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## Team Chopped



1



## **OVERVIEW**

- Preparing the ingredients Learning project objective
- Chopping the vegetables Preparing for analysis
- Sautéing Conducting data analysis
- Ready to serve Conclusions





## 1. Preparing the Ingredients

#### • Project 2 – Rentrak<sup>®</sup> Stickiness Index Analysis

- Data sources: Rentrak data for Food Network and competing networks and their corresponding Stickiness data
- *Objective:* To identify time-series changes of Rentrak Stickiness over time by network and forecast the stickiness in the future
- Hypothesis: There is an increasing trend of the Stickiness of Food Network
- Project 5 Premiere vs. Repeat Cooking Channel Show Analysis
  - Data sources: Nielsen data for Cooking Channel shows premiere and repeat show including the information such as day and time of the shows being aired
  - *Objective:* To reveal the rating patterns for premieres and repeats
  - *Hypothesis:* Under certain conditions, ratings for premieres are higher than repeats





## 2. Chopping the Vegetables

- Project 2 Rentrak<sup>®</sup> Stickiness Index Analysis
  - **Type of analysis:** Time Series Analysis, Four Quarter Moving Average Analysis
  - **Reason for choosing these analysis:** To identify time-series changes of Rentrak Stickiness over time by network and forecast the stickiness in the future
- Project 5 Premiere vs. Repeat Cooking Channel Show Analysis
  - Type of analysis: Decision tree and Linear Node analysis
  - **Reason for choosing this analysis:** To identify the rating patterns for premieres and repeats





## 3. Sautéing

#### Project 2– Rentrak<sup>®</sup> Stickiness Index Analysis

#### Time Series Analysis

The average weekly minutes viewed were calculated from the first quarter of 2015 to the second quarter of 2016 and taken across 22 networks in total. Linear modelling was then used to demonstrate fluctuations of stickiness during the 6 quarters. Lastly, Tableau was utilized to create a treemap which illustrated the overall stickiness performance found in the 22 networks.





## 3. Sautéing

#### Project 2– Rentrak<sup>®</sup> Stickiness Index Analysis

#### 2 Four Quarter Moving Average Analysis

Moving Average Analysis is a trend-following method that is based on past indexes. The most basic and commonly used MA is the <u>simple moving average (SMA)</u>, which is the simple average of a security over a defined number of time periods. The most common applications of MAs are to identify the trend direction and to determine support and resistance levels.





## 3. Sautéing

#### **Project 5 – Premiere vs. Repeat**

**3** Decision tree and Linear Node analysis

SPSS Modeler is a powerful tool with many pre-designed analytical models. A CHIAD decision tree model and Linear Node analysis interpreted the results in two different and distinct directions.



#### The darker the color is, the higher the stickiness index of the specific program will be. The larger the size of the square

represents the higher stickiness index of the program. ID Network has the highest stickiness index during the 6 quarters.

16Q1 ID	16Q1 LIFE	16Q1 BRVO	16Q1 AMC	16Q1 OWN	15Q4 ID	15Q4 USA	15Q4 LIFE	15Q4 AEN	15Q4 TNT	15Q4 TLC	15Q4 TRU	15Q2 ID	ĺ	15Q2 TNT	
						15Q4 AMC	15Q4 HGTV								
16Q1 TBS	16Q1 FOOD	16Q1 TLC	16Q1 FRFM	16Q1 TRU	15Q4 TBS	15Q4 BRVO	15Q4 OWN	15Q4 18 OXYG F		4	15Q4 GAC	15Q2 TBS	15Q2 BRVO	15Q2 LIFE	
6Q1 JSA	16Q1 TNT	16Q1	1	6Q1 16Q1	15Q4 DISC	15Q4 FOOD	15Q4 HIST	15Q4 NGC	15Q DIY	4	15Q4 CC				
6Q1 ISC	16Q1 AEN	16Q1 DIY			15Q3 ID	15Q3 USA	15Q3 HGTV	15Q3 AEN	15Q3 AMC	15Q3 TLC	15Q3 TRU	15Q2 USA	15Q2 DISC	15Q2 HGTV	
6Q1 IGTV	16Q1 HIST	16Q1 NGC	11 C	6Q1 C		15Q3 LIFE	15Q3 FOOD								
16Q2 ID	16Q2 16Q2 HGTV DISC		16Q2 LIFE	16Q2 HIST	15Q3 OWN 15Q3 DISC	15Q3 TBS	15Q3 TNT	15Q3 15C NGC OX 15Q3 15C DIY FYI	15Q3 OXY0	} G	15Q3 GAC	15Q2 FOOD	15Q2 HIST	15Q2 AEN	
						15Q3 BRVO	15Q3 HIST		15Q3 FYI	3	15Q3 CC				
6Q2 NT	16Q2 OWN	16Q2 AMC	16Q2 FRFM	16Q2 TRU	15Q1 ID	Q1 15Q1 USA	15Q1 AMC	Q1 15Q1 IC TNT		5Q1 RU	15Q1 OXYG	15Q2 TLC	15Q2 OWN	15Q2 AMC	
6Q2 BS	16Q2 FOOD	16Q2	1	6Q2 16Q2		15Q1 HGTV	15Q1 LIFE	15Q1 FOOD		501	1501	15Q2	15	Q2	
6Q2 RVO	16Q2 AEN	16Q2	K	NGC FTI	15Q1 TBS		15Q1 HIST	15Q1 AEN		NGC DIY		15Q2 NGC	15Q2 NGC		
6Q2 JSA	16Q2 TLC	16Q2 OXYG	1	6Q2	15Q1 DISC	15Q1 BRVO	15Q1 OWN	15Q1 TLC	15 G	5Q1 AC	15Q1 CC	15Q2 DIY	15	5Q2	





