

# NETFLIX

## ABOUT NETFLIX

- Total users: 221.8M (Q4 2021).
- Revenue models: Subscription-based (B2C) and content licensing (B2B).
- Subscribers: 75.2M in the US and Canada.
- Demographics: 31% millennials; age 18–34 makes up a large share.
- Viewing devices: 70% on TV screens.
- Content: 17,000+ titles, including popular originals like Stranger Things and The Crown.

## PROBLEM STATEMENT

The goal is to increase first-time subscriptions for Netflix India, from the current daily revenue of INR 57.8 Lacs to INR 72.3 Lacs per day. This needs to be achieved independently of traffic improvements and repeat subscriptions.

### What we are asked in the project:

- Target Audience: Focus on converting potential subscribers like price-sensitive users and new visitors into paid customers.
- Strategies: Implement offers and user-friendly onboarding to boost first-time subscription revenue from ₹57.8 Lacs/day to ₹72.3 Lacs/day.

### WHY THIS PROBLEM STATEMENT?

Direct Impact on Growth : The prime direct result in terms of growth factor should be an increase of first-time subscriptions, which is basically critical for long-term growth and revenues, especially in a market like India, carrying the vast population that it does.

Potential for Quick Results: The strategies to push first time subscriptions to take action include modifications to marketing approaches, promotional offers, or price models that will yield faster results.

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## How does our ideal user persona for the above Problem Statement look like?

- Young professionals aged 25–35 who use OTT platforms frequently but use shared accounts.
  - Motivation: Exclusive content & quality streaming.
  - Barrier: Perceived high cost of individual subscription
    - Users aged 18–30 who explore multiple platforms but haven't committed to any.
  - Motivation: Access to popular new releases.
  - Barrier: Reluctance to pay without seeing a clear value.
    - Students and budget-conscious viewers.
  - Motivation: Affordable access to diverse content.
  - Barrier: High subscription rates and preference for free alternatives.

## Hypothesis And Sub – Problem

1

### Targeted Discounts:

Offering personalized discount offers to frequent visitors who haven't yet converted into subscribers. This aims to address the price sensitivity among potential new users

2

### Simplifying Subscription Process:

Improving the user experience on the subscription page by reducing steps and adding user testimonials, with the goal of decreasing drop-off rates during subscription.

3

### Localized Content Promotion:

Highlighting popular regional content to appeal to users' preferences, making Netflix feel more relevant and engaging.

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## Proposed Solutions

1

### Launch Targeted Discount Campaigns:

- Action
  - Use Netflix's user data to identify frequent visitors who haven't converted.
  - Run ads on Instagram and Facebook targeting these users with a "first-month discount" offer.
  - Create personalized email campaigns offering a 30% discount for the first three months, emphasizing new releases and local content.
- Expected Outcome: Increase in first-time subscriptions by 10-15% within the first month

2

### Introduce a "Try Before You Buy" Preview

- Action
  - Allow new users to watch a 10-minute preview of selected content, showcasing popular shows or exclusive releases.
  - Display prominent sign-up prompts during the preview, encouraging users to register before their time runs out.
  - Show personalized content recommendations based on the previewed content to encourage sign-up.

