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Confederation of Indian Industry

Convergence: The New Multiplier for Indian Media & Entertainment's $100 Billion Vision

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Founded in 1895, India's premier business association has over 7400 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 100,000 enterprises from around 250 national and regional sectoral industry bodies. The CII theme of "Building National Competitiveness" helps focus on the potential of industry to be the catalyst for national development.

With 64 offices, including 9 Centres of Excellence, in India, and 7 overseas offices in Australia, China, Egypt, France, Singapore, UK, and USA, as well as institutional partnerships with 300 counterpart organizations in 106 countries, CII serves as a reference point for Indian industry and the international business community.

Convergence: The New Multiplier for Indian Media & Entertainment's $100 Billion Vision

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Foreword

Welcome to the 2016 edition of CII Big Picture Summit's knowledge report, in partnership with BCG on the future of the Indian media and entertainment industry and its roadmap to achieving its $100 billion vision.

The Indian media and entertainment industry is at the cusp of a potential consumption boom driven by digital media as well as the increasingly connected rural consumer, with potential to grow 5-6 times over the next 10 years. However, the growth will not be a secular trend; it is the prerogative of the industry to build the right muscle, infrastructure and capabilities to tap into the growth potential. Leveraging big data, algorithms and advanced analytics across the value chain is the need of the hour to help shape the product, target the customers as well as monetize the consumption.

It is also imperative to create the right enabling ecosystem to monetize the growth and create value. The industry should seek to address the distribution of value across various players to ensure continued creation of high-quality content. Also, concerted efforts for skill development are the need of the hour. With various initiatives underfoot to ease doing business in the country, including the recent passage of the GST Bill, we are hopeful that various firms, regulators and the government will continue to work closely to foster growth in the industry.

CII and BCG thank our stakeholders for their valued perspectives and support towards enriching the content of this knowledge report. We continue to look forward to your feedback in enhancing the usefulness of this publication.

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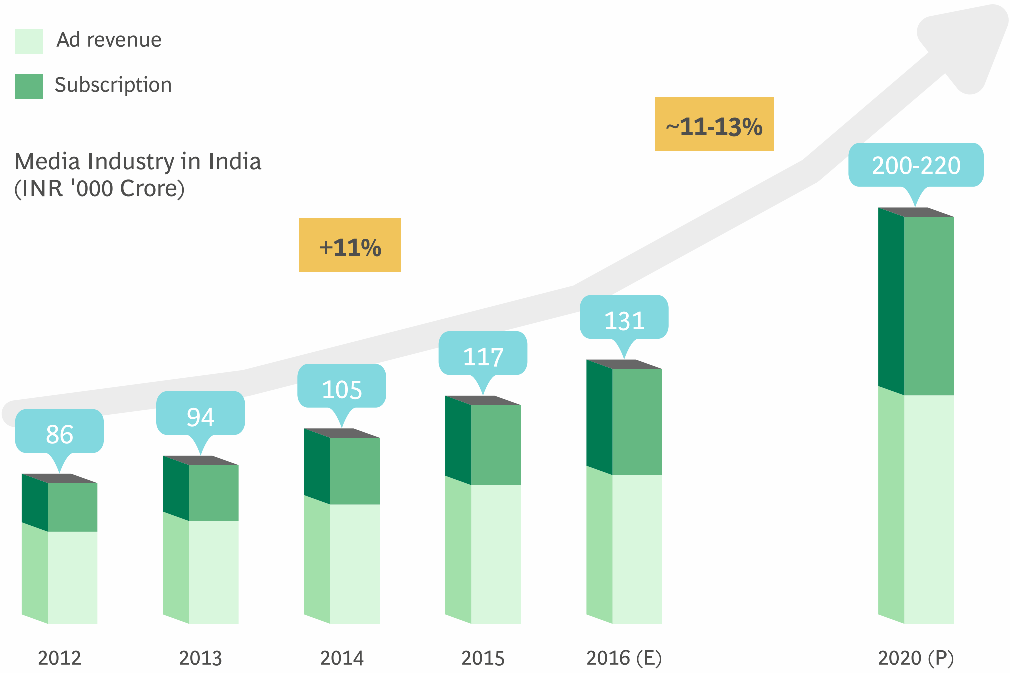
Exhibit 1.1

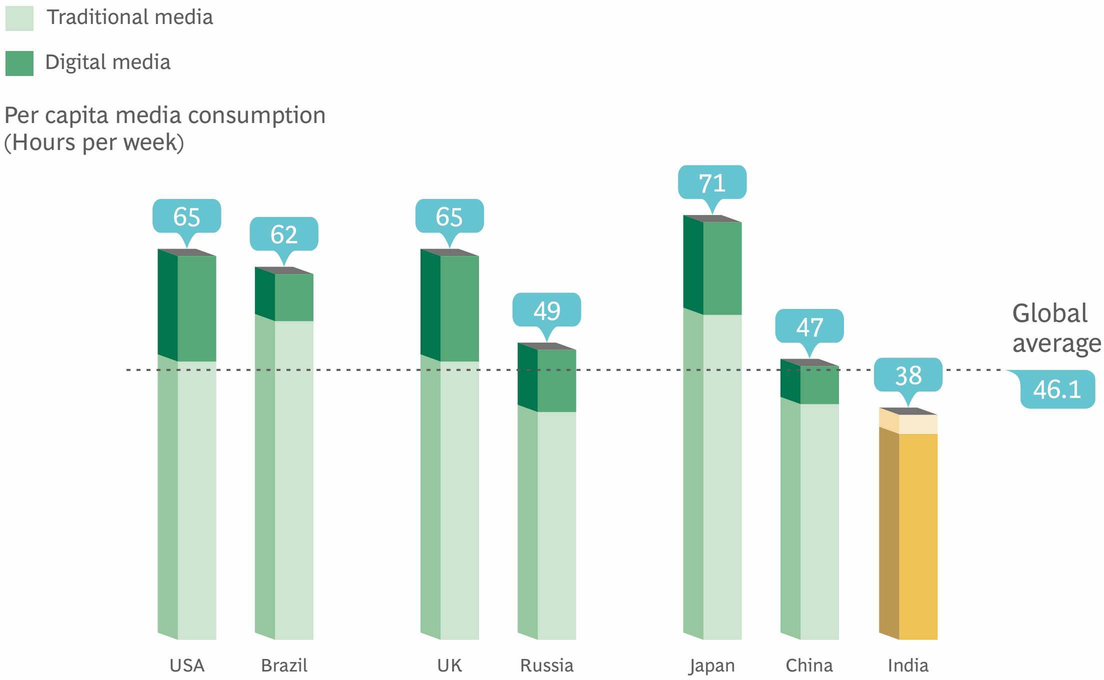
The media industry in India has grown at ~11% over the past 5 years and continues on the growth trajectory



Source: BCG Analysis, TRAI, World press trends, Industry discussions, European Audio Visual Observatory

Exhibit 1.2

India lags other developed and developing economies on per capita media consumption



Source: PQ Media

Executive Summary

India, today, is one of the fastest growing economies in the world with a GDP growth rate of 7.6 % in 2015-16, up from 7.2 % a year ago. A significant contributor to this growth has been the Media and Entertainment industry, which accounts for 0.9% of the GDP and provides direct and indirect employment to nearly 5 million individuals in India. In addition, it has a multiplier effect on sectors such as trade and tourism. The sector has grown at a steady CAGR of 10% - 12% YoY, and is projected to reach a revenue base of INR 130,000 Crores by the end of 2016. India is one of the few economies where M&E industry continues to grow in double digits.

Indian M&E industry has opportunity to grow 5-6 times over the next 10 years with the right vectors of growth and ecosystem interventions in place

Of the various M&E sub-sectors, television is by far the largest component of the industry, and has grown steadily at ~11% annually over the past 5 years. We expect this momentum to be maintained given improved subscription revenues and media penetration. The print sector which is on a decline in global markets is continuing to show positive growth in the Indian context due to a steady increase in literacy and regional growth. Print circulation in Hindi and vernacular languages has grown at ~6% over the past 5 years, with regional publications proving to be the most substantial drivers of this growth.

The digital medium now has the wherewithal to change the game for the industry and prove itself to be pivotal to future progress. Although the per capita consumption of traditional media continues to grow at 3%, digital consumption has expanded at a much more exponential pace clocking up to 15% annually. This points to a growing pool of new, albeit low volume users, who are rapidly being inducted into the existing consumer stream across the country. This growth is also proving to be additive rather than cannibalizing traditional media consumption.

The true potential of the Indian M&E industry can be summed up by the fact that it represents an opportunity for 5x - 6x growth over the next 10 years. Despite the robust growth in media consumption, India today is still lagging behind many developed and developing countries. While penetration levels are still low, there is also a gap in India's per capita media consumption which presents a golden opportunity. The country's current per capita media consumption is only half that of Brazil and the United States of America, and bridging this divide can unlock exponential growth. Unlocking this latent consumption power can create new value for the industry.

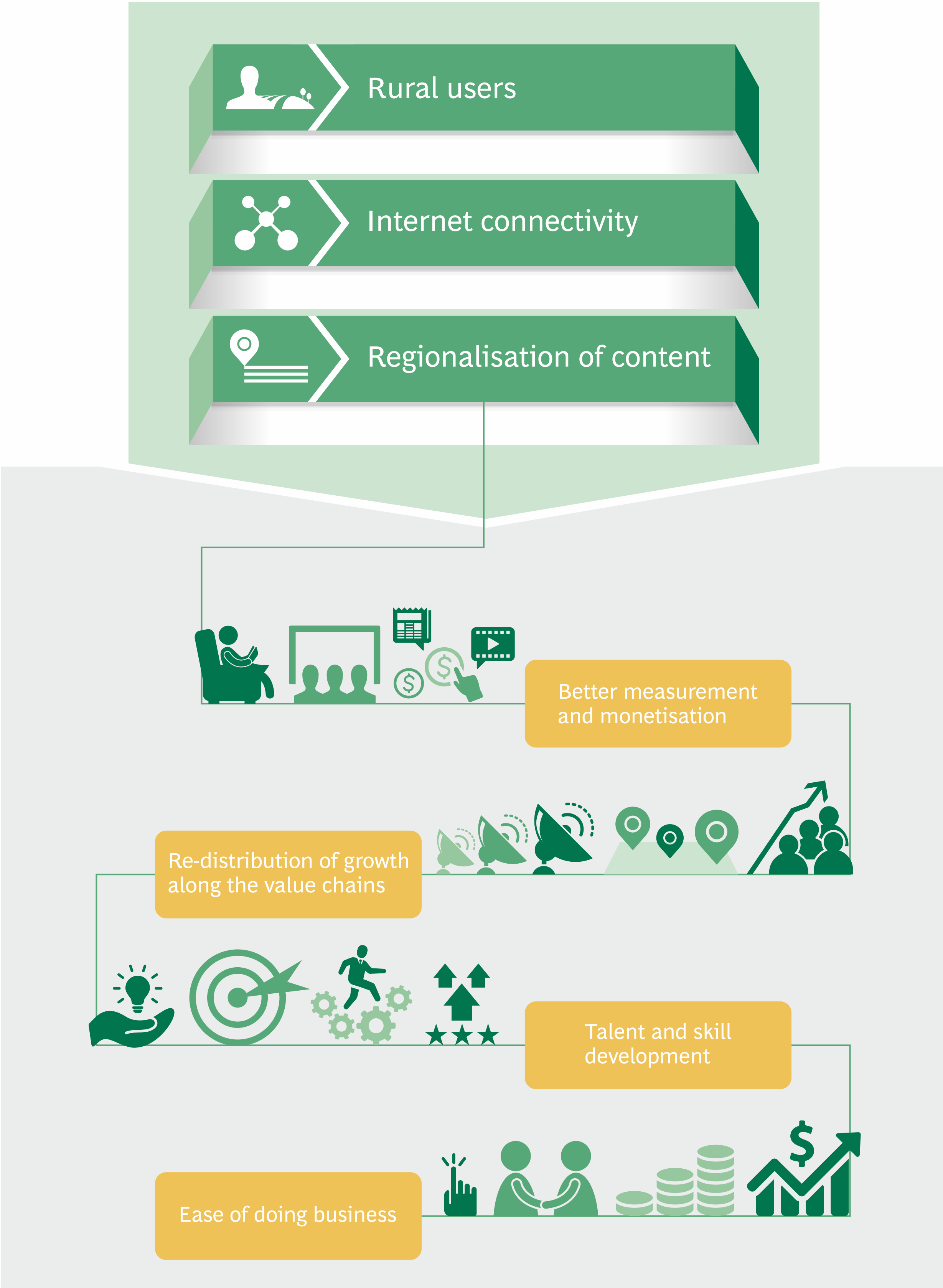
Three key opportunities will be the drivers of consumption growth over the coming 5 – 7 years – tapping the rural un-connected consumer, capturing a large share of time of the digitally connected consumer and a supply explosion for strategically segmented audiences.

Tapping into this growth is predetermined by a set of industry-wide initiatives that can enable players to unlock consumption as well as adequately monetize the eyeballs to create value for the industry.

Today, there exists a gap in monetization which needs to be addressed. Despite the strong consumer base and stable growth rates in consumption, the industry has not been able to monetize the consumption at levels comparable to their global counterparts. The cost per impression across various mediums is also the lowest in India when compared to other

Exhibit 1.3

Three vectors to drive consumption growth, spurred by four enablers in the ecosystem to drive growth for M&E in India



Television impressions in China are 20x the cost of TV impressions in India while print impressions are ~4x higher

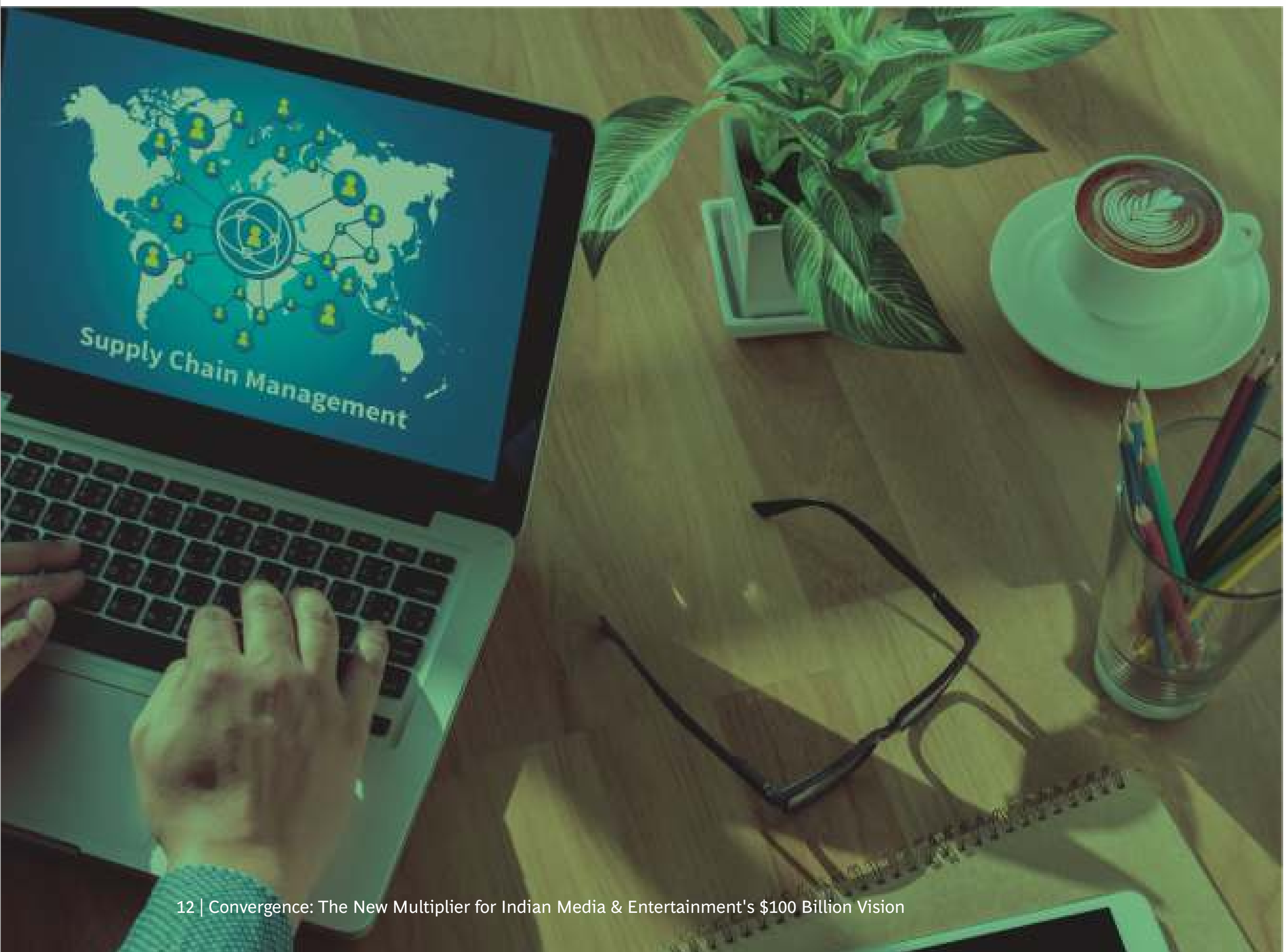
emerging markets such as China, Brazil or Turkey. Television impressions in China are 20x the cost of TV impressions in India while print impressions are ~4x higher. While the M&E industry in India sees better price points on the digital video medium and is almost double its Chinese counterpart, it continues to lag behind in other forms of digital media such as display advertising etc.

If these gaps are successfully bridged, India can increase digital advertising to 2x-3x current revenue levels with relative ease, adding an additional 8,000 - 13,000 Crore to current industry revenues. The industry can drive better targeting of advertisement spends, minimize wastage and provide better value through big data and analytics capabilities in their monetization endeavors.

At the same time the metrics for monetization need to be reflective of both, growth in the audiences reached as well as the quality of engagement and it is necessary to refine these across all sectors of the media industry to truly benefit from increasing consumption.

While industry-led efforts can tap consumption opportunities and monetize the growth, the industry ecosystem too needs to be conducive for break-out growth. The demand for talent and functional skills in the industry will outstrip supply given the pace of growth in the industry. Concerted efforts from the government, academia as well as industry bodies are the need of the hour to create a large and skilled workforce to take the industry to the pinnacles of growth. The industry also calls upon the government and regulators to support it on this journey to drive ease of doing business - be it ease of raising funds or ease in the licensing regime to spur individual players to achieve their potential.

Collaboration, convergence and co-ordination across stakeholders will thus be the key pillars driving exponential growth and expansion in the Indian M&E industry.


Supply Chain Management

Vectors for growth opportunities in media consumption

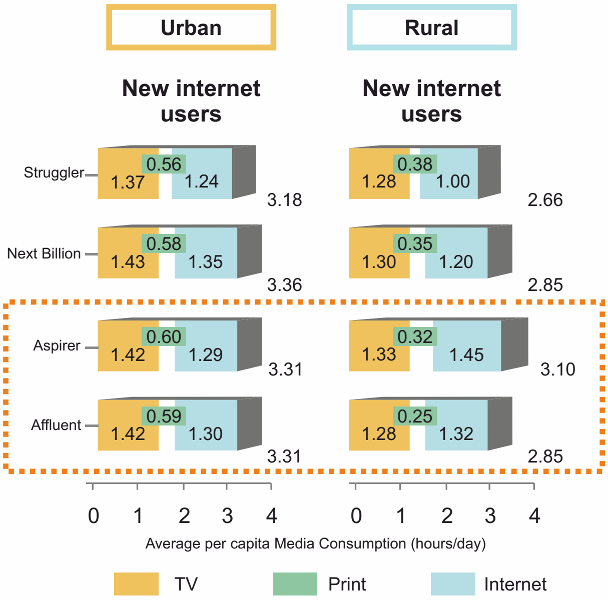
Serious media players should pay close attention to three vectors which have the potential to unlock media consumption in India - tapping into the digitally connected consumer, creating segmented supply for specific markets, and reaping the rural dividend.

