

A Study on OTT Boom in India as an Outcome of COVID-19

Dr. Subhajit Ghosh

Assistant Professor, Department of Commerce, Bidhan Chandra College, Rishra,

ABSTRACT

COVID-19 is a global pandemic which has changed the way audience consume media. An undeniable trend surfaced in this period is the adoption of OTTs. There are many reports which point to the growing market and consumer appetite for content of choice available on OTT platforms. OTTs offer a never before consumer advantage– choice of content, ease of access, choice of device / mediums (hand phone, laptop, tablet or TV screen). Gone are the days when family members fought for screen time of choice on family's singular home device i.e. TV. In this study, an attempt has been made to study the evolution of OTT space in India A survey was also conducted to do audience mapping and analysis. In addition to primary data, content from news articles, industry research reports, international journals for accumulation of key trends were analyzed.

Keywords: Digital media, COVID-19, OTT platforms, mobile media and lockdown

INTRODUCTION

Unlike most industries, the Covid-19 pandemic was game-changing for the media and entertainment industry. If the last decade was about the boom of multiplexes, 2020 turned out to be the year of OTT entertainment, with Cineplex's and movie theatres being shut down for most parts of the year. Stuck inside their houses, people across the globe turned to digital screens to seek entertainment. 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 by PwC. With an annual growth rate of 28.6 percent, it is expected to become the sixth-largest market by 2024, ahead of South Korea, Germany, and Australia.

There were about 40 OTT platforms in India in 2020, most of them in regional languages, according to another report by the National Association of Software and Service Companies. By 2023, the market size will be \$5 billion, a Boston Consulting Group report predicts. OTT video streaming platforms including the likes of Netflix, Amazon Prime Video, Disney+ Hot star, Voot, and Sony LIV, among others, gained immense popularity in India. As the online streaming audience expanded beyond millennial and metros, and homemakers and senior citizens became OTT viewers, it led to a mushrooming of regional streaming apps that cater to non-Hindi and non-English markets. Many regional platforms like Oho Gujarati, Hoichoi, Aha, Nee Stream have seen a huge demand for regional content.

With the extended lockdowns and the current state of the economy, OTT seems to be the next normal for the world of entertainment. For months now, films have been bearing the brunt of theaters which partially opened and then closed again due to the second wave. As the lights are going out on live events, shoots and movie premiers, the only silver lining amidst all this is the rise of the popularity of OTT.

In July, 2020 Sushant Singh Rajput-starrer Dil Bechara made the biggest opening ever on Disney+ Hotstar. This was just one of many success stories of web platforms this year. Similarly Kay Kay Menon's Special OPS, Sushmita Sen's Aarya and Scam 1992: The Harshad Mehta Story was among web-series that were hugely successful on OTT. According to a report, the Indian OTT market is set to reach Rs 237.86 billion (US\$3.22 billion) by FY25, from Rs 42.50 billion (US\$576.73 million) in FY19.

India will have 500+ million online video subscribers by FY23 and this number is likely to grow with increased smartphone and internet penetration. Going by the current trends, a diversified content portfolio and various pricing plans would help OTT players gain more paid subscribers.

LITERATURE REVIEW

In a report titled 'Digital Media: Rise of on-demand Content' by Deloitte it is noted that the rise of internet-enabled digital devices capable of supporting digitized content has led to an increase in the use of digital content globally. In India, this trend is observed across diverse platforms such as audio, visual, news, music etc. It mentions that an Indian youth, on an average spends 14% of their time and nearly 17% of their monthly expenditures on entertainment. An internet content consumer in India consumes an average of 6.2 hours of content on everyday basis out of which 21% of the time is spent on audio-visual entertainment. A shift in consumer attitude with regard to favoritism for OTT content and easy access to vast library at any time and place over content ownership is notable.

Similar observations can be seen in PwC India's report that slated a huge opportunity for OTT platforms in India. The report however states that pricing of content can be hindrance to the growth and suggests a revised policy to foster the OTT market in India.

