



Trends in the Entertainment Industry: A Shift to OTT Platform

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Date of Submission: 03-04-2023

Date of Acceptance: 14-04-2023

ABSTRACT

This research paper aims to highlight the shift in trends from watching movies in traditional Movie theatres to binge-watching on Over Top Platforms (OTT Platforms) and its trend in the entertainment industry. It takes into account the existing research studies in the form of news articles in the newspaper, blog posts available on the internet, and research papers published on the subject.

The shift from purchasing tickets to a subscription-based model of bingeing entertainment content in India was not sudden since the economy was not dependent on and had less confidence in a cashless transaction system that enabled in-app purchases. However, massive shifts could be seen during covid and post-covid period. The word, "Contactless" became the new normal and impacted the choices of people and their mode of preferences for enjoying the content of entertainment. On a further note, this research paper adds the scope of interactive bingeing that act as an interactive tool for making one's own decisions and facing diverse situations while binge-watching the content of entertainment; for which the primary versions are developed and, further research on the topic is going on.

I. INTRODUCTION

Cinema is one of the biggest mediums that portrays the intricate art of using visuals, sound, drama, and music for bringing the stories to masses. Over the years technology has contributed to creative expression and extended the exposure of stories across the world to a diversified audience.

Whether it is about acquiring learning through documentaries or it is about being entertained by watching mystical dramas from different parts of the world, cinema has always been progressive in the delivery of its commitment to its audience. Indian cinema consists of motion pictures

produced in India, which has had a large effect on world cinema since the late 20th century. The film industry - a valuable part of the media and entertainment industry has contributed as a major part of the Indian economy. The past decade (2010-2019) has been glorious, as the year 2019 witnessed a big jump in box office earnings with a 25.53% increase.

Over-the-Top Platforms act as the new way of delivery of film and TV content over the Internet whenever we want, across many different devices, without the need for traditional broadcast, cable, or satellite pay-TV providers. In simple terms, OTT streaming means paying an internet provider for internet access to binge-watch entertainment content without paying for cable TV; ease in accessibility of OTT content is one of the major reasons that has made it so popular. To stream OTT, customers only need a high-speed internet connection and a connected device that supports apps or browsers.

The rise of Over-the-Top (OTT) platforms in India like Amazon Prime Video, Netflix, Hotstar Disney Zee5, Voot, MXPlayer, and ALT Balaji, has showcased the audience to view diversified content from around the world and experience new genres. Unlike the silver screen, where the market, the actor's



value, the investment needed, and producers determine the genre of films that eventually get made, OTT platforms allow room for experimentation because of their format and lower investments.

COVID-19 changed various dynamics of the industry. From the inverted journey of Bollywood through the pandemic to the rise of OTT the shift has been massive and notable. The Indian Film Industry came to a standstill with filming delayed and cinemas shut in March 2020. According to the EY-FICCI report 2021, the filmed entertainment segment dropped by 62% and theatrical revenues by 80% in 2020.

The Covid restrictions modified film releases, distribution channels, revenue, etc. While the film industry was struggling, OTT platforms witnessed a massive boom. They jumped in at the right time and earned the digital rights of movies that were ready to be released in the theatres, and bridged the gap left due to the lack of theatrical releases.

It's not just the covid-19 pandemic, other factors such as cost and convenience are two major determinants responsible for the massive shift. The bulk variety offered by OTT Platforms at a minimal subscription fee offers an effective value offering to customers which is incomparable to the traditionally existing cinemas. The subscription offers a reasonable as well as fare value to its

customers. It also ensures the telecast at the convenience of its customer, 'whenever and wherever the customer wants', hence customer appears to be the master of its time and space away from distractions and in the company of their loved ones. In contrast, the cinemas are expensive, and the cost of eliminating their drawbacks and providing an OTT-like experience is very high and next to impossible to implement. However, the demand for watching movies in the cinema hasn't declined yet. Will OTT Platforms dominate Cinema or is the Shift seen as temporary? What are the factors responsible for the shift? How cinemas are going to keep up the pace?

