

Pre 2020, Netflix owned the streaming service market. Just a few months before the Coronavirus pandemic, Disney launched its service. Once the pandemic took shape, and media companies saw the success of Netflix during the pandemic, every media company raced to release their own services to get their share of the streaming video market. *Paramount Plus*, *Peacock*, *Discovery Plus*, and *HBO Max* were all launched within a year of the pandemic started.

In every company, the long term goal is the bottom line. Profits drive further profits; however, during the initial launch of the streaming wars, market share was the top priority. These companies sought to get their user base up before seeking real profits on the streaming branches. Every single streaming service, even the market leader (Netflix), was losing money on their streaming platforms.

Today, the streaming wars are even more complicated. Since all the initial launches, there have been numerous buyouts and merges between different media moguls. This is due to the fact that, even three years later, streaming services are unsustainable for every company and they make a huge loss. Companies need to spend millions on making original shows to gain users; however, keeping their prices competitive leads to a low average revenue per user, and as such, they do not make near enough for profit.

Streaming services need to reevaluate their priorities. Take Paramount Plus, for instance.

Paramount does not have notable brand recognition among younger people, especially compared to Disney. They have many big name titles, such as *Star Trek*, but they just cannot compete with

the likes of Disney and Netflix. Rather than continuing to suffer through the streaming wars, Paramount should make their streaming arm less of a priority, by selling some of their big name titles to other services. Shutting down their streaming arm would be admitting defeat; however, it would benefit them in the long run.

If Paramount shut down their steaming arm, they would sell the streaming rights of their titles to other services like Netflix. By selling their movies and shows, they would get constant revenue during the contract. If they sold all of their rights, and shut down their streaming platform, they would also save all the costs associated with running a streaming service. Marketing costs, server costs, and customer support costs would all dramatically decrease. In the end, it is quite probable this would be more profitable for them.

This sort of arrangement from the smaller services would also benefit the larger services, who could purchase the rights to the shows and movies. If Netflix or Max purchased shows from Paramount and Paramount Plus ended, they would be able to get more market share for themselves with the Paramount void, as well as having their large titles. This would allow for price increases for that service. In the end, the market itself would be able to grow, because more people would be willing to subscribe to just one or two services with a higher price, and be satisfied with the amount of content there.