

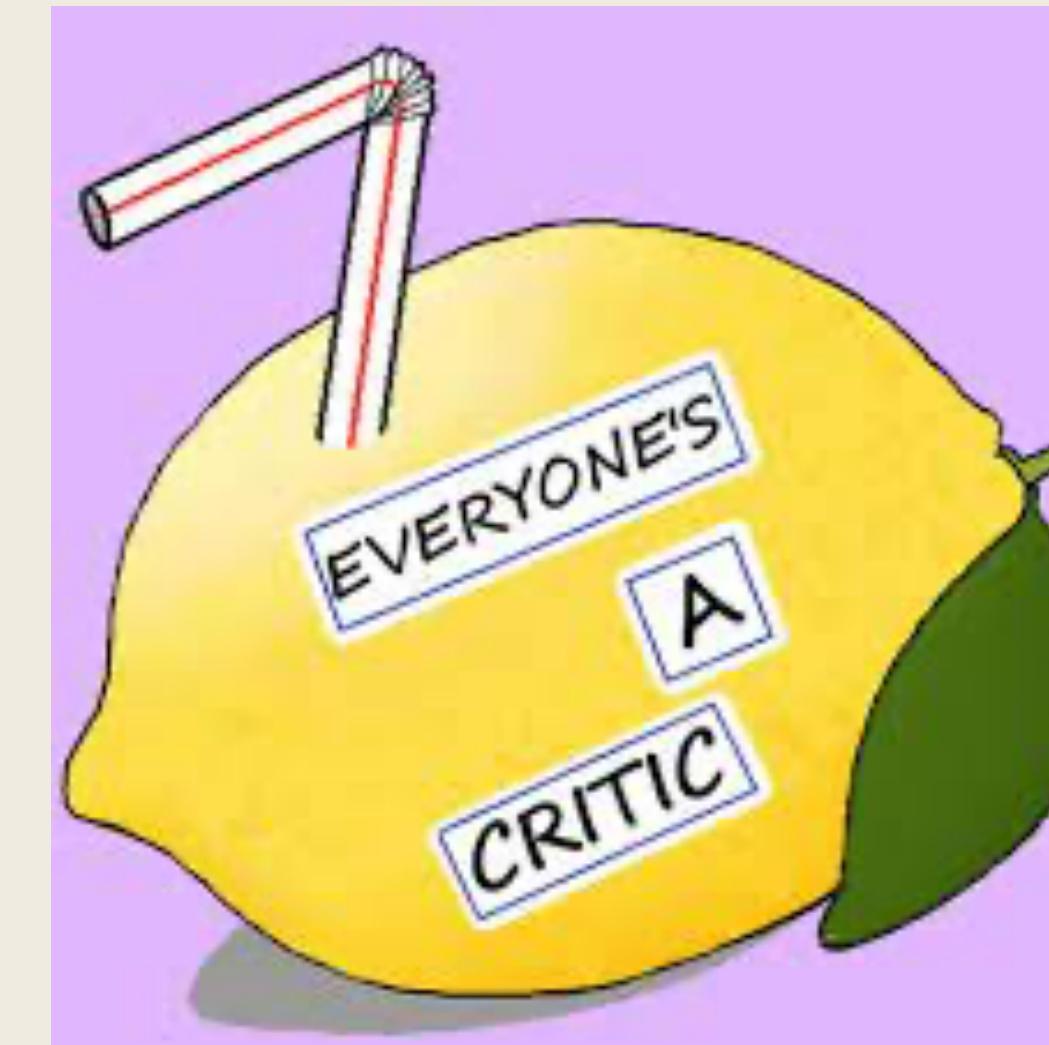
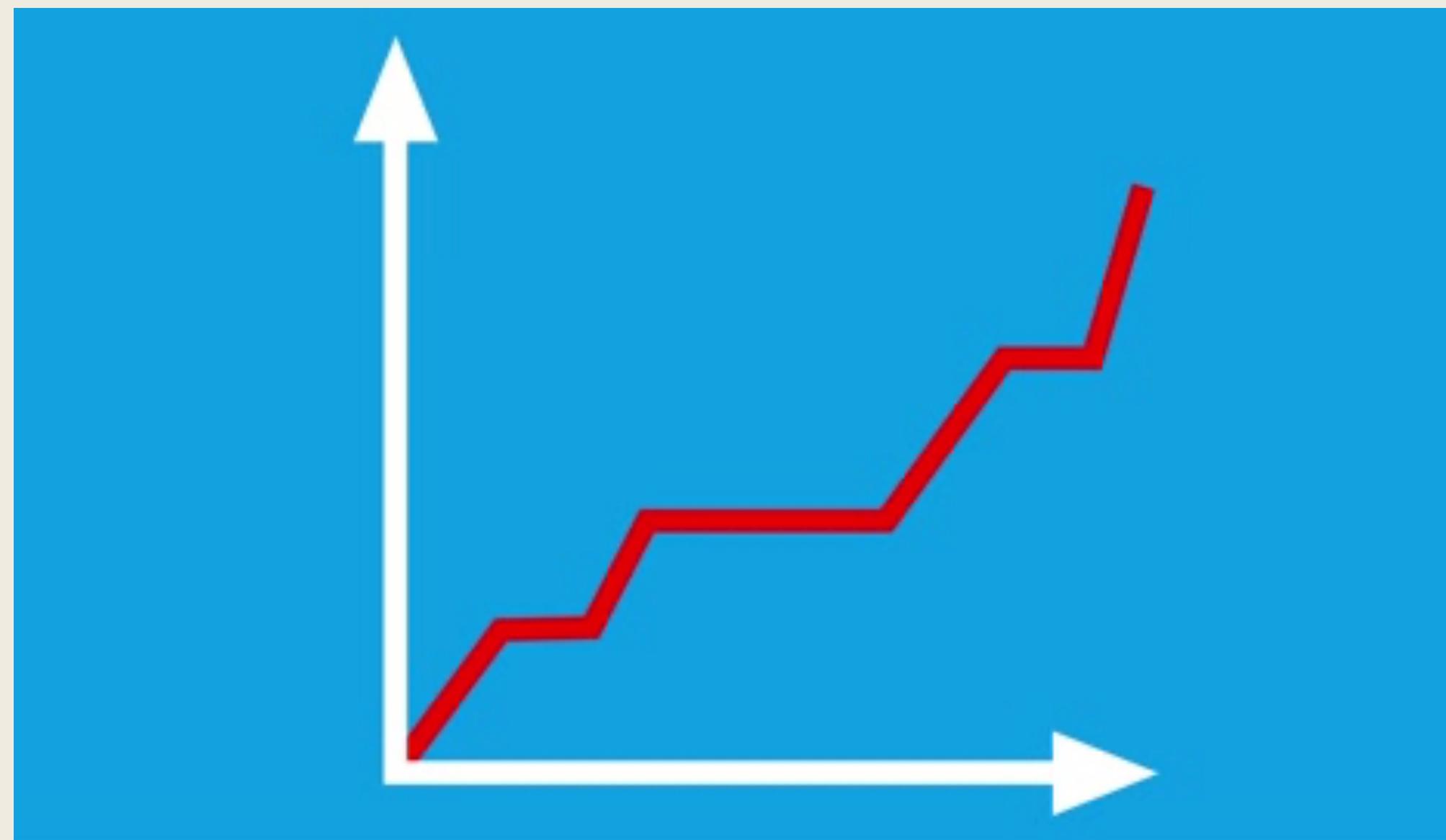


