



EXPLORING CUSTOMER PREFERENCES AND SATISFACTION TOWARDS NETFLIX: INSIGHTS FROM VIRUDHUNAGAR TOWN

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ABSTRACT

The enforced lockdowns during the pandemic have triggered a notable upsurge in the demand for online video content among Indians, propelling rapid growth in India's OTT media services sector. This surge includes heightened consumption of international content, whether in English or through dubbed versions. Projections indicate that the user penetration rate for OTT video in India is poised to rise from 30 percent to 36 percent between 2023 and 2027. Against this backdrop of digital entertainment dominance, this study investigates the preferences and satisfaction levels of Virudhunagar town residents towards Netflix. The research aims to discern the factors influencing viewer choices and their level of contentment with the streaming service through Google form survey method. The study seeks to offer valuable insights into the dynamics of consumer behaviour and satisfaction levels within the context of digital streaming platforms, with implications for both Netflix and the broader streaming industry.

Keywords: Netflix, OTT, Online movies, Virudhunagar, Digital, Entertainment.

INTRODUCTION

Online Streaming is getting more and more popular every day, surpassing conventional entertainment media. This trend has facilitated swift and convenient access to digital content, spanning videos and audio files

alike. Through online streaming platforms and applications, users can effortlessly access desired content with just a click. These platforms have garnered widespread acclaim owing to their flagship programmes and popular

shows. Moreover, their compatibility with mobile devices and tablets enhances user convenience, enabling viewers to enjoy their preferred shows or sporting events even while on the go or outside their residences. Additionally, certain streaming apps exclusively debut the latest movies, further enriching their appeal to audiences. OTT TV streaming in India is witnessing extensive growth, driven by factors such as increased connected TV penetration, expanded content choices and a surge in local language offerings, with the market estimated to encompass 34% of the population nationwide, as per 'The Ormax OTT Audience Report 2023'. Furthermore, the proliferation of internet access, diverse content and rising disposable incomes are contributing to India's escalating OTT viewership. The country's OTT audience, comprising individuals who have viewed online videos at least once in the past month reached 48.11 million in 2023, reflecting a 13.5% increase from the previous year. Research by independent transaction advisory from RBSA Advisors indicates that the industry has maintained a robust compound annual growth rate (CAGR) of 30.7 percent from 2019 to 2024.

In the realm of digital entertainment, Netflix stands out as the frontrunner among online streaming platforms. Established in 1997 by Reed Hastings and Marc Randolph in Scotts Valley, California, Netflix remains the biggest player in the video streaming space with over 260 million subscribers as of 2024, extending its reach to approximately 190 countries.

Renowned for its flagship shows and original productions, Netflix offers a diverse range of content, including TV shows, movies, documentaries and feature films, accessible through internet subscriptions on various devices such as TVs, computers and mobile devices. Despite the presence of competing streaming providers like Amazon Prime and Hotstar, Netflix remains the preferred choice for the majority of viewers. Leveraging artificial intelligence (AI) and data analytics, Netflix analyzes viewer preferences to curate personalized content tailored to individual tastes and regions, all without intrusive advertisements. As a transformative force in the entertainment industry, Netflix has redefined the consumption of digital content, setting a new standard for online streaming services.

Services like Netflix are pushing filmmaking towards a higher quality of story telling (Mani Ratnam, Film-maker). With its global reach, Netflix is able to leverage its local content across geographical boundaries. This allows it to experiment with new content and new talent. Plus, technology allows it to create subtitles or dub these series for global audiences at a relatively low cost (Sunil Gupta, Harvard Business School). Netflix is ruling the streaming platforms for its pricing strategy, popularity and content variety compared to its competitors (Santhosh, 2019). Similarly, a shifting trend among Indians towards online streaming is reported, by News18.com (2019) with the entry of numerous video-on-demand (VoD) companies indicating substantial industry

potential. Despite the high subscription costs, the customers prefer Netflix for its diverse show offerings and offline viewing options (Krupa Mehta, *et al.*, 2020). Besides, the Indian youth favour video streaming platforms for its ease of accessibility, sharing capabilities, flexibility, cost-effectiveness and user-friendly interfaces and the growing inclination of Indian youth towards smartphone gaming (Sundaravel and Elangovan, 2020 and Arunkumar, *et al.*, 2021). The subscribers are much satisfied with Netflix primarily due to its high-quality content and introduction of new mobile plans (Suresh Kanniappan, *et al.*, 2022). Further Notably, four out of five smartphone owners in India engage with content on atleast one OTT app, signifying the growing prevalence of online streaming platforms. Considering the leadership role that Netflix plays in the online streaming industry, the present study has been conducted to find out the factors influencing the users for choosing Netflix over other streaming services, to study the opinion and satisfaction level of Netflix users in Virudhunagar and thereby identifying the areas of improvement in Netflix.

