

Rockbuster Stealth

Business Strategy – Online Video Services

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Launching Online Video Rentals



Motivation

As online video services continue to rise in popularity, Rockbuster Stealth looks to branch into this emerging field.

In 2020, a new online video rental service will be launched starting with existing movie licenses.



Objectives

- Develop an online rental strategy for the business intelligence (BI) department
- Understand which movies and genres contributed the most/least to revenue gain.
- Find which countries Rockbuster customers are based in and where the high lifetime value customers are based.
- Understand how sales figures vary by geographic region

Data Overview

Films

1000 films total

Genres

Rockbuster houses 20 different genres.

Ratings

Films range from G to NC-17

Countries

Servicing 108 countries

Customers

584 active customers
15 inactive customers

Film Length

Films range from 46 to 185 minutes with an average of 115 minutes

Rental Rate

Rates span from \$ 0.99 to \$ 4.99 with an average of \$ 2.98

Rental Duration

Films are rented from 3 to 7 days with an average of 5 days

Replacements

Replacements start at 9.99 to 29.99 with an average of 19.98

Data Snapshots

payment_id [PK] integer	customer_id smallint	staff_id smallint	rental_id integer	amount numeric (5,2)	payment_date timestamp without time zone
17503	341	2	1520	7.99	2007-02-15 22:25:46.996577
17504	341	1	1778	1.99	2007-02-16 17:23:14.996577
17505	341	1	1849	7.99	2007-02-16 22:41:45.996577
17506	341	2	2829	2.99	2007-02-19 19:39:56.996577
17507	341	2	3130	7.99	2007-02-20 17:31:48.996577
17508	341	1	3382	5.99	2007-02-21 12:33:49.996577
17509	342	2	2190	5.99	2007-02-17 23:58:17.996577
17510	342	1	2914	5.99	2007-02-20 02:11:44.996577
17511	342	1	3081	2.99	2007-02-20 13:57:39.996577
17512	343	2	1547	4.99	2007-02-16 00:10:50.996577

Screenshots of the Rockbuster database.

Left: Payment Table

Bottom Left: Film Table

Bottom Right: Inventory Table

film_id [PK] integer	title character varying (255)	description text	release_year integer	language_id smallint	rental_duration smallint	rental_rate numeric (4,2)	length smallint	replacement_cost numeric (5,2)	rating mpaa_rating	last_update timestamp wit
133	Chamber Italian	A Fateful Reflec...	2006	1	7	4.99	117	14.99	NC-17	2013-05-26 14:09:17
384	Grosse Wonderful	A Epic Drama o...	2006	1	5	4.99	49	19.99	R	2013-05-26 14:09:17
8	Airport Pollock	A Epic Tale of a...	2006	1	6	4.99	54	15.99	R	2013-05-26 14:09:17
98	Bright Encounters	A Fateful Yarn ...	2006	1	4	4.99	73	12.99	PG-13	2013-05-26 14:09:17
1	Academy Dinosaur	A Epic Drama o...	2006	1	6	0.99	86	20.99	PG	2013-05-26 14:09:17
2	Ace Goldfinger	A Astounding E...	2006	1	3	4.99	48	12.99	G	2013-05-26 14:09:17
3	Adaptation Holes	A Astounding R...	2006	1	7	2.99	50	18.99	NC-17	2013-05-26 14:09:17
4	Affair Prejudice	A Fanciful Docu...	2006	1	5	2.99	117	26.99	G	2013-05-26 14:09:17
5	African Egg	A Fast-Paced D...	2006	1	6	2.99	130	22.99	G	2013-05-26 14:09:17
6	Agent Truman	A Intrepid Pano...	2006	1	3	2.99	169	17.99	PG	2013-05-26 14:09:17
7	Airplane Sierra	A Touching Sag...	2006	1	6	4.99	62	28.99	PG-13	2013-05-26 14:09:17
9	Alabama Devil	A Thoughtful P...	2006	1	3	2.99	114	21.99	PG-13	2013-05-26 14:09:17
10	Aladdin Calendar	A Action-Packe...	2006	1	6	4.99	63	24.99	NC-17	2013-05-26 14:09:17

inventory_id [PK] integer	film_id smallint	store_id smallint	last_update timestamp without time zone
1	1	1	2006-02-15 10:09:17
2	1	1	2006-02-15 10:09:17
3	1	1	2006-02-15 10:09:17
4	1	1	2006-02-15 10:09:17
5	1	2	2006-02-15 10:09:17
6	1	2	2006-02-15 10:09:17
7	1	2	2006-02-15 10:09:17
8	1	2	2006-02-15 10:09:17
9	2	2	2006-02-15 10:09:17
10	2	2	2006-02-15 10:09:17

