

Zora Su

Final Deliverable

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# Product Overview



- Launched in November 2019
- Over 50 million subscribers
- Exclusively Disney and Disney-owned content

## COMPETITORS

**NETFLIX** → over 180 million subs

**hulu** → over 28 million subs

**Apple tv+** → over 33 million subs

**prime video** → over 150 million subs

 → over 2 million subs



# Competitive Analysis

# FEATURES & COMPATIBILITY



## BASIC FEATURES

Ad-Free	✓	✓	✓	✓		
Free Trial	✓	✓	✓	✓	✓	✓
Bundles or Add-Ons	✓		✓		✓	✓
Annual Subscription	✓			✓	✓	
Monthly Subscription	✓	✓	✓	✓	✓	✓
Downloads	✓	✓	✓	✓	✓	
Profile Additions	✓	✓	✓	✓	✓	✓
International Availability	✓	✓		✓	✓	

## DEVICE COMPATIBILITY

Desktop Web Browsers	✓	✓	✓	✓	✓	✓
Mobile Devices	✓	✓	✓	✓	✓	✓
Smart TVs	✓	✓	✓	✓	✓	✓
Boxes/Game Consoles	✓	✓	✓		✓	✓
Streaming Devices	✓	✓	✓	✓	✓	✓

# PRICING



## FIXED PRICING

	Monthly	Annual
	6.99	69.99
	4.99	
	8.99/12.99*	119*
	49.99	

## TIERED PRICING

### NETFLIX

Basic (1**)	8.99/mo
Standard (2)	12.99/mo
Premium (4)	15.99/mo

### hulu

Basic***	8.99/mo
Premium	12.99/mo
B + Live TV	54.99/mo
P + Live TV	60.99/mo

\*with a subscription of Amazon Prime

\*\* number of simultaneous streamers

\*\*\* basic is with ads; premium is with no ads; live TV is live-streaming services

# CONTENT



## CATEGORIES

Movies	✓	✓	✓	✓	✓	✓
Shows/Series	✓	✓	✓	✓	✓	✓
Original	✓	✓	✓	✓	✓	✓
Livestream			✓			✓
News			✓			✓
Sports		✓	✓			✓

## TITLES\*

Movies	510	4,500	2,500	10	17,000	
Shows/Series	130	167	1,650	30	1,900	
Broadcast Channels			60		100	70

\*number of titles depend on geographical location and vary from month to month

# KEY TAKEAWAYS //



For being fairly new to the market, Disney+ offers a wide array of features that makes it a notable competitor in the market.



## Basic Features

Disney+ offers more basic features within its subscription than other streaming services in the market.



## Device Compatibility

Disney+ is equally competitively with some of the top streaming services in terms of compatibility.



## Content

Disney+ has a limited array of content available for streaming compared to its competitors, but offers highly popular franchises



# STRATEGIC ADVANTAGES //



Beyond its features, Disney+ has unique strategic advantages that set it apart from its competitors.



## Rapidly Growing Base

Disney+ smashed expectations and gained 10M subscribers on its first day. It has 50 million subscribers after 5 months.



## Familiar Content

Disney+ boasts a deep library of box office dominating movies and well loved TV shows that attracts subscribers of all demographics.



## Brand Value

Unlike its competitors, Disney has a decades long track record of excellent content and an instantly identifiable brand name.



## Lower Prices

Since Disney+ has an existing back catalogue and is less reliant on producing originals, it can afford to price lower than competitors at \$6.99/month.

