

## A study on User Perspective on OTT platform in India

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### Abstract

When we think of OTT (Over the Top), I remind the older days when CD player used to be popular and people were crazy & love to see the programmes or movies on DVD player. Slowly it transforms to the availability of cable connection then the technology brought the concept of pen drive and the YouTube which grow as major channel for viewers. TV, itself brought major evolution as LED, touch screen, inbuilt internet availability etc. With these variations the recent trends in market is OTT video streaming. The availability of content, easy access to variety of shows, user friendly nature and continuity in shows compels the users to subscription of OTT video streaming.

Deloitte report encompasses the video streaming subscription around 8 US\$ billion in 2020. The total number of smartphone users in India is expected to almost double to cross 700 million by 2022, cementing the country's position as the second-largest market for smartphones in the world. One of the key drivers of mobile advertising is the Indian consumer's insatiable appetite for video content, which is expected to constitute 75 percent of the data consumption in the country by 2021 (Deloitte Report, 2020).

The growth is being driven primarily by consumers' ever-increasing hunger for streaming video over the internet, now amplified by the migration of more broadcast and cable TV onto direct-to-consumer over-the-top (OTT) internet delivery networks.

This study aims to pinpoint the features that influence the OTT video streaming and the effect of cost element on user subscription for OTT video streaming.

**Keywords:** OTT, Cost effectiveness on OTT, User subscription for OTT, Content variety

### 1. Introduction

When we think of OTT, I remind the older days when CD player used to be popular and people were crazy & love to see the programmes or movies on DVD player. Slowly it transforms to the availability of cable connection then the technology brought the concept of pen drive and the YouTube which grow as major channel for viewers. TV, itself brought major evolution as LED, touch screen, inbuilt internet availability, etc. With these variations the recent trends in market is OTT video streaming. The availability of

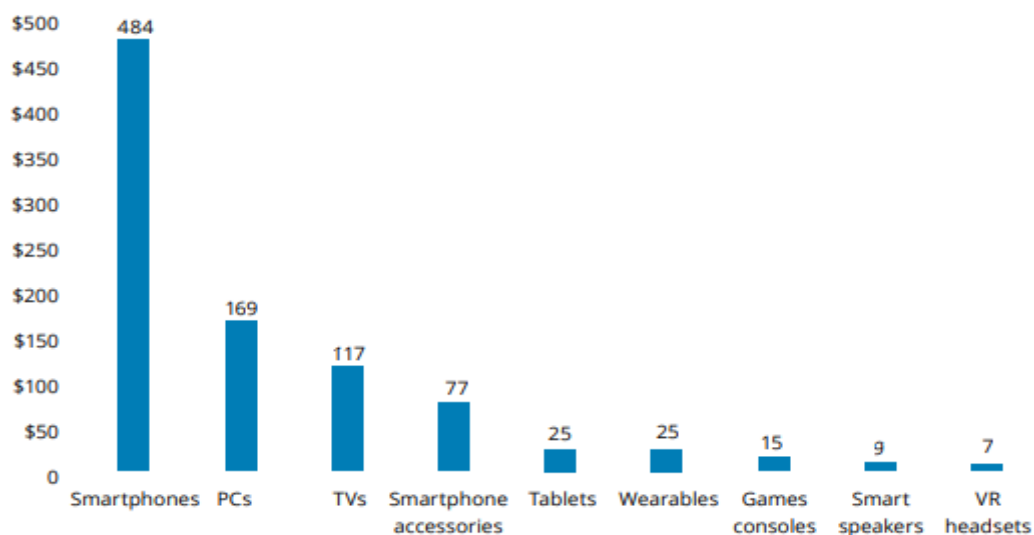
content, easy access to variety of shows, user friendly nature and continuity in shows compels the users to subscription of OTT video streaming.

