

Author's comments

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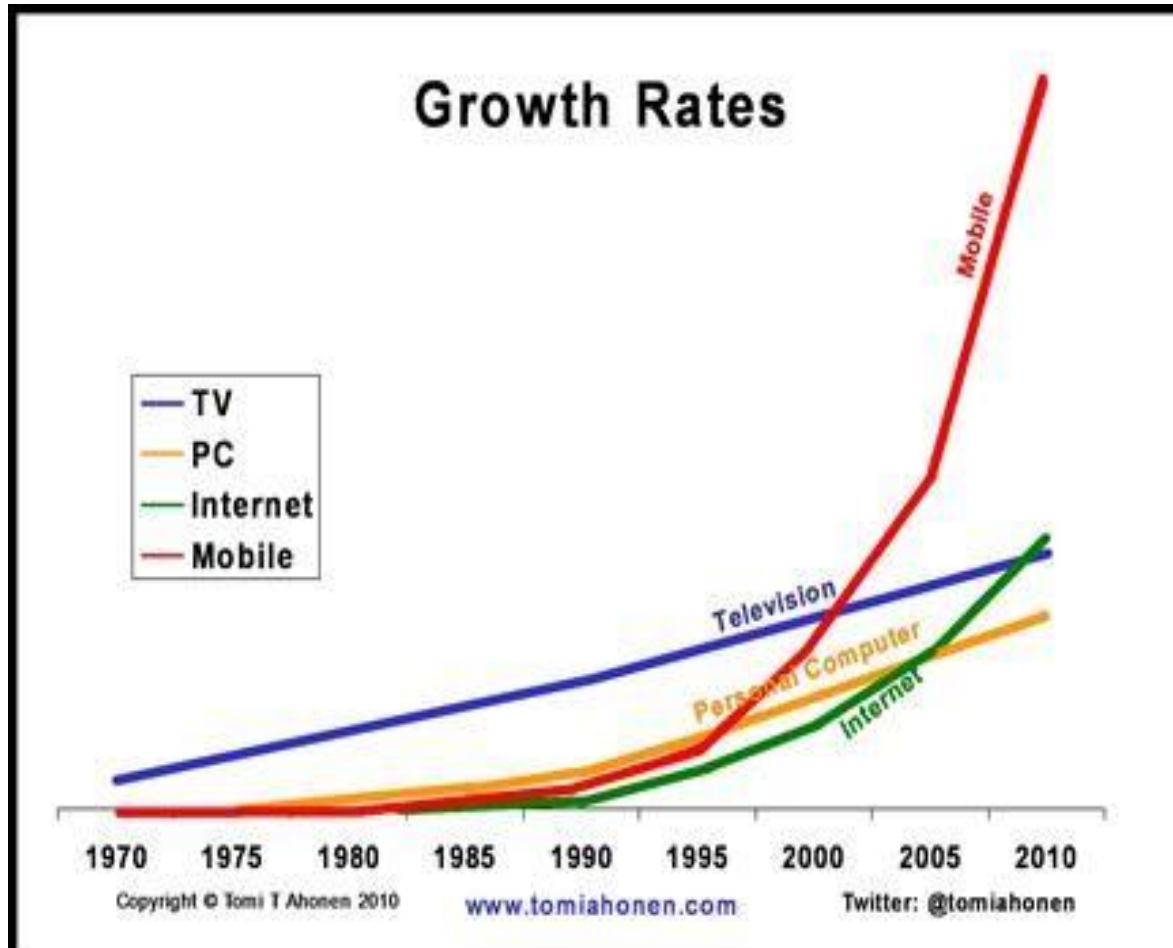
Book Launch, Yangon, 25 July 2014



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Mobile: Fastest adoption



Present at “creation”

- Was regulator in Sri Lanka 15 years ago, when first prepaid tariff was approved
- Was responsible for policy changes that ended international monopoly and released 3G frequencies 12 years ago, just before growth in developing Asia took off
- LIRNEasia has been studying what the poor have been doing with mobiles from 2004

The book & our main contribution

- Tells the stories
 - Not just from LIRNEasia's research
 - But also from IDRC funded research in Africa and Latin America
- Our main contribution was in explaining how this massive growth occurred in poor countries where a few years back experts thought mobile was a luxury

