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Pricking the Monster: Netflix and the modification of how and what we watch

Netflix is the world's leading Internet television network with over 69 million members in over 60 countries enjoying more than 100 million hours of TV shows and movies per day, including original series, documentaries and feature films. Members can watch as much as they want, anytime, anywhere, on nearly any Internet-connected screen. Members can play, pause and resume watching, all without commercials or commitments.

- Netflix, *Company Profile* (2015)

Introduction

Established in 1997, Netflix Inc. introduced a subscription-based DVD-by-mail service in 1999, and went public in 2005 at a share price of \$15. In a 2011 policy shift the company announced that they would begin streaming movies via the Internet, in addition to the DVD service. Subscribers revolted, 800,000 of whom dropped the service, already enraged by the unjustified subscription price increase a few months prior. The company was bombarded with a barrage of negative online comments and tweets. The stock plummeted. Whilst CEO Reed Hastings acknowledged that they had made the mistake of “moving too quickly”, he strongly believed that the future lay in streaming over the Internet. (Wingfield) At this stage, Netflix--whose basic plan now sits at \$7.99--has upwards of 69 million subscribers around the world, a figure that is likely to dramatically increase following recent entry into 130 additional territories in January 2016. (Johnson) Crucially, Netflix is no longer just an aggregator of content from various networks and studios, but rather its own provider of quality film and television content.

To date, the impact of Netflix is undeniable and far-reaching. Precisely what this new technology has done, and is continuing to do, to the film and television industries should not go unacknowledged. Namely, one can pose the question, how does Netflix modify not only our cinema and television-watching habits, but also the content that is produced and consumed?

1. Changing Habits and Rituals

An indisputable impact of on-demand Internet streaming media involves concepts of choice, control, and personalization. Ted Sarandos, head of content acquisition for Netflix since 2000, revealed that he used to work in a video store, selecting which films would go on the shelves. By carefully listening to customers' feedback, Sarandos would forecast how popular certain films might be and how many videos the store would need in their inventory. It is evident how such an experience is analogous to the tasks he performs as chief content officer at Netflix, using the consumer as an ever-valuable resource in determining the range of content available for consumption.

As soon as members enter their Netflix homepage, they are presented with a spectrum of choices of what they can watch. This selection is broken down, for the most part, by genre. These categories range from the very standard, for instance, "comedies", to the more niche, such as "courtroom dramas" and "Farsi-language movies." Having a range of content choice is all very well, but people won't care what options Netflix has if it is not meaningful to them, and so the technology strives for a personalized experience for each user. One can thoroughly browse through the selection, genre by genre, in a way that is identical for each member. A customer's home page, however, is carefully curated. Alongside "Documentaries", "British TV Programs" and "Understated Films", sit "Because you watched Pulp Fiction", "Watch It Again", "Continue Watching [Insert Film/TV Program Here]", and "Top Picks for [Insert Name Here]". The business model is clear. If Netflix is creating a unique,

personalized service that is relevant to consumers, they give value back to Netflix by continuing to subscribe and watch via the service.

The concept of consumer choice calls to mind a theory proposed by Chris Anderson, editor-in-chief of *Wired* magazine. In 2004, Anderson published an article entitled *The Long Tail*, which he later expanded into a book of the same name. He discusses how our culture and economy are increasingly shifting away from a focus on a relatively small number of “hits”--namely mainstream products and markets, at the head of the demand curve--and toward a huge number of niches in the tail. “If the 20th century was about hits”, he contends, “the 21st will be equally about misses.” (Anderson) In our culture, as the costs of production and distribution fall, particularly online, there is now less need to lump products and consumers into one-size-fits-all containers. Instead, we are entering a “world of abundance,” as online retailers can stock virtually everything, and the number of available niche products far outnumbers the hits. That is, everyone’s taste departs from the mainstream to some degree, and the economy will be much better off if we explore the plethora of alternatives. Chris Anderson, with his acute emphasis on catering to “what people want”, seems to have anticipated the direction in which Netflix was heading, and their ability to profitably serve niche markets. Roger Smith, writing in *Film Comment*, refers to the highly eclectic Netflix selection as a “near-bottomless cache of catnip for the movie lover.” He presents a “few canapés” of directors to “whet [the reader’s] appetite,” which ranges from Howard Hawks and Federico Fellini to David Gordon Green and John Sayles.

