
MEDIA AND ENTERTAINMENT INDUSTRY IN INDIA: AN OVERVIEW IN LIGHT OF RECENT PARADIGM ESPECIALLY WITH REFERENCE TO ARTIFICIAL INTELLIGENCE

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ABSTRACT

The Indian Media and Entertainment sector has witnessed accelerated growth in the past few years and there stands an expectation of ceaseless manoeuvring of it in the coming years as well. This escalation in its usage has been owing to unflagging innovative and technological trends which has ultimately resulted in digitization and internet usage by the consumers. The fundamental aspects of growth have been majorly observed in print, film entertainment, television broadcasting, distribution, digital media, animation, audio, live events, advertising, etc. In today's times, it is quite safe to say that 'media' and 'entertainment' are seldom used synonymously as they have snowballed into an intricate information vehicle enumerating information relating to business, entertainment, education and sports, etc. The Media and Entertainment industry cultivates an assumption that the industry endures a bare chance of cyber threats. However, this lax way of looking at things furnishes sufficient horizon for cyber criminals to reconnoitre the vulnerabilities and breach data. Government initiatives, FDI inflows, mergers and acquisitions, high internet demand, changing consumer preferences, affordable internet plans, and adulation of OTT platforms have entailed this magnification. It is no hidden fact that the consumption of such entertainment results in profiling. Smart devices these days collect massive amounts of data which risks the viewers to tracking and targeted profiling. Through this article, we shall dive into the details of how the M&E industry has proliferated over the past few years, the developments it has made owing to technological advancements in the filed specifically with the emergence of Artificial Intelligence (AI). It shall also highlight the profound ramifications of the AI on the media and entertainment industry.

Keywords: Entertainment, Media, ADR Mechanism, OTT Platforms, Data Privacy.

INTRODUCTION

In the contemporary times, entertainment has become a huge part and parcel of everyone's lives owing to the various segment that comes as a subset of it – films, televisions, print and electronic media, advertisements, music and digital media (OTT platforms and social media) among others. In the same way, media render a focal role in the dissemination of information and helps in sculpting the discernment, conception and judgment regarding incidents taking place at both national and international levels across the globe.¹ Up until two decades back, media was confined to print and television/radios but with the emergence of internet, we stepped into the digital footprint and this trajectory is nothing short of remarkable. It has reached a point where entertainment and media in its various facets have become an inseparable aspect of our lives.

A PWC report has suggested that the media and entertainment industry is predicted to witness a burgeoning of 9.7% annually in revenues to reach \$73.6 billion by 2027 against \$46.2 billion as witnessed in 2022.² There definitely arises an entanglement of the content delivered by the platforms, nevertheless the technology side of both media and entertainment have made astounding progress with the emergence of the Internet to enter into a phenomenon labelled as “convergence”. In other words, it may mean the procedure wherein computer devices and digitalization accrue various media technologies. The medium through which this occurs include smartphones, tablets, computer, modern TVs and automobiles.

This term first came into usage after Thomas Friedman, a renowned American author and a three-time Pulitzer Prize winner wrote the book ‘The World is Flat.’³ He mentions in the book that with the incipient of smart devices and super-fast broadband, there is a convergence between entertainment and technology. A crucial phenomenon that has occurred as a consequence of this is that the society has metamorphosed from an information-based society into an entertainment-

¹ Khurana and Khurana, India: A Closer Look Into The Indian Media Laws And Celebrity Rights, MONDAQ (Sept. 01, 2023), <https://www.mondaq.com/india/broadcasting-film-tv-radio/1360970/a-closer-look-into-the-indian-media-laws-and-celebrity-rights>.

² Rajib Basu & Manpreet Ahuja, Global Entertainment & Media Outlook 2023-2027: India perspective, PWC (July 2023), <https://www.pwc.in/assets/pdfs/industries/entertainment-and-media/global-entertainment-and-media-outlook-2023-2027-india-perspective-v1.pdf>.

