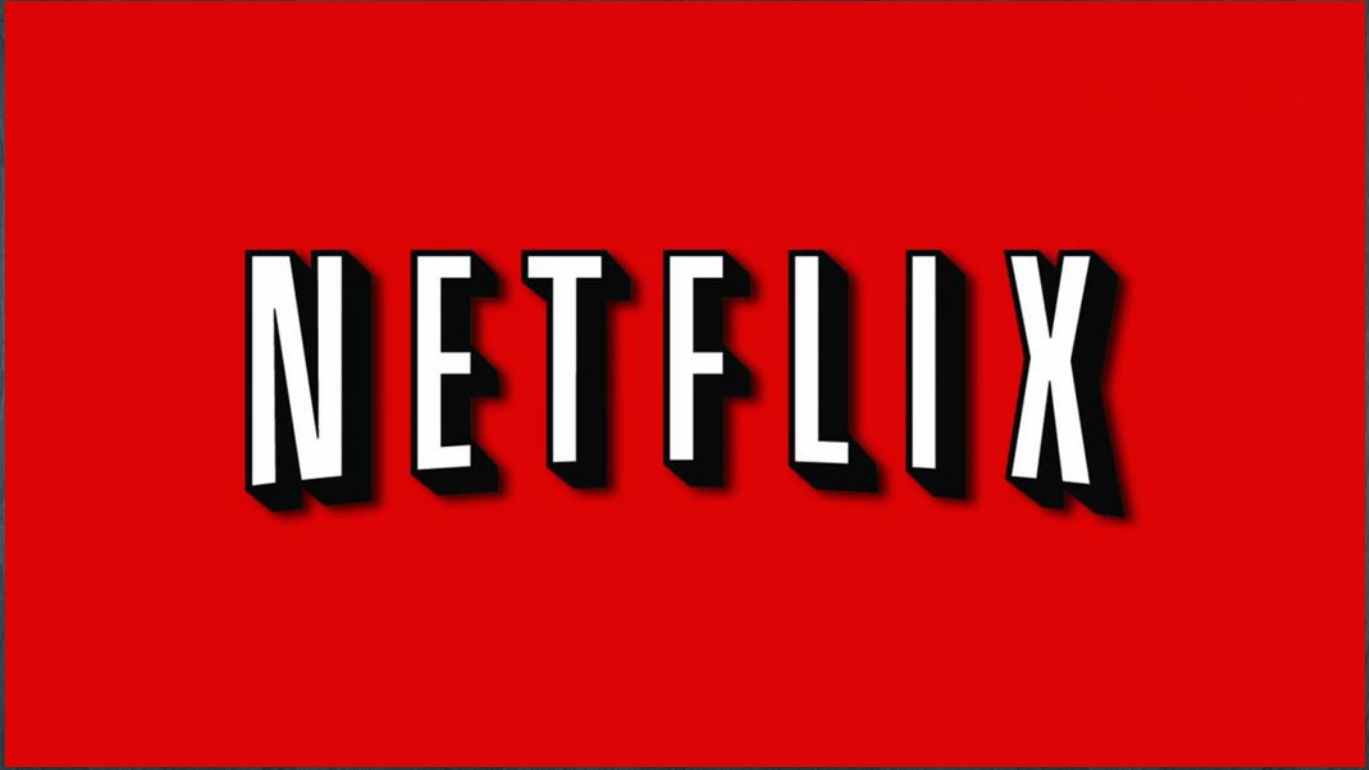


The Netflix logo is centered on a red rectangular background. The word "NETFLIX" is written in a bold, white, sans-serif font. Each letter has a subtle 3D effect with a dark shadow cast to the right and slightly downwards.

NETFLIX

Introduction to Innovation Management

Session IV

Assessment A

July 2022

Team GWYNEDD

Contents

1. Who Are we
2. Solving a new Problem
3. The Impact of “Own” content
4. Culture & Strategy
5. Technology
6. Innovation Matrix
7. Summary

01

Who Are we?

