

LOKMAT - MAKING A DIFFERENCE IN THE VERNACULAR MEDIA SCENE IN INDIA

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ABSTRACT

The case talks about how lokmat has over a short period of time penetrated the Marathi Daily segment overtaking several leading Marathi dailies to reach number 1 position in the state of Goa. What has taken its competitors like Gomantak, Tarun Bharat over 3 decades to achieve, it has achieved in a span of just 4 years.

KEYWORDS: Vernacular Newspaper, Media, Marathi Daily

INTRODUCTION

Lokmat Media Pvt. Ltd. is a leading multi platform media company with interests in a diversified portfolio of publishing, broadcast, digital, entertainment, community and sports verticals. It has an employee strength of more than 3,000 and has a pan-India network of offices.

‘Lokmat’ is the largest read regional language newspaper in India with 23.8 million readers¹ and the No. 1 Marathi newspaper in Maharashtra & Goa states with 11 editions and a circulation of 1.5 million copies². ‘Lokmat Samachar’, with 6 editions is one of the largest read Hindi daily in the state of Maharashtra with over 1.4 million readers³. Lokmat is affiliated to the Audit Bureau of Circulations. This certifies what is the exact sale. There are certain pointers to get the ABC status. The advantage of ABC status is the advertisements from different parts of India can be attracted if a newspaper is having ABC status because advertiser prefer advertising his content which is having larger number of circulation as he is benefited by reaching to the larger number of readers with less expenditure.

Founded by the Late Jawaharlalji Darda (Babuji), a freedom fighter, the first edition of Lokmat started from Nagpur on 12 Dec. 1971 followed by Jalgaon, Aurangabad, Ahmednager, Solapur, Nasik, Mumbai, Pune, Akola, Kolhapur and Goa. Lokmat Times from Aurangabad and Nagpur and Lokmat Samachar from Nagpur, Aurangabad, Akola, Kolhapur, Jalgaon and Pune.

Today Lokmat Group is having 19 editions in 3 languages; 11 in Marathi, 6 in Hindi and 2 in English operating currently in Maharashtra, Goa and some parts of Madhya Pradesh.

Lokmat Group makes its content available for the global readers through its news portal www.lokmat.com. It also has a partnership with Yahoo! to provide content to a co-branded Marathi section on Yahoo! India’s news portal.

Lokmat entered the TV space in 2008 and it co-owns a 24-hour news and current affairs channel ‘IBN Lokmat’, through a JV with the Network18 Group. Lokmat’s magazine division Cymbal Media publishes an international magazine called ‘G2 – The Global Gujarati’. This is positioned as a high-end lifestyle magazine.

¹ Total Readership, IRS ’12 Q2

² Audit Bureau of Circulation, Jan - Jun ’12

³ Total Readership, IRS ’12 Q2

Lokmat Group made its foray in the entertainment sector through its subsidiary Lokmat Entertainment for production and distribution of films and television content. It released its first Marathi film “Jetaa” in August 2010, a co-production with Ramesh Deo Productions Pvt. Ltd.

Lokmat’s experiential marketing division – Lokmat Connect organizes various annual properties like ‘Lokmat Maharashtra of the Year’, ‘Lokmat Women Summit’ etc. which are the benchmark in their respective categories. It also provides comprehensive 360 degree marketing solutions to clients including ‘Below the Line’ promotions and client led activations. It is the largest event management company in Maharashtra in terms of number of events held. This division also runs various community forums focused on Women, Youth and Children.

There are several platforms under Lokmat connect - Sakhimanch for woman; Yuva Next for college going students and Balvikas Manch for school going students. In addition to these social platforms, Lokmat also arranges different types of events under Lokmat connect.

Lokmat group is also in Television in partnership with Network 18 and the channel is named as IBN Lokmat. It also has a bi-monthly life style magazine dedicated to Gujrathi community called “G2 : Global Gujrathi”.

The daily total sale of Lokmat Group is 15 lakhs plus. The total Readership is 74 lakhs plus.⁴

SUCCESS IN GOA

Since its launch in Goa 4 years ago in 2009, Lokmat has catapulted to the second position in terms of daily sales of Marathi newspapers in Goa.

