

Netflix and Gaming - What will it Mean?

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By Vipin PG | Published July 28, 2021 | Updated January 24, 2024 | Format: Article | 5 min read

In brief

Netflix is expanding into gaming by hiring former EA and Facebook executive Mike Verdu and other industry veterans, signaling plans to add games to its streaming platform.

One of the most significant streaming services has set its sights on gaming. Netflix is known for having a massive selection of movies and TV series to choose from - delivering entertainment to eager customers on demand.

In a recent move, the former EA exec Mike Verdu joined the Netflix ranks. Mike was also a former Oculus and Facebook vice president of game development.

Back in May (2021), the word on the street was that Netflix was looking to hire a game executive, and since then, they wasted no time working on future plans.

Mike is not the first hire with a gaming background for Netflix, though. In 2018 they hired Activision Blizzard CFO Spencer Neumann (this caused a ripple since Spencer was poached, and a lawsuit followed).

It's not just gaming streaming services that Netflix will be competing with either.

Game development companies already meet the players where they are. Casino game providers are the perfect example. They offer hundreds of online slots options, multiple card tables, training, resources, mobile apps, and more in the player's hands at any time.

If you head to an online casino, you'll find a huge range of games all in one place. Presumably, this is the direction Netflix wants to go in, making it easy for users to switch between games depending on what they enjoy.

But what does Netflix and gaming mean for other gaming developers and streaming services?

Netflix already dabbled in games

Netflix has a strong reputation for producing some of the best original films and series.

Here are a few that you might recognize:

- Bridgerton
- Sweet Tooth
- You
- The Witcher
- Stranger Things
- Birdbox
- Enola Holmes
- Spenser Confidential

Netflix has previously released a game based on the smash-hit Stranger Things. It was released in 2019 on PC and console but missed the mark with critics.

In 2017 Netflix released a Stranger Things mobile game with more success than the follow-up but still wasn't that popular.

Interestingly they have also produced two great films based on gaming franchises Castlevania and Dota. So they have been dancing with gaming content for several years already.

There are also more interactive shows like Bear Grylls You Vs. Wild, Minecraft: Story Mode and Black Mirror: Bandersnatch.

Gamifying the watching experiences, perhaps to prepare subscribers for the next steps in the future of Netflix.

Already Established Gaming Streaming Services

Gaming streaming services specialize in one thing - delivering a vast range of games to the players on their console of choice.

They have paved the way, created technology, and are continually improving.

Many gamers became familiar with game streaming services through their consoles. Xbox Game Pass and PlayStation Now allow players to access a huge catalog of games.

However, the Xbox Game Pass offers a little extra since players can download the games and store them - bypassing any lag issues.

You can play games from either of the streaming services on your PC.

Google's Stadia offers game streaming in 4k, with a chrome browser. Unfortunately, stadia isn't as advanced or as established as mentioned above but will change over time.

With so many options, is there room for Netflix?

Netflix and Gaming

With the select hiring of gaming executives, it is safe to say that Netflix will be forging a path forward into games.

Since Netflix are known for their originals, it's reasonable to assume that the first games that Netflix offers on the platform will be originals - rather than licensing games.

Netflix isn't green when taking up space in an occupied territory already competing directly with Disney Plus and Amazon Prime. However, Netflix is in a unique position to learn from the media companies that made mistakes before them.

Read more: Need help choosing the best movie streaming service? Netflix vs. Hotstar vs. Amazon Prime Video: Deep Comparison.

Google, Microsoft, NVIDIA, Tencent, and Amazon all caused a stir with the Netflix-style subscription services.

But gamers and TV viewers view spending differently.

While Netflix offers a lot for the subscription price to watch TV and movies, gamers are offered Free-To-Play models, Freemium Models, BETA keys, and more. Playing fewer games at once, it's hard to know how much value they would get from the Netflix offering.

Further reinforced by SuperData figures that show the free-to-play Fortnite generated \$1.8 billion in 2019, and the top 99 of 100 mobile games in the US are also free.

Subscriptions are rage, food subscriptions, movie subscriptions, premium Tv channels, and even magazines.

But they all offer the buyer something they can't usually get or extra convenience. It is a library that not even the most dedicated TV viewer could exhaust in Netflix's case.

Why is providing a gaming streaming service on their radar at all?

In 2020 subscription-based game streaming services were an \$18.5 billion market. While that isn't comparable to the free-to-play market at \$90 billion, it's a sizable fortune.

But the term 'the Netflix of Gaming' was used when discussing subscription services, so it makes sense to take up the mantle and indeed be the Netflix of Gaming.

Providing the same easy-to-use platform, a single combined subscription, and delivering great titles.

The most significant advantage for Netflix is that other subscription game streaming services would need to funnel money into offer exclusives and first-party blockbusters.

Netflix is well versed in developing, marketing, and launching its originals. However, apple Arcade took a different approach and invested \$500 million in indie games, going for quantity over quality.

The difference between streaming movies and TV is that viewers may watch 5-10 minutes before exiting and choosing something else. Gamers are less likely to do this, as they focus on one or two titles and aim to complete those before moving on.

Usually choosing new titles, and watching streamers, and reading reviews before deciding.

There has also been speculation about whether the Netflix model can be used in the gaming industry, and if anyone knows how to make the most of that - it's Netflix themselves.

A key driver in the decision to focus on gaming could be that, in the aftermath of a bumper subscription, Netflix took a huge dive. As a result, seeing the lowest number of new subscribers in recent years.

Gaming is the logical next step when the goal is keeping eyes on the screen and making the most of that Netflix original content.

So what does it mean? It means there is a new shark in the gaming waters, and we might just see the subscription model perfected from Netflix for a second time.

References

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