Rockbuster Statistics

Column	Minimum	Maximum	Average	Count	Rows	Mode
rental_duration	3 days	7 days	4.99 days	1000	1000	
rental_rate	\$ 0.99	\$ 4.99	\$ 2.98	1000	1000	
replacement_cost	\$ 9.99	\$ 29.99	\$ 19.98	1000	1000	
length	46 minutes	185 minutes	115.27 minutes	1000	1000	
Title						Academy Dinosaur
Description						A Action-Packed Character Study of a Astronaut And a Explorer who must Reach a Monkey in A MySQL Convention...
Release_year						2006
rating						PG-13
special_features						{Trailers,Commentaries," "Be hind the Scenes" }
last_update						2013-05-26 14:50:58.951
fulltext						'baloon':19 'confront':14 'documentari':5 'feminist':8,11,16 'mile':2 'must':13 'spi':1 'thrill':4

Where to Focus Efforts?

Countries are sorted based on three factors

- Total revenue per country
- Total customers per country
- Purchasing power - the amount each customer spends

Group A

- Top countries based on revenue and customers per country

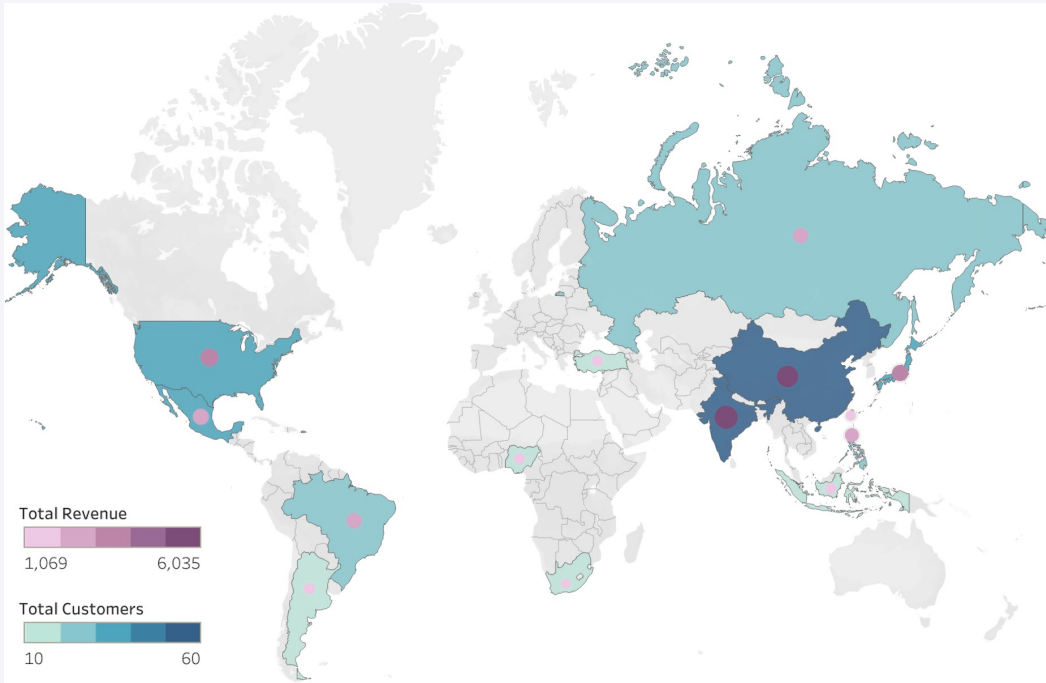
Group B

- Countries above the median based on all three factors

Group C

- Countries above the median based on revenue and customer count

Top Countries – Group A



- Group A countries have over \$1,000 USD in revenue and the largest customer bases.
- After Taiwan, there is a drop in both revenue and customer count.

