

A STUDY ON CONSUMER PERCEPTION TOWARDS OTT (OVER-THE-TOP) PLATFORM

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ABSTRACT

OTT platforms have revolutionized the way consumers access and engage with digital content, offering a diverse array of streaming services accessible anytime, anywhere. This study aims to delve into the multifaceted landscape of consumer perception surrounding OTT platforms, examining factors influencing adoption, satisfaction, and loyalty among users. Information is gathered from both primary and secondary sources. A questionnaire was developed and administered to 50 participants to gather primary data, while secondary data was sourced from various books and websites. The research employs One-way ANOVA and One-sample t-test as the statistical methods for analysis. This study sheds light on the nuances of consumer behavior and preferences within the quickly changing OTT ecosystem by examining data collected from a wide sample of OTT subscribers. The results throw light on important issues like the influence of original content, cross-platform behavior, cultural variances, and emerging trends. These insights have implications for policymakers, OTT providers, content creators, and advertisers. In the end, this research advances our knowledge of how consumers perceive the OTT environment, which will help inform strategic choices and promote creativity in the digital entertainment sector.

Keywords: Digital Content Streaming, Emerging Trends, User Adoption

1. INTRODUCTION

OTT platform refers to a streaming service delivering television and film content directly to viewers over the internet, tailored for individual consumers' needs. As OTT has now become the norm in the telecommunication market, it has changed the game for many operators by driving rapid progress in the use of digital devices and also accelerating the adoption of internet services, because unlike the traditional mode that is television, OTT has now made it possible for customers to access content anywhere and anytime in a single click, driving more and more users to switch to OTT platforms.

Over-The-Top (OTT) platforms have become a dominant force in the ever-changing landscape of entertainment consumption, revolutionizing how people access and interact with content. OTT platforms circumvent traditional distribution channels to offer a vast selection of films, TV shows, documentaries, and original programming that is sent straight to viewers over the internet. To succeed in this ever-changing landscape, over-the-top (OTT) platforms must comprehend how consumers perceive them. Consumer perception encompasses the ideas, opinions, and attitudes people have about these platforms, influencing their choices for content selection, subscription, and general satisfaction.

OTT platforms have given consumers more options for their entertainment needs in recent years, empowering them in the process. Users are no longer restricted to using antiquated media, like satellite television. One can now choose what to watch with knowledge, and channel surfing is a thing of the past. These platforms have a very high degree of personalization, which makes it possible to predict what a user will probably watch. By 2022, over-the-top video and television revenue is predicted to surpass \$80 billion globally.

Next generation technologies behind OTT platform

- Amazon Web Services (AWS) is the primary cloud-based data storage infrastructure utilized by the majority of over-the-top (OTT) providers. Business professionals may discover that cloud-based solutions are highly advantageous when creating an OTT platform.
- In order for content distribution to function smoothly, platforms need to work together seamlessly. The best video streaming choices will reduce the need for extra IT investment.
- Strong security protocols are necessary for over-the-top (OTT) streaming services to expand. AES encryption and digital rights management (DRM) are the two most widely used security measures to stop copyright violations and unauthorized access to your content.

- The distribution of video content across multiple platforms, such as mobile, web, tablet, smart TV, etc., requires flexible accessibility. It's essential because it opens up the most business opportunities.

2. FUTURE OF THE OTT PLATFORM

The market is constantly changing due to OTT services. As OTT services and streaming apps gain popularity, viewers are turning away from traditional media sources. Television has experienced a decline in popularity due to the rise of online video streaming platforms such as Netflix, Amazon Prime, Hotstar, and Hulu. The more market share there is, the more opportunities there are within the OTT sector.

One of the primary sources of entertainment during the global pandemic was the OTT platforms, which proved to be of great help. Customers are utilizing the complimentary trial offers that nearly all streaming providers provide. Being one of the main sources of entertainment during these trying pandemic times, OTT platforms have been very helpful.

Facts of the OTT platforms

- Due to the growing popularity of on-demand video content, as well as the growing number of smartphones and internet connections, the global OTT market is predicted to reach a value of over \$335 billion by 2024.
- By 2027, 528.9 million people in India are anticipated to be consuming OTT video.
- The OTT video market is expected to surpass \$90.14 in average revenue per user (ARPU) by 2023.
- In India, OTT service revenue surpassed \$2 billion in 2020.
- In terms of viewership, smartphones rule the over-the-top market.
- With almost 300 OTT providers, the US is one of the world's largest OTT markets.