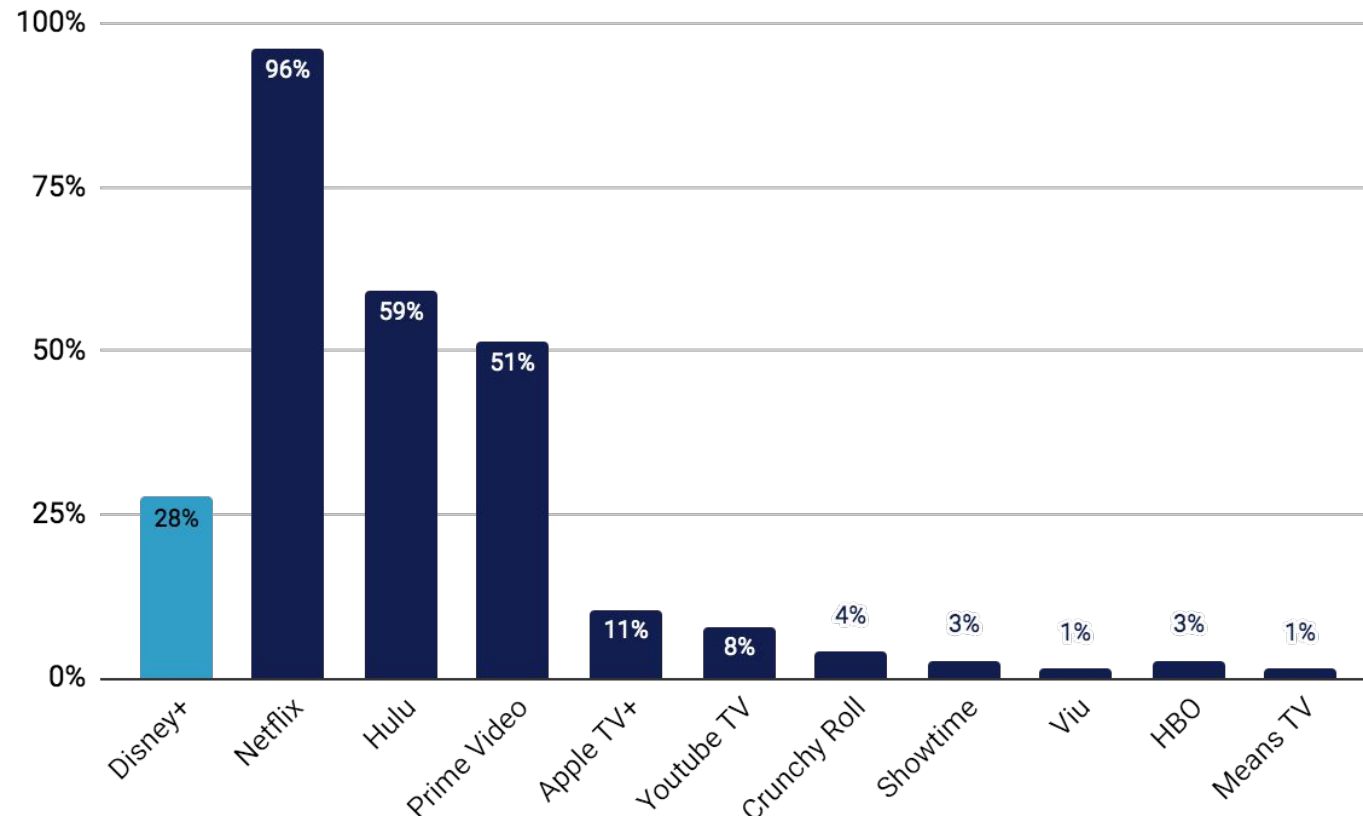


# Research & Data Analysis

# SUBSCRIPTION CHOICES



## Number of subscriptions per streaming service



Netflix, Hulu, and Prime Video own the largest chunk of the market in this survey, with **Netflix** being leading by a wide margin.

# SUBSCRIPTION CHOICES



## Consumer Spending on Streaming Services

One Subscription	Two Subscriptions	Three Subscriptions	Four Subscriptions	Five or more
17%	<b>30%</b>	<b>30%</b>	20%	3%

The majority of consumers are willing to pay for **2-3 streaming services**. Their appetite for spending is clearly demonstrated with over 50% of users subscribed to three or more services. The most common bundle is **Netflix, Hulu, and Prime Video** (20% of users).

# CONSUMER PREFERENCES



## Favorite Service

	Netflix	Hulu	Disney+	Prime Video
% out of subscribers	73%	27%	17%	3%

**Netflix is considered the favorite** streaming service by their subscribers. Despite having a significant amount of subscribers, **Hulu, Disney+, and Prime Video are not considered favorites among the majority of their own users.**

# CONSUMER PREFERENCES



Popularity for a streaming service stems from a variety of reasons



## Variety

Participants favor streaming services, particularly Netflix, over others mainly for a **large catalog of content**, allowing subscribers to choose over hundreds of titles, some of which are “relevant” to others’ watch list.



## Quality

The quality of content is also a major factor in participants’ choice of streaming service. For example, Netflix’s Original content is favored over other streaming services as it trumps both in **plot, production, and overall quality**.



## Interface

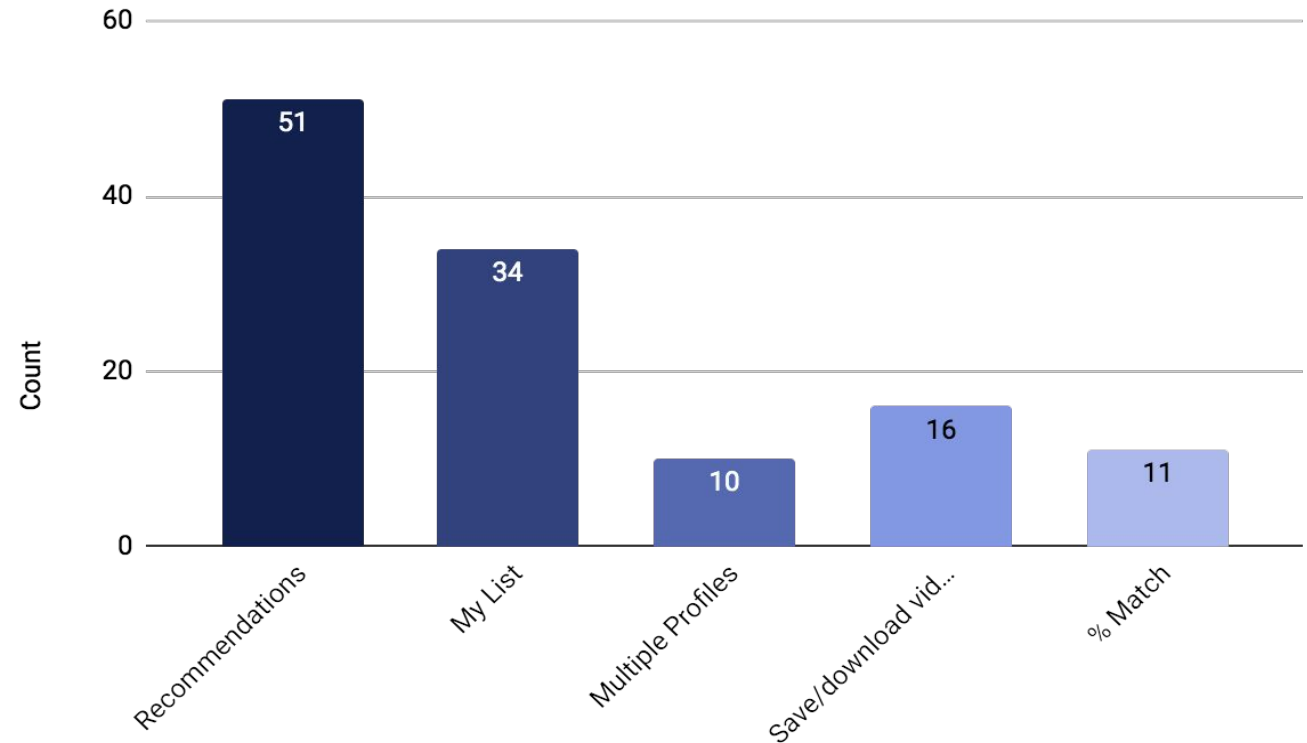
UX/IX is an important factor in streaming services. Participants credit Netflix’s interface as **friendly and simple-to-use** whether that be on a browser or other devices.

