AWAKEN, ARISE AND GRAB THE UNIVERSE

The CATV industry needs to awaken to the new reality and move on to providing a host of multimedia services based on high speed internet delivery platform

A. MEDIA UNIVERSE

As the Global Media Universe enters a new year, it is helpful to plot the past year internationally and nationally to determine how this vibrant Industry will fare in 2023.

KANTAR 2023 MEDIA TRENDS FORECAST

A recently released global media trends report by Kantar Group, a data analytics and brand consulting company based in the UK, makes for fascinating reading.

- 'Media and entertainment are now a multi-trillion-dollar industry, reaping the benefits of investment in internet connectivity, improved technology, and an insatiable desire for on-screen content.'
- 'Content-delivery strategies are also diversifying. 2022 witnessed broadcasters and native video-on-demand (VOD) platforms striking a new balance between VOD and - linear, long-form and short-form, Internet-delivered and broadcast – all helped, no doubt, by the growth in Smart TV ownership and Internet delivery of content.'
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2023 MEDIA TRENDS & PREDICTIONS

[Image]

 Accord, Aware and Grasp the Universe

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2023 MEDIA TRENDS & PREDICTIONS

[Image]
thanks to Internet delivery (IP), device and platform proliferation, and new viewing forms - diversified into an intricate 'AV ecosystem'.

- 'The economic crisis (post the geopolitical tensions arising out of the Russian invasion of Ukraine) is also helping set the conditions for ad-funded business models. Consumers are increasingly warming to the idea if it saves them money.'

- 'Broadcasters are adopting the aspects of VOD strategy that best fit their positioning whilst preserving their points of difference. VOD platforms are adopting traditional concepts like appointment TV and curated content discovery via linear channels.'

- 'During the pandemic, many homes explored the full functionality of connected screens. Consequently, we are reaching the tipping point in Smart TV penetration and usage, with consumers increasingly using their TV to stream content directly, connecting via apps and inbuilt IP services.'

- 'As video delivery moves towards an all-IP future, Smart TVs will play a critical role as the home's main entertainment gateway.'

- 'With linear-broadcast audiences migrating towards on-demand viewing in such numbers, Connected TV looks increasingly attractive, particularly because there's a sense of continuity – it's much the same as the status quo, yet enhanced.'

INDIAN MEDIA SCENARIO

The latest data released by TRAI is for Q1 of 2022-23 and, unfortunately, completely ignores the MSO/LMO Cable Data Base in its Executive Summary.

Key indicators are:

- Approximately 892 private satellite TV channels have been permitted by the Ministry of Information and Broadcasting (MIB) for uplinking only/downlinking only/both uplinking & downlinking.

- As per the reporting done by Broadcasters in pursuance of the Tariff Order dated March 3 2017, as amended, out of 879 permitted satellite TV channels are available for downlinking in India, there are 347 satellite pay TV channels as on June 30 2022.
As TRAI does not release much data on the MSO/LMO market size, the estimate of 112 million Cable TV customers by Tech Jury, at best, is a rough guestimate.

A recent article in the Mint was not very confident of the future sustained growth of Legacy TV distribution media.

The TRAI data for the June 22 quarter shows even a fall in DTH subscribers by nearly 2 million.

This writer estimates the Cable Subscriber base to be between 70-75 million subscribers.

30 2022. Out of 347 pay channels, 249 are SD satellite pay TV channels, and 98 are HD satellite pay TV channels.

Pay DTH has attained a total active subscriber base of around 67.04 million in QE on June 30 2022. This is in addition to the DD, Free Dish subscribers (Doordarshan's free DTH services).

INCREASING USE OF CONNECTED TV

As per the latest report by Media Smart, 84% of households in India have more than one person watching Connected TV (CTV) (Smart TV), and nine out of ten CTV viewers recall being exposed to ads.

A recent report by Group M/Kantar reveals that currently, 20-22 million homes in India have internet-enabled connected televisions (CTVs). Brands will likely increase their CTV advertising spending from $86 million in 2023 to $395 million by 2027.

PWC estimates that by 2025, the number of connected smart televisions will reach ~40-50 million.

30% of the content viewed on these screens will be gaming, social media, short video, and content items produced exclusively for this audience by television, print and radio brands.

A cable blog in USA, 'Tech Jury', claimed that currently, China has 342 million paying Cable TV subscribers and India has 112 million Cable TV paying subscribers.

