

# INDIAN POPULAR CULTURE

## Lecture34

### Creative Economy Powering OTTs

Hello everyone, let's discuss the concept of the artistic economy, particularly in relation to OTT platforms, or streaming platforms as they are commonly known. The key question is whether this economy—comprised of art and artistic sincerity—equates to the broader market or not. The OTT market, especially in India, has grown exponentially since its launch, making it a major force in consumption. It's interesting to consider how things have evolved and what the future holds, particularly with speculation about whether the OTT bubble will burst or not.

When we talk about the artistic economy, it is often considered a subset of the creative economy. From creativity or various forms of art such as film, television, radio, and painting, revenue is generated—this is the creative economy. The artistic economy is a smaller part of that. As we've discussed before regarding art versus content, we've seen how art is increasingly being integrated into content through various means. However, at times, art itself isn't even fully considered when the focus is primarily on production. This is leading to new discourses about the evolving role of art in this landscape.

But overall, we need to understand how this artistic economy functions. When we locate it amongst these OTT platforms or streaming platforms. So looking into or focusing on the economic activity generated by these visual art forms that we just discussed. and the Indian creative economy have a symbiotic relationship. So the OTT platforms and the Indian economy has a very symbiotic kind of relationship.

The kind of money or revenue it has generated. This is a sign of that. How OTT platforms are boosting creativity. So if these OTT platforms are boosting creativity, we'll see that it will again Come back to what we call as, the economy, the money that it is producing.

These platforms are where the creators experiment with unconventional content. Contents are something that has never been seen on television. and then they are high-quality original Content like web series, fostering a vibrant creative economy. Global, they are talked about or called to be as global exposure.

They are a launchpad, as we already discussed in content versus art. and they are giving the audience also a lot of global content. Then we have the monetization avenue and according to this monetization avenue, we see that these creators of OTT are offering new avenues to monetize their work. Revenue sharing models have come up and direct subscription also is in a way where they are enhancing what they call as monetizing or monetization of avenues. These creative economy, as they call, are empowering these OTT.

It's all about the numbers. We often hear that "content is king," and it serves as a magnet for rich talent. A key contributing factor is creative professionalism, which acts as the backbone, helping to engage subscribers and keep them hooked—much like the cliffhangers we see in TV series. The content being produced is of high quality, and regional focus is becoming increasingly important.

For example, one series that comes to mind is Rana Naidu. Set in a Telugu backdrop, the show was originally made in Telugu but released in Hindi with subtitles. This show became highly popular, even earning a spot in IMDB's top 10. This highlights how OTT platforms' focus on regional content allows them to reach and cater to a much larger audience.

The success of OTT platforms can also be attributed to the rise of regional content. Regional-based content attracts a wider subscriber base, and if platforms continue to deliver more creative or so-called artistic content, the artistic economy will keep expanding. Shows like Rana Naidu, which is deeply rooted in regional culture, illustrate this well. Other popular shows in regional languages contribute to this growth as well.

Originality is key. I'd like to discuss two aspects of this idea, particularly when we say "originality is king." Original content on OTT platforms is distinct from traditional TV content. To explore this further, let's look at two series that help explain what originality means in this context. One such show is by TVF, titled Very Parivarik. It's a lighthearted comedy with fewer episodes, each uniquely named. The basic storyline revolves around a husband and wife living in the city,

whose lives are changed when the husband's parents move in with them. The show explores how they navigate family dynamics in a humorous way.

But that's not the only striking point. When we discuss series, we see how women have been portrayed. Even women who are middle-aged or the characters who are playing the mother-in-law characters, how have been portrayed to be very intriguing, full of conceit, and deceit. manipulative and how the relationship between a man and a woman is reflected in a way that they counter each other so if a man or a woman says something to a man in these particularly over-dramatized series the woman does not respond because they are taught to not speak in front of their husbands or not to answer back but if the wife answer backs, the counter-reaction to that is maybe the man will slap or shut the door on her face or these kinds of incidences are shown in a highly melodramatized way which also in a way affects or impacts the society or the viewers at large, that this is something very normal, which happens with every day. Now, how you are bringing in these episodes or these events is very important. As compared to Very Parivarik the show, they are staying with their parents. So the equation between the bahu and the So there's this girl who is a very modern woman, very independent, working professional.