RESEARCH METHODOLOGY

The present study is descriptive in nature based on survey method, supported by both primary data and secondary data. The primary data was collected through Google forms from 120 Netflix users of Virudhunagar town. The secondary data sources include data from different articles, research papers, magazines, journals and websites related to the topic. Convenience sampling method of Non-

probability sampling technique has been used to select the samples for the study.

RESULTS AND DISCUSSION

Demographic profiles are often used by businesses, organizations and researchers to better understand their target audience or the population they serve, guiding decisions related to product development, marketing strategies, resource allocation and more. It helps to tailor the content and marketing strategies effectively and also to enhance the users’ experience and drive subscriber growth.

Table 1 – Demographic Profile of Respondents

Variables	Particulars	Frequency	Percentage (%)
Gender	Male	84	70
	Female	36	30
Level of Education	High School	5	4
	Diploma	20	17
	UG	73	61
	PG	22	18
Occupation	Private employee	47	39
	Government employee	32	27
	Business	29	24
	Unemployed	12	10
Age	Below 25 years	16	13
	26 – 35 years	44	37
	36 – 45 years	39	32
	Above 45 years	21	18
Marital Status	Single	44	37
	Married	76	63
Monthly Family Income	Below Rs.20,000	13	10
	Rs.20,001 – Rs.30,000	48	39
	Rs.30,001 – Rs.40,000	35	31
	Above Rs.40,000	24	20
Family Structure	Joint Family	67	56
	Nuclear Family	53	44

(Source: Primary data, 2024)

Respondents’ characteristics is represented in Table 1. A majority of the respondents are male (70%), while female respondents constitute 30%. In terms of education level, 61% of the respondents are holding a Bachelor degree. Also, majority of respondents (39%) are employed in different private organizations and 37% of the respondents are in the age group of above 26-35 years. The respondents 63% are married and 39% of the respondents’ monthly family income falls between Rs.20,001-Rs.30,000. Though 56% of the respondents belong to the joint family structure, it is interesting to note that, almost 44% of the respondents surveyed belong to the nuclear family system. This shows that Netflix is gaining popularity gradually more among the nuclear family structure.

Table 2 – Current Netflix subscription type of respondents

S. No.	Particulars	Frequency	Percentage (%)
1.	I have my own subscription	73	61
2.	I use the account of my friends/ family member or colleague	47	39
Total		120	100

(Source: Primary data, 2024)

It is noted from the above table that 61% of the respondents are using their own Netflix subscription while 39% of the respondents are using the Netflix account of their friends or family member or colleague.

Table 3 – Influential factors to choose Netflix

S. No.	Factors	Frequency	Percentage (%)
1.	Friends or Relatives	34	28
2.	Social media	27	23
3.	Newspaper ads	6	5
4.	TV ads	53	44
Total		120	100

(Source: Primary data, 2024)

It is inferred from the above table that 44% of the respondents are influenced through TV ads to choose Netflix, 28% of them are influenced by their friends and relatives to choose Netflix, 23% are influenced through social media about Netflix and 5% are influenced by newspaper ads to choose Netflix.

Table 4 – Platforms used to watch Netflix

S. No.	Particulars	Frequency	Percentage (%)
1.	TV	39	33
2.	Laptop	17	14
3.	Desktop	15	12
4.	Smart Phone	43	36
5.	Tablet	6	5
Total		120	100

(Source: Primary data, 2024)

It is observed from the table 4 that 36% of the respondents are using Smart phone to watch Netflix, 33% of the respondents are using TV to watch Netflix, 14% are using Laptop to watch Netflix, 12% are using Desktop PC for watching Netflix and only 5% of the respondents are using Tablet to watch Netflix.

Table 5 – Duration of using Netflix

S. No.	Particulars	Frequency	Percentage (%)
1.	Every day	10	8
2.	2 – 5 times a week	24	20
3.	Once a week	47	39
4.	Once a month	18	15
5.	Twice a month	21	18
Total		120	100

(Source: Primary data, 2024)

It is evident from the above table that 39% of the respondents are watching Netflix once a week, 20% of them are watching Netflix 2 to 5 times a week, 18% of the respondents are watching Netflix twice a month, 15% of them are watching Netflix once in a month and 8% of the respondents are watching Netflix every day.

Table 6 – Motivating factors to watch on Netflix over other online streaming platforms

S. No.	Particulars	Frequency	Percentage (%)
1.	Wide range of shows on Netflix	41	34
2.	Relief from boredom/stress	26	22
3.	Netflix’s recommender system about new and trending movies and TV series	53	44
Total		120	100

(Source: Primary data, 2024)

The above table clearly depicts that 44% of the respondents valued the Netflix’s recommender system as the most attractive and motivating factor as it reminds them about new or trending movies and TV series. Such alerts are usually related to the consumers’ personal preferences and previous consumption behaviours. 34% of the respondents are

motivated to watch on Netflix as it offers wide range of shows and 22% of the respondents feels that watching on Netflix gives them relief from boredom and stress.

