

## A STUDY ON CONSUMER BUYING BEHAVIOUR TOWARDS THE DTH SERVICES IN CHENNAI CITY

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### **ABSTRACT**

*Direct-to-Home (DTH) services in India have led to the development of many DTH service providers who are offering various value-added services at competing prices. As a consumer, one has to accurately select the service provider after considering the several factors such as transmission in cold weather, picture quality, plans & packages, package pricing, and other value-added services. Drop in setup and the service costs are making service delivery cheaper for the service provider and the drop in set-top box prices have made DTH viable to Indian users. The study is proposed to find the consumers buying behavior about the DTH services in Chennai city. Further, the research focuses the factors which influence the consumers to prefer to use the DTH services in the study area. The study found that majority 23.9% of the respondents are using Sun Direct DTH services, followed by 17% of the respondents using Tata Sky DTH services. The study found that the factors namely Brand Image, Picture Quality, Tariff and Plans, Quality of Services, and Technology updating significantly influencing the DTH services among the consumers in the study area.*

**KEYWORDS:** *DTH Services, clarity of Channels, Consumer Psychology*

### **INTRODUCTION**

In India, the earlier days there was only one TV channel, i.e., “Doordarshan” which was owned and operated by union government of India. In that period, every home which had a TV set makes use of to have its antenna to confine the signals. The cable television mandate law was passed in Jan 1995 which built a big industry and extensive market opportunities. However, the service implemented by cable operators was not able to satisfy the customers’ needs. The strikes, rise in tariff plan, selective broadcast and poor services were a significant cause of dissatisfaction among the customers. It has created an opening for DTH services, which serves an immediate threat to the high-end cable networks. DTH services were introduced in India in the early 2000s with DD Direct Plus followed by other private players. The customers prefer to use the DTH services because of its quality, clarity of channels, affordable subscription tariff, quality services, and flexibility of plans. India has around 67.56 million DTH subscribers in 2017 as compared to 66.09 million in 2016.

The customers buying behavior is increasing day-by-day, the customers expecting the useful features of the products otherwise merely shifted to other products. In these circumstances, the marketers understand the factors influencing customers purchase decision before offering their products or services to the customers. Due to globalization, the customers have the ample opportunity to use a different type of products. In DTH industry many

players are operating, the company must understand the consumer psychology, and expectation of consumers about the DTH products. Therefore the present study is undertaken to study the consumers buying behavior of DTH services in Chennai city.

## REVIEW OF LITERATURE

**Mahapatra (2018)** states the arrival of Direct-to-Home (DTH) services in India has led to the development of many DTH service providers who are attempting various value-added services at competing prices. As a consumer, one has to accurately select the service provider after considering the several factors such as transmission in cold weather, picture quality, plans & packages, package pricing, and other value-added services. Drop in setup and the service costs are making service delivery cheaper for the service provider and the drop in set-top box prices have made DTH viable to Indian users. With the mandated introduction of CAS (Conditional Access System) on cable networks in India, cable television services are becoming more expensive thus bringing the gap between the overall costs of service down. The paper also attempts to study that in case if the interoperability services are provided, then the consumers will prefer to switch, i.e., expected consumer movement to DTH service provider and type of interoperability preferred by consumer whether technical or commercial. **RAJ (2015)** found that there exists a significant relationship between service quality dimensions and customer satisfaction. Assurance, Empathy, Network Quality, Convenience & Tangibles were found as the predictors of DTH service quality while Price, Other Factor & Assurance were found as the significant predictors of customer satisfaction in DTH services. **Jotheshwari & Gunasekaran, T, Dr. B. C. Lakshmana, n.d. (2014)** conducted a study to find out the customer's behavior is determined by the perception and opinions that he holds of issues and events. This study has endeavored to study the awareness, perception, and beliefs of the customers about the DTH brands and services produced. This Satellite TV network which combines every drawing room of the Homes in India directly has won loads of progress that it has slowly invaded the Cable TV market too. The school of thought typified by Joan Woodward says that "Technology is the most critical determinant of the structure of the organization." Technology has served as the prime factor to restrict the structure of the broadcasting industry. As per this present study it is evident that as far as the awareness, opinion, belief, and acceptance is concerned DTH has won an Oscar, but with specific areas of interests and developments namely Packages, choice of channels and charges, Prompt data about the services, High-quality signal, Continuity of service, etc., The DTH service brands should increase the awareness for DTH services and outlets and help the customers believe that DTH services are cost-effective. This perception will transform into belief, then to demand and finally to loyalty. **Sabarirajan, (2014)** tries to find out the consumer behavior towards direct to home (DTH) in Cuddalore district. One objective of this study is given through proper methodology. The sample size was 800 in all collected through convenience sampling technique in Cuddalore district. The Researcher designed the questionnaire with the five-point scale in the continuum of agreeing. The Reliability of this tool is 0.80 and 0.92. Frequency analysis, percentage analysis, analysis of variance test and multiple regressions were used for data analysis. The multiple regression analysis results revealed that cost benefits not influenced on buying behavior. This study concluded that a considerable reduction in erection charges might increase the number of new entrants to the DTH services. **Joshi, Majumdar, & Malhotra (2014)** The Direct to Home industry has emerged as the key driver for the Indian entertainment industry. In October 2011 the Government announced the implementation of a phase-wise digitization business of pay TV services during the country. The Indian Direct to Home industry is anticipated to increase by 50% in 2016. A few challenges covered by the Direct to Home Industry are low Average Revenue per user (ARPU), high customer acquisition costs and a high churn rate. DTH

