

# [Broadcast media in indian context assignment](https://assignbuster.com/broadcast-media-in-indian-context-assignment/)

Broad Cast Media: Electronic instrumentation of radio and television, including local radio and television stations, radio and television networks and cable television systems. Because of their ability to reach vast numbers of people, broadcast media play a very important role in any advertising campaign that needs to reach a broad market base. The broadcast media wield a very pervasive influence in most Indians’ lives. Various Types of Broadcast media: ??? Television ??? Radio ??? Internet Television: Television provides the ability to communicate sight, sound, motion and emotion.

If a picture is worth thousand words, a moving picture is worth ten thousand words. The viewer can easily see the product, view it in a variety of situations, determine how it can be of benefit to their application and leave them with a lasting impression of the business. Television gives a product a “ larger than life” image and by virtue of being on television, it is sometimes enough to set a business apart from its competitors. Television as a media in India: Television in India is a huge industry and has thousands of programmes in all the states of India.

The small screen has produced numerous celebrities of their own kind some even attaining national fame. TV soaps are extremely popular with housewives as well as working women. Approximately half of all Indian households own a television English-language advertising in India is among the most creative in the world. TV advertising (especially in the Hindi language) has made major headway in the past 10 years, especially with the advent of satellite TV. Hindi TV channels – such as ZEE and Sony TV – have fashioned themselves on lines of Western channels, and most advertising on such channels is glitzy, smart and tailored for the middle classes.

Such channels have forced the state-owned channel, Doordarshan, to add spice to their programmes which, earlier, were quite drab. The importance of the Hindi-speaking market (which is also fluent in English) is borne out from the fact that STAR TV, once an all-English channel, is now rich in Hindi programmes. Advantages of advertising on television: Television has numerous advantages over other media, for example 1. Creativity and Impact: The greatest advantage of TV is the opportunity it provides for presenting the advertising message.

The interaction of sight and sound offers tremendous creative flexibility and makes possible dramatic, lifelike representations of production services. Television is also an excellent medium for demonstrating a product or service. 2. Coverage and Cost effectiveness Television advertising makes it possible to reach large audiences. Nearly everyone, regardless of age, sex, income or education level, watches at least some TV. Marketers selling products and services that appeal to broad target audiences find that TV lets them reach mass market, often very cost efficiently.

For example, eight spots across four weeks on the weekly Mahabharat show helped Cinthol Lime get a 5. 3% share of the premium soap market since the epic’s viewership was an astounding 60-70 TVR points. A recent report says that advertisers will return to the familiarity and brand-building power of television, giving it a record 38. 3% share of the global ad expenditure in 2009, which will rise to 38. 5% in 2010 and 2011. Because of its ability to reach large audiences in a cost efficient manner, TV is a popular medium among companies selling mass- consumption products. Disadvantages of advertising on television: . Production Cost: The most serious limitation of television advertising is the extremely high cost of producing and running commercials. Although the cost per person reached can be relatively low, the absolute cost can be restrictive, especially for small and medium sized company. In 2008, the cost effectiveness of this ad medium seems to have been particularly impacted. A Lintas Media Group, or LMG, study states that in 2008, both cost per thousand, or CPT, and cost per rating point, or CPRP, “ went up drastically due to rate revisions and viewership fragmentation”. Advertisers had to pay ore to reach a thousand people or for each viewership rating point. Production costs include filming the commercial directors and actors. For example, recently blockbuster 3 Idiots featured on Sony Television, had its advertisement cost as high as 2 lakh for 10 seconds of time taken to advertise. 2. Clutter: Television suffers from commercial clutter. In the past National Association of Blockbuster restricted the allowable commercial time per hour to approximately six minutes, but the Justice Department overturned this restriction and the number of commercials has increased.

As the number of commercials increases, the visibility and persuasiveness of television advertising diminishes. 3. Wasted Reach/ Lack of Selectivity Television advertising includes a great deal of wasted reach i. e. communication directed at an unresponsiveness ( and often uninterested) audience that may not fit the advertiser’s target market characteristics. Geographic selectivity can be a problem for local advertisers such as retailers, since a station bases its rates on the total market area it reaches 4. Intrusiveness/ Limited Viewer attention:

Television commercials intrude into the programs and are therefore more irritating than other forms of advertising. The high irritation level is what has led viewer’s to mute or zap commercials and use DVRs that make it possible to eliminate the advertising altogether. Getting consumers to pay attention to commercials has become an even greater challenge in recent years. The increased presence of VCRs and remote controls has led to the problem of zipping and zapping. Zipping occurs when customers fast forward through commercials as they play back a previously recorded program.

