

Mobile data represents opportunity for Africa's telecoms market

Mobile broadband is the biggest single revenue opportunity in Africa in the immediate and longer term, according to the results of a recent Industry Outlook survey commissioned by Informa Telecoms & Media.

This resonates with Informa's forecasts that suggest that annual mobile data revenues in Africa will reach US\$18.5 billion by 2016 accounting for 22% of the region's total mobile service revenues as compared with 12% in 2011.

Informa Telecoms & Media commissioned the survey for AfricaCom 2012 and will publish the results in its "Africa Telecoms Outlook 2013: Seizing new revenue opportunities" report at the event in taking place in Cape Town between 13-15 November 2012.

Empowering enterprises

Mobile data growth will power a number of revenue opportunities. The business case for 4G technology will emerge, according to 70% of the survey's respondents, as the growth of mobile data services continues to accelerate. Giving mobility to broadband services will empower enterprises and especially SMEs to benefit from more mobile working thereby generating greater business agility.

Yet there remains a large constraint on the ideal of connecting Africa. Even the cheapest mobile phone is still not affordable for many there. There is a powerful message from Informa's survey: seven out of 10 respondents agreed that operators must use their buying power and distribution networks to make more devices available and device manufacturers need to make more affordable devices.

A need for mobile network operators

A central message from the survey is the need for mobile network operators (MNOs) to take notice of the changing demands and characteristics of its customers.

Nick Jotischky, principal analyst for emerging market analysis at Informa Telecoms & Media comments, "There is more depth to a mobile operator's customer base in Africa than two or three years ago and, for this reason, MNOs need to gain a greater insight into their customers' behavior and offer them services that match their individual needs and preferences. Using this insight to design new business models that combine an MNO's traditional capabilities (mobility, location) with Internet-style services (search, mapping) will enable a more compelling and personalized set of services to a wider variety of customer segments".

Jotischky will chair a session at AfricaCom on 13 November discussing Africa's evolving telecoms market with a number of Informa analysts and copies of the report will be made available there.

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