

# Emergence of Over the Top Video Platforms and Its Impact on Film Theatres: An Analysis from Customer Perspective

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## **ABSTRACT**

Over The Top Video Platforms gained prominence during the covid-19 lockdown, during which film theatres remained closed for more than an year. OTT platforms came as a substitute for film theatres, where feature films will get directly released. The user can watch his favourite films by subscribing to his favourite platform by paying charges. The article aims to find consumers' satisfaction with respect to watching movies in film theatres and Over The Top video platforms. It concluded with showing positive response from customers for OTT platforms and showed some restraining factors for subscribing to the same like advertisements, additional charges etc.

## **Keywords:**

- OTT – Over The Top Video services which offers direct video content over internet like Netflix, Amazon Prime, Disney+ Hotstar etc.
- Consumer – Users of Over The Top video services who are mainly film enthusiasts.
- COVID-19- Coronavirus Disease 2019

## **INTRODUCTION**

OTT or Over The Top video Platforms refer to any streaming service that delivers content over the internet. Over the Top services refer to movies and shows that are delivered directly to the digital user without using any cable or satellite television. The US federal Communications Commission defines OTT as *an online deliverer of video content via internet*.

Even though OTT platforms were there before COVID lockdown, it gained prominence during the lockdown. During 2015, actor Kamal Hassan once mentioned the idea of directly releasing movies bypassing film theatres. It was looked upon with much aversion as people were unaware of how exactly this is going to happen.

But COVID necessitated the idea of releasing moves bypassing film theatres, to the ultimate viewers, for making the survival of film industry. The article mainly focuses on what exactly motivates consumer to subscribe to OTT platforms, whether they are satisfied with the current subscription charges levied by OTT platforms. It also attempts to make a comparison between traditional film theatres and OTT platforms and to find out the preference of consumers towards the same.

**SIGNIFICANCE**

As a result of the COVID 19 pandemic, people of Kerala have been introduced to the relatively new service area where movies release on these OTT platforms and subscribers can enjoy their favourite movies within their home environment. Theatres remain closed for more than one year and OTT platforms were the only resort to watch movies. There is a question arising in this regard. Whether people consider OTT as a substitute for theatres? Will OTTs offer the same utility as of theatres?

The aim of this research is to understand and analyse the type of content viewed, expected and demanded by the intended audience, thereby inferring the ways in which consumers take decisions regarding OTT platforms. The objective of this research is to understand gratification factors associated with the adoption and consumption of OTT content and a comparison between OTT platforms and traditional film houses. The article may help to anticipate the future of OTT platforms and film theatres by analysing consumer attitude and preferences.

**SCOPE**

The scope of the article is limited to respondents of Changanacherry Taluk. Consumer behaviour with regard to watching movies on OTT video platforms are evaluated. The article mainly focuses on a comparison between film theatres and Over The Top video services.

**STATEMENT OF THE PROBLEM**

As a result of COVID-19 pandemic theatres remained closed for more than one and half years. For the subsistence of the film industry, movies were directed to release on Over The Top video platforms like Amazon Prime, Netflix etc. Film enthusiasts were introduced to the new system of OTT releases.

So, it is high time we studied the attitude and preference of the consumers of these platforms in an analytical point of view. Whether OTT platforms make a good substitute for film theatres is the major question raised in the article.

**OBJECTIVES**

- Ascertain consumers' satisfaction with respect to watching movies in film theatres and Over The Top video platforms.
- Identify the motivating factors that prompt consumers to subscribe OTT services.

**METHODOLOGY**

The article is conducted on the basis of primary data collected through online questionnaire from a population of different age category people from Changanacherry Taluk.

**POPULATION**

The population of the article includes users of OTT video platforms under different age categories from 18 years to above 60 years categorized in specific classes from the Taluk of Changanacherry, Kerala and tends to be infinite in nature.

## SOURCES OF DATA

The article makes use of both primary and secondary data. Primary data required for the article are collected from samples using a structured questionnaire that was distributed in the form of Google Forms format.

The secondary data were obtained from various websites, journals and blogs.

## SAMPLING METHOD

Data were collected from respondents using non probabilistic method of sampling. Convenience sampling method was applied by distributing the questionnaire among people of Changancherry Taluk who were easily reachable, to get the required data.

## TOOLS USED

For analysing the data, percentage method, simple mean and weighted mean methods were used and interpretations were drawn accordingly. The data collected were analysed with the help of SPSS software.

