Adapting to a DISRUPTED MEDIA LANDSCAPE

30 October, 2020

Ipsos Audience Measurement

GAME CHANGERS

POV on
Media
Disruption

There is one thing stronger than all the armies in the world, and that is *an idea whose time has come*

Victor Hugo

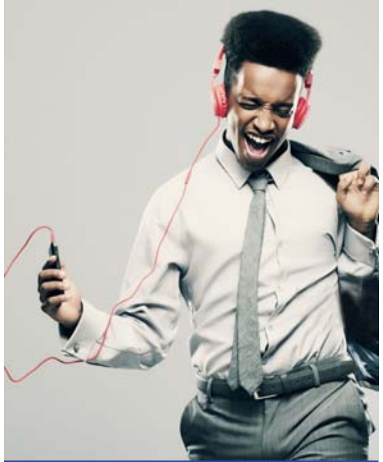
ADAPTING TO A DISRUPTED MEDIA LANDSCAPE

1

Audience scene today

2

Content and packaging



3

Audience - shifting touchpoints

AUDIENCE SCENE TODAY

1

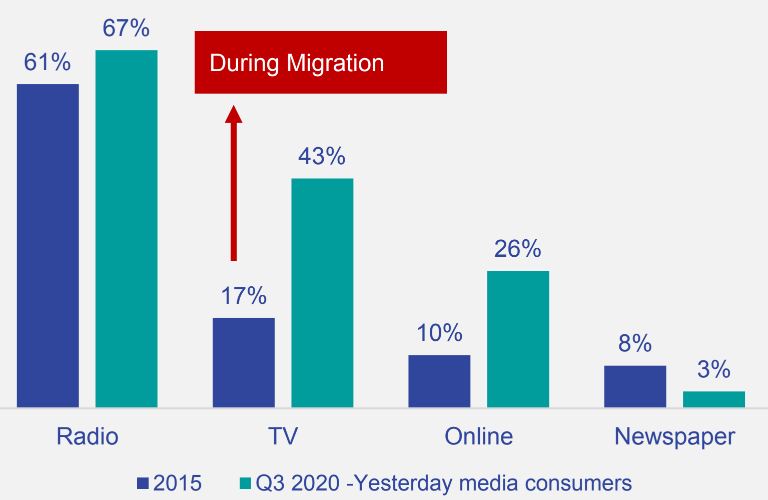
Fragmented media and discerning audiences

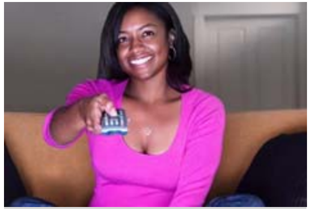
4

TV VIEWERSHIP WAS LOW IN 2015 AFTER DIGITAL MIGRATION DISRUPTED THE STATUS QUO. TV VIEWERSHIP AS A CATEGORY HAS GREATLY STABILIZED BUT ONLINE PLATFORM IS THE NEW THREAT

Print readership disrupted; available, real-time online content is a big threat

Daily Media incidence





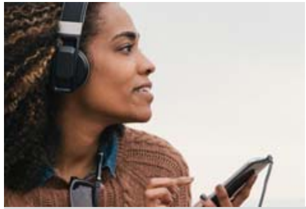
TV

TV consumption has bounced back after initial hitches occasioned by the migration 5 years ago

Local TV dominating the TV space, but we see some international Media expanding their audience base as people seek out for global News, Drama, Entertainment, Sports, Documentary and investigative series

PRINT

Social distancing due to Covid-19 could be having an impact on print readership as the usual public glances on Newspaper stands is reduced



ONLINE

Online media engagement is our greatest disruptor

FRAGMENTATION IS A NIGHTMARE FOR MEDIA PLANNERS AND SMALL STRUGGLING CHANNELS. THE AUDIENCE IS NOT GROWING AS FAST AS THE STATIONS AND COMPETITION FOR THE FEW IS BIG.

From 14 local FTA channels before migration to over 80 in 2020; Radio from 100 to 140+ stations

5yrs

Since Kenya shifted TV transmission from analogue to digital

Kenyans have now adapted to the digital normal.