COMMENT

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◆ So, where have the customers gone? Cord-cutting due to increased watching of OTT and Free Dish is happening faster than the Industry wants to accept. This cord-cutting is happening despite normal working conditions being restored post-Lockdown when people are no longer home-bound.

◆ A December 2022 report by Ormax claims a 20 per cent increase in OTT viewing, with the user base for OTT in the country now pegged at 42.38 crores (423.8 million).

◆ The report states that paid OTT users in India are now at 11.9 crores. Most of the increase is from Tier 2 towns.

◆ Another elephant in the room is the immense growth of Free Dish, run by Doordarshan. This writer estimates its size at 45 to 50 million, with great scope for urban India growth.

◆ Free Dish has 79 private TV channels, 37 Doordarshan Channels and 51 educational channels, making for a complete package even for urban and metro viewers.

◆ The Broadcast Audience Research Council (BARC) has not released viewership data since 2020. While this may suit some Broadcasters, such a denial of vital data is not in the public or advertiser industry interest.

◆ As Prasar Bharati is also a member of BARC, this writer marvels at the silence of the Ministry of Information and Broadcasting.

◆ So, what does the future hold? Perhaps the answer lies in the Kantar 2023 forecast, which speaks of new viewing forms that have diversified into an intricate ‘AV ecosystem’.

◆ This writer never tires of reminding the Cable TV distribution media that they need to awaken to the new reality and swiftly diversify from single video delivery service to providing a host of multi-media services based on a solid and stable high-speed internet delivery platform.

◆ One point for the Cable Industry to keep in mind is that in 2022, the TV penetration level stands at approximately around 70%. Its penetration stands at 87% in urban and 61% in rural households. This should energise the industry to awaken, arise and grab the balance universe.

◆ तो गाहक कहां गये? हाँ, ऑटीटी और फ्री दिश की बढ़ती लोकप्रियता के कारण कादंबरी तेजी से हो रही है जिससे उद्योग स्वीकार करना बाहर है। वह कादंबरी तेजी से हो रही है जब सामान्य कमांड की परिस्थितियों की मोटरिस्ट के बाद दाल किया जा रहा है, जब लोग अब ग्राम में बंद नहीं हैं।

◆ नवंबर 22 की ओर्मक्स की रिपोर्ट में दावा किया गया है कि ऑटीटी देखने में 20 प्रतिशत की वृद्धि हुई है, देश में ऑटीटी के लिए उपयोगकर्ता आबादी अब 42.38 करोड़ (423.8 मिलियन) है।

◆ रिपोर्ट में कहा गया है कि भारत में भूमिका किये गये ऑटीटी उपयोगकर्ताओं अब 11.9 करोड़ हैं। ऑडिवन्युल वृद्धि टाइप 2 शहरों में हुई है।

◆ लोगों के कारण में पड़ती नहीं जा एक अन्य वित्तीय दूरदर्शन द्वारा संचालित प्री दिश की विशाल वृद्धि है। इस लेखक में इसके आकार का अनुमान 45 में 50 मिलियन के दो दालानों जिसमें भारतीय से हक्क की बहुत अच्छी।

◆ प्री दिश में 79 निजी टिची चैनल, 37 दूरदर्शन चैनल और 51 शिक्षण चैनल हैं, जो शहरी और मेट्रो शहरों के लिए भी एक संगठन बनेगा है।

◆ डाउटेंस ऑडिओस्यंस सर्विस फाउंडेशन (बीएआरसी) ने 2020 में दर्शकमंड आकड़े जारी नहीं किए हैं। हालांकि वह कुछ प्रसारित कर उपयोग करता है, लेकिन महामूल्य डेटा का न आए सार्वजनिक या विज्ञापनाधिकारियों के लिए है।

◆ नाकेक अभिसारी भी बीएआरसी का सदस्य है, इसलिए यह लेखक दूरदर्शन और प्रसारण मंडल की मूल्यें पर हिराए है।

◆ तो मिशन क्या है? 2022 में डाउटेंस के पूर्वनाम में निहित है, जो देखने के लिए रुपये की बात करते हैं जो एक जटिल एवी वेबस्टीकी तंत्र में विश्वसनीय है।

◆ यह लेखक केबल टीवी वितरण मीडिया को यह यदि दिलाने से कभी नहीं थकता कि उन्हें नहीं वास्तविकता को जगाने और टेली और सिर्फ हाई ग्रैंड इंटरनेट डिलीवरी लेनेसमें पर आधारित सर्विस मीडिया सेवाओं की मेजबानी प्रदान करने के लिए एक टीवी वितरण सेवा में तेजी से विकसित लाने का आवश्यकता है।

