"Streamers Seek Sandalwood in Netflix: Unveiling Kannada Content's Significance, Evaluating Pricing Strategies, Marketing Foundations, and Indian (Bengalurean) Netflix Subscriber Perspectives"

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Abstract

This research paper aims to investigate the marketing strategies employed by Netflix and how these strategies influence the behavior of consumers located in Bengaluru toward the brand. The study uses a quantitative data collection method. The quantitative data collection involves administering an online survey to a sample of Netflix's consumers to understand their behavior towards the brand. The study found that Netflix's marketing strategies, such as content creation, personalized recommendations and presence of regional content have a significant impact on consumer behavior towards the brand and also a few threats to the growth of the platform. The results of this study have implications for marketers and businesses looking to implement effective marketing strategies that appeal to their target audience.

Keywords: Entertainment Service, Subscription, OTT, Regional Content

1. Introduction:

Over the past few years, the Indian entertainment industry has undergone a massive transformation with the emergence of Over-the-top (OTT) platforms. The OTT industry in India has witnessed massive growth with the emerging usage of smartphones, cheap data plans, and the increasing demand for personalized content. In a country with a population of over 1.3 billion, the potential for growth in the OTT industry is immense, and this has attracted several players to enter the market.

The Indian OTT industry had evolved significantly since the pandemic when the whole population was stuck at home with no source of entertainment other than television and their phone. OTT started with a few players and limited content offerings to a vast array of platforms that cater to different audiences and genres. With the shift towards more personalized content, OTT platforms have become a preferred choice for younger audiences who are looking for content that is unique, engaging, and relevant to their interests and a source of entertainment that can be accessed from the comfort of their house.

The emergence of OTT platforms has also led to a significant disruption in the Indian entertainment industry, creating a new ecosystem for content creators and distributors. Unlike traditional television, where the content is controlled by a few players, OTT platforms have opened up opportunities for content creators, allowing them to showcase their work to a global audience. This has also led to the democratization of content, where anyone with a unique idea or talent can create content and reach millions of viewers.

The availability of broadband internet at an affordable price has caused a significant shift in the entertainment business. The emergence and expansion of 'over-the-top' (OTT) streaming service demand, has had an effect on the television business. The widespread use of smartphones and smart TVs has encouraged people to subscribe to numerous OTT services and indulge in binge viewing.

With 52% of its population being millennials, India represents a sizable opportunity for streaming services. Because they are "screenagers," Gen Z has a variety of options to pick from based on the subscription's contents, discounts, and other factors. Being the first platform to produce its own television series in 2011, Netflix rapidly expanded, offering distinctive material to US audiences. In 2016, Netflix made its debut in India.

The Indian OTT industry has witnessed significant growth in the last few years, with the entry of global players like Netflix, Amazon Prime Video, and Disney+ Hotstar, along with domestic platforms like Zee5, SonyLIV, and Voot. Each platform has its unique content strategy, catering to different audiences, and the competition in the industry is fierce.

The emergence of Netflix as a major player in the entertainment industry has disrupted the traditional television and film markets. Netflix has been able to capture a significant market share due to its innovative business model, which focuses on providing a vast array of content that can be conveniently accessed through its streaming platform.

In this marketing research paper, we will examine the various marketing strategies employed by Netflix, if those strategies have any impact on customers if it has contributed to its success and the behavior of customers

towards the platform. We will analyze how Netflix has utilized data analytics and consumer insights to develop a deep understanding of its target audience and create personalized content recommendations.

Furthermore, we will explore the impact of Netflix's original content strategy, which has been critical to its growth and differentiation from other streaming services. We will also investigate how Netflix has leveraged social media and influencer marketing to increase brand awareness and engage with its audience.

The goal of this research paper is to provide a comprehensive analysis of Netflix's marketing strategies and analysis of the behavior of customers towards Netflix in Bengaluru the capital city of Karnataka. By examining the marketing tactics of one of the most successful companies in the streaming world, we hope to provide valuable insights into the future of the entertainment industry and how companies can adapt to meet the changing needs of their audiences.

2. History of The Company

Netflix is an American media services provider and production company founded in 1997 by Reed Hastings and Marc Randolph. Initially, the company offered a subscription-based DVD-by-mail service, which allowed users to rent DVDs of movies and TV shows through the mail. In 2007, Netflix launched its now-famous streaming service, which allowed users to access movies and TV shows instantly through their internet connection.

