



Rockbuster Stealth Business Strategy

Shivam Nautiyal

How Do We Stay Competitive?

Rockbuster is currently facing heightened competition from companies like Bollywood Video, Texflix, and Bluebox. The industry is shifting towards a digital environment with a focus on movie streaming.

In order to stay competitive, we will evaluate our existing film catalog and customer base to identify potential opportunities for growth. We will then use these findings to guide the launch of our new streaming service.

Summary Analysis of Rentals

Average

- Rental Time – 4.975 Days
- Rental Price - \$2.98
- Replacement Cost - \$19.98

Minimum

- Rental Time – 3 Days
- Rental Price - \$0.99
- Replacement Cost - \$9.99

Maximum

- Rental Time – 7 Days
- Rental Price - \$4.99
- Replacement Cost - \$29.99

- On average, users are renting movies for nearly 5 days
- Replacement cost for movies can range from \$9.99 to \$29.99
- Average price to rent is \$2.98

Rockbuster Film Catalog Statistics

Highest Number of Films by Genre

- Sports: 73
- Foreign: 67
- Family: 66

Top 3 Average Rental Duration By Genre

- Thriller – 6 Days
- Travel – 5.5 Days
- Music – 5.2 Days

Top 3 Average Price by Genre

- Travel - \$3.30
- Comedy - \$3.28
- Games - \$3.16

- We carry 1,000 films
- Our library contains films from 2006
- Our library only holds English-speaking films

Rockbuster Customers by Country and Revenue



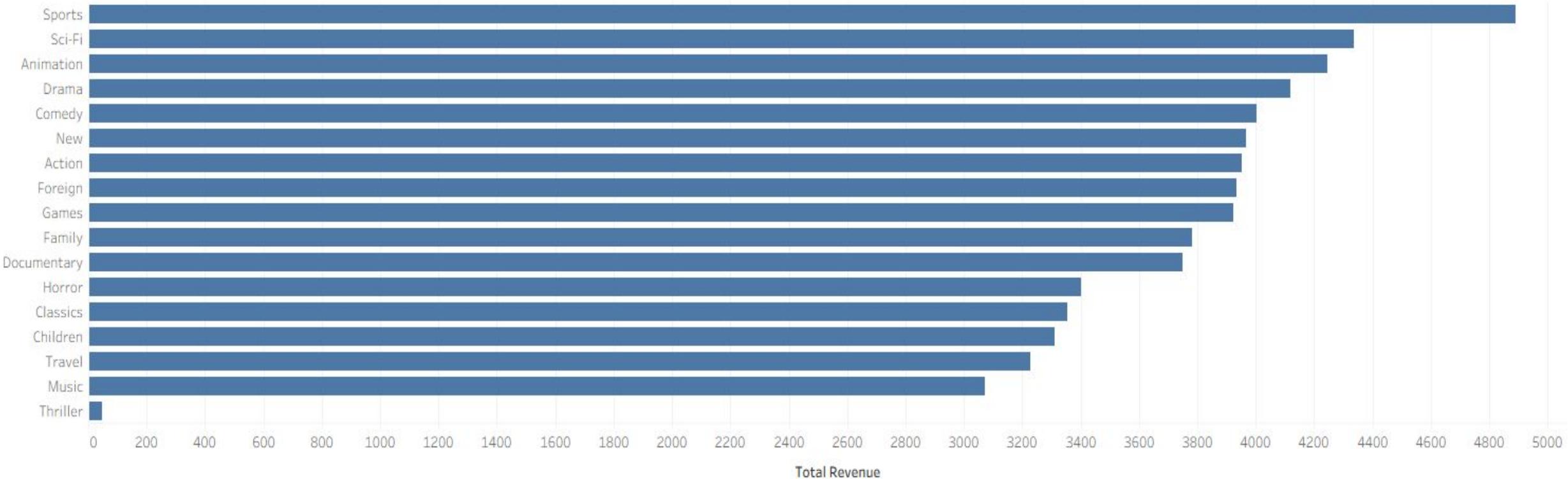
Top 10 Countries by Revenue

India	\$6,034.78
China	\$5,251.03
United States	\$3,685.31
Japan	\$3,122.51
Mexico	\$2,984.82
Brazil	\$2,919.19
Russian Federation	\$2,765.62
Philippines	\$2,219.70
Turkey	\$1,498.49
Indonesia	\$1,352.69

Key Findings:

- India turns out to be our most profitable region at (\$6,034.78) and has the highest amount of 60 customers
- The most profitable countries for Rockbuster are scattered across the world instead of in tight clusters

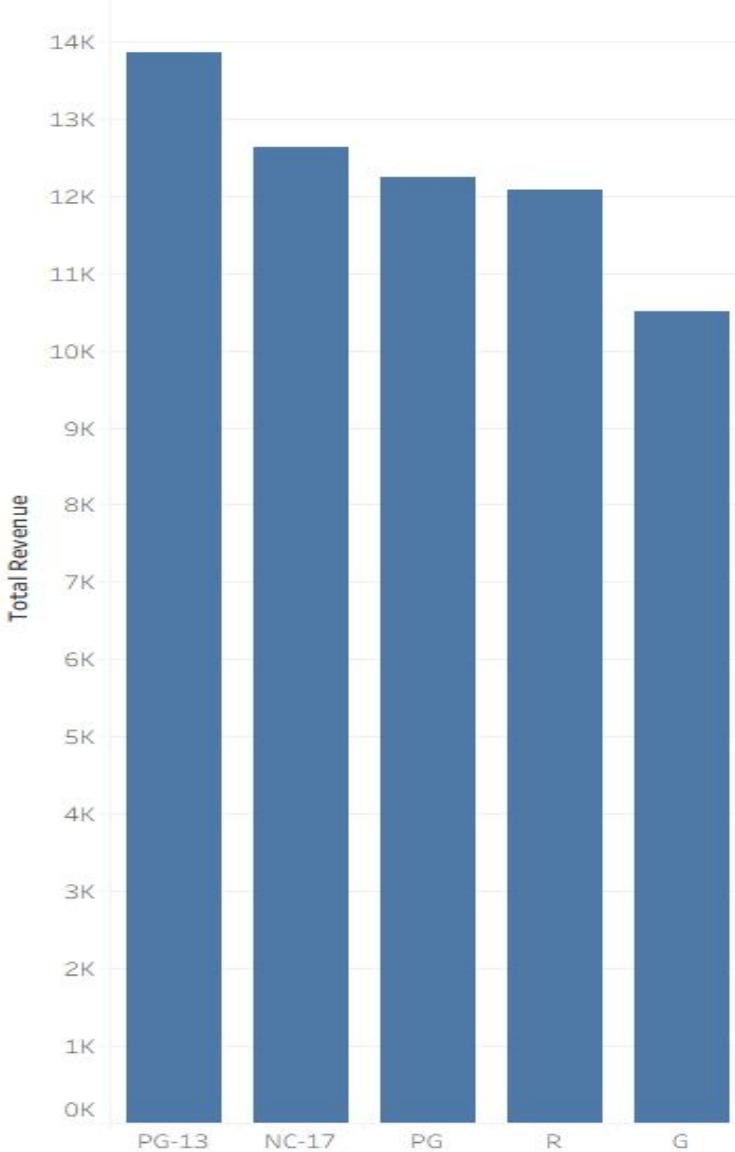
Revenue by Genre



Key Insights

- Sport films are the highest revenue genre (\$4,892.19) followed by Sci-Fi (\$4,336.01) and Animation (\$4,245.31)
- Thrillers surprisingly were the least profitable genre (\$47.89)

Revenue by Movie Rating



Key Insights

- PG-13 rated films gross the highest amount of revenue
- NC-17, PG, and R are comparable in terms of revenue
- G-rated films are the lowest performing group for revenue

Summary of Insights

- Rockbuster's film catalog contains films only from 2006 and available in English
- Our top 5 performing countries are India, China, United States, Japan, and Mexico
- PG-13 rated films yield the highest amount of revenue due to their broad appeal across many demographics
- Sports, Sci-Fi, and Animation films appeal to most viewers and generate the most amount of revenue

Recommendations

- Broaden our film inventory since our catalog only contains movies released 2006
- Diversify our library by including movies in different languages – particularly in countries that are profitable for Rockbuster such as: India, China, Japan, and others to appeal more in these markets
- Increase investment in popular genres such as Sports, Sci-Fi, and Animation given their profitability
- Investigate further on thrillers to determine why this genre is underperforming compared to other genres

Appendix

- [Rockbuster Customer Base and Revenue](#)
- [Rockbuster Revenue by Genre](#)
- [Rockbuster Revenue by Movie Rating](#)