

EXAMINING NETFLIX BUSINESS INFRASTRUCTURE IN NOLLYWOOD

by

CHARITY MARKUS FAWE

(Under the Direction of Benjamin Han)

ABSTRACT

This study analyzes Netflix's business infrastructure in Nollywood. The study is situated within the Diffusion of Innovation theory and Gatekeeping theory. It utilizes platform analysis to find out how Netflix impacts distribution in Nollywood, what business models Netflix uses in Nollywood, and how this business model impacts the Nollywood industry. To answer the research questions, the Netflix Nollywood homepage was analyzed. Findings show that Netflix provides a digital alternative to distribution, significantly impacting Nollywood distribution. Netflix's business model in Nollywood primarily revolves around leveraging Nollywood productions rather than collaborating to produce films, which, although sparks improvement, also stirs up control concerns. A more inclusive business model is recommended to ensure that Netflix impacts Nollywood more effectively.

INDEX WORDS: Nollywood, Netflix, streaming, distribution, platformization

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CHARITY MARKUS FAWE

HND., The Federal Polytechnic Bida, Nigeria 2012

A Thesis Submitted to the Graduate Faculty of The University of Georgia in Partial Fulfillment
of the Requirements for the Degree

MASTER OF ARTS

ATHENS, GEORGIA

2025

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CHARITY MARKUS FAWE

Major Professor:	Benjamin Min Han
Committee:	Nathaniel Kohn
	Anandam Philip Kavoori

Electronic Version Approved:

Ron Walcott
Vice Provost for Graduate Education and Dean of the Graduate School
The University of Georgia
May 2025.

DEDICATION

To the experience we never expected and the paths that were redirected. To the friends and family we found along the way, to Esther, Murna, and Ladidi, the sisters who left too early. Continue to rest in peace.

ACKNOWLEDGEMENTS

I want to express my sincere gratitude to my thesis supervisor, Dr Benjamin Han, for his invaluable guidance, feedback, and mentorship throughout my research. His extensive knowledge and experience were instrumental in the completion of this thesis.

I am incredibly thankful to my committee members, Professor Nathaniel Khon and Professor Anandam Kavoori, for their insightful suggestions and encouragement. Their critical questions and comments pushed me to sharpen my thinking and brought greater depth to this work.

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CHAPTER 1

INTRODUCTION, PURPOSE OF STUDY/EXPECTED RESULT

ABSTRACT

This chapter provides background to the study. This study aims to understand streaming distribution in Nollywood using Netflix as a reference point. It is expected that Netflix's presence in Nollywood will impact Nollywood distribution by providing a digital alternative to distribution. It is expected that Netflix operations in Nollywood will adopt a model uniquely different from the incumbent distribution in Nollywood. The Nollywood industry landscape is enhanced through Netflix's infrastructure presence.

CHAPTER 1

INTRODUCTION

Purpose of Study

Streaming services have become highly ubiquitous in the media distribution landscape and are primarily considered one of the most pivotal innovations in the media industry in the last two decades (Herbert et al., 2018). Streaming has continued to gain ground and reshape how content is approached, consumed, and produced in the entertainment media industry, influencing different media types and inspiring greater participation and appreciation for technology. However, despite the high-end technology that defies time and space, streaming services remained largely domiciled and operational in the global north and have only recently expanded to include countries of the global south in the last decade (Wayne & Castro, 2020).

Netflix's ambition to globalize is pivotal in the expansion of streaming. As a streaming giant, Netflix's decision to globalize by collaborating with local movie industries to create and transmit content to a globalized audience (Lobota, 2019) marked a significant milestone in the globalization of streaming services. Through Netflix's globalization initiative, Nollywood and other industries in the global south got a foot in the door to the streaming landscape. Netflix's foray into the global market was a significant milestone in the company's history. It paved the way for other streaming platforms to follow in its footsteps, leading to a more extensive streaming landscape.

Globalizing streaming presents an obvious advantage for entertainment industries in different parts of the world that struggle with breaking into the mainstream media due to limited

distribution options to benefit from the exposure and opportunities of digital platforming. As this expansion is celebrated, it is important to acknowledge the different levels of adoption of streaming services across industries. While industries in the global north further explore the realm of streaming, the south, which only recently enlisted into the streaming landscape, grapples with ways to navigate the streaming terrain to fit its realities. This raises concerns about how this expansion is done to accommodate industries uniquely different from those of the West.

With the existing power gaps between the global north and the south (Frenzel et al., 2011) and because streaming has only recently expanded further to the south, it is important to anticipate and interrogate possible hegemonical dynamics that could play out between innovators and adopters in the deployment of streaming motivated by of the advantage of monopoly that the inventor possesses over the adopter. As streaming evolves and expands, studying the industry practice employed in the deployment in other industries becomes increasingly imperative to understand how tactics and strategies are reinvented/adjusted to accommodate the Global South's cultural, economic, and social uniqueness.

The Nollywood industry, which has evolved as a center in the global south, is one of the few industries in the south that is onboard the streaming realm and adjusting to the new release. Examining how streaming innovation is cascaded into the Nollywood industry and what structures exist within the business relationship between Nollywood and streaming services is essential. As such, this study seeks to examine the business model of Netflix in Nollywood through answering the following questions:

1. How has Netflix Impacted Nollywood Distribution?
2. What industry practice is employed by Netflix in dealing with Nollywood?

3. What is the implication of Netflix's industry practice on Nollywood?

Expected result

By the end of the study, findings should provide insight into Netflix's contribution to Nollywood's distribution through digital platforming. The results of this study should highlight Netflix's business model in Nollywood and explain why it is different from other distributions in Nollywood. It should also explain how Netflix's business model impacts the Nollywood industry.

CHAPTER 2

LITERATURE REVIEW

NOLLYWOOD RELATIONSHIP WITH DISTRIBUTION AND NETFLIX

ABSTRACT

This section explores Nollywood as an industry. It dives into the background of the industry and how it evolves. This Chapter zooms in on Nollywood's relationship with distribution and establishes the depth of the power dynamic between Nollywood and distribution. It highlights the relationship between Nollywood and streaming and the specific relationship between Nollywood and Netflix.

LITERATURE REVIEW

Nollywood

Nollywood, the Nigerian mainstream movie industry, is a cultural powerhouse and the second largest in the world in terms of output (Lobota, 2019), with an average of over 1,000 titles produced yearly (Nashville Film Institute). Its foundation can be traced back to *Living in Bondage* (1992), the first feature film produced in Nigeria. Even though the industry had no name at the time, *Living in Bondage* is historically recognized as the first feature film to come out of the Nigerian movie and, as such, considered the start of the industry.

The term 'Nollywood' was coined by a *New York Times* reporter, Norimitsu Onishi, in 2002 (Haynes, 2016). Onishi (2002) referred to the Nigerian film industry in an article in the September 2002 *New York Times* publication titled “Step Aside LA. And Bombay for Nollywood.” In his writing, Onishi details his visit to the Nigerian film hub in Lagos and compares his observation to Hollywood. Because of that, he switched the first letter of Hollywood and replaced it with Nollywood as though to say the Hollywood of Nigeria. There has been disagreement regarding the start and naming of the industry. One such was whether it was called Nollywood before Onishi’s September 2002 *New York Times* publication. However, Onishi’s reference to the sector as Nollywood is the first documented reference that exists, and as such, it stands as that.

Another concern with the Nollywood titles is centered around imperialistic concerns due to the similarity in title to Hollywood. Adenugba (2007) considers it a poor judgment to refer to Nigeria's mainstream film industry, Nollywood. He considers the Nigerian mainstream film

industry as a self-developed industry with a long history of struggle and survival from the British Colonial Film Unit (BCFL) to the industry that it is today, copying a title with a close resemblance to “Hollywood,” which is imperialistic and reductive to its struggles. Haynes (2007), in his effort to redirect the brewing title debate to the significance of the Nollywood industry, emphasized that a name does not define nor reflect the essence of a thing. As such, the relevance of the Nollywood industry is not tied to who named it or what it is called; instead, the focus should be on the impact that the Nollywood industry is making on Nigeria’s social and economic landscape and globally.

Nollywood and the Nigerian Film Industry

The evolution of Nollywood from a product of the Colonial Film Unit (British Film Unit in colonial Nigeria) to an independent film industry that began with limited know-how to a booming industry continues to fascinate media scholars. Krings and Okome (2016) noted that Nollywood has expanded into a transnational industry where movies travel far and wide, sharing Nigerian culture, contributing to popular culture, and influencing other film industries. This transportation of Nollywood movies into other African countries and beyond confirms the extent of growth that the industry has recorded over the years.

Nollywood’s popularity continues to expand and puts it in the position where it is used as a synonym for the Nigerian film industry. However, the Nigerian film industry has a long history, dating back to the pre-colonial era when the British colonialists formed and managed the British film unit in the early 1900s. The Nigerian Film industry existed long before the 1992 feature film release on VHS; it existed from live performance to when films were on celluloid, and cinema was the primary distribution channel. Nollywood was coined much later and should be considered a part of the more significant Nigerian film industry and not a replacement for it.

Though subtle, this distinction is crucial for comprehensively understanding the industry's structure and evolution (Haynes, 2016).

