

A thick black L-shaped frame is positioned on the left and bottom edges of the slide, framing the central text.

MOVIE GENRE PROFITABILITY

Nicholas Gigliotti

Overview

Descriptive analysis of movie genre profitability for Microsoft reveals the most profitable genres by two different measures.

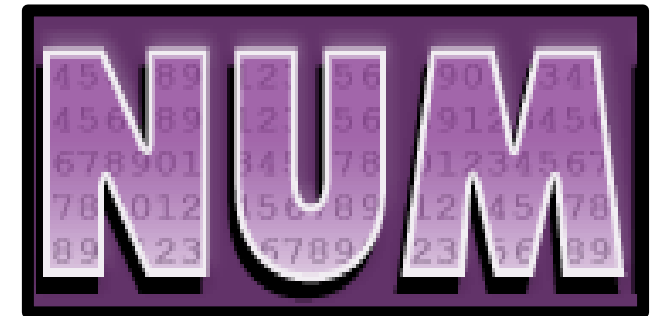
- Animation has the **best balance** of ROI and Revenue
- Horror and mystery have the **best ROI**
- Adventure has the **best Revenue**

Additionally:

- ROI was found to drop off for budgets of over \$250M.

Data and Methods

- Data sources
 - Internet Movie Database: **Genre**
 - The Numbers: **Finance**
- Time period: 2010 – 2019
- Pearson Correlation
 - Used to measure the relationship between genre variables and financial variables
 - Measures the degree of linearity
 - **Factors in both presence and absence of genre variable**
 - E.g. if non-Crime movies make more profit than Crime movies, Crime will have a negative correlation with profit

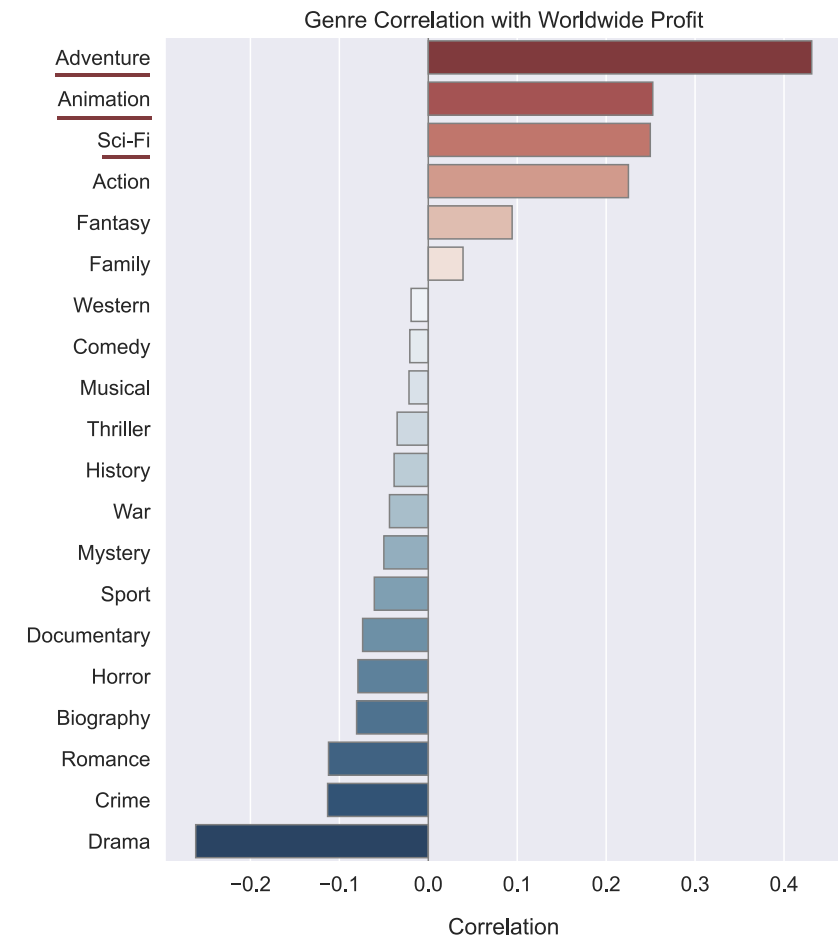
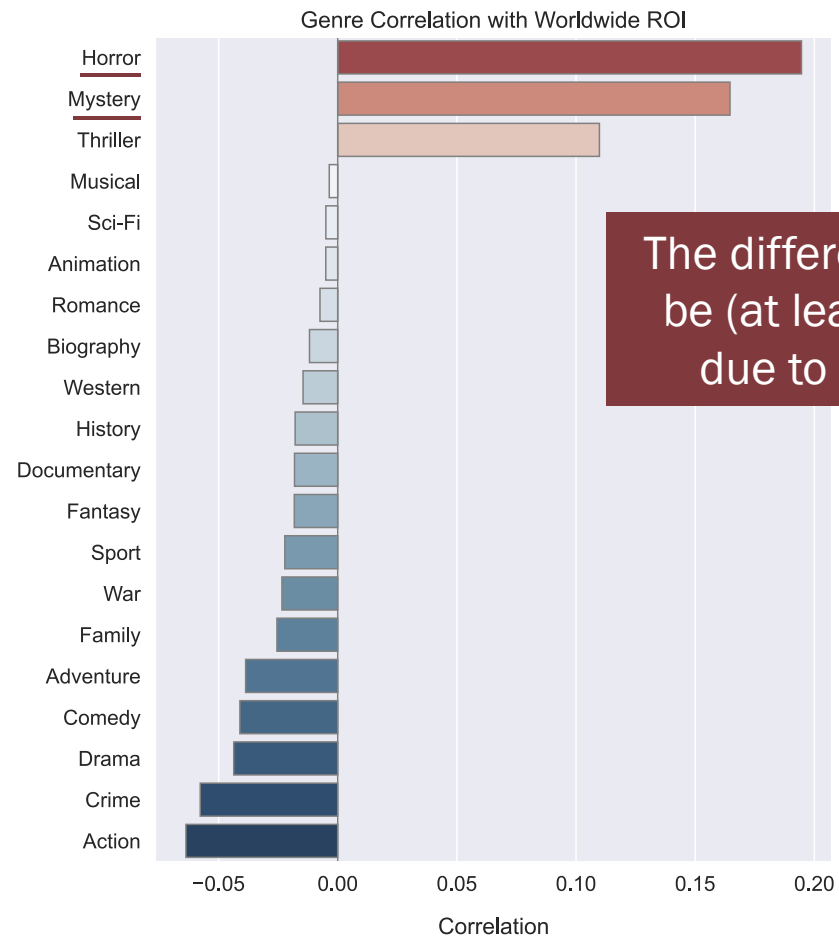




