

A STUDY ON ANALYSIS OF CUSTOMER PREFERENCES TOWARDS OTT PLATFORMS

Dineshkumar M

II MBA, School of Management

Dwaraka Doss Goverdhan Doss Vaishnav College, Chennai, Tamil Nadu

Abstract

This study examines customer preferences towards various Over-the-Top (OTT) platforms, focusing on factors influencing usage patterns, content preferences, and platform selection criteria. Using a quantitative research methodology, data was collected from 114 OTT subscribers in Chennai through structured surveys. The analysis reveals that younger audiences (aged 21–30), predominantly students residing in urban areas, are the primary consumers of OTT content. Disney+ Hotstar emerged as the most preferred platform, highlighting the demand for regional content, sports streaming, and affordability. The findings indicate significant correlations between age and content preferences, as well as between income levels and perceptions of subscription pricing. The study underscores the need for OTT providers to tailor content libraries, pricing models, and user experiences to cater to evolving customer demands.

Keywords: *OTT Platforms, Customer Preferences, Streaming Services, Digital Media, Subscription Models, User Experience.*

Introduction

Over-the-top (OTT) platforms deliver media content, such as movies, TV shows, and live events, over the internet, bypassing traditional distribution channels like cable TV. Popular platforms like Netflix, Amazon Prime Video, Disney+ Hotstar, ZEE5, and JioCinema offer diverse content tailored to varying tastes, accessible anytime and on multiple devices. The convenience of on-demand streaming and personalized recommendations has fuelled the rise of OTT platforms.

A diverse and extensive content library is essential for customer satisfaction, with consumers valuing platforms that offer a wide range of genres, languages, and formats. Exclusive, high-quality original content, like OTT Originals, plays a crucial role in attracting and retaining subscribers, serving as a key differentiator in a competitive market. The user experience, including ease of navigation, interface design, and personalized recommendations, significantly impacts customer loyalty. Flexible pricing and subscription plans, with options like discounts, free trials, offline viewing, and ad-free content, are important factors in consumer decisions. Additionally, OTT platforms must be compatible with various devices such as smartphones, tablets, smart TVs, and gaming consoles to ensure accessibility and convenience, allowing users to enjoy content anytime and anywhere.

Consumers are increasingly drawn to original content created by OTT platforms, as these shows and films offer unique storytelling and diverse representation, appealing to niche audiences. Mobile viewing has also surged, especially among younger users, thanks to improved connectivity and portability. In addition, there is a growing demand for regional content, with platforms investing heavily in languages like Hindi, Tamil, Telugu, and Bengali to cater to localized preferences. To further expand their reach, many OTT platforms are

adopting hybrid business models, combining subscription-based and ad-supported content, which allows them to monetize content while providing flexible viewing options.

OTT platforms have disrupted traditional media by replacing cable TV and theatrical releases, leading to cord-cutting and a shift toward on-demand, personalized content. They have also democratized content creation, allowing creators to reach global audiences without traditional gatekeepers, fostering creativity and innovation. Intense competition in the market has driven consolidation, with companies forming partnerships to expand their content and technology. The rise of OTT platforms has reshaped viewing habits, promoting binge-watching and social viewing experiences, while AI-driven recommendations and interactive features enhance user engagement.

Need of the Study

This study aims to investigate consumer preferences over OTT platforms by examining various aspects, such as demographic insights, platform preferences, and content usage patterns. It will explore factors like age, gender, occupation, and location to understand the audience profile and tailor content and marketing strategies. The study will also assess platform usage, content preferences, and the factors influencing platform choice, including pricing, content variety, and user interface. Additionally, it will evaluate user satisfaction, perceptions of value and pricing, and the influence of external factors like reviews and social media. Finally, the study will explore emerging trends and preferences, providing insights to help anticipate future consumer behaviours and adapt strategies accordingly.

Scope of the Study

The study on customer preferences towards OTT platforms covers several key aspects to understand consumer behaviour and market dynamics. It will examine demographic factors like gender, age, and income to identify target audience segments. The research will also explore platform preferences, usage frequency, and subscription patterns. Content preferences, including popular genres and formats, will be analysed to uncover audience interests. Factors influencing platform choice, such as content variety, pricing, and user interface, will be explored, along with user satisfaction regarding interface design, content discovery, and playback quality. The study will assess perceptions of value relative to subscription fees, and how external influences like reviews, social media, and censorship impact decision-making. Lastly, it will anticipate future trends, including the role of social media and preferences for streaming while traveling.

