



A comparative study on the various Direct-to-homes (DTH) Service providers in Chennai

KEYWORDS

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ABSTRACT *This study is to compare the various kinds of services that are offered by the DTH service providers to the customers in order to find the reach of the DTH and also to understand the customer preference and extent of satisfaction. The research design used for the study is descriptive research. The study is conducted among both the users & non-users, with the help of structured interview schedules using questionnaire. Initially, a pilot study was conducted among few respondents and changes were brought in the questionnaire. Analysis and Interpretation is done using Chi-square method & ANOVA. It was found out that people prefer a DTH service to Cable operations due to various factors such as Quality of both Video & Audio, Quality of service etc. Based on the findings, appropriate suggestions have been made for increasing the number of users.*

INTRODUCTION

On the DTH front, the United Front government had issued a ban on use of Ku band transmission. After a change of government, the ban got lifted finally in 2001 and TRAI issued the guidelines for operating DTH. Country's first private DTH license was awarded to Dish TV in 2003 which started operations in 2004. PrasarBharati also started its product DD-Direct+. In 2007, TRAI proposed a new initiative by name "Headend-In-The-Sky (HITS)" 3model as an alternative to the existing cable distribution. Instead of the MSO providing the bundle, there will be a single HITS operator who will prepare the bundle of channels and beam it to the Headend in the satellite. The LCOs can receive this digitalized bundle and deliver to the individual homes. With HITS, country wide implementation of CAS becomes instantaneous and cost-effective. This benefits both the broadcasters and the customers by ensuring Addressability, Better quality of service and increased number of channels.

DTH services were first proposed in India in 1996. But they did not pass approval because there were concerns over national security and a cultural invasion. In 1997, the government even imposed a ban when the Rupert Murdoch-owned Indian Sky Broadcasting (ISkyB) was about to launch its DTH services in India. Finally in 2000, DTH was allowed. The new policy requires all operators to set up earth stations in India within 12 months of getting a license. DTH licenses in India will cost \$2.14 million and will be valid for 10 years. The companies offering DTH service will have to have an Indian chief and foreign equity has been capped at 49 per cent. There is no limit on the number of companies that can apply for the DTH license. With the liberation of Cable Tv market in India, DTH (Direct to Home) concept came to picture where any individual person can watch the TV channels without any cable connections. With a Set Top Box, Disc Antenna and connection from the provider can watch various programs paying less in his convenient at his home. Initially Doordarshan has started the service but DTH service became more popular after DTH service from Zee Network named DishTv. Gradually other companies joined in the race, so at present there are 6 major private DTH service providers are operating in various parts of the country.

OBJECTIVES OF THE STUDY

PRIMARY OBJECTIVE:

To compare the services offered by various DTH service providers in Chennai.

SECONDARY OBJECTIVES:

1. To find out the reach of DTH among customers.
2. To study the consumer preferences for DTH services.
3. To study consumer perceptions of the different DTH services.
4. To find out the extent of satisfaction of consumers.

SCOPE OF THE STUDY

1. This study would help in identifying the reach of DTH among customers of various categories.
2. The study would also highlight the various expectations of the customers from the DTH service providers.

LIMITATIONS OF THE STUDY

1. Non response errors, due to refusals in filling up certain question leads to the unavailability of data.
2. Some of the respondents were time pressed. This might have introduced small bias in the study.

REVIEW OF LITERATURE

Direct-to-home (or) Direct broadcast satellite (DBS) is a term used to refer to satellite television broadcasts intended for home reception. The idea behind DTH is to benefit the homeowner/television viewer because it gives the individual residence the opportunity to receive satellite programming using an individual dish at the home. This is the method for accessing dozens of television channels without using a cable system. In essence, the broadcast source is connecting directly with the viewer in the home.

Customer satisfaction

Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business and is part of the four of a Balanced Scorecard.

In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. There is a substantial body of empirical literature that establishes the benefits of customer satisfaction for firms.

RESEARCH METHODOLOGY

The sample size used for my study is 300. This study involves collection of both primary data & secondary data.