The coming of Direct to home services, further gives audience a chance to zip commercials. 5. Fleeting message: TV commercials usually last only 30 seconds or less and leave nothing tangible for the viewer to examine or consider. Commercials have become shorter and shorter as the demand for a limited amount of broadcast time has intensified and advertisers try to get more impressions from their budget. TV Advertising Works Best When ??? The media budget is sufficient to generate and sustain the number of exposures needed. ??? The market is large enough and easily reachable through a specific network, station, or program. There is a genuine need for a medium with high creative potential to exert a strong impact. ??? The budget is large enough to produce high quality commercials. Present Scenario: ??? The emergence of cricket as televised entertainment courtesy of the Indian Premier League and the successful launch and quick and sustained rise to ascendancy of the General Entertainment Channel (GEC) Colors, were the biggest events in Television in 2008. The first outing of the Indian Premier League (IPL) based on T20 (20 overs a side) cricket format turned out to be a huge commercial success both on and off air.

Aggressive marketing support, a snappy viewer-friendly format and the presence of movie stars as franchise owners made IPL the biggest blockbuster show on Indian Television in 2008. While top program ratings continued to tumble, cricket sustained its consistent performance. The lowest-rated IPL matches still delivered higher ratings than many of the top GEC programs. Though cricket viewership has traditionally been male-skewed, the T20 version broadened the audience base delivering high ratings even amongst the female TGs. This in turn made it more appealing to a host of new non-cricket advertising categories including FMCG.

Unprecedented high advertising rates set a benchmark in IPL 2008 and are all set to go up even further in the 2009 edition. ??? On the other hand, long-running soaps and a new season of imported Reality/ Talent shows on mass channels floundered. Advertisers stalled at huge premiums demanded to offset big production budgets. With most of the new GEC players emulating the leaders in their programming, the overall GEC share remained more or less same while the audience base fragmented, eventually leading to softening of advertising rates in GEC content. The rate cuts were not however as steep as the fall in audience, so cost-per-rating point rose. The prevailing economic conditions and their impact on marketing investments became visible in November and December 2008. Free Commercial Time (FCT) off-take of key channels remained stagnant or declined during the festive quarter of October-December 2008 as compared to the corresponding period in 2007. However, the non-discretionary nature of FMCG categories and their dependence on TV helped channels tide over the crisis to some extent. Television Time: ??? Network Advertising: It is a common way advertisers disseminate their message by purchasing airtime from a television network.

A major advantage of network advertising is the simplification of purchase process. The advertiser has to deal with one party or media representative to air a commercial nationwide. The networks also offer the most popular programs and generally control prime time programming. ??? Spot and Local Advertising: Spot advertising refers to commercials shown on local television, with time negotiated and purchased directly from the individual stations. When talking in Indian context, with changing area, language, culture etc changes, so spot advertising offers the national advertiser flexibility in adjusting to local market conditions.

The advertiser can concentrate commercials in areas where market potential is greatest or where additional support is needed. Cable Television: The most significant development in the broadcast media has been the expansion of cable television. Cable has expanded to metropolitan areas and grew rapidly due to improved reception and wider selection of stations it offered subscribers. Cable has experienced substantial growth during the past two decades. Cable TV has its roots in the late seventies. Indian television viewers were looking for entertainment options, apart from what state-owned broadcaster DD was offering.

The launch of Star TV and ZeeTV further fuelled the spread of cable TV. In the first half of 1992, almost 4, 500 households were being cabled up daily. That figure increased to 9, 450 homes daily in the second half of the year. Cable TV growth in urban India YearNumber of households Cabled January 1992412, 000 \* November 1992 1. 2 million \* 19933. 3 million \* January 19947. 4 million End-199411. 8 million \* 199515 million 199618 million 199922 million New technologies and a booming economy have helped almost double revenues in India’s television industry as of 2005.

More Indians switching on cable television. In 2005, 53 per cent of Indian households owned televisions, and 57 per cent of these, or 65 million homes, had cable TV. Advertising revenue for cable television was $1. 02 billion in 2005. Analog would remain the dominant technology over the coming decade, and cable is expected to remain the core advertising platform for television, but new technologies would generate increasingly higher advertising and subscription revenues. DTH growth will accelerate, driven by Zee’s Dish TV and Tata Sky etc.