86%

of the country is DTT (Digital Terrestrial Television) covered according to the regulator - CA

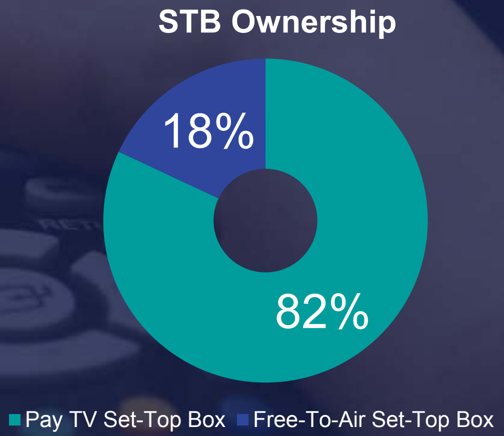
90%

DTT providers are leading the TV decoder market share by over 90%

18%

of the DTT Set-Top Boxes are FTA (approx.), meaning they do not pay monthly for their content - Ipsos

There is a small market for Direct-To-Home (DTH) e.g. DSTV due to Entry and premium packaging costs despite coming into this market first



Source: Ipsos Jul,2019

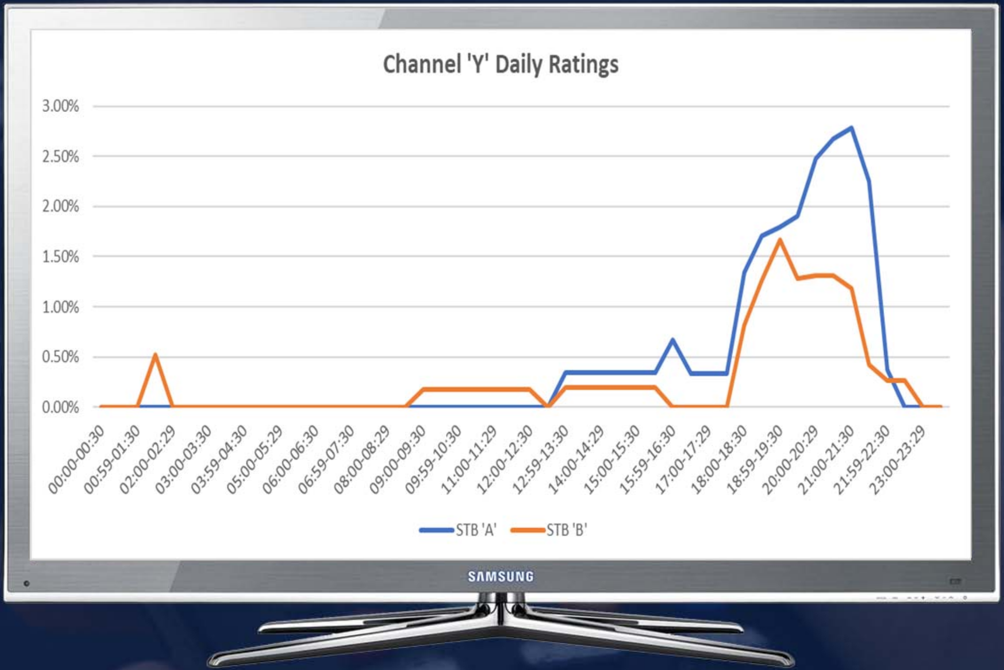
DOES STB PROVIDER MATTER? RECEPTION AND DISTRIBUTION PATTERNS ARE NOT UNIFORM

Same channel delivers different results

Channels register different results from different STB providers;

This is due to the different geographical and socio-economic zoning of their decoders

The scenario is worse for the smaller (niche) channels that do not appear in every pay platform as they lose their potential audiences due to this digital 'discrimination'



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DISRUPTION IN RADIO // MAIN ETHNIC LANGUAGES HAVE MULTIPLE VERNACULAR STATIONS BROADCASTING IN THEIR RESPECTIVE LANGUAGE, SLOWLY SPELLING DOOM TO NATIONALLY INCLINED STATIONS

Vernacular radio has taken over the radio airspace

Vernacular content, historically activated to address the information needs of the less educated (Swahili-illiterate) has changed form

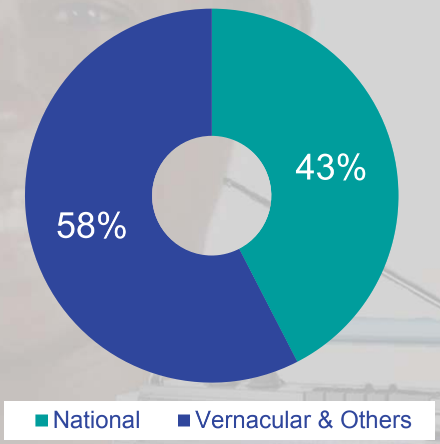
In the early days of independence, KBC used to give vernacular tongues a few hours of broadcast each as several ethnic languages used to share the same frequency

Today, the face of vernacular radio does not address any form of ignorance but seeks to grow profit by tapping into the cultural connectivity.

