



**ENGAGING CONSUMERS INTO LEGAL VIDEO STREAMING
SERVICES IN VIETNAM**

BY

MS. THUY THI HONG NGUYEN

**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE
OF MASTER OF BUSINESS ADMINISTRATION PROGRAM IN
GLOBAL BUSINESS MANAGEMENT
(INTERNATIONAL PROGRAM)**

FACULTY OF COMMERCE AND ACCOUNTANCY

THAMMASAT UNIVERSITY

ACADEMIC YEAR 2019

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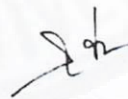
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ABSTRACT

Legal online video streaming service has become an indispensable type of entertainment in many developed countries over the past decades. In Vietnam, although this service is getting more and more popular among viewers recently, there have been no academic research into the legal online video streaming industry thus far. This research paper is aimed at discovering factors influencing the purchase intention of Vietnamese people towards legal video streaming services and gaining insights into consumer expectations for these VOD platforms.

Based on previous studies, the research paper proposed an integrated model to discover the influencing factors on Vietnamese people's intention of purchasing legal video streaming services. Data was collected from 400 valid respondents via online questionnaires. The results of hypothesis testing showed that all the factors had a positive impact on the intention, in which Subjective Norm showed the strongest influence. Furthermore, from the marketing mix result, respondents held very high expectations for most of the elements of the service, especially those belonging to the "Product" component. Based on the findings of this research, several recommendations have been formulated to develop the legal online video streaming service in Vietnam.

Keywords: Legal online video streaming service, Purchase intention, Consumer expectations, VOD platforms, Factors, Marketing mix



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LIST OF ABBREVIATIONS

Symbols/Abbreviations	Terms
IP	Intellectual Property
IPR	Intellectual Property Right
VOD	Video-on-Demand
SVOD	Subscription Video-on-Demand
TVOD	Transactional Video-on-Demand
AVOD	Advertising-based Video-on-Demand
VCR	Video Cassette Recorder
DVR	Digital Video Recorders
SEA	Southeast Asia
CDs	Compact Discs
VCDs	Video Compact Discs
DVDs	Digital Video Discs
WL	Watch List
USTP	United States Trade Representative
PWL	Priority Watch List
MPAA	Motion Picture Association of America
GDP	Gross Domestic Product
TPB	Theory of Planned Behavior
COD	Cash-On-Delivery
EFA	Exploratory Factor Analysis
S.D.	Standard Deviation

CHAPTER 1

INTRODUCTION

1.1 Overview

“In a few decades, linear TV will be the fixed-line telephone: no longer mainstream.” (Netflix, 2020)

Over the past few decades, entertainment and media industry have undergone an overwhelming number of changes, in which the most noticeable one is that traditional TV and cable channels have been losing their audiences day by day to internet catch-up services. For example, in the US, the proportion of viewers tuning in to one of the top three broadcast television networks (ABC, CBS and NBC) declined dramatically from 90% to 32% between 1980 and 2005 (Hindman & Wiegand, 2008). UK broadcasters such as BBC One, Channel 4, ITV/STV... also experienced a similar trend. During an 8-year-period (2010-2018), audiences in the UK spent 50 minutes less time watching traditional TV and especially young people aged 16-24 even reduced the amount of time by 50% (BBC, 2019). The reason for this downward trend lies in the emergence of new streaming services which have quickly become one of the most popular ways to consume video programming and posed a serious challenge to traditional TV broadcasters.

Since Netflix, an American media and production company, launched its “Watch Now” options in 2007 offering a video-on-demand streaming service, the ways people watch movies and TV shows have been entirely altered and the landscape of entertainment industry has been set into a completely new direction. Everyone now gets used to viewing a program on their favorite devices and at the time suiting them best. This leads to the preference for on-demand content over scheduled programs broadcasted by traditional TV stations. From roughly tens of millions of subscribers a decade ago, the number of people using video streaming services reached more than one billion worldwide in 2018 for the first time and is estimated to surpass 1.3 billion by the end of 2024 (Statista, 2020a). Witnessing the revolution brought about by Netflix, other major conglomerates such as Apple or Disney started to invest billions of

dollars in designing their own online streaming platforms to catch up with the global success of this company, making the “streaming war” more intense than ever before.

Following the global trend, Vietnam is currently a very potential market and has become the next promising destination for the expansion of streaming services. Thanks to the improvement in digital and technological infrastructure, nowadays Vietnamese people can easily access to the Internet and 3G/4G with high speed transmission and wide bandwidth. Young people in Vietnam rely so much on the Internet that it is extremely difficult to prevent themselves from engaging in online activities such as using social media, playing games, listening to music and watching videos. According to Nielsen Vietnam Cross-Platform Insights Report 2015, 92% of respondents watched online videos on a weekly basis, which was the highest percentage among countries in Southeast Asia (VnExpress, 2016). Especially, smart devices, including smartphones, tablets, phablets and smart TVs are growing in popularity. For example, among 64.00 million active internet users in 2019, the number of users accessing the internet via mobile devices is 62.40 million, accounting for 97.50% of the total number of internet users (We are social & Hootsuite, 2019). As a result, not only local streaming providers but also international counterparts have begun to go after the video-on-demand market in Vietnam. In 2016, Netflix was the first foreign giant entering Vietnamese market, followed by iFlix in 2017 and HBO Go in 2019. Despite the fact that there will be an unavoidable competition between domestic and foreign firms, the biggest competitor of all video-on-demand platforms operating in Vietnamese market thus far is actually illegal streaming websites.

1.2 Problem Statement

Alongside the evolution of the Internet and digital technology, Vietnamese people started to develop the habit of viewing media content on illegal streaming websites. According to the statistics collected in only the first half of 2017, the total number of visitors to five major infringing streaming sites in Vietnam, for example phimmoi.net, bilutv.com, phimbathu.com, etc. was a staggering 236 million, 29 times the web traffic to legitimate platforms and services (WARC, 2019). Accessing these websites, people can watch or download a wide variety of movies, programs and TV

shows on any gadgets at any time of the day. All the content provided here is not only free of charge but also updated frequently and in high definition quality. Moreover, although public awareness of intellectual property (IP) has been increasing for the past few years, Vietnamese people still do not fully understand how it works and why it is critical to protect a new idea or an innovation. The lack of understanding would lead to the lack of respect for intellectual property. From viewers' perspectives, as long as they are able to watch their favorite content without spending any money, it is nonsense to care whether that movie or TV series is distributed without the permission of the copyright holder. Those are the reasons why the number of unlawful streaming websites is rising at an alarming rate, generating a huge profit for the owners from advertising banners and pop-ups. This massive operation of illegal video streaming in Vietnam is holding back not only domestic but also international content providers.

Realizing the importance and urgency of intellectual property protection in this industry, since 2016, the government, regulators, advertising agencies and carriers in Vietnam have joined hands to prevent the copyright infringement on illegal websites streaming pirated movies. To be more precise, regulatory authorities have made certain moves such as coordinating with advertisers to stop advertising on infringing websites or cooperating with carriers to eliminate them entirely. Despite these efforts, the situation has not improved substantially since they still find ways to survive, for example switching from a domestic web host to an international hosting service provider. However, this still shows some positive signs that Vietnamese authorities are paying more attention to dealing with the copyright infringement, which has made viewers in Vietnam gradually change their behaviors. They start to search for legal video streaming services and consider subscribing to these platforms, so that the whole family can use together. Specifically, the number of Video-on-Demand users has increased from 3.9 to 4.5 million over the past 3 years and is expected to reach 5.6 million by 2024 (Statista, 2020b).

Digital video piracy is obviously a global problem which cannot be eliminated in one day. Even in the US, Europe, or Asian markets such as Korea or Thailand, video piracy sites will always exist, but why are Video-on-Demand services extremely successful in those countries? Companies operating in this industry in Vietnam have to invest a lot of time and effort to understand Vietnamese audiences,

educate them and gradually change their habits to using legitimate streaming platforms. As what Steve Jobs said in his interview with Rolling Stone in 2003, “You’ll never stop that [piracy]. So what you have to do is compete with it” (Goodell, 2003).

1.3 Research Objectives

This study will examine how to engage Vietnamese people into consuming legal video streaming services. The specific research objectives are identified as follows:

1. To study online video streaming industry in Vietnam.
2. To study and understand Vietnamese consumers’ behaviors towards using legal online video streaming services.
3. To determine factors influencing purchase intention of Vietnamese people towards legal online video streaming services.
4. To formulate practical recommendations for domestic and international companies operating in online video streaming industry in Vietnam.

CHAPTER 2

REVIEW OF LITERATURE

There is a direct connection between the emergence of video streaming services and the growth of the Internet together with data transfer rate. Thanks to the increase in broadband speeds, people nowadays can not only conduct everyday activities online such as shopping, education or work, but also enjoy a lot of forms of entertainment, particularly watching films and movies on streaming platforms. The penetration of the Internet has been reflected in the considerable changes of online customer behaviors. That is the reason why the behaviors of online customers will also be focused in this chapter in addition to video streaming services.

The first part of the literature review explains in detail the consumption of virtual online customers, decision making models which determine their process of making an online purchase, and streaming services, especially ones offering video content. The second part of the literature review is still dedicated to the aforementioned issues, but focuses only on Vietnamese landscape, including the current trends in Vietnamese customers' online behaviors, the emergence of online video streaming service in Vietnam, the general situation of television and movie piracy in this country and how the regulators here have dealt with this problem. Last but not least, the third part of the literature review extensively explores the existing academic works and commercial reports relating to this research topic.

2.1 Concepts of Online Consumer Behavior and Online Video Streaming Service

2.1.1 Consumer Behavior

Over the past decades, consumers have become the major focus of researches in many schools of marketing as well as communication and marketing strategies of many companies. The concept of consumer and consumer behavior has been examined in marketing field since the 1960s (Sheth, 1985). Kotler et al. (1998) defined consumer behavior as “the buying behavior of final consumers – individuals and households who buy goods and services for personal consumption” (p. 229). 17

years later, Leon G. Schiffman & Wisenblit (2015) described in detail that consumer behavior is consumers' process of seeking for, buying, using, assessing and disposing of products and services which are expected to satisfy their demands. By studying consumer behavior, marketers can discover how a person makes decisions to eventually spend their time, money and effort on specific goods. To be more precise, it is possible to understand “what products and brands consumers buy, why they buy them, when they buy them, where they buy them, how often they buy them, how often they use them, how they evaluate them after the purchase, and whether or not they buy them repeatedly” (Schiffman & Wisenblit, 2015, p. 30).

According to Kotler et al. (2017), there are five characteristics which significantly affect consumer purchasing behaviors, including cultural, social, personal, and psychological factors, as shown in Figure 2.1. The combination of these external and internal characteristics will have a strong influence on the buying decisions of consumers.

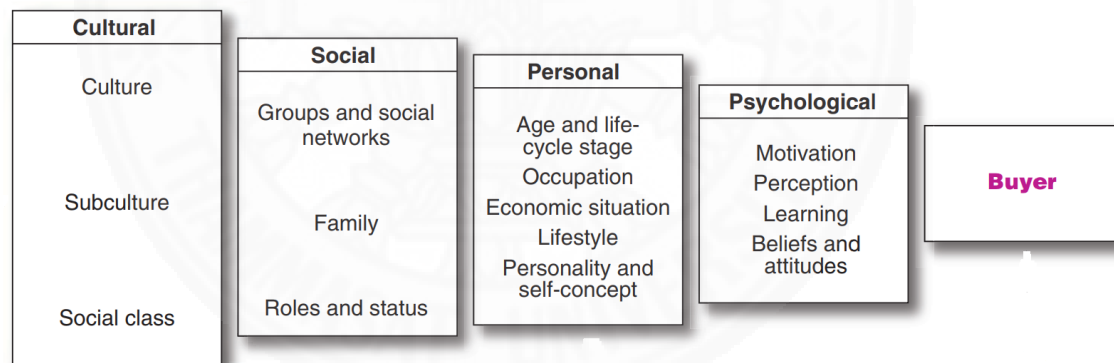


Figure 2.1 Factors Influencing Consumer Behavior

Source: Kotler et al. (2017)

Affected by the influences mentioned above, each individual will then make their own purchase decision. It is worth emphasizing that this actual decision is just part of a five-stage buying process; beginning with (1) Recognition of the need, (2) Pre-purchase information search, (3) Evaluation of similar options and alternatives, (4) Purchase decision (purchase/no purchase) and culminating in (5) Post-purchase behavior (re-purchase/no re-purchase). This purchasing process can be passed slowly

or quickly, depending on the buyers' characters, the characteristics of the product, and the buying situation. Some consumers may even skip or reverse some of the steps in the process, especially for more routine purchases (Kotler et al., 2017).

2.1.2 Online consumer behavior

We are living in a world where disruptive changes occurring every day. Although the concept of consumer behavior has been clearly clarified over the past century, the evolution of information and communication technologies has shifted the way consumers search for information and purchase particular products and services. The question arising here is that "Do these definitions still apply to online consumer behavior?"

Chan et al. (2003) revealed that most of the theories of consumer behavior have been applied to the research on online consumer behavior. However, due to the fact that there are some essential differences between offline and online consumer behavior, the application is more complicated than just borrowing the components and making use of them. According to Close (2012), there have not been any substantial alterations in the concept of consumer behavior thus far. It has just been enhanced with the addition of the digital environment. One of the tremendous impacts of the world-wide-web is that consumers now can challenge companies all over the world to provide them with the best products and services at any time of the day.

The emergence of online environment has made the interaction with customers in the market more complicated than ever before. The traditional "funnel" model in which consumers gradually narrow down the list of potential brands in their mind to only one brand that they finally purchase is no longer suitable to the new digital environment. Nowadays, consumers are well-informed and tech-savvy, thus they can take advantage of the Internet to evaluate hundreds of brands at the same time (Court et al., 2009). At the "Zero Moment of Truth", individuals use their smartphones, tablets or laptops to begin searching and analyzing a product or service that they are considering trying or buying. Making decisions "from ratings and review sites, from friends on social media, at home and on the go, and (more than ever) from video" has been growing popular among consumers lately (Lecinski, 2011). Those are the reasons why McKinsey recommended the "consumer decision journey" – a more sophisticated approach to match the more complicated consumer behavior in the era of digitalization, as shown in Figure 2.2 (Court et al., 2009).

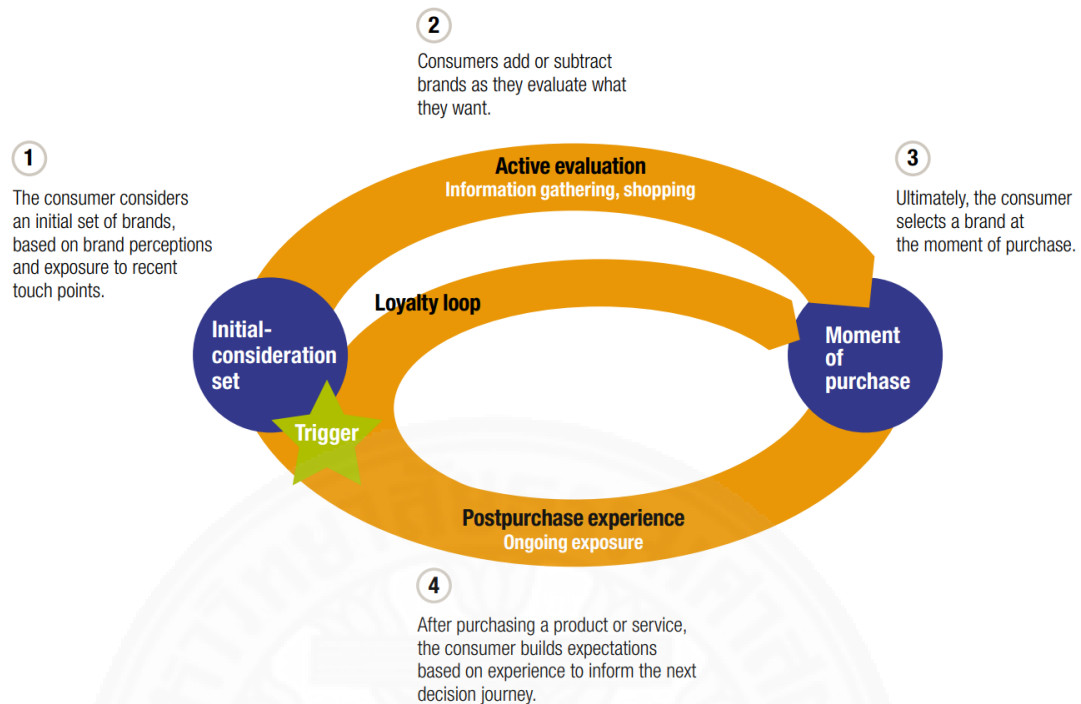


Figure 2.2 The Consumer Decision Journey

Source: Court et al. (2009)

There are many other research models which also describe the decision-making process of consumers but more concentrate on the determining factors affecting online purchasing. Kim et al. (2008) developed a theoretical framework to illustrate the effect of risk, benefit and trust on consumers' intention of purchase, as shown in Figure 2.3.

- **RISK:** According to Kim et al. (2008), perceived risk is defined as “a consumer’s belief about the potential uncertain negative outcomes from the online transaction” (p. 546). When shopping via online websites, consumers are likely to face three main kinds of risk – “product risk, financial risk, and information risk (privacy protection and security)”. In comparison with traditional physical stores, customers are more reluctant to buy products on the Internet due to the pervasive sense of risk. They are afraid of defective items, technological errors, accidental click on unwanted products, and worried that their personal information such as address, phone number, and particularly might be disclosed.
- **BENEFIT:** Perceived benefit is the usefulness of certain websites such as convenience, time and cost savings, or a wide selection of products

and services, which will reduce the barriers to online shopping and boost e-transactions. It can be noticed that while perceived risk prevents people from purchasing goods on the Internet, perceived benefit gives online consumers incentives to keep making digital purchase (Kim et al., 2008).

- **TRUST:** Mayer et al. (1995) described trust (as cited in Dash, 2007, p. 36) as “the willingness of a customer to be vulnerable to the actions of an online store based on the expectation that the online store will perform a particular action important to the customer”. The result of the study from Kim et al. (2008) show that when trust rises, the perceived risk of negative outcome is expected to drop and consumers are more willing to purchase products and services online on digital websites.