³ Dispatch, Convergence: where entertainment meets technology, THE NYU DISPATCH (Jan. 23, 2018), <https://wp.nyu.edu/dispatch/2018/01/23/convergence-where-entertainment-meets-technology/>.

aligned society.⁴ The M&E industry which is known to keep us updated on various news and information has certainly underwent a massive transfiguration and has made itself prone to confront new challenges and impediments. It has posed some serious concerns with respect to the intellectual property violations as well. Copyright and trademark stand as key elements in this industry.

Due to the enormous escalation in the media and entertainment industry, it becomes of paramount importance to envision the role of intellectual property rights associated with this sector. It is also no hidden fact that consumption of entertainment results in profiling. . Smart devices these days collect massive amount of data which risks the viewers to tracking and targeted profiling. It is ambiguous whether data protection laws accords to such viewers or not as data sharing practice in the entertainment industry is very much prevalent. However, there is no choice for the consumers to consent or withhold to such processing. It becomes paramount for the media and entertainment industry to keep an eye on how they use and protect personal and sensitive information of the consumers.

ANALYSING THE SCOPE OF THE M&E INDUSTRY IN INDIA – REASONS BEHIND ITS GROWTH

India offers a heterogeneous and convoluted media prospect that furnishes new opportunities for businesses to explore and many more challenges to face. Given the mammoth population of the country, it accords an extensive market for media products and services. On the contrary, few big conglomerates have ascendancy over the advertising revenue and distribution channels.⁵ Nevertheless, surge in usage of digital media and social media over the past decade have let to unfolding of many aspects of the M&E industry creating spaces for captivating content for the consumers. Starting from films, from every nook and corner of the country – Bollywood (Hindi films), Tollywood (Bengali cinema), and the four major film industries in South India collectively referred to as Cinema of South India or the more region-based film industries like the Marathi, Gujarati, Odia and Bhojpuri – all have made remarkable improvements in terms of both quality

⁴ Ibid.

⁵ Aman Mathur, Unleashing Innovation: The Story of India's Emerging Media Startups, STARTUPINDIA, <https://www.startupindia.gov.in/content/sih/en/bloglist/blogs/emerging-media.html>.

and entertainment.

Indian cinema has always been viewed as that one big platform that has played a huge role in emerging a culture or helping address a contemporary issue.⁶ There has always been a demand for quality movies because of which crowds ranging from small families to big families find solace in associating⁷ with this form of entertainment. By being considered as one of the most celebrated film industries in the entire world, Indian film industry has managed to be crystallised as an imperative part of India's entertainment sector. The first full-length feature film, *Raja Harishchandra* which was directed and produced by Dadasaheb Phalke in the year 1913 was a milestone in itself and helped reconstruct the way people perceived this medium.⁷ It lay the foundations of the Indian film industry by establishing the notion of film music, which eventually became pivotal for Indian cinema.

This film industry is quite a structured show business. This industry is known to contribute magnificently to the economy of the country as well. This plays the spot especially with reference to the 100 crore, 300 crore, 500 crore and a 1000 crore trend that films are believed to generate with their release. Bollywood; the Indian Hindi cinema is itself accountable for 40% of India's revenue and stated to contribute 50,000 crore to the welfare and benefit of the country.⁸ Big festivals and holidays turn out to be the most profitable time of the year to bring out revenues stimulating the business supremacy of this industry. The revenues further go through the roof now owing to overseas releases and rural penetration. Notably, this film industry has progressed due to liberalization steps brought about by the government policies since the late 1990s.

The Indian government in late 1990s introduced economic reform measure which included liberalization, privatization and globalization to combat monetary inflation, economic backwardness, poverty and political instability. These reforms majorly circled around trade, fiscal affairs, foreign exchange, industries and foreign investments in the country. With so many fresh

⁶ Sanjay Gaikwad, How Indian cinema evolved into being one of the most powerful modes of entertainment, *BUSINESS TODAY* (Jan 06, 2019 11:56 PM), <https://www.businesstoday.in/opinion/columns/story/how-indiancinema-evolved-into-being-one-of-the-most-powerful-modes-of-entertainment-157421-2019-01-06>.

