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1
Background & Hypothesis

"What Makes Stories Universal?"

By analyzing available data, we will determine a specific, yet wide-reaching recommendation that will drive the next stage of growth for Netflix.

Our hypothesis

Using regional box office data and TV ratings, we will determine the top five storytelling archetypes by region and use this to assess the travelability of these archetypes across regions. In doing this, our goal is to increase Netflix's subscription rate by 3%, globally, in the next six months.

The Seven Story Archetypes

- **Overcoming the Monster**
- **Rags to Riches**
- **The Quest**
- **Voyage and Return**
- **Comedy**
- **Tragedy**
- **Rebirth**

Netflix - The Streaming King

Netflix has grown into one of the largest publicly-traded companies in the world by reinventing how we consume media.

The company has nearly doubled in size in just the last two years - to $270 billion in market cap.

Netflix is now the 32nd largest company by market cap in the world.

Market Capitalization by Quarter (2018 - 2021)

Netflix - Market Capitalization

	24	Roche RHHBY	$357.15 B	$51.12	1.29%		🇨🇭 Switzerland
	25	Alibaba BABA	$346.36 B	$125.06	0.93%		🇨🇳 China
	26	Mastercard MA	$343.81 B	$349.92	1.57%		🇺🇸 USA
	27	ASML ASML	$327.87 B	$781.84	1.19%		🇳🇱 Netherlands
	28	Adobe ADBE	$311.38 B	$654.45	3.46%		🇺🇸 USA
	29	Pfizer PFE	$296.24 B	$52.78	1.34%		🇺🇸 USA
⌃11	30	Oracle ORCL	$280.55 B	$102.63	15.61%		🇺🇸 USA
⌄1	31	Walt Disney DIS	$277.57 B	$152.71	-0.15%		🇺🇸 USA
⌄1	32	Netflix NFLX	$270.93 B	$611.66	0.11%		🇺🇸 USA
	33	Exxon Mobil XOM	$268.46 B	$63.01	0.64%		🇺🇸 USA
⌄2	34	Nike NKE	$267.59 B	$169.06	0.57%		🇺🇸 USA
⌄1	35	L'Oréal OR.PA	$265.19 B	$475.55	0.47%		🇫🇷 France

The "Streaming Wars"

Netflix is currently the dominant player in streaming.

However, in recent years, competition has become fierce.

Amazon Prime now offers more movies than Netflix, and other competitors such as Hulu and Disney+ are catching up.

Total Movies on Streaming Platforms

Platform

Platform	Total Number of Movies
Amazon Prime	4,113
Netflix	3,695
Hulu	1,047
Disney+	922
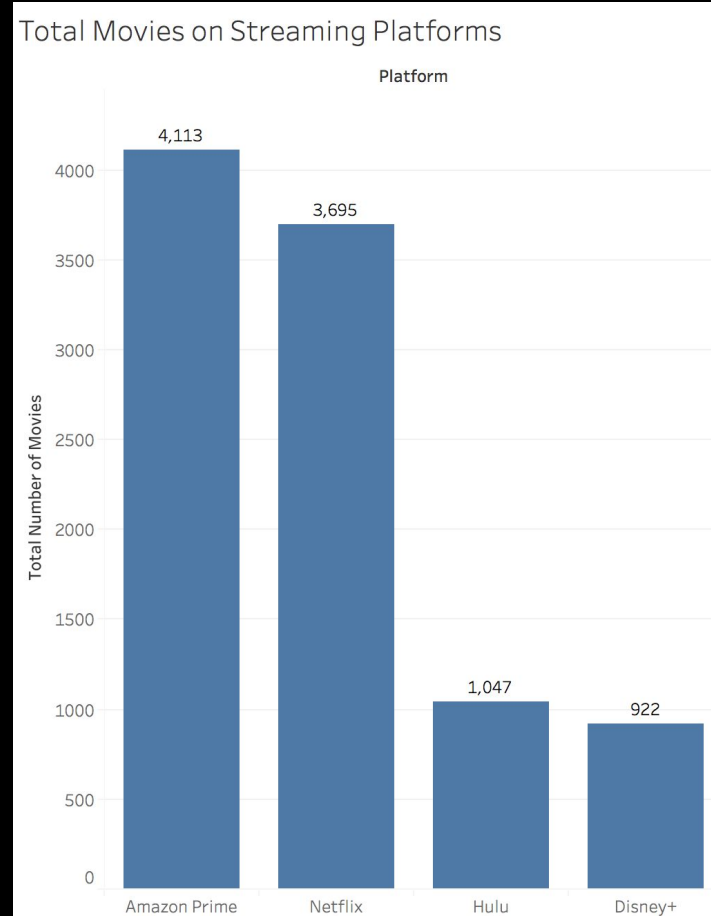
2
Financial Analysis

Netflix Revenue and Profits

Netflix has grown revenue consistently in recent years.

Saw a large jump (nearly $500 million) in Q1 2021 and return to consistent growth after.

Netflix enjoyed an even larger increase in Net Income in Q1 2021 (doubled YoY).

Revenues and Net Income by Quarter (2018 - 2021)

US dollars (thousands of dollars)

Financial Quarter	Revenues	Net income
Q4 2018	$4,186,841	$133,934
Q1 2019	$4,520,992	$344,052
Q2 2019	$4,923,116	$270,650
Q3 2019	$5,244,905	$665,244
Q4 2019	$5,467,434	$586,970
Q1 2020	$5,767,691	$709,067
Q2 2020	$6,148,286	$720,196
Q3 2020	$6,435,637	$789,976
Q4 2020	$6,644,442	$542,156
Q1 2021	$7,163,282	$1,706,715
Q2 2021	$7,341,777	$1,353,013
Q3 2021	$7,483,467	$1,449,071

Revenue Growth

A key factor in revenue growth for Netflix has been investment in Technology and Development.

Very strong correlation with an R-squared value of .95 and a p-value of nearly 0.