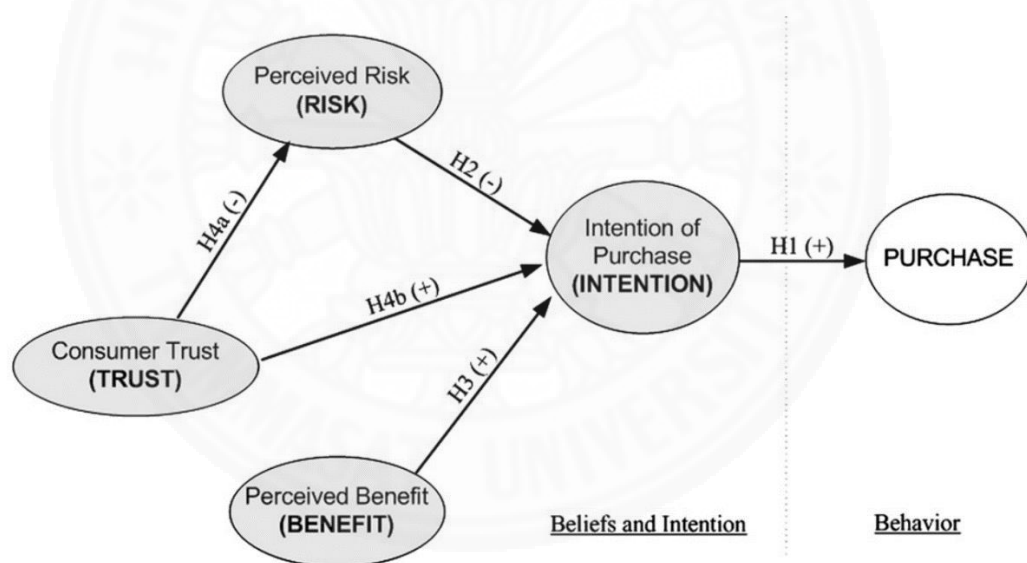


Figure 2.3 Basic Theoretic Framework of Online Decision Making

Source: Kim et al. (2008)

What is more, Park and Kim (2003) carried out an empirical study that investigates the characteristics of online stores affecting consumer buying behaviors and proposed a research model in which five attributes are presented, as shown in Figure 2.4. These attributes create a direct impact on two mediatory factors, including Information Satisfaction (satisfaction or dissatisfaction with the experience offered by

the information service) and Relational Benefit (benefits gained from long-term relationships, for example anxiety reduction and trust escalation).

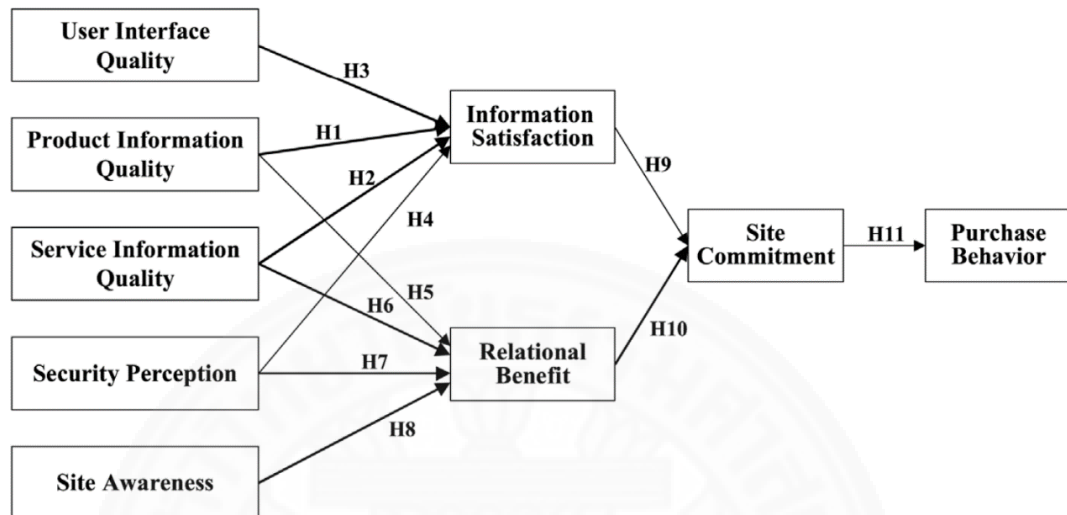


Figure 2.4 Research Model of Online Store Attributes Influencing Consumers' Purchase Behavior

Source: Park & Kim (2003)

Among these five attributes, user interface quality is the first and foremost characteristic to make the decision making process of online consumers different from traditional ones who only visit brick-and-mortar stores. According to Liu and Arnett (2000), if a website can entice a huge number of people to purchase its products or use its services, make consumers satisfied and bring them a sense of trustworthiness, dependability and reliability, it is successful. The study of Liu and Arnett (2000) discovered four factors playing a crucial role when it comes to the ultimate success of a website: “(1) information and service quality, (2) system use, (3) playfulness, and (4) system design quality”. The measure components of each factor are clarified in detail in Table 2.1.

Table 2.1

Critical Factors and Measure Components to Website Success

Source: Liu and Arnett (2000)

Factors	Measure components
information and service quality	relevant; accurate; timely information; flexible and customized information presentation; products/services differentiation; complete description of products/services; price information; satisfying ethical standards; perceived products/services quality; information to support business objectives
system use	quick responsiveness; assurances; empathy; following-up service confidence; control; ease of use; track on-line order status; privacy
playfulness	enjoyment; excitement; feeling of participation; charming; escapism
system design quality	security; rapid accessing; quick error recovery; precise operation and computation; balanced payment method between security; ease of use, coordination

Especially regarding streaming services, according to the research conducted by Weijters et al. (2014), the monetization model takes the second place after Perceived Quality among the decisive attributes which affect consumers' choice of streaming platforms. Interestingly, compared to paying platforms, a free model with or without advertising is more well-received by users. Kim et al. (2016) also found out that Perceived Price Value places a crucial role in the decision making process of purchasing services because consumers in each country have different budget limits and marginal willingness to pay.

2.1.3 Online Video Streaming or Video-on-Demand (Online VOD)

Online Video-on-Demand (VOD) is a technological system through which consumers can watch their favorite video content such as movies, dramas, TV shows, news, music, sports and documentaries at their convenience (Tripathi, 2018). According to Hemdev (2018), there are three main types of Online VOD applications and services: "Subscription Video-on-Demand (SVOD), Transactional Video-on-Demand (TVOD), and Advertising-based Video-on-Demand (AVOD)". Among these three, SVOD is the most common VOD model which entertainment and media companies are providing at present.

- **Subscription Video-on-Demand (SVOD):** SVOD is a service in which viewer are allowed to access to a large online library of high-

definition video collections to watch any content of their choice on any digital gadgets at any time of the day they like. This service are only activated when users pay a fixed recurring fee every day, every week, every month, or every year. This fee will keep their subscription active and give them a full control over their account. The examples of major SVOD services operating these days are Netflix, Hulu, Amazon Prime Video, HBO, Apple TV+ and Disney+.

- **Transactional Video-on-Demand (TVOD):** TVOD is fundamentally the opposite of SVOD, in which users purchase content on a pay-per-view basis. In other words, instead of asking viewers for a monthly subscription fee, TVOD charges them a certain amount of money based on what they watch. Viewers will not have to pay any fees when they register for the service or create user profiles. Typically, TVOD platforms have a tendency to feature new releases and grant consumers timely access to new movies and sports events. Apple's iTunes, Google Play and Sky Box Office are examples of TVOD.
- **Advertising-based Video-on-Demand (AVOD):** Being completely different from SVOD and TVOD, AVOD offers a free service to users. They only have to spend a little time watching advertisement in exchange for freely signing up for the service and streaming video content. Company will use the revenue from advertising to offset production and hosting costs and generate profits. Youtube is a case in point.

The reason why VOD service works so well and gradually replaces traditional linear television lies in the substantial benefits it delivers to consumers (Dwivedi, n.d.).

- **Convenience:** People using on demand service have the flexibility of viewing programming of their choice wherever they are, whenever they like and as many times as they want. It is possible for users to pause, jump forward, jump backward, replay, return or even download video files and watch them later. These features give viewers opportunities to flexibly watch their favorite programs at any time of the day since following broadcast schedules is no longer needed with Online VOD

services. Moreover, while traditional TV providers are specific to users' geographic location, VOD models allow people to streaming content regardless of where they are as long as their devices are connected to the Internet. More importantly, with only one active account, multiple people can view different video content on different gadgets at the same time. Last but not least, unlike traditional linear television where viewers only have one or two options for choosing a cable/satellite TV provider and are usually forced to sign long-term agreements, VOD users can subscribe to many at the same time and freely switch to any platforms without worrying about costs or regulations.

- **Connectivity and devices:** What viewers need are only a wide bandwidth and a high-speed connection of the Internet and at least one of digital devices such as smart TVs, smartphones, computers, tablets or phablets, which are commonly and widely used nowadays.
- **Variety:** Online video streaming platforms provide users with an extensive collection of movies, dramas, TV entertainment, sports, documentaries, etc. VOD services grant users the ability to view content from many other countries and from different years and decades, which is impossible for traditional TV models.

2.1.4 The global consumption of online video streaming services

Although the first VOD service appeared in the early 1990s, it was not fully developed and the use of this service was still extremely small in comparison with cable TV networks, VCR (video cassette recorder) and DVR (Digital Video Recorders) usage (Wikipedia, 2020a). Not until Netflix launched its “Watch Now” platform in the United States in 2007 after many years operating online DVD rental business has the way people view programming been completely changed. “Watch Now” is a video streaming service which started by providing users with 1,000 film titles to stream online, accounting for only 1.4% of the total number of videos (70,000) in its physical library (TBI, 2017). Since then, Netflix has achieved enormous success and become the market leader in online video streaming industry globally, which can be seen from its widespread expansion to approximately 200 countries all over the world (Stelter, 2016) and the substantial increase in its subscribers to SVOD platform

from only 21.6 million in 2011 to a staggering 167.09 million in 2019 (Statista, 2020c). Especially, the past few years have experienced the rapid expansion of its business in original content production, ranging from movies, TV shows, anime series, documentaries to even Korean dramas. The success of this new business is illustrated in Netflix's leading position in the global demand for digital original series, with 64.6% in Q1, 2019 (Parrot Analytics, 2019).

Witnessing the evolution that Netflix brought about, many other digital media companies have also jumped into this industry with their own VOD platforms (Amazon Prime Video, Hulu, HBO, Apple TV+, Disney+, Iflix, Hooq, Viu,...) and started to produce and license their own on demand original content as well, making the border between traditional broadcasters and video streaming service providers more blurred than ever before. According to a report from Deloitte (2019a), the proportion of global respondents subscribing to at least one video streaming service (69%) surpassed the percentage of those having a traditional pay TV subscription (65%) for the first time. In the United States, nearly one-in-two consumers view any types of VOD programming at least once a day (48%). Video streaming landscape in the United Kingdom also shows a similar trend, with 41% of all users subscribing to a VOD platform (Deloitte, 2019b).

Although Asia Pacific underwent a late development of online video streaming service, it has become the "gold-mining" region for media firms looking for more expansion and development. In 2017, the number of SVOD subscribers in Asia was 26.7 million, in which five mature countries (Japan, Australia, South Korea, New Zealand and Taiwan) accounted for the vast majority of SVOD subscriber base (90%) (Boulay, 2018). Despite the fact that the figure for Southeast Asia (SEA) was still small in the year 2017, with a total population of 371.7 million and a total GDP of \$2.9 trillion (Stears, 2019), SEA is a promising market for any digital media companies. In this region, the biggest and the fastest growing markets for streaming services are Thailand, Malaysia and Indonesia (Stears, 2019), and the top three major players are Netflix, Iflix and Viu, as shown in Figure 2.5 (Statista, 2018). These companies differentiate themselves from each other by developing their own core competences.

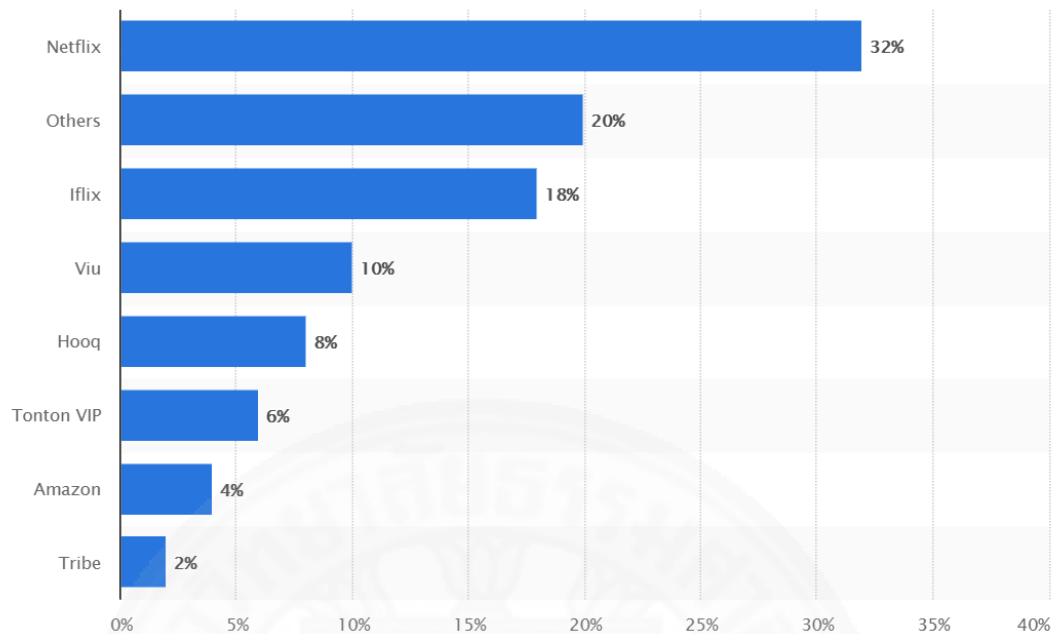


Figure 2.5 Market Share of SVOD Companies in SEA (Sep 2017)

Source: Statista, 2018

2.2 Viewer Behavior and Online Video Streaming Service in Vietnam

2.2.1 Digital trends and viewer behavior in Vietnam

Vietnam adopted the Internet later than other countries since people officially started to be granted access to Internet service in December 1997. Even three years later, the percentage of local people who can connect to the Internet was tiny, just 0.2% of the total population (Pham, 2017). However, the following 20 years have witnessed an exponential increase in the number of Internet users, even more than other Asian countries. Thanks to young population and low access costs, in 2019, out of a total population of 96.96 million people, there are 64.00 million Vietnamese having a stable Internet connection, taking up over 66%, as shown in Figure 2.7. Compared to the penetration of global Internet users with only 57%, Vietnam is one of the countries with the largest number of internet users in the world (We are social & Hootsuite, 2019). What is more, according to the comprehensive report from We are social & Hootsuite (2019), the average time using the Internet via any devices of Vietnamese people is 6 hours and 42 minutes on a daily basis, and among those using the Internet, a staggering 94% access the Internet every day. Normally, people connect to the Internet to use

social media, watch online video (broadcast, streaming and VOD) and listen to streaming music.

Likewise, there has been a similar trend in the smartphone penetration. From only 55% of adult population (people aged 16 to 64) possessing smartphones in 2016, the figure rose enormously to 72% 4 years later. Especially, in 2019, despite the population of 96.96 million people in total, the number of mobile subscriptions reached 143.3 million, as shown in Figure 2.6 (We are social & Hootsuite, 2019). This indicates that not only most Vietnamese people have access to mobile phones but also many of them are using 2-3 phones at the same time to serve their life and work. Other digital devices such as smart TVs, laptops, tablets and phablets are also gaining popularity among Vietnamese users. All the figures for the Internet and technological devices mentioned above show how dramatically the digital landscape in Vietnam has changed thus far and such evolution is very potential for the development of online video streaming services.

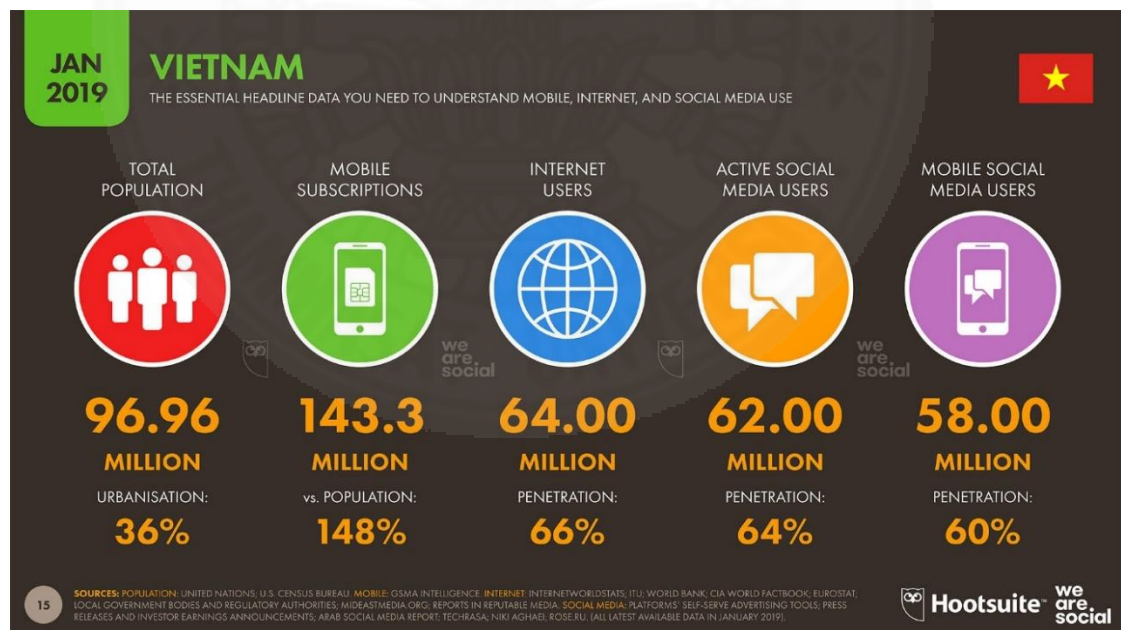


Figure 2.6 The Data Related to Mobile, Internet, and Social Media Use in Vietnam

Source: We are social & Hootsuite (2019)

Because of the rapid development of Vietnam's internet access and greater penetration of digital devices, the behaviors of viewers, particularly young people, have changed drastically. According to the report from Nielsen (2015), there are four Vietnamese viewers' behaviors that is worth mentioning.

Firstly, watching videos online is becoming an indispensable activity in the daily life of Vietnamese people. The report indicates that Vietnam is leading the trend towards video streaming in SEA region, with 92% of respondents watching videos online every week, followed closed by the Philippines (85%), Indonesia (81%), Thailand (76%) and Malaysia (74%) (Nielsen, 2015). Especially, Generation Z (Gen Z), who was born between 1994 and 2011, accounted for 31% of the total number of Internet users and 15% of the entire Vietnamese population. These young people spend about 10.6 hours a day surfing the web. 70% of respondents said that this year they viewed programming on traditional TV less than last year and 77% of respondents watch videos on online streaming platforms (BrandsVietnam, 2018).

Secondly, alongside traditional television, online streaming video is becoming a preferred option during the peak time in the evening. According to the report, 8:00 – 10:00 pm is the prime time hours for online video viewers.

Thirdly, smartphones and tablets are becoming the two most used devices for streaming videos online. The trend of watching online videos on smartphones is growing considerably. In 2015, 62% of internet users in Vietnam watched online videos on smartphones, compared to only 39% in 2014. The percentage of people using tablets to streaming videos also increased from 15% in 2014 to 18% in 2015.

Finally, Vietnamese people love diverse content, from movies, dramas, foreign TV shows, music, to news programs. It becomes increasingly common to watch long videos online among internet users in Vietnam.

Therefore, with all the evolution of the digital landscape, especially the climb in the number of mobile Internet users, and rising consumption of online video content, entertainment and media providers have a tremendous opportunity to operate their online video streaming services in Vietnam.

