CHAPTER -V

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5.1 Introduction

Based on the result obtained in the study, a discussion of theoretical and practical implications will be presented in this chapter. Furthermore this chapter will also have some recommendations for IPTV service providers. Contributions of this study, its limitations and future research also will be presented in this chapter.

5.2 Findings of the Study

To achieve the first objective of the research an exploratory research approach has been adopted.

To get an idea about the consumers’ source of awareness of IPTV, three items were included in questionnaire. The main purpose was to know which advertisement media influence customers. These items relate to source of awareness, reason behind subscription and most likable service of IPTV. The telephone service providers play a significant role to make people aware about the IPTV service. Almost 49 percent respondents came to know about IPTV from their telephone service provider followed by newspaper, friends or relatives, television and other sources. Therefore, it can be deduced that the telephone service providers are targeting their own telephone subscriber for IPTV service. However, there are so many prospects of IPTV who are not the subscribers of BSNL. We mentioned BSNL because it is the only service provider of IPTV in our study location. The advertising of IPTV service in other media is totally neglected. For attracting more customers IPTV service providers can advertise more in TV media or press or online. This may play important roles in forming intention towards using IPTV.

The qualitative research results also explain the reason switching to IPTV. The highest number of respondent has chosen the reason of ‘flexibility of channel selection’ followed by ‘video on demand and other attractive services’, ‘lack of service from cable
operator’, ‘better quality picture than cable’ and ‘other’ reasons. So, IPTV service providers can focus more on these two features (flexibility of channel selection and video on demand) to draw more attention in the mind of prospects.

In case of most appealing service of IPTV, respondents’ preferences are given in following order, ‘video on demand’, ‘time shift TV’, ‘personalized advertisement and greetings’, ‘video conferencing’, ‘online training and video class’.

Therefore, the result shows that, for advertising, IPTV service providers are targeting their own existing telephone subscriber. Advertisement display in other media is very low. This may be the reason of low IPTV customer database.

Primary focus of this research was to find out the important factors, which affect customer acceptance of IPTV service. Most of the studies related to Technology Acceptance Model (TAM) have been done either in western countries or in technically developed countries in Asia. As said earlier that previous studies on technology acceptance behavior has been inconclusive about the applicability of a western-developed model of technology acceptance in other cultures, here we generate new items based on IPTV related issues with the method of focus group and experts’ opinion. After recommended modifications have been made to make the questionnaire more understandable and easy to answer by the potential respondents it was distributed.

In this research Perceived usefulness (Davis, 1989; Taiyor and Todd, 1995; Shin, 2009), Perceived ease of use (Venkatesh, Davis, 2000; Venkatesh, & Morris, 2000; Igbaria et al. 1997; Davis, Bagozzi, and Warshaw, 1992) Perceived enjoyment (Yi and Hwang, 2003; Kim and Moon, 2001; Choi et al. 2010; Shin, 2009; Davis, Bagozzi & Warshaw, 1992; Weniger, S., 2010; Heijden, 2004), Perceived price level (Wu and Wang, 2005; Cheong and Park, 2005; Pavlou and Fygenson, 2006, Shin, 2009), Intention to use (Davis, 1989; Shin, 2009; Davis, Bagozzi & Warshaw, 1992), Perceived complexity (Gardner et al., 2004), Social influence (Venkatesh and Davis, 2000), Perceived system quality (Shin, 2009; Lucas & Spitler, 1999) was borrowed from TAM constructs and was used on the specific feature of IPTV.
The statistical indicators of validity and reliability of the questionnaire such as Cronbach Alpha, KMO-Bartlett’s tests and factor loadings show that the results of the study have good validity and reliability. For developing items we followed earlier studies and also created some new items. An interesting result was found in varimax rotated component matrix. The items of ‘perceived usefulness’ construct has loaded in two separate factors, one was related to internet and TV and another one was job related. Hence it can be concluded that consumer has separate perception about attributes of TV and attributes of job. So we identified these two factors under separate terms ‘perceived usefulness related to internet and TV’ and ‘perceived usefulness related to job’.

The result of this research shows that ‘Perceived usefulness related to internet and TV’ (F1) is the most effective factor in the customer’s intention to use IPTV. Baraghani (2007) said that past studies on technology acceptance implicitly assumed that the success of a system acceptance and use is mainly dependent on technological aspect, which is also supported by this study. Most empirical studies have found a stable relationship between perceived usefulness and intention to use. ‘Perceived price level’ (F6) is also supported in previous studies (Shin 2007, Cheong and Park, 2005), ‘perceived enjoyment’ (F7) shows negative relation to intention which does not support previous studies fully. The result supports the study of Shin (2009), which inferred that, IPTV is still in an early stage and this is why users are not sure regarding its enjoyment or entertainment yet.

Venkatesh & Morris (2000) have tested the effect of gender, Igbaria & Parasuraman, (1989, cited in Sun & Zhang, 2006) tested the effect of education, Gan et al. (2006) examined the effect of income and age, but in this study demographic variables do not shows much influences on research variables. This phenomenon is a bit ambiguous which needs to be explored in future.

The challenges faced by IPTV service providers in India are as follows; low PC penetration, limited bandwidth, illegal use of contents, broadcasting issues like content availability. However several numbers of opportunities are also identified for IPTV service providers, these are huge potential market in India, overseas markets and the
policy of Indian Government; No extra license for IPTV and Digitization of TV network.

Thus it can be concluded from the study that the most important factors in the consumer acceptance of IPTV are successively Perceived usefulness related to internet and TV, Perceived price level. Also perceived enjoyment and perceived usefulness related to job have influence in the consumer’s intention to use IPTV system.