# Launching a New Movie Studio

Identifying drivers to maximize profit

# Overview

In launching a new studio, we need to **identify** the **profit drivers** & how to **maximize ROI**



Good reviews are nice..  
BUT they don't pay the bills

# Business Understanding

There are many levers we can pull when deciding on making a movie

- Budget
  - Genre
  - Release Scheduling
  - Run length
- .. and more



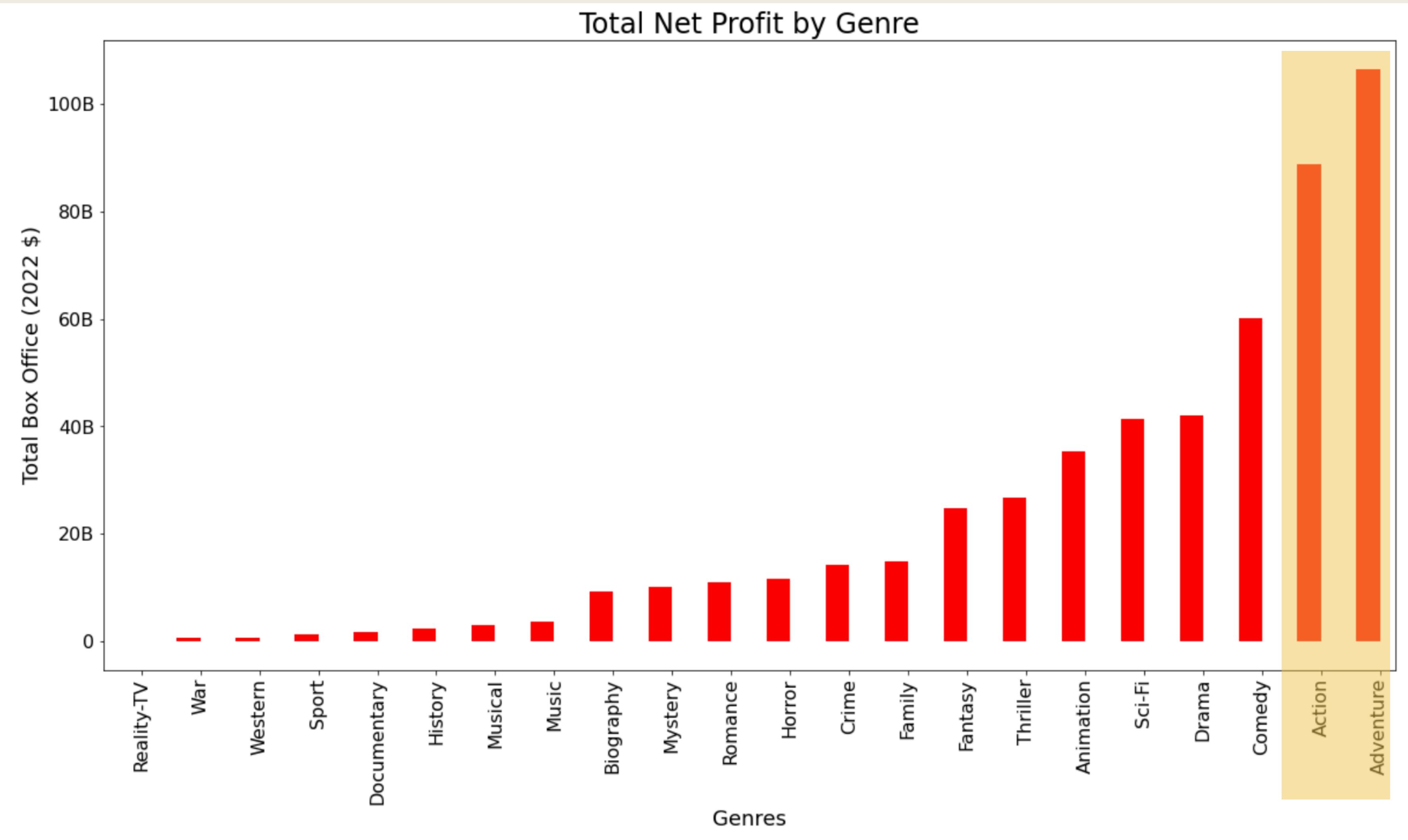
