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# Microsoft in the movie business

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# Questions

- 1 What are the highest grossing movies of the last 10 years?
- 2 What are the risks based off historical trends?
- 3 What is the average return on investment for a successful movie?
- 4 What type of movie should you make, and who should you hire to make it?



## Data source comments

The data used in the analysis is from a regularly updated IMDd database.

However, revenue data is from ticket sales before the COVID-19 pandemic.



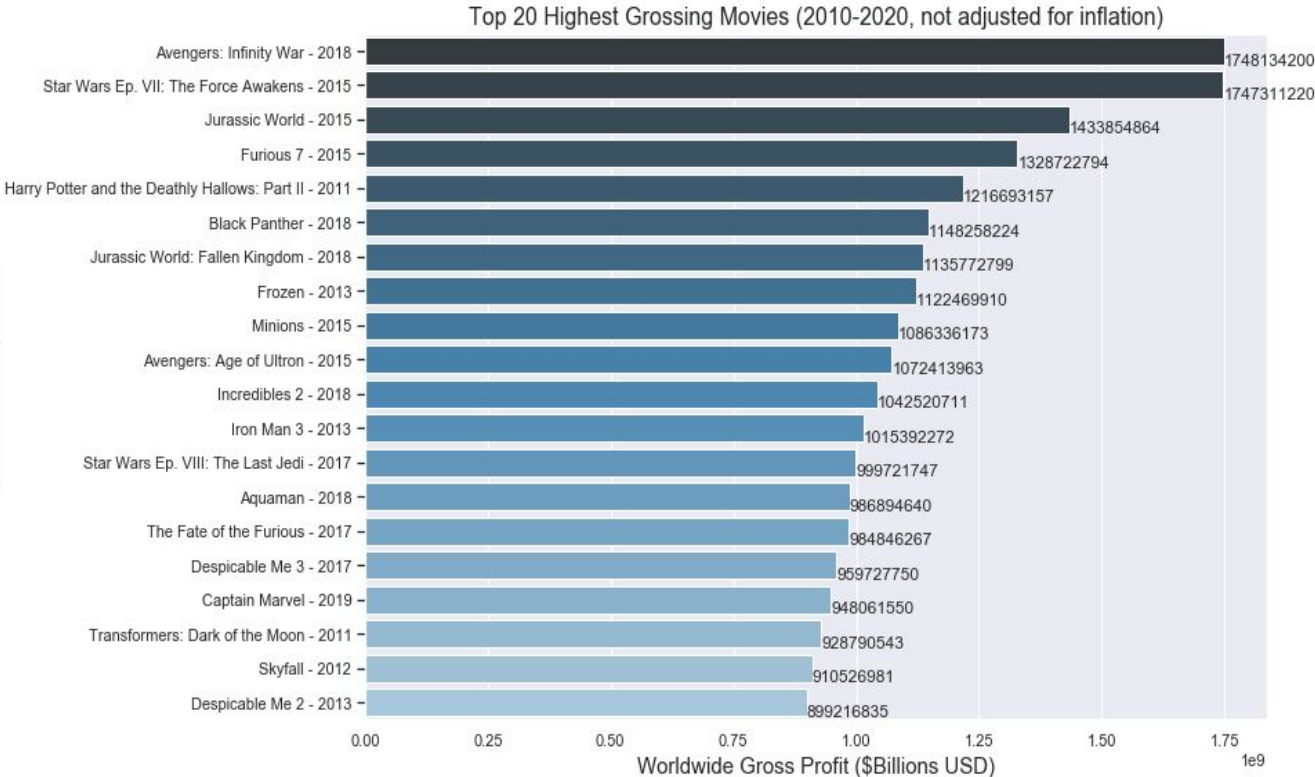
# Highest Grossing Movies

**Highlight:** 90% of the top 20 grossing movies are part of an existing **movie franchise** or **sequel**

## Recommendations:

- Invest in building a franchise
- Consider sequel potential when selecting franchise

Movie Name and Year



# Risks?

In the last 10 years, over **40% of all movies** actually released to theaters had a negative ROI.