Technology and Development Spend vs. Revenues
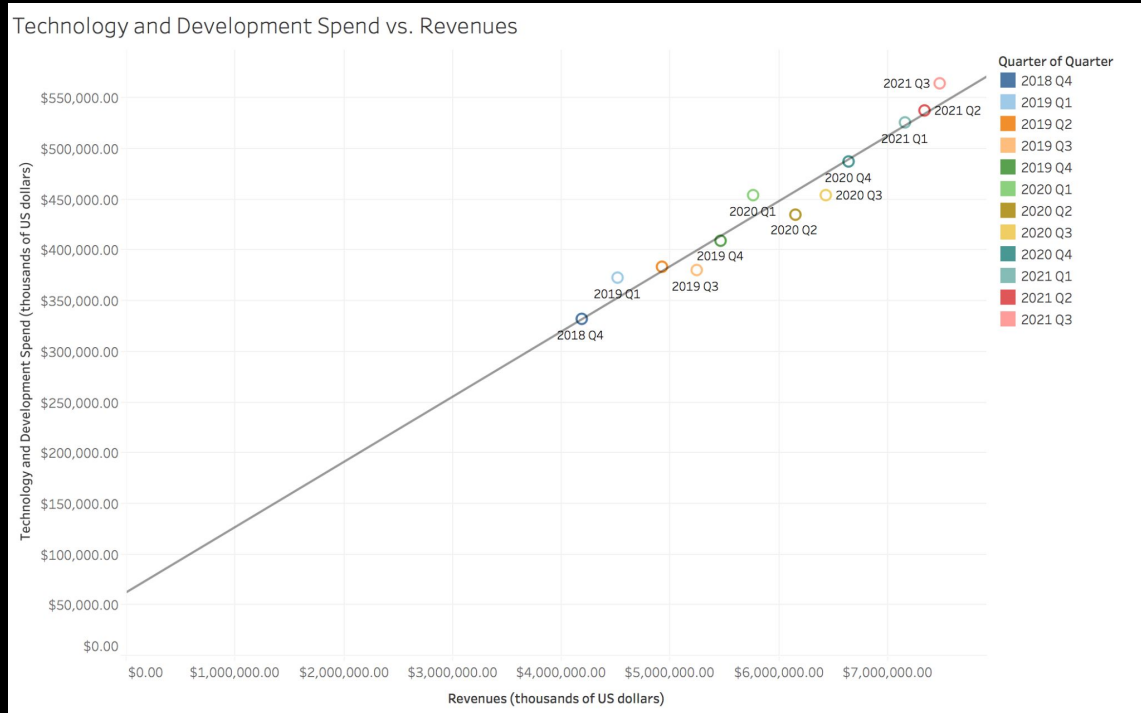
Membership Growth

The company enjoyed a strong membership growth rate through 2019 and 2020.

Growth has slowed considerably in 2021.

Most recent quarterly growth rate was 2.10%, compared to 4.47% two years ago.

Membership Growth Rate (2019 - 2021)
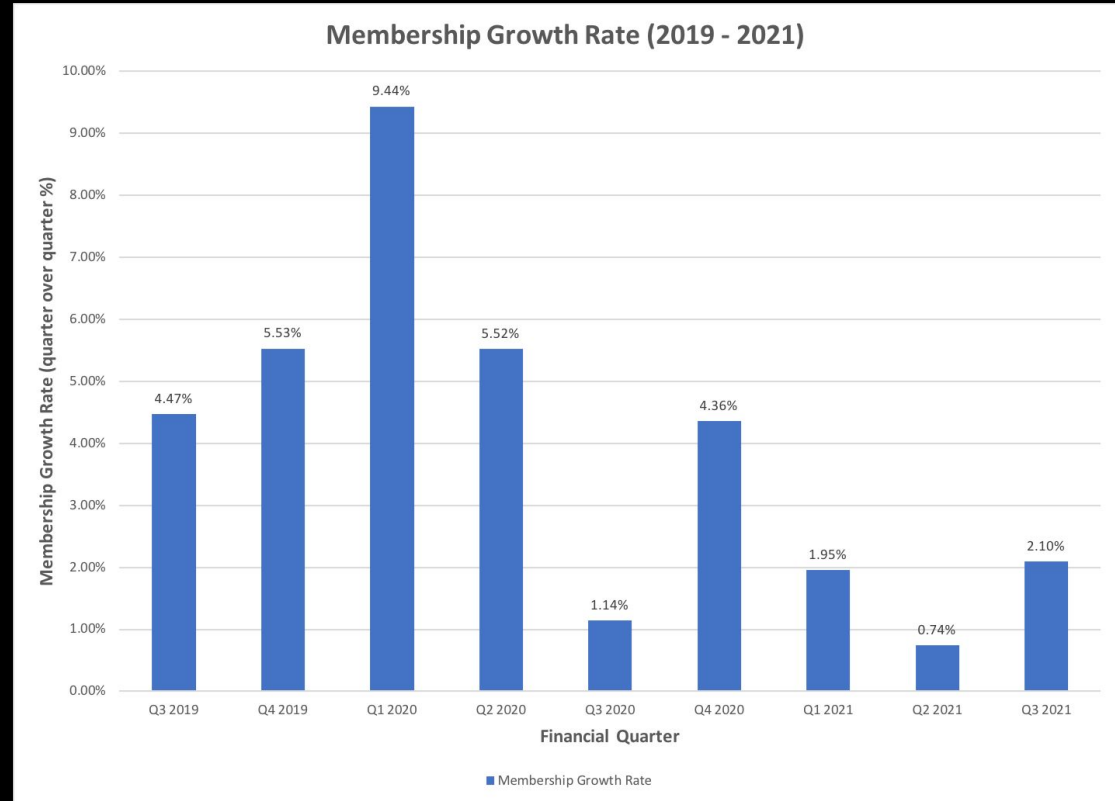
Membership Growth

Established US and Canada markets have shown a relatively flat growth rate.

However, other regions are growing quickly.

Europe, Middle East and Africa (EMA) and Asia Pacific regions are biggest contributors to recent membership growth.

Regional Membership Growth (2019 - 2021)

3
Data Analysis & Findings

The More Money Invested in Budget will Result in Greater Returns in Earnings for Netflix