In the recent year, the work culture of organizations due to covid has also created an impact on OTT video streaming subscription. Covid 19 has generated leisure time to families in India. People started to spend more time on online streaming services and get engaged with content on television. Chats on different platforms, video calls, web-series and movies turn out to be most favorite choices of

people to spend time. OTT platform boomed to get quality content. It has grown as a convenient and easy option for people. It casts quality content with variety of options and without any advertisement. The easy availability of smartphones has also enabled

large part of the population to gain access to online platforms. This point made lot of people from urban area to subscribe the OTT platform. 500 million smartphone users exist currently in India.

**Figure 11: Sales of smartphone hardware accessories alone dwarf sales of many other device categories**  
Smartphone multiplier hardware revenues in 2020 (US\$ billion)



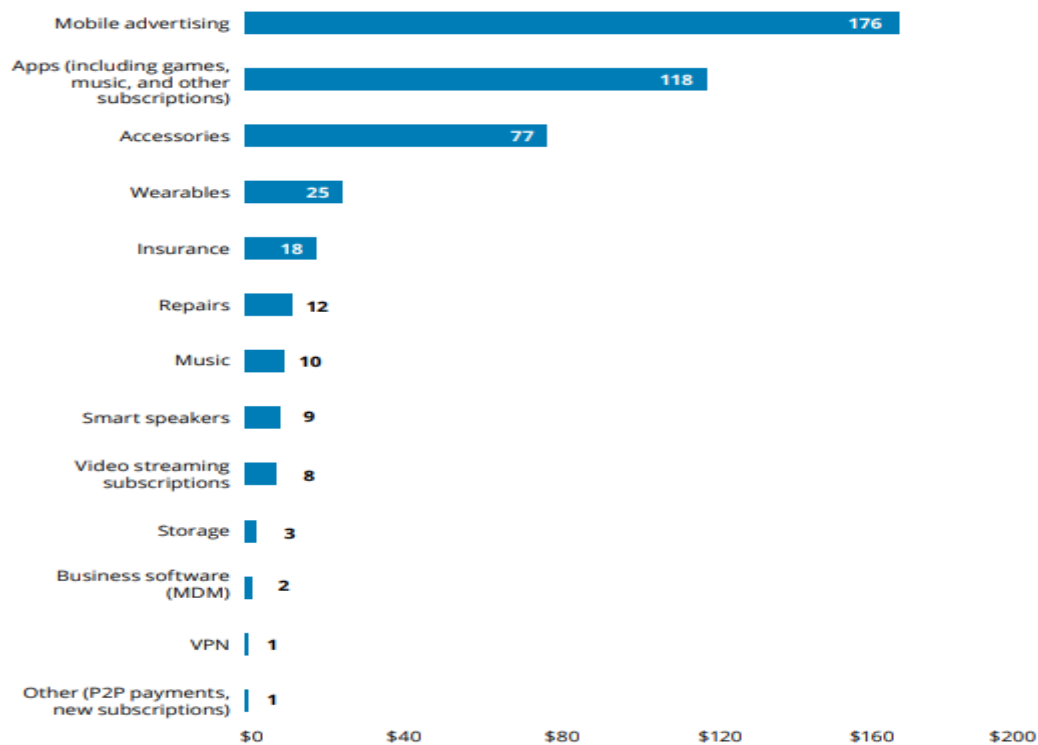
Source: Deloitte analysis of data from Canalys, IDC, SuperData, and others.

**Figure 1. High rise in smartphones sales in 2020**

This platform turned out as a major preference for people to spend quality time with family and friends. Pandemic has forced the generation to work from home with a flexible work schedule provided them to enjoy the online streaming services and get engaged with quality content on television or mobiles. This OTT stimulated younger generation more as it is easy to watch on mobile with a great economic package. With the lowest subscription of 199/- rs. Friends can share and experience the delight of their choice. As once

you subscribe the package you have no limit on consumption of data. So, youngsters can choose to see with their own options with a single subscription. Moreover, the variables like own convenience in terms of time, choice, rate of subscription, age, no advertisement, one go to complete one series, and many more impacted a lot in the growth of OTT platform. Today the broadcasters have also focused on their own digital platform to capture the internet savvy audience.

**Figure 10: The smartphone multiplier market encompasses a wide array of products and services**  
 Smartphone multiplier value in 2020 (US\$ billion)



Source: Deloitte analysis of data from App Annie, IFPI, Zenith, and others.

