


STRATEGIC APPROACH ON DIGITAL PLATFORMS: THE CASES OF NETFLIX, AMAZON HBO

DİJİTAL PLATFORMLARDA STRATEJİK YAKLAŞIMLAR: NETFLİX, AMAZON, HBO ÖRNEKLERİ

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ABSTRACT

With the rapid involvement of the Internet in life, the audience moved away from the ones that are broadcast and remotely controlled, and started to choose among the options that offer options without time constraints. This change in audience preferences, combined with the internet infrastructure, has led to the creation of digital broadcasting platforms and the number of these platforms to increase day by day with the increasing demand. Digital broadcasting platforms, which have reached millions of viewers (subscribers) around the world, have implemented various strategic steps to achieve their own brand values and competitive advantage. With this study, which is about digital platform strategies, examining of Netflix, Amazon and Home Box Office cases was intended.

Keywords: Digital Platform, Netflix, Amazon, Home Box Office, Strategy.

öz

İnternetin gündelik yaşam içerisine hızla nüfus etmesi ile birlikte izleyiciler yayın akışında yer alan ve televizyon kumandası ile sınırlı olan alanlardan uzaklaşarak herhangi bir mekan, zaman kısıtlaması olmadan çoklu seçenekler sunan yeni teknolojik alternatiflere yönelmeye başladılar. İzleyici tercihlerinde oluşan bu değişim internet alt yapısı ile birleşerek dijital yayın platformlarının oluşmasına ve artan talep ile birlikte bu platformların sayılarının günden güne artmasına neden olmuştur. Dünya üzerinde milyonlarca izleyici (abone) sayısına ulaşan dijital yayın platformları kendi marka değerlerini, rekabet üstünlüğü yakalamak için çeşitli stratejik adımları uygulamaya koymuşlardır. Dijital platform stratejilerini konu alan bu çalışma ile Netflix, Amazon ve Home Box Office örnekleri üzerinden inceleme yapılarak pazardaki yaklaşımların anlaşılması ve yorumlanması hedeflendi. Özellikle yeni iletişim teknolojileri ve pazarlama stratejilerinin tasarlanması ve eğilimlerin değerlendirilmesi ile dijital dünyanın dijital pazarları için önemli bir gösterge ve uygulama şekli ortaya konulmaya çalışıldı. Bu alandaki rekabet ve pazar büyümesi birlikte değerlendirildiğinde başarılı stratejilerin etki alanının oldukça yüksek olacağı beklenmektedir.

Anahtar kelimeler: Dijital platform, Netflix, Amazon, HBO, Strateji.

Makale Geliş Tarihi / Receiving Date 4.12.2022

Makale Kabul Tarihi / Acceptance Date 27.12.2022

Derleme Makale/Review Paper

1. INTRODUCTION

While societies are in an endless change, the only thing that does not change in this process is the communication needs of societies (Söğüt, 2020).

The Covid-19 pandemic process, new internet technologies, acceleration of digitalization processes, the preference rates of digital broadcasting platforms have increased and the number of platforms that offer online broadcasting has started to increase day by day. In the last ten years, with the creation of domestic and foreign content such as Netflix, Amazon Prime, Home Box Office, BluTV, Exxen Tv, viewers have moved away from their old watching habits (Gelemet, Aydın, & Çetinkaya, 2022).

With this study, it is aimed to examine the strategies implemented by digital broadcasting platform contents such as Netflix, Amazon and Home Box Office, which provide services in today's network society.

2. NEW COMMUNICATION TECHNOLOGIES

With the Internet, significant changes have occurred in mass media. The contents of communication tools have been affected, the number of users has increased day by day with technology and internet interaction, and the internet has started to become a daily habit in routine life (Aktaş, 2005; Söğüt, 2020). Different ways of thinking have been formed with the habit of using the Internet, and different ways of thinking have paved the way for the formation of different social, economic and social habitual structures within the social structure over time. These structures, which have changed in the historical process, have revealed new consumption dynamics. Changing consumption habits and social dynamism created an opportunity for new developments with computer and internet technologies (Tanyeri Mazıcı & Can, 2021).

