

OTT TO BE \$13 BN MARKET IN A DECADE: REPORT

Relevant for: null | Topic: Media and Culture

OTT platforms invested an estimated \$665 million in content in 2021, with Netflix, Amazon Prime Video, and Disney+ Hotstar leading the pack with a combined spend of \$380 million

NEW DELHI : India's over-the-top (OTT) video streaming market may record a compounded annual growth rate (CAGR) of more than 20% to touch \$13 billion–\$15 billion over the next decade, riding on original content and pricing innovations, a new report said. Paid subscribers are also estimated to expand at a CAGR of 17% to reach 224 million by 2026 from the current 102 million, according to All About Screens, a report by multinational professional services network Deloitte.

The growth in the OTT industry, which makes up 7-9% of its entertainment industry, will also be driven by low data costs, and the rise of short-form content, the report says. OTT platforms invested an estimated \$665 million in content in 2021, with Netflix, Amazon Prime Video, and Disney+ Hotstar leading the pack with a combined spend of \$380 million.

The share of regional language consumption on OTT platforms is expected to cross 50% by 2025 from 30% held in 2019, easing past Hindi at 45%, the report said. India's video streaming industry is highly fragmented, with more than 40 operators. Global streaming service providers (such as Amazon, Disney-owned Hotstar, SonyLiv, and Netflix) compete with domestic service providers (such as Zee5, Voot, and MX Player), as well as a host of regional and ultra-localized players. Demand for OTT streaming content based on geo-demography is on the rise, both within India and internationally from the considerable Indian diaspora. The country is witnessing a boom in regional content and platforms created to address this demand.

The report said that in the early stages, India's OTT market was dominated by pricing structures suited to advertising-led video-on-demand services to maximize consumer acquisition. However, it said a subscription-led video-on-demand model will emerge stronger in future, with paid subscribers in India estimated to increase at a CAGR of 17%.

Never miss a story! Stay connected and informed with Mint. [Download](#) our App Now!!

Log in to our website to save your bookmarks. It'll just take a moment.

Oops! Looks like you have exceeded the limit to bookmark the image. Remove some to bookmark this image.

Your session has expired, please login again.

You are now subscribed to our newsletters. In case you can't find any email from our side, please check the spam folder.

This is a subscriber only feature [Subscribe Now](#) to get daily updates on WhatsApp

END

CrackIAS.com