THE DYNAMIC SCENARIO OF OTT : NETFLIX AT THE CROSSROADS

ABSTRACT

The usage of work and the material that viewers demand has changed dramatically as a result of digitalization. OTT platforms are becoming increasingly popular. People are increasingly turning to use internet for leisure, educational needs, online purchases, and information searches. The rhythms of the new dawn have been altered by this OTT platform. All of the OTT platforms are now available with the players like Amazon Prime, Netflix, Sonyliv, Zee-5, Disney Hotstar, and few new entrants. These platforms have the advantage of being suitable for viewers of all ages, with no restrictions imposed by any sensor board. There are a wide range of shows available, including online series, movies, TV programs, news networks, the wild-life telecasters, and more, all of which have exceptional visual clarity, sound quality, and customer service. Despite such prospects, the performance of Netflix is poor in the industry. Therefore, the study made an effort to test the reason for the downfall of Netflix in India.

Keywords : *OTT, Netflix, Origin and Growth, Downfall of Netflix, Viewers.*

Introduction

An over-the-top (OTT) media service is one that is offered directly to viewers over the Internet. OTT bypasses traditional content controllers and distributors such as broadcasters, satellite television platforms, and cable networks. No-carrier smartphones, in which all talks are charged as data to avoid exploitative race, and specialized application tools for smart phones that transport information in this way, which include both call replacement and software upgrades, are also referred to as OTT (Bhullar and Chaudhary, 2020). The OTT is most generally linked with Subscription-based Video-On-Demand (SVoD) facilities that allow accessibility to television and cinema content. It also offers popular television shows acquired from other variety show makers, as well as unique content created specifically for telecasting purposes. OTT is also concerned with a new generation of emaciated television programs that, similar to conventional satellite or cable television providers, deliver live broadcasts of direct specialty channels via the public Internet more willingly than a closed, isolated network with proprietary tools such as set-top boxes (Ahuja, 2020). Apps on mobile devices, websites on personal computers, digital media players, and televisions with built-in smart television platforms are all common ways to access OTT services.

It also includes prevailing television series obtained from other producers along with original content produced especially for the service. OTT also refers to a new wave of skinny television services that, like traditional satellite or cable television providers, deliver live broadcasts of direct specialty channels through the public Internet rather than a locked, isolated network with exclusive equipment like set-top boxes (Ahuja, 2020). OTT services are usually accessed through apps on mobile devices, as well as websites on personal computers, digital media players, or televisions with built-in smart television platforms.

Need for the Study

OTT platforms offer a diverse selection of video content, which is typically financed through subscriptions, commercials, or based on pay-per-view approach. The OTT aegis covers the telecast of film and television shows with the help of internet, combining television and digital video into a single, ever-changing content stream

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(Jose, 2020). Personswho view movieor any other show through any website or app that provides streaming video material without using traditional distribution methods are analysed. Netflix, Zee5, Sony Liv, Amazon Prime Video, BIGFlix, YouTube, and Disney + Hotstarare just a few examples of OTT service providers in India.Following the digital revolution, over-the-top has emerged as the most recent disruptive innovation in the broadcasting industry in India. OTT providers, unlike traditional broadcasters, provide users with a variety of media material on demand via an open network. Growing technology and rising expectations of viewers boosted over-the-top providers to innovate their services on daily basis (Hampton-Sosa, 2017). Such innovation in television contents, sports and other shows attract the viewers to show interest on their over-the-top services. The spread of Covid-19 pandemic has increased the size of viewers of various OTT service providers. Despite such rise in numbers of viewers across various nations, the performance of Netflix has tremendously decreased. Therefore, the present study made an effort to check the reason for downfall of Netflix.

