



Business English News 50 – Streaming Services

The pandemic **battered** many industries, including entertainment. But when theaters, concert venues, and museums shut down, the **streaming** wars **ramped up**. Besides Netflix, Disney, Amazon Prime, and Apple TV **signed up** thousands of new **subscribers** a day. In the **dying days** of the pandemic, however, the question has become whether they can *keep them*. For Netflix, the **king** of streaming, the news in 2022 hasn't been good, as Gizmodo explains:

The most popular streaming service in the world reported on its Q1 earnings call that it had lost 200,000 **subscribers** where it originally expected to gain 2.5 million. It **forecast doom and gloom** for next quarter as well, with a **predicted** loss of two million more. The company has started **laying off** employees and **shutting down** productions in order to **stave off** further declines.

Netflix launched in the late 1990s as a DVD rental and sales website. For viewers frustrated by the **hefty late fees** and inconvenience of visiting a **bricks and mortar** store, the model was **dreamy**. Movies were delivered to your house, and returning them simply involved **popping** them **in the mail**. But the real opportunity came in the mid-2000s, when **bandwidth** and **data speeds** improved enough for streaming to **take off**. According to Time:

That story begins sometime between the **launch** of YouTube in 2005, and 2007, when Netflix began offering **licensed** streaming **titles**. In 2013, Netflix launched its first **high-profile original** series, an **adaptation** of the BBC **political drama** House of Cards. So, as HBO and other networks **scrambled** to develop **robust** streaming **platforms**, Netflix and its competitors Amazon Prime and Hulu, **built up slates of prestige programming**.

Since those early days, streaming has **exploded**. In North America alone, there are 50-**plus** services. Besides the **heavy-hitters**, there is a **long tail** of services you might have never heard of, including BritBox, Docurama, Snagfilms, and iFlix. However, while the **big guns** have added subscribers around the globe, it's unclear whether they can **serve** international **markets** adequately. As BCG reports:

The **Goliaths** have large global **libraries**, but success in most non-English-speaking markets depends on local content, often in local languages, built around

local **sensibilities** and set in familiar **locales**. This is especially **evident in** national markets with **diverse subcultures**, such as India and Malaysia. While the **global giants** have expanded their content **acquisition programs**, their **supply chains, ecosystems**, and expertise do not **extend to** most international markets.

It has always been clear that good content is **critical** to streaming success. But the really **transformative** aspect in the early days was value. Netflix offered access to a vast library of movies and TV for under ten dollars a month. Other services **followed suit**, and in the hunt for great content, people signed up for multiple services. Now, given **inflation** and the rising **cost of living**, people are **taking a hard look at** their streaming **portfolios**. According to a recent **survey** conducted by OnePoll for Tubi:

Seven in 10 people **cited** changes to their financial situation as a reason to **re-evaluate** their streaming service spending. Aside from budget, respondents cited other factors that would make them **pull the plug** on a streaming service, including a limited selection of **titles**, lack of a **user-friendly interface**, and poor **customer service**. Forty-four percent would **stick with** an unsatisfying streaming service for only a week before canceling it.

It's not just **discerning, price-sensitive** consumers that are causing the major players to **sweat**. It's also getting more expensive to **play the game** and stay competitive. Great content comes with great costs. And the budgets for some original productions have been **astronomical**, as Variety explains:

Fueled by the rise of streaming **heavyweights** that don't **play by the** same financial **rules** as **traditional** TV businesses, costs are **soaring**. This includes everything from **location scouting** to **securing post-production facilities**. A wide range of services takes longer to **procure** and costs more even when it's **in hand** — particularly transportation-related expenses. And bigger, **bolder** production values also mean that **talent costs a pretty penny**.

So, what does the future hold as competition increases, costs rise, and viewers become **fussier**? It would appear that advertising is **inevitable**. Some services already provide **tiered** subscriptions, requiring **premium** fees for an ad-free experience. And there are **rumbblings** even Netflix is considering this route. Dot LA predicts one possible outcome:

From the **reemergence** of commercials to **bundled** subscriptions, the future of TV may end up looking a lot like its past. "I think we are going to see a great re-bundling," said Discovery's president of global business and legal affairs. He was referring to how **deep-pocketed tech titans** like Amazon or Apple may ultimately **roll up rival** streaming services into single consumer **offerings** on their own platforms.

Vocabulary

To batter: to hit or cause damage; "The bad weather has battered many restaurants, as people stay home rather than going out."

Streaming: technology for transferring sound or video to a computer from the Internet in a continuous stream, without complete downloading; "The most popular streaming music services are Apple Music and Spotify."

To ramp up: to increase activity or rate; "We need to ramp up our production to fill this big order that just came in."