Gross Earnings by Budget
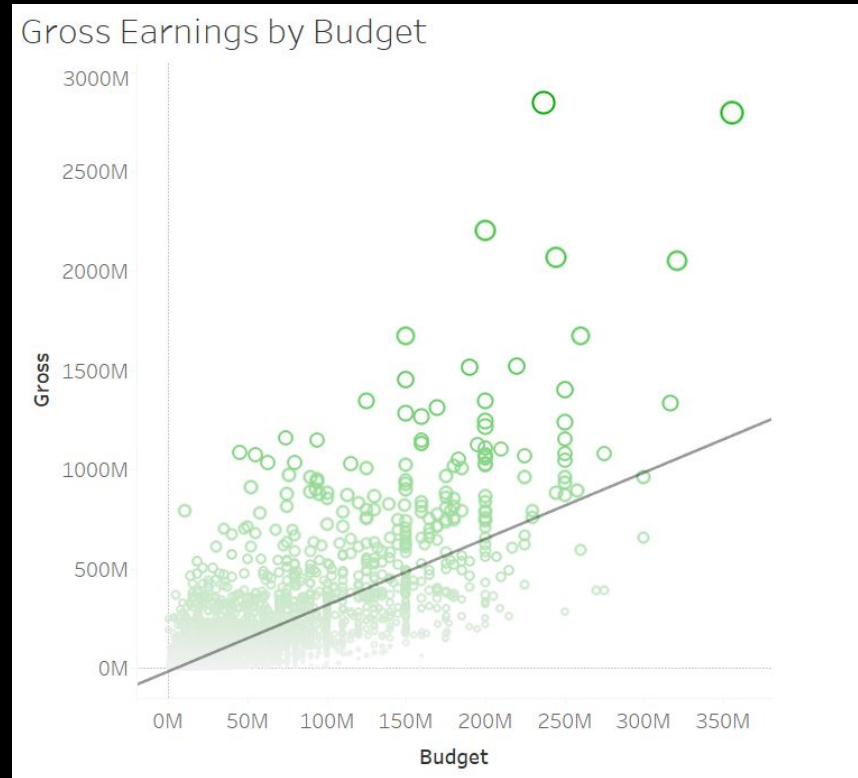
Horror Movies will Gross More than 3x Their Budget

Budget and Gross by Genre
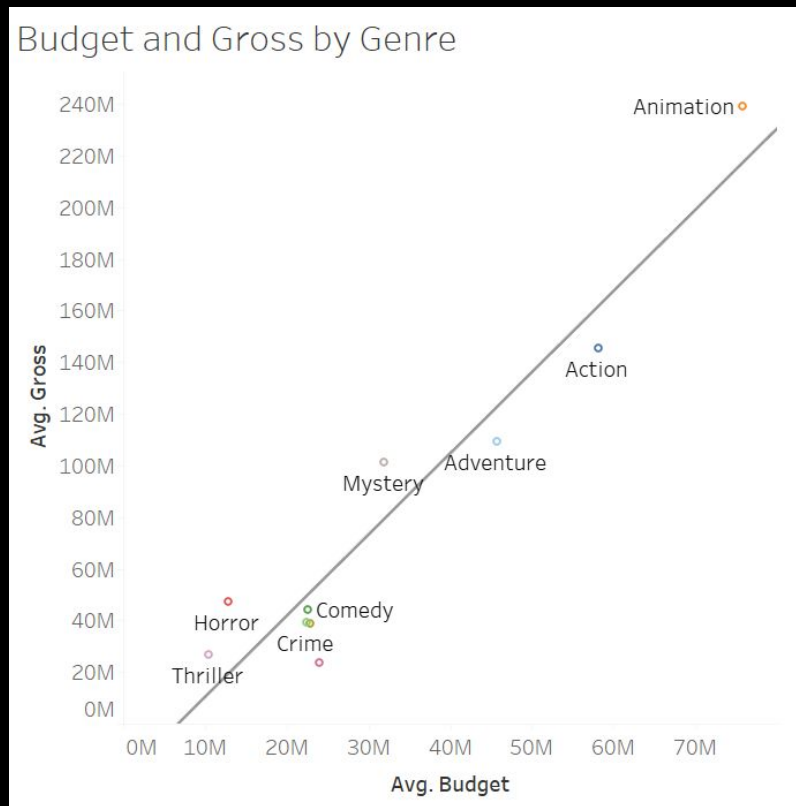
Horror is in the Top Ten Most Produced Genres
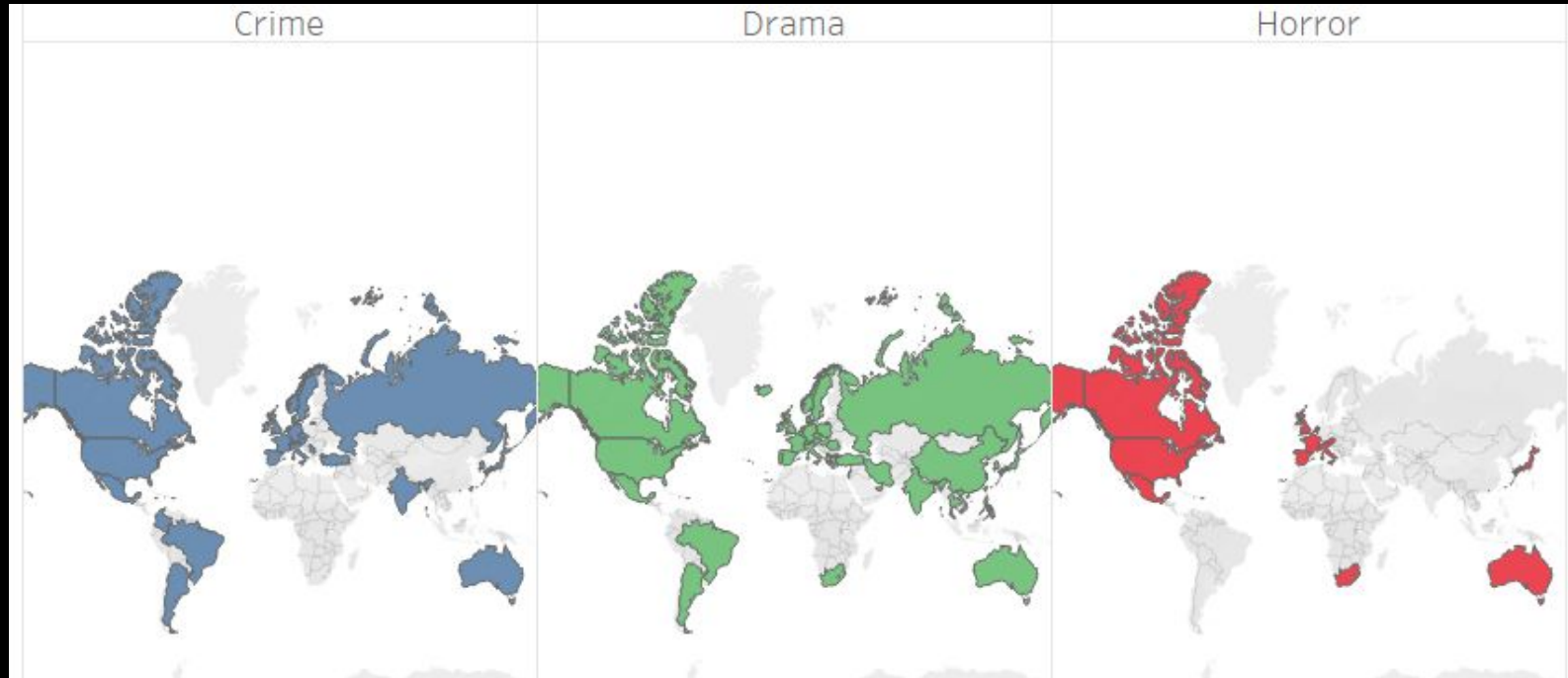
Top IMDB Scoring Genres from 1986-2016

