

## The Digital Shift: How Streaming is Transforming Indian Media Habits

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Just a few years ago, my travel routine included tuning into FM radio stations, and upon returning home, my entertainment revolved around watching news, movies, and sports via the DTH television platform. Today, my habits have evolved: instead of traditional broadcast media, I now listen to curated playlists on audio streaming apps and watch films or series on OTT platforms. This shift prompts a fundamental question—is this transformation simply a result of new options, or are there underlying forces at work?

Reflecting on the past, the year 1999 marked a pivotal moment for FM radio in India, as the Ministry of Information and Broadcasting permitted private frequency allocation. This step spurred significant growth for investors and created new avenues for creative and technical professionals. Currently, India boasts over 900 FM stations and more than 900 authorized TV channels, reaching audiences across the nation.

Nevertheless, both traditional TV and private FM radio are now grappling with existential threats posed by the surge in OTT and audio streaming services. The OTT sector has experienced exponential growth, amassing over 99.6 million paid subscribers and 547 million video streamers by 2024. This reflects a pronounced consumer trend toward on-demand and tailored content, driven by convenience, lower costs, mobile accessibility, and an array of regional choices. In contrast, pay-TV subscriptions have dramatically declined—from 151 million in 2018 to 111 million in 2025—with future projections estimating figures between 71 and 81 million by 2030, as integrated local and OTT offerings become predominant.

FM radio remains popular, particularly in rural areas and among commuters, but digital platforms are steadily gaining traction, especially with younger and tech-savvy audiences. While FM revenues are growing at approximately 10% CAGR, they are increasingly outpaced by both ad-supported and subscription-based streaming apps, which provide broader content varieties and greater customization.

Several factors are fuelling this digital transition, including the ease of access, compatibility with smart devices, tailored recommendations, immense content diversity, and support for multiple languages. Audio platforms have swiftly expanded beyond India's major cities, penetrating tier-2 and tier-3 markets, and are poised to surpass FM radio growth over the coming decade.

This shift underscores a larger trend: OTT and audio streaming platforms are overtaking traditional television and radio channels, reshaping user preferences and industry revenue streams as India's entertainment sector becomes increasingly digital. FM radio, in particular, has seen more than two and a half decades of private commercial expansion, and the government continues to broaden access under Phase-3 initiatives, which aim to add 730 new channels in 234 towns nationwide.

In considering the future of traditional TV and private FM, several key parameters are driving long-term survival challenges:

- **Changing Consumer Behaviour:** The move towards personalized, on-demand content accessible on multiple devices undermines the appeal of scheduled programming and linear views.
- **Infrastructure and Distribution Challenges:** Conventional platforms depend on terrestrial, cable, or satellite networks, which face cost and regional limitations, while OTT services leverage internet connectivity for global outreach.
- **Technological Innovations:** Streaming services make use of sophisticated algorithms, cloud capabilities, and analytics to deliver seamless, high-quality entertainment, which traditional formats struggle to replicate.
- **Shift in Advertising Spend:** Advertisers now prioritize digital and programmatic ads found on OTT and streaming services due to superior targeting and measurable returns, impacting revenue for TV and FM broadcasters.
- **Regulatory Hurdles:** Regulatory restrictions, licensing costs, and ownership caps limit flexibility and growth for FM and TV providers.
- **Rising Consumer Expectations:** Modern audiences seek immersive and interactive experiences—such as social features, live engagement, and adaptive streaming quality—often missing from traditional platforms.
- **Global Competition:** Major international OTT platforms, supported by substantial resources and continual innovation, are intensifying competition for local media companies.

Taken together, these dynamics present a multifaceted challenge for traditional TV and FM radio. Success in this rapidly changing media landscape will require broadcasters to innovate, expand revenue sources, and strengthen digital integration to achieve sustainable growth in India's evolving entertainment ecosystem.