

Work Project, presented as part of the requirements for the Award of a Master's degree in Management from the Nova School of Business and Economics.

VIDEO STREAMING INDUSTRY: HOW CAN STREAMING VIDEO COMPANIES BOOST CUSTOMER RE-PURCHASE INTENTION WITHIN PORTUGAL?

RÚBEN ALEXANDRE SANTOS

Work project carried out under the supervision of:

Professor Daniela Schmitt

16-01-2024

Abstract

The burgeoning expansion of video streaming has profoundly disrupted traditional television. A compelling topic emerges as the industry undergoes dynamic transformations, and understanding customer repurchase intention is vital for sustained business success. Focused on Portugal, the research investigates strategies for enhancing repurchase intention among five prominent brands – Netflix, HBO Max, Disney +, Amazon Prime Video, and Apple TV +. To perform this study, some preliminary interviews were conducted, followed by two analytical approaches, conjoint and perceptual maps analysis, delineating preferences, and perceptions regarding the aforementioned brands. Additionally, it emphasized attributes such as shows virality, with potential dispersion in preferences mitigated through strategic technological innovation.

Keywords

Video Streaming Industry, Platforms, Re-purchase Intention, Preliminary Interviews, Customers' Preferences, Customers' Perceptions, Attributes, Marketing Research, Portugal

This work used infrastructure and resources funded by Fundação para a Ciência e a Tecnologia (UID/ECO/00124/2013, UID/ECO/00124/2019 and Social Sciences DataLab, Project 22209), POR Lisboa (LISBOA-01-0145-FEDER-007722 and Social Sciences DataLab, Project 22209) and POR Norte (Social Sciences DataLab, Project 22209).

Table of Content

- 1. Introduction 3**
- 2. Contextual Background 7**
 - 2.1. Defining the market 7
 - 2.2. Defining the platforms 10
 - 2.3. Business models 13
- 3. Preliminary Interviews 24**
- 4. Conjoint analysis 27**
 - 4.1. Survey 27
 - 4.2. Methodology 28
 - 4.3. Attributes and levels 29
- 5. Perceptual maps 31**
 - 5.1. Survey 31
 - 5.2. Methodology 33
 - 5.3. Attributes 34
- 6. Furthe Analysis on Virality of Shows 38**
- 7. Conclusions 49**
 - 7.1. Discussion 49
 - 7.2. Managerial Implications 59
 - 7.3. Limitations and Implications for Future Research 69
- References 75**
- Appendix 90**

1. Introduction

The landscape of viewing habits has undergone profound changes in recent years, witnessing a notable decline in traditional television. Emerging as the future of content consumptions, streaming platforms encounter challenges such as customer diminished purchasing power and intensified market competition, posing difficulties in sustaining subscriber loyalty. Our motivation lies in comprehending customer preferences and perceptions to foster re-purchase intention to streaming video companies, with a specific focus on Portugal. This region garners significance due to its unique socio-cultural and economic context, its increasing development over the past years, and our proximity to the Portuguese community. Furthermore, it may offer insights to similar international contexts.

Approaching this topic entails a comprehensive exploration of the complex interplay between technological advancements, social dynamics, economic paradigms, and individual experiences, exploring how they redefine the industry. Moreover, a careful examination of societal implications becomes imperative, enclosing concerns of digital equity and access. However, succeeding in today's competitive market might pose as a challenge, since video streaming service providers need to put customers at the centre of their scope to optimize how they attract, engage, and retain them (Douin, 2023).

The rapid growth of the Internet has increased opportunities for marketing and has transformed the relationship between a company and its customers (Ngai et al., 2009). A data-driven approach to customer value management drives better business performance and helps video streaming companies to acquire subscribers' profitability while keeping them engaged, boosting their re-purchase intentions (Douin, 2023). It enables real-time subscriber insights and functions as one of the most proactive customer retention techniques (Harrison, 2023). Moreover, the increasing usage of artificial intelligence (AI) tools in understanding customer behaviour resurges as a notable trend. These AI tools are becoming expert in understanding

Group Part

customers, prompting the need to translate insights into actionable strategies (Garfield, 2023). In fact, the usage of these costly tools is already verified upon the price of the streaming platforms since subscription prices are already increasing. Portugal is not an exception, and video streaming companies are justifying price increases not only due to inflation, but also due to investments in innovation and service improvements regarding user experience.

Constant service innovation and update is crucial in the dynamic landscape of streaming platforms. However, new challenges are surging every day. It is of great importance to recognize that the pursuit of excellence in one attribute may lead customers to reassess the value of another: an expansive library of movies and series available might present an exhaustive search for customers who do not want to spend much time navigating to find the right content to watch, for example. Therefore, achieving an optimal equilibrium, by getting the right customers, understanding what enables to engage them and keep them subscribing, and finding a middle ground between the supply and demand sides is determinant in reducing churn, and led us to the following research question: *“How can video streaming companies boost customer re-purchase intention in Portugal?”*

The research aims to understand how video streaming companies can clarify their strategies to increase customer re-purchase intention within the Portuguese market. It will allow for important information collection that seeks to grant companies with insights essential for navigating the highly competitive market of the streaming industry and aligning their services with the ever-evolving needs and preferences of their customers. Beyond addressing the primary research question, the project aims to provide comprehensive responses to auxiliary questions concerning the determinant factors influencing customer satisfaction and loyalty within the realm of video streaming platforms. Additionally, the research investigates more deeply into the path through which these platforms can enhance their services, fostering customer re-purchase intention.

Group Part

While the use of streaming services in Portugal has witnessed substantial growth in the past few years, particularly accelerated by the circumstances prompted by the 2019 pandemic, there was a notable decline in 2022 that may be revealing new market concerns. Projections suggest that this upward trend will stagnate, with anticipated growth deceleration until 2027 (Statista, 2023). Therefore, it becomes important to explore strategies not only for capturing new customers, but also for retaining existing subscribers and ensuring their satisfaction with the service.

Note that in every instance of reference to the domain of video streaming within the report, it unequivocally refers solely to Streaming Video on Demand (SVoD) OTT (over-the-top) platforms, excluding other entities not relevant to the central focus which do not have an associated subscription fee (YouTube) or are provided by cable or satellite. This meticulous depiction serves to ensure precision and relevance in the context of the report's scope.

Summarizing, an extended report will be conducted to address the primary research question and allow for an easier collection of valuable additional information. The central focus of the research is to scrutinize in detail the major factors influencing customers in their subscribing choices and delineate strategies for companies to excel in these domains. This path starts with a thorough understanding of the platforms, their business models, and the contextual environment in which they are inserted in. Subsequently, the literature review will elucidate crucial concepts, offering insights essential for an extended comprehension of the case and covering important topics regarding the video streaming industry, customer repurchase intention, customer journey analysis, and customer relationship management. Additionally, preliminary interviews will be conducted with users with diverse backgrounds and age groups to acquire varied and real perspectives on what customers value when using the services. Following this, two different surveys are employed with the purpose of using two different methodologies: conjoint analysis and perceptual maps. The first, facilitated through the

Group Part

platform “Conjoint.ly”, aims to bring results on how customers distribute value to different attributes of video streaming platforms when provided with multiple different scenarios. The second, conducted through a survey, looks for an understanding of how individuals perceive and position products, brands, or services within a multidimensional context, useful to reveal valuable insights into customer preferences and market dynamics. The data from this survey will be analysed using the SPSS software. Further research will then be conducted to comprehend pressing industry needs and recent situations, particularly in the case of Netflix on account sharing. Furthermore, brought by the identification of considerable significant attributes for the customers in the interviews, additional research explores the impact of show virality on customer subscriptions. Finally, drawing upon each analysis's conclusions and the findings from the literature review, a multidimensional strategic plan will be formulated. The recommendations, accessed through the lens of the customer, aim to provide creative and actionable recommendations for video streaming platforms on enhancing customer re-purchase intention for video streaming platforms.

Following the research methods applied throughout the study, it is possible to infer that despite the controversies surrounding Netflix’s measures to combat account sharing, it emerges as the preferred and positively perceived brand in the Portuguese market, not only according to the sample but in real terms. Additionally, recent years witnessed a profound transformation in the dynamics of virality, elevating movies and series to unprecedented levels of popularity, accentuating the significance of this characteristic. Both these attributes, since they are the most relevant ones, are critical on boosting customer re-purchase intention for video streaming platforms.

In particular, there is an upward concern for customers regarding the attributes each platform has when subscribing. However, there is still a dispersion regarding the various attributes that exist and there is the need to find an equilibrium that satisfies a wide range of customers, which

Group Part

can be attained through technological innovation involving artificial intelligence and regularly updated databases.

By performing the conjoint analysis, it was possible to conclude that account sharing, and popularity of the shows were the primary attributes influencing customers' subscription decisions. Contrarily, type of content emerges as the least influential. It is also important to note that demographic disparities in attribute preferences exist between younger and older generations, as well as students and non-students.

Moreover, perceptual maps delineated the attributes in two distinct domains, content offering and customer experience. Within these domains, Netflix, HBO Max, and Disney + have assembled the most favourable perceptions across the combination of several attributes later explained in detail. Further analysis of valued attributes for customers has unveiled market gaps, providing insights into how companies can capitalize on them.

Finally, fruitful conclusions are possible to derive considering the further research made upon the two key attributes, account sharing and virality. First, despite Netflix facing a negative wave of brand reputation due to account sharing measures, its financial performance continued to thrive. Second, the influence of virality on viewer retention, subscription rates and overall platform popularity underscores its crucial role in a platform's success.

The paper will contribute to advances in scientific knowledge regarding the preferences of customers in the video streaming industry.

2. Contextual Background

2.1. Defining the Market

In the era of information and digital connectivity, society finds itself in the middle of a dynamic landscape that is continually reshaping societies, economies, and individuals. The advent of the Internet, together with the powerful innovative technologies, has introduced unprecedented opportunities and challenges. The digital revolution has transcended its initial freshness,

Group Part

becoming an integral part of the contemporary life. From the ways people communicate, access information, and conduct business to the way in which creativity is expressed and the boundaries of knowledge are explored, digital technologies have left a permanent mark. It is not merely a technological evolution but a profound societal transformation that will shape how customers function.

The streaming video market in Portugal is well-established and detains well-known and prominent players and pressing needs, all of which are central to the research question being discussed in detail within the report. As previously mentioned, the research will focus on SVoD OTT services, which refer to a content delivery model where users directly access to streaming video services over the internet, bypassing traditional cable or satellite television, and have the flexibility to choose and watch content whenever they prefer rather than being bound by scheduled programming. In fact, the Streaming Video on Demand (SVoD) sector in Portugal is anticipated to exhibit an annual growth rate (CAGR 2023-2027) of 3,46%, projecting a market volume of 77,34 million US dollars by 2027, with an expected user base of 1,1 million, which includes customers aged between 18 and 64 years old. Despite the growth observed, there is an anticipated deceleration in this trajectory, particularly because globally streaming services are experiencing subscription cancellations – 66% of video streaming users worldwide report cancelling a service in the past year (Douin, 2023). Portugal is not an exception to this trend. It is crucial for video streaming companies to proactively understand and address the factors contributing to these cancellations to boost customer re-purchase intention instead. Hence, the research will focus on the video streaming industry within Portugal, aiming to provide logics and results for comprehensive responses to the surveys launched with the purpose of data analysis.

The digital era continues to develop, and video streaming platforms stand at the forefront of transformative innovation and society evolution, strongly influenced by global events. It is

Group Part

evident that the Covid-19 pandemic has led the popularity of streaming services to skyrocket. A great portion of the world quarantined at home and the number of subscriptions to online video streaming services worldwide reached 1.1 billion in 2020 (Durrani, 2023). According to Forbes Magazine, “the way people access video streaming, such as through video streaming apps, rose with revenue surpassing \$72 billion in 2021. It’s projected to rise to \$115 billion by 2026”. Nonetheless, globally, with the declining impact of the pandemic, there is a resurgence in the reopening of public spaces. Consumers are eager to trade screen time for genuine face time interactions, which presents a potential deceleration of the anticipated growth. Other events, such as Portugal exposure to Russia and Ukraine, even if low in terms of trade, might bring other complications affecting the Portuguese economy and consequently, the video streaming industry. Portugal is a small, open economy, very dependent on the European economy (Katanich, 2023). The day after the invasion from Russia, gas prices increased more than 50% in Europe, which, “in households with a lower income, expenditure on food, transportation, accommodation, water, electricity, gas and other fuels accounts for 65,8% of the total consumption” (Duarte, 2022). Inflation prevenient from the Russia-Ukraine conflict within the context of fierce competition led to a loss of 200 thousand subscribers and eliminated about 40 billion dollars of the stock market value of Netflix (Netflix, 2023). Furthermore, a few streaming services have also suspended their services in Russia, which also implied customer subscription losses (Minelle, 2022). Moving on to more recent events and considering the recent resignation of Portugal’s Prime Minister António Costa over corruption accusations, the political crisis has the potential to conduct an economic downturn. The country’s GDP is already shrinking, and the cost of living is increasing. Portugal currently ranks sixth among OECD countries in terms of the lowest average gross yearly salary (Average Salary in Portugal: Gains for Foreigners - Moving to Portugal, 2021). A diminished purchasing power of customers

Group Part

consequently leads to a reduced consumption of superficial goods if the economic conditions worsen even further, which can translate into subscription cancellation.

Streaming platforms have incurred significant financial complications in the past year and have lost billions of dollars, due to ongoing repercussions from subscriber churn. Customers are carefully reassessing their choices, a process further aggravated by the economic downturns in place. The streaming video market is marked by intensified competition among streaming platforms for subscriber loyalty, creating an unprecedented level of industry rivalry never seen before (Douin, 2023), intensified by other piracy options.

Considering the market characterized by intensified competition and where global events exert significant influence on customer responses to the service, a comprehensive study is of vital importance. Companies must scrutinize data critically to derive effective strategies for customer retention.

2.2. Defining the Platforms

Streaming services in Portugal are becoming increasingly competitive and there are already dozens of alternatives available where people can watch movies and series. The report will focus on the five principal video streaming platforms in Portugal: Netflix, Disney +, HBO Max, Amazon Prime Video, and Apple TV + (*See Appendix 1, Table 1*). For a better understanding of what will be covered and presented throughout the text, a context for each one of the platforms mentioned will be given in this chapter. It is important to note that all five streaming platforms mentioned have agreements with Portuguese TV cable providers (Vodafone, MEO, and NOS). This enables customers to access streaming services through their TV devices. However, a separate subscription is required for each service, except for Disney +, HBO Max, and Amazon Prime Video, which can be included in a television pack subscription.

Netflix, established in 2015, holds the advantage of being the pioneering streaming service in Portugal. This earlier entry into the market has contributed to its status and to the highest

Group Part

number of subscriptions within streaming services. Through its extensive library of content, Netflix has produced viral shows in Portugal, and globally, including “Narcos”, “Stranger Things”, and “La Casa de Papel”, for example. The streaming giant has also moved into Portuguese originals creation, such as “Rabo de Peixe”, recently launched, earning popularity not only within Portugal, but also reaching audiences beyond its borders. In fact, it reached 7th place in the global top 10 of Netflix, accounting for more than twelve million hours spent watching (Notícias & Lusa, 2023). Furthermore, in 2006, Netflix demonstrated its commitment to delivering the best recommendation service to its customers through data collection and understanding, by initiating “The Netflix Prize”. The initiative involved releasing a data set, challenging data mining and machine learning communities to develop systems capable of outperforming their existing recommendation system, Cinematch. The incentive for the challenge was attractive for experts, with Netflix offering a one-million-dollar prize for the best algorithm capable of accurately predicting user ratings for shows and movies (Bennet & Lanning, 2007).

Disney + stands out as Disney’s dedicated streaming platform, offering a vast library of movies and shows, suitable for many different age groups. In Portugal, Disney + provides access to a diverse range of content, including National Geographic documentaries, Pixar classics, Star Wars titles, and others. Its collection of classic originals sets Disney + apart from the other streaming platforms, adding a nostalgic and iconic dimension to its content offerings, recognized worldwide. Disney’s strategy and promotion are part of the company’s investment in brand futurity (Pitre, 2022), a brand management purpose of creating a better tomorrow.

HBO Max, HBO’s successor, has earned significant popularity in Portugal, especially triggered by popular shows such as “Game of Thrones”, “Friends, and “Euphoria”. The streaming platform, in partnership with Warner Bros, offers subscribers the unique opportunity to watch movies just 45 days after their cinematic release, providing an added interest to cinema

Group Part

enthusiasts (HBO Max, 2023). The brand was “build so that it is broad enough to make it happen” (Hoovestol, 2023). HBO Max, positioned as a platform for the post-TV era, has successfully evolved beyond traditional television, emphasizing its identity as a powerful streaming platform (Hoovestol, 2023).

Amazon Prime Video, a service under the Amazon umbrella, offers a wide array of content, featuring licensed productions as well as original series (Prime Video, 2023). Similar to Netflix, Amazon Prime Video has introduced Portuguese content, from which titles like “Pôr-do-Sol” and “Praxx” can be distinguished. While it may be limited compared to Netflix and HBO Max, it compensated with additional functionalities and associated advantages, such as free shipping from Amazon.

Amazon Prime Video distinguishes itself from dedicated SVoD due to the embedding of its video platform within the larger umbrella of services it offers (music platform, Alexa, and e-commerce operations). It is a clear example of a horizontal expansion across products and has developed an ecosystem within the digital economy (Tiwary, 2020). It is more than a mere video streaming platform.

Apple TV +, even though not as widely recognized as the previously mentioned platforms in Portugal, is starting to gain power in the Portuguese market. It has captured some attention with its acclaimed original content and licensed productions. It stands out by offering superior image quality (4KHDR) and impressive sound quality (Dolby Atmos), and the possibility to access the platform through an independent device which can be associated to their TV subscription plan (Apple TV, 2023). The Apple TV, inserted in the smart TV market, has not grown as the market expected it to grow, due to its not so convenient usability, high price, and smaller amount of content. According to a study conducted in Seoul (Shin, Park, & Lee, 2013) and through conjoint analysis, it was possible to derive conclusions about customer preferences. Behind price, customers consider screen size and definition as the most important attributes

Group Part

when considering purchasing a smart TV. Therefore, customers do not consider a smart TV to have unique features when compared to other smart devices. In response, Apple has strategically adapted to market dynamics by offering its services online, through an application or via their website. This approach enables Apple to effectively compete in the evolving digital landscape.