Average Score by Genre
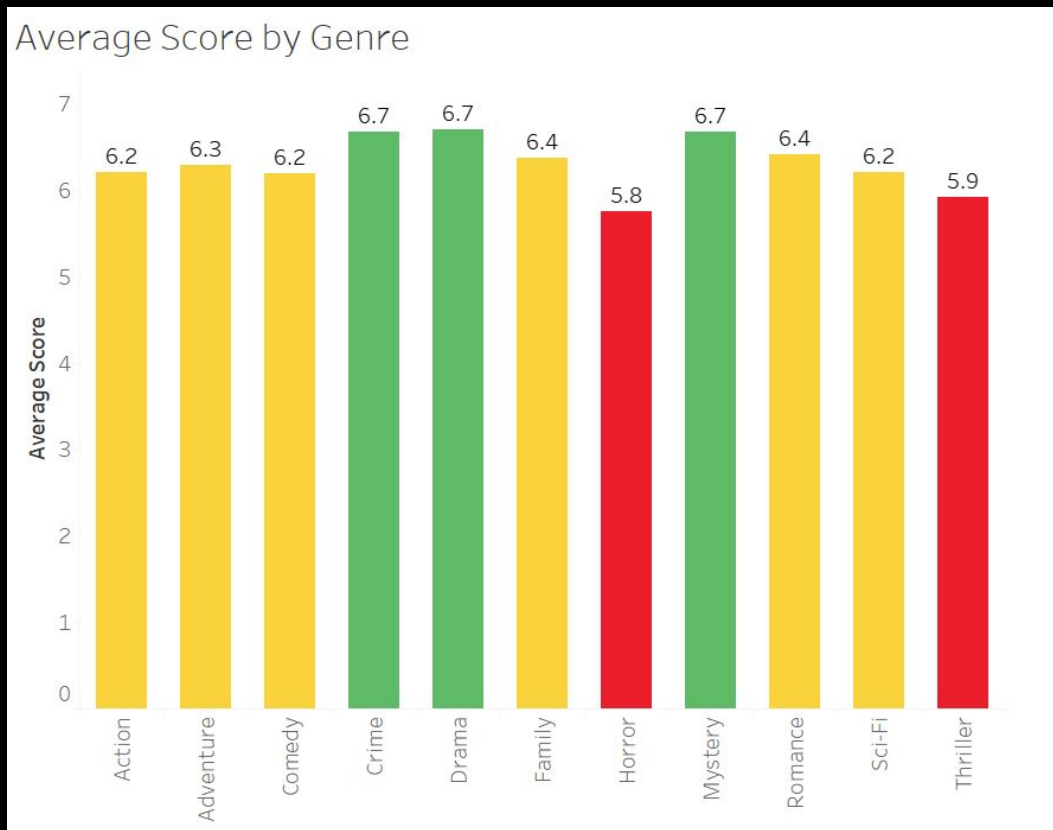
Top Content by Hours Watched on Netflix

Top shows by hours watched include: Squid Game, Maid, You, The Witcher, Stranger Things, 13 Reasons Why, Extraction, and Bird Box.

Show Title

Show	Hours
Squid Game	1,650,450,000
Money Heist	1,440,540,000
Stranger Things	1,009,540,000
13 Reasons Why	971,690,000
You	925,200,000
Bridgerton	625,490,000
The Witcher	541,010,000
Elite	532,390,000
Lupin	530,900,000
Maid	469,090,000
Sex Education	418,760,000
Red Notice	353,870,000
Bird Box	282,020,000
Who Killed Sara?	266,430,000
Extraction	231,340,000
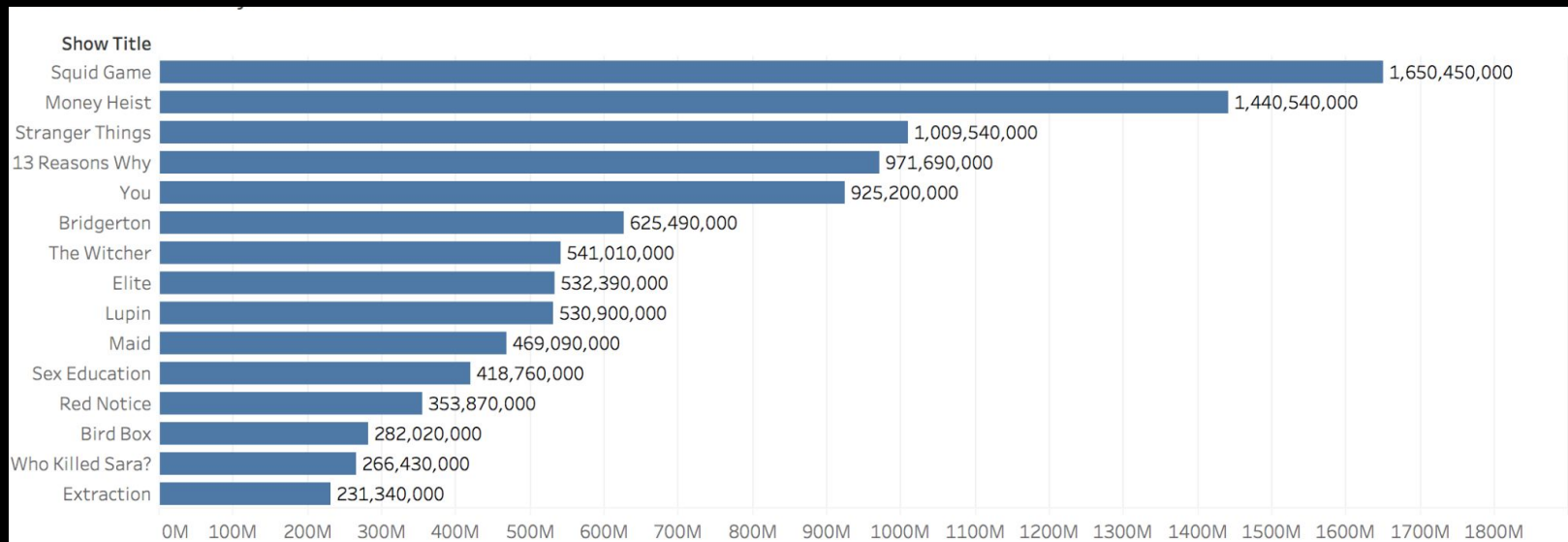
Top Content by Hours Watched on Netflix

Analyzed impact of genre on hours watched for top Netflix content by hours watched in first 28 days after release.

