

A Comparative Analysis of Consumer Behaviour in OTT (Over-The-Top) Streaming Services and Traditional Cinema

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ABSTRACT

This paper conducts a comparative analysis of consumer behavior between ott (over-the-top) streaming services and traditional cinema, exploring the shifting dynamics of entertainment consumption in the digital age. As platforms like netflix and amazon prime video gain prominence alongside traditional cinema venues, understanding the differences in consumer preferences and engagement becomes increasingly relevant. Through an in-depth examination of various factors such as convenience, accessibility, cost-effectiveness, and personalized viewing experiences, this study investigates why audiences gravitate towards ott platforms over traditional cinemas. Additionally, it assesses the impact of these changing consumer behaviors on the traditional film industry, analyzing implications for audience demographics, viewing habits, and market trends.

Keywords: OTT, Online Media, Films, OTT V/S Films, Cinema, Consumer Behaviour

INTRODUCTION

With the rise of Over-the-Top (OTT) platforms and the continued existence of conventional movie theaters, the entertainment industry is undergoing a significant transformation. This change has started a convincing discussion pitting the comfort and openness of OTT stages against the vivid experience and shared climate of films. Netflix, Amazon Prime Video, and Disney+ are just a few of the OTT platforms that have made it easier for anyone to access a wide range of content. As a result, viewers can watch movies and TV shows whenever and wherever they want. Then again, films offer a remarkably realistic encounter, with cutting edge innovation, amazing screens, and sound frameworks that transport crowds into the core of the story. The competition between OTT platforms and cinemas has become more nuanced as technology advances and consumer preferences change. This raises questions about the future of movie-watching habits, the viability of theatrical releases, and the overall impact on the entertainment ecosystem. This paper dives into the multi-layered correlation between OTT stages and films, investigating their separate assets, shortcomings, and the advancing elements molding the amusement scene in the computerized age.

LITERATURE REVIEW

1. The Impact of Ott Platforms on the Short Film Genre

Gupta, Sharan. 2022. The paper talks about how short films have become really popular lately, especially because they're a quick way for filmmakers to share their ideas about what's happening in the world. When big things happen, like the COVID-19 pandemic or social movements, short films are a way for people to talk about it and share their thoughts. And it's cool because now, with smartphones having really good cameras, almost anyone can make a short film.

It also talks about who makes short films, which is basically anyone who has a story to tell. Even famous directors like Martin Scorsese and Christopher Nolan started with short films. And these days, you can watch short films on platforms like YouTube and Netflix, which is awesome because it means more people can see them.

2. The Impact of Ott Platforms on the Short Film Genre

Gupta, Sharan. 2022. Short films are gaining popularity due to their ability to offer filmmakers creative freedom and a platform for addressing pressing social issues. Enabled by technological advancements and the widespread availability of smartphones, these films provide a concise yet impactful medium for storytelling. Many renowned directors, such as Martin Scorsese and Christopher Nolan, began their careers with short films,

underscoring their significance as a stepping stone for emerging talent. Streaming platforms like Netflix, YouTube, and Vimeo play a crucial role in distributing short films, offering filmmakers a platform to showcase their work to a global audience.

3. Rise of OTT Platforms: Effect of the C-19 Pandemic

Ria Patnaik et.al 2021

The COVID-19 pandemic changed how people in India enjoy entertainment. Instead of going out to the movies, many started using streaming services like Netflix and Amazon Prime Video more often. This research looks at why these streaming services became so popular during the pandemic and what this means for the future of entertainment. It found that lots of people, from young to old, started watching more shows and movies on these platforms. They preferred watching movies on streaming services rather than going to theaters, especially if they could watch new movies at home at the same time they were released in theaters. This study used a survey to ask people aged 14 to 45 about their habits and opinions about streaming services. Overall, it showed that streaming services have a bright future in the entertainment industry, but there are still questions about how they'll make money and what this means for traditional ways of watching movies.

OTT vs. Cinemas: The Future Trend in the Movie and Entertainment Sector Aishwary et.al, 2022

The document examines the shift in content consumption from traditional cinemas to Over the Top (OTT) platforms, such as Netflix and Amazon Prime Video, and its subsequent impact on the entertainment industry. It presents findings from a survey of 107 respondents, revealing a marked preference for OTT platforms over cinemas, driven by factors such as content variety, convenience, and pricing. Additionally, the research delves into the rise of OTT platforms in India, highlighting the significant role of internet and smartphone proliferation. It also explores future trends within the entertainment sector. The study concludes that while OTT platforms are increasingly favored over cinemas due to their convenience and pricing, the unique, exclusive experiences offered by cinemas continue to hold significant appeal.