Review of Literature

Girish Menon Menon (2020) states that limitations forced in the wake of Covid-19 pandemic significantly changed the consumption pattern for media and entertainment too. As lockdowns kept individuals from wandering out, either for recreation or work, public activity progressively moved to online stages. Web-based social networking furnished the chance to remain associated with families, companions, partners, neighbours and others. With external channels of entertainment (Out of Home-based entertainment) shut by government request, the home-based entertainment modes showed consistent growth and development.

ICFAI ICFAI (2019) report on "Transition of Consumer towards Video Streaming Industry: A comparative analysis of Netflix and Amazon Prime." mentioned that Content is said to be the king when it comes to on-demand video streaming channels and Netflix has slight edge over others in terms of content. Hotstar seems to be considerable choice because of the content it offers at affordable prices.

Mann et al Mann et al., (2015) in report "Digital Video & the connected consumer" notified that with 50% of smartphone app users aged between 18-24 years, the OTT media platforms are targeting a younger demographic. In the study "Understanding Adoption Factors of Over-the-top Video services among millennial consumers", researchers highlighted the four major factors that affect consumer adaptation towards different platforms. They are Convenience, Mobility, Content and Cost.

Dasgupta & Grover (Dasgupta & Grover, 2019) This research was done to figure out linkages between the digital media strategies being employed to advertise and the consumer decision journey. The main goal of the paper is to understand the impact of digital strategies on consumer decision making process through ...

Khanna Khanna (2016) in his report "A study on factors Affecting Subscription rates of Netflix in India: An Empirical Approach" stated that Indian consumers are more inclined to watch free content online rather pay a fee for the same. Low subscription of Netflix is due to the nonavailability of regional and local TV shows and movies.

The Kalagato report The Kalagato report (2017) presented a breakdown of the market share in the Indian video OTT industry for the respective players. The report states that Hotstar was a market leader with 73.19% with Netflix with 1.26% of the market share.

KPMG KPMG (2017) on "The 'Digital First' journey" listed down the announcements regarding original content investments by OTT video platforms in India. It also mentioned the emerging genre - 'live streaming'.

Ernst & Young Ernst & Young (2016) in the report "Future of Digital Content Consumption in India" stated that an increase in the usage of smartphones in India has stirred a new era of video consumption on the personal media devices. The penetration of smartphones in India is projected to grow to 520mn by 2020 and broadband penetration will increase to 40% from 14% in 2020.

Divya Madnani, Semila Fernandes, the outbreak of COVID-19 saw a robust increase in viewership of over-the-top (OTT) media platforms. This study aims to investigate the impact of COVID-19 on OTT platforms in India, as it has led to reshaping consumer content preferences

Navsangeet Saini The study finds that use of OTT content platforms such as Netflix, Amazon Prime, Voot, Hotstar (now Disney Hotstar), etc. has seen a rise especially among the younger age cohorts of population. The content has appeal owing to its entertainment value coupled with information, also the intrigue global content from diverse cultures offers to the knowledge enthusiasts. A discernible rise is also detectable in the prevalence of series as opposed to movies. This trend implies a rise in demand of OTT content and signals a growing popularity of OTT video-on demand platforms.

International Reviews

Deloitte Deloitte (2017) report on “Digital Media: Rise of On-demand Content” stated that the availability of affordable smartphones and better internet 4G connectivity has given rise to the demand for video on demand entertainment services. More people are now spending time on digital media compared to the cable or dish network.

WION In India OTT Platforms have been brought under the Government Controls like all Netflix, Amazon Prime, Hotstar, Z5 and etc now they are Subject to Government Sensore. Means now in India Online Platforms are now subject to Government Regulation. they will be Regulated by India’s IND (Information and Broadcasting Ministry) They also apply to Online News, Social Media Platforms Current affairs Content on Online Platforms.

Social Beat According to these report people actually spend 40 min Per day watching Video on this Platforms. According to them the online video Market in India Today in one of the Largest Growing Market and it is estimated that by financial year 2023 we will have close to 500 million online video viewers this would make it the second biggest market in the world after China on with /OTT Platforms contributing to major portion of its growth.