⁷ years of India's first feature film *Raja Harishchandra*, *THE TIMES OF INDIA* (May 02, 2023 11:40 PM), <https://timesofindia.indiatimes.com/india/110-years-of-indias-first-feature-film-rajaharishchandra/articleshow/99943210.cms?from=mdr>.

⁸ Khadeeja Liyana, Bollywood: The Business of the Indian Film Industry, *BUSINESS OUTREACH* (Jul. 18, 2023), <https://www.businessoutreach.in/bollywood-the-indian-film-industry/>.

changes being brought about in the country, there was steady demolition of the license-permit raj which led to the film industry to come into its own by being granted the status of an 'industry' by the National Democratic Alliance government in the 1998.⁹ The consumption activities of the Indian audience by virtue of globalization, privatization and liberalization expedited the arrival of international channels like Star TV, CNN and other subservient of News Corporations using the ASIAST-1 satellite.

One of these policies also included the "open skies policy" that let Indian audience have access to foreign channels that included news, Hollywood sitcoms and movies. This fiercely brought about a change in the media landscape. As and when the status of 'industry' was bestowed upon the Hindi cinema, the film industry got eligible for infrastructural and credit supports, curtailment in custom duties on cinematographic film, total exemption on export profits, and tax incentives.¹⁰ One of the biggest revolutions that took place simultaneously was the emergence of 'multiplexes' that allowed audiences to have exposure to luxury seating along with modern movie projections and sound systems. The concept of 'websites' as a tool of promoting movies also shot up. Press interviews, press appearances, pre-release campaigns along with advanced media items in the form of print flyers, signage, mobile phones, music cassettes and CDs stirred the film industry.¹¹

RISE OF DIGITAL MEDIA – SHIFT IN WAY OF CONSUMING CONTENT

There appears to be an enormous shift in the past decade as Indian audience have switched their preferences from television viewing to Over-the-Top (OTT) platform which has easy access due to internet services. OTT platforms are subscription-based services that furnish content streaming on the internet exclusively without the exigencies for a cable or satellite subscription.¹² This demand for OTT media and entertainment has nearly doubled post the pandemic era offering options like ad-free content and undisturbed viewing. OTT platforms have popped up as a metamorphic force in the Indian entertainment industry, restructuring the way people view content. A crucial element behind this can be the ample amount of content available. These digital platforms

⁹ Lata Jha, The liberalization of Bollywood, MINT (Jul. 20, 2016 04:16 A.M.), <https://www.livemint.com/Consumer/BVVx6EV79uZcrkZBgAky3H/The-liberalization-of-Bollywood.html>.

¹⁰ Devesh Shukla, Liberalization and its effect on Hindi cinema, 2019 JETIR, Mar. 2019 Vol. 6, Issue 3.

¹¹ Id.

¹² Vivek Sindagimath & Vijayraj S, Factors leading to the adoption of OTT services – An analysis of the impact of OTT on traditional media, Phroni. The Kiams Jour., Jun. 2023, Vol. 3, Issue 2.

have also put together suitable steps to capitalise on the regional language content, which have captured massive acceptance and admiration. As per an EY analysis, the share of regional language content on OTT platforms is estimated to almost double from 27% in 2020 to 54% in 2024.¹³ The figure is a clear evidence of the increasing demand for colloquial language content apart from Hindi and English. The OTT platforms have also played a substantial role in modifying the viewing arrangements of Indian audience. This has occurred because of the rise in affordability and availability of smartphones, accompanied by augmented mobile internet services leading to a favourable environment for people to view content as, how and when they wish to. These platforms not being limited to one, have organically soared discord among content creators and technology firms. This has somewhat resulted in a competition which has further led to the cost of content and services being curtailed allowing consumers to enjoy high-quality material.