2.3. Business Models Explanation

2.3.1. Understanding Business Models

Around the end of the 20th century, the conceptualization of the value chain model by Porter led to the emergence of concrete business models in literature. The exploration of the evolution of business models, with a focus on the Subscription-Based model in the dynamic landscape of streaming services, began with Magretta (Nielsen and Lund, 2014). A Business Model was initially as how the pieces of a business fit together (Magretta, 2002). Later, Arend refined the definition, stating that a business model describes the activities a company must put in place to carry out its strategy (Arend, 2013). Magretta's early 2000s definition emphasized the coherence and interconnection of various components within an existing business, signalling a shift towards understanding business as an integrated system. Approximately eleven years later, Arend highlighted that a business model is not just about the current state but also about its future direction and how it intends to create and capture value. Both concepts underscore that a business model is dynamic and responsive to internal and external factors, involving the strategic alignment of activities, resources, and processes to achieve specific goals. Over time, the concept of a business model has evolved into a critical framework for understanding and analysing how businesses operate, compete, and sustain themselves in the market.

Within the landscape of traditional business models, four distinct paradigms have emerged: Business-to-Business (B2B), Business-to-Consumer (B2C), Subscription-Based, and On-

Group Part

Demand models. Each model represents a unique approach to transactions, customer interactions, and value creation, contributing to the diverse fabric of traditional commerce.

The B2B model centres on transactions between businesses, involving the sale of products, services, or resources to other businesses. B2B interactions often involve bulk orders, long-term contracts, and complex negotiations, facilitating the seamless exchange of goods and services between entities, contributing to the efficiency of the broader business landscape. In contrast, the B2C model places the focus squarely on the end-user. Companies employing this model directly sell products or services to individual consumers, typically characterized by a large customer base, diverse marketing strategies, and the need for personalized customer experiences. This model is prevalent in retail, e-commerce, and various service industries, fostering direct connections between businesses and the individuals they serve (Elearnmarkets, & Elearnmarkets, 2023).

The Subscription-Based model represents a shift in how businesses deliver and monetize their offerings. Subscribers pay a recurring fee at regular intervals to access a service or product, prevalent in industries such as media streaming, software services, and subscription boxes. The predictable revenue stream generated by subscriptions allows businesses to plan, innovate, and deliver consistent value to their loyal customer base (Subscription business models in 2023: Definition, benefits, tips & metrics to track, n.d.).

The On-Demand business model has gained prominence in the digital age, providing products or services that can be instantly accessed or delivered as needed. On-Demand models thrive in sectors like ridesharing, food delivery, and freelance platforms, catering to the modern consumer's desire for instant gratification and tailored experiences (Vadukiya, 2023).

2.3.2. Subscription-based Model

Subscription-based models have empowered business by increasing control over the business' intellectual property. This strategy not only safeguards proprietary assets but also enables

Group Part

dynamic management of access rights and content updates, positioning companies at the forefront of their industries. This approach contributes to the establishment of a stable and predictable revenue stream for businesses (Kelly, 2022). Unlike traditional models that rely mostly on sporadic product purchases, this predictability of revenue flow allows companies to make informed and strategic decisions for their future, ranging from product development to long-term investments. The Subscription-Based model has empowered businesses such as Netflix and HBO Max, where the digital platform itself becomes the product. These services manage content acquisition, platform development, and maintenance, aiming to provide a seamless streaming experience through subscription-based services.

In addition, this type of business model economy, a subscription-based economy, fosters a closer and more enduring relationship between companies and their customers (Kelly, 2022). The creation of opportunities for companies to gather valuable insights into customer preferences, behaviour, and feedback is due to ongoing engagement through these subscription services. Leveraging such data enhances customer satisfaction and loyalty, contributing to the long-term success of business in a competitive market.

The reasons behind how streaming services work can be seen through Arditi's perspective, which considers the streaming business a strategy of capitalism (Arditi, 2018). According to Arditi, the overarching goal is to perpetuate an “ever-increasing consumption of goods”. Users just need to subscribe to a service to access an endless online library through streaming services, and this shift is tied to the idea of encouraging constant consumption of cultural content (Arditi, 2018; Lotz, 2021). Arditi even suggests that the streaming industry is not merely a technological evolution but a calculated strategy within the capitalist framework. The transition from physical, tangible cultural products to the digital realm represents a significant departure from the traditional ownership model.

Group Part

Lotz further contributes to this discussion by emphasizing the economic dynamics at play in the streaming business (Lotz, 2021). The availability of extensive content libraries, combined with the subscription model, creates a continuous revenue stream for streaming platforms. Users are enticed not only by the convenience of on-demand access but also by the promise of an ever-growing reservoir of cultural products.

Furthermore, there are different perspectives on why people are motivated to hire or maintain a subscription service. There exist many perspectives regarding these motivations. Historically, the media industry, more than other sectors, has extensively utilized the subscription model. Consequently, several authors have directed their attention towards understanding the business dynamics at play, particularly within the context of news outlets. This involves delving into the business and marketing strategies employed by media organizations to attract and retain subscribers (Chyi, 2012; Herbert & Thurman, 2007; Nechushtai & Zalmanson, 2021).

On one hand, one of the business factors is shaping the subscription landscape and the other is on the personal motivations driving subscribers. From a business standpoint, scholars like Chyi, Herbert and Thurman, and Nechushtai and Zalmanson have delved into the strategic considerations of news outlets (Chyi, 2012; Thurman, 2007; Nechushtai & Zalmanson, 2021). This includes how these outlets deploy various business and marketing strategies to acquire and retain subscribers. These strategies could range from pricing models to content marketing approaches, all aimed at ensuring a sustainable subscriber base.

In addition, research has also concentrated on understanding the individual motivations of subscribers. Personal factors influencing the decision to purchase or continue a subscription to a digital service have come into focus. Elements such as the desire to maintain a certain social status (Chen & Thorson, 2021), ensuring stability in one's self-concept (Savary & Dhar, 2020), and accessing quality or exclusive content (Lim, 2016) emerge as critical factors in influencing the consumer's choice to subscribe to a digital service.

Group Part

Chen and Thorson shed light on the social dimension, suggesting that subscribing to certain services might be driven by a desire to align with a particular social status or group identity (Chen & Thorson, 2021). This highlights how personal identity and social dynamics play a role in subscription choices. Savary and Dhar contribute by emphasizing the psychological aspect, suggesting that individuals may subscribe to digital services as a means of maintaining a stable and positive self-concept (Savary & Dhar, 2020). In this view, the act of subscribing becomes linked to personal identity and self-perception. Furthermore, Lim underscores the significance of content quality and exclusivity as motivators for subscription adoption (Lim, 2016). Consumers, according to this perspective, are willing to pay for access to premium or unique content that aligns with their preferences or interests.

Subscription-based model challenges

The subscription-based model, while offering significant advantages, presents formidable challenges that businesses must strategically navigate. One primary concern is the potential for market saturation, where the increasing adoption of this model across various industries intensifies competition and makes it challenging for new entrants to gain a foothold. Additionally, there's a risk of consumer fatigue in an era flooded with subscription options, leading to cancellations or reluctance to explore new services.

Technological hurdles further complicate the landscape, as maintaining a seamless and user-friendly digital platform requires continuous investments in cutting-edge infrastructure, robust security measures, and regular technology updates. The evolving technological landscape demands business agility to adapt swiftly to emerging trends and meet evolving consumer expectations.

Ethical considerations, particularly concerning data privacy, come to the forefront. The concentration of vast amounts of user data within subscription-based services raises questions about privacy and security (Ingrao, n.d.). Concerns also arise about a few major subscription

Group Part

service providers wielding disproportionate influence in shaping content consumption patterns, adding complexity to the ethical discourse surrounding this model.

Navigating these multifaceted challenges is paramount for businesses aiming not only to initiate successful subscription-based models but also to ensure their sustainability and relevance in an ever-evolving marketplace (Ingrao, n.d.).

2.3.3. Digital Platforms

A digital platform is a sophisticated and intricate system built upon the synergies of technology and business, harmonizing with strategic processes to facilitate enhanced communication and interactions between a main company, collaborators, and consumers (Setia et al., 2020). The convergence of technology and business that build a digital platform is not a static accomplishment, but instead a continuous journey. This type of platform is always adapting and evolving to the changing world of technology and business, constantly striving for the optimization of communication and interactions. It evolves to stay effective and relevant in the fast-paced digital world.

Digital platforms and algorithms

Users on subscription-based digital platforms retain the ultimate decision-making power over their content choices, and therefore, the algorithm does not control what users consume or do not consume (Lobato, 2018). Although the presence of algorithms plays a pivotal role in directing and influencing this decision, they act as silent guides, subtly shaping user's activities based on preferences, behaviour patterns, and personalized recommendations. These algorithms are fuelled by data analytics and user behaviour insights, both responding and anticipating user preferences, effectively curating content offerings tailored to each individual.

The evolution of recommendation systems significantly impacted the way users experience media and has led to the personalization of the media consumption journey. Platforms have become more advanced at presuming and understanding the preferences of their users (Turow,

Group Part

2017). In practical terms, this means that digital platforms, particularly streaming services, have developed sophisticated systems tailored and customized with content experiences for each individual user.

This type of personalization strategy involves planned differentiation, which is how streaming services strategically curate and differentiate their content offerings with the goal of moulding and influencing the preferences of their users (Rodríguez & Ortega, 2023; Webster, 2021). Through a careful selection of content suggestions, the platform aims to introduce users to new content that aligns with their tastes, effectively shaping and expanding their media preferences.

Digital platform models

There are four main types of digital platform model archetypes: Marketplace Model, Social Community Model, Software Ecosystem Model, and Digital Product Model. The Marketplace model is a type of digital platform that serves as a marketplace only, serving as a facilitator by connecting providers/sellers with users/consumers. This type of digital platform does not own the resources that are being exchanged through it and generates revenues only through transaction fees or value-added services. Then there is the Social Community Model, which is when the digital platform's main goal is to create benefits for a social community without necessarily seeking financial gains. These companies may be part of national or regional development programs and mainly focus on fostering community interactions. Examples of this type of platform are Facebook, Instagram, and Twitter, where their focus is to build and sustain online communities. The third model is the Software Ecosystem Model, this digital platform archetype is designed to create and foster an ecosystem around a software platform. Interactions between various actors and platform owners involve the co-creation of value. Examples of this are the Apple IOS and the Salesforce Ecosystem, this model relies on the process of constant innovation through its developers (Cimpan, et al., 2022).

Group Part

Finally, the Digital Product Model is a type of platform that operates like a standard company, but its product is the digital platform itself. These types of companies manage the maintenance and development of their platforms, relying on user insights. They eliminate the need for tangible assets and manufacturing costs associated with traditional products (Cîmpan, et al., 2022). This type of digital platform model archetype is the one that best fits with the business model of video streaming companies, such as Netflix and HBO Max. Their aim is to provide a digital platform where content, such as movies, TV shows, and documentaries, is streamed to users through a subscription-based service. The digital platform itself is the product they sell to consumers and users, and the company takes care of acquiring the content, platform development and maintenance to enhance user experience and retain subscribers. The revenue generated in this case is through subscription fees paid by users to access the content provided by the streaming services through the platforms.

2.3.4. The Advantages of Subscription-Based Models for Streaming Services

The zero-cost of distribution stands out as a pivotal factor for this type of business model, significantly contributing to the streaming industry's growth and popularity. One of the cornerstone benefits of the subscription-based model for streaming services is the provision of unlimited access to content without incurring incremental distribution costs. Unlike traditional distribution models involving physical copies or individual purchases, streaming platforms can effortlessly cater to an ever-expanding user base. Once content is produced and uploaded to the platform, the distribution to each additional subscriber incurs negligible costs, fostering an environment of accessibility and inclusivity (Deladem, 2023).

Moreover, the zero-cost distribution model facilitates continuous content expansion. Streaming services can regularly introduce new movies, TV shows, or other media to their libraries without worrying about associated distribution expenses. This constant infusion of fresh content helps retain existing subscribers and attract new ones, contributing to the platforms' dynamic and

Group Part

ever-evolving nature. For consumers, the subscription model with zero-cost distribution minimizes financial barriers to entry. With a fixed monthly or annual fee, subscribers gain access to a vast content library without additional charges per title. This affordability not only broadens the platform's user base but also encourages sustained subscriber retention, ensuring a consistent revenue stream for streaming services.

The zero-cost distribution model facilitates seamless scalability for streaming services. As the subscriber base expands, there is no necessity to invest in additional physical products or distribution channels. The initial infrastructure, designed to handle the core content library, can efficiently scale to accommodate a global audience without incurring substantial distribution-related expenses. This scalability contributes to the industry's ability to adapt and grow rapidly (Leonard, 2023).

Streaming services, adopting the subscription-based model, possess the unique advantage of global reach with minimal logistical challenges. The absence of physical distribution costs allows these services to offer content worldwide without the need for regional distribution centres or intricate supply chain management. This reduction in operational complexities and overhead expenses enhances the services' capacity to engage with a diverse, international audience. In addition, this model not only benefits streaming services but also creates a favourable cost structure for consumers. Subscribers pay a fixed fee for unlimited access to the entire content library, representing a more economical and convenient option compared to traditional pay-per-view or physical media purchasing models. This affordability encourages broader adoption and sustained subscriber retention, creating a win-win scenario for both providers and consumers.

In terms of scalability, having this type of business model is also at an advantage for the streaming industry since the subscription model is highly scalable. This feature positions streaming services for dynamic growth as the subscriber base expands. Unlike traditional

Group Part

models that may encounter limitations or require substantial infrastructure changes to accommodate a surge in users, subscription-based streaming services can seamlessly scale their operations. One of the primary benefits of scalability within the subscription model is the ability to achieve proportional revenue growth. As the subscriber base increases, so does the revenue, creating a direct correlation between user acquisition and financial success. This predictable relationship between growth and revenue is particularly advantageous for streaming services as it provides a clear pathway for sustained profitability. This scalability enables streaming services to capitalize on their popularity and cater to an ever-expanding audience without being encumbered by the constraints of traditional distribution models. The subscription-based revenue structure ensures a steady and reliable income stream, allowing services to not only support their existing infrastructure but also invest in enhancing their offerings and technological capabilities.

Moreover, the scalability of the subscription model is underscored by its infrastructure flexibility. Unlike traditional models that may necessitate significant upfront investments in infrastructure to accommodate growth, streaming services can adapt dynamically to changing demands. The initial infrastructure, meticulously designed to handle the core content library, can efficiently scale to meet the requirements of a global audience without incurring substantial distribution-related expenses. This adaptability is particularly critical in the digital age, where user bases can experience rapid and unpredictable growth. Streaming services can scale their servers, enhance bandwidth, and optimize their delivery systems to ensure a seamless and high-quality user experience. This flexibility not only future proofs the service but also allows it to remain responsive to evolving consumer expectations and technological advancements.

Scalability within the subscription model also translates into global accessibility. Streaming services, unburdened by the constraints of physical distribution, can effortlessly offer content to audiences around the world without the need for additional regional distribution centres or

Group Part

complex supply chain management. This global reach not only expands the service's potential user base but also fosters a more inclusive and diverse content library, catering to a variety of cultural preferences and languages.

Beyond the financial advantages, the subscription-based model excels in fostering customer retention (Deladem, 2023). Subscribers, through their ongoing commitment to monthly or annual payments, establish a long-term relationship with the streaming service. This commitment acts as a powerful driver for customer loyalty, a coveted asset in a landscape characterized by intense competition. In practical terms, the subscription model mitigates the need for constant customer acquisition efforts. Rather than focusing solely on attracting new users, streaming services can prioritize retaining their existing subscriber base. This focus on customer retention is particularly impactful given the high costs and competitive challenges associated with acquiring new customers. By nurturing long-term relationships, streaming services can create a dedicated user base that not only contributes to a predictable revenue stream but also serves as a foundation for sustained success.

2.3.5. Optimizing profitability: The Strategic Advantage of Zero Transaction Costs in Subscription-based Business Models

The absence of transaction costs in a subscription-based business model contributes significantly to cost-efficiency. Unlike traditional models that involve transaction fees with each individual purchase, subscription services operate on a fixed monthly or annual fee structure. This predictability not only simplifies financial planning for both the service provider and the consumer but also results in a more affordable and transparent pricing model. With no transaction costs associated with each piece of content, users are more likely to engage freely and explore the diverse offerings within the platform. This freedom encourages users to discover new genres, niche content, or experimental productions without the fear of incurring additional charges. The absence of transaction costs creates a user-friendly environment that

promotes exploration and discovery, contributing to a more enriching and satisfying user experience (Subscription Pricing Models: 4 Strategies for Growth in 2023, n.d.).

In addition, the elimination of transaction costs provides subscribers with the flexibility to consume content based on their preferences and schedules. Users can watch, listen, or interact with various pieces of content without concern for individual costs. This flexibility encourages binge-watching or immersive content consumption experiences, aligning with modern consumer behaviours that prioritize on-demand, uninterrupted access to entertainment (Westcott et al., 2023).

This type of subscription model fosters enhanced customer satisfaction by making users appreciate the simplicity and transparency of a fixed pricing structure, leading to a positive perception of the service. This satisfaction, coupled with continuous access to a wide range of content, contributes to increased customer loyalty. Subscribers are more likely to remain committed to a service that aligns with their preferences and offers a hassle-free, cost-effective entertainment solution. The lack of these costs significantly reduces barriers to content consumption by making users feel comfortable in exploring different genres or watching multiple episodes and not constrained by the fear of incurring additional charges for this. This freedom encourages continuous engagement and a sense of ownership over one's viewing habits, contributing to a more personalized and user-centric content consumption experience.

3. Preliminary Interviews

For the purpose of this dissertation, six exploratory interviews were conducted to get a first impression that will support the further analyses by identifying the primary features and attributes influencing customers' decisions when selecting a video streaming platform for subscription, and the factors that might prompt customers to end their subscriptions to such streaming platforms. Additionally, the study aims to understand the challenges and opportunities of the industry, how customers perceive the different characteristics of paid and

unpaid video streaming platforms, and the impact of account sharing measures on Netflix subscriptions and brand image. For that reason, a script was constructed, serving as a guiding framework during the interviews (*see Appendix 2, Table 2 and Table 3*).

The interviewees were strategically segmented and categorized based on their age and subscription status to gain insights into the factors influencing subscription behaviour across different age groups, as well as to understand the underlying reasons for non-subscriptions, and if applicable, the motives that led them to unsubscribe to any prior subscription services. To accomplish this, a diverse set of individuals who were actively subscribed to one or more video streaming services were interviewed, each falling within distinct age ranges (15 to 25, 26 to 35, 36 to 45, and 46 to 55 years old), and also two non-subscribers chosen from two distinct age groups (15 to 35 and those aged above 36 years old).

