FICCI-EY 2023 report showcased an explosive firing up of the Indian Media and Entertainment (M&E) sector, which grew 20% in 2022 to reach INR2.1 trillion (US$26.2 billion), 10% above its pre-pandemic levels in 2019. The sector is expected to grow 11.5% in 2023 to reach INR 2.34 trillion and further grow at a CAGR of 10.5% to reach INR 2.86 trillion by 2025.

The Indian M&E consumer base is large and hungry for content, ready to pay for quality and experiment with technology. India will have innumerable storytellers and engaging with audiences in myriad languages and leading the charge across the global entertainment landscape.

With over 50 platforms existing in India, the OTT market is likely to reach $ 5 billion in size by 2023. While television advertising grew 2% to end 2022, subscription revenue continued to fall for the third year in a row, experiencing a 4% de-growth due to a reduction of five million pay TV homes and stagnant consumer-end ARPs. While linear viewership declined 7% over 2021, 8 to 10 million smart TVs connected to the internet each day, up from around 5 million in 2021.

The fall in pay television homes has been attributed to both cord-cutting at the top end as well as movement to free television - FreeDish. While HITS remained relatively stable, DTH saw a decline of one million homes while cable lost four million homes.

It was very refreshing to see the TRAI Chairman – PD Vaghela display a rare candour when he admitted that less regulation is the best regulation, advocated a very flexible approach to fixing the issues in the industry. He accepted that Free Dish is creating a problem for DTH operators, MSO, and LCO community. TRAI, he claimed is willing to walk the last mile, have a level playing field for all, and ready to follow a roadmap as suggested by the industry to resolve the bottlenecks.

This is the right time for the LCO and MSO community to pursue the outstanding issues and try to find a resolution to all the problems. There will be challenges, but it is better to attempt to lay out a roadmap for the government and regulatory bodies and take the industry forward.

Editor’s Scatview

Manoj Kumar Madhavan