The following references were made for the research paper-

- Sharma & Chakraborti, 2020) COVID-19 is a virus that affects the respiratory system and creates serious complications in the human body. To check the community spread of this virus many countries like China, Italy, Spain, the USA, and India resorted to complete lockdown thus leading to a standstill in business operations. This has hit the Service Sector hard and there is a fear of job loss and loss in profitability. This study identified the economic impact of lockdown due to COVID-19 on the Service Sector in India and its economic impact.
- (Gangwar et al.,) Studied the preference of OTT platforms in India. Technological advancement and content quality is the major preference that influences the Indian customers to adopt the OTT platform. The article concluded that the millennium is attracted towards the OTT platforms due to foreign content and video on demand facilities.
- Sujith et al., 2019) analysed the customer perception towards mobile wallets the study reveals that the majority of the respondents are aware and prefer the mobile wallet and prefer for digital payment.

From the review of various studies conducted, we can understand that numerous studies have been conducted on technology and Over The Top Video platforms during the last couple of years. However limited studies are done comparing OTT platforms and film theatres.

## ANALYSIS OF DATA

### 1. OVER THE TOP VIDEO PLATFORMS USED BY CUSTOMERS

The various OTT video applications used by subscribers were asked as a multiple response question. Respondents were asked to give tick mark to the different OTT applications used by them. From the analysis given below Amazon Prime and Disney Plus Hotstar are the mostly used OTT application by the consumers as they have the highest user percentage and Sony Liv is the least preferred OTT application with a user percentage of 22 percent only. The details of the same are given in the table below in table 1.

**Table 1**  
**Various OTT Video Applications Used by Customers**

OTT platforms	No of Users	Percentage
Amazon Prime Video	70	70
Disney plus Hotstar	69	69
Netflix	67	67
Sony LIV	22	22
Others	29	29

Source: Primary Data

## 2. CLASSIFICATION ON THE BASIS OF MOST PREFERRED CONTENT ON OTT PLATFORMS

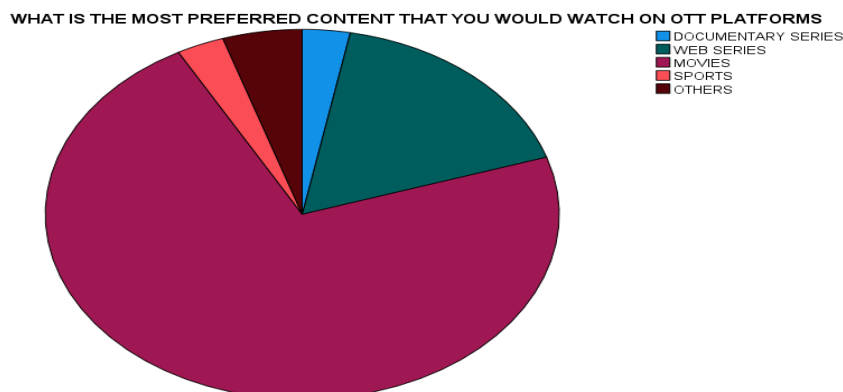
An attempt was made to find out the most preferred content on OTT platforms desired by consumers by classifying the various contents as documentary series, web series, movies, sports and others category.

From the analysis, it is clear that movies are the most preferred content on OTT platforms with total percentage of 72 percent, followed by web series with 17 percent. Documentary series are the least preferred with 3 percent of respondents watching the same. The details can be understood from the following table and figure.

**Table 2 Most Preferred Content on OTT Platforms**

Content Type	Frequency	Percentage
Documentary Series	3	3
Web Series	17	17
Movies	72	72
Sports	3	3
Others	5	5
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary Data



**Figure 1 Most Preferred Content on OTT Platforms**

**CLASSIFICATION SHOWING CONSUMERS’ RESPONSE TOWARDS DIRECT OTT MOVIE RELEASES BYPASSING FILM THEATRES**

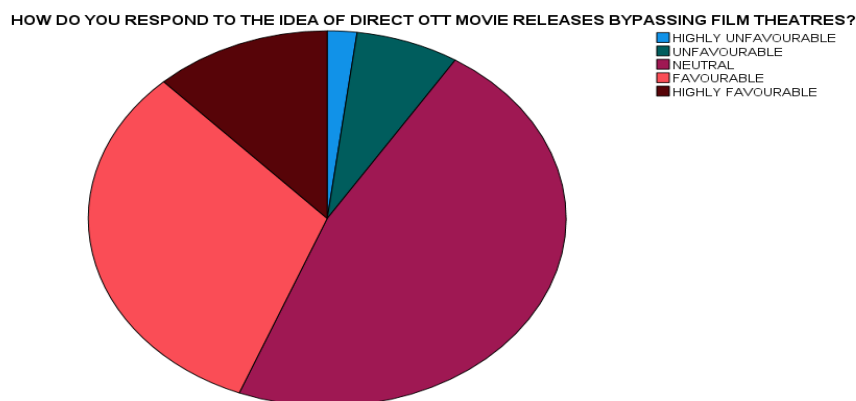
The idea of direct OTT movie releases to OTT platforms were studied as a part of the article and it was measured on a five point scale with highly favourable having a score of five and highly unfavourable with a score of one respectively.

