

# Netflix ventures into cloud gaming amid content shutdown

Article

**The news:** Global streaming giant **Netflix** launched a game controller app on **iOS** and **Android**, ostensibly to serve as a cloud gaming conduit for its expansion beyond streaming video apps and services.

**Why gaming and why now?** While rumors have long been stirring about Netflix adding a cloud gaming component to its services, those plans were apparently shelved once the streaming behemoth decided to clamp down on [password sharing](#).

Cloud gaming could increase engagement at a time when new content on the platform is stalled due to the actors and writers strike.

- Offering a game controller, albeit a virtual one on mobile app stores, indicates that Netflix could be looking to test and launch its gaming service soon.
- The company has been acquiring gaming studios such as [Night School Studio](#) in 2021 and Finnish mobile game studio **Next Games** in 2022.
- It has also dabbled in video game-like mechanics in some of its titles, like 2019's "**Black Mirror: Bandersnatch**."

**The state of cloud gaming:** Revenue from cloud gaming is expected to reach **\$4.3 billion in 2023, a 62% increase from \$2.6 billion in 2022**. This is the biggest increase in annual growth to date, per [Gambling Insider](#).

- Despite optimism for cloud gaming, **Google shut down its Stadia service** in January. That service similarly hinged on a video game controller, but it was a physical one and not an app.
- We forecast that [cloud games and streaming will grow](#) the most of any gaming platform by 2025.

**Our take:** Netflix, which had **220.6 million subscribers** worldwide in 2022, per [Business of Apps](#), can pivot into cloud gaming and generate new opportunities for user engagement and in-game advertising without disturbing its core business.

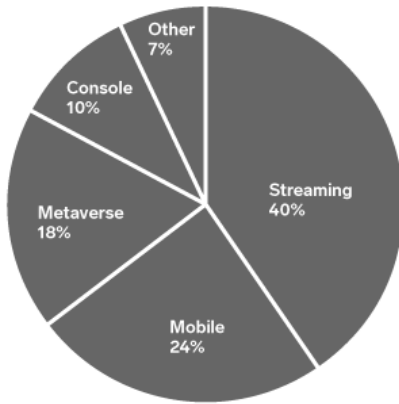
**The caveat:** More experienced gamers gravitate toward gaming experiences that integrate **hardware with software**. Netflix is also at the mercy of **Apple's** and **Google's** app stores for distribution and support of its controller app.

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**Game Platform That Will Grow the Most by 2025  
According to Video Game Development  
Professionals Worldwide**

*% of respondents, May 2022*

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*Note: numbers may not add up to 100% due to rounding*

*Source: Perforce, "2022 Game Development Trends & Forecast," Aug 29, 2022*

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