Country	Customers	Revenue
India	60	\$ 6,034
China	53	\$ 5,251
USA	36	\$ 3,685
Japan	31	\$ 3,122
Mexico	30	\$ 2,984
Brazil	28	\$ 2,919
Russian Fed.	28	\$ 2,765
Philippines	20	\$ 2,219
Turkey	15	\$ 1,498
Indonesia	14	\$ 1,352
Nigeria	13	\$ 1,314
Argentina	13	\$ 1,298
South Africa	11	\$ 1,069
Taiwan	10	\$ 1,155

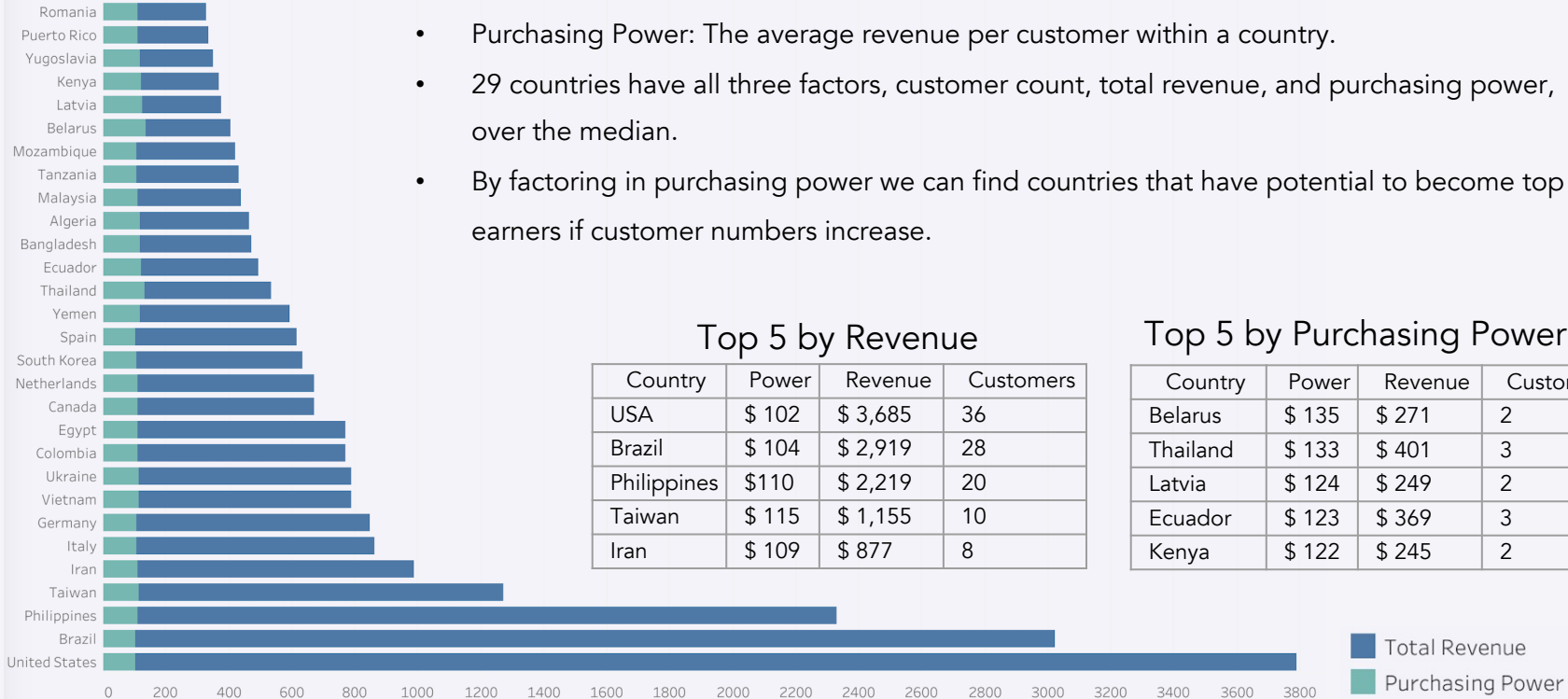
Top Cities and Customers

- Top 5 customers live within the top 10 cities that Rockbuster services.
- In fact, 9 out of 10 of these cities house top customers in terms of revenue.
- The top city, Saint-Denis, has only one customer in the whole country. This is why purchasing power should also be examined when deciding where to focus efforts.

Saint-Denis Reunion 211.55	Apeldoorn Netherlands 191.62	London United Kingdom 174.54	Memphis United States 167.67
E. Hunt, \$ 211	R. Kennedy, \$ 191	A. Bradley, \$167	
Cape Coral United States 208.58	Molodetno Belarus 189.60		
K. Seal, \$ 208	C. Shaw, \$ 189	Richmond Hill Canada 167.62	C. Irby, \$167
Santa Brbara dOeste Brazil 194.61	Qomsheh Iran 183.63	Tanza Philippines 166.61	M. Dean, \$166
M. Snyder, \$ 194	T. Collazo, \$ 183		

* Full names can be found in the excel data sheet

Countries with Potential – Group B



- Purchasing Power: The average revenue per customer within a country.
- 29 countries have all three factors, customer count, total revenue, and purchasing power, over the median.
- By factoring in purchasing power we can find countries that have potential to become top earners if customer numbers increase.

