

NETFLIX SWOT ANALYSIS

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Tableau Public link:

https://public.tableau.com/app/profile/veer.vijaya.kumar/viz/NETFLIX_FINAL_PROJECT/MainPage?publish=yes

1 INTRODUCTION

In my final presentation I conducted a **SWOT analysis of Netflix**, the online movie/TV show streaming platform where I used visualizations to tell a story about the company's internal strengths and weaknesses as well as the external opportunities and threats it faces in the streaming entertainment industry. The company's strengths include a large and diverse content library that has been ever expanding since 2013 ever since Netflix started spending more and more money on original content, and a strong brand reputation. However, the company also faces weaknesses such as declining Income, Revenues and plummeting stock prices of the company which pose a question mark on Netflix's Finances. We then look at External opportunities include the growing demand for streaming services and the expansion of the global market, and how Web-series in particular are driving growth for the platform and also focus on emerging markets in Asia where Netflix can script it's next big growth story. Lastly, we discuss potential threats, Netflix also faces threats such as intense competition from established and emerging streaming services, changing consumer preferences, and potential regulatory challenges. Overall, Netflix's SWOT analysis highlights the need for the company to continue investing in original content and expanding its global reach while remaining agile and adaptable in a highly competitive and rapidly evolving industry.

1.1 DATASETS:

This is a dataset related to Netflix containing information about movies and TV shows available on the platform. The dataset includes the following columns: show_id (unique identifier), type (whether it is a movie or a TV show), title, director, cast (main actors), country (where the production was made), date_added (when it was added to Netflix), release_year, rating, duration (in minutes), listed_in (genre/category), and description (brief summary of the plot). Second dataset I used was about Netflix and Walt Disney, two companies that provide streaming entertainment services. It shows information on Netflix's income, market share, revenue, and number of subscribers in millions. Additionally, it provides data on Walt Disney's number of subscribers and revenue in millions of U.S. dollars. To get an idea of the most popular shows and movies I used a TV show/movies dataset provides information about movies or series available on a certain date, including the episode or full title, the type of production (movie or series), the season and

title (if applicable), and the length in minutes. It also includes additional information such as the date in different formats (days, years, and year parts), the average number of titles released per year, whether it is a documentary or not, and the number of records (i.e., entries) in the dataset. To analyze Netflix's Financials I also looked at Netflix stock price dataset(2017-2022) . The combined timeline for these datasets differs a little but it all falls between the years **2013 to 2022**.

1.2 Choice of Visualizations:

Strengths: I used a **geographic map** to display to visualize and understand the distribution of content production across different countries. This information can be used by Netflix to inform its content acquisition and production strategy by identifying areas with high content production that may be potential sources of new content. On the bottom, I used a **area chart** to visualize and understand the trend in content production over time. In this case, the chart shows that there are more movie titles than TV shows, and that the amount of content on Netflix has skyrocketed in the past 5 years. Besides, I have used **BAN's(Big numbers)** that are attention-grabbing, quick and easy to comprehend, and clear and memorable representation of key figures/metrics that viewers can easily recall and discuss with others. Lastly, I have added **filter actions** to my geographic maps, so one can select a particular country by clicking over it and the area chart and the corresponding BAN's will be customised for that that particular country.

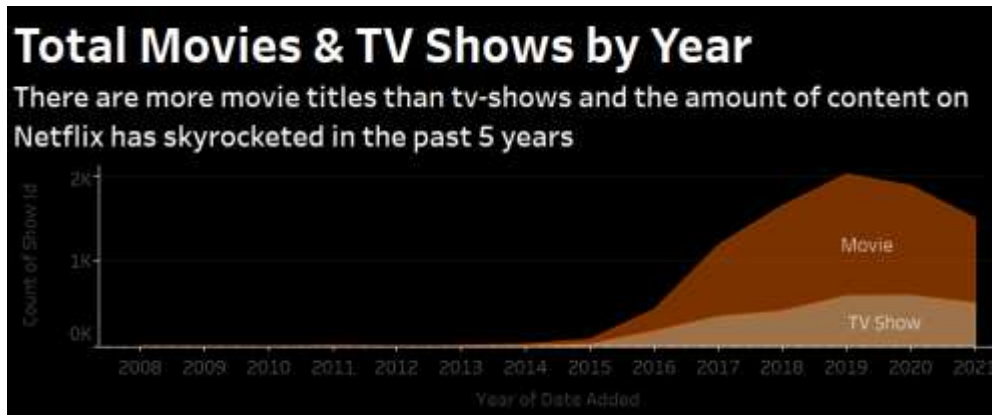


Figure 1: Area Graph of Total Movies and TV shows by year

GENRES	DIRECTORS
514	6,173
TITLES	CAST
8,807	8,688
SUBSCRIBERS	REVENUE
229.7M	\$29,698M

Figure 2: Demonstrating the use of BAN's (Big Numbers)

