

# It's time for a war on the digital chokers

 By [Chris Mberdyk](#)

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I received an email from a colleague this week asking me to sign a petition against local cellular networks taking 50% profit from revenue generated by SMS text messaging in aid of charity...

I haven't noticed any clear response to this from the networks and I suppose they will deny it, although it would not surprise me if this were true.

I find it quite astounding how our local internet service providers and cellular networks continue to do everything possible to thwart progress in affordable digital communication in the interests of making as much profit as possible.

Frankly, they are not really to blame but rather it's the apathetic consumer from the very rich right down to the poorest of the poor who continue to just cough up the world's highest prices for voice and data services.

I have nothing against any company making a profit - it is their absolute right in any free-market economy although I do have reason to question just how free our market economy is right now. We are riddled with corruption and cabals in both government and business.

## A serious problem

However, when there is profiteering to the detriment of national, social and commercial progress, I have a serious problem.

Particularly now that the struggling newspaper industry seems to have eventually woken up to a sustainable path but remains hoodwinked by expensive connectivity and slow internet speeds.

While Naspers has long been way ahead of the game with a mix of media such as its satellite TV holdings and e-commerce portfolio, other groups have been very slow to catch up.

At last, Times Media Group has wised up to what it is all about after years of simply giving content away free by replicating its print offerings on websites.

The launch of its video subscription service, VIDL, has been a breath of fresh air and equally the relaunch of the iconic *Rand Daily Mail* title in digital form has been a masterstroke.

Add to this Altech's NODE and suddenly everything seems to falling into place.

## At last... it's starting to make sense to media owners

The concept of allowing free access to general news and information websites to promote income-generating video and e-commerce activities is all starting to make sense to media owners.

Even *The New Age* has a profitable business plan with its combination of print, digital, TV and lucrative conferencing. While many competitors continue to scream foul at *The New Age* managing to get parastatals and others to pay what appears to be massive amount of money to sponsor business breakfasts, it is nonetheless paying handsome dividends for the title.



(Image: Wikimedia Commons)

Yes, *The New Age* does have political connections but then so does pretty much every big business in South Africa in an effort to get government contracts. Ask yourself, for example, why all the major car rental companies have all of their cars fitted with e-tags?

So, right now only the SABC and Independent Media seem to be wandering about in the wilderness and oblivious to the dangers of the digital hazards posed to traditional television and newspapers. On the other hand, maybe the powers-that-be realise that cheap, fast internet could effectively kill the national broadcaster.

Even the SABC's lucrative radio portfolio could be under severe pressure from the interweb.

Gareth Cliff's business model, centred on his CliffCentral.com 'unradio' and its plethora of complementary add-ons, has the makings of a wonderful all encompassing multi-platform product that has great consumer appeal and an efficient advertising, sponsorship and promotional offering. CliffCentral.com is a lot clever than it looks on the surface.

## **A 'nasty little game'**

My first reaction, when TMG launched VIDI and Altech its NODE, was that both were far too premature given the number of people who have access to the minimum necessary download speeds.

But, on reflection, I am glad they have made the commitment, even if it is going to take a while to get traction, because these will be two more powerful voices putting pressure on those who are refusing to remove the stumbling blocks.

First of all, the cellular networks are playing a nasty little game not only with exorbitant data prices relevant to global norms, but also by sleight of hand, particularly with their devious 'uncapped' offerings.

I have found that buying an 'uncapped' data contract is suicidal because in every case that I have done so, my internet service gets choked.

For example, my MTN via MWeb 3G uncapped data plan immediately became a lot slower than my previously capped service. It became increasingly slower until just before I cancelled, it was downloading at less than 1Kb/s.

My Telkom Mobile contract, which I use when travelling, is much, much faster but in my area where there is no Telkom Mobile service I am switched to MTN 3G due to a co-operative arrangement between MTN and Telkom.

## **Choking**

Now get this. From precisely the same cell, which delivered less than 1Kb from MTN/Web uncapped, Telkom Mobile, through MTN, was delivering 500kb. If that is not proof of choking, nothing is.

Then there is iB, which promised me 1Mb of download speed through their V-Sat service, which is very expensive at R899 a month.

In the past eight months, I have been using the service it has not actually been faster than about 150Kb in terms of download speeds and is usually round about 30Kb - 50Kb.

Their argument is that their offer was "up to 1Mb" and that my service was slow because "a lot of people were on the system".

When I travel, I found that, consistently, in the middle of Sandton, my uncapped MTN 3G was never faster than about 80Kb while my capped Telkom Mobile 3G consistently gave me between 5Mb and 9Mb download speeds.

There is no doubt that the South African economy is going to depend more and more on connectivity. Affordable, fast

connectivity.

## Government just doesn't get

Government communications ministers keep promising 100Mb/s as though this was a cause for celebration. That's where Japan was 15 years ago and where users are now getting 1Gb download speeds. The world's fastest speed achieved in laboratory testing only a week or so ago is 245Tb.

In my opinion, our government has never understood the importance of the internet.

Our regulators bumble about like drunken sailors in the dark while our service providers and cellular networks continue to suck as much money as they can from our apathetic society where thousands if not millions of people are spending food and clothing money on topping up their pay-as-you go cell phones.

Now that Naspers, TMG and others have firmly placed their future in affordable digital products, I hope they will apply as much pressure as they can on those who are selfishly hindering the economy.

In the digital space, there is now no doubt whatsoever that the future is video - from movie downloads to news, education and commercial skills training.

The use of words is being replaced with the use of talking heads and visual demonstrations.

But this is only available right now to a tiny proportion of South African society.

We are a society that fully understands the word 'buffering' because all but a few experience it every day not only downloading videos but also the news in written form.

We need to start clearly identifying and exposing the digital chokers and, in the immortal words of Julius Malema, declare them bloody agents.

## ABOUT CHRIS MOERDYK

Apart from being a corporate marketing analyst, advisor and media commentator, Chris Moerdyk is a former chairman of Bizcommunity. He was head of strategic planning and public affairs for BMW South Africa and spent 16 years in the creative and client service departments of ad agencies, ending up as resident director of Lindsay Smithers-FCB in KwaZulu-Natal. Email Chris on [moerdykc@gmail.com](mailto:moerdykc@gmail.com) and follow him on Twitter at [@chrismoerdyk](https://twitter.com/chrismoerdyk).  
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