CF | *Presented by:*
Rob White

Rockbuster Stealth LLC

Rockbuster Stealth LLC is a movie rental company that used to have stores around the world. Facing stiff competition from streaming services such as Netflix and Amazon Prime, the Rockbuster Stealth management team is planning to use its existing movie licenses to launch an online video rental service in order to stay competitive.

Asia Leads The Way

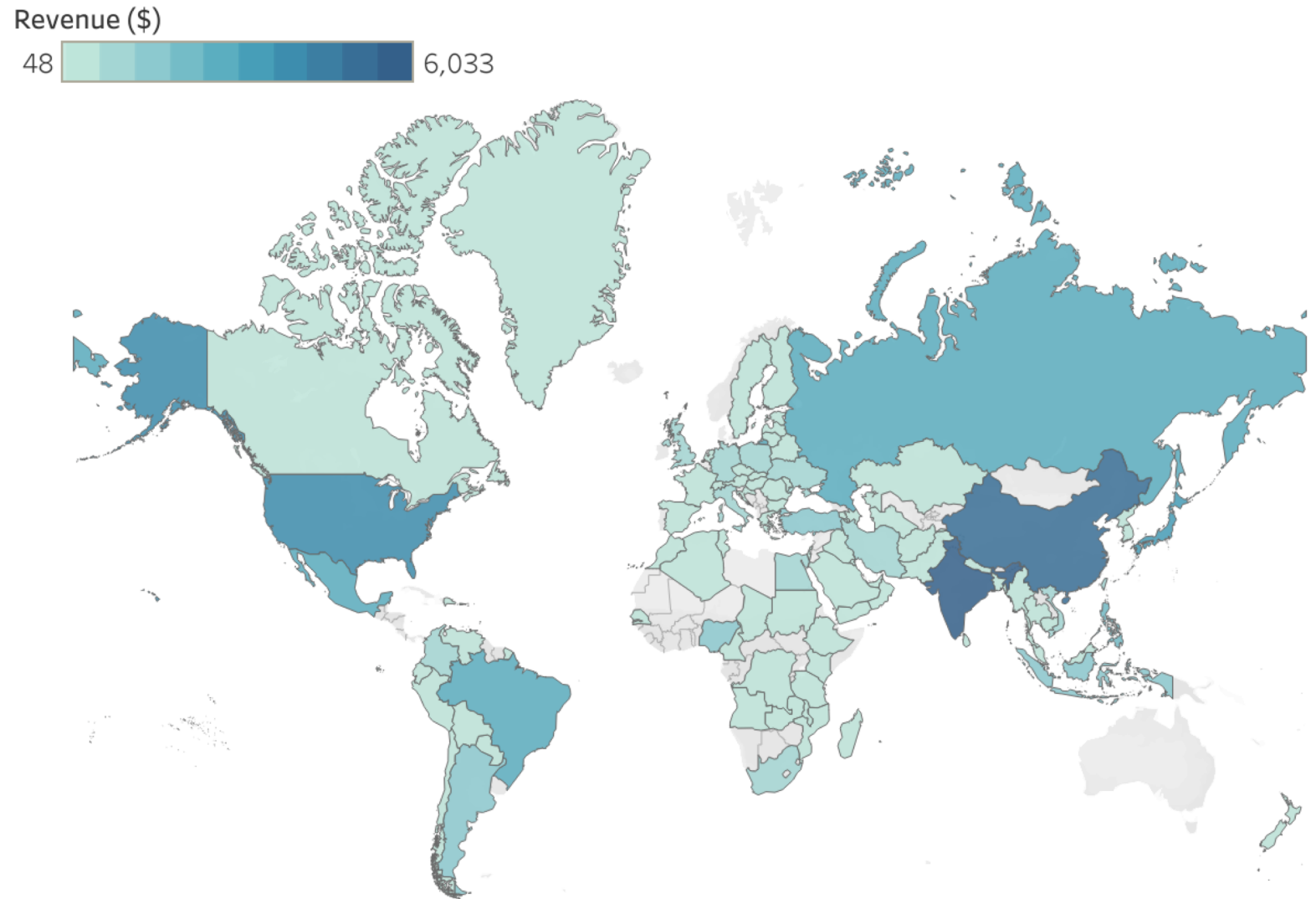**30%** of revenue is generated from just 5 Asian countries.
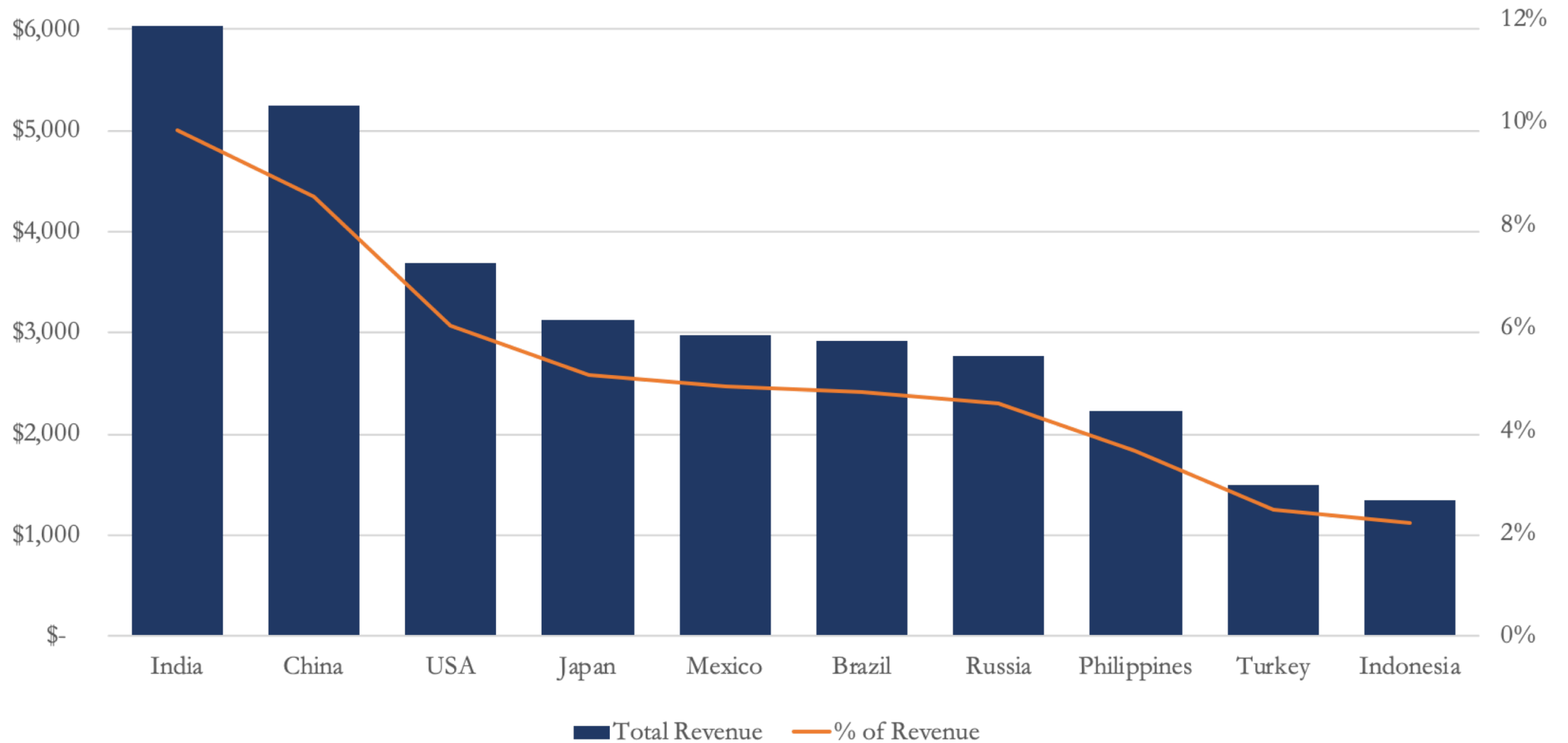
India ($6,033)