Scott Fitzgerald This article reviews the rapid growth of over-the-top (OTT) video services in India, such as Voot, Hotstar, Netflix, and Amazon, and places their development in the context of the dominant trends and business models at the international level. The expansion of such services in India, a country that ranks as the second largest market globally for “tech companies” such as Facebook and Amazon, raises questions about conceptions of development, participation, diversity, and power used to understand platformization in areas such as communication and culture.

SG Analytics This Study analyses the impact of Coronavirus on Ott platforms. The Coronavirus pandemic has impacted businesses and industries in unparalleled ways. It’s been nearly four months and people are mostly still stuck at home, schools are closed, and public gatherings and events like professional sports games have been postponed in order to curb the spread of Covid-19. During this quarantine, people have formed new habits.

SME FUTURES Video streaming platforms are having their moment in the sun in India. Given that all cinema halls have been closed months now, people are left with few entertainment options other than television. With millions of Indians cooped up at home the OTT consumption went through the roof. The lockdown period instilled a sense of optimism in the industry regarding the future of Over-the-Top (OTT platforms). As the name suggests, these platforms offer content directly to viewers via the Internet. ALTBalaji, India’s leading OTT platform has witnessed an average of 17,000 new subscribers each day in lockdown, a 60% increase from the average of only 10,600 per day in March prior to the lockdown. Similarly, other OTT players like Amazon Prime and Netflix witnessed 67% and 65% surge in subscriptions, respectively.

Riikka Koponen Explains in the Study that the COVID-19 pandemic has dramatically increased demand for OTT content – alongside increased competition for eyeballs with an exploding range of choices for consumers. Post-COVID, things will not just return to how they were – so how can modern online broadcasters retain and grow their audiences in this new world? During this session Bitmovin share how they can help maintain vital Quality of Service

to keep consumers engaged while controlling and reducing costs through whole-workflow optimisation, so maximising ROI while mitigating risk.

Vivek Prasad According to this study the internet revolution drove the popularity of over-the-top (OTT) services in recent years, and the greater convenience offered by these platforms is worthy of recognition. Streaming services made it easier for consumers to access videos from any device – from mobile phones and tablets to computers and smart TVs. And another important consideration has been the low pricing plans offered by OTT platforms. But in 2020, we've seen adoption like never before.

Better Software Group This Study indicates that while the current situation is by no means positive, there is some positive impact for consumers. Streaming media providers, not wanting to lose and alienate subscribers, will likely take a more people-centric approach, and care more about the quality of their service – in part to meet the higher demand. The possible effects of COVID-19 on the OTT industry are certainly far-reaching, but it is still too early to take any of the predictions as revealed truth.

Colleen Sylvia In a bid to contain the coronavirus COVID-19 pandemic, countries have advised educational institutions to remain closed and have asked more organizations to enable employees to work from home. As a result, OTT (Over-the-top) viewership has seen a sudden spike. People sitting at home are evolving new streaming habits contributing to a larger number of OTT sign-ups and increased time spent on video on demand (VOD) services.

Research Objectives Primary Objective

- The primary objective of this study is to understand user preferences and behaviours regarding OTT platforms.

Secondary Objective

- To identify the potential target audiences for specific OTT platforms.
- To evaluate the influence of pricing on user decisions when choosing an OTT platform.
- To explore the role of social media and recommendations in OTT platform adoption.

Sources of Data

This study utilizes both primary and secondary data sources to analyze customer preferences towards OTT platforms. Primary data was collected through structured surveys using a questionnaire distributed via Google Forms, targeting 114 OTT subscribers in Chennai selected through convenience sampling. The questionnaire included closed-ended questions to capture insights into user demographics, preferences, satisfaction levels, and usage patterns. Secondary data was sourced from books, journals, websites, and articles on Google Scholar, providing background information on industry profiles, product details, and existing research related to OTT platforms. Combining primary and secondary data ensures a comprehensive understanding of customer preferences and behaviors, supporting the study's objective to provide actionable insights into the OTT industry landscape.