To sign up: to register or join something, or to register other people for something such as a club or service; "At the trade show, we managed to sign 400 new people up for our mailing list."

Subscriber: someone who pays money for a regular product or service; "Subscribers to our food delivery service will receive discount coupons they can share with their friends."

Dying days: the final time of an activity or period; "Blackberry CEO John Chen firmly denies the company is in its dying days and says he needs more time to make a turnaround."

King of: best of, or the widely acknowledged leader of; "Android phones have gained significant market share, but the iPhone is still seen as the king of smartphones."

To forecast: to predict the future; "Economists are forecasting rising interest rates and increasing economic uncertainty in the coming year."

Doom and gloom: a feeling that a situation is terrible and hopeless; "It sure feels like a doom and gloom scenario with these latest reports of declining sales."

Predicted: anticipated or expected; "Despite the predicted downturn in business, we've come through this quarter very strongly."

To lay off: to end someone's employment; "At the start of the pandemic, airlines and hotels had to lay off thousands of workers."

To shut down: to close permanently, for a store or business; "After 30 years in business, Casper's Deli is facing mounting costs and will have to shut down."

To stave off: to stop something from happening; "Governments around the world are raising interest rates in an attempt to stave off rampant inflation."

Hefty: large and heavy; "With such hefty repair costs for our aging vehicles, it's time we invested in a new fleet."

Late fees: the fine you must pay for doing something later than required in a contract, such as returning a rental product; "Please remember this rental car needs to be back by 5:00pm tomorrow, otherwise you'll have to pay late fees."

Bricks and mortar: physical buildings, as opposed to Internet activity; "Rather than investing in our own bricks and mortar, our little tech company has decided to join a coworking space."

Dreamy: wonderful; "We had some really terrible applicants before receiving a resume from an absolutely dreamy candidate with just the right skills and training."

To pop in the mail: to send something by mail; "Hey June, I popped a Christmas card in the mail for you today, can you let me know when you receive it?"

Bandwidth: the amount of information that can be sent over a computer network connection; "With so much data coming and in and out of our office now, we need to pay for greater bandwidth."

Data speed: a measure of bandwidth; "I'm sorry but it looks like you don't have the right data speed to stream music on your device."

To take off: to become very popular or famous; "Zoom was growing before the pandemic, but as soon as lockdowns started the company really took off."

Launch: to officially start selling a new product or service; "Apple always organizes a big event and invites the media for the launch of each new version of its products."

Licensed: "licensed" products are ones you have official permission to use, for a price; "Rather than producing our own educational content, we have a series of training videos licensed from an online safety company."

Titles: a book, movie, or digital product produced and sold; "With over 90,000 titles in our catalog, our e-reader gives you access to a huge variety of interesting books."

High-profile: well-known or famous; "Viewers are spending a lot of time following high-profile court cases like the Johnny Depp – Amber Heard trial."

Original: not copied or imitated but created for the first time; "If we're going to start producing original material, we'll need to hire writers and designers."

Adaptation: a movie, TV program, or book made from another movie, TV program, or book; "Originally a book, *Gone with the Wind* is one of the most successful movie adaptations of all time."

Political drama: a story – in book, movie, or play form – featuring conflict among characters involved in politics; "The West Wing was a very popular political drama starring Martin Sheen as American president Jed Bartlet."

To scramble: to hurry to get something done, often to compete with others; "As soon as we released our new product, our competitors were scrambling to come up with something new as well."

Robust: strong and successful; "It's taken us a while, but we've built up a very robust training program and HR policies."

Platform: a computer or media system; "Many companies use Slack as a communication platform internally to keep people's email inboxes uncluttered."

To build up: to develop something over time; "Starting with a single marketing coordinator 10 years ago, we've build up our marketing department into a team of 12."

Slate: a list of people or things for a specific purpose; "We've got a long slate of issues to discuss at our staff meeting, so please count on at least two hours."

Prestige: high respect and reputation; "Every arena and stadium has prestige seats that have the best view and excellent food and beverage service."

Programming: the planning and development of television programs; "With rising interest in documentaries, we're expanding our programming to include more than just drama and comedy series."

To explode: to become very popular or increase quickly; "Nobody really anticipated exactly how quickly the smartphone market would explode when the first iPhone was released."

Something-plus: over a certain amount or above a certain number; "We've capture a lot of the fifty-plus market for our services, but now we're looking to appeal more to young people."

Heavy-hitter: a person or business with a lot of influence and power; "Farber Contracting used to be a real heavy-hitter in the local construction industry, but they've failed to innovate and are shrinking."