- This has been replicated successfully with Television

English radio has shrunk considerably

- Their discussion point content is being adapted by other Swahili/sheng stations e.g. relationships
- Online 'early adaptors' community has taken the profile of the English radio consumer, hence slowly reducing their time scope on radio



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CONTENT & PACKAGING

2

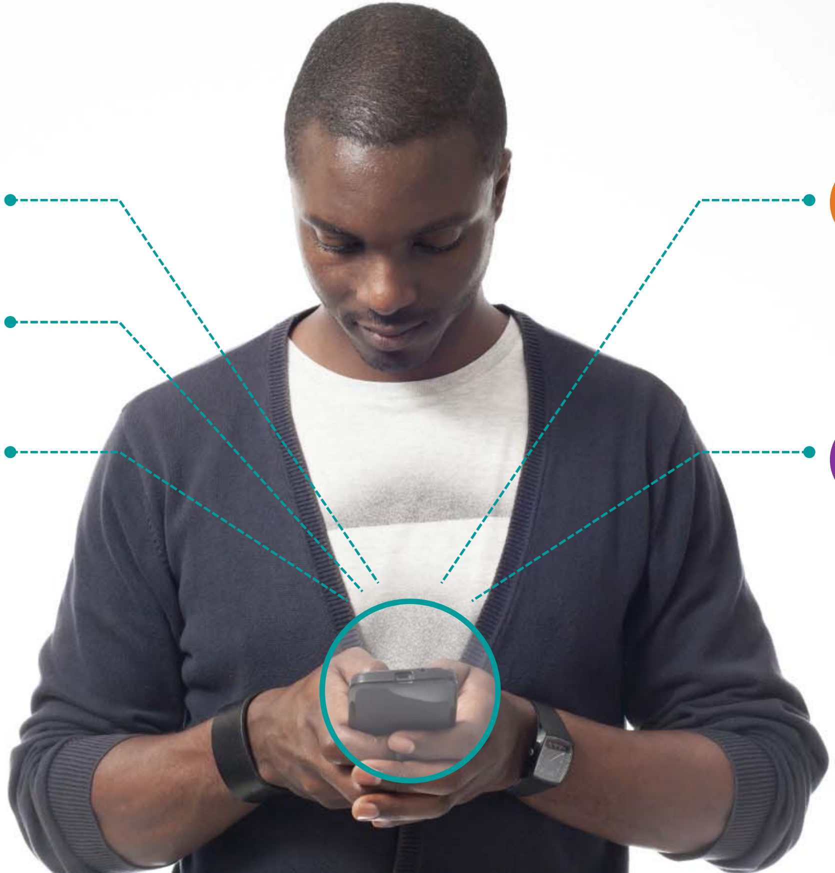
Robust and innovative

TECHNOLOGY HAS CAUSED ITS FAIR SHARE OF DISRUPTION // INTERNET OF THINGS

1 Multiple outlets and platforms

2 Cheaper data on mobile devices due to competitive tendencies – promotions, new tariffs

3 Most popular social sites such as Facebook, Whatsapp, Youtube and Google have become household names



4 Home fiber is further changing how middle class Kenyans engage and consume media
High competition being witnessed on this front between the main players

5 Pay VOD – Netflix, Showmax, Viusasa are being heavily promoted

THE MOBILE PHONE

Popularity of the Second Screen

Now smart phones are more affordable and available as a ready touchpoint on the go

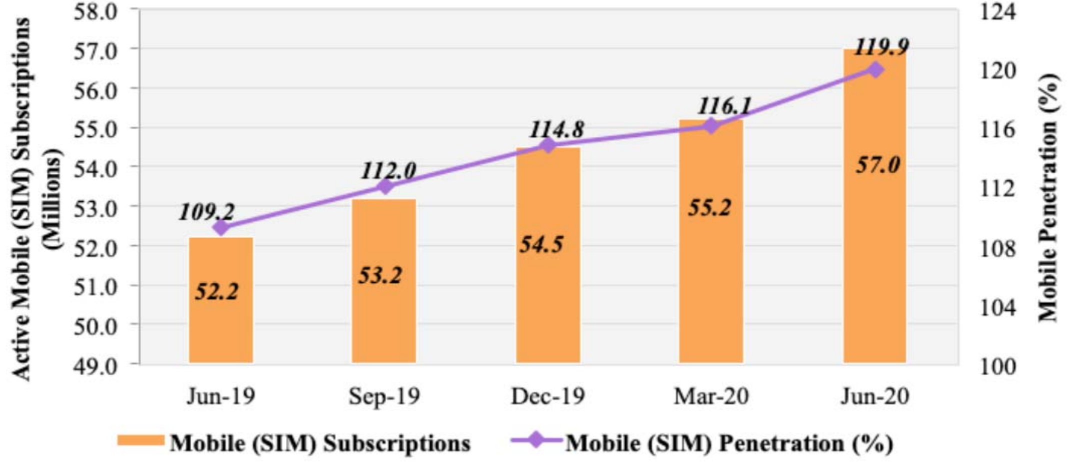
they offer an unrivalled access to cross-media opportunity – Radio, TV, Social media, print etc