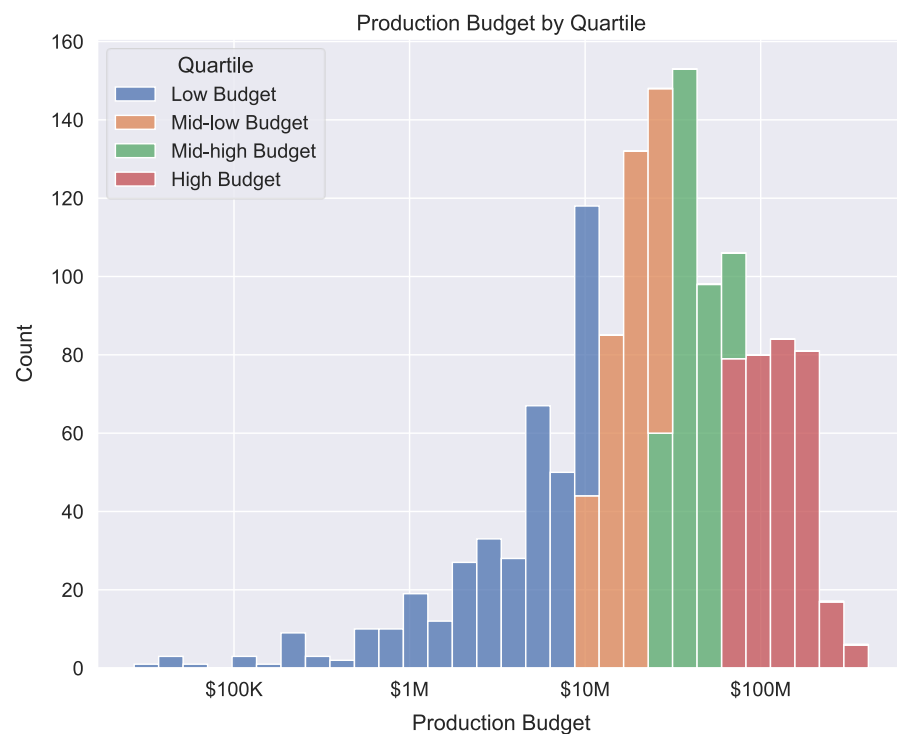
The Choice of Genre

- Different genres have different production requirements.
 - *Specialized actors*
 - *Specialized writers*
 - *Specialized designers*
- Genres vary in popularity and profitability.
- Don't let this decision sneak up on you.