Long tail: the large number of small companies or products, compared with the small number of very successful or large companies or products; "Almost 60% of the books sold on Amazon are a long tail of items not available by other booksellers."

Big gun: a powerful or important person or group; "The big guns in the tech world are sometimes referred to as FAAMG: Facebook, Alphabet, Amazon, Microsoft and Google."

To serve a market: to sell products in a certain area or industry; "We've served the Californian grocery market for years, but now we're branching out into Oregon and Washington."

Goliath: a large and powerful person or organization; "It's really hard for smaller retailers to compete against goliaths like Walmart."

Library: a collection of books, movies, or music that a person owns or provides for rent.

Sensibilities: cultural beliefs and attitudes; "The lack of political freedom in some countries offends American cultural sensibilities."

Locales: the place where something happens; "The Spanish I learned in university isn't always useful in some of the smaller locales I've travelled to in South America."

Evident in: clear to see or having proof; "Our positive workplace culture is evident in our employee retention rates."

Diverse: including a variety of people or things; "We've got a diverse staff, with workers from all around the world."

Subculture: the beliefs, attitudes, and activities of a group of people that is different from the rest of society; "The hipster subculture helped to advance a return to small-scale craft production companies."

Global giant: a large and successful company with operations around the world; "Small pharmaceutical companies have a lot of difficulty competing with global giants like Pfizer and Eli-Lily."

Acquisition program: a strategy to grow a business or service by buying other content, products, or companies; "Our acquisition program is focused on buying small tech companies with great ideas."

Supply chain: the complex system of processes and businesses that provide products or parts to a market or company; "Because of slowdowns in the supply chain, your new furniture won't arrive until October."

Ecosystem: all the systems, activities, and businesses that work together in an area of the economy; "Within the growing ecosystem of green companies, we hope to help resource extraction businesses become more environmentally responsible."

To extend to: to increase in size or range to include something; "With this reorganization in our sales department, my region now extends beyond the east coast into the Midwest."

Critical: very important; "If you want to rise to a management position, communication and leadership skills are absolutely critical."

Transformative: causing or involving great or fundamental change; "My MBA program was really transformative: I don't look at anything in the same way as I did before."

To follow suit: to do the same as others have done; "After one big company put out an official statement on diversity and inclusion, many smaller companies followed suit."

Inflation: a process whereby prices increase and the value of money therefore decreases; "Inflation in the food sector is making it harder for poor families to buy groceries."

Cost of living: the amount of money needed to buy the basics of life; "With the rise in rents and real estate, the cost of living in Vancouver has become so high!"

To take a hard look at: to examine carefully; "I think we need to take a hard look at our payroll system and consider making major upgrades."

Portfolio: a collection of similar things; "To apply for this position as designer, please submit your CV and a portfolio of recent work."

Survey: a set of questions asked to a large group of people for research purposes; "We're offering a chance to win \$500 to all customers who complete an online survey."

To cite: to mention something as proof or explanation; "Jack cited a feeling of burnout as the reason he's quitting, but I think he's found a better opportunity."

To re-evaluate: to consider something again in order to evaluate it according to changing circumstances; "We need to re-evaluate this budget considering the slowdown in sales and increasing oil prices."

To pull the plug: to stop an activity, especially by not giving it any more money; "I know we had big hopes for this new project, but I'm sorry we're going to have to pull the plug."

Title: a book, movie, video game, or other digital product as part of a collection; "Crave has just announced the release of a dozen new titles in their amazing line-up of original TV shows."

User-friendly: easy to learn and use, for digital tools or interfaces; "I understand Microsoft Teams has more integrated tools, but I prefer Zoom because it's more user-friendly for people with less tech experience."

Interface: the part of a computer program or digital tool that users interact with; "I think this program has great functionality, but the interface is so ugly!"

Customer service: the support and advice provided to customer; "Our aim is to provide such excellent customer service that people recommend us to their friends and family."

To stick with: to continue using; "Tom thinks we should switch to Xero Accounting but I think we should stick with NetSuite because everyone's already familiar with it."

Discerning: showing good judgment or being very careful about choices; "These product displays need to be perfect, as our customers are highly discerning."

Price-sensitive: likely to make purchasing choices based on price and careful to avoid things that are too expensive; "If you're price-sensitive, maybe you would consider the Nissan Leaf instead of a Tesla?"

To sweat: to feel nervous or worried; "I was really sweating when my boss asked for a private meeting, but he just wanted to get my opinion on some strategy issues."

To play the game: to compete in a certain area; "I'm too old to play the tech start-up game and will leave it to people with more creativity and time."

Astronomical: extremely high, for amount for price; "With gas prices so astronomical, we need to change our staff travel policy and save some money!"