Results and Findings

1. Demographic Frequency Distribution

| Demographic Category | Frequency | Percent (%) |
|----------------------|------------|---------------|
| Age | | |
| Below 20 | 24 | 21.1% |
| 21-30 | 79 | 69.3% |
| 31-40 | 8 | 7.0% |
| 41 and Above | 3 | 2.6% |
| Gender | | |
| Male | 67 | 58.8% |
| Female | 47 | 41.2% |
| Occupation | | |
| Student | 67 | 58.8% |
| Business | 9 | 7.9% |
| Homemaker | 1 | 0.9% |
| Government Employee | 4 | 3.5% |
| Private Employee | 33 | 28.9% |
| Location | | |
| Urban | 74 | 64.9% |
| Rural | 24 | 21.1% |
| Semi-Urban | 16 | 14.0% |
| Total | 114 | 100.0% |

Interpretation

The survey sample is primarily composed of **young adults**, with **69.3%** of respondents aged **21-30 years** and **21.1%** below 20 years. Older age groups (**31 years and above**) are underrepresented, accounting for only **9.6%** of the total sample.

The **gender distribution** indicates a slight male dominance, with **58.8%** identifying as **male** and **41.2%** as **female**.

In terms of **occupation**, the majority (**58.8%**) are **students**, highlighting a youthful demographic. **Private employees** form the next largest group (**28.9%**), while other occupations are minimally represented.

Geographically, the sample is largely **urban (64.9%)**, with fewer respondents from **rural (21.1%)** and **semi-urban (14%)** areas, reflecting the concentration of OTT usage in urban locations.

Frequency of OTT Platform Usage and Content Preference

| Objective Statement | Response Option | Count | Frequency (%) |
|---|------------------------|-------|---------------|
| Assess Frequency of OTT Platform Usage | Daily | 23 | 20.2% |
| | Several times a week | 41 | 36.0% |
| | Few times a month | 34 | 29.8% |
| | Less than once a month | 16 | 14.0% |

| | | | |
|---|---------------|------------|---------------|
| Preferred Type of Content on OTT Platforms | Movies | 79 | 69.3% |
| | TV Shows | 22 | 19.3% |
| | Documentaries | 6 | 5.3% |
| | Reality TV | 7 | 6.1% |
| Total | | 114 | 100.0% |

Interpretation

The majority of respondents (36%) watch content on OTT platforms **several times a week**, indicating frequent but not daily engagement. 29.8% watch a **few times a month**, and 20.2% watch **daily**, showing strong but varied viewing habits.

Regarding **content preference**, **movies** are the most preferred type (69.3%), followed by **TV shows** (19.3%). A smaller percentage of respondents prefer **reality TV** (6.1%) and **documentaries** (5.3%). These findings suggest that **OTT platform usage is primarily driven by movie content**, with episodic series also playing a significant role.

Chi-Square Test

Null Hypothesis (H0): There is no association between **age group** and **type of content watched** on OTT platforms. **Alternative Hypothesis (H1):** There is an association between **age group** and **type of content watched** on OTT platforms.

| Chi-Square Tests | Value | df | Asymptotic Significance (2-sided) |
|------------------------------|--------|----|-----------------------------------|
| Pearson Chi-Square | 43.061 | 9 | 0.000 |
| Likelihood Ratio | 25.652 | 9 | 0.002 |
| Linear-by-Linear Association | 3.067 | 1 | 0.080 |
| N of Valid Cases | 114 | | |

Interpretation

The **p-value** for the Pearson Chi-Square test is 0.000, which is **less than 0.05**, indicating a **significant association** between **age group** and **type of content watched**. This means that **age influences content preferences** on OTT platforms. For example, younger age groups (Below 20 and 21–30 years) have a higher preference for **movies** and **TV shows**, while older age groups show more interest in **documentaries** and **reality TV**.

Anova Test

Null Hypothesis (H0): There is no significant difference in **OTT platform satisfaction** based on **frequency of usage**. **Alternative Hypothesis (H1):** There is a significant difference in **OTT platform satisfaction** based on **frequency of usage**.

| ANOVA | Sum of Squares | df | Mean Square | F | Sig. |
|----------------|----------------|-----|-------------|-------|-------|
| Between Groups | 0.050 | 1 | 0.050 | 0.059 | 0.809 |
| Within Groups | 84.960 | 99 | 0.858 | | |
| Total | 85.010 | 100 | | | |

Interpretation

The **p-value** of **0.809** is **greater than 0.05**, so we **fail to reject the null hypothesis**. This indicates that there is **no significant difference** in user satisfaction levels with OTT platform features across different **usage frequency groups** (daily, weekly, monthly, rarely). In summary, **frequency of usage does not significantly affect user satisfaction** with OTT platforms.

