

DIGITAL CONTENT CONSUMPTION SCENARIO IN INDIA

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Abstract— Digital Content Consumption has become inevitable with the consumers behaviour, companies that do not consider this fact are in danger of becoming obsolete. Today, consumers want original, high quality content and less willing to pay for packages offering programmes which they will not watch. They like to view content whenever, wherever and in the format that best suits their needs. More than ever before, they are prepared to leave providers who don't satisfy these requirements. Social media has become the centre for the millennial that offer viral growth opportunities. As such digital content consumption habits are changing ever faster worldwide. Social media and mobility have transformed communication forever, resetting customer expectations and shaking up the business models of wireless carriers and other ecosystem players. A similar development is being seen in the media and entertainment industry. As the likes of Uber and Airbnb redene the concept of on-demand access to services in this hyperconnected digital era, consumers want access to personalized content anytime, anywhere. As a result, the entire media and entertainment value chain, spanning content creation, aggregation and distribution, is undergoing unprecedented changes in this direct-to-consumer (D2C) world. Spearheading this radical change are the Internet-driven, over-the-top (OTT) video platforms that deliver film and television content, bypassing the conventional distribution streams of cable and satellite TV.

Keywords— *Content Consumption, Media and Entertainment, E-Celebs, Facebook teens*

I. INTRODUCTION

The growth of Indian digital media sector is expected to reach INR 20,000 cores by 2020. India has large and growing millennial population-young, tech-savvy consumers with rising earnings and disposable income. This demography is an early adopter of new technology and models of media consumption. Therefore, India is one of the best markets for digital media investments. Inexpensive Smartphones and the 4G broadband infrastructure also accelerate the digital media consumption. Market research firm eMarketer reports that, Media consumption through devices like smartphones, tablets and PCs among adults in India is expected to more than double from five years ago. Indian adults will spend nearly 1 hour, 24 minutes per day with digital devices in 2018, largely with smartphones. Smartphone usage has raised in India due to increased connectivity in rural areas, coupled with cheaper data plans. Overall, the share of media consumption over

digital mediums is expected to reach 30.8% by 2018, compared to just 17.9% in 2013. eMarketer, however, pointed out that although digital media usage is growing in India, traditional media consumption will continue to lead media consumption in the country. Television will occupy 56.9% share of total media consumption among the adult population in India, accounting for 2 hours, 36 minutes daily. Among the TV viewing population in India, the average time spent on watching TV will reach 3 hours, 33 minutes in 2018, according to eMarketer estimates. eMarketer report also said that the Share of print media consumption was estimated to fall to 6.6% by 2018, from a higher share of 8.3% in 2013. The share of radio consumption would also drop to 5.6% in 2018, from a higher 6.1% share in 2013. Overall Indians will spend 4 hours, 34 minutes each day watching, streaming, reading and listening to media in 2018. This is an increase of 20 minutes when compared to 2017 levels and a significant jump from 2 hours, 52 minutes in 2013. By 2020, the total media consumption in India is expected to touch 5 hours, 10 minutes, eMarketer said. This article highlights the scenario created by such a technical impact. Following major trends are identified that speaks about the scenario of digital content consumption.

Content for the Individual

India will become one of the largest Smartphone economies in the world, with the expectation of 520 mn smartphone penetration by 2020. Broadband penetration will increase from 14% to 40% by 2020. The rapidity of connected devices and broadband connectivity will lead to media consumption through digital mediums. This increase in digital consumption will help media conglomerates drive consumer aggregation. Though there will not be immediate impact on TV viewership, there will be an increase in the time spent online. Significant increase is expected in different formats of media consumption online across episodes, films, shortform content, news, games, social interaction and education. The basic requirements have now shifted from "Roti, Kapda, makaan" to "Roti, Kapda, Escapism. This use of smaller devices will fuel "personal escapism" as opposed to "Group Escapism" and this is expected to increase content consumption many fold as well as change the type of content consumer.