Haynes conceptualizes the Nigerian Film industry as an umbrella body that houses the Hausa Film industry of the North, the Yoruba Film industry of the West, the Igbo film industry of the South, and Nollywood as the English film industry. The complexities of Nigerian society are reflected in the regional film industries within the Nigerian film industries. Kannywood, the Hausa movie industry mainly caters to the north of Nigeria, the Yoruba Movie industry to the west of Nigeria, and the Igbo film industry to the east of Nigeria. Each is independently run and caters to a specific segment of the audience. Based on Haynes' submission of language as a defining factor, it is safe to refer to Nollywood as the mainstream film industry instead of the English film industry because, to a significant extent, Nollywood uses a combination of other Nigerian languages in its productions.

Streaming Platforms and Nollywood

In 2015, Netflix made a strategic move by entering Nollywood. Netflix's decision to enter the Nigerian movie space is part of Netflix's ambition to globalize as a business strategy by collaborating with local movie industries to create and transmit content to a worldwide audience (Wayne & Castro, 2020). The positioning of Nollywood as the second largest movie industry in the world (Azeez, 2019) at the point of Netflix's decision to diversify to countries in the global south made Nollywood a viable fit for a collaboration.

Although 2015 is often referred to as the beginning of streaming in Nigeria, before Netflix, IROKOtv existed as the first streaming platform in Nigeria. IROKOtv was launched in 2010 by a Nigerian film entrepreneur. IROKOtv was operated from Lagos, Nigeria, with subscribers from 54 African countries and beyond. IROKO housed the most extensive catalog of

Nigerian movies, with over 5000 titles for over 500,000 subscribers across countries (Simon, 2023). from cable, DVDs, and CDs to YouTube.

IROKOtv online television provided a platform for Nollywood movies to be easily accessible to audiences within and outside Nigeria over the internet, recruiting a more extensive audience base for Nollywood movies as a result. This was like today's major streaming platform companies, except that it was smaller and worked with many low-budget productions due to its limited resources. When Netflix became a global streaming giant, and the Nollywood industry was a mere spectator with no access to place its content on Netflix then, IROKOtv was referred to as the “Netflix of Africa” (Miller, 2016). Although overshadowed by robust streaming platforms like Netflix, with more extensive resources and influence to finance/acquire big-budget movies, IROKOtv served its pioneering role effectively by providing alternatives to DVDs and other forms of distribution that existed in the industry before the internet and retains its place as the first streaming platform in the Nigerian movie space (Agina & Hediger, 2020).

The interaction between Netflix and Nollywood started with Kunle Afolayan's movie *October 1* (2014), which debuted on Netflix the following year (2015) after its release. The debut of *October 1* on Netflix marked a milestone for Nollywood, the first time Nollywood content got on an internationally acclaimed streaming platform. Soon after this milestone, Amazon Prime and several other streaming services entered the scene (Agina & Hediger, 2020). Sogade (2019) added that Netflix opened the possibility for other global streaming competitors to venture into Nollywood, which opened the opportunity for a more nuanced portrayal of Nigerian movies to a worldwide audience at an exponential rate.

The collaboration between Nollywood and Netflix is vital to the two industries. While it benefits Netflix's business expansion and diversity of content goals (Salsabila, 2021), it holds

even greater significance for Nollywood as it provides the Nollywood industry with a bigger platform and global access, creating an opportunity to counter-flow the linear media flow from the global north to the global south that has existed in the entertainment industry for a long time. Also, because Nollywood holds robust cultural significance for Nigerians, and for a long time, Nigerians, both in the country and diaspora, have leveraged Nollywood for entertainment and cultural reference. Netflix's collaboration with Nollywood further strengthens these interactions, especially for diasporans who now can access Nollywood content more easily with streaming services than they had in the past.

Distribution, Power dynamics, and Nollywood

Distribution is crucial in general media as it facilitates media content transfer from producers to the audience (Entman, 2007). Although media studies scholars have focused more on production than distribution, access to distribution in entertainment media is as critical as production. Hennig-Thurau and Houston (2019) noted that distribution assumes an even more significant role beyond mediating content to receivers in the entertainment industry; it is at the baseline for the success of any production. The distribution assumes the role of power brokers in the entertainment industry so much that the decision of entertainment media products dwells within its jurisdiction (Crips, 2015). This practice predates streaming platforms and has remained so as the industry evolves.

In Nollywood, distribution is at the industry's core. It is alleged that marketers (often interchanged with distributors in Nollywood) founded the Nollywood industry. The industry was said to have begun in 1992 by a distributor who had imported empty VHS to pirate foreign movies, as was the norm in Nigeria, to dub movies from around the world in cassettes and market them at affordable prices. He encountered a setback and decided to divert his

merchandise to record the first Nollywood movie (*Living in Bondage*), which began the Nollywood industry and has quickly grown into the vast industry that it is today (Simon, 2021). Since then, Nollywood's relationship between production and distribution has become so intertwined that it is difficult to separate as distributors still double as marketers, producers, executive producers, influencers, and even casting (Esmeralda, 2013).

Over time, distribution has taken several different forms with technology, and as the entertainment industry evolved, however, its cruciality remains, and its ability to influence the direction of the sector is further sustained. The desire to recoup investment and make a profit by releasing content to the audience for appreciation and subsequent profit through systematic, planned effort has continued to fuel the power of distribution. Lims (2019) observed that producers have always been concerned with what distribution wants and have strived to ensure that their production meets the distributor's requirements. Entertainment media producers understand the crucial role of distribution in the success of their work and continually learn ways to collaborate with distributors to achieve meaningful success.

In Nollywood, the foundational role of distribution in creating the industry further strengthened the control that distribution has on the Nollywood industry. Lobata (2012), in describing the extent of power distribution possessed in Nollywood, observed that if producers go contrary to distributors' needs, their crafts do not make it out to the public, meaning there will be no return on investment. Murray-Bruce (2011), the executive director of Silverbird, one of Nigeria's most notable distribution companies, admitted to rejecting films they sense will not generate high profit in an interview. If producers do not make changes that suit them, they will reject the film, regardless of the themes. While this may not be exclusive to Nigerian distribution, it is worth noting that Silverbird was at the time one of the few major distribution

companies in Nigeria, making it a big deal for producers to negotiate due to the lack of options. This might still be the case for Nollywood because limited distribution options are still a concern for the industry. This creates the necessity for Nollywood producers to continually create and (re)build business frameworks that sustain the dynamic relationships with distribution over time (Simon, 2021).

This sustained power dynamic between distribution and Nollywood is transferred to the streaming distribution. From IROKOtv to Netflix, streaming has demonstrated the power that they have over production in Nollywood. Simon (2023) noted that IROKOtv had criteria for allowing titles on their platform that producers must abide by if they want them to get on the platform. IROKOtv emphasizes uncommon narratives and themes and utilizes data from viewers' behavior as a criterion for accepting content. When asked about the criteria for accepting Nollywood content in an interview, Tope Luca, IROKOtv Legal Counsel and Head of Content Acquisition admitted to sending out content to IROKOtv Licensing partners in London for vetting. The fate of the content coming on the platform is highly dependent on the Licensing board's decision. Luca added that IROKOtv criteria are geared toward hosting 'good movies' and did not specify what good movies constitute for IROKOtv. Luca added that IROKOtv has producers who produce the content they want for the IROKO platform (Luca, 2017). By this, producers must produce content that aligns with these criteria to get on the IROKOtv platform. This is similar to the tactic used by Netflix and other international streaming services in Nollywood, who utilize licensing to screen content, indirectly dictating what Nollywood producers should produce. Although the requirements may differ, the power show is similar, demonstrating that the influence of distribution transcends platforms and eras.

CHAPTER 3

THEORETICAL FRAMEWORK: GATEKEEPING THEORY AND DIFFUSION OF INNOVATION THEORY

ABSTRACT

This chapter addresses the theoretical framework for this study. This study is situated within the Gatekeeping and Diffusion of Innovation theories. This section explains how these theories connect to the subject of Netflix's business infrastructure in Nollywood. Findings show that Netflix's diffusion into the Nollywood industry reflects Netflix's lack of consideration for the unique climate of the Nollywood industry. The gatekeeping theory is traced to Nollywood producers' efforts to meet Netflix's standards and how this restricts local distribution. It established that Nollywood efforts to be relevant to Netflix further perpetuate gatekeeping and isolate a significant portion of audiences.

THEORETICAL FRAMEWORK

Diffusion of Innovation Theory

This study is guided by the Diffusion of Innovation Theory (DIT). Christensen propounded DIT in 1997, and it was primarily used in business and management but is now used across various fields. The core of DIT describes how new ideas, technologies, or projects challenge the norms in business (Dan & Chieh, 2008). The fast-paced nature of the media industry in both technique and technology pushed media practitioners and owners to seek ways to adapt to the evolution of innovation, leading to a need to increasingly utilize DIT in the media industry (García-Avilés et al., 2019).

Christensen et al. (2013), in explicating DIT, highlight four points that are worth noting in disrupting innovations in discussing Netflix business model in Nollywood:

1. Disrupters often build business models that are vastly different from those of incumbents
2. Disruption is a process
3. Some disruptive innovations succeed, some do not, and
4. The mantra “disrupt or be disrupted” can be misleading.

