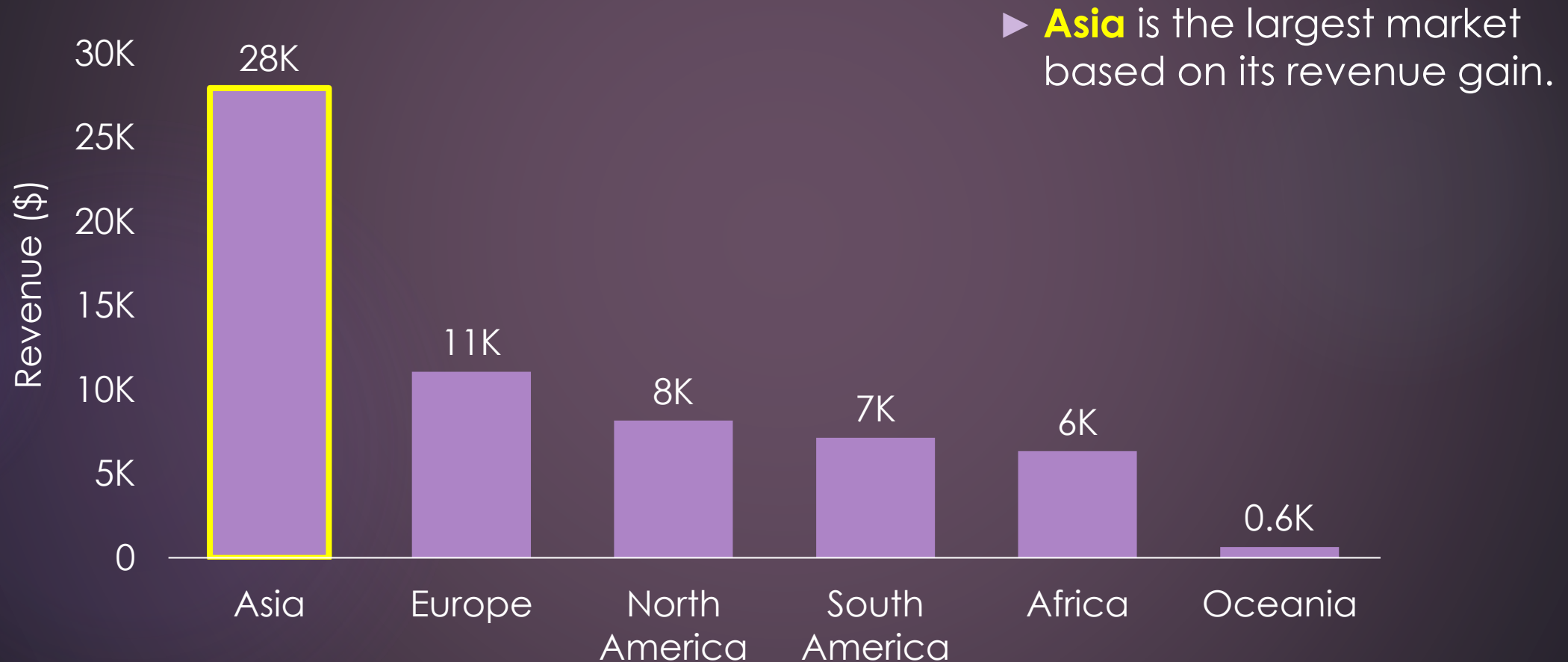
Conclusions and Recommendations

Conclusions

- **Sci-fi and comedy** genres generate the most revenue per movie.

- Based on the unused rental capacity for each movie, **the inventory of each movie is sufficient**.

- **India and China** have the highest number of customers, followed by the United States, Japan, Mexico, Brazil, and the Russian Federation. **Countries with more customers could generate higher revenue**.

- The **10 countries with the highest average spend per customer** are Réunion, Holy See (Vatican City State), Nauru, Sweden, Belarus, Thailand, Czech Republic, Moldova, Turkmenistan, and Latvia. However, they have a **very low customer count**.

- **Asia** is the largest market based on revenue gained, followed by Europe, North America, South America, Africa, and Oceania.

1st Recommendation

WHAT

More variety of sci-fi and comedy movies should be purchased and made available.

WHY

The movies from these genres can generate higher revenue on average.

HOW

- Always get the updated list of the latest sci-fi and comedy movies from movie license providers.

- Explore the sci-fi and comedy movies produced in different countries

2nd Recommendation

WHAT

More marketing budget should be distributed to Asia countries, especially India and China.

WHY

Asia is the largest market in terms of revenue gain, and India and China have the largest customer base.

HOW

- Introduce more attractive packages or subscription plans to preserve the customer base

- Expand the variety of subtitle languages to favour the Asia customers

3ʳᵈ Recommendation

WHAT

Explore the potential market in Réunion, Holy See (Vatican City State), Nauru, Sweden, Belarus, Thailand, Czech Republic, Moldova, Turkmenistan, and Latvia.

WHY

The customers there spent a lot on average, but these countries have a very low customer count.

HOW

- Introduce a referral rewarding program

- Offer a price discount on the first rental for new users

Thank You

FOR ANY QUESTIONS, FEEL FREE TO CONTACT ME AT
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LINK TO VISUALIZATION: VISUALIZATIONS FOR TASK 3.10