Over the years, Netflix has revolutionized the way we consume media by introducing original programming and changing the way TV and movies are produced and distributed. In 2013, the company released its first original series, 'House of Cards', which was a huge success and paved the way for more original content. In 2016, Netflix released 'Stranger Things', which became a cultural phenomenon and further solidified the streaming service's place in the entertainment industry.

As of 2022, Netflix has over 222 million subscribers worldwide and has become one of the most influential players in the media industry. The company continues to produce original content and expand its reach into new markets, including India and Africa.

3. Review of literature

Bharat Dhiman (April 2023), Paper titled diversity of Indian Regional content on OTT platforms: A critical Review gives an insight on how OTT platforms in India have completely transformed the way audiences consume content, how impactful can having regional content on OTT platform can influence the audiences. How OTT has acquired markets like Karnataka, Andhra Pradesh-Telangana, Maharashtra, Gujarat, and many more.

a) Yoon (2021) "Netflix and Teenage Viewers: Analyzing Teenage Drama Market and the Marketing Methods of Netflix" examines how Netflix's marketing strategies influence teenage viewers. The study finds that Netflix's content recommendation algorithm and social media marketing campaigns significantly impact the viewing behavior of teenage audiences.

b) Rideout (2016) "The Netflix Effect: Teens Binge-Watching and On-Demand Digital Media Trends" explores how binge-watching on Netflix has become a norm among teenage audiences.

c) Huang (2018) "Marketing Research on Netflix", the authors conduct research to understand the factors that lead to the success of Netflix's marketing strategies. The study highlights the importance of personalized recommendations, user reviews, and social media engagement in attracting and retaining subscribers.

d) Wang(2021), "Factors Affecting Repurchase Intention on Netflix Video on Demand Subscribers", identifies various factors that influence subscribers' repurchase intentions on the platform. The study finds that content quality, price, and user experience significantly impact subscribers' decisions to renew their subscriptions.

e) Keating (2016) "Netflix and the Changing Face of Television" explores Netflix's impact on the traditional television industry. The study finds that Netflix's shift towards original content has disrupted the traditional television industry's business models and forced them to adapt to changing consumer preferences.

Overall, these studies provide valuable insights into Netflix's impact on media consumption patterns and marketing strategies. Netflix's success can be attributed to its ability to provide personalized recommendations, user reviews, social media engagement, and original content that resonate with its subscribers.

4. Research Methodology

4.1 Research Gap

The research was conducted to fill the gap of better understanding of the marketing strategies of Netflix and how it affects the purchasing behavior of customers, the effect of pricing strategy on the Indian audience and the lack of regional content in South Bengaluru.

4.2 Objectives

- To learn how pricing strategy affects the Indian audience
- To understand if the pillars of marketing of Netflix have any effect on the audience.
- To identify the customer perspective about lack of Kannada regional content in Netflix.

4.3 Sources of data collection

4.3.1 Primary data

Primary data refers to the answers gathered directly from students in their original form. The primary data for the study is obtained by using scheduled questionnaires, collected through google forms.

4.3.2 Secondary data

Secondary data is the data collected and published by others. The secondary data for the study is obtained from the published sources of research publications, reference works, articles etc., relating to the topic from the internet.

4.4 Type of the study

Descriptive analysis is used in the study as it explains the features of a phenomenon being investigated, helps to describe and summarize the data points in a constructive way that patterns fulfil every condition of the data.

4.5 Scaling Technique

The questionnaire of the study was made up of only **close-ended structured questions** which constituted using pre-defined possible outcomes. However, some questions were also framed by taking into consideration an open-end form, to facilitate understanding of the opinion of students.

4.6 Questionnaire development

- Time spent on OTT platform
- Users and subscribers of Netflix
- Pricing strategy
- Kannada content
- Frequency of usage of Netflix
- Preference for Netflix

4.7 Sample size - The sample size is 100.

4.8 Sample unit - Various audiences who have access to OTT platforms in Bengaluru.

4.9 Sampling method - Convenience sampling, under the Random Sampling Method, is adopted in the study for the collection of data.

5. Limitations

- The study was restricted to audiences in Bangalore City.
- The responses given by the respondents may not be 100% accurate and they may be biased.
- The sample size is small when compared to a large population of audience.
- The study is having time constraint.

