A Study on Over the Top Platforms on DTH and its Impact on Consumer Behaviour

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***Abstract*: The subject of the study is to analyze the impact of OTT platforms DTH services in India and analyze the factors that could be crucial in determining consumer choice between DTH services and OTT platforms. The study focuses on determining if OTT Platforms can replace DTH services and understanding what influences the consumers' choice as well as figuring out If there exists a relationship between the consumers' frequency watching online and preference of streaming services. Hereby, it was found that mobility and price were the two primary factors that determine consumer choice and it was found that people prefer streaming content on OTT platforms.**

***Keywords*: Consumer choice, DTH services, Mobility, OTT platforms.**

1. Introduction

An over-the-top application (OTT) is an application or service that provides a product over the Internet, bypassing traditional distribution. Over - the-top services are usually connected to advertising and communication, and are generally, if not always, lower in cost than the conventional delivery method. Creation of OTT apps has resulted in widespread rivalry between companies offering similar or overlapping services. The traditional ISPs and telcos have had to anticipate third party-related challenges that offer over - the-top applications. For example, think of a company like Netflix's conflict with a cable company.

Direct-To-Home TV stands for DTH. DTH is defined as receiving satellite programs in an individual home, with a personal dish. DTH removes the need for the local cable provider and directly links the network with the customer. With the growth of OTT platforms, there has been a drop in revenues for DTH companies. With Amazon Fire stick and all platforms like Netflix, Hotstar, SonyLiv, Amazon Prime it could well be just a matter of time before people move to OTT platforms completely and do away with DTH cable connections.

In India, the growing trend towards content consumption by the country's youth towards over the top or OTT video streaming services such as Hotstar, Amazon Prime Video, Netflix and other well-known names is evident. The rapid development has given digital consumer marketers as well as brand names a large berth. The biggest issue on the Indian OTT industry is the fact that Indians still do not want to pay for it. While the pace at which subscriptions in the Indian OTT industry are increasing is tremendous, there is still a great opportunity in terms of the addressable base that still does not pay for streaming subscriptions. Freeloading has been an issue for Indian OTT matches. The informal login exchange trend causes the platforms to drop many potential subscribers, which also contributes to customer inconsistencies that enable platforms customize their offerings and catalogues. An average, OTT user uses their mobile devices for more than 6 hours a day and stream more than 2 hours of mobile video every day. About one-third now suggest screen size does not influence how long they watch or what kind of content they watch. Millennial OTT users are streaming more video content on their mobile devices than on their TV sets. As OTT content becomes more popular and younger millennials acquainted with OTT become the head of households this demographic grow. In the OTT industry, originals are the new trend. Streaming networks rely on this to grab the public's attention.

2. Review of literature

(KS, 2019) In India, data usage has risen 32-fold to 9.06 GB in the last five years. KPMG Eros Now claims that Indians devote on video platforms an average of 70 minutes a day. Although good content is a key differentiator for OTT channels, the pricing strategy is what made them stand out. Between Netflix releasing Sacred Games and Amazon Prime launching Family Man, featuring big Bollywood stars, many OTT providers are pushing the boundaries to draw people's attention in the quality of content they demand. The one reason, which could speed the switch to OTT platforms, can be the high monthly bills some cable TV and DTH subscribers have to pay after TRAI enabled Television channels to sell their services on a la carte basis. TRAI is currently evaluating the application of this proposal, but the monthly cable / DTH bills continue to rise.

(Khatri, 2019) A TRAI report showed that in the January-March period, Direct-to-Home (DTH) services had an estimated active subscriber base of 72.44 Mn. It has fallen to 54.26 million, a 25% drop in the quarter ending June 30.A study showed, in comparison, that four out of five smartphone users use at least one OTT platform for entertainment. It means that 80% of smartphone users are using at least one OTT network. TRAI notified the' New Regulatory Structure' for Broadcasting and Cable Services. Under this notification, customers were given the freedom to select their choice of television channels. Reports from CRISIL and CARE Ratings showed that, instead of seeing a reduction in cable bills, most consumers reported an average increase in their bills by around 25 percent. The market is swamped with exposure by global biggies such as Netflix and Amazon Prime, which are revamping subscription model content to encash on the rise of Indian OTT.

