

Africa's mobile operators aim for TV content

By [Russell Southwood](#)

20 Apr 2017

There's now a steady trickle of download and streaming deals between key mobile operators and some of Africa's most credible major broadcasters. The terms of those deals are undoubtedly more advantageous to the broadcasters than they would have been in the past. Are mobile operators finally changing how they deal with content and services?



© Andriy Popov via [123RF](#)

Two deals have been signed between Africa's key mobile operators and major African broadcasters in the last six months and according to two of the broadcasters, more are on their way.

This week challenger broadcaster Kwesé TV (owned by Econet) signed a deal to deliver video content to MTN Ghana's customers using the latter's LTE network.

Streamed content includes live action from the National Basketball Association, Brazilian Soccer and English Premier League. There is also entertainment programming from Revolt and Viceland, content that is exclusive to Kwesé TV.

Joe Hundah, president and CEO of Econet Media, said about the deal: "As a multi-platform media company our goal is to deliver our programming to viewers however and wherever they want it... We are focused on expanding the reach of our product across the continent and this is the first of a number of such agreements with mobile network operators which will be announced in due course."

Back in October last year Naspers-owned Showmax signed a deal with Kenya's Safaricom to make its VoD platform available to the mobile operator's subscribers. The deal allows subscribers to choose different video quality levels and data use is charged separately as it works with the user's existing data bundles.

Local content

There is a two tier service with ShowMax Premium priced at Ksh880 (\$8.80) a month provides a full range of international and local content while ShowMax Select at Ksh330 (\$3.30) offers reduced data consumption with a specific focus on local content. Both tiers allow subscribers to either stream content or to download up to 25 shows to watch offline. Downloaded content is valid for 30 days. This means a 7.5 gigabit data bundle would be enough for over 90 episodes.

Local content highlighted in the autumn announcement included *Real Househelps of Kawangware*, *Churchill Live*, *Auntie Boss* and *Kona*. It has highlighted popular international series and movies like *Mr Robot*, *Brooklyn Nine-Nine*, *Blue Bloods*, and *The Good Wife*.

On a visit to Nairobi in March 2017 I asked over 30 people I was meeting with (all involved in some way in telecoms, media or start-ups), what VoD or streaming platform they were watching. Almost all named Netflix and not a single person named ShowMax. I make no pretense that this straw poll is scientifically valid as there must be ShowMax users out there in Nairobi, but there have not yet been any user numbers yet from ShowMax.

The third African major broadcaster likely to sign mobile operator deals is Trace TV. Based in Johannesburg, it has recently launched a global service in 200 countries using its content called TracePlay, probably the first service focused on urban and afro urban content.

So what is this the content? It has what it claims are the best Afro-urban series, movies, documentaries and concerts. There are nine urban and afro-urban music TV channels and the number sport celebrities channel.

In terms of genre, these include Trace Urban, Trace Africa, Trace Toca, Trace Mziki, Trace Tropical, Trace Najia and Trace Gospel. There is instant access to more than 2000 selected programs including original programming.

Finally there 30 radio channels covering the various urban and afro-urban genres, 24 of which are advertising free.

Africa focus

So how does Africa fit into the global plan? "We believe that the SVOD market is not big enough to be sustainable in just one market even globally. The reason to invest in some countries is that with the income we can invest in more production.

"The African (business) model is not is not the same as models in other markets. The African issue is connectivity. We've had serious discussions with many operators about bundling content plus data, enough data to be able to watch a film or a series. There's been a big shift in how mobile operators are approaching SVOD. It used to be 'bring us the content and we'll do it'. Now we're bringing content and marketing and they are bringing the platform and the network and the billing for daily and weekly subscriptions".

No details of the revenue share have emerged from these deals but it is clear that these players would not sign anything like the traditional 70/30 or 80/20 split in favour of the operator. The numbers would just not work with all the expense of buying rights and delivering content online.

You might say that two deals and more on the way is not exactly a tsunami but the very bureaucratic and cautious approach of the mobile operators means nothing happens quickly.

The cynics might also say that the mobile operators are trialling these services with the best, consumer-winning content to see whether they themselves might join the party. But those who have watched the mobile operators shuffling towards

download and streaming services over the last four years know that whatever happens, it won't happen quickly.

Source: Balancing Act, London, publishes a wide range of video and other resources, which can be found on the [original of this article](#) on their website.

ABOUT THE AUTHOR

Russell Southwood is the CEO of Balancing Act, a consultancy and research company focused on telecoms, internet and broadcast in Africa.

For more, visit: <https://www.bizcommunity.com>