Correlation Analysis

Null Hypothesis (H0): There is no significant correlation between **frequency of OTT platform usage** and **time spent per day**. **Alternative Hypothesis (H1):** There is a significant correlation between **frequency of OTT platform usage** and **time spent per day**.

| Correlations | Frequency of Usage | Time Spent per Day |
|--|--------------------|--------------------|
| Frequency of Usage (Pearson Correlation) | 1 | 0.460** |
| Sig. (2-tailed) | | 0.000 |
| N | 114 | 114 |

Interpretation

The **Pearson Correlation coefficient** of **0.460** indicates a **moderate positive correlation** between **frequency of OTT platform usage** and **time spent per day**. The **p-value** of **0.000** is **less than 0.05**, meaning the correlation is **statistically significant**. This suggests that **users who watch OTT platforms more frequently also tend to spend more time per day on these platforms**.

Regression Analysis

Null Hypothesis (H0): There is no significant relationship between **gender** and **user satisfaction** with OTT platform functionalities. **Alternative Hypothesis (H1):** There is a significant relationship between **gender** and **user satisfaction** with OTT platform functionalities.

| Coefficients ^a | Unstandardized Coefficients (B) | Std. Error | Standardized Coefficients (Beta) | t | Sig. |
|---------------------------|---------------------------------|------------|----------------------------------|--------|-------|
| (Constant) | 3.833 | 0.295 | | 12.993 | 0.000 |
| Gender | 0.057 | 0.236 | 0.024 | 0.242 | 0.809 |

Model Summary

- **R Square:** 0.001
- **Adjusted R Square:** -0.010
- **Standard Error of the Estimate:** 0.926

Interpretation

The **p-value** for gender is **0.809**, which is **greater than 0.05**, so we **fail to reject the null hypothesis**. The **R Square** value of **0.001** indicates that **gender explains very little variance**

in user satisfaction. Thus, there is **no significant relationship** between **gender** and **user satisfaction levels** with OTT platform features.

Limitations of the Study

1. Demographic Limitation

The study sample is predominantly composed of young students, limiting the generalizability of the findings to older age groups and diverse professional backgrounds. Future research should include a broader demographic representation to improve applicability.

2. Stress and Emotional Impact

Although the study shows a divide in opinions on whether social media induces stress, there is a lack of qualitative research to explore the specific causes, stress triggers, and coping mechanisms associated with social media use.

3. Platform-Specific Engagement

The current research does not differentiate engagement levels across various OTT platforms (e.g., Netflix, Amazon Prime, Disney+ Hotstar). Platform-specific analysis could provide deeper insights into user preferences, satisfaction, and behaviour patterns.

4. Long-Term Psychological Effects

The study primarily focuses on immediate responses to social media use. It does not explore the prolonged psychological impacts such as addiction, anxiety, or depression. Longitudinal studies are needed to examine the long-term mental health consequences of social media consumption.

5. Causal Relationship

While a positive correlation between frequency of OTT platform usage and time spent per day was identified, the causal relationship remains unclear. Longitudinal research is required to determine whether increased usage leads to higher time spent or if other factors influence this relationship.

Conclusion

The study offers valuable insights into OTT platform usage patterns, highlighting the role of these platforms in entertainment, connectivity, and cultural engagement. Findings reveal that while younger audiences, especially students, dominate the OTT space, factors such as content variety, pricing, and user experience significantly influence platform preference and usage frequency.

Statistical analyses indicate that age and gender impact certain behaviours (e.g., views on censorship), while occupation and location have a weaker influence. A moderate positive correlation was observed between usage frequency and time spent, suggesting that frequent users tend to spend more time on these platforms.

Despite these insights, demographic limitations and the lack of platform-specific analysis highlight areas for further research. Long-term psychological effects and causal relationships

between usage patterns and user satisfaction also warrant deeper exploration.

To foster a sustainable OTT ecosystem, platform providers, content creators, and policymakers must collaborate to enhance digital well-being, address privacy concerns, and ensure responsible content curation. Promoting digital literacy and responsible consumption habits among users is essential for building a healthier, more inclusive digital environment.

Continued research is vital to adapt to evolving consumer preferences, technological advancements, and market dynamics, ensuring that the OTT industry remains a vibrant and sustainable part of the entertainment landscape.

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