2.2.2 The emergence of online video streaming business in Vietnam

The online VOD market in Vietnam is still a blue ocean welcoming all players from inside and outside this country. In 2018, while the market penetration of VOD in the US was 70%, this figure for Vietnam was significantly lower, at only 10% and users mostly live in big cities (Luong, 2019). As can be seen from these data, in mature markets like the US, when a new player jumps into, the only way to grow its customer base is to lure the customers away from the existing companies. Meanwhile, in Vietnamese market, new VOD service providers do not need to “steal” subscribers to increase their market share. At the moment, only several million people are using SVOD services, which is insignificant compared to the market of 100 million users. Revenue in VOD sector was 75 million USD in 2018 and is likely to reach 119 million USD in 2023, nearly doubling in five years. Similarly, the SVOD sector which receives the largest demand is expected to increase by 113% by 2023 (VnEconomy, 2019). This figure shows that Vietnam is a potential market for domestic and foreign enterprises.

Realizing such attractiveness of Vietnamese market, many foreign media giants have targeted Vietnam at the expansion of their online video streaming business. Netflix, Iflix, and HBO are cases in point. Netflix started to expand their SVOD business to Vietnam in January, 2016. This company was founded in the US and therefore easily successful in its “home country” and English-speaking countries. However, Vietnamese people, who do not speak English as their mother-tongue, have a different taste when it comes to video content. “In Vietnam, the most successful movie on Netflix is a Korean movie” – said Ms. Truong Nguyen Thu Ha, CEO of Fim+, a domestic player offering VOD services (Luong, 2019). Understanding this, Netflix began to accelerate the localization of services to Vietnamese users by introducing a Vietnamese interface on its platforms in October 2019 (Tuoi Tre News, 2019) and streaming more Vietnamese films from a diversity of genres (VOVworld, 2019). After Netflix, in February 2017, Iflix, a leading SVOD service for developing countries based in Malaysia, officially entered Vietnamese market (Olazo, 2017). Two and a half years later, HBO Asia in partnership with FPT, a local telco, introduced HBO Go platform in Vietnam, the sixth country in Asia where HBO Go is available.

In addition to foreign enterprises, there are some major domestic companies also operating online video streaming services in Vietnamese market, for

example Fim+, DANET, FPT Play and Clip TV. It is easy to see that these domestic services have an advantage over foreign competitors. They are very knowledgeable about Vietnamese taste, which can help them to identify market trends and build content for Vietnamese people more quickly. Furthermore, the collection of Vietnamese films, which used to be difficult to find on the internet because they are rarely made into DVDs, is also a competitive advantage of domestic players. Some companies such as Fim+ and DANET has revealed their plans to produce video original content themselves.

The appearance of more foreign giants together with the existing domestic companies has contributed to the dynamics and competitiveness of the VOD market in Vietnam. Each of these players has their own unique selling points, which helps them compete and differentiate themselves from each other. However, intense competition has not existed among VOD players in Vietnam yet because the more providers there are, the more likely people will know about the service and the more rapid the development will be. The biggest rival of all providers of legal online video streaming service in Vietnam currently is pirated streaming websites, not the official units doing business in this field.

2.2.3 Digital video piracy in Vietnam

According to MPAA (2011), digital video piracy is the act of uploading copyrighted videos to the public without authorization; illegally copying, sharing and downloading videos by peer-to-peer (P2P) technologies; or illegally streaming video content from infringing websites. The piracy of films and movies has become a pressing concern in Vietnam for many years, especially in the digital area when broadband Internet connection is extremely popular and technologies for P2P sharing are highly developed.

Media piracy started appearing in Vietnam in the form of analog piracy in the late 1970s, then transformed into optical disc piracy in 1990s with an overwhelming number of illegal compact discs (CDs), video compact discs (VCDs), and digital video discs (DVDs), and moved to online digital platforms in the early 21st century due to the development of the Internet. Since then, it has been really difficult to regulate media piracy. In 2014, the copyright infringement in Vietnam is so critical that from being placed in the Watch List (WL) of the United States Trade Representative (USTP) since 2001, Vietnam was elevated to the Priority Watch List (PWL) for the first time (Ballano, 2016).

Regarding television and film piracy, according to the statistics from Vietnam Cinema Department, there are more than 400 Vietnamese websites publicly showing dozens of movies on the Internet without authorization (Quang Anh, 2019). 123Movies or GoMovies, a portal run in Vietnam, is a prime example. In 2018, a study from Motion Picture Association of America (MPAA) showed that this website is the most popular infringing movie site worldwide in which there are approximately 98 million Internet users visiting every month (Nguyen, 2018). The reason why such pirated websites, which allow viewers to download and streaming movies for free, can operate without subscription fees is the turnover of billions of VND per month from advertising. On these pirated sites, there are 72% of advertisement from famous brands and the remaining 28% are from “malvertising” (Quang Anh, 2019) – malicious advertising, which is used to spread malware and steal users’ personal information.

To combat copyright violations and prevent IP from being counterfeited, Vietnamese government has implemented some considerable legislative and administrative measures. Not only a new IP Law was issued in 2005 but other laws and regulations having relations with IP such as Criminal Code, Science and Technology Law, Customs Law, Trade Law, Investment Law and Technology Transfer Law were also updated with the aim of strengthening the administrative machinery to deal with the infringement of copyrighted media content (Ballano, 2016). Authorities also tried to shut down and punish some highly publicized websites distributing copyrighted content without permission. However, soon afterward, the owners of these websites will change the servers and set up a new illegal websites, which makes it difficult for authorities to deal with them. Therefore, despite government and authorities’ efforts to protect Intellectual Property Right (IPR) on the Internet, television and film piracy is still a growing problem in Vietnam.

The Vietnamese young people’s habit of watching movies on illegal websites is one of the main factors leading to the massive piracy of films and movies. This habit actually stemmed from the poverty in emerging economies of Southeast Asia like Vietnam a long time ago. Not only the unlawful discs sold in CD-DVD stores are much cheaper compared to the genuine copies of videos but with the popularity of broadband Internet connection, users can also directly stream online videos on pirated sites free of charge. As a result, poor people prefer buying infringing CDs and DVDs or

illegally watching videos on the Internet rather than purchasing original content (Ballano, 2016).

Over the past several years, the digital piracy landscape in Vietnam has witnessed some positive signals coming from the decisive actions of authorities and behaviors of consumers themselves. Firstly, Vietnam Cinema Department is in the process of completing the legal corridor for online video content such as the issue of exploiting and distributing films on the Internet environment or watching movies on personal mobile devices (Nguyen, 2019). Secondly, authorities have cooperated with telecommunication companies and advertising agencies to shut down illegal movie sites one by one. For instance, the most popular infringing site “123Movies” mentioned earlier was shut down in March 2018 thanks to a criminal investigation by Vietnamese authorities following the request from MPAA. This site even posted a note on its home page saying that “respect filmmakers by paying for movies and TV-shows” (Wikipedia, 2020b). Thirdly, with a steady increase in Gross Domestic Product (GDP) from 193.24 billion US dollars in 2015 to 255 billion US dollars in 2019 (Trading Economics, 2020), and a rapid growth in the middle class (defined as having a daily per capita consumption of at least 15 US dollars) from 7.7% in 2010 to around 13% of Vietnam’s population in 2016 and expected to double to 26% by 2026 (World Bank, 2018), Vietnamese people can easily afford the subscription fees from legal online VOD platforms.

In terms of online video streaming service, Vietnam is still a relatively immature market which is in the stage of exploration and orientation. All the providers participating in this market have the same goal: changing the habits and behaviors of the audience. With the right strategies, there will be huge opportunities for companies to dominate the online VOD market.

2.3 Literature Review and Research Gap

Over the last decade, researchers around the world have focused more on studying digital piracy in terms of software, e-books, music, films and movies.

A research from Meireles and Campos (2016) with the participation of 590 students of a Portuguese university and high school proposed a structural model, which is based on the theoretical foundations of previous models, illustrating how digital

piracy intention is affected by some certain factors, as shown in Figure 2.7. This conceptual model is the combination of two models: the first one (Full Model) examines the full sample, but eliminating the influence of past piracy behavior on intention; the second one (Pirate Model) includes past piracy behavior in the evaluation, meaning that it will only consider respondents who had infringed copyright.

The result of the study shows that while Attitude (users' feeling towards digital piracy) does not significantly affect consumers' intention of piracy, Subjective Norms (perceived social pressures – encouragement to pirate digital content by friends and family) and Perceived Behavioral Control (how easy or difficult to perform a pirated action) have a positive impact on the individual's intention to infringe digital materials. In the case of people who pirated in the past, the Subjective Norms could not affect their behaviors. In contrast, a higher sense of Moral Obligation will lead to less piracy intention. Especially, Past Piracy Behavior tremendously influences the intention towards digital piracy. Therefore, individuals who infringe digital materials before will have the tendency to repeat their action in the future.

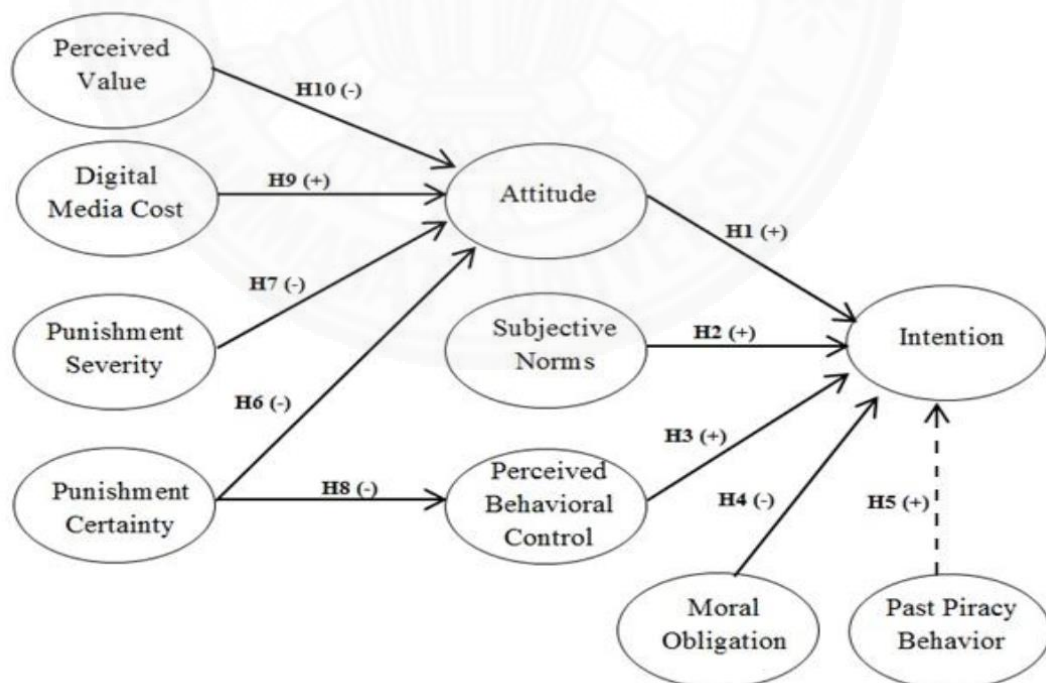


Figure 2.7 Conceptual Model – Factors Influencing the Intention to Pirate

Source: Meireles & Campos (2016)

A study entitled “Opportunistic Consumer Behavior in the Context of Digital Piracy” of Pop et al. (2017) examines the effects of Attitude, Social Norm and Perceived Behavioral Control on consumers’ intention towards digital piracy, on the basis of the Theory of Planned Behavior (TPB). It is a quantitative study with 675 responses collected from residents in Cluj-Napoca, Romania. It is shown from the research that in the context of Romanian consumers, the perception of their ability to involve in digital piracy play a crucial role. When they think that it is easy for them to take control of a piracy situation, they are likely to pirate digital materials. Also, the more positive attitude people adopt towards piracy, the greater intention they will have to engage in wrong behaviors.

Although there are a number of studies on digital piracy in general, academic research on piracy towards online video streaming services is still limited. Only a few are conducted in other countries outside Vietnam.

Inpo (2015) carried out a research entitled “A study of factors associated with purchase decision of Thai customers in legal video streaming services” with 200 respondents. A structural model is proposed to test five primary factors, including Attributes, Attitude, Moral Judgement, Social Habit and Self-Efficacy, as shown in Figure 2.8. It was revealed in the result that all these five factors positively affect consumers’ buying decision on legal Online VOD platforms.

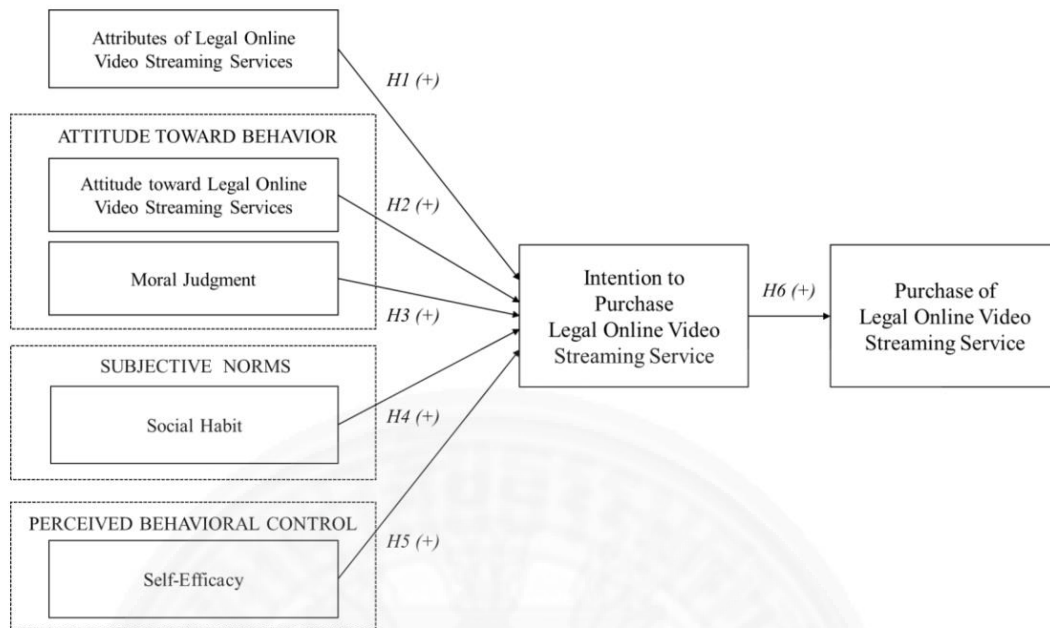


Figure 2.8 Structural Model of Factors Associated with Purchase Decision on Legal Online Video Streaming Service

Source: Inpo (2015)

In 2017, Chizhova conducted an academic study to find out how to engage consumers into legal online video streaming service in Russia. A quantitative method was used with a collection of 166 respondents to explore the factors influencing Russian viewers' adoption of legal online VOD services. The researcher combined two previous models of Jang, Kwak and Lee (2012) (Factors influencing consumer behaviors in movie media selection) and Sarkar (2011) (Perceived benefits and risks in online shopping) and add one more factor Easiness-to-navigate to create a decision making model for video streaming services, as shown in Figure 2.9. The result of the study indicates that price is the most important factor when it comes to deciding whether to subscribe to a legal online video streaming platform. Moreover, the website interface as well as the diversity of movies and series also determine if the user is going to use the service.

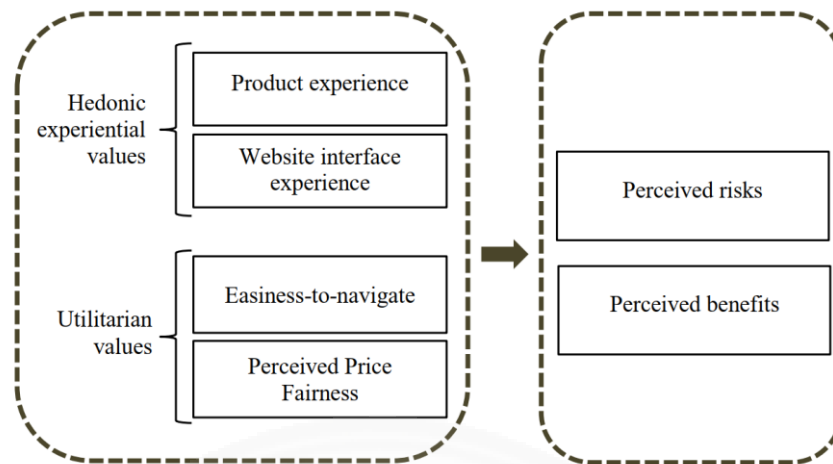


Figure 2.9 Integrated Decision Making Framework for Video Streaming Services

Source: Chizhova (2017)

In terms of Vietnamese market, there are some existing works about online consumer behaviors and digital piracy in Vietnam conducted by Vietnamese scholars and foreign experts.

Le (2015) carried out an academic research to study how primary factors (Price, Trust, Convenience, and Products) influence online shopping behavior in Vietnam. In order to acquire primary data, the research uses both quantitative and qualitative method in the study: the general questionnaire survey which was sent online via Facebook and emails to 124 respondents and the in-depth consumer interview consisting of 7 questions and sent to 10 individuals by emails. The research finds out that Trust is the most important determinant of consumers' purchase decision. This is understandable because the risk of encountering cheats in developing countries like Vietnam is very high, making people more cautious and skeptical about everything. Price, Convenience, and Products come in the second, third, and fourth place respectively.

Unlike Le (2015), Tran et al. (2017) proposed a more complex model, as shown in Figure 2.10, focusing on the features of transactions in online environment in his study "Factors Influencing Online Shopping Trial Decisions in Ho Chi Minh City, Vietnam". This model is the integration of Diffusion of Innovation hypothesis (Rogers, 1983) and TAM show (Davis et al., 1989). There are 250 surveys distributed to residents in Ho Chi Minh City in which only 139 is valid. The result of the study shows

that People Influence has the most considerable effect on Vietnamese decision to try web based shopping. Payment Method is the second important factor. This is not surprising due to the fact that Vietnamese consumers usually get issue with online installation and information security via payment gateways. Therefore, a large proportion of online customers and retailers in Vietnam prefers Cash-On-Delivery (COD) shipping method to have safer Internet shopping experience. Furthermore, User Interface also plays a vital role in Vietnamese consumers' expectation to attempt web based shopping.

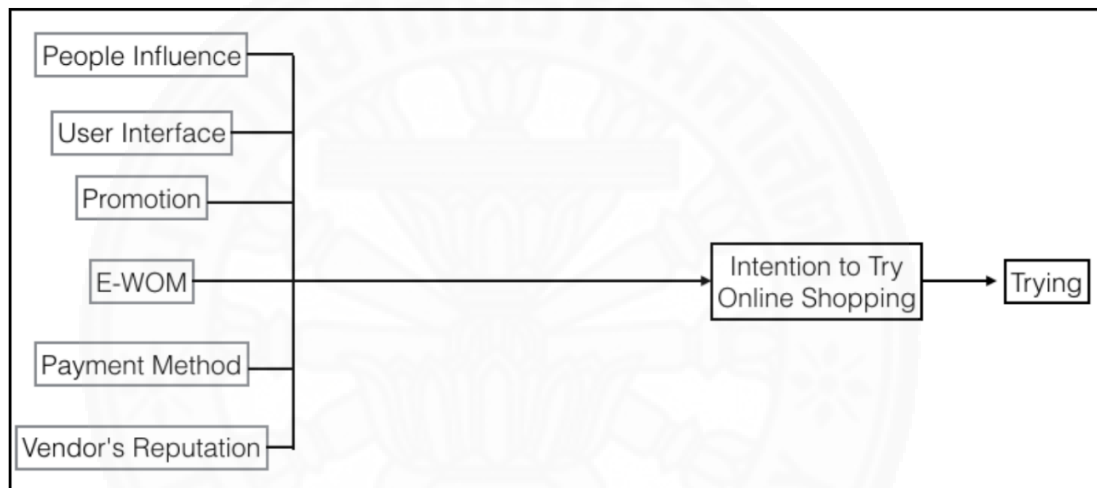


Figure 2.10 Hypothetical Structure of Factors Influencing Online Shopping Trial Decision

Source: Tran et al. (2017)

Concentrating on the piracy of digital materials, the study of Pham et al. (2019) entitled “Factors Affecting on the Digital Behavior: An Empirical Study in Vietnam” proposed a very integrated model which has up to 10 variables, as shown in Figure 2.11. The researchers chose Ho Chi Minh City as the location to conduct survey, using both online and offline method. At the end, the study discovered the importance of cultural factor and ethical concerns of a person and IP regulations and related laws on the intention towards digital piracy. Especially, Perceived Risk has a significant negative effect on both perceived behavioral control and the attitude towards digital piracy. This finding is suitable with previous researches.

