



Media and entertainment industry in India: advances and overview

Dr. Anil R. Pande

Associate Professor

Jamnalal Bajaj Institute of Management Studies

University of Mumbai

Abstract: The entertainment and communication sectors are burgeoning ones for our economy. It is divided into several different categories, including cinema, TV, printing, music, audio, advertising, electronic, and online content. The upward growth in this industry in our country is due to strong rising consumer demand and improved revenues with the best revenue models in the industry. These days, the M&E industry is largely driven by digitisation, with extremely high web utilisation over the previous period. This indicates that for over 80% of consumers nationwide, the web has replaced traditional marketing as their primary source of pleasure. In recent days, marketing income has made up around 0.38 percent of India's GDP. As a result, the Indian media and entertainment sector generates over USD 23 billion. KPMG predicts that the media and entertainment sector in India will generate \$100 billion in earnings by 2030. Additionally, with a CAGR of 13.1%, it showed growth of 14% in 2018 to grow to US \$ 16.34 billion. In all, the Indian broadcasting and performing sector is poised to grow at a CAGR of 13.5% over 2019 to 2024 and is expected to reach a revenue of around USD 43.93 billion by the year 2024. To add to this, digital media and entertainment platforms are gaining a sound position and posted a growth of approximately 13.3% in FY 2019 to reach a revenue growth of USD 23.34 billion. The current research paper tries to identify the major drivers responsible for the progression of the broadcasting and entertainment sectors. It shall also analyse the recent technological innovations and their effects on the progression of the broadcasting and entertainment sector in our country. The emphasis is given on the growth of Indian cinema, the big screen, the foray of OTT platforms and their usefulness for the growth of the M&E industry. This article investigates the role of government initiatives in the improvement and growth of this industry. The recommendations in this paper are based on observations and literature content gathered from reliable secondary sources.

Key Words: Media and Entertainment, OTT Platform, Indian Cinema, Technological Innovations.

1. INTRODUCTION:

The cinema, TV, printing, music, audio, and digital content industries are just a few examples of the many subsectors that make up the news & entertainment sector. It is an economic sunrise industry that is producing high growth rates. Our media and leisure sector is growing well, supported by boosting customer demands and expanding revenue generation, demonstrating its resiliency against the rest of the globe. The entertainment and communications sector in our country is expected to exceed \$100 billion by 2030, making it one of the print and electronic media with the greatest growth rates globally. The government would collaborate with the provinces to encourage and simplify filming in our country. Over the last ten years, rising digitalization and an increase in internet use have significantly fueled this market. The majority of individuals now primarily use the web as a form of amusement. Our advertising market is going to develop at the highest rate in Asia after Beijing. At the moment, the income from advertisements makes up around 0.38% of our GDP. It is now worth \$6.5 billion. The entertainment and communications sector is anticipated to grow between 2019 and 2024 at a CAGR of 13.5%. TV, publishing, and movies were the three largest sectors in FY 2019 with corresponding market sizes of USD 10.22 billion, USD 4.76 billion, and USD 2.62 billion. Given that 197 million homes out of a total of 298 million have TVs as of 2018, our TV market has the potential to serve 100 million people. The rise of our digital entertainment and multimedia platforms, which increased by 13.3% in FY 2019 to reach USD 23.34 billion, was a major factor in the industry's expansion of the entertainment and multimedia sector. From USD 10 billion in FY 2019, India's advertisement revenue is expected to grow to USD 19.56 billion in FY 2024. India now has the 15th-largest economy in the world, but by 2022, it is anticipated to reach the top 10. By the financial year 2024, the media and leisure sector in India is predicted to exceed INR 3.07 lakh crore. It achieved INR 1.5 lakh crore with a respectable increase of 13% during the fiscal year 2019 and a compounded annual growth rate (CAGR) of 11.5%.

**Table 1.**

The M&E sector grew 9% in 2019 to reach INR1.82 trillion

	2018	2019	2020E	2022E	CAGR 2019-22
Television	740	787	790	882	4%
Print	305	296	301	309	1%
Digital media	169	221	279	414	23%
Filmed entertainment	175	191	207	244	8%
Animation and VFX	79	95	112	156	18%
Live events	75	83	94	122	14%
Online gaming	46	65	91	187	43%
Out of Home media	37	39	41	46	5%
Radio	34	31	33	36	5%
Music	14	15	17	20	10%
Total	1,674	1,822	1,965	2,416	10%

All figures are gross of taxes (INR in billion) for calendar years | EY estimates

2. OBJECTIVES FOR THIS STUDY:

- To understand the important aspects of this industry,
- To gain and gather information about its present growth and future projections.
- To learn more about the trends and new technology being used in the industry,
- To evaluate the growth of Indian big cinema,
- To evaluate the performance and the share of Bollywood movies versus Hollywood movies.
- To focus on the role of over the top platforms (OTT) platforms and find out the major players.

