Significant shifts in South Africa, Africa's mobile patterns

By Issa Sikiti da Silva

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A global study conducted by TNS Research Surveys shows that South Africans' unconditional love for handsets - more than content as it is in developed markets - is beginning to change and will even shift faster as bandwidth improves, and as cheaper smartphones appear on the market - probably from China.

The findings of the study, released yesterday, 20 April 2011, in Johannesburg, also show a slight decline in sub-Saharan Africa in the importance of handset brands in favour of network brands and content and applications.

"We live in exponential times when we are experiencing a profound shift in utility. Generally as markets mature, content and applications along with operating systems, gain relevance," Matthew Froggatt, TNS Global chief development officer, said, speaking at the Wanderers Club in Illovo.

Emerging markets leapfrogged developed markets

Emerging markets, including SA and Africa, have leapfrogged the developed market in terms of mobile usage in the absence of alternatives, London-based Froggatt pointed out.

The survey shows that 63% of Indian online users, 23% in China and 56% in SA only started using the internet five years ago, compared to the US (5%) and UK (11%). SA's 31% of urban mobile users currently access the internet via their mobile, while 41% connect to their social networks daily, up from 37% in 2010.

The growth of digital in Africa shows that this continent is in a different league more than anywhere in the world, Andisa Ntsubane, Standard Bank head of global sponsorships, said.

Africa makes up of only 5.6% of global online users. This is only a small piece of pie but the growth is phenomenal, Ntsubane said.

"In emerging markets, technology is new and transformational," Froggatt said, adding that growing utility puts consumers in a driving seat and is driving high engagement, even ahead of high usage.

Algeria has the highest number of mobile subscriptions in Africa (92.7%), followed by SA (92.2%), Gabon (89%), Tunisia (83%), Mauritius (81.4%), Botswana (77%), Nigeria and Morocco (72.2%), Mauritania (65.1%), and Egypt, Cote d'Ivoire and Congo Republic with 50% each, and Ghana (49%), according to a Standard Bank's latest mobile survey.

"For Africans, mobile is more than a communication tool. It is also being used for education, health, agriculture, banking and community purposes," Ntsubane, who recently returned from Ghana, said.

High consumption and high involvement in emerging markets

TNS said there is low involvement in the developed markets, where the internet is functional and helps consumers to be productive. Emerging markets, however, are experiencing a high consumption and high involvement, as consumers feel the internet is helping them achieve their goals.

The TNS study also found that in countries such as SA, Morocco, Saudi Arabia, United Arab Emirates, Mexico, Brazil, Argentine, China, Indonesia, and Chile, people own fewer items of technology, and their mobile device compensates for this.

Consequently, the study said the use of features such as MP3 players is higher in these countries (60%) compared with developed countries (47%). The same applies to instant messaging (37% vs 24%) and internet browsing (40% vs 31%). Use of other features is also edging up (video camera - 49% vs 46%; gaming - 55% vs 52%).

"The balance of power is shifting," Froggatt said, amid TNS revelations that content and applications have overtaken network brands in Europe and developed Asia.

"Social networks, which are the fastest-growing area of mobile usage, are increasingly becoming self-contained ecosystems and sort of a launch-pad," Froggatt said, predicting that social networks will be the new operating systems.

Furthermore, TNS said 2011 is often being touted as the year of tablets, as intended ownership rates are around 30% in Asia and Europe but are still low in SA at 8% - very much in line with the rest of sub-Saharan Africa.

The future is digital - and the future of digital is mobile. Especially in emerging markets, Froggatt concluded.

ABOUT ISSA SIKITI DA SILVA

Issa Sikiti da Silva is a winner of the 2010 SADC Media Awards (print category). He freelances for various media outlets, local and foreign, and has travelled extensively across Africa. His work has been published both in French and English. He used to contribute to Bizcommunity.com as a senior news writer.

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