



TEAM INTRODUCTION



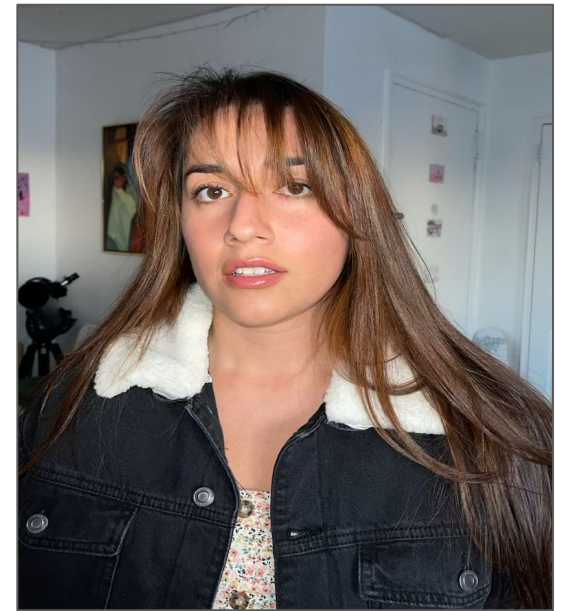
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EXECUTIVE SUMMARY

1	EXECUTIVE SUMMARY
2	DATA OVERVIEW
3	ANALYSIS
4	RECOMMENDATION
5	NEXT STEPS

PROJECT OVERVIEW

- Calculated Craft Productions is interested in producing original movies

PROJECT OBJECTIVE

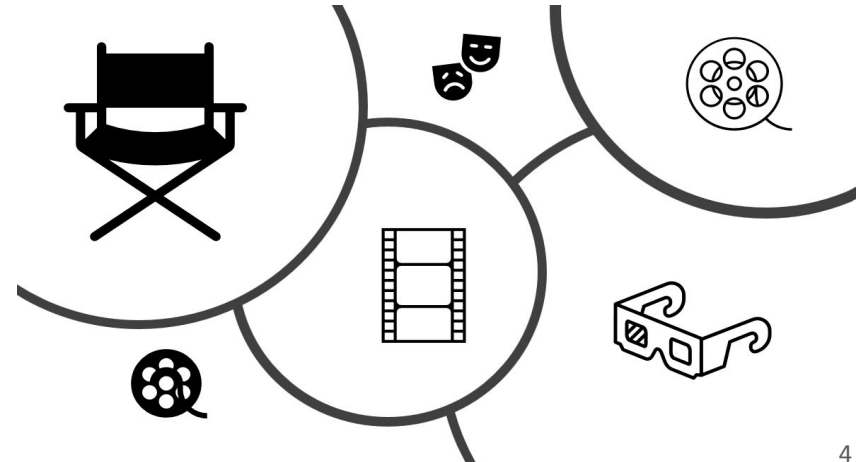
- Explore the highest financial returns at the box office
- Provide recommendations for a successful studio launch

