

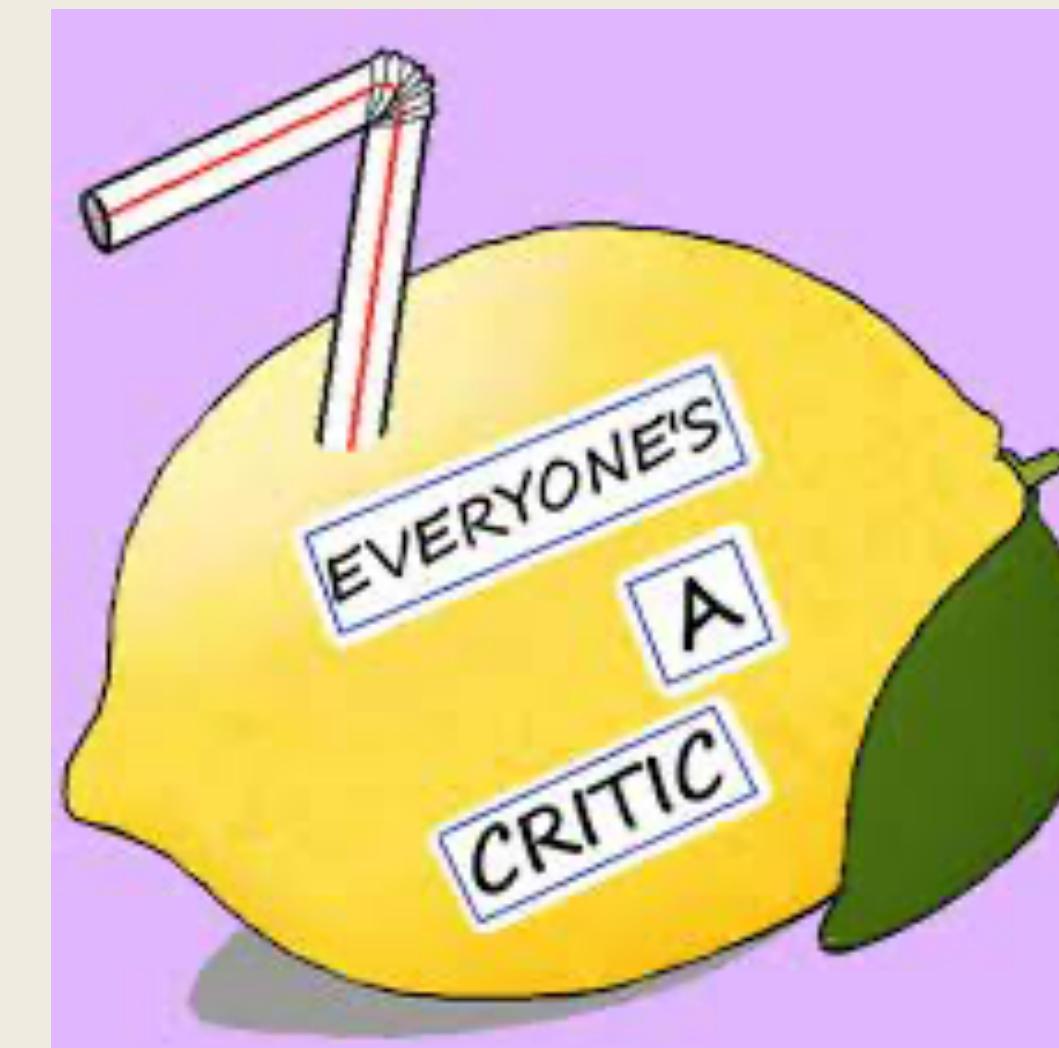


# Launching a New Movie Studio

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 Schedule** 📅

⌚ **Run length**

.. and more