The results show that most of the subscribers (47 percent) are neutral about direct releases followed by Unfavourable attitude (32 Percent). It is clear that subscribers want to watch movies from theatre itself regarding new releases. As the overall mean is above 3, consumers are said to be satisfied about direct OTT movie releases bypassing film theatres.

**Table 3 Consumer Response Towards Direct OTT Movie releases**

Response	Frequency	Percentage	Overall Mean  <b>3.45</b>
Highly Favourable	2	2	
Favourable	7	7	
Neutral	47	47	
Unfavourable	32	32	
Highly Unfavourable	12	12	
<b>Total</b>	<b>100</b>	<b>100</b>	

**Source: Primary Dat**



**Figure 2 Response towards Direct OTT Movie Releases**

**CLASSIFICATION SHOWING MAJOR DRAWBACKS OF OTT PLATFORMS FROM CONSUMER PERSPECTIVE**

Subscribers of OTT platforms were asked to point out the major drawback of OTT platforms while using different OTT platforms.

From the analysis given below, it is clear that the major drawback the consumer sees is the heavy subscription charges levied by OTT platforms followed by internet data consumption and other things as shown in the table and figure.

**Table 4 Major Drawback of OTT platforms**

Factors	Frequency	Percent
Subscription Charges	61	61
Gadgets Required	10	10
Internet data consumption	20	20
Others	9	9
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary Data

**MOTIVATING FACTORS FOR SUBSCRIBING TO OTT PLATFORMS**

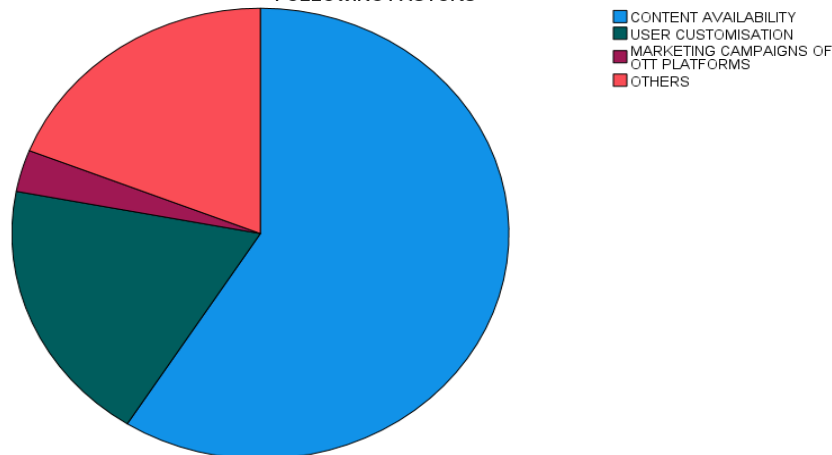
As one of the major objectives of the article is to find out the motivating factors making subscription to OTT platforms, subscribers were asked to choose the major motivating factor for subscribing to OTT services, from different options.

The following results show that content availability is the major factor motivating people to subscribe to OTT platforms. User customisation is also sought by users of OTT platforms and other factors as shown in the table and figure below

**Table 5 Motivating Factors Regarding Subscription to OTT platforms**

Factors	Frequency	Percentage
Content availability	59	59
User Customisation	19	19
Marketing campaign of OTT Platforms	3	3
Others	19	19
<b>Total</b>	<b>100</b>	<b>100</b>

GIVE YOUR OPINION ON THE ASPECTS WHICH MOTIVATED YOU TO SUBSCRIBE OTT IN TERMS OF THE FOLLOWING FACTORS



**Figure 3 Motivating Factors for Subscribing to OTT Platforms**

## **FINDINGS, SUGGESTIONS AND CONCLUSIONS**

### **FINDINGS**

- Content availability was chosen as the major motivating factor for subscribing to OTT video platforms.
- Consumers are not considering OTT platforms as a substitute for film theatres. Thus it can be assumed that the satisfaction received from OTT platforms are not the same as film theatres.
- Subscription charges are the major restraining factor as regards to OTT subscription.

### **SUGGESTIONS AND CONCLUSIONS**

- Movies are the most sought content in OTT by the viewers. Marketers of OTT platforms can use different strategies to attract viewers towards other contents like documentary series, web series etc. Through proper communication about the different contents available in OTT platforms, much more subscribers can be attracted towards the same.
- There is a scope for Government or public sector to operate OTT platforms at a lower rate and capture market by providing quality contents.
- OTT companies may redesign their subscription pattern as they may attract more customers to them.

### **REFERENCES**

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