CHAPTER 5: CONSUMER PERCEPTION AND RESPONSE

5.1 Survey of consumers in Ghaziabad:

DAS area of Ghaziabad was divided into 7 geographical zones with the help of entertainment tax officials as shown in google map in figure.1. About 150 samples were collected from each zone, totalling 1041, by deploying surveyors through BECIL who were given a thorough briefing in advance not only about the DAS and the purpose of survey but also as to how to behave with the respondents. They were specifically sensitised to the need of ensuring that survey covers all strata of society . Their work was closely supervised on a day to day basis.

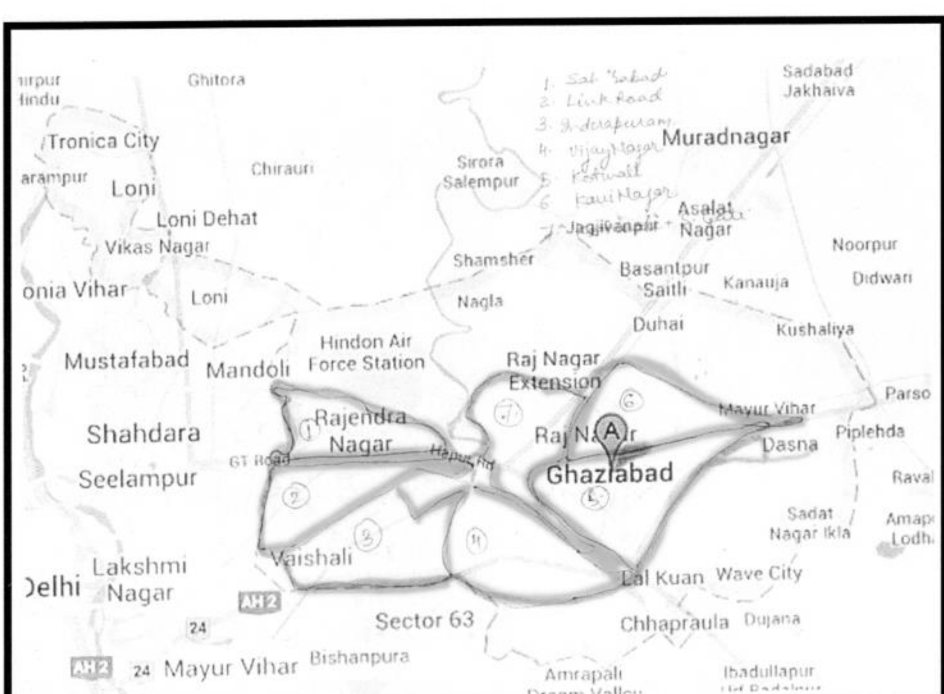

Fig 5.1 : Map showing 7 survey zones in Ghaziabad

The survey started on 11.2.2014 and was completed on 4.3.2014. The questionnaire was developed in consultation with MIB officials, interactions with various stakeholders and Dr Sapna Chadah, the faculty supervisor. A copy of the questionnaire circulated has been placed at Appendix-II.

5.2 Socio-economic profile of consumers surveyed:

Table 5.1 Gender wise distribution

		Count	Column N %
Gender	Female	73	7.1%
	Male	954	92.9%

Of the 1041 consumers surveyed, about 93% were males and 7 % females. The predominance of males in the survey is presumably due to the fact that the connections are mainly in the name of male members of the family.

Table 5.2 : Q1. Premises Surveyed

	Premises of respondent	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Residence	607	58.3	58.8	58.8
	Shop	283	27.2	27.4	86.2
	Office	120	11.5	11.6	97.8
	Hotel/Restaurant	2	.2	.2	98.0
	Others	21	2.0	2.0	100.0
	Total	1033	99.2	100.0	
Missing	System	8	.8		
Total		1041	100.0		

Table 5.3 : Q2. Educational Qualification of respondents

	Educational Qualification	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Uneducated	33	3.2	3.2	3.2
	Upto 5th Class	78	7.5	7.7	10.9
	Upto 12th Class	310	29.8	30.4	41.3
	Graduate and above	598	57.4	58.7	100.0
	Total	1019	97.9	100.0	
Missing	System	22	2.1		
Total		1041	100.0		