Lee Price – Safran Seats GB

Gareth Frost – Safran Seats GB

History

Where it all began - 1997

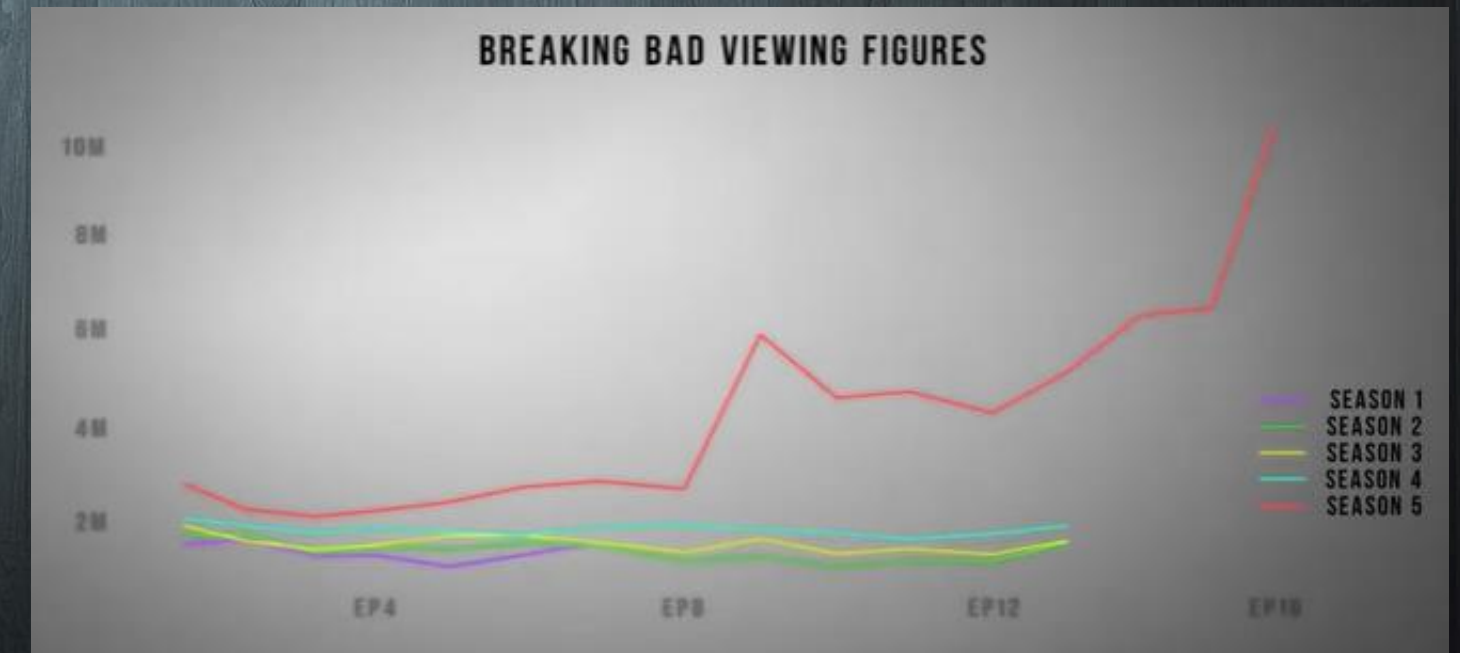


History

1997 – Launch of mail-order DVDs

2007 - With 1 billion delivered DVDs, Netflix extended to internet video on demand

2013 - Netflix introduced binge watching



02

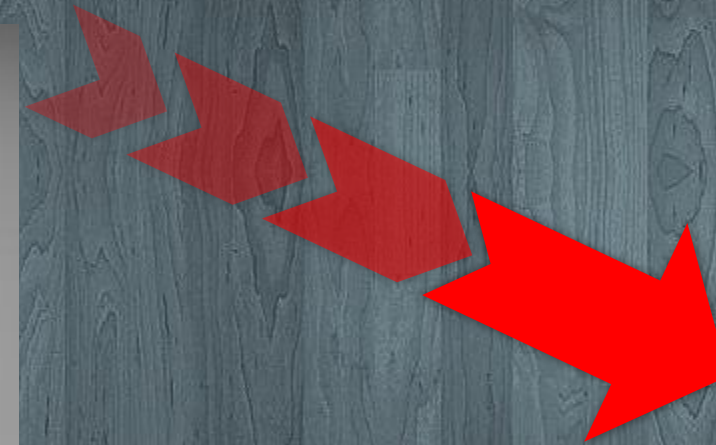
Solving A New Problem

Netflix content and future audience

Background

In 2007 Netflix owned 0% of its content, this meant that they were licensing content from original owners.

However, they were losing their rights to stream content.



Innovation

In 2013 Netflix went from streaming content to creating content.

It all started with House of Cards.

History was about to be re-written as this series went on to be the first Tv program to be Emmy nominated.



2013



Results of Innovation

To date, Netflix has produced over 1000 original shows.

434 awards won including 8 Oscars, 326 Emmy and 27 golden globes.

