

## **Africa Entertainment And Telecommunication - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts 2019 - 2029**

Market Report | 2024-02-17 | 100 pages | Mordor Intelligence

### **AVAILABLE LICENSES:**

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

### **Report description:**

The Africa Entertainment And Telecommunication Market size is estimated at USD 63.17 billion in 2024, and is expected to reach USD 82.34 billion by 2029, growing at a CAGR of 5.44% during the forecast period (2024-2029).

With most African markets projected to grow online video revenues, the region's digital consumption growth is among the highest in the world. A large youth population, fast-improving mobile connectivity, and a flood of new streaming platforms into the market will drive this growth. As a result, the digital share of the video revenue will increase, resulting in the growth of the entertainment market in Africa.

#### Key Highlights

- Africa has a young and rapidly growing population, which presents a unique market driver for the entertainment and telecommunication industry. With the increasing youth population, there is a growing demand for entertainment content and communication services. Additionally, rising disposable income levels among the middle-class population in Africa contribute to increased spending on entertainment and telecommunication services.
- According to the United Nations, Africa has the youngest population in the world, with over 60% of its population below the age of 25. This young demographic presents a significant market driver as the youth are avid consumers of entertainment content and early adopters of new telecommunication technologies. The demand for mobile data, streaming services, gaming, and social media platforms is on the rise, creating opportunities for the industry to cater to this growing consumer base.
- The African Development Bank reports that Africa's middle-class population is expanding, with a significant increase in disposable income levels. This rise in disposable income translates into increased spending on entertainment and telecommunication services. Consumers are willing to invest in high-quality content, mobile data plans, broadband connections, and value-added services, driving the growth of the entertainment and telecommunication market in Africa.

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

-The rapid expansion of mobile technology and digital transformation is another unique market driver in Africa. Mobile penetration rates are increasing, and the continent is witnessing a mobile-first approach, where smartphones and mobile devices are the primary means of accessing entertainment and communication services. The digital transformation of various industries, including media and telecommunications, is driving the demand for innovative content and connectivity solutions.

-By the end of June 2021, there were seven commercial 5G networks in five markets across the region in this region, 5G coverage remains limited to major cities, Such factors might harm entertainment companies operating in the region. MTN reported that in 2021, it had over 1,000 5G sites across several spectrum bands with plans to significantly scale up with a 3.5GHz spectrum.

-Furthermore, in recent years, a shift in trend has been observed in the African region, wherein through the sale and leaseback agreements of mobile towers with tower companies, telcos are moving toward the asset-light or Mobile Virtual Network Operator (MVNO) model. In a nutshell, MVNOs are wireless communications services provider that does not own the wireless network infrastructure over which it provides services to their customers. Airtel and MTN are among the two major telco service providers leading the trend in the African region.

-For instance, in October 2021, MTN became the first African company to enter the Virtual Reality metaverse featuring digital land by purchasing land in Africarare. Through its presence in the metaverse, MTN intends to increase its customer attractiveness through a series of experiences merged with consumer passion points amplifying consumer's digital experiences and engagement., like gaming and music.

-In many parts of Africa, access to reliable and affordable internet connectivity remains a challenge. Infrastructure gaps, including limited broadband coverage and inadequate network infrastructure, hinder the expansion of Internet services. Additionally, high data costs and low-income levels in certain regions make internet access unaffordable for a significant portion of the population.

-According to the International Telecommunication Union (ITU), as of 2020, Africa's internet penetration rate stood at around 39.3%. While this indicates progress, it also highlights the digital divide within the continent, with significant variations in internet access between countries and urban-rural areas. Limited internet connectivity inhibits the adoption of entertainment and telecommunication services that heavily rely on internet access.

-In some regions, the lack of adequate telecommunications infrastructure, including reliable power supply and fiber-optic networks, poses challenges to expanding internet connectivity. Remote and underserved areas often face geographical barriers that make it difficult and costly to extend infrastructure and provide reliable internet services. These infrastructure challenges impede the availability and quality of internet connectivity required for entertainment and telecommunication services.

-COVID-19 restrictions, such as social distancing measures and the closure of cinemas and theaters, prompted a significant increase in the consumption of digital content and streaming services. People sought entertainment options at home, leading to a rise in the demand for movies, TV shows, music streaming, and other forms of digital entertainment.

