

Netflix Never Used Its \$1 Million Algorithm Due

BUSINESS	CULTURE	DESIGN	GEAR	SCIENCE	SECURITY	TRANSPORTATION
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SHARE
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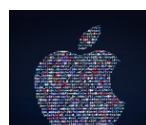
EMAIL

CASEY JOHNSTON,
ARS TECHNICA

BUSINESS 04.16.12

08:20
AMNETFLIX
X
NEVER
USED
ITS \$1
MILLION
ALGORITHM
DUE TO
ENGINEERING

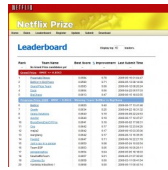
MOST POPULAR



SECURITY

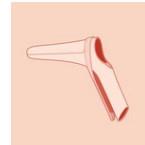
Go Update Your Mac ASAP
To Fix Some Serious
Vulnerabilities

COSTS

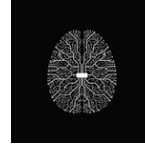


Netflix awarded a \$1 million prize to a developer team in 2009 for an algorithm that increased the accuracy of the company's recommendation engine by 10 percent. But it doesn't use the million-dollar code, and has no

WIRED STAFF



GEAR
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DXC



TRANSPORTATION
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ALEX DAVIES

MORE STORIES

plans to
impleme
nt it in
the
future,
Netflix
announce
d on its
blog
Friday.
The post
goes on
to explain
why: a
combinat
ion of too
much
engineeri
ng effort
for the
results,
and a
shift
from
movie
recomme
ndations
to the
"next
level" of
personali
zation
caused by
the
transitio
n of the

business
from
mailed
DVDs to
video
streamin
g.

Netflix
notes
that it
does still
use two
algorith
ms from
the team
that won
the first
Progress
Prize for
an 8.43
percent
improve
ment to
the
recomme
ndation
engine's
root
mean
squared
error (the
full \$1
million
was
awarded
for a 10

percent
improve
ment).
But the
increase
in
accuracy
on the
winning
improve
ments
"did not
seem to
justify
the
engineeri
ng effort
needed to
bring
them into
a
productio
n
environm
ent," the
blog post
said. By
that time,
the
company
had
moved on
anyway.

When
Netflix
announce

d the
contest
to
improve
the
service in
2007, its
business
was
centered
on DVDs,
which are
dealt
with by
customer
s in
periods
of days or
weeks
and
provide
little
granular
data.
Now that
Netflix's
primary
offering
is
streamin
g, it has
access to
much
more
informati
on:

"streaming members are looking for something great to watch right now; they can sample a few videos before settling on one, they can consume several in one session, and we can observe viewing statistics such as whether a video was watched fully or only partially,

" reads
the post.

This
doesn't
seem like
much
data, but
it broadly
affects
the full
screen of
personali
zed
recomme
ndations
a user
might see
on their
Netflix
home
page. If a
user
begins a
movie
from
"Imagina
tive Time
Travel
Movies
from the
1980s"
but
quickly
closes it,
the
homepag

e could
shuffle
that
category
down and
place a
new
category
at the
prime top
position
that still
speaks to
the
customer
's
watching
history;
somethin
g less sci-
fi and
more
1980s, or
vice-
versa.

(Mostly)
gone are
the days
that
customer
s would
fill their
DVD lists
with
artsy
indie

films or
all of the
Academy
Award-
winning
documen
taries
they
could,
only for
them to
remain in
queue
purgator
y. Netflix
Watch
Instantly
is about
the here
and now,
and
Netflix is
priming
to
respond
to that
time
frame.

#VIDEO

[VIEW COMMENTS](#)

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POWERED BY OUTBRAIN



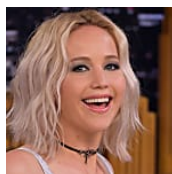
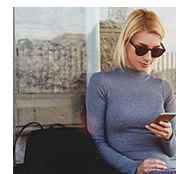
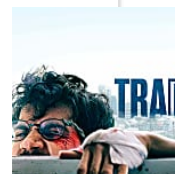
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Canon
Reunion Trips

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Of A Girl
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'Lost'? See
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Lawrence,
World's
Highest-Paid
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Buffett
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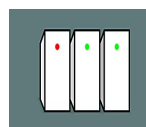
WIRED OPINION

When
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e
Remove
s Violent
Videos,

SCOTT EDWARDS

WE RECOMMEND

POWERED BY OUTBRAIN



MATT SIMON

The Astonishing
Engineering Behind
America's Latest, Greatest

ANDY GREENBERG

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The Terrifying, Ongoing
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Fighter Pilots

SCOTT ROSENBERG

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People Feel Dumb |
Backchannel

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'Game Of Thrones'
Characters will Surprise

OMG!

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If Ads
Don't
Work,
Can
PublishersERIN
GRIFFITH

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Balloons for Telecom in
Puerto Rico

MARK HARRIS

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OPINIONActually,
Do Read
the
CommenELECTION
MEDDLING
RUSSIA'S

ANDREW
LOSOWSKY

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'Siri, Why
Have
You
Fallen

TOM SIMONITE

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