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Analyzing HBO Max

HBO Max was a part of a massive shift in the streaming landscape. For a while, Netflix was the only dominant streaming service out there, and production companies would license their rights to other companies. Then Disney Plus was launched with great success, and HBO Max soon followed. Boasting the catalog of all of Warner Media's Intellectual Property, HBO max quickly became one of the top streaming services with similar numbers to the likes of Disney Plus and Amazon Prime.(Editors) The site has had a history of pushing the boundary on streaming, with big budget originals and simultaneously releasing movies in theaters and on the streaming service. However, recently with Warner Media's merger with Discovery and their new joint CEO David Zaslav, the streaming service has made moves that may predict widespread failures in streaming as a model in and of itself.

As more and more streaming services arose, one would hope that the differences in management between all of these services may result in a wider variety of creatives getting chances to make stories. However, this was not necessarily the case. According to Steven Zietchik of the Washington Post, "another scramble is underway to land creative talent. The skirmish is so fierce, and the talent so scarce, it sometimes means that rabid streaming competitors are messily in business with the same creators. It's a trend contrary to long-standing Hollywood tradition."(Zeitchik) Producer Tom Nunan voiced concern, saying "I worry about a sameness with all this, if everyone's chasing the same few names, where are the original voices, where's the space

for green shoots to grow?”(Zeitchik) It seems that perhaps there could have been an opportunity for these studios to search for new talent to foster their creative work, but capitalism pushed them to prioritize getting established well known creatives instead of taking chances. Perhaps one reason for this shift is the change in product. Instead of buying an individual movie, you are buying a package. Having a popular creator work for multiple streaming services does not make business sense when you want more people to access their work so they will want to watch their other work on your service. The result however is a maintenance of status quo creative talent and a lack of resources being put into developing new talent.

Warner Brothers’ strategy with HBO Max can be seen in 3 of their huge blockbuster films. The movies *Ready Player One*, *Space Jam 2*, and *the Lego Movie* and the video game *Multiversus* all promote the idea of a strong branded Warner Brothers IP. This is something that Walt Disney Studios has had a lot of success at. The marketing for Disney Plus emphasized the five major brands of Disney, Pixar, Marvel, Star Wars, and National Geographic. HBO Max, despite having a huge catalog of movies, did not really have brand categories that strong. HBO Max has ten subcategories: HBO, Max originals, DC, Turner Classic Movies, Adult Swim, Studio Ghibli, Cartoon Network, Sesame Street, Looney Toons and Cartoonito. HBO Max adopting this style solidifies this type of categorical brand building into a trend. This makes sense within the streaming model. Before, to buy a movie meant just liking the one movie. Now buying a streaming service means liking the brand as a whole. This is something Disney already had that Warner Brothers is quickly trying to replicate. It is hard to watch *Ready Player One* or *Space Jam 2* without feeling as if the movie was trying to brag about all of the properties that Warner Brothers owned. The recent video game *Multiversus* has a similar effect, with a roster of every moderately beloved character from a piece of Warner Brothers media. Warner is going into overdrive in trying to match the

combined brand power of Disney, but unlike streaming services like Paramount Plus and Peacock it has the intellectual property to potentially pull it off.

A notable decision that HBO Max made was their commitment to streaming huge Warner Media movie premiers at the same time as the movies released in theaters. Because of the Covid-19 pandemic, massive films like *Godzilla vs Kong*, *The Suicide Squad*, and *Dune* were put on the service on the same day they were in theaters. This decision was great for the success of the streaming service, but for creatives whose pay was tied to success in theaters the effects were rather negative. Director Christopher Nolan said “the decision would hurt theater owners and did not take the opinions of those involved in the films into consideration... films should be shown to wide audiences but are now “being used as a loss-leader for the streaming service.”(Mahal) Another problem that arose was a friction between Warner Brothers and big theater chains. The move of films to the streaming service instead of theaters would end up being a really big financial loss for them. Because of this, Regal Cinemas, AMC, and other chains made deals in 2022 with Warner Brothers to make sure that they would have a 45 day time frame to have movies only be in theaters. (Goldsmith)

These goals of HBO Max have recently shifted completely with the merger of Discovery and Warner Brothers and the crowning of David Zaslav as CEO of Warner Discovery. Zaslav “spent the first two decades of his career at NBC, where he helped launch CNBC and MSNBC before taking the helm at Discovery in 2007.” (Telford) This cable background is very different from the streaming model of HBO Max. Even at the time of his coronation, insiders called into question Zaslav’s ability to successfully helm the streaming giant. According to Tuna Amobi, “Zaslav — whose success has come in part from the low costs Discovery enjoys on its non-fiction programming — seemed reluctant to wade into the world of big-budget production that is at the

core of strategies to win streaming customers.”(Telford) This mentality and past streaming failures likely fueled the current frictions and failures of HBO Max.

