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A STUDY OF THE INDIAN MEDIA ECONOMY AND MARKET ISSUES

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Abstract

The Indian Media and Entertainment (M&E) business is a rising star in the Indian economy, making significant accomplishments. The Indian M&E business is nearly a vigorous time of advancement, fuelled by developing shopper interest and further developed publicizing pay. As indicated by a FICCI-EY research, the publicizing to GDP proportion is expected to increment from 0.38 percent in 2019 to 0.4 percent by 2025. "Media markets" merits cautious assessment as a logical thought in the perplexing cycles of the Indian media economy. As a term, 'media markets' alludes to an assortment of media undertakings and additionally purchaser areas. A more critical look uncovers those various business sectors (for items, cash, work, crowd, etc) commonly work simultaneously inside any media firm. This recommends a "market economy" that executes across media types just as with business sectors situated outside of the media creation measure. The elements of the interlocking commercial centres that include the Indian media economy are formed by both 'media trades' and 'interceded trades.' therefore, we offer numerous conversation starters at the class level: like constraints of the media markets, fundamental players and the financial worth of these conditional connections. In light of these issues, the reason for this article is to distinguish spaces of separation in structure and topography, just as significant linkages between covering markets and hidden interests. We recommend a three-level geography of Indian media markets, with treatment of each considering the synergistic idea of media markets and what relationship means for practical standards, rules of trade, and the implanting of media exchanges.

Keywords: Mass Media, Indian Media Markets, Advertisements, Economy of Media, Communication Business.

INTRODUCTION

The Indian Media and Entertainment (M&E) business is a rising star in the Indian economy, making extensive accomplishments. The Indian M&E business is nearly a powerful time of advancement, filled by developing buyer interest and further developed publicizing pay. As indicated by a FICCI-EY research, the promoting to GDP proportion is expected to increment from 0.38 percent in 2019 to 0.4 percent by 2025.

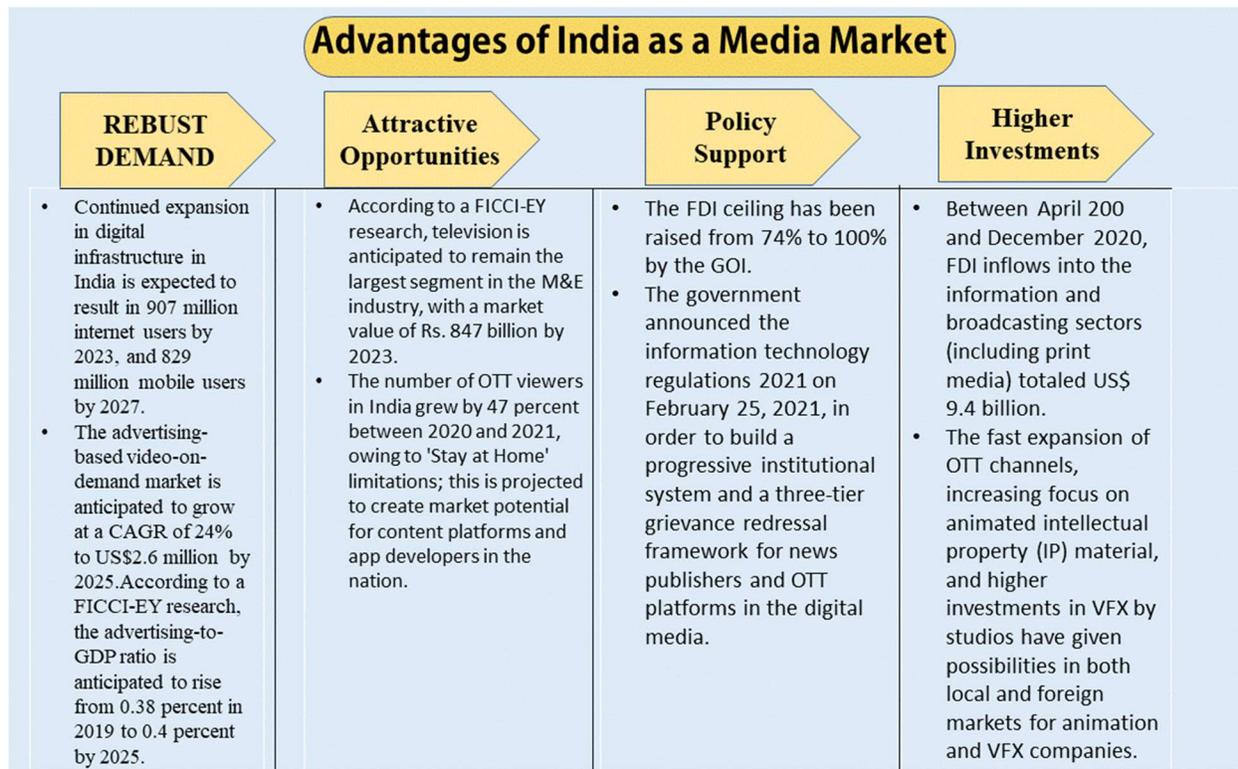
In India, the five-year period of 2014-2019 has witnessed such an expansion in media creation and media use that the answer to the question, "Who is the media?" has become, literally, everyone. The Indian public sphere is becoming mediated not just by traditional media—in the hands of a few, TV, print, web, and radio—but also by technology in the hands of millions of people seeking knowledge, spreading disinformation, and seeking quick pleasure. Many trends have converged in this direction, including the expansion of internet connection and low-cost cellphones in small towns and rural India, which has led to an increase in the number of people online and on social media. With 500 million Indians accessing the Internet by the end of 2018 (a 65 percent increase over 2016), WhatsApp's purchase by Facebook in February 2014 and its rapid development in India has resulted in the messaging app currently having over 200 million users in India. There are almost 30 million Twitter accounts and about 294 million Facebook accounts. The 65 percent rise may be attributed in part to the September 2016 introduction of Reliance Jio, Reliance Industries' 4G cellular service that was free for six months. The 65 percent rise may be attributed in part to the September 2016 introduction of Reliance Jio, Reliance Industries' 4G cellular service that was free for six months. The Economic Times stated in 2018 that Jio's initial deal scooped up 100 million customers in 170 days, indicating that the mobile phone was shaping up to be the BJP's most crucial electoral weapon. As a result, in order to compete, other telecom carriers reduced their prices, assisting in the expansion of Internet penetration.