(Sharma, 2019) There is the price aspect that has propelled India's OTT craze as a fiercely competitive sector. The affordable plans and the data tariff battle that has devastated the industry, telecom operators want to distinguish themselves and they allow service offerings become the differentiating factor. Consequently, several people used such resources easily. Consumers adopting DTH, on the other side, must pay a high monthly fee. In such a case, the leniency of the people against OTT applications is set to increase gradually. With the increasing quality of shows on those channels, massive corporate expenditures and growing data use will contribute to this dimension. It can be said that the introduction of the new tariff structure for TRAI has exacerbated this transition considerably, since many customers still feel that they overpay for the subscriptions. Nevertheless, it is also worth remembering that since DTH is such a heavily infiltrated and protected category of broadcasting network, the arguments are not yet adequately persuasive for viewers to make a decent transition to OTT platforms.

(Shashidhar, 2019) Contemporary broadcasters are becoming ever more non-viable. The occurrence is evident in the fact that a wipeout of more than 15 percent has been there in the cable universe in recent times. The viewership of the Hindi entertainment genre has fell from 90 percent to 65 percent in the last year, as per experts. Likewise, the viewership of English cable channels fell from 30 percent to less than 10 percent. Due to factors like easy access to the data and the emergence of OTT platforms, there has been a large part of this viewing drop in urban markets. A few years earlier, many networks spent enormous amounts of money advertising their TV shows, but today some of them are investing crores on their OTT platforms supporting their new shows streaming. The new legislation on TRAI, which requires users to pay only for the networks they wish to watch, has led to the troubles of the broadcasters. As a result, it adversely affected platform penetration and revenue. India is an under-penetrated television market, but industry professionals believe that all individual TV households should slowly turn to digital devices over the next four-five years rather than becoming multi-TV homes. This will enable the OTT services to access content. (Bansal, 2017) Experts in the media industry say that DTH is likely to feel the heat. Smartphone penetration and increased broadband speeds have enabled and strengthened the viewing experience on these networks. For now, DTH users are unable to pull content at will or use it on the go. Such pressure on DTH companies will certainly drive them to start offering their customers hybrid set-top boxes. The new-wired boxes would remove the need to buy Digital TVs or other streaming devices as both linear programming and on-demand video like Netflix and Amazon Prime will be included in the set-top box. As rural electrification progresses, DTH will become popular among villages that do not currently have cable television or the Internet.

(Verma, 2019) Following the TRAI regulation for DTH operators and cable companies, which came into force on 1 February 2019, consumers, has the option to pay only for the services they wish to watch. That may not necessarily translate into less expensive cable bills. A CRISIL report shows that, in addition to free-to-air channels, the monthly TV bill for those who opt for the top 10 networks will rise by 25 percent. Users will enjoy most of the channels at a lower monthly cost due to streaming services, some of which charge as little as Rs. 999 per year for premium subscription. Hotstar, for example, provides access to Star network channels such as ' Life Ok, ' ' Star Plus, ' etc. and HBO. The set-top box for the Dish NXT HD is priced at Rs .1,590. Starting at Rs. 1,699, Tata Sky's HD Digital set-top boxes are more costly. The HD box of Airtel TV, which also includes a month pack of 150 channels, is currently listed in Delhi / NCR for Rs. 769, but this does not include NCF (Network Capacity Fee), installation and activation fees. On the other hand, if one were to quantify these streaming services ' combined subscription costs, then it would come to Rs. 3,496 a year or about Rs. 291 a month.

(Kumar, 2019) Tata Sky has set up marketing campaigns to target customers with the festive season around the corner. The company has launched a mobile van campaign that will go into rural areas and make potential customers aware of the advantages of a Tata Sky link. With more such programs, the company aims to create awareness among customers. Tata Sky also offers special services such as Live TV, on-demand movies and shows including catch up of last 7 days episodes. The distribution platform also offers ‘Tata Sky Binge’, which aggregates digital content from, Hotstar, Sun NXT, Eros NOW, and Hungama Play via a single subscription fee. It's not just Tata Sky, but several players like DishTV, Airtel and Vodafone are focused on providing their customers with aggregated content. The growth in content consumption on the OTT network and the aggregation of content.