#### Trend Analysis Results: Stickiness Index Rankings



ID Network has the highest weekly average minutes during the 6 quarters, and it indicates that people spend the longest time watching their programs, and thus the stickiness index of ID Network is the highest. The other top four networks have similar weekly average minutes, ranging from 80 to 100. However, Food Network is not on the list.



#### Trend Analysis Results: Stickiness Index Rankings



The fluctuations among different quarters are not significant for each network except GAC, which indicates that people spend the least time watching these 5 programs, and thus the stickiness indexes are low, ranging from 50 to 70.





#### Trend Analysis Results by Category – Drama, Informational and Reality





#### Trend Analysis Results by Category – Drama, Informational and Reality



- Among the three categories, the stickiness index for Food Network is above average.
- Although the Reality category to which Food Network belongs performs the least, Food Network does stand out in this particular category.



## **Rentrak Stickiness Index Prediction**

#### *Four-quarter moving average*



• Based on four-quarter moving average method, the Weekly Average Minutes for all three categories (Drama, Informational and Reality) is expected to increase between 2016Q3 and 2017Q2.

## **Rentrak Stickiness Index Prediction**

#### Four-quarter moving average



absolute % error=1.64%

• For Food Network, the Weekly Average Minutes is expected to be around 81 in the near future.



#### Decision Tree Analysis Results

Ratings for Premieres are significantly **higher** than that for Repeats under these two situations:

Only when the days are either Fridays or Saturdays and the duration of the program is more than 30 minutes



And the days are Wednesdays and Start Times are either 08:30pm, 09:00pm or 10:00pm





#### Decision Tree Analysis Results



- People enjoy weekend nights' show
- Longer shows have better ratings
- Interesting pattern on Wednesday nights
- No repeats beat premieres during all time



CART Model (Classification and Regression Tree)



- Consistent with CHIAD model
- No significant difference between premieres and repeats
- Wednesday nights shows relatively has the lowest rating



#### Linear Node Analysis

#### a. Predictor importance

Linear Node model showed that Days and Start Time are the most significant variables. And this result is consistent with CHAID decision tree model.





#### Linear Node Analysis

#### b.Coefficients



Positive effects: Days0=Monday Days2=Thursday Start Time1=11:30 Start Time2=08:00,11:00 Indicator=Premieres or Repeats

Negative effects Days1=Sunday Days3=Wednesday Start Time0=09:30 Duration0=30



#### Linear Node Analysis

#### C. Linear Charts

Mondays and Thursdays generally have the highest ratings among other days.





#### Linear Node Analysis

#### C. Linear Charts

Starting at 11:30pm has the highest ratings.







#### Linear Node Analysis

#### C. Linear Charts

With more than 30 minutes' duration generally have higher ratings than shows with 30 minutes' duration.





#### Linear Node Analysis

#### C. Linear Charts

In a larger sense, ratings for Premieres are lower than Repeats.







## 5. Ready to Serve

#### Rentrak

- 1. Increase Ad Price:
  - Food Network has one of the highest stickiness indices in the reality tv landscape.
  - Based off this insight, Food Network should leverage this opportunity and increase the price of their advertising slots based off of relevant research.
  - The data also projects that stickiness will increase in all categories during quarter 3.
- 2. ID's (Investigation Discovery Network) Success\*:
  - How does ID maintain viewership through the duration of its programs?
    - The personalized story and mysterious intrigue of the programs makes for compelling can't-miss television.

\*Source:http://www.latimes.com/entertainment/envelope/cotown/la-et-ct-investigation-discovery-20160105-story.h tml





## 5. Ready to Serve

#### **Premieres vs. Repeats**

- 1. Premieres surpass repeats in ratings
- 2. Airing day and time play have the greatest impact on ratings
- 3. Ratings reach their peak on Mondays and Thursdays
- 4. Rating and duration of program are positively correlated
- 5. 11:30pm is the optimal time for food and cooking related programs





# **Thank You!**

## Any Question?