The personalization and mass-customization inherent in the “Long Tail” economy engenders a more individualized experience than previous forms of media spectatorship. Indicative of this is the presence of an individual “Netflix Profile,” meaning that each member of a household can create his or her own personalized account and receive custom recommendations based on their distinct viewing habits. In fact, according to Todd Yellin, Netflix’s vice president of product innovation, approximately “75 percent to 80 percent” of what people watch on the site comes from what Netflix recommends, not what people search for. (Stenovec) This implies that their complex algorithms may be a more accurate estimation of precisely “what people want.”

A key aspect of this recommendation feature is that viewers are presented with something compelling and relevant, which can capture their interest in just a few seconds. The Internet has, certainly, changed the way that we purchase books and consume music, attuning us to having things whenever and wherever we want. For a long period, the consumption of film and television was not really aligned with the generation of such instant gratification, but Netflix challenges the notion that a viewer should have to wait for a television show, their Company Profile asserting how members can watch “as much as they want, anytime, anywhere, on nearly any Internet-connected screen.” There are no time constraints commanding that an audience watch a given show at a given time on a given day. Subscribers may, for instance, watch content at its release, or in the years to come. Ted Sarandos frequently asserts that ignoring your consumers, who often want to watch content instantly and at home, will put you out of business. (Big Shots: Ted Sarandos)

This “instantaneous” aspect has also re-configured the idea of wait-time and playback in regards to audio-visual entertainment, leading to a distinct change of pace when one streams via Netflix, particularly in relation to television. In its serial format, television spreads information out across several senses and across time as well as a regimented time span. With Netflix, the experience can be seamless and instant. Speedy load times have now become a technological norm, which we do not notice until the video breaks down and gives us the dreaded “buffering” sign on our screens. With no air times and advertisements, viewers can watch a television show at whatever pace they please, in turn, setting off this era of “binge-watching.” This is not purely the choice of the lazy and unoccupied, but rather a conscious decision to enjoy a certain number of episodes or seasons in one sitting, experiencing a series as a continuous, condensed, and intense flow of information. The distinct consciousness of binge-watching is part of the new norm in today’s culture reality, as evidenced by the fact that the Collins English Dictionary chose “binge-watch” as its 2015 Word of the Year, following a 200% increase in usage. (Flood)

In this regard, the audience is really in control. Akin to reading a novel, consumers can pick it up when they wish, place it on their side table for a break, or read it all in one go. Viewers can decide exactly how they want a story to evolve for them. This further takes away from the communal experience of watching television, for one will watch a show according to his or her own schedule. This does not necessarily mean that the social community of television-watching is lost with Netflix, but rather that the social aspect and discursive rituals have moved elsewhere, to online forums--BuzzFeed articles and quizzes, and post-viewing

discussions. For instance, the poll “What Is Your Take On The Third Season Of “House of Cards”” is posted on BuzzFeed, and, subsequently, shared and discussed via Facebook, Twitter, and Pinterest.

However, this emergent power and control related to how people consume audiovisual content should not necessarily be understood as an enhancement. There is, evidently, a huge disparity between the all-consuming screen in a movie theater and the comparatively miniscule--often portable--screen at home. In a 1996 essay in *The New York Times* entitled “The Decay of Cinema”, Susan Sontag laments the death of cinephilia. She expresses her longing for an experience now in decline, “of surrender to, of being transported by, what was on the screen.... of going to the movies.” Sontag contends, in order to be fully “kidnapped” and “overwhelmed by the physical presence of the image”, one has to be in a movie theater. This is an experience that the viewer cannot control. The term “kidnapped” connotes an experience of being taken out of your comfortable surroundings, to a place that might be dark and dangerous, forcing you to lose your bearings and inhibitions. You can’t fast-forward through it, and you can’t pause it. The discrepancy between screens also affords a contrasting relationship to the actors. Their images have, in the history of cinema, always dominated us from above, and consumed us. Actors were, integrally, huge faces on a screen and we were tiny members of an audience. The advent of television domesticated the image of the celebrity, making it smaller. Now, we are granted the power to control such stars, for we can turn them on and off at whim. It is apparent, in accordance with Sontag’s contention, that there is something lost in the experience of watching a movie.

