

## **The Roles of Variety Seeking, Price, and Customer Satisfaction in Customer's Decision in Brand Switching of Disney Hotstar**

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### **ABSTRACT**

Technology is one of the most important things in human life today. It develops a lot of aspects including films and entertainment. Before, we used to watch films in cinemas but with technology, we can watch films through a platform called VOD (Video On Demand) which is a movie streaming platform that can be used everywhere and anytime through internet. The purpose of this study is to determine whether variety seeking, price, and customer satisfaction can affect brand switching in VOD Disney+ Hotstar. This study is quantitative research using descriptive approach and the sample that is used in this study is all Disney+ Hotstar subscribers in Surabaya, Indonesia. In this study concludes that variety seeking affects significantly to brand switching of the VOD Disney+ Hotstar subscriber. But price and customer satisfaction have no affect to brand switching of VOD Disney+ Hotstar Subscriber.

**Keywords:** variety seeking, price, customer satisfaction, brand switching

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**INTRODUCTION**

Through the development of technology, entertainment and film industry are also developing rapidly. Films that were first could only be watched in cinemas, now can be seen at home through television, VCD, DVD, and blue-ray. Internet have also made films available online in a platform called Video On Demand which provides films to be watched everywhere and anytime by subscribing to it.

During the Covid-19 pandemic in 2020, a large scale of social restriction was imposed and forced many people to carry out their daily lives like working, studying, eating, working out, and seeking entertainment at home. This routines change people's lifestyles. People become dependent to internet and it became one important part of the daily life. In the second quarter of 2020, stated by the Indonesian Internet Provider Association, that 196.7 million of people are using internet and will continue to grow rapidly through the year.

People tend to watch films and video contents when they're bored. Probably through the pandemic, watching films through VOD platforms become a major trend and are highly attracting more customers. There are a lot of VOD platforms in Indonesia and provides contents also films that matches people's liking and preferences. So these varieties become one of the competition factors between VOD companies.

One of the VOD platforms is Disney+ Hotstar. Disney+ Hotstar is available in Indonesia from September 2020 coinciding with the pandemic that occurs. Disney+ Hotstar is a VOD platform from a company in India and is a subsidiary of The Walt Disney Company. At the beginning of its entry, Disney+ Hotstar gain a lot of new subscriber more than the other VOD platforms that have been used before in Indonesia. Disney+ Hotstar provides films and original series from Disney, Marvel, Pixar, 20<sup>th</sup> Century Fox, National Geographic, Korean Drama Producers, and also a lot of local film productions which many people are interested in. With a wide variety of VOD products and services that are emerging these days, company need more strategic strategies to retain customers so that they don't switch to competitors. So the hypothesis of this study is:

1. Variety seeking significantly affects customer's decision in brand switching of VOD Disney+ Hotstar
2. Price significantly affects customer's decision in brand switching of VOD Disney+ Hotstar.
3. Customer Satisfaction significantly affects customer's decision in brand switching of VOD Disney+ Hotstar

**METHOD**

This study is a quantitative research with a descriptive approach. Sugiyono (2018: 143), argues that research with a descriptive approach method is research with data analysis described and described using the data collected.

The variables in this study are:

1. Variety seeking (X1), Price (X2), and Customer Satisfaction (X3) as the independent variables
2. Brand switching (Y) as the dependent variable

According to Ferdinand (2016:109), to calculate the sampling method is by multiplying 25 (twenty five) to the number of independent variable that are used. Samples that are used in this study are 75 Disney+ Hotstar subscribers which 87% of them are women and the rest 13% are

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men. The majority of the respondents are students. The data analysis technique in this study is using Statistical Package for The Social Science (SPSS) software version 25.0.

In conducting the survey, the Likert scale is used to measure each statement from the respondents' answers. Sugiyono (2017: 134) said the Likert scale can measure an opinion, perception, and attitude of respondents to the phenomenon that occur and will support researchers conducting research from consistent statements through questionnaires.

**Table 1. Likert Scale**

No	Statement	Score
1.	Strongly Agree	5
2.	Agree	4
3.	Neutral	3
4..	Disagree	2
5.	Strongly Disagree	1

The various data processing techniques that are used in this study are:

**1. Validity Test**

Ghozali (2018: 51), states that the validity test is a measurement used by researchers to measure the validity of a questionnaire. The questionnaire will be declared valid if  $r \text{ count} \geq r \text{ table}$  with a significant level  $\leq 0.05$ , and will be invalid if  $r \text{ count} < r \text{ table}$  with a significant level is  $> 0.05$ .

**2. Reliability Test**

The reliability test measurement according to Ghozali (2018: 45) is defined as a measuring tool for a questionnaire which is an indicator of the research variable being studied. The questionnaire will be considered reliable if the answers from the respondents are consistent. If the Cronbach's Alpha value  $\geq 0.70$ , then the statement is considered reliable or consistent. And if Cronbach's Alpha value  $< 0.70$ , then the statement is considered not reliable or consistent.

