

DStv mobile launches in Nigeria



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An exclusive interview with Collins Khumalo – MD, Multichoice Nigeria.

bizcommunity.com: The premiership has started at last after much furore over the rights. Are you ready for competition?

Collins Khumalo: One of our biggest decisions is to diversify our content with different genres looking after the interests of kids, adverts, learning and entertainment bouquet. DSTV is about variety, which is why we are Multichoice. We are also expanding our soccer offering. Soccer remains an important part of our business. We have 1,000 games this season and much more. We now have the Italian League; Italian Cup, Brazilian League; Portuguese League; French League; the UEFA Champions League; The South African Premier Soccer League; The Nigerian Premier League; English Premier League and of course The English FA Cup where we have exclusivity; the Coca—Cola Championship, Carling Cup and numerous International games.

BC: Do you think you have serious competition?

CK: The most important thing is that Competition stimulates the market and has been good for us, but also makes sure that customers have a choice.

BC: Is your recent arrest a direct consequence of this competition?

CK: I wouldn't like to comment because the matter is still in the court. We don't want to be seen as pirates and we will address these issues. We always like to stay within the Law.

BC: Let's talk about the recent increase in local content.

CK: We are committed to local content. Our first steps – new direction to create talent, secondly *Africa Magic* showing Nigerian movies all over Africa. I was in Botswana when it was launched. It is such a huge draw around the continent .15 months ago, I was in Sunnyside, Pretoria in South Africa and I ran into a Nigerian shop selling Nigerian movies with so much patronage.

We have also done some local soaps and localized major International TV and Realty shows: *Doctor's Quarters*, *Edge of Paradise*, *Big Brother Nigeria*, *Idols West Africa*, *Deal or No Deal Nigeria*. Coming up is *Tinsel* – a completely local production, then there is a local talk show in the making, but I'll keep that secret until we launch. That's testimony to our commitment.

BC: No doubt about the quality of DSTV. One of the biggest complaints is always about the seeming prohibitive cost.

CK: I went to Dubai first week in July, picked up a flier of a local operator; and I asked for the prices of their premium offering – 60 dollars, which is about what we charge here, plus the extra costs we bear, power, security etc.

We have however created cheaper bouquets – N4,300 naira in 2003, that went okay and N2,500 naira in 2006, again trying to make sure we cater across the spectrum. Make sure we take the market leadership. Customers can upgrade or downgrade according to their cash flow.

BC: The introduction of N2,500 bouquet, some people have posted that it's because your newest competitors charge N3,000.

CK: It is easy to assume but our business, we research and that has been on going. Our study showed there was a market and should be local content driven and we have responded accordingly.

BC: Is it now a case of "Local is lekker" as you South Africans say.

CK: As I said before, Africa Magic has been a major driver for DSTV select. It now includes Nigerian and other African content. It's not a race you win in one day. It is ongoing. We are in the early stages.

BC: How would you describe the regulatory framework against the background, you are hardly seen as a Nigerian company, despite being fully registered here.

CK: When you know that you are Nigerian, you don't need to justify that. The regulatory environment is interesting. Nigeria is the most liberalized. We have 15 DTH and several MMDS operators.

A monopoly operates where there is one dominant operator but here, there are so many licensees. The regulatory framework has been quite amazingly interesting. We have testified before the House of Representatives Committee and the House Committee took note, people want to sell the same thing. They should look for more rights, other available channels. Most of the entire scenario today makes for more plurality.

BC: What keeps you strong in the market that is so volatile; it has claimed several casualties, so many cable operators have gone under?

CK: We have had a head start, more than 20 years (DSTV is 12 years), so we have experience. It's easy to choose the channels we have kept; over the years, we have also dropped some channels. There are so many TV channels out there, but competitors always want to sell the same as us. As we have demonstrated in the last three years, we have unearthed and launched new channels, *Crime and Investigations*, *Boomerang*, *Disney*, *Animal Planet*. We are constantly adding value.

BC: Dual view / PVR?

CK: It is work in progress. It is a technology driven market, now it is HD or HD compatible. We are looking at a HD Decoder. The organization has shown it's at the cutting edge of technology, and with it we pull our customers.

BC: In terms of corporate social responsibility, would you say you are doing enough?

CK: We are doing a lot more than we are talking about. Sixty-five schools have benefited from our school programme complete with DSTV installation, generator, TV, and VCR where we encourage teachers to use technology as a tool; you can demonstrate on TV where there is no laboratory for instance. We are spreading to more schools up to even Cross Rivers State.

CSR goes beyond that; recently, Supersport has taken Enyimba and Rangers to the Supersport U-19 International Tournament ploughing back into the community.

BC: Any hope of having the MNET Community Service Network CSN, as you have in South Africa.

CK: We have co-operated with local stations, Temptations, Deal or No Deal, Big Brother Africa. I was very involved with developing the Africa concept of the latter and I managed it. You must understand some of this is premium content, which is designed for my premium subscribers. I would be ambushing my subscribers.

The scoop

BC: So far so good, but what will blow my mind even as a subscriber, what else do we expect, why should we remain with DSTV?

CK: Details, the same one that used to broadcast the old MNET decoder, will be launching DSTV mobile on 22 August in Abuja, Ibadan and Lagos, depending on where we get frequencies. The DSTV mobile business cuts across continents, China, India, where we are making inroads, and of course across Africa. Nigeria will be a trailblazer on the new DVBH (Digital Video Broadcast over hand-held)

ABOUT EMEKA ENYADIKE

Emeka Enyadike is a multi-dimensional writer on sports, marketing, sponsorship, broadcasting and online trends drawing from his rich diverse global expertise. He has deep industry know-how, built through a distinguished sporting career that makes himone of the most respected sports commentators and analysts from Africa. Contact Emeka at livermeka@vahoo.co.uk.

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