Emerging technologies are opening up opportunities in Africa

By Nicolas Blixell   6 Feb 2020

The world as we know it is becoming more digital than ever, and this is just the beginning. Emerging technologies are opening up new opportunities that were unimaginable just a few years ago and changing the way we lead our lives, both at work and during our leisure time.

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Connectivity is not just limited to devices and cars, it is revolutionising industrial sectors from transport to utilities and health care and public safety, which is changing the way we do business.

The pace of change is staggering. In the sub-Saharan Africa region, mobile broadband subscription penetration of the population is approximately 30%, but – with a young and fast-growing population – it is forecast to reach over 50% by the end of 2025.

Demand for digital services and financial inclusion

The increasing demand for digital services and financial inclusion is driving the growth in mobile data traffic and most of the investments, traffic and subscriptions are in 2G, 3G or 4G networks. Modernising existing networks, improving network performance and increasing user experience continue to be at the core of every service provider's day-to-day business.

Strategies for growing data revenues include improving network quality, providing data coverage in rural areas and making data-enabled devices more accessible and affordable. For service providers, there are risks, challenges and opportunities. They now need to focus on real-time network capabilities, to provide service differentiation, and they need to do it across a broad range of subscriber segments and across industries.

Important measures when improving network quality are moving subscribers to the highest possible network layer, activation of key software features, removal of inconsistencies and alignment of parameters supporting selected network improvements.

Success stories in Africa

During 2019, MTN rolled out more capacity and additional sites on its 3G network to drive efficiency and better customer experience in Rwanda. Steps included adding software features and parameter settings to improve voice accessibility, call set-up time, and 3G data uplink coverage and capacity.

MTN Rwanda's network improvements led to positive developments across the board, with all key network indicators improving, including call set-up success rates and dropped-call rates. Recent root cause analysis of the network NPS data indicates the positive contribution of a good, reliable, strong and fast internet connection.

The network improvements and customer satisfaction increases are reflected in solid business performance for MTN Rwanda. This includes a market share increase of 11 percentage points to 54% at the end of the first half of 2019, compared with the first half of 2018, as subscribers grew by 23% – with revenue and EBITDA up 27% and 24% respectively over the same period.

Similarly, MTN'S network improvements in Ghana – which included expanding and densifying 3G and 4G, as well as optimising each access layer in turn, steered by KPIs covering availability, retainability, quality and traffic volume – also led to better KPIs, including call set-up success rates and dropped-call rates and translated into positive business results.

Comparing MTN Ghana's first half of 2019 with the first half of 2018, voice revenue was up 13%, and data revenue increased by 26%. Overall, in constant currency, revenues increased 19% and EBITDA increased 24% over the same time period.

Lifting users

All network improvements are carried out within the context of actively lifting users to the highest network technology possible, to optimise the cost per erlang (voice) and gigabyte (data) served.

Attracting subscribers and keeping them happy depends not just upon the promise of compelling user experiences, but on the operator being able to deliver them, too. Service providers are increasingly bundling 'over-the-top' content in their service offerings – including music, premium sport and TV optimised for mobile networks in an attempt to create an environment where everybody wins.

Everyone – content owners, network operators, equipment vendors, and device manufacturers – can work together to create attractive services and elevate user experiences. Service providers benefit from the added perceived value of bundled content, using it to augment their brands through association with carefully-selected players. On the other hand, content owners benefit from the service providers' reach as well as their established capabilities for marketing, charging, and revenue sharing.

Improved network performance paves the way for sophisticated policy control, traffic categorisation and quality-of-service delivery to flexibly respond to opportunities. These features can be used to allow location-specific service access, and for the tailoring of promotions.

Together, service and application providers can prioritise traffic, reducing download times for selected premium websites. Load times for web pages can be critical in determining a user's quality of experience, especially when browsing and buying online.

Every user, from a consumer or a connected car or a doctor, has different needs and different expectations. Each one is equally valuable, and their experience of network performance is all that matters.

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