5.3 Implications of Study

This study provides a theoretical and empirical analysis to demonstrate factors affecting a potential user’s acceptance of IPTV, which in turn proposes practical implications for the industry. The results highlight various implications for IPTV providers with regard to the development of new services over IPTV to increase users’ intentions to use the services.

Primarily ‘Perceived usefulness related to internet and TV’ and ‘perceived price level’ are identified as antecedents of intention; so this has some practical implications in enhancing the attitude toward using IPTV service. IPTV service provider should first develop more features for customers in order to attract novice users to accept IPTV service. After that, Perceived usefulness of IPTV emerges as an important issue in attracting new users and should be carefully designed in terms of users’ requirements to reflect perceived usefulness of this service.

This study also revealed that ‘social influence’ has negative effect on intention to use. This finding has implication for marketers; it suggests that advertisements in media or press play important roles in forming intention toward IPTV acceptance. First marketer should create a good image in customers mind. Therefore, advertising in channels and magazines which are associated with elite class may help marketers.

The implication of these findings is that, IPTV service providers need to play a leading role in influencing the potential IPTV users. Strategies that can be adopted by IPTV service providers are as follows:
Awareness of IPTV service is essential in the early adoption stages. As IPTV service is still new in India, effective displays using all forms of media such as leaflets, brochures, web pages etc., will be useful to introduce the services to a wider audience and educate potential subscribers about the benefits of IPTV service. To access more potential adopters, information about IPTV should be provided by customer care centres. Regular surveying of customers’ response and feedbacks of the services should be conducted to ensure continuous improvement. IPTV service can enhance accessibility by upgrading their infrastructure to provide good quality internet access. Security system must be increased continuously to guarantee integrity of online transactions, also continuous monitoring is required to protect the system from hacking and virus attack. A perception of content quality and quality service will increase the service provider’s image for good service.

Increased diffusion will enhance the number of IPTV adopters since they are likely to come from the internet and telecommunication population. Furthermore supports from the government and the industry regulator will positively affect IPTV services by increasing the confidence of the adopters.

The competitive pricing climate between the service providers and the state initiative project could make IPTV more popular, by which it is possible to facilitate a countrywide embracing of communication technology like IPTV.

In customer targeting strategies service providers should focus on people with high purchasing power as the first priority. This requires extensive analyses of customers’ needs and the provision of customized services that are of value to them. They should identify the advantageous combinations of services, pricing options which improve the customer experience, and promote the customer’s tendency to buy additive services and for gaining customer loyalty. This research will assist service providers in developing innovative, value-laden, consumer-centric business models to maximize consumer satisfaction and ultimately, company financial performance.

1. Identification of advantageous combinations of services, pricing options which improve the customer experience, and promote the customer’s tendency to buy additive services and stay with the provider longer.
2. Assistance in developing effective marketing strategies which are more consumer-centric and therefore increase consumer satisfaction.

3. Assisting providers in developing innovative, value-laden, consumer-centric business models which maximize consumer satisfaction and ultimately, company financial performance.

4. It will provide a brief Idea about recent Indian IPTV market status and challenges to it.

5.4 Contributions of the Study

This study makes significant contribution across the area of new IT related service adoption and usage research and practice. These contributions are:

1. The development and prediction of the factors that influence the adoption and acceptance of new IT related service; and it’s implication regarding the new technology in the broadcasting and advertising sector in India.

2. The empirical support for integrative research framework and the literature.

3. The outcome of this research is an indication of the good explanatory power for intentions and can be used as a research model for further study on adoption of this type of IT related service.

5.5 Limitations of the Study

The adoption of IPTV technologies is a dynamic and uninterrupted process. One of the main limitations of this study is that it used cross-sectional surveys and data collection was carried at one point of time during pilot study and another time during the main study. Therefore the inferences are not as robust as in a longitudinal study. As per Venkatesh et al. (2003) longitudinal study should have been conducted in order to test the possible changes in the relationships among the variables of the model during the different stages of the technology adoption process. As IPTV service is still relatively new in India, this study might be unable to measure the actual behavior of such services over a considerable period of time.
There is a possibility that some articles may have been overlooked in the literature survey process, though extensive efforts were taken to review. Additionally, there might be other factors which did not reveal themselves in this research, which may have influences on acceptance of IPTV. Even though a rigorous process was followed in this research, possible measurement errors and sample error cannot be completely ruled out.

Finally, the sample is limited to a particular zone of India and was not tested in other regions of the country.

5.6 Scope for Future Research

This study was conducted to find the factors influencing intentions to accept IPTV service. As such, there is still room for further investigation into the adoption of IPTV service.

Prior research has suggested that determinants of behavioral intention change in terms of users’ level of experience (Karahanna et al., 1999). This study has focused on users who are experienced in IPTV service.

First, future research should be carried out on non-IPTV users and non-Internet users to investigate their adoption intentions of such service.

Second, as IPTV service still relatively new in India, Future scope is there for more research.

Third, research is required, both longitudinal and cross-sectional, to test the differences of this framework as users developing from being aware of the service (IPTV) to having experience with the service (IPTV), to continued use of the service (IPTV). Future research can be conducted on relation between intention to use and Perceived enjoyment factor. As it is a new service to Indian people, they may not be sure regarding perceived enjoyment yet.

Further research can be done on individual moderators (intellectual capacity, cultural, background and experience), so studies on such demographic profiles in a developing country like India can open a new window for marketers by means of
market segmentation, targeting and positioning with respect to technology-based products and services.

More research with the alternative conceptualization of revealed factors would be useful in better understanding of the role of factors mentioned in the initial adoption of this service.

Further research should incorporate this measure once the number of IPTV customers has reached a critical mass. In this way, a more comprehensive investigation of IPTV service attitude and usage behavior can be conducted. Research on local community acceptance and profession wise acceptance also can be conducted.