# FEATURE ANALYSIS



## Recommendations and My List are the most commonly used features

	% (out of 76)
<b>Recommendations</b>	67%
<b>My List</b>	45%
<b>Multiple Profiles</b>	13%
<b>Save/download video</b>	21%
<b>% Match</b>	14%



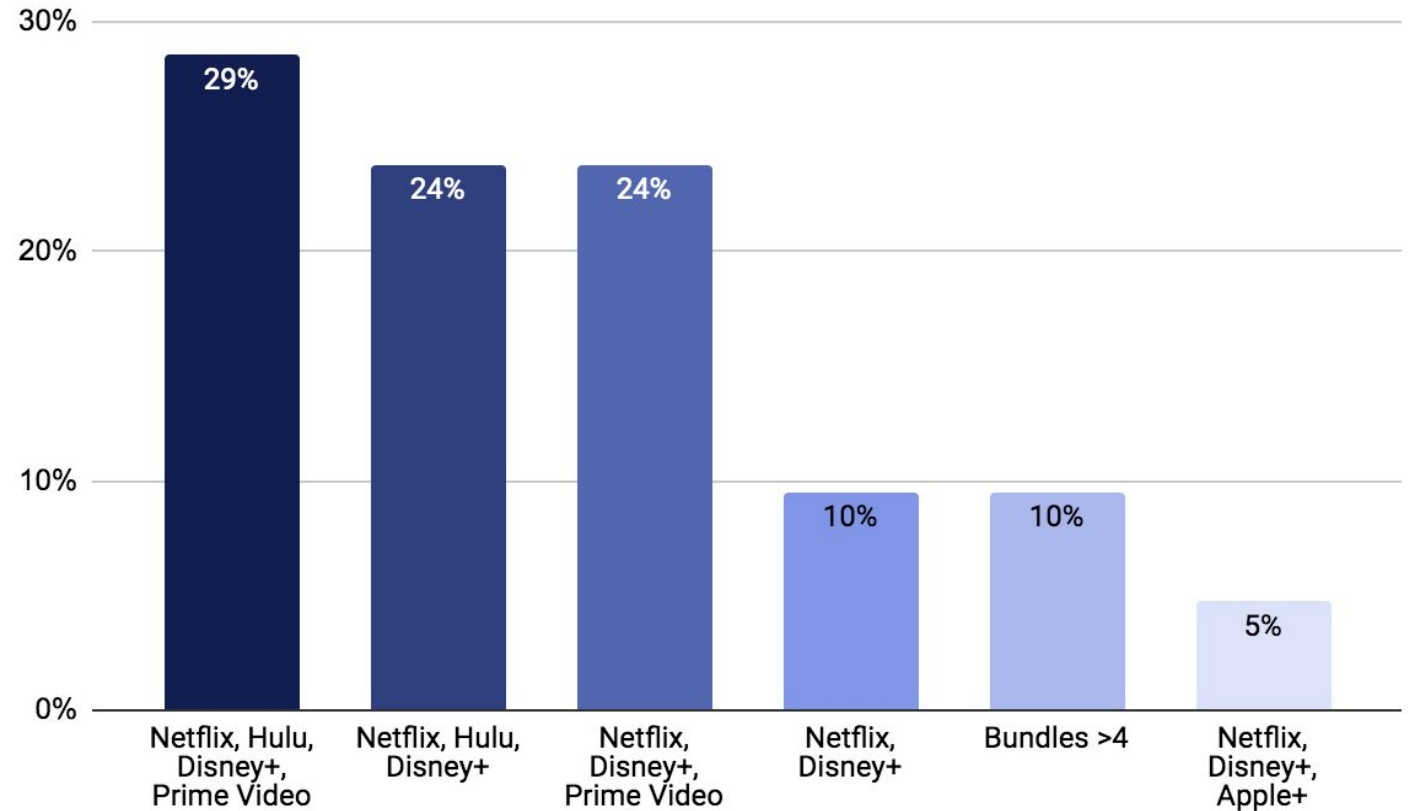
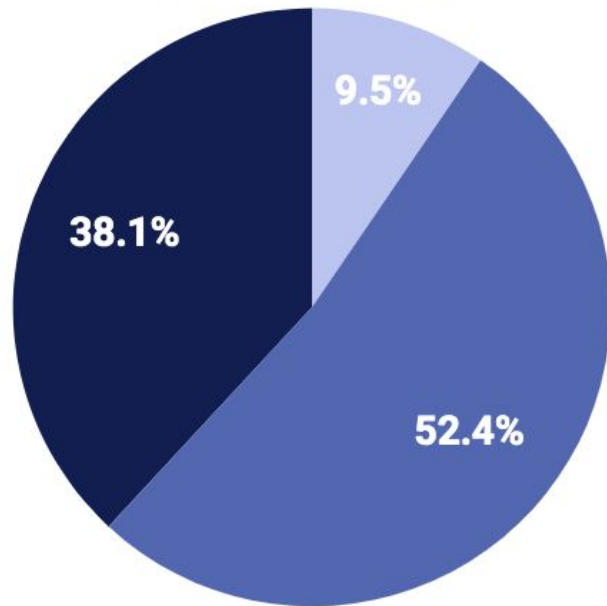
Out of the 76 people who are subscribed to at least 1 service, the majority use the **Recommendations** feature to find content to watch. In conjunction with this feature, **My List** comes in second. We can make the loose assumption that these two features are used together to **track and find content** to watch on the services.

