TWO INDIAN ENTREPRENEURS' MEDIA MASTERY!

PICS: B L SONI

Mini Menon, Co-Founder & Editor at Indy Network Pvt Ltd, Raghav Bahl, Founder at Quintillion Media Pvt Ltd & Ronnie Screwvala, Founder UTV Group, Unilazer Ventures and Swades Foundation

On what could be considered a rare occasion, two phenomenal media personalities and entrepreneurs - **Raghav Bahl** and **Ronnie Screwvala** made an appearance on a forum, sitting down to evaluate the disruption in the Indian media industry. The discussion took place at the recently held IAA knowledge series powered by **The Free Press Journal.**

The evening started off with The Free Press Journal consulting editor, RN Bhaskar introducing the philosophy of the newspaper. He pointed out how FPJ has embarked on a sharply focussed strategy to move beyond print. "While the print medium will continue to be immensely relevant, FPJ has begun working to make its mark in other areas left largely unexplored by others. The first was to focus on policy making people understand policies better. We began promoting events where we could have policy panel discussions," added Bhaskar. During the past eight months, the newspaper has had around six panel discussions focussed on policy. Bhaskar added, "FPJ wants to move on to promoting conferences as well, once again to make the government's policies understandable to people, and pointing out ways in which the policy could be better. And now we have decided to look at how markets evolve through disruptions." This engaging discussion, which was moderated by Indy Network's co-founder and editor Mini Menon, had panelists like Bahl and Screwvala as part of the FPJ canvas. Menon commenced the session by introducing the media tycoons and calling their journey a parallel one, which the duo did not deny. Bahl started by talking about his journey, terming his early career with Network 18 his first innings, and with The Quintillion Media, popularly known as The Quint, his second innings. "You are not starting from ground zero when you start second innings," Bahl added. "Second innings is sort of the third or the fourth day of the test match. So, you are a bit more tired and older." He also stated that in a second innings there is shortage of time. Comparing the two, Bahl said, "So, what were constraints in the first innings are not constraints anymore (in second innings)." He added that capital and acquiring talent is not that much of constraint, but the scenario would have been different if it was done in 90s. While Bahl had compared his journey to cricket, U Mumba owner Screwvala compared it to kabaddi. "I am playing kabaddi. In kabaddi, you hold on to someone and you don't let them go." He added, "I feel like I am in my first innings, because there is no second innings in kabaddi. It makes you much more energetic, makes you a gladiator and you come with a lot more force." According to FICCI-KPMG report 2016, the Indian media and entertainment sector is expected to reach the Rs 1,980 billion mark by 2019. Meanwhile, the film industry is expected to reach Rs 227.3 billion. However, many industry bodies, for many years, mildly revised their predication for the film industry, stated Screwvala. This has a lot to do with the skyrocketing marketing costs and stagnated footfalls, he opined. Adding to Screwvala's comments, Bahl said, "My biggest blunders in life have happened (in the film industry)." Bahl pointed out that the cost structure of the industry is broken. "Any industry where star talent gets 50 per cent of the revenues of the film, and not the profit, will never make money." Both, Bahl and Screwvala, have taken bold steps in their respective careers. Commenting on his exit from CNBC, Bahl said that he should have taken a calibrated step, when he exited CNBC. Adding to this, Screwvala said, "I challenge anyone who can figure out that an exit can be timed. It does not work in that context." Citing an example of exiting Hungama, Screwvala said that if he had thought Walt Disney wanted to buy the channel in 18 months, he would never have put in disruptive programs like 'Shin Chan' and 'Doraemon'. Bahl reiterated that the reason for quitting his company has a lot to do with bad regulation, which was pro-monopolistic. The regulation then prevented the founders to sell their share of stakes. The duo was part of the panel titled 'Reshaping Markets through Disruption' which took place at ITC Maratha, Mumbai. HarperCollins India CEO Ananth Padmanabhan was gracious enough to give away session attendees books published by HarperCollins India.

