



RC 909006

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# Industry Analysis of the Nigerian Mobile Technology Development

Presented by Cistematrix Ltd.

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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.

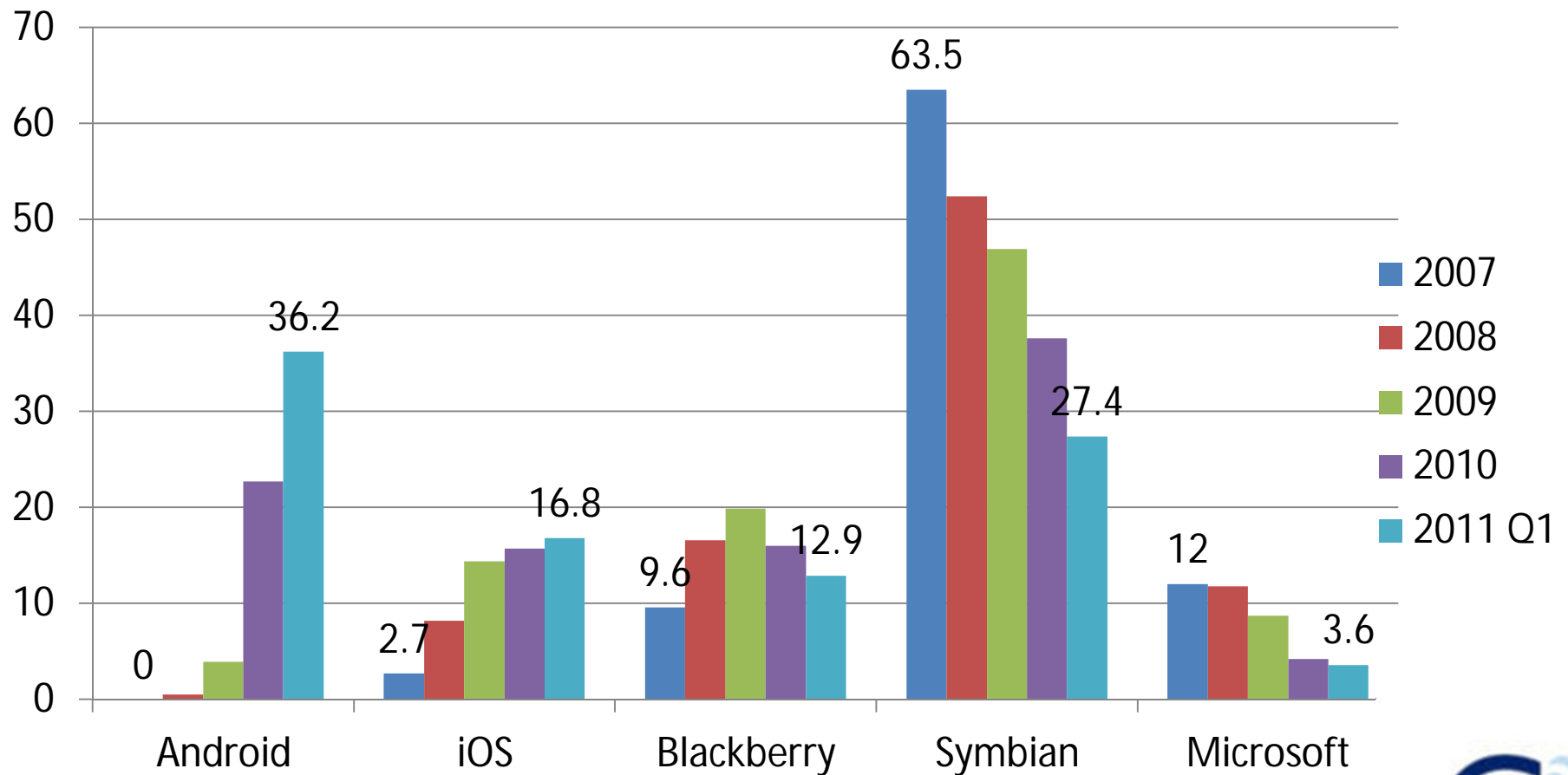


# Big industry players

- 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)



