LIOCINEMA & JOTSTAR MERGER

A Data-Driven Approach to Optimizing Post-Merger Strategy

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01

INTRODUCTION & PROBLEM

What's the Challenge?
Why Does This Matter?

INTRODUCTION

I am Saurabh Sonwane, a dedicated Data Analyst at Lio. Expertise in translating complex data into actionable insights. Here to guide the merger using data-driven insights.

LIOCINEMA

A platform owned by Elliance Industries, launched in 2016. Known for streaming Indian Premirer league (IPL) and FIFA World Cup.

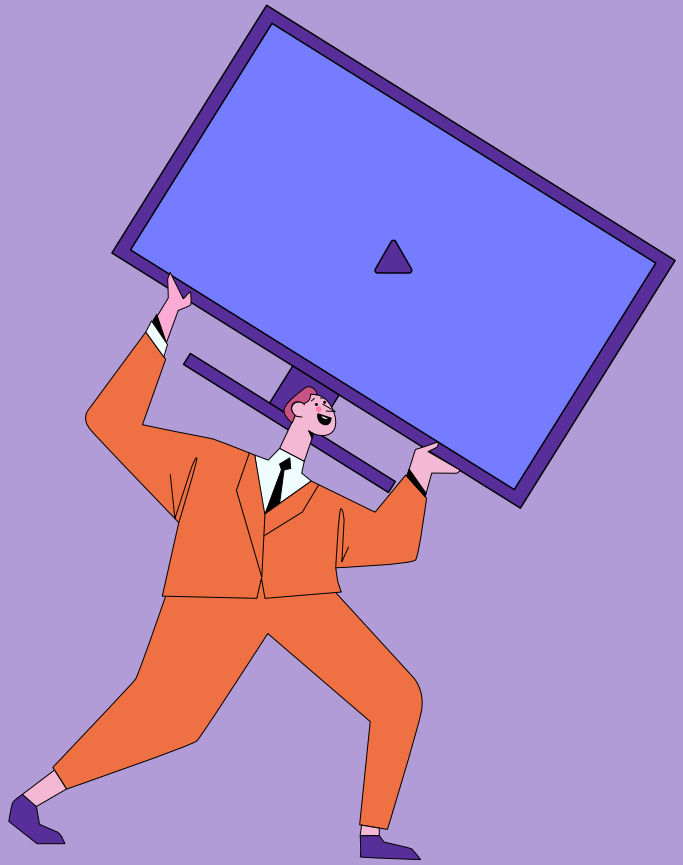
JOTSTAR

A platform owned by The Dalt Wisney Company, launched in 2015. Provides access to international shows and movies.

PROBLEM STATEMENT

What's the Challenge?
Understanding user behavior & content consumption.
Identifying trends in upgrades, downgrades, and inactivity.
Optimizing content strategy post-merger.

Why Does This Matters?
A well-planned strategy can maximize subscriber retention & revenue.



OBJECTIVE

Analyze performance and user behavior to optimize post-merger strategies. Establish **Lio-Jotstar** as the leading OTT platform in India.

02

PRODUCT/ MERGER

Understanding, The Merger, The User Behaviour, The Trends, & The Revenue Analysis.

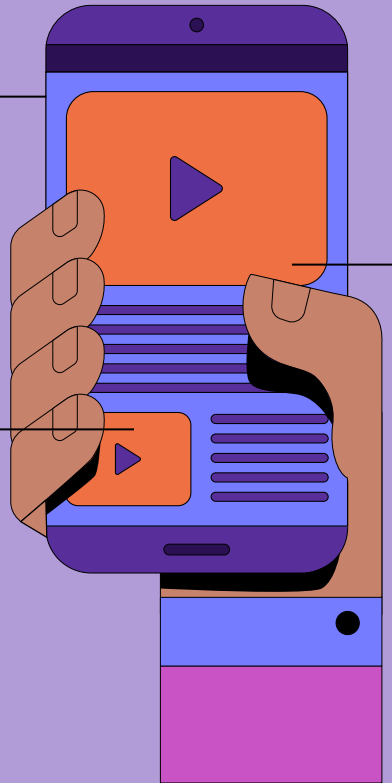
CASE STUDY

CHALLENGE

Where the **problem or challenge** faced by the companies is identified.

RESULTS

Highlights the results of the merger, **both positive and negative**.



SOLUTION

How the **merger or acquisition** was structured and executed.

TATA STEEL & BHUSHAN STEEL

TATA STEEL BSL

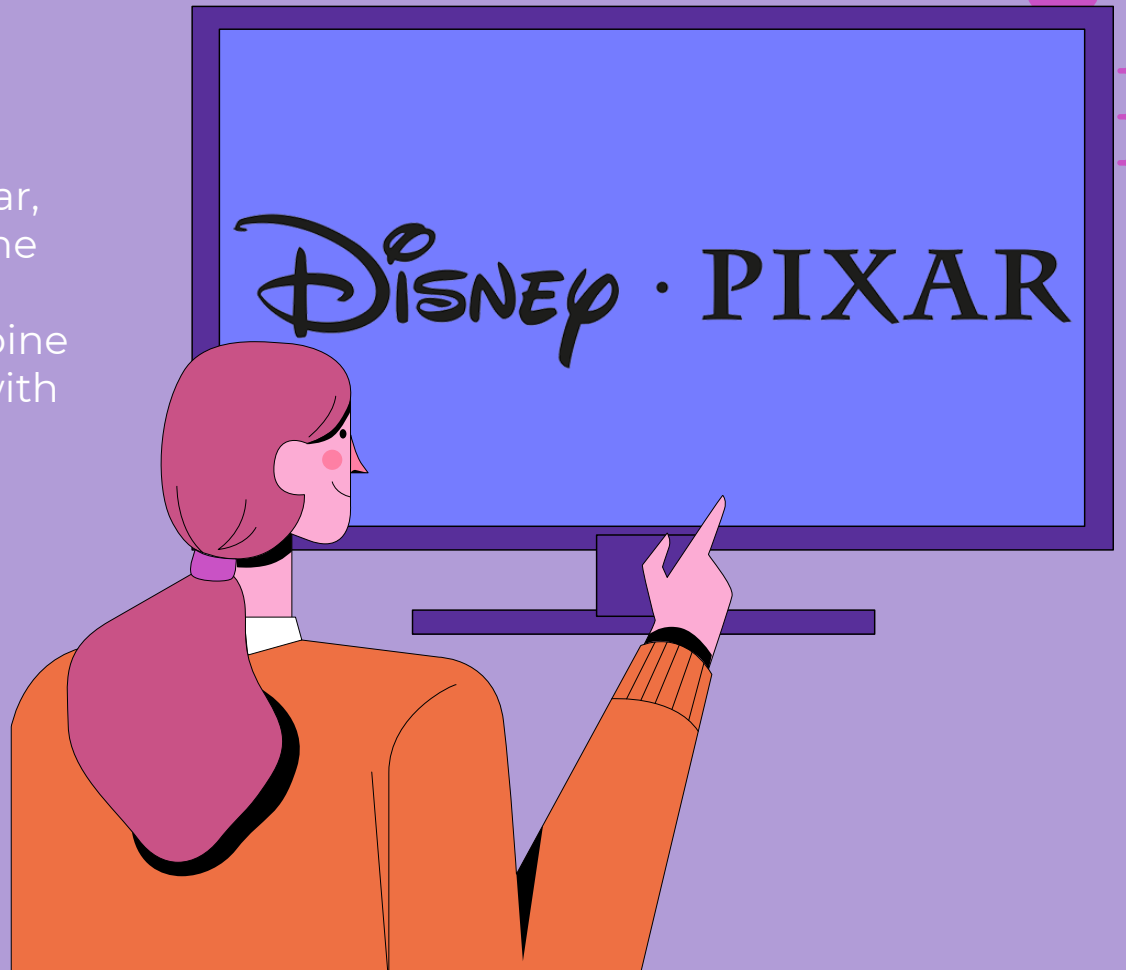
In 2018, Tata Steel acquired Bhushan steel under the Insolvency and Bankruptcy Code (IBC).
Tata Steel turned Bhushan Steel into a profitable entity within a year, with improved operatonal efficiency.