ROI vs. Profit

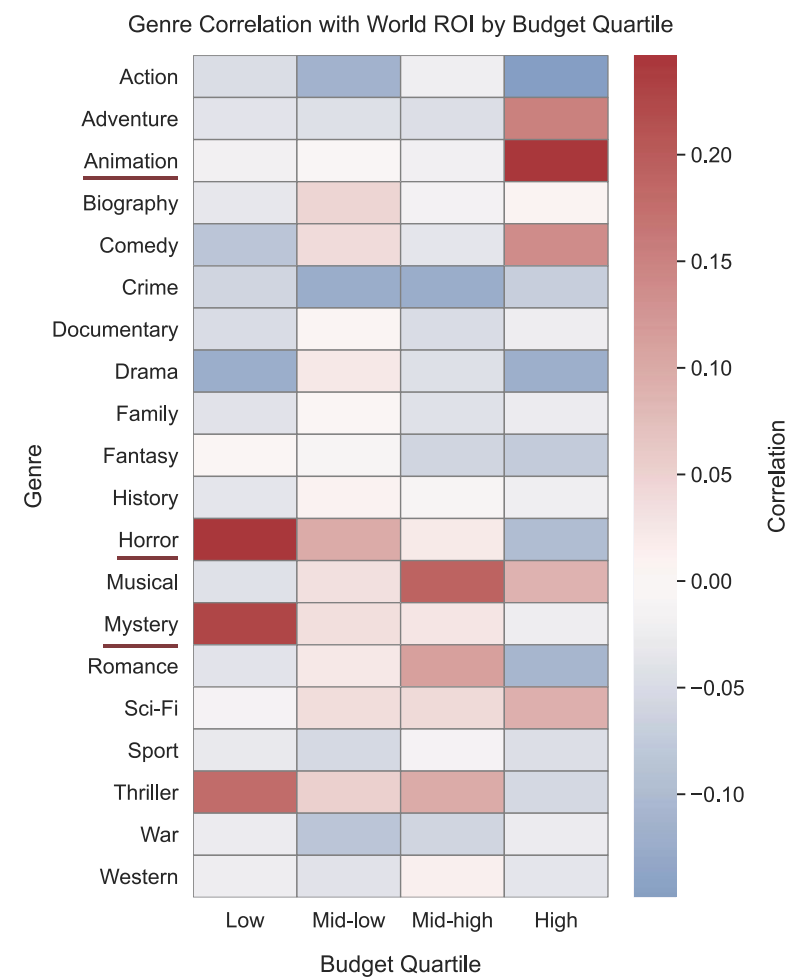


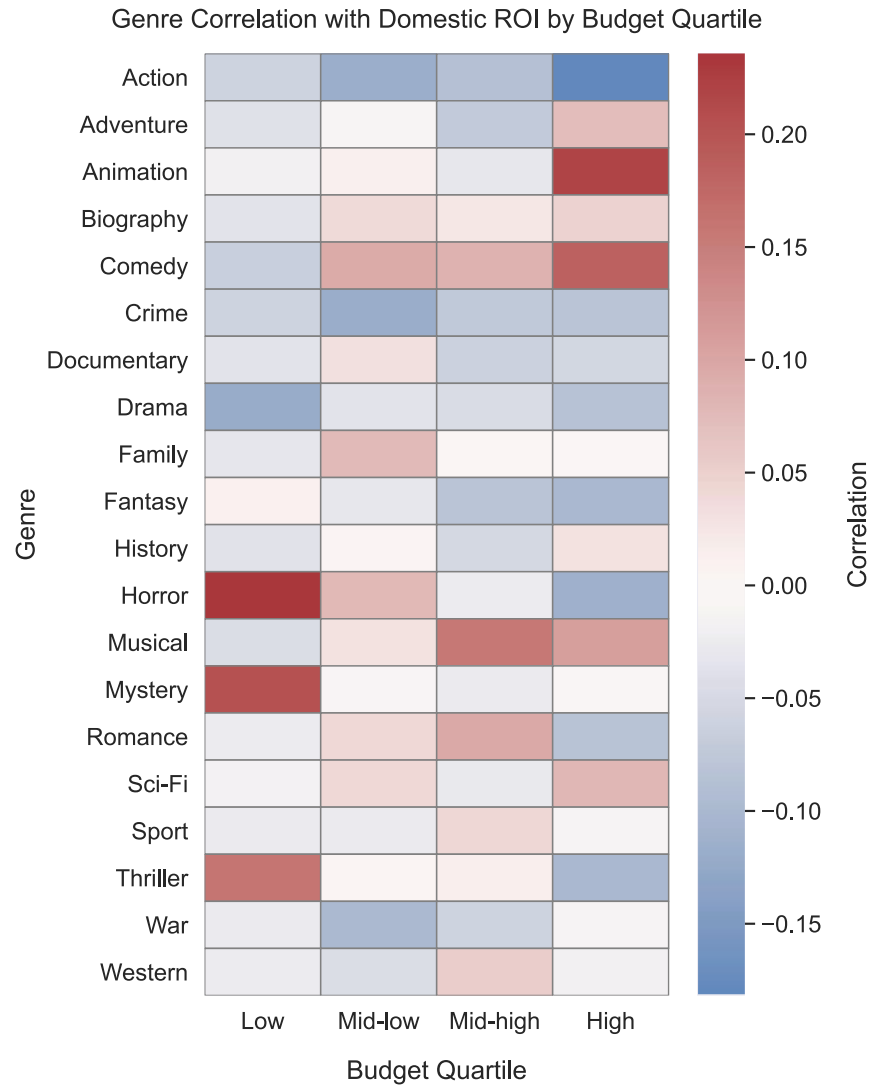
World ROI by Budget



The films are evenly divided by budget quartile.

Animation leads High-Budget, Horror and Mystery lead Low-Budget