Exhibit 2.1

Income segment, age group, gender & city tier do not have a significant effect on media consumption

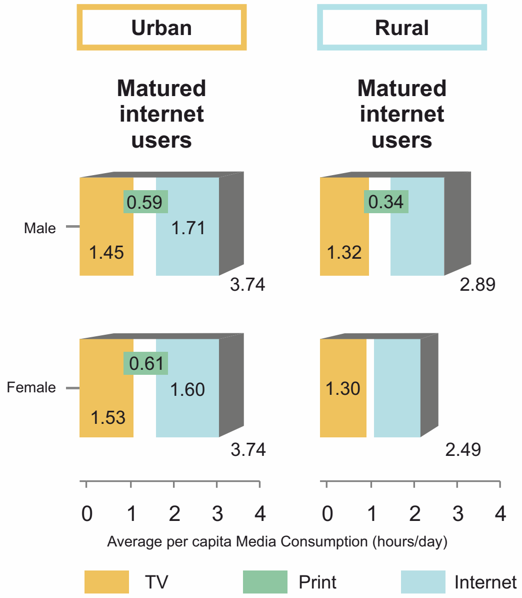
Media consumption largely stable for Aspirers and above

Media consumption - by income



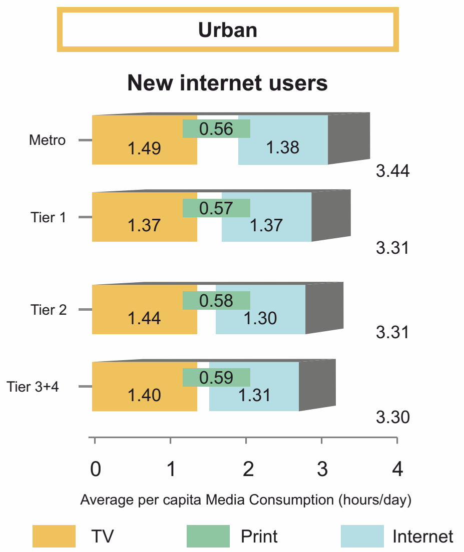
No clear trend emerges across genders

Media consumption - by gender



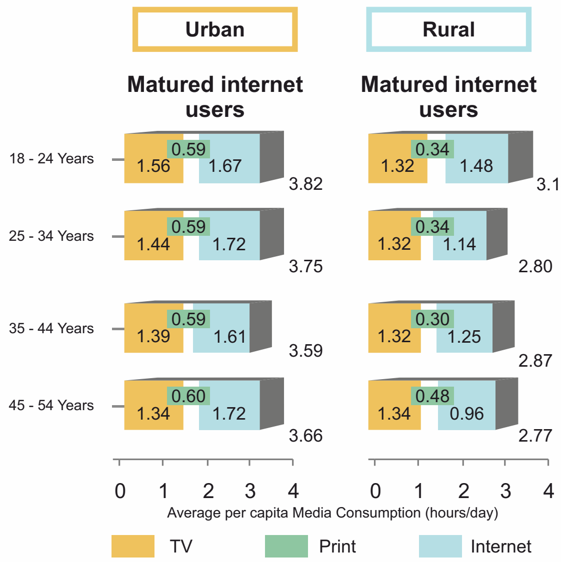
City tier does not impact media consumption

Media consumption - by tier



No significant differences by age groups

Media consumption - by age



Source: Primary research by the BCG Centre for Consumer Insight conducted in 2015. Sample of ~20,000 users covered across demographic segments. Qualitative interviews conducted to validate consumption values Note: Information is based on representations from users across a sample set of ~20,000 individuals. Actual values may vary

Vectors for growth opportunities in media consumption

BCG recently undertook a consumer survey encompassing over 20,000 respondents across several urbanization and income profiles to understand media consumption patterns across various demographic segments in India. The survey polled a large sample of respondents on their media consumption patterns across diverse mediums such as TV, Print, Films, Radio, Music and Internet.

The respondent demographic straddled the entire spectrum of income distribution prevalent in the country, inclusive of strugglers to the affluent classes. It also spanned the country's wide geography by polling respondents from Chandigarh to Cochin including metros and rural centers. Further, detailed interviews were also conducted with a sample of individuals across both urban and rural centers to gain a detailed understanding of their media consumption preferences and what drives and influences their choices. This sample is comprehensive and representative of our country's media consumption profile and is also a lead indicator of emergent patterns as India continues on its steady path of growth.

The survey threw up some surprises with regard to emerging trends and preferences. Our survey results found that a large number of demographic indicators do not affect consumption at all. In fact, a certain number of demographic indicators which hitherto were assumed to affect media consumption were found to have no correlation with current media consumption patterns in any way.

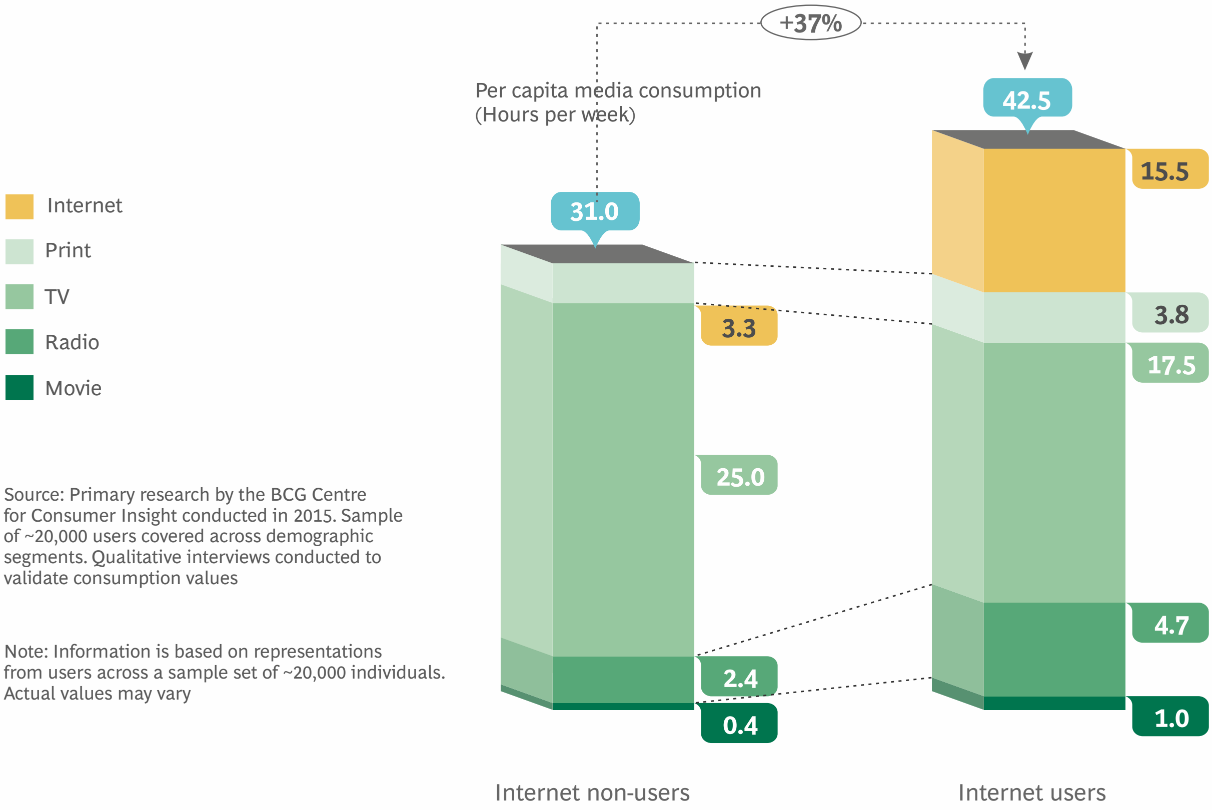
City tiers within urban centers - whether Metro, Tier 1 or Tier 2 right up to Tier 3 /4 displayed extremely insignificant differences in overall media consumption. Further, as consumers moved up income segments to higher aspiration levels, their media consumption patterns were found to be nearly uniform. Interestingly, notwithstanding the digital phase, age demographics were found to not affect the overall media consumption either. Finally, there seems to be no significant difference in the total per capita media consumption between male and female populace of the country.

Three vectors however, have the potential to unlock media consumption, and represent true opportunity pools that serious media players would need to target in a focused manner. These focus areas have higher probability of driving break-out growth for the industry as a whole. They can also push erstwhile growth rates to significantly higher levels than the current ones arising from secular trends that are already seen to be unfolding.

The digitally connected consumer

Internet consumption is proving to be an additive form of media consumption as compared to being substitutive. Internet connectivity is fundamentally changing individual media consumption habits across the country as it increases the number of hours spent on media consumption in a day. The digitally connected population consumes approximately 50% more media on a per capita basis than consumers without access to the Internet. Therefore, there exists an imminent need to invest in content relevant for the digital medium in conjunction with big-data analytics to predict content optimally so as to have higher consumer relevance.

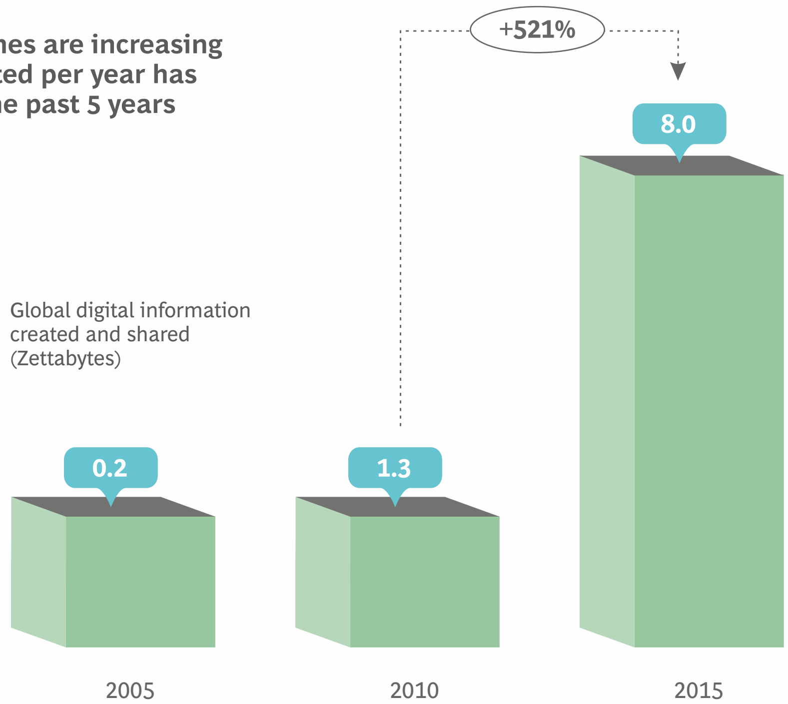
Exhibit 2.2
Digital consumption of media is additive to traditional media. Per capita media consumption of internet users is ~40% higher than non-users



Source: Primary research by the BCG Centre for Consumer Insight conducted in 2015. Sample of ~20,000 users covered across demographic segments. Qualitative interviews conducted to validate consumption values

Note: Information is based on representations from users across a sample set of ~20,000 individuals. Actual values may vary

Exhibit 2.3
Information and content volumes are increasing every day: Digital content created per year has grown at ~50% annually over the past 5 years



1. Zettabyte = 1x1012 gigabytes

Source: IDC 2012; Kleiner Perkins Caufield Byers Internet Trends Report; Bloomberg; press search

Reaping the rural dividend
There is a large chasm between the daily consumption of the rural population versus their urban counterparts. As an increasing number of rural households become media-literate, emphasis on rural distribution and creation of specific content for these markets will ensure such centers leapfrog into the digital age.

Segmented supply begets demand
Markets within India that offer a large supply of content for individual consumption and homogenous consumer communities are characterized by high per-capita consumption e.g.: Tamil Nadu and Andhra Pradesh, among others. These markets see a large volume of content consumption in their primary language with growth driven by niche genres of content. An increase in supply targeted at segmented audiences can dramatically unlock further consumption potential.

The Digitally connected consumer

Digital has two key impacts - allowing media companies to reach a "segment of one", and increasing speed and spread of content dissemination

Internet penetration in India, has so far led to a significant increase in per capita media consumption. Digital media consumption, which has been seen as a threat by traditional players, is in fact, additive to media consumption and not a substitute, particularly for video consumption. While there seems to be a limited reduction of television consumption attributed to digital video consumption, the total media consumption in hours has been shown to grow ~50% with Internet access availability.

This trend holds true for consumers across any age, income or gender. The only variable that truly determines how much online consumption is the digital-age, i.e. how much time you have spent online. Today, the profile of a digital media consumer is skewed towards the young, male population and driven by the early adoption of Internet access by this demographic. However, since Internet access is fast penetrating across all demographic segments and as Internet availability becomes more ubiquitous, media consumption is expected to increase across all digitally connected demographic segments.

The Internet is fundamentally changing the way people consume media. Traditional forms of media consumption have been more household or family oriented – with one cable connection or newspaper subscription per household. The rapid penetration of the Internet via mobile phones has now made content consumption a democratic, individual activity.

Digital has two types of impacts – allows media companies to reach to a "segment of one" and makes it possible to spread content faster and across a wider spectrum of audiences. Globally, we have witnessed an explosion in the volume of content created for digital consumption with the barriers of shelf space being shattered and the possibility of unlimited hours of content.

Content hours are no longer limited by bandwidth of MSOs, inches of print or reels of film. The volume of digital content produced annually has grown 500% between 2010 and 2015 and continues to display exponential growth. We believe that traditional content creation models will not prove to be sustainable options for the pace and scale of the necessary content that needs to be created for digital. Newer models of content creation as well as curation will need to evolve in order to continue the tapping of a digital user's consumption potential.

Exhibit 2.4
Technology is changing the content models across the news and publication value chain with endless opportunities for speed and scale in content creation

	Happening today	In the future
Sourcing	Bots scraping social media for stories and flagging trending topics	• Mining structured data allowing stories to be found from large datasets • Improved ability to process written language and unstructured data
Writing	Algorithms write stories on sports and earnings reports	• More news at a faster scale created by algorithms • AI improving native language capabilities to create deeper narratives
Editing	• Automated curation • Some video creation (e.g. Wibbitz)	• Much sub-editing automated • Automated sourcing and compiling of complementary content
Publishing	Personalisation of content	• Same stories told in multiple languages and from multiple angles • Automated titling, tagging, and photos
Consumption	Personalisation of content	• Greater personalisation • News created on demand in response to user questions
Advertising	**AI application currently minimal**	• Highly targeted, personalized, responsive advertising • Mood targeting

A shift from traditional content models to technology driven models is imminent to drive speed and scale in content creation

News and publishing content providers have been at the forefront of using technology and analytics innovations across the value chain to create digital content. New age technology not only allows for faster content creation on a larger scale but also provides for a low cost method of doing so.

The adoption of new technology in publishing has begun to change the erstwhile traditional newsroom. We see the use of bots to source stories and flag trending topics through social media chatter, as well as initial uses of algorithms to create stories for generic and repetitive topics such as sports coverage, financial earnings coverage, etc. For example, the Los Angeles Times uses automatic data retrieval and analysis algorithms to create content based on scouring of public records databases. Automated text generation tools have also been developed and deployed.

While Indian players have not yet adopted these innovations into mainstream content creation, it is a matter of time before technology driven content models become table stakes for the creation of digital content.

The realm of possibilities for the future is endless as technology continues to evolve. We can expect greater access to structured data in the future, thereby allowing stories to be found from large datasets. This is also expected to improve the ability of processing written language and unstructured data. The use of artificial intelligence ('AI') is expected to improve native language capabilities and create deeper narratives while improving the speed of news dissemination. Editing and curation processes are also set to change into an automated sourcing mode with easy compilations of complementary content.

A deep understanding of the content contexts, combined with big data mining can significantly improve content strike rate

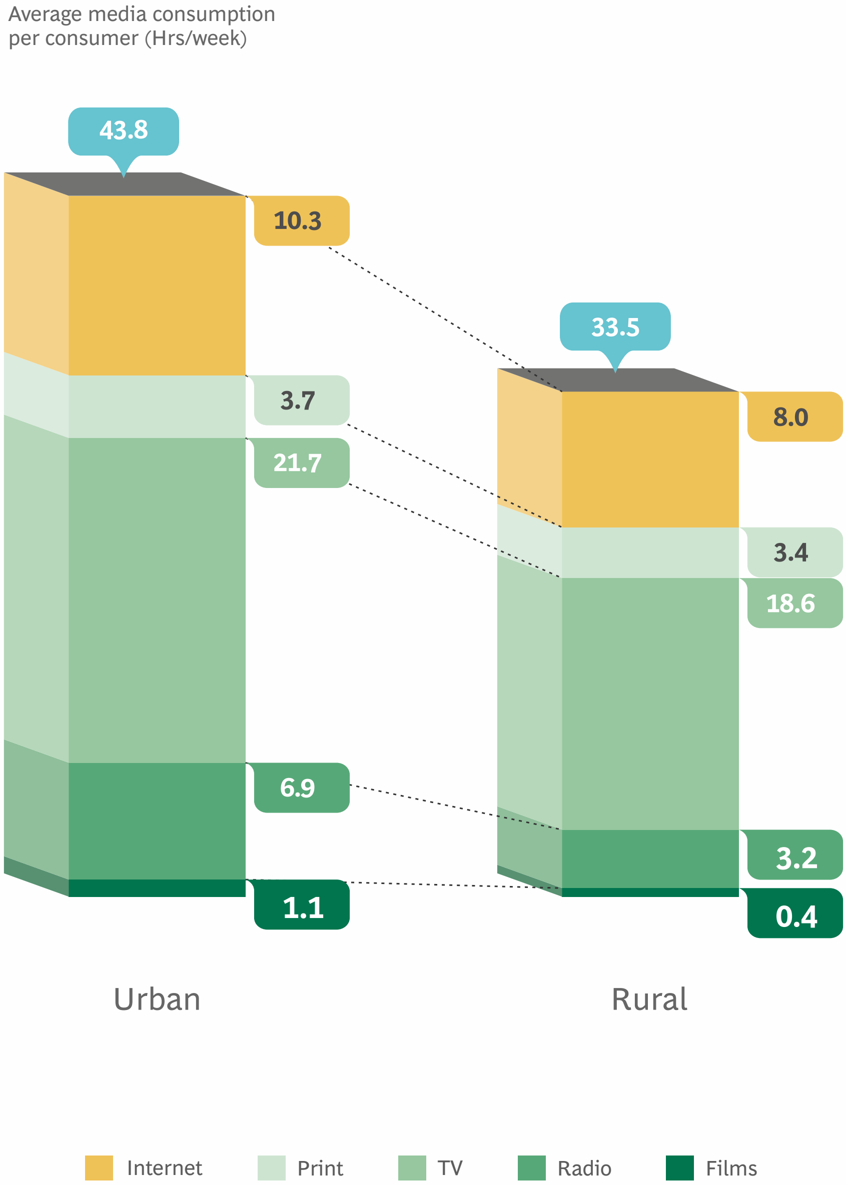
Use of predictive algorithms is increasing and can improve content strike rates

Digital consumption of media represents a large database of consumption patterns, viewing habits and consumer content preferences. Leveraging this data intelligently can help content creators customize new content to consumer tastes and preferences to create targeted hits and subsequent success. Validation for the efficacy of this is observed in global case studies wherein players have successfully leveraged big data and analytic capabilities to increase the hit rate of content across media sectors.

- Netflix has reduced its cost of content per hour viewed by~50% per hour streamed through identification of consumer preferences and streamlining their library of procured content.
- The music industry has also attempted to leverage big data so as to predict the success rate new content e.g.: "Music XRay", a company launched in 2009, boasts of an 80% accuracy rate in predicting the success of music. In the past, data scientists from the University of Bristol, have also developed machine learning algorithms mining the top 40 hits from over 50 years to identify features that drive success

The successful mining of big data to predict success rates of content, hinges upon a deep understanding of content contexts to correctly identify and log predominant features. This deep understanding of content, coupled with data science expertise in developing machine learning algorithms, can unveil insights into what makes content successful.

Exhibit 2.5
Low per capita consumption of media among rural consumers versus their urban counterparts



Source: BCG Survey comprising ~20,000 respondents in India

Reaping the rural dividend

Unlike China, ~65% of the Indian population will continue to be centered in 'rural' areas even in 2025. While we are a nation of many cities, media consumption in rural areas is much lower, unlike many other consumption categories. There is no homogeneous "RUrban" market as a consumption pattern and consumer behavior differs starkly between both markets.

Rural consumption in recent times has been growing at a faster pace than urban consumption patterns, given the realization of pent-up demand driven by increasing penetration and the willingness of rural consumers to trade-up to latest technologies such as HDTV channels and 4G mobile devices. We see two waves of consumption growth in rural - penetration and per capita consumption. With the exception of radio, media penetration in rural areas is currently 30% (TV) to 60% (Internet) lower than urban centers and represents a significant scope for future growth.

Apart from structural trends such as increase in penetration of TV, smartphones and newspapers due to rise in income and literacy, industry-led initiatives such as DTH expansion into cable-dark areas, investment in infrastructure for 3G/4G internet and increase in movie screens will further improve rural penetration. As smartphones and mobile data become affordable, we expect the number of connected rural consumers to increase from about 120 million in 2015 to almost 315 million in 2020, leapfrogging over 30% year-on-year. However, distribution solutions and right monetization models are necessary to drive media penetration at faster rates, thereby unlocking rural demand and catalyzing rural growth significantly.

Media-connected rural consumers could increase from 120 million to almost 315 million in 2020, with the right distribution and monetization infrastructure in place

Rural per capita consumption also lags behind urban levels by ~30% currently and this consumption gap is observed to exist across all forms of traditional and digital media. For all consumers, however, the number of hours spent on digital media increases with experience and maturity, and rural consumers are not expected to be exceptions to the rule. As income levels and literacy increase, rural consumers show enhanced awareness and willingness to pay for the latest technologies and experiences.

India's rural growth story, driven by digital media, is expected to replicate China's growth in rural consumption as observed in the past. As penetration and content supply for digital media increased in China, smartphones replaced TVs as the preferred viewing screen. Today, China's rural consumers spend more time consuming digital media when compared to other media forms. Electricity shortages have partly been responsible for low media consumption in some pockets of rural India, historically. However, internet connectivity, especially on mobile phones, can overcome this challenge to help catapult rural consumption to urban levels and beyond.

As players think about tapping this opportunity space, it is imperative to innovate and pivot the thinking on business models. Players must now think of how they can tap into and monetize the rural consumer and doing so would necessitate re-imagination not re-engineering. Nukkad - a chain of small sized digital cinema halls offering affordable access to good quality movie experience is being received well in rural areas. Such rural-focused models need to be imagined to monetize this large untapped market.

Consumer Speak

Vikas

Vikas is a resident of Wai, Maharashtra and lives with his wife and two children. He is a part time farmer and works in a local factory for his main source of income. His annual income amounts to INR100,000 and he represents an emerging segment of rural consumers who have just started using internet a few years ago. He now prefers the smartphone for his media consumption and feels that the Internet offers tremendous value unmatched by any other media.