-Various digital platforms experienced a surge in user engagement and adoption during the pandemic. For instance, local and international streaming platforms, such as Showmax, Netflix, and Disney+, reported increased viewership in Africa. These platforms catered to the growing demand for entertainment content, providing a wide range of movies, TV shows, documentaries, and original programming. There has also been an impact of the Russia-Ukraine war on the overall ecosystem.

## Africa Entertainment And Telecommunication Market Trends

### Data Access and Availability of Internet Access to Drive the Growth

- African telecommunications operators experienced positive, if muted, growth since 2018 as total subscriptions, device ownership, internet penetration, and data usage continue to increase. The increased emphasis on flexibility, freedom and convenience in when, where, and how they interact with their preferred content is driving the growth of the entertainment and telecommunication industry in the region. According to the GSMA State of Mobile Internet Connectivity 2022, report, Sub-Saharan Africa is the only region where the cost of 1GB of data as a percentage of monthly GDP per capita exceeds 2%.

- The increased availability of low-cost smartphones and improving coverage of 3G and 4G networks are driving the demand for

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

data connectivity and the take-up of digital services. Investment in fixed wireless and fiber technologies will also help to drive the adoption of fixed broadband in the region. The increasing rate of development in the telecom infrastructure will create more opportunities for the entertainment industry in terms of better reach and new customer acquisitions. For instance, According to Internet World Stats, Around four out of 10 people in Africa had internet access in December 2021.

- With the emergence of digital behavior, subscription models are playing a primary role in the monetization of the digital platform with evolving technologies, thereby creating opportunities for companies in the media and entertainment industry to achieve greater operational efficiencies. For instance in February 2022 Digital TV Research forecasts 13.72 million SVOD subscriptions by 2027, up from 4.89 million at end-2021. Whereas Netflix will account for 47% of the region's SVOD subscriptions by 2027. With no Amazon Prime countries in Africa, Amazon Prime Video is forecast to have 2.18 million paying subscribers by 2027.

- Local companies, foreign investors, and global players have all made a significant investment in the continent. Domestic infrastructure sharing, cross border, and in-country mergers, and governments responding to the opportunity to regulate and to auction spectrum and licenses are some of the major factors playing a role in the growth of the telecommunication and entertainment market in the region.

#### Data Consumed through Smartphone Segment is Expected to Have Major Market Share

- Africa is the only region in the world where the youth population is increasing. By 2050 Africa's young people, i.e., those aged between 0 and 24 years old, will increase by nearly 50 percent. Africa will have the most significant number of young people. Africa's youth are critical to the continent's future when it comes to the consumption of entertainment and telecommunication services as a whole. Smartphones are becoming the most convenient devices to access various types of entertainment as the number of people owning a smartphone is increasing at a rapid pace.

- The emergence of social media is disrupting the industry and players are switching from traditional towards digital platforms, these changes are increasing their ads spend on the digital media due to which the sector is significantly benefitting from digital tools and platforms. Such shifts are facilitating efficient production, distribution, and consumption of content through mobile phones revolutionizing market growth.

- However, additional taxes imposed on internet users across Africa for social media use, IP communication, or just general data use and the turf between OTT providers and mobile operators over taxes and regulations resulting in unfair competition may negatively impact the entertainment and telecommunication industry in the future.

- Significant SVOD players are introducing pack durations and sachet pricing as part of their strategies to boost subscription rates and ensure that consumers can access preferred shows at a low cost. This move can help OTT platforms gain significant acceptance in the price-sensitive South Africa region. In December 2021, TelkomONE, a player in South Africa's streaming market, announced the addition of premium linear channels and video-on-demand (VOD) content from the WarnerMedia library. All WarnerMedia channels, including Boing Africa, the continent's top dedicated Hollywood movie channel, TNT Africa, the home of superhero action for discriminating young people, and Toonami Africa, the fun-filled video playground for kids under 14, are now streamable.

#### Africa Entertainment And Telecommunication Industry Overview

The media & entertainment market landscape is highly competitive and consists of some of the prominent players leading across the industry. In terms of market share, some of the major players currently dominate the market. However, with the advancement in the emerging network technology (5G) across the OTT services, new players are increasing their market presence thereby expanding their business footprint across the region.