**Highlight:** Many high earning movies did not break even.

## Recommendations:

- Learn from the mistakes made by movies with large production budgets and low ROI...or it could happen to you



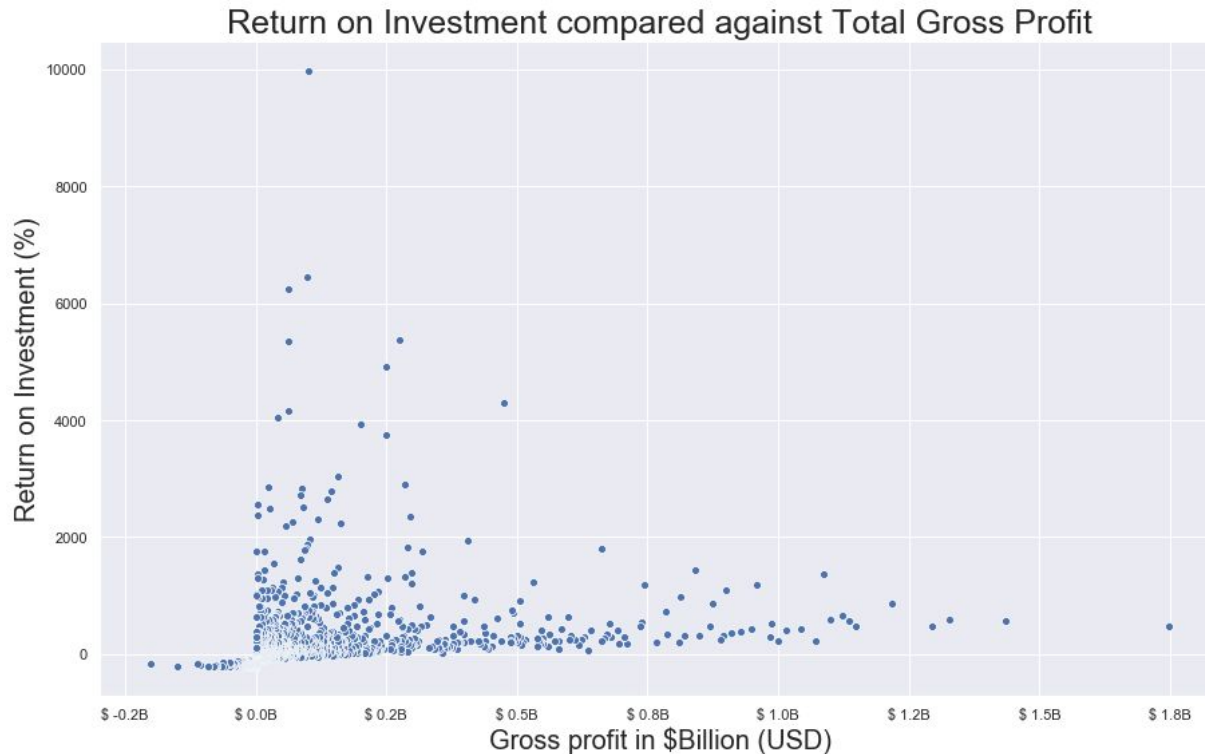


# Average Return on Investment?

**Highlight:** In the last 10 years, movies released in theaters enjoyed **130% ROI on average**.

## Recommendations:

- Continue with plan to enter into the movie business
- Caveat: data based off of historical tickets sales (Pre-COVID 19)





## Next Steps

Don't go it alone: Who should you partner with to make your first movie?

