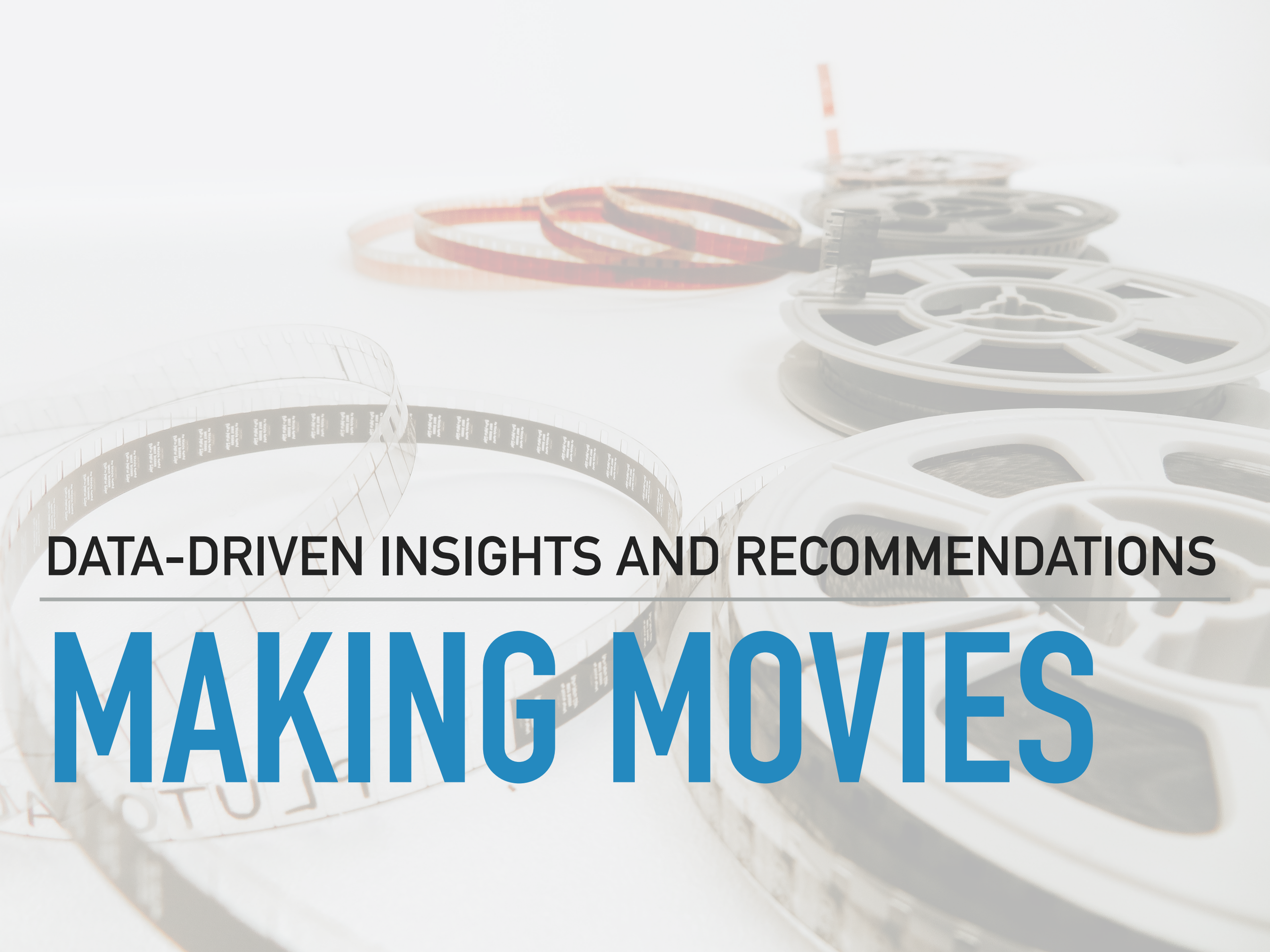


DATA-DRIVEN INSIGHTS AND RECOMMENDATIONS

MAKING MOVIES

PROBLEM STATEMENT

- Having created a movie studio, you are looking to enter the film-making industry
- You would like to **better understand the industry** and the **characteristics of a successful film**
- You are after **actionable insights** to help decision-making

BUSINESS VALUE

Avengers: Endgame's $1.2 billion opening weekend is the biggest in movie history

Alex Abad-Santos, Vox, April 2019

Box office cats-tastrophe: Cats projected to lose $70m

André Wheeler, The Guardian, Dec 2019

OUR APPROACH

- Are movies profitable?
- What makes a successful movie?