# 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



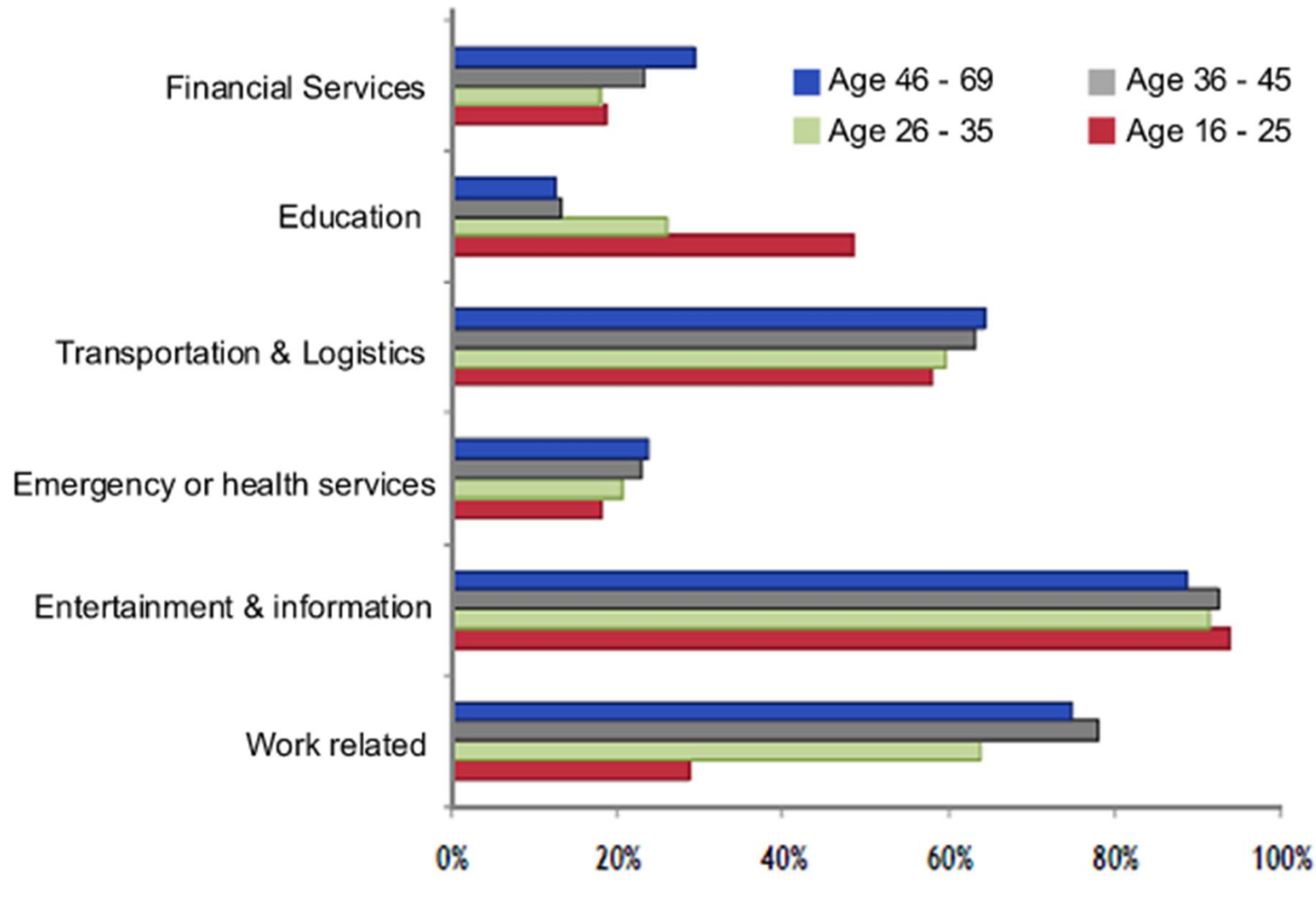


# Potential size of the Nigerian market

- 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 128million by 2014
- Ratio of mobile services revenue to Nigeria's GDP is estimated at 4%



