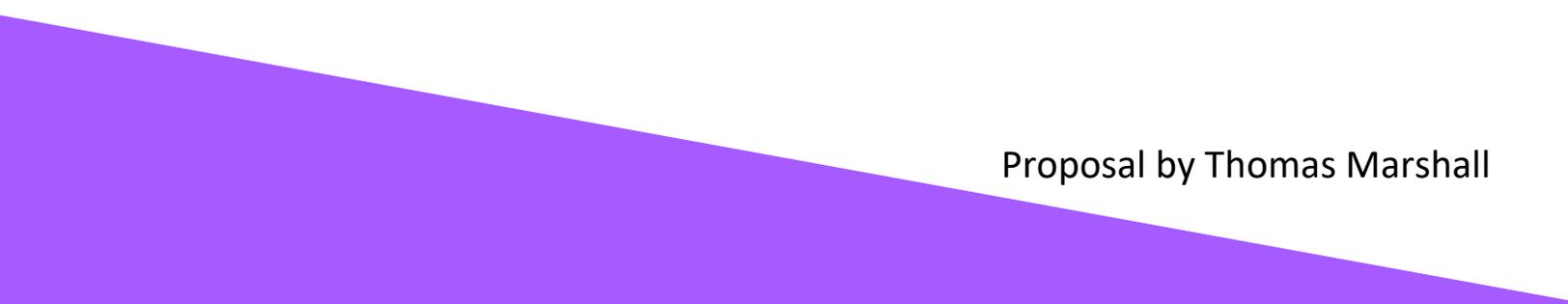


jetSTREAM

Official Proposal

Proposal by Thomas Marshall



Proposal:

JetStream is a proposed new entertainment service and rebranding of Vudu that can be offered jointly through both Jet and Walmart to more effectively and strategically compete with not only Amazon's Prime Video, but also Netflix and Hulu, as well as Redbox.

JetStream would be an amalgamation and merger of the most successful aspects of Vudu's existing platform with Jet's customer base, reach, and progressive brand. JetStream would offer a subscription service where users would be able to access Vudu's catalogue of rentals and purchases at discounted rates, unlimited and commercial-free access to an expansive catalogue of streamable movies and television shows, as well as access to an unlimited amount of cloud-based entertainment storage for purchased and downloaded films that they can access anywhere.

Functionally, JetStream would build off of Vudu's existing platform and incorporate Vudu's most functional and successful aspects with the most effective features of Hulu, Prime, and Netflix in a unique way that will set this platform well above any and all competition. Vudu will therefore still be able to operate in the same way as it has been in order to retain its current customers, on top of attracting potential new ones.

Solid Foundations:

Like Vudu, the baseline access is a free subscription where users have immediate access to movie and television rentals, purchases, and commercial-supported streaming content. JetStream will build on top of this existing foundation and tech to add a larger streaming library as well as a streaming subscription service to the already-successful rental and purchasing service. Current customers will view this as more of an upgrade than a change and new customers will be introduced to a brand-new all-in-one streaming and purchasing experience.

The streaming ecosystem may seem saturated, and there are several large companies that have attempted to enter into this business and failed. However, JetStream has the unique ability to avoid many of these pitfalls.

Other such platforms that have unsuccessfully attempted to launch have failed primarily because they were trying only to emulate an existing platform without changing, improving, or even utilizing their own existing resources in any way. One textbook example of this is Verizon and Redbox's joint venture into streaming with Redbox Instant. I actually worked on the marketing and copywriting team contracted by Redbox during the time they launched Redbox Instant, and was able to see first-hand the mistakes made. By only trying to emulate Netflix, on a smaller and less sophisticated scale, Redbox Instant was never able to even create a substantial impact on the online-streaming landscape, losing time and capital in the process.

Vudu, and by extension JetStream has the unique ability to enter into this marketplace with an existing foothold and build upon their current successful platform to create the first truly all-encompassing streaming, rental, purchasing, and cataloguing entertainment service.

Consolidating the Entertainment Bottlenecks:

There exist several major players in today's streamable entertainment landscape, and so far, each has been able to coexist independently and profitably. One main reason for this is that each platform offers a unique service that no other has been able to provide; Netflix offers unlimited, uninterrupted and commercial-free access to millions of new and old film and television titles, Amazon Prime Video offers a smaller uninterrupted and commercial free streaming selection in addition to digital rentals and purchases of new and old film and television titles, and Hulu offers access to the largest catalogue of new and on-air television but comes with commercial interruptions on top of the baseline paid subscription charge.

JetStream would be able to be the first and only one-stop-shop for all entertainment. Using Vudu's existing catalogue, JetStream will be able to build off of a base of rentals and purchases, and include an expanded library of streamable content and offer this to subscribers commercial-free, all in one convenient and easy to navigate site.



