

# **ROCKBUSTER STEALTH LLC**

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Rose Nayak

# ROCKBUSTER PROJECT OVERVIEW



Rockbuster's movie rental business is facing a significant challenge in the digital age.



Rockbuster operates traditional video rental stores with a customer base across six continents.



It has to pivot to compete with Netflix & others who offer on-demand access to a vast library of movies.

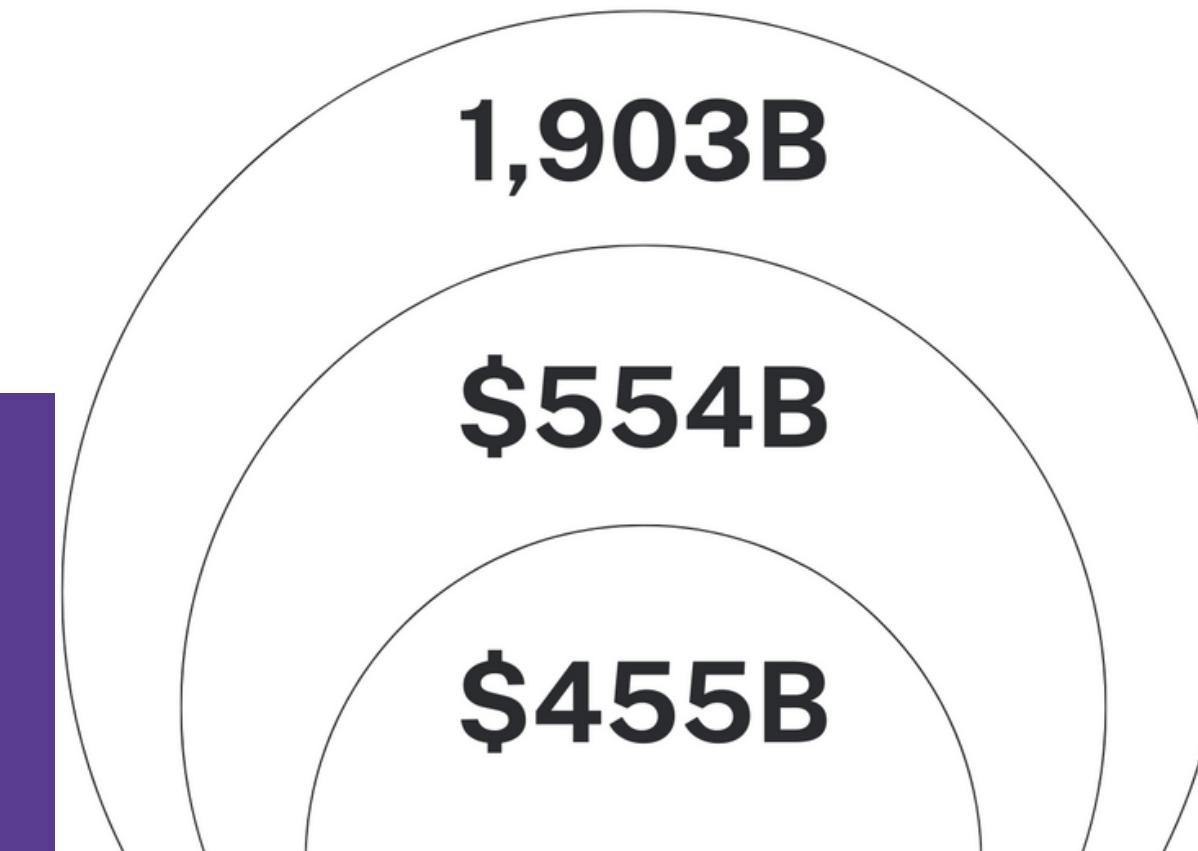


# VIDEO STREAMING MARKET

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Rockbuster faces formidable competition from powerhouse video streaming companies such as Netflix, Amazon, Hulu, Disney, and others who are vying for a share of a market which is anticipated to hit 1.9 trillion dollars by 2030.

## SIZE OF MARKET



**2030**

The video streaming market size is projected to expand to USD 1,902.68 billion by 2030.

**2023**

It reached USD 554.33 billion in 2023.

**2022**

It was valued at USD 455.45 billion in 2022.

Source: <https://www.fortunebusinessinsights.com/video-streaming-market-103057>

# ROCKBUSTER WHERE WE ARE

To stay competitive, Rockbuster can leverage its existing movie licenses and its global customer base to compete in the digital era and launch its own online video rental service.



# QUESTIONS FROM **ROCKBUSTER** **MANAGEMENT** **BOARD**

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## **Movie**

Which movies contributed the most/least to revenue gain?

## **Rental Duration**

What was the average rental duration for all videos?

## **Countries**

Which countries are Rockbuster customers based in?

## **Customers**

Where are customers with a high lifetime value based?

## **Geographic Regions**

Do sales figures vary between geographic regions?