Budget

Genre

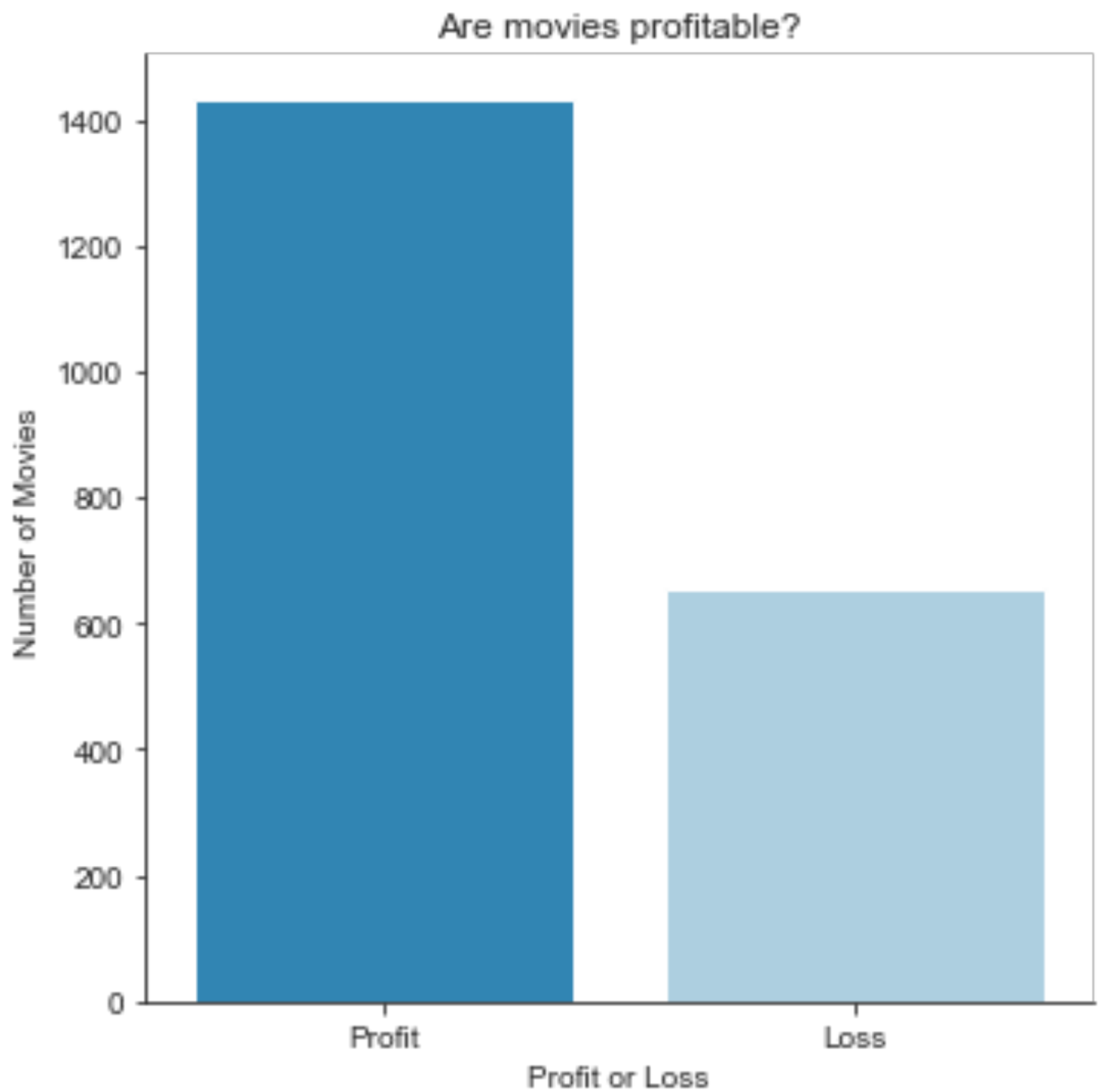
Runtime

Release date

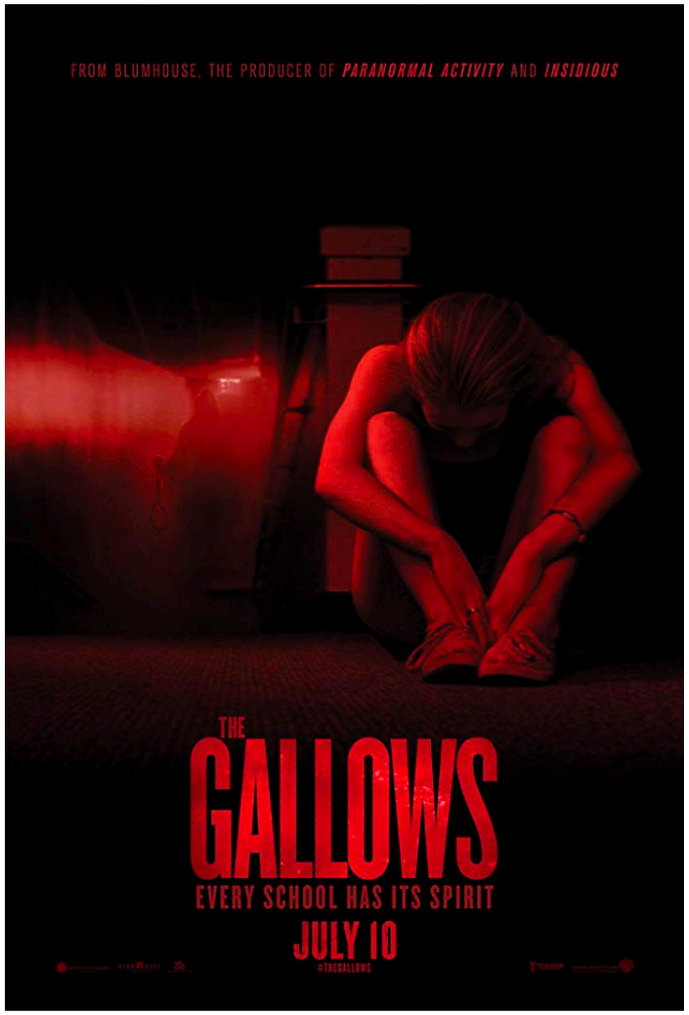
- Netflix original movies
- Movies based on video games

} Appendix

PROFIT


Are movies profitable?
Number of Movies
1400
1200
1000
800
600
400
200
0
Profit
Loss
Profit or Loss

