



The Success of Netflix

A brief look at Netflix's stock profile for 2017.

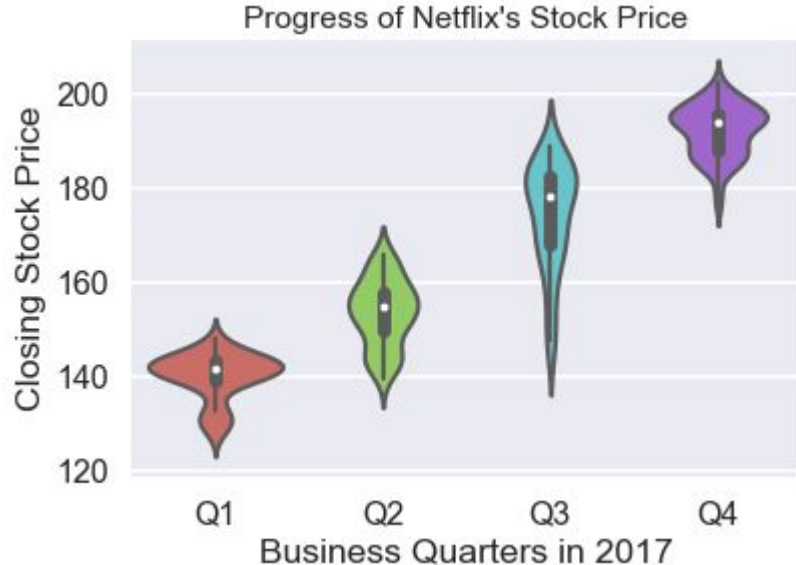


Presentation Overview

As a data visualisation developer at Yahoo Finance this presentation was created to depict the following visualisations for Netflix in the year 2017:

- A distribution of Netflix's stock price.
- A summary of Netflix's earnings per share.
- A graph displaying Netflix's earnings and revenue.
- A comparison between Netflix and the Dow Jones industrial average.

Distribution of Netflix's Stock Price



As seen on the right, Netflix's stock price has been steadily increasing over the year with an average spread of \$30 in every quarter other than the third quarter.

Netflix experienced a brief drop in stock price of over \$60. This could be due to the emergence of other streaming services being announced or becoming more popular. However Netflix's stock price managed to increase from \$120 to approximately \$205 over the year of 2017.

Summary of Netflix's Earnings

The plot to the right shows the Netflix's estimated earnings in blue and the actual earnings in red. For the first and third quarters the estimated earnings were within 0.025 of the actual value.

The purple points indicate that the estimated and actual values are either equal or so close that it can be considered equal.

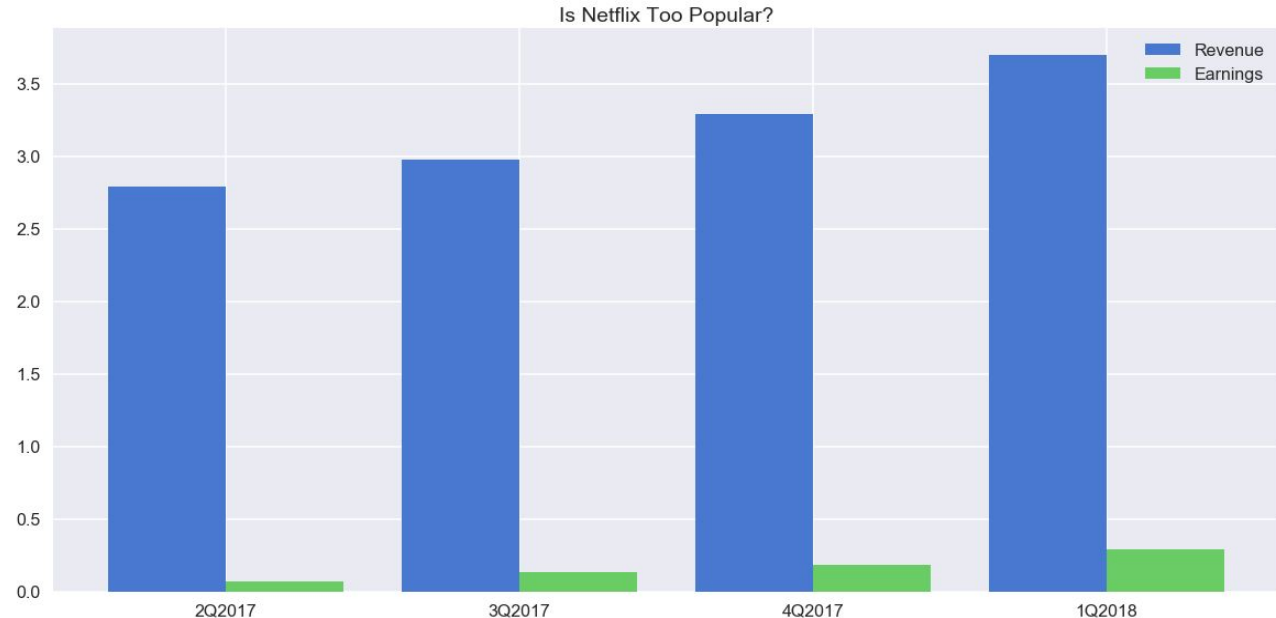
The plot also implies that Netflix's earnings could be unreliable with such a large outlier, that is, in the second quarter Netflix's earnings plummeted.

