



BREAKING NEWS

With domestic and international companies planning to launch scores of news and general entertainment channels, the Indian television viewer has never had it so good. **Dipta Joshi** takes a look at the proliferating Indian broadcasting scenario.

THE Indian television and broadcasting industry is witnessing fast paced growth, making it a lucrative business to be in. Despite almost 450 existing channels, there are at least 150-plus applications from broadcasters and new entrants

awaiting approval from the Union Ministry of Information and Broadcasting (I&B) to launch television channels.

Sanjay Salil, managing director, Media Guru, a media consultancy firm that has helped set up several television stations in India and elsewhere, answers at least 12

queries a month about how to start television channels in India. "They are reflective of the interest in getting into Indian broadcasting today," he says.

Almost all the established players in the business have begun work on expansion plans. Consider:

- Media mogul, Rupert Murdoch recently announced the launch of half a dozen new regional channels under the Star brand, and will be investing \$100 million over the next year in his Indian television business.

- Turner International, which now operates the Cartoon Network and Pogo kids' channels as well as CNN-IBN news channel in a joint venture with Global Broadcast News Ltd, will launch an English-language entertainment channel in India. The company has bought a minority stake in Indian production firm Miditech and will be looking at setting up regional-language general entertainment channels (GECs).

- Reliance Entertainment, the entertainment arm of the Anil Dhirubai Ambani Group (ADAG) has also made its foray into direct broadcasting with Reliance Big Broadcasting launching a bouquet of 20 channels. The company has sought approval from the I&B Ministry and will be announcing its plans shortly. Its bouquet of channels is expected to have several GECs, news channels, and those focusing on music, movies, kids, lifestyle and even regional ones.

Many first timers too have got into the electronic media space. For instance,



RUPERT MURDOCH : Launching a slew of channels

Triveni Media Ltd, part of the \$80 million Triveni Infrastructure Development Group (with interests in infrastructure, real estate, automobiles and hospitality), recently launched its Hindi news channel,

Voice of India (VOI). The company is now gearing up to expand its channel portfolio with several regional news channels like VOI Bangla, VOI Rajasthan and covering other states, besides launching a lifestyle channel VOI Millionaire and a music channel VOI Music.

Electronic media in India has witnessed stupendous growth since the early 1990s, when CNN launched its satellite channel, covering the Gulf war in 1991, followed by Zee TV, the first Indian private channel to have launched it a year later. Today, India is the world's third largest cable TV market.

According to Media Partners Asia (MPA), a leading independent research company focussing on Asian media, India's vibrant TV market will grow by 16 per cent compound annual growth rate (CAGR) between 2008 and 2012. PricewaterhouseCoopers, a leading global consultancy, is even more bullish, predicting an 18 per cent CAGR.

India is expected to be Asia's most lucrative pay-TV market by 2015, with the direct-to-home satellite market expected to grow to 38 million subscribers by 2015, up from 2.6 million in 2006. Revenues from pay television and cable and satellite channels in India are also expected to be the highest in Asia by 2015. These are projected to reach \$11 billion by 2011 and \$16 billion by 2015.

Steve Marcopoto, president and managing director, Asia-Pacific, Turner Broadcasting System, says India contributes 30 per cent to the company's revenue

India is one of the highest priority markets for Turner Broadcasting worldwide and the highest priority market in Asia.



THE GOOD TIMES ARE ROLLING IN: Media barons like Rajdeep Sardesai, editor-in-chief, CNN-IBN (left) and Prannoy Roy, founder New Delhi Television are also expanding their presence

in the Asia-Pacific region. "India is one of the highest priority markets for us worldwide and the highest priority market in Asia," he adds.

India's rapidly expanding electronic media space is being sustained by burgeoning ad spends, much of it channeled to television. Rupert Murdoch, who recently announced plans to unveil six regional channels in India, has attributed the explosive growth in the medium to the rise in spending on ads.

India's growing middle class (over 50 million households) has been luring advertisers and brands like never before. For

guide 2008 pegged revenues from TV ads at \$1.53 billion in 2007.

According to Salil of Media Guru, many aspirants are eyeing the broadcast industry as they are eager for a bigger slice of advertising in the Indian media space. "Firstly, television helps to build a brand like nothing else does. Even much of the content for new media like the Internet and mobiles comes from broadcast," he points out.

However, with tier II and III cities moving up the aspirational ladder, a lot of advertising on cable TV is being targeted towards the emerging middle-class in these cities, and regional and local media have now become significant players.

A study by Adex India, a division of TAM Media Research (a joint venture between AC Nielsen and Kantar Media Research/IMRB), indicates that out of the total advertising revenue on television, regional channels currently account for 41 per cent, as against 51 per cent by national channels.