Objectives of the Study

The study started with the following objectives. These are:

1. To trace the origin and growth of Netflix.

2. To measure the growth of OTT in India.

3. To analyze the reason for downfall of Netflix in India.

Discussions

Origin and Growth of Netflix

Netflix is a type of video streaming services that permits subscribers to observe movies from a large collection of television shows and film for a monthly subscription. Netflix may be got on devices for instancepersonal computer, tablet and laptop, smartphone, and smart TVs. Reed Hastings and Marc Randolph launched Netflix Inc. in Los Gatos, California in 1997 as a streaming service and production firm. Main business of the Netflix is its over-the-top television subscription service from the viewers, which comprises streaming movies and television shows. There are around 200 companies in the US broadcasting market, which are mostly classified into IPTV-based operators, cable and satellite broadcasting companies. In recent years, the broadcast market in the United States has seen significant structural changes. Customer turnover to multi-channel providers has increased as OTT services such as Netflix and Amazon Prime Video have grown significantly. Netflix topped 50 million members in the United States for the first time in 2017, exceeding the combined number of subscribers of Comcast and DirecTV, both of which were once dominant Pay-TV providers. By the end of 2018, Netflix had 57.38 million customers. During the same time period, the number of subscribers to major cable companies has been falling (Kumar et al., 2021).

In the United States, each state normally has just one cable operator, and there are some regions where the optical fibre cable is not buried. Even with these flaws, the fact that Netflix has more customers than the total number of firms appears to indicate that the broadcasting market in the United States is changing. In the United States, Netflix has three key strategies. The first is a strategy for content differentiation. Netflix served as a content delivery channel in its early days. However, as Netflix's market share grew and endangered established broadcasting firms, it became increasingly difficult to obtain programming from present content producers (Ota et al., 2020). Because they requested a substantial down payment, fewcompanies have even dismissed the contract. In 2018, Netflix began generating its own content, investing larger than $7 billion to remove its limitations as a mere television shows distribution network. The second strategy of the Netflix is to improve its service. Netflix has forsaken the culture of watching television at home. Because it employs a monthly flat cost method, customers may now access information on their cellphones or other tools with no need to worrying about finance, time and availability of space (Kulshrestha et al., 2020). Unlike Hulu, it also had advertising limits. The third strategy is one of partnership. Netflix works hard to maintain constructive relationships with service providers of Internet along with hardware-based business firms like DVD player manufacturers and laptop dealers.

Netflix is an imperative microcosm of the digital era's shifts in dissemination, syndication, and viewing preferences. Netflix, with a multitude of seamless access points across

computers, smart phones, tablets, and traditional television sets, embodies the television everywhere concept today. Viewers have complete control over when, how, and where they watch Netflix. They can even start an episode of television shows on their mobile on the train ride home from work, pick it up to watch in the kitchen while preparing food. Netflix, being a better streaming services telecaster, developed a way to produce award-winning television serial shows, animations, cinemas, documentary films, and few other content exhibition, that is freely available on many more devices have connection with internet. (Khanna, 2017). OTT platforms were able to gain a rural user base because to affordable technologies like cellphones and low-cost internet connectivity through mobile service providers.

OTT Growth in India

The utilization of digital technology is highly pertinent in every sector, and OTT platforms deliver such versatile content through digital technology. The spread of Covid-19 pandemic was also to blame for the rise in OTT watching in India. The OTT channels are mostly popular among people aged 15 to 35. India is predicted to observe a rise in the number of OTT viewers by 2023, compared to the present strength of 350 million users, as per the estimates of MICA's Center for Media and Entertainment Studies (CMES). This expansion will result in approximately 500 million new customers. When Netflix first arrived in India in January 2016, it competed with the OTT service providers like Ditto TV, Hotstar, and Voot. They are all based on a freemium model. In India, Hotstar, a Star India based telecaster, is one among the OTT platform and currently it is a leader in OTT market, it mainly telecasted television content which is already from Star channels' programs. The majority of its program is available for free (Dasgupta and Grover, 2019). The broadcasting rights of few games or sports in India are also vested with Star networks. In India, cricket is the most welcomed sport, and it is accessible on Hotstar for free, it is sponsored with a delay of five minutes. First-class shows are offered with a monthly subscription of ?200. Direct telecast of sports and games, telecast of recent movies, variety show programs, view of up-to-date particular movies and shows, and roughly 45 HBO originals are among the premium options.

