

# Converging Trends: The Industrial and Content Dynamics of Contemporary Television

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Submitted: November 20, 2023 – Revised version: December 6, 2023

Accepted: December 15, 2023 – Published: December 20, 2023

## Abstract

This article is focused on the complexities of contemporary media scenario, considering the interplay between industrial frameworks, market dynamics, and resultant content exploitation. The paper seeks to chart the current landscape of serial production and posit potential trajectories for its future development. At its core, the research addresses two principal dimensions: the contemporary industrial structure and the relevance of library content.

Within the industrial context, the article scrutinizes the role of streaming platforms and the rise of Free Ad-supported Streaming TV (FAST) services. The concept of “neo-generalism” is also introduced as a new framework, characterized by diversified offerings within a single platform that cater to an array of consumer preferences and needs.

With regards to the importance of library content, the article underscores how archival materials serve not only as a supplementary feature but also as a strategic asset in competitive positioning. Furthermore, the dynamics between broadcasters and platforms are investigated, highlighting the hybrid strategies that are emerging from this relationship. Lastly, new paradigms of serial content consumption are explored, specifically focusing on the recent behavioral shifts spurred by the on-demand culture.

**Keywords:** Free Ad-supported Streaming TV (FAST); Neo-generalism; Library Content; Streaming War; Consumption.

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## 1 Introduction

In the 21st century, media production and consumption are undergoing significant changes. Primarily fueled by technological advancements and shifting viewer preferences, traditional media structures are being dismantled and replaced by new paradigms. The domain of serial narratives, for instance, has transitioned from the exclusivity of network and cable TV to the inclusivity of diverse platforms — each with its distinct business model and global reach.

This paper aims to provide a comprehensive analysis of the contemporary landscape of serial production, focusing on the evolving industrial structures, exploring emerging business models, and studying how these shifts influence content characteristics.

The paper is organized into four main sections: Section 1 will offer an overview of the media scenario, focusing on current trends and examining their broader implications. Section 2 will dissect the contemporary industrial structure and business models, including streaming platforms and FAST (Free Ad-supported Streaming TV) services. Section 3 will zoom into the characteristics of contemporary serial content, focusing on the relevance of library content and on the changing dynamics between broadcasters and platforms. Finally, Section 4 will provide an integrated analysis of industrial structure and contents leading to the conclusion.

To achieve a comprehensive understanding of the complexities that characterize the modern landscape of serial production, this article employs a hybrid research methodology, based on the reconstruction of the market trends and informed by data provided by a variety of industry reports and publications. Additionally, specific case studies featuring particularly impactful examples in the industry will be analyzed to illuminate current trends. Metrics related to user behavior, production volumes, and market dynamics will be scrutinized to offer a statistically grounded understanding of the field. Finally, it is important to underline that the information and data taken into consideration by this article are referred to no later than October 2023, therefore some changes (major and minor) can occur in the analyzed scenario from the time of our study to the time the article is published and made available to the readers. Moreover, the article takes into consideration mainly the US market — although in some cases the global market is considered — since the US market is more meaningful for forecasting.

## 2 The Media Scenario

The media landscape, especially in terms of serial production, is undergoing a seismic transformation. In an age marked by the proliferation of streaming platforms and digital technologies, conventional paradigms in cultural content production, distribution, and consumption are constantly being challenged (Hesmondhalgh 2019).

Two particularly noteworthy developments stand out: the ascendancy of streaming platforms and the emerging presence of Free Ad-supported Streaming TV (FAST) services. Streaming platforms like Netflix, Hulu, and Amazon Prime Video have strongly impacted the audiovisual media sector, offering more freedom to content creators in terms of narrative formula and distribution modes and an extensive array of choices to consumers. More recently, FAST services such as Pluto TV, Tubi and Freevee by Amazon, are providing free, yet quality, content with advertising revenue as their main financial support.

In this changing media ecosystem (Dimmick 2002; Innocenti and Pescatore 2018; Pescatore 2018), a detailed analysis of the transformations is not merely an academic endeavor, it is a necessity for understanding the mechanics that dictate the industry's future. What these shifts represent are not isolated changes, but a reconstruction of the entire industry structure and the content features themselves. How streaming platforms operate or how FAST services are redefining traditional business models will have long-lasting implications on content production and, by extension, on the cultural narratives that these platforms propagate.

To better understand and explain this challenging media scenario we propose the concept of “neo-generalism” which refers to a single platform offering a diverse array of content, thereby catering to varying consumer tastes and needs. It's not uncommon nowadays to find documentaries, films, and television series, as well as sports and non-scripted shows — often produced or acquired by the platform itself— all under one digital

roof. This trend, combined with the increasing importance of library content, signifies a strategic move to strengthen competitive positioning in an already saturated market. The notion of neo-generalism together with the strategic utilization of library content deserves close attention. These phenomena do not just change the way platforms compete; they influence how content is created, curated, and consumed. It is also relevant to look at these issues from the lens of the consumer, whose behavioral patterns are shifting due to the on-demand culture, altering the very fabric of serial content consumption. Thus, an examination into these areas offers a lens through which we can understand the converging forces that are redefining not just the industry but our media consumption habits.

### 3 Contemporary Industrial Structure and Business Models

Streaming wars can be considered from two different aspects: on the one hand obviously the competition between different streaming platforms, but on the other hand also the rivalry between streamers and broadcasters. Understanding the evolving dynamic between broadcasters and platforms is crucial, particularly as hybrid strategies emerge to straddle the lines between traditional and new media models.

#### 3.1 Between Broadcasters and Platforms

By October 2023, the burgeoning prominence of streaming platforms has reshaped the media and entertainment landscape, redefining the modes of content production and consumption. The number of video streaming services available has skyrocketed: although it is difficult to determine the number of services, according to the 2023 Nielsen Report *State of Play* there are more than 167 unique streaming video sources in the US, ranging from global giants like Netflix and Amazon Prime to more localized services catering to specific genres or audiences.