RELIANCE INDUSTRIES & FUTURE GROUP

Between 2020-23, Reliance acquired Future Group's retail, wholesale, and logistics businesses.
The acquisition would have expanded Reliance's retail business and allowed it to compete with Amazon.

DISNEY & PIXAR

In 2006, Disney acquired Pixar, which is considered one of the most successful mergers.
This merger was set to combine Disney's distribution reach with Pixar's incredible innovation creativity.



MICROSOFT & LINKEDIN

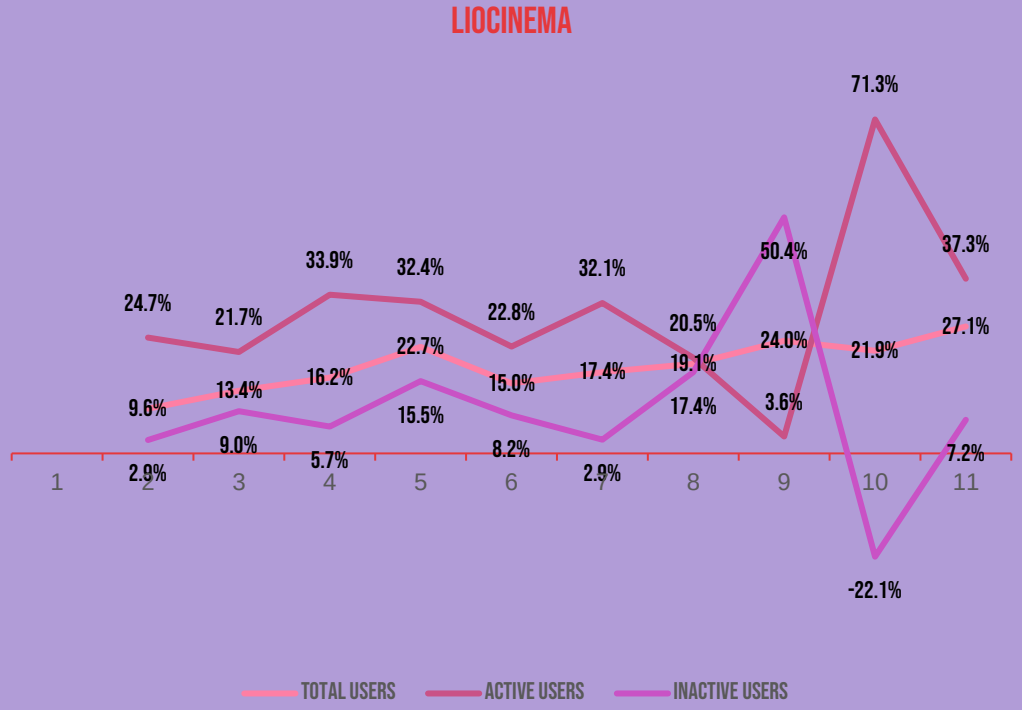
In 2016, a major tech acquisition that aimed to strengthen Microsoft's professional services market position.
LinkedIn's revenue grew significantly under Microsoft, contributing to its cloud and productivity business.

USER GROWTH RATE

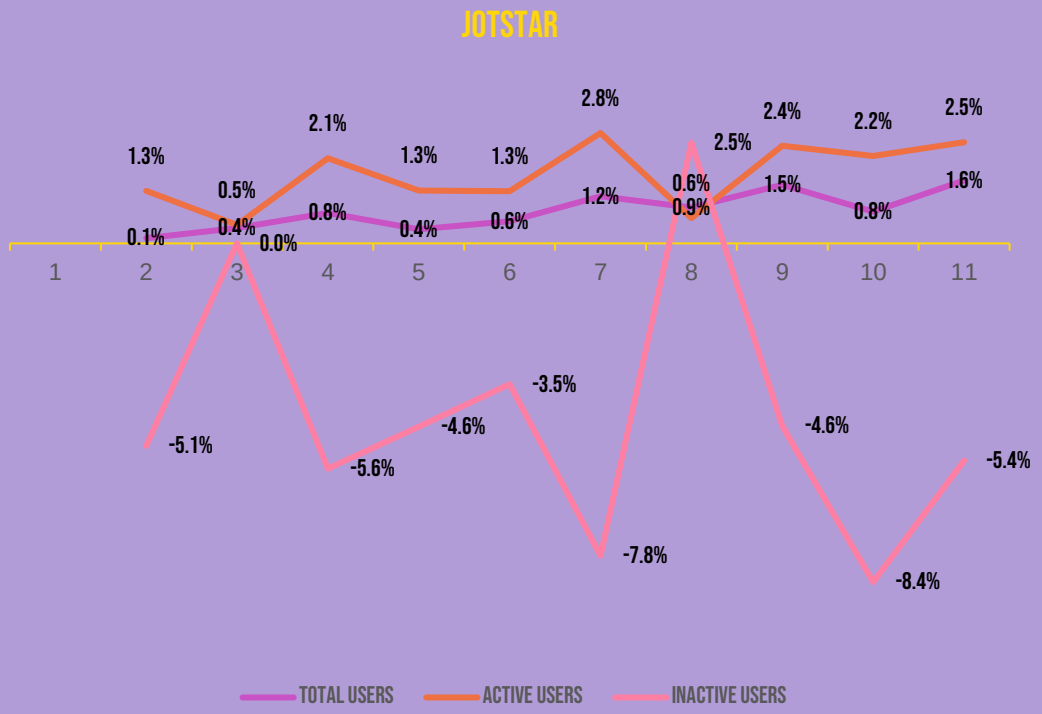
LioCinema shows **consistent growth**, peaking at **27.1%** in November.

Experienced strong growth in active users, **peaking** at 71.3% in **October** and 37.3% in **November**.

Inactive users also **grew significantly**, especially in **September** (50.4%), indicating potential retention challenges.