BOTTOM LINE

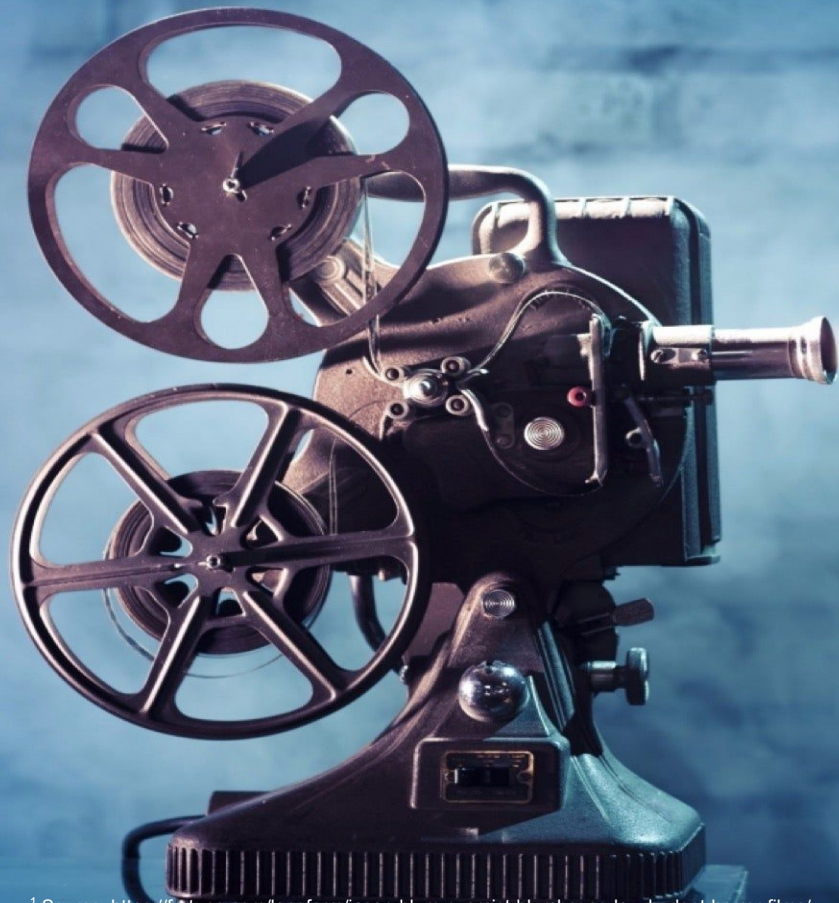
1. Budget Recommendation
2. Movie Type
3. Prolific Production



Maintaining budget discipline can lead to 2 x the profitability!



Importance of Understanding How Profitable Movies Are Made



Case Study:

- ★ A low budget film (\$15,000) was able to grow into a **\$890 million** theatrical franchise.¹
- ★ Low budget movies → the **MOST** profitable movies!

¹ Source: <https://fortune.com/longform/jason-blum-exorcist-blumhouse-low-budget-horror-films/>
Image Source: <https://www.entrepreneur.com/en-in/technology/innovation-fast-changing-the-face-of-indian-cinema/307403>

DATA OVERVIEW

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SOURCE

- ❑ IMDB, The Numbers Movie Budgets, and Box Office Mojo Movie Gross
- ❑ Films released in 2010-2018