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OBJECTIVES

1. To study the Indian Media Market and Advantages
2. To study the impact on Pandemic on Media Market
3. To study the issues of Media Industry as a Market

RESEARCH METHODOLOGY

The paper is the product of exploratory analysis. For the current analysis, secondary data sources were used to gather information. The required and applicable data was gathered from national and foreign publications, books, newspapers, and other sources.

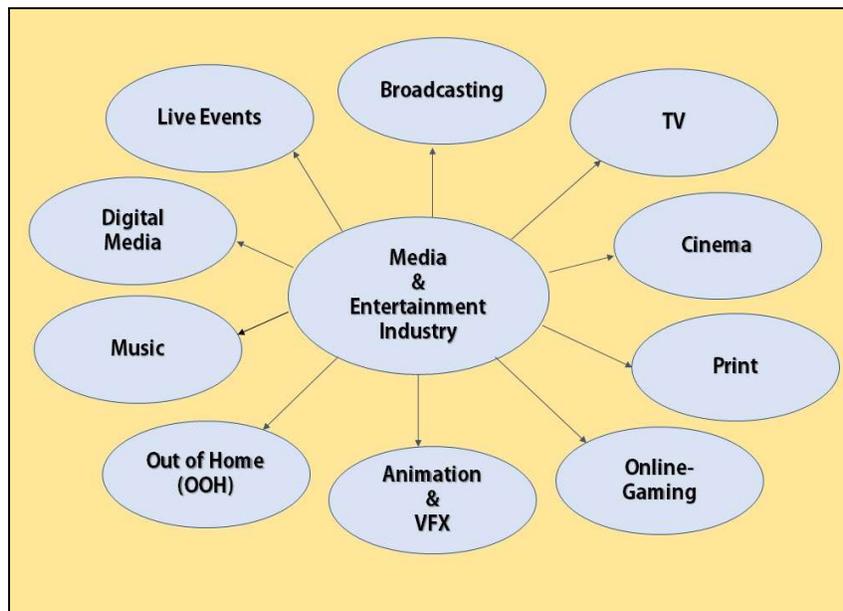
SOCIAL MEDIA AND THE INDIAN ECONOMY

Prior to social media, one had to pay to get information about your company out there. Every individual and organisation is now their own media brand, and there are considerably less obstacles to reaching out to people. This has made it much simpler for smaller businesses to acquire a presence in the market. Craft beer, food trucks, and local fashion are all examples of trends that have emerged as a consequence of leveraging social media platforms to create a following in a cost-effective manner. Prior to cell phones and social media, it was considerably more difficult (and expensive) to contact people, especially if your location was not on a major thoroughfare. One or two small firms aren't enough to cause concern for a large corporation, but millions of them throughout the country may make a significant hole in their market share.