### Figure 2. Smartphone Market

Deloitte report encompasses the video streaming subscription around 8 US\$ billion in 2020. The total number of smartphone users in India is expected to almost double to cross 700 million by 2022, cementing the country’s position as the second-largest market for smartphones in the world. One of the key drivers of mobile advertising is the Indian consumer’s insatiable appetite for video content, which is expected to constitute 75 percent of the data consumption in the country by 2021 (Deloitte Report, 2020).

The growth is being driven primarily by consumers’ ever-increasing hunger for streaming video over the internet, now amplified by the migration of more broadcast and cable TV onto direct-to-consumer over-the-top (OTT) internet delivery networks.

Through data, it is predicted for the huge demand in Asia market expected to account for 51% of video streaming by 2024. Though the market capture is very high, however it is a

challenge for content delivery due to limited mobile networks.

#### 1.1 Literature Review

Covid has forced the people to make maximum usage of Internet as the concept of work from home get prominent. Moreover, the availability of Internet in economical rate made the generation from a small kid to the old fellow to subscribe the internet packages along with OTT platform packages. Technological innovation has made the development of OTT platform great in India. Under OTT platform, You-tube has grabbed the consumer attention from 2005 & Netflix from 2016 whereas, current situation formed many more such as Amazon, Hot star, ALT Balaji, Voot, Sonyliv, Zee5, and many more. The international content exposure made the Netflix more attractive in the OTT options. Netflix is also reflected as an initiator in India in OTT platform. The international options on

contents made the public to deal with greater choice with an ease which enhance the popularity of Netflix in the public. Though India, is far behind in comparison with other countries, but the future of viewing entertainment is changing rapidly (Moochhala, 2018). With increase in technological innovation by Reliance GIO & other telecom competitors', growth in availability of 4G, 5G network with unlimited data generated the online services more affordable and accessible.

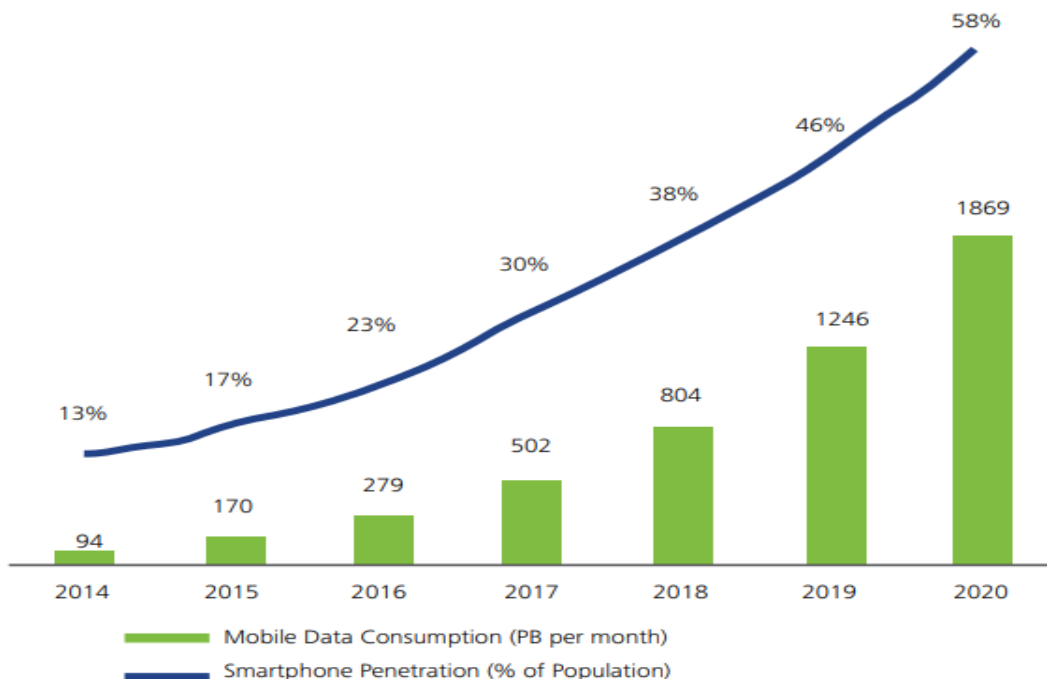
Television industry has great transformation as Government controlled Door darshan channel over 800 channels in 2018. Star TV initiated first to launch its services in India in 1991. It come out with five television channels as Star Plus, Prime Sports, BBC World, Star Movies, Channel V. With this initiative other channels like Zee TV, a General Entertainment channel, founded by local entrepreneur Subhash Chandra Goel entered the market in 1992 (Thomas and Kumar, 2003). By mid-1990, 70 satellite and cable channels started in India. Global broadcasters like BBC, Discovery, M TV, Sony, STAR entered the market besides local players (Thussu, 1999). By 2018, Indian television boasts of 866 channels with 60% of its revenue being funded from advertisers (Katharina et al., 2019). The first Indian web-series Permanent Roommates (2014) produced by TVF on the YouTube. The series tackles issues of live-in relationships and premarital pregnancy, both of which are common for the urban middle-class audiences and would not find airing time on television for reasons discussed earlier. The content on the Internet has also received favorable response from Indian millennials who find resonance with its 'relatable' content as opposed to television (Kay, 2018). People fall in love with web-series as they watch on real characteristics and incidences around them on screen. Apart this

