Market segmentation: loyalty, repurchase and brand experience among Netflix users

Segmentación del mercado: lealtad, recompra y experiencia de marca en usuarios de Netflix

Melchor Cardona, Madeline iD
Universidad Autónoma de Occidente Cali, Colombia

Mayorga Gordillo, Javier Andrés iD
Universidad de la Sabana, Bogotá, Colombia

Berendet Peña, Manuela iD
Universidad Autónoma de Occidente Cali, Colombia

Medina Ribera, Salomé iD
Universidad Autónoma de Occidente Cali, Colombia

Abstract

The Over The Top (OTT) market is a growing and highly dynamic sector, offering video content across different competing platforms. This study examines the market

Melchor Cardona, Madeline, https://orcid.org/0000-0003-1080-6203, Universidad Autónoma de Occidente Cali (Colombia), mmelchor@uao.edu.co
Mayorga Gordillo, Javier Andrés, https://orcid.org/0000-0003-3094-7951, Universidad de la Sabana (Bogotá, Colombia), javier.mayorga@unisabana.edu.co
Berendet Peña, Manuela, https://orcid.org/0009-0008-4207-4784, Universidad Autónoma de Occidente (Cali, Colombia), manuela.berendt@uao.edu.co
Medina Ribera, Salomé, https://orcid.org/0000-0001-6091-5219, Universidad Autónoma de Occidente Universidad Autónoma de Occidente (Cali, Colombia), salome.medina@uao.edu.co

segmentation of consumers in Valle del Cauca (Colombia) of one of the platforms in the sector (Netflix) based on brand experience and loyalty, and intention to repurchase. A quantitative study was conducted using cluster analysis to segment the market in terms of brand loyalty, repurchase intention and brand experience. The results show segmentation of the Netflix market into enamoured (high loyalty) and trapped (feigned loyalty) customers. Segment-specific marketing can be used to strengthen and consolidate the relationship between brands and users by tailoring products to the needs of each.

Keywords: brand loyalty, repurchase intention, brand experience, market segmentation

Resumen

El mercado Over The Top (OTT) está en continuo crecimiento y presenta un alto dinamismo, con una mayor participación del contenido de video a través de las diferentes plataformas que compiten en el sector. Esto motiva a estudiar las demandas de los consumidores de este mercado. El objetivo del estudio es la segmentación del mercado de los consumidores-usuarios en el Valle del Cauca (Colombia) de una de las plataformas del sector: Netflix, sobre la base de su experiencia y lealtad de marca, así como la intención de recompra. La metodología tiene enfoque cuantitativo con análisis clúster para segmentar el mercado a partir de la medición de los constructos: lealtad de marca, intención de recompra y experiencia de marca. Los resultados muestran dos segmentos del mercado de Netflix: enamorados (alta lealtad) y atrapados (lealtad fingida), lo que permite concluir las estrategias de fortalecimiento y consolidación del relacionamiento con los usuarios con la marca, tendrán mejor desempeño, al incluir lo que precisan los dos segmentos identificados.

Palabras clave: lealtad de marca, intención de recompra, experiencia de marca, segmentación del mercado

1. INTRODUCTION

The Over-the-Top (OTT) sector includes companies offering communication services such as telephony (e.g., Skype), messaging (e.g., WhatsApp), and Subscription Video on Demand (SVOD) platforms (e.g., Netflix). According to Wadhwani (2022), the market size is expected to grow due to increased adoption of smart devices compatible with OTT services and improved connectivity in terms of accessibility, cost, and speed. These factors provide flexibility in time and space for consuming online content. Within the OTT market, video content represents the largest share, specifically through SVOD

132

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

platforms, which offer users unlimited access to a wide variety of entertainment content.

This service offering corresponds to a shift in consumer behavior. González-Oñate et al. (2024) describe the evolution from passive consumers to active users who interact and participate via the Internet. These users have transitioned from isolated individuals to hyper-connected consumers seeking unique experiences, instant access, and engaging content.

OTT services can be provided by any external company. As a result, multiple non-traditional broadcasting providers offer OTT services, including Netflix, Amazon Prime, and YouTube. Consequently, traditional media companies, such as television service providers, face increasing competition from new entrants in the industry (Shin, Park, & Lee, 2016). Netflix, a key player in this market, reported over 221 million subscribers globally (Stoll, 2023).

Rodríguez-Ortega (2023) explains that streaming services are driving an environment where automated content consumption has become dominant. Users interact with platforms that offer personalized processes. Each user builds a unique audiovisual library through personal profiles and can share accounts collectively with others. Additionally, the author highlights the role of advanced algorithmic techniques in influencing production, acquisition, and distribution strategies, enabling personalized user experiences through continuous data collection from user interactions. These planned differentiation processes illustrate how streaming platforms attract users with a wide variety of content offerings.

Given the characteristics of this sector, various studies have analyzed the factors influencing consumer decisions to subscribe to and remain with these platforms. Ruangkanjanases, Payakka, and Kim (2021) identified significant differences between Thai and American SVOD platform users. For Thai consumers, product/service attributes and subjective norms are critical, while American consumers prioritize their attitude toward the behavior. This suggests that Thai consumers are pragmatic, seeking flexibility and socially accepted products, while American consumers prefer using their needs and interests as a basis for purchase decisions.

Nagaraj, Singh, and Yasa (2021), in their study of Indian consumers, identified five predictive factors for OTT subscriptions: content, convenience, features, quality, and price. Convenience refers to the portability and permanent access offered by these services, along with the option to record content. Features include interactive functions, such as saving and downloading content, rating and reviewing options, and sharing content on social media. Quality encompasses global content availability, subtitles, content variety, and website design. Finally, price relates to subscription fees charged by SVOD providers.

133

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Tsai and Cai (2023) analyzed the intention to use SVOD platforms and found that entertainment, convenience, and content diversity positively affect perceived usefulness and ease of use. Additionally, perceived usefulness positively influences ease of use, meaning that when users recognize the superior usability of SVOD platforms, they are more likely to perceive their usefulness. Both perceived usefulness and ease of use significantly influence usage intentions, highlighting that user recognition of these attributes increases their intent to use OTT platforms.

Chen et al. (2023) explored factors influencing user willingness to adopt OTT platforms, specifically the impact of perceived price on attitudes and behaviors. Results showed that personal motivation directly influences users' perceived usefulness and indirectly affects their attitudes toward usage. OTT platforms with greater content diversity are more attractive to consumers; however, users remain concerned about platform security, which reduces their intent to use them. Perceived price plays a moderating role in the relationship between attitudes and actual behavior, as some users feel burdened by subscription fees.

