

# Market Research and Analytics on Rise of OTT Platforms: A Study of Consumer Behaviour

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**ABSTRACT:** With the rapid improvements in technology and increasing levels of Internet penetration across India, the way people consume media is changing. The emergence of Over-the-Top media services has started to change media space significantly. OTT Platforms give us the freedom to watch movies and TV series, at our own convenience. While majority of the population of the country use Television, we can see a shift towards OTT Platforms like Netflix, Amazon Prime, Disney + Hotstar, Sony Liv, and Zee5. Some of these services may charge a premium cost when compared with Television, they offer various benefits which make them an attractive option. Content streaming on online platforms have much less breaks and advertisements compared to Television. They have given Indians better access to the International Content with different languages Subtitles available. This Study aims to understand the behaviour of Consumer towards OTT Platforms which includes various indicators like their age, average monthly spending of time and money before and after Covid-19, their preferred OTT Platform, their preferred Content, their preferred model of OTT, reasons behind preferring OTT over TV and level of satisfaction etc. To Conduct Survey, the Sample population has been Choose by Random Sampling. The primary data has been collected through questionnaires with responses of 402 respondents from Students, working professionals & business class people from every- age group. Data has been tabulated & analyzed to understand the perception of individuals towards OTT Platforms.

**Key Word:** Technology, Internet penetration, OTT Platforms, Television, Content streaming, Advertisements.

## I. INTRODUCTION

In the year 1959, television was introduced. The evolution of entertainment has seen drastic changes over the years from

conventional dish or satellite modes, theaters towards on demand mode, over the top platforms. In India, BigFix was the first OTT Platform which was launched by Reliance Entertainment in 2008. The market keeps evolving with the entry of new players and in the year 2016, big revolution took place into the entertainment consumption space with the entry of new media services that are over the top platform with Netflix, amazon prime videos, Disney plus hotstar, alt Balaji, zee 5, Voot and many OTT platforms for regional cinemas. OTT Platforms has large repository of movies and TV Series from across the globe which can be accessed through different devices like Phones, Laptops etc. These Platforms are even producing their original movies/web series & shows, giving their own users a completely different experience. It is basically a media streaming service which is available for the users through the Internet. Increase in the consumption of internet services and smart phones and reduction in its cost are one of the prime reasons for the growth of OTT platforms. These Platforms are becoming more & more customer oriented & have been consistent innovations. As per ministry of information and broadcasting there are around 48 paid broadcasters, 850 plus registered TV channels. In the Indian market most of the users like to have advertisements led free to view models e.g.- YouTube than subscription-based model. The reasons for its growth are - India is a growing mobile market in the world, the launch of 4G services in India, it is tapping mass audiences from various genres from movies, shows, web series to all forms of sports. It has turned out to be a new parallel space to meet the growing consumption needs of audiences as well as for the creators to have such actors who have talents but can't draw box office numbers due to less star power for the Indian mass audiences.

## II. REVIEW OF LITERATURE

According to (Purdy, 2018) The OTT market is a complex space dominated by three powerful players-Netflix, Amazon Prime, Hulu. It is challenging for small players to find their place in fierce competition where content rules but customers can be dragged if they focus on providing curated content, limiting account sharing, getting the price right and reducing churn through improved customer experience.

Article (Singh, 2020) OTT Platforms has experienced a surge in consumption and subscriber impacted by the COVID-19. The recent survey by InMobi states that 46% viewers are watching more content online. "As these channels have been unable to shoot due to the lockdown, they are running old content. In such a scenario people will gravitate towards OTT to watch fresh content." says Paresh Joshi, media consultant & Principal, Provocateur Advisor, on the topic that television channels run out of content.

(Singh D.P., 2019) The advent of the Internet is changing the trend of Indian Cinema very rapidly. Reduced price of internet services lay the foundation for increase in OTT services like Netflix, Hotstar, Zee5, Amazon Prime and Alt Balaji. Many ventures are producing video content solely for these OTT Services. These new ventures are changing the way of Indian Television and Cinemas. The OTT Services analyze the video content watched by the users and keep providing them the content on similar genres.