without any delay, spectators are allowed to finish it in one go with enthusiasm.

Covid has impacted on the closure of multiplexes which is a major part of urban population who lives a hustle & bustle life. Though OTT is not a potent and significant option for Movie audience as a larger screen, Dolby digital sound etc. (Karim 2020), but OTT platform during lockdown played a key role as stress burster in the lives of working population. Not only working population but it emerged as an anxiety reliever for all age groups who are forced to remain in their homes for months. The variousservices offered by OTT platform like convenience, preference, flexibility, and cost-benefit affect TV providers (Rono and Mugeni, 2019). Die-hard OTT subscribers avoids TV broadcasting. Nonusers of OTT platform also perceives online video platform as a substitute for TV (Cha and Chan-Olmsted 2012). This booming OTT platform rather has no contribution to government's tax revenue and even no advantage to the income of access providers (Sujata et al., 2015). With technological evolution and internet progression, soon TV may be obsolete for the upcoming generations. The lockdown because of COVID-19 has been a blessing for OTT players and subscriptions for OTT platforms such as Zee5 and AltBalaji have grown tremendously (Kaushal, 2020).

The revolution in telecom industry, easy availability of mobile handsets in economy rates, 4G, 5G revolution, etc. factors have tremendously enhanced the OTT mobile users. The pricing model for mobile content is also an influential factor to increase the number drastically in OTT mobile users. In upcoming days, it will become a part of day to day leisure time of life and slowly as a need. OTT will be the future of entertainment. India is the second largest and fastest growing market for smart phones.

Figure 9: Projected smartphone penetration and mobile data consumption (in PB per month) for India



Source: Deloitte Analysis

Figure 3. Mobile Data Consumption & Smartphone Penetration

The massive investments made by OTT services like Netflix, Amazon, Disney+, Hot star and others in originals as well as acquired content will help subscription video-on-demand make up 93% of the total OTT revenue (as compared to 87% globally), increasing at a CAGR of 30.7% between

2019-2024, from \$708 million in 2019 to \$2.7 billion.

According to PWC’s Global Entertainment & Media Outlook 2018-2022, India will be among the top 10 largest global OTT video markets by 2022.