Smart TVs are a growing phenomena as well

The mobile screen is the greatest piece of technology causing the greatest disruption in this market (and beyond) so far

COVID-19 PANDEMIC HAS PUSHED INSTITUTIONS INCLUDING THE GOVERNMENT TO ADAPT TO E-SERVICES, MOBILE MONEY AND WORK FROM HOME APPROACHES AS A WAY OF REDUCING THE SPREAD OF THIS VIRUS. ALL THESE, ACCORDING TO CA INDICATORS HAS LED TO MORE UPTAKE OF THE RELEVANT MOBILES PHONES (SIMS) TO MEET COMPLIANCE. THE NEW ORDER OF DOING THINGS MAY NEVER BE REVERSED COMPLETELY

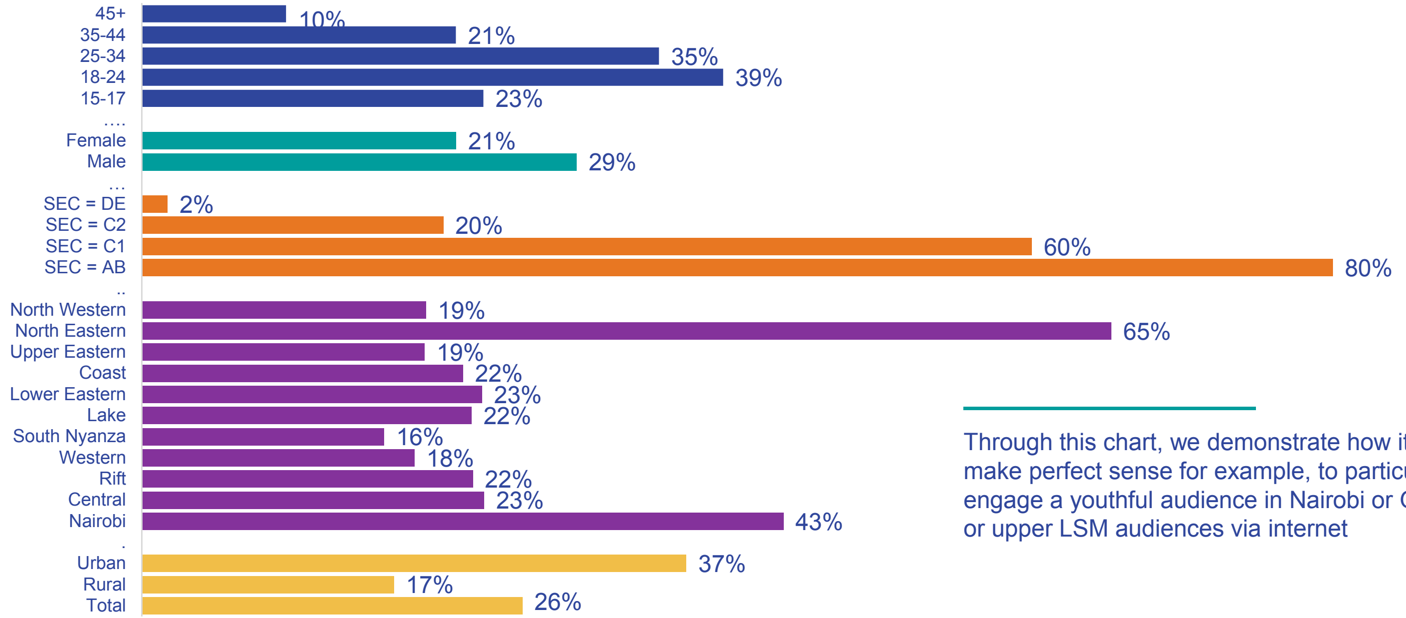
Mobile device penetration



Source: CA, Operators' Returns.