However, in 2013 Netflix original was no longer alone amazon and others had followed the same process



100 Best Originals

NETFLIX



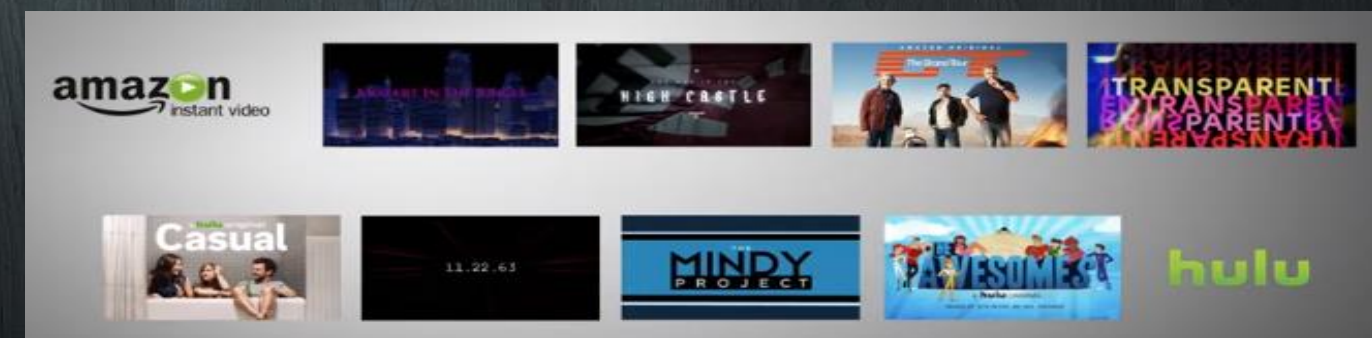
8



326



27



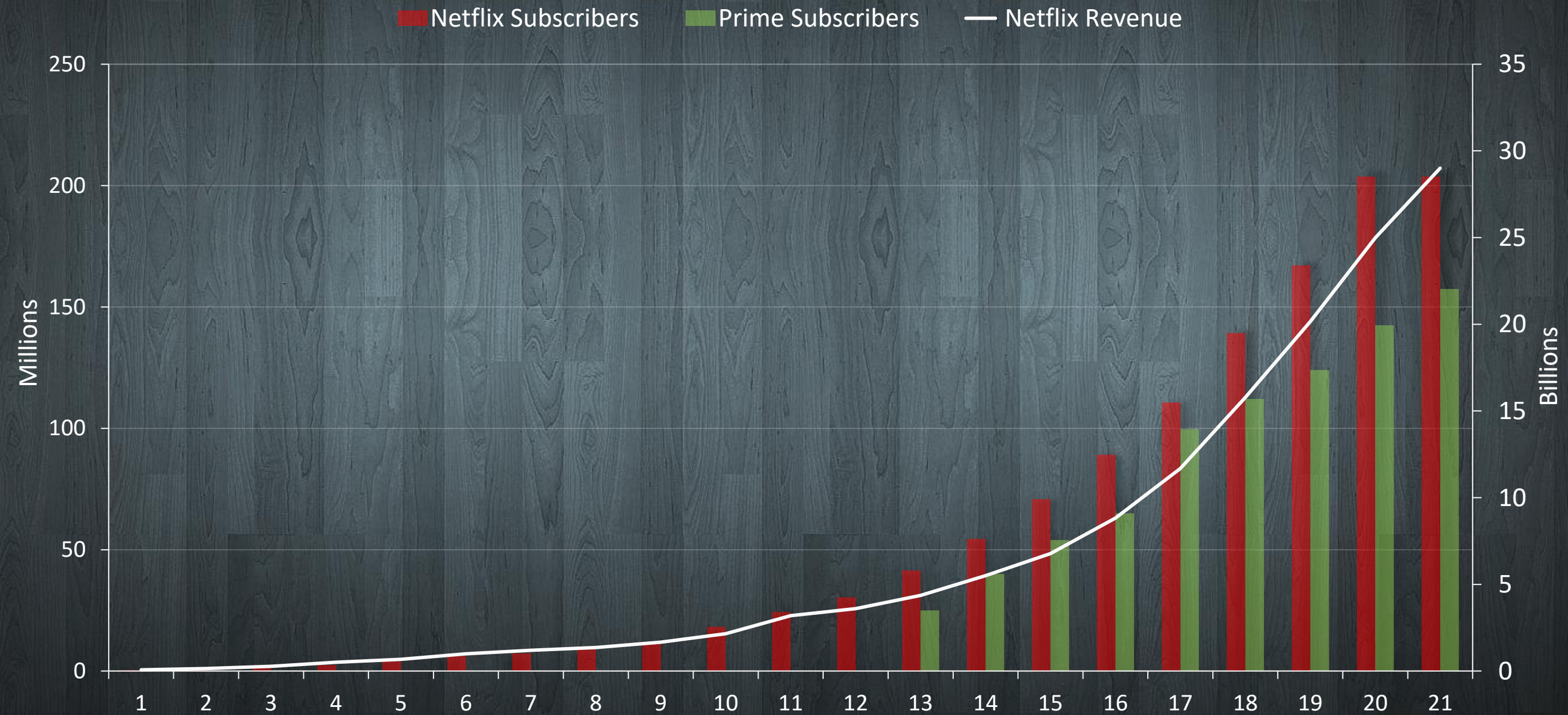
03

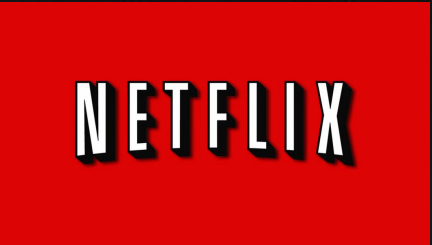
The Impact of “Own” content

How did this innovation change the market position