6. Marketing Strategies

Netflix has three pillars of marketing strategies

♦ **Content**

"Content is King" is the major game of Netflix is the content and to penetrate it Netflix has a marvelous algorithm. Netflix's algorithm knows about the customer's taste in the consumption

♦ **Quality of product applications**

The user interface is very comfortable to access by anyone and everyone. Netflix can be accessed by multiple devices like phones, tablets, laptops, and TV, and content is offered in all formats SD, HD, and UHD even 4K for certain content.

♦ **Customer service**

If a customer is not satisfied they never come back which is why Netflix puts in a lot of effort to keep the customer satisfied.

7. Pricing Strategy

In where people are ready to spend any amount to get entertained there is a majority section that wisely invests in entertainment. Due to its critical role in how customers judge the worth of the streaming service, Netflix's pricing approach has a big impact on consumer behavior.

The tiered pricing structure used by Netflix, which has three separate pricing tiers (Basic, Standard, and Premium), is one of the company's main pricing methods. The number of concurrent streams, the caliber of the video, and the range of supported devices vary depending on the plan. With this pricing structure, customers can select a plan that best fits their requirements and financial situation, which makes it simpler for them to explain the service's cost.

While some people may think it's worth investing in Netflix because of its content

majority of them think it's still costly for them. The cost of Netflix in India is typically regarded as being greater than that of its local rivals, Amazon Prime Video and Disney+ Hotstar. Even while Netflix does have a variety of subscription options to fit different price ranges, some Indians may still believe the service to be out of their price range or not be worth their money. The majority of the subscribers belong to GenZ and many are still students who pay for subscriptions and find it costly. This leads to youngsters finding alternatives to watching Netflix content and we see the rise of pirated networks that stream the same content for free of cost to the audience. Netflix's cost-saving plan restricts people to streaming content only on their mobile and restricts usage to 1 person at a time. In order to stream content on a bigger screen with better video quality and multiple access at the same time audiences have to subscribe to a costlier plan that is not economical for everyone and people sometimes feel not worth it.
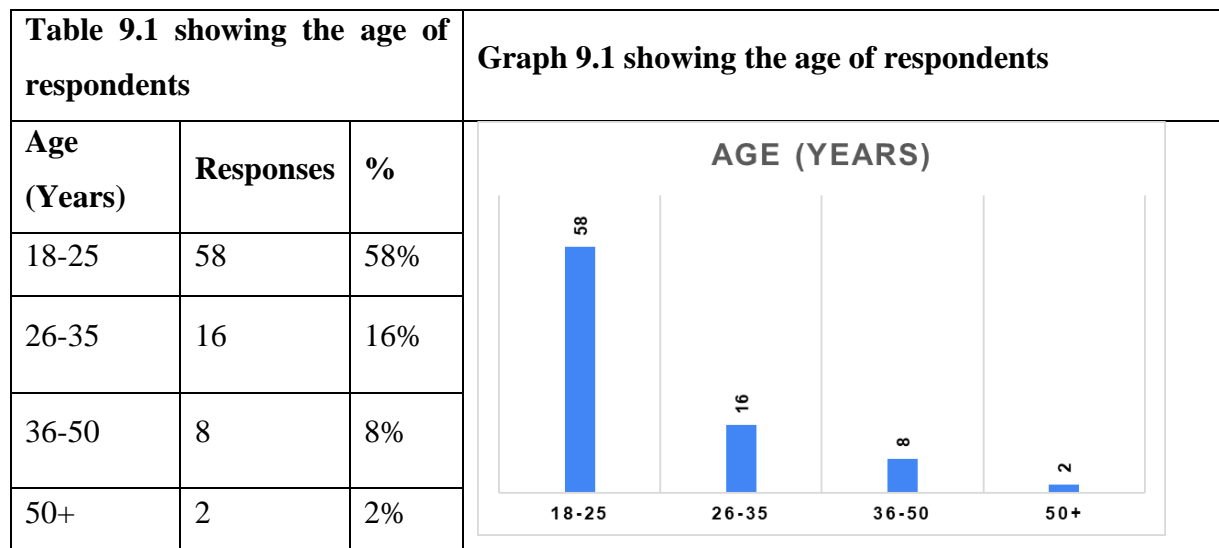
8. Study on Kannada Regional Content

One of the main drawbacks of Netflix is the lack of regional content in India though Netflix has many shows and movies in the Hindi language. Moving towards Southern Derby it consists of 4 prime languages which are Kannada, Telugu, Tamil, and Malayalam while Netflix has many movies in Telugu, Tamil, and Malayalam but lacks to have any content in Kannada. The enormous library of Netflix consists of 54% of Indian regional content out of which 29% is Hindi content and the rest is Telugu, Tamil, and Malayalam content.