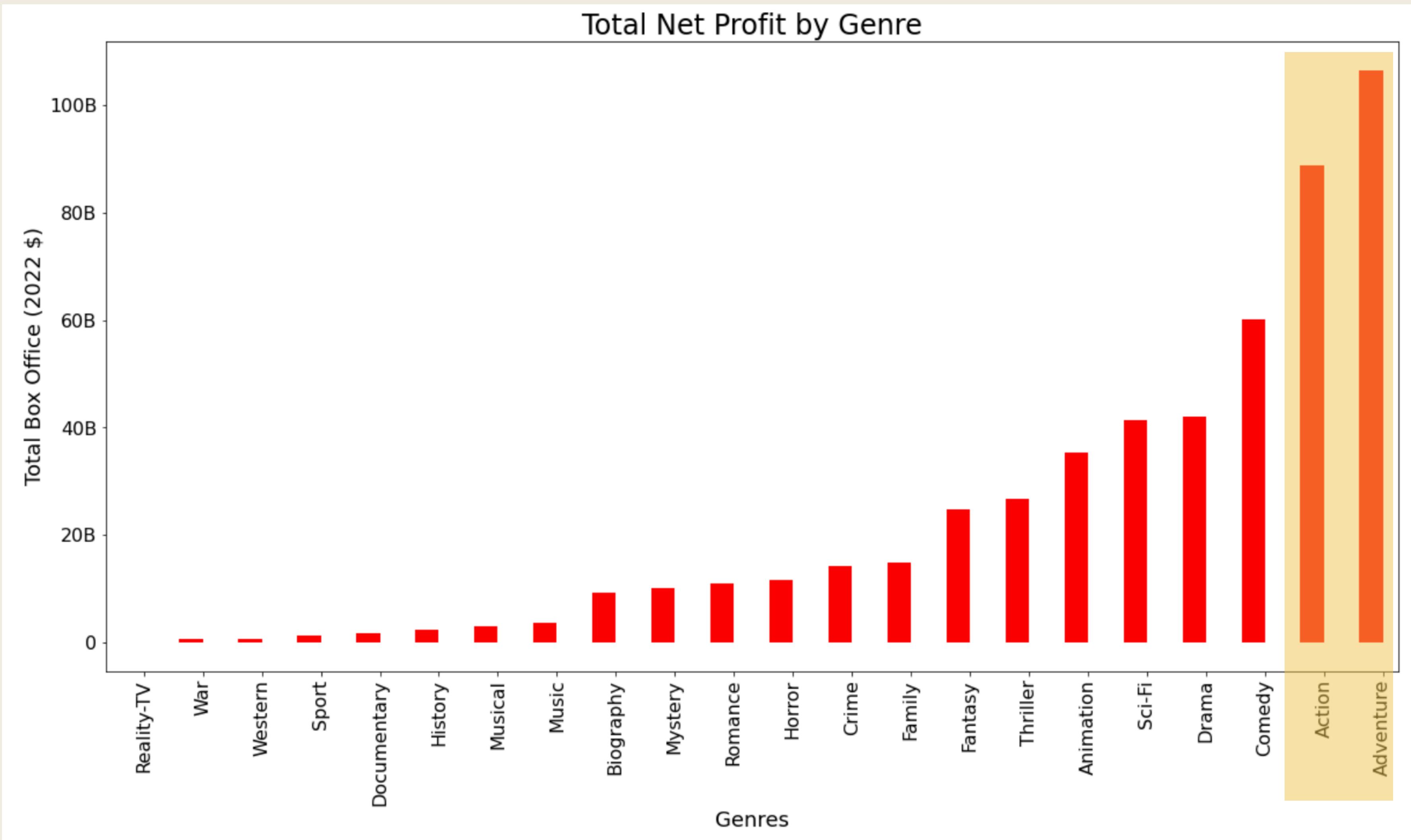
# Data Understanding

- 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
- Limiting our analysis to US market theatrical releases