The popular shows like direct chat programs 'Last Week Tonight' as well as, other programs like Modern Family and Game of Thrones are also available to premium users. The shows on Hotstar are also accessible in ten different languages. Voot, which is possessed and controlled by Viacom 18, broadcasts widespread realism shows for example Big Boss and Colours network programming. Furthermore, it also enables for the free telecasting of a selected number of movies. Ditto TV and Voot, in comparison to Hotstar, offer practically all television series and movies for free. Netflix is a true cross-platform video streaming service that is currently available all around the world. Subscribers can watch it on their iPads, iPhones, Android smartphones and tablets, Windows phones and tablets, Apple TV boxes, Smart TV platforms, PC web browsers, Sony PlayStation and Microsoft Xbox consoles, and Blu-Ray players. Clients can use their subscription on any of these devices that they possess. Netflix members in India have access to a multi-tier billing plan (Mandal et al., 2017). Users can sign up for the service on their website and then use the same ID and password to log in to the app on any other device later. By paying one-time fees, they gain access to the whole library of content, including movies and TV shows.

The Indian OTT market is expected to reach US$4.5 – 5 billion within 2023, a statement released by Boston Consulting Group. As a result, existing service providers like Amazon Prime, Hotstar, and Netflix might make a lot of gain. Although the OTT business is booming, there are concerns that legal and regulatory squabbles would eventually limit their individuality. Hotstar, Netflix along with other OTT service providers have recognized that self-regulation is a best system to evade government regulation while keeping their appearance as a virtual display place that permits people to use content based on the madores and favorites. The client has been empowered in a truly unique way via OTT (Gupta et al., 2021). Unlike the linear television era, which was fairly one-dimensional and rigid, today's over-the-top television permits viewers to vigorously interrelate with programmes. It also gives customers a lot of binge-watching, time-shifting, region-shifting, and steering options. In addition to resetting

consumer experience and expectations, OTT has led incumbents to revisit a number of long-held middle business assumptions (Sujata et al., 2015).

Mainstream cable and satellite TV providers, as well as transmissionsystems, are gradually bringing out its ownservices in the form of direct-to-consumer solutions, having first shrugged off the competitive threat posed by OTT. So, without needing to subscribe to a cable company, anyone may now view television programming on any popular internet-enabled device. Spreeviewing, on-demand content, expediency, time-passing, privacy, navigating, and other features compel a viewer to use on smart phone or any other device with suchover-the-top platform services (Chopdar and Tarafdar, 2021). Apart from this, the lower internet costs and the proliferation of internet services are the factors that drew customers' attention to online streaming videos and effectivelyrehabilitated them into customs. Moreover, dealers gain from advertisements shown during these online streaming videos because customers are more likely to view advertisements while watching online videos than when watching TV.

Presence of Netflix in India

Netflix has taken a number of initiatives in recent period to overcome fierce competition and move closer to its declared goal of 100 million subscribers. These efforts included rethinking their price, producing a large portfolio of Indian material, and forming numerous collaborations.

Meanwhile, its launch in India in December 2016, Netflix has confronted intense rivalry from companies such as Amazon Prime and Hotstar, both of which have gathered a massive library of Indian content and adopted a detrimental pricing plan, prompting these changes. When Netflix originally began, they set an ambitious objective for themselves; to attain 100 million customers within a period of five years (by 2021), while retaining a premium price plan and establishing a distinct brand based on their international content (Nafees et al., 2021). They quickly understood that they needed to reconsider their strategy if they were to reach their deadline. On their mobile phones, the majority of Indians viewed OTT media content.