There is also a character, a lady who has come from a small town and is now staying with the couple and their children. In one of the episodes, the family attends a party and comes back home feeling exhausted. The focus shifts to the elderly couple—the father-in-law and mother-in-law—who are sitting in the drawing room having a conversation. The father-in-law remarks on how tiring the evening was, and he says, "Put my footwear away, I'm so tired." He adds, almost casually, "If I could get a cup of tea, that would be wonderful."

She looks at him, and while she doesn't shout, it's clear she's furious. She says, "I've been doing these things for you all these years." Then, she adds, perhaps giving an estimate, "Maybe 15,000 times I've made tea for you. Do you ever consider that I might be tired too? I went to the same party you did." The man says nothing, obviously stunned by his wife's words. In the next scene, he's shown carrying a tray with a cup of tea. He walks over to his wife and says, "Now it's 14,990 times."

So in a way, he is beginning his own count to counter that she had been making tea her whole life for him. The kind of arguments that come up and the way this particular series has handled it shows a lot. The audience might not be prepared for this kind of scene, but in a way, it gives them a reference point from where to start—for both men and women, coming back home and equally contributing to each other. If the wife is making tea for the husband, vice versa, the husband can also make tea for the wife. These kinds of relationships, as they are portraying, will also lead to the older generation having some sort of unlearning and learning. These are things very original, which were not there in the TV series that these people are bringing.

Originality is key. It is very minute, people might miss it, but it is there. It is a point where to start—a reference point. The other example is *The Night Manager*.

*The Night Manager* is based on a book called *The Night Manager*, and the first series that came out of this book was developed in Britain. So it is the first original series. *The Night Manager* is British, and then they took the copyright and made it in India.

Set in disturbing times, the historical events they have chosen are very well-placed. In the British version, the series is set during the Egyptian revolution of 2011, when masses took to the streets to revolt against police brutality. It is situated within that revolution. In India, though it is a copy—or as they say, a remake—the way it is situated is interesting. In India, they set it in Dhaka, amidst the Rohingya genocide of 2017. It is quite interesting to see how these two incidents are used. This keeps the originality intact in both the Indian and British contexts.

We move on to the scale of the Indian OTT market. In terms of revenue, as of 2024, it is a \$1.8 billion market with major players like Amazon, Netflix, Disney, and others. A PwC report indicates that the Indian market is growing significantly and is providing a lucrative landscape for both domestic and international players. The introduction of PayLite has made it even easier to access content.

What is PayLite? It is a bulk transaction process that has enabled OTT platforms, especially international ones, to contribute to explosive growth. The market has grown, and it is anticipated that by 2027, the increase will be around 14.32%. In

2003, the Indian OTT market was still growing and has since evolved into a major powerhouse.

They are exponentially growing and shifting consumer paradigms. This shift in consumer paradigms reflects the variety they present, from vernacular content to urban themes, comparing rural and urban perspectives. Every aspect of content and production is noteworthy. Two examples highlight this shifting consumer paradigm and demonstrate how OTT platforms could be considered burgeoning powerhouses.

One show is *Jamtara*, set in a small town in Jharkhand. It depicts a racket where scammers call people, claiming their credit cards are about to be deactivated. To keep their cards active, victims are asked to provide their account or card numbers along with their PIN. Many, especially the elderly, have been scammed this way. The show, named after the town itself, highlights a rural area running a national-level scam.

Another example is *Four More Shots Please!*, which centers on four urban women navigating their lives, dealing with their complexities, anxieties, and desires. These two shows illustrate how shifting consumer paradigms are addressed—one with a vernacular approach that includes foul language and sexual content, and the other with urban, contemporary themes.

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*Jamtara* portrays violence, whereas *Four More Shots Please!* includes visible substance abuse and some sexual content. Despite these differences, both shows highlight the diverse nature of OTT content.

The OTT market was previously valued at an impressive \$1.8 billion, with a subsequent surge of 25.1%, driven by an insatiable appetite for digital content.

This growth indicates that Indian consumers demand more and are not easily satisfied. They require a wide range of content, from vernacular to mainstream.

This surge also reflects a cultural shift, revealing new expectations of Indian culture and consumers. The increasing popularity of Korean dramas, especially among millennials, signifies this cultural shift—a digital revolution reshaping how Indians consume and engage with content in the digital age. For example, *Jamtara* is likely watched by semi-urban people, while *Four More Shots Please!* appeals to urban viewers. Korean dramas attract a broad spectrum, from semi-urban to urban millennials.

