

OTT vs THEATRE

- **Group Members:**

- Abhishek Kumar(A22002)
- Arka Dhali(A22009)
- Gopad Shukla(A22016)

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ABSTRACT

- Exponential growth of the internet speed lead to the rise of smartphones, content consumption behaviour has changed abnormally from the early 2015s. With ease availability of the internet bandwidth the OTT platforms like Hotstar, Netflix, Prime Video has got boom in their watchtime. Therefore the purpose of this research is to understand the behaviour and prefer of OTT over cinemas or vice versa.

INTRODUCTION

- **INTRODUCTION - RESEARCH BRIEF**

- Watching movies and other digital content in India has been a consistent activity and a part of the lifestyle that provides relaxation and recreation from the frantic professional work. People from all age groups love to consume digital content via movies, web series, one-shot films, etc. The key aspect has been the shift in the medium on which these movies and series are consumed.
- In the late 1990s or early 20th Century, the cinemas and television were the only major source of entertainment on which movie content was consumed. The coverage and reach of these two platforms covered even the rural parts of India. Thus, people developed a behaviour of watching movies at the cinemas as well as television. And since then with the internet developed quite fast, the medium of cinemas and television has been overtaken by OTT Platforms.

OTT VS. CINEMA – THE CONCEPT

- OTT (Over the Top) Platforms are web-based digital media libraries that enable users and viewers to stream different types of media content of several genres and languages. These platforms have gained a considerable audience and viewership over the last half-decade. Disney+ Hotstar , Amazon Prime Video, Netflix, Sony LIV are some of the leading OTT platforms in India.
- These OTT platforms were a substitute and mainly a partner to the mainstream Cinema exhibition companies. The Cinema chains like INOX and PVR were the chief players in the entertainment industries that helped movie production companies to distribute their movies all across the country. Cinemas have been the prime platform for viewers and audience to watch movies firstly.

NEED FOR RESEARCH STUDY OF THE PROBLEM

- Major shift towards the OTT platform seems to be due to pandemic although this reason need to be explored, examined and validated via a proper research study . Another reason might be due to convenience, price sensitivity, variety of content available, etc. Thus, this validates the need for this research study for examining the concept of OTT vs. Cinemas and analysing the rationale behind the shift in consumer behaviour.
- A detailed research study will also help the different stakeholders of the entertainment industry mainly the different parties associated with the Cinemas and OTT platforms. The research will help them to get an idea of what the future trend holds of in pureview of their market share and the consumer behaviour in the entertainment sector.

DATA COLLECTION METHOD - SURVEY

- Data has been collected via google form. Questionnaire has been designed in such a way that it examines the factors that influence the consumer psychology for choosing OTT or Cinemas. The questions will be specific to reasons for preferring a particular medium such as convenience, pricing, content variety, viewing experience, etc.

SAMPLING METHOD – JUDGEMENT SAMPLING

- The rationale of choosing a judgement sampling technique is to keep control of the quality of responses. This method comes under non-probability sampling and is based on the authors' judgement for maintaining accuracy of data collection and ensuring relevant target respondents are chosen for the data collection. For this research, this method is suitable as understanding difference between the OTT and Cinemas consumers and non-consumers is crucial for getting purposeful data for appropriate analysis and evaluation. Also, amongst the sampled respondents, the judgement sampling will be vital to include relevant knowledgeable respondents as well as of all age groups, gender, income groups, etc.

AIM AND OBJECTIVE

- **AIM-**
- Analysing the shift from Cinemas to OTT platforms and its implications.
- **Objective-**
- To find out people's preferences and the rationale behind choosing Cinemas or OTT platforms.
- To understand the psychological and physical influences on people for preferring one media over the other.
- To differentiate between Cinemas and OTT on the basis of several aspects that influence consumer preferences.
- To predict the future trend in the movie and entertainment sector in India.

TOOLS USED



FINDINGS AND OUTCOMES

- These findings were derived from about **103 respondents** as per the above sampling method.