Heavyweight: someone or something with a lot of influence or power; "A new heavyweight in the oil and gas industry has been created with the merger of Woodside Energy and BHP."

To play by the rules: to follow the established rules or behave in ways that are accepted; "I was tired of playing by the rules in a big company, so I decided to go out on my own and start a business."

Traditional: based on old ways of doing, behaving, or believing; "Fiona has a very traditional management style, which doesn't work for some of the young people on her team."

To soar: to increase to a high level; "Soaring prices for consumer goods have really shaken public confidence in the economy."

Location scouting: searching for places to shoot movies, TV shows, or advertisements; "We've sent our location scouting team out to Arizona to find some good places to film our movie about a desert town."

To secure: to get or obtain; "We've secured some great partnerships with major suppliers."

Post-production facilities: places where work is done after filming a movie, TV show, or advertisement, including editing and sound.

To procure: to find and purchase; "If we can't procure office space in LA by June, we'll have to reconsider our expansion plans."

In hand: already in your possession or already being dealt with; "We've got lots of inventory on hand that we need to get rid of to make space for new products."

Bold: strong and impressive; "I like the bold colors and font of our new logo. Really makes a strong impression."

Talent: people with abilities for hire; "We go to college career fairs looking for young talent we can hire."

To cost a pretty penny: to be very expensive; "Admin staff cost us a pretty penny, so we're considering outsourcing some parts of the work to India."

Fussy: hard to please; "Yes, Ian seems really fussy about design, but that's why he's been so successful in marketing."

Inevitable: impossible to prevent; "You might not like the new office policy, but it was inevitable that they'd ask us to come back at least a couple days a week."

Tiered: having different levels; "Instead of just one class of membership, why don't we look at a tiered model with different pricing?"

Premium: more expensive or higher quality; "I'm willing to pay premium rates for a comfortable flying experience."

Rumblings: rumors or discussion about something; "Did you hear? There are rumblings in the office that Sarah is thinking about retiring soon."

Reemergence: the appearance of something that previously disappeared; "With the reemergence of COVID in some parts of Europe, people are worried we're headed for another lockdown."

Bundled: grouped together; "The bank helped us bundle some of our debts into one repayment."

Deep-pocketed: having a lot of money; "Our little boutique engineering company can't get through a downturn as easily as some of the bigger deep-pocketed companies."

Tech titans: the largest and most powerful technology companies; "It's only a matter of time until governments decide that the tech titans are too powerful."

To roll up: to increase by adding things together; "I rolled up all the monthly sales figures into an annual report, which I can discuss at the staff meeting."

Rival: a competing person or company; "We've dominated the market for 10 years, but a new rival out of Chicago is stealing some of our customers."

Offerings: things offered for sale by a company; "We've got great offerings in the health food space, and now we're looking to extend into the beauty and hygiene markets."

Language Review

A. Collocations

Match words from each column to make collocations found in the article.

1. Big	a. giant	
2. Global	b. rules	
3. Supply	c. living	
4. Cost of	d. pretty penny	
5. To pull	e. gun	
6. To play by the	f. chain	
7. To cost a	g. titans	
8. Tech	h. the plug	

B. Vocabulary Quiz

- Which of the following is NOT used to describe something big and powerful?
 - Global giant
 - Goliath
 - Heavy hitter
 - Doom and gloom
- Which of the following are closest in meaning to each other? [choose 2]
 - Re-evaluate
 - Extend to
 - Stick with
 - Take a hard look at
- The items in a streaming company's _____ are referred to as _____.
 - license / subscribers
 - platform / locales
 - library / titles
 - ecosystem / subcultures

4. Something that will happen even if you try to prevent it is _____.
- a. Astronomical
 - b. Inevitable
 - c. Robust
 - d. Hefty
5. The highest level within a _____ system might be called _____.
- a. tiered / premium
 - b. programming / long tail
 - c. user-friendly / price-sensitive
 - d. traditional / heavyweight
6. Products or services that are grouped together are _____.
- a. bricks and mortar
 - b. scrambled
 - c. bundled
 - d. discerning
7. If something becomes very popular, we can say that it... [choose 2]
- a. Launches
 - b. Takes off
 - c. Explodes
 - d. Signs up
8. The TV programs and movies that a streaming service provides its subscribers is called its _____.
- a. ecosystem
 - b. soaring
 - c. rumblings
 - d. offerings

Answers

A. Collocations

1/e, 2/a, 3/f, 4/c, 5/h, 6/b, 7/d, 8/g

B. Vocabulary Quiz

1/d, 2/a, d, 3/c, 4/b, 5/a, 6/c, 7/b, c, 8/d