ACCORDING TO OUR LATEST AUDIENCE SURVEY, 26% OF AGE 15+ KENYANS (OR 99% OF DAILY ONLINE USERS) ACCESS INTERNET THROUGH THEIR MOBILE PHONES. THIS VARIES BY REGION, SOCIAL CLASS AND AGE. TARGETING THE ONLINE COMMUNITY REQUIRES ONE TO UNDERSTAND THIS DIVERSITY

Internet access via mobile phone

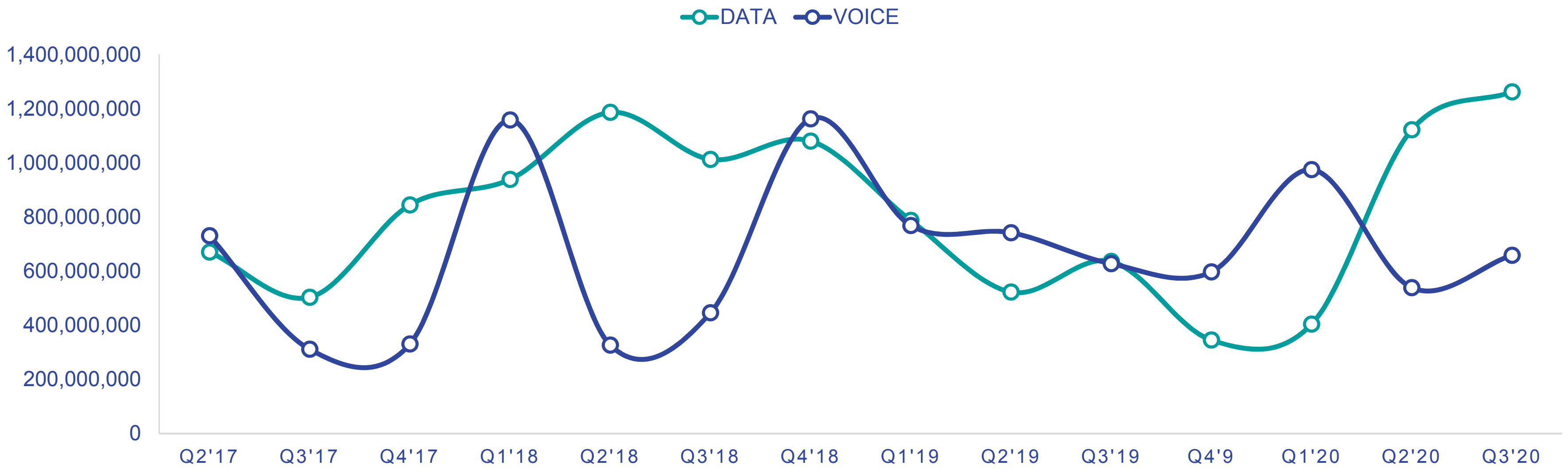


Through this chart, we demonstrate how it would make perfect sense for example, to particularly engage a youthful audience in Nairobi or Garissa, or upper LSM audiences via internet

Ipsos Audience Data; Aug 2020

AN ATTEMPT BY THE TELCO INDUSTRY TO PUSH VOICE UP EARLY IN THE YEAR WAS SHELVED AS COVID-19 PANDEMIC HIT THE NATION AND DATA CAMPAIGNS TOOK OVER FROM Q2 2020. DISCOUNTED DATA IS RAMPANT AND PARTLY EXPLAIN WHY TIME ON THE INTERNET IS ON THE RISE. NOWADAYS WE MEET ONLINE!

Data Vs Voice Exposure (KES)