Kannada film has a long history, but due to its lack of international acclaim, there is a dearth of regional content on streaming services. Netflix has been criticized for not having enough regional programming, particularly in the Kannada language.

For the Kannada-speaking community, Netflix's lack of regional Kannada content is a serious problem.
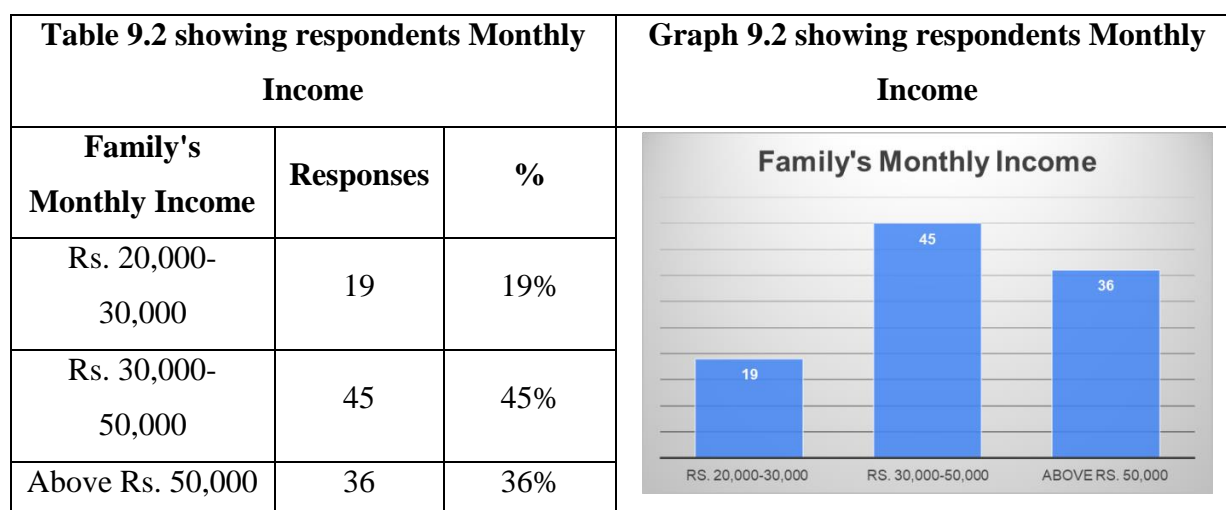
9. Data Analysis and Interpretation

Table 9.1 showing the age of respondents			Graph 9.1 showing the age of respondents
Age (Years)	Responses	%	
18-25	58	58%	
26-35	16	16%	
36-50	8	8%	
50+	2	2%	

Analysis

Table 9.1 shows the age of the respondents being 58% of 18-25years, 16% of 26-35years, 8% of 36-50years and 2% of 50+years of the age.

Interpretation

From the table 9.1 and graph 9.1 derives that most of the respondents are of age 18-25years. This concludes that most of them are millennials.