• DISTRIBUTION OF AGE

- Mean of Age > Median > Mode therefore Age is positively/rightly skewed. From Boxplot clearly depicts it with outliers.

```
In [14]: df["Age"].mean()
```

```
Out[14]: 28.385416666666668
```

```
In [17]: df["Age"].median()
```

```
Out[17]: 26.0
```

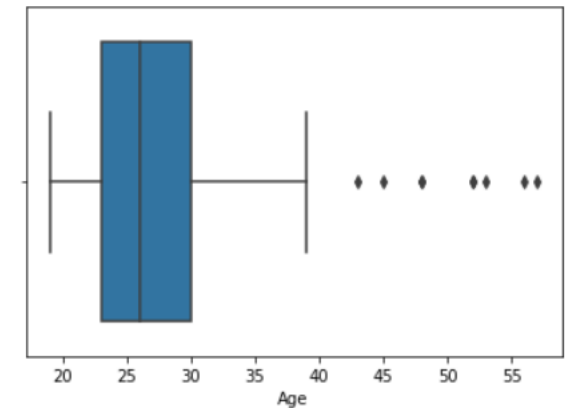
```
In [16]: df["Age"].value_counts()
```

```
Out[16]: 24.0    10
```

```
import seaborn as sn
import warnings
warnings.filterwarnings("ignore")
```

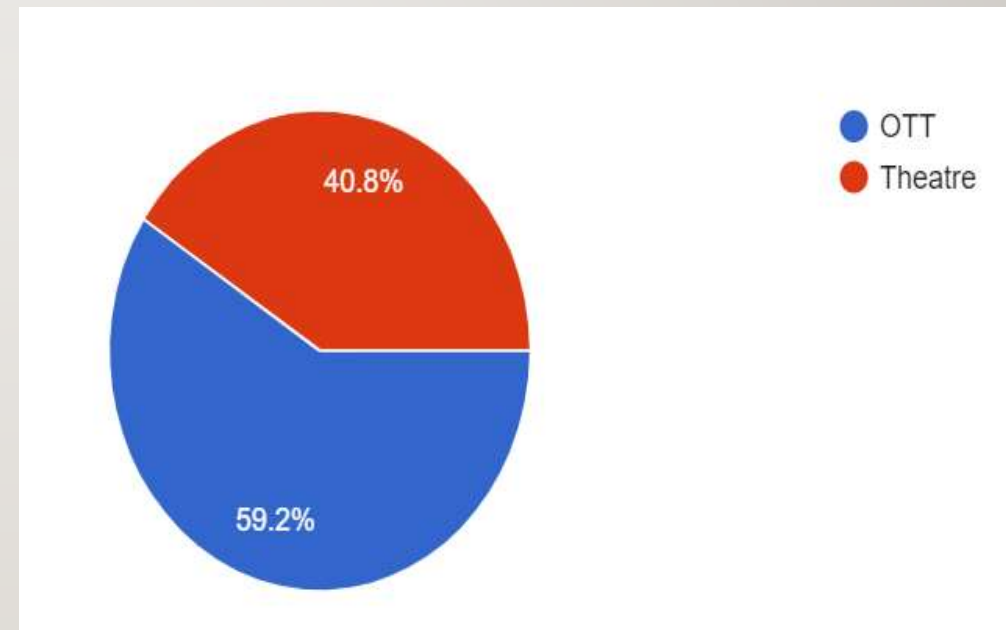
```
sn.boxplot(df["Age"])
```

```
<AxesSubplot:xlabel='Age'>
```