OTT Viewership and Pandemic: A Study on New Trends of online video content and cinema hall footfalls. Dr. Gajendra et.al, 2022

The paper examines the impact of the COVID-19 pandemic on viewership habits and cinema attendance in India, with a particular focus on the rise of Over The Top (OTT) video streaming platforms. It investigates factors such as the time spent on OTT platforms, the preference for OTT over traditional cinema halls, and the effect on collective movie-watching habits. The study concludes that OTT platforms have significantly affected traditional media outlets, including television and cinema halls, potentially leading to a decrease in future cinema attendance.

Furthermore, the research incorporates the use and gratification theory and technological determinism to better understand the evolving media landscape. The findings underscore the importance of adapting to changing consumer needs and developing strategies to address the challenges posed by OTT platforms to cinema hall operators.

OBJECTIVES

1. To investigate the differences in consumption between OTT streaming services and traditional cinema.
2. To analyze the impact of OTT platforms on the traditional film industry in terms of content creation, audience engagement, and revenue generation.
3. To examine the factors driving audience preferences for content on OTT platforms versus traditional cinema.
4. To assess the role of technology, globalization, and cultural factors in shaping content trends across OTT and traditional film platforms.

NEED FOR STUDY

The rapid expansion of OTT (Over-the-Top) streaming services in recent years has fundamentally transformed the landscape of the entertainment industry. With platforms like Netflix, Amazon Prime Video, Disney+, and others gaining widespread popularity, there is a growing need to understand the implications of this shift on traditional modes of content consumption, particularly in the context of cinema.

Studying the differences in consumption patterns between OTT platforms and traditional cinemas is crucial for understanding changing audience preferences and behaviors. As more viewers turn to OTT platforms for their entertainment needs, it is essential to explore the factors driving this trend and how it impacts the overall consumption ecosystem. This understanding can help stakeholders in the film industry, including filmmakers, producers, distributors, and exhibitors, adapt their strategies to better cater to evolving audience demands.

Analyzing the impact of OTT platforms on the traditional film industry is essential for assessing the

sustainability and competitiveness of existing business models. OTT platforms have disrupted traditional distribution channels and revenue streams, posing both challenges and opportunities for industry players.

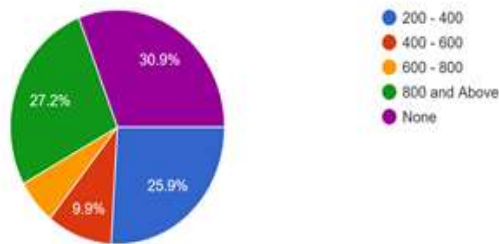
METHODOLOGY

The research conducted on this topic employs qualitative methods, encompassing factors such as the average price of movies, expenditures on OTT platforms, and the quality of content across both mediums. This study represents basic, pure research, intended solely for academic purposes. To enhance the relevance and rigor of the research, tools such as Google questionnaires, case studies from various websites, and guidance from academic advisors were utilized.

A combination of both primary and secondary data was employed to comprehend the relationship between different variables and to derive meaningful conclusions. Given the academic nature of this research, it is designed to be accessible to all interested parties, thereby ensuring transparency and avoiding research bias. This approach was chosen to provide a clear and unbiased understanding of the topic.

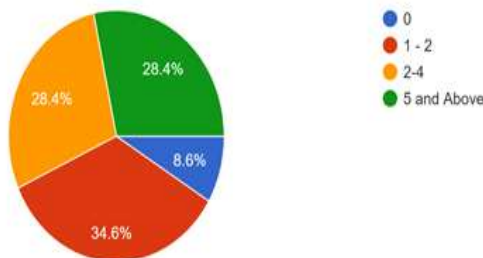
DATA ANALYSIS AND INTERPRETATIONS

How much do you spend in a movie theater (Other than movie tickets)
81 responses



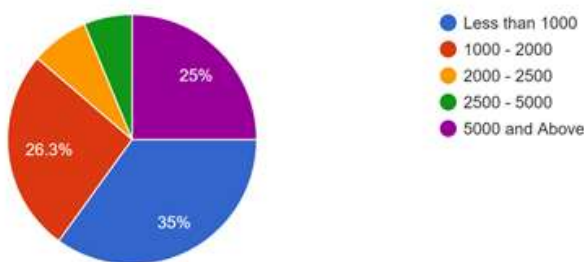
On an Average 65% people spend between 200 - 800 on expenses other than the movie tickets

How many OTT Streaming services do you own
81 responses



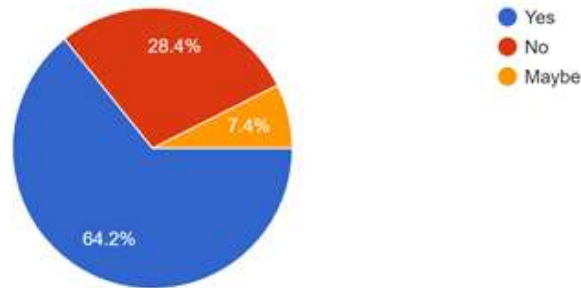
Approximately more than 90% people own between 1 - 5 OTT streaming services