The changing world has created new areas of preference among the audience. The act of watching collectively started from movie theatres and continued its journey in homes with television technology. The fact that the audience can pause and continue the watching process whenever they want has made a difference in this process (Erdem & Aytekin, 2021). In the 2000s, DVD and VCD alternatives were offered to the audience to choose from. So much so that the viewers have moved away from the areas in the broadcast stream, which are limited to the television remote control, and have started to prefer digital broadcasting platforms that offer binge, continuous, repetitive and combined viewing alternatives without any space or time restrictions. (Erdem & Aytekin, 2021; Jenner, 2020; Özel, 2015: 15; Söğüt, 2020).

With the increase in infrastructure proficiency levels, the viewer's ability to access different contents in different locations with a single vehicle has begun, and the boundaries between content creators and those who request the content have disappeared. Thanks to the different platforms and contents created, the internet-based viewing experience has gained a strong position against television (Söğüt, 2020).

With Netflix, Home Box Office, Amazon Prime and similar digital platforms, it is possible to get away from the viewing experience that the audience is accustomed to, and to watch the content they want whenever and wherever they want. The independence of individuals from the concepts of place and time has increased the interest in digital platforms. Platforms have increased their interaction with the audience with the reminder, movie selections and language options in their content, and the audience has moved from the passive process to the active process. In this digital change, the audience did not remain just a spectator, but took new descriptive names such as participant and user (Erdem & Aytekin, 2021).

3. MARKETING STRATEGIES

Changes in technology have created the internet revolution, enabling digital platforms to become indispensable for social daily life, causing new marketing strategies to be formed and changing existing strategies. With the new technology revolution, internet users have turned into content producers. In this process, where the interaction rate is high, the fact that individuals can instantly share their thoughts and actions has led brand organizations to move away from classical and conventional strategies and to resort to consumer-oriented methods. Every business has developed efforts such as brand strategies and brand repertoire in the concept of brand architecture in order to differentiate itself from other businesses, to create a competitive advantage and to promote its own products (Altınbaşak et al., 2008; Çakın & Yaman, 2020; Kapfarrer, 2004; Türker; Alizadehfanaeloo, & Demir, 2021).

In this process, digital platform creators providing global services; They started to provide internet-based services with servers such as Netflix, Home Box Office, Amazon Prime. In 1997, Netflix started to offer movie rental services on the internet by Reed Hasting and Marc Randolph. As of 2007, series and movies began to be produced under its own brand. With the start of producing content bearing its own brand, it started to spread rapidly to the countries of the world and as of 2016, it has become a platform that offers services all over the world. As of today, Netflix provides many different television contents services to the audience with the number of subscribers exceeding 140 million in 190 countries (Gülmez, 2019; Söğüt, 2020).

Amazon Prime is a subscription system created in 2005 to provide Amazon users with additional services such as music, video and delivery services. As of 2020, it has become a platform that provides services around the world, together with Turkey. Amazon Prime has over 150 million users as of today (Keyes, 2020).

Home Box Office (HBO) is a television network with a subscription system that can be viewed through internet television by paying a fee. It offers alternatives such as movies, documentaries and serials for the audience. As of 2021, the number of subscribers exceeded 73 million (Stroll, 2022).

The providers of the digital broadcasting platform have carried out several strategic steps. The first of these is that every viewer on the digital platform also affects the algorithms of the platforms as a producer. The audience is constantly followed by the algorithm within the platform, and the suggestions presented with this algorithm are personalized. With the algorithmic method used, users can be guided and offer preferences for the audience's interests (Erdem & Aytakin, 2021; Vitrinel, 2018). This algorithm creates an opportunity for digital platform servers to offer the right content to their subscribers. The Netflix algorithm that follows the audience monitors every second and activity that the subscriber spends on the site. Standing out from other platforms with its algorithm, Netflix has followed and analysed its audience for six years and created new series scenarios according to the preferences of the audience. The algorithm that follows the audience offers continuous suggestions and according to the research, the audience provides access to the content they watch by 80% recommendation (Özel & Özay, 2021; Zengin, 2021).