USER GROWTH RATE



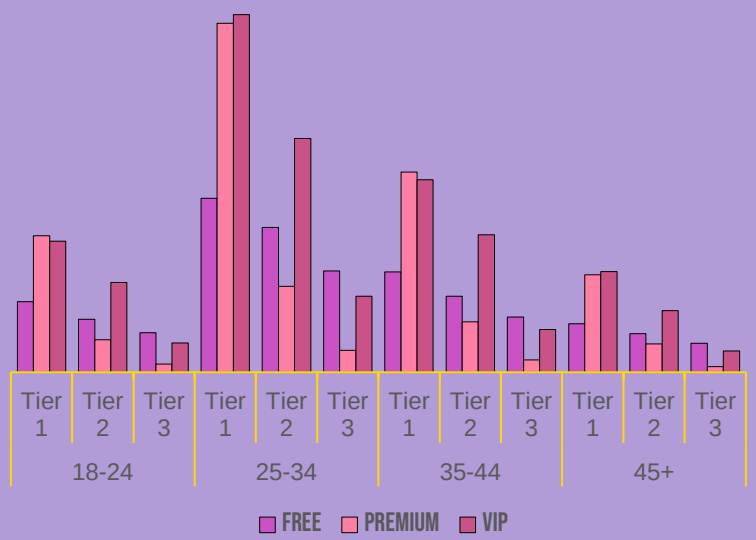
Jotstar exhibits **minimal growth**, with a highest monthly increase of **1.6%**.

Showed **steady** but slower growth in active users, with the highest growth in **October** (2.2%).

Inactive user growth was **negative** for most months, indicating **better retention** compared to LioCinema.

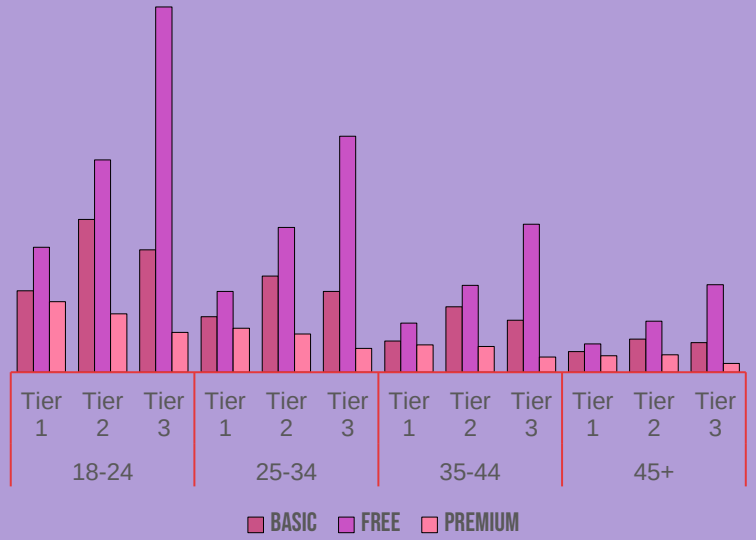
METRICS WISE TOTAL USERS

JOTSTAR



The **25-34 age group** is the **largest user base** across all city tiers, making them a critical demographic for growth and retention.

LIOCINEMA

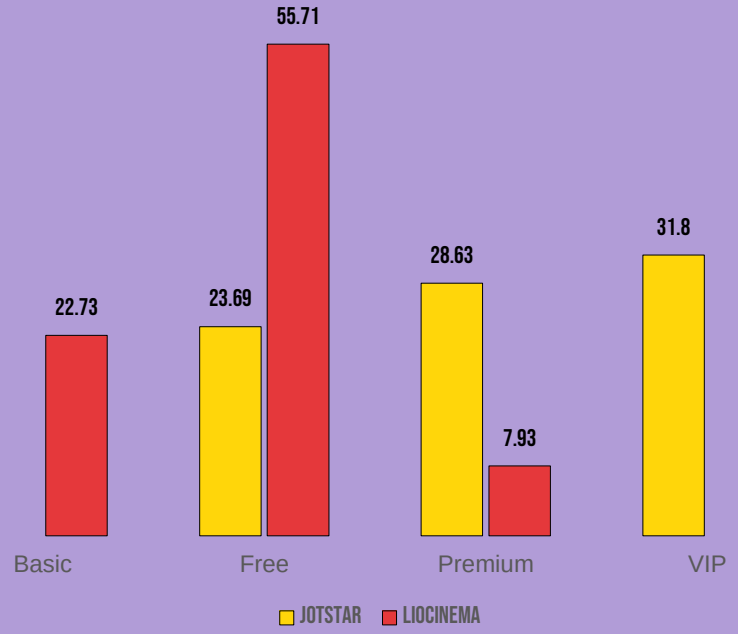


Free users dominate across all city tiers, especially in Tier 3 cities (e.g., 23,748 free users in the 18-24 age group.)

RETENTION RATE %

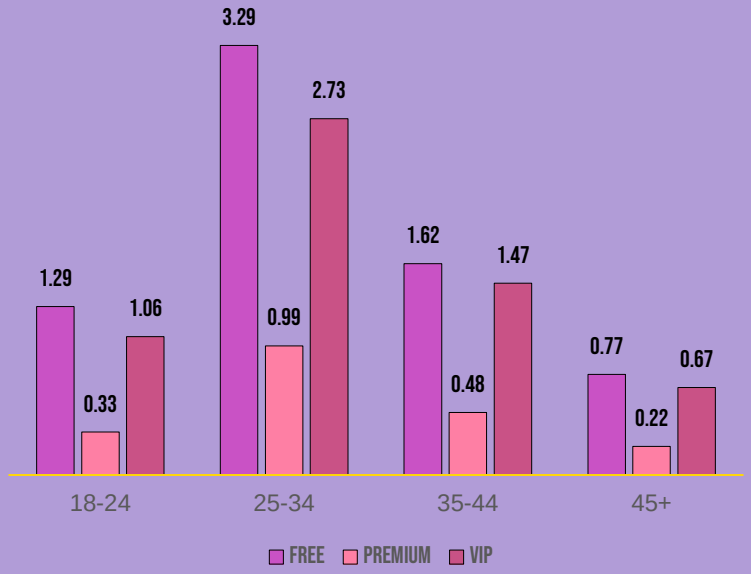
LioCinema's **Free plan** has the highest retention rate (**55.71%**), while Premium users are less likely to stay (7.93%).

Jotstar's **VIP plan** shows better retention (**31.8%**) compared to other plans.