# DISNEY+ USER HABITS



Disney+ users spend more on streaming services than average

● bundle of 2 ● bundle of 3 ● bundle of 4 or up



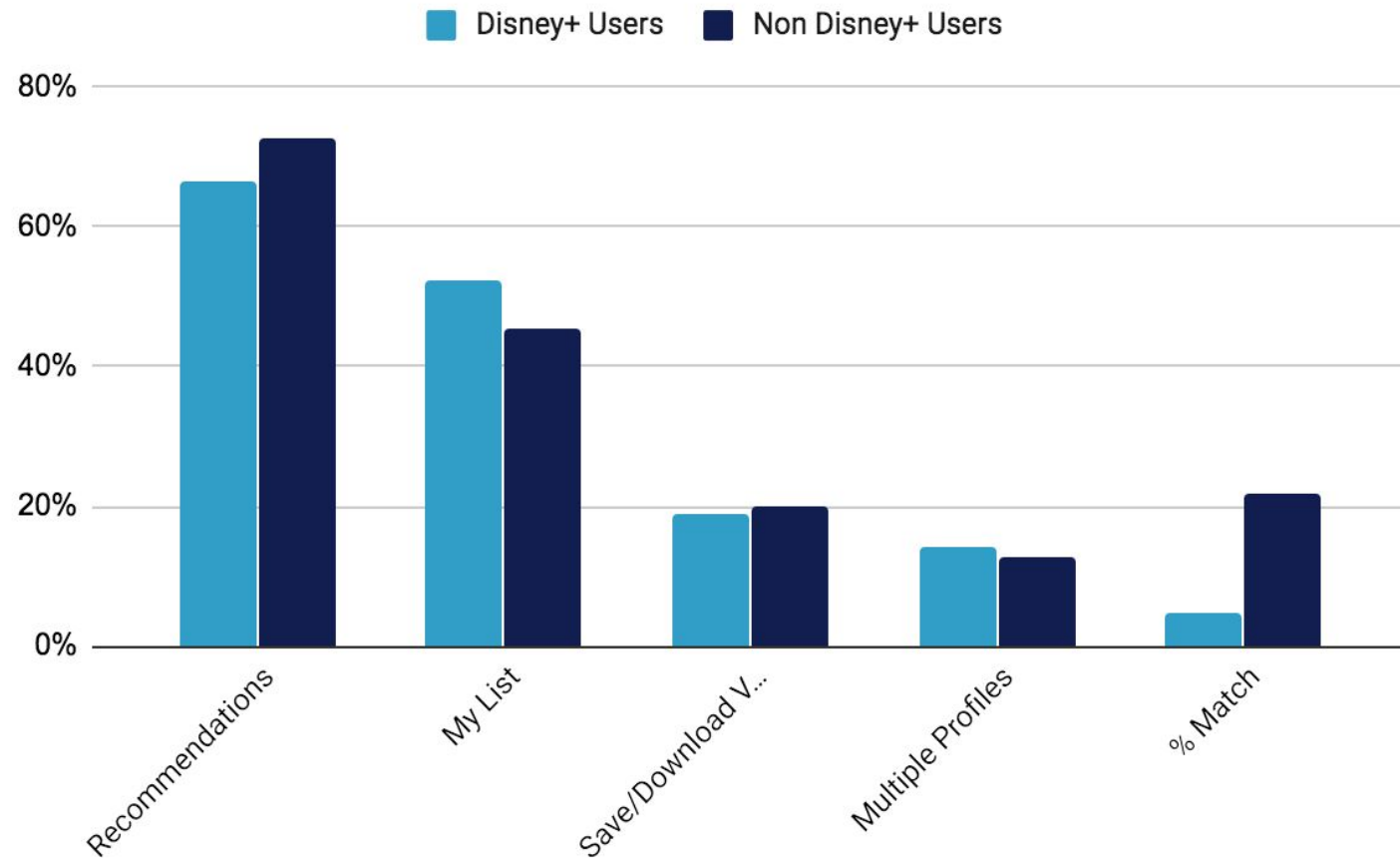
While the average user buys 2–3 streaming services, **90% of Disney+ subscribers purchase bundles of 3 or more streaming services.** The most common Disney+ bundle also includes Netflix, Hulu, and Prime Video. Disney+ users have a variety of content options across streaming services and **come to Disney+ for a specific niche.**



# DISNEY+ USER HABITS



Disney+ subscribers utilize the same features as non Disney+ subscribers



**Recommendations** and **My List** are nearly equally popular features among both Disney+ and non Disney+ users, indicating the **universal importance of content finding across all users.**

## Issues & Solutions for Streaming Services

### Common Issues:

- Dissatisfaction with recommendations (too similar to each other)
- Inaccessibility to “Continue Watching” (common for Disney+ and Hulu)
- A desire for greater variety and quality of existing content
- A desire for transparent ratings from other users
- Content swapped out frequently

### Potential Solutions:

- Ability to recommend content to friends within the app
- “Continue Watching” should always be at the top of the home screen
- Invest more in originals if streaming wars makes it harder to procure old content
- Make “Top Shows/Movies” lists easily visible
- Receive a notification reminding you when popular content is about to get removed



## Michael Satypor

*Product Manager, Hulu*

- Hulu will soon release a co-viewing feature
- Consumers typically have an appetite for 4-5 streaming services
- Predicts that the market now will be saturated with many services until 2022, then companies will consolidate due to lack of revenue opportunity



## Sahil Punamia

*Marketing Strategy & Analytics,  
Netflix*

- Netflix is focusing its content strategy on originals as streaming wars reduce licensing
- Room for competitors to succeed; consumers have an appetite for 2-4 streaming services
- Content is gatekeeper, but platform is king