By the end of her piece, Sontag asserts that cinema can only be resurrected through a “new kind of cine-love.” Since her piece was written in 1996, Sontag is, obviously, not referencing Netflix, nor does she have Netflix in mind at the time of writing. There is, however, a sense in which we can begin to talk about a “new kind of cine-love”, and how cinephiles can practice their love in tech-savvy ways. Netflix members can easily watch movies that may not have been as readily available to them several years ago, in quick succession, from the comfort of their home. Many aim to replicate the true “cinematic experience” in their homes, turning out the lights and making a bowl of popcorn, which may become a ritual practiced every viewing. The experience of the medium appeals to a broad range of senses, not simply the visual and the auditory, but also the tactile, especially when watching on a laptop or iPad. The unique features of Netflix encourage even casual moviegoers to be more experimental, permitting them entry into the once elite club of movie-theater dwellers. Harvey Weinstein commended collaborator Ted Sarandos at a Cannes Marché du Film panel, asserting the visionary nature of Netflix, in particular the fact that over one million people in America are now watching French language films. Further, Weinstein cites Netflix as responsible for the huge expansion in the documentary film business over recent years. (NEXT: In Conversation with Ted Sarandos)

2. The First Turning Point: *House of Cards*

Harvey Weinstein’s contention, aligned with that of so many others, reminds us that Netflix is not only transforming how we watch film and television, but also

what we watch, and what is currently being produced. After the 2011 subscriber backlash, the company found itself in a vulnerable position. Undeterred, they remained committed to long-term licensing agreements with movie and TV studios. Netflix's recent evolution can, however, be attributed to its creation of original content, and it is the political drama *House of Cards* that launched Netflix's expansion into original programming in 2013. The success of the show gave the media provider the financial credibility and creative potential to spur future content production and subscriber growth.

Netflix's *House of Cards* is an adaptation of a British mini-series of the same name. The drama is set in present day Washington D.C., and surrounds politician Frank Underwood. After he is passed over for appointment as Secretary of State, Underwood concocts an elaborate plan, alongside wife Claire, to get himself into greater positions of political power. The show was developed and produced by Beau Willimon and produced and partially directed by David Fincher and his producing team. At this point, Fincher, Willimon, and Netflix were all new to television, and the estimated \$100 million investment therefore constituted a real risk. But Ted Sarandos had analyzed the wealth of data and identified a market for David Fincher, Kevin Spacey, and political thrillers. (Coyle) In February 2013, all 13 episodes were released at once, crucially, on a platform other than television. To this day, Netflix has released zero information on the show's success, not even to its creator. Willimon stated, "I have no idea how many people have watched the show on Netflix. They have never given me any data. All they say is we're doing well, and would like another season". (*The Hollywood Reporter*) The absence of public ratings

allows a given Netflix series to stand on its own merit, its success not determined by a number relative to another show. The streaming service initially ordered two seasons of *House of Cards*, which, in itself, is uncommon, and the fact that the fourth will be arriving this year is an indication of the show's achievement.

The case for why Netflix constituted the ultimate platform for this television series has much to do with the relative creative freedom that is afforded. In a showrunner's roundtable with *The Hollywood Reporter*, Beau Willimon affirmed how Netflix placed a huge amount of faith in the creative team, telling them, "we want you to make the show that you want to make, and we will support you 100% financially and creatively." Willimon maintains that, to date, they have kept their word on that. Underlying such a proclamation is the idea that Netflix is investing in people's creativity, permitting the talent to do as they desire, resulting in a valuable and unique product. Further, because there is no programming grid, the show does not have to be of a certain duration in order to fit into a given time-block. On television, shows not only have to work, but they have to work according to a time slot, on a particular channel, and, if on network television, according to appropriate subject matter and language. Because Netflix does not have the same restrictions, creators can focus on whether their audience will invest in the characters and the show itself. As compared with filmmaking, in television, writers can generate a dialogue with their actors and directors. Able to observe the actors' movements and motions, they can, in turn, utilize them in the creation of future seasons and episodes. Netflix, to a certain degree, extends this to a strong dialogue with viewers, observing their viewing motions and habits, using data to determine at which

episode they become “hooked” to the season, thus informing future seasons and the story’s progression. Finally, the Netflix format feeds the viewer’s desire to devour several episodes at once, rather than having to wait a week to watch another chapter. Because *House of Cards*’ audience may watch the show one episode at a time, or binge-watch it all at once, the format must work when viewed both ways, much like a novel.