Key Numbers

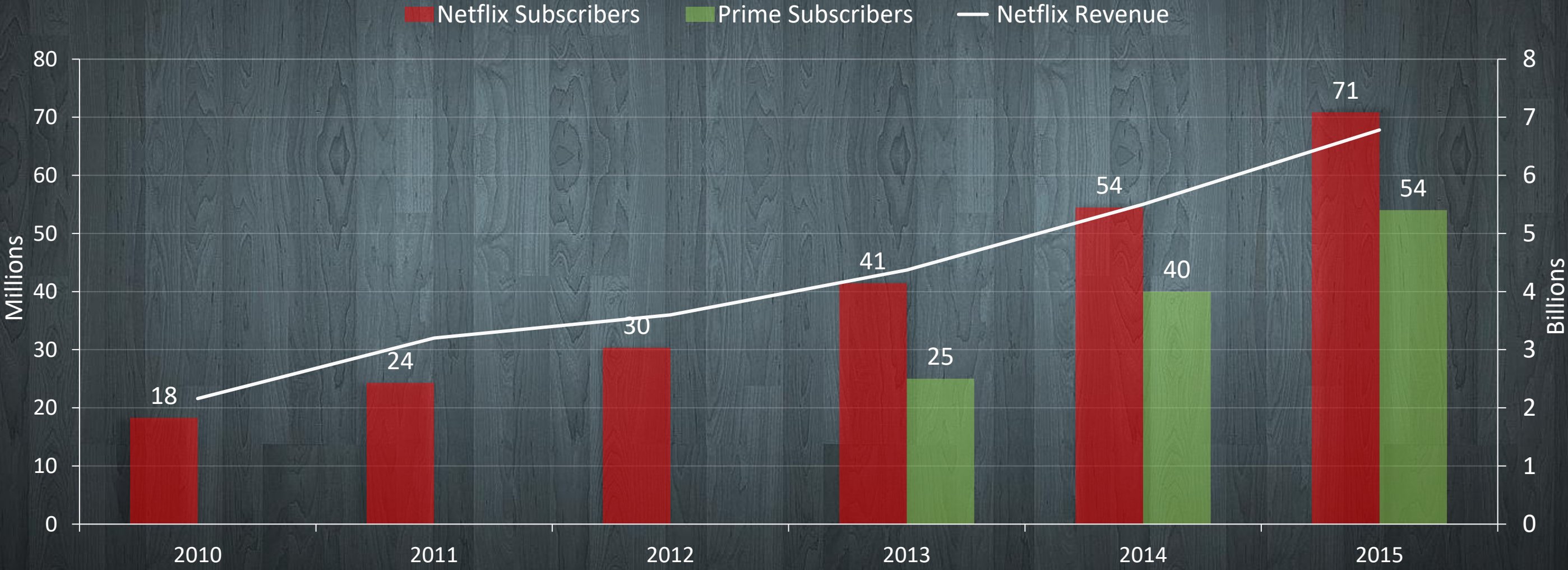
Subscribers Vs Revenue





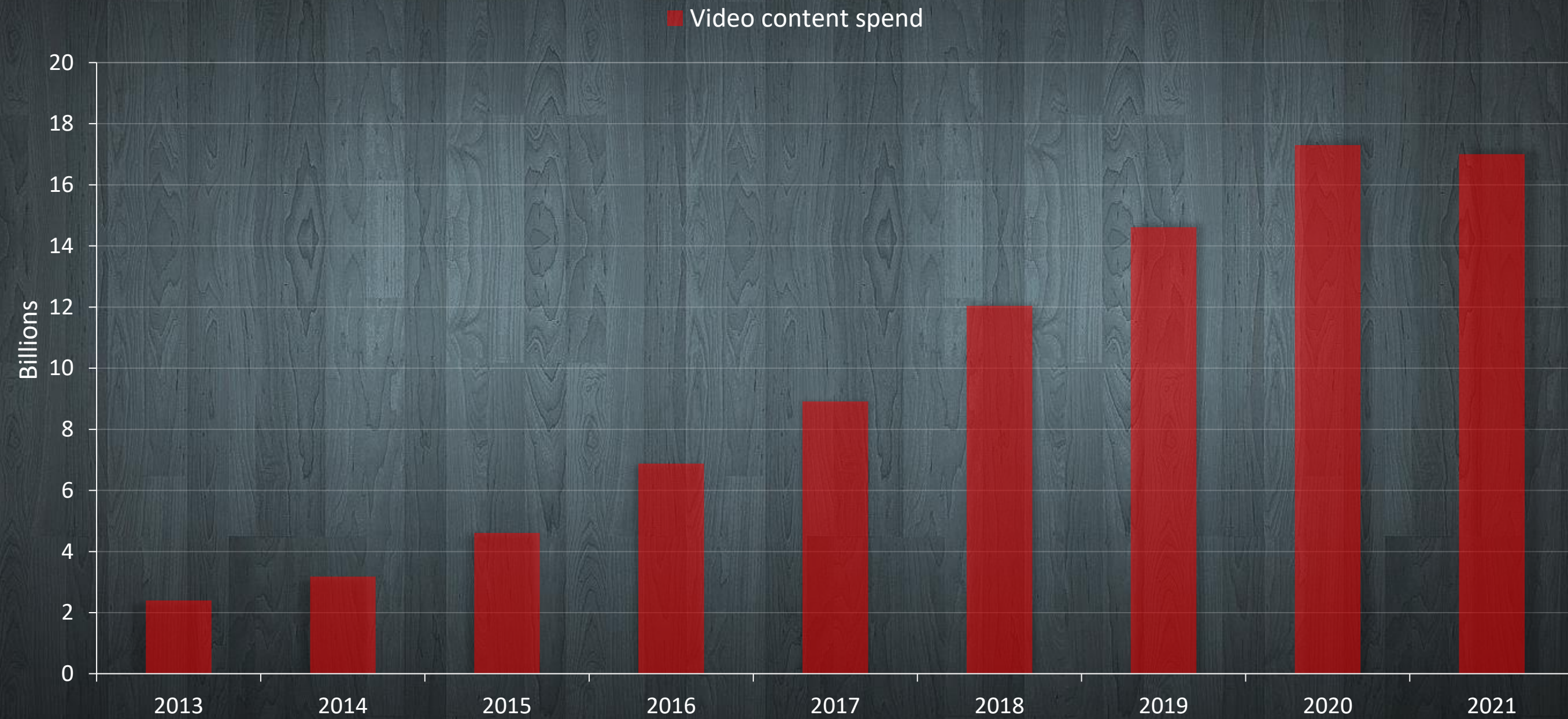
Key Numbers

Innovation influence



Key Numbers

Content Spend



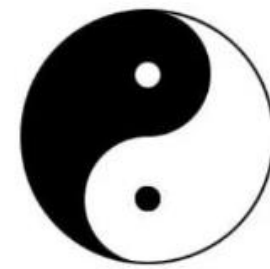
04

Culture & Strategy

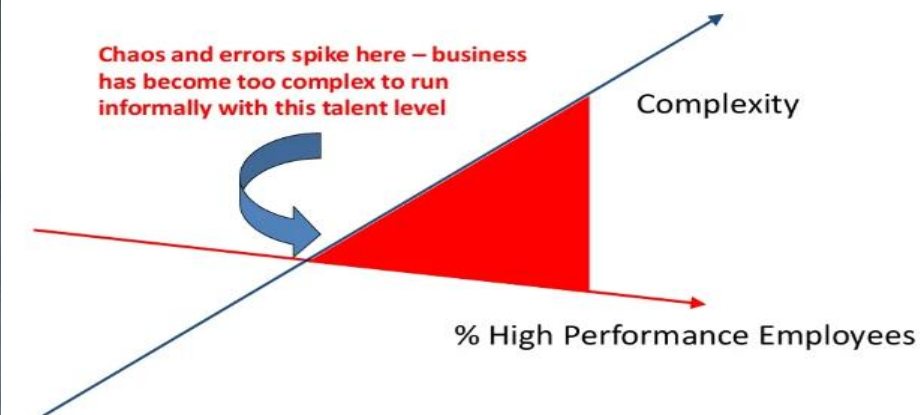
The culture & Strategy of Netflix

Culture and Strategy

Netflix Culture: Freedom & Responsibility



Chaos Emerges



Maintaining High Performance Workforce

1. Hiring and keeping only the best workers—at any cost
2. Promoting candor through constant feedback at all levels as well as organizational transparency
3. Removing controls, such as allotted vacation time and approval processes