### KEY TAKEAWAYS

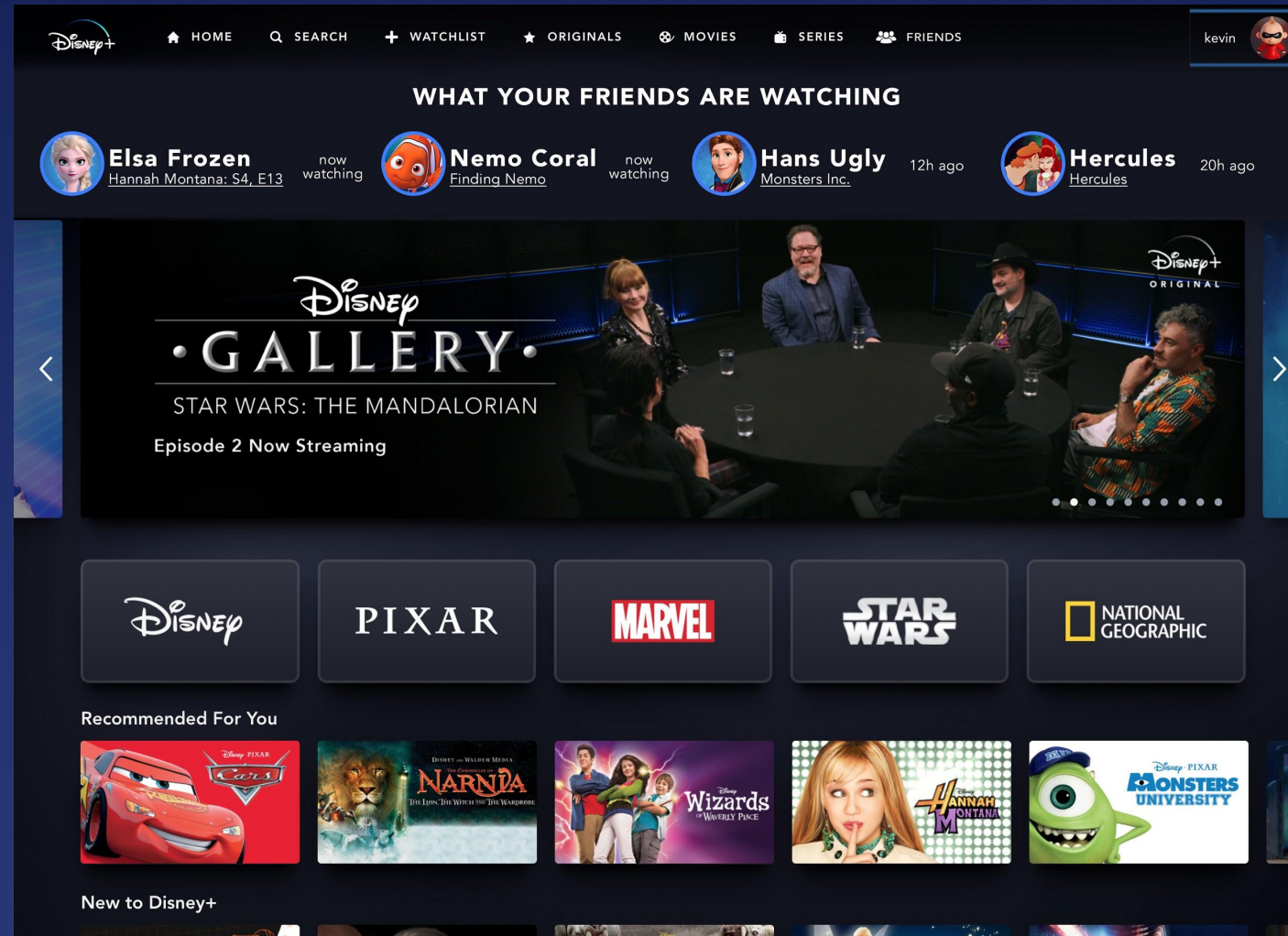
# FEATURE PROPOSAL

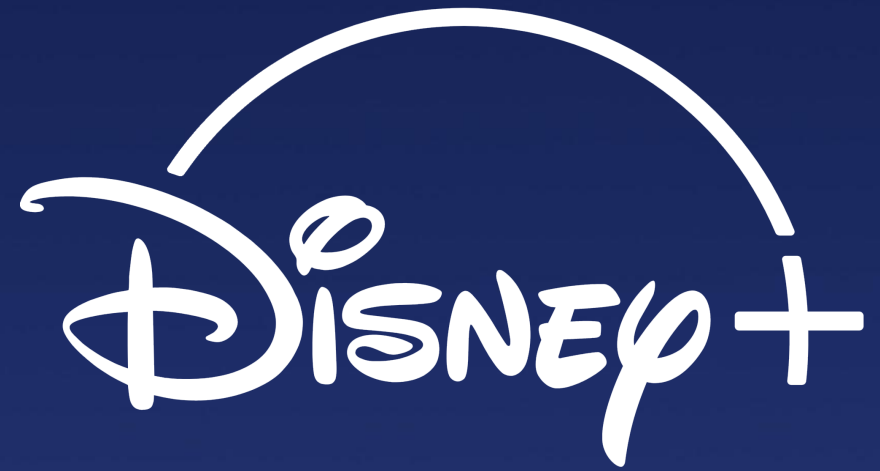
The feature I decided to focus on is a mixture of **social profile-sharing**, and **content finding**.

I propose that Disney+ adds a feature where users can see what other profiles are currently watching on the streaming service to **add a social and personal aspect to the service** as well as **promote a variety of titles** that would have been less watched had it not been exposed organically.

This feature includes:

- Adding your friends
- Seeing what show/movie they're watching and when they are watching it
- An option to add it to your list
- Clicking on a friend's name lets you send recommendations





## User Personas



# Erika

College Student

## DEMOGRAPHICS

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**Age:** 20

**Gender:** Female

**Ethnicity:** Asian American

**Location:** McLean, Virginia

## ENTERTAINMENT VALUES

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- Erika cares about **being on top of the trending issues** to foster conversations with the people she cares about
- As a busy and involved college student, she **values time management** and is picky about the shows she watches.
- She uses **1-2 streaming services** to unwind, and engages in them at least twice a week for 1 hour

## GOALS

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Find **high quality** entertainment **easily** that allows her to **unwind** and is something that she can **discuss** with friends

## PAIN POINTS

---

Having **time** and **patience** to find relevant and quality content

## PERSONALITY

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Sociable



Organized



Strong Work Ethic



Extroverted

# VALUE PROP //



## User One: Erika

The new socialization feature will facilitate Erika's discussions with friends about trending content since she can see what they're watching, as well as provide new methods for her to find high quality content through the ability to receive recommendations from friends.



# Daniel

Physical Therapist/Full-time Dad



## DEMOGRAPHICS

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**Age:** 37  
**Gender:** Male  
**Ethnicity:** White  
**Location:** Irvine, CA  
**Income:** 80k/year

## ENTERTAINMENT VALUES

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- Daniel believes in a **simple, no-fuss life**, and seeks easy to navigate interfaces
- A **family oriented** man, Daniel looks forward to weekly family movie nights with his wife and kids (ages 5 & 8)
- Daniel often **consults his friends** (also parents) for advice on kid-friendly content

## GOALS

---

- Find **age-appropriate** content to regularly keep his young **children entertained**
- Use entertainment to facilitate **bonding with family & friends**

## PAIN POINTS

---

Struggling to **find the perfect content** for his family's needs

## PERSONALITY

---



Family Oriented



Star Wars Aficionado



Relaxed



Introverted



# VALUE PROP //

## User Two: Daniel



With the ability to both see what his friends are watching and give/receive recommendations, Daniel will have an easier time finding and sharing appropriate and family friendly content.



## Macro Trends

### **They want variety and personalized choice**

People seek out choice in everything they purchase! They enjoy options and the ability to choose something that fully meets their personal tastes and needs. With this in mind, consumers increasingly turn to products that offer some level of personalization.