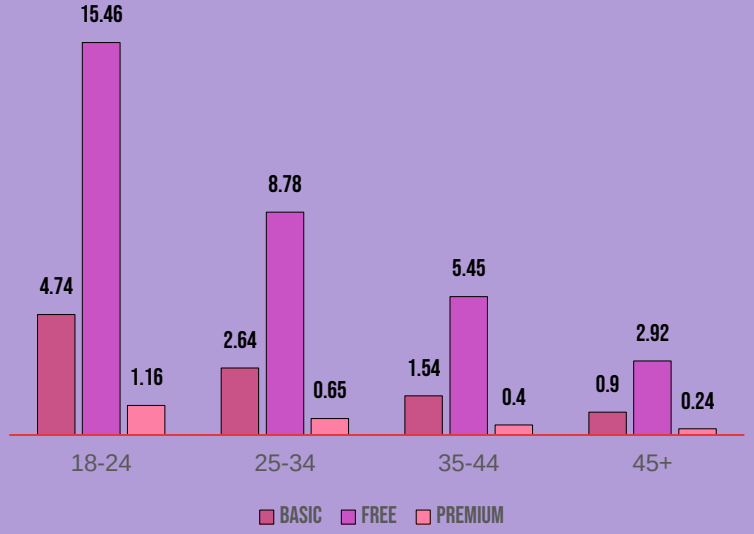
CHURN RATE % BY AGE GROUP

JOTSTAR



Jotstar's churn rates remain relatively **low** across all plans.

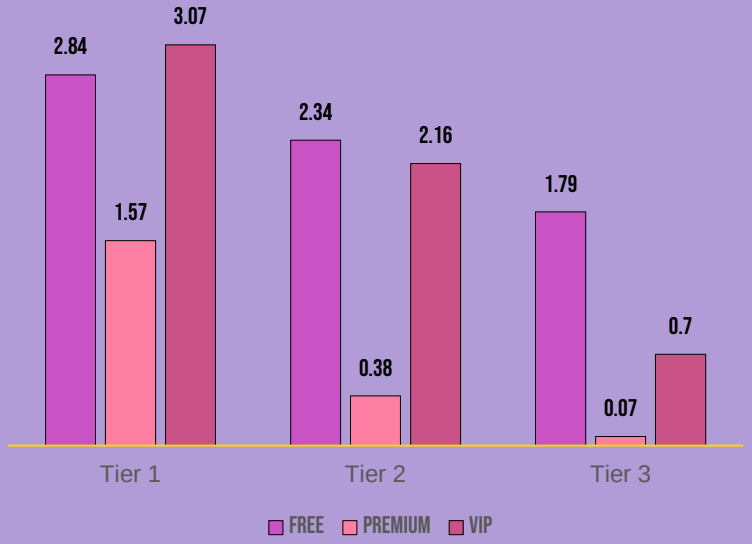
LIOCINEMA



LioCinema's Free plan sees the **highest churn** (15.46%), especially in younger age groups.

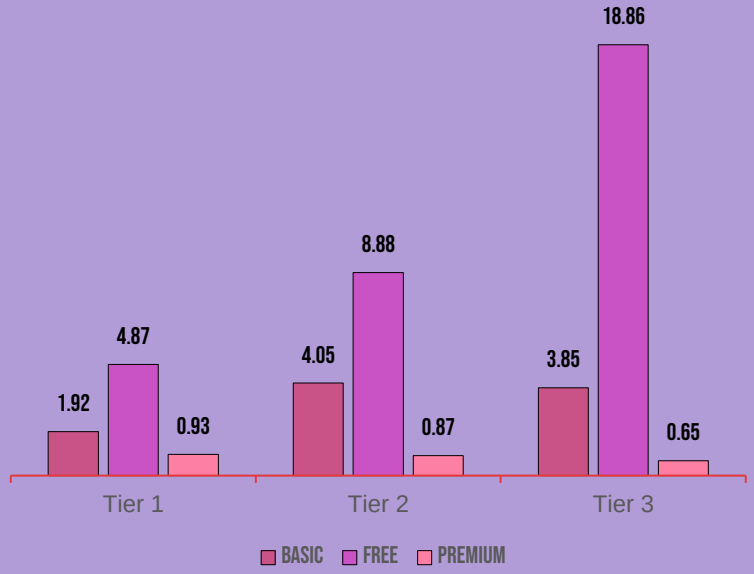
CHURN RATE % BY CITY TIER

JOTSTAR



Higher churn rates in **Tier 1** cities for Jotstar and in **Tier 3** cities for Liocinema, especially on free plans.

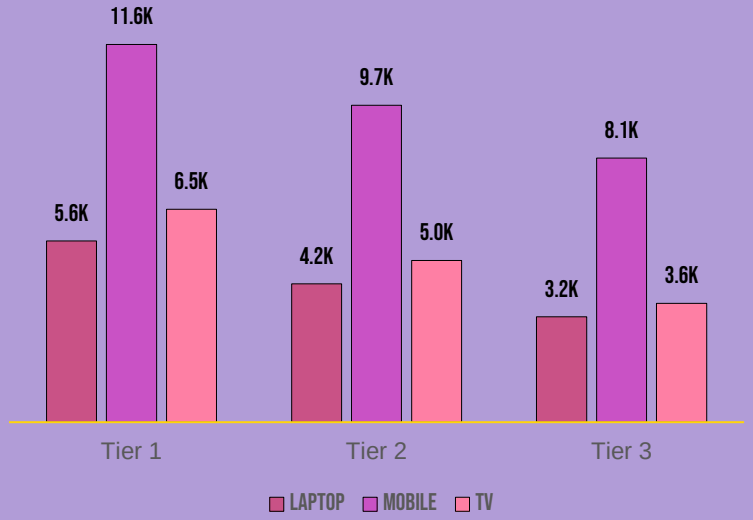
LIOCINEMA



LioCinema has **higher churn** in **Tier 3 cities** (18.86%) compared to Jotstar (1.79%).

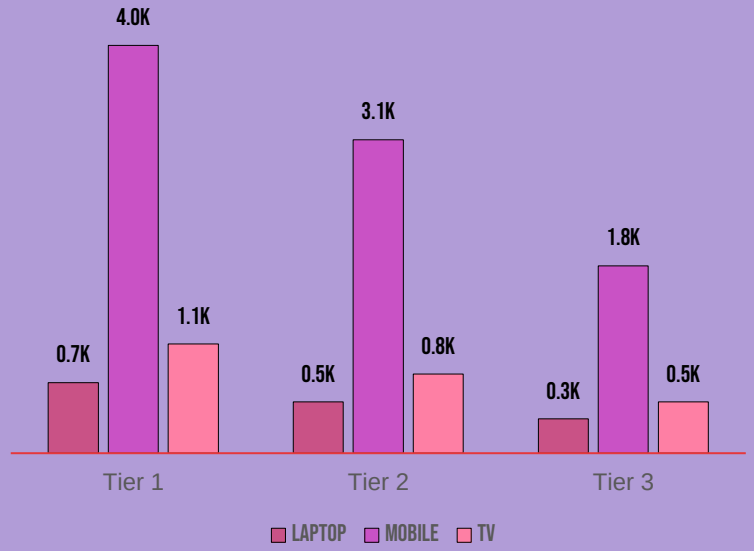
WATCH TIME BY CITY & DEVICE

JOTSTAR



Jotstar, Tier 1 cities lead in watch time (11.6K minutes on mobile).

