



## Strategic Merger in the OTT Domain

Domain: Telecom & Streaming Services

Function: Strategy & Operations

# INFORMATION

## Basic details

As part of the merger preparation, the management team at Lio wants to analyse the performance and user behaviour of both platforms—LioCinema and Jotstar—over the past one year (**January to November 2024**). The goal is to gain insights into individual platform performance, content consumption patterns, subscriber growth, Inactivity behaviour, upgrade and downgrade trends. The insights derived from this study will help the management make informed decisions and optimize content strategies post-merger, with the ultimate goal of establishing Lio-Jotstar as the leading OTT platform in India. Peter Pandey is the data analyst at Lio, and he is tasked to analyse the data and provide insights.

## Objective

- Content Library Analysis:** A detailed comparison of content types across both platforms.
- Subscriber Insights:** Analyse trends in subscriber acquisition and demographic variations.
- Inactivity Analysis:** Patterns of inactivity across age groups, city tiers, and subscription plans.
- Upgrade Patterns:** Insights into subscription upgrades and their influencing factors.
- Downgrade Patterns:** Analysis of subscription downgrades and associated trends.
- Content Consumption Behaviour:** Patterns in total watch time, device preferences, and variations by user demographics.

## Report (Primary and secondary analysis)

### Insights

- Total number of users for liocinema and jotstar compared in terms of growth trends.
- Total number of content for both platforms, differs in terms of language and content type
- Distribution of users by age group, city tier, and subscription plan for each platform
- Active vs Inactive users % rates vary by age group and subscription plan for both the platform
- Average watch time for liocinema and jotstar during the analysis period, compare by city tier and device type
- Inactivity patterns correlate with total watch time or average watch time , less engaged users more likely to become inactive
- Downgrade trends differs between both platforms, more prevalent compared to one platform to the other platform
- Most common upgrade transitions (e.g. Free to Basic, Free to VIP, Free to Premium) for both platforms
- Paid users % (e.g. Basic, Premium for liocinema and VIP, Premium for jotstar vary across city tier
- Total revenue generated by both platforms for the analysis period (Jan-Nov 2024)



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**5.58K**

Monthly Growth %: 31.3% (-5.58K)