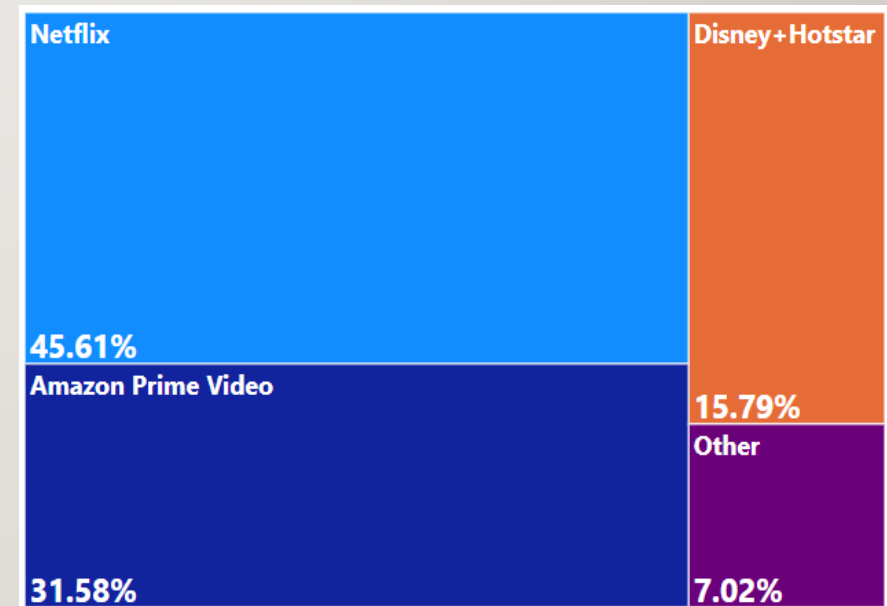
- What do you prefer? OTT or Theatre?
-

- Out of 103 responses 42 people voted for OTT where as 61 people voted for Theatre.



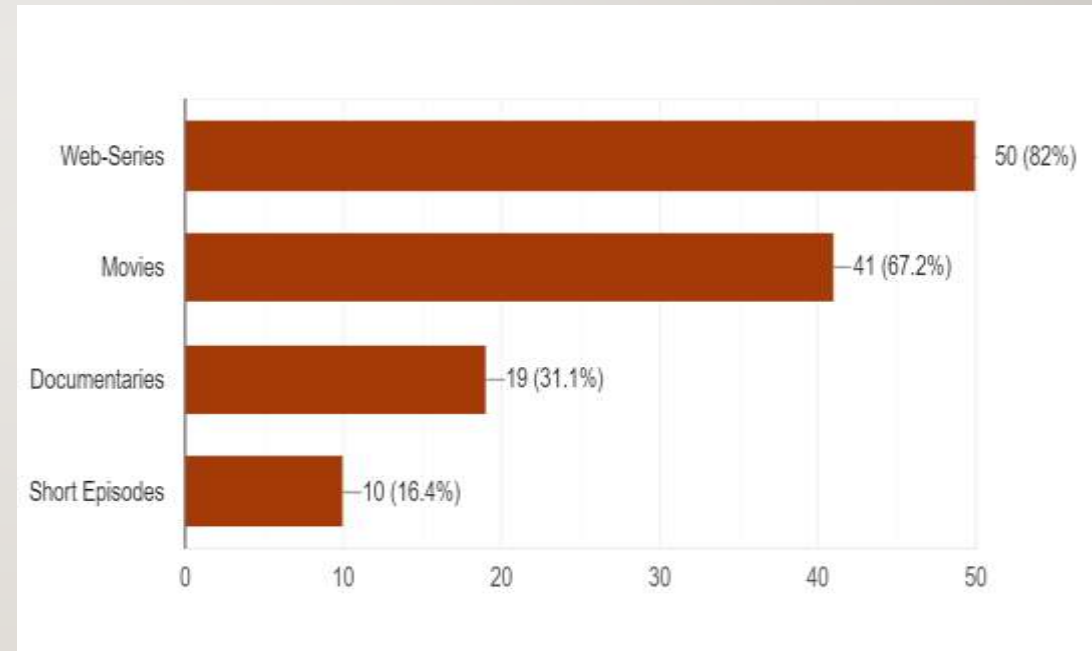
- Which platform you use the most?
-

- Netflix is being watched highest as compared to Amazon Prime Video , Disney+Hotstar and Others.



- What type of content do you often watch?

- From our survey main reason for OTT platform boom is Web-Series followed by Movies , Documenteries and Short Episodes.



