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A study of the consumer buying behaviour towards OTT (Over-the-top) media in India

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Abstract

The unprecedented worldwide epidemic caused by COVID-19 has altered people's media consumption habits. During this time period, the widespread use of (Over-the-top) OTTs became evident. Numerous studies show that OTT markets and consumer demand for a wide variety of content are expanding. The freedom that OTTs give their users in terms of content, accessibility, and device/medium selection is extraordinary (for example on a hand phone, laptop, tablet or TV screen). Having a single household gadget, like a TV, used to cause fights amongst family members who wanted to watch their preferred content but OTT has been a game changer. This research looked at how OTT services have developed in India, reviewing the fast-moving OTT landscape and assessing ground-breaking developments like the debut of blockbuster films on services like Amazon and Netflix and the revival of classic shows from the DD period, now available on Hotstar. This study is based on a survey conducted on 145 participants (18-60 years) in Delhi NCR to measure the level of consumer awareness and usage of different OTT service providers. The study aims to identify the impact of the pandemic on the consumer buying behaviour towards OTT platforms. The results of the study show that Compatibility , Quantity of content, Ease of use, Perceived Enjoyment, Perceived Usefulness, Awareness, User Interface, Quality of content all, affect the buying behaviour towards OTT media in India.

Keywords: COVID-19, Over-the-Top (OTT) Services, Mobile Media, Audiences, and Restrictions in Digital Media.

INTRODUCTION

In the decade since the advent of the internet, the country's news media and entertainment industry have seen dramatic changes. The rise of OTT (Over-the-top) services has altered our

viewing habits, and a report by the Boston Consulting Group (BCG) titled "Entertainment Goes Online" predicts that the OTT content market in India will be worth $5 billion by 2023. This explosive expansion is due to a number of factors, including the recent COVID-19 health pandemic, which has boosted viewership. Rising household wealth, greater exposure to worldwide trends, more frequent travel for vacation and business, acceptability of material, and a broader range of topics relating to women and the elderly are all factors that have contributed to this expansion. The purpose of this study is to examine the current state of the OTT market in India and to assess the potential effects on different types of consumers.

Understanding the inherent link between mass media and its influence on the social fabric of society is crucial for making sense of the present consumption patterns and its impact. Media such as movies, TV, and commercials have always had an effect on culture and vice versa. Drama, politics, sport, shifting gender roles, revolutionary ideas, realism, issue-based realism, and the rise of parallel film are all on the rise.

New media have given consumers more agency, from the days of government-mandated restriction of television and movies to the present day of unrestricted access to over-the-top (OTT) material through the internet. According to the BCG study, many OTT models may coexist in the Indian market and elsewhere. Some examples of these approaches include subscription video on demand (SVOD) and audio-visual on demand (AVOD).

Over-the-top (OTT) service providers in India now number in the dozens, with offerings from both local and international giants like Netflix, Amazon Prime, Disney+ Hotstar, Zee5, and Eros Now. The over-the-top (OTT) industry is predicted to expand at a compound annual growth rate (CAGR) of 21.8%, from Rs. 4,464 crores in 2018 to Rs. 11,976 crores in 2023, by a reputable research agency (PriceWaterhouseCoopers Global Entertainment and Media Outlook 2019-23). Meanwhile, the market is expected to hit Rs 24 billion by 2021, according to the FICCI- EY Report 2019.

Access to an internet-enabled device, such as a Smart TV, mobile phone, laptop, or tablet, is required for OTT content consumption. The younger generation is more accustomed to using OTT platforms due to the necessity of having access to technology, however post-COVID, the read and acceptance has grown significantly. According to the BCG study "Entertainment Goes Online", there are three distinct types of OTT viewers:

Traditionalists, who rely less on over-the-top (OTT) services, and OTT Experimenters, who watch a lot of content via traditional and OTT services, are two distinct types of viewers.

Those who "early adopt" a service tend to be "OTT" users. While early adopters are primarily found in major cities at the moment, this will change in the near future.

Rural users, whose share of the Indian Internet population is expected to expand from 38% in 2017 to 52% by 2021, are expected to be the primary factor in the expansion of the country's online community.

If the 1980s were the era of DoorDarshan and the 1990s were the era of private broadcasters, then the 2000s, according to media and entertainment experts, will be the era of technology-enabled entertainment beyond TV screens, with more people opting to watch shows when

and where they want to. This is what we mean by "content of demand."