**3. Normality Test**

The normality test is a test of whether or not all variables used in the study are normally distributed. If the significant value is above 0.05, the research data has a normal distribution and if the significant value is below 0.05, the research data does not have a normal distribution.

**4. Multicollinearity Test**

The multicollinearity test according to Ghozali (2018: 107) is a test that has the objective of analyzing whether or not there is a correlation between the independent and dependent variables

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in the regression research model. If the tolerance value is  $> 0.10$  and  $VIF < 0.10$ , then the data in this study are non-multicollinearity and if the tolerance value is  $\leq 0.10$  and  $VIF \geq 0.10$ , then the research data has symptoms of multicollinearity.

### 5. Heterocedasticity Test

Heteroscedasticity test is a test on the regression test model to identify whether there is dissimilarity between the variances of the residuals of one research data to other data. The heteroscedasticity test has the following indicators: data points scattered above, below or around the number 0 are considered to have no symptoms of heteroscedasticity, if a regular pattern is formed on the graph, such as wavy from wide to narrow, then the data is considered to have symptoms of heteroscedasticity.

### 6. Multiple Linear Regression

The multiple linear regression is an analysis that measures the strength of the data between the dependent variable and the independent variable. This test is a test of the regression test model which has more than 1 (one) independent variable.

### 7. Coefficient Determination

The coefficient of determination test according to Ghozali (2018: 97) is a test that researchers use in measuring the extent to which the independent variable is capable of the dependent variable. Limited independent variables are characterized by small  $R^2$  values. The interpretation of the coefficient of determination is as follows:

**Table 2.** Coefficient of Determination

Interval	Influence Level
0% - 19,99%	Very Weak
20% - 39,99%	Weak
40% - 59,99%	Moderate
60% - 79,99%	Strong
80% - 100%	Very Strong

### 8. t – test

The t test is referred to as a test that has the aim of testing the truth of the hypothesis that has been set. Sugiyono (2018: 233) says the t test is a partial hypothesis test that aims to determine the effect of the independent variable on the dependent variable.

## RESULT AND DISCUSSION

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### Validity Test

**Table 3.** Validity Test Result

Variabel	r score	r distribution	Description
X1.1	0,690	0,224	VALID
X1.2	0,772	0,224	VALID
X1.3	0,747	0,224	VALID
X1.4	0,818	0,224	VALID
X2.1	0,668	0,224	VALID
X2.2	0,675	0,224	VALID
X2.3	0,786	0,224	VALID
X2.4	0,781	0,224	VALID
X3.1	0,813	0,224	VALID
X3.2	0,826	0,224	VALID
X3.3	0,742	0,224	VALID
Y.1	0,863	0,224	VALID
Y.2	0,743	0,224	VALID
Y.3	0,779	0,224	VALID

Based on Table 3, it can be concluded that all statement items from each variable in the study are stated as valid, where the value of r count  $\geq$  r table.

### Reliability Test

**Table 4.** Reliability Test Result

Variable	Cronbach's Alpha	Description
Variety Seeking (X1)	0,703	Reliable
Price (X2)	0,751	Reliable
Customer Satisfaction (X3)	0,706	Reliable
Brand Switching (Y)	0,711	Reliable

In Table 4, it is concluded that all variables in the study have a Cronbach Alpha's number value  $> 0.70$ . So that it can be stated that all the variables studied are consistent or reliable.

### Normality Test

**One-Sample Kolmogorov-Smirnov Test**

		Unstandardized Residual
N		75
Normal Parameters <sup>a,b</sup>	Mean	,0000000
	Std. Deviation	2,14030194
Most Extreme Differences	Absolute	,092
	Positive	,051
	Negative	-,092
Test Statistic		,092
Asymp. Sig. (2-tailed)		,182 <sup>c</sup>

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

**Figure 1.** Normality Test Result

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It shows in the results of the normality test in this study, all variables had a significance value of  $> 0.05$ , which is 0.182. In this study it can be concluded that all variables have a normal distribution.