Before the interviews, extensive research was made to identify key determinants influencing consumer preferences when selecting a video streaming platform, which helped to shape the structure of the interview script. The key determinants governing consumers' decisions in video streaming services were the availability of diverse content, considerable price sensitivity, ad-free services, and an efficient recommendation system tool, all of which significantly contribute to enhancing the service experience and retaining customers (KPMG, 2019).

Thus, during the interviews, the objective was to validate the importance of the above-mentioned attributes, along with others that had been considered important in consumers' decision-making process, as already integrated into the interview script. Among these factors, interviewees highlighted the price, brand, length of subscription, type of content, customer experience, accessibility across different devices, level of resolution, and the efficiency of the recommendation system.

Nonetheless, the interviews helped to emerge additional attributes that had not previously been accorded significant consideration. The first one was the presence of viral content, characterized

as a predominantly discussed subject and extensively shared across social media, as mentioned by certain interviewees: “I do not like spending much time choosing TV shows, so I wait until people tell me what to see” and “What I value more is definitely the quality of the content and what my friends are watching at the moment”. A second attribute was saving the stopped episode time, also mentioned in the interviews: “Saving the episode I am at, the time of the episode I stopped watching is so, so important. The comfort of not needing to remember when I stopped or in which episode is incredible.”

Two main factors motivated customers to unsubscribe from a platform: price increases and the absence of new content offerings. Notably, price increases occur without equivalent improvements in the quantity or quality of the content, rendering the increased cost unjustified to subscribers. Moreover, platforms sporadically experience delays in releasing appealing content, resulting in consumer dissatisfaction and prompting certain users to cancel their subscriptions.

Regarding consumer habits, the four interviewees who were subscribing to video streaming platforms reported spending, on average, 17 hours per week watching content on these platforms, which translates to roughly 2 to 3 hours a day. Notably, this screen time allocation appears to exhibit different evolutions among the interviewees. For some participants, the overall screen time did not increase with the emergence and development of the video streaming industry, they only shifted from watching traditional television to these platforms. In contrast, other interviewees experienced an increase in their screen time, which they attribute to the superior service and content offered by streaming platforms. As one interviewee explained: “It's primarily because of the convenience and variety of content available on these platforms. I can choose what I want to watch when I want to watch it, and the original content is often more appealing than what's on traditional TV”.

It is noteworthy to highlight that the interviewees provided insights regarding opportunities within the video streaming industry, which encompassed two different areas. First, the issue of platform consolidation was addressed, emphasizing that the content available is fragmented across the various platforms. To access the entirety of available content, consumers find themselves compelled to subscribe to multiple platforms, which becomes financially burdensome. A potential solution to this challenge lies in the merging of platforms, thereby creating a unified place with all the content available. Second, the interviewees acknowledge the potential of integrating artificial intelligence developments, which represents an opportunity to enhance recommendation algorithms within the platforms, aligning them more closely with individual consumer preferences. By leveraging AI, platforms have the potential to provide content recommendations that are increasingly attuned to the unique desires and viewing habits of their users.

4. Conjoint Analysis

4.1. Survey

The survey was created in Conjoint.ly, an online platform specialized in choice-based conjoint analysis that randomizes the product attribute levels, presenting respondents with multiple scenarios from which they can select their preferred product, or choose a “None of the above” option if they do not identify with any scenario.

To begin, participants answered some demographic questions to characterize the sample, which included the Age Group, Gender, Level of Education, Current Occupation, and Monthly Income (*See Appendix 3, Table 4*). It is important to describe a sample to understand if the population of the study is well represented and to correlate the results with the different demographic characteristics (Hughes et al., 2016).

The attributes selected are pivotal in acquiring accurate results for the study. The preliminary interviews furnished valuable insights into the attribute selection process, which encompasses

critical dimensions of customer choice: the brand/platform, the possibility to share the account with others, the type of content offered, the accessibility to use the platform across different devices, the popularity of the shows available on the platform and the monthly subscription price. The next phase of the survey involved breaking down these attributes into different levels, enabling participants to choose their preferred options based on their individual preferences (*See Appendix 4, Table 5*).

4.2. Methodology

Conjoint analysis, a widely used and popular quantitative research technique, serves to investigate consumers' preferences by deconstructing products or services into their individual attributes. It is frequently used by marketers "to determine the features a new product should encompass and how it should be priced" (Curry, 1996). This research method has profoundly shaped practices across diverse business sectors and industries, particularly in areas regarding product positioning, new product development, market segmentation, and pricing strategies.

Conjoint Analysis stands as an invaluable tool for discerning the significance of attributes, evaluating how individuals prioritize these attributes, gauging their willingness to pay if cost is regarded as an attribute, and deriving utility or benefit scores for various methods of delivering a service (Ryan, 1999).

In a standard conjoint experiment, participants confront pairs of profiles and are assigned the task of selecting their preferred option in each paired comparison. These profiles incorporate attributes that hold theoretical significance and encompass a wide array of aspects related to respondents' preferences. Critically, these attributes are independently randomized across the profiles. Through iterative choices, participants unveil their underlying preferences and engage in trade-offs among these attributes. This systematic process enables researchers to quantitatively assess the relative importance of each attribute, discern how varying attribute

levels influence choice, and ultimately calculate utility or preference scores for various attribute combinations (Liu & Shiraito, 2023).

4.3. Attributes and Levels

Brand/ Platform

A brand encompasses three important aspects: what a company sells, what a company does, and what a company is (Davis, 2000). It is an intangible but critical component of what a company stands for, and it extends beyond a mere logo or a name, it represents the company's values, its reputation, and customer experiences. To systematically explore this attribute, a meticulous approach was undertaken, incorporating in five levels, the most subscribed and popular streaming services in Portugal: Netflix, Disney +, HBO Max, Amazon Prime Video, and Apple TV + (Nielsen, 2021).

Possibility to share an account

While online accounts on digital media platforms are designed for single-user engagement, the real world diverges from this premise. In practice, many users extend the utilization of their individual accounts to accommodate other individuals (Sailaja & Fowler, 2022). Within the video streaming industry, account sharing represents the common practice of sharing login credentials for these platforms, allowing for multiple users. In fact, approximately 16% of Netflix, Disney +, and HBO Max viewers revealed that they access those platforms through others' accounts (Statista, 2023). In the survey, this concept was structured into three distinct levels, encompassing a wide spectrum of potential scenarios. The first level comprised the absence of any sharing possibility, while the second level denoted a limited sharing capacity, restricted to only two accounts. The third level represented an expansive sharing option, allowing for three or more accounts to be shared.

Type of content

Numerous video streaming platforms provide a wide array of original TV shows and movies, which are uniquely accessible through their services. It allows them to establish a differentiating factor by producing and offering their exclusive content (Dhiman, 2023). Nevertheless, it is essential for those platforms to balance between investing in original content, as it serves as a catalyst for attracting new subscribers, and content from external producers, as it constitutes the predominant portion of overall viewing hours, contributing significantly to customer retention (Prince & Greenstein, 2018). The strategic allocation of video streaming platforms between content creation and portfolio management exerts a significant influence on consumer preferences. Therefore, this attribute was divided into a higher preference for original content or for content from other producers.

Accessibility across different devices

It is crucial that platforms can be supported through different devices, considering subscribers' versatile viewing habits. TV is still the most common device used to watch a show or movie, followed by smartphones, and then computers (Statista, 2023). Consequently, this attribute was segmented into three distinct levels, covering all possibilities. The first tier restricts accessibility to a single device, while the second tier extends accessibility to two different devices, and the third tier accommodates access across three or more different devices.

Existence of viral content

This phenomenon denotes a category of digital content that achieves a high level of awareness due to shares and exposure across social media networks. Individuals on their routine share different forms of content, from YouTube videos to restaurant reviews. In fact, 59% of individuals report that they frequently share online content with others (Allsop et al., 2007). Within the video streaming platform's content portfolio, the attribute was dichotomized into two distinct levels. The first level includes highly popular content, frequently discussed and

acknowledged within social media or through word-of-mouth recommendations and the second level encompasses platforms hosting predominantly less popular content.

Price

It can be defined as the amount consumers are willing to pay to acquire a product or service (Twin, 2023). In the context of service offerings, there exists a persistent and mutual correlation between price and quality, which exerts a positive influence on consumers repurchase intention (Ray et al, 2020). Hence, delving into the industry of video streaming platforms, pricing formulation hinges on two primary cost factors: acquiring licensing for a vast portfolio of movies and TV shows, which represents a considerable investment for these platforms; and content delivery, as streaming services require a robust network of servers and an ample bandwidth to provide high-quality service to users worldwide (Carroni & Paolini, 2020). Within the survey, pricing was stratified into three distinct pricing levels: 4.99€, 6.99€, and 8.99€. Price selection considered the pricing spectrum observed among various platforms, in which the lowest price was attained by Amazon Prime Video, set at 4.99€, the highest price was set by Disney + at 8.99€ and the intermediate price was an average of the two extremities.

5. Perceptual Maps

5.1. Survey

Considering the exhaustive examination of literature concerning the preferred attributes of video streaming platforms, coupled with the conduction of preliminary interviews with consumers, it was possible to list the characteristics and factors that are significant when subscribing to that service. Thus, to understand the perceptions and requisites of consumers, a survey was designed through the platform Microsoft Forms.

Respondents had the possibility to complete the survey either in English or Portuguese. The inclusion of the first one is aligned with the course language of this marketing research. In

parallel, the usage of the Portuguese language was essential due to the target participants and geographical research focus, Portugal.

Upon the respondents' decision of their preferred language to fill out the survey, they were presented with a set of 14 questions. The initial two intended to collect the platforms to which they were subscribing at the moment of the survey and those to which they had previously subscribed. These questions were designed to illustrate the subscription patterns within the sample group. The subsequent 12 questions aimed to assess customers' perceptions of each of the 5 brands under analysis (Netflix, Disney +, HBO Max, Amazon Prime Video, and Apple TV +) across various attributes using a Likert scale, which spans from 1, denoting the lowest classification, to 5, indicating the highest evaluation.

Analysing the twelve questions, respondents evaluated the subsequent attributes of each brand: The value for money; The ease of use; The broad offer of content; The quality of the content; The existence of viral content; The suggestions algorithm; The accessibility across different devices; The amount of advertisement; The downloading content, The resolution options, The possibility to share an account with other people; The possibility of different payment lengths of subscription. Those attributes were evaluated with customized Likert scales tailored to each specific characteristic. To illustrate this personalization, the assessment of the value for money of each brand was conducted on a scale ranging from 1, corresponding to *Very Unfair*, to 5, denoting *Very Fair*, while the evaluation of the ease of using each platform was rated on a scale from 1, indicating *Very Difficult*, to 5, representing *Very Easy*. This example can be extrapolated to the remaining attributes and scales (*see Appendix 5, Table 6*).

The completion of the sample characterization involved a series of demographic questions. To begin with, age distribution divided participants into five different categories: 15 to 25 years, 26 to 35 years, 36 to 45 years, 46 to 55 years, and those over 56 years old. Gender was differentiated into Male, Female, and Non-binary. Education Level encompassed Middle

School, High School, Bachelor's Degree, Master's Degree, PhD, and a "none of the above" option. Current occupation included Part-time job, Full-time job, Unemployed, Student, Retired, and the option "none of the above". Finally, the level of income was stratified into five distinct brackets: Less than 450€, between 450€ and 700€, between 701€ and 1100€, between 1101€ and 1575€ and exceeding 1575€. It is noteworthy that respondents were always afforded the choice of selecting "prefer not to say".

5.2. Methodology

Perceptual mapping, a widely recognized and adaptable technique within the context of marketing and consumer research, stands as a potent instrument for visualizing and comprehending how individuals perceive and place products, brands, or services within a multidimensional context. This analytical approach has garnered prominence across various industries and applications, primarily due to its capacity to reveal valuable insights into consumer preferences, market dynamics, and the competitive landscape (Vriens, 1994).

This technique can accommodate a variable number of dimensions, but typically only employs two as a standard practice. To evaluate the responses, it is used a semantic differential rating scale, which consists of a seven-point rating scale featuring endpoints with opposing meanings. This scale controls the tendency of some respondents, particularly those with extremely positive or negative attitudes, that select the right or left sides without reading the associated labels (Gigauri, 2019).

It has been demonstrated to be a useful tool since it enables the positioning of products in comparison with the different brands. This instrument proves to be of paramount importance for companies seeking to innovate by introducing new products or rebranding existing ones, leveraging a deeper understanding of consumer insights (Lee et al., 2016).

Furthermore, perceptual mapping's significance in product positioning extends to equipping researchers and professionals with a strategic framework that guides the formulation of well-

informed decisions. Consequently, it plays a key role in delineating competitive tactics, market segmentation, and the development of marketing strategies, encompassing product design, communication, and pricing (Gigauri, 2019).

5.3. Attributes

Price

As previously underscored, this attribute assumes a pivotal significance within this study. This survey had the purpose of perceiving the monetary valuation ascribed by consumers to each brand, encompassing a scale that ranged from *Very Unfair* to *Very Fair*.

Ease of use

Usability is a quality attribute that assesses the user-friendliness of interfaces (Nielsen, 2012). In the context of video streaming platforms, it is important to have a clean, intuitive user interface (UI) that understands consumers even better than they know themselves (Pwc, 2021). It is linked to the ease with which users can interact with the platforms' functionalities. This navigational intuitiveness, the efficiency of the browsing capabilities for finding shows or movies, and the organizational structure of the platforms and the content categories. In the survey, participants will assess from *Very Difficult* to *Very Easy* how easy each platform is to use concerning the aforementioned factors.

Broad content offer

An extensive offer of content on streaming platforms is distinguished by including a large spectrum of genres, and diverse content types, including, but not limited to TV shows, movies, documentaries, sports, and more. The range of content breadth is one of the major criteria that consumers weigh when choosing a streaming service (Pwc, 2021). To evaluate consumers' perceptions concerning the variety of content libraries associated with the various brands, they were asked to rate them on a scale, which ranged from *Very poor* to *Very broad*.

Quality of content

Quality is defined as “*a distinctive attribute or characteristic possessed by someone or something, it often refers to how good or bad something is*” (Dictionary, 2023). For consumers, quality may be perceived as an embodiment of aesthetic excellence, while for a profit organization, such as movie-producing studios, it tends to align with a movie’s commercial success, often measured by a high box office revenue (Starmans, 2017). The quality of content presented by streaming platforms can be subject to various elements, which encompasses script writing, direction, cast, revenues, awards received, as well as critical reviews and rankings. Within the scope of the survey, this attribute had the purpose of providing insights into how consumers appraise the presence of quality content across each of the brands, through a scale ranging from *Very Low* to *Very High*.

Existence of viral content

This attribute was previously employed and explained within the Conjoint Analysis. In this context, consumers assess their perceptions and appraise the presence of viral content across the five platforms. Their assessment was measured using a scale that ranged from *Very Low* to *Very High*.

Suggestions Algorithm

A recommendation system employed on a streaming platform is a software algorithm designed to suggest content to users based on their viewing history and personal preferences. Such engines have been essential, not only within the domain of streaming platforms but across various digital platforms, including Alibaba, Amazon, and Spotify. For companies of this caliber, recommendation engines work as drivers for insight, innovation, and user engagement. The delivery of advanced recommendations can be empirically linked to heightened customer loyalty, exponential growth, and an amplified customer lifetime value. The act of computing compelling recommendations has the capacity to effectively influence and reshape human behaviour (Schrage, 2020). As a result, to understand customer perceptions regarding the

recommendation system of each brand, participants of the survey ranked them on a scale from *Very Poor* to *Excellent*.

Accessibility across different devices

The prior analysis elucidated the customers' behaviours in relation to the various devices used to watch TV shows and movies on streaming platforms. Within this section, participant's ratings will be evaluated concerning the accessibility across various devices from television, computers, tablets, smartphones, and other relevant mediums, relative to each brand. Participants will express their assessment of accessibility on a scale ranging from "*Very Poor*" to "*Excellent*".

Amount of advertisement

Advertisement is a form of communication employed to persuade an audience to take specific actions regarding a product, service, or idea. It is characterized as the art of implanting a unique selling proposition within the minds of most people at the most cost-effective means (Rehman et al., 2019). In the context of streaming platforms, they have undergone significant adaptations to their advertising models in response to the shifting landscape of consumer behaviour. Consequently, there has been a noticeable shift toward the adoption of an advertising-based video-on-demand model (Lawrence, 2022). Concerning the questionnaire, participants were invited to evaluate if the amount of advertisement of each brand was aligned with their preferences. This assessment was based on a ranking scale spanning from a *Very bad amount* to a *Perfect amount* of advertising.

Downloading Content

The downloading content feature emerges as a prominent attribute of streaming platforms, allowing users to download movies, TV shows, and other content to their devices, allowing them to watch it later with no need to establish an internet connection. Consequently, this feature provides a better user experience. Furthermore, it is noteworthy that each streaming

platform can differ in how they provide offline viewing and examples of these disparities can be the access to downloaded content being restricted to the device that was used to download it, the possibility of the content expiring after a predetermined period, and the number downloaded per year being limited (Netflix, 2023). Within the survey, it was assessed how customers perceive the effectiveness and utility of the downloading content feature through a rating scale from *Very Poor* to *Excellent*.

Resolution

The video resolution is a critical determinant of the level of detail, realism, and sharpness conveyed in a video. It is measured by the number of pixels contained within the standard 16:9 aspect ratio, which is prevalent in computer monitors and television screens (Adobe, n.d.). In the context of video streaming platforms, consumers are typically offered a selection of resolution options, varying from standard definition to ultra-high definition (UHK) 4K resolution. Consequently, in the study, consumers evaluated how they perceived the different resolution possibilities provided by each brand, using a scale that ranged from *Very Poor* to *Excellent*.

Possibility to share the account

Sharing an account has been extensively explored in the prior analysis, providing an in-depth understanding of its functionality and consumer practices. Within the survey, the possibility of sharing an account with other people will be investigated for each brand, as participants express their evaluation using a rating scale that spans from *Very Poor* to *Excellent*.

Different lengths of subscription

The subscription duration is the array of payment options available to consumers in terms of subscription period. Most platforms offer monthly subscriptions, but some extend their flexibility to include quarterly or annual options. Providing different types of subscriptions is critical in affording users the freedom to select the option that best meets their needs and

Group Part

financial constraints. Notably, streaming providers often incentivize annual subscriptions by offering cost savings (Underwood, 2022). To ascertain the influence of different subscription types on consumer perceptions of each brand, it was designed a scale spanning from having a *Very Poor* length of options to *Excellent* for this attribute.