# Data Understanding

- Analyzed decades of box office sales and budgets data
- Looked at the **genres**, release **schedules**, **budgets**, and runtimes of movies and how they correlated with box office **sales**, net **profit** and **ROI**
- Adjusted all dollar figures to 2022 dollars using official Fed inflation data



# Data Analysis

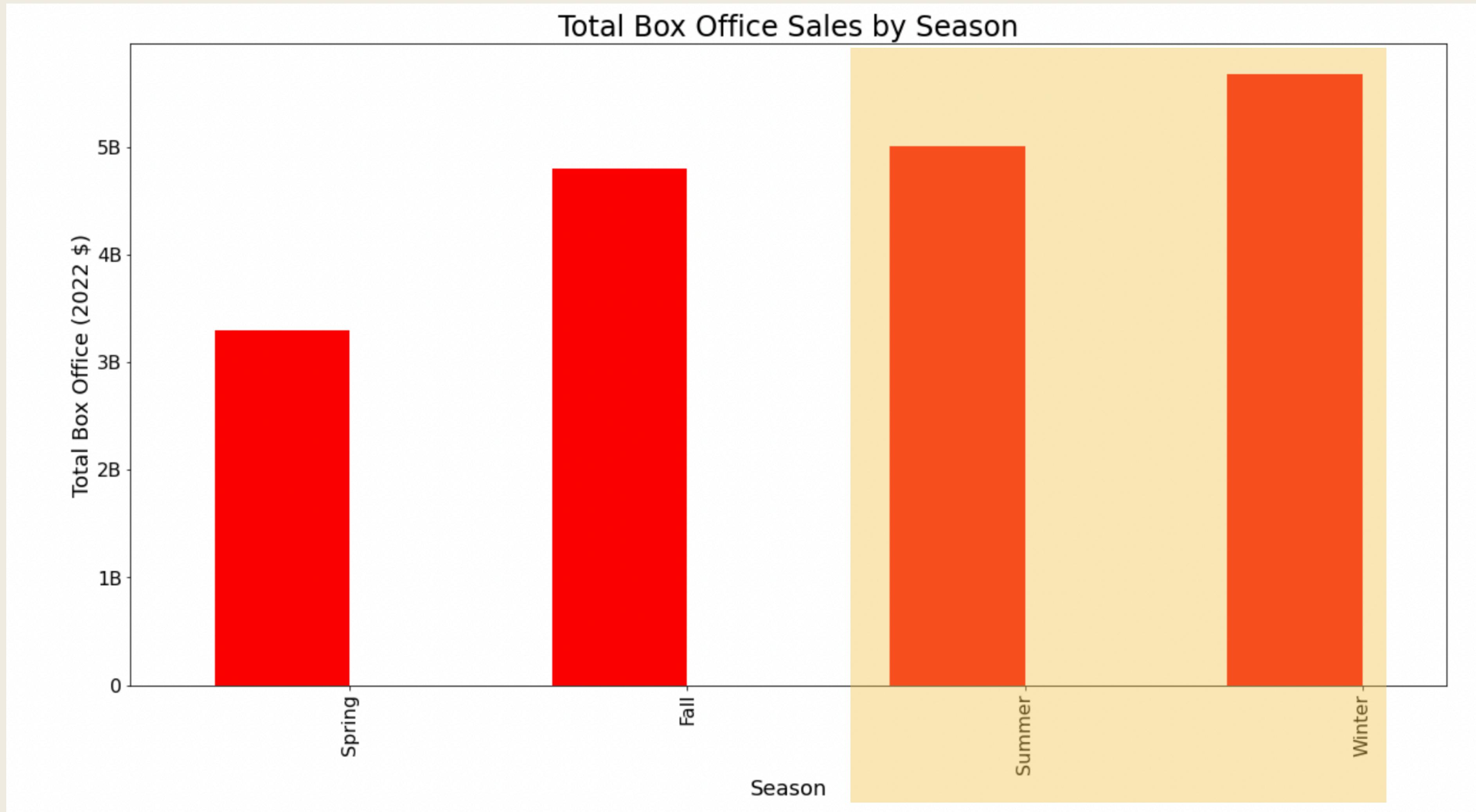
Action & Adventure  
are by far the  
most profitable genres