Table 7 – Type of Netflix genre watched by respondents

S. No.	Particulars	Frequency	Percentage (%)
1.	Sci-fi	16	13
2.	Documentaries	21	18
3.	Horror	24	20
4.	Fantasy	37	31
5.	Thriller	13	11
6.	Romantic comedy	9	7
Total		120	100

(Source: Primary data, 2024)

It is clear from the above table that 31% of the respondents like to watch Fantasy genre type on Netflix, 20% like to watch Horror type of genre, 18% like to watch Documentaries genre, 13% like to watch Sci-fi genre type on Netflix, 11% like to watch Thriller genre and 7% like to watch Romantic comedy type of genre on Netflix.

Table 8 – Respondents’ weekly marathon usage of Netflix

S. No.	Particulars	Frequency	Percentage (%)
1.	2 days per week	20	17
2.	3 days per week	46	38
3.	4 days per week	25	21
4.	5 days per week	10	8
5.	6 days per week	19	16
Total		120	100

(Source: Primary data, 2024)

Table 8 clearly exhibits that 38% of the respondents are habituated to the marathon usage of 3 days per week on Netflix, 21% of them are habituated to the marathon usage of 4 days per week on Netflix, 17% of them are habituated to the 2 days per week marathon usage of Netflix, 16% for 6 days per week marathon usage on Netflix and 8% of the respondents are habituated to the marathon usage of 5 days per week on Netflix.

Table 9 – Mean score of respondents’ agreement level on Netflix attributes

S. No.	Particulars	Mean Score	Rank
1.	Netflix is less expensive than Cable TV	67.75	I
2.	Netflix movie library is big and exclusive	47.76	IV
3.	Netflix provides better respondents support	44.04	V
4.	Netflix is a good value for money	53.14	III
5.	Netflix is of high quality	60.03	II

(Source: Primary data, 2024)

Table 9 reveals that the mean score for the variable ‘Netflix is less expensive than Cable TV’ is 67.75 which is high and therefore it is given the first rank. The mean score for the variable ‘Netflix is of high quality’ is 60.03 and it receives the second rank. The third highest ranking is given to the variable ‘Netflix is a good value for money’ with a mean score of 53.14, the fourth rank is given to ‘Netflix movie library is big and exclusive’ with a total mean of 47.76 and the fifth rank is given to ‘Netflix provides better respondents support’ which has a mean score of 44.04.

Table 10 – Negative consequences of watching on Netflix

S. No.	Particulars	Frequency	Percentage (%)
1.	One more episode syndrome	36	30
2.	Wastage of time	7	6
3.	Addiction	18	15
4.	Anxiety	24	20
5.	Lack of sleep	35	29
Total		120	100

(Source: Primary data, 2024)

From the above table, it is shown that 30% of the respondents are suffering from ‘one more episode syndrome’ because of watching Netflix, 29% of the respondents are suffering from lack of sleep due to Netflix watching, 20% of them are having anxiety problem by watching on Netflix, 15% of the respondents have become addicted of watching Netflix and 6% of them feels that watching on Netflix is a waste of time.

Hypothesis: Age group has significant influence on the motivational factors (M) to watch on Netflix.

Pearson Chi-square			
Constructs	Value	Df	Asymp. Sig. (2-sided)
Age group * M1	8.427 ^a	6	.209
Age group * M2	4.483 ^a	9	.876
Age group * M3	9.285 ^a	9	.412

(Source: Primary data, 2024, M1, M2, M3 = Motivating factor)

The value 0.208, 0.877 and 0.411 ($p > 0.005$) shows a positive relationship between the two variables age group and motivating factors to choose Netflix over other online streaming platforms. It is inferred that the viewers are motivated to choose Netflix based on their age groups. Hence, the age group has a positive

influence on the motivating factors to choose Netflix over other streaming platforms.

The study finds that Netflix is more popular among males, especially within nuclear families, making targeted marketing crucial. TV ads significantly influence Netflix choices, so effective campaigns are essential. Addressing issues like addiction and maintaining competitive pricing are vital. Customer satisfaction is boosted by a wide array of content, a user-friendly interface, multiple subscription plans, and high-quality original programming. Enhancing the personalized recommendation system and providing excellent customer service are also key factors to retain customer loyalty and satisfaction.

The Indian OTT sector is growing due to budget-friendly data and the demand for concise content, especially among tier-2 city users and young customers. The study examines Netflix user satisfaction in Virudhunagar town, with findings relevant to the wider streaming industry. Netflix's focus on nuclear families, TV ads, and excellent customer support can enhance visibility and user loyalty. Continuous investment in these areas will help Netflix to maintain its leading position and keep users engaged.

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