Moving forward, OTT services tapped into a large audience that is becoming increasingly accustomed to watching entertainment material on their smartphones. Virtual streaming programs have now entered the fray, attempting to take a piece of the action. Because the qualities, concepts and perspectives of virtual video streaming change greatly from conventional television, identifying how established media impressions and methods may guide research on the shifting audience and their viewing behaviour is a difficult task. Several factors have aided India's quick growth in the streaming industry. At first, India boasts the world's second largest per capita virtual video usage.Providers have been enforced into a priceconflict as a result of the massive demand, and the continual requisite to expand content libraries has increased. Secondly, Indian viewers are increasingly able to obtain low-cost, high-speed internet connections, leading in a huge upsurge in per capita Internet use. Thirdly, internet connectivity has been rapidly spreading in rural areas across the country (Nagaraj et al., 2021). Last of all, the growing popularity of cellphones is having an effect. Smartphone customers can benefit from a high-speed wireless technology that can broadcast massive amounts of dispersed content over a large area.

Reason for Downfall of Netflix

Netflix, an internet streaming company that produces TV shows and movies, became extremely popular in the United States in 2013. They did, however, decide to expand into other countries, much like any other entertainment industry. In 2016, they devised a strategy to launch Netflix in around 130 nations, with India being one of them. They encountered a number of challenges at this time, including ethnic, monetary, and jurisdictive issues. Even though the sector's rapid expansion, there are a number of challenges in the Indian streaming industry that companies should make in their business plan. First and foremost, streaming services must cater to a different type of customer desires and interests. Additionally, India's multilingual populace makes it difficult for film producers to reach the vast majority of the population.One of the most difficult barriers to overcome is the language barrier. In India, the population is made up of 44 percent Hindi speakers. This is one of the concerns for a large entertainment sector like Netflix, where all of the

material is in English. Viewers do not essential to realize the content, and there is a high possibility that they will reject it. Viewing the series with subtitles is one solution for overcoming this obstacle, but how satisfied are the clients is another worry (Matrix, 2014).

Furthermore, India is one of the nations with tougher restriction laws, creating some genres more problematic to create. Netflix, perhaps, had lawfulsubjects with the discharge of the serial sacred games in 2018 as a result ofunsuitable content and political disapproval. The company also faces difficulties with payment choices. Subscribers could only pay for their subscriptions with debit and credit cards, which is a significant issue. They must adopt local payment options like as Paytm, Google Pay, and others to overcome this problem. Another issue is content; they are unsure if the content is suitable for youngsters and if it contains any inappropriate material. The second point of concern is the technology component. Because India has slow internet and no Wi-Fi in most public areas, this could be a point of contention. Another factor that could hinder Netflix demand is the prevalent trend of piracy (Mehta et al., 2020).

Another problem they may face is competition. When other OTT telecasters are giving superior service to their customers, it is critical for Netflix to concentrate more in its inventions and develop new techniques that their competitors would not have considered in order to gain consumer loyalty and long-term viability. Despite the fact that joining the Indian market resulted in some losses, Netflix has decided to stay because they feel that building anincome margin needs more time, and they are also growing current know-hows to improve comfort, internet stream of traffic, and user interface. They emphasize the phrase that the OTTs are focusing on consumers rather than the competitors in response to all concerns about competition. Netflix, on the other hand, has a reasonable chance to become a major player in India's markets if it figures out how to deal with these fundamental challenges and implement its planned business processes (Haritha and Sivapriya, 2020).

As the country develops toward digitalization, another key challenge for the video streaming industry is coping with continuous piracy and copyright issues. On the one side, moviegoers endure to drop new films, sometimes as organized crime in partnership with theatre owners, who then disseminate the information accessible. Illegal file-sharing sites, for example, are used to distribute well-known and exclusive TV programmes. This tendency can be ascribed to the expensive cost of streaming service, along with the program accessibility, which exists on many of the well-admired streaming sites, in addition with rising the advancement of technological capabilities.Piracy harms streaming service provider in a range of means, as well as lost possible revenue, production funding, and reputational destruction due to low-quality content distribution (Maheshkumar, 2020).

