

Netflix analysis as an streaming application competitor of netflix

[Business](#), [Company](#)



This study was conducted to understand that over time, human life is influenced by the development of information and communication technology. The advent of the internet, in particular, has changed the way people live their daily lives, resulting in new habits.

Advances in information and communication technology, especially the internet, can shift the old ways and systems that exist in the society. However, unlike technology users in Indonesia, most of the business actors are less responsive in facing the modern technology and economic system.

Indonesian society today tends to create a hybrid of old and new technology to reach wider markets, both the middle-to-lower class and the middle-to-upper class. This way, those who do not understand modern technology can adjust themselves slowly.

Hybridization in a globalization can be defined as the way in which an existing old practice is combined with new one. Efforts of this hybridization also take place in economic systems. At a time when modern society has applied the payment method using digital money or credit cards, not everyone in Indonesia use this payment method. One of the reasons is the complicated process of credit card filing, lack of knowledge on credit cards, and poor economic conditions (unemployment or low pay). Thus, this globalization process goes hand in hand with the existing local concept or what is commonly called glocalization, " Think globally, act locally".

To explore this, the use of constructivism theory and political economy theory are described in this paper. To develop this research, the author used

Nicholas Greenwood Onuf's constructivism theory that states much the same as individuals are living in a "world of our making," where many entities such as "social facts" are made by human action, as opposed to "brute facts" that do not depend for their existence on human action but rather are phenomena of human condition. Based on the examination of constructivism journals, the author found that an international structure is determined by the distribution of ideas that is also done internationally.

In addition, the market theory also determines the occurrence of this phenomenon because it shapes market segmentation. Besides, it is mentioned that economic modeling itself is unpredictable, therefore the market that we know today will determine whether the products we have will be successful or not, providing that we as the capital owner are able to meet what the market wants.

In this case, Iflix succeeds in responding to the demands of the Indonesian market that are not very familiar with digital payments - they provide the choice of credit payment or online viewing vouchers made available in the marketplace Tokopedia. With this simplified payment method, Iflix becomes one of the more demanded streaming apps compared to Netflix. This is because Netflix is still adamant with the digital payment method and is not trying to respond to the need of the middle-to-lower class market in Indonesia. In fact, in this segment, the number of consumers is very likely to boost the company's profits in the country.

When associated with the Embeddedness of Markets theory, Netflix is well aware that their market, especially in technology and information, changes very quickly and is not easily predicted. However, they do not want to try to 'pursue' what the market wants, especially in Indonesia. In the United States where this application was born, the people are very independent and rely heavily on a digitized payment system, so when credit card payments or PayPal is applied, there is no significant issues.

As the proverb says, "different pond, different fish." Ordinary people understand there is no place in the world that shares the same policies, rules and customs with the others. This should also apply to foreign companies in Indonesia. If they want to succeed, they must be able to 'blend' and try to adjust their policies in accordance with their target market to make their business thrive.

Furthermore, using an in-depth interview methodology is also helpful to see the continuity between the theory being used and the reality. This study used the qualitative methods explained by Creswell in the book *Qualitative Research Methods* written by Conny Semiawan. This approach or search aimsto explore and understand the central symptoms. The symptoms that will be sought in this study are in accordance with the scientific questions that have been proposed. With a methodology that is considered subjective in examining the problem, it is expected that the writer can answer all the above research questions.

The data that will be used by the author in writing this scientific paper come from corporate info or company profile and business modeling of related magazines such as Forbes. In addition, the data from statistical agencies are also needed to find out how many users of TV media, Netflix and Iflix in Indonesia. The author also believes that the acquisition of data from consumer reviews is necessary because it is useful to explore their way of thinking when using these media. The reason the writer chose the corpus above is because the source has a strong relevance with the scientific work.

In the writer's original hypothesis, Iflix in Indonesia gained more popularity than Netflix due to its easier access. While Netflix insisted on applying credit card payments or PayPal, Iflix dared to make a breakthrough - they let customers subscribe without having to use credit cards, instead they provided a bundling system with telecom operators in Indonesia. Iflix allows subscription via internet package offered by internet providers IndiHome (owned by PT Telkom Indonesia) and Indosat Ooredoo.

In accordance with the author's original hypothesis, this study found that Iflix becomes a favorite among the people of Indonesia because of its easy payment, which allows subscribers to pay like they do with cellphone credits. This is because the people of Indonesia are yet to have a deep understanding on digital payments.

The fact that the Indonesian people are less able to engage in a new economic culture is also one of the reasons why Iflix is more easily accepted here. In addition, Americans (in this case Netflix) are less able to develop

their proprietary methods in developing countries such as Indonesia because they do not fully understand the existing market.

The author hopes that this research will give the readers insight into the use of constructivism theory and in-depth interview method, where in this case, Iflix and Netflix serve as research objects. Furthermore, the author wants to invite the readers to understand how the international scope can form a domestic scope with different markets but still retain the international preference. Additionally, with the development of Iflix in Indonesia in addition to Netflix, readers will get a picture of how paid video business successfully replaces conventional television among Indonesian society.