

Analysis on How “Globalization” Affect Netflix to Cultural Diffusion

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ABSTRACT

This essay mainly focuses on Netflix's marketing strategy of glocalization which affects cultural diffusion. The essay adopts the method of case study to analyze the topic that the TV show Squid Game provided by Netflix in 2021 is the research object. Along with the result and discussion of the concept's original meaning, the essay combines it with the case together to further develop the analysis. The essay eventually discovers that Netflix's utilization of glocalization provides it benefits and promote cultural diffusion around the globe. It evaluates the effect of glocalization bases on existing research papers and provides extension for further research on the topic.

Keywords: glocalization, globalization, Netflix, cultural diffusion, TV shows, Squid game, media

1. INTRODUCTION

1.1. Introduction of Netflix

Born in 1997 as a DVD rental company, Netflix keeps developing and providing a vast expanse of a video library that users could rent and provide fast delivery. The content and convenience Netflix provided had gained it lots of users, and by 2009 the company had 100,000+ films and 10 million subscribers [1].

In the late 2000s, Netflix shifted its business to Subscription Video-on-Demand (SVOD) service, and users began streaming contents online (McFadden, 2020). In recent years, given the increase in demand for video streaming services all around the world, the popularity of Netflix has increased and as one of the earliest pioneers in the industry, it is now a company providing services to 209 million subscribers from over 190 countries [2]. The company earns billions of dollars of profits every year.

1.2. Introduction of Glocalization

As for the concept of glocalization, a combination of the words "globalization" and "localization." The term is used to describe a product or service that is developed and distributed globally but is also adjusted to accommodate the user or consumer in a local market,

which means it makes some localized operation by using globalized ideas. According to the sociologist Roland Robertson, glocalization describes the tampering effects of local conditions on global pressures.

So, in summary, it is a global strategy that involves a combination of globalization and localization. Globalization involves a worldwide marketing strategy, and localization involves adapting to local needs. The reason why they tend to expand their market via the glocalization strategy can be attributed to its unique advantages like it can not only increase the possibility to be successful when entering the foreign market but also offer a lot of job opportunities to promote the employment rate for the local workforce. And the most important is that they can provide better service and diverse products for the company itself to expand its overseas market. So as one of the leading streaming industries, Netflix starts to pay attention to producing its content by using Hollywood classic types and narrative methods to make content innovations, meanwhile, combining with local traditions and popular culture in different regions. This means a type of integrated and innovative development of both glocalized and local content.

It is Netflix, the streaming platform, which operates globally, adapting its content to meet the expectations of locally situated audiences across the world. Also, Netflix intends to distribute its localized content

internationally, beyond the local markets [3]. The contents are indeed spreading to the globe, however, the old stereotypes of a city are still presented or even intensified. Being a relative newcomer in producing original content, Netflix has adopted several particular and effective strategies which contribute to its future growth. As for the American-produced French series “Emily in Paris” provided by Netflix, people critic it for its cliched, romanticized portrayal of the city Paris. In contrast, recently, the renounce of the TV show *Squid Game* by Netflix to the globe receives impressive records from people around the world. The investment in making it only cost 21.4 million dollars (less than \$2.4 million per episode), which means it has brought the highest value at almost 900 million dollars by investing significantly less than the cost of hit shows on Netflix or other streaming platforms. It seems the intensive progress of glocalization has brought significance and benefits to Netflix. Since they gained a big success on *Kingdom* in 2019 so they decided to invest more money to produce Korean content. It is hard for Netflix to imagine what kind of impact they would bring to fans around the world when they first launched in Korea back in 2016. However, after their entry into Korea, Netflix has brought some exciting changes to the entertainment and media industries by utilizing its glocalization strategies to fill the cultural gaps. These gaps result from cultural diffusion most of the time.

