

Finlatics BAEP Case Study - Netflix India

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Q1. As a business analyst, what strategies would you recommend for Netflix to enhance its revenue?

To enhance Netflix's revenue, the following strategies could be recommended:

1. **Expansion of Localized Content:** Netflix should continue to invest in creating and acquiring more localized content, not only in India but also in other regions. Regional content resonates strongly with local audiences, and by diversifying its content offerings across different languages and cultures, Netflix can attract more subscribers and reduce churn.
2. **Tiered Pricing Models:** Introduce more flexible and tiered pricing models to cater to different income groups. Offering more affordable plans could help attract price-sensitive customers, especially in emerging markets.
3. **Bundling Services:** Partner with telecom companies and internet service providers to offer bundled packages. This can increase subscriber numbers by reaching a broader audience who may not sign up directly through Netflix.
4. **Ad-Supported Plans:** Introduce an ad-supported subscription tier at a lower price point. This could attract users who are unwilling to pay for an ad-free experience, thereby opening up a new revenue stream.

5. **Enhanced Marketing and Promotions:** Utilize data-driven marketing strategies to personalize recommendations and promotions for individual users. Additionally, expanding promotional activities on social media platforms and exploring partnerships with influencers could enhance brand visibility.
6. **Crackdown on Password Sharing:** Continue and expand the "paid sharing" strategy, where users who share their account outside of their household are required to pay extra. This can convert some of the freeloading users into paying customers.
7. **Expansion into New Markets:** Consider expanding aggressively into new and untapped markets where there is potential for growth. This could include entering new countries or regions with a tailored content strategy.
8. **Original Content Creation:** Invest further in high-quality original content that can become global hits, similar to the success of series like *Stranger Things* or *Squid Game*. This can drive global viewership and strengthen brand loyalty.

Q2. Should Netflix continue to operate in the Indian market alone, or work with a local player in India to accelerate its growth in the Indian market?

Netflix should consider forming strategic partnerships with local players in India to accelerate its growth. The competition in the Indian market is fierce, with strong local competitors like Hotstar and regional content being highly valued by Indian audiences. By collaborating with a local player, Netflix could benefit from:

1. **Increased Content Diversity:** A local partner could help Netflix gain access to a wider array of regional content, which is crucial for appealing to diverse Indian audiences.
2. **Better Market Insights:** Local partners have a deeper understanding of regional preferences, consumer behavior, and market trends, which could help Netflix tailor its content and marketing strategies more effectively.
3. **Expanded Distribution Channels:** A partnership could also provide Netflix with access to established distribution channels, such as mobile operators or cable providers, helping to reach a broader audience.
4. **Cost Sharing:** Collaborating with a local player could help share the costs of content creation, marketing, and distribution, making it more financially viable for Netflix to scale its operations in India.

While Netflix has made significant investments in India and seen growth, a strategic partnership could further accelerate this growth, enabling Netflix to better compete with local giants and cater to the diverse Indian market more effectively.