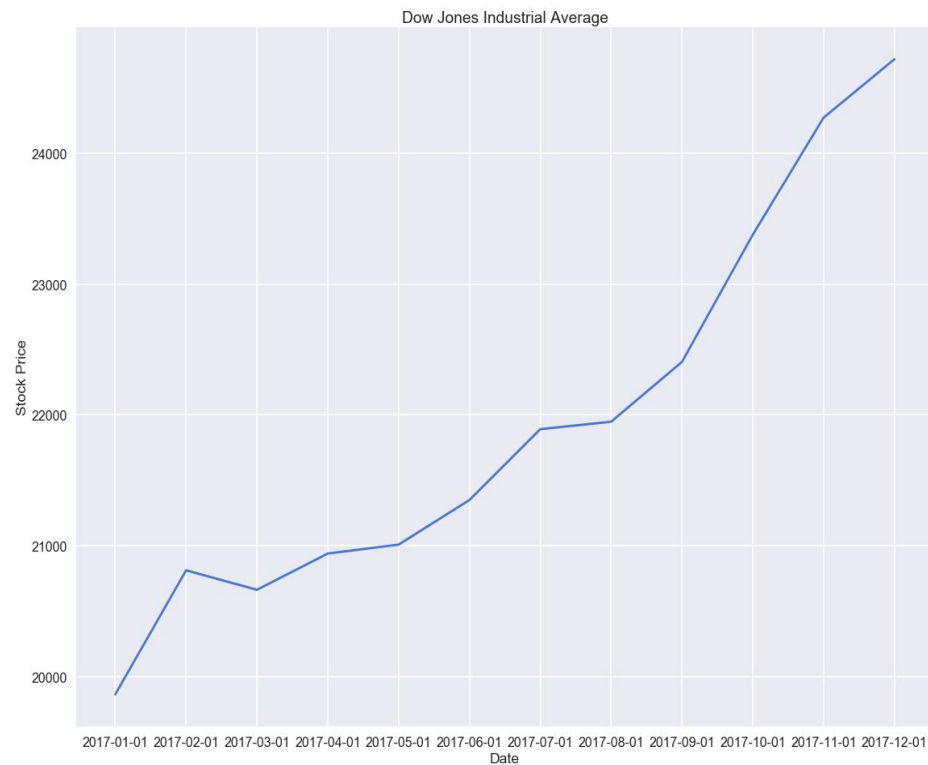
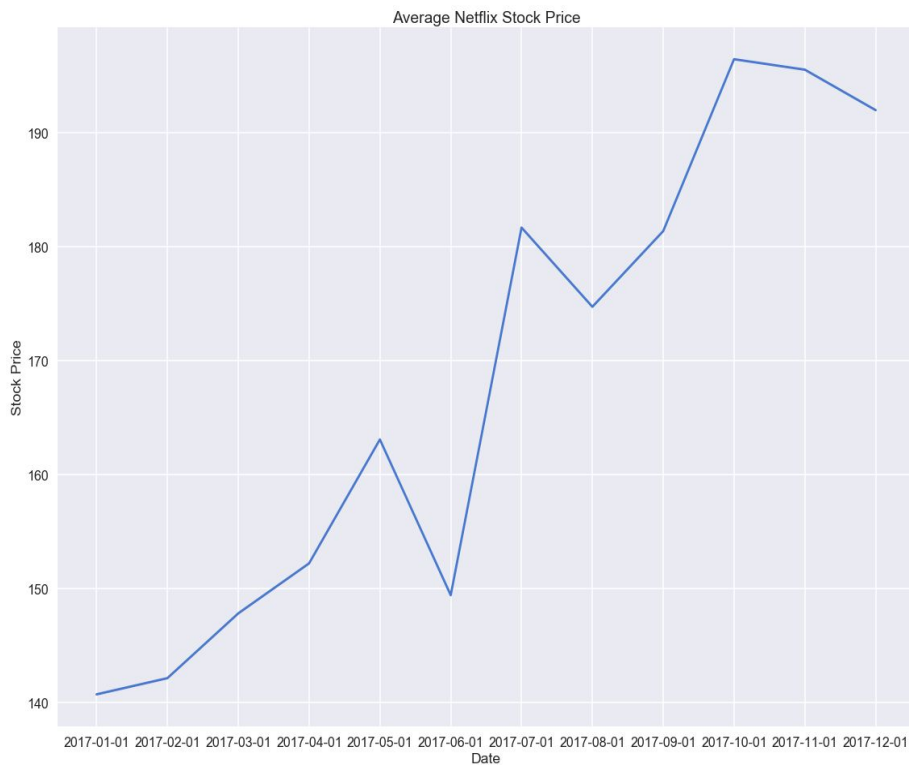


Netflix's Earnings and Revenue

Netflix's revenue has been constantly increasing over the year with an overall average increase of 15%. This is juxtaposed with their earnings only constituting 4% of their revenue for the second quarter of 2017 and 9% for the first quarter of 2018, an increase of only 5%.

This could be indicating that as Netflix becomes more popular, a greater demand is placed upon them to provide better services, cutting into potential earnings.





Despite being more volatile Netflix appeared to be surpassing the Dow Jones average more often than not, with its stock price reaching a new milestone each month that the Dow Jones average would not reach for another two months..



Questions?