Table 5.4 : Q3. Occupation of respondents

	Occupation	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Govt Service/PSU	61	5.9	6.3	6.3
	Private sector Employee	188	18.1	19.4	25.7
	Self Employed/Business/Shop	622	59.8	64.2	89.9
	Housewife	25	2.4	2.6	92.5
	Others (Pl specify)	73	7.0	7.5	100.0
	Total	969	93.1	100.0	
Missing	System	72	6.9		
Total		1041	100.0		

Table 5.5 : Q5. Monthly Income of family of respondents

	Monthly income	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Above 50000	20	1.9	2.0	2.0
	30001 to 50000	37	3.6	3.7	5.8
	10001 to 30000	488	46.9	49.2	55.0
	5001 to 10000	346	33.2	34.9	89.9
	Less than 5000	100	9.6	10.1	100.0
	Total	991	95.2	100.0	
Missing	System	50	4.8		
Total		1041	100.0		

The above tables establish the point that a wide cross section of consumers from all strata of society from different localities, educational backgrounds, occupations, income levels have been covered and it is a random sample therefore representative of population.

5.3 Extent of Multi-TV Homes:

Table 5.6 : Q4. Extent of multi TV homes

	No of TV sets per household	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	One	898	86.3	87.2	87.2
	Two	105	10.1	10.2	97.4
	More	27	2.6	2.6	100.0
	Total	1030	98.9	100.0	
Missing	System	11	1.1		
Total		1041	100.0		

Thus about 10.2% are double TV and 2.6% are more than two TV homes. This compares well with the figure of 14% arrived at for multiple TV homes from the responses of LCOs in para 4.5 above.

5.4 Extent of DTH connections along with cable:

Table 5.7 : Extent of DTH along with cable connection

Question	Response	Count	Column N %
Do you have a DTH Connection (Dish TV/Tata Sky/DD Direct/Sun Direct/ d2h/ digital TV) in addition to cable connection	Yes	47	4.7%
	No	946	95.3%

Thus about 4.7% consumers have a DTH connection in addition to a digital cable connection.

5.5 Source of information about transition:

Table 5.8 : Source of information about digitalisation

Source of information		Count	Column N %
Newspapers	Yes	101	9.8%
TV Channels	Yes	423	40.9%
Radio	Yes	26	2.5%
Friends	Yes	55	5.3%
SMS from Government	Yes	1	.1%
From Cable Operator	Yes	685	66.2%

Around 41% of the respondents said that they came to know about the requirement to install STB from advertisement on TV channels. About 66 % of the respondents were informed by LCOs and only 10% came to know through newspapers. Radio was not an effective source of dissemination perhaps because not many listen to it or when they were listening the advertisement was not aired. Almost none received any sms from govt perhaps because the smss were sent only in Delhi region and not in Ghaziabad.

With mobile penetration now becoming high, sms based campaign can also be resorted to in Phase III and IV and can become effective.

5.6 Installation of STB and STB schemes:

Table 5.9 : Information about STB schemes for purchase of STBs from LCO

Scheme	Whether LCO informed	Count	Column N %
Outright Purchase	Yes	875	84.5%
Hire Purchase	Yes	35	3.7%
Rental	Yes	36	3.8%

Table 5.10 : STB option availed by consumer

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Outright Purchase	924	88.8	94.1	94.1
	Hire Purchase	1	.1	.1	94.2
	Rental	7	.7	.7	94.9
	Dont Know	50	4.8	5.1	100.0
	Total	982	94.3	100.0	
Missing	System	59	5.7		
Total		1041	100.0		

It is evident from the above replies that consumers were not even told by cable operators that except for outright purchase there are other schemes like hire purchase and rental also available for acquisition of STBs. The irony is that while the consumers have ticked the outright purchase option, the STBs continue to remain the property of the MSOs and STBs have in fact been given to the consumer on lease. An upfront money in the name of 'activation charges' is being taken from consumers. It started with Rs 499, prior to the deadline and since then has been increased from time to time to 1199 now and is likely to be increased to 1250. As there was total lack of clarity in the field on the terms and conditions of provisioning of STBs under this scheme, the website of DEN which is www.dennetworks.com was looked at. While the information about channel packages and package authorisation form could be easily located through the home page, the details of schemes about STBs could not be seen. Ultimately the MSO was contacted to know why have the details not been made available on the website. I was informed that the details are available through a link on the homepage namely 'statutory requirements' on the bottom of the page in the right corner. How is a consumer supposed to know that information will be available under this head?. It should have been clearly placed on the home page with a prominent link indicating STB schemes and its terms and conditions. On going through the subscriber hardware registration form available on this link the following information is provided in the form:

'STB(s), activated under this scheme shall have a service warranty period of 5 year from the date of installation at the Installation Address and the Subscriber shall not be required to pay any charge, including visiting charges, towards repair and maintenance of such STB(s) during service warranty period,

provided that such STB(s) should not have been tampered with. The STB at all time shall remain property of DEN.' It is not clarified anywhere as to what happens to the ownership after a period of 5 years and whether it gets transferred to the consumer. It also does not clarify as to how much refund will the consumer get in this case he wants to return the STB.

Hathway and Siti cable charge 889 under a similar scheme. Siti cable website www.siticable .com clearly explains under STB Operating scheme of Rs 889 under '*Refund*' that '*Balance amount post deduction of proportionate amount towards the usage period (month or part of month) of one time activation charges, considering the STB life of 36 months'* . However, though mentioned on the website such a stipulation is missing on their Subscriber Application Form.

Hathway on its Consumer Registration Form mentions the following for its Alternate Tariff Package scheme Option -I of Rs 889 as follows:

2.10 Under Option I of the ATP each STB comes with a one year warranty and under ... During the warranty period no repair and maintenance charges are payable, provided the STB has been used in normal working conditions and is not tampered with. There is no warranty applicable on the remote control.

2.11 ....After the expiry of the warranty period, repairs to the STB (including cost of components replaced) would have to be paid for by the subscriber and a replacement STB may be offered, if available. Alternatively if the subscriber opts for the optional Annual Maintenance Contract (AMC) of Rs.200/- per annum, the subscriber will be provided a standby STB and no repair charges *would have to be paid for the STB only (remote excluded) provided the STB has been used under normal working conditions and is not tampered with.'*

The 'Refund' column under the title *'Terms and conditions for the STBs'* in Hathway consumer charter, available on its website, has been left blank. .No mention is anywhere made about whether and when the ownership of STB gets transferred when under such a scheme.

As the STP schemes stipulated by TRAI have neither been properly publicised nor pushed by the MSOs nor by LCOs, and almost all STBs have been seeded on payment of activation charges, it is felt that TRAI should spell out certain basic obligations on the part of MSOs to necessarily specify about warranty, repair and maintenance after the warranty period is over, refund in case of return and transfer of ownership after a specified period of use for such schemes also. Non provisioning of refund of any money despite taking a hefty upfront sum is depriving the consumer of the benefit of commercial interoperability and restricts his freedom to migrate to another service provider. Thus regulatory intervention is required to regulate such schemes.

5.7 Extent of difficulty faced in operating a STB:

Table 5.11 : Difficulty in understanding operation of STB

		Count	Column N %
Children	**Yes**	**1**	**.1%**
	No	709	68.9%
Women	**Yes**	**109**	**10.6%**
	No	921	89.4%
Elderly	**Yes**	**62**	**6.0%**
	No	966	94.0%

Thus consumer does not seem to be having much of a problem in operating/using a STB.

5.8 Extent of HD STBs:

Table 5.12 : Q14. Type of Set Top Box installed

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Basic	1007	96.7	99.5	99.5
	High Definition	5	.5	.5	100.0
	Total	1012	97.2	100.0	
Missing	System	29	2.8		
Total		1041	100.0		

99.5 % of the STBs installed are Basic STBs and the penetration of HD STB is only 0.5%.

5.9 Subscriber views in respect of cost of STB:

Table 5.13 : Q15. What are your views in respect of cost of STB?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Reasonable	720	69.2	70.4	70.4
	Costly	269	25.8	26.3	96.7
	Very Costly	34	3.3	3.3	100.0
	Total	1023	98.3	100.0	
Missing	System	18	1.7		
Total		1041	100.0		

On the cost of STB, about 70% of the respondents were of the view that the cost seems reasonable.