3. LITERATURE REVIEW:

As there are no significant factors to be concerned about, digitalization is predicted to continue to be a dominant presence in FY 2023; it is projected to be the 2nd biggest sector after television and the medium with the highest marketing point overall. The use of smart phones for web access, use of the costs, and individual contributor investments in local video downloads are all positive aspects that will contribute to an increase in internet usage. The significance of national languages in the country is reflected in the capital invested in localised content. According to the research, the majority of new users who are predicted to number 500 million by 2030 will use the web in a local dialect as the electronic emigration of English-speaking consumers is nearly completed. Although there are obvious challenges, the 5 million new users provide online businesses with an unmatched potential market. As a result of the online revolution, television network models have been forced to change from an older B2B2C strategy to a straightforward approach. As they have traditionally done in other secondary industries, categorization based upon demographic, psychographic, and behavioural profiles will thus become ever more crucial. For the first three-fourths of FY 2019, the TV sector had a successful year, but difficulties with the new taxation order's (NTO) execution and the ensuing uncertainties regarding viewer numbers and subscriber rejuvenation had an impact on both the ad placement and subscriber total revenue in the final three months of FY 2019. Next year's market size includes Rs 251 billion in advertising income and Rs 463 billion in advertising revenues. The traditional print sector weathered ups and downs during FY 2018, seeing the weakest development in a generation at 3.5% as a result of interruptions brought on by the new GST area and demonisation. The printing business is reportedly declining internationally, but our print sector defied the tendency and expanded at a 5.6% CAGR from SY 2015 to FY 2019.



Fig 1. M & E Industry



Fig 2. M & E Industry

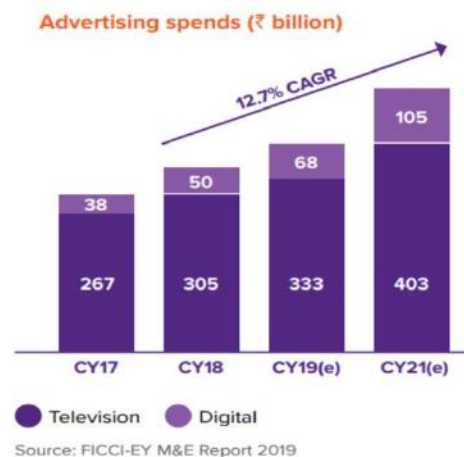


Table 2.

Size of Indian M&E market (₹ billion)				
Segment	2019	2020	2021*	2023*
TV	787	685	760	847
Digital	221	235	291	425
Print	296	190	237	258
Online gaming	65	76	99	155
Film entertainment	191	72	153	244
Animation & VFX	95	53	74	129
Live events	83	27	53	95
Out-of-home (OOH)	39	16	22	32
Radio	31	14	23	27
Music	15	15	18	23
Total	1,823	1,383	1,730	2,235

At the Cannes Film Festival, the regime unveiled its Reward System for Playback Founders and its Incentive Structure for Language Film Productions in our country. It becomes a viable and attractive package for filmmakers with state incentives also. "Many people are now watching content on OTT platforms and the pace of content creation has increased, giving more jobs to more people. The Media & Entertainment Skills Council has a big role to play in this, since skills are the most important part in creating more jobs.

3. INDIAN CINEMA SNAPSHOT:

According to the most recent ticket sales statistics from multimedia and consultancy company Formax Entertainment, the total worldwide revenue in 2019 was INR 10,948 cr. The net increase was greater at 10.7% to INR 9,490 cr (up from 20% and 18%) at the lower GST rate. The number of people who visited movie theatres in 2019 increased by 8.9% to 103 cr, surpassing the 100 cr milestone. In 2019, motion pictures outperformed Tamil and Telugu films in terms of gross income growth, increasing by 30.5% and reaching an all-time high of INR 1595 crore, taking second place to Hindi films in the sector. On the other hand, Tamil and Telugu contributed 19% and 18% of total footfall, correspondingly, due to the cheaper ticket prices.

