

# Focus on Africa pays dividends for CNN

CNN has cemented its position as the most watched international broadcaster in Africa, according to the latest EMS Africa survey released by market research organisation Ipsos Synovate. The survey was released at a time when broadcasters are making moves to strengthen their Africa focus, with the BBC launching its first dedicated weekday TV news programme focusing exclusively on Africa this month, and CNBC Africa launching its 10th bureau in Africa.



At the same time, SA's TV industry is shifting from analogue to digital broadcasting, paving way for new entrants and for existing free-to-air broadcasters to add more channels.

And while CNN is on track for its most profitable year, Jim Walton, the president of CNN Worldwide, announced last week that he would step down at the end of the year. CNN has been battling with ratings declines, and Mr Walton told his staff in an e-mail that CNN "needs new thinking".

Conducted between December of last year and February this year, the EMS study covered seven countries in Africa, including SA, and it represents 3,3 million working adults in the top 13% of populations by income.

CNN television reaches almost two thirds of the EMS Africa population with a monthly reach of 65% - while its closest rival, BBC World News, reaches 50%, according to the survey.

Tony Maddox, executive vicepresident and MD of CNN International, told Business Day that CNN had achieved double digit growth in advertising over the past year - something that Africa "played a big part in".

He said a driver of CNN's success was its efforts to better understand the culture in SA and the rest of the continent, with an emphasis on reducing the reliance on external agencies.

There had been a "definite increase" in both local and international interest in business in Africa, with CNN's Marketplace Africa having performed well, he said.

New opportunities on the continent had prompted CNN to devise an emerging market strategy. "SA is a key market as one of the leading countries on the continent and is absolutely at the heart of our plans for Africa," Mr Maddox said, adding that SA's "gateway to Africa" tag was still relevant and very much applicable to the media industry.

CNN had added to its staff in SA and the rest of the continent over the past year, with plans to grow further into Africa.

"Smart businesses always look where things are going well, and we are looking at what we can do next in Africa", he said.

To be successful in Africa, Mr Maddox said it was essential to hire locals who understood the culture, and establishing longterm relationships with broadcasters was also important.

"You can't just go make a fast buck in Africa. Africa plays a long game. You have to be prepared for that," he said.

But while many people were "tremendously encouraged" at the signs of growth and prosperity on the continent, there were also unsettling signs like attacks on press freedom, Mr Maddox said.

Chris Moerdyk, a media analyst and CEO of Bizcommunity, said to succeed in Africa, news networks had to have the right mix of African and international news, "and CNN does that". The network now did "brilliant" business coverage and had become a lot less Americanfocused, he said. Mr Moerdyk said that while competition in the industry in Africa was slowly improving, there were still too few players to say it was a competitive industry.

Roberta Naidoo, MD of the ABN Group, which includes CNBC Africa, said live coverage from CNBC Africa's 10th African bureau - in Maputo - would start on August 28, and the company planned to have a presence in 20 African countries in the next two years.

Meanwhile, the SABC plans to introduce up to 15 new channels over the next three years because of SA's digital migration. SABC spokesman Kaizer Kganyago said the public broadcaster was finalising the channels to be chosen, and this depended "on what it wants to achieve at the time".

However, when the signal for SABC channels is encrypted, the free-to-air signal will be cut off in Zimbabwe, Namibia, Botswana and Mozambique, providing opportunities for broadcasters, including Naspers's pay-TV service MultiChoice, to gain a foothold in the region.

MultiChoice added 192000 new subscribers across Africa in the year to March, and now airs to 5,6-million homes on the continent. More demand for international broadcasters in the region is likely to benefit MultiChoice, which airs many of these channels.

Patrick Conroy, group head of news at eNews, said there was growing interest from networks around the world for television news from SA and the continent, and eNews would "continue to explore those possibilities".

*Source: Business Day*

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