Top 5 by Revenue

Country	Power	Revenue	Customers
USA	\$ 102	\$ 3,685	36
Brazil	\$ 104	\$ 2,919	28
Philippines	\$ 110	\$ 2,219	20
Taiwan	\$ 115	\$ 1,155	10
Iran	\$ 109	\$ 877	8

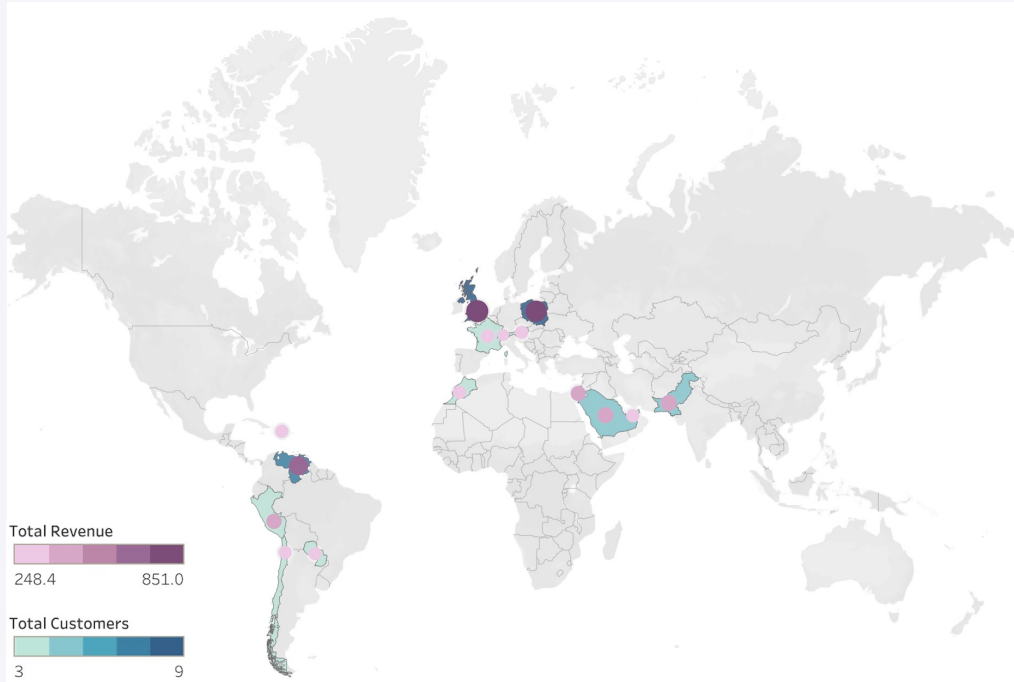
Top 5 by Purchasing Power

Country	Power	Revenue	Customers
Belarus	\$ 135	\$ 271	2
Thailand	\$ 133	\$ 401	3
Latvia	\$ 124	\$ 249	2
Ecuador	\$ 123	\$ 369	3
Kenya	\$ 122	\$ 245	2

*Taiwan, USA, Brazil, and Philippines are included in both Group A & Group B

The Final Countries – Group C

The final group is made up of countries that have both revenue and customer count over the median, but do not meet the criteria of Group A or Group B.



Country	Customers	Revenue
United Kingdom	9	\$ 851
Poland	8	\$ 98
Venezuela	7	\$ 90
Pakistan	5	\$ 95
Saudi Arabia	5	\$ 91
Peru	4	\$ 102
Israel	4	\$ 95
France	4	\$ 84
UAE	3	\$ 102
Dominican Republic	3	\$ 101
Chile	3	\$ 101
Austria	3	\$ 95
Morocco	3	\$ 91
Paraguay	3	\$ 91
Switzerland	3	\$ 83



Recommendations

- Begin with countries from Group A such as India and China as they already have well established customer bases.
- Then, work to build up customer numbers in countries from Group B as they have noted potential for larger growth.
 - Note that USA, Brazil, Taiwan, and the Philippines are in both Group A and Group B, and can serve as a natural transition between groups.
- After both groups have been addressed, then move onto countries from Group C.
- Once all groups have been addressed Rockbuster can reevaluate the status of the remaining 55 countries.



Thank You For Your Time

Tableau Link:

https://public.tableau.com/app/profile/paige.p./viz/3_10RockbusterDashboard/3_10Charts#1

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