05

Technology

Technological Dependencies

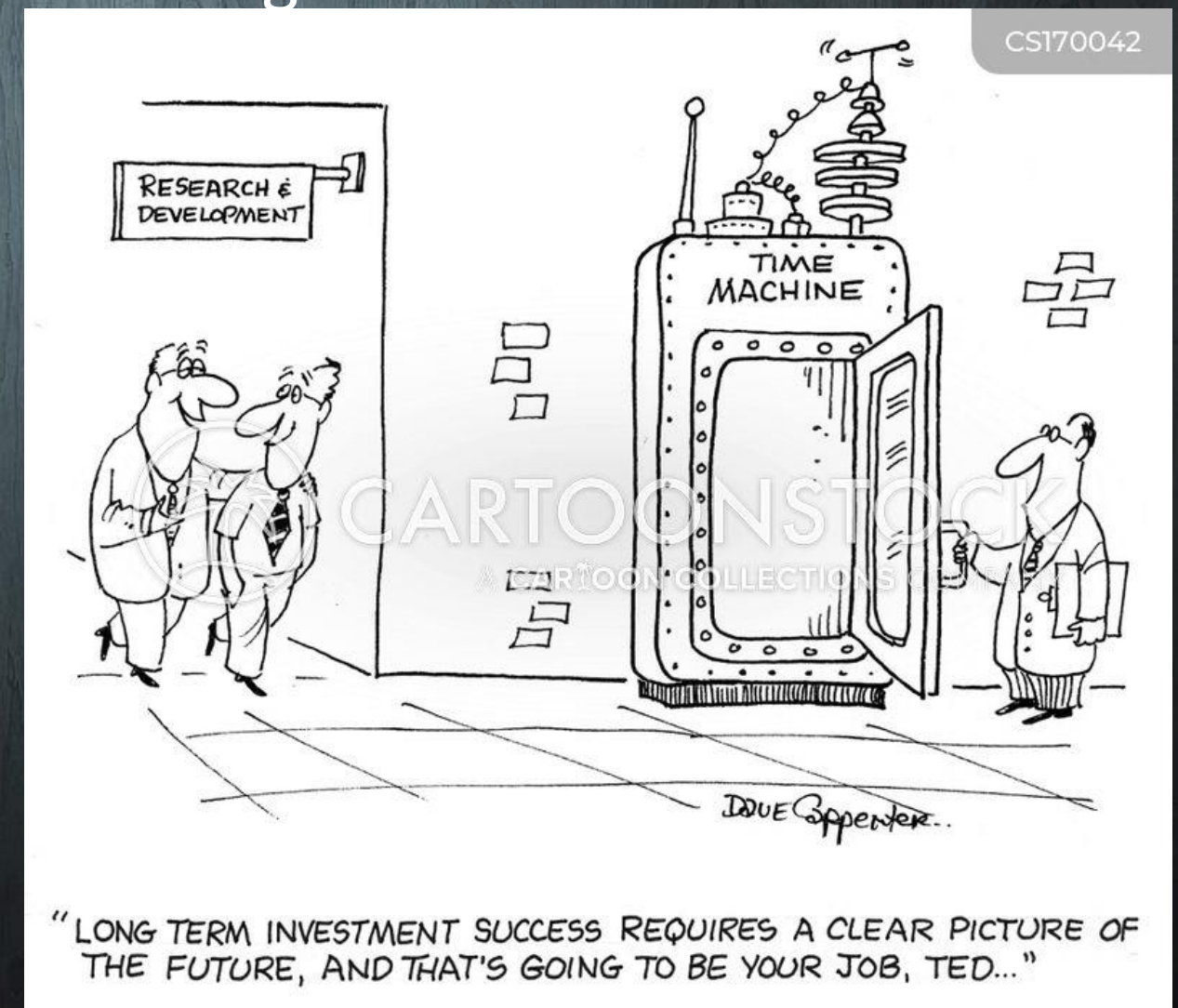
Streaming

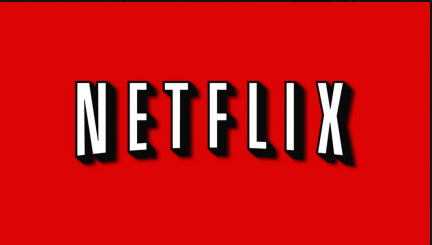
In 2007 streamed content was worse than DVD Quality

Netflix invested \$40 million dollars into R&D around new streaming technologies.

