

Microsoft Studios

Industry Entry Analysis

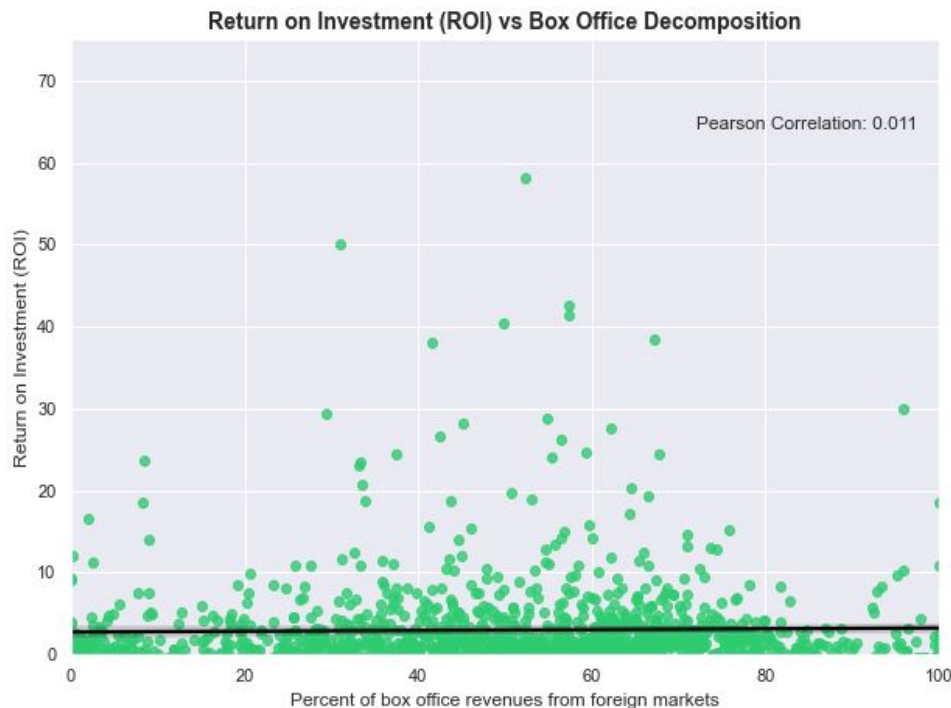
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The Business Problem

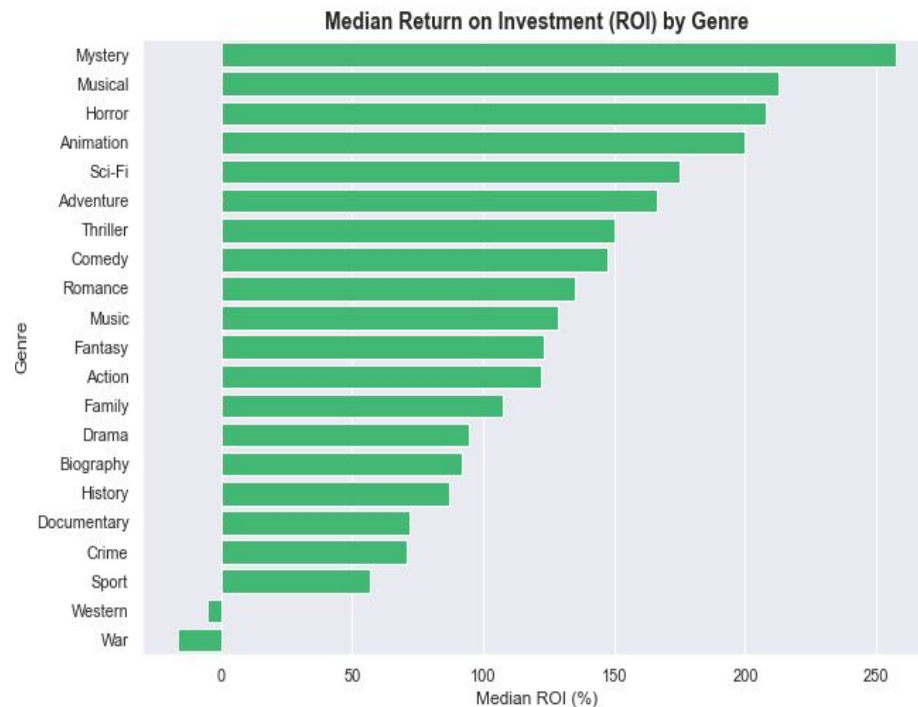
Microsoft sees all the big companies creating original video content and they want to get in on the fun. They have decided to create a new movie studio, but they don't know anything about creating movies. You are charged with exploring what types of films are currently doing the best at the box office. You must then translate those findings into actionable insights that the head of Microsoft's new movie studio can use to help decide what type of films to create.