The cultural shift is indeed symbolic of a broader transformation. For Indian OTT platforms, there is ample opportunity for content creators, distributors, and investors. When discussing web series, TVF (*The Viral Fever*) will frequently come up. TVF, founded by engineering and IT graduates, is noteworthy, with shows like *Panchayat* featuring lead actors from IITs. The fusion of science, technology, and art in content creation is both surprising and intriguing.

Regional content plays a crucial role. The increasing internet penetration and the advent of 5G technology may bring further changes. Regional content is a significant driver for OTT platforms; without it, their current success might not have been possible. Projections indicate that ad-supported videos on demand could account for 22.3% of OTT revenue by 2027. This model, similar to YouTube's monetized ads, is expected to become a significant revenue stream. How OTT platforms compete with multiplexes will be a key factor to watch.

And why is it important? Because multiplexes are now exploring ways to enhance their services and keep audiences engaged. A key aspect to consider is the type of content people are consuming. OTT platforms offer a diverse range of content, catering to various preferences. Convenience and physical location are two major factors contributing to their appeal.

OTT platforms provide the convenience of watching from anywhere, without the need for specific infrastructure or scheduling. This flexibility contrasts sharply with multiplexes, which are limited by their fixed locations and showtimes.

OTT platforms offer an extensive variety of content and access to a vast library of movies and shows. They also provide greater convenience, allowing users to

watch content at their own pace and at any time. This flexibility means there's no need to be physically present at a specific location, which further enhances their appeal compared to traditional multiplexes.

So, you don't need specific infrastructure to watch OTT content, and it is cost-effective as well. If you are a cost-conscious consumer, you will likely prefer paying a subscription fee to watch an entire month's worth of content rather than paying for just one film. OTT platforms offer an extensive variety of content, which is a significant advantage.

However, multiplexes are also adapting to these challenges by introducing subscription-based services. For example, if you buy a ticket for 250 rupees and pay a little extra, you might receive added amenities such as reclining seats, partnerships with OTT platforms, or complimentary popcorn. Multiplexes are exploring these subscription models to compete with OTT platforms. They may even offer one-month free subscriptions to certain OTT services as part of their packages.

The dynamics between OTT platforms and multiplexes highlight the need for multiplexes to evolve in response to the OTT revolution. How they navigate these changes will be crucial in the near future.

Regarding the challenges facing the Indian OTT sector, one issue is the persistence of DTH (direct-to-home) services. DTH remains popular among diverse audiences, including older generations who may prefer traditional TV. Millennials and younger viewers, on the other hand, are more inclined towards OTT platforms, depending on affordability and content variety.

In urban areas, consumers aged 30 to 45 might opt for global content available on diverse OTT apps rather than traditional, localized apps like MX Player or Alt Balaji. Additionally, the sector faces challenges with price sensitivity. While top-end telecom bundles offer access to 10 to 20 OTT apps for around 1,000 to 1,200 rupees per month, individual subscriptions to leading platforms can exceed 3,000 rupees annually. Aligning with the price sensibility ingrained in the Indian consumer mindset remains a significant task for the sector.

PwC's report indicates that there are about 10 to 12 OTT platforms with subscription rates around 1,000 to 1,200 rupees, offering bundled packages. In

contrast, there is one OTT platform charging more than 3,000 rupees annually. Consumers will need to decide which option provides better value for money. This decision reflects the price sensitivity ingrained in the Indian consumer market.

OTT platforms must navigate whether they focus on artistic value or simply provide entertainment. Platforms like Alt Balaji and MX Player offer niche vernacular content and cater to semi-urban or tier-three city audiences, often with explicit sexual content. Piracy remains a significant issue, draining about 30% of annual revenue. Despite investing heavily in original content to combat unauthorized distribution, the industry struggles to find a resolution for piracy.

Additionally, the potential introduction of advertisements poses another challenge. Platforms must balance generating revenue through ads while maintaining a positive user experience. They aim to offer high-quality content without driving users away due to increased pricing or disruptive ads.

Looking ahead, the Indian OTT sector's sustained growth and market expansion will depend on its ability to address these challenges effectively. The industry's future will hinge on its resilience and adaptability, making it crucial to monitor how it evolves.