

## OTT PLATFORMS VIEWERSHIP: AN ALTERNATIVE TO MOVIE THEATRES

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### ABSTRACT

*Social media apps noted an upsurge flow during COVID 19. The entertainment sector has been disrupted by the advent of OTT platforms. OTT application services accessible nonstop to watchers using internet is denoted as OTT media package. The continuing row concerning straight to digital publication has observed an immense split in the performing sector. Nevertheless nationwide lockdown have impacted almost all the sectors across the world however, film and television industry has been the most impacted industries which have seen no scope of revival so far. Several creators scheduled to straight release the flicks on the OTT applications instead of releasing it on cinemas. These arrangements were done as of logistical and economic aspects. The purpose of paper was to discover the close look to cinema industry and OTT applications in detail. The key purpose of this analysis was to examine whether the advent of the OTT platforms has any impression on the theatre industry. Present paper was based on report investigation and review assessment as well as interview method to discover the reasons after the growing viewership of OTT streaming services in India. It was found evident in the content depletion space. Internet is swiftly converting the M & E industry in India. Netizens have been consuming plentiful tools and technologies for watching online series on their mobile devices. It has converted an encounter to the film industry but at the same time all can predict the complementarity together cinemas and OTT avenues in the long.*

**Keywords:** OTT, Satellite Television, Digital Screen, Movie Theatres, Television Industry.

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### Introduction

As fast as changing technology the more faster our media habits change especially watching habits. OTT is becoming a new cable TV these days and the viewer isn't the urban millennial anymore. It is noteworthy that OTT has compressed current TV viewing relatively as melodramatic involvement as of fresh, relatable, and appealing content in entirely transformative viewer experience. Since lockdown time the screen time has amplified enormously. Last year in August, Netflix which is world's leading streaming entertainment service launched its interface in Hindi and their subscription increased exponentially. For the general public, OTT has become the go to option for entertainment because general entertainment channels don't have a big episode bank. And with theatre continuing closed for last more than one year, big ticket movies are exploring their booking window on internet via OTT platforms. Content is a real king now because it is personalized and provides opportunity for a wider focused distribution. Around 75% Indians favoured viewing a flick on numerous OTT platforms during the worldwide pandemic times. As per Google Trends report OTT prominent platforms like Netflix and Hot star were the most-searched OTT platforms since March 1 2020. Likewise, regular typical viewers consumed Amazon Prime with a slog of 83%, intended there was an ever-growing taste for content consumption since the lockdown in India (CNBCTV18, 16 Apr, 2020). The ever-growing viewership of OTT cinematic streaming amenities, OTT segment in India is currently pegged at \$0.5 billion and is estimated to raise to \$5 billion by 2023 predicts a recent report by Boston Consulting Group. Convenience and affordability of cheap data are the key aspects that have driven the growth of OTT revolution in India. This transformation in watching involvement shaped by OTT has an extreme alarm for movie theatre owners.

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According to the “Global WebIndex report, streaming marketplace in India is one of the principal and ever paced-growing in the biosphere with giants like Voot, Alt Balaji, Zee5 and MX Player. The country's audio-visual market place is treasured at over \$700 million and is anticipated to grow to \$2.4 billion by 2023, with the OTT industry projected to have the highest growth.” After Jio, overall time consumed on social media observed a 40% hike, whereas on video apps it was up by 135%. Hotstar, for the moment, maxim a 400% spike in spending time (Economic Times, Mar 02, 2017). The expansion of OTT platforms has induced concern amongst the filmmakers as this could be the demise ring for dramatic familiarity of movies. It is not unusual to realize various movies selecting for the OTT way to spread out to suitable aimed viewers these days. OTT platforms have definitely ended viewing films in expensive, suitable, and existing ‘on the go,’ particularly to them who desire binge-watching. Having said that, going out of home to socialise and relax by viewing films is up-moving well established in social fabric in India. Moreover, delicious diet and an distraction practice as frills to dramatic watching sorts it quiet striking. The box office way is tranquil a viable option for cinemas and a key foundation of profits for the film comes from there going by the past records, be it occupancy, footfalls, operating profits or the revenue. These factors assist as a key extent metric for the attainment of a film. Going by the current trends it is questionable for big business films choosing for an OTT platform- only route in the near future unless there is an exclusivity of content to a specific OTT platform.

