



Things that will impact the Marketing of Television, on the road to 2010

Size and track record count for little in the new, changing world.

There has been a fundamental shift in the way both viewers and clients build, nurture, refine and assess their relationships with broadcasters, leading them to think differently about media.

A part of it could be attributed to the new profile of people entering agencies and marketers these days, with less orientation towards traditional media and more towards digital. But those who have actually embraced online are the exception rather than the rule.

TV remains the base buy and by a wide margin. Carat CEO David Verklin, in his book, *Watch This, Listen Up, Click Here*, asserts that two-thirds of the advertising budgets of many of the world's largest brands are spent on television, despite the plethora of options available across media to the modern day marketer. The picture holds stronger in our marketplace.

However, increasingly, this has become a game of diminishing returns - higher costs at lower returns. The fracturing of our TV medium, which was initiated with the introduction of remote control, has been propelled by a slew of launches. Leading to a glut of content and inventory on one hand and surging input costs on the other hand.

With no sign of a slowdown in the entrants and an inevitable fragmentation of viewing and revenues, the road to 2010 presents a challenging puzzle to TV marketers new and existing alike. There are several critical areas that I foresee as impacting the marketing of television.

Addressability & Interactivity

Viewers want to exert control. Viewers don't care about "platforms" they just want their favourite content. They want quality beyond multi camera set-ups and glossy sets, and in the form of creativity and humanity. They want choice.

CAS has been the baby step forward in the effort to provide choice to viewers through addressable digital pay TV Systems. The success of the effort in giving viewer choice and control can only be measured post a comprehensive roll out. However the growth in set top boxes, whether through CAS or DTH or (the soon to be rolled out) IPTV opens up the avenue for viewers to interact with broadcasters, and control consumption in myriad ways.

Viewer interaction would evolve from the simple SMS response system to choice of individual channels / programs to more complex choice of variants / languages / formats etc. The enhanced interactivity would see its gradual influence on content form, quality and delivery.

Whilst addressability is the endeavor, by 2010 the medium would continue to be accessed by viewers through Terrestrial, Cable - Analog & Digital, DTH, Net. Viewer segments would develop based on viewing consumption and geographic dispersion.

TV Marketers would direct independent efforts to the non-addressable viewer and the addressable viewer. The latter segment would also afford new revenue streams for broadcasters - options beyond the 30-second spot - offering advertisers a dream opportunity to engage targeted viewer groups and assess response. These however might largely be

limited to Metros and Class I towns. A distinct effort would be needed for the viewers in rural & Tier II, III towns.

Measurement Systems

The industry would see a pressing need for reliable, accurate and expansive measurement systems that are capable of:

1) Coverage of all viewers from across the multiple analog, digital addressable systems and platforms.

2) Expansive coverage of viewer growth across the country. Representing viewers in Tier I, II towns and rural areas

3) With addressability, viewer engagement and comprehension would rise. The ability for the industry to monetize these quality viewers would be significantly affected by the availability of newer engagement metrics to capture quality viewing beyond the current "mass" measures.

TV marketing effort would focus on these engaged viewers and the engagement process. The touch points in the process and the ability to access them for commercial benefit.

Alliances

A fractured market - where growth in players would far outstrip industry ad-revenue growth and dispersed viewing negates delivery edge - puts several independent channels at revenue risk.

Currently, the market holds only one player with multi segment and multi regional offerings as a one-stop solution to advertisers. The future could see 4 to 5 such "networks". A future where a host of independent channels could band together or align themselves with an existing "group" to form "Sales Alliances" akin to the current Distribution Alliances. In an effort to achieve the multiple purposes of offering one-stop comprehensive solutions of targeting and coverage to advertisers, maximizing share of ad-budgets, increasing rates, regulating supply (clutter) and gaining a degree of profitability.

A scenario that might work well with clients and agencies by providing a certain measure of comfort in accountability, value gained and ease of buying.

Localization

Localization has almost become a synonym for Relevance in the Indian context. The industry has seen a distinct shift towards becoming relevant to local audience groups and related advertisers at three levels.

Linguistic switch from one-two language scenario (English - Hindi) to a multi language scenario (Other languages / Dialects)

Regional focus of content to appeal to different regions - Not just News, but soaps with regional storylines - Regional Music, News, Movies etc

Localization to emerging micro segments (Kids, Young working adults, mobile owning, etc.) or platforms like Mobile TV.



JOY CHAKRABORTHY
PRESIDENT AD SALES AND HEAD NETWORK SALES
ZEE NETWORK

With no sign of a slowdown in the entrants and an inevitable fragmentation of viewing and revenues, the road to 2010 presents a challenging puzzle to TV marketers new and existing alike.