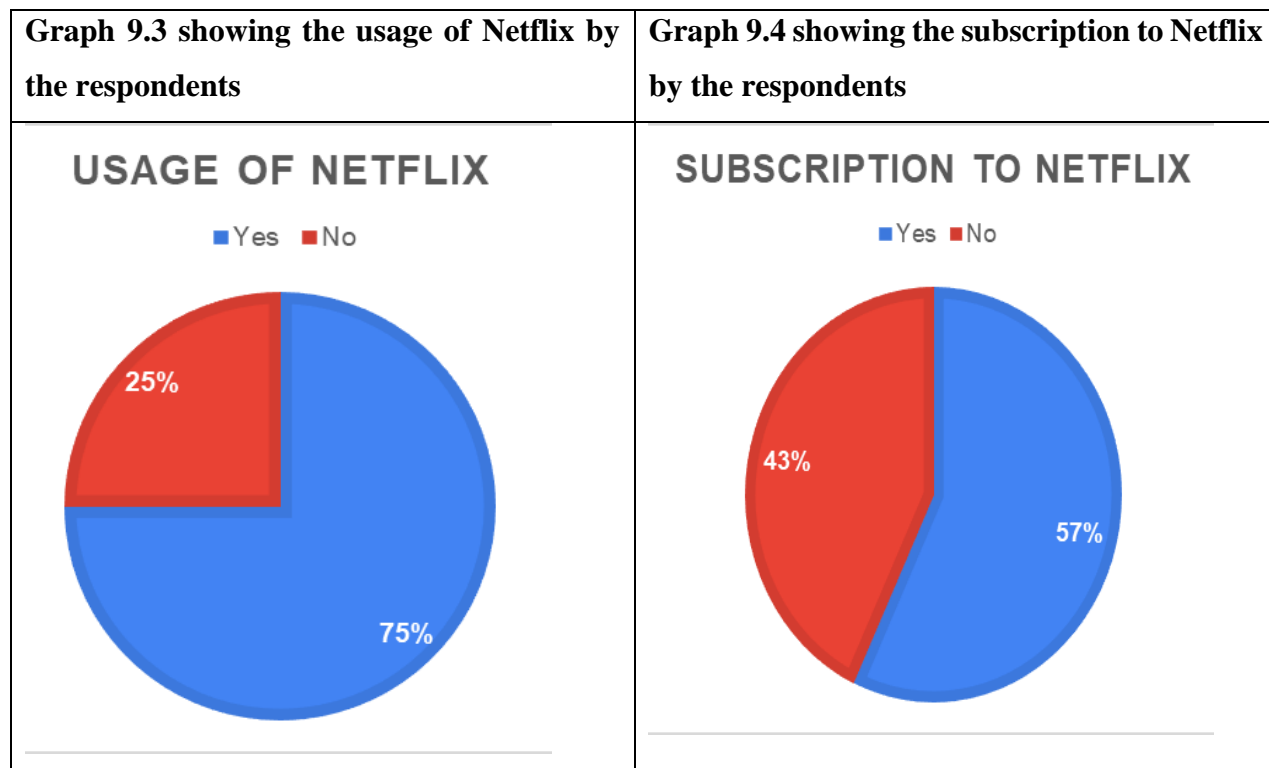| Table 9.2 showing respondents Monthly Income			Graph 9.2 showing respondents Monthly Income
Family's Monthly Income	Responses	%	
Rs. 20,000-30,000	19	19%	
Rs. 30,000-50,000	45	45%	
Above Rs. 50,000	36	36%	

Analysis

The above Table 9.2 and graph 9.2 represents the monthly income of respondents or Respondent's family. It states 45% of them earn between ₹30000-₹50000 pm, 36% of them belong to above ₹50000 category and rest 19% belong to ₹20000-₹30000 category.

Interpretation

From the table 9.2 and graph 9.2 it can be concluded that most of the respondents belong to ₹30000-₹50000 per month income and least of the respondents belong to ₹20000-₹30000 per month income.

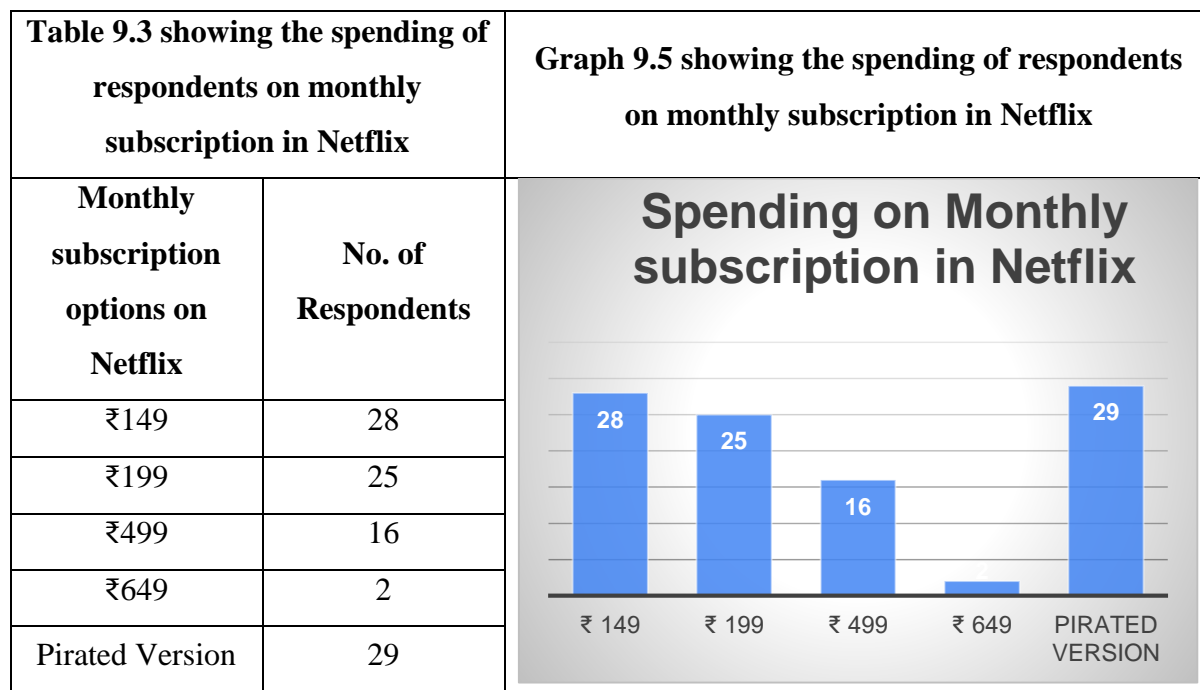| Graph 9.3 showing the usage of Netflix by the respondents	Graph 9.4 showing the subscription to Netflix by the respondents
USAGE OF NETFLIX ■Yes ■No 25% 75%	**SUBSCRIPTION TO NETFLIX** ■Yes ■No 43% 57%

