

Factors affecting the subscription of Netflix premium of Thai people

Part 1

This study aims to investigate the impact of the factors that affect the subscription decision of Netflix premium of Thai people since when customers decide to pay for the Netflix subscription, there comes a choice for them to choose between 4 packages with 4 different prices and benefits for the customers to decide. Nowadays, Netflix has changed the people's lifestyle and revolutionized the entertainment industry, no more purchasing CDs or renting videos with the wide range of movie genres and their own original movies/series. These easily drive Netflix to become number 1 and dominate the market with 167 million subscribers among 190 countries all over the world. So in this research the key question will be more focusing on "What exactly are the factors affecting people's preference toward the subscription of Netflix premium?"

For the data, this will be collected by conducting the online survey which covers all of the variables used to analyze. The population of the study is Thai Netflix subscribers who can reach social media with the sample size of 300 respondents and the collected data will be analyzed using the Cross -Tabulation to determine factors that affect the decision.

From the result, the study separates the analysis into 3 aspects:

1. Packages with the 3 determine factors including price, resolution and number of screen sharing. In this aspect, it can be concluded that price has the most impact on decision for the subscribers who have the mobile or basic packages and for the one who subscribe to standard and premium packages, that less they will be focusing on the price factor. On the other hand, those who subscribe to standard and premium will be more focusing on the resolution and the number of screen sharing which is also in contrast with the one who subscribe to mobile and basic packages.

2. Sharing behavior, for standard and premium subscribers, most of them choose these packages to share with others while only a small percentage of them will not share the account with any one. So, it can be concluded that this type of subscribers are more focusing on the resolution factor, less with the number of screen sharing and the least focus on price. The sharing behavior of the subscribers who choose the premium packages with the average of 4 audience are a bit different since they seem to be concerned in all 3 factors unlike the one who subscribe to premium but pay all by themselves. For the special case of a free rider, 36 percent of them are using the premium packages and they are all concerned with all factors that influencing the decision.

Lastly 3. Genres, from the analysis can be concluded that it does not have an influence on decision.

In conclusion, the objective of bundling the option together in packages of Netflix is to achieve the highest profit by trying to capture all of the consumer surplus. The resolution has the most impact in influencing the decision among a wide range of subscriber's type. So, consumers have various ways to use Netflix to adjust to their preference including package choice and number of screen sharing.

Part 2

From my opinion, I do find this study very interesting and will be beneficial to those who wish to or already have the Netflix subscription to gain a better understanding on the factors affecting their behavior in making decision and also beneficial to the Netflix company in using this study to improve their service to increase their customer satisfaction and maximize their profitability. For the analysis, while I think that the cross - tabulation is an appropriate method to the get a better picture on these relationship between all of the factors but i also think that using STATA to calculate to marginal effect would also allow the study to get into more deeper understanding on the impact of each factor that affecting the decision as well. Finally for the data that were collected, it is seem to be appropriate and in the end, it gives a convincing conclusion.