A Comparative Study of Business Models:- Netflix and Amazon Prime Video in Indian Ott Industry.

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ABSTRACT :- The Indian entertainment industry has witnessed a major transformation with the rapid growth of Over-the-Top (OTT) platforms. Services such as Netflix and Amazon Prime Video have significantly changed consumer viewing habits by offering on-demand, personalized, and internet-based content. This research paper aims to compare the business models of Netflix and Amazon Prime Video in the Indian OTT market and analyze consumer perception toward these platforms.

The study is based on primary data collected from 67 respondents using a structured questionnaire and supported by secondary data from industry reports and academic studies. Descriptive research design has been adopted, and tools such as percentage analysis and mean score analysis have been used for interpretation. The study examines demographic characteristics, Xusage patterns, content preference, pricing satisfaction, and value-for-money perception.

The findings reveal that Netflix is preferred for its international content quality, superior user interface, and premium viewing experience. In contrast, Amazon Prime Video is perceived to offer better value for money due to affordable pricing, bundled services, and strong regional content presence. The study concludes that while Netflix follows a premium-focused strategy, Amazon Prime Video's bundled ecosystem model is better aligned with India's price-sensitive and diverse consumer market.

KEYWORDS

OTT Platforms, Netflix, Amazon Prime Video, Business Models, Consumer Perception, India

UNIT – I

INTRODUCTION

The rapid advancement of digital technology and widespread availability of high-speed internet have significantly transformed the media and entertainment industry across the globe. In India, the emergence of Over-The-Top (OTT) platforms has changed the traditional way of consuming audio-visual content. OTT platforms allow users to stream movies, web series, documentaries, and television shows directly through the internet without depending on cable or satellite television.

India has witnessed exponential growth in OTT consumption due to affordable smartphones, low-cost mobile data plans, increasing digital literacy, and changing lifestyle patterns. Consumers today prefer on-demand, personalized, and advertisement-free content, which has led to the rapid adoption of OTT platforms.

Among the various OTT platforms available in India, Netflix and Amazon Prime Video have emerged as two dominant players. Netflix is known for its premium international content, original web series, and superior streaming quality, whereas Amazon Prime Video offers a cost-effective subscription model bundled with additional services such as free delivery and music streaming, along with strong regional and Indian content.

This study focuses on comparing Netflix and Amazon Prime Video based on consumer preferences, usage patterns, satisfaction level, and value-for-money perception. The research aims to understand how users in Amravati city perceive these platforms and what factors influence their subscription decisions.

UNIT – II

REVIEW OF LITERATURE

Several studies have been conducted to analyze the growth, impact, and consumer behavior related to OTT platforms.

Previous research highlights that OTT platforms have disrupted traditional television viewing by offering flexibility, convenience, and diverse content libraries. Studies indicate that factors such as content quality, pricing, ease of access, and personalization play a crucial role in influencing consumer choice.

Research conducted on Netflix suggests that its strong focus on original and international content, advanced recommendation algorithms, and high streaming quality significantly enhance user satisfaction. However, high subscription cost is often cited as a major limitation, especially in price-sensitive markets like India.

Studies on Amazon Prime Video reveal that consumers perceive it as offering better value for money due to affordable pricing, bundled benefits, and availability of regional and Indian content. Literature also emphasizes that regional language content is a major driver for OTT adoption in India.

Despite the availability of multiple studies on OTT platforms, limited research has been conducted comparing Netflix and Amazon Prime Video from a consumer perception perspective in tier-2 cities like Amravati. This research attempts to bridge that gap by providing a comparative analysis based on primary data.

2.1 STATEMENT OF THE PROBLEM

The OTT industry in India has become highly competitive, with multiple platforms offering similar services. While Netflix and Amazon Prime Video are among the most popular OTT platforms, consumer preferences vary based on pricing, content type, quality, and usability. There is limited empirical evidence comparing these platforms based on consumer perception in smaller urban markets. Hence, the problem of the study is to analyze and compare consumer preferences towards Netflix and Amazon Prime Video in Amravati city.