Jotstar Users

**72.29K**

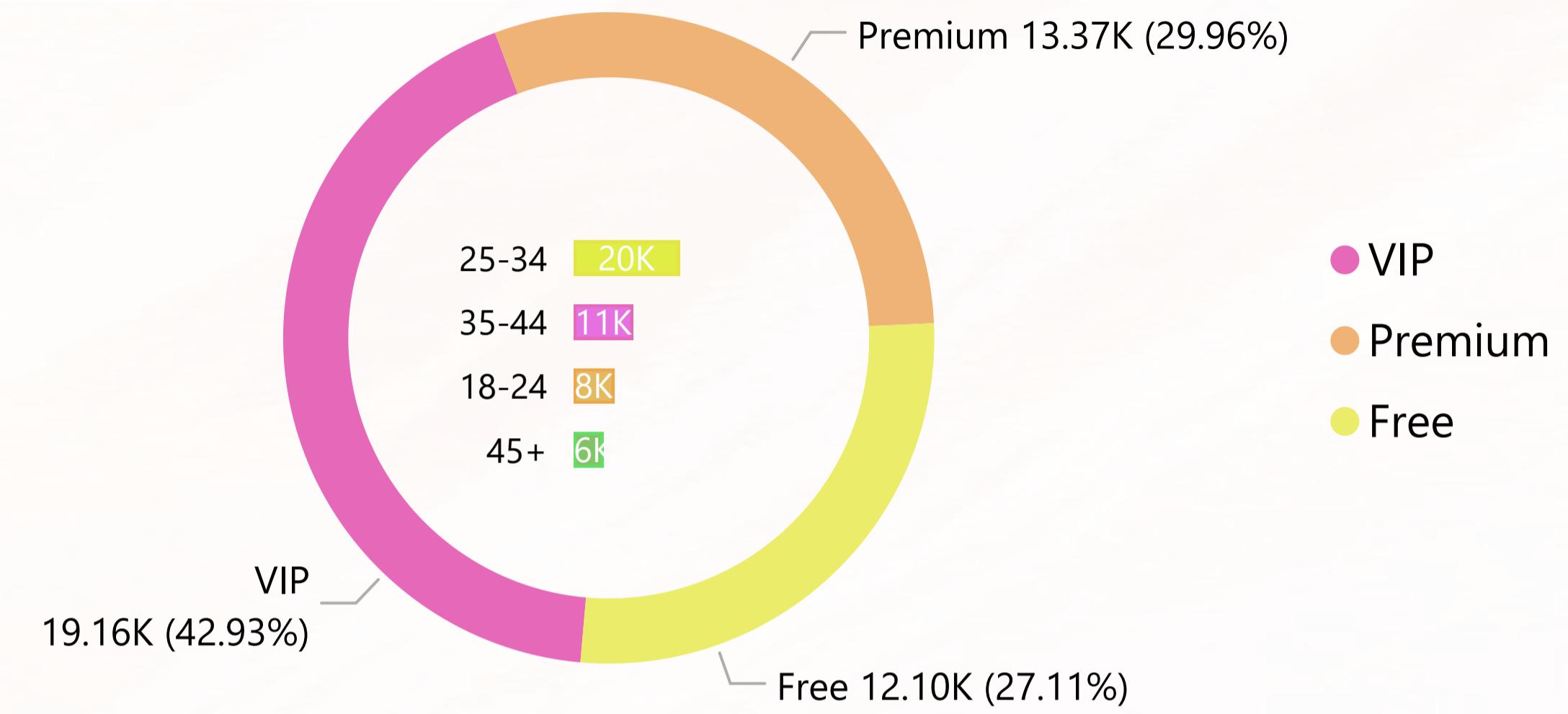
Monthly Growth %: 32.9% (+72.29K)