This escalated competition has even culminated in the evolution of more complex technologies, prompting a better user experience. The coming of these complex technologies includes the concept of virtual reality (VR) and augmented reality (AR), which have been impelled by the yearning to refine user experiences for OTT content. Artificial Intelligence has really eased up the game by making content available in multiple languages and even with subtitles. The Covid-19 global pandemic caused major production houses to come to a halt and the audiences were forced to switch from cinemas to OTT streaming. It has also been trending that when filmmakers plan on releasing a film or web series with a social message or films running low on budget, find OTT platforms to be a suitable one. This happens because releasing a theatrical film invites auxiliary costs like marketing costs, non-production costs, and print & advertising costs.¹⁴

TECHNOLOGICAL ADVANCEMENTS IN M&E INDUSTRY: EMERGENCE OF ARTIFICIAL INTELLIGENCE (AI)

Pervasive ramifications of Generative Artificial Intelligence (AI) – AI as a tool has been gaining momentum in all aspects of people's lives in 2023. India's entertainment industry is expected to brace itself to behold the measured incorporation of artificial intelligence (AI) into its operations, with heightening prediction concerning its prospective influence on various facets of the industry,

¹³ Vivek Koka, The shift towards digital: A thriving OTT market, TIMES OF INDIA (Jul. 02, 2023 05:52 PM).

¹⁴ Supra Note 12.

like in every other sectors of the economy. AI in media and entertainment industry has acquired substantial commerciality, advancing tools like predictive analysis, recommendation engines, customer journey mapping, and audience segmentation.¹⁵¹⁶ This industry very well acknowledges the crucial contribution of AI in their attempt to modify, advance and fascinate audience while accelerating revenue and guarding their precious time. Streaming platforms are going the extra mile to concede the trans morphing impact of Artificial Intelligence (AI) and Machine Learning (ML), and are inclined to maximize on its capabilities.

If we look deeper into the roles played by AI to enhance customer's user experience, we may emphasize on the fact as to how AI helps in the content personalisation of each user. As per a customer's preference or taste in music/movies/web series, AI helps to detect and automatically present such recommendations to hold on to their customers and revamp customer experience.

It has also been noticed that consumers these days just don't want to be done with the content they watch. They want to delve deep into interactive and immersive content. This is when tools like AR and VR come into picture wherein the media and entertainment companies make use of these to generate interactive shows or programmed video games that respond to the customers' actions rather than any pre-programmed set of actions.¹⁷

Easy access and cheap internet services act as a catalyst for the customers to engage in buffering-free video quality. AI applications prevalent in this industry helps customers to adjust video quality and have a smooth experience. AI also comes handy when people or government want to restrict the dissemination of online content in particular areas or zones. It aids in following various regulatory protocols about content dissemination in war-torn countries or regions where the content seems undesirable. Automated content moderation helps to filter unwanted or forbidden content for zones under various regulatory bodies. Furthermore, AI helps to ascertain misleading content like fake news or copyright violations and protects the integrity of the consumers and

¹⁵ Neil Sahota, The Transformative Impact of AI on Media and Entertainment Sectors, NEILSAHOTA (Jun. 21,

¹⁶),<https://neilsahota.com/the-transformative-impact-of-ai-on-media-and-entertainmentsectors/#:~:text=AI%20in%20media%20and%20entertainment%20industry%20has%20gained%20imense%20popularity,journey%20mapping%2C%20and%20audience%20segmentation..>

¹⁷ Infosys BPM, Use of AI in the media and entertainment industry, INFOSYS BPM BLOGS, <https://www.infosysbpm.com/blogs/media-entertainment/use-of-ai-in-media-entertainment-industry.html>.

avoids any clashes in any community. In a way, it also helps the media and entertainment industry or content creators from theft of their original ideas.

Advertisement acts as a great source for media sector's revenue and AI becomes a handy tool as it helps to detect the customers' choices and accordingly tailor out targeted ads in real time. It not only helps in eradicating impertinent promotions and surging profit margins. With social media taking an active spot in promoting media and music industries, copyright violations become a key issue. Several big industries like YouTube, Spotify, Pandora and many others make optimum use of AI to address copyright issues efficaciously. AI-powered predictive analysis gives an idea to the content creators on social media about the kind of work that has been in trend or has been garnering more views, helping them to engage in similar body of work to roll out for their consumers to enjoy and aiding them in building a brand for themselves.