In accordance with the original series, Netflix’s adaptation of the political drama includes instances where Kevin Spacey’s character breaks the fourth wall, addressing his audience. Turning to the camera has not been common in the history of television. Many might reference *Annie Hall* (1977) and *Ferris Bueller’s Day Off* (1986), but the device really has its roots in Shakespeare. Ever-so fittingly, Spacey starred in a global production of *Richard III* prior to the show’s release. (“Richard III’s House of Cards”) The actor himself states of performing the asides, “Instead of thinking that I’m talking to lots and lots of people, I’m talking to my best friend. The person I trust more than anyone.” (Molloy) In general, the asides are far more pedagogical than expository, used not to reveal a tremendous amount of background information, but rather to allow the viewer to peer inside the protagonist’s mind. They implicate the audience in Frank Underwood’s schemes, lending a certain complicity and a tremendous intimacy to those watching in, presumably, an intimate environment. In the first episode of the second season, the only aside comes during the last few minutes. Frank Underwood has just murdered journalist Zoe Barnes, pushing her in front of an oncoming train. The shocking death of one of the show’s protagonists may have left the viewer feeling somewhat

abandoned. Yet, as Frank later stares in the bathroom mirror whilst removing his cufflinks, the slightest shift in his eye-line and the ever-so sly, “You thought I’d forgotten you,” return the audience to familiar territory. The knowing “Welcome back” at the end of the aside acknowledges the format of the show, and its strong relationship with the viewer. It addresses the instantaneous aspect, the personalization, the fact that this is a show for *you*. Further, this “you” is not necessarily limited to a certain demographic or restricted audience. *House of Cards* is the most popular television show in China,--albeit via the service Sohu, the owner of China’s streaming rights--which is evidence that, when given the means, powerful storytelling can travel effectively. (Wan) The intrinsic Shakespeare allusion is hardly surprising given Willimon’s study of theater and playwriting at Columbia University. He recalls reading “every Greek play, Shakespeare, Chekhov, Ibsen.” (CCAA) A *New Yorker* article even identifies the show’s style and tone as “a good dose of “Richard III” spiced with a dash of “Macbeth.” (“Richard III’s House of Cards”)

Further, it goes without saying that *House of Cards* is a show by and about white men. We can, therefore, question whether the Netflix model is actually allowing for greater diversity in terms of voices and representation. The 2014-15 DGA statistics reveal an increase in the number of television episodes directed by white women, from 7.5% to 16%, and by non-white men, from 5% to 7.5%. Still, not a single episode of a series was directed by a non-white woman. (Ryan) Strides have certainly been made since the inception of *House of Cards*. *Orange Is the New Black*, first released in July 2013, and *Unbreakable Kimmy Schmidt*, first released in March 2015, both helmed by women, proudly feature multicultural and LGBT casts. Titus

Burgess, who plays Titus Andromedon on *Unbreakable Kimmy Schmidt*, speaking on a panel titled *A Diversity Revolution: How Non-Network Shows are Shattering Mainstream Norms*, said, “Netflix is synonymous with diversity. Netflix is not beholden to advertising so Netflix can do whatever they want. It’s a different story when you rely on a third party to begin to make your decisions. You make your decision based on who’s paying for this.” (Castillo) In this respect, when advertising no longer exists to target the mainstream audience, multicultural shows have a stronger ability to reach a minority audience. Cindy Holland, vice president of original content, claims that one of the first things Netflix does in planning out a production calendar is sit down with the producers and try to assemble a “really diverse group.” (Ryan) Holland further asserts that Netflix seeks to extend their entire corporate culture to the producing teams they work with. It is evident, via the advent of shows such as *Marco Polo*, and Spanish partnership *Narcos*, that Netflix is supplying to a diverse array of consumer tastes. With strong roots in the innovative Silicon Valley and an already progressive model, the company certainly has the freedom to further push existing boundaries, particularly with regards to their creative collaborators.