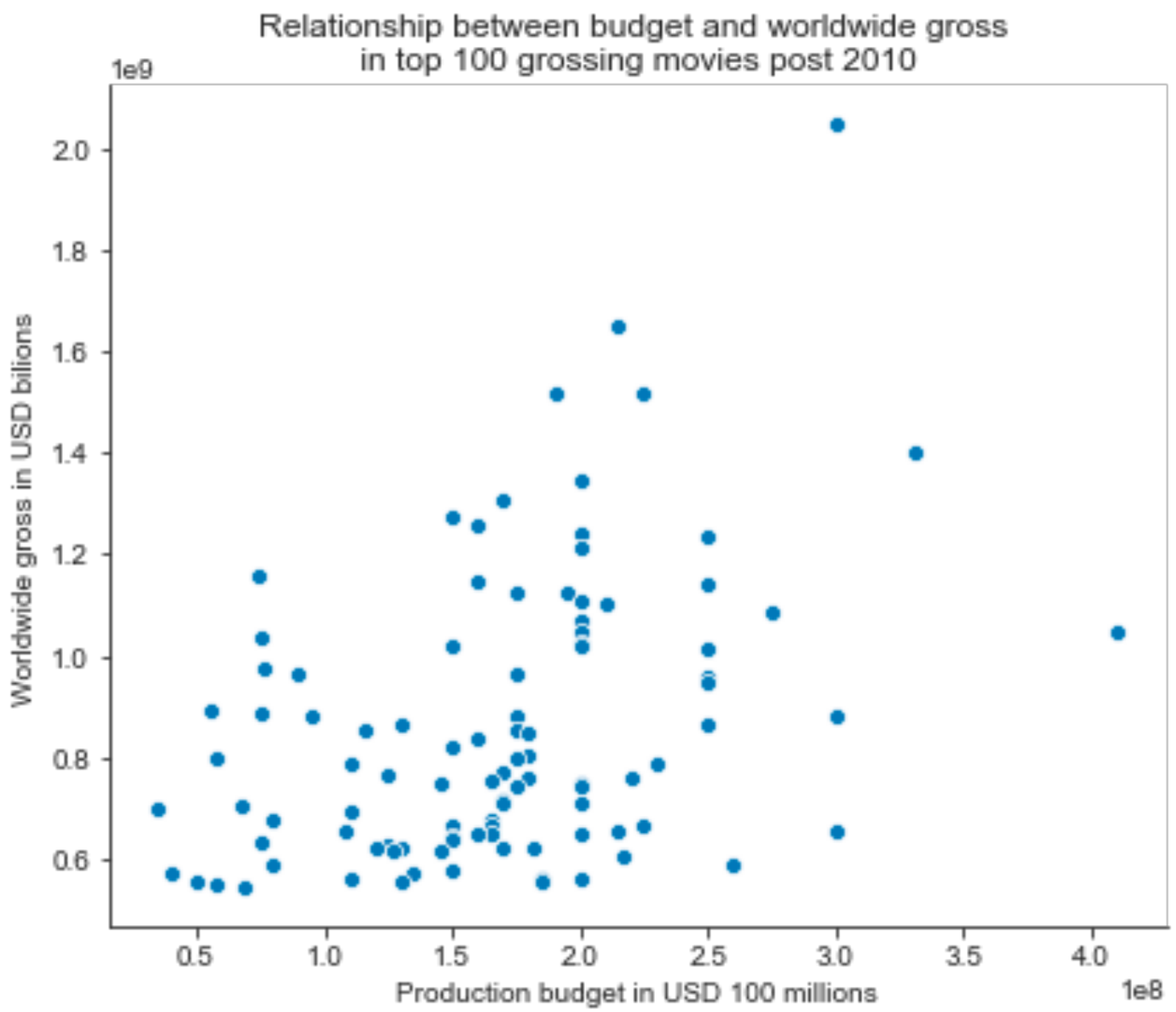
PROFIT VS PROFIT MARGIN



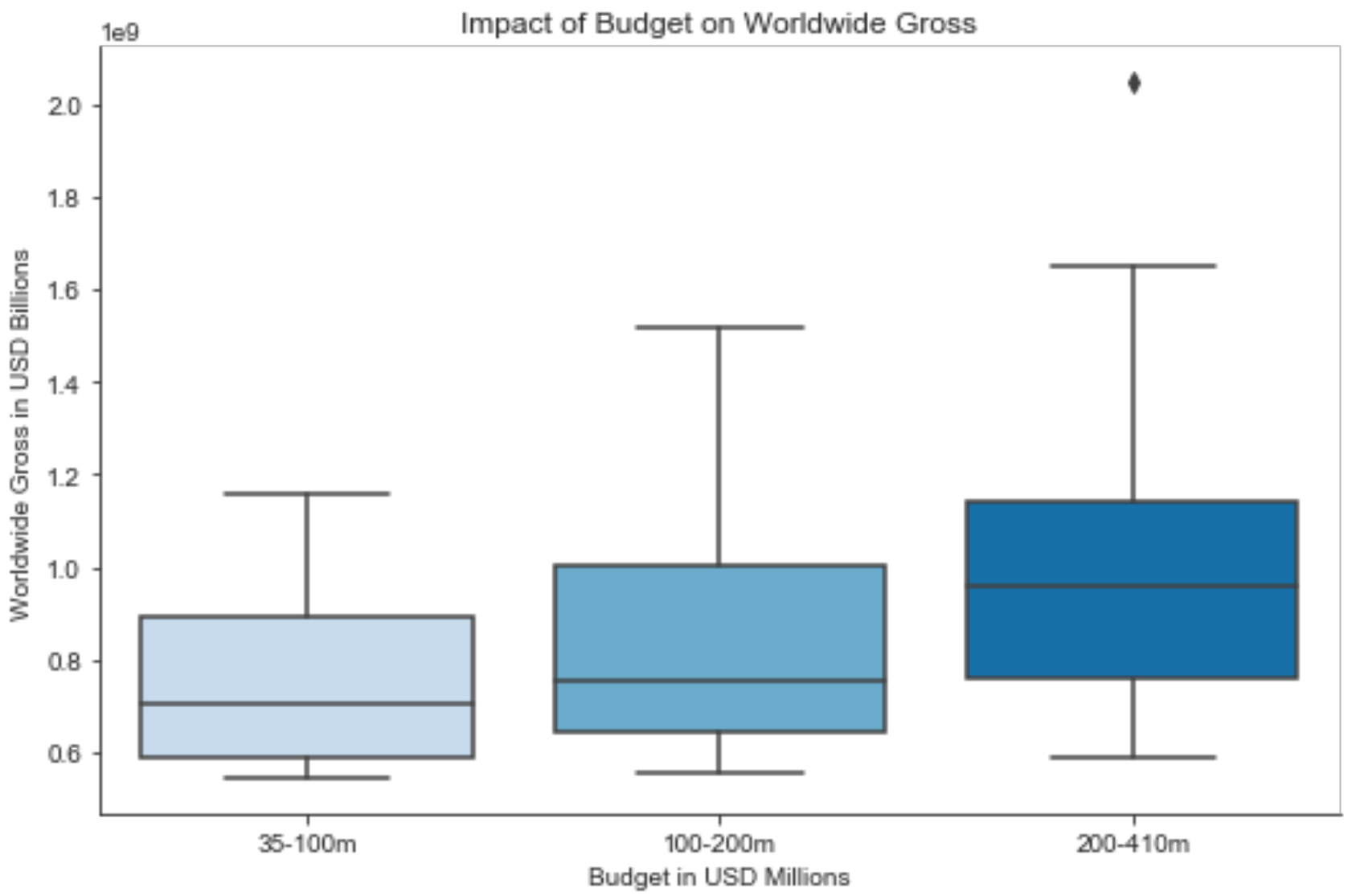
"TO MAKE A FILM IS EASY; TO MAKE A GOOD FILM IS WAR. TO MAKE A VERY GOOD FILM IS A MIRACLE."

Alejandro Gonzalez Inarritu

BUDGET

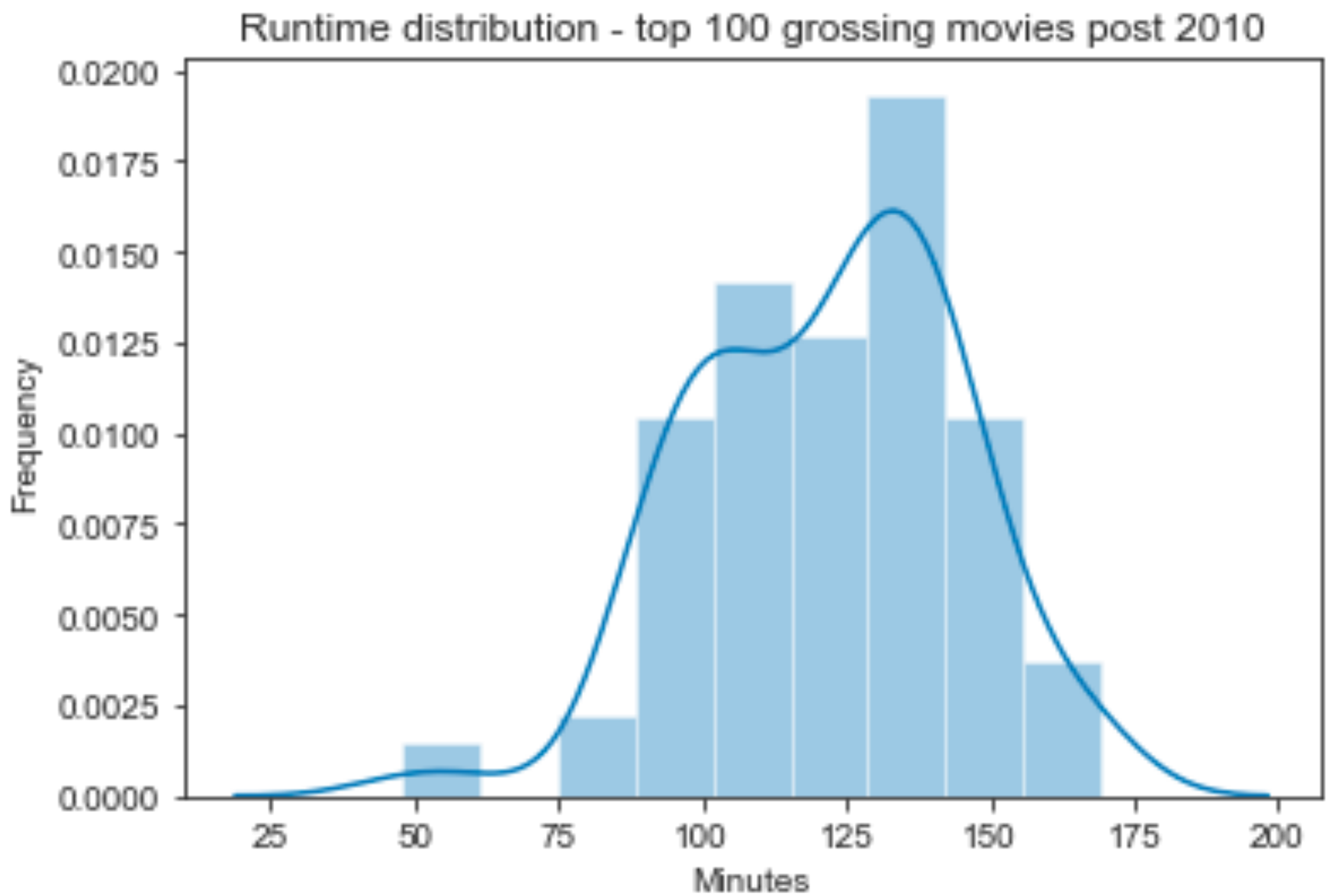

Relationship between budget and worldwide gross
in top 100 grossing movies post 2010
1e9
2.0
1.8
1.6
1.4
1.2
1.0
0.8
0.6
Worldwide gross in USD billions
0.5
1.0
1.5
2.0
2.5
3.0
3.5
4.0
Production budget in USD 100 millions
1e8