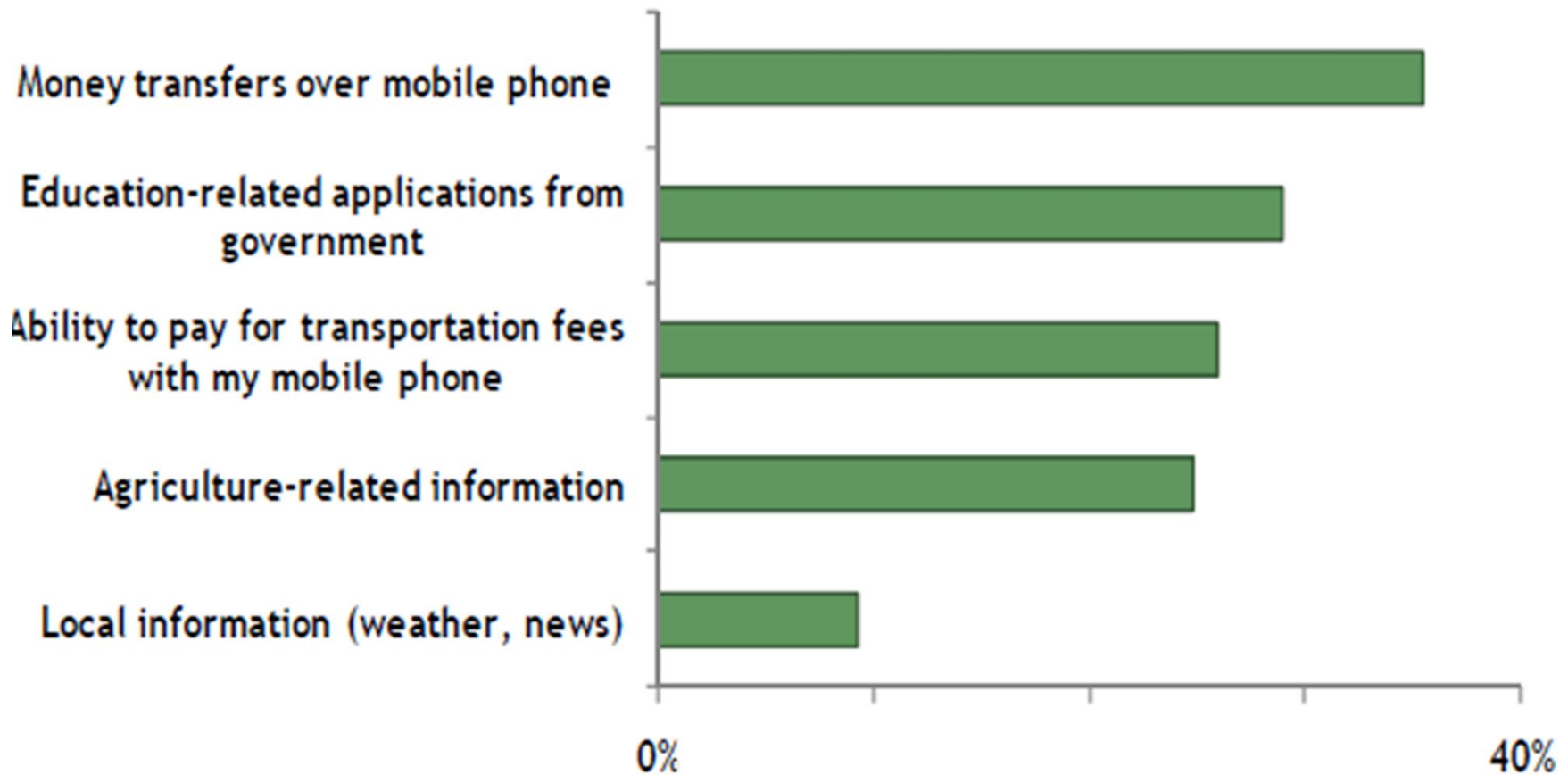
# Reliance on Mobile phones



Source: Pyramid Research survey of 1,500 mobile service users in Nigeria, 2009

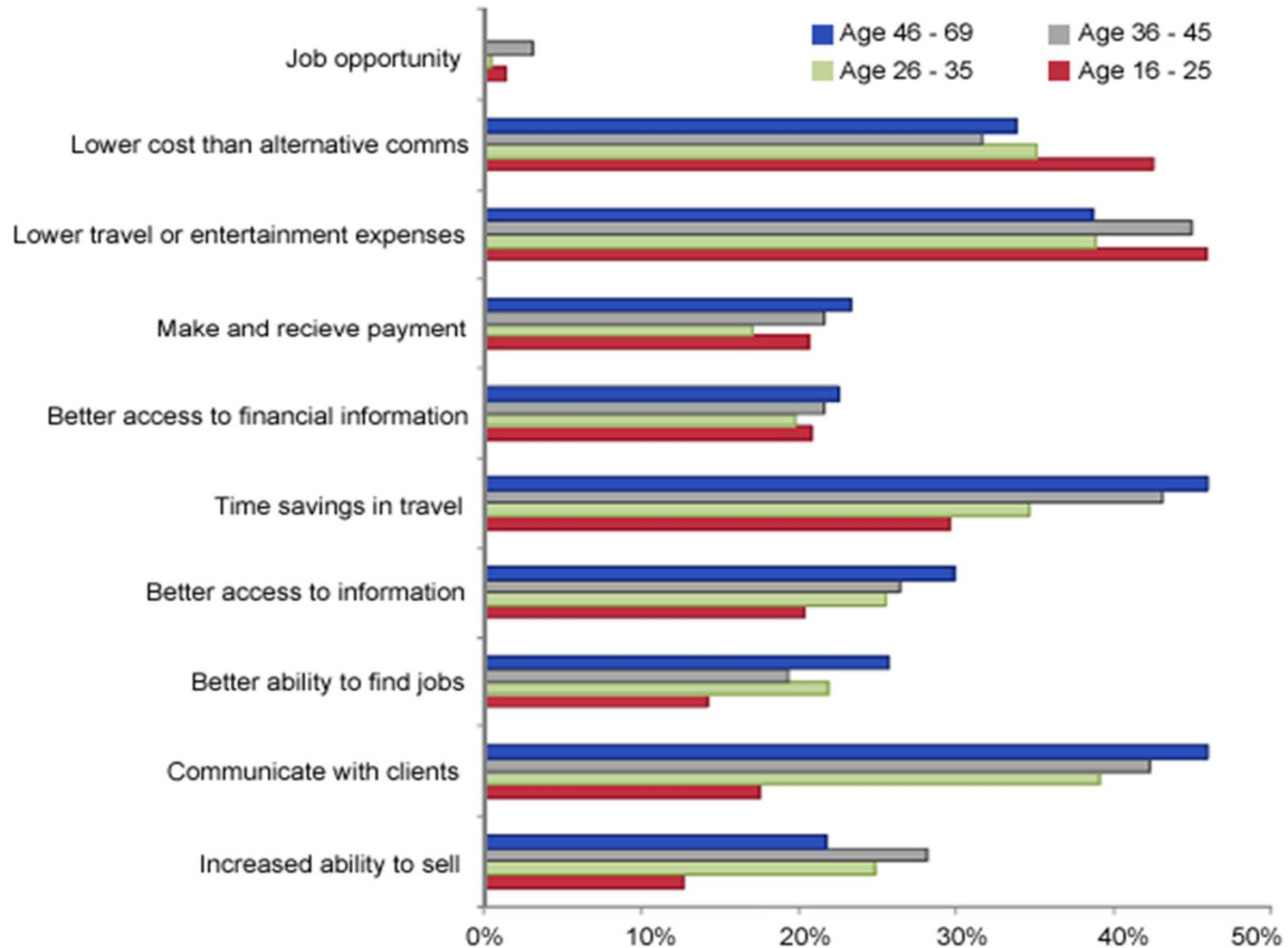


# Expectations of Nigerians in Rural Areas



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



# Cistematrix.

- Cistematrix 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**