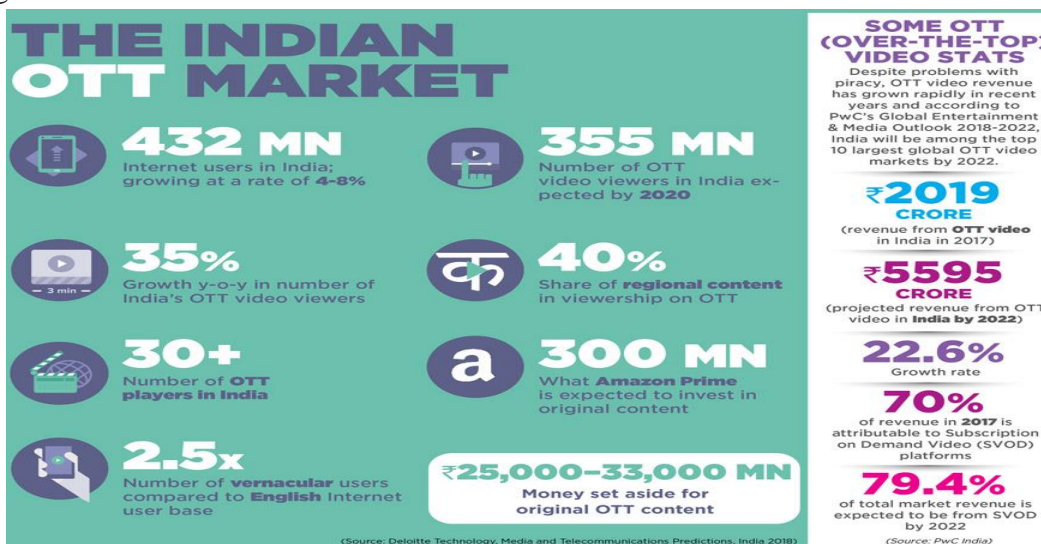


Figure 4. Source: Deloitte Technology, Media & Telecommunications Predictions, India 2018

## 2. Research Objectives

1. To pinpoint the features that influence the OTT video streaming
2. To investigate the impact of smartphone penetration on OTT video streaming
3. To analyze the factor of cost element on user subscription for OTT video streaming.

## 3. Hypothesis

1. There is a significant usage of OTT video streaming due to user friendliness, ease of access & variety of content.
2. Cost is significant factor in the usage of OTT video streaming due to price sensitivity of customers.

## 4. Research Methodology

The study is intended to analyze the impact of various attributes such as ease of access and variety of content in the growth of OTT platform, international exposure, price sensitivity and its effect on high usage of OTT

among consumers. The study has supported the primary research approach by survey. The survey was online and spread through social media such as whatsapp, Email and LinkedIn. The sample size for the survey is 200.

More usage of OTT platform was chosen as independent variable. Cost, ease of access, variety of content, international content exposure, user friendliness, price sensitivity and OTT usage on mobile over TV is more etc. independent variables chosen for analysis. The study has focused on various factors such as ease of access, variety of content, significant usage of Netflix, cost etc. and their effect on OTT platform. Statical tests such as Anova & correlation are used to find out the relationship between usage of OTT platform and different abovesaid variables and usage of OTT on mobile compared to television. Chi square test is applied to find out the relationship between demographic variables and OTT platform.

## 5. Results and Discussions

### 5.1 Demographics of the sample

Sr. No.	Respondents Characteristics	Frequency	Percentage
1.	<b>Gender</b>		
	Male	70	58
	Female	50	42
2.	<b>Age</b>		
	20 to 25	40	33
	26 to 30	35	29
	31 to 35	20	17
	36 to 40	15	13
	41 to 50	10	8
3.	<b>Income</b>		

	20,000 to 30,000	60	50
	31,000 to 40,000	25	21
	41,000 to 50,000	20	17
	51,000 & above	15	13
<b>4.</b>	<b>Area</b>		
	Urban	80	67
	Rural	40	33

**Table 1. Demographics of the sample**

### 5.2 Item Statements with Mean, Standard Deviation

The mean score for each of the statements of three independent variables and the dependent variable are presented in the following table. Independent variables include ease of access for OTT platform, cost sensitization in selection, effect of social factors on OTT platform and OTT & mobile. A five-point Likert scale was used with item

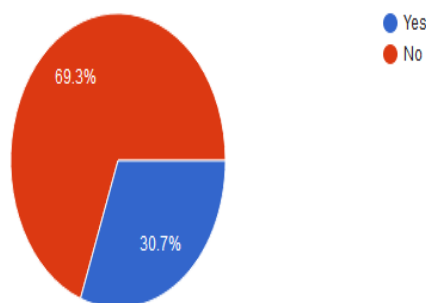
operationalization from Strongly Disagree to Strongly Agree. From this table, it can infer that the highest mean score or highest agreement in other words, is for all items of ease of access. Variety of content, one go shots, continuity in shows with own choice are forcing factors which makes an OTT platform more viable. Similar result was revealed in the mean score of cost sensitization and OTT on mobile.