# ROCKBUSTER INVENTORY & DATA SET

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**1000**

# of Film of Titles in inventory

**20**

Number of Categories

**200**

Number of Actors

**599**

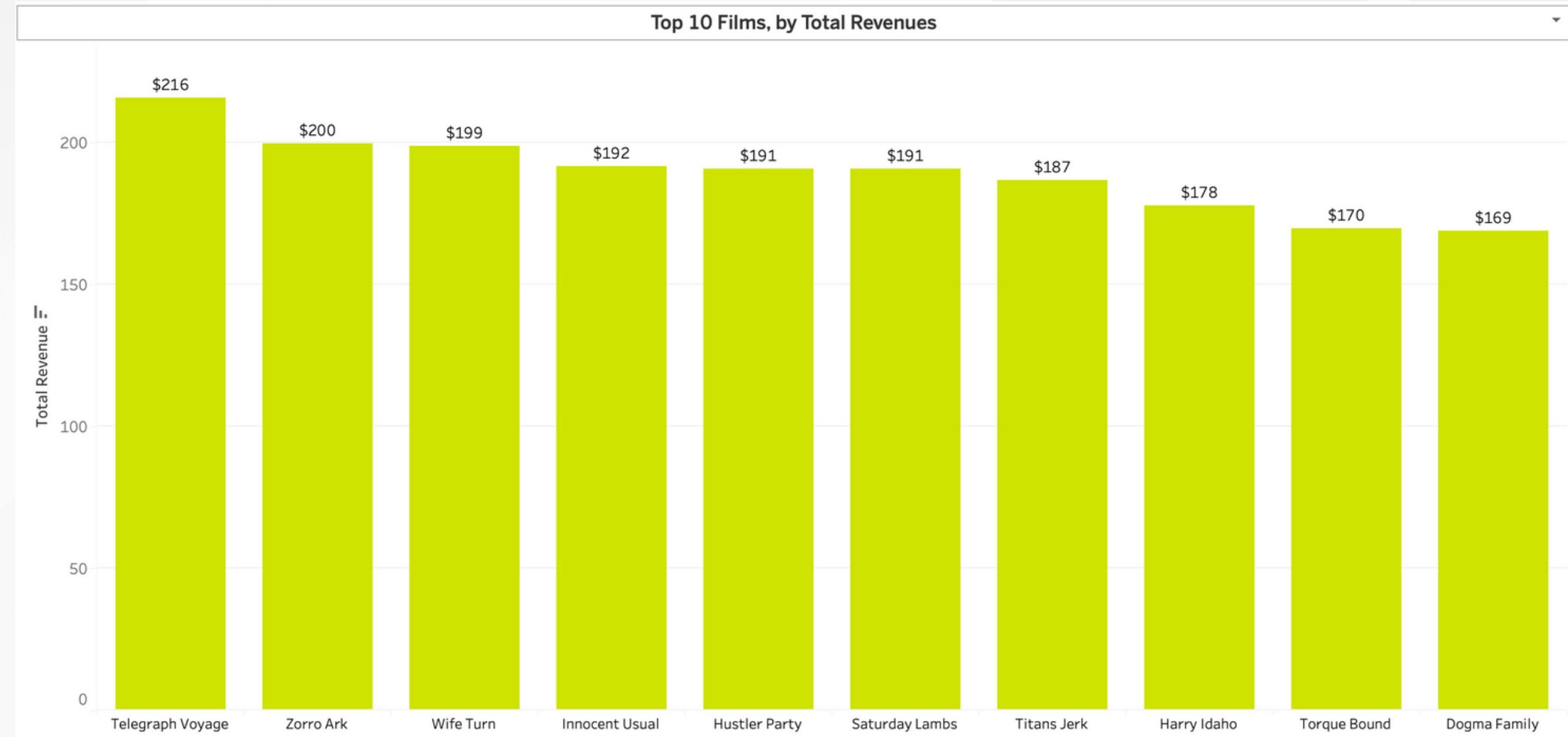
Number of Customers

**109**

Number of Countries

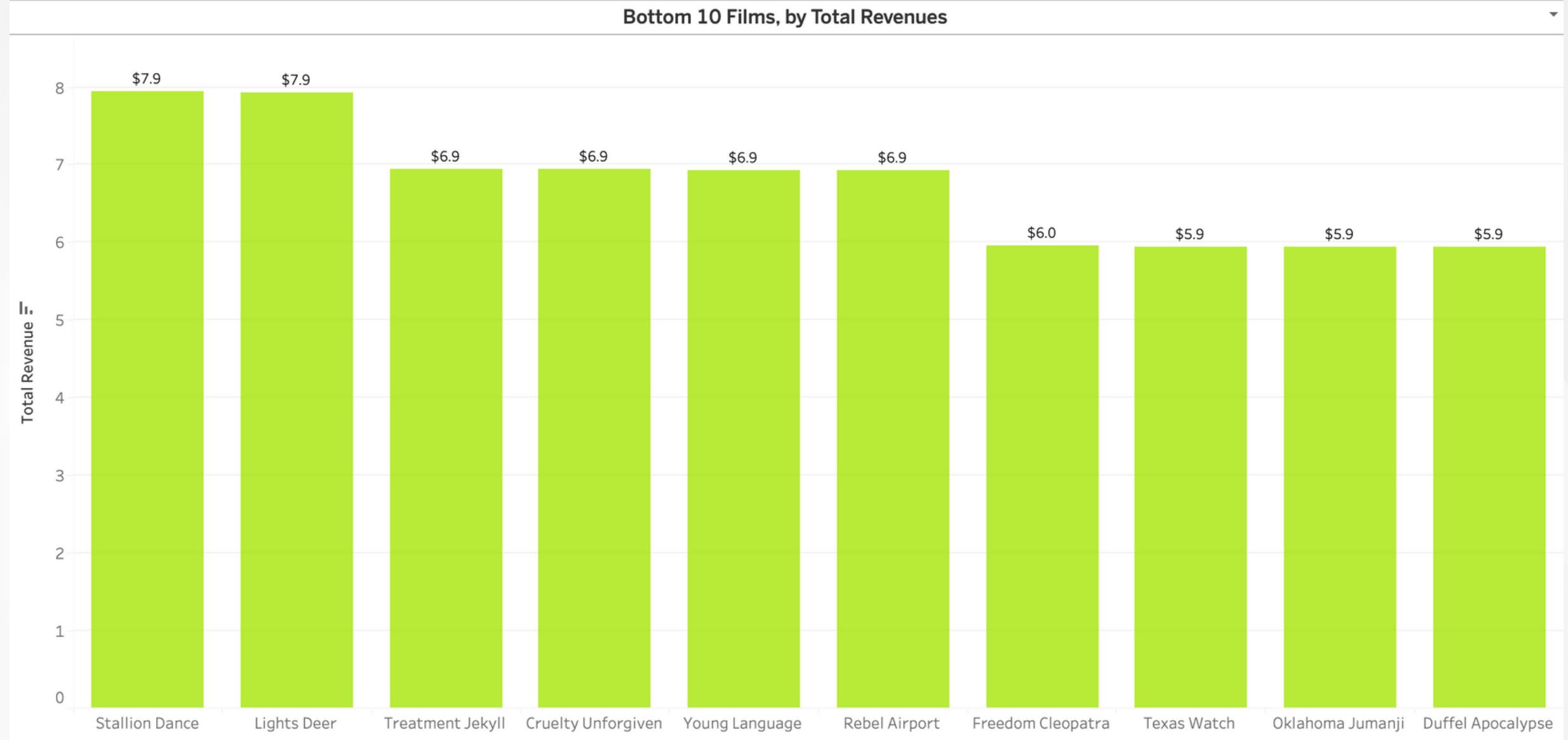
# TOP 10 MOVIES

The Top 10 movies averaged \$189 per movie.



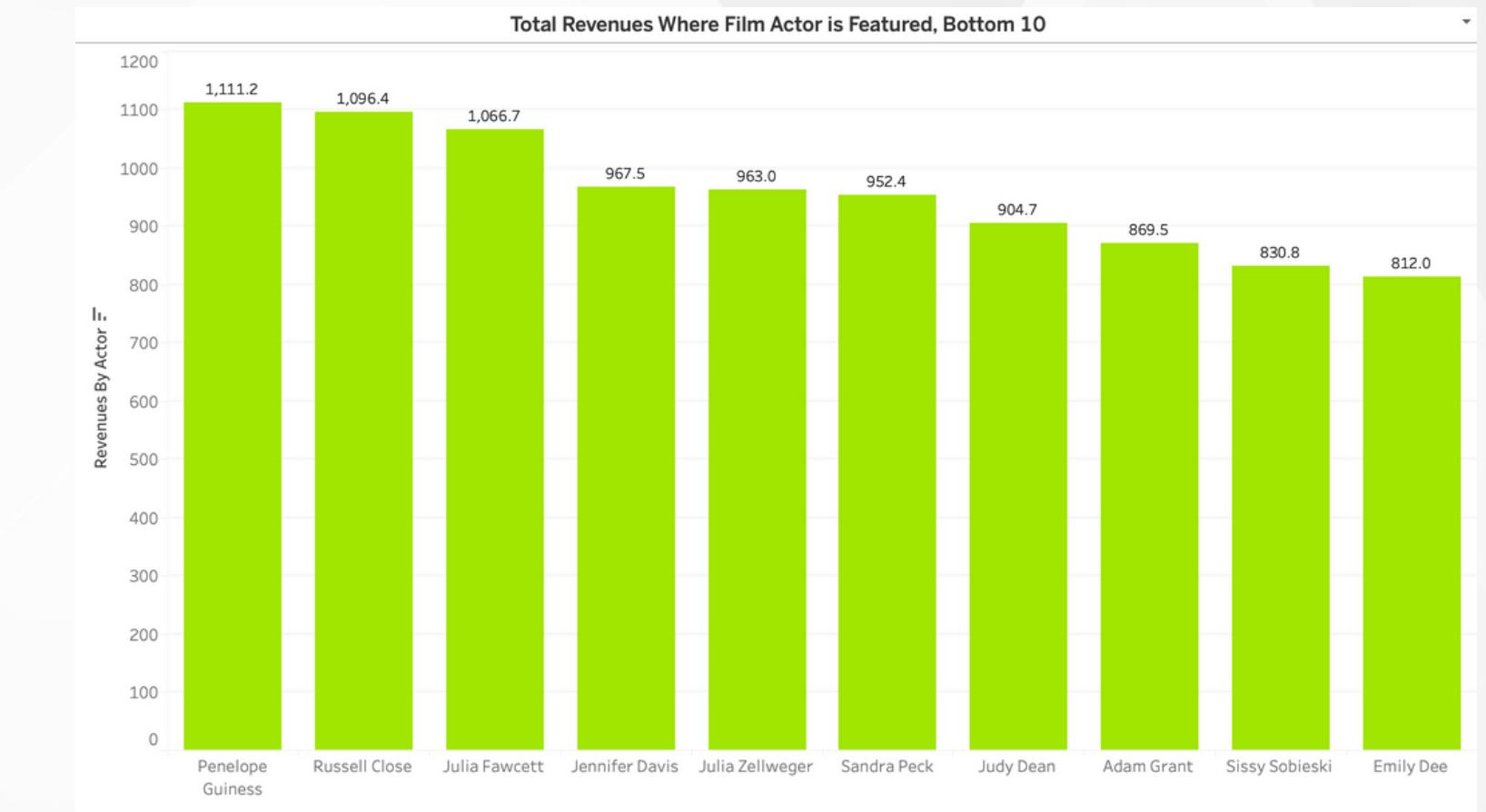
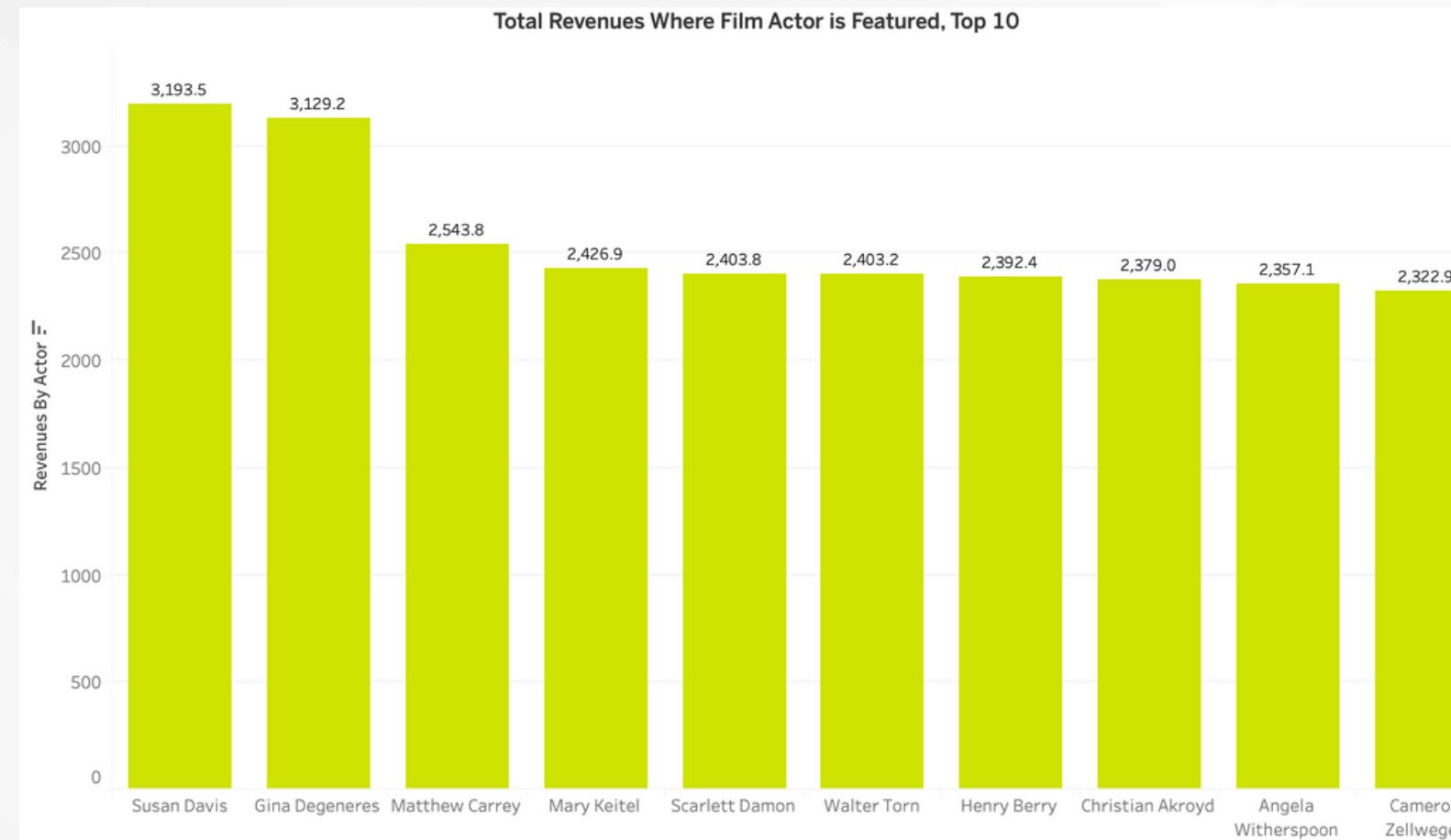
# BOTTOM 10 MOVIES