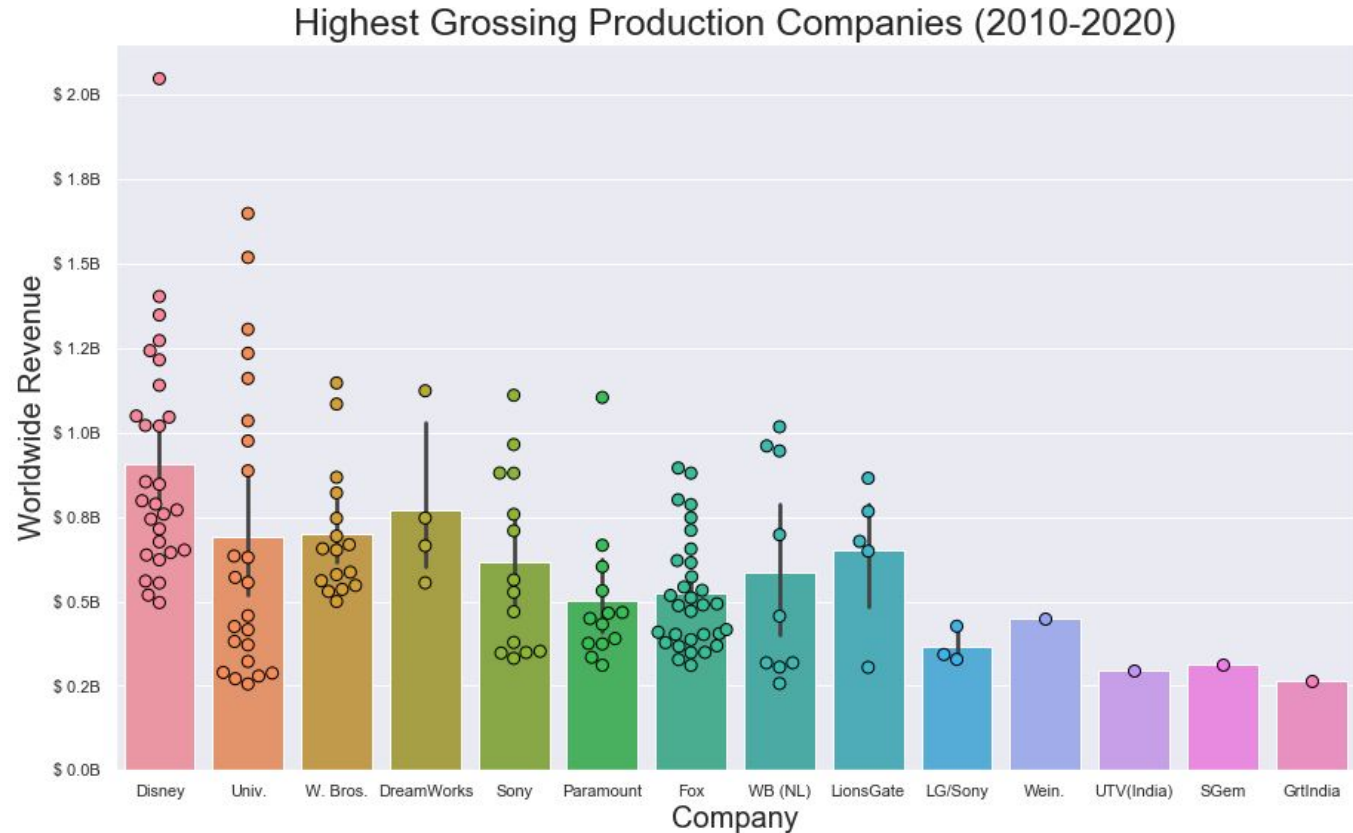
What type of movie should you make?

# Production company analysis

**Highlight:** Disney, Universal, WBros, and Dreamworks are the top performers

## Recommendations:

- Consider Joint Venture to share production / distribution costs (common industry practice)
- Recruit talent with experience at these companies