González-Oñate et al. (2024) explain the concept of "multi-screen consumers," who exhibit dynamic and active profiles with reduced attention to television as they simultaneously use other devices. For this audience, audiovisual content must deliver the same positive experience regardless of the platform on which it is consumed. Therefore, television requires integrated plans incorporating digital supports to create synergies across various screens (Waddell & Sundar, 2017).

Ong et al. (2024) examined consumer acceptance of interactive entertainment in the Philippines to understand how users perceive and engage with streaming platforms. Variables analyzed included performance expectation, effort expectation, social influence, price, hedonic motivation, facilitating conditions, habits, behavioral intention, and usage behavior. Results indicated that habit, facilitating conditions, hedonic motivation, social influence, and performance expectation significantly influenced platform usage.

Specifically regarding Netflix, Amoroso et al. (2021) conducted a market segmentation study in Italy and identified four user segments: "addicts," who experience strong and positive engagement, resulting in high brand loyalty; "jumpers," who have positive experiences but exhibit moderate-to-low trust and are likely to switch platforms; "trapped," who subscribe but do not experience strong or positive brand connections, with loyalty based more on functional factors than emotional satisfaction; and "strangers," who are Netflix consumers likely to discontinue their subscription or switch to other OTT platforms. Amoroso et al. (2021) emphasize the importance of segmenting consumers based on behavior to ensure the transition from a positive brand experience to high brand equity, a critical requirement in the highly innovative and dynamic OTT industry.

134

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Similarly, Felicia (2024) highlights in her Indonesian study that Netflix users' behavior regarding platform switching depends on product variety, dissatisfaction, and service quality. The study suggests that Netflix can enhance its content diversity by incorporating a broader range of recently released blockbuster films alongside original content to increase distinctiveness and appeal.

The dynamic OTT market, high competition among SVOD platforms, and Netflix's unique market positioning underscore the importance of characterizing this provider's consumer market. This study focuses on identifying Netflix consumer typologies in Valle del Cauca, Colombia. The existing literature highlights multiple variables influencing consumer preferences, which can be articulated through brand experience. Therefore, this study aims to identify consumer typologies within the streaming entertainment category (Netflix) by evaluating the constructs of brand loyalty, repurchase intention, and brand experience to achieve a comprehensive characterization of consumers in this category.

2.THEORETICAL FRAMEWORK

2.1. Brand Experience

The first construct examined is brand experience, which focuses on the design and implementation of unique customer experiences. These experiences aim to provide customers with memorable, positive moments that transcend the simple act of purchasing a service or product, ultimately leading to differentiation strategies and enhanced value creation (Pine & Gilmore, 1998). Several authors describe brand experience as a strategic process aimed at delivering comprehensive value to customers, fostering market differentiation, and contributing to a company's competitive advantage (Verhoef et al., 2009; Schmitt, 2009; Brakus et al., 2009).

Experiential marketing seeks to accompany the consumer throughout the purchasing process, providing symbolic stimuli that evoke positive emotional responses and influence purchase decisions. Relational marketing, on the other hand, aims to create emotional, sensory, behavioral, and relational value for customers through its strategies (Tsaur et al., 2007).

Unlike traditional marketing, experiential marketing focuses not only on the product purchase but also on the experiences consumers have during the process. It shifts the understanding of consumer behavior from purely rational processes to those that also involve affective processes (Le et al., 2019).

Authors explain that the brand experience on streaming platforms is shaped by key factors that influence consumer attitudes and behaviors. These include content richness, brand value, and the role of influencers, all of which enhance user satisfaction and loyalty.

135

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Regarding content richness, Dextre-Mamani et al. (2021) show that diverse and high-quality content significantly impacts user satisfaction and brand value. Users prefer platforms that offer a variety of attractive content, strengthening their connection to the brand.

Brand value is linked to a strong brand reputation, which increases user trust and loyalty. Consumers are more likely to engage with brands that are perceived positively, leading to impulsive consumption behaviors (Xiya, 2024).

2.2. Brand Loyalty and Repurchase Intention

The second construct, brand loyalty, occurs when consumers frequently choose the same brand, avoiding substitutes and confidently recommending it to others (Odin et al., 2001). Delgado (2004) defines loyalty as the degree of commitment and attachment to a brand.

Schiffman and Kanuk (2009) categorize brand loyalty into behavioral, attitudinal, and a combination of both dimensions. Behavioral loyalty occurs when consumers repeatedly purchase a brand based on positive past experiences or group influences. This behavior increases the likelihood of repurchase, as consumers systematically associate the brand with a specific response. The more systematic the response, the higher the loyalty.

The attitudinal dimension is grounded in behavioral theories, which propose that loyalty is an attitude encompassing cognitive, affective, and conative elements. Loyal consumers demonstrate favorable feelings and beliefs toward a brand, resulting in a strong sense of commitment and a predisposition to purchase it. Therefore, consumer attitudes toward a brand serve as precursors to loyalty, fostering strong emotional bonds between the individual and the brand (Assael, 1987; Keller, 1993).

The combined attitudinal-behavioral dimension suggests that loyalty involves a higher level of commitment to the brand, integrating dispositions, emotions, and actions. Loyal customers exhibit strong internal attachment to the brand, leading to frequent purchases.

Regarding repurchase intention, Adekunle and Ejechi (2018) describe it as the consumer's commitment to repurchase a product or service in the future. Johan et al. (2020) define repurchase intention as the psychological commitment to reuse a product or service after its initial use, driven by satisfaction and the perceived value of the product. Studies suggest a positive relationship between brand preference and repurchase intention (Yasri et al., 2020; Ebrahim et al., 2016).

The relationship between brand loyalty and repurchase intention in streaming platforms is influenced by factors such as consumer experience, service quality, and interpersonal relationships. Affective commitment, in particular, is associated with positive recommendation intentions, reinforcing brand loyalty (Li et al., 2024).

136

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Perceived experience in live streaming, including interactivity and entertainment, positively influences consumer satisfaction, which mediates the relationship with repurchase intention. Higher consumer satisfaction translates into greater loyalty and repurchase intentions, emphasizing the importance of delivering a positive user experience (Xu et al., 2023).

