



UNDERSTANDING FACTORS RESPONSIBLE FOR THE POPULARITY OF OTT PLATFORMS AMONG GENERATION Z

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ABSTRACT

OTT stands for “Over The Top” and refers to any streaming service that delivers content over the internet. Over-The-Top (OTT) content is becoming a big buzzword in today’s technology and systems enabled environment. In this digital era, Over the Top (OTT) content has emerged among Generation Z as the new standalone digital multi-media platform which provides media and consumer autonomy of consumption.

Reports suggest, that the modern audience is responsible for major growth and popularity of OTT platforms. "The OTT market in minutes of consumption in India has risen from 181 billion to 204 billion minutes in 2021." Younger people (less than 35 years) are more likely to watch videos online by subscribing to OTT services than people more than 35 years of age.

The rapidly growing popularity of OTT platforms fueled by the Covid19 pandemic in recent times has provided the impetus for the researcher to undertake study aimed at understanding the factors responsible for the popularity of OTT platforms among Generation Z.

Previous studies related to the topic of study were reviewed by the researchers to develop a survey instrument. A google form was used to conduct the online survey and gather data from 502 randomly surveyed students from the State of Maharashtra. Additionally, the researchers also engaged in interactions with some respondents to gain a better insight into the topic of study.

The findings of the study help arrive at the conclusion that all the identified factors of this study such as better content, diverse content, privacy, binge watching, 24 X 7 availability, cheaper pricing, user friendly, suggestions based on past viewing history are considered important for the popularity of OTT platforms by the respondents, Generation Z, with better content being the most important and the option for binge watching being considered least important among the listed factors.

KEYWORDS

OTT, factors for popularity, better content, diverse content, privacy, binge watching, 24 X 7 availability, cheaper pricing, user friendly



INTRODUCTION

Today's era is digitalized era, from study to entertainment everything is now available online. Information & products are only fingers away. Digitization has drastically changed the way we work & the content we consume. Due to the pandemic situation, OTT platforms are now more in demand. Generation Z are now using more of the internet for entertainment. Thus OTT platform has changed the trends of the new dawn.

India is the world's fastest-growing market for streaming platforms, also known as over-the-top or OTT service providers, according to a recent report with an annual growth rate of 28.6 percent, India it is expected to become the sixth-largest market by 2024.

Netflix successfully launched its streaming services in India in 2015. Thereafter the Indian internet streaming market kept evolving with the entry of players like Amazon Prime Video, Sony LIV, Zee5, VOOT etc. Market Scenario of OTT platform in India with over 40 over the top media services (OTT) in India, more and more people are opting to watch content online. As per reports in the fiscal year 2018, the OTT market in India was worth ₹ 21.5 billion and in 2019 its value grew up to ₹ 35 billion. The OTT sector in India witnessed a 30% rise in the number of paid subscribers, from 22.2 million to 29.0 million between March and July 2020. India's video streaming industry is set to be valued by ₹ 11.9k billion by 2023. This growth is directly connected to the surge in the number of internet users which are expected to cross 735 million by 2021 with more than 73% of them consuming content in Indian regional languages. Having shaken the supreme Indian television, OTT platforms have changed the way India views entertainment.

DrS.Shaym Prasad (Sept 2021) highlighted that technology has disrupted the culture of watching together. Viewers, now have the liberty to choose and watch from a plethora of genres from several different OTT platforms and that too at one's own convenience. It is no surprise then that the OTT media has grown by 30% in the number of paid subscribers from 22.2 million to 29.0 million during March 2020.

Kajal Parmar and Manisha Pandit (March 2021) stated that Over-The-Top (OTT) platforms are emerging as the "New Television" in India. Also, they have predicted that the media and entertainment sector in India is expected to exceed INR 2.4 trillion by 2022, at a Compound



Annual Growth Rate of 10 per cent, with OTT taking 10 per cent of the total TV subscription market.

Frost & Sullivan (June 2018) revealed that the OTT video market in India is gradually becoming a mainstream entertainment destination with the rapid rise in the Internet user base and cheap smart devices which are now easily available across the globe.