As discussed in the literature review, Nollywood depended on DVDs for distribution prior to streaming. Although DVD is still widely used in Nigeria, it is undeniably flawed, especially with the shift to digital media. While IROKOtv is a digital distribution that provides an alternative to DVDs for Nollywood, it is important to mention that IROKOtv was, for a long time, an online

catalog hosted on other platforms, with mainly Nollywood movies available in limited places. IROKOtv also primarily hosted low-budget movies due to limited resources.

Netflix's business model is vastly different from the other earlier forms of distribution in Nollywood in that Netflix provides for Nollywood the affordance of not only a digital platform but one that is accessible to large/diverse audiences in multiple countries, allowing for a diversity of content and not limited in resources or influence as the other distributions in Nollywood. This is largely different from any other distribution before Netflix in Nollywood, which facilitates Netflix's grand reception in Nollywood and reinforces Christensen's point that disrupters often build business models that are vastly different from those of incumbents.

A look into Netflix's business model in Nollywood provides context into the different ways that Netflix disrupts the norm in Nollywood. One notable disruption of Netflix in Nollywood is the role of Netflix licensing in improving the overall production quality in Nollywood. Earlier in this research, it was highlighted that Nollywood producers' overwhelming desire to place their content on Netflix influences great improvement in the quality of their production to the point that Nollywood producers now put their best foot forward whether they are producing for local distribution or Netflix, which also improves audience taste and creates a situation where audiences now demand a higher level of quality from producers. While this demonstrates an example of Netflix disruption in Nollywood, it is also important to mention that Netflix's influence on Nollywood grew over time through carefully crafted business models embedded in licensing, which over time disrupted the Nollywood production norm. Ife Idowu, the Licensing Manager for FilmOne Entertainment, the Nigerian distribution company that acts as an aggregator for independent films and is responsible for facilitating the movement of over 75 percent of Nollywood content on Netflix, discusses the processes involved in facilitating

Nollywood films to Netflix. According to Idowu (2020), there is a whole back-end remodification of content at FilmOne to give Nollywood movies to appeal to Netflix. On Acquisition deals, Idowu mentioned that Cinema numbers are a factor in the appeal process as well as in determining the acquisition amount for content by Netflix. He added that although Nollywood is getting more international appeal, it is yet to break outside its niche audiences of primary Africans and its diaspora. Although it will take time and effort to attain, bridging the gap to relate to audiences across cultures other than those with African roots is essential in determining the worth of content in terms of how much Netflix is willing to pay for content.

In addressing Christensen's third point in disrupting innovation, which is highlighted above, Rogers's (2003) assertions on the stages of adoption address Netflix's disruptive innovation in Nollywood. Rogers (2003), in discussing the stages of DIT adoption, highlighted innovators, early adopters, early majority, late majority, and laggards as part of the DIT Adoption Process. He conceptualized innovators as those who seek out and embrace the innovation process. He considers early adopters to be open to change and adopt innovations quickly, similar to the early majority. At the same time, the late majority are skeptical about innovation and adopt slowly. In contrast, the laggards, although they eventually adopt innovation, do so very slowly. He considers them traditionalists stuck in their old ways and will adopt an innovation only if they have to. Rogers identified a fifth category that he conceptualizes as the category of non-adoption. He conceptualized them as those who do not adopt innovations at all. Although he did not explain why non-adoption exists in the DIT process, it can be implied that innovation can be genius but may not be the most functional for everyone.

As Rogers noted, non-adopters exist; in the case of Nollywood and Netflix, non-adopters can be classified as Nollywood audiences that do not utilize Netflix. In this case, it is a significant percentage of Nollywood's domestic audiences as only fewer than 30 thousand people are subscribed to Netflix from Nigeria. Nigeria has over 220 million people (World Population Review 2024), where around 123 million people have access to the internet as of 2024 (Statistica, 2024); a 30 thousand Netflix subscriber rate is a tiny fraction based on the country's population and available internet infrastructure. This is not to say that Netflix is failing in Nollywood, as this data may not include the diasporic population that essentially utilizes Netflix to access Nollywood content. However, it indicates that while Netflix may be a helpful innovation in Nollywood, a vast majority of the Nollywood domestic audience may be slow to adopt or never adopt. This does not indicate a failure; it is simply a reflection of the uniqueness of the Nigerian climate. Although Rogers did not mention the reasons for non-adoption, the assumption of the affordability of streaming services across the board is a myth that does not necessarily apply to countries of the global south. Although Netflix Subscription in Nigeria ranges from \$1.38- \$4.40 (Netflix Naija website), constituting one of the cheapest Netflix subscriptions, people may still not adopt the innovation for reasons ranging from economic (internet/subscription prices), the convenience of what they are used to (cable / DVD), technical knowledge of navigating streaming, etc., This provides context for high laggards and non-adopters of streaming services by Nollywood audience and demonstrates that some disruptive innovations can be vastly successful but may not completely disrupt the norm across boards.

The exclusive content styles of Netflix have no accommodation for these segments of the audiences who are slow/no adaptors and form part of the concerns with the speedy adoption of streaming by Nollywood producers. This mismatch in the streaming adoption rate by Nollywood

and its local audience can form part of the reason for emphasizing a more expansive business model that can accommodate the different levels of adopters as much as possible.

As noted by Christensen, the disruptions or be disrupted mantra can be misleading. Innovation can exist alongside previous ones without exterminating existing structures and still be disruptive. Some things might change or evolve with time but may never vanish. For example, DVD, Cinema, and cable survived decades in Nollywood and continued to thrive even with streaming. Some of the Nollywood titles on Netflix still generate traffic even though they had cinema runs, went to film festivals, and were distributed via cable. While streaming has its audiences, DVDs and cable also have their audiences. Creating a business model that can accommodate Cable, CD, cinema, and streaming can coexist and be disruptive simultaneously.

The Gate-Keeping Theory

This study is also situated within The Gatekeeping theory. The gatekeeping theory was propounded by social psychologist Kurt Zadek Lewis in 1943. Lewis used the gatekeeping analogy to explain the decision-making process that goes into food preparation within a household, from the source (garden/store) to the finished product (dining table). The study was conducted during WWII when women were primarily housewives. Lewis's findings show that homemakers or maids were the gatekeepers in household food preparation and consumption decisions (Shabir et al., 2015). Since then, this theory gained wide use across different areas of social sciences and has continued to be used as a framework to explain different phenomena and processes in the disciplines in which it is used.

David Manning White was the first to apply the gatekeeping theory in journalism and mass communication. White used the gatekeeping analogy in his 1950 classic article "The Gatekeeper: The Case Study in Selecting News" to explain the selective processes in the mass

communication chain. He attributes the concept of “gates” to describe inclusion and exclusion criteria at any media coverage and reporting stage. Since then, gatekeeping theory has been applied to different areas of mass communication. Bro (2024) captures gatekeeping in mass communication by describing it as “the part of a communication process where someone or something can include or exclude information before it reaches an audience.”

Media's gatekeepers in the entertainment media industry are intermediary organizations such as radio stations, record labels, film distributors, talent agents, or any other entity that bridges production and consumption (Miège, 1989). Hirsch (1972) observed that conventional intermediaries mediate consumption and production as gatekeepers, winnowing aspiring cultural producers and products. Concurrently, intermediaries ‘format cultural products to fit market categories or genres (Hesmondhalgh, 2007).

In Nollywood, this gatekeeper takes different forms. The first is distribution; according to Hennig-Thurau and Houston (2019), distribution possesses exclusionary or inclusionary power in the entertainment industry, emerging to the point where it dictates what producers should produce (Lims, 2019). Unsurprisingly, this is an observable pattern in Netflix's relationship with Nollywood, where Netflix, through its licensing practices, influences the industry production. (Afilipoaie et al., 2021) identified licensing as one way Netflix gatekeeps Nollywood content because Netflix generates its Nollywood catalog through licensing independent Nollywood content or by financing or acquiring rights; gatekeeping is embedded therein where Nollywood contents on Netflix are mostly distributed exclusively on Netflix (Afilipoaie, A. et al. 2021).

Netflix's emphasis on exclusivity for both Original and Non-original content has perpetuated the institution of gates in its relationship with Nollywood. First, it robs many

Nollywood audiences from accessing certain Nollywood content while concurrently influencing what Nollywood producers should produce. As discussed earlier, the over-dependence of Nollywood producers on Netflix for distribution reinforces Netflix's power to control content and create an environment where Nollywood producers gatekeep even independently produced content on Netflix's behalf. This constitutes gatekeeping at both production and consumption levels for the Nollywood industry, where producers are forced to produce according to Netflix demand or loose distribution and where producers retain independent production for Netflix bidding by so doing, they exclude a large percentage of audiences, considering that streaming is only just gathering momentum across Nigeria and other locations where Nollywood has a strong fan base.

Agina and Hedigar (2020) accuse streaming platforms of excluding many Nigerians who cannot afford internet or subscriptions for streaming platforms from accessing certain Nigerian movies. This exclusion implies gatekeeping. They added that while these 'new' distribution channels may help boost profit, increase visibility, and combat piracy, other distribution channels, such as DSTV/ GOTV, prevalent in homes across Africa, should at least air these movies for better access within Nigeria. These claims reveal the extent of Netflix gatekeeping Nollywood and how this impacts audiences and the industry.