3. The Second Turning Point: *Beasts of No Nation*

In a Cannes Marché du Film panel discussion, Ted Sarandos revealed that at the time of the subscription-based company’s inception, 90% of content watched via Netflix were films, and 10% were television shows. Now, just one-third of content viewed are films, and two-thirds are television shows. Given such statistics, and the

fact that people have found original programming to be particularly “relevant,” it is clear why Netflix wanted to bolster the credibility of their original film content division. (Marché du Film) Netflix’s first original television series has, no doubt, transformed the way in which shows are being consumed worldwide, whilst also leaving a lasting impression on the image of the brand. It is, therefore, similarly valuable to consider the degree to which their first original narrative film, released just a few months ago, is impacting both the image of Netflix and the ongoing evolution of the film industry.

Beasts of No Nation, based on the novel by Nigerian author Uzodinma Iweala, was released in October 2015, simultaneously on Netflix and--in collaboration with Bleecker Street--in 31 theaters across the U.S. in one weekend. Netflix paid \$12 million for the \$6 million movie’s distribution rights, meaning the film was nearly complete once Netflix got involved. (*The Hollywood Reporter*) As a result of the simultaneous streaming and theatrical release, the four largest theater chains decided that they would not screen the film. It earned just \$50,699 from its 31 theaters, averaging \$1,635 per screen. By any measure, this is a disappointing result. Netflix, however, which made the film available to all 69 million subscribers around the world in over 50 countries, does not care about theatrical fortunes.

Directed, written, and shot by Cary Fukunaga, *Beasts of No Nation* follows the life of young Agu, who is taken away from his family and forced to fight in a rebel group by a charismatic commandant, played by Idris Elba, during a civil war in an African state. While beautifully shot, it is not necessarily easy to watch, the camera continually entering the brutal action. The story consists of grotesque machete

murders, rape and countless violent deaths, yet it is “grounded horror shown artfully and purposefully.” (Bahr) In an interview with critic Caryn James, Fukunaga maintained that he would not have shot the film any differently, had he known beforehand that the film was going to Netflix, citing the cinematic quality of his television work, notably *True Detective*. (James)

Because of the difficult subject matter and the directness with which it is shot, *Beasts of No Nation* does not seem to be a film that can be observed casually. Yet, the question of why Netflix is serving as the optimal viewing platform can be answered fairly simply. A movie like this would not have survived in theaters alone. Fukunaga first read Uzodinma’s novel several years ago, whilst working on *Sin Nombre* (2009), and was attracted to the story. The production had to be shelved several times because the subject matter was not an easy sell. Focus Features optioned the rights to the novel in 2006, but it wasn’t until Red Crown obtained the rights in 2011, and decided to invest in the film, that the production was set in motion. (Fukunaga) Even once the project was completed, its duration of over two hours was very long for an independent film. Had someone else acquired the worldwide distribution rights, the creators might have been forced to cut the work down. Additionally, with the Netflix deal, a given film is profitable for the producers even before it is released. Netflix purchased *Beasts* at a \$6m premium to the budget, which is certainly a favorable economic model for films that are marketing-challenged. In addition, because the model doesn’t necessarily require that such a movie succeed in the box office, Netflix can be far riskier with the content.

Perhaps where *Beasts of No Nation* most crucially serves as an exemplar for Netflix's potential is in its ability to attract a growing audience from around the world. The opening shot of the film is framed through an empty television. A group of young boys are trying to sell the television set as "imagination TV," performing for potential clients on the other side of the frame. This plays for the audience as somewhat of a knowing gesture, a nod that is obviously coincidental considering the movie was finished before Netflix acquired it. Still, it reminds the audience that most of them will be watching the film on a television, laptop, or iPad. Essentially, this is not the ideal way to watch a movie like this. Fukunaga maintains that he still enjoys seeing films in cinemas--the best way to watch a film--and that, ideally, people would watch his projects on the big screen. (Fukunaga) But, at least people are watching his latest film. Even if the subject is tricky, they can give it a try. Fukunaga asserts, "With Netflix, you have access to 65 million homes to tell a story. People are gripped and watching it to the end who may not have otherwise heard of it. You can reach people in places you would never have been able to reach them, with stories they may not have originally sought out." (Thompson) When Fukunaga began *Sin Nombre*, a story about Mexican gangs and Honduran immigrants, he had originally intended to make a short film. But, he understood that a feature was capable of reaching a wider audience. Netflix offers the fitting platform for a director like Cary Fukunaga who wants his movies to hold cultural significance and relevance.