- How much money do you spend on OTT subscriptions in a month?
-

- Distribution of money is positively skewed

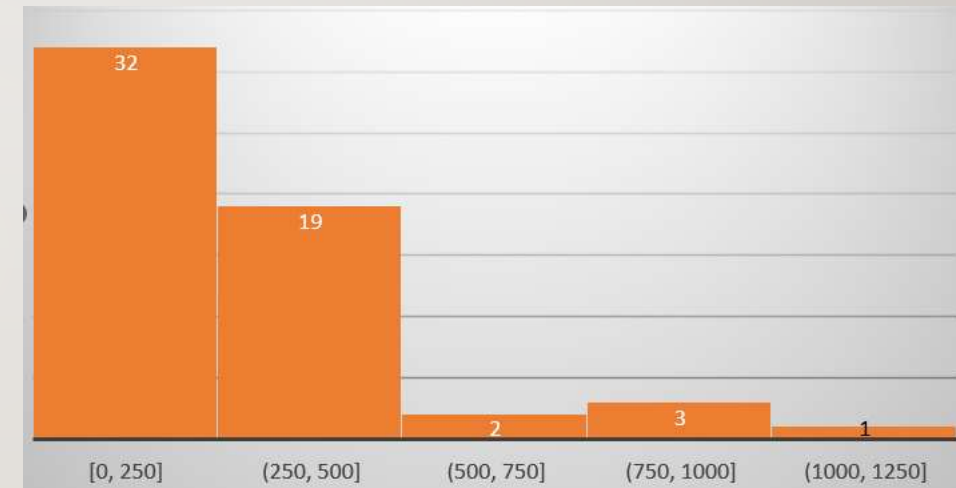
as $\text{Mean} > \text{Median} > \text{Mode}$

From 0 to 250, 32 respondents voted.

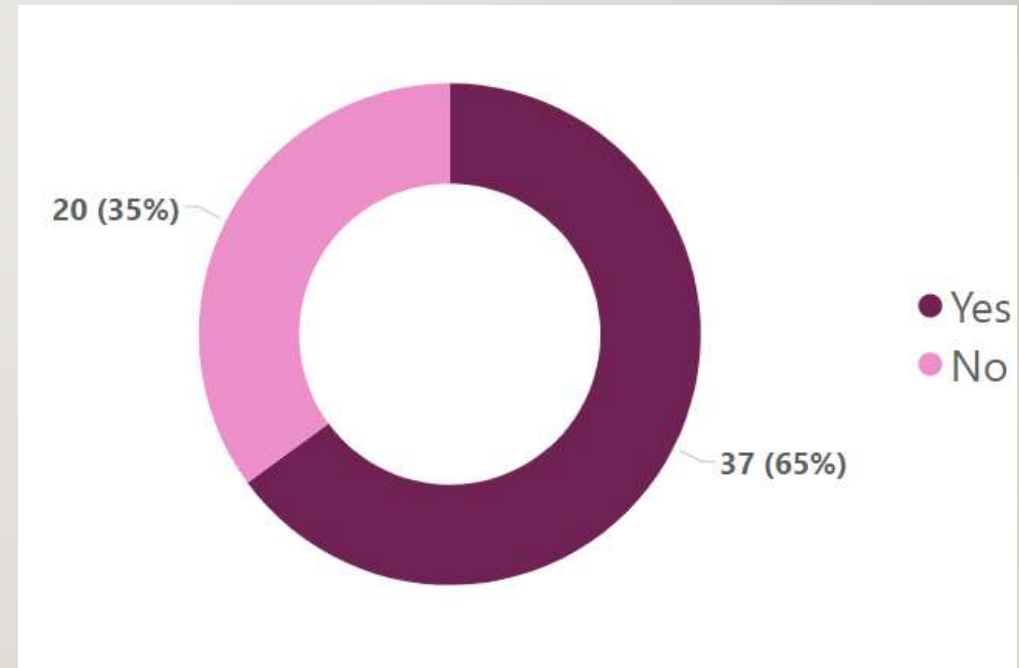
From 250 to 500, 19 respondents voted.

From 500 to 750, 2 respondents voted.