OVERVIEW

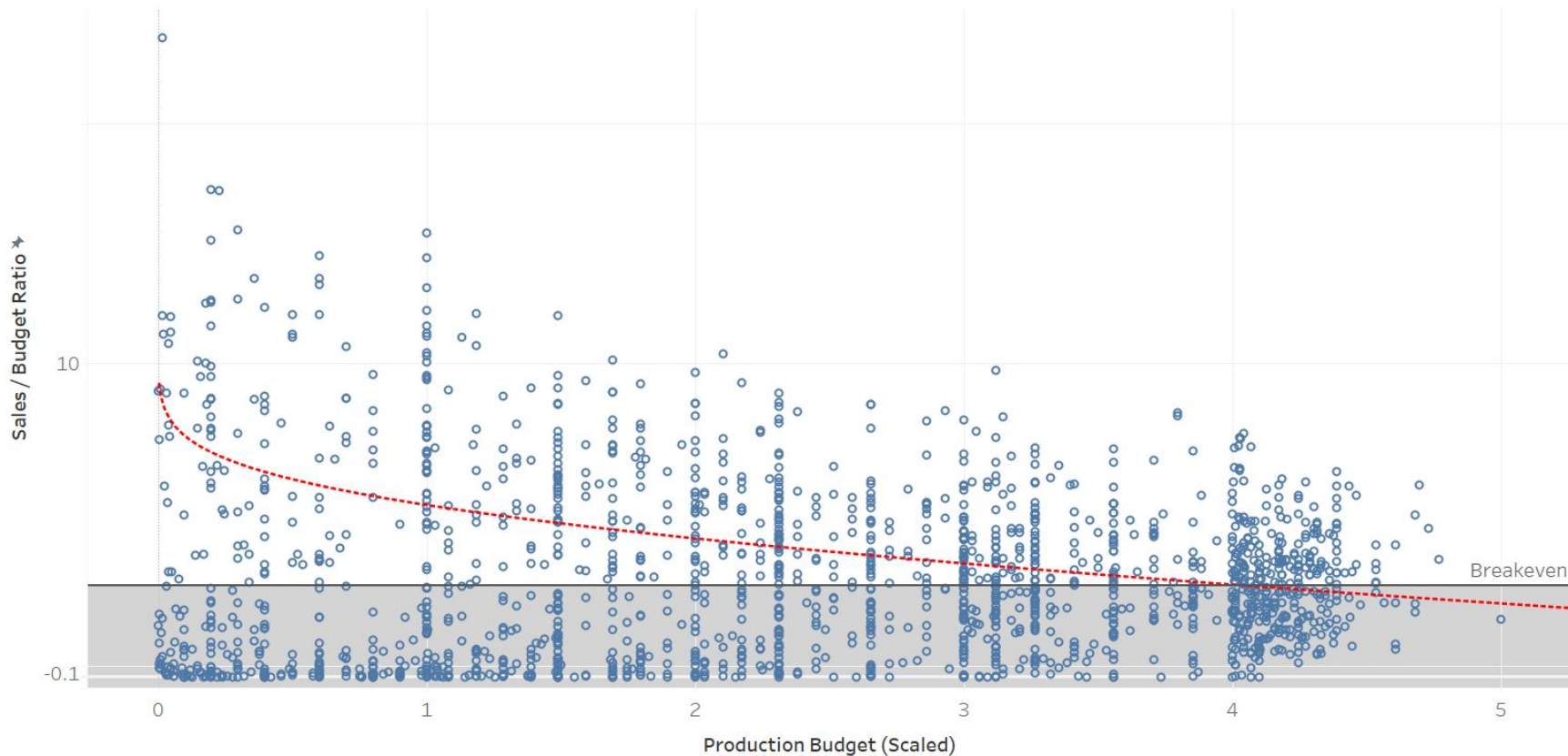
- ❑ 3205 movies
- ❑ Revenue Evaluated by: Domestic Gross as a Multiple of Production Budget

LIMITATIONS

- ❑ Limited to domestic receipts; worldwide figures inconsistent, particularly foreign films
- ❑ Some creators are paid from profits, not out of budget
- ❑ No info on failed productions