II. RESEARCH OBJECTIVE

Primarily theatres were the traditional forms for the consumption of audio-visual entertainment content. With the gradual development in technology, entertainment content was easily accessible at the convenience of home, whenever required with the introduction of VHS, DVDs, Blu-rays, and disc rental services. Further, cable television was introduced, and with the birth of Direct-to-home (DTH) technology through

satellite and dish connectivity that brought high-quality broadcast and on-demand content directly to the consumer. Recently, technological advances have made watching movies or TV easier by providing content via online streaming or Video on Demand (VoD) services. VoD refers to streaming video content over the Internet through applications called Over-The-Top (OTT). Viewers have the access to entertainment content like movies, series, documentaries, biopics, etc. via OTT apps on any internet-connected device such as a smartphone, smart TV, tablet, desktop computer, laptop, etc. Unlike traditional media, streaming services tell diverse stories that aren't constrained by censorship, box office, or demographics. It provides a great bingeing experience with improved sound and picture quality, given that the consumer has a stable internet connection.

Primarily, in the age of traditional media the only medium to reach consumers was through movie distributors, theatre runners, television networks, or Multiple System Operators (MSOs). But presently, content creators have the power to directly communicate with their audience through OTT with the help of a web page or smartphone app. This has provided an equated platform to different content creators and has tried to reduce the level of nepotism that the entertainment industry is often blamed for. This also provides the convenience of time and place to the customers for binge-watching the content of entertainment as per their preference. Due to the comfort and facilities provided by OTT, the amount of television or theatre viewers has gradually shifted to OTT platforms by supporting the content. With proper encouragement, talented artists are allowed to showcase their work without any form of restriction. Due to the change in trends in the entertainment industry, many movie distributors, theatre runners, and television networks are going under. There are various factors contributing to this change, which would be further explained in the study.

The objectives of the study include:

- Reasons for change in trends in the entertainment industry.
- Interpreting emerging trends of OTT platforms.
- Priorities while looking at OTT platforms.
- Satisfaction level of subscribers of OTT platforms.
- Average time people spend on OTT platforms.
- To analyze consumer preference towards OTT platforms and DTH services.
- To state the factors influencing consumer



choice of OTT platforms.

- To measure consumer satisfaction with OTT platforms.
- Future of television networks and movie theatres.

III. REVIEW OF LITERATURE

Based on the different results and responses from this research, it strongly indicates that consumer behavior is ever-changing and that there has been a significant shift from movie theatres to OTT during the Covid phase, and presently or post covid phase there exists a mix in people's preference for viewership of entertainment content in theatres or binge-watch on OTT Platforms. The OTT platforms have set themselves in a unique position to set rules and steer the industry forward as the preferred and most liked medium of the general public, making them ideal for forecasting forthcoming trends in the sector of entertainment. Majorly, to their strengths in content variety, language accessibility, genre diversity, and watching ease at a comparably low price the OTT platforms can be asserted to have a sizable advantage over cinema. In comparison, there exists hardly any chance for traditional mediums like cinema would cease to exist, unlike other types of media like radio. The TV network and other media still provide respectable coverage because of its shortcoming in the availability of a diversity of content that could be played at any time at the convenience of the customer.

There exists a very different experience between watching movies in theatres and binge-watching content on OTT Platforms, but OTT platforms can never fully replace theatres. Various platforms and theatres both offer advantages and drawbacks of their own. Ott is widely accessible to everyone, so the possibility of youngsters getting addicted is high, on the other end Theaters provide many local job opportunities to different people.

The likelihood of young people becoming addicted to binge-watching content on OTT Platforms is high. Several local career opportunities are offered by theatres to a variety of people. Coming to impact on revenue in movies is not much as it depends on the movies if the movie is rated high the show gets house full on any platform and as per many surveys done, even after the pandemic people like prefer theatres more, so revenue aspect is predicted to not be affected much.

Regarding the revenue impact of movies, it depends on the film. If the film is good, it will play on any platform. Additionally, according to our

survey, even after the pandemic, more people prefer to watch movies in theatres, so the revenue impact may not be significant as long as the film can entertain. It can be said that most respondents do watch movies.

When it comes to selecting film viewing platforms, the viewers are not restricted to cinema halls, platforms like Televisions, mobile phones, and other devices are also included as a medium through which films are screened in this digital era. Viewers now have several platforms to view films on television, laptop, mobile phones, film screens, and tablets.

OTT Channels are gaining prominent acceptance among the urban population. The popularity ratio predicts that in the coming days, OTT channels are further expected to dominate over the different sources of entertainment available. Nowadays the audience visits cinema halls only if they find the upcoming movie and trailer interesting. People are majorly cost-centered when it comes to decision-making for their preference to watch a newly released movie in movie theatres or binge it online at their convenience of place and time

As mentioned (Chatterjee & Pal, 2020), Consumers tend to prefer OTT material not just due to progression in technology but also because of socio-economic and behavioral shifts influenced by globalization, as per this investigation into behavior of the consumer regarding OTT content and television and film consumption in light of technological advances. This is through their analysis and evaluation in the paper named 'Globalization propelled technology often ends up in its micro-localization:

Cinema viewing in the time of OTT'.