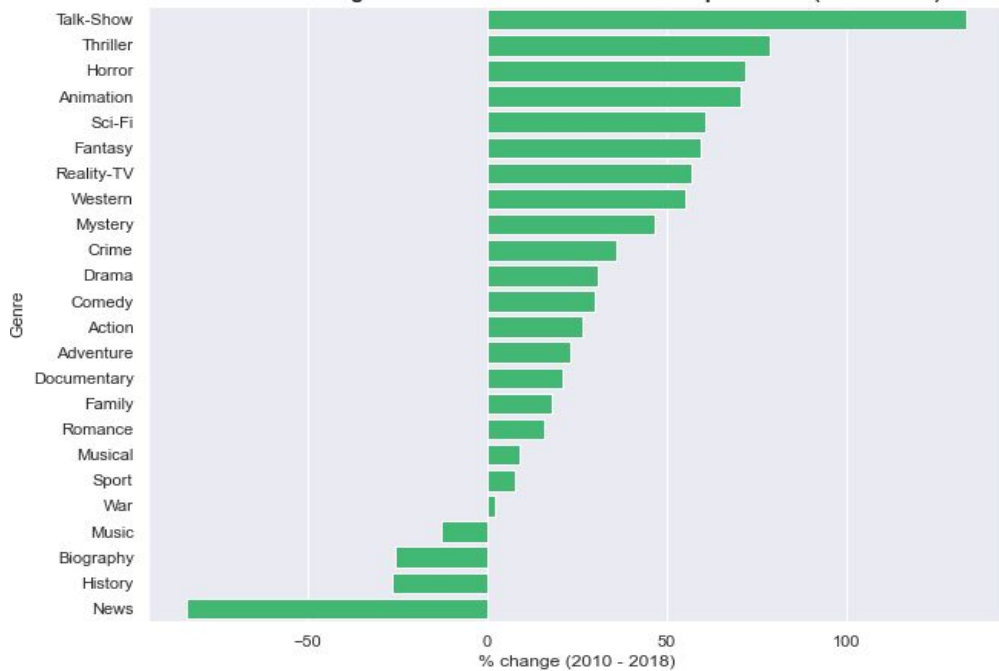


- No correlation between a movie's ROI and percent of box office revenues from foreign markets
- A strong correlation would have indicated a need to analyze foreign and domestic markets separately

- Selecting genres with a higher median ROI could increase the probability of success
- Genres with a negative median ROI can be excluded from consideration since the likelihood of success is low