Although brand attachment is often considered essential for loyalty, its direct influence on repurchase intention may be limited. Other factors, such as commitment and promotional strategies, can play more significant roles in the streaming context (Faruqi et al., 2024).

3. METHODOLOGY

A quantitative study was conducted targeting Netflix users residing in Valle del Cauca, Colombia. The sample consisted of 292 survey responses, ensuring a 95% confidence level and a 6% margin of error. Participants were contacted through social media, and inclusion criteria filtered for individuals actively using Netflix.

The sample included 46% men and 54% women; 93% of participants had completed or were pursuing higher education, and 87% reported watching Netflix for a minimum of 10 hours per week. Data collection occurred during the first half of 2022.

The measurement instrument was a structured questionnaire comprising two phases: The first phase focused on Netflix usage practices. The second phase measured the constructs brand experience, brand loyalty, and repurchase intention.

- Brand experience was measured using 12 items, adapted from Brakus et al. (2009).
- Brand loyalty was assessed using the scale proposed by Odin et al. (2001).
- Repurchase intention was evaluated using a scale adopted from Hsu et al. (2014).

The methodology was designed based on the approach used by Amoroso et al. (2021). The statistical analysis applied was a two-step cluster analysis, performed in three phases:

1. Phase 1: Two mathematical expressions were determined. The first expression included variables associated with brand experience and brand trust, while the second covered variables for repurchase intention and brand loyalty. This phase generated weighted results based on statistical behavior.

2. Phase 2: Clusters were formed by grouping respondents with similar responses. The Ward hierarchical method was used for clustering, supported by Euclidean distance squared.

3. Phase 3: A descriptive statistical analysis of the variables within each cluster was performed to explain the characteristics of the identified segments.

137

The analysis initially explored potential groupings of 2, 3, and 4 clusters using a dendrogram (Figure 1). Each grouping was evaluated to identify typologies of consumers.

Significance Testing

- To test the statistical dependence between demographic variables (e.g., gender, age, socioeconomic status) and cluster membership, contingency tables and the Cramer's V statistic were used.
- To analyze differences in the main constructs (brand experience, brand loyalty, repurchase intention), the Kolmogorov-Smirnov test was first applied to check for normality. If the data followed a Gaussian distribution, a one-way ANOVA was conducted; otherwise, the Kruskal-Wallis test was used.
- Pairwise cluster comparisons were performed using the Mann-Whitney U test, with Bonferroni adjustments for p-values to ensure statistical rigor.

4. RESULTS

The clustering process begins by grouping consumers based on the similarity of their responses. This is done using Ward's method, a hierarchical technique supported by the squared Euclidean distance. The initial result is presented as a dendrogram in Figure 1.

Figure 1. Dendrogram (source: own elaboration)
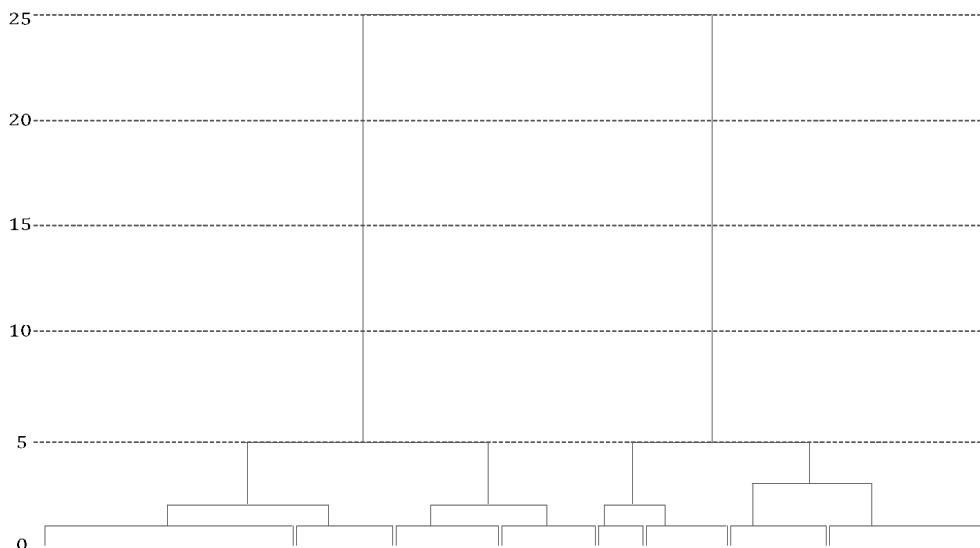
For the hierarchical clustering method, the number of clusters is not determined a priori. Thus, based on the dendrogram, a range of 2 to 4 groups was chosen.

138

For each of these three groupings (4, 3, and 2 clusters), the specific characteristics of each cluster are explored to identify consumer typologies.

For all three groupings, the variables that define the uniqueness of each cluster are organized into two sets, which contribute to the differentiation as long as they demonstrate statistically significant dependence with the nominal variable representing the groups. For this purpose, an analysis of each contingency table is carried out, based on Cramer's V coefficient as a measure of dependence.

The first set comprises sociodemographic variables such as gender, age, educational level, socioeconomic status of the household, time spent using the platform, and whether the individual pays for the service themselves.

The second set includes original variables associated with brand experience, brand loyalty, and repurchase intention. These variables quantitatively support the differentiation of each cluster through basic statistical descriptions.

Using these two sets of variables, a statistical dependency analysis was conducted.

First, the statistical dependence between the Gender variable and the variable indicating cluster membership was examined in each of the three contingency tables corresponding to the admission of four, three, or two clusters. Table 4 records not only the frequency in each cell but also its percentage equivalence within the cluster, Cramer's V statistic value, and its associated p-value in each contingency table. Statistical dependence is identified because p-values are below 0.05, providing quantitative justification to reject the null hypothesis of independence. Consequently, regardless of the number of clusters adopted, the Gender variable is a descriptive element of each cluster.