Analysis

Graph 9.3 suggests that 75% of the respondents use Netflix and 25% doesn't use Netflix.

And graph 9.4 shows that 57% of the respondents have subscribed to Netflix and remaining 43% have not subscribed to Netflix.

Interpretation

From the above graphs 9.3 and 9.4 infers that there are more percentage of users than the subscribers, i.e., $75\% > 57\%$. Therefore, it suggests that 18% of the respondents have not subscribed to Netflix.

Table 9.3 showing the spending of respondents on monthly subscription in Netflix		Graph 9.5 showing the spending of respondents on monthly subscription in Netflix
Monthly subscription options on Netflix	**No. of Respondents**	**Spending on Monthly subscription in Netflix** 28 25 16 [ ] 29 ₹149 ₹199 ₹499 ₹649 PIRATED VERSION
₹149	28	
₹199	25	
₹499	16	
₹649	2	
Pirated Version	29	

Analysis

The above table 9.3 and graph 9.5 shows the spending of respondents on Netflix on monthly subscription in Netflix while 28% and 25% of them have opted for the economic plans of Netflix i.e. ₹149 and ₹199 respectively, 29% of them watch the pirated version, 16% of them subscribe for ₹499 and 2% of them subscribe for ₹649.

Interpretation

From the table 9.3 and graph 9.5 it is clear that majority of the respondents use Pirated Version of Netflix and 53% of the respondents use economic plans i.e.₹149 and ₹199 respectively.

Table 9.4 showing the frequency distribution of Monthly income and subscription option chosen in Netflix

Monthly income / Subscription Amount	₹20,000-₹30,000 p.m	₹30,000-₹50,000 p.m	Above ₹50,000 p.m	Total
₹ 149	7	10	10	28
₹ 199	4	11	11	25
₹ 499	1	9	5	15
₹ 649	0	2	1	3
Pirated Version	7	13	9	29
Total	19	45	36	100

Graph 9.6 showing the frequency distribution of Monthly income and subscription option choosen in Netflix
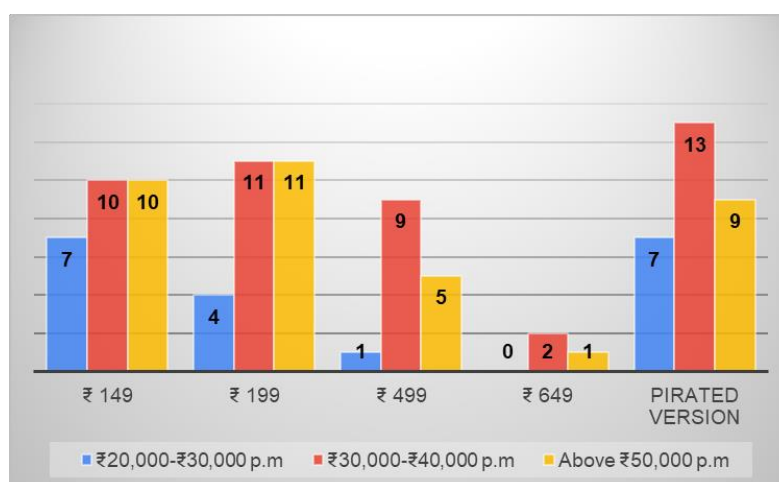
Analysis

The above table 9.4 shows that the majority of respondents (45%) were in the income bracket of ₹30000pm-₹50000pm, while 36% were in the income bracket of above ₹50000pm. 19% of respondents were in the income bracket of ₹20000pm-₹30000pm. The most popular subscription plan was the ₹149 plan, which was purchased by 28% of respondents. The ₹199 plan was purchased by 25% of respondents, the ₹499 plan was purchased by 15% of respondents, the ₹649 plan was purchased by 3% of respondents, and 29% of respondents did not purchase any plan and watched content on pirated websites.