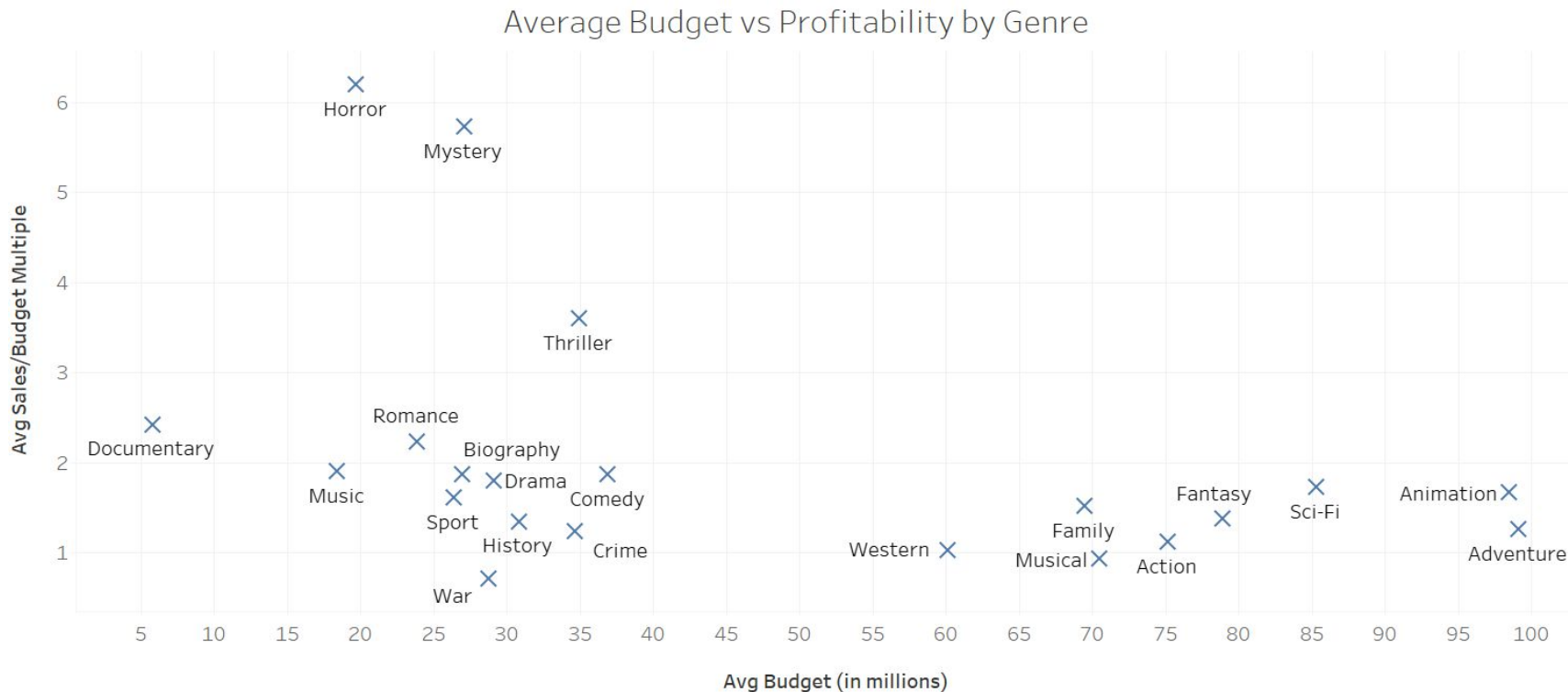
SMALLER BUDGETS LEAD TO MORE PROFIT ON AVERAGE

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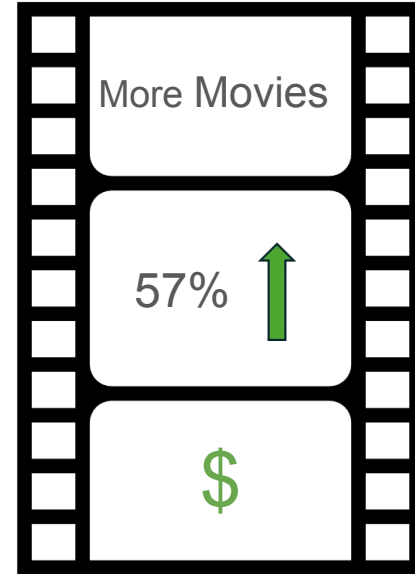
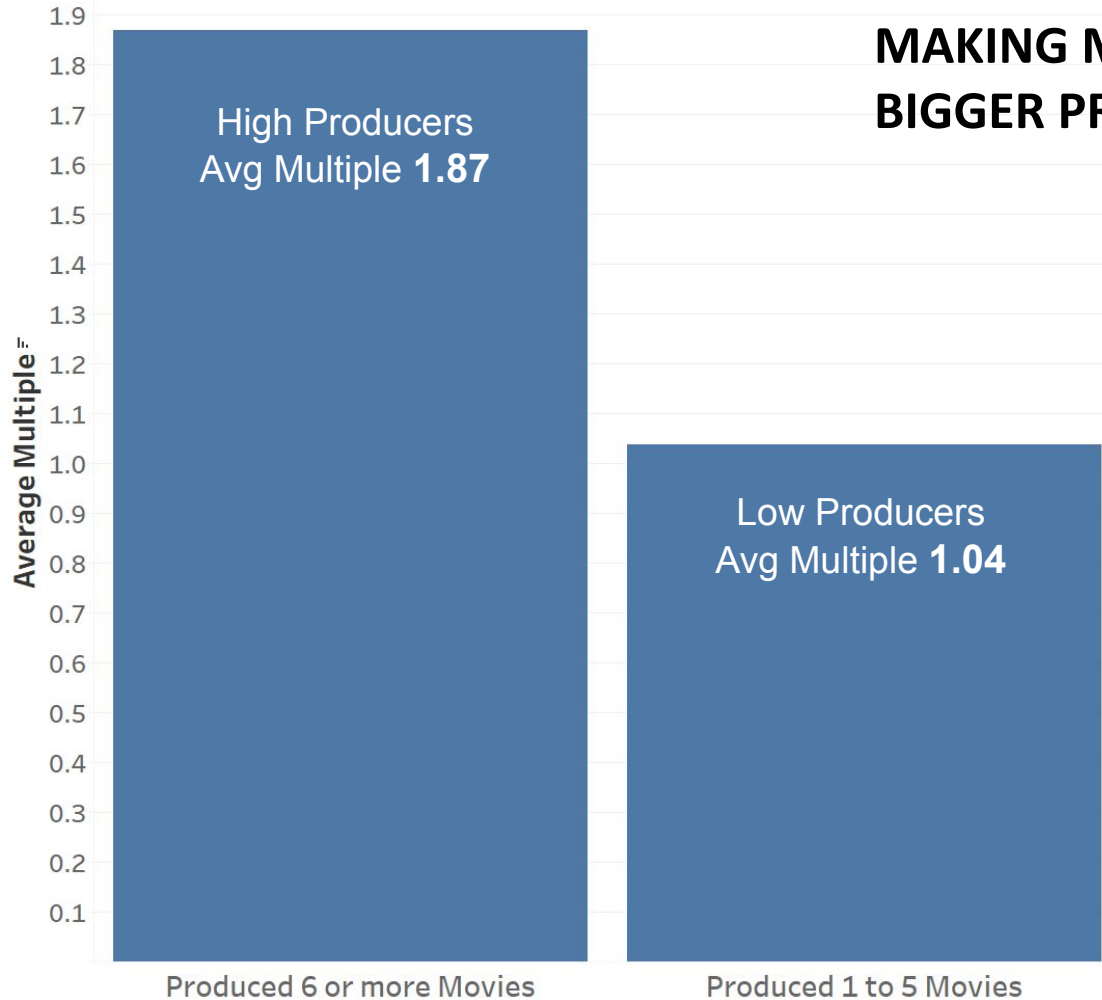


SOME GENRES TYPICALLY HAVE LOW BUDGETS AND HIGH PAYOFFS

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MAKING MANY MOVIES LEADS TO BIGGER PROFITS





Those revenues are scary good

