



Rural Audience Research

Type of Investor

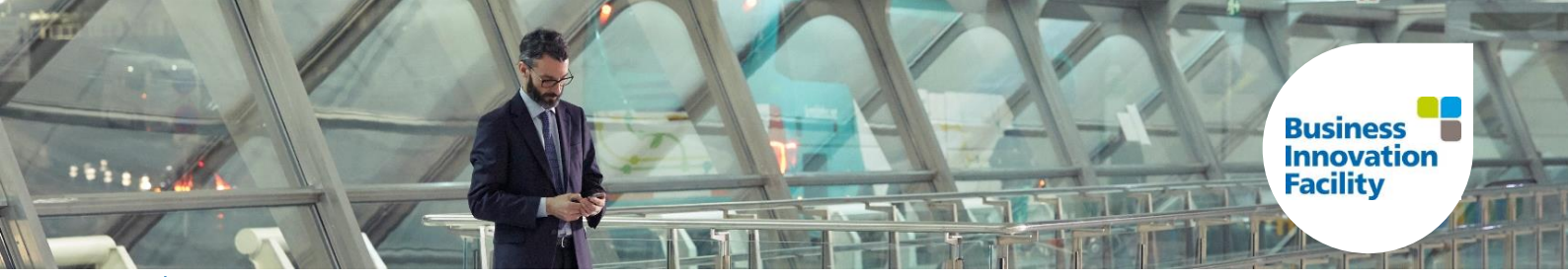
This investment is suitable for independent consultants, research companies, and media consulting companies

Market Opportunity

- Media houses (radio and television stations) rely on audience data to validate their claimed listenership base and coverage area(s) in order to demonstrate value to sponsors
- The current size of the market is estimated at ₦669,750,000 (Serviced Market: ₦77,250,000; Un-serviced Market: ₦592,500,000) (source: Signa Plus Ltd. In-house study)
- Most of the data informing this research is, however, targeted at urban populations. The major obstacles to rural audience measurement are high set-up and operating costs, and insecurity in rural areas.
- There is therefore a significant market opportunity to sell data targeted at rural populations to companies – especially with regards to the agricultural sector. This will enable companies to expand their consumer base and improve the quality of products/media content rural populations receive.

Business Model

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| Overview | This investment opportunity addresses the substantial supply gap in Nigeria for high quality data which tells companies what agricultural products/media content rural consumers are interested in. By setting up a research consultancy to provide TV/Radio Stations with monthly data that can inform what content they produce, and agro-allied companies information on the products consumers want, it is possible to make a substantial return. Furthermore, the business model can be continually scaled to encompass more regions and states depending on initial success levels and the investors’ risk appetite. |
| Setup and Operating Costs | <p>To survey a population of 500 people requires investment in the following cost items:</p> <p><i>Logistics:</i></p> <ul style="list-style-type: none"> • Tablets and enumeration software • Mobile credit and data for field workers <p><i>Field Work Operations:</i></p> <ul style="list-style-type: none"> • 5 Enumerators (13 days per month) • 1 Supervisor (13 days per month) • 1 Coordinator (5 days per month) <p><i>Data Processing:</i></p> <ul style="list-style-type: none"> • 2 Data Processors (3 days per month) |
| Revenue Streams | Monthly subscription fees |
| Potential Customers | Radio and Television Stations; Agro-Allied Companies (seed, fertiliser, pesticide and herbicide companies, feedmills); Media Buying Agencies; Food and Beverage Companies; Marketing Departments of Large Companies |



Key Risks

| Risk Description | Mitigation methods |
|--|--|
| Potential clients might not understand the value of the data, thus resulting in low subscription rates | Provide training to radio stations to enable them to realise the benefits of using the data Provide case studies of stations using the data effectively |
| Security threats in rural areas | Use enumerators and supervisors who are residents of the communities being surveyed, and therefore understand the security risks |
| Distrust of data, resulting in low subscription rates | Run quarterly workshops and events with industry stakeholders to present the methodology and tools deployed |

Regulatory Environment

Registration as a member of the Nigerian Market Research Association (NiMRA) is strongly recommended; Pan African Media Research Organization (PAMRO) is a significant organisation within the industry.

Key Contacts

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All numbers presented are estimates only. All investments are speculative and involve the risk of loss