Content genres like entertainment, sports, and regional are emerging as the key focus areas for the OTT platforms. Most of these players are at early stages of their maturity and are focusing on rapid consumer aggregation and driving engagement. From inception till now, the prime growth driver for OTT have been the unique stories

The indiantelevision.com team, (August 2021), revealed that with more people turning to online means of entertainment content, the OTT industry has skyrocketed. They further discussed the reasons for the growth such as price, tons of content as well as wide range of content, ability to select the platform based on their interests, type of shows etc and the rise of convenience offered by OTTs

Sundaravel E. and Elangovan N (May 2020) summarised that significant factors driving the growth of the OTT market in India are internet & broadband penetration, declining data charges, the proliferation of internet-enabled mobile phones, personalization of content and pricing.

Joglekar (2018) noted that being user friendly and easily accessible has contributed to the increase in subscribers of OTT platforms. He further stated that people residing in rural areas who are not great in handling technology are also using this platform.

Rohit Jacob Jose (June 2020) expressed his views on reasons for the shift from traditional TV to OTT platforms in India stating that OTT platforms give the viewers the freedom to watch the movies and TV series they want, at their own convenience and hence the shift towards OTT platforms like Netflix, Amazon Prime and Hotstar. He also commented that while some of these services may charge a premium cost when compared with television, they offer various benefits which make them an attractive option such as content streaming on online



platforms have much less breaks and advertisements compared to television and give Indians better access to international content.

AritraMitra (June 2020) pointed out that better content and easy accessibility are the key factors responsible for the high popularity of OTT platforms. He quoted RohitMajumdar and AhiriChakraborty to prove the point.

Mr. Pramit Gupta (Feb2021) described the shift to OTT as follows: The user has complete autonomy in terms of choosing their own content and pricing. There is an overwhelming growth in OTT consumption and it has become a major trend. This trend is fuelled by increase in the number of devices that support these platforms. OTT's focus on 'short and sweet' media and with the concepts of 'seasons' play into the younger generation's attention span along with playing into their interests. Television media and their target audience largely has remained the same over years which do not play into the youth's interests and lifestyle.

Mint newsletter (Mar 2021) published that video streaming platforms are increasingly banking on niche, foreign language cinema, including those in Korean, Danish, French, Dutch, and Spanish to draw audiences in India. The covid-19 pandemic, which has forced people to stay at home, has exposed viewers in the country to more global content as they become comfortable with subtitles as well as stories that resonate with them.

It was reported that there will be greater demand for original content and is expected to double by 2023. Also regional language content will be preferred and it is predicted that by 2025, its share will exceed 50 % of total time spent with an increase of almost 50 % by

Sahil Chopra (July 2021) shared his view about OTT platforms being the first choice for content marketers. OTT platforms bring a wide array of content to select from based on a consumer's interests. For content marketers, relevance is the key to unlock new dimensions of advertising in the world of OTT media. Variety is the spice of content. The customers love to watch diverse content and that made them to shift from TV to OTT platform. As, OTT allows the audience to watch not just diverse content from around the world but to also experiment new genres



Amisha Gupta in IJAEM reported that currently privacy is what every single user of OTT platform wants and fosters the transparency and trust between the customers and operators and hence OTT platform make sure that subscriber privacy is secured resulting in higher preference among youth to use such platforms.

METHOD

A questionnaire was designed to understand the factors responsible for popularity of OTT platforms among Generation Z. A google form was used to conduct the online survey and gather data from 502 randomly surveyed students from the State of Maharashtra. Additionally, the researchers also engaged in interactions with some respondents to gain a better insight into the topic of study.

RESULTS AND DISCUSSION

The tables below shows the opinion expressed by Generation Z on the importance of various factors responsible for OTT platform popularity. They have responded positively to all the identified factors responsible for popularity or use of OTT platforms such as better content, diverse content, privacy, binge watching, 24 X 7 availability, cheaper pricing, user friendly and suggestions based on viewing history.

Opinion of respondents showing the importance of various factors responsible for OTT platform popularity

Sr. No	Factors	Important	Neutral	Not important
1	Better content	473	28	3
2	Diverse content	419	68	18
3	24 x 7 availability	386	101	15
4	Cheaper pricing	419	101	15
5	Binge watching	364	101	37
6	Privacy	457	37	8
7	User friendly	462	39	-
8	Suggestions based on history	401	90	11



Opinion on importance of better content as a factor for OTT platform popularity

Response of the participants was highly positive with almost 94 percent considering better content to be the key factor for the loyalty towards OTT platform. Generation Z values quality over quantity .This explains their shift towards short series on OTT against TV series which would run for several years. Their evolved and mature tastes push them to better quality content. They seem to have willingly given up on traditional content on TV.