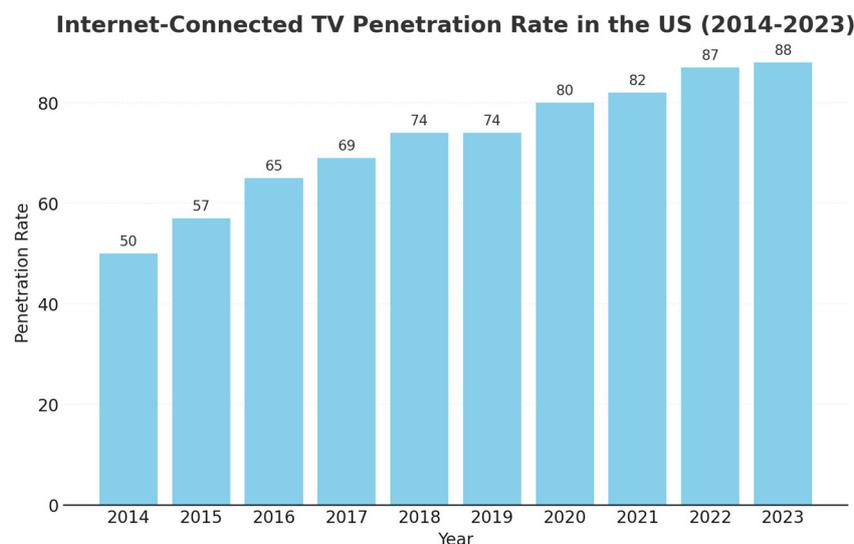


Fig. 1. (Source: Digital TV News, 2023 – Reworked by authors).

According to an August 2023 online survey that had 996 respondents, aged 18 to 64 years, who answered the question “Which of the following brands have you used in the past 12 months?”, the most used Video-on-Demand services in the US are those mentioned in the following chart.

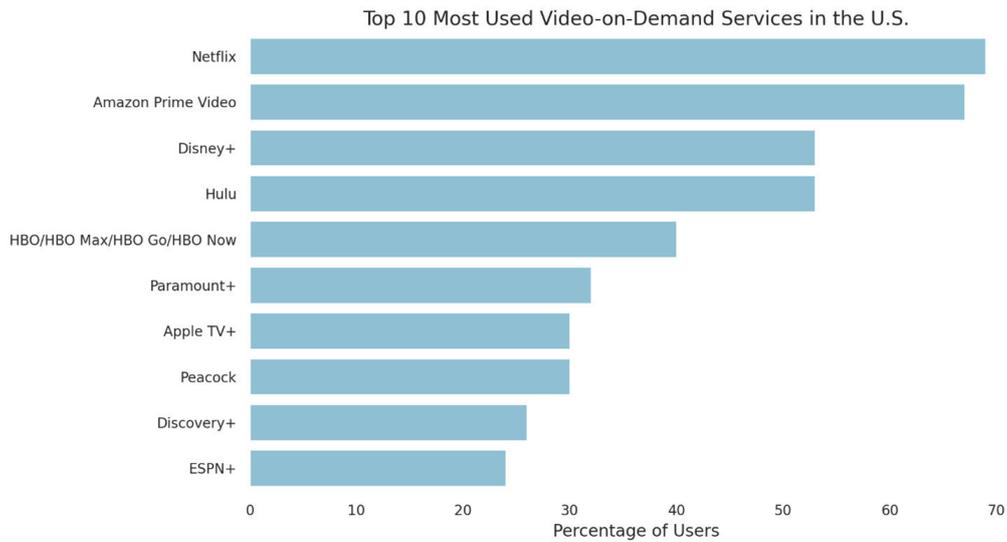


Fig. 2. (Source: Statista Consumer Insights Global, 2023 – Reworked by authors).

This media environment has catapulted the sector’s revenue into multi-billion dollar figures, reflecting the global audience’s voracious appetite for on-demand content. The graph in Fig. 3 presents the 2021 revenues for major streaming services. Please note that some figures are estimates, as not all companies disclose revenues for individual services. Specifically, revenues for Amazon Prime include other Prime benefits beyond Prime Video, and Apple’s services revenue includes other services like the App Store, iCloud, and Apple Music.

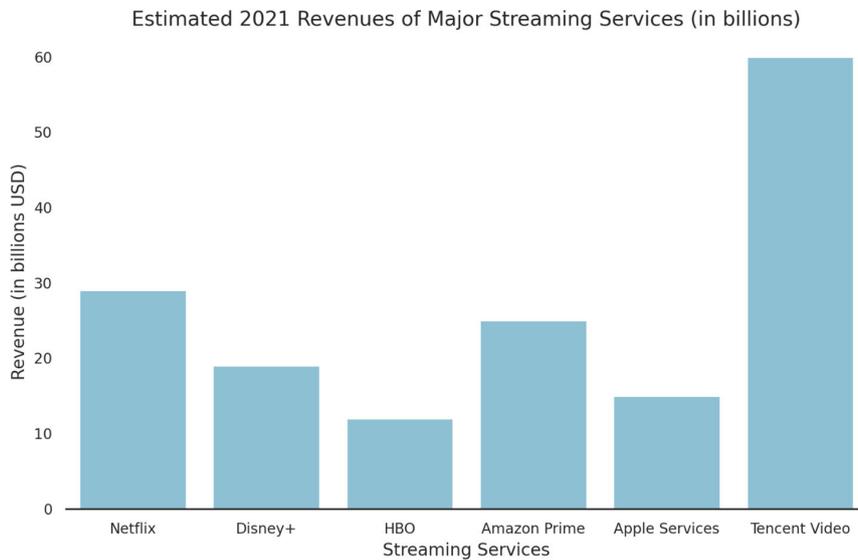


Fig. 3. (Source: Streaming services investor relations 2021 – Reworked by authors).

Geographically, the reach of these platforms is impressive. They have permeated nearly every country, from powerhouse economies in North America and Europe to burgeoning markets in Africa, Asia, and Latin America. While some countries host a suite of global and local streaming services, others have seen a dominance of one or two major players (Lobato 2019; Lotz and Lobato 2023). In the chart below Netflix revenues by geographic area: the ubiquity signifies not just a technological shift, but a cultural one, where traditional geographic barriers to content access are steadily dissolving.