LIOCINEMA

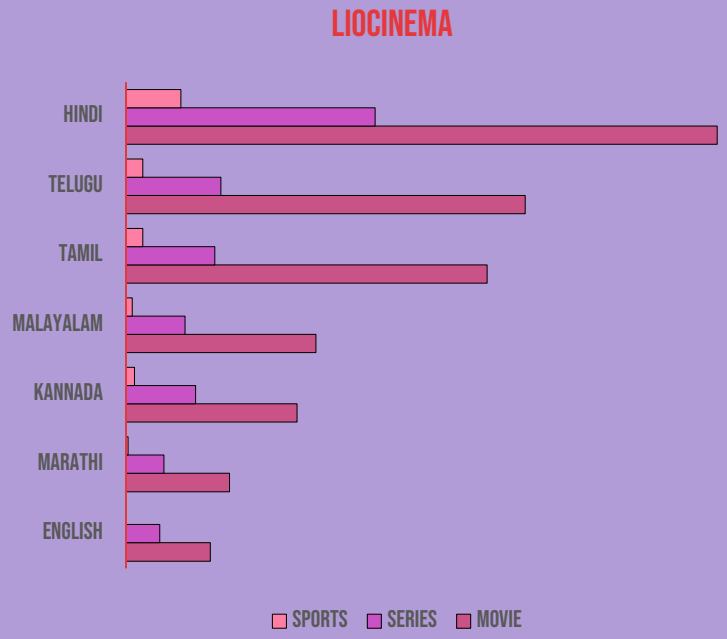


LioCinema, Tier 1 cities have the highest watch time (4K minutes on mobile).

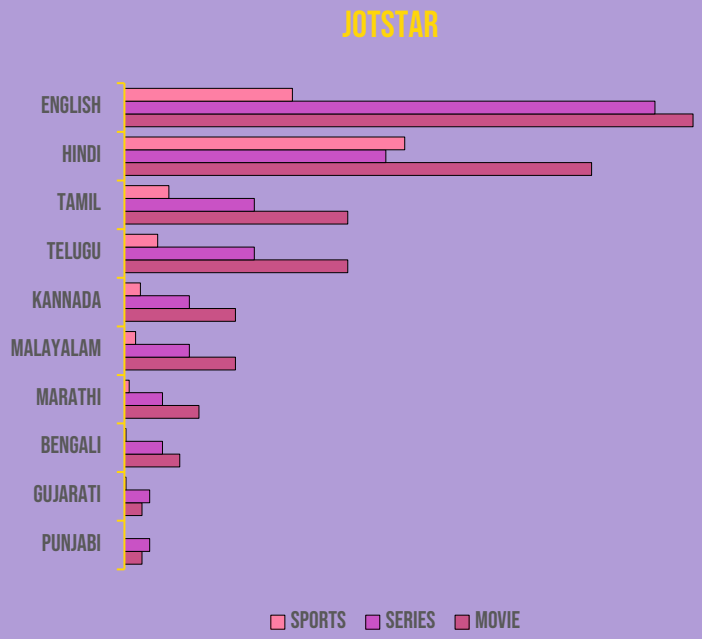
CONTENT LIBRARY

Dominated by **Hindi movies (280)** and **Hindi series (118)**.

Limited sports content, especially in English.



CONTENT LIBRARY



Strong presence in **English movies (359)** and **Hindi movies (295)**.

Extensive sports content in **English (106)** and **Hindi (177)**.

UPGRADE TREND

LioCinema: Most users transitioned from **Free to Basic (24%)** and **Basic to Premium (16%)**.

Jotstar: Most users transitioned from **VIP to Premium (33%)** and **Free to VIP (10%)**.

Platform	From Plan	To Plan	Users
Jotstar	VIP	Premium	2821
LioCinema	Free	Basic	2078
LioCinema	Basic	Premium	1362
Jotstar	Free	VIP	844
LioCinema	Free	Premium	715
Jotstar	Free	Premium	683

DOWNGRADE TREND

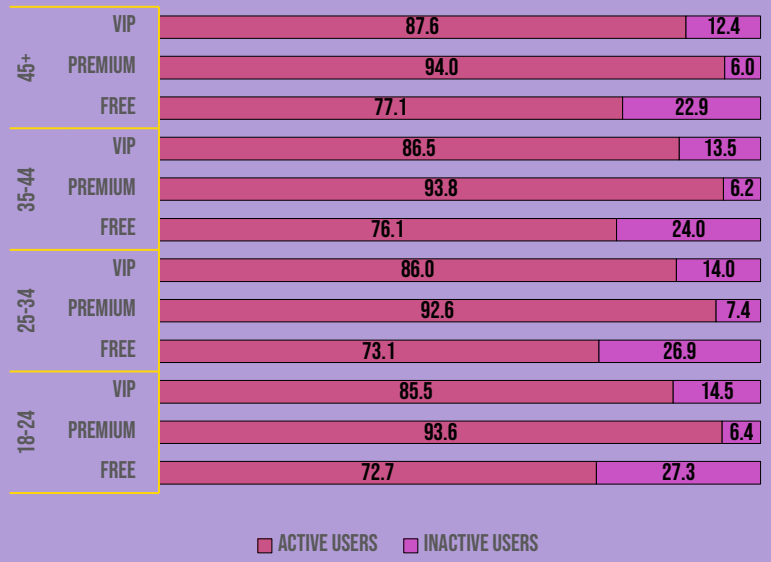
Platform	From Plan	To Plan	Users
LioCinema	Basic	Free	10309
LioCinema	Premium	Free	7439
LioCinema	Premium	Basic	3111
Jotstar	VIP	Free	2149
Jotstar	Premium	VIP	368
Jotstar	Premium	Free	225

LioCinema: Most users transitioned from **Basic to Free (44%)** and **Premium to Free (32%)**.

Jotstar: Most users transitioned from **VIP to Free (9%)** and **Premium to VIP (1.6%)**.

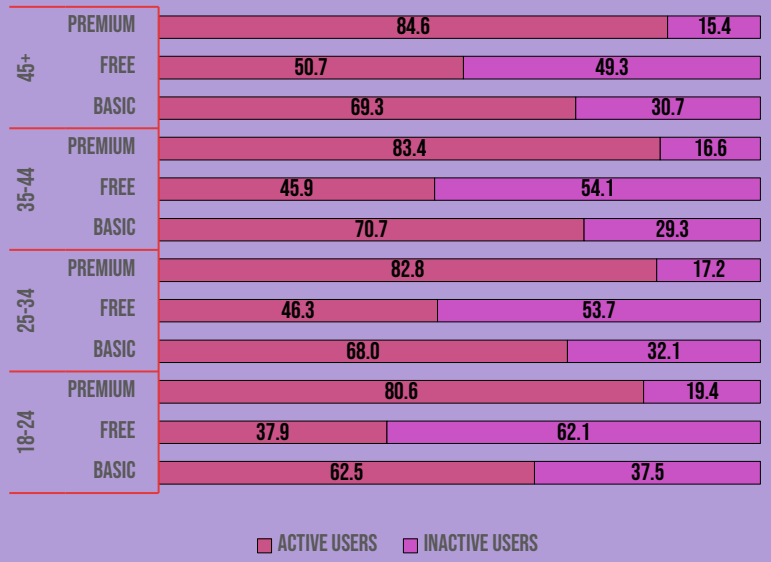
USER ACTIVITY RATE BY AGE-GROUP

JOTSTAR



Engagement increases slightly with age, particularly for free and premium users, while VIP users remain consistently engaged across all age groups.

