

# Netflix Reports Surge In Subscribers, New Price Hikes

AFP- Netflix on Tuesday said it added nearly 19 million subscribers during the holiday season to finish out last year with more than 300 million subscribers.

Company executives credited steady investments in shows and films with helping power growth at the streaming behemoth, while announcing it is increasing prices in Argentina, Canada, Portugal and the United States.

“As we continue to invest in programming and deliver more value for our members, we will occasionally ask our members to pay a little more so that we can re-invest to further improve Netflix,” the company said in a letter to investors.

Premium and standard memberships in the United States will cost \$2 more per month, \$25 and \$18 respectively, while a standard ad-supported tier will be \$8 in an increase of one dollar monthly, according to the company.

In the final quarter of 2024, the streaming juggernaut said it logged profit of \$1.87 billion on revenue of \$10.25 billion that grew double digits from the same period the prior year.

Netflix shares jumped more than 14 percent to top \$993 in after-market trades.

“We enter 2025 with strong momentum, coming off a year with record net additions – 41 million – and having re-accelerated growth,” Netflix executives told investors.

They added that Netflix is in a “leadership position” when it comes to engagement, with about two hours daily per paid member.

“Our business remains intensely competitive with many

formidable competitors across traditional entertainment and big tech,” Netflix executives said.

“We have to continue to improve all aspects of Netflix – more series and films our members love, a great product experience, increased sophistication in our plans and pricing strategy including more advertising capabilities – and grow into new areas like live programming and games.”

Netflix ended last year with a strong lineup that included a second season of the global hit “Squid Game.”

The dystopian Korean horror tale about a fictional, deadly game remains by far the most-watched Netflix TV series ever.

“Squid Game”, an ultra-violent tale exploring themes of division and inequality, is considered to be one of the most significant works in solidifying South Korea’s status as a global cultural powerhouse, alongside the Oscar-winning film “Parasite” and K-pop megastars BTS.

The streamer said that its ad-supported plans accounted for more than 55 percent of signups in countries where they are offered, growing nearly 30 percent overall from the prior quarter.

Growing its ad business is a top priority for this year, according to Netflix.

In a bid to boost sputtering growth, the company launched an ad-subsidized offering in late 2023 around the same time as a crackdown on sharing passwords.

Looking ahead, Netflix forecasts 2025 revenue between \$43.5-44.5 billion and is targeting a healthy 29 percent operating margin.

The streaming service highlighted upcoming content, including new seasons of hit shows “Wednesday,” and “Stranger Things”.

The United States will see 52 weeks of WWE professional wrestling programming and the return of NFL games on Christmas Day.

In the US, the company has begun to offer some users combined packages with its one-time rivals, making itself available through joint subscriptions with Peacock and Apple TV.

Netflix is seen as reigning supreme over the video content market, with Disney+ still struggling after a launch in November of 2019 that featured a slew of new content from its blockbuster Marvel and Star Wars universes.

Netflix shares have gained 80 percent over the past year, significantly outperforming both the S&P 500 and NASDAQ indices.

AFP