BUDGET



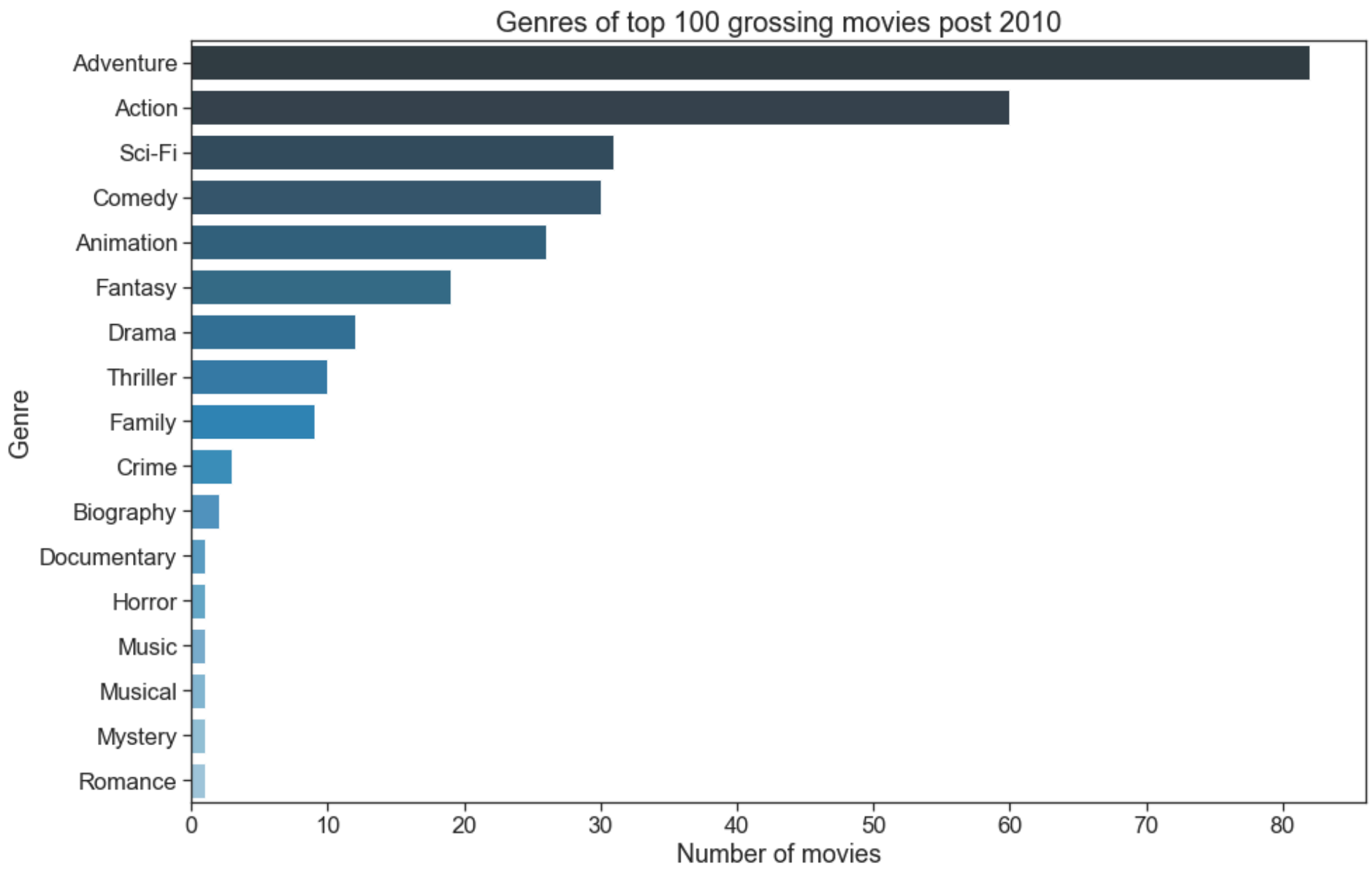
RECOMMENDATION: $100-200M

RUNTIME



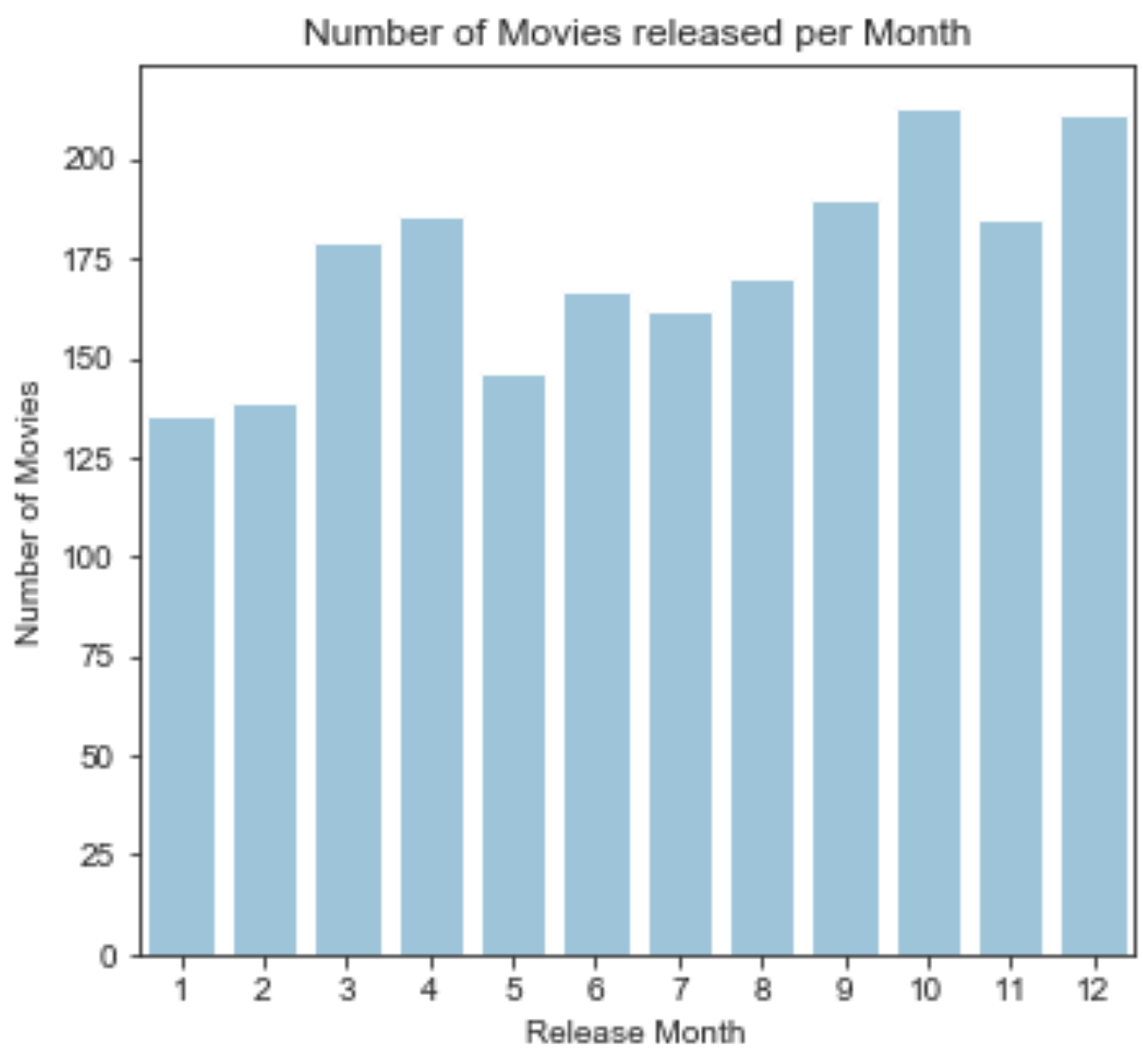
RECOMMENDATION: ~120 MINS

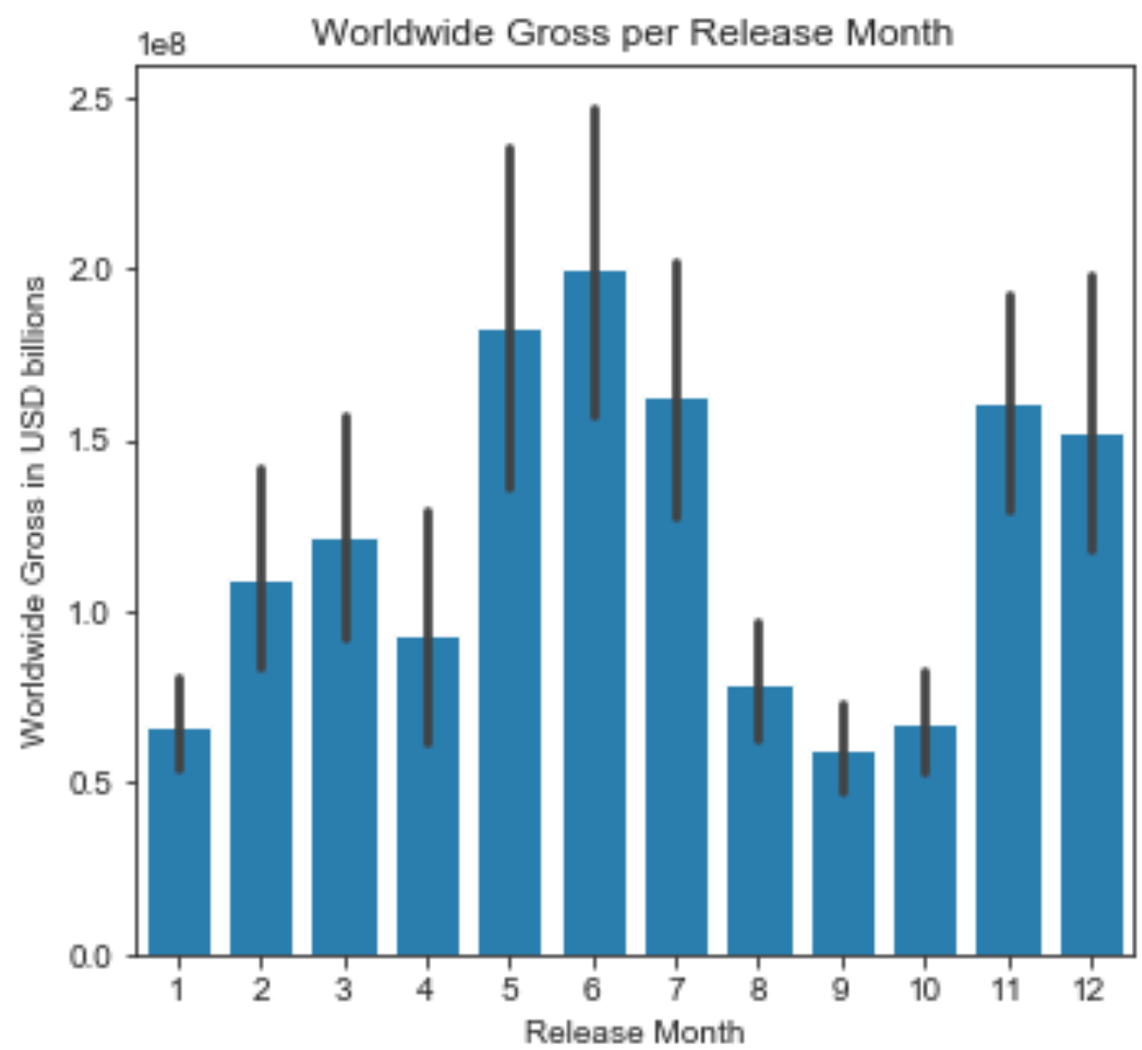
GENRE



RECOMMENDATION: ACTION/ ADVENTURE

RELEASE MONTH





RECOMMENDATION: MAY/JUNE OR NOVEMBER/DECEMBER

RECOMMENDATIONS

- Budget: at least $50m and ideally $100-200m
- Runtime: ~120 mins
- Genre: Action/Adventure
- Release Month: May/June or November/December
- Decide on distribution model as characteristics differ