5.10 Schemes opted for viewing TV channels:

Table 5.14 : Scheme opted for viewing TV channels

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Basic	153	14.7	14.8	14.8
	Pay Channel Package	802	77.0	77.5	92.3
	a-la-carte	80	7.7	7.7	100.0
	Total	1035	99.4	100.0	
Missing	System	6	.6		
Total		1041	100.0		

Table 5.15 : Awareness regarding exercise of option to choose from various TV channels on an a-la-carte basis in addition to opting for a bouquet/package

	Count	Column N %
Yes	605	63.2%
No	352	36.8%

Table 5.16 : Reason for non-exercise the cable operator did not provide you the details to exercise choice?

		Count	Column N %
Cable operator did not inform	**Yes**	**122**	**14.6%**
	No	711	85.4%

Thus most of the consumers (77.5%) have gone for pay channel packages and only 14.8% went for BST only. It is mainly because they turn out to be cheaper if you want to watch a large number of pay channels. In case you want to see a limited number (say BST + a few pay restricted to a sum total of Rs 50 as the minimum payout for opting for even a single pay channel is generally Rs 150) of pay channels, then a-la-carte selection might prove cheaper. About 7.7% exercised the a-la-carte option. This is despite the fact that 63.2% consumers were aware that a-la-carte option can be exercised.

5.11 Filling up of CAF Forms:

Table 5.17 Status filling of CAF

		Count	Column N %
Q17(i) Have you filled the Customer Application Form(CAF) ?	Yes	976	95.0%
	No	51	5.0%

Table 5.18 : Who filled consumer CAF?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	You have filled yourself	548	52.6	54.2	54.2
	It was filled by cable operator in consultation with you	397	38.1	39.2	93.4
	It was filled by cable operator without your knowledge	67	6.4	6.6	100.0
	Total	1012	97.2	100.0	
Missing	System	29	2.8		
Total		1041	100.0		

Table 5.19

		Count	Column N %
Q17(iii). If No, did the cable operator inform you that you have to fill CAF?	Yes	632	91.5%
	No	59	8.5%

Thus 95% of the consumers have filled the CAF, mostly by themselves (54.2%) or by their LCO (39.2%) in consultation with them. This compares well with 97.5% obtained from the LCO survey in para 4.9.

5.12 Consumers Views regarding benefits from switchover:

Table 5.20 : consumer views regarding availability of channels

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Many more channels are available now than earlier	700	67.2	69.0	69.0
	It does not make any difference to me as I watch only a few channels	265	25.5	26.1	95.2
	I don't know that more channels are available now than earlier	49	4.7	4.8	100.0
	Total	1014	97.4	100.0	
Missing	System	27	2.6		
Total		1041	100.0		

Thus 69% do view availability of more channels as a significant benefit of digitalisation. 26.1% don't view any additional benefit as they watch only a few channels.

Table 5.21 : consumer views reagrding improvement in picture quality of channels

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Vast Improvement	249	23.9	24.3	24.3
	Some Improvement	603	57.9	58.8	83.0
	Don't find much difference	174	16.7	17.0	100.0
	Total	1026	98.6	100.0	
Missing	System	15	1.4		
Total		1041	100.0		

Around 83% consumers see an improvement in picture quality has occurred due to digitalisation.

Table 5.22 : Consumer views regarding audio quality of channels

	Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Vast Improvement	256	24.6	24.9	24.9
	Some Improvement	586	56.3	56.9	81.8
	Don't find much difference	187	18.0	18.2	100.0
	Total	1029	98.8	100.0	
Missing	System	12	1.2		
Total		1041	100.0		

Thus about 81.8% of the respondents feel that there has been an improvement in audio quality.

Table 5.23 : Consumer views regarding availability of multiple language option for viewing the same channel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	811	77.9	81.8	81.8
	I don't find any benefit	128	12.3	12.9	94.8
	I don't know that language option is available on some channels	52	5.0	5.2	100.0
	Total	991	95.2	100.0	
Missing	System	50	4.8		
Total		1041	100.0		

Thus about 81.8% viewers see availability of multiple language option as a benefit.

Table 5.24 : Consumer views regarding ease of locating a channel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	become easier now	886	85.1	86.4	86.4
	No difference	123	11.8	12.0	98.4
	become difficult now	16	1.5	1.6	100.0
	Total	1025	98.5	100.0	
Missing	System	16	1.5		
Total		1041	100.0		

Thus about 86.4% feel that locating a channel has become easier now.