Manish Mathur, coo, P9 Integrated, a movie and entertainment marketing firm, feels TV as a medium is luring advertising from the print medium. "In such a scenario, the presence of regional channels has given increased opportunity to retail advertisers, who are focussing on those markets anyway," he adds.

Broadcasters too are convinced there are enough viewers to watch local



WATCH OUT: Growing viewership means more ads

language content, be it movies, music, general entertainment or even news. The number of existing regional channels, many of which are doing well, is proof enough. Thus, even a fairly small market like Andhra Pradesh boasts of more than five news channels, just like there is a huge market in India's Hindi-speaking belt for 24-hour Bhojpuri GEC and music channels.

Apart from the entertainment segment, news is also witnessing brisk action. In fact, almost 60 per cent of applications awaiting clearance from the I&B Ministry are for news and current affairs channels, while the rest are for other genres (general entertainment, movies, music etc). As many as 33 licences granted by the ministry in 2008 relate to news and current affairs channels. As with the GEC segment, regional news channels are also proliferating.

Broadcasters, however, are not perturbed about the pie getting smaller despite the growing number of channels. Tarun Katiyal, head, Big FM and Reliance Big Broadcasting believes, "Ultimately what will matter is cutting edge content and distribution penetration."

The same rules apply to regional channels as well. Ambarnath Sinha, channel promotion head, Saam TV (a Marathi news and entertainment channel, promoted by Pune's Sakaal Media Group) adds, "Good content will always be the keyword. Viewers love to watch good

The presence of regional channels has given increased opportunity to retail advertisers who are focussing on those markets.

television broadcasters, this means more revenues from ads. The Lintas Media



CONTENT IS KING : Viewers love to watch good programmes, and channels with innovative content will thrive

programmes. Therefore, channels with innovative content will always do well.”

Industry veterans expect niche channels to continue playing an important role in television broadcasting in India over the next five years. Many of the new applicants have sought permission for the launch of dedicated channels focussed on health, education, agriculture and even real estate.

The industry should also see a lot of churning, with consolidation occurring

Good content will always be the keyword. Viewers love to watch good programmes.

over the coming years. This has already started happening; Sony TV, for instance, acquired SAB TV from Adhikari Brothers in



CHANNEL SURFING : In just a little more than a decade the Indian TV viewer has learnt what choice is all about

2005, and Global Broadcast Network, the promoters of CNN-IBN, picked up Channel 7 from Jagran TV.

It is content that will help electronic media rule the TRP (television rating points) charts. The willingness of Indian broadcasters to explore new genres and set

up dedicated channels is reflective of this confidence.

More importantly, the survival of such channels will be testimony to the coming of age of the Indian television viewer, even as she matures to the wide choice of content available. 🌈

GOING REGIONAL

FOR years, the regional print media in India has had to struggle for recognition – from readers, decision-makers and advertisers – even survival, in view of the dominance of English language publications.

In television, however, regional language channels continue to thrive and even proliferate. Rupert Murdoch is planning to invest \$100 million to set up six regional language channels across the country.

Earlier, Star TV's sole GEC in south India was the Tamil language Vijay TV. The group now wants to strengthen its regional foothold by launching GECs in Bengali, Gujarati and Telegu. It recently launched its second regional GEC in Bengali,

Star Jolsha, a 100 per cent subsidiary of Star India.

“The Star Group has always raised the bar and set new benchmarks in Indian television entertainment,” says Uday Shankar, ceo, Star India. According to J C Giri, regional channel head, Star India, “Bengali regional genre has shown substantial growth in the past two years vis-à-vis other regional entertainment markets.”

Other Bengali GECs include Zee Bangla, ETV Bangla, Aakash Bangla and Doordarshan's Bengali channel. The Bengali entertainment segment accounts for nearly a third of regional space, as against less than 20 per cent for Hindi GECs, it is estimated.

Another regional language witnessing frenetic growth is Telugu. Three new

Telugu channels – NTV and Bhakti TV (both by Rachana Television) and TV5 (by Shreya Broadcasting) – have been launched in recent weeks and a few more are being launched. Zee, which launched Zee Telugu earlier, is launching Zee 24 Ghantalu, a 24-hour news channel. Asianet is also launching a Telugu channel shortly.

Star is also entering into a joint venture with Asianet – South India's leading broadcast network – with a 51 per cent share, to float regional language channels. It is also negotiating with the Sakaal Group that has ventured into broadcasting recently with the Marathi channel Saam to set up a home shopping channel.