Broadband penetration will also expand on cheaper personal computers and broadband rates and greater consolidation among cable operators, MPA said, estimating that the number of subscribers will grow to 9 million by 2012. Advantages of Cable: 1. Selectivity: Cable subscribers tend to be younger, more affluent, and better educated than non subscribers and have greater purchasing power. Moreover, the specialized programming on the various cable networks reaches very specific target market. 2. Cost and Flexibility: Advertising rates on cable programs are much lower than those for the shows on the major networks.

Spot advertising is also considerably cheaper on most cable stations, while local cable is the most is the most affordable television advertising vehicle available. Limitations of Cable: 1. Cable is being overshadowed by major networks as households with basic cable service still watch considerably more network and syndicated programming than cable shows. 2. Audience fragmentation: Although cable’s share of the TV viewing audience has increased significantly, the viewer’s are spread out among the large number of channels available to cable subscribers. . Lacks total penetration RADIO Radio today has evolved into a primarily local advertising medium thanks to the growth of Television. Today, Radio has become a medium characterized by highly specialized programming appealing to narrow segments of the population. But despite that, Radio is used with a variety of other IMC tools such as sales promotions, event marketing ad cause related marketing. A recent study has shown that the use of Radio along with TV and newspapers has a positive impact on brand awareness and brand selection.

In India, the private FM industry, has contributed to the growth of radio as an advertising medium. According to FICCI ??? KPMG report, the share of local advertisers on radio and in print is increasing but it is still at about 2%. With an emphasis on 360 degree contact with the customers, companies are releasing ads through the use of radios to reach more and more not of customers than ever. The amount spent on radio advertising is increasing with each passing year. Advantages of advertising on radio: 1. Cost & Efficiency:

It has low cost when it comes to its use as an advertising medium. Radio commercials are very inexpensive to produce. The low cost of radio means that advertisers can build more reach and frequency into their media schedule within a certain budget. Radio commercials can be produced more quickly than TV spots, and companies can run them more often. 2. Selectivity: Radio helps in targeting select audiences whom the companies wish to reach without any difficulty. Radio has become a popular way to reach specific non-English ethnic markets. 3. Flexibility:

It is quite flexible because it has a very short closing period, which means advertisers can change their message almost up to the time it goes on the air. 4. Mental Imagery : Radio allows listeners to create a mental image of what is happening in a radio message. Limitations of advertising on radio: 1. Creative Limitations: Since there is no visual image, the radio advertiser cannot show the product or demonstrate its features. A radio commercial is short lived and is a fleeting message that is externally paced and does not allow the receiver to control the rate at which processing is being done. . Fragmentation: Since there are a large no of stations, there is high level of fragmentation. The percentage of the market tuned to any particular station is very small. Advertisers who would like to have a broad reach in their radio advertising media schedule would have to buy time on a no of stations to cover even a local market. 3. Limited Research Data: Audience research data is very limited in case of radios. Most radio stations are small and lack the revenue to support detailed studies of their audiences. 4. Limited Listener Attention:

Radio programming, particularly music, is often the background to some other activity and may not receive the listeners’ full attention. They may miss all or some of the commercials. Rapid growth of mobile phones has also detracted people from radio listening. 5. Clutter: Most radio stations carry an average of nearly 10 minutes of commercials every hour. During the popular morning and evening time, this may exceed to about 12 minutes. Advertisers must create commercials that break through the clutter to make sure that their messages reach the intended customers.

RADIO TIME 1. Network Radio ??? Advertising time on radio can be purchased on a network basis using one of the national networks. An important trend in radio is the increasing no of radio networks and syndicated programs that offer advertisers a package of several hundred stations. Using this reduces the amount of negotiations and administrative work needed to get national or regional coverage and the costs are lower than those for individual stations. 2. Spot Radio ??? Advertisers can use spot radio to purchase airtime on individual stations in various markets.

The purchase of spot radio provides greater flexibility in selecting markets, stations and air time and adjusting the message for local market conditions. 3. Local Radio ??? The heaviest users of radio are local advertisers with nearly about 79 % of radio advertising time being purchased from individual station by local companies. TIME CLASSIFICATIONS Morning Drive Time6 ??? 10 A. M. Daytime10 ??? 3 P. M. Afternoon/evening drive time 3 ??? 7 P. M. Nighttime7 ??? 12 A. M. All night 12 ??? 6 A. M. Table ??? Dayparts for radio with different dayparts attracting different audiences.

