

# The digital content economy is poised to see the exponential growth in next 3-4 years

## *Digital content specialists outlined the future of India's digital economy at Fast Track India conference*

**MUMBAI, July 27, 2016:** Senior executives from the India's motion picture and digital industries concluded that accessibility; affordability, quality content and online content protection will be the key drivers to sustain growth in India's digital economy.

*Fast Track India: Bolstering Growth in the Digital Content Economy*, a Knowledge Series forum by the Federation of Indian Chambers of Commerce (FICCI) in association with the Los Angeles India Film Council (LAIFC), assessed the extent to which screen content acts as a key driver of the digital economy in India. Creative industry executives assessed the current regulatory and infrastructural challenges, reviewed future growth trends and underlined innovative ways of monetizing digital content to stimulate growth in India's digital economy.

At the opening of the forum, noted filmmaker and Co-chair, FICCI, Entertainment division, Mr. Ramesh Sippy highlighted that increased connectivity, technological innovation and new content delivery platforms all combine to spur growth. The role of the Government is pivotal to enabling legitimate content delivery platforms to protect and monetize their content in order to achieve their full potential in a rapidly changing marketplace, Mr Sippy said.

India is the second largest Internet user market in the world with an accelerating 40% Internet growth rate. Further; Digital India has the potential to create opportunities for businesses, promote innovation and create jobs. Currently, the Indian M&E sector is at the tipping point for online businesses to provide for a multitude of options to consumers. However online content theft, varying levels of broadband access and affordability in terms of data tariffs continue to present challenges for providers to deliver value to consumers. These factors will have a significant impact on how digital media evolves in the future.

The first panel *Making Sense of the Economics of Digital Media* featured a keynote presentation by KPMG India's Mr. Girish Menon, Director- Transaction Services said, "The advent of the OTT services and on-the-go content aided with competitive tariffs and falling average retail price of smartphones has helped to drive video consumption in India. However, profitability still continues to be a major challenge coupled with infrastructure and affordability of data tariffs and payments models. It is imperative for the OTT players to address these concerns through innovative means to achieve the medium's full potential."

Speaking about the future of OTT content services, Mr. Ajay Chako Co-Founder & CEO, Arre said, "As in the case of broadcast TV in India, the relatively infant digital content economy is showing signs of secular, organic growth driven by an increasingly young India. We already have more than 120 million consumers of digital content. As with every paradigm shift, audience shifts will be followed by a shift in advertiser preferences and finally consumer monetization. So I am quite hopeful that the digital content economy will see the exponential growth that has been witnessed in the 2000-2010 decade in TV, in the next 3-5 years. I am happy that FICCI and the LA India Film Council have identified this important shift in paradigm in the new content economy."

At the second panel on *Regulatory and Infrastructural Challenges for Digital Media*, Mr. Abhishek Joshi, Head – Marketing & Analytics, Digital Business, Set India said, “The OTT industry has graduated from the innovators stage to the early adopters stage within the innovation diffusion curve, based on distinguished product strategies by players in the market. However to cross the chasm to gain the majority market, policy makers will have to play a very big role. Infrastructure and regulatory policies are going to be the biggest differentiators for industry growth for the next 18 months.”

Ms. Archana Anand, Business Head, dittoTV said, “In light of the accelerated digital media consumption across the country, it is wonderful that FICCI and the LA India Film Council provides this much needed platform to discuss the market potential of this space and the innovations and challenges thereof.”

At the third panel on *Building a Robust Enforcement Model to Protect Content In a Digital Economy*, Mr. Oliver Walsh, Regional Director, Online Content Protection, Motion Picture Association (MPA) said, “The Indian film and TV industry supports 1.8 million jobs which are at risk because of rising online content theft. The future of legitimate content delivery platforms depends on effective enforcement measures supported by Indian State Governments. The Telangana Intellectual Property Crime Unit (TIPCU) is a great example of a dedicated law enforcement unit to tackle organized online film piracy and will set a gold standard approach to significantly reduce online infringement of films and television shows. I hope it is the first of many such enforcement units across India.”

Mr. Rajkumar Akella, Honorary Chairman, Governing Council, Anti Video Piracy Cell, Telugu Film Chamber of Commerce said, “As we have seen innovation diffusion curve, based on distinguished product strategies by players in the market. However to cross the chasm to gain the majority market, policy makers will have to play a very big role. Infrastructure and regulatory policies are going to be the biggest differentiators for industry growth for the next 18 months.”

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Mr. Rajkumar Akella, Honorary Chairman, Governing Council, Anti Video Piracy Cell, Telugu Film Chamber of Commerce said, “As we have been witnessing in recent days, the problem of online piracy is most urgent. The greatest threat now has become the pre - movie release leakages. Without real time interventions from the Government and Industry, it will go out of control. In this scenario, the latest initiative - TIPCU (Telangana Intellectual Property Crime Unit) by the Government of Telangana, the Telugu Film Industry & the Motion Picture Association, India office, is a very significant step in tackling Movie Piracy, particularly Online Piracy. It is a collaborative, dynamic model, where the Government works seamlessly with the Industry and all stakeholders. The unit will be

making optimum use of Technology besides policy, enforcement and outreach. This is a step in the right direction to root out piracy in India.”

Sharing his thoughts on the future of India’s burgeoning digital market, Mr. Biren Ghose, in his valedictory remarks, said, “Content is assuming new life in the emerging digital economy. Technology enables innovations in imagery that could hitherto neither be produced nor consumed. FICCI and LA India Film Council need to be complimented on encouraging the conversation for the Indian agenda in this space.” Panelists concluded that a combination of government and private initiatives would need to be rolled out to achieve the ambitious goal of a truly Digital India.

Other eminent speakers at the Fast Track India forum included Mr. Vishesh Bhatt - Film Producer; Mr. Karan Bedi - CEO, Eros Digital; Mr. Samir Bangara - CEO, Qyuki Digital Media; Mr. Mayank Shekhar – Author; Mr. Akash Banerji - Head, Marketing & Partnerships, VOOT; Mr. Siddharth Roy - COO, Hungama.com; Mr. Rajeshree Naik - Co-Founder, Ping Networks; Mr. Uday Singh - Managing Director, Motion Picture Association, India office; Mr. Sujeet Jain - General Counsel, Viacom 18; Mr. Anupam Sharma - Director, Film & Casting Temple, Australia.

The forum and networking occasion was held at the Taj Land’s End Hotel, Bandra (W), Mumbai.

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