CHAPTER 4

METHODOLOGICAL FRAMEWORK: PLATFORM ANALYSIS

ABSTRACT

This section addresses the methodological framework of the study. The study utilizes the platform analysis methodological framework to answer the research questions. The platform analyzed for this study is the Netflix Nollywood Homepage. 116 Nollywood titles on the Netflix homepage were analyzed to answer the research question, and data generated from the platform analysis are presented in tables in this chapter.

METHODOLOGICAL FRAMEWORK

This exploratory study uses qualitative methods to analyze Netflix's business model in the Nollywood industry using the Critical Media Industry framework. Havens et al. (2009) describe the critical media industry studies framework as a “helicopter-level view” (holistic) of industry operations. This approach emphasizes “how the symbolic elements of culture are shaped by the systems within which they are created, distributed, evaluated, taught, and preserved” (Peterson & Anand, 2004, p. 311). It examines the relationships between strategies and tactics within industry operations with a relationship to the economy, power dynamics, view of society, and culture (Havens et al., 2009).

Although relatively new, this framework is gaining acceptance in entertainment media study because it engages a critical approach to understanding the media industry from a macro perspective that provides an alternative understanding of the media industry beyond the micro-level understanding that quantitative studies of media provide. This method is relevant to this study because, as (Havens et al., 2009) noted, it examines the relationship between strategies and tactics with the media industry, which is what this study seeks to examine.

Sources of evidence

The selected method for gathering evidence for this study is through an institutionalized analysis of the Netflix platform. Montfort, N., & Bogost, I. (2009) define platforms as the “underlying computing systems” of culture and creativity; platform studies make possible the “serious consideration of circuits, chips, peripherals, and how they are integrated.” Platform studies consider the forces and conditions that shape our media landscape. One of the primary

methodologies used in platform studies is the close inspection and analysis of the materiality of media technologies (Anable, 2018). These definitions align with the purpose of this study and justify why platform analysis is a valuable tool for understanding Netflix practices in Nollywood.

Data for this study is generated from the Netflix Nollywood homepage. All Nollywood titles on the Netflix Nollywood segment homepage are analyzed based on genre, film type (feature or series), year of release, theatrical release, film festival presence, licensing type, and Netflix Nollywood Original content production company. These pieces of evidence are essential in articulating Netflix's contribution to distribution in Nollywood, understanding Netflix's business strategy in Nollywood, and its impacts on Nollywood.

The rationale behind selecting Nollywood titles on the Netflix Naija homepage as sources of evidence for this study is primarily because the homepage houses a diverse range of over a hundred Nollywood titles, which serves as a significant representative of Nollywood movies on Netflix from which evidence can be generated. While Netflix's Nollywood homepage does not contain all of Netflix's Nollywood titles, it houses a significant number of Nollywood titles from 2010 to 2024 that are accessible to audiences within and outside Nigeria. These titles cut across genres and licensing styles that can be analyzed to determine meaningful patterns that can serve as evidence for conclusions about Netflix's business model in Nollywood.

Also, this study is not interested in textual analysis of any specific movies; it aims to study the Netflix Naija platform, analyze patterns, and draw conclusions on Netflix's business model based on generated evidence.

Data Presentation

Table 1

Nollywood titles on Netflix's home page by year.

Year	Number of Films Titles
2024	6
2023	17
2022	22
2021	22
2020	6
2019	15
2018	14
2017	5
2016	6
2015	1
2012	1
2010	1
Total	116

2021 and 2022 have the highest number of tiles, with 22 each; 2023 has 17 titles, and 2019 closely follows with 15 titles, while 2018 has 14 titles. 2024 and 2020 have six titles each, 2016 has six titles, and 2017 has five titles, while 2015, 2012, and 2010 have the lowest tiles of 1 each. As far as reasons for the discrepancies in number of Nollywood content on Netflix in 2024, there are speculations that Netflix is reviewing its licensing strategy in Nigeria, resulting in a

production cut (Adegoke & Onukwue, Sombi, Adelola 2024), which might be responsible for the low content in 2024.

Table 2

Nollywood titles on Netflix's Nollywood homepage by genre.

Genre	Frequency
Drama	55
Dramatic Comedy	5
Comedy	29
Romantic comedy	8
Romantic movies	3
Crime Thriller	6
Thriller	6
Horror	4
Total	116

The drama genre has the highest number of titles, 55, followed by comedy at 29 and romantic comedy at 8. Crime thrillers and thrillers at six each. At the bottom are the horror movie genre, which has 4, and romantic movies, with three titles as the lowest.

Table 3

Nollywood movies and TV series On the Netflix Naija homepage by type.

Type of Titles	Frequency
Feature Length	102
TV Series	14
Total	116

Table 3 shows that Feature-length films have the highest frequency of 102, while TV series have the lowest frequency of fourteen. Feature-length films are more prevalent in Nollywood TV series, largely due to the self-contained narrative, focus on a single story, and complete cinematic experience that feature-length films provide.

Table 4

Nollywood Movies on the Netflix homepage by Source.

Source	Frequency
Netflix Original	22
Non-Netflix Original	94
Total	116

Table 4 shows that non-Netflix original titles have ninety-four titles, while Netflix originals have twenty-two titles.

Table 5

Non-Netflix Original Nollywood titles on Netflix's home page by Year.

Year	Number of Titles
2024	1
2023	11
2022	17
2021	19
2020	4
2019	15
2018	13
2017	5
2016	6
2015	1
2012	1
2010	1
Total	94

Table 5 shows that 2021 has 19 titles, and 2022 has 17 titles. 2019 has 15, 2018 has 17, and 2023 has 11. has 17, 2016 has 6, 2017 has 5, and 2020 has four titles. 20024, 2024, 2015, 2012, and 2010 have 1 title each as the lowest.

Table 6

Non-Netflix original Nollywood movies on Netflix's Nollywood homepage by genre.

Genre	Frequency
Drama	43
Comedy	29
Romantic movies	9
Thriller	9
Horror	4
Total	94

The drama genre has the highest number of titles at 43, followed by comedy at 29 and romantic movies and thrillers at 9. Horror movies have four as the lowest.

Table 7

Non-Netflix Original Nollywood titles on the Netflix homepage by type.

Type	Frequency
Series	6
Feature	88
Total	94

Table 7 shows that Feature-length films have higher titles of 88, while series have six titles.

Table 8

Nollywood Non-Netflix Originals on the Netflix homepage by distribution and awards.

Cinema	Film festival	Box Office	Awards	Nomination	Available on Other platforms
76	13	35	21	28	11

Table 8 shows that Seventy-six titles had a theatrical release, 35 were box office hits, 13 went to film festivals, 21 won awards, and 28 were nominated for different awards and categories. Only 11 titles are available on other platforms, both locally and internationally.

Table 9

Netflix Subscription prices in Nigeria

Plans	Prices in USD	Prices in Naira
Premium Plan	\$4.40	N7000
Standard Plan	\$3.46	N5000
Basic Plan	\$2.20	N3500
Mobile Plan	\$1.38	N2200

Table 9 shows the Netflix Subscription prices in Nigeria in both Naira and USD. The premium plan is the most expensive at \$4.40 and N7000, the Standard plan follows closely at \$3.46 and N5000, while the Basic plan costs \$2.20 and N3500, and the Mobile plan which is the lowest plan, costs \$1.38 and N2200.

Table 10

Nollywood Netflix Original on Netflix homepage by year

Year	Frequency
2024	5
2023	6
2022	5
2021	3
2020	2
2018	1
Total	22

Table 10 shows Nollywood Netflix Original on the Netflix homepage by year. 2023 has the highest number of titles, with six titles, with 2024 and 2022 closely following with five titles each. 2021 has three titles, 2020 has two, and 2018 has one title as the lowest.

Table 11

Nollywood Netflix Originals on the Netflix homepage by genre.

Genre	Frequency
Drama	17
Comedy	0
Romantic	2
Thriller	3
Horror	0
Total	22

The Drama genre has the highest number of titles with 17 titles; thriller movies have three titles, while romantic movies have 2. Horror and comedy genres have no Netflix Original titles.

Table 12

Nollywood Netflix Original by Type

Type	Frequency
Series	8
Feature	14
Total	22

Table 12 shows the distribution of Nollywood Netflix Original titles on the Netflix Naija homepage by type. Feature-length films have the highest frequency of fourteen, while TV series have the lowest frequency of eight.

Table 13

Netflix Originals on the Netflix Nollywood Homepage by distribution

Cinema	Film festival	Box Office	Awards	Nomination	Available on Other platforms
2	3	0	4	4	0

Table 13 shows the distribution of Netflix Originals on the Netflix Nollywood homepage by distribution and awards. 2 titles had a theatrical release, 0 of those titles were box office hits, three titles went to film festivals, four titles won awards, and four titles were nominated for different awards and different categories. None of those titles are available on other local and international platforms.

Table 14

Netflix Originals on Netflix Nollywood Homepage by Type

<i>Full Original</i>	<i>Licensed Original</i>	<i>Continuation deal</i>	<i>Co-produced content</i>
4	14	2	2

Table 14 shows that licensed original is the highest form of licensing in Netflix in Nollywood with 14, only four titles currently on the Netflix homepage are full originals, two titles are continuation Originals, and two titles are coproduced originals.