6. Further Analysis on Virality

6.1. Virality Definition and Measurement

In the context of video streaming industry, “virality” means the potential for spread ability of any given content; or particular qualities which are considered to have led to content ‘going viral’ (Chandler & Munday, 2016). Within this industry, viral content gains substantial attention, views, and shares in a short period of time. The success of streaming companies heavily depends on the virality of the shows they broadcast, which translates into a strong impact on their revenue of subscriber numbers. The virality of a show is indicative of user engagement, its rapid spread, and its influence on social media and culture itself. Various methods and metrics are employed by video streaming companies to measure the virality of a show.

The first and most obvious method is the impact on social media platforms, where viral shows often get trendy on platforms, encouraging user engagement through hashtags, shares, and reports. This straightforward method helps the platforms to interact with their target audience directly by sharing engaging content. Secondly, platforms analyse the virality of shows by tracking how many viewers and how much time users spend watching certain content. This not only aids in predicting the virality of shows through algorithms but will be explored in detail later in the document. Another frequent method applied in many industries to track virality or tendencies is by monitoring the search engine performance using keywords related to shows, to gauge their relevance and popularity. This will indicate how much a certain show is searched on different search engines and how relevant it is in accordance with the keywords used.

Group Part

Nonetheless, the most important metric for platforms is tracking the growth in number of subscribers attributed to a show's popularity, directly influencing revenue. This is a principal factor to consider in the success and continuity of particular shows. Complementary measurement tools include predictive analytics to forecast virality and the collection of audience feedback through surveys.

It is important to mention that platforms often use third-party analytics companies to measure the impact of shows on their audience. Parrot Analytics is a clear example, which according to The Hollywood Reporter:

“Parrot Analytics’ content valuation system measures value according to a number of data points, including active consumption, that when combined sees a very strong correlation to key performance metrics such as subscriber growth and revenue. This allows the industry to calculate the revenue share contribution of every title, to every streaming service, in every market around the world.” (Porter, 2022).

For a clearer idea of how Parrot's metrics work, there is a valid example of the monthly revenue contribution to Netflix by the show Seinfeld, segregated between months and regions (*see Appendix 6, Figure 1*).

Furthermore, the importance of a show going viral means a safe stream of revenue for the platform while the show achieves continuity by being renewed for new seasons if the engagement with customers is maintained. Feedback for content creators is provided, whether for in-house or outsourced creators, on how audiences respond to certain subjects or plots inside the show.

6.2. Factors Influencing Virality

Content quality is increasingly becoming more important as new TV shows set the production standards higher. According to Jon Giegengack, founder of Hub Entertainment Research:

“Content is becoming a lot more important when it comes to attracting new subscribers (...)

Group Part

And I'm talking about content as opposed to the brand of a streaming platform itself" (Giegengack, 2023).

Platforms are heavily investing in high-quality productions, evident in the escalating production budgets. For instance, the final season of Game of Thrones, broadcasted on HBO Max, boasted an immense budget of 15 million US dollars per episode. Additionally, Amazon Prime's production of "The Lord of the Rings: The Rings of Power" first season reached a staggering total production value of 715 million US dollars (Natale, 2023). This increasing investment in production value, when coupled with compelling storytelling, forms an infallible formula for a successful show, which is crucial for revenue boost.

As in many other industries, boosting brand awareness is crucial for generating customer engagement and increasing revenues. In the video streaming industry, specifically, this awareness extends to specific shows through targeted marketing campaigns and endorsements from celebrities or influencers. Furthermore, fostering engagement with the audience may lead to fan communities, amplifying their presence on social media and consequently boosting the virality of a show. Certainly, marketing campaigns must align with strategic timing and release for shows. Platforms must capitalize on trends to maximize the likelihood of their show going viral. Additionally, the format in which the show is released is also important, whether the entire season is available from day one or if it follows a week-by-week episode release strategy, aiming to sustain interest over time.

Another important way of influencing virality is by having a complete recommendation algorithm, which can boost a show's visibility and increase the number of users watching it. The way this works is simpler than it sounds. According to Netflix's Help Centre, the platform tracks how the user interacts with the service and compares it with other users with similar tendencies. Moreover, these platforms attentively monitor the timing of users' interaction with the service, the devices used, and the duration spent engaging with the platform's content.

Group Part

The algorithm governing these recommendations is influenced by age restrictions and geo-location settings only, ensuring that they are tailored to these specific parameters.

6.3. Case Studies

In the following section of the document, an analysis will be conducted on three exemplary shows which achieve remarkable virality, dissecting the contributing factors that led to virality. Additionally, scrutiny will be applied to two other shows who did not fare as well, exploring the intricacies of their limitations.

Stranger Things – Netflix:

The first show to analyse as a success example is Stranger Things, a Netflix original show, which amounts to around 1.88 billion streamed hours on its fourth season (Payeur, 2023). Being considered one of the most successful series of all time for the platform, Stranger Things helped Netflix reverse its subscriber decline when the fourth season aired, according to The Guardian journal.

According to the Wall Street Journal, Stranger Things fourth season had an average cost per episode of 30 million US Dollars, which in total for the nine episodes would need an average investment of 270 million US Dollars only in production (Bullard, 2023). Besides the production cost, Netflix implemented a broad and innovative marketing campaign for the show. According to Forbes magazine: *“Netflix, in cooperation with experiential marketing specialists Fever, is applying sound marketing principles to develop a deeper relationship between fans and the show by running “Stranger Things: The Experience” in Brooklyn, New York and San Francisco.”* (Taylor, 2022).

These campaigns were executed in major cities around the world, looking to build resonance with consumers with experiential marketing. This boosted the show’s virality by fostering loyalty with fans and creating an experience outside the screens, where users got the chance to explore elements of the Stranger Things world in real life.

Group Part

Reacher – Prime Video:

According to Nielsen Media Data (*see Appendix 9, Figure 2*), the most watched show on Prime Video is Reacher, a TV adaptation of book series, which in its first eight episodes managed to achieve 1.84 billion minutes of viewing time (Tassi, 2022). With these numbers, Reacher became Amazon Prime Video biggest hit, competing directly with Netflix in terms of viewership numbers.

As mentioned before, how a show is released is key to its success. In this example, Reacher debuted in a binge-format which means that the entire show was available from day one. This format gave the show an advantage in terms of viewing minutes during its first week. According to Business Insider, the first two weeks after its release were the highest weekly totals for an original title (Clark, 2022).

Furthermore, Reacher's success is also owed to the fan base of the books, a well-received casting, and faithfulness to the source material. But, as every successful show nowadays, marketing and promotion also played a significant role: *"To promote its new thriller series, "Reacher", Amazon Prime Video mirrored the active, immersive experiences typically found at a fan convention in a traveling outdoor obstacle pop-up that had consumers mimicking missions the show's lead character, former military sniper "Jack Reacher," carries out. Dubbed the "Reacher Challenge" (Zarczynski, 2022).*

As the case before with Stranger Things, Amazon Prime Video boosted the show's awareness by creating an experiential marketing campaign. It is also worth pointing out that the platform invested in a heavy promotion campaign on social media and Out-of-Home marketing. The combination of all these efforts importantly boosted the show's virality.

The second season of Reacher is rumoured to have an approximate investment of 14 million USD Dollars per episode on production, for a full budget of 120 million US Dollars, with the

Group Part

objective of replicating and increasing the viewership success that the first season had (Mullin, 2023)

Game of Thrones – HBO Max

One of the most successful shows in history is Game of Thrones, created by David Benioff and D.B. Weiss based on the book series by George R.R. Martin. The show ran for eight seasons ending in May of 2019. According to data from Statista, the seventh season of the show drew in over 10 million viewers to the platform (Statista, 2023).

The show had an increasing budget as it was continuously renewed for new seasons. The first five seasons had an investment of around 5 to 6 million US dollars per episode, except for the episode “Blackwater” that had a 2.5 million additional to a total of 8 million US dollars. Season six saw an increase of up to 10 million US dollars per episode. Some episodes had to manage a higher budget due to epic battle sequences with an investment of around 15 million US dollars (Hedash, 2022).

The show producers partnered with different brands in order to create a well-rounded marketing campaign, even if the show already had high levels of awareness and recognition (Heritage, 2019). For example, HBO partnered with Bud Light to make a commercial in the Super Bowl. Brands such as Oreo, Shake Shack, the Red Cross, New York Mets, Mountain Dew, AT&T and others utilized the show’s virality to partner with them and be part of the social or cultural phenomenon that Game of Thrones was creating (Hearn, 2019).

Cowboy Bebop – Netflix

The first case of failure in this dissertation is Cowboy Bebop, a live-action adaptation of an animated Japanese show. As with every live-action adaptation, the show had remarkably grand expectations and challenges to maintain the essence of the original show. When the show first aired on Netflix on 2021, the first person to criticize the production was Shinichirō Watanabe, the original director of the Japanese anime series. According to Variety Magazine: “*he*

Group Part

(Watanabe) stopped watching the live-action Netflix remake after just one scene because it didn't feel like the anime classic he helped create." (Sharf, 2023).

Moreover, according to Variety Magazine critic, Caroline Framke the series was "Netflix bloat", which added the following statement: "It tries to be so much all at once, and appeal to so many different potential audiences, that it ends up struggling to forge an identity of its own." (Framke, 2021).

The show debuted with high ratings with 74 million viewing hours in just the first week, mostly because of the expectation behind the original show, but dropped 59% in its second week (Sharf, 2023). This ultimately led to its cancellation by Netflix executives.

It is important to note that the show had an averaged budget of 6 to 7 million US Dollars per episode (Catalán, 2023). Hence, it is possible to verify a correlation between the production investment and the success of the show, as compared to the previous shows where the investment was considerably higher.

Pennyworth – HBO Max

The TV show adaptation of Batman's butler, Alfred Pennyworth, backstory ended after three seasons, where HBO Max's executives decided to cancel the show (White, 2023). It is important to clarify that the first two seasons aired on Epix, which is now MGM+. The reasons behind the cancellation refer to limited audience engagement, defective marketing campaigns and mixed reviews from critics. According to Forbes magazine critics, the show had a mediocre reception, with an important Intellectual Property belonging to Batman on the DC Universe, with users taking the show as an unnecessary exploited plot (Barr, 2019). The negative reviews were mainly focused on the pacing and storytelling of the show, while some positive reviews involved the character development and production quality.

In terms of marketing and publicity, the show tried to make an important comeback with the support of HBO on its third season, with impactful artistic campaigns for Out-of-Home and

social media content. But the public's response did not coincide with the platform's expectations, leading to a decrease in the watching hours.

6.4. Impact of Virality on Streaming Platforms

With the analysis of the before mentioned cases, it is possible to derive that the virality of a show can infer a strong impact on a platform, whether is Stranger Things helping Netflix financially or Cowboy Bebop giving Netflix a bad reputation in the production of in-house content. These different consequences can be analysed in three separate ways, by affecting viewer retention, subscription rates and overall platform popularity.

Viewer retention refers to the capability of a brand to maintain an engaged audience that keeps returning over time to consume more content from the same platform. In this industry, this can be a particularly important metric to measure virality and measure the aftereffects of marketing campaigns. It can be incentivized with customer loyalty campaigns as in any other industry, but in the case of the video streaming industry, customer loyalty can be very frail and changing. Companies must understand their target audience behaviour and adapt to their needs. It is of significant importance that the brand uses this virality windows to build momentum and boost viewer or audience retention (Knights, 2023).

In accordance with viewer retention, subscription rates must come hand in hand with virality windows, given that virality can provoke temporary subscription spikes. Thus, most platforms can use virality to promote massive subscriptions with promotional prices and targeted pricing campaigns. However, it is important to mention that not all viral content translates directly into sustained subscription growth, since it will depend on the ability of the platform to keep users engaged by offering a successful overall experience. It may include distinctive features, content quality, audience interaction, and many other attributes as the ones referred to before on the document.

Group Part

All the factors mentioned above directly contribute to enhancing the overall platform popularity and user satisfaction. This also translates to brand awareness and positioning. However, virality can heavily increase exposure and have a long-term impact if the platform knows how to sustain this virality, whether renewing shows for new seasons, social media marketing campaigns, or other initiatives taking advantage of this attribute.

6.5. Challenges and Risks

Brand executives in the video streaming industry must acknowledge the risks and challenges that virality can pose to their platform. These risks can range from an overreliance on virality, problems when trying to maintain consistency, and knowing how to react to negative virality. Depending heavily on viral content as a main strategy can pose a threat to the business, which can eventually lead to inconsistent results and unsustainable growth. This is mainly because virality can be very unpredictable and unreliable. Airing viral content only provides short-term revenues but does not sustain over time, especially if it is not planned correctly. Furthermore, maintaining the same level of engagement and interest from the audience can be incredibly challenging. This would mean sustaining an elevated level of quality in production and marketing skills beyond the viral moment of any content. Besides, the platform would have the risk of not meeting expectations, and the risk of not being able to promote engaging and innovative content after the first initial wave. On the other hand, a negative wave of virality is possible, which can translate into massive negative reviews and criticism. This is why it is important for companies to know how to handle backlash, controversy, or negative publicity once it can eventually harm the platform's overall reputation and user base. Alternatively, brands can hire third-party companies who can handle crisis management and public relations to minimize the negative impact on the brand.

6.6. Future Trends

As customer needs continually evolve and technology advances, companies must anticipate and project future trends to stay ahead. These upcoming trends can derive from emerging technologies, shifts in audience preferences, and innovations in content creation.

For new subscribers, platform personalization will play a key role in future trends and will define user loyalty. Providing customers with the ability to navigate the platform with ease and with Artificial Intelligence deciding the user's interface with their viewing habits and preferences (Kolosovskaya, 2023) is crucial. For example, providing users with the ability to ask for the platform exactly for content that matches his mood at the moment and the platform providing options accordingly. The widespread adoption of 5G networks will significantly impact the industry by enabling faster content downloads and providing a more reliable streaming service (Singh, 2021). This will facilitate delivery of higher-quality video content to users.

“As demands for seamless live video streaming and high-quality content rise, the neoteric 5G technology presents the lucrative opportunity to drive the OTT (Over-the-top platforms) viewer experience to a whole new level. As video is accountable for a majority of mobile internet bandwidth consumed today, the upgraded connectivity will open new doors for digital streaming providers” (Walsh & Singh, 2021)

Audience preferences within the video streaming industry are changing rapidly, directly affecting consumption patterns and content accessibility. TikTok and Instagram reels have largely propelled the trend of short-form and user-generated content. As viewer expectations shift towards condensed, easily consumed videos, platforms might consider incorporating similar formats. They appeal to audiences looking for quick yet engaging content experiences that align with their fast-paced lifestyles. Audiences are increasingly interested in interactive and participatory content within the streaming landscape. A growing demand for immersive

Group Part

engagements that transcend traditional passive viewing illustrates this trend. With the rise of live streaming events, interactive shows, and participatory experiences, viewers are actively engaging with content, creators, or fellow viewers. Viewers prefer dynamic and engaging content experiences that foster community and involvement, reshaping how platforms are accessed.

Content creation in the streaming video industry is undergoing a dynamic transformation, leveraging advances in technology and creative strategies to revolutionize how content is produced and consumed. In addition to generating ideas and scripting, AI-driven tools and algorithms are increasingly used by creators and platforms to enhance video content. AI-powered systems not only expedite the production process, but they also give creators sophisticated tools to improve storytelling, optimize visuals, and tailor content to better resonate with audiences' preferences, leading to a new era of efficiency and creativity in content development. Furthermore, the industry is increasingly experimenting with immersive and interactive content creation techniques. Creators are working to develop innovative narrative formats, branching storylines, and interactive features that will engage viewers. Through VR/AR and other technologies, creators are exploring new storytelling dimensions, creating immersive experiences that blur the boundaries between the digital world and the audience. Through these initiatives, viewers will experience immersive, participatory experiences that allow deeper engagement and more personalized content consumption journeys as they immerse themselves within the narrative. With content creators pushing the boundaries of creativity and technology, these innovations promise to redefine storytelling and audience interaction within the streaming video industry. As a result, cross-platform integration has become an integral strategy in content creation across streaming video platforms. Multi-platform distribution approaches are gradually being taken into consideration by content

Group Part

creators and platforms, with content tailored to specific devices and online spaces to maximize reach and engagement.

The goal is to craft content that adapts fluidly to different screen sizes, resolutions, and viewing environments throughout a variety of platforms, ensuring a consistent and optimal user experience on each platform. Through a cross-platform approach, creators aim to reach audiences wherever they consume content, enhancing accessibility and strengthening relationships between viewers. Moreover, streaming video content creation has been transformed by the rise of user-generated content and crowd collaboration. As streaming platforms facilitate community co-creation of content, audiences are actively participating in the process of creating content. Users are encouraged to participate in the content creation process by participating in discussions, offering feedback, and contributing ideas to this paradigm shift. Utilizing the collective creativity of users, streaming platforms can develop content libraries that are tailored to audience preferences, interests, and evolving trends, which in turn fosters a more inclusive and interactive content ecosystem within the industry.

7. Conclusions

7.1. Discussion

The study provided valuable insights into the attributes that customers prioritize in the decision-making process of subscribing to a video streaming platform, as well as elucidated the nuanced perceptions of the diverse brands across distinct characteristics. Furthermore, it also underscored the variations in these findings across disparate demographic segments.

The conclusions drawn from the conjoint analysis underwent validation and alignment with existing research findings, as predictable. Primarily, Netflix emerged as the preferred brand, a discernment reinforced by supporting data from 2022. A noteworthy 82 percent of Portuguese respondents affirmed their access to Netflix, solidifying its position as the most popular video streaming platform. HBO Max secured the second position, with a 35 percent user base

Group Part

(Statista, 2023). Consistent with the expectations, consumers preferences manifested a proclivity for lower subscription prices, multi-device accessibility, and a predilection for popular content.

In reference to the findings derived from the perceptual map analysis, observable trends indicate that Netflix, HBO Max, and Disney + secured the most favourable evaluations across the combination of the 12 attributes scrutinized in this study, exhibiting a positive correlation with each attribute. Notably, this held true apart for every attribute except for Netflix and Account Sharing, a divergence anticipated due to prior public apprehensions on the subject.

Moreover, as anticipated, consumer satisfaction was found to rely not only in content related offering, but also on the broader spectrum of customer experience and engagement. The market leader, Netflix, occupied a favourable position in this regard when compared to its competitors. These results align positively with the results of the conjoint analysis, as well as the customer journey literature examined in the literature review section.