- Expected Outcome: Increases first-time subscription rates

3

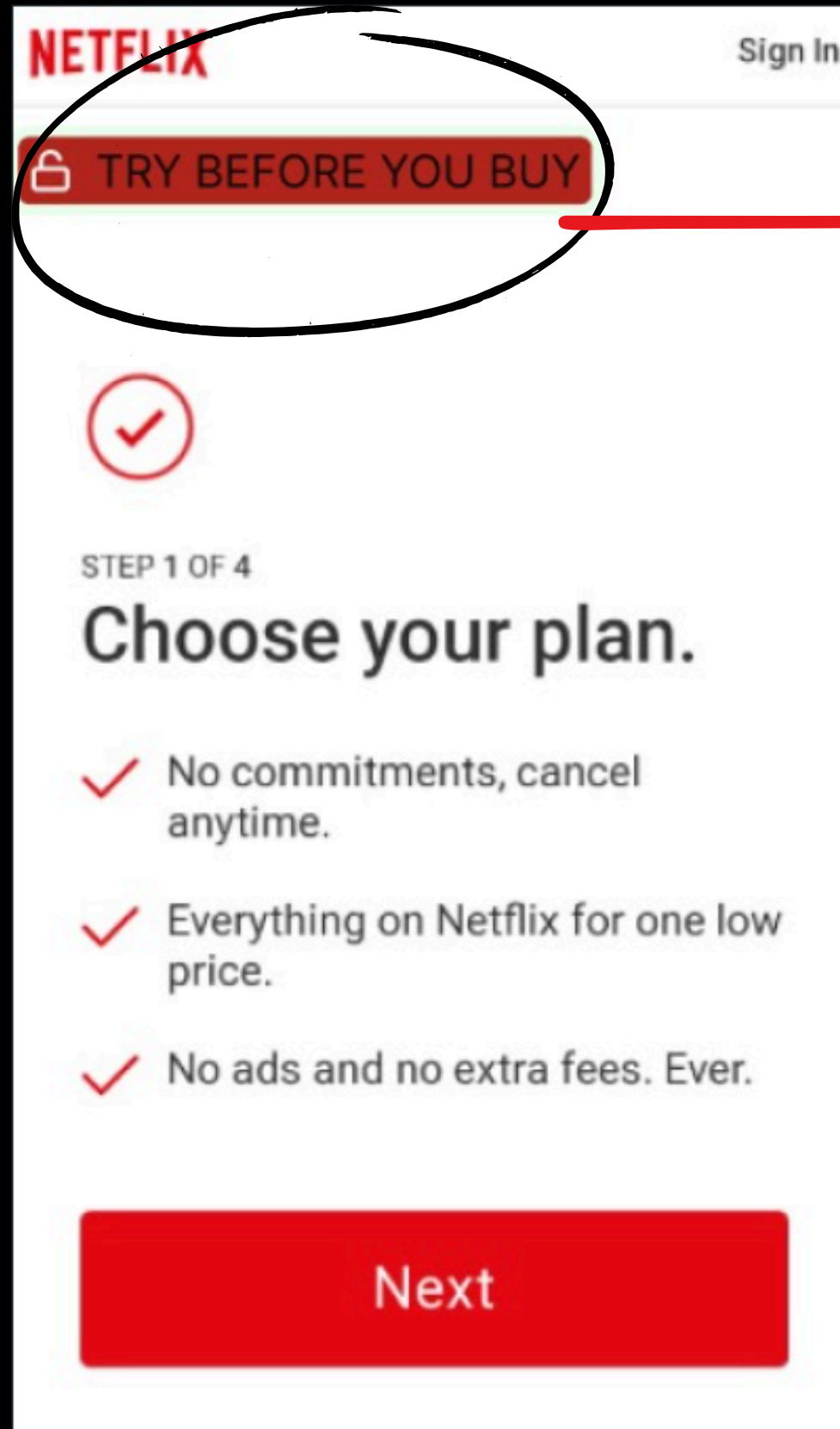
### Highlight Localized Content in Promotions:

- Action
  - Use data to determine the most-watched regional content in different states.
  - Create region-specific landing pages or ads showcasing popular movies/series in local languages.
  - Run email campaigns targeting users in specific regions, featuring local content and offering a 7-day trial.
- Expected Outcome: Increased engagement from users in regional markets, 5-10% boost in subscriptions.

