



# GETTING HOOKED

Eighteen months after its launch in January 2006, and after nearly being written off, **Times Now** has established itself as India's number one English news channel in terms of absolute viewership across the country. It's an example of how differentiated content can attract a wider base.

**Arnab Goswami**, SVP & Editor-in-Chief of Times Global Broadcasting, says that by attracting viewers who are not hooked on news the channel has expanded the market

India is used to 45 years of state-owned TV. I was part of the first team that brought in private TV in India in the early to mid-90s. Since then growth in Indian TV has been in the number of channels, but largely stagnant in terms of what content we provide. At Times Now, we do the news differently. This channel has broken hundreds of the big stories in the country since its launch, the news stories on Times Now have set the national agenda politically. It has introduced new dimensions of interactivity, and given viewers a voice on the channel. Most importantly, what Indians love about Times Now, is that it sets the agenda without talking down to audiences. Times Now has learnt a lot in terms of production standards from international channels, the quality of our production is absolutely cutting edge and at a different level from our competitors. Those are the reasons why the channel has been able to stand out and become the number one channel in India in such a short time.

## How far ahead are you ?

When we launched we were told it's a cluttered market. Yet Times Now commands at least 30-40% more viewership than the channel closest to us, which is CNN-IBN. We have consistently higher viewership than NDTV24x7. Our average channel share is between 32-36% in the English news viewing market. So we have a wide lead but I think that more can be done. More important than the absolute numbers is the rate of growth of Times Now. We have doubled our viewership in the last 18 months. People wrote us off six months after launch, we did a complete relaunch, we turned around the channel from being a semi-business, semi-news channel to being a popular English news channel, and this all happened in 18 months.

**Compared to English news channels, are Hindi speaking news**

**channels still attracting higher audiences?**

Hindi reaches out to more people. A large part of the cable and satellite homes are still hooked to Hindi channels but if you look at the Hindi news space, there is greater fragmentation than in the English news space. The number of English-language news channels has grown from one to three and the audience has doubled. That is not the case with Hindi news channels. Having said that, just a small observation: DTH is still to reach its peak in a market like India. We have about 117m TV-owning homes, of which we will have about 55-58%, that's about 70m which is cable and satellite homes and the number of DTH homes is only a fraction of that. As DTH grows you will have many more offerings, not just in the English news space but in the differentiated English TV channel space, with entertainment, niche channels, city based channels etc. And I think in the next year it is set to double. The market is still very much unexplored so things can change in the future.

**What about competition from Doordarshan – does it still hold a place in people's hearts?**

The chief area of future growth in the Indian TV industry will be cable and satellite, but DTH will grow, in the rural and semi-urban areas as well. That's also the area where you are really going to see the growth of the Indian economy, in people who have second TV sets, both rural and urban. The State-owned Doordarshan's DTH platform will be extremely important for private Indian channels as well as foreign and new channels. Traditionally, Doordarshan has been strong in rural and semi-urban markets. But unless it revamps its content, especially news, it could find that private channels take away its audience satellite becoming extremely popular. So the challenge for Doordarshan is quality of content.

**Which audiences are you targeting?**

I think the difference between Times Now and the other English news channels is that it is unapologetically urban in its viewership base. For any channel in the future to be successful in India, you will have to have a very accurate sense of what your target audience is. Traditional journalists have been a little sceptical about using the words 'target audience' to define what they do. Here at Times Now we believe that we are in the consumer business in the sense of bringing news as an offering that updates viewers. You need to be very sure about what kind of news people are interested in. By simply defining our target audience as young, aspirational city dwellers, we have been able to narrow-focus what our content is. We don't cover all issues equally, we focus on the issues that matter to our viewers. Let me give you an example. For one month, in January, we gave disproportionately high coverage to cricket – three times as much as we covered politics. A lot of people criticised us for it, but in that month we were way ahead of our competitors. We introduced around 23 new shows in 2007. I don't think any other channel in India can compete with that degree of change and dynamism. Ours is a combination of constant change and the courage to put non-conventional news stories higher than politics.

**India's TV industry is very young – how difficult is it to recruit people?**

We have 300+ TV channels now - more than 200 were launched in the last six to seven years. Where do you find the talent? That is the biggest challenge facing our TV industry. Today's TV professionals in India advance very fast, and sometimes it is difficult to keep pace with their expectations in financial terms and otherwise. But now that Times Now is number one we find it easy to draw people.