In contrast, the bottom 10 averaged just \$6.8 per movie.



# TOP/BOTTOM 10 FEATURED ACTORS

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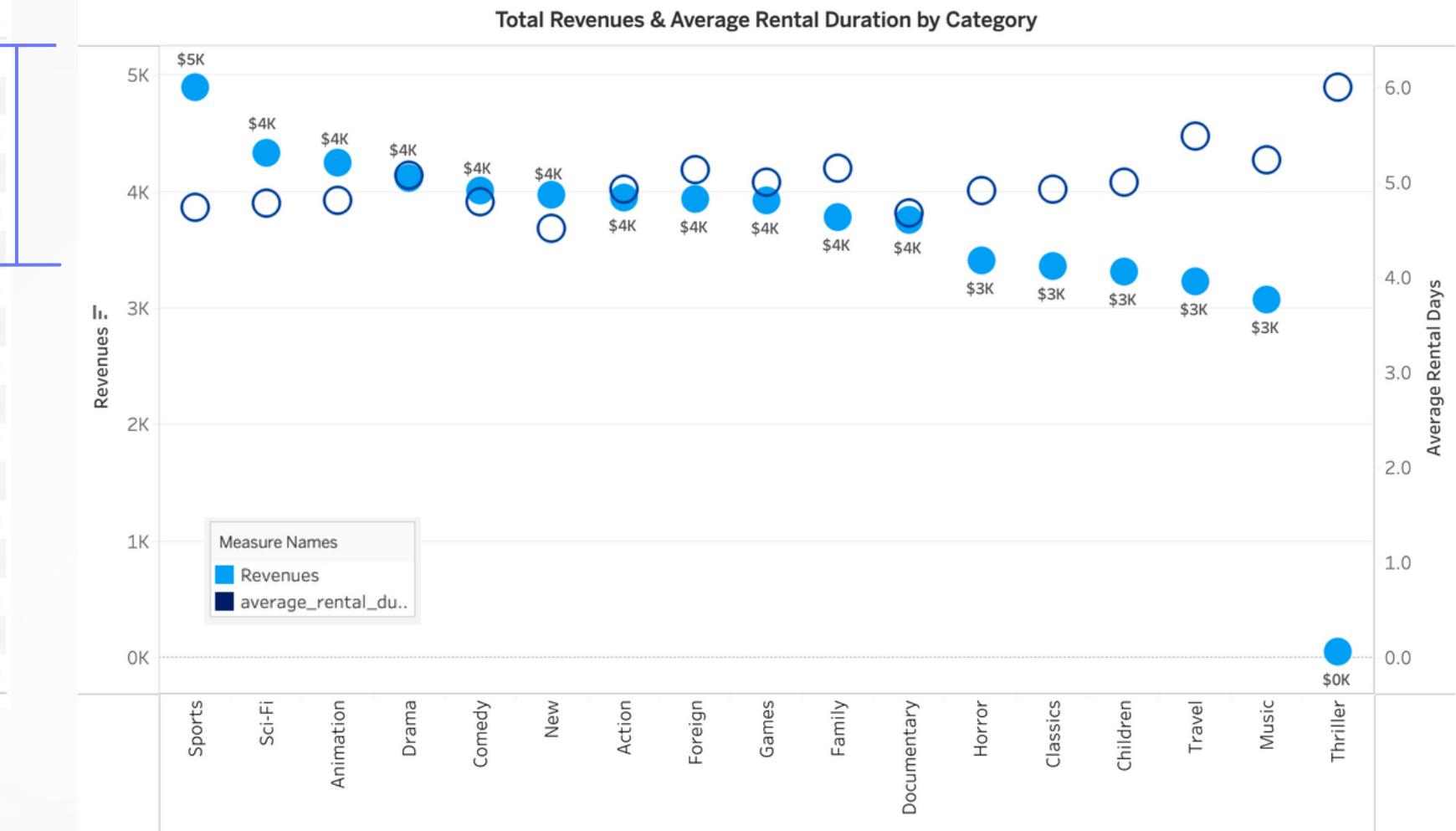
# RENTAL DURATION

The average rental duration across categories is 5 days.

Notably, the top six revenue-generating categories tend to have shorter average rental durations, below 5 days-- except in the case of Drama.

Their popularity, combined with these shorter rental periods, accelerates the turnover of rented items. This allows Rockbuster to cater to more customers within a given period.

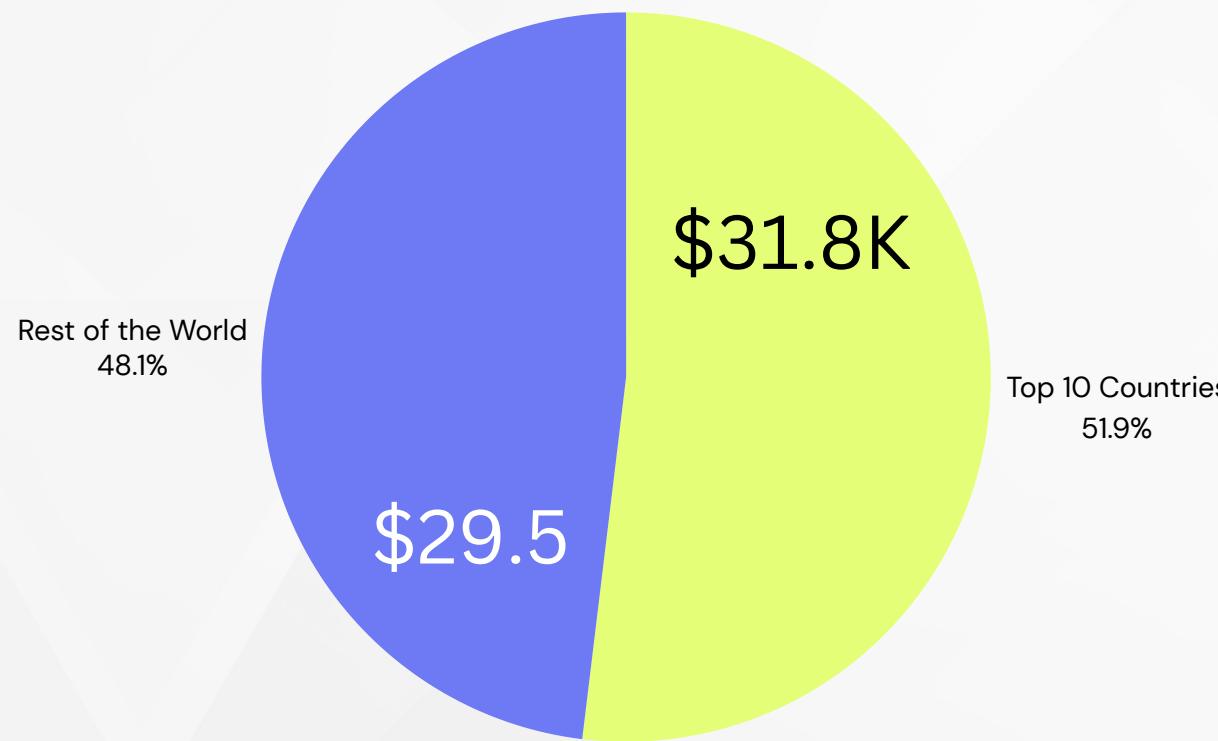
Film Cate..	Revenues	average_rental_duration
Sports	4,892	4.74
Sci-Fi	4,336	4.78
Animation	4,245	4.80
Drama	4,118	5.07
Comedy	4,002	4.79
New	3,966	4.52
Action	3,952	4.93
Foreign	3,934	5.13
Games	3,922	5.00
Family	3,782	5.15
Documentary	3,750	4.67
Horror	3,401	4.91
Classics	3,353	4.93
Children	3,309	5.00
Travel	3,227	5.48
Music	3,072	5.23
Thriller	48	6.00