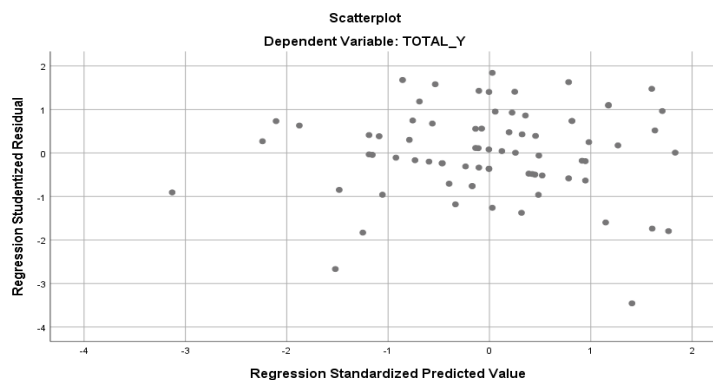
### Multicollinearity Test

**Table 5.** Multicollinearity Test Result

Variable	Tolerance	VIF
Variety Seeking (X1)	0,963	1,039
Price (X2)	0,820	1,220
Customer Satisfaction (X3)	0,834	1,199

It can be concluded from the results of the multicollinearity test in this study that all variables have a tolerance value of  $> 0.1$  and a VIF value  $< 10$ , which means that in the regression model testing this study, multicollinearity is not found.

### Heteroscedasticity Test


**Figure 2.** Heteroscedasticity Test Result

It can be seen in Figure 1, the data points are spread above, below and around the number 0. The data points also do not form a pattern, indicating that there are no symptoms of heteroscedasticity in this study.

### Multiple Linear Regression

**Table 6.** Multiple Linear Regression Result

Model	Unstandardized Coefficient		
	B	Std. Error	
I	Constant	6,146	3,105
	Variety Seeking (X1)	0,409	0,124
	Price (X2)	-0,004	0,148
	Customer Satisfaction (X3)	-0,067	0,164

The results of multiple linear regression analysis in Table 6 are the equations between 3 (three) independent variables and 1 (one) dependent variable. The equation for this regression test model is:

$$Y = 6.146 - 0.004 X1 - 0.067 X2 + 0.409 X3$$

### Coefficient of Determination

 Medan, Sumatera Utara, Indonesia 26<sup>th</sup> January 2023

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**Table 7.** Coefficient Determination Result

<i>Model</i>	<i>R</i>	<i>R-square</i>	<i>Adjusted R-square</i>	<i>Std. Error of the Estimate</i>
1	0,377	0,142	0,106	2,185

Table 7 states that the R-square value is 0.142 (14.2%) while the adjusted R-square is 0.106 (10.6%). This figure is adjusted for the interpretation of the coefficient of determination in Table 3.2, namely the three independent variables namely variety seeking (X1), price (X2), and customer satisfaction (X3) simultaneously make a very weak contribution to the dependent variable, namely brand switching (Y), so that the value the remaining 89.4% comes from other factors and variables. Therefore, further researchers can conduct research using other variables.

t – test

In this study, the implementation of the t test is carried out by comparing t-distribution and t-score and also the level of significance. T-distribution can be calculated using the formula below:

$$t\text{-distribution} = (\alpha/2 ; n - k - 1)$$

$$= (0.05 / 2 ; 75 \text{ respondent} - 3 \text{ independent variable} - 1)$$

$$= (0.025 : 71) = t \text{ distribution } 1,99394$$

**Table 8.** t – test result

<b>Model</b>	<b>t score</b>	<b>Significant</b>
<i>Constant</i>	1,979	0,052
Variety Seeking (X1)	3,312	0,001
Price (X2)	-0,027	0,978
Customer Satisfaction (X3)	-0,406	0,686

- The results of this t test state that  $H_1$  is accepted and  $H_0$  is rejected, which means that the variety seeking variable (X1) has no effect on the brand switching variable (Y)
- The results of this t test state that  $H_0$  is accepted and  $H_1$  is rejected, which means that the price variable (X2) has no effect on the brand switching variable (Y)
- The results of this t test state that  $H_0$  is accepted and  $H_1$  is rejected, which means that the customer satisfaction variable (X3) has no effect on the brand switching variable (Y)

## DISCUSSION

The effect of the variety seeking variable (X1) on the brand switching variable (Y) has a t count of  $3.312 > t \text{ table } 1.99394$  with a significance level of  $0.001 < 0.05$ .

Users consider that switching VOD services does not have to compare prices with the quality of the films provided on the platform, but from the choice of films and content they want to watch from the VOD service. The customer's consideration in switching and using Disney+

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Hotstar VOD is that there is a desire to watch movies provided on the platform so they don't care about the price offered for subscription.

Users switch to VOD Disney+ Hotstar based on the goal of looking for variety in watching movies. Users have the desire to watch many types and genres of films that are broadcast on VOD services that operate. VOD Disney+ Hotstar provides lots of videos and movies that are different from other VOD services. Users are interested in switching to Disney+ Hotstar VOD to watch movies and content that cannot be found on other VODs.

**CONCLUSION**

1. Variety seeking has a significant affect on brand switching of VOD Disney+ Hotstar
2. Price has no effect on brand switching of VOD Disney+ Hotstar
3. Customer Satisfaction has no effect on brand switching of VOD Disney+ Hotstar

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