Table 5.25 : Consumer views regarding availability of Information relating to a programme

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Much more information regarding a programme and its schedule	742	71.3	79.3	79.3
	I dont know how to find information using STB	170	16.3	18.2	97.4
	While I am aware, I dont find it useful	24	2.3	2.6	100.0
	Total	936	89.9	100.0	
Missing	System	105	10.1		
Total		1041	100.0		

While 79.3% find that EPG is helpful in knowing about programmes and their schedules , 18.2% are still grappling with how to use EPG. Therefore consumers need to be educated about how to use the EPG for a better viewing experience.

Table 5.26 Consumer perception about significant benefits of digitalisation

		Count	Column N %
Capability to choose channels	Yes	310	30.0%
	No	723	70.0%
Capability to view High Definition channels	Yes	32	3.1%
	No	1000	96.9%
Capability to record channels	Yes	44	4.3%
	No	988	95.7%
Capability to view more Doordarshan channels	Yes	130	12.6%
	No	902	87.3%
getting any new channels of my choice now which I was not getting earlier	Yes	149	14.4%
	No	884	85.6%

Only 30% of the consumers find capability to choose channels as a benefit and 70% dont seem to be enthused about it. Only 12.6% seem excited about availability of additional DD channels. 14.4% have been able to get a channel of their choice now which they were not getting earlier. Only 3 to 4% consumers see the capability to view HD channels or record channels as a benefit.

5.13 Impact of digitalisation on monthly subscription payout of the subscriber:

Responses of the consumers to the query on their monthly subscription amount prior to digitalisation and post digitalisation were obtained and compiled in the following tables.

Table 5.27 : Category wise break up of change in monthly subscription after digitalisation

Premises Surveyed		How much were you paying per month prior to installation of STB	What is your monthly rental now per connection?	In case you have more than one connection, how much are you paying for second Connection	for third Connection
Residence	Mean	179.00	239.20	203.68	180.00
	N	583	604	38	4
	Median	**200.00**	**250.00**	**200.00**	**180.00**
	Skewness	1.667	7.615	1.964	.000
	Std. Error of Skewness	.101	.099	.383	1.014
Shop	Mean	186.30	233.73	208.89	218.33
	N	281	283	27	12
	Median	**200.00**	**200.00**	**200.00**	**200.00**
	Skewness	.599	3.001	2.087	1.844
	Std. Error of Skewness	.145	.145	.448	.637
Office	Mean	185.29	223.75	190.59	188.33
	N	120	120	17	6
	Median	**200.00**	**200.00**	**200.00**	**200.00**
	Skewness	-.014	.581	.471	-1.783
	Std. Error of Skewness	.221	.221	.550	.845
Hotel/Restaurant	Mean	165.00	240.00		
	N	2	2		
	Median	**165.00**	**240.00**		
	Skewness	.	.		
	Std. Error of Skewness	.	.		
Others	Mean	175.00	219.00	200.00	200.00
	N	20	21	6	1
	Median	**200.00**	**200.00**	**200.00**	**200.00**
	Skewness	-1.076	.837	1.369	.
	Std. Error of Skewness	.512	.501	.845	.
Total	Mean	181.68	235.48	202.50	203.04
	N	1006	1030	88	23
	Median	**200.00**	**229.00**	**200.00**	**200.00**
	Skewness	1.358	6.733	1.489	2.166
	Std. Error of Skewness	.077	.076	.257	.481

Due to the skewness of the data taking the median values , it is apparent that while a residential consumer was paying an average amount of Rs 200 prior to digitalisation , his payout has increased to Rs 250 now for the first STB, an additional 200 for the second and Rs 180 for the third.

5.14 Consumer views on increase in monthly subscription:

Table 5.28 : Q23. In case your monthly rental has increased, what do you feel about this increase considering the benefits?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I don't mind paying the increased amount considering the benefits	416	40.0	43.9	43.9
	While I am satisfied with the switchover, I find the increase in monthly rentals as unjustifiable	270	25.9	28.5	72.4
	I am not happy with the increase but would like to continue it	226	21.7	23.8	96.2
	I would like to go back to earlier regime	36	3.5	3.8	100.0
	Total	948	91.1	100.0	
Missing	System	93	8.9		
Total		1041	100.0		

It is to be noted here that this situation is going to change as the billing of the consumer gets adjusted according to the packages opted. Only 3.8% of the consumers want to revert back to earlier regime.