A Study Titled 'Understanding Adoption Factors Of over-The-Top Video Services Among millennial Consumers' by Dr. Sabyasachi Dasgupta and Dr. Priya Grover also reiterates that Indian audiences have swayed towards OTT content and are willing to spend for easy and unlimited access to content without a place and time limitation. It again notes the inverse impact of pricing strategy of OTT on its popularity. Data consumption is another attribute that makes it a tough choice for Indian viewers and so is habits and preferences for TV as a medium.

Another study by Sidneyeve Matrix on Netflix observes that viewers, especially youth, are becoming active curators of content than couch potatoes taking in 'whatever producers feed them.' Supporting this paradigm shift in consumers is the need to share, stay connected and discuss the content on social media forums. In the process of these social media transactions, the viewers are setting new standards of expectations from producers thereby becoming an active catalyst in the production process too.

Ritu Bhavsar in her research paper entitled "The Burgeoning Digital Media Consumption: A Challenge for Traditional Television and Advertising Industries – An Analysis" mentions that digital media has become an indispensable part of everyday lives and is a prominent medium used for gathering and disseminating information, socialization, entertainment and marketing. An ever-increasing consumption of content via digital media effects a change in the consumer preferences and attitudes and this transformations trend can be associated with better internet connectivity, advanced digital devices, competitive data prices in India and the accessible, on-the-go nature of internet media.

It can therefore be concluded from the literature review that the popularity of OTT is on the rise owing to increasing smartphone penetration, competitive internet data plans offered by Indian telecom service providers, the abundance and quality of content on these platforms and the global media industry dynamics that have a sizable impact on the economic and policy matters of OTT service providers. To add to this is the personalized nature of smartphone media and the availability of content from around the globe. Also instrumental is the preference of youth for free and unlimited access to content as opposed to complete content ownership in a limited manner.

Objectives

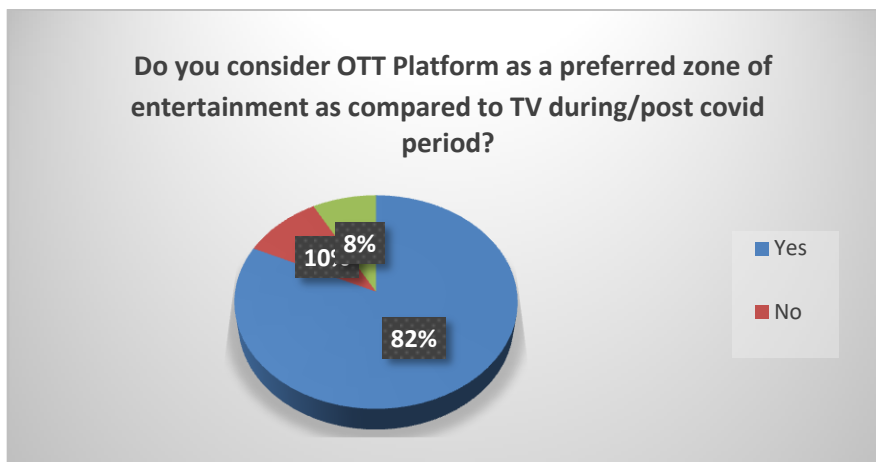
- (i) To study the acceptability of OTT Platforms in post pandemic era.
- (ii) To judge the popularity of OTT Platforms as an emerging area of entertainment.
- (iii) To explore the factors that has made OTT Platforms so popular.
- (iv) To study the mindset of viewers regarding different aspects of OTT Platforms.
- (v) To judge whether OTT Platforms can replace traditional Television in near future.

DATA SOURCE AND METHODOLOGY

A detailed primary research to study consumer preferences and trends regarding OTT adoption was carried out. Survey method was used to carry out the primary research. A structured questionnaire carrying 10 close ended questions was administered via google form. The questionnaire had relevant queries to evaluate respondent insights around key areas including – OTT uptake, rationale and reasoning, timelines, factors of dissonance etc. A sample of 50 respondents was evaluated for the purpose of the study. On the basis of responses collected, analysis was made through pie chart for better understanding of the trends.

