

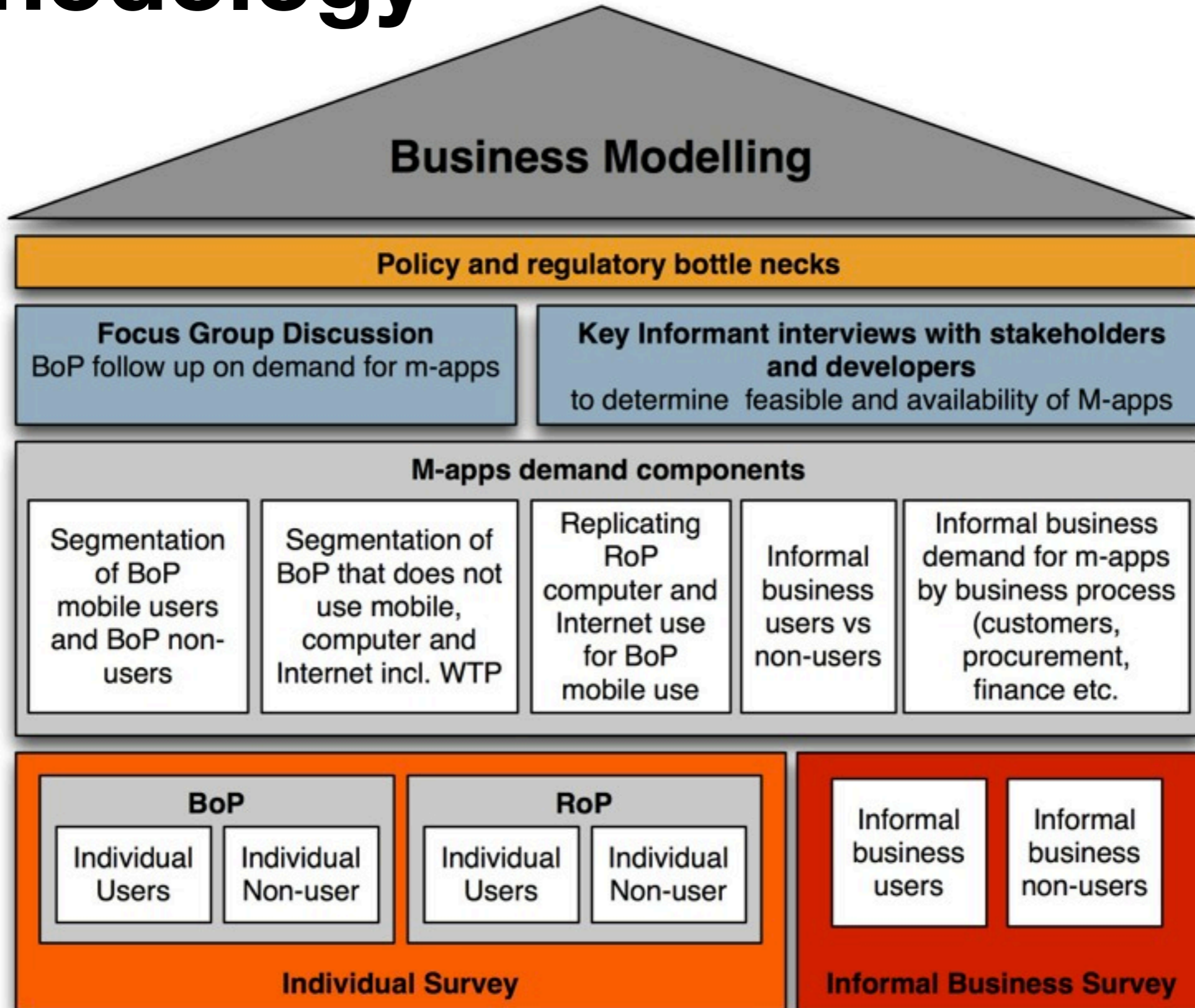
# What is happening at the Base of the Pyramid in South Africa?