(Rouse, 2018) Over the top (OTT) and pay TV are two business models enabling consumers to subscribe to the content on television. Pay TV, which is generally more expensive, typically bundles content and requires that the user lease a proprietary set-top box for a coaxial cable or satellite dish Network. In contrast, OTT content is delivered over the internet via a proprietary content delivery network (CDN). Over - the-top (OTT) apps, utilities, or third-party content delivery providers such as Netflix, Amazon Prime, YouTube, or Hulu do not need set-top box assistance because they are accessed over the public internet. The material may be freely available, or authenticated, based on the quality of the service. The increasing introduction of public Wi-Fi and limitless wireless data plans has also continued to fuel OTT providers and services growth. This has forced conventional software and service providers to find ways to stay important or run the risk of losing clients.

(Srinivasan, 2018) Ten years ago, the Indian TV entertainment market was flooded by MSOs or what we used to call' cable-wallahs.' DTH was an age-old piece of technology across the world at the time, but not in India, because there are not many service providers except for Dish TV. Although overall DTH subscription rates would equate to as much as a DTH link if your yearly expense is taken into account, there are some places where streaming sounds like a possible video delivery choice. Although DTH gives you greater (unwanted) content, streaming services can encourage you to view your favourite Show or movie if you want to enjoy it. Moreover, as online libraries are constantly being updated with greater space to provide more and more content, there is no schedule for a particular content to be witnessed. Lately, streaming services have set up in-house creation material and are mostly continuing to invest in the same content that seems to have found its market among young adults. While data rates are getting cheaper, access is quicker than ever before and streaming services are becoming more common by the day, DTH has lost the magic. All good things end as they say. DTH, we realize that a decade earlier, this was a game changer but now it has not caught up with technological advances.

(Panikkar, 2019) A while earlier TRAI (India's Telecom Regulatory Authority) created a new tariff order for cable operators and DTH firms. The new rules aim to make it easy for viewers to choose what they want to watch on TV and only compensate for the networks they want. In addition, while these new rules sound perfect on paper, this turned out to have affected only a small audience of consumers. For most others, they already spend an almost equivalent, if not more, sum for an even smaller selection of outlets. It is 2020 and there is almost no solution to it. Luckily, DTH providers to have a plausible alternative: subscription platforms. Services such as Netflix, Hotstar & Prime Video have gained considerable momentum, even in India. With attractive prices and a variety of content on offer, it is hard to resist subscribing to them. The average ARPU (Average Income per User) industry is INR 270-300. Taking 300 as the rough estimate, it adds up to around INR 3,600 per year. You could buy Hotstar VIP and SonyLIV subscriptions together for a total price of INR 865 per year, to give that number some perspective.

(Sharma, 2019) The latest pricing framework put in place by India's Telecom Regulatory Authority has brought significant changes to the way television services were priced and distributed. Although there has been an apparent change in the cost of prices and subscriptions, on the business side also some significant changes have taken over. Even the number of viewers shifted after the new regime in TRAI. On the technical side of things, the gap between cable TV and DTH occurs in both types of processing, since the former only utilizes physical transmission while the latter relies solely in wireless transmission. Now although there have been a few cases where the cable TV subscribers had to see mediocre service quality, in recent times, the availability and accessibility that the cable TV service is providing many options. These are subject matter that the DTH operators struggled to do. On the other side, the DTH service providers have a strong service team over the internet or on request that can address questions and help you overcome your inquiries.

3. Research Design

The quantitative method is used to understand the trends and statistical truth in the research. Therefore, this study uses a questionnaire, for collecting the data to support the explanation of the problem statement solution.

A. *Research Objectives*

1) To determine whether OTT platforms can completely replace DTH.
2) To study what influences consumer choice between OTT platforms and a DTH connection.
3) To study and assess the relationship between the preference of watching online and factors that influence them to choose OTT platforms over DTH.

