

Marketing strategy and brand activism

How Netflix is making diversity its key selling point

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MARKETING STRATEGY AND BRAND ACTIVISM

How Netflix is making diversity its key selling point

Netflix is leaving no stone unturned in its efforts to cultivate its liberal image and achieve tangible results, from tackling topics such as gender identity and intersectional feminism and condemning systemic racism in its programming, to providing dedicated funding for minority creators, and striving for gender equality and diversity in its internal operations. There is however a clear strategy behind this: to sell the values that matter to its young, urban, and well-connected core target audience in order to ensure they continue to subscribe to its streaming service.

LOUIS WIART

“Netflix’s core business does not consist of fighting discrimination but of adding as many subscribers as possible to its streaming platform.”

Since the late 2010s, Netflix has developed an increasingly politically engaged discourse that foregrounds the ideals of social justice, promoting equality, and antidiscrimination. The values and representations that the United States (US)-based company seeks to promote are embodied in the concept of diversity, which is now central to its corporate communications, and informs both its human resources policies and the way content is curated on its streaming platform.

In its public statements, Netflix claims that its engagement in this area is designed to “[create] a lasting legacy of inclusion in entertainment” and to bring about “a major change in storytelling—where great stories can truly come from anywhere, be created by anyone, whatever their background, and be loved everywhere.”¹ Its stated desire is to support a dynamic of global change with the power to influence the entire industry.

As this shows, the company’s discourse foregrounds an inclusive approach to diversity that strives to include underrepresented groups of society at various different levels of its activity. As such, the company does not simply want to ensure greater diversity both on-screen and off-screen, but also to ensure that the indi-

viduals concerned are fully involved in the inner workings of its platform. The rhetoric used is consistent with the company’s paternalist vision, and its desire to play an active role in its sociocultural environment and be morally engaged with its subscribers and employees. While it is associated with genuine commitments, this diversity also appears to have a strategic function and to be in line with communication and marketing objectives.

AN INCLUSIVE APPROACH TO DIVERSITY

In concrete terms, Netflix’s diversity-related ambitions are reflected in a number of initiatives targeting particular groups and communities, including support for film festivals, educational workshops, mentoring schemes, training, partnerships with schools, and donations to good causes. In 2021, it launched the Netflix Fund for Creative Equity with plans to invest €100 million over five years in programs designed to improve the place of minorities in the audiovisual industry. On top of this, the company is pursuing other initiatives, including various part-

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*Bridgerton*

nerships to support Black creators, by funding organizations such as Ghetto Film School, Film Independent's Project Involve, Firelight Media, and Black Public Media. Netflix has also invested some of its cash holdings in Black-led community banks in order to support their development. In Canada, the company has partnered with the imagineNATIVE festival on a mentoring program to support native directors, producers, and scriptwriters. In France, it is working with the Kourt-rajmé film school in Seine-Saint-Denis to offer writing workshops and fund student short films, construction work, and transport costs. Finally, in Spain, it has joined forces with Fad (Foundation for Help Against Drug Addiction) on the "Diversity in Series" program, designed to awaken

the interest of young people in the audiovisual industry, as part of which students were invited to workshop and develop a script for a short film on the topic of diversity or gender equality. These are just a few of the ways in which Netflix is demonstrating a desire to position itself as a major player when it comes to diversity. Its efforts can also be seen on screen, in the content produced and streamed by the platform, which shows a clear desire to foreground underrepresented groups of society, and to tackle liberal topics such as gender identity, systemic racism, intersectional feminism, and sexual liberation. Perhaps the best-known example is *Bridgerton*, a 2020 series adapted from the books by Julia Quinn, which is set in Regency London and deliberately breaks

with its historic background by presenting a multiethnic aristocracy, with characters from the upper echelons of society played by Black actors. Other examples include *When They See Us* and *Dear White People*, which condemn racism against African Americans, *Self Made*, which tells the story of the first Black female millionaire in the United States, and *Pose* (produced by FX Networks but also streamed on Netflix), whose main characters are both trans and racialized. Adolescent sexuality is the main theme of *Sex Education*, a global hit that takes a taboo-free approach to topics such as homosexuality, contraception, abortion, harassment, consent, and female desire. In addition to the issues, plots, and characters showcased in its content, Netflix's stance is also reflected in the curation of its platform, which now includes thematic lists such as "Gay & Lesbian Movies & TV" and "Black Stories."