Service Providers respect superior service experience as the important differentiator that will help them obtain new customers and maintain churn as well. Currently, there is no standard accessible in the India market for DTH service providers to quantify and enhance its customer experience. Hence the scope of this article is to express various constructs that help to explain the impact of various service attributes on customer experience for Direct to home customers utilizing business intelligence tools. **Jayashree & Sivakumar (2013)** In the buyer's market today, business concerns have to make many efforts to sell their product and secure their survival. It may be essentially due to changes in the mindset of consumers towards purchasing products and changing business world. Every human being is increasing time to time according to the changing trends in every day's life. The important changes happened in consumer products, new and innovative technology has practiced to satisfy the consumers. In this content, the study is taken up with the different DTH services which have a considerable share in the market. This paper shows the customer perception towards DTH services in Coimbatore city, and it also helps to analyze the competition exists in the market regarding DTH services. The research is focused on the four kinds of DTH services namely, Sun direct, TATA Sky, Dish TV, Big TV. The task of the study is to understand the preference of the users in Coimbatore city among these different services. The different tools used to analyze the data. The present study exhibits that the majority of the respondents prefer to buy sun directly because of its best picture quality, reasonable price, several kinds of packages and more channels. So the DTH service providers must pay attention to Customer Service, picture quality, fair price rather than other circumstances to make their business more prosperous and satisfy the consumers. **Patel, (2013)** Customer is considered to be a kind of the market. Marketing aims to know and know the customer so well that the product and service fit him and sell it. The present business environment is very competitive. It is undergoing a drastic change. There are uncertainty and risks throughout periods. Over and above due to liberalization and the globalization cut-throat competition is being challenged in every sector of the economy in India and abroad. To assume the business environment and carry out the business completely and efficiently it has become inevitable to satisfy the customer and to measure their satisfaction level so that several hidden psychological traits of customers can be known. In this research paper, genuine efforts have been put to study and examine the satisfaction towards DTH Services from various dimensions like Quality, Price, Behavior of employees, and distribution and promotion policy of this organization. Care has been taken to apply various kinds of statistical tools (research techniques) to enhance the intensity of this research paper.

### **OBJECTIVES OF THE STUDY**

- To study the consumers brand preference for DTH services in Chennai city; and
- To examine whether the factors namely a brand image, picture quality, tariff and plans, quality of service, and Technology updating significantly influence the buying behavior of DTH services in Chennai city.

### **STATEMENT OF HYPOTHESES**

- Brand Image does not influence the consumers to buy the DTH services in Chennai city;
- Picture Quality does not impact the consumers to buy the DTH services in Chennai city;
- Tariff and Plans do not influence the consumers to buy the DTH services in Chennai city;
- The Quality of Services does not impact the consumers to buy the DTH services in Chennai city; and

- Technology updating do not influence the consumers to buy the DTH services in Chennai city

## RESEARCH METHODOLOGY

The core objective of the existing study is to find out the consumer buying behavior towards the DTH services in Chennai city. The target audience of the survey comprised those who are using DTH services in Chennai city. The sampling unit was the customers of various brands of DTH services. The convenience sampling method was utilized to select the customers. The sample size was 683. This is relatively large to represent the population. Using a self-designed questionnaire with five Point scale was adopted to collect primary data through the convenient random sample was selected in Chennai city within the sample frame. The data was raised during the period from April 2018 to November 2018. Frequency analysis, percentage analysis, and multiple regressions were used for data analysis.

