

CPET 581 E-Commerce & Business Technologies

NETFLIX: The Next Blockbuster?

An Opening Case

References:

- Chapter 6. E-Commerce Marketing Concepts: Social, Mobile, Local, from the text book: *e-Commerce: Business, Technology, and Society*, 8th edition, 2012, by K. C. Laudon and C. G. Traver, publisher Pearson Education Inc.,
- Netflix
- Wall Street Journal
- BusinessWeek

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NETFLIX

- Netflix,
<https://signup.netflix.com/MediaCenter>
 - Company Overview
 - Company Facts, Management, Company Timeline
 - Technologies
 - DVD by mail business
 - Web streaming (far lower cost)
 - Customers
 - Alliances/Supply Chains
 - Competitors
 - Challenges

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- Business Models
 - Values
 - Business environment/Competitors
 - Technologies
 - Customers
 - Alliances/Supply Chains
- Strengths

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Competitors

- Amazon Prime (Web streaming service)
 - \$79 a year
- Dish Network
- Verizon Communication
- Apple Inc
- Google Inc
- Comcast Takes Aim at Netflix, by Sam Schechner, WSJ, Feb. 22, 2012
 - Xfinity Streampix: a new Internet-video subscription service that will compete more directly with online streamer Netflix
 - Comcast' service (\$4.99 a month) vs. Netflix service (\$7.99 a month)

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Case Study Questions

- What alliances did it enter into and why?
- What was its business value proposition to the consumer? What other firms have attempted to use the same value proposition?

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Case Study Questions

- What is Netflix's "recommender system"?
- How does Netflix use data mining?

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Case Study Questions

- How is Netflix adopting new streaming technology to differentiate itself, and fend off competitors like Amazon?
 - Fall 2011 – New Business Models & Mistakes
 - Other Competitive factors that negatively impact the future of Netflix.
 - Lesson learned from Netflix Branding/Marketing Examples

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Recent Netflix Related Articles

- [Netflix Wants Everyone to Know What You're Watching](#), by Eric Engleman, Mar. 1, 2012, (Video Privacy Protection Act and amendment effort)
- [Comcast Takes Aim at Netflix](#), by Sam Schechner, WSJ, Feb. 22, 2012
- [Amazon's Viacom Deal Puts Pressure on Netflix](#), Feb. 8, 2012, by Erik Kaim, Forbes
- [Could Verizon & Redbox Knock Netflix?](#), by Chris Ciaccia, Feb. 7, 2012, Forbes
- [Netflix Streams into U.K., Ireland](#), by Paul Sonne, WSJ, Jan. 10, 2012
- [Netflix Video Streaming Totaled Two Billion Hours](#), by Sen Fox Rubin, WSJ, Jan. 4, 2012

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Summary

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