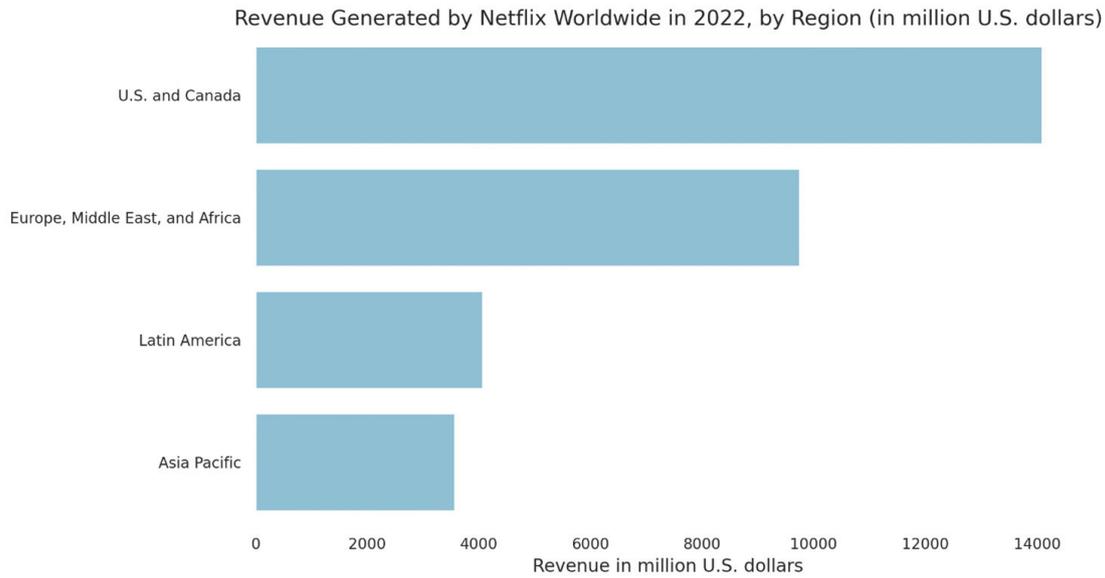


Fig. 4. (Source: Netflix, 2023 – Reworked by authors).

It is also worth looking at the figures for the spread of one of these platforms within the different markets, these data return to us the operator’s ability to position itself within the market by becoming a reference provider in the video streaming sector.

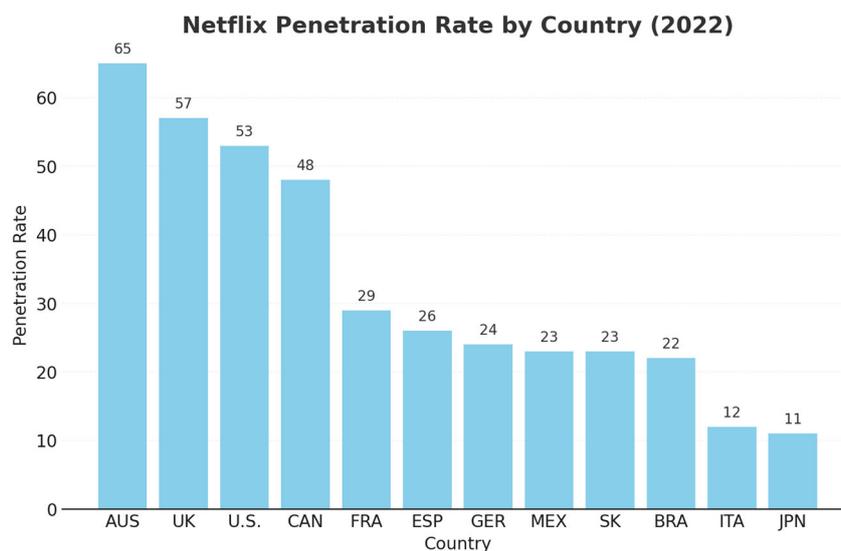


Fig. 5. (Source: Dataxis, 2022 – Reworked by authors).

The business models driving the platforms are multifaceted, yet some trends dominate. Two prevalent models are the catch-up TV and premium services. Catch-up TV, analogous to traditional broadcasting, allows viewers

to watch episodes of TV shows shortly after their original broadcast without the need to record them. This is a bridge between traditional TV broadcasting and the digital realm, with platforms like BBC iPlayer and Hulu (on November 2023 Hulu is expected to be acquired by Disney for the remaining 33%, bringing to Disney the total ownership of the streaming service, Spangler 2023) offering such services. On the other end of the spectrum, premium models, often bifurcated into ad-supported and ad-free tiers, offer exclusive content libraries as it happens with Netflix (that presents 3 different subscription plans of which one is ad-supported), Disney+ (a basic plan with ads and a premium one without ads) or Peacock by NBC, which has three distinct tiers: Free (ad-supported), Premium (with limited advertisements, approximately 5 minutes per hour), and Premium Plus, which is completely ad-free. Industry analysis and statements from leading companies indicate that ad-supported plans often yield higher average revenue per user (ARPU) compared to ad-free versions. Netflix, for example, has achieved better economic results from its ad-supported plan than the standard plan, (Netflix 2023) while ViacomCBS's CEO has expressed expectations of higher ARPU for Paramount+' ad-supported tier over time (Screenmedia 2023). This shift reflects a strategic adaptation to market demands and revenue generation models in the streaming domain.

In this context, it is interesting to note that among the several co-existing business models, FAST is facing significant growth and development. The traditional business model of commercial television, identifiable with the double-sided market (Doyle 2013), has found itself struggling with the arrival of streaming platforms featuring a business model based on a wide range of library contents accessible against payment of a subscription (SVOD). If initially there has been a shift from double-sided market to a SVOD/Library model, now it is evident that content providers are going back to mixed models (such as the Peacock differentiated offer mentioned above), as well as they are going toward the FAST model. FAST operates on a business model rooted in a double-sided market, relying entirely on advertising revenue and freeing users from the need for subscriptions. In line with this model, the average revenue per user (ARPU) in the FAST market is projected to be US\$7.95 in 2023 (Statista 2023), comparable with the standard plans of major platforms, demonstrating the economic viability and potential of ad-supported formats in the evolving landscape of digital streaming.

The impact of these changes on traditional television has been profound (Evens and Donders 2018). As streaming platforms gain traction, traditional TV broadcasters grapple with declining viewership and advertisement revenues. Many have pivoted, either launching their own streaming services or partnering with existing ones. Yet, the shift is not merely economic. Streaming platforms, with their ability to offer vast content libraries and algorithm-driven personalized recommendations, have transformed viewer habits, expectations, and the very nature of TV programming.

