



DREAM TO STREAM

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SUMMARY

- ▶ The first goal is to determine how much money to allocate to the first project. Our goal is to maximize the dollars invested.
- ▶ The second goal is to find the optimal release date, setting the schedule for the movie.
- ▶ The third goal is to narrow down the movie genre. This will help pick the employees needed.

OUTLINE

- ▶ Business Problem
- ▶ Data & Methods
- ▶ Results
- ▶ Conclusions

BUSINESS PROBLEM

- ▶ We are trying to determine the best way to join the streaming and original movie production wars.
- ▶ Microsoft should not be the last major player in the game.
- ▶ We want to maximize our profits on the first movie to help expand the future and help cover start-up costs.



DATA & METHODS

- ▶ We were looking for similarities in the top 10% of the most profitable movies to guide a future success story.
- ▶ Success in this study means having the highest profitability index, a.k.a., getting the most out of a dollar. Spending \$1 and getting \$100 back, instead of spending \$1 and getting \$10 back.
- ▶ Only the movies from the last 10 years were taken into consideration. The movies that were considered were ones that broke even domestically.
- ▶ The data used was pulled from Box Office Mojo, IMDB, TheMovieDB, and The Numbers.

RESULTS-BUDGET ANALYSIS

- ▶ The budgets of all top 10% movies were evaluated in \$13,224,000 bins. The bin size was chosen because it broke the range of all budgets down into 25 groups
- ▶ The interesting part was that the top 10% did not have as vast of a range as the whole population. The top 10% movies, based on rate of return, had a range from \$0-\$79,344,000.
- ▶ Based on these results I would recommend spending less than \$13,224,000; followed up by spending between \$26,448,000 and \$39,672,000.



RESULTS-RELEASE MONTH ANALYSIS

- ▶ Release dates in January, July, and October out performed their expected value.
- ▶ It would be worth further exploring within these months to see if the release dates occurred around a national holiday.

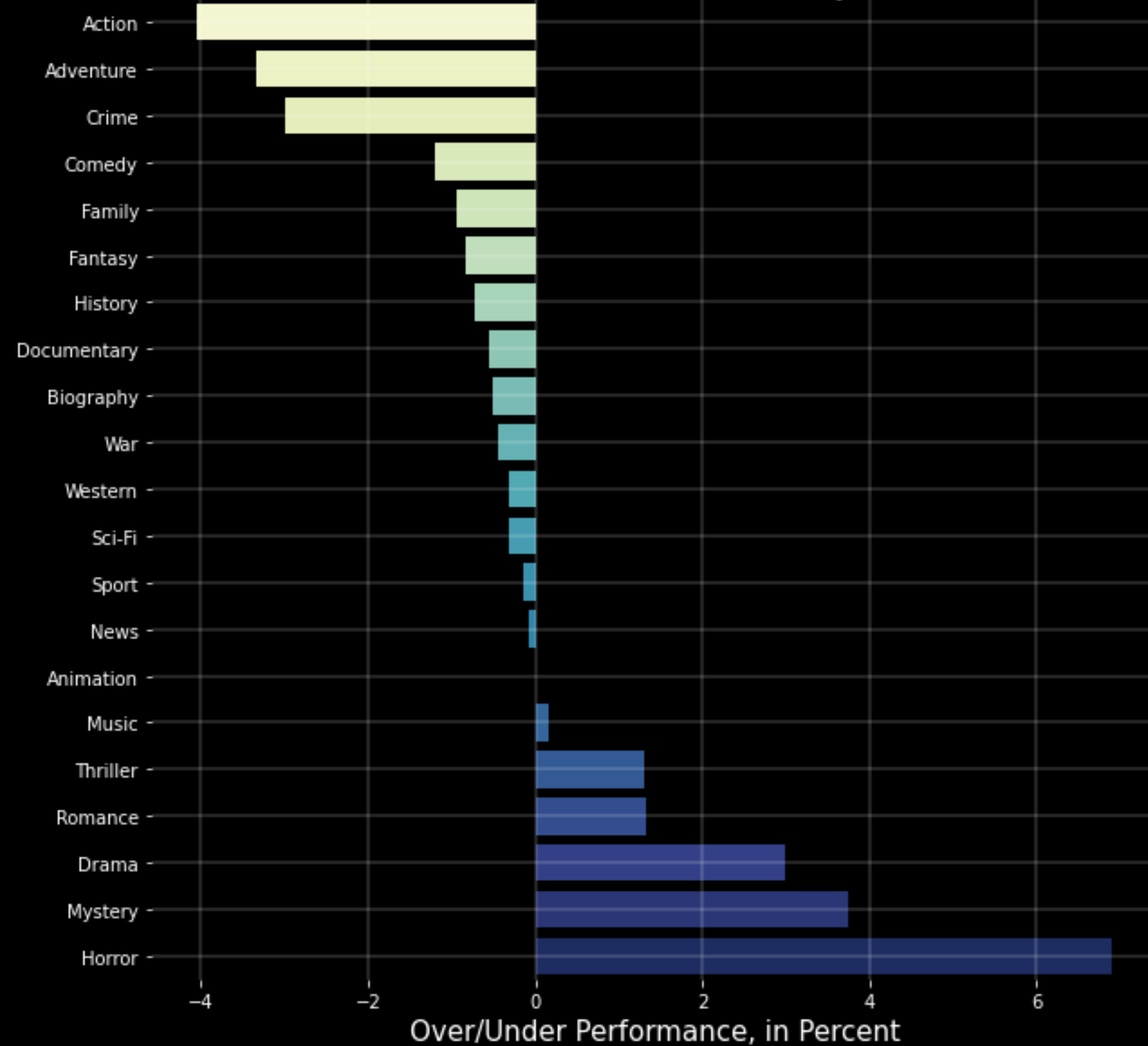
Over/Under Performance of the Top 10% vs. Population



RESULTS-GENRE ANALYSIS

- ▶ Certain genres are just more profitable than others.
- ▶ The genres that out performed their expected value are horror, mystery, drama, romance, thriller, and music.
- ▶ We will have to further study some of the genres like romance because they have movies that are not marketable on prime-time television.
- ▶ Another note to further explore would be average budget per genre. An action movie is probably more expensive to create than a horror movie.

Over/Under Performance of the Top 10% vs. Population



CONCLUSION

- ▶ A budget of \$13.2 million or less shows the most potential to maximize the profit index. To narrow that down even more, a budget of less than \$5 million is the most successful.
- ▶ A release date in the month of January, July, or October represents more of the top 10% of profitable movies than other months. I would recommend releasing in one of these three months.
- ▶ A movie in the mystery/horror genre would set Microsoft up to make the most of their money.

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SWEET DREAMS