According to a study led by Stacy L. Smith, founder of the Annenberg Inclusion Initiative, the diversity of Netflix's content is improving, but still has some way to go.² Her report, which looked at over twenty "inclusion indicators," found that, between 2018 and 2019, most indicators improved in relation to the films and series produced by the platform in the US. In terms of gender equality, Netflix achieved male/female parity, with female

"Netflix is pursuing various partnerships to support Black creators, by funding organizations such as Ghetto Film School, Film Independent's Project Involve, Firelight Media, and Black Public Media."

leads in 52 percent of its films and series, and the platform is also noteworthy for its significant representation of minority ethnic groups, which make up the leading or support roles in 32 percent of its films and series. Among these groups, African Americans are most likely to appear in its output, and are even proportionally overrepresented. Smith's study does however point to a lack of visibility for certain groups of society, including LGBTQ+ people and people with disabilities, and several ethnic groups (including Hispanic, Middle Eastern, American Indian, and Pacific Islanders), that were particularly underrepresented in relation to the US population as a whole. Smith describes this as an "epidemic of invisibility" that contributes to the erasure of historically marginalized social groups from the screen.

FROM ON-SCREEN TO OFF-SCREEN DIVERSITY

Another area in which Netflix is taking action and which is highlighted in its communications is its aim to ensure diversity

“In France, Netflix is working with the Kourtrajmé film school in Seine-Saint-Denis to offer writing workshops and fund student short films, construction work, and transport costs.”

in its internal operations, notably through its recruitment and career development policies. It has a dedicated team—consisting of around twenty people as of 2021—responsible for leading and implementing the group’s diversity and inclusion strategy. The argument for this approach is that on-screen diversity targets make no sense unless they are accompanied by more internal diversity: an observation supported by Smith’s study, which found statistical correlations between the inclusion of women and African Americans on screen and the increasing involvement of creators, directors, and scriptwriters from these groups in content development. There is also an economic rationale for this approach, with the company seeing diversity as a benefit, a source of wealth and creative impact, as outlined in this passage from a Netflix press release: “When you pair that culture [of freedom and responsibility] with diversity and inclusion—it unlocks our ability to innovate, to be creative, to solve problems. [. . .]. And, we’re able to better entertain our current and future members.”³

Since 2013, with a view to increasing transparency, Netflix has published

detailed demographic information about its employees. This information is regularly updated and presents a statistical breakdown of staff based on their gender, race/ethnicity, and role in the company (leadership, corporate and creative, or technical teams). At the end of 2021, women represented around half of all employees, including in management and leadership roles, while 43 percent of employees were White, 24 percent Asian, 10 percent Black, and 8 percent Latinx. Netflix claims to have substantially increased its employee diversity over the last few years, but admits that it still has a long way to go. It has thus put in place various internal initiatives: a transparent equitable pay policy, self-reflection workshops designed to improve understanding of how individuals have experienced or perpetuated inequality, and “inclusive” benefits (such as flexible parental leave regardless of gender, health insurance covering the specific needs of trans and non-binary people, and support for employees undergoing fertility treatment, surrogacy, or adoption). In order to encourage integration and representation among its staff, Netflix also has “employee resource groups” (ERGs) built around a shared identity or experience. There are more than a dozen active groups of this kind, including ones

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When They See Us

dedicated to the disability, Black, Latinx, LGBTQ+, trans, and Jewish communities. The role of these ERGs is to provide spaces for discussion and sharing in which staff can come together and be supported in their personal and professional development.