Writing about the film on October 18th, 2015, Pamela McClintock signs off her piece, "Netflix does not release viewership results for any of its programming." By October 26th, Ted Sarandos broke with his own decree, telling *Deadline* that, in the

first 10 days, the film already had over 3 million views in North America alone. He expanded:

In the first week of release, *Beasts of No Nation* was the most watched movie on Netflix, in every country we operate in. Even Japan, and I'm only calling out Japan because most specialty films don't do very much of their box office outside the U.S. at all, let alone in Japan. Studios have trouble opening those movies in Japan. This was No. 1 in really diverse places in the world – Japan, Brazil, Mexico, places where these films typically never even open. (Fleming Jr., 2015)

The platform is democratizing access to a story that may have been available to only a select audience several years ago, not purely limited to those few who were culturally aware of the film, but also those who had the geographic ability to watch the film. At the time of release, the service was available in approximately 50 countries. On January 6th, 2016, CEO Reed Hastings announced that another 130 countries had just been added, with the notable exception of China, meaning that Netflix subscribers in nearly 200 countries have the means to watch *Beasts of No Nation*, at a time and on a device of their choosing. (Johnson)

It is essential, however, that the theatrical release--even if unsuccessful--qualified the film for awards consideration, and we can speculate that this may have been part of the plan from the outset. Such awards consideration could, in turn, have engendered another theatrical life, and the opportunity for exposure to more eyes and ears. *Beasts of No Nation* was nominated for a Film Independent Spirit Award, two Screen Actors Guild Awards, a Golden Globe, a BAFTA, and won the Marcello

Mastroianni Award at the 72nd Venice International Film Festival. The SAG nomination for ensemble cast comes as most surprising, for such a category tends to be driven by films with casts of well-known actors, while the cast of *Beasts* consists of just three names: Abraham Attah, Kurt Egyiawan, and Idris Elba. (Whipp) Although such accolades did not culminate in a single Oscar nomination--the hashtag #OscarsSoWhite trending for the second year in a row--the fact that other organizations have acknowledged such a demanding film with an unprecedented release model says a great deal about the current orientation of the industry.

4. Disruption or Endurance?

Clearly, in the Netflix model, there is something to be gained and something to be lost. While *Beasts of No Nation* serves a wide audience, the fact that most will view Fukunaga's film on a television set, laptop, or tablet is less than ideal. There exists a significant tension between accessibility and appropriateness. With regards to television, the evolution seems more auspicious, catering both to people's gluttonous desire for rapid consumption and to a more diverse array of voices and stories. Considering the ever-mutating nature of both industries, however, we must consider whether these evolving patterns of experience and distribution represent disruption, or endurance.

Netflix is, integrally, not operating in an industry in isolation. That is, both the film and television industries harbor significant and fruitful collaborators and competitors for the company. Since the advent of their original television programs, Netflix is, increasingly, proving its worth against competing television networks and

cable companies, many of whom continue to supply the service with content. Licensing to Netflix is a significant source of revenue for big media companies, yet the presence of these companies' shows on such a platform seems to be proving detrimental to traditional TV ratings. Notably, subscriptions to the top nine cable companies fell around 1.2 million across 2014. (Kleinman, 2015) Over the recent years, Netflix has received several nominations, and wins, for the Golden Globe awards. This year, however, Netflix surpassed all other networks with 8 nominations, one ahead of HBO, recognition that demonstrates the indisputable success of their original content division. (McFarland) Further, in the U.S., 50 percent of households have Netflix, a breakthrough that Reed Hastings stated took the cable industry more than 20 years to reach. (Johnson)

Netflix changed the rules with television, for the release of an entire series at once never would have been permitted on network television, and they are proving they can similarly rattle film release conventions. The bold day-and-date release of *Beasts of No Nation* could be opening the door for future releases of this kind, not just for original film acquisition, but also original film production. In an NPR interview, movie consumer analyst Vincent Bruzzese forecast the future movements of the major studios:

Netflix is kind of the guinea pig here prodding the exhibitors, trying to force the issue. Paramount, Universal, Sony – they can just sit back and wait. And in the moment the exhibitors give in, they're going to take full advantage of it. But they're not the one pricking the monster right now. They're just sitting back and waiting.

