



MUSICMATTERS

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Peter Mukerjea, Chairman, INX MEDIA PVT. LTD Music Matters Interview: May 2008

Peter Mukerjea is currently riding the wave of entrepreneurial excitement which is sweeping India via the launch of the INX Network, a Mumbai based Television Company that boasts three channels, including the Bollywood based music channel 9XM. Before launching the network this year, he was a pivotal member of STAR-TV India, where he went from being India's sales director to becoming Chief Executive. But, as he explained to Scott Murphy, he saw the need for several new channels in the country, which he'll be elaborating on at Music Matters...

This will be your first time at Music Matters. Is there anything you want to achieve there?

Mukerjea: The impression I have is that it's the leading forum in the region in the music business, be they marketing people, broadcasters, labels and so on. It's essentially the entire ecosystem in the region. That's my impression. From my point of view, we are a new broadcaster in India. We will be in Hong Kong and Singapore very soon. One of our channels, 9XM, is a music channel steeped in Bollywood music and we are trying to redefine and reposition ourselves. MTV and Channel <V> is what our parents watched. We're a younger, contemporary version of MTV in India. We play Bollywood music but with a certain degree of irreverence. We have no VJs. We play full complete songs wall to wall. Anything that's over two years old is classified as classic, and the channel is for a variety of reasons, gaining a fair degree of traction in India. As we embark on our international distribution, I see Music Matters as a perfect opportunity to introduce the channel to people who are themselves steeped in the music industry.

From a cultural standpoint, what is happening in India right now?

Mukerjea: It's a country where over 60 percent of the population is under 30 years old. The under 30s tend to sit down and watch and listen to music more than any other demographic. For us to get such good traction within the 15-24 age segment is something we're very encouraged by. We see this as a chance to not just expand the channel in one language, but in several languages across India. These guys are more affluent and they have more money than people in the past. A lot of people are working in places like "hall centers" and these jobs never existed in the past. They have their own disposable income which is fuelling the ability for them to buy products, whereby they relied on pocket money doled out by their parents before. They can buy motorbikes, good fashion and mobile phones. The kinds of brands that we're seeing on our music channel, is reflecting our marketplace from a consumer behavior perspective. It is absolutely crucial for us to be addressing this group of people who will be tomorrow's consumers of dramas and soaps and general entertainment.





What do you expect to be addressing at Music Matters in terms of India?

Mukerjea: The big story in terms of India is that 50 percent of the homes have TV sets. This means that 50 percent don't and they will get one in the near future. The opportunity for television in this marketplace is extraordinary. In the UK for example, TV use is declining. In India it's not. Television is experiencing continuous growth in a market which is still a very young one.

Why Bollywood music as opposed to rock or pop on the other music channels?

Mukerjea: Bollywood has always been a benchmark for Indian music in many ways. As an industry, it relies on the songs that are contained in the movies. Every film contains about five songs, and they are about three to four minutes long. That's 24 minutes of pure music in a three hour movie. In most cases, the music is the crème de la crème of the movie itself. When you combine the concept of Bollywood music with consumers in terms of how successful a movie is, you can package it into a channel which is unadulterated. We're not giving anything there which is non-music. No more chit chat. There's no programming as such. These things, in many ways, pollute the music channel. The others are becoming entertainment channels in the guise of a music channel. It was fine a few years ago because it was all about promoting a channel in the form of videos. Now we have music and nothing else, which is making sense to the viewer. What I'm hoping is that we get a sense of encouragement from the music industry at Music Matters for them to do this in other markets. Would they like to do something like 9XM in Singapore or Hong Kong? Maybe some of the carriers would like to put us on their platform. It's something we would like to do. Maybe there will be others who will take the same formula and do it for themselves. If you have it, flaunt it and we have a great channel. It's beaten MTV and Channel <V> in the ratings by a factor of three and the beauty is we run it with a group of eight people.

So you would like other markets to have this channel?

Mukerjea: Absolutely. It's terrific for Indians in many parts of the world. Non-Indians do too. Japanese love it and other markets love the movies. For them, they would be delighted to have a channel like this, I imagine.

How are you doing in terms of sponsors?

Mukerjea: We are getting sponsors like Coca Cola and Vodafone and numerous advertisers like Microsoft and the Unilever stable... Pepsi and so on. Certainly, there's no shortage of brands who want to come on to 9XM.



Is the market big enough for all of you? It seemed as though India always had a big rock tradition.

Mukerjea: The market is big enough for all. Western music acts have always been an attraction for a certain sector. Because they are largely ground events, they can only cater to a certain set of people. And the viewership for those programs is small.

When did you come up with this idea?

Mukerjea: To tell you the truth, I had the idea at STAR, but they never paid any attention to what I was saying. So I'm delighted that I've proven what we were saying some years ago. I was getting the feedback and passing it on to the creative experts there. But when you are one, you tend to believe you know it all.

What do you see as the hot issues in the industry at the moment from your perspective?

Mukerjea: The top of the list will always be piracy. It's an industry wide problem and we'll lend a hand whenever we can. The next big issue or opportunity is for Indian music to graduate from being Bollywood driven to being an industry which has non-Bollywood content, be it local bands or local content. That's an opportunity which music channels can provide. 9XM is a tremendous compliment to our entertainment channel because we transcend viewership groups. With news it's different. They don't have a lot in common. But it gives us a chance to cross promote.

Do you have any final words about what you hope to accomplish at Music Matters and any more thoughts on the future?

Mukerjea: If it turns out to be a base for us to communicate we will hope to get a Music Matters organized in India. Maybe we could be organizing it. We'll see.

Thank you.

Peter Mukerjea will be taking part in the panel "Markets that Matter – "This is INDIA" at 12:40pm on June 4TH at Music Matters. Music Matters will take place from June 3rd-5th at the Grand Hyatt in Hong Kong.