Industry Analysis of the Nigerian Mobile Technology Development

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WHY WE ARE HERE TODAY?

To deliver a lecture on

Industry Analysis of the Nigerian Mobile Technology Development
Overview

• What are mobile applications?
• Development and growth of the mobile applications industry globally.
• Application of mobile apps
• Mobile application development in Nigeria.
• Future for mobile apps and developers
What are mobile applications?
What are mobile applications?

- Mobile apps are **software programs** which are developed for small low-power handheld devices such as personal digital assistants, enterprise digital assistants or mobile phones.
- Mobile apps are developed using an **SDK** and deployed on a **mobile OS**.
Evolution of Digital Technology

• Computers
• Communication
  – Internet
  – Digital telephony
  – VoIP
• Mobile
  – Cellular
  – GSM
  – PDAs
  – Mobile web
  – Mobile apps
History of Mobile Technology

• **80s:** 1G Cellular network; the NMT (Nordic Mobile Telephone) system launched in Denmark, Finland, Norway and Sweden

• **90s:** 2G digital network launched by Radiolinja in Finland on the GSM standard

• **00s:** 3G network launched in Japan by NTT on the WCDMA standard. Implementation of HSPDA or 3.5G network.
Growth of Mobile Technology

• The evolution of the mobile services market around the world is driven by advances in the areas of:
  – Carrier networks
  – Devices
  – Applications
Key Aspects of Growth

• Carrier Networks:
  – Declining price for connectivity services
  – Operators promoting bundled services
  – Shared access and coverage of rural areas

• Devices:
  – Intense competition among vendors reduces price
  – Improvement in key features
  – Wider availability of embedded modules (WiMax, 3G)

• Applications:
  – Development of User-Generated Content (UGC)
  – Virtual communities and cloud computing
  – Changing patterns in entertainment drive advertising investment towards mobile platforms
Growth of Mobile Applications

• Simple telephony and SMS
• Personal information management (PIM) apps – address book, calendar, memo pad, to do list – as found on PDAs running Palm OS
• Mail functionality, PC sync, multimedia, PTT, cameras, Bluetooth, IR, Wi-Fi, GPS, web browsing, IM, etc.
Big industry players

- Google – Chromebook, Android OS
- Nokia, Erricsson, Samsung,…
- Apple – iOS, iPhone, iPad, iPod
- Microsoft – Windows mobile, Windows phone 7
- RIM - Blackberry
- Symbian – Symbian Platform
- Opera - OperaMini
- Etc…
% Market share by OS (2007 – 2011)

- Android
- iOS
- Blackberry
- Symbian
- Microsoft

Market Share Breakdown

• As of January 2011, Google holds 33.3% of the smartphone market worldwide, demonstrating amazing growth for Android which held only 4.7% a year earlier. Nokia, Apple, RIM, and Microsoft hold 31%, 16.2%, 14.6%, and 3.1% respectively. This seems like greater potential for the android developer
Industry application of Mobile Apps

- Mobile applications are available in almost every sector today.
  - Advertisement
  - Entertainment
  - Social networking
  - Banking
  - Healthcare
  - Telecommunication
Mobile App Development in Nigeria

• Mobile application development started in Nigeria around 2002, with companies like MTech and Tavia pioneering the technology.

• Since inception, mobile technology has positively influenced every aspect of life enabling Nigerians to connect with different people, access information, create business opportunities, lower transaction costs and enhance social interaction.
Mobile Apps Developed for Nigeria

- Mobile money
- Guinness VIP app
- Nigerian constitution app for blackberry
- SMS, Ring back tone, Screen savers
Potential size of the Nigerian market

• Total population: 150+ million
• Active mobile phone subscriptions: 88.3 million in December last year (more than 50% of population)
• Projected that phone subscription would surpass 128 million by 2014
• Ratio of mobile services revenue to Nigeria’s GDP is estimated at 4%
Reliance on Mobile phones

Source: Pyramid Research survey of 1,500 mobile service users in Nigeria, 2009
Expectations of Nigerians in Rural Areas

- Money transfers over mobile phone
- Education-related applications from government
- Ability to pay for transportation fees with my mobile phone
- Agriculture-related information
- Local information (weather, news)

Source: Pyramid Research survey of 1,500 mobile service users in Nigeria, 2009
Positive Financial Impact of Using Mobile Phones

Source: Pyramid Research survey of 1,500 mobile service users in Nigeria, 2009
Brief look at the different players in the industry

- Nigerian Communication Commissions (NCC)
- Mobile Network Carriers (MTN, Glo mobile, Airtel, Etisalat, Starcomms, Visafone, Multilinks, Starcomm, Zoom, etc)
- Mtech
- Tavia
- Encipher
Cistematix.

• Cistematix Ltd is a growing ICT company.
• Area of Core Expertise is in Health Care and Education.
• We believe in ‘innovative technological solutions to systemic/operational problems’.
• Experience in building web portals, desk-top solutions and mobile platform solutions in different sectors.
What does this mean for all of us?

• Challenges:
  – Nigerians like free things and are unwilling to pay for apps
  – Need to educate consumers of technology
  – There isn’t a standard channel for collaboration and development of mobile apps locally
  – There is need for a more organized app market place and payment system
  – App developers have to think beyond apps to be successful
What does this mean for all of us?

• Opportunities
  – Big source of revenue
  – Increase technology development for our country
  – An avenue to attract investment and create employment
Summary

• What are mobile applications
• Evolution of mobile technology
• Growth of mobile technology
• Market analysis of mobile apps
• Mobile application development in Nigeria
• Potentials of Nigerian mobile market
• Brief on industry players
• Challenges
• Opportunities
Any Questions?
Thank You