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Global Portals in National Markets: Branding Netflix in Israel

by MICHAEL L. WAYNE

Branding has been described as the defining industrial practice of television's recent past.¹ As the frames that manage the interactions among viewers, content, and producers, television brands operate at multiple levels. For example, channels with well-defined brand identities are better able to establish strong relationships with loyal viewers; executives, industry observers, and academics see these relationships as central to commercial success in the increasingly competitive television market.² Beginning in the mid-1980s, demographic network branding—reflected in Lifetime's slogan "Television for Women," for example—became a common industry response to increasingly fragmented audiences.³ In this context, heavily marketed flagship programming reflects the brand identity that network executives are attempting to cultivate. The best-known example of a signature series embodying a channel's brand identity is the case of HBO's *The Sopranos* (1999–2007) and the network's slogan "It's Not TV. It's HBO."⁴

Despite the television industry's conventional wisdom regarding the necessity for strong channel brand identities and flagship series, the most popular subscription video on-demand (SVOD) services have not used original content targeting specific audience demographics to construct distinctive brand identities. Instead, services like Netflix, Amazon Prime Video, and Hulu present themselves as "portals" that act as generalized viewing platforms for subscribers.⁵ Although the appeal of a given streaming service certainly depends on the quality and variety of available content, the brand identities of these services are

- 1 Catherine Johnson, "Tele-Branding in TVIII: The Network as Brand and the Programme as Brand," *New Review of Film and Television Studies* 5, no. 1 (2007): 5–24.
- 2 Barbara Selznick, "Branding the Future: Syfy in the Post-Network Era," *Science Fiction Film & Television* 2, no. 2 (2009): 177–204.
- 3 Heather Hundley, "The Evolution of Gendercasting: The Lifetime Television Network 'Television for Women,'" *Journal of Popular Film and Television* 29, no. 4 (2002): 174–181.
- 4 Gary R. Edgerton, "A Brief History of HBO," in *The Essential HBO Reader*, ed. Gary R. Edgerton and Jeffrey P. Jones (Lexington: University Press of Kentucky, 2008), 9.
- 5 Amanda D. Lotz, *Portals: A Treatise on Internet-Distributed Television* (Ann Arbor, MI: Maize Books, 2017).

largely defined by the experiences that the portal offers viewers: a personalized television viewing experience made possible through internet distribution.

Netflix, which competes directly with cable television networks and aggressively positions itself as a replacement for linear television, employs a “portal-as-brand” strategy in the US domestic market that seeks to make the service itself the audience’s primary point of identification.⁶ The company frequently and strategically emphasizes streaming television’s distance from and superiority to linear television. During his keynote address at the 2016 Consumer Electronic Show, for example, CEO Reed Hastings described on-demand video as “a revolutionary shift from corporate to consumer control.”⁷ Netflix’s marketing materials consistently present binge viewing as a mode of audience behavior that improves on traditional television’s liveness and linear scheduling.⁸

Not surprisingly, executives at Netflix use the same strategic discourses to define the company’s brand identity. When asked about the service’s programming choices, chief content officer Ted Sarandos explains, “There’s no such thing as a ‘Netflix show.’ That as a mind-set gets people narrowed. Our brand is personalization.”⁹ Cindy Holland, vice president for original content, similarly asserts, “Our brand is as broad as the tastes of our members.”¹⁰ By defining the brand in terms of personalization or the preferences of the service’s 130 million subscribers, Netflix simultaneously separates its brand from those of the most successful cable networks and denigrates those same networks as “narrow” for providing loyal audiences with on-brand content. Yet the claim that there is a clear distinction between Netflix’s portal brand structured around a particular television viewing experience and a linear channel’s content-based brand becomes less tenable in transnational contexts.¹¹

To illustrate some of the ways in which portal brands like Netflix can become content-based television brands in international markets, this article draws on examples from the pay-television industry in Israel. In contrast to its US strategy, Netflix has not marketed itself to Israeli consumers as a replacement for linear television. Instead, nearly all the company’s advertising efforts result from partnerships with two local television providers: Partner TV, the country’s second-largest “over-the-top” (OTT) television service, and Hot, the country’s largest cable television provider. Given the symbiotic brand relationships between Netflix and Israeli multichannel providers, I argue that streaming television services in some national contexts appear as both personalized portal brands and traditional content-based brands. After describing these

6 Michael L. Wayne, “Netflix, Amazon, and Branded Television Content in Subscription Video On-Demand Portals,” *Media, Culture & Society* 40, no. 5 (2018): 725–41, <https://doi.org/10.1177/0163443717736118>.

7 Variety Staff, “Netflix CEO Reed Hastings’ Keynote Speech at CES,” *Live Blog* (blog), *Variety*, January 6, 2016, <https://variety.com/2016/digital/news/netflix-ceo-reed-hastings-keynote-speech-at-ces-live-blog-1201672930/>.

8 Netflix, “Netflix & Binge: New Binge Scale Reveals TV Series We Devour and Those We Savor” (press release, June 8, 2016), <https://media.netflix.com/en/press-releases/netflix-binge-new-binge-scale-reveals-tv-series-we-devour-and-those-we-savor-1>.