As we saw, there is a form of mutual relationship between broadcasters and streaming services and the impact goes both ways: not only the rise of streaming services impacted on traditional TV broadcasters, but the structure of traditional TV has a strong influence in shaping the services offered by streaming operators and their business models.

### 3.2 Neo-generalism

Neo-generalism is a phenomenon observed particularly in the context of streaming platforms. The advent of streaming platforms has added a new layer of complexity to the debate on media personalization, but these platforms seem to reintroduce a broadcasting model — a “one channel fits all” approach — which seemingly contradicts the personalization paradigm. This phenomenon does not aim to consolidate the audience, instead it seeks to provide the “right” product to everyone, an endeavor made possible by robust algorithmic profiling that spans the entire supply chain, from production to consumption. The nature of neo-generalism in the streaming platform era is interesting to explore with a particular focus on the role of recommendation systems in shaping this new media landscape (Pescatore 2023).

The concept of neo-generalism can be intriguingly juxtaposed with the “conglomerated niche” strategy, a concept discussed in Amanda Lotz's work (Lotz 2022). While both approaches aim to cater to diverse audience segments under one umbrella, they have distinct focal points. The “conglomerated niche” strategy, as detailed by Lotz, emphasizes the library composition, amalgamating the broad audience approach of network television with the niche audience targeting of cable television (Lotz 2022 and Lotz 2017). It's a strategy that

combines multiple niches to create a diverse content library, reminiscent of the segmentation strategy seen in the 1990s U.S. television industry. On the other hand, neo-generalism, while also leveraging a differentiated library, goes a step further. It harnesses data analytics to curate a “general” viewing experience tailored to individual preferences, ensuring each user’s experience feels both universal and uniquely personalized. While the “conglomerated niche” strategy focuses on the amalgamation of diverse content types, neo-generalism emphasizes the presentation of this content in a manner specifically designed for individual users. These two concepts, though distinct, move in the same direction, offering a complementary approach to content curation and presentation in the digital age.

Streaming platforms are at the forefront of this transformation, turning the challenge of audience fragmentation into an opportunity. By maintaining a universal library and using data-driven recommendations, they offer a personalized yet generalist viewing experience, marking a significant shift in the media landscape. Netflix stands as a prime example, striking a balance between specialization and generalization. Its adaptive, viewer-centric approach, combined with its specialized search and recommendation algorithms, sets it apart in the digital age.

A closer examination of various streaming platforms reveals that neo-generalism is not just a one-size-fits-all model. Services like Amazon Prime, Disney+, HBO Max, and Apple TV+ each employ data analysis and content diversification differently, painting a diverse picture of media consumption in this era of personalization. The essence of neo-generalism therefore lies in its paradoxical nature. While platforms offer a unified experience, the content each user encounters is uniquely tailored, challenging traditional media paradigms. This modern take on the broadcasting model merges broad content offerings with individualized user experiences. Netflix’s global strategy further underscores this approach: by investing in culturally specific content with universal appeal, Netflix ensures that while content might be rooted in a particular place, its appeal is both localized and generalized.

### 3.3 Role and Development of FAST Services

The emergence of Free Ad-supported Streaming Television (FAST) represents another pivotal moment in the evolution of the streaming industry, challenging the hegemony of Subscription-based Video on Demand (SVOD) services. According to Nielsen, FAST platforms are experiencing a resurgence, particularly among audiences who seek a traditional television experience that offers quality and innovative content without the encumbrance of subscriptions. These platforms offer a diverse array of content, ranging from live sports and news to entertainment, thereby redefining the linear TV model for the digital age.

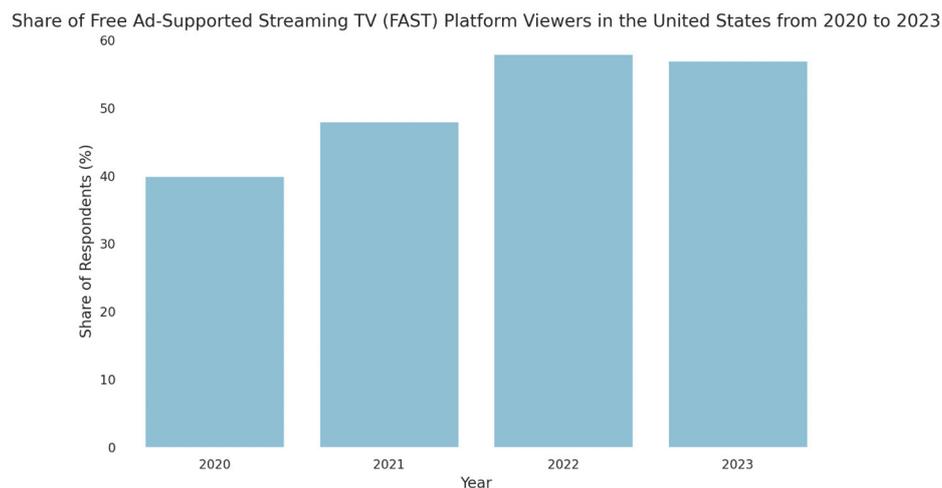


Fig. 6. (Source: Hub Entertainment Research, 2023 – Reworked by authors).

There are three key areas where FAST is poised for significant growth: Channels and Content, Advertising and Data, and Viewership and Integration (Bridge 2023). The number of channels on FAST platforms has

been increasing at an unprecedented rate, with media companies announcing plans to augment their channel offerings further. This expansion is not merely quantitative, but also qualitative, as evidenced by the increasing focus on original content. Freevee has been nominated with daytime Emmys 2023 (*Judy Justice* as Outstanding Legal/Courtroom Program), indicating that FAST is not just a repository for reruns but a viable platform for high-quality, original programming.

Advertising, the primary revenue model for FAST, is also undergoing transformative changes. *Variety* estimates that the domestic ad market for FAST could exceed \$6 billion by 2026, which suggests that advertisers are recognizing the platform’s potential for targeted and effective ad placements (Bridge 2023). This is further corroborated by innovative advertising models, such as geo-targeted ads run by Origin Media in partnership with Visit Florida, which appear on user interfaces based on local weather conditions.