- Consider a movie based on existing video game franchise

FUTURE WORK

- Further financial analysis - e.g. how to allocate budget
- Analysis of additional revenue streams e.g. merchandise
- Investigate top creative talent (director, producer, actors)
- Sentiment analysis of reviews
- Analysis of screenplay source e.g. based on novel vs original

THANK YOU

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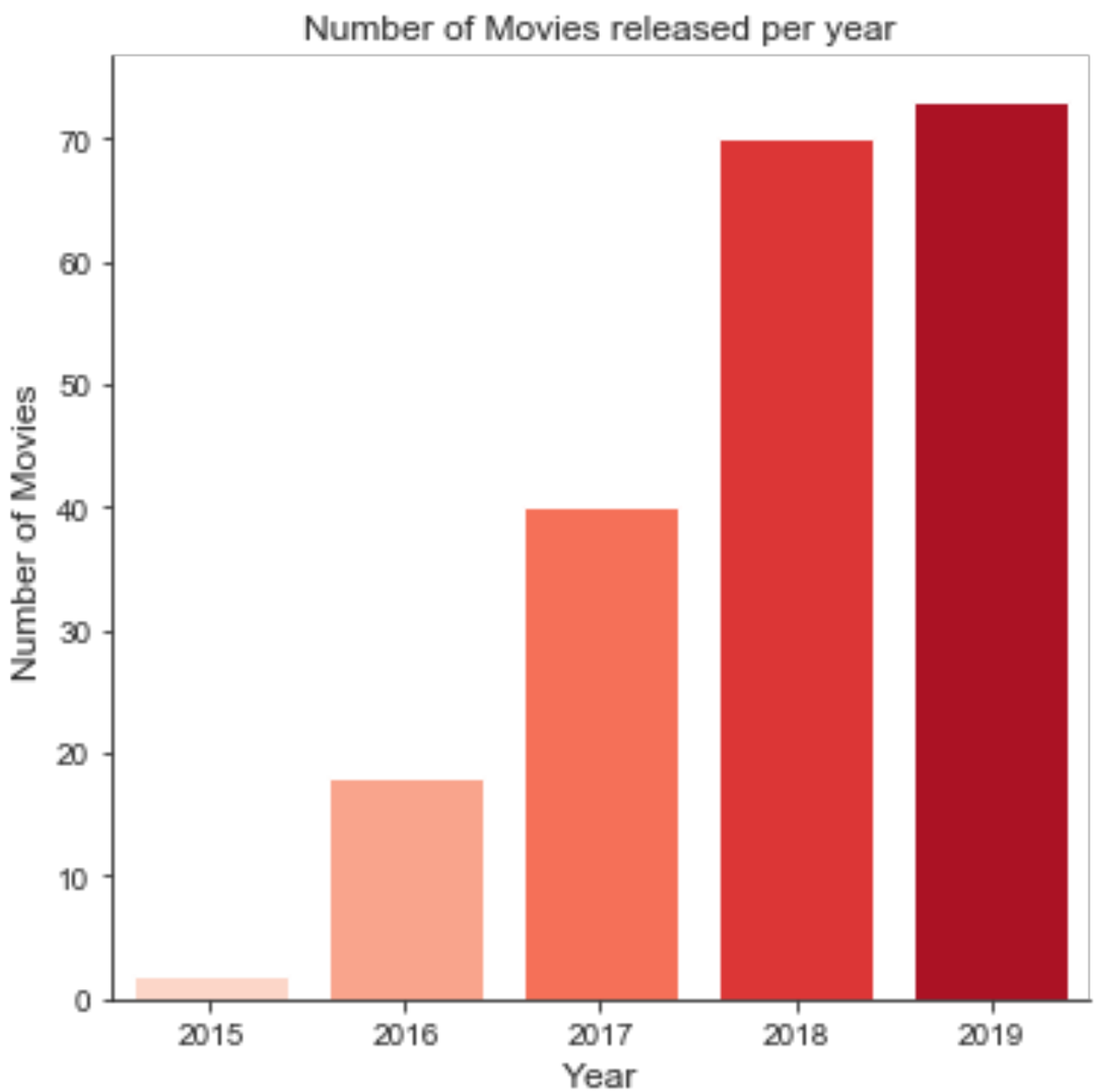
datascimum

nadinezab

APPENDIX – NETFLIX ORIGINAL MOVIES



Runtime:

~ 99 minutes

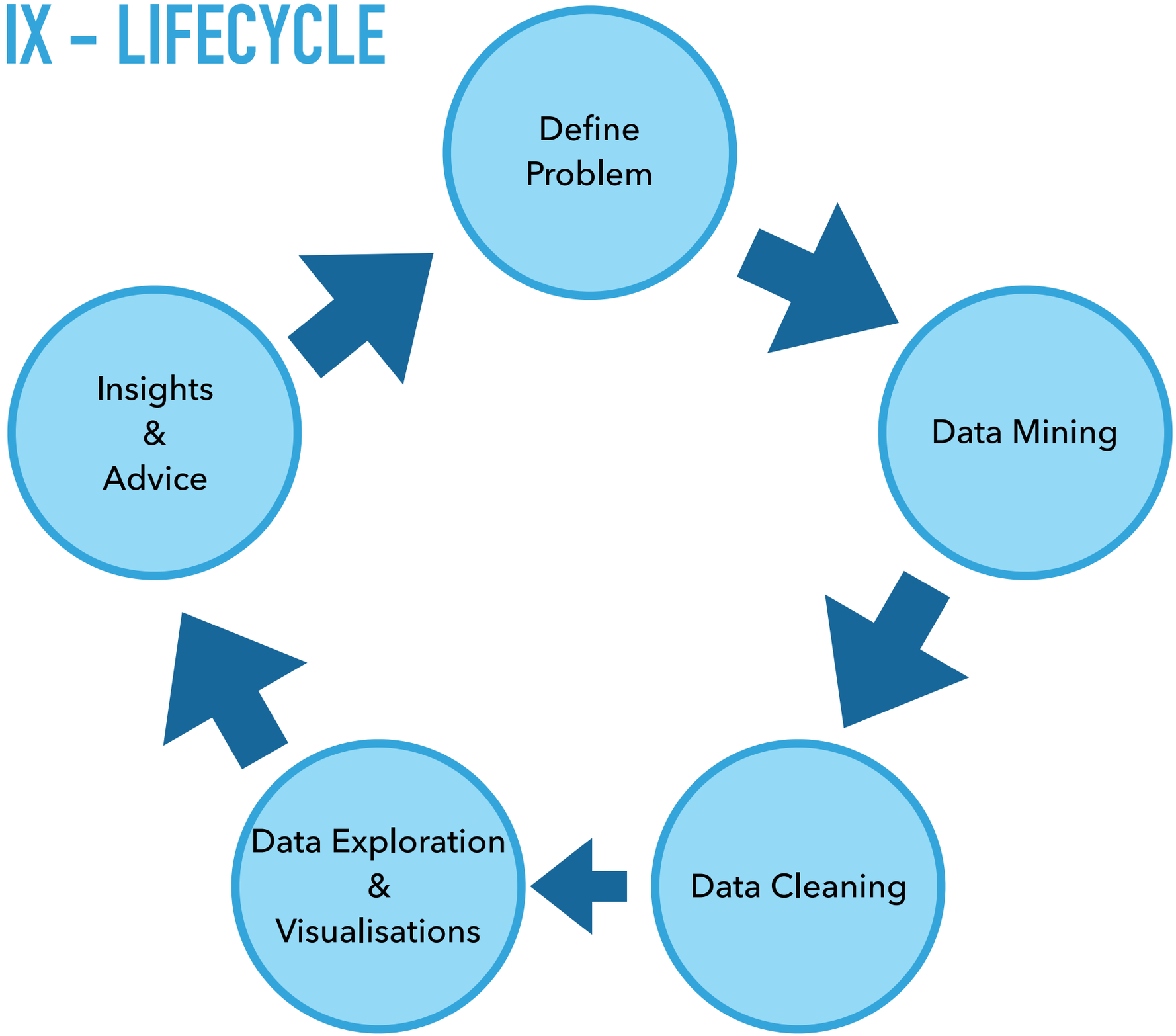
Release month:

November/December

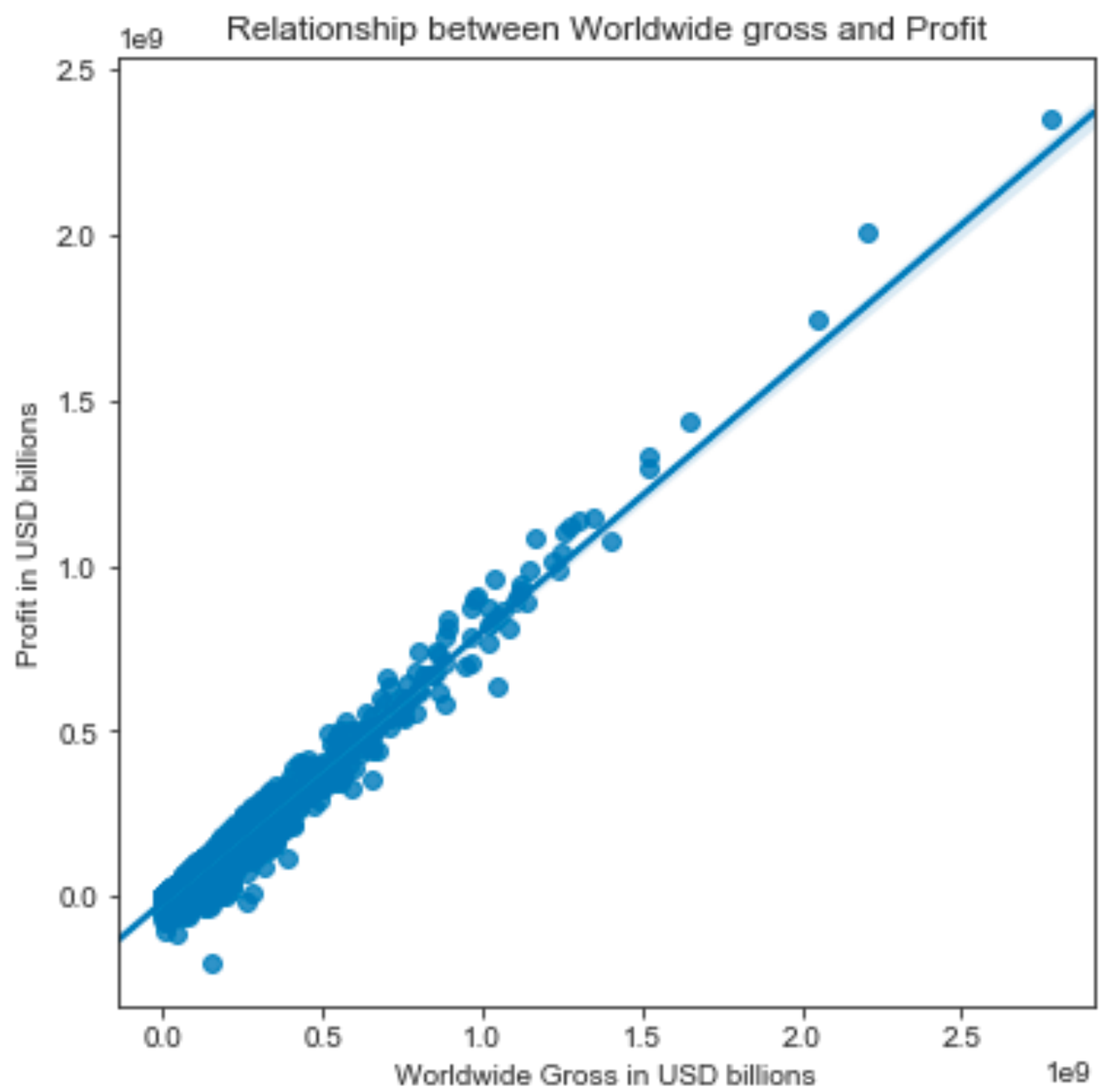
APPENDIX – MOVIES BASED ON VIDEO GAMES

- 1-3 movies each year
- Average Budget: $50m
- Action/Adventure dominate
- Benefit from existing fanbase