### **They want new means of social interaction**

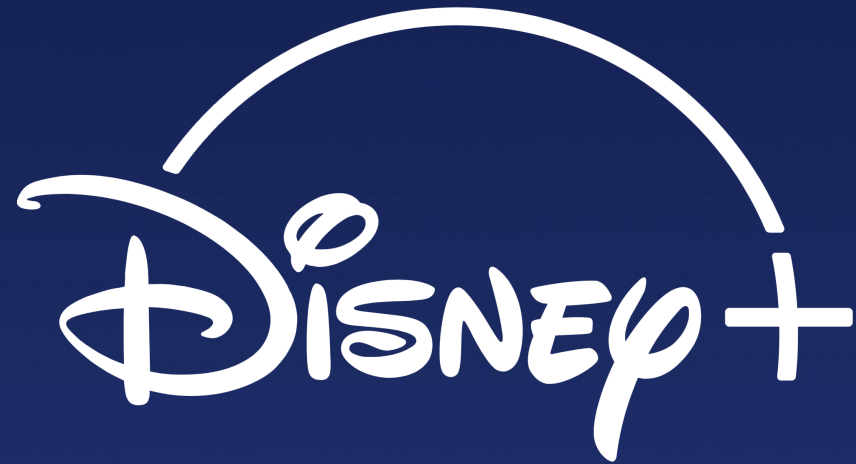
We live in a social world, where people are becoming increasingly connected! People are constantly looking for new ways to share content and do activities with their friends and family in the digital realm..

### **They want accessibility and convenience**

People are busy and therefore tend to steer clear of complicated and user-unfriendly products. They want to satisfy their needs and wants with minimal effort. Accessibility should be made a priority, and nowadays this often takes the form of mobile and on the go access.

### **They want entertainment**

People are increasingly looking for ways to do everyday activities from the comfort of their own home, one being entertainment.



## **Single-Minded Value Proposition**

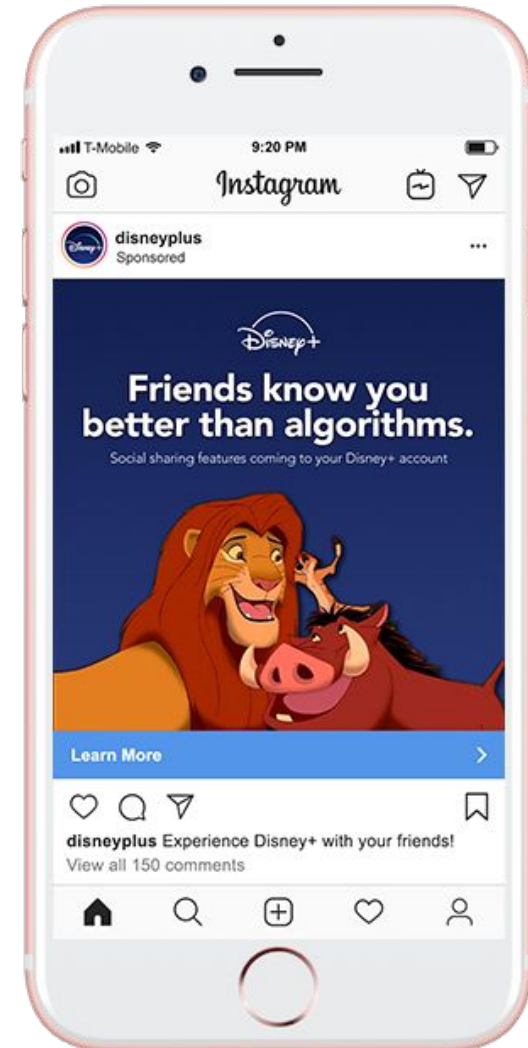
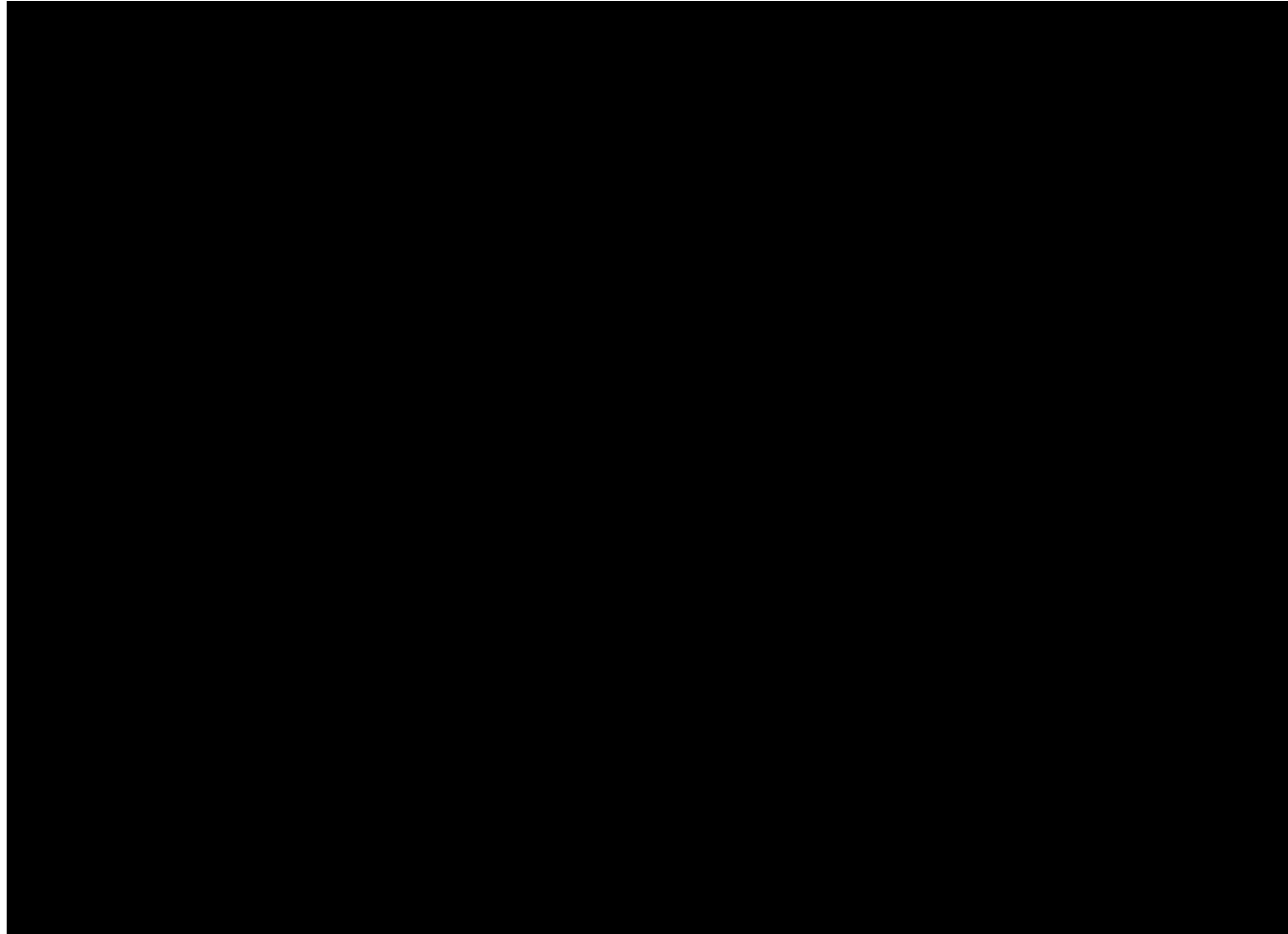
Better entertainment is just a friend away