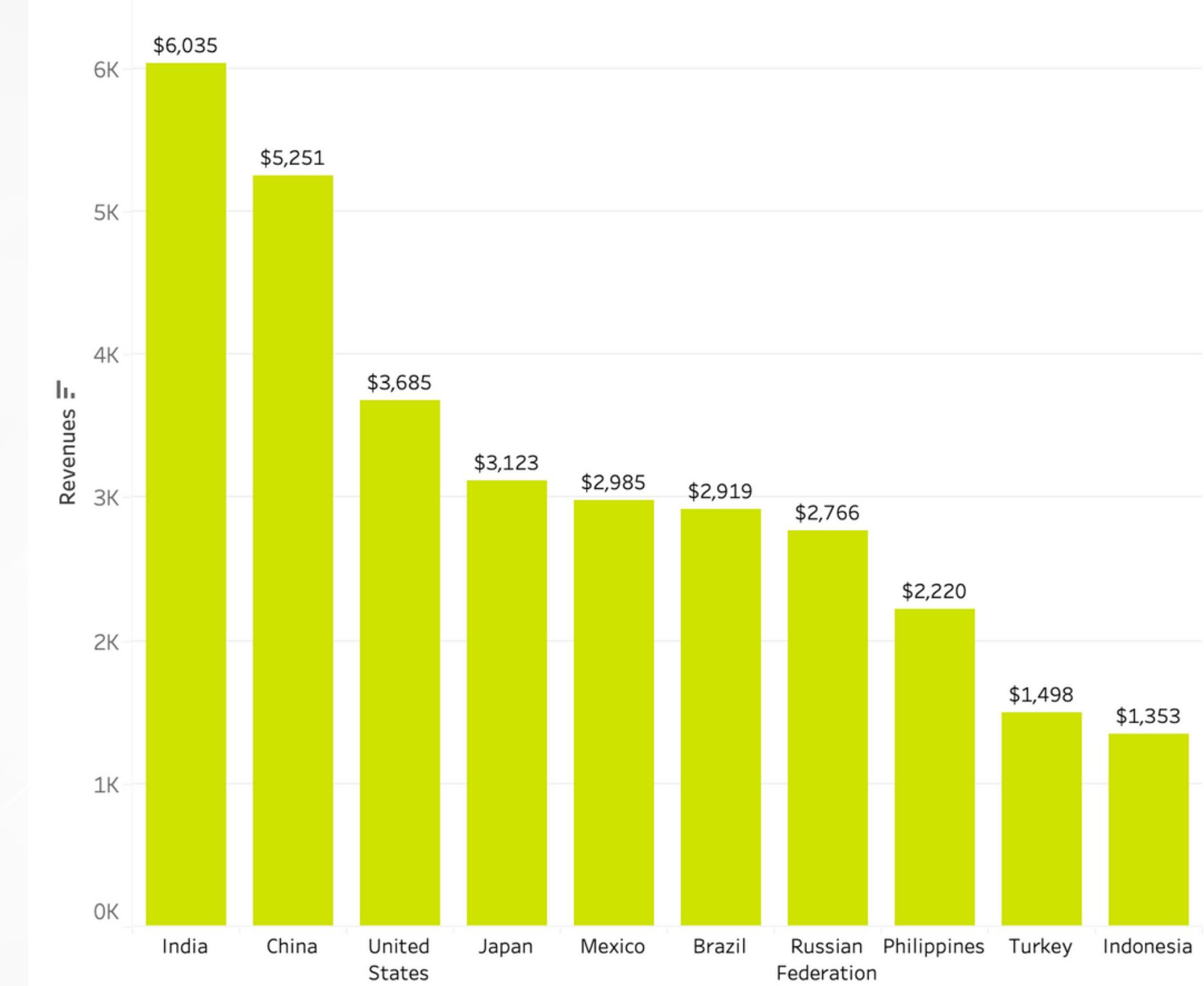
# ROCKBUSTER COUNTRIES

Rockbuster's customer base spans across 109 countries and territories. The top 10 countries account for a little over half of Rockbuster's total revenues.