DIVERSITY AS A MANAGERIAL AND MARKETING CONCEPT

Netflix's focus on all of these commitments is in fact typical of tried and tested management and communication methods. Sociologist Laure Bereni has traced the rise

of corporate diversity,⁴ showing how the phenomenon originated in the US, where companies sought to respond to new requirements in terms of their corporate responsibilities. Bereni describes how this led them to agree to greater transparency regarding their internal operations, and from the 1990s onward to develop a discourse of antidiscrimination through the lens of diversity. This Anglophone entrepreneurial discourse took off in Europe in the 2000s, driven by the influence of multinational corporations and by the European Union, which centered its legislation against workplace discrimination around the concept of diversity. As Bereni



@ Adam Rose/Netflix

Dear White People

shows, over time the business world thus appropriated an issue that had previously mostly been limited to activist, academic, and institutional circles and turned it into a motivational managerial concept. In the 2010s, the Me Too and Black Lives Matter movements, which resonated across many countries via social networks in particular, acted as a further boost to corporate stances on societal issues. Along with Netflix, almost all major corporations now have pro-diversity policies in

place, and do not hesitate to make public statements about diversity-related issues. This civic commitment, presented as showing concern for the public good and being based on the principles of tolerance and accepting other people's differences, is mobilized across various communication tools (including websites, policies, certification, press releases, annual reports, and advertising campaigns) that enable companies to give their discourse and actions greater visibility. In these

communications, the decision to favor a rhetoric of “pro-diversity” rather than “antidiscrimination” enables them to enact a slippage of meaning by making their actions sound more fulfilling.⁵ The polysemy of the word “diversity” and its relative plasticity also give companies an opportunity to embrace a potentially vast array of differences, as diversity can be expressed in terms of gender, ethnic origin, culture, religion, sexual orientation, disability status, lifestyle, and so on.⁶

When it emanates from economic actors with primarily commercial ends, an activist pro-diversity discourse represents what in marketing terminology is called “brand activism.” The goal for companies is to strengthen their reputation and image, but also to consolidate their relationships with customers by taking a stance on shared causes and concerns. In the case of Netflix, whose core business does not consist of fighting discrimination but of adding as many subscribers as possible to its streaming platform, activism appears to be utilized in order to better target and retain an audience to whom these values and representations matter. It is, in other words, a way of promoting its service and adapting it to the expectations of its core target audience: a young, urban, and well-connected population that is particularly receptive to the societal issues foregrounded by the company.

“Netflix shows a clear desire to foreground underrepresented groups of society, and to tackle liberal topics such as gender identity, systemic racism, intersectional feminism, and sexual liberation.”

THE CRITICISM LEVELED AT NETFLIX

In many cases, brand activism strategies stir up questions about a company’s stated commitments. Netflix’s pro-diversity activism thus also has a boomerang effect that exposes it to sometimes vicious attacks from two quarters in particular. The first of these consists of conservatives who are critical of Netflix’s proclaimed social progress. These reactionary critics see the multicultural, progressive politics promoted by the platform as a genuine threat to civilization. In 2020, the French film *Cuties*, the feature directorial debut for Maïmouna Doucouré, caused a scandal that was notable for the scale of its impact and the way it was politicized in the context of the US presidential election. Male and female politicians and the pro-Trump conservative media expressed outrage that Netflix was streaming a film whose marketing campaign showed very young actresses in suggestive dance poses, and accused the company of hyper-

“Netflix’s stance is also reflected in the curation of its platform, which now includes thematic lists such as “Gay & Lesbian Movies & TV” and “Black Stories.”

sexualizing children, and of child pornography. The controversy was followed by a mass boycott campaign on social media, using the hashtag #CancelNetflix, and led to a surge of users cancelling their subscriptions, particularly in the southern and central US states.⁷ Netflix appears to have reacted by adjusting its recommendation algorithms in order to make the film less visible on the platform and thus diffuse tensions.⁸ Beyond this episode, conservative critics have expressed more general concerns about the societal influence of the values and representations promoted by Netflix, which they associate with a harmful ideology and the rise of “wokeness.” These views can be seen in both Western countries, where opinion pieces and articles in the press openly criticize Netflix’s programming, and in states such as India, Turkey, Saudi Arabia, and Singapore, where the authorities apply pressure, and sometimes even censorship, to the content of subscription video on demand (SVOD) platforms.

