

Media and entertainment

Summary

Ad spends are projected to grow at a mere 7-8 per cent in 2009 vis-à-vis the 15 per cent growth rate recorded in 2008. Though growth in subscription revenues is likely to be buoyant, the contraction in the growth of ad spends is projected to pull down the industry's revenue growth to 4 per cent. In 2010, we expect the situation to improve, with the pace of economic growth expected to escalate. Over the next 5 years, the industry is likely to grow at an average of 11 per cent.

Regional language media is expected to outpace the national average growth rate. Increasing penetration of media vehicles beyond the large cities, increasing disposable incomes in the hands of regional media consumers and low cost of reaching the target audience makes regional markets increasingly attractive to advertisers.

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