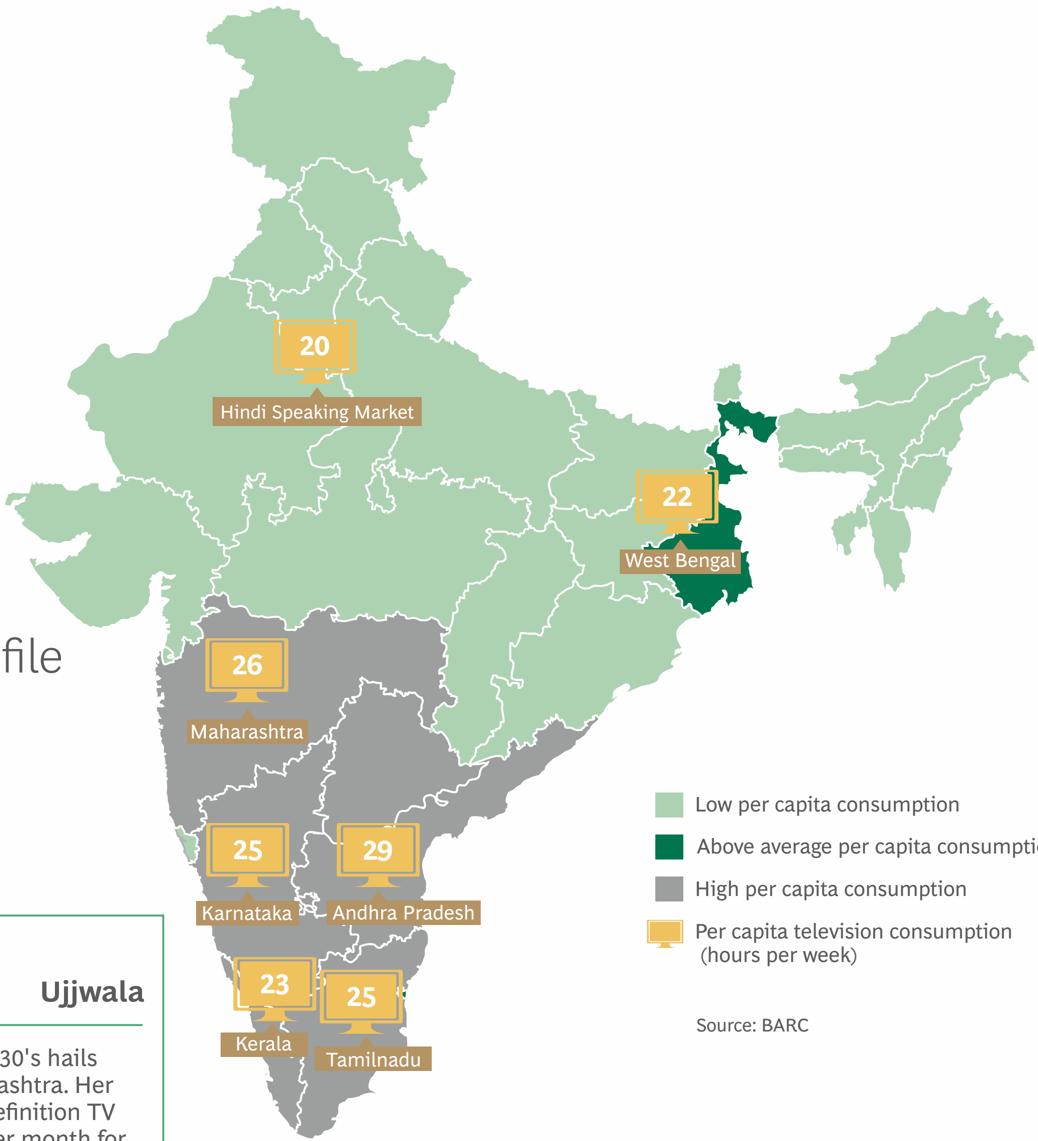
Vikas typically spends 3 hours a day on the Internet and social networking platforms such as Whatsapp consume 30% of his time. The rest of time, he either watches videos or accesses information. About a year ago, Vikas stopped subscribing to newspapers at home as he feels that the monthly subscription of INR120 is better spent on mobile data. He finds the search functionality on the Net to be of immense use to find information for agriculture, shopping and areas of interest. While he still has no established or fixed pattern for digital media usage, he feels that more content and apps should be made available in Marathi.

Deepak

Deepak is 26 years old and lives away from his family. He typically starts his day by listening to spiritual programs on TV. As his town has irregular electric supply during evening hours, his TV consumption is limited to an hour in the morning. However, he is willing to pay INR300 for a monthly cable subscription and is planning to purchase an HDTV when he shifts to his new house.

During the day, Deepak uses his smartphone for approximately 2 hours predominantly for social networking and news with an additional hour for entertainment in the evening. WhatsApp, YouTube and Dainik Jagran are the most widely used apps on his phone. His mobile data spends amount to INR500 per month. His newspaper and movie consumption habits have not changed in recent years. Occasionally, he watches Bhojpuri movies in local theatres and is open to considering an increase in his movie watching frequency if better quality of experience is made available. While he feels that new technology such as digital media or HDTV does increase his expenditure, the value offered is worth paying for.

Exhibit 2.6
Disparate television consumption levels across regions in India



Source: BARC

Consumer Profile

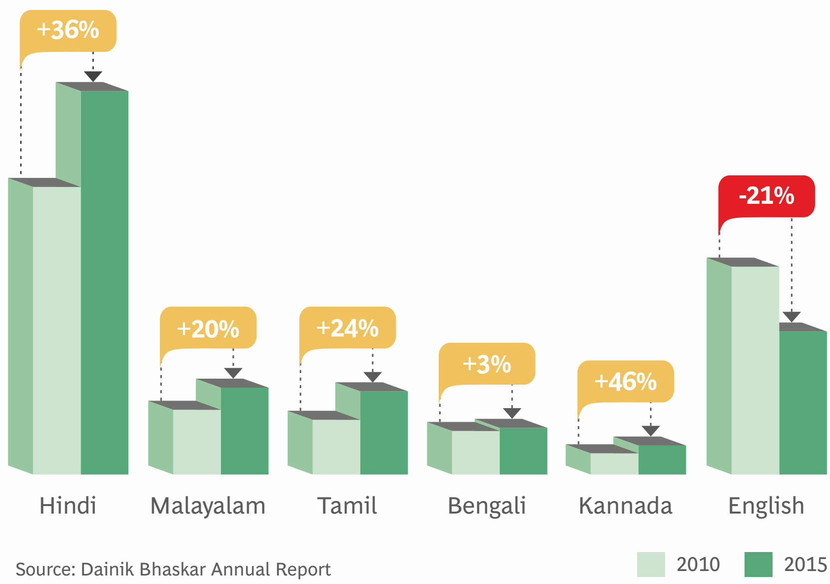
Ujjwala

Ujjwala, a housewife in her 30's hails from a town in rural Maharashtra. Her family has access to high-definition TV at home and pay INR600 per month for HD channel subscriptions. She typically watches TV for 3~4 hours a day with her favorites being Marathi entertainment channels and Discovery Hindi while her husband prefers Marathi News channels. Ujjwala feels that the content quality on Marathi entertainment and news channels has increased in recent years and thus, her family prefers Marathi channels vis-à-vis Hindi.

Ujjwala also accesses the Internet for 2~3 hours a day and spends upto 60% of her internet time on social media and the rest on music and videos. She watches re-runs of old episodes of programs such as “Chala hawa yeu dya”, “Sa re ga ma pa“ or the Kapil Sharma show. Movies also form an integral part of the weekly family outing. Her frequency of watching Marathi movies has also increased given the diversity and quality of Marathi cinema. Overall, Ujjwala feels that television, internet and films are important to her family life and she would pay for a quality experience.

Exhibit 2.7
High growth in vernacular content consumption

Circulation (Lakh copies)



Source: Dainik Bhaskar Annual Report

Segmented supply begets demand

Increased supply of TV content has created a demand unlock in Maharashtra, and a majority of Southern Indian states

While digital media penetration and the tapping of rural viewership represent aspirational media consumption levels for the Indian M&E industry, a tectonic shift across the board is needed to drive up current levels to match global benchmarks. However, not all of India consumes significantly lower volumes of media than our global counterparts. Over the years, some Indian states have typically been high consumption pockets, while others have proven to be characteristically low. Although disparities in electricity supply can account for some of the difference in content consumption, the difference is far larger, spanning more factors.

The disparate levels of consumption prove that there are in fact, two distinct media consumption markets– one made up of high consumption states such as Andhra Pradesh, Telangana, Karnataka, Maharashtra, West Bengal and Tamil Nadu that consume as much television content as Brazil and 90% that of the US. The media consumption in the rest of India is almost 40% lower. This is especially characteristic of urban centers and not limited to a rural phenomenon.

Consumers across high and low consumption centers were interviewed and we found no significant difference in their behavioral patterns. However, the content markets and content supply varied significantly. Each regional pocket with high levels of consumption is characterized by a large supply of niche, targeted content – be it local language entertainment, movies, music, infotainment or youth-specific content. This is not limited only to television content consumption but includes print content in specific vernacular languages to display high growth.

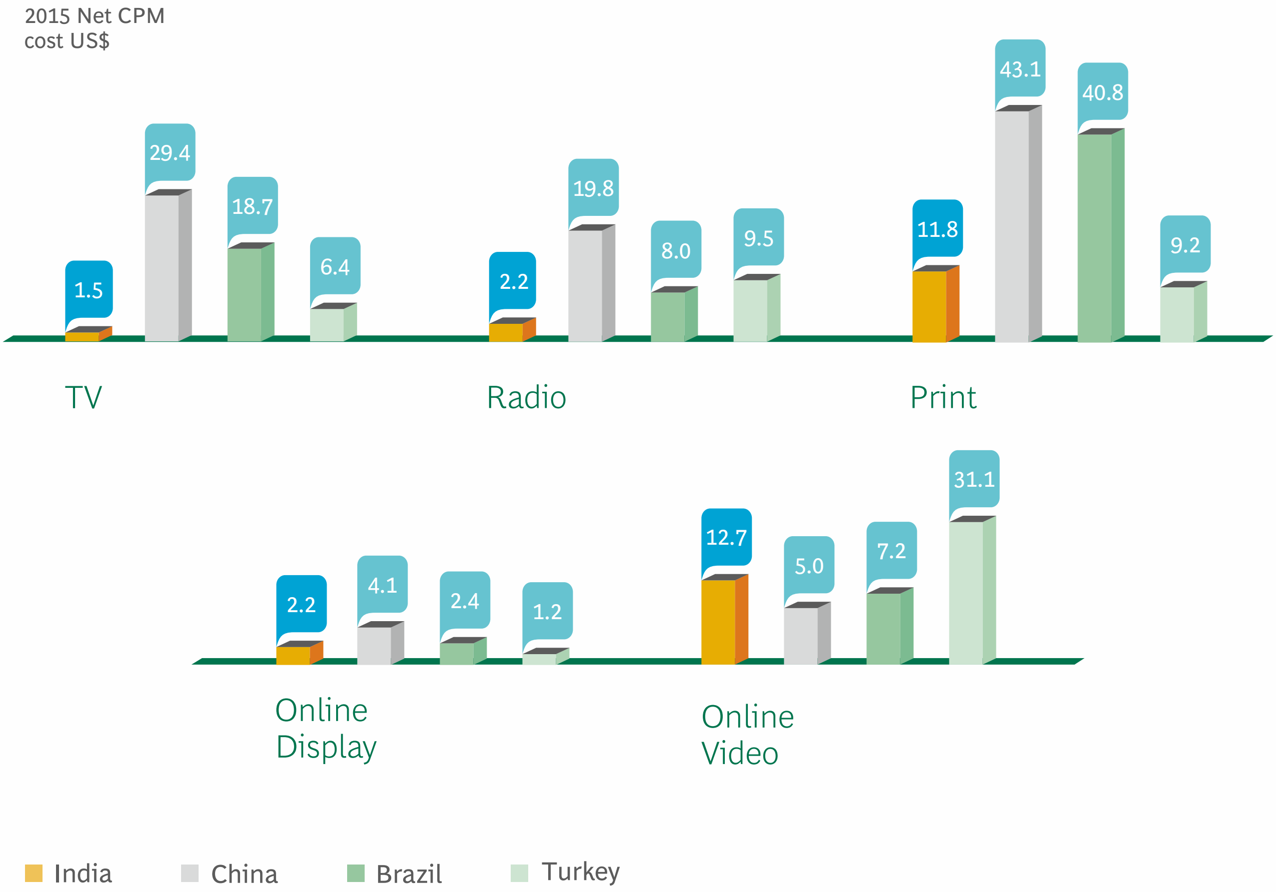
This disparate pattern of media consumption leads us to ask whether the creation of micro-clusters to target content could unlock growth. Two markets that have attempted to do that in television in the recent past have seen success, i.e. West Bengal and Maharashtra. The creation of a large number of local language channels across genres like general entertainment, movies, news, kids, youth, etc have driven the per capita consumption higher than the rest of the Hindi-speaking market. Would further bifurcation of the so-called 'Hindi belt' into smaller communities with targeted content create more value and drive consumption? And will advertisement revenue be sufficient to fund the creation of specific niche content?

It is the need of the hour for traditional media providers to look at better targeting of communities with niche content and monetization models to sustain growth and revenue.

Building the right ecosystem to fuel growth

Ecosystem interventions are essential to supporting growth - measurement & monetization models need to be relooked at, redistribution of revenues across value chain elements is critical, ease of doing business needs to be doubled down on, and the skills gap needs to be bridged.

Exhibit 3.1
Cost per impression in other emerging markets is 5-10 times higher than India across media types



Source: Magna Global
Note: CPM = Cost per Impression

Building the right ecosystem to fuel growth

Advertisement rates have lagged global peers with CPM rates at ~75% discount to other comparable markets

As we have established in the previous section, India's M&E industry is at the cusp of a pivotal moment in its history. The rise of digital and specialized content presents an opportunity for phenomenal consumption unlock, perhaps last seen during the boom of satellite TV in the 1990s. However, a number of key enablers are required to affect this change, and we visualize this unlock to occur with the interplay of four key ecosystem changes.

First, to create additional value, the industry will need to revise its monetization and measurement models to incentivize content creators and attribute fair value to the high number of impressions that current media platforms in India offer. Second, redistribution of existing value across various players in individual sub-sectors is essential to investing in talent, content and overall health of the industry. Third, pointed actions need to be taken in collaboration with the industry, regulators and the government to improve the ease of doing business in India. Finally, the industry needs to invest in bridging the skills gap in its workforce, given the imminent need of trained professionals in both existing functional skills such as content-creation and post-production and upcoming ones such as digital platform management and analytics-driven content creation, and monetization.

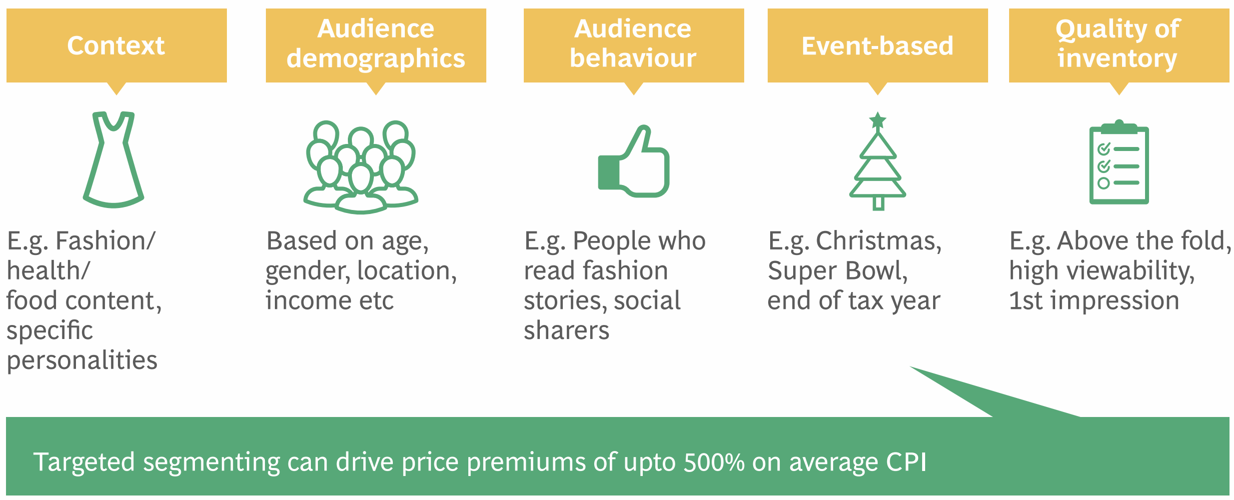
Creating value with the right monetization and measurement models

Given the steady increase in penetration as well as the massive increase in content availability across digital, TV and radio, media consumption has significantly grown over the past 5 years. However, not all of this growth has translated into proportionate revenues as the industry revenue estimates have grown by ~10%. Advertisements rates have lagged global peers with cost per impression (CPM) rates at ~75% discount compared to other comparable markets. Rethinking of monetization models is necessary in order to translate the growth in consumption to a true and fair value of revenue to the industry. Two imperatives are evident in order to enhance monetization potential in the industry – sharper targeting to provide better value to advertisers, and revisiting the metrics used to measure consumption.

Matching advertisers to target audiences can create a win-win across stakeholders

In order to attract better advertisement rates, industry players need to offer solutions that allow advertisers to target the right customer segment and allow for customization of content. Digital media has improved pricing by 25%~100% through solutions that allows targeted advertisements on right segments. Thus, advertisers are now ready to pay a premium to gain information about program context (fashion, health, food etc.), event information (sports, award program etc.), audience demographics, audience behavior and the quality of inventory. While traditional media can offer

Exhibit 3.2
Sophisticated digital publishers are selling a range of targeted segments, commanding higher prices



Source: BCG Analysis, secondary research

Reliance on GRPs for TV monetization does not account for increase in reach, thus severly underpricing inventory

information about program specific context for events (sports, award shows, etc.), it needs to better leverage technology to capably track audience demographics and behavioral segments

One successful example in this context would be Sky Media, UK, that has successfully increased prices and attracted few hundred new advertisers through AdSmart program. 90 different attributes related to customer knowledge and behavioral information were collected from few million households. Big data analytics was used to further segment customers into 200+ audience combinations and precision advertisement solutions were offered. Sky was able to charge significant premium over regular advertisement and attracted new-to-TV customers such as small local enterprises. Going forward big-data analytics on engagement levels, viewer profiles and advertisement efficacy can be used to improve advertisement rates through programmatic buying.

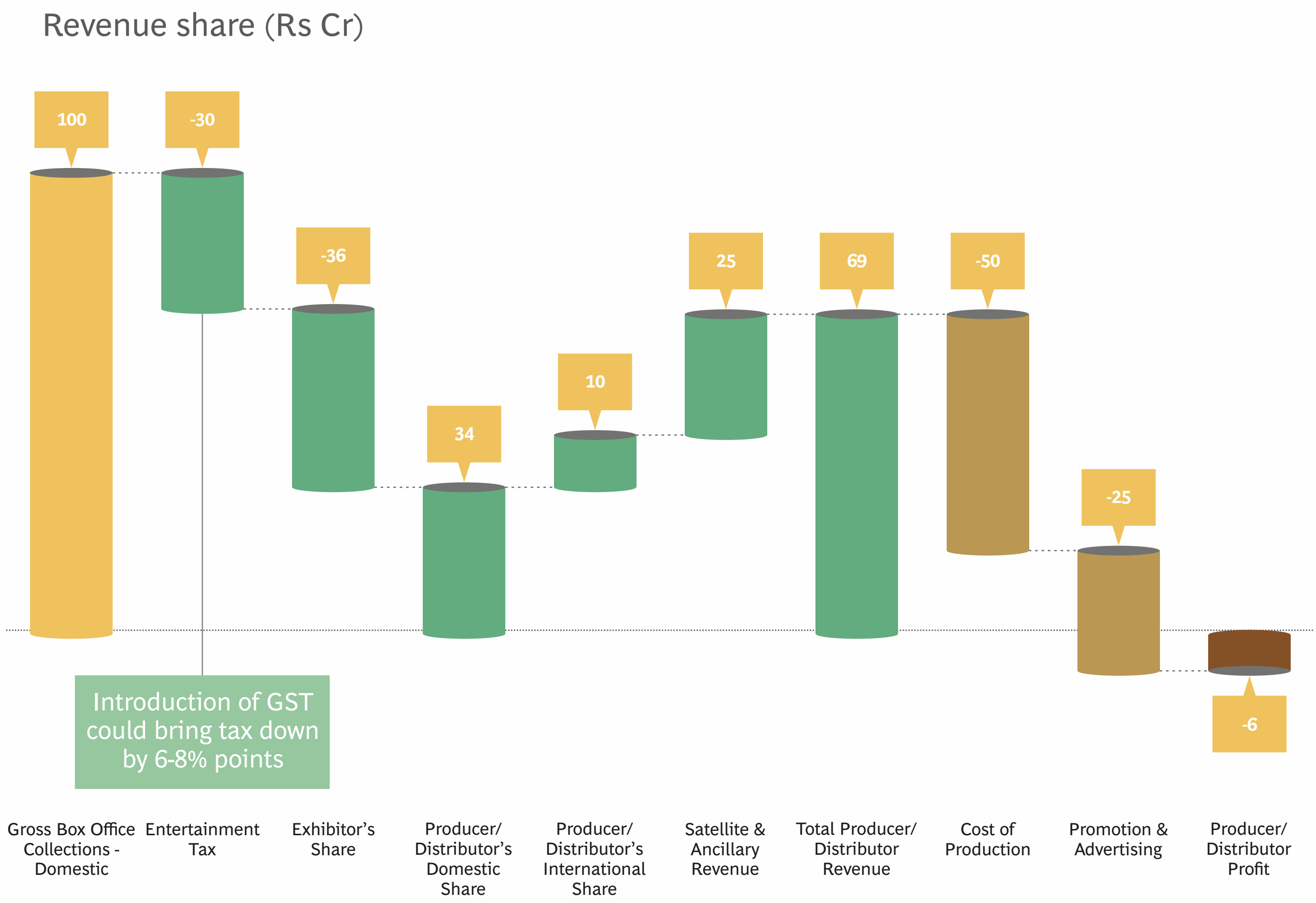
In doing so, it will also open up the media industry to a larger pool of advertisement buyers who can be attracted by possibilities of sharp targeting and attribution of ad spend to sales growth. A notable factor for low cost per impression rates in the Indian traditional media today is the reliance on a few large aggregators with concentrated buying power. The absence small advertisers' effectively ensures that the bargaining power stays in favor of major advertisers. An enhanced and targeted advertisement offering can bring smaller advertisers into the fold and expand the pool of marketing spends accessed by media companies.