139

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Table 1. Contingency tables of gender and cluster membership, and value of Cramer's coefficient as a measure of dependence (source: own elaboration)

		Cluster (Case: 4 clústers)				Cluster (Case: 3 clústers)			Cluster (Case: 2 clústers)		Total
		1	2	3	4	1	2	3	1	2	
Male	Frequency	39	28	30	39	39	28	69	67	69	136
	Percentage within the cluster	36.1%	44.4%	73.2%	49.4%	36.1%	44.4%	57.5%	39.2%	57.5%	46.7%
Female	Frequency	69	35	11	40	69	35	51	104	51	155
	Percentage within the cluster	63.9%	55.6%	26.8%	50.6%	63.9%	55.6%	42.5%	60.8%	42.5%	53.3%
Total	Frequency	108	63	41	79	108	63	120	171	120	291
	Percentage within the cluster	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
		Cramer's V	0.24			Cramer's V	0.191		Cramer's V	0.181	
		P-value	0.001			P-value	0.005		P-value	0.002	

Similarly, the Age variable was analyzed, as shown in Table 2.

Table 2. Contingency tables of Age classification into two age groups and cluster membership, and Cramer's V coefficient as a dependency measure (source: own elaboration)

		Cluster (Cas2: 4 clústers)				Cluster (Case: 3 clústers)			Cluster (Case: 2 clústers)		Total
		1	2	3	4	1	2	3	1	2	
< 21 age	Frequency	42	29	9	28	42	29	37	71	37	108
	Percentage within the cluster	38.5%	46.0%	22.0%	35,4%	38.5,1%	46,0%	30,8%	41,3%	30.8%	37.0%
>21 age	Frequency	67	34	32	51	67	34	83	101	83	184
	Percentage within the cluster	61,5%	54,0%	78.0%	64.6%	61,5%	54,0%	69,2%	58.7%	69.2%	63,0%
Total	Frequency	109	63	41	79	109	63	120	172	120	292
	Percentage within the cluster	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
		V´ Cramer	0.148			V´ Cramer	0,121		V´ Cramer	0,106	
		P-valor	0,094			P-valor	0,118		P-valor	0,069	

Table 2 shows no statistical evidence to refute the independence hypothesis for the analysis of each table, as all p-values are greater than 0.05.

Additionally, the following questions were posed regarding the respondent's gender and age: "What is your household's socioeconomic status?"; "Are you the one paying for the Netflix subscription?"; "Approximately how many hours per week do you spend using Netflix?" The dependency analysis of the variables derived from these questions with the variable indicating cluster membership was performed using the same statistical

140

tools, with all p-values exceeding 0.05. Thus, the frequency distributions of these variables were excluded as elements for cluster differentiation.

Based on the above, the inclusion of the Gender variable's frequency distribution as a descriptive element is justified, while the frequency distributions of other variables are omitted for cluster differentiation.

Proceeding with the second group of variables, differences among clusters were analyzed to identify whether they are statistically significant, validating them as elements of differentiation. The analysis was conducted depending on whether the frequency distribution of the variables fit a Gaussian model. When satisfactory, according to the Kolmogorov-Smirnov test, one-way ANOVA (Analysis of Variance) was used; otherwise, the Kruskal-Wallis non-parametric test was applied.

The results are presented in Table 3, showing that only the variable related to brand experience fits the model for its analysis, with a p-value of 0.2, indicating the null hypothesis associated with the Kolmogorov-Smirnov test cannot be rejected.

Table 3. Summary of Kolmogorov-Smirnov test results for variables related to brand experience, brand loyalty, and repurchase intention (source: own elaboration)

| | | brand experience | Dimension | | | | brand loyalty | repurchase intention |
			Sensory	Intellectual	Behavioral	Affective		
Total		292	292	292	292	292	292	292
Maximum differences	Positive	0,023	0,146	0,082	0,105	0,08	0,169	0,101
	Negative	-0,039	-0,225	-0,132	-0,078	-0,136	-0,22	-0,117
Kolmogorov-Smirnov		0,039	0,225	0,132	0,105	0,136	0,22	0,117
p value		0,2	< 0,001	< 0,001	< 0,001	< 0,001	< 0,001	< 0,001

The evaluation of the differences in means among clusters for the brand experience variable is shown in Table 4.

141

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Table 4. Compilation of ANOVA tables for the brand experience variable by the assumed number of clusters (source: own elaboration)

	Source of variation	Degrees of freedom	Sum of squares	Mean square	Estatistic F	P value
4 clusters	between clusters	3	276,545	92,182	60,4076016	< 0,001
	within clusters	288	439,572	1,526		
	Total	291	716,117			
3 clusters	between clusters	2	257,191	128,595	80,9792191	<0,001
	within clusters	289	458,926	1,588		
	Total	291	716,117			
2 clusters	between clusters	1	84,95	84,95	39,0395221	<0,001
	within clusters	290	631,167	2,176		
	Total	291	716,117			

Based on the p-value less than 0.001, it is concluded that regardless of the number of clusters adopted, the mean of the brand experience variable is a distinguishing element of each cluster. Consequently, for each cluster count option, Table 5 includes additional basic statistics for each grouping, alongside the mean.

Table 5. Descriptive statistics of the brand experience variable in each cluster, by the adopted number of clusters (source: own elaboration)

		Brand experience					
		Size	Estandar Deviation	Min	Max	Median	Mean
4 Clusters	1	109	0,9261	6	10	7,75	7,797
	2	63	0,9775	3,5	7,33	5,92	5,72
	3	41	1,4134	2,08	8,17	5,25	5,382
	4	79	1,6323	2,17	10	6,17	6,229
3 Clusters	1	109	0,9261	6	10	7,75	7,797
	2	63	0,9775	3,5	7,33	5,92	5,72
	3	120	1,6064	2,08	10	5,83	5,94
2 Clusters	1	172	1,3767	3,5	10	7,04	7,036
	2	120	1,6064	2,08	10	5,83	5,94
Total		292	1,5687	2,08	10	6,67	5,585

As previously mentioned, the magnitude of the differences in the means of the brand experience variable among clusters was analyzed using ANOVA due to the satisfactory fit of the variable to the Gaussian model. For brand loyalty and repurchase intention variables, the analogous non-parametric Kruskal-Wallis test was applied. This test has a broader null hypothesis, hypothesizing that the

142

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

distribution function of the analysis variable is identical across clusters. As seen in Table 6, regardless of the number of clusters adopted, there is statistical evidence to reject the null hypothesis associated with the Kruskal-Wallis test, as all p-values are less than 0.05. In other words, the statistical behavior of each variable differs from cluster to cluster.

With this quantitative evidence of the statistical behavior of variables, a pairwise comparison analysis of clusters was conducted, referred to as paired comparisons. This analysis, derived from the rejection of the null hypotheses in the variance analysis and Kruskal-Wallis test, utilized the Mann-Whitney U test with Bonferroni adjustment for p-values. This provided statistical arguments to determine the definitive number of clusters and enabled a preliminary characterization of consumers within the category, which is the objective of this study (Table 7).

