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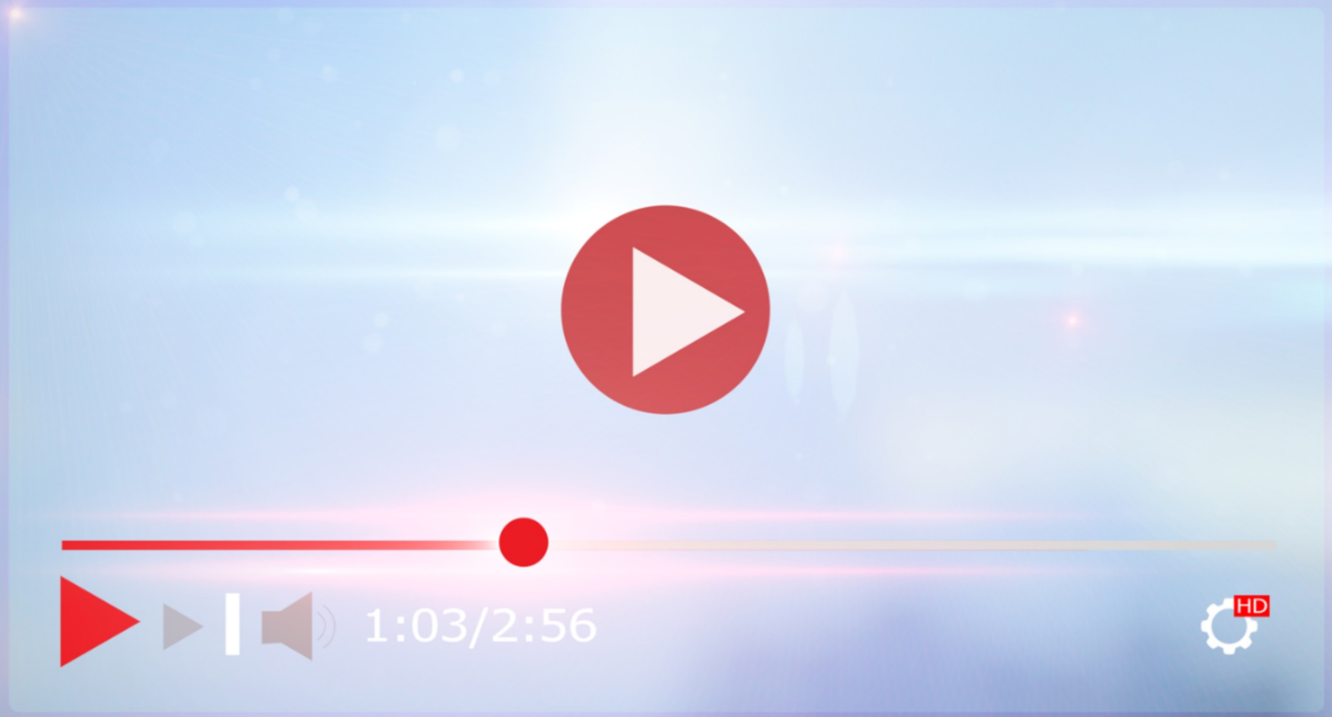


The Ormax OTT Audience Report: 2023

The largest audience research to size the OTT universe in India

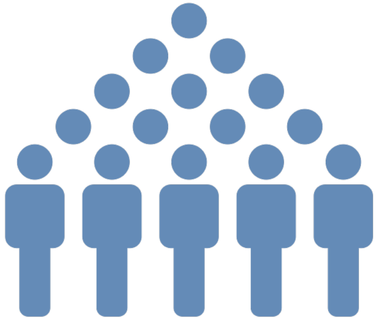
The Need

- India's OTT audience universe is rapidly growing, with adoption outside the big cities and in the older age groups
- While streaming companies have data for usage and subscription of their platforms, there is no industry-level audience research available to size and profile the Indian OTT market at large

- As a result, market size estimation, a crucial strategic component in a growing category, is based on secondary data such as Internet or mobile penetration, or via third-party estimates on app downloads or usage
- None of these methods have the precision to be able to size the OTT universe in India accurately, not to speak of their limitations regarding geographic and demographic profiling data, which is not even available as crude estimates

