



The three T's that will impact Magazines in the next three years

My life in the Media has been truly exciting - I have worked in so many countries and yet been able to visit India at least three or four times a year in connection with my profession. Since April this year when I incorporated my own company in New York, Cross Border Media, my involvement with Indian Publishing has increased substantially, not only in the number of publishing professionals I have visited (51 editors and managers so far), but also because of the quality of my interaction - the primary one being to research the market for new opportunities. I am now able to look at the trends in Indian Publishing a little more objectively.

The first thing that stared me in the face, is the lack of media education and training facilities. Indian media owners seem to have a key element for strengthening their own companies and for incentivizing their staff. I just met a young professional from the Strategy Department of The New York Times on a train. He was just returning from an intensive two-day program at MIT's Sloan School of Management. He was so enthused that he could not stop talking about a \$ 2600 two-dollar program from which he had learned so much!

Let me share with you this fortnight's happenings in the New York media scene.

1. A Mix & Mingle Bash with young Interns and Junior Media Professional organized by MPA.
2. Breakfast with the Leaders - CEOs of leading Magazine Publishers. MPA.
3. The Future of Journalism - Series of evening seminars with top Media Professional from the New York Times and the Wall Street Journal conducted by Prof. Stuart Loory.
4. The Difference between US Newspapers and Newspapers around the World; A talk by Chander M Rai to publishing students at the New School.
5. A full day seminar on Video organized by OMMA.
6. A full day seminar on Mobile technology organized by OMMA.

Now compare this to what a fortnight in Delhi or Mumbai would have on offer for a publishing professional!

The exposure to training and seminars for publishing professionals, especially at the middle and lower levels, is negligible. And this needs to be changed. How will our managers and editors grow without exposure to seminars, training courses and interaction with their peers and seniors in the profession? This is one of the biggest opportunities in the next three years and I expect to see results. Cross Border Media, on its part is launching the Media Trends Series shortly.

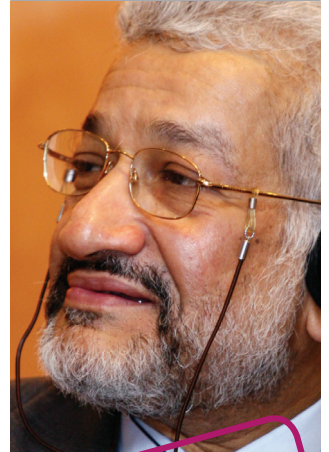
As the Indian economy flourishes and the magazine market matures, there will be a flood of new titles - especially in niche publications and B2B. We have already experienced this during the last three years and I see this phenomenon

on the rise. Segments like the women's category will expand even further and get even more specialized.

The initial license deals were mainly between the big publishing houses in the US with the big publishing houses in India. With more niche publications coming in, foreign publishers are looking for niche partners. A Golf publication for example would rather partner with a group of Golf enthusiasts than a large publishing house that does not know the difference between a golf club and a hockey stick. Even Publishers in India have so far not realized that they are getting into not adding just another niche product to their stable, but actually getting into a whole new industry like the business of golf, the business of health and well being, or the business of fashion and retail. This will of course be even truer for the B2B publication, which will partner with specialists in their own field. Another trend that has already taken root is that the bigger international publishers like CondeNast who have started their own subsidiaries will be joined by others.

And finally, Technology. One would have imagined that by now India would have been transferring its publishing technology and systems to the rest of the world. However, this is far from the truth. Sadly, Indian publishers and particularly Indian Magazine Publishers have not invested in updating their technology and are still far away from achieving web 2.0. The chances of Rich Media coming to India in the next three years are therefore very remote, even though we have so much video capability in our television channels. The only exception is going to be the mobile technology. I was discussing this with my friends at MIT Technology Review, and they predicted that India might be the first country in the world to have a viable mobile solution

Statistics show that Internet usage on mobiles is up from 4 per cent to 9 per cent in the world within the span of just one year, and likely to expand at a double-digit rate. One of the reasons is the slow pace of landline availability. Mobile vendors in India capitalized on this and offered mobile connections at very low rates, the lowest in the world, making mobile usage feasible not only to rural areas but also to lower income groups. I can see that the pioneers in rural marketing like Levers, ITC, ICCI leading the charge by taking their messages to rural areas and making mobile marketing a viable proposition. This revolution, once successful, will move from rural markets to urban. The main barrier so far has been that the mobile vendors are keeping the advertising revenues for themselves, rather than passing a sizeable portion to the content providers. However, with such progressive companies like Bharti Telecom and Reliance in the market, there is a good possibility that this will change with recognition of the value of good content, and feasible sharing of revenues. While magazines will gain less from this than newspapers, as the content offering will be mainly in text with just a few graphics, it will definitely benefit information-based magazines. This is the one area in Indian Magazine publishing in which India will leapfrog the rest of the world.



CHANDER M RAI
PRESIDENT AND CEO
CROSS BORDER MEDIA INC.

Sadly, Indian publishers and particularly Indian Magazine Publishers have not invested in updating their technology and are still far away from achieving web 2.0.