Fig 3. Block Buster Showing: Media & Entertainment Industry May Hit ₹2 Lakh Crore Mark By 2020





According to Ernst and Yong, Hollywood films, especially translated versions, saw an increase in ticket sales share over the last five years, rising from a pitiful 8.3% in 2016 to over 20.5% in 2018 (registering a CAGR of 26%). Hollywood movies made INR 1596 crores at the box office in 2018 alone, with 11 crore people attending.

4. CONTEMPORARY IMPROVEMENTS RESERVES:

According to statistics supplied by the Department for the Promotion of Industry and Interior Trading, the amount of international private investment in the communication and entertainment industries, comprising print advertising, from April 2001 to March 2021 was \$8.39 billion. With the aid of regional advertising and programming that drew more viewers in 2017–18, Netflix Inc. expanded by 750%.

In Grade 2 and 3 cities, over 96% of online video viewership is in our languages.

Dish TV and Bharti Airtel direct to home (DTH) airtel digital TV will soon unite.

The administration will open a special beginning lane.

Star India secured 36 sponsors for the ICC World Cup, which aims to generate over INR 1010 crore in revenue and 144 million in ad sales.

In a fresh fundraising transaction headed by Goldman Sachs bank, it was determined that Dailyhunt, a regional language news aggregator operated by Work Innovation Private Limited, would receive an infusion of USD 60 million. Spokesperson confirmed a relationship with 12 local partners in October 2019 for the creation of video coverage and watching live entertainment and information broadcasting. Our digital advertising market is anticipated to develop at an annual compounded growth rate (CAGR) of 32% to reach USD 2.93 billion by 2022, supported by low-cost internet and increasing phone use. With customers like Hero MotoCorp, Paytm, the IPL, and Myntra, among others, India is one of the top 5 markets for the media content and technology agency Wavemaker. After pleading for the broadcasting rights of IPL star and Indian Premier League player, our country has acquired television and online access for New Zealand cricketers through March 2021.

Disney enters the realm of online media: The launch of the highly anticipated on-demand streaming video service Disney Plus in our country will coincide with the start of the 13th season of the IPL, or IPL. Disney Plus will be accessible via Hotstar, Star India's streaming service, which is controlled by Disney. With this change, our viewers will now be able to view commercially unique material like the Star Wars spin-off "The Mandalorian" and future Marvel programmes like "The Falcon and the Winter Soldier," "Wanda Vision," and "Loki Series."

At the moment, Hotstar offers three options.

- A company with free add-on assistance that does not provide premium or Indian original content.
- Hotstar VIP, which costs Rs 365 a year, provides unique Indian content.
- Hotstar Quality, which costs Rs. 999 per year and offers premium English programming from Disney, HBO, and all live sports, including cricket's top league, Formula One, and tennis.

Disney Plus will face competition in India from both domestic competitors like Netflix and Amazon Prime Video as well as foreign rivals like MX Player, Zee5, Sony LIV, and Voot. Hollywood is displacing Bollywood with its forays into our cinema. Bollywood has lost a significant portion of national theatrical income due to the absence of bestsellers from the Khan trio—Amir, Shahrukh, and Salman—as well as major Hollywood successes, led by the Avenger flicks. Statistics from a diverse range of sources over the previous five years, including Earn and Young BookMyShow, Ormax Media, B & K Search, and sector projections, reveal that the box office domestic share for Bollywood movies fell from 61.6% in 2016 to 46% in 2018. The box office share of Hollywood films, such as the dub versions, increased from 8.5% in 2016 to over 20.7% in 2018, resulting in a compound annual rate of 28%. Second language movies comprise the remaining portion. Due to Marvel's Avengers: Infinity War and Avengers: Endgame smashing previous box office records in India, the past two years has been extraordinarily successful for Hollywood in that nation. Hollywood movies made a total of Rs. 921 crores in India in 2018—an increase from Rs. 1220 the previous year. Nowadays, going to the movies is more than simply for pleasure. According to a trade expert, the excessively large volume of material available across streaming and platform modes fully satisfies the requirement for experience familiarity. Hollywood productions need a certain level of atmospheric watching in addition to their work with the franchise model. In theatres, this is amply satisfied. One example is 1917's success, which relies only on its own efforts and has no franchise.