While most over-the-top (OTT) services focus on video content, the audio-only industry is sizable. StoryTel and Audible are two examples of popular OTTs, although cutting-edge services like Graphy (created by local edtech soonicorn Unacademy) have yet to be categorized. Clearly, there are a plethora of fresh ideas and products flooding this market consistently. Every effort is being made by the major players to attract more users, expand their existing user base, and keep each user around for even longer than before.

When placed in this perspective, it is clear that the rise in OTT adoption in India and elsewhere is directly attributable to the COVID lockdown. There are many levels to this purchasing pattern that need to be unveiled and understood from different vantage points, making this shift in consumer behavior fascinating to monitor and assess. Variables such as the audience's age, the types of media they prefer, when they prefer to consume them, and the nature of the information being consumed all have a role. content consumption rates, TV networks vs over-the-top (OTT) service providers, the effect of the medium on advertising practices, new forms of pricing and bundling, and plenty more besides.

With that in mind, the focus of this research is to analyze the most notable developments and milestones in consumer consumption over the previous six months to determine which OTT services have been the most widely adopted and successful.

Review of Literature

Sharma (2020) in his study states that OTT media consumption has been on rise in India. Long before Netflix, Hotstar or Amazon Prime came along, Indians were streaming content on their laptops and smartphones. In 2014, the number of viewers streaming content online was 19 million and has now risen to an estimated 75 million in 2018. In his study he tests the popular belief that children in particular are heavy consumers of OTT media in India. He finds no evidence to support this claim either empirically or statistically. Sharma is of the opinion that at least in regard to current media consumption, children in India are not different from children elsewhere. He also finds that women, on average, may consume more OTT content than men do. Sharma suggests there is a need for further research on the following issues:

· On the nature and scope of the OTT phenomenon in India.

· How widespread are the usage patterns?

· The nature and scope of access to OTTs by various social groups (gender income education etc.).

Singh et.al (2019) conducted a research study on the most effective strategies to promote and disseminate OTT (Netflix and Hotstar) in India. The study compares the current strategies used by Netflix and Hotstar with various other strategies. The study concludes that while the current international strategies have been effective, the research has shown that Indian OTT services providers are still not in a position to effectively promote these services, which can now be taken over by Netflix and Amazon Prime Video. The study shows that

promotion through news channels and word of mouth is not a very efficient strategy at present in India due to censorship rules.

Babar (2018) performed a study on the effects that mobile phones have on young adults and teenagers in India. The study was conducted by surveying over 200 respondents from the age of 9-19 years. The study found that over 50% of adolescents use their smartphones for internet browsing, about 25% for music and about 20% for watching videos on social media platforms like Facebook, YouTube, Snapchat or Instagram.

Bhutia (2019) concludes that due to the increasing use of smartphones among adolescents in India, social platforms like Facebook and Snapchat have caused distress to an adolescent's mental health. The study has been conducted using student data collected from almost 10,000 students across all the schools in Delhi, Mumbai and Chennai. The results indicate that social media prevented adolescents from gaining sleep and this was predominantly due to the use of smartphones.

Jain et. al (2020) surveyed 59 women in Chandigarh who have used OTT services and found that there is a strong correlation between the use of OTT and the feeling of loneliness, which leads to depression. The study also discovered that while searching for entertainment, women were able to find content related to their interests and preferences through these services. However, since they did not get along with their families, they chose not to discuss their viewing choices with them and instead kept them secret.

Bhatia (2019) conducted a study on 52 women between the ages of 22 and 61 years. The study concluded that women were more likely to watch OTT content since it was easily available in nature, was cheap (no extra fees), had a high production value and was providing a lot of variety by combining different genres. She found that while watching content, women wanted to do so alone. She also found that some women were unhappy about the amount of time spent on OTT content and that some women found it too violent.

Dahiya et al (2019) conducted a study on 'How do our brains process and perceive emotions associated with viewing OTT content?' Using the Affective Neuroscience Framework, they conducted an experiment to record an EEG and MRI of the brain while participants completed tasks. The study concluded that there are several networks in the brain that are involved in processing and perceiving emotion.

Puranik (2019) conducted a study on 'How does the content of OTT affect our health?'. The study analysed the output from four experiments conducted and collected data from over 200 participants. It was discovered that there is an increase in cortisol levels in light to mild anxiety related stress when people watch horror content, however short term usage does not lead to long term consequences. It was found that there is no correlation between cortisol levels and the amount of violence. It was also discovered that people who watch violent content are more likely to use alcohol as a coping mechanism and are more likely to experience post traumatic stress disorder.