# Creative Strategy

# Creative Execution: Erika //

## Digital ads on Instagram and Youtube



## Digital ads on Instagram and Youtube

### **Audience:** Gen Z (15–25 year olds)

My research shows that Gen Z is internet savvy, value great entertainment, and care deeply about social sharing, making them a key user group for our new feature.

### **Visual:** Iconic Disney friendships

I chose to display friendships that are instantly recognizable to the Disney brand, like Simba, Timon, & Pumbaa. These images, along with the familiar “You’ve got a friend in me” song, emphasize the importance and irreplaceability of human connection.

### **Placement:** Instagram & Youtube

Gen Z is online. A 2018 Pew Research Survey shows that 97% use one of seven major online platforms, of which Youtube (85%) and Instagram (76%) are the most popular destinations, making them ideal platforms to reach this age group.

### **Copy:** Nostalgic & Tender

Disney+ appeals to Gen Z because it allows them to relive their childhood memories through entertainment. I wanted our ads to tap into this sense of nostalgia and innocence that Disney characters bring.

# Creative Execution: Daniel



Traditional billboard ads at high traffic locations



Billboard ad in a **subway station**



Billboard ad over a **highway**

## Traditional billboard ads at high traffic locations

### **Audience:** Parents and Kids

My research shows that parents want entertainment that the whole family can watch and enjoy together. They want to keep their kids entertained and will use this feature to see what other content their family friends are enjoying!

### **Visual:** Disney friendships popular among kids

Although the design is similar to the digital ads, I chose to feature characters from modern Disney hits, such as Elsa and Anna from Frozen. These characters are more likely to get pointed out by young kids and recognized by their parents.

### **Placement:** High traffic areas

Parents are always on the go, whether this is going to work, taking their kids to school or running errands. They either drive or take public transport so billboards on highways, bus stops or subways are a prime location to reach this audience and their families.

### **Copy:** Warmth & community

Disney+ appeals to families because watching shows and movies is something they can enjoy together. I wanted the ads to incite feelings of togetherness families will feel when using the new Disney+ feature to discuss shows with their community.



# CONCLUSION

## Content & Personalization

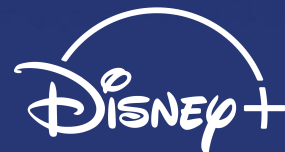
The primary focuses for Disney+ first include **accessibility to finding more content** on the service, especially given that it is one of the biggest user issues. **Personalization and socialization** are also qualities users look for in products. This feature focuses on these two aspects.

## Next Steps – Launch & Metrics

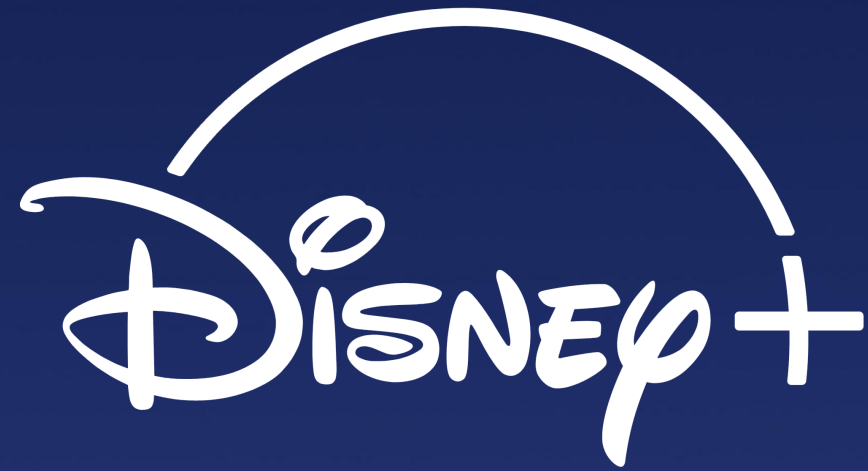
The following steps for Disney+ include **design and beta testing** of the new feature, **launch campaign and execution**, and then, to **evaluate the overall success** of the feature, Disney+ measures the number of people the feature reaches in addition to its overall change in subscriptions.

## The Future of Disney+

With a new feature focused on content and socialization, Disney+ will be able to hone in on the desires of its audience. Therefore, I project that Disney+'s **user base will grow and reach more teens and families**, expanding to people who were, at first, reluctant to adopt a new streaming service. As a result, I expect Disney+ to have a **revenue increase** with the release of this new feature.



