

Demand-side stimulation

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Old thinking

- In 2002, when designing e Sri Lanka, we understood need for demand-side stimulation
 - In those pre-mobile-centric times, we envisaged that stimulation had to focus on the financially constrained
 - Information that people would need → e government
 - Access → subsidized telecenters
 - Money for access → vouchers given to 15-25 years olds through schools

New challenges

- Information that people would need
 - Facebook? (no government intervention needed)
- Access
 - Cheap smartphones (no government intervention needed, except perhaps to reduce taxes)
- Money for access
 - Budget telecom network model reduces prices for all

How do you get content & apps that are attractive to Sri Lankans

- Web content in local languages/of local relevance
- Most people will access the Internet through wirelessly connected devices
 - Apps become relevant
- How to encourage more, better content services and apps

Revenue sources

- In-app advertisements
- Pay per download of content or app
- In-app purchases
- Upgrading free apps to more feature-rich ones for a fee (freemium), and
- Subscriptions

Payment facility

- Premium SMS
 - Ideal because it reaches all mobile subscribers regardless of phone type
 - However, challenging because MNO revenue shares can be very high
 - Nevertheless, rates are negotiable and MNOs are beginning to realize that high revenue shares are slowing market growth
 - Increasing smartphone penetration and mobile money adoption are rapidly creating alternative payment facilities, outside MNO control
- Airtime transfers
- Mobile money
- Bank-based payments such as electronic transfers and checks, or debit and credit cards

Distribution channels

- Availability of an app is dependent on its distribution network
 - Through app stores
 - Mobile operators—e.g., through unstructured supplementary service data (USSD) services
 - Through local distribution networks

Incubators & hubs

- E.g., what Ooredoo is doing in Myanmar
 - Big bar camps to identify potential innovators/entrepreneurs
 - Selected entrepreneurs are provided work locations where they can interact with each other
 - Provided mentoring so they can develop products & most importantly viable business plans
 - Provided guidance by experienced entrepreneurs
 - Possibly matchmaking with angel investors?

Which ones work?

- Or all?
- Any that have been missed?

References

- http://www.infodev.org/infodev-files/mobile_apps_at_the_base_of_the_pyramid_summary_report.pdf
- <http://lirneasia.net/wp-content/uploads/2015/03/Promoting-Local-Content-Hosting-to-Develop-the-Internet-Ecosystem.pdf>