How much money are you willing to spend per year on OTT Streaming services
80 responses



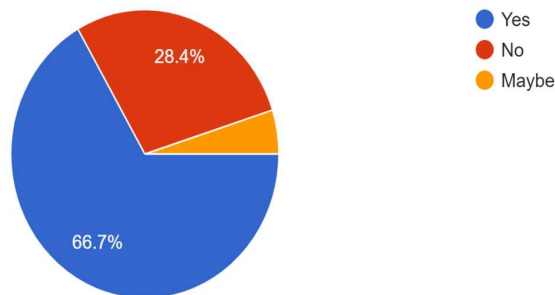
This graph shows the annual expenditure people spend on OTT streaming services. 35% of people spend less than Rs. 1,000 per year. 26% People spend between rs. 1000 - 2000 on OTT streaming services . Over 26.3% of people spend more than Rs. 500 and above annually on streaming services.

Do you feel that OTT platforms have improved your access to movies
81 responses



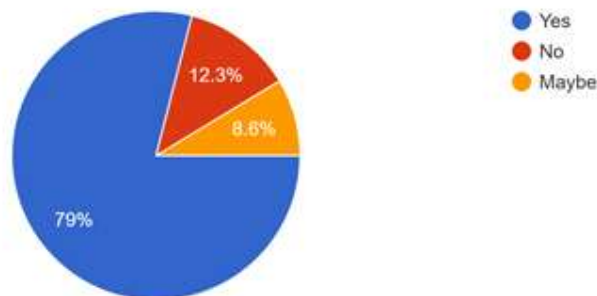
Over 64% of people have agreed that OTT platforms have improved their access to movies thus explaining that with the arrival of OTT streaming services, people have increased access to movies, which was previously hard to achieve.

Have you watched movies on OTT platforms which you would not have watched in Movie Theaters
81 responses



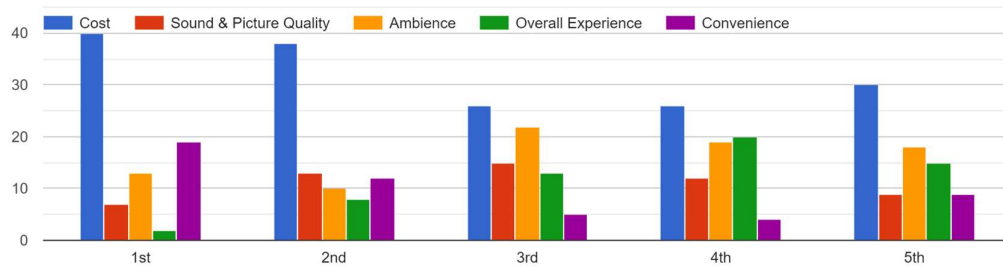
Over 66% of people have said that they have viewed movies on OTT platforms that previously would not have watched in cinemas. This shows that with the arrival of OTT platforms peoples access to different genres of movies is increasing and therefore they are taking risks in watching new content which previously they would not have preferred.

With the arrival of OTT platforms do you think that you watch more movies as compared to before
81 responses



This graph shows that over 79% of people have shown an increase in viewership of movies with the arrival of OTT platforms.

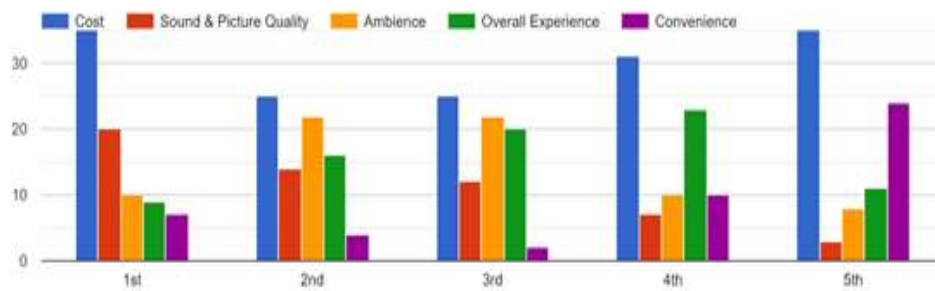
Rank watching a movie on OTT platforms on the following



People have ranked the factors for the selection of OTT Platforms-

1st- Cost , 2nd - Sound and Picture Quality , 3rd - Ambience , 4th - Overall Experience and 5th - Convenience