1.3. Introduction of Culture Diffusion

Diffusion, also known as cultural diffusion, is a social process through which elements of culture spread from one society or social group to another, which means it is, in essence, a process of social change. It describes the spread of one culture’s practices, beliefs, and/or items, like food, music, or tools. This spread can be among the people or groups of the same culture or completely different cultures around the world. Edward Tylor, a British anthropologist who wrote during the mid-nineteenth century, posed the theory of cultural diffusion as an alternative to using the theory of old cultural evolution to explain cultural similarities [4]. The scholars observed that cultures are constantly interacting with each other. These interactions lead to cultural diffusion as different societies interact more and more. And the rate of cultural diffusion between them increases. Any time two or more groups come together, cultures can be blended through trading, migrating, or even just communicating.

Netflix is now working on producing global original content which can be distributed around the world by constantly adapting it to the local environment. They cannot rely on a large library of proprietary content to feed its 204 million paid members in over 190 countries. So, it is increasingly creating original productions by cooperating with skillful crews, including several non-

English-language originals from places such as Korea, Mexico, France, Italy, Japan, and Brazil [5]. Hollywood is in the grip of a period of creative repression. A vast majority of the content they produced seems to pass an initial acid test to get funding during this period, which means it usually starts with a best-selling novel, well-known news, or new depiction of a classic character or some promising manuscript with some presale ideas.

The streaming companies always choose to invest or produce the script with a familiar established audience. So, production of *Squid Game* is surprising in the environment where almost any project requires an intellectual property to be licensed for script development. Although *Squid Game* is a children’s board game which was very popular in Korea around the 1970s tracing to its source, this series is a complete re-imagine of it and making it a starting point for a new and shocking story.

2. A CASE STUDY OF SQUID GAME

In 2021, *Squid Game*, a Korean suspense thriller directed by Dong Hyeuk Hwang has officially reached 111 million fans and is on the NO.1 on Netflix’s Top 10 lists in 94 countries around the world— making itself Netflix’s the streamer’s biggest series ever at launch.

It has been broadcast for seven consecutive days and is the platform’s first-ever Korean series to reach No.1 in the United States. This can be attributed to not only Netflix’s own topic attention degree but also the Korean entertainment market. The K-pop and K-dramas all lays a good foundation for Korean culture to spread worldwide. It provides the distributing environment not only integrated content making industry, but also an inclusive attitude without setting too many limitations. So that’s why the Korean content can criticize the bad side of the world and expose the darkness of the bottom of the society, which can resonate with lots of people in Asia or even the whole world. The majority of participants are female, which has a proportion of 93.16 percent. There is still 6.84 percent of males who answered this question.

Squid Game is an anti-capitalist satire and can be seen as an Asian Version of the *Hunger Game* where the players choose to participate. The group of people who are drowning in debt, with nothing left to lose, are offered one opportunity to risk their lives for an obscene amount of prize money. They are chosen by a recruiter who ritualistically humiliates them, ensuring that they are desperate enough to participate. They are simply divided into groups with strangers in a series of life-or-death challenges. All the players have one thing in common is that their willingness to do whatever it takes to win the game. At least, participating in the games provides a real opportunity to get rich-ordinary life promises only drudgery, hardship, and ever-

accumulating debt rather than returning to their mundane reality where they are reminded that a life spent drowning in debt. The contrasting personalities are all played perfectly by their respective actors and make up ruthless strategies, unexpected heroes, deceitful introverts, and unhinged criminals.

In the series, once the players accept the conditions of the game, they changed. Love and friendship cannot survive in that environment and every interaction became a calculation. A bloody betrayal turns into a business transaction—morality has no meaning or value anymore when everyone's lives are on the line and only one can emerge alive [6]. In the end, however, the protagonist Seung Gi-hun has won the game as audiences do not expect such a forgiving, empathetic and self-sacrificing player can survive to the end. He is one of the few players who actually values human life and friendship anyway. Nevertheless, it is these unexpected plots which made of Squid Game. The audience never knows what would happen next as it has broken the stereotype that how the world evaluates Korean or even Asian.