STATISTICAL TOOLS

- ❖ Chi-square analysis.
- ❖ ANOVA (Analysis of variance)

**DATA ANALYSIS & INTERPRETATION
CHI-SQUARE TEST**

To determine whether there is association between reasons for going for DTH & its factors (More channels, more transparent payments, interactive services, superior video quality, living in a CAS notified area, due to bad service from cable operators).

Step 1:

H0: There is no association between reasons for going for DTH & its factors.

H1: There is association between reasons for going for DTH & its factors.

Step 2:

Level of significance: 0.05, Degrees of freedom: 5

**TABLE - 1
CHI-SQUARE ANALYSIS ON REASONS FOR GOING FOR DTH**

Reasons	Observed (O)	Expected (E)	Residual
More channels	28	50	-22
More transparent payments	43	50	-7
Interactive services	69	50	19
Superior video quality	94	50	44
Living in a CAS notified area	34	50	-16
Due to bad service from cable operators	32	50	-18
	300		

Inference

Chi-square value : 68.2, Tabulated value : 11.07, Since calculated value > Tabulated value

Therefore, H0 is rejected. Hence there is association between reasons for going for DTH & its factors.

ONE WAY ANALYSIS OF VARIANCE:

To determine whether there is any significant difference between the various attributes as far as customers' preference is concerned.

H0: There is no significant difference between the various attributes as far as customers' preference is concerned.

H1: There is significant difference between the various attributes as far as customers' preference is concerned.

**TABLE - 2
CUSTOMER PREFERENCE WITH RESPECT TO VARIOUS ATTRIBUTES**

	Unimportant	Somewhat unimportant	Neutral	Somewhat important	Important
Price	0	0	2	62	236
Number of channels	1	13	6	78	202
Continued service even in heavy rains	76	14	193	4	13
DVD-quality video	0	0	0	6	294
MPEG 2/4 format video quality	0	4	32	187	77
Sound Quality	0	0	0	2	298
Ease of purchase	4	5	193	12	86
Ease of payment	8	15	76	158	43
Quality of service	0	0	0	34	266
Helpline	4	4	12	57	223
Quick response to complaints	0	0	0	3	297

Educational interactive channels	1	1	177	63	58
Darshan active services	112	158	28	2	0
Interactive Games	3	10	162	88	37
Video on demand	0	189	56	39	16

Solution:

X ₁	X ₁ ²	X ₂	X ₂ ²	X ₃	X ₃ ²	X ₄	X ₄ ²	X ₅	X ₅ ²
0	0	0	0	2	4	62	3844	236	55696
1	1	13	169	6	36	78	6084	202	40804
76	5776	14	196	193	37249	4	16	13	169
0	0	0	0	0	0	6	36	294	86436
0	0	4	16	32	1024	187	34969	77	5929
0	0	0	0	0	0	2	4	298	88804
4	16	5	25	193	37249	12	144	86	7396
8	64	15	225	76	5776	158	24964	43	1849
0	0	0	0	0	0	34	1156	266	70756
4	16	4	16	12	144	57	3249	223	49729
0	0	0	0	0	0	3	9	297	88209
1	1	1	1	177	31329	63	3969	58	3364
112	12544	158	24964	28	784	2	4	0	0
3	9	10	100	162	26244	88	7744	37	1369
0	0	189	35721	56	3136	39	1521	16	256
205	18426	413	61433	937	142975	795	87713	2146	500766

**Analysis of various tables:
ANALYSIS OF VARIOUS TABLES**

Sources of variation	Sum of squares	Degrees of freedom	Variances
Between varieties	152340.1	5-1=4	38085.03
Within varieties	389452.7	75-5=70	5563.61

F = Variances between varieties / Variances within varieties = 6.85 (calculated value)

Tabulated value = 2.65, Since calculated F > Tabulated F, **Null hypothesis is rejected.**

Hence accept Alternate hypothesis. So, there is significant difference between the various attributes as far as customers' preference is concerned.

2) To determine whether there is any significant difference between the various attributes as far as customers' satisfaction is concerned.

H0: There is no significant difference between the various attributes as far as customers' satisfaction is concerned.

H1: There is significant difference between the various attributes as far as customers' satisfaction is concerned.