THREATS UNFOLDED BY ARTIFICIAL INTELLIGENCE (AI) AND AUTOMATION

Artificial Intelligence (AI) has transpired to be a riotous force in today's time revolutionizing multiple industries across the globe. Indian cinema industry which is known to be a focal point for creative content production also has been using AI forces to restructure its entire being and as some may call it, it has become the age of Bollywood's digital revolution. AI is known to analyse huge piles of data, inclusive of audience preferences and market trends, to build captivating narratives that shall reverberate with the viewers. AI algorithms are used in scriptwriting, post-production, automations in VFX in big-budget films, casting recommendations, editing to look development. It is also being seen that AI tools are employed to produce songs or speeches in the voice of someone who did not originally sing or say it. AI helps in generating data to study the prospective box office performance and aid in amplifying content production.

A particular section of people can also benefit who do not have the requisite infrastructure to help them in producing the desired storylines, dialogues and blueprints of the scripts. The significant consequence of AI is how social media creators (often credited to the films' actors or actresses) bring forward enhanced visuals and branded content by consolidating technology and creating a niche way to engage with audience. Ancillary tasks like editing, pre-production and post-production work, improving picture or sound quality are all currently being improvised on superior

levels with the help of artificial intelligence (AI). Creation of better visuals, special effects, colour transformation, sharpening the images and menial activities like colour matching or colour contrasting to the background are all being managed by AI.¹⁸

This mechanism proves helpful not only for the audience but also for the people involved in the production purpose of the media and entertainment industry. It might get difficult or to a point redundant to study the marketing campaigns and work accordingly in the direction of it. Calculating the box office collections or predicting the success of commercial films can be studied by AI tools and aid in ensuing better form of work. There has been incidents in the Tamil industry where interviews and speeches of one actor has been fed to AI tools and it has prompted a voice that was said to master the actor's voice.¹⁹ The thought of it stemmed from the thought of replacing a person with another. People running generative AI companies have also experimented by interchanging the faces of actresses' with another. However, these activities have been done under the discretion of the people concerned in such videos which also opens a new concern for the people today called 'deepfakes'.

'Deepfakes' can be described as the use of artificial intelligence (AI) to contort the authentic image or video of a person with that of another in a realistic form in order to mislead the public at large. As long as the putting of one's picture and replacing it with another takes place with consent of the person concerned, it is considered ethical. However, when the consent is missing and used for deceiving purpose, it takes an unfortunate scapegoat and compels us to look at everything that lies beyond, and address the disparity between people who are willing and not willing to engage in AI-related deliberation.²⁰ With the recent incident of an emergence of the deepfake video featuring actor Rashmika Mandanna's morphed video over a British-Indian content creator named Zara Patel has laid enough security and privacy concerns that had the Prime Minister of India, Narendra Modi expressing concerns over the same and attracting massive media attention. This incident has made

¹⁸ Lata Jha, Artificial intelligence lashes at the doorstep of films, entertainment, MINT (Jul.11, 2023 12:29 A.M.), <https://www.livemint.com/technology/artificial-intelligence-lashes-at-the-doorstep-of-filmsentertainment-11689015246578.html>.

¹⁹ Srinivasa Ramanujam, The AI wave: How Tamil cinema is embracing artificial intelligence tools, THE HINDU (Sept. 27, 2023 01:24 PM), <https://www.thehindu.com/entertainment/movies/the-ai-wave-how-tamilcinema-is-embracing-artificial-intelligence-tools/article67343760.ece>.

