Apple TV+ leans into quality, Prime Video tries to reset, and Disney+ stays the course

Article



The news: Apple TV+'s strategy to focus on quality over quantity appears to be paying off.



- When it comes to high-quality content, Apple TV+ has won the streaming crown for the second consecutive year, with the greatest average review score for its streaming library, per Self Financial.
 - Apple TV+ at its core: Although the service is sometimes criticized for having a limited selection of original series and films, Apple TV+'s IMDb 7.08 average review score beats Disney+ (6.71) and Netflix and Amazon's Prime Video (both 6.62). (Amazon, it should be noted, owns IMDb.)
- Family-friendly programming received the greatest ratings on Apple TV+ (7.34), while its drama content improved markedly, with an average rating jump from 3.9 in 2021 to 7.34 in 2022. Despite having only 15 titles in each category, the service has the top scores for action, adventure, and war content.
- Apple TV's <u>Best Picture win for "CODA"</u> at this year's <u>Academy Awards</u> gave it further legitimacy as a key industry player.
- Other well-received programming, including "Ted Lasso," helped services become the tech giant's <u>fastest-growing category</u> recently.
 - Prime candidate for change: Prime Video has some good content, but do enough people know about it? That could be behind the unexpected departure, announced Tuesday, of **Ukonwa Ojo**, who joined Amazon Studios and Prime Video as CMO nearly two years ago.
- Ojo had a significant role in marketing the studio's most popular film, "Coming 2 America," as well as the three-time Oscar-nominated "Being the Ricardos," "The Boys," and "The Wheel of Time."
- After serving as the CMO for MAC Cosmetics and Coty, Ojo took Andy Donkin's place as head marketer for Prime Video and Amazon Studios in September 2020.
- The studio's fall release, a series based in the "Lord of the Rings" universe, reportedly is costing **\$58 million per episode**. Additionally, the business completed the \$8.5 billion acquisition of MGM in March, significantly increasing its film library.
- The conglomerate seems to be changing its direction: Prime Video and Amazon Studios SVP Mike Hopkins stated in an internal message that Amazon will use Ojo's departure as an opportunity to re-evaluate the unit's needs.



Staying the course: Disney's board unanimously decided to extend chief **Bob Chapek**'s contract for an extra three years on Tuesday.

- While Chapek has had some controversies, he received praise for his no-nonsense strategy for expanding Disney's streaming service after taking over from Bob Iger.
- Disney+ launched in 2019 and quickly surpassed subscription predictions; Chapek and the company's stock were rewarded mightily. The launch of the service was fortuitous, making up for the heavy financial losses in Disney's theme parks and cruise operation early in the pandemic.

The big takeaway: While far from leading the pack, Apple TV+ has carved out a successful niche as a player focused on quality over quantity.

- Conversely, Prime Video is a leader in the streaming wars, with <u>nearly four times as many</u> <u>viewers as Apple TV+</u>, but at Amazon, to be a runner-up isn't tolerable. It's likely that its marketing has underperformed, especially given the production costs of its originals.
- Prime Video simply can't stay the course in the same way that Disney is doing.

Subscription Video Services that US Teens/Adults Subscribe to, Q4 2021

% of respondents