CHAPTER 5
RESULT ANALYSIS
ABSTRACT

This chapter analyzes the data generated for this study. The data for this research was generated using platform analysis. Data was generated from analyzing 116 Nollywood titles on Netflix's Nollywood page. The data was grouped and classified into genre, year, type, and film length, and the data was analyzed to answer research questions. Findings show a significant dependence on independent Nollywood content and few original licenses for Netflix content. This signifies that Netflix's business model in Nollywood is more about platforming than collaboration.

RESULT ANALYSIS

RQ1: How has Netflix Impacted Nollywood Distribution?

Helmond (2015) defines platformization as the interaction between platform and cultural producers. In cultural production, platformization is the penetration of digital platforms into the cultural industries (Nieborg & Poell, 2018). It is simply the intermediary between cultural production and industries and the primary way that Netflix impacts distribution in Nollywood. When Netflix officially launched the Netflix Naija segment of the platform, one of its commitments was to tell Nigerian Stories to the world by showcasing Nollywood stories on its platform. Sarandos (2020) stated during the official Netflix Naija launch that Netflix is excited to invest in made-in-Nigeria stories and audiences around the world. This move benefits Nollywood as an industry that endured decades of being stuck within a limited market due to limited distribution options and Netflix, an industry repositioning itself as a global streaming platform.

There is no doubt that the gap between Nollywood movies and the global market has always been due to the lack of a channel for distribution that can bridge the distance. Nigeria movies, for example, although transnational, have not significantly attained strides globally due to the limited access to distribution options to reach audiences far and wide. The Nigerian film industry has depended on cable and DVDs for distribution for a long time, which, although compelling enough to earn it a transnational position, is inefficient in going further.

As highlighted earlier in the literature review section of this study, the Nollywood industry has remained absent in the global media center despite ranking high in the number of

films produced, mainly because DVDs and cable content do not effectively travel far and wide compared to streaming. However, they have empowered diasporic Nigerians “to reclaim their culture and history” by acting as a link between ‘abroad members’ and their home country and may incite some to contribute to the Nigerian economy or even go back home (Onuzulike 2008: 88). This diasporic population contributes to the growing global appetite for Nigerian content since the Nollywood debut on Netflix in 2015 (Babatope, 2020) which confirms the correlation between accessibility and appreciation in media and entertainment. Although streaming has been in Nigeria for half of a decade before Netflix came into Nollywood, it is undeniable that IROKOTv's technological limitations, dependent on other digital platforms to house Nollywood content, did not allow maximum impact compared to other global streaming platforms like Netflix.

Netflix's distribution of Nollywood movies provides a bridge for the Nollywood industry to reach audiences in 190 countries, and Netflix currently serves as the largest streaming platform in the world (Pereira, 2023). As of March 1, 2025, Netflix houses over a hundred Nollywood titles accessible to audiences worldwide. Currently, 116 original and non-original Nollywood titles (table 1) are housed on the homepage of Netflix's Nollywood segment. These Nollywood titles on the Netflix homepage include feature-length films and series (table 3) cut across different genres and include titles deliberately curated and systemically categorized for easy selection. The Nollywood catalog on Netflix includes Nollywood content produced/ released years before Netflix first ventured into the Nigerian market in 2015, and its official launch is in 2020. These contents across years are available and accessible to more people than when they were first released because they are housed on Netflix. This collaboration between Nollywood and Netflix contributes mainly to the export of Nollywood content into the global

media center, which significantly solves, to a significant extent, the distribution gap that has limited Nollywood for decades.

Netflix's approach to distributing Nollywood content incorporates a marketing and advertising approach where Netflix users can access Nollywood content by just logging into Netflix, irrespective of whether they navigate to the Nollywood segment of Netflix or not. Through algorithm recommendations, content is deliberately suggested to subscribers when they log in, sometimes based on viewing behaviors and, in other cases, just impulsively, increasing audiences' exposure to various content. Nollywood increases audiences beyond its initial audience by benefiting from this algorithmic recommendation. Another feature of the Netflix platform that enhances Nollywood content's visibility is the “recently added” feature on Netflix's home screen. With the recently added feature, subscribers are notified when new content is added to the Netflix catalog, irrespective of whether it conforms to users' algorithmic patterns. The recently added content is labeled and assigned a spot on the homepage that is visible to users when they log in, which can spark curiosity and lead to users' exposure to the content.

Digitalized content is easily accessible and available; industries that leverage streaming are more likely to create new audiences and increase appreciation for their crafts worldwide than those that do not have the option for streaming. Because of this attribute, Netflix has a tremendous impact on Nollywood's distribution due to the extent of coverage that it provides, which is important in the increased appreciation of Nollywood content, mainly because it creates a new audience base for the industry due to its availability and access.

RQ2: What observable business model does Netflix use when dealing with Nollywood?

As a general business approach, Netflix significantly uses the Testing-the-Water (TTW) strategy in the Nigerian market. TTW is an explorative approach in a business where investors explore the feasibility of a business venture or idea before committing or moving forward (Cornell Law School). This strategy is helpful in business to ensure that investment is worthwhile, the risk is minimized, and the return on investment is significantly guaranteed by making small trials before fully indulging. Netflix is observed to optimally utilize this business strategy, entering and integrating into the Nigerian market.

This is observed firstly in Netflix's selection of the Nigerian market in its global expansion bit. This is a recurring observable trend in Netflix's dealing with Nollywood. Nollywood was a viable option in the African market for Netflix globalization because of its high-ranking number of films produced and high appreciation within Nigeria, Africa, and its diaspora. It was easy for Netflix to build off Nollywood's established reputation because the strides that Nollywood had achieved for itself proved that it had market potential. However, Netflix had to test the waters with *October 1* (Afolayan, 2014).

Netflix strategically selected *October 1* for its TTW because of the success of *October 1* in theaters and its publicity in the Nigerian diaspora. The buzz with the release on *October 1* created high demand for the movie in countries where it had not premiered or been released in theaters, making it a good fit for Netflix TTW in the Nigerian Market (Agina & Hediger, 2020). Netflix has continuously used these tactics for its first series launch, first Full Original Netflix Original Content, and its eventual launch in 2020.

Netflix Strategy for acquiring content.

The Netflix Nollywood homepage shows that there is both Netflix original and non-Netflix original content on the platform. There are 116 Nollywood titles on the Netflix Nollywood homepage that are spread into the two categories of Netflix Original and non-Netflix Original. This indicates that Netflix is approaching acquiring Nollywood content on the platform from these two angles.

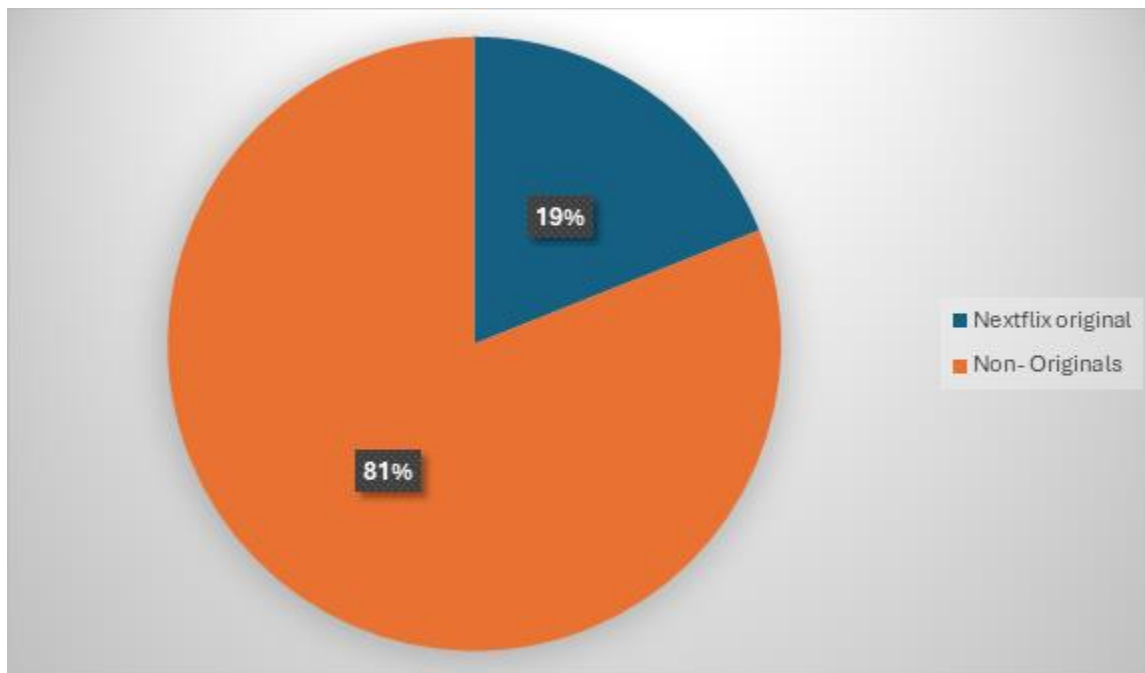


Figure 1: Netflix vs. Non-Netflix Original on Nollywood.

While these two categories are available on the Netflix platforms, they are not equally available as one category has more content. Table 4 above shows that Netflix has more Non-Original Nollywood content than Original Content. 94 non-original content equals 81 percent, while 22 Original content equals 19 percent.