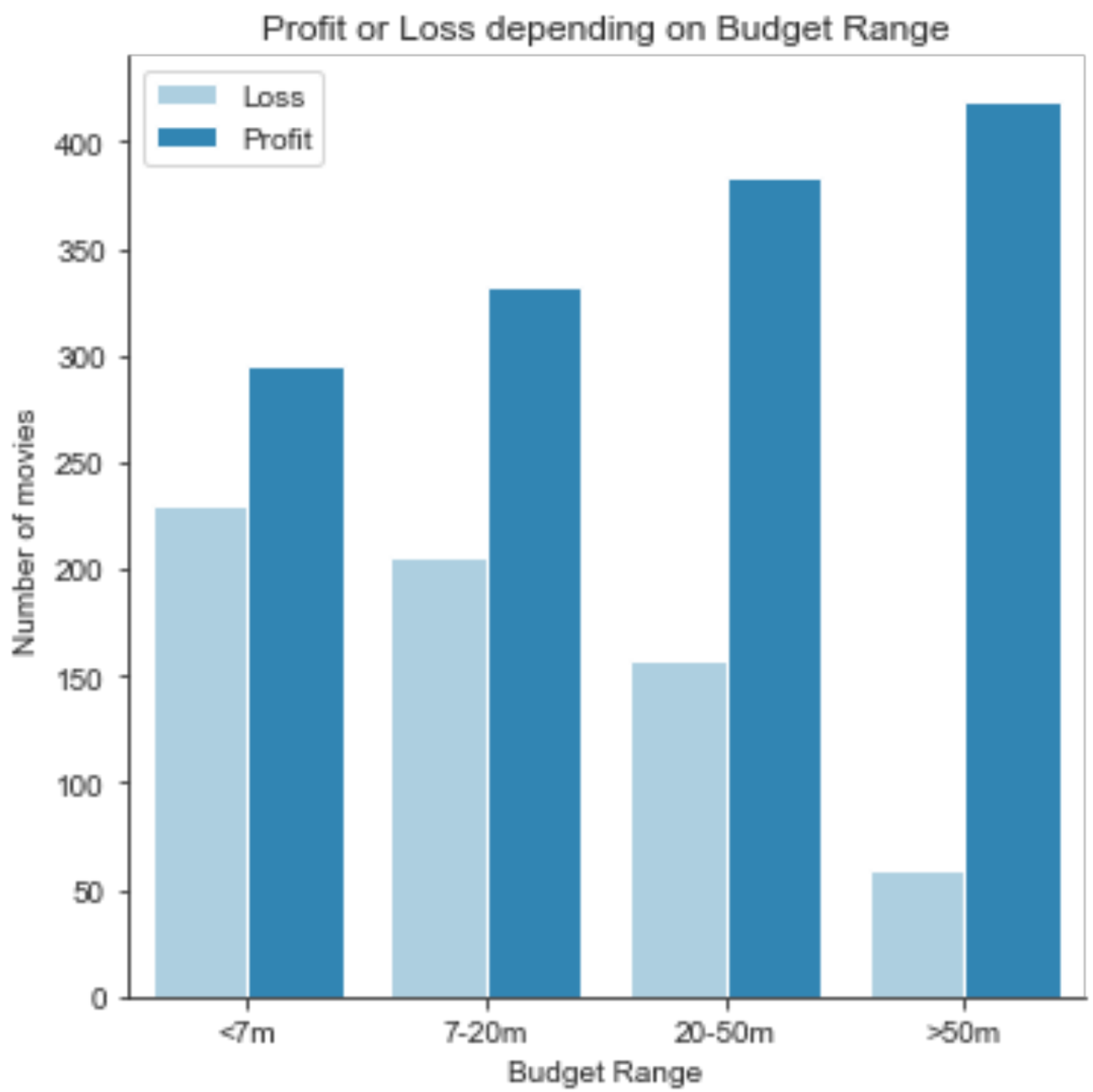
APPENDIX – LIFECYCLE



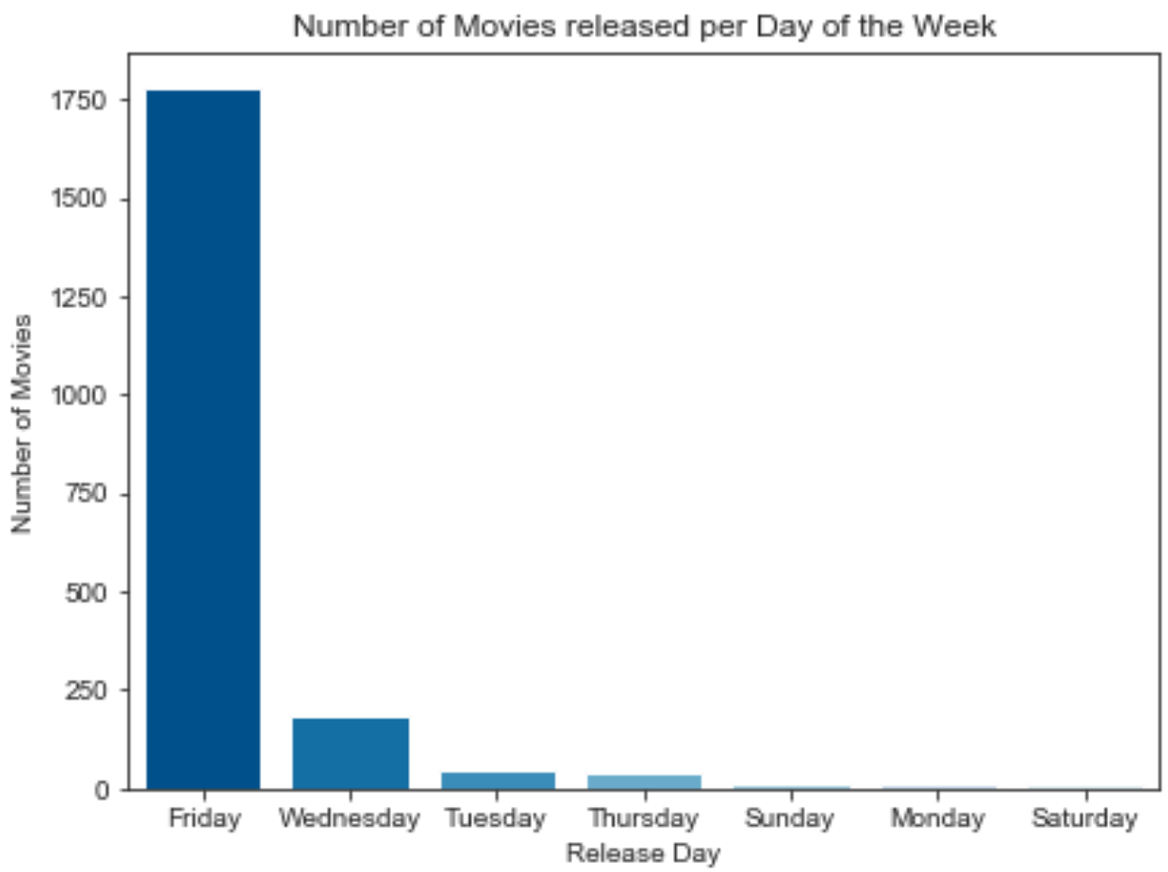
APPENDIX – PROFIT AND WORLDWIDE GROSS

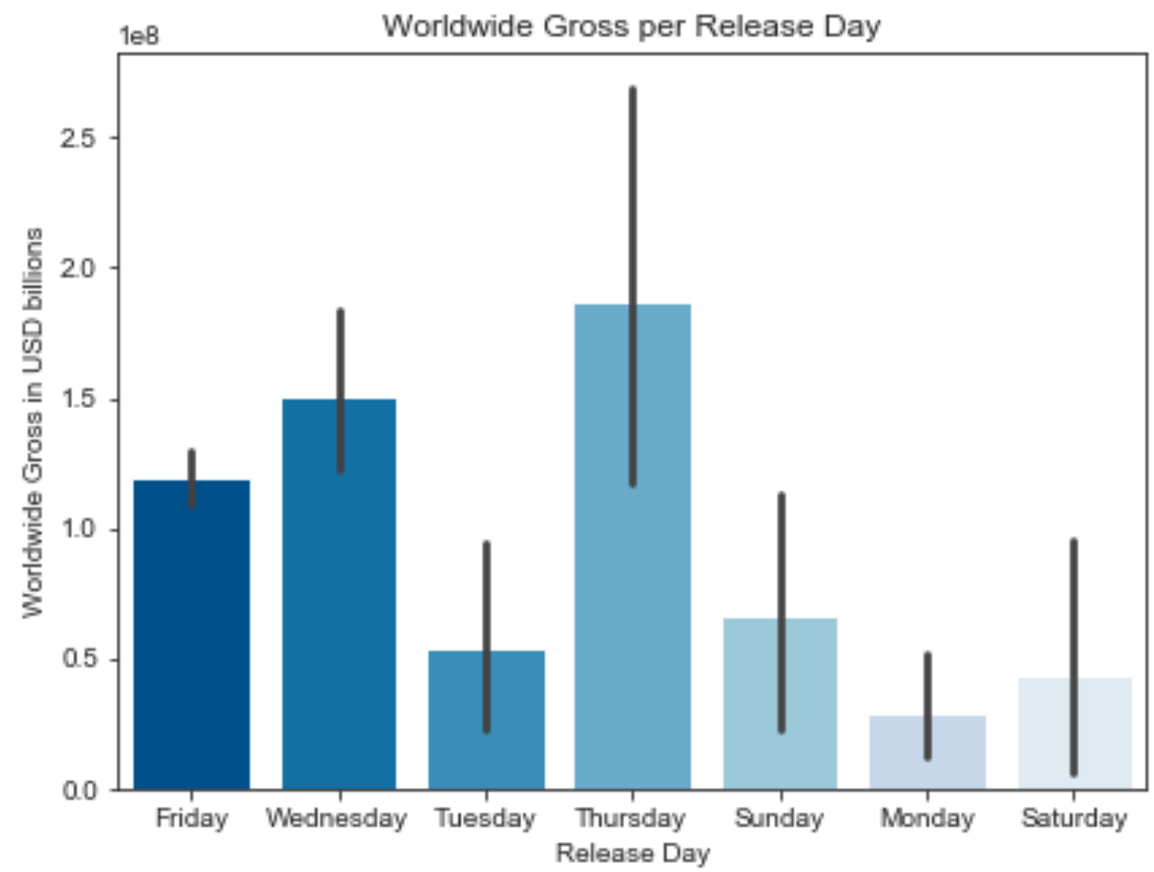


