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- Hulu is continually losing money, but subscribers are exponentially growing, and owners are supporting
- Original programming has some flaws, but it has more foreseeable benefits
- Hulu should collaborate with big names and owners and increase budget for hiring experts

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# Hulu is losing money, but subscribers are exponentially growing, and owners are supporting

Hulu is continually losing money

In 2017, Hulu lost \$920 million, versus a loss of \$531 million a year earlier

Hulu's losses will climb 80% in calendar year 2018 to around \$1.7 billion Subscribers are exponentially growing

More than 20 million total in the U.S. in March 2018

Over 5 million more, 40% increase from 2016 to 2017

Total audience grew to 54 million unique viewers in 2017

Owners are supporting

Disney committed about \$450 million to Hulu for 2018

Joint ownership gives Hulu streaming rights to ABC, Fox and NBC.

Disis, Jill, "Hulu's been a breakout success. It also lost \$920 million last year", CNN Business, February 13, 2018, https://money.cnn.com/2018/02/13/media/disney-future-of-hulu/index.html Snider, Mike," Hulu's bill keeps growing but Disney, Fox, Comcast are willing to pony up more cash", USA TODAY, August 10, 2018, https://www.usatoday.com/story/money/media/2018/08/10/hulu-bill-keeps-growing-but-disney-fox-comcast-willing-pay/955004002/



# Original programming has some flaws, but it has more foreseeable benefits

Original series are increasingly Original content is costly, and **Original programming facilitates** successful quality control is hard advertisement revenues 15 million subscribers in the The Handmaid's Tale Produced 700 original higher-paying, brought 18% more shows this year, spending commercial-free tier subscribers since Q4 2017 up to \$8 billion on content 32 million select to watch advertising Canceled "Deadbeat" After Original shows attracted big 3 Seasons 2hang names \$1 billion in ad revenue in 2017



### Continue producing original content with big names

• Collaborate with reputable actors/actresses, directors, producers, which attracts audiences, and ensures quality



# Leverage resources from parent companies

 Seek accesses to marketing channel and film production teams to better promote or produce original programs



#### Invest more on hiring experts of original content making

 Increase budget for hiring more talented employees from top universities and firms who have expertise in making original content