²⁰ Bhuvanesh Chander, Deepfake alarm: AI's shadow looms over entertainment industry after Rashmika Mandanna speaks out, THE HINDU (Nov. 24, 2023 01:15 PM), <https://www.thehindu.com/news/national/deepfake-alarm-ais-shadow-looms-over-entertainment-industry-afterrashmika-mandanna-speaks-out/article67565970.ece>.

people rethink and divert their attention to the global conversations concerning AI and the ramifications of tech in the hands of humankind. Deepfakes have been considered as a precarious and disastrous form of misinformation which needs to be dealt with quickly and effectively. Addressing the same, Mr Rajeev Chandrashekhar, the Union Minister of State for Information Technology said that there stands an immediate need to regulate the technology and make the social media platforms responsible as well as penalize for any such content circulated online. The IT rules that got notified in April 2023 makes it a legal obligation for platforms to ensure that any such misinformation has been circulated online and upon reporting of it, it is the duty of the platform to remove the content in 36 hours. Failing to comply with the orders, the platforms can be sued by the aggrieved persons attracting provisions of the Indian Penal Code, 1860.²¹

Speaking on the global diaspora, the UK AI Safety Summit that took place on November 01, 2023 witnessed 28 nations come together and attend a first global regulatory framework, named the Bletchley Declaration whose aim was to administer the technology's ill impacts on mankind. Post chairing a meeting with social media platforms, industry bodies and artificial intelligence (AI) companies, the Indian government has sought a 10 day time to propose a 'clear, actionable plan' to address deepfakes and spread of fake news.²² The plan is said to consist of four main ingredients – discernment of deepfakes, their prohibition by eliminating or diminishing their virality, reinforcing reporting techniques and sensitizing people about the technology.²³

CONCLUSION – THE ROAD AHEAD

The Indian media and entertainment industry can be considered as a sunrise sector and is on its way to a majestic growth alley. Rising income, escalating internet penetration and a thriving shift towards digital adoption has all led to this significant growth in this industry. Emergence and popularity of 5G services and the upcoming 6G internet services provides a mammoth occasion for advertisers and publishers to take this media and entertainment industry forward.

²¹ 'Deepfakes damaging, to be dealt with by platforms', MINT (07 Nov. 2023, 12:17 A.M.), <https://www.livemint.com/news/india/deepfakes-damaging-to-be-dealt-with-by-platforms11699296239161.html>.

²² Express News Service, New regulations to tackle deepfakes soon: IT Minister Vaishnaw, THE INDIAN EXPRESS (Nov. 27, 2023), <https://indianexpress.com/article/india/new-regulation-deepfakes-soon-vaishnawsocial-media-platforms-9039093/>.

²³ Id.

There is not a single industry that hasn't benefitted from the uses of Artificial Intelligence (AI) but something that it lacks is the art of producing unique and soulful content that it obviously lacks. It is quite evident that the usage of AI in an attempt to replace human work has made everyone scratch their heads over the thought of diminishing human value in today's competitive environment.

The recent Hollywood actors' strike over a number of issues including demand of guardrails around the rising insistence of use of artificial intelligence endangering their jobs is one example. It becomes an important discussion today of ways to encapsulate technological evolution while protecting the crux of human creativity and emotion that cinema encompasses of. A definite way to succeed in digital transformation is that organizations need dexterity and a buoyant digital mind set. As the media and entertainment industry continues to grow and evolve catering to larger audience needs daily, it seems to start a battle of two powerful minds – human mind on one hand and on the other hand, a creation of human mind, the artificial intelligence (AI).

AI certainly possess the capability to radically influence the M&E ecosystem in India but the menace and insecurities that entails also needs to be carefully weighed upon. The probable lack of artistic originality and the reverberations of job loss needs to be kept in mind before divulging deep into this world of technological advancements. Usage of AI raises questions on concerns regarding copyright infringement, privacy breach, and threat of misinformation and issues of legal liability.²⁴ Nevertheless, the internet and artificial intelligence are empowering and extreme caution along with the right approach is required to unfasten greater opportunities by sculpting the future of this lively industry.

²⁴ Aditi Agrawal, Govt may introduce law against deepfakes, misinformation: MoS, HINDUSTAN TIMES (Nov. 22, 2023 04:55 AM), <https://www.hindustantimes.com/india-news/govt-may-introduce-law-againstdeepfakes-misinformation-mos-101700594198089.html>.