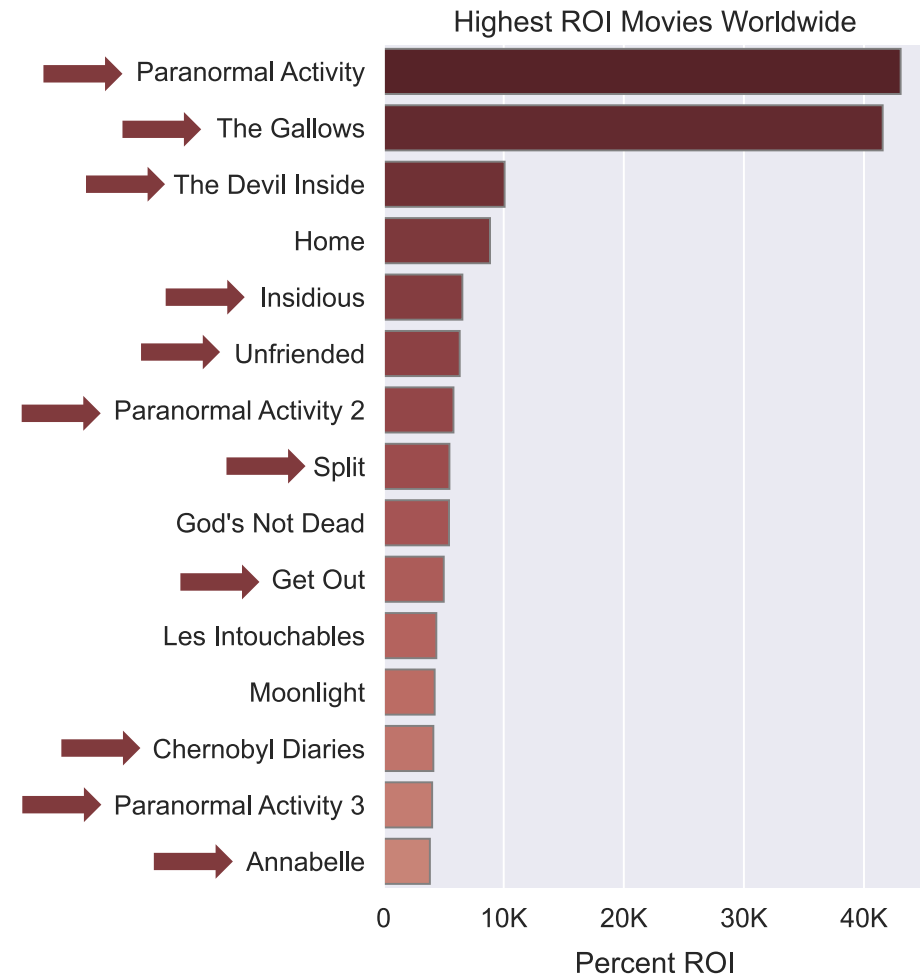
Domestic ROI by Budget

- Results are largely the same
- Comedy does slightly better
- Biography does slightly better
- Action, Crime, and Drama are still low