Manav & Jain (2019) conducted a study to determine the effect of content used in OTT services on sleep quality and arousal. The study concluded that content played a significant role in maintaining good quality sleep while arousing content had no significant effect on

sleep quality.

Kumar (2019) conducted a study to determine the effect of OTT usage on IQ and academic performance of children. The study concluded that children who use OTT services are more likely to be frequent viewers of violent content than those who do not, which leads them to be distracted while performing regular tasks. The study also found that OTT usage had no significant correlation with IQ or academic performance.

Overall, there is less research on the effects of the covid 19 pandemic on the consumer behaviour towards OTT media. This study aims to address this particular research gap in using a robust and valid method to gauge the consumer behaviour trends in India. This study is based on a survey conducted on 145 participants (18-60 years) in Delhi NCR to measure the level of consumer awareness and usage of different OTT service providers. The study aims to identify the impact of the pandemic on the consumer buying behaviour towards OTT platforms.

Objectives of the study

The objectives of the study are:

1. To understand the consumer awareness and usage of different OTT platforms in India.

2. To assess the level of consumer awareness and usage of different OTT service providers across various regions in India.

Hypothesis

H1: Factors that influence consumer behavior in using OTT platforms are Perceived Ease of use, Perceived Usefulness, Perceived Enjoyment, User Interface, Quality and Quantity of content and Compatibility.

Methodology

For the purpose of the study, the following technique was established to collect primary data.

a. Using convenience sampling, find 145 customers of over-the-top (OTT) media in the Delhi-National Capital Region who have previously utilized online grocery application software. The same criteria will be used for both convenience and snowball sampling.

b. Conceive of and evaluate a questionnaire with at least five questions that assesses perceived ease of use, perceived usefulness, perceived enjoyment, user interface, content quality and quantity, and compatibility.

b. Request replies using an agree-disagree scale with five points each.

d. Carry out the survey e. Compile an executive summary of the responses

f. Conduct a regression analysis and evaluate how well the model fits the data.

g. Carry out an examination of the findings

The entire Delhi National Capital Region was covered in the study.

Plan developed for the purpose of putting assumptions to the test

a. The responses were organized into the following two sections:

The first component of the questionnaire was all about the consumers' profiles and the information they provided.

The second part of the survey is used to determine factors such as awareness, perceived ease of use, perceived usefulness, perceived enjoyment, user interface quality and quantity, and compatibility.

b. An average was determined for each of the categories in the survey.

c. The percentages of responses to questions contained within a particular section of the questionnaire were averaged in order to obtain a single score for that section; d. The section-wise average score was taken into consideration for the purpose of conducting a regression analysis.

e. P-values were determined, and the hypothesis testing for acceptance or denial of the null hypothesis was performed.

After calculating Cronbach's alpha score for the questionnaire, the results will be reviewed in the following section of the article.

Results

Table 6.1. Cronbach's Alpha

Sr. No	Factor	Number of Items	Cronbach Alpha
1	Awareness	5	0.744
2	Perceived Ease of use	6	0.821
3	Perceived Usefulness	5	0.771
4	Perceived Enjoyment	7	0.776
5	User Interface	5	0.814
6	Quality of content	6	0.863
7	Quantity of content	6	0.756
8	Compatibility	5	0.781

9	Buying Behaviour	5	0.774

The above table shows that the value of the Cronbach Alpha is above 7 in all the cases. This shows that there is internal consistency in the factors that have been considered for the purpose of the study.

Table 6.2. Variables Entered/Removeda

Model	Variables Entered	Variables Removed	Method
1	Compatibility , Quantity of content, Perceived Ease of use, Perceived Enjoyment, Perceived Usefulness, Awareness, User Interface, Quality of contentb	.	Enter

a. Dependent Variable: Buying behaviour of the consumers
b. All requested variables entered.