Table 6. Summary of Kruskal-Wallis test results for variables related to brand loyalty, repurchase intention, and brand experience dimensions (source: own elaboration)

		Brand experience	Repurchase intention	Brand loyalty	Brand experience			
					Sensory	Intellectual	Behavioral	Affective
4 clusters	N total	292	292	292	292	292	292	292
	Kruskal-Wallis	124,167	157,528	215,604	18,856	61,033	71,287	101,999
	df	3	3	3	3	3	3	3
	p-value	<0,001	<0,001	<0,001	<0,001	<0,001	<0,001	<0,001
3 clusters	total	292	292	292	292	292	292	292
	Kruskal-Wallis	117,098	147,233	201,482	18,296	59,65	67,618	88,466
	df	2	2	2	2	2	2	2
	p-value	<0,001	<0,001	< 0,001	<0,001	<0,001	<0,001	<0,001
2 clusters	total	292	292	292	292	292	292	292
	Kruskal-Wallis	34,188	130,657	199,122	13,625	7,519	20,176	31,445
	df	1	1	1	1	1	1	1
	p-value	<0,001	<0,001	<0,001	<0,001	0,006	<0,001	<0,001

143

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Table 7. Comparisons using the Mann-Whitney U test with Bonferroni adjustment (source: own elaboration)

	Brand experience			Repurchase intention			Brand loyalty		
	test statistic	p-value	Adjusted p value	test statistic	p-value	Adjusted p value	test statistic	p-value	Adjusted p value
Cluster 1 - 2	121,656	< 0,001	<0,001	54,102	<0,001	<0,001	20,308	0,124	0,747
Cluster 1 - 3	131,712	< 0,001	<0,001	168,107	<0,001	<0,001	187,387	< 0,001	<0,001
Cluster 1 - 4	88,511	< 0,001	<0,001	116,255	<0,001	<0,001	126,976	< 0,001	<0,001
Cluster 2 - 3	10,056	0,553	1	114,005	<0,001	<0,001	167,08	< 0,001	<0,001
Cluster 2 - 4	-33,145	0,02	0,121	62,152	<0,001	<0,001	106,668	< 0,001	<0,001
Cluster 3 - 4	-43,202	0,008	0,047	-51,853	0,001	0,008	-60,411	< 0,001	<0,001
Cluster 1 - 2	121,656	< 0,001	<0,001	54,102	<0,001	<0,001	20,308	0,124	0,373
Cluster 1 - 3	103,271	< 0,001	<0,001	133,971	<0,001	<0,001	147,617	< 0,001	<0,001
Cluster 2 - 3	-18,385	0,162	0,485	79,869	<0,001	<0,001	127,309	< 0,001	<0,001

In Table 7, some cases show no significant difference in the distribution functions of the variable under analysis between clusters. For brand experience, in the four-cluster option, the Mann-Whitney test comparing clusters 2 and 3 reveals an adjusted p-value of 0.999, concluding that the distribution function is common to them. Similarly, a p-value of 0.121 for comparing clusters 2 and 4 leads to the same conclusion. In the three-cluster option, with an adjusted p-value of 0.485, the same conclusion is derived for comparing clusters 2 and 3. Furthermore, brand loyalty distribution is common for clusters 1 and 2, with adjusted p-values of 0.747 for the four-cluster option and 0.373 for the three-cluster option.

For these reasons, aiming for greater dissimilarity among clusters, it was decided to work with two clusters to characterize consumers in the category.

Cluster Descriptions

Cluster 1: Netflix Lovers

The first cluster comprises 51% of respondents, with 39.2% male and 60.8% female. According to the information provided, this cluster shows high levels of repurchase intention and loyalty, as seen in Figure 2, which illustrates the weight of each measured construct. Brand loyalty and repurchase intention score particularly high. According to Colmenares and Saavedra (2007), this reflects

144

true loyalty, manifested through consumers' willingness, intention, and motivation to strengthen their commitment and maintain their relationship with the brand, despite potential obstacles. This cluster is highly committed to paying for the same subscription, fostering strong emotional ties, trust, and satisfaction with the brand and its offerings, particularly the intangible attributes of Netflix and its related services. This cluster has been named "Netflix Lovers."

Figure 2. Cluster 1 – Netflix Lovers (source: own elaboration)
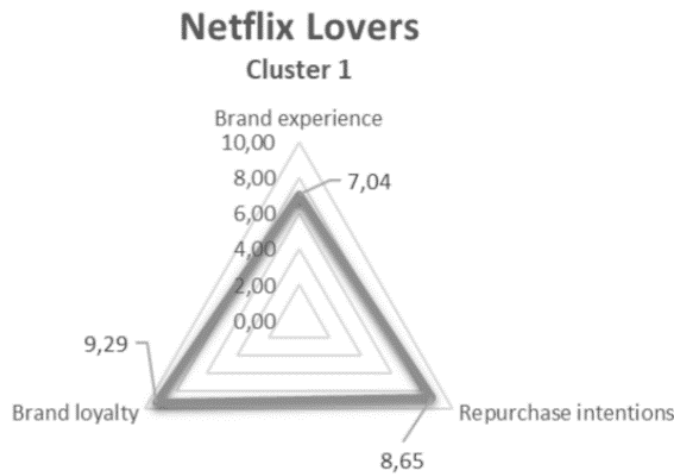
To analyze the brand experience construct in depth, its four dimensions are considered: (1) sensory, (2) intellectual, (3) behavioral, and (4) affective, as shown in Figure 3.