- To fill in this gap, we released the first edition of The Ormax OTT Audience (Sizing) Report in 2021, which was found to be highly relevant and useful by multiple subscribers, including OTT platforms, content aggregators and producers
- The 2023 edition of the report is our commitment to track the size of the Indian OTT market at an annual level, to understand the growth rates, and the change in the audience demographic, over time

Research Design



Sample size: 12,000

Period of data collection: Jul-Sep 2023

Methodologies deployed

Computer Assisted Telephonic Interviews (CATI) & Online Interviews

Face-to-Face Interviews (Kids)

All states & UTs except J&K and Ladakh (Urban & Rural India coverage)

Demographic proportions applied as weights for gender, age & market, based on Census 2011 & National Commission of Population 2019 report. India's 2023 population estimated using UN & GOI sources

Report Sections

Universe Sizing

The size of the OTT Universe in India in 2023, and its market & demographic breakup

Usage Segments

Segmentation of the OTT universe in India based into five types, based on nature of usage (paid vs. free)

SVOD Deep-Dive

A deep-dive into the SVOD segment from a subscription monetization perspective, to understand its profile and the volume of paid subscriptions

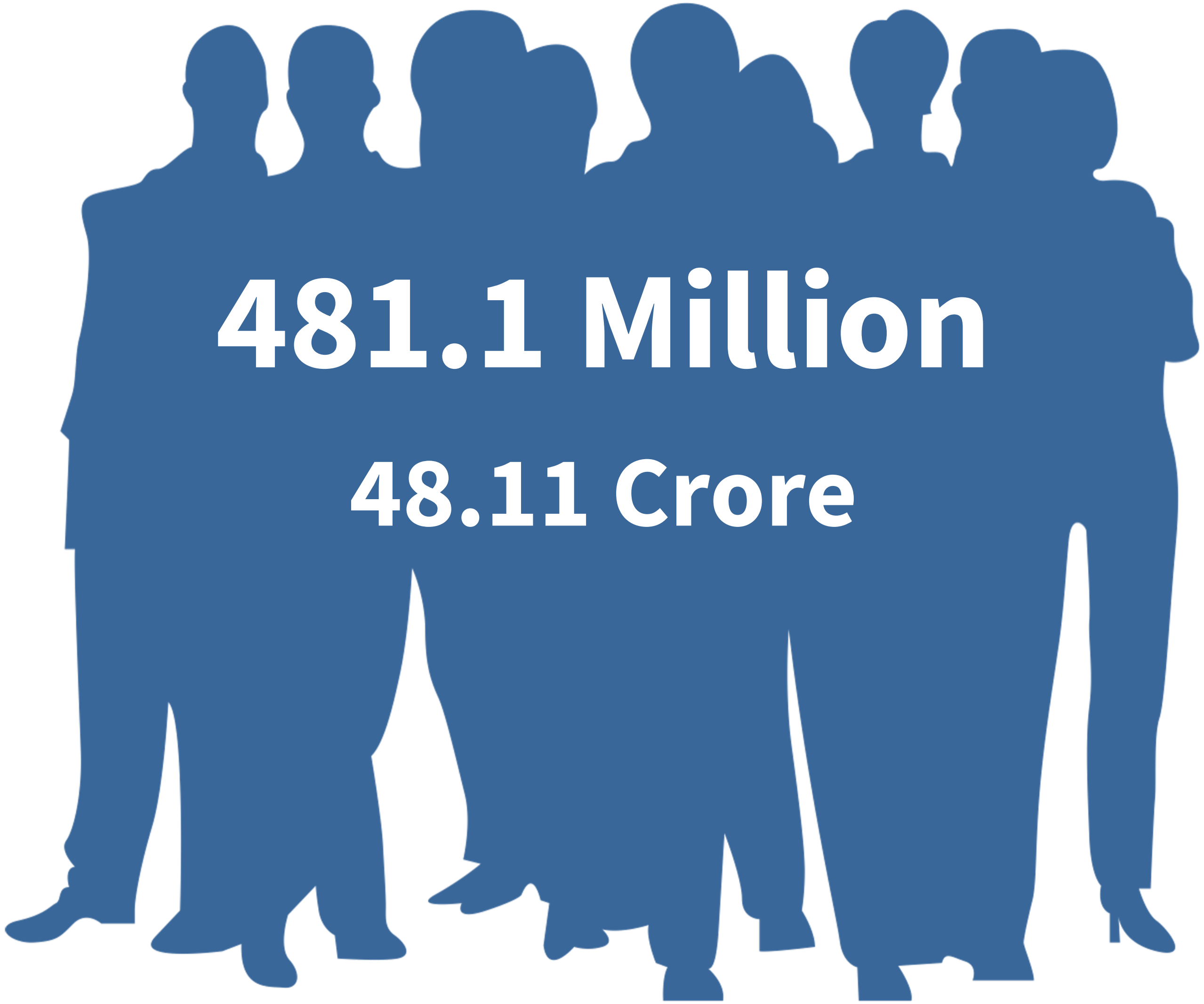
All-India numbers on key metrics are being released for public consumption and also form a part of this proposal document. The paid report will provide further analysis and profiling, as mentioned in this proposal ahead.

