

Marketing Strategy For Zee Network

Glenn Evorius Pattiat¹, Soumini Pathak²

Ma Chung University¹

SIES College of Management Studies²

ABSTRACT

Television is one of the electronic items that can be an information channel, entertainment, and also a marketing media. This television also has a vital role in people's lives to become their daily entertainment. The research aim of our research was to find solutions to the marketing of existing bank products so that products from Zee Network were more favored by customers and could outperform other television channel. Data will be collected by literature review and will be analyzed through quantitative methods. The results of this study are to market products from Zee Network so that they can be used by consumers worldwide

The research conducted on the topic, "Promotion of television networks in comparison to Zee Network" is basically a promotional strategy of television networks in India. The research comprises the response obtained from a sample of viewers and a study of different factors preferred by viewers with an investigation on the reasons for the same. Here, data is obtained by secondary methods of literature review and analysis of the statistics available to the public. The study focuses on devising a strategy to promote Zee Network based on the reasons behind the comparatively lower viewership of Zee television network when compared to other in India as well as Indonesia like Jakarta. Simultaneously, it also tends to investigate on various attributes such as the viewership pattern in the region, the core competencies of each network, the opinion on the content of programs, the preference of the viewers toward the presentation styles, etc. The result ultimately suggests that it should complete some certain key factors such as customer satisfaction are also found to be influential in driving higher rating and viewership for the channels. The result of our study will be on the basis of these factors, the promotional strategy development will help Zee Network increase their viewership.

Keywords: television, entertainment, Zee Network, attributes, viewership

INTRODUCTION

It was in 1992 when Zee Network came into being with an aim to provide the best experience to become one of the television broadcast providers internationally (zeeentertainment.com, 2018). Since then they have been one of the largest broadcast television providers in India and have met the demands of the community by providing television broadcasts and services that appeal to Indians and the international community. They took 51% of the shares of ETC Network in 2006 to scale up their company and Zee have also bought a 50% stake in Ten Sports so as to become one of the largest and most comprehensive television service providers in 2018(Zeeentertainment.com, 2018).

The success achieved by Zee Network is due to the impeccable managerial quality provided by Zee Network employees. They have completed all their targets, this in turn

has maximized the level of their customer's satisfaction. They are known to strive for providing creative, interactive and educational media services for communities in both India and internationally. Because being a media that only has innovation nowadays is not enough, the company must strive to always fulfill all the wishes of consumers in order to give satisfaction and consumers will be loyal to all products provided by Zee Network. Therefore, Zee Network will continue to strive to become one of the growing cable TV service providers to satisfy their consumers. However, in contemporary times, being innovative is not enough, the company must strive to always fulfill all the wishes of consumers in order to give satisfy their demands and create loyal consumers.

The purpose of this study is to find solutions to Zee Network's problem of decreasing profit due to new entrants in the media and entertainment industry, lack of innovation, lack of promotional and marketing media etc. We will also suggest ways to improve the market share of Zee Network. The benefit of this research is to increase the profitability of Zee Network through innovative and targeted promotional media. Zee Entertainment Enterprise Limited (ZEEL), one of the leading broadcasting companies with a bouquet of 30 channels across genres and languages will be a major beneficiary of the digitisation wave resulting in doubling of subscription revenues with complete digitisation.

Background

Television has today become the most common means of mass media in the world. It serves as the communication to the public at large. Because of its transmission of speech and moving pictures, it has become one of the most viable and strong story teller. Television is a means for political, economic, cultural and other elites to inform, educate, entertain and influence the public.

Television in India has been in existence for more than four decades now. For the first 17 years, it spread haltingly and transmission was mainly in black & white. The thinkers and policy makers of the country, which had just been liberated from centuries of colonial rule, frowned upon television, looking on at it as a luxury Indians could do without. In 1955 a Cabinet decision was taken disallowing any foreign investments in media which has since been followed religiously for nearly half a century. Sales of television sets, as reflected by licenses issued to buyers were just 676,615 until 1977.

There are various media companies which use television channels to broadcast the information and entertainment, one such company is the Zee Network, a television channel in India to channel their entertainment to the people in India. Also, Zee Network has long fulfilled the needs of the Indian community for information and entertainment media that are filled through the television media channels that have been provided. Zee Network always strives to maintain the level of their customer satisfaction, even from the last few years their profit levels are still high because they still maintain customer satisfaction through service that is quality and able to meet consumer needs. And it makes the research more interesting. Indian films have been exported to the Straits Settlements as appropriate entertainment for Indian plantation workers and troops for a long time, and their being perceived as harmless entertainment encouraged the exhibition of these films during the Japanese occupation. The allocation of theatres for the exclusive screening of Indian films—Tamil and Hindi—in the present still offers legalized avenues for distribution and exhibition.

We chose the Zee Network because over the last few years it's viewership has declined steeply. This has been due to number of factors, such as absence of real time

telecast on their website and app, slow introduction of new tele-dramas, etc. and most importantly losing an edge over their rivals. However, Zee Network in India also experienced a decline due to the emergence of rivals from Zee Network who took Zee Network's market share which caused Zee Network's customers to fall and Zee Network to lose prestige. Therefore, we will see what is wrong with Zee Network so that the prestige of Zee Network is again lifted and not less competitive, and also might be able to make market share from Zee Network because it makes them more famous. Then, we chose to research Zee Network because this television channel company also has a lot of experience in the field of television. so, researchers can also examine what has been done by Zee Network to maintain its company until now even though it has gone through many things that must be fulfilled to maintain Zee Network customer satisfaction.

RESEARCH METHOD

For this study, we will be using Secondary method of data collection. Information that is required for the analysis is found different research papers, journal, surveys annual reports etc. Information that is intended to be shown in analysis is search on the internet for some journal and previous research and we can search the data from their official website like www.zeeentertainment.com and we collecting data from some journal too about customer satisfaction from Zee Network. Form some journal and previous research, we can collect some data about customer satisfaction, SWOT analysis, PESTL survey and create Five Force model to analyse the key performance indicator which increase the viewership of Zee Network so as to increase boost their market share. Then that data will be used for making up strategies to help Zee Network boost their market like timeline about some workplan for action to implement it.

RESULTS AND DISCUSSIONS

In this case we can search some data from literature, then we can compare it with other literature. First literature is written by Sathya Pakash M.R. and Bheemaiah Khrisnan Ravi on "Understanding Transnational Television in India: A Critical Analysis of General

Entertainment Channels" it says that in 1991, the central government launched a series of economic reforms under Prime Minister P V Narasimha Rao. Under the new policies the government allowed private and foreign networks to start their operations in a limited manner. And this process makes some foreign channels like CNN, Star TV, and domestic channels such as Zee TV and Sun TV started satellite broadcasts initially. From the statement before, in that time that is when finally, Zee Entertainment pioneered its business through the support of new government regulations. Then in India Hindi entertainment television channels have fuelled the growth in the television industry with 46.8 per cent share of total viewership and 57.4 per cent share of total advertising revenue comes from them. Hindi GEC channel market has the highest share among all genres of Hindi channels. Star Plus, Sony, Zee TV, and recently launched Colors with a combined market share of more than 90 percent in the prime-time slot, are the major players in Hindi GEC market. That when finally, Zee Entertainment became one of the competent market players for providing Colors at combined market share.

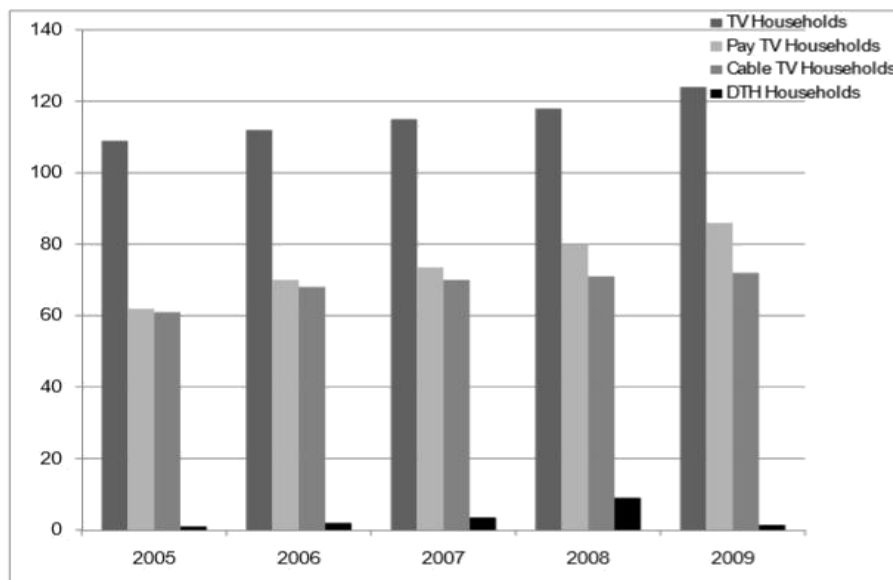
But in 2012, according to ICICIdirect.com, Zee Entertainment Enterprise (ZEEL) Initiating Coverage 2012, Zee TV to the No. 2 Hindi GEC slot from No. 4 last year. We believe the flagship channel would be able to maintain healthy GRPs, going ahead,

resulting in higher than industry ad revenue growth. Recently formed JV Media Pro would further enhance bargaining power to extract better deals from distributors. We expect 12.1% and 16.5% CAGR over FY12-14E in revenue and EPS, respectively. Over aggressive bidding for quality content may be a key risk for ZEEL. Change in strategy to acquire quality content and increase programming hours has started to pay off, with Zee TV reaching the No. 1 position after several years in the Hindi GEC space for week 34 and 36 in 2012 (overall No. 2 position post FY12 at weekly GRP of 225 vs. 183 in FY12). Going ahead, we expect the company to increase programming hours further and monetise recently acquired movies to sustain leadership position. High GRP in both GEC and Hindi movie space would enable ZEEL to post higher than industry ad revenue growth of 10.6% over FY12-14E.

After we notice that Zee Network just being number 2, we should look what is the problem, so we find some problem about investment concern:

- ☐ More than expected delay in digitization.
- ☐ Media-pro under Competition Commission of India Scanner.
- ☐ Sports business loss can continue in short to medium term.

Figure 1: Growth of TV Households in India (figures are in Millions)



Source: PwC Entertainment and media outlook- 2010

From the graph we can see that the TV channels that became the market of Zee Entertainment continued to increase significantly at that time. PwC has projected that the Indian television industry will grow by 12.9 percent over the period 2010-14 and is estimated to reach about Rs. 488 billion in 2014 from the present estimate of Rs. 265 billion in 2009. In that time, Zee is also eyeing the regional market, specifically the Southern market. South Indian market has around 32 million cable and satellite television households and commands Rs 18.5 billion in advertisement revenues and Rs. 5.5 billion in subscription revenues.

The competitor of Zee TV, Colors, played well with the sentiments of the viewers who were looking for fresh contents as against the tedious Saas Bahu sagas. In the fiction

category, Colors introduced the viewers to content wise refreshing serials like Balika Vadhu and Uttaran and, in the non-fiction; because of that Zee TV have also come up with more catchy content in order to win back the audience, thus speeding up the race for the top spot. In 2009, Zee TV launched Pavitra Rishta, Agle Janam Mohe Bitiya Hi Kijo and Jhansi Ki Rani in keeping with the trend. We can see that from the information above that when rivals from Zee TV at that time, namely Colors made an exciting new show, to win the market again, Zee TV also tried to make a new show that was even better.

Then, from Motilal Oswal Zee Entertainment Report 2018, we can see that there was a key trigger like Sustainable ad revenue growth led by steady industry growth and healthy viewership market share. Then digitization led healthy subscription revenues growth over the next 2-3 years. But there is some key risk factors too like intense competition across genres leading to lower viewership and subsequently impacting yields. Then heavy investment in the digital – OTT application, movie production and aggressive ramp-up in movie library. But in some cases, Zee Network still being the leader player in television broadcasting and syndication of content overseas with a bouquet of 40 TV channels. Zee has well-established reach of over 730m+ viewers across 169 countries.

According to bloombergquint.com, Zee Network is the leader of broadcasting space in India, Zee Network has 25 percent viewership ahead of Star India's 24 percent. It based on the data from Broadcast Audience Research Council. Zee improvement is quite significant based on this data if we compare it from 2012. Zee Network now beating the other competitors from June 2017 to 2018. But right now, Zee's viewership share was 22 percent last June and Star's share stood at 26 percent last June 2018. And for national broadcasters like Viacom18 and Sony's viewership shares are stable at 15 percent each.

After we got some data based on some journal above, we can compare it each other to find the problem why Zee Network can lose its competitiveness with some of its competitors. First, we can look at journal by ICICIdirect.com, it says that their investment concern is not concerning about how to develop their product, but they still focus about digitization. It's true that digitization is important for entertaining business, but maybe we need to make our product to be good before we reach to the step of digitization. Then, the factor that can make the Zee Network increase its popularity since then is to look at market needs. The market needs question are television shows whose genre is in high demand by Indians. After knowing what genre is currently popular, Zee Entertainment makes shows that adapt to the needs of consumers so that they can attract consumers to use TV channels from Zee Network. Besides, it turns out that the digitalization investment was previously carried out by the Zee Network finally paid off despite a lot of risks at the outset, the results that could be seen were they made a profit of up to 12.9 percent in the period 2010-2014. In 2018, digitization is playing an important role in the continuity of the Zee Network business which is predicted to continue to take effect for the next 2-3 years

CONCLUSIONS

From the cases discussed, the conclusions obtained from this research are for companies engaged in the entertainment industry such as television channels, they should increase long-term investment in terms of digitalization. The reason why digitization must be done is because nowadays it is modern, all electronic, everyone

wants something concise in the world of entertainment, marketing, arts, and many more. Then, the development of technology in the present era is quite widespread, that is what causes all existing industries including the entertainment industry to use technology so that it is not outdated.

REFERENCES

- ICICI Securities Ltd. (2012). Zee Entertainment Enterprise Retail Equity Research. India. ACT: Author. Retrieved from : <http://icicidirect.com>
- India Equity Research. (2016). ZEE ENTERTAINMENT Resilient Amidst Tough Environ. India. ACT: Author.
- M. R. Prakash, Sathya; Ravi, Bheemiah Khrisnan. (2011). Understanding Transnational Television in India: A Critical Analysis of General Entertainment Channels. India
- Roy, Anjali. (2013). Distribution and Circulation of Indian Film in Singapore. Kharagpur, India: Indian Institute of Kharagpur.
- Shakir, Aliasgar; Patel, Hafeez. (2018). Zee Entertainment Research Report. India
- Zee Entertainment . (2018). Retrieved from : <http://zeeentertainment.com>