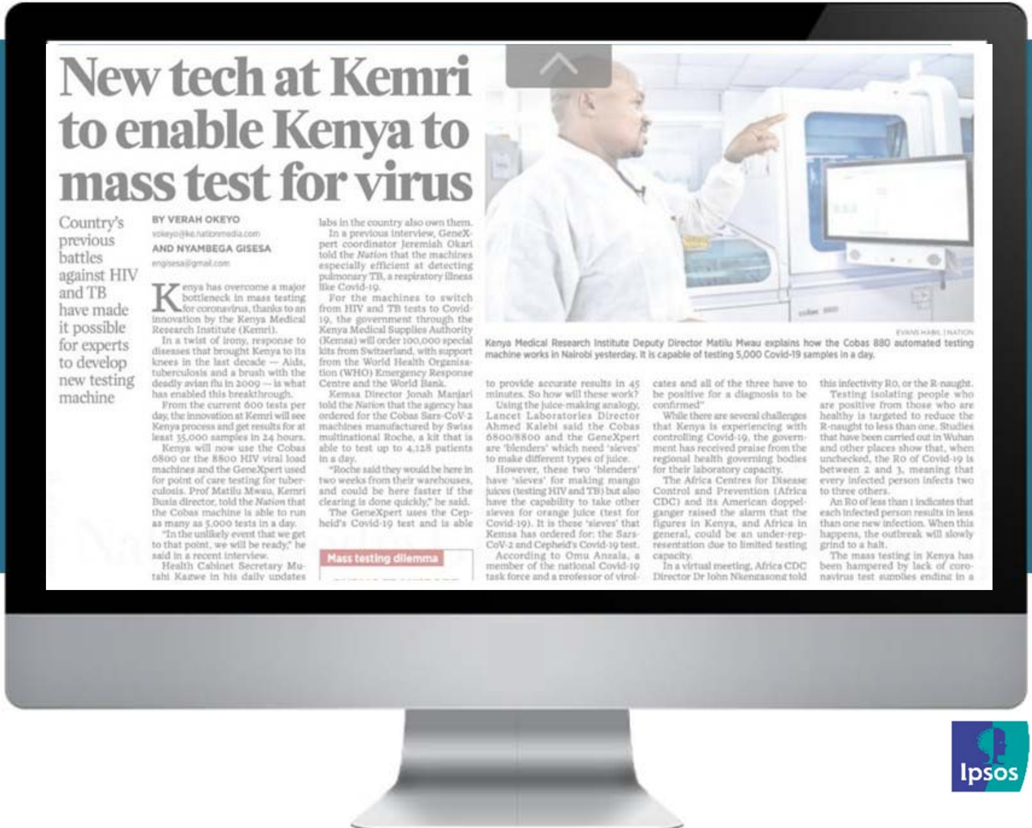


Ipsos AUM Monitoring data - 2020

THE DISRUPTED PRINT SCENE IS CALLING FOR RADICAL SHIFTS

Print re-inventing its offering

- Digital and online print publications is a growing phenomena as readership numbers decrease
- The traditional columnist could well be today’s celebrity blogger or entertainer
- Recent collaboration between publishers and a leading telco seek to promote uptake of digital print
- Communication gaps exist because these print digital offerings are only promoted by the sister outlets from the same media houses, thus leaving out those who do not patronize such outlets



WILL CONTENT DISRUPTION LEAD YOU TO 'THINK OR SINK!'?