Figure 3. Brand experience dimensions – Cluster 1 (source: own elaboration)

145
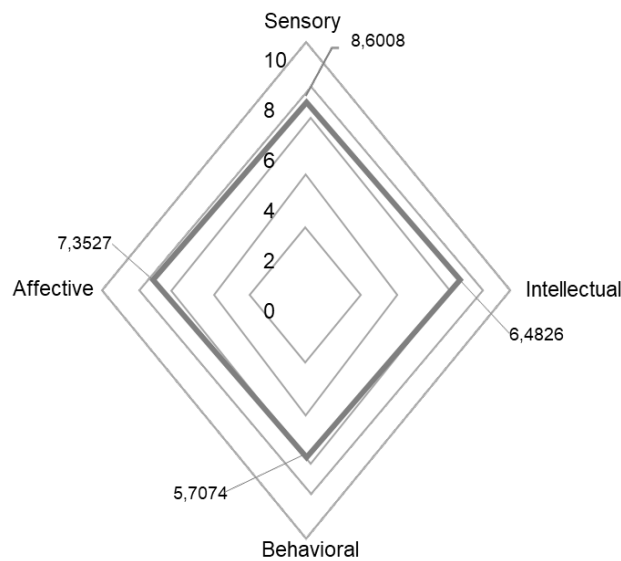
As seen in Figure 3, the sensory dimension carries significant weight. According to Lindstrom (2005), this dimension aims to establish connections between the brand and consumers on an emotional level by engaging all five senses during the purchasing process. This emotional response often outweighs rational considerations, influencing consumer behavior. This dimension seeks to attract and captivate consumers' minds (Hulten, 2011) unconsciously and uniquely (Lindstrom, 2005) through pre-designed multisensory stimuli (audio and visual, in Netflix's case) that directly affect consumers' perceptions, emotions, experiences, and behaviors (Kumar, 2014; Peck & Childers, 2008). Research by Álvarez (2011) on the role of the senses in consumer-brand interactions highlights the relative importance of each sense. Vision ranked highest at 58%, followed by smell (45%), hearing (41%), taste (31%), and touch (25%). Accordingly, brand experience increases with the engagement of multiple senses, significantly impacting the consumer. For Netflix, the senses most critical for fostering long-term consumer relationships are vision and hearing, significantly influencing loyalty and repurchase intention.

The affective dimension also ranks highly. Brands aim to generate internal feelings and emotions in consumers to create affective experiences, ranging from mood states to strong emotions like joy, passion, and pride. A consumer's affective state can positively or negatively influence their experience. In this study, the affective experiences were positively influenced due to the cluster's commitment to the brand. This indicates that Netflix evokes meaningful emotions and feelings in Cluster 1 users.

The intellectual dimension involves elements that stimulate consumers' thinking, creativity, and problem-solving abilities through experiences with the brand. For Netflix, the study found a high level of brand recognition, particularly among Cluster 1 users.

Finally, the behavioral dimension, which carries the least weight compared to others, pertains to experiences associated with behavior patterns, imitation of models, and lifestyles. For Cluster 1, this dimension shows no significant impact or influence on consumer behavior. Thus, the influence appears to be primarily emotional.

Cluster 2: Netflix Trapped

The second cluster represents 41% of respondents, with 57.5% male and 42.5% female.

146

In terms of the evaluated constructs, as shown in Figure 4, this cluster demonstrates low consumer commitment but a high repurchase rate. According to Colmenares and Saavedra (2007), this represents fake loyalty, characterized by dependency. These consumers continue purchasing under specific circumstances, often due to a lack of alternatives. In Netflix's case, these users do not pay for their subscriptions and thus lack decision-making power and purchasing ability to choose other streaming platforms. Consequently, they use Netflix as a last-resort entertainment option rather than out of alignment with its brand content.

Figure 4. Clúster 2 - Netflix Trapped (source: own elaboration)
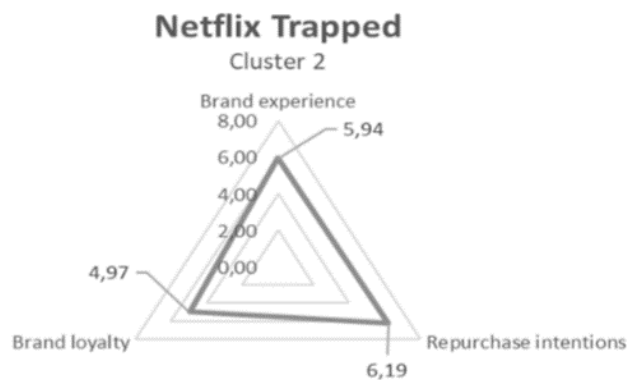
For brand experience, Cluster 2 exhibits the lowest level of experience. Analyzing the four dimensions (Figure 5), the sensory dimension is highly rated, appealing to responses related to the five senses. For Netflix, vision and hearing are inherently affected by platform use. Despite low brand loyalty, the sensory experience remains high. However, the affective dimension is rated low, as this cluster uses Netflix due to the lack of alternatives, which limits emotional connection. Additionally, the sensory dimension does not significantly influence the affective dimension, with an average score of 5.6 for affective items.

The behavioral dimension also shows low influence, as these consumers are not committed to the brand. Consequently, their behavior does not change due to platform use. While the brand generates sensory experiences, these are not strong enough to alter this cluster's lifestyle. Finally, the intellectual dimension has a low average score of 4.8, indicating the brand does not stimulate thought, creativity, or curiosity among these users, even though they recognize the brand elements.

147

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Figura 5. Brand experience - Clúster 2 (source: own elaboration)
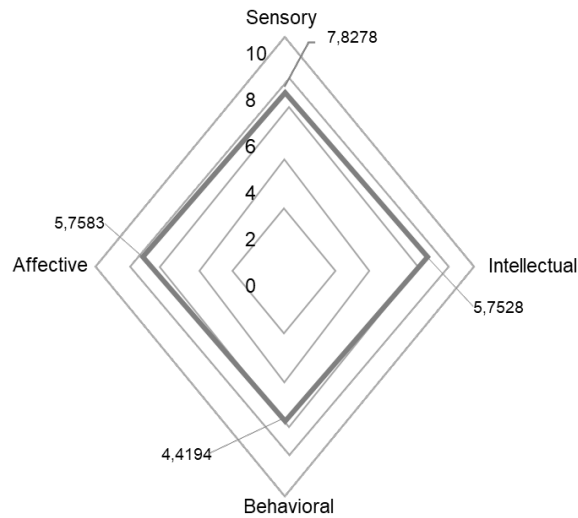
5. CONCLUSIONS

This study describes Netflix consumers through two clusters that show significant differences, creating statistical dissimilarities between the groups. These two clusters are composed of consumers labeled Netflix Lovers (Cluster 1) and Netflix Trapped (Cluster 2), who can be differentiated based on their usage of the platform.

Netflix Lovers are those who choose Netflix over any other platform, demonstrating high brand loyalty and repurchase intent. This description is based on the measurement of the brand loyalty construct, in which they show a high level of loyalty toward Netflix. Similarly, this evaluation is related to repurchase intent, which is also high for this segment. Therefore, this group consists of individuals who directly subscribe—paying for the service and choosing it over other platforms.

