

# India starts media outsourcing services

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India's barrage into the global service sector continues to extend, most recently to include an offering of media-based services.

"We at NDTV...have been thinking for a while about getting work from outside India," said Vikram Chandra, chief executive officer of NDTV Convergence.

India's largest television news broadcaster NDTV, in late March announced a joint venture with the country's single biggest business processing outsourcing company, Genpact (formerly GE Capital International Services). The two will offer content creation and other media services to world-wide customers.

"There are a lot of independent processes that go into making a final media product -- not all have to be done in-house, they can be shipped off to someone else to do the behind-the-scenes work," Chandra told United Press International in New Delhi.

According to the media realm, statistics show that 70 percent of all media work is digital and much of this can actually be outsourced. NDTV is looking to enter several realms of media processing which will enable outlets to maintain basic scripting and control while simultaneously letting them send various processes out to be completed at lower overhead costs.

Digitizing archives, logging, and metatagging -- by which all footage is digitized and transcribed so that it can be searched by key phrases - are

some of the services which the company intends to provide. Format changing footage such as creating one minute podcasts from audio recordings, as well as craft editing are also anticipated services.

Performing craft editing, Indian media in the background can reduce time constraints by completing functions such as editing 100 hours of tape down to a more manageable number, leaving broad editorial control to the holder of the tape.

"Valuable time can be saved -- a lot of stuff can be sent on low resolution tapes to India and then just shipped back," said Chandra, saying that companies often find these aspects of maintaining their information tedious and "a headache."

Another area that the company hopes to enter is that of graphics and set design -- completing basic processes of replication and formatting. "It's a mechanical process which you don't need a creative high-end for," said Chandra, "here, we have the best equipment in the world and some of the best talent."

With Indian backing, the costs are surprising to most people. According to Chandra, NDTV saved close to a million dollars by replicating a set designed by a company in Los Angeles, for the launch of one of their new channels.

Additionally, there is a big time advantage because India can complete work during the night in the west and have it ready for the next working day, making time a lot more cost-effective.

"We are essentially bringing a lot of complementary help to media outfits throughout the world," said Chandra, exemplifying the cost differential in being able to produce three pilots for the cost of one in the western world.

"We thought there was an opportunity to leverage NDTV's experience with media space with Genpact's in business process outsourcing," Victor Martinez-Angles, senior vice-president of Genpact told United Press International.

According to Chandra, who conceptualized the idea of "media knowledge outsourcing" -- a phrase coined by the NDTV-Genpact partnership, back in 2002 at Davos, the number of inquiries has been positively surprising. "It is an industry in its infancy," he said, estimating the potential Y2K bug in the media industry as being the entire one-time job of digitalizing decades of analogue skills - indicative of a potentially very large market.

Martinez-Angles, who has worked closely with NDTV to put the new venture on the map, is also optimistic about the partnership. "It is very much intended to be a long-term relationship," he said, "we're starting opportunities because we've seen a lot of interest through visiting potential customers together."

Genpact will lend its market know-how in terms of using their strategic capabilities in sprucing up the level of service and the scale on which it takes place.

At present low operational costs in India are major factors in the process. However, challenges unquestionably do lie ahead. "There's quite a bit of inflation, we estimate on the BPO side 10 to 12 percent annually," said Martinez-Angles, "we estimate that expertise will maintain competitiveness over time, using high-value resources."

According to Martinez-Angles, the competition has been around a while and India carries its advantage in terms of low labor costs and constantly advancing technology which allows for increased productivity, in addition to an increasingly talented pool of workers.

"I think when a media company thinks about their core expertise or their core abilities, one of the biggest pros is being able to get higher value," he said. As a BPO organization, Genpact will be responsible for utilizing in-house resources, availing additional talent and training "at a scale not possible on-shore.

However, turning these combined sources into an agreeable cost model, and maintaining that, may not be the biggest challenge. "There's always going to be a cultural shift and adoption of concepts alien to many," said Martinez-Angles, "other barriers are going to be trying not to be too intrusive in what we do -- starting with simple, non-threatening tasks."

Entering the new venture with NDTV, Martinez-Angles said that there is a lot of talking to be done with customers, in understanding needs and requirements.

"In the next couple of months, we're going to learn a lot," he said, "it is an exciting space and we hope we'll have a good reception."

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