Different product lines such as TV series, movies, documentaries and children's programs were created on Netflix, Amazon Prime and HBO platforms. While serials are broadcast in weekly and monthly periods, strategic steps have been taken to ensure that all season episodes are broadcast at the same time, and the habit of "over watching" is developed (Anadolu, 2020; Gümüş, 2021; Türker, Alizadehfanaeloo, & Demir, 2021). The ad-free presentation of the content, high image and sound quality also paved the way for the habit of binge-watching to replace the traditional viewing approach (Akıncı & Başer, 2020; Candan, 2020; Özel, 2020). The



movies offered in movie theatres have been created as an alternative to watching them comfortably at home, with a wide variety of options. Series and movies are sorted according to the audience's liking by dividing their genres. Safe viewing options are provided with children's programs (Turker, Alizadehfanaeloo, & Demir, 2021).

Advertising activities for countries were started on platforms spread all over the world. Local advertising strategies were given more importance than global strategies in product promotion. In different world countries with different cultural characteristics, cultural and local images that are specific to each country's own culture were included, popular and famous people in the countries were played in advertisements, a large number of content produced was started to be presented with different language and subtitle alternatives, and the attention of the user was drawn (Gülmez, 2019).

The interfaces of digital platforms have been tried to be simple and options such as enabling more than one user at the same time have been presented. Providing free usage rights to new subscribers for certain periods of time has started to attract users to these platforms. It also offers free and fast shipping, viewer discounts, and e-book archives for one price for Amazon Prime viewers. The offering of different services with low fees attracted the audience (Çakın & Yaman, 2020).

The closure of movie theatres and the crisis, the quarantine of people in their homes with the COVID-19 pandemic, has increased the orientation to digital platforms. There is a stalemate here for the sector and a contradictory situation arises. To evaluate the curiosity and spare time of the audience staying at home (movie, series) needs content, this situation, which can be an important stimulus for the industry, but cannot be translated into production due to the pandemic COVID -19. In this case, digital platforms appear as an important address for postponed films and films in the archive.. The lockdown and social isolation experienced all over the world have increased the demand for digital platforms. So much so that in this process, Netflix increased the number of members more than double the expected value in the first quarter of 2020 and gained 16 million new subscribers, and thus Netflix continued to be at the forefront of its competition with other platforms (Erçelik, 2021). The increase in the time people spend at home has provided an advantage for these platforms (Tanyeri Mazıcı & Can, 2021).

By making a difference from other platforms, Netflix has started to offer the audience an interactive experience with the Black Mirror: Bandersnatch movie. The audience has determined the course of the movie with the alternative orientation choices presented throughout the movie. This is Netflix's interactive accelerated the process of becoming a tool. In addition, mini-series, platform-specific series and mini-documentaries were broadcast on platforms that offer digital broadcasts to increase the number of viewers. So much so that the original productions, especially in Home Box Office, accelerated the process of the audience's preference for this platform (Burroughs, 2018).

4. CONCLUSION AND DISCUSSION

Along with technological developments, changing environmental and world conditions, people's usage habits have also been shaped and people have started to move away from their television watching habits and turn to digital platforms that offer more variety and options. With the new generation watching habits, the audience has been in the attitude of continuing their watching habits regardless of time and place. In this direction, new generation media technology content providers should take various strategic steps to increase their brand values. In this process, content creators should determine their strategic plans in line with their own vision and mission, and the right operational steps should be taken in order to have a say in the world market and increase efficiency. As a following research the business numbers development throughout years of these and maybe additionally some other companies shall be statistically analysed.

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