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Rapid increase in radio and TV channels in Africa, says new report

A rapid increase in the number of radio and TV channels in Africa over the last three years has piqued interest in the continent by international media players. A recent report, *African Broadcast and Film Markets*, published jointly by Balancing Act and InterMedia (see details below), has documented the growth. The report—a detailed look at the state of broadcasting in 40 African countries, including 17 in-country audience surveys—provides data and insights broadcasters, advertisers and governments can use to find and develop markets, increase their reach and strengthen their impact among African audiences.

The report finds that liberalization of radio broadcasting in many countries has led to an explosion in the number of radio stations, particularly those broadcasting in local languages. Known in East Africa as the “vernaculars,” these stations have been a high-growth area over the last five years. The most vivid example of this trend is in Uganda, where there are now more than 150 radio stations, 69 percent of which cater to audiences in the country’s 38 different languages.

Television broadcasting outlets have also increased steeply; out of 40 markets¹ surveyed in Sub-Saharan Africa, the report finds nearly half (18) have licensed Free-To-Air TV channels.

“African broadcasting is undergoing a period of major growth as more countries are liberalizing and increasing the number of channels,” says report author Russell Southwood. “The level of radio and television ownership has kept pace, also increasing very rapidly. International media players are paying close attention to this dynamic situation.”

¹ Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Congo-Brazzaville, Cote d'Ivoire, Djibouti, DRC, Equatorial Guinea, Gabon, Gambia, Ghana, Guinea Bissau, Kenya, Lesotho, Liberia, Malawi, Mali, Mauritania, Mozambique, Namibia, Niger, Nigeria, Sao Tome, Senegal, Sierra Leone, Somalia, South Africa, Swaziland, Tanzania, Togo, Uganda, Zambia and Zimbabwe.

“The most striking trend in terms of audiences is the rise in radio listenership. There is a huge appetite for FM music radio; consumers also hunger for entertainment television,” says InterMedia analyst Allen Cooper.

“Africans, both sub-Saharan and North African, surround themselves with music in cars, public transportation, shops and homes. Wherever deregulation has taken place, multiple FM channels have emerged. Growing cable and satellite subscriber bases suggests more people are willing and able to pay for services,” he says.

Alongside this interest in music and entertainment television, African listeners and viewers also hunger for news. However, the report finds they tend to trust either the new private broadcasters or NGO-run radio and TV stations for news more than they do government-run broadcasters. This is particularly true in North African countries like Morocco, Tunisia, Algeria and Egypt, where channels like Al Jazeera attract large audiences.

New technologies are spreading quickly across the continent, as well. Legalization of Voice-over-Internet Provider service (VoIP) has already come to seven of the 22 countries in West Africa covered in the report; the majority are likely to follow in the next three years.

This will dramatically change the structure of both the internet and telecom industries; the report looks at how this might occur and at the kinds of new operators offering VoIP calling, both domestically and internationally, that will emerge. Without the need to protect the incumbent telephone company, VoIP can be seen as a technology for gaining competitive advantage in liberalized national and international markets.

West Africa will see more rapid growth in this area for a number of reasons, the report finds. Several of the incumbent telcos have already made “under-the-counter” deals to allow companies to operate. For example, Mali’s Sotelma has made VoIP agreements with four local companies, making them, in effect, retail VOIP sellers, using Sotelma for their bandwidth at an agreed rate.

Further, the CEO of the leading regulator in the region—the Nigerian Communications Commission’s Ernest Ndukwe—has already adopted a progressive stance on the issue. He has said clearly that regulation should be “technology-neutral.”

Additionally, the report finds that with the introduction of competition into the pay TV market, there are an increasing number of people with access to a wider range of programs than are currently available on terrestrial television, particularly sports events, like the UK Premiership and the recent Africa Cup of Nations. These services are largely delivered by satellite, although there are now a small number of IP-TV and cable operators. The majority of pay TV subscribers

are found in Africa's urban areas. This trend towards pay TV is likely to receive a further boost when a number of operators introduce "triple play"—a combination service that includes voice, internet and TV programming services—later in the year.

African Broadcast and Film Markets report also includes:

- an overview of the broadcast industry across the continent
- the impact of liberalization versus state control
- the battle for Pay-TV subscribers and potential market size
- the costs of local and international programming
- the digital switchover and high-definition
- the continent's mobile TV roll-out
- Survey-based analyses of 17 countries: Algeria, Angola, Burundi, Egypt, Ghana, Kenya, Morocco, Mozambique, Nigeria, Rwanda, Senegal, South Africa, Tanzania, Togo, Tunisia, Uganda and Zimbabwe.

Details are available at:

<http://www.balancingact-africa.com/publications.html>

For a detailed breakdown of contents:

http://www.balancingact-africa.com/broadcast_markets.html

To order:

http://www.balancingact-africa.com/profiles/order/order_form.php

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The Report

African Broadcast and Film Markets draws on years' worth of InterMedia survey data, interviews, research, analysis and strategy, all gathered into one accessible resource that provides an expansive yet detailed picture of markets across Africa, both sub-Saharan and North Africa.

Balancing Act

Balancing Act is an online publishing and consultancy business covering broadcast, telecoms, Internet and computing in Africa. It is one of the primary sources of information and expertise in this area. It publishes *African Broadcast*, *Film and Convergence* and *Balancing Act's News Update*, a weekly e-letter which goes out to subscribers in French and English.

InterMedia

InterMedia is a leading international media research, public opinion, evaluation and consulting organization creatively equipping clients to understand their audiences, gauge their effectiveness and target their communications in transitional and developing societies worldwide. Based in Washington, D.C., and London, and active year-round in more than 60 countries, InterMedia helps clients understand complex issues in challenging research environments. The company's strengths include its people—area experts skilled in scientifically-based research and focused on client solutions—its vast global network of local research partners and contacts and its rich data archive of more than 600 media and opinion surveys carried out over the past 15 years.

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