5. EXPERTISE AND NARRATIVE PROWESS:

According to studies, the percentage of Hollywood films in the overall box office receipts is predicted to increase to 25 to 30% over the next two to three years, given the lineup of future movies. Nine Furious Wonder Woman



1984, Dolittle, No Time to Die, Black Window, Legal Bond 3, for 9 Furious, Minions: The Rise of Gru, Jungle Cruise, Snake Eyes, and Eternals will be released this year. governmental collaborative In an effort to speed up changes in the television industry, the Trai is planning to contact the Department of Information and Broadcasting of the Indian government with a proposal to Fastrack the suggestions on programming. The National Center for Excellence for the Animation, Games, Special Effects, and Comic Industries will be established in Bombay thanks to the support of our government. In order to encourage creative interchange and mutual exploration of culture and creativity, our governments and Canada have inked an agreement for audible founder. Our regime has supported the expansion of the entertainment and media industries by implementing a variety of initiatives, such as digitising the cable allocation industry to draw in more organisational financing, increasing the FDI limit in cable and DTH satellite systems from 75% to 100%, and giving the movie industry the status of an industry to make it easier to access organisational financing.

Recently, the Indian government implemented a single-window clearance system to make it easier for both Indian and international producers to shoot movies. The emphasis will be on self-regulation, and regulatory measures will be reduced. The Cinematograph Act will include anti-camcording provisions to combat the threat of piracy.

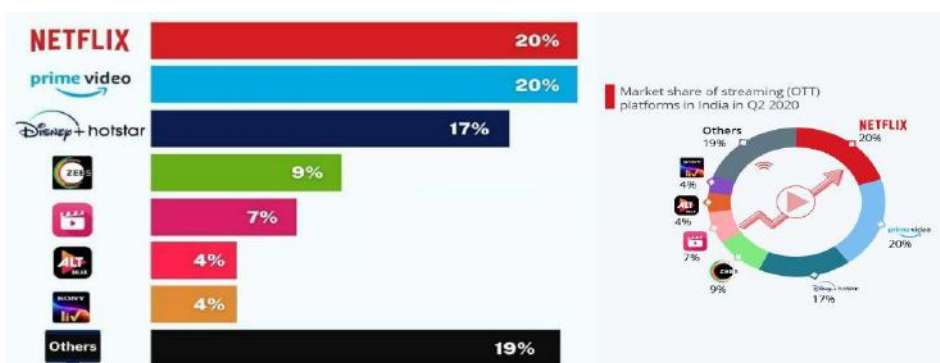
Fig 4. OTT Platforms now under Govt. regulation



Fig 5.



Fig 6.





There are approximately 35 players in India's OTT industry.

- Amazon Prime Video: After one year of the launch of Netflix, Amazon Prime Video launched in India. The current price is Rs. 999 per year. According to data, India had the most prime members in the first year of Amazon Prime's launch. This is the fastest among 16 countries where this platform is present. The price-sensitive market and consumers find good value in the subscription fees.
- Netflix: Netflix is a US-based video streaming company and is one of the biggest OTT players that ventured into India in 2015. The subscription price is Rs. 500 per month and goes up to Rs. 800 after a free month of trial. Netflix operates with a global strategy of ad-free streaming across the globe. Netflix in India operates with recent Bollywood titles, Indian films, memorable classic Bollywood titles and even the best of regional cinema in various Indian regional languages. Netflix has a large programming library that appeals to Indian viewers, particularly English-language TV viewers. Ad-free viewing entertainment experiences at home enhance the experience of viewers and also boost the economy by stimulating investment in this sector.
- Hotstar: A star network product, Hotstar, launched in India in February 2015. It is one of the platforms in India where the best TV shows from around the world, including cricket, football, kabaddi, tennis, and F1 racing, are available on a single platform. Hotstar provides their services with the help of their service partner studios like HBO, Fox, and Disney. The premium service by them is charged at a subscription fee of Rs. 199 per month. Hotstar provides some user-friendly services like adaptive playback experience that automatically adjusts the bandwidth, downloading the favourite content and playing it on the go, creating a play list and playing it afterwards. The Hotstar app's downloads reached more than 10 million.
- Sony LIV: Sony's LIV OTT platform was launched in India in 2013. It is a mix of free and premium content partnered with SPI International to cast international TV channels. The premium content costs Rs. 99 per month. Sony LIV provides 3 tools to improve your watching habits: Happiness Wheel, MyQ, and LIV Guru.
- Jio TV/ Jio Cinema: Owned by Reliance Infocom Ltd. Jio Cinema is an on-demand library, where one can watch movies, TV shows, Jio exclusives, documentaries, and trailers.
- TVF Play: In 2011, TVF multimedia labs launched the digital video channel The Infectious Disease. The idea was to connect with younger people who don't watch much television.
- ZEE5: Zee Entertainment Enterprise Ltd. (ZEEL) launched its OTT platform, ZEE5. It offers Indian and international movies, TV shows, music, live TV, health and lifestyle content across 12 languages. The subscription fees are Rs. 99 per month.
- ATL Balaji: ATL Balaji is a Balaji Telefilms Ltd. paid service that is free of advertisements. It offers around 33 original programmes in our languages for a yearly membership price of Rs. 310.
- MX Player: It is a mobile video player and an Indian OTT media streaming service owned by Times Internet, the digital media division of The Times of India.
- Airtel Xstream: Bharti Airtel's video streaming service.
- Eros Now: The OTT arm of Eros International, launched in 2015, they create original content in regional languages and have a Bollywood movie collection. It has approximately 80 million registered subscribers.
- Voot: Viu is launched in India by a Hong Kong-based PCCW media company named Vuclip. It is a video-on-demand service with a subscription fee of Rs. 99 per month. The premium content is an ad-free version. Viu has partnerships for content with Reliance Big Entertainment Pvt Ltd, Zee Digital Convergence, Tips Industries Ltd, Balaji Motion Pictures, Rajashree Entertainments, Unisys infosolutions, Shemaroo, Anand Studio, BBC Worldwide etc.
- BigFlix
- Shemaroo