Liocinema Users

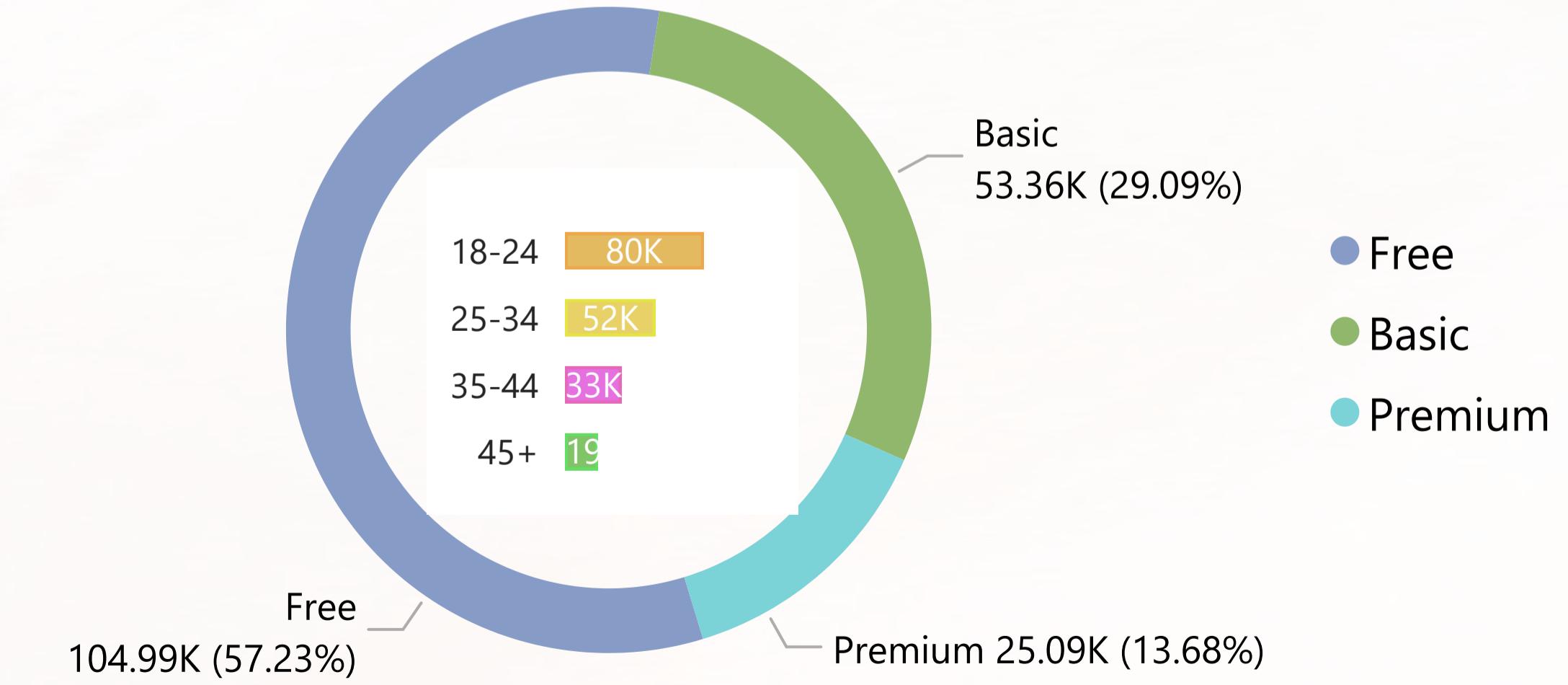
### Paid Users Distribution

city_tier	subscription plan	Jotstar	liocinema	Paid user %
Tier 1	Premium	81.16%	Basic	18.84%
Tier 1	Premium	73.32%	Premium	26.68%
Tier 1	VIP	65.58%	Basic	34.42%
Tier 1	VIP	54.86%	Premium	45.14%
Tier 2	Premium	37.17%	Basic	62.83%
Tier 2	Premium	44.00%	Premium	56.00%
Tier 2	VIP	40.96%	Basic	59.04%
Tier 2	VIP	47.95%	Premium	52.05%
Tier 3	Premium	14.91%	Basic	85.09%
Tier 3	Premium	23.34%	Premium	76.66%
Tier 3	VIP	21.52%	Basic	78.48%
Tier 3	VIP	32.26%	Premium	67.74%

