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TV RAMACHANDRAN



# Broadcasting in India undergoes a quiet revolution

Progressive government policies and enabling regulations can further maximize customer benefits and drive the industry growth

**B**roadcasting is inarguably one of the most powerful modes of mass communication, especially in a large country like India with over 850 million people based in rural areas, a significant percentage of whom are unable to read or write. Understandably, therefore, it is extremely critical for both governments and the private sector. While there are perennial pushes and pulls in every nation, in the play of fundamental forces shaping this important sector, the overall directional trends in its trajectory are unmistakable.

World-famous astrophysicist Meghnad Saha had once stated: “Most things of importance start without people noticing they have started.” Indeed, this is true for broadcasting. Unlike other sectors, where there is a fair bit of noise and hype about technological disruptions and upheavals, broadcasting has been quietly undergoing a major transformation due to digitalisation and convergence of mediums of content delivery, as well as content consumption hardware. Traditional linear TV content is now available through handheld devices and personal computers, and online content can be viewed on connected TV sets. Co-axial cable, which delivers TV content when upgraded to fibre optic cable, can deliver converged services such as voice, video and data. Therefore, the lines between platforms for delivery of content are blurring.

One of the essential requirements of all emerging digital technologies is improved digital efficiency, use of improved modulation techniques to compress audio, video, messaging and data surfing on the same carrier/channel. What it leads to, is increased consumer benefit. With increase in digitalisation and adoption of digital

technologies in all sectors, new technologies capable of doing multiple and dissimilar functions have emerged.

Entertainment and broadband services are two important applications, particularly in the far flung and remote areas where other modes of terrestrial communications are not viable to deploy. New convergent technologies like the new standard ATSC 3.0 enables mobile broadcasting and mobile communication service on the same device using the UHF frequency bands. India is yet to leverage this powerful instrument.

Indians’ intrinsic love for online video content is almost insatiable. This has been sharply accentuated by the environmental restrictions caused by the pandemic. Over-the-Top (OTT) user consumption has boomed. With over 40 players, India is the world’s fastest-growing OTT market, expected to hit over USD3 billion in the next five years. By 2023, India is expected to have over 500 million subscribers to OTT platforms. However, OTT Platforms need to innovate by using technology and performance metrics to ensure better customer experience and customer satisfaction – when it comes to both availability of content and seamless delivery of content to consumers without technical glitches. With the right metrics, these players can use advanced technology platforms to make suitable investments in the areas that need them most to win the maximum eyeballs of the increasingly savvy 500+ million Indian consumers who are likely to use OTT platforms for entertainment and watching TV.

As consumers become more driven to personalized experiences, platforms need to keep up with dynamic

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content. Artificial intelligence (AI) can provide rich end-user experiences with minimal manpower. This generates more viewership and reduced operating costs. AI-based solutions are creating more efficient operations and bring costs down by identifying viewership trends.

Global content delivery platforms like Netflix estimate that its use of AI would automate workflows and reduce customer churn, saving the company around USD1 billion annually. This not only increases the quality of experience and quality of service for users, but also reduces the number of bits required to achieve the same quality stream. Similarly, YouTube is also at the forefront of using AI to reduce overall video latency and encoding costs.

With the proliferation of smart devices, and extending internet bandwidth limits, broadcasters have a unique advantage of accessing their customers directly through OTT. Broadcasters and media houses that have launched

their own portals or mobile applications can securely host their content on the cloud, as well as leverage benefits of OTT infrastructure that allows them to create video catalogues and distribute their content directly to the consumers through their own web portals.

A quick look at the table 'Growth trajectory of media sector in India' showing the growth of the media sector in the country over the past few years and one notices a sharp viewership shift from analog television to digital. The classical model of watching television, also known as Linear Television, is evolving rapidly. Transformation means shifting from serving a TV centric audience to serving a heterogeneous mix of audiences, using a number of mobile devices and platforms, and being capable of watching it anywhere and anytime. Both types of broadcasting will necessarily coexist and should be facilitated to grow healthily. This essentially means the smooth evolution from a TV broadcaster to an overall broadcaster.

## Growth trajectory of media sector in India (figures in INR in billion for calendar years)

Segment	2018	2019	2020	2021 (estimated)	Segmental growth 2019 v/s 2020
Television	594	660	740	815	12.1%
Print	296	303	306	317	0.7%
Filmed entertainment	122	156	175	194	12.2%
Digital media	92	119	169	223	41.9%
Radio	24	26	31	34	7.5%

Source: FICCI-EY report on India's Media and Entertainment Sector, March 2021



“A key trend that will separate relevant broadcasters from the fading ones, as the business continues to quickly evolve, is making connections for and with their users.”



According to eMarketer, traditional TV viewing time in 2019 was declining with an average of 4 hours, 10 minutes per day. This trend shifted dramatically in early 2020, due to the unprecedented conditions brought on by the pandemic and the number of traditional TV viewers grew by 8.3 million to 287.3 million, the first positive growth since 2011. Similarly, Statista reported that the share of total gross hours viewed across major broadcast television channels increased from 25.7 to 30.4 percent during the pandemic-struck 2020. The trends suggest that a significant number of households are switching over from linear TV to watching content on the mobile phones and devices to fulfil their entertainment needs.

This is the age of the 'digital consumer'. India has over 750 million broadband subscriptions already and smartphone users expected to be about a billion by 2025. The humungous impact of this on total television viewership is mindboggling. Indian policy and regulation need to be ready for this quiet revolution. The average age of a new digital user is estimated to be more than two years younger than the typical digital user and so the viewership preferences are changing inexorably. TV companies and broadcasters need to innovate to improve their digital services and consumer experiences to stay relevant. A key trend that will separate relevant

broadcasters from the fading ones, as the business continues to quickly evolve, is making connections for and with their users.

The fast changing and exciting times ahead in the broadcasting space remind me of Henry Ford when he said, "If I had asked my customers what they wanted, they'd have said -Don't change anything." However, driven by the all-powerful winds of Quality of Experience, the tide of change is engulfing broadcasting in India and customers are set to have a continuously rising wave of enriched choice and quality in broadcast content and programmes. Progressive policies and enabling regulation would catalyse these changes for maximising customer benefit as well as the healthy growth of the industry.

Indian Broadcasting's exciting 'Tryst with Destiny' is in the offing... 🍀

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