6. ADVANTAGE INDIA:

The requirement is being driven by greater utilisation of 4G and 5G innovations as well as handheld devices, as well as stronger coverage and a number of young companies that are expanding quickly. Our media business culture will be consumed by 100 billion people by 2030. The rise of TV and streaming services is driving the growth of the digital technology sector and providing enormous potential for job creation and expansion. Policy support-increase of FDI limit by the government of India from 74% to 100% in the media industry. Higher investments - From 200 to 2018, FDI inflows into the industry were strong, totaling US \$7.5 billion.



Future: Our media and entertainment sectors are expected to develop significantly. The sector is expected to expand at a CAGR of 13.6%, which is much higher than the average rate in the world. Retailer ads should rise as the food and beverage, retail, and e-commerce industries all see exceptional expansion, which also benefits the leisure sector. Companies from both outside and at home are joining the sector to gauge its development. As 4G technology expands its range and helpful resource companies and cell phones become more widely used, remote regions become lucrative targets.

7. CONCLUSION:

After a careful survey of authentic literature, articles, and available sources on the subject, it is ascertained that the research agencies world wide have ensured the phenomenal growth of television and the performing arts sector in our country. The driving factors are not just external, like favourable FDI policies and global cues, but internal factors as well, like consumer demand with a shift in demographics and psychographics. The latest technologies like handheld smart phones backed with huge dataspace, increased bandwidth services for consumers, and shifts in consumer demographics and psychographics affect the demand for media and entertainment services. Industry, with favourable government policies, is on the verge of growth with increased FDI inflow and technology knowhow. As the Indian economy is sailing on digital transformation, so is the M&E industry too.

REFERENCES:

1. Subramanyam, Kaveri Subrahmanyam, Adolescent Online Communication: Old issues, new intensities. 2006.
2. AlAlwan, A., Rana, N. P., Dwivedi, Y. K., & Algharabat, R. Social Media in Marketing: A review and analysis of the existing literature. 2017.
3. Hyder, S. The Zen of social media marketing: An easier way to build credibility, generate buzz, and increase revenue. Ben-Bella Books, Inc. 2016.
4. Aggarwal, R., & Singh, H. Differential influence of blogs across different stages of decision making: The case of venture capitalists. MIS Quarterly, 37(4), 1093–1112. 2013.
5. Bharati, P., Zhang, C., & Chaudhury, A. Social media assimilation in firms: Investigating the roles of absorptive capacity and institutional pressures. Information Systems Frontiers, 16(2), 257–272. 2014.
6. Dwivedi, Y. K., Rana, N. P., & Alryalat, M. Affiliate marketing: An overview and analysis of emerging literature. The Marketing Review, 17(1), 33–50. 2017a.
7. Gerlach, J., Widjaja, T., & Buxmann, P. Handle with care: How online social network providers' privacy policies impact users' information sharing behaviour. The Journal of Strategic Information Systems, 24(1), 33–43. 2015.