### Jotstar User Demographics



### Liocinema User Demographics





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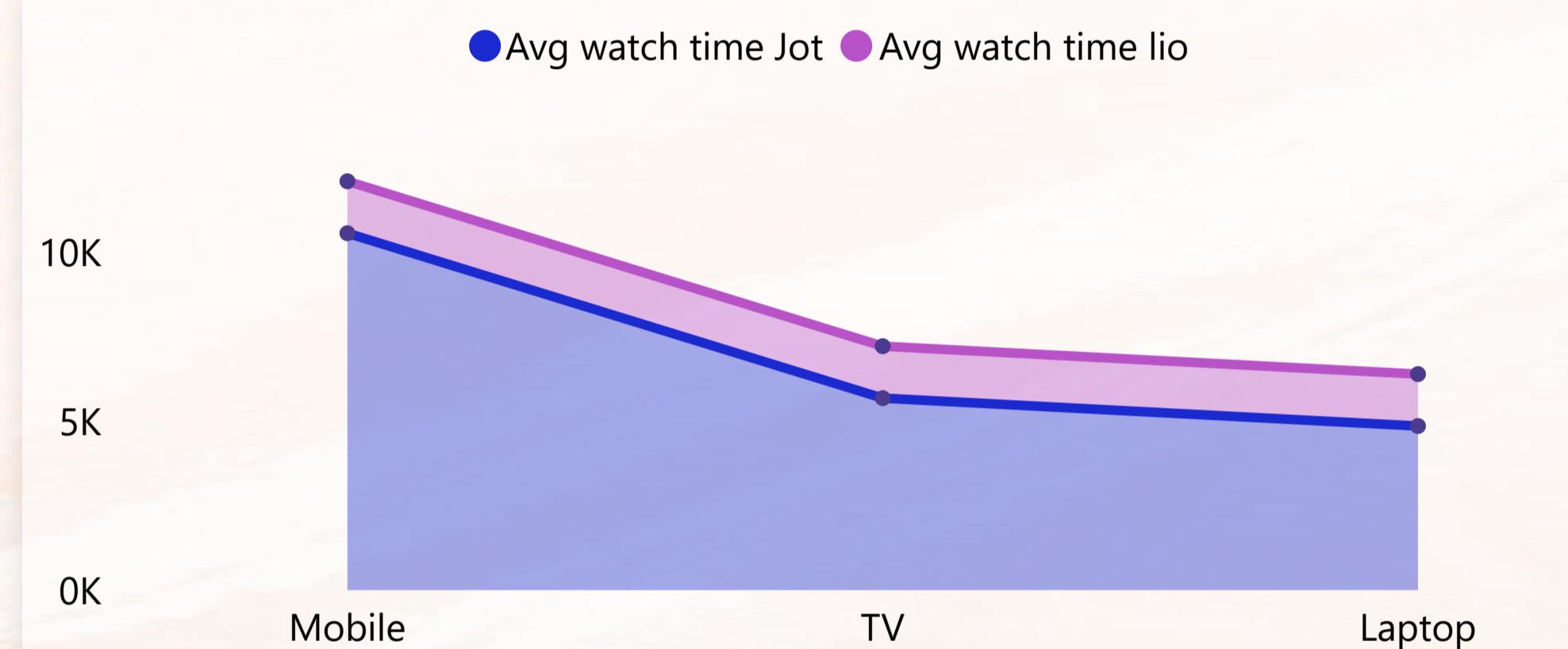