Indian Context: AIR began operating in 1936 and the first FM service in India started in 1977, private participation wasn’t allowed until 1993 when the government experimented with a daily, two-hour slot on the FM channels in Delhi and Mumbai. In the last 5 years, the FM Radio industry in India has seen a CAGR of ~20% and has grown to a size of around Rs. 8. 3 billion by 2008. Most of the media houses already have a presence in the industry. Radio Mirchi (of the Times Group) has maintained a lead position in most cities it operates in.

Other channels like Radio City, Red FM, Big FM, Fever, and Radio One have also been able to get significant traction. Some of the big names in this industry are ??? 1. AIR FM Rainbow / FM-1 (102. 6 MHz) 2. Meow FM (104. 8 MHz) 3. Fever 104 (104 MHz) 4. Radio Mirchi FM (98. 3 MHz) 5. Radio One FM (94. 3 MHz) 6. Red FM (93. 5 MHz) 7. Big FM (92. 7 MHz) KEY PROBLEMS & CHALLENGES 1. Low share in advertising pie – Radio’s share of the overall advertising pie is miniscule, and is expected to remain at less than 5%, according to PwC. The key challenge is to increase it.

One way for doing that for stations is to specialize and differentiate themselves from each other in order to target specific groups of audiences, and hence advertisers. 2. Less points of differentiation & hence low customer loyalty- Because current regulations prevent private broadcasters from owning more than one frequency, broadcasters have turned their stations into purveyors of all things to all listeners. To do that, many stations broadcast a variety of content throughout the day, attracting as broad a swath of listeners as possible.

The result is that they all sound quite similar and as a result of that one cannot differentiate between two radio channels. The big downside for channels that don’t find ways to differentiate themselves is that it’s hard to win customer loyalty. As K. Raman, head of the telecom, media and technology practice at management consultancy Tata Strategic Management Group (TSMG), has stated, “ Listeners will move en masse at the end of a time slot to another station offering content of their interest and another set of listeners will tune in. This means radio stations face an uphill task when it comes to building a sustainable, consistent listener base — a prerequisite for advertisers aiming to reach their target market. DEALING WITH CHALLENGES 1. Increasing audience loyalty – Beyond programming, one way in which stations can hope to increase audience loyalty is by embracing corporate social responsibility. For example, in July 2009, Radio City launched a “ Carpool on Radio” initiative in Delhi and Mumbai, which connects commuters from the same parts of the city so that they can share rides to work.

Similarly, Radio Mirchi joined forces in July 2009 with telecom operator Aircel to offer a free taxi service to stranded commuters during the monsoon season in Mumbai. Though no credible market research is able to show whether such activities are indeed increasing audience numbers, they certainly don’t hurt in terms of brand recall and developing a “ feel-good factor” that listeners will associate with a station. 2. Increasing advertiser loyalty – Some stations began changing the way they manage their relationships with advertisers a few years ago and set up in-house departments to oversee and customize clients’ radio campaigns.

Typically, the in-house creative units will be responsible for an entire campaign, from creating the actual commercial to providing campaign monitoring and other follow-up services. Indeed, an in-house unit’s ability to manage a campaign often means going well beyond the 30-second slot that would be allotted for an ad. For instance, a jockey at a particular station provided hair-care advice as part of a promotion being run by a hair oil advertiser. Along with Internet activities such as website bundling and marketing, radio stations are also offering advertisers peripheral activities and promotions — both on and off the air.

One of the most well-known examples was when Red FM partnered with the Mumbai Indians team during the Indian Premier League cricket tournament in 2008, changing its name for one day to Blue FM to match the team’s colours. 3. Fighting govt regulations ??? Since govt regulations prevent many of the channels from pursuing some avenues of growth, these are now learning to push the boundaries of their business in different ways. This is where sales alliances between stations come in. A case in point is Radio Misty, which operates in the eastern cities of Siliguri and Gangtok and has a sales alliance with Radio One, which broadcasts in seven cities.

Through these alliances, stations have begun cross-selling and offering advertisers larger packages to reach bigger audiences than they could, if the stations worked alone. Alliances are also a relatively risk-free opportunity for stations to get to know new markets where they might one day be able to expand. EXPLORING OPPURTUNITIES ABROAD Some broadcasters have now started looking outside India for expansion opportunities. In fact, the sector’s first out-bound investment took place in 2008 when Bennett Coleman & Company Ltd. BCCL) acquired Virgin Radio Holdings from UK-based SMG Plc for US$106 million, rebranding it as Absolute Radio. Meanwhile, ADAG’s BIG FM has gone offshore to join forces with Singapore’s state-owned Media Corp. Radio to launch Big Bollywood 96. 3 FM, broadcasting Bollywood music and gossip to the island nation for three hours every evening. EXPECTED POLICY INITIATIVES IN FUTURE 1. FDI limit to be increased from the current 20% – The increase is expected to be marginal (say, from the current 20% to 24% or 26%).

