Media concentration in South Africa

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Salient facts about the SA market

Population around 50m.

Median age 24.

Larger than Texas.

PPP GDP around $10 per capita.

15th country in the world by electricity production.

Local variants of English dominate.

Television market

Television introduced in 1976 and still dominated by state-owned and -dominated SABC.

Single satellite broadcaster, serving upper-middle class market. No cable.

Single FTA broadcaster, nationwide in urban and peri-urban areas.

Government policy is to restrict private television to minority markets.

Television, by station and revenue

South Africa – TV channels by ad revenue

	1997	2000	2004	2008
C4	99.6%	89.4%	80.1%	68.1%
HHI	2548	2111	1779	1315
MOCDI	963	414	297	186

Note: 1997, not 1996, data is used because comprehensive data was not available prior to this date
Note: The methodology for reporting results differs prior to 1997

SOURCE: AIS/THE NIELSEN COMPANY

Radio market

Similar to television but several important commercial operators and independent news stations aimed at middel-class commuter market.

Community and religious stations with strict mandates, not always enforced.

Licences awarded mainly by beauty competition with diffuse criteria.

Signal distribution dominated by state-owned Sentech.

Radio stations by ad revenue

South Africa – Radio by ad revenue

	1997	2000	2004	2008
C4	43.7%	38.0%	39.7%	39.0%
HHI	742	642	651	602
MOCDI	133	110	60	53

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Please note: For 2000 and earlier there were no individual stats for each com

Note: 1997, not 1996, data is used because comprehensive data was not ava

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SOURCE: AIS/THE NIELSEN COMPANY

Newspaper market

Market dominated by three groups, two publishing mainly in English and one mainly in Afrikaans. Also papers in Zulu and one in Xhosa, Portuguese and Chinese.

A diversity of voices, essentially all *moderately* anti-government. Circulation declining, except Die Son and Isolezwe.


DIE BURGER

Obama-koors

Getuie in tenkmoord-saak erken hy het gelieg oor hek

GUARD

Newspapers by ad revenue

South Africa – Newspapers by ad revenue

	1996	2000	2004	2008
C4	40.3%	41.3%	33.1%	33.4%
HHI	577	589	395	388
MOCDI	57	55	25	23

Note: Revenue from inserts in Newspapers only identified from 2004 onwards

SOURCE: AIS/THE NIELSEN COMPANY

Magazines by ad revenue

South Africa – Magazines by ad revenue

	1997	2000	2004	2008
C4	18.5%	22.8%	23.2%	17.0%
HHI	199	263	228	173
MOCDI	15	23	16	11

Note: Revenue from inserts in magazines only identified from 2004 onwards
Note: 1997, not 1996, data is used because comprehensive data was not availa
Note: The methodology for reporting results differs prior to 1997

SOURCE: AIS/THE NIELSEN COMPANY

Fixed line (monopoly) market

A sad story of declining penetration, now approaching 8% from the wrong side.

Telkom also sole provider of access to ADSL cloud and no LULU.

Classical “privatisation trumps liberalisation” (Horwitz).

Problem for businesses solved by the courts.

Fixed-line market results

South Africa – wired telecommunications

	1984	1988	1992	1996	2000	2004	2008
C4	100%	100%	100%	100%	100%	100%	100%
HHI	10000	10000	10000	10000	10000	10000	10000
MOCDI	10000	10000	10000	10000	10000	10000	10000

Source:
Post-Master General and Telkom annual reports, available from
https://secure1.telkom.co.za/ir/financial/Five_year_operational_review.jsp

Mobile market

Very dynamic, compared to fixed-line.

Over 100% penetration but a lot of non-human use.

High interconnection used historically to stimy competition.

One de facto VMNO, de jure none.

Mobile market results

	1988	1992	1996	2000	2004	2008
Vodacom	0.0%	0.0%	58.0%	56.9%	50.8%	53.7%
MTN	0.0%	0.0%	42.0%	43.1%	40.5%	33.4%
Cell C	0.0%	0.0%	0.0%	0.0%	8.7%	12.4%
Virgin Mobile	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%
Telkom	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%
C4	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
HHI	10000	10000	5129	5094	4297	4152
MOCDI	10000	10000	3627	3602	2481	1857

A note on RICA

The Regulation of Interception of Communications and Provision of Communication-Related Information Act (RICA) is in effect.

Mobile operators have until end-2010 to register all current users, or de-activate their service, in person, with a proof of address and identification.

Further, all IMEI numbers have to be recorded and losss, theft or destruction of SIM cards or mobile phones to be reported to the police.

ISPs to comply with the same conditions.

Internet service provision

For households, dominated by expensive ADSL access from Telkom (about $100 per month line fee, with no service) and wireless.

3G/UMTS, WiMax and quasi-illegal WiFi providers abound and many medium-sized businesses can get good Internet from a variety of providers.

Thank you!

¡Gracias!

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