LIOCINEMA

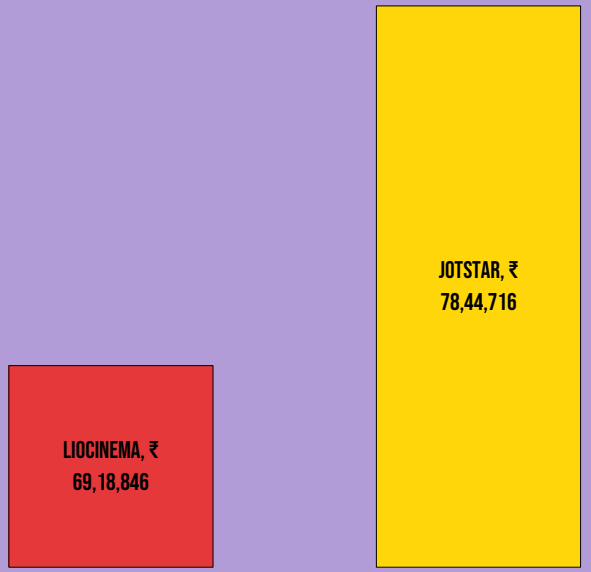


Engagement tends to increase slightly with age, especially for Premium and Basic users, but free users show inconsistent trends.

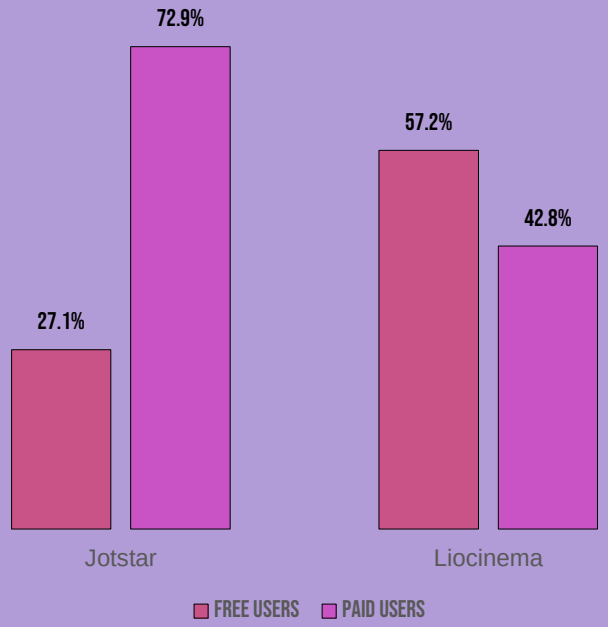
PLATFORM REVENUE

LioCinema: **₹69,18,846**.

Jotstar: **₹78,44,716**.



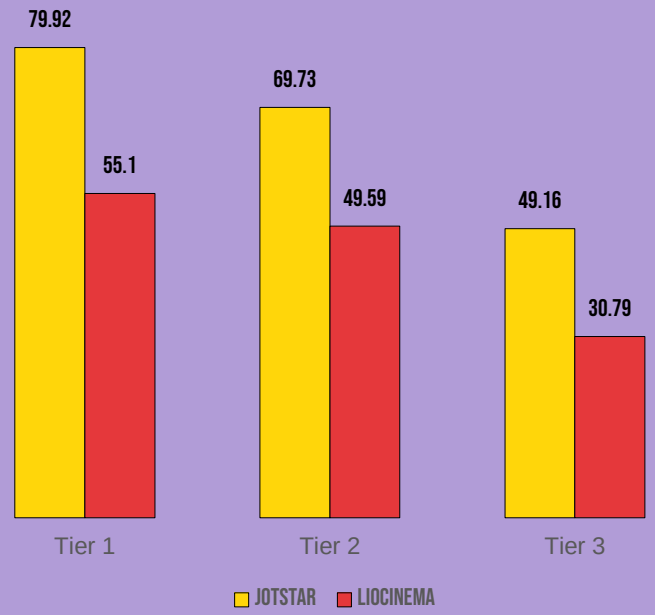
FREE VS. PAID PLAN USERS



Jotstar has **27.1% free users**, with **72.9% on Premium/VIP plans**.

LioCinema has **57.2% free users**, with **42.8% on Basic/Premium plans**.

PAID USERS RATE %



Comparatively Jotstar has **higher** paid users than Liocinema.

Tier 1 cities have **high** ratio of paid users, followed by Tier 2 and Tier 3 cities.

PREMIUM PLAN RATE %

LioCinema:

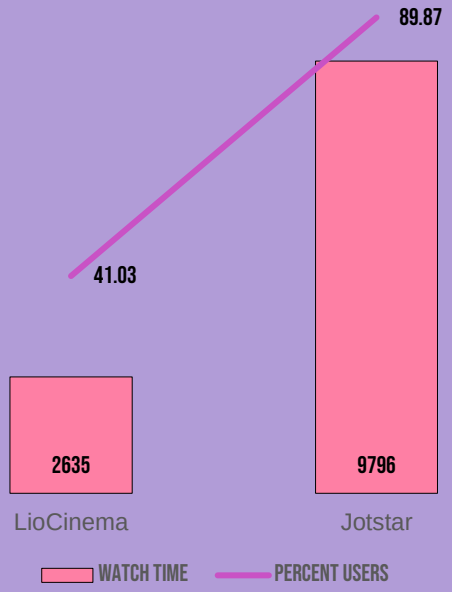
57.2% paid users, with **41.03% on Premium plans**.

Premium users have the highest watch time (**2,635 minutes**).

Jotstar:

72.9% paid users, with **89.87% on Premium plans**.

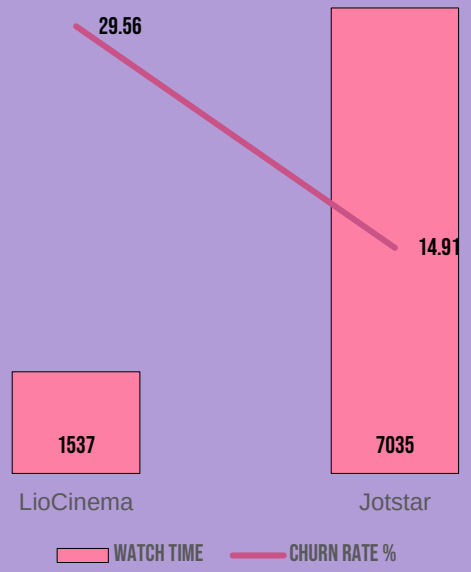
Premium users have the highest watch time (**9,796 minutes**).



CHURN RATE % VS. WATCH TIME

LioCinema: Higher churn rate (**29.56%**) correlates with lower average watch time (**1,537 minutes**).