The key factor is that Squid Game combines its plots with lots of traditional folk games with a strong Korean native vibe such as Ddakji and 123 wooden. Viewers around the world can resonate with its plots by simply substituting themselves into many scenes like what decision would they make when facing the possibility of solving the biggest problem in their life.

The story end's somewhat ambiguously as Seung Gi-hun seems set on pursuing the billionaires that oversee the games rather than spending his time with his daughter like he has been dreaming of. The open-ended result leaves the audience to decide whether the game tainted him forever.

3. RESULT

3.1. Reasons of the Popularity of Squid Game

As a result, the TV series Squid Game presented by Netflix attain great success and impacts around the globe. According to Boomberry, the TV show is worth almost \$900 million in impact value for Netflix, with more than 130 million people watching this Korean show [7]. What's more, it contributes to Netflix's economic value that the stock shares in of the company have increased by nearly 7 percent and is valued at \$278.1 billion since the establish of Squid Game [7]. The benefits of it cannot be underestimated. Moreover, the popularity of Squid Game can be reflected on the actress of the protagonist. The leading actress Jung Ho-yeon has gained Instagram followers from less than 1 million to more than 20 million since the publishing of the series' premiere [8].

As a Korean TV series, it is surprising that Squid Game is intriguing to people from different countries around the world. It is a TV series mainly about games related to survival. There are also many scenes of aggressive violence and bloody slaughter in the show, which are prevalent and enjoyed by TV viewers around the globe. What's more, Squid Game's contents reflect the division of the society and it is unfair between social classes [9]. The game is the only place that is equal for all people that it is the concept that attracts audiences.

On the other hand, Netflix's utilization of globalization promotes the popularity of Squid Game. Presenting in Netflix, the company has dubbed the TV series in 34 different languages and subtitles in 37 languages [9]. It is not the first time that Netflix provides such a service as well. Netflix issued TV series *Lupin* and *Money Heist*, which are originally spoken in French and Spanish respectively. Both the series are among the top watched shows on the streaming service.

3.2. Culture Revealing from the Green Suits

While introducing a show or movie to other countries, the audiences will be able to acknowledge the contents of culture and customs from the original performing country. They will be interested in the custom which is brand new and newfangled to them and begin to understand or communicate with people around. It is also a process of cultural diffusion. Besides Netflix's contribution to service, the TV show Squid Game itself contains various meanings that the most significant contents are the revealing of Korean Culture. "The show is really talking about Korean society," said Jae Won Chung, a literary translator and Korean studies professor at Rutgers University, in an interview. There is a significant feature of the k-dramas that the directors never hide the dark side of the society and present it in the show authentically. In Korean culture, they don't glamorize, sugarcoat, or skirt over the bitterness, hopelessness, and griminess of human nature and life, while they also acknowledge it while still offering glimmers of what makes life worth living – family, friends, life callings, love, fun, and self-worth [10].

Apparently, the green tracksuits attract the audience's eyes that all the participants of Squid Game wear the same green suits with their individual code on them. According to Ms. Shin, a fashion design professor at Indiana University said that the green tracksuits mind her as 'Baeksu', which translates to "white hands," suggests that idle days make for shamefully clean palms and also a representation of people who are unemployed [11]. In Korean Dramas, In K-dramas, the ones who wear these suits are characterized as 'losers, who haven't gained financial independence from their parents or family or are somehow neglected by the dominant social group or discriminated against in society because of their failures,' Ms. Shin said.

‘Training-bok has become a symbol of this life of baeksu, having this very idle, even parasitic, life [11].’ These suits can be seen nowadays in real-life events that people dress up these costumes on Halloween.

3.3. Breaking Stereotypes

What’s more, it is glocalization which will make effects on changing people’s stereotypes of others, especially their points toward others in foreign countries. For instance, people may have stiff points of view on Asians, that they are always described as emaciation with sallow complexion or the thin and weak ‘bookworm’. Asian actors are limited to playing the extras, the weird nerds, the quiet ones, the martial arts masters, the “dragon ladies” or mens’ sexual fantasies. However, it is always the one who act as the leading role will gain most popularity, according to the leading actor in Squid Game.