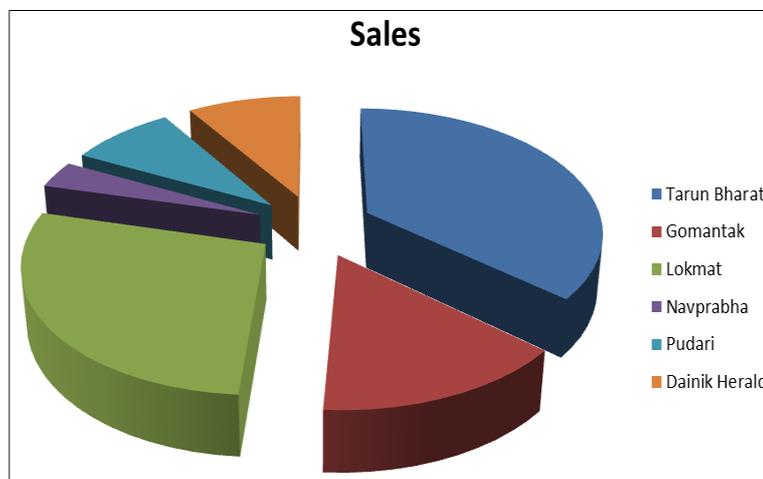


Figure 1

Lokmat’s rapid growth in Goa has occurred in an unlikely setting. All the large, powerful media groups in India are based in the English language. Moreover, the newspaper business was and still is a game of slow growth over generations of readers. People don’t change easily their newspaper reading habits and if they do so, it takes several years of persistent wooing to get them to shift. The usual question is: How did the Lokmat group increase circulation in such a short time and in such a hostile environment? The larger question is: what did these guys do differently from the others in the newspaper industry?

⁴ ABC

What did Lokmat do right before entering Goa?

For every business to grow and expand one has to set one's eye on what market it is targeting. In the case of Lokmat, since it is a Marathi Language Daily, it had to first find out whether there is a sizeable market in Goa for a Marathi language paper. Lokmat had an idea about the presence of Marathi reading population in Goa. Their Mumbai edition that is distributed upto Sindhudurg district would also find its way to Goa. They also conducted a survey to find out what sort of a newspaper the Goan public wants and they designed the newspaper keeping in mind Goa's unique culture and demography. Keeping up with their Slogan; "where there is Marathi, there is Lokmat"; Goa was a natural choice owing to the large chunk of Marathi speaking population in the state.

They initially started at a price point of Rs.1/- and annual subscription of Rs.299/-. There was systematic advertisement campaign launched. From day one, they went to each and every dealer. They announced schemes in schools. Then came out with the publication of Sanskar Moti, Jungle Book, Ocean Book which is the initiative taken only by Lokmat.

They selected the right type of employees who had experience from different parts of other states from their sister concerns.

They inculcated a work culture which is different from the state of Goa where the usual timing is 8 hours but they volunteered to work for more than 12 hours a day.

Lokmat put in place an appraisal system wherein the promotion and increments are based on the hard work and progress of the individual.

They gave stress on price factor, good quality paper, clean and upgraded layout which has forced other newspapers in Goa to sustain in the competition which resulted into providing better quality and readable newspaper to the people of Goa.

The important reasons for successful penetration of Goa's readership can be given as under:

- **Revenue Model:** The major challenge faced by the team was how to make the operations profitable. Marathi newspaper segment was relatively small and since the major revenue source for a newspaper is from advertisements, they were faced with the challenge of how to increase the readership to a sizeable level, so that it would be attractive to advertisers. The strategy Lokmat adopted was 2 pronged.
 - Make the paper affordable to all. So even a person taking an English daily would not mind to take a second paper.
 - Aggressive Marketing of the advertisement space in the newspaper.