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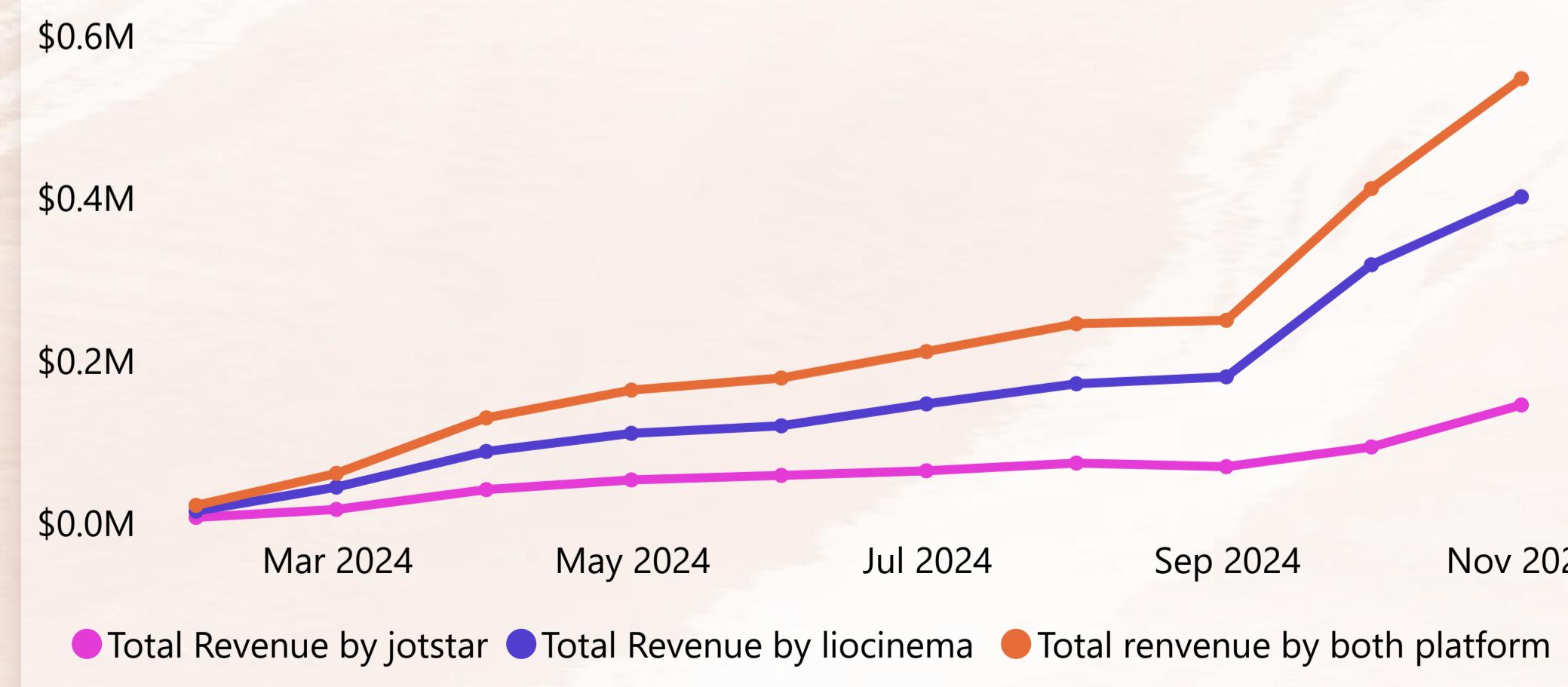
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### Watch Time Analysis