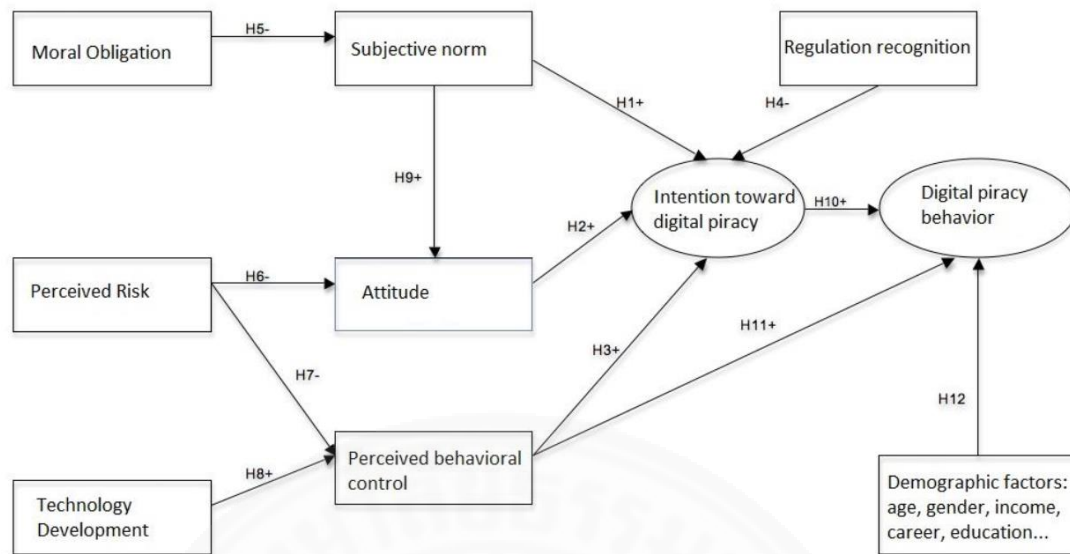


Figure 2.11 The Research Model of Factors Impacting Digital Piracy Behavior

Source: Pham et al. (2019)

As a summary of the literature, it can be seen that the researchers integrated previous models to propose their own frameworks which are more comprehensive and appropriate to the market where the research was conducted. However, there are not any studies on the legal video streaming services in Vietnamese market where digital piracy has been an urgent and serious concern for a long time. Because each country has different economic characteristics, different cultural natures, and thus different consumer behaviors, the studies on other countries cannot be completely applied to Vietnam. Besides, although there are some existing works about digital piracy issue in Vietnam, the scope of the studies is digital piracy in general, meaning that they cover all kinds, ranging from software, e-books, music to videos. Because each of these types have their own features and characteristics, the factors affecting consumer behavior towards online VOD service could be different from the others. Moreover, the aforementioned studies that are specifically on video streaming sector have the sample of 150 - 200 respondents, which might be insufficient to have a meaningful and significant result. Therefore, my academic research will play a vital role in enriching the theoretical foundations of online consumers' behaviors towards making purchase decision on online video streaming services in the world in general and in Vietnam in particular.

CHAPTER 3

METHODOLOGY

This chapter starts with an explanation of the stages and processes involved in the study. It then creates a conceptual framework based on the literature review and provides all specific research methodologies used in the study, ranging from questionnaire development, data collection, to analysis methods.

3.1 Procedure of the study

To accomplish the objectives, quantitative research is used and the study is carried out through the following process.

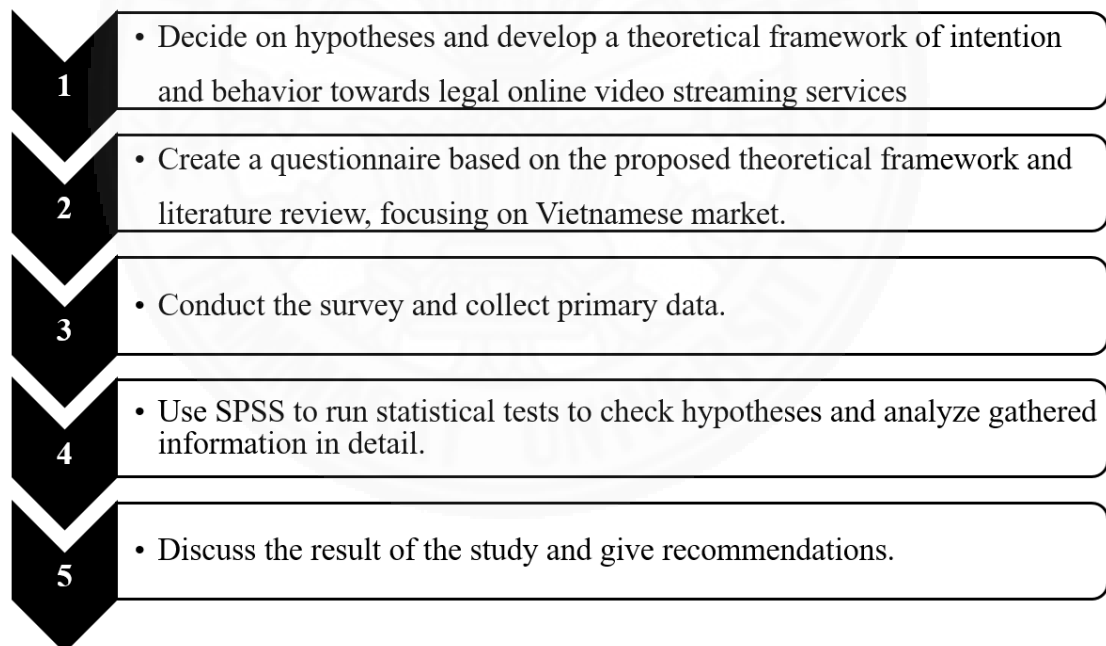


Figure 3.1 Research Procedure

3.2 Quantitative Research

According to Babbie, E. (2010), quantitative research is defined as a systematic examination to explain a particular phenomenon by collecting numerical

data and conducting statistical, mathematical, or computational employing sampling methods and analysis of the data. Quantitative data is gathered using sampling methods and distributing polls, surveys, or questionnaires whose results are depicted in the numerical form. These numbers will eventually be investigated carefully to predict future possibility and make changes accordingly.

The purpose of quantitative research is to recognize and assess specific variables in the conceptual framework, and to figure out the correlation, relationships as well as causality. Its main characteristics are as follows:

- Data is normally gathered employing structured research tools.
- The results are analyzed based on a large sample size which can represent the population.
- The research can be replicated or repeated, with high reliability.
- The research questions are well-defined to seek objective answers.
- Before the data is gathered, all aspects of the research are carefully designed.
- Data is in the numerical and statistic form which are usually arranged in tables, charts, figures, or other non-textual forms.
- Researchers use tools, for example polls, surveys, questionnaires via paper, computer software or the Internet, to collect numerical data.

3.3 Theoretical Framework and Hypothesis

From the previous conceptual frameworks presented in past research on consumer behavior and digital piracy, this study will use the Theory of Planned Behavior (TPB) as the foundation to evaluate factors affecting consumers' intention of using legal video streaming service. TPB was developed by Fishbein and Ajzen in 1975, illustrating that a person's behavior and intentions can be explained by three factors: "Attitude, Subjective Norm and Perceived Behavioral Control" (Ajzen, 1991). However, using only the TPB cannot cover all the dimensions related to digital piracy, particularly in Vietnamese market. That is the reason why three additional factors from the research of Meireles and Campos (2016) and Pham et al. (2019) showed in Literature Review are added to the theoretical framework of this study, which are Moral

Judgement, Regulation Recognition and Demographic Factors. The hypotheses are formed and developed based on the theory and the results of past research, but more focus on legal online video streaming services in Vietnam, as shown in Table 3.1.

Table 3.1

Hypotheses of the Research

Hypothesis	Statement
H1	Attitudes toward legal online video streaming service have a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.
H2	Subjective Norm has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.
H3	Perceived Behavioral Control has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.
H4	Moral Judgement has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.
H5	Regulation Recognition has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.
H6	Demographic Factors have a significant impact on the Intention of Purchasing Legal Online Video Streaming Service.
H6a	Gender of users has a significant impact on the Intention of Purchasing Legal Online Video Streaming Service.
H6b	Age of users has a significant impact on the Intention of Purchasing Legal Online Video Streaming Service.
H6c	Education Level of users has a significant impact on the Intention of Purchasing Legal Online Video Streaming Service.
H6d	Career of users has a significant impact on the Intention of Purchasing Legal Online Video Streaming Service.
H6e	Monthly Income of users has a significant impact on the Intention of Purchasing Legal Online Video Streaming Service.

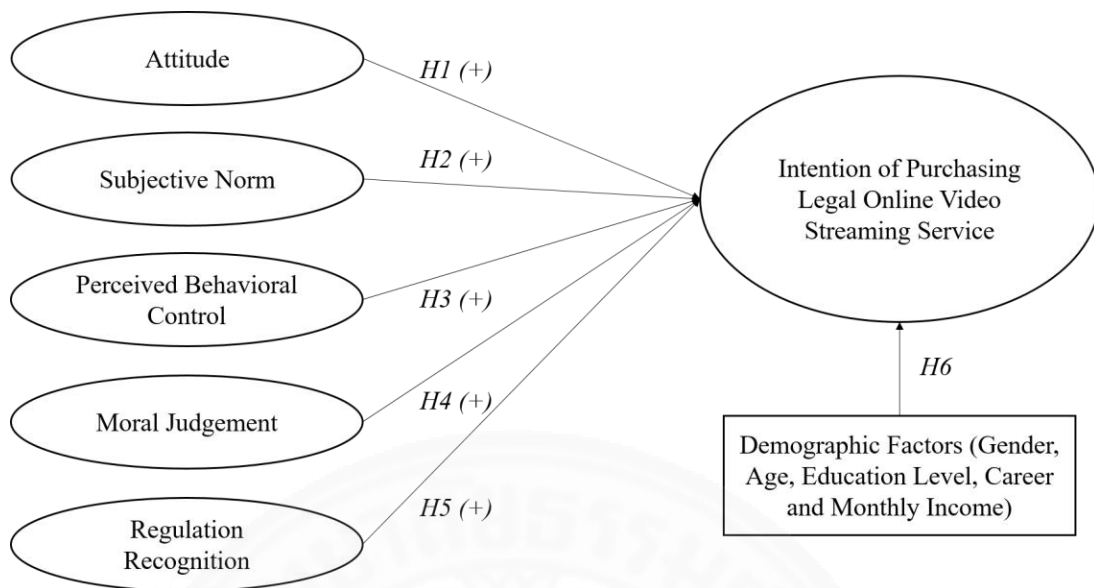


Figure 3.2 The Proposed Theoretical Framework of Factors Influencing Purchase Decision on Legal Online Video Streaming Service

In addition to this conceptual model, consumer expectations of legal online video streaming service will be collected and measured based on the Four Ps of the Marketing Mix, as shown in Figure 3.3: Product, Price, Place and Promotion. According to Kotler et al. (2017), the Marketing Mix – 4Ps covers everything the company can do to attract consumers and deliver consumer value, making its product/service offering successful.

- (1) **Product:** Product can be defined as goods, services, ideas or information with either tangible or intangible attributes or both of them which are aimed at meeting customer demand and generating value for buyers or consumers. It is important to understand all the benefits and features of the product and carefully study its unique selling point.
- (2) **Price:** Price is the amount of money paid by customers to obtain the product. The way the product is priced will directly influence the purchase decision of customers. Thus, a firm's pricing strategy, for example choosing the optimum price that customers are willing to pay to buy the product play a very important role.
- (3) **Place:** Place is another important element in the 4Ps of Marketing Mix that ensure how the product will be offered to consumers. In other

words, Place consists of every company activities in order to make the product available to target consumers.

(4) Promotion: Promotion refers to all marketing communication techniques and strategies that engage target customers in buying the product and persuade them to repurchase it.

Consumer expectations are used for strategy recommendations to engage more people into legal VOD platforms.

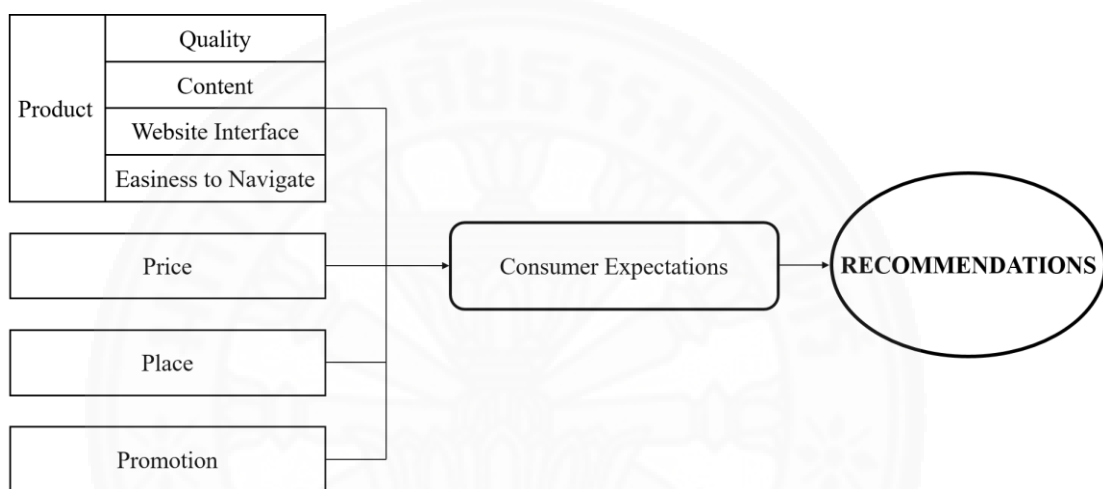


Figure 3.3 Consumer Expectations towards Legal Online Video Streaming Service

3.4 Survey Questionnaire Development

To undertake quantitative research, a structured questionnaire was distributed to chosen respondents to carry out the survey with the aim of obtaining some certain information from them. Survey is chosen by most of people when it comes to primary data gathering because of the significant advantages it brings about (Malhotra, 2002). First of all, carrying out a survey is easy. We only need to ask what we want to know. Secondly, the answers received from respondents are reliable because they are limited and predefined by researchers. Finally, coding, analyzing data and interpreting the findings is relatively simple. Although the information provided to questions with such predefined answers could sometimes be unreliable for data related to emotion, opinion or beliefs, survey is still a popular method for collecting information and data in academic and marketing research.

The questionnaire was carried out in Vietnam in Vietnamese, from 15th April to 10th May 2020. Respondents needed to spend around 15-20 minutes to complete each questionnaire online through a web link. Questionnaire cannot be directly handled by hand to respondents because the study is conducted during the 2019-20 coronavirus pandemic when all Vietnamese people are required to stay at home and practice social distance to prevent the spread of the virus. The process of developing the questionnaire are as follow:

- (1) Beside the survey questionnaire, there is a screening questionnaire created and placed at the beginning. Only if respondents pass the screening first could they proceed with the survey questionnaire.
- (2) Google Forms, a free online survey tool, were used to design the online survey questionnaire. The link of the questionnaire was then created.
- (3) In order to ensure that there are no problems and difficulties, for example loaded, leading and complicated questions, the pilot test of the questionnaire was performed with the participation of 10 respondents.
- (4) The questionnaire was subsequently and adjusted based on the comment and feedback received from the pilot test.
- (5) The online website link of the questionnaire was sent to respondents via social media and email, especially those in Vietnamese online movies/series communities on Facebook fan pages.

The survey questionnaire was designed on the basis of the literature review of theories, past empirical studies and behavior of Vietnamese consumers towards legal online video streaming services. Its structure is mentioned below:

Table 3.2

Structure of Survey Questionnaire

SECTION 1	ONLINE VIDEO STREAMING CONSUMPTION
SECTION 2	FACTORS AFFECTING PURCHASE INTENTION
Part 1	Attitude
Part 2	Subjective Norm

Part 3	Perceived Behavioral Control
Part 4	Moral Judgement
Part 5	Regulation Recognition
Part 6	Intention of Purchasing Legal Online Video Streaming Services
SECTION 3	CONSUMER EXPECTATIONS
Part 1	Product Attributes: <ul style="list-style-type: none"> - Quality - Content - Website Interface - Easiness to Navigate
Part 2	Price
Part 3	Place
Part 4	Promotion
SECTION 4	PERSONAL INFORMATION

Last but not least, choosing a scale is very necessary in creating a survey. According to Malhotra (2002), Likert scale is the most popular and widely used to measure the attitudes, opinions, perceptions and behaviors of people in the community with the most accurate level of assessment. This kind of scale typically has 5 – 7 levels that describe the attitude of a respondent towards an issue or a problem. With answers on many levels, surveyors can get detailed feedback from survey questions applying Likert scale, thus formulating the most effective plans and strategies. However, it is worth mentioning that the more levels the Likert scale has, the more time the respondents need to spend answering the questions to make their decision. Taking account of all these characteristics of Likert scale, each question in section 2 of the survey questionnaire has 5 levels of opinion ranging from “strongly disagree” to “strongly agree”, and each question in section 3 of the survey questionnaire has 5 levels of expectation ranging from “not at all important” to “extremely important” as follows:

Table 3.3

The five-level Likert Scale

Level of opinion	Level of expectation	Value
Strongly disagree	Extremely important	5
Disagree	Very important	4
Neutral	Moderately important	3
Agree	Slightly important	2
Strongly agree	Not at all important	1

Likert Scale is interpreted using the formula of frequency distribution and class interval.

$$\text{Length of class interval} = \frac{\text{Range of scores}}{\text{Number of classes}} = \frac{(5 - 1)}{5} = 0.8$$

Therefore, with the length of class interval of 0.8, the interpretation is shown in Table 3.4 below.

Table 3.4

Interpretation of Five-level Likert Scale

Value	Interpretation of opinion	Interpretation of expectation
4.21 – 5.00	Strongly disagree	Extremely important
3.41 – 4.20	Disagree	Very important
2.61 – 3.40	Neutral	Moderately important
1.81 – 2.60	Agree	Slightly important
1.00 – 1.80	Strongly agree	Not at all important

3.5 Population Characteristics, Sample Size and Primary Data Collection

Target population of this study is consumers of legal online video streaming services in Vietnam. In other words, these people have purchased any legal VOD services or have used a free trial from these legal platforms. They are males and females

aged 15 – 65 years old, must have Vietnamese nationality and live in big cities, for example Ha Noi, Ho Chi Minh City, Hai Phong, Da Nang, Can Tho, Hue and so on. Especially, it is important that they must possess one Internet-connected device or above, for example smart TVs, smartphones, tablets and phablets, and have used these devices to access to the Internet to legally or illegally stream video online.

