

A Remarkable Evolution of Over-the-top Media Platforms in India: A Case Study of Business and Regulatory Trends

Pankaj Thakur*

Department of Business Management,
University of Horticulture and Forestry,
Nauni Solan HP-173230, India

Abstract

The Indian film and entertainment industry has shown a shift from conventional TV and big screen to Over-the-top media platforms. These platforms provide ease of access to stream anytime anywhere over the internet. With this study the researcher explored the remarkable evolution of these OTT platforms in India. To critically examine the study, the reasons of popularization of these platforms in Indian audiences were explored. As these platforms also have to face the criticism for showing inappropriate content, the researcher put insight into the regulatory changes made by the Government. The study implied that the evolution of OTT platforms started in 2008 with the launch of BIGFlix. A huge rise in consumer base had shown due to increased internet and smartphone base after 2015. The quality and creative content, youth-oriented population and lockdown due to COVID were the main reason of popularization of OTT platforms. The Government suggested self-classifying of the content and three-Tier mechanism to handle the grievances associated with these media platforms. The researcher adopted exploratory research design to have insights into the study. The secondary data from various news articles, blogs, reports, quality research papers were analyzed.

Keywords: Over-the-top media Platforms; Remarkable; Popularization; Three tier mechanism; COVID; exploratory; grievances; evolution; self-classifying; insights

*Corresponding author:

Pankaj Thakur

✉ pankajthakur1290@gmail.com

Tel: 7590088925

Department of Business Management,
University of Horticulture and Forestry,
Nauni Solan HP-173230, India

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Introduction

The recent trends in film and entertainment industry, is the evolution of Over-The-Top (OTT) media platforms that allow the users to stream the audio and video contents online. The OTT platforms shows a huge growth potential by providing users access to Special and Latest Movies, Web Series, Songs, Short movies, Documentaries, Live Streaming of TV shows and Cricket Matches, Live NEWS and most importantly the original contents from the side of the providers streamed over the internet. Netflix, Disney+ Hot star, Amazon Prime Video, Zee 5, Voot, AltBalaji, Sony Live and MX Player are the common and most widely used Video OTT platforms, while as Amazon Prime Music, Gaana, Spotify and Jio Saavan are trending as the audio OTT Platforms. As India is one of the biggest and diversified markets, these platforms offer their licensed content in various regional languages at affordable price. The contents of various platforms can be accessed from mobile phones, smart TVs, Laptops and Personal computers anywhere within the reach of internet. According to IBEF Knowledge Centre [1]. There has been an increase in the paid users/subscribers of OTT from 22.2 million to 29.0 million between March and July 2020

at the high rate of 30%. It has been also estimated that customer base will show a remarkable increase to more than 500+ million subscribers by 2023. India is second largest smartphone market in the world and the number of internet users are increasing day by day. The COVID 19 came as a power booster to OTT market in India as all of the cinema hall were closed during the period and large number of people shifted to OTT platforms.

Objectives of the study

Keeping this Background in view, the present study was undertaken with below listed specific objectives:

- Exploring the evolution of Over-The-Top platforms in India
- To explore the reasons of popularization and business growth of these platforms over the years.
- To have the insight into the regulatory changes made.

Methodology

The exploratory research design of study mainly focused on India, which has shown a remarkable rise in the base of users of OTT in

the recent years. The paper based on thematic and theoretical approach. This is fundamentally because it relies on secondary data taken from various published articles, Journals, websites and Reports.

Evolution of OTT platforms in India

The first recognized and dependent OTT platform of India was BIGFlix. It was launched by Reliance entertainment in 2008 with motive to harness the growing needs of digital market of India [2]. BIGFlix offered 2000 HD movies in nine Indian languages which were Punjabi, Hindi, Telugu, Malayalam, Gujarati, Marathi, Bhojpuri and Bengali.

India's first OTT mobile app nexGTV launched by Digivive in 2010, which provides access to both live TV and on-demand content. NexGTV was the first app to live stream Indian Premier League matches on smart phones and did so during 2013 and 2014. The OTT market upto 2013 showed a slow pace growth.

The significant growth in OTT market started in year around 2013, when Ditto TV and Sony live were launched to capture the rising demand of the users. The platform of Zee Entertainment Enterprises Limited (ZEE) "Ditto TV" was a video on demand platform containing shows across all media channels including Star, Sony, Viacom, ZEE etc. Ditto TV launched in 2012 and provided its services across the globe in all international markets like United States, United Kingdom, United Arab Emirates, New Zealand, Australia and others. The service was integrated with ZEE 5 on 15 Feb 2018. Whereas SonyLiv was launched on 23rd January 2013 [3]. Indian general entertainment video on demand service platform "SonyLiv" is a part of the network of television

Channels owned by Sony pictures Networks India Pvt. Ltd. in India.