This article (Basu, 2020) gives a brief idea about the relationship between TV and OTT in Indian market and the scope for it. When it comes to subscription television, India is the second largest market in the Asia Pacific region. Digital development has led to exponential growth in the number of TV channels. The television penetration in India is 61%.

This article (Laghat, How OTT Players are geared up to woo Indian viewers, 2017) talks about how people have experienced an increase in the use of OTT especially through handheld devices. People prefer watching movies on OTT platforms rather than waiting for movies and shows to be released on linear platforms. People in India have more OTT platforms than people in any other country with options like Hotstar, Voot, Amazon Prime, Sony Liv, Netflix etc. Although there were few companies that tried to establish themselves in the Indian market, it started when Hotstar launched in 2015 with a huge budget for advertising and marketing.

In a report titled 'Digital Media: Rise of on-demand Content' by Deloitte it is noted that the rise of internet-enabled digital devices capable of

supporting digitized content has led to an increase in the use of digital content globally. In India, this trend is observed across diverse platforms such as audio, visual, news, music etc. It mentions that an Indian youth, on an average spends 14% of their time and nearly 17% of their monthly expenditures on entertainment. An internet content consumer in India consumes an average of 6.2 hours of content on an everyday basis out of which 21% of the time is spent on audio-visual entertainment. A shift in consumer attitude with regard to a favoritism for OTT content and easy access to vast libraries at any time and place over content ownership is notable.

A study titled 'UNDERSTANDING ADOPTION FACTORS OF OVER-THE-TOP VIDEO SERVICES AMONG MILLENNIAL CONSUMERS' by Dr. Sabyasachi Dasgupta and Dr. Priya Grover also reiterates that Indian audiences have swayed towards OTT content and are willing to spend for easy and unlimited access to content without a place and time limitation. It again notes the inverse impact of the pricing strategy of OTT on its popularity. Data consumption is another attribute (PJAEE, 17(6) (2020) 4215 that makes it a tough choice for Indian viewers and so is habits and preferences for TV as a medium.

Another study by Sidneyeve Matrix on Netflix observes that viewers, especially youth, are becoming active curators of content than couch potatoes taking in 'whatever producers feed them.' Supporting this paradigm shift in consumers is the need to share, stay connected and discuss the content on social media forums. In the process of these social media transactions, the viewers are setting new standards of expectations from producers thereby becoming an active catalyst in the production process too.

A paper by Paramveer Singh finds that Netflix, Hotstar and Jio are most popular among Indian youth. The youth is skewed towards free trials available on these platforms, are nocturnal viewers and prefer web series format over films. The respondents affirm that over-the-top applications are changing media consumption patterns in India. The shift can be attributed to convenience of service, personalized experience and availability of global content etc. The study finds the future of OTT in India to be promising due to increasing smartphone penetration, economic convergence of media companies (takeovers/ mergers) at national or international level, and quality of reception of digital content. Also instrumental is the competitive internet data plans offered by telecom service providers in India.

Ritu Bhavsar in her research paper entitled “The Burgeoning Digital Media Consumption: A Challenge for Traditional Television and Advertising Industries – An Analysis” mentions that digital media has become an indispensable part of everyday lives and is a prominent medium used for gathering and disseminating information, socialization, entertainment and marketing. An ever-increasing consumption of content via digital media effects a change in the consumer preferences and attitudes and this transformation trend can be associated with better internet connectivity, advanced digital devices, competitive data prices in India and the accessible, on-the-go nature of internet media.

