

# Aiming for reinvention, Apple eyes streaming, services

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Apple CEO Tim Cook is expected to be joined by Hollywood stars on Monday as the tech giant looks for a fresh reinvention for the post-smartphone era

Apple looks to begin a fresh reinvention on Monday as it rolls out Hollywood stars for its new streaming television service, part of a broad

shift of direction for the California technology giant.

Having seen a pullback in the once-sizzling smartphone market, Apple will seek to diversify by getting deeper into the television business, and with the likely launch of a subscription news service.

The iPhone maker, which has officially been mum on its plans, was expected to bring in Jennifer Aniston, Reese Witherspoon and "Star Wars" director J.J. Abrams to a launch event at its Silicon Valley headquarters.

"It seems fairly obvious they are launching a new video service," said Techsponential technology market analyst Avi Greengart.

Big questions to be answered include how compelling content will be; how much the service will cost, and what makes it unique in an increasingly crowded streaming television market, according to the analyst.

"If the content is compelling enough, people will subscribe," Greengart said.

"This is not new, but it is hard to do well."

The event comes with Apple under pressure to diversify its revenues amid sluggish growth in smartphones, which have delivered the bulk of Apple's profits for the past decade.



Reese Witherspoon is expected to be among the stars joining Apple for its

streaming video launch event

While iPhone sales remain enviable, growth has stalled. Meanwhile, money Apple takes in from selling services or [digital content](#) has climbed.

The Cupertino-based company recently stopped disclosing iPhone sales numbers with quarterly earnings releases and has taken to stressing the money-making potential of selling services, apps, music, movies and more to the millions of people using its devices.

The new service will be "a pivotal step for Cupertino in further driving its services flywheel and entering the 'streaming content arms race' which is clearly starting to take form," said Daniel Ives of Wedbush Securities in a research note.

Ives said he believes Apple's services business will be "worth roughly \$400 billion on a standalone basis."

## **Crowded stage**

In streaming, Apple is taking on not just Netflix and Amazon but some of the biggest names in the media-entertainment world.

Walt Disney Co. has announced its new streaming service Disney+ will launch this year, as will another from WarnerMedia, the newly acquired media-entertainment division of AT&T.

The new entrants, with more expected, could launch a formidable challenge to Netflix, which has some 140 million paid subscribers in 190 markets, and to other services such as Amazon and Hulu.

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