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Digital content platforms

We are monetising data in both the Consumer and Enterprise markets by growing our digital music, video and gaming services platforms, developing innovative new opportunities in IoT, strengthening our cloud and security services, and driving our fibre strategy.

- ✓ Achieved
- ✗ Not achieved
- ↔ Unchanged



Consumer digital content

✓ We delivered a 9.4% growth this year in content-related revenue across the Group. We continued to see solid growth this year in most of our chosen verticals in consumer digital services – video (Video Play), music (MyMuze), gaming (PlayInc) and sports – supported by strong partnerships with global and local digital content providers.

In South Africa, Video Play once again performed particularly well, with 3.5 million Video Play purchases, while our MyMuze music service, which provides streaming and download access to more than 30 million songs, achieved 1.9 million app downloads. Our new mobile gaming platform, PlayInc, which now has 883 000 subscribers, offering unrestricted access to a wealth of mobile games, has exciting growth potential off the back of some significant global partnerships. Our consolidated multimedia advertising platform enables customers to advertise directly across web and mobile, with more than two billion impressions per month.

✓ We placed a strong emphasis this year on growing our customer base for consumer digital services in our International markets with various digital offerings. In Tanzania we drove digital penetration and revenue through Vlive and Video Play, and in Mozambique, we made good progress in launching consumer digital services in video (VuClip), local music (Mozik) and sports (VLiveSports), all of which saw solid growth. In the DRC, the Vodacom Ligue1 App and social media platform enables fans to enjoy an uninterrupted football experience, in or out of the stadium. We have been promoting the emergence

of the country's young music talent through the Vodacom Best of the Best brand activation programme. In Lesotho, Video Play offers subscription video (SV) and television (TV) on demand, which includes locally developed content.

↔ Our performance this year shows that we have a very strong base to grow from. While we anticipate increased competition in our markets from some of the large global content providers, we believe we have a strong differentiated proposition. Uncertainty in the year ahead will be caused by the impact of COVID-19 on discretionary spend on digital content.

Consumer and Enterprise IoT

✓ Our acquisition of IoT.nxt has provided us with world-class capabilities to expand both our consumer and enterprise IoT offerings. In consumer IoT, we have continued to develop and market product and service offerings in the automotive, home automation and security, personal accessories and wearables, and pet tracker. IoT connections increased 17.4% to 5.5 million.

✓ Enterprise IoT performed particularly well, delivering annual growth of 38.5%. This was driven by growth in our solutions offerings, machine-to-machine, and GDSP connections boosted by our extended industry-specific use-case capability, and innovative IoT solutions in education, healthcare and smallholding agriculture in partnership with Mezzanine.

✔ The Gartner and Microsoft accolades awarded to our IoT business and IoT.nxt subsidiary have strengthened our market-leading positioning. Other recent awards include the Gartner IoT Connectivity Platform award, the Gartner Emerging Industrial IoT Platform award and recognition as a Microsoft independent service provider.

Fibre in South Africa

✔ In a very price-competitive and over-traded market, we secured strong growth in our fibre-to-the home and business (FTTx) footprint. We have connected more than double the number of homes and businesses we connected last year, with our own built fibre passing 109 536 homes and businesses.

✔ We have implemented various measures to improve the customer experience and deliver fibre services more efficiently, targeting our sales focus, partnering with additional bitstream providers to increase the market opportunity, reducing the time to connect, and generally strengthening the quality of our customer engagements.

Vodacom Vision 2025

Driving growth in digital services

Consumer digital content

- Our digital ambition is to become a leading go-to brand for all things entertainment in video (Video Play), music (MyMuze), gaming (PlayInc and related gaming products), lifestyle (Vlive) and various sports offerings.
- Our strategy is focused on expanding our established platforms into new territories within Africa to develop an early mover footprint.
- We are forging partnerships with local and global service developers and brands to deliver a compelling ecosystem of third-party propositions.
- We are expanding our e-commerce capabilities so as to leverage the growing trend of online shopping and payments, to better serve our customers through digital channels and create value.

Scaling our IoT business

- We will be extending our IoT connectivity leadership in all vertical markets, providing end-to-end services across the full IoT value chain through partnerships and our own capability build.
- In addition to providing hardware (such as IoT sensors and gateways) and connectivity management, we will deepen our service offering in areas such as Big Data analytics, application enablement, enterprise mobility and cloud and hosting.
- We will continue to help drive adoption of technology in government, creating tangible social benefits.

