



Caravan to contribute positively to company's overall performance in H2: Sanjay

Gaikwad of UFO Moviez



Advertising in media dark areas has always been a challenge for brands and marketers. To cash in on this gap and provide an opportunity for advertising in rural India, the digital cinema distribution network and in-cinema advertising platform UFO Moviez, introduced a cinema-in-wheels concept, Caravan Talkies in 2015. However, till now the product hasn't contributed to the company's revenues in a big way. In an interview with Devika Singh, UFO Moviez' Founder and Managing Director, Mr. Sanjay Gaikwad talks about the concept and how it has done so far. Here are edited excerpts:

BT: What was the idea behind Caravan Talkies?

Gaikwad: Watching movie is the most affordable family pass time in India. So from that perspective, we also realized there is a large portion of population, which lives in a media dark area. In these areas for other media channels whether it be radio, or print media, the reach is very low. People in these areas have aspiration to watch movie, but the nearest cinema theatre is 60-70 kms. So we said, although these people cannot come to theatre to watch the movie, why not take the movie to them?

Secondly, there was no point in taking those movies to them and creating the whole infrastructure, and so we decided to develop this more as a media business. We said we should give this experience to bring the popular movie in the rural market as it is in other theatres country wise, give it to them freely and recover money through advertising. There are lot of brands, who are looking for this opportunity and as other media has limited or no reach here, it's a unique opportunity which we provide. We started in 2014, 17-18 would be the third year of its operations.

BT: How does this concept work?

Online Link - <http://www.businesstoday.in/opinion/interviews/caravan-to-contribute-positively-to-companys-overall-performance-in-h2-sanjay-gaikwad-of-ufo-moviez/story/254924.html>

Gaikwad: So there's a van with a big screen. Whenever the van is moving or when it is stationary it acts like a moving bill board for our title sponsor. So each of these vehicles, goes to 14 haats or weekly markets in a fortnight and at sundown a show is played at villages. We not only provide advertisers branding opportunity through billboards but also significant airtime during the movie. South of India is highly penetrated in terms of number of screens, our current focus is in the non-south states.

To give you the potential of this business in India, there are approximately 43,000 haats. There are large haats and then there are small haats. Large haat services 57 villages, which has got about 12,000 visitors. The small haat services approximately 20-21 villages and gets 6000 visitors.

BT: Have you introduced this across India?

Gaikwad: Right now it is operational across eight states viz Rajasthan, Maharashtra, Gujarat, Uttar Pradesh, Madhya Pradesh, Bihar, West Bengal and Odisha. South of India is highly penetrated in terms of number of screens, our current focus is in the non-south states

BT: Has Caravan Talkies contributed to your revenues so far?

Gaikwad: Last year in FY16, because we were in the built-up stage, the losses in Caravan actually affected UFO's overall performance. Because in the initial period, you have to build that infrastructure. And again in November last year, demonetisation too affected this business. However, the advertisers are coming back now and we expect in H2 of this year Caravan will contribute positively to company's overall performance.