## Distribution of Revenues in %

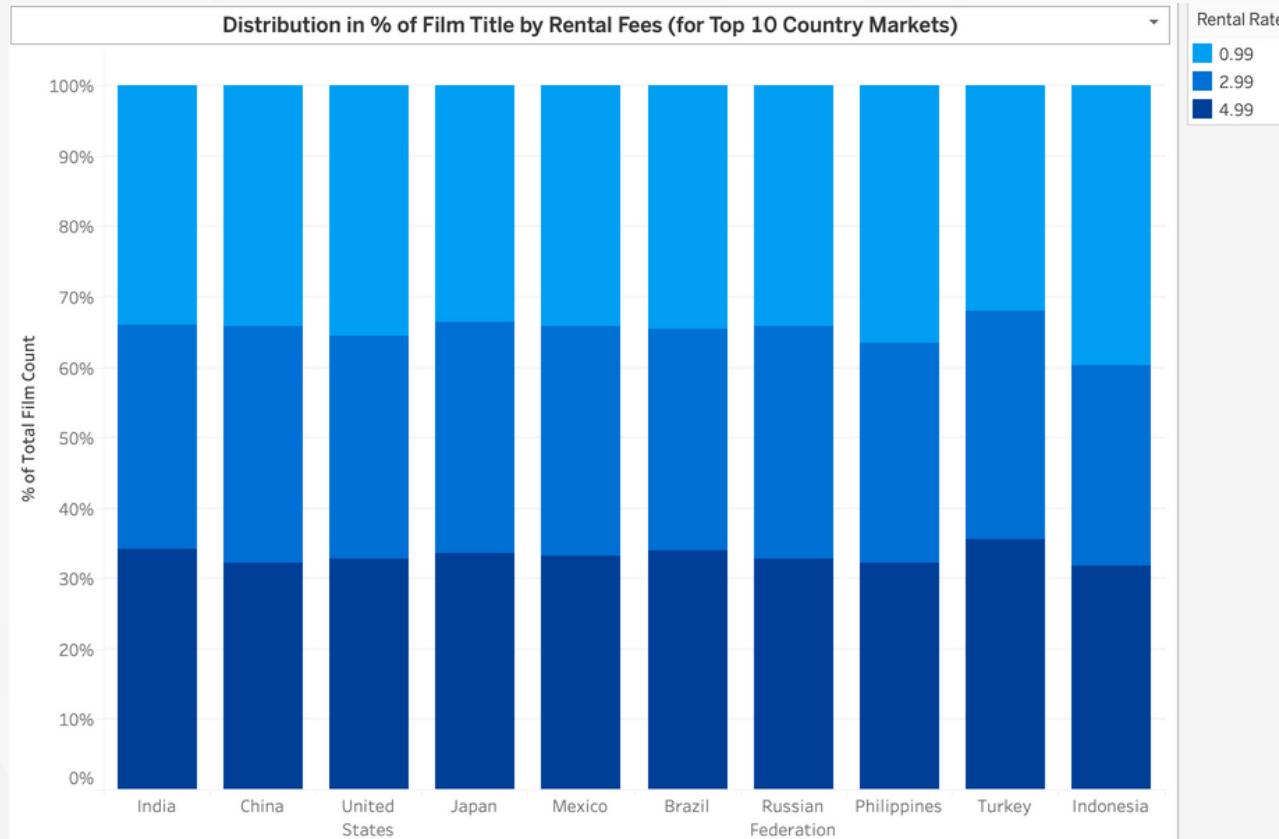


## Total Revenues by Country

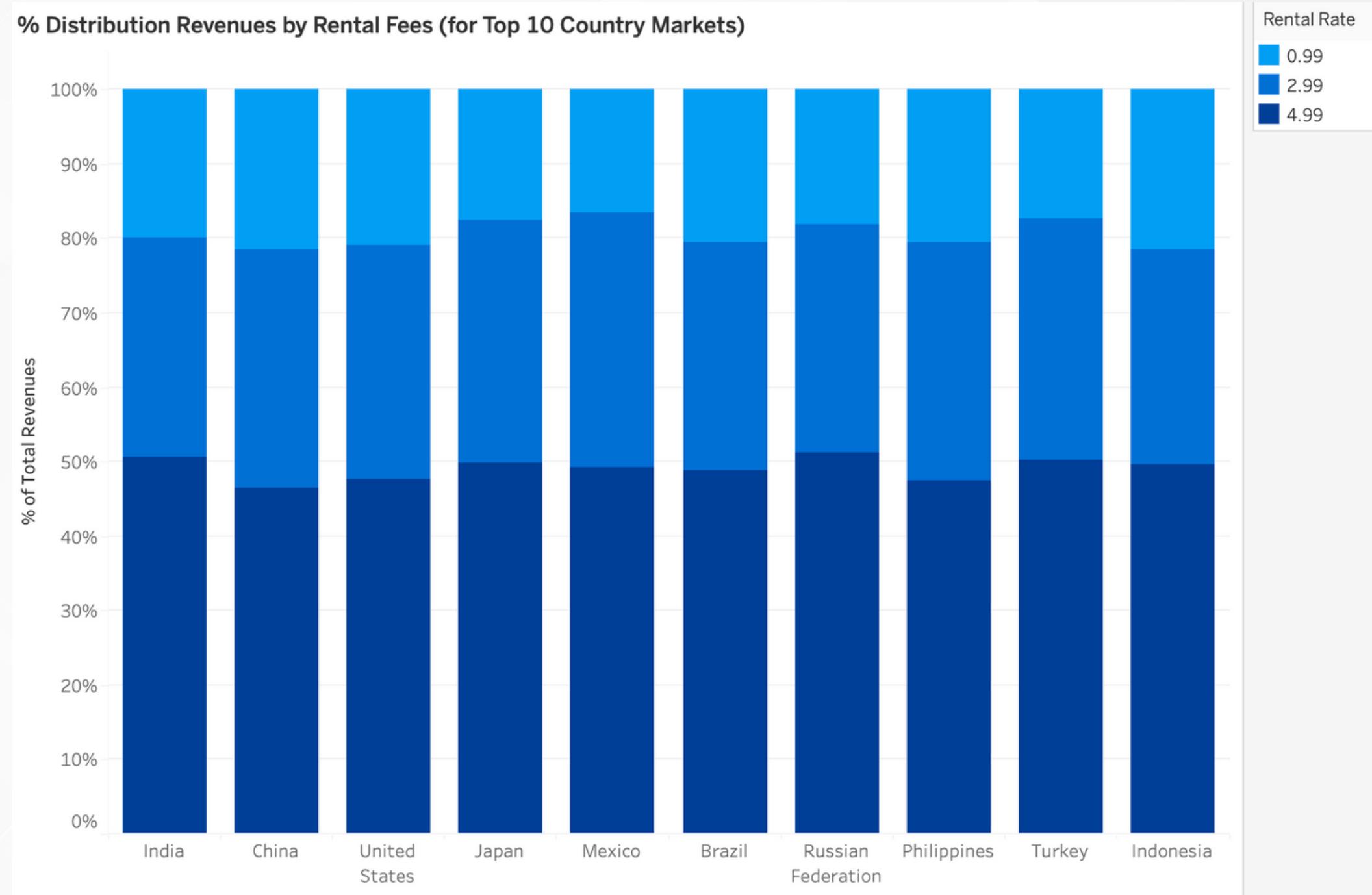


# ROCKBUSTER COUNTRIES

On average, the film inventory for its top 10 countries is evenly distributed among the three price points. However, in terms of revenues, the top-tier price point (\$4.99) accounts for approximately 50% of the total revenue.



% Distribution Revenues by Rental Fees (for Top 10 Country Markets)