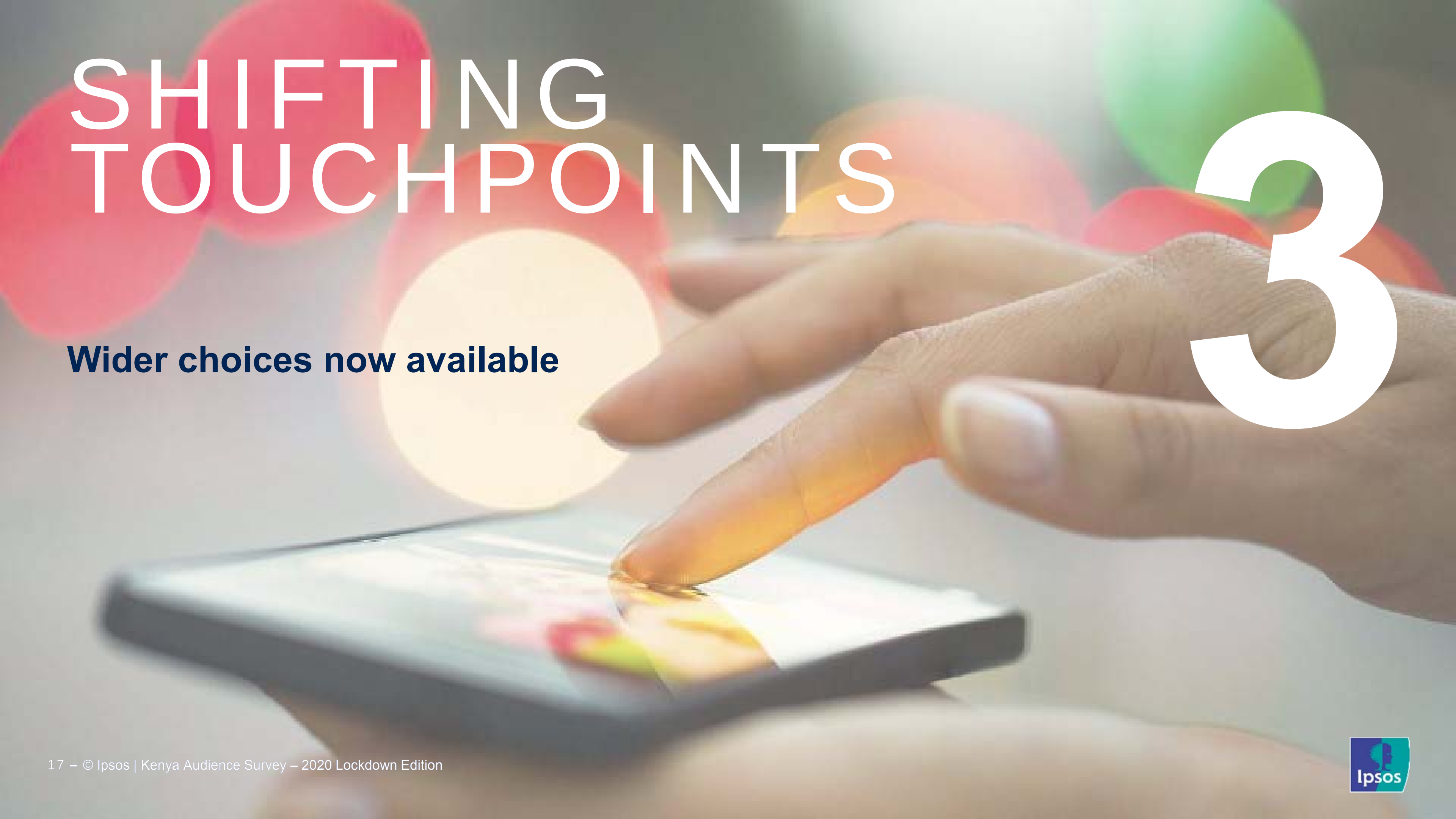
Content packaging

- The way some of the content was being delivered has been altered a great deal during the Covid-19 season
- In our audience survey conducted in April this year, we found out that Comedy (Funny clips), Video and News are the most preferred Video content in this market
- Those who have repackaged their content e.g. comedy, to fit with their online audience requirements are growing their base.
- Personalities are becoming household names using this approach and are today admired celebrities
- Leveraging on the new content and creativity through collaborations may be the best options for the legacy media industry to survive and thrive

SHIFTING TOUCHPOINTS

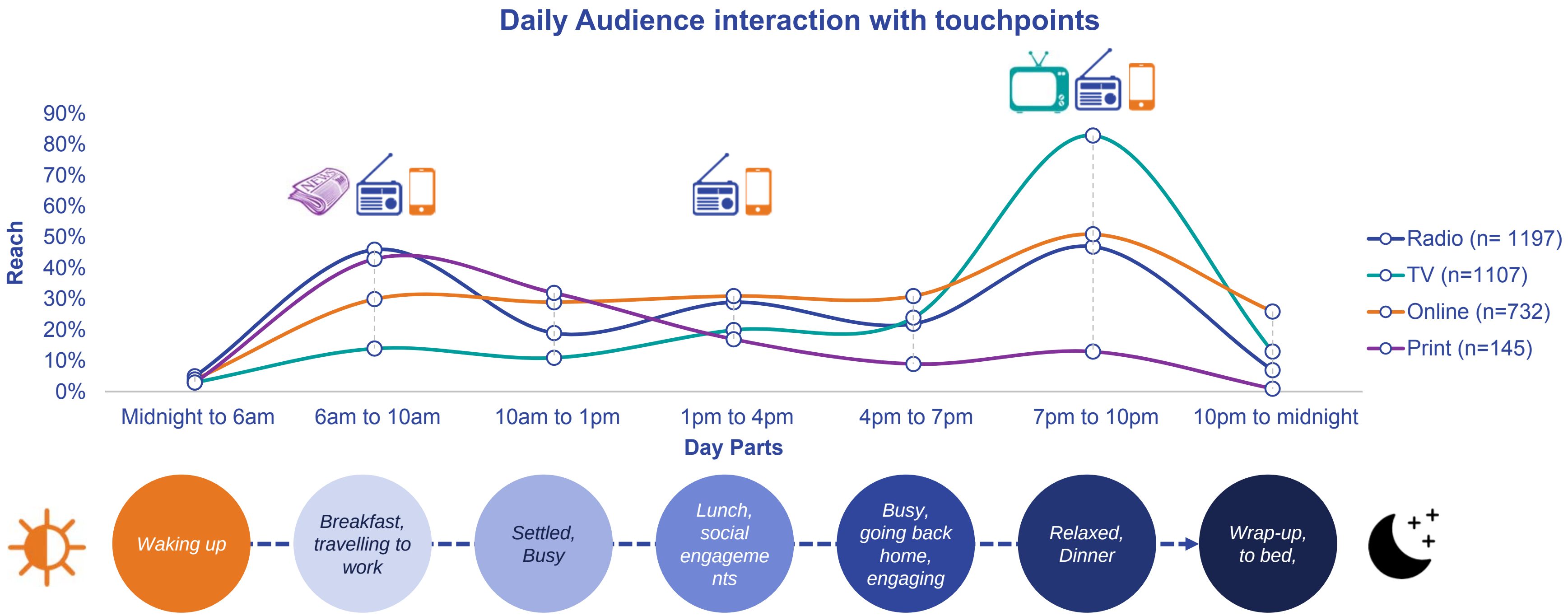
3

Wider choices now available



CONSUMER IS NOW KING; MY MEDIA, WHEN I NEED IT, HOW I WANT IT

Cross media opportunities accompany the media consumer throughout the day. We walk you through this consumer using our audience surveys, as follows;-