Rank watching Films in Traditional Movie Theaters on the following Factors

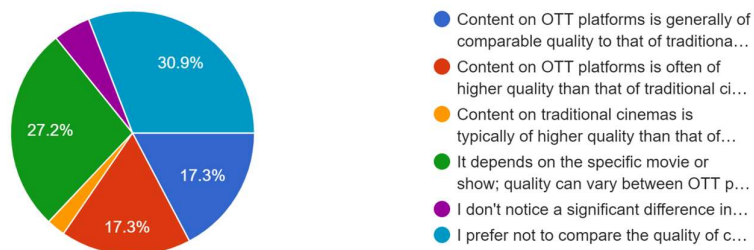


People have ranked the factors for the selection of Movie Theaters -

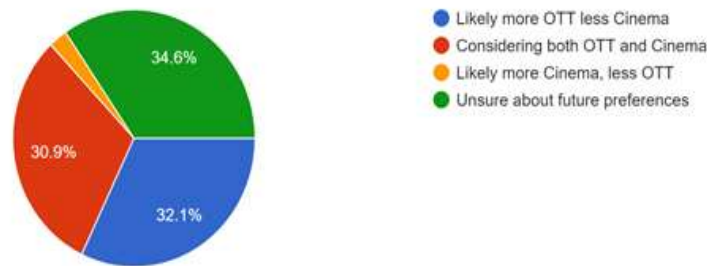
1st- Cost , 2nd - Ambience , 3rd - Overall Experience , 4th - Convenience and 5th - Sound and Picture Quality

How do you perceive the quality of content (Eg. production value, storytelling) on OTT platforms as compared to traditional cinemas

81 responses



How likely are you to continue using OTT platforms in the future compared to traditional cinemas
81 responses



Over 32.1% of people have said that they will more likely be using OTT platforms than traditional cinemas whereas 30.9% have chosen to consider both OTT and cinemas.

FINDINGS:

The Findings are as follow:-

1. **Shift in Consumption Patterns:** Significant shift from traditional cinema to OTT platforms due to convenience and the impact of COVID-19.
2. **Diverse Content Offerings:** OTT platforms provide a wide array of content, attracting a broader audience than traditional cinemas.
3. **Technological Advancements:** High-speed internet and affordable data plans have driven the adoption of OTT services.
4. **Cost-Effectiveness:** Subscription-based models of OTT platforms offer cost-effective entertainment compared to traditional cinema.
5. **Personalized Viewing Experience:** OTT platforms use algorithms for personalized content recommendations, enhancing user satisfaction.
6. **Impact on Traditional Cinema:** The rise of OTT platforms challenges traditional cinemas, leading to decreased footfalls and revenue.
7. **Democratization of Content Creation:** OTT platforms enable independent filmmakers to produce and distribute content globally without traditional distribution networks.

RECOMMENDATIONS

For OTT Platforms

- Continue creating diverse content (variety of shows and movies) that appeals to a wide audience.
- Consider simultaneous release of new movies on the platform and in theaters to offer flexibility for viewers.
- Enhance user experience by improving content discovery and ensuring accessibility on various devices (phones, TVs, etc.).
- Develop sustainable monetization strategies, such as subscription fees and ad-based models.
- Expand content offerings to include more languages and cultural perspectives to reach a broader audience.
- Ensure compliance with legal and regulatory standards for content and operations.
- Focus on user preferences and innovative strategies to maintain growth and provide quality entertainment.

For Cinemas

- Offer unique in-theater experiences that cannot be replicated at home, such as large screens and comfortable seating.
- Collaborate with studios to show exclusive films available only in theaters.
- Stay flexible and adapt to changing conditions, maintaining safety protocols and community engagement.

- By providing distinctive experiences and staying connected with their audience, cinemas can continue to thrive alongside OTT platforms.

CONCLUSION

In conclusion, this comparative analysis has shown us the evolving landscape of entertainment consumption, highlighting the distinct characteristics and uses of OTT platforms and traditional cinema. Our examination revealed that OTT platforms offer unparalleled convenience and diversity of content, catering to evolving audience preferences for on-demand viewing. However, traditional cinema continues to provide unique cinematic experiences and cultural significance that cannot be replicated in the digital realm.

Moving forward, it is imperative for stakeholders in the entertainment industry to embrace digital innovation while preserving the unique qualities of traditional cinema. Collaboration between OTT platforms and traditional cinemas, along with strategic investments in content creation and distribution, can foster a vibrant ecosystem that caters to diverse audience preferences.

In terms of future research, exploring the evolving role of technology, globalization, and cultural factors in shaping content trends across OTT and traditional film platforms would provide valuable insights into the continued evolution of the entertainment landscape. Additionally, longitudinal studies tracking changes in audience behavior and industry dynamics over time could offer further understanding of the ongoing impact of OTT platforms on the traditional film industry.

Moving forward, it is imperative for stakeholders in the entertainment industry to embrace digital innovation while preserving the unique qualities of traditional cinema. Collaboration between OTT platforms and traditional cinemas, along with strategic investments in content creation and distribution, can foster a vibrant ecosystem that caters to diverse audience preferences.