9 Josef Adalian, “Inside Netflix’s TV-Swallowing, Market-Dominating Binge Factory,” *Vulture*, June 10, 2018, <https://www.vulture.com/2018/06/how-netflix-swallowed-tv-industry.html>.

10 Jessica Steinberg, “Netflix Exec Tells Jerusalem Gathering: Foreign Shows Are ‘Essential,’” *Times of Israel*, March 12, 2019, <https://www.timesofisrael.com/netflix-exec-tells-jerusalem-gathering-foreign-shows-are-essential/>.

11 Timothy Havens, “Netflix: Streaming Channel Brands as Global Meaning Systems,” in *From Networks to Netflix: A Guide to Changing Channels*, ed. Derek Johnson (New York: Routledge, 2018), 321–331.

relationships and Netflix's very limited local independent marketing efforts, this article concludes by suggesting a new term, "portal-as-content," that reflects how the identities of global streaming services blend established and emerging branding strategies in national markets.

Since Netflix officially entered the Israeli market in early 2016 as part of its expansion into 130 new territories, the majority of Netflix's local marketing has been connected to collaboration with Partner Communications, one of Israel's largest mobile phone operators.¹² Partner's OTT platform Partner TV was the first multichannel television service to offer Netflix through its set-top box and provide "all the conveniences of a Netflix button on Partner's remote control."¹³ In a press release titled "Netflix Is Now Truly Israeli," the service describes Partner as its "first local partner" in Israel, explaining that the firm would "run a consumer promotion and will allow members to sign-up and pay for Netflix through their Partner TV bill."¹⁴ This collaboration obliges Partner to heavily promote its association with Netflix and manage the global SVOD's local billing. In September 2017, Partner TV began offering new subscribers six months of "free Netflix," and Netflix branding continues to be featured throughout the OTT's marketing materials. Yet in the context of this cooperative brand relationship, Partner markets Netflix as a source of popular international content, not as a personalized television-viewing experience.

A typical commercial for Partner TV features the service's well-known spokesperson appearing to interact with characters from some of Netflix's most popular series, including *Narcos* (2015–2017) and *Stranger Things* (2016–present). In 2018, Partner TV introduced a new campaign featuring Netta Barzilai, a recent winner of *Eurovision Song Contest* (Kan, 2018).¹⁵ In one commercial, the singer, known for vocally incorporating sound effects into her songs, mimics gunshots during a bank robbery in *La casa de papel* (*Money Heist*, 2017–present), appears to perform for the king and queen in *The Crown* (2016–present), and dances with characters from *Orange Is the New Black* (2013–2019). Although these ads include close-ups of the Netflix button on Partner TV remote controls, there is little in them to connect Netflix to the features often associated with internet-distributed television. The viewer does not see Netflix's user interface, nor do the ads mention the variety of content available in Netflix's library. Instead, the use of Netflix's branding is limited to its logo and clips from a small number of original series. As such, Partner TV's marketing presents Netflix as a well-known content-based television brand.

12 Before 2016, the only way for Israeli viewers to access Netflix was through the use of a virtual private network (VPN), which made them appear as if they were watching from another country. In December 2015, one local television executive claimed that before its official launch, the service already had fifty or sixty thousand Israeli subscribers posing as Americans through VPNs. Amitai Ziv, "Netflix Revolution: About 100,000 Customers in Israel—and How Does HOT Plan to Respond to the Threat?," *The Marker*, January 15, 2018, <https://www.themarket.com/technation/1.5727466>.

13 Partner Communications, "Partner Communications Announces Netflix and Partner Communications Collaborate in Israel," press release, May 29, 2017, https://www.partner.co.il/globalassets/global/PR_Netflix_isa.pdf.

14 Netflix, "Netflix Is Now Truly Israeli," press release, July 26, 2017, <https://media.netflix.com/en/press-releases/netflix-is-now-truly-israeli-1>.

15 Anat Bein-Leibovitz, "Netta Barzilai to Present Partner TV Ad Campaign," *Globes*, June 27, 2018, <https://en.globes.co.il/en/article-netta-barzilai-to-front-partner-tv-ad-campaign-1001243446>.

Netflix also has a cooperative brand relationship with the cable provider Hot, Israel's largest multichannel service and one of the largest producers of local content. In June 2017, Hot's parent company, Altice, signed a global partnership with Netflix covering France, Portugal, Israel, and the Dominican Republic.¹⁶ According to the multiyear deal, Netflix content was to be made available on all "eligible" Altice device platforms in those markets. Following several delays, in March 2018, Hot announced that it would begin offering customers a new set-top box with Netflix integration. Nearly a year later, Hot introduced a marketing campaign to promote their association with the global service. This campaign's first television commercial begins with a montage of clips from several of Hot's most popular series, before the company's spokesperson introduces the collaboration with Netflix. The commercial then cuts to a montage of Netflix original series with the series' titles appearing in Hebrew in the bottom left corner of the screen and Netflix's logo in the bottom right corner. The ad concludes with the tagline "Netflix is joining Hot." Like Partner TV's marketing, Hot's promotional materials present Netflix original series as somehow separate from the portal that distributes them.