The Indian government has formerly augmented penalties for illegal file sharing, close down pertinentsites, and shaped stricter algorithmic barriers to combat this practice. Though, the law is usually only enforced once someone reports piracy websites or file sharing tools, such as streaming providers and content producers, to the local authorities. To put it another way, streaming service firms such as Netflix need to have a cautious eye on any new piracy operators. Additionally, streaming service providers see their role in preventing piracy as primarily focused on improving consumer understanding, providing higher-quality content, and lowering prices. This is also a smart technique to tackle piracy if the services supplied are so outstanding that file sharing is no longer worthwhile (Trivedi and Shah, 2021).

Content quality is concerned with the type of video material supplied to a consumer that meets their specific needs. In terms of generating interest among the audience, poor material quality may have failed to engage the central position. Users will not return to a platform if the content is not up to par, regardless of how convenient the platform is. On Netflix channel, it is critical to include relevant and compelling content. The content must be current,

collaborative, and enjoyable to interact with. There may be realistic interfaces and unique visual outcomes that must be included to persuade customers to interact with the information (Sadq, 2013). The interest of content is variety in nature. Viewers prefer to realize a variety of content, which led them to switch from television to Netflix. As Netflix allows viewers to watch not just a wide range of content across the different place of the world, but also to try out new categories. As a result, creating a program with new and stylish content is quite challenging.

One of the reasons for the poor adoption of Netflix is the cost charged on its programs. However, the cost should be matched with industry average. Further, high level of cost than competitor brand will make a way to loose customer permanently. Because Netflix offers thousands of programs along with shows of certain operators and the cost of doing so is expensive because, if the entire bundle is decided to purchase, it becomes a costly medium. Here, users pay for what they are watching on Netflix, but not for what they are not watching, comparatively, it creates more expensive to its viewers (Parihar and Kant, 2021). Privacy is something that Netflix user nowadays desires. Violations of privacy and failure in service quality may be a significant reason for downfall. The marketing mix strategy of the company is also at poor standard. The company finds difficulty to mix products in terms of movies, short-films, web-series and so on. Price package should be offered as per the segment of customers and the place of accessibility should also be widened so as to gratify the customers. Poor promotion, widening viewers in different segment, lack of sophisticated process and poor physical evidence support are lacked with Netflix (Adhikari et al., 2015).

Viewers have expressed poor viewing satisfaction with Netflix when compared to competing OTT services, which has contributed to the decline. Audio and video quality are important features of OTT; they play a key role in increasing viewer pleasure. Netflix's overall viewership experience is steadily deteriorating. Furthermore, the excessive cost of subscription plans turns Netflix into a major tragedy. Following that, Netflix's service quality, particularly in terms of stability and tangibility, is lacking in

the business. Other OTT channels, according to viewers, are much more inexpensive than Netflix (Song, 2021). Other than premium customers, ultra HD video quality is not available. The decreasing level of original production is also a great hit with audiences, although original production is more popular than movies and television series. Finally, Netflix's operation and services have failed to build a user-friendly character.

Conclusion

India boasts the world's rapidly rising entertaining, television and media industry. It is anticipated to continue to grow in the future. In India, OTT platforms are expected to grow dramatically in the next years. The expanding tendencies in personalization and digitization are largely responsible for this expansion. Companies must design appropriate strategies to attract more customers to subscribe to various OTT platforms and cultivate strong long-term relationships in order to fully exploit the prospects available in the OTT sector. This is only achievable if the drivers who are responsible for driving more subscribers are thoroughly investigated. Despite such prospects, the OTT service providers facing so much of difficulty. Different language, price package, privacy, content copyright, availability of technology, infrastructure facility, network quality, tariff of network, type and quality of content are the major limitations to the successful endurance of Netflix in India.

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