### **Major OTT Platforms and Viewing Habits**

At present, the OTT user-base in India is controlled by Disney+ Hotstar, Amazon Prime Video and Netflix. But there are numerous production lines backed local OTT players like Voot, Zee5, Sony LIV, ALT Balaji and Eros Now who are competing with these global players to make their market presences. When MX player which is India's fastest growing streaming platform released Aashram, a web series grounded on the lifespan of a Goodman in Haryana, it released as a wonder and more than 400 million people started streaming it from small towns across the country. Movies watching trends and traits are being paid reorganized and new and redefined business models are opening up new markets where the entire world of video consumption is shifting. So the biggest question is, what youth is viewing? And will the set-top boxes become more of an accessory in Indian homes? Due to the emergence of OTT platforms, the entertainment industry has been disrupted. This is being determined by the upsurge in life style, development of smart phones, affordability and universal presence of internet connectivity coupled with increasing penetration in rural areas and the shifting partialities of the content consumption of Indian audience.

Both the mediums as of now are holding to exclusiveness per the USP and formats attached to it. Though both of them are serving the identical content, but the purpose and consumer variables are different. In today's scenario one might look for theatre experience or much-awaited releases, but conversely people may fall for OTT platforms more because of the kind of options what they provide which can be in the form of documentaries, interviews, podcasts, special interest content, history, or web series. And hence it is more prospective to about that OTT has compressed current TV viewing apart from dramatic involvement. Outstanding to their significance to a specific setup of content one can predict the co-existence of both theatres and OTT platforms in the long-run. Most of the people watch movies over the weekend and OTTs on weekdays. Therefore, it cannot be left without that the technological uprising will rearrange theatre for a kind of content such as genre movies.

### **The Current OTT Market and the Consumption**

Most of the audiences in India desire viewing content in local and provincial linguistic on the OTT platforms. The preferred language is mostly Hindi as per the recent study. In Indian upper five metropolises account for 46% of the total OTT platform users overall and another 35% users accounted in July 2020 were from Tier I cities. It is projected that India will have 500+ million online video consumers by FY23 and the number is likely to go beyond with the availability of internet at cheap price and due to the change in consumer preferences from normal cell phone to smart phones. If we go by the current trends, we may expect that competitive pricing plans and a good content portfolio comprising of almost all the genres would have OTT players to grow

Again going by some other study sources, it reveals that 90% users favour viewing content in their regional language. When we talk about the consumption of English content on OTT platforms in India, only 7% of the all-time consumed on OTT platforms is in English. Video on demand platforms are striving for higher engagement and are trying to hook viewer through addictive, unique and binge-worthy contents. Among most of the young people these days binge watching has become like a typical weekend plan. For the movie business it has become very difficult to drive audience to theatres after

pandemic and the failure of big budget movies like Thugs of Hindustan and Kalank. And therefore tradition media has often discouraged producers from taking risks in storytelling. But with the emergence of OTT platforms which is willingly providing opportunities to regional and indie filmmakers, an enormous progression has been visible in the making of novel, oversensitive and alternative content.

With the emergence of OTT storytellers are getting more opportunities to discover stories that resound to together global audience because the audience is flattering more diverse. With the success of shows like Sacred Games, Breathe, Inside Edge and Mirzapur, directors and producers are betting big on the emerging trends to apprehension the considerations of the viewers. Streaming platforms like Amazon has capitalized more than Rs. 5000 crore budget to collaborate with digital content creators which includes prominent filmmakers like Farhan Akhtar and Anurag Kashyap. In a survey conducted by Vidooly in 2019, around 85% of viewers detailed in viewing more unique content on OTT platforms. Crime thriller, drama and reality shows are being watched by almost all the age groups of people, whereas younger audience between the age group of 24–34 years prefer romance genere. Interest in the romance genre starts falling when the viewer crosses the age of 34 and their interest gravitates near action and venture flicks according to the survey by Vidooly. This exposed that documentaries internment the consideration of viewers between the age group of 24 and 45 years and there is a alteration in the content ingestion behaviours of the old and young audience. Today TV shows are favoured by younger audience and the older audience prefer mostly movies.

### **Strategies & Business Model**

The OTT market is subdivided into three sections comprising of subscription video on demand (SVOD), advertising video on demand (AVOD), and fermium & transactional video on demand (TVOD). Going by the Indian markets, the OTT market remains highly focused on ad-based model (AVOD) where the entire revenue comes from advertisements, but subscription-based market (SVOD) is also growing significantly.

Netflix announced a mobile and tablet plan just for Rs 199 per month in the year 2019 to find novel users but despite all this Netflix is very exclusive for the worth sensitive Indian users. During the nationwide lockdown last year in May 2020, Amazon prime video announced direct-to-digital release of a few Indian movies and Zee5 has also announced 15 direct to digital releases for the year 2021 and they also did a partnership with TVF recently. The competitive pricing and direct-to-digital releases strategies are helping OTT platforms in increasing their customer base. In order to gain their market share and to penetrate deeper into the market OTT players are offering affordable subscription plans and customised content. Other domestic OTT players such as Zee, ALT Balaji and Reliance Bigflix are spending heavily in order to move from old and orthodox media to OTT-based services.