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Subscription Model:

Like Vudu, JetStream's baseline access will be completely free to users, however JetStream will further introduce a paid subscription model. With a paid subscription to JetStream, users can access all streamables without any commercial interruptions, in addition to discounted prices on all rentals and purchases (this will help JetStream compete with the kiosk rental prices offered by Redbox), as well as unlimited library storage.

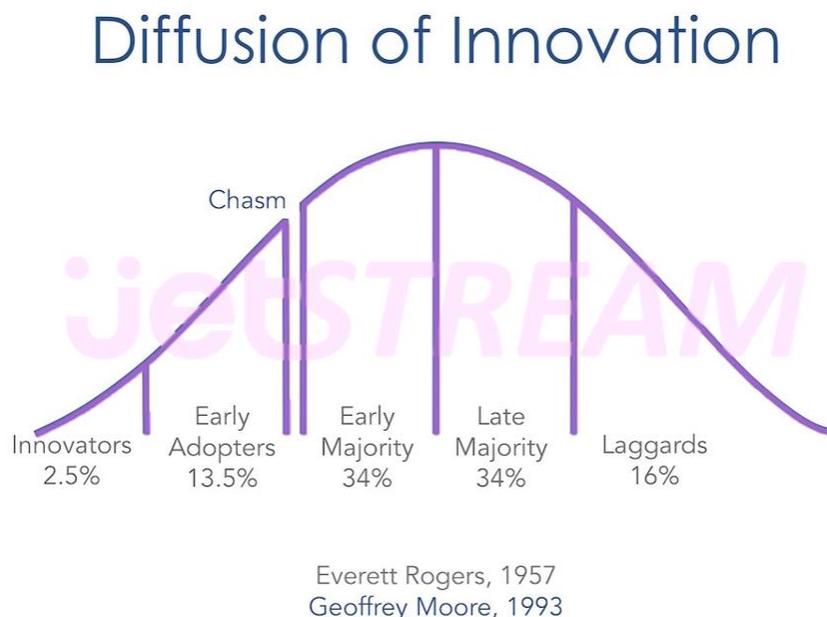
This library will be able to store and catalogue all digital purchases as well as all digital downloads via Vudu's existing Disc to Digital, UltraViolet, InstaWatch, and Movies Anywhere services.

Free access users will have access to a substantial but still limited library storage capacity for purchased and downloaded films, as well as access to streamable content supported by commercials, and all rentals.

From Casual Viewer to Film Buff:

JetStream will become a one-stop-shop for everyone from the casual viewer to the devoted film buff, utilizing Jet's existing reach to the Millennial demographic, who make up the largest group of online-media consumers in the world (*Media Consumption Behaviors by Age*, Global Web Index, Insight Report Summary, Q1, 2017).

For the Casual Viewer, JetStream will be able to offer a free and easy-to-access site with easily purchased one-time rentals as well as a catalogue of commercial-supported streamable content. Without the need to only grant access to paid subscribers, JetStream will become the first place casual media consumers will turn to for both new and streamable content. Because of this, we can cross the chasm and introduce the subscription service to a much larger group of Early Majority, Late Majority, and Laggard technology adopters (a combined 84% of the population according to Everett Rogers' statistical model of the Diffusion of Innovations shown below).



To the rest of the population that fall into the Innovators and Early Adopters of technology, JetStream will be able to at first exist alongside this population's existing streaming subscriptions, and eventually take the place of them.

JetSTREAM

Additionally, for the Innovators as well as the population of 'Film Buffs' JetStream in particular can offer an unparalleled film and television streaming, cataloguing, and library service and experience. Users will be able to purchase as well as upload (via Vudu's existing and successful services) a near-infinite amount of films and television to build a digital, access-anywhere, cloud-based film collection. Additionally, with Vudu, all films can and will include special features, content that is currently not offered through any other streaming service, a particular draw for this largely untapped demographic.

Additionally, after a successful launch, JetStream could move to acquire MUBI and their rotating catalogue of films to have a highlighted collection of titles to further penetrate MUBI's existing and growing customer base of affluent, young, film enthusiasts. Furthermore, JetStream could partner with Criterion to acquire their catalogue of features, a growing catalogue of some of the most influential films of all time that is currently not offered digitally in any form, cornering an as-of-yet completely untapped media sector.

Long Term Strategy:

In addition to the previously outlined proposal, if JetStream's subscription model becomes successful beyond conservative targets, original and exclusive content can be produced to further incentivize free users to upgrade to a subscription, and non-users to adopt the platform.

Jumping into original content too soon is a mistake made by several other attempts at streaming service competition (see YouTube Premium [formally YouTube Red], et. al) especially by those companies with a less competitive over-the-top (OTT) streaming catalogue. JetStream can avoid this pitfall by first building upon Vudu's already substantial OTT catalogue, and then begin to analyze user demographics to conservatively and strategically pilot original content to entice both casual users and non-users to opt-in for the paid subscription service.

Thank you.