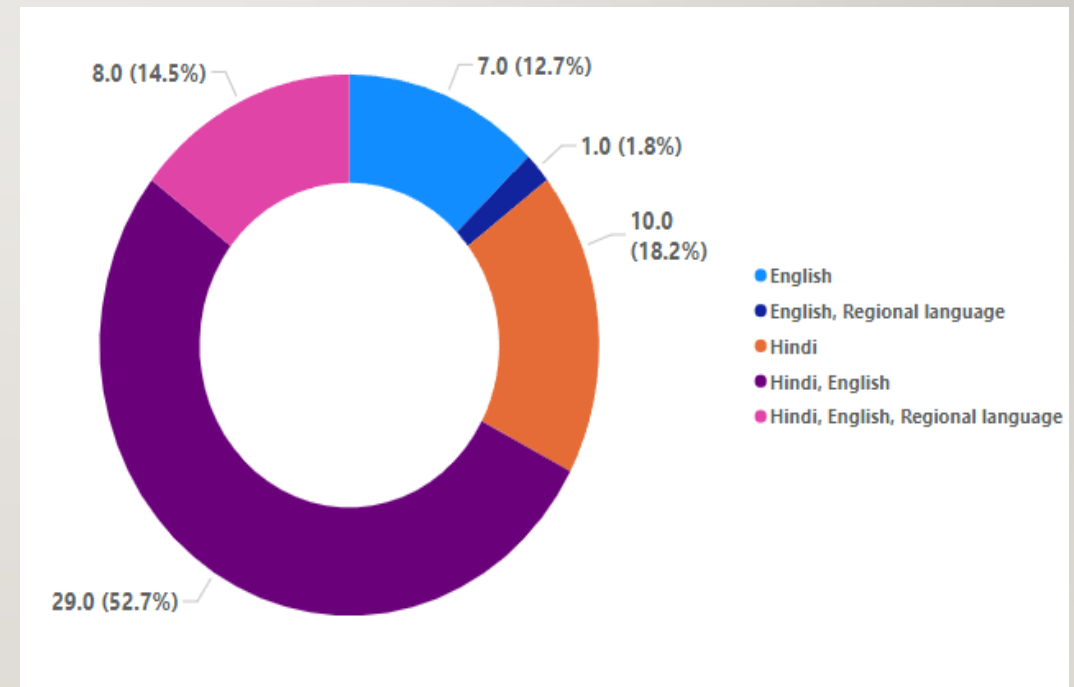
From 750 to 1000 only 1 respondent voted.



- Do you share your subscription?
-
- Sharing of Subscription is the major loss of revenue for OTT platforms.



- Which medium do you prefer to watch?
- Donut chart is being used for representing Language in which Hindi , English is rated highest.



- Does Age matters in spending money in Theatres?

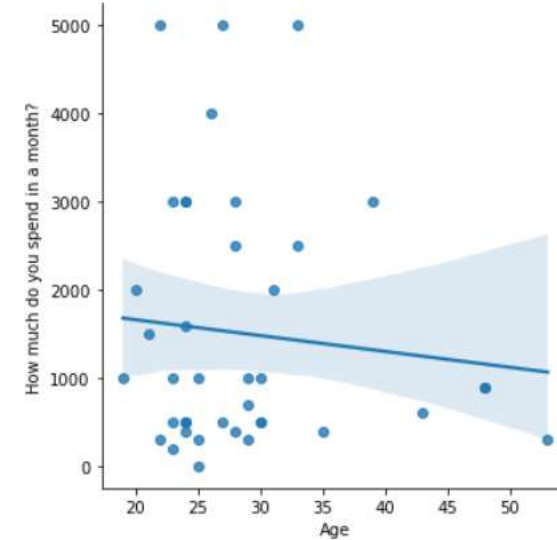
- From our survey's dataset Age and money have negative correlation which signifies that people at lesser Age spends more money as compare to elders.

```
In [48]: r=np.corrcoef(tht_df["Age"],tht_df["How much do you spend in a month?"])\n         r
```

```
Out[48]: array([[ 1.          , -0.09818691],\n                [-0.09818691,  1.          ]])
```

```
In [78]: import seaborn as sn\n         sn.lmplot(x="Age",y="How much do you spend in a month?",data=tht_df)
```

```
Out[78]: <seaborn.axisgrid.FacetGrid at 0x2594a7ad9a0>
```



- How many hours do you spend to watch content(per day) w.r.t Age?

