

Mobile pay-TV takes shape in Uganda



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The mobile phone is changing lifestyles and the business landscape in Africa. Many companies are innovating around the technology to thrive and remain relevant to their customers. Simon Arineitwe, country sales manager at StarTimes Uganda, speaks about the benefits of mobile TV and the firm's plans for the country.



Simon Arineitwe

III What prompted you to introduce mobile TV in Uganda?

Simon Arineitwe: We launched mobile TV products to supplement our existing range of products including: decoders, LCDs and CRTs. We recorgnise that most viewers in the digital era are on the move and they need slimmer and portable devices.

For example, we have people moving in cars and that's why we offered the car TV, someone who is in hospital can watch the news on his mobile phone. As a company dealing in digital products, we know that we must have a multiple of end user products. You know that power in Uganda is not as stable as that in developed countries this being a third world country. This means that if you have a decoder and there's load shedding, you simply switch to mobile TV to watch TV.

Apart from mobility, what other benefits do mobile TV viewers enjoy that those with ordinary products don't?

Arineitwe: There's the internet component because we know that people need internet on mobile all the time. In addition, our gadgets are multipurpose. For instance they allow users to download music videos from the internet so; users can still create their own entertainment. They come with cameras so one can use them to take photos.

III How are your mobile TV products fairing in the market place?

Arineitwe: They are doing well on the market given the fact that mobile TV is a new innovation. However people are looking at it in terms of price. They would prefer a reduction in our prices to generate more sales but we have different prices for the various products.

How many customers have embraced your mobile TV since launch?

Arineitwe: They are quite many, I can't give you an exact figure because they are confidential but I will give you the percentage. It's approaching around 10% of our total market share. In total, we have sold about 120 000 decoders. We are looking at growing the number to 200 000 by the end of this year.

III What will drive your sales to your target number?

Arineitwe: We are opening up regional offices starting with Mbarara in the west, Mbale in the east and Gulu in the north. After opening up regional offices, our network will cover the whole country. So, we are working around the clock to make

sure that by that date, each and every viewer has a StarTimes product.

We currently, cover up to Paliisa, Tororo in the East, in the west, we cover greater Masaka, including: Kalungu and Kalisizo, and Central, we extend to Luweero and Mityana. Geographically, we cover far beyond the central region which is the main hub. Most of the business is here. In a month or two, we will start operating in new locations like Mbale.

Some customers outside Greater Kampala claim that the StarTimes signal is not available in all the places you publicise. What are you doing to ensure that your signal is available to your customers nationwide?

Arineitwe: The layman will say the signal is not available but essentially the signal is there. It's usually the connection that is bad. Some customers don't set up the appropriate technology to ensure that the signal is there. However, to address the problem, we have established a door-to-door service. We have a technical team of about eight people based in every town we serve, so that they respond to calls of technical problems.

III What impact has the entry of Zuku TV and exit of Smart TV had on your business in Uganda and Kenya?

Arineitwe: Well, <u>Zuku TV</u> has not had any impact on our market because it is broadcast via a satellite platform. We are using digital terrestrial and they are using dish-to-home. These are different technologies and they capture different markets and come with different prices.

People who are looking for StarTimes are looking for an affordable and flexible product. Zuku comes with a technical component because it requires a technician to install a dish for the service to be received.

III Was the exit of Smart TV a blessing to you?

Arineitwe: Well, we can't say yes because even when they were in the market we didn't feel their competition. There was no impact from them. Yet, in our first three months we sold around 7 000 decoders which Smart didn't get for the time they were in Uganda.

The deadline for Uganda's analogue to digital migration less than six months away. Do you see Uganda beating the December 31st deadline?

Arineitwe: As service providers we are ready. The Uganda Communications Commission (UCC), Ministry of ICT, have also tried to do their work much as there's lack of relevant information. But the broadcasting standard DVB-T2 and MPEG 4 was announced. That is a platform for all players to run on the digital migration path.

In addition, UCC has made a schedule which is going to be released soon to deal with the dissemination of relevant information. So, I believe all the players will be ready by December 2012.

III June, UCC recommended that service providers adopt DVB-T2 or MPEG4 technology. This means that StarTimes customers who bought DVB-T1 decoders will have to replace them. What plans do you have to ensure that they don't incur double costs within a year or so?

Arineitwe: Our plan is to convert the DVB-T1 technology to DVB-T2 because it's very possible. So, we are in negotiations with UCC about this arrangement to see the best way forward. Replacing 100 000 decoders is a huge investment, and expensive for us.

ABOUT WALTER WAFULA

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