Universe Sizing

India's OTT Audience Universe

Definition: Number of people in India who have watched online videos at least once in the last one month

India's OTT Audience Universe



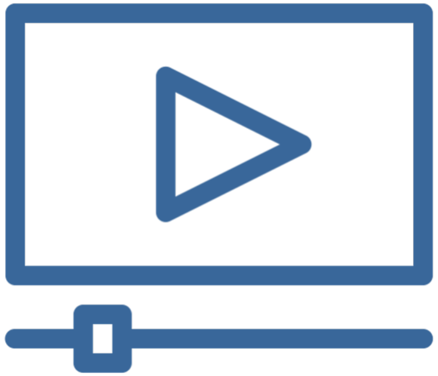
481.1 Million

48.11 Crore

India’s OTT Audience Universe

1416.2 Mn

India’s population (2023 estimate*)



34.0%

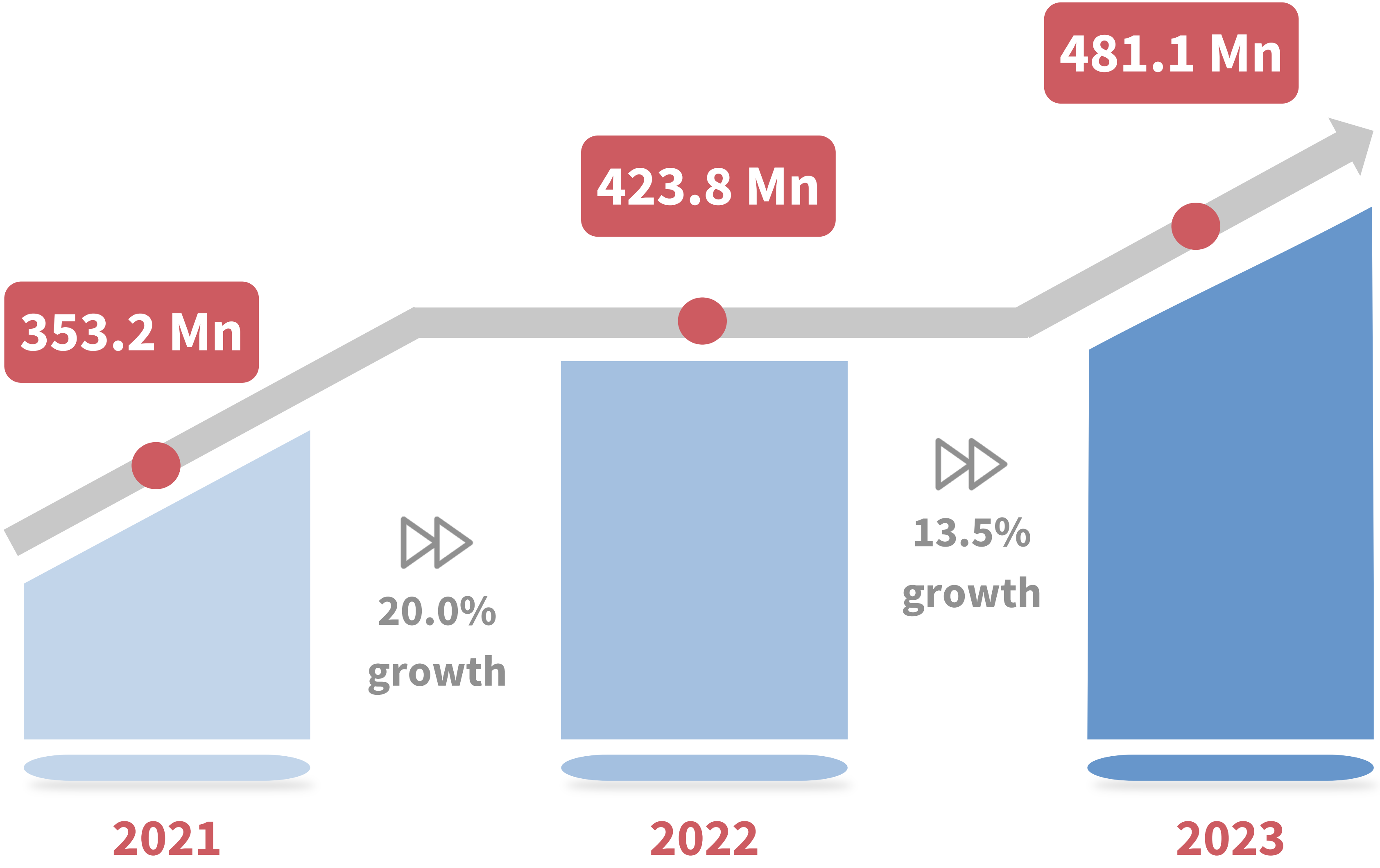
OTT penetration in India

481.1 Mn

India’s OTT audience universe

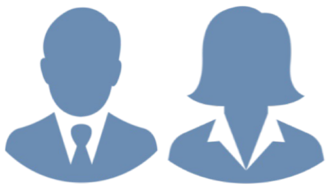
*Based on Census 2011, UN & GOI sources

India's OTT Audience Universe: Growth since 2021

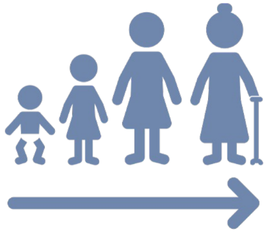


Universe Profiling (Paid Report)

The paid report will profile the 481.1 Mn universe by the following demographic and market variables, and will report OTT universe size and penetration in each segment, as well as contribution of each segment to the overall universe

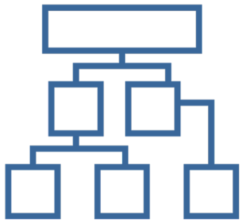


Gender



Age

0-14 yrs., 15-21 yrs., 22-30 yrs., 31-40 yrs. & 41+ yrs.



NCCS

A, B & CDE

Pop Strata (Town Class)

Metros, 10-75L, <10L Urban & Rural

States

15 states/ state clusters across India

Zone-wise analysis (North, West, South, East & Central)

Top 50 Cities

Usage Segments

Segment Definitions

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1

SVOD (B2C)

Paid members, who have paid for at least one subscription themselves directly (not just via telecom packs)

2

SVOD (B2B)

Paid members, who have paid for at least one subscription themselves, but only via telecom packs (not directly)

3

SVOD (Indirect)

Watch content on SVOD platform(s), but have not paid for any subscription themselves, and watch only through B2C or B2B subscriptions taken by their family members or friends