And let’s not neglect Hollywood whitewashing the roles of Asian characters, where Asian actors never made the casting calls [12]. As an expectation, the protagonists in Squid Game are most Asians that they fight for survival while using their intelligence and also strong body. The exposure to the globe, makes audiences rethink their view of Asians and also breaks the stereotypes. The authentic characteristics will finally be familiar with others and the issues of discrimination between countries will decrease.

Although performed by Korean actors and languages, the combination of Netflix’s services of subtitles of different languages and the contents of Squid Game pursues the significant performance among the TV shows and earns its popularity around the globe. Furthermore, it creates opportunities for the Korean culture diffusion to the countries around the world and also changes the primitive stereotype to Korea, even the continent of Asia. Besides the appearance of culture in Netflix, audiences will be more interested in the country of Korea and also begin to be interested in other kinds of Korean culture such as K-pop songs. It is a benefit for large scales with its long-term advantages.

4. DISCUSSION

Back to the concept of glocalization, which is the combination of the two words ‘globalization’ and ‘localization’, integrate both of the two concepts’ effects as well. The combination mainly serves for a particular group of people’s preferences and demands. Only the consumers are interested in the products, they will be willing to purchase and accept them. For foreign products from other countries, it is harder for the companies to intrigue the consumers and the adaptation of glocalization is necessary. Besides creating money as physical returns, glocalization implicitly makes

influences on other aspects, while culture diffusion is one impact among.

Analyzing the two terms separately, globalization is a term which describes how trade and technology have made the world into a more connected and interdependent place. The product is being introduced to international countries. It contains various effects, and cultural diffusion is an essential aspect. The dominant feature of globalization is that the central products are unchanged, also the same company which provides the service or product. The slightly different products throughout countries enable people to enjoy similar services and also study the same knowledge. Watching movies and TV shows which originate from other countries in Netflix, audiences learn about the cultures.

On the other hand, localization refers to the process of organizing a business or industry that mainly serves in local areas⁴. It emphasizes the importance of meeting the needs of people in a particular region. Localization may correspond to local people’s habits and the way they accept new things. For watching foreign TV shows, it is essential that they require subtitle refers to their mother tongue or the language they can understand most. Thus, the audiences are able to attain the most comfortable viewing experience. It acts as a role of assisting the effect of globalization that finally reaches the purpose and effect of glocalization.

It is true that the effect of glocalization cannot be accomplished unless put both the results of globalization and localization together. It is also how the term is invented, based on the fundamental concepts.

5. CONCLUSION

The research allows the acknowledgment of the specific details and mechanism of a certain method of marketing. It also allows people not only to be familiar with the TV series Squid Game itself but also its reason for success and its effects, which is cultural diffusion. Its contributions are containing several aspects which are interesting and meaningful to analyze. In addition, there will be more people who are engaging with the topic and learning it, to make the topic much deeper and extend it as well in the future.

Accessing the official website of Netflix, there is an apparent preface that ‘At Netflix, we want to entertain the world. Whatever your taste, and no matter where you live, we give you access to best-in-class TV shows, movies and documentaries.’ The most central aim of Netflix is to serve and entertain the audiences throughout the world. On the way of providing better services, Netflix’s utilization of the method of glocalization introduces its TV products and also movies to large scale audiences all over the world. The company receives profits and reputations which will

promote Netflix's development and encourage it to create more shows and movies with high quality.

On the other hand, admittedly that there are still countries that are not available to access Netflix such as China and some Asia countries. It is a limitation for audiences from these countries and also an obstacle to culture diffusion all around the globe. What's more, the TV series and movies which represent the employment of glocalization by Netflix are still limited nowadays. The limitations of the essay merely involve the methods of case study and qualitative analysis, which is lack of quantitative indicators of the effect. It is considerable that further research will focus on the effects of glocalization on different countries respectively. Also, it will be more valid data provided to strengthen the claim evidently and accurately in the future.

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