Zaslav’s inability to embrace streaming isn’t the only thing that fueled the failure of HBO Max. Zaslav’s white supremacy and conservatism have clashed greatly with HBO Max’s pushed for diversity and inclusion. Zaslav’s reforming of the company has favored one demographic above all others, white men. According to Bloomberg,

“Zaslav’s methods have resulted in a notable amount of homogeneity at the top of the new media giant. Given six seats on the new company’s board, Zaslav and Discovery appointed a roster of all white male directors. Most of the CEOs’ 13 direct reports, many of whom were recent hires, are white men. Meanwhile, Zaslav in April fired Warner Bros chief Ann Sarnoff, one of the highest-ranking women in Hollywood — without filling her role — and replaced WarnerMedia’s heads of communications and finance with white men from Discovery.”(Shaw)

It is not as if Warner Brothers was a paragon of diversity before, but Zaslav’s business decisions seem targeted to making the company as white as possible. He is reported as saying that “Gender and racial diversity, while a factor, would not be his top priority”(Shaw) as CEO. He also, according to Vox, has ties to billionaire John Malone who wants to remake CNN to be more conservative. In an interview, Malone said “I would like to see CNN evolve back to the kind of journalism that it started with, and actually have journalists, which would be unique and refreshing... Fox News, in my opinion, has followed an interesting trajectory of trying to have ‘news’ news, I mean some actual journalism, embedded in a program schedule of all opinions.”(Kafka) This shift that Malone and Zaslav want is materializing with Zaslav’s appointment of Chris Licht as CEO of CNN, who said that he wants to “to remove the perception, which he thinks is accurate, that CNN has a liberal

bias, and that too much of its programming has become ‘outrage porn.’”(Kafka) All in all, Zaslav has swiftly shown a commitment to pushing a White Male Conservative agenda through Warner Brothers Discovery.

Perhaps the most heartbreaking shift in the streaming space caused by Zaslav was the practice of shelving completed or almost completed projects, predominantly ones made by Marginalized groups. The most famous example of this is the film *Batgirl*. The film was helmed by two Moroccan filmmakers, Adil El Arbi and Bilall Fallah, who found out about the cancellation right after El Arbi’s wedding. The film starred Leslie Grace, a Dominican actress, and would have been the first mainstream superhero film to have a major trans character in the form with Ivory Aquino’s Alysia Yeoh. According to the Hollywood Reporter, the film was heavily into post production when it was canceled. (Couch) Instead of being released to HBO Max, or even just leaked to the internet, the film would have all of its footage deleted, with even the directors being unable to see the film again. In an interview, El Arbi said “I went on the server... Everything was gone... We were like, ‘Fucking shit!’ All the scenes with Batman in them!”(Skript) *Batgirl* was unfortunately not the only media that would be deleted from the servers in this way. There was a large amount of animated content that was shelved or deleted. In one week, HBO Max removed more than 25 animation titles from the service, giving little to no advance notice to the creators of these shows and the fans.(Jones) The fanbase of these shows were predominantly queer, and knowing Zaslav’s conservative leanings it is not difficult to intuit that these shows may have been treated this way because of their fanbase. These theories were solidified when Zaslav made a presentation about the merger of HBO Max with Discovery+ that set the internet ablaze in response to its gender essentialism and sexism. A slide on the presentation said that HBO Max was male skew,” “scripted,” “lean in,” “appointment viewing,” and “home to fandoms” while Discovery+

was “female skew,” “unscripted,” “lean back,” “comfort viewing,” and “home of genredoms”.

(Hughes) The gender essentialist, misogynistic language of this merger in addition to the explicit targeting of female led, queer content on HBO Max recently showcase that Zaslav wants HBO Max to specifically cater to men and is very willing to change the programming to showcase that.

From a financial standpoint, these changes have not been very successful. Since the merger, the company lost \$29 billion in net worth, which is nearly half of its market value.(Saba) The economic failures of the company have led some insiders to believe that Zaslav was intentionally stripping the company down for a sale, a rumor that Zaslav had to refute in a company-wide meeting by saying “We are not for sale, absolutely, not for sale,”(Flint) This complicates the narrative that the mass cancellations will set some precedent for other studios. If Zaslav’s actions lost the company this much money, it shows to other companies that may be considering treating their content the same way that there are financial consequences for this business model. In addition, something that has not been able to be examined yet is the long term harm that Zaslav’s practices have on their reputation amongst creatives. If creatives know that there is a high chance their projects will be shelved or canceled without telling them, they may look elsewhere for places to pitch their products or work at. The long term reputation of Warner Discovery may have been irreparably damaged by Zaslav’s moves, which we would not truly see the results of until a couple of years or more from now

Considering all of this, the question arises. Are the failures of HBO Max reflective of the failures of streaming as a technology, or failures of Zaslav and other executives being too behind the times to successfully run a streaming company? While the sudden deletion of content seems to have been shown to be a bad business decision, the ability of these streaming services to do this is a fundamental flaw of the streaming service. With less and less people collecting physical media, a

lot of art could become lost media at the whims of Corporate CEOs and executives. While HBO Max's purge was well reported because of its scale, a more spread out deleting of content may slip under the radar and not spark public outrage. Zaslav's HBO Max purge could just be a cautionary tale, but it may also end up becoming the norm of the streaming market.

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