4

AVOD+

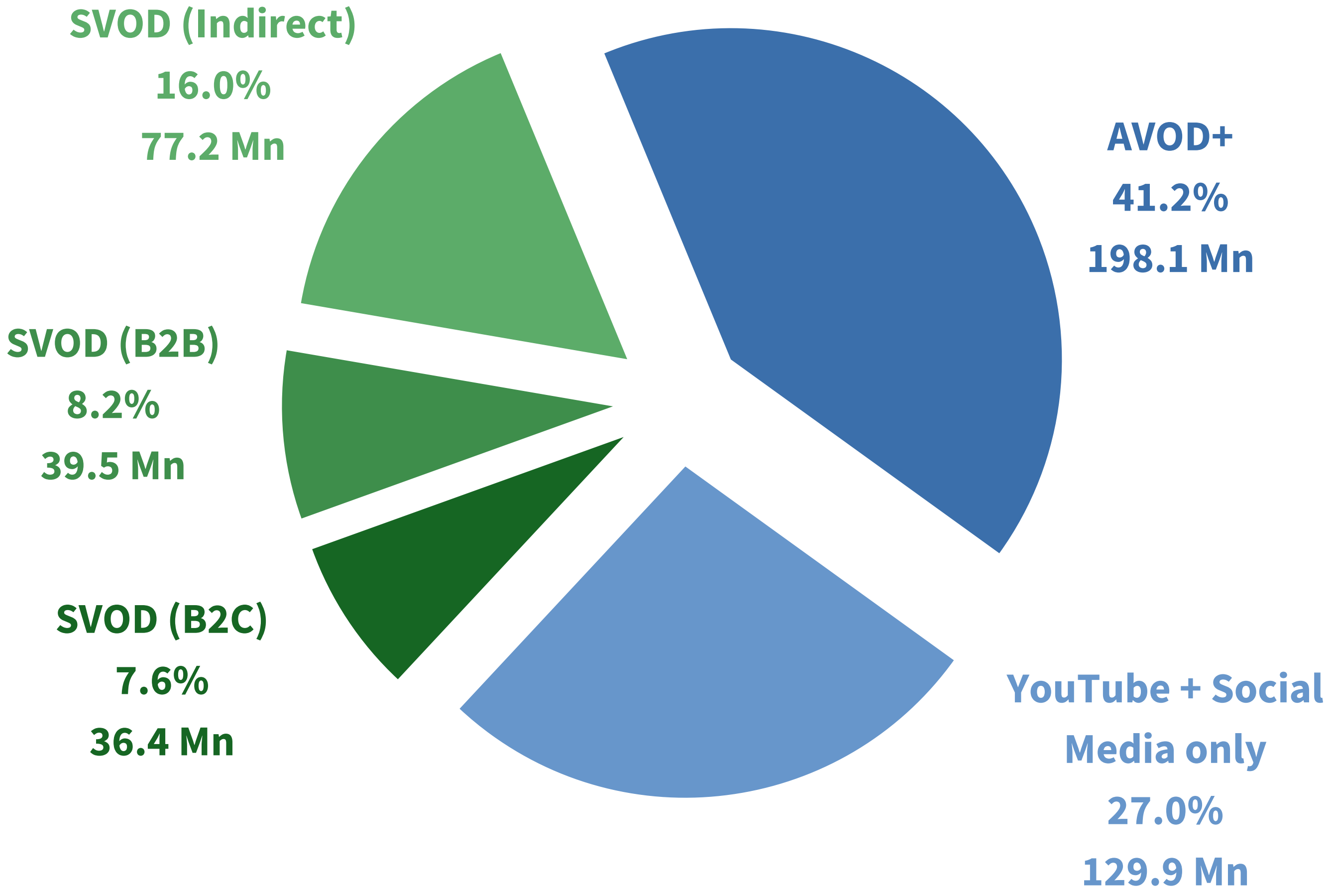
Watch videos only on free streaming platforms, including at least one platform besides YouTube

5

YouTube + Social only

Watch videos only on YouTube and/ or social media platforms

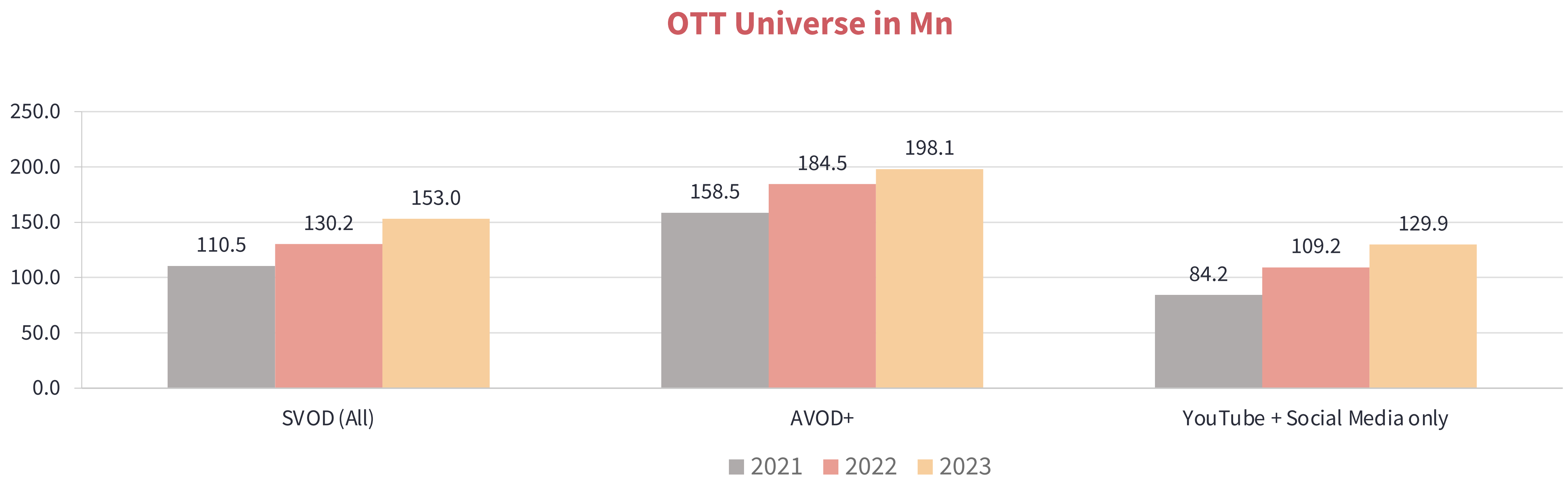
Usage Segments: Size



Segment Definitions vs. 2022

- In the 2022 report, SVOD was broken up into Direct and Indirect segments, compared to three segments in the 2023 edition
- The Direct segment was defined similar to the B2C segment now, while Indirect captured B2B and Indirect users as per the 2023 definitions
- However, the question on telecom packs has been asked more directly and at a platform level in the 2023 research, compared to overall level in the 2022 research. Hence, we have been able to split Indirect into B2B and Indirect in this edition
- This also means more accurate attribution of a section of B2B audience (<25%) who would have been attributed to Direct in the 2022 report
- For this reason, SVOD segment levels sizes are not comparable across the two reports. However, the overall SVOD universe is comparable to the 2022 SVOD universe

Usage Segments: Yearly Movement



Growth vs. 2022:	18%	7%	19%

SVOD's share of total OTT audience in India has gone up marginally from 30.8% last year, to 31.8% this year.

Usage Segments Profiling (Paid Report)

- The five segments will be profiled demographically, both in terms of their individual composition as well as their relative contribution to the relevant audience groups. This will help question many critical business questions, such as these examples:

1. Which gender and age group in the family is paying for subscriptions?
2. Which states in India have the best SVOD penetration per capita?
3. Which markets offers the maximum growth opportunity? (separately for SVOD & AVOD platforms)
4. Who is more important for the growth of a paid streaming business: youth (15-30 yrs.) or adults (31+ yrs.)?
5. We are considering a streaming service for Tamil content targeted at kids. What is our addressable universe size?
6. Which cities should we focus our marketing efforts on, to add new subscribers?
7. As a big national streaming platform, should we be looking at rural markets closely already?


SVOD Deep-Dive
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SVOD Deep-Dive (Paid Report)

- This section of the report will deep-dive further in the SVOD (B2C) segment, to size and profile number of active subscriptions and their viewer base, answering questions such as:

1. How many paid subscriptions are currently active in India?
2. What is the average number of subscriptions per SVOD user?
3. Which demographic and market segments take more subscriptions than others?
4. Which are the top cities in terms of their contribution of paid subscriptions?
5. Which segments and markets have grown more than others on monetization since 2021?

- This analysis will offer a different lens to look at the SVOD (B2C) segment, i.e., based on number of subscriber accounts than based on number of subscribers itself, providing strategic data that's important from a monetization perspective

Number of Paid Subscriptions

36.4 Mn

SVOD (B2C) universe

2.8

Average number of platforms subscribed

101.8 Mn

Number of active paid subscriptions

Market Classification based on Growth Strategy (Paid Report)

Universe Expansion

- Markets in which the OTT penetration is less than 30% of the total population. The opportunity in these markets lies in expanding the OTT universe itself

SVOD Expansion

- Markets in which the OTT penetration is greater than 30% but the SVOD universe is less than 30% of the total OTT universe. Converting AVOD audience into SVOD is the immediate opportunity available in these markets

SVOD-led ARPU Growth

- Markets where the SVOD universe is >30% of the total OTT universe, but the average number of paid subscriptions per SVOD (B2C) user is less than 3. Increasing the number of subscriptions can lead to higher monetization from these markets

TVOD-led ARPU growth

- Markets where the SVOD universe is >30% of the total universe, and the average number of paid subscriptions per SVOD (B2C) user is greater than 3. These are the only markets mature enough to be considered as target audience for PPV/ TVOD services

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