2.2 OBJECTIVES OF THE STUDY

1. To study the demographic profile of OTT users in Amravati city.
2. To analyze the OTT usage pattern of respondents.
3. To compare consumer perception towards Netflix and Amazon Prime Video.
4. To evaluate value-for-money perception of OTT subscriptions.
5. To measure overall satisfaction level of OTT users.

UNIT – III

RESEARCH METHODOLOGY

The present study is descriptive in nature and is based on both primary and secondary data.

3.1 Research Design

Descriptive research design has been used to understand consumer perception and usage pattern of OTT platforms.

3.2 Sources of Data

- **Primary Data:** Collected through a structured questionnaire from 67 respondents.
- **Secondary Data:** Collected from journals, research articles, websites, reports, and published studies related to OTT platforms.

3.3 Sampling Method

Convenience sampling method was adopted for data collection.

Sample Size

The sample size for the study consists of **67 respondents** from Amravati city.

3.4 Tools for Data Collection

A structured questionnaire consisting of demographic questions, multiple-choice questions, and Likert-scale statements was used.

3.5 Tools for Data Analysis

Data was analyzed using:

- Percentage analysis
- Mean score analysis

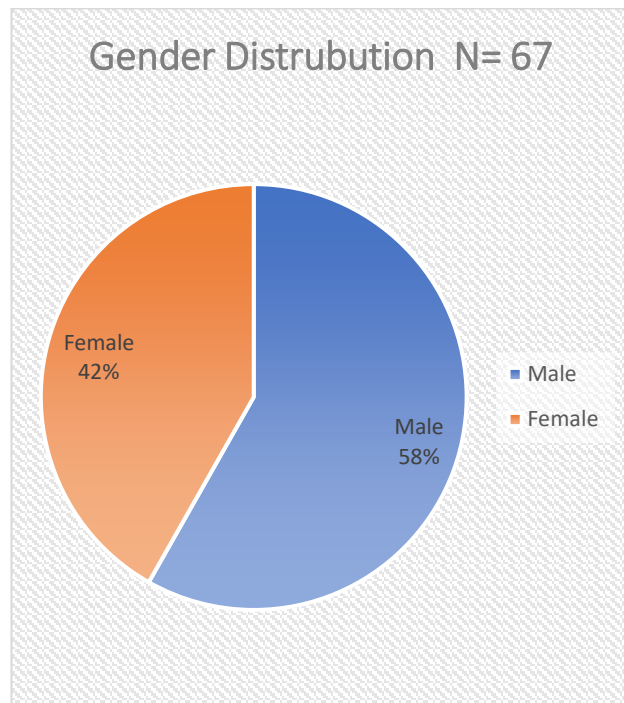The results are presented using tables and interpretations.

Unit   IV
DATA ANALYSIS AND INTERPRETATION

Sample Size: 67 respondents

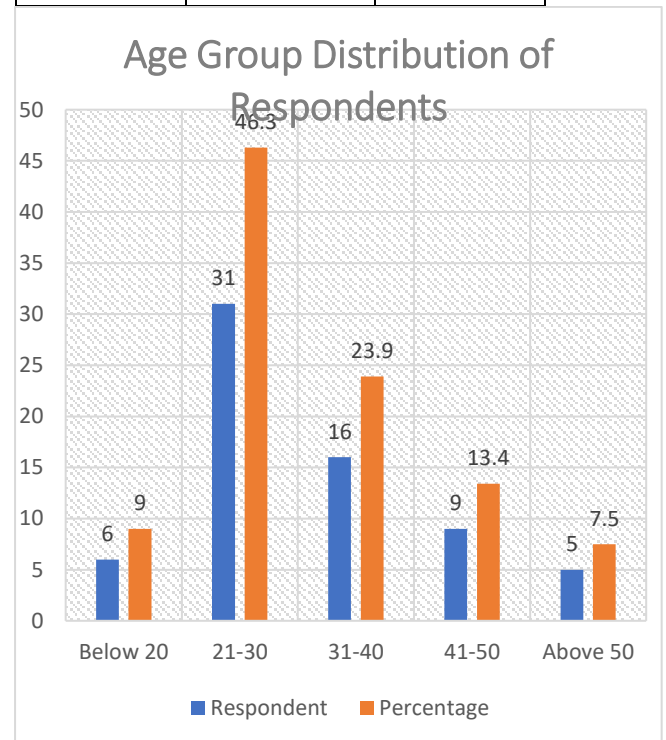## 4.1 Demographic Profile of Respondents

Table 4.1: Gender-wise Distribution

Gender	Respondents	Percentage
Male	39	58%
Female	28	42%

Interpretation: The analysis indicates a balanced representation with a higher proportion of male respondents (58%) compared to female respondents (42%).