- Age and watchtime have positive weak correlation.

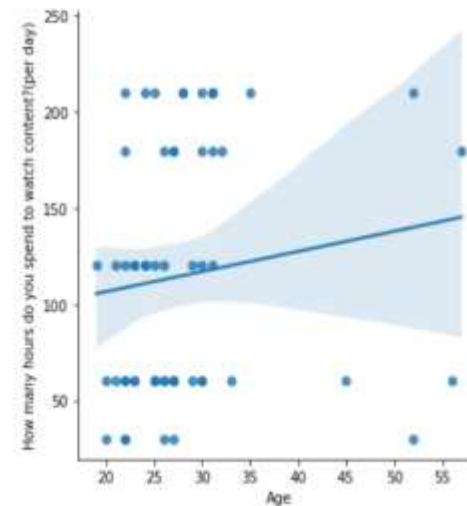
Line of Best fit is also plotted.

```
In [16]: r=np.corrcoef(ott_df["How many hours do you spend to watch content?(per day)"],ott_df["Age"])
```

```
Out[16]: array([[1.          , 0.13579414],  
               [0.13579414, 1.          ]])
```

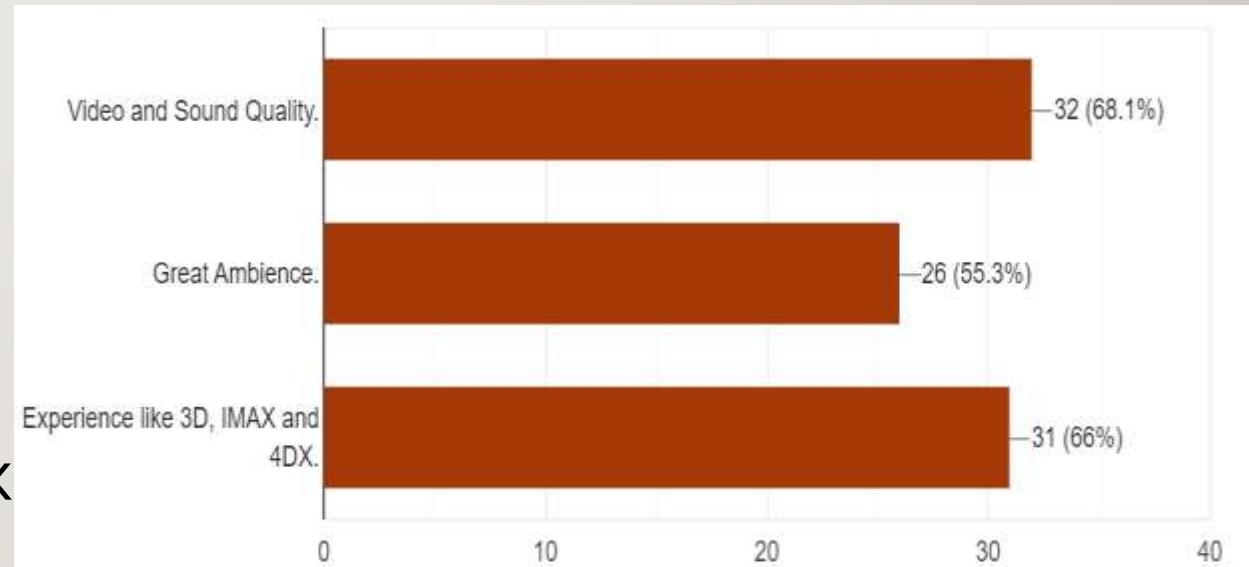
```
In [18]: import seaborn as sn  
sn.lmplot(x="Age",y="How many hours do you spend to watch content?(per day)",data=ott_df)
```

```
Out[18]: <seaborn.axisgrid.FacetGrid at 0x2a205cf6880>
```



