

Abstract

The aim of this thesis is to analyze the consumers' willingness to pay for subscription-based video streaming services in the Czech Republic. With the unique data collected via self-developed questionnaire both the willingness to pay and the maximum price that consumers would be willing to pay for such services is examined. Using the logistic regression, variables that have a significant effect on the probability of subscribing were identified. These include the age, education level, preference for original sound and Czech movie production, online payments, purchase of an electronic movie, number of devices used, cinema visits, favouritism of movies over TV shows, satisfaction with the content offered by common broadcasting stations and desire for spatial mobility when accessing video content. Similar results were obtained when predicting the price using OLS. Additionally a previous purchase of a physical medium and the income level were found significant. Based on demand estimation this thesis also suggests that from the provider's perspective the optimal profit maximization price for streaming services should be set in the range from 218 to 283 CZK.