

Africa is world's second most connected region by mobile subscriptions

LONDON, UK: Africa has become the second most connected region in the world in terms of mobile subscription count, up from fourth place at the end of 2010, according to new research by Informa Telecoms & Media, and the number of mobile subscriptions in Africa is expected to reach one billion in 2016.



There were over 616 million* mobile subscriptions in Africa at the end of September, which means that the mobile market on the continent is second only to Asia-Pacific in terms of mobile subscription numbers.

Africa's mobile-subscription count overtook that of Western Europe during 2Q11 and then overtook the Americas in 3Q11. At end-2010, less than a year ago, Africa was only the fourth largest regional mobile market by subscriptions, coming after Asia-Pacific, Western Europe and the Americas.

"The combination in Africa of a still relatively immature telecoms market with factors including population growth, strong competition among providers and the increasing affordability of mobile devices, explains Africa's move up the regional mobile-market rankings as well as its strong growth forecast," said Matthew Reed, head of mobile research for the Middle East and Africa at Informa Telecoms & Media.

"Africa's mobile market is heading towards a major landmark: the number of mobile subscriptions on the continent will cross the one billion mark in 2016 according to our latest forecast."

The continent will retain its position

Africa will retain its position as the second biggest regional mobile market by subscriptions, according to Informa's forecasts for the coming five years. However, there is a strong trend for Africa mobile subscribers to have multiple SIM cards and consequently the number of unique users of mobile services on the continent is smaller than the number of subscriptions. The number of unique users in Africa at end-2016 is forecast to be 572.35 million.

Nigeria will continue to be Africa's biggest mobile market by subscriptions, with a forecast of 152.09 million subscriptions at end-2016. Egypt will hold onto its position as Africa's second-biggest mobile market, with a forecast of 118.03 million subscriptions at end-2016. South Africa, the continent's third largest mobile market, will have 80.56 million mobile subscriptions at end-2016.

Africa is forecast to have a mobile penetration rate of 86.92% at end-2016, still lower than in other regions.

3G (WCDMA) subscriptions and market share in Africa will grow strongly over the coming years. The mobile-market-share held by WCDMA is forecast to rise from 6.6% at end-2011 to 46% at end-2016, almost equalling GSM's market-share of 47.5% at end-2016.

Retention of customers gains in importance

As the African market matures, the retention of existing customers is becoming increasingly important. A recent survey by Informa Telecoms & Media into the views of African operators on customer loyalty found that 21.8% of respondents ranked customer retention as their main priority while 18.2% said it was customer acquisition, and 60% said that customer retention and customer acquisition were equally important.

Informa's Analysts will be discussing this and other hot topics at the Africa Com event in Cape Town next week. For more information go to <http://africa.comworldseries.com/>

About AfricaCom

AfricaCom is Africa's largest communications conference & exhibition. Now in its 14th year, this trailblazing event gathers together 5000 senior decision-makers from the telecoms, media and ICT industries. This year a record 150+ speakers will share their vision of Africa's future communications landscape and the agenda has expanded to incorporate 2 brand new events - AfricaCast and Enterprise ICT Africa - which will attract new audiences from the broadcast and business sectors respectively.

**Note: Figures include some estimates.*

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