Social media is inextricably tied to a network of platforms that govern distribution (Facebook, LinkedIn, YouTube, and so on). They are the conduits via which content may (or cannot) propagate. As a result of disrupting the old advertising paradigm, these platforms have become some of the world's largest firms by market value. Despite their dominance, these platforms also present a whole new ecosystem for entrepreneurs to develop on.

THE CHARACTERISTICS OF INDIAN MEDIA MARKET

- The M&E sector in India may be divided into 10 sectors - broadcasting, TV, online gaming, animation and VFX, out of home (OOH), music, Digital Media, live events, cinema and print.



- Increased revenue and shifting lifestyles have resulted in greater demand for media and leisure services. The demand also rose with higher rural penetration and a quickly rising youthful population along with greater 3G, 4G and mobile devices use.
- By implementing numerous measures such as digitalizing cable distribution and facilitating institutional financing for the business, the Government of India encouraged industry expansion.
- The FDI limit in this industry has grown from 74% to 100%. The FDI ceiling is 30%. There are also nothing but news and current events which prohibit foreign investments for up-and-down links of television networks. During April 2000 to March 2020, the FDI inflow in information and broadcasting amounted to USD 9.2 billion.
- The FDI ceiling has also been increased from 26 percent to 49 percent for radio including private FM stations. Private providers may own several city channels, subject to a 40% maximum of total city channels. All India Radio's news bulletins may also be carried by private players.
- In print media, up to 26 percent of FDI investments are permitted in newspapers, journals and Indian versions published by foreign magazines. In scientific and technical magazines, journals and periodicals FDI investments of up to 100% are authorised.

IMPACT OF PANDEMIC ON MEDIA MARKETS

Because the epidemic, media consumption – TV, digital and gaming – has noticeably increased, in particular since many stayed at home due to the lockdown. However, the monetization of this trend in future might be problematic, given that most of the revenues of the media and entertainment business in India are derived from other companies' advertising spending.

The recessions might thus have a knock-on impact for FMCG, finance, automobile and e-commerce. Due to several causes, including cancellations of large events like IPL, repeat television material, and slowdown, the Indian Broadcasting Foundation reports that advertising is down by over 50 per cent.

With a stronger emphasis on the monetization of a developing digital business model, however, retail advertising growth is predicted due to reasons such as the growing popularity of the country in e-commerce and domestic firms testing water. A potentially profitable objective is also the rural region.

Digital will prove to be a dominant force in the future and the highest publicity spending in all media positions is predicted to be achieved. Indian commercial income is predicted to rise from 9.4 billion dollars in FY18 at 15.2 percent to 18.4 billion dollars in FY23.



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During FY18 and FY23, the Indian cinema industry is predicted to expand at a CAGR of 7.6% and reach US\$ 3.4 billion in FY23. To boost the business, the government negotiated co-producing treaties for the exportation of the cinema industry with other nations like as Italy, Brazil, the United Kingdom and Germany. In addition, in 2001 the government awarded the section 'industry' status enabling easier access to institutional financing.

In order to create a consistent rate system across all states and to lower the tax on goods and services, the government also has incorporated an entertainment tax in the Goods and Services Tax (GST).

The Indian animation and VFX sector would rise by 15.5 percent to \$2.3 billion in 2014, compared with \$1.2 billion in the financial year 19. This category would be helped by development in foreign animation films, in particular 3D projects and subsequent work for Indian production facilities.

The radio business in India is anticipated to expand at 10.2% percent CAGR and would reach 628 million US dollars in 2003-23, up from 402 million US dollars in 2012. The segment is going to be stimulated by Phase III of e-auctions for FM radio licences. Another arena in which rapid development might occur is radio advertising.