5.15 Status of Receipt of printed bills:

Table 5.29 Status of receipt of printed bill

		Count	Column N %
Q24. Are you getting a printed monthly Bill?	Yes	58	6.3%
	No	866	93.7%

It may be noted for comparison that despite clear directions of TRAI, 85% of the LCOs reported that they are not giving printed bills (para 4.15). Issues of who should print the bills and under whose name and whether payments through cheque should be in MSOs name are still being debated. The TRAI stipulation is for the MSOs to generate bills either directly or through its LCO.

5.16 Public Grievance Redressal / Customer Complaints:

Table 5.30 : frequency of occurrence of problem relating to cable

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	rarely	547	52.5	55.5	55.5
	Once a month	29	2.8	2.9	58.5
	twice a month	63	6.1	6.4	64.9
	More than twice a month	346	33.2	35.1	100.0
	Total	985	94.6	100.0	
Missing	System	56	5.4		
Total		1041	100.0		

A majority of the consumers (55.5%) rarely face a problem. However it seems once a problem starts say no signal it does not find an easy solution.

Table 5.31 : Q26. Means of lodging a complaint for cable services

		Count	Column N %
by calling the Toll free number provided by Cable Operator	**Yes**	**139**	**13.7%**
	No	876	86.3%
by calling the Cable operator as earlier	**Yes**	**879**	**86.5%**
	No	1	.1%
Through the website of Multi System Operator (MSO)	**Yes**	**9**	**.9%**
	No	2	.2%
by contacting the nodal officer of MSO/Cable operator	**Yes**	**32**	**3.1%**
	No	984	96.9%

This result correlates well with that obtained from LCO responses in para 4.21. The most preferred way is by calling up the cable opeartor or personally contacting his office and 86.5% of the subscribers adopt this method to lodge complaints. The second preferred option is by calling the toll free number provided by the MSO. The nodal officer and website being the least preferred in that order.

5.17 Type of grievances:

Table 5.32 : Type of grievances

		Count	Column N %
Problem with malfunctioning of STB or its remote	**Yes**	**74**	**7.3%**
Problem with Picture quality(pixilation)	**Yes**	**305**	**30.0%**
Problem with audio quality	**Yes**	**78**	**7.7%**
Problem with not getting subscribed channels	**Yes**	**18**	**1.8%**
Problem with billing	**Yes**	**9**	**.9%**
No signal	**Yes**	**805**	**79.2%**

While the cable operators ranked problem with STB and its remote as the number one grievance and no signal problem at the fourth place and the picture quality problem at the second place, the consumers have a different view. According to consumer responses the most common problem faced by about 79.2% of them is the no signal or signal not found problem. While 30% refer to problem with picture quality and pixilation or breaking up of the picture. The difference is perhaps because the no signal problem or the pixilation problem arises due to problems in the LCO network the LCO does not want to highlight it. The reasons for this problem and the way out has already been detailed in para 4.22 above.

5.18 Extent of improvement in grievance redressal:

Table 5.33 : Extent of improvement in grievance redressal after the switchover

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	significant improvement	61	5.9	6.0	6.0
	Improvement	660	63.4	65.1	71.1
	No improvement	242	23.2	23.9	95.0
	worse than before	51	4.9	5.0	100.0
	Total	1014	97.4	100.0	
Missing	System	27	2.6		
Total		1041	100.0		

Thus 71.1 % of the subscribers are of the view that there has either been a significant improvement or improvement in attending to their complaints after the switchover. The point of worry is that 23.9% still feel that there has been no improvement and another 5% feel that the situation of redressal of their complaints has worsened. This may be because of the dependence of the LCOs on MSOs for STB issues.

9 Overall view of the consumer on the switchover:

Table 5.34 : Overall Views of the consumer on the Switchover

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Satisfied	71	6.8	6.9	6.9
	Satisfied	730	70.1	70.7	77.5
	Made no difference	139	13.4	13.5	91.0
	Not satisfied but want to continue with STB	40	3.8	3.9	94.9
	Want to revert back to earlier regime	53	5.1	5.1	100.0
	Total	1033	99.2	100.0	
Missing	System	8	.8		
Total		1041	100.0		

As an overall view on the switchover, an overwhelming 77.5% of the subscribers seem to be either satisfied or very satisfied with the switchover.