This is usually being done to give the Indian players more time to garner strength to be able to face foreign competition. 2. Private stations to be allowed to transmit news and current affairs – This permission is currently available only to AIR. It is being seen to be a natural extension to previous policy guidelines but this might be put on a back burner. The programming mix on offer would expand, once this gets through. The sources of this content might be regulated initially. 3. Change in ownership limits – At present, one license gives a channel the permission for one station in one city.

Also, no one party can hold more than 15% of the total stations in the country. These limits are under consideration and Telecom Regulatory Authority of India (TRAI) ??? which is advising the government on issues related to the FM policy ??? is in favor of getting these policies either revoked or relaxed. WEBCASTING A webcast is a media file distributed over the Internet using streaming media technology to distribute a single content source to many simultaneous listeners/viewers. A webcast may either be distributed live or on demand.

Essentially, webcasting is “ broadcasting” over the Internet. Webcasts can provide a virtual lecture space or classroom environment for people across the world. Webcasts are not downloaded and saved onto an individual’s computer, but are typically streamed over the Internet from a remote server. Webcasts can be shown live and also can be archived for later retrieval. Webcasts can be broadcast to a small group of select individuals or to a mass global audience. Advantages: Webcasting on the Internet is a powerful way to advertise.

With the click of a mouse, you can use it to broadcast the existence of your product or service to everyone around the world with access to an Internet connection. The real-time nature of the Internet telecast is an attention getter unto itself. Immediacy: Webcasting involves using live television to reach many people at once. Anyone with an Internet connection can just enter your URL into his browser, and see you presenting your product or service live. Interaction Ability: The live nature of webcasting will encourage viewers to ask questions regarding your product via audio or text.

They can contact you via email, or even more immediately than that if they possess a computer with an Internet connection that includes a sound card. In addition, your audience members are able to access multiple information streams as they are able to listen to you, read biographical information, your company history, or whatever statistics they feel they need to know, all at the same time. Archiving: You can archive your whole program by recording it as you are presenting. After the production ends, upload the webcast to your website, so all who are interested can view it at their own leisure.

This will allow your potential customers to view it, and ruminate on what you’ve said. They can take notes if they need to, and they have all the time they need to make a quality decision about buying your product, retaining your services or attending your school, whichever the case may be. High Tech Image: A webcast highlights your company, giving it a high-tech appearance. You gain much credibility by making use of advanced media to advertise yourself. This makes a stronger impression than regular print or traditional television advertisements or “ infomercials,” because almost everyone tries that.

Since this medium is still relatively new, it will attract more customers as they perceive you to be more innovative than the competition as you attempt to use the latest technology to reach them. Cost Effectiveness Webcasting saves money. Television commercials and infomercials can be quite expensive to produce. The advertising agency must hire the on-air talent, cameramen, voice-over announcers and sound men. In turn, the agency will pass these costs along to you, the businessman. Another area in which you will see savings is travel time.

You will eliminate the cost of a train or plane ticket, or gas, if driving is your favourite mode of long-distance transportation, by presenting from your home town. Disadvantages: Boredom: The main problem with webcasting is boredom. It’s very difficult to maintain people’s attention for more than thirty minutes. Directing a webcast is not an easy task, and they should be designed in such a way that listeners or viewers maintain the interest on the theme during the duration of the transmission. The things that boring webcast do is waste time to the employees and make the company lose important resources.

Network: The quality of webcast sessions greatly depends on the network connection available to webcast users. Slow network connections may not support video transmission. Network connections can also be slowed down as more people join and view live webcasts, thereby reducing the quality of the webcast. Any break in network connection will result in the loss of the webcast. Equipment: The technology and equipment used to support webcast sessions can be expensive. Production equipment, such as cameras, microphones or lights, is costly.

The host of the webcast needs a fast network connection to support the transmission of the live video feed to webcast participants. Each webcast viewer must have access to a computer to view the webcast. Feedback: Audience members do not get the same level of interaction during a live webcast as they would during a live session. Typically, audience members or participants can only communicate with the speaker via chat rooms through text messages placed in a queue. In addition, questions may not be answered as they arise, as a speaker or assistant may not be monitoring for questions when presenting the webcast session.