In terms of viewership and integration, FAST is increasingly being incorporated into existing platforms and services. For instance, Roku Channel, Pluto TV, and Tubi have surpassed most top cable networks in monthly viewership (Epstein 2023). This trend is indicative of a broader shift in consumer behavior, which is corroborated by a Samba TV’s 2023 “State of Viewership” report stating that one in three Americans regularly watch a FAST provider.

The ascendancy of FAST is not merely a disruption but could signify a paradigm shift in the streaming industry. *Variety* predicts that by 2030 FAST is likely to replace SVOD as the preferred viewing option, driven by the fragmentation and escalating costs associated with subscription services (Epstein 2023). This is a compelling argument, especially considering that it now costs more to access top streaming services (\$87 per month) than traditional cable (\$83), dissolving the cost-effectiveness idea around streaming services (Nicolau and Grimes 2023).

In summary, the role and development of FAST services in the streaming industry are characterized by rapid growth, diversification of content, innovative advertising models, and a potential to become the dominant form of streaming by the end of the decade. As such, FAST services are not merely an alternative to traditional TV or SVOD, but could very well be the future of television itself, with a return to a semi-linear model reminiscent of cable TV that dominated the multi-channel transition era (Lotz 2014).

Aspect	Fast Channels	Cable TV
Programming	Linear, with thematic channels	Linear, with thematic channels
Advertising	Present, with digital targeting	Present, less targeted
Cost to User	Free	Requires a subscription
Accessibility	Via internet, on various devices	Via cable, with specific set-top box
Personalization	Greater, due to digital nature	Limited
Digital Features	Search, on-demand access, etc.	Depends on provider and service
User Experience	Similar to TV with additional digital features	Similar to traditional TV

Tab. 1. Comparison of FAST channels and cable TV models.

#### 4 Characteristics of Contemporary Audiovisual Serial Content: The Resurgence of Library

In the landscape we described the importance of novel content — often delivered with great buzz and extensive marketing campaigns — cannot be denied. However, an undercurrent of emphasis on library audiovisual content is steadily gaining momentum: vintage series and films, once relegated to the dusty shelves of forgotten history, are playing an increasingly pivotal role in the contemporary viewing experience.

### 4.1 The Evolving Dynamics Between Broadcasters and Platforms: The Relevance of Library Content

The relationship between traditional broadcasters and streaming platforms epitomizes the complexities of old and new media paradigms converging (Donders 2019). The intertwining trajectories of these entities have culminated in novel strategic undertakings, underscored by mutual dependencies, competitive rivalries, and co-optive collaborations (Chalaby 2023)

Initially, broadcasters viewed platforms, especially streaming giants like Netflix and Amazon Prime, as disruptors. The ability of these platforms to offer on-demand content, customized viewing experiences, and a vast repository of both original and library content posed an existential threat to the scheduled programming model of broadcasters. Platforms not only nibbled at broadcasters’ audiences but also began to redefine content consumption patterns. The binge-watching culture, serialized narratives, and high production values of platform originals established a new gold standard for quality and viewer engagement.

However, as the media ecosystem evolved, the lines started blurring. Recognizing the expansive reach and audience retention capabilities of platforms, many broadcasters began symbiotic partnerships. Licensing content became commonplace, as did co-productions. Broadcasters saw merit in leveraging the global audience base of platforms, ensuring their content found viewers beyond their traditional geographic confines.

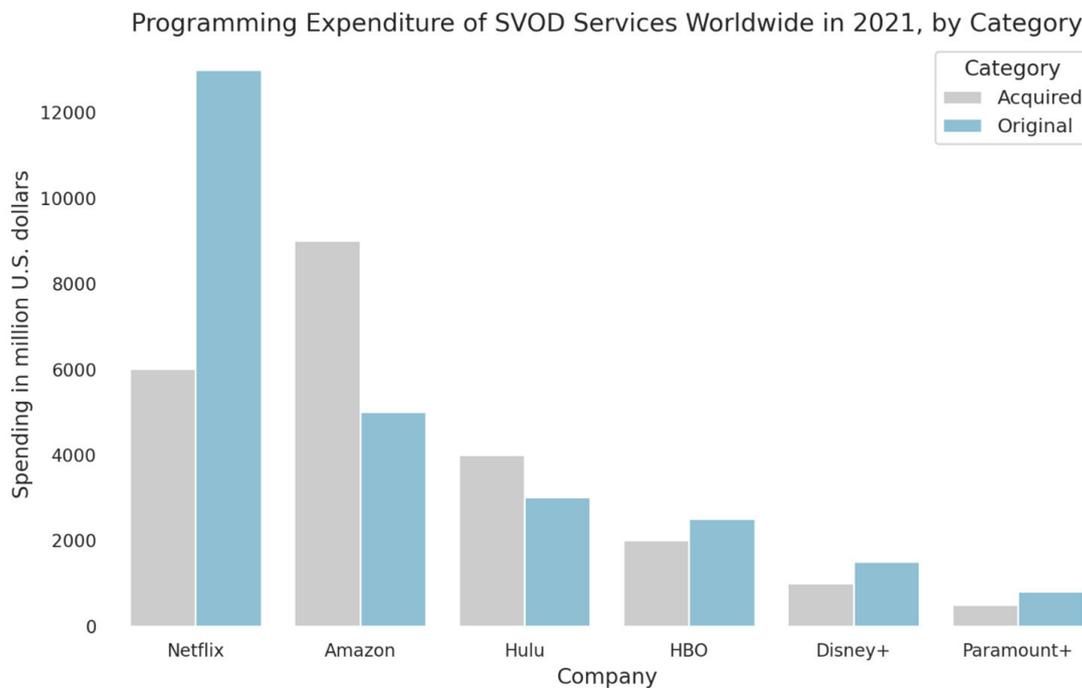


Fig. 7. (Source: Statista 2021 – Reworked by authors).

On the flip side, platforms started acknowledging the significance of live events, news telecasts, and certain genres where traditional broadcasting had an edge. The strategic integration of live sports streaming by platforms like Amazon Prime attests to this trend. Moreover, the credibility and awareness attached to established broadcasting brands became a value proposition that platform couldn’t ignore. Collaborations like that of Hulu, originally a joint venture of major U.S. broadcast networks, showcase this synergy in action.