Positive impact for five genres, with an adjusted R-squared value of .60 and p-values less than .05.

Top five genres on Netflix:

1. Mystery
2. Romance
3. Horror
4. Action
5. Drama

What is this telling us?

	SUMMARY OUTPUT								
	Regression Statistics								
	Multiple R	0.814347725							
	R Square	0.663162217							
	Adjusted R Square	0.600784849							
	Standard Error	254694613.5							
	Observations	33							
	ANOVA								
		df	*SS*	*MS*	*F*	*Significance F*			
	Regression	5	3.44828E+18	6.89656E+17	10.63145569	1.01064E-05			
	Residual	27	1.75147E+18	6.48693E+16					
	Total	32	5.19975E+18						
		Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
	Intercept	-86363610.53	83301034.53	-1.036765162	0.30904192	-257283215.2	84555994.17	-257283215.2	84555994.17
	Sum of Horror	239814062.5	110529954.7	2.169674847	0.039001383	13025328.52	466602796.5	13025328.52	466602796.5
	Sum of Action	201158625.1	74635408.59	2.695217041	0.011955326	48019416.15	354297834	48019416.15	354297834
	Sum of Drama	247044791	61675164.89	4.005579741	0.000436084	120497805.6	373591776.4	120497805.6	373591776.4
	Sum of Mystery	333654546.9	114925754.8	2.903218234	0.007274149	97846376.05	569462717.7	97846376.05	569462717.7
	Sum of Romance	299228414.5	121754930.7	2.45762872	0.020692895	49407932.2	549048896.9	49407932.2	549048896.9

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Recommendations & Insights
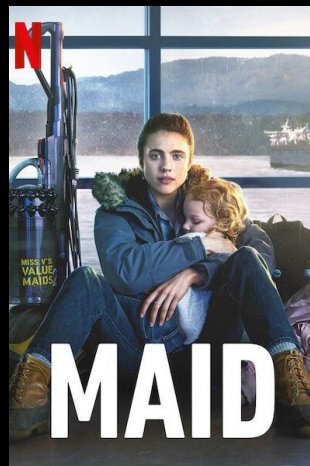
Segmentation

There is a strong interest between genre's viewed and on the platform of Netflix with an index of 176 which is the second highest on this list.

	Total					VIDEO STREAM/DWNLD SERV-USED LST 30 DAYS_ NETFLIX (MONTHLY FEE)				
	Sample	Weighted(00	Vertical %	Horizontal %	Index	Sample	Weighted(00	Vertical %	Horizontal %	Index
Total	22,848	244,508	100%	100%	100	7,504	91,087	100%	37.3%	100
MOVIE GNRE-DOWNLOADED/STREAMED FRM INTRNT_ACTION	1,720	21,416	8.8%	100%	100	1,074	13,988	15.4%	65.3%	175
MOVIE GNRE-DOWNLOADED/STREAMED FRM INTRNT_ADVENTURE	1,002	12,023	4.9%	100%	100	610	7,536	8.3%	62.7%	168
MOVIE GNRE-DOWNLOADED/STREAMED FRM INTRNT_COMEDY	1,104	14,813	6.1%	100%	100	694	9,410	10.3%	63.5%	171
MOVIE GNRE-DOWNLOADED/STREAMED FRM INTRNT_DRAMA	674	8,212	3.4%	100%	100	408	4,855	5.3%	59.1%	159
MOVIE GNRE-DOWNLOADED/STREAMED FRM INTRNT_HORROR	447	6,349	2.6%	100%	100	296	4,167	4.6%	65.6%	176
MOVIE GNRE-DOWNLOADED/STREAMED FRM INTRNT_ROMANCE	307	3,956	1.6%	100%	100	188	2,367	2.6%	59.8%	161
MOVIE GNRE-DOWNLOADED/STREAMED FRM INTRNT_SCIENCE FICTION	516	6,691	2.7%	100%	100	326	4,406	4.8%	65.8%	177
MOVIE GNRE-DOWNLOADED/STREAMED FRM INTRNT_THRILLER	876	11,701	4.8%	100%	100	559	7,503	8.2%	64.1%	172