Recreating the measurement paradigm:
Currently, multiple monetization metrics are being used across different media platforms, but these metrics do not always provide a true and holistic view of growth in consumption levels and leave more to be desired on validation of the effectiveness of advertising. For example, television GRP provides relative share values based on sample surveys, without reflecting the increase in reach and consequently the increase in number of viewers. While television GRPs within specific genres have remained flat over the past few years, absolute reach has increased. The industry monetizes its inventory on the GRP metric, resulting in heavy reliance on price based negotiations to increase revenues.

Similarly, digital content currently measured in terms of number of impressions ignores value obtained from high consumer engagement levels on the platform. Due to such inefficiencies, the industry has not been very successful in effectively capitalizing and monetizing value from the increase in consumption quantity and quality.

Exhibit 3.3

Astronomical box-office revenues do not translate into astronomical profits for film producers



Source: Illustrative example based on industry interviews

Re-distribution of growth across the value chain

The Indian M&E industry's robust 10% YoY revenue growth has created a formidable industry with distinct laurels – largest movie output, second largest print circulation and third largest television market by number of households. However, the value generated from the industry has been lopsided in favor of certain players in the value chain, and risks not being efficiently ploughed back into the industry.

Each industry sub-sector has examples of inequitable distribution of value; however, two clear examples will help bringing this to life.

Films: When even 100 Crore is not enough

The Indian film industry has touted the 100 Crore box office collection figure as a landmark figure for individual movies, perhaps rightly so, in an industry where such astronomical figures were previously unheard of. This figure gains particular importance given shorter exhibition windows for individual movies at the box office.

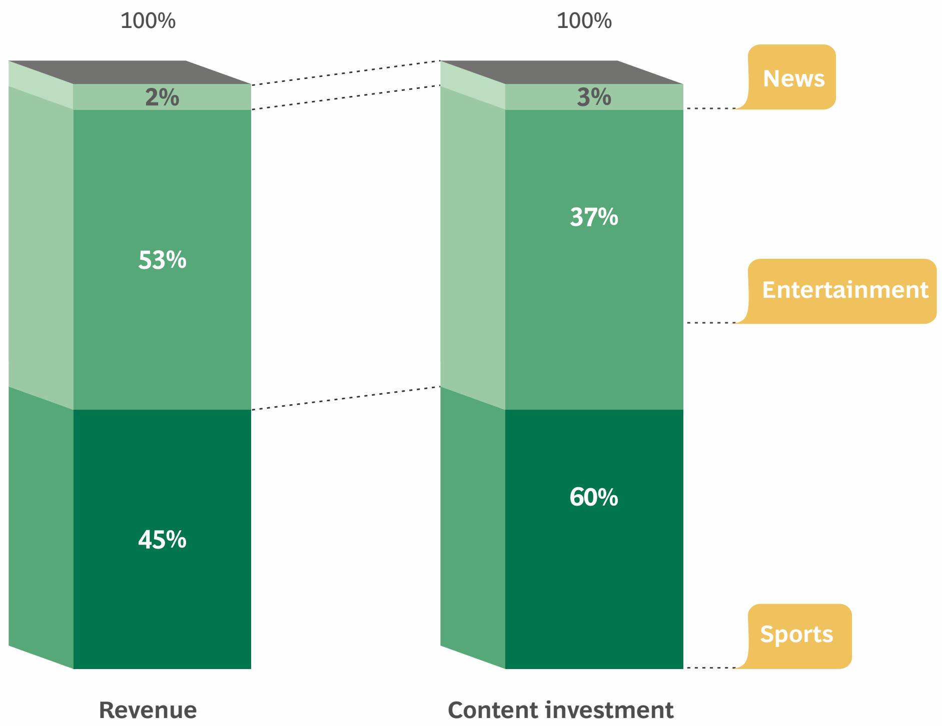
However, this does not necessarily result in enhanced revenues for content producers. As the example alongside illustrates, producers could often ending up making losses even when box-office collections stand at ~2.5x the production and promotion budget of the movie.

Two main reasons can be attributed to this anomaly. First, movies are increasingly relying on multiplexes for a majority (~70%) of their box office collections given their high ATPs (~3x single-screen ATPs on opening weekends). However, given the small footprint of multiplexes in the country and the enhanced viewing experience offered to consumers, multiplex exhibitors command a higher bargaining power in the industry. Tussles between distributors and exhibitors in 2009 revised the revenue sharing formula to one where exhibitors retain as much as 52% of the net-of-tax box office collections, as compared to 20 – 30% in case of single-screen exhibitors. As new multiplexes screens are built out in India, this value is likely to be ploughed back into creating enhanced exhibition spaces and with India's expensive real estate a redistribution of the movie industry's revenue seems unlikely.

A likely reduction in entertainment tax due to the introduction of GST is likely to increase the revenue from box office collections accruing to producers/distributors only by ~4%.

Second, top movie stars are increasingly leveraging their income potential by signing up to co-produce movies, or de-risking it by selling alternate medium distribution rights of their movies, such as on satellite, on multi-year contracts. Both of these arrangements only serve to reduce the revenue accruing back to the content-creation process, and given the star-driven industry that Indian movies are, is unlikely to change without specific intervention. Film makers are thus likely to fall back on overseas, satellite and music rights as a buffer to tide over the inadequacy of local box office collections.

Exhibit 3.4
Sports drive content investment, while entertainment drives revenues



Source: UK multichannel broadcasters: BBC One, BBC Two, ITV, Channel 4, Channel 5, including all their channels; Ofcom

Sports Broadcasting: Can the current business model sustain growth?

Sports broadcasting globally commands massive viewing numbers and high ad prices as evidenced by the Superbowl in the US, or the IPL in India. However, broadcasting rights have seen price inflation across the board in the past decade.

Cricket broadcasting rights have been a much sought-after commodity, and the advent of IPL has only cemented the premium pricing that the sport's broadcasting commands. The broadcasting rights for the next decade of IPL are likely to be sold at ~2.2x – 2.7x of the last decade's broadcasting rights.

A large proportion of the value generated from mega sporting events is retained by the format owners, and in extreme cases, these rights can be a loss-making proposition for broadcasters, as experienced by sports broadcasters in the UK.

The industry risks its future if value redistribution is not effected

If value is not redistributed, the industry faces lower investment in content and talent as immediate pitfalls

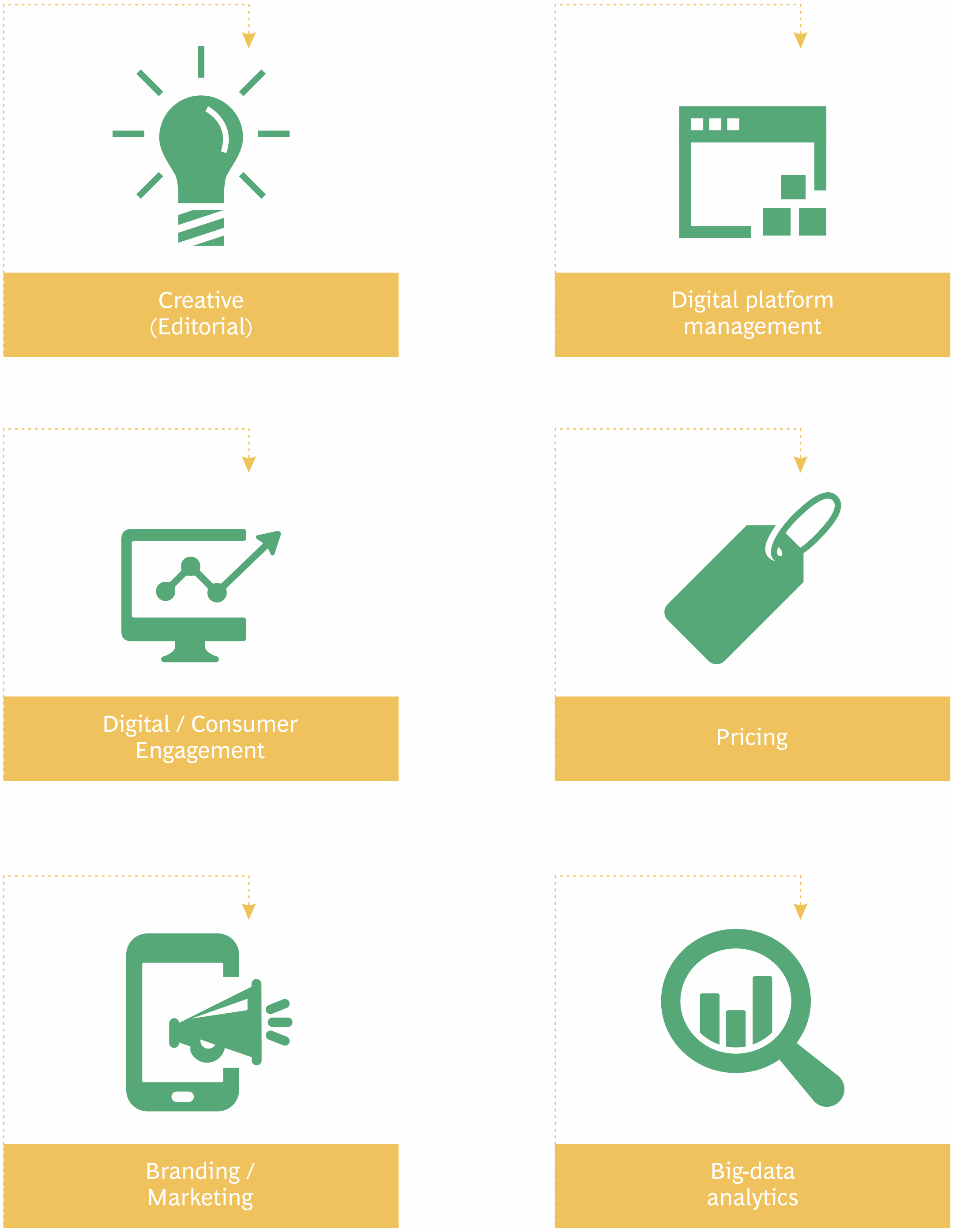
Content will continue to be a major driver of increased media uptake, whether it is in the form of regional, niche genres, or any other form. A lack of reinvestment in the industry will affect the industry in three major ways.

First, reduction in content investment could lead to alternate mediums taking away traditional industries' eyeballs and advertising dollars. Linear TV faces challenges in niche genres from digital-native content producers who are increasingly roping in traditional advertisers on these broadcasters.

Second, a lack of investment in talent development risks stagnating the productivity of the workforce, or worse ill-preparing them for technological challenges in various production/post-production processes of the industry. The industry faces a deficit of talented professionals in digital platform verticals being set up, which could cause them to recruit such individuals from outside the M&E industry.

Finally, a lack of redistribution could lead to an early demise of certain sectors of the industry. The Indian news industry faces an uncertain future with low subscription & advertising revenues, combined with imposition of carriage fees by MSOs/LCOs leading to a slow bleeding of this industry.

Exhibit 3.5
Building creative and digital skills is imperative to achieving industry potential



Value redistribution is an imminent need to certain media sectors

While each media sub-sector faces its own unique set of structural challenges in redistribution of value, the importance of relooking at existing arrangements is imperative given the growth potential of the Indian M&E industry, and the likely unlock in value this redistribution can provide to players across the board.

Bridging the skills gap is a key enabler to driving industry growth

Given the significance of the sector and its increased importance to the Indian economy, the sector generates nearly 5 million direct and indirect employment opportunities. However, the ever-changing and dynamic nature of the industry, coupled with rapid changes in technology, adoption and growing mediums of distribution, make talent and its availability a serious consideration for the industry.

Skills gap is felt across existing job roles such as content writing and post-production, and in upcoming ones such as digital platform management, and big data analytics

Highly specialized functions are expected to see continued high demand for skilled talent, which could possibly outstrip erstwhile supply potential, leading to higher wages in the industry. There is an urgent need to increase productivity in all aspects of the Indian media industry, which is expected to be achieved through up-skilling of existing talent, and increasing the adoption and use of technology in the industry.

The industry would need to build out skills both in traditional crafts such as creatives, branding, etc. and in new age skill sets given increased digital uptake such as platform management, big-data analytics and consumer engagement on digital forums. The industry is expected to compete for digital talent with industries such as IT/ITeS, which underscores the importance of investing in building skills for the same. The emergence of newer monetization models, including digital and programmatic ad sales, management of digital platforms and deriving insights from disparate big-data sources will be the key drivers of investments in digital skills.

Individual sub-sectors face their own challenges. The films and TV sector face an acute shortage of content-writers. In addition, training and upskilling of production staff continues to be a challenge due to the fragmented and primarily unorganized nature of the workforce in this value chain. The print industry has had to build out expertise in running digital news rooms and syndicate content in forms, such as video, which weren't their preserve in the past. Further, there is an imminent need for professionals trained in analytics to draw consumer insights for new content, engaging consumers and building improved monetization models.

Case Study - IT and ITeS industry

Convergence across the ecosystem has driven concerted growth

IT & ITeS sector is a successful example of how favourable policies and government initiatives can enhance strong structural factors to unlock exponential growth over the long term. India is the world's largest sourcing destination and the industry has grown at 15% CAGR over the last 5 years to reach ~US$150b. The contribution of the IT sector to India's GDP rose from 1.5% in 2000 to ~9.5% in 2015. Further, the sector has received cumulative FDI inflow of $21b over the last 15 years.

Key growth drivers:

- Cost competitiveness: India is approximately 3-4 times cheaper than the US, which continues to be its USP in the global sourcing market
- Talent supply: Availability of skilled English speaking workforce has been a major reason behind India's emergence as a global outsourcing hub. India is also gaining prominence in terms of intellectual capital with several global IT firms setting up their innovation centres in India. The industry spends $1.6b annually on training workforce and growing R&D spend
- Government initiatives: The Government of India has extended tax holidays to the IT sector for software technology parks of India (STPI) and Special Economic Zones (SEZs). Further, the Government is providing procedural ease and single window clearance for setting up facilities

On the supply side, the industry faces unique challenges. Though the industry has outpaced the economy's growth YoY since the past 5 years, the number of formal training institutions remains limited. While other sectors such as manufacturing and IT/ITeS have benefitted from increasing number of ITIs and centrally-funded institutes of technology such as IITs, NITs and IIITs, the media industry has only a handful of such institutes. Further, the remit of industry associations representing various trade unions has continued to be in the realms of wage negotiation and dispute resolution, rather than expanding it to up-skilling, and enhancing the knowledge of their members. Finally, efforts at improving skills have been largely limited to in-house efforts of individual players, rather than being driven at an industry-level.

Thus, the Indian M&E industry faces a unique set of challenges in the talent agenda which need to be thought-through carefully and surmounted by industry interventions. However, if done right, the industry could poise itself for a growth trajectory similar to that charted by the Indian IT/ITeS industry in the 90s and 2000s.

Ease of doing business as a key to unlocking sector potential

Increasing FDI in TV distribution platforms, in addition to introduction of GST in the broader economy, are welcome steps to ease doing business

For the Indian M&E sector to accelerate growth and reach the zenith, India needs enabling regulatory/policy framework and enhanced ease of doing business. Further the industry must invest in infrastructure and talent development to propel growth. Government's focus on “Make in India” initiative will help the Indian M&E sector to transform into global hub.

Indian M&E sector needs to attract investment to support the strong growth potential. While global markets industry is seeing a period of uncertainty, India provides a strong opportunity for growth. India can be a magnet for global capital looking for growth. The government has taken few initiatives like increasing FDI limit in TV distribution platforms, TV news channels and radio. The sector has received $1.25b in FDI between October 2014 and May 2016.

The government in consultation with the industry must continue to shape the policy framework to maximize growth for the industry and enhance the quality of consumer offerings.

Licensing, taxation, IPR and approvals for shooting continue to be a sore point for the industry. The government and industry should work collaboratively to promote ease of doing business and facilitate India to become a hub of global M&E industry.

The Government has started a few initiatives in this direction

- Clearance for new TV channels had been expedited and abolished security clearance requirement from Ministry of Home Affairs for MSOs
- Film Facilitation Office has been opened in the National Film Development Corporation to function as a single window service for film related clearances
- Visa processes for foreign artists and technicians being eased to attract film shootings in India
- A new category in National Film Awards - Most Film Friendly State - has been introduced to felicitate the state that provides greater access to the film industry

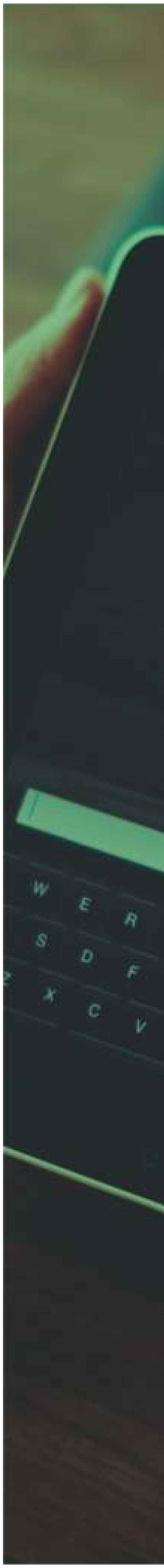
Conclusion

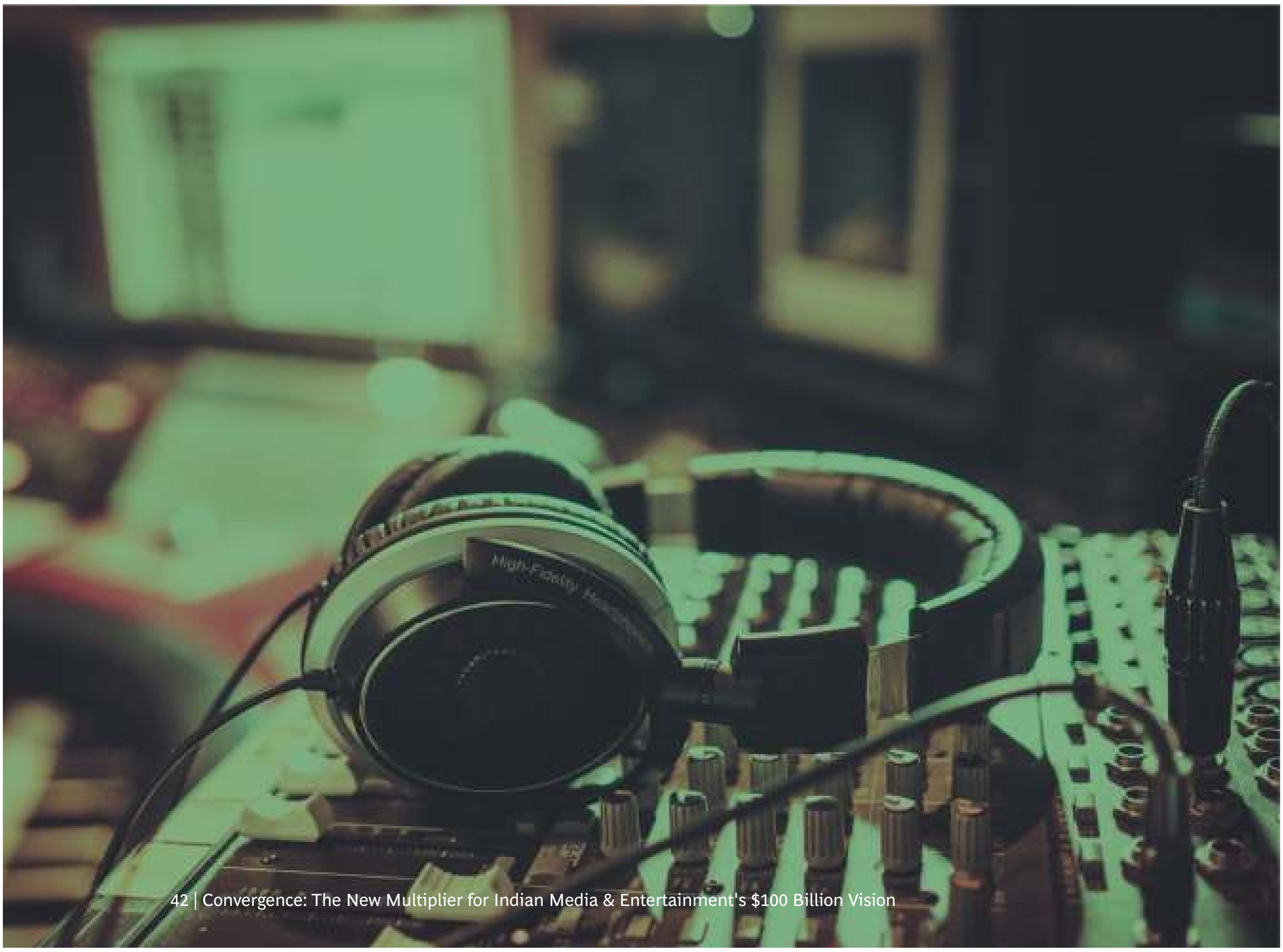
The growth journey of the Indian M&E industry has been a long, and illustrious one. From the first movie, Raja Harishchandra, over a century ago to the first broadcast of terrestrial TV in 1959, to today's digital-first platforms, the industry has reinvented itself with changing consumer preferences.