B. *Data Collection Method*

The data for this research paper is collected through two levels:

1) *Primary data:* The primary data for this research paper was collected through a structured questionnaire to gather all the information, which is necessary for the research paper and answers the entire question, which is required for analysis.
2) *Secondary data:* This level includes articles, journals, books, websites which gives essential knowledge which is necessary for the project

C. *Sample Size and Sampling Technique*

1) Population: People across the country.
2) Sample Frame: The questionnaire, which contains 12 questions, was sent across to people across the country.
3) Sample Size: 114
4) Type of Sampling: Convenience sampling method

D. *Statistical Design*

1) Cronbach alpha
2) Descriptive analysis
3) Chi-Square
4) Correlation

E. *Hypothesis*

1) Hypothesis for content available and preference of watching online

H_1: There exists a significant relationship between the preference of watching online and content available on OTT platforms

H_o: There is no relationship between the preference of watching online and content available on OTT platforms

2) Hypothesis for price and preference of watching content online

H_1: There exists a significant relationship between the preference of watching online and Price of the subscription

H_o: There is no relationship between the preference of watching online and Price of the subscription.

3) Hypothesis for Mobility and preference of watching online

H_1: There exists a significant relationship between the preference of watching online and mobility of the service.

H_o: There is no relationship between the preference of watching online and mobility of the service.

4) Hypothesis for customer service and preference of watching online

H_1: There exists a significant relationship between the preference of watching online and customer service.

H_o: There is no relationship between the preference of watching online and customer service.

4. Analysis and interpretation

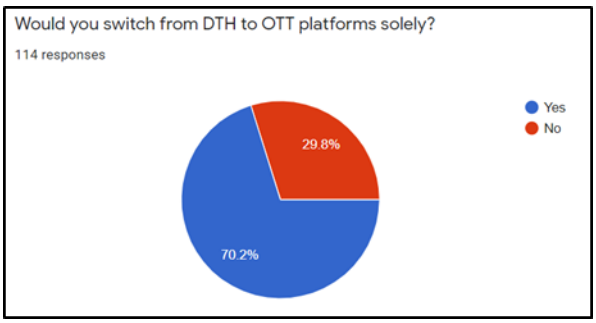

Fig. 1. Graph showing whether OTT Platforms can replace DTH

Interpretation: In the context of this research, this question is of utmost significance. The results are favourable. We can see that 70.2% of the people will consider moving to just OTT platforms and do away with DTH cables. The 29.8% of the people who will not move to OTT platforms are late adapters and we can expect them to move towards OTT platforms purely in due time.

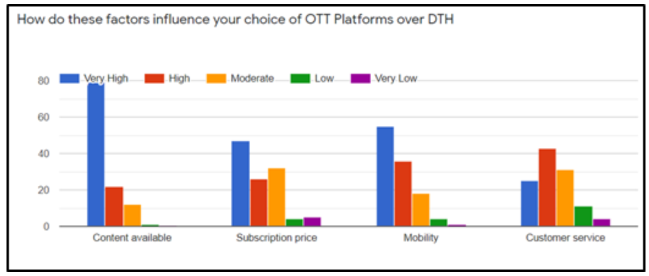

Fig. 2. Graph showing the factors influencing consumer choice

Interpretation: The data collected here helps us understand the factors that influences consumer choice when it comes to switching from OTT platforms to DTH connections. The four factors we considered are content available, cost, mobility and customer service. We can see from the data that content available is of utmost importance. The second most important factor is Mobility. Subscription price or cost is the third most important factor in the decision making process of customers. The least important factor is customer service. From this, we get a perspective on factors that influence consumer choice while moving to various OTT platforms.

A. Correlation

1) Content Available

Interpretation: H1 is accepted and Ho is rejected. From the correlation test, it is observed that the significant value for preference of watching online in relation to the content available on OTT platforms is 0.001. As the significant value is less than 0.05, it can be determined that there is a relationship between preference of watching content online and content available on OTT platforms.