◆ केबल उद्योग को ध्यान में रखने वाली बात यह है कि 2022 में टीवी प्रेवेश स्तर लगभग 70% है। शहरी इलाकों में इसकी पुष्टि 82% और ग्रामीण ग्रामों में 61% है। इसे उद्योग को जगाने, उठाने और संगठित बनाने को हड़पने के लिए सक्रिय करना चाहिए!
B. LIVE SPORTS - GAMECHANGER FOR 2023

- An earlier column had discussed key findings of the recent CII-KPMG report titled Sports Broadcasting- A Match Made In Heaven. Some key observations bear repetition and offer succour to both legacy TV and streaming networks in India.

- The number of TV households in India is expected to reach approximately 250 million by 2026, up from 210 million in 2020.

- During the first nine months of 2022, content related to Sports was consumed by approximately 722 million viewers.

- The Indian Premier League continues to be the biggest impact property on Indian Television, reaching 400 million and cutting across demographics.

- The successes of Indian athletes on prestigious international platforms also drive the growth of India as a sporting nation.

- The growth trajectory in India is expected to continue with the increasing penetration of TV across NCCS AB demographics and the growing interest in sports.

- The reach of premium sporting properties is significantly higher than that of premium GEC properties. IPL 2022 had an overall reach of 400 million which is 80 per cent higher than the combined reach of KBC, Bigg Boss, The Kapil Sharma Show, Khatron Ke Khiladi and Shark Tank.

- The TV sports market was estimated at INR 7,050 crore in FY21, and the same is expected to reach INR 9,830 crore in FY26, growing at a steady CAGR of 7 per cent.

- The digital revenue for sports is estimated to grow from INR 1,540 crore in FY21 to INR 4,360 crore in FY26, at a CAGR of 22 per cent.

- The same is likely to be driven by organic growth in the number of OTT viewers in India, as well as an
MEDIA BEAT

Looking to the importance of sports in customer retention, while Broadcasters will continue to compete for future rights, the Cable Industry can also create sports packages like "IPL Special Deal" to maximise customer revenue and link up with specific Broadcasters with the rights for marketing initiatives.

The Cable Industry can cover local cricket tournaments, which are immensely popular in cities like Mumbai, as a measure of earning local advertising and as a customer retention measure.

The Cable Industry needs to watch out for so-called John Doe orders issued by High Courts on request from Broadcasters to protect their legitimate rights and ensure no piracy happens anywhere in the network, even at the sub-operator level.

- Renowned Media Analyst Mr Ashish Pherwani, India leader for M/E for E/Y, has been quoted in Rest of the World.org as saying that "sports streaming is entirely a subscription play. A sports fan will pay to watch his favourite sport."

- The article further points out that regional streaming services in Indonesia/Japan and India have spent large sums to acquire streaming rights for international tournaments with mass appeal. These have had start-up problems like Jio Cinema faced in the recent World Cup Football in Qatar, but sports are here to stay.

- The article refers to Viacom 18 getting the very costly 2023-2028 IPL digital rights, which it will use to bundle along with data plans, according to Mr Pherwani.

- The TV broadcasters are well aware of the pull of sports, and Disney Star has managed to retain the IPL TV rights till 2028. Zee has come back to sports coverage with exclusive media rights for Emirates T20 League matches to be live telecast in Zee's linear channel in three languages and live streamed on Zee 5. Sony, too has obtained foreign TV cricket rights like English cricket till 2028, Lanka Premiere League and other countries.

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MEDIA BEAT

C. NEW PLATFORM REGULATIONS

Utilising powers under Rule 6(6) of the Cable Television Networks Rules, 1994, the Ministry of Information and Broadcasting issued the guidelines in respect of 'Platform Services' provided by MSOs on 30.11.2022.

The salient features are:

- The total number of permitted PS channels per operator is to be capped at 5% of the total channel carriage capacity.
- To cater to the local language and culture of the subscribers, this cap on PS channels shall be computed at the State/Union Territory level. Also, two PS channels shall be permitted at the level of each District to cater to the need for local content at the District level.
- The Content of the PS is to be exclusive to the platform and is not to be shared directly or indirectly with any other Distribution Platform Operator.
- However, sharing of live feeds from religious places like Temples, Gurdwaras etc., shall be permitted.
- Only entities registered as Companies are allowed to provide local news and current affairs. MSOs not registered as "company" and desirous of providing local news and current affairs are mandatorily required to apply within three months with the Ministry of Corporate Affairs for conversion into "company".
- All PS channels to carry a caption as 'Platform Services' to distinguish them from the registered TV channels.
- MSOs offering PS to retain the recording of all PS channel programs for 90 days.
- Any content-related complaint shall be examined by the Authorised Officer prescribed under the CTN Act, 1995, and the State/ District Monitoring Committee.
- Simple online registration process for PS channels by MSOs at nominal fees of Rs 1,000 per PS channel.
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Sí. नये प्लेटफॉर्म विनियम