For the first cluster, the brand leans toward providing quality content, including updates on new releases, simple and concise text, allowing these highly loyal consumers to stay informed about new launches and products, making them feel identified with and an important part of the brand. Interest in high quality was identified by Nagaraj, Singh, and Yasa (2021) as one of the predictors of subscription intention for platforms.

In terms of brand experience, it was determined that one of the most significant dimensions for the first cluster is the sensory one, which establishes connections between the brand and the consumer on an emotional level. This is followed by the affective dimension, which aims to evoke emotions such as joy, passion, and

148

pride, influencing these consumers emotionally and creating significant feelings. The third dimension, brand recognition, is also high in this cluster.

On the other hand, Netflix Trapped consists of users who are "trapped" indirectly by the brand. They use the platform but do not have the final decision on which platform is chosen, representing false loyalty. This description is also based on the relationship between brand loyalty and repurchase intent. In this case, members of this segment are described as individuals who do not directly subscribe but do so through a third party, and therefore, do not decide to switch platforms. This group is characterized by a high level of repurchase intent but low brand loyalty. These individuals are consistently connected to the brand but not by their own choice.

For the second cluster, in terms of brand experience, there is a lower level of experience and a high level of sensory elements typical of the brand, as this is what Netflix primarily promotes. The other dimensions—affective, behavioral, and intellectual—are low, indicating no significant brand experience in this cluster.

With Netflix Trapped, there are certain limitations due to their characteristics, as their loyalty is deemed false. Consequently, Netflix focuses on these consumers by offering pleasant and lighthearted content to facilitate recall, seeking to persuade consumers positively.

A relevant aspect highlighted by the analysis of this study's results is that brand-related experiences are increasingly important in enhancing brand loyalty and repurchase intentions. Specifically for Netflix, it was identified that personalized experiences contribute to consumer commitment, loyalty, and repurchase intentions. This is achieved through algorithms that generate recommendations based on the users' specific needs, making them feel identified with the platform and motivated to use it. This aligns with the findings of Chen et al. (2023), who explained that personal motivation directly affects users' perceived utility and indirectly influences usage attitudes. Thus, OTT platforms with greater content diversity are more attractive to consumers.

This study suggests that marketing specialists design strategies to manage relationships with the "Lovers," as consumers decide which OTT platform to subscribe to, not only to meet an initial entertainment need but also to receive gratifications during the brand experience. The findings also emphasize that if consumers find the brand satisfying and aligned with their preferences, they are more likely to remain loyal to that brand and share positive brand experiences

149

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

with other consumers. These results are similar to those found by Ruangkanjanases, Payakka, and Man Kim (2021) regarding the behavior of American consumers, who prefer to make purchases based on their needs and interests. Therefore, they buy products according to their own criteria. In this sense, as in our study, a brand experience that meets such needs strengthens consumer relationships.

Strategies should also be personalized according to the segment's characteristics, specifically addressing their usage practices on the OTT platform. Brand communication and the focus of digital campaigns should prioritize the "Trapped" to better align with their expectations, leading to greater satisfaction and, in turn, fostering brand loyalty.

Future research should focus on measuring emotional variables and consumers' intrinsic motivation, given the highly dynamic OTT sector. It should also involve different regions and platforms to enable comparisons regarding consumer interests, motivations, and expectations.

6. REFERENCES

Adekunle, A. S. and Ejechi, O. J. (2018). Modelling repurchase intention among smartphones users in Nigeria. *Journal of Modelling in Management, 13*(4), 794-814.

Álvarez Del Blanco, R. (2011). *Marca multisensorial, espléndidamente lúcida. Revistas Harvard Deusto.* https://www.harvard-deusto.com/marca-multisensorial-esplendidamente-lucida

Amoroso, S., Pattuglia, S. and Khan, I. (2021). Do Millennials share similar perceptions of brand experience? A clusterization based on brand experience and other brand-related constructs: the case of Netflix. *Journal of Marketing Analytics, 9*(1), 33-43. https://doi.org/10.1057/s41270-021-00103-0

Assael, H. (1987). *Consumer behavior and marketing action* (3rd ed.). Boston, MA: Kent Publishing Company

Brakus, J., Schmitt, B. and Zarantonello, L. (2009). Brand experience: What is it? How is it measured? Does it affect loyalty? *Journal of Marketing, 73*(3), 52-68. https://doi.org/10.1509/jmkg.73.3.52

150

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Chen, C.-H., Chen, I.-F., Tsaur, R.-C. and Chui, L.-Y. (2023). User behaviors analysis on OTT platform with an integration of technology acceptance model. *Quality y Quantity*, *57*(6), 5673–5691. https://doi.org/10.1007/s11135-023-01623-w

Colmenares D, O. A. y Saavedra, J. L. T. (2007). Aproximación teórica de los modelos conceptuales de la calidad del servicio. *Técnica administrativa*, *6*(32), 2. https://dialnet.unirioja.es/servlet/articulo?codigo=2934571&info=resumen&idioma=SPA

Delgado, M. E. B. (2004). Estado actual de la investigación sobre la lealtad a la marca: una revisión teórica. *Dirección y organización*, *30*(30). https://doi.org/10.37610/dyo.v0i30.120

Dextre-Mamani, R., Pérez-Arce, B., & Zubiria, M. L. L. (2022, September). Content Richness, Perceived Price, and Perceived Ease of Use in Relation to the Satisfaction Level and Brand Equity in Streaming Platforms. In *International Conference on Advanced Research in Technologies, Information, Innovation and Sustainability* (pp. 272-286). Springer Nature. https://doi.org/10.1007/978-3-031-20319-0_21

Ebrahim, R., Ghoneim, A., Irani, Z. and Fan, Y. (2016). A brand preference and repurchase intention model: the role of consumer experience, *Journal of Marketing Management*, *32*(13-14), 1230-1259. https://doi.org/10.1080/0267257X.2016.1150322

Faruqi, F., Larasati, M. E., Nursanita, N., and Anthonino, D. S. (2024). The Influence of Endorser Promotion and Brand Attachment on Repurchase Intention with Mediation Brand Commitment. *Jurnal Orientasi Bisnis dan Entrepreneurship*, *5*(1), 61-74., https://doi.org/10.33476/jobs.v5i1.4187

Felicia, I. (2024). The effect of variety seeking, dissatisfaction, and service quality toward brand switching on netflix streaming service. *Social Science Studies*, *4*(1), 052-052.