# Data Analysis

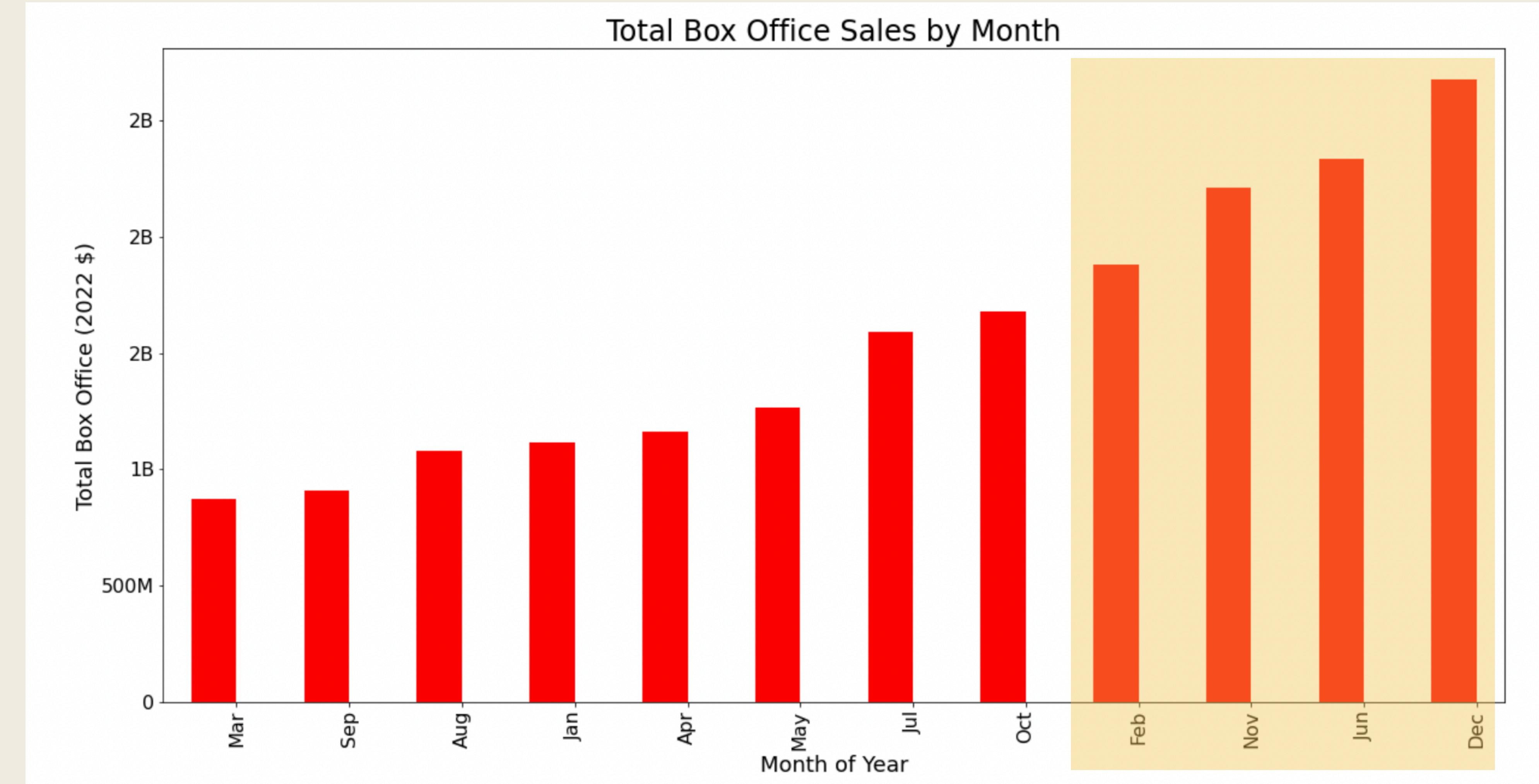
Release when more people watch movies!

