Analyzing Netflix growth strategy | Juan Manuel Gonzalez | ID 230331523

According to company-reported data, Netflix reached the 230.75 million subscriptions worldwide in 2022 which is a growth of 4.2% YoY following the pattern of 21 years consecutively increasing its number of customers YoY, to understand this trend and some causes of the good results we are going to analyze the offer of this platform and the evolution of it, although the number of products offered was 8,807 between movies and series, these products were added strategically and according to the development of the company, as we see in the **Chart1.**

The 2016 was an inflection point for the company, it reached 130 new countries and was consider a global company due to its expansion in Asia and Africa, according to the file there were added a significant quantity of movies and shows to provide to this new public mainly focused on Movies which became the product number 1 with a proportion of 69.6% in the products offered up to 2021, the 2019 was also an inflection point due to the covid and the restriction to produce more films during the pandemic.

Although Netflix also produced it owns series as Money Heist, Stranger things and House of cards, the movies is still its main product.

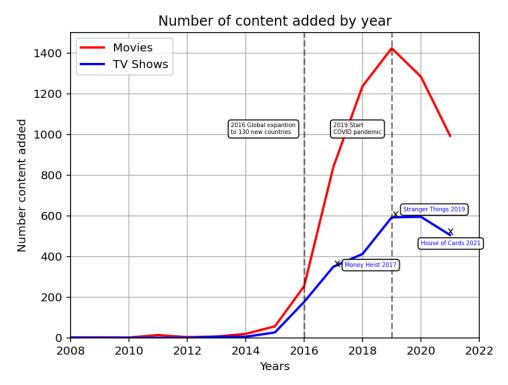


Chart1. Line chart of movies and TV shows added by the time.

To analyze how the catalog of movies ended after the inclusion in markets from different geographies, we listed the top 10 countries with more production of movies up to 2021, we can see in the Chart2 that although US is still the main producer of movies (36.1%) as its industry is huge and is where Netflix has its headquarters, we also see that the inclusion in markets in Asia and Africa had been followed by local production mainly in India, Indonesia and Japan (18.3% of total movies) in the case of Asia and Nigeria and Egypt in the case of Africa (3.1% of total movies).

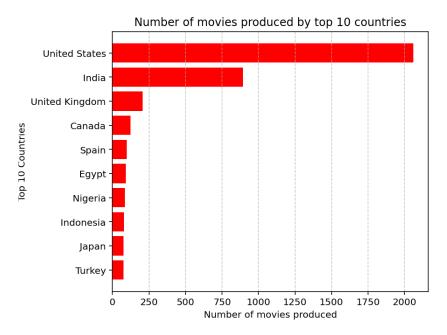


Chart2. Bar chart of number of movies produced by each country.

To contrast the main producer of movies with the strategy of increasing the diversity of the offer, we analyzed the average year of addition of movies to Netflix and the average year of release of movies by country in the **Chart3**, reviewing the data we can assume this catalogue of movies is renewed very frequently with old classic movies and that is a constant for movies from different countries, Netflix update Spanish movies faster than any other main country between one year of difference since the movie is release while the last update of movies contained a majority of Nigerian classic old movies from 2017.

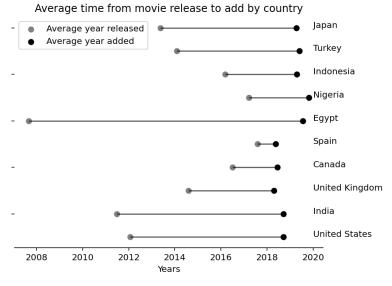


Chart3. Relationship between average year of production and addition of movie by country

The covid also marks the 2019 as the year with more addition most of the movies from the main countries and that was a strategy during covid to face the impossibility to record movies due to the spread of the virus, Netflix opted to add more classic movies and to increase the diversity of the offer by including movies from worldwide.

Country / Rating	PG	PG-13	R	TV-14	TV-G	TV-MA	TV-PG
Canada						14	
Egypt				30		15	
France						10	
India				114		47	24
Nigeria				15			
Philippines				17		14	
Spain						21	
United Kingdom			14			23	
United States	56	82	117	51	13	135	47

Table1. Number of movies added in 2019 by country and rating.

Then we see that even with the diversification of the catalog of movies the main variation of type of movies still came from US in 2019.