

# MTN now has 203,8m subscribers

Mobile phone company MTN said on Thursday, 24 October that the number of subscribers grew by 1.1% quarter-on-quarter (q/q) to 203.8m in the third quarter of this year.



MTNs subscribers keep growing. Image: sheelamohan. [Free Digital Photos](#)

MTN operates in 22 countries. It said subscriber growth was affected by price competition and registration regulations.

In Nigeria the company reported strong local currency revenue growth of 10.4% year-on-year (y/y) in the third quarter. It said there was continued strong momentum in group data for nine months, which rose by 34.7% y/y.

In its mobile money division it now had 13,4m subscribers, while capital expenditure was on track in key markets, supporting overall growth.

In the South African market conditions remained challenging because of the regulatory environment and stiff competition.

Average revenue per user (ARPU) for all 21 operations (excluding South Sudan) is also included.

MTN South Africa showed some progress after a challenging first half, but the company expected conditions to remain challenging for the rest of the year.

## More subscribers

The operation added 233,000 subscribers, bringing the total number 25.2m at the end of the quarter. This was attributable to more competitive products and focused marketing campaigns. The prepaid segment grew its subscriber base marginally, gaining some traction through its revised MTN Zone offering and the launch of a competitive international calling campaign.

The postpaid segment delivered a satisfactory performance, driven by segmented marketing campaigns and attractive classic and hybrid packages.

MTN said revenue growth declined y/y, because of lower effective voice tariffs and slower subscriber growth. "Data remained the largest contributor to revenue growth, with an increase of 16.6% y/y. Data users increased to 13.9m as a result of attractive data packages being sold," it said.

The company says that MTN Nigeria delivered a satisfactory performance, maintaining market share, in a highly competitive market.

Subscribers grew marginally to 55.6m. This was affected by the mandatory SIM registration deadline in July, the disconnections in the Borneo state following the shutdown of services and lower gross connections in the GSM market. MTN said that these factors will continue to affect net additions for the balance of the year.

## Improving networks

"The key focus during the quarter was on improving network quality and introducing more value-added services to customers. There has been a significant improvement in network quality with 812 2G and 497 3G sites added in the quarter," it said.



Labos continues to attract subscribers. Image: Wiki Images

The quality and capacity of the network now met regulatory key performance indicators, allowing MTN to implement promotional products and services. Segmented product offerings remain a focus as price competition persists.

The company said that local currency revenue showed encouraging growth, ahead of its forecast that shows revenue growing by 10.4% for the quarter over the comparable period last year. "Local currency data revenue continued to grow strongly and 3G coverage and effective data pricing remained a priority. Local currency ARPU remained relatively stable," MTN said.

MTN Irancell's subscriber base declined by 1.7% q/q to 41.3m. The slowdown in gross connections was due to the weakening economy in a fully penetrated market and increased promotional activities by competitors.

The company said the withdrawal of the 2-in-1 offering also affected subscriber growth. New promotional offers have subsequently been implemented to address acquisition and retention. "Encouragingly, despite the decline in subscriber numbers, the positive revenue trend seen in the interim period continued in the third quarter," MTN said.



Subscriptions higher in Accra, Ghana. Image: Wiki Images

Local currency data revenue increased 54.8% y/y and now contributes 9.6% of total revenue. This was mainly driven by improved network quality and attractive data packages. Local currency ARPU increased by 4.3%, assisted by the increase in data revenue.

MTN Ghana performed well in a competitive environment, maintaining market share. Subscribers increased by 1.4% q/q to 12.8m. "During the quarter the operation focused on Internet and mobile money awareness and educating customers on the value and benefits of related products. Local currency data revenue increased 67.3%

y/y and contributed 8.3% of total revenue and supported the continued double-digit growth in reported revenues," MTN said.

Mobile money continued to gain traction, with 2m mobile money subscribers in Ghana at the end of September.

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