Nollywood Netflix Original

Robinson (2018) defines Netflix Original as any title commissioned, produced, licensed, and distributed exclusively by Netflix. This implies that any title financed, creatively invested in,

acquired by Netflix, or where Netflix commissions an entity to create titles on its behalf to be distributed exclusively by Netflix is considered a Netflix original. Exclusive distribution by Netflix excludes film festival debuts or purchases prior to Netflix release/acquisition since Netflix originals can be fully Netflix-produced, co-produced, or acquired from producers after production. Acquiring right after production leaves a high chance that titles could have been premiered in cinema and film festivals or locally distributed before Netflix's proper acquisition; however, this is only sustained before Netflix acquires the rights to the titles, after which Netflix owns the full rights (Afilipoaie, A et al. 2021). Table 13 exemplifies this in its breakdown of the Netflix Nollywood originals. Only 2 of the 22 original titles had theatrical releases, and only three went to film festivals. However, none of the 22 Netflix original titles are distributed by any platform other than Netflix, as shown in the same table.

The details in Table 13 also provide insight into the different Netflix original licensing styles presented in Table 14. Table 14 itemizes four licensing styles used by Netflix in Nollywood:

- I. Full Netflix original
- II. Licensed original
- III. Continuation deals
- IV. Co-producing content

The full Netflix Original is a licensing style where Netflix commissions local production companies to create content exclusive to Netflix (Afilipoaie et al., 2021). With this licensing style, Netflix owns full rights to what is produced and when and where it is released. Table 14 shows that only four of the Nollywood Netflix original titles are full Netflix originals. Licensed Netflix Originals are slightly different from full Original. Unlike Full Netflix Originals, Licensed Originals are not produced by Netflix-commissioned producers. Instead, Netflix purchases

distribution rights from producers after production is concluded. This is the most common type of licensing used by Netflix, as shown in Table 14, where 14 titles out of the 22 Nollywood Netflix Original titles are acquired via Licensing.

Continuation deals are slightly different from the initial two. With this approach, Netflix adds or acquires title rights of a title after the first production season is released (Afilipoaie et al., 2021). Essentially, they buy off the rights of discontinued series or feature films that they can enhance or recreate. This approach is rarely used by Netflix in Nollywood as only two titles of the Netflix Nollywood Original Catalog are acquired using this method, as shown in Table 14. The two titles presented in Table 14 with this licensing pattern were released over three years before Netflix acquired their rights from their producers. These successful feature-length movies were eventually retold and extended to limited series by Netflix upon purchase of rights. The co-produced content licensing styles allow for a collaborative partnership between Netflix and Nollywood studios/producers where each has financial and creative contributions to the production and has shared rights to the titles. Even though the titles will be exclusively distributed on Netflix, both contributors can share the revenue and copyright of the title (Afilipoaie et al., 2021). This pattern is also limitedly utilized between Nollywood and Netflix, as Table 14 shows that only two titles from the Nollywood Netflix Original catalog are created under this type of agreement.

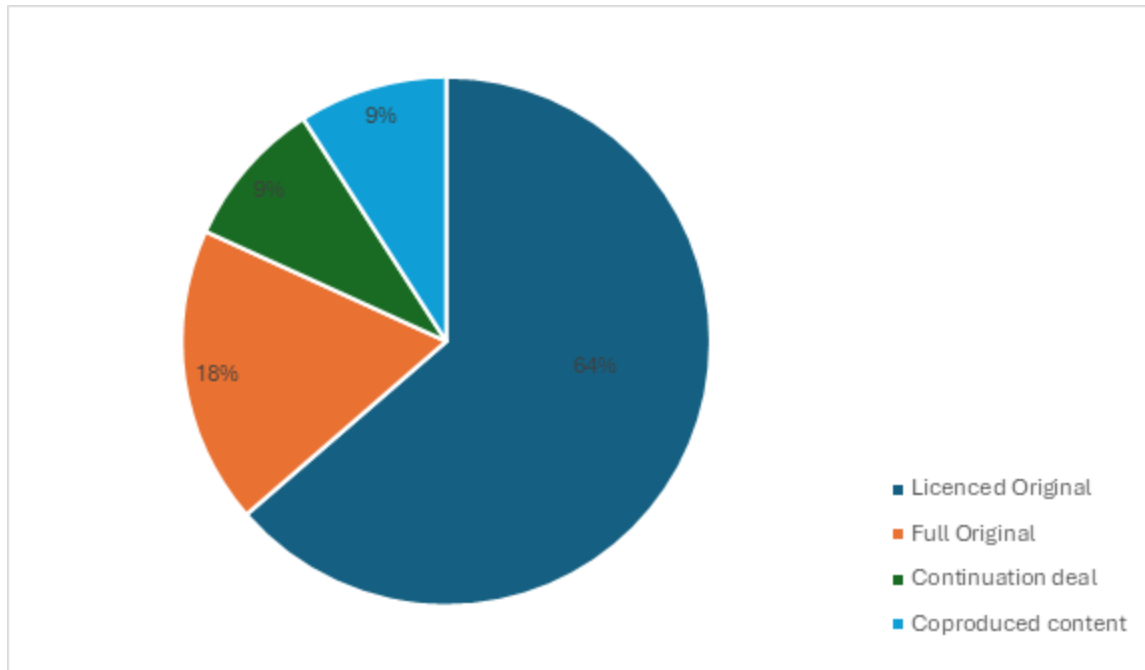


Figure 2: Netflix Nollywood original licensing style

This means that Netflix is more likely to acquire its Netflix Nollywood Original content by purchasing rights from Nollywood producers at a 64% rate than they would produce the full Original (18%), continue a deal (9%), or coproduce content (9%). From the data above, it can be concluded that Netflix's business strategy for Nollywood Netflix's original content is heavily geared towards acquiring rights from local Nollywood producers rather than funding or coproducing titles with Netflix.

Non- Netflix Original

The non-Netflix Original contents on the Netflix Nollywood homepage are produced by independent Nollywood studios/producers and presented to/approached by Netflix for platforming. Unlike Netflix Originals, Netflix does not have creative rights or financial contributions to this content; producers/studios own full rights to their titles and can approach other platforms for distribution, including cinema and film festivals, locally and internationally. This means that Netflix is employed by these Nollywood studios/producers for the sole purpose

of distribution. However, Netflix reserves the right to accept or decline this offer to platform independent content based on their set criteria.

Netflix uses a vetting system to screen independent Nollywood titles before they are platformed on Netflix. This is done through licensing, where Nollywood producers submit completed projects through Netflix license partners for Vetting. The licensed distributors screen this content via a Netflix design criterion, from which content is approved to be housed on Netflix or declined. Only content approved by Netflix-licensed distributors will proceed to be platformed on Netflix. (Agina, & Hediger, 2020).

This was the pattern of platforming that Netflix used in its early days in Nigeria before venturing into original productions and has remained largely utilized by Netflix to this day. Currently, 94 out of the 116 titles on Netflix's homepage (Table 4) are platformed on Netflix using this type of licensing. Table 8 shows that most non-Netflix Original Nollywood titles were cinema-level content to provide context into Netflix licensing criteria. With an 80.8 percent theatrical release rate and 46 percent box office hits. At least 13.8 percent of non-Netflix original Content on the Netflix homepage was accepted and showcased at local/international film festivals. 29.8 percent of these titles are award-winning, while 29.8 percent are nominated for multiple awards and categories. The data in Table 8 present an insight into the caliber of Nollywood films that make it through the vetting process to be a platform on Netflix, which also speaks to the standards/criteria adopted by Netflix for vetting Nollywood content that the platform.