As analyzed by (Saha & Prasad, 2021), in their paper named 'CONSUMPTION PATTERN OF OTT PLATFORMS IN INDIA' Relevant engaging content, favourable demographics, freemium content and the variety of premium subscription plans display high scope for growth in the future. The broadly distributed population has access to the content of their preferences and likability across multiple screens and engage almost one-eighth part of the day bingeing their favorite drama, TV show, or movie. The global and national players and regional players have developed different models for providing content and generating revenues. Presently the future is much more reliable on OTT than virtual platforms where customer touchpoints have changed drastically.



In the paper 'Competitions between OTT, TV Platforms and traditional television in Taiwan: A Niche Analysis' by (Ning & Chen, 2019), researchers found that results on niche overlap portray that Smart TV and traditional TV have much in common in terms of entertainment and usability. Overall, Smart TV's competitive edge surpasses traditional TV in every way. To conclude they found that in terms of program types, news, movies, and sports effectively predict cable TV user satisfaction, while dramas and movies effectively predict Smart TV user satisfaction.

A research done by Sundaravel & Elangovan in the year, 2020, "Emergence and Future of Over-the- Top (OTT) video services in India": Real-time video has come out as one of the most promising means of content consumption in India. Even the smallest OTT tier is raising money from investors around the world and making a big impact.

Presently in context with India, Hotstar, now dominates the market. Hotstar has the largest number of free OTT subscribers. Smartphones are the most preferred device for watching OTT video footage, and Xiaomi is the most popular smartphone brand among its OTT subscribers. Among OTT users, Jio is the best-known system administrator, followed by him by Airtel and Vodafone-Idea. Hindi and English are the most common languages. This white paper focuses on trends in the OTT entertainment sector. A paper on New Media as the elements of change in Indian television and cinema states: A study on over-the-top platforms authored by (Singh, 2019) reveals that Hotstar, Netflix, and Jio play key roles in the OTT management market in India. Amazon is also a major player in search but has a small audience share in India. Indian masses enjoy a freemium mode where they are using these applications without paying cash. They prefer streaming content for free. The study reveals that a major batch of these viewers watch content through these applications for up to two hours each day. The majority of viewers watch content on streaming media at night.

A common favorite content for over-the-top applications is web series. People in India majorly prefer to watch web series on these Platforms and their next favorite program is movies. Indian viewers like to watch movies which are produced and only available in these applications. Hindi is the most preferred language for Indian audiences.

As mentioned in "The Rise of OTT Platforms":

By CHANGING CONSUMER PREFERENCES (Jain, 2021), the Internet has profoundly changed the way most businesses work. Media companies are facing an extraordinary shift in mission due to the increased use of the internet by their ideal stakeholders. This situation is perfect for developing his OTT platform from one side of the globe to the other. Even Indian stakeholders are familiar with the movies, shows, music, and other types presented on his various OTT stages.

Netflix, Amazon Prime, Disney+ Hotstar, Zee5, and others have proven to be very popular web-based video platforms for the Indian white-collar and youth market. The expansion of the OTT industry has relegated cinema to a neglected field. This article looks at the rise of OTT, factors affecting its prosperity, ideal interest groups, and more.

Written by (Varghese & Chinnaih, 2021) as analyzed in "IS THE OTT INDUSTRY A Disturbance to the CINEMA INDUSTRY?" From this information, we can say that people tend to watch content mainly on the OTT stage and sometimes in cinemas. Nearly half of the respondents believe OTT platforms will disrupt cinemas. One of the main motivating force is the wide variety of content, another is the ability and ease to access content on the convenience of demand and time. The reasons for the change are majorly due to individual streaming convenience and accessibility to international content. But viewers are not yet ready to see another movie on the OTT platform. They tend to do so in cinemas where OTT productions offer an atmosphere, artistic experience, screen size, and audio quality that could hardly be compared. The article How streaming services make movies more important, written by (Gaustad, 2019), describes his OTT and local content and film trends in the Norwegian region. The technological cultural upheaval brought about by digitization has revolutionized the way movies are viewed outside of cinemas and the economic structure of content providers. Between 2010 and 2016, DVD/Blu-ray and subscription-based streaming services swapped the positions of primary and secondary media for home video playback in Norway. As a result, home video consumption shifted from high-margin platforms early in the release cycle to low-margin platforms later in the release cycle. There, movies face competition from drama series, and international content tends to outperform local content.



