

Netflix MX: “Roma” as a spearhead

Rodrigo Gómez

Universidad Autónoma
Metropolitana-Cuajimalpa

Presentation coordinates

- Netflix arrival to the Mexican cultural industries market (2011).
- Mexican audiovisual landscape and market actual scenario.
- Netflix MX Catalog (originals?) and alliances with local and regional players
- Rome: A circulation and distribution example of glocalization strategy.

Green or Greta Alert!



Netflix and MX data (2011-2018)

	2011	2018
Broadband subscribers	11.7 million (10.8 % population) 70% concentrated by Telmex	18.7 million (18% population) 52% concentrated by Telmex
Pay TV subscribers	11.5 million (45% concentrated by Televisa)	22.6 million (60% concentrated by Televisa)
# Mexican Films Produced	73 (62 realesed / Market share 6%)	186 (115 realesed/ Market share 9%)

Netflix Catalog (Originals?)

2019 general catalog 4,096: 2,856 movies and 1,240 series. 1,327 Netflix originals

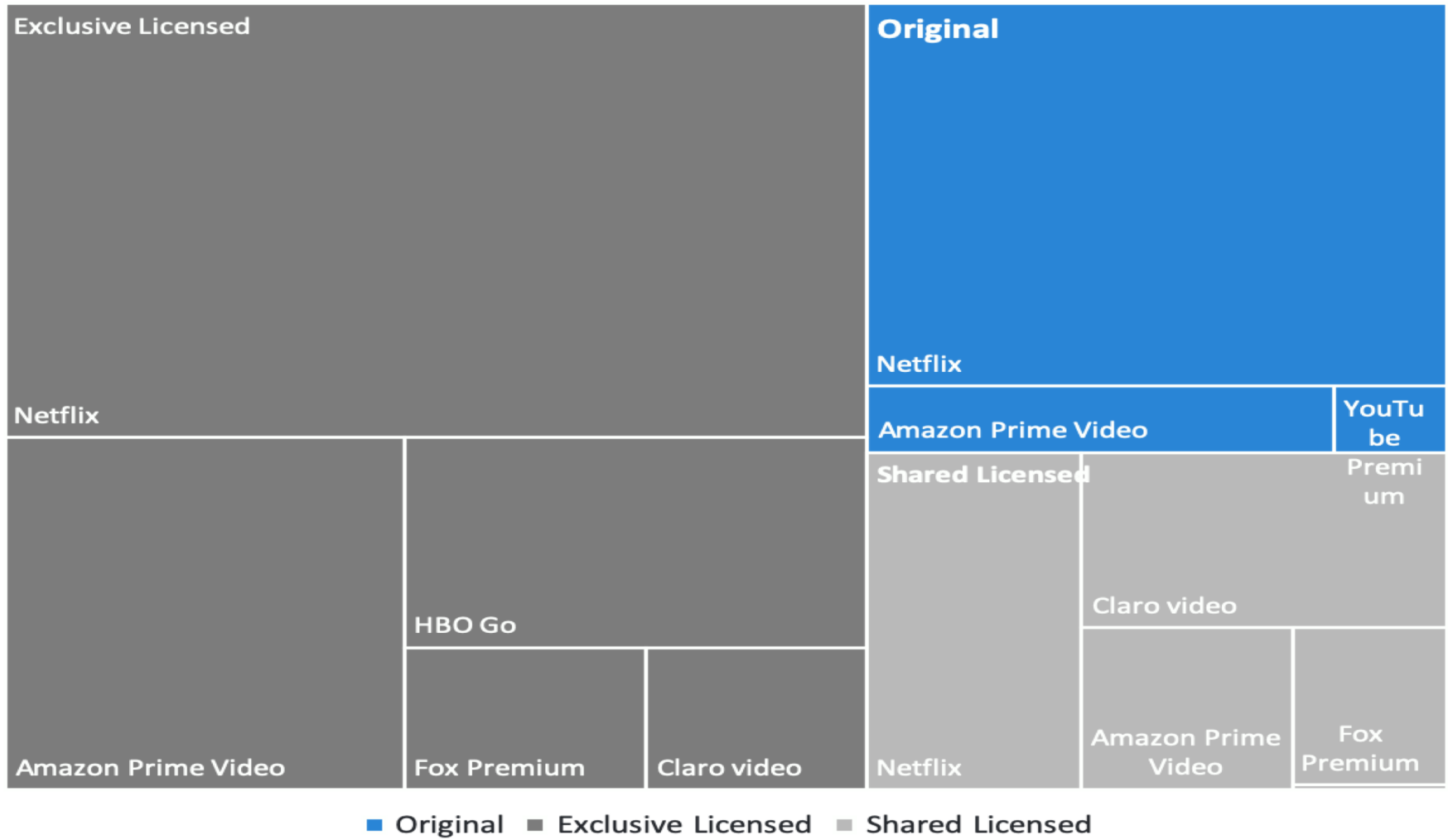
Netflix originals

2018	2019
682 (20 MX Productions)	1,327 (36 MX P)

Netflix # Mexican movies

50

Most attention is destined to licensed content: Demand across direct-to-consumer platforms in Mexico





Alliances with National and Regional players/champions



Netflix Subscribers

2011 200 thousand

2012 900 thousand

2013 1.4 million

2014 2.0 million

2015 4.3 million

2016 6.7 million

2017 8.3 million

2018 8.8 million

Legal Framework and new dispositions

- The New government pass the legislative initiative to enforce collection of VAT and income tax (ISR) on wide-ranging digital services.
- Small or little room of maneuver in production quotas, because of NAFTA and USMCA. Nevertheless, the Mexican producers lobby is asking for 30% of content quota in SVoD services.

Simon Cowell He's Got Talent At the Movies Summer Box Office Sizzles Queen of Soul Remembering Aretha

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VARIETY



HIGH GEAR

Media giants have billions on the line in the race to catch Netflix and build global direct-to-consumer content platforms

By Cynthia Littleton p.36

ROMA: A circulation and distribution
example of glocalization strategy



7 “ROMA” data and facts in relation with Netflix Power

1. Netflix spend around 25-30 million of dollars in marketing/promotion (a Star is born, Warner Bros 20 million/ 36 million production budget/ 436 million global box office)
2. The total production budget was \$ 15 million of dollars
3. 10 Oscar nominations –Record for a Mexican movie- (won 3: Best Director, Best photography and Best foreign film)
4. New film distribution (The movie was released in more of 900 screens in 500 locations around the world - 140 screens in MX)

Marketing (circulation)



7 “ROMA” data and facts in relation with Netflix Power

5. Streaming figures during the first month of Roma release 3.6 million vs 4.8 of Bird Box (Sandra Bullock).
6. After the announcement of the 10 nominations to the Oscars. The increase of the streaming was 280% according to Netflix.
7. After “Roma” succeeds Netflix announced the production of 50 projects and open a office in Mexico City (it will invest 200 million of dollars)

Two quotes as final remark

- As Janet Wasko has pointed out, the major distributors are the agents that dominate the film business (2003, p. 59). In the same vein, Nicholas Garnham noted: “It is cultural distribution, not cultural production, that is the key locus of power and profit. It is access to distribution which is the key to cultural plurality. The cultural process is as much, if not more, about creating audiences or publics as it is about producing cultural artefacts and performances” (1990, p. 162).