# Data Analysis

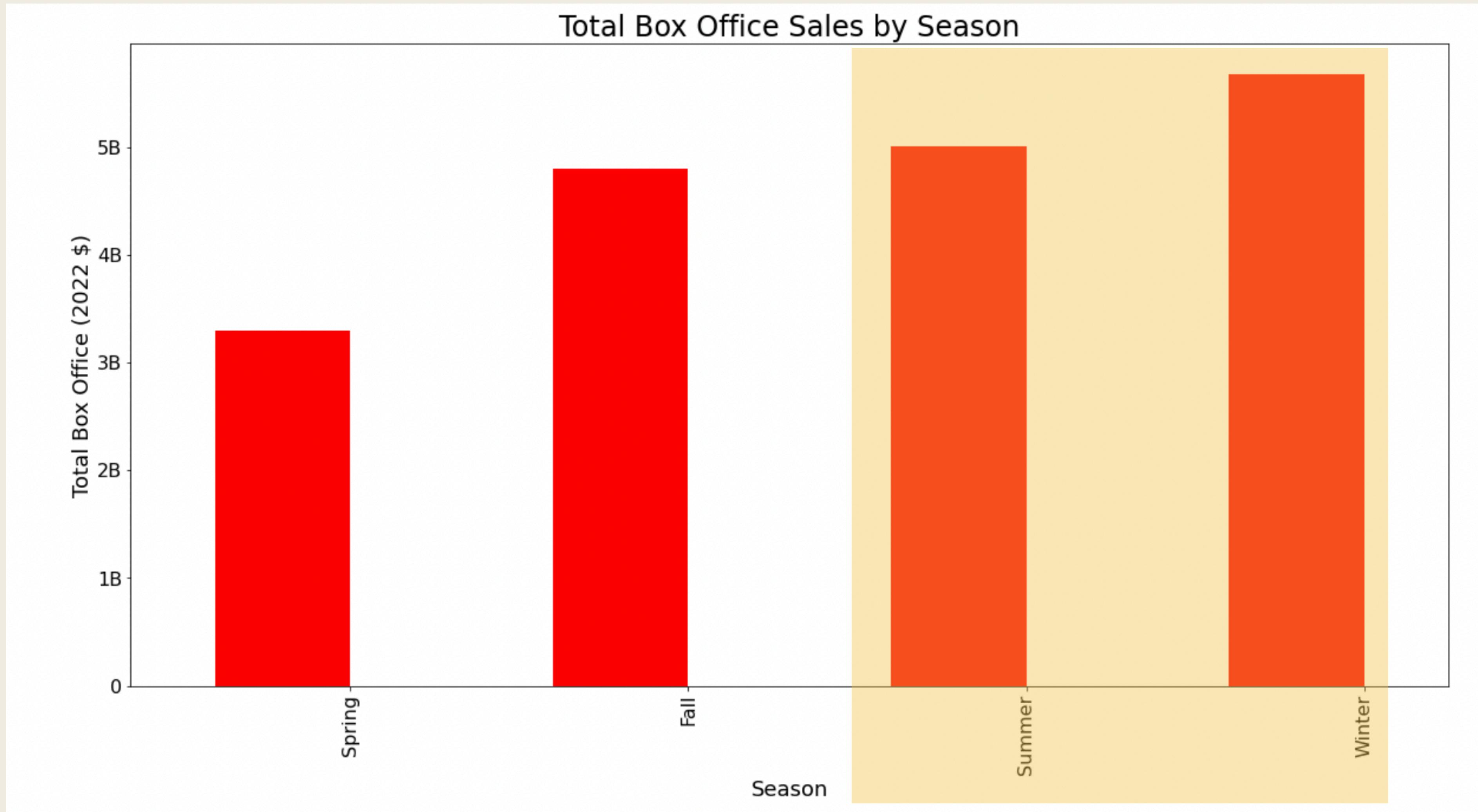
Action & Adventure  
are by far the  
most profitable genres



