

Verizon Fight Back After Receiving The Blame For Netflix's Slow Streaming

Contributed by Brand Keys

Monday, 09 June 2014

Last Updated Monday, 09 June 2014

When the waiting time for video to load was over-long, Netflix posted a notice advising users to blame Verizon. "The Verizon network is crowded right now" but Netflix is adjusting for smoother playback.

When Brand Keys asked who was responsible for slow program streaming, of 1,000 U.S. consumers who have a streaming video provider, 86% blamed the Broadband Provider. And, of 400 consumers who are Netflix subscribers, when asked whether the blame was Netflix's or Verizon's, 365 (91%) blamed Verizon.

Verizon disagreed, and called in the attorneys to issue a cease-and-desist letter saying these "false accusations have the potential to harm the Verizon brand" and that the allegation "is self-serving, deceptive, inaccurate, and an unfair business practice." And that Netflix's systems for streaming are complex and so you can't just go ahead and blame Verizon with substantiation. They also requested a list of Netflix customers who were shown the notice.

"There are issues about who pays what for connecting directly to the Verizon network and bypassing the "go-between" carries content through the Internet, the lawyers will eventually sort all that out, but ultimately "from a brand perspective" it comes down to who the consumer believes," said Robert Passikoff, Brand Keys founder and president. "And the brand consumers believe ultimately comes down to which brand they are most emotionally engaged with."

Engagement = Loyalty

High emotional engagement means higher degrees of loyalty, which translates to higher degrees of brand believability and higher degrees of a consumer's willingness to give the brand with the highest engagement the benefit of the doubt. Six times more.

While engagement is category-specific, it is possible to compare Online Video Streaming and Broadband Providers via the category Ideal, and when we do Netflix comes out significantly higher than Verizon " 89% vs. 77%, and as engagement correlates with all those positive behaviors and attitudes, consumers should feel the same way. And they did.

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The letter to Netflix warned that Verizon could "pursue legal remedies." But given their current emotional engagement levels, they probably want to avoid a jury trial.

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