

Apple vs. Netflix, Disney: Will bare cupboard work to overtake bulk in the streaming wars?

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Disney plans to launch a new streaming service, Disney+, in November

with thousands of titles from the libraries of Disney, Marvel, Pixar, Star Wars and National Geographic, as well as material from Fox as well.

Two weeks earlier, Apple will kick off its Apple TV+ service with just eight series and a documentary. Compare this with thousands of movies and TV shows available on Netflix and Amazon Prime Video.

"All these incredible shows for the price of a single movie rental," said Apple CEO Tim Cook in announcing the pricing this week. "This is crazy."

Perhaps. In an era when so many companies are competing for your subscription dollar, what do you think: Would you pay \$5 for just a handful of shows? (Or, as Apple calls them, "Stories to believe in.")

It's a bold move considering that Apple's Arcade gaming service, also \$4.99 a month and launching Thursday, boasts of 100 games.

Sure, Apple had a giant press event to launch new phones, but it was more of a "been there, done that" affair. The trio of new phones will have more power, longer-lasting battery (says Apple) and an improved camera. That may well be, but where have we heard that one before?

The announcement that turned heads was the \$4.99 for TV+, at a time when many analysts had expected Apple to price it at \$9.99. Then, for a kicker, it's giving the service away for one year to anyone who buys a new iPhone, iPad or Macintosh computer.

So the end game is perhaps to sell more iPhones, noted analyst Rich Greenfield to The Hollywood Reporter: "If Apple can get people spending hours a week watching its content, they're going to be more likely to buy its devices."

But again, the question comes back to \$5 a month for just a handful of shows, a lineup that will certainly expand in the coming months.

"This is classic Apple," notes Gene Munster, an analyst and investor with Loup Ventures. "Have fewer things, presumably of a higher quality."

Compared with Netflix and its bulk of original shows ("Orange Is the New Black," "Stranger Things") and movies, Apple's cupboard is pretty bare.

But how about with the other services?

Apple, indeed, has the lowest-priced of the premium subscription services, but only by \$1.

CBS-All Access and Hulu both start at \$5.99 for their ad-supported services. (Apple's is commercial-free.) In terms of bulk, CBS has its entire prime-time lineup, touts "thousands of episodes" of TV shows on its website (including oldies like "I Love Lucy" and "Cheers"), but in the original department isn't actually that far off from Apple. It promotes just seven series on its website. They include "The Good Fight," the sequel to "The Good Wife," two new Star Trek series, a remake of "The Twilight Zone" and the acclaimed "Why Women Kill" with Ginnifer Goodwin.

Hulu, on the other hand, has way more, with most of the prime-time offerings of NBC, ABC and Fox, and lists nearly 60 originals, series, movies and documentaries, including the Emmy-winning "The Handmade's Tale" along with a library of older movies and TV series as well.

For \$2 more than Apple TV+, you can get Disney+ (launching Nov. 12), and its complete library of classics, along with new series that include

"The Mandalorian," based on Star Wars movies, an update of the High School Musical franchise, the return of the Disney Channel classic "Lizzie McGuire" and a live-action remake of the 1955 film "The Lady and the Tramp."

As you go up the pricing escalator, Netflix is next, starting at \$8.99 a month (that's \$12.99 or \$15.99 if you want to watch in 4K and on more screens), and Amazon Prime Video (available as part of the Prime expedited shipping and entertainment service) works out to \$9.92 a month, or \$119 a year.

But again, Netflix and Amazon offer thousands of shows, mostly library movies and TV shows through the years, along with fewer than 100 original TV series.

Can Apple survive with just a handful, even if they have stars like Jennifer Aniston and Reese Witherspoon in the lead?

"Apple needs a library to augment the originals," says Daniel Ives, an analyst with Wedbush Securities. "They'll either have acquired one by the time they launch or soon thereafter."

And he believes that Apple will boast of more 100 million subscribers within three years because of the strength of its retail Apple Store and iPhone base of nearly 1 billion users.

Reader Michael Markman says the idea that Apple is actually selling the service for \$5 is a misnomer.

"The price isn't \$5; it's \$0," he notes on Facebook. "Apple TV+ is a free gift," with purchase of new iPhones, iPads or Macs. "How many of the tens (hundreds?) of millions of people who... buy...will say no to a short list of shows by A-list talent?"

On a historical basis, that would work out to about 260 million purchasers a year and if everyone signed up, Apple TV + would easily have way more than Netflix's 150 million subscribers.

So maybe the thinner cupboard doesn't matter.

Readers, what do you think?

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