### Usage of DTH Brand among the Respondents

**Table 1: Data Analysis and Discussion**

DTH Brand	Frequency	Percent	Valid Percent	Cumulative Percent
Dish TV	68	10.0	10.0	10.0
Tata Sky	116	17.0	17.0	26.9
Airtel Digital TV	103	15.1	15.1	42.0
Sun Direct	163	23.9	23.9	65.9
DD Direct +	92	13.5	13.5	79.4
Videocon d2h	65	9.5	9.5	88.9
Reliance Digital TV	76	11.1	11.1	100.0
<b>Total</b>	<b>683</b>	<b>100.0</b>	<b>100.0</b>	

Table-1 highlights the usage of DTH brand by the respondents. It is identified from the above table, majority 23.9% of the respondents are using Sun Direct DTH services, followed by 17% of the respondents using Tata Sky DTH services, 15.1% of the respondents are using Airtel Digital TV, 13.5% of the respondents are using DD Direct+, 11.1% of the respondents are using Reliance Digital TV, 10% of the respondents are using Dish TV, and 9.5% of the respondents are using Videocon d2h.

## MULTIPLE REGRESSION ANALYSIS OF CONSUMER BUYING BEHAVIOR TOWARDS THE FACTORS OF DTH SERVICES IN CHENNAI CITY

Regression is the determination of the statistical relationship between two or more variables. In simple regression two variables are used. One variable (independent) is the cause of the behavior of another one (dependent). When there are more than two independent variables the analysis concerning relationship is known as multiple correlations and the equation describing such relationship is called as the multiple regression equation.

Regression analysis is concerned with the beginning of an appropriate mathematical expression is derived for finding values of a dependent variable by the independent variable. It is thus intended to examine the relationship of a variable Y to a set of other variables  $X_1, X_2, X_3, \dots, X_n$ . the most commonly used linear equation in  $Y = b_1 X_1 + b_2 X_2 + \dots + b_n X_n + b_0$

Here Y is the dependent variable, which is to be found.  $X_1, X_2, \dots$  and  $X_n$  is the known variables with which predictions are to be made and  $b_1, b_2, \dots, b_n$  are coefficient of the variables.

In this study, the dependent variable is Consumer Buying Behavior, and the Independent variables are Brand Image, Picture Quality, Tariff and Plans, Quality Service and Updating of Technology. The analysis is discussed as follows:

**Table 2: Variables used for Analysis and Its Results**

Dependent Variable	Consumer Buying Behavior(Y)
Independent variable	Brand Image(X <sub>1</sub> )
	Picture Quality (X <sub>2</sub> )
	Tariff and Plans (X <sub>3</sub> )
	Quality service (X <sub>4</sub> )
	Updating of Technology (X <sub>5</sub> )
Multiple R-value	0.535
R-Square value	0.287
F-value	54.386
p-value	0.000**

**Table 3: Variables in the Multiple Regression Analysis**

Coefficients						
Model	Unstandardized Coefficients			Standardized Coefficients	t	Sig.
	B	Std. Error		Beta		
1	(Constant)	1.067	.237		4.497	0.000**
	Brand Image (X <sub>1</sub> )	.183	.025	.258	7.203	0.000**
	Picture Quality (X <sub>2</sub> )	.245	.038	.230	6.367	0.000**
	Tariff and Plans (X <sub>3</sub> )	.082	.034	.093	2.410	0.016*
	Quality service (X <sub>4</sub> )	.186	.049	.138	3.819	0.000**
	Updating of Technology (X <sub>5</sub> )	.100	.036	.099	2.750	0.006**

The multiple correlation coefficient is 0.535 measures the degree of relationship between the actual values and the predicted values of the **Consumer Buying Behavior**. Because the predicted values are obtained as a linear combination of **Brand Image** (X<sub>1</sub>), **Picture Quality** (X<sub>2</sub>), **Tariff and Plans** (X<sub>3</sub>), **Quality service** (X<sub>4</sub>), and **Updating of Technology** (X<sub>5</sub>), the coefficient value of 0.535 indicates that the relationship between **consumer buying behavior** and the **five** independent variables is quite strong and confident.

The Coefficient of Determination R-square measures the goodness-of-fit of the estimated Sample Regression Plane (SRP) regarding the proportion of the disparity in the dependent variables explained by the fitted sample regression equation. Thus, the value of R square is 0.287 means merely that about 28.7% of the variation in **consumer buying behavior** is explained by the estimated SRP that uses **Brand Image**, **Picture Quality**, **Tariff and Plans**, **Quality Service** and **Updating of Technology** as the independent variables and R square value is significant at 1 % level.

The multiple regression equation is

$$Y = 1.067 + 0.183X_1 + 0.245X_2 + 0.082X_3 + 0.186X_4 + 0.100X_5$$

Here the coefficient of  $X_1$  is 0.183 represents the partial effect of **Brand Image** on **Consumer Buying Behavior**, holding the other variables as constant. The estimated positive sign implies that such effect is positive that **Consumer buying behavior** would increase by 0.183 for every unit increase in **Brand Image** and this coefficient value is significant at 1% level.