Netflix's Silicon Valley-bred progressiveness situates the company at the forefront of industry change, liberating subscribers from lengthy windows between theatrical and streaming release. This is not to say, however, that Netflix and its original content division is eclipsing that of the studios, no longer necessitating collaboration. A number of companies, such as TWC, Disney, Dreamworks Animation, and Twentieth Century Fox Television have agreed to multi-year, exclusive streaming deals with Netflix. (Lewis) The streaming service, therefore, still depends on the studios and production companies to supply them with content so that they may present their customers with a sheer range of options. In an unusual set of circumstances, Netflix acquired *The Interview* in 2015 just thirty days after--in the wake of terror threats--Sony Pictures pulled the film from theaters. ("The Interview to Be Shown on Netflix") The film could have been a major financial disaster, but Netflix stepped in with its model for profitability in another release window. Furthermore, it can be argued that Netflix does not directly compete with theater exhibitors, quite simply because they are not offering the same experience. Watching a film in a movie theater cannot be so precisely compared to watching a film at home. If, for instance, you are planning a date night out, then your plan is to leave the house. Screening a film at home, whatever it may be, will not fulfill that need. Conversely, if--after an exhausting and lengthy week--you want to watch a film before bed, the alternative would not have been to go out and pay for a movie theater ticket.

In this respect, potentially Netflix's biggest rival is the pervasiveness of piracy. Within the first 24 hours of the *House of Cards* Season 3 release there were

681,889 illegal downloads worldwide. (Spangler) In five of the top ten countries for pirates, the Netflix service is currently unavailable, which indicates two parallel trends. First, there is a global need for online streaming services supplying quality storytelling content, such that residents of countries without the service are finding means of access. Second, even in countries where Netflix exists, there is a propensity for people to illegally download the television shows. The United States, for instance, ranked second of the top 10 pirating countries. (Spangler) Interestingly, statistics released by the IP Awareness Foundation show that online piracy in Australia has decreased since Netflix was made available in the country. IP Awareness Executive Director Lori Flekser attributes the fall in piracy to the government's new legislation, but also "the ongoing efforts of the creative industries to continue delivering great content at accessible prices to Australian producers." (IP Awareness Foundation) Whilst, in part, the piracy decline may be attributed to Netflix, it's difficult to ascribe such a cause to the apparent correlation. The reasons one would pirate audio-visual content boil down to ease and cost. Netflix needs to readily provide a product that consumers are willing to pay for, despite the fact that people can acquire it very easily illegally. They need to be superior to "free". At the moment, Netflix's low subscription cost, relative to cable and regular theater tickets at least, places them in a fairly stable position. But, since they have already experienced the detrimental effect of an unpopular price increase on membership, maintaining both an equitable price and compelling enough content seems integral for growth, if not survival.

Netflix must now also compete with other streaming services that are jumping on the original programming bandwagon. Aside from Yahoo! and Hulu, another industry player that is growing in relevance is Amazon Studios, the \$74 billion e-commerce giant's original content division. They, similarly, rely heavily on feedback from their consumers to determine what content gets produced and offered. Amazon's method of choosing shows even asks its customers to decide which of its original series pilots they should pick up for full seasons, quite the contrary to Netflix's two season order of *House of Cards*. Roy Price, director of the company, asserts that this affords Amazon "the freedom to become a little more ambitious." (Bishop) Currently, Amazon is available only in a few countries, but its competitive pricing scheme, free with Amazon Prime, has the potential to draw customers away from Netflix. The burgeoning service ended up beating Netflix to take home two Golden Globe awards for *Mozart in the Jungle* in January 2016, an indication that Amazon is certainly a streaming competitor to be concerned about. (Goldberg) Still, now the playing field for the exhibition of shows and films is so diverse -- a show need not attract a certain number of people at a certain time -- that there is more of an emphasis on what is the best content that each can create. Rather than who can poach viewers from the other, the understanding is, as Roy Price contends, "if you both make great shows people will probably watch them both." (Lapowsky)

Ted Sarandos, not surprisingly, believes that Netflix can sustain the existing models of film and television. Even if theater owners and cable companies command a lesser percentage of each business, he claims that it will be a larger business.