A sample is a group of observations withdrawn from the population. The sample size of the study was determined following two rules of thumb in which one is for examining relationships such as correlations or regression and one is for factor analysis. In terms of relationship testing, it is suggested by Green (1991) that the formula " $N \geq 50 + 8 \times m$ " (where N is the regression sample size and m is the number of independent variables) is used for testing the multiple correlation. By applying this criterion to the study with 5 variables, the number of respondents should be at least 90 people. Regarding factor analysis, Comrey and Lee (1992) propose the following guide sample sizes: "50 as very poor, 100 as poor, 200 as fair, 300 as good, 500 as very good and 1000 as excellent". This means that when the sample size is larger, the results will be more rational and typical and the errors will correspondingly lower. Therefore, a collected sample with ≥ 300 respondents would be acceptable and satisfy the requirement of a minimum sample size.

3.6 Statistical Methods of Data Analysis

After data collecting stage, the questionnaires are checked to find out whether there are any questionnaires filled out in an inappropriate way such as incomplete questionnaires or the appearance of logically inconsistent and ambiguous answers. These unqualified questionnaire will be deleted from the data. The results from the audited questionnaires are subsequently processed and analyzed by SPSS software (Statistical Package for the Social Science). The structural process of data analysis in this study is presented in the below table.

Table 3.5

Statistical Methods of Data Analysis

Statistical Methods	Goal
1. Descriptive statistics	To describe and summarize data in a meaningful way such as trends, frequencies and percentages.
2. Cronbach's Alpha	To measure the internal consistency and scale reliability.
3. Exploratory Factor Analysis (EFA)	To test the measurement scales in terms of reliability, uni-dimensionality convergent validity and discriminant validity, reducing the number of factors if necessary.
4. Correlation and Regression Analysis	To check hypothesis 1 – 5.
5. Analysis of Variance (ANOVA) and T-test Analysis	To check hypothesis 6.

CHAPTER 4

RESULTS AND DISCUSSION

In this chapter, there are some primary results of data analysis presented, including: (1) descriptive statistics of sample, (2) preliminary assessment of measurement scales using Cronbach's Alpha and Exploratory Factor Analysis (EFA), (3) the hypothesis and model test using Correlation and Regression Analysis, (4) analysis of the difference between the levels of purchasing intention based on respondents' demographic characteristics using T-test and ANOVA, and finally (5) evaluation of the level of consumer expectation about marketing mix (4Ps) using Mean and Standard Deviation.

4.1 Sample Description

There are 454 collected respondents via Google Forms, in which 54 respondents were not qualified because they could not pass the screening questionnaire. Of these 54 invalid samples, 10 respondents are people under 15 years old or over 65 years old, 3 respondents have not watched any movies, TV series or other programs on online video streaming platforms before and 41 respondents have not purchased any legal online video streaming services or used a free trial from these legal platforms. Therefore, the total number of valid samples for data analysis is 400 which satisfies the requirement of minimum sample size.

Regarding demographic information, we can see that gender proportions are not too different (56.5% male and 43.5% female). In 400 respondents, 92% were less than or equal to 45 years old, in which the age range from 26 – 35 accounts for the highest percentage with 38.3%. In terms of respondents' education level, Undergraduate degree (university/college) makes up the majority (75.8%), followed by Master's degree (10.7%). Most of respondents (64%) are white-collar workers (people who work in the office and do profession, managerial, or administrative work) while 15.3% are blue-collar workers (people whose job focuses more on manual labor) and 12% are students. About the monthly income of samples, the majority can earn from

5,000,000 – 10,000,000 VND (65.5%), whereas the figures for respondents with less than 5,000,000 VND and from 10,000,001 – 20,000,000 VND were 15.5% and 14.8% respectively. More details of respondents' demographics can be seen in Table 4.1.

Table 4.1

Descriptive Statistics of Sample

Respondent Demographics	Frequency	Percentage (%)
Gender		
Male	226	56.5
Female	174	43.5
Age		
15 – 25	114	28.5
26 – 35	153	38.3
36 – 45	101	25.2
46 – 65	32	8.0
Education Level		
High school	39	9.8
Vocational/technical school	15	3.7
Undergraduate degree	303	75.8
Master's degree	43	10.7
Occupation		
Student	48	12.0
White-collar worker	256	64.0
Blue-collar worker	61	15.3
Other	35	8.7
Monthly income		
< VND 5,000,000	62	15.5
VND 5,000,000 – 10,000,000	262	65.5
VND 10,000,001 – 20,000,000	59	14.8
> VND 20,000,000	17	4.2

From Figure 4.1 shown below, people have the tendency to watch movies and TV series several times per week (61.5% of the total respondents), meaning that they spend a lot of their free time streaming videos on these legal VOD platforms. Especially, Figure 4.2 depicts the main legal video streaming services consumed by the sample. We can observe that the most frequently used platforms are Netflix (40.8%), FPT Play (24%) and Clip TV (20.3%). Interestingly, Vietnamese people use Netflix, a foreign VOD service, more than the other two domestic services. This is understandable because Netflix has become very famous among Vietnamese VOD users and this company started to penetrate Vietnamese market at an early stage.

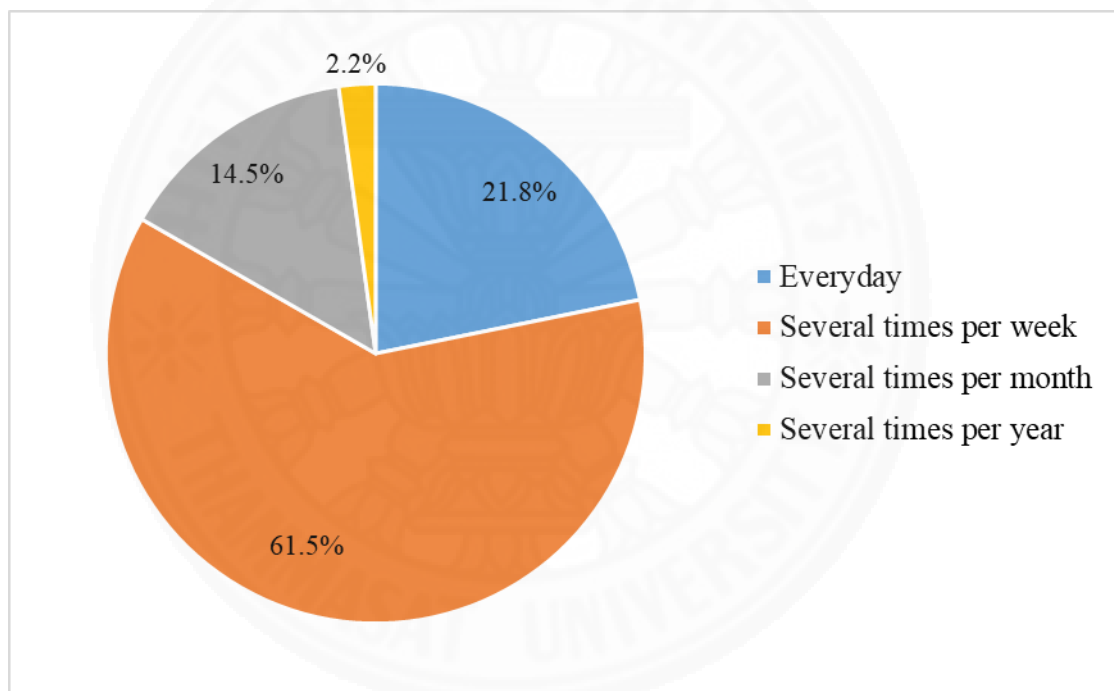


Figure 4.1 Frequency of Streaming Videos via Online Video-on-Demand Services

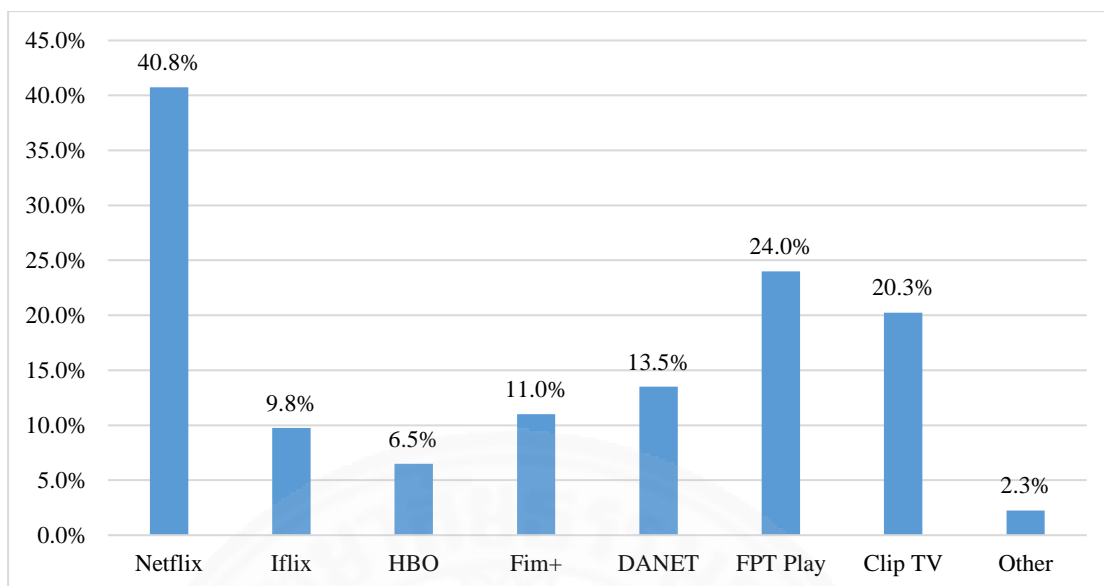


Figure 4.2 The Consumption of Legal Video Streaming Services in Vietnam

In addition, when watching a movie or TV series on legal online video streaming websites, respondents are more likely to watch foreign movies and TV series than Vietnamese ones, particularly Korean movies/TV series, followed closed by Chinese and US – UK movies/TV series, as shown in Table 4.2. In fact, Vietnamese people had a preference for Chinese films for a long time, but recently Korean films have overtaken Chinese ones as the most popular kind of movies/TV series. This trend could also be witnessed in other Asian nations as well. Beside Korean, Chinese and US – UK movies/TV series, films from other foreign countries still remain uncommon among Vietnamese viewers.

Table 4.2

Movie and TV Series Preferences of VOD Users

	Mean	Standard deviation
Vietnamese movies/TV series	3.08	0.902
US – UK movies/TV series	3.70	0.881
Korean movies/TV series	4.21	0.871
Chinese movies/TV series	3.98	0.867
Other foreign movies/TV series	2.03	0.845

4.2 Preliminary Assessment of Measurement Scales

4.2.1 Cronbach's Alpha Test

Cronbach's Alpha coefficient is employed to measure whether the scale is reliable. According to Sekaran U. (2003), with Cronbach's Alpha coefficient of less than 0.6, the scale is considered to be insufficiently reliable while α of 0.6 – 0.8 shows an acceptable level of reliability and α of 0.8 or higher indicates a very good level.

Corrected Item-Total Correlation is the correlation between a variable and the overall assessment score of other variables on the same scale. Therefore, the higher the coefficient, the better the correlation of this variable with the other variables in the group. According to Nunnally, J. C. (1978), variables with an item-total correlation coefficient of less than 0.3 are considered as garbage variables and will be removed from the scale. The values 0.3 and greater indicate good discrimination.

Cronbach's Alpha if Item Deleted shows what Cronbach's Alpha would have been, had we eliminated just that one item. If a variable whose Cronbach's Alpha if Item Deleted score exceeds Cronbach's Alpha, that variable will be also removed as well.

• Cronbach's Alpha of independent variables affecting consumers' purchase intention

In the research model, consumers' purchase intention is determined and measured through five factors: Attitude (ATT), Subjective Norm (SBN), Perceived Behavioral Control (PBC), Moral Judgement (MOJ) and Regulation Recognition (RGR).

The Attitude scale has 5 observed variables, including ATT1, ATT2, ATT3, ATT4, and ATT5 with Cronbach's Alpha of 0.863 which satisfies the requirement (≥ 0.6). The Corrected Item-Total Correlation coefficients and Cronbach's Alpha if Item Deleted of these variables are all standard (≥ 0.3 and $<$ Cronbach's Alpha respectively). Therefore, this scale is satisfactory and the observed variables of this scale can be used for the next EFA test.

The Subjective Norm scale has 3 observed variables, including SBN1, SBN2, and SBN3 with Cronbach's Alpha of 0.820 which satisfies the

requirement (≥ 0.6). The Corrected Item-Total Correlation coefficients and Cronbach's Alpha if Item Deleted of these variables are all standard (≥ 0.3 and $<$ Cronbach's Alpha respectively). Therefore, this scale is satisfactory and the observed variables of this scale can be used for the next EFA test.

The Perceived Behavioral Control scale has 6 observed variables, including PBC1, PBC2, PBC3, PBC4, PBC5, and PBC6 with Cronbach's Alpha of 0.773 which satisfies the requirement (≥ 0.6). However, the Corrected Item-Total Correlation coefficients of PBC6 is less than 0.3 (0.289) and Cronbach's Alpha if Item Deleted of these variables is higher than Cronbach's Alpha (0.799). After eliminating PBC6, the Cronbach's Alpha of this group is 0.799, thus it is eligible to be used for the next EFA test.

The Moral Judgement scale has 4 observed variables, including MOJ1, MOJ2, MOJ3, and MOJ4 with Cronbach's Alpha of 0.777 which satisfies the requirement (≥ 0.6). The Corrected Item-Total Correlation coefficients and Cronbach's Alpha if Item Deleted of these variables are all standard (≥ 0.3 and $<$ Cronbach's Alpha respectively). Therefore, this scale is satisfactory and the observed variables of this scale can be used for the next EFA test.

The Regulation Recognition scale has 3 observed variables, including RGR1, RGR2, and RGR3 with Cronbach's Alpha of 0.826 which satisfies the requirement (≥ 0.6). The Corrected Item-Total Correlation coefficients and Cronbach's Alpha if Item Deleted of these variables are all standard (≥ 0.3 and $<$ Cronbach's Alpha respectively). Therefore, this scale is satisfactory and the observed variables of this scale can be used for the next EFA test.

Table 4.3

Corrected Item-Total Correlation and Cronbach's Alpha if Item Deleted of Independent Variables

Variables	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
1. Attitude: Cronbach's Alpha = 0.863		
ATT1. I think legal online video streaming services provide the best streaming experience.	0.706	0.828
ATT2. I like the plurality and variety of videos on legal online video streaming services.	0.710	0.827

ATT3. It is good that there are no advertising banners and pop-ups on legal online video streaming platforms.	0.721	0.826
ATT4. I am satisfied that legal online video streaming services offer good customer service support.	0.584	0.859
ATT5. It is good value for money to subscribe legal online video streaming services.	0.699	0.830
2. Subjective Norm: Cronbach's Alpha = 0.820		
SBN1. My family thinks I should purchase legal online video streaming services.	0.726	0.703
SBN2. My friends think I should purchase legal online video streaming services.	0.687	0.739
SBN3. My colleagues think I should purchase legal online video streaming services.	0.615	0.816
3. Perceived Behavioral Control: Cronbach's Alpha = 0.773		
PBC1. I can easily watch videos on any devices.	0.497	0.747
PBC2. I can easily select the quality of the video by myself.	0.562	0.730
PBC3. I can easily resume the videos at where I left.	0.577	0.726
PBC4. I can easily choose Vietnamese subtitles and the original language.	0.540	0.734
PBC5. I can easily download videos to watch offline.	0.704	0.688
PBC6. I can easily purchase legal online video streaming services.	0.289	0.799
3. Perceived Behavioral Control – after removing PBC6: Cronbach's Alpha = 0.799		
PBC1. I can easily watch videos on any devices.	0.496	0.796
PBC2. I can easily select the quality of the video by myself.	0.572	0.765
PBC3. I can easily resume the videos at where I left.	0.642	0.744
PBC4. I can easily choose Vietnamese subtitles and the original language.	0.597	0.756
PBC5. I can easily download videos to watch offline.	0.633	0.743
4. Moral Judgement: Cronbach's Alpha = 0.777		
MOJ1. I feel guilty about using illegal online video streaming services.	0.508	0.770
MOJ2. It would be morally wrong for me to stream videos illegally.	0.614	0.705

MOJ3. I think using legal online video streaming services is ethical.	0.610	0.715
MOJ4. I support people in using legal online video streaming services.	0.618	0.706
5. Regulation Recognition: Cronbach's Alpha = 0.826		
RGR1. Using legal online video streaming services is fair to the producers, providers, cast and everyone involved.	0.735	0.713
RGR2. Digital products should be fully protected by copyright.	0.651	0.792
RGR3. Laws against digital video piracy should be strictly enforced.	0.668	0.777

- **Cronbach's Alpha of dependent variables**

The Intention of Purchasing Legal Online Video Streaming Service scale has 3 observed variables, including INT1, INT2, and INT3 with Cronbach's Alpha of 0.814 which satisfies the requirement (≥ 0.6). The Corrected Item-Total Correlation coefficients and Cronbach's Alpha if Item Deleted of these variables are all standard (≥ 0.3 and $<$ Cronbach's Alpha respectively). Therefore, this scale is satisfactory and the observed variables of this scale can be used for the next EFA test.

Table 4.4

Corrected Item-Total Correlation and Cronbach's Alpha if Item Deleted of Dependent Variables

Variables	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Intention of Purchasing Legal Online Video Streaming Service: <i>Cronbach's Alpha = 0.814</i>		
INT1. I will continue to subscribe to legal online video streaming services.	0.654	0.755
INT2. I am probably going to purchase legal online video streaming services in the near future.	0.644	0.765
INT3. I will recommend legal online video streaming services to my family and friends.	0.696	0.711

Table 4.5

Cronbach's Alpha Coefficients of Scales

Scale	Code	Number of variables	Cronbach's Alpha
Attitude	ATT	5	0.863
Subjective Norm	SBN	3	0.820
Perceived Behavioral Control	PBC	5	0.799
Moral Judgement	MOJ	4	0.777
Regulation Recognition	RGR	3	0.826
Intention of Purchasing Legal Online Video Streaming Service	INT	3	0.814

In summary, the results of Cronbach's Alpha test indicate that all measurement scales are reliable (the lowest Cronbach's Alpha is 0.777) and suitable to be used for EFA test.

4.2.2 Exploratory Factor Analysis (EFA)

EFA is a "variable reduction technique that explores a possible factor structure of a set of measured variables without imposing any preconceived structure on the outcome" (Child, 1990). It is used to test the measurement scales in many aspects, such as the uni-dimensionality, reliability and construct validity, including convergent validity and discriminant validity (Pham et al., 2019). In EFA test, there are several criteria researchers usually look at (Howard, 2016). Firstly, KMO and Bartlett's Test of Sphericity are used to evaluate the suitability of the data for structure detection. In order for the results of factor analysis to be useful, KMO (Kaiser-Meyer-Olkin) coefficient must be ≥ 0.5 and the significant level of Bartlett's Test must be < 0.05 . Secondly, Factor Loading must be ≥ 0.5 . Any observed variables with a factor loading less than 0.5 will be eliminated. Finally, the scale is acceptable when the total cumulative percentage of Extraction Sums of Squared Loadings is $> 50\%$ and Eigenvalue is ≥ 1 .