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- October 2022 - A multi-year, multi-product agreement between American Tower Corporation's (American Tower) African operations (ATC Africa) and Airtel Africa plc (Airtel Africa, or the Group) was announced. This agreement will support Airtel Africa's network rollout by utilizing ATC Africa's extensive portfolio of communications sites and new site and product development capabilities across its footprint in Kenya, Niger, Nigeria, and Uganda. The businesses hope to significantly improve connections across the continent, extend digital inclusion to marginalized communities, and achieve their shared goals for reducing greenhouse gas (GHG) emissions through their joint efforts.

- June 2022 - Mobile Telephone Networks Proprietary Limited ("MTN SA"), one of the top mobile telecommunications providers in South Africa, sold 5,701 towers to IHS Holding Limited ("IHS Towers"), one of the largest independent owners, operators, and developers of shared communications infrastructure in the world by tower count (the "Transaction"). In accordance with the contract, IHS Towers was also offering Power Management Services to MTN SA in over 13,000 locations throughout South Africa, including the purchase portfolio.

#### Additional Benefits:

- The market estimate (ME) sheet in Excel format
- 3 months of analyst support

#### **Table of Contents:**

##### 1 INTRODUCTION

- 1.1 Study Assumptions and Market Definition
- 1.2 Scope of the Study

##### 2 RESEARCH METHODOLOGY

##### 3 EXECUTIVE SUMMARY

##### 4 MARKET DYNAMICS

- 4.1 Market Overview
- 4.2 Industry Value Chain Analysis
- 4.3 Industry Attractiveness - Porter's Five Forces Analysis
  - 4.3.1 Bargaining Power of Suppliers
  - 4.3.2 Bargaining Power of Consumers
  - 4.3.3 Threat of New Entrants
  - 4.3.4 Threat of Substitutes
  - 4.3.5 Intensity of Competitive Rivalry
- 4.4 Market Drivers
  - 4.4.1 Rise in Disposable Income
  - 4.4.2 Improvement in Technology and Internet Network Access
- 4.5 Market Restraints
  - 4.5.1 Issues Such as Piracy, Laws and Regulations, and Concerns Relating to Fraud During Gaming Transactions
- 4.6 Assessment of Impact of Covid-19 on the Industry

##### 5 MARKET SEGMENTATION

- 5.1 By Platform
  - 5.1.1 PC
  - 5.1.2 Smartphone

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 5.1.3 Tablets
- 5.1.4 Gaming Console
- 5.1.5 Downloaded/Box PC
- 5.1.6 Browser PC
- 5.2 By Geography
- 5.2.1 Nigeria
- 5.2.2 Ethiopia
- 5.2.3 Egypt
- 5.2.4 Morocco
- 5.2.5 Kenya
- 5.2.6 Algeria
- 5.2.7 Zimbabwe

## 6 COMPETITIVE LANDSCAPE

- 6.1 Company Profiles
- 6.1.1 Gamesole
- 6.1.2 Kuluya
- 6.1.3 Chopup
- 6.1.4 Kucheza
- 6.1.5 Kagiso Interactive
- 6.1.6 Nyamakop
- 6.1.7 Celestial Games
- 6.1.8 Clockwork Acorn
- 6.1.9 Atos
- 6.1.10 Arista Networks
- 6.1.11 Broadcom Inc.
- 6.1.12 Cisco Systems
- 6.1.13 Dell Technologies
- 6.1.14 Hewlett Packard Enterprise
- 6.1.15 Huawei
- 6.1.16 IBM Corporation
- 6.1.17 NetApp
- 6.1.18 Arup Group
- 6.1.19 Callaghan Engineering
- 6.1.20 Etix Everywhere
- 6.1.21 Lupp Group
- 6.1.22 ABB
- 6.1.23 Eaton Corporation

## 7 INVESTMENT ANALYSIS

## 8 MARKET OPPORTUNITIES AND FUTURE TRENDS

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

**Africa Entertainment And Telecommunication - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts 2019 - 2029**

Market Report | 2024-02-17 | 100 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

**ORDER FORM:**

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

\*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

\*\* VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-03-01"/>
		Signature	

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