IV. RESEARCH METHODOLOGY

The research methodology applied for conducting the research was, using secondary data sources, hence it is the secondary method.

The gathering of data is an essential body in a statistical study. It finds answers to an issue, and a procedure called information gathering from available sources is involved. The procedure analyses the result and foresees future shifts and opportunities. Researchers begin by gathering the most fundamental information on the issue before increasing the quantity and type of information to be gathered.

To Use Sources Of Secondary Data In Research Methodology, Select the Subject of the Research, Prepare A List Of Characteristics of the Research, And Specify The Research Goal. It's important to narrow down and identify information sources to get the research's most pertinent data. Verify and collect all current data related to the research from similar sources after the secondary data sources have been narrowed down. Before assembling the data into a usable format, verify the data for duplication after it has been collected. Evaluate the information gathered to see if it provides all the information needed to achieve the goal.

Secondary data is data collected by someone other than the actual user. It means that the information is already available, and someone analyses it. The secondary data includes magazines, newspapers, books, journals, etc. It may be either published data or unpublished data.

We used newspapers, articles, and magazines as our sources of research. We used this method as it's easily available and the data that is put on these platforms is very relevant. This kind of data can be also trusted as it's something that's been in our society for a very long time.

V. ANALYSIS AND FINDINGS

The demand for movie theaters before and following the pandemic is nearly identical. 28.4 percent of respondents are likely to watch movies in theaters once a month after Covid-19, compared to 29.8 percent of respondents pre before the virus. In a similar vein, the findings indicate that 24 percent of respondents would continue to watch movies in theaters once every three months after the pandemic, as well as 25.3% of respondents, who used to watch movies in theaters once every three months before the pandemic.

2. Most of the respondents had already started to use ott platforms even before the pandemic

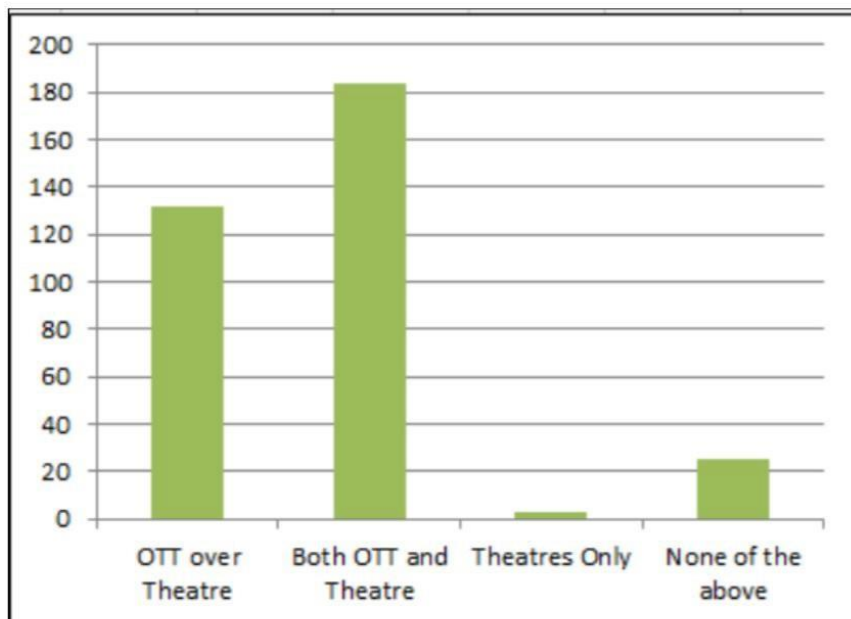


Figure1. Demand Analysis Chart for OTT vs. Movie Theatres during Post Covid-19

3. A large number of respondents are open to the new idea of movie theaters charging subscribers for a monthly or annual subscription. 12.7% of the respondents would pick this choice and 35.5% would pick this



choice if the rates offered are reasonable. 36.4% of respondents are uncertain about their decision and may be influenced by external factors.