### III. OBJECTIVES OF THE STUDY

1. To Study the concept of OTT Platforms.
2. To know which age group is more likely to use OTT Platforms.
3. To Know which OTT Platform is most preferred by Indians.
4. To Know reasons behind preferring OTT Platforms over TV.
5. To Know average monthly spending of Indians on OTT Platforms.
6. To Know average time spent by Indians on OTT Platforms.
7. To Know what Indians, prefer mostly to watch on OTT Platforms.
8. To Know if Covid-19 increased spending on OTT Platforms.
9. To Know if Indians would switch from DTH to OTT Platforms solely.
10. To Know what type of OTT model Indians would like to avail.

11. To Know the satisfaction level of Indians from OTT Platforms.

### V. RESEARCH METHODOLOGY AND DESIGN

For the following research we firstly decided on the parameters we want to study. Followed by conducting a survey for the same. This process can be described further as:

**Area Coverage:** This study is conducted in various areas of India.

**Collection of Data:** We collected primary data by conducting a survey. This survey was circulated to various parts of the country. The questionnaire asked for all the appropriate questions related to the research project. The data was collected between the time period of April 2021 to June 2021.

**Analysis of Data:** The master table was prepared for entering the responses of each respondent and small cross tables were made from the master table for analysis. Master table consists of the entry of all the entries from each respondent for each question of the questionnaire. From this table we took the particular variables for statistical analysis.

**Statistical Method:** Google Forms - Statistical and Qualitative Data Analysis Software is used to analyses the data collected.

**Research Limitation:** Despite all the efforts and dedication towards this study, the only limitation to this research is that this online questionnaire is conducted and distributed online with channels such as email and text messenger (WhatsApp, Facebook messenger, etc.). Therefore, it limits the correspondents with internet access or mobile data access.

### VI. DATA ANALYSIS

- 1.) Age of respondents

Select your age group.

402 responses

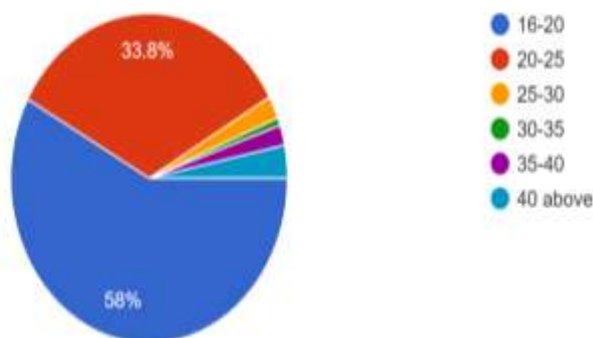


Fig. 1

Fig. 1 shows that most of our respondents who are a part of our research study belong to the age categories of 16-20 and 20-25. So, it reveals those consumers belonging to this age category are

more in touch with OTT Platforms and hence have provided valuable inputs in the making of this research study.

2.) Screening questions

Do you know about OTT Platforms?

402 responses

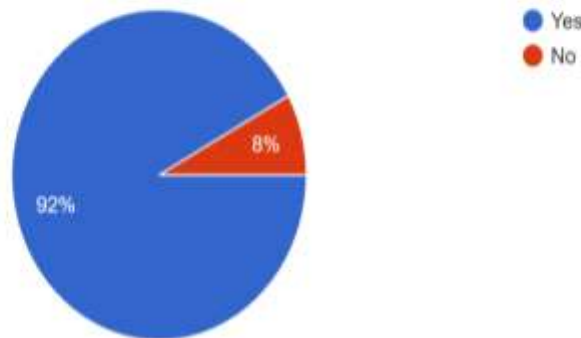


Fig. 2

The above question was used as a screening test for respondents. Fig. 2 shows us that 92% of the respondents know about OTT Platforms and hence were deemed fit to be part of research.

If you know then, Which one you use most often?