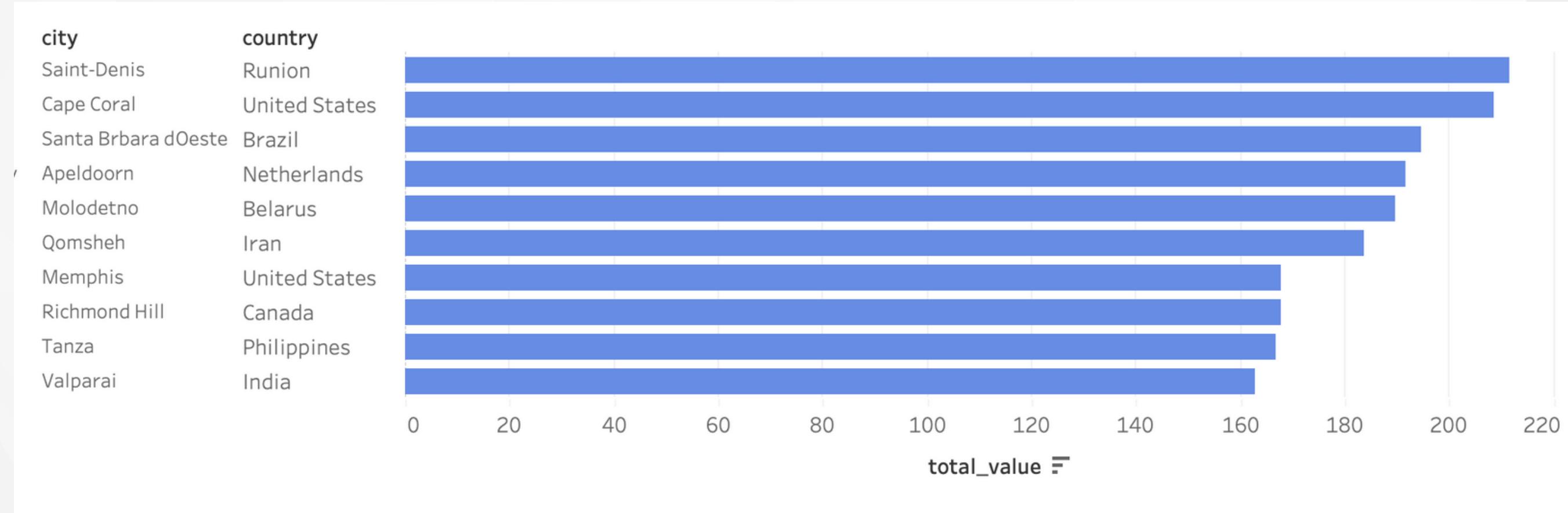
Rental Rate

- 0.99
- 2.99
- 4.99

# HIGH VALUE ALL CUSTOMERS

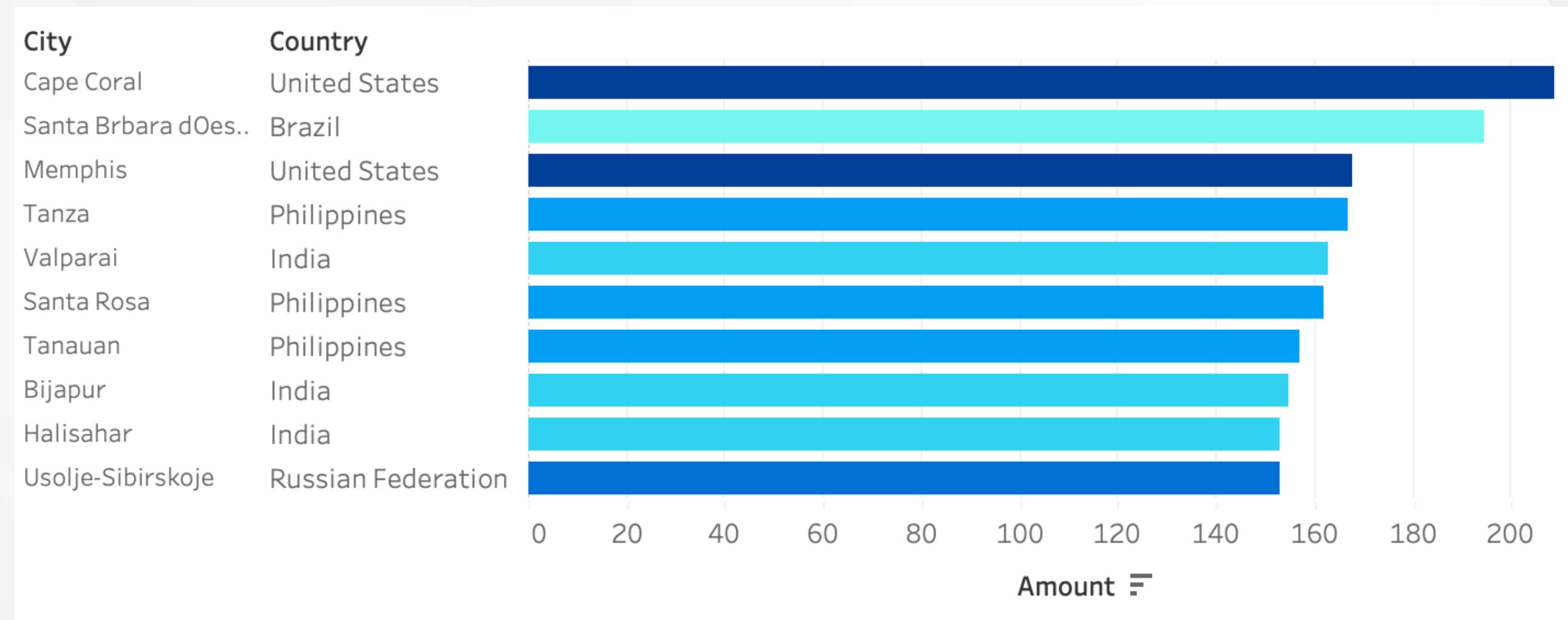
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The top 10 customers spent more than \$160 each renting Rockbuster's inventory of movies.



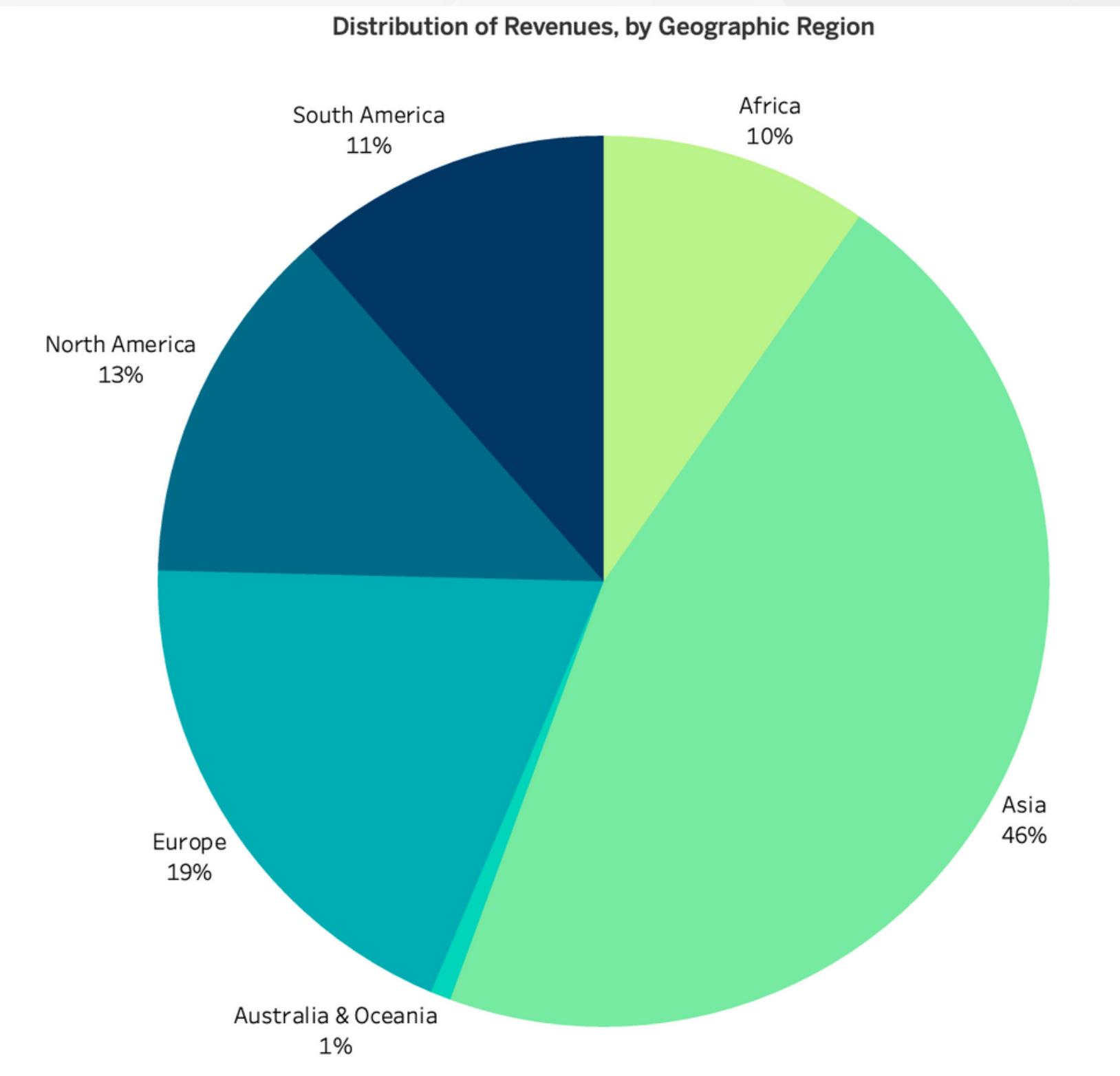
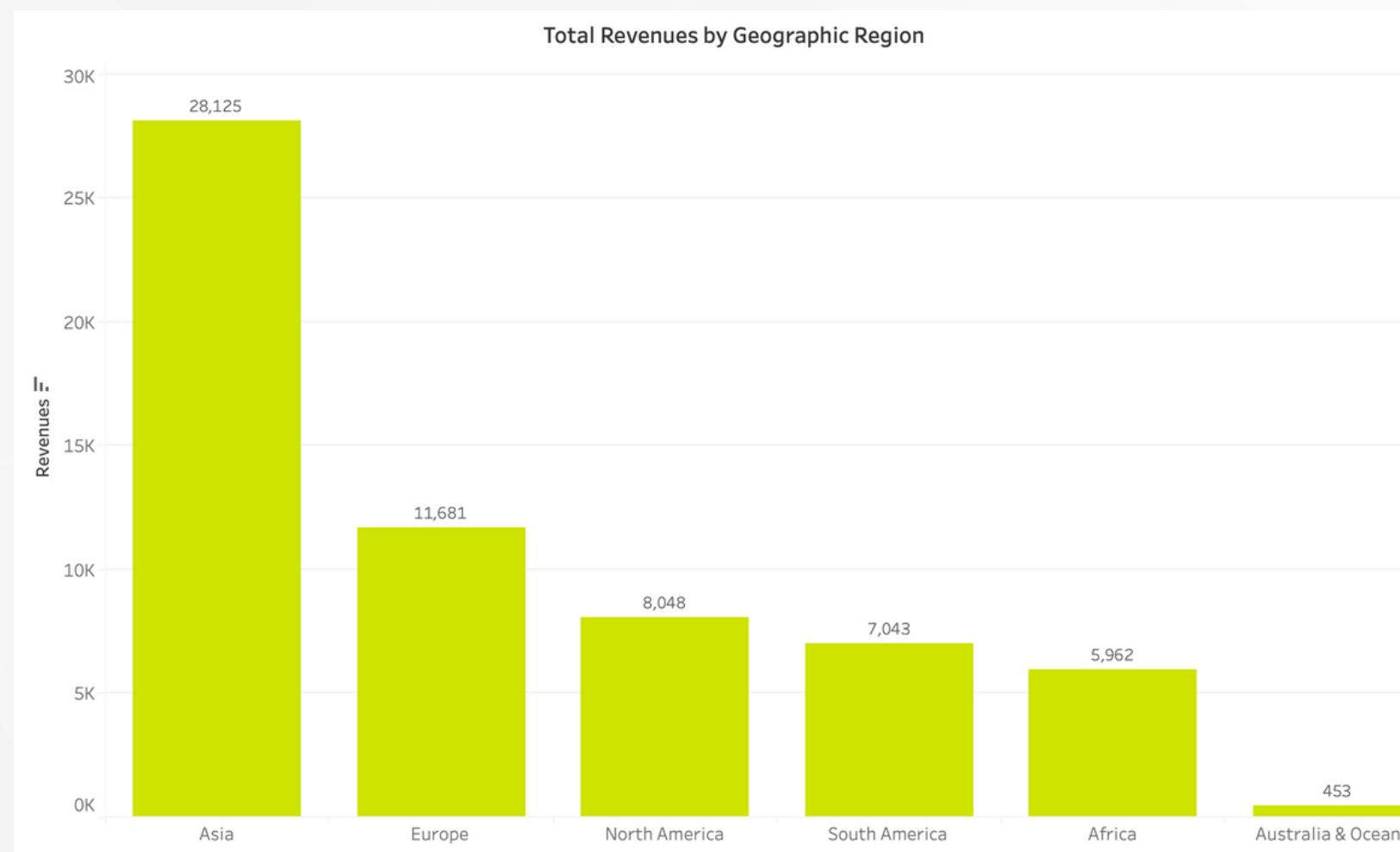
# HIGH VALUE TOP 10 COUNTRY CUSTOMERS

The top 10 customers from the top 10 countries spent more than \$150 each. India and the Philippines each contributed 3 customers to this list.