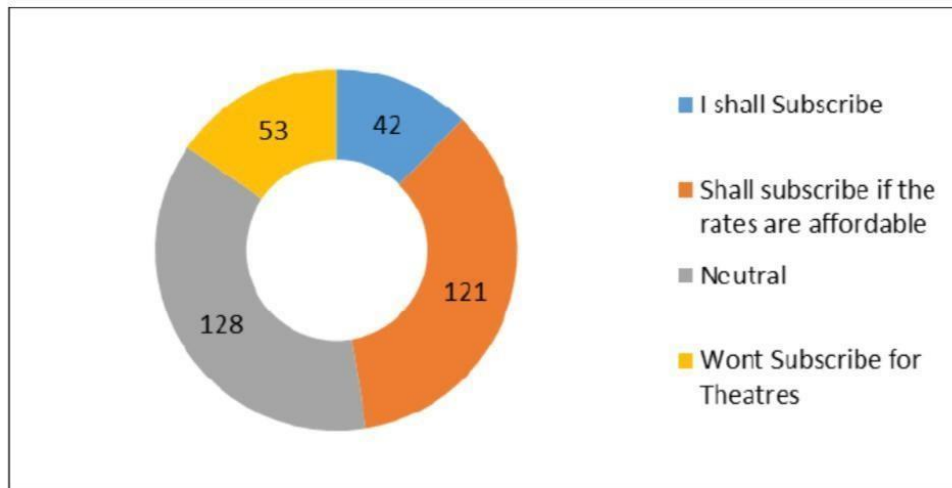


Figure4. Analysis on the demand of an idea on subscribing to the movie theatres on monthly or yearly basis similar to OTT platform:

4. Even though 54% of respondents stated that they would not be installing a home theater to have a better experience watching movies, a significant number of respondents chose to answer "yes" (30.6%) or "yes" they already have one (15.4%).

5. Only 2.2% of respondents said they would unsubscribe from online platforms following Covid-19 and would rather watch movies in theaters than on OTT platforms. The majority of respondents agreed that they would continue to use the same OTT platforms as they do now and also go to the movies to have a different movie-watching experience.

6. Instead of signing up for the OTT, 34.5 percent of the group prefers the "Pay per View" model for specific movies or content. 31.4% of respondents are unconvinced by this idea.

7. A majority of respondents, 56.8%, agree that movie theaters should be preferred to OTT platforms if they incorporate new technology into the movie-watching experience, provided that the services are offered at reasonable prices.

VI. CONCLUSION

In conclusion, the research paper highlights the shift in trends from traditional movie theatres to Over-The-Top (OTT) platforms and its impact on the entertainment industry. The shift from purchasing tickets to a subscription-based model of bingeing entertainment content in India was not sudden, but massive shifts could be seen during the COVID-19 and post-COVID period. The rise of

OTT platforms in India like Netflix, Amazon Prime Video, Zee5, Hotstar Disney, Voot, MXPlayer, and ALT Balaji has allowed the audience to view diverse content from around the world and experience new genres. The accessibility and availability of OTT content are one of the many reasons it's so popular. The research paper also adds the scope of virtual reality to work as a medium to binge-watch the content of entertainment and act as an interactive tool for making one's own decisions and facing diverse situations.

The research objectives include reasons for the change in trends in the entertainment industry, interpreting emerging trends of OTT platforms, priorities while looking at OTT platforms, satisfaction level of subscribers of OTT platforms, the average time people spend on OTT platforms, to analyze consumer preference towards OTT platforms and DTH services, to state the factors influencing consumer choice of OTT platforms, to measure consumer satisfaction with OTT platforms, and future of television networks and movie theatres.



The findings indicate that the demand for movie theatres before and following the pandemic is nearly identical, and most of the respondents had already started to use OTT platforms even before the pandemic. A large number of respondents are open to the new idea of movie theatres charging subscribers for a monthly or annual subscription. Nonetheless, there is a strong chance that young people will become addicted to OTT platforms, and theatres offer a variety of individuals numerous local career options. It can be said that the majority of respondents do watch movies, and when it comes to choosing a platform for watching movies, viewers are not only limited to movie theatres; in this digital age, platforms like televisions, mobile phones, and other gadgets are also included. OTT Channels are gaining popularity among the urban population, and the popularity ratio reveals that in the coming days, OTT channels are further expected to dominate video content.

While cinema and traditional television still play a significant role in the entertainment industry, the rise of OTT platforms has fundamentally changed the landscape. As such, it is clear that this trend is here to stay, and traditional media companies must adapt to remain competitive. The future of the entertainment industry is likely to be dominated by streaming services, and it will be interesting to see how this shift continues to evolve in the coming years.

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