MSc Fundamental Principles of Data Science Business Analytics

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SWOT ANALYSIS FOR 'NETFLIX'

Strengths	Weaknesses
 Strong Brand Recognition: A leading global streaming platform with a wellestablished brand. Extensive Content Library: Offers a vast catalog of movies, TV shows, and original productions. Global Reach: Available in over 190 countries with localized content. Technology & Personalization: Advanced algorithms for content recommendations. Original Content Production: Successful original programming (e.g. "Stranger Things", "Squid Game") Subscription-Based Model: Reliable and predictable revenue streams. 	 High Content Costs: Significant spending on content production and licensing. Subscriber Churn: Users may cancel subscriptions due to rising costs or competition. Dependency on Licensing Agreements: Relies on third-party content that can be removed. Price Sensitivity: Price increases may drive customers to competitors. Limited Revenue Streams: Mostly reliant on subscription fees, unlike competitors with ad-supported models.

Opportunities	Threats
Ad-Supported Subscription Tiers: Potential for new revenue from ads.	 Intense Competition: Rivals like Disney+, HBO Max, Amazon Prime Video and Hulu.
 Expansion into Gaming: Opportunity to diversify entertainment offerings. 	 Market Saturation: Slowing subscriber growth in key markets.
 Localization & Regional Content: Investing in non-English productions to capture diverse markets. 	 Regulatory Challenges: Compliance with international media and content regulations.
 Technological Innovations: Al-driven content recommendations and interactive storytelling. 	 Piracy & Content Sharing: Unauthorized access and password sharing reduce potential revenue.
 Strategic Partnerships: Collaborations with telecom providers, device manufacturers, and production studios. 	 Economic Downturns: Budget-conscious consumers may cut streaming subscriptions.

Key Partners

- Film studios and TV production companies.
- Content creators and independent filmmakers.
- Hardware manufacturers (smart TVs, gaming consoles, streaming devices).
- Advertising partners (for ad-supported models).

Key Activities

- Content acquisition and production.
- Platform development and algorithm improvements.
- Marketing and brand promotion.
- Licensing and distribution agreements.
- Customer service and retention strategies.

Value Propositions

- High-quality, diverse entertainment on demand.
- Personalized viewing experience through Al-driven recommendations.
- Exclusive original content not available elsewhere.
- Convenience and accessibility across multiple devices.
- Ad-free streaming (except for ad-supported tier).

Customer Relations

- 24/7 customer support.
- Personalized recommendations and user engagement.
- Multi-profile functionality for shared accounts.
- Social media engagement and brand loyalty initiatives.

Customer Segments

- Casual entertainment consumers.
- Movie and TV show enthusiasts.
- Families and children.
- International audiences seeking local-language content.
- Niche genre fans (e.g., anime, documentaries).

Key Resources

- Proprietary content and licensing agreements.
- Streaming platform and Al-based recommendation system.
- Subscriber base and data insights.
- Strong brand equity.
- Global distribution infrastructure.

Channels

- Netflix website and app.
- Smart TVs and streaming devices.
- Mobile apps (iOS and Android).
- Partnerships with telecom and ISP providers.

Cost Structure

- Content production and licensing costs.
- Technology development and cloud infrastructure.
- Marketing and customer acquisition.
- Employee salaries and operational expenses.

Revenue Streams

- Monthly subscription fees (various tiers).
- Ad revenue from supported plans.
- Licensing of original content to third parties.
- Merchandise and product tie-ins.
- Potential expansion into gaming and interactive media.

GROWTH SHARE MATRIX FOR 'NETFLIX'

Stars (High Growth, High Market Share)

- Original Content (Netflix Originals): Popular shows and movies like *Stranger Things, The Witcher,* and *Squid Game* drive engagement and attract new subscribers.
- International Markets (Localization & Regional Content): Expanding in Asia, Latin America, and Europe with localized productions like *Money Heist* and *Lupin*.

Cash Cows (Low Growth, High Market Share)

- Subscription Model: The core business generating consistent revenue, especially in mature markets like North America and Europe.
- Established Licensed Content: Shows and movies with strong fan bases that keep existing subscribers engaged (e.g., *Friends, Breaking Bad* when available).

Dogs (Low Growth, Low Market Share)

• Niche Genres with Limited Audience: Some experimental content that doesn't gain significant traction, leading to cancellations.

Question Marks (High Growth, Low Market Share)

- Ad-Supported Subscription Tier: A newer venture with potential to attract budget-conscious viewers and diversify revenue streams.
- Gaming Expansion: Netflix is investing in mobile and cloud gaming, but it remains uncertain if this will become a strong revenue driver.