

# Uganda: Pay TV service providers embrace mobile payments

 By [Walter Wafula](#)

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A section of pay television consumers in Uganda can now pay their monthly bills via the MTN Mobile Money transfer platform. Last week, StarTimes a brand of Chinese-owned Star DTV, became the second pay TV service provider to enable its customers to make use of the mobile phone payment channel to settle their bills.



The telecommunications-based system allows mobile phone subscribers to exchange their hard cash for electronic money at MTN agent offices and in turn, make use of the e-money to make payments for goods and services.

Until last month, MultiChoice Uganda, a subsidiary of the MultiChoice Africa in South Africa, was the only player in the industry with the Short Messaging Services (SMS) payment channel for its DSTV service. Other major players that are yet to adopt the system include; Smart TV a company of Next Generation Broadcasting, Pearl Digital Tv and MoTV.

## Growing number of mobile money partners

Speaking at the launch of the MTN and StarTimes partnership last week, Isaac Nsereko the MTN chief marketing officer said; "Star times TV has joined the growing list of partners using the MTN Mobile money platform to bring unprecedented convenience to over 65,000 customers across its current footprint."

"Today, we witness history as the convenience of MTN Mobile Money extends to the person-to-business payment arena," Nsereko added. StarTimes has a footprint in 12 major towns in Uganda including; Kampala city, Entebbe, Jinja and Masaka.

The mobile money service was introduced in Uganda two years ago with a focus on consumer-to-consumer transactions but is now appealing to many businesses. Up to US\$90 million per month, is sent and received via the platform, according to Nsereko. The transactions are facilitated by 1,500 agents across Uganda amongst one million registered users.

## System can be unreliable

Despite its benefits, the payment system can be unreliable when the telecommunication network is unstable or when an agent doesn't have enough e-money to offer to a customer.

StarTimes and MultiChoice are among the few firms that have embraced the payment system to date. The National Water and Sewerage Corporation and several schools have also complimented their payment channels with mobile money, through partnerships with MTN. The advancement is part of the wider corporate mobile culture that is taking root in Uganda.

The lucrativeness of the mobile money business that was started by MTN Uganda has seen two other telecommunication service providers including Airtel (formerly Zain), introduce similar services to compete favourably in the market. Other players who plan to introduce the service are Orange Uganda and Warid Telecom.

## ABOUT WALTER WAFULA

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