González-Oñate, C., Jimenez-Marín G. y Sanz-Marcos, P. (2020). Consumo televisivo y nivel de interacción y participación social en redes sociales: Análisis de las audiencias millennials en la campaña electoral de España. *El profesional de la Información*, 29 (5). https://doi.org/10.3145/epi.2020.sep.01

Hsu, M.-H., Chang, C.-M., Chu, K.-K. and Lee, Y.-J. (2014). Determinants of repurchase intention in online group-buying: The perspectives of DeLone &

151

McLean IS success model and trust. *Computers in Human Behavior, 36*, 234-245. https://doi.org/10.1016/j.chb.2014.03.065

Johan, S. I., Indriyani, R. and Vincēviča-Gaile. Z. (2020). Measuring repurchase intention on fashion online shopping. *SHS Web of Conferences* 76, 01015. https://repository.petra.ac.id/id/eprint/18711

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of marketing, 57*(1), 1. https://doi.org/10.2307/1252054

Le, D., Scott, N. and Lohmann, G. (2019). Applying experiential marketing in selling tourism dreams. *Journal of Travel & Tourism Marketing, 36*(2), 220-235. https://doi.org/10.1080/10548408.2018.1526158

Li, Y., Basha, N. and Lin, O. (2024). What makes viewers loyal toward streamers? A relationship building perspective and the gender difference. *Asia Pacific Journal of Marketing and Logistics, 36* (10), 2324-2353. https://doi.org/10.1108/APJML-10-2023-1015

Lindstrom, M. (2006). Brand sense: How to build powerful brands through touch, taste, smell, sight and sound. *Strategic Direction, 22*(2). https://doi.org/10.1108/sd.2006.05622bae.001

Nagaraj, S., Singh, S. and Yasa, V. R. (2021). Factors affecting consumers' willingness to subscribe to over-the-top (OTT) video streaming services in India. *Technology in Society, 65*(101534), 101534. https://doi.org/10.1016/j.techsoc.2021.101534

Odin, Y., Odin, N. and Valette-Florence, P. (2001). Conceptual and operational aspects of brand loyalty: an empirical investigation. *Journal of Business Research, 53*(2), 75-84. https://doi.org/10.1016/s0148-2963(99)00076-4

Ong, A. K. S.; Josie N., Urbiztondo A., German J. and Espeño P. (2024). Evaluation of consumer usage behavior for interactive entertainment: a Netflix case study. *Entertainment Computing, 49,* 100627. https://doi.org/10.1016/j.entcom.2023.100627

Pine, B. J. and Gilmore, J. H. (1998). Welcome to the Experience Economy. *Harvard Business Review.* https://hbr.org/1998/07/welcome-to-the-experience-economy

Rodríguez Ortega, V. (2023). 'We Pay to Buy Ourselves': Netflix, Spectators & Streaming. *Journal of Communication Inquiry*, 47(2), 126-144.

152

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Ruangkanjanases, A., Payakka, S. and Kim, D. M. (2021). Determinants of users' intention to purchase legal video streaming services: a comparative study between Thai and American consumers. *International journal of electronic commerce studies*, *12*(2), 177. https://doi.org/10.7903/ijecs.1895

Schiffman, L. G. y Kanuk, L. L. (2009). *Comportamiento del consumidor*. Prentice Hall.

Shin, J., Park, Y. y Lee, D. (2016). Strategic management of over-the-top services: Focusing on Korean consumer adoption behavior. *Technological Forecasting and Social Change*, *112*, 329–337. https://doi.org/10.1016/j.techfore.2016.08.004

Stoll, J. (2023, July 20). Netflix: number of subscribers worldwide 2023 from 1st quarter 2013 to 2nd quarter 2023. Statista. https://www.statista.com/statistics/250934/quarterly-number-of-netflixstreaming-subscribers-worldwide/

Tsai, L. Y. C. y Cai, M.-H. (2023). Exploring consumers' intention to use ott video streaming platforms. *The International Association of Organizational Innovation*, *15* (4). 2023-1296. https://www.ijoi-online.org/index.php/current-issue/436-exploring-consumers-intention-to-use-ott-video-streaming-platforms

Tsaur, S.-H., Chiu, Y.-T. y Wang, C.-H. (2007). The visitor's behavioral consequences of experiential marketing: An empirical study on Taipei zoo. *Journal of Travel & Tourism Marketing*, *21*(1), 47-64. https://doi.org/10.1300/j073v21n01_04

Verhoef, P. C., Lemon, K. N., Parasuraman, A., Roggeveen, A., Tsiros, M. and Schlesinger, L. A. (2009). Customer experience creation: Determinants, dynamics and management strategies. *Journal of Retailing*, *85*(1), 31-41. https://doi.org/10.1016/j.jretai.2008.11.001

Wadhwani, P. (2021). Over the Top (OTT) market size, industry analysis report, regional outlook, application development potential, price trend, competitive market share & forecast, 2022 – 2028. *Global Market Insights Inc.*

Waddell, T. F. and Sundar, S. S. (2017). #thisshowsucks! The overpowering influence of negative social media comments on television viewer. *Journal of broadcasting & electronic media*, *61*(2), 393-409. https://doi.org/10.1080/08838151.2017.1309414

153

Redmarka. Rev Mark Apl, vol. 28, issue. 2 (2024), 131-154

Xiya, H. (2024). A study on the impact of brand reputation on impulsive consumer consumption in the context of live streaming: a moderated mediation model. *The EURASEANs: Journal on Global Socio-Economic* Dynamics, *3*(46), 72-79. https://doi.org/10.35678/2539-5645.3(46).2024.72-79

Xu, Y., Hasan N. and Jalis, F. (2023). A Study of Female Consumers' Intention to Repurchase in E-commerce Live Streaming. *International Journal of Academic Research in Business & Social Sciences,* 645-665. https://doi.org/10.6007/IJARBSS/v13-i11/19319

Yasri, Y., Susanto, P., Hoque, M. E. and Gusti, M. A. (2020). Price perception and price appearance on repurchase intention of Gen Y: do brand experience and brand preference mediate? *Heliyon,* 6(11), e05532. https://doi.org/10.1016/j.heliyon.2020.e05532