China ($5,247)
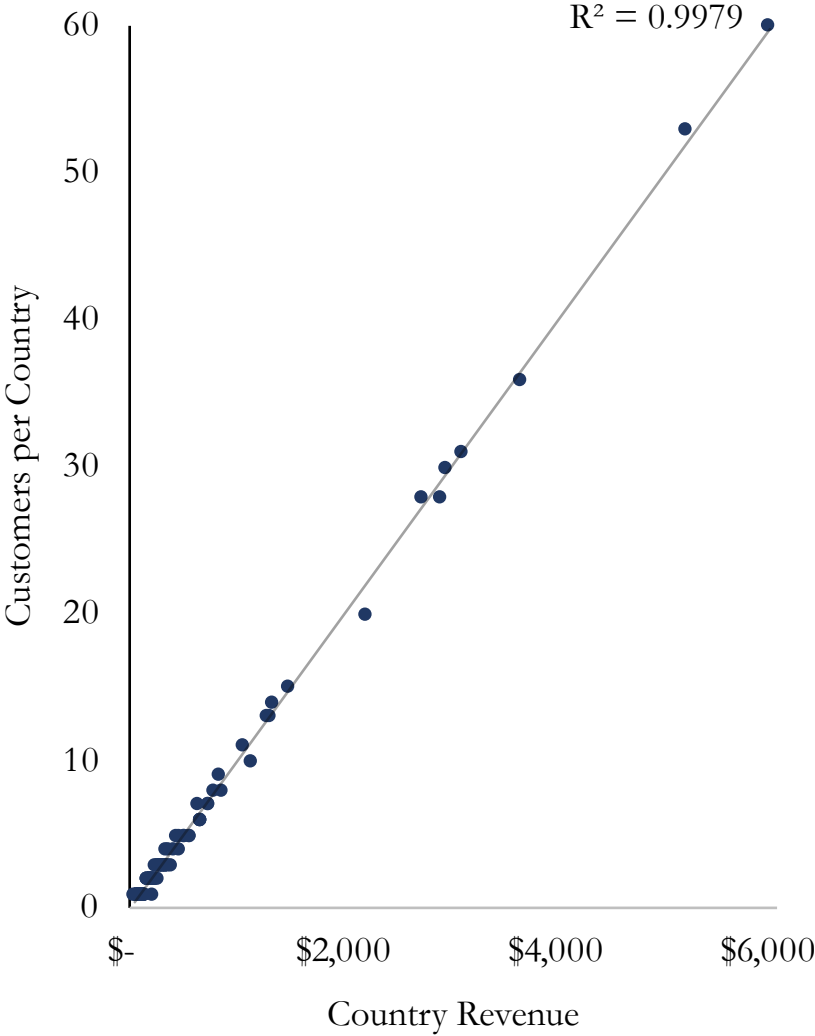
Japan ($3,122)

Philippines ($2,220)

Indonesia ($1,353)

Revenue ($)

48   6,033

10 Countries Account for 52% of Revenue

Strong Positive Correlation Between Number of Customers and Revenue

R² = 0.9979

Customers per Country (y-axis: 0, 10, 20, 30, 40, 50, 60)
Country Revenue (x-axis: $-, $2,000, $4,000, $6,000)

Country	Total Revenue	Total Customers	Average Rental Rate	Average Rental Length (Days)	Average Rental Value	Highest Lifetime Customer Value
India	$ 6,033	60	$ 2.97	4.58	$ 4.25	$ 162.67
China	$ 5,247	53	$ 2.84	4.43	$ 4.05	$ 151.69
USA	$ 3,694	36	$ 2.92	4.70	$ 4.23	$ 208.58
Japan	$ 3,122	31	$ 3.01	4.36	$ 4.17	$ 138.65
Mexico	$ 2,985	30	$ 2.99	4.29	$ 4.16	$ 143.68
Brazil	$ 2,919	28	$ 2.94	4.63	$ 4.29	$ 194.61
Russia	$ 2,766	28	$ 3.02	4.55	$ 4.33	$ 152.69
Philippines	$ 2,220	20	$ 2.92	4.62	$ 4.19	$ 166.61
Turkey	$ 1,498	15	$ 3.01	4.51	$ 4.27	$ 145.64
Indonesia	$ 1,353	14	$ 2.84	4.40	$ 4.09	$ 152.68

