

Special Report

Will FTA channels attract top ad dollars with BARC's rural rollout?

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MUMBAI: The release of the rural viewership data by BARC India has reinforced the belief that the free-to-air (FTA) channels enjoy good traction in rural India. While so far the ad agencies and broadcasters have been doing deals with these channels based on guesstimates, now there is a currency to trade.

Although it has just been one week that BARC India came up with all-India (urban+ rural) data and although it will take some time before the industry starts trading on BARC data, a quick glance at the first week's data shows that FTA channels are in for a windfall.



The biggest genre, Hindi general entertainment, has seen the biggest change with all the three FTA channels from big networks as well as public broadcaster DD National making an entry in the top 10. The biggest surprise of this was Zee Anmol, which even raced ahead of the flagship brand Zee TV to clinch the third spot in the hierarchy.

TelevisionPost.com did a quick dipstick across broadcasters and agencies to gauge their first reaction and to see if they feel that FTA channels are indeed going to come out as winners.

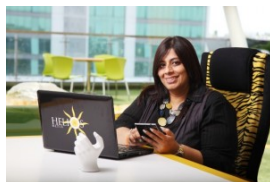
"FTA channels will get better viewership in rural was expected, but Zee Anmol has done exceedingly well, which is the biggest surprise. One can expect a rate revision there and the channel should get better revenues now," said a top media agency executive.

He added that if Zee TV had done well, it would not have helped the company much as that would not be a surprise. "Had Zee TV got that increase, they wouldn't have been able to monetise it, but Zee Anmol would definitely be able to," he added.

When asked if Zee Anmol would be able to command the pricing, Zee Entertainment Enterprises Ltd (ZEEL) chief sales officer Ashish Sehgal stated, "With rural, the overall viewership of Zee Anmol has seen a jump. But it needs to be seen whether an advertiser is willing to pay me an equal price for Zee TV and Zee Anmol, or would he differentiate between the two. That's the question everybody will have to answer."

Incidentally, in a recent interview, when asked what kind of growth he sees from Zee Anmol in FY16, Sehgal had told TelevisionPost.com, "We expect Zee Anmol to grow at least by 25 per cent over the previous year. After digitisation, new markets have emerged and the viewership of FTA channels is increasing."

The FTA channels including Zee Anmol, Star Utsav and Viacom18's Rishtey mainly play repeat content from network channels and rarely have original programming. However, as they are available on DD FreeDish platform in the cable-dark areas, the programming do have a novelty factor for the rural audiences.



"These channels are anyway like introductory programming to the rural market so it is very evident that their ratings will jump and whatever advertising they were getting so far was not on the basis of their current ratings but on the basis of the assumption that they are doing very well in rural. This (rural rollout) kind of reaffirms that assumption, but of course this is just one week of data. We need to see stability and across 13 weeks of data," said Helios Media managing director Divya Radhakrishnan, who also pointed out that the ratings reaffirm the hypothesis that Zee Anmol and other such FTA channels are primarily meant for rural audiences.

In fact, as FTA GECs, these channels get a huge reach in the rural and terrestrial markets.

Incidentally, Star India, which had a great run with FTA channel Star Utsav until Zee Anmol was launched, had decided to turn Utsav into a pay channel starting August. However, it took a U-turn from its earlier announced strategy and put off its plans to turn pay.



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In an earlier interaction, Star India COO Sanjay Gupta had told TelevisionPost.com that as an FTA channel Star Utsav is doing quite well in the Hindi heartland. "Star Utsav requires a lot of focus and attention because a large number of advertisers are keen to talk to those consumers."

On the content part, Sanjay Gupta had also added that repeat is a very wrong word for the content that Star Utsav provided. "I think there is no difference between Star World and Star Utsav. Star World also repeats content. But Star World's content is new to us Indians and Star Utsav's is not. For many viewers who do not have access to Star Plus or Life OK, Star Utsav offers fresh content. In a sense, therefore, Star Utsav is the Star World of India," he had said.



However, on whether advertisers will lap up to the idea of spending big moolah on FTA channels, Multi Screen Media (MSM) president, network sales, licensing and telephony Rohit Gupta said that it is too early and one would need to evaluate the data on different parameters. "We will have to see from an advertiser's perspective what data they are eventually going to start using. We will need to see whether the brands will use rural data or urban or both," Gupta said.



On FTAs gaining big, he said that eventually it was expected. "FTA gain was very obvious. But it all depends on how much weightage advertisers want to give to the rural data. Each brand's TG is very different. Not every brand needs rural. Therefore, we will have to see for which brand urban is important and for which brand rural. There will be brands for which both will be important."

Radhakrishnan further explained, "It depends on the brand you are working on. If you are working on a brand which is distributed in the rural markets, you will have to make sure your plans are aligned in terms of what the ratings are, but if you are working on a brand where rural ratings don't matter, it's OK. For example, the channel we are handling Living Foodz, MTunes, Epic, etc. are all HD lifestyle channels and are not meant for rural audiences. But Bengali music channel Music F Fatafati has done very well in Bengal and has picked up well with the rural ratings."

Impact on DD

It is not just the private FTA channels but Prasar Bharati-owned DD National has also seen a big jump and has entered in the top 10 league.

Prasar Bharati CEO Jawhar Sircar proudly told TelevisionPost.com that the ratings prove that Doordarshan viewers watch it for the maximum time. "DD National has the maximum time spent across GECs," he said.

DD National registered an average time spent of 51 minute per viewer in Week 41.

However, this was also because of the fact that DD National aired India vs South Africa cricket match owing to the 'mandatory sharing' rule for sports of national importance.



"DD National gained because of the India vs South Africa cricket match and that is what propelled it. But they are strong in rural so we need to see what happens from next week onwards," Radhakrishnan added.

So when will industry start trading on BARC data?

The industry is unanimous on the fact that BARC is the currency going forward and while it may take a few more weeks before the panels settle down, trading will soon start based on BARC data.



Dentsu Aegis Network chairman and CEO South Asia Ashish Bhasin said, "It is definitely good to have rural ratings, because for the first time we are getting the idea of the country as a whole, what the country watches. So far it was based on guesswork and observation."

"But we should not overreact based on one week's data. I guess in the coming few months trading will start on BARC data. There is no other currency. Any new rating system needs some time to settle down and I think given the concerns, BARC has done a very good job to address many of those issues. There are always areas of improvement, but I am sure BARC is working actively towards addressing those. Overall, the level of confidence in BARC as a currency is high because of the simple fact that it is co-owned by all the key holders," Bhasin added.

"Trading should take another 4-5 weeks because one needs to see the stability of data. I guess the buys for December or maybe the next calendar year will get impacted because of rural," added Radhakrishnan.

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