Subsequently, it will be conducted a more in-depth examination of some intriguing and less predictable conclusions.

The Most Important Attributes (Account Sharing and Virality)

The findings from the conjoint analysis underscored that account sharing and popularity of shows were considered the most important attributes among participants, which prompted a further analysis in the bonus section. Looking at the two analyses performed in this study, Conjoint and Perceptual map analysis, it is noticeable that the two most popular attributes identified in the conjoint analysis, have a great impact on the way the existing brands are perceived in the market.

Account sharing emerged as the preferred attribute influencing the decision-making process for subscribing to a video streaming platform, notably prevailing as a significant factor across each platform individually. While examining this aspect, research indicates that the most critical

Group Part

attribute is the subscription price, reported by 81% of consumers, followed closely by the broad selection of content, identified by 80% (Statista, 2023). However, though seemingly disparate from this study, account sharing can have a strong relation with pricing, because sharing account access essentially divides the subscription price among users or, in some instances, enables individuals to utilize the service without incurring expenses by utilizing others' accounts. This trend has been gaining traction, evidenced by estimations suggesting that 35% of individuals with access to subscription-video-on-demand services are sharing at least one subscription across households.

Furthermore, the formalization of illicit subscription sharing is evident, with approximately 25% of users splitting the cost of subscribing to a video streaming platform among different households (Deloitte, 2023). This data indicates that consumers actively engage in this preferred practice, although many companies have yet to leverage its potential. However, Netflix stands apart, having started to implement measures to address account sharing, as detailed in the bonus section, which resulted in improved financial statements, heightened revenues, and bolstered its position as a prominent key player within the streaming platform industry.

The popularity of the shows was considered the second preferred attribute among participants, albeit it was not unanimous across brands, being specifically favoured in the case of Netflix and HBO Max. Conversely, for other brands, it held the third position in preference. Examining this attribute, in 2022, 10 out of the top 15 streamed programs were hosted on Netflix. Among these top 15, the three most favoured shows were "*Strangers Things*" (Netflix), "*NCIS*" (available on various platforms) and "*Cocomelon*" (Netflix) (Nielsen, 2023). Considering Netflix's prominence and favourable perception as a leading brand, its strong representation among the most popular shows supports the importance of this attribute within the streaming landscape.

Group Part

As this study could conclude in the section regarding the attribute virality of content and its importance for a brand's establishment in the market, it was observable that there is a significant impact on a platform's performance, regarding the financial side of the company's performance but also the brand engagement and reputation. It was noticeable in Netflix's case, where the platform faced both ends of the value this attribute can bring to the company, with the TV show "Stranger Things" and its fourth season creating a revenue boost for the company, but also having the example of the TV show "Cowboy Bebop" that experience a negative side of virality, damaging the platform's reputation regarding its original content.

Additionally, video streaming platforms can take advantage of the value of this attribute, by capitalizing on trends and using their own recommendations algorithm and targeted marketing campaigns to sustain interest over time and to create a safe stream of revenue for the platform and continuity of the show for fan engagement.

However, it is important to notice that to leverage this attribute value, video streaming platforms need to heavily invest in content creation, with high budgets being allocated to this matter, for example, Amazon Prime Video's budget of 15 million Dollars per episode of the final season of Game of Thrones, combining production costs, campaign costs, among others. Furthermore, constant analysis and monitoring of data regarding the before and after of a show launch is needed in order to understand the impact that a show can have, more specifically tracking the growth in the number of subscribers attributed to a show's popularity.

Therefore, companies need to understand how they are positioned relative to these popular attributes among the public eye and undertake the necessary modifications for them to establish synergies between attribute popularity and brand perception. For instance, as aforementioned, Netflix must be careful addressing the attribute of account sharing, given its highly negatively correlation. Any missteps in decision-making in this regard could detriment the brands reputation and positioning within the market.

Group Part

On the other hand, Apple TV + should provide efforts to improve their content strategy, especially content that is viral on social networks, since in the time being it is not being rightly perceived by the public eye and has a great impact in the overall score of the brand.

User-Experience related attributes have similar perceptions

Upon examination of the perceptual map section of the study, several conclusions can be drawn from the conducted analysis. Among the 12 attributes scrutinized in the survey responses, two distinct cluster of attributes emerged, exhibiting analogous factor correlations. This alignment indicated that they are perceived similarly by the consumer, a result in line with the expectations owing to their shared characteristics. Notably, the study discerned that attribute related to overall platform usage and subscriber interaction, such as Downloading Content, Suggestions Algorithm, Accessibility Across Devices and Ease of use exhibit a positive correlation with the attribute Value of Money. This implies that a customer-centric approach and personalization of platforms contribute to heightened subscriber satisfaction, thereby maximizing their lifetime value and engagement (Douin, 2023).

However, the attribute of account sharing, while also linked to platform usage, demonstrated an opposing effect on brand perception within this cluster. This discrepancy is primarily attributed to constraints imposed by Netflix on account sharing in early months of the year 2023, which elicited negative reactions across various social media and communication platforms (Kelly, 2023). This outcome aligns with the research question's expectations, emphasizing the significance of such findings in understanding the nuanced dynamics of consumer perceptions in the context of video streaming platforms.

Observing the perceptual map, this study can conclude that Netflix is a clear leader when it comes to the two previously mentioned clusters of attributes, correlating positively with all of them. This indicates that the cohort of respondents in this study views Netflix as the preeminent streaming brand, exceling in both platform usability and consumer interaction. Furthermore,

Group Part

Netflix's artificial intelligence system is perceived as highly adept at customizing the suggestions box to align closely with the consumer's preferences and search criteria. This discernment sheds light on the platform's robust positioning in the Portuguese market, substantiating its popularity and favourability among consumers in the region.

Content Attributes Relate Positively to the Value for Money Perception

On the other hand, another pertinent cluster of attributes that were considered relevant in the perceptual map analysis is related to the content provided by these video streaming platforms and the viewing experience of such content. Unlike the cluster of attributes related to platform usage, this content-related cluster exhibit closer proximity to the positioning of three brands in the perceptual map. This observation underscores the ongoing negotiation and dispute for content exclusivity in the industry. Disney + and HBO Max are strong contenders to the leadership positioning regarding content related attributes, followed by Amazon Prime Video, whereas Apple TV + presents a negative correlation with it, proving that it is not well perceived by the Portuguese market in that department. The perception of the brands HBO and Disney + observed in the analysis align with the current performance of these platforms in the Portuguese market, being in the top 3 of most subscribed platforms in the country, as previously noted.

In the year 2022, an examination of the PrimeTime Emmy Awards in the United States reveals a noteworthy correlation between the number of wins and the perceived strength of video streaming platforms in content-related attributes. It is noticeable that HBO Max is the video streaming platform with the highest number of wins (38 wins), followed by Netflix, with 26 wins (Statista, 2023). This pattern substantiates the positive correlation observed in the perceptual map analysis between these platforms and content-related attributes, affirming the industry recognition of their content quality. Moreover, Disney + although presenting a lower score of wins than the latter, is known for its exclusive original content provided by the Walt Disney Company, as well as popular shows from other producers that are marked as "Only on

Group Part

Disney +” (Disney+, 2023), which can explain the proximity to content related attributes of this brand.

Perceptions Rely on each Brand’s Business Model and Main Priorities

Observing the perceptual map originated with this analysis, it becomes evident that each streaming occupies a distinct and specific positioning relative to the analysed attributes. This can be explained by each one of the different business models each platform pursues. Starting with Netflix, being the largest streaming provider globally and the most established brand in the Portuguese market, a notable brand loyalty and a robust consumer base are apparent, (Pereira, 2023). Despite this, there is a discernible need for Netflix to prioritize investments in content-related aspects, as it exhibits a relatively modest positive correlation in this regard. Addressing this aspects becomes crucial to prevent any potential decline in the perception of the brand, which could transition from a small positive correlation to a negative one without strategic interventions.

Apple TV + is concluded to be the worst perceived brand in the market by consumers, which is aligned by being the worst ranked of the five when it comes to number of subscriptions in the Portuguese market, which is led by Netflix, and followed by HBO Max, Amazon Prime Video and Disney + (Statista, 2023). Primarily, Apple TV+ necessitates a substantial enhancement of its content portfolio, emphasizing concerted efforts to raise awareness about new shows and improve their virality on social networks. A strategic focus on content development and promotion can contribute significantly to augmenting Apple TV+’s standing in the competitive landscape of video streaming platforms.

Concerning Amazon Prime Video, HBO Max and Disney +, this study concludes that these brands exhibit comparable market positioning and are perceived similarly by consumers. The primary focus and strengths of these platforms in the Portuguese market lie in the quality of content offered, especially due to the platform’s marketing efforts regarding the launches of

Group Part

original content. However, there is an identified need for these platforms to concentrate on enhancing the interactive experience with their customers. This strategic emphasis is crucial to narrowing the gap between these platforms and the market leader in Portugal, Netflix. Furthermore, a potential threat faced by Amazon Prime Video, HBO MAX and Disney+ is the risk of appearing too similar in the eyes of the consumers within the market. This lack of differentiation in both positioning and business models could undermine their ability to carve out distinct identities and might impact their competitiveness. Therefore, strategic efforts to differentiate their offerings and improve the overall customer experience are recommended to strengthen their foothold in the Portuguese Market.

Regarding Content related investments, Disney +, Netflix and Amazon Prime Video combined are expected to be involved in approximately a quarter of the global growth in spending on original film and TV content for the next 5 years, with percentage increases in investment in original content in around 40 to 80%. (Irwin-Hunt, 2023). Focusing on the Portuguese market, it already can be observed efforts made by Netflix and Amazon Prime Video to invest in the development of Portuguese based productions, like “Rabo de Peixe” and “Morangos com Açúcar”, respectively. These investments may also prove to be an important help for these platforms to improve their perceptions regarding these attributes, and therefore improve their brand positioning in the market.

Differences in Age Group Preferences

The preceding analysis has led to the conclusion that distinct age groups manifest different needs. Research revealed that the age group between 18 and 24 years has the lowest representation of subscribers in the Portuguese video streaming market, accounting for a share of 8% (Statista, 2022), meaning that it is imperative to investigate preferences within older demographics, which represents 92% of subscribers. As indicated by the findings of the prior conjoint analysis, older generations (26+) exhibit distinct preferences, tending to prioritize

Group Part

factors such as the possibility of sharing an account with others and the type of content available more than younger generations. However, it is pertinent to acknowledge that, within the analysed sample, the older generation (26+) predominantly contains individuals within the 26 to 45 years age range.

These results are aligned with the findings because when assessing the preference for the option to share video streaming accounts, the primary driver is rooted in the economic circumstances experienced by individuals within this age group. This demographic segment exhibits a pronounced tendency to prioritize economic considerations in their decision-making processes, with 80% reporting feeling stressed out by their financial situations (Bank of America, 2023). Furthermore, beyond the core economic rationale, the desirability of having access to a broader variety of content warrants consideration, since it is a common practice for this age group to engage in subscription exchange arrangements with friends or family members. This exchange involves the reciprocal sharing of subscription access, allowing participants to have a variety of platforms available, and consequently, more content offered. Consequently, this research aligns with the conjoint analysis results, reinforcing the significance of the account sharing attribute among older generations.

Additionally, in the realm of type of content, insights from 2021 video streaming data have corroborated the conjoint analysis findings, revealing that original content holds greater appeal for older audiences, whereas younger viewers exhibit a stronger affinity for acquired content (Nielsen, 2022). This dichotomy in preferences may be attributed to the inherent propensity of younger viewers to embrace novelty and diversity present in acquired content. Such content often comprises different cultural, genre-specific, and historical materials, offering a rich variety that intrigues and engages this demographic. Nevertheless, this opposition extends beyond a mere preference for original versus acquired content, as it is influenced by

Group Part

multifaceted factors such as generational disparities, storytelling styles, entertainment value, and individual preferences shaped by diverse experiences and cultural influences.

Differences Between Students and Non-Students

This study revealed that the significance of popular shows as a characteristic resonated more prominently among student participants. This observation aligns logically, considering the heightened exposure of students to an environment marked by societal pressures and extensive use of social media platforms. The increasing significance of this preference among students reflects the escalating integration of social networking into their daily lives. Research examining the psychological impact of social media usage among students highlights the profound effect these platforms exert on individuals' emotional states. For instance, passive engagement with social media content can significantly influence an individual's mood, thereby emphasizing the sway of content on emotional well-being (Chen & Xiao, 2022).

Consequently, this influence transverses various aspects of students' behaviours, preferences, and likes, shaping their choices and viewing habits in alignment with prevailing trends and popular content. Students tend to exhibit a more profound connection to popular culture compared to non-students. They are more likely to follow celebrities and social media influencers, staying abreast of trending topics. Thus, this heightened connection with contemporary culture renders students more inclined and interested in engaging with popular shows.

Entry Opportunities in the Video Streaming Market

Moreover, it is crucial to notice that despite the distinctive positioning of the five analysed brands, across all four quadrants of the perceptual map derived from this study, there exist discernible gaps in the map that signify opportunities for both new entrants and established brands to refine their operations. The prospect of new entrants entering the video streaming

Group Part

industry is notably high, with an influx of players in recent years, particularly from major companies endowed with substantial resources and established customer bases (HiveIr, 2023). Turning attention to the Portuguese market, emerging players are evident from local corporations, such as Opto and TVI Player, offering niche content. Simultaneously, global players like Hulu could potentially amplify their market presence in Portugal if they find the market conducive to their operations. However, for these gaps in the perceptual map to be effectively filled, companies must ensure that these areas are both attractive in terms of demand and profitability. It requires a strategic assessment of whether investing to be perceived within a specific gap aligns with their overall business goals.

For example, even though there may be several gaps and market opportunities within the quadrant where Apple TV+ is positioned, it may not be advantageous for a new entrant to target these gaps. This is because most attributes valued by Portuguese consumers are negatively correlated with this kind of positioning. Aligning the observed results with existing literature on the customer journey, especially involving Customer Relationship Management (CRM), and considering the evolving dynamics of the video streaming market, new entrants could find a balanced starting position on the perceptual map that aligns more closely with the desired attributes and market preferences.

7.2. Managerial Implications

Allow for Account Sharing Subscriptions

The account sharing attribute has emerged as the most important under the conjoint analysis, highlighting its significance in consumer preferences. It underscores the imperative for video streaming companies to channel their efforts and investments into this field, in order to leverage this opportunity. Nowadays, the prevailing strategy among most platforms is to restrict account sharing to the confines of a household, which can be defined as “*the collection of devices*

Group Part

associated with your primary personal residence that are used by the individuals who reside therein” (Disney +, 2023).

Consequently, there exists an opportunity for video streaming platforms to explore solutions that extend the possibility of account sharing to a limited number of individuals beyond the household. The implementation of such solutions aligns with the concept of group discounts, a practice that represents an important and growing strategy. Group discounts are characterized by offering financial incentives to multiple individuals, attracting not only different consumer segments seeking to benefit from economies of scale but also potential consumers who may not be fully aware of the product or service being offered (Meir et al., 2014). In essence, account sharing can be likened to a form of group discount, where the price of the subscription is distributed among a designated number of individuals. For example, considering a scenario where a company is currently charging 6.99€ per month for its subscription, they could introduce an option to share the account among 4 different individuals priced at 21,99€. If three individuals were to purchase subscriptions at the standard price, collectively amounting to 20,97€, the implementation of this sharing discount could attract an additional subscriber that already compensated the value of 21,99€ paid by the group of four. Thus, although this example does not involve deep and advanced calculations it has the purpose to demonstrate a potential scenario that benefits both the subscriber, who reduced the subscription price, and the service provider, who sees an increase in the number of users.

Pursue Viral Shows for the Platforms

The second most preferred attribute identified was the popularity of the shows, indicating the significance of understanding how movies and TV shows achieve virality. It becomes essential for companies to invest in comprehending the factors contributing to the virality of programs and discerning the specific content types that tend to gain widespread popularity. Traditionally, movies relied on conventional marketing channels, like television commercials and print

Group Part

advertisements, to reach audiences. However, the advent of TikTok has revolutionized movie promotion, offering an innovative and impactful way to connect with viewers, propelling movies to unprecedented levels of popularity. In this context, nowadays TikTok assumes a critical role since teenagers spend an average of nearly 2 hours daily on the platform (Tenore, 2023), and in Portugal, the user base on TikTok has surpassed 3.3 million users. (Statista, 2023). Remarkably, TikTok has been instrumental in sparking viral movie moments, often driven by specific audio excerpts, soundtrack selections, or emotionally charged and humorous scenes. Additionally, beyond promotional efforts and social media engagement, streaming platforms must exercise discernment in their content creation and acquisition strategies. Several factors contribute to the potential virality of a series, including a robust concept and storytelling. A compelling premise, well-developed characters, and engaging storylines are essential components that draw audiences and fuel discussions since people will talk about something if it's part of a broader narrative (Wood, 2021). Moreover, narratives that tie into broader societal themes, cultural trends, or universal human experiences tend to resonate more deeply and garner wider attention among viewers.

Ultimately, while no guaranteed formula exists for ensuring the virality of a series or movie, certain characteristics and contextual conditions create a more conducive environment for such phenomena to emerge.

Invest in Original and Exclusive Content

Another pivotal recommendation emerges in the crucial need to strategically invest in original content, as substantiated by pertinent data. Evidence from 2022 underscores that only 4 original streaming programs secured a position among the top 15 most-watched programs (Nielsen, 2023). This data suggests that the original still possesses considerable untapped potential, suggesting considerable scope for expansion and heightened relevance.

Group Part

It is noteworthy that there are prominent examples of original programs that significantly bolstered the prosperities of streaming platforms. A striking case in point is the South Korean series “Squid Game”, which has emerged as Netflix’s biggest release ever, attracting 132 million fans from around the world within the initial 23 days of its launch. Although it is challenging for Netflix to precisely quantify the financial gains attributed to each individual show, estimations regarding “Squid Game” indicate a production cost of approximately 21,4 million dollars, and a colossal impact in the first season, generating revenue of 891,1 million dollars (Jornal de Negócios, 2021). Therefore, these numbers underscore the vast potential inherent in the creation of original content. It offers companies a unique opportunity not only to capture the attention of this older generation but also to catapult their content to viral status, break watching records, expand their subscriber base, and ultimately accrue substantial profits. Additionally, besides original content importance to differentiate the brand in a more cost-efficient and individual way, there should be a focus of video streaming platforms on bidding for the exclusive rights of classic popular shows and movies. This popular content is what attracts users to subscribe and get a glance at the original content and other features that the platform might have to contribute to customer satisfaction (Cho, 2020). Possessing greater content exclusivity of viral shows implies a higher degree of subscriber loyalty and reduced inclination to subscribe to multiple platforms, and higher consideration for unsubscribing. The availability of exclusive and compelling content serves as a significant retention factor, fostering a sense of comfort and satisfaction among subscribers. When a streaming platform becomes synonymous with must-watch and unique content, subscribers are more likely to remain dedicated to that service, contributing to increased subscriber retention and brand loyalty. This underscores the strategic importance of content exclusivity in cultivating a strong and committed subscriber base within the competitive landscape of the video streaming industry.