In production terms, the democratization brought about by platforms is noteworthy. While broadcasters often had gatekeeping mechanisms, dictated by time slots and advertiser preferences, platforms democratized content commissioning. Niche genres, diverse representation, and experimental storytelling found a home, altering the very fabric of mainstream content (Innocenti 2018).

In sum, the relationship between broadcasters and platforms, though initiated on notes of competition, has matured into one of coexistence and collaboration. Each recognizes the strengths of the other, leading to strategies that capitalize on mutual strengths (Boyle 2019). This evolution, in turn, has had a profound impact on the narrative structures and production quality of audiovisual content, heralding a renaissance in the media industry.

According to a recent survey, over half of U.S. adults deemed library content either very important or somewhat important on streaming platforms.

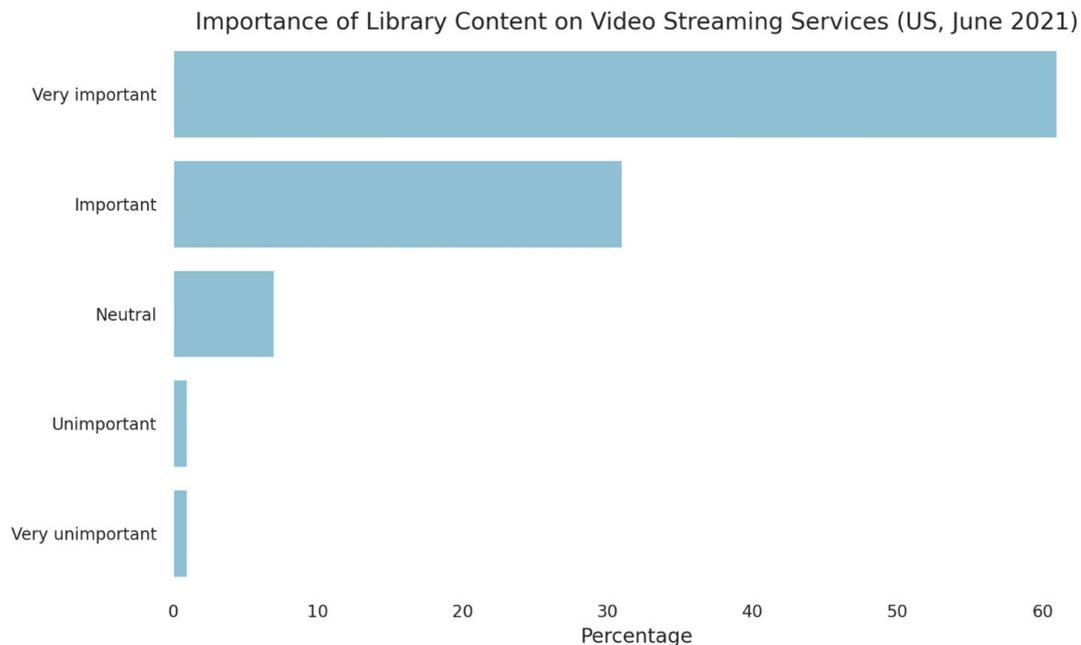


Fig. 8. (Source: Advanced Television 2021 – Reworked by authors).

This significance isn't just driven by nostalgia; it's emblematic of the rich storytelling and timeless narratives encapsulated in these works. They act as an anchor, grounding platforms with a sense of history and depth typical of narrative ecosystems (De Pascalis and Pescatore 2018), amidst the fleeting nature of 'trending' content. The case of *Suits* (USA Network, 2011-2019) serves as an illustrative example. The show, after its original broadcast run, saw a significant resurgence on Netflix, years post its initial release. Its success was unexpected and might be attributed not merely to its intrinsic quality but also to the broader appeal of familiar, reliable content amidst the huge amount of new series. More than a nostalgic attitude, this is a calculated move by platforms to enhance viewer engagement, diversify their offerings, and ensure longevity in a saturated market. Such strategic deployment of library content boosts viewership and provides platforms with a broader content spectrum, catering to diverse viewer preferences. *Suits* is emblematic of a phenomenon where library content doesn't just fill gaps but becomes a strategic cornerstone for platforms (White 2023).

Nielsen's coverage on the *Suits* boomerang underlines a crucial perspective — in an age where user retention is key, having a balanced content portfolio of both new and library content can be the magic formula. The rationale is twofold. Firstly, library content often comes with a proven track record. Its appeal, demography reach, and narrative strengths have been tested over time. Secondly, in a world of infinite choices, the familiarity of known content offers a comfort zone to viewers, acting as a counterbalance to the 'paradox of choice' many face with an overwhelming number of new titles.

The future of streaming might, paradoxically, be deeply rooted in the past. Library content, often perceived as static, actually offers dynamic possibilities. From reboots, spin-offs to derivative works, the potential to capitalize on these established IPs is immense (Schley 2023). As streaming platforms compete in an ever-saturated market, the strategic importance of library content becomes evident. It's not just about the allure of

new narratives but the lasting impact of timeless tales. The harmonization of both offers a diverse, enriched content palette, ensuring sustained viewer engagement and, more critically, retention. The story of *Suits*, from its initial acclaim to its Netflix renaissance, underscores the enduring power of content, transcending its temporal confines.

While it was thought that serial narratives were going toward a convergent model of on-demand content (briefer products, with a lower number of episodes and more bingeable), as a matter of fact streamers discovered that having a faithful viewer who constantly return to every weekly appointment is an asset that can contribute to reduce churn rate (Shapiro 2022).

## 4.2 New Paradigms of Consumption of Audiovisual Content

In the scenario already described, audiovisual content consumption has undergone severe shifts, echoing broader changes in society's media habits. Within this transformative landscape, several paradigms stand out, ranging from evolving viewer behaviors to the dynamics of on-demand culture.

The binge-watching phenomenon, once the defining hallmark of the streaming generation, is facing a notable transition. This relentless consumption pattern, spurred by platforms dropping entire series at once, fostered a sort of race among viewers — a race to finish, to avoid spoilers, and to be part of the social media dialogue. But there's a detectable wane in this trend and audiences are increasingly leaning towards a more paced, traditional mode of viewing (Horton 2023).