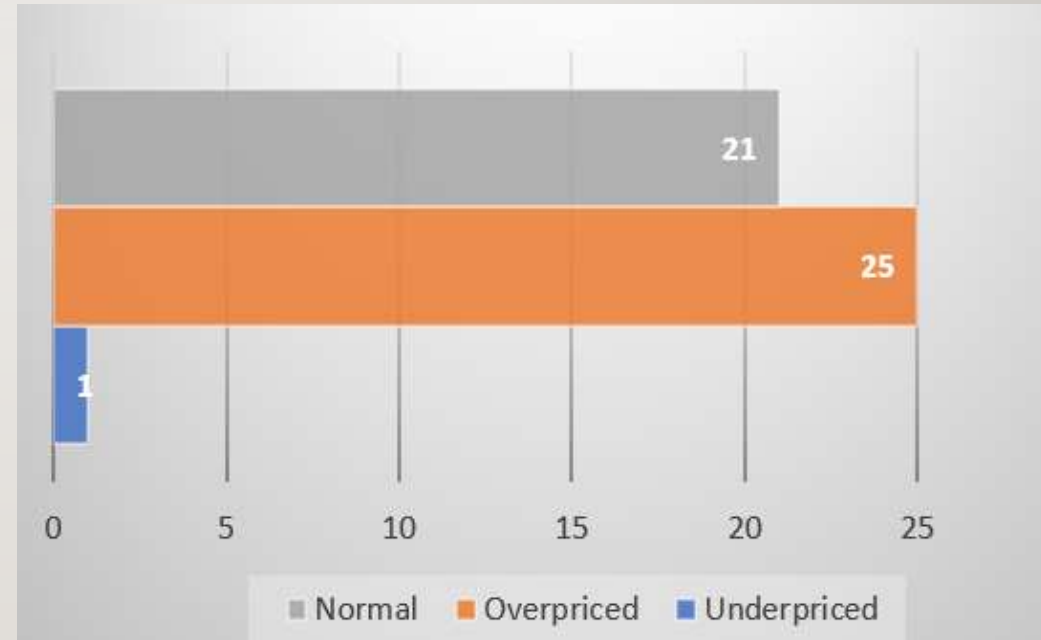
- Why would you prefer watching movies at the Cinemas?

- 47 people responded with
68.1% with Video and Sound
Quality.
26 people responded for Great
Ambience.
32 people for 3D,IMAX and 4DX



- What do you think tickets are:- Overpriced, Underpriced or Normal?

- As per the analysis of pricing for Theatre around 55% of the respondents feel that prices are **Overpriced**.

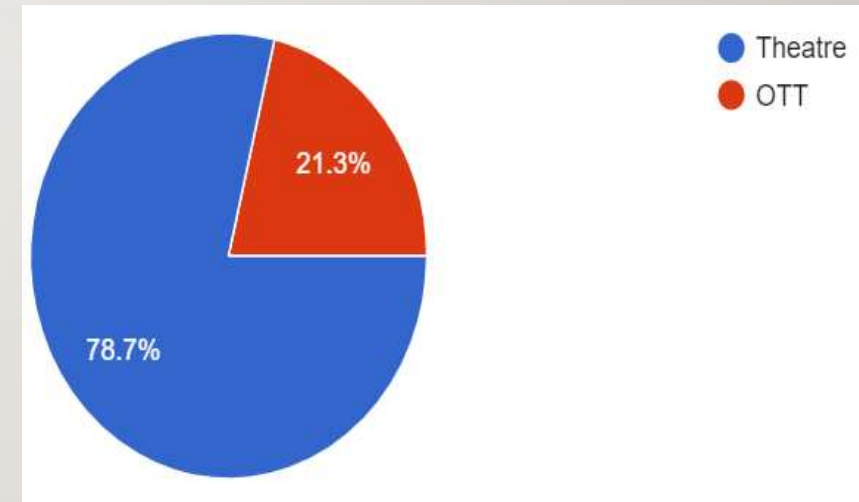


- If a movie is premiered in the cinemas and on OTT at the same time, where would you prefer to watch it?
-