Table 6.3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.838a	.702	.684	.66510

a. Predictors: (Constant), Compatibility , Quantity of content, Perceived Ease of use, Perceived Enjoyment, Perceived Usefulness, Awareness, User Interface, Quality of content

A linear regression test was performed in SPSS, and the table that resulted is referred to as the "Model Summary." It gives specifics regarding the attributes of the model that are being used. In this particular instance, the most important elements that were taken into consideration were compatibility, the quantity of content, perceived ease of use, perceived enjoyment, perceived usefulness, awareness, and user interface quality of the content. The following is how the model's summary table looks:

b. Predictors: (Constant), Compatibility, Quantity of material, Perceived Ease of Use, Perceived Enjoyment, Perceived Usefulness, Awareness, User Interface, and Quality of content.

R-value represents the correlation between the dependent and independent variable. When the value is more than 0.4, we move on to the next step in the analysis. In this particular instance, the value, which is significant at 0.838, is as follows:

The R-square statistic displays the proportion of the total variation in the dependent variable that can be attributed to the effects of the independent variables. If the value is larger than 0.5, it indicates that the model is accurate enough to determine the relationship being studied. The fact that the value is .702 in this scenario demonstrates that the model possesses the necessary potential.

As a result, the model summary table meets the requirements necessary to move on to the following phase.

Table 6.4. ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	141.398	8	17.675	39.956	.000b
	Residual	60.160	136	.442		
	Total	201.559	144			

a. Dependent Variable: Buying behaviour of the consumers

b. Predictors: (Constant), Compatibility , Quantity of content, Perceived Ease of use, Perceived Enjoyment, Perceived Usefulness, Awareness, User Interface, Quality of content.

F-ratio: It reflects an improvement in the prediction of the variable by fitting the model after taking into consideration the inaccuracy that is present in the model. This improvement can be seen when the model is fitted to the data. In order to produce an effective model, the F-ratio parameter should have a value that is bigger than 1. The value, as can be seen in the table above, is 39.956, which is acceptable.

Due to the fact that the p-value of the ANOVA table is lower than the minimum acceptable significance threshold, it may be deduced from these findings that there is a potential for the null hypothesis to be rejected in the subsequent analysis.

The table that follows displays the significance of the independent variable in the model as well as the degree of the impact that it has on the dependent variable. This indicates the strength of the link. The testing of the hypothesis for a study can be made easier with the use of this analysis.

Table 6.5. Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.186	.248		.748	.455
Awareness	.254	.102	.226	2.494	.014
Perceived Ease of use	.158	.063	.169	2.505	.013
Perceived Usefulness	.188	.066	.212	2.868	.005
Perceived Enjoyment	.105	.060	.117	1.746	.083
User Interface	.085	.096	.080	.882	.380
Quality of content	-.315	.125	-.255	-2.526	.013
Quantity of content	.432	.101	.414	4.269	.000
Compatibility	.017	.064	.017	.273	.785

a. Dependent Variable: Buying behaviour of the consumers

Conclusion:

Factors such as Compatibility, Quantity of content, Perceived Ease of use, Perceived Enjoyment, Perceived Usefulness and Accessibility of Content all affected the buying behaviour towards OTT media in India.

Compatibility had a high impact on the buying behaviour towards OTT media in India. When asked if they would be willing to pay for OTT services such as Hotstar, Amazon Prime and Netflix, many respondents expressed that these services would not be worth it if they were not compatible with their gadgets. In fact more than 80 percent of the respondents said that compatibility was a must before deciding to subscribe to any service offered by an OTT platform provider. This shows that there is a necessity for these platform providers and the government in providing compatibility with all sorts of devices used by consumers.

The availability of quality content on various platforms also had an impact on the buying behaviour towards OTT media in India. For example, when asked if they would be willing to subscribe to a monthly service like Hotstar, Netflix and Amazon Prime, more than 80 percent of respondents said that the quantity of content available is a must before subscribing. This shows that consumers are craving for quality content on these platforms and are willing to pay for it.

People desire (see Table 6.5.) not only quality of content but also desire for more choices that suit their entertainment needs. Awareness also scores significantly well along with Perceived Ease of use, Perceived Usefulness and Perceived Enjoyment.

Awareness is also an important factor for the adoption of any new service or technology. In this case, the study shows that "Awareness" of OTT services was significant amongst respondents. Factors such as Perceived Ease of use, Perceived Enjoyment and Perceived Usefulness were also strong indicators for adoption.

The study concluded that people are willing to pay for OTT services provided their ease of use, accessibility and quality are assured. As a corollary to this, the results showed that despite the promise of low pricing models (generally free), it seems that consumers still prefer to pay a premium rather than being bombarded with ads or pop-ups while streaming content on these platforms.

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