The second group of critics are those who accuse Netflix of hypocrisy and opportunism, pointing to the fact that despite the company’s discourse of goodwill and consensus, its commitments are in fact mired

in dissent and contradiction. In October 2021, the release of a Dave Chappelle stand-up special resulted in an internal crisis revealing significant tensions, when a number of employees called on their colleagues to go on strike and demonstrate against Netflix’s decision to stream the show, accusing the US comedian of transphobia and homophobia, and of helping to perpetuate violence and discrimination against the LGBTQ+ community. Netflix’s senior management maintained its support for Dave Chappelle, on the grounds of freedom of expression, but also pointing to the group’s strong record on diversity. Three of the critical employees were however temporarily suspended, while a fourth was fired for sending confidential material to the Bloomberg news agency about the popularity of the comedian’s shows on the platform. In a memo to staff, Netflix co-CEO Ted Sarandos claimed the company had “a strong belief that content on screen doesn’t directly translate to real-world harm.” This stance stood in stark contrast to the group’s stated desire to work toward social change through deliberate choices in content production and streaming—as if Netflix only recognized the potential impact of content when it was convenient for the company’s progressive discourse. Caught in this



© Sam Taylor/Netflix

Sex Education

contradiction, Sarandos was forced to walk back his comments a few days later, telling the magazine *Variety*: “Of course storytelling has real impact in the real world. I reiterate that because it’s why I work here, it’s why we do what we do. That impact can be hugely positive, and it can be quite negative.”⁹ Clearly, the societal impact attributed by Netflix’s leadership team to the platform’s content is not a constant but varies depending on the situation and can be adapted to the company’s circumstances and interests. As part of a marketing strategy, Netflix’s narrative of diversity ultimately seems to be a tool for attracting, persuading, and retaining its streaming audience. As sociologist and political scientist Marie-

Cécile Naves reminds us, diversity has now become a “tool of economic liberalism,” and “used in ‘storytelling,’ i.e. a collective narrative that communicates an ideology”—an “‘art of storytelling,’ about a social evolution of togetherness that is genuine but mythologized and misused,” that is “used for commercial ends.”¹⁰ Netflix’s pro-diversity activism can be seen in this light, with its focus on the public good also contributing to its pursuit of economic interests. From the consumer’s point of view, the extraordinary thing is that the company is clearly not using this rhetoric to sell us a product, but rather the values that matter to its core target audience and that are foregrounded in its films and series.

“The extraordinary thing is that the company is clearly not using this rhetoric to sell us a product, but rather the values that matter to its core target audience.”

On the same topic, see Louis Wiart’s article in issue no. 13 of NECTART, “Programmes originaux et culture globalisée. Comment Netflix bâtit son empire.”

Louis Wiart has a PhD in information and communication studies, and is Chair of Communication at the Université libre de Bruxelles (ULB) and a researcher at the Research Center in Information and Communication (ReSIC) in Brussels. His publications include *La Prescription littéraire en réseaux* (Villeurbanne: Presses de l’Enssib, 2017), and, with Mathilde Rimaud and Marie-Françoise Audouard, *Des tweets et des likes en bibliothèque* (Villeurbanne: Presses de l’Enssib, 2018).

He is also the coeditor, with Clément Bert-Erboul and Sylvie Fayet, of *À l’ombre des bibliothèques* (Villeurbanne: Presses de l’Enssib, 2022), which analyzes the online alternatives that emerged when libraries were closed during the COVID-19 lockdown.

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Notes

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8. Zoe Schiffer, “Netflix Scrambled Internally to Suppress a Controversial Movie from Search Results,” *The Verge*, October 26, 2021.
9. Matt Donnelly, “‘I Screwed Up’: Netflix’s Ted Sarandos Addresses Dave Chappelle Fallout,” *Variety*, October 19, 2021.
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IN BRIEF

The strategy: To apply diversity (in race/ethnicity, social, gender terms, and so on) to its content and internal operations, and foreground this in its communications in order to retain an audience receptive to these values and representations.

The figure: €100 million invested over five years in the Netflix Fund for Creative Equity.

The percentage: Netflix has achieved gender equality, with female leads in 52 percent of its content.

FURTHER READING

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