# Data Analysis

***Release when more people watch movies!***

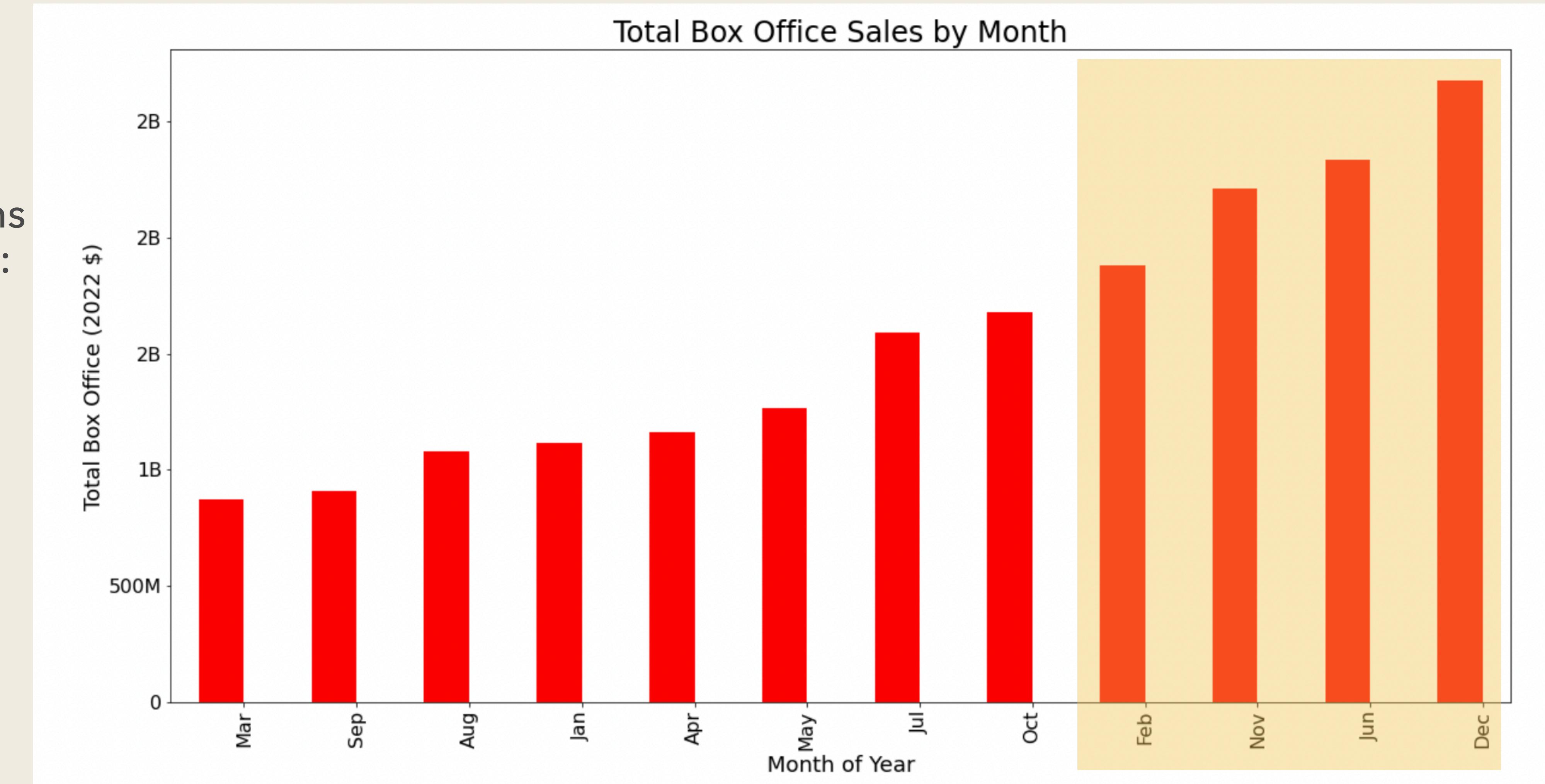
**Summer or Winter,**  
never Spring



# Data Analysis

Best release months  
for box office sales:

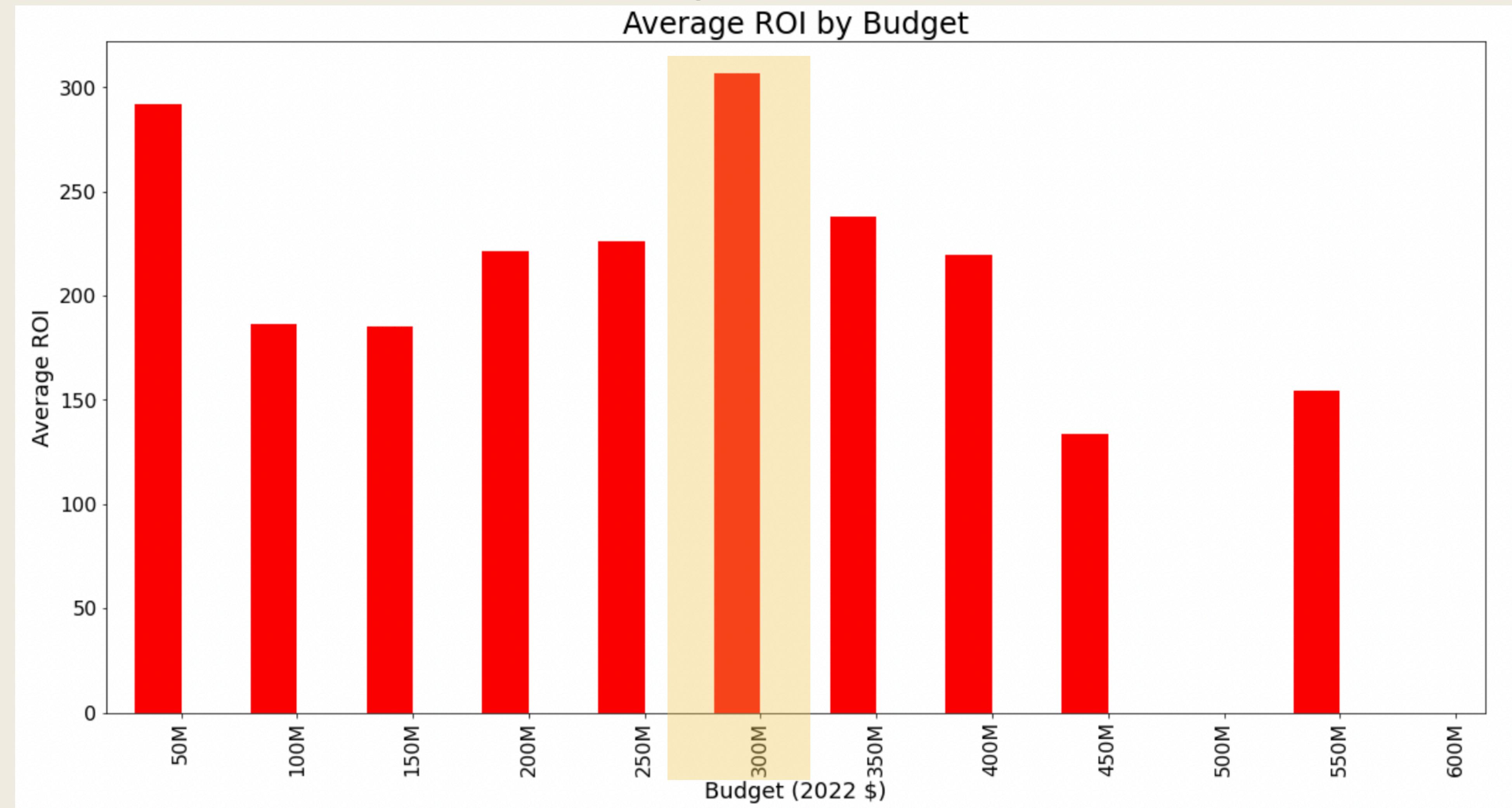
**November**  
**December**  
**June**  
**February**



