

Understanding the Factors Lead to the Adoption of Content Localization Strategy by OTTP in India: A Review

Navami P*, Dr. P.E Thomas^

* Research Scholar, Department of Communication and Media Studies Bharathiar University, Coimbatore, India

^Professor, Department of Communication and Media Studies, Bharathiar University, Coimbatore, India

Abstract

OTT, the new video streaming service in India has rapidly evolved over the last few years. Post Covid era forced the people to follow a new and different pattern of video consumption which accelerated the growth of OTT platforms. Unlike traditional TV, in the new platform content creators can communicate with their consumers directly through an internet interface which offers much ease viewing at one's own convenient space and time. Changing demographics, growing internet penetration & data consumption, affordable smart phones, elevated the trend and later leads to cord-cutting phenomenon. However a close analysis of OTT platform shows that apart from the demographic and infrastructural changes success of the new video platform is primarily determined by the quality and variety of content delivered by the OTT media. To compete with the traditional TV and the emerging regional OTT platforms, content strategists adopt different innovative idea. This report is the overview of the factors that leads to the adoption of the content localization strategy by OTTP in India. The study also entails the opportunity of particular strategy.

Keywords: AVOD, Content strategy, Globalization, localization, OTT, Films

Introduction

Digital consumption pattern of India has been changed drastically over the period. Pandemic changed the consumer behaviour pattern faster than any media companies could have done. People began to embrace the new video consumption method. During lockdown period the demand for in-home entertainment was at its peak. Global players like Netflix, Amazon Prime looking to capitalize on the emerging massive market. Many Bollywood and regional films which were expected to have theatrical releases launched through OTT platforms. Similarly, the count of new shows has increased in this period in order to gain maximum number of audiences (Bhattacharya, 2020).

Convenience, mobility, content and subscription strategies are considered as the major adoption factors of OTT video services. Among these parameters, content holds the core position (Dasgupta & Grover, 2019). The novelty and interactivity of content attract the audience in the first place. People have switched their consumption habits to these streaming services since they provide global and regional content with a variety of narrative styles. OTT platforms stream international content across different regions with the help of subtitles, paving the way for the audience to get familiarized with global cultures and aesthetics. Globalized contents of this new platform have the potential to influence and get into the region where it propagates. Thus it is envisaged that the new media eventually leads to cultural homogenization and the loss of multicultural distinctiveness. Jin (2013) considers platform imperialism as an essential continuity of cultural and information imperialism. Cunningham and Craig (2016) noted that the U.S, started controlling non-Western countries with its cultural products through platforms and profiting capital accumulation (Cunningham & Craig, 2016). But due to the cultural, political and social diversity, India, the prominent non western online space demands intense localization of online cultural sphere. While analyzing the cultural domination model Sinclair (1996) observed that with the introduction of new media technology the pattern of global media flows has become more complex. The paradigm offers new patterns of audiovisual flow

around geolinguistic regions worldwide which challenges cultural domination model (Lievrouw & Livingstone, 2007). The new media spectrum witnesses existence of paradoxical behaviour all the time. People become disconnected from the rest of the world, but the same technology also inspires social debates through social media. Likewise, the OTT platform asked for the development and propagation of globalized and localized at the same time.

Schaler defines "[Localisation is] the linguistic and cultural adaptation of digital content to the requirements and locale of a foreign market, and the provision of services and technologies for the management of multilingualism across the digital global information flow " (Schaler & Anastasiou, 2010). Making the product specific to a region is not a new business strategy. In different region global companies do necessary customization to the product. Now with the advent of online platforms global content is readily available to local audience thus required more customized, localized content. Localization is not just about subtitling and dubbing of video. Anastasiou and Schaler defined locale in their article, *Translating Vital Information: Localization, Internationalization and Globalization*. "Locale is the combination of language and culture where the localized digital content, products, and services are used and sold". Localization is "high-tech" translation. It transfers any type of digital content and make it specific to the *locale*. It is the process where globalized content delivered with local flavour. Creation and dissemination of original content in regional language of global standard is a part of this process. A higher retention rate on OTT media apps has been attributed to the availability of TV shows and movies in multiple languages. In short, OTT platforms have restructured geopolitical realities through the simultaneous propagation of globalized and localized content.

Methodology

Systematic review has been carried out in order to investigate the factors lead to the adoption of content localization strategy by OTTP. In order to gather the necessary information for the study a variety of texts - research journals, books, online articles, news reports, interviews and annual reports were reviewed. This survey of literature facilitated the collection and organization of qualitative data relevant to the objective of the study.

Discussion

Due to the advent of OTT, consumer behaviour towards communication service has changed. Studies point out that speed of internet, affordability of wireless connection, and scope of content content are the other key factors affecting the adoption. Added to that, Personalization and customization of OTT content aids to keep hold of the subscribers (Joshi, 2015). Above all, the pandemic played a vital role in the upsurge of OTT. Apart from the technological affordances and changes in the living condition, the novelty in the content creation and execution of programmes grab the attention of audience. Researchers cite consumer friendliness and content richness as the reasons why consumers in India are switching from television to OTT platforms.

As the Indian streaming services Hotstar, Zee5, Voot, Jio Cinema etc. has gained more recognition and subscription, international brands like Amazon and Netflix went on to adopt new content strategies like localization to foothold their market share which caused alteration in the content pattern of the platform. The dominance of western content was evident and later on it witnessed a shift in favour of regional content.

Factors lead to the localization of content

Regional diversity: India is a combination of multiple unique markets due to the diverse cultural and language background. Nation possesses billion of regional audiences across multilingual backgrounds and consumers always prefer content in local language and those set in their familiar milieu. Captivatingly, in India, nine out of ten new internet users are expected to be Indian language users. Evidently, the expansion prospect for OTT brands lies in the local markets. Subsequently global OTT brands have began to focus on making a library of regional content that includes original programmes and films (KPMG, 2019). Currently, Netflix's catalog is available in 22 languages, however not all content is available in all languages. The amount Amazon has allocated to local production houses is far more than most Indian platforms invest in their budgets every year (Shankar, 2017). Now the local production houses have been focusing on the creation and adoption of content in accordance with the needs of targeted locale to leverage marketing activities.

Interest of Diaspora: Contrasting to traditional TV, consumers can access OTT content from anywhere on the globe according to their convenience. In these global platforms the content transcends the boundaries of nation. So, the interest of Diaspora is a matter of concern. The statistics given by the Boston Consulting Group (BCG) and the Confederation of Indian Industry (CII) pointing out that original Indian content attracts foreign audience including the Diaspora of 32 billion spanned over the globe (Jha,2020). It also points out that the major audience of Indian OTT App is from UAE. Living far from the native, Diasporas and their homelands often encompass an affective relationship (Jha, 2020). They often try to make a connection with the roots. Content creators need to locate those cultural touchstones to make them feel linked to their legacy. A cognitive approach is needed to understand the preferences of viewers and how can they connect with the new medium. “Localized” content foregrounds in Indian social structure, culture and telling the stories from Indian mythologies will help the content creator to satisfy the cognitive preferences of audience (Chattopadhyay, 2020). OTT platforms try to satisfy these cognitive preferences by delivering localized content hence ensuring a global market. Growth of different regional OTT players again substantiates that inference (KPMG, 2019).

Film release: OTT opens up new opportunities to restructure the film industry and alter how stories are produced and distributed. Producers opted OTT route for film releases abandoning the wait for pan India theatre openings during the crisis era. Watching movies on the go has certainly become easier, cheaper, and more accessible with the recent advent of streaming video platforms. Now Production companies can release new films at anytime across different platforms. But the demand for high quality film increases since the normal viewer has the access to global films. On the other hand, global nature of OTT platform helped the regional cinema and series to grab international acclamations (Chatterjee & Pal, 2020). Irrespective of the language many films gained great reach across different film industry be it Malayalam film *Dhrishyam 2*, Tamil Film *Soorarai Pottru* or Hindi dark comedy *Ludo*. It helps to have a larger and broader audience for low budget films. As a consumer centric industry audience positive inclination towards this new medium forced a paradigm shift in the film industry. Many established filmmakers are making content exclusively delivered by OTT platforms and believe in the coexistence of film and OTT. Though it can never replace theatre experience, feasibility and convenience draws more viewers.

Widely relatable: Content treatment and presentation of web series are highly different from the television counterpart even though they have much in common as a cultural medium. Web series theme addresses current socio-economic and political realities and mostly prefer on real location shooting unlike television serials. Besides, lesser drama and realistic dialogue presentation make them close to reality and attract more audience (Kakkar & Nayak, 2019). In a country with over hundreds of dialects and a number of recognized languages people often show a propensity to go with regional content. A wide spectrum of consumes find the local content more accessible and relatable. It communicates effectively with the audience as it shares similar cultural linguistic context. Southern states, for example, have a larger and more active audience for vernacular content (Upadheya, 2020). Yupp TV, Alt Balaji, Vio, Sun NXT, ZEE5,Neemstream have shown notable growth during the period. So, people opting OTT platforms which provide more personalized, engaging, innovative, glocal content in the most convenient manner.

Demographic shift: During the launching period global streaming services aimed at urban youth but digital content consumption trends of past two year was entirely different from the anticipated. With the device affordability and data availability lower social classes flocking to OTT platforms. This denotes a remarkable shift in the demographics subsequently point out the need of alterations in content creation (Malvania, 2019). Similarly, Malvania, in an online report observed that new platform democratizing content consumption. Both women and aged people began to consume the OTT content. According to the Hotstar's *India Watch Report 2019*, 63 percent of total online entertainment consumption happens in the non-metro centres of India. In contrast to popular conception, the statistics says significant per cent of the audiences of family drama are men. Thus the global companies started focusing on regional content production and include Indian content among their originals (IANS, 2019). This inclusion of regional content facilitated a path for mass-market acceptance in contrast to the primary niche offering. Amazon Prime Video had obtained three new languages, Malayalam, Punjabi and Marathi and reached a total of 10 languages in 2019. Compared to other countries, Prime Video in India delivers content in the largest number of languages. The platform also has regional dubbed versions of popular Hollywood content (Farooqui, 2021).

Advertisement: Major monetary model prevalent in OTT platforms in India is AVOD (Advertising based Video on Demand). Users can access the content without any subscription and platform earns revenue through advertisement. Hotstar, streaming giant in India follows AVOD-SVOD (Subscription based Video On Demand) a blended monetary model. Even in SVOD model apart from the subscription charges, Advertisement is the major revenue of OTT platform. MICA, in their report on Indian OTT platform says that the digital transformations primarily driven by locally & globally diverse customer preferences. In addition to enabling subtle product placement, digital content also helps brands and products reach new audiences and improve discoverability. Analysis of annual reports of these platforms shows mixture of regional promise on an AVOD platform is highly suitable for such regional markets. According to a recent report published jointly by Google and KPMG, nearly 90 percentage of internet users responds more actively to Indian language commercials (Gupta, 2020). Ad relevance is determined by the location of viewers, one of the major factors in segmenting customers. According to the retrieved data they screen advertisements in a regular interval of time to the audience. OTT video ads that are intelligently personalized can boost user engagement as well as ad revenue. Hence, Hotstar initiated targeted advertising based on age, gender, and demography for the IPL 2019 (MICA, 2019).

Conclusion

The changes in technology and behaviour of media consumer are highly correlated. Due to the data availability and affordability audience now prefers to experience films and other entertainment content in their private zone- With OTT video streaming services in India, our traditional mediums, such as television and cinema, are about to be transformed. Existing and new content creators are experimenting with themes, genres and duration formats to generate a plethora of content for web that is finding takers across globe. This surge in 'at-home entertainment' viewership demands competition within the OTT services and between traditional TV. Consequently, online video streamers introduced new strategies to ensure the market share. Thus, OTTs are stepping up to provide localized content to retain their viewers. The practice of localizing content is to modify them to adapt to different cultural tastes and geographic requirements around the world. Regional diversity, interest of Diaspora, demographics shift, relatability and monetary benefits are the major factors forced the strategist to adopt new content strategy like localization.

References

1. Bhattacharya, M. (2020), "Growth of OTT in India the Covid Factor", E-cineIndia. (ISSN)2582-2500.
2. Capgemini (2020), "Impact of the Covid-19 Outbreak on Media & Entertainment", Retrieved 02 20, 2021, from https://www.capgemini.com/wp-content/uploads/2020/06/Covid-19-Impact-on-Media-Entertainment-industry_VF.pdf
3. Chatterjee, M., & Pal, S. (2020),"Globalization propelled technology often ends up in its micro-localization: Cinema viewing in the time of OTT", Global Media Journal .
4. Chattopadhyay, A. (2020),"Web Series and Web Movies and their psycho- sociological impact on netizens in India", (ISSN) 2582-1296
5. Cunningham, S., & Craig, D. (2016), "Online Entertainment: Anew Wave of Media Globalizaion. International Journal of Communication" ,Vol.10, pp 5409-5425.
6. Dasgupta, S.,& Grover, P. (2019),"Understanding Adoption Factors of Over-the-Top Video Services Among Millennial Consumers", International Journal of Computer Engineering and Technology, Vol. 10(1), pp. 61-71, Available at SSRN: <https://ssrn.com/abstract=3537570>
7. Farooqui, M. (2021)," OTTs set to launch more shows in 2021, invest more in regional content", Moneycontrol. <https://www.moneycontrol.com/news/trends/entertainment/otts-set-to-launch-more-shows-in-2021-invest-more-in-regional-content-6326001.html>, Accessed on July10, 2021
8. Gupta, V. (2020, January 4). Why 'vernacular' is the big game for digital marketers", Available at ETBrandEquity.Com.<https://brandequity.economicstimes.indiatimes.com/news/marketing/why-vernacular-is-the-big-game-for-digitalmarketers/73093513#:~:text=As%20per%20the%20Google%20KPMG,to35%20million%20by%202021.&text=Furthermore%2C%2088%25%20Indian%20language%20internet,consumption%20happens%20in%20local%20languages>. Accessed on February 10, 2021

9. Jose, R. J. (2020)," Factors influencing the shift from traditional TV to OTT Platforms in India", International journal of Advanced Science and Technology, Vol.29, No.7, pp. 4044-4051.
10. Joshi, S. (2015)," Impact of Over The Top Services on Telecom Service Providers. Indian journal of Science and Technology" , Vol 8(S4), 145–160.
11. Katherine Chen, Y.-N. (2019)," Competitions between OTT TV platforms and traditional television in Taiwan: A Niche analysis", Telecommunications Policy, 43(9), 101793. <https://doi.org/10.1016/j.telpol.2018.10.006>
12. KPMG. (2019), Retrieved from <https://assets.kpmg/content/dam/kpmg/in/pdf/2019/09/ott-digital-video-market-consumer-india.pdf> Accessed on March 10, 2021
13. KPMG. (2017, October). The Digital First Journey. Retrieved December 2020, from <https://assets.kpmg/content/dam/kpmg/in/pdf/2017/10/The-Digital-First-journey.pdf> Accessed on February 5, 2021
14. Lievrouw, L. A., & Livingstone, S. (2007). The Handbook of New Media. London: SAGE.
15. Jha, L. (2020, June 24). *Small-budget films rake in profits from streaming deals*. Mint. <https://www.livemint.com/industry/media/small-budget-films-rake-in-profits-from-streaming-deals-11593017713460.html>, Accessed on February 10, 2021
16. Malvania, U., & BrandEquity, E. T. (2019)," OTT consumption trends in 2019", Available at: ETBrandEquity.Com. <https://brandequity.economictimes.indiatimes.com/news/digital/ott-consumption-trends-in-2019/72483621>, Accessed on January 6, 2020
17. Online, F. E. (2020, December 21). OTTs and the regional rush. The Financial Express. <https://www.financialexpress.com/brandwagon/otts-and-the-regional-rush/2153973>, Accessed on June 26, 2020
18. Schaler, R., & Anastasiou, D. (2010). Translating Vital Information: Localization, Internationalization, and Globalization. Syn-theses journal , 11-25.
19. Sukwadi, R., Lasiman, S. C., Inderawati, M. M. W., & Suprata, F. (2019). Niche theory within video platform competition: traditional vs modern. IOP Conference Series: Materials Science and Engineering, 567, 012003. <https://doi.org/10.1088/1757-899x/567/1/012003>
20. Shankar, S. (2017," Amazon spends top dollar to win prime spot in digital content race", Available at: The Economic Times. <https://economictimes.indiatimes.com/industry/media/entertainment/amazon-spends-top-dollar-to-win-prime-spot-in-digital-content-race/articleshow/57028751.cms?from=mdr> Accessed on February 6, 2020
21. Sharma, K.S. (2020)," Are OTT platforms taking over theatrical experience?" Available at : <https://brandequity.economictimes.indiatimes.com/news/media/are-ott-platforms-taking-over-theatrical-experience/73887372> Accessed on June 26, 2020
22. Sundaravel, E. and Elangovan, N. (2020). Emergence and future of over-the-top (OTT) video services in India: an analytical research. International Journal of Business, Management and Social Research
23. Upadhye, A. (2019b, April 4). Regional Content - The next big thing for digital in India. Reputation Today. <https://reputationtoday.in/regional-content-the-next-big-thing-for-digital-in-india/>
24. Vidooly (2019). Indian OTT Landscape: A Survey Report by Vidooly. Retrieved January 18, 2020 from <https://vidooly.com/blog/wp-content/uploads/2019/12/Indian-OTT-Landscape-Report-FREE-SAMPLE-1.pdf>