Name	Items	Mean	SD
	Strongly Agree 1		
	Strongly Disagree 5		
Ease of Access	OTT video streaming gives me variety compared to television programmes as it telecasts	4.23	0.82
	I prefer OTT video streaming because it is broadcasted without advertisement.	3.82	0.90
	I love to watch any programme in one go so I choose OTT video streaming	3.82	0.90
	I feel OTT video streaming offers more variety of programmes	4.27	0.77
	OTT video streaming also offers greater quantity of shows	4.22	0.83
	I feel variety of choice force me to prefer OTT video streaming compared to Television channel	4.16	0.92
	It is easy to get award winning & popular shows on OTT video streaming	3.98	0.84
	It gives me pleasure to watch shows in continuity on OTT video streaming	3.94	0.87

Cost Sensation	I feel rate of subscription compels me to choose OTT video streaming	3.45	0.98
	I feel OTT video streaming offer content which is more entertaining	4.16	0.84
	I feel subscribing on OTT video streaming fits better into my budget	3.71	0.82
	I feel OTT video streaming offer more financially flexible packages	3.73	0.77
	I feel I must spend less on OTT video streaming	3.62	0.90
	I feel OTT platform is cheaper than TV & Cable Network	3.63	0.93
	I feel OTT video streaming gives me options on subscription from weekly to yearly	3.86	0.82
Social factors	I prefer OTT video streaming because my friends have subscribed for it	2.90	1.18
	I feel gratified to see web series on OTT video streaming as it gives me personalization feeling	3.92	0.86
	I feel OTT subscription gives me better position among my friend circle	3.05	1.17
OTT & Mobile	I feel I would like to prefer OTT streaming on Mobile	3.83	0.88
	I prefer to watch OTT video streaming because it is in my control (own choice of time to watch)	4.33	0.77
	I choose as I feel it is easy to see OTT video streaming at different location on mobile	4.13	0.74

**Table 2. Item Statements with Mean, Standard Deviation**

### 5.3 Age group



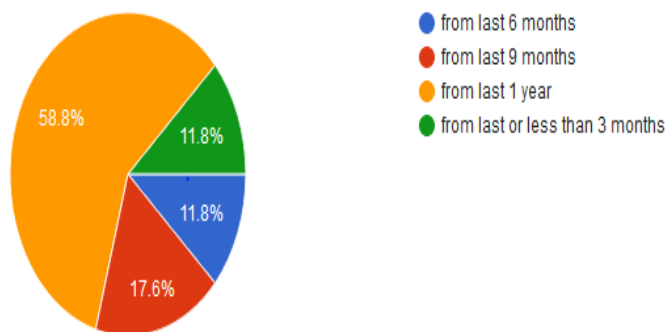
**Graph 1. Age Group**

As the respondents are more from the age group of 20 to 45 who are more prone to OTT platform compared to cable & television

services. Around 69% of respondents are ready to stop their cable services.



### 5.4 Movement of consumers from Television to Mobile Screen



**Graph 2. Movement of consumers from Television to Mobile Screen**

As we discussed in literature review about current situation of pandemic which is prevailing from last year on different scale made people to choose for the OTT option due to its ease, variety, and quality of contents. The results are being seen in the graph that from last one year as the movement from TV screen to OTT platform and that too preferable with mobile screen.

### 5.5 Anova 1

H0: There is no significant usage of OTT video streaming due to ease of access & variety of content.

H1: There is a significant usage of OTT video streaming due to ease of access & variety of content.

