

MWeb's bold ADSL move to spur online ad boom

 By [Diane Charton](#)

19 Mar 2010

The news that MWeb is to offer [uncapped ADSL data access](#) from as little as R219 a month will help to spur massive growth in online marketing and advertising in South Africa in the months ahead.



MWeb has taken a bold step that will make it affordable for people to spend more time online and to do more with their Internet connections than they could in the past. That in turn will create a range of new opportunities for advertisers to interact with web users, using tools such as rich media (including streaming video and video downloads), as well as make it attractive for them to divert more spend to the online channel.

Change the rules of the game

Although a number of smaller Internet service providers have priced their ADSL services very aggressively, their audience is mostly tech-savvy power users. The fact that a major consumer brand with the reach and size of MWeb is offering services at such a low cost will completely change the rules of the game.

MWeb has managed to achieve a great deal of publicity for its new ADSL deals - including front-page coverage in major mainstream newspapers such as *The Star* - and seems committed to marketing them very heavily. That promises to drive awareness in the market about the benefits always-on, uncapped Internet can deliver to the person in the street.

The move by MWeb could catalyse a price war, which may result in prices across service providers tumbling over the next few months. The impact of deep and sustained pricing cuts for broadband services across all service providers will profoundly change the media landscape.

Keep up with trends

It means that South African consumers will consume more and more rich media such as podcasts and streaming video as prices fall. Marketers will need to keep up with these trends and begin integrating more rich media into their digital ad campaigns. In addition, lower bandwidth costs might prompt users to look to the Internet for more of their information and entertainment than they did in the past.

MWeb's pricing announcement comes hard on the heels of new research from World Wide Worx that showed that the number of South Africans using the Internet via broadband connections has leapt 50% in the past year. Combined, these pieces of news mean that we're entering a truly exciting time for online advertising and marketing in South Africa.

With competition heating up, wireless technologies on the rise and mass adoption of broadband, there could be no better time for marketers to start using the Internet more aggressively as part of their ad and marketing mix.

ABOUT DIANE CHARTON

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