Group Part

On the other hand, losing exclusivity rights for popular shows could provoke damaging effects on the platforms' perceptions, negatively impacting the content-related cluster of attributes and the overall consumer satisfaction of the brand. An example of this phenomenon is the widely popular television series *"Friends"*, which was exclusively streamed on Netflix before departing from its catalogue to become solely available only on HBO Max. At that time, a study indicated that approximately 50% of young subscribers expressed intentions to discontinue their Netflix subscription in the event of the removal of *"The Office"*, *"Friends"*, and *"Disney"* content (Shevenock, 2023).

Implement a Student Discount

Certainly, the pre-purchase stage within the customer journey has been highlighted in the literature review as an important phase that significantly influences future repurchase intentions. At this stage, consumers assess various brands and ascertain their suitability as potential options when the need for a particular product or service arises. This initial brand recognition and consideration process, often initiated among younger demographics, sets the foundation for continued patronage and subsequent repurchasing behaviours. Therefore, a strategic recommendation emerges, focusing on fostering brand awareness among students who represent the future subscriber base. It's imperative to craft a brand image that resonates with the younger demographic, addressing their concerns and needs effectively.

An essential aspect that warrants attention in this cohort is their sensitivity to pricing. Students, typically contend with lower disposable incomes, rendering even slight price increases potentially prohibitive for them (Pettinger, 2017). Hence, implementing student pricing strategies, such as student discounts on streaming platforms could prove advantageous. Offering reduced rates during their student years not only addresses their financial constraints but also creates a sense of brand affinity and connection. This engagement cultivated during

Group Part

their college years could foster loyalty even after their academic pursuits, prompting continued subscription and repurchase behaviour.

An exemplary instance of this strategy is observed in Spotify, a subscription-based service much like the streaming platforms, that offers a *Premium Student* subscription. This membership is accessible for college and university students, granting them a discount for a duration of up to 4 years. Renewal and re-verification every 12 months are mandatory to prevent misuse or non-eligible individuals from availing of this discount. Notable, in Finland, 5% of Spotify users are enrolled in the Student Premium discount (Statista, 2022), indicating a noteworthy level of adherence to this pricing strategy within this specific target demographic.

Build an Updated Database

Digital media services, particularly streaming services, generate an immense volume of data daily, broadly categorized into content data and audience data. Content data encompasses more than fundamental details like titles and descriptions, it includes a wide array of information including genre, cast and crew details, runtime, video formats, popularity, and engagement. On the other hand, audience data is divided into demographic and behavioural data. Demographic data, such as age, gender and location, aids in grouping audiences based on general preferences. Behavioural data provides highly specific insights into individual user actions, encompassing their interactions with the platform, such as clicks, viewing durations, search history, feedback, and billing details, among others, to build comprehensive user profiles (Allam, 2023).

The management of metadata plays a vital role in the context of streaming platforms, providing accurate, extensive, and pertinent information regarding the platforms' content library. Efficient metadata handling ensures user-friendly navigation and personalized experiences amidst the vast content offerings (Tasneem, 2023). Thus, this synergy between metadata and Artificial Intelligence influences three key areas crucial for customer repurchase intentions: tailored recommendations, personalized search and content acquisition.

Group Part

Tailored recommendations exert a significant influence on user retention as they compel customers to repeatedly engage with a platform characterized by an intuitive interface and pertinent content suggestions. Platforms like Netflix leverage sophisticated recommendation algorithms to offer content suggestions aligned with individual preferences. These algorithms continuously learn and refine suggestions, fostering an intuitive and engaging interface. Even industry leaders are developing tools capable of generating compelling content recommendations within 30 seconds of a new subscriber signing onto the platform (Sobel, 2023).

Personalized search functionality enhances user experiences by curating search results based on individual preferences. Given the extensive content libraries on most streaming platforms, customers may encounter challenges when quickly locating specific content. However, by utilizing similar data used for content recommendations, streaming platforms can refine search results, enabling users to quickly find desired content, thereby improving platform usability (Canet, 2022).

Content acquisition is essential for platform success. In an era of evolving customer loyalty, it is the quality of a platform's content that both attracts and retains users. Data demonstrates that, during the pandemic, a majority of users subscribed to a streaming service primarily to watch a particular show (Canet, 2022). Additionally, this trend was also reported in a few preliminary interviews, such as *"Disney + is subscribed only because of Marvel movies"*. Nevertheless, users are unlikely to remain subscribed if they cannot discover additional content that resonates with their preferences on the platform. To mitigate this potential loss of users, it's essential for platforms to continuously anticipate trends by procuring and producing relevant content promptly. This can be done with the support of AI, clickstream data and customer feedback.

Group Part

To conclude, investment in data analytics, AI, and Machine Learning is imperative for brands to offer relevant and personalized experiences that connect with viewers, ultimately driving sustained engagement and loyalty.

Focus on the Attributes Perceptions to Improve Customer Repurchase Intention

As discerned in this study, the attainment of robust repurchase intention rates for video streaming platforms in the Portuguese market hinges significantly on prioritizing customer satisfaction and retention. It is a long path that companies need to go through, requiring a sustained and strategic commitment to brand positioning over time. The findings from this study provide a valuable foundation for the five brands under examination, offering insights into the attributes most valued by consumers and their respective positions in these crucial dimensions compared to market competitors.

To navigate the path toward solid repurchase intention rates, the next section of the research, Managerial Implications, will undertake a more detailed analysis. It will delve into the strategic measures each brand can adopt to enhance its performance and attributes, aligning them with consumer preferences to effectively work towards achieving the overarching goal of sustained customer satisfaction and retention in the dynamic landscape of the Portuguese video streaming market. Focusing on these attributes value and their perception, platforms can tackle their main pain points by organizing campaigns, strategies, technological advancements, and marketing efforts. Improving customer satisfaction and trust will dispute engagement with the brand in social networks, in word-of-mouth recommendations and improve the customer lifetime value as well as the acquisition of new customers.

However, this study is only the starting point of a deeper benchmark regarding these attributes that is necessary to make stronger and more justified conclusions and consequently plans of action for companies to optimize their efficiency of action in this matter and reach a cost-efficient strategy to reach competitive advantage in the market.

Group Part

CRM Initiatives

As established in this study, the positioning and perception of brands in the market, particularly in the context of competition, are intricately tied to the influence of each evaluated attribute on customer satisfaction and purchasing intention. Given the pivotal role of customer-centricity in achieving a solid market foothold, Customer Relationship Management (CRM) initiatives emerge as valuable tools to foster profitable customer relationships.

It is advisable for video streaming companies to channel their CRM investments strategically, ensuring they generate tangible competitive advantages. Simultaneously, it is imperative to adhere to compliance requirements and legal obligations related to data collection and privacy, as mandated by the European Union and the Portuguese government. Ethical considerations should also guide these initiatives.

By focusing on CRM, video streaming platforms can enhance emotional connections with consumers, fostering a sense of individuality in customer service and product offerings. This, in turn, contributes to heightened customer satisfaction and engagement with the brand. Whether a company occupies a market-leading position like Netflix or is in the nascent stages of market establishment like Apple TV+, CRM initiatives can be tailored to serve different strategic objectives, demonstrating their versatility and effectiveness in various market contexts.

Individual Brand's Overview

Focusing on the five brands chosen to be a part of this study: Netflix, Amazon Prime Video, HBO Max, Disney + and Apple TV +, it is crucial to understand how this study created some insights for each of the brands' operations, and what conclusions can be drawn from the analysis performed.

Starting with Netflix, as the market leader in Portugal, positive perceptions regarding product offering and brand loyalty are evident. However, the brand faces challenges in content-related

Group Part

attributes and has encountered controversy surrounding its account sharing policy. To fortify its position, Netflix should prioritize significant investments in content, particularly focusing on securing exclusivity for popular TV shows and movies, leveraging its strength in producing original content.

Addressing the account sharing issue is crucial for restoring brand reputation. Netflix may consider revisiting its account sharing policy, potentially reverting to a policy disallowing sharing outside of household addresses. Alternatively, the brand could modify the policy in a manner that enhances consumer understanding and fosters a more positive perception of the brand. Striking a balance between protecting its interests and aligning with consumer expectations will be essential for Netflix to sustain its leadership position and uphold a positive brand image in the competitive video streaming landscape.

HBO Max positions relatively comfortably in terms of correlations with attributes, showing a strong perception on the content related attributes and on the account sharing attributes and ranking as the market follower in terms of number of subscriptions. In order to fight for the leader position, HBO Max needs to focus on optimizing the user experience of the platform. Moreover, focusing on marketing campaigns and CRM initiatives to have a greater interaction to the individual consumer could help the brand in terms of market performance.

Disney +, positioned as the third most subscribed brand in the market, is perceived as being a well-established brand, with strengths and positive correlations across all attributes analysed. Some insights that could be considered for this brand is enhancing engagement and generating buzz about the brand, through advertisements and partnerships with influencers and social networks, in order to sell those attributes and take advantage of the word-of-mouth of customer satisfaction that runs naturally in well perceived brands.

Amazon Prime Video, being a relatively newcomer in the Portuguese market and facing challenges in user experience related attributes, can enhance its positioning by leveraging its

Group Part

popularity in key markets, such as the United States. To address these issues, substantial investments in content and user experience efforts. Moreover, given its newcomer status, the platform should leverage synergies through partnerships and advertisements could help raise awareness for the brand.

For Apple TV+, which is currently the least well-perceived brand in the Portuguese video streaming market among those studied, a primary focus should be placed on improving its content selection. This can be achieved through substantial investments in original content production and actively pursuing content exclusivity deals for popular TV shows and movies. Enhancing the content offering is pivotal for Apple TV+ to build a more positive perception and make significant strides in establishing the brand in the market.

By strategically aligning with consumer preferences and delivering compelling and exclusive content, Apple TV+ can work towards improving its overall standing and competitiveness in the Portuguese video streaming landscape. This investment in content quality will likely contribute to a more favourable perception among consumers and, consequently, a stronger presence in the highly competitive video streaming market.

7.3. Limitations and Implications for Future Research

Throughout the study, several limitations occurred that merit consideration and developments in future research.

Regarding the Literature Review, this study showed one important limitation involving the overall scope of the section. There are eight main concerns about scope of the literature review that should be analysed: topicality, comprehensiveness, breadth, relevance, currency, exclusion, authority, and availability (Bruce, 2001). This study presents limitations in two different aspects of these main concerns regarding literature review: Relevance and Availability. Focusing on relevance, although there was a strict process of choice in included studies, that were selected only on peer reviewed articles and journals, it is believed that some of the studies included

Group Part

could be less rigorous or less relevant to the main topic being analysed. However, those studies were included due to their contribution to the discussion of the topic. On the other hand, the focus made only on peer reviewed articles and journals makes the availability aspect of scope a limitation of this study. It would be proven a challenge to cover all the available relevant literature, although beneficial to the study, due to the vastness of the field and topic the study is focused on. However, having access to that relevant literature could have helped improve the discussion, analysis and conclusion of this study. For future research purposes, some ways to tackle these limitations regarding the literature review would be a more comprehensive search on the topic, going deeper into the topics mentioned, but also exploring more aspects of the marketing field.

Despite extensive attempts to interview specialists within the video streaming industry and similar subscription-based services, it was not possible to get their insights due to their lack of answers to the messages. Consequently, the study lost important insights from experts' perspectives in the preliminary interviews, impacting the initial stages and the formulation of subsequent surveys for analysis. Future researchers would benefit from employing more exhaustive methodologies to reach out the specialists, such as e-mails or LinkedIn messages.

Notably, the majority of the participants in both surveys fell within the age range of 15 to 35 years. Regarding the conjoint analysis, this range accounted for 87% of the sample, while in the perceptual maps it was approximately 88%. Therefore, it creates a tendency for the results to be aligned with the behavioural preferences of this close generation, which can show a tendency of skewing the analysed results. The demographic segment comprising individuals over 35 years old accounts for a substantial 69% of subscribers in Portugal (Statista, 2022). Consequently, this sizable representation in the market underscores the necessity for future investigations to delve into the preferences and perceptions of individuals aged more than 35 years, aiming to have a closer representation of the market reality.

Group Part

In addition, a limitation of the study regarding age was the exclusion of people in the age range under 15 years old. Despite not typically being direct subscribers, these younger individuals often play a key role in influencing parental subscription decisions, as platforms often offer specific sections tailored to them. Future research should find ways to account for this age group, or decrease the starting age required for participation in order to be more in-depth.

To conclude the age limitations, in the conjoint analysis, the division of age groups into two categories, 15 to 25 years and above 26 years, was a pragmatic approach aimed at ensuring adequate representation within each group. However, this method introduced a significant limitation by consolidating a wide range of individuals within the “more than 26 years” category. This broad bracket encompassed diverse demographic profiles and behavioural tendencies, potentially leading to incongruent or inconsistent conclusions. Consequently, this limitation calls for a more refined stratification or segmentation of age groups in future studies to capture the intricacies of preferences and behaviours among older demographics more accurately.

An additional demographic constraint occurred concerning the occupation options in the conjoint survey, where participants had the possibility to select multiple categories, enabling the choice of both “*student*” and “*worker*” roles instead of a singular designation such as “*worker-student*”. This design intricacy hindered the differentiation between participants who held dual roles as both students and workers, which compromised certain analytical interpretations.

On the other hand, on the perceptual maps analysis, concerning current occupation of the respondents enquired, having the discrepancy of not allowing more than one occupation option per respondent helped mitigate the limitation showed in the conjoint analysis section, but it created a new one. Not allowing multiple choice in the question prevented people to choose their real current occupation status, forcing them to choose only one of them. This matter most

Group Part

likely presented a negative impact on the results, distorting some aspects that are particular to the occupation status of a person, like the attribute value for money, for example. Therefore, an easy solution for future research to eliminate this limitation is to insert a “*worker-student*” option.

The inclusion of a response option labelled "None of the Above" and not providing all possible options from the survey questions may be perceived as a limitation for the study. This approach could restrict the ability to gather specific insights into respondents' preferences and opinions, as their nuanced choices or reasons for not selecting any provided options might remain undisclosed. Future research could consider refining response options to capture more granular data and a more comprehensive understanding of participants' perspectives. For example, 3% of enquiries mentioned the inexistence of their level of education represented in the study, and 2% could not document their current occupation, due to lack of availability of the most adequate option for them.

With regards to the sample characteristic platforms subscribed, it was noticeable that this study focus is on the five most subscribed platforms in the market, however, it can be considered a limitation of the study having such a narrow choice of platform analysis. The Portuguese Market for video streaming platforms demonstrates key national players, like TVI Player or Fox Play, among others, and even newcomers that are finding their positioning in the market, like OPTO could be positioned in the relevant gaps of the perceptual map, gaps that the study is concluding that are opportunities to new entries in the market. Further studies should examine the research potential of adding these upcoming platforms, to understand how they currently behave in the Portuguese market of video streaming platforms.

When evaluating the attribute Quality of content, subjectivity might appear due to its susceptibility to interpretation aligned with personal preferences, such as content with preferred actors or gender. For future research, it is imperative to describe this attribute with objective

Group Part

parameters, such as awards or ratings, thereby enhancing the precision and reliability of answers. It is crucial to mention that preferences are inherently time-sensitive and subject to change with the evolving landscape of data and platforms. As the technological environment continually updates and introduces new features, consumers are afforded the opportunity to adjust their preferences accordingly.

Furthermore, consumer bias should be noticed as a limitation for this study since it is not possible to confirm the veracity of the answers provided by the respondents of both surveys performed. This possibility of lack of veracity could impact the results and conclusion of this study and provide a biased view on how the industry and the brands are perceived and which attributes have more importance in the consumers choice of subscriptions.

This study has the potential to be a pathway to new opportunities for future research, especially combining the results obtained with the possibility of exploring different attributes that may arise as relevant in the video streaming market industry in the future. Indeed, considering additional attributes related to the possibility of additional purchases or bundling efforts could provide valuable insights into consumer perceptions in the Portuguese market. Exploring aspects such as the availability of add-on services, package deals, or exclusive offers bundled with a subscription to video streaming platforms could shed light on factors influencing consumer choices and satisfaction. The Amazon Prime membership is a clear example of this attribute, since its subscription does not only give the consumer access to the video streaming platform, but it provides with other benefits like Free Delivery of Amazon purchases (Amazon, 2023), among others. Business Models similar to this provide different product options for the consumer, which provides a flexibility of purchase that the customer may find beneficial and valuable for platform choice.

In addition, the possibility of viewing the same video streaming simultaneously with other accounts, providing a “watch party” with various subscribers, could be an important attribute

Group Part

for future research. Despite having multiple add-ons that provide that service for most streaming platforms provided, for instance Teleparty, that offers synchronization of video streaming and a chat for subscribers to talk to each other among other premium features, (Teleparty, 2023), it is observed that some platforms like Amazon Prime Video are starting to develop that service in their product offering, which could impact the subscribers' perceptions of the brand and of its competitors. It would be interesting to see whether the implementation of this attribute could impact the perceptions of the different streaming platforms analysed, and how the Portuguese consumers would value it when thinking about re-purchasing the service.

Customer service could also be further explored in future research as an attribute, since it is a key factor for the interaction with the video streaming platforms and the customers, seeking mutual satisfaction and efficiency (Álvarez-García et al. 2019). The pivotal role of customer service as the primary interface with customers can exert a substantial influence on the overall brand perception, thereby potentially affecting consumers repurchase intentions. As previously noted, in 2022, 66% of subscribers to video streaming platforms in the United States terminated their subscriptions. In forthcoming research, it is imperative to delve into the nuanced dynamics of the impact that customer service may wield upon this subscription cancellation rate, particularly in light of the escalating competition in the market concerning user engagement and customer retention, as elucidated by Douin (2023).

In conclusion, future studies should explore Brand Reputation and strategic responses to industry-related media issues. Recent controversies, like the Hollywood Directors and Actors strike against AI use in entertainment (Youngs, 2023), highlight the impact of such issues. The reactions of video streaming brands can quickly shape brand perceptions and market positioning. Examining how these platforms manage brand reputation amid industry-related media topics provides valuable insights into adapting to public discourse and industry challenges.

References

Adobe, (n.d.). Um guia sobre resolução de vídeo para iniciantes |

Adobe. <https://www.adobe.com/pt/creativecloud/video/discover/video-resolution.html>

Allam, J., (2023). Using AI and analytics to enhance streaming platforms.

Mathco. <https://mathco.com/article/why-video-streaming-platforms-should-embrace-ai-and-analytics/>

Allsop, D. T., Bassett, B. R., & Hoskins, J. A., (2007). Word-of-Mouth Research: Principles and applications. *Journal of Advertising Research*, 47(4), 398–411.

<https://doi.org/10.2501/s0021849907070419>

Álvarez-García, J., Vázquez, E. G., De La Cruz Del Río-Rama, M., & Durán-Sánchez, A., (2019). Quality in Customer Service and Its Relationship with Satisfaction: An Innovation and Competitiveness Tool in Sport and Health Centers. *International Journal of Environmental Research and Public Health*, 16(20), 3942.

<https://doi.org/10.3390/ijerph16203942>

Amazon, (2023). <https://www.amazon.com/amazonprime>

Apple TV, (2023). Apple TV+. Apple TV. <https://tv.apple.com/>

Arditi, D., (2018). Digital subscriptions: The unending consumption of music in the digital era. *Popular Music & Society*

Arend, R.J., (2013). The business model: Present and future—beyond a skeumorph. *Strategic Organization*

Average salary in Portugal: gains for foreigners - Moving to Portugal. (2021, November 29).

Moving to Portugal. <https://www.movingtoportugal.pt/en/finances/average-salary-portugal/>

- Bank of America., (2023). Workplace benefits report. <https://business.bofa.com/content/dam/flagship/workplace-benefits/ID22-0888/2023-WBR.pdf>
- Barr, M., (2019). “Pennyworth” Review: Batman’s Butler Gets A Competent Origin Story On Epix. Forbes. <https://www.forbes.com/sites/merrillbarr/2019/07/17/pennyworth-review-batmans-butler-gets-a-competent-origin-story-on-epix/?sh=1633df3838d4>
- Bennett, J., & Lanning, S., (2007). The Netflix Prize. The Netflix Prize. <https://www.cs.uic.edu/~liub/KDD-cup-2007/proceedings/The-Netflix-Prize-Bennett.pdf>
- Bruce, C., (2001). Interpreting the scope of their literature reviews: significant differences in research students’ concerns. *New Library World*, 102(4/5), 158–166. <https://doi.org/10.1108/03074800110390653>
- Bullard, B., (2023). “Stranger Things 4” also very expensive thing as Netflix spends \$30 million per episode. SYFY Official Site. <https://www.syfy.com/syfy-wire/stranger-things-4-cost-netflix-30-million-per-episode>
- Canet, L., (2022). Churn It Down: How Media Companies Can Use AI To Keep And Win Subscribers. Forbes. <https://www.forbes.com/sites/googlecloud/2022/06/13/churn-it-down-how-media-companies-can-use-ai-to-keep-and-win-subscribers/?sh=6988bdd63744>
- Carroni, E., & Paolini, D., (2020). Business models for streaming platforms: Content acquisition, advertising and users. *Information Economics and Policy*, 52, 100877. <https://doi.org/10.1016/j.infoecopol.2020.100877>
- Catalán, C. C. (2023, June 27). Netflix’s One Piece reveals its colossal budget: it’s more expensive than Game of Thrones and The Mandalorian. Meristation.

- <https://en.as.com/meristation/news/netflixs-one-piece-reveals-its-colossal-budget-its-more-expensive-than-game-of-thrones-and-the-mandalorian-n/>
- Chandler, D., & Munday, R. (2016). A Dictionary of social Media. In Oxford University Press eBooks. <https://doi.org/10.1093/acref/9780191803093.001.0001>
- Chen, M., & Xiao, X. (2022). The effect of social media on the development of students' affective variables. *Frontiers in Psychology*, 13. <https://doi.org/10.3389/fpsyg.2022.1010766>
- Chen, W., and Thorson, E., (2021). Perceived individual and societal values of news and paying for subscriptions.
- Cho, C. (2020, September 25). Competition Among Video Streaming Services. <https://sgp.fas.org/crs/misc/R46545.pdf>
- Chyi, H, I., (2012). Paying for what? How much? And why (not)? Predictors of paying intent for mul- tiplatform newspapers. *The International Journal on Media Management*
- CÎMPAN, I., CRIȘAN, E. L., SALANȚĂ, I. I., & MIHĂILĂ, A. A, (2022). Digital Platforms Business Models. *Review of International Comparative Management*.
- Clark, T., (2022). “Reacher” is the first Amazon series to hit the top of Nielsen’s streaming chart. *Business Insider*. <https://www.businessinsider.com/amazon-reacher-series-is-a-massive-hit-viewership-numbers-2022-3>
- Curry, J., (1996). *Understanding conjoint analysis in 15 minutes*. Sequim, WA: Sawtooth Software.
- Davis, S., (2000). The power of the brand. *Strategy & Leadership*, 28(4), 4–9. <https://doi.org/10.1108/10878570010378636>
- Deladem, (2023). The pros and Cons of Subscription-Based Business models. *Medium*. <https://medium.com/@deladem/the-pros-and-cons-of-subscription-based-business-models->

312bdd6a4dd4#:~:text=One%20of%20the%20main%20advantages,stable%20and%20predictable%20over%20time.

Deloitte. (2023, August 31). One-in-three people with streaming subscriptions share accounts with other households – Deloitte. Deloitte United Kingdom. <https://www2.deloitte.com/uk/en/pages/press-releases/articles/one-in-three-people-with-streaming-subscriptions-share-accounts-with-other-households.html>

Dhiman, D. B., (2023). Diversity of Indian regional content on OTT platforms: a critical review. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4417599

Dictionary., (2023). <https://dictionary.cambridge.org/dictionary/english/quality>

Disney +., (2023). Who can I share my Disney + account with? <https://help.disneyplus.com/pt-PT/article/disneyplus-en-kr-account-sharing>

Disney+. (2023). Disney+ | Veja Originais, êxitos de bilheteira e séries. <https://www.disneyplus.com/pt-pt>

Douin, V., (2023). How streaming services can drive profitability with customer centricity. https://www.ey.com/en_gl/alliances/maximizing-value-for-video-streaming

Duarte, V., (2022). Portugal: a first assessment of the impact of the war in Ukraine. CaixaBank Research. <https://www.caixabankresearch.com/en/economics-markets/activity-growth/portugal-first-assessment-impact-war-ukraine>

Durrani, A., (2023). The Average American Spends Over 13 Hours A Day Using Digital Media—Here’s What They’re Streaming. Forbes Home. <https://www.forbes.com/home-improvement/internet/streaming-stats/>

Elearnmarkets, & Elearnmarkets, (2023). Business models – example, types, importance & advantages. Elearnmarkets - Learn Stock Market, Trading, Investing for Free. <https://blog.elearnmarkets.com/what-are-business-models/>

- Framke, C., (2021). Variety. Variety. <https://variety.com/2021/tv/opinion/cowboy-bebop-netflix-bloat-1235115687/>
- Garfield, S. (2023). How streaming services can drive profitability with customer centricity. https://www.ey.com/en_gl/alliances/maximizing-value-for-video-streaming
- Giegengack, J. (2023, August 7). The role of content in SVOD growth. Streaming Media Magazine. <https://www.streamingmedia.com/Articles/ReadArticle.aspx?ArticleID=159948>
- Gigauri, I., (2019). Perceptual Mapping as a Marketing Research Tool for Brand Positioning. SSRG International Journal of Economics and Management Studies (SSRG - IJEMS), 6(4). https://www.researchgate.net/profile/Iza-Gigauri/publication/334089201_Perceptual_Mapping_as_a_Marketing_Research_Tool_for_Brand_Positioning/links/5eb96e55299bf1287f7d49d9/Perceptual-Mapping-as-a-Marketing-Research-Tool-for-Brand-Positioning.pdf
- Harrison, J., (2023). How streaming services can drive profitability with customer centricity. https://www.ey.com/en_gl/alliances/maximizing-value-for-video-streaming
- HBO Max, (2023). HBO Max. <https://www.hbomax.com/pt/pt>
- Hearn, I., (2019). 7 Creative Game of Thrones-themed Marketing Campaigns From Brands You'd Never Expect. IMPACT. <https://www.impactplus.com/blog/game-of-thrones-themed-marketing-campaigns>
- Hedash, K., (2022). Game Of Thrones Budget Explained: How Much The Show Cost To Make. ScreenRant. <https://screenrant.com/game-thrones-budget-show-cost-explained/>
- Herbert, J., & Thurman, N., (2007). Paid content strategies for news websites: An empirical study of British newspapers' online business models. Journalism Practice
- Heritage, S., (2019). Game of Thrones: assessing the final season's bizarre marketing campaign. The Guardian. <https://www.theguardian.com/tv-and->

radio/2019/feb/06/game-of-thrones-the-bizarre-story-of-the-final-seasons-marketing-campaign

Hivelr, (2023). Netflix (NFLX): Porter's Five Forces Industry and Competition analysis.

https://www.hivelr.com/2023/06/netflix-porters-five-forces-industry-and-competition-analysis/#google_vignette

Hoovestol, K., (2023). It's not teen TV, its HBO Max; revaluing and reconstituting teen audiences across different modes of media distribution [Thesis]. University of Texas at Austin.

Hughes, J. L., Camden, A. A., & Yangchen, T., (2016). Rethinking and updating demographic questions: Guidance to improve descriptions of research samples. *Psi Chi Journal of Psychological Research*, 21(3)

Ingrao, D., (n.d.). 13 Very Relatable Struggles of the Subscription-Based Business Model.

Staxbill. Retrieved November 20, 2023, from <https://staxbill.com/struggles-subscription-based-business-model/>

Irwin-Hunt, A. (2023). Streaming wars: Disney+, Netflix and Amazon to drive original content spend. The Financial Times Ltd.

<https://www.fdiintelligence.com/content/data-trends/streaming-wars-disney-netflix-and-amazon-to-drive-original-content-spend-82017>

Jornal de Negócios. (2021, October 18). Squid Game rende 900 milhões à Netflix. Media -

Jornal De Negócios. <https://www.jornaldenegocios.pt/empresas/media/detalhe/squid-game-rende-900-milhoes-a-netflix>

Katanich, D., (2023) Portugal: Will the political crisis bring about an economic one?

Euronews. <https://www.euronews.com/business/2023/11/10/portugal-will-the-political-crisis-bring-about-an-economic-one>

- Kelly, H., (2023). Netflix restricts password sharing, leaving some angry and confused. Washington Post. <https://www.washingtonpost.com/technology/2023/05/27/netflix-password-sharing-why-users-mad/>
- Kelly, J. P., (2022). “This title is no longer available”: Preserving television in the streaming age. Television & New Media
- Knights, A. (2023, September 5). How to Strengthen Customer Retention after Virality - Spiceworks. Spiceworks. <https://www.spiceworks.com/marketing/customer-experience/guest-article/strengthening-customer-retention-after-virality/>
- Kolosovskaya, Y. (2023, November 30). Top 4 video streaming trends for 2024 | Oxagile. Oxagile. <https://www.oxagile.com/article/video-streaming-trends/>
- KPMG, (2019). How consumers choose video streaming services. <https://info.kpmg.us/content/dam/advisory/en/pdfs/2019/kpmg-streaming-survey-report.pdf>
- Lawrence, D., (2022). Why Streaming Platforms Are Accelerating Their Plans For An Advertising Model Now. Forbes. <https://www.forbes.com/sites/forbescommunicationscouncil/2022/06/17/why-streaming-platforms-are-accelerating-their-plans-for-an-advertising-model-now/?sh=836bcce7b835>
- Lee, A. J. T., Yang, F., Chen, C., Wang, C., & Sun, C., (2016). Mining perceptual maps from consumer reviews. Decision Support Systems, 82, 12–25. <https://doi.org/10.1016/j.dss.2015.11.002>
- Leonard, K., (2023). Industries that take full advantage of the subscription business model. business.com. <https://www.business.com/articles/industries-that-take-full-advantage-of-the-subscription-business-model/>

- Lim, J., (2016). Effects of social media users' attitudes on their perceptions of the attributes of news agency content and their intentions to purchase digital subscriptions. *New Media & Society*
- Liu, G., & Shiraito, Y., (2023). Multiple hypothesis testing in conjoint analysis. *Political Analysis*, 31(3), 380–395. <https://doi.org/10.1017/pan.2022.30>
- Lobato, R., (2018). Rethinking international TV flows research in the age of Netflix. *Television & New Media*
- Lotz, A, D., (2021). In between the global and the local: Mapping the geographies of Netflix as a multinational service. *International Journal of Cultural Studies*
- Magretta, J., (2002). Why businessmodels matter.
- Meir, R., Lu, T., Tennenholtz, M., & Boutilier, C., (2014). On the value of using group discounts under price competition. *Artificial Intelligence*, 216, 163–178. <https://doi.org/10.1016/j.artint.2014.07.002>
- Minelle, B., (2022). Netflix suspends streaming service in Russia amid Ukraine war. *Sky News*. <https://news.sky.com/story/netflix-suspends-streaming-service-in-russia-amid-ukraine-war-12559918>
- Mullin, M. (2023, February 17). Season 2 of Jack Reacher series might be shooting in Halifax in April. *The Coast Halifax*. <https://www.thecoast.ca/arts-music/a-buzzy-amazon-series-starring-alan-ritchson-could-be-shooting-in-halifax-in-april-30288070>
- Nechushtai, E., & Zalmanson, L., (2021). 'Stay informed', 'become an insider' or 'drive change': Repackaging newspaper subscriptions in the digital age.
- Netflix, (2023). How to download titles to watch offline. <https://help.netflix.com/en/node/54816>
- Netflix, (2023). <https://www.netflix.com/browse>

- Ngai, E. W., Li, X., & Chau, D. (2009). Application of data mining techniques in customer relationship management: A literature review and classification. *Expert Systems With Applications*, 36(2), 2592–2602. <https://doi.org/10.1016/j.eswa.2008.02.021>
- Nielsen, (2022). O Streaming aumentou sua audiência em 2021; Drama, realidade e programação infantil conduziram as guerras de conteúdo. Nielsen. <https://www.nielsen.com/pt/insights/2022/streaming-grew-its-audience-in-2021-drama-reality-and-kids-programming-lead-the-content-wars/>
- Nielsen, C., Lund, M., (2014). A Brief History of the Business Model Concept, in: *The Basic of Business Models*
- Nielsen, J., (2012). Usability 101: Introduction to Usability. Nielsen Norman Group. <https://www.nngroup.com/articles/usability-101-introduction-to-usability/>
- Nielsen. (2023, January 26). Streaming desembrulhado: 2022 foi o ano do conteúdo original. Nielsen. <https://www.nielsen.com/pt/insights/2023/streaming-unwrapped-2022-was-the-year-of-original-content/>
- Notícias, S., & Lusa, (2023). “Rabo de Peixe” em 7.o lugar no top mundial da Netflix. SIC Notícias. <https://sicnoticias.pt/cultura/2023-06-07-Rabo-de-Peixe-em-7.-lugar-no-top-mundial-da-Netflix-739a9cab>
- Payeur, J. (2023, November 1). The most successful Netflix original shows of all time. CBR. <https://www.cbr.com/successful-netflix-shows/#netflix-was-smart-to-pick-up-lucifer>
- Pereira, D., (2023). Netflix business model. Business Model Analyst. <https://businessmodelanalyst.com/netflix-business-model/>
- Pettinger, T., (2017). Student discounts – charity or good business? Economics Help. <https://www.economicshelp.org/blog/133459/business/student-discounts-charity-or-good->

business/#:~:text=Students%20typically%20will%20be%20more,two%20groups%20%E2%80%93%20adults%20and%20students.

Pitre, J., (2022). The magical work of brand futurity: The Mythmaking of Disney+. *Television & New Media*, 24(6), 712–729. <https://doi.org/10.1177/15274764221128923>

Porter, R., (2022). The Hollywood Reporter. *The Hollywood Reporter*.
<https://www.hollywoodreporter.com/business/digital/amazons-most-viewed-series-behind-the-numbers-for-prime-video-originals-1235165556/>

Prime Video. (2023). Welcome to Prime Video.
https://www.primevideo.com/offers/nonprimehomepage/ref=dv_web_force_root

Prince, J., & Greenstein S., (2018). Does original content help streaming services attract more subscribers? *Harvard Business Review*. <https://hbr.org/2018/04/does-original-content-help-streaming-services-attract-more-subscribers>

Pwc, (2021). After a boom year in video streaming, what comes next? PwC. <https://www.pwc.com/us/en/services/consulting/library/consumer-intelligence-series/consumer-video-streaming-behavior.html>

Ray, A., Bala, P. K., & Dwivedi, Y. K., (2020). Exploring values affecting e-Learning adoption from the user-generated-content: A consumption-value-theory perspective. *Journal of Strategic Marketing*, 29(5), 430–452.
<https://doi.org/10.1080/0965254x.2020.1749875>

Rehman, F. U., Javed, F., Mdyusoff, R., & Ismail, F., (2019). WHAT IS ADVERTISING? a SHORT REVIEW OF HISTORICAL DEVELOPMENT. *ResearchGate*.
https://www.researchgate.net/publication/338478356_WHAT_IS_ADVERTISING_A_SHORT_REVIEW_OF_HISTORICAL_DEVELOPMENT

Rodríguez & Ortega, V., (2023). ‘We pay to buy ourselves’: Netflix, spectators & streaming. *Journal of Communication Inquiry*

- Ryan, M., (1999). A ROLE FOR CONJOINT ANALYSIS IN TECHNOLOGY ASSESSMENT IN HEALTH CARE? A ROLE FOR CONJOINT ANALYSIS IN TECHNOLOGY ASSESSMENT IN HEALTH CARE?
- Sailaja, N., & Fowler, A., (2022). An exploration of account sharing practices on media platforms. ACM International Conference on Interactive Media Experiences. <https://doi.org/10.1145/3505284.3529974>
- Savary, J., & Dhar, R., (2020). The uncertain self: How self-concept structure affects subscription choice. Journal of Consumer Research
- Schrage, M., (2020). The transformational power of recommendation. MIT Sloan Management Review. <https://sloanreview.mit.edu/article/the-transformational-power-of-recommendation/>
- Setia, P., Soh, F., Deng, K., (2020). Platformizing organizations: a synthesis of the literature. Oxford Research Encyclopedia of Business and Management.
- Sharf, Z. (2023, January 27). Variety. Variety. <https://variety.com/2023/tv/news/cowboy-bebop-director-slams-netflix-remake-shut-off-one-scene-1235504755/>
- Shevenock, S., (2023). 49% of Young Viewers Would Cancel Netflix if It Loses 'Office,' 'Friends,' Disney, Marvel. Morning Consult Pro. <https://pro.morningconsult.com/articles/49-of-young-viewers-would-cancel-netflix-if-it-loses-office-friends-disney-marvel>
- Shin, J., Park, Y., & Lee, D. (2013). Google TV or Apple TV? The reasons for smart TV failure and a user-centered strategy for the success of smart TV. Mdpi.
- Singh, P. (2021, July 21). 5G network: How will it impact OTT and video streaming industry. Oodletechnologies. <https://www.oodletechnologies.com/blogs/5g-network:-how-will-it-impact-ott-and-video-streaming-industry/>

Sobel, S., (2023). How data will dictate what's next in the streaming world - RTINSights.

RTInsights. <https://www.rtinsights.com/how-data-will-dictate-whats-next-in-the-streaming-world>

Starmans, V., (2017). Indicators of movie

quality. <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwiA0s77z4yCAxX5iP0HHT9FD->

[4QFnoECCQQAQ&url=https%3A%2F%2Fthesis.eur.nl%2Fpub%2F40551%2FStarmans-Veronique.pdf&usg=AOvVaw1EOIFAtAZfYTNjmiRvPgct&opi=89978449](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwiA0s77z4yCAxX5iP0HHT9FD-4QFnoECCQQAQ&url=https%3A%2F%2Fthesis.eur.nl%2Fpub%2F40551%2FStarmans-Veronique.pdf&usg=AOvVaw1EOIFAtAZfYTNjmiRvPgct&opi=89978449)

Statista, (2022). Version of Spotify used in the past year in Finland

2022. <https://www.statista.com/statistics/1322036/finland-spotify-version-used/>

Statista, (2023). Devices used to watch Netflix TV series in the U.S. 2023.

<https://www.statista.com/statistics/1233952/devices-netflix-tv-shows-us/>

Statista, (2023a). Video streaming account sharing in the U.S. 2020-2023, by platform.

<https://www.statista.com/statistics/705814/video-streaming-account-sharing-habits/>

Statista, (2023b) Video streaming service usage in Portugal 2022, by provider.

<https://www.statista.com/statistics/1337867/portugal-video-streaming-service-usage-by-provider/>

Statista, (2023c). Emmy Awards: wins by network 2022.

<https://www.statista.com/statistics/750636/emmys-wins-network/><https://www.disneyplus.com/en-pt>

Statista. (2023, May 23). Topic: Game of Thrones.

<https://www.statista.com/topics/4187/game-of-thrones/#topicOverview>

Statista. (2023b, March 31). Number of TikTok users in Portugal 2021-2023, by

month. <https://www.statista.com/statistics/1374944/portugal-number-of-tiktok-users-by-month/>

- Statista. (2023b, October 19). U.S. streaming services market share 2023 | Statista.
<https://www.statista.com/statistics/496011/usa-svod-to-tv-streaming-usage/>
- Statista. (2023c, September 7). Important factors for video streaming subscriptions worldwide 2023. <https://www.statista.com/statistics/1276988/important-factors-video-streaming-services-worldwide-generation/>
- Statista. (2023e, November 1). Video-on-demand users in Portugal 2021, by age. <https://www.statista.com/statistics/1376860/portugal-video-on-demand-users-by-age/>
- Subscription business models in 2023: Definition, benefits, tips & metrics to track, (n.d.).
<https://www.paddle.com/resources/subscription-business-model>
- Subscription Pricing Models: 4 Strategies for Growth in 2023, (n.d.).
<https://www.paddle.com/blog/subscription-pricing>
- Tasneem, S., (2023). Metadata management best practices for streaming platforms.
Hygraph. <https://hygraph.com/blog/metadata-management-best-practices-streaming-platforms>
- Tassi, P., (2022). ‘Reacher’ Is Amazon’s Biggest Hit, Putting Up Netflix-Sized Viewership Numbers. Forbes. <https://www.forbes.com/sites/paultassi/2022/03/06/reacher-is-amazons-biggest-hit-putting-up-netflix-sized-viewership-numbers/?sh=1a3b99b9741e>
- Taylor, C., (2022). How Netflix is resonating with ‘Stranger Things’ fans through experiential marketing. Forbes. <https://www.forbes.com/sites/charlesrtaylor/2022/08/31/how-netflix-is-resonanating-with-stranger-things-fans-through-experiential-marketing/?sh=777b25825ece>
- Teleparty, (2023). <https://www.teleparty.com/netflix>
- Tenore, H. (2023, September 28). Teens spend nearly 2 hours a day on TikTok — and barely look at Facebook, a new study says. See how other apps stack up. Business

- Insider. <https://www.businessinsider.com/tiktok-youtube-most-popular-screen-time-teens-facebook-instagram-study-2023-9>
- Tiwary, I. (2020). Amazon Prime Video: A platform Ecosphere. In *Global transformations in media and communication research*(pp. 87–106). https://doi.org/10.1007/978-3-030-44563-8_5
- Turow, J., (2017). Personalization. In: Ouellette L and Gray J (eds) *Keywords for Media Studies*.
- Twin, A., (2023). The 4 Ps of Marketing and How To Use Them in Your Strategy. Investopedia. <https://www.investopedia.com/terms/f/four-ps.asp>
- Underwood, J., (2022). How To Get Your Streaming Subscription Costs Under Control. *Forbes Advisor*. <https://www.forbes.com/advisor/personal-finance/lower-streaming-subscription-costs>
- Vadukiya, B., (2023). On-Demand Business Model – A Renowned Startup Model For All Scale Business. *Elluminati Inc*. <https://www.elluminatiinc.com/on-demand-business-model/>
- Vriens, M., (1994). Solving marketing problems with conjoint analysis*. *Journal of Marketing Management*, 10(1–3), 37–55. <https://doi.org/10.1080/0267257x.1994.9964259>
- Walsh, P. R., & Singh, R., (2021). Determinants of Millennial behaviour towards current and future use of video streaming services. *Young Consumers: Insight and Ideas for Responsible Marketers*, 23(3), 397–412. <https://doi.org/10.1108/yc-08-2021-1374>
- Webster, J., (2021). The promise of personalisation: Exploring how music streaming platforms are shaping the performance of class identities and distinction. *New Media & Society*
- Westcott, K., Arbanas, J., Arkenberg, C., Auxier, B., Loucks, J., & Downs, K., (2023). 2022 Digital media trends, 16th edition: Toward the metaverse. *Deloitte Insights*.

<https://www2.deloitte.com/us/en/insights/industry/technology/digital-media-trends-consumption-habits-survey/summary.html>

White, P., (2023). Deadline. Deadline. <https://deadline.com/2023/02/pennyworth-cancelled-at-hbo-max-after-three-seasons-1235247125/>

Wood, S., (2021). What makes something go viral? Journal of Consumer Research. <https://consumerresearcher.com/jonah-berger-contagious>

Youngs, B. O. S. & I., (2023). Hollywood actors' union Sag-Afra agrees tentative deal to end four-month strike. BBC News. <https://www.bbc.com/news/entertainment-arts-67364587>






Zarczynski, A. (2022, March 20). In an Escape Room-style Challenge, Amazon Prime Video Teases its New Thriller. Event Marketer.






<https://www.eventmarketer.com/article/amazon-reacher-challenge-obstacle-course/>

Appendix

Appendix 1. Defining the platforms

Table 1. Streaming Platforms product offering

BRAND	Possibility to Share the Account	Type of Content Offered	Accessibility Across Different Devices	Monthly Fee
	Restrictions (Not possible to share)	Original & Outsourced	2	7,99€
	No restrictions	Original & Outsourced	3	7,99€
	No restrictions	Original & Outsourced	4	8,99€
	No restrictions	Original & Outsourced	3	4,99€
	No restrictions	Original & Outsourced	6	6,99€

BRAND	Downloading Content	Resolution	Amount of Ads	Monthly Fee
	Up to 100 downloads	High definition (720p)	Not yet. Already in other countries.	7,99€
	Up to 30 downloads	4K UHD	Not yet. Planning to for 2024.	7,99€
	Unlimited	4K UHD	Not yet. Already in other countries.	8,99€
	Up to 15 downloads	4K UHD	Not yet. Already in other countries.	4,99€
	Undefined	4K UHD	Not yet. Planning to for 2024.	6,99€

Appendix 2. Preliminary Interviews Script

Table 2. Script for CustomAer Interviews

DEMOGRAPHIC QUESTIONS	Name
	Gender
	Age
	Education Level
	Occupation
	Nationality
STARTING QUESTIONS	Are you currently subscribing to video streaming services? Which ones?
	How many hours per week do you spend on those platforms?
	How has the video streaming industry changed your screen time compared to traditional television or other forms of entertainment? Did it increase? Why?
CHARACTERISTICS FOR CONJOINT ANALYSIS	Which are the characteristics that you value most when choosing a video streaming platform to subscribe to?
	Great! Can you comment on this characteristic: Brand?
	Great! Can you comment on this characteristic: Length of Subscription?
	Great! Can you comment on this characteristic: Price?
	Great! Can you comment on this characteristic: Type of Content?
	Great! Can you comment on this characteristic: Customer Experience?
	Great! Can you comment on this characteristic: Account Sharing?
	Great! Can you comment on this characteristic: Accessibility across different devices?
	Great! Can you comment on this characteristic: Resolution?
	Great! Can you comment on this characteristic: Recommendation System?
	Great! Can you comment on this characteristic: Customer Service?
	Great! Can you comment on this characteristic: Additional Purchases/Access to the content catalog?
CHALLENGES AND OPPORTUNITIES	Great! Can you comment on this characteristic: Advertisements?
	Which factors would make you cancel a subscription?
	Are there any video streaming platform-exclusive show or movie that motivated you to subscribe to a specific service?
	Is there any challenge you face when using paid streaming services?
	Do you want to see any improvements in the video streaming platforms? What can be changed?
NON-PAID STREAMING SERVICES	How do you see the future of video streaming platforms evolving and what changes do you anticipate in the coming years?
	Do you use other substitutes for paid video streaming services? Are those good substitutes? If not, why?
	How concerned are you about data privacy and security while using video streaming platforms? Do you feel your personal information to be adequately protected?
NETFLIX CASE	What are your thoughts on pop-ups showing up on free video streaming platforms? Do they impact your willingness to substitute these platforms for paid platforms?
	Do you share your account with other people? Or do you use other people's accounts?
	What are your thoughts on what Netflix is doing, limiting the users to their internet connection to fight account sharing?
	Do the measures being applied influence you to subscribe or unsubscribe Netflix?
	Do the measures being applied influence your opinion on the company?

Table 3: Script for Specialist Interviews

DEMOGRAPHIC QUESTIONS	Name
	Gender
	Age
	Education Level
	Occupation
	Nationality
STARTING QUESTIONS	Are you currently working for a video streaming company? Which one?
	How has the video streaming industry changed people time screen compared to traditional television or other forms of entertainment? Did it increase? Why?
CHARACTERISTICS FOR CONJOINT ANALYSIS	Which are the characteristics you perceive customers to value most when choosing a video straming platform to subscribe to?
	Great! Can you comment on this characteristic: Brand?
	Great! Can you comment on this characteristic: Lenght of Subscription?
	Great! Can you comment on this characteristic: Price?
	Great! Can you comment on this characteristic: Type of Content?
	Great! Can you comment on this characteristic: Customer Experience?
	Great! Can you comment on this characteristic: Account Sharing?
	Great! Can you comment on this characteristic: Accessibility across different devices?
	Great! Can you comment on this characteristic: Resolution?
	Great! Can you comment on this characteristic: Recommendation System?
	Great! Can you comment on this characteristic: Customer Service?
	Great! Can you comment on this characteristic: Additional Purchases/Access to the content catalog?
	Great! Can you comment on this characteristic: Advertisements?
CHALLENGES AND OPPORTUNITIES	What are the most common reasons for why customers cancel subscriptions?
	What is the pricing strategy for the company? What factors influence the pricing strategy?
	How do you think customers perceive your company's price level?
	Does (company) invest more in creating original content or in acquiring existing content?
	What distinguishes (company) from other video streaming platforms and why should customers subscribe to (company)?
	How do you see the future of video streaming platforms evolving and what changes do you anticipate in the coming years?
	What new features do you expect to see in the future and what challenges are we going to face in the video streaming industry?
NON-PAID STREAMING SERVICES	Are free streaming platforms a concern for your company? Why? Why not?
NETFLIX CASE	Do you currently perceive account sharing as a problem in (company)? How is the (company) fighting the problem?
	What are your thoughts on what Netflix is doing, limiting the users to their internet connection to fight account sharing?

Appendix 3. Conjoint Analysis Survey

Table 4: Demographic Questions

DEMOGRAPHIC QUESTIONS	Age	Between 15 and 25 Between 26 and 35 Between 36 and 45 Between 46-55 56 or more
	Gender	Male Female Non-binary Prefer not to say
	Education Level	Middle School High School Bachelor's Degree Master's Degree PHD None of the above Prefer not to say
	Current Occupation	Part-time job Full-time Job Unemployed Student Retired None of the above Prefer not to say
	Level of Income (Monthly)	Less than 450€ Between 450€ and 700€ Between 701€ and 1100€ Between 1101€ and 1575€ Higher than 1575€ Prefer not to say

Appendix 4. Conjoint Analysis Attributes

Table 5: Attributes and Levels

Attributes	Levels
Brand / Platform	Netflix
	HBO Max
	Disney+
	Amazon Prime Video
	Apple TV+
POSSIBILITY TO SHARE AN ACCOUNT	Possibility to share between 2 people
	Possibility to share between 3 or more people
	Not possible to share
TYPE OF CONTENT	Original
	From others producers
POSSIBILITY TO USE MULTIPLE DEVICES IN THE SAME ACCOUNT	Only possible to access in 1 device
	Possible to access in 2 different devices
	Possible to access in 3 different devices or more
POPULARITY OF THE SHOWS	Popular shows (commonly heard on social media or through Word of Mouth)
	Unpopular shows
MONTHLY FEE	4.99€
	6.99€
	8.99€

Appendix 5: Perceptual Maps Survey

Table 6: Survey Design

LANGUAGE	1. What language do you want the survey to be conducted? / Em que língua gostaria de responder o questionário?	English Português
STARTING QUESTIONS	2. Which Video Streaming Platforms do you subscribe at the moment?	Disney+ Netflix Amazon Prime Video, Apple TV+ HBO Max None
	3. Which Video Streaming Platforms have you already subscribed in the past?	Disney+ Netflix Amazon Prime Video, Apple TV+ HBO Max None
	4. How would you rate the Value For Money of these brands?	1- Very Unfair 2- Unfair 3- Indifferent 4- Fair 5- Very Fair
CHARACTERISTICS FOR CONJOINT ANALYSIS	5. How would you rate the following brands regarding the Ease of use for each platform?	1- Very Difficult 2- Difficult 3- Indifferent 4- Easy 5- Very Easy
	6. How would you rate Broad Offer of Content for each brand?	1- Very Poor 2- Poor 3- Indifferent 4- Broad 5- Very Broad
	7. How would you rate Quality of Content for each brand?	1- Very Low 2- Low 3- Indifferent 4- High 5- Very High
	8. How would you value the existence of Viral Content for each brand?	1- Very Low 2- Low 3- Indifferent 4- High 5- Very High
	9. How would you rate the Suggestions Algorithm for each brand?	1- Very Poor 2- Poor 3- Indifferent 4- Good 5- Excellent
	10. How would you rate the Accessibility across different devices (Computer, Tablet, Phone, among others) for each brand?	1- Very Poor 2- Poor 3- Indifferent 4- Good 5- Excellent
	11. How would you value the amount of Advertisements for each brand?	Indifferent 4- Good Amount 5- Perfect
	12. How would you rate the feature "Downloading Content" for each brand?	1- Very Poor 2- Poor 3- Indifferent 4- Good 5- Excellent
	13. How would you rate the Resolution options for each brands?	1- Very Poor 2- Poor 3- Indifferent 4- Good 5- Excellent
	14. How would you rate the possibility to share an account with other people for each brand?	1- Very Poor 2- Poor 3- Indifferent 4- Good 5- Excellent
	15. How would rate having the possibility of different lengths of subscriptions (monthly, annually, among others)?	1- Very Poor 2- Poor 3- Indifferent 4- Good 5- Excellent
DEMOGRAPHIC QUESTIONS	Age	Between 36 and 45 Between 46-55 56 or
	Gender	Woman Man Non-binary Prefer not to say
	Education Level	Middle School High School Bachelor's Degree Master's Degree PHD None of the above Prefer not to say
	Current Occupation	Part-time job Full-time Job Unemployed Student Retired None of the above Prefer not to say
	Level of Income (Monthly)	Between 701€ and 1100€ Between 1101€ and 1575€ Higher than 1575€ Prefer not to

Appendix 6: Virality of Shows

Figure 1: Revenue Metric

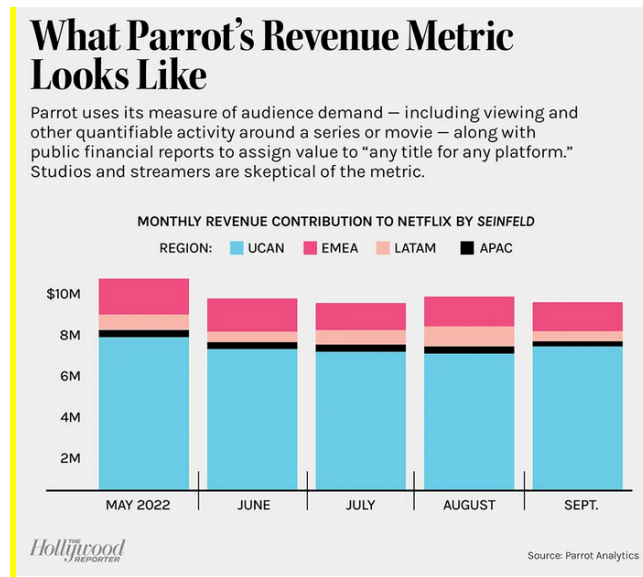


Figure 2: Prime Video Showdown