Summer or Winter, never Spring



# Data Analysis

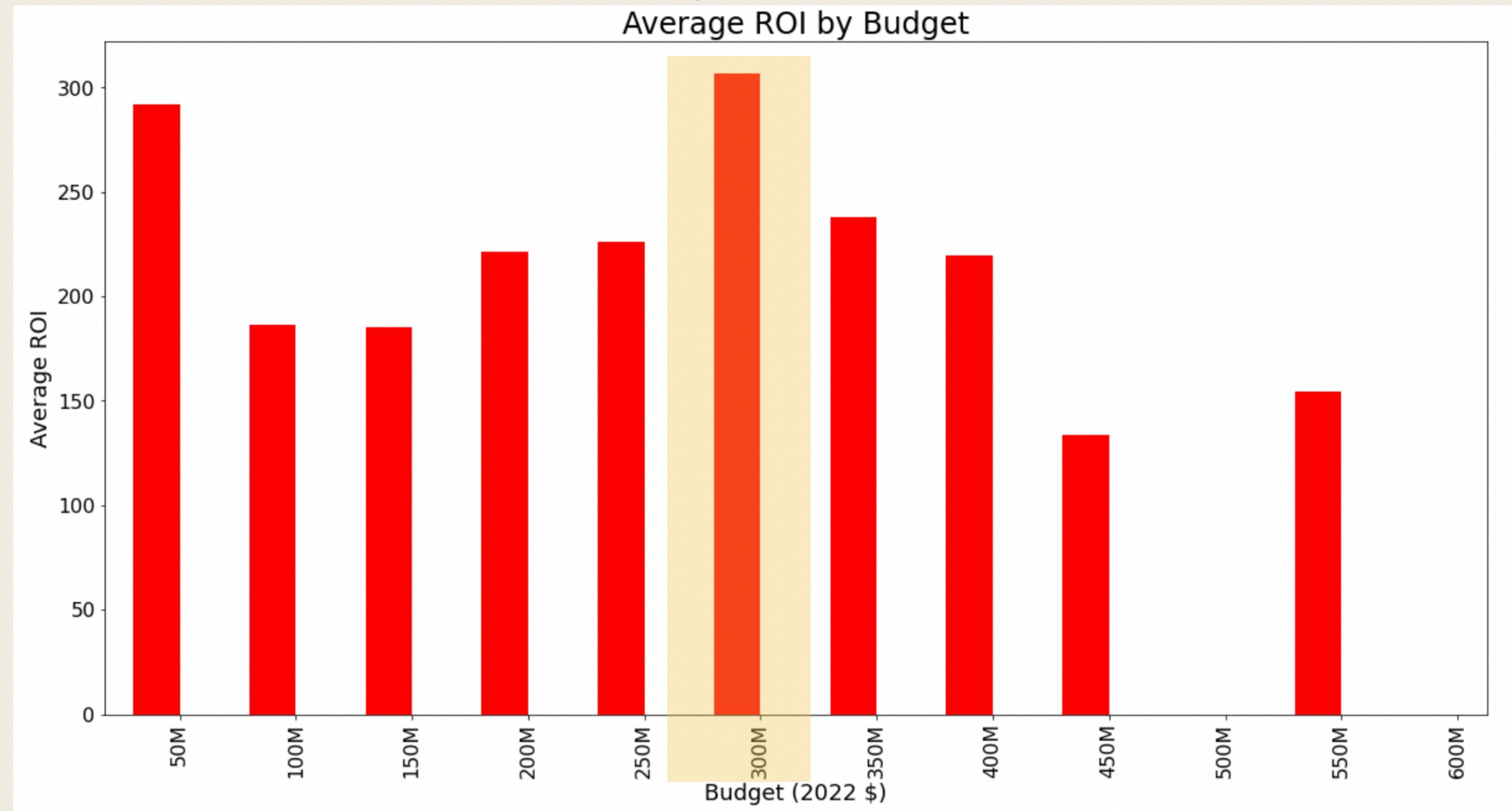
Best release months  
for box office sales:  
**November**  
**December**  
**June**  
**February**