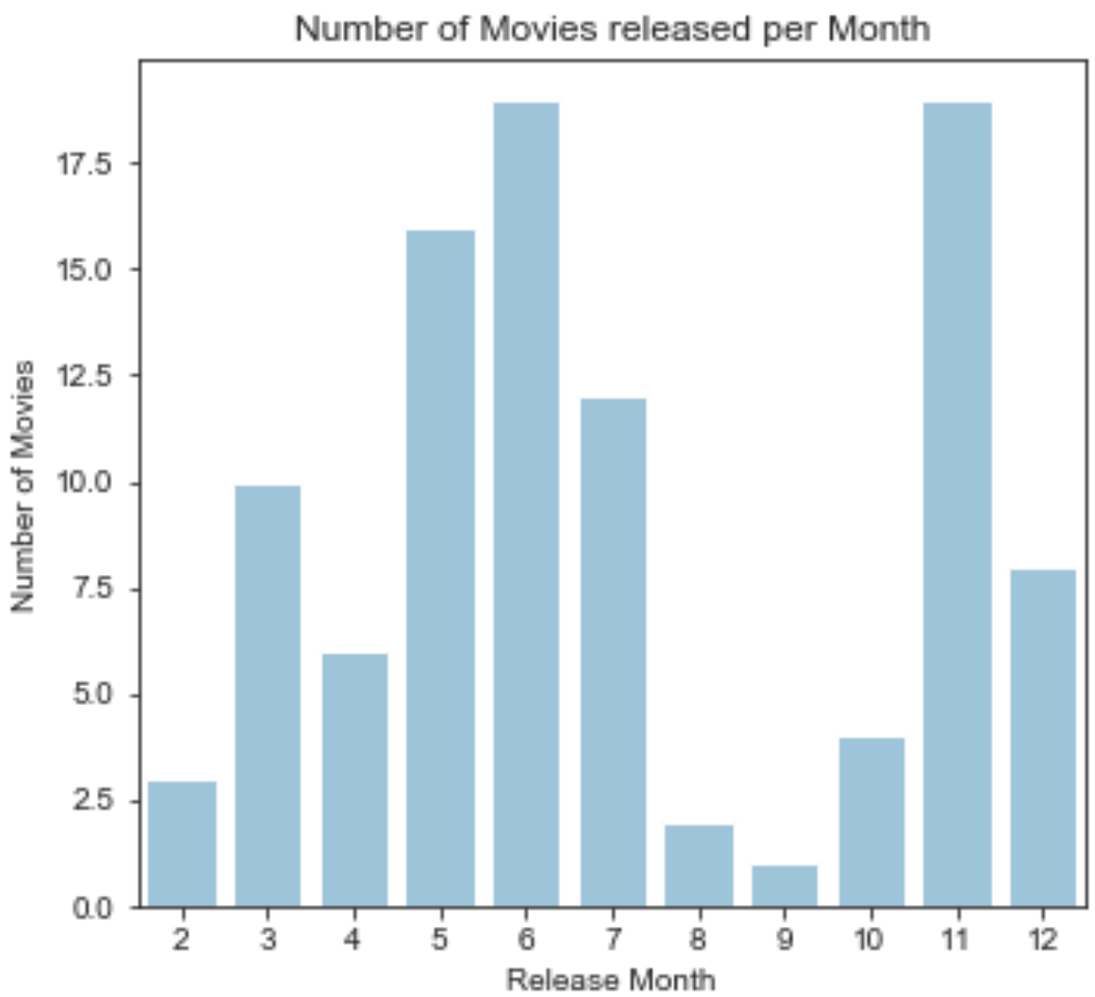
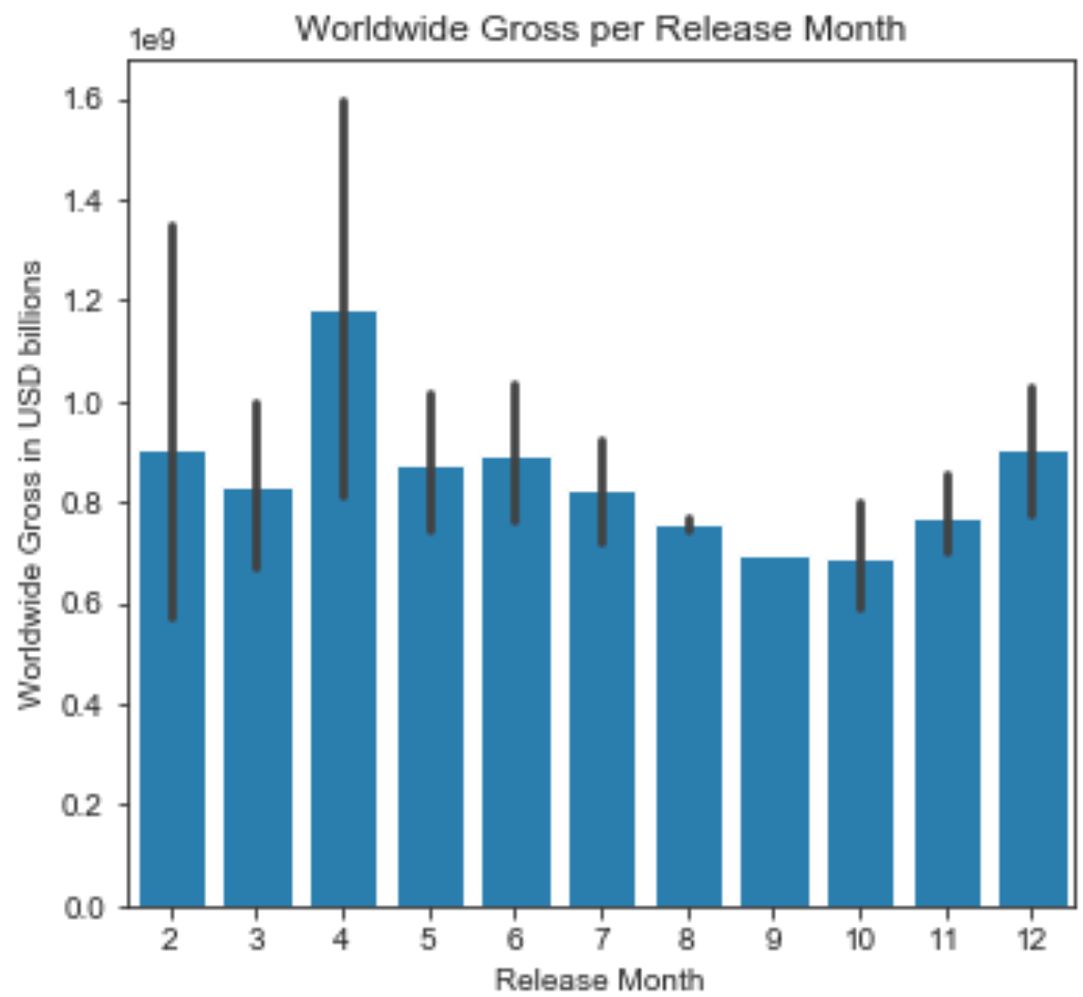
APPENDIX – BUDGET



APPENDIX – RELEASE DAY





MOST POPULAR DAY OF THE WEEK: FRIDAY

APPENDIX - RELEASE MONTH FOR TOP MOVIES