

Netflix company



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NetFlix Recommendation It is recommended that the corporate mission of Netflix be reformulated to reflect its concern for its clientele. The current mission statement of Netflix does not give due importance to the public which it serves. It mentions the path that the company wants to traverse, stating about becoming a global entertainment distribution service and entering into partnerships with film makers and content creators. What is noticeably missing is the company's sensitivity towards the needs and wants of its customers. This aspect of a mission is very significant because it is the statement that will dictate the strategies that the company will undertake. To overlook this essential aspect would lead to misdirection in the company's plans for the future.

This obvious neglect of the customer's welfare in the mission statement might have been the underlying reason why in 2011 Netflix committed the mistake of increasing its subscription prices. Netflix had to pay greatly for the said oversight which resulted in a sharp decline in its subscriber base and its stock price. Due to Netflix's CEO Reed Hasting's huge desire to slowly abandon its DVD operations, he decided to separate the DVD business from the streaming business and to increase the price of their subscription plans (Sandoval , par 4). Clearly, there was a blunder on Hasting's part to do such move. What led him to commit such a major slip-up? What can be said is that it all goes back to the mission statement. There is no concern for the market that they serve. Hasting's main concern was to be aggressive and focus on streaming, before their competitors get ahead of them. It is what is stated in their vision, to be the global leader in the entertainment distribution service, no matter what their customers feel.

Given this background, it is highly recommended that Netflix restate its

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mission statement to take into account the people who have made them where they are today, their subscribers. It is suggested that Netflix's mission statement and vision for the future should be: Netflix is dedicated to becoming the best global entertainment distribution service by entering into licensing agreements with television and movie producers and distributors around the world; by creating markets that are accessible to film makers and by assisting content creators around the world to find a global audience, but at all times, recognizing that our responsibility first and foremost is to offer stellar service to our subscribers, through quantity and quality content (Farfan, par 3).

The above revised mission statement still states the direction of the company but takes into account the importance of its subscribers. In the statement, there is a realization that in whatever strategy that Netflix intends to execute, their customers should be their primary consideration. In this way, the management of the company will always be properly guided in making major decisions that will affect its clientele.

Works Cited

Sandoval, Greg. " Netflix's lost year: The inside story of the price-hike train wreck." 11 July 2012. news. cnet. com. Web. 12 July 2012 .

Farfan, Barbara. " NetFlix movie rentals mission statement - A vision, a promise and nine values." n. d. retailindustry. about. com. Web. 12 July 2012. .