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Produce Low Budget Movies Regularly and Consider the Genre

1

BUDGET RECOMMENDATION

Budget Discipline:

- ❖ Keep budgets low

2

MOVIE TYPE

Cost Effective Genres:

- ❖ Pick horror, mystery, thriller and romance movies

3

OTHER SPECIFICATIONS

Quantity vs Quality:

- ❖ Make more movies

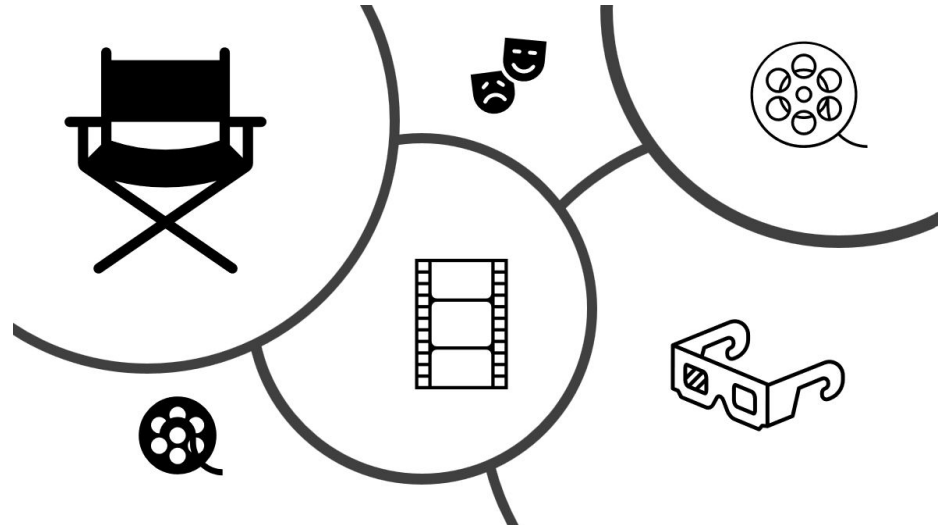


Soaring to new heights ...