To perform EFA test, this research uses Principal Component Analysis (PCA) extraction method, Varimax with Kaiser Normalization rotation method, and the Eigenvalue-greater-than-one-rule.

- **EFA result of independent variables**

In total, 5 scales with 20 observed variables which satisfy the criteria of Cronbach's Alpha test are included in the EFA test.

The result of Bartlett's Test of Sphericity shows that Sig. = 0.000 < 0.05, indicating the statistical probability that the correlation matrix has a significant correlations among at least some of the variables. KMO coefficient is 0.767 > 0.5, which shows acceptable sampling adequacy and confirm the appropriateness of factor analysis.

At Eigenvalues greater than 1, with PCA extraction method and Varimax rotation method, factor analysis extracted 5 factors from 20 observed variables and the total cumulative percentage of Extraction Sums of Squared Loadings is 66.254% > 50%, fulfilling the criterion. Therefore, EFA test is applicable.

It can be seen from the results in Table 4.6 that the Factor Loadings of all these variables are greater than 0.5, satisfying the requirement. In Rotated Component Matrix^a, the concentration of observed variables for each factor is clearly shown. Therefore, the five components affecting the intention of purchasing legal online video streaming service still remain unchanged to explain consumers' purchase intention in the current period. With the total cumulative percentage of Extraction Sums of Squared Loadings of 66.254%, these five factors explain the variation of 66.254% of the data.

Table 4.6

The EFA Result of Independent Variables

KMO		0.767				
Sig. (Bartlett's Test)		0.000				
Variables		Factor Loadings				
		1	2	3	4	5
Attitude	ATT2	0.846				
	ATT5	0.804				

	ATT3	0.794				
	ATT1	0.760				
	ATT4	0.709				
Perceived Behavioral Control	PBC5		0.787			
	PBC4		0.744			
	PBC3		0.739			
	PBC2		0.712			
	PBC1		0.676			
Moral Judgement	MOJ2			0.802		
	MOJ3			0.785		
	MOJ4			0.754		
	MOJ1			0.710		
Regulation Recognition	RGR1				0.883	
	RGR3				0.836	
	RGR2				0.825	
Subjective Norm	SBN1					0.868
	SBN2					0.861
	SBN3					0.814

Based on the result of the Rotated Component Matrix^a, the Transform/Compute Variable command is employed to group the satisfactory variables with Factor Loading ≥ 0.5 into five factors. These factors are grouped and named as follows:

- (1) The first factor: consists of 5 observed variables (ATT1, ATT2, ATT3, ATT4, and ATT5) grouped by Mean command and named as Attitude, denoted as ATT.
- (2) The second factor: consists of 5 observed variables (PBC1, PBC2, PBC3, PBC4, and PBC5) grouped by Mean command and named as Perceived Behavioral Control, denoted as PBC.

- (3) The third factor: consists of 4 observed variables (MOJ1, MOJ2, MOJ3, and MOJ4) grouped by Mean command and named as Moral Judgement, denoted as MOJ.
- (4) The fourth factor: consists of 3 observed variables (RGR1, RGR2, and RGR3) grouped by Mean command and named as Regulation Recognition, denoted as RGR.
- (5) The fifth factor: consists of 3 observed variables (SBN1, SBN2, and SBN3) grouped by Mean command and named as Subjective Norm, denoted as SBN.

- **EFA result of dependent variables**

Scale of Intention of Purchasing Legal Online Video Streaming Service has three observed variables which satisfy the criteria of Cronbach's Alpha test. They are included in the EFA test.

The result of Bartlett's Test of Sphericity shows that $\text{Sig.} = 0.000 < 0.05$, indicating the statistical probability that the correlation matrix has a significant correlations among at least some of the variables. KMO coefficient is $0.712 > 0.5$, which shows acceptable sampling adequacy and confirm the appropriateness of factor analysis.

At Eigenvalues greater than 1, with PCA extraction method and Varimax rotation method, factor analysis extracted one factor from 3 observed variables and the total cumulative percentage of Extraction Sums of Squared Loadings is $72.876\% > 50\%$, fulfilling the criterion. Therefore, EFA test is applicable.

Table 4.7

The EFA Result of Dependent Variables

KMO	0.712	
Sig. (Bartlett's Test)	0.000	
Variables	Factor Loadings	Name of Factor
	1	
INT3	0.873	Intention of Purchasing Legal Online Video Streaming Service
INT1	0.847	
INT2	0.841	

Thus, based on the result of EFA test above, the scale of Intention of Purchasing Legal Online Video Streaming Service meets the requirements of reliability, uni-dimensionality, convergent validity and discriminant validity. The Transform/Compute Variable command is used to group three variables INT1, INT2, and INT3 into one variable which is Intention of Purchasing Legal Online Video Streaming Service, denoted as INT.

4.3 Correlation and Regression Analysis (Testing Hypothesis H1 – H5)

4.3.1 Pearson Correlation

Table 4.8

Correlation Matrix of Pearson Correlation Coefficients

		INT	ATT	SBN	PBC	MOJ	RGR
INT	Pearson Correlation	1					
	Sig.						
ATT	Pearson Correlation	0.564**	1				
	Sig.	0.000					
SBN	Pearson Correlation	0.471**	0.227**	1			
	Sig.	0.000	0.000				
PBC	Pearson Correlation	0.453**	0.297**	0.110*	1		
	Sig.	0.000	0.000	0.028			
MOJ	Pearson Correlation	0.344**	0.227**	0.008	0.257**	1	
	Sig.	0.000	0.000	0.866	0.000		
RGR	Pearson Correlation	0.343**	0.203**	0.060	0.182**	0.181**	1
	Sig.	0.000	0.000	0.228	0.000	0.000	

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

After testing the scale using Cronbach's Alpha and EFA, we have identified five factors affecting the intention of purchasing legal online video streaming service. Before proceeding to regression analysis, it is necessary to check the correlation between variables. The first step in linear regression analysis is to examine the linear correlations between dependent variable and each independent variable and between independent variables themselves. A high value of correlation coefficient between dependent variable and independent variable proves that they are related and the linear regression analysis may be appropriate. However, if there are significant correlations between independent variables, it is a sign that multicollinearity phenomenon can occur in the linear regression model being examined.

As can be seen in Table 4.8, the correlation coefficients between the dependent variable INT and five independent variables ATT, SBN, PBC, MOJ, and RGR are all high, in which the correlation coefficient of RGR component is the lowest. In general, we can conclude that the independent variables can be included in the model to explain the INT variable because the significant levels are all small (< 0.05). However, the correlation matrix only shows the two-dimensional correlations between variables, therefore it just gives a preliminary overview without making any decision as to which variables affect and which variables do not affect the dependent variable.

4.3.2 Regression Analysis

Based on the theoretical research model, we have a multiple linear regression equation describing the factors affecting consumers' intention of purchasing legal online video streaming service:

$$\text{INT} = \beta_0 + \beta_1 * \text{ATT} + \beta_2 * \text{SBN} + \beta_3 * \text{PBC} + \beta_4 * \text{MOJ} + \beta_5 * \text{RGR}$$

Independent variables (X_i): ATT, SBN, PBC, MOJ, and RGR

Dependent variable (Y): INT

β_k : Partial regression coefficient ($k = 0, 1, 2, 3, 4, 5$)

In order to test how the five factors affecting the dependent variable, which is Intention of Purchasing Legal Online Video Streaming Service, the multiple linear regression model is used. The greater the normalized partial regression coefficient of a factor is, the higher the effect of that factor on the dependent variable will be. For ensuring the regression model validity and reliability, there are some checkpoints which the model need to undergo.

Table 4.9

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
0.765 ^a	0.586	0.581	0.46236	2.102

The first and foremost step is to evaluate the appropriateness of the multiple linear regression model. From table 4.9, the research model has an Adjusted R^2 of 0.581, meaning that 58.1% of the variation in consumers' purchase intention is explained by the variation of the independent variables: Attitude, Subjective Norm, Perceived Behavioral Control, Moral Judgement, and Regulation Recognition with 95% confidence level. Therefore, the remaining 41,9% of the variation of the dependent variable is caused by other variables outside the model which have not been identified yet.

Table 4.10

ANOVA Analysis

	Sum of Squares	df	Mean Square	F	Sig.
Regression	119.182	5	23.836	111.503	0.000 ^b
Residual	84.227	394	0.214		
Total	203.409	399			

Hypothesis H₀: $\beta_1 = \beta_2 = \beta_3 = \beta_5 = \beta_6 = 0$ or $R^2 = 0$ (independent variables do not affect INT)

Hypothesis H₁: There is at least one value of $\beta_k \neq 0$ or $R^2 > 0$

To test the appropriateness of the multiple linear regression model, F value and significant level in Table 4.10 are used. The result shows that $F = 111.503$ with $\text{Sig.} = 0.000 < 0.05$, rejecting Hypothesis H₀, proving that R^2 of the population is different from 0. Thus, there is at least one variable in five independent variables (Attitude, Subjective Norm, Perceived Behavioral Control, Moral Judgement, and Regulation

Recognition) which explain the variation in the Purchase Intention variable. This means that the multiple linear regression model was built in accordance with the data set at 95% confidence level.

Table 4.11

Model Coefficients

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-1.029	0.216		-4.763	0.000		
ATT	0.373	0.039	0.338	9.516	0.000	0.833	1.200
SBN	0.333	0.031	0.356	10.675	0.000	0.944	1.060
PBC	0.250	0.037	0.237	6.788	0.000	0.862	1.160
MOJ	0.197	0.039	0.171	4.990	0.000	0.894	1.119
RGR	0.169	0.032	0.179	5.309	0.000	0.929	1.067

As can be seen in table 4.11, all the values in the Sig. column are < 0.05 , indicating that five independent variables have statistically significant effects on the dependent variable. This means five Hypotheses are accepted.

The linear regression model using Ordinary Least Squares (OLS) method is built based on a number of assumptions and the model only makes sense when these assumptions are guaranteed (Garson, 2012). Therefore, to ensure the reliability of the model, the detection of assumption violation is performed.

- **Assumption 1: There is no multicollinearity in the data**

The strong correlation between the independent variables may lead to a multicollinearity problem. In Pearson Correlation analysis in Table 4.8, because the components in the scale are correlated, the study suspects that multicollinearity phenomenon can occur. Thus, it is necessary to check this assumption to ensure that the regression model is not violated. VIF and Tolerance statistics to evaluate this assumption. For the assumption to be met, VIF scores have to be less than 10 and

Tolerance scores have to be greater than 0.2 (Garson, 2012). The result in Table 4.11 shows that both VIF and Tolerance scores satisfy the requirements. Therefore, the multiple linear regression model does not have multicollinearity phenomenon and the correlations between the independent variables do not affect the result of the model.

- **Assumption 2: The values of the residuals are independent**

The assumption can be tested by using Durbin-Watson statistic (d). This statistic has the value ranging from 0 to 4. For this assumption to be met, this value needs to be close to 2. Value less than 1 and greater 3 may be a sign of an invalid analysis (Garson, 2012). The result in Table 4.9 shows that $d = 2.102$, which is within the range from 1 to 3, thus there is no correlation between the residuals and this assumption is not violated. The linear regression model can be used.

- **Assumption 3: The variance of the residuals is constant**

To evaluate whether the regression model violates this assumption, Scatterplot diagram of standardized residuals is used. For the assumption to be met, the data points must be fairly evenly distributed above and below the vertical axis of zero whether the predicted values increase or decrease (along the X-axis) (Garson, 2012). The result for Figure 4.3 shows that the data points varied rather evenly above and below the vertical axis of zero and mostly in the range from -2 to 2 along the zero scale. Therefore, this assumption is not violated.

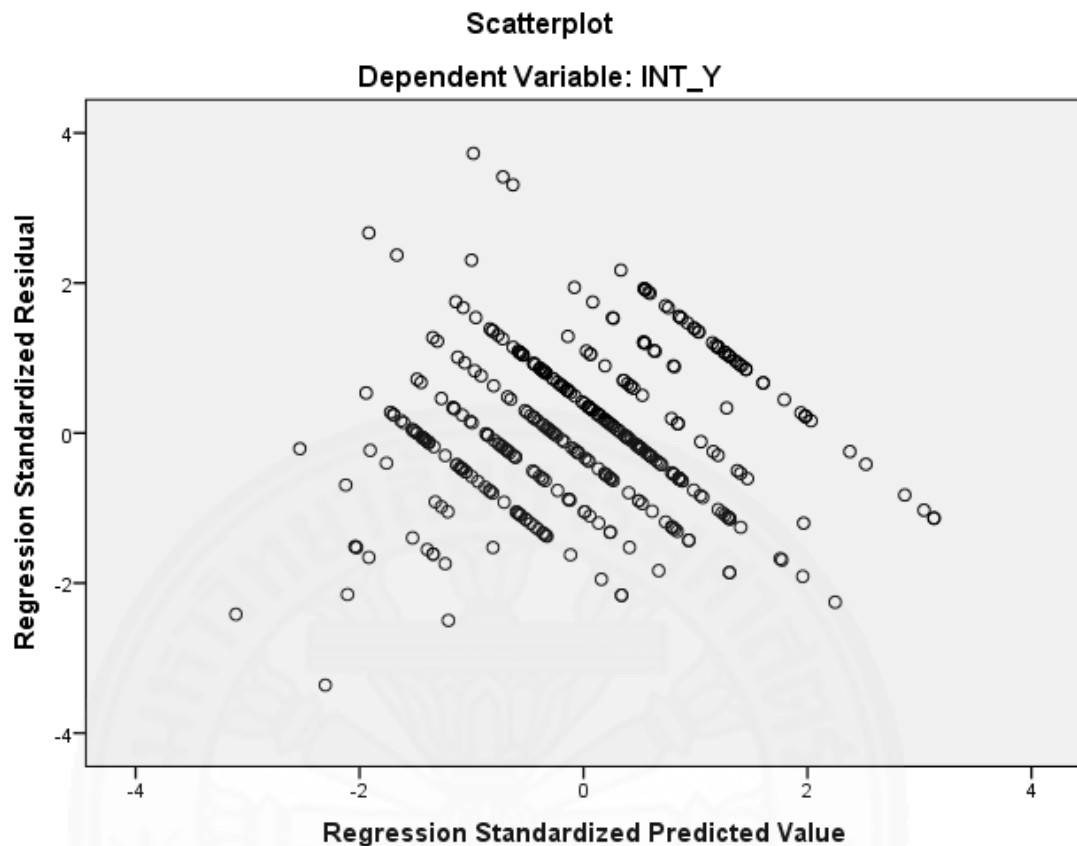


Figure 4.3 Scatterplot Diagram

- **Assumption 4: The values of the residuals are normally distributed**

To detect the assumption violation of the normal distribution of residuals, we use the drawing tool of SPSS software which is Histogram. It can be seen from the graph that the standardized residual is distributed in the shape of normal distribution which is a bell curve. In addition, Mean = 2.36E-15 (approximately equal to 0) and Std. Dev. = 0.994 (approximately equal to 1), which significantly confirms that the distribution of residuals is approximately standard. Thus, the assumption that residuals are normally distributed is not violated.

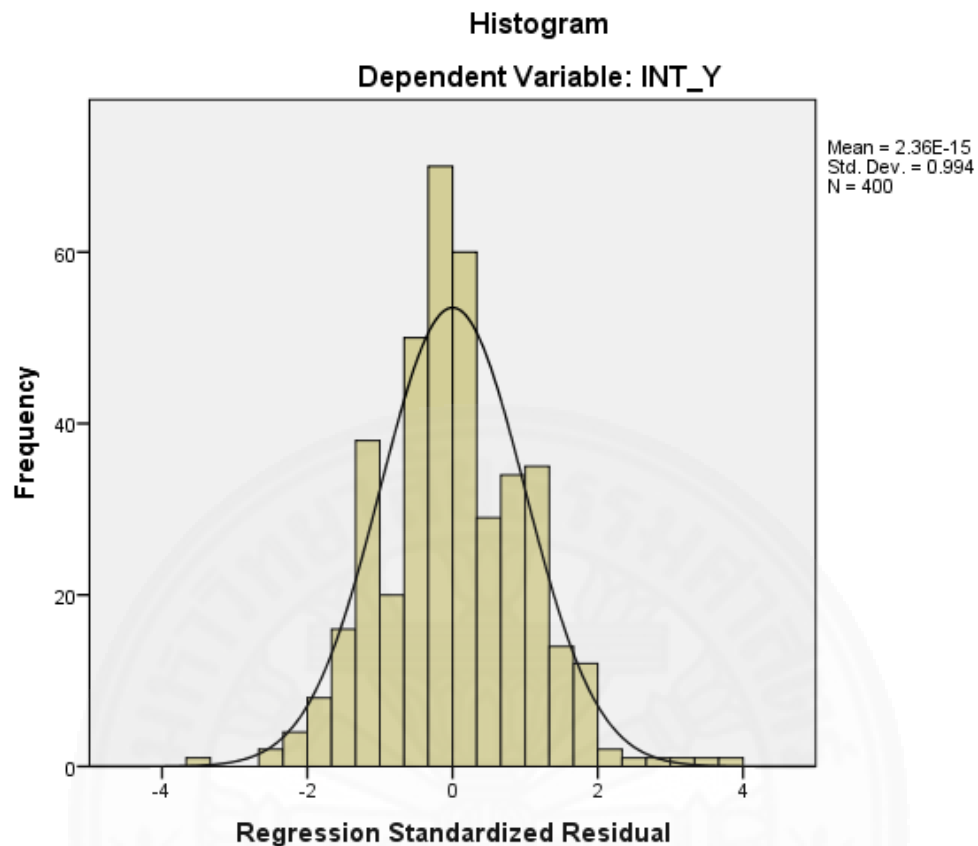


Figure 4.4 Histogram Graph

- **Assumption 5: There is linearity of residuals**

In order to test the linearity, Normal P-P Plot of Regression Standardized Residual diagram with the Observed Cumulative Probability value on the horizontal axis and the Expected Cumulative Probability value on the vertical axis is used. From Figure 4.5, we can see that the data points are distributed around the normality line and most of them even touch the line, thereby indicating that not only the residuals are normally distributed but their linearity is also ensured.