- Here if a same movie is premiered on both platforms

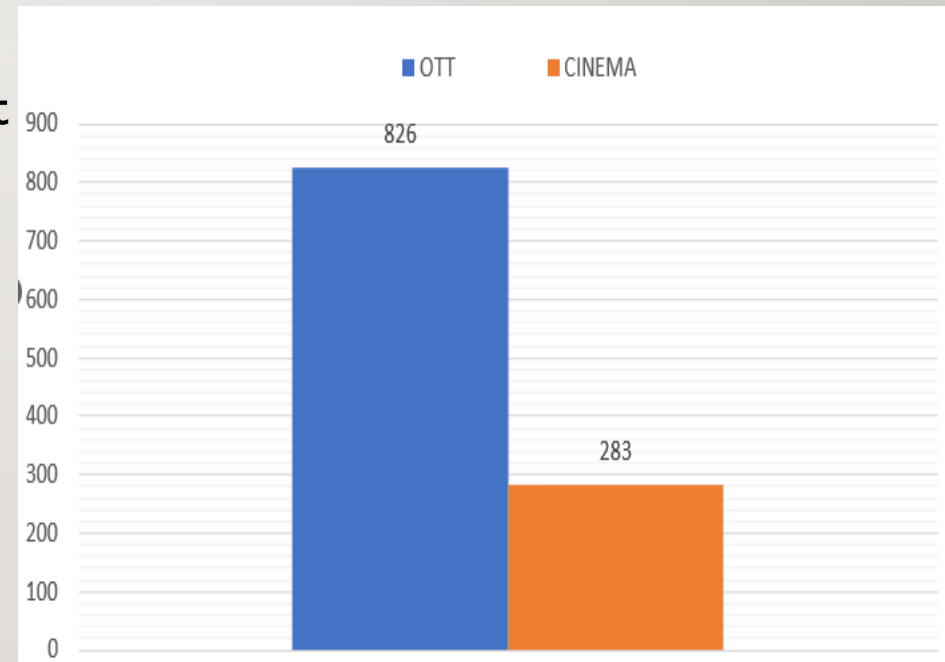
then respondents prefer to watch in theatre rather than OTT because of Ambience, 4DX etc.

Therefore from survey we can estimate that still there is a market left for Theatre if they marketize properly.



- How many movies you have watched in last 3 months on OTT and Theatre?
-

- Watchtime in OTT platform is around 2.5 times than Cinema which majorly signifies that how OTT has prevailed and took over the Cinema market.



COMPARISON OF MONTHLY EXPENSES BETWEEN OTT AND THEATRE.

```
In [24]: ott_df["How much money do you spend on OTT subscriptions in a month?"].sum() #Total expenses made in theatre.  
Out[24]: 17511  
  
In [25]: tht_df["How much do you spend in a month?"].sum() #Total expenses made in OTT.  
Out[25]: 60303
```

From our survey monthly expenditure on Theatre is 3x times of OTT platform which gives a concrete conclusion for shifting from Theatre to OTT.

- **ANALYSIS OF FINDINGS**

- Based upon the survey findings, it clearly reflects how big of an impact have the OTT platforms made in the Entertainment industry. The preference given to OTT platforms is evident in majority of the responses. Here is the detailed analysis of the survey findings from the 103 responses collected.
- Shift in consumer behaviour from cinemas to OTT on basis the numerous findings and responses of our research, OTT platforms can be said to have a decent advantage over Cinemas for the future. To predict the future trend in the movie and entertainment sector, the OTT platforms are in prime position to dictate terms and drive.

-
- From our survey main reason which we can see for shift from Theatre to OTT is due to cinema ticket pricing which influences people's decision to switch to OTT. In essence, besides convenience and binge-watching ease, the costs that we pay for the content also is a key factor and OTT is perceived as a reasonably priced medium compared to Cinemas.
 - However, understanding the psychology and rationale of people choosing Cinemas is also important. 68.1% of the respondents want the 3D, IMAX and 4DX experience that is currently exclusive to Cinemas only. This proprietary and exclusive experience provided by Cinemas is still hard to replicate for OTT platforms due to the lack of technological integration on both the hardware and software fronts.