केंद्रीय टेलीविजन नेटवर्क नियम 1994 के नियम 6 (6) के तहत अंतर्विद्या का उपयोग करते हुए सुविधा और प्रसारण मंत्रालय ने 30.11.2022 को एमएसओ द्वारा प्रदान की जाने वाली ‘प्लेटफॉर्म सेवाओं’ के संचालन में दिशानिर्देश जारी किये।

स्थानीय मेडिया के लिए नये प्लेटफॉर्म नियम

- प्रति ओपरेटर अनुमति पीएम चैनलों की कुल संख्या की कुल चैनल कॉपी अनुभूति के 5% पर कॉपी किया जाना है।
- ग्राहकों को स्थानीय माहै और संस्कृति की पूर्णता के लिए, पीएम चैनलों पर इस सीमा की गणना राज्य/संघ राज्य क्षेत्र स्तर पर की जाइये। साथ ही, जिलाधिकारी पर स्थानीय समाज की आवश्यकता की पूर्णता के लिए सीधे या माध्यम से द्वारा पीएम चैनलों की अनुमति दी जाइये।
- पीएम की गृहीत संभव प्लेटफॉर्म के लिए है और इस संपत्ति का आलोचना रूप से किसी अन्य वितरण प्लेटफॉर्म ओपरेटरों के साथ साझा नहीं किया जाना है।
- हालाँकि मंदिरों, गुरुद्वारों आदि जैसा धार्मिक स्थलों से लाइव फीड साझा करने की अनुमति होगी।
- केंद्रीय कंपनियों के रूप में पंजीकृत संस्थाओं को ही स्थानीय समाचार और कॉर्ट अफसर्स प्रदान करने की अनुमति होगी। इमेजों जैसे ‘कंपनी’ के रूप में पंजीकृत नहीं हैं और स्थानीय समाचार और कॉर्ट अफसर्स प्रदान करने के इलजूक हैं, उन्हें ‘कंपनी’ में बदलने के लिए कॉर्पोरेट मामलों के संगठन से साथ तीन महीने के भीतर अविष्कार रूप से आवेदन करना होगा।
- सभी पीएम चैनलों को पंजीकृत दोबारा चैनलों में अलग करने के लिए ‘प्लेटफॉर्म सर्विस’ के रूप में कैडाम देना होगा।
- 90 दिनों के लिए सभी पीएम चैनल कार्यक्रमों की रिकॉर्डिंग को बनाये रखने के लिए एमएसओ को पीएम की पेशकश करनी होगी।
- केंद्रीय भारतीय संबंधी शिक्षा शाखा की जांच सीटीएन अधिनियम, 1995 के तहत निर्धारित प्रतिकृति अधिकारी और राज्य/जिला निर्माणी सरकार द्वारा जायेंगी।
- एमएसओ द्वारा पीएम चैनलों के लिए 1000 रुपये प्रति पीएम चैनल के मामूली गुलक पर सरकार ऑनलाइन पंजीकरण
channel. The online registration portal for this purpose is under preparation and shall be notified shortly.

- MSOs have been granted 12 months to comply with the guidelines issued on November 30 2022.

**COMMENT**

- These new Rules were widely expected, considering they were made applicable to DTH Networks in September 2022. A long 12-month period has been given to the Industry to conform to the new rules.

- The only surprising sub-rule is that platform channels offering news, and current affairs will be confined to companies registered under the Companies Act 2013.

- This directive will force all non-corporate MSOs to corporatize, which is not an unwelcome development. Only this writer feels that compliance hassles of corporatisation are quite onerous despite all efforts to achieve ease of business. The MIB could consider allowing Limited Liability Partnerships (LLPs) which have simpler corporate governance norms.

- The MSOs will have to set up internal content review panels in view of specific powers given by the new regulations to the Authorised Officer/State/District Level Monitoring Committees.

- A regrettable feature is a ban on sharing platform content that seems unwarranted and goes beyond the rule-making powers of MIB in this writer's careful and considered view under the Cable Act.