# ROCKBUSTER REGIONAL MARKETS

Asia stands as the primary market for Rockbuster, contributing nearly half of the total company revenues, whereas, Australia & Oceania is significantly smaller market.



# FINDINGS SUMMARY

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**Asia**  
#1 Geographic Region

**India, China,  
& USA**  
Top 3 Country Markets

**Sports, Sci-Fi  
& Animation**  
Top Total \$ Revenue

**Thriller**  
Least popular film  
category

**Drama, Action  
& Comedy**  
Top \$ Revenue/Film

# RECOMMENDATIONS

## Positioning Strategy

Prioritize efforts where there is already proven demand and profitability.

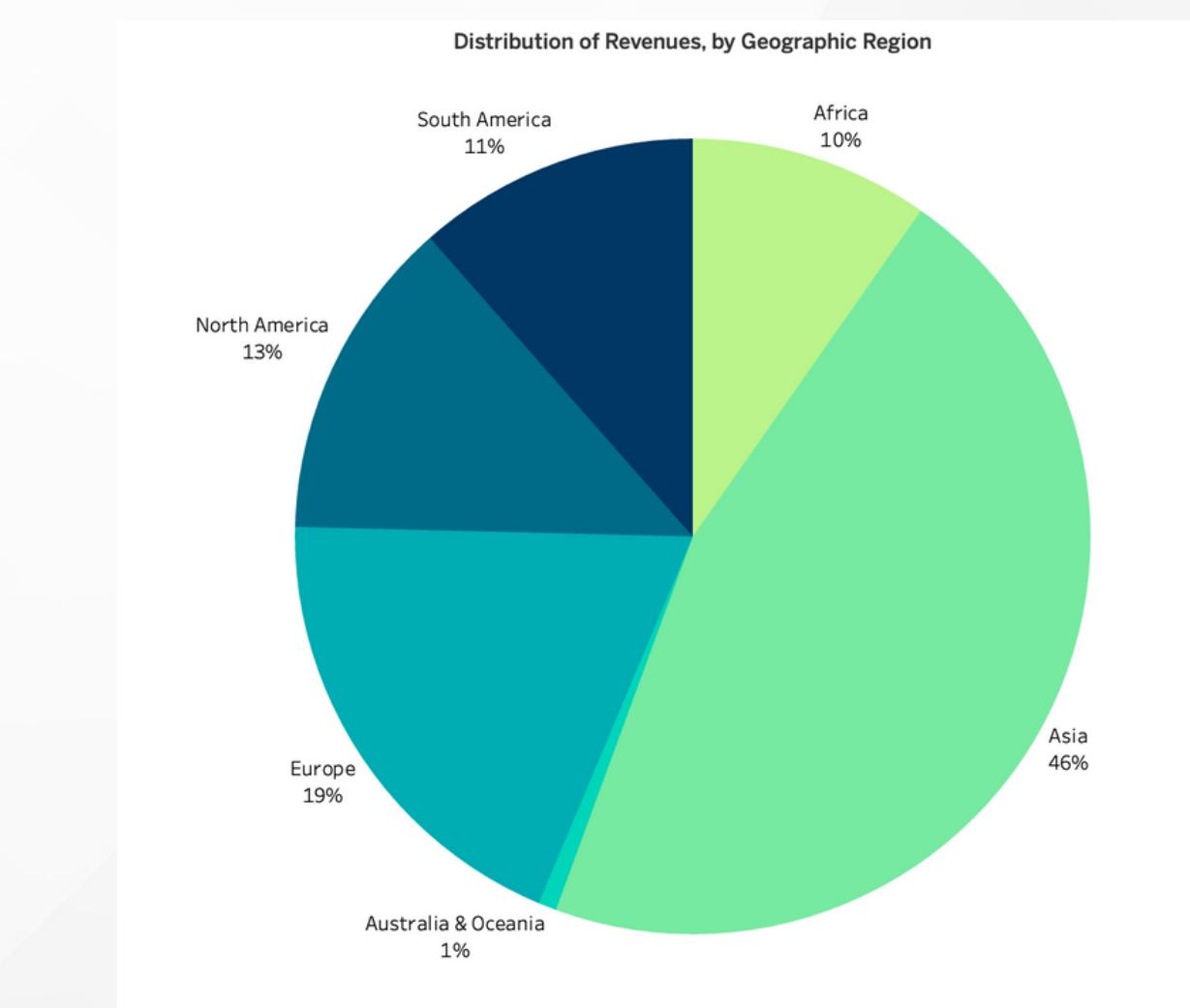
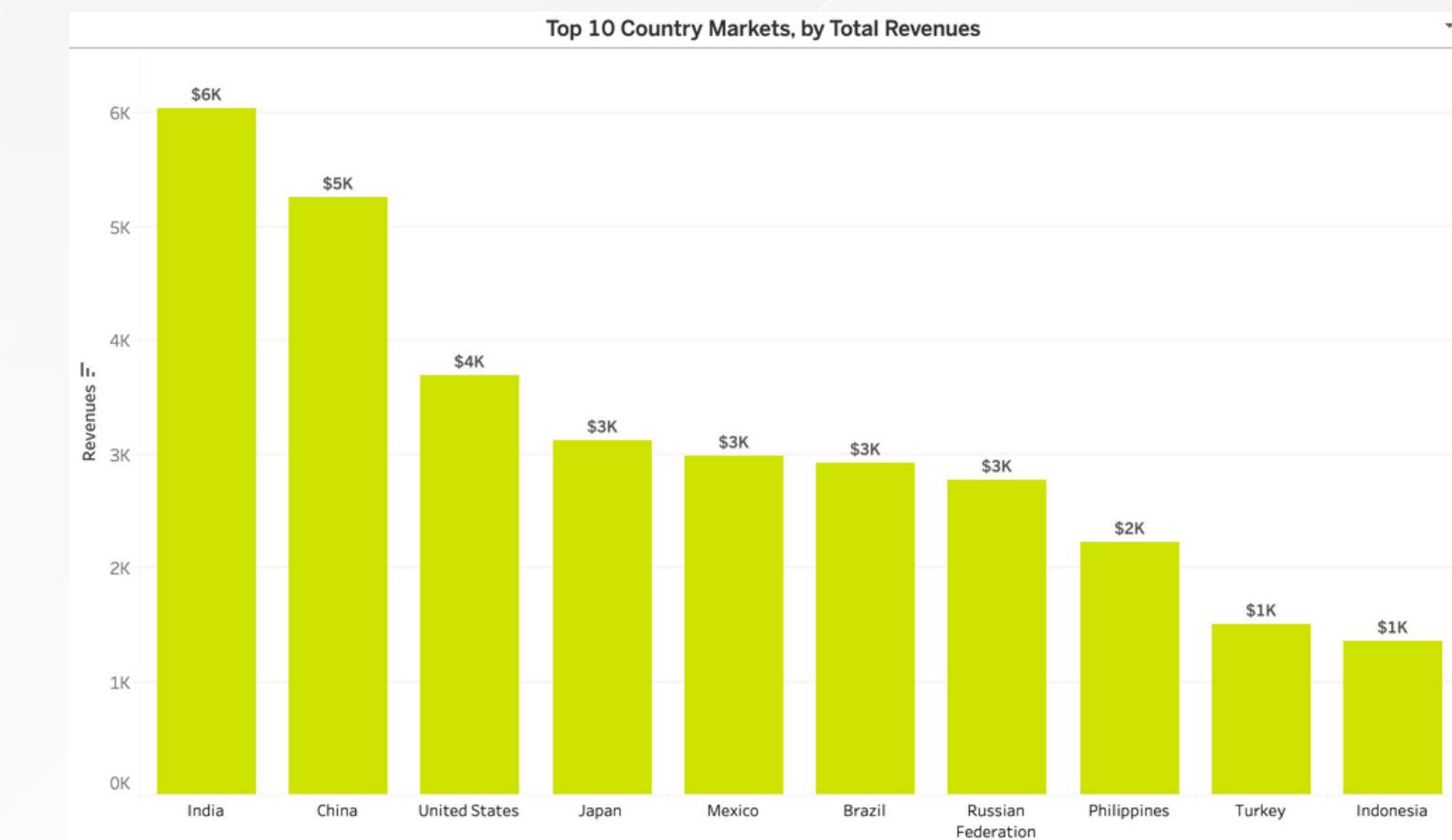


**Top 10 Countries.** While Rockbuster brand has a global presence, a significant portion of its revenue comes from a relatively small number of countries.