# Data Analysis

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

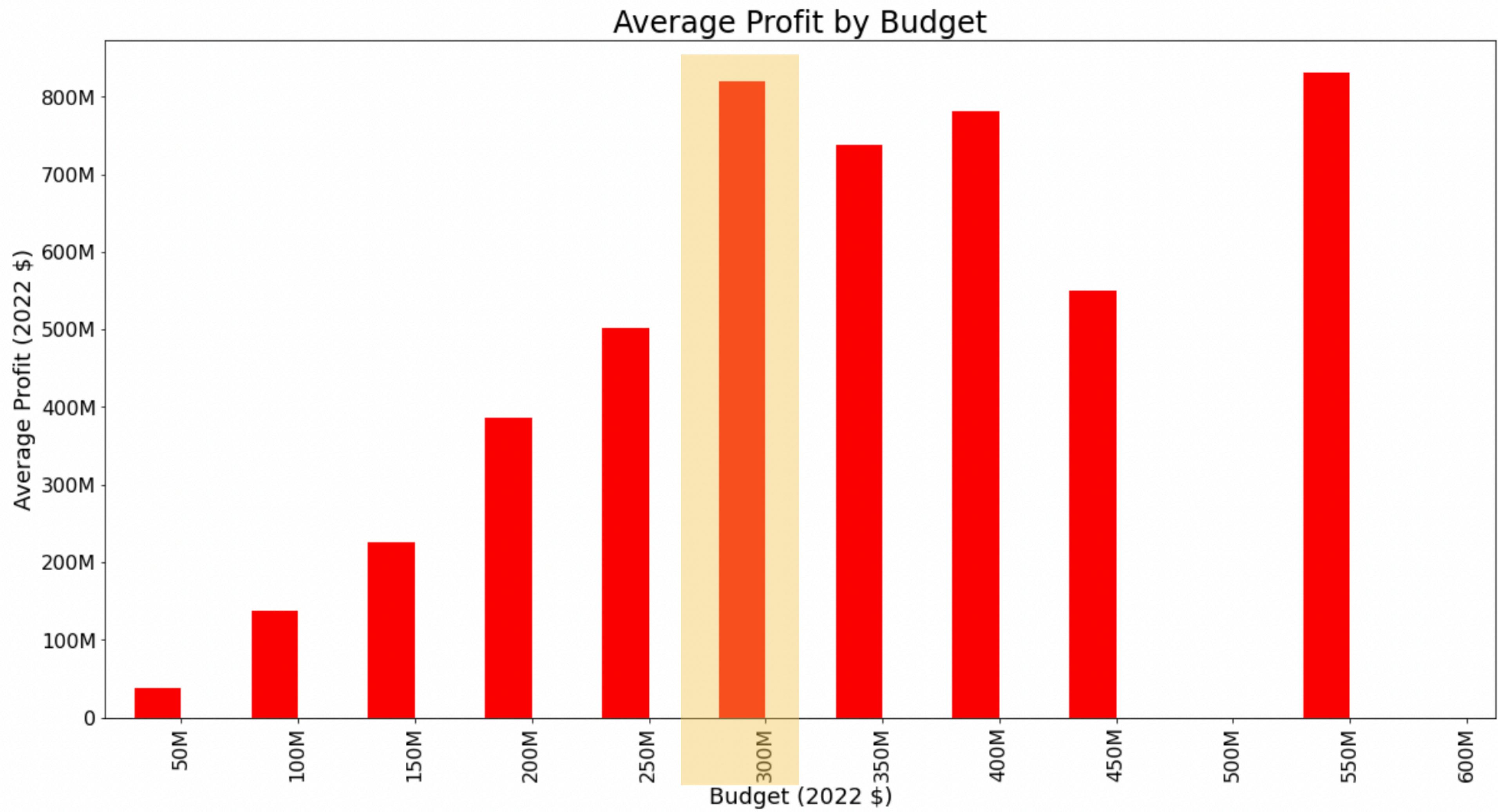
ROI drops off  
above **\$300M**  
budget



