

PROBLEM STATEMENT

Lio, a leading telecommunications provider in India, is planning a strategic merger with Jotstar, one of the country's most prominent streaming platforms. This potential partnership aims to combine LioCinema's expansive subscriber base and Jotstar's diverse content library to revolutionize digital streaming in India. As part of the merger preparation, the management team at Lio wants to analyse the performance and user behavior 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 behavior, 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.

The management expects detailed insights into the following:

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

PRIMARY AND SECONDARY ANALYSIS

1. Total Users & Growth Trends

- What is the total number of users for LioCinema and Jotstar, and how do they compare in terms of growth trends (January–November 2024)?

2. Content Library Comparison

- What is the total number of contents available on LioCinema vs. Jotstar? How do they differ in terms of language and content type?

3. User Demographics

- What is the distribution of users by age group, city tier, and subscription plan for each platform?

4. Active vs. Inactive Users

- What percentage of LioCinema and Jotstar users are active vs. inactive? How do these rates vary by age group and subscription plan?

5. Watch Time Analysis ● What is the average watch time for LioCinema vs. Jotstar during the analysis period? How do these compare by city tier and device type?
6. Inactivity Correlation ● How do inactivity patterns correlate with total watch time or average watch time? Are less engaged users more likely to become inactive?
7. Downgrade Trends ● How do downgrade trends differ between LioCinema and Jotstar? Are downgrades more prevalent on one platform compared to the other?
8. Upgrade Patterns ● What are the most common upgrade transitions (e.g., Free to Basic, Free to VIP, Free to Premium) for LioCinema and Jotstar? How do these differ across platforms?
9. Paid Users Distribution ● How does the paid user percentage (e.g., Basic, Premium for LioCinema; VIP, Premium for Jotstar) vary across different platforms? Analyse the proportion of premium users in Tier 1, Tier 2, and Tier 3 cities and identify any notable trends or differences.
10. Revenue Analysis

PRIMARY ANALYSIS AND VISUALIZATION USING POWER BI

1. Total Users & Growth Trends

Jotstar has a total of 44,620 users, while the LioCinema platform has 183,000 users. Both platforms experienced notable growth in 2024. Jotstar saw its highest user acquisition in November (4,262 new users), and LioCinema also recorded its peak growth in the same month (37,000 new users).

2. Content Library Comparison

Jotstar offers a larger content library compared to LioCinema. English and Hindi movies are the most preferred among Jotstar users, while LioCinema users show a stronger preference for Hindi and Telugu content.

Jotstar provides content in 10 languages (English, Hindi, Tamil, Telugu, Kannada, Malayalam, Marathi, Bengali, Gujarati, and Punjabi), whereas LioCinema supports content in 7 languages.

Across both platforms, movies are the most popular content type among users.

3. User Demographics

Jotstar has a higher number of users from Tier 1 cities, primarily in the 25–34 age group and holding VIP subscriptions. In contrast, LioCinema has more users from Tier 3 cities, mostly in the 18–24 age group with Free subscriptions.

4. Active vs. Inactive Users

85% of Jotstar users are active, while 14% are inactive. Most active users are aged 18–24 and have VIP subscriptions.

LioCinema has 55% active users and 44% inactive users. The majority of inactive users are Free subscribers, while most active users fall within the 18–24 age group.

5. Watch Time Analysis

Jotstar users have an average watch time of 117 hours (7,034 minutes), whereas LioCinema users average 25 hours (1,536 minutes). This highlights significantly higher engagement on Jotstar.

6. Inactivity Correlation

On both platforms, inactive users exhibit significantly lower watch time. This indicates that low engagement strongly correlates with user inactivity.

7. Downgrade Trends

Jotstar experienced high downgrading rates at the beginning of the year but successfully reduced the trend by November. On the other hand, LioCinema faced consistent downgrading throughout the year, with downgrade rates increasing from January to November.

8. Upgrade Patterns

Jotstar users are more inclined to upgrade from VIP to Premium plans, while LioCinema users mainly upgrade from Free to Basic subscriptions.

9. Paid User Distribution

Most paid users on Jotstar are from Tier 2 cities, aged 25–34, and subscribed to Premium plans. Similarly, LioCinema's paid users are predominantly from Tier 2 cities, aged 18–24, with Premium subscriptions.

10. Revenue Analysis

During the analysis period, Jotstar generated ₹41 million in revenue, with ₹0.94 million attributed to user upgrades. LioCinema generated ₹19 million in total revenue but incurred a loss of ₹0.96 million due to downgrades.

Conclusion

The comprehensive analysis of LioCinema and Jotstar's performance from January to November 2024 offers valuable insights that can inform strategic planning for the upcoming merger. While both platforms demonstrated growth and user engagement, they exhibit distinct patterns in user behavior, content preferences, and revenue generation.

1. User Growth & Reach

LioCinema has a significantly larger user base (183,000) compared to Jotstar (44,620), with both platforms showing peak growth in November. This indicates strong market momentum, particularly towards the end of the year, suggesting successful content and marketing strategies.

2. Content Strength & Preferences

Jotstar offers a broader content library in 10 languages and has a more diverse appeal, especially in English and Hindi films. LioCinema, on the other hand, attracts users with regional content like Telugu and Hindi films. Movies remain the most consumed content type across both platforms, reinforcing their dominance in viewer preference.

3. Demographics & Subscription Patterns

Jotstar's core audience comprises Tier 1 city users, aged 25-34, with a preference for VIP subscriptions. In contrast, LioCinema attracts a younger (18-24), Tier 3 audience primarily on free subscriptions. These insights suggest that post-merger strategies should cater to both premium urban viewers and emerging rural digital consumers.

4. Engagement & Inactivity

Jotstar boasts an impressive 85% active user base with higher average watch times (117 hours), indicating strong engagement. Conversely, LioCinema struggles with a 55% active user rate and lower average watch time (25 hours). Inactivity was closely tied to low engagement across both platforms, highlighting the need for targeted re-engagement strategies.

5. Subscription Trends

Upgrade and downgrade trends further reveal user behavior: Jotstar successfully reduced downgrades over time and encouraged VIP-to-premium upgrades. LioCinema, however, saw persistent downgrades, suggesting a need to improve perceived value across its subscription tiers.

6. Revenue & Monetization

Revenue analysis confirms Jotstar's stronger monetization ability, generating ₹41M with ₹0.94M from upgrades. LioCinema, despite its larger user base, generated only ₹19M and experienced a ₹0.96M loss due to downgrades. This gap underscores the importance of refining LioCinema's pricing model and content value proposition.

Strategic Implications for the Merger

- **Content Consolidation:** Combining Jotstar's diverse library and LioCinema's regional strengths can create a powerful, pan-India OTT platform.
- **User Segmentation:** The merged platform should offer tailored experiences for both urban premium users and rural free/basic users.
- **Engagement Focus:** Investing in content personalization, regional content expansion, and engagement campaigns will be key to reducing inactivity.
- **Subscription Strategy:** A unified and tiered pricing model that encourages upgrades while minimizing downgrades will help optimize revenue.
- **Brand Positioning:** With strategic alignment and data-driven decisions, Lio-Jotstar has the potential to emerge as the leading OTT service in India.