Table 4.2: Age Group Distribution

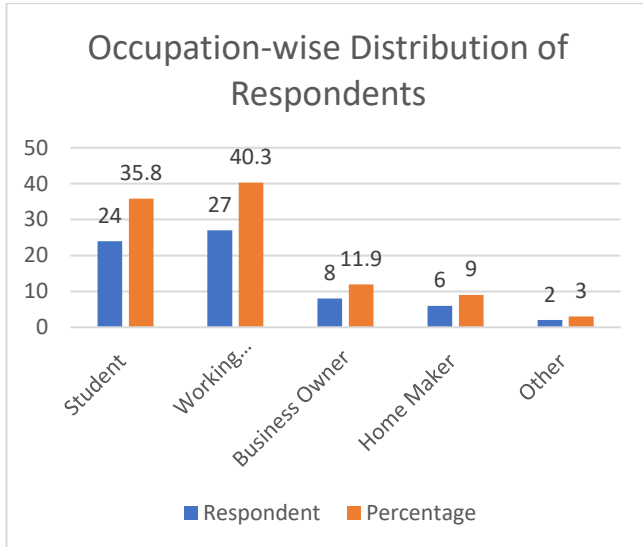| Age Group	Respondents	Percentage
Below 20	6	9.0
21–30	31	46.3
31–40	16	23.9
41–50	9	13.4
Above 50	5	7.5

Interpretation: A majority of respondents belong to the 21–30 age group, indicating higher OTT adoption among young adults.

Table 4.3: Occupation Distribution

Occupation	Respondents	Percentage
Student	24	35.8
Working Professional	27	40.3
Business Owner	8	11.9

Homemaker	6	9.0
Other	2	3

Occupation-wise Distribution of Respondents

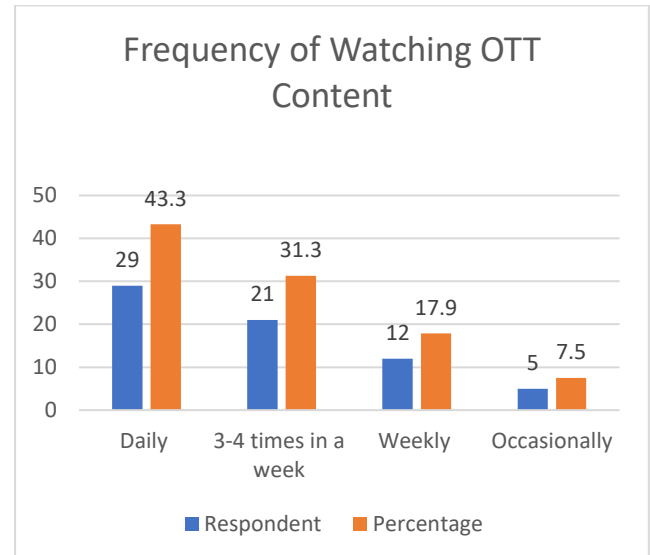Frequency of Watching OTT Content

Interpretation: Students and working professionals together constitute the majority, reflecting active OTT usage among these groups.