# Data Analysis

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

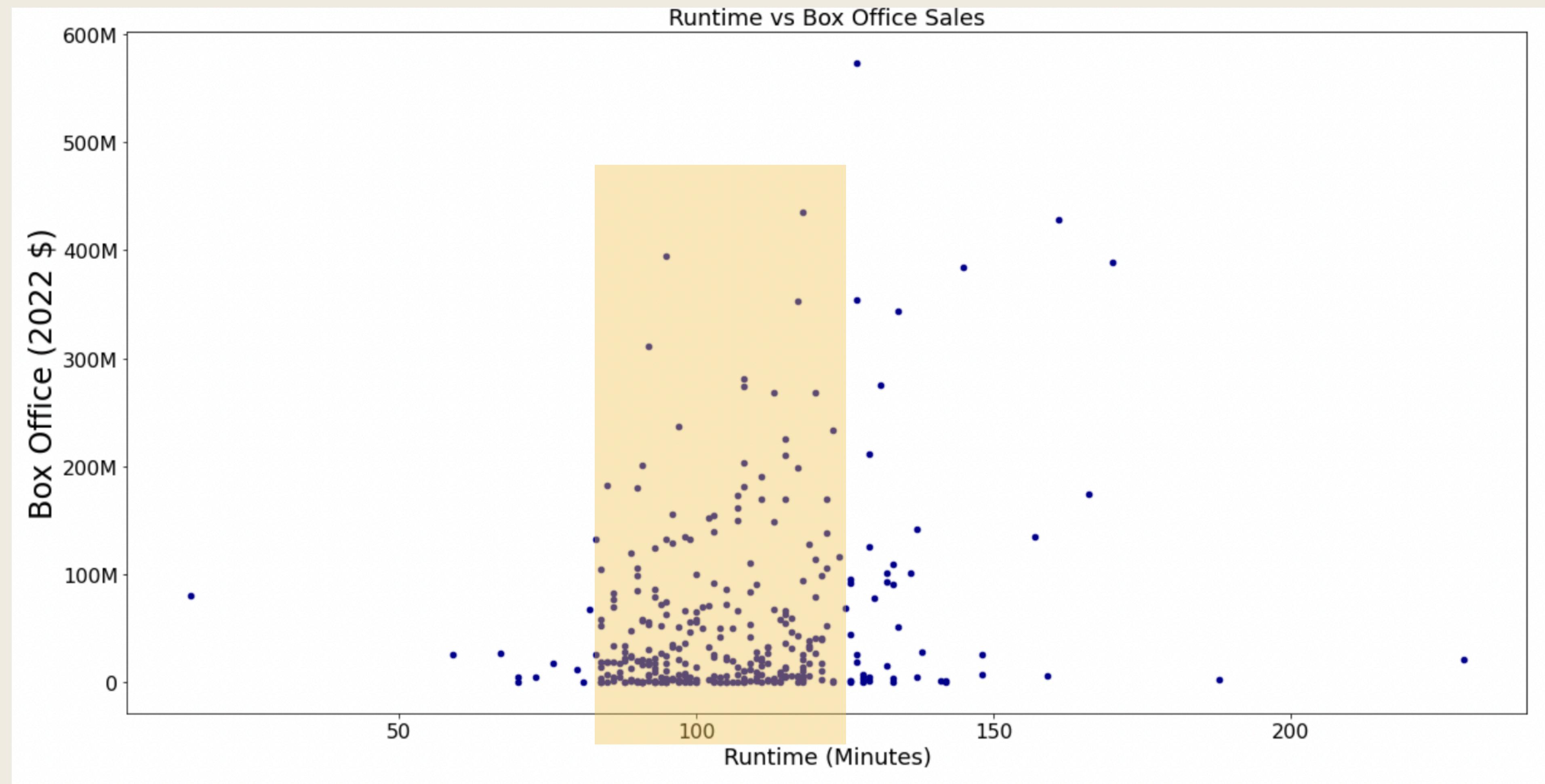
Profit also drops off above **\$300M** budget



# Data Analysis

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

Extra runtime is  
NOT rewarded



# Movie recommendations

- Release a **Summer** blockbuster **Action** film in **June**, with a full **\$300M budget**, roughly **120 minutes runtime**
- Release 2 **Adventure** films during Winter holidays, 1 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 **for schedule overrun** reasons, don't make the holiday cut

# 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



JAKE-CLARK.TUMBLR

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# Thank You & Questions

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