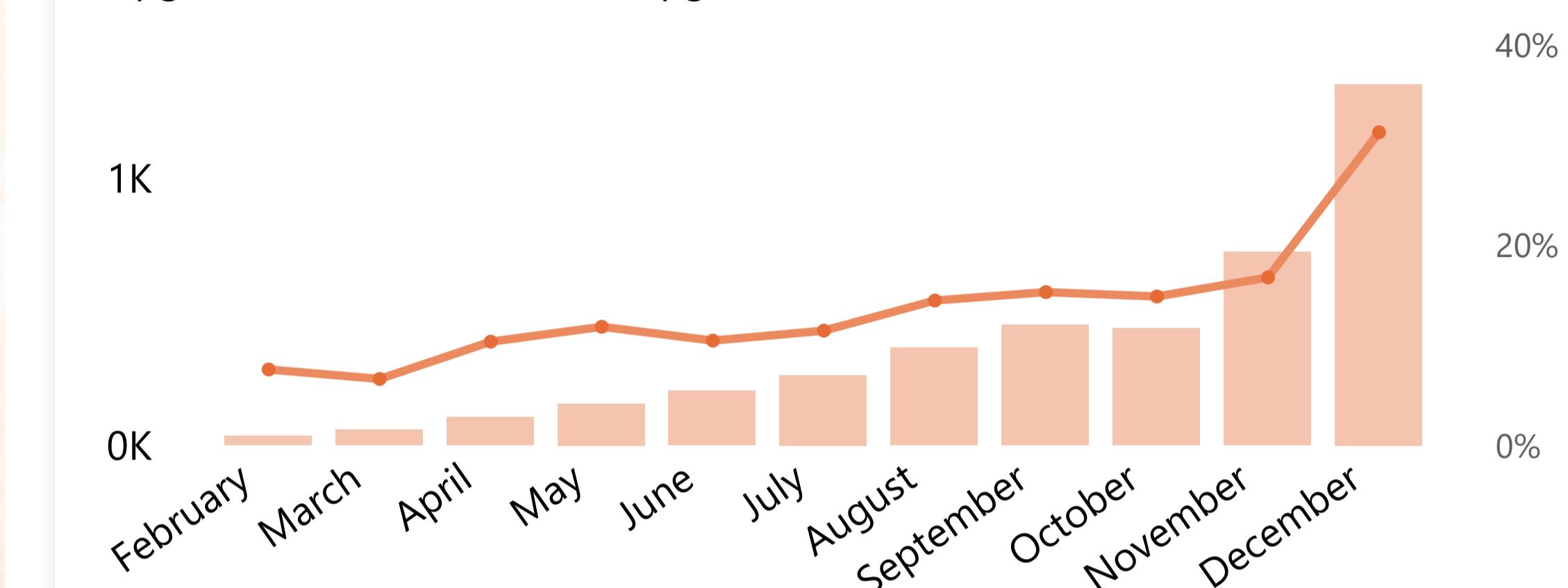


### Revenue Analysis



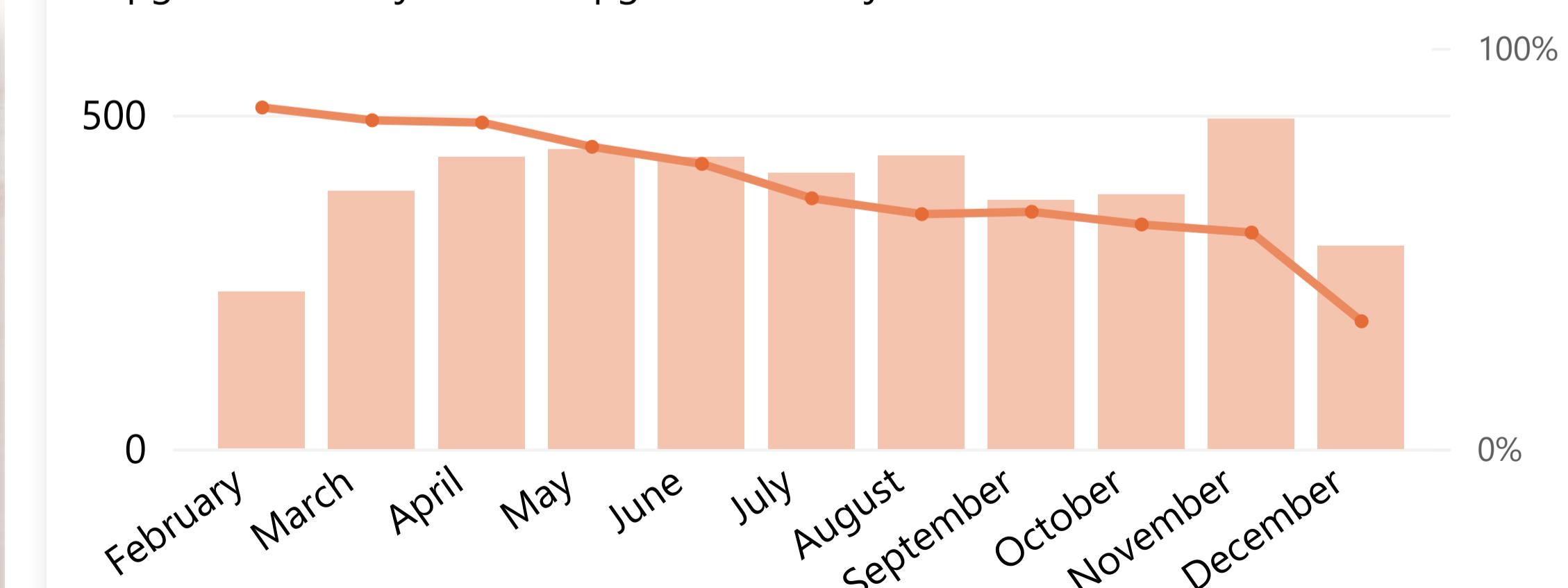
### Liocinema Upgrade Pattern

Upgraded Users liocinema Upgrade Rate % liocinema



### Jotstar Upgrade Pattern

Upgraded Users jotstar Upgrade Rate % jotstar

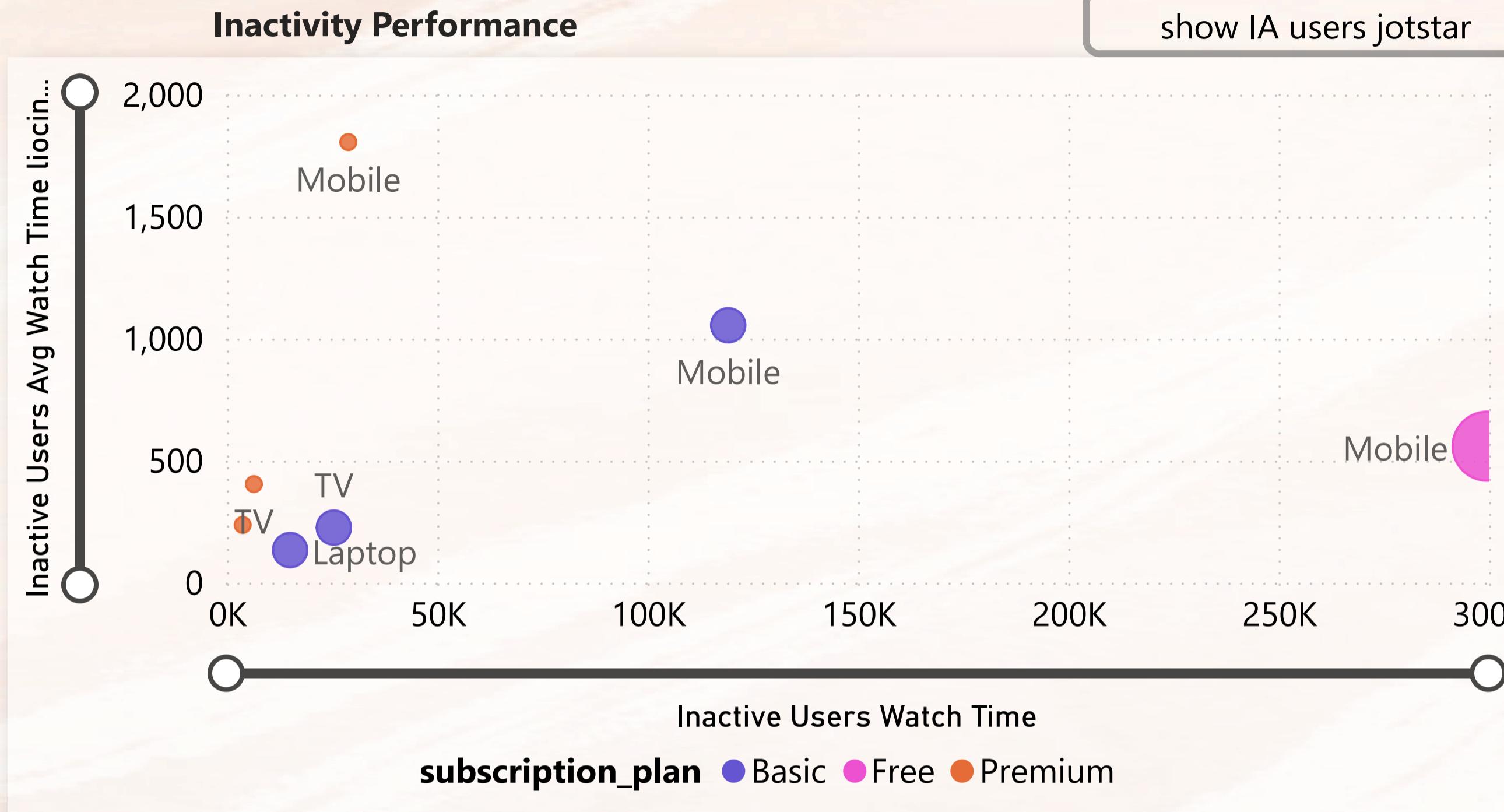




(Blank) Q1 Q2 Q3 Q4

18-24 25-34 35-44 45+

Tier 1 Tier 2 Tier 3



### Active vs Inactive Users

age_group	liocinema		jotstar	
	Active User %	Inactive User %	Active User %	Inactive User %
<b>18-24</b>	<b>50.9%</b>	<b>49.1%</b>	<b>79.1%</b>	<b>20.9%</b>
Basic	62.5%	37.5%	70.8%	29.2%
Free	37.9%	62.1%	85.1%	14.9%
Premium	80.6%	19.4%	97.2%	2.8%
<b>25-34</b>	<b>57.5%</b>	<b>42.5%</b>	<b>79.3%</b>	<b>20.7%</b>
<b>Total</b>	<b>55.1%</b>	<b>44.9%</b>	<b>80.3%</b>	<b>19.7%</b>

### Liocinema Content Library Comparision

language	Movie	Series	Sports
English	40	16	
Hindi	280	118	26
Action	33	14	
Total	900	300	50

### Jotstar Content Library Comparision

language	Movie	Series	Sports
Bengali	35	24	1
English	359	335	106
Action	95	86	
Total	1180	826	354

## Recommendations

### What strategies can the merged platform implement to increase engagement among inactive users and convert them into active users?

- Send tailored emails or notifications highlighting new features, **personalized recommendations**, or exclusive content.