Top 10 Countries

Total country revenue is largely determined by the number of customers. The average rental rate, rental length and rental value are largely the same across different geographies. Furthermore, the most profitable customers don't necessarily live in the most profitable countries.
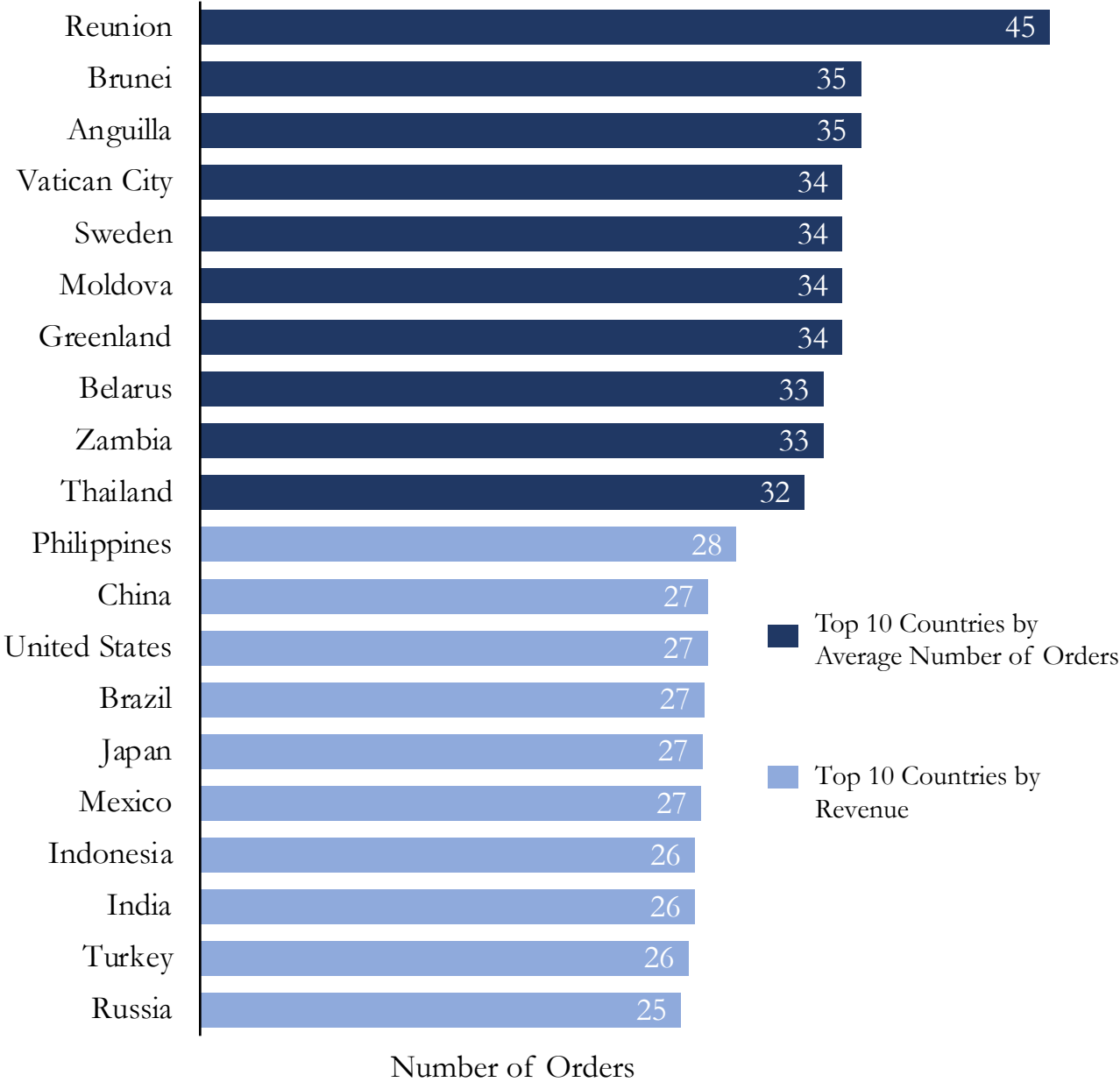
Top 10 Customers

