

Netflix's global growth is a big factor in the company's success. In that regard, it will have to continue to expand its blending of global and regional content. To address the protracted process of signing content deals with major studios on a regional or local basis, it has increasingly pursued global licensing deals so that it can provide content across all of its markets at once. For a variety of market and technological factors, including the absence of high-speed broadband and a very low level of internet penetration in many parts of the world, exponential globalization was infeasible until a few years ago. By 2017 it was operating in over 190 countries, and today close to 73 million of its some 130 million subscribers are outside the U.S. In the second quarter of 2018, its international streaming revenues exceeded domestic streaming revenues for the first time. In France and India, for example, homegrown leaders offer local-language video content, thus depriving Netflix of first-mover advantage. Rather, it carefully selected its initial adjacent markets in terms of geography and psychic distance, or perceived differences between markets. Netflix has also begun to source regionally produced content, providing a win-win for these producers, whose local content can find a global audience. This knowledge needs to be both broad and deep, extending across political, institutional, regulatory, technical, cultural, customer, and competitor domains.