The graph 9.6 infers that the most popular OTT subscription plan across all income groups is ₹149. The percentage of respondents who watch on pirated websites is relatively consistent across all income groups.

In the income bracket of ₹20,000-₹30,000, 7% of respondents have the ₹149 plan, 4% have the ₹199 plan, 1% have the ₹499 plan, and 7% watch on pirated websites.

In the income bracket of ₹30,000-₹40,000, 10% of respondents have the ₹149 plan, 11% have the ₹199 plan, 9% have the ₹499 plan, 2% watch on pirated websites.

In the income bracket of above ₹50,000, 10% of respondents have the ₹149 plan, 11% have the ₹199 plan, 5% have the ₹499 plan, and 9% watch on pirated websites.

Interpretation

From the table 9.4 and graph 9.6 it can be inferred that plan ₹149 and ₹199 are the most preferred among income group ₹20,000-₹30,000 and ₹30,000-₹40,000. Most users of pirated version belong to the income group ₹30,000-₹40,000.

Table 9.5 showing various marketing strategies used by Netflix			Graph 9.7 showing various marketing strategies used by Netflix
Marketing Strategies of Netflix	**No. of Respondents**	**Rank**	
Attractive Price	3	6	
Customized Recommendation	10	3	
Multi-mode Experience	5	5	
User friendly application	7	4	
Variety in content	44	1	
All of the above	31	2	

MARKETING STRATEGIES OF NETFLIX

- attractive price
- customized recommendation
- Multi-mode Experience
- user friendly application
- variety in content
- All of the above

3%, 10%, 5%, 7%, 31%, 44%

Analysis

Table 9.5 and Graph 9.7 highlights why respondents prefer Netflix based on its marketing strategies. The majority i.e., 44% favor Netflix's variety of content being rank 1, 31% of respondents find all these strategies satisfactory being rank 2, 10% of the respondents subscribe because it has Customized Recommendation being rank 3, 7% like the user-friendly application being rank 4, 5% enjoy the multi-mode experience being rank 5, and 3% agree with Netflix's pricing strategy being rank 6.

Interpretation

From the table 9.5 and graph 9.7 provides conclusion that most of the respondents use Netflix because it has variety in content as it stands rank 1 and 31% of respondents find all these strategies satisfactory. It can be inferred that respondents don't find the pricing strategy of Netflix attractive being ranked 6.

Table 9.6 showing Frequency Distribution of Opinion of respondents on Kannada Language.

Opinion of audience/ language	Strongly agree	Agree	Neutral	Disagree	Total
Kannada	28	30	8	1	67
Non-Kannada	1	2	10	20	33
Total	29	32	18	21	100

Graph 9.8 showing Frequency Distribution of Opinion of respondents on Kannada Language
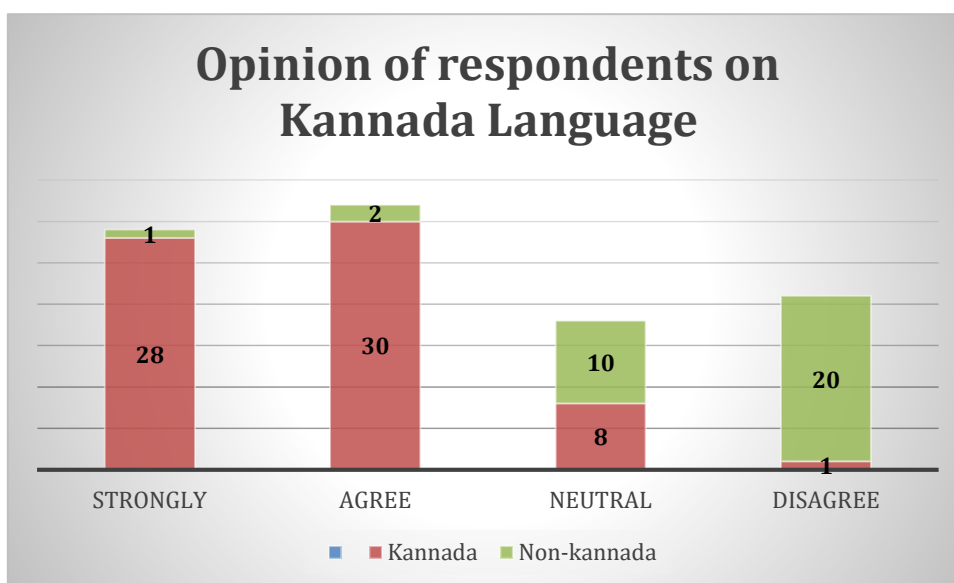
Analysis