SUMMARY					
Groups	Count	Sum	Average	Variance	
greater quantity of shows	117	493	4.213675	0.721191	
variety compared to television	118	499	4.228814	0.690787	
more variety	117	500	4.273504	0.614206	
easy to get award winning & popular shows	114	454	3.982456	0.743052	

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	5.877886	3	1.959295	2.83145	0.037976	2.624208
Within Groups	319.6929	462	0.691976			
Total	325.5708	465				

**Table3. Hypothesis Verification**

The p value is (p=0.03) significant, so variety of content and ease of access have significant effect on usage of OTT platform. The results reject the null hypothesis. The result demonstrates the variables such as availability of the greater quantity of shows, then having

different variety of programmes in comparison with television, and wide variety in a single form (like-movies, romantic, thriller, etc..) and in addition to the easy access to award winning programmes or movies and many popular shows on OTT platform brings

significant effect on usage of OTT video streaming.

**Anova 2**

H0: Cost is not significant factor in the usage of OTT video streaming due to price sensitivity of customers.

H1: Cost is significant factor in the usage of OTT video streaming due to price sensitivity of customers.

SUMMARY				
<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
Rate of subscription compels to choose OTT	117	403	3.444444	0.97318
OTT fits better into my budget	117	433	3.700855	0.694223
OTT offer more financially flexible packages	119	443	3.722689	0.591938
I must spend less on OTT	117	422	3.606838	0.826849
OTT platform is cheaper than TV & Cable Network	119	432	3.630252	0.862128
OTT gives options on subscription from weekly to yearly	117	451	3.854701	0.694223

ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	10.97052	5	2.194104	2.836628	0.015162	2.226901
Within Groups	541.4431	700	0.77349			
Total	552.4136	705				

**Table 4. Hypothesis Verification**

The p value is (p=0.01) significant, so cost factor effect on usage of OTT platform. The results reject the null hypothesis. The result demonstrates the variables such as rate of subscription, budget, financial flexible packages, less amount of investment, cheaper platform in comparison with TV & Cable

network and availability of weekly, fortnightly, monthly, yearly subscription.

**Anova 3**

H0: Mobile phone is not significant factor in the usage of OTT video streaming.

H1: Mobile phone is significant factor in the usage of OTT video streaming.

SUMMARY						
<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>		
would like to prefer OTT streaming on Mobile	116	443	3.818966	0.793028		
prefer to watch OTT video streaming because it is in my control (own choice of time to watch)	118	511	4.330508	0.599232		
choose mobile as I feel it is easy to see OTT video streaming at different location on mobile	119	492	4.134454	0.55804		
ANOVA						

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	15.56803	2	7.784014	11.99348	0.0000092	3.02152
Within Groups	227.1572	350	0.649021			
Total	242.7252	352				

**Table 5. Hypothesis Verification**

The p value is (p=0.00) highly significant, so the instrument - mobile effects on usage of OTT platform. The results reject the null hypothesis. The result demonstrates the variables such as control over choice, time, place provides an ease in OTT platform usage. It gives you your own choice. You can decide your comfort zone in terms of place and

position to watch on your favorites which may increase the felling of happiness.

**Anova 4**

H0: Social factors does not play significant role in choice of OTT platform.

H1: Social factors plays significant role in choice of OTT platform.

SUMMARY						
Groups	Count	Sum	Average	Variance		
I prefer OTT video streaming because my friends have subscribed for it	118	340	2.881356	1.387513		
I feel gratified to see web series on OTT video streaming as it gives me personalization feeling	117	458	3.91453	0.751253		
OTT subscription gives me better position among friends	119	362	3.042017	1.362626		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	72.59586	2	36.29793	31.0538	3.822168104E-13	3.021447
Within Groups	410.2742	35	1.168872			
Total	482.8701	35				

**Table 6. Hypothesis Verification**

The p value is (p=3.82) not significant. The results accept the null hypothesis. The result demonstrates the different social factors are trivial. The friend's association with OTT, feeling of personalization or better position due to subscription among peers are least

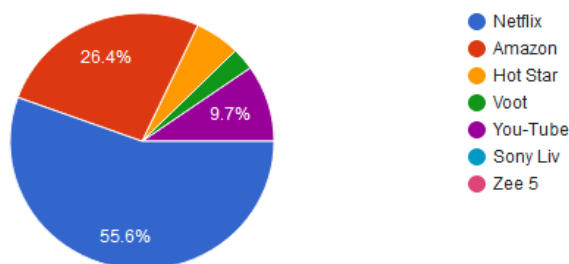
concerned factors in the usage of OTT platform.

