

Project Part 1

Topic of Interest

I will analyze and interpret the data for Netflix and other popular streaming platforms in relation to the traditional movie theater industry and box office data. I specifically will focus on how the rise of Netflix as a streaming platform alongside other similar services disrupted the traditional theater business and how it may have impacted ticket sales and revenue. I will also look at how genre may impact whether a film has success on streaming platforms or in theaters, and how movies being available simultaneously in theaters and to stream may impact theater ticket sales.

Background

Netflix began as a service in 1997 providing DVD rentals over the internet, delivered by mail. In 2007, Netflix moved into streaming, greatly increasing subscriptions; by 2010, Netflix had surpassed 20 million subscribers (CNN). Streaming proved to be a major shift in how consumers enjoyed content; brick-and-mortar businesses such as Blockbuster were some of the first casualties. Canceling cable subscriptions, known as “cord-cutting,” in favor of streaming platforms, has also increased as a result of streaming: from 2015 to 2021, the share of Americans who watch television by cable or satellite dropped from 76% to 56% (Pew Research Center). Streaming has changed the way that the world has enjoyed media, and one industry particularly affected is the movie industry. In 2013, Netflix debuted the widely popular original show “House of Cards,” and Netflix continued to produce its own programming to rival the traditional movie and television industry. In 2014, Netflix got the first Academy Award nomination for streamed content, for a documentary called “The Square”. In 2022, half of the nominations for Best Picture either debuted simultaneously in theaters and on streaming platforms or simply only released for streaming (The Economist). For the past three years, Netflix has received the most nominations among any producer or studio. This shows how disruptive streaming has been to the traditional movie business. The popularity of streaming, already experiencing tremendous growth, was only bolstered

by the COVID-19 pandemic. Time spent streaming videos more than doubled from 2019 to 2020 (RBC Wealth Management).

Research Questions

- Is there a relationship between box office revenues and streaming platform subscription counts over time?
- Is there a relationship between genre of movie and whether it is available to stream on a streaming platform within a week of release?
- Is there a relationship between a movie being available to stream on streaming platforms within a week of release and theater box office revenues for that movie?

Populations of Interest

The populations of interest are:

- Movies in theaters from 2000 to present
- Streamed movies from 2000 to present
- Streaming service subscriptions from 2000 to present
- Box office data from 2000 to present

Since streaming only emerged as a major force in the mid-2000s, I am investigating from the year 2000 to the present to look at data before streaming took off and the effects of its rise to popularity. I will be looking at movies in theaters as well as streamed movies, to compare and contrast as well as to look at movies which overlap in both groups. I will compare subscriptions for streaming services and box office data.

Appropriate Data

The appropriate data that will answer my research questions are: box office numbers for movies in theaters from 2000 to present; viewing numbers for streamed movies from 2000 to present; streaming service subscription counts over time from the year 2000 (or from founding) to present; genre categories for movies from 2000 to present; whether movies were available or not on streaming platforms within a week of their theatrical release, if applicable.

References

- The Guardian, “*A history of media streaming and the future of connected TV*”. <https://www.theguardian.com/media-network/media-network-blog/2013/mar/01/history-streaming-future-connected-tv>
- Forbes, “*The Rise And Fall Of Cable Television*”. <https://www.forbes.com/sites/bradadgate/2020/11/02/the-rise-and-fall-of-cable-television/?sh=3a4947e56b31>
- Pew Research Center, “*Cable and satellite TV use has dropped dramatically in the U.S. since 2015*”. <https://www.pewresearch.org/fact-tank/2021/03/17/cable-and-satellite-tv-use-has-dropped-dramatically-in-the-u-s-since-2015/>
- CNN, “*A brief history of Netflix*”. <https://www.cnn.com/2014/07/21/showbiz/gallery/netflix-history/index.html>
- The Economist, “*Netflix once again dominates Oscar nominations*”. <https://www.economist.com/graphic-detail/2022/02/08/netflix-once-again-dominates-oscar-nominations>
- RBC Wealth Management, “*Streaming services have accelerated during COVID-19. Will this continue?*”. <https://www.rbcwealthmanagement.com/en-us/insights/streaming-services-have-accelerated-during-covid-19-will-this-continue>
- Business of Business, “*How streaming started: YouTube, Netflix, and Hulu’s quick ascent*”. <https://www.businessofbusiness.com/articles/a-brief-history-of-video-streaming-by-the-numbers/>