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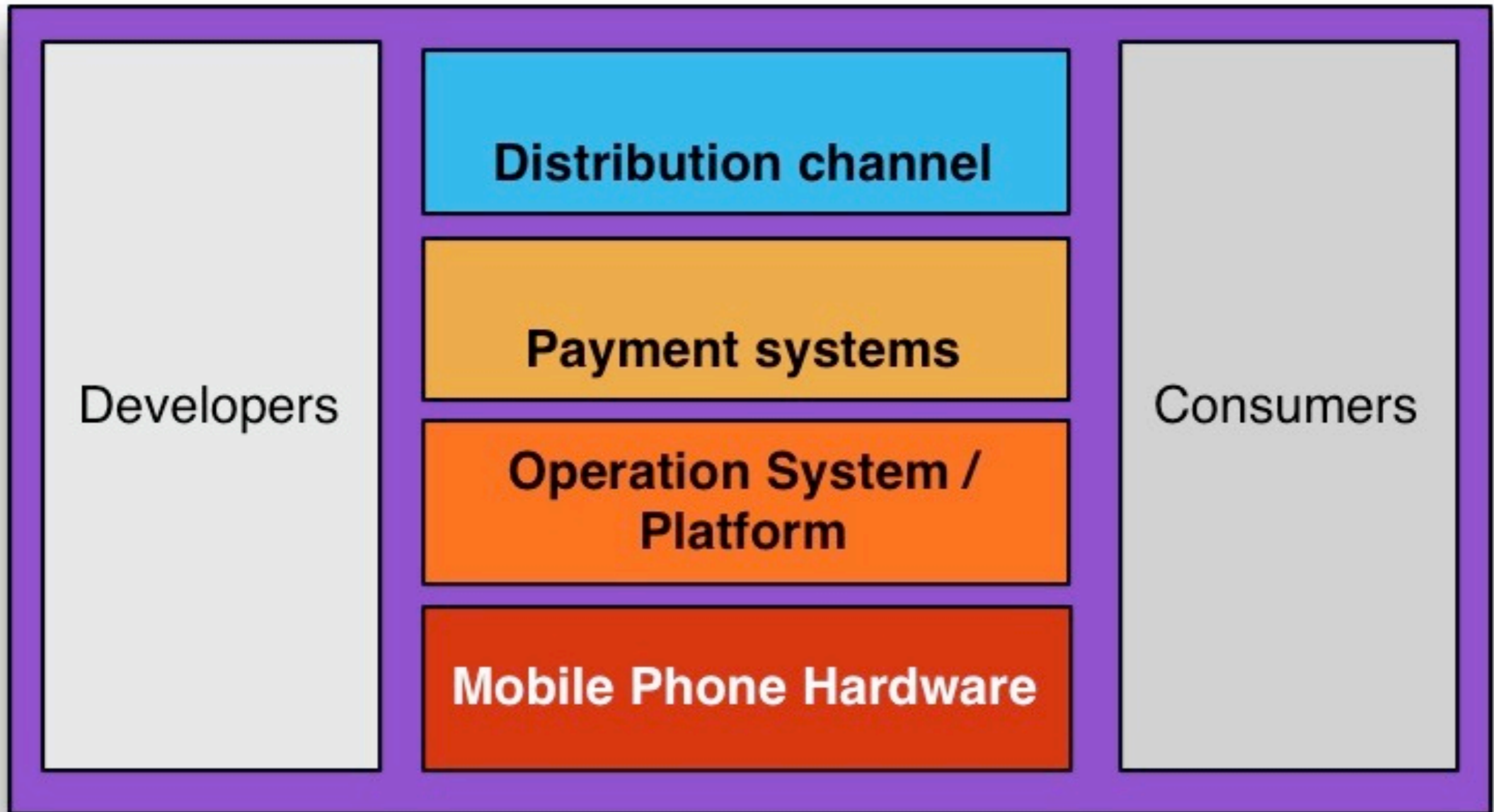
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# Methodology