At this point, there was no great appetite for this offering and therefore no competition arose.

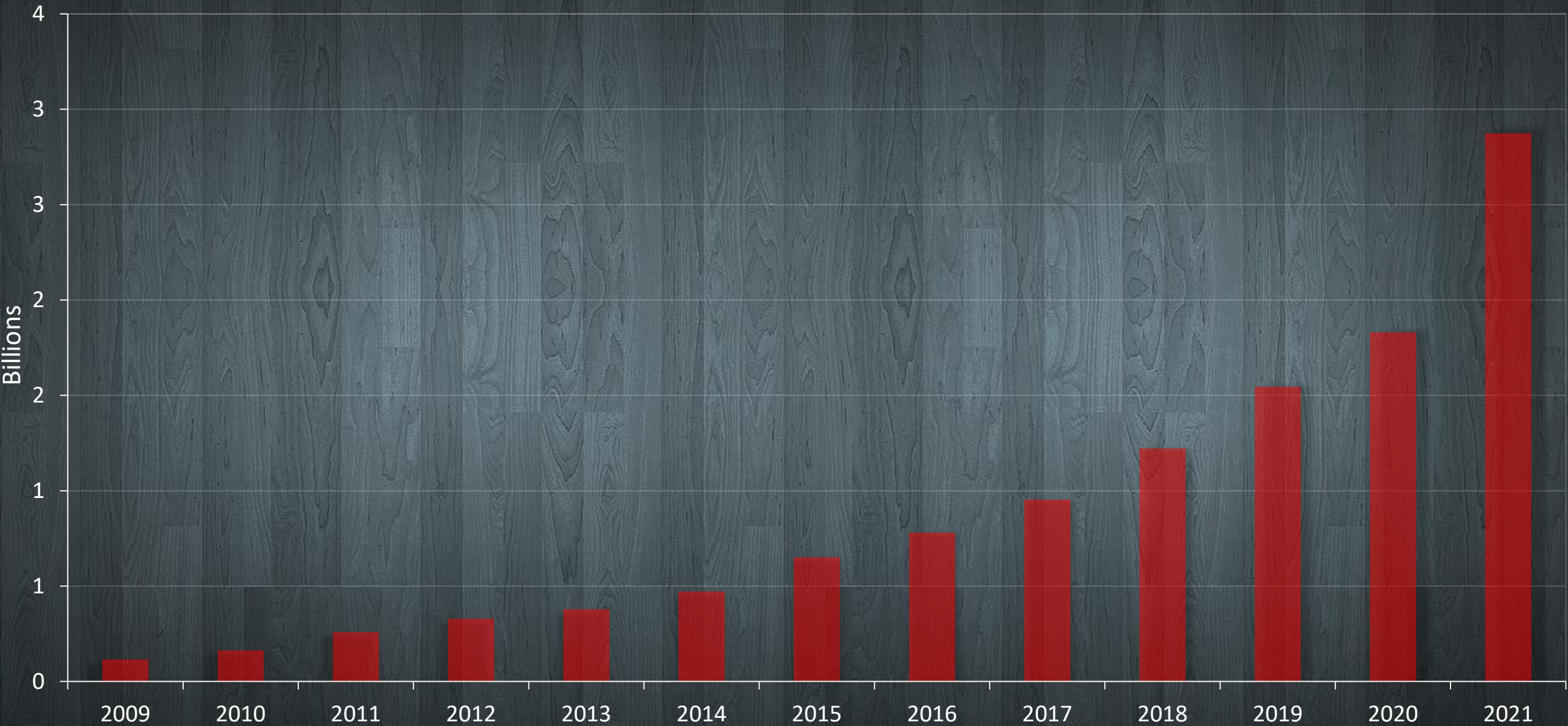
By 2010 Netflix was light years ahead in development over emerging rivals.