3. REVIEW OF LITERATURE

Murali Srividya Iyengara, Rajagopalan Venkatesh, (2024), has been conducted on "A study on the factors influencing customer preferences for digital media platforms in Chennai." This investigation seeks to explore various elements of OTT platforms that captivated users of diverse ages and backgrounds during the COVID-19 pandemic.

The analysis emphasizes how digital platforms are becoming more and more popular while cable TVs and dish options are gradually disappearing from the market. Additionally, the COVID scenario has resulted in an increase in the regular OTT platform distribution of mainstream films starring well-known actors.

Omesh Chadha and Shivani Shukla, (2024), A Study on Consumer Behavior Towards OTT Platforms with Special Reference to the National Capital Region" has been conducted. The primary objective of this study is to identify the factors that affect consumers' preferences for over-the-top platforms. The findings suggest that both OTT platforms and the consumption of daily internet and mobile entertainment videos are poised for significant growth. These platforms are actively seeking innovative methods to produce more engaging content that is not readily accessible. However, a major challenge faced by many OTT platforms, particularly newer and smaller ones, is the lack of financial resources to develop additional video content targeted at a younger demographic.

Remya, Rupini T.S, (2023) conducted a research titled "A Study on Customer Perception Towards OTT Platforms with Special Reference to Irinjalakuda Municipality, Thrissur District, Kerala." This research examines customer attitudes towards OTT platforms. The findings recommend that companies enhance their subscription offerings and facilitate the process for subscribers to endorse these services to others. The results indicate that a significant number of individuals favor OTT platforms over conventional cinema, viewing them as more economical, particularly due to the availability of original content prior to its airing on television.

Venkateswara Rao Neerati and Immanuel D (2023) have done research on "Over-the-Top (OTT) Watching Behaviour of Consumers in Secunderabad". The study mainly focused on the watching behaviour of consumers perception towards OTT platforms. The study collected primary data with 180 respondents. The main findings of the study is that majority of the consumers learn about over-the-top (OTT) services through the internet and customers are using for more than 4 hours of daily usage of OTT platforms. The study concludes that OTT service is a type of content, service, or application that is delivered to end users through the open Internet without any form of integration, ownership, or affiliation with content providers, broadband providers, or Internet service providers.

Chitrakala, Venkatesh and Nagarathinam A, (2023) have conducted research on "A Study of Consumer Perception Regarding Over-the-Top Platforms, with a Specific Focus on Coimbatore City". This study attempts to identify and analyse the customer preference and most popular OTT platforms. Social media has an impact on how the respondents use networks. The study found that it makes abundantly evident that viewers want more unique and exclusive content in all regional languages so they can enjoy varied and high-quality content whenever and whenever it suits them best.

Mallika. V and Anandhi. D (2022) research titled “Viewer’s Perception towards OTT Platforms during the Pandemic: A Focus on Coimbatore City” aims to analyze how viewers perceive OTT platforms. The findings indicate that OTT platforms are rapidly gaining popularity and significantly affecting traditional media. In summary, the study reveals that the average expenditure for users accessing content on OTT platforms remains consistent.

Unnamalai Swetha C T and Shruthi T N, (2022) the investigation titled “A Study on Consumer Preference towards OTT Platforms over Theatres Post COVID-19” primarily seeks to explore consumer preferences for OTT platforms in comparison to traditional theaters, along with a competitive analysis of various OTT services. This study also aims to assess consumer awareness of OTT platforms prior to the onset of the Covid-19 pandemic. In conclusion, the level of customer satisfaction with OTT platforms is notably high, encouraging users to engage with content that is accessible at any time and from any location.

Jayashree R and Nandhitha K, (2022) an analysis has been conducted on "A Study on Factors Influencing Viewers' Preferences for OTT Applications, with a Specific Focus on Chennai City." This study has attempted to find out the major OTT platform subscribed by the customers. The study states that price is the major factor that affect the OTT subscription. This study tells that OTT platforms have become the budget- friendly for most people because of their cost- effectiveness. As a result, OTT platforms are one of the most popular platforms used by all people in today’s digital world.

Gomathi s and Vijaitha Christy N, (2021) conducted a research project titled “Viewer’s Perception towards OTT Platforms during the Pandemic.” This study examines the perceptions of viewers regarding OTT platforms, aiming to highlight the extent and consumption patterns of these services among the general populace. The findings provide valuable insights into how OTT platforms have significantly influenced the digital entertainment landscape throughout the pandemic. In summary, online streaming services have established a prominent presence in the media and entertainment sector.