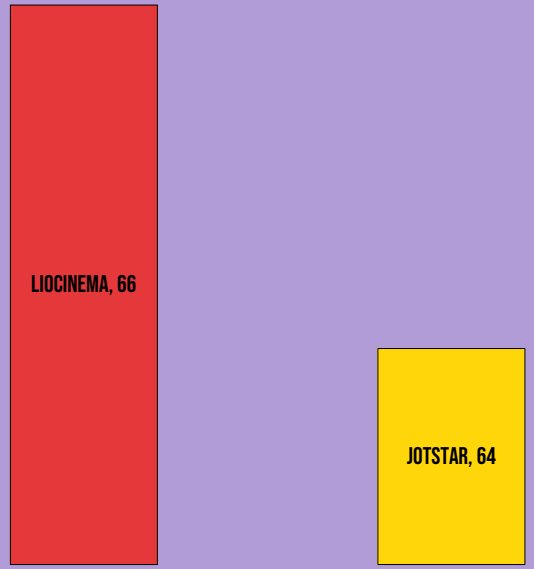
Jotstar: Lower churn rate (**14.91%**) correlates with higher average watch time (**7,035 minutes**).



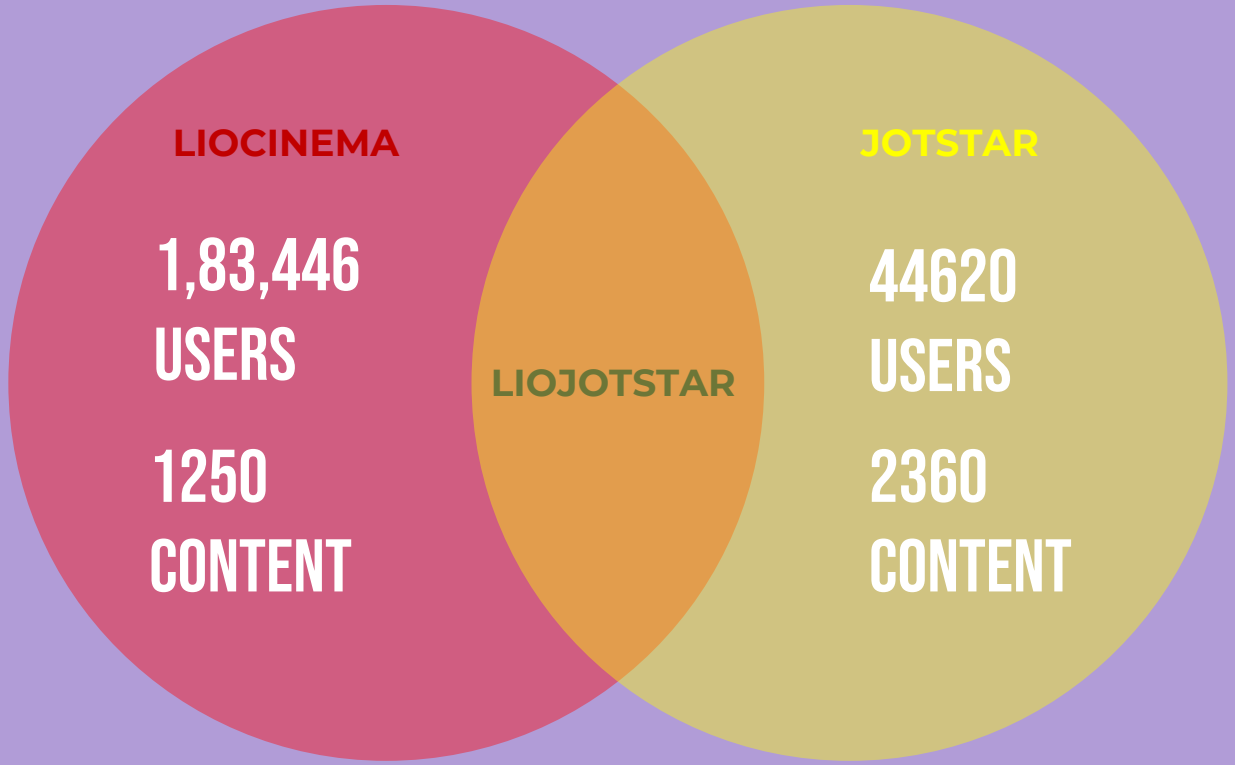
INACTIVE USERS

LioCinema: **66.10%** of users are inactive for 30+ days.

Jotstar: **63.89%** of users are inactive for 30+ days.



USERS VS. CONTENTS

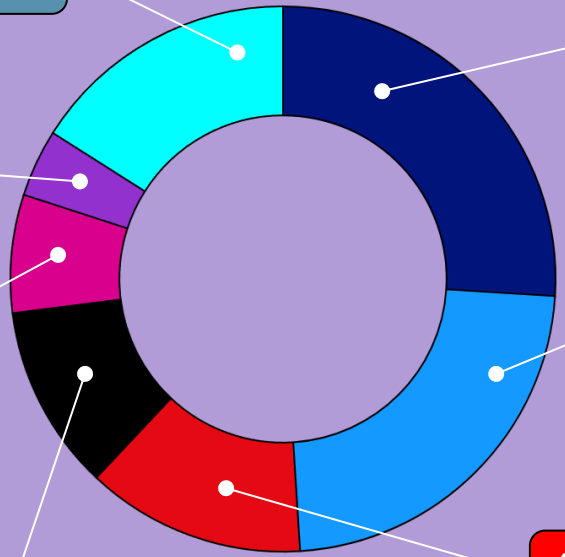


03

MARKET & COMPETITION

Competitive Market Analysis
SWOT Analysis of Mergers

INDIAN MARKET



16% OTHERS

26% HOTSTAR
38 Mn User Base

4% SONY LIV

23% PRIME
20 Mn User Base

7% JIOCINEMA

13% NETFLIX
10 Mn User Base

11% ZEE5

PREDICTED GROWTH

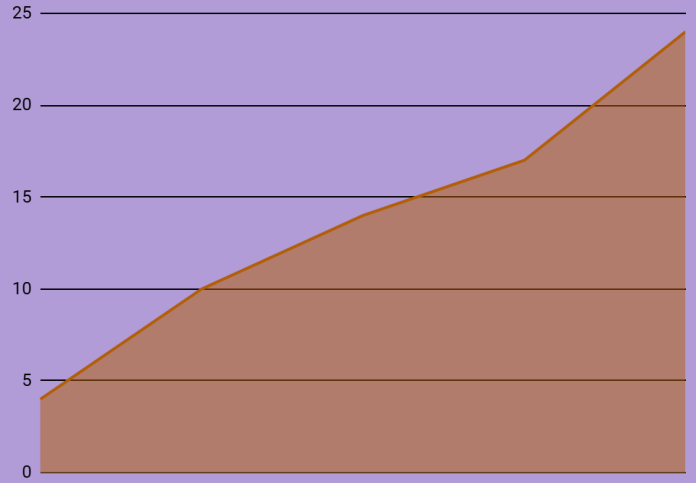
634 MILLION

Expected number of Users, from 500M in 2023, by 2029

17.79%

CAGR (2024-2029)