Even though most of Netflix's Israeli marketing arise from the company's relationships with multichannel providers and resembles content-based television brands, the company has independently produced a limited amount of promotional materials that emphasize the viewing experiences associated with its service. In July 2018, for example, Netflix posted a sixty-second commercial to its Israeli social media accounts. The ad features a young couple fighting over "Netflix cheating," as the young woman berates her male partner for betraying her by watching episodes of Netflix series by himself. This notion of "cheating" was not developed for the Israeli market. It was first introduced in 2017, when the company humorously explained in a press release that such viewing behavior was becoming increasingly common and was the inevitable result of the ability to binge-watch Netflix's inherently appealing original series.¹⁷ However, this Israeli commercial was not part of a larger marketing campaign, and there have been no additional efforts to implement elements of the portal-as-brand strategy used in the United States.

In Israel, Netflix's brand is almost exclusively articulated through the marketing efforts of local television providers with their own brand identities. Yet it seems that scholars lack the vocabulary to make sense of portal branding in contexts where global streaming platforms are collaborating with players from national television industries. As such, Netflix's Israeli branding reveals how streaming services are appearing as content-based forms of television in national markets. Although Netflix's brand collaborations with Israeli multichannel providers differ in that Partner runs a "free" access promotion and Hot does not, both relationships represent what can be called a "portal-as-content" brand strategy.¹⁸

16 Nancy Tartaglione, "Altice, Netflix Ink Multi-Year Partnership for France, Israel and More," *Deadline*, June 12, 2017, <https://deadline.com/2017/06/altice-netflix-content-deal-france-israel-portugal-dominican-republic-1202111551/>.

17 Netflix, "Netflix Cheating Is on the Rise Globally and Shows No Signs of Stopping" (press release, February 13, 2017), <https://media.netflix.com/en/press-releases/netflix-cheating-is-on-the-rise-globally-and-shows-no-signs-of-stopping>.

18 Given its policy of refusing to release subscriber numbers for all non-US territories, the benefits of portal-as-content branding for Netflix remain unknown. Nonetheless, collaborating with Netflix has clearly benefited one

By allowing local multichannel providers to use its brand and by requiring them to heavily promote these collaborations, Netflix has largely avoided the cost of developing and maintaining an independent marketing campaign in the Israeli market. In this case, local providers market their association to Netflix by featuring the original and exclusive series distributed by the portal. As a result, Netflix appears as a significant source of international television content rather than as a global internet-based service offering customizable television-viewing experiences. Given this emphasis on content, there seems to be some obvious overlap between this particular portal branding strategy and content-based branding practices associated with linear cable channels. Furthermore, by allowing local multichannel providers to use its brand in such ways, it seems unlikely that Netflix is positioning itself to become the Israeli audience's primary point of identification as it has sought to do in other national markets.

Of course, branding practices that construct Netflix in ways that resemble content-based television brands do not exist in isolation from branding practices that construct Netflix as a personalized television-viewing experience. Even without an independent marketing campaign, a local financial newspaper ranked Netflix as the country's "top" brand in 2019.¹⁹ Nonetheless, Netflix's heavy reliance on brand partnerships and the company's very limited independent marketing efforts in Israel raise some important issues about global SVOD branding practices in national contexts. In this small national market, Netflix has not attempted to replace traditional television but rather formed relationships with existing providers that have resulted in the emergence of a new portal branding practice.

In one sense, these relationships and the brand practices associated with them highlight the variety of ways in which global SVODs can engage national television industries. Although Netflix executives claim to be leading "a revolution in global television," the realities of operating in so many national markets may necessitate a shift away from the antagonism that has characterized Netflix's portal-as-brand strategy in the United States.²⁰ In a broader sense, the existence of portal-as-content branding confirms what media scholars have long claimed about transitions between old and new media. New media forms do not replace old ones; the interplay of old and new is an ongoing negotiation between established and emerging practices. Moving forward, it seems that scholars' ability to understand branding as television's defining industrial practice will require greater attention to the collaborations between global streaming services and national industries as a means to develop more nuanced models of transnational portal brands. *

local provider. Since the start of their six months of "free" Netflix offer that coincided with the launch of Partner TV, the OTT service signed up nearly 120,000 subscribers, accounting for 7 percent of the total pay-TV market. Anat Bein-Leibovitz, "Partner TV to Market Personalized Ads," *Globes*, January 20, 2018, <https://en.globes.co.il/en/article-partner-tv-to-market-personalized-ads-1001269689>.

19 Yonatan Kitain, "Globes' Ranks Netflix as Israel's Top 2019 Brand," *Globes*, July 24, 2019, <https://en.globes.co.il/en/article-globes-ranks-netflix-as-israels-top-brand-in-2019-1001294809>.

20 John Hopewell and Jamie Lang, "Netflix's Erik Barmack on Ramping Up International Production, Creating Global TV," *Variety*, October 11, 2018, <https://variety.com/2018/tv/global/netflix-erik-barmack-international-production-global-tv-1202976698/>.