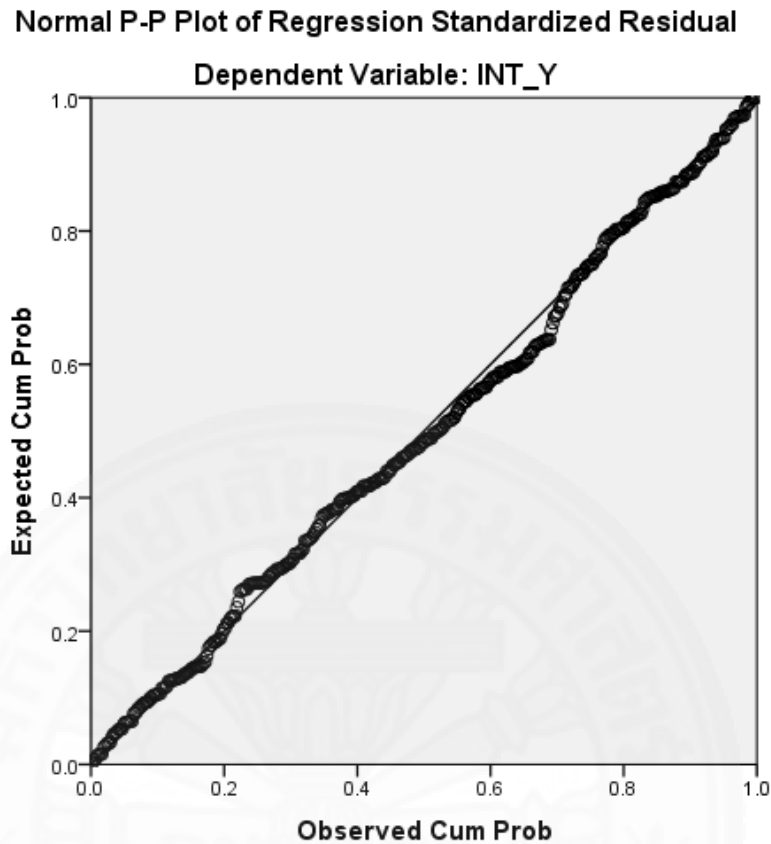


Figure 4.5 Normal P-P Plot of Regression Standardized Residual

After testing the assumptions in the linear regression analysis, the regression equation is accepted. Based on the result presented in Table 4.11, the multiple linear regression equation showing the factors affecting the intention of purchasing legal online video streaming service is as follows:

$$\text{INT} = -1.029 + 0.373 \cdot \text{ATT} + 0.333 \cdot \text{SBN} + 0.250 \cdot \text{PBC} + 0.197 \cdot \text{MOJ} + 0.169 \cdot \text{RGR}$$

As can be seen from the above regression equation, the Beta of all variables are positive, meaning that Attitude, Subjective Norm, Perceived Behavioral Control, Moral Judgement, and Regulation Recognition have a positive impact on consumers' purchase intention.

On the 5-level Likert scale, holding all other factors constant, for every unit increasing in Attitude, the consumer purchase intention is expected to increase by 0.373 units. Similarly, for every unit increasing in Subjective Norm, Perceived Behavioral

Control, Moral Judgement, and Regulation Recognition, the consumer purchasing intention is expected to increase by 0.333, 0.250, 0.197, and 0.169 units respectively.

4.3.3 Hypothesis Testing

Hypothesis H1. Attitudes toward legal online video streaming service have a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.

Variable “Attitude” has Standardized Coefficient $\beta_{ATT} = 0.338$ with Sig. = 0.000 (< 0.05): H1 is supported at the significant level of 5%. The attitude of consumers towards legal online video streaming service have a strong positive impact on their purchase intention. When they think that legal VOD services provide the best streaming experience, a wide variety of videos, no advertising, and good customer service support and it is worth the money, they will be more likely to subscribe to these platforms.

Hypothesis H2. Subjective Norm has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.

Variable “Subjective Norm” has Standardized Coefficient $\beta_{SBN} = 0.356$ with Sig. = 0.000 (< 0.05): H2 is supported at the significant level of 5%. Subjective Norm is the most influencing factor on the intention of purchasing legal online video streaming service. VOD service is still new and unfamiliar to the Vietnamese, therefore the introduction an encouragement of other people around them such as family, friends, and colleagues will greatly impact their purchasing decisions.

Hypothesis H3. Perceived Behavioral Control has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.

Variable “Perceived Behavioral Control” has Standardized Coefficient $\beta_{PBC} = 0.237$ with Sig. = 0.000 (< 0.05): H3 is supported at the significant level of 5%. For video streaming service, consumers must have a basic knowledge and understanding of technology like how to watch a video properly and most efficiently on VOD platforms as well as how to subscribe and make payments. The more easily they can perform these functions on the platform, the more likely they are to buy the service and continue subscribing to it in the future.

Hypothesis H4. Moral Judgement has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.

Variable “Moral Judgement” has Standardized Coefficient $\beta_{MOJ} = 0.171$ with Sig. = 0.000 (< 0.05): H4 is supported at the significant level of 5%. This illustrates the vital role of cultural characteristics and ethical concerns in the context of Vietnam. If Vietnamese people feel guilty when watching movies and TV series on illegal websites, they will have the tendency to switch to legal VOD platforms. However, although Moral Judgement positively affects purchase intention, it is the less influencing component among the five factors.

Hypothesis H5. Regulation Recognition has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.

Variable “Regulation Recognition” has Standardized Coefficient $\beta_{RGR} = 0.179$ with Sig. = 0.000 (< 0.05): H5 is supported at the significant level of 5%. Regulation Recognition positively impact consumers’ purchase intention. This result indicates the importance of intellectual property regulations in the development of VOD service in Vietnamese market. The way these IP laws are implemented and how to let people know and follow the regulations is the key to success.

Table 4.12

The Results of Hypothesis Testing

Hypothesis	Statement	Conclusion
H1	Attitudes toward legal online video streaming service have a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.	Supported
H2	Subjective Norm has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.	Supported
H3	Perceived Behavioral Control has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.	Supported
H4	Moral Judgement has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.	Supported
H5	Regulation Recognition has a positive impact on the Intention of Purchasing Legal Online Video Streaming Service.	Supported

Table 4.13

The Levels of Influence of Each Factor

Factor	Standardized Coefficient Beta	Ranking
Subjective Norm	0.356	1
Attitude	0.338	2
Perceived Behavioral Control	0.237	3
Regulation Recognition	0.179	4
Moral Judgement	0.171	5

As shown in Table 4.13, the levels of influence of each factors on the intention of purchasing legal online video streaming service are ranked from the highest to the lowest: Subjective Norm (0.356), Attitude (0.338), Perceived Behavioral Control (0.237), Regulation Recognition (0.179), and Moral Judgement (0.171).

4.4 Testing the difference in purchase intention by demographics (Testing Hypothesis H6)

Between gender groups: Independent Sample T-test is used to test the difference the intention of purchasing legal online video streaming service between male and female group.

Table 4.14

T-test Analysis Result

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Purchase Intention	Male	226	3.8274	0.72569	0.04827
	Female	174	3.7969	0.70023	0.05308
Independent Sample Test	Levene's Test for Equality of Variances		T-test for Equality of Means		
	F	Sig.	t	df	Sig. (2-tailed)

Equal variances assumed	1.907	0.168	0.423	398	0.672
Equal variances not assumed			0.425	378.442	0.671

The result of Levene's test for the homogeneity of variances between two groups of Male and Female has $\text{Sig} = 0.168 > 0.05$, showing that the variances of these two groups are identical. As to Independent sample T-test, it can be seen from the result in Table 4.14 that "Equal variances assumed" has $\text{Sig} = 0.672 > 0.05$. Therefore, it can be concluded that the purchase intentions towards legal online video streaming service between Male and Female are not different and gender does not affect consumers' purchase intention.

Between age, education level, career, and income groups: ANOVA is used to test the difference the intention of purchasing legal online video streaming service between groups classified by age, education level, career, and income. The result of analysis is summarized in Table 4.15 below.

Table 4.15

ANOVA Analysis Result

	Homogeneity of variances	ANOVA test	Conclusion
Age	$\text{Sig.} = 0.339 > 0.05$	$\text{Sig.} = 0.056 > 0.05$	No significant difference between age groups.
Education level	$\text{Sig.} = 0.052 > 0.05$	$\text{Sig.} = 0.057 > 0.05$	No significant difference between education level groups.
Career	$\text{Sig.} = 0.060 > 0.05$	$\text{Sig.} = 0.000 < 0.05$	There is a difference between career groups.
Income	$\text{Sig.} = 0.163 > 0.05$	$\text{Sig.} = 0.143 > 0.05$	No significant difference between income groups.

There are not any differences in the intention of purchasing legal online video streaming service between age, education level, and income groups. No matter how old they are, what degree they possess and how much money they can earn per month, their purchase intentions are not affected. In terms of education level, this is understandable because of the less difference in the education level of respondents (> 85% got a bachelor's degree or higher). The financial situation of respondents does not influence their purchase intention either. This result could be explained by the fact that the subscription fee is quite affordable in comparison with respondents' monthly income. Furthermore, video piracy has become a cultural feature of Vietnamese people due to the easy access to illegal websites and they still have not developed the behavior of subscribing to a legal streaming platform to watch movies and TV series.

However, the career of respondents affect their purchase intention because there is a difference between each group. People who are white-collar workers and students are more likely to subscribe to legal online video streaming service than blue-collar workers. Specifically, “white-collar workers” is the group having the highest intention of purchasing these legal streaming platforms with Mean of 3.95, as shown in Table 4.16.

Table 4.16

The Difference in Purchase Intention Between Career Groups

Group	N	Mean	Std. Deviation
Students	48	3.7917	0.65097
White-collar workers	256	3.9453	0.64714
Blue-collar workers	61	3.5738	0.83695
Other	35	3.3048	0.72026

4.5 Consumer Expectation about Marketing Mix (4Ps)

The Marketing Mix – 4Ps (Product, Price, Place, and Promotion) was applied to the survey questionnaire with the aim of being able to analyze respondents' expectation on legal online video streaming service. The underlying question is “How

important are the following elements of legal online video streaming services to you?”

The data was analyzed using SPSS software to find Mean and Standard Deviation.

4.5.1 Product

Table 4.17

Mean, SD and Interpretation of Product – Marketing Mix

	Elements	Mean	SD	Interpretation
Quality				
1.1	Different definition quality of videos (from 144p to 1080HD and better)	4.71	0.452	Extremely important
1.2	Possibility of watching movies in 3D	2.94	0.922	Moderately important
Content				
1.3	A wide variety of content	4.80	0.399	Extremely important
1.4	Original content (movies or TV series produced by the company running the streaming platform)	4.37	0.538	Extremely important
1.5	Latest content is accessible as soon as possible	4.41	0.492	Extremely important
1.6	Providing foreign content with subtitles in Vietnamese	4.67	0.505	Extremely important
1.7	Foreign content are dubbed in Vietnamese	3.05	1.033	Moderately important
Website Interface				
1.8	Simple and understandable design	4.58	0.503	Extremely important
1.9	Aesthetic and minimalist design	3.93	0.643	Very important
1.10	Attractive banners for all movies and TV series	4.14	0.487	Very important

1.11	Offering information about the film before watching it (description, trailer, rating, etc.)	4.40	0.534	Extremely important
Easiness to Navigate				
1.12	A good user-friendly search tool to find movies and TV series	4.64	0.480	Extremely important
1.13	Thematic collections of films (e.g. “Just for Laugh”, “Watch, Gasp, Repeat”, etc.)	4.21	0.526	Extremely important
1.14	A suggestion of daily collection of new content available for watching	4.71	0.453	Extremely important
1.15	Offering personalized recommendations based on users’ viewing history	4.20	0.706	Very important
1.16	Possibility of creating your own film library	3.43	0.645	Very important

In terms of Product in the Marketing Mix, there are four main characteristics of an online video streaming platform: quality, content, website interface and easiness to navigate. Overall, content is the most important characteristic among these four as four out of five elements in this category are indicated as “extremely important”. Especially, of all 16 elements of Product in Table 4.17, a staggering 10 elements are classified as “extremely important”, in which “A wide variety of content” with the mean score of 4.80 is the most important factors seen by respondents, followed by “Different definition quality of videos (from 144p to 1080HD and better)” (mean – 4.71), “A suggestion of daily collection of new content available for watching” (mean – 4.71), “Providing foreign content with subtitles in Vietnamese” (mean – 4.67), and “A good user-friendly search tool to find movies and TV series” (mean – 6.64). It is interesting that respondents do not consider “Possibility of watching movies in 3D” as an attractive feature of VOD service as the mean score of this element is the lowest, at only 2.94. In general, respondents have high expectations for all the features of VOD platforms, from quality, content, website interface to easiness-to-navigate.

4.5.2 Price

Table 4.18

Mean, SD and Interpretation of Price – Marketing Mix

	Elements	Mean	SD	Interpretation
2.1	The subscription fee is reasonably priced	4.76	0.426	Extremely important
2.2	Providing different subscription options with different prices (e.g. basic, standard, premium, etc.)	3.83	0.639	Very important
2.3	Offering long-term subscription plans with cheaper price than monthly subscription (e.g. 3-month, 6-month and yearly subscription)	4.06	0.538	Very important
2.4	Offering different paying methods (e.g. bank card on website, sms, e-wallet, payment terminal, etc.)	4.18	0.515	Very important

Respondents think that “The subscription fee is reasonably priced” (mean – 4.76 – extremely important) is the most important among the four elements of Price, followed by “Offering different paying methods” (mean – 4.18 – very important), “Offering long-term subscription plans with cheaper price than monthly subscription: (mean – 4.06 – very important), and “Providing different subscription options with different prices” (3.83 – very important). This result shows the crucial role of Price in attracting consumers to VOD platforms. The providers need to carefully select the pricing strategy to decide the proper subscription fee to their service in Vietnamese market.

4.5.3 Place

Table 4.19

Mean, SD and Interpretation of Place – Marketing Mix

	Elements	Mean	SD	Interpretation
3.1	Ability to stream videos from Smart TVs	4.25	0.480	Extremely important
3.2	Ability to stream videos from Smartphones & Tablets	4.69	0.461	Extremely important
3.3	Ability to stream videos from PCs & Laptops	3.95	0.694	Very important
3.4	Ability to stream videos from Game Consoles	1.26	0.472	Not at all important
3.5	Ability to stream videos from Set-top Boxes	2.82	0.879	Moderately important
3.6	Ability to stream videos from DVD & Blu-ray Players	1.47	0.604	Not at all important

Respondents think that Smartphones & Tablets (mean – 4.69 – extremely important) is the most important devices to stream videos among the six groups of devices, followed by Smart TVs (mean – 4.25 – extremely important), PCs & Laptops (mean – 3.95 – extremely important), and Set-top Boxes (mean – 2.82 – moderately important). It seems that Game Consoles and DVD & Blu-ray Players are not the common devices for Vietnamese people to watch movies and TV services on VOD platforms as respondents consider them as “not at all important” elements.

4.5.4 Promotion

Table 4.20

Mean, SD and Interpretation of Promotion – Marketing Mix

	Elements	Mean	SD	Interpretation
4.1	Free-trial period	4.58	0.551	Extremely important
4.2	Special discount (e.g. for first subscription, for group subscription, etc.)	4.13	0.447	Very important
4.3	Collecting points by giving ratings, comments and reviews to redeem rewards, privileges	4.12	0.508	Very important

Respondents think that “Free-trial period” (mean – 4.58 – extremely important) is the most important among the three elements, followed by “Special discount” (mean – 4.13 – very important) and “Collecting points by giving ratings, comments and reviews to redeem rewards, privileges” (mean – 4.12 – very important). The fact that respondents significantly expect the free-trial period from VOD providers is understandable because VOD service is a relatively new kind of service in Vietnam. Vietnamese people need to try it free for at least a month to see whether it is good value for their money to subscribe to these VOD platforms.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

In this chapter, conclusions and recommendations based on literature review and result of data analysis are presented. The study of consumer behaviors towards using legal online video streaming service, factors affecting their purchase intention and consumer expectations for the elements of this service in Marketing Mix – 4Ps (Product, Price, Place, and Promotion) seeks to provide not only market researchers but also domestic and international companies with recommendations to formulate strategies in the future. Limitations of the study and future research directions are also included in this section.

5.1 Conclusions

In general, the research paper proposes an integrated research model based on previous studies to investigate the influencing factors of purchase intention towards legal online video streaming service and distributes questionnaire to collect data from 400 valid respondents for comprehensive analysis.

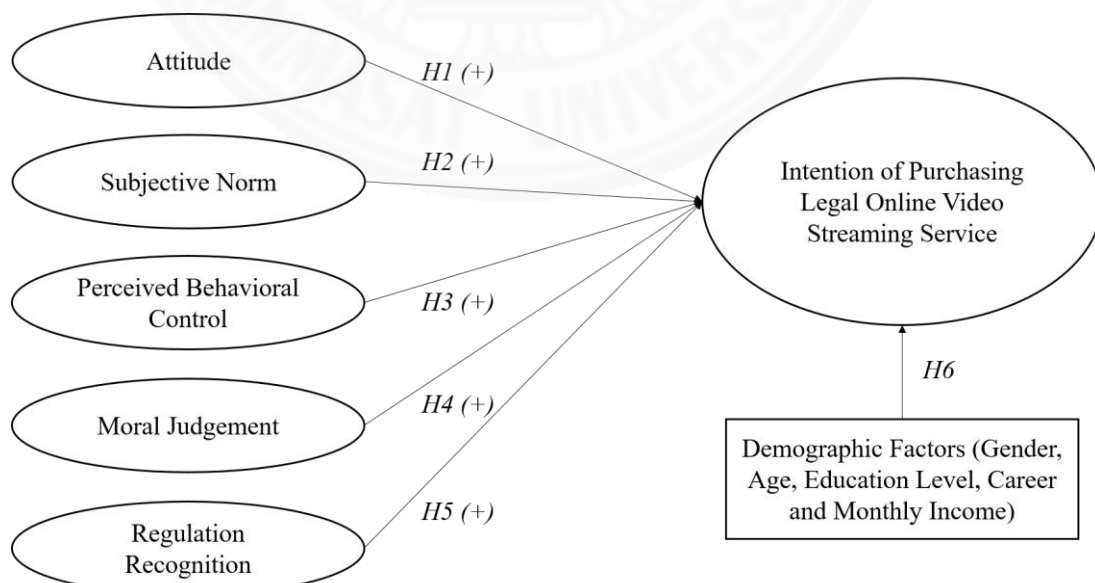


Figure 5.1 The Conceptual Framework

Regarding the consumer behaviors towards online video streaming consumption, the result shows that thanks to technological and digital advances for the past few decades, Vietnamese people have developed the habit of regularly watching movies and TV series on online streaming platforms. They streaming videos on these websites several times per week and even every day for some people. Currently, the most frequently used VOD service is Netflix, followed closed by two domestic players - FPT Play and Clip TV. Users on these platform prefer to watch foreign content such as Korean, Chinese, and US – UK movies/TV series more than Vietnamese.

In terms of the verification of suggested model, the empirical testing result supports all of the proposed hypotheses, as shown in Figure 5.1. It can be summarized that Attitude, Subjective Norm, Perceived Behavioral Control, Moral Judgement, and Regulation Recognition positively impact consumers' intention of purchasing legal online video streaming service. Of all these five factors, Subject Norm is the most influencing one affecting purchase intention of Vietnamese consumers. The reason for this lies in the fact that VOD is a relatively new kind of service for Vietnamese people, thus they are considerably impacted by the others such as family, friends, and colleagues. Moreover, according to Hsu & Ngo (2019), the Vietnamese has developed to be enormously influenced by other people's opinions. This herd mentality positively and significantly affect consumers' perceived trust, which subsequently has an effect on the purchasing intention of consumers. That is the reason why the more encouragement the users receive from their family, friends, and colleagues, the higher intention they will have to subscribe to VOD services. Besides, consumers' purchase intention is also strongly determined by their Attitude towards legal online video streaming sites and Perceived Behavioral Control. Although Regulation Recognition and Moral Judgement have weaker impact, these two factors still play an important role in explaining the purchase intention of consumer towards VOD services.

The research paper also discovered the difference in the intention of purchasing online video streaming service between demographic groups classified by career. From the analysis result, white-collar workers and students have higher intention to subscribe to VOD services than blue-collar workers. However, there are no differences in the purchase intention between other groups which are classified by age, gender,

education level, and income. Knowing this will help VOD providers to target the right groups of consumers when they plan to penetrate this industry in Vietnamese market.

