

• A SHORT NOTE • AI MICRO-DRAMAS IN INDIA • OCTOBER 2026

The cheap show **isn't** **cheap.**

Why AI micro-dramas aren't holding viewers in India yet, and what it takes to make a show that does.

- THE SHORT VERSION

Three things keep coming up.

We've been studying why AI shows aren't holding viewers in India yet. The same three things come up every time, and each one feeds the next.

01

56%

The money goes to ads, not the show.

One platform reportedly makes ₹250 crore and burns ₹140 crore of it on Meta ads.

02

₹2–3 lakh

The show gets what's left.

That is what an AI show is now expected to cost, against ₹20–25 lakh for live action. It leaves nothing for the script or the performances.

03

50% vs 60%

And it shows in retention.

On one platform, AI shows keep half their viewers by episode twenty. Live action keeps sixty percent.

So the cheap show isn't cheap. It costs retention and revenue, **for the same acquisition cost spent.**

• 01 • WHERE THE MONEY GOES

The money goes to ads, not the show.

A platform here making ₹250 crore a year reportedly burns ₹140 crore of it on Meta ads. That is more than half of its revenue gone before a rupee reaches a show.



The reason is the price. The viewer pays very little, so every new viewer has to be bought again from the feed, and the platform ends up burning more on the ads for a show than on the show.

• 02 • WHAT THE SHOW GETS

The show gets what's left.

One platform's head of content told The Hollywood Reporter India that a live-action vertical show costs ₹20–25 lakh, and that with AI, in his words, "you can make a vertical show with two to three lakhs, cutting the cost by a tenth." That is now the number every AI show in India is measured against.

See, a two-lakh show works out to about ₹3,000 a minute. That alone can't cover the tool cost of state-of-the-art models, let alone the people and the retakes. At that budget there is no room for creativity, and no money for anyone to make it work.

• 03 • WHAT THE VIEWER DOES

And it shows in retention.

On one platform, AI shows keep half their viewers by episode twenty, while live action keeps sixty percent. In a format where the money is made at the paywall, those ten points are the business.

Viewers say the same thing themselves. In Meta and Ormax's study of micro-drama viewers in India, 38% prefer real actors, and poor quality quickly drives them away.

• SO WHAT IS THE MOAT?

Not the tech, and not the price.

Everyone has the tech. The price can't be the moat either: China's AI drama factories are cheaper, and ninety percent of those companies have already shut down. And cheap AI drama is exactly what the feed gives away for free, from Life Tak on Instagram and YouTube here to Hongguo's 356 million monthly users in China.

70%

say free content on social media is the top reason they don't pay

71%

say access to a complete story is the top reason they do

Which leaves a platform two moats: a feed it owns, or a show people pay for and come back to.

• WHAT WE DO AT VISIONAI

Most platforms here rent their feed from Meta. The show is the whole moat.

That is why our focus is on retention and craft. Making a show is not the moat; anyone can do that. Delivering a show that retains is.

01 The script, treated first.

We treat the script before a single frame is made, and we design the paywall episode first, because that is where the viewer decides to pay.

02 Every face, voice and world, locked.

All of it is locked before the first shot, so episode fifty matches episode one.

03 Our shows, or your script.

Original shows of our own, or your script, treated the same way.

What are you optimising for right now: **the cost, or retention?**

OUR REEL

visionaifilms.com/reel

TALK TO KRATIKA

book.visionaifilms.com

- SOURCES

Where the numbers come from.

₹250 crore revenue, ₹140 crore on marketing (reported)

Medianews4u, 30 June 2026; Business Standard, 21 August 2026.

₹899 a year

Campaign India, 14 February 2025.

₹20–25 lakh live action; "two to three lakhs, cutting the cost by a tenth"

The Hollywood Reporter India, 1 June 2026. The platform's head of content is not named here.

AI shows 50% vs live action 60% at episode twenty

TechTimes, 4 August 2026.

38% prefer real actors; 70% free content on social media; 71% access to a complete story

Meta × Ormax Media, Micro Dramas: The India Story, March 2026.

90% of China's AI drama companies shut

36Kr, 7 September 2026.

Life Tak free on Instagram and YouTube

Exchange4media, October 2026.

Hongguo, 356 million monthly users

36Kr; Daoinsights, 2026.

Figures marked reported are as published. Platforms quoted in the text are not named.