- Offer discounts, free trials, or **exclusive content for users** who haven't engaged in a while. If users left before completing an action, **send reminders** or incentives to encourage them to return.
- Leverage **machine learning** to suggest content, products, or services based on past activity.
- Give inactive users a taste of **premium content with limited-time access**. Tailor homepage content based on user **preferences and history**.

### What type of brand campaigns should the merged platform launch to establish itself as the go-to OTT platform in India?

#### Regional & Localized Content Focus 📺

- Invest in high-quality regional content across **kannada, malayalam, Tamil, Telugu, Bengali, and Marathi markets**.
- Partner with top regional **actors & creators** to enhance audience trust and engagement.

#### Exclusive Blockbuster Premieres 🎬

- Secure early OTT releases of **Bollywood & South Indian films** to attract mass audiences.
- Offer behind-the-scenes content, **interviews, and live interactions** to build hype.

#### Sports & Live Streaming Dominance 🏆

- Strengthen partnerships with **IPL, ISL, Pro Kabaddi** to become the ultimate live sports destination.
- Integrate interactive features (**polls, live chat, fantasy leagues**) for higher engagement.

### How should the merged platform price its subscription plans to compete effectively while maintaining profitability?

#### Tiered & Affordable Pricing Strategy 💰

- Offer **three flexible plans: Ad-Supported (Free), Basic, VIP (Affordable), and Premium (Ad-Free & 4K Ultra HD)** to cater to different audience segments.
- Keep **regional pricing lower** to attract Tier 2 & Tier 3 city users.

#### Limited-Time Discounts & Loyalty Rewards 🎁

- Offer **introductory discounts for new users** and **special festival pricing** to drive sign-ups.
  - Implement a **loyalty rewards program** where long-term subscribers get **discounts or exclusive content access**.
- 🚀 Balancing affordability with exclusive content will drive both user growth and profitability!

### How can the platform leverage partnerships with telecom companies to expand its subscriber base?

#### Bundled Subscription Plans 📱

- Partner with **Jio, Airtel, and Vi** to offer **OTT subscriptions with prepaid/postpaid plans** at discounted rates.
- Create **exclusive high-speed data + OTT packs** to attract mobile users.

#### Integrated Billing & Carrier Promotions 💰

- Enable **direct carrier billing** so users can subscribe via their mobile bills, simplifying payments.
- Launch **co-branded marketing campaigns** with telecom operators for mass visibility.

#### 5G-Optimized Streaming & Exclusive Access 🚀

- Collaborate on **5G-exclusive content or live streaming events** to showcase ultra-HD streaming benefits.
- Provide **early access to blockbuster movies & sports streaming** for telecom subscribers.