Next Steps

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- Consider online streaming platforms and/or tv show productions
- Compare independent filmmakers to professional studios
- Research known successful models, e.g., Blumhouse, Hallmark, Tyler Perry



QUESTIONS?



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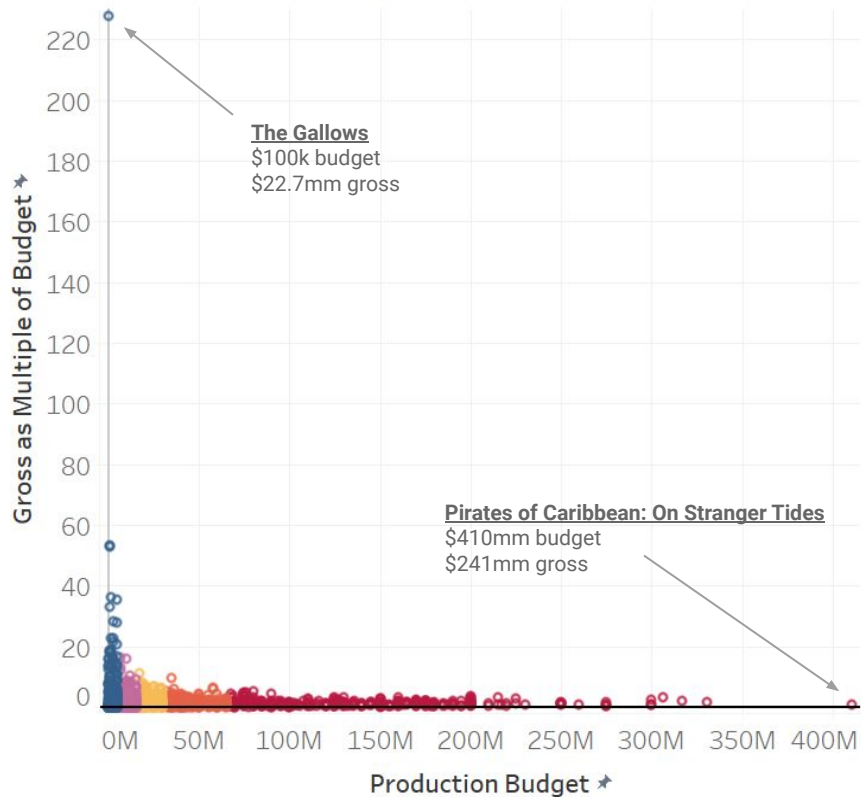
Genre	Gross Multiple	Budget	Count
Horror	6.2x	19.7mm	130
Mystery	5.7x	27.1mm	102
Thriller	3.6x	34.9mm	209
Documentary	2.4x	5.8mm	19
Romance	2.2x	23.9mm	160
Music	1.9x	18.4mm	44
Comedy	1.9x	36.9mm	391
Biography	1.9x	26.9mm	119
Drama	1.8x	29.1mm	603
Sci-Fi	1.7x	85.3mm	98
Animation	1.7x	98.5mm	53

Genre	Gross Multiple	Budget	Count
Sport	1.6x	26.4mm	27
Family	1.5x	69.5mm	67
Fantasy	1.4x	78.9mm	91
History	1.3x	30.8mm	33
Adventure	1.3x	99.2mm	237
Crime	1.2x	34.6mm	198
Action	1.1x	75.1mm	321
Western	1.0x	60.1mm	8
Musical	0.9x	70.5mm	6
War	0.7x	28.8mm	16



TRANSFORMATION OF DATA TO HUMAN SCALE

Budget vs. Return



Budget vs. Return - Scaled to Quintile