The more prominent variables reflected through analysis are as control over choice, time & place. It gives you freedom to decide your own choice. You are decision maker for

your place and position to go for online streaming.

### 6. Findings

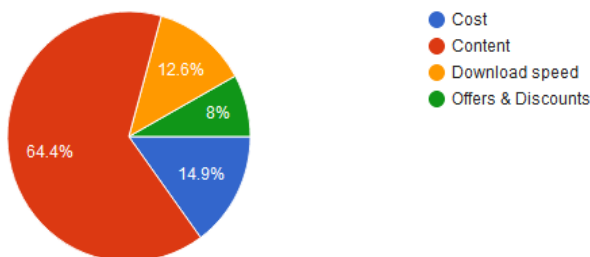
The interesting facts found out through the study are as follows: -



**Graph 3. Popular OTT Platform**

Around 55% of the population from the respondent prefers Netflix which shows the popularity & its market share, moreover this

population is keener to stop to watch on Television and complete turnaround to OTT platform with mobile screen.

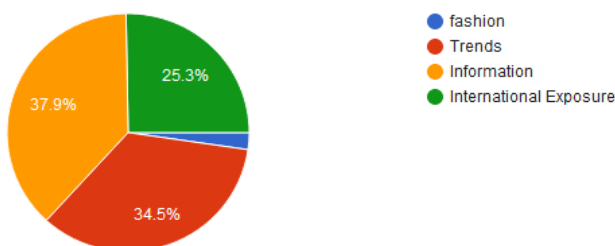


**Graph 4. Factors for choice of OTT**

The factor which attracts customer is variety of content. Around 64% of respondents are more profound about the platform for its versatility and range of programmes from romantic to thrill, sports, action, mythology, movies, short films, web series and so on and on. Every segment of the society in terms of age group, gender is focused when we observe such kind of variety in programmes. Apart this the usage of the smart phones made it easier

for consumers or users to enjoy this platform with own pace of mind, comfort, and relaxation. Viewers more prefer the platform on weekends compare to the weekdays. If it is being claimed that OTT platform has suffice the need for the socialization in the generations by giving them variety of content, ease, and comfort of mind which leads as a stress booster will not be a false assertion.

**Following is another interesting fact that attracts views to the platform.**



**Graph 5. Popular trends in OTT**

From latest trends in the market to information about the world to international exposure

### 7. Future Scope and Suggestions

The study can be wider based on Zen z dataset. It can bring in the psychological angle in discussion as Zen z is more inclined to technology that brings luxury to life. The biggest user of mobile phone at the current point of time is this younger generation. So different psychological factors can reflect on the usage of OTT by Zen z. Future studies can make comparative comparison as well in the generation and their inclination towards the OTT platform. This study is more focused on urban sample so separate finding may be researched and discussed on rural population and its inclination towards OTT.

### 8. Conclusion

The research paper concludes the user friendliness and content richness as significant factors in the usage and promotion of OTT platform. Price sensitivity matters a lot to individuals. Cost effect makes the platform stronger than usual. It brings cost sensitivity to users and encourages to the platform. Life with ease, own comfort, and satisfaction brings the individuals closure to the OTT platform. Programme with own choice, time, location, duration makes possible everything with mobile phones. Mobile phone makes it easy to use this platform. It brings the control of an individual in all respects. Talking about millennials to some extent and zen z, peer pressure, or as a status in society or better positions among friends does not force them to make an extensive usage of OTT. The research study also concludes with the demand for Netflix is comparatively greater. Exposure to the international content, and trends as well the other factors that influence the audiences to the platform.

through its quality content influence viewers to be fascinated for this platform.

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