



Netflix: Planning for Change

Over the past two years, Netflix has continued to adjust its **strategy** to stay competitive in a crowded streaming market.

Recent **strategic shifts** include:

- Expanding its **ad-supported subscription tier** globally.
- Cracking down on **password sharing** to increase paid users.
- Investing in **live events and sports** to attract new audiences.
- Growing its presence in **Asian and emerging markets**.
- Developing **data and analytics tools** to strengthen advertising and content decisions.

VIDEO



Activity 1 – Strategic Shifts

Question: Which of these shifts do you think is **most important** for Netflix's long-term success? Explain your answer.

Activity 2 – Factors Influencing Change

Question: Identify **some external factors** that might have forced Netflix to make these changes.

Activity 3 – Analysing the Ad-Supported Tier

Netflix's new **ad-supported subscription** plan is cheaper but includes adverts. It's designed to attract price-sensitive customers and increase revenue through advertising.

Question: Imagine you are on the team in Netflix making the decision to push this new strategy. Identify three factors that might **support or drive** this decision for Netflix, and three that might **hold Netflix back** or make it more difficult to succeed.

Follow-Up Discussion (Group Work)

- If you were an **investor or co-owner**, which issue would worry you most and why?
- Could Netflix **strengthen any positive factors** or **reduce the risks** of the negatives?