# Data Analysis

Budget no more than  
**\$300M** per film

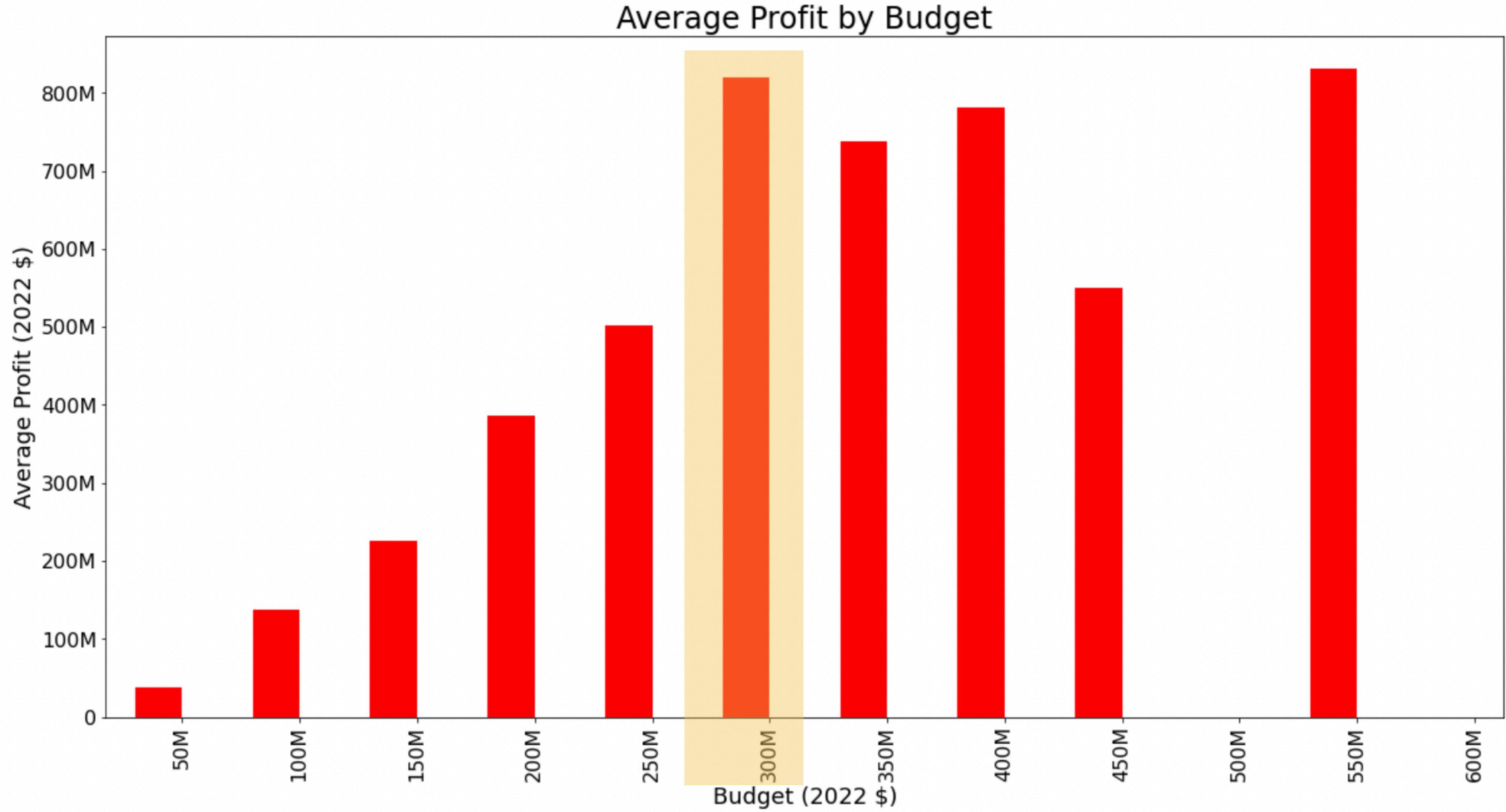
ROI drops off sharply  
after \$300M budget