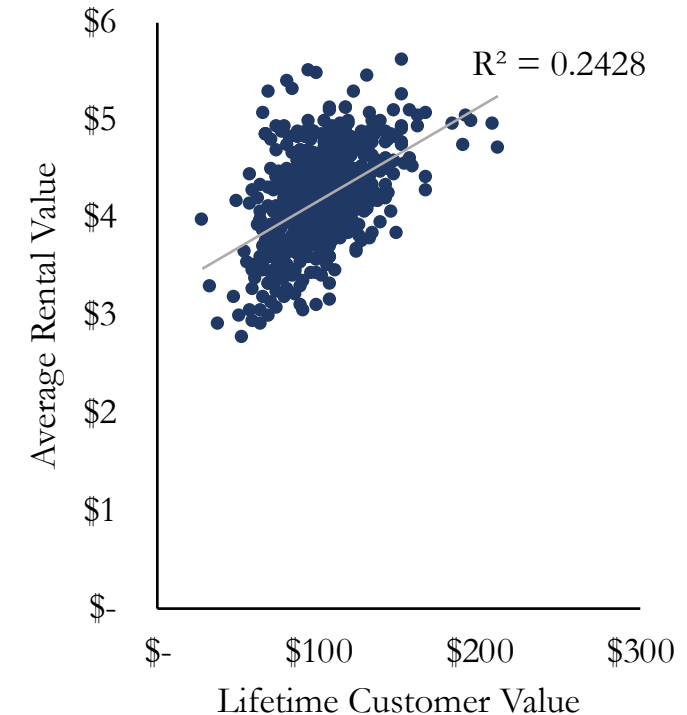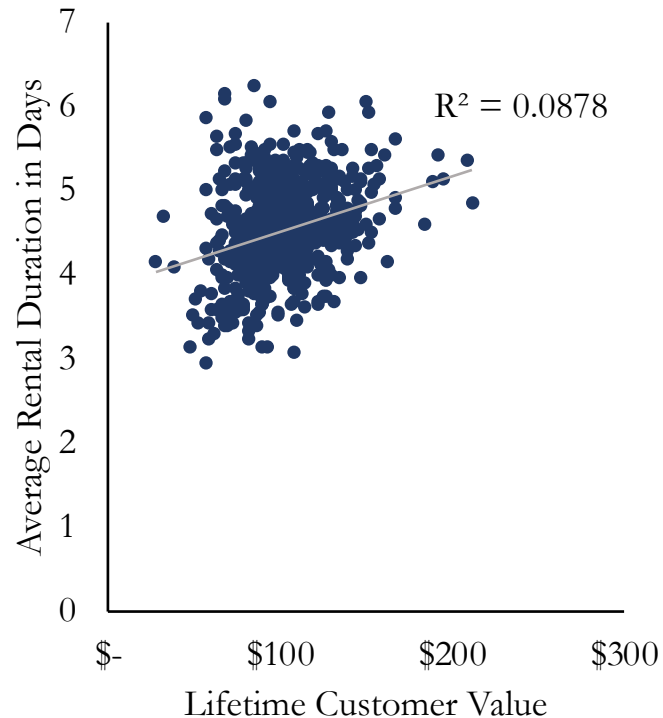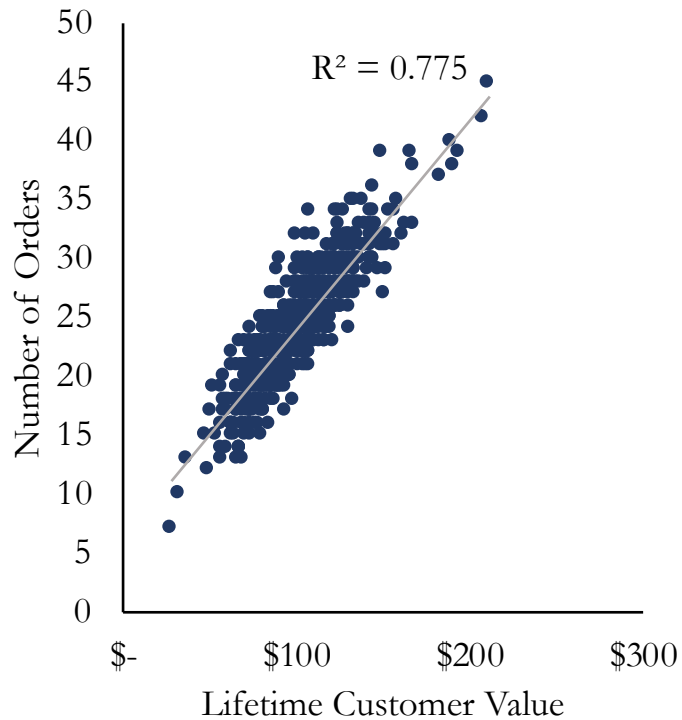| Customer ID	Name	Country	City	Lifetime Customer Value	Average Rental Value	Average Rental Length (Days)	Total # of Orders
148	Eleanor Hunt	Reunion	Saint-Denis	$ 211.55	$ 4.70	4.84	45
526	Karl Seal	USA	Cape Coral	$ 208.58	$ 4.97	5.36	42
178	Marion Snyder	Brazil	Santa Bárbara d'Oeste	$ 194.61	$ 4.99	5.13	39
137	Rhonda Kennedy	Netherlands	Apeldoorn	$ 191.62	$ 5.04	5.42	38
144	Clara Shaw	Belarus	Molodetno	$ 189.60	$ 4.74	5.10	40
459	Tommy Collazo	Iran	Qomsheh	$ 183.63	$ 4.96	4.59	37
181	Ana Bradley	USA	Memphis	$ 167.67	$ 5.08	5.59	33
410	Curtis Irby	Canada	Richmond Hill	$ 167.62	$ 4.41	4.89	38
236	Marcia Dean	Philippines	Tanza	$ 166.61	$ 4.27	4.79	39
403	Mike Way	India	Valparai	$ 162.67	$ 4.93	4.15	33