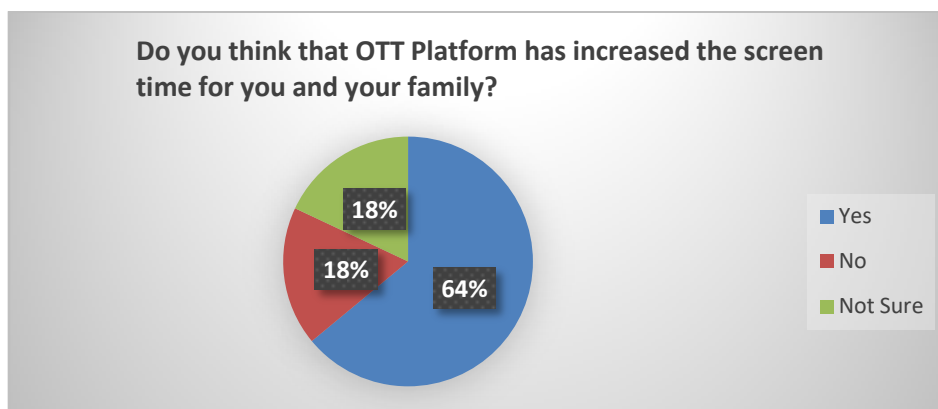
ANALYSIS

1. Do You Consider OTT Platform As A Preferred Zone of Entertainment As Compared To TV During/Post Covid Period?



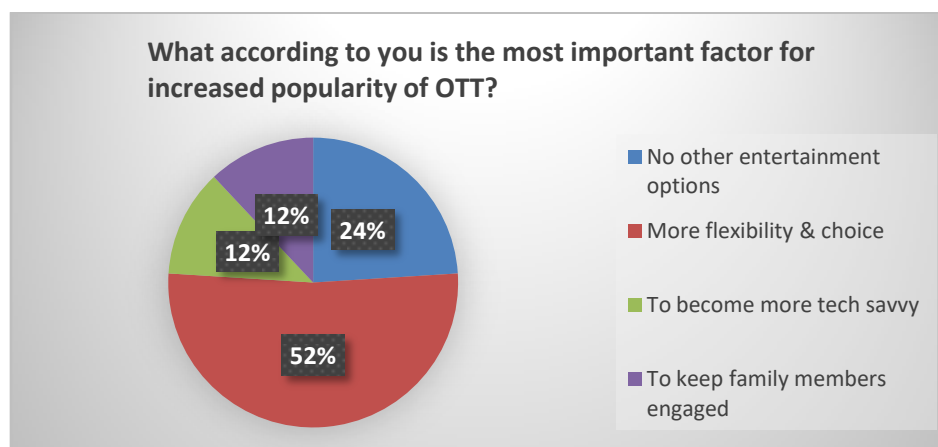
On the issue of acceptability of OTT Platform as compared to TV, it is found that 82% of respondents are accepting OTT as a preferred area of entertainment. It shows that acceptability of OTT Platforms is increasing in post covid period.

2. Do You Think That OTT Platform Has Increased the Screen Time for You and Your Family?



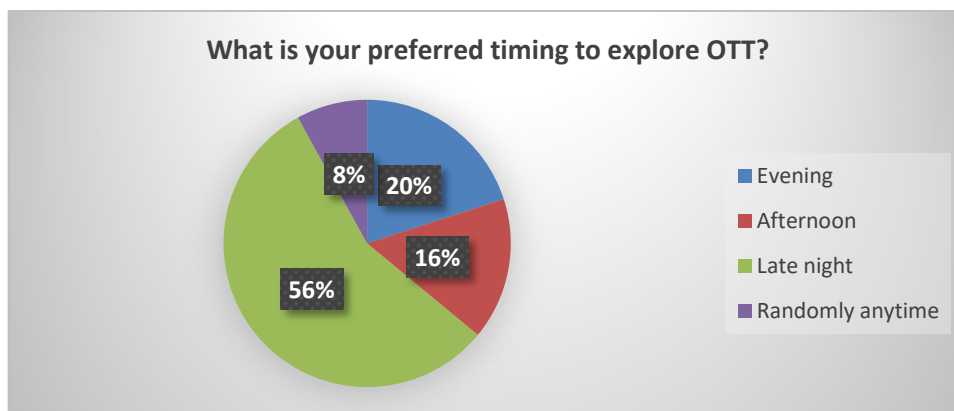
As far as involvement is concerned, 64% of respondents are admitting the fact that OTT has increased the average screen time for his/her family. It shows that now viewers are devoting much time for OTT entertainment.