Size of the Content Breaks

While earlier, content was created to suit appointment viewing and so content was created in multiple of 30 Minutes. This parameter was not required with the advent of on-demand viewing. Short form and Snackable content is mainly driving

the growth in consumption of digital media and is very popular among the younger audience. Consumer show increased preference towards short form content; as the average length of video watched in India is less than 20 minutes. In addition, 62% of the content consumption on YouTube is short form content. This trend directs the content producers like Eros International and Stars to focus on Snackable Content. It has created a huge opportunity for storytelling to be optimized from a story point of view and not its length. This can be seen in the content created by the digital media companies like AIB, TVF, Ping, YoBoHo, Culture Machine and many others.

Wide Consumption of Content

Patterns of content consumption have changed. Currently, the television serves as the primary screen and other screens like tablet, phatlet or mobile are secondary screens. We are entering an era where all screens will work together. They will come in a wide range of sizes. Soon, size won't matter. This has much implication on the media companies. Firstly, TV, films and print companies have to convert their content on digital formats. Secondly, as all content does not always work on digital format and there are different content types to be created to address the digital Indian. Thirdly, existing companies will face competition from any company creating content with respect to speed, distribution and alliances.

Evolving Behaviour of Rural consumers

Another growth in India's internet usage is from Tier II and Tier III cities where wireless mobile internet plays a vital role. It helps the growth of vernacular and regional language content. This percentage will increase further with the growth of internet users. This growth is increased by availability of Low-cost Smart phones, Low-rate of data plans and development of small cities in rural areas. The preference of Indian consumers towards vernacular and local language content is constantly increasing with 93% of the time spent on ideas in Hindi and other regional languages. Digital content producers can capture the next set of audience by producing vernacular content.

Increase in the Earning Population

India's earning population (above 25 years of age) is expected to grow from 40% to 55% - 60% by 2020. The increasing growth of mobile phones will also increase the number of transactions till 2020. This increase in the earning population will lead to a growth in spending on M & E.

Creating New Communities

Mass content will evolve to suit the new market needs with the increase in individual content consumption and ability to unicast content, we can expect the focus moving from only mass products to mass & niche communities. Communities like kids, youth, professionals etc can be focussed on one side and on the other side communities around sports, wellness, music, dance, biking, automobiles, motherhood, running etc can be created. The monetisation capabilities increase when

communities are created and the media companies move towards this direction to make transactions meet the varied needs of communities, apart from just content. For example, A music community cannot just provide music, but also related news, content tickets, merchandise, "meet the stars" events etc.

Focus on Regional E-Celebrities

The growth of digital platforms also give rise to the phenomena of 'e-Celebs'. Several such e-Celebs have gained mass popularity nationally and internationally on YouTube and other such digital platforms. The cost of creating e-Celebs is much smaller. The digital platform analyse performance and support creation of such talent. Globally, e-Celebs such as Pew, Michelle Phan and Casey have created their own content areas in the fields of Gaming, Make-up and Fitness respectively. Marketers are actively tying up with these celebrities to push up their growing popularity and promote product and service offerings and thereby increasing brand awareness. For instance, PewDiePie has over 40 million subscribers on YouTube, which he leverages to promote indie games. Casey Ho has set up her YouTube channel as Blogilates (fitness based channel) and has created an e-commerce business around the YouTube channel.

With the growing influence of similar home-grown celebrities in India, it is expected that such talent would be partnered extensively by content and brand players to build offerings for consumers on different digital platforms. Successful e-celebs can then be ported across media and given shows online, on TV and other media.

Increase in Digital Gaming

The Indian gaming industry has been a dynamic and evolving industry. Increase in the number of mobile internet users, smartphones and tablets in India, would cause mobiles as the one of the most important platforms in gaming, capturing 54% share of the total Indian gaming market by 2020. Mobile gaming would grow due to the easy access to smartphones, increased mobile internet usage, increase in number of tablets used and increase in individual escapism. Due to large availability of free-to-play games through app stores and mobile carriers, casual gamers get large interest in the market. There are a large number of games in the market suitable to different segments of casual gamers such as Arcade, Adventure, Strategy, Racing, Card etc. Moreover, app stores launched in vernacular languages would drive exponential growth of mobile games by dedicated focus from game developers and publishers. India has huge opportunity to become a large game development, game porting and dubbing centre with its relatively low cost base and affinity to multi-language and multi format production capabilities.