They maintained a standard percentage of advertising and editorial space. 60% is allotted for editorial matter and 40% is allotted for advertisement. Initially they priced the paper at Rs.1 to gain the market, even though they were incurring a cost of Rs. 8/- per paper. However at this stage their primary objective was not making profit, but rather to penetrate the Goa newspaper market. As the readership began to grow, they slowly increased the price to Rs.3/-. Even though in the initial stage they had incurred some losses, but it ensured that the long term goal was achieved through increase in revenues from advertisements that started coming in owing to their increasing popularity and reach which in turn compensated for losses in initial stages. Selling the advertisement

space of a newspaper is considered most important because production cost and distribution cost has to be recovered by means of advertising space of a newspaper and to sell the space effectively, a newspaper has to have a greater reach within the population, both of which Lokmat was able to achieve within a very short span.

- Aggressive Editorial and Content: This means activity based contents relating to the burning issues taken up boldly without fear of the Government, Politicians, Bureaucrats, Administrators and others.
- Lokmat made the copy readable with standard quality paper.
- There is lot of material to read and the reader gets a feeling that the paper belongs to him. This helped Lokmat to reach the large number of readers within a short span of time and to capture a large share of the vernacular press market in the state of Goa.
- They have designed their product keeping in mind the culture, different population of different age group, literature etc.
- To target children they started publishing short stories about Kings and their Kingdoms, National Flag, Birds, General Knowledge, etc.
- Youth were targeted by including the matter in which they have more interest like Short Stories, Fiction, Career Guidance, Gossips, Films, New Innovations, New Cars, Bikes, etc.
- For Middle age group there is a section which gives tips on Pension schemes, Investments, Mutual Funds, Political Analysis, Environmental Issues, Kind of Investment Benefit for the marriage of a child etc.
- For the senior citizens, they have included literature on spiritual stories, health Tips for aged people.
- For Women, the issues like Cookery, Garments, Accessories, Fashion, Health related tips to the women, TV serials, Gossiping etc.

Lokmat in Social Sphere

Lokmat runs sports leagues across various cities in Maharashtra, mainly focusing on cricket and football. These championships are organized under 'Lokmat Play.

As a responsible corporate citizen, the Group is engaged in various social initiatives aimed to help the poor and needy. It also is actively involved in helping victims of natural disasters and tragedies. Lokmat also works to highlight problems faced by people in its communities, bring it to the attention of the concerned authorities for necessary action. They have given benefit to the society in the form of social commitment which no other newspaper is dare to provide for example Mining issue was taken up by Lokmat before any other newspaper could do so.

The Future Ahead

Their future plans include; coming out with more than 30,000 copies everyday as "Lokmat samachar" which is an Hindi edition daily and Lokmat Gujarati Samachar daily with more than 10,000 copies a day. They have already collected different sources and experienced employees to be used in their future expansion.

Taking into account Goa is a small state with limited number of Population, they cannot specialize like Giant newspapers but can give different content like Agriculture, Real Estate, Investment, Films and Events, Health Tips, Political Analysis, Fiction, Career Guidance etc. all in one which becomes readable for all sections of the community.

CONCLUSIONS DRAWN FROM THE CASE STUDY

The following qualities are required for a person a person entering into newspaper publishing business which are divided into two parts one Management and second Editorial. One should also have business background. You should know Geographical area, type of market, literature, Political stability of a state.

Lokmat has been in the market for more than last 40 years and it is a big business group therefore they built their status editorial by editorial and investment is one of the basic requirements for a success of a business. They had a long term strategy.

A business can obtain the results as per the expectations only because of team work and coordination. When the management and owners are involved 100% in the process, the results are always as per expectations.

There are number of occasions when you have to adopt a flexible approach and change the business strategy and rethink of your approach according to the market conditions.

To continue the subscriptions by the reader, the business establishment has to see the qualities like proper layout, better quality print and paper, better content in the newspaper.

Depending upon the situation and new challenges, one has to adopt different strategies and different methods because the increase in the circulation depends upon transportation, advertisement space, marketing and distribution.

REFERENCES

1. Total Readership, IRS '12 Q2
2. Audit Bureau of Circulation, Jan - Jun '12
3. Total Readership, IRS '12 Q2
4. ABC