The coefficient of  $X_2$  is 0.245 represents the partial effect of **Picture Quality** on **Consumer Buying Behavior**, holding the other variables as constant. The estimated positive sign implies that such impact is positive that **Consumer Buying Behavior** would increase by 0.245 for every unit increase in **Picture Quality** and this coefficient value is significant at 1% level.

The coefficient of  $X_3$  is 0.082 represents the partial effect of **Tariff and Plans** on **Consumer Buying Behavior**, holding the other variables as constant. The estimated positive sign implies that such impact is positive that **Consumer Buying Behavior** would increase by 0.082 for every unit increase in **Tariff and Plans** and this coefficient value is significant at 1% level.

The coefficient of  $X_4$  is 0.186 represents the partial effect of **Quality service** on **Consumer Buying Behavior**, holding the other variables as constant. The estimated positive sign implies that such impact is positive that **Consumer Buying Behavior** would increase by 0.186 for every unit increase in **Quality of service** and this coefficient value is significant at 1% level.

The coefficient of  $X_5$  is 0.100 represents the partial effect of **Updating of Technology** on **Consumer Buying Behavior**, holding the other variables as constant. The estimated positive sign implies that such impact is positive that **Consumer Buying Behavior** would increase by 0.100 for every unit increase in **Updating of Technology** and this coefficient value is significant at 1% level.

#### **NULL HYPOTHESIS-1**

##### **Brand Image Does Not Influence the Consumers to buy the DTH Services in Chennai City**

The study reveals the results of multiple regression analysis. The research indicates the t-value and p-value for the influence of brand image towards the buying behavior of DTH services among the consumers in Chennai city are 7.203 and 0.000. The p-value is <0.01 and statistically significant at 1% level. Due to these circumstances, the null hypothesis rejected at 1% level of significance. Hence the study concluded that the brand image significantly influences the consumers to buy the DTH services in the study area.

#### **NULL HYPOTHESIS-2**

##### **Picture Quality Do Not Influence the Consumers to buy the DTH Services in Chennai City**

The study reveals the t-value and p-value for the influence of picture quality towards the buying behavior of DTH services is 6.367 and 0.000. The p-value is <0.01 and statistically crucial at 1% level of significance. Hence the study concluded that the picture quality of DTH services significantly influences the consumers to buy the DTH services in the study area. The research established that the consumers are satisfied with the picture quality, clarity, and perfection of pictures.

**NULL HYPOTHESIS-3****Tariff and Plans do Not Influence the Consumers to buy the DTH Services in Chennai City**

The study reveals the t-value and p-value for the influence of tariff and plans towards the buying behavior of DTH services is 2.410 and 0.016. The p-value is  $<0.05$  and statistically crucial at 5% level of significance. So the study concluded that the tariff and plans of DTH services significantly influence the consumers to buy the DTH services in the study area. The study originated that the consumers are preferred to use the DTH services because of the tariff and plans is affordable. Therefore the factor of duty and plans influence the consumers to buy the DTH services.

**NULL HYPOTHESIS-4****The Quality of Services Does Not Influence the Consumers to buy the DTH Services in Chennai City**

The study reveals the t-value and p-value for the influence of quality of services towards the buying behavior of DTH services is 3.819 and 0.000. The p-value is  $<0.01$  and statistically crucial at 1% level of significance. So the study concluded that the quality of services of DTH services significantly influences the consumers to buy the DTH services in the study area. The functions of DTH services are quality oriented; therefore the consumers give the preference to buy the DTH services in Chennai city.

**NULL HYPOTHESIS-5****Technology Updating Do Not Influence the Consumers to buy the DTH Services in Chennai City**

The study reveals the t-value and p-value for the influence of technology updating towards the buying behavior of DTH services is 2.750 and 0.000. The p-value is  $<0.01$  and statistically crucial at 1% level of significance. So the study concluded that the technology updating of DTH services significantly influences the consumers to buy the DTH services in the study area.

**CONCLUSIONS**

The study is proposed to find the consumers buying behavior about the DTH services in Chennai city. Further, the research focuses the factors which influence the consumers to prefer to use the DTH services in the study area. The study found that majority 23.9% of the respondents are using Sun Direct DTH services, followed by 17% of the respondents using Tata Sky DTH services, 15.1% of the respondents are using Airtel Digital TV, 13.5% of the respondents are using DD Direct+, and 11.1% of the respondents are using Reliance Digital TV. The study found that the factors namely Brand Image, Picture Quality, Tariff and Plans, Quality of Services, and Technology updating significantly influencing towards the DTH services among the consumers in the study area.

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