

Startups Set to Steal the Show on Small Screens

Video-on-demand aggregators prepare for the next big thing in mobile

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Hyderabad | Bengaluru: Snackable content and live scores on his personal screen was an incentive for Ashish, 23, to download the over-the-top (OTT) Android app of a content producer on his smartphone. The large number of users in the 19 to 34 demographic has spurred video-on-demand (VoD) aggregators to fight for real-estate on smartphone.

The entry of Netflix in India in January did not create the expected ripple in the VoD space. However, new launches such as Viacom 18's advertising-led VoD platform VO-OT and Balaji Telefilm's subscription-based VoD platform in July will be a something to watch out for in the OTT space, currently dominated by VC and PE-backed players such as Spuul and others like nexGTV and PressPlay.

"The future of OTT rides solely on telecom infrastructure and the space is still in its infancy. Currently most of the production houses are getting into this because they want to be a part of the conversation, not because they see a large amount of revenue coming from it. The barrier to entry is fairly low," says Jehil Thakkar, partner and head of media and entertainment at KPMG in India.

The popularity of the freemium model in India has seen few sub-



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scription-based VoD platforms do well. "There are 100 million people between ages of 19-34 that players are looking to capture. The aggregators' major cash burn lies in acquiring rights to show content from third-party players. 90% of our revenue would come from a subscription-based model, about 10% from ads," says Sameer Nair, group CEO of Balaji, which plans to target a subscriber base of 4 billion by 2020, globally.

For Sequoia-backed PressPlay, which has re-launched its OTT play with new content partnerships, the ad-based VoD model has worked well for its users. "We have signed on 50 content producers in the last two months for the turn-around. We launched our AVoD platform

two months back and the ads are led by gaming companies, consumer internet startups in the wallet, grocery and hotel space, followed by FMCG which usually dominates the TV ad placements," says Anand Sinha, cofounder of PressPlay.

In case of Sony LIV, the app works on a subscription model for movies while content such as sports are not charged. "People tend to sample content across multiple platforms and we work with other OTT platforms as well to build a viewer base. Sony LIV is pre-installed on Sony and Panasonic phones and we work closely with ecommerce portals and different sites to make it easy for users to sample content," says Uday Sodhi, EVP and head, digital business, Sony Pictures Network.