Weaknesses: A **horizontal bar chart** provides a visual representation of Netflix's income over time, making it easy to see trends and changes. In this particular case, the horizontal bar chart highlights the fact that Netflix's income decreased by 13.3% from 2021 to 2022, which could prompt further investigation into the reasons for the decrease and potential strategies for improvement. At the bottom we see a **line chart** showing Netflix share prices, this allows for easy comparison between different time periods, allowing viewers to quickly see changes in Netflix's share price. To the right we have the vertical bar chart helps to provide a clear and easy-to-understand visual

representation of Netflix's total revenue, allowing viewers to quickly identify changes and trends over time. In this particular case, the **vertical bar chart** highlights the fact that Netflix experienced a dip in revenue between 2021 to 2022 where it's revenue dipped by almost 20%, which could prompt one to look further into the reasons for the drop in revenue.



Figure 3: Netflix Share price drops 76% after it announces subscriber drop of 200K

Opportunities: **Horizontal bar charts** can be helpful to Netflix as it highlights the popularity of TV shows among its viewers. This can help the company to make informed decisions when it comes to its content strategy and investments. For example, if the data shows that TV shows are more popular among viewers, Netflix may choose to allocate more resources towards producing and acquiring TV shows rather than movies. Additionally, this information can be helpful for advertisers who may want to target their ads towards viewers of these popular TV shows. To the right, I used a pie chart to visualise Netflix's investment in local content in emerging Asian markets and the popular genres in these markets, as shown in the **pie chart**, is helpful for understanding Netflix's growth strategy and market expansion. By investing in local content, Netflix is able to cater to the preferences and interests of the local audience, which can help the company gain a competitive edge in these markets. Knowing the popular genres can also inform the company's content production decisions, allowing them to create content that resonates with the local audience and increase viewership in these markets. Overall, this information can help stakeholders understand

Netflix's market strategy and potential growth opportunities in the emerging Asian markets.

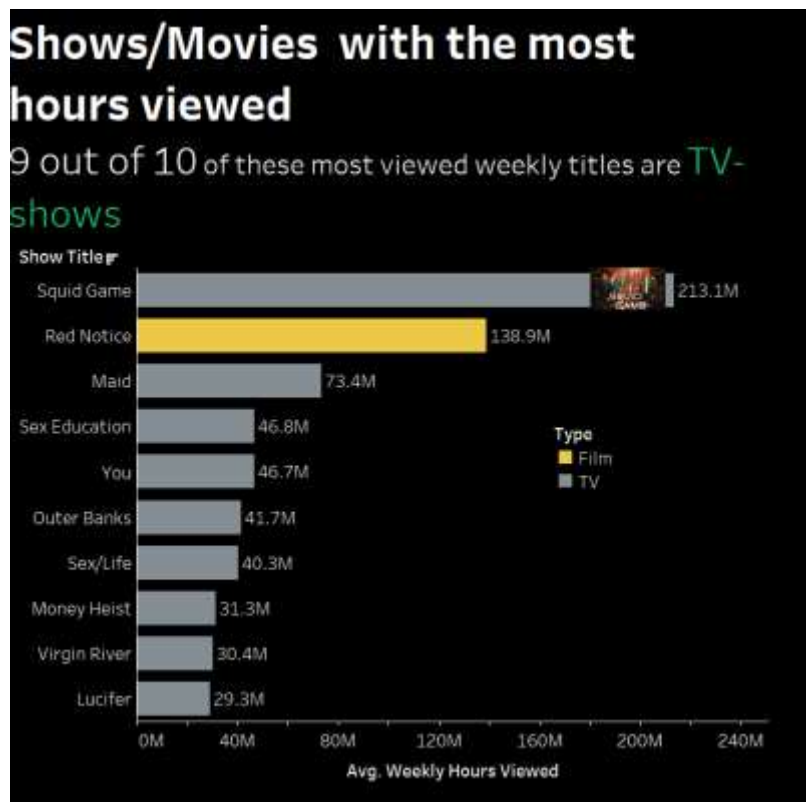


Figure 4: A horizontal bar chart showing TV show domination on Netflix

Threats: The **scatter plot** helps in comparing the quarterly revenue of two companies, Netflix and Disney. It highlights that while Disney's revenue is consistently increasing and moving away from the average revenue value, Netflix's revenue is moving closer to it. This information can be helpful in understanding the relative performance of the two companies over time and their trajectory in terms of revenue growth. Additionally, be used to identify trends and potential areas of concern or opportunities for improvement for each company. To the right we have a **horizontal bar plot** can provide insights into the relative year on year growth rates of the two streaming services. It can show which company is experiencing faster growth and identify potential trends in the streaming industry. This information can be useful for investors,

analysts, and industry professionals who are interested in understanding the competitive landscape and growth potential of streaming services.