Major SVOD players in the streaming market are introducing pack duration and combo pricing strategies to boost the subscription rates and to increase the deeper penetration in the market. This move can help OTT streaming platforms in gaining acceptance in the price sensitive Indian market where people mostly prefer free content. Also these SVOD platforms like ZEE5, Voot and Disney+ Hotstar, ALTBalaji and Eros Now are focusing more on regional content which includes both movies and web series. This is considered as strategic move and this is surely helping SVOD platforms in engaging with the regional audience across the country. Most of the OTT players today promote themselves aggressively by offering free content where they allow users to use the platform for free to enable the customer experience at the early phase and later demand the incremental premium fee after the consumer's favourable behaviour. Today OTT players are prevalently applying the B2C model globally according a KPMG 2019 study.

### **Sports Streaming**

The streaming of sports today in India via OTT platforms has turned out to be a critical game changer in India's video streaming space. If we take an example of Hotstar, it showcases sports events like: Indian Premier League (IPL), English Premier League (EPL), Pro Kabaddi League, Indian Super League (ISL), Formula One, German Bundesliga, and Grand Slams. When SonyLIV acquired the streaming rights for India's cricket tours to England, Australia and South Africa in the year 2018 it provided an outstanding push to SonyLIV. According to Ernst and Young 2019 data it is estimated that an average time spent by the users on OTT platforms is 30-35 minutes on watching sporting events. Not all the users watch the full match or the entire sporting event but there is a growing user fan base which also indicates that digital streaming platforms give a sense of comfort to the viewers. Things have really changed now in the digital streaming sector. Few years ago digital streaming rights were sold to the same company which used to acquire the broadcasting rights. However, now digital rights are sold

separately because their values have increased exponentially. The Board of Control for Cricket in India (BCCI) is expecting the value of digital rights to go up in the coming years and therefore they are not committing any long term deals for the Indian Premier league with the media companies. Companies like Prime Video, Jio, Twitter and Facebook have started showing lot of interest in sports now. In the year 2017, Facebook's failed bid for digital streaming rights for IPL was Rs. 3900 crore which absolutely indicates that there is intent to enter India's fastest growing streaming market.

### **Review of Literature**

Current reports of Boston Consulting Group has projected that the OTT section in India is presently nailed at \$0.5 billion and is composed to raise to \$5 billion by 2023. Nearby 50 economical movies were out straight on OTT in India in 2019 as per the 2020 FICCI-EY report of 2020. When it comes to small budget movies with less saleable names OTT guarantees them a broader audience.

According to the exploration in the year 2019 that elder age clusters be around 35 to 44 years, and 45 to 54 years, disclosed progression and upsurge in OTT watching at 18%, and 63% separately. And the broader viewers now exhibited concerns in subscription-based outlets. The morning period was subjugated by the Old aged audiences, while post lunch perceived more audience by the middle-aged viewers in contrast to elderly or young which were the extreme users through night time. With the ever fast paced internet and mobile dissemination, the future of OTT appears bright.

It cuts costs on advertising, printing and other marketing promotions. A theatrical release is always an expensive matter for small movies because distributors do not express high concerns. Therefore OTT turns as a redeemer for minor budget films, but it cannot substitute the film industry. That's why; the digital release of feature films is not a new trend. And when we talk about streaming subscription revenue, there has been a 100% upsurge in the streaming subscription returns last year. Several OTT players are generating noteworthy web series and film that has managed to capture the eyeballs besides offering live entertainment. OTT has posed a real challenge to the filmmakers and it has created a tension that they will lose out on the theatrical experience.

The countrywide lockdown conditions stemmed in an impulsive progress in online viewership proportion. In a survey led by In Mobi, a marketing platform for smartphones there was a 46% tramp in online flick watching. There was also an variation in consumption primetime of OTT which transformed to 7 pm from 10 pm to 12 am (Financial Express, Apr 06, 2020). Media consumption activities of the viewers that upper fraction of viewers viewed content night by night and at a two-hour regularly (Paramveer Singh, 2019). Also movie viewing behaviours were next favoured content afterwards web series and the viewers was previously broadening in the year 2019 as per research firm Kantar. Though theatres are drawing an extensive footfall but the presence of streaming platforms cannot be compromised.

