

Netflix Global Revenue, Memberships, and KPI's

This report will summarize KPI's and revenue/membership trends over time on a global scale. It should be noted that the data collected is divided by each quarter, starting in Q1 of 2019 and ending in Q1 of 2024. The data is also divided by region:

- **APAC** refers to Asia Pacific, including China, Japan, India, Australia, and the Asian Pacific islands.
- **EMEA** refers to Europe, the Middle East, and Africa.
- **LATM** refers to Latin America, including Mexico.
- **UCAN** refers to the United States and Canada.
- Lastly, '**ARPU**' refers to **average revenue per user** (USD).

Global Streaming Revenue Trends: On the global scale, we see a positive, linear growth of revenue over the past 5 years. In 2019 Q1, global revenue was **\$4.5 billion**, as of Q1 2024, this figure is now at **\$9.3 billion**, realizing **over 2x growth across 5 years**. The UCAN region brings in significantly more revenue each quarter than the other regions, usually 4x the amount of the APAC and LATM regions, and 1.5x the amount of EMEA. What's interesting about the dominance of the UCAN region is that **even during quarters of reported lower memberships than in EMEA, UCAN still brings in significantly more revenue, likely due to its higher ARPU**. There could be several factors that decide the higher ARPU such as: higher membership costs in UCAN, or a higher amount of premium memberships. However, no data on pricing, membership type, or amount of users per membership was provided in the dataset so there is no definitive answer.

Membership Count Trends: Overall steady growth in membership counts over the last 5 years. UCAN was leading from 2019 until Q2 of 2022 when EMEA overtook membership count with a large spike that has continued to grow until Q1 of 2024. UCAN had a small dip throughout all of 2022 and looks to be increasing as of mid 2023 to 2024. Currently EMEA is leading with about 92 million, UCAN is at 82 million, LATM 47.7 million, and APAC at 47.5 million. APAC has seen the most significant growth, going from 12 million in 2019 to 47.5 million as of 2024. Both EMEA and LATM have essentially doubled in memberships over the past 5 years.

ARPU Trends: UCAN has significantly higher ARPU than all other regions, while also being the only region with consistently increasing ARPU. EMEA's ARPU has stayed about the same over time, LATM has gone through several spikes and dips, and APAC has consistently lowered over time. Interestingly enough, while APAC's ARPU has declined significantly from 2022-2024, their revenue and membership count has had a large spike from 2023-2024, indicating a potentially successful discount on price campaign equating to an increase in overall revenue and membership count (need more data to confirm this theory). The relationship between ARPU and revenue has shown differing results, requiring more data to determine the relationship between ARPU and revenue.

Thoughts and Suggestions: I recommend investigating the paradoxical relationship between ARPU and revenue/membership count which was found in the APAC region. If this is the result

of a promotion/price discount leading to higher revenue and membership counts (this appears to be the case because of the massive spike in membership and dip in ARPU), research should be done on the other regions to verify if the same campaign may have success elsewhere. UCAN clearly has the highest revenue and should remain a top target market. APAC is starting to also indicate potential for massive revenue increases given its significant growth in membership count.