The customer that generates the most revenue is Eleanor Hunt who lives on a small island off the south east coast of Africa. Shifting to an online business model will allow Rockbuster to capitalize on more customers that live in niche geographies.

Niche Markets Dominate Number of Orders

The average number of orders per customer is significantly higher in smaller markets.

Number of Orders

Legend:
- Top 10 Countries by Average Number of Orders
- Top 10 Countries by Revenue

Chart data:
- Reunion: 45
- Brunei: 35
- Anguilla: 35
- Vatican City: 34
- Sweden: 34
- Moldova: 34
- Greenland: 34
- Belarus: 33
- Zambia: 33
- Thailand: 32
- Philippines: 28
- China: 27
- United States: 27
- Brazil: 27
- Japan: 27
- Mexico: 27
- Indonesia: 26
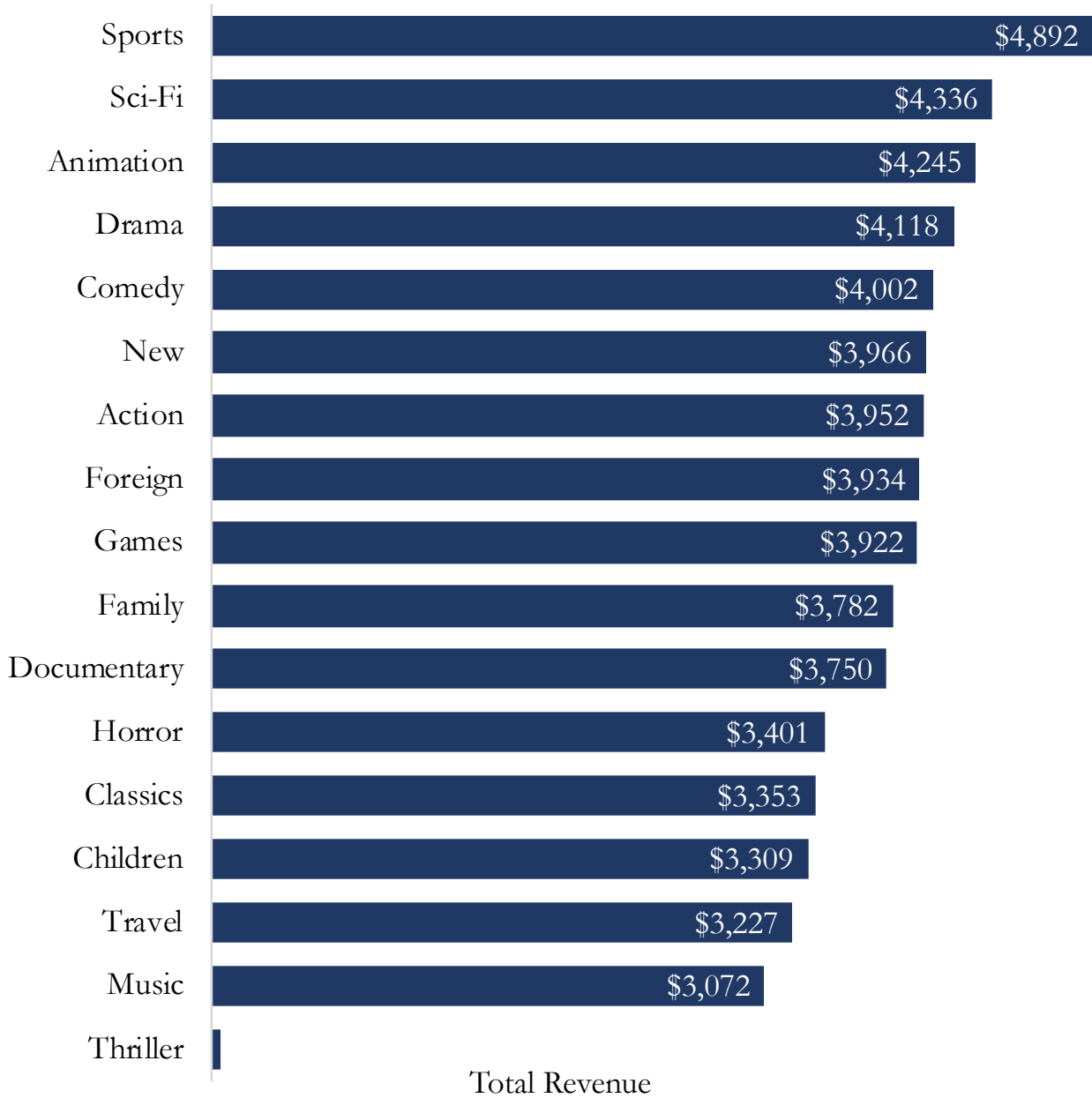- India: 26
- Turkey: 26
- Russia: 25

Strong Positive Correlation Between Number of Orders and Lifetime Customer Value

Rental duration and rental value don't have a significant impact on the lifetime value of a customer which this largely determined by the number of orders.
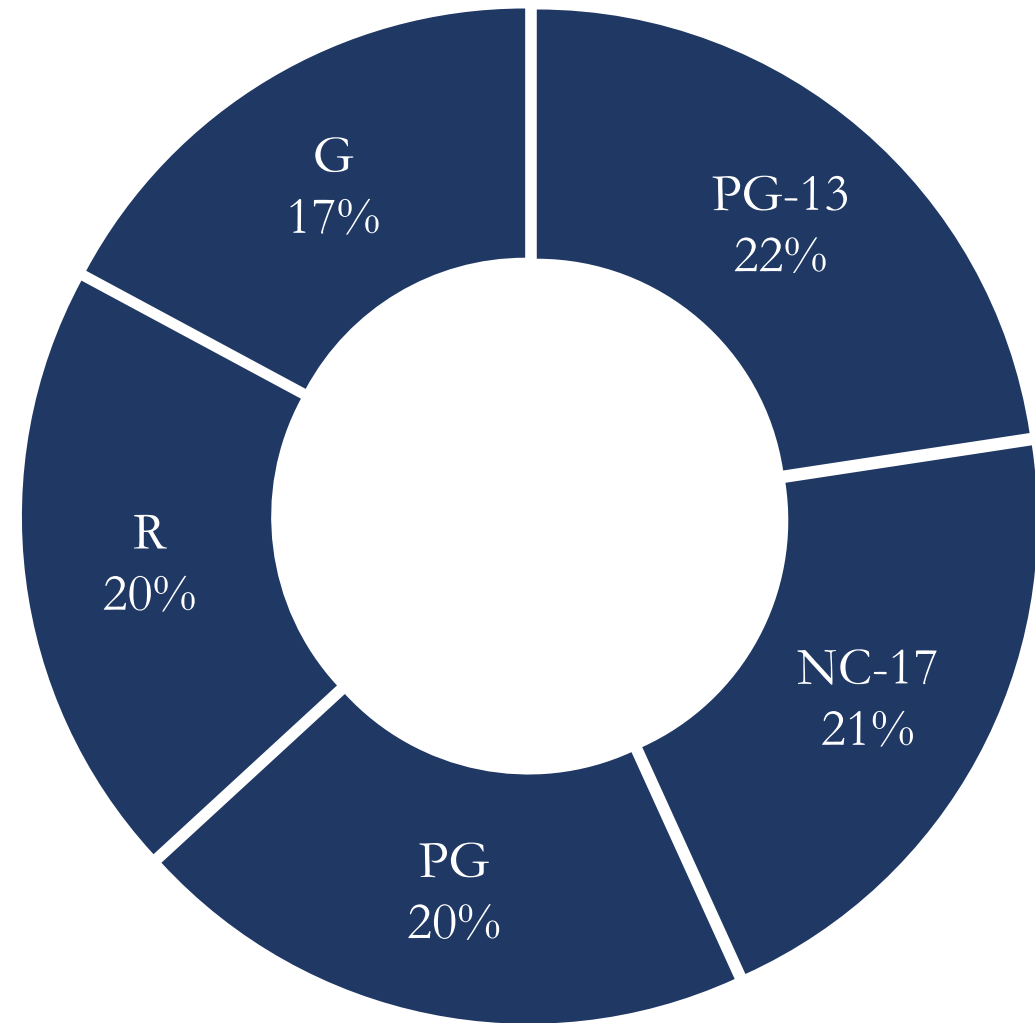
Sports Movies Lead the Way