402 responses

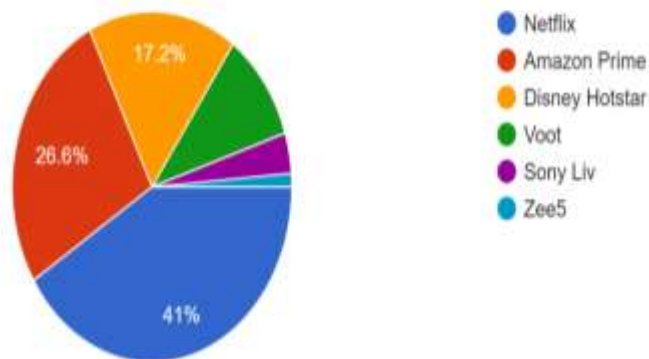


Fig. 3

The above question was aimed to know about the dominant OTT Platform in Consumers. Fig. 3 shows us that Netflix with 41% and Amazon Prime with 26% are Dominant Platforms followed by Disney+ Hotstar with 17.2%.

3.) Reasons behind preferring OTT

Rate your reasons behind preferring OTT platforms over TV?

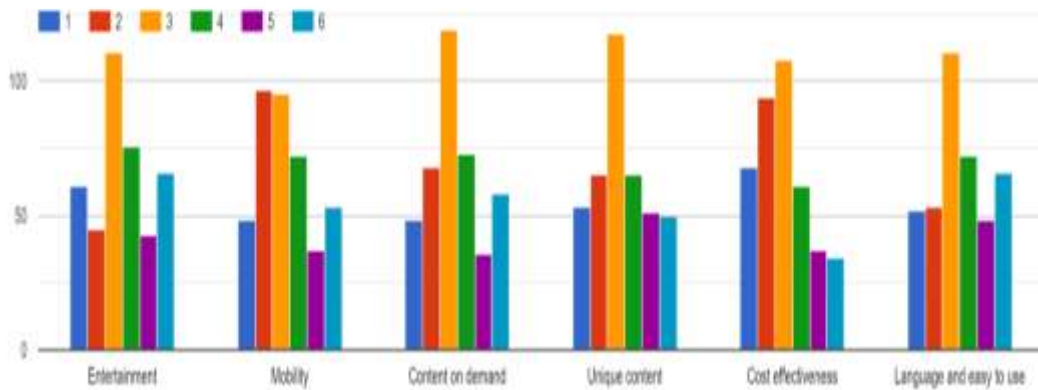


Fig. 4

The above Likert Scale question was aimed to understand the reasons behind preferring OTT over TV by consumers. Fig. 4 shows us the ratings of the respondents' reasons.

4.) Monetary Spending

How much do you spend monthly on subscriptions of OTT platforms?

402 responses

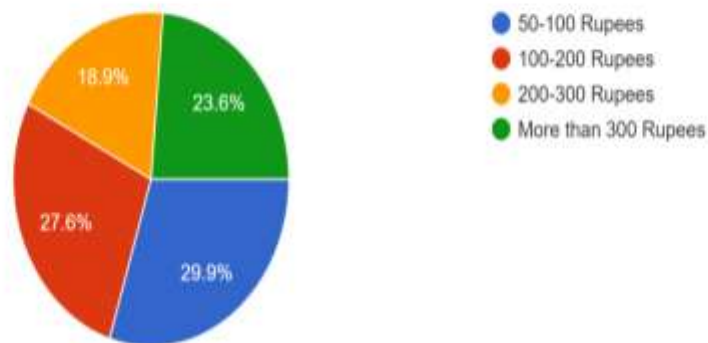


Fig. 5

The above question was aimed to find out average monthly spending on subscriptions on OTT Platforms by consumers. Fig. 5 reveals that on average consumers are spending 50-200 rupees followed by 57.5% out of total and remaining are spending more than that.