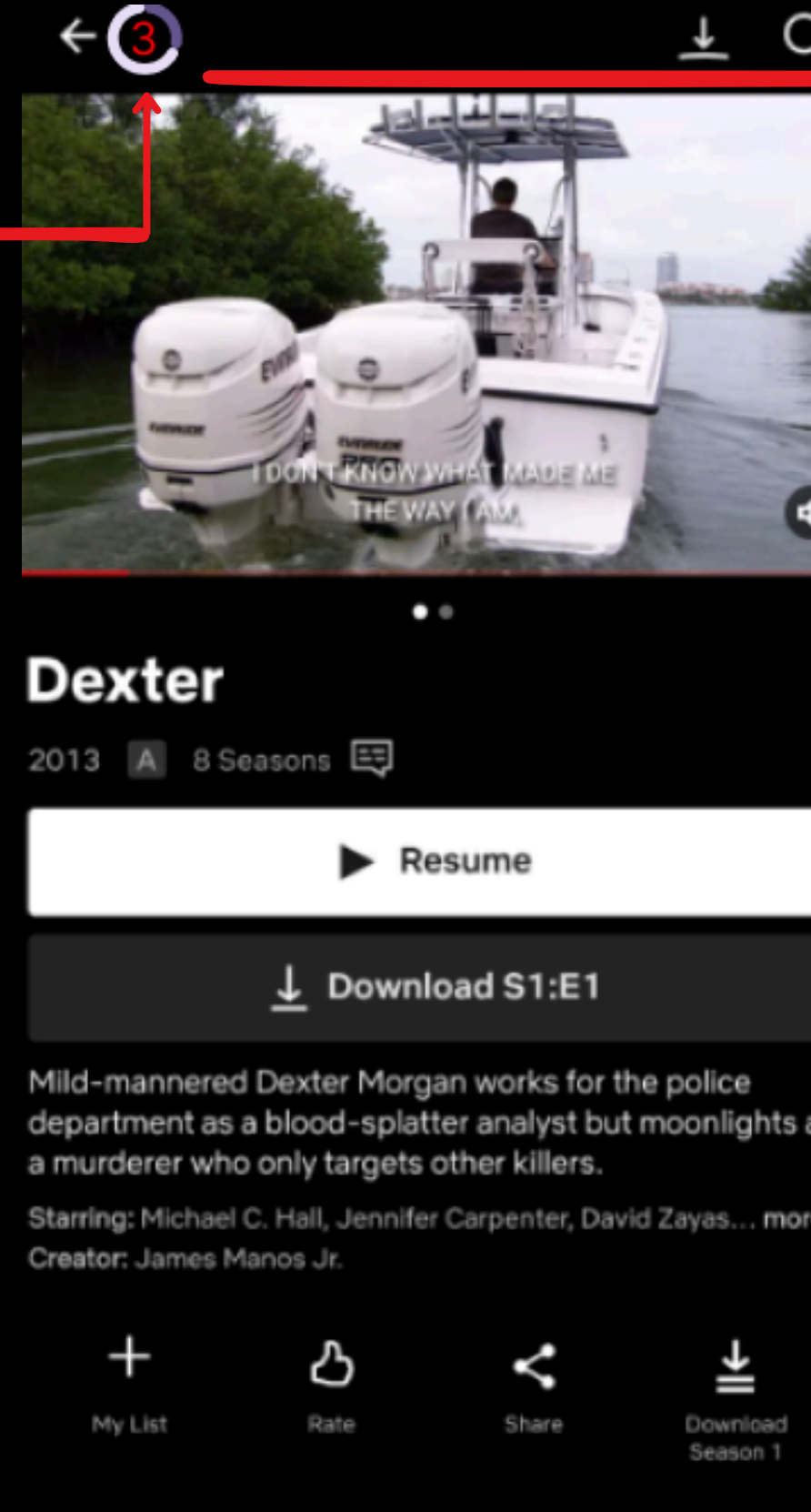


# WIREFRAMING AND PRODUCT FLOW

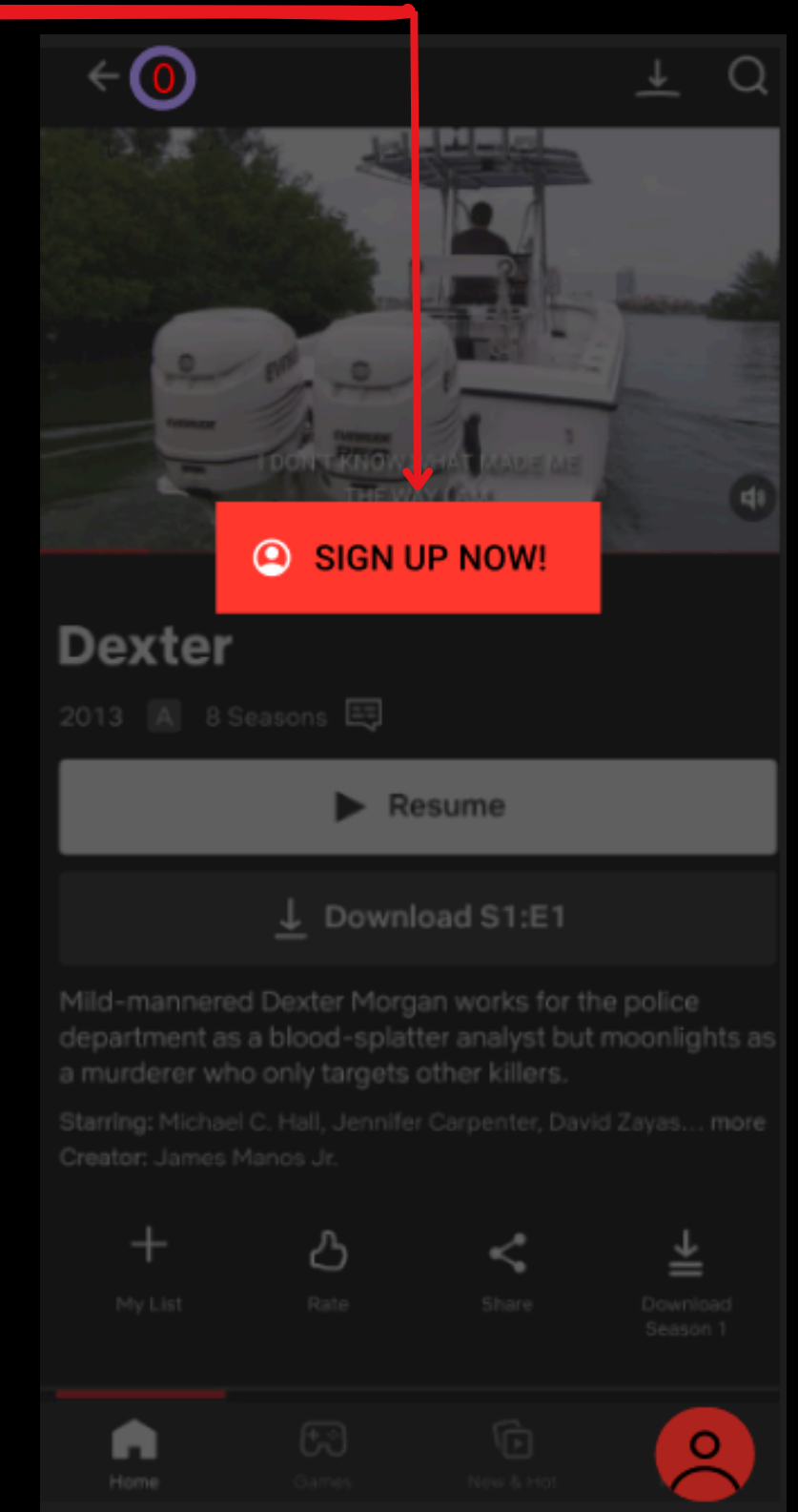
New button added on the signup page for the user to get a free 10 minute preview to give the potential buyers a glimpse of Netflix



Suppose the user opens a series named, DEXTER. Trial Timer is visible on top to get an idea of remaining minutes



After the trial timer reaches 0, a SIGN UP NOW prompt appears on the user's screen



Important Metrics

TYPE	METRICS	TREND
NORTH STAR	Time spent on the platform exploring and watching recommendations from previews	↑
ACTIVATION	1) # of users clicking on "Preview Recommendations" / # of users who see the CTA. 2) # of users who save a movie/show after viewing a preview.	↑
ADOPTION	1) # of users adding a recommended show to their list for the first time / # of active users. 2) % of active users who add at least one recommended show weekly.	↑
ENGAGEMENT	# of users streaming recommended shows / # of users who viewed a recommendation.	↑
RETENTION	% of users who engage with recommendations in the following week after their first interaction.	↑
CUSTOMER SATISFACTION	NPS (Net Promoter Score) to measure how likely users are to recommend the feature.	↑

POSSIBLE PITFALLS

- Risk 1** : Users may not find recommended content appealing.

**Solution** : Regularly update recommendation algorithm based on feedback.
- Risk 2** : Users may skip previews due to unclear value.

**Solution** : Provide a first-time tutorial or highlight key features.
- Risk 3** : Users may find too many irrelevant suggestions.

**Solution** : Refine algorithm with diverse genres and user preferences.
- Risk 4** : High dropout rate during previews.

**Solution** : Optimize preview length and content to keep users interested.
- Risk 5**: Users may lose interest over time.

**Solution** : Introduce weekly personalized previews to maintain engagement.