

Demand for New Content Driving Growth of African Pay-TV

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As African digital TV consumers are seeking more localized content from the pay-TV industry, and operators are answering the call by developing business models to meet this growing market's demands.

Sub-Saharan consumers previously limited to only South African content can now enjoy local programming from other countries because of the rise of new national and pan-regional African pay-TV operators such as HiTV and Gateway. Competition between major DTH operators is resulting in channel line-ups that offer international, country- and language-specific broadcasting to appeal to larger African audiences.

Over the years, African consumers' interest in international content has shifted toward a focus on local and national programming. Operators such as Nigeria's HiTV and Trend TV, which are seen as more culturally in touch with the tastes of African TV viewers, have been proactive about marketing local programming. Growth of content production facilities dedicated specifically to native content has made new programming available, and as a result Africans no longer need to rely on European or American programming for entertainment. Interest in sports content in particular influences demand for services such as Gateway's GTV, one of the only services authorized to broadcast English Premier League football in Africa.

Expansion of local content offerings in African DTV indicates an increasingly sophisticated market and a growing number of savvy TV consumers. "African markets are growing more subscriber-focused," writes IMS Research analyst Anna Maxbauer. "Shifts in DTV content, offerings, and subscriber payment options are necessary to attract new viewers in a pay-TV market that is no longer dominated by one or two major operators." Competition from the free-to-air satellite platforms in some parts of Africa has also changed what digital TV consumers look for in a pay-TV service.

A report by IMS Research entitled "Emerging DTV Markets: Africa" 2008 Edition was published in June 2008. It includes detailed operator profiles, infrastructure overviews, and set-top box and iTV shipment and revenue forecasts. The report identifies key market drivers and inhibitors affecting growth in African DTV markets and national and regional development trends.

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