**Asia.** Regionally, Asia is an important region for the company; it's where nearly half of its revenues come from. Six out of the ten top country markets are Asian countries, namely: India, China, Japan, Philippines, Turkey, and Indonesia.

**Therefore, concentrating resources on these key markets where the brand is most successful financially would potentially yield the highest return on investment.**



# RECOMMENDATIONS

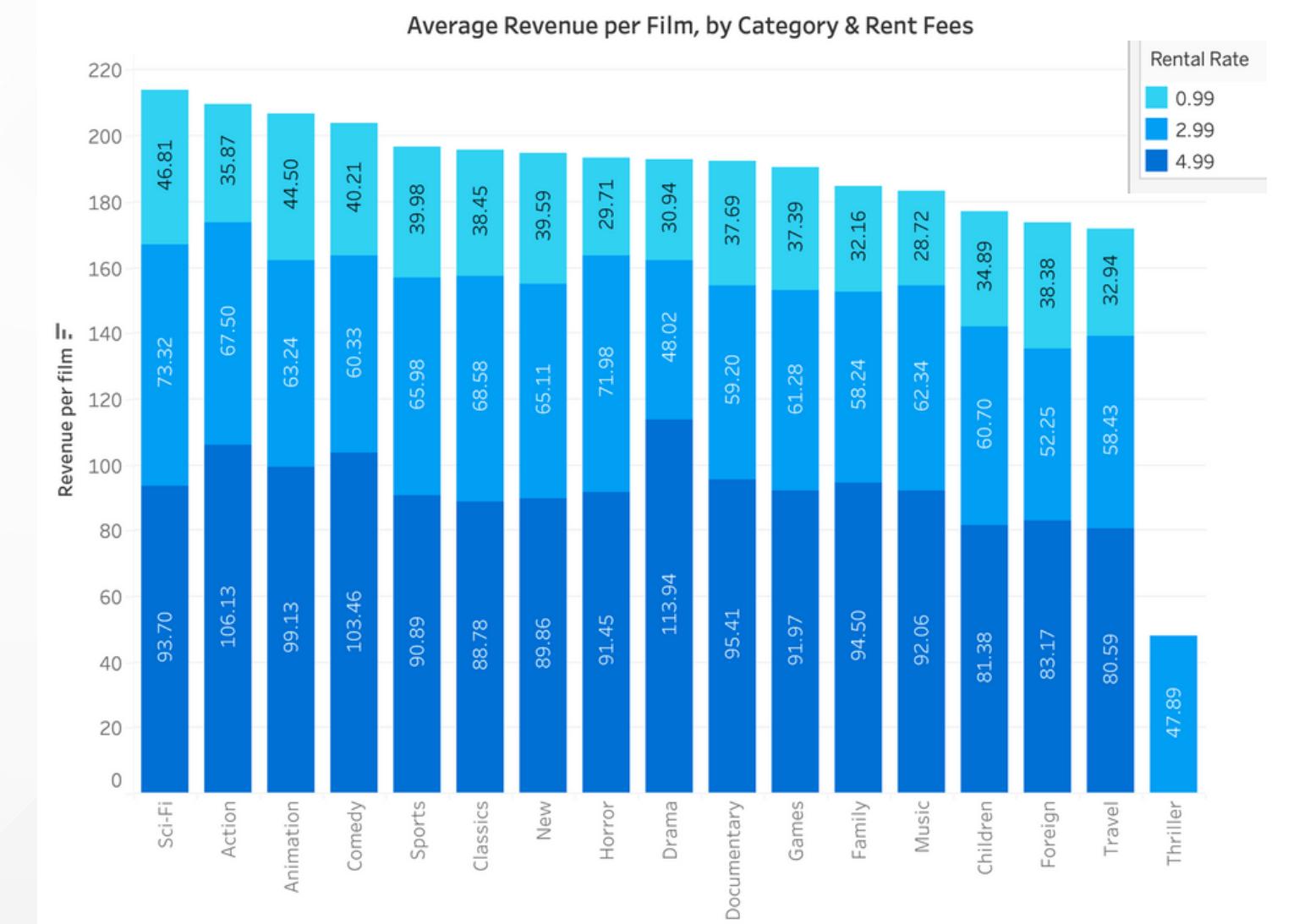
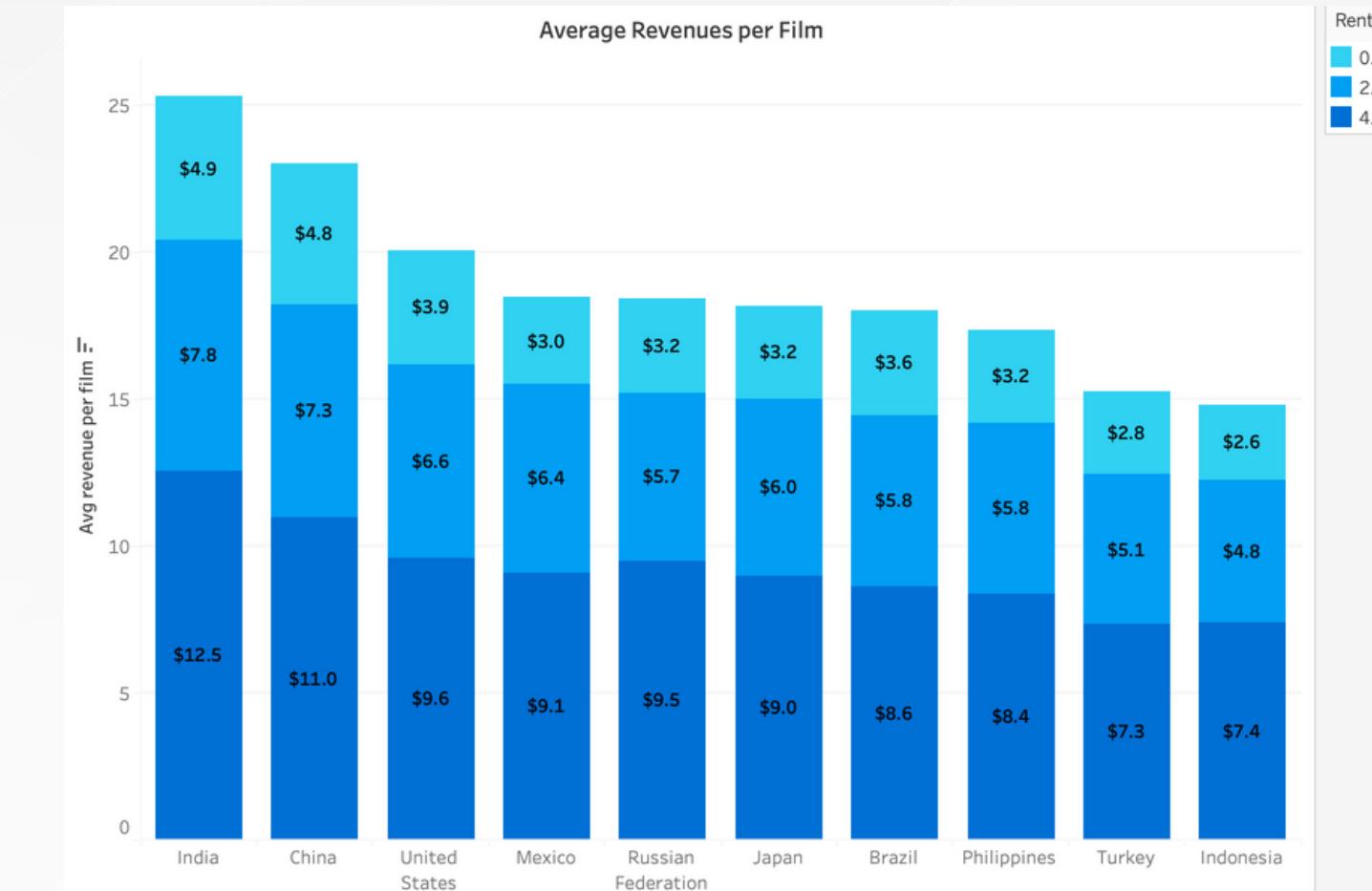
## Pricing Strategy

Prioritize higher value products

\$4.99 films generate higher revenues compared to lower-priced films, as demonstrated in this chart.

To maximize profits, increase market share, and establish a premium brand image, prioritize higher-value products, such as films priced at \$4.99, which yield higher average revenues compared to lower-priced films.

Further, prioritize categories that yield high revenues such as Drama, Action, Comedy, Animation, and Family movies



**THANK YOU**

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