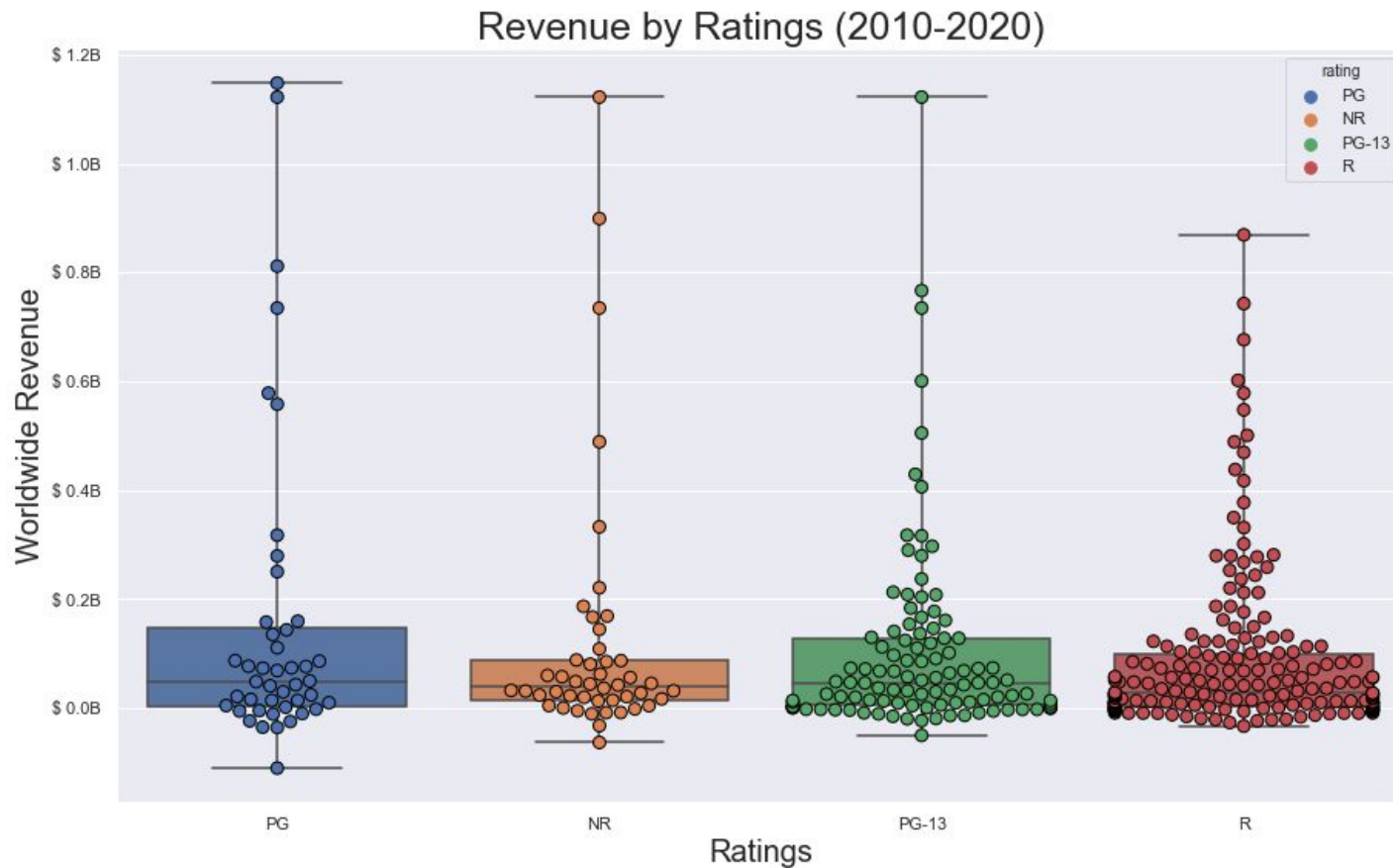


# Parental guidance rating analysis

**Highlight:** PG and PG-13 movies achieved the most revenue.

## Recommendations:

- Subject-matter/topic for first movie should be suitable for PG/PG-13 audiences



# Recommendations



- **Look at establishing a franchise**
  - **Plan out sequels**
- **Stick to PG or PG-13 rated movies**
- **Explore a joint venture with Disney, Universal, Warner Brother, or Dreamworks**
  - **Hire talent from the above companies**

# Future research



- **Conduct a deeper dive into the most successful producers, directors, and writers**
- **Analyze the most successful recurring movie genres**
- **Determine the best month/season to release a movie**



Thank you!