Raj Nayak, CEO, Viacom 18 Media Pvt.; Ms. Vandana Malik, Managing Director,Television Eighteen

Ms. Vishakha Singh, Founder, RedPolka.com; Mr Ashok Karnani, Managing Director, The Free Press Journal; Mr. Abhishek Karnani, Director, The Free Press Journal; Dr Bhaskar Das, Group CEO, ZEE Media Corporation Limited; Ramesh Narayan, Founder, Canco Advertising Pvt. Ltd

Mr. Partho Dasgupta, CEO, BARC Mr. Raj Nayak, CEO, Viacom 18 Media Pvt. Ltd & Ms. Vishakha Singh, Founder, RedPolka.com

(LtoR) Abhishek Karnani; IAA global VP Pradeep Guha; and Mini Menon, after the knowledge series session

Audience

Ronnie Screwala has been the archetypal serial entrepreneur. From Hungama to UTV to other ventures including an education platform, Ronnie has seen-that-done-that-all. He is familiar with the aches and pains in giving birth to a venture, watch it blossom, and finally allowing it to go its own way; and then embarking on another startup all over again. Excerpts of his views:

Market will work for content creators: Ronnie Screwvala

Snapshots:

- There are three different buckets in which this whole space exists. One is existing media organisations that are looking at digital as part of their existing offering model. The second one is the multinationals, the Amazons, Netflixs and some of the others that will come in with their own strategy. And then [there are the] Indian start-ups or the Indian non-media getting into media. Those are the three buckets.
- The tough one is the middle one where the mode is going to be the big one. I think the Amazons and Netflixes will go through their learning curve - where you can spend Rs 1, 000 crores and make 10 very expensive series and expect something is going to turn around. The core and the horizontal denominator to all of this is [whether and how] the consumer is going to pay or not.
- This would leave them back again being dependant on an advertising economy. The premise we are starting on today, unfortunately, is two-fold. Venture capital is equal to free and therefore, everyone is more into "what the investor want will from me" as a start-up is the question that is asked.
- If it's not venture capital, then it is advertising dependant to get revenue, which is always going to be a minus game. It is always going to be cost minus not a cost plus. So that is the real struggle. Where will the real creative and disruption happen? It will happen with the people who want to create (content) for this market, rather than Amazon trying to do something, or Hotstar trying to extend its brand to a certain extent.
- The crux to my mind is that the consumer going to pay. And bandwidth costs are going to come down, which is great for all of us for consumption. Because I think it's going to have its own progress.
- I was to talk about things from an entrepreneur's perspective: I think you got to build what you want to build and stay constant and very clear about your own vision on what you want to build. And I think today's ecosystem is forcing people to go a little bit horizontal.
- I think anyone who has built the business; run a business or exited a business knows there's a complete balancing network process.
- Technology is where the disruption is really coming. But if you look at most of the content-telling and story-telling level, you will see technology will break it up in a format in which you are going to see it, in the mediums in which you are going to see it, what time you can see it and so on.

After successfully launching and exiting various media organisations, Network 18 founder **Raghav Bahl** is one of the most perceptive and informed media entrepreneurs in India. Among other things, he believes that content will remain a key driving force in the industry.

Content is King: Raghav Bahl

Snapshots:

- In the late 90s, when we started CNBC-TV18 our revenue lines were above USD 1 million, above Rs 5 crore to Rs 6 crore or more than Rs 5 crore [taking the exchange rates prevailing at that time]. Today, the business news market is Rs 400 crores for CNBC, TV18 must be Rs 500 crore and the other must be maybe another Rs 50 crore. So, it is an Rs 550 crore market. It has gone from USD 1 million to USD 100 million in 15 years.
- Moneycontrol.com is a huge property. At the end of the day, this is about content. It is about the fact that you will have to be independent. It is about the fact that the editorial issue that you will pick up will be bolder and will be independent. That is a big thing. Today, if editorial is not independent, viewers and readers see through that. I do not think you can reinvent the wheel, you can just make the wheel much steadier.
- We cannot mix the content business with the OTT (over-the-top) business. They are two very different businesses.
- When I was responsible for Viacom's decision making, I was very clear that we would not go OTT because we are a content company. We are not going to be in the distribution game.
- According to me, Netflix is an exception. Today, Netflix will have to figure out what it is. Is it a content company or is it a technology company? Unless they cannot figure it out, they can fall in the same confusion that Yahoo faced.
- It is a confusion that (Mark) Zuckerberg spotted out pretty quickly and fixed it. It tried to do content and later realized that these are two very different businesses. Then, he decided that he wanted to be a technology company and not a content company. Therefore, it (Facebook) is now opening up its technology platform for content monetisation. The jury is out. I remain very confident that if you can build a compelling proposition for a consumer then revenues will follow…
- Companies like Disney are testimony to that (compelling content). If you are an original content creator you will survive.
- If you look at the history of the media business whether it is New York Times or Economist, these are 150-year old companies. They are all content creators. They have not gone outside of content and tried becoming telcos (telecom companies) or becoming OTT platforms or anything like that. I genuinely believe that history is a witness.
- Original content will win in the end. It is currently going through a very disruptive phase.
- A debate (around branded content on digital platforms) has been taking place for the last two years; and I have been very clear about it and I am not apologetic about it at all. I think what they have missed out is that as the architecture of businesses change, formats change with architecture. I do not think this is sort of appreciated enough or debated enough. When the newspaper was the dominating news media, the dominant form of revenue earning was the 30-column centimetre or the 40-column centimetre. When the newspaper business got disrupted by television news, you cannot put a 30-column centimetre on TV or a static screen as no one is going to watch it. The format of revenue acquisition became the 30-second commercial. Nobody said anything at that point in time, that this is not ethical or whatever. Now, the major consumption format for news is this handheld device. You cannot do a 30-column centimetre on this or do a 30-second commercial on this. So, as the architecture of dissemination changes the format of revenue acquisition has to change too. It is a law. It has happened before. And therefore the way revenues will come on digital news is through branded content. I do not see any ethical dilemma here at all. You have to be very clear in telling your consumer that this is branded content.
- BuzzFeed's revenue has gone from USD 10 million to USD150 million in three years. Revenues are moving online. BuzzFeed creates content which keeps their users heavily engaged. NBC is not a venture capitalist but is an operating company which has taken a 25 per cent stake in BuzzFeed at a $1.5 billion valuation.
- Content business can only be disrupted by creating better content. We are in the content business.
  We are not in the technology business and disruption happens in the technology business. Content business is a pretty steady business.
- Now, it is a golden period for content.

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Mini Menon, Co-Founder & Editor at Indy Network Pvt Ltd Dr. Bhaskar Das, Group CEO, ZEE Media Corporation Limited & Pradeep Guha, Managing Director, 9x Media Pvt Ltd

Dr Bhaskar Das, Group CEO, ZEE Media Corporation Limited, Ramesh Narayan, Founder, Canco Advertising Pvt. Ltd &Mini Menon, Co-Founder & Editor at Indy Network Pvt Ltd

Ministry of New co-founder Marlies Bloemendaal with Vedika Karnani

Mini Menon, Raghav Bahl and Ronnie Screwvala taking questions from audience

R N Bhaskar Consulting Editor, The Free Press Journal.; Mini Menon, Co-Founder & Editor at Indy Network Pvt Ltd; Raghav Bahl, Founder at Quintillion Media Pvt Ltd & Ronnie Screwvala, Founder UTV Group, Unilazer Ventures and Swades Foundation & Mr. Abhishek Karnani, Director, The Free Press Journal

Raghav Bahl, Founder,Quintillion Media Pvt Ltd, Raj Nayak, Chief Executive Officer, Viacom 18 Media Pvt Ltd & Ronnie Screwvala, Founder UTV Group, Unilazer Ventures and Swades Foundation

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Srinivasan Swamy, President, IAA India Chapter & Senior Vice President, IAA Global ; Dr Bhaskar Das, Group CEO, ZEE Media Corporation Limited, Ronnie Screwvala, Founder UTV Group, Unilazer Ventures and Swades Foundation; Raj Nayak, Chief Executive Officer, Viacom 18 Media Pvt. Ltd; Raghav Bahl, Founder at Quintillion Media Pvt Ltd