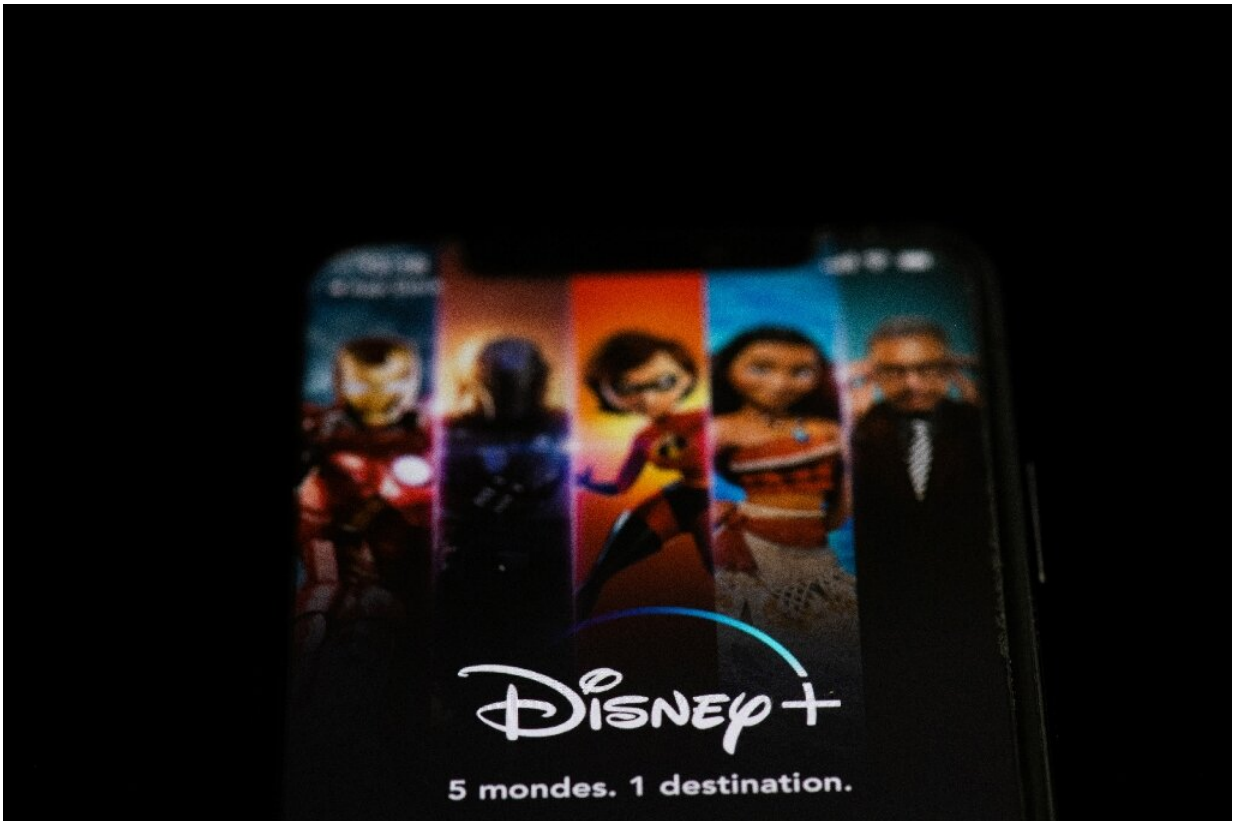


Disney streaming services gaining ground on Netflix

February 12 2021, by Glenn Chapman



Disney+, with its 95 million subscribers, claims the bulk of Disney's streaming audience

Disney said Thursday its streaming services flourished while its parks, travel and film businesses remained hobbled by the pandemic at the end

of last year.

The entertainment colossus behind the Magic Kingdom and all its entertainment wonders saw subscriptions at its streaming services surge to more than 146 million subscribers, as people hunkering down due to the pandemic have turned to sources of online entertainment.

The audience growth for Disney+, Hulu, ESPN and India's Hotstar comes as the [parent company](#)'s travel and amusement park business suffered, and shows the entertainment giant is gaining ground on leading streaming [service](#) Netflix's 203 million subscribers.

"We're confident that, with our robust pipeline of exceptional, high-quality content and the upcoming launch of our new Star-branded international general entertainment offering, we are well-positioned to achieve even greater success going forward," Disney chief executive Bob Chapek said in an earnings release.

The growth of Disney's streaming services, with the bulk of the audience made up of the 95 million subscribers who joined Disney+ since it launched about a year ago, trounced expectations.

Disney+ alone added 21.2 million paid subscribers in the final quarter of last year, according to the earnings report.

The entertainment giant is prioritizing exclusive programming, original shows and movies, as well as bundled streaming services to build on the momentum of its various offerings, which extend beyond Disney+ to include ESPN, Hulu and Hotstar.

Hit launches at Disney+ at the end of last year included an animated film "Soul" that combined comedy and drama with a message about finding the spark that gives life meaning.

The quarter also featured a new season of original Star Wars spin-off series "The Mandalorian."

Disney has played to the strengths of its Pixar, Marvel and Star Wars teams, as well as its own studio content at the streaming service.

"Disney+ has been a massive success and is a testament to Disney's brand equity and expertise in storytelling," said eMarketer analyst Eric Haggstrom.

"This has been one of the most successful consumer product launches in recent memory."

The analyst expected Disney [streaming services](#) to continue growing, and that its parks, television and movie businesses will recover quickly as Covid-19 vaccines are administered and pent-up demand is unleashed.

Tending to talent

The pandemic hit Disney's parks and experiences unit hardest, with the company's resorts closed or operating at reduced capacity and its cruise ships idle, according to executives.

Revenue in that unit plunged more than 50 percent, turning it from a big profit engine to a loss on the balance sheet.

Film and television production has also been disrupted by the pandemic, although much of it resumed in the recently ended quarter, the company reported.

Disney anticipated an additional billion dollars in costs this year associated with government regulations and safety measures for "employees, talent and guests" as a result of the health crisis.

The company also did not release any new films to theaters in the quarter, but stressed anew that it expected to return to debuting movies in cinemas.

Revenue in the quarter fell 22 percent to \$16.25 billion but beat market expectations. Disney reported profit of \$17 million compared with \$2.1 billion in the same period a year earlier.

Disney shares were up three percent in after-market trades that followed release of the earnings figures.

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