

Now video rental business goes corporate

The video rental business, dominated for years by the neighbourhood shop around the corner, is now drawing big corporates - a move that makes watching movies at home easier and promises to cut down piracy.

Bigflicks Ltd, a subsidiary of the Reliance Anil Dhirubhai Ambani Group (ADAG), is the latest entrant with an initial network spanning 10 cities. Seventymm, with its presence in six cities, currently dominates the market. And then there are a few regional players like Movie Mart and Cine Flix that have customers in Delhi and [Mumbai](#) respectively.

Kamal Gianchandani, COO of BigFlicks, told IANS: 'The market potential is huge and immense with regard to demand of home video. The industry is gaining recognition.'

The proportion of India's organised home video industry to the number of box office releases is still small compared to Western countries like the US. But a report by the Federation of Indian Chambers of Commerce and Industry (FICCI) says the industry witnessed 30 percent growth in 2007 and expects to grow at the rate of 15 percent to a Rs.15-billion industry by 2012.

Movie aficionados couldn't be happier. Not only do they get the best quality original prints but also an array of choices available at a small price.

Gaurav Ahuja, 21, watches two movies every day and the number doubles on weekends.

'Earlier good quality DVDs were hard to get and only recent titles were available. Now I make an online play-list and all I have to do is sms the pickup and delivery timings and make popcorn,' he said.

Customers are offered flexible plans to suit their viewing habits. And there are no late fees, so people don't have to slip in the disc as soon as it arrives.

But Amit Singh, owner of a video rental store in south Delhi's Lajpat Nagar, says the organised players have not dented his business and clientele.

'I used to rent out 5-10 videos every day when I started in 2001. The numbers have only gone up over the years,' Singh said.

'Now the demand is somewhere between 30-40 videos per day. I've also started renting out games and the business is good,' Singh added.

The existence of unorganised players, corporates say, contributes to video piracy.

'With a large number of unorganised players still playing a dominant role in the market, piracy is quite prevalent in the industry. Entry of more organised players will bring down piracy in a big way,' said Gianchandani.

'Also, factors like releasing DVDs on a date closer to a date of box office releases will contribute to reducing piracy,' he added.

Singh, however, refrained from commenting on the rampant piracy and spoke about the good quality of his videos instead.

'I have the best prints in the whole of Lajpat Nagar; therefore I have a wide delivery network covering the whole of (nearby) Defence Colony and Jangpura. Customers don't care if the video is pirated or original as long as the print is good,' he said.

Gianchandani said the film fraternity has responded well to the corporatisation of home video rentals.

'They (film industry) have been very supportive and receptive. We have relationships with all major home video distributors and have also tied up with Internet VOD (video on demand) right holders,' he said.

But Suresh Manssharamani, president of Movie Mart, feels otherwise.

'We have received very little support from the film fraternity. They are still not understanding and visualising the growth in the home video segment. They need to release movies faster in the home video format.'

While film buffs enjoy the flexibility and choice corporate players offer, what they miss is the personal selling factor that is lent by their friendly neighbourhood shopkeeper.

Ratish Sharma, a manager at a software firm, said: 'I really enjoy the service and the wide choice I get, but I do miss the jokes and friendly talks I had with my neighbourhood video vendor whenever I paid him a visit.'

Nevertheless, the market is growing by the day and Movie Mart expects a subscriber base of one million in three-five years. While Bigflicks aims to expand operations in the form of stand-alone, shop-in-shop and franchisees, Seventymm acquired regional leader Madhouse entertainment about a year ago.

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