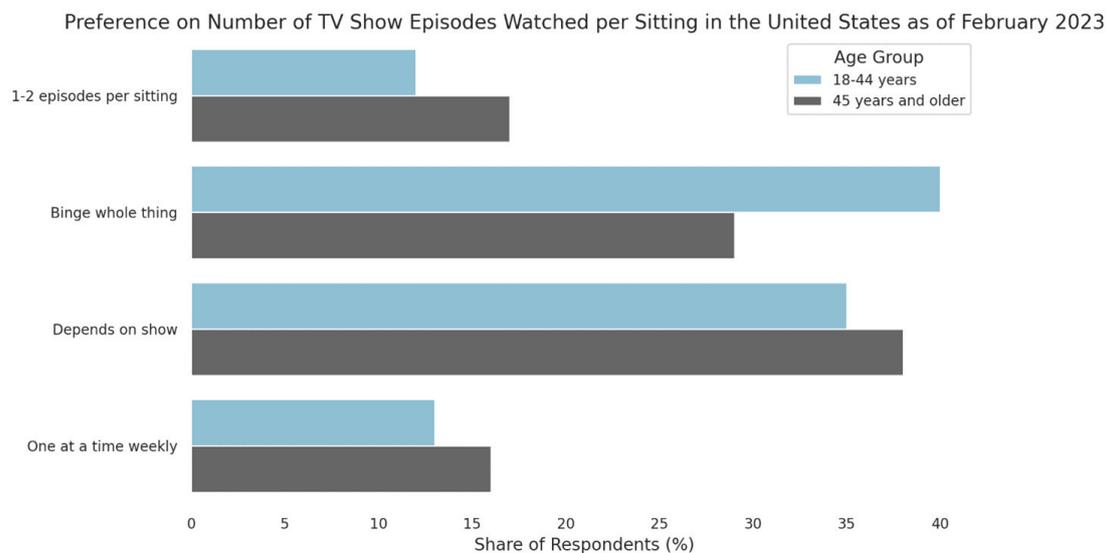


Fig. 9. (Source: MediaPost 2023 – Reworked by authors).

Several factors contribute to this behavioral shift. The overwhelming volume of content, with 599 scripted shows in 2022 alone (Porter 2023), has led to viewer fatigue and the sheer impossibility of keeping up with every show has rendered binge-watching less feasible. Additionally, platforms themselves have started to recognize the value of sustained engagement over time, strategically releasing episodes weekly, reminiscent of traditional TV scheduling. This not only prolongs the relevancy of a show but also fosters communal viewership and weekly anticipatory discussions, reminiscent of the pre-streaming age.

Despite the return to traditional viewing patterns, the on-demand culture, a cornerstone of streaming services, remains robust. Audiences have grown accustomed to autonomy in their viewing choices, unfettered by network schedules or geographic restrictions. This democratization of content access is fundamentally reshaping expectations. Platforms are continuously grappling to strike a balance between catering to these on-demand expectations while curating content release strategies that optimize engagement and retention (Adalian and Brown 2023).

The essence of on-demand isn't merely about when to watch but also what to watch. The globalized nature of platforms like Netflix means that a viewer in Italy can indulge in a Korean drama, an Indian musical, or a British thriller, all in a single day. This borderless content landscape has not only diversified viewing palettes but also enriched cultural exchanges, fostering global narratives and shared viewer experiences across continents (Lotz and Lobato 2023).

In this age of digital viewership, data is king. Streaming platforms possess an unprecedented granular view of their audience's habits — from the shows they binge to the ones they abandon mid-episode. Platforms have mastered the art of leveraging this data, tailoring content recommendations to individual tastes, thus driving further engagement. Such detailed metrics have also influenced content creation itself. The data-driven approach enables platforms to identify niche genres that resonate, predict potential hits, and even decide the fate of shows based on viewer patterns. Streaming platforms have harnessed algorithmic curation to breathe new life into library content, aligning with a neo-generalist strategy that offers a “channel for all”. These algorithms, adept at tailoring recommendations based on user preferences, ensure that shows from *The Fresh Prince of Bel-Air* (NBC, 1990-1996) to *Breaking Bad* (AMC, 2008-2013) maintain visibility and relevance, irrespective of their original air dates.

This approach not only diversifies the viewing experience but also exemplifies neo-generalism by creating a personalized channel-like experience for each user. The resurgence of *Gilmore Girls* (The WB season 1-6 and The CW season 7, 2000-2007) on Netflix, driven by algorithmic promotion, showcases how platforms can rekindle interest in classic series, leading to new productions like *Gilmore Girls: A Year in the Life* (Netflix, 4 episodes released on 25 November 2016). The neo-generalist ethos, supported by algorithmic curation, thus crafts a unique, expansive channel that caters to the eclectic tastes of a global audience, ensuring that both new and library content thrives in a competitive market (Jenner 2018).

## 5 Analysis and Synthesis

The growing prominence of ad-supported models indicates a relevant shift in the industrial structure. This change is predominantly driven by two factors: first, the saturation of users' spending capacity, evident from the average American user subscribing to four streaming services, that leads to a push for more affordable ad-supported plans; second, the strategic role of ad-supported models that are designed to either boost Average Revenue Per User (ARPU) or to contribute to the acceptance of a higher price for ad-free rates.

### 5.1 Analysis of Industrial Structure in Relation to Content

In the subscription-based model, the content's dual role was to attract new users — often achieved by flagship series with high demand — and to retain existing subscribers while reducing churn rates. Previously, the individual product's viewership was of lesser significance compared to its efficacy in drawing new users and impacting loss of subscribers. However, as ad-supported platforms gain traction, single product ratings ascend in importance, shaping a more complex product management strategy. Consequently, this necessitates a pivot towards serial content reminiscent of broadcast television, which fosters a sustained and enduring connection with the audience.

Interestingly, the algorithmic approach in content recommendation, contrary to expectations, did not homogenize products or consumer behavior, nor did it drive audiences towards standardized models of consumption. On the contrary, audience consolidation has been paradoxically achieved through heightened product differentiation and personalization. The role of content libraries has been amplified by algorithmic curation, particularly elevating serial content from broadcast television, which in turn has become integral to streaming platforms' universal library. Traditional TV, including broadcast and cable, despite experiencing a decline in market share, significantly contributes to streaming platforms' content reservoirs. The productions of linear operators are now a staple within streaming services, reflecting a symbiotic relationship between the two.