# Data Analysis

Budget no more than  
**\$300M** per film

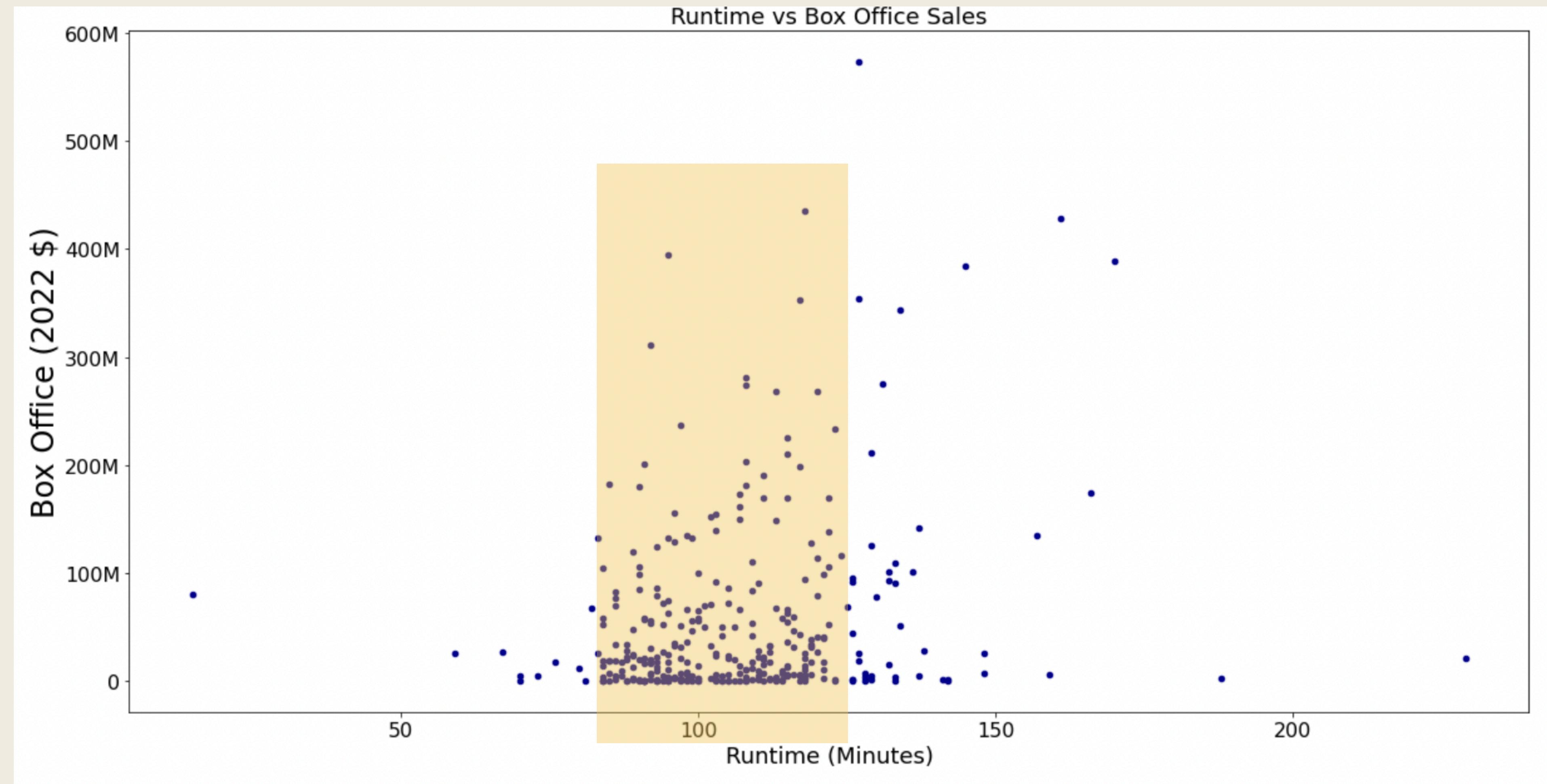
Profit falls off past  
that point



# Data Analysis

Keep the runtime tight  
in the **90-120 minutes**  
range

Extra runtime is  
NOT rewarded



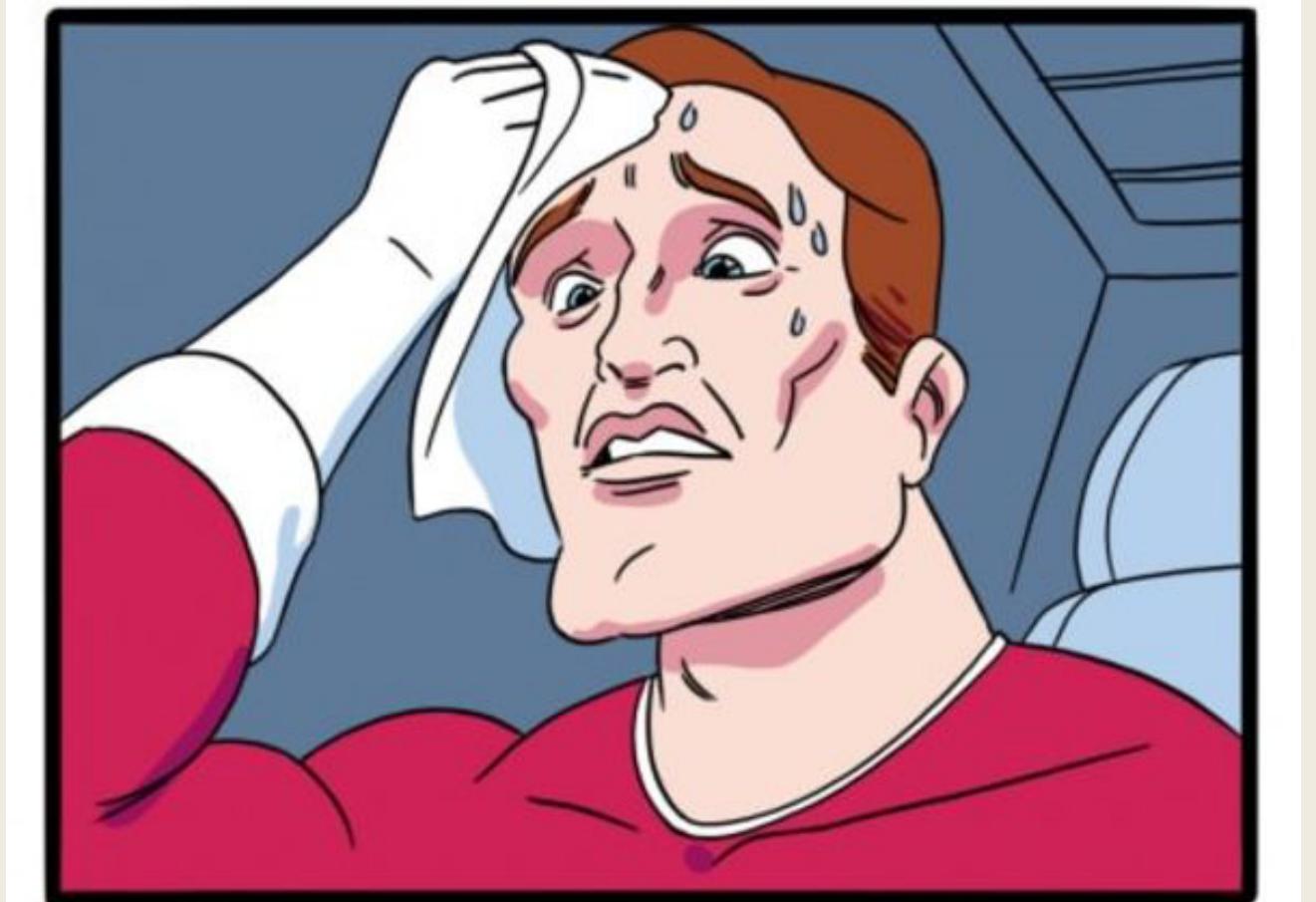
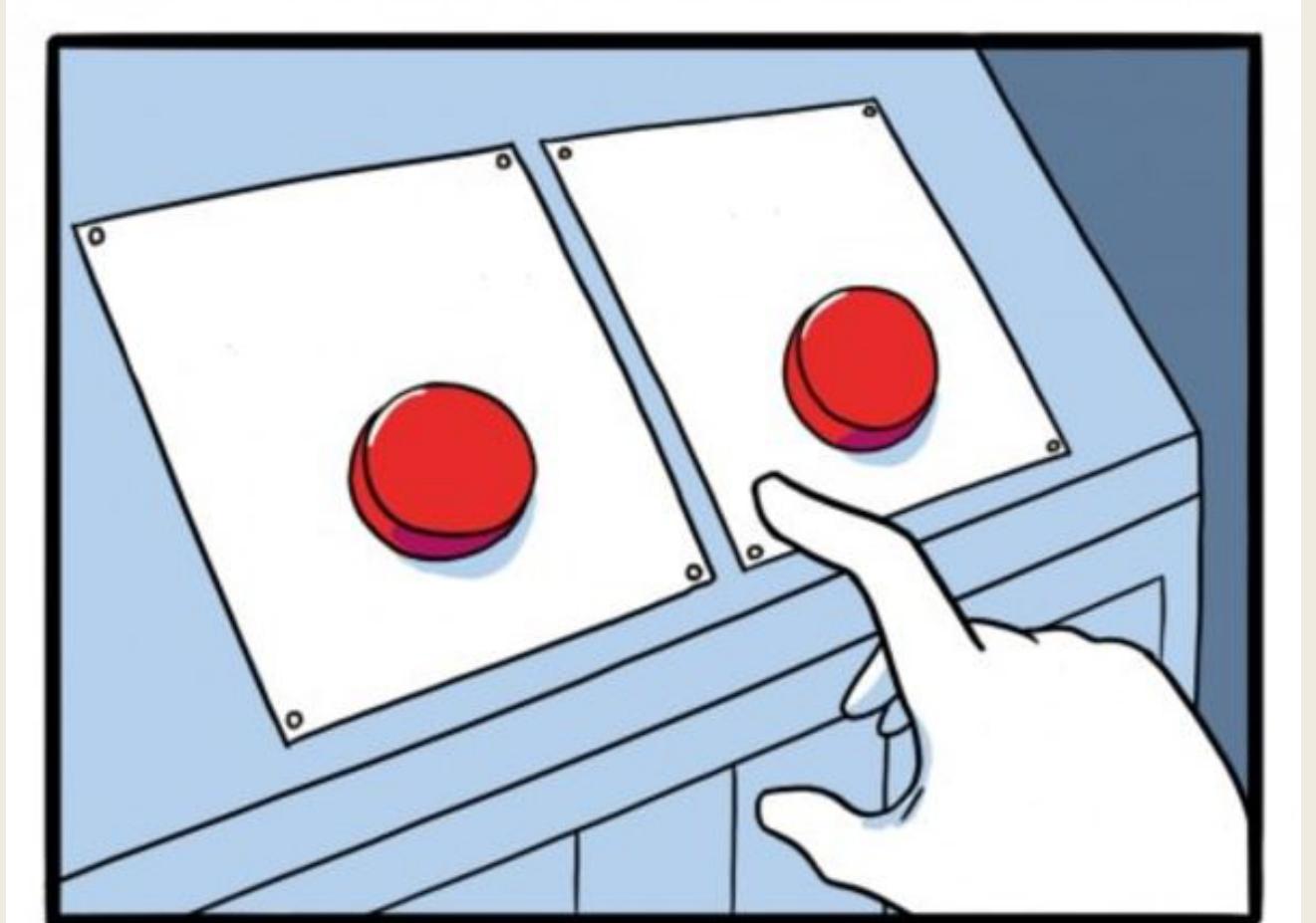
# Movie recommendations

- Release a Summer block buster action film in June, with a full \$300M budget, roughly 120 minutes runtime
- Release two Adventure films during the Winter holidays, one each in November & December targeting school children, on the shorter end of the 90-120min recommended range, in the \$150-200M budget range
- The third best release time is February, so release any films that don't make the holiday cut then

# Next Steps

Multi-factor drill downs such as:

- Optimal budget for each genre
- Drill into day-of-week and week-of-year time slices
- Look at how time of year & budget interact
- Trends - evolution of popularity by year
- Identifying hit makers in targeted genres
- Etc



JAKE-CLARK.TUMBLR

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# Thank You & Questions

Contact me, Stephen Gomes  
on [Linkedin](#)