Sports is by far the most popular genre contributing $4,892 to revenue.

Genre	Total Revenue
Sports	$4,892
Sci-Fi	$4,336
Animation	$4,245
Drama	$4,118
Comedy	$4,002
New	$3,966
Action	$3,952
Foreign	$3,934
Games	$3,922
Family	$3,782
Documentary	$3,750
Horror	$3,401
Classics	$3,353
Children	$3,309
Travel	$3,227
Music	$3,072
Thriller	

Total Revenue

Movie Rating is Largely Insignificant

The affect of MPAA ratings on revenue is largely insignificant. In terms of revenue contribution there is a 5% difference between the top performing rating (PG-13) and the lowest performing rating (G).

% of Revenue

Top 10 Movies

As expected, the ratings of the top 10 movies are diverse.

Conflictingly, the most popular movie (Telegraph Voyage) is a musical which is the second least most popular genre

Furthermore, only one of the top 10 movies is a sports movie (Saturday Lambs) which is the most popular genre.

Title	Rating	Genre	Revenue
Telegraph Voyage	PG	Music	$ 215.75
Zorro Ark	NC-17	Comedy	$ 199.72
Wife Turn	NC-17	Documentary	$ 198.73
Innocent Usual	PG-13	Foreign	$ 191.74
Hustler Party	NC-17	Comedy	$ 190.78
Saturday Lambs	G	Sports	$ 190.74
Titans Jerk	PG	Sci-Fi	$ 186.73
Harry Idaho	PG-13	Drama	$ 177.73
Torque Bound	G	Drama	$ 169.76
Dogma Family	G	Animation	$ 168.72

Recommendations

1

The most profitable customers are not necessarily located in the largest countries. With an online business model and no need for physical stores expansion in smaller territories is now more feasible.

2

When expanding, look to target territories with a higher average number of orders per customer as this is highly correlated with lifetime customer value. Countries like Reunion, Brunei and Anguilla have high number of orders per customer and would be good candidates.

3

When expanding in smaller territories capitalize on existing power users. Target customers that have a high lifetime value with referral incentives. This will make high value customers feel valued and help grow the local customer base organically.

4

When creating an online catalogue of movies or expanding the catalogue with new licenses, focus on high grossing genres, namely: sports, sci-fi, animation, drama and comedy. These genres will appeal to more users and increase the customer count which is highly correlated with total revenue.

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Thank You

Rockbuster Stealth LLC