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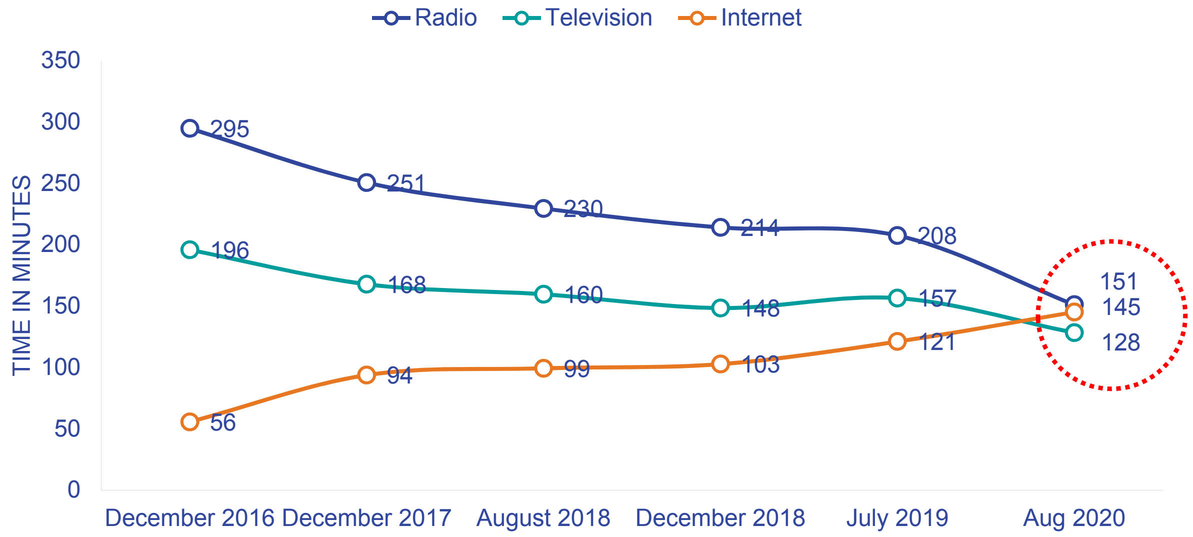
MEDIA TIME MANAGEMENT IS MORE CRITICAL NOW FOLLOWING THE CONSUMERS DAILY HABITS AND TIME SPENT ON THE DIFFERENT TOUCHPOINTS

More time on online platforms affecting legacy media time



Media touchpoints are at a point of convergence and possibility of swapping places is real where time spent on legacy platforms will continue to shrink as online platforms rise

With regular monitoring of these patterns, stakeholders can allocate the right resources to specific areas and build impact through creative communication approaches

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IN CONCLUSION...

NOW THAT DISRUPTION IS UPON US, WHAT NEXT?

01.
CONTENT

What next?

Media Owners

- Collaborate more with private content developers and use their appeal to increase footprint
- Collaborate with others to shield the category from external pressures and threats

Advertisers

- Good to note that vernacular audiences and content today are well informed and language is simply a vehicle
- Nothing goes to waste. Content that could not see light of day in legacy media now creating celebrities and influencers

Agencies

- Open yourselves more to cross media opportunities
- Invest more on research and expanded media platform formations

02.

PACKAGING

What next?

Media Owners

- Embrace and invest in new technologies
- Package and record content with cross media adaptability
- Adapt early to emerging technologies in order to avoid vacuums; before someone else step in

Advertisers

- Take note of expanding online channels in the form of private bloggers and influencers
- Seek to understand the consumer beyond the general demographics

Agencies

- Seek to deeply understand the consumer journey, touchpoints
- Working closer with creative teams in unpacking the lifestyles of the new discerning consumer

03.

AUDIENCE

What next?

Audiences are shifting in terms of platforms

At Ipsos, we have and continue working on solutions to capture both offline and online audiences

Audiences are also shifting in terms of content-Genres

Through integration of audience and monitoring data, we advise media and brand managers on the programs ranking to help them in placements

Eventually, the future will definitely be more digital

Ipsos can now, by the help of a profiler tool advise on the whereabouts of the online audiences and their affiliations

BE
SURE.
GO
FURTHER.

GAME CHANGERS

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