Disney & Netflix fix new strategies for growth amidst management restructuring at the top.

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Iger is responsible for Disney's all-in embrace of streaming, and the launch of its marquee service, Disney+, but he acknowledged the measurement of success has changed. Wall Street investors now focus on profitability, not merely subscriber gains. "Instead of chasing (subscribers) with aggressive marketing and aggressive spend on content, we have to start chasing profitability," Iger told a town-hall meeting on the company's Burbank, California, lot, according to a transcript of remarks seen by Reuters.

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doesn’t seem to be on the cards for Disney. In his first town hall meeting since retaking power, the Disney CEO reportedly addressed rumors that Apple and Disney might reach a merger agreement.

Iger rejected the rumors as he called any talk of Apple buying the company “pure speculation” for now.

Meanwhile Netflix’s founder and its chief executive for 25 years, Reed Hastings, has stepped down from his co-CEO role to serve instead as the executive chairman.

Current co-CEO Ted Sarandos will continue to lead the streaming giant, and he'll be joined by new co-CEO Greg Peters, who has been Netflix’s chief operating officer for three years and chief product officer for six.

The succession was announced Thursday as Netflix reported better-than-expected growth in the fourth quarter, capping a turbulent year that earlier included the launch of advertising, the company's first subscriber losses in a decade and the promise of a crackdown on password sharing.

Netflix, the world's dominant streaming-video subscription service, said members increased by 7.66 million, to 230.75 million total, between October and December 2022. That beat Netflix’s October's guidance to add 4.5 million new members. It also beats analysts' average expectation, which was slightly more optimistic at 4.57 million new members, according to Refinitiv. The latest growth is a rebound from the first half of last year, when Netflix recorded unprecedented subscriber losses.

Before this year, Netflix's unflagging subscriber growth pushed nearly all of Hollywood's major media companies to embrace streaming as the future of TV. As they poured billions of dollars into their own streaming operations, the so-called streaming wars brought about a wave of new services, including Apple TV Plus, Disney Plus, HBO Max, Peacock and Paramount Plus. ■