People aged 25 - 34 have the highest chances of liking Horror movies

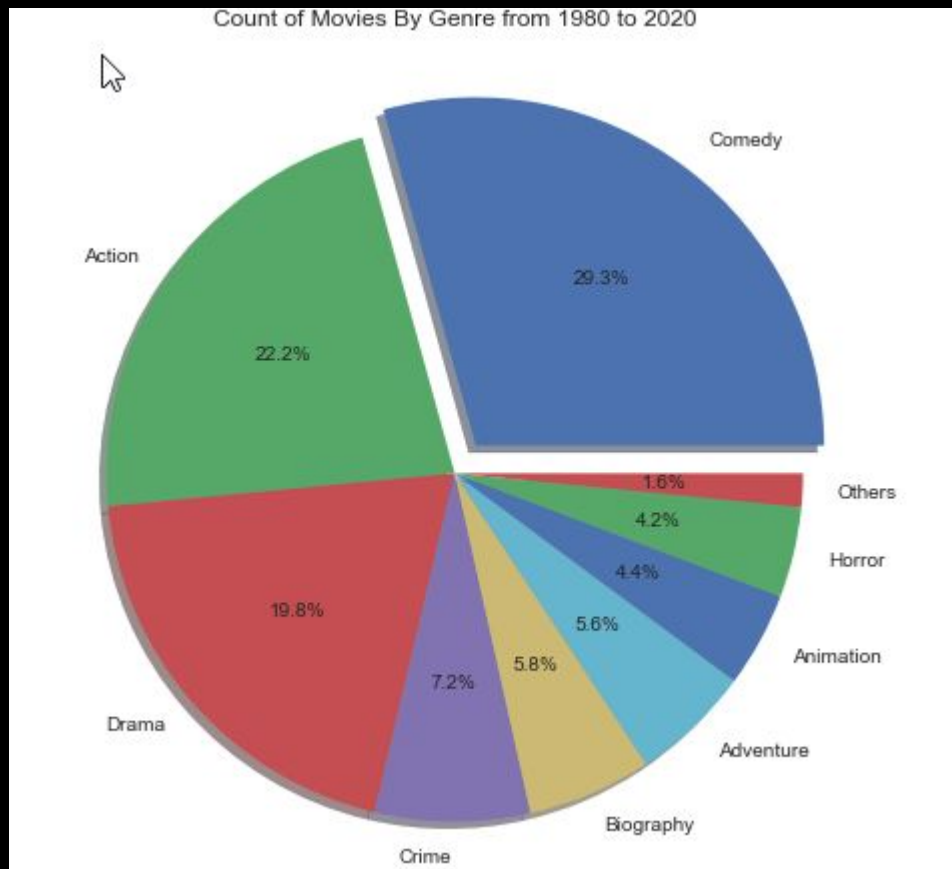|	Total					MOVIE GNRE-DWNLOADED/STREAMED FRM INTRNT HORROR					MOVIE GNRE-DWNLOADED/STREAMED FRM INTRNT ROMANCE					MOVIE GNRE-DWNLOADED/STREAMED FRM INTRNT SCIENCE FICTION					MOVIE GNRE-DWNLOADED/STREAMED FRM INTRNT THRILLER				
	Sample	Weighted(00)	Vertical %	Horizontal %	Index	Sample	Weighted(00)	Vertical %	Horizontal %	Index	Sample	Weighted(00)	Vertical %	Horizontal %	Index	Sample	Weighted(00)	Vertical %	Horizontal %	Index	Sample	Weighted(00)	Vertical %	Horizontal %	Index
Total	22,848	244,508	100%	100%	100	447	6,349	100%	2.6%	100	307	3,956	100%	1.6%	100	516	6,691	100%	2.7%	100	876	11,701	100%	4.8%	10
AGE_18	312	4,415	1.8%	100%	100	**13	**163	**2.6%	**3.7%	**142	**5	**106	**2.7%	**2.4%	**148	**8	**117	**1.7%	**2.7%	**97	**18	**236	**2%	**5.3%	**1
AGE_19	244	3,847	1.6%	100%	100	**12	**303	**4.8%	**7.9%	**303	**7	**115	**2.9%	**3%	**185	**6	**118	**1.8%	**3.1%	**112	**15	**331	**2.8%	**8.6%	**18
AGE_20	238	3,751	1.5%	100%	100	**18	**306	**4.8%	**8.2%	**314	**5	**50	**1.3%	**1.3%	**82	**10	**87	**1.3%	**2.3%	**85	**26	**547	**4.7%	**14.6%	**30
AGE_21	232	3,752	1.5%	100%	100	**6	**76	**1.2%	**2%	**78	**5	**129	**3.3%	**3.4%	**213	**7	**83	**1.2%	**2.2%	**81	**12	**159	**1.4%	**4.2%	**8
AGE_22 - 24	750	12,357	5.1%	100%	100	*35	*428	*6.7%	*3.5%	*133	**15	**283	**7.2%	**2.3%	**142	**28	**500	**7.5%	**4%	**148	65	1,026	8.8%	8.3%	17
AGE_25 - 29	1,248	19,645	8%	100%	100	*44	*997	*15.7%	*5.1%	*195	**22	**418	**10.6%	**2.1%	**132	*43	*797	*11.9%	*4.1%	*148	78	1,631	13.9%	8.3%	17
AGE_30 - 34	1,381	23,073	9.4%	100%	100	61	1,184	18.6%	5.1%	198	*47	*848	*21.4%	*3.7%	*227	65	1,378	20.6%	6%	218	105	1,893	16.2%	8.2%	17
AGE_35 - 39	1,463	20,463	8.4%	100%	100	*57	*954	*15%	*4.7%	*180	*35	*456	*11.5%	*2.2%	*138	66	977	14.6%	4.8%	174	108	1,570	13.4%	7.7%	16
AGE_40 - 44	1,548	19,866	8.1%	100%	100	*59	*864	*13.6%	*4.3%	*167	**25	**301	**7.6%	**1.5%	**94	66	873	13%	4.4%	161	100	1,197	10.2%	6%	12
AGE_45 - 49	1,751	18,658	7.6%	100%	100	*32	*265	*4.2%	*1.4%	*55	*36	*361	*9.1%	*1.9%	*120	*51	*552	*8.2%	*3%	*108	80	868	7.4%	4.7%	9
AGE_50 - 54	2,090	22,351	9.1%	100%	100	*42	*352	*5.5%	*1.6%	*61	**24	**259	**6.5%	**1.2%	**72	*42	*454	*6.8%	*2%	*74	88	843	7.2%	3.8%	7
AGE_55 - 59	2,263	20,780	8.5%	100%	100	**27	**185	**2.9%	**0.9%	**34	**21	**188	**4.8%	**0.9%	**56	*43	*316	*4.7%	*1.5%	*56	*60	*507	*4.3%	*2.4%	*5
AGE_21 - 49	8,373	117,813	48.2%	100%	100	294	4,770	75.1%	4%	156	185	2,797	70.7%	2.4%	147	326	5,160	77.1%	4.4%	160	548	8,345	71.3%	7.1%	14
AGE_25 - 34	2,629	42,718	17.5%	100%	100	105	2,181	34.4%	5.1%	197	69	1,267	32%	3%	183	108	2,175	32.5%	5.1%	186	183	3,524	30.1%	8.2%	17
AGE_25 - 49	7,391	101,704	41.6%	100%	100	253	4,265	67.2%	4.2%	161	165	2,385	60.3%	2.3%	145	291	4,577	68.4%	4.5%	164	471	7,159	61.2%	7%	14
AGE_25 - 54	9,481	124,055	50.7%	100%	100	295	4,617	72.7%	3.7%	143	189	2,644	66.8%	2.1%	132	333	5,031	75.2%	4.1%	148	559	8,002	68.4%	6.5%	13
AGE_30 - 49	6,143	82,059	33.6%	100%	100	209	3,268	51.5%	4%	153	143	1,966	49.7%	2.4%	148	248	3,780	56.5%	4.6%	168	393	5,528	47.2%	6.7%	14
AGE_35 - 44	3,011	40,328	16.5%	100%	100	116	1,819	28.7%	4.5%	174	*60	*757	*19.1%	*1.9%	*116	132	1,850	27.6%	4.6%	168	208	2,767	23.6%	6.9%	14
AGE_35 - 49	4,762	58,986	24.1%	100%	100	148	2,084	32.8%	3.5%	136	96	1,118	28.3%	1.9%	117	183	2,402	35.9%	4.1%	149	288	3,635	31.1%	6.2%	14
AGE_35 - 54	6,852	81,337	33.3%	100%	100	190	2,436	38.4%	3%	115	120	1,377	34.8%	1.7%	105	225	2,856	42.7%	3.5%	128	376	4,478	38.3%	5.5%	14
AGE_35 - 64	11,495	122,977	50.3%	100%	100	237	2,796	44%	2.3%	88	166	1,788	45.2%	1.5%	90	298	3,322	49.6%	2.7%	99	489	5,408	46.2%	4.4%	14
AGE_45 - 54	3,841	41,009	16.8%	100%	100	74	617	9.7%	1.5%	58	*60	*620	*15.7%	*1.5%	*93	93	1,006	15%	2.5%	90	168	1,711	14.6%	4.2%	14
AGE_50+	13,681	114,682	46.9%	100%	100	110	808	12.7%	0.7%	27	105	889	22.5%	0.8%	48	166	1,210	18.1%	1.1%	39	269	2,242	19.2%	2%	4
AGE_55 - 64	4,643	41,640	17%	100%	100	*47	*360	*5.7%	*0.9%	*33	*46	*411	*10.4%	*1%	*61	73	466	7%	1.1%	41	113	930	7.9%	2.2%	4
AGE_55+	11,591	92,331	37.8%	100%	100	68	456	7.2%	0.5%	19	81	630	15.9%	0.7%	42	124	756	11.3%	0.8%	30	181	1,399	12%	1.5%	4
AGE_65+	6,948	50,691	20.7%	100%	100	**21	**96	**1.5%	**0.2%	**7	*35	*219	*5.5%	*0.4%	*27	*51	*290	*4.3%	*0.6%	*21	68	469	4%	0.9%	1
AGE_70+	4,655	34,026	13.9%	100%	100	**7	**47	**0.7%	**0.1%	**5	**21	**155	**3.9%	**0.5%	**28	**29	**113	**1.7%	**0.3%	**12	**31	**289	**2.5%	**0.8%	