5.) Time spending

How much average time you spend per day on OTT platforms?  
 402 responses

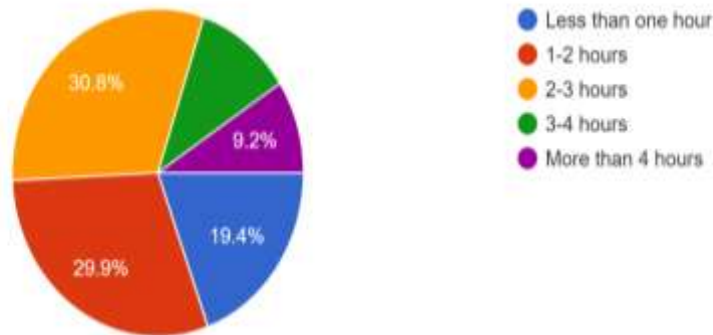


Fig. 6

The above question was aimed to find out average time spent per day on OTT Platforms by consumers. Fig.6 reveals that on average consumers are spending 1-3 hours followed by 60.7% out of total and remaining spend less or more than that.

6.) Consumer Preferences on Content

What do you prefer mostly to watch?  
 402 responses

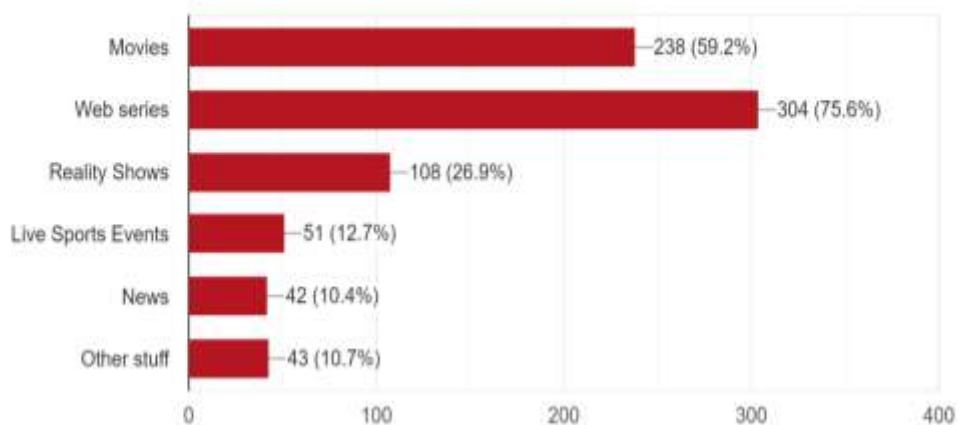


Fig. 7

The above multiple-choice question was aimed to find out the choice of content consumers are preferring more on OTT. Fig. 7 reveals that

dominantly consumers are preferring web series with 75.6% followed by movies with 59.2%, reality shows with 26.9% etc.



Impact of COVID-19 on OTT

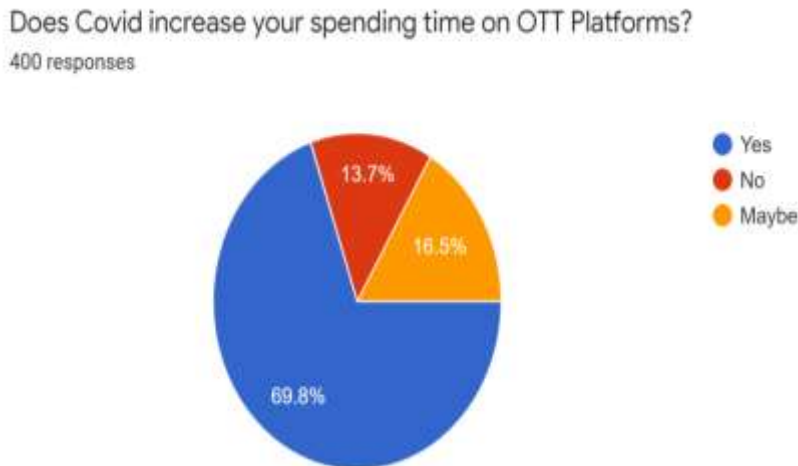


Fig. 8

The above question was aimed to find out COVID-19 effects on consumer behaviour towards OTT Platforms. Fig. 8 shows us that the majority of consumers respond to “Yes” with 69.8% for increase in consumption. Now to clarify consumer behaviour more, the next question was aimed.