Netflix that has been launched in 2016 in India is also a one of the popular streaming service providers. It is an American company headquartered at Los Gatos, California. It offers variety of award-winning TV shows, movies, documentaries and Netflix originals. The best TV shows and web series liked by Indian audience are Sacred Games, Delhi Crimes, Stranger Things, Lust Stories, Ludo, Mismatched, Lucifer, Friends, Iron Fist, Extraction and Walking Dead etc. The monthly subscription plans start from 199 to 799 rupees. The company has shown an aggressive presence in Indian market with three forms of subscription plans i. e., Basic, Standard HD and Premium Ultra HD.

Amazon Prime video simply known as Prime video is also an American based video on demand over the top streaming company of Amazon. com. It was launched in India on 26th of July, 2016 in Bengaluru. At starting it offered 60 days free trial to its customers to be friendly with its services. The web series Mirzapur (session 1 and session 2) were the most awaited and liked shows of all time by Indian audience. Along with it the best Amazon originals series liked by the Indian subscribers were Panchayat, Bandis Bandit, Inside Edge, Breathe, Paatal Lok, Jack Ryan, Made in Heaven and Laakhon Main Ek. The amazon originals Paatal Lok won Film fare OTT award in 2020 for the "best Web series" and "The Family Man" won the best series critics award. We can be a member with rupees 129 monthly and we can go with rupees

999 plan for annually. Amazon Prime offers variety of TV shows, movies in various genres and also having a kid section.

Hot star owned and operated by Star India was launched in India on 11th of February 2015. At that time, it had acquired the streaming rights of Indian Premier League. Star and Hot star both were acquired by The Walt Disney Company in 2019 and rebranded as Disney+Hotstar on 3rd April 2020. At present, it comes with VIP and Premium subscription plans. You can have the VIP subscription for 399/year and Premium subscription for 1499/year. Combining with Disney has an advantage as in India there is a huge fan following for Marvel movie series. Disney+Hotstar offer unlimited live sports programs, hot star specials, Star serials before TV, Multiplex and New Indian Movies, English shows and Disney + originals. The Falcon and the Winter Soldier, whose first show came in 19th March, had a huge response from the Indian audience.

Along with these major players in OTT market, ALT Balaji, JioCinema, Voot, and MX Player have a remarkable presence in Indian Market. They all have been launched between 2016 to 2019. Bhaukaal, Ek This Begam, Raktanchal and Aashram are the most liked web series on MX Player has a free subscription. Voot also allows 24 hours access to live streaming of Big Boss favorite Indian TV show. All these OTT platforms increased the demand of quality and customer friendly content. OTT has provided a global platform to showcase the talent in various parts of the world around.

Reasons of popularization

OTT platforms has brought a digital revolution in the media and entertainment industry to deliver the quality and diversified content. They are providing a momentum to covering the huge audiences across the world. The reasons of popularizations of these platforms are listed below.

Increased Internet and Smartphone Base

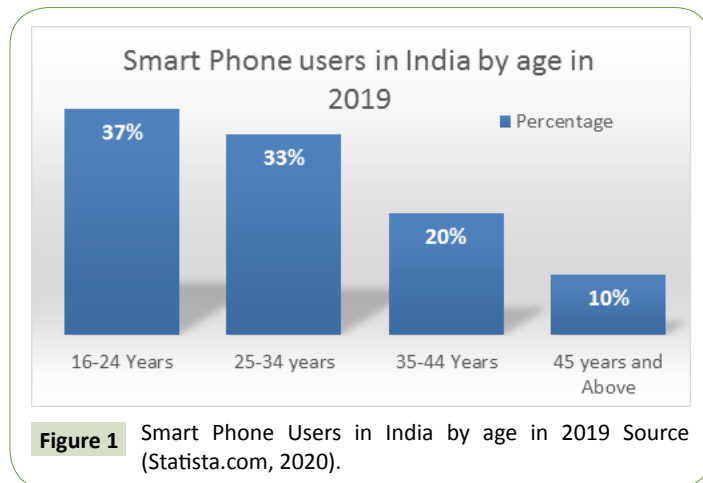
The growth in the customer base of smartphone users had started in 2015. The shift from 2G and 3G to 4G was the big reason for increasing the internet usage base in rural and urban areas of India. The internet user base exceeded the 500 million mark in 2019 and it is estimated that the user of internet enabled smartphones will be around 830 million by 2020 [4].

It has been generalized that 97 per cent of internet users in India prefers mobile phone for its use. The local manufacturing of smart phones and huge competition among various brands leaded to reduced price of smart phones. Large numbers of brands like Xiaomi, Samsung, Vivo, Oppo, One Plus and Redmi have entered the market and provided a varied choice to the users at affordable cost. Rural India is also a great contributor of increasing demand of smartphones.

