

Amazon Prime Video to Introduce Ads in India by 2025

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What happened

Amazon Prime Video will begin showing advertisements to Indian subscribers starting in 2025, keeping the current subscription price unchanged while introducing a new, higher-priced tier for users who want an ad-free experience.

Amazon has announced that it will start showing advertisements on Prime Video for Indian users beginning in 2025. This move aligns with the company's strategy to introduce ads in various countries, including the United States, Canada, and several others.

What Ads Will Be Shown on Prime Video?

The over-the-top (OTT) industry is evolving rapidly, with ad-supported platforms gaining popularity due to lower subscription costs or even free access. In response, Amazon is shifting towards an ad-supported model for Prime Video. However, unlike some competitors, Amazon will not reduce its subscription price; instead, it will maintain the current pricing while incorporating ads into the existing package.

For users who prefer an ad-free experience, Amazon plans to offer a new subscription tier at a higher price. This means that viewers who want to enjoy content without interruptions will need to pay more. Consequently, many users may feel dissatisfied as they would be paying for a service that now includes ads.

The introduction of ads is part of Amazon's broader strategy to generate additional revenue through both advertising and subscriptions. However, this approach may not resonate well with Indian consumers, who are already sensitive to pricing in the streaming market.

Market Context

The decision to introduce ads comes amid fierce competition in India's streaming sector, where major players like Reliance and Disney are merging to capture market share. Amazon aims to enhance its advertising business by providing advertisers with access to Prime Video's audience, which enjoys high-quality content such as award-winning series and live sports.

Amazon has assured users that the number of ads will be "meaningfully fewer" than those found on traditional television or other streaming platforms. Additionally, the company plans to notify Prime members via email several weeks before the ads go live, providing details on how to opt for an ad-free subscription.

Conclusion

As Amazon prepares to implement ads on Prime Video in India by early 2025, it faces the challenge of balancing viewer satisfaction with its revenue goals. While this strategy has already proven successful in other markets, its reception in India remains uncertain as customers weigh the value of their subscriptions against the new advertising model.