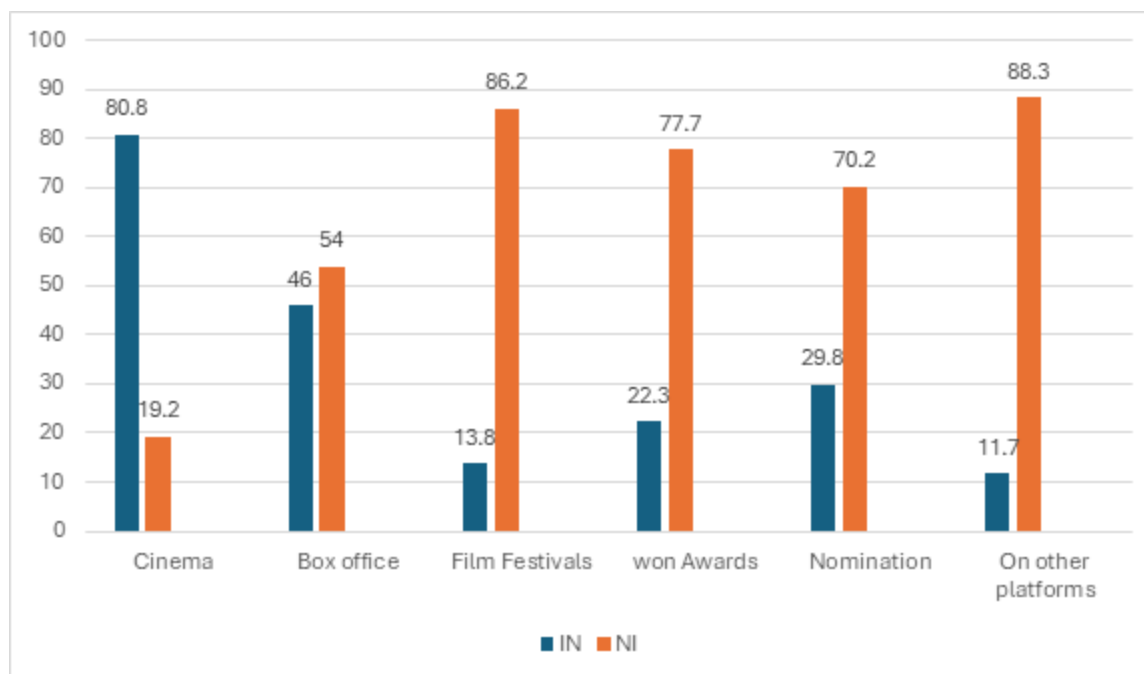


Figure 3: Non-Netflix Nollywood Original by distribution and recognition

In addition to the quality of content, there is a high preference for limited content distribution before Netflix releases. As an unstated rule, there is a higher chance for Netflix to platform Nollywood content that meets the vetting criteria if the content is distributed by other platforms than it would if it were on other platforms. Although Netflix has no non-Netflix original titles, Netflix still has a higher preference for less distributed content at an 88.3 percent rate, as only a tiny percentage of these non-original contents are distributed by other platforms, even though producers have complete copyrights.

Chart 3 indicates a higher chance for Netflix to platform a non-Netflix original Nollywood movie if it meets cinema standards and is distributed by high-end cinema; also, if titles make box office numbers, are showcased at local/international film festivals, and receive nominations or awards they have higher chances of getting housed on Netflix. Films like *The Wedding Party 2* (Abudu, 2017), *Chief Daddy* (Abudu, 2018), and *Last Flight to Abuja* (Emelonye et al., 2012) were top-grossing movies for the years that they were released. At the

same time, *King of Boys* (Adetiba et al., 2018), *Merry Men 2* (Abuda & Odjegba, 2019), and *Fate of Alakada* (Abraham, 2020) ranked second in box office in the year that they were released with the other titles ranking top five and top 10 in box office for the month/year of release. Additionally, Nollywood content with less distribution on other platforms outside of Netflix has a higher chance of getting platformed on Netflix than those who have multiple distributions, even though Netflix has no financial contribution or copyright to the content.

For genre distribution, Netflix prefers drama more than any other genre, both for Original and non-original content, which mirrors the genre distribution of the Nollywood industry. There is a higher value for the drama genre at 77 percent Netflix Original and 45.7 percent for non-original than any other genre. The comedy genre is slightly different across the two Netflix licensing styles, with comedy coming next to drama at 30.8 percent for non-original. At the same time, Netflix Original has 0 percent comedy, with thrillers coming close to drama at Thriller and the romantic genre next to drama at a 9.6 percent rate for the Original. For non-Netflix originals, thrillers come third in the genre, ranking at 13.6 percent, while romantic movies come next at 9.1 percent. Neither Netflix Original nor non-original has a strong preference for the horror genre as it ranks lowest in both categories at a 2.2 percent rate for non-original and a 0 percent rate for Netflix Original.

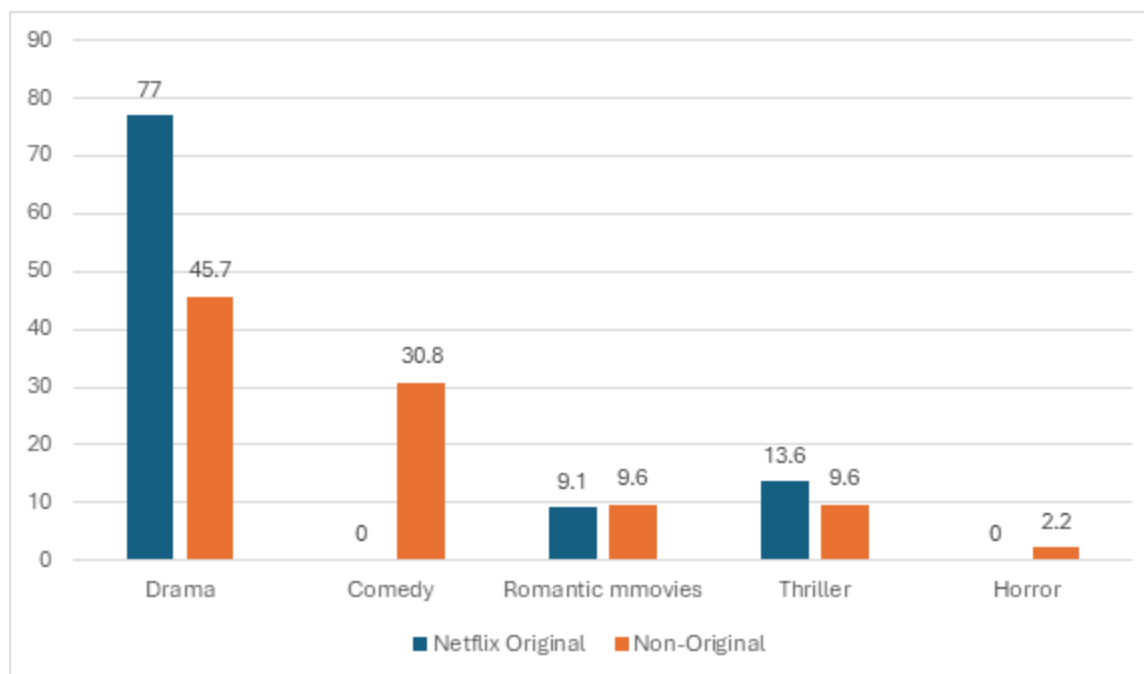


Figure 4: Genre distribution for Original/Non-Netflix original Nollywood content.

A noticeable pattern for both original and non-original Nollywood titles on Netflix is the high preference for local Nollywood production, which is part of Netflix's business strategy to entice subscribers and expand its market by sourcing locally produced content worldwide (Lotz, 2020). Netflix has more non-Netflix original content at an 81 percent rate than Netflix original content (Chart 1). Non-Netflix Originals, independently produced by Nollywood producers and presented/requested to Netflix for platforming, means that Netflix has no creative contribution to the content. In the same light for Netflix Originals, licensed originals constitute the majority of Netflix Nollywood Original content at a 61 percent rate compared to the three other forms of Netflix Original. As explained earlier, licensed Originals are independently produced Nollywood content that Netflix acquires from Nollywood producers, where all rights are transferred to Netflix by acquisition and not by creative contribution or financing at the time of production.

The underlying similarity between Non-Netflix Originals and Licensed Originals is that they are independently produced by Nollywood producers/studios. Licensed originals are like

non-originals because Netflix has no creative or financial input during production. The main difference between both is that while Netflix acquired the rights to the title in License Original, Netflix simply Platforms for non-originals and does not have rights to copy for non-originals. With both licensed original and non-originally being independently produced by Nollywood, it can be concluded that Netflix's strategy for acquiring Nollywood content on its platform mainly depends on independently produced Nollywood content at a 93.1 percent rate than any other way.

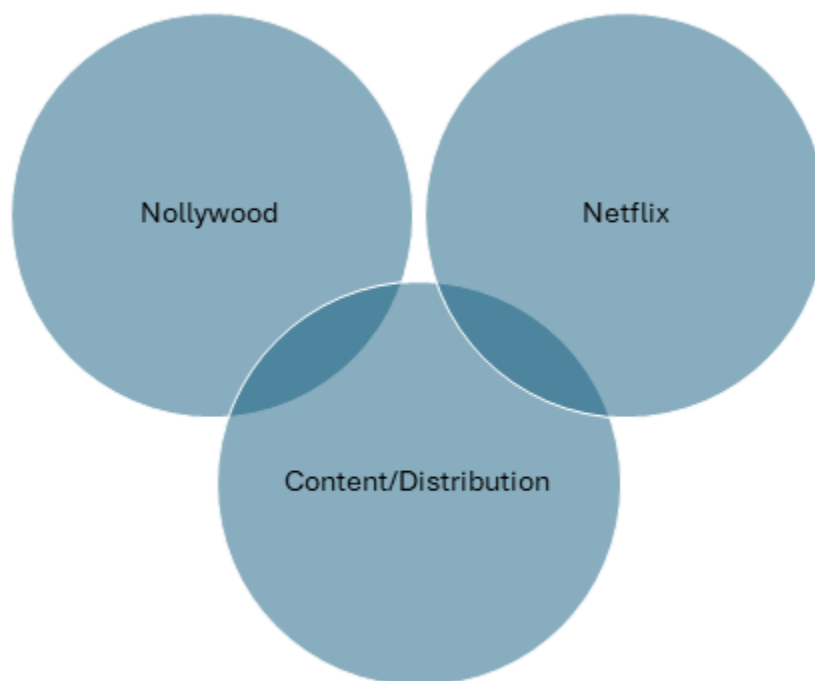


Figure 5: Model of Netflix vs Nollywood Relationship

From the above information, it can be concluded that Nollywood and Netflix have a cyclically interdependent relationship where, although individually sufficient as two centers, they connect at a point where Netflix depends on Nollywood for content while Nollywood depends on Netflix for the platformization of its content.