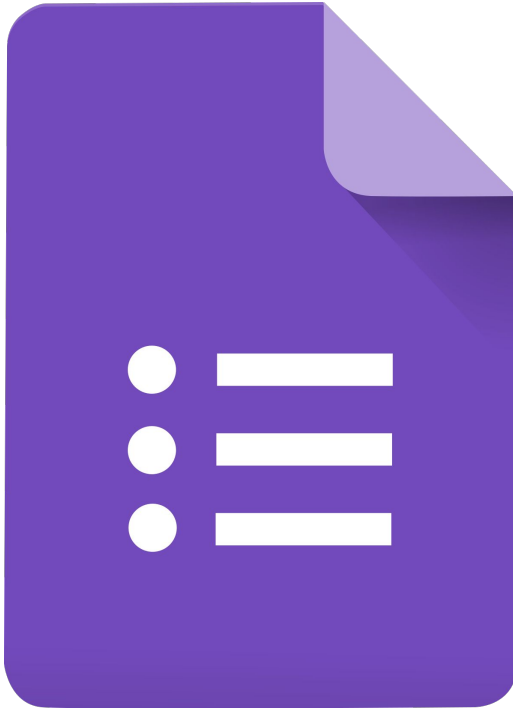
Thank you!  
**Any questions?**



# Appendix

# APPENDIX 1

## Research Methodology



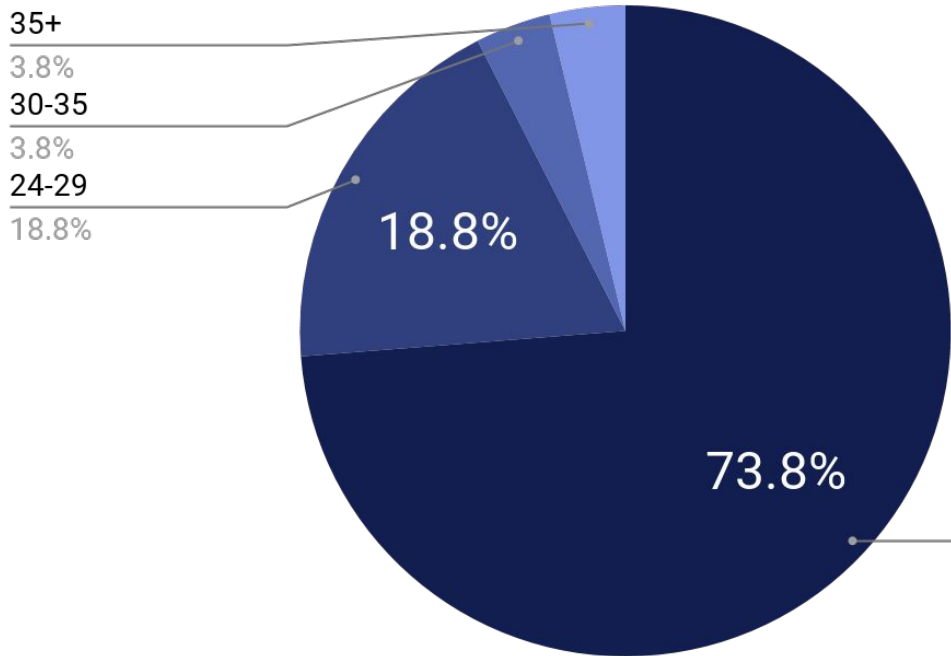
- Created a Google Form of 18 questions, taking about 5-7 minutes to complete
- Sent out a Google Form to my network including UCLA organizations, older sibling(s) networks, LinkedIn, and alumni Facebook groups
- Received **80 responses**
- Consolidated those responses into a spreadsheet and quantified the data when necessary

# APPENDIX 2

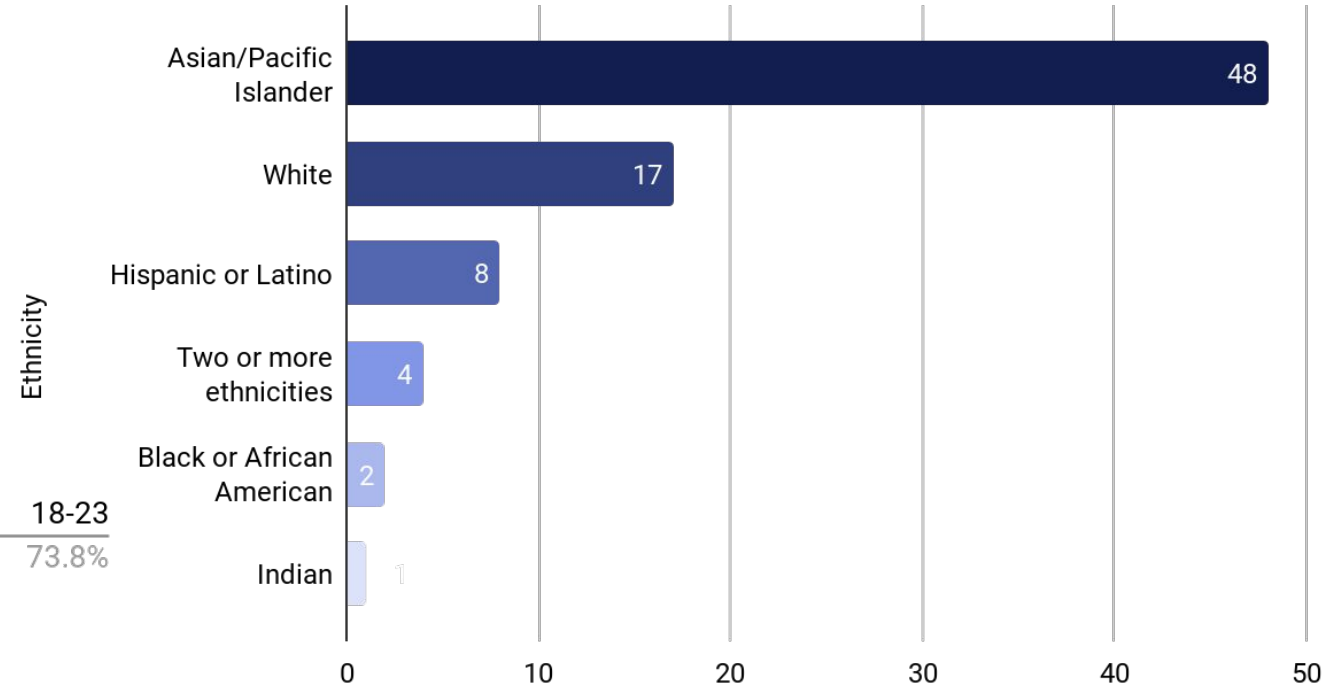


## Basic demographics of survey participants

### Age



### Ethnicity



**58.8%**  
Female

**40%**  
Male

**1.2%**  
Undec.