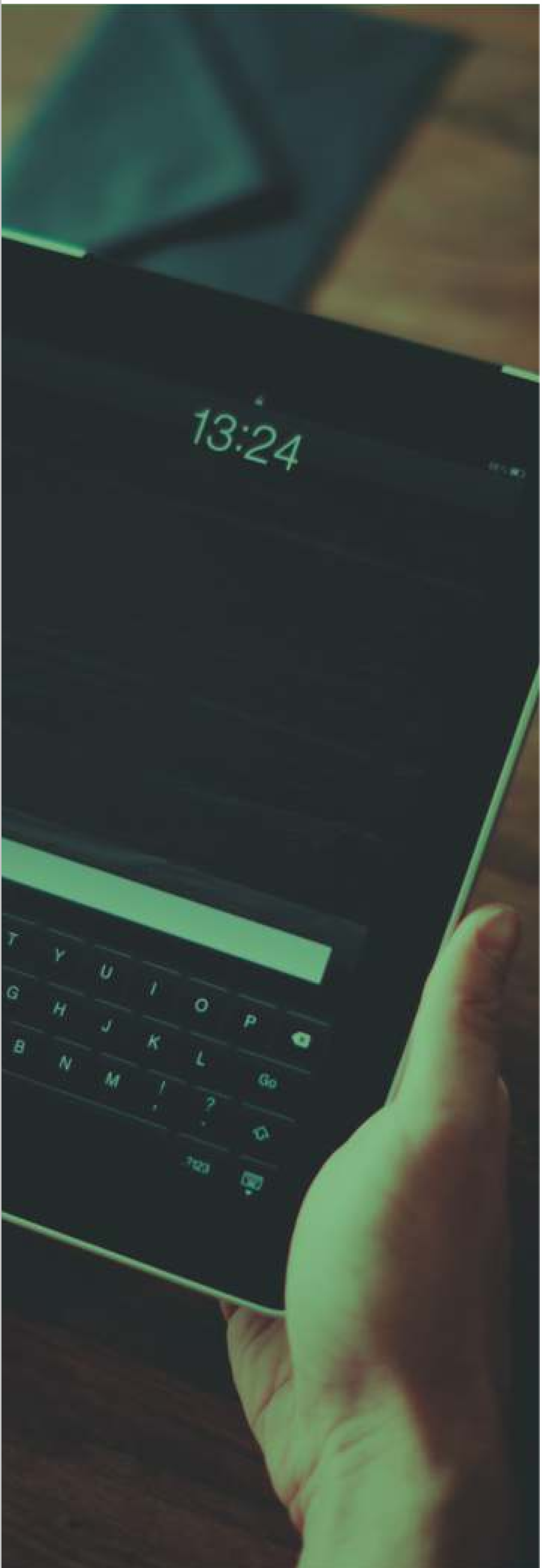
The vision of growing to be a $100 Bn industry in a decade is a bold one, but the vectors for the next wave of growth - namely focus on Internet, tapping into rapidly urbanizing rural consumers and supplying specialized content – make it an aspirational one.

Ecosystem interventions to affect these changes are key to executing this vision successfully. The passage of the GST bill is likely to bring cheer to various quarters in the industry. Further, as the industry matures into the digital age, improved monetization and measurement will help in the industry gaining a fair value for the vast platform it provides, and enable it to invest in new content and talent.

To conclude, the journey has just begun, and we should brace ourselves for exciting times ahead.







Deep dive into Sub sectors

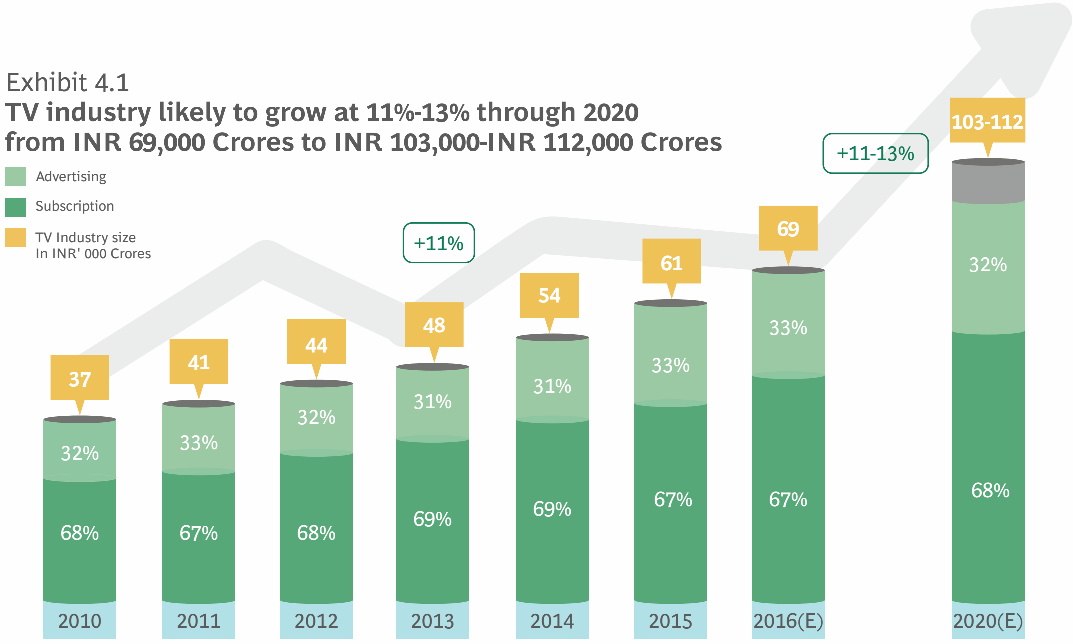

Cloud computing
MARKETING

Television

Digitisation and increasing rural penetration to drive structural growth in the TV industry. Enhancing quality of content and monetising digital consumption will unlock incremental growth.

Exhibit 4.1

TV industry likely to grow at 11%-13% through 2020 from INR 69,000 Crores to INR 103,000-INR 112,000 Crores

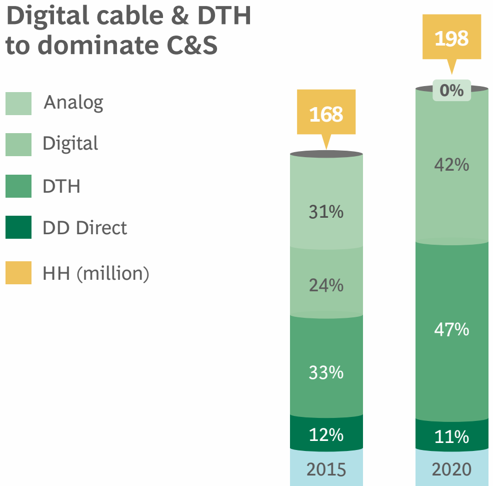


Source: BCG analysis, Magna Global, TRAI, industry feedback

Digitisation and increase in smart TVs to drive ARPU growth

Exhibit 4.2

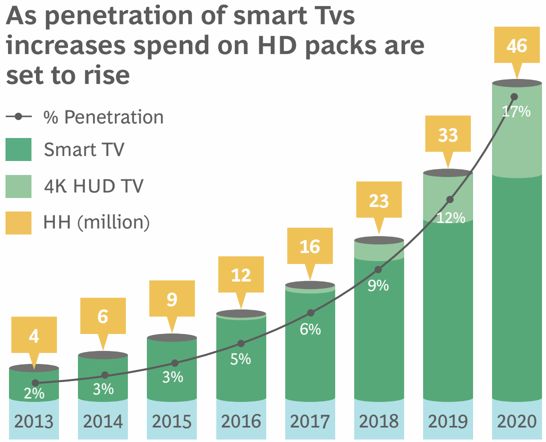
Digital cable & DTH to dominate C&S



Source: BCG analysis, TAM, Industry feedback

Exhibit 4.3

As penetration of smart Tvs increases spend on HD packs are set to rise



Source: Ovum

Television: Prime time rolls on

Digitisation and increase in rural penetration needs to play out to unlock growth potential

The TV industry, comprising broadcast and distribution, has been growing steadily at an 11% CAGR from 2010 to 2016E and its current size stands at INR 69,000 Crores. The growth is equally driven by advertising and subscription revenue, both growing at a CAGR of 11%. Subscription revenues continue to be the major contributor and accounts for two-thirds of the industry revenue driven by increasing penetration and broader access to cable channels. Advertising revenues in television has grown on the back of strong underlying economic growth and emergence of categories such as e-commerce as major advertisers. TV has outstripped print to claim a 41% share of total advertising revenue in 2015-making it the biggest media platform for advertisers.

The script is ready! With growing digitization, enhancing quality of content and investment in platforms, the industry could continue to grow at 11-13% CAGR reaching revenues between INR 103,000 and INR 112,000 Crores by 2020. However with better monetisation of content and digital consumption, the industry has potential to grow at a faster clip.

Fundamental growth drivers

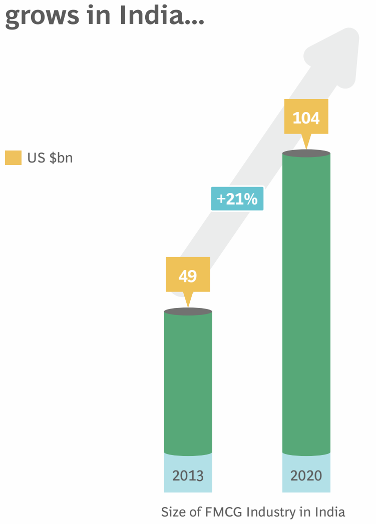
Subscription – factor of increasing reach and digitization
The subscription revenue will be aided by structural increase in penetration with the no. of TV owning households growing from the current 168m to 198m in 2020 primarily driven by growth in rural India where current penetration is only 60%. Further as digitization roll out continues, there will improvement in addressability as hitherto undeclared subscribers come into the fold.

With over 50m analog subscribers yet to go digital, Phases III & IV of India's push to complete digitisation is expected to bring new subscribers into the fold at higher ARPU. Rural penetration holds the greatest potential, with the maximum conversion from analog to digital expected to come from the hinterland. Cable operators have already witnessed sharp rise in ARPU compared to pre digitisation levels in Phase I and II.

The increasing sales of high-end television sets are expected to drive further uptake of HD and other VAS services. The number of HHs with smart tv or 4K UHD TV is expected to increase 4 folds between 2015 and 2020 reaching 46m driven by increasing disposable income. This is expected to positively impact the ARPU as potential addressable subscriber base for HD channels increases and price differential between HD and SD channels.

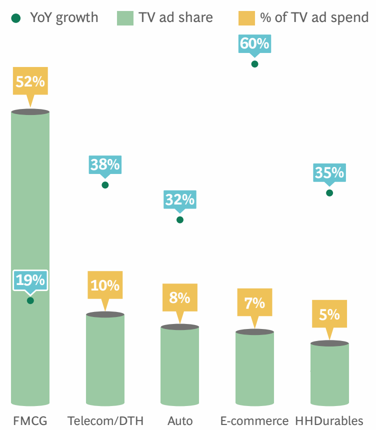
FMCG industry will continue to be a large contributor to overall ad spend

Exhibit 4.4
As FMCG industry grows in India...



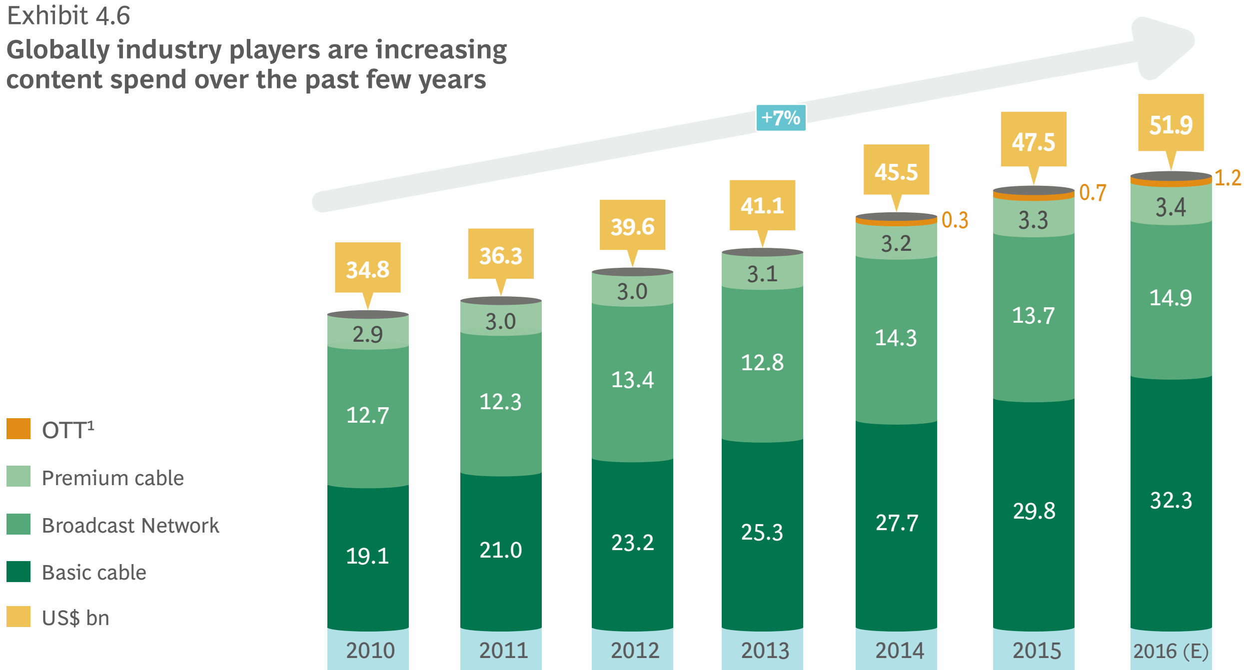
Source: Magna Global, IBEF

Exhibit 4.5
... its contribution to overall ad spend on TV will remain high, 2015



Source: Magna Global, IBEF

Exhibit 4.6
Globally industry players are increasing content spend over the past few years



1. OTT spend on original programming for Netflix & Amazon Prime

Source: SNL Kagan, BCG analysis

Advertising – driven by strong fundamentals and rural markets
Against the backdrop of an overall upbeat economy, television advertising is expected to rise at an estimated 10% to 12% CAGR. FMCG sector is the biggest spender in Indian television advertising, accounting for around 50% of total spends. With the FMCG sector set to grow at 21% CAGR over the next 5 years driven by favorable demographics, rise in rural consumption and improving lifestyle standards, the ad spend of FMCG companies is also expected to increase. Further as competition intensifies, FMCG companies are expected to sustain or increase their spending on television advertising and promotions.

The next leg of ad growth will be from rural markets as TV reach and consumption is expected to increase. Given the regional market's increasing per capita income, they form an important consumption market making it significant for advertisers to reach consumers in regional markets. Further new TV measurement has also enabled more accurate tracking of rural audiences. This has led to a spike in favour of FTA channels and indicates an imminent spurt in advertising revenue in rural markets.

How can the industry unlock growth?

Content is "king" – invest in differentiated content to unlock new consumption
Content innovation will drive accelerated growth for the television industry. Clutter breaking ideas and inventiveness, combined with premium content and region-centric programming, will bring better ratings, and, thus, higher advertising spends. With a range of platforms, creators and storytellers have been inspired to tell their stories in new and engaging ways. As per our research, consumers feel that there is unmet need for niche content such as career / education, regional cooking channel, men's grooming channel etc.

Focus on content variety and regional markets to help drive incremental consumption

Variety in genres has been proven to drive incremental consumption in the US. This has led major players in the American television industry (both traditional and OTT) to invest in originals. With the likes of Netflix even leveraging data analytics to understand consumer preference in creating or acquiring content. The same trend is expected to play out in the Indian context.

Television's content creators and broadcasters need to be cognizant of the ever increasing demand for differentiated content. While new digital content distribution platforms are emerging, monetization of content through these new opportunities, both on existing- and new media-platforms, will be a prime focus area in the days to come.

Exhibit 4.7
Networks have started seeking ways to monetize shift to digital

ESPN

has piloted 'programmatic ' advertising

30 sec spots on 'SportsCenter' sold through web-based auction
Ads displayed on 'video wall' in studio during programme

Ads not differentiated by viewver, although this may be introduced in the future

First 'programmatic' ad aired in January 2015

TURNER BROADCASTING SYSTEM, INC.

has launched 'dynamic ad insertion

Deal with Comcast to offer all current season episodes on VOD
Referred to as 'stacking rights'

In return, Turner is able to insert tailored ads into VOD viewing
Ads are tailored by audience and kept 'up-to-date'

Turner can decide how often an ad is shown to a particular household
This 'dynamic' ad insertion offers higher-value advertising

VIACOM

Echo uses digital-oriented sales terms

Promotions distributed via Viacom networks and digital sites
For example, product placement in show announcements and clips by its TV show stars

In-house tracking tool 'Echograph' used to measure ad impact
Tracks social media data, e.g.:
- Reach and engagement
- Age and gender breakdowns
- Hashtag popularity

1. Under this arrangement, viewers have access to all previous episodes of current seasons, rather than only to those from the previous 4 weeks 2. For example, Holland Roden, who plays Lydia Martin in MTV's 'Teen Wolf,' has starred in a Viacom Echo campaign for the film 'Oculus' (Source: " Viacom Looks to Set Social Media Guarantees", Ad Age, 10-04-2014)

Source: Wall Street Journal, press search

Regionalization gaining momentum – focus on local audience & content to accelerate growth
The high viewership of regional channels-- second only to Hindi GECs—is encouraging broadcasters to increase their regional footprint through organic and inorganic means. During the past 5 years, regional channels have improved content quality with increased investment. Strong advertising potential will further push regional TV growth. Broadcasters need to customize content/genres to each local market to attract viewership and revenue growth from regional markets.

Innovation in advertising – embrace technology to expandadvertisers base
Sharper segmentation of audiences will allow advertisers to leverage meaningful differentiations. This can happen if the supply side differentiates more sharply, or new technological advances come into play, marrying multiple data sources and creating richer pools of audiences. Channels could soon have different prime-time shows for rural and urban India or the big metros and small towns. With rural audience getting measured, geo-targeting is expected to gain further momentum and probably expand the advertiser base.

Globally digitally developed markets like the US and UK have been embracing programmatic advertising fast. This is lead to high-scale automation of transactions that follow buyer-seller specifications and the capacity for data-driven, audience-based buying using third-party data. Programmatic TV ad spending in the US is likely to pick up steam over the next couple of years with ad outlays expected to increase from $710m in 2016 to $4.4b by 2018. However brining programmatic technology to linear TV in a highly fragmented market like India, will probably take more time.

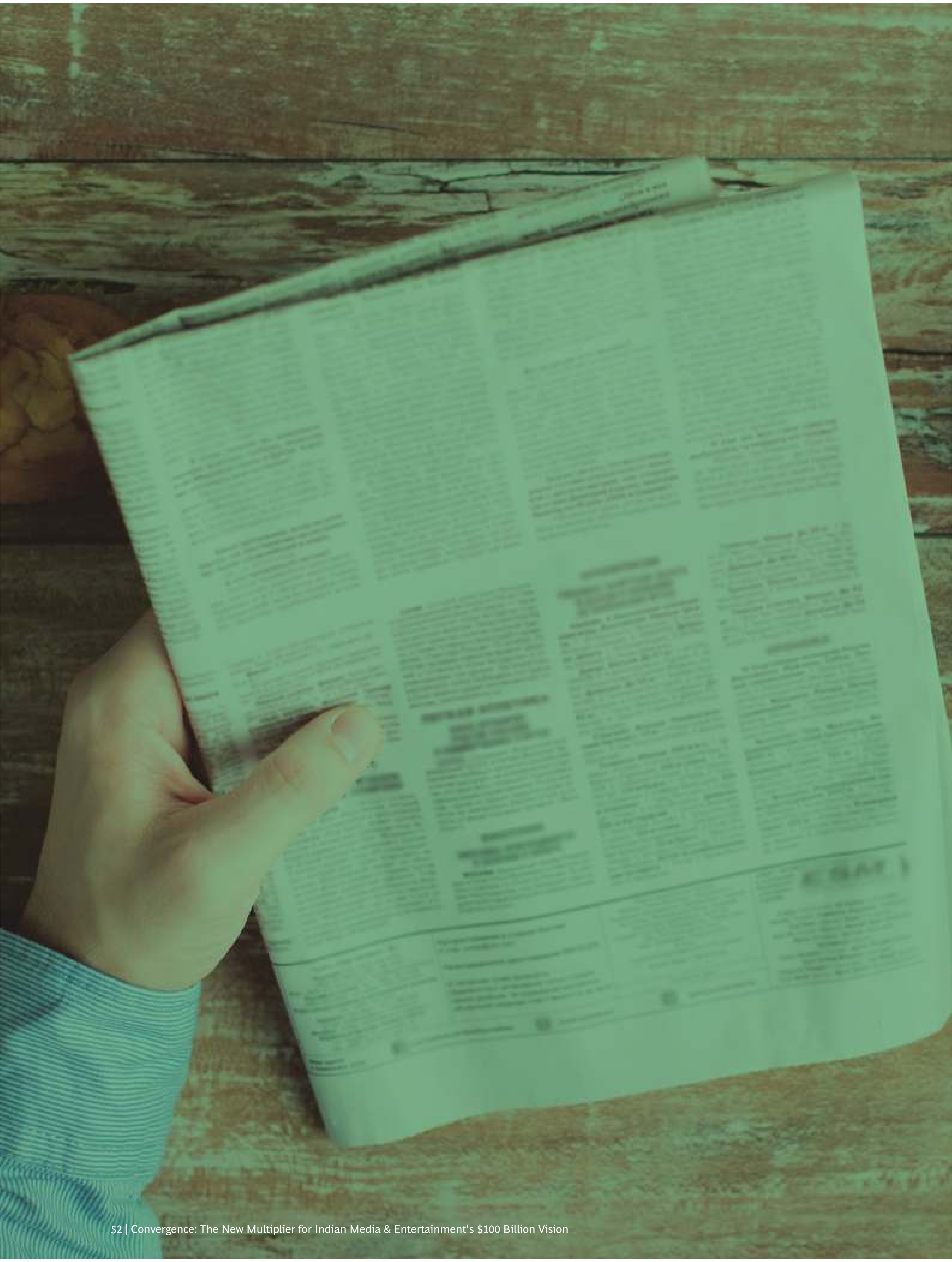
Key issues and challenges

For the Indian TV industry to succeed, industry players need to take certain definitive actions and regulators need to address longstanding barriers.

Delay in digitization and its impact on revenues: DAS Phase III has already been delayed by more than 8 months. With some states seeking legal intervention, a further delay in the launch of Phase IV is likely. As a result, there will be a lag in the monetization impact of digitization. Further MSOs have outstanding issues with LCOs on billing and revenue sharing, which too has limited ARPU growth.

Pricing issue poses major challenges: Broadcasters have been raising the issue of regulatory intervention in fixing prices and packaging of TV channels. TRAI has recently issued a draft tariff order imposing regulations pertaining to the pricing of channels. The order will come into force with effect from April 1, 2017 and is applicable to television broadcasting and cable services.

Taxation and the need for collaborative reassessment for growth: Entertainment tax rates across the country vary from 15% to 110%, with many states levying more than 30%. Further, there is a dual levy of tax on DTH services – DTH players pay service tax to the Central govt. and entertainment tax to the state govt. GST will potentially address some of these challenges, but its full impact on the sector needs further analysis.

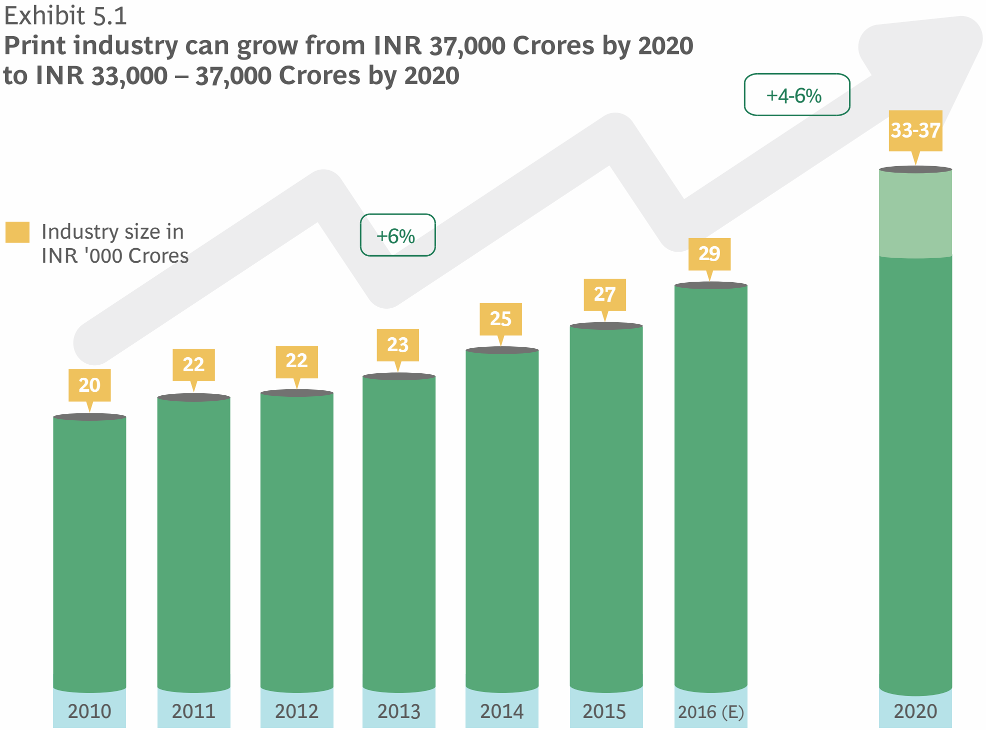


Print

In contrast to developed markets, print continues to grow in India on the back of demographic and socio-economic factors. While digital threat is not imminent, Indian players should develop digital strategies focusing on increasing reach and monetisation.

Exhibit 5.1

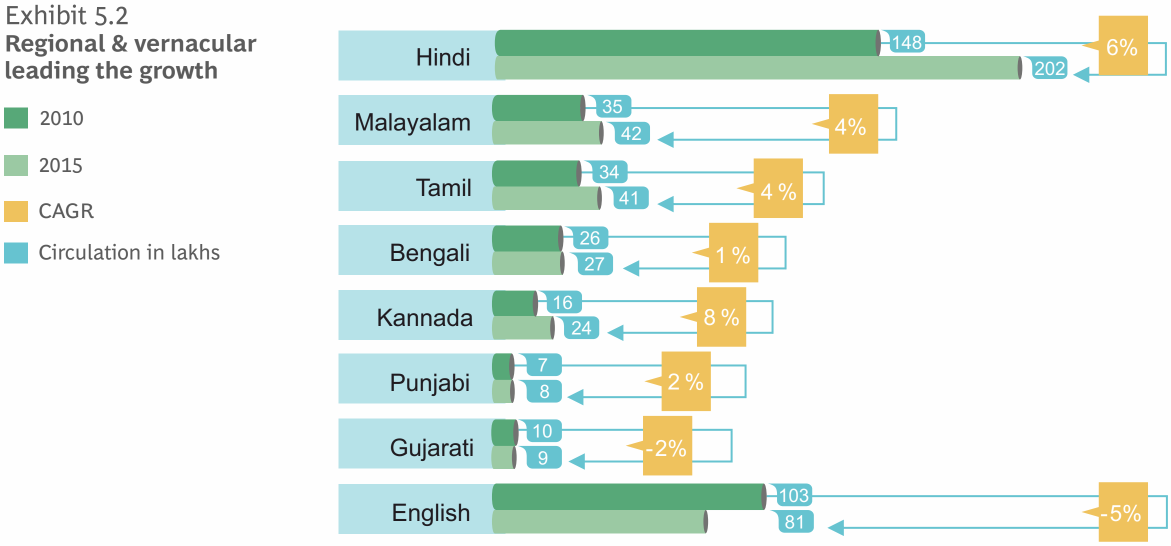
Print industry can grow from INR 37,000 Crores by 2020 to INR 33,000 – 37,000 Crores by 2020



Source: BCG analysis, Magna Global, industry feedback

Exhibit 5.2

Regional & vernacular leading the growth



Source: ABC data from Dainik Bhaskar iinvestor presentation

Print: still making the news

The Indian print industry comprising newspapers and magazines has had a fairly stable run with a 6% CAGR from 2010 to 2016, reaching INR 29,000 Crore. Advertising continues to be the mainstay of this industry, growing at 8% CAGR and contributing a hefty two-third share of overall revenues. Indian publishers cross subsidize cover price to increase circulation/readership and in turn grow advertising revenues. Circulation revenue has grown at a steady annual rate of 3% between 2010 and 2016 with decline in English newspapers partially offset by growth in circulation revenue of Hindi and Vernacular papers.

India is one of the major markets where Print industry is growing and it is expected to continue given the structural growth drivers increasing reach & literacy

India is one of the major global markets where newspaper advertising revenue has grown over the last five years driven by growing disposable incomes, rising literacy rates and low internet penetration providing a steady impetus to the print industry. Digital, however, has had its share of effect on the Indian newspaper sector. In the period between 2010 and 2016 it lost 8% of ad market share to digital and circulation of English newspapers has declined. Nevertheless, India's demographic and socio-economic parameters offer further leeway for growth of print in the medium term. We expect the print industry to grow at an annual rate of 4-6% in the coming five years

Increasing penetration - structural growth driver

Newspapers in India currently have less than 30% of the potential market share that Tier II and III cities offer; the numbers are even lower in rural areas. **Rising literacy levels** and Generation Y readers make print the favored medium for news and information. **Regional & vernacular** language newspapers are expected to drive growth in the medium term as literacy rate increases and rural markets still remain largely isolated from digital migration. Improving readership will, in turn, prompt higher advertising spends, albeit print's share of total advertising revenue will dip.

Prime time readership

Print's powerful ace is its 'prime time' - newspaper consumption patterns in India point to an especially high degree of readership during the early hours of the morning. This prime time is, by and large, untouched by any other form of media unlike more developed markets like the US where there is high degree of fragmentation across platforms. We believe this is driven by newspapers' extensive distribution network with home delivery service, which will continue to positively aid newspaper circulation growth.

Exhibit 5.3
Globally publishers are leveraging social networks to drive traffic

PLATFORM	TYPE	PARTNERING PUBLISHERS	POTENTIAL AUDIENCE	ADVANTAGES
Instant Articles	Mobile News Feed	The Washington Post The New York Times BuzzFeed	1.4 billion mobile monthly active users	• Audience reach • Ad sales • Faster article load times
Discover	Mobile Application	15 Publishing including CNN Daily Mail The Wall Street Journal	100 million+ daily mobile users	• Full mobile screen • Young audience
Moments	Web Page and Mobile Application	The Washington Post The New York Times BuzzFeed	320 million monthly active users	• Fast load times • Can be embedded on publisher's own site
News	Mobile Application	50+ Partners including Reuters Hearst Magazines. We read America.	40 million active users	• Apple brand • Auto loaded on all iOS 9 devices • Ad sales

Source: BCG analysis, Company, Enders Analysis

Exhibit 5.4
Five key monetization models exist for digital content

PAY-PER VIEW/FREE MIX

	FREE	PAY-PER VIEW	QUALITY (*Eg.,Freemium*)	QUANTITY (*Eg.,Metered*)	PAY-PER-VIEW ONLY
Revenue mix	Advertising				Subscriptions
Model	100% of revenues come from advertising	Purchase of pay-per-view units	Basic contents and excerpts available for free	Limited time or number of articles	Payment compulsory to have access to content
Examples	Yahoo! News BBC News Upworthy	The Economist iTunes blendle	Le Monde ESPN Insider Le Figaro	The Economist FT.com Financial Times	Mediapart
Pros and Cons	+ Easier development of reader base — High traffic required in order to be profitable	+ Particularly relevant for tablets — Hard to develop readers' loyalty	+ More and more current and widely accepted model — Requires strong value proposal	+ Highlighting of quality content — Requires strong value proposal	+ No dependence on advertising — Difficult development of reader base

Source: Expert Interviews, Corporate Websites, BCG Analysis

Content and monetization models - key factors to accelerate growth

Indian publishers need to be digital ready and learn from the experiences of global publishers on innovating ad models, expanding digital reach through social media and leveraging technology to drive advertising

Growing consumption through content variety and increase in digital reach

As in all media, content is king for print too. Publishers' ability to create quality and differentiated content that attracts, acquires, and engages a clearly defined target audience will drive profitable customer action. Many newspapers are trying to attract Generation Z readership by shifting the focus from international affairs and politics to more youth-oriented entertainment and lifestyle topics. Regional newspapers need to offer content that is more local in terms of language and relevance to increase penetration and grow their readership base.

Social media's advent has given the industry a rare occassion to disrupt itself. Platforms like Facebook's Instant Articles and Apple News have shaped new consumption habits. This shift, combined with the growing ubiquity of internet-abled devices, offers print players the opportunity to reinforce their business models with a strong online presence, and tap into the brave new digital generation. With increasing internet and smartphone penetration, the Indian publishers will also have to consider opportunities to leverage social media platforms.

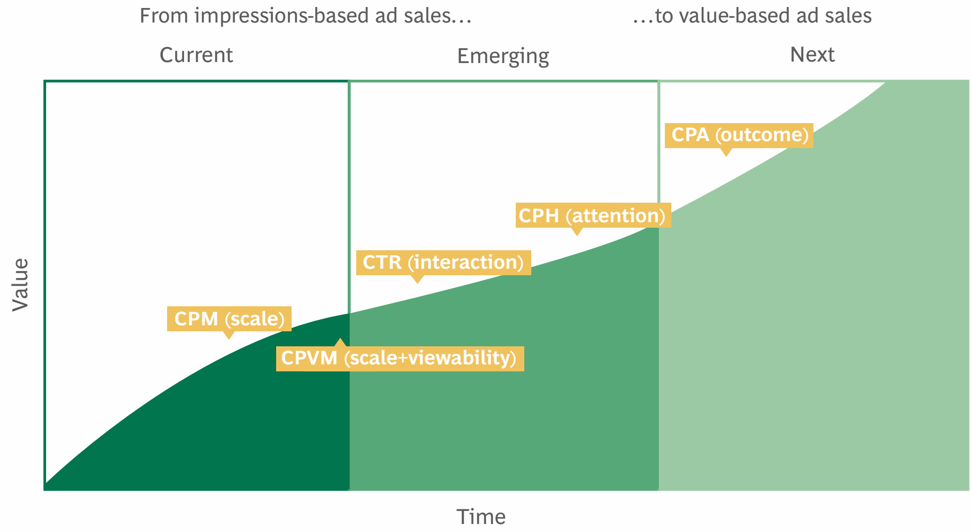
Driving value through better monetization models

While globally, the impact of digital media is evident, the Indian print market has been relatively shielded, thanks to low internet penetration. However, we have been seeing a declining share in print ad revenue over the last few years driven by slowdown in English newspaper ad revenue growth and the publishers need to focus on their digital strategies.

Globally newspaper companies are experimenting with their digital business models to attract/retain readers and grow revenues. To support subscription sales, many newspapers have erected paywalls, substantially reversing the decline in consumer spending for newspaper content-although it should be noted that one reason for the paywalls' success is the limited competition in many markets (particularly those that are small and midsize).

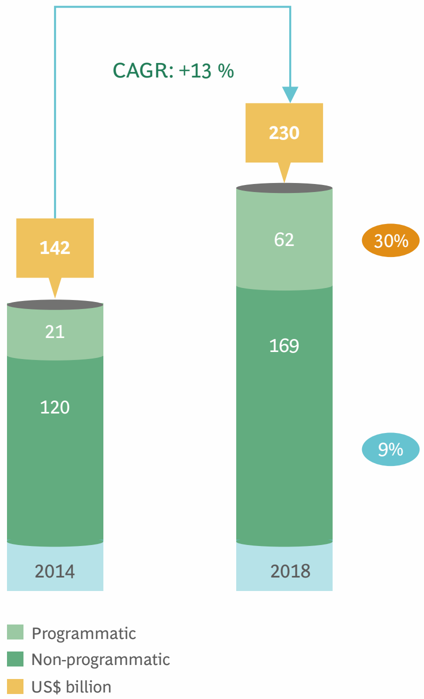
Indian publishers, thus, need to evaluate various options while designing their monetization model.

Exhibit 5.5
Advertising market is going beyond CPM to metrics reflecting quantity as well as quality



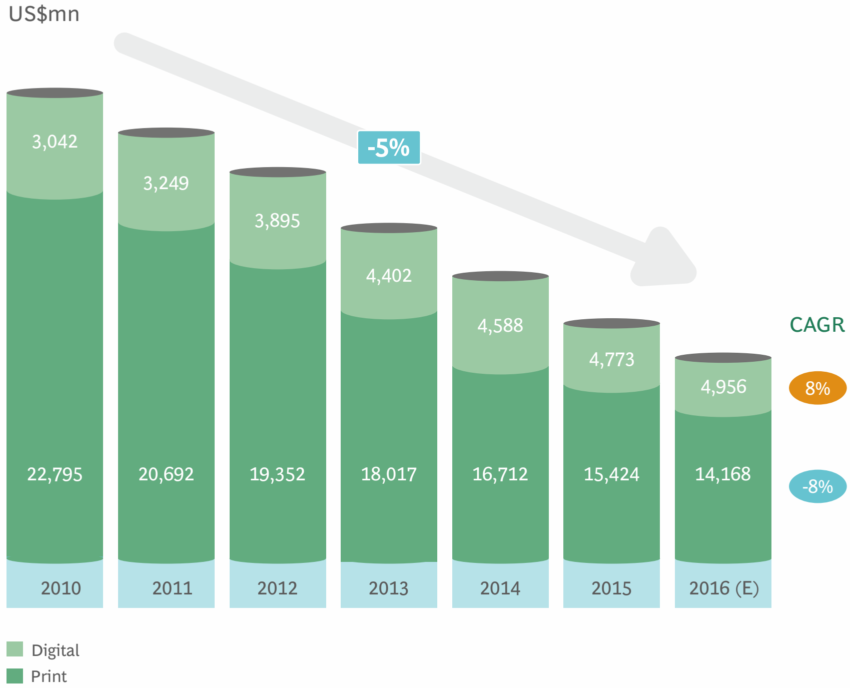
Source: BCG analysis

Exhibit 5.6
Within digital, programmatic is quickly gaining share globally



Source: BCG analysis, Magna Global

Exhibit 5.7
Digital ad growth has not completely offset declines in print ad revenues in the US



Source: Ovum and Magna Global

Ad model innovation: As display advertising gets increasingly commoditized, advertisers will look beyond space buying for more holistic solutions. Use of metrics reflecting quantity and quality, as opposed to simple CPM, will help make a difference. Some publishers, such as the Economist and Financial Times, are already experimenting with time-based ad sales. Indian publishers need to adapt their digital ad models to improve yield.

Programmatic advertising uses software and technology to automate ad buying and selling. The speed and scale of the process cannot be matched manually. The coupling of automation with data allows surgical ad targeting, and enables real-time bids for ad impressions. For example The Economist has successfully adopted data-led programmatic advertising over the last few years and now generates significant revenues that is growing fast (240% YoY growth in 2015). Programmatic's ability to access revenue streams that lie beyond the reach of conventional sales forces is propelling faster growth and increasing market share - globally and in India.

Sponsored content is basically content based marketing that apes the format and function of the host website to reach audiences and build engagement. This ability to engage almost seamlessly has seen it emerge as a preferred advertising format globally. In recent years, publications large and small have invested in teams to make sponsored content - written stories, videos or podcasts that look and feel like journalistic content - hoping to make up for declines in conventional advertising.

Reading between the lines: Key issues / challenges

In an increasingly digital world, print has been under survival pressure. While it would seem to have been exaggerated in an Indian context where print is still growing, globally, **digital has disrupted** the print business. The decline in traditional print media has not by and large been compensated by a corresponding growth in digital in developed markets such as the US. Indian newspaper companies, too, could be under pressure if the shift in ad revenues to digital accelerates. The move to digital brings in its wake the need for **new skills** to implement concepts, such as integrated newsrooms, programmatic buying and native advertising. However, investment in retraining, both by government and the industry, are currently inadequate.

Globally, the industry is also facing pressure from **ad blocking**, which has impacted digital display advertising. The adoption of ad-blocking on mobile is fast on the rise and is a serious threat to the future of media and advertising in emerging markets like India, where people are coming online for the first time via relatively expensive or slow mobile connections. Globally publishing companies are considering various methods to tackle this issue including: increasing use of sponsored content, blocking content access to ad block users and improving ad experience.

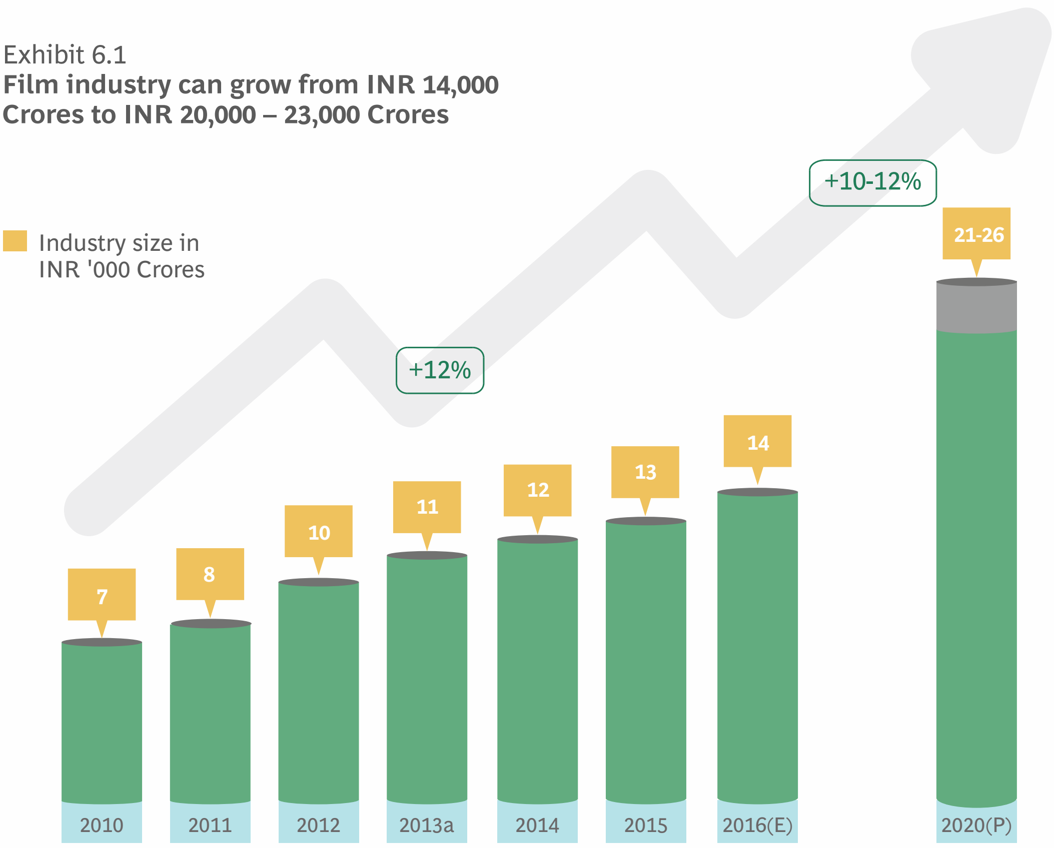
In India, the print industry has to also contend with a **measurement system** lacking in transparency and efficiency. The industry needs to align on metrics and sources to track information on demographics and incremental reach. The establishment of a common and transparent metrics system will build advertiser confidence, and help the industry garner a higher share of the advertising revenue pools. In a move in this direction, The Readership Studies Council of India (RSCI) will be reporting Indian Readership Survey in January 2017.


LOCATI
TAK

Film

Rising disposable income and favorable demographics drive growth.
But the industry has performed below potential due to low screen density and piracy.

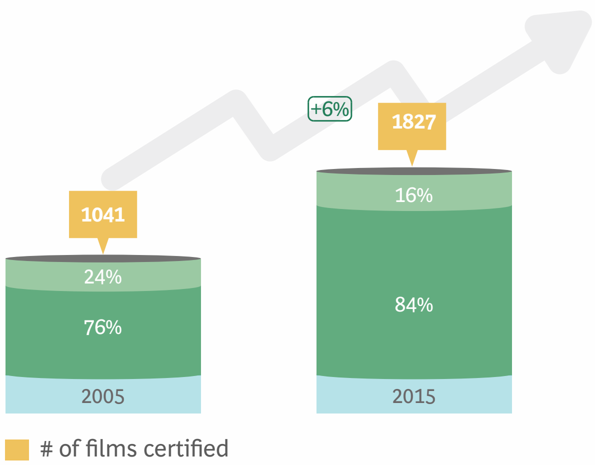
Exhibit 6.1
Film industry can grow from INR 14,000 Crores to INR 20,000 – 23,000 Crores



Source: BCG analysis, industry feedback, Magna Global, boxofficeindia.com

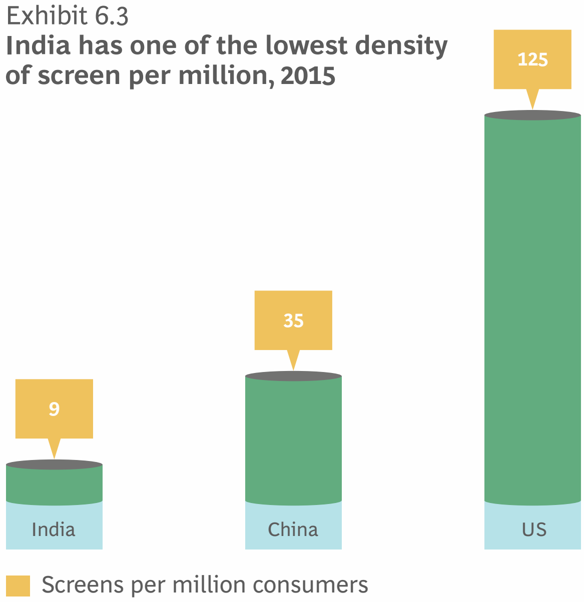
Focus on regional movies & markets to unlock growth

Exhibit 6.2
Regional films leading the way, India 2005-15



Source: Film institute of India, BCG analysis, industry feedback

Exhibit 6.3
India has one of the lowest density of screen per million, 2015



Source: BCG analysis, industry feedback

Films – hit, but short of blockbuster

Globally, India is one of the largest producers of films and the second largest market in terms of admissions. The industry is currently estimated at about INR 14,000 Crores and has grown at 12% CAGR since 2010 driven by rising disposable income and favourable demographics. Despite its huge potential, India's box office lags behind global markets, due to low reach, poor realization and piracy.

Despite favourable demographics India's film industry growth below potential due to low screen density and piracy

India's **screen scarcity** is a major roadblock to growth. At just 9 screens per million (versus China's 35 and US' 125) India has one of the lowest densities in the world and multiplexes are far and few. Further, only a third of the screens are in a good condition to release top movies. This is a challenge that needs to be addressed quickly. Government led initiatives, like a single window clearance to smooth the approval process, reduce time, effort and cost of expansion, will help improve the situation.

Favorable demographics plus a **rise in disposable per capita incomes** are the strong underlying growth drivers for increasing spend on entertainment. Films will continue to attract a major portion of this consumer spend as movies are considered an element of social gathering with family/friends and hence not replaceable by other media.

Driven by strong economic growth, the per capita disposable income in India is set to accelerate at 9% CAGR over the next five years to reach USD 1,590 by 2020 as per EIU. The film industry can unlock higher growth if the reach issues are addressed with higher screen density, increase in multiplexes, and good viewing experience.

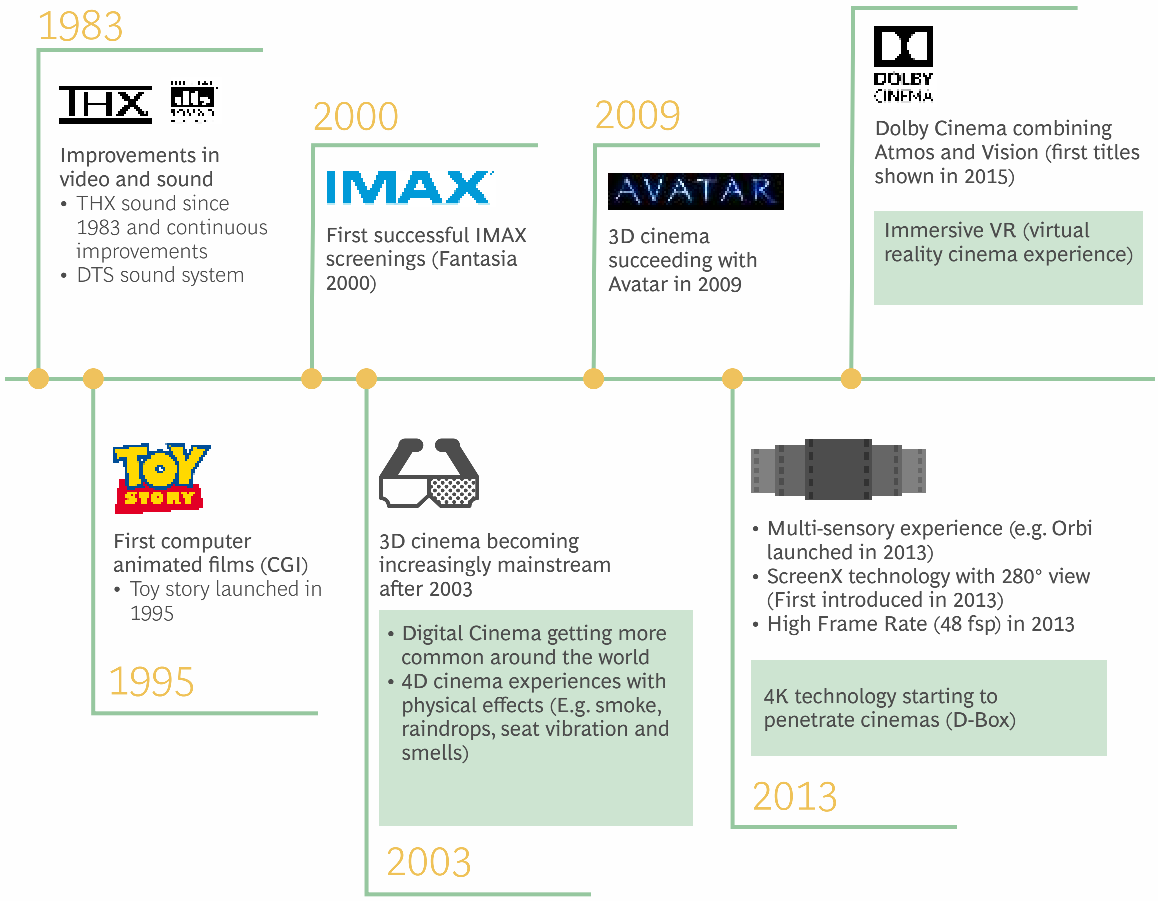
Increasing screen density – impetus for growth

The key factor to unlock film industry growth in India is to increase screen density especially in tier II & III cities through collaborative efforts of the industry players and government. Currently Mumbai, Delhi and UP, contribute about 70% of the total box office collection and their share has grown over the last few years on the back more number of screens and multiplexes in these markets.

In order to ride the growth wave, the industry needs to focus more on Tier II and III cities. Since regional films account for majority of movies produced in India, increasing the number of screens in Tier II & III areas would clearly increase revenue. As quality of regional content improves, there will be a shift towards regional movies. For instance the share of Marathi movies has increased to 20~30% from ~10% for Marathi speaking consumers.

Exhibit 6.4

Historically - improvements in cinema technologies support maintaining ticket price growth



Source: Company websites, www.variety.com, www.tribecafilm.com, www.hollywoodreporter.com

Case study: Supply explosion in China

China has been successful in improving its film infrastructure and has emerged as one of the largest film market in the world with box office revenue growing at 36% CAGR over the last five years.

Cinema screens in China increased from 3,527 in 2007 to 31,627 in 2015. That is an average of 22 screens added every single day. Most of these screens were built in small cities and rural areas to catch up with metropolitan areas. The Chinese government managed to script this growth through policy measures a) local governments are required to "include the construction and reformation of movie theaters into the people's economic and social development plans" b) encourage financial institutions to provide financial services to those engaged in film activities c) offer tax incentive to promote development of film industry. These initiatives attracted lot of private and foreign players to the Chinese film sector bringing in capital, technology, talent and content.

The Industry can explore alternate avenues to drive growth

Industry can leverage technology to improve viewing experience, expand reach and increase yield

Viewer experience is another potential area for growth. In-theatre movie experience is considered irreplaceable by consumers. While audiences are willing to fork out more, they also expect more from the entire experience. Investing in innovative cinema technologies could play a stellar role in creating this USP and ensuring film stands apart from other platforms—especially digital. This will in turn lead to increase in average ticket price as witnessed in developed markets like the US.

Monetize using OTT: As internet penetration increases and the OTT market evolves, the industry could consider OTT as an alternate platform for content syndication and monetisation. In the US film studios have benefited from OTT players like Netflix and Amazon spending aggressively on acquiring film rights.

The industry needs to create content that attracts **global audiences** as well to drive international box office collections. While top Hollywood movies generate about 60% of their overall box office revenues from overseas collections, the top 10 Indian movies, by contrast, earned just 25% in overseas collections during 2016; on an overall base, the numbers drop to only 10%.

The industry needs to move towards **dynamic pricing** leveraging **analytics and big data** similar to the airline model to unlock growth. Few global players are experimenting with this model using many factors which influence demand and willingness to pay such as current capacity, day of the week, time of the day and weather.

There are many new revenue streams, such as **merchandise and licensing content for games** that remain largely unexplored by the Indian film industry. Globally, top films generate significant revenue from these areas.

Challenge & Opportunities

Dynamic pricing of tickets can counter the challenge of low seat-fill rates. Use of data and geo-targetting presents an opportunity to dynamically price up and price down tickets for specific consumer segments to drive footfalls.

Monetization across new windows. New players emerging in the fray for digital rights of films have invested in content at astronomical prices. While this has increased competition, it is also an opportunity to increases value accruing to the industry in the near term. In the long term digital rights, exclusivity deals and other structuring solutions can potentially increase the monetization potential for the film industry.

Concentration of value in specific value chain segments. Disproportionate share of revenues ploughed back to the artistes results in limited value on the table for producers to re-invest in creating new content. Repeated losses or narrow margins on investments prevents supply of content from seeing break-out growth which, if effected, can drive breakout growth.

Delays in issuing of licenses for new screens by the government are a key impediment to increasing the screen density which can in turn increase industry revenues. Lengthy regulatory processes and permission requirement slows down the emergence of new screens and deters investors. Government interventions are necessary to facilitate free flowing investment in the exhibition space.

Piracy continues to play spoilsport for the industry; according to a 2013 article in WIPO Magazine (the journal of the World Intellectual Property Organization) the Indian film industry loses around INR 18,000 Crores (US$3.34 billion) and some 60,000 jobs every year because of piracy.

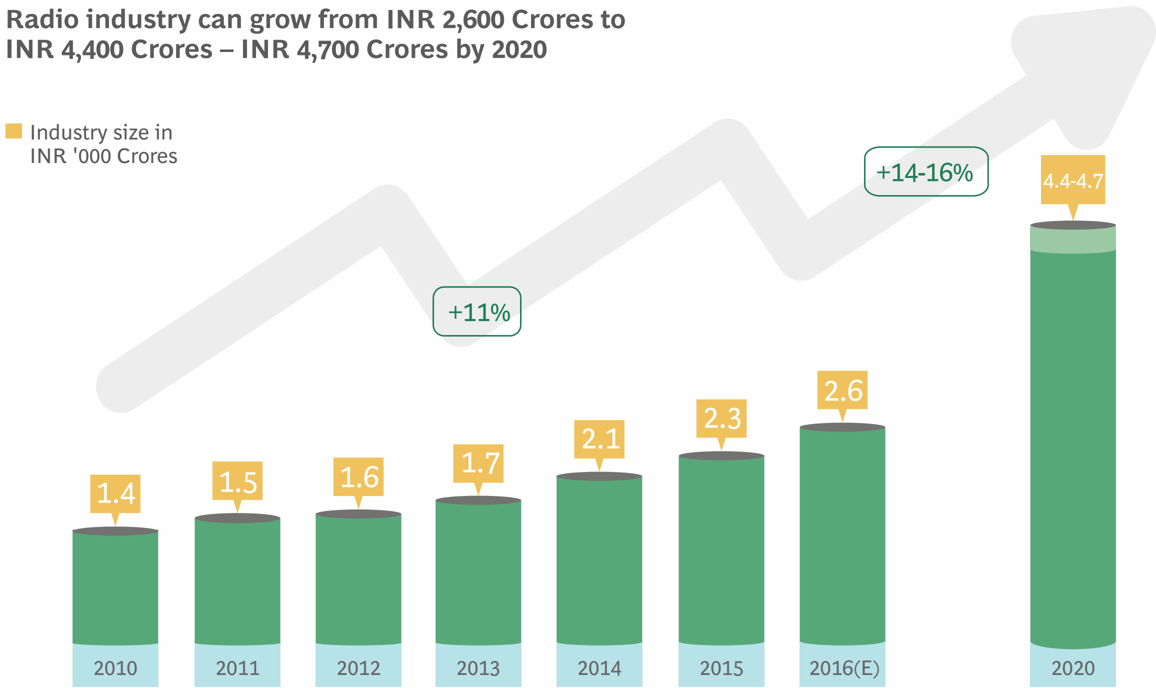

TUNIN

Radio

Phase III auction a major catalyst
to drive radio industry growth by
increasing reach across tier II & III cities.

Exhibit 7.1

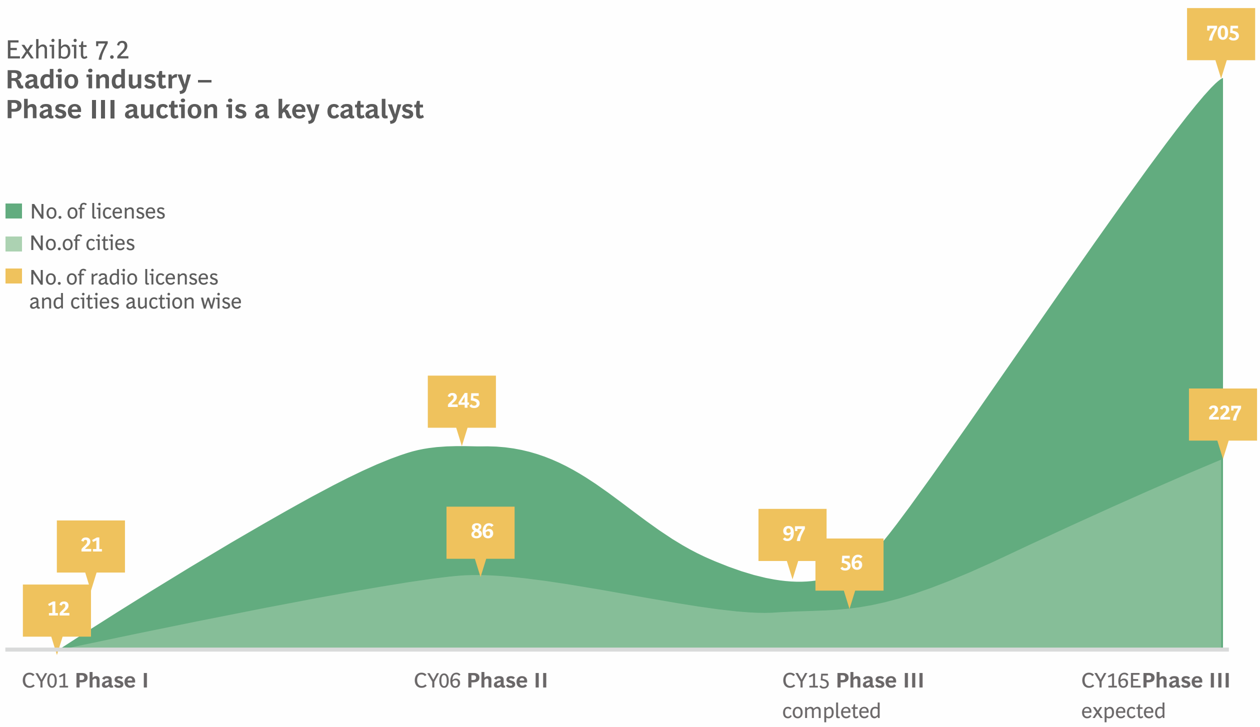
Radio industry can grow from INR 2,600 Crores to INR 4,400 Crores – INR 4,700 Crores by 2020



Source: TRAI, Industry discussion; TRAI numbers revised upwards based on industry discussion to reflect timing difference in revenue recognition
Numbers include FM and AIR terrestrial radio advertising revenues

Exhibit 7.2

Radio industry – Phase III auction is a key catalyst



Source: Investec, TRAI

Radio:
tuning in to growth

Radio industry set to unlock potential driven by the increasing reach following Phase III auctions

The Indian radio industry is currently estimated at about INR 2,600 Crores and has grown at CAGR of ~11% between 2010 and 2016(E). This growth is predominantly driven by launch of private FM channels and increase in consumption through in-built FM services in feature and smartphones.

Despite strong growth over the years, radio is still under represented in India with only 4.7% share of ad market compared to the global average of 6.5%. This is mainly due to supply constraints – auction-based licensing with government limiting the number of stations in each market. With Phase III auctions we expect to see the emergence of a number of new stations, multiple frequencies and new geographies, which will drive the industry to grow at an accelerated rate of 14% to 16% for the next five years to reach between INR 4,400 and INR 4,700 Crores.

New growth frequencies

Radio reaches about 45% of India's population; the government intends to enhance this to 60-65%, over the next few years. As Phase III of the expansion plan unrolls, radio will widen its horizon to reach 294 cities vs the current 67 cities, bringing more Tier II and Tier III cities under its ambit. Phase III has also unveiled many policy reforms: The license tenure, for instance, has been increased from 10 to 15 years, FDI limit enhanced from 26% to 49% and operators in a city will have access to multiple frequencies (more than 1 station/channel per city). We believe these initiatives will unlock growth potential of the Indian radio market.

Globally radio consumption has been resilient to the structural migration to digital as radio is easily accessible and cheap/free. India has witnessed similar trend with radio consumption increasing from ~7 to 10 hours/week since 2010 and the auctions conducted under Phase III are expected to fuel this consumption growth trend for the next few years even as other traditional mediums like TV & print face the impact of digital disruption.

Content, obviously, will play a key role in improving consumption. The option of multiple frequencies will allow players to be more experimental with niche genres. India is a multicultural and diverse country with tremendous linguistic differences. Content catering to this diversity, and linguistic sensibilities across varied geographies, coupled by the ability to broadcast on multiple frequencies, will help radio's influence grow with its reach.


ON AIR

Radio ad market share set to increase
Radio is a relatively low cost medium for advertising and effective for geographical targeting driving strong demand from local advertisers, which, in turn, drives utilization higher. Radio stations have witnessed growing advertiser interest from the long tail of local and SME enterprises, which has also helped raise yield. Further as companies increase their focus on Tier II & III cities and rural areas, hyper localization will increase the allure of radio advertising among advertisers. As a result we expect radio's share of advertising revenue to increase from 4.7% in 2015 to 5.1% by 2020.

Tuning out the false notes

Radio measurement: Radio advertising spend is directly linked to consumption, which makes it vital for the industry to evolve effective measurement of listenership and radio audience as it has not kept pace with changes in the radio industry. Some stakeholders, especially the private FM Radio operators, have raised concerns about the inadequate coverage (only in Delhi, Mumbai, Kolkata and Bengaluru) and panel size (480 individuals in each city) of the radio audience measurement. Recently TRAI published a note highlighting the current radio measurement system is unregulated and inefficient. The regulator has suggested norms to track radio audience to ensure a transparent, credible and representative radio ratings system in India. The radio stations and survey companies need to work together towards a countrywide acceptable sample size and methodology to measure the listeners and effectiveness of radio stations.

Royalty/revenue sharing is a major issue for radio, and the biggest cause of static between radio and players in the music industry. Radio in India currently pays two per cent of its net advertising revenue as per the Copyright board. However, this has not gone down well with the music industry, who are unhappy with the reduction in royalty payments and have challenged this decision in court. Further the copyright board is also not in place which has left the royalty issue unresolved. All the stakeholders need to work together to ensure equitable and fair sharing of revenue across the value chain to ensure quality content is produced and distributed.

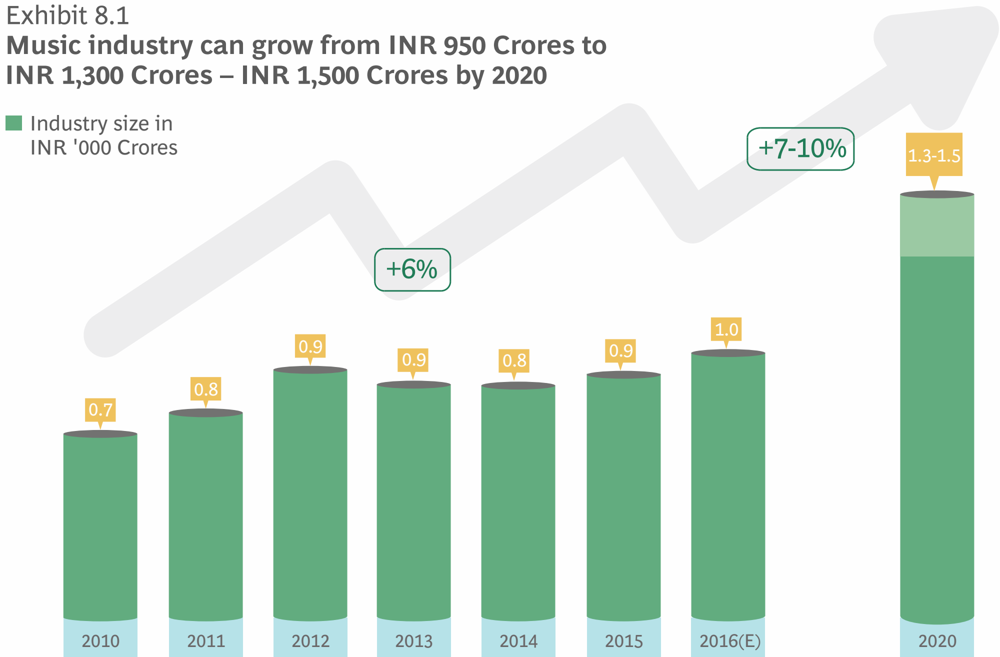
Operationalization of stations is yet another issue facing the industry. Delays in obtaining Phase III Batch I licenses from government agencies has led to stalling of new launches. The government has stepped in to assure the industry and affirm its intent to resolve matters.

Music

The Indian music industry and consumers are tuning in to digital streaming. The industry needs to design a scalable monetisation model to accelerate growth.

Exhibit 8.1

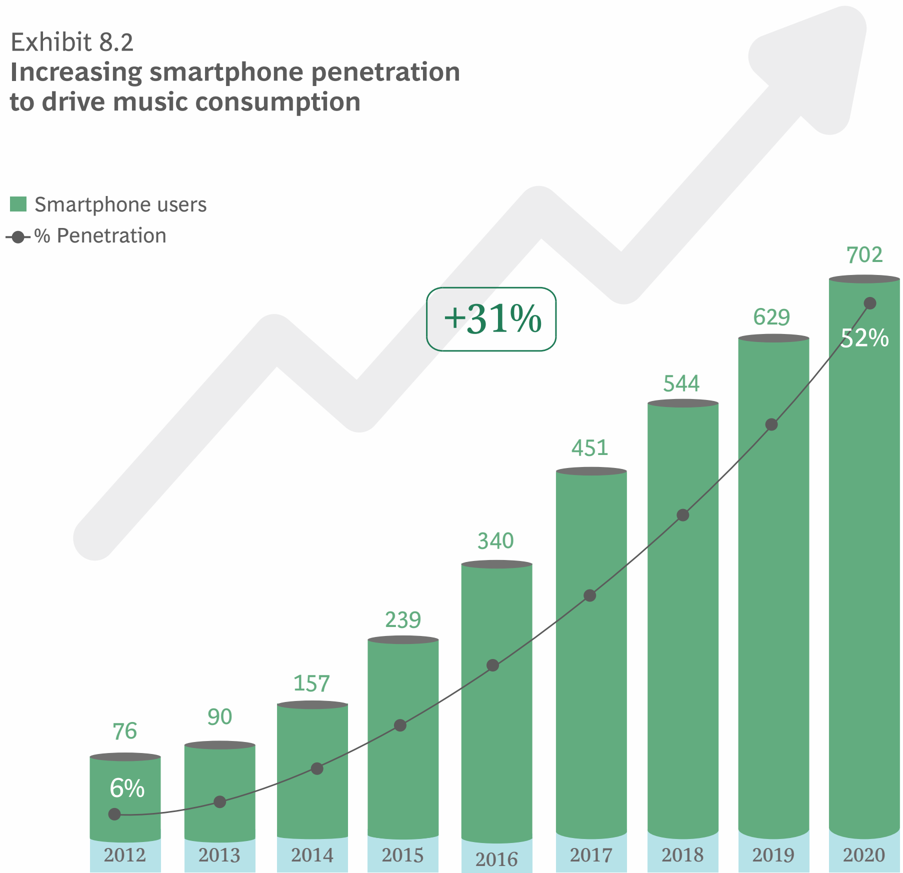
Music industry can grow from INR 950 Crores to INR 1,300 Crores – INR 1,500 Crores by 2020



Source: IFPI, BCG analysis, Industry feedback, Includes music video revenues

Exhibit 8.2

Increasing smartphone penetration to drive music consumption



Source: Ovum

Music:
striking the right chord

Digital streaming growth has given new lease of life for the music industry. Smartphone take-up and improving connectivity to drive music streaming consumption

The Indian music industry reported the slowest sub sector growth in the M&E sector at 6% CAGR between 2010 and 2016 reaching INR 950 Crores. However the industry has turned around with a strong 10% growth expected in 2016 as the market transitions from being dominated by ringtones to a market opening up to digital streaming.

The industry has struggled for the last few years to find a suitable legal form of music platform which is capable of hitting critical mass in music consumption and can limit the impact of piracy. The growth in digital streaming has altered the dynamics of the music industry and is now at the very heart of the industry as consumers shift from “ownership” to “access” model. There are an estimated 50 million music streaming users in India who listen to 100-120 songs a month (this has increased from 40-50 songs 2 years ago). This user base is expected to expand, as new customers sign up driven by increase in smartphone up-take, better internet connectivity and emergence of new players & content, growing the industry at an estimated rate of 8-12% in the next five years.

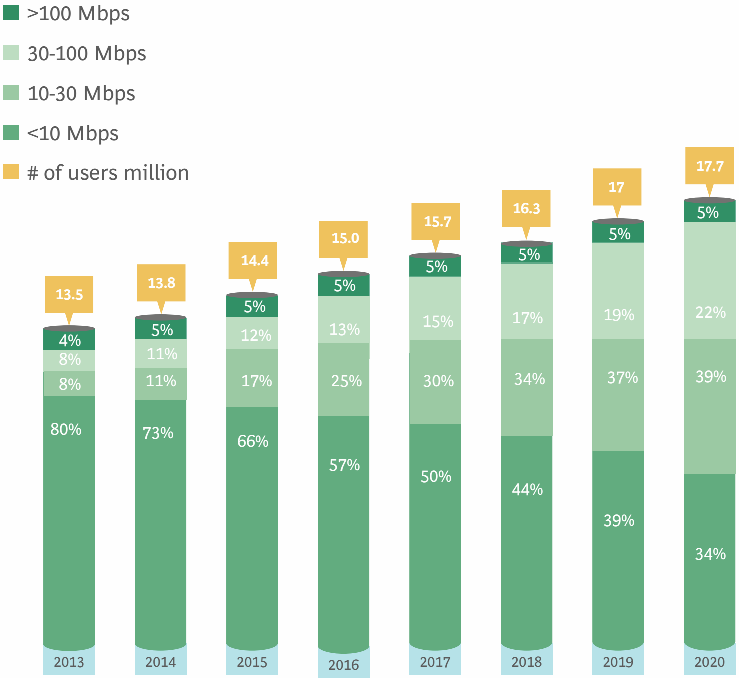
Hitting the high notes:
factors accelerating consumption

We expect consumption to grow massively during the next few years, driven by a burgeoning digital-streaming user base, which is expected to reach 200-250 million, from its current estimated 50 million. The increase in the number of domestic (aggregators and telcos) as well as international players in the country is expanding the streaming market and a testimony to the fact that music streaming is here to stay. Ad supported free streaming is the first step to incremental growth in the overall revenue pie. Paid subscription will go a long way in unlocking the market potential.

Smartphone up-take: India is in the process of overtaking the US as the second largest smartphone market in the world, and further double digit growth is expected. Digital has transformed the music business to essentially one of access and the boom in smartphone sales is moving India further ahead in this direction.

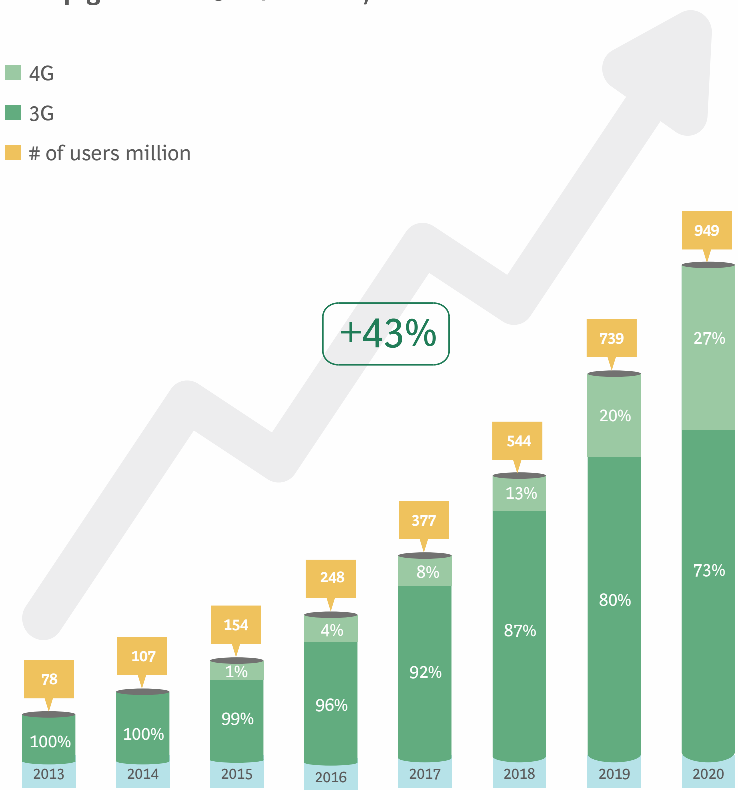
Increase in internet connectivity and speed will be key in driving incremental music consumption growth. With more Indian fixed broadband users expected to upgrade to higher speeds and mobile 3G & 4G user base set to exponentially grow in the next 5 years, the stage is set for a higher maturity level in music consumption.

Exhibit 8.3
Fixed broadband users migrating to higher speeds, India



Source: Ovum

Exhibit 8.4
Sharp growth in 3G/4G users, India



Source: Ovum

Playing to the gallery - avenues to unlock growth

Of all the factors that will allow the industry to call the tune, **content variety and user experience** are the most important. Independent music and regional content currently play second fiddle to Bollywood. This is a significant portion of the overall music catalogue; the missing strains of indie and regional music hold the key to expanding user bases beyond urban-centric consumption into tier II & III cities.

Music companies also need to define better user experiences: this can be done by enabling customisability, personalisation and improved access to content—as players like Spotify have shown. The industry also needs to simplify payment and content gateways to ensure seamless penetration into Tier II and III cities and regional markets where the ability and familiarity to use music streaming services/apps is limited.

Further, the industry also needs to explore its use of **new revenue streams**, such as live events, licensing for games & mobile apps, and merchandising. Music companies worldwide are already using these platforms to generate additional revenue.

Facing the music - key issues and challenges

Monetisation remains the major issue as digital streaming consumption set to expand

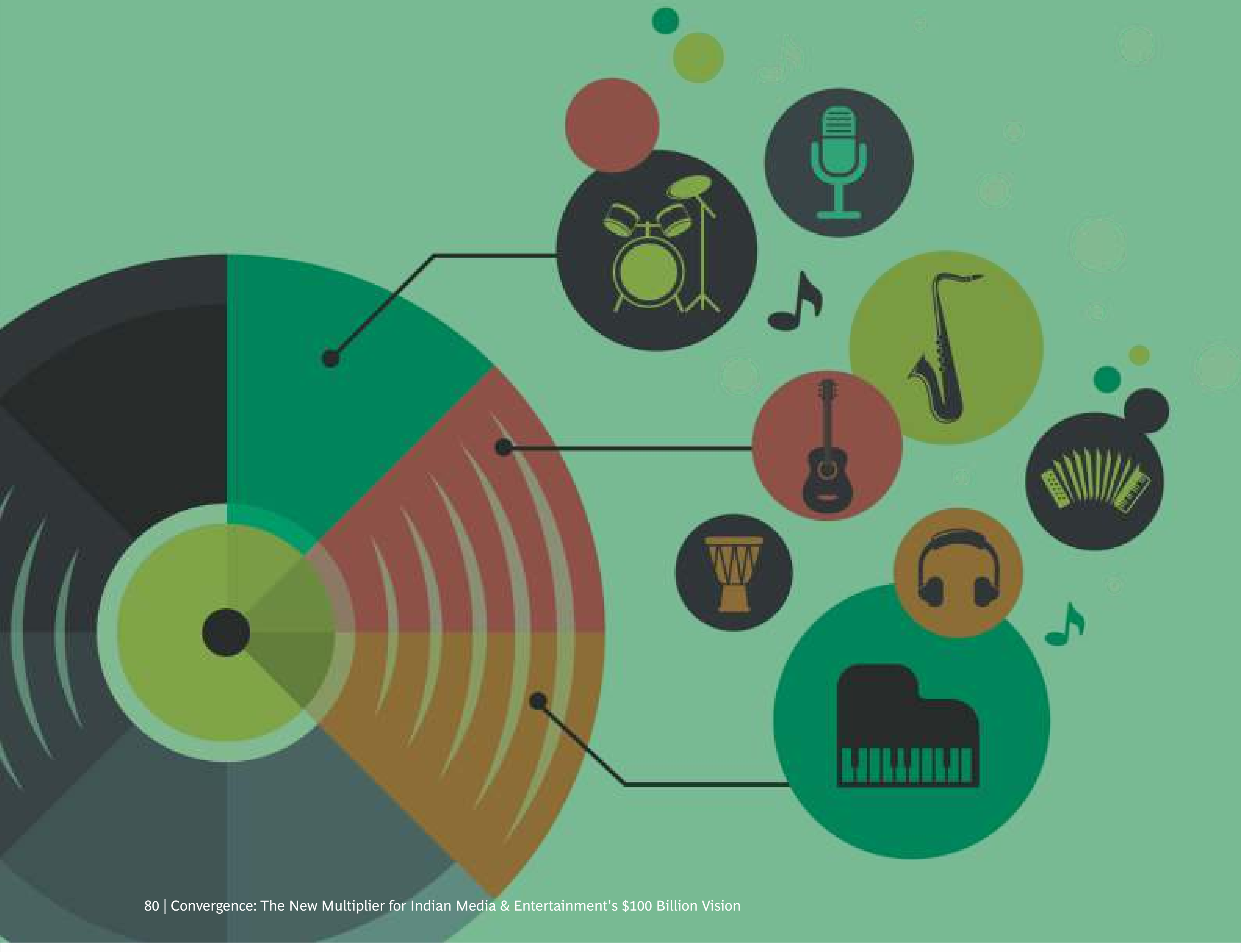
Monetization is the biggest issue facing providers of streaming services. The industry needs to explore ways to charge for content, as a pure advertising driven model is not sustainable. Many top players are struggling to chalk out a scalable model, whereby users would see value in paying for listening to music. Though user acquisitions are on the rise, the challenge to convert them into paying customers remains.

One big reason for this is the prevailing consumer mindset. Indians are inherently averse to the idea of paying for music content. So it is imperative that streaming services find unique propositions to lure consumers to a subscription model. This is clearly a herculean task requiring a behavioral shift on the part of the consumer.

Another major roadblock in monetization is the **lack of payment infrastructure**. As more and more customers choose to go mobile for their music needs, it is essential that digital music companies think beyond credit cards, debit cards and net banking. Independent services also face the challenge of not having a billing relationship with the customers like telecom operators do.

Globally, Spotify has been successful in converting free users into premium service consumers by means of promotional pricing, packaging (family plan), differentiated content and empathetic user experiences.

Copyright and royalties: The industry has some limitations and differences on some issues in the current legislation on royalty payment. The players across the value chain including music labels, artists and streaming players



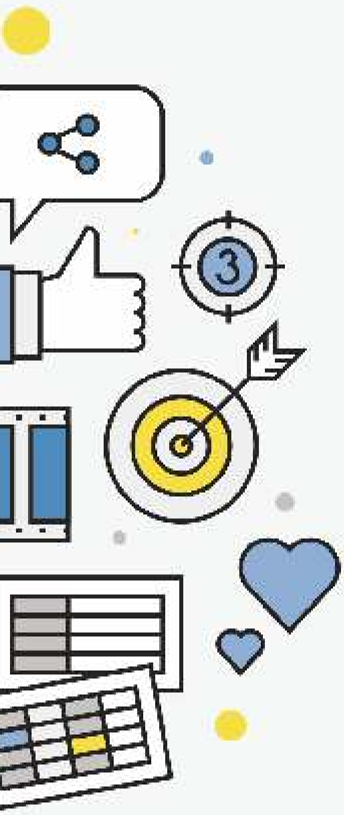
need to work collaboratively to ensure the act is unambiguous (e.g definition of performer) and protects the rights of both IP owners and artists. It has to be equitable to ensure content producers are able to monetize content effectively. This will also incentivize players to plough revenues back into the creation of richer content.

Recently Apple has proposed to simplify and increase royalty fees payment in the US (change from % of revenue to fixed fee/stream) for songwriters from music streaming service. While this will be beneficial for artists/singers, there will be an adverse impact on streaming players due to higher costs.

Piracy: The availability of free music on streaming platforms notwithstanding, piracy continues to ring a false note. The inclination to enjoy services without cost and offline allows piracy to flourish and makes India a tough market to break into. The International Federation of the Phonographic Industry (IFPI) estimates that more than half of India's internet users access unlicensed services on a monthly basis. Piracy needs to be tackled head on with a collaborative effort by government agencies and industry players.

While illegal downloading/listening of music will never completely go away, streaming services' convenient and easy to use platforms should help lure some listeners back into the ecosystem, generating incremental revenues for music companies in the process.

Disruptors and Challengers



Erstwhile technology players emerging as contenders in digital video
We have seen the emergence of global technology players creating ripples in the digital video space this year. Social media platforms have grown large pools of active users with Facebook boasting of over 1 billion daily active users. Newer platforms like Snapchat, with ~100 million daily active users saw a growth of ~40% in time spent per user over the last year, fastest among digital platforms. After relying largely on user generated content, Twitter and Facebook have recently increased investments in live content globally such as the NFL and EPL. This foray is potentially driven by the fact that the platforms see 3 times higher consumer engagement levels on live video vis-à-vis on-demand videos. Established players like YouTube are also deepening their play in video content with offerings such as YouTube red and YouTube kids.

Social media platforms with active user bases between 300 million and a billion monthly users can potentially garner a large volume of eyeballs at very low distribution cost, but finding the right monetization model for these eyeballs remains the Holy Grail.

VFX and Animation Technology: A new paradigm in content
The emerging VFX and animation technology industry has grown rapidly over the past 5 years driven by growing interest from films as well as television. Traditional content creation is no longer adequate by itself as the industry leverages technology to push the boundaries of creative visuals. Some industry experts even say that soon there will not be a single global production which does not have some element of VFX executed from India. Can India recreate the swan song of software programming from over a decade ago with VFX and animation technology? Given the scope and potential, active interventions by the government to drive ease of doing business can provide the right impetus to make India a global talent hub for technology driven special effects and thus exemplify the Make in India vision.

Events and outdoor entertainment: Segmenting supply to drive growth
While revenue accruing to the industry from events has grown over the past decade, big data and analytics present an opportunity today to drive break-out growth with an increase in targeted supply. Events designed for targeted segments and micro-clusters based on a deep-rooted understanding of consumer behavior can be the key to unlocking value for outdoor events. Segmenting events by season (Weddings, Holidays, etc), consumer habits (Luxury fashion, Fine Dining, etc) and geography can drive high engagement from targeted audiences.

For Further Reading

The Boston Consulting Group published other reports and articles on related topics that may be of interest to senior executives. Recent examples include:

The Future of Television: The Impact of OTT on Video Production Around the World
A report by The Boston Consulting Group, September 2016

Transforming Media Core Technology to Meet Digital Demands
An article by The Boston Consulting Group, September 2016

The New News on Print Media Transformation
An article by The Boston Consulting Group, June 2016

The Double Game of Digital Management: Managing in Times of Big Data and Analytics
An article by The Boston Consulting Group, July 2016

Shaping the Industry at a Time of Disruption: Taking Indian M&E Industry towards a $100 Billion Aspiration
A report by The Boston Consulting Group, October 2015

The Talent Revolution in Digital Marketing
A focus by The Boston Consulting Group, September 2015

Branded Content: Growth for Marketers and Media Companies
A focus by The Boston Consulting Group, July 2015

The Programmatic Path to Profit for Publishers
A focus by the Boston Consulting Group, July 2015

Digital India - Insights for Marketers and Media Companies
A report by The Boston Consulting Group, April 2015

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