Sarandos' vision of the future returns us to aforementioned discussions of modifications in our viewing habits, for he asserts that "expansion of choice" will be at the forefront of industry change. (Marché du Film) Correspondingly, in an address at the James MacTaggart Memorial Lecture, Kevin Spacey urged TV channels to give more control to viewers. He contends *House of Cards* demonstrated that they "have learned the lesson the music industry didn't learn... give people what they want, when they want it, in the form they want it, at a reasonable price, and they'll more likely pay for it rather than steal it." ("Kevin Spacey: TV audiences 'want to binge'") Today there exists such an array of platforms on which to watch a diverse selection of film and television content, though we can speculate whether too much choice might dilute the quality of what is on offer, or, as behavioral economics would dictate, might result in less-optimal decisions made by the overwhelmed consumer.

Conclusion

According to Netflix's data, Adam Sandler films receive some of the highest repeat viewing figures on the service, leading Netflix to sign a four-picture deal with the writer and actor in 2014. The first installment, *The Ridiculous 6*, released in December 2015, received scathing reviews. Matt Fowler of IGN Entertainment described the film as "an overly-dumb, obvious, often lazy, obtusely offensive Wild West farce." It is, however, evident that Sandler does draw a wide, global audience. It was the most-watched movie on the platform in the first 30 days of availability. It was also No.1 in every territory where the service operates, though it is worth noting that Netflix's original programming is more widely available than its licensed

content. (Fleming Jr, 2016) The company attributes much of its success to the algorithms. The streaming service knows how to read each and every subscriber, right down to the discrepancy between what an individual gives five-star ratings, and what he or she actually continues to watch. (Kleinman, 2013) Essentially, no matter how sophisticated members believe their tastes to be, Netflix knows what they're really itching to watch after a long day, and therefore recommends it to them. The vast majority of people don't watch movies because they are culturally relevant or critically acclaimed, but because they want to escape certain realities. In relation to subject matter and audience, *The Ridiculous 6* would appear to fall at the opposite end of the spectrum to *Beasts of No Nation*, a film that is socially impactful and visually stunning, and that critics contend should be part of our conversation. Fukunaga's work was not algorithmically determined to be successful, but fortunately it was, showcasing the platform's unique potential to draw a wide audience to a cinematic gem that may not have otherwise been financed and sold. The fact that the service can cater to both should be heralded, and serves as a potential paradigm of this "new kind of cine-love". (Sontag) The only danger is if a critically slated film like Sandler's comes at the expense of future added subscribers, or even current subscribers, potentially tarnishing the image of Netflix as a champion of smaller, quirkier, and less traditionally mainstream material. Specifically, we can question whether such a film adds value to the service as a whole, or has the opposite effect. But if Chris Anderson is accurate in his estimations, the "niche" *Beasts of No Nations* should far outnumber the "hit" *Ridiculous 6's*.

It is abundantly clear that the distance between creators and consumers is closing. Even if, as Susan Sontag might contend, choice and control are antithetic to the true cinematic experience, they seem to be inescapable components of our current consumption habits. In relation to both film and television viewing, Netflix is adaptable, freeing the consumer from someone else's prescription of time and space, housing an eclectic variety of genres, and allowing for unique stories and voices that may not have otherwise received the financing to emerge. The question still remains, however, whether Netflix can legitimately work with movie theaters and cable companies, and whether theatrical and streaming can exist side by side. Sarandos' assertion of industry growth and expansion of consumer choice is all very well, but if theater chains continue to view Netflix as a genuine threat, boycotting their original films, such an outlook does not seem likely. Furthermore, now that the company has executed its mass international expansion, sustained growth remains dubious. Netflix plan to spend \$500 million on original content in the next year, but as time goes on, how many new customers will they be able to tap to pay for it all? Further, individuals who can play, pause, and resume watching anytime and anywhere can just as easily cancel their Netflix subscription with the click of a button, should that be their preference. Only time will tell whether "pricking the monster" will be able to modify both industries as a whole, and whether Netflix's long-term survival is guaranteed.

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