

India's remarkable media growth story

By Tarun Basu



A COLLAGE OF ALL ALMOST THE NEWSPAPERS PUBLISHED IN THE COUNTRY. INDIA HAS SEEN A PHENOMENAL GROWTH IN MEDIA BOTH IN TERMS OF QUALITY AND QUANTITY OVER THE LAST TWO CENTURIES.

THE YEAR was 1820 when social reformer Raja Rammohun Roy brought out three newspapers in Bengali, Persian and English to counter colonial influences and educate Indians about the need for change. Almost two centuries later, that zeal and idealism has exploded into an industry that has 50,000-60,000 print media news publications and 67 news channels. It is the world's second largest news market after the US.

The newspaper stall has become in many ways an intellectual rendezvous where opinions are exchanged and views traded. The media reflects the heterodox thought processes and what Nobel Laureate Amartya Sen calls the "argumentative tradition" of this clamorous nation of 1.17 billion people.

History records that the first newspaper in India came out in 1780 when an Englishman named James

Augustus Hicky printed the weekly Bengal Gazette. But this hardly marked the advent of Indian journalism as it catered primarily to the colonial elite.

The three newspapers brought out by Raja Rammohun Roy 40 years later marked the true beginning of Indian journalism. They were the first among Indian-owned newspapers that we know that were published on a regular basis.

When a British government functionary sought to put curbs on these publications, Roy and media patrons like Dwarkanath Tagore, grandfather of Nobel Laureate Rabindranath Tagore, penned an appeal. It said a free press may never have caused a revolution, but revolutions had been innumerable where no free press existed to ventilate grievances.

The Indian penchant for free expression has a long intellectual history. It gave birth to the post-independence culture of a free press, enshrining in the Constitution and numerous legal championing.

The Indian Constitution does not expressly guarantee freedom of the press, like the First Amendment of the US Constitution has done. But the country's vigilant Supreme Court has held in successive judgements that freedom of the press is covered by, and is an essential part of, freedom of expression guaranteed by Article 19.

Today, the Indian press is widely recognised as the most pluralistic, the least inhibited, and the most assertive and independent in the less-developed world.

The decade of the 1990s can be truly called transformational for the Indian media. It saw the convergence of many changes in the country - the liberalisation of the economy, the loosening of many regulations, the advent of satellite television, and the improvement in communication technology.

The reach of satellite television has now exceeded that of the print media. Cable television and the internet has captured the attention of a growing urban and aspirational middle class, eager to know and participate in the global information highway.

India today has emerged as the second largest media market in the world after China, says the World Association of Newspapers (WAN), the global association for the industry.

According to figures compiled by afaqs!, an Indian media, advertising and marketing organisation, the readership of the print media in the country has gone up from 232 million in 2000 to 302 million in 2007.

Indians buy 99 million copies of newspapers alone every day, making it the second-largest newspaper market in the world after the United States. This is in marked contrast to most industrialised nations, especially the US, where newspaper circulations have been dipping.

The growth of the Indian media industry is nowhere best reflected than in the stock market. Six media companies are listed, each of which has a company valuation of over Rs.10,000 million (\$250 million).

The current scenario is a far cry from about two decades ago, when the largest media company reported net profits of about Rs.50 million (a little over a million dollars).

Since January 2007, investors have pumped in Rs.15 billion (\$375 million) in the media industry alone, with no sign of their appetite sating. The combined market value of those listed comes to as much as Rs.350-400 billion (\$8-10 billion).

The print media, despite being challenged by the phenomenal growth of the electronic world, has fought back to record a compounded growth rate of 13 percent.

The rapid expansion and diversification of the Indian press - at a time when the Western world is talking about the demise of the newspaper by 2030 - is in a large measure due to the country's growing population. This is accompanied by rising literacy levels, particularly in the hitherto backward Hindi speaking heartland, and the explosion of the aspirational class estimated at 42 percent that has ridden on the country's sustained economic growth over the last decade.

The Indian Newspaper Society, an organisation of the print media in India, says it has over 990 dailies, bi-weeklies, weeklies, fortnightlies and monthlies as members. They publish in 18 languages from all over the country, accounting for over 90 percent of the national readership.

If one were to look at the top 10 newspapers of the country, Hindi journalism clearly dominates. Hindi newspapers occupy the top four slots, five are from regional languages, while there is only one English newspaper in the list.

A common sight across India, particularly in semi-rural and rural areas, is of people sitting on wooden benches or on their

haunches over glasses of steaming tea in roadside stalls poring over newspapers. The dhaba owner subscribes to these newspapers to attract custom.

These newspapers are often read out to those who are not so literate. A typical newspaper sometimes can be read or shared by a few dozen people. In some progressive villages, newspaper pages, or newspaper headlines, are put up or scrawled on village notice boards, further disseminating news and information.

Nonetheless, mainstream media for most seemingly news-hungry Indians today is TV. In a span of 50 years, the growth of television in India has been nothing short of phenomenal. Beginning with equipment gifted from a foreign government, a makeshift studio and a clutch of 21 television sets installed in homes of select people, TV now means 160 satellite channels broadcasting into India, earning revenues of more than Rs.79 billion (close to \$2 billion) from advertising alone.

And Australian media tycoon Rupert Murdoch, who in many ways foresaw the present boom and invested in the industry as far back in the nineties with the launch of STAR TV, has announced the launch of another six channels backed by an investment of \$100 million.

According to data compiled by afaqs!, based on an IRS survey, there are now 67 TV channels in 11 Indian languages devoted only to news - way above any country in the world. TV viewership for news has gone up from 333 million in 2000 to 437 million in 2007. Total TV viewership for both news and entertainment combined crossed 575 million in 2007.

With over 66 million homes connected to cable, India is the third largest cable-connected country in the world after China (110 million), and quickly closing in on the US (70 million).

“Television news is arguably the most definitive aspect of modern India’s growth in the last decade,” says Barkha Dutt, managing editor of NDTV 24X7 and probably the most recognisable India television news personality.

After the TV explosion, the third phase of media growth has been powered by the so-called New Media. Slowly, but steadily, the Internet is spreading across the country on the back of



A SNAPSHOT OF THE MAJOR HINDI NEWS PAPERS

high-speed communication lines. Newspaper websites too seem to be exploiting this.

Radio too has shown a significant resurgence. Once a government monopoly, private and community radio stations have been allowed after government relaxed its policies and permitted privatisation. Private radio stations are still not permitted to broadcast news.

FM radio has driven this explosion - from 76 million individuals listening during an average week in 2005 to as many as 119 million individuals in 2006 -- a 55 percent increase during that year and increase of over a 100 percent from 2002.

The sudden growth has also its own set of problems with the media explosion not keeping pace with the talent supply. Media schools have mushroomed to provide the industry with reporters, editors, and other content.

It has also led to an exponential demand for quality content resulting in India having the largest number of news agencies in the world. Besides PTI and the United News of India (UNI), the last couple of decades has seen the emergence of private news agency players like the Indo-Asian News Service (IANS) and the Asian News International (ANI).

“Despite rising inflation and a slowing gross domestic product, India remains one of the world’s bright spots for magazine publishing,” wrote the New York Times recently.

Magazine advertising in India is expected to grow by 20 percent to \$302 million in 2008, it quoted the International Federation of the Periodical Press as saying, leading to a virtual explosion of Western and specialist magazines on the Indian newsstands in the past year.

All of them, like Vogue, Rolling Stone, Hello, People, Housekeeping and Marie Clare have Indian editions. Meanwhile Conde Nast has set up a fully staffed Indian office to write and print its fully owned titles.

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