**TABLE - 3
SATISFACTION OF RESPONDENTS WITH RESPECT TO VARIOUS ATTRIBUTES**

	Very good	Good	Neutral	Bad	Very bad
Price	11	58	83	31	8
Number of channels	27	98	53	9	4
Continued service even in heavy rains	0	0	2	126	63
DVD-quality video	155	36	0	0	0
MPEG 2/4 format video quality	155	36	0	0	0
Sound Quality	168	22	1	0	0
Ease of purchase	21	66	98	3	3
Ease of payment	6	77	19	24	5
Quality of service	8	2	7	28	146
Helpline	2	89	77	13	10
Quick response to complaints	1	17	62	65	46
Educational interactive channels	0	6	36	97	52
Darshan active services	0	27	142	22	0
Interactive Games	2	48	121	18	2
Video on demand	33	53	88	4	13

Solution:

ONE WAY ANALYSIS OF VARIANCE

X _i	X _i ²	X _c	X _c ²	X _c	X _c ²	X _i	X _i ²	X _c	X _c ²
11	0	58	0	83	4	31	3844	8	55696
27	1	98	169	53	36	9	6084	4	40804
0	5776	0	196	2	37249	126	16	63	169
155	0	36	0	0	0	0	36	0	86436
155	0	36	16	0	1024	0	34969	0	5929
168	0	22	0	1	0	0	4	0	88804
21	16	66	25	98	37249	3	144	3	7396
6	64	77	225	19	5776	24	24964	5	1849
8	0	2	0	7	0	28	1156	146	70756
2	16	89	16	77	144	13	3249	10	49729
1	0	17	0	62	0	65	9	46	88209
0	1	6	1	36	31329	97	3969	52	3364
0	12544	27	24964	142	784	22	4	0	0
2	9	48	100	121	26244	18	7744	2	1369
33	0	53	35721	88	3136	4	1521	13	256
589	18427	635	61433	789	142975	440	87713	352	500766

ANALYSIS OF VARIOUS TABLES

Sources of variation	Sum of squares	Degrees of freedom	Variances
Between varieties	7771.07	5-1=4	1942.8
Within varieties	698635.93	75-5=70	9980.5

F = Variances between varieties / Variances within varieties = 0.19 (calculated value)

Tabulated value = 2.65, Since calculated F < Tabulated F, **Null hypothesis is accepted.**

So, there is no significant difference between the various attributes as far as customers' satisfaction is concerned.

FINDINGS

- There is association between reasons for going for DTH & its factors (More channels, more transparent payments, interactive services, superior video quality, living in a CAS notified area, due to bad service from cable operators).
- There is significant difference between the various attributes as far as customers' preference is concerned.
- There is no significant difference between the various attributes as far as customers' satisfaction is concerned.

SUGGESTIONS

- More promotions can be done by all DTH service providers to convert non-users into users.
- It can be achieved only if customers are offered better service than cable operators both in terms of price & quality.
- In spite of offering better service than Sun Direct (which has the largest customer base), Videocon D2H has less number of customers because its extent of promotions are not effective. If it concentrates more on promotional activities, it can increase its customer base rapidly.
- DTH service providers should always stand on offering the best quality of service.
- Dish TV & TATA Sky can offer their services at a slightly lesser price in order to attract new customers.
- DD Direct shall offer better quality audio & video to attract new customers.
- The DTH service providers shall concentrate on reducing the price & providing continued services during rain.

CONCLUSION

A comparative study on the DTH service providers in Chennai is conducted among both the customers & non-customers in order to understand the reach of DTH among the consumers, their preference, their perception & also their extent of satisfaction. This would help the DTH service providers as a part of their market research. By the end of this study, it is understood that the reach of DTH is more among the general public. The DTH services are ranked below on the basis of their customer base:

- Sun Direct
- Dish TV
- TATA Sky
- Airtel Digital TV
- Big TV
- Videocon D2H
- DD Direct

It has been observed that DD Direct has only a negligible number of customers & it is not competitive enough. Dish TV, TATA Sky, Airtel Digital TV, Big TV & Videocon D2H offer a better service than Sun Direct although they have less number of customers than the later. Based on the findings, suggestions have been provided.

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