3. What According To You Is The Most Important Factor for Increased Popularity of OTT?



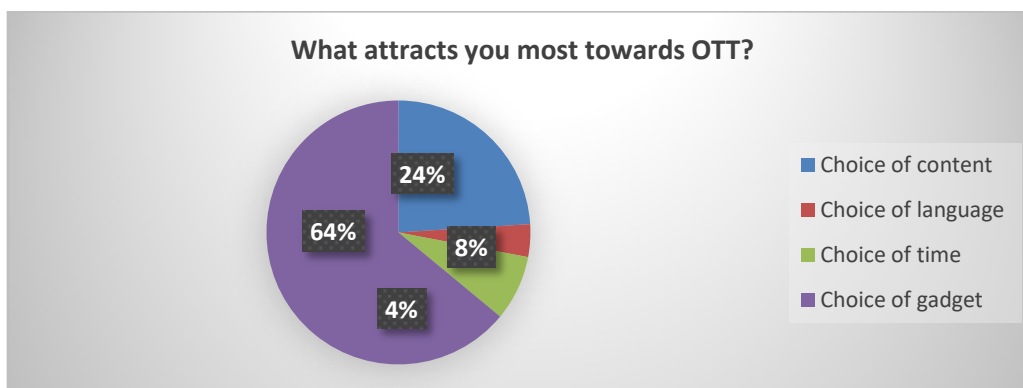
As far as important factors for increased popularity of OTT Platforms are concerned, 52% of respondents are highlighting the factor of 'more flexibility and choice' available in OTT as compared to TV. It means that viewers can explore any programme as per their choice at any time. 'Non availability of other entertainment options' is another factor as mentioned by respondents which has increased the popularity of OTT.

4. What Is Your Preferred Timing To Explore OTT?



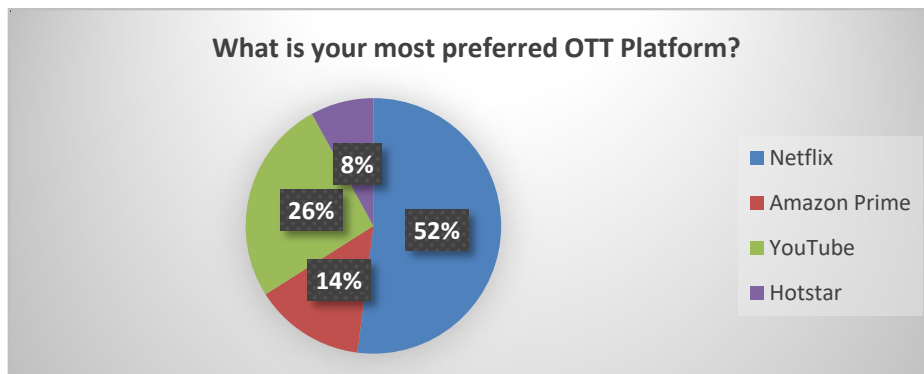
On the issue of time preference to explore OTT, 56% of the respondents prefer late night. It shows that they want to make maximum use of their leisure time at night as they are engaged in other daily activities during afternoon/evening.