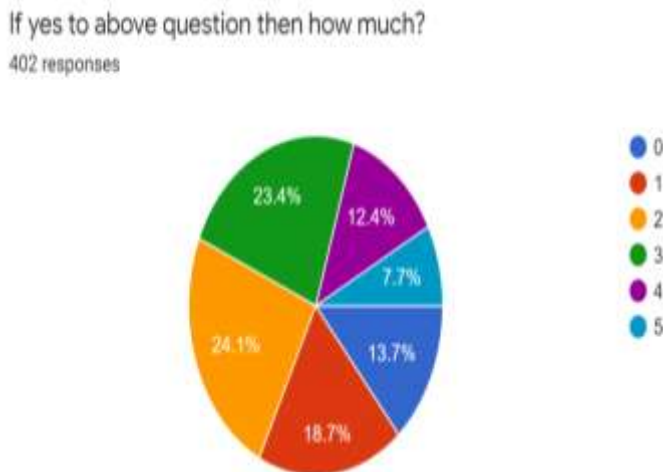


Fig. 9

Fig. 9 reveals that COVID-19 increased the average consumption of OTT among users with 1-3 hours per day followed by 66.2% out of total.

**VII. CONCLUSION**

Based on the analysis, the research on the topic ‘Market Research and Analytics on the Rise of OTT Platforms: A Study of Consumer Behaviour’ has been successfully completed. It is concluded that people in India are fully aware of

the concept of OTT Platforms and even use them in their daily lives for watching entertainment content like web series, movies and reality shows etc. We have seen that Over-the-top content streaming platforms in India have led to the emergence of distinct patterns of content consumption in the last

few years. In this research we have observed that mostly young generations are attracted to this medium of entertainment although every age group consumes. Netflix is found to be the most used platform among all, as it is well known that content produced by Netflix is unique and addictive in terms of entertainment, so do followed by Amazon Prime, as Prime produces originally Indian content mostly. There are various reasons for choosing OTT over TV as we have discussed before; Entertainment, Mobility, Content on demand, Unique content, Cost Effectiveness, language and ease of use. If we talk about monthly spending it depends on the consumer but mostly consumers are spending 50-200 rupees on an average. The average time spent on OTT platforms by consumers also varies upon their flexibility and availability of time for entertainment but as research reveals it varies between 1-3 hours. Most consumers are from a young age and nowadays youngsters are preferring Web series because series continue a plot at more realistic pace, permit more character growth, and create a comfortable sense of familiarity for the audience. Recently because of Covid-19, the majority of content consumption occurred inside and that too on a very high scale. The lockdown has led to an increase in consumption patterns of the users by 1-3 hours per day on an average. The data collected from the questionnaire survey was interpreted and analyzed in previous sections. Since we have observed massive consumption of OTT platforms the statement Rise of OTT Platforms has been proved.

### VIII. KEY FINDINGS

1. 92% of respondents are aware of OTT Platforms.
2. Majority of the respondents using OTT Platforms are from the age of 16-25.
3. Netflix with 41% and Amazon Prime with 26% are Dominant OTT Platforms followed by Disney+ Hotstar with 17.2%.
4. Entertainment, Mobility, Content on demand, Unique content, Cost Effectiveness, language and ease of use are some of the primary reasons for preferring OTT over TV by consumers.
5. On average consumers are spending 50-200 rupees on OTT monthly subscriptions followed by 57.5% out of total and remaining are spending more than that.
6. On average consumers are spending 1-3 hours on OTT followed by 60.7% out of total and remaining spend less or more than that.
7. Consumers are preferring web series with 75.6% followed by movies with 59.2%, reality shows with 26.9% etc., to watch entertainment content on OTT.
8. COVID-19 increased the average consumption of OTT among users with 1-3 hours per day followed by 66.2% out of total.

### IX. RECOMMENDATIONS

This Study was limited to Primary data of 2021 within India. Further Studies can be done with Secondary Data and comparing India with other countries for OTT Platforms.

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