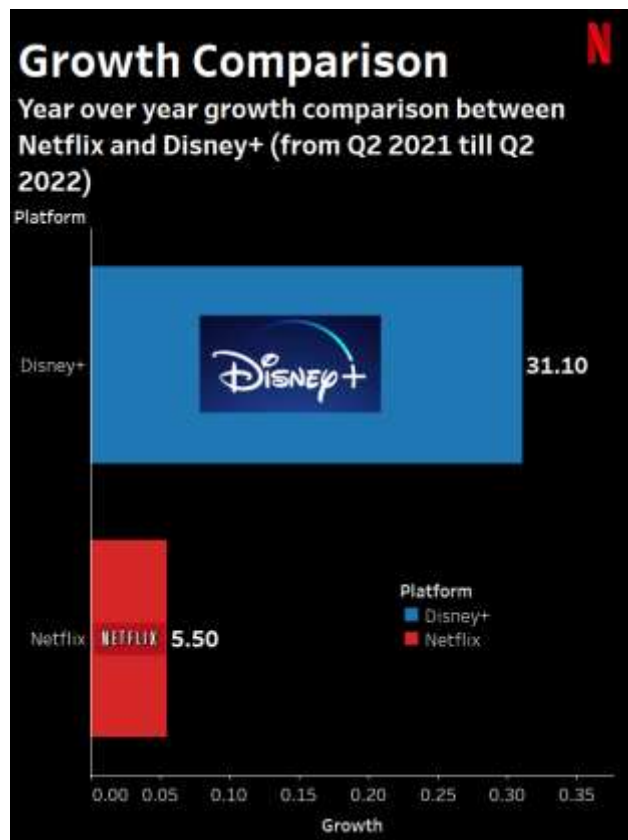


Figure 5: Horizontal Bar graph showing Disney's YoY growth to be almost 6x times Netflix

2 Changes/Improvements made Post-presentation day:

Initially, I used the color red in my Tableau storybook visualizations to be consistent with the theme of Netflix, as it is the primary color used in the company's branding. However, I realized that this could be problematic for **color-blind audiences** who may struggle to differentiate between different shades of red or may not be able to perceive the color at all. To accommodate for this, I changed the visualizations to incorporate more color-friendly palettes,

such as the Tableau **Color Blind 10** option or other **high-contrast color schemes** in as many places as possible and have used text to reinforce a particular trend in a visualization be it a increase or decrease . This not only ensures that my visualizations are accessible to a wider audience but also promotes **inclusive design principles**. It is useful because it ensures that everyone, regardless of their ability to perceive color, can understand and interpret the data being presented.

3 Conclusion:

In conclusion, Netflix's SWOT analysis reveals a number of its advantages and disadvantages that may be used to its advantage and addressed to strengthen its position in the market. In the tableau story book visualizations, the use of geographic maps, area charts, BANs, horizontal bar charts, line charts, vertical bar charts, pie charts, and scatter plots helped present information in an approachable way, which is essential for efficient decision-making. Additionally, by including **color-blind-friendly** palettes in the visualizations, a larger audience will be able to access the information.

In terms of stiff Competition, Netflix lags behind Disney Plus in terms of **sports broadcasting** and **kids content**, which are two areas that Disney has focused on and gained a strong foothold. By not having these offerings, Netflix is missing out on a significant portion of potential subscribers who are interested in sports and family-friendly content. To improve, Netflix could consider investing in sports broadcasting rights to appeal to sports fans and also produce more original kids content to expand their audience in that demographic. By doing so, Netflix could potentially close the gap with Disney Plus and better compete in the streaming industry.

In order to strengthen its position in the market, Netflix may make advantage of the strengths mentioned, such as the use of geographic maps to guide its content development and acquisition strategy and the use of BANs to communicate critical numbers/metrics to its stakeholders. The flaws found, such as the decline in sales and income from 2021 to 2022, might also motivate the business to conduct further research and create strategies for development. While the threats identified, such as the escalating competition

from Disney, can be used to identify potential areas of concern or opportunities for improvement, the opportunities identified, such as the popularity of TV shows among viewers, can be used to inform the company's content strategy and investments.