

Mobile Technology Driving Change and Opportunity in Developing Countries



Most of us take the convenience of using a mobile phone for granted, but for billions of people, mobile devices and services can transform their lives. Many people in emerging markets are using the mobile in more powerful ways than those in the developed world. Their first ever internet experience will be on their mobile phone and services like mobile email are seeing some of their highest adoption rates in developing countries.

By 2015, 83 percent of the global population will be living in emerging markets. As developing world incomes rise, household spending on mobile phones, and the opportunities they are bringing people, grows faster than spending on energy, water or indeed anything else. So where will the next billion mobile phone subscribers come from? Analysts at Juniper research believe that 80 percent or more of all new mobile phone subscribers per annum will come from emerging markets.

World Resources Institute

However, it is wrong to think that the developing world is one entity. Each country is governed by its own ethics and environment and it is crucial to recognise that one approach to offering services and technology will not suit all.

Affordable devices – many markets not just one

Offering consumers relevant and localised services is critical, but they must also be affordable. The Total Cost of Ownership (TCO) of mobile devices and services remains far too high in many markets and is the most potent barrier to service uptake. Therefore, the key lies in not merely reducing the cost of the handsets, but in all of the other costs associated with mobile.

It is also vital to recognise that every market is different; we cannot just blanket all as emerging markets. Each market is unique and the need to work within each to find highly relevant solutions is crucial, whether offering mobile devices with flashlights and extended battery life in regions where electricity is scarce, or using durable materials for harsh climates and remote conditions.

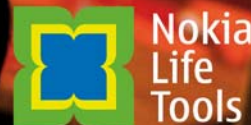
Beyond voice

Research by Nokia Research Centre in Africa reveals that almost all micro-entrepreneurs – those with up to five employees – believe that the mobile phone is the lifeline of their businesses. Micro-entrepreneurs use mobile phones heavily for work purposes. They play a key role in securing business deals by making people accessible and improving productivity, simply by the fact that they can use the phone to communicate with others. Whilst voice and text messaging have been the primary use, mobile technology is also being enjoyed in innovative ways that are having a huge impact on local communities.

In Kolhapur, a hub of India's lucrative textile industry, a local textile agent is using mobile technology to increase efficiency and maintain competitive edge. Textile agent Nikhil Gadhia inputs a shopkeeper's order into his phone – three bales of cotton – then presses send.



Mobile Technology Driving Change and Opportunity in Developing Countries



<<< He receives a text message from the manufacturer confirming his order is being processed. This reduces the amount of paperwork and administration and enhances efficiency of the whole order, distribution and sales management process. This easy-to-use software, Nokia Tej, makes communication faster and more reliable.

There is a real appetite in the developing world for these kinds of tailored services. Quick and easy to use, Nokia Life Tools is a range of agriculture and education services that inform and empower people in small towns and rural areas in emerging markets, by simply delivering a text message (SMS) to their mobile phone.

Nokia Life Tools Agriculture services keep farmers up to date with the latest information and help them to make informed decisions by sending details on seeds, fertilizers, market prices and the weather, all customised to each farmer's location.

In the state of Maharashtra in India, local bank clerk Mahesh and his family are using Nokia Life Tools to learn English. It will help him to do his job better will also benefit his children's education. In a country where 38% of the population is illiterate, education aids like this clearly have a contribution to make.

It is not just education and agricultural tools that are having an impact. In emerging countries, email on the phone is providing consumers with a digital identity for the first time. For example, unlike most other email services, Ovi Mail enables an account to be created, managed and used directly on a Nokia device without the need for a PC. Ovi Mail is quickly establishing itself as the email account for the developing world and India, Indonesia, Mexico, Russia and South Africa are in the top five countries for Ovi Mail subscribers.

There is also a huge opportunity for mobile financial services in countries where consumers do not have a bank account and mobile phone ownership exceeds bank account usage. Financial services, such as the recently announced Nokia Money, are being designed to encompass all of the consumer needs without the requirement of having an existing bank account: sending money to family and friends and paying bills whenever and wherever they are. Providing quick and easy access from a mobile device, mobile money is well placed to bring financial services within reach of billions of people across the developing world.

Looking ahead in developing countries

But what next for the emerging markets and what can businesses learn? Some mobile banking services are better developed in African countries than in the advanced markets like the U.S. With the adoption of mobile phone before fixed lines in developing countries, we are likely to see more of this technology leapfrogging. Evidence suggests that the internet on mobile devices will be the next big trend, but factors such as cost will play a role in its adoption.

Mobiles will change the world, more quickly, more deeply and more profoundly than any other innovation. Countries traditionally described as 'emerging' now represent half of the world's economy. Businesses and consumers should look to these markets for insights and inspiration into the opportunities which mobile technology can provide. The chance to make a difference to people's lives is huge and many of these emerging markets are leading the charge for innovation.