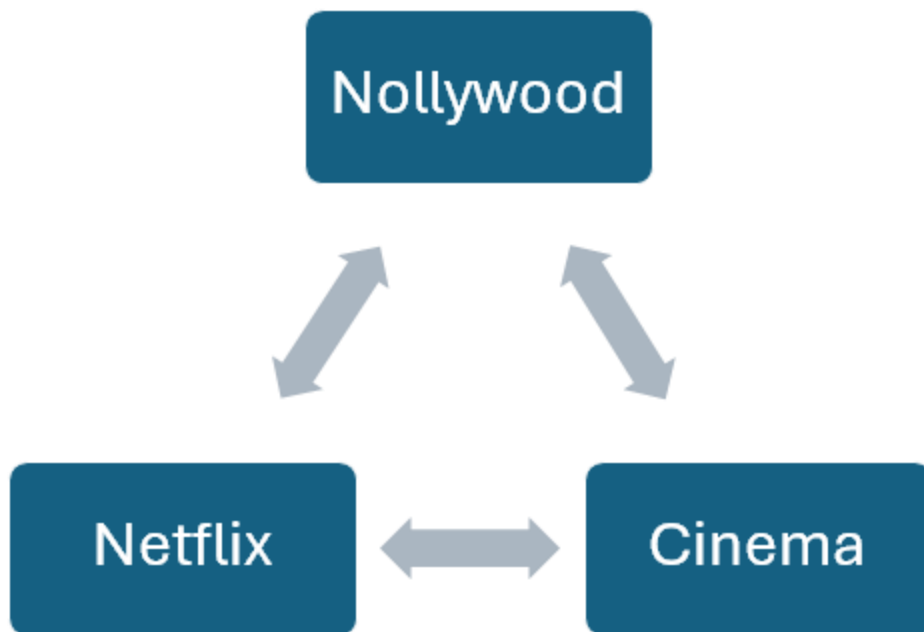


Figure 6: Netflix Process Business Model in Nollywood

As indicated earlier, Netflix's business model is built around a high dependence on Nollywood productions for original and non-Netflix content. Cinema plays a vital role in these transactions as Netflix uses cinema as a filter nest for content selection, while Nollywood uses cinema as bait to attract Netflix. It can be concluded that the business execution process between Netflix and Nollywood takes a trio dimension for both original and non-original content, where content moves from Nollywood to cinema and then to Netflix.

RQ3: What is the implication of Netflix's Business model on Nollywood?

The implication of Netflix's business model on Nollywood is nuanced. As stated earlier, Netflix's significant contributions to Nollywood revolve primarily around providing distribution platforms where Nollywood films can be accessed in several countries through Netflix's established reach. The need to platform on a global platform has been of dire importance to Nollywood as an industry that has existed for over three decades and produced a humongous number of movies but has been limited to primarily African countries and their diaspora for decades. Through Netflix, Nollywood tells stories and shares culture with more people in places it otherwise would not have easily reached prior to Netflix boycotting the challenge of shipping DVDs and the limited reach of Cable. This collaboration with Netflix is crucial for Nollywood because it significantly solves the problem of access and drives the discourse of media counterflow further.

The implication of Netflix's business model on Netflix's licensing policy in improving the general production quality of Nollywood movies. Using the Netflix platforming/licensing model where Netflix screens movies based on specific criteria, as discussed earlier, which leans highly towards cinema-level content together with Netflix's post-production requirements that ensure Nollywood movies meet specific high production standards, encompassing picture quality, translations, and other features contributing to the overall production quality (Agina & Hediger, 2020) sets a new bar for the Nollywood industry. This criterion has driven Nollywood producers to stretch beyond their usual operational limit and brought a sense of intentionality to the quality of the movies Nollywood produces. This simple gesture enhanced the general quality of their work and set a new standard for the Nollywood industry, even for movies that may not be made for Netflix.

De Vany (2006) noted that due to the Netflix Licensed original acquisition style, where Netflix purchases right after production, most Nollywood movie producers do not predict from production the extent of influence their titles will attain. As a result, these producers tend to put their best foot forward, hoping that the movies they produce will make a good impression when the opportunity presents itself to be showcased/purchased by Netflix. This also has impacted audience demands. Nollywood Audiences have acquired a higher taste for quality movies from Nollywood content on Netflix. Audiences now use the same standard to criticize Nollywood films, which puts a certain level of pressure on producers to measure up to audiences' needs whether they produce Netflix, cable, or DVD, which indirectly improves the general production climate of the Nollywood industry.

Undoubtedly, streaming platforms enhance the accessibility of Nollywood movies globally, creating a larger and more diverse audience. However, with this increased audience comes a higher responsibility for Nollywood, which once catered primarily to Nigerian/African audiences (Giwa, 2014), to accommodate an even more immensely complex audience now. The industry is faced with the conflict of whether to maintain certain cultural elements that may be difficult for non-Nigerian audiences to comprehend or stick to them and risk cultural shock or being misunderstood, which are both risks to authenticity (Omoera & Ojieson, 2022). As a cultural powerhouse, Nollywood is held to a standard that often brings criticism about cultural imperialism and appropriation due to the cultural significance that the industry holds for Nigerians. With Netflix licensing, it is solely business where standards are set, and Nollywood producers are expected to meet those standards. When Nollywood producers bid for Netflix platforming, it becomes their sole focus to get a spot on Netflix. As a result, Nollywood

producers modify and remodify their production to fit Netflix's requirements without worrying about what they lose or exaggerating, which can result in cultural losses.

Another implication of Netflix's business model in Nollywood is Netflix's high emphasis on the exclusivity of content on its platform, whether Original or Non-Original Content. When Nollywood produces content for Netflix, the content is exclusive to Netflix. As seen in Table 8, even when the titles are non-Netflix Originals, producers tend to limit distribution to mostly Netflix as it increases their chances of getting a spot on Netflix (chart 3). This can be exclusionary for Nollywood audiences that are not on Netflix. As highlighted in the theoretical framework, Roger (2003) noted that not everyone will adopt innovations at the same pace, and not everyone will adopt innovation at all. Nigeria is estimated to have over 220 million people; according to the World Population Review (2024), Nigeria has fewer than 30,000 active Netflix subscribers, which is a tiny fraction of the Nigerian population. With Netflix's exclusive business model, Nollywood clamor for Netflix platforming, and the tiny percentage of Nigerians on Netflix, most Nollywood domestic audiences are excluded from accessing those productions.

Agina and Vinzenz (2020) accuse both streaming platforms and cinema distributions of excluding a substantial number of Nigerians who cannot afford or access both cinemas and streaming platforms from accessing certain Nigerian movies. They added that while these 'new' distribution channels may help boost profit, enhance visibility, and combat piracy, which has been a concern for the Nollywood industry for a long time, other distribution channels, such as cable/DVD that are more prevalent in homes across Nigeria should at least air these movies for better access within Nigeria. Although Netflix subscription prices are considered one of the cheapest Netflix subscription rates in the world, with the mobile plan at \$1:38 as the lowest and the premium plan at \$4:40 (Table 9), not a significant number of the Nigerian audience can

afford to pay for Netflix subscript, electricity, and internet to access Nollywood contents. This re-echoes the need for developing an encompassing business framework that can accommodate more categories of audiences.

CHAPTER 6

CONCLUSION

ABSTRACT

This chapter concludes the study by acknowledging Netflix's digital distribution contribution to Nollywood. It recognizes that despite the importance of this contribution to Nollywood, it creates the concern of polarization in the Nollywood industry. The chapter concludes that it is important for both Netflix and Nollywood to create a more extensive business model that will fit the realities of the Nollywood industry.

CONCLUSION

There is a correlation between Netflix's collaboration with Nollywood with production and audiences of the industry. While the improvement in production and distribution in Nollywood in the last decade cannot be solely attributed to its collaboration with streaming platforms, it, however, cannot be a mere coincidence that Nollywood flourished on a higher pedestal within the same time that it collaborated with streaming platforms. Despite this, it can be argued that Nollywood became the second biggest movie industry in the world before it got on Netflix, Amazon Prime Video, or YouTube and circulated movies in the global south. It will continue to do so even after the Netflix interest fizzles out.

It is, however, important to acknowledge that the global reach that these streaming platforms offer Nollywood has further led it to achieve a certain level of counter flow to the global north, which is essential for balance in the global entertainment landscape and creates the responsibility for Nollywood to appeal to a global audience thereby improving its art. While achieving counterflow is essential in combating Western dominance in the entertainment media space, it is also important that it does not become the only focus of Nollywood. It will be counterproductive if the primary audiences of the industry (Nigerians and Africans who have depended on Nollywood for entertainment for decades) who struggle with representation and inclusion in the Western film industry suffer the same fate with Nollywood's counter-flow ambition.

While we can acknowledge the contribution of Netflix to the Nollywood industry, it is important to acknowledge that Nollywood has by itself evolved into a massive industry that it is and contributes significantly to Netflix's catalog and ambition for globalization. As such, this

relationship should be treated as an equally beneficial partnership where Nollywood gets a fair exchange for the services they provide. A shift in focus for both Netflix and Nollywood producers is necessary to acknowledge the unique climate of Nollywood. It will lead to the creation of mutually beneficial models that will not perpetuate hegemony.

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