**How difficult is it to attract advertising revenue?**

**“ I see India as the number one TV market in the world in my lifetime ”**



It's a bit of a roller-coaster ride. I personally believe that the real challenge for Indian TV is going to come a year from now. In many of the segments like entertainment and news there are more players in the market than there is advertising growing. Also, the costs of distribution have really gone up, and in fact the distribution in your company today would be maybe three times as much as the total revenue that is earned by the TV channels themselves. If you have 15-16,000 crores being earned by distribution companies, you would have about 5-7,000 crores being earned by the broadcasters themselves. So it's horribly skewed in favour of distribution companies. Yet more people are coming into the pie, and why are they doing that? I think they are betting on the Indian economy, and they are betting on growth that has been promised to them by all the big players. Looking ahead, I think only the big people will stay, there is going to be much more consolidation. Costs will have to be brought down. Indian viewers don't have an endless appetite for 300+ channels, there will be a period of sobering up in the future. As far as advertising is concerned, if you are the top channel you are going to attract the top dollar. For the rest of the other channels it is going to be a big fight. The story of the future is going to be content, the competition is getting so much tougher.

**It is going to be a question of marketing as well?**

There is a lot of replication and a lot of outsourcing that goes on in the TV industry in India. If you were to look at the entertainment channels you'd find the same production houses providing different soap operas – which really aren't that much different from each other – to five or six entertainment channels. How long can this carry on? Also, because there are so many channels coming in, everybody is playing safe by providing roughly the same content under a different brand. I ►

think there will be a paradigm shift in terms of the focus on content in the future.

**What about taking India to the rest of the world – is this something that Times Now wants to do?**

Absolutely. We can be watched live outside India on the internet, and we are looking at hopefully distributing our channel in key markets like the US and UK in the future. I am sure this is going to move forward in 2008.

**What about TV delivered to handsets - an important part of the media mix in India?**

Times Now actually was the first ever channel in India to launch on a mobile platform – we launched first on a mobile platform through Reliance and then on air. Will it grow? Absolutely it will. Technologies are changing, yes, people will view TV on phones, but it's going to be an add-on service, not the primary driver of any channel in the future. We are looking at using mobile phones and other forms of interactivity to give a more “surround sound” feel to the channel so that people can follow our news development right through the day, whether or not they have a conventional TV set in front of them. In India, the base of the TV viewing pie is still to grow, there is a very high potential even today of converting non-cable and non-satellite households into C&S [cable and satellite] households, and that's going to be the challenge. How many people do you convert? It's not just the upper middle class urban population but the semi-rural middle population which is going to grow. The focus of the TV channels is going to be on gaining audiences there. TV on mobile is an add-on, I don't think it's a revenue driver for any TV channel right now, but it could well be in the future. I think there are a few spectrum issues which need to be sorted out, the allocation of the 3G spectrum to private operators is one part of the problem, also technology issues

Cricket is a prime driver for TV news ▶



“ For any channel to be successful in India you need a very accurate sense of what your target audience is ”

like a new generation of handsets which support 3G technology. People don't look for the service, they look for the quality for the service.

**Private FM stations are not allowed to carry news, but this is likely to change. Is this a threat or an opportunity?**

A tremendous opportunity. As far as I know, the legislation that the government is thinking about makes it very clear that you have to access the news from the most credible sources – authorised news channels or authorised news agencies. News channels will look at obvious synergies in radio in that case, and I think specially credible news channels like Times Now will surely look at expanding our foothold with an added presence in radio. There is a lot of excitement in the air but it is clearly the government's job to take this legislation to the final stages. I think that there is a wide, wide market out there in terms of interactivity on radio, and the way the radio market has grown in the last few years, it just has to grow beyond music and Bollywood as its base.

**What would be your advice to companies from outside India wanting to get into the Indian media market?**

My basic advice would be: Be sure of what you want to do but understand the Indian market. Pure foreign content does not work in India, have a strong India quotient to your local offering and make sure that you are investing in human capital that is of the highest quality. The story of India is that anyone who understands the Indian market and who is sensitive to the offerings that Indian viewers want is successful. Most importantly it takes time to grow brands – have patience. Probably the largest TV market in the world is going to happen in the next ten years because there is a tremendous democracy, and if there is any place that can sustain this level of growth it is India. India will probably become as the number one TV market in the next ten years.

**And the future?**

I still want to have the gumption and the courage to keep launching new channels for the next two or three decades. I think Times Now has been a tremendous learning process and as of now, it is very satisfying. As for India as a media market, it offers great opportunities and the world has still to discover it to its full potential.

Arnab Goswami, thank you. ■ [www.timesnow.tv](http://www.timesnow.tv)