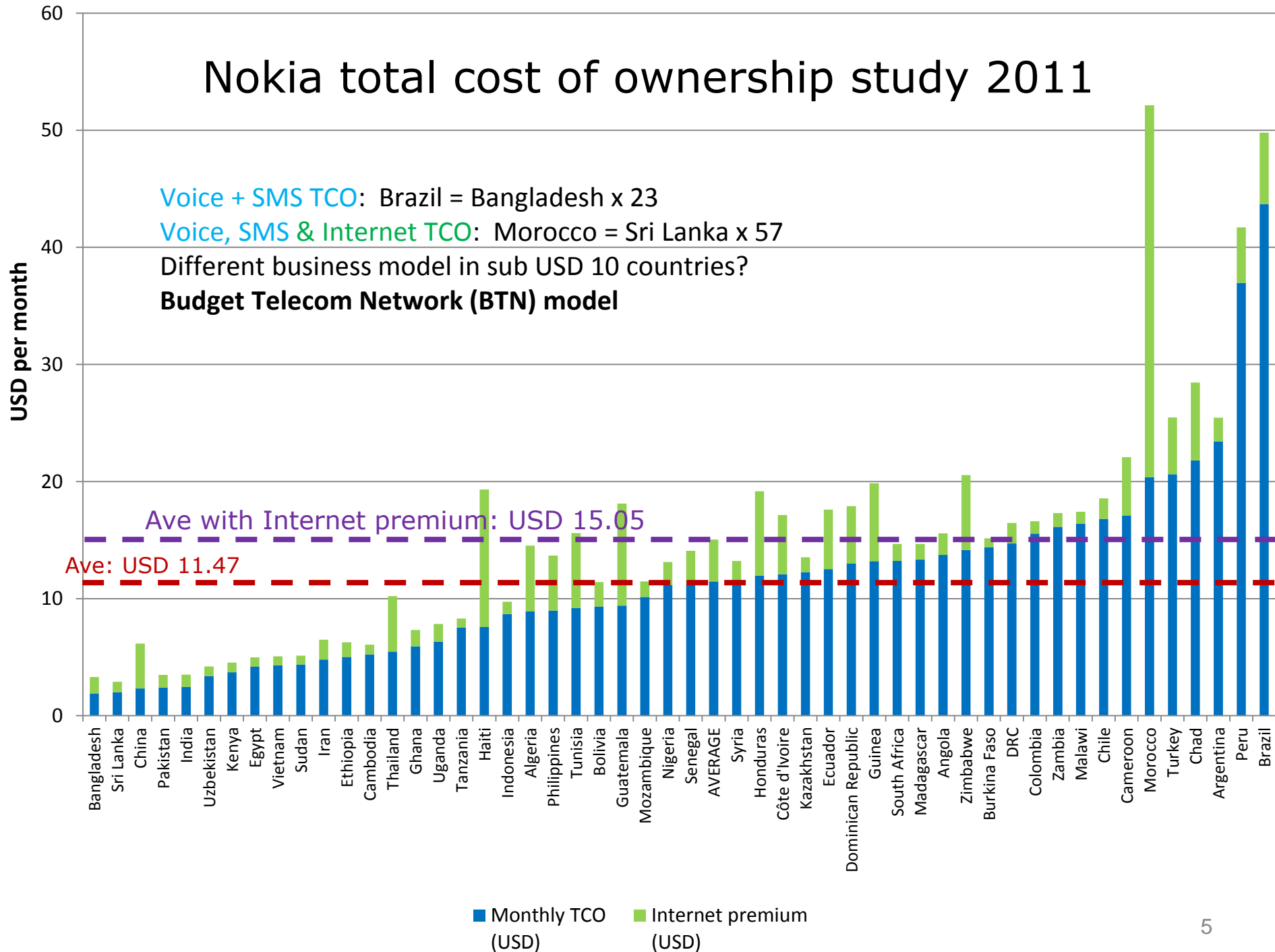
Nokia total cost of ownership study 2011

Voice + SMS TCO: Brazil = Bangladesh x 23

Voice, SMS & Internet TCO: Morocco = Sri Lanka x 57

Different business model in sub USD 10 countries?

Budget Telecom Network (BTN) model



How were this many poor people connected so quickly?

- “Budget Telecom Network Model” that allowed South Asian telcos since 2005-06 to make excellent (if highly volatile) returns by serving “long-tail” markets of poor people by
 - Dramatically reducing transaction costs primarily through prepaid
 - Allowing poor people to pay for services when they need it and when they have money (as opposed to fixed monthly payments)
 - Controlling operating expenses through business-process innovation
 - Focusing on revenue-yielding minutes rather than ARPUs
- Akin to Budget Airline Model that allows Air Asia to make profits while conventional airlines flounder
- Downsides
 - Patchy quality of service for consumers
 - Volatile returns; increased risks for suppliers