4.2 OTT Usage Pattern

Table 4.4: Frequency of Watching OTT Content

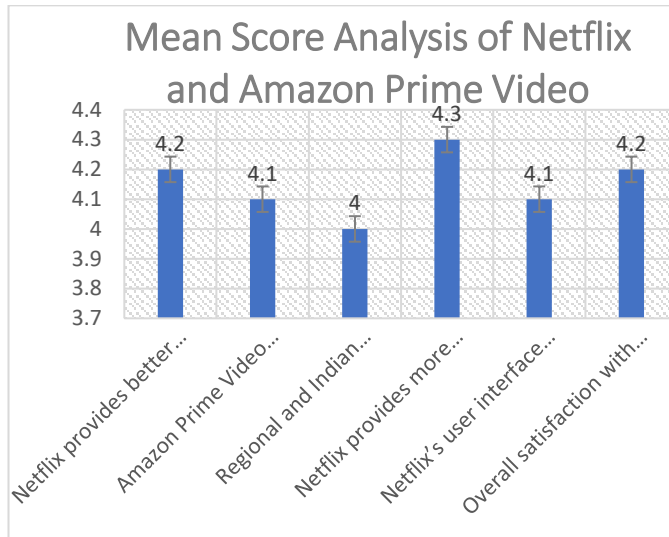| Frequency	Respondents	Percentage
Daily	29	43.3
3–4 times a week	21	31.3
Weekly	12	17.9
Occasionally	5	7.5

Interpretation: Frequent usage is observed, with most respondents watching OTT content daily or multiple times a week.

4.3 Comparative Evaluation (Likert Scale)

Table 4.5: Mean Score Analysis

Statement	Mean Score
Netflix provides better picture and audio quality than Amazon Prime Video	4.2
Amazon Prime Video offers better value for money compared to Netflix	4.1
Regional and Indian content is better represented on Amazon Prime Video	4.0
Netflix provides more diverse and high-quality international content	4.3
Netflix's user interface and recommendation system are superior	4.1
Overall satisfaction with current OTT subscription experience	4.2

Mean Score Analysis of Netflix and Amazon Prime Video
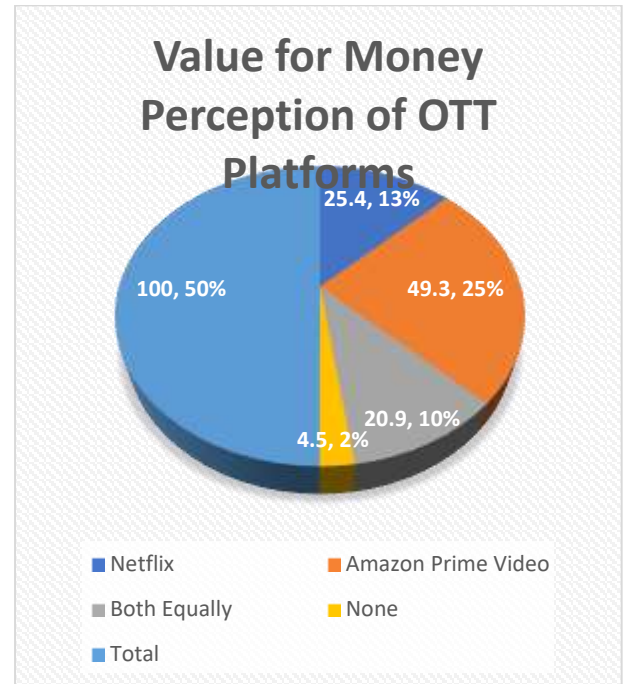

Value for Money Perception of OTT Platforms

Interpretation: Mean scores above 4 indicate strong agreement. Netflix performs better on international content and technical quality, while Amazon Prime Video is preferred for value for money and regional content.

4.4 Additional Findings

Table 4.6: Value for Money Perception

Platform	Respondents	Percentage
Netflix	17	25.4
Amazon Prime Video	33	49.3
Both Equally	14	20.9
None	3	4.5

Interpretation: Amazon Prime Video is perceived to offer better value for money by a majority of respondents.

Overall Interpretation:
The data analysis highlights clear differences in consumer perception between Netflix and Amazon Prime Video. While Netflix excels in content quality and international offerings, Amazon Prime Video gains an advantage through affordability, bundled services, and regional content, influencing overall user preference.

Based on the objectives of the study, the following two hypotheses were framed and tested using descriptive statistical analysis.

4.5 Hypothesis 1 Testing

H₀ (Null Hypothesis):
There is no significant difference in consumer preference between Netflix and Amazon Prime Video.

H₁ (Alternative Hypothesis):
There is a significant difference in consumer preference between Netflix and Amazon Prime Video.

Result:
The analysis of mean scores and value-for-money

perception shows that Netflix is preferred for content quality and international content, whereas Amazon Prime Video is preferred for value for money and regional content.