The table 9.6 shows that 29% of respondents strongly agree that Kannada content is required which has 1% of non Kannada respondents, 32% of respondents who Agree with 2% of non Kannada respondents, 18% of respondents who are neutral to the preference of Kannada content, 21% of respondents disagree the Kannada content presence on Netflix where 20% of these respondents are non Kannada respondents The graph 9.8 shows the Kannada content preference by the respondents with majority of 29% + 32%= 61%

agree that the content must be there among which 3% are non- Kannada, 8% of Kannada and 10% of non-Kannada are expressing neutral opinion and 1% of Kannada and 20% of non- Kannada disagree with the Kannada content.

Interpretation

From the above table 9.6 and graph 9.8 it is concluded that 61% of all the respondents agree upon the presence of Kannada content in Netflix. Among 21% of the respondents who disagree with presence of Kannada content in Netflix, 20% of them do not speak Kannada. Therefore, it can be inferred that respondents who don't speak Kannada are not interested in Kannada content.

10. Conclusion

This paper being titled "Streamers Seek Sandalwood in Netflix: Unveiling Kannada Content's Significance, Evaluating Pricing Strategies, Marketing Foundations, and Indian (Bengalurean) Netflix Subscriber Perspectives" has concentrated on aspects of marketing and pricing strategies and significance of Kannada content.

♦ From the study which was mainly concentrated on Kannada content presence in Netflix it can be concluded that more than 50% i.e., 61% of the respondents agree with the presence of Kannada content. From this inference it can be concluded that there can be more users to Netflix with the presence of Kannada Content.

♦ Variety in Content being the most chosen option i.e., 44% by the respondents for being the users of Netflix. Content being one of the pillars of marketing strategies by Netflix and even respondents agreeing to it proves that Netflix marketing strategies have a influence to some extent on consumers but not completely.

♦ Pricing strategies of Netflix being one the objective study of the paper, can be concluded that most of the respondents choose plan ₹149 and ₹199 being 53% and 29% of the respondents use pirated version of Netflix without paying anything.

11. Suggestions

Netflix has amazing content but its marketing is not reaching everyone and only reaching Netflix users. They can modify and concentrate on all possible promotional channels

● Giving importance to domestic as well as international markets to maintain its presence

● Netflix could Run its advertisement by creating filters on Snapchat where they can engage with most of the audience is the GenZ

● As mentioned earlier in finding many of the respondents watch the content of Netflix on pirated websites, torrents and most importantly on telegram Netflix should take action against such illegal third parties.

● Though Netflix mostly targets the younger generation with content it is high time they concentrate on the rest of the population to increase viewership and subscribers.

- Many respondents responded that the pricing of Netflix was high since most or the majority of the subscribers are GenZ and many are still students, Netflix could offer student discounts to increase the membership base.

- Netflix's FAST (free ad-supported TV) would get several people hooked up to the platform and once they are addicted to the platform they would end up switching to adding free plans

- There are a few possible solutions to the issue of the dearth of Kannada regional content on Netflix. The first thing Netflix might do is perform market research to determine how popular Kannada material is and how many prospective subscribers there are. This would assist Netflix in making wise choices regarding its licensing and investment in Kannada content. Second, Netflix might work with Kannada producers and directors to develop original material for the streaming service. This would present a chance for Netflix to increase its user base and for Kannada cinema to gain exposure on a global scale. Finally, as a cost-effective way to deliver localized content for Kannada audiences, Netflix might purchase the rights to stream Kannada content from regional streaming services and television networks.

The dearth of regional Kannada programming on Netflix is a serious issue for the Kannada-speaking community. There are however viable remedies, like doing market research, working with Kannada-speaking filmmakers, and obtaining permission to stream Kannada media from local streaming services. By solving this issue, Netflix will be able to expand its member base, offer a diverse selection of material, and support local films.

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