2) Subscription Price

Interpretation: H1 is accepted and Ho is rejected. From the correlation test, it is observed that the significant value for preference of watching online in relation to the price of

Table 1
Correlation of the various factors considered and the preference of watching online

Correlations						
Factors		Content Available	Subscription Price	Mobility	Customer Service	Preference of streaming content
Content Available	Pearson Correlation	1	.362**	.221*	.081	.303**
	Sig. (2-tailed)		.000	.018	.392	.001
	N	114	114	114	114	114
Subscription Price	Pearson Correlation	.362**	1	.246**	.093	.194*
	Sig. (2-tailed)	.000		.008	.322	.038
	N	114	114	114	114	114
Mobility	Pearson Correlation	.221*	.246**	1	.360**	.215*
	Sig. (2-tailed)	.018	.008		.000	.022
	N	114	114	114	114	114
Customer Service	Pearson Correlation	.081	.093	.360**	1	-.025
	Sig. (2-tailed)	.392	.322	.000		.794
	N	114	114	114	114	114
Preference of streaming content	Pearson Correlation	.303**	.194*	.215*	-.025	1
	Sig. (2-tailed)	.001	.038	.022	.794	
	N	114	114	114	114	114
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

subscription of OTT platforms is 0.038. As the significant value is less than 0.05, it can be determined that there is a relationship between preference of watching content online and price of subscription.

3) Mobility

Interpretation: H1 is accepted and Ho is rejected. From the correlation test, it is observed that the significant value for preference of watching online in relation to the mobility of OTT platforms is 0.022. As the significant value is less than 0.05, it can be determined that there is a relationship between preference of watching content online and mobility of OTT platforms.

4) Customer Service

Interpretation: Ho is accepted and H1 is rejected. From the correlation test, it is observed that the significant value for preference of watching online in relation to the customer service of OTT platforms is 0.794. As the significant value is more than 0.05, it can be determined that there is no relationship between preference of watching content online and customer service of OTT platforms.

5. Conclusion

As the OTT industry grows and households continue streaming content across a growing number of OTT services, consumer experience is likely to become more relevant and this is precisely what this research showed as well. Today's bid is for the global streaming market and there is no surprise given the potential to recreate the Netflix platform that has about 150 million users globally and 40 percent are located in the US. We are currently witnessing a 3-way battle for Asia, which is where Netflix plans to position its next 100 million subscribers. No question OTT (Over The Top) will continue to grow as a genre. What is fascinating though is how ads can affect this. Everyone invested in this area primarily aims at creating a global subscription base. To keep up, their ads should be more tailored through these channels, which can offer focused and appropriate content to the audience they know so well.

OTT is set to continue to expand faster than traditional forms of distribution. One clear example of this is the ever-growing user base of Netflix, Hulu and Amazon Prime. A certain fact is that in the coming years, content will still be king. Whether 5G-powered or not, broadcasting is now a robust and tested technology that allows viewers to watch their favourite entertainment whenever they want and it is up to networks to insure that they have the infrastructure in place to provide the next audience with the best quality of experience. By the end of 2020, India is projected to be the world's largest market for video viewing and by 2030; India will have one billion people on the internet, with almost all of them utilizing smartphones.

In conclusion, we can say that in the time to come in India we can expect people to move away from DTH and solely adopt OTT platforms. This research is a testament to that. There are various factors like mentioned in this research which will determine this choice and all players in the OTT industry must try to focus on these factors.

6. Managerial Implications

After the above the analysis it is found, the following policies could be helpful:

- DTH service operators must try to tie up with OTT services and try to offer both services. This might make life easier for consumers and hence they might pay for service as it makes it easier for consumer and they will pay for services that makes life easier for them.
- OTT platforms must introduce a Friends,
- recommendations feature that will enable users to send and receive recommendations. This function incorporates the user's desire to find content from trustworthy partners and improves the convenience with which to find quality content.
- Except Hotstar and SonyLiv, no other OTT platforms have Live television option. If they want to stand out among OTT players as well as replace DTH services, they must try to introduce live television feature.
- They must try to make finding content easier if they want to attract people of an older age group. Younger people who are better versed with technology will use OTT platforms but for the older generation they must make it easier to use their services.
- OTT services must try and get their services downloaded initially which will make people try their services and could prompt people to use their services even after the trial period. In the long run, it could be a necessity to have OTT services on a TV.
- Lastly, I believe that a pack must be made available by all OTT services coming together for discounted price. In the long run, it will benefit the industry as it could help them kill the DTH industry all together.

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