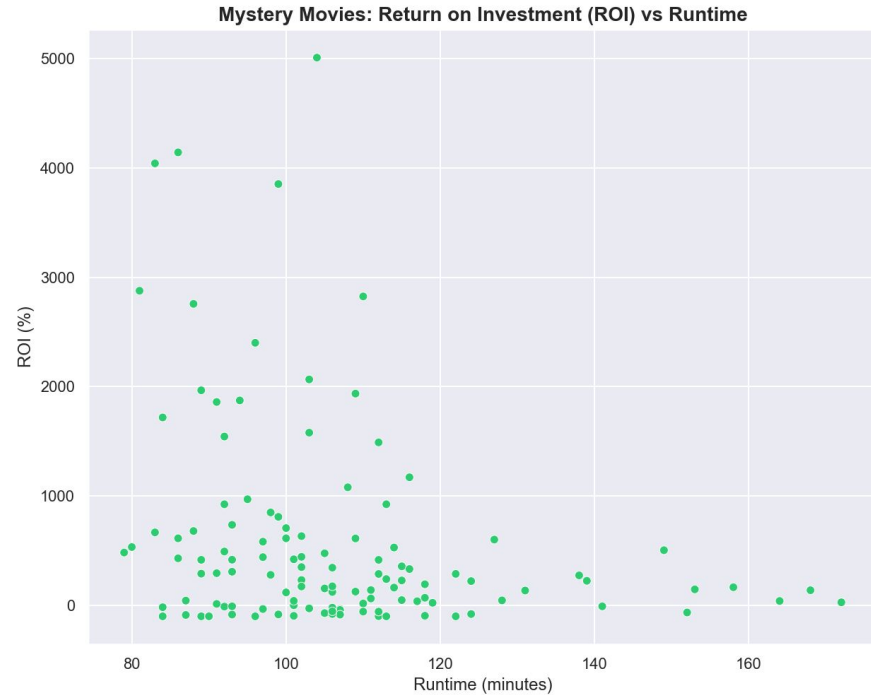


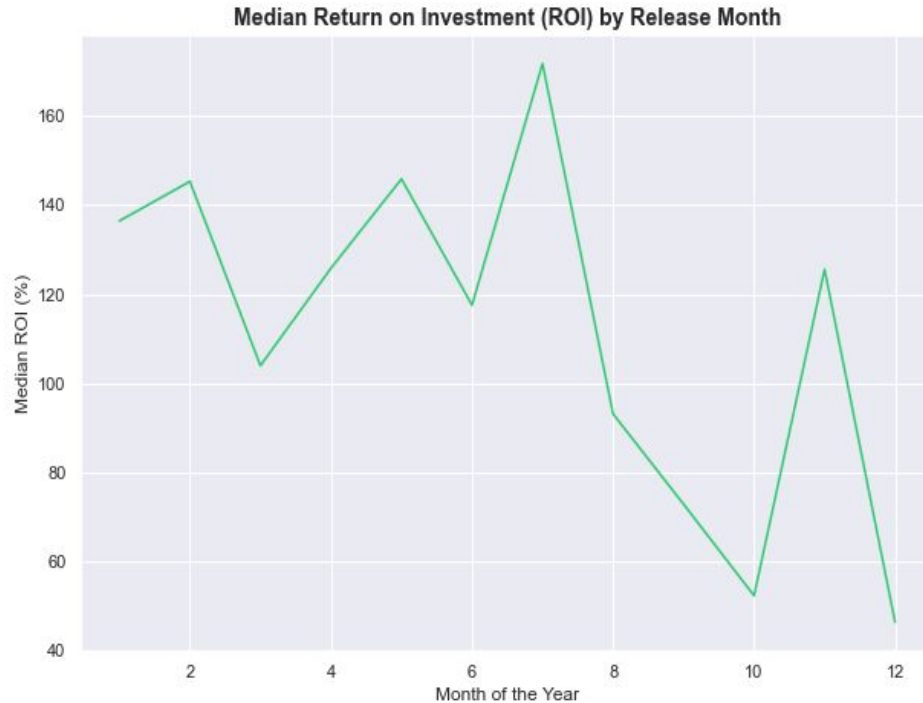
Percent Change in Number of Movies Produced per Genre (2010 - 2018)



- Measuring the percent change in the number of movies produced per genre is a proxy for popularity trends
- The Mystery genre is in the sweet spot: increasing popularity without the highest increase in competition

- Mystery movies that last longer than two hours (120 minutes) appear to have a sharp decline in ROI
- Longer runtimes are likely correlated with higher production budgets and therefore reduce potential ROIs





- Releasing a movie in May or July has historically had the two highest median ROIs
- The wide range of median ROIs across different months indicates that release timing can be a critical factor for the success of a movie

Recommendation

Based on the data explored thus far, Microsoft Studios should produce a movie in the **Mystery genre** with a runtime **under 2 hours** and an anticipated release date in **May or July**.



Next Steps

What makes a good Mystery movie?

Items to consider exploring:

- Are there any specific directors or writers that excel in the Mystery genre?
- What should the production budget be?
- Can box office data be found for movies older than 2010?



Appendix

- All illustrations from undraw.co
- Data sources used:

