Research on the Brand Marketing Strategy of Netflix in the New Media Environment

Huazhen Xiao^{1,a,*}

¹Film Studies, The University of St Andrews, St Andrews, KY169AJ, United Kingdom a. hx30@st-andrews.ac.uk
*corresponding author

Abstract: Netflix has been a transformational force in the quickly developing new media, altering how entertainment is delivered and consumed. This essay examines Netflix's brand positioning and social media marketing strategies within the new media environment. The brand identity of Netflix, which is distinguished by its innovation, accessibility, and diversity, is what makes it successful. Netflix has established itself as a leading streaming service platform by providing binge-watching opportunities, ease, and a wide variety of material. In addition, its social media strategy promotes participation, community, and personalized recommendations, boosting the perception of its brand. However, difficulties continue. It can be challenging to balance user engagement and advertisement, deal openly with critical comments, and keep users interested when there are gaps in content distribution. Transparent data practices must be followed in the face of data privacy concerns. This essay offers suggestions for practical action. Creating original content and adjusting to algorithm changes are key to maintaining interest. Clear disclosure and user consent for data use are necessary to build trust. Emphasizing originality and regionalized promotion are necessary for differentiation in a competitive market. This research explains how Netflix's brand marketing thrives in the digital media era and provides insights into entertainment companies and beyond. Despite being predominantly social media-focused, its implications may apply to general brand marketing strategies in the new media environment. This research serves as a fundamental investigation of brand marketing strategies in the context of contemporary media as technology develops rapidly.

Keywords: brand marketing strategy, Netflix, new media environment

1. Introduction

1.1. Research Background

In the ever-evolving new media landscape, Netflix, as a trailblazer, redefined the entertainment experience. With its rapid growth to prominence, Netflix has become synonymous with streaming, reshaping how content is delivered and consumed in the new media environment. At the same time, as technology continues to develop across all areas, the role of brand marketing strategies has gained even more significance. This essay delves into Netflix's brand marketing strategy within this dynamic environment, examining how the company has built its brand identity, content provision, personalized

^{© 2023} The Authors. This is an open access article distributed under the terms of the Creative Commons Attribution License 4.0 (https://creativecommons.org/licenses/by/4.0/).

user experiences, and innovative management to not only secure its position in the streaming market but also to define the very essence of brand engagement in the digital era.

Consumer behavior and preferences have significantly changed due to the rapid expansion of streaming platforms that characterize the new media environment. Traditional media formats are becoming less attractive as audiences seek personalized, on-demand content consumption. In this context, Netflix has exploited its brand marketing strategy as a linchpin in capturing audiences' attention and fostering a deep emotional connection within them. By exploring the various facts of Netflix's brand marketing approach, more valuable insights on how the company navigated such a transformative environment will surface. These insights also extend the understanding of modern brand strategy beyond entertainment.

The transformation from traditional media to the digital environment has significantly altered how audiences access and interact with media content. The emergence of streaming services has been the defining feature of this transformation, ushering in a new media consumption paradigm that prioritizes accessibility, variety, and interaction. Digital platforms have steadily superseded broadcast television and physical media as the dominant media type. The ease of having access to content whenever and wherever people want has accelerated the uptake of streaming services. The culture of appointment-based viewing has given way to where people consume material according to their schedules and tastes. Streaming services have developed as the keystone of the new media environment. Such services have been boosted by the appeal of vast content libraries combined with flexible subscription plans that cancel ads. The growth in streaming has attracted media conglomerates and tech giants to establish their platforms, deepening competition and fragmenting the market. Development in digital media makes content creation and distribution more democratic. This democratization has led to an unprecedented proliferation of consumer choices, offering mainstream and niche content catering to specific interests. Correspondingly, the consumer has the power to characterize personal entertainment experience, while content producers face both opportunities and difficulties in making their work stand out among the sea of choices. The evolution of the new media environment pushes Netflix and similar streaming services to the leading stage of innovation, challenging established media models and promoting a new era of content consumption. Examining Netflix's brand marketing approach illustrates the success of streaming services depends not only on the quality of its content but also on its capacity to manage and monitor the altering consumer behavior trends and preferences in the new media environment.

1.2. Literature Review

Some papers discuss the utilization of Internet marketing by Netflix. They emphasize how the Internet has influenced and altered marketing strategies and allowed businesses to overcome physical barriers. Netflix allows users to access content from anywhere in the world. The company's content choices have increased due to the partnership with giant production industries, such as Walt Disney and Warner Bros. With continued expansion anticipated, the content expansion strategy assisted Netflix in acquiring a sizable 33 million-strong client base [1]. Netflix also addressed policies to promote Internet marketing, such as the Video Privacy Protection Act. The policies enable users to share content on social networks like Facebook. These strategies aid Netflix in reaching a larger audience.

Malte Hagener examines how viewers' preferences and content are affected by Netflix's algorithm-driven content recommendation system [2]. The paper focuses on the interactions between user preferences, data-driven algorithms, and the movie Bird Box. It explores how algorithms deliver personalized content recommendations to specific users that affect consumer's watching choices. Another topic he explores is the "black box" idea, which refers to algorithms and procedures that are opaque to users and influence their content selections. The movie "Bird Box" is used as a case study to show how algorithmic operations and content creation are intertwined. The movies' production

and distribution may be influenced by algorithmic insights into viewer preferences, leading to deliberate choices regarding producing new material. The study critically examines the mutually beneficial relationship between Netflix's algorithmic system and content offerings. Andrey Feuerverger, Yu He, and Shashi Khatri investigated the Netflix Prize challenge [3]. The Netflix Prize is aimed at enhancing the precision of Netflix's movie recommendation algorithm. The paper focuses on the statistical significance of the results achieved by various teams. Firstly, it provides essential background information about the Netflix Prize and then explores the statistical methodologies used to assess the improvement of Netflix's recommendation algorithms. The author stresses the importance of strong statistical methods to ensure that reported improvements are statistically significant and not merely due to chance. The authors explore the difficulties in establishing if the gains obtained were statistically significant according to the results given by the teams. They draw attention to the fact that the traditional methods might not be directly applicable due to the size and complexity of the task. Thus, they suggest techniques that consider the size of the data set and the type of improvements, and they discuss "concentration bounds" to more appropriately evaluate the statistical significance of observed gains.

1.3. Research Framework

After reading the relevant papers of many scholars, the author found that most scholars focus on the content output of Netflix and personalize viewing decisions, but few of them talk about the impact of the development of new media on marketing its brand. This paper will take this as the core to explore how to market Netflix in the new media environment.

2. Case Description

Netflix has created a unique niche in the competitive streaming service market through a clearly defined brand identity and strategic positioning. The company's brand identity encapsulates qualities that set it apart from competitors and appeal to its target market. Its position within the market is highly linked to its brand identity. Netflix's brand identity has refined and embodies innovation, accessibility, and diversity. The iconic red & black logo, straightforward user interface, and consistent poster styles create a sense of familiarity for users. The visual presentation and consistency across devices and locations strengthen viewers' perceptions of Netflix. Beyond aesthetics, "binge-watching" is important to Netflix's brand identity. In line with on-demand consumption trends, Netflix promoted a culture where viewers may consume any content at their own pace -- It releases complete seasons of original shows at once [4-6]. This distribution strategy challenges the traditional cable and broadcast model by providing a sizable library of films, TV shows, and original content at a reasonable subscription fee. This positioning strategy was crucial to Netflix's rapid ascent to household recognition as the standard for streaming services.

Netflix's identity and positioning are greatly influenced by its main brand attributes. Convenience is at the front line. The ability to watch content anytime, anywhere, and on any device makes Netflix stick in the streaming market. Netflix has become synonymous with convenience. Its seamless user experience is associated with the current consumer's appetite for entertainment on the go. Netflix offers a wide range of content that appeals to various preferences and interests. It provides all genres of movies and TV shows across countries, ranging from horror to documentary films. Netflix aims to position itself as an entertainment center for all demographics. Also, Netflix strategically differentiated itself from being a content distributor by investing in original content creation. Originality has become a defining characteristic of Netflix. The company produces cutting-edge, ground-breaking original content, demonstrating its commitment to providing compelling, engaging stories to the audience. By creating shows like "Stranger Things," "Emily in Paris," and "The Crown,"

Netflix positioned itself not only to attract subscribers but also as a content producer of high-quality, diverse, culturally applicable content.

Netflix's unique and innovative branding and positioning make the company welcomed worldwide. The revolutionized entertainment consumption model centered on binge-watching, connivance, and diversity and originally played a crucial role in its success in the new media environment while keeping the viewer at the center of its strategic goals.

3. Analysis on the Problem

3.1. Netflix's Current Social Media Marketing Strategy

Netflix's social media marketing strategy utilizes digital platforms to engage and connect with its worldwide audience. The company's social media strategy is consistent with its brand identification and positioning. It successfully tapped into the power of social media to keep its reputation as a leading streaming industry through innovative activities, authentic interactions, and strategic content sharing. It has a robust social media presence distinguished by interesting and participatory promotions. The company regularly runs promotions and activities in conjunction with the distribution of original content. These campaigns often include creative competitions, pop quizzes, and hashtag campaigns inviting viewers to participate. By having viewers in these activities, viewers become active participants in the marketing process, fostering a sense of community and excitement. Its social media posts do not exhibit a consistent or formal tone. It has a distinctive, wittier, funnier, and more relatable personality, as seen in social media posts. The company is not afraid to make jokes, memes, and pop culture stories [7,8]. Such a light tone and engaging style connect with the audience, mainly Generation Z. This delightful social media marketing makes the company seem approachable and welcoming.

Besides, Netflix uses social media to distribute teasers, trailers, and behind-the-scenes material for new-release content. This tactic attracts fans and creates excitement and buzz, increasing viewership before and during screening. The planned release steps and timing on social media contribute to a sense of immediacy and encourage viewers to explore more. In the way of further exploration, as mentioned in other scholarships, Netflix uses its data-driven insights to offer viewers personalized recommendations on their APP and social media. The company customizes its content recommendations depending on consumers' viewing histories and interests, whether through direct messages or focused advertisements. The personalization of viewing improves the user interface experience. Adding personalized recommendations, Netflix maintains a unified visual style across all its platforms. Its recognizable branding components, such as the red-black color scheme and N logo, ensure the company can be recognized on various platforms. The consistency strengthens its positioning and aids in brand identification, creating a sense of Netflix community.

Netflix's social media marketing approach aims to establish a community through a consistent digital experience with its brand identity, going beyond purely promotion. The company efficiently uses social media as a dynamic tool to increase its brand presence and preserve its value in the streaming industry by providing engaging entertainment, interactive communication, and consistent visual presentation.

3.2. Problems in Netflix's Social Media Marketing Strategy

Although Netflix has excelled in many areas of social media marketing, challenges and difficulties still exist. The difficulties are due to social media's dynamic nature and the changing audience's preferences and expectations. Knowing and addressing these problems is essential for the company to use social media to advance with the times and keep viewers engaged with the brand.

There is a fine line between genuine participation and overselling, even though user involvement and interactive advertising are crucial. It takes time and skill to find a balance between the need to promote information and the need to provide innovative and worthwhile interactions. An excessive focus on advertising content risked alienating fans looking for more sincere relationships. Also, algorithm updates on social media may cause material visibility in user feeds [9,10]. To ensure its content reaches its target audience, Netflix must constantly alter its strategy to these algorithm modifications. Falling to do so can cause viewers to lose interest in the recommended content, lowering user engagement.

Due to the transparency of social media, Netflix is vulnerable to acclaim and criticism. Negative comments about the material's content quality, diversity, or moral issues can spread rapidly and harm the brand's reputation. Maintaining a positive and trustworthy brand image requires properly and honestly addressing those negative feedbacks. As a streaming service, Netflix faces privacy issues since it uses viewers' data to personalize suggestions and engage viewers [11]. Users are becoming more cautious about data collection, personal information, and exploitation. A careful and trustful balancing act must be performed in order to guarantee transparent data practices when providing a customized viewing and engaging experience.

Nonetheless, Netflix frequently creates a lot of anticipation around new releases; retaining engagement between substantial content dumps can be difficult. To reduce audience attrition and foster the sense of community that social media generates, it is imperative to keep people interested and continuously engage with the brand during content lulls. Also, since Netflix's users are from all over the world, the company must employ a variety of social media channels, each with its user base and capabilities that correspond to local culture. Maintaining a consistent but customized social media marketing strategy across various platforms can be highly complicated and time-consuming. Other similar brands' social media are also fighting for users' attention in the fiercely competitive streaming industry. In this case, users have more options, so they may develop a preference for certain brands over others due to this rivalry and become more engaged with the content there. In order to keep brand loyalty, Netflix must consistently and frequently differentiate its value from other competing brands and demonstrate its uniqueness.

4. Suggestion

4.1. Sustaining Interest and Engagement

The solution to keeping interest in social media is to make sure that the connection between viewers and platforms goes beyond simple promotion. Netflix should offer live content that benefits users in order to prevent overselling. The content could be thought-provoking, educational, and entertaining. It can subtly include compelling narratives about the audience in advertising messages and storytelling. Designed and intentional advertising improves the user experience by entertainingly giving information rather than interfering with it.

Encourage consumers to produce content about their Netflix experiences as a second strategy to get rid of the sense of advertising. Since user-generated materials receive actual feedback from platform viewers, they appear more dependable and trustworthy. This approach undermines a sense of belonging. Users are signing up for the Netflix community to interact, share, and talk with people with similar interests or discuss with people who have different ideas. The company can also reveal behind-the-scenes details about marketing messages. By including production processes, such as content creation, users will feel more connected to the content.

Netflix must, however, also constantly keep an eye on algorithm adjustments. Monitoring algorithm upgrades on different social media platforms is essential if the company wants to spot changes brought on by those modifications immediately. This is routinely examining and analyzing

metrics and engagement patterns. Keep an eye on it will show the impacts on engagement when the algorithm changes. Those impacts will be seen through monitoring, testing, and experimentation with various content formats and publishing timings. Then, marketing plans will be adjusted accordingly.

By employing those tactics, Netflix can maintain customer engagement, adapt to algorithm changes, and manage the delicate balance between true involvement and marketing approaches. The key is to maintain a two-way conversation between the company and the audience while providing pertinent interactions that suit their preferences.

4.2. Building Trust in Transparent Data Practices

Due to the transparency of social media, developing a dependable communication channel is crucial. If a viewer criticizes any part, respond to them publicly and as soon as possible. Although they actively interact with the audience on various social media platforms, such as Facebook and Instagram, through the procedure, the organization should be courteous, show appreciation for the criticism, and show a willingness to comprehend and fix the problem. The business should be open throughout the process. The business should be clear and transparent to explain how it handles challenges, enhances the diversity and quality of its material, or deals with moral concerns in content production.

Additionally, getting express user agreement and clearly explaining data usage restrictions is essential for building a trustworthy platform. Users should feel in control of their information and be informed of how their data is being utilized. This allows customers to choose whether they want suggestions tailored to them based on their data. At the same time, the company should provide users with reassurance that their private information isn't being shared or misused. By proving Netflix's dedication to ethical data practices this fosters confidence.

By putting these ideas into practice, Netflix will be able to handle criticism and balance privacy and personalization issues. Building a strong and reliable brand image in the eyes of its audiences will be facilitated by showing their openness, responsiveness, and respect for user preferences.

4.3. Differentiating in a Competitive Landscape

Since more streaming platforms are fostering, such as Disney+, Netflix needs to find a method to stand out in the very competitive market for streaming services. Since television shows are still the most popular form of content, the company should share more engaging original content for each platform that connects with users. This reduces the chance of viewers to switch to alternative platforms. Netflix can organize a global social media plan while allowing for regional adjustments. This preserves a consistent brand message while taking into account regional cultural quirks. Although Netflix has multiple accounts categorized by region, the viewing data and engagement are varied. The company should share stuff that is relevant to regional events, occasions, or fashions.

Moreover, Netflix can start engrossing social media campaigns to emphasize Netflix's selling point and invite the audience to share their experience by incorporating interactive components. This also exemplifies the sense of community and user loyalty to the brand. The brand's reputation and position will be strengthened by sharing successes, milestones, and engaging stories highlighting Netflix's leadership in the streaming market.

By continually providing worthwhile and compelling original content, adjusting techniques to fit different cultures, and highlighting its distinctive value, Netflix can sustain strong brand loyalty and a committed worldwide audience.

5. Conclusion

Netflix has become a forerunner in the rapidly changing world of new media, reinventing the entertainment experience and how material is distributed and consumed. This essay examined

Netflix's brand marketing strategy in the context of this evolving environment. The success of Netflix is based on its brand positioning and brand identity. By fusing convenience, diversity, uniqueness, and innovation, the company has carved out a market that appeals to viewers across the world. Netflix has established itself as a market leader in the streaming sector by providing binge-watching opportunities, simple accessibility, and a variety of material.

A detailed review of Netflix's social media marketing strategy shows the company has tapped into the potential of social networks to connect and engage with a large audience. Netflix has cultivated a sense of community and enthusiasm among its customers by upholding a consistent visual identity, carrying out interactive marketing, and providing individualized recommendations. However, problems still exist with Netflix's social media marketing. The challenges facing the organization are striking a balance between user engagement and promotional content, handling negative criticism, and keeping audiences interested during content lulls. Also, Netflix must deal with data privacy issues while delivering personalized experience.

Netflix can take a multifaceted strategy to overcome these obstacles. Storytelling strategies and engaging content are necessary to maintain engagement while adjusting to algorithm changes through monitoring. Clear disclosure, user consent, and the use of anonymized data are key components in establishing confidence in transparent data practices. At the same time, standing out in a competitive market needs customized content, regionalized promotions, and success story sharing.

This research makes a substantial contribution to the understanding of how Netflix's brand marketing approach succeeds in the new media environment. It emphasizes the difficulties, such as striking a balance between user interaction, personalization, and privacy issues. Any company looking to negotiate the intricacies of the digital era can benefit greatly from the insights gained from this research. This essay analyses Netflix's brand marketing approach in great detail, yet it is not exhaustive. The research ignores other potential facets of the company's strategy, such as integrated marketing communication, in favor of concentrating primarily on its social media marketing. Moreover, the results may not incorporate new developments because they are based on information that was only available up to the knowledge cutoff date.

The long-term consequence of Netflix's brand marketing strategy on viewer loyalty and engagement could be the subject of future study. A thorough examination of how the ideas suggested in this research were put into practice might offer insightful discoveries about their efficacy and viability. In addition, analyzing how new technologies like augmented reality, virtual reality, and other advanced innovations have affected Netflix's marketing approach may provide a thoughtful understanding of the company's future initiatives.

References

- [1] Bharadwaj, A., El Sawy, O. A., Pavlou, P. A., & Venkatraman, N. (2013). Digital Business Strategy: Toward a Next Generation of Insights. MIS Quarterly, 37(2), 471–482. http://www.jstor.org/stable/43825919
- [2] Feuerverger, A., He, Y., & Khatri, S. (2012). Statistical Significance of the Netflix Challenge. Statistical Science, 27(2), 202–231. http://www.jstor.org/stable/41714795
- [3] Hagener, M. (2020). Thinking Inside and Outside of the (Black) Box: Bird Box and Netflix's Algorithmic Operations. In D. Chateau & J. Moure (Eds.), Post-cinema: Cinema in the Post-art Era (pp. 175–192). Amsterdam University Press. https://doi.org/10.2307/j.ctv1b0fvtp.14
- [4] https://www.facebook.com/VoyMediaAgency. (2023, June 21). Netflix Marketing Strategy: Disrupting the Entertainment Industry with Innovation and Personalization. Voymedia.com. https://voymedia.com/netflix-marketing-strategy/
- [5] Martínez-Sánchez, M. E., Nicolas-Sans, R., & Díaz, J. B. (2021). Analysis of the social media strategy of audiovisual OTTs in Spain: The case study of Netflix, HBO and Amazon Prime during the implementation of Disney +. Technological Forecasting and Social Change, Volume 173. https://doi.org/10.1016/j.techfore.2021.121178

Proceedings of the 2nd International Conference on Financial Technology and Business Analysis DOI: 10.54254/2754-1169/56/20231087

- [6] PASTEL, R. (2019). Hashtag Television: On-Screen Branding, Second-Screen Viewing, and Emerging Modes of Television Audience Interaction. In A. De Kosnik & K. P. Feldman (Eds.), #identity: Hashtagging Race, Gender, Sexuality, and Nation (pp. 165–180). University of Michigan Press. http://www.jstor.org/stable/j.ctvndv9md.14
- [7] Pérez, E. P. (2020). Next Episode, Next Market: Social Media Marketing for SVOD: The Case of Netflix. On Research, Vol. 4., p8-13.
- [8] Peter, T. (2022, April 26). What Netflix's Struggles Can Teach You About Your Digital Strategy (Thinks Out Loud Episode 347). Tim Peter & Associates. https://www.timpeter.com/blog/netflix-struggles-digital-strategy/
- [9] Simpson, L. (2022, February 25). Netflix: the Social Media Master. Digital Society. https://medium.com/digital-society/netflix-the-social-media-master-afe8c4a52785
- [10] Sinanan, J. (2017). The social media landscape: new media and 'old' media. In Social Media in Trinidad: Values and Visibility (Vol. 11, pp. 30–56). UCL Press. https://doi.org/10.2307/j.ctt1xhr53j.6
- [11] The opportunities and challenges faced by Netflix in a digital world. (2023, March 10). Digital Society. https://medium.com/digital-society/the-opportunities-and-challenges-faced-by-netflix-in-a-digital-world-cd372d3af98c