

Streaming services descend on India, but success isn't a guarantee

Article

The news: Streaming services are doubling down on India with price reductions and years-long road maps to reduce pain from the tightening market in the US.

- **Netflix** announced a price reduction across all its plans in the country, lowering its basic plan from **499 rupees (\$6.73)** per month to **199 rupees (\$2.68)**, per **Bloomberg**.

- **Amazon Prime Video** is also celebrating its fifth anniversary in India by “going deep” on producing original content for the market and bringing more Indian theatrical releases to its service, per **Variety**.

How we got here: A sudden onslaught of new streaming competitors in the US over the past few years has streaming services feeling the squeeze of slowing subscriber growth and **revenue losses**, and India is one of their most highly sought-after markets to regain ground.

- Netflix may have pioneered streaming in the US, but that head start didn’t stop it from falling far behind newer competitors that have already found major success in India.
- **Disney+ Hotstar** (a version of **Disney+** that bundles in content from **Hotstar**, another popular **Walt Disney Co.** property **in the region**) is the dominant streaming service in the country, serving **51 million customers** in India.
- Amazon Prime Video serves just over half as many with **22.3 million**, and Netflix comes in a distant third with only **6.1 million**, per a 2021 report from **Media Partners Asia**.

The challenge: Penetrating the Indian market, with its wide variety of languages and complex content regulations, is not as simple as porting a platform and its content overseas and calling it a day.

- Amazon Prime Video has found critical and commercial success by focusing on original content across genres and servicing each of India’s various languages. Two of Amazon's originals have been Emmy-nominated, and the service has 70 shows in production, according to **Variety**.
- Digital sports viewership continues to grow in the US but is also growing abroad—and both **Disney+ Hotstar** and **Amazon Prime Video** offer live sports streaming to Indian subscribers.
- Netflix, known for investing heavily in original content at home, is now beginning to do the same in India, but it may be too far behind the curve to compete with two existing services that have proven cultural impact.

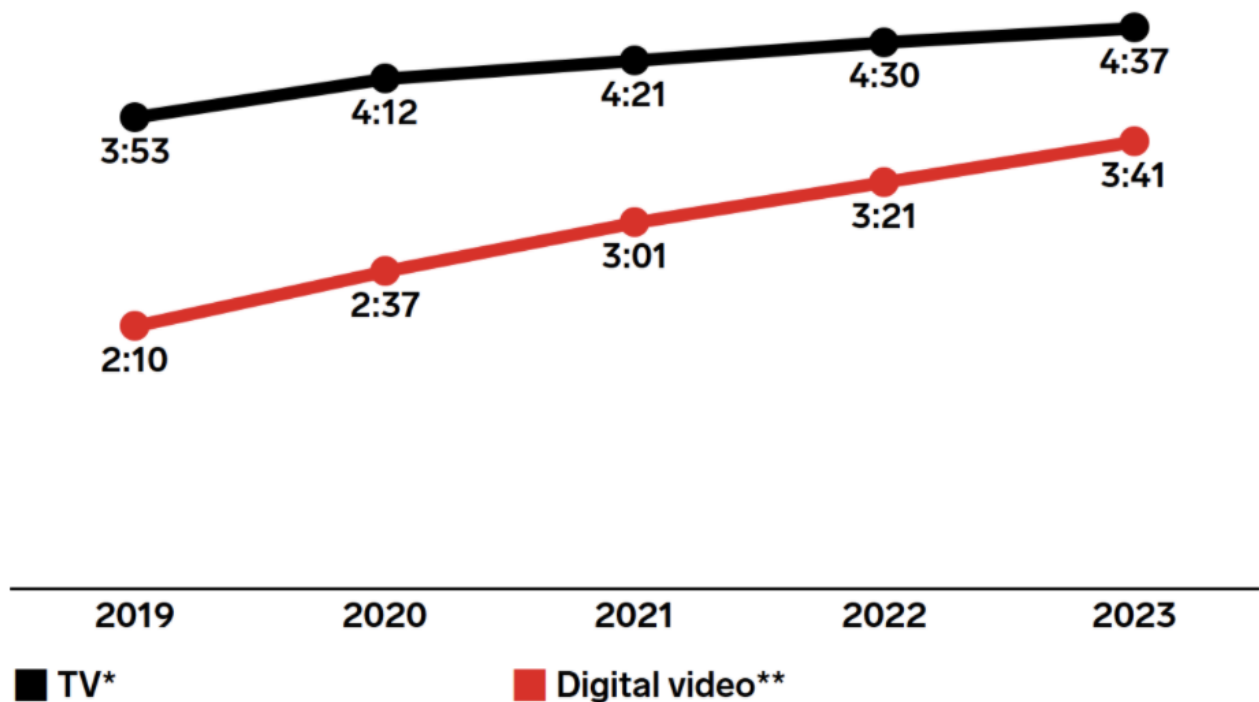
Looking forward: India and other foreign markets may not be a one-size-fits-all for US-based streamers feeling the squeeze, and consolidation may be inevitable.

- The challenges services face in entering India are many, and as more competitors begin to bring their content overseas, the market may eventually close as it’s doing back home.

- If Netflix struggles to break in even with price reductions and a deluge of original content, the foreign prospects for smaller, struggling competitors like Peacock look even worse.

TV* vs. Digital Video** : Average Time Spent by Users in India, 2019-2023

hrs:mins per day



*Note: ages 18+ who use at least once per month; includes all time spent with each medium, regardless of multitasking; *includes live TV, DVR, and other prerecorded video such as TV programming downloaded locally from the internet; excludes digital; **includes all video content viewed on desktop/laptop computers, mobile devices, and connected TVs, such as video streamed through over-the-top services; excludes video streamed through social networks*
 Source: eMarketer, April 2021

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