# Mobile Apps Ecosystem



# Mobile Ownership and use

		BoP	RoP	Difference
Mobile phone ownership		74.8%	88.7%	13.9%
More than 1 Active Sim Card		15.6%	14.2%	-1.4%
Is your Mobile Phone main sim card...	Prepaid	98.5%	83.7%	-14.8%
	Postpaid	1.5%	16.3%	14.8%
Where do you charge your mobile phone mostly?	Home	82.6%	96.6%	14%
	Shop	15%	1.5%	-13.5%
	Work/School	0.2%	1.6%	1.4%
	Other	2.2%	0.3%	-1.9%
Is your mobile phone capable of browsing the Internet?		33.2%	57.7%	24.5%
Do you share your mobile phone with others?	No	79.1%	88.1%	9%
	Daily	8.1%	6.4%	-1.7%
	Once a week	2%	0.9%	-1.1%
	Several times a week	1.7%	1.1%	-0.6%
	Several times a month	0.5%	0.1%	-0.4%
	Occasionally	8.6%	3.3%	-5.3%

# What mobiles are being used for

	BoP	RoP	Difference
Making and receiving calls	99.4%	99.3%	-0.1%
Missed call/please call me etc.	96.8%	91.9%	-4.9%
Sending and receiving text messages (SMS)	96.6%	96.6%	0.0%
Personal Organiser/Diary/Notebook/Watch	66.8%	75.7%	8.9%
Playing Games	42.8%	44.6%	1.8%
Listen to music/radio	37.5%	44.2%	6.7%
Taking photo/video clips	36.3%	61.7%	25.4%
Browsing the internet	13.6%	32.2%	18.6%
Facebook/Twitter/Mxit/other social networking	12.8%	29.3%	16.5%
Download applications to mobile phone	11.1%	26.3%	15.2%
Transfer airtime	10.2%	25.7%	15.5%
SMS to Radio or TV programs	6.1%	10.4%	4.3%
Reading and writing emails	5.2%	21.4%	16.2%
International calls	4.3%	18.1%	13.8%
Sending or receiving money	3.6%	9.9%	6.3%
Roaming when abroad	0.8%	6.3%	5.5%
Skype/VOIP	0.5%	3.9%	3.4%

# Internet access and use

		BoP	RoP	Difference
Are you signed up for any online social network (Facebook, Mxit, Twitter etc.)?		52%	78%	26.0%
Share of those that are signed up for a social network, that are on Mxit		47.7%	26.2%	-21.5%
Share of those that are signed up for a social network, that are on Facebook		68.4%	88.9%	20.5%
Do you have an email address?		29.3%	75.9%	46.6%
How often on average have you used the internet in the last 3 months?	Every day or almost every day	44.6%	68.9%	24.3%
	At least once a week	28.3%	23%	-5.3%
	At least once a month	27.1%	5.8%	-21.3%
	Less than once a month	0%	2.2%	2.2%

# What limits your use of the Internet?

	BoP	RoP	Difference
there is no interesting content for me	30.5%	19.4%	-11.1%
lack of local language content	4.3%	9.3%	5.0%
the Internet is very slow	20.8%	25.3%	4.5%
to expensive to use	47.9%	36.1%	-11.8%
few people to communicate with via the Internet	21.8%	19.3%	-2.5%

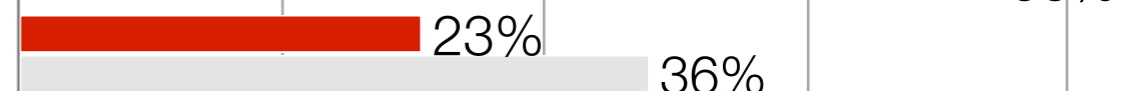
# Using Internet daily for the following activities

■ BOP ■ ROP

Social networking (Facebook Youtube Mxit)



Posting information or instant messaging



Getting information about goods or services



Sending or receiving email



Find or check a fact / Look up a definition of a word



Education or learning activities (formal)



Look for free education content such as free courses



Get information for school/ university or research a topic



Reading newspapers magazines ebooks



Getting information from government organizations



Downloading/watching movies/music/images



Playing or downloading games



Getting information related to health or health services



Collaborate online on documents (eg Google docs)