5. What Attracts You Most Towards OTT?



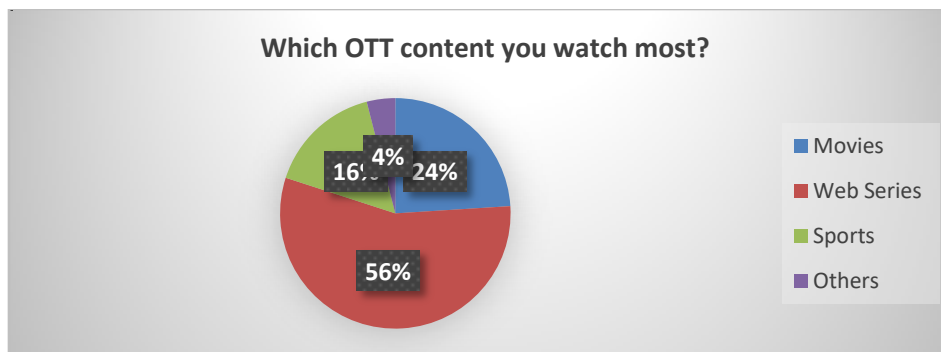
While respondents are asked about their choice of medium to explore OTT, 64% of them are highlighting the issue of 'choice of gadget'. It means OTT Platforms have become more popular due to its accessibility from smart phone/ laptop/ tab/ desktop.

6. What Is Your Most Preferred OTT Platform?



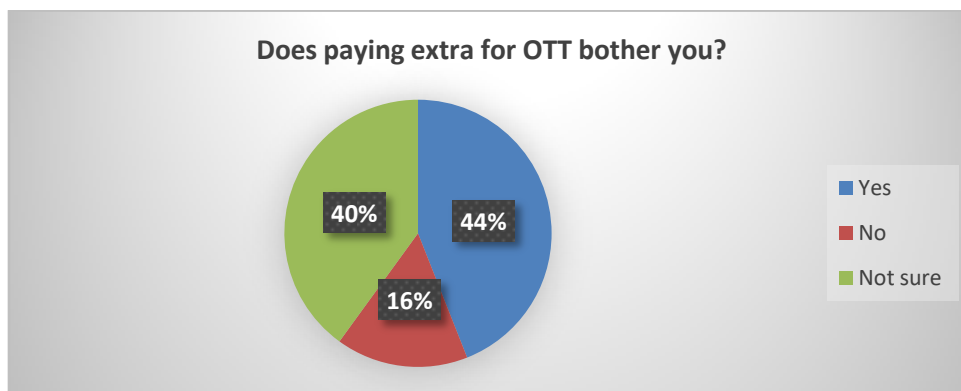
Regarding most preferred OTT Platform, 52% respondents have showed their liking on Netflix followed by YouTube (26%), Amazon Prime (14%) and Hot star (8%). It shows that Netflix is the most popular OTT platform out of the four alternatives provided.

7. Which OTT Content You Watch Most?



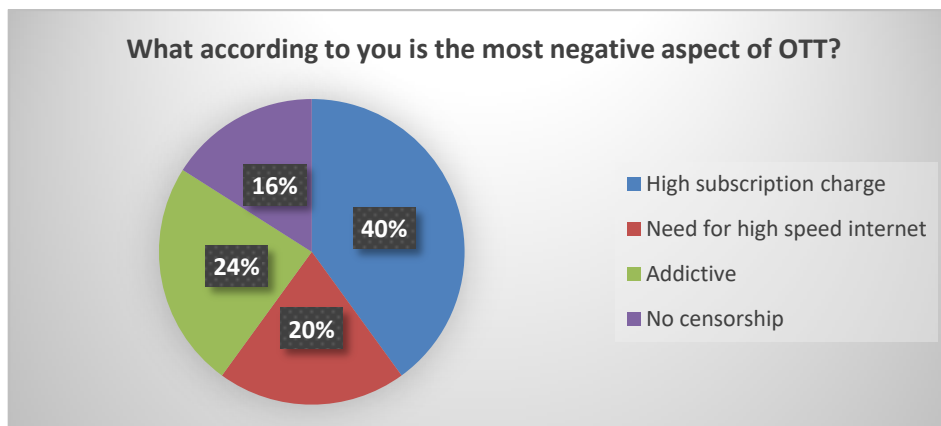
As far as content is concerned, 56% of viewers prefer web series which are available only in OTT Platforms. It shows that conventional programmers like movies, sports etc. are gradually losing popularity. Viewers are more attracted towards web series in post pandemic era.