Finally, the result of consumer expectation analysis shows that in terms of component “Product” in the Marketing Mix – 4Ps, 10 out of 16 elements are extremely important for respondents. The top 5 elements are “A wide variety of content”, “Different definition quality of videos (from 144p to 1080HD and better)”, “A suggestion of daily collection of new content available for watching”, “Providing foreign content with subtitles in Vietnamese”, and “A good user-friendly search tool to find movies and TV series”. Concerning Price, respondents think that “The subscription fee is reasonably priced” is the most important element of VOD service. When it comes to the devices used for streaming videos, smartphones & tablets and smart TVs are the main priorities in respondents’ mind. As for Promotion, the element which is indicated as “extremely important” by respondents is “Free-trial period”. This is understandable because Vietnamese people have the shopping habit of “seeing, touching, and try” (The Savills Blog, 2018). That’s why for an unfamiliar kind of service like VOD, they need to try it for free before deciding whether to subscribe or not.

5.2 Recommendations

From the results mentioned above, the researcher would like to formulate a few recommendations to help develop legal video streaming industry in Vietnam.

5.2.1 Marketing Mix Strategy

- **Product**

Since most elements of the video streaming platforms are very important and extremely important for users, providers have to develop and perfect their service as much as possible, in terms of quality, content, website interface, and easiness to navigate, to offer the best streaming experience to consumers. Among them, content is the first and foremost feature that the companies need to concentrate on. A video streaming platform without various, interesting and unique content cannot attract and retain consumers in the long run. Nowadays, in order to compete with other legal VOD platforms and illegal streaming sites, it is very crucial for VOD providers to produce their

own original movies and TV series which viewers cannot watch anywhere else except on their platform. Especially, as for Vietnamese market, foreign content such as Korea, Chinese, and US – UK movies/TV series play a vital role in luring viewers into using the service. Thus, if a VOD company want to dominate Vietnamese market, it needs to ensure that foreign content, particularly Korean films, is offered on its platform.

Secondly, VOD providers should make sure that the quality of video streaming experience on their platform is exceptional. Users always expect the video and audio have a high-definition quality when watching movies and TV series. As a result, if they decide to pay for the subscription of a legal online video streaming service, they will definitely compare the quality provided by this legal platform with that from illegal video streaming sites that they have used before. If the quality is inferior, those consumers will stop subscribing and might even advise other people against trying the service.

Finally, personalized recommendation is a competitive advantage which is worth being invested and developed because until now illegal streaming websites could not provide this special feature. With artificial intelligence (AI), VOD providers can take advantage of their resources and leverage big data analytics to suggest content specifically to each user, thereby helping accelerate retention rate of their service

- **Price**

With the intense competition from illegal websites offering free video streaming service, price is obviously a major factor which have an impact on buying decision. In order to compete with these pirated sites, it is important for legal online video streaming services to formulate different and creative pricing strategy based on customers' needs. Most importantly, the subscription fee must be reasonably priced so that Vietnamese people, who mostly can earn 5 million to 10 million VND per month according to the demographic information of respondents, can easily afford. They can provide different subscription options with different prices such as basic, standard, premium, etc. or offer long-term subscription plans with cheaper price than monthly subscription, which gives consumers more choices of payment. Moreover, companies need to communicate with a strong message that the subscription fees are worth the money.

- **Place**

Legal VOD services should take advantage of the multi-device support feature and keep improving it because viewers can only stream videos on illegal platforms via websites accessed through laptops/PCs and smartphones/tablets. Pirated sites have not provided any applications to watch movies and TV series on smartphones and tablets so far. Therefore, developing this feature to perfection will create the unique selling point to help legal online video streaming services win over illegal sites in the competition. In Vietnamese market, the top three devices that VOD providers should focus on currently are smartphones & tablets, smart TVs and PCs & laptops.

- **Promotion**

Out of the three elements of Promotion asked in the questionnaire, “free-trial period” is the most important. A free trial can offer new customers a first-hand experience of VOD service. Once they get used to and become rely on the service, they will not want to give it up and keep subscribing. However, it is crucial to make sure that the streaming experience is fantastic and outstanding to retain the consumers. Especially, white-collar workers and students have a higher purchase intention, thus marketing campaigns and promotions in the beginning phase should focus on targeting these groups of consumers.

5.2.2 Increase social encouragement

Social influence is one of the primary potentials emerging as Vietnamese people have a tendency to relate to each other more these days. It is common that users are likely to rely on the opinions, feedbacks, and recommendations from other important people to make their purchase decision. The subjects that can influence consumers’ intention to purchase legal online video streaming service are family, friends, and colleagues. Therefore, it is necessary for VOD providers to offer services and create marketing campaigns targeting a specific group of consumers with similar characteristics, such as families or organizations. For example, they can offer promotions for people subscribing in groups or users introducing their VOD service to other acquaintances. However, above all, VOD providers have to make sure that they can bring much better video streaming experience to consumers than illegal websites so that users who have enjoyed the free trial period on these platforms will decide to

subscribe and suggest VOD services to other people. With a good reputation from the word of mouth of family, friends, and colleagues, consumers' purchase decision will be influenced significantly.

5.2.3 Foster positive attitude towards legal online video streaming service

Consumers' attitude towards legal online video streaming service is affected by a combination of elements related to this service. If VOD providers want to foster users' positive attitude towards their service, the key to success here is to properly improve every components P in the Marketing Mix – 4P, ranging from Product, Price, Place, to Promotion.

5.2.4 Improve perceived behavioral control

So as to increase the perceived behavioral control, legal online video streaming service should use advanced technology to enhance the website interface and easiness-to-navigate, the two major features of its streaming platforms. Staying updated with consumers' needs is the most important. Although this requires a lot of resources and creativity, VOD providers will reap the benefits in the near future. The more easily consumers can use the features on the platform, the higher intention they will have to purchase the subscription.

5.2.5 Raise the moral judgement of Vietnamese users

Universities, businesses and governments should cooperate to educate consumers by establishing ethical standards in the digital age. These ethical standards must be in accordance with the global rules and regulations of consuming and protecting digital products. In addition, there are some measures which should be imposed to reduce the digital piracy behavior in the future and gradually change the habit of Vietnamese people towards using legal services, for example forcing the use of copyrighted videos, organizing seminars and workshops about ethical behaviors in using digital products on the Internet, etc.

5.2.6 Enhance the regulation recognition of Vietnamese people in intellectual property

Although the implementation of intellectual property regulations in Vietnam has been improved over the past decade, most of Vietnamese citizens still lack the solid understanding of this IP law and the application of these regulation in reality is still not effective and strict enough. Thus, there are some suggestions for Vietnamese

government and authorities, including: educating people about intellectual property regulations by teaching students at schools and universities and organizing seminars or workshops for the community, using social networking sites and mass media to inform the consequences of digital piracy and raise people's awareness, implementing current regulations with heavier punishment, and regularly checking the consumption of pirated digital products at both individual and business level.

5.3 Research Difficulties and Limitations

Because Video-on-Demand service has not been popular in Vietnam yet, the recruitment of respondents who are the legal online video streaming service users was difficult, even for those using the free trial. A substantial number of Vietnamese people are watching movies and TV series on illegal streaming websites. Even people who are using legal platforms do not know it is the kind of service called "Video-on-Demand". Due to these incidents, it took quite a lot of time and effort for the researcher to find the suitable respondents to yield the most accurate outcome.

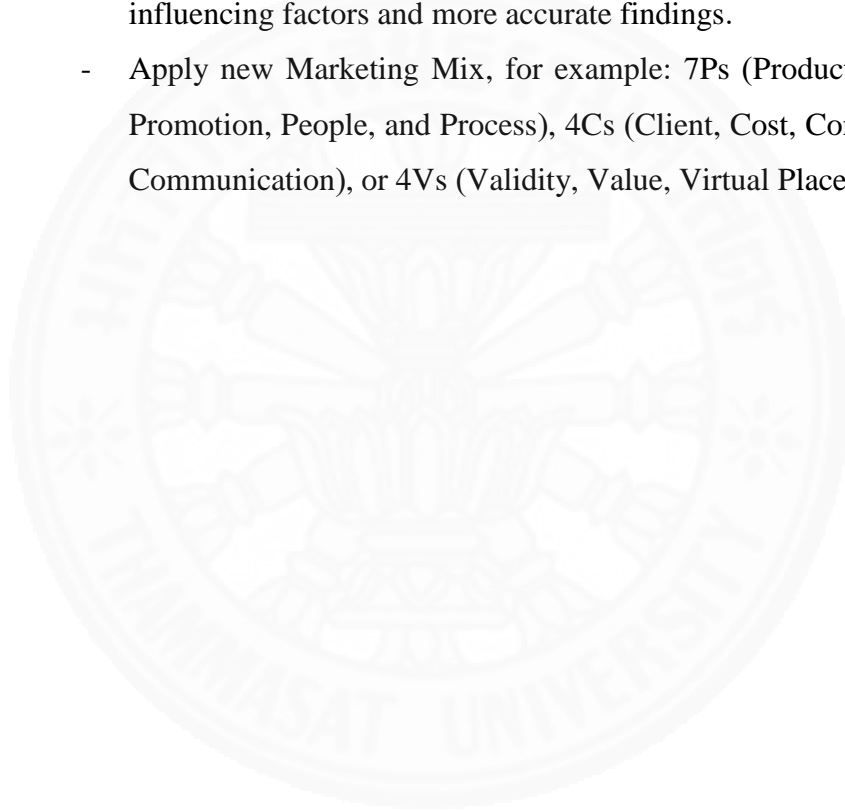
Moreover, the process of launching online questionnaire surveys is limited in a short period of time (15th April to 10th May, 2020) and mostly focus on members of Vietnamese online movies/series communities on Facebook fan pages. That is the reason why the questionnaires may not widely distributed to respondents, which might affect the demographic information. Therefore, there is a chance of errors with this convenience sampling method and the reliability of the data and analysis results might be questionable.

Another limitation is the use of traditional Marketing Mix – 4Ps (Product, Price, Place, and Promotion) may not be qualified enough to run the digital business successfully. This could lead to an incomprehensive evaluation of consumer expectations for legal online video streaming services.

5.4 Implications for Future Researches

Based on the limitations of the research paper mentioned above, some directions of future researches could include:

- Extend the scope of data collection to other groups of consumers and to other cities in Vietnam.
- Add more factors such as culture, economy, habit, technology development, perceived risk, perceived usefulness etc. to the conceptual framework to better explain the intention to purchase legal online video streaming service in Vietnam.
- Consult experts or people working in video streaming industry to improve the elements in the questionnaire for better evaluation of influencing factors and more accurate findings.
- Apply new Marketing Mix, for example: 7Ps (Product, Price, Place, Promotion, People, and Process), 4Cs (Client, Cost, Convenience, and Communication), or 4Vs (Validity, Value, Virtual Place, and Virality).



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APPENDIX

QUESTIONNAIRE

“Engaging Consumers Into Legal Video Streaming Services In Vietnam”

I am Thuy Thi Hong Nguyen, a student of Master of Business Administration Program in Global Business Management (GEMBA), Thammasat University, Thailand. This survey is a part of Independent Study I am conducting this survey to examining factors affecting Vietnamese consumers’ purchasing decision on legal online video streaming services and their expectations towards these platforms. The results will be used to develop recommendations and strategies. All information provided for this survey is confidential and never used for other purposes. Thank you for your support.

The questionnaire is divided into two main parts: (1) Screening Questionnaire and (2) Survey Questionnaire. To ensure the right target’s response, please answer the following screening questions before proceeding to the next part.

SCREENING QUESTIONNAIRE

Please select ONLY ONE CHOICE for each question. The instructions as to whether to proceed to the next questions or end the screening questionnaire are shown next to the answers.

SQ1: Is your age from 15 to 60 years old?

- Yes (Please proceed to SQ2.)
- No (Thank you for your time, end of screening questionnaire.)

SQ2: Do you watch movies, TV series and other programs on online video streaming services?

- Yes (Please proceed to SQ3.)
- No (Thank you for your time, end of screening questionnaire.)

SQ3: Have you ever purchased any legal online video streaming services or used a free trial from these legal platforms?

- Yes (Please proceed to Survey Questionnaire.)
- No (Thank you for your time, end of screening questionnaire.)

- End of Screening Questionnaire –

Thank you very much for your time and cooperation.



SURVEY QUESTIONNAIRE

Please check the box that best corresponds to your answer. Most questions only require selecting ONE CHOICE unless otherwise indicated.

SECTION 1: ONLINE VIDEO STREAMING CONSUMPTION

1. How often do you normally stream videos via online Video-on-Demand Services?

- Everyday
 Several times per week
 Several times per month
 Several times per year

2. If you watch a movie or TV series on legal online video streaming websites, how likely you will watch the following? (Please rate your choices as “1” – very unlikely to “5” – very likely)

		1	2	3	4	5
2.1	Vietnamese movies/TV series					
2.2	US – UK movies/TV series					
2.3	Korean movies/TV series					
2.4	Chinese movies/TV series					
2.5	Other foreign movies/TV series					

3. Which of these commercial legal video streaming services you have used before?

(You can choose several answers)

- | | |
|---|--|
| <input type="checkbox"/> Netflix
<input type="checkbox"/> Iflix
<input type="checkbox"/> HBO
<input type="checkbox"/> Fim+
<input type="checkbox"/> DANET | <input type="checkbox"/> FPT Play
<input type="checkbox"/> Clip TV
<input type="checkbox"/> If other, please specify:
<hr style="width: 200px; margin-left: 0;"/> |
|---|--|

SECTION 2: FACTORS AFFECTING PURCHASE INTENTION

Please indicate your level of agreement with the following statement on five scales as follows:

1 = Strongly disagree

4 = Agree

2 = Disagree

5 = Strongly agree

3 = Neutral

Part 1: Attitude towards Legal Online Video Streaming Services

No.	Statements	1	2	3	4	5
4.1	I think legal online video streaming services provide the best streaming experience.					
4.2	I like the plurality and variety of videos on legal online video streaming services.					
4.3	It is good that there are no advertising banners and pop-ups on legal online video streaming platforms.					
4.4	I am satisfied that legal online video streaming services offer good customer service support.					
4.5	It is good value for money to subscribe legal online video streaming services.					

Part 2: Subjective Norm

No.	Statements	1	2	3	4	5
5.1	My family thinks I should purchase legal online video streaming services.					
5.2	My friends think I should purchase legal online video streaming services.					
5.3	My colleagues think I should purchase legal online video streaming services.					

Part 3: Perceived Behavioral Control

No.	Statements	1	2	3	4	5
6.1	I can easily watch videos on any devices.					
6.2	I can easily select the quality of the video by myself.					
6.3	I can easily resume the videos at where I left.					
6.4	I can easily choose Vietnamese subtitles and the original language.					
6.5	I can easily download videos to watch offline.					
6.6	I can easily purchase legal online video streaming services.					

Part 4: Moral Judgement

No.	Statements	1	2	3	4	5
7.1	I feel guilty about using illegal online video streaming services.					
7.2	It would be morally wrong for me to stream videos illegally.					
7.3	I think using legal online video streaming services is ethical.					
7.4	I support people in using legal online video streaming services.					

Part 5: Regulation Recognition

No.	Statements	1	2	3	4	5
8.1	Using legal online video streaming services is fair to the producers, providers, cast and everyone involved.					
8.2	Digital products should be fully protected by copyright.					
8.3	Laws against digital video piracy should be strictly enforced.					

Part 6: Intention of Purchasing Legal Online Video Streaming Services

No.	Statements	1	2	3	4	5
9.1	I will continue to subscribe to legal online video streaming services.					
9.2	I am probably going to purchase legal online video streaming services in the near future.					
9.3	I will recommend legal online video streaming services to my family and friends.					

SECTION 3: CONSUMER EXPECTATIONS

How important are the following elements of legal online video streaming services to you?

Please indicate the level of your expectations towards legal online video streaming services with the following elements on five scales as follows:

1 = Not at all important

4 = Very important

2 = Slightly important

5 = Extremely important

3 = Moderately important

Part 1: Product Attributes

No.	Elements	1	2	3	4	5
	Quality					
10.1	Different definition quality of videos (from 144p to 1080HD and better)					
10.2	Possibility of watching movies in 3D					
	Content					
10.3	A wide variety of content					
10.4	Original content (movies or TV series produced by the company running the streaming platform)					
10.5	Latest content is accessible as soon as possible					
10.6	Providing foreign content with subtitles in Vietnamese					
10.7	Foreign content are dubbed in Vietnamese					
	Website Interface					
10.8	Simple and understandable design					
10.9	Aesthetic and minimalist design					
10.10	Attractive banners for all movies and TV series					
10.11	Offering information about the film before watching it (description, trailer, rating, etc.)					

	Easiness to Navigate					
10.12	A good user-friendly search tool to find movies and TV series					
10.13	Thematic collections of films (e.g. “Just for Laugh”, “Watch, Gasp, Repeat”, etc.)					
10.14	A suggestion of daily collection of new content available for watching					
10.15	Offering personalized recommendations based on users’ viewing history					
10.16	Possibility of creating your own film library					

Part 2: Price

No.	Elements	1	2	3	4	5
11.1	The subscription fee is reasonably priced					
11.2	Providing different subscription options with different prices (e.g. basic, standard, premium, etc.)					
11.3	Offering long-term subscription plans with cheaper price than monthly subscription (e.g. 3-month, 6-month and yearly subscription)					
11.4	Offering different paying methods (e.g. bank card on website, sms, e-wallet, payment terminal, etc.)					

Part 3: Place

No.	Elements	1	2	3	4	5
12.1	Ability to stream videos from Smart TVs					
12.2	Ability to stream videos from Smartphones & Tablets					
12.3	Ability to stream videos from PCs & Laptops					
12.4	Ability to stream videos from Game Consoles					
12.5	Ability to stream videos from Set-top Boxes					
12.6	Ability to stream videos from DVD & Blu-ray Players					

Part 4: Promotion

No.	Elements	1	2	3	4	5
13.1	Free-trial period					
13.2	Special discount (e.g. for first subscription, for group subscription, etc.)					
13.3	Collecting points by giving ratings, comments and reviews to redeem rewards, privileges					

SECTION 4: PERSONAL INFORMATION

Please respond to the following questions.

14. What is your gender?

- Male
 Female

15. What is your age?

- 15 – 25
 26 – 35
 36 – 45
 46 – 65

16. What is the highest level of education you have completed?

- High school
 Vocational/technical school
 Undergraduate degree
 Master's degree
 Doctoral degree

17. What is your occupation?

- Student
 White-collar worker
 Blue-collar worker
 If other, please specify:

18. What is the range of your individual income per month?

- < VND 5,000,000
- VND 5,000,000 – 10,000,000
- VND 10,000,001 – 20,000,000
- > VND 20,000,000



BIOGRAPHY

Name	Ms. Thuy Thi Hong Nguyen
Date of Birth	November 19, 1992
Educational Attainment	2014: Bachelors in Finance & Banking
Work Experiences	March 2017 – December 2018 Credit Officer AGRIBANK – Thua Thien Hue Branch
	April 2016 – February 2017 Front Office Assistant Knitting Textile and Garment Hue Vietnam Co., Ltd.
	August 2015 – March 2016 Programme Officer Dai Truong Phat Online Company