Bhavyarajsinh D. Jhala and Vivek B. Patadiya, (2021) a study was carried out on “Consumer Behavior towards OTT Platforms in India during the COVID Era.” The primary aim of this research is to identify emerging trends and assess the satisfaction levels of OTT platform subscribers. The study gathered primary data from 100 participants, revealing that the majority of subscribers utilize 1-2 OTT platforms, dedicating an average of 1-7 hours per week to these services. In conclusion, the pandemic has led to a shift in consumer habits, with individuals increasingly relying on OTT platforms for entertainment due to the closure of cinemas, resulting in a growing familiarity and preference for these services.

NEED FOR THE STUDY

The purpose is to illustrate the reach of OTT platforms and the degree of user consumption. It enables to understand how OTT platforms is progressively replacing other forms of media through inorganic growth. It helps to evaluate the competitive positioning in relation to other platforms and traditional media channels by looking into consumer perception. It provides insights into what consumers value, what content resonates with them, and how they prefer to access and consume media. In the increasingly crowded OTT market, knowing how consumers perceive different platforms can give companies a competitive edge.

4. OBJECTIVES OF THE STUDY

- To analyze the most commonly utilized OTT entertainment applications.
- To assess the level of satisfaction associated with the use of OTT platforms.
- To investigate the pricing models on consumer perception towards OTT subscription.

5. RESEARCH METHODOLOGY

Research methodology is the methodical set of procedures, techniques, and strategies that scientists use to conduct scientific studies, gather information, analyze data, and draw conclusions. It serves as a guide that outlines the steps and techniques needed to address research questions, test theories, or carefully and methodically investigate phenomena.

6. DATA COLLECTION

Primary sources

Primary sources involve the researcher obtaining data directly from the subjects involved. This process typically employs a structured questionnaire.

Secondary sources

Secondary sources refer to the utilization of data collected for purposes other than the current research endeavor. Such secondary data is often sourced from academic journals, research papers, and online resources.

SAMPLE DESIGN

Sample size

The term sample size denotes the total number of observations or participants included in a survey or research study. Participants are selected using a random sampling technique, with questionnaires distributed to 50 respondents.

STATISTICAL TOOLS

Test 1

Chi -square test

To find out there is an association between family monthly income and the likelihood of paying for premium OTT content.

Null Hypothesis (H₀): There is no association between family monthly income and the likelihood of paying for premium OTT content.

Alternative Hypothesis (H₁): There is an association between family monthly income and the likelihood of paying for premium OTT content.

Table showing chi-square test to find out there is an association between gender and the frequency of OTT platform usage.

Pearson Chi-square	13.371
Asymp. Sig.	0.010
Degree of freedom (dof)	4

Interpretation

The value of the test statistic is 13.371, accompanied by 4 degrees of freedom (df). The p-value, representing Asymptotic Significance, is 0.010. This indicates that the likelihood of obtaining such a statistic, under the assumption that the null hypothesis of no association holds true, is merely 1%. Given that this p-value is below the conventional significance threshold of 0.05, we reject the null hypothesis. This finding implies that there exists a statistically significant association between the variables under examination.

Test 2

Friedman test for satisfaction level

To find the difference between the mean ranks of satisfaction level by consumers.

Null hypothesis (H₀): There is no significant difference between the mean ranks of satisfaction level by consumers.

Alternative hypothesis (H₁): There is significant difference between the mean ranks of satisfaction level by consumers

Figure showing the mean ranks of satisfaction level by consumers

FACTORS	MEAN RANK	RANK
App's aesthetics	3.27	I
App's installation	3.27	II
User customization	3.15	III
Quality of the app	2.84	IV
Comfort	2.47	V

Source: Computed data

Test Statistics	
N	50
Chi- Square	20.825
df	4
Asymp. Sig.	.000

INTERPRETATION: From the above table, it shows that "App's aesthetics" and "App's installation" both received the highest mean rank of 3.27, indicating that users perceive these aspects as the most important, while "Comfort" received the lowest mean rank of 2.47, suggesting it is less significant to users.

7. CONCLUSION

The investigation titled "The Study on Perception Towards OTT Platforms" was conducted among the general public. The researcher after analysing the study with the help of the primary data found that the consumers are satisfied with the overall features of the entertainment apps. The most preferred app by the consumers is You Tube followed by Disney plus hotstar. The major factor that influences customer satisfaction comfort and apps aesthetics and quality of the app and user customization. By analysing, the age group of 20 to 30 years are more attracted towards entertainment apps. Overall, to preserve their competitive edge and ensure long-term success, companies in the entertainment industry should make understanding and enhancing customer happiness a top priority.

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