

A Study on the Factors Influencing the Satisfaction and Continuing Intention of the OTT Paid Service in China

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Abstract: This research has examined how Chinese OTT service affects paid users based on Technology Acceptance Model(TAM). Basing on TAM and through the former study, this study has chosen to use perceived usefulness, perceived ease of use, perceived playfulness, personal innovation, social image, perceived popularity, perceived cost as independent variables, satisfaction, and continuous use intention as dependent variables. I have achieved the following data based on a survey of 300 Chinese people who use OTT paid service. On this study, I have examined not only satisfaction level on paid users of OTT service but continuous use intention, so that a practical advice on future development of OTT service can be suggested.

Keywords: Technology Acceptance Model; OTT service; Paid users

1. Introduction

With the development of digital communication technology, the competition between video platforms and related enterprises is becoming increasingly fierce. Among them, online video service (OTT) platforms are also growing rapidly. According to statistics, the market size of China's OTT platform has increased from 33.54 billion yuan in 2015 to 81.48 billion yuan in 2018, and the market size has increased more than 2.5 times in three years; From 2013 to 2018, the average annual growth rate of China's OTT users was 61%; By 2018, the number of users has exceeded 160 million (China Industrial Information Network, 2019).

China's OTT platform payment service industry, which operates in a unique way, has a market advantage in the competition with other platforms. Therefore, it is necessary to study what factors will affect user satisfaction and continuous use intention. Many previous studies on users of emerging video viewing platforms were based on the use and gratifications approach. However, the object of this study is the OTT service, a new video viewing platform, which is more targeted at the research of an emerging technology. In terms of research, the use and gratifications approach is more focused on the characteristics of the user, overemphasizes personal and psychological factors, and ignores the constraints of social conditions and the environment. Therefore, the use and gratifications approach has limited application in this study, and the technology acceptance model just complements these aspects. Technology Acceptance Model (hereinafter referred to as TAM) is a research model proposed for the acceptance of new technologies. It can analyze the main factors that a new technology is widely accepted or used. Therefore, TAM is more suitable for this study.

Based on TAM theory, this study will explore which factors will affect the user satisfaction of paid services on China's OTT platform, and thus affect the user's continuous use intention. This is expected to help expand the OTT platform charging service market.

2. Technology Acceptance Model

TAM is a theory proposed by Davis (1989) and developed on the basis of Theory of Reasoned Action and Diffusion of Innovation(Woo,2009). TAM mainly takes perceived usefulness and perceived ease of use as core variables. In the research on the application of TAM, the most concerned dependent variable is the intention of continuous use, and the representative variable affecting the intention of continuous use is satisfaction. In the latest research, some scholars proposed that the perceived playfulness should also be included in the core variables(Kim, 2010).Some scholars have studied the impact of OTT service quality and user characteristics on use satisfaction and continuous use intention. The research results show that, in addition to perceived usefulness and perceived ease

of use, many external factors, such as perceived information quality, perceived system quality, perceived interface quality, personal innovation, and use motivation, have a positive impact on satisfaction and continuous use intention (Sim, 2018).

Therefore, this research modifies and expands TAM for OTT platform's paid services. In addition to the perceived usefulness, perceived ease of use, perceived playfulness, it also adds various external factors that have an impact on service use satisfaction and continuous use intention, such as personal innovation, social image, perceived popularity, perceived cost.

Current status of OTT platform payment services in China

According to the data provided by iResearch, the top three platforms with the largest number of APP downloads in China's OTT services in 2019 are iQiyi, Tencent Video and Youku, which are respectively operated by Baidu, Alibaba and Tencent Group in the form of parent companies of large network groups or partnerships.

Although the payment service of OTT platform in China has not been born for a long time, there have been a lot of researches based on TAM theory. Ma, Yang (2017) conducted a questionnaire survey on Chinese users based on TAM, and studied the factors that affect users' willingness to pay in the use of OTT platform. The results show that the perceived usefulness, personal innovation, social image, have a positive impact on payment service. While the perceived cost has a negative impact. In addition, Sun and Shi (2017) used the Unified Theory of Acceptance and Use of Technology to investigate and study the factors that affect users' acceptance of OTT service payment. The research results show that functional utility, emotional value and cost have a great impact on the usefulness of cognition, while social factors will have an impact on users' acceptance of paying for OTT services.

Hypothesis

H1: Variables has a positive impact on OTT platform payment service satisfaction.

H1: Satisfaction has a positive impact on Continuous usage intention.

Results

A total of 397 questionnaires were collected, of which 300 were in line with the requirements of this study, that is, those who had used OTT services to watch videos and had paid for their use.

Before the hypothesis validation of this study, the reliability and validity of the variables were verified, and the correlation analysis between the variables was conducted. The Cronbach's alpha of all variables exceeded 0.8, indicating high reliability. KMO values of all variables exceeding 0.6. The analysis of the relationship between variables shows that there is no problem with multicollinearity, where the correlation coefficient does not exceed 0.70 (Tabachnik & Fidell, 2001).

In order to verify whether the independent variable has a positive impact on the dependent variable, this study conducted a linear regression analysis. The adjusted R-squared value is 0.603, that is, the seven independent variables have 60.3% explanatory power to the dependent variable. After regression analysis, it can be seen that the perceived playfulness, social image, perceived popularity, perceived cost efficiency among independent variables is less than 0.05, and the beta value is positive, which has a positive impact on satisfaction. The independent variable with the greatest influence on satisfaction is perceived cost which with a beta value of 0.381, followed by perceived popularity ($\beta = 0.216, p < 0.05$), perceived playfulness ($\beta = 0.155, p < 0.05$), social image ($\beta = 0.148, p < 0.05$). On the contrary, among the effects of perceived usefulness, perceived ease of use, and personal innovation on satisfaction, the significance is greater than 0.05, and there is no significant impact on satisfaction. It is noteworthy that the main independent variables of TAM, "perceived usefulness" and "perceived ease of use", have no direct impact on satisfaction. Then, in order to understand the relationship between China's OTT platform payment service satisfaction and continuous use intention, a linear regression analysis was conducted. When conducting the F test on the model, it was found that the model passed the F test ($F = 468.688, P < 0.05$), indicating that satisfaction must have an impact on the intention of continuous use. The R-squared value of the model is 0.610, the description rate of satisfaction to the intention of continuous use is 61.0%, and the beta value of satisfaction is 0.878. It can be seen that there is a positive impact on the intention of continuous use.

Conclusion

According to the research results, among the four independent variables that have a positive impact on satisfaction, the value of perceived cost has the largest impact. It can be seen that when users pay to use the OTT platform, they feel that the price they pay is valuable, and they will have a high degree of satisfaction.

However, there are also previous studies that are contrary to the results of this study. Research results show that perceived usefulness, perceived ease of use and personal innovation will directly affect satisfaction (Kim, Yoo, Jung, 2014). We can speculate that

perceived usefulness and perceived ease of use have no impact on OTT platform payment satisfaction, because users are familiar with such video watching methods after years of using online video websites. If you have experience in using similar services in advance and have a full understanding of the use methods, the impact of perceived ease of use on use satisfaction will be low. In the same way, personal innovation has no impact on OTT platform payment satisfaction (Kim,Park,2016).

This research is based on TAM theory, modified and expanded, and applied to China's OTT platform payment service, which is a research with exploration significance. However, some research models are relatively simple and do not consider the relationship between independent variables. Therefore, in the follow-up study, the content factors of OTT platform paid services and external factors not considered in this study will be added, as well as the interaction between independent variables. It is hoped that in the highly competitive media environment, we can study the inherent laws of paid use, and make contributions to the future development of the platform and the improvement of user experience.

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