Self-Concept and Horror

	MOVIE GNRE- DWNLOADED/STREAMED FRM INTRNT HORROR					MOVIE GNRE- DWNLOADED/STREAMED FRM INTRNT ROMANCE					MOVIE GNRE- DWNLOADED/STREAMED FRM INTRNT SCIENCE FICTION					MOVIE GNRE- DWNLOADED/STREAMED FRM INTRNT THRILLER				
	Sample	Weighted(00)	Vertical %	Horizontal %	Index	Sample	Weighted(00)	Vertical %	Horizontal %	Index	Sample	Weighted(00)	Vertical %	Horizontal %	Index	Sample	Weighted(00)	Vertical %	Horizontal %	Index
Total	447	6,349	100%	2.6%	100	307	3,956	100%	1.6%	100	516	6,691	100%	2.7%	100	876	11,701	100%	4.8%	100
SELF-CONCEPTS - AGREE A LOT_AFFECTIONATE, PASSIONATE, LOVING, ROMANTIC	183	2,659	41.9%	3.4%	131	125	1,635	41.3%	2.1%	129	161	1,842	27.5%	2.4%	86	336	4,482	38.3%	5.7%	105
SELF-CONCEPTS - AGREE A LOT_AMICABLE, AMIABLE, AFFABLE, BENEVOLENT	104	1,524	24%	2.7%	104	97	1,299	32.8%	2.3%	142	124	1,585	23.7%	2.8%	102	205	2,834	24.2%	5%	105
SELF-CONCEPTS - AGREE A LOT_AWKWARD, ABSENT-MINDED, FORGETFUL, CARELESS	*31	*456	*7.2%	*3%	*115	**14	**297	**7.5%	**1.9%	**120	*29	**387	**5.8%	**2.5%	**93	*49	*815	*7%	*5.3%	*111
SELF-CONCEPTS - AGREE A LOT_BRAVE, COURAGEOUS, DARING, ADVENTURESOME	110	1,673	26.4%	3.8%	146	62	823	20.8%	1.9%	115	99	1,117	16.7%	2.5%	92	205	2,990	25.6%	6.8%	142
SELF-CONCEPTS - AGREE A LOT_BROAD-MINDED, OPEN-MINDED, LIBERAL, TOLERANT	141	1,891	29.8%	3%	116	118	1,719	43.5%	2.7%	169	173	2,242	33.5%	3.6%	130	273	3,597	30.7%	5.7%	110
SELF-CONCEPTS - AGREE A LOT_CREATIVE, INVENTIVE, IMAGINATIVE, ARTISTIC	131	1,600	25.2%	2.7%	106	91	1,071	27.1%	1.8%	114	155	1,870	27.9%	3.2%	117	245	3,072	26.3%	5.3%	110
SELF-CONCEPTS - AGREE A LOT_DOMINATING, AUTHORITARIAN, DEMANDING, AGGRESSIVE	*56	*721	*11.4%	*3.3%	*125	*31	*408	*10.3%	*1.8%	*114	*53	*663	*9.9%	*3%	*109	105	1,349	11.5%	6.1%	127
SELF-CONCEPTS - AGREE A LOT_EFFICIENT, ORGANIZED, DILIGENT, THOROUGH	136	1,763	27.8%	2.6%	100	97	1,230	31.1%	1.8%	113	144	1,818	27.2%	2.7%	98	257	3,174	27.1%	4.7%	98
SELF-CONCEPTS - AGREE A LOT_EGOCENTRIC, VAIN, SELF-CENTERED, NARCISSISTIC	**27	*263	**4.1%	**2.2%	**83	**18	**204	**5.2%	**1.7%	**103	*32	*425	*6.4%	*3.5%	*127	*51	*574	*4.9%	*4.7%	*98
SELF-CONCEPTS - AGREE A LOT_FRANK, STRAIGHTFORWARD, OUTSPOKEN, CANDID	114	1,412	22.2%	2.4%	92	86	1,004	25.4%	1.7%	105	138	1,968	29.4%	3.3%	122	238	3,303	28.2%	5.6%	117
SELF-CONCEPTS - AGREE A LOT_FUNNY, HUMOROUS, AMUSING, WITTY	141	2,036	32.1%	3.3%	127	85	1,000	25.3%	1.6%	100	140	1,910	28.5%	3.1%	113	272	4,007	34.2%	6.5%	135
SELF-CONCEPTS - AGREE A LOT_INTELLIGENT, SMART, BRIGHT, WELL-INFORMED	151	2,145	33.8%	2.9%	111	120	1,570	39.7%	2.1%	130	185	2,158	32.3%	2.9%	106	311	4,179	35.7%	5.6%	117
SELF-CONCEPTS - AGREE A LOT_KIND, GOOD-HEARTED, WARMHEARTED, SINCERE	213	2,814	44.3%	2.6%	98	144	1,658	41.9%	1.5%	93	223	2,449	36.6%	2.2%	81	420	5,419	46.3%	4.9%	103
SELF-CONCEPTS - AGREE A LOT_REFINED, GRACIOUS, SOPHISTICATED, DIGNIFIED	77	1,297	20.4%	3.4%	131	*50	*693	*17.5%	*1.8%	*112	90	1,448	21.6%	3.8%	138	148	2,314	19.8%	6%	126
SELF-CONCEPTS - AGREE A LOT_RESERVED, CONSERVATIVE, QUIET, CONVENTIONAL	92	1,265	19.9%	3%	116	*57	*698	*17.6%	*1.7%	*102	94	1,111	16.6%	2.6%	96	167	2,218	19%	5.3%	114
SELF-CONCEPTS - AGREE A LOT_SELF-ASSURED, CONFIDENT, SELF-SUFFICIENT, SECURE	108	1,571	24.7%	2.8%	108	75	906	22.9%	1.6%	100	134	1,590	23.8%	2.8%	104	223	2,905	24.8%	5.2%	109
SELF-CONCEPTS - AGREE A LOT_SOCIABLE, FRIENDLY, CHEERFUL, LIKEABLE	144	1,927	30.4%	2.6%	99	91	890	22.5%	1.2%	73	157	1,798	26.9%	2.4%	87	282	3,710	31.7%	4.9%	103
SELF-CONCEPTS - AGREE A LOT_STUBBORN, HARD-HEADED, HEAD-STRONG, OBSTINATE	76	1,083	17.1%	3%	114	*48	*641	*16.2%	*1.8%	*108	80	1,072	16%	2.9%	107	156	2,161	18.5%	5.9%	124
SELF-CONCEPTS - AGREE A LOT_TENSE, NERVOUS, HIGH-STRUNG, EXCITABLE	*37	*564	*8.9%	*3%	*115	**26	**326	**8.2%	**1.7%	**107	**27	**365	**5.5%	**1.9%	**71	*59	*936	*8%	*5%	*104
SELF-CONCEPTS - AGREE A LOT_TRUSTWORTHY, COMPETENT, RELIABLE	239	3,239	51%	2.5%	95	178	2,173	54.9%	1.7%	103	268	3,066	45.8%	2.3%	86	491	6,585	56.3%	5%	105