Less Checking on E-Mail

More consumers are holding off on checking E-Mail until they get to work, to achieve better work life balance. They declare a moratorium on checking E-Mail after work. Adobe survey found people spent 27% less time checking E-Mail 2017

versus 2016. Just because of less E-Mail usage it doesn't mean they do not like it, especially for pursuing marketing message. The survey said, 61% of the people prefer to get messages through E-Mail rather than the alternatives such as Direct Mail, a Brand's Mobile App and Social Media. E-mail offers the best ROI of any marketing channel and lowest cost-per-acquisition at \$10.32, per the Data & Marketing Association.

Tuning Out Facebook by Teens

Facebook reported in its Q₂ earning, that it had 1.47 billion daily active users, short of its projected 1.48 billion users. The company's users in the USA are also falling down. A recent Pew Research Centre survey indicated 51% of teens 13 to 17 years old used facebook is 20 % down from a similar survey in 2014 to 2015. But 72% of those teens, who represent Generation Z, said they were on facebook-owned Instagrams. This move suggests how younger users are favouring newer and more visual communication platforms, according to eMarketer forecasting analyst Oscar Orozco. Understanding their performance is a huge deal, consisting GenZ, the largest generation of consumers and accounts for \$143 billion in buying power, according to Joe Cardador, VP of consumer intelligence at Barkley.

Older Americans move towards Mobile News

There are some interesting trends among older adults as well. Pew Research found 67% of consumers over 65 years get their news on a mobile device. That is 24% up from 2016 and is three times the share in 2013. 79% of those 50 to 64 years get news on mobile, which is double the share from 2013.

Smart Speakers on behalf of Consumers

With a compound annual growth rate of 47.9%, smart speakers are the fastest growing tech product since the smart phone. Juniper Research found that by 2022, 55% of US households will have atleast one smart speaker in their home. Looking ahead, smart speakers are prepared to become smarter with the ability to handle more complex line of questioning and even make calls and appointments on a consumer's behalf.

Expeditious Cord Cutting

According to eMarketer, 50 million people are expected to drop their cable or satellite subscription by 2021. That's 10 million more than the researchers had previously estimated. Cord cutting makes increasing sense as more programming becomes available in this format and original programming from Hulu, Netflix and Amazon achieves parity with network TV content. Research also shows consumers save \$85 a month by cutting the cord.

TV Preference for Live Programming

The world cup made broadcast viewing record of England and Croatia which get into semi-finals and finals respectively. 10% to 20% of viewing took place online. But public viewing

in bars and restaurants reveal that consumers still prefer to gather around the TV set for big-live events.

Augmented Reality will grow – Fast

According to a report from Digi-Capital, augmented reality will be faster than previous anticipation. AR (both mobile AR and Smartphones) will reach \$85 billion to \$ 90 billion by 2022. That growth will be influenced by the wide distribution of standardised platforms and APIs for AR via Apple's ARkit for iPhones and Google's ARCore for Android devices. More attention is paid on the content than the devices. In June, Adobe announced collaboration with Apple and Pixar on the "usdz" AR file format, which will be supported by creative cloud Apps and Services, enabling Photoshop users to tweak and modify AR imagery. According to Andy Yost, CMO at USA today network, AR is the next evolution developed upon video's success, for both consumers and advertisers who look for interactive platforms to connect with consumers. From facebook messages to smart TVs to voice platforms such as Amazon's Alexa, digital technology has developed many choices for people to find, consume and share content. It is a triumph for brands who want to meet their customers wherever they are. They are expert with digital technology and demand excellent experiences across all touch points including emerging channels and platforms.

II. CONCLUSION

M & E companies need to do more than react to today's trends. They need to be able to see emerging trends that will dictate the future of content and how they will impact established business models for ad-supported, subscription and pay-per-use content monetisation. At a foundation level, the above mentioned trends will require M & E companies and content providers to develop much richer relationships with audiences. To develop these relationships, the affected M & E industry players have to invest in the technologies for analysing audience data, deliver deeper engagement with advertising and prove increased value to brands. Most importantly, they have to offer a deeper engagement with the content experience itself so that viewers will choose to directly pay for content streaming services or ownership. Also, they have to plan and execute strategies that adapt their supply chains, customer experiences, and analytics platforms to address these trends. Digital disruption is here, but the opportunity is significant.

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