With the likely plateau in streaming service spending capacity, a rise in FAST channels and hybrid models with both advertising and discounted subscriptions is anticipated. Consumption patterns have diversified beyond binge-watching, as platforms increasingly adopt weekly release schedules, and licensed broadcast series with

extensive seasons are gaining viewership. The industry is also experiencing a revival of semi-linear models, as evidenced by FAST channels that are reminiscent of traditional cable TV habits, including TV guides organized by schedules. This return to semi-linear models contrasts with the thematic, image-rich content carousels typical of streaming platforms user interface, indicating a complex and integrated relationship between content and its consumption.

In summary, the intersection of industrial structure and content in the television and serial content industry is characterized by a strategic balance between new and traditional forms of distribution and consumption. This balance is necessary to navigate the limitations of consumer spending capacity, the demands for diverse content, and the dynamic shifts between subscription-based and ad-supported revenue models. As the landscape evolves, content strategy and management remain pivotal in maintaining viewer engagement and ensuring the sustainability of the industry's business models.

## 5.2 Conclusion

As we have demonstrated, the landscape of contemporary television production is in a state of rapid evolution, primarily influenced by the intensifying dynamics of the "streaming wars". There is a noticeable shift towards what initially appears to be a market dichotomy. On one side, there is an emerging trend of consolidation, suggesting the potential dominance of a few major streaming giants. This dominance is largely attributed to their expansive content libraries and extensive global reach.

On the other side of this dichotomy, however, there exists a robust and diverse array of niche services. These platforms are carving out sustainable markets by catering to specific audience interests and tastes. This aspect of the market is crucial as it actively resists the consolidation trend and challenges the movement towards an oligopolistic structure. Instead of a simple oligopoly, what emerges is a more complex, mixed market structure.

This mixed market structure is reflective of not only the large-scale influence of major players but also the persistence and resilience of smaller, specialized entities. As noted by Albarran (2017) and Sheth and Sisodia (2002), this phenomenon is not unique to media but is observable in other industries as well. The resultant structure represents a nuanced balance between widespread reach and targeted appeal, showcasing a television production landscape that is heterogeneous and multifaceted. This balance underscores the diversity of consumer preferences and the variety of production capacities aimed at catering to these distinct segments. The shift towards ad-supported models in the television production landscape is fueled by two main factors: the saturation point of consumer spending on subscriptions and the appeal of more affordable, ad-supported options. As subscription growth reaches its ceiling, streaming services are adapting by enticing viewers towards ad-supported plans, either by increasing ad-free subscription costs to boost Average Revenue Per User (ARPU) or by making ad-supported tiers more attractive.

This trend is inextricably linked to changing consumption patterns and the industry's structural evolution. The rise in FAST channels and hybrid models combining advertising with discounted subscriptions reflects a strategic adaptation to these changes. Additionally, the resurgence of semi-linear models, as seen in FAST channels, signifies a blend of traditional and modern viewing habits. This complexity underscores the industry's strategic balance between innovative and traditional distribution forms, essential for navigating consumer spending limits and the dynamic shifts between subscription-based and ad-supported models. As the industry evolves, content strategy and management remain crucial in maintaining viewer engagement and ensuring the sustainability of business models.

Furthermore, the monolithic model of binge consumption is giving way to diversified viewing patterns, with platforms adopting weekly release schedules and gaining viewership for licensed broadcast series with longer seasons. Audiences are not just binge-watching but are engaging with content in varied ways, including the return to semi-linear viewing experiences. This retrogressive shift indicates a nuanced consumer preference, one that seeks both the autonomy of on-demand and the curated, communal experience of scheduled programming.

The persistence of television's distinctive characteristics, despite the de-institutionalized consumption of 'any-time, anywhere' viewing, suggests a less significant impact on content production than might be assumed. The

ubiquity of serial media consumption reinforces the serialized format as a staple of traditional television in the digital age. This observation is crucial in understanding the mutualism between traditional television production and OTT platforms, indicating a symbiotic relationship that benefits both. They share a common need for product packaging, whether in the form of a schedule, an interface, or a catalog. This enduring relationship underscores that the core attributes of television persist, even as the media landscape undergoes profound changes (Barra 2022).

Reflecting on the evolving dynamics between broadcasters and platforms, we see a convergence of old and new media paradigms. Initially perceived as disruptors, streaming platforms have become integral to the industry, blending competition and collaboration with traditional broadcasters. This synergy has led to strategic partnerships, content licensing, and co-productions, leveraging the strengths of both entities. For instance, the strategic integration of live sports streaming by platforms and the licensing of library content underscore the harmonization of traditional broadcast strengths with the expansive reach of streaming services.

In summary, as the streaming industry stands at the crossroads of industrial momentum and content dynamism, the only certainty is change. The industry is not just forming an oligopoly but is also at the cusp of nuanced diversification, where strategies to capture audience attention are as varied as the content they offer. The metamorphosis of consumer patterns and the strategic response of streaming services will continue to shape the future of serial entertainment production, blending new innovations with time-tested strategies of traditional television.

### 5.3 Future Research

Our article has tried to highlight the dynamic landscape of media and the shifting priorities of broadcasters and streamers in exploiting serial audiovisual content. While we tried to offer some useful insights and some forecasts for the near future, there remains compelling room for future investigations. A more detailed model, albeit challenging due to data accessibility constraints, could offer nuanced understanding, especially when investigating diverse product types and their individual paths to success. Further, an in-depth analysis of product-specific strategies would illuminate the evolving nature of neo-generalism in media. This approach invites broader hypotheses that extend beyond the confines of convergent systems (Jenkins 2006), opening a dialogue about the transition from convergence to franchise models and the growing inclination towards ad-supported structures. This evolution raises critical questions about the trajectory of convergence: for instance, it might be relevant to understand if convergence has is nowadays morphing into a more complex, multifaceted phenomenon. Understanding these shifts will be crucial in grasping the future of media convergence and its impact on content creation, distribution, and consumption.

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