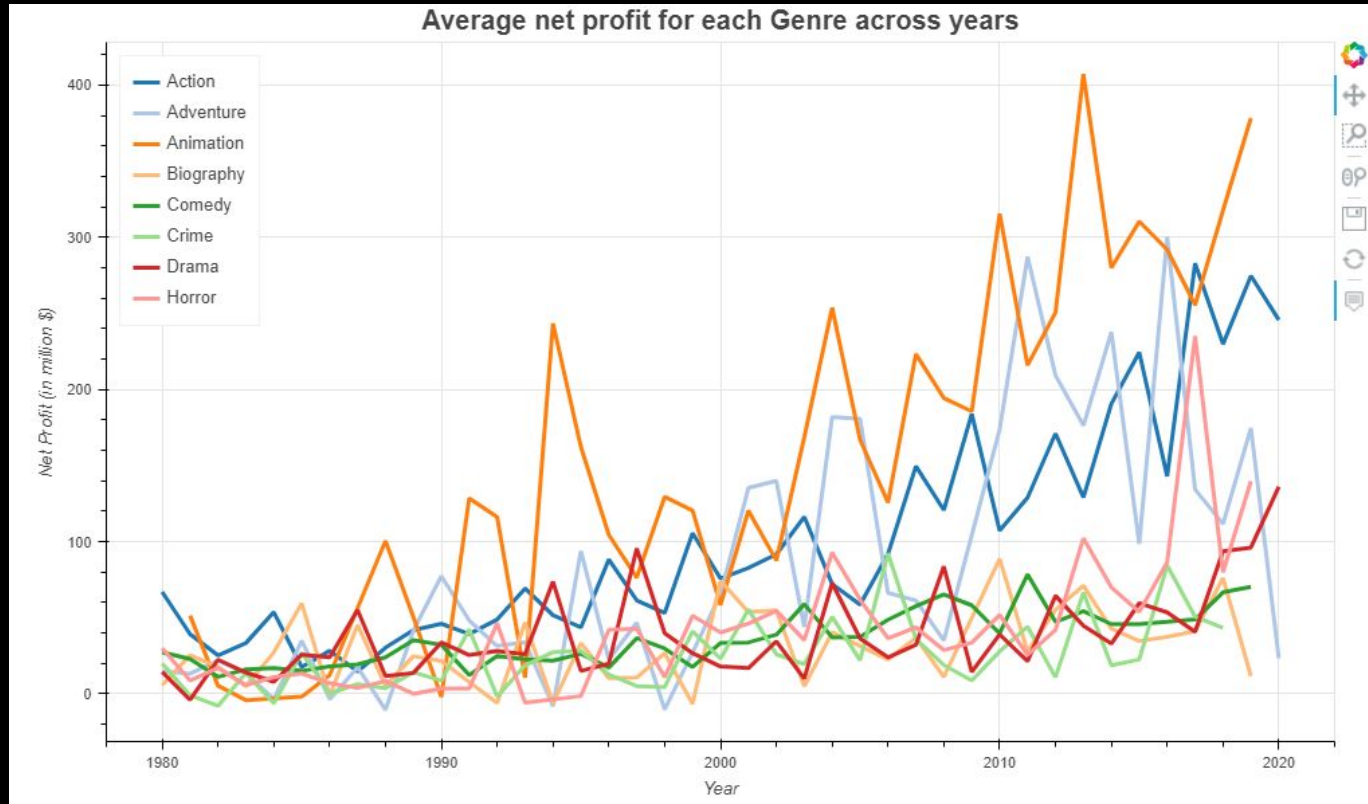Explorer, Lover, Caregiver and Everyman personality are most likely to like the horror genre

Profit and Genre

The horror genre isn't as explored as the other types of genres in the past 40 years.

Count of Movies By Genre from 1980 to 2020

- Comedy 29.3%
- Action 22.2%
- Drama 19.8%
- Crime 7.2%
- Biography 5.8%
- Adventure 5.6%
- Animation 4.4%
- Horror 4.2%
- Others 1.6%

Profit and Genre

Average net profit for each Genre across years

Thank You!

Questions?