Conclusion:
Since a clear difference in consumer preference is observed, the **null hypothesis is rejected** and the **alternative hypothesis is accepted**.

Hypothesis 2

H_0 (Null Hypothesis):
OTT platform subscription does not influence user satisfaction.

H_1 (Alternative Hypothesis):
OTT platform subscription influences user satisfaction.

Result:
The mean score for overall satisfaction with OTT subscription experience is above 4, indicating a high level of satisfaction among respondents.

Conclusion:
The null hypothesis is rejected and the alternative hypothesis is accepted, indicating that OTT platform subscription has a significant influence on user satisfaction.

UNIT – V

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 Overview of the Study

The present study was conducted to analyze consumer perception towards OTT platforms with special reference to Netflix and Amazon Prime Video. The study aimed to understand demographic characteristics, usage patterns, comparative perception, and value for money associated with OTT platforms. Primary data was collected through a structured questionnaire from 67 respondents using convenience sampling method. Descriptive statistical tools such as percentage analysis and mean score analysis were used for data interpretation. The research helps in identifying key factors influencing consumer preference and satisfaction towards OTT platforms.

5.2 Key Findings of the Study

Based on the data analysis and interpretation presented in Unit IV, the major findings of the study are as follows:

1. The demographic profile indicates that OTT platform usage is more prevalent among male respondents compared to female respondents, though the overall gender distribution is relatively balanced.
2. A significant proportion of respondents belong to the 21–30 age group, indicating higher adoption of OTT platforms among young adults.
3. Students and working professionals constitute the majority of OTT users, reflecting increased digital engagement among these groups.
4. The usage pattern analysis reveals that a large number of respondents consume OTT content on a daily basis or multiple times a week, indicating high dependency on OTT platforms for entertainment.
5. Mean score analysis shows that Netflix is strongly preferred for picture quality, audio quality, international content variety, and user interface.
6. Amazon Prime Video is perceived to offer better value for money, largely due to its affordable subscription pricing and bundled benefits such as Prime Shopping and Prime Music.
7. Respondents perceive Amazon Prime Video to have better representation of regional and Indian content compared to Netflix.
8. Overall satisfaction with OTT subscriptions is high, and a majority of respondents intend to continue their OTT subscriptions in the future.
9. Hypothesis testing indicates that there is a significant difference in consumer perception between Netflix and Amazon Prime Video, leading to rejection of the null hypothesis.

5.3 Suggestions

Based on the findings and implications of the study, the following suggestions are proposed:

1. Netflix may consider introducing flexible or lower-priced subscription plans to increase affordability among Indian consumers.
2. Amazon Prime Video can improve its global and original content portfolio to strengthen its competitive position.
3. Both OTT platforms should continue to expand regional and Indian language content to cater to diverse audience segments.

4. Enhancing personalization features and recommendation systems can improve overall user satisfaction.

5. OTT platforms should focus on student-friendly plans and promotional offers to attract younger users.

5.4 Conclusion

The study concludes that Netflix and Amazon Prime Video hold strong but distinct positions in the Indian OTT market. Netflix excels in terms of content quality, international offerings, and user experience, while Amazon Prime Video enjoys a competitive advantage in affordability, bundled benefits, and regional content availability. Consumer perception towards OTT platforms is influenced by multiple factors such as content quality, pricing, and perceived value for money. The analysis confirms that there exists a significant difference in consumer perception between Netflix and Amazon Prime Video. With increasing digital consumption, OTT platforms are expected to play an even more significant role in shaping the future of entertainment in India.

5.5 Limitations of the Study

Despite providing valuable insights, the study has certain limitations:

1. The study is based on a limited sample size of 67 respondents.

2. Convenience sampling method may affect the generalizability of the findings.

3. Responses are based on personal opinions and perceptions, which may lead to response bias.

4. The study focuses only on two OTT platforms and does not include other competitors.

5.6　Scope for Future Research

Future research may consider the following areas:

1. Increasing the sample size to enhance the reliability of results.

2. Including other OTT platforms such as Disney+ Hotstar, Zee5, SonyLIV, and JioCinema.

3. Conducting qualitative studies to understand deeper consumer motivations and emotional attachment to OTT platforms.

4. Analyzing long-term changes in OTT consumption behavior through longitudinal studies

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