

From 'Money Heist' to 'Squid Game': The 'glocal' strategy that keeps Netflix afloat

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Credit: Unsplash/CC0 Public Domain

Money Heist is the most watched Spanish series of all time thanks to Netflix, which launched it internationally after purchasing it from Atresmedia. The last episode premiered in autumn 2021, a few weeks



after the North American company began broadcasting <u>Squid Game</u>, the South Korean series that became the most viewed content on the platform. These successes are no coincidence.

"It's not that a series suddenly greatly appeals to people. It's the result of a meticulous strategy involving recommendations, dubbing, highly engaging marketing, and serving up the content in a thousand ways so that you end up watching it."

That is the explanation given by the researcher and member of the <u>GAME</u> group, Elena Neira, a course instructor in the Faculty of Information and Communication Sciences at the Universitat Oberta de Catalunya (UOC), and the co-author of a <u>research article</u> published in *El Profesional de la información* that focuses on Netflix's "glocal" strategy.

To put it another way, this is the company's commitment to producing and offering non-English-language content created outside the United States. According to the article, series in languages other than English accounted for 38% of the series with the most accumulated viewing hours on the platform in more than fifty countries between June 2021 and December 2022.

The research, co-authored with the UOC faculty members Judith Clares Gavilán and Jordi Sánchez Navarro, focuses on the key factors in the delocalization of the company's productions at a time when, in the wake of the pandemic bubble, Netflix is the only streaming video platform that is not losing money.

According to Neira, who is a specialist in new audiovisual distribution models, Netflix's glocal strategy is a response to the need to be more profitable, since production is much cheaper in Spain or South Korea, for example. This strategy also reinforces its brand image. At the same time, it enables it to comply with the European directive that stipulates



that 30% of the content of catalogs must be created in Europe.

The three UOC experts used the data published by the company on the Netflix Top 10 and Netflix TechBlog websites in order to understand how all this non-English content is produced and broadcast.

This information is not comprehensive, but according to Neira, Netflix is the platform that offers the most information, in an environment in which transparency is conspicuous by its absence. "The platforms are under increasing pressure to be more transparent, because a lack of information leads to an abuse of a dominant position." The researchers also interviewed workers at the company, and used other sources of specialized information.

Big data and meticulous initiatives

According to the authors of the article, Netflix has been able to boost the success of series such as Money Heist and Squid Game thanks, above all, to content indexing and monitoring users' preferences.

"Netflix is not a media company. It's a tech company. Its management already started storing information and learning things back when it was a DVD rental company. When they launched their streaming business in 2007, they had a great deal of <u>information</u>, and they integrated all these technological aspects into their work," Neira said.

In specific terms, Netflix uses its ability to handle <u>big data</u> to determine and successfully classify all the content it offers, as well as its users' tastes. As a result, it offers recommendations aimed at convincing its viewers based on no less than eighty thousand microgenres "that expand people's points of contact with the content," she explained.

"If Netflix knows that you don't like political drama, but you do like



empowered women, it can recommend you watch House of Cards for the second reason," she said by way of an example. Similarly, the platform can recommend non-English-language content to someone for many reasons, based on their viewing history and algorithmic calculations, regardless of where that content has been produced.

"It's like creating revolving doors, in which each person connects with different aspects of the content. And that applies to both US and local content," she concluded.

Furthermore, the success of Netflix's glocal strategy is also due to a series of very meticulous initiatives, on both a global and local scale, to carry out projects, classify audiences and encourage people to talk about its content.

Strengths and weaknesses

"The strength of this glocal strategy is that it has removed the barriers that used to exist in the market and which made it very difficult to buy foreign products," said Neira, who provided the example of the Madrid, which has become the largest Netflix production hub in Europe, and has created many jobs.

However, she pointed out that employment by the platforms is creating job insecurity, and its sustainability is uncertain. "The filming takes place very quickly. We are producing hours and hours of content that has a very short shelf life. Content is increasingly short-lived, and that leaves an economic, personal and environmental footprint."

This type of audiovisual production and consumption also tends to homogenize content, and thereby diminishes the character of what we used to call European cinema. "We are producing a lot here in Spain, but ultimately, we are producing content here with distinctive features that



aren't European in the strict sense of the word," she said. Neira also highlighted what has been termed cultural conformism.

"The active search threshold is lowered considerably. I always tell people that when they decide to watch something on Netflix, they shouldn't decide what they're going to watch in Netflix itself, but instead find out about things first, away from the platform."

In any event, these are not placid times for streaming companies. Netflix is the only one that is not losing money, but it has announced lower levels of investment for this year. Neira's prediction is that "the key to the future lies in looking at the past, trying to make the content more sustainable and longer-lasting." Meanwhile, December sees the premiere of <u>Berlin</u>, the long-awaited prequel to Money Heist.

More information: Elena Neira et al, Standing up to Hollywood: the Netflix glocal strategy for popularising non-English-language series worldwide, *El Profesional de la información* (2023). DOI: 10.3145/epi.2023.jul.09

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