

Netflix Launches First Original Series

By John Vanderhoef

3-4 minutes

On Friday, February 1, Netflix released its first original series “House of Cards.” With a two-season commitment to the show’s executive producer David Fincher, the company’s \$100 million investment created a flurry of news coverage—including our own [interview](#) with Netflix Chief Content Officer Ted Sarandos. What might the show’s success mean for the future of television?

Here are some of the highlights:

Marketing

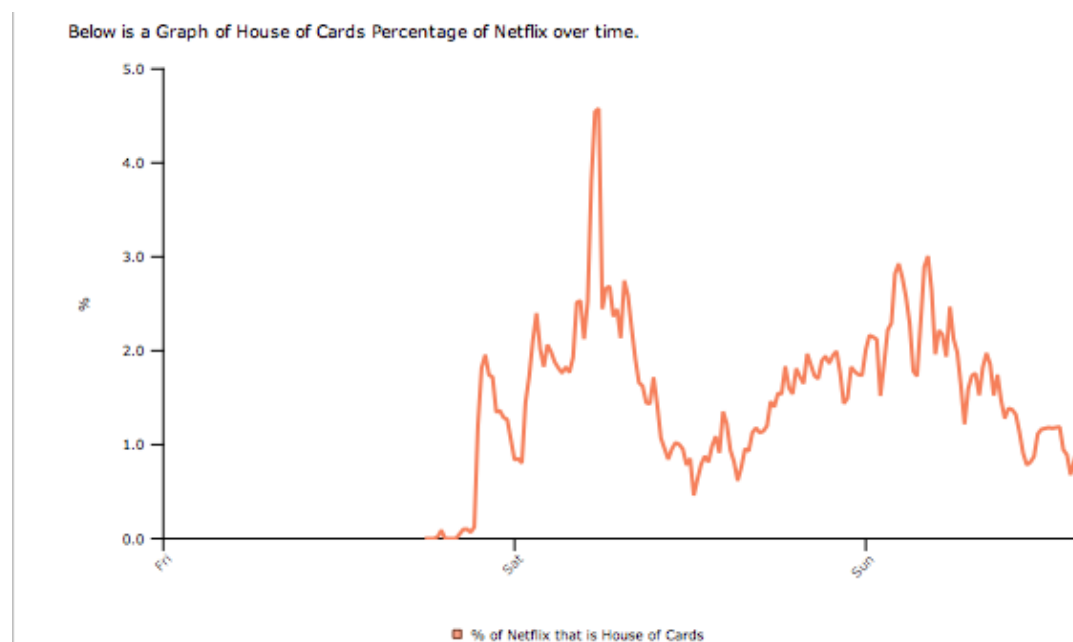
How do you market a show without a TV network? Other than a few billboards in major urban markets, Netflix mostly relies on its website for promotion. Accordingly, the company is streaming the first hour of “House of Cards” for free, hoping the move will [lure](#) new subscribers. Netflix CEO Reed Hastings says he isn’t [worried](#) about when subscribers choose to watch the show, as the company does not rely on traditional ratings metrics or advertising dollars.

Sarandos made a similar point in this [excerpt](#) from his MIP interview.

Ratings

Right now Netflix has no plans to release audience metrics for “House of Cards,” although they say they are happy with the show’s reception so far. Nevertheless, broadband firm ProCera Networks [estimates](#) that between 1.5 and 2.7 million people watched at least one or more episodes of the series, conclusions based on monitoring traffic over the weekend on some of the largest Internet providers in the U.S.

Sarandos discussed metrics in this [excerpt](#) from his MIP interview.



Procera Networks Graph

Big Data

Commentators also worry that Netflix’s reliance on “[big data](#)” threatens its creative output and originality, going so far as to argue this tactic reduces audiences to mere [puppets](#) who are

spoon-fed what they want by the site's algorithms.

Sarandos discussed audience metrics in this [excerpt](#) from his MIP interview.

Binge Viewing

Netflix released all 13 episodes of the first season at once, acknowledging an emergent behavior called "[binge](#)viewing" in which audiences watch a number of episodes in a row. This is a phenomenon that Netflix [encouraged](#) for "House of Cards" but one that arguably changes the [relationship](#) between viewer and television series. Binge viewing also has ramifications for how audiences engage with [social media](#).

Sarandos discussed viewing patterns in this [excerpt](#) from his MIP interview.

Competition with Cable

On the one hand, [The Atlantic](#) argues Netflix's original programming strategy *is competition* for cable, but rather than consider this a victory for "cord cutters," we must recognize Netflix's success as just another aspect of a new "golden age" for television. On the other hand, [The New Yorker](#) suggests the company's success will prompt other streaming media companies to follow suit, further chipping away at cable's market share.

For his part, Time Warner CEO Jeff Bewkes [downplayed](#) the threat, touting HBO's 114 million subscribers and experience at creating original content.

Sarandos discussed his competition in this [excerpt](#) from his MIP

interview.

Product Placement

An op-ed on [Engadget](#) explores the abundance of product placement on the show, specifically of Apple products. Sony also enjoys some prominence in the narratives. Apple reportedly [provided](#) the devices to the show without compensation.