Today OTT release is a different game and every film has a unique strategy to outshine. In the past as well, there were challenges such as VCRs, VCD, and DVDs. And now the streaming platform has come up. People thought that the theatres would perish during every trial and all the problems have been done and dusted very time. This too shall pass. Going out of house to watch movies and using it as an opportunity to socialize is ingrained in India's social fabric. But a movie coupled with dinner is escapism for the next generation from their daily routine who are more inclined to their devices. Although streaming has made the movie-watching experience comfortable and cheap but the fun to go out of the house using this occasion cannot be replaced. Big starts are recognizing its significance at a time when film publications are projected to go sluggish. These shows may cost up to ₹200 crore.

At its elementary stage OTT streaming platforms were more in the space of individual consumption and small screens of mobile phones. But, with the progress of the medium accelerated due to nationwide lockdown, there has definitely been a shift and the content consumption pattern of people has changed. The consumption on mobile phones & smart TVs is also on the rise. OTT platforms are deeply capitalising in better audio and video formats because technology has got a big role to play in large screen viewing. In the year 2019, Netflix came up with studio-quality sound on the platform, which made content available in features like 4K, HDR and Dolby Atmos.

### **Research questions**

- What were the factors of sudden increase in OTT channels viewership during COVID 19?
- What were impacts of increasing number of OTT viewers?
- why content viewing patterns are giving rise to more genres?

### **Objective of the Study**

The objective of this paper is to intend a theoretical outline which goes to examine various reasons and trends of OTT content consumption. In order to formulate the framework, the following research objectives:

- To analyse various dynamics of rapid upsurge in OTT viewership in India.
- To analyse how OTT platforms captivating over theatrical practice?
- To review the challenges to the Theatres in India
- To examine the status and future of movie theatre industry and OTT industry in India.

### **Significance of study**

Study will be better in understanding the forthcoming of the OTT industry and the movie industry. During the COVID 19, this would be the best promising period to investigate the relation between OTT platforms and movie theatres for future prospects.

### **Methodology and Research Design**

Present study was grounded on report investigation and review assessment to discover the reasons after the growing viewership of OTT streaming services in India. Interviews were conducted via phone to an OTT application provider. These interviews were conducted to find out the industry's perception towards transformation in media and entertainment business. Secondary data as recent industry reports were also be used for this research.

### **Data Analysis and Conclusion**

Internet is swiftly converting the media and entertainment industry in India. Netizens have been consuming plentiful tools and technologies for watching movies and web series on their mobile devices. It has converted into an experiment to the movie theatre industry. This study recommended that audiences were frequently searching for unique, linked, and interactive content to search for an entirely immersive involvement in OTT platforms. Convenience and wide range of content were two major motives for the use of OTT applications. The advent of OTT platforms has disordered the flick media industry. In today's scenario young age viewers are looking for more and more engaging and relatable content and are keen to pay some extra money in order to have a wholly transformative practice. But when it comes to the customer experience, it will inhabit the core point of the entertainment industry. Therefore it is almost inappropriate to exaggerate the impact of OTT platforms and equate it to the death of movie theatre viewing. But it is safe to conclude that today's customers like the abundance of options on the table. Driven by the upsurge in the living surge, development in mobile phone technology, cheaper Internet connectivity and even growing mobile and internet penetration in rural India, changing media habits and inclinations of the viewers. Personalized content has now new kingdom in a reality.

It is remarkable that numerous OTT companies have been constructing novel shows and movies further presenting live entertainment that manages to capture eyeballs. Video streaming platforms have undoubtedly prepared viewing flicks inexpensive, opportune, and accessible 'on the go'. In the content consumption space, video streaming has become one of the most successful avenues. Smaller OTT platforms are making a significant impact by raising capital from international investors. The consumption of content via video streaming platforms may be on the rise but television will always hold its relevance and TV is the largest sub- segment in the media industry and it will continue to be the same for now. The Indian television industry is projected to grow to the extent of 22,003 million USD in 2022 at a CAGR of 10.6% according to Deloitte India's 2021 data.

According to Deloitte TV viewing will grow exponentially for upcoming 10 years because TVs are very affordable and the basic cable connection is available for Rs. 120 per month. Most of the penetration comes from south Indian states like Tamil Nadu, Karnataka, Kerala and Andhra Pradesh which has over 90% of TV penetration. But in the coming future Indian youths will drive the digital media consumption more as compared to now. Video on demand (VoD) services will go through many advancements and changes until they get their success over cable television. In broader sense, OTT platforms and movie theatres will coexist. But at the same time all can predict the co-existence of both theatres and OTT platforms in the long –run. This is because of the relevance these two platforms hold in terms of content and viewers.

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