Downloading software



Distance learning for academic degree or job training





# Reasons for not using the Internet

	BoP	RoP	Difference
I don't know what the Internet is	65.2%	42.7%	-22.5%
No interest / not useful	34.1%	46.1%	12.0%
I don't know how to use it	85.8%	69.6%	-16.2%
No computer / internet connection	91.2%	83.8%	-7.4%
Too expensive	60.1%	59.1%	-1.0%
No time, too busy	20.1%	23.3%	3.2%
None of my friends use it	66%	50.7%	-15.3%
Is too slow, limited bandwidth	10%	9.8%	-0.2%

# List of mob-apps for the BoP in SA

Group	Number of apps available	Short description
Health	17	Assisting community care workers/HIV counseling, support, education/Medical literature over the phone/plug-in devise for remote testing/logistics, dispersing drugs
Employment/Job	2	performing simple tasks over the phone/professional networking/ job hunting for low income groups
Education/Learning	4	Interactive learning materials for students and teachers/local content sharing platforms/video reporting
Environment	2	Data capturing for low skills workers
Agriculture	1	Added value corporate services for small scale farmers
Finance/ transactions	3	Low cost transactional bank account/MobileMoney/Buying airtime credit
Social	2	Advertisement/Instant messaging/Chat rooms
Enhancing Communication for NGOs	1	Messaging platform for NGOs
Combination: Health/ Social	2	Stories and live chats/Facts on HIV and AIDS; daily news & celebrity stories
Social Issues Application: Violence/Drug Addiction	4	Promote social justice issues/SMS to report on act of violence/mobile counseling through instant messaging

# Which m-app Ecosystem?

Generic Ecosystem	Apple's Model	Google's Model	Mxit model	Facebook	Bottom of BOP
M-app Type	OS based	OS based	Platform based	Platform based	Platform based
Distribution channel	iTunes	Google Play	Mxit App Store	App Center	Social Media
Payment systems	Credit Card or gift card	Credit Card or Google Wallet	Bank transfers airtime or platform currency Moola	Credit card, local currency	Airtime
Operation System	iOS	Android	OS agnostic	OS agnostic	OS agnostic
Hardware	iPhone	Android Phones	Feature / smart phone	Feature / smart phone	Basic, feature, smartphone
Revenue stream	30% of App & hardware sales	x% of App & advertising	Share of SMS and data revenue	30% of App & advertising	Share of SMS and data revenue
Key Players	Vendor	Vendor	Key Players	Key Players	Social media platform
Customers	400 million registered iTunes customers	+/- 350 million	45 million users, 10 million active	1 billion users	Facebook / Mxit
Number of Applications	635,000 225 billion downloads	450,000	+/- 700	9 million apps and websites integrated with Facebook	Unrestricted
Developer	43,185 iOS developer	10,199 Android developer	415	+/- 100,000	Unrestricted



# Ecosystems through ICT Market Development Stages

Features	Level 1	Level 2	Level 3
<b>Key players</b>	Mobile operator as gatekeeper (Safaricom / MPESA e.g.)	Mobile operator and application platform (Mxit e.g.) develop a relationship or rival	Mobile operator agnostic / Vendor driven ecosystem (Google/Apple)
<b>Payment systems</b>	Closed m-Payment system (no public API)	Revenue sharing on data and or text messages (SMS), airtime as currency, possibly M-money integration (e.g. MPESA)	Full set of payment system in place including credit cards, Paypal and m-money
<b>Revenue streams</b>	Limited revenue streams: share of SMS or data revenues, membership fees, airtime	Expanded revenue streams: mobile money based transaction fees in addition to SMS and data revenue share, membership fees, airtime	Multiple revenue streams in place: advertising, once-off purchase of the app, in-app purchases, credit card and paypal integration in app store
<b>Hardware</b>	Basic phones	Feature phones	Smartphone (e.g. Android, iPhone, BlackBerry)
<b>Mobile applications</b>	SMS and USSD dominate / server based applications	OS or platform based m-apps	OS or platform based m-apps
<b>Network requirement</b>	2G	2.5G or better	2.5G or better

**The household and individual survey research is made possible with the support of the IDRC**