Streaming

R & D Spend



06

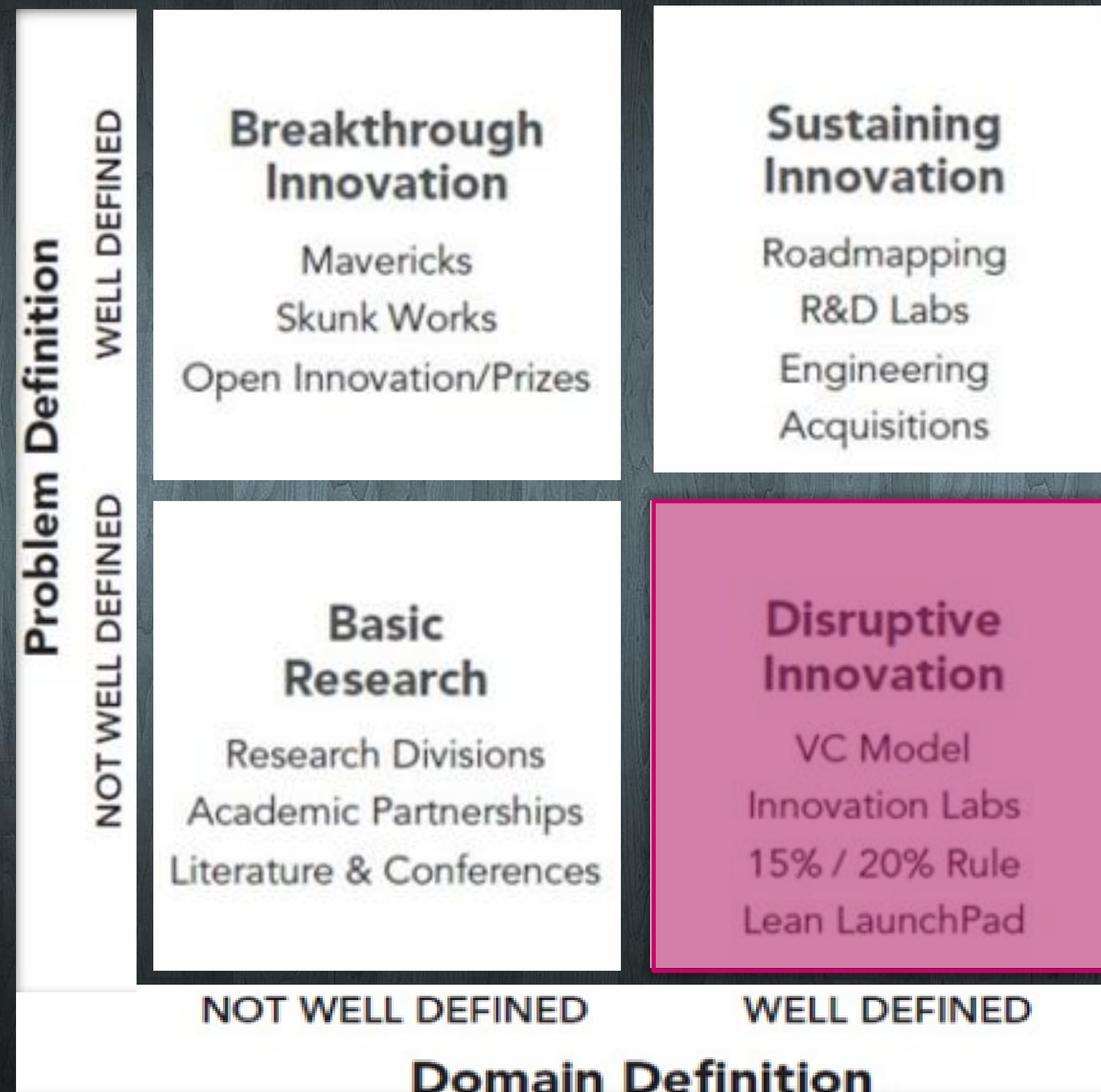
Innovation Matrix

How does Netflix align with Satell

The Netflix Innovation Matrix

- Personalisation
- Viewing platforms
- Film Festivals & prizes

- Viewing Behaviors



- Content creation
- Tech & Development

- DVD Mailing service
- 7 Day rental
- On-demand Streaming
- Binge watching

07

Summary

Contribution and learning Outcomes

Contribution

Both of us contributed equally to the presentation.

This collaboration started from the outset as we bounced ideas around for multiple innovations from vastly different companies. The same process followed as we discussed what Netflix had innovated.

Simply choosing the innovation of streaming was too safe and this is why we dug further. We both went in different directions gathering information and then collaborating as to how the information was shared and what was truly relevant to our topic.

Learning Outcomes

1. The Forwardness of thought required to innovate
2. The clarity of Vision and strategy required to motivate
3. Innovation does not mean success, you will need to keep innovating
4. The management of people and their deliverables



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