

October 15, 2019

1.	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No. C/1, G Block; Bandra (East) Mumbai 400 051 NSE Scrip Code: RADIOCITY ISIN: INE919I01024	2.	BSE Limited Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street; Fort Mumbai 400 001 BSE Scrip Code: 540366 ISIN: INE919I01024
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Dear Sirs,

Sub: Article of Ms. Apurva Purohit, Director of the Company on "Indian Radio: Myths vs Reality" published on Business World.

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Article of Ms. Apurva Purohit, Director of the Company on "Indian Radio: Myths vs Reality" published on Business World.

This is for the information of the exchange and the members.

Thanking you

Yours faithfully
For Music Broadcast Limited



Chirag Bagadia
Company Secretary and Compliance Officer

Encl: as above



WORLDWIDE, how many people have access to electricity?
 A) 20%
 B) 50%
 C) 80%

● How many one-year old children have been vaccinated against some disease globally?

A) 20% B) 50% C) 80%

● In 1996, tigers, giant pandas and

was at a social gathering recently where my dinner companions were engaged in a rather passionate discourse about the state of media in the country. With a chime here and a chime there, I heard several theories and concepts, some true, some not. While I let the custodians of the other mediums speak for their sectors, I feel compelled to bust some myths associated with the radio industry because left unquestioned and unrefuted, myths become the truth over time. And as we've learnt from our little quiz, that

ing in five days a week'. Today 30 private players operate 386 radio stations in the country.

Radio reaches corners of the country where even newspapers don't, paving the way for hyperlocal content, truly bringing about last-mile connectivity. Even in the US, radio's mass appeal and reach has been consistent over the years. According to Neilson, radio continues to reach more Americans than any other platform with 92 per cent of US adults listening to the medium every week.



Indian Radio: Myths vs Reality

black rhinos were all listed as endangered. How many of these species are more critically endangered today?

A) All of them B) One of them
 C) None of them

If you picked the third option for all the three questions, which are from a delightful book I just read called *Factfulness*, give yourself a pat on the back. You have successfully subverted what this book is about – that most of our world view is flawed. We think we are doomed as a planet when in reality, the facts tell a completely different story.

So, I'm not preaching to the choir when I say, facts are important. To draw a broad parallel, the radio industry is also plagued with its fair share of misconceptions. I

would be absolutely criminal!

So, let's begin.

Myth: Radio's reach has decreased over the years

Reality: This is probably the easiest to refute because there are multiple studies which prove otherwise. According to a statement by the I&B ministry from January 2019, currently India's FM radio network covers 52 per cent of the population and will soon be expanded to 65 per cent of the country.

That's more than the entire population of the US! As per Neilson's 2018 report titled *Power of Radio*, 'radio has emerged as the second most accessed media platform, outpacing social networking and only behind television with listeners tun-

Myth: Radio's audience is disengaged

Reality: According to Neilson's *Power of Radio* report, radio is the second most involving medium in metros with 50 per cent of the listeners accessing it daily. In non-metros, radio is the most involving medium with the highest involvement among the 35- plus-years age group. Radio is also considered a trusted source of information 'as it gives best real time updates, credible and well researched information which is reliable and spreads public awareness for a cause'. Radio is known as 'a companion of leisure time' for most listeners, with ~3 out of 4 of them choosing radio as their first choice during travelling. Also, choice of the radio

station is habit driven with most listeners tuning in to the station(s) that they usually listen to. Most audiences check only a handful of channels to arrive at the most interesting one which means 'experimentation with new channels is very low'. In addition to its USP of on-demand, mood-mapped music, radio has also been synonymous with RJs who are increasingly harvesting their popularity through social media channels, becoming influencers who are shaping and driving public narrative and awareness on issues. This is helping the medium influence mindsets and society at large with even more power and is probably the biggest reason why radio is still the first choice for most public service announcements (PSAs), and all mass targeted campaigns.

Myth: Radio is not a preferred choice for advertisers

Reality: With the above USPs, it is no wonder that radio consistently rakes in the moolah. A chunk of its money comes from ad revenues. Here's why – psychologists say consumers need to be exposed to an advertising message at least three times before it begins to resonate with them. When businesses review their advertising budget taking this factor into account, radio becomes one of the few mediums to choose from that offers an affordable, repeat-ad plan. It should hardly come as a surprise then that, just in the year 2018, there were over 10,467 advertisers on Indian radio comprising 13,710 brands; of which, 4,262 advertisers only advertised on radio, but not on TV or print. In fact, according to the aforementioned Neilson report, radio is the most effective medium of advertising among the 26-45 years age group. If print is considered a primary medium of advertisement for the real estate sector, radio gives 17 per cent incremental awareness over print. In addition, owing to its extensive reach and hyperlocal nature, any sort of targeted local advertising always chooses radio as the primary option. Lastly, radio as a medium complements television



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where it improves the efficiency of a TV plan because of the cost effective reach it adds; and is also complementary to new age digital plans where radio can be used as an awareness building medium to direct traffic towards PVs and clicks on digital.

Myth: Audio OTT players are eating into radio's business

Reality: Audio OTT is currently in its nascent stages of growth and has a long way to go before it can be a potential threat to an established medium like radio. From a content point-of-view, radio's three key drivers – micro local approach, RJ connects with the listeners, and mood mapped music, aren't transferrable to any other platform. The only common factor between radio and audio OTT players is music. However, a listener on any music streaming platform would have a pre-defined playlist, whereas it is the randomness of music on radio which is the key

differentiator that drives a listener to tune into the medium. According to a report published by Deloitte and Indian music industry body IMI about the *Audio OTT Economy in India* earlier this year, there are only 150 million 'audio OTT' users in India. From a revenue standpoint, audio subscriptions for audio OTT players stand at a comparatively modest figure of Rs 0.8 billion, with the percentage of paid subscribers to total consumers being less than one per cent.

Does it come as a surprise then that even our current Prime Minister should choose radio for his hugely successful, weekly nationwide address 'Man ki Baat'? I mean, by now the writing on the wall should be clear – radio has withstood the test of time and is not going anywhere. Anybody who thinks otherwise is undoubtedly on a mismatched wavelength! **BW**

The author is President, Jagran Group