TIER 2 & TIER 3 CITIES



By Statista.com (2023)

TRACTION

2M – 4M

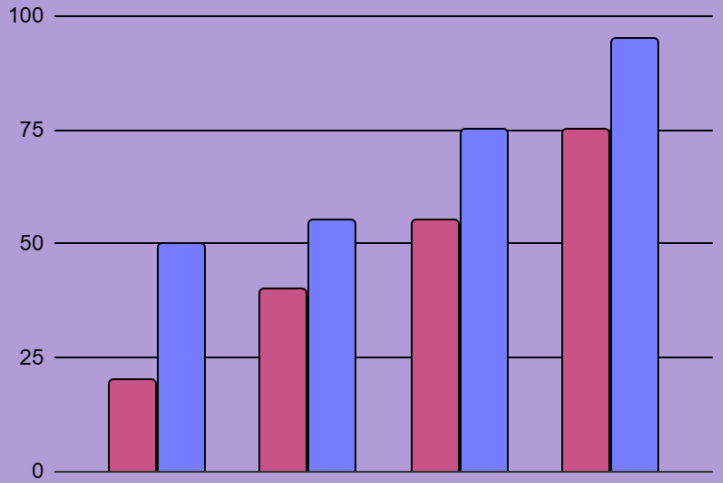
New subscribers in every quarter of the year

80 - 150

New movies and TV shows are added per month

$ 1,840,000,000

Gross annual income



By Statista.com (2023)

THEM VS. US

THEM

Leads in original and international content.

Dominates sports and premium content.

US

Strong telecom infrastructure, large subscriber base.

Diverse content library, huge engagement among premium users.

SWOT ANALYSIS

STRENGTHS

S

Strong regional content library.

WEAKNESSES

W

Dependency on live sports events for engagement.

OPPORTUNITIES

O

Partnerships with production houses for exclusive content.

THREATS

T

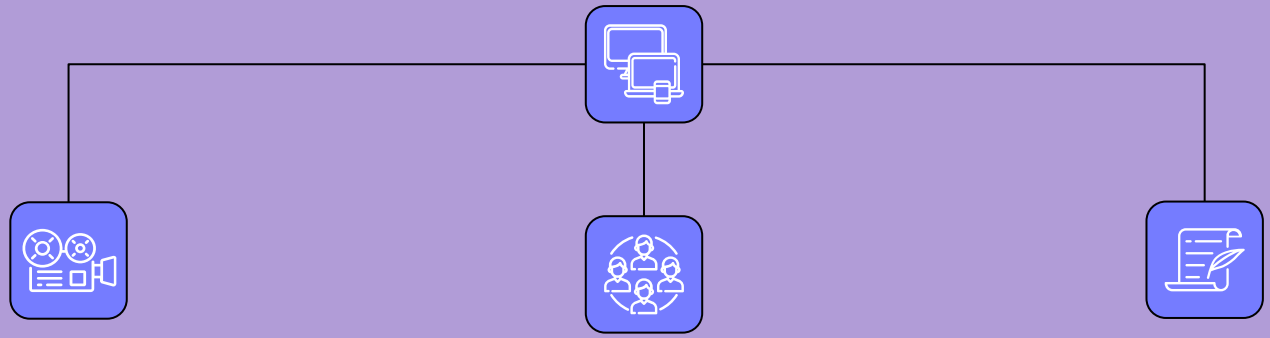
Price wars among streaming services.

04

BUSINESS MODEL

Recommendations & Next Steps

BUSINESS MODEL



STREAMING ORIGINALS

Invest in **exclusive original content** to differentiate from competitors.

SUBSCRIBERS

Intoduce **bundled plans** combining telecom and streaming services.

PLATFORM

Combine strength to create a **seamless user experience.**

LIOJOTSTAR

Combine LioCinema's **subscriber base** with Jotstar's **content library** to create India's leading OTT platform.

OUR PLANS

	Basic	Mobile	Pro	Premium
Price per month	Free	₹ 129	₹ 159	₹ 359
Number of Simultaneous Screens	1	1	2	4
Devices	TV, Laptop & Mobile	Mobile	TV, Laptop & Mobile	TV, Laptop & Mobile
Ads	Yes	Yes	Yes	No
Resolution	HD 720p	HD 720p	Full HD 1080P	4K 2160p
Movies & TV Shows	Limited	Unlimited	Unlimited	Unlimited

TIMING

LAUNCH

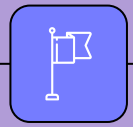
Launch should be near the **weekend** (ex Thur, Fri.)

FREE ACCESS

Make **all plans free** for the current weekend.

DISCOUNT

Limited time discounts for long term Subscriptions.



INSIGHTS

Use subscriber behavior data to develop **targeted marketing campaigns.**

TARGET

80%

Personalization

PENETRATION

CITIES 30%

Capture new subscribers from Tier 2 and Tier 3

ENGAGEMENT

2000 4500

Increase Monthly Watch Time

CHURN RATE

18 - 24 15% 21%

END WITH

The strategic merger of Lio and Jotstar positions the combined platform as a formidable player in the Indian OTT landscape. By leveraging their strengths in regional content, sports streaming, and bundled services, the platform can cater to diverse customer segments.

However, addressing user inactivity, enhancing content variety, and implementing proactive retention Strategies will be critical for sustaining long-term growth.

THE MERGER IS POISED TO ACHIEVE SUSTAINABLE SUBSCRIBER GROWTH AND MARKET LEADERSHIP IN THE COMING YEARS.

THANKS!

Do you have any questions?

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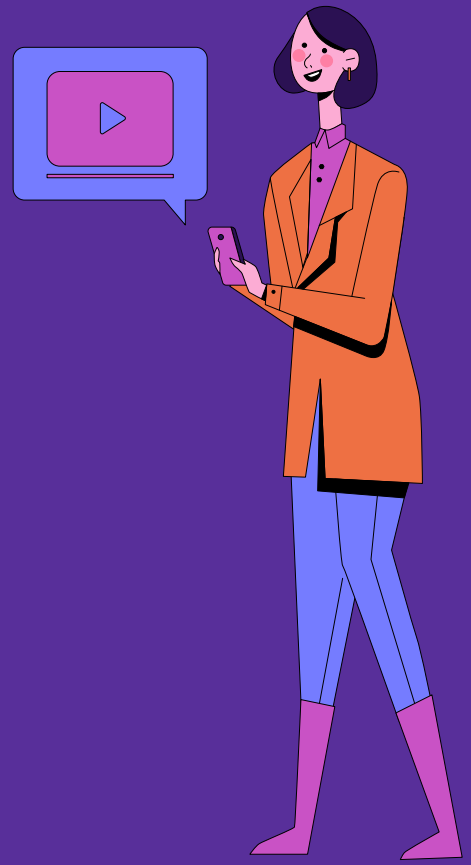

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