8. Does Paying Extra for OTT Bother You?



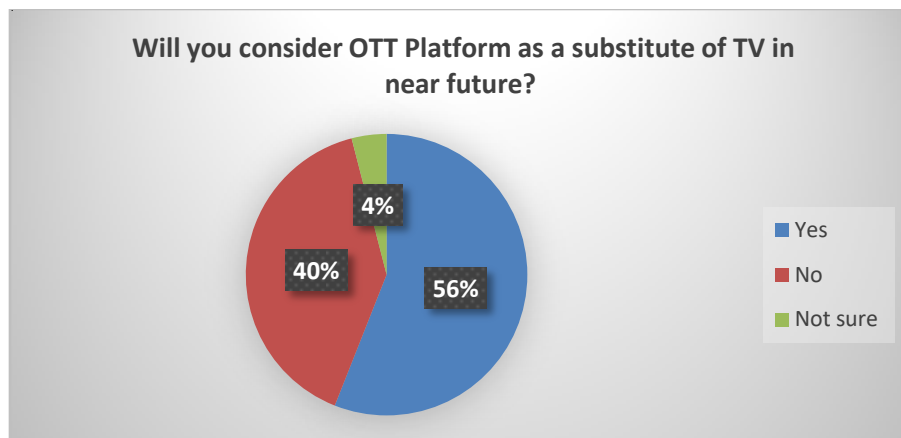
As most of the OTT Platforms are subscription based, respondents were asked if they are ready to bear that or not. The responses were of mixed nature. While 44% says that subscription charge bothers them, 40% are not sure and remaining 16% are ready to bear that.

9. What According To You Is The Most Negative Aspect of OTT?



As far as the negative aspect of OTT is concerned, respondents are mentioning the issue of high subscription charge (40%) followed by addiction (24%), need for high speed internet (20%) and no censorship (16%). Thus most viewers are considering the issue of excessive subscription charge which can be taken into account by service providers.

10. Will You Consider OTT Platform As A Substitute of TV In Near Future?



On the issue of acceptability of OTT Platform as a replacement of traditional Television, 56% of respondents are considering it for the near future. It shows that viewers are looking for smart alternative and in near future there is every possibility that traditional television may become redundant.

List of Findings:

- (i) In post covid period OTT has become the most popular medium of entertainment as compared to traditional television.
- (ii) OTT has increased the average screen time for family which means viewers are devoting much time for OTT entertainment.
- (iii) As OTT offers more flexibility and choice, it has become much popular among viewers.
- (iv) OTT is usually explored at late night which is considerably the best leisure time for most individuals.
- (v) As OTT can be accessed through gadgets, the popularity of such platform is ever increasing.
- (vi) Netflix is a well accepted platform as far as OTT is concerned and that may be due to its choice and variety.
- (vii) With passage of time web series is the most accepted content in OTT and it has gained the popularity as such web series are not available in traditional television.
- (viii) In order to avail OTT, viewers are indifferent to the extra cost that they may have to bear to subscribe that.
- (ix) Extra cost, addiction, need for high speed data are the important limitations of OTT.
- (x) In near future OTT can be a replacement of traditional television.

CONCLUSION

Viewing content on any medium is a matter of behavior which converts into a habit over a period of time. Indians for long have yearned for diversity of content. A common family television enabled with limited channels restricted the imagination of young India. This imagination was tapped and explored by OTT players optimally during COVID 19 and the flexibility of accessing a range of content on personal devices including smartphones and tablets gave young India the freedom to watch what they desired. Yet, OTT players have just been able to touch the tip of the ice berg, there is immense potential to dive deeper into the regional Indian market in times to come. With just 40 OTT platforms and limited regional content, this medium has created a new niche for itself in urban India. COVID 19 has played a very significant role in mass adoption of the medium in urban regions where people have better paying power than semi-urban or rural India.

OTTs are being perceived as aspirational medium of content consumption and with all the noise in right circles, they are fast converting the fence sitters across age groups and demographic regional. COVID 19 brought with itself some factors which became the new normal, like working from home, which have seemed to offer flexibility of schedules to many. A random walk and tea time with a colleague have been replaced with a 20-30min quick episode of one's favourite web series available on an OTT platform. So there is definitely a behavioral change among the viewers after OTT has come into existence and day by day its gaining more popularity.

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