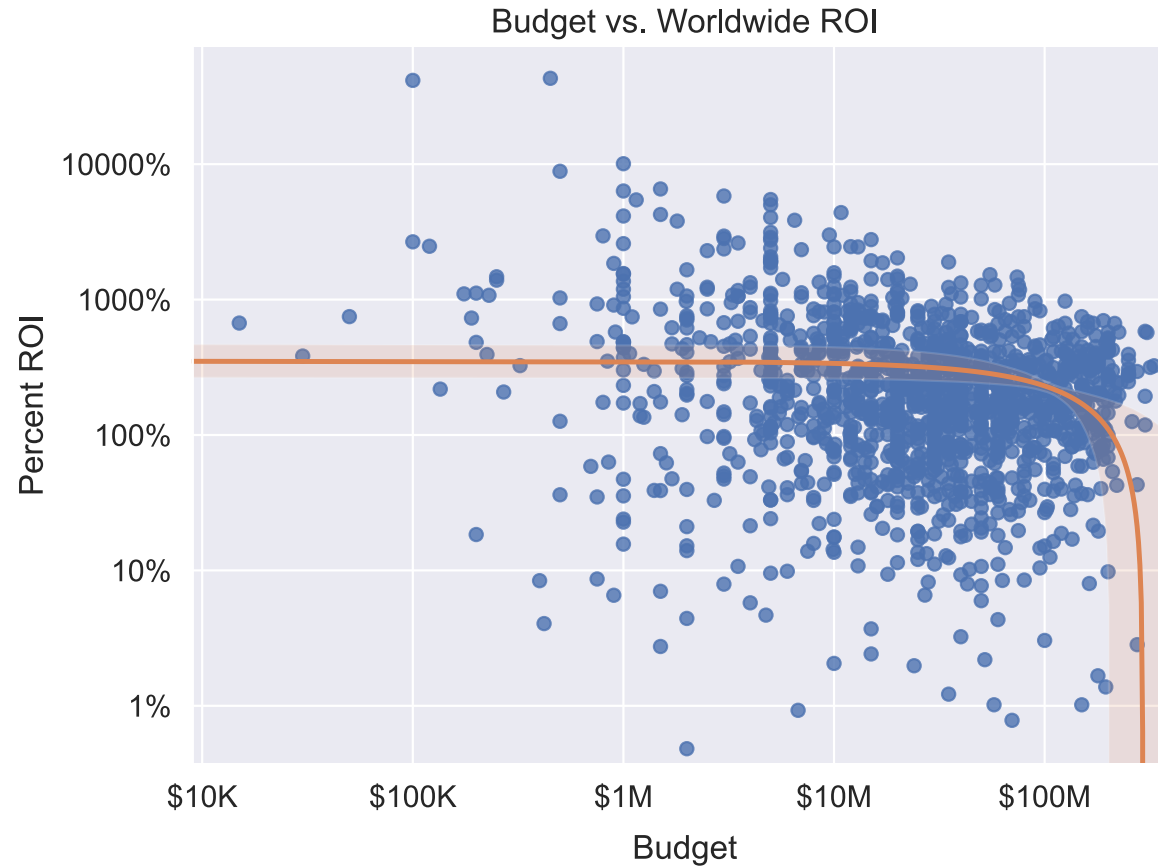
Other Perspectives on World ROI



Horror and
Mystery are
on top.



Budget vs World ROI



- Regression plot on a log scale
- Not much of a correlation, but...
 - Sharp drop off around \$250M
 - **Recommend avoiding extremely high budgets**

Conclusions

1. For **high revenue and high ROI**, go with Animation.
2. For **maximum ROI**, go with Horror and Mystery.
3. For **maximum revenue**, go with Adventure.
4. Stay away from Drama, Action, and Crime.
5. Keep your movie budgets under \$250M.



Next Steps

- Reproduce analysis with The Movie Database genre data
- Join tables using fuzzy string matching
- Consider other factors
 - Cast and crew
 - Time of year



THANK YOU!

Email: ndgigliotti@gmail.com

GitHub: @ndgigliotti