Opinion on importance of diverse content as a factor for OTT platform popularity

83 percent respondents agree on the importance of diverse content. Generation Z has a more open approach. OTT platforms have blurred geographical boundaries and offer content from all over the world. The Generation Z is thus exposed to the traditions as well as social, cultural and political environment of various countries and geographical regions. They like to adapt the kind of culture shown in web series or movies. It's called the "TREND". Interesting and wide array of content in several languages, categories, formats and genres based on viewer interests are available to the OTT audience. OTT makes it possible for them to watch movies, reality shows, historical shows, sports events and many more with just one subscription.

Opinion on importance of 24 X 7 availability as a factor for OTT platform popularity

The importance of 24 X 7 availability finds favour with almost 77 percent respondents. The concept of anytime and anywhere entertainment has been important to the growth of OTT platforms. Unlike television, viewers do not have to wait an entire week for the next episode and not confined by a time slot any longer with OTT platforms.

Opinion on importance of cheaper pricing as a factor for OTT platform popularity

Cheaper pricer is important to 83 percent respondents. As most of the respondents are unemployed, subscription being pocket friendly is important. OTT platforms are offering lucrative and competitive deals. While Jio Cinema and Mx Player are free , the monthly cost of Netflix is just Rs 149 for mobile . Amazon Prime is available for Rs 129, Voot & Zee 5 at Rs 99 per month. Yearly subscriptions are even more cheaper. Subscribers who have the ability to pay more are willingly exploring premium subscriptions which helps generate additional revenue. Further more they opine that that it costs much lesser than the cost of a



ticket at a multiplex. They can watch movies from their home making travel time and cost unnecessary. Plus there is no need to spend money for the highly priced food sold at the theatres. While theatre allows only one time viewing for the ticket, on OTT platforms can be viewed multiple times and also downloading is possible.

Opinion on importance of binge watching as a factor for OTT platform popularity

Almost 72 percent consider binge watching to be an important factor. Being really engaged in the show, wanting to focus on one show at a time, catching up on past sessions of the show and boredom can be considered as influencers for bingeing. Hectic daily school, college or work schedules may lead generation Z to bingeing on weekends.

Opinion on importance of privacy content as a factor for OTT platform popularity

With less than 2 percent of the total respondents considering privacy to be not important highlights the importance of privacy to the viewers. Earlier had to watch with many people or family members in front of the TV. Covid pandemic turned the tide strongly towards OTT platform allowing for a better and safer option away from the crowd. The OTT user has all the controls. OTT platforms provide access to uncensored content and youngsters may not be comfortable to let elders or others know what content they watch.

Opinion on importance of user friendly as a factor for OTT platform popularity

None of the respondents consider user friendliness as not important. An impressive 92 percent of the respondents consider it to be important while almost 8 percent are neutral. Thus the importance of a seamless navigation experience covering sign in, payment gateway, log in and watching along with a well designed user interface which saves selection time cannot be ignored. Or else viewers may get frustrated, stop viewing and move to other platforms. Flexibility to turn subtitles on and off, ability to continue the content from previous viewing, easy start, stop, rewind, fast forward and playback options contribute to user friendliness of the app. Gen Z users do not want unnecessary features cluttering their experience.



Opinion on importance of suggestions based on viewing history as a factor for OTT platform popularity

Almost 80 percent consider suggestions based on past viewing history important. The use of recommendation engines help read the viewers mind and helps provide a list of recommended shows. This helps in personalising or customising the the online exoerience and also contributes to customer loyalty and retention.

CONCLUSION:

From the above discussion it can be concluded that there is no respondent who considers User friendliness of the app as NOT IMPORTANT.

The factors responsible for OTT platform popularity can be ranked in order of importance as below:

1. Better content - 94.2 %
2. User friendliness - 92.3 %
3. Privacy – 91.03 %
4. Cheaper pricing - 83.46 %
5. Diverse content - 83.4 %
6. Suggestions based on previous viewing history – 79.88 %
7. 24X7 availability – 76.8 %
8. Binge watching -72.5 %



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