Youth oriented population

Youth is the backbone and future of any country. In terms of India, It is home to the largest population of youth in the world. The National Youth Policy of India 2014 defines youth in the country as persons belonging in the age group 15-29 years. The youth constitute 28% of the total population [5].

As shown in figure 1.1 below, 70% of people of age group 16 to 34 years are the main users of smart phones in 2019 as per the survey conducted by the mobile ecosystem forum from Nov to Dec 2019 [6] (**Figure 1**).



That inclination of youth towards smartphones and behavioral shift from conventional TV shows to diversified content on OTT platforms made it possible in increased number of subscribers.

COVID as a power booster

Covid 19 truly acted as the power booster for OTT sector. Due to Lockdowns, people have stayed at home. Many of employees from different organizations allowed to work from their homes. Even the big screens were closed as they caused huge gatherings. First time lockdown was imposed on Month of March 2020 in India and after that all the states independently imposed lockdowns to reduce down the cases in their particular states. Due to all these changes people become habitual to the new platforms of entertainment and subscription rates of OTT platforms risen up. Growing content availability on OTTs (32.1%) and lack of any other entertainment sources (28.3%) were the primary reasons for increased OTT screen time. 87 per cent of the people found that their screen time went up due to COVID [7].

Content

Content of OTT platforms distinguished them from content shown on TVs. The content is exhaustively made with efforts of big production houses and their creative teams. New stories that come up as Web Series hold people interest strongly. Once you started watching a show or a web series, you will end up by watching all the episodes together in one day. People waited long to watch their favourite shows and Web Series. Also, the youth have diverted to watch the content of OTT platforms rather than conventional content of TVs.

Regulatory changes

Despite their huge popularity, OTT platforms have also faced huge criticism for sharing sensitive and misleading content. Pornography and nudity were common among these platforms as there was no regulatory control on them. Number of cases has been filed for the content that threatens or disrespect to the sovereignty of India, promote terrorism and engage children in

crime. The content that has been broadcasted in these platforms though in violation of various laws of the nation is still under supreme courts observation. OTT content has thus far been free from regulatory controls than film or TV content as these platforms are considered as intermediaries as per Information technology Act 2011. Government cannot exercise jurisdiction over them. However, looking into various matters associated with violation of laws of the country, Government of India issued some set of IT rules to monitor these Platforms.

Information Technology minister Mr. Ravi Shankar Prasad and Information and Broadcasting minister Mr. Prakash Javadekar in a joint consultation brought a detailed guideline for OTT Platforms under Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rule 2021 [8].

The new rules designed by the Government laid down the foundation of below listed two important rules.

- One is the self-classification of content
- And other is three tier mechanisms for grievance redressed.

The content has to be classified into five categories that are based on age of the user. This classification comes as U (For Universal), A (Adult), U/A 7+ (for users more than 7 years of age), U/A 13+ (for users more than 13 years of age) and U/A+16 (for users more than 16 years of age). All the major players have implemented this rule of classifying the content on bases of age.

Three tier mechanism established by the Government put some bars on freedom of OTT players. In first tier self-regulation has to establish at individual platform level. The publisher has to appoint Grievance Redressed Officer based in India. If any complaint comes, officer has to sort it out within 15 days. If the officer is not able to tackle the complaint within time, case is referred to the second tier of mechanism. In this tier a self-regulatory body is established by collective efforts of OTT players. This body has censoring power in hand in case of any complaint. As per the rule, this body will be headed by retired judge of Supreme Court, high court, or an independent eminent person from the field of media, broadcasting, entertainment, child rights, human rights or other relevant fields. The highest powers reside in inter-ministerial committee which comes in third tier and act as oversight mechanism.

Conclusion

India is one of the biggest potential markets for the OTT platforms in term of quantity and quality. The study examined that the remarkable evolution of OTT sectors started in 2008 with launch of BIGFlix by reliance entertainment in India. The market moved at a slow pace up to 2014. It was 2016, when two big players Disney+Hotstar and Amazon Prime video were launched in 2016 in India. These two along with Netflix were mostly viewed by Indian audiences.

Study from various literatures concluded that, increased smartphone and internet base in India after 2015, youth-oriented population and diversified content were the main reason of popularization of OTT platforms in India. It was also

clear that COVID came as a power booster to the sector and a rise in subscription had been shown due to it.

OTT platforms needed to act on the regulatory guidelines of the Government. Government provided a guideline to form the three-tier grievance redressed mechanism and self-classification of content as per the age of users. These regulations put bars on the freedom of OTT players as large number of complaints were addressed in previous years.

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Area for Further Research

1. Study of impact of OTT platforms in youth in terms of usage of their time
2. Study the patterns of using OTT platforms on Television
3. Study of impact on conventional TV market.
4. Study on reduced preference of study material due to more time on mobile in younger generation.
5. Study the usage pattern by users above 40 years of age in India.

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