ISSUES AND CHALLENGES FACE BY INDIAN MEDIA & ENTERTAINMENT INDUSTRY

- Despite the expansion of the conventional media, the long-term growth of changes in consumer preferences will be impeded as a result of urbanisation. These include the use of "TV on the move."
- Developing a strategy for considerable income growth will be a problem since it will need to change present buildings and increase innovation. Even changes in the behaviour of consumers, which are higher in subscription-based models and one-off sales of material, threaten to lower publicity revenues.
- OTT platforms are faced with fragmentation problems. Most Indian viewers still use a model that is free or ad-supported. In addition, OTT reliably relies significantly on broadband connectivity, which remains in its country's growth.
- Film and TV piracy online in India is prevalent, and preventative technology investments need to be made strong in order to monitor it.

THE SUPREMACY OF THE ENGLISH CORPORATE MEDIA

The next inquiry is about the patterns of ownership. At some moment, a particular sort of idealistic public-spirited person was about to launch newspapers to some great leader. The Birlas, the Goenkas and many others, led by Gandhi, Nehru, Patel and JP to acts of generosity, were seen as such. As India turns 71 years into a democracy, this version has become, for good reason, primarily sentimental, illogical and inexact to our kids. We can promote India as the second largest democracy in the world, but the fact is that we still have a fledgling democracy which is able to stand at our feet and protect the liberties that our Constitution promises. Our media are today owned and sponsored more or less completely by large corporate companies with various business objectives. Moreover, the upper caste and the upper classes gain from most businesses with media properties.

The leadership structure of the media businesses remains women and the vernacular deficiency are centred on English, including those with numerous stunningly successful vernacular journals. We may be a country that communicates in several languages, however the storey of two cities resides in our media: one rich, the other destitute. One resides on huge metres and houses strangely termed 'national daily' English language newspapers, even though they are purchased by fewer than 10 per cent of customers. The other city which has a majority of customers, consists on the basis of regional languages of small towns and rural areas. The second absorbs 90% of media content, mostly in Hindi, in Indian languages.

CONTRIBUTION OF MEDIA INDUSTRY IN INDIAN ECONOMY





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India has a vast broadcasting and distribution business with about 800 satellite television stations. There are 6,000 multi-system operators, about 60,000 local cable operators, 7 DTH operators and a number of IPTV services providers inside the distribution network.

As at March 2018, India has 118,239 newsletters, of which 17,573 were newspapers and 100,666 were newsletters.

In 2021-22, it is predicted that the 5G spectrum band will begin.

By 2024, television will make up 40% of the Indian media sector, 13% of print, 12% of digital ads, 9% of cinema and 8% of all sectors of OTT and Gaming.

More than a billion people should reach the path for the country's digital transformation in 2028.

The media & entertainment sector is anticipated to reach 39 billion dollars by 2024 and 9 per cent of CAGR (2019-24)

In India the general internet video market is estimated that in the following five years, the CAGR would rise by 26% between 2020 and 2025, reaching \$4.5 billion.

Costs in OTT content might rise by 18% between 2020 and 2025, reaching \$1.6 billion.

India possesses the biggest market potential in the world and its growth rate is set to rise to 6th largest OTT video sales in 2024 and overtakes South Korea, Germany and Australia

80% of income is generated by the online gaming segment, and a further 100 million smartphones will continue to expand in this category by 2022 with an additional 100 million and 2G and 3G connections continuously transformed into 4G.

Total pay-TV customers are expected to increase to 134 million from 127 million by 2025 by 2020.

In India the degree of interest and enthusiasm in other markets worldwide is witnessed through eSports. This rise is driven by a massive thousand-year fandom, together with the affordability of eSports streams and better internet speed.

CONCLUSION

India has led the growth in the past five years among major economies including emerging and developing markets (EMDEs). Increased per capita earnings stimulate increase in consumption, particularly in entertainment and media industries. In supporting the media and entertainment industry, the government has played an active part in several initiatives aiming at promoting digitalization, including the construction of digital communication infrastructure. The government plans to undertake 5G spectrum auctions in 2020-213 with the goal of introducing next generation technologies. 5G-based technology would contribute to achieving its goal of Digital India, according to the government. The economic effects are expected to be US\$1 trillion by 2035, with the introduction of 5G technology. Some of the other major government efforts are listed here.

The New Press Three key aspects drive consumer media preferences: mobility, portability and news personalization. The old credible information environment in which the value of a product was pushed by professionally educated, experienced media professionals, in which news transmission was a lengthy effort to collect and verify data carefully before it was made public is dead. Thus, in the new business models for marketed mobile social websites, smart phones and social media, the individual consumers are first creating narrow axes whose tastes they have evaluated by means of data that have been accessed through questionable means and are subsequently driving them in a direction that favours market forces and profitability.

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