COUNTRY REPORT

MAPPING DIGITAL MEDIA:
INDIA

OPEN SOCIETY
FOUNDATIONS

Mapping Digital Media: India

A REPORT BY THE OPEN SOCIETY FOUNDATIONS

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Mapping Digital Media: India Executive Summary

India probably provides the most striking evidence that the changes wrought by digitization are filtered through a country's political, administrative, and business culture. In the highly fragmented and unevenly regulated Indian media industry, decisions tend to stumble through extra-constitutional maneuvers and corridors of patronage, irregularly endorsed by formal democratic procedures and mostly driven by vested business, and often allied, political interests.

The United Nations pointed out in 2010 that more Indians have access to a mobile phone than to a toilet, a fact confirmed by the latest official census.[1] There are over 800 million mobile connections, although the number of unique users (excluding inactive connections) is estimated at around 600 million; the interesting thing about their usage pattern is that news alerts via SMS messages comprise the third most popular content accessed on mobile phones.[2] Add the fact that 60 percent of all households have cable and satellite (C&S) television, providing access to many of the 700-plus television channels licensed to broadcast, and it becomes clear that in garrulous India, mass poverty and marginalization do not result in a perfect "digital divide." This, together with the fact that the public broadcaster's prime terrestrial channel, DD National, covers about 92 percent of the 1,200 million-plus population, clearly suggests that the users of digital technologies in India include many of the 300 million still below the official poverty line.

Digitization and lower entry costs have led to a huge growth in private C&S news channels, especially in regional languages. Unlike in many countries where a multi-channel terrestrial TV landscape existed before the advent of private and trans-border C&S channels, in India a genuinely multi-channel landscape emerged only with the advent of private C&S channels. Moreover, while readership over newer platforms—mobile and internet—has also risen, the choice of news is not wider than that in the traditional media. At the same

1. See http://www.un.org/apps/news/story.asp?NewsID=34369; http://articles.timesofindia.indiatimes.com/2012-03-13/telecom/31159179_1_open-defecation-mobile-phone-households (accessed 5 December 2012).

2. A. Prabhudesai, "How and What Mobile Services Does India Use: Report," Track.in, 23 June 2009, at http://trak.in/tags/business/2009/06/23/report-onhow-what-indian-mobile-phone-services-vas (accessed 28 February 2012).

time this is one of the few countries whose newspaper industry is growing, thanks mainly to the launch of many vernacular language titles, or regional and sub-regional editions of existing newspaper chains.

While numerical choices have increased for audiences due to digitization and other factors, the race to chase margins and profits has hindered improvements in news quality. Media executives are being disingenuous when they justify such practices as "paid news" (positive coverage of companies or political parties in exchange for a fee) and "private treaties" (whereby a media house is given a share in the equity of a company in exchange for favorable news coverage).

Competitive imitation in the practice of "breaking news" and of sensationalist aesthetics of reportage is, inter alia, contributing to deteriorating quality, accuracy, and diversity of television news. On the internet and mobiles, news content mostly comprises web or app manifestations of the content of traditionally dominant news organizations. Print and television journalists have yet to fully realize the significance of being present—and presenting news—online. Although digitized and converged newsrooms have just about taken off, the idea behind them has been understood more in infrastructural, perhaps even financial, terms rather than in leveraging specific, and even specialized, content and audiences.

Nevertheless, digital tools have enabled journalists to don the mantle of crusaders and even of active participants in political events. There are numerous instances where media activism has successfully forced authorities to act on issues uncovered by news reportage. Here again, however, the glut of news outlets has put pressure on journalists to be first with the news—another dimension of the "breaking news" syndrome. Hence, even in the case of investigative journalism, particularly those stories based on sting operations (secretly recorded or videoed assignations), the noticeable increase in unsubstantiated or unbalanced reportage has tarnished the image of the profession, further fueling concerns about the ethics and values prevailing in the private-sector media.

The government has decided to digitize terrestrial transmissions of the state-owned broadcaster, Prasar Bharati (Broadcasting Corporation of India), in a phased manner by 2017. But Prasar Bharati is a large, under-funded bureaucracy, by and large providing soft propaganda for whichever political party/coalition is in power. In the past decade, the number of households accessing private satellite channels via cable and direct-to-home (DTH) services has grown substantially, with the share of DTH in the last five years rising exponentially. To ensure this does not incrementally dent Doordarshan ("Distant Sight"), or DD for short, which is Prasar Bharati's television arm, a string of policy protocols has been introduced over the years—including must-carry provisions, mandatory sharing of sports feeds (very important in the world's most cricket-crazy country), and first-mover advantage in adopting technologies. While the number of television channels in existing and additional languages transmitted by Prasar Bharati will continue to grow, its significance is likely to decline as more terrestrial households are becoming C&S households. How many of these will be able to afford set-top boxes (STBs) for digital cable will be worth watching.

Following the digitization of terrestrial transmission, however, access to Prasar Bharati's terrestrial channels may decline, as viewers from the weakest economic strata may be unable to purchase the STBs required to access digital terrestrial television (DTT). Those who muster the resources may find it more fruitful to invest in STBs that either access Doordarshan's DTH service (it being rent-free) or the very basic tier of private DTH services, since both provide more channels than Doordarshan's DTT service.

Doordarshan's competitors—the more energetic privately owned C&S broadcasters—are owned by a variety of conventional and unexpected proprietors, including traditional business families, first-generation media entrepreneurs, politicians or their family members, political parties, and real-estate developers. Their content and news slant frequently reflect these general and sometimes specific interests. The potential of internet and mobile media to facilitate and voice alternative interests is substantial, but hitherto has been felt most in the arena of social and political activism. Indeed, digital tools have helped some marginalized groups to voice their views and concerns; various factions in Kashmir, for example, have their own websites, as do advocacy groups of Dalits (the caste once known as "untouchables") and sexual minorities. Although their immediate efficacy is limited by abysmally low internet connectivity—and potential multiplier effect largely limited to urban areas where broadband connections are concentrated[3]—such online efforts have tended to, in turn, increase the presence of marginal concerns in mainstream news.

The legal and regulatory environment in which all this has unfolded is labyrinthine. Despite digitization having hastened the convergence of various media platforms, there are no specific laws on ownership, cross-ownership, or concentration; nor is there an overarching regulatory framework—either for media infrastructure or news content—except for licensing norms for broadcasters and distribution, and foreign investment caps in news media. Policy is conducted mostly through ordinances and guidelines that have occasional loophole clauses pertaining to ownership. This has in part led to hefty media conglomerates such as India's largest news media company, Bennett, Coleman and Company Ltd (BCCL), whose diversified portfolio comprises *The Times of India* and *The Economic Times* (market leaders among English daily and English business daily newspapers), the Times Now news channel (with the highest viewership among the English-speaking channels), and Indiatimes.com, which has emerged as a leading website for news and other online content. Loopholes in cross-ownership guidelines have also enabled major broadcasters such as Zee and SUN to have analog and digital distribution interests through sister or other promoter-group companies in the cable and DTH business.

Newspaper content has long been overseen by the Press Council of India (PCI), which has a code of conduct for newspapers and journalists. But the PCI can only act on complaints and demand an apology or impose a fine of less than US$ 200; nor are PCI norms, strictly speaking, applicable to the online content of newspapers. However, the government can indirectly influence content in, particularly, small and medium-sized newspapers by managing its advertising spending to discourage criticism and/or garner positive reportage.

News on private satellite channels is overseen, rather than regulated, by a combination of a government-created code and a self-regulatory industry body, neither of which have any real teeth. The *Programming and Advertising Code* evolved in 1975 by the Ministry of Information and Broadcasting (MIB) for Doordarshan

3. At the end of the last decade, the ten largest cities in India were estimated to host 60 percent of all broadband digital subscriber line (DSL) connections: Telecom Regulatory Authority of India (TRAI), "Consultation Paper on National Broadband Plan," Consultation Paper No. 09/2010, TRAI, New Delhi, June 2010, p. 24.

and All India Radio—and with phrasing wide open to different interpretations—was extended and included in the Cable Act 1995 governing private channels. Over the last decade, MIB twice sought unsuccessfully to introduce a Broadcasting Bill in parliament to strengthen the content code, in addition to other matters of television governance. These efforts, together with crises in reporting standards, pushed the trade association of private news channels to create the News Broadcasting Standards Authority (NBSA); however, this self-regulatory body can only penalize those channels that are members of the association, such membership being purely voluntary.

There is no specific regulation of news on the internet and mobiles, since "news" is not legally defined as a separate content category, as it is in television and print. However, a 2008 amendment to the Information Technology Act 2000, introduced after terror attacks in parts of Mumbai, established a Computer Emergency Response Team (CERT) with the power to intercept emails, block websites/web content, and force compliance by service providers, intermediaries, and data centers. A further amendment proposed to make such intermediaries liable for all content they carry has been hotly debated over the last two years.

The one sector that saw a formal regulator being established was the telecoms industry, with the creation of the Telecom Regulatory Authority of India (TRAI) in 1997. While its mandate expanded in 2004 to include broadcasting, its legal mandate has remained that akin to a mere advisor. Its recommendations are unevenly, and sometimes partially, accepted by the concerned ministries; sometimes key decisions are taken and revised by various ministries totally without regard to TRAI's recommendations—which themselves, it must be mentioned, have not always been in the public interest. The result has been an institutional framework dogged by political favoritism, bureaucratic partisanship, legal loopholes, and corporate malpractice.

Likewise, the two digital switch-overs under way in the television industry—in terrestrial broadcasting and cable distribution—are bereft of any direct, immediate, and equitable acknowledgment of the public interest. Much like spectrum auctions in the telecoms industry, these seem to be immediately aimed at enhancing government revenues—by enabling the sale of lucrative spectrum vacated by the terrestrial broadcaster, and by hoping to increase tax collections, since digitization will enable closer monitoring of revenues across the value chain of cable distribution. However, an argument can be made that such digitization may provide competition among and operational viability of broadcasters and, hence, ultimately serve public interest.

For instance, the commercial advantages of a transparent digital distribution value chain most immediately accrue to C&S broadcasters, namely higher subscription revenues, improved quantifying of viewers, and less manipulation by distributors. Some of these and their resulting advantages could serve the public interest, albeit indirectly and over the ensuing 5–10 years, assuming broadcasters plough back a productive share of their incremental revenues into programming, especially news gathering. But the cost will be high: of the estimated US$ 4,400 million to be spent on cable digitization, MIB finds exactly half will be "going to be spent by the people of India on buying set-top boxes."[4]

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4. "Set top box: China gains from our digitisation project," PTI, Daily Bhaskar.com, 13 January 2013, at http://daily.bhaskar.com/article/NAT-TOP-set-top-box-china-gains-from-our-digitisation-project-4147339-NOR.html (accessed 5 December 2012).

While the freeing-up of terrestrial spectrum will surely enhance the prospects of providing 4G services, the price of such services will largely limit them to the upper strata of society, as was the case during the first 5–7 years of mobile telecoms in the 1990s. There is no administrative blueprint, clear-cut government plan, or legal protocol to suggest that these expensive digital switch-overs, whose costs are borne by viewers, will foster either a greater diversity or plurality of voices; nor are they sure to lower entry barriers for new broadcasters, as carriage fees will not only persist but may become the crucial revenue stream for distributors, as subscription revenue shares are re-jigged in favor of broadcasters.

It is broadly in this area of public interest that most attention needs to be focused—be it in the area of greater accountability and autonomy of the state broadcaster, the governance of private media